Metro

600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

Metro

Minutes

Tuesday, April 9, 2024

10:30 AM

Metro Regional Center, Council Chamber, https://zoom.us/j/615079992 Webinar ID: 615 079 992 or 888-475-4499 (toll free) https://www.youtube.com/watch?v=-yuNc9Qjq3A

Council work session

This meeting will be held electronically and in person at the Metro Regional Center Council Chamber.
You can join the meeting on your computer or other device by using this link: https://www.youtube.com/watch?v=-yuNc9Qjq3A

10:30 Call to Order and Roll Call

Council President Peterson called the Work Session to order at 10:30.

Present: 7 - Councilor Gerritt Rosenthal, Councilor Mary Nolan, Juan Carlos Gonzalez, Duncan Hwang, Christine Lewis, Lynn Peterson, and Ashton Simpson

10:35 Work Session Topics:

10:35 2024 Urban Growth Management: Preliminary Growth Capacity Estimates

Attachments: Staff Report

Council President Peterson introduced Eryn Kehe, Ted Reid, and Clint Chiavarini to present on the topic.

Staff pulled up the 2024 Urban Growth Management: Preliminary Growth Capacity Estimates PowerPoint to present to Council.

Presenters described the preliminary capacity results for the urban growth boundary decision process, emphasizing the importance of understanding the methodology used and the differences from past efforts, with specific focus on residential capacity including vacant and partially vacant land, redevelopment potential, and new urban areas, highlighting the need to consider market factors, uncertainties, and regional scale implications in the decision-making process.
Transitioning to broader considerations, the presenters elaborated on aspects pertinent to urban growth boundary decisions and the overarching issue of affordable housing. They highlighted the imperative of integrating stakeholder perspectives into the decision-making framework, noting

key topics from roundtable discussions such as developmental timeline challenges and equitable data utilization. Additionally, they addressed the imperative of demonstrating housing readiness to secure state funding, underscoring the multifaceted nature of addressing housing deficits and the intricate balance between supply and demand. Concluding, the presenters delved into the complexities of predicting housing gaps, emphasizing data-driven strategies and the necessity for comprehensive planning that extends beyond boundary decisions to encompass broader policy considerations.

Council Discussion

Councilor Hwang inquired about the impact of new construction technology in these models, and presenters responded that they have not specifically included that, but they could lead to lower construction costs which would increase the potential growth numbers.

Councilor Lewis asked about challenges with vacant land in Damascus, and presenters explained that those areas were not included in these estimates because of the infrastructure issues there. They noted that West Haden Island also has similar infrastructure issues that were not included.

Councilor Rosenthal wanted to know how these capacity estimates will relate to the population growth estimates, and presenters explained that this relationship would be discussed in the next presentation in June.

Councilor Nolan wondered how policy changes may affect these numbers, like future affordable housing bonds. Presenters explained that it will not affect the numbers because they are just about capacity.

Council President Peterson asked Carrie MacLaren to clarify some of the legal basis of the topics discussed, and she did.

Council President Peterson suggested that the other Councilors create a list of questions and the presenters can include them in their schedule in order to make sure they all get answered throughout the process where they are most appropriate.

11:20 Chief Operating Officer Communication

Marissa Madrigal provided an update on the following events or items:
Madrigal noted that the budget process begins on Thursday and described the difference between a budget note and a budget amendment.

11:25 Councilor Communication

Councilors provided updates on the following meetings and events:

- Councilor Simpson updated the council on the Nexus roundtable he attended and what they discussed. He also noted that he broke ground last week on the Terracina Vista affordable housing development in Gresham.
- Councilor Rosenthal reported an economic development visit in Sherwood last week, where industrial land expansion was discussed.
- Councilor Lewis reported on the Clackamas County committee meeting on housing transportation last week. She also noted a Clackamas County retreat that Councilors are invited to join.

11:30 Adjourn

There being no further business, Council President Peterson adjourned the Metro Work Session at 12:05 p.m.

Respectfully submitted,

Sam Hart, Legislative Assistant

Council work session agenda

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10:30 Call to Order and Roll Call

10:35 Work Session Topics:

10:35 2024 Urban Growth Management: Preliminary Growth Capacity Estimates 24-6037

Presenter(s): Eryn Kehe, Metro
Ted Reid, Metro
Clint Chiavarini, Metro
Becky Hewitt, ECONorthwest

Attachments: Staff Report

11:20 Chief Operating Officer Communication

11:25 Councilor Communication

11:30 Adjourn

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែកាសនៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

2024 Urban Growth Management:
Preliminary Growth Capacity Estimates
Presentation

Metro Council Work Session
Tuesday, April 9, 2024

2024 URBAN GROWTH MANAGEMENT:
PRELIMINARY GROWTH CAPACITY ESTIMATES

Date: March 19, 2024
Department: Planning, Development, and Research
Meeting Date: April 9, 2024

Prepared by: Ted Reid, Principal Regional Planner ted.reid@oregonmetro.gov
Presenter(s): Clint Chiavarini (he, him); Becky Hewitt: ECONorthwest (she, her); Eryn Kehe (she, her); Ted Reid (he, him);
Length: 45 minutes

ISSUE STATEMENT

The region's urban growth boundary (UGB) delineates urban and rural uses and is a tool for ensuring thoughtful and efficient growth patterns. The Metro Council is required by state law to – at least every six years – determine whether the UGB has adequate land for expected housing and job growth. The Metro Council last made this determination in December 2018 and is scheduled to do so again by the end of 2024. The Metro Council has directed staff to proceed with an approved work program and requested periodic updates.

A central aspect of the work program is estimating how much room the current UGB has for housing and employment growth. To complete this analysis staff must determine the growth capacity of vacant and partially vacant lands as well as lands that may be used for redevelopment and infill.

Because this work involves, not just inventorying land, but also forecasting how lands may get developed in the future, there is a degree of uncertainty. Staff seeks to provide the Metro Council with the best available information through several means:

- Reviewing methodologies and results with local jurisdictions and subject area experts
- Seeking to understand the trends and market factors that may influence future development
- Recognizing sensitivity to assumptions and expressing capacity results as a range

At the April work session, Metro staff will summarize and answer questions regarding:

- How the UGB capacity analysis informs the Metro Council's growth management decision
- Methods for estimating UGB capacity
- Preliminary UGB capacity estimates for housing
- Sources of uncertainty in estimating housing capacity
- Next steps for local review

ACTION REQUESTED

Update the Council on implementation of the work program for the 2024 urban growth management decision, focusing on the preliminary residential capacity analysis.

IDENTIFIED POLICY OUTCOMES
State law and regional policies lay out an intention to make efficient use of land inside the UGB and to only expand the UGB is there is a demonstrable regional need to accommodate expected housing or job growth. The Metro Council makes this growth management decision for the region after significant engagement. To ensure that areas added to the UGB are ready for growth, it is the Metro Council's policy to only expand the UGB in urban reserves that have been concept planned by a city or a county. Metro provides grant funding for local jurisdictions to complete concept planning.

POLICY QUESTION(S)
- Does the Council have any questions for staff about preliminary UGB capacity estimates?

POLICY OPTIONS FOR COUNCIL TO CONSIDER
The Council may provide staff with direction on:
- Advice that would be useful from MPAC or CORE
- Updates that the Council would like to have going forward

STAFF RECOMMENDATIONS
- Staff recommends proceeding with the work program

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION
Regional urban growth management decisions have long been one of the Metro Council's core responsibilities. The Metro UGB – first adopted in 1979 – is one of Metro's tools for achieving the 2040 Growth Concept's vision for compact growth, thereby protecting farms and forests outside the UGB and focusing public and private investment in existing communities. These are all key to reducing greenhouse gas emissions and expanding housing options.

The UGB is just one policy tool, however, and must be accompanied by other policies, partnerships, and investments to make good on the 2040 Growth Concept and to address challenges like housing affordability, displacement, houselessness, and economic development. Often, growth management processes provide a venue for identifying the need for new initiatives.

Metro strives for transparency in its growth management work, which can be challenging given its highly technical aspects. The 2024 decision will provide opportunities for interested parties to inform and understand the many technical and policy aspects of this work. Those opportunities include, not only standing advisory committees, but also groups formed for this decision process such as the UGR Roundtable, the Land Use Technical Advisory Group, the regional forecast expert review panel, and the Youth Cohort.

BACKGROUND
At its March 7, 2023 work session, the Council directed staff to begin implementing the work program for the 2024 urban growth management decision. The Council also directed staff to periodically update the Council on work program implementation, particularly related to engagement activities.

ATTACHMENTS

- Is legislation required for Council action? ☐ Yes ☒ No
- If yes, is draft legislation attached? ☐ Yes ☐ No
- What other materials are you presenting today?
    - UGM project timeline and tentative committee engagement schedule

Materials following this page were distributed at the meeting.

Urban growth management update: Preliminary capacity results

Council Work Session
April 9, 2024

Project timeline

Technical work and analysis: Developing the urban growth report	City expansion proposals	Metro Council decision
• Buildable land inventory (BLI) • Regional forecast • Capacity analysis • Employment trends and site characteristics • Housing needs analysis • Residential readiness analyses • Draft urban growth report (UGR)	• Letters of interest • Expansion proposals *2040 planning and development grants available*	• Consider Metro staff and advisory group recommendations • Public hearings • Policy direction • Final decision

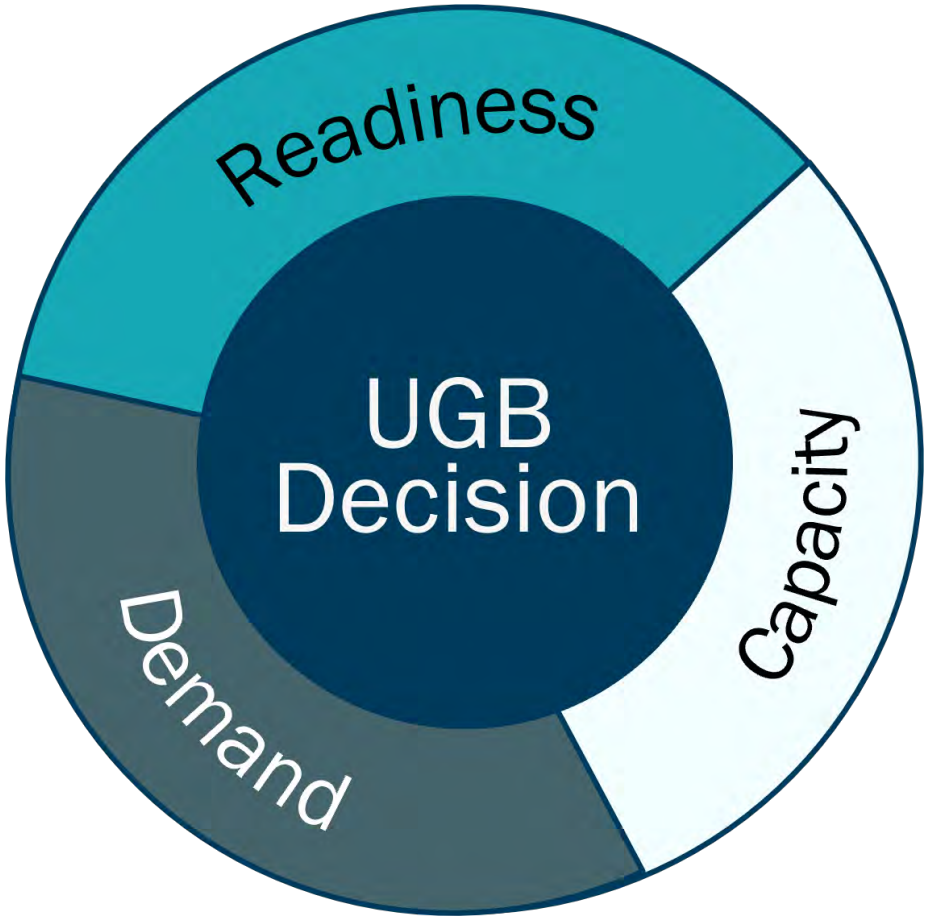


Engagement

- MTAC
- MPAC
- CORE
- Land Use Technical Advisory Group
- Jurisdictional outreach
- Urban growth report roundtable
- Youth cohort
- Interest group presentations

A decision support tool

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council.



Some things to keep in mind about the capacity analysis

- Volatility of market factors
- Analysis on a regional scale
- Results presented as a range
- These results are preliminary and will undergo local review for additional refinement

Capacity estimates based on:

- Actual redevelopment that occurred – “backcasting”
- Trends in density and mix of housing types
- Market factors that may impact future development
- 20-year time horizon

Where do we estimate capacity?

Vacant and partially vacant land

Land used for redevelopment and infill

Land in concept planned areas without urban level zoning

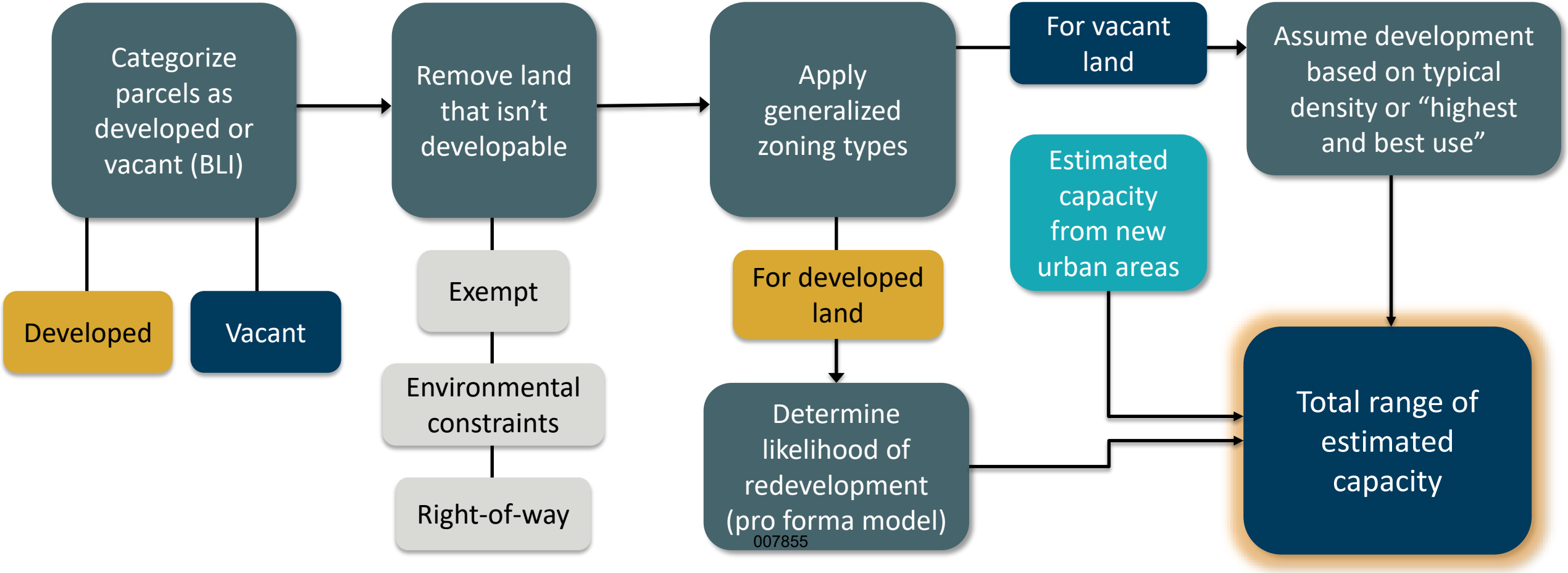






All capacity calculations are done on lands within the existing urban growth boundary and summarized on a <u>regional</u> scale

How do we estimate capacity?



Questions?

Pro forma model variables

How viable is (re)development?

- Rents & sale prices
- Construction costs
- Cap rates* (linked to interest rates)

What are the odds of redevelopment?

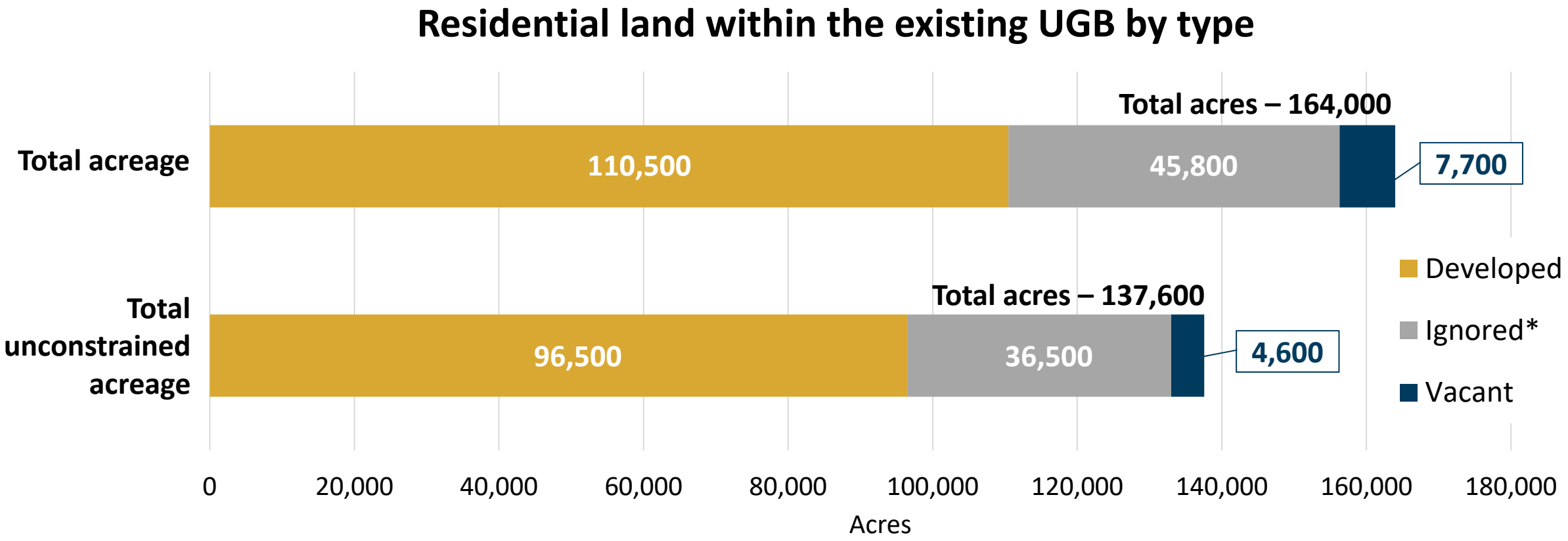
- Redevelopment rate compared to historic trends based on feasibility results

**Cap rate = relationship between the revenue an income-generating property produces and its sale price. Higher cap rate means properties are worth less at the same revenues.*

Notes about the pro forma model

- Used to understand what types of (re)development are most likely to be market feasible
- Only accounts for market rate development
- Does not account for additions or conversions where the original home is preserved
- Does not account for local incentives, policies, or interventions to spark redevelopment in the market

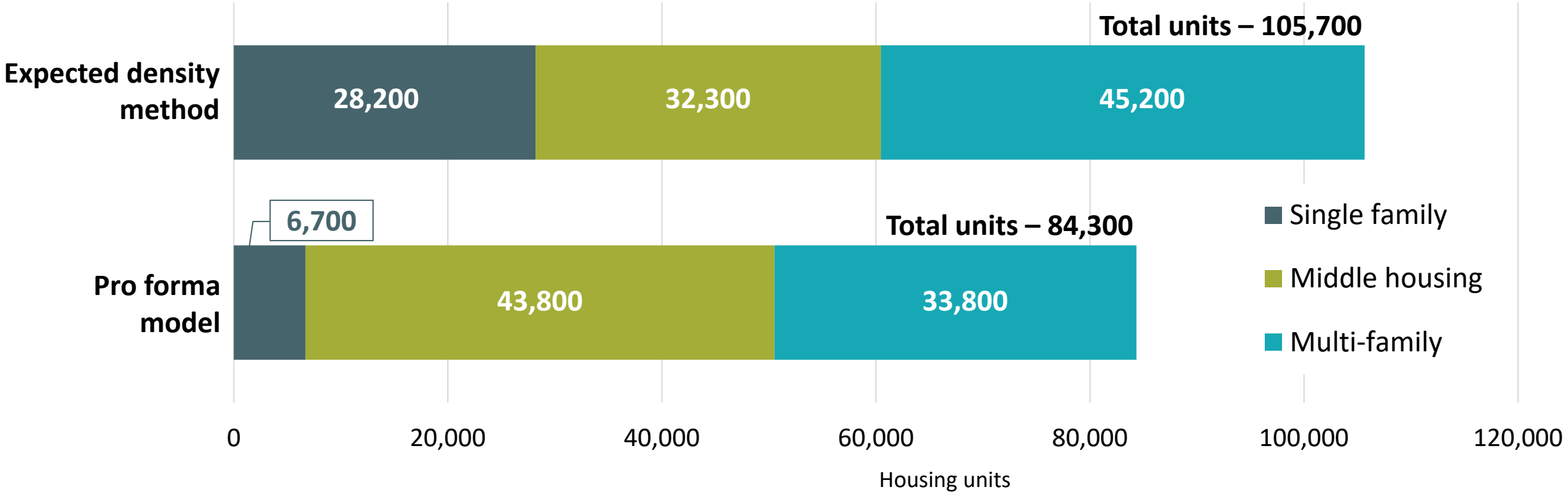
Results of the Buildable Lands Inventory (BLI)



*Ignored taxlots include right-of-way, tax exempt, parks, open space, HOA, golf courses, rail property, schools, and small taxlots under 1000 sq. ft.

**Unconstrained land removes environmental constraints such as flood plains, wetlands, steep slopes, and important habitat

Vacant land – preliminary results

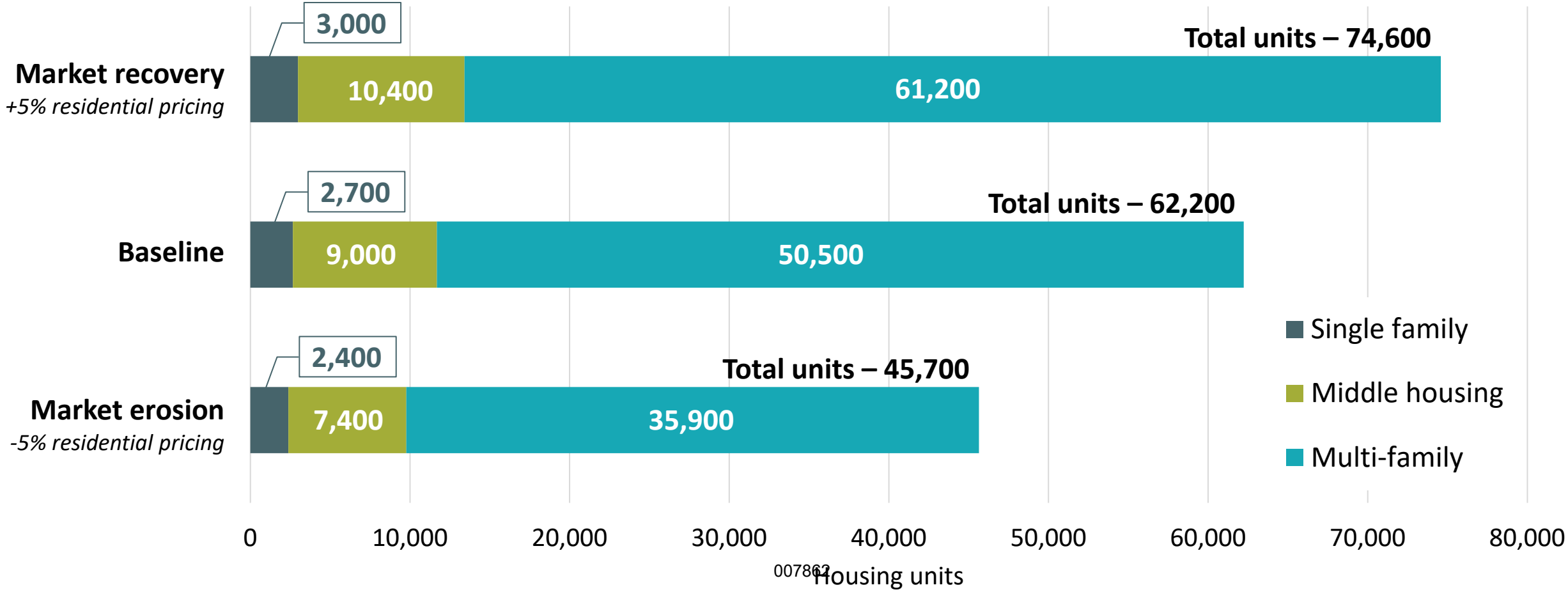


Note: Small lot detached units are counted under the "single family" category rather than middle housing, due to the market response to this housing type

Redevelopment – establishing the “baseline”

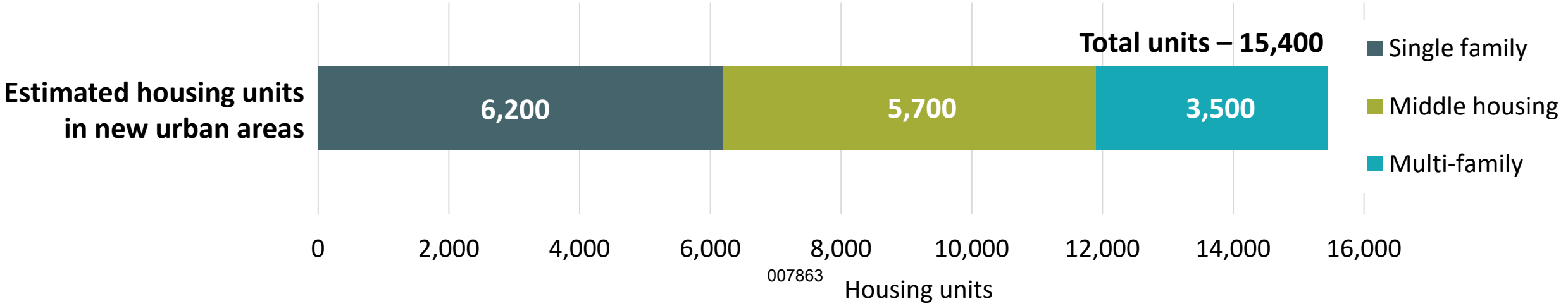
- Market conditions assume modest recovery
  - Interest rates and cap rates come back down somewhat
  - Relationship between rents/prices & construction costs remains similar to today
- Redevelopment rates aligned with trends over last 20 years

Redevelopment – preliminary results



New urban areas

- Areas that have been added to the UGB but have not yet received urban level zoning – Frog Pond, Cooper Mountain, Kingston Terrace, River Terrace 2.0, Clermont Wilsonville
- Capacity based on local concept plan designations



Additional future adjustments to capacity results

Additional capacity

- Office to residential conversion
- ADUs and middle housing conversion

Less capacity

- Second homes and vacation rentals

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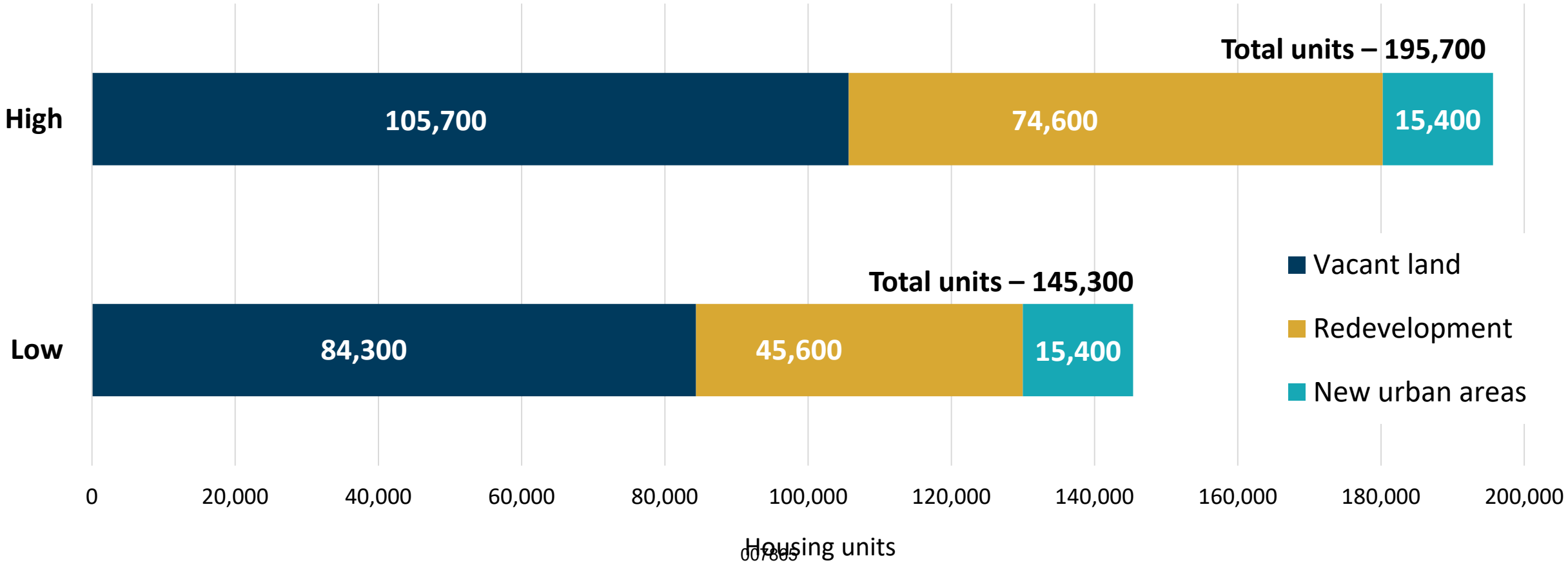






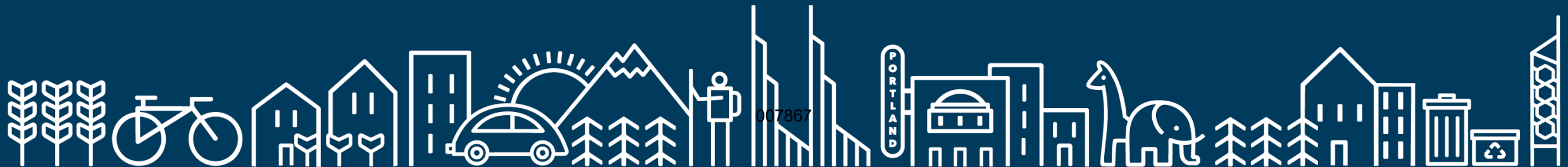


Combined preliminary capacity results



Questions?

oregonmetro.gov



Miriam Hanes

From: Ted Reid
Sent: Friday, April 5, 2024 3:26 PM
To: Dave@oregonvalue.com
Cc: 2040
Subject: RE: Sherwood West

Hi Dave,
You are correct that the City of Sherwood has submitted a proposal for adding the Sherwood West urban reserve to the urban growth boundary. I can't speculate on what the Metro Council's decision will be. Under state law, they can only add land to the UGB if there is a demonstrable regional need for it. We have not yet completed that analysis, which will be released in draft form in late June. Sorry I can't be of more assistance at this time.

Thanks,
Ted

Ted Reid
Principal Regional Planner
Planning, Development and Research Department

Metro | oregonmetro.gov
600 NE Grand AVE
Portland, OR 97232-2736

971-421-4820 (cell)

From: Dave Balfour <Dave@oregonvalue.com>
Sent: Thursday, April 4, 2024 4:13 PM
To: 2040 <2040@oregonmetro.gov>
Subject: [External sender]Sherwood West

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

Good afternoon,

I am working with the City of Sherwood and Clean Water Services on some land valuations in the Sherwood West expansion area.

It is my understanding that Sherwood is submitting to Metro the Sherwood West concept plan (attached) to Metro in a request for UGB expansion this year (2024).

I am hoping to report in my appraisal the likelihood or probability of Metro expanding UGB. I understand nothing is definitive, but I also want to know if there is a strong chance that the UGB expansion could be denied.

Thanks for your time. Feel free to call.

Dave

David E. Balfour, MAI
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METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes
March 27, 2024

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon	City of Gresham, Second Largest City in Multnomah County
Sherry French	Special Districts in Clackamas County
Mark Shull	Clackamas County
Tim Rosener	Other Cities in Washington County
Pam Treece (Chair)	Washington County
Mary Nolan	Metro Council
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Kirstin Greene	Oregon Department of Land Conservation and Development
Denyse McGriff	Largest City in Clackamas County
Omar Qutub	Citizen of Multnomah County
Luis Nava	Citizen of Washington County
Gerritt Rosenthal	Metro Council
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Allison Tivnon	City of Beaverton
Duncan Hwang	Metro Council

MEMBERS EXCUSED	AFFILIATION
Ted Wheeler	City of Portland
Randy Lauer	City of Troutdale, Other Cities in Multnomah County
Ty Stober	City of Vancouver
Sharon Meieran	Multnomah County
Carmen Rubio	City of Portland
Emerald Bouge	Port of Portland
Gordon Hovies	Special Districts in Washington County
Glen Yung	Clark County
Terri Preeg Riggsby	Special Districts in Multnomah County
Ed Gronke	Citizen of Clackamas County
Steve Callaway	Largest City in Washington County
Thomas Kim	TriMet

ALTERNATES PRESENT	AFFILIATION
Anthony Martin	Largest City in Washington County
Rebecca Stavenjord	Other Cities in Clackamas County
James Duggan	Special Districts in Washington County

OTHERS PRESENT: Theresa Cherniak, Jan Frutiger Tysoe, Jean Senechal Biggs, Tracey Lam, Todd Borkowitz, J Stasny, Medha Pulla, Jerry Johnson

STAFF: Connor Ayers, Georgia Langer, Val Galstad, Eryn Kehe, Ted Reid, Andy Shaw, Catherine Ciarlo, Marissa Grass, Nick Christensen, Roger Alfred, Eduardo Ramos, Marissa Madrigal, Laura Combs

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Chair Pam Treece meeting to order at 5:03 PM.

Metro staff Connor Ayers (he/they) called the role.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

Chair Pam Treece read aloud the instructions for providing public testimony.

No members of the public provided testimony.

Seeing no further discussion, Chair Pam Treece moved onto the next agenda item.

3. COUNCIL UPDATES

Chair Pam Treece called on COO Marissa Madrigal to share an update on the Housing Stakeholder Advisory Table.

COO Marisa Madrigal expressed gratitude for the opportunity to address the audience, commending their dedication to improving the region. She highlighted the success of the 2018 regional housing bond, which aimed to create affordable homes and promote racial equity. COO Madrigal shared that there are over 4500 homes in production or planned, noting that the bond is surpassing its goals and providing secure housing for vulnerable residents. COO Madrigal acknowledged that the housing crisis persists, necessitating further action. She outlined Metro's ongoing efforts to engage stakeholders in determining future funding strategies for affordable housing, including exploring options such as property tax bonds and expanding supportive housing services income tax. COO Madrigal emphasized Metro's commitment to supporting those in need while leveraging resources effectively. She invited continued collaboration in finding the best path forward and offered to provide further information as needed.

MPAC Board Discussion:

Mayor Denise McGriff shared that she would like to see a de-emphasis on apartments. She stated that a lot of lower income people and people of color are becoming generational renters, and they should not continue to put people into apartments when they can make other options available for housing. She added that she hopes that is something that is being considered and thought of.

COO Madrigal responded that if they can identify additional funding, they will be well positioned to include home ownership as part of the package.

Mayor Tim Rosener echoed agreement with Mayor McGriff's emphasis on promoting homeownership. He highlighted the need for a comprehensive approach to addressing homelessness, spanning services from drug addiction support to employment assistance. Mayor Rosener raised the importance of integrating these programs with others within Metro and the wider area to create a cohesive strategy. Mayor Rosener asked if they have looked into how many programs can integrate with other programs so organizations are not operating in silos.

COO Madrigal responded that their counties are doing an incredible job at expanding services. She added that the Council has directed them to apply stability of the existing systems and stated that they need to be intentional about putting all the resources together.

Mayor Rosener added that they should ask what the land use policy is doing to exasperate or solve for these issues.

Mayor Joe Buck asked about the adequacy of funding for supportive housing services, asking how they will gauge what the right amount of funding is to go into services, and how Metro is working to balance these things. He asked if there is an objective way to do this work.

COO Marissa Madrigal emphasized the importance of collaboration and community engagement in determining priorities for addressing housing and service needs. She acknowledged the limitations of resources and the complexity of making decisions about where to allocate them. COO Madrigal highlighted the value of input from county partners who are directly involved in providing services on the ground. She expressed a commitment to an open-minded and inclusive approach, recognizing that solutions will emerge from the collective wisdom of the community. COO Madrigal underscored the significance of ongoing discussions and collaboration in finding the most effective strategies for meeting the region's needs.

Chair Treece requested that COO Madrigal come back to MPAC meetings regularly to provide updates on this.

COO Madrigal responded that she would be happy to do that.

Mayor McGriff shared that the city submitted a direct funding package for homeless services so that the funding goes directly to the cities. She asked why the funding formula for the bond

cannot be changed to allow for direct funding to the cities. Mayor McGriff shared that they know how to manage city money, and that should be strongly considered.

COO Madrigal responded that they have a desire to have funding and flexibility for cities to provide services.

With no further discussion on the topic, Chair Treece called on Councilor Mary Nolan to share Council updates.

Councilor Mary Nolan shared that they have gone through a review of their solid waste fees which is most specifically focusing on the tip fee and the regional system fee. Councilor Nolan shared that two of their MPAC members serve on that task force and that they are focusing on regionwide equity, including geographic, income, and service provider equity. Councilor Nolan outlined key recommendations from the task force, emphasizing the importance of region-wide equity in setting fees to balance interests among service providers. They shared news about the upcoming opening of applications for Metro Parks and Nature's Community Vision grants program, funded under the 2019 Parks and Nature Bond measure. Councilor Nolan added that $10 Million is available. Councilor Nolan also mentioned recruitment for the Natural Areas Oversight Committee, seeking individuals with expertise in advancing racial equity and relevant areas.

Seeing no further discussion, Chair Pam Treece moved onto the next agenda item.

4. COMMITTEE MEMBER COMMUNICATIONS

There being no committee member communications, Chair Pam Treece moved onto the next agenda item.

5. CONSENT AGENDA

Chair Pam Treece skipped the Consent agenda due to lack of quorum.

6. INFORMATION/ DISCUSSION ITEMS

6.1 2024 State Legislative Recap (5:15PM)

Chair Pam Treece introduced Andy Shaw and Catherine Ciarlo to present on the topic.

There was no PowerPoint.

Presentation Summary:
Andy Shaw provided an overview of Senate Bill 1537, the governor's housing production legislation, and its context. He explained that the bill aimed to address concerns raised during

the 2023 session and underwent revisions based on feedback from stakeholders. He noted that elements such as wetlands development and local tree codes were excluded from the current bill but may be revisited in future sessions. Shaw detailed provisions regarding urban growth boundary (UGB) expansions, with cities in the Metro area requiring approval from Metro for expansions up to 100 acres. He shared that outside the Metro area, cities can expand up to 100 acres without Metro approval. The bill also established a state housing accountability and production office and allocated funds for housing planning, infrastructure, and moderate-income housing initiatives.

MPAC Member Discussion:

Councilor Brett Sherman asked what the need is for a requirement to have an additional housing production board. He asked how different jurisdictions are responding.

Andy Shaw responded that many of the policy changes that have come about in the last few legislative sessions have been led by Tina Kotek as speaker originally and now governor, but others have led these as well. Shaw added that some efforts by the State to get more housing production have included changing local zoning laws and the Oregon Housing Needs Analysis process have been altered to not just forecast what is needed through land use but also looking back at what the ongoing gap is from an affordability view. Shaw added that those efforts mentioned are new requirements for local governments. He shared that it looks to be an effort to bring technical resources and oversight and help cities that are struggling.

Councilor Brett Sherman thanked Shaw for the insight.

Kirstin Greene shared that there is a job opening in the Housing Accountability and Production office.

There being no further discussion, Chair Pat Treece moved onto the next agenda item.

6.2 Urban Growth Management: Job and Population, Forecast Discussion Continuation

Chair Pat Treece introduced Ted Reid and Eryn Kehe to present on the topic.

Staff pulled up the UGM: Job and Population Forecast Discussion Continuation PowerPoint.

Presentation Summary:

Presenters shared the project timeline, sharing that they are currently working on the housing needs analysis. They shared their decision support tool and recapped the regional forecast. They shared that they expect the population to grow, but at a slower pace. They forecasted gains for professional and business services, education and health, retail, and construction.

They shared that as manufacturing declines nationally, the region is holding steady. Presenters shared the MSA employment outlook, and a sector-specific forecast. They also shared data regarding the Oregon Office of Economics Analysis Computer and Electronics products forecast. They shared that the data has limitations, and that they compare the data and seek peer review.

MPAC Member Discussion:

Mayor Tim Rosener noted that because they will be seeing slowing population growth, they will also see slowing job growth. He asked how they will address slowing job growth.

Ted Reid shared that the forecast is intended to share how the trends will play out, rather than model how the public and private sector interventions will play out in the future.

Eryn Kehe shared that their projections of in-migration are based on an average of the last 20 years of in-migration into the Metro area. She noted that assumes that it will go up and down year to year, and they are assuming a similar situation as they have seen in the past.

Councilor Brett Sherman questioned whether Oregon, based on a 20-year average for migration, is emerging from a slow period and potentially entering an upward trend cyclically. Councilor Sherman speculated on factors such as the decline of the timber industry and technology companies moving to cheaper states, wondering if these have influenced past trends. He expressed hope that future projections may be underestimating Oregon's potential for growth.

Kehe responded that they have seen booms in the last 20 years and that they are not assuming a downturn will occur.

Councilor Anthony Martin asked about the interrelation between forecast and government intervention. He shared that this will be part of government intervention because it will tie into potential UGB expansion. He shared that they have seen a consistent trend over the past decade a very high housing growth. He noted that these decisions will impact future growth, and asked if housing affordability is one of the reasons that they have factored in for the reduction of net migration.

Reid shared that the analysis does impact the recommendation on whether to add an area to their boundary. He shared that for housing affordability, they know there is a lot of uncertainty around future migration, and they see potential for downside instead of upside. He shared that the relative unaffordability in the region is something that could lead to slower migration.

Mayor Rosener expressed concern about forecasts that rely on the status quo, particularly regarding manufacturing and industrial land. He highlighted the potential for growth if larger,

shovel-ready sites were available for advanced manufacturers. Mayor Rosener questioned whether any modeling has been done to assess the impact of adding such land on future growth beyond what is currently within the urban growth boundary.

Reid responded that they are only looking at the trends going forward. He noted that they are looking at not only demand, but supply, so Mayor Rosener is correct that part of the urban growth report will be comparing those two things. He shared that the regional forecast, however, does not pay attention to whether there is adequate land, noting that it is just sharing the trends that they foresee going forward.

Mayor Rosener clarified if this is about the status quo, not about what would happen if they did certain things to change the status quo.

Kehe responded that in-migration for the future is anticipated to be similar to the average of the last 20 years but noted that that does not necessarily mean that the whole analysis is the status quo, as they are seeing a large change in birth and death rates. Kehe noted that they have also seen an increase in jobs and population overtime.

Mayor Rosener asked how they can be more aggressive in becoming an attractive place for people to live.

Kehe responded that the data and information is helpful for the Urban Growth decision, but it also sparks a lot of thinking about how they can plan for the future and what other things are needed for creating a future that they want to see.

6.3 Urban Growth Management: Preliminary UGB Capacity Estimates Needs

Chair Pat Treece introduced Ted Reid, Jerry Johnson, Eryn Kehe, and Clint Chiavarini to present on the topic.

Presentation Summary:
Presenters shared that the capacity estimates are based on actual redevelopment that occurred, trends in density and mix of housing types, market factors that may impact future development, and a 20-year time horizon. They shared that there are three types of capacity: vacant land and partially vacant land, land used for development and infill, and land in concept planning areas without urban level zoning. They shared how they estimate capacity, and the pro forma model variables. Presenters discussed the results of the buildable lands inventory (BLI) and the preliminary results for vacant land. They shared redevelopment rates and the preliminary results of redevelopment. Presenters discussed additional future adjustments to the capacity results, including office to residential conversion and ADUs and middle housing conversation which would provide additional capacity.

MPAC Board Discussion:

Councilor Gerritt Rosenthal asked if there are other areas other than Damascus that have been excluded due to lack of capacity, or if Damascus is the only one.

Reid shared that Damascus is the big one that has been excluded because of its known government challenges. He added that West Hayden Island is another one that is excluded because it was not annexed by the City of Portland, and the City of Portland has requested that they do not put that in the analysis.

Mayor Rosener requested more detail on their density assumptions, noting that 18 houses per acre feels very high. He shared that in Sherwood, developers only want to build single family detached homes.

Jerry Johnson shared that it is a combination of density and that while there is a preference for single family, many developers are building middle housing because that is where they can hit the price point that they need to. He added that the calculated density is a mix of the prototypes that are picked. He shared that they will be providing them with information to follow up.

Mayor Rosener shared that in Sherwood they have a three-story limit, so 18 houses per acre will be apartments. He shared that receiving additional information on the density would be very helpful.

Councilor Rosenthal asked if the results of the low and high estimates are based on the unconstrained land availability. He also questioned how granular the analysis is such that it applies for sub regional differences.

Johnson shared that the granularity of the model is extremely high, explaining that for residential, they use a pricing gradient that calculates and assumes achievable rent and sales price at the parcel level based on sales data. He shared that it does a pretty good job at looking at the jurisdictions that have relatively low rent or higher price points. He shared that if there is an imbalanced price effect, the marker will respond to that with a price signal, but they are not assuming a supply restraint at this time.

Councilor Nolan shared that they discussed last year with MPAC a land exchange that the Metro Council approved in preference to an actual expansion when they responded to the city of Tigard. Councilor Nolan noted that Tigard's average residential development density was over 20 and shared that they should consider that data point.

Councilor Anthony Martin shared that he would like to see this data before they get to the

meeting in the future. He also noted that it is hard to provide input and requested that backup information arrive prior to the meeting.

Chair Pam Treece shared that they will bring that request back to the committee coordinating meeting.

Councilor Brett Sherman asked if the window of these units is in a 20-year time range. He also asked how it related to the governors housing bill.

Reid responded that the Governor's goal is 36,000 additional homes per year, and this goal is addressing the historic underproduction of homes. He added that this is not a 20-year goal, but rather about immediate needs. Reid also responded to Councilor Martin's request, stating that he will provide more materials in advance. Reid shared that they usually hold these meetings right when the data becomes available, which sometimes makes that difficult.

Mayor Joe Buck asked if the housing needs will mirror the individual needs of the community throughout the region.

Reid shared that they are tasked with assessing housing needs at the regional scale and that there will be things that look familiar at the local level, but because they do this at the regional scale, it will look different for smaller jurisdictions.

Mayor Joe Buck asked what they call the differences of those needs.

Reid shared that they informally call it the gap in capacity.

Mayor Tim Rosener thanked the staff for their presentation.

Councilor Rosenthal noted that the tri-county group has agreed that they need more housing, and likely it will need to be apartment or cluster housing. He asked if the model is assuming that those could be accommodated on some of those other parcels that were otherwise excluded.

Johnson discussed the challenges associated with subsidized housing, noting that subsidies typically offset reductions in rents or pricing rather than leading to higher land values. He observed that low-income housing developers, despite receiving substantial subsidies for tax credit projects, found that these primarily balanced out lower rent rates rather than enabling them to afford higher land prices. Johnson explained that developers essentially had to compete with the market for land prices, which didn't necessarily change the required land price they had to pay. He also highlighted the potential for intervention by a jurisdiction or other entity to acquire or designate sites solely for such uses, which could add net new capacity by making sites unavailable for the market to pursue. Johnson pointed out that if the market

could pursue these sites, developers have to pay market rates to acquire them. He noted that it should not affect the outcome unless they are releasing new land.

Chair Pam Treece shared that there is good information about job postings in the chat.

Updates from MPAC Members

Kristin Greene asked if the job posting she discussed could be sent to everyone.

7 ADJOURN

Chair Pam Treece adjourned the meeting at 6:45 pm.

Respectfully Submitted,

Georgia Langer

Georgia Langer
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MARCH 27, 2024

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
6.1	Presentation	03/27/2024	Waste Prevention and Environmental Services: Garbage and Recycling System Facilities Plan Update Presentation	032724m-01
6.2	Presentation	03/27/2024	2024 Urban Growth Management Decision: Draft Regional Population, Household, and Employment Forecast Presentation	032724m-02

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, March 27, 2024 **5:00 PM** **https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00PM)

Please note: This meeting will be held online. You can join the meeting on your computer or other device by using this link: https://zoom.us/j/95889916633 or by calling +1 669 900 6128 or +1 877 853 5257 (Toll Free).

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2. Public Communication on Agenda Items (5:02PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.

Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov.

Those requesting to comment during the meeting can do so by using the “Raise Hand” feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:05PM)

4. Committee Member Communication (5:07PM)

5. Consent Agenda (5:10PM)

5.1 Consideration of the January 24, 2024 MPAC Minutes 24-6022

Attachments: 012424 MPAC Minutes

5.2 Consideration of the February 28, 2024 MPAC Minutes COM 24-0787

Attachments: 022824 MPAC Minutes

5.3 Metro Technical Advisory Committee (MTAC) Nominations for Member/Alternate Member Positions — COM 24-0773

Attachments: MPAC Worksheet
MTAC Nominations Memo
MTAC Member List, as of February 9, 2024

6. Information/Discussion Items (5:15PM)

6.1 2024 State Legislative Recap (5:15PM) — COM 24-0781

Presenter(s): Jenna Jones (she/her), Metro

Attachments: MPAC Worksheet

6.2 UGM: Job and Population Forecast Discussion (5:35PM) — COM 24-0786

Presenter(s): Ted Reid (he/him), Metro

Attachments: MPAC Worksheet

6.3 UGM: Preliminary UGB Capacity Estimates Needs (5:55PM) — COM 24-0782

Presenter(s): Ted Reid, he/him, Metro

Attachments: MPAC Worksheet

7. Adjourn (7:00PM)

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បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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Metro respeta los derechos civiles. Para obtener información sobre el programa de derechos civiles de Metro o para obtener un formulario de reclamo por discriminación, ingrese a www.oregonmetro.gov/civilrights . Si necesita asistencia con el idioma, llame al 503-797-1700 (de 8:00 a. m. a 5:00 p. m. los días de semana) 5 días laborales antes de la asamblea.

Уведомление о недопущении дискриминации от Metro

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Avizul Metro privind nediscriminarea

Metro respectă drepturile civile. Pentru informații cu privire la programul Metro pentru drepturi civile sau pentru a obține un formular de reclamație împotriva discriminării, vizitați www.oregonmetro.gov/civilrights. Dacă aveți nevoie de un interpret de limbă la o ședință publică, sunați la 503-797-1700 (între orele 8 și 5, în timpul zilelor lucrătoare) cu cinci zile lucrătoare înainte de ședință, pentru a putea să vă răspunde în mod favorabil la cerere.

Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib www.oregonmetro.gov/civilrights. Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnub ua hauj lwm ua ntej ntawm lub rooj sib tham.

January 2021

6.2 UGM: Job and Population Forecast Discussion

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, March 27th, 2024

MPAC Worksheet

Agenda Item Title: 2024 urban growth management decision: draft regional population and employment forecast

Presenters: Eryn Kehe (Metro), Ted Reid (Metro)

Contact for this worksheet/presentation: Ted Reid

Purpose/Objective
The purpose of this item is to continue MPAC's engagement in growth management topics so that it is prepared to advise the Metro Council on its regional growth management decision in late 2024.

Under state law, Metro must assess – at least every six years – whether there is a regional need to expand the urban growth boundary (UGB) to ensure adequate room for 20 years of expected housing and job growth. UGB expansions are only allowed if there is a demonstrated regional need for more land.

To assess that demand, Metro begins by forecasting regional population, household, and employment growth. This draft forecast has been reviewed by external economists and demographers. MPAC discussed the draft forecast at its February 28, 2024 meeting and requested a follow-up discussion.

Outcome
MPAC members are aware of the technical analyses and review processes that will inform their recommendation to the Metro Council for the 2024 urban growth management decision. MPAC members can ask questions of Metro staff and discuss the implications of the draft forecast.

What has changed since MPAC last considered this issue/item?
At the February 28, 2024 meeting, Metro staff presented the draft regional population, household, and employment forecast. This analysis and others will be incorporated into a draft 2024 Urban Growth Report (UGR) that will be released in the summer of 2024.

What packet material do you plan to include?
None – presentation available at meeting.

6.3 UGM: Preliminary UGB Capacity Estimates Needs

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, March 27th, 2024

MPAC Worksheet

Agenda Item Title: 2024 urban growth management decision: preliminary growth capacity estimates

Presenters: Becky Hewitt (ECONorthwest); Eryn Kehe (Metro), Ted Reid (Metro)

Contact for this worksheet/presentation: Ted Reid

Purpose/Objective
The purpose of this item is to continue MPAC's engagement in growth management topics so that it is prepared to advise the Metro Council on its regional growth management decision in late 2024.

Under state law, Metro must assess – at least every six years – whether there is a regional need to expand the urban growth boundary (UGB) to ensure adequate room for 20 years of expected housing and job growth. UGB expansions are only allowed if there is a demonstrated regional need for more land.

To assess that demand, Metro begins by forecasting regional population, household, and employment growth. This draft forecast has been reviewed by external economists and demographers. MPAC discussed the draft forecast at its February 28, 2024 meeting.

To assess the growth capacity of the existing UGB, Metro works with cities and counties to inventory buildable land and uses a financial feasibility model to estimate how much housing or job development may occur on already developed lands over the next two decades. MPAC has previously discussed the methods used for estimating growth capacity. At the March 27, 2024 meeting, MPAC will have an opportunity to learn about preliminary estimates of the UGB's residential growth capacity.

Outcome
MPAC members are aware of the technical analyses and review processes that will inform their recommendation to the Metro Council for the 2024 urban growth management decision. MPAC members can ask questions of Metro staff and discuss the implications of the preliminary growth capacity estimates.

What has changed since MPAC last considered this issue/item?
At the February 28, 2024 meeting, Metro staff presented the draft regional population, household, and employment forecast. This analysis and others will be incorporated into a draft 2024 Urban Growth Report (UGR) that will be released in the summer of 2024.

What packet material do you plan to include?
None – presentation available at meeting.

Materials following this page were distributed at the meeting.

Urban growth management update: Preliminary capacity results

MPAC
March 27, 2024

Project timeline

Technical work and analysis: Developing the urban growth report

- Buildable land inventory (BLI)
- Regional forecast
- Capacity analysis
- Employment trends and site characteristics
- Housing needs analysis
- Residential readiness analyses
- Draft urban growth report (UGR)

City expansion proposals

- Letters of interest
- Expansion proposals

2040 planning and development grants available

Metro Council decision

- Consider Metro staff and advisory group recommendations
- Public hearings
- Policy direction
- Final decision

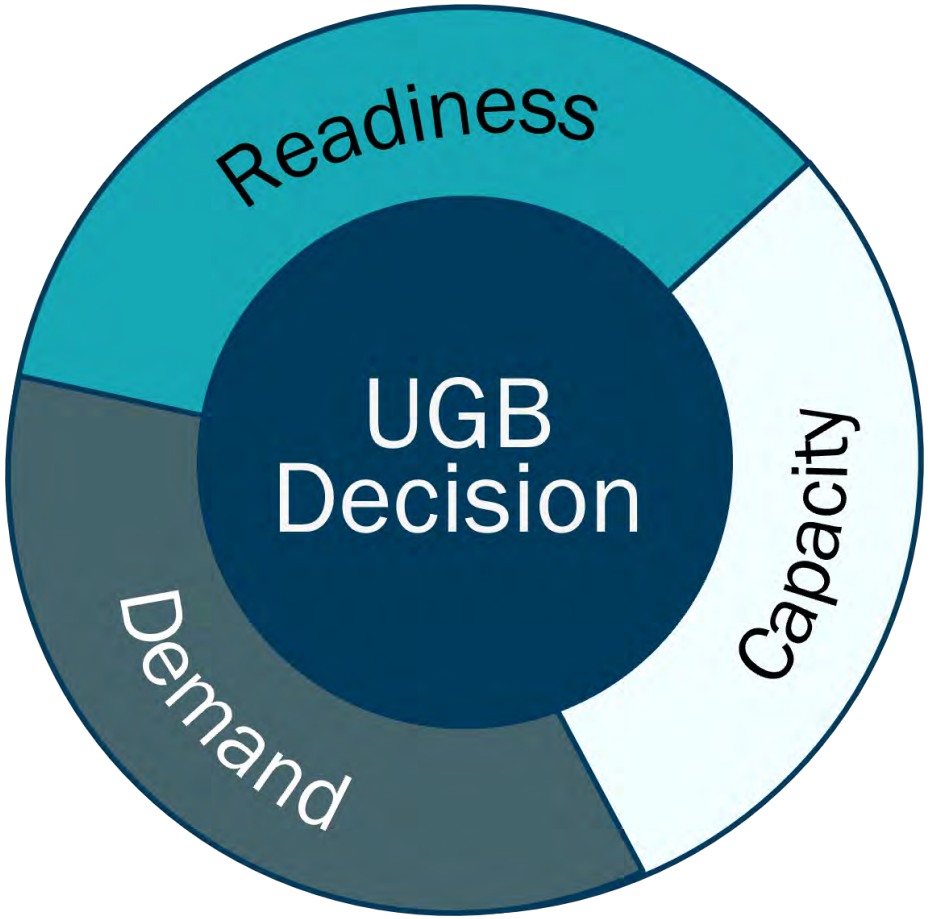


Engagement

- MTAC
- MPAC
- CORE
- Land Use Technical Advisory Group
- Jurisdictional outreach
- Urban growth report roundtable
- Youth cohort
- Interest group presentations

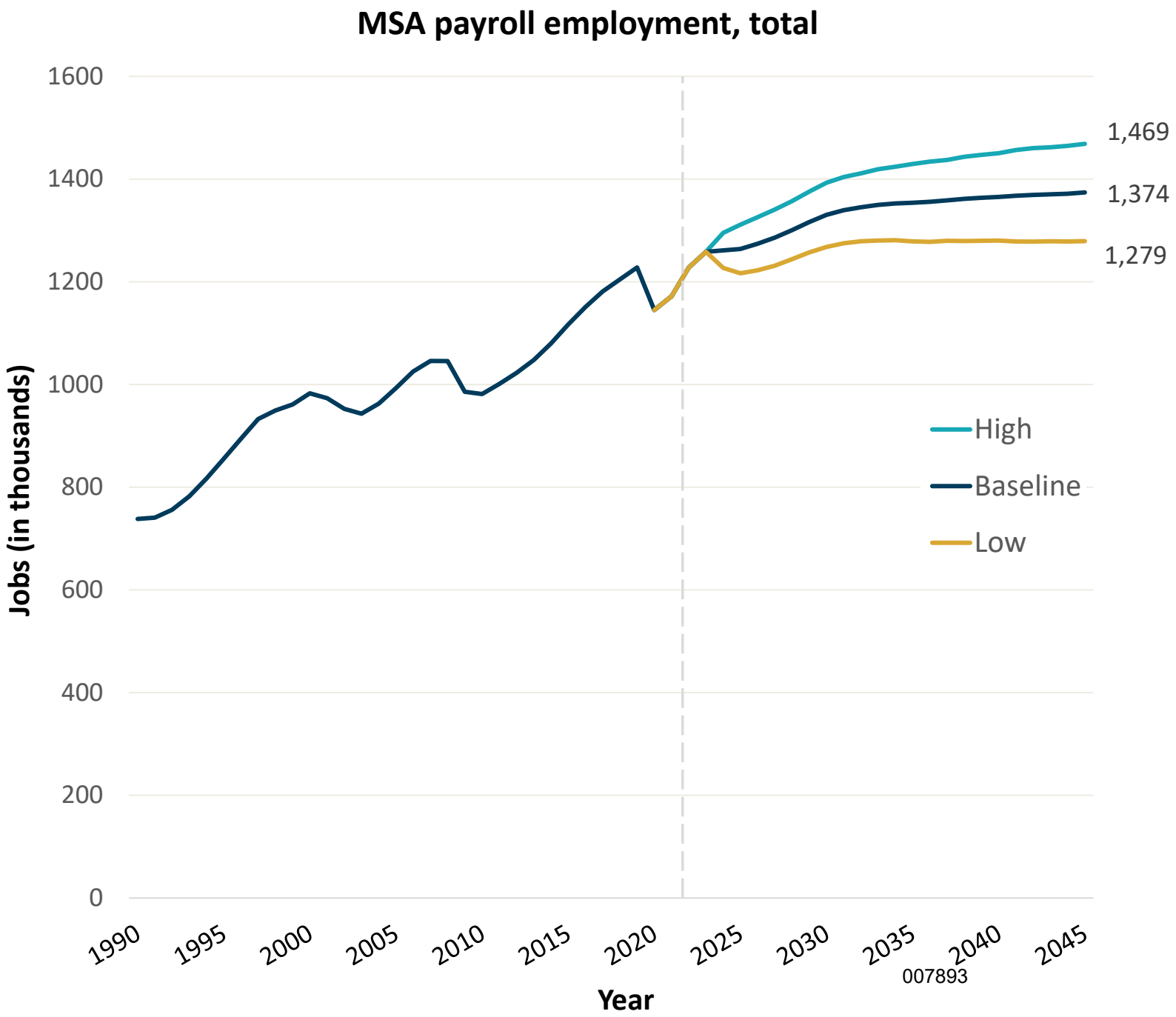
A decision support tool

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council.

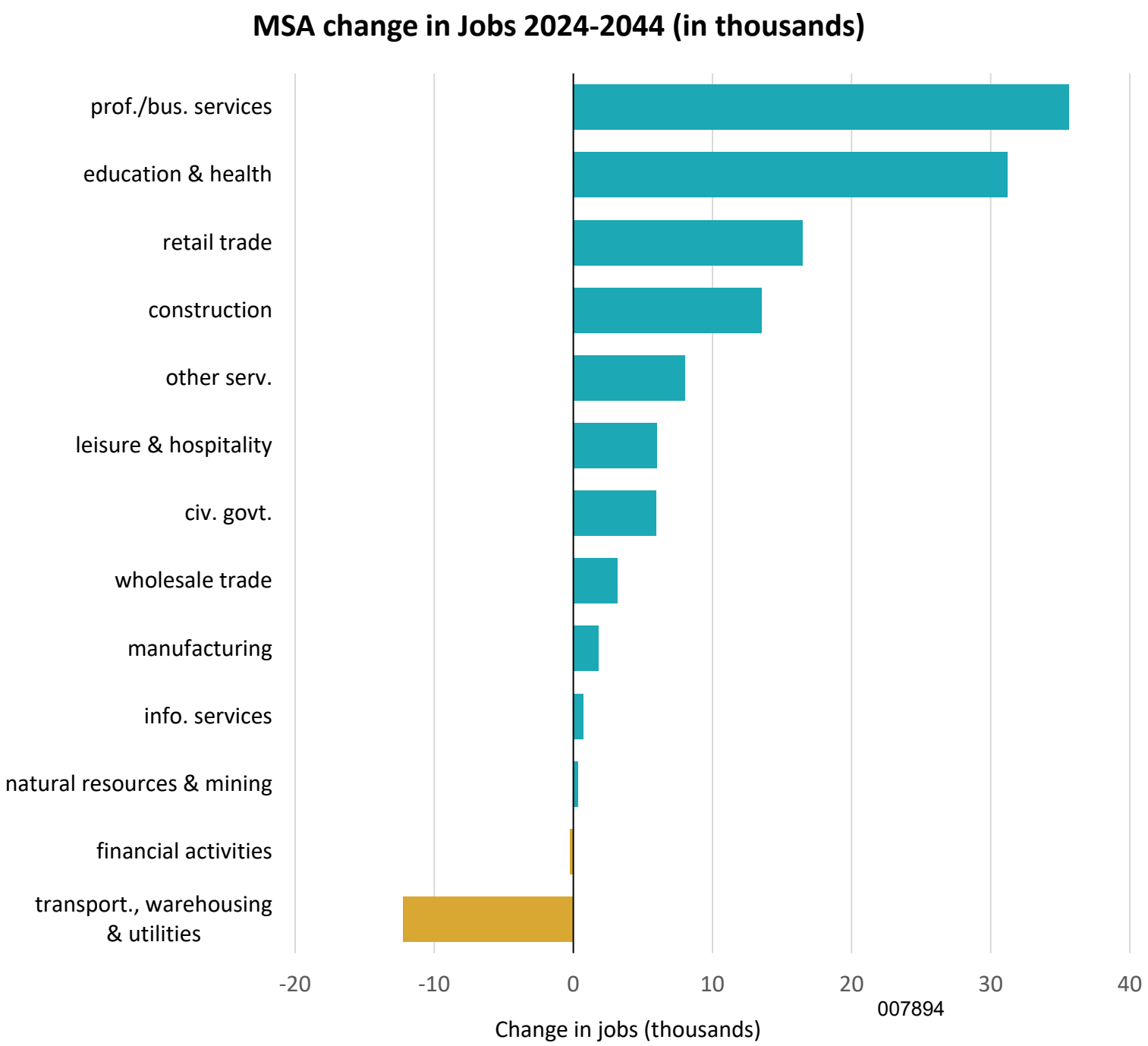


Regional forecast - recap

- We expect population to grow, just at a slower pace
- Gains are forecasted for professional and business services, education and health, retail, and construction.
- As manufacturing declines nationally, our region is holding steady.
- This is a forecast, not a plan.

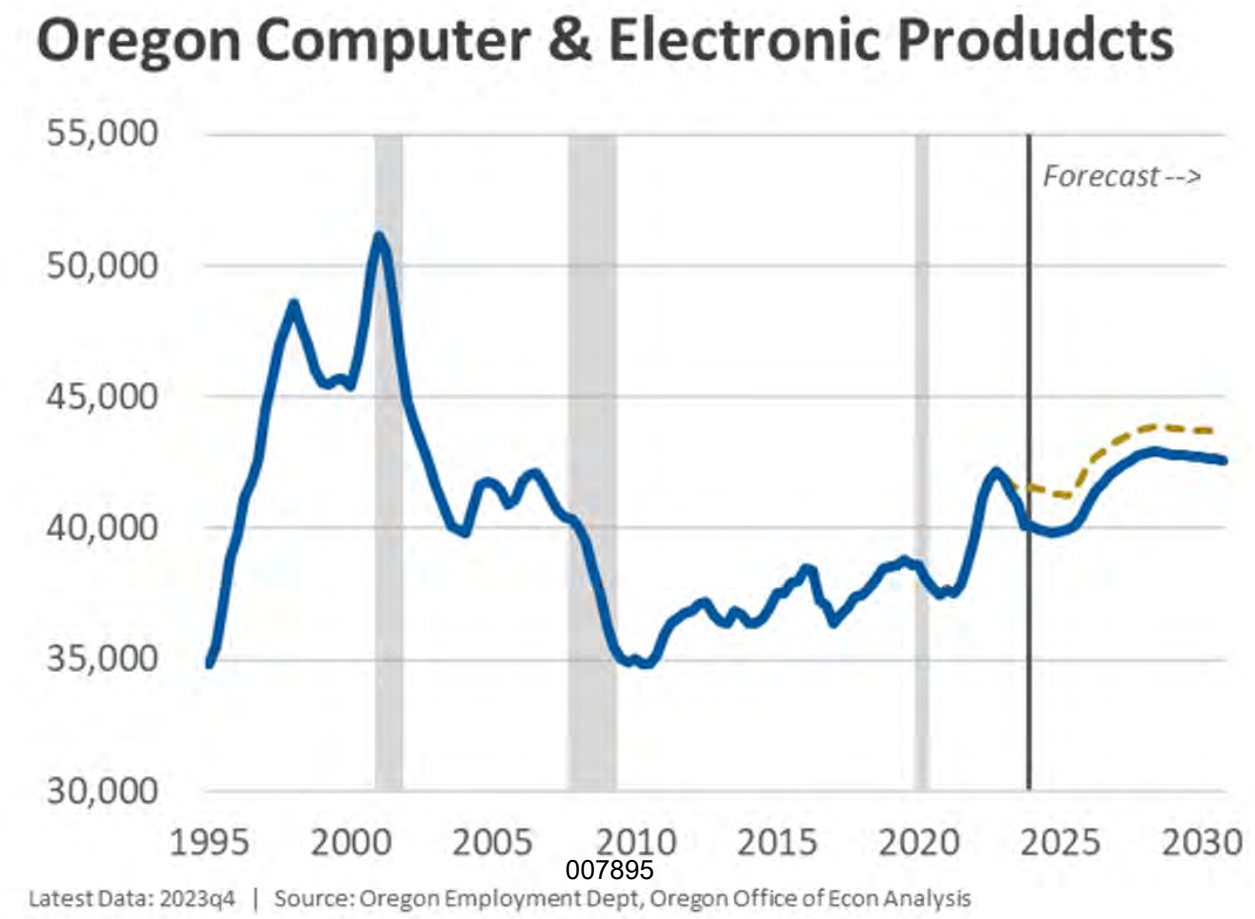


MSA employment outlook



Sector-specific forecast

OR Office of Economic Analysis: CHIPS Act impacts



Regional forecast - recap

- Data have limitations
  - Census data and employment categories miss people and unique kinds of work
  - Anyone who analyzes data brings a perspective
- We compare our data and seek peer review
- Produce a range to acknowledge uncertainty

Regional forecast:
MPAC discussion and questions

Residential capacity analysis – preliminary results

Some things to keep in mind about the capacity analysis

- Volatility of market factors
- Analysis on a regional scale
- Results presented as a range
- These results are preliminary and will undergo local review for additional refinement

Capacity estimates based on:

- Actual redevelopment that occurred – “backcasting”
- Trends in density and mix of housing types
- Market factors that may impact future development
- 20-year time horizon

Where do we estimate capacity?

Vacant and partially vacant land

Land used for redevelopment and infill

Land in concept planned areas without urban level zoning

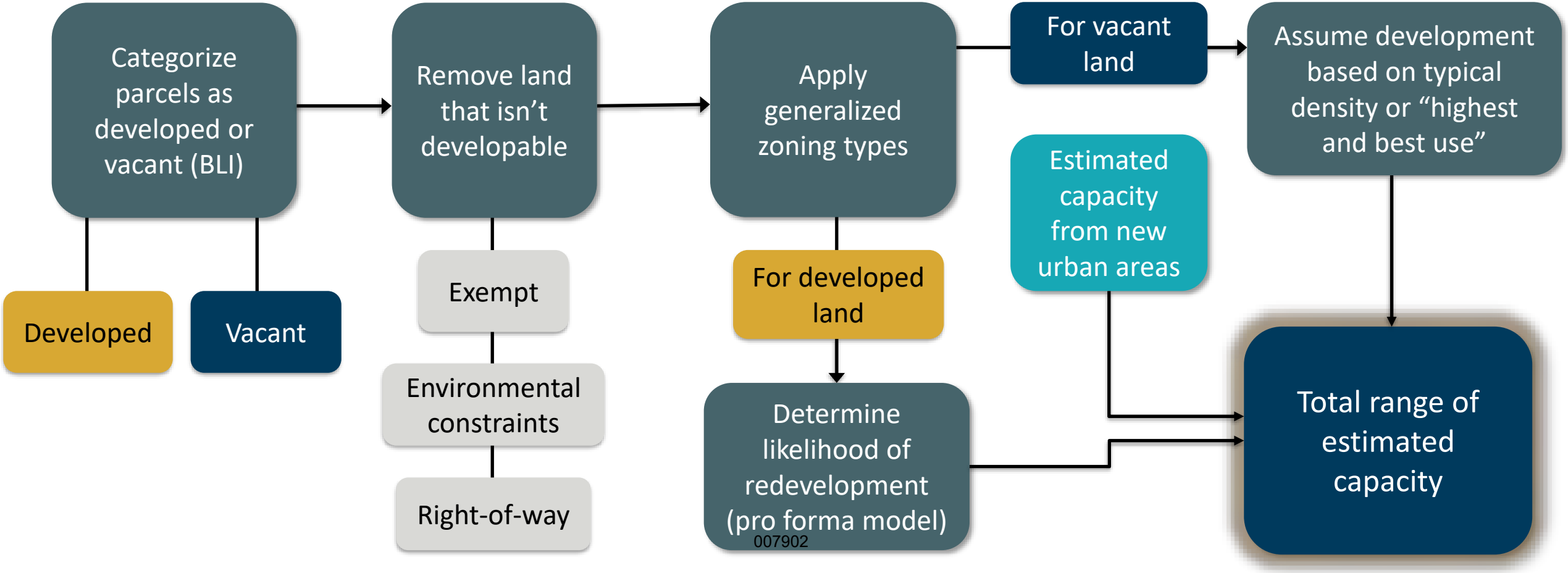






All capacity calculations are done on lands within the existing urban growth boundary and summarized on a <u>regional</u> scale

How do we estimate capacity?



Questions?

Pro forma model variables

How viable is (re)development?

- Rents & sale prices
- Construction costs
- Cap rates* (linked to interest rates)

What are the odds of redevelopment?

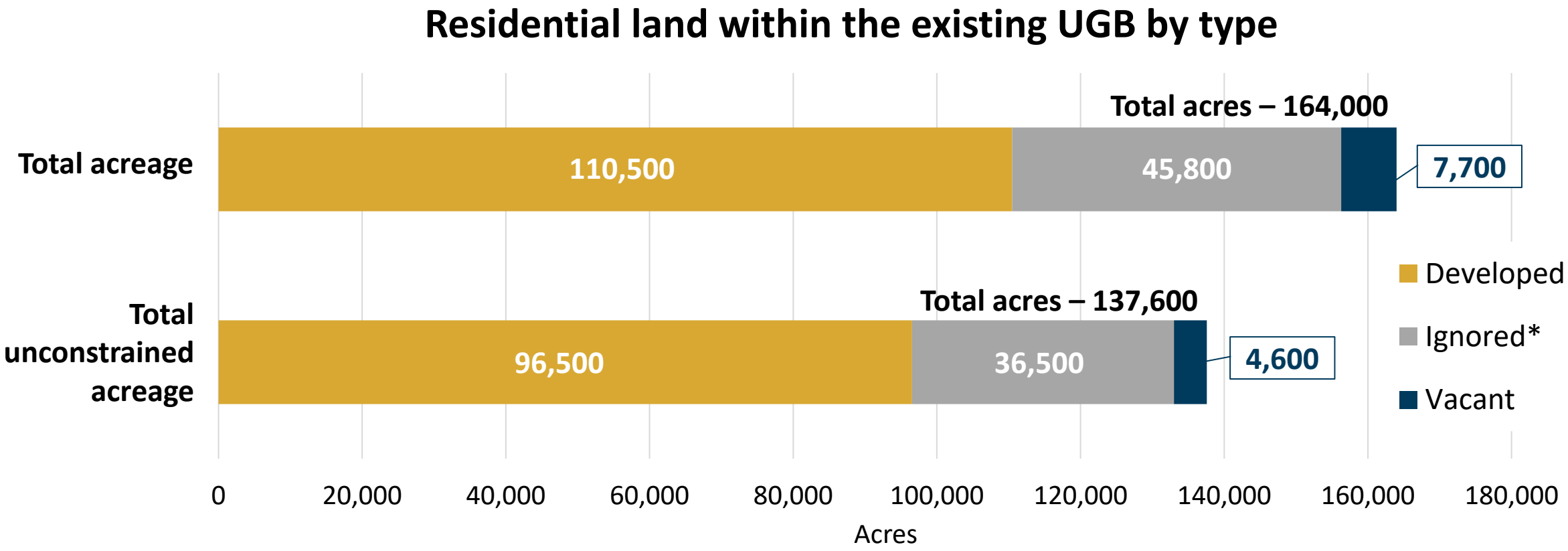
- Redevelopment rate compared to historic trends based on feasibility results

**Cap rate = relationship between the revenue an income-generating property produces and its sale price. Higher cap rate means properties are worth less at the same revenues.*

Notes about the pro forma model

- Used to understand what types of (re)development are most likely to be market feasible
- Only accounts for market rate development
- Does not account for additions or conversions where the original home is preserved
- Does not account for local incentives, policies, or interventions to spark redevelopment in the market

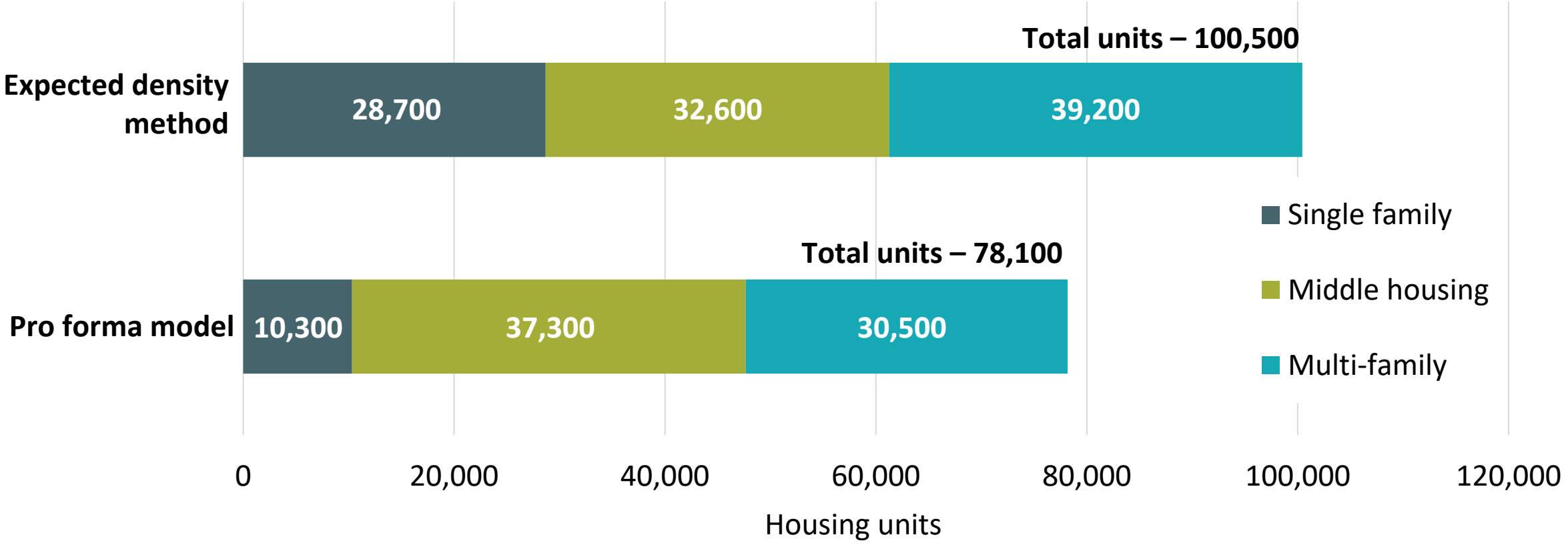
Results of the Buildable Lands Inventory (BLI)



*Ignored taxlots include right-of-way, tax exempt, parks, open space, HOA, golf courses, rail property, schools, and small taxlots under 1000 sq. ft.

**Unconstrained land removes environmental constraints such as flood plains, wetlands, steep slopes, and important habitat

Vacant land – preliminary results

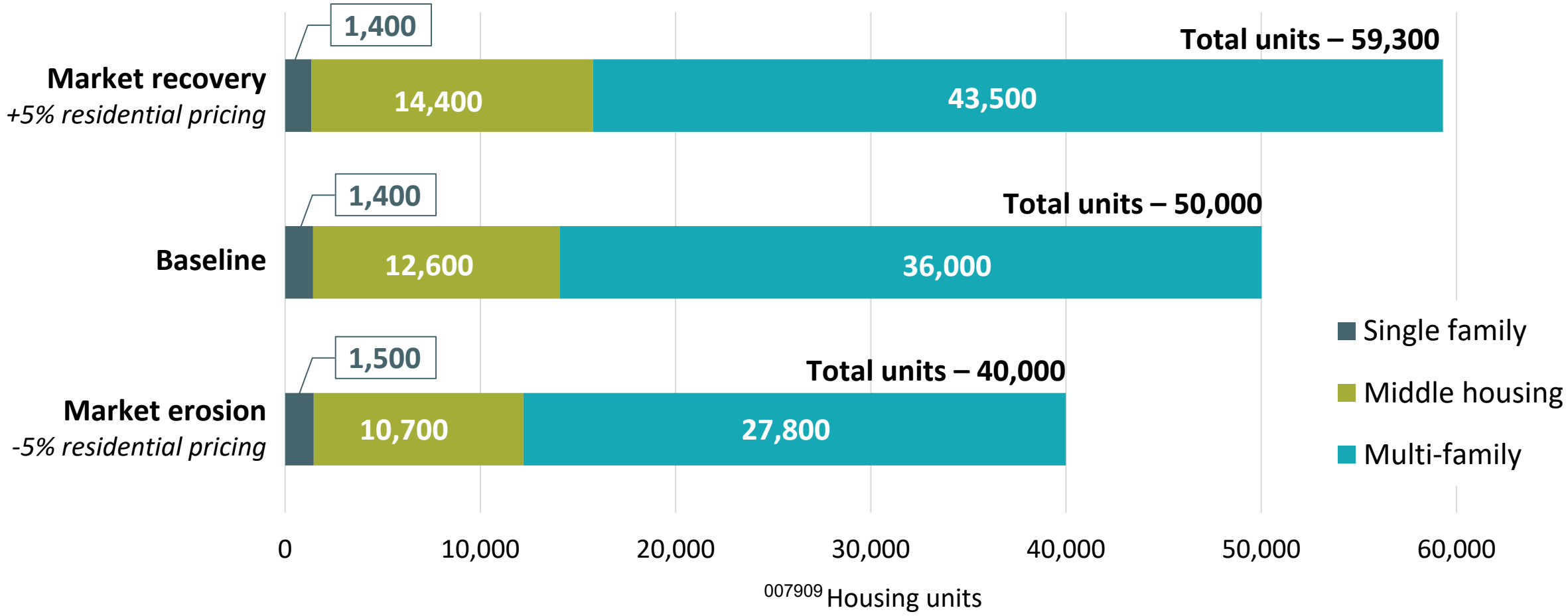


Note: Small lot detached units are counted under the "single family" category rather than middle housing, due to the market response to this housing type

Redevelopment – establishing the “baseline”

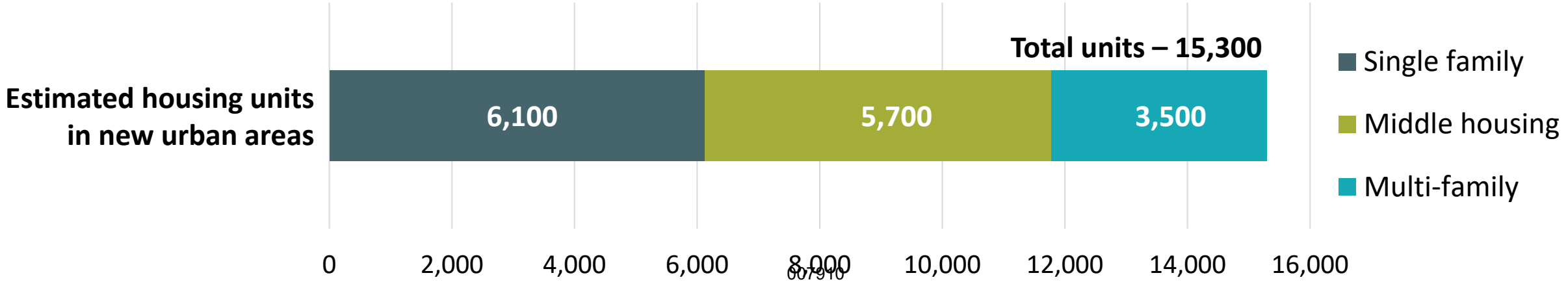
- Market conditions assume modest recovery
  - Interest rates and cap rates come back down somewhat
  - Relationship between rents/prices & construction costs remains similar to today
- Redevelopment rates aligned with trends over last 20 years

Redevelopment – preliminary results



New urban areas

- Areas that have been added to the UGB but have not yet received urban level zoning – Frog Pond, South Cooper Mountain, River Terrace, Witch Hazel Village South, Kingston Terrace
- Capacity based on local concept plan designations



Additional future adjustments to capacity results

Additional capacity

- Office to residential conversion
- ADUs and middle housing conversion

Less capacity

- Second homes and vacation rentals



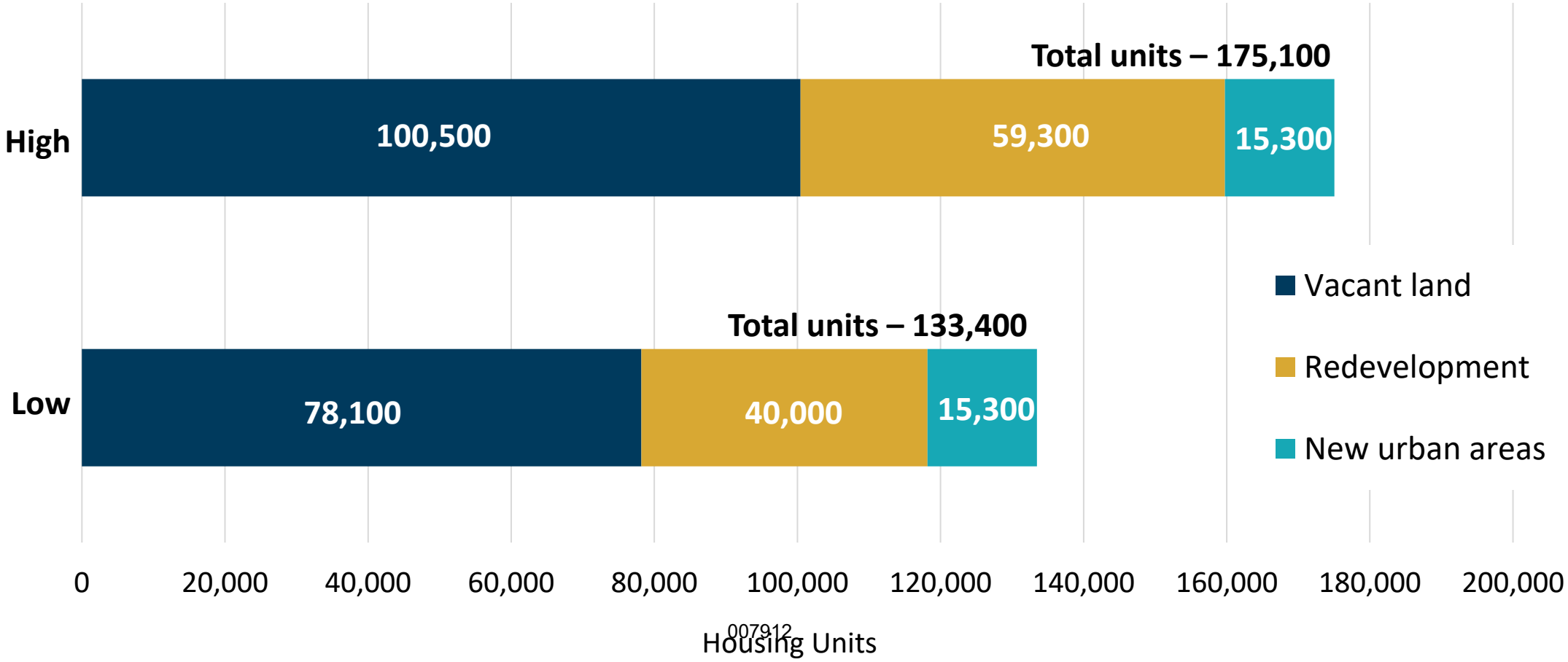






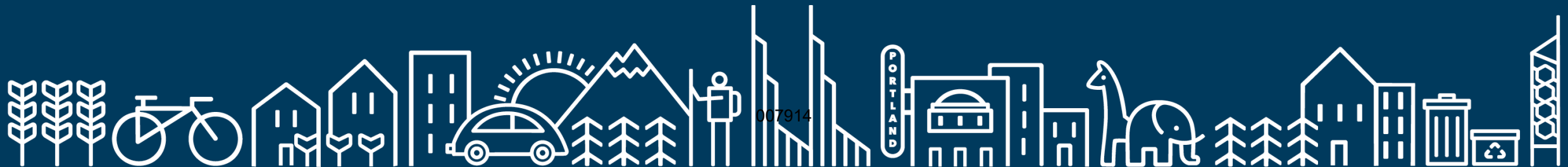
007911

Combined preliminary capacity results



Questions?

oregonmetro.gov



March 26, 2024

Marissa Madrigal
Chief Operating Officer
Metro
600 NE Grand Avenue
Portland, OR 97232

Dear Ms. Madrigal,

On behalf of Clean Water Services (CWS), I am writing this letter to offer support for the City of Sherwood's, Sherwood West Urban Reserve, urban growth boundary expansion application.

As the regional water resources utility for Washington County, CWS, along with our many partners is committed to improving water quality in the Tualatin River Watershed. We provide sanitary sewer services in cooperation with our county and 12 partner cities. CWS also has the responsibility, in collaboration with our partners, to manage stormwater runoff from construction sites and development.

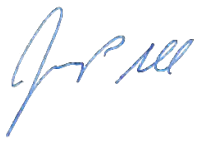
Since 2021, when the city council began an update to the concept plan, CWS has been actively involved in the planning for Sherwood West and continues to coordinate on providing regional infrastructure to support Sherwood's goals around housing, employment, and economic development in a manner that supports community livability and natural resource resilience. CWS also continues to collaborate on refinements within the Sherwood West planning area, specifically on delivering infrastructure for employment lands in support of, not only Sherwood but also the larger goals currently being considered by the state legislature to provide industry-ready lands.

To this end, CWS has been actively engaged with Sherwood leaders recognizing that timely delivery of infrastructure is critical to providing diverse and affordable housing options and additional employment lands. We believe the Sherwood West Concept Plan provides a clear pathway for the city. Currently, CWS and Sherwood are working to site a new pump station that will provide sanitary sewer service to the additional employment lands within Sherwood West. Further, CWS has recently coordinated with Washington County to design and build a new sanitary force main, which will serve the future pump station, in conjunction with the county's ongoing improvements of Roy Rogers Road. CWS accelerated this project by two years to complete as part of the current transportation project without any delays in the current project schedule. Additionally, CWS is scheduled to award a bid to construct the Brookman Sanitary Sewer Trunk line which will serve the Sherwood West area up to Sherwood High School. Construction on this project is scheduled to begin in May 2024. This proactive coordination of land-use planning and infrastructure development highlights both CWS and the City of Sherwood's commitment to thoughtful development.

Through our existing operating Intergovernmental Agreement, CWS will continue to provide the needed regional services to Sherwood and its expansion areas. This will ensure residents, businesses, and others will receive a high-quality infrastructure and the associated services.

With the full support of our Board of Directors, CWS is committed to supporting the Sherwood West Concept Plan due to, not only its vision for more livable, sustainable communities that have an enduring legacy of natural resource protection but also because of the critical steps that we are taking with the County and our city partners in working towards the Governor's goals of increasing housing production.

Sincerely,



Joseph Gall
Chief Utility Relations Officer

CC: Eric Rutledge
Chris Faulkner

Miriam Hanes

From: Ted Reid
Sent: Tuesday, March 26, 2024 1:57 PM
To: Miriam Hanes
Cc: Roger Alfred; Stacy Coonfield
Subject: FW: Letter of Support - Sherwood West UGB Request
Attachments: Madrigal, Marissa_Sherwood West LOS_2024 03 26.pdf

Hi Miriam,
Please include this in the growth management decision record.

Thanks,
Ted

From: Marissa Madrigal <Marissa.Madrigal@oregonmetro.gov>
Sent: Tuesday, March 26, 2024 1:48 PM
To: Eryn Kehe <Eryn.Kehe@oregonmetro.gov>; Andy Shaw <Andy.Shaw@oregonmetro.gov>; Catherine Ciarlo <Catherine.Ciarlo@oregonmetro.gov>; Malu Wilkinson <Malu.Wilkinson@oregonmetro.gov>; Ted Reid <Ted.Reid@oregonmetro.gov>; Roger Alfred <Roger.Alfred@oregonmetro.gov>
Subject: FW: Letter of Support - Sherwood West UGB Request

FYI

From: Joe Gall <GallJ@CleanWaterServices.org>
Sent: Tuesday, March 26, 2024 12:56 PM
To: Marissa Madrigal <Marissa.Madrigal@oregonmetro.gov>
Cc: Eric Rutledge <RutledgeE@SherwoodOregon.gov>; Craig Sheldon <SheldonC@sherwoodoregon.gov>; Chris Faulkner <FaulknerC@CleanWaterServices.org>
Subject: [External sender]Letter of Support - Sherwood West UGB Request

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

Good afternoon, Marissa – hope you and everyone at Metro are doing well. Attached is a letter of support from Clean Water Services for the City of Sherwood's application to Metro to expand the UGB for the Sherwood West expansion area. We have worked very closely with City officials as part of their extensive planning process and look forward to serving this new area as it develops in the future.

My understanding is that this letter of support from CWS is an important component for the city's application. If you can confirm receipt to ensure that you have received within the required timeframe, we would certainly appreciate. If you have any questions or require additional information from us, please do not hesitate to contact me as always.

Thank you for ongoing partnership!

Joseph Gall (he/him) | Chief Utility Relations Officer
Clean Water Services | Regional Utility Services
2550 SW Hillsboro Hwy | Hillsboro OR 97123

o 503.681.3695 | **f** 503.681.3603 | **m** 503.997.4453
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Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

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

Date/time: Wednesday, March 20, 2024 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video meeting via Zoom

Members Attending	**Affiliate**
Eryn Kehe, Chair	Metro
Joseph Edge	Clackamas County Community Member
Carol Chesarek	Multnomah County Community Member
Victor Saldanha	Washington County Community Member
Tom Armstrong	Largest City in the Region: Portland
Erik Olson	Largest City in Clackamas County: Lake Oswego
Aquilla Hurd-Ravich	Second Largest City in Clackamas County: Oregon City
Anna Slatinsky	Second Largest City in Washington County: Beaverton
Laura Terway	Clackamas County: Other Cities, City of Happy Valley
Steve Koper	Washington County: Other Cities, City of Tualatin
Katherine Kelly	City of Vancouver
Jamie Stasny	Clackamas County
Jessica Pelz	Washington County
Laura Kelly	Oregon Dept. of Land Conservation & Development
Manuel Contreras, Jr.	Clackamas Water Environmental Services
Gery Keck	Tualatin Hills Park & Recreation District
Nina Carlson	NW Natural
Tom Bouillion	Port of Portland
Bret Marchant	Greater Portland, Inc.
Brett Morgan	1000 Friends of Oregon
Nora Apter	Oregon Environmental Council
Rachel Loftin	Community Partners for Affordable Housing
Preston Korst	Home Builders Association of Metropolitan Portland
Brian Moore	Prosper Portland
Mike O'Brien	Mayer/Reed, Inc.
Brendon Haggerty	Multnomah County

Alternate Members Attending	**Affiliate**
Vee Paykar	Multnomah County Community Member
Faun Hosey	Washington County Community Member
Dan Rutzick	Largest City in Washington County: City of Hillsboro
Dakota Meyer	City of Troutdale
Martha Fritzie	Clackamas County
Graham Martin	Multnomah County
Theresa Cherniak	Washington County
Oliver Orjiako	Clark County
Glen Bolen	Oregon Department of Transportation
Kelly Reid	Oregon Department of Land Conservation & Dev.
Cassera Phipps	Clean Water Services

Jerry Johnson	Johnson Economics, LLC
Jeff Hampton	Business Oregon
Aaron Golub	Portland State University
Jacqui Treiger	Oregon Environmental Council
Kerry Steinmetz	Fidelity National Title Greater Metropolitan Portland
Erin Reome	North Clackamas Parks & Rec. District
Craig Sheahan	David Evans & Associates, Inc.
Max Nonnamaker	Public Health & Urban Forum, Multnomah County
Ryan Ames	Public Health & Urban Forum, Washington County
Leah Fisher	Public Health & Urban Forum, Clackamas County

Guests Attending	**Affiliate**
Becky Hewitt	ECONorthwest
Bill Berg	Mercer Advisors
Bruce Coleman	City of Sherwood
Kevin Young	Oregon Department of Land Conservation & Dev.
Marc Farrar	Metropolitan Land Group, LLC
Michael Veale	
Rebecca Geisen	Regional Water Providers Consortium
Will Mathias	

Metro Staff Attending

Alicia Wood, Cindy Pederson, Clint Chiavarini, David Tetrick, Dennis Yee, Eryn Kehe, Jake Lovell, John Mermin, Laura Combs, Marie Miller, Matthew Hampton, Ted Reid

Call to Order, Quorum Declaration and Introductions

Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. An overview of the agenda was given. New incoming MTAC members and alternates attending the meeting were welcomed to the panel with introductions. Chair Kehe noted in-person MTAC meetings are being planned this year with hybrid options. Interest and suggestions for holding a MTAC meeting outside Metro Regional Center could be sent to Chair Kehe.

Comments from the Chair and Committee Members

Glen Bolen announced it is transportation growth management grant season. ODOT is accepting pre-applications by April 1. If interested the process is easy to apply and then we'll meet with you to talk about your potential project idea. Complete applications are due in July. A link was shared in chat for more information: https://www.oregon.gov/lcd/tgm/pages/planning-grants.aspx

Nora Apter announced that Oregon Environmental Council is hiring for a transportation program director. A link was shared in the chat: https://oeconline.org/now-hiring-transportation-program-director/

Brett Morgan announced the 1000 Friends of Oregon just published a report in the last couple of months. It contains information on HB2017 and some of the revisions that have happened on the major transportation package since then. It's on our website under publications and anyone is welcome to reach out directly to him for a copy. Many people are thinking about 2025 and may find the information helpful.

Public Communications on Agenda Items – none given.

Consideration of MTAC minutes February 21, 2024 meeting
Chair Kehe asked for a vote to approve MTAC minutes from February 21, 2024 meeting.
ACTION: Motion passed with no opposed, and 4 abstentions: Glen Bolen, Graham Martin, Manuel Contreras, Kevin Young.

2024 Urban Growth Management Decision: Preliminary urban growth boundary capacity estimates
(Ted Reid, Clint Chiavarini, Dennis Yee, Metro and Becky Hewitt, ECONorthwest) Chair Kehe began the presentation with an overview of this agenda item of preliminary land capacity results as part of the Urban Growth Report. The project timeline was described. It was noted the Urban Growth Report is a decision making tool for the Metro Council.

Ted Reid noted things to keep in mind about the capacity analysis:

- Volatility of market factors
- Analysis on a regional scale
- Results presented as a range
- These results are preliminary and will undergo local review for additional refinement

Capacity estimates based on actual redevelopment that occurred – "backcasting", trends in density and mix of housing types, market factors that may impact future development and 20-year time horizon. Information was provided on where we estimate capacity and the process on how land capacity is estimated. It was noted all capacity calculations are done on lands within the existing urban growth boundary and summarized on a regional scale.

Comments from the committee:
Rachel Loftin asked for more information on the process of the proforma modeling assuming for redevelopment. What that looks like and what the assumptions are. Mr. Reid noted this would be covered further in the presentation.

Joseph Edge asked about the environmental constraints and lands that are excluded from inventory due to environmental constraints. You mentioned steep slopes and floodways. Is there any other classification like goal five, habitat, or anything else that is covered in that category other than just steep slopes and floodways? Clint Chiavarini added Title 13 and Title 3 which are habitat and water resource, wetlands, that kind of thing. Some of those are taken out at a hundred percent and some of those have discounts applied depending on the type of development and the type of zoning.

Nina Carlson asked for clarification on the Stafford land, was that already taken out because it has agreements that preclude development at this point in time? Mr. Reid noted Stafford is an Urban Reserve, so it is not in our Urban Growth Boundaries. What we are attempting to do ow is to inventory land that is currently in our UGB.

The presentation resumed with Becky Hewitt providing information on the pro forma model variables. This includes elements of how viable redevelopment might be (Rents & sale prices, construction costs, cap rates linked to interest rates) to what are the odds of redevelopment (Redevelopment rate compared to historic trends based on feasibility results). Notes on the pro forma model were made.

Clint Chiavarini provided information on the results of Buildable Land Inventory (BLI) and preliminary results of vacant land. Ms. Hewitt presented information on redevelopment was established using a baseline:

- Market conditions assume modest recovery
    - Interest rates and cap rates come back down somewhat
    - Relationship between rents/prices & construction costs remains similar to today
- Redevelopment rates aligned with trends over last 20 years

Preliminary results were reported.

New urban areas that have been added to the UGB but have not yet received urban level zoning and additional future adjustments to capacity results combined with preliminary capacity results was described with a high estimate of 175,100 total units, to a low estimate of 133,400 total units.

Comments from the committee:
Kevin Young asked do the single-family units include attached, or only detached single family units? Ms. Hewitt noted single family attached is part of middle housing in this. The way middle housing is defined is a little different from how jurisdictions probably define it in their code. So basically, attached units that are middle housing are being counted as middle housing. Anything that is detached middle housing is going in the detached, the single unit detached bucket. Middle housing includes what we used to call single family attached or townhouses, and then multifamily is more than four units attached.

Joseph Edge asked what is the expected density for properties zoned commercial where multifamily is permitted by-right? Jerry Johnson noted the pro forma model will pick a highest and best use that supports the highest land values. This may result in an assumption of development as 100% multifamily if that supports the highest values. Chair Kehe noted the whole idea of the proforma model is taking us to a new level of how we evaluate the capacity of land inside the growth boundary. In the past we looked just at what the zone capacity of a lot is. This proforma model takes in the whole market dynamics that shows what zoning allows, but what is likely to happen given the market dynamics that could be in play over the next 2 years. There's the zoned capacity and then the market analysis that may then determine either that it will likely develop at that full capacity, or the probability of developing at this less. Mr. Chiavarini added the density methodology has crosswalks between local zoning code and our regional categories. We did a full review of all the zoning codes about a year and half ago and went through some of what used to be purely commercial because it now allows for multifamily, we switch that into a mixed-use category.

Michael O'Brien noted it was important for us to have a more concise view of what's available. I'm assuming that within the presumed inventory short term rentals like Airbnb and properties that are purchased for predominantly overseas investment that sometimes do not get inhabited, those probably would be negligible, but want to check first. Ms. Hewitt noted we had pulled a stat on this for some of our other work and it was thought it's less than 1% of existing housing stock in the Metro area right now.

It was asked what the likelihood of infrastructure is reaching these areas and is that factored into the numbers. Because we know that there are additional areas in the urban growth boundary that may never develop because there just isn't the political will or the capacity to put street sewers, water, electricity to those areas. I think it's important that we make sure we include that thinking and understanding in whatever capacity we're saying we have. Jerry Johnson noted that's a really difficult

thing to put in the model. It's an absolute legit issue because it raises construction costs to get the infrastructure to these sites, which is not reflected because the construction costs are sort of normalized over the region. We won't be able to get to that detail but that's an important caveat.

Rachel Loftin asked when you are considering redevelopment potential, are any units being stripped out, such as properties that have redeveloped over the last 10 to 15 years but did not develop at its highest and best use. Jerry Johnson noted the ones that have been redeveloped in the last 5 or 10 years will still have a relatively high assessed valuation and basically the ratio between current estimated real market value of the property relative to the residual value residual or current real market value, which means its going to be much less likely to redevelop. Basically, someone who redeveloped in the last 5 – 10 years at a lower density is still going to preclude that from being developed or at least significantly reduce the likelihood of it being redeveloped over a 20-year horizon.

Jessica Petz asked when will MTAC hear about employment land capacity and need? Ted Reid noted we will bring employment capacity estimates to MTAC in June. We will likely be sending preliminary results out for local review earlier though, along with the residential estimates.

Glen Bolen noted he was going to ask about the local review process and the Land Use Technical Advisory Group (LUTAG). It was noted this meeting is being organized now to find the right date. The preliminary results will change after local review. Long term it was supposed that this local review of capacity then goes into our TAZs and our growth forecast. So, we're updating our demographics on the RTP side of things. The reason I bring it up is because all our cities use the regional model for a lot of their work. And if you're updating the precision and accuracy of the regional model that would be great if we can reflect that in the work that we do for infrastructure sizing on actual development.

On another note, was the mention of nonprofits and gold courses. At one point we've even set aside land for extra need for golf courses we don't do anymore. In my neighborhood two churches and working with Habit for Humanity to develop townhouses. Will there be capacity that will come from that over time? And will maps be distributed to show where all this land? Ted Reid noted we do have a requirement under the law to produce a map of vacant lands, but not a requirement for producing maps of redevelopment and infill. However, because you can start all sorts of arguments with property owners about their intentions for their properties, that we don't want to have when we're thinking of regional scale estimates. And it's also hard to depict at a regional scale in a meaningful way.

Clint Chiavarini noted we get at churches and golf courses through the local review. One time we were basically told it would be redeveloped at some point, so it was added back into the land supply. Unless we have knowledge of future plans, we will just keep it as a golf course. As far as nonprofits and churches developing things, we don't have a lot of good data on that right now. We could probably come up with an estimate based on some trends that we have or could find where those places have redeveloped, where they have designated that in the past and now they're developed. We could apply that going forward but it's likely to be a small number.

Kerry Steinmetz asked were there any factors in this, as far as you know, how we're seeing buyer preferences, specifically in the Covid era where we saw a little bit heavier demand in the stacked flats and elevator buildings, and things like that. And now we're seeing that wan where people are wanting to in more a single family or a row house. Do buyer preferences have anything to do with this? Jerry Johnson noted at this point it's a demand model on the DSP model or the proforma model. It doesn't actually match with buyer preference necessarily. It more on what developers want to produce to

support land values. There will be ongoing work to mesh it wit the demand side. So if no one demands that unit the price effects will change the output. Even developers want to build all the same unit and the market doesn't support that unit anymore. Then we have to adjust and place to another land use. There's a cascading piece where we've overbuilt this product type relative to market demand, therefore we go down to another product type. Those preferences are difficult to pick up because we're working with data that's slow. The Covid years are sort of anomalous and hard to know how long that will last.

Leah Fisher noted office space mentioned and asked if this could be spoken a bit about the opportunity for repurposing some of the surplus mixed use office spaces that we're seeing in some of the urban areas. I've heard it's very expensive and it was mentioned in this assessment, but I'm curious what the update is on reusing some of that excess space for residential in the future.

Jerry Johnson noted people who played with it, particularly in urban settings, there is not the proper floor plates and plumbing stacks. We're also in an area that has a lot of changes in the seismic code in the Portland metro area. And changes of views require a full seismic retrofit. It's very difficult to do and you see examples from Manhattan, but the cost to do these conversions is identical, but the achievable rents ae four times what they are in Portland. It's hard to recover these investments. It's good we're looking at it, but I don't think we're going to be expecting a lot to be yielded from it. There's good work that's been done on which buildings have potential to be considered for this type of conversion. It's a very small percentage in the Portland metro area.

Overview of Emergency Transportation Routes Phase 2 project (John Mermin, Metro) The presentation provided a brief overview of the project with history of regional emergency transportation routes and phase one of this project, done in 2019-21. Phase 2 work (2024 – 2026) (Identified in RTP ch.8) was described for prioritize and tier network routes through data review and assessment, workshops and engagement, and development and application methodology. Not included in the project are evacuation plans, establishing operational guidelines and funding decisions. The project timeline, engagement approach, decision-making process, and next steps was described.

Comments from the committee:
Jamie Stasny was curious what the public process will look like. Is there a parallel track where there's engagement with the public? Will they be allowed to give input? What might that look like? I know you will be working on criteria for prioritizations but wondered if you had examples or thoughts about what that might look like. How do you think this information or end result of this process will be used?

Mr. Mermin noted the information could be used to make recommendation for a future regional transportation plan update, such as things we should be considering when we're going through that process relating to emergency transportation routes and updating our maps and updating our policies relating to resilience. In terms of the public being engaged in this project, it's a fairly technical project for developing criteria for the routes for how to respond to emergencies and how to get emergency services to where they need to be. It isn't a project that has a broad public engagement, but we will be trying to engage community-based organizations to get input from vulnerable users and populations that aren't always considered in planning processes. We'll have some workshops and get input on the criteria we're developing and feedback on how this resonates with people's lived experiences. We're developing prioritization as part of the project and could include how close people are to population centers, vulnerable populations, and where hospitals and key destinations are located.

Ms. Stasny added this process is very technical but as you acknowledged there are people with a lot of lived experiences. Recent circumstances that may be able to add some perspective that' isn't in the kind of public agency technical experience. I'm glad to hear you'll be working with CBO's. I encourage you to make sure you're balancing that regionally because I think there have been different experiences in different part of the region. All those perspectives should be brought forward as we're considering these next steps.

Glen Bolen noted his participation in the first round of the project where we focused on where emergencies may happen so emergency crews could be sent with open routes to locations. We identified routes in GIS. I'm assuming this is not about building anything but about operations during the event. Mr. Mermin noted that was a fair assessment. We're not focused on what should be built. We're focused on how to operate the routes that will allow for them to be used in this situation. There might be some upgrades to existing routes that could be needed to help them be seismically resilient and things like that. But we're not focused on trying to find new routes to build for the network.

Rebecca Geisen noted ETRs will be really useful for other sectors to complete their emergency planning. My understanding is the next phase will include critical infrastructure partners to aid quick in recovery. Mr. Mermin noted the next phase will include critical infrastructure partners. As part of this project, we will be engaging with some infrastructure partners and operators. Ms. Geisen added I've been involved with this project and just as water providers are planning in emergency situations the ETRs are really important information for us for critical water infrastructure for consideration because that will be key to restoring drinking water systems.

Jamie Stasny asked for clarification. I think I heard you mention regional planning for evacuation routes but that's not what's happening here, correct? Mr. Mermin noted we know Clackamas County has an effort for a local evacuation plan. Sometimes when people hear about emergency transportation routes they assume we're talking about evacuation, but that isn't the focus here. Asked if there was regional coordination on that, it was noted the RDPO would be more knowledgeable about this.

Jessica Pelz noted my question has to do with funding and whether being designated as a regional emergency transportation route and however the prioritization works plays a part in whether a route might be eligible or more likely to get some sort of federal or state funding to improve that route. Mr. Mermin noted I don't think it's a question I can answer, but if you have a top tier route that comes out of this process, I feel it's something that jurisdictions could point to when applying for future funding sources. This is another reason arterials need funding in addition to having safety or active transportation issues. Future processes can choose how to use the information for funding leverage or applications.

Ms. Pelz asked does the readiness of the route currently without additional improvements play a part in the tiering and prioritization? If we have these routes that would make good routes but they're not currently improved up to current seismic standards, does that push them further down the list? Mr. Mermin noted it was thought going through this process of developing criteria, the discussions will happen with the work group and figuring out what to do with a situation like that. But I don't think I can predict the answer in advance of that.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 10:30 a.m.

Respectfully submitted,

Marie Miller

Marie Miller, MTAC Recorder

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	3/20/2024	3/20/2024 MTAC Meeting Agenda	032024M-01
2	MTAC Work Program	3/13/2024	MTAC Work Program as of 3/13/2024	032024M-02
3	Minutes	2/21/2024	Draft minutes from MTAC February 21, 2024 meeting	032024M-03
4	Memo	3/13/2024	TO: MTAC and interested parties From: John Mermin, Metro and Carol Chang, Regional Disaster Preparedness Organization (RDPO) RE: Overview of Regional Emergency Transportation Routes (RETR) Phase 2 project	032024M-04
5	Presentation	3/20/2024	Urban growth management update: Preliminary capacity results	032024M-05
6	Presentation	3/20/2024	REGIONAL EMERGENCY TRANSPORTATION ROUTES (RETR) PHASE 2	032024M-06

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC)
Date:	Wednesday, March 20, 2024
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom
	video recording is available online within a week of meeting
	Connect with Zoom Passcode: 982966 Phone: 888-475-4499 (Toll Free)

9:00 a.m.	**Call meeting to order, Declaration of Quorum and Introductions**	Chair Kehe
9:10 a.m.	**Comments from the Chair and Committee Members** • Updates from committee members around the Region (all)	
9:15 a.m.	**Public communications on agenda items**	
9:17 a.m.	**Consideration of MTAC minutes, February 21, 2024** **(action item)** Send edits/corrections to Marie Miller	Chair Kehe
9:20 a.m.	**2024 Urban Growth Management Decision: Preliminary urban growth boundary capacity estimates** Purpose: To share initial capacity analysis results and answer questions to support future MTAC recommendations on the UGB decision later this year.	Ted Reid, Metro Clint Chiavarini Dennis Yee, Metro
10:20 a.m.	**Overview of Emergency Transportation Routes Phase 2 project** Purpose: Provide an overview of the Regional Emergency Transportation Routes (RETR) Phase 2 project	John Mermin, Metro
10:40 a.m.	**Adjournment**	Chair Kehe

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January 2021

Materials following this page were distributed at the meeting.

Urban growth management update: Preliminary capacity results

MTAC
March 20, 2024

Project timeline

Technical work and analysis: Developing the urban growth report

- Buildable land inventory (BLI)
- Regional forecast
- Capacity analysis
- Employment trends and site characteristics
- Housing needs analysis
- Residential readiness analyses
- Draft urban growth report (UGR)

City expansion proposals

- Letters of interest
- Expansion proposals

2040 planning and development grants available

Metro Council decision

- Consider Metro staff and advisory group recommendations
- Public hearings
- Policy direction
- Final decision

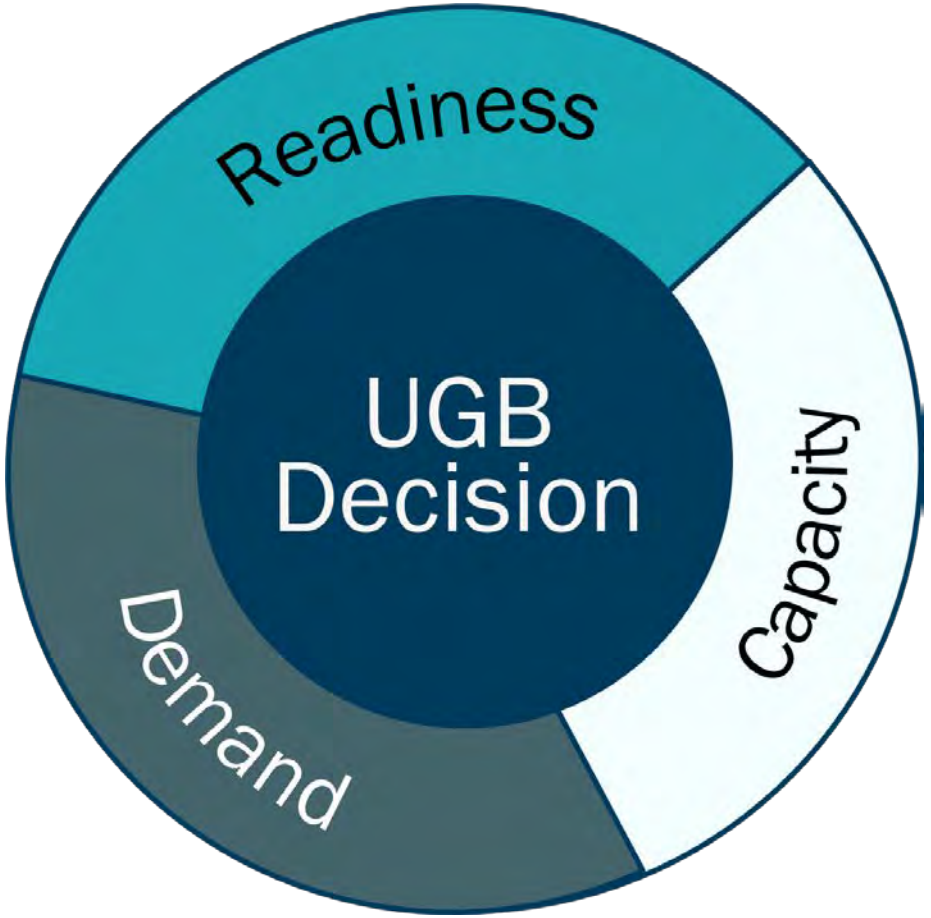


Engagement

- MTAC
- MPAC
- CORE
- Land Use Technical Advisory Group
- Jurisdictional outreach
- Urban growth report roundtable
- Youth cohort
- Interest group presentations

A decision support tool

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council.



Some things to keep in mind about the capacity analysis

- Volatility of market factors
- Analysis on a regional scale
- Results presented as a range
- These results are preliminary and will undergo local review for additional refinement

Capacity estimates based on:

- Actual redevelopment that occurred – “backcasting”
- Trends in density and mix of housing types
- Market factors that may impact future development
- 20-year time horizon

Where do we estimate capacity?

Vacant and partially vacant land

Land used for redevelopment and infill

Land in concept planned areas without urban level zoning

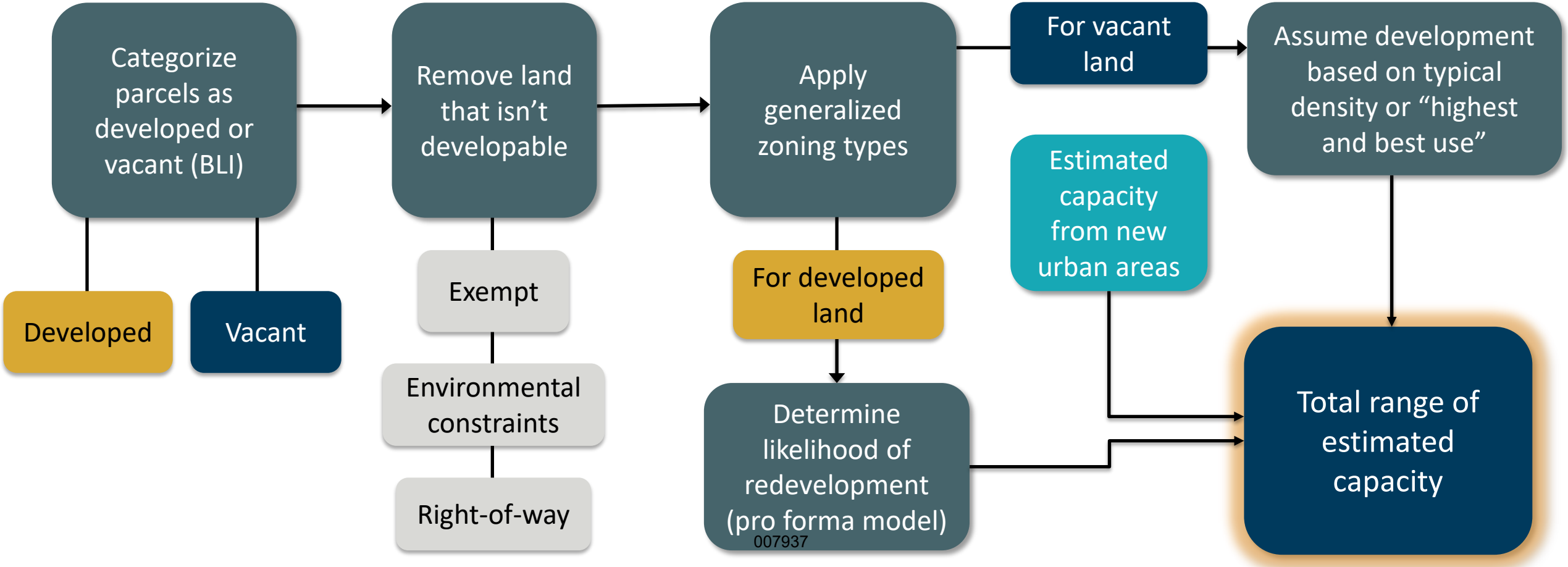






All capacity calculations are done on lands within the existing urban growth boundary and summarized on a <u>regional</u> scale

How do we estimate capacity?



Questions?

Pro forma model variables

How viable is (re)development?

- Rents & sale prices
- Construction costs
- Cap rates* (linked to interest rates)

What are the odds of redevelopment?

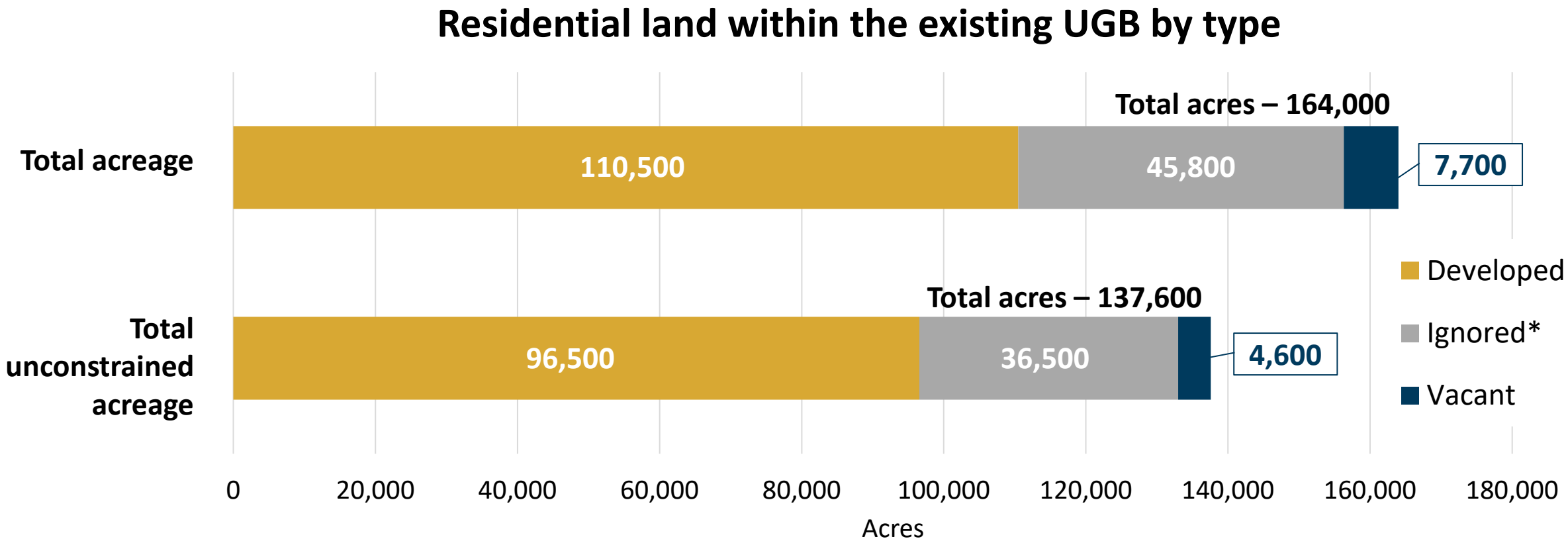
- Redevelopment rate compared to historic trends based on feasibility results

**Cap rate = relationship between the revenue an income-generating property produces and its sale price. Higher cap rate means properties are worth less at the same revenues.*

Notes about the pro forma model

- Used to understand what types of (re)development are most likely to be market feasible
- Only accounts for market rate development
- Does not account for additions or conversions where the original home is preserved
- Does not account for local incentives, policies, or interventions to spark redevelopment in the market

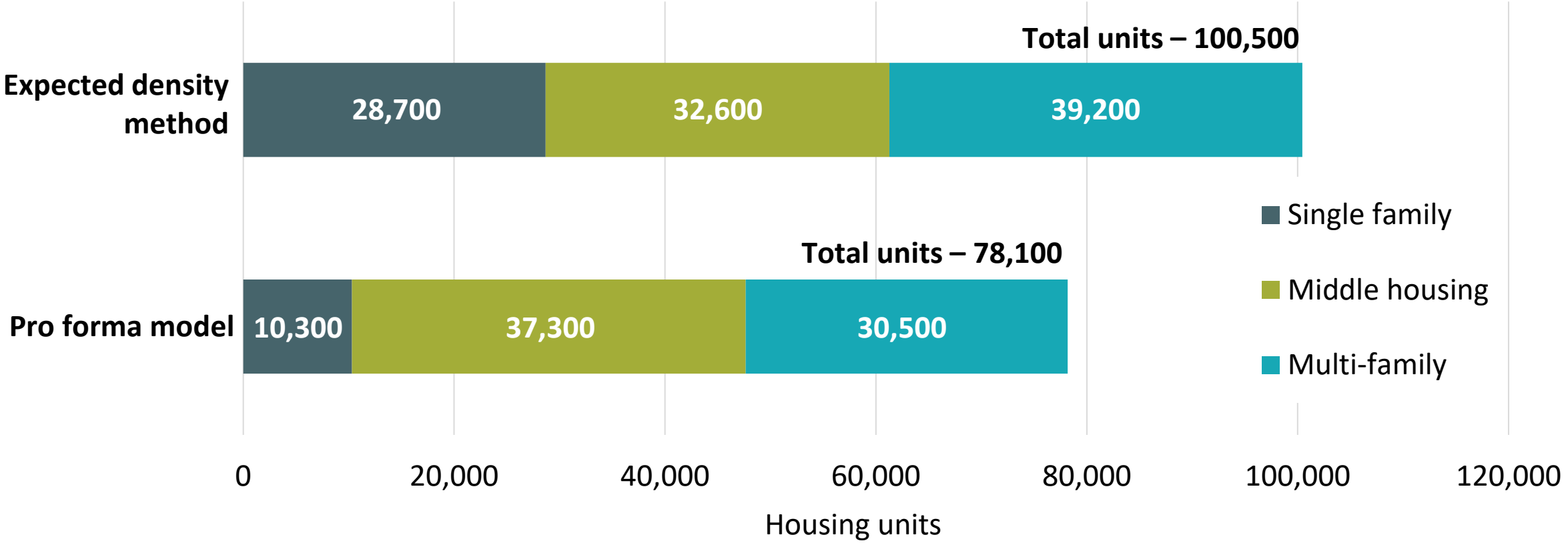
Results of the Buildable Lands Inventory (BLI)



*Ignored taxlots include right-of-way, tax exempt, parks, open space, HOA, golf courses, rail property, schools, and small taxlots under 1000 sq. ft.

**Unconstrained land removes environmental constraints such as flood plains, wetlands, steep slopes, and important habitat

Vacant land – preliminary results

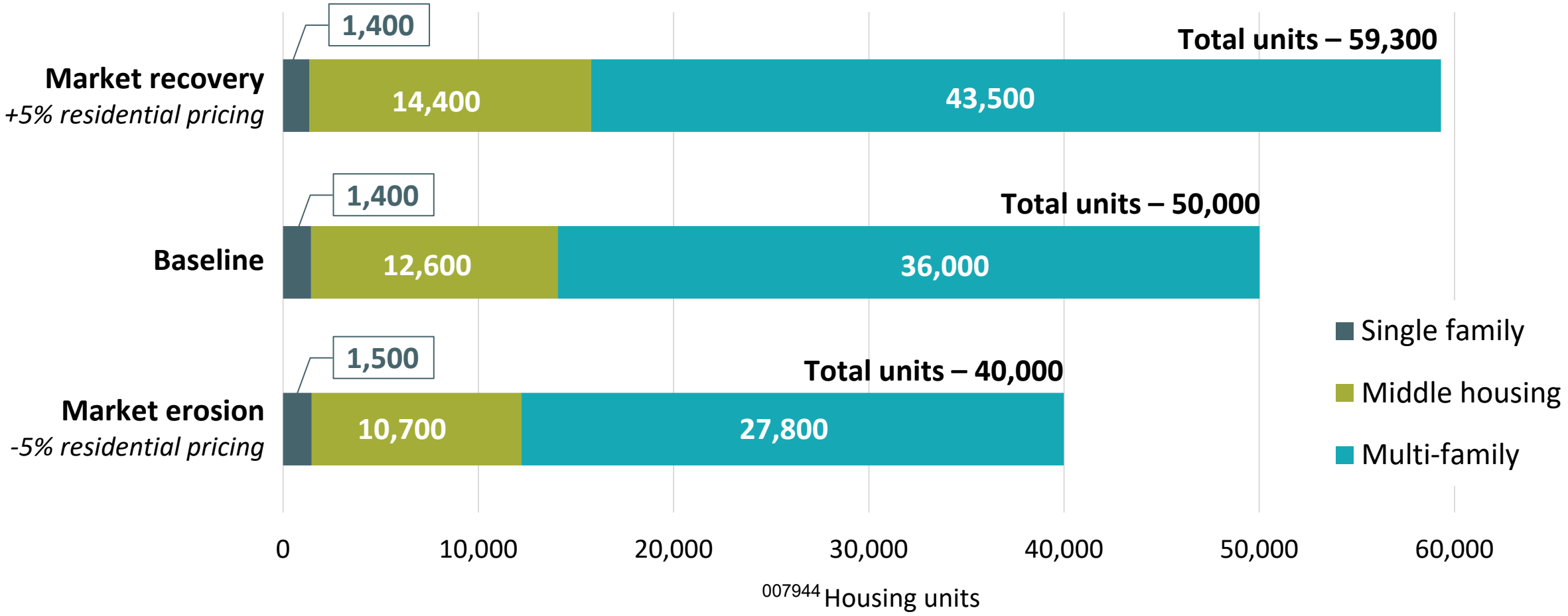


Note: Small lot detached units are counted under the "single family" category rather than middle housing, due to the market response to this housing type

Redevelopment – establishing the “baseline”

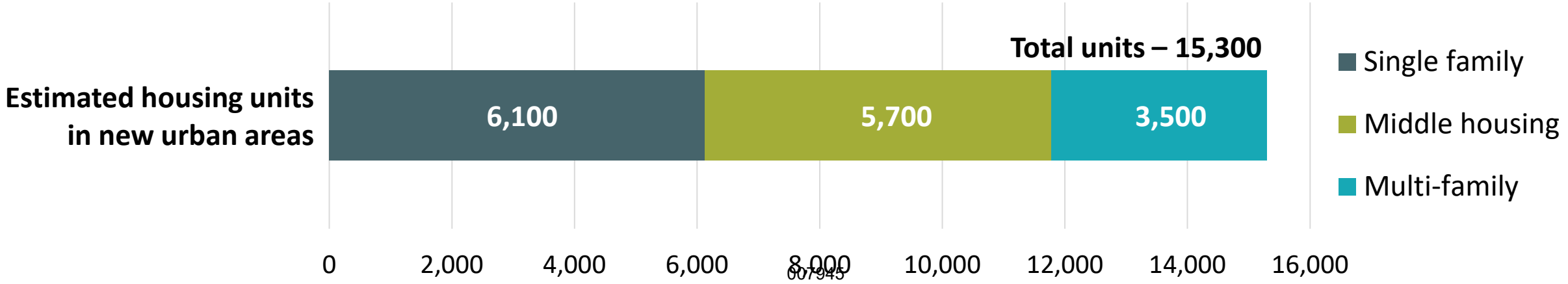
- Market conditions assume modest recovery
  - Interest rates and cap rates come back down somewhat
  - Relationship between rents/prices & construction costs remains similar to today
- Redevelopment rates aligned with trends over last 20 years

Redevelopment – preliminary results



New urban areas

- Areas that have been added to the UGB but have not yet received urban level zoning – Frog Pond, South Cooper Mountain, River Terrace, Witch Hazel Village South, Kingston Terrace
- Capacity based on local concept plan designations



Additional future adjustments to capacity results

Additional capacity

- Office to residential conversion
- ADUs and middle housing conversion

Less capacity

- Second homes and vacation rentals



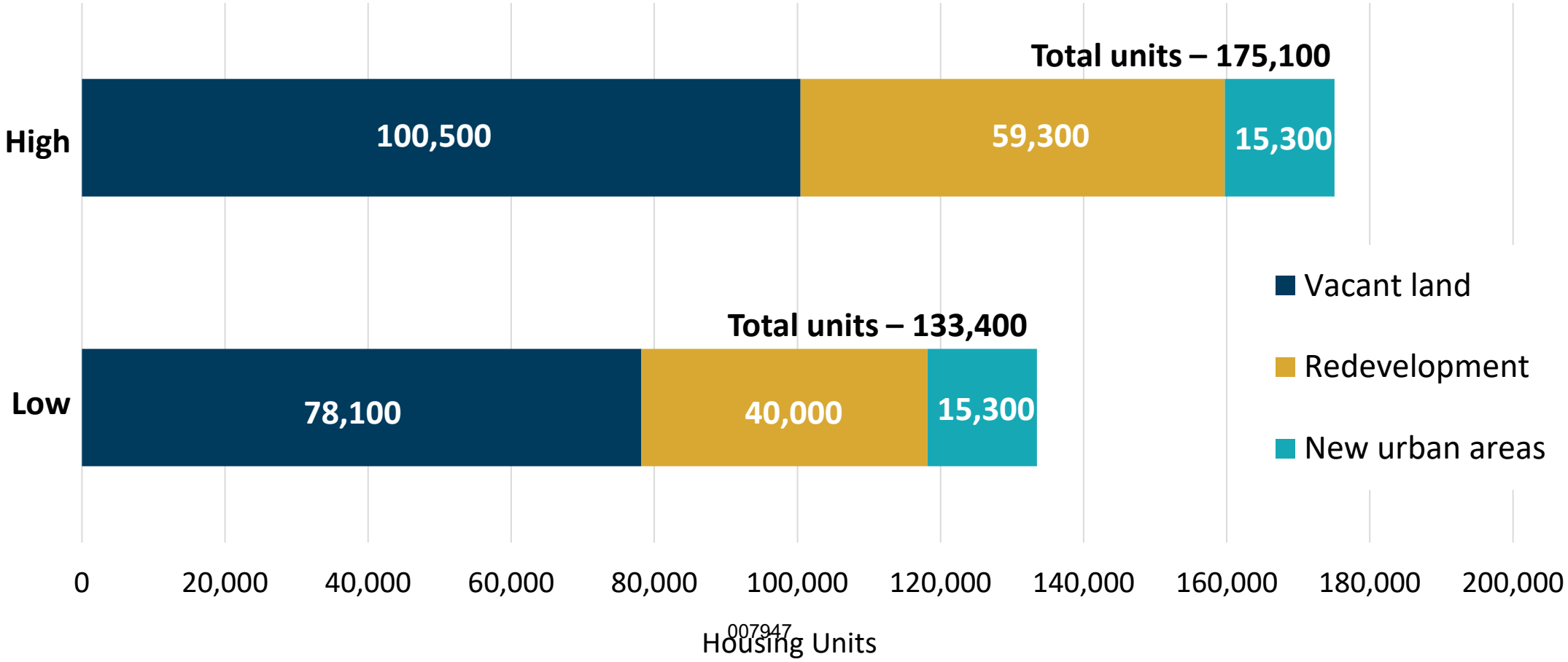






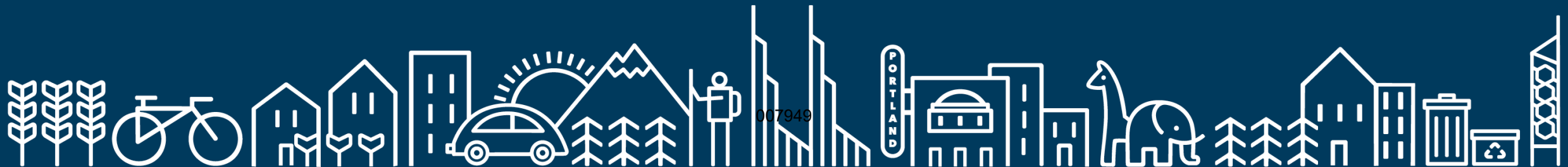
007946

Combined preliminary capacity results



Questions?

oregonmetro.gov



HOFFMAN CONSTRUCTION COMPANY
OF AMERICA

March 11, 2024

Metro Council
Marissa Madrigal, Chief Operating Officer
Metro
600 NE Grand Ave
Portland, OR 97232

cc:
Eric Rutledge
Community Development Director
City of Sherwood
22560 SW Pine St.
Sherwood, Oregon 97140

Re: Letter of support for Sherwood West/Urban Growth Boundary expansion

Dear Metro Council and Ms. Madrigal,

I am writing to express my sincerest support for the City of Sherwood's Sherwood West development project proposal, and by extension the Urban Growth Boundary expansion for both industrial and residential land.

Manufacturing plays a significant role in Oregon's economy, and the need for semiconductor manufacturing, in particular, is critical around the world. Hoffman is intimately familiar with the necessity to create more manufacturing opportunities, and we're also familiar with the lack of available sites to do so. In the last seven years industrial sites have decreased by 40% in the Portland metropolitan area. Over half of our region's new industrial construction is occurring in Washington state, which has a negative impact on Oregon's tax revenues. The lack of available industrial space in the Portland area is also causing manufacturing companies to move further out, from Tacoma to Cottage Grove, which is increasing both sprawl and greenhouse gas emissions – while simultaneously taking jobs out of the Metro boundary.

Increasing manufacturing opportunities in the Greater Portland area would create thousands of new jobs. And not just any jobs. Manufacturing jobs create middle income jobs that can be obtained without a college degree. These jobs also provide an opportunity to begin a career, to learn a skilled trade, and have rife opportunities for advancement. As an income tax dependent state, having higher paying jobs supports everyone and brings much needed revenue to our schools, parks, and other public facilities and services.

The Sherwood West project complements other projects Hoffman Construction is currently building or hopes to build in the near future. We are nearing completion of the Willamette Valley

HOFFMAN CONSTRUCTION COMPANY
OF AMERICA

Water Supply water reservoir project. The Tualatin Valley Water District, City of Hillsboro, and the City of Beaverton formed the Willamette Valley Water Supply System Commission due to accelerated growth in Washington County. To ensure there's enough water for the second most highly populated county in Oregon, Willamette River water will be treated at and pumped to a water treatment plant and stored at one of the most seismically-resilient water systems in the state. This $1.6 billion investment should be completed by 2026, and the increased water capacity will support this proposed growth in Sherwood.

Like Metro, Hoffman works with communities, businesses, and residents in the Portland metropolitan area to plan wisely for the future while protecting what we all love about living here. We genuinely feel that Sherwood West supports a shared vision between numerous agencies, community members, and stakeholders. This project is a fortuitous opportunity to increase manufacturing facilities, create new jobs, bring in new tax revenue, add necessary housing, and co-locate several community resources to better support the future growth of Sherwood – and the Greater Portland region. I am very enthusiastic about this project and it has my full support.

Sincerely,



Daniel Drinkward
Vice President
Hoffman Construction Company

Miriam Hanes

From: Ted Reid
Sent: Tuesday, March 12, 2024 9:13 AM
To: Miriam Hanes
Cc: Stacy Coonfield
Subject: FW: 3/11 Written Testimony
Attachments: Hoffman Construction Testimony.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Miriam,
For the decision record.

Thanks,
Ted

From: Connor Ayers <Connor.Ayers@oregonmetro.gov>
Sent: Tuesday, March 12, 2024 8:42 AM
To: Metro Councilors <MetroCon@metro-region.org>; Marissa Madrigal <Marissa.Madrigal@oregonmetro.gov>; Carrie MacLaren <Carrie.MacLaren@oregonmetro.gov>
Cc: Council Office Staff <CouncilOfficeStaff@metro-region.org>; Val Galstad <Val.Galstad@oregonmetro.gov>; Andrew Scott <Andrew.Scott@oregonmetro.gov>; Summer Beanland <Summer.Beanland@oregonmetro.gov>; Stacy Coonfield <Stacy.Coonfield@oregonmetro.gov>; Ted Reid <Ted.Reid@oregonmetro.gov>; Jaye Cromwell <Jaye.Cromwell@oregonmetro.gov>
Subject: 3/11 Written Testimony

Councilors and Staff,

We've received the attached written testimony regarding Sherwood West/UGB expansion. Let me know if you have any questions.

Thank you,

Connor Ayers (he/they)
Legislative and Engagement Coordinator

Metro Council Office
600 NE Grand Avenue
Portland, OR 97232-2736
503-813-7591
www.oregonmetro.gov

600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes

February 28, 2024

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon (Chair)	City of Gresham, Second Largest City in Multnomah County
Gordon Hovies	Special Districts in Washington County
Sherry French	Special Districts in Clackamas County
Mark Shull	Clackamas County
Tim Rosener	Other Cities in Washington County
Pam Treece	Washington County
Mary Nolan	Metro Council
Glen Yung	Clark County
Terri Preeg Riggsby	Special Districts in Multnomah County
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Kirstin Greene	Oregon Department of Land Conservation and Development
Denyse McGriff	Largest City in Clackamas County
Omar Qutub	Citizen of Multnomah County
Ed Gronke	Citizen of Clackamas County
Steve Callaway	Largest City in Washington County
Luis Nava	Citizen of Washington County
Thomas Kim	TriMet
Emerald Bouge	Port of Portland
Gerritt Rosenthal	Metro Council

MEMBERS EXCUSED	AFFILIATION
Ted Wheeler	City of Portland
Randy Lauer	City of Troutdale, Other Cities in Multnomah County
Ty Stober	City of Vancouver
Joe Buck	City of Lake Oswego, Largest City in Clackamas County

ALTERNATES PRESENT	AFFILIATION
Keith Kudrna	City of Troutdale, Other Cities in Multnomah County

OTHERS PRESENT: Dan Rutzick, Jef Dalin, Thomas Kim, Natalie Zito, Sarah E, Jaimie Stasny, CB, Sandy Glantz, DW, Tom Stuart, Christina Ghan, Adam Barber, Joe Gall, Anthony Martin, Mat Cole, Amanda Jones, Miles Palacios, Tom Armstrong, Jim Duggan, Jean Senechal Biggs, Roger Alfred

STAFF: Connor Ayers, Georgia Langer, Laura Combs, Andy Shaw, Jaye Cromwell, Eryn Kehe, Ted Reid, Jenna Jones, Josh Harwood, Estee Segal, Luis Sandoval, Marta McGuire, Dennis Yee, Ina Zucker, Catherine Ciarlo, Marissa Grass

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Vice Chair Brett Sherman meeting to order at 5:07 PM.

Metro staff Connor Ayers (he/they) called the role.

Vice Chair Brett Sherman called on Metro Attorney Roger Alfred to provide a membership update.

Roger Alfred shared that they have decided not to have a vote on the meeting's consent agenda in order to avoid procedural issues. He shared that there is a dispute as to who has the appointed seat for the Special Districts of Washington County seat. He shared that in January, the Special District Association of Oregon reached out to the other Special Districts and started an appointment process to determine who would be appointed as the representative for those districts. Alfred shared that Metro was notified earlier this month that the Washington County Districts had jointly appointed Miles Palacios as the new member and Jim Duggan as the alternate. Alfred shared that Gordon Hovies filed objections to the process by which the new appointments had been made, under both the state public meetings law and the MPAC bylaws. Because there is a currently pending dispute, the MPAC Chair and Metro Attorneys office requested that the seat remain unoccupied this evening to allow time for Metro to confer with the Special Districts association about their process.

Gordan Hovies stated that the Special Districts Association had failed to give proper public notice in the selection process.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

Vice Chair Brett Sherman read aloud the instructions for providing public testimony.

No members of the public provided testimony.

Seeing no further discussion, Vice Chair Sherman moved onto the next agenda item.

3. COUNCIL UPDATES

Vice Chair Brett Sherman called on Councilor Mary Nolan to share Council updates.

Councilor Nolan stated that the Council is exerting its energy and time on the Waste Prevention and Environmental Services (WPES) program and the Environmental Services program. They added that they are close to concluding a task force recommendation, which include adjustments in the way that they determine fees. Councilor Nolan remarked that it will come to the Council, and they will approve a new policy and implement it in time for jurisdictions to implement it into their local collection rates. They also shared that they approved a Zoo Bond measure that will be on the ballot. Councilor Nolan shared that this Zoo Bond is aimed to improve safety for animals, employees, and visitors, and making sure that the grounds are accessible.

Councilor Gerritt Rosenthal noted that the Governor's land use bill has moved to Ways and Means. He shared that they have changed it to 50-100 acres and there are changes to the variance process, and the money for infrastructure was reduced by about $150 Million. Councilor Rosenthal shared that the funds will be allocated rather than being something to apply for.

Seeing no further discussion, Vice Brett Sherman moved onto the next agenda item.

4. COMMITTEE MEMBER COMMUNICATIONS

Thomas Kim stated that they are making process on the Better Red project, and the current disruptions on the red and blue lines will wrap up soon. Kim added that they are also beginning what will be the most major disruption on the project with a nine-day bus bridge on the west side, and this project is on track. Kim also shared that they welcomed the new battery electric busses to their yard which will triple the number of their zero emission busses.

Seeing no further discussion, Vice Brett Sherman moved onto the next agenda item.

5. CONSENT AGENDA

The Consent Agenda was postponed until next month's meeting.

6. INFORMATION/ DISCUSSION ITEMS

6.1 Waste Prevention and Environmental Services: Garbage and Recycling System Facilities Plan Update

Vice Chair Brett Sherman introduced Marta McGuire, Marissa Grass, and Luis Sandoval to present on the topic.

Staff pulled up the Garbage and Recycling System Facilities Plan PowerPoint.

Presentation Summary:
The presenters shared the mission of Waste Prevention and Environmental Services (WPES), the Regional Waste Plan outcomes. They discussed what they did in Phase 3, which includes creating targeted engagement, policy tools, and draft scenarios. The presenters shared the current gaps in the system for residential and small business customers, as well as commercial customers. The

presenters discussed what they heard in their engagement process with the community and in Tribal consultation. They also shared what their next steps are, including the creation for an implementation strategy and a draft final plan. They asked the MPAC members if they had any questions, if anything stood out to them, and if there is anything they wanted to life-up as Council considers preferred scenario elements.

MPAC Member Discussion:

Vice Chair Brett Sherman noted that proximity is important, and asked how they can deliver the best possible solution to residents at a price point that is feasible.

Luis Sandoval responded that the public facilities will have the same services that they provide to the general public, but there will be an ability to have donations available for reuse, and that they can get better access for people. Sandoval shared that in the distributed model, they will have space for reuse retail opportunities and enough space for warehousing those. He added that the reuse warehouse was very supported. Sandoval added that building new facilities requires investment, and that it will impact people's garbage bills by $3 per month by 2040, compared to today. He shared that the baseline also shows increase of $1.30 cents in the monthly garbage bill by 2040.

Vice Chair Sherman noted that as they are looking for an alternate space for south metro, it is a complicated process because they are looking at the impact. Vice Chair Sherman asked if the impact and footprint will be smaller because they are looking at smaller facilities.

Sandoval responded that it is less complex because Metro is looking at smaller properties. He added that they would require smaller properties, but he is not sure about the smaller footprint. Sandoval noted that the theory is that they would look at smaller footprints.

Mayor Steve Callaway shared that he remembers when the facility opened. He stated that it must be served in Washington county and in East County because they are major producers. Mayor Callaway also shared that this is an equity issue. He noted that with the 50 participants in the survey, 30 were providers and the others were represented in the repair and reuse, but it did not feel like there was enough from the public. Mayor Callaway asked if there will there be efforts to engage the public more.

Martha McGuire thanked Mayor Callaway for his acknowledgement that some do not have access to that service yet. She shared that they will be doing a larger public comment period to gather preferences, but they have tried to do a lot of targeted engagement to make sure they are including the voices of people that are most impacted by the decisions.

Mayor Callaway stated that he would like to make sure that detailed costs are shared before the development of the final recommendation, noting that cities are forced to approve these and pass on the costs.

McGuire added that their request is to come back to MPAC in July once they have had engagement with Council in the spring. McGuire added that they are trying to narrow the field more and they will be able to work with Council in May to help get them there.

Ed Gronke shared concerns that small electronic appliances are being made under the assumption that they will be thrown away. He asked if Metro intends to get involved in this process to ensure manufacturers will make appliances in such a fashion that they can be repaired.

McGuire responded that that it is part of their right to repair part of their legislative agenda.

Gordon Hovies asked if they are accepting microwaves and ovens.

Sandoval responded that yes, they do accept those items.

McGuire responded that people can look at their website for more information.

Commissioner Mark Shull noted that in 2022, Metro adopted a tip fee with suggestive annual rates ranging from 7.1%-7.9% for 2022 through 2027. He shared concerns about how last year's rate was set at 11% which compounds over time. Commissioner Shull asked if this year's rate will consider that last year's fee exceeded the fee predictability range.

McGuire responded that it is up to Council to set fees for the next fiscal year.

Commissioner Shull asked if Metro could provide some clarify on the cost drivers warranting these increases and how tip fee increases to date impact the fee predictability.

McGuire responded that she would get back to him on that.

Commissioner Shull asked if there will be engagement with elected officials in the region regarding the establishment of the fiscal year 24-25 tip fee.

McGuire responded that they have been holding stakeholder roundtables on this, and the next one is in April. She noted that there is an interested parties list where people can get involved to discuss the budget. McGuire added that Council will hold public hearings, and local governments and community members are welcome to testify and hear more information about the budget process.

Director Terri Preed Riggsby discussed medical facilities and campuses, sharing that they have a goal of trying to reduce the waste in their landfills. She asked how Metro is working with those medical and educational institutions and large campuses to reduce their waste stream and if that's a part of this process.

McGuire responded that they conduct education in partnership with cities and counties as part of their waste reduction efforts. She shared that they have staff across the region that provide those services. McGuire shared that Metro does provide oversight for the handling of special waste, but that she will get more information from the compliance and regulatory staff.

Luis Nava echoed Mayor Callaway's concerns about the diversity in the outreach events that they provide. Nava shared that in the past, the outreach did not show participation of People of Color. Nava

noted that because these events did not have people of color in large numbers, they need to make sure to bring accountability for that.

Grass thanked Nava for his feedback.

Mayor Tim Rosener shared stated that certain stakeholder groups, like mayors and haulers, should be able to interact and advise prior to the decision. Mayor Rosener shared that when they talk about rate increases, they reach out to communities to make sure they are aware of this and are prepared. He also noted that they need to make sure that they are setting up a system that people will actually use.

Mayor McGriff stated the recommendation about smaller facilities and allowing for more education and recycling is great, and that she hopes they move forward with it.

Emerald Bouge noted that they need to ensure people are in close proximity to these access sites. She also noted the travel time from haulers to facilities is something to consider as well.

6.2 2024 Urban Growth Management Decision: Draft Regional Population, Household, and Employment Forecast

Vice Chair Brett Sherman introduced Ted Reid, Eryn Kehe, Josh Harwood, and Dennis Yee to present on the topic.

Staff pulled up the 2024 Urban Growth Management Decision: Draft Regional Population, Household, and Employment Forecast PowerPoint presentation.

Presentation Summary:
Presenters shared why they manage urban growth and shared a timeline of their work and the urban growth management (UGM) decision. They explained that the regional forecast is in the "demand" part of their the UGB assessment, and the other components include readiness and capacity. They shared that this is a forecast rather than a plan, and that there is always uncertainty in these forecasts. The presenters shared the data regarding population growth components, the MSA birth rate assumptions, mortality assumptions, natural change, and net migration. They discussed that there will be increases in diversity in the region, and they also shared labor force participation forecasts.

MPAC Member Discussion:

Vice Chair Brett Sherman asked what the data looks like nationally in comparison to this region.

They responded that it is generally the same.

Mayor Callaway asked if they define migrant as anyone who moves.

Dennis Yee responded yes, so long as it is not internal migration within the region.

Mayor Callaway asked Metro factors in different forecasts.

Ted Reid responded that there is a process that they go through that starts at creating a seven-county forecast, and then they go through their distributed forecast process where they work with regional jurisdiction to determine how many people will move into those individual jurisdictions.

Mayor Callaway asked what year the forecast is projecting to.

Josh Harwood responded that they will get back to him on that.

Eryn Kehe added that these forecasts are updated every six years.

Mayor Callaway noted that he likes the idea of the distributed forecast.

Mayor Tim Rosener asked about how this progresses with local jurisdictions, stating that in Sherwood, they do not use the Portland State University forecasts because they are not accurate for Sherwood. He asked how the process of distributed forecasts work.

Kehe responded that for the UGB decision, they need to look at the needs of the region as a whole. She added that through that, the Council and MPAC make recommendations and that is when the discussion about growth within that boundary occurs.

Ted Ried responded that they will work together to figure out what those numbers should be. He shared that it will be adopted by the Council, and they will bring a plan to MPAC to look at.

Mayor Rosener asked about how this report gets used, noting that they should talk about where they want to be and how they should get there. He noted that growth is important for property taxes and to keep up with inflation. He asked if the report will share what the underlying key drivers are, and as policymakers, inform them on what they can do to reverse some trends.

Kehe responded that the urban growth report is primarily a report of data and information that is the most accurate that they can present, and that then the decision making and policymaking becomes the task of MPAC and Council. She added that the data will then be presented in ranges, and they can have discussions with one another about where people think it falls in that range and why. Kehe noted that the policy conversations need to be what happens and continues after the UGB decision.

Vice Chair Sherman clarified if the forecast is modestly positive but more subdued with a greater potential for negative outcomes over time.

Harwood responded that yes, that is the case.

Mayor Rosener asked if there could be more discussion on this at a later date.

Kehe noted that they are planning to come back to them with the capacity analysis, and that they can save time to come back to the demand discussion as well.

Chair Pam Treece stated that they will have their next organizational meeting for MPAC and they will make sure they can come back to this discussion.

7. ADJOURN

Vice Chair Brett Sherman adjourned the meeting at 6:58 pm.

Respectfully Submitted,

Georgia Langer

Georgia Langer
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF DECEMBER 13, 2023

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
6.1	Presentation	02/28/2024	Waste Prevention and Environmental Services: Garbage and Recycling System Facilities Plan Update Presentation	022824m-01
6.2	Presentation	02/28/2024	2024 Urban Growth Management Decision: Draft Regional Population, Household, and Employment Forecast Presentation	022824m-02

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, February 28, 2024 **5:00 PM** **Metro Regional Center, Council Chamber, https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633), https://www.youtube.com/watch?v=9WQiWVzMF-Y**

1. Call To Order, Declaration of a Quorum & Introductions (5:00 PM)

Please note: This meeting will be held in person at the Metro Regional Center Council Chambers with opportunities to join online. You can join the meeting on your computer or other device by using this link: https://zoom.us/j/95889916633 or by calling +1 669 900 6128 or +1 877 853 5257 (Toll Free)

If you wish to attend the meeting, but do not have the ability to attend by phone or computer, please contact the Legislative Coordinator at least 24 hours before the noticed meeting time by phone at 503-813-7591 or email at legislativecoordinator@oregonmetro.gov.

2. Public Communication on Agenda Items (5:05PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.

Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov.

Those requesting to comment during the meeting can do so by using the “Raise Hand” feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:10PM)

4. Committee Member Communication (5:15PM)

5. Consent Agenda (5:20PM)

5.1 Consideration of the January 24, 2024 MPAC Minutes 24-6022

Attachments: 012424 MPAC Minutes

5.2 Metro Technical Advisory Committee (MTAC) Nominations for Member/Alternate Member Positions COM 24-0773

Presenter(s): Eryn Kehe (she/her), Metro

Attachments: MPAC Worksheet
MTAC Nominations Memo
MTAC Member List, as of February 9, 2024

6. Information/Discussion Items (5:35 PM)

6.1 Waste Prevention and Environmental Services: Garbage and Recycling System Facilities Plan Update COM 24-0774

Presenter(s): Estee Segal (she/her), Metro

Attachments: MPAC Worksheet
Attchment 1
Attachment 2

6.2 2024 Urban Growth Management Decision: Draft Regional Population, Household, and Employment Forecast COM 24-0775

Presenter(s): Ted Reid, he/him, Metro
Eryn Kehe, she/her, Metro
Josh Harwood, Metro
Dennis Yee, Metro

Attachments: MPAC Worksheet
Regional Forecast Expert Review Panel Summary

7. Adjourn (7:00)

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Повідомлення Metro про заборону дискримінації

Metro з повагою ставиться до громадянських прав. Для отримання інформації про програму Metro із захисту громадянських прав або форми скарги про дискримінацію відвідайте сайт www.oregonmetro.gov/civilrights. або Якщо вам потрібен перекладач на зборах, для задоволення вашого запиту зателефонуйте за номером 503-797-1700 з 8.00 до 17.00 у робочі дні за п'ять робочих днів до зборів.

Metro 的不歧視公告

尊重民權。欲瞭解Metro民權計畫的詳情，或獲取歧視投訴表，請瀏覽網站www.oregonmetro.gov/civilrights。如果您需要口譯方可參加公共會議，請在會議召開前5個營業日撥打503-797-1700（工作日上午8點至下午5點），以便我們滿足您的要求。

Ogeysiiska takooris la'aanta ee Metro

Metro waxay ixtiraamtaa xuquuqda madaniga. Si aad u heshid macluumaad ku saabsan barnaamijka xuquuqda madaniga ee Metro, ama aad u heshid warqadda ka cabashada takoorista, booqo www.oregonmetro.gov/civilrights. Haddii aad u baahan tahay turjubaan si aad uga qaybqaadatid kullan dadweyne, wac 503-797-1700 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqo ka hor kullanka si loo tixgaliyo codsashadaada.

Metro의 차별 금지 관련 통지서

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

6.2 2024 Urban Growth Management Decision: Draft Regional Population, Household, and Employment Forecast

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, February 28th, 2024

MPAC Worksheet

Agenda Item Title: 2024 urban growth management decision: draft regional population, household, and employment forecast

Presenters: Josh Harwood, Fiscal and Tax Policy Director, Metro; Ted Reid, Principal Regional Planner, Metro; Dennis Yee, Economist, Metro

Contact for this worksheet/presentation: Ted Reid

Purpose/Objective
The purpose of this item is to continue MPAC's engagement in growth management topics so that it is prepared to advise the Metro Council on its regional growth management decision in late 2024.

Under state law, Metro must assess – at least every six years – whether there is a regional need to expand the urban growth boundary (UGB) to ensure adequate room for 20 years of expected housing and job growth. UGB expansions are only allowed if there is a demonstrated regional need for more land. To assess that demand, Metro begins by forecasting regional population, household, and employment growth. This draft forecast has been reviewed by external economists and demographers.

At the February 28, 2024 meeting, Metro staff will present the draft regional population, household, and employment forecast. This analysis and others will be incorporated into a draft 2024 Urban Growth Report (UGR) that will be released in the summer of 2024.

Outcome
MPAC members are aware of the technical analyses and review processes that will inform their recommendation to the Metro Council for the 2024 urban growth management decision. MPAC members can ask questions of Metro staff and discuss the implications of the draft forecast.

What has changed since MPAC last considered this issue/item?
At its January meeting, MPAC heard from an expert panel of demographers and economists about the trends that influence their thinking about future population and employment growth. Some of those same experts have recently participated in a review of Metro's draft forecast. A summary of their review is attached.

What packet material do you plan to include?
Summary of the peer review of Metro's draft regional forecast.

2024-2044 regional population, household, and employment forecast:

Expert panel review summary

Context

On January 30, 2024, Metro staff convened an expert panel of economists and demographers to review the preliminary regional forecast that will be part of the 2024 Urban Growth Report. This review is intended to identify areas of agreement or disagreement among experts in forecasting. The group is advisory to Metro staff. The following summary describes the topics brought forward in the forecast review, staff reasoning, as well as expert panelist views on those topics.

Main takeaways

The long-term trend of declining birth rates will lead to slower population growth rates

Metro's forecast for slower population growth is aligned with other forecasters' assessments. Specifically, panelists agreed that declining birth rates will mean that deaths will begin to outnumber births in the next decade. That negative natural change is expected to continue after that point, and without positive net migration, the region would begin to lose population. This expected slowdown is not because of the pandemic, the ensuing 2020 recession, or because of recent out-migration from the region. It is because of demographic shifts.

Panelists believe there is considerable uncertainty around migration, but that Metro's assumption, based on historic averages is reasonable. Panelists advised Metro to be clear about this uncertainty and that high cost of living on the west coast may lead to lower net in-migration.

Panelists indicated that, while intuition supports the notion that the region may see increased migration from climate refugees drawn to the Pacific Northwest's temperate climate, there is currently no observable evidence that this is happening. Panelists did not recommend building in an add-factor for climate induced migration at this time.

Employment growth will slow because of declining population growth rates

External experts agree that population growth is inextricably tied to employment growth and that slowing population growth would lead to slowing employment growth. Both are expected to grow at 0.4 percent per year over the forecast period. This is less than historic growth rates.

Panelists felt that Metro's preliminary employment forecast looked right in total, but that it was too optimistic about the CHIPS Act and its impacts on computer and electronics manufacturing and metal fabrication. Peer reviewers indicated that the CHIPS Act will primarily prevent manufacturing job losses that would otherwise occur in the next 10 years. Longer term, they expect manufacturing employment to be flat. In response, Metro staff has adjusted the computer and electronics and metal fabrication sectors downward slightly. The result is that manufacturing employment– after an initial increase in the next five to ten years—returns (declines) to pre-pandemic levels by the end of the 20-year forecast period.

NOTE: graphs included in this document are ones that were discussed by the peer review panel. As such, they may differ from the eventual draft or final regional forecast because staff has made adjustments based on expert feedback.

Expert panelists and Metro economics staff

Panelists

Peter Hulseman, City Economist, City of Portland
Neal Marquez, Forecast Program Manager, Portland State University Population Research Center
Ethan Sharygin, Director, Portland State University Population Research Center
Amy Vandervliet, Economist, Oregon Employment Department

Metro economics staff

Josh Harwood, Director of Fiscal and Tax Policy
Katelyn Kelley, Economist
Dennis Yee, Economist

Panel discussion

National macroeconomic conditions

Metro staff presented data on recent national gross domestic product (GDP) as well as GDP projections from S&P Global |IHS Markit. The national outlook shows GDP returning to a slow growth trend after seeing variability during the pandemic. The national outlook does not include another recession, but instead points to a "soft landing" from a period of high inflation.

National population

Metro staff presented national population growth rate forecasts which depict slowing population growth rates. By the end of the forecast period, average annual population growth rates are expected be at 0.4 percent, down from the 0.9 percent rate for the previous 30 years. Panel members suggested comparing this IHS Markit data to 2023 Census data but indicated that those data show a similar trend and forecast.

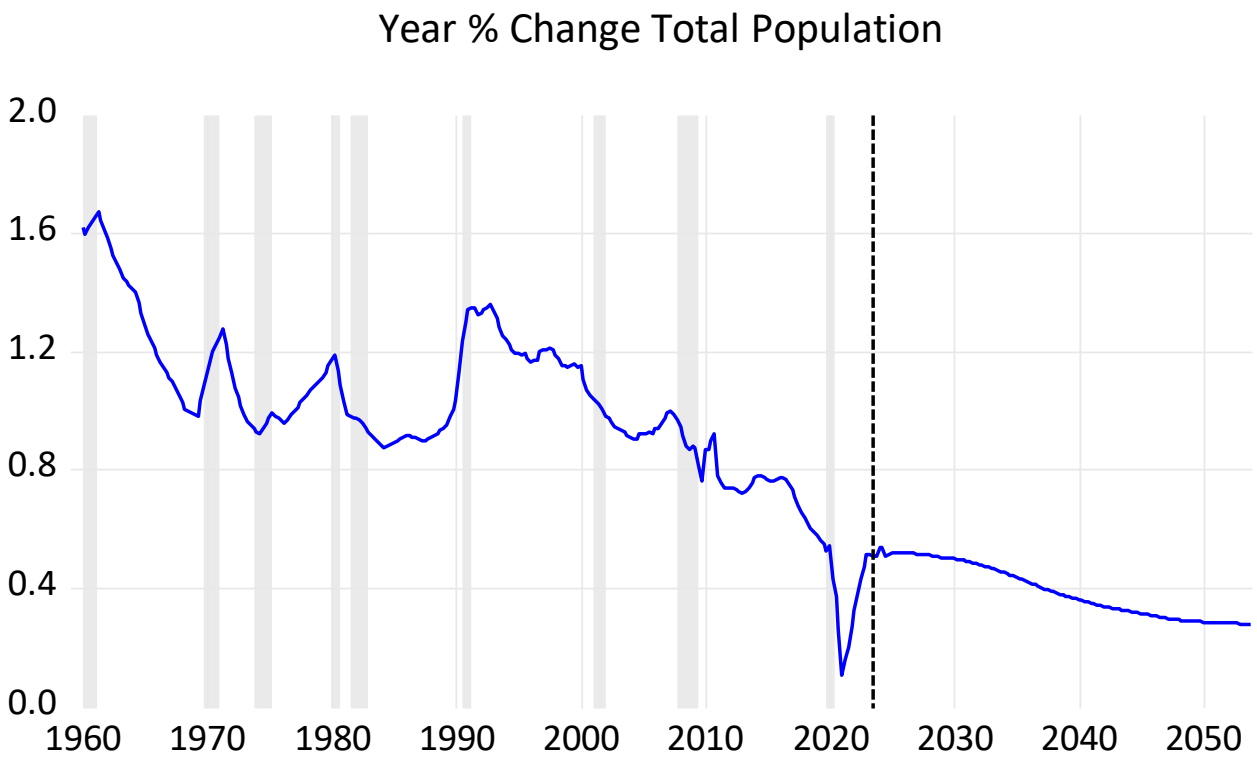


Figure 1: Annual percent change in total U.S. population (source: IHS Markit)

Declining birth rates are a main driver for slowing population growth rates. Though average life expectancy is expected to increase, the continued aging of the Baby Boomer generation will contribute to higher numbers of deaths in the next two decades. At the national level, deaths now outnumber births.

Going forward, national population would decline if it were not for international migration into the U.S. The pandemic is not seen as the cause of slower population growth. Rather, the continuation of the long-term trend of declining birth rates has become clearer since the completion of the 2018 forecast. Panelists did not indicate any disagreement with these overarching trends and their implications for regional population growth.

National Employment

Employment growth depends on population growth and labor force participation among that population. Having presented national data on slowing population growth, staff presented information on labor force participation and employment-to-population ratios.

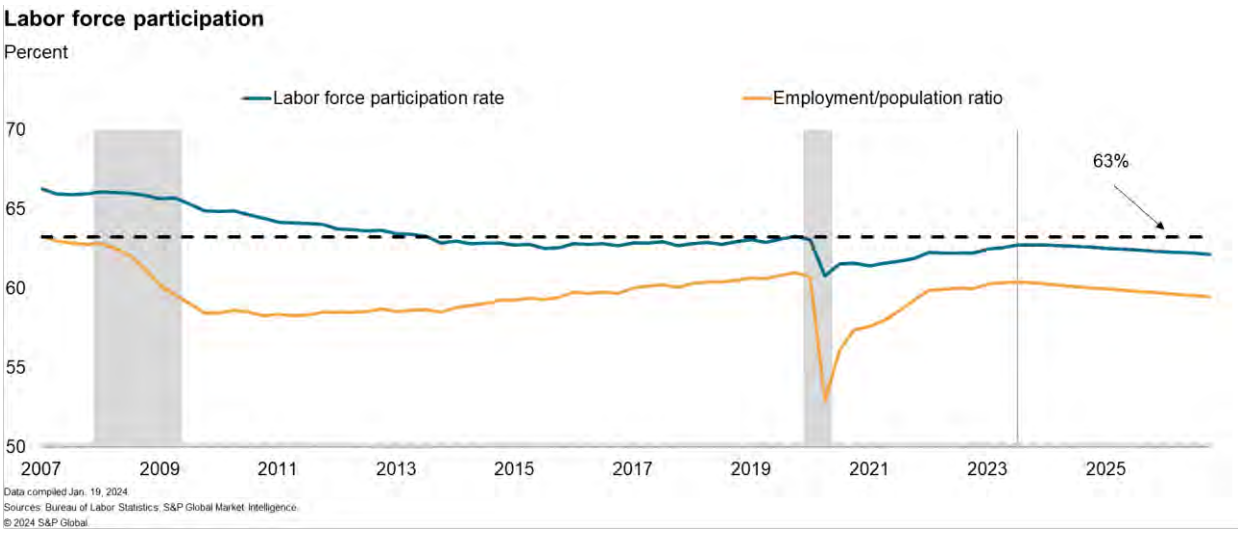


Figure 2: U.S. labor force participation

The national employment forecast shows slowing growth rates in coming decades. IHS Markit's national employment forecast indicates an average of 0.4 percent growth per year through the year 2055. This matches the national forecast for 0.4 percent population growth.

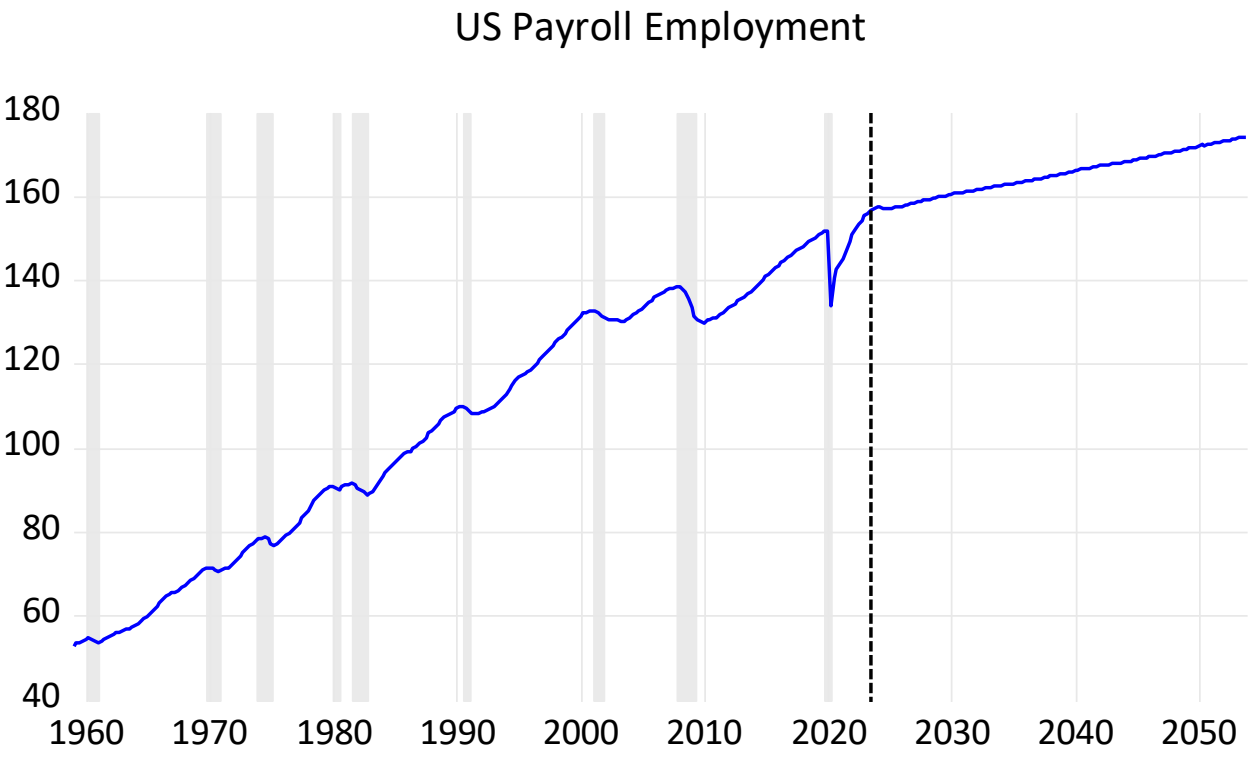


Figure 3: U.S. employment in millions (source: IHS Global Insight)

Regional population

Switching from the national context to the seven-county Portland/Vancouver Metropolitan Statistical Area (MSA), Metro staff presented the current population pyramid for the region.

Current age distribution

Figure 4 depicts an aging population with constricted younger age cohorts. This type of population pyramid indicates that a population will have diminishing natural increase (in which deaths exceed live births) and would shrink over coming decades were it not for net increases from migration.

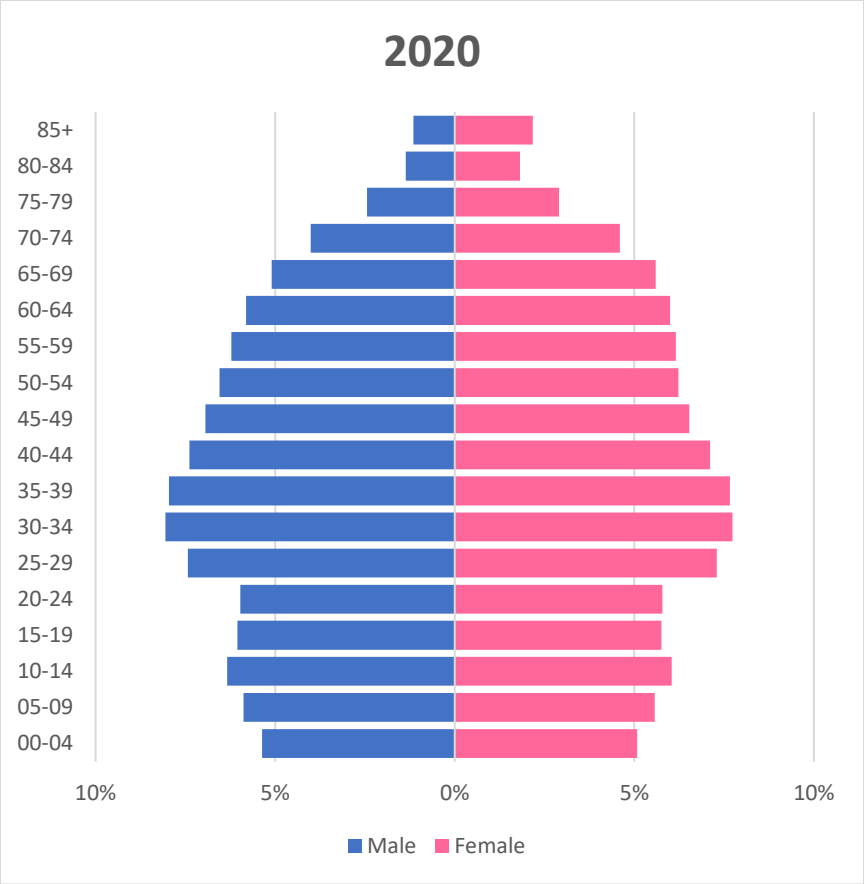


Figure 4: Portland/Vancouver MSA population pyramid in 2020 (source U.S. Census)

Panel members discussed how the regional population pyramid compares with other regions in the U.S.:

- Relative to other states, Oregon has a higher share of population that is 65 and older.
- The region continues to attract young working age migrants (ages 20-39).

Regional birth rates and fertility rates

Metro staff presented data on age-specific birth rates for the region. As depicted in Figure 5, births are being delayed until later in life and the average woman is having fewer children than in previous decades.

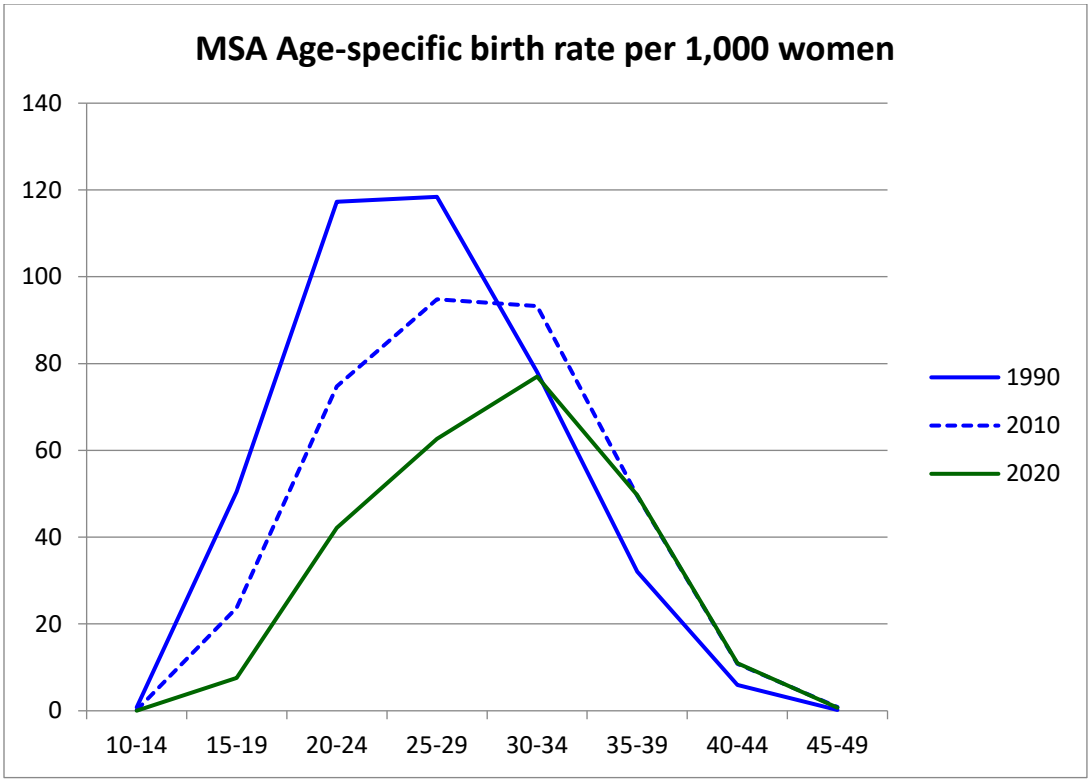


Figure 5: age-specific birth rates for the Portland MSA (source: U.S. Census)

Metro staff also presented total fertility rates for the MSA as depicted in Figure 6.

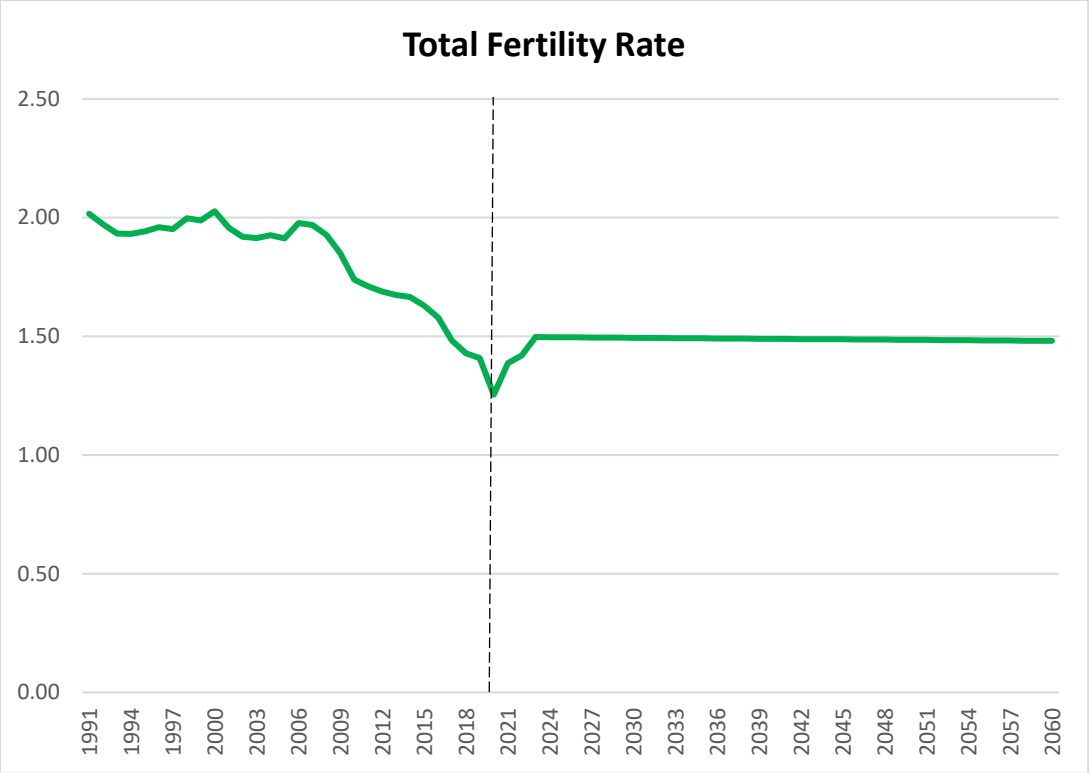


Figure 6: Portland MSA total fertility rate history and forecast (sources: PSU Population Research Center and Metro modeling)

Panelists from PSU's Population Research Center noted that Metro's forecast total fertility rate of 1.5 children per woman is slightly higher than PSU's forecasts for 1.4 children per woman. Metro will retain its assumption of 1.5 for the baseline forecast but will express a low and high forecast range to account for uncertainty around this and other assumptions.

Regional mortality assumptions

Though average life expectancy is expected to rise, the sheer number of people in the Baby Boomer generation will result in rising numbers of deaths in the region in coming years (despite living longer on average). See Figure 7. The peak circa 2020 is because of the pandemic.

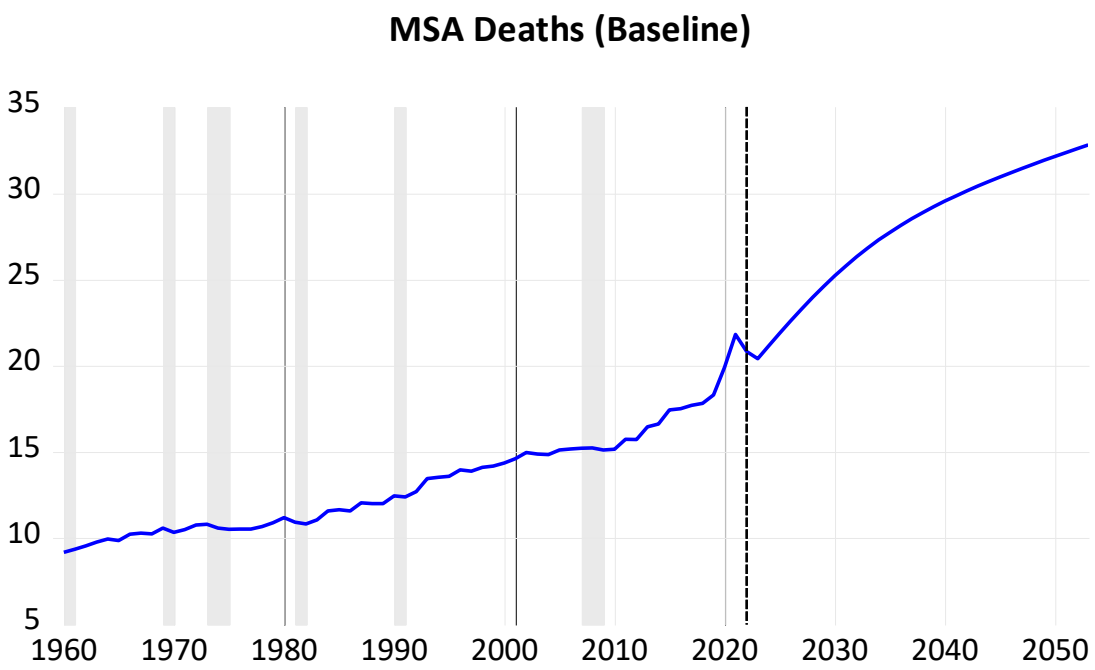


Figure 7: Annual deaths (in 1000s) for Portland MSA (Source: PSU Population Research Center)

Panel members asked whether Metro accounts for the age of people migrating in and out of the region. Metro staff indicated "yes," that these data come from PSU and include the age of migrants.

Panelists asserted that migrants to the region tend to have better health than people born in the region and inquired whether different life expectancies are assumed for those born here vs. those that migrate here. Metro staff indicated that its forecast does not differentiate.

Panelists inquired whether the forecast includes mortality by race and ethnicity. Metro staff indicated that yes, this is calculated in a post-processor.

Natural change

Natural change is the net change in total population after accounting for births and deaths. As depicted in Figure 8, natural change in the region will be negative in about a decade when deaths outnumber births. The expert panel did not indicate any disagreement with these fundamental demographic trends. Negative natural change will leave net migration as the potential source of regional population growth.

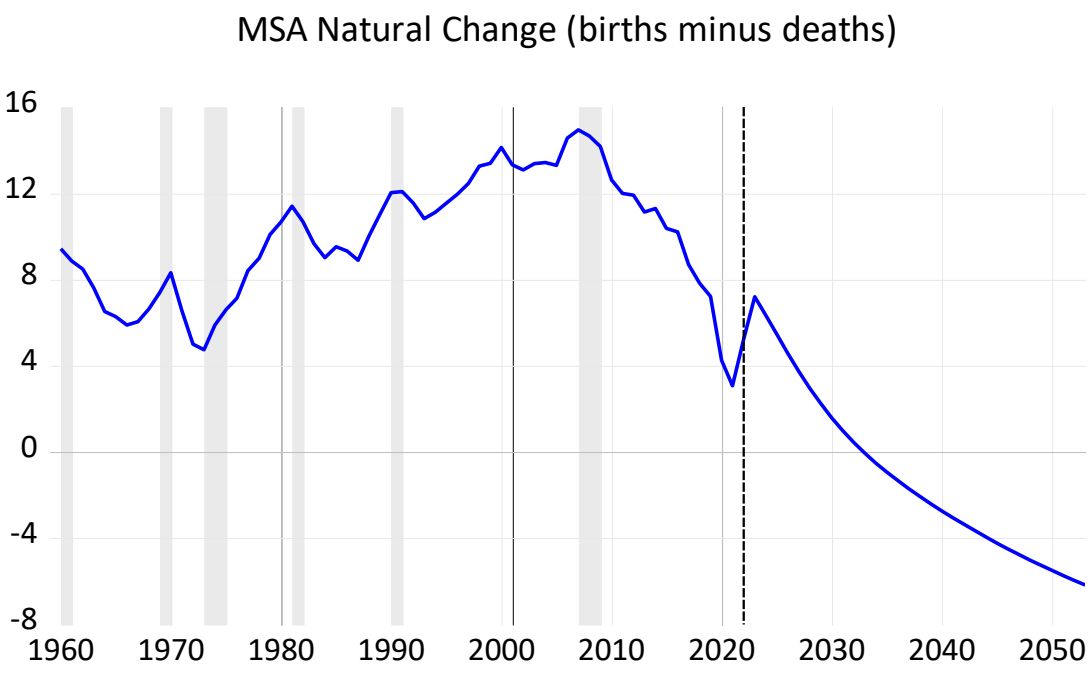


Figure 8: Natural change in the Portland MSA, 1000s of people per year (source: PSU Population Research Center)

Regional migration

Panelists discussed how migration into and out of the region is volatile and difficult to forecast. See Figure 9.

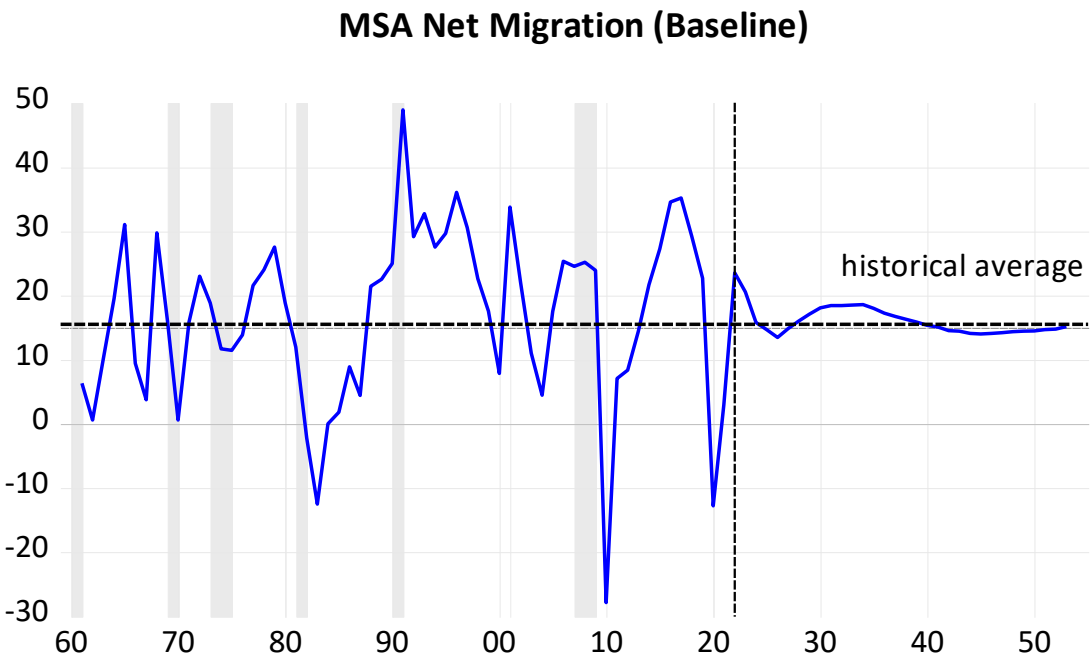


Figure 9: Portland MS net migration, 1000s per year (source: PSU Population Research Center)

Migration rates will determine regional population growth outcomes since natural increase will not be a long-term source of population growth. 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. The State of Oregon Office of Economic Analysis has recently published an analysis of a zero-migration scenario to assess the potential impacts of diminished net migration.

Staff indicated that this uncertainty is a reason why we utilize a range forecast. The preliminary, pre-peer-review range forecast is depicted in Figure 10. Negative net migration – as factored into the low forecast – would lead to regional population losses. The baseline forecast assumes a continuation of the historic average of net regional migration. The high forecast assumes increased net migration compared to historic averages (in addition to natural increase in population).

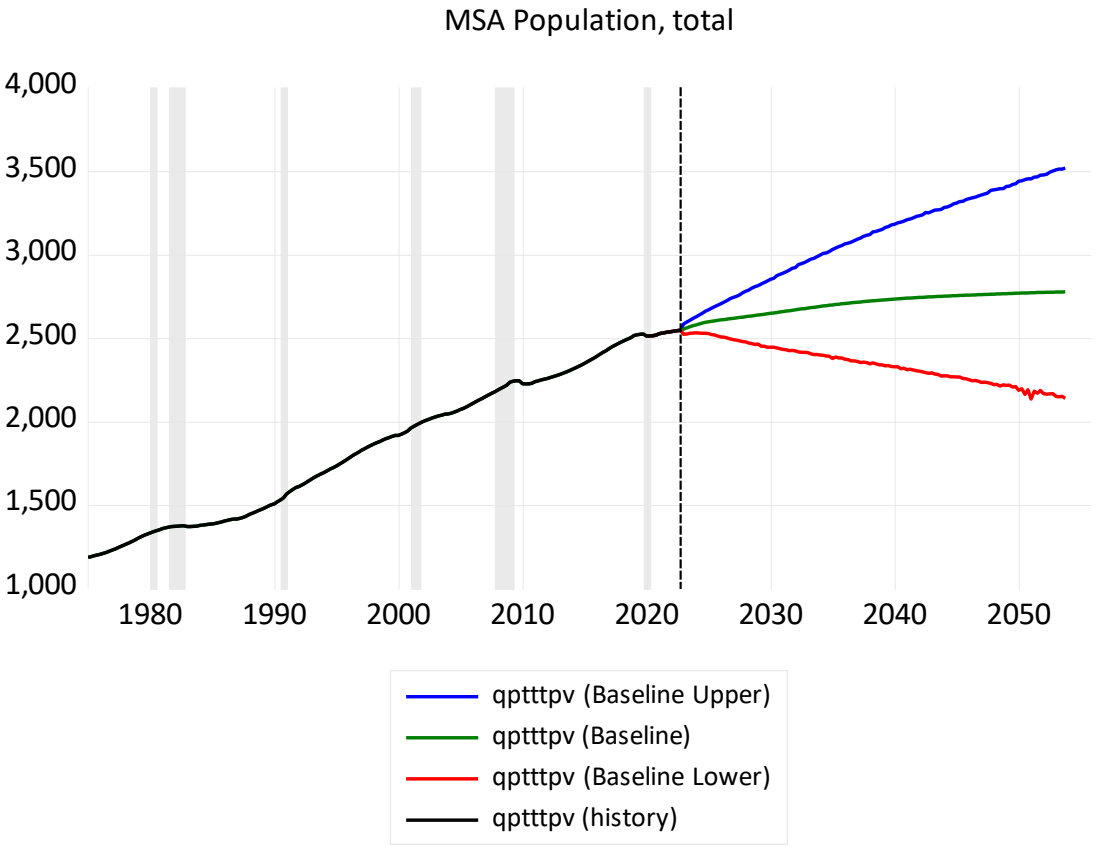


Figure 10: Portland MSA preliminary range forecast for population (in 1000s)

Housing prices and migration

Some have posited that relatively high housing costs on the west coast are one reason why migration to the region may slow down. Metro staff asked panelists a question that has been posed to them in other venues: could migration into the region be maintained by increasing housing production. The reasoning is that an increase in housing supply could moderate price increases, thereby inducing migration.

Staff's sense is that, while increased housing production should remain a goal for the nation, state, and region, it appears unlikely that it could be achieved at a scale that would give our region an affordability advantage relative to other regions. The scale of housing production needed to give our region that

advantage would likely require that builders in the region build in a speculative fashion, beyond the point of profitability.

Panelists indicated that, under this theoretical construct of intense housing production, the type of housing that gets built would matter. Specifically, homes with more bedrooms would be needed to attract households with children to bolster population growth. Housing with this many bedrooms can be built as multifamily housing or middle housing, but in our region, it has more typically taken the form of single-family housing.

Related, household formation can happen even without population growth. For instance, a person who once lived with roommates may form their own one-person household. One and two-bedroom units accommodate those newly formed small households.

Climate-induced migration

Staff introduced the topic of climate-induced migration, noting that many believe that our region's temperate climate could attract migrants leaving unfavorable environmental conditions elsewhere (e.g., extreme heat, sea level rise, increased storm intensity). Panelists indicated that this may be true, but that there is no data trend to indicate that this has happened yet. Panelists cited a recent consumer preference survey in which just two percent of respondents indicated that climate change influenced their decision to move. The panel does not recommend explicitly factoring it into the population forecast at this time. This recommendation is consistent with a 2016 symposium on the topic.

Staff suggested that households may become more sensitive to climate risk if insurance companies raise rates for property owners in more vulnerable regions. Staff intends to continue monitoring this issue in future regional forecasts. Countervailing considerations include recent extreme heat in the Pacific Northwest and the increased prevalence of wildfire smoke.

Regional employment

Staff presented information about employment recovery from the 2020 pandemic recession. As shown in Figure 11, non-manufacturing employment in the region has fully recovered, but manufacturing employment has not (see Figure 12).

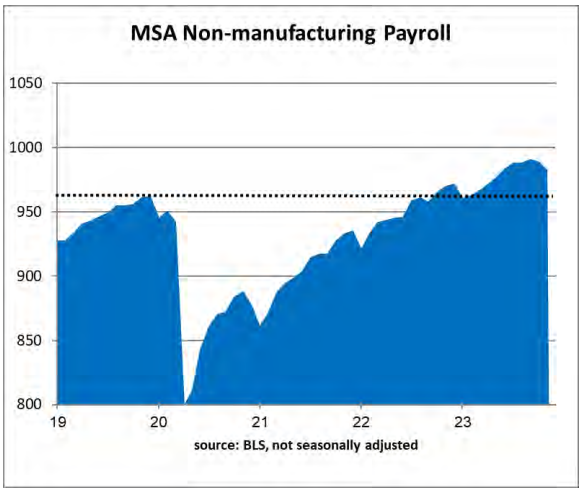


Figure 11: non-manufacturing employment in 1000s of jobs in the Portland MSA, 2019-2024 (source: Bureau of Labor Statistics)

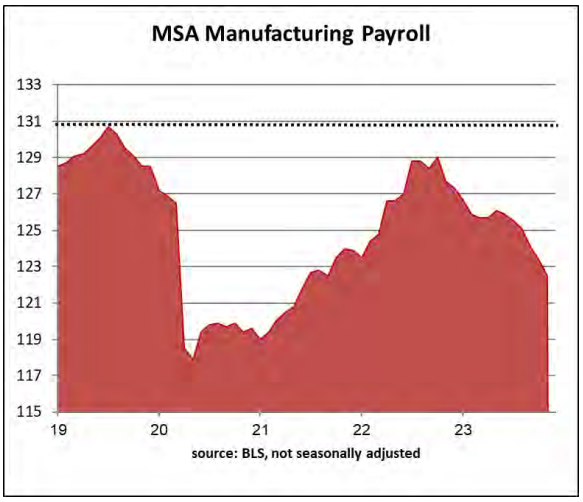


Figure 12: manufacturing employment in 1000s of jobs in the Portland MSA, 2019-2024 (source: Bureau of Labor Statistics)

Moving forward from recent history, Metro staff indicated that they believe that future employment growth rates will track closely with population growth rates, with both at 0.4 percent annual average growth. Staff presented the employment range forecast for the MSA as depicted in Figure 13.

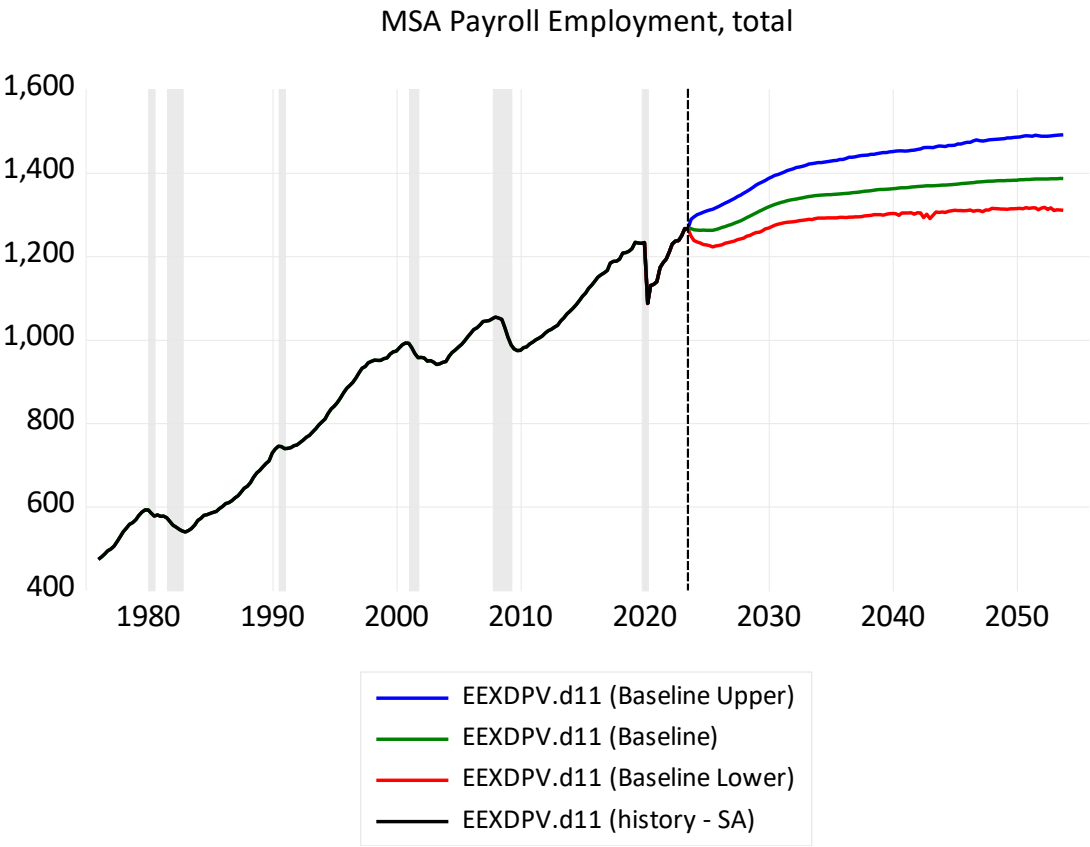


Figure 13: employment history and range forecast for the Portland MSA in 1000s of jobs

Panelists felt that Metro's preliminary employment forecast looked right in total, but that it was too optimistic about manufacturing employment (see Figure 14) and the employment impacts of the CHIPS

Act on computer and electronics manufacturing and fabrication of metal sectors as depicted in Figure 15 and Figure 16.

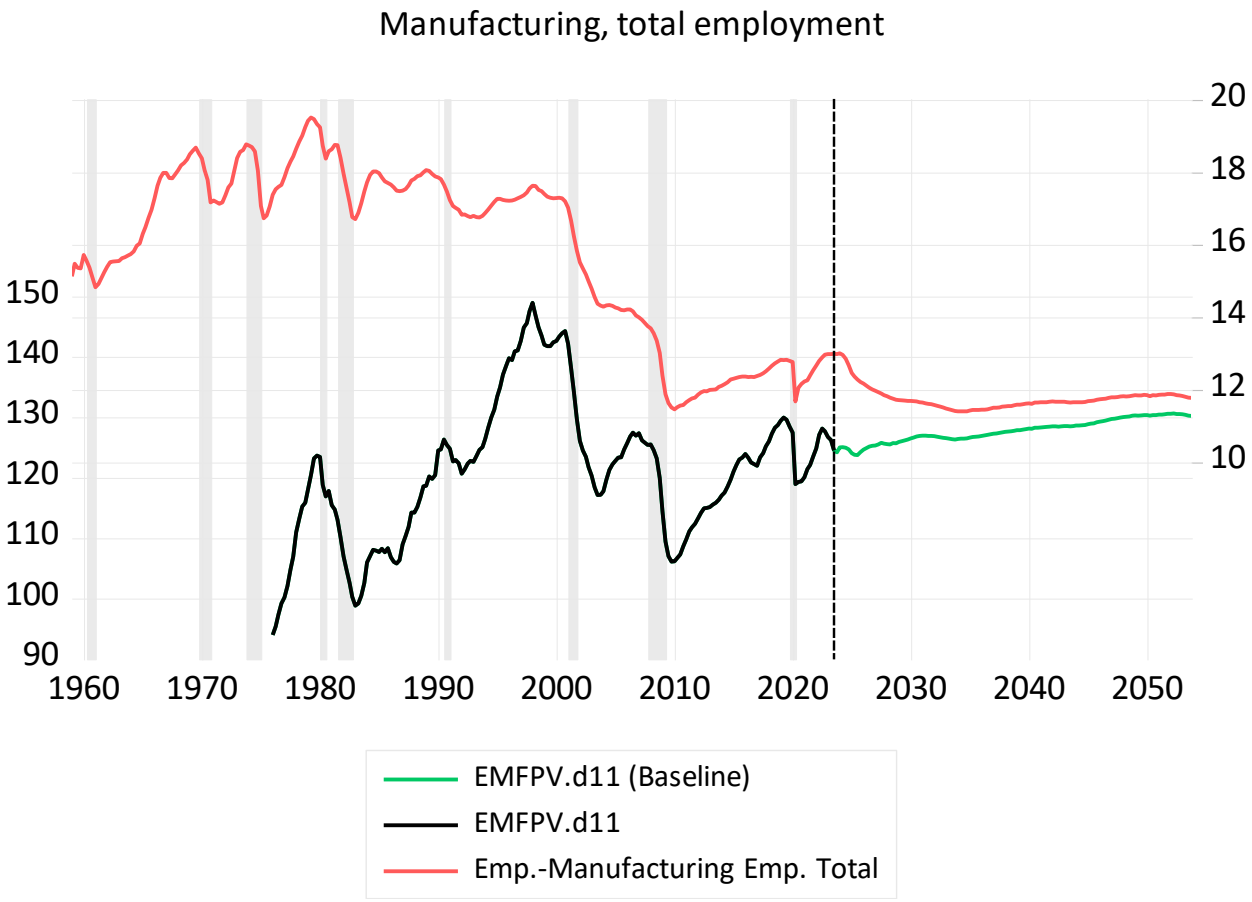


Figure 14: manufacturing employment history and forecast in 1000s of jobs for the Portland MSA (black and green lines) and the U.S. (red line)

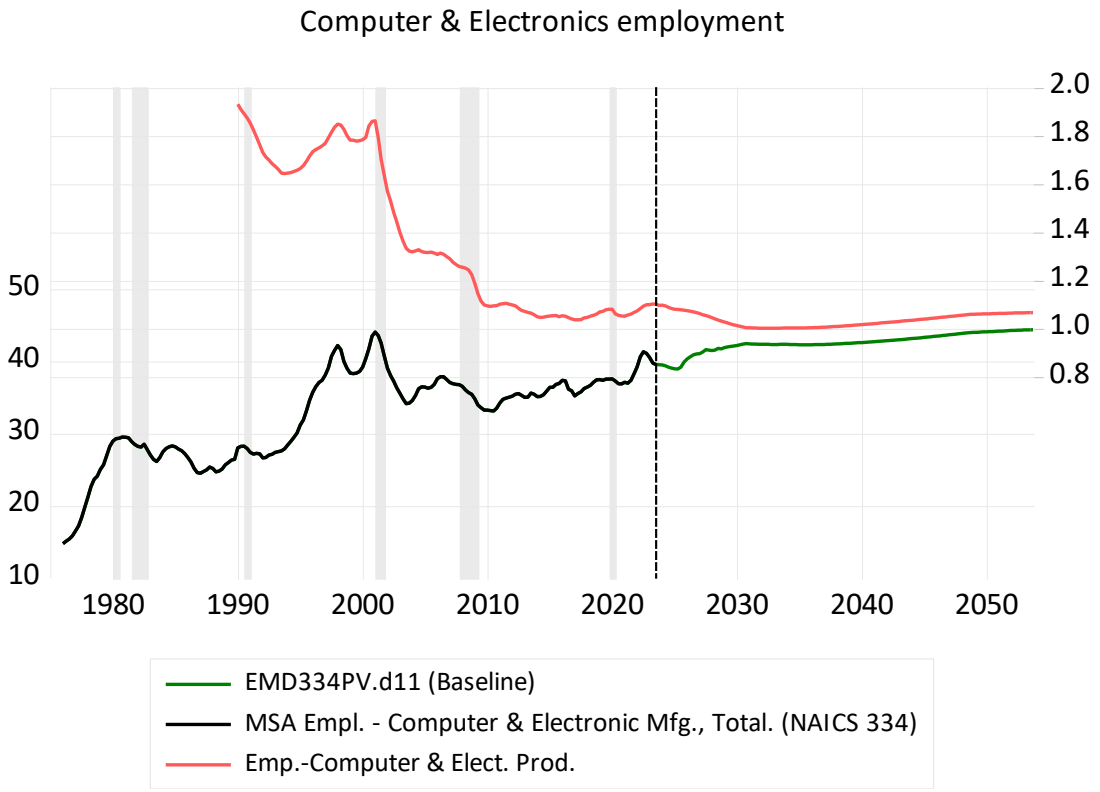


Figure 15: computer and electronics employment; red is U.S.; black is MSA history; green is MSA baseline forecast (in 1000s of jobs)

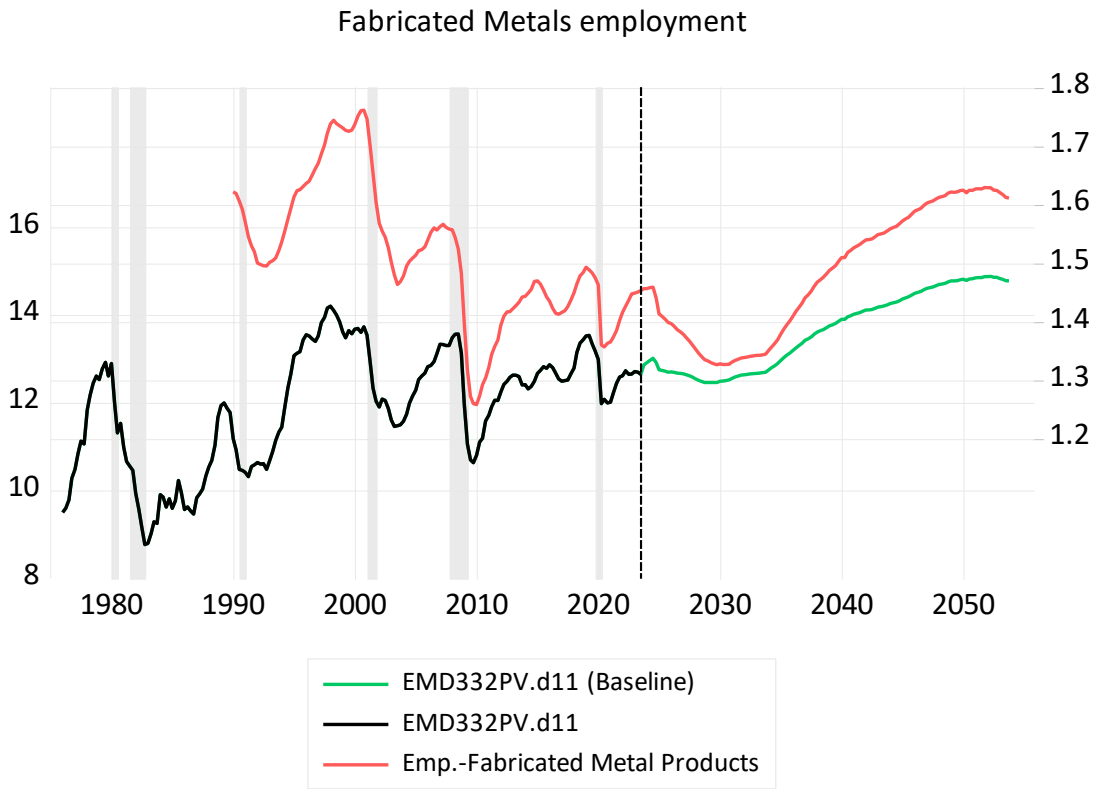


Figure 16: fabricated metals employment; red is U.S.; black is MSA history; green is MSA baseline forecast (in 1000s of jobs)

Panelists noted that Metro "would have to be really confident in the CHIPS Act" to forecast growth as shown in Figure 15 and Figure 16 and that "manufacturing does not seem like the most likely sector for employment growth." Panelists indicated that Metro's forecast for manufacturing carried "too much long-term momentum from the one-time shock of the CHIPS Act" and that, while there may be a short-term bump in high-tech manufacturing, it will be relatively small in the context of overall employment. In summary, panelists indicated that the CHIPS Act is best thought of as preventing manufacturing job losses that would likely otherwise occur over the next decade. Panelists further noted that the statewide forecast show a decline in metal fabrication.

Longer term (past 10 years), panelists believe there is too much uncertainty around technological changes, automation, and productivity to be confident in sustained high-tech manufacturing employment growth when the historic trend would indicate otherwise.[1]

In response, Metro staff will adjust the computer and electronics and metal fabrication sector forecasts downward slightly. The result is that computer and electronics manufacturing employment– after an initial increase—will be at roughly year 2022 levels by the end of the forecast period in 2044. Metal fabrication will be at roughly pre-pandemic levels by 2044.

Panelists inquired whether the first ten years or the end point (year 2044) that matters for the growth management decision. Staff indicated that the land need analysis looks at the 20-year timeframe that

[1] As depicted in Figure 14, today in the Portland MSA, there are about 85 percent the number of manufacturing jobs that there were in 1998.

begins in 2024 and ends in 2044. Panelists reiterated their view that the longer-term outlook for manufacturing employment is flat at best.

Regarding other employment sectors depicted in Figure 17, panelists discussed the following, but did not indicate any disagreement:

- The high growth rate depicted in the natural resources (mining and logging) sector is because of its small size (i.e., small increases in absolute numbers result in big growth rates).
- The computer and electronic manufacturing sector is expected to grow slower (flat growth) than in the past.
- There will be a notable decline in the transportation and warehousing sector (U.S. and Portland MSA) after a decade of steep growth.
- Drivers for state and local government sector growth:
    - Slowing population growth will really impact this sector
    - However, positive tax collections and budget can drive this sector forward too
- Range forecast – in the past, the Metro Council has adopted the baseline (most likely) forecast.

Industry Name by NAICS	APR%: History 1976-2022	ST 2022-32	LT 2022-45
Total Nonfarm Payroll	2.1%	0.9%	0.5%
Manufacturing, total	0.6%	0.0%	0.1%
Durable MF, total	0.7%	0.0%	0.1%
Lumber products	-1.9%	-1.3%	-1.1%
Primary metals	-0.1%	-0.6%	-0.7%
Fabricated metals	0.6%	0.0%	0.6%
Machinery	0.4%	-1.5%	-0.6%
Computer & Electronics	2.1%	0.4%	0.3%
Transportation Equipment	-0.4%	-1.9%	-1.5%
Other Durable MF	0.8%	0.9%	0.5%
Non-durable MF, total	0.2%	0.0%	0.0%
Food processing	1.0%	0.0%	0.0%
Paper products	-2.1%	-1.5%	-1.4%
Other Non-durable MF	0.3%	0.1%	0.3%
Private Non-manufacturing, total	2.5%	1.0%	0.6%
Natural resources	-0.9%	4.8%	1.7%
Construction	2.9%	2.4%	1.2%
Wholesale trade	1.4%	0.5%	0.3%
Retail trade	1.5%	0.5%	0.6%
Transportation, Warehousing & Utilities	2.1%	-1.1%	-1.4%
Info - Publishing	3.5%	1.6%	0.0%
Info - Internet	0.8%	1.2%	0.4%
Finance & Insurance	1.5%	1.3%	1.1%
Real Estate	2.6%	0.4%	-0.2%
Pro., Sci., Tech. services	3.9%	0.6%	0.5%
Mgmt. of Companies	4.2%	0.8%	0.3%
Admin. & Waste Mgmt. Services	3.5%	1.4%	1.2%
Education	3.6%	1.2%	-0.1%
Health care	3.3%	1.4%	0.9%
Leisure	2.3%	3.1%	2.0%
Hospitality	2.5%	0.9%	0.3%
Other services	2.3%	1.5%	1.0%
Government, total	1.4%	1.0%	0.3%
Federal gov.	0.3%	0.4%	0.2%
State & Local gov.	1.5%	1.1%	0.4%

Figure 17: Employment growth rates by sector in the Portland MSA, history and forecast

Work from home and office vacancies

Staff presented a comparison of work from home trends in several metropolitan areas (Figure 18). Staff noted that this topic was somewhat outside of the regional forecast review scope, but that our growth management assessment will need to account for changes in demand for commercial office space. Panelists correctly noted that survey respondents may in fact be working in the office some days but reported that they primarily work remotely. Panelists also noted that work from home shares may

decrease somewhat if the labor market loosens (i.e., employers have more bargaining power over working conditions). Staff will strive to account for these considerations as they estimate commercial office demand.

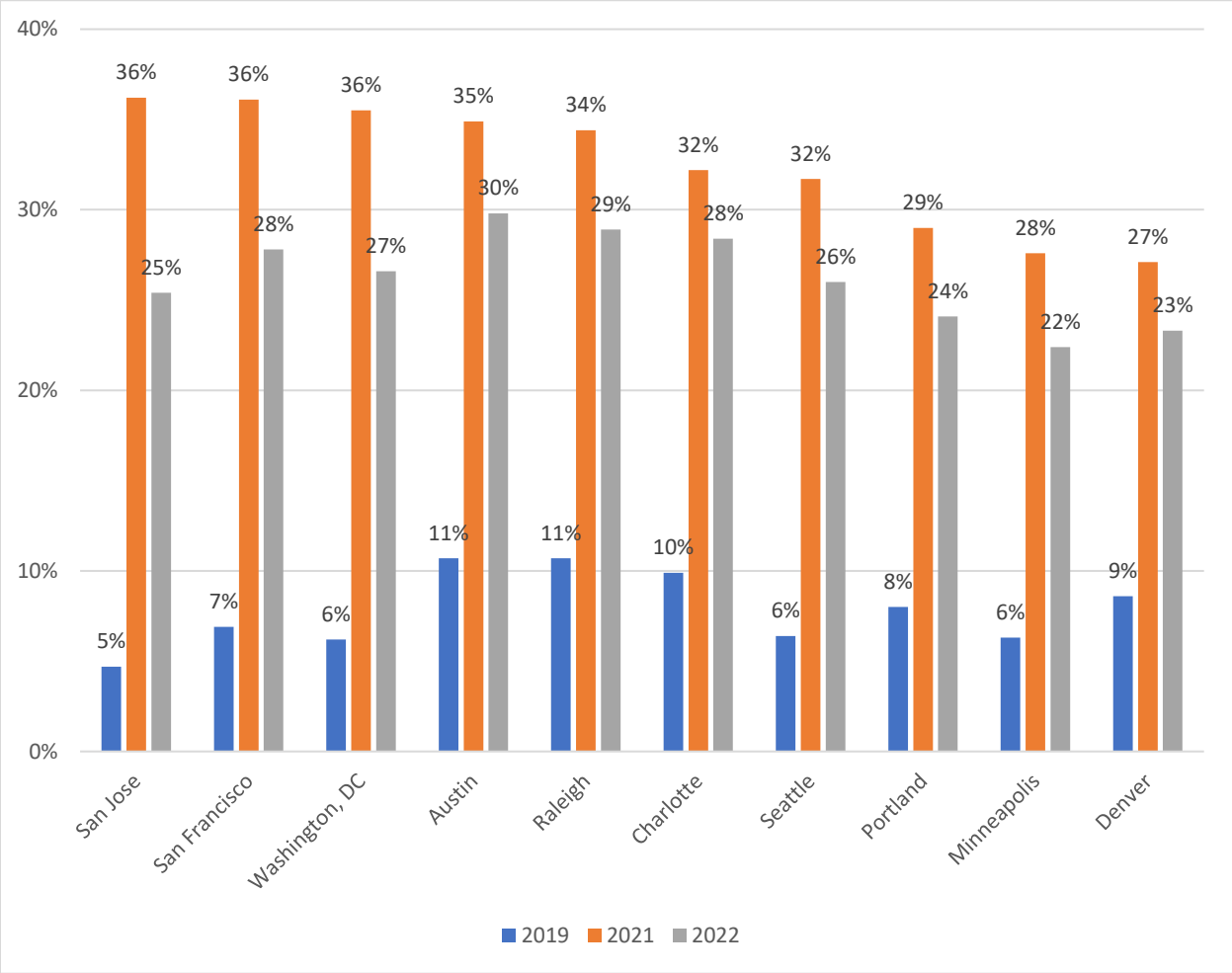


Figure 18: comparison of shares of all workers in different MSAs reporting that they primarily work from home (source ACS)

Office vacancies

As with work from home trends, staff introduced the topic of office vacancies as potentially being outside of the panels' area of expertise. However, staff is interested in whether we need to consider office vacancies as a source of growth capacity (we have not in the past, instead focusing on vacant land or redevelopment of existing structures). Metro staff believes that vacancies will reset in the next couple years or so and will likely not be a long-term capacity consideration.

Materials following this page were distributed at the meeting.

Urban growth management update: Regional forecast

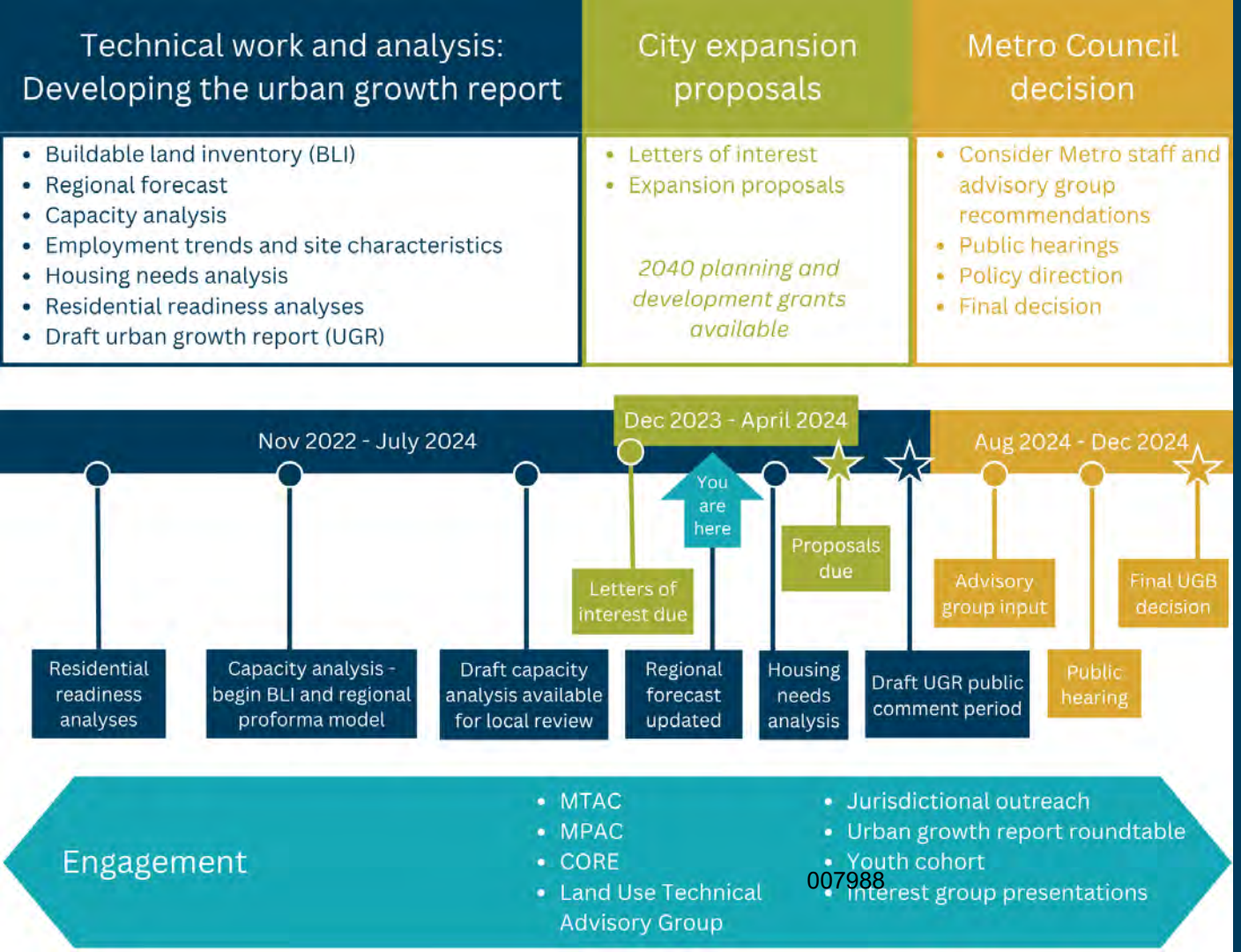
MPAC
February 28, 2024

Urban growth management - why?

- Protect farms and forests
- Focus investment in existing communities
- Encourage a greater variety of housing choices
- Reduce carbon emissions by keeping destinations close

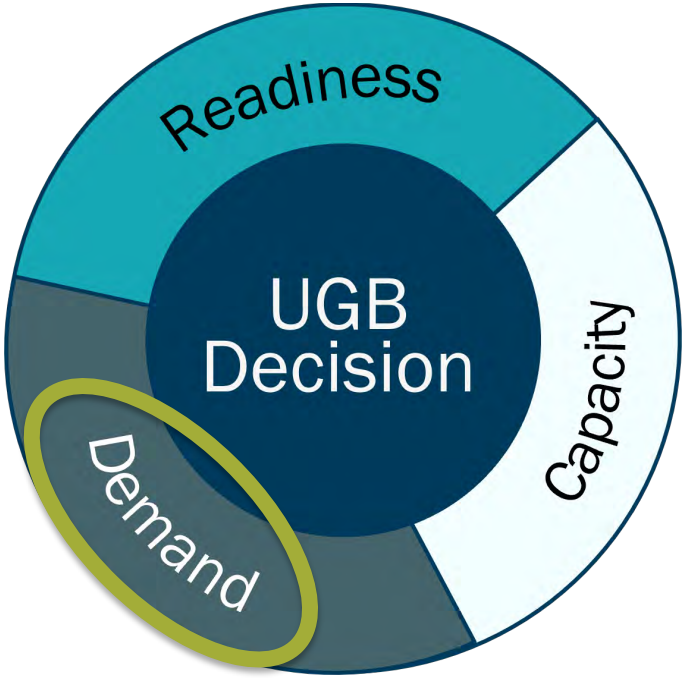


Project timeline



Urban growth report

How does the regional forecast fit into the urban growth report assessment?



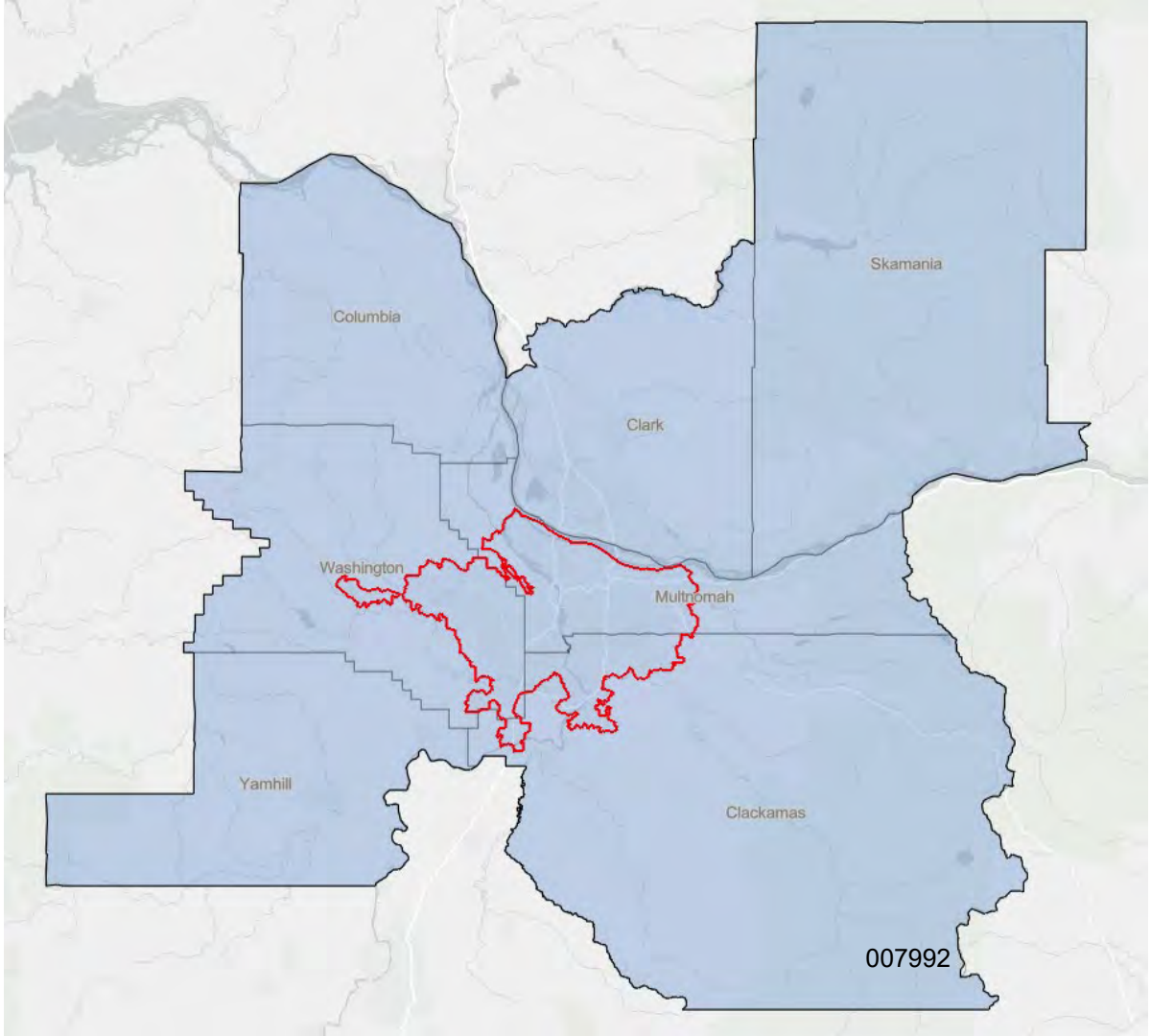
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Context setting

- This is a forecast, not a plan
- The forecast is updated every 6 years
- Multiple peer review moments
- Projections are not the only factor in the UGM decision; we will return to discuss readiness and capacity

The forecast is a range – why?

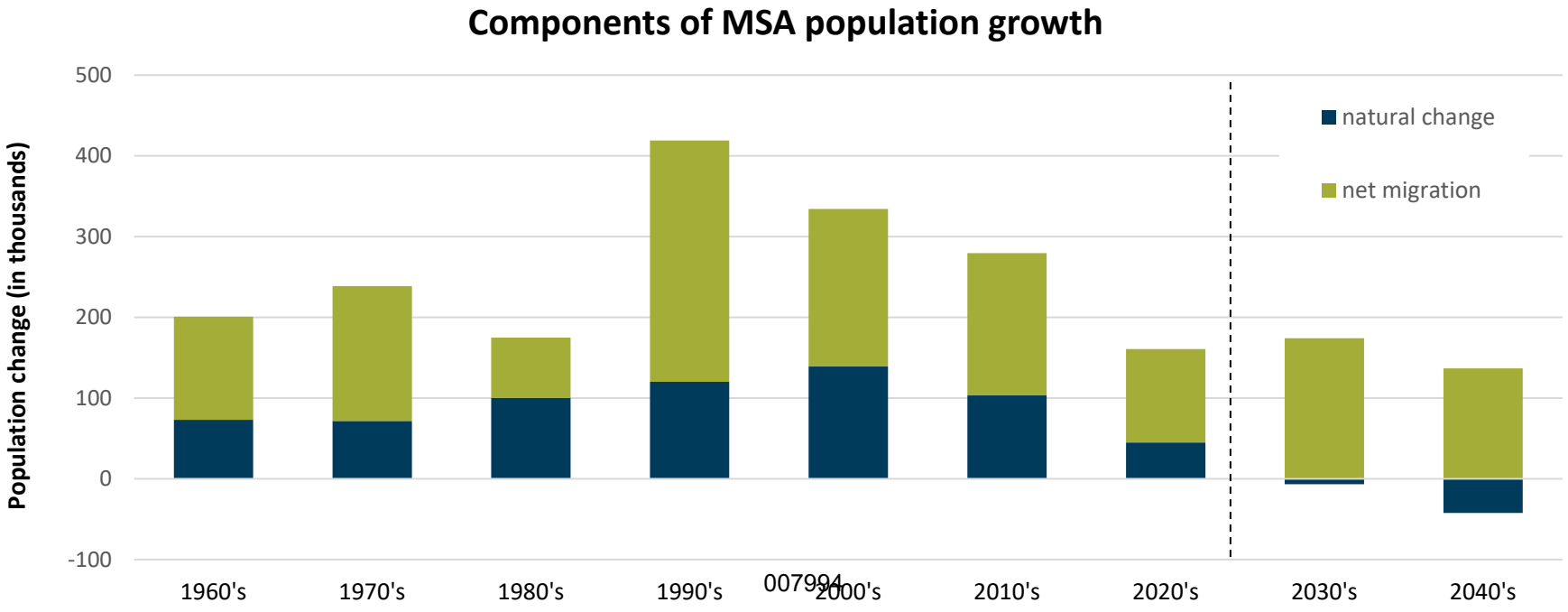
- Acknowledgement of uncertainty
  - Population migration rates, including climate-induced migration
  - Macroeconomic conditions
  - Global events
  - Innovations that can’t be forecasted, but that impact employment (e.g., potential impacts of AI on different sectors)



Regional forecast geography

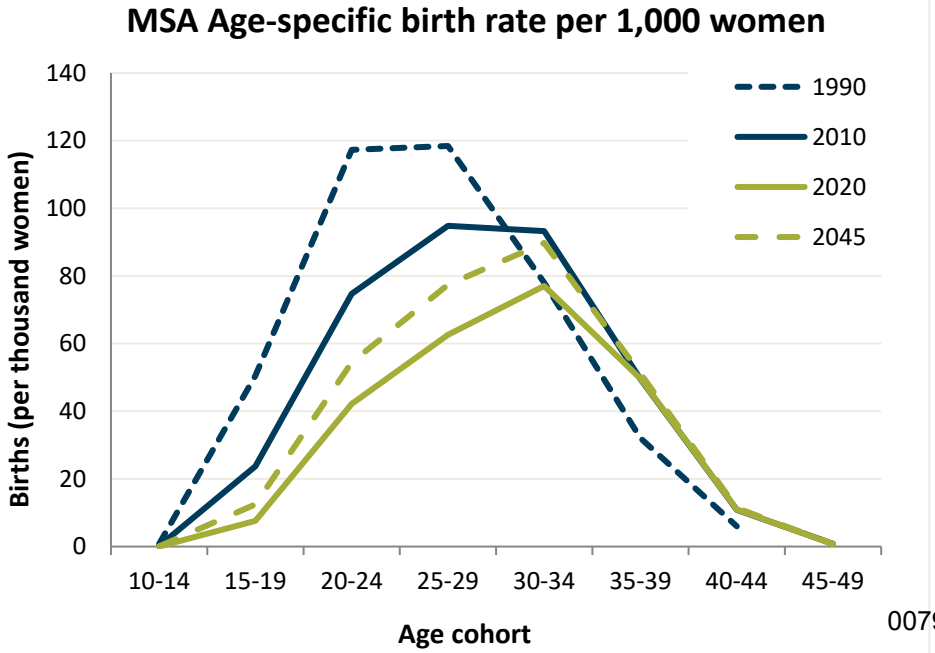
Demographics

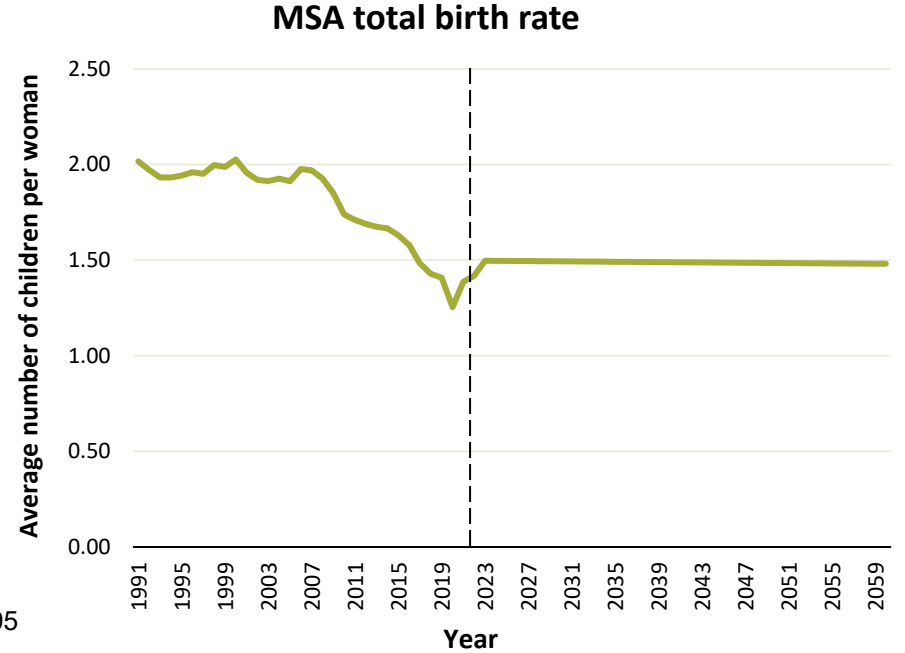
Population growth components



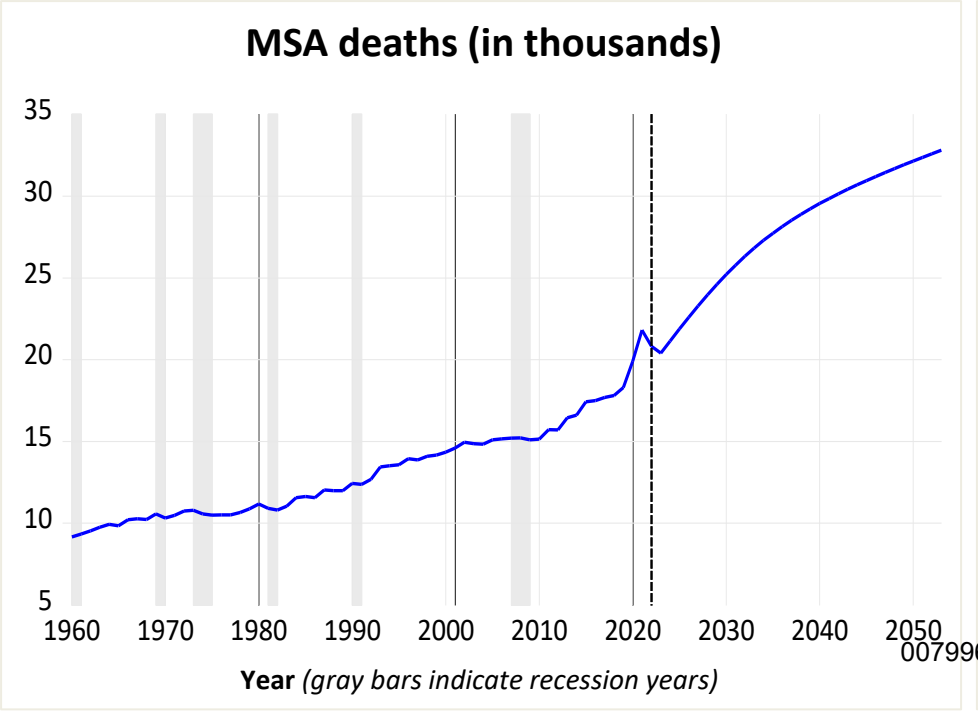
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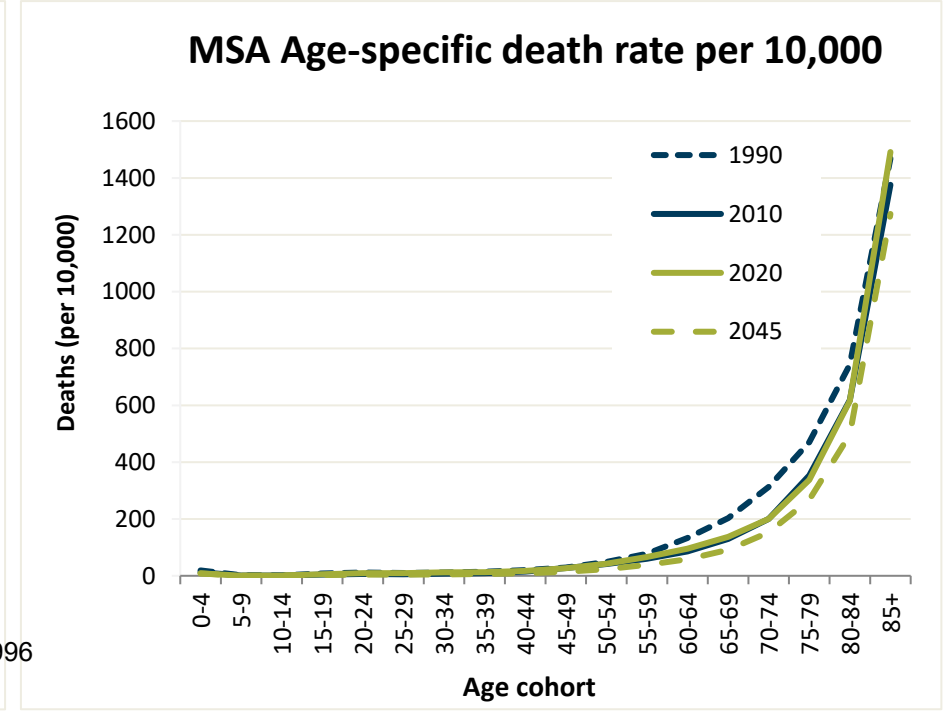
MSA birth rate assumptions



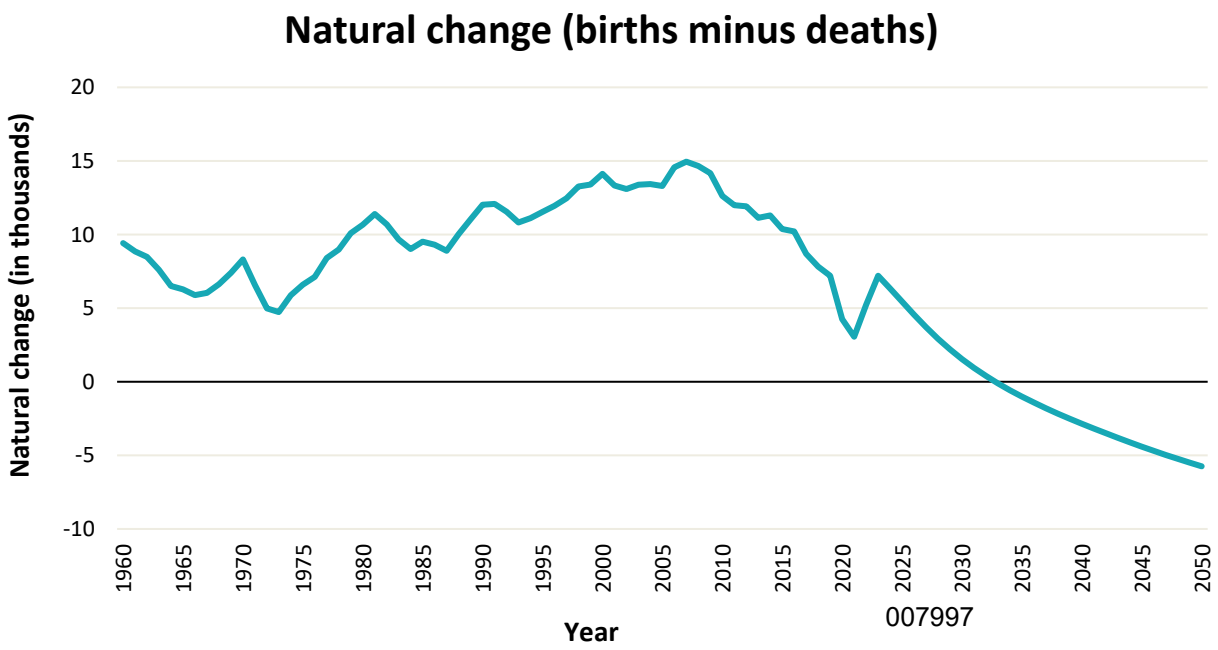


MSA mortality assumptions



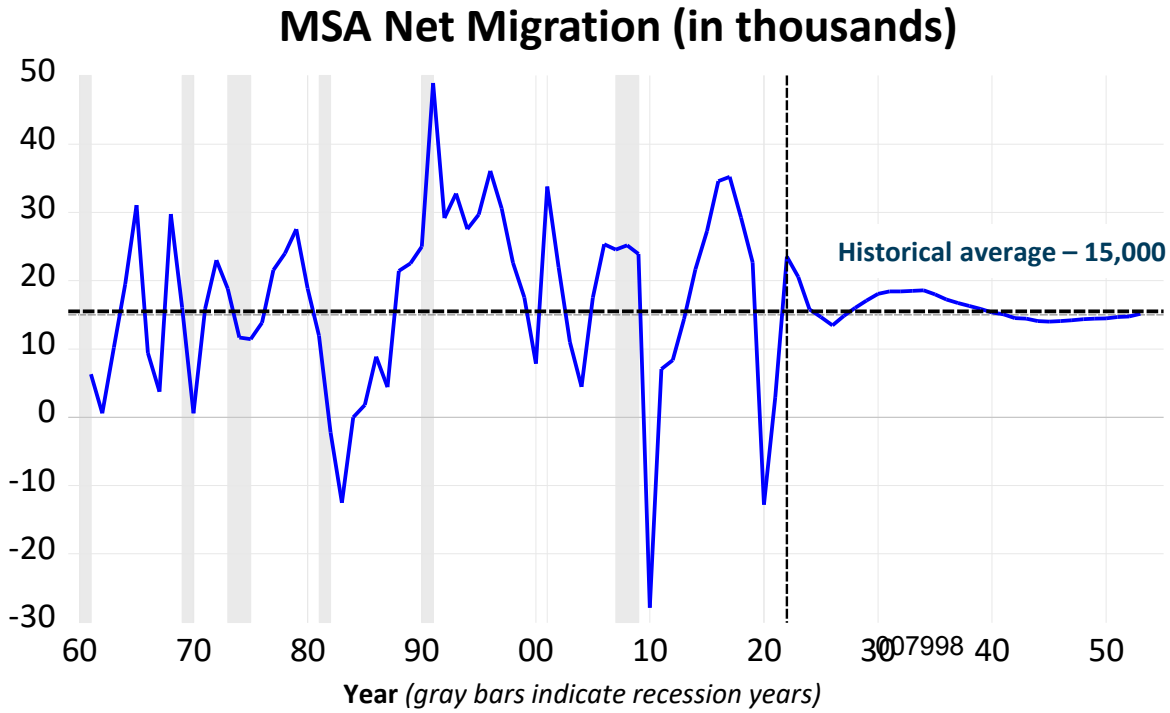


Natural change



- Declining birth rates are the biggest factor that make this forecast different than past forecasts
- National trend

Net migration

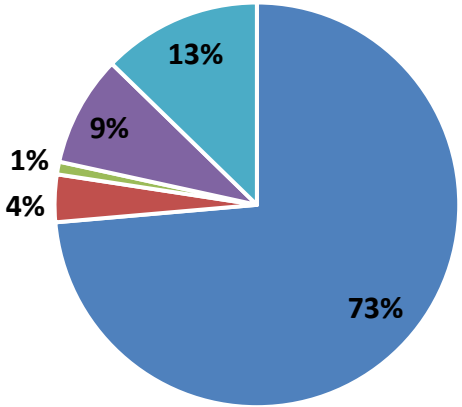


- Expect quality of life to continue attracting migrants
- Affordability and cost of living
- Climate refugees?

Increasing diversity

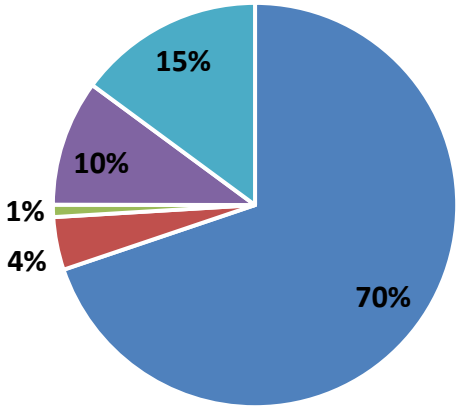
2020

Total population – 2,517,378



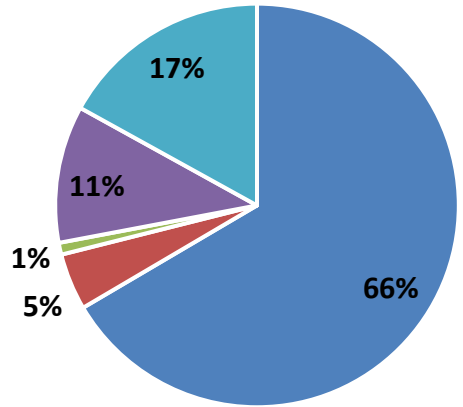
2030

Total forecast population – 2,700,038



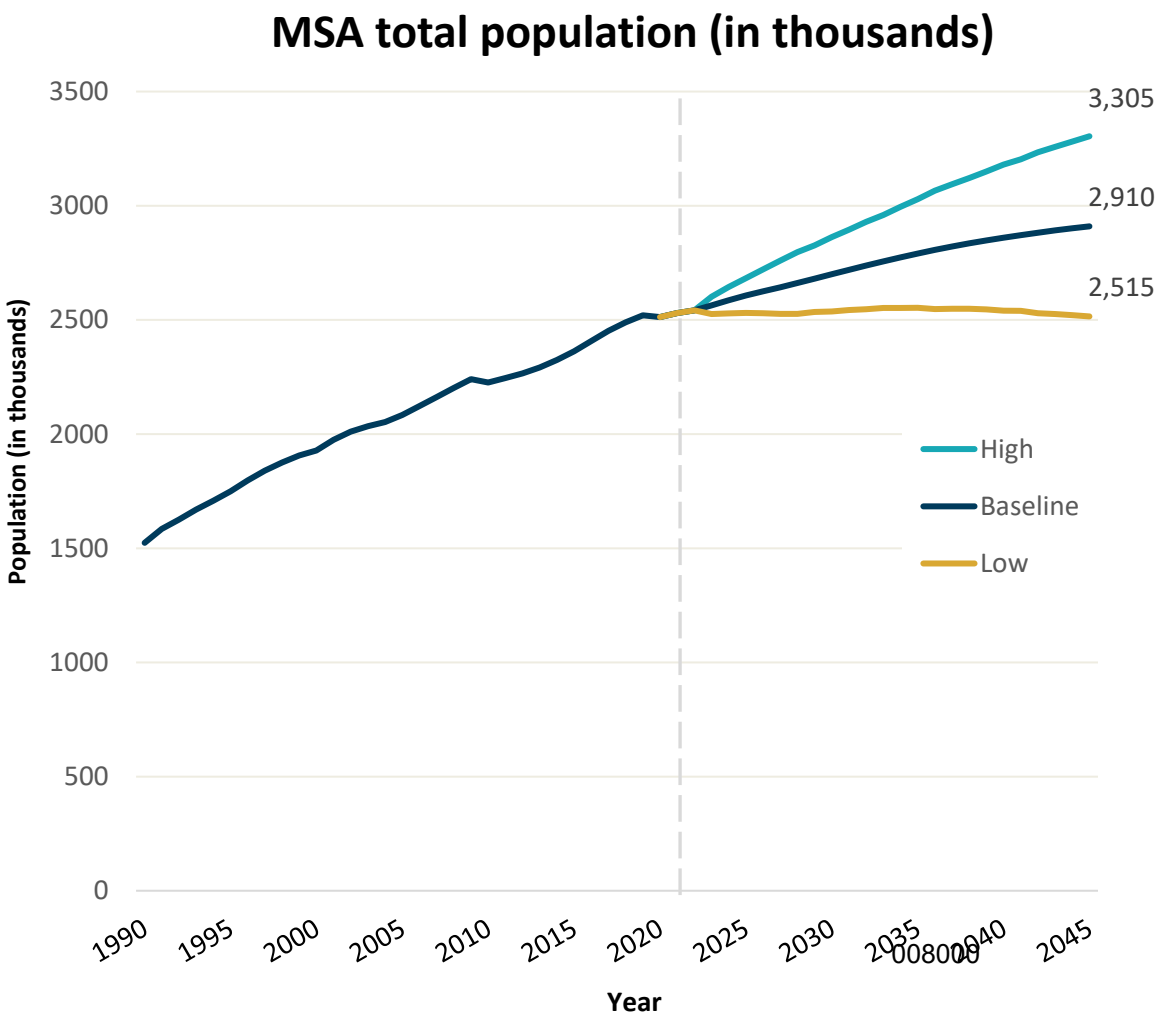
2040

Total forecast population – 2,860,301



White Black AIAN API Hispanic

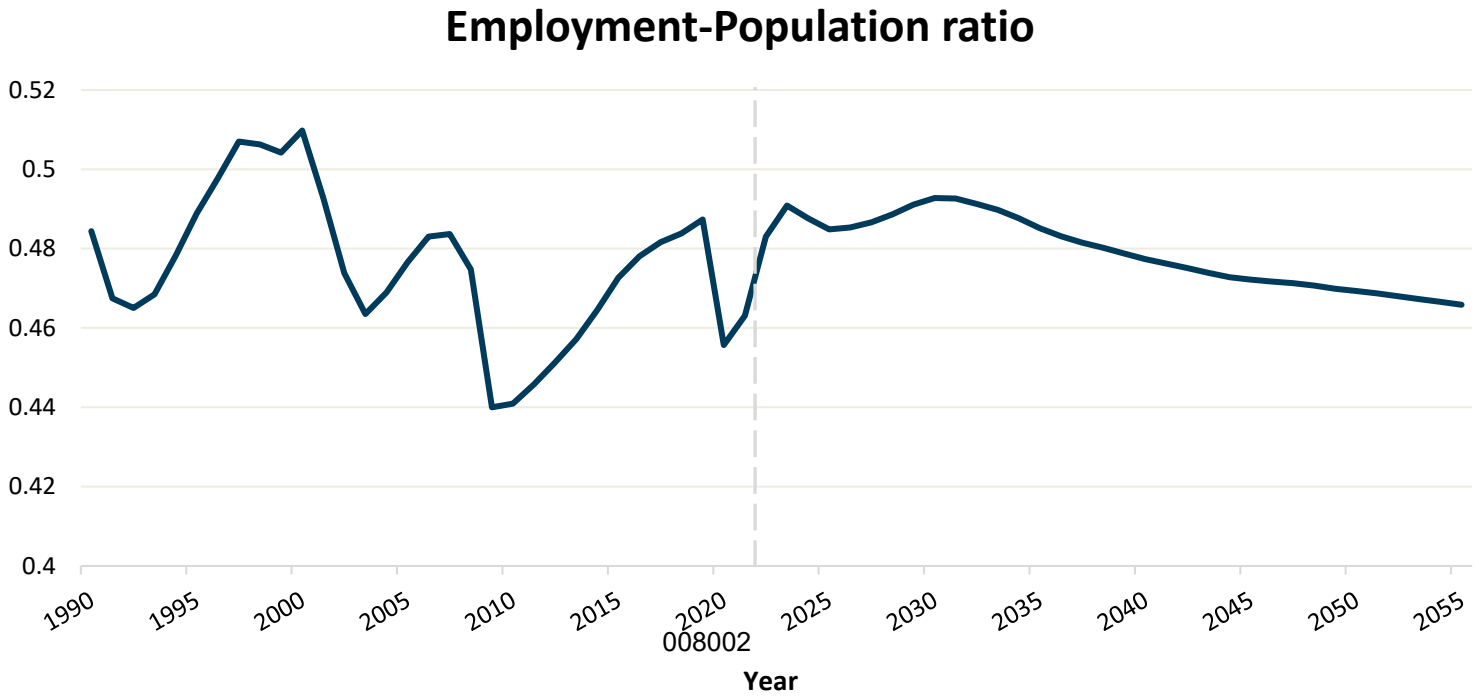
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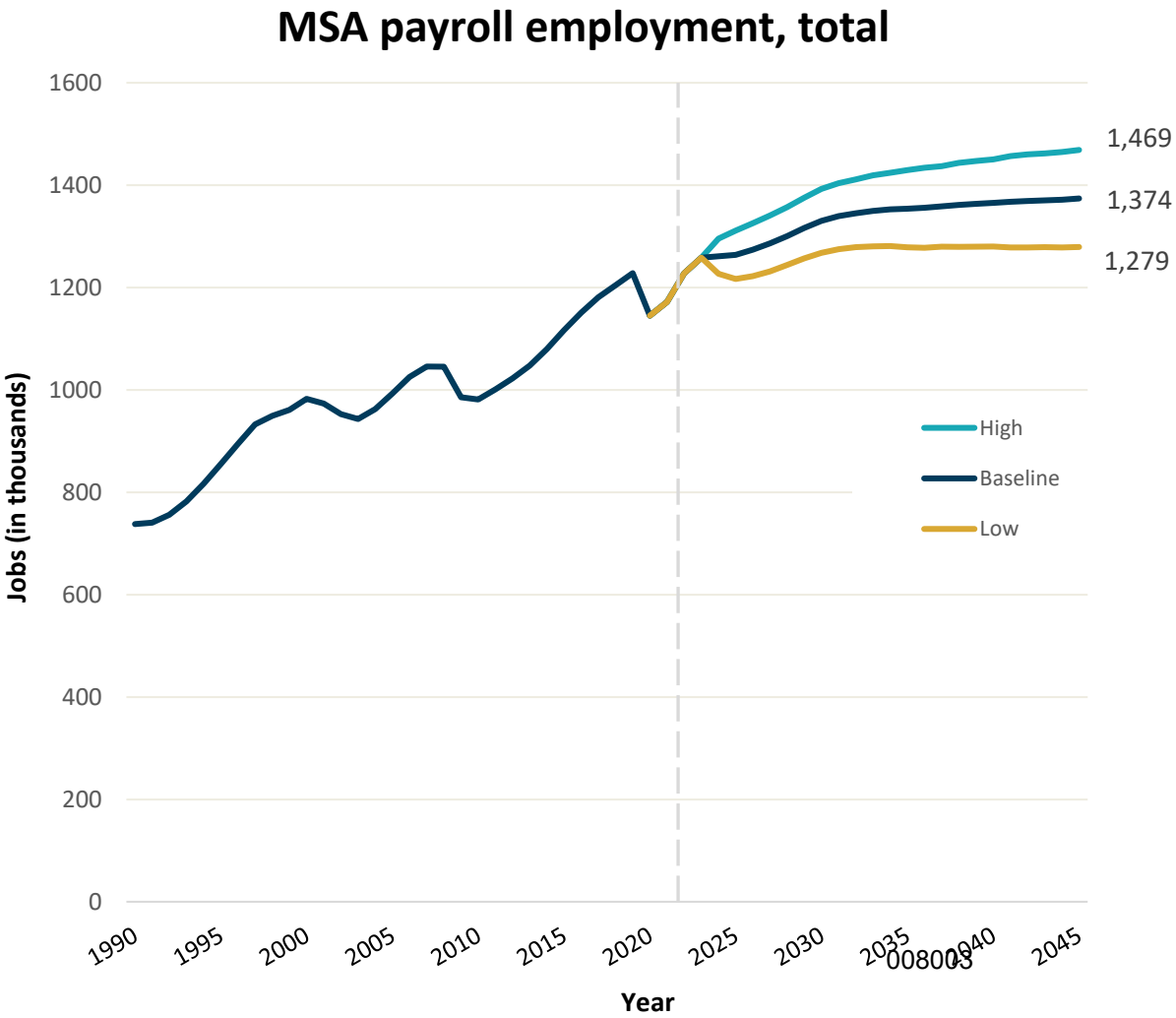


Regional demographic outlook

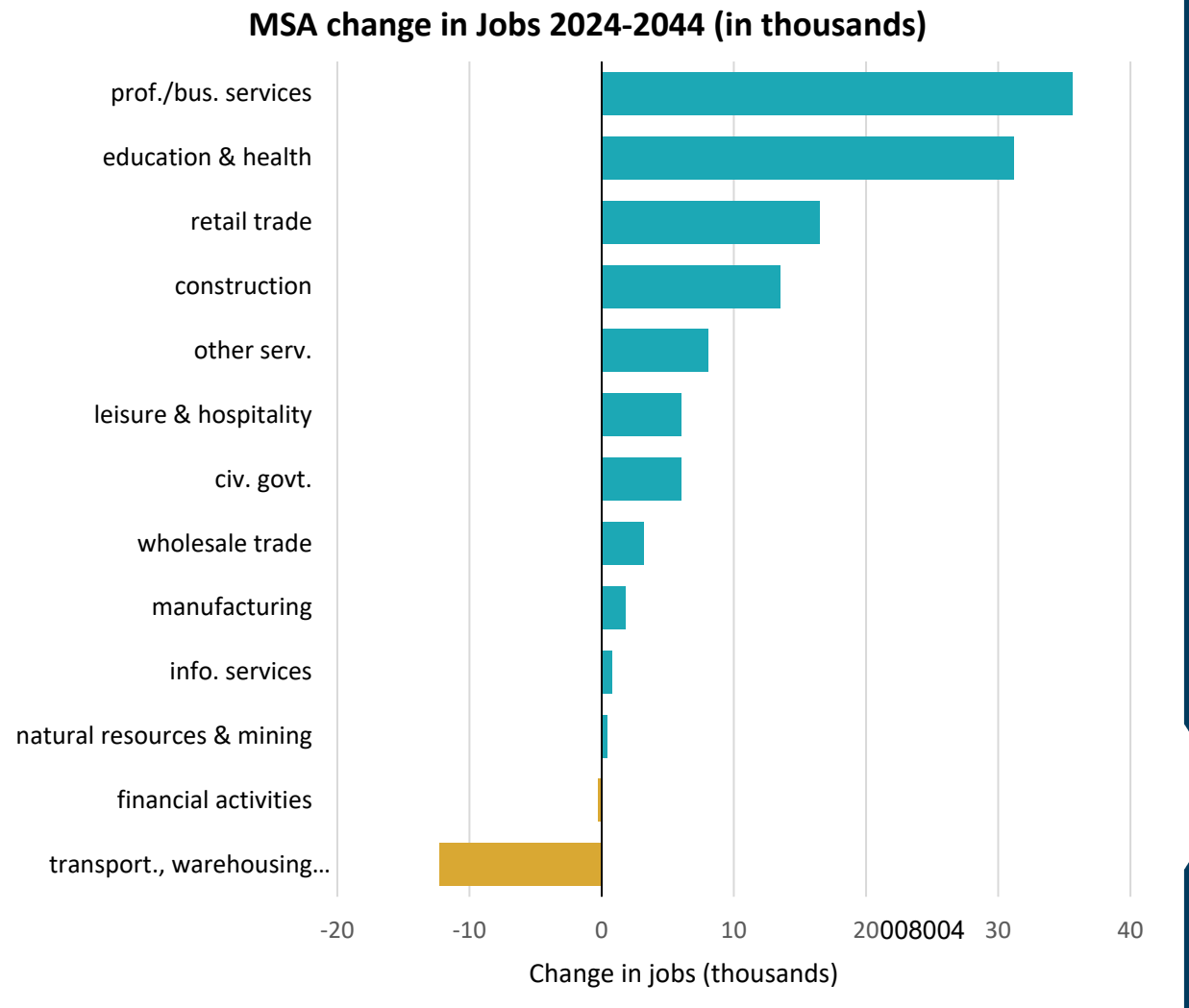
Employment

Labor force participation



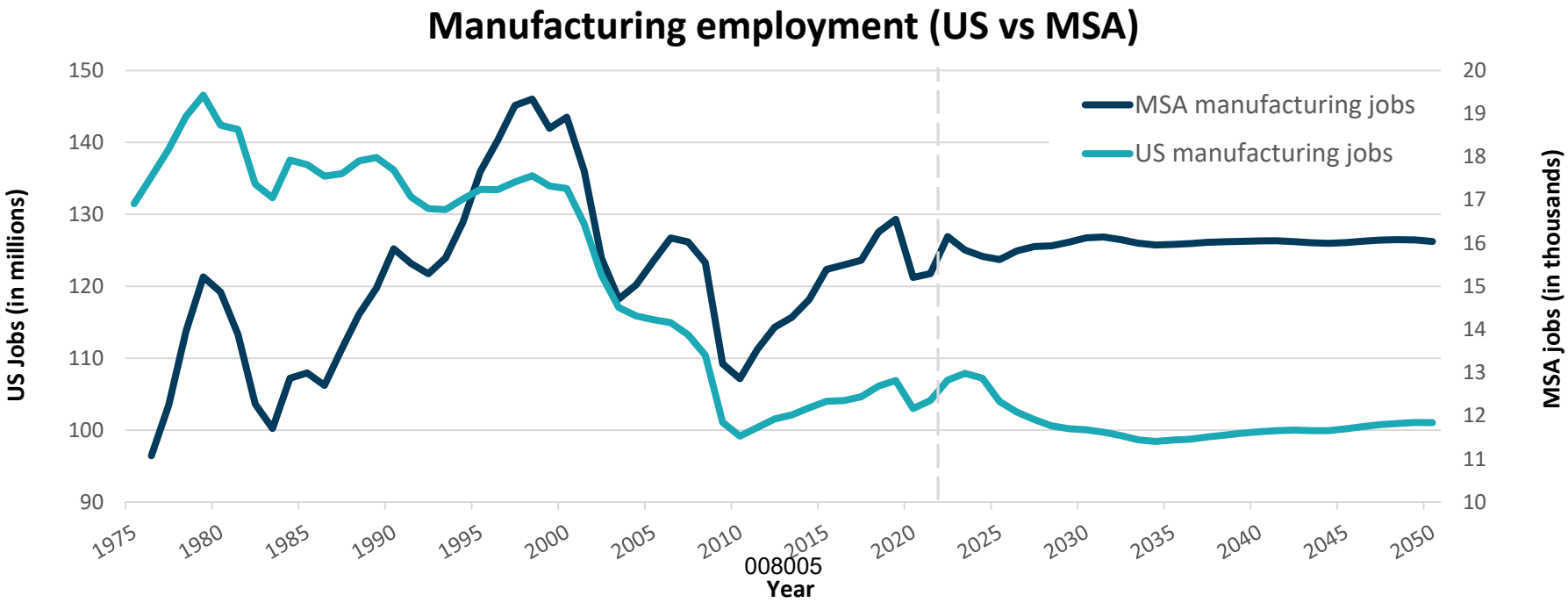


MSA employment outlook

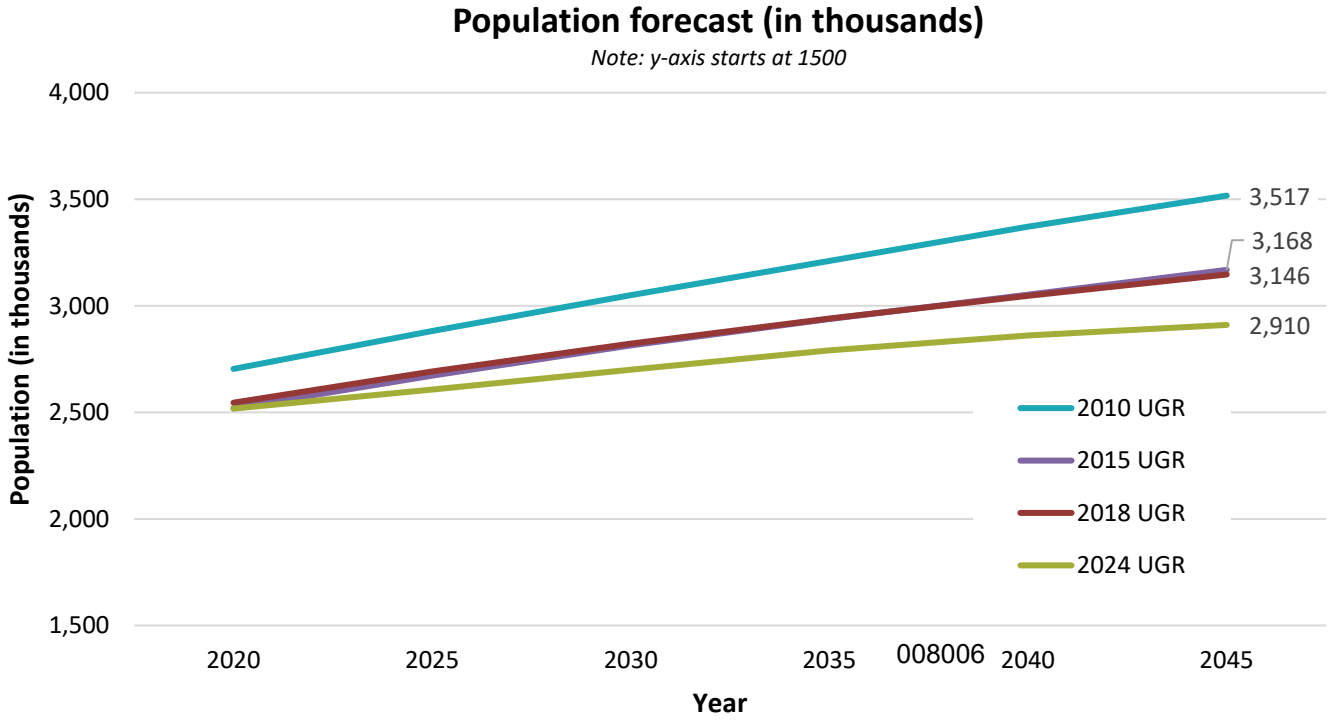


Sector-specific forecast

A closer look at manufacturing

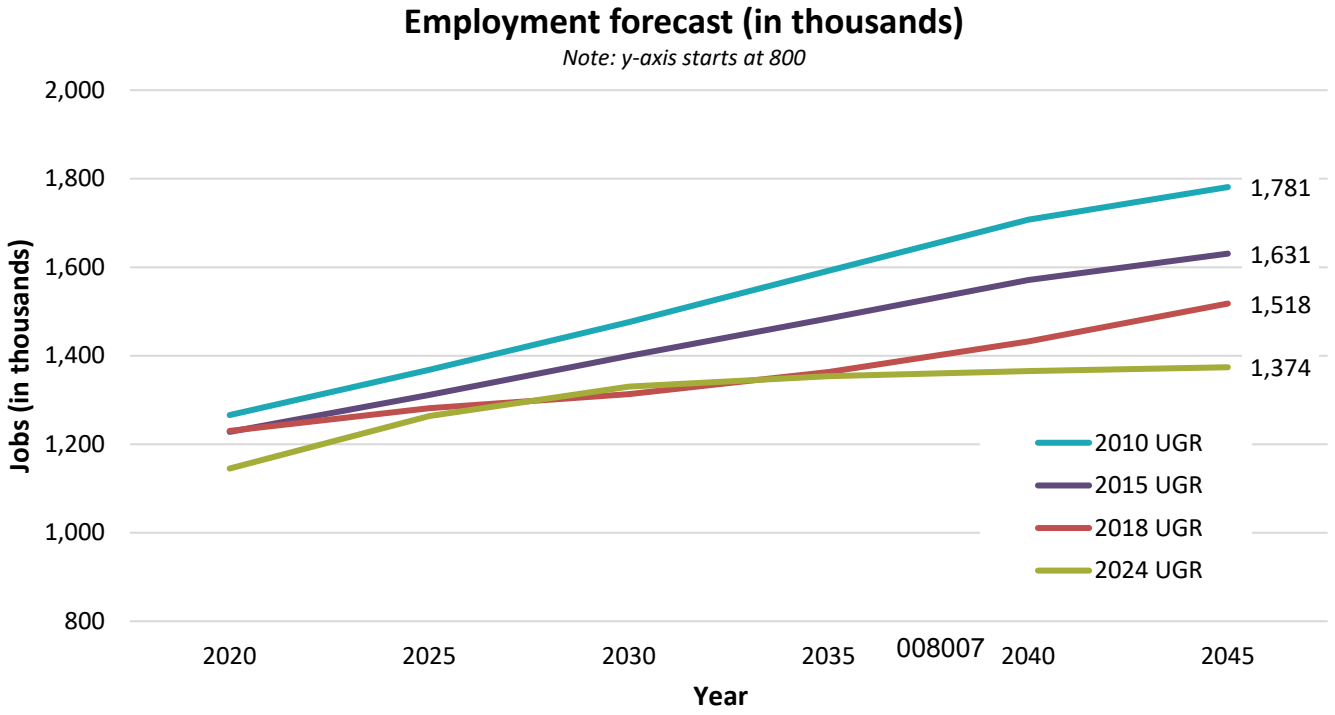


Past UGR comparisons



2045 forecast	MSA population	% change from previous UGR
2010 UGR	3,517,200	---
2015 UGR	3,168,300	-9.9%
2018 UGR	3,146,400	-0.7%
2024 UGR	2,909,900	-7.5%

Past UGR comparisons



2045 forecast	MSA employment	% change from previous UGR
2010 UGR	1,781,200	---
2015 UGR	1,630,600	-8.5%
2018 UGR	1,518,000	-6.9%
2024 UGR	1,373,900	-9.5%

Key takeaways

- We still expect to grow as a region, just at a slower pace - declining natural change is the driving factor
- Sector-specific gains are forecasted for professional and business services, education and health, retail, and construction. As manufacturing declines nationally, our region is holding steady
- This is a forecast, not a plan. Every 6 years, these projections are updated, and a new urban growth management decision is made

oregonmetro.gov



Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

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

Date/time: Wednesday, February 21, 2024 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video meeting via Zoom

Members Attending	**Affiliate**
Eryn Kehe, Chair	Metro
Joseph Edge	Clackamas County Community Member
Carol Chesarek	Multnomah County Community Member
Victor Saldanha	Washington County Community Member
Tom Armstrong	Largest City in the Region: Portland
Erik Olson	Largest City in Clackamas County: Lake Oswego
Terra Wilcoxson	Largest City in Multnomah County: Gresham
Aquilla Hurd-Ravich	Second Largest City in Clackamas County: Oregon City
Anna Slatinsky	Second Largest City in Washington County: Beaverton
Laura Terway	Clackamas County: Other Cities, City of Happy Valley
Steve Koper	Washington County: Other Cities, City of Tualatin
Katherine Kelly	City of Vancouver
Jamie Stasny	Clackamas County
Jessica Pelz	Washington County
Laura Kelly	Oregon Dept. of Land Conservation & Development
Gery Keck	Tualatin Hills Park & Recreation District
Cindy Detchon	North Clackamas School District
Tom Bouillion	Port of Portland
Bret Marchant	Greater Portland, Inc.
Brett Morgan	1000 Friends of Oregon
Nora Apter	Oregon Environmental Council
Rachel Loftin	Community Partners for Affordable Housing
Preston Korst	Home Builders Association of Metropolitan Portland
Erik Cole	Schnitzer Properties, Inc.

Alternate Members Attending	**Affiliate**
Kamran Mesbah	Clackamas County Community Member
Vee Paykar	Multnomah County Community Member
Faun Hosey	Washington County Community Member
Morgan Tracy	Largest City in the Region: Portland
Ashley Miller	Largest City in Multnomah County: Gresham
Dan Rutzick	Largest City in Washington County: City of Hillsboro
Miranda Bateschell	Washington County: Other Cities: City of Wilsonville
Martha Fritzie	Clackamas County
Kevin Cook	Multnomah County
Theresa Cherniak	Washington County
Glen Bolen	Oregon Department of Transportation
Chris Faulkner	Clean Water Services
Cassera Phipps	Clean Water Services

Fiona Lyon	TriMet
Jerry Johnson	Johnson Economics, LLC
Jeff Hampton	Business Oregon
Sarah Radcliffe	Habitat for Humanity Portland Region
Jacqui Treiger	Oregon Environmental Council
Craig Sheahan	David Evans & Associates, Inc.
Leah Fisher	Public Health & Urban Forum, Clackamas County

Guests Attending	**Affiliate**
Anthony Riederer	City of Hillsboro
Ariel Kane	City of Portland
Barara Fryer	City of Cornelius
Becky Coutinho	City of Hillsboro
Bruce Coleman	City of Sherwood
Jay Higgins	City of Gresham
Jerome Gangle	
Jim Wheeler	City of Gresham
Jonathan McCall	Schlesinger Companies
Karen Guillen-Chapman	DLCD
Ken Pirie	Walker Macy
Steve Kountz	City of Portland
Todd Borkowitz	Washington County
Vera Kolias	City of Milwaukie

Metro Staff Attending

Al Mowbray, Brian Harper, Clint Chiavarini, Dennis Yee, Eryn Kehe, Jake Lovell, Josh Harwood, Laura Combs, Marie Miller, Matt Bihn, Matthew Hampton, Ted Reid

Call to Order, Quorum Declaration and Introductions

Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. Zoom logistics and meeting features were reviewed for online raised hands, renaming yourself, finding attendees and participants, and chat area for messaging and sharing links. An overview of the agenda was given.

Comments from the Chair and Committee Members

Kevin Cook announced Multnomah County is hiring a new Planning Director. The link for more information was shared in chat: https://multco.wd1.myworkdayjobs.com/en-US/Multco_Jobs/job/Land-Use-Planning-Director_R-13915

Glen Bolen announced several road closures planned in the region. Links to this information was shared in the chat: https://www.oregon.gov/odot/or217/pages/default.aspx 2-month closure of Hall Blvd On-ramp to OR217 South – starts Jan. 22
St Johns bridge closure, https://www.oregon.gov/odot/projects/pages/project-details.aspx?project=20522
Traffic delays are expected during peak hours from January 8 to July 2, 2024 approaching the St. Johns Bridge. Construction activities will require full, around-the-clock closures of the southern section of NW Bridge Ave and lane reductions on the bridge. (U.S. 30 Bypass). Local traffic will be detoured on the northern section of NW Bridge Ave.

NW Bridge Avenue Closure: From January 8 to July 2, 2024, the southern section of NW Bridge Ave (U.S. 30 Bypass) will completely close to traffic while crews work on the rock hillside. The sidewalks and parking lot on NW Bridge Ave will also close during this time. Vehicle lanes on the St. Johns Bridge will be reduced to one lane in each direction.

Summary of meeting survey (Chair Kehe) It was noted we had good participation in the survey about in-person meetings. The results were in the packet. Chair Kehe would be looking into logistics for possibly three hybrid meetings this year that offer both in-person and online attendance. One meeting of significance is the UGB decision later this summer when MTAC will vote and send to MPAC their recommendation. Advance notice for hybrid meetings will be sent when details are known. If the committee has suggestions for hybrid meetings outside Metro Regional Center they can reach out to Chair Kehe.

Public Communications on Agenda Items – none given.

Consideration of MTAC minutes January 17, 2024 meeting
Chair Kehe asked for a vote to approve MTAC minutes from January 17, 2024 meeting.
ACTION: Motion passed with no opposed, and 3 abstentions.

Middle Housing Panel Discussion (Joseph Edge, Moderator) Panelists: Vera Kolias, City of Milwaukie/ Dan Rutzick, City of Hillsboro/ Miranda Bateschell, City of Wilsonville/ Tom Armstrong & Morgan Tracy, City of Portland/ Jim Wheeler, City of Gresham/ Anna Slatinsky, City of Beaverton

Mr. Edge introduced the presentation as a panel discussion to review Metro jurisdictions approaches and experiences with regard to middle housing development. Noted were middle housing legislation that have affected local laws, with opportunities and challenges. Each panelist provided background/history prior to (HB2001), developer interest and production, including challenges and barriers to reach middle housing goals.

Question to Vera Kolias, City of Milwaukie: Have you seen any permitting on lots that are less than the 5,000 square feet minimum that will really only allow middle housing, and then paired with that, with the legislation to allow reestablishment of historic lots. Could you talk about any challenges that your city's code may have with allowing that.

Answered: We have not experienced any issues so far with the reestablishment of underlying lots or historically platted lots. For example, our townhouse lot sizes fit perfectly with our underlying lot sizes which are typically 25x100. We have a lot of historic platted lines that would work for townhouses quite easily. We did a code amendment to allow, because of the corner lots, we do have a street side yard setback that would be challenging for those 25x100 lots, so we amended our code to account for that. We have some minor land partitions that have resulted in a lot that is less than 5,000 square feet. They'll need to build a minimum duplex on those lots. As much public engagement about middle housing as we did, it's a surprise to learn a smaller lot can have a duplex and cannot have a single-family home.

Question to Dan Rutzick, City of Hillsboro: You mentioned that stacked plexes are not happening due to implications for building code. Do you have any ideas what's missing there that would enable that type?

Answered: As we head into the housing production strategy work, we need to dive deeper into really align HB2001 moving forward with these plexes, but make sure the building code is aligned as well. In talking with our development services colleagues simple middle housing is favored. That's perhaps a large reason we're talking a lot today about townhouses. I know development services planners have noted that developers aren't aware, separate from the stack plexes, you can do a duplex that's fairly simple. This begs the question why not a town home at that point do, but the duplex is a different housing type. In digging deeper, I recognize that opportunities for duplexes vs town homes that can be simple, but there's an education piece with local governments to get out to the development community. I'm curious what others are seeing around opportunities for simple duplex vs development.

Follow up question: Did you consider a form-based code instead? I see that you also mentioned that the density maximum is a big question mark for what people can do.

Answered: I don't remember mentioning a density maximum being problematic other than town homes come into small lots, which is super exciting. I don't know of any challenges around maximums in that case when we undertook the HB2001 code amendments two years back bring into our code. We have not explored moving into a form-based code. But as we look at the housing production strategy, we're going to be doing a parallel housing code audit, which would be a great opportunity to identify additional barriers that exists in our code. That can open up questions of how many jurisdictions that have codes dating back decades that have been added down the road look at having more holistic approach. Because that in and of itself is a barrier to housing production.

Question to Morgan Tracy, City of Portland: You mentioned the challenge with the long-term outlook for middle housing, land division plan, projects, which relates to these maintenance agreements vs HOA situations. Did you study how this worked out in Houston, Texas which did a minimum lot size reform for townhouses in 1998 and added 80,000 town home units infill in their city. I think it's been 25 years those reforms were in place.

Answered: I don't think it's a function of the lot size. It's what is the resolution when something goes wrong on the project. All these shared elements, the utilities, the siding, the roofing, access when something goes wrong on somebody's property. If all the neighbors in that project get along it's fine. But if there's an uncooperative resident in one of those units it will be a challenge unless there's some sort of form of governance, however that's manifested to address that. It's outside our zoning so we flag this for a possible problem. The middle housing land divisions don't require an HOA. It's like everything else about middle housing. We have things for big projects, we have things for single houses, it's what's in the middle building code, governance, financing, all these things are part of it. We've tackled the zoning aspect of that, and these other things will come along over time.

Circling back to Mr. Rutzick's response on the form-based code, a problem that Portland got into was we started with a form-based approach in terms of how middle housing would integrate into the neighborhoods with a large primary structure and a detached accessory structure and focused on that form and didn't allow for some of the detached options to occur. This compounded the problem of all the multiple options and what we call this vs a detached duplex vs a duplex vs two town homes that are all virtually same thing as two units. If we step back a little from being so prescriptive around those form things I think we can simplify and open up options for development.

Question to Jim Wheeler, City of Gresham: What are lot sizes that you are seeing for the middle housing land divisions? What are the averages that those are coming in at your city?

Answered: We only have one subdivision where it's anticipated with future middle housing land division. Those lot sizes were generally above 10,000 square feet so that when they do the middle housing land division for detached units, they are down to somewhere in the 25 to 3,000 square foot range. The rest are townhouses which are under 2,000 square feet.

Question to Anna Slatinsky, City of Beaverton: You mentioned that you did an analysis in Beaverton in terms of what the feasibility was for middle housing redevelopment. Did you come across a magic number for the number of units that would have to be allowed on a residential lot to enable that redevelopment to occur.

Answered: Economically, no. The key variable was actually the value of the existing lot and development. Older homes and neighborhoods that have lower property values were more likely to pencil a demo and redevelopment of that site because it's just so you could reduce that number. Middle housing is talking about units, not apartment buildings. That really wasn't the issue. The issue was the high value of the existing homes and property. In order to have it make sense to do something else, you have to be able to make a profit that is greater than what you've already got. I will note we have seen homeowners coming who are interested in developing around an existing home and even sometimes developers. So that actually kind of sidesteps that question of what you lose in order to build middle housing if you're going to demo something. The challenge there is that then you have to work around the physical location of that existing home. In Beaverton a lot of homes are placed in the middle of a lot. How do you fit in the infrastructure? How do you fit in the space between building? How do you fit in the side yard setbacks, even if they're quite narrow? It can be challenging to do that.

Question to Miranda Bateschell, City of Wilsonville: You mentioned the CCNR's. How much of an impact do you think that's going to have in your city in terms of being able to allow middle housing internal conversions as well as redevelopment or infill?

Answered: It's really hard to tell at this point. Any new CCNRs don't have any of those constraints. But we are aware that a lot of CCNRs, especially because we have done planned developments, there are a lot of our neighborhoods that have CCNRs. We haven't done a full inventory, but we are aware that several limit the allowance of an accessory dwelling unit or another unit on the property. So we've changed all the zoning for those neighborhoods. But they're so restricted by their CCNRs. So we do see that as a challenge.

Comments from the committee:
Rachel Loftin thanked everyone for the information. It was really helpful to hear everything that's changed around the middle housing land division with Senate Bill 2001. I actually developed plexes about five or six years ago and I still have some trauma from trying to set up HOAs for affordable housing. I encourage you to try to continue to find ways to construct this middle housing without the HOAs being a requirement, especially within the affordable side. There are very few mission-based HOA companies, and it feels like writing a blank check to build affordable housing with an HOA. You have no way of controlling it after it's set up, and planning for those expenses for the homeowner that we're building for. It would be very helpful to start seeing ways of doing land divisions, especially within some of this empty commercial and office spaces that is ripe for adaptive reuse. It would be great if we could find some ways to start splitting that up for housing that is middle income.

Sarah Radcliffe was interested to hear about the challenges around infill vs greenfield middle housing development. One idea that sounded good to me was Proud Ground a few years ago. They worked with the catalytic land cohort to look at the concept of regional land banking where TriMet, PPS, cities, counties, private landowners, anybody who owns land could put their land into a regional bank that would hold the land and potentially even make some initial investments to get it shovel ready if funding was available to do that and then make that land available on a competitive basis to housing developers, particularly affordable housing developers. Is that an idea that has circulated or that you think has any traction or might be useful?

Anna Slatinsky noted since we're talking about HB2001 and building middle housing, I think we're probably coming at it more from a regulatory perspective. I don't think there's anything in the middle housing regulatory aspect that would impede or interfere with that. I don't know if we would want to use zoning as a tool to incentivize it either. It's a fascinating concept but I don't know whether there's a regulatory dimension to that, at least on the zoning and land use side. Chair Kehe added Metro runs a transit-oriented development program that purchases land. This will certainly be looked into.

Brett Morgan noted this was a really good presentation with lots there to pull out. I put something in the chat related to Sarah's comment on housing conversion as a huge opportunity to be had and looking at strip malls, especially because they exist along orphan highways and existing transit networks. I think when we think of conversion of existing space, we tend to think of big box office spaces. But there's a lot of scalabilities here to think about. I'm curious if more could be added on how system development charges infill and come together in relation to the cost to develop. So when a housing unit is developed one thing we're very focused on here at 1000 Friends is keeping the total amount of infrastructure hook ups needed to bring that housing online low, in order to keep the cost per door low. In what ways are you able to expand or improve upon or utilize your existing infrastructure networks? What are some of the bottlenecks you might be running into in terms of infrastructure? Maybe there's sewer issues, water issues? It looks so different in every community.

Vera Kolias noted talking about SDCs, all our development is infill for the most part. For us, SDCs predominately are actually where a pass through for county SDC parks and wastewater treatment. So it's not pipes in the ground, it's the treatment of the wastewater. The parks fee is for maintaining parkland that presumably each of the dwelling units will be using that infrastructure and helping maintain that. Other communities that have more greenfield type of development probably have different answers.

Anna Slatinsky noted on the SDC issue I would point people who haven't seen it to the ECO Northwest report on SDC that they did for the state two years ago. It does a good job summarizing the predicament of infrastructure funding in the state of Oregon with regard to limited revenue streams for growth and a bit of diagnosis of SDC information.

A number of questions have come up around HOAs and I want to note the use of HOAs in order to govern new development when it comes to either middle housing or other kinds of development. The state actually has some requirements for those CCNRs that would be created with HOAs to make sure that they're not allowed to prohibit middle housing to be built on property within the HOA. However, existing HOAs often include these prohibitions on developing more than one home per lot. Oregon state law, the constitution in fact, is very protective of private contracts the CCNRs fall under. There's very little a city or even the state at this point can do to supersede those agreements in the form of CCNRs. These are two issues, HOA and CCNRs, but people should be aware that the development of

middle housing in a lot of existing neighborhoods, especially in the suburbs, will be constrained by these existing CCNRs. And in order to change or remove those it's really a private effort that would have to happen among the property owners that own property within that area that is governed by those private agreements. To my knowledge no one has identified an approach which would be legal in the state of Oregon for a city to essentially say to ignore the CCNR and we'll allow you to build middle housing in whatever way.

Chair Kehe asked if anyone wanted to comment on the propensity for townhouses and the concern of either the inability of developers to do plexes or a reluctance for developers for them.

Miranda Bateschell noted the majority of what we're seeing is what is the comfort of the existing market, what are the developers used to building, what's in their portfolio, what easier to finance, what is something that is seen as being more traditional and market ready. There's a lot of hesitation in terms of what we've heard about, is there a market for people who want to buy these units. And a lot of those plexes are built as condos which include issues with insurance financing. With all these issues developers are just not interested.

When we talk to developers about there's going to be a requirement for middle housing, it's all the types that are going to require conization essentially. If they can do a de-clustered cluster, and then do the middle housing land division, so essentially just create smaller single family detached, they're willing to do that. They're willing to do the town homes, they're willing to ADUs. But when it comes to being in a quad, a stacked quad as one of the housing types as I bought it that was a condo. Those are things that the market right now, developers are not wanting to produce especially not in the suburbs. I think from my perspective, if we want to see more of those unit types or seeing some cottage clusters where they aren't subdivided through a middle housing land division, we want to see those housing unit types built, then we do have to solve the issues around conization in Oregon.

Morgan Tracy noted we don't require an HOA; I don't think the middle housing land division enables us to require that. But we are seeing some units of the developers will opt to build them as condos vs trying to divide them. I guess it would be an even split. There was a comment about construction defect liability or litigation and some of the builders in Portland I've talked to, it is certainly a real thing for larger condo developments. In the greenfield areas where you have production builders build a number of condo units they are certainly sitting out there with some risk if it's a discreet fourplex here or discreet fourplex there. I think it's less so because there's a smaller target on your back and your pockets are not as deep as some of those production builders. I'm not sure how much of a dis-persuasion that is at least in terms of the discreet infill one-off projects that are happening in Portland. We have had some developers who have done things in PDX and said, well, that works in Portland, but it's not going to work in Wilsonville. Part of it is also because you're working on different kinds of development with different factors and risks.

Joseph Edge thanked the panelists for their presentations and participation.

There was a 10-minute meeting break.

2024 Urban Growth Management decision: draft regional population, household, and employment forecast (Ted Reid/ Dennis Yee/ Josh Harwood, Metro) Chair Kehe began the presentation with an overview of the purpose of the Urban Growth Management decision and project timeline, noting that MTAC will be reviewing the draft report this summer with recommendation to MTAC in August.

The report and decision context were provided by Ted Reid noting this is a forecast, not a plan, the forecast is updated every 6 years, there will be multiple peer review moments, and projections are not the only factor in the UGM decision; we will return to discuss readiness and capacity. The reason for providing the forecast as a range with results/projections was due to uncertainty with population migration rates, including climate-induced migration, macroeconomic conditions, global events, and innovations that can't be forecasted, but that impact employment (e.g., potential impacts of AI on different sectors).

Demographic information and graphs were presented by Dennis Yee. This included MSA fertility and mortality assumptions, natural change (births minus deaths) with declining birth rates the biggest factor that make this forecast different than past forecasts, and net migration with factors of expected quality of life to continue attracting migrants, affordability and cost of living and possible climate refugees. Josh Harwood added information on the increasing diversity of the population forecast.

Data was presented on employment forecasts and labor force participation including sector specific forecasts. Main takeaways from the forecast included:
The long-term trend of declining birth rates will lead to slower population growth rates.
Employment growth will slow because of declining population growth rates.
More information on the forecast was provided in the meeting packet.

Comments from the committee:
Tom Armstrong noted he was one of those that questions the warehouse and distribution declining. I'm interested to see what you have. It's not consistent with the 10-year forecast coming out of the Oregon Employment Department which shows a continued robust growth there. There's a little bit of mismatch with that sector. I'm especially concerned what it means for the region if we get it wrong and that we're not planning for enough industrial land capacity in the region because that means we're going to see is sprawl to other areas and what that means for our transportation system.

Josh Harwood noted his guess is that the population forecast will drive a lot of those in the model. Mr. Yee added the forecast at the national level is declining. The warehouse transportation sector and our regional economic model is synced with that with the assumptions in the macro forecast. The Oregon Employment Department (OEA) 10-year forecast continued to see growth expanding in manufacturing. I'm not sure why that is because if they are using a similar macro forecast, they're obviously contrary to one of the top forecasters in the nation. I will be taking a closer look. The OEA forecast noted as the state economic forecast, different from the finance forecasters for the state, was shared in chat: https://www.oregon.gov/das/oea/Documents/OEA-Forecast-0324.pdf Their forecast has some minor decline holding steady so maybe they are similar to the OEA forecast.

Jerry Johnson noted in the chat employment density for traditional warehouse/distribution is relatively low, but it is actually pretty high for fulfillment centers. Tom Armstrong added a follow-up to Jerry's question: historically the Metro region has grown faster than Oregon and the nation. What are your capture rate assumptions in terms of the region vs. state?

Jerry Johnson was interested with the demographic forecast. Are we basically conceding at this point that we are not a major net in migration destination? We've had negative natural growth for a while. But we have benefitted from basically well-educated people quite often migrating into the area. I worry about us taking a low growth forecast and that becoming a logical issue where we can't accommodate for growth because we don't expect growth, therefore we can't get growth.

Mr. Yee noted that historically we have seen the natural change figure go up until through 2030. It's just now declining. We've seen since the great recession a steep fall off in births compared to deaths. It's just the state of affairs, not only here in this region but nationally and statewide. If we look from 1960 to today, about a third of population growth owes to that natural increase and about two thirds to net migration going forward from 2024-2045. It you sum up all those years that I'm projecting, there's only a sliver that owes to net migration, but it is a little bit positive, not enough to warrant saying that it's on that migration going forwards.

Mr. Harwood added this highlight a little bit of the tension here. This isn't what's planned, so we don't want to say that this is what we want to happen. But given the tea leaves and where we are right now it seems like a reasonable outcome. That's something to just recognize that this is not the plan, but I understand the feedback loop that you're highlighting. Mr. Lee noted the net migration is not far from being negative, it's positive. The historical average is about 15K. And that's pretty much what I'm forecasting for the region going forward. So it's not that from a migration standpoint I'm being negative. I just don't have the huge spikes nor the huge negatives because I'm not forecasting a business cycle plain and simple.

Dan Rutzick asked if you could highlight maybe two or three major differences between the Urban Growth Report 2018 and the current one. The current UGR is not there yet, but with some of the matrices, what are some of the big changes that were in that space of 2018, 2019, 2020, and now we are 2024 and quite different. Mr. Yee asked is it the UGR or the regional forecast that leads into the URG? Mr. Rutzick noted the regional forecast that leads into the UGR.

It was noted there's a big sea change in projected outlook for population that has a downshift effect on labor force supply. Then you can't have more demand than supply in this case unless especially if we're seeing labor force participation rates already topped out. That in a nutshell is what I'm seeing. The mix of jobs is a bit different. I think in the last forecast I had manufacturing jobs actually grow a little bit more just because I had a couple of sectors where I was a bit more optimistic with about in the 2015-18 timeframe. Just generally, thinking that even the service sector is not as robust in terms of year over year annual growth rate because we don't have a much population to fuel that kind of non-manufacturing sector growth.

Mr. Rutzick noted one topic that came up during last week's LUTAG (Land Use Technical Advisory Group) meeting was the mix between residential employment and the mixed-use zones has maybe shifted quite a bit because of where we are with retail commercial right now. Something came up last week that Metro is following up on, what local governments feel is appropriate split of residential vs residential commercial, residential vs employment in those mixed-use zones. The slide shown last week involves a lot of outer ring cities looking at 95% residential, 5% employment. We're still working through some of those details because it's trying to get at where we are going to be 10 years, 20 years out, vs where we are today. Mr. Yee added that's more of a UGR topic. Everything sis affiliated in some fashion to the regional forecast because that's where on the demand side it starts. And then when you think about the UGR where we're doing a gap analysis, final demand, is a mix of trying to figure out what's our demand and what's our supply, and where the two meet is final demand.

Carol Chesarek asked one question about the warehouse issue. I've been hearing for a long time that the number of employees needed to run a new warehouse is shrinking as automation grows. I'm wondering if there's issue there between changes in employment vs need for warehouses and how you go for it. How is the forecast for the acreage needed for new warehousing separated somehow from

the employment? Because I think that would maybe be a concern if employment for warehousing is forecasted too low, so we don't pick up the acres needed. A second question was asked. I know the Governor wants to build a large number of new homes above what we've been building over the next 10 years. Do we need to add more employees or import them from somewhere else to meet that need? And if so, how many extra construction people would we need to add to meet that?

Mr. Yee noted that the construction question was factored in already. We know that nationwide there's a shortage of production everywhere. Not just here in the MAS, and I think the macro forecast from our advisor may have some of that factored into the construction forecast. I know you don't have my regional forecast before you, but that's one of the sectors in the particularly non-manufacturing that is one of our top growers, construction jobs. So to that extent, at least from a forecast standpoint, whether a forecast becomes reality is actually the next step.

The second question about productivity in the transportation warehousing sector is well informed because we have seen that tension grow, and we've had lively debates on this topic in past urban growth reports, and there is a separation between this jobs and land demand, or land need. Because we first start with the forecast on the employment in those sectors, and it's kind of converted wth either a jobs per acre or square foot per employee combined with an FAR to get at that. We're now bordering into what we're assuming in the UGR land need for jobs. In past URG it's been argued that we should anticipate the industrial land need for warehousing to actually do down because the notion called for high stacking. While that hasn't really ben the case so much here in the Portland area we've seen really high roofs. With increased automation we'll likely see them needing more flat ground and moving around on rails more, and more land area demand. They will need to be near transportation corridors for efficiency.

Tom Bouillion noted one of the things heard was that retail is projected to decline. I assume that's a brick and mortar. I think of that as a direct relationship to transportation warehousing, particularly e-commerce. It'd be helpful to understand that relationship also to the previous comment based on industrial parks that the Port of Portland's developed. I think we've seen things like fulfillment centers with a lot of automation that might have up to 2,000 employees on a site that's a little bit under 50 acres. Conversely, we've seen similarly sized lots with maybe 50 employees. In the world of warehousing, you can see a number of different types of models. I just wanted to make that point.

Mr. Yee noted warehousing is undergoing and will continue undergoing in the next decade, a transition to how we right size itself. That includes warehousing, the transportation infrastructure, trucks, rails, ships, etc. Some big changes for a host of reasons why this forecast is not set in stone. Either I misspoke or something, but I've got retail jobs in the region long term for 20 years actually growing bigger than what it is today. We do see a little bit or right sizing in the next few years as we play out the current business cycle.

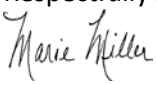
Glen Bolen thought back 20 years ago when you predicted where we are today in housing costs, you were pretty close. Looking at your PA in the packet, looking at what I'm seeing as a drop in export industries, changes in migration couple with tax policy that's been in the news a lot. What are your thoughts on implications for housing price points in the future and government agencies abilities to handle O&M budgets with potential changes to those sections as well?

Mr. Lee noted the first time I did a forecast for Metro was the 1994 URR. In that forecast I forecasted out to year 2020 for population. The difference between that forecast and the current 2020 census

number is a whooping 25,000 difference. I was wrong by 25,000 people but not too shabby. In terms of home prices, I don't directly forecast them in the regional forecast. Our land use model, Metro Scope, does indeed forecast an index of housing prices on a nominal basis. The last one we did for the last UGRI I believe had prices roughly rising about 250% from that historical value. That's without HB2001, 2003, new planning things that attempt to bring more supply. Bottom line is our ability to produce production on the supply side likely projected to be out paced, so demand will outpace our supply.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 12:02 p.m.
Respectfully submitted,



Marie Miller, MTAC Recorder

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	2/21/2024	2/21/2024 MTAC Meeting Agenda	022124M-01
2	MTAC Work Program	2/9/2024	MTAC Work Program as of 2/9/2024	022124M-02
3	Memo	2/8/2024	To: MTAC and interested parties From: Eryn Deeming Kehe, MTAC Chair RE: Results from online survey about future in-person meetings	022124M-03
4	Minutes	1/17/2024	Draft minutes from MTAC January 17, 2024 meeting	022124M-04
5	Report	N/A	2024-2044 regional population, household, and employment forecast: Expert panel review summary	022124M-05
6	Presentation	2/21/2024	Middle Housing Panel	022124M-06
7	Presentation	2/21/2024	Urban growth management update: Regional forecast	022124M-07

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC)
Date:	Wednesday, February 21, 2024
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom
	video recording is available online within a week of meeting
	Connect with Zoom Passcode: 982966 Phone: 888-475-4499 (Toll Free)

9:00 a.m.	**Call meeting to order, Declaration of Quorum and Introductions**	Chair Kehe
9:10 a.m.	**Comments from the Chair and Committee Members** • Updates from committee members around the Region (all) • Summary of meeting survey (Chair Kehe)	
9:15 a.m.	**Public communications on agenda items**	
9:17 a.m.	**Consideration of MTAC minutes, January 17, 2024** **(action item)** Send edits/corrections to Marie Miller	Chair Kehe
9:20 a.m.	**Middle Housing Panel Discussion** Purpose: Share community experiences implementing HB2001; learn from other cities in the region about their experiences.	*Joseph Edge, Moderator* Vera Kolias *City of Milwaukie* Dan Rutzick *City of Hillsboro* Miranda Bateschell *City of Wilsonville* Tom Armstrong Morgan Tracy *City of Portland* Jim Wheeler *City of Gresham* Anna Slatinsky *City of Beaverton*
11:00 a.m.	*10-minute break*	
11:10 a.m.	**2024 Urban Growth Management decision: draft regional population, household, and employment forecast** Purpose: Provide MTAC with a summary of the recently completed and peer-reviewed draft regional forecast. This forecast will be documented in the draft 2024 Urban Growth Report, which will be released in late June to inform the Metro Council's growth management decision in December.	Ted Reid, Metro Dennis Yee, Metro
12:00 p.m.	**Adjournment**	Chair Kehe

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Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

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January 2021

2024-2044 regional population, household, and employment forecast:

Expert panel review summary

Context

On January 30, 2024, Metro staff convened an expert panel of economists and demographers to review the preliminary regional forecast that will be part of the 2024 Urban Growth Report. This review is intended to identify areas of agreement or disagreement among experts in forecasting. The group is advisory to Metro staff. The following summary describes the topics brought forward in the forecast review, staff reasoning, as well as expert panelist views on those topics.

Main takeaways

The long-term trend of declining birth rates will lead to slower population growth rates

Metro's forecast for slower population growth is aligned with other forecasters' assessments. Specifically, panelists agreed that declining birth rates will mean that deaths will begin to outnumber births in the next decade. That negative natural change is expected to continue after that point, and without positive net migration, the region would begin to lose population. This expected slowdown is not because of the pandemic, the ensuing 2020 recession, or because of recent out-migration from the region. It is because of demographic shifts.

Panelists believe there is considerable uncertainty around migration, but that Metro's assumption, based on historic averages is reasonable. Panelists advised Metro to be clear about this uncertainty and that high cost of living on the west coast may lead to lower net in-migration.

Panelists indicated that, while intuition supports the notion that the region may see increased migration from climate refugees drawn to the Pacific Northwest's temperate climate, there is currently no observable evidence that this is happening. Panelists did not recommend building in an add-factor for climate induced migration at this time.

Employment growth will slow because of declining population growth rates

External experts agree that population growth is inextricably tied to employment growth and that slowing population growth would lead to slowing employment growth. Both are expected to grow at 0.4 percent per year over the forecast period. This is less than historic growth rates.

Panelists felt that Metro's preliminary employment forecast looked right in total, but that it was too optimistic about the CHIPS Act and its impacts on computer and electronics manufacturing and metal fabrication. Peer reviewers indicated that the CHIPS Act will primarily prevent manufacturing job losses that would otherwise occur in the next 10 years. Longer term, they expect manufacturing employment to be flat. In response, Metro staff has adjusted the computer and electronics and metal fabrication sectors downward slightly. The result is that manufacturing employment– after an initial increase in the next five to ten years—returns (declines) to pre-pandemic levels by the end of the 20-year forecast period.

NOTE: graphs included in this document are ones that were discussed by the peer review panel. As such, they may differ from the eventual draft or final regional forecast because staff has made adjustments based on expert feedback.

Expert panelists and Metro economics staff

Panelists

Peter Hulseman, City Economist, City of Portland
Neal Marquez, Forecast Program Manager, Portland State University Population Research Center
Ethan Sharygin, Director, Portland State University Population Research Center
Amy Vandervliet, Economist, Oregon Employment Department

Metro economics staff

Josh Harwood, Director of Fiscal and Tax Policy
Katelyn Kelley, Economist
Dennis Yee, Economist

Panel discussion

National macroeconomic conditions

Metro staff presented data on recent national gross domestic product (GDP) as well as GDP projections from S&P Global |IHS Markit. The national outlook shows GDP returning to a slow growth trend after seeing variability during the pandemic. The national outlook does not include another recession, but instead points to a "soft landing" from a period of high inflation.

National population

Metro staff presented national population growth rate forecasts which depict slowing population growth rates. By the end of the forecast period, average annual population growth rates are expected be at 0.4 percent, down from the 0.9 percent rate for the previous 30 years. Panel members suggested comparing this IHS Markit data to 2023 Census data but indicated that those data show a similar trend and forecast.

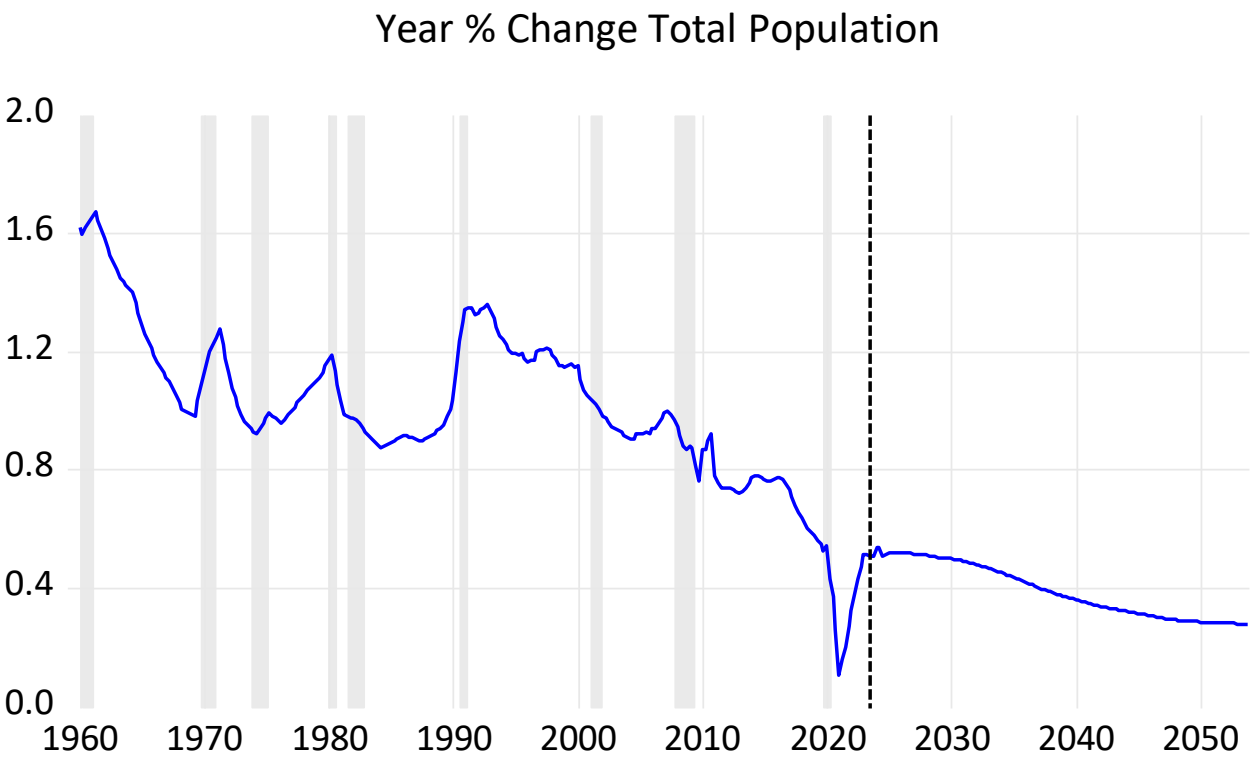


Figure 1: Annual percent change in total U.S. population (source: IHS Markit)

Declining birth rates are a main driver for slowing population growth rates. Though average life expectancy is expected to increase, the continued aging of the Baby Boomer generation will contribute to higher numbers of deaths in the next two decades. At the national level, deaths now outnumber births.

Going forward, national population would decline if it were not for international migration into the U.S. The pandemic is not seen as the cause of slower population growth. Rather, the continuation of the long-term trend of declining birth rates has become clearer since the completion of the 2018 forecast. Panelists did not indicate any disagreement with these overarching trends and their implications for regional population growth.

National Employment

Employment growth depends on population growth and labor force participation among that population. Having presented national data on slowing population growth, staff presented information on labor force participation and employment-to-population ratios.

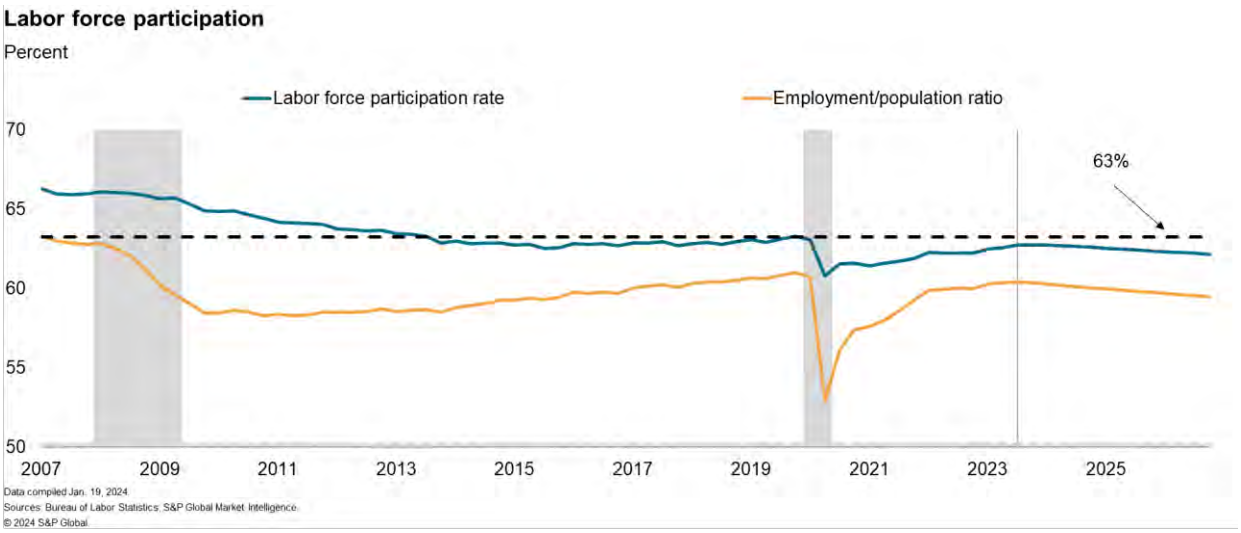


Figure 2: U.S. labor force participation

The national employment forecast shows slowing growth rates in coming decades. IHS Markit's national employment forecast indicates an average of 0.4 percent growth per year through the year 2055. This matches the national forecast for 0.4 percent population growth.

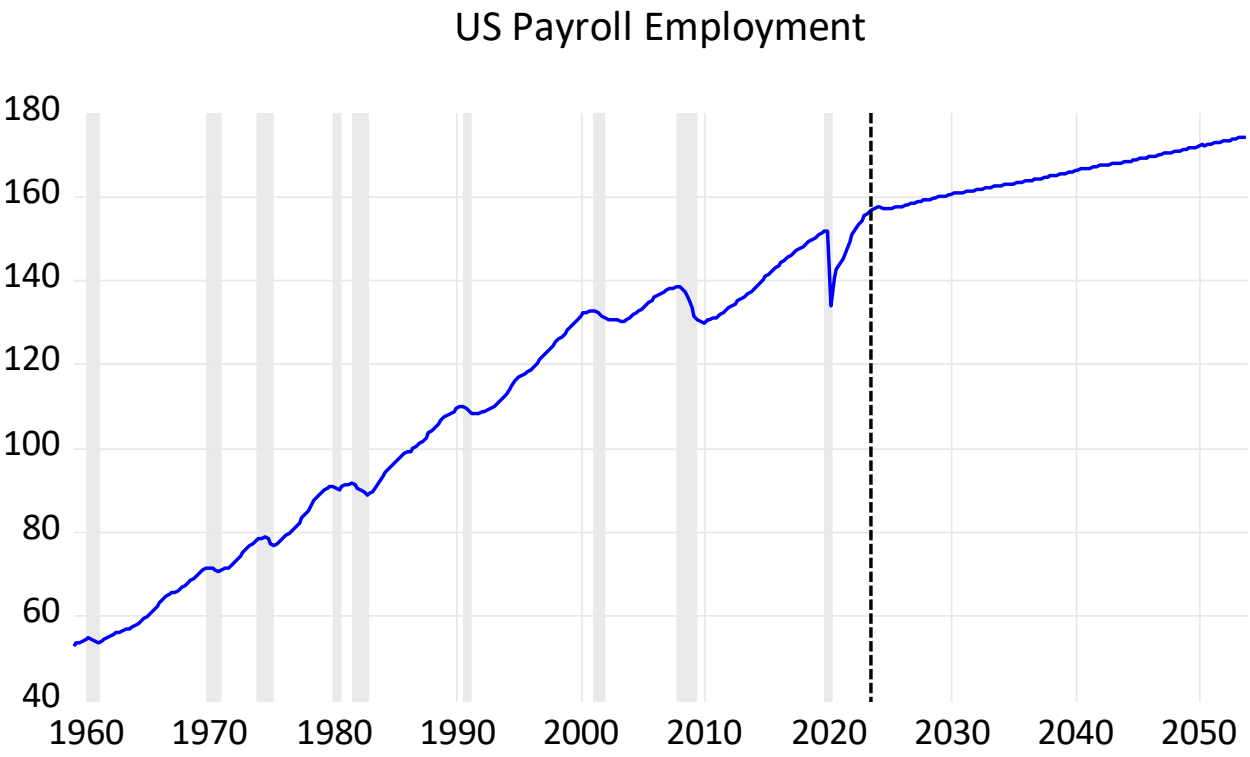


Figure 3: U.S. employment in millions (source: IHS Global Insight)

Regional population

Switching from the national context to the seven-county Portland/Vancouver Metropolitan Statistical Area (MSA), Metro staff presented the current population pyramid for the region.

Current age distribution

Figure 4 depicts an aging population with constricted younger age cohorts. This type of population pyramid indicates that a population will have diminishing natural increase (in which deaths exceed live births) and would shrink over coming decades were it not for net increases from migration.

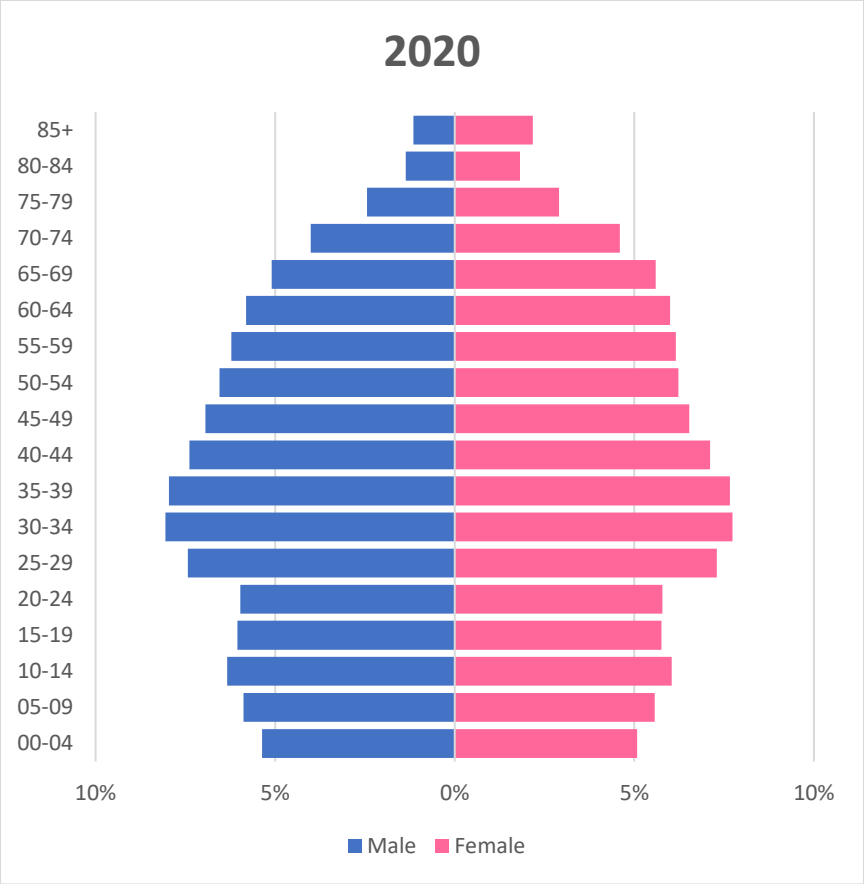


Figure 4: Portland/Vancouver MSA population pyramid in 2020 (source U.S. Census)

Panel members discussed how the regional population pyramid compares with other regions in the U.S.:

- Relative to other states, Oregon has a higher share of population that is 65 and older.
- The region continues to attract young working age migrants (ages 20-39).

Regional birth rates and fertility rates

Metro staff presented data on age-specific birth rates for the region. As depicted in Figure 5, births are being delayed until later in life and the average woman is having fewer children than in previous decades.

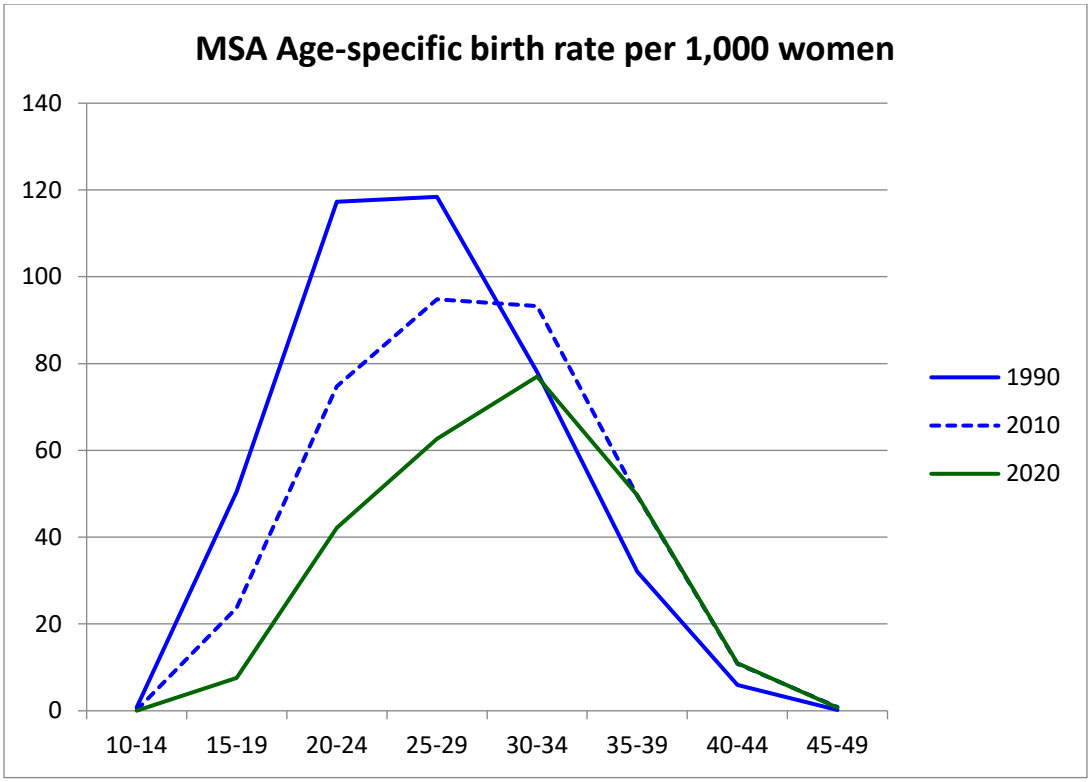


Figure 5: age-specific birth rates for the Portland MSA (source: U.S. Census)

Metro staff also presented total fertility rates for the MSA as depicted in Figure 6.

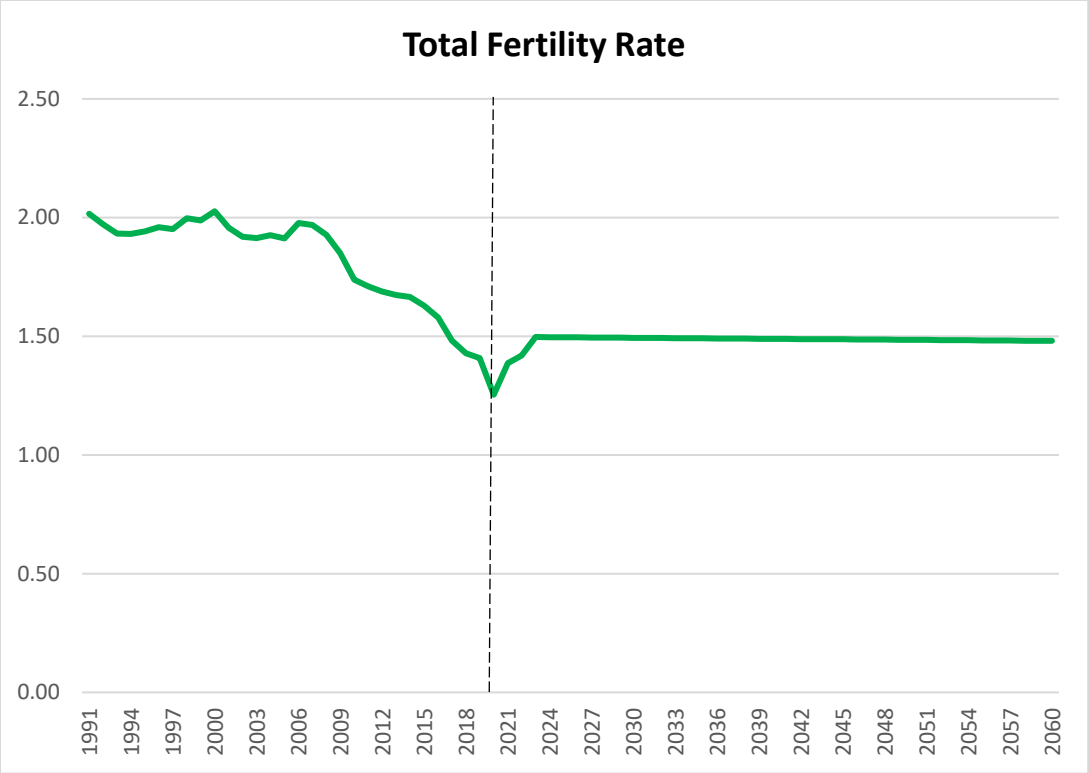


Figure 6: Portland MSA total fertility rate history and forecast (sources: PSU Population Research Center and Metro modeling)

Panelists from PSU's Population Research Center noted that Metro's forecast total fertility rate of 1.5 children per woman is slightly higher than PSU's forecasts for 1.4 children per woman. Metro will retain its assumption of 1.5 for the baseline forecast but will express a low and high forecast range to account for uncertainty around this and other assumptions.

Regional mortality assumptions

Though average life expectancy is expected to rise, the sheer number of people in the Baby Boomer generation will result in rising numbers of deaths in the region in coming years (despite living longer on average). See Figure 7. The peak circa 2020 is because of the pandemic.

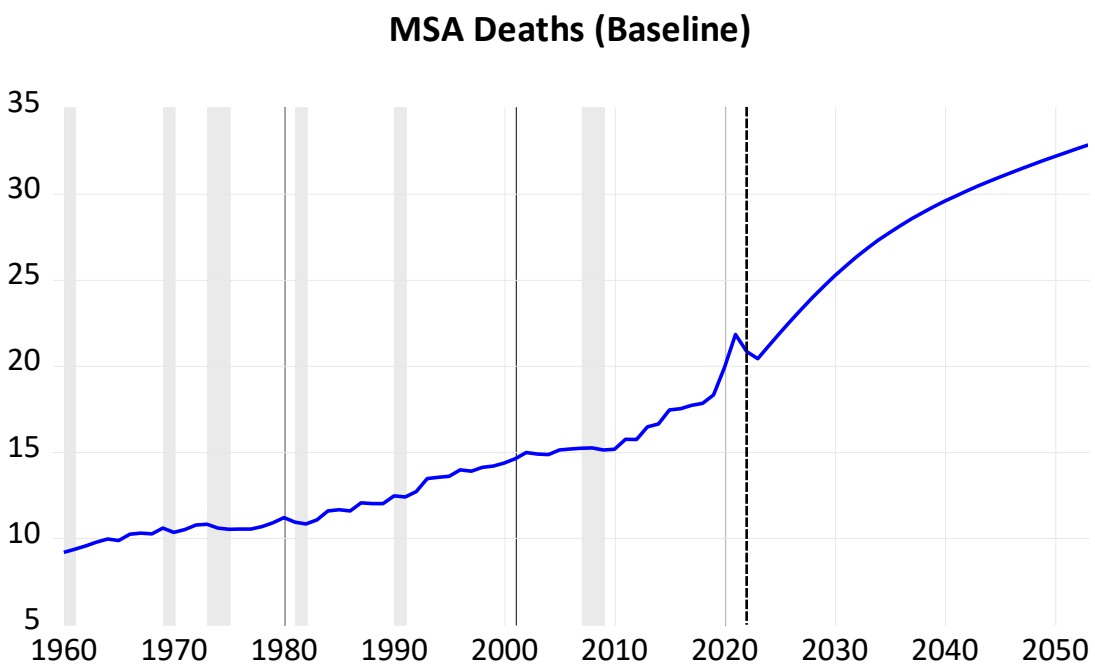


Figure 7: Annual deaths (in 1000s) for Portland MSA (Source: PSU Population Research Center)

Panel members asked whether Metro accounts for the age of people migrating in and out of the region. Metro staff indicated "yes," that these data come from PSU and include the age of migrants.

Panelists asserted that migrants to the region tend to have better health than people born in the region and inquired whether different life expectancies are assumed for those born here vs. those that migrate here. Metro staff indicated that its forecast does not differentiate.

Panelists inquired whether the forecast includes mortality by race and ethnicity. Metro staff indicated that yes, this is calculated in a post-processor.

Natural change

Natural change is the net change in total population after accounting for births and deaths. As depicted in Figure 8, natural change in the region will be negative in about a decade when deaths outnumber births. The expert panel did not indicate any disagreement with these fundamental demographic trends. Negative natural change will leave net migration as the potential source of regional population growth.

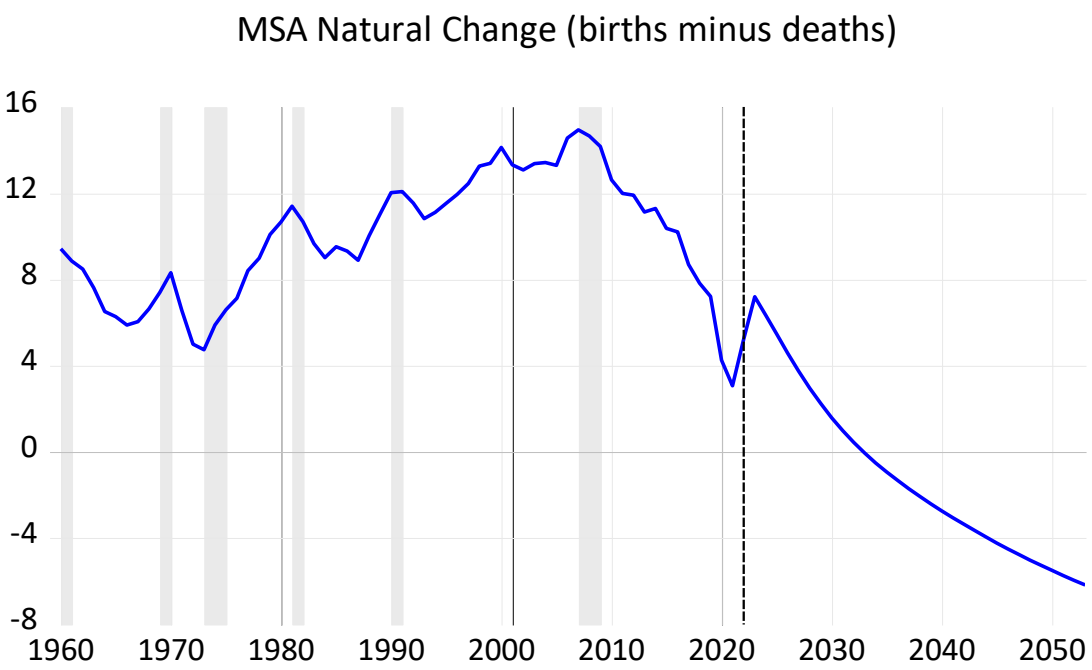


Figure 8: Natural change in the Portland MSA, 1000s of people per year (source: PSU Population Research Center)

Regional migration

Panelists discussed how migration into and out of the region is volatile and difficult to forecast. See Figure 9.

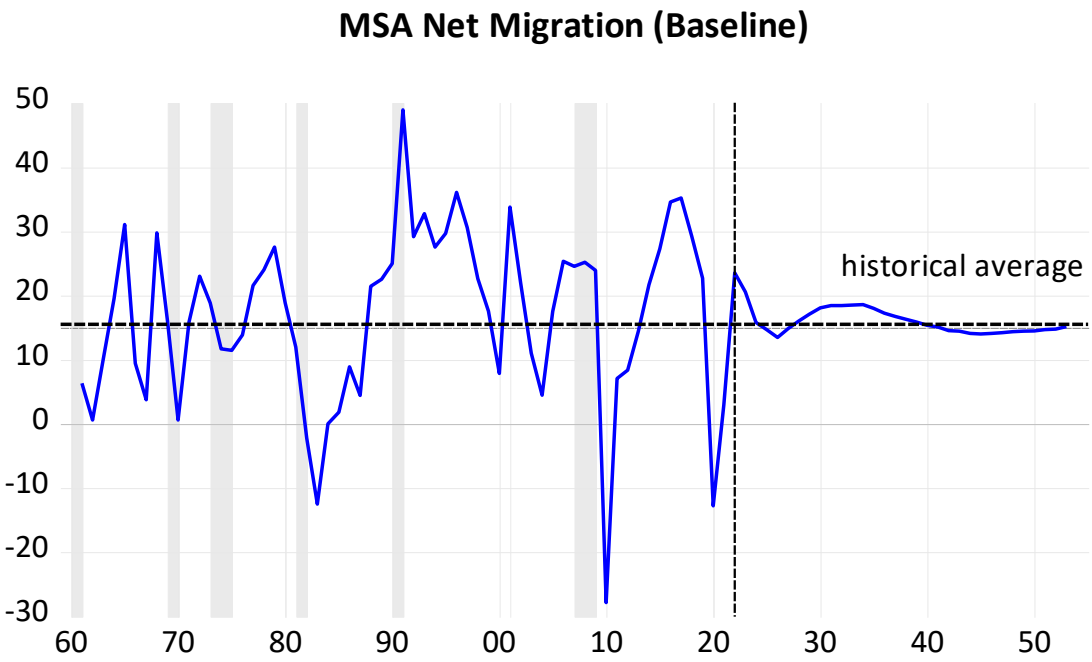


Figure 9: Portland MS net migration, 1000s per year (source: PSU Population Research Center)

Migration rates will determine regional population growth outcomes since natural increase will not be a long-term source of population growth. 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. The State of Oregon Office of Economic Analysis has recently published an analysis of a zero-migration scenario to assess the potential impacts of diminished net migration.

Staff indicated that this uncertainty is a reason why we utilize a range forecast. The preliminary, pre-peer-review range forecast is depicted in Figure 10. Negative net migration – as factored into the low forecast – would lead to regional population losses. The baseline forecast assumes a continuation of the historic average of net regional migration. The high forecast assumes increased net migration compared to historic averages (in addition to natural increase in population).

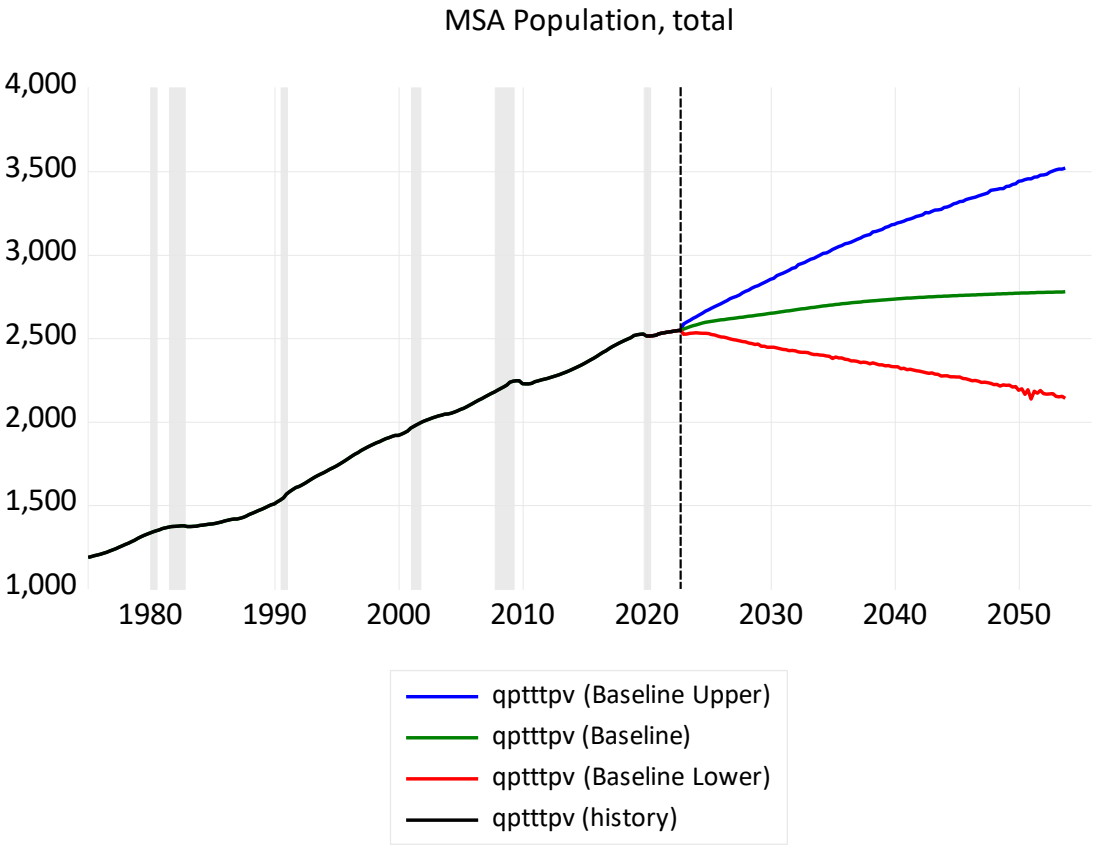


Figure 10: Portland MSA preliminary range forecast for population (in 1000s)

Housing prices and migration

Some have posited that relatively high housing costs on the west coast are one reason why migration to the region may slow down. Metro staff asked panelists a question that has been posed to them in other venues: could migration into the region be maintained by increasing housing production. The reasoning is that an increase in housing supply could moderate price increases, thereby inducing migration.

Staff's sense is that, while increased housing production should remain a goal for the nation, state, and region, it appears unlikely that it could be achieved at a scale that would give our region an affordability advantage relative to other regions. The scale of housing production needed to give our region that

advantage would likely require that builders in the region build in a speculative fashion, beyond the point of profitability.

Panelists indicated that, under this theoretical construct of intense housing production, the type of housing that gets built would matter. Specifically, homes with more bedrooms would be needed to attract households with children to bolster population growth. Housing with this many bedrooms can be built as multifamily housing or middle housing, but in our region, it has more typically taken the form of single-family housing.

Related, household formation can happen even without population growth. For instance, a person who once lived with roommates may form their own one-person household. One and two-bedroom units accommodate those newly formed small households.

Climate-induced migration

Staff introduced the topic of climate-induced migration, noting that many believe that our region's temperate climate could attract migrants leaving unfavorable environmental conditions elsewhere (e.g., extreme heat, sea level rise, increased storm intensity). Panelists indicated that this may be true, but that there is no data trend to indicate that this has happened yet. Panelists cited a recent consumer preference survey in which just two percent of respondents indicated that climate change influenced their decision to move. The panel does not recommend explicitly factoring it into the population forecast at this time. This recommendation is consistent with a 2016 symposium on the topic.

Staff suggested that households may become more sensitive to climate risk if insurance companies raise rates for property owners in more vulnerable regions. Staff intends to continue monitoring this issue in future regional forecasts. Countervailing considerations include recent extreme heat in the Pacific Northwest and the increased prevalence of wildfire smoke.

Regional employment

Staff presented information about employment recovery from the 2020 pandemic recession. As shown in Figure 11, non-manufacturing employment in the region has fully recovered, but manufacturing employment has not (see Figure 12).

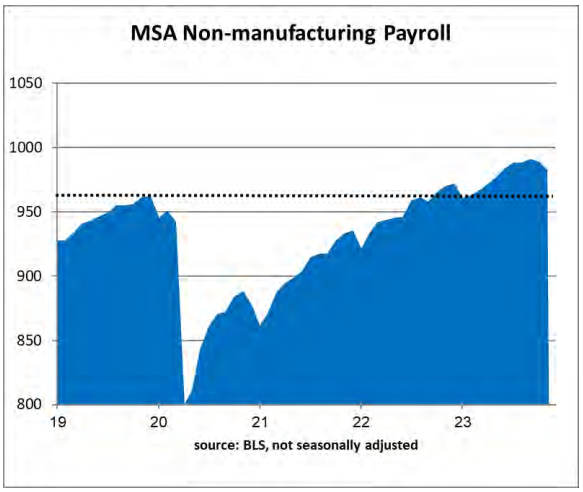


Figure 11: non-manufacturing employment in 1000s of jobs in the Portland MSA, 2019-2024 (source: Bureau of Labor Statistics)

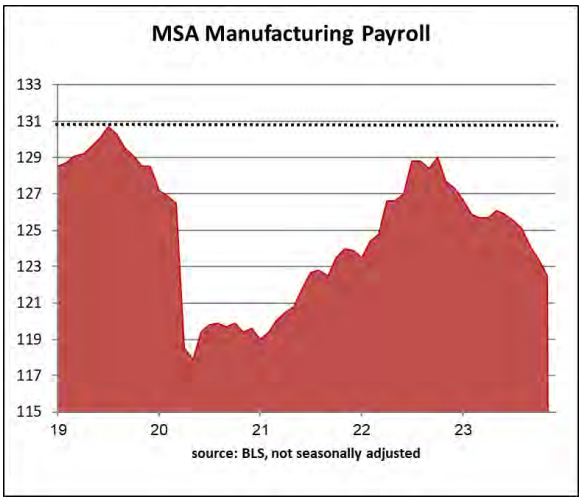


Figure 12: manufacturing employment in 1000s of jobs in the Portland MSA, 2019-2024 (source: Bureau of Labor Statistics)

Moving forward from recent history, Metro staff indicated that they believe that future employment growth rates will track closely with population growth rates, with both at 0.4 percent annual average growth. Staff presented the employment range forecast for the MSA as depicted in Figure 13.

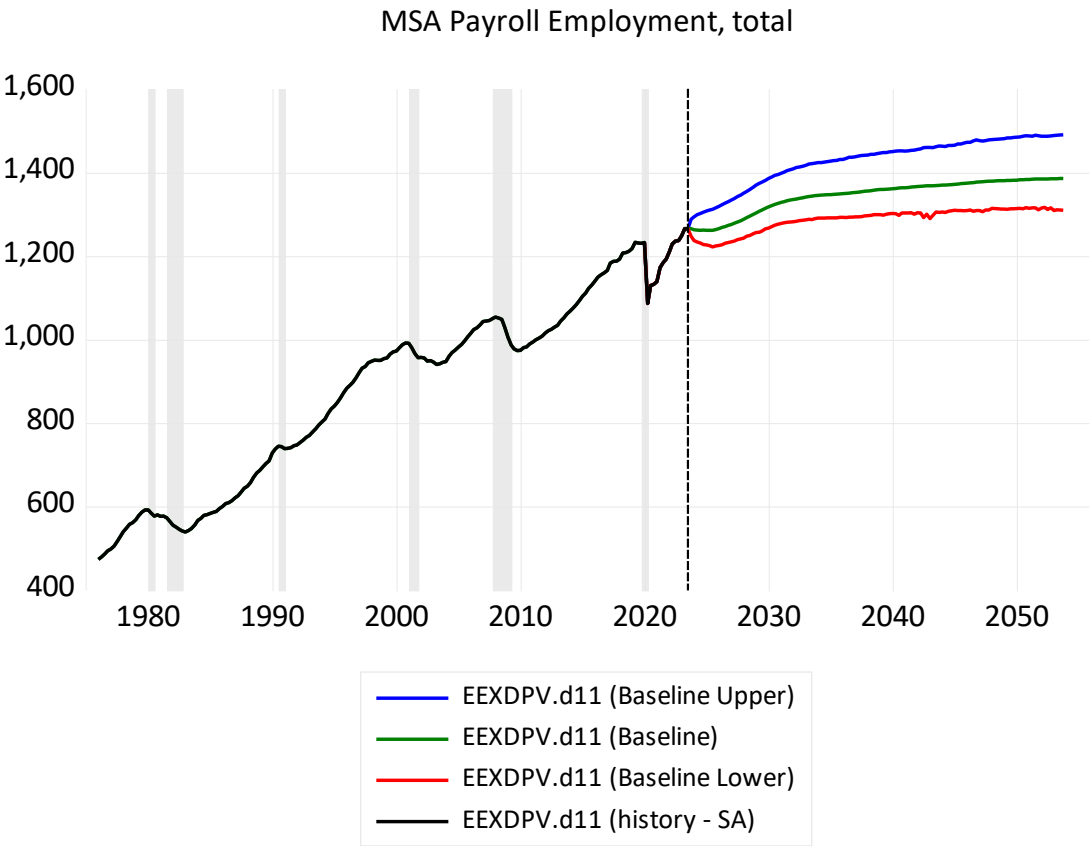


Figure 13: employment history and range forecast for the Portland MSA in 1000s of jobs

Panelists felt that Metro's preliminary employment forecast looked right in total, but that it was too optimistic about manufacturing employment (see Figure 14) and the employment impacts of the CHIPS

Act on computer and electronics manufacturing and fabrication of metal sectors as depicted in Figure 15 and Figure 16.

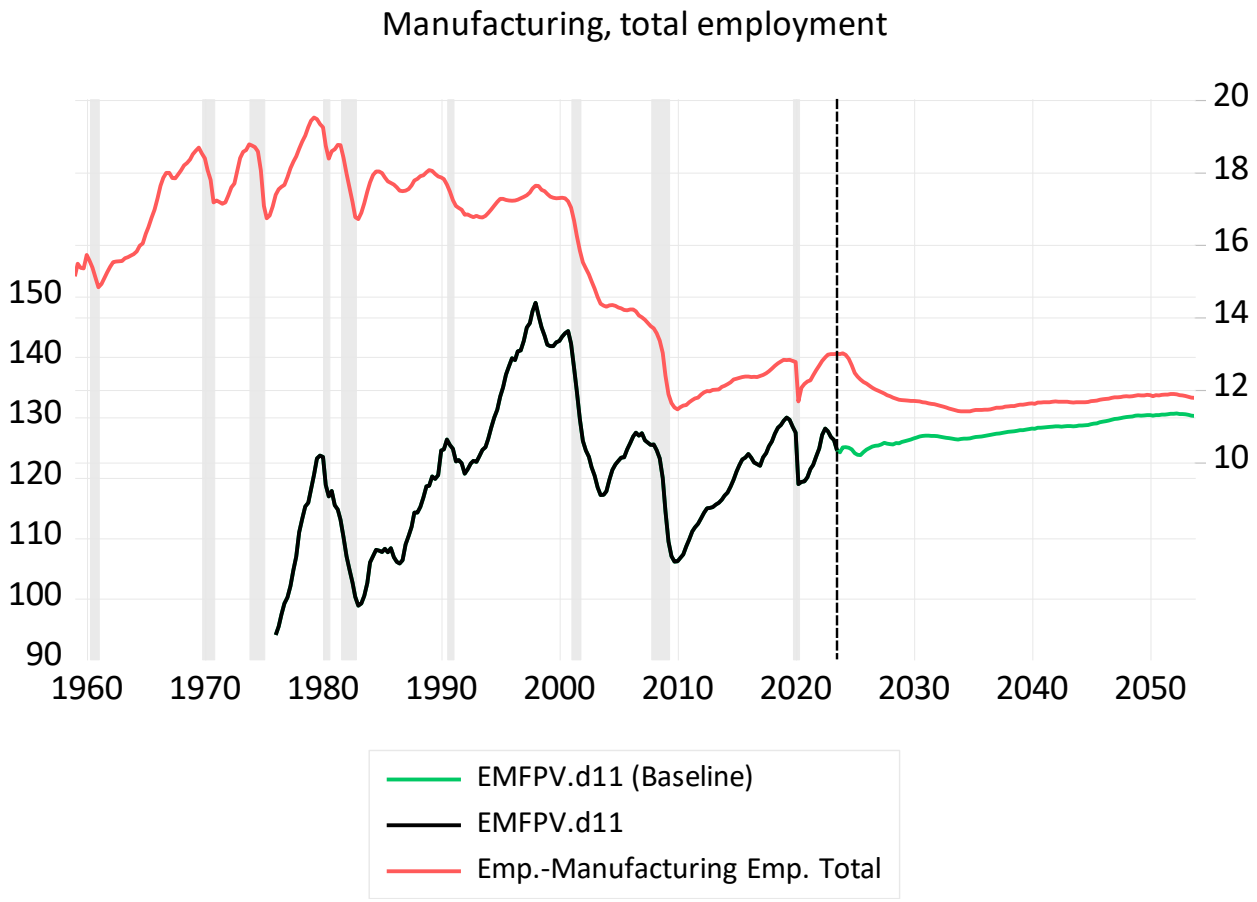


Figure 14: manufacturing employment history and forecast in 1000s of jobs for the Portland MSA (black and green lines) and the U.S. (red line)

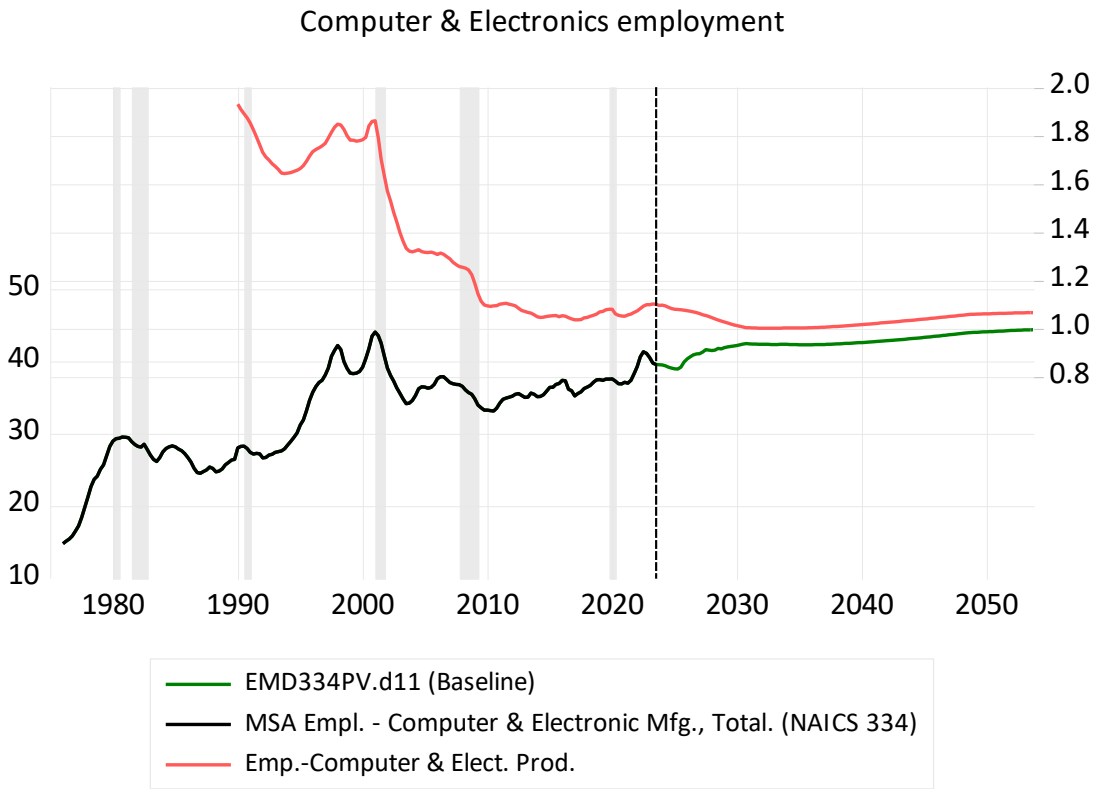


Figure 15: computer and electronics employment; red is U.S.; black is MSA history; green is MSA baseline forecast (in 1000s of jobs)

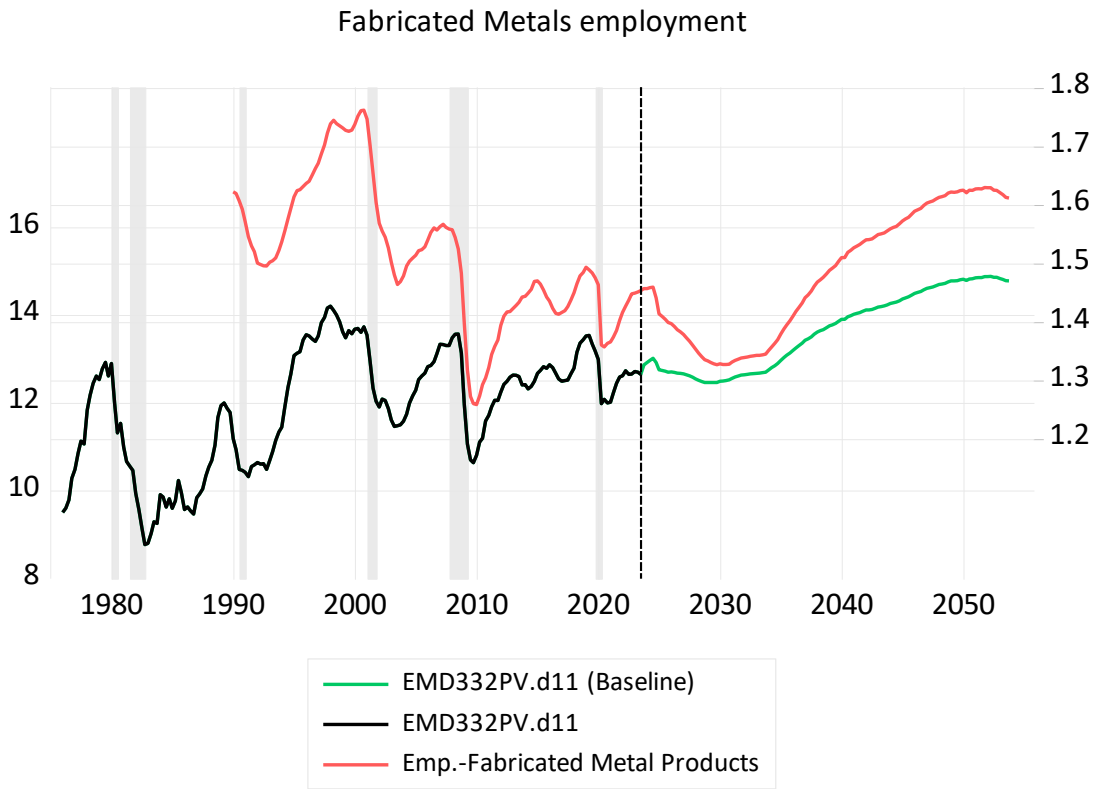


Figure 16: fabricated metals employment; red is U.S.; black is MSA history; green is MSA baseline forecast (in 1000s of jobs)

Panelists noted that Metro "would have to be really confident in the CHIPS Act" to forecast growth as shown in Figure 15 and Figure 16 and that "manufacturing does not seem like the most likely sector for employment growth." Panelists indicated that Metro's forecast for manufacturing carried "too much long-term momentum from the one-time shock of the CHIPS Act" and that, while there may be a short-term bump in high-tech manufacturing, it will be relatively small in the context of overall employment. In summary, panelists indicated that the CHIPS Act is best thought of as preventing manufacturing job losses that would likely otherwise occur over the next decade. Panelists further noted that the statewide forecast show a decline in metal fabrication.

Longer term (past 10 years), panelists believe there is too much uncertainty around technological changes, automation, and productivity to be confident in sustained high-tech manufacturing employment growth when the historic trend would indicate otherwise.[1]

In response, Metro staff will adjust the computer and electronics and metal fabrication sector forecasts downward slightly. The result is that computer and electronics manufacturing employment– after an initial increase—will be at roughly year 2022 levels by the end of the forecast period in 2044. Metal fabrication will be at roughly pre-pandemic levels by 2044.

Panelists inquired whether the first ten years or the end point (year 2044) that matters for the growth management decision. Staff indicated that the land need analysis looks at the 20-year timeframe that

[1] As depicted in Figure 14, today in the Portland MSA, there are about 85 percent the number of manufacturing jobs that there were in 1998.

begins in 2024 and ends in 2044. Panelists reiterated their view that the longer-term outlook for manufacturing employment is flat at best.

Regarding other employment sectors depicted in Figure 17, panelists discussed the following, but did not indicate any disagreement:

- The high growth rate depicted in the natural resources (mining and logging) sector is because of its small size (i.e., small increases in absolute numbers result in big growth rates).
- The computer and electronic manufacturing sector is expected to grow slower (flat growth) than in the past.
- There will be a notable decline in the transportation and warehousing sector (U.S. and Portland MSA) after a decade of steep growth.
- Drivers for state and local government sector growth:
    - Slowing population growth will really impact this sector
    - However, positive tax collections and budget can drive this sector forward too
- Range forecast – in the past, the Metro Council has adopted the baseline (most likely) forecast.

Industry Name by NAICS	APR%: History 1976-2022	ST 2022-32	LT 2022-45
Total Nonfarm Payroll	2.1%	0.9%	0.5%
Manufacturing, total	0.6%	0.0%	0.1%
Durable MF, total	0.7%	0.0%	0.1%
Lumber products	-1.9%	-1.3%	-1.1%
Primary metals	-0.1%	-0.6%	-0.7%
Fabricated metals	0.6%	0.0%	0.6%
Machinery	0.4%	-1.5%	-0.6%
Computer & Electronics	2.1%	0.4%	0.3%
Transportation Equipment	-0.4%	-1.9%	-1.5%
Other Durable MF	0.8%	0.9%	0.5%
Non-durable MF, total	0.2%	0.0%	0.0%
Food processing	1.0%	0.0%	0.0%
Paper products	-2.1%	-1.5%	-1.4%
Other Non-durable MF	0.3%	0.1%	0.3%
Private Non-manufacturing, total	2.5%	1.0%	0.6%
Natural resources	-0.9%	4.8%	1.7%
Construction	2.9%	2.4%	1.2%
Wholesale trade	1.4%	0.5%	0.3%
Retail trade	1.5%	0.5%	0.6%
Transportation, Warehousing & Utilities	2.1%	-1.1%	-1.4%
Info - Publishing	3.5%	1.6%	0.0%
Info - Internet	0.8%	1.2%	0.4%
Finance & Insurance	1.5%	1.3%	1.1%
Real Estate	2.6%	0.4%	-0.2%
Pro., Sci., Tech. services	3.9%	0.6%	0.5%
Mgmt. of Companies	4.2%	0.8%	0.3%
Admin. & Waste Mgmt. Services	3.5%	1.4%	1.2%
Education	3.6%	1.2%	-0.1%
Health care	3.3%	1.4%	0.9%
Leisure	2.3%	3.1%	2.0%
Hospitality	2.5%	0.9%	0.3%
Other services	2.3%	1.5%	1.0%
Government, total	1.4%	1.0%	0.3%
Federal gov.	0.3%	0.4%	0.2%
State & Local gov.	1.5%	1.1%	0.4%

Figure 17: Employment growth rates by sector in the Portland MSA, history and forecast

Work from home and office vacancies

Staff presented a comparison of work from home trends in several metropolitan areas (Figure 18). Staff noted that this topic was somewhat outside of the regional forecast review scope, but that our growth management assessment will need to account for changes in demand for commercial office space. Panelists correctly noted that survey respondents may in fact be working in the office some days but reported that they primarily work remotely. Panelists also noted that work from home shares may

decrease somewhat if the labor market loosens (i.e., employers have more bargaining power over working conditions). Staff will strive to account for these considerations as they estimate commercial office demand.

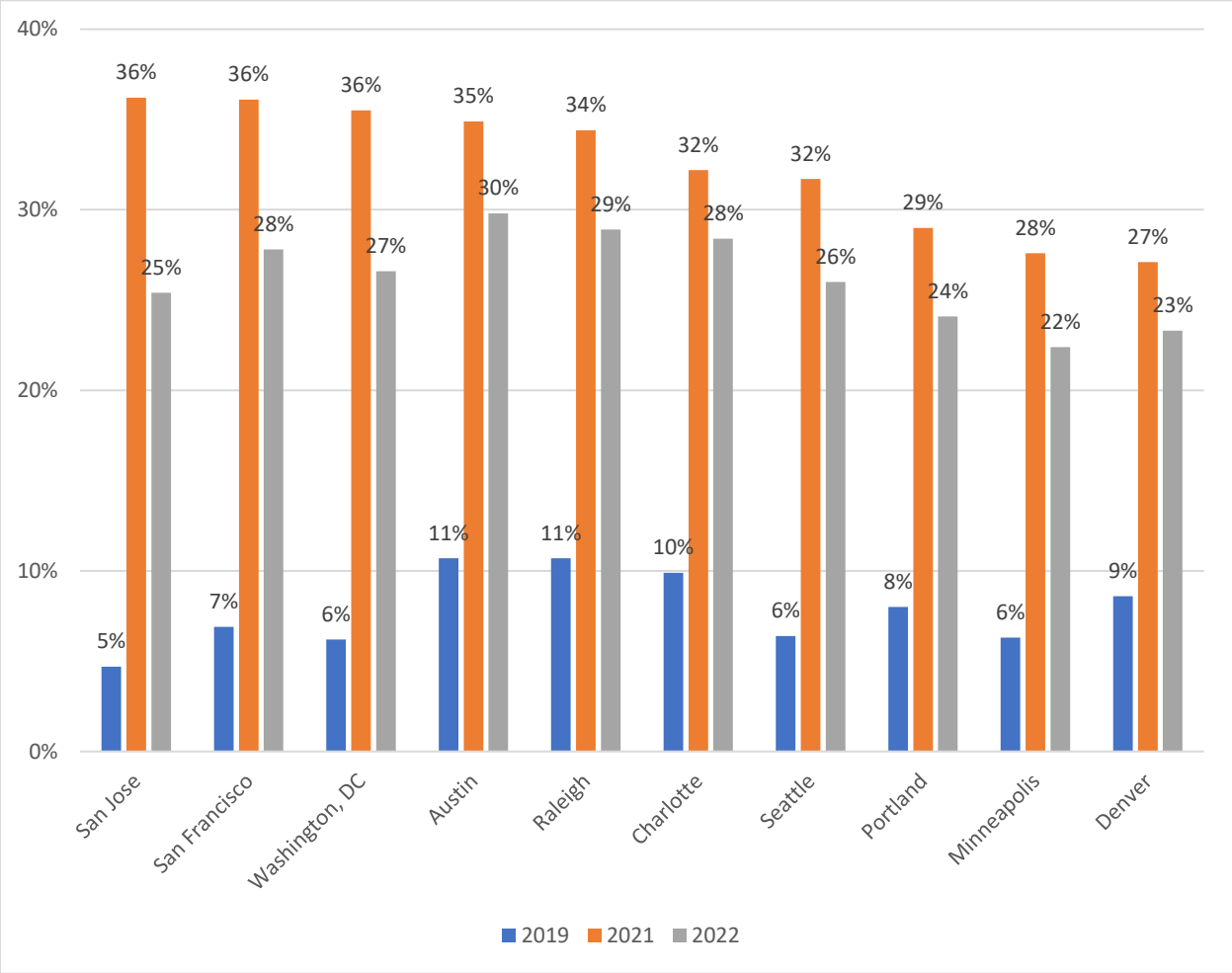


Figure 18: comparison of shares of all workers in different MSAs reporting that they primarily work from home (source ACS)

Office vacancies

As with work from home trends, staff introduced the topic of office vacancies as potentially being outside of the panels' area of expertise. However, staff is interested in whether we need to consider office vacancies as a source of growth capacity (we have not in the past, instead focusing on vacant land or redevelopment of existing structures). Metro staff believes that vacancies will reset in the next couple years or so and will likely not be a long-term capacity consideration.

Materials following this page were distributed at the meeting.

Middle Housing panel

February, 2024



Panelists

City of Portland

City of Beaverton

City of Milwaukie

City of Gresham

City of Hillsboro

City of Wilsonville

Middle housing legislation

HB2001 (2019) Legalizing middle housing, townhomes in urban low density residential zones

SB458 (2021) Middle housing land divisions

SB534 (2019) Allow development of historic platted residential lots

SB1051 (2017) Clear and objective standards for needed housing

City of Milwaukie

Background/History (HB2001) – City of Milwaukie

- Prior to HB2001, Milwaukie permitted duplexes and ADUs – required land use review
- Comprehensive Plan
  - 2017 community vision included “expanding middle housing”
  - 2020 Comp Plan Housing Policy 7.1.1: provide the opportunity for middle housing in low and medium density zones
- Code amendments – 9 month public process – all infill

Interest/production today

Developer interest is high.

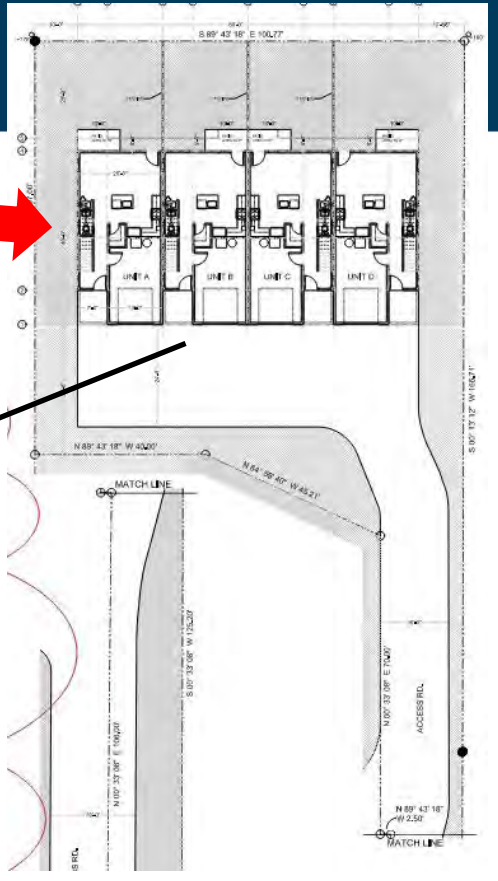
- 3 - Large site cottage clusters
- 3 - Small site cottage clusters
- 3 - Plexes
- 5 - Townhouses
- Multiple Conversions
- Very few SFR



Interest/production today



Quadplex on a flag lot

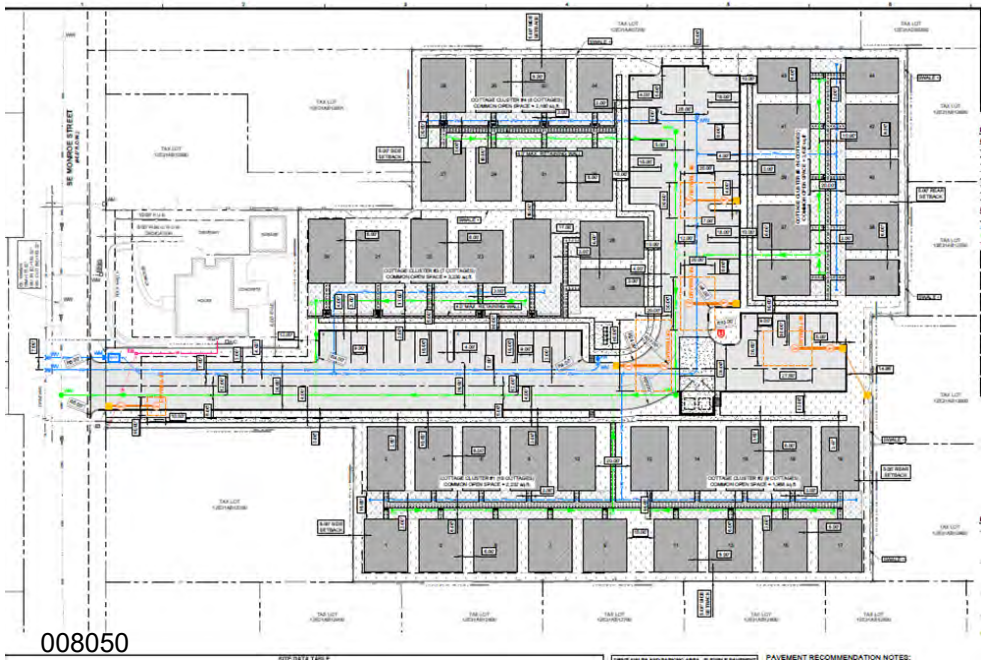


008049

Interest/production today

Large site cottage cluster

- 2.2 acres
- 44 cottage in 5 clusters



Interest/production today - challenges

- So many options
  - Anticipate future plans
- HOA vs MHLD
  - Type II review for MHLD
- Ownership vs rental
- Utility connections
- Tracking improvements in MHLD



008051

Is it achieving the goals?

How do we influence what builders build?

- Flexibility
- Incentivize middle housing







Is it achieving the goals?

Barriers to middle housing development:

- Lack of understanding
  - Condo/HOA/MHLD/rental
- Cost of development
  - Utilities
  - SDCs



008053

Resources

Vera Kolias, AICP, Senior Planner

koliasv@milwaukieoregon.gov

503.786.7653

Learn more

City of Hillsboro

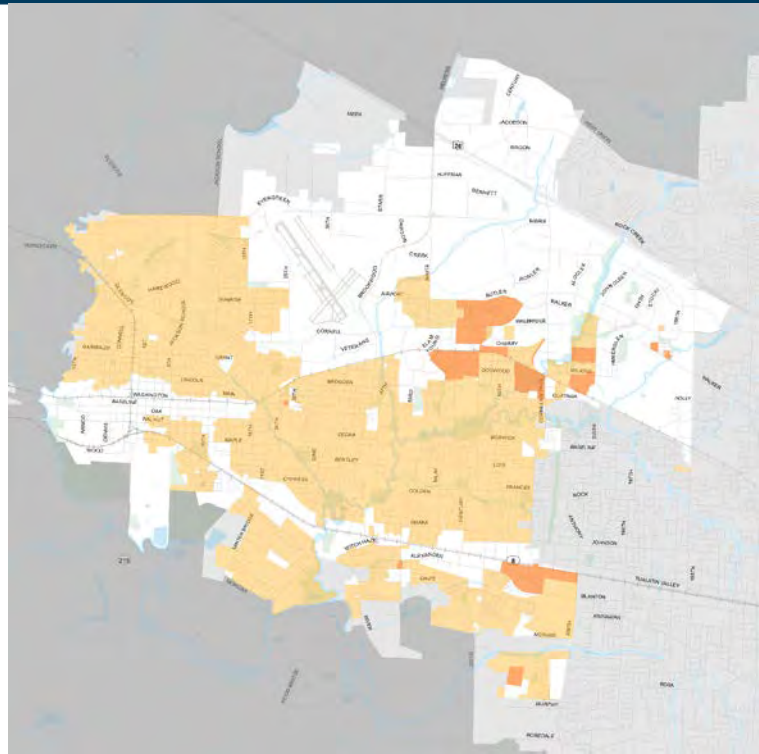
Background/History (HB2001)

- About 15% of Hillsboro's current total housing units are townhomes, duplexes, triplexes, and quadplexes
- Prior to HB2001, thousands of middle housing units were built, with the largest number being townhomes followed by duplexes.
- Most middle housing units were built in medium-density zones, those in low-density zones thru a PUD.
- In the South Hillsboro residential expansion area, about 30% of the 2,400 housing units built so far are townhomes for homeownership.



Background/History (HB2001)

- As part of HB2001 implementation, Hillsboro did not incentivize middle housing when updating its code in early 2022.
- Hillsboro created opportunities for middle housing by reducing the application process time for middle housing (and single dwelling units) in creating a checklist system for zoning review.
- Since adoption of HB2001 code amendments, 5 duplexes and approximately 60 townhome units received building permits.
- Townhome lot standards are now pretty easy to meet (1,500 sq ft average of all lots in the project so can have smaller lot size allowed outright).



Interest/Production Today

- In the Witch Hazel Village South expansion area, conceptual plans show an estimated 14% of middle housing units, primarily in the form of townhomes for homeownership.
- Level 4 developer interest in building townhomes in expansion areas as builders are familiar with them
- Level 2 interest in building middle housing in low-density zones thus far.



Interest/Production Today

- No one in Hillsboro is building stacked plexes due to implications for Building code.
- Often see requests for minimum residential lot size reductions for detached and attached dwellings thru a PUD process, particularly in low-density areas.
- Seeing interest in middle housing land divisions and re-establishment of small, historic lots smaller than minimum lot size (3,300 sq ft, alley loaded) in one area of the city.
- Not seeing a correlation with proximity of middle housing development to 2040 design types.



Interest/Production Today

- Habitat for Humanity recently developed two affordable housing projects in Hillsboro with 10 and 18 townhome units respectively, one in a low-density zone the other not.
- Developers and property owners are having difficulty understanding HB 2001 requirements
- For example, what is the allowable density on their property due to the middle housing allowances, especially if wanting to do a mix of housing types which have varying or no maximum densities.

008060



Is it achieving the goals?

- With HB2001 code amendments in early 2022, Hillsboro did not take many measures beyond minimum compliance with DLCD rules in zoning and development code.
- Hillsboro's recently completed Housing Capacity Analysis did not identify a deficit of middle housing units by 2043.
- Hillsboro's Housing Production Strategy just underway will assess strategies and tools to encourage or incentivize more affordable middle housing production.



008061

Resources

Housing Hillsboro: House Bill 2001

Code Amendment Projects | City of Hillsboro, OR (hillsboro-oregon.gov)

Learn more

City of Portland

History of Portland's Middle Housing Initiatives

Prior to 1940's – most areas were zoned simply "residential"

War code housing – relaxed standards for multiple units during WWII

Between 1924 & 1959 – more than 9,000 acres converted to SFR

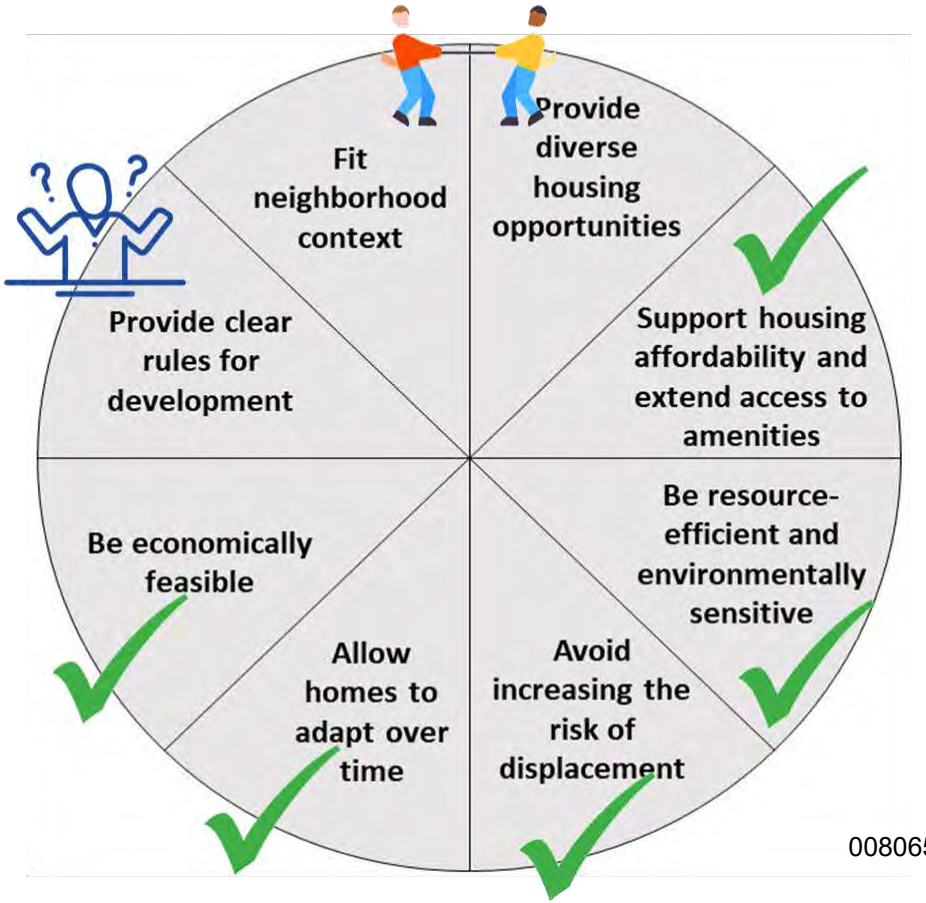
1981 – Accessory Rental Units introduced

1991 – Corner lot duplexes introduced

2015 - 2021 – Residential Infill Project (triplexes, fourplexes, etc)

2022 – Residential Infill Project, Part 2 (cottage clusters, MHLDs)

Goals of the Residential Infill Project



008065



RIP Year One Key Takeaways

Excluding ADUs, nearly **75% of housing units** permitted in RIP zones **were Middle Housing projects**.

Fourplexes accounted for more than ¾ of middle housing units in these zones.

On average, middle housing uses land nearly **three times more efficiently** than single houses.

ADUs are still an important part of the housing mix, producing an equal number of units as middle housing.

But unlike ADU's, **over 99% of middle housing units had 2 or more bedrooms**, enabling growing "starter" households.

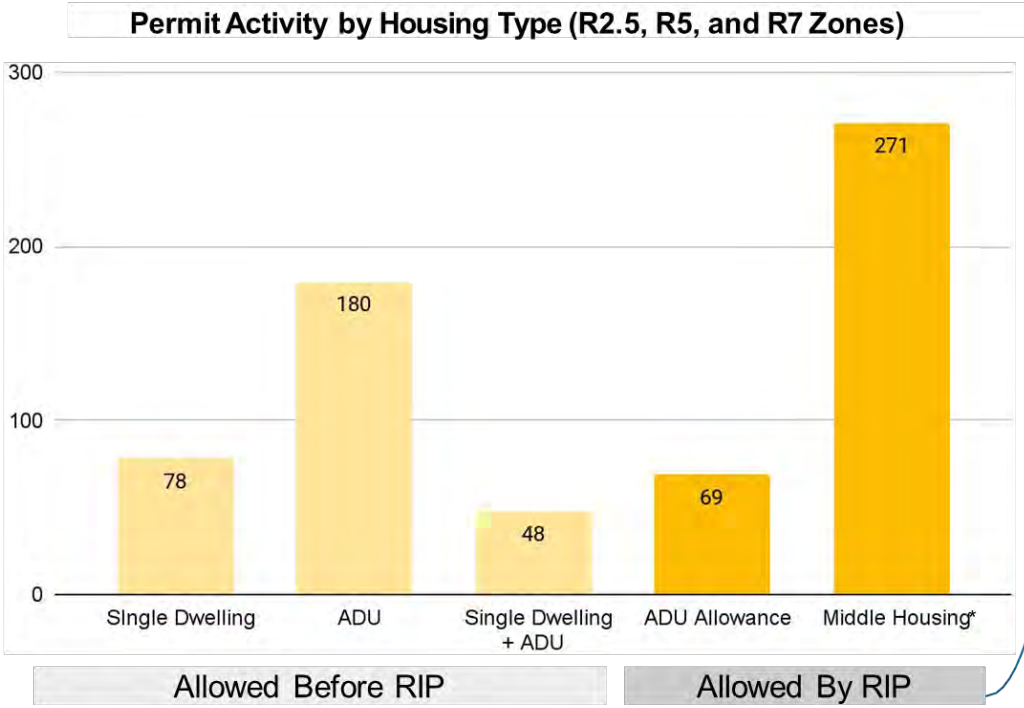
New FAR limits have **prevented very large, and more expensive single dwelling homes** from being built.

008066



Image Source: Zillow

1st year – RIP Permit Activity Overview



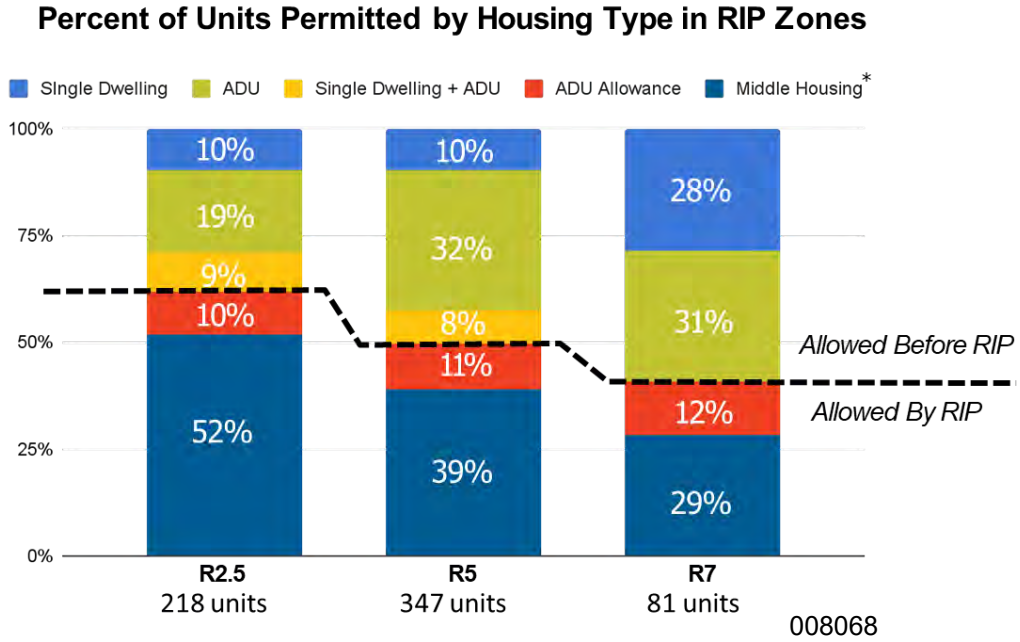
RIP-Enabled Units Permitted by by Housing Type

Aug 1, 2021- July 31, 2022

ADU Allowances	69
Duplex	38
Triplex	27
Fourplex 75%	204
Sixplex	2

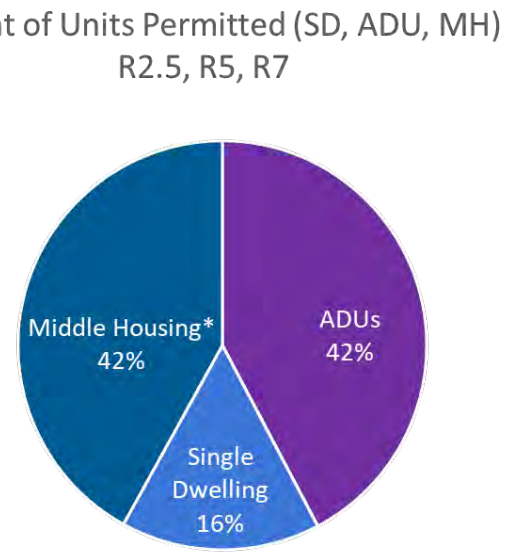
1st year – RIP Permit Activity Overview

Higher MH utilization in higher density zones:



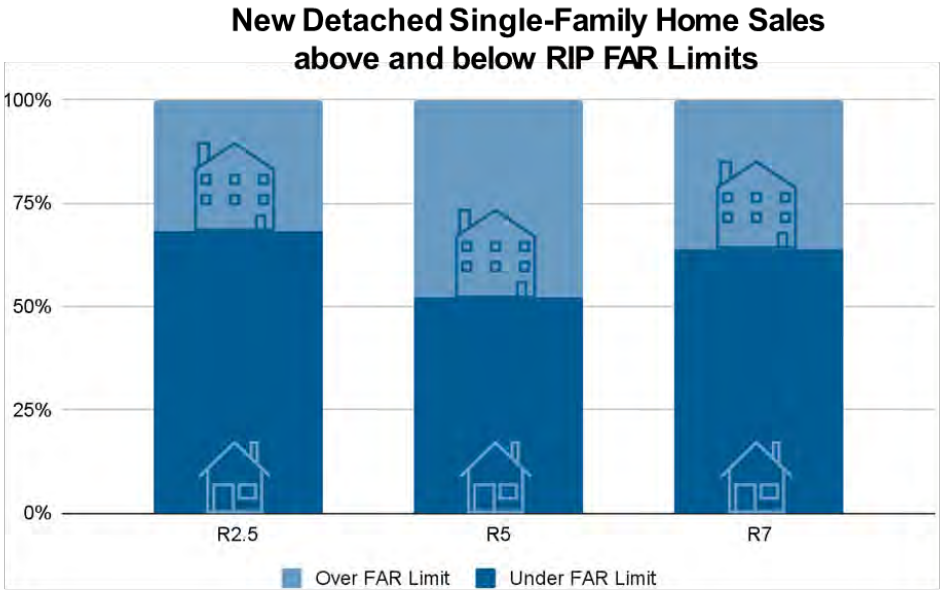
*Middle Housing category includes corner duplexes

ADU's are still a significant player:




RIP Y1 Middle Housing Permits, Centers, Corridors
Legend
Permit Type
ADU Allowance
Duplex or Duplex on Corner
Triplex
Fourplex
Sixplex
Centers
Centers 1/4 Mile Buffer
Corridors
Corridors 1/4 Mile Buffer
Highway/Freeway

RIP's impact is not just in what it allows, but also in what it does not.



Pre-RIP Context Analysis Snapshot

1,178 Total new (built since 2018) detached single dwelling homes sold 2018 - 2022

44% Percent of new detached single dwelling homes sold over FAR threshold

$117k Average sale price difference between homes above and below FAR limits set by RIP

Source: RMLS data (Q1 2018 - Q2 2022)





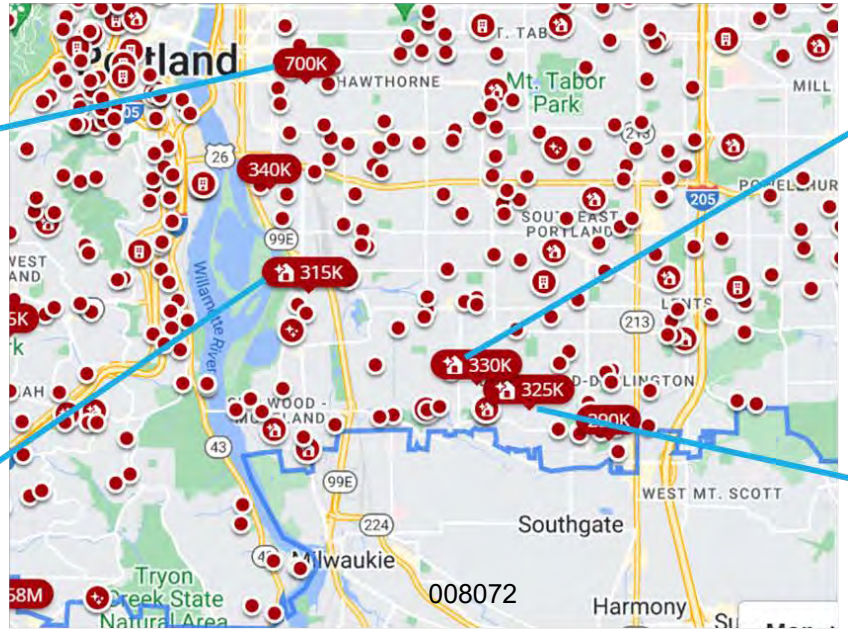
To plan for potential further allowable density in the future, the site plan is configured to accommodate four additional townhouses to complete the block. In all the new units, simple forms and materials are used to both relate to the scale and character of the existing residential context and to create a quietly distinctive new development.

Image Source: Woofter Bolch Architecture

Next step – year two & affordability









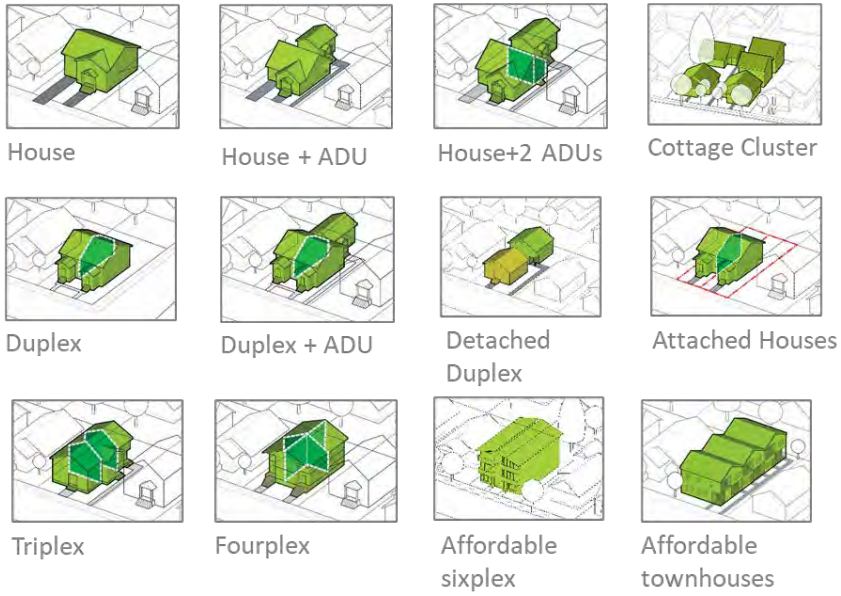


Challenges along the way

- Too many choices
- Infrastructure, infrastructure, infrastructure
- Financial & other barriers
- Long-term outlook for MHLD projects
- Design stagnation

008073

What can I build? What do you want to build?



Resources

My contact info:

Morgan.Tracy@PortlandOregon.gov

Residential Infill Project:

portland.gov/bps/planning/rip

- Resources for understanding the new development options, including MHLDs
- Project staff report
- First year monitoring report

History of Racist Planning in Portland:

portland.gov/bps/planning/adap/history-racist-planning-Portland

City of Gresham

Gresham's Background/History (HB2001)

- Prior to HB2001
  - Detached and Attached Accessory Dwelling permitted with single attached and detached dwellings
  - Townhouse developments permitted in moderate-density residential districts but very restricted in low-density residential districts
  - Duplexes permitted but very restricted in low-density residential districts
  - Duplexes – Quadplexes treated as multi-family
  - Cottage Clusters permitted in a limited fashion through a special process and standards (e.g., pilot project) in limited districts.

Gresham's Background/History (HB2001)

- Efforts to implement legislation - both infill and new urban areas
  - Utilized "Division 46" rules to effect design standards on both "middle housing" and single detached dwellings
  - All middle housing unit types (single detached and attached dwellings, attached and detached duplexes to quadplexes, townhouses, and cottage clusters) are permitted in all districts that had previously permitted single detached dwellings

Interest/production in Gresham today

What is the level of interest from developers in producing middle housing in Gresham?

In-fill middle housing – 2

Greenfield middle housing - 5



Interest/production in Gresham today

What challenges have been presented by state-level housing reforms?

- Property valuation increase
- Tepid interest in “in-fill” middle housing development – very slow start
- High interest in “greenfield” middle housing development – dividing land for MHLD



Is it achieving the goals?

How do we influence what builders build, or bolster those builders that are building these housing types?

In Gresham – too early to tell.



Is it achieving the goals?

What are barriers to middle housing development in Gresham?

- Quality and variation design standards – single detached dwellings
- Provision of franchise utilities (e.g., PGE) in greenfield developments
- Potential conflict with providing suitable street tree canopy



City of Beaverton

Beaverton Background/History (HB2001)

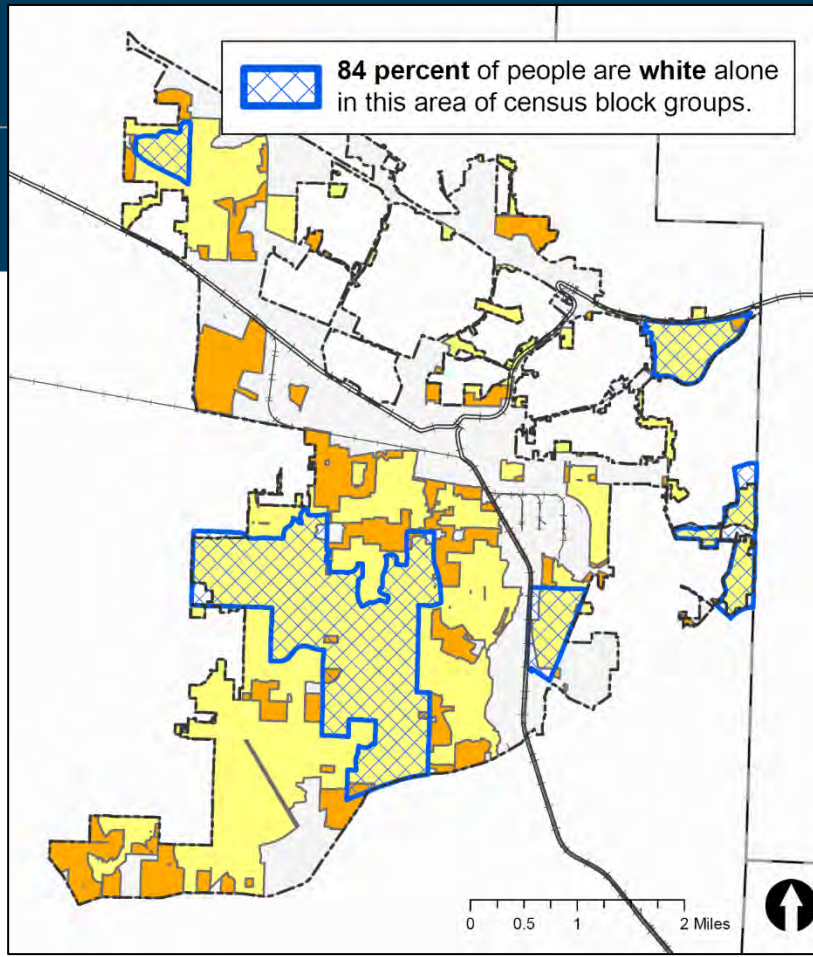
- Housing Options Project began prior to HB2001, included analysis of historical racist zoning and housing practices
- Delayed to re-scope project to incorporate HB2001 requirements
- Adopted changes went above and beyond requirements



Beaverton Zoning Analysis:

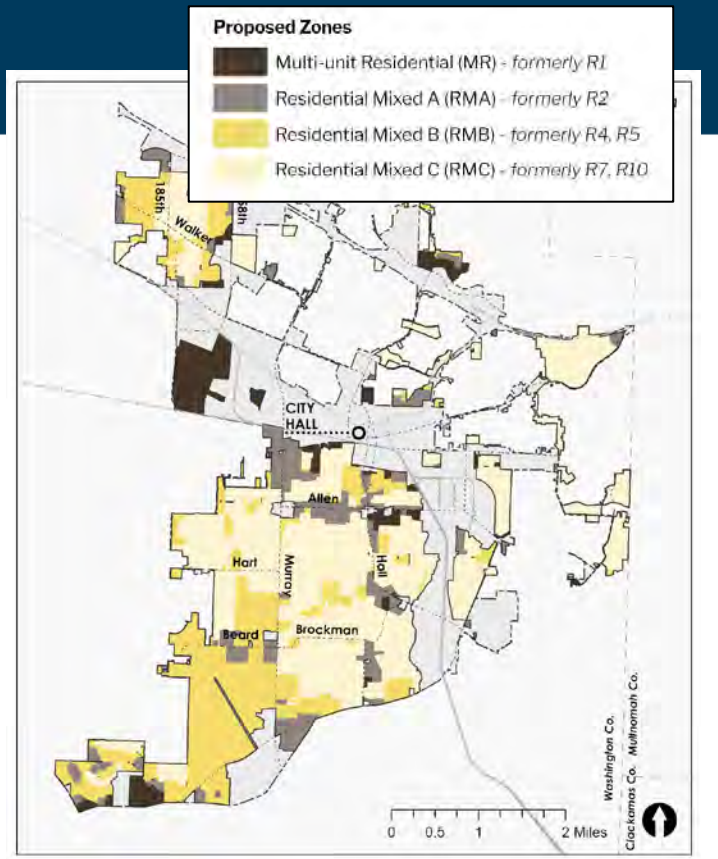
Public and private actions contributed to:

- Racial and ethnic segregation
- Disparate outcomes for income, wealth, education, health
- Many Beaverton areas zoned only for single-detached homes are mostly white and have higher incomes



Code Updates: Land Use and Zoning

- Complete overhaul of most residential zoning districts
- Housing type largely determined by available lot area
- Established Design Review for single detached homes, new open space and tree-planting requirements



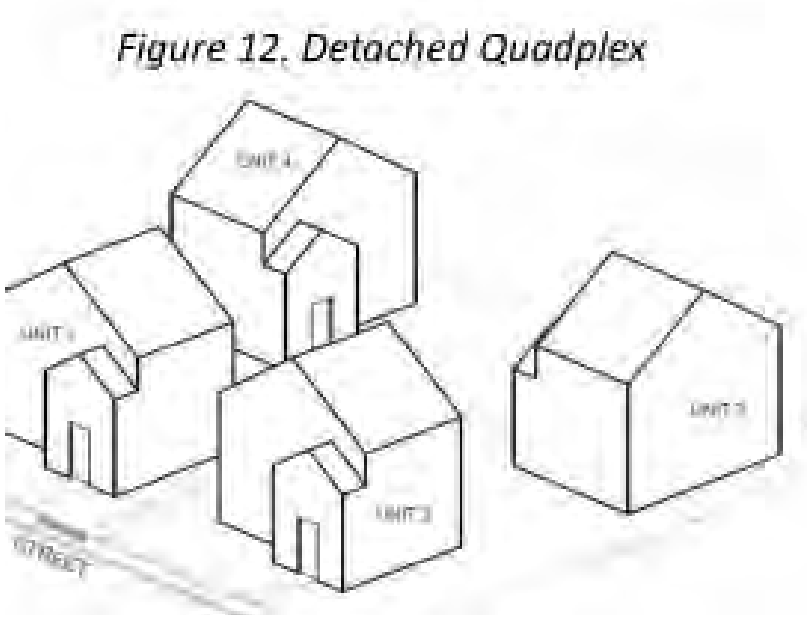
Interest/production today

Two categories of interest:

- Homeowners
- Developers of small subdivisions – less than 15 units; interest in Middle Housing Land Divisions

Selected challenges:

- Overlap with multi-dwelling development
- Townhouse definition conundrum
- Detached plexes conundrum



Interest/production today

Challenges due to technical issues, not disagreement with goals.

- Access/transportation requirements
- Service provider coordination
- Relentless new requirements: HB2306, CFEC, and more coming from Salem this year.

008087



Is it achieving the goals?

How do we influence what builders build, or bolster those builders that are building these housing types?



Resources

Housing Options Project | Beaverton, OR - Official Website (beavertonoregon.gov)

Contact:
Anna Slatinsky
Planning Division Manager

aslatinsky@beavertonoregon.gov

Learn more

City of Wilsonville

Background (Pre-HB2001)

Wilsonville

- Planned Developments resulting in housing mix
- Townhomes & Duplexes
- Villebois: townhouses, stacked condos, carriage homes, plexes

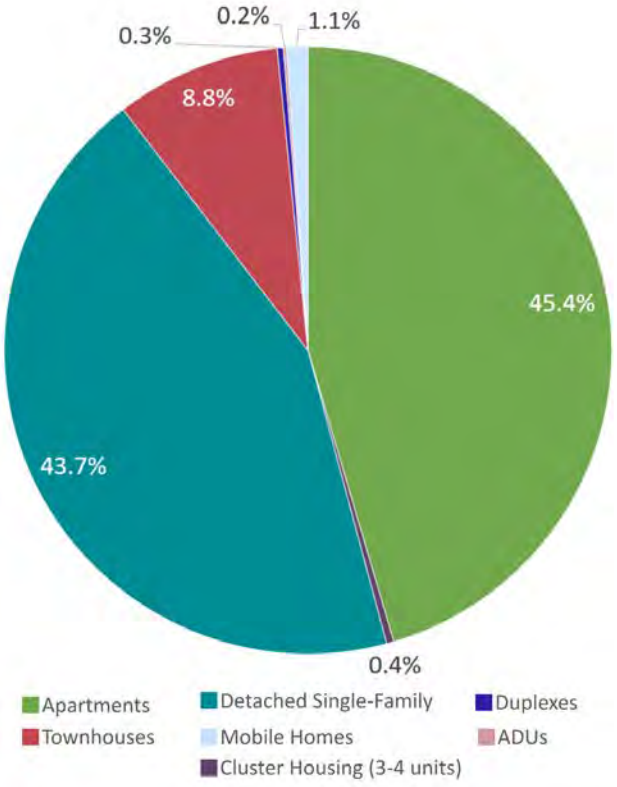


Figure 15. Housing Mix in 2022

Background (Pre-HB2001)

Wilsonville



Serene Acres Duplex



Charbonneau Duplex



Charbonneau Duplex

Background (Pre-HB2001)

Wilsonville



Old Town 4-plex



Old Town Single-Family + ADU



Old Town Cottages

Villebois: triplex, fourplex, brownstones, carriage homes, attached & detached townhomes










Interest/production (Post-HB2001)

- “so many options”
- Most include MH land divisions
- More ADUs
- Townhomes and detached middle housing (smaller SFD)





008095

Photos: 2-unit Townhome in Frog Pond & Single-Family + ADU in Old Town

Challenges

- Learning all the nuances
- Timing of Middle Housing land divisions, infrastructure, and building permits





008096

Photos: 2-unit Townhome in Frog Pond & 6-plex in Old Town (technically not Middle Housing)

Is it achieving the goals?

- Allow detached MH
- Generous MH Land Divisions
- Smaller, more dwelling units



008097

Photo: Ash Meadows Townhomes

Is it achieving the goals?

- Not affordable
- Limited interest from Developers
- Market perceptions
- Fixed costs



Figure 14. Actual Rent v. Affordable Rent



Figure 11. Affordable and Actual Median Home Price

008098

Figures: from the 2022 Wilsonville Annual Housing Report

What else can we do?

- Removing minimum lot size in new growth areas
- Min % of units of middle housing, small units, and mobility-friendly
- Max % net area for a unit type
- Make condos easier for developers





008099

Photoss: Duplex in Old Town and 2-unit Townhome in Frog Pond West

oregonmetro.gov



Urban growth management update: Regional forecast

Metro Technical Advisory Committee
February 21, 2024

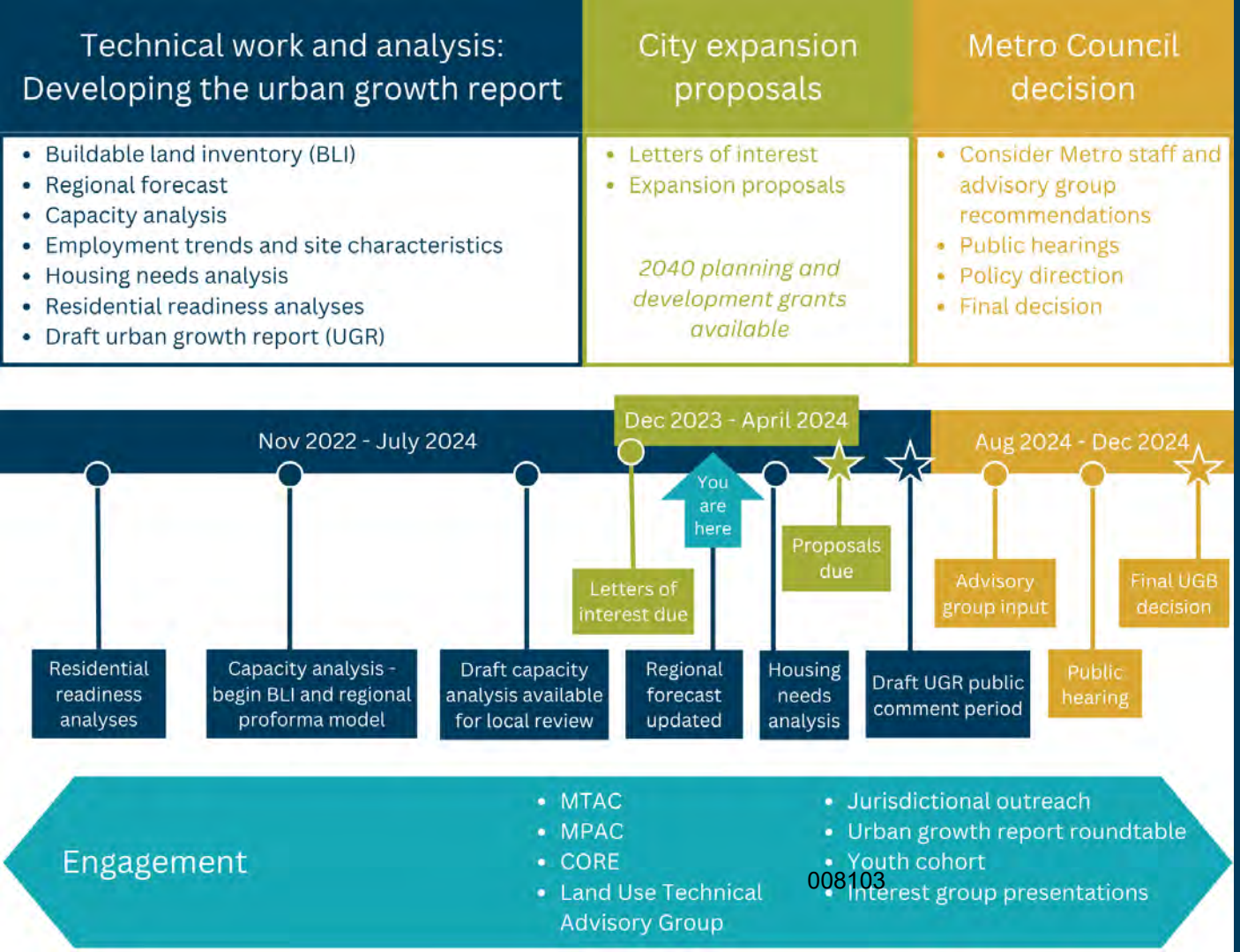
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Urban growth management - why?

- Protect farms and forests
- Focus investment in existing communities
- Encourage a greater variety of housing choices
- Reduce carbon emissions by keeping destinations close

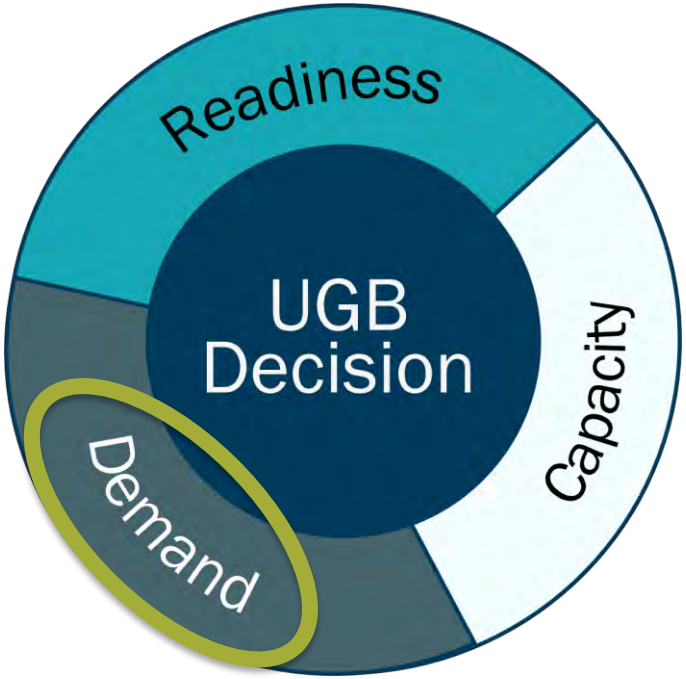


Project timeline



Urban growth report

How does the regional forecast fit into the urban growth report assessment?



Context setting

- This is a forecast, not a plan
- The forecast is updated every 6 years
- Multiple peer review moments
- Projections are not the only factor in the UGM decision; we will return to discuss readiness and capacity

The forecast is a range – why?

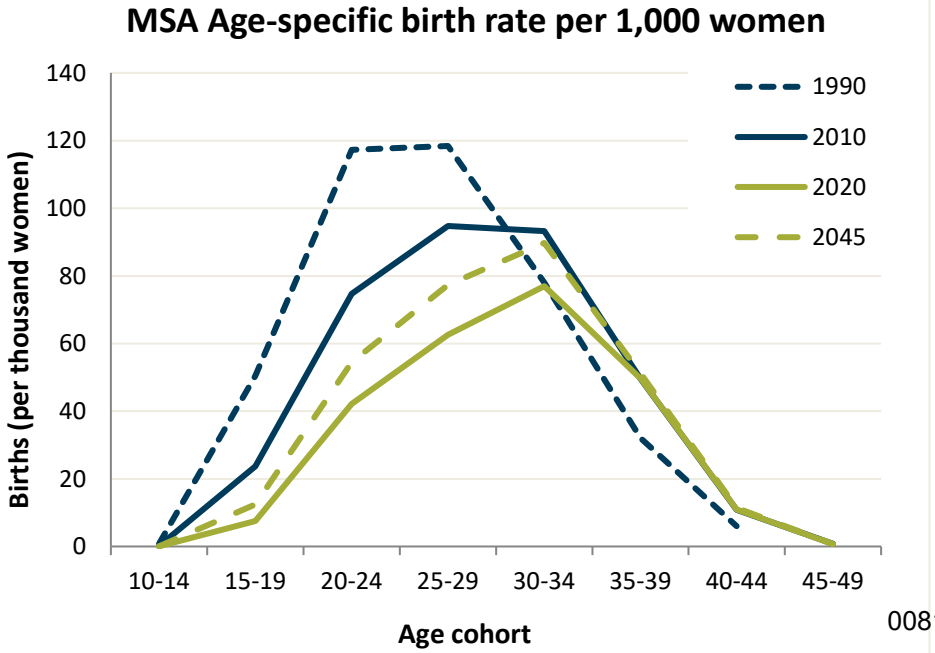
- Acknowledgement of uncertainty
  - Population migration rates, including climate-induced migration
  - Macroeconomic conditions
  - Global events
  - Innovations that can’t be forecasted, but that impact employment (e.g., potential impacts of AI on different sectors)

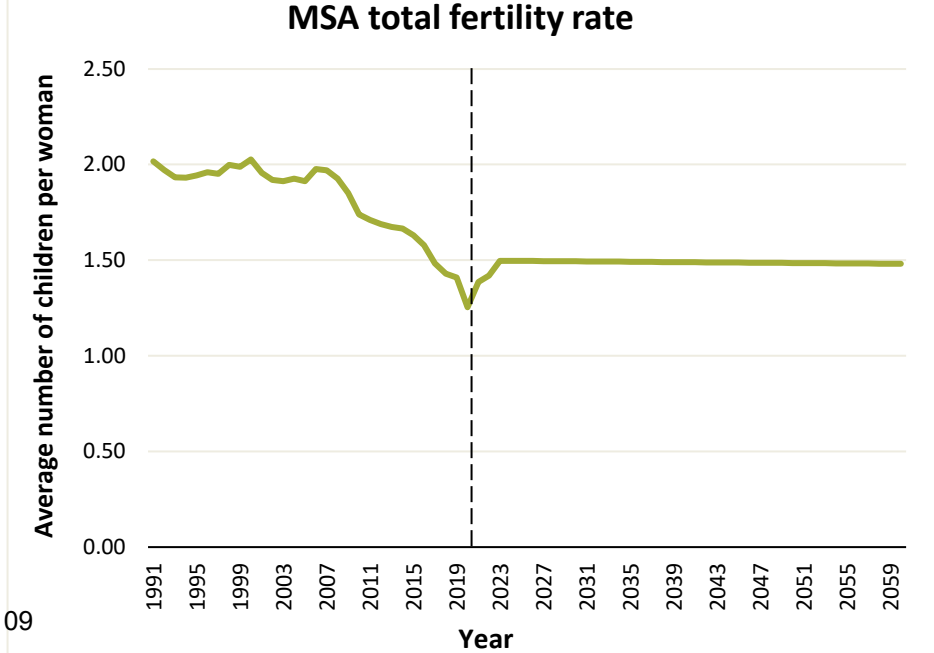


Regional forecast geography

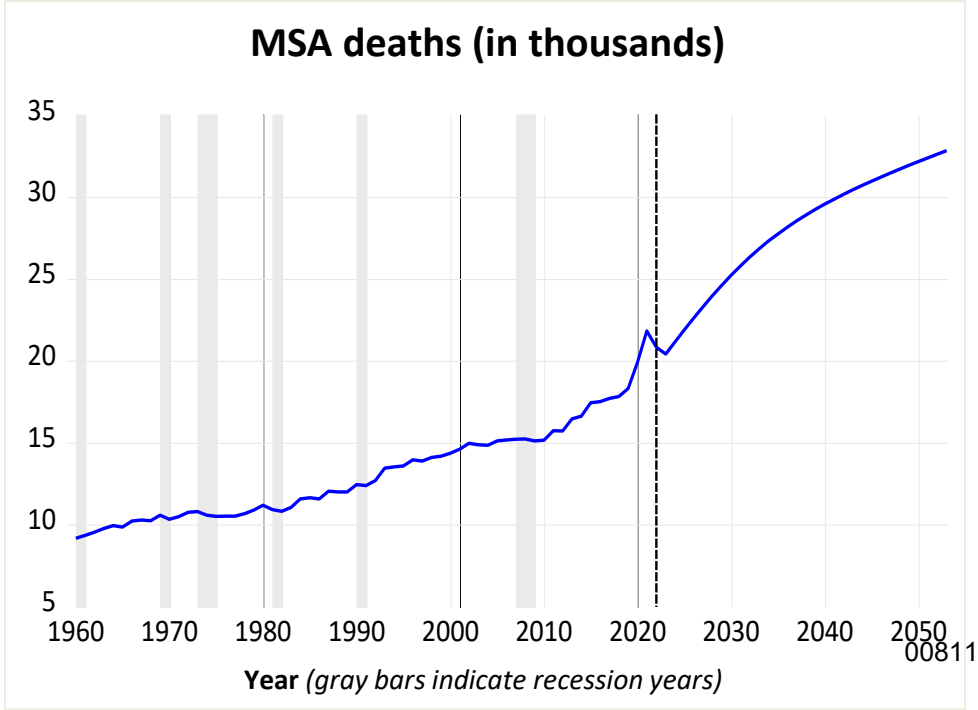
Demographics

MSA fertility assumptions

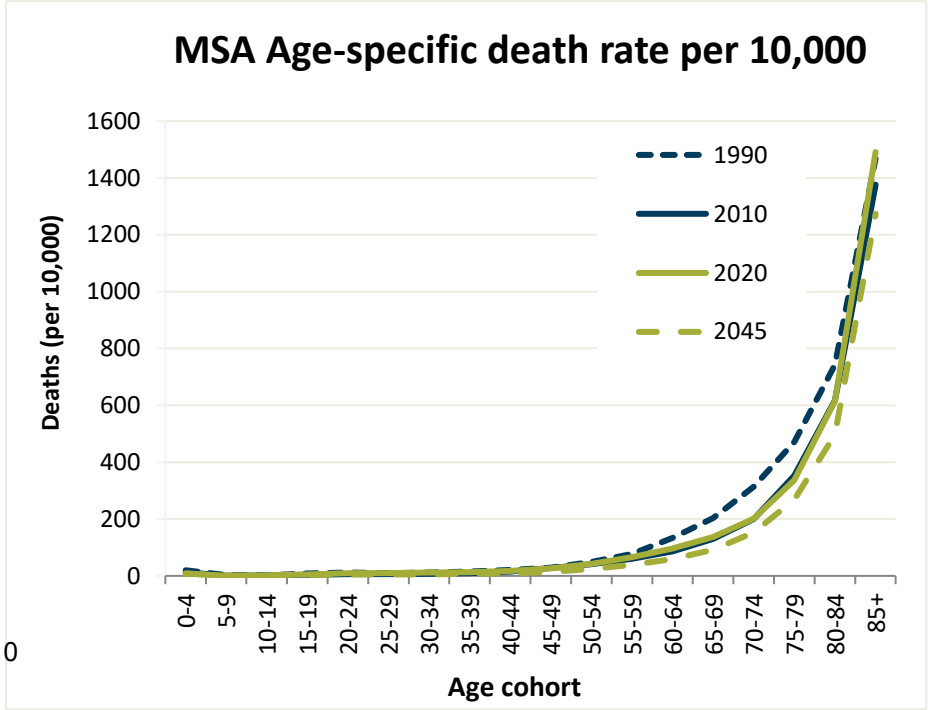




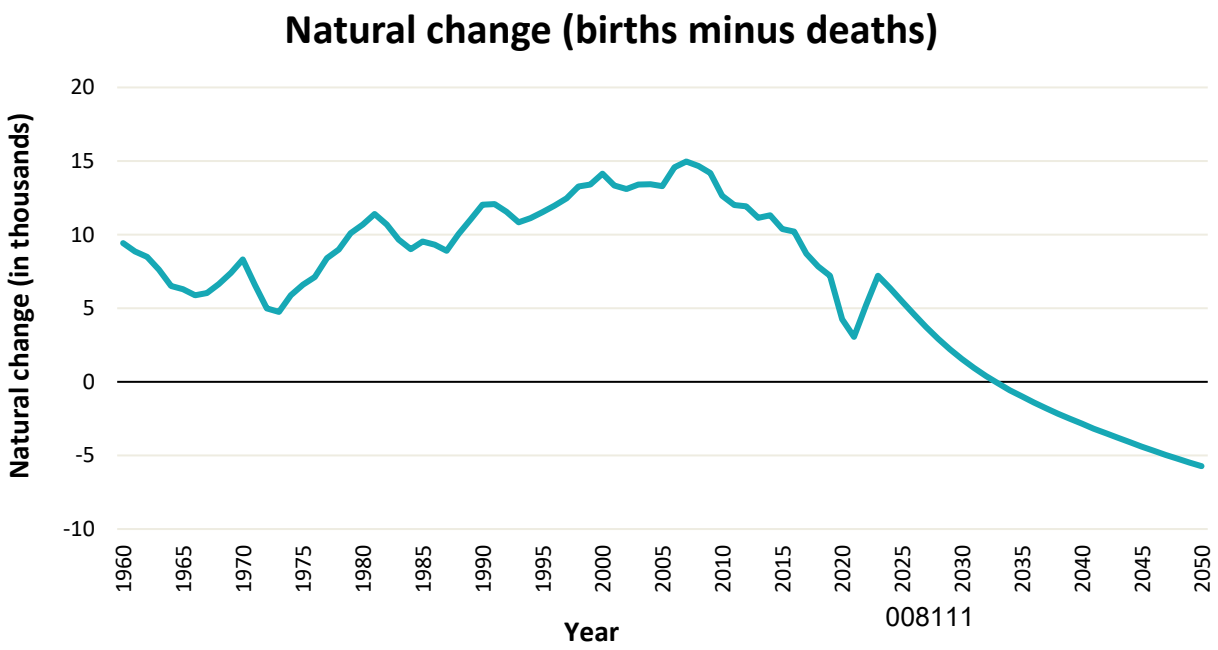
MSA mortality assumptions



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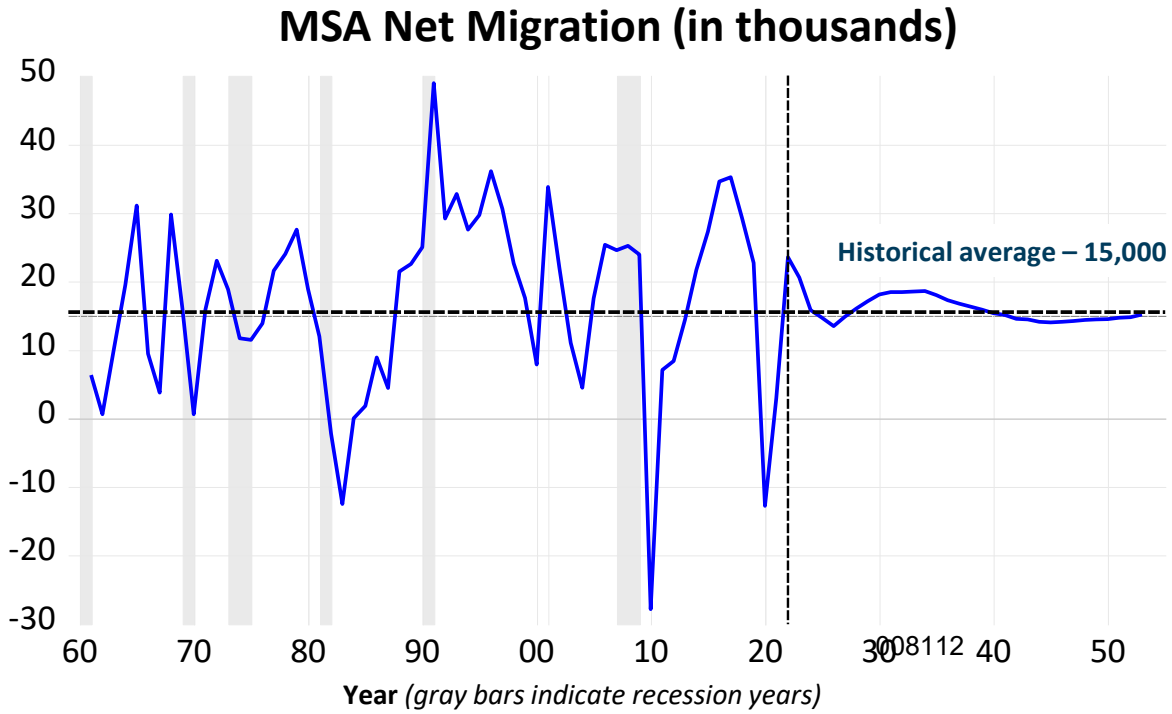


Natural change



- Declining birth rates are the biggest factor that make this forecast different than past forecasts
- National trend

Net migration

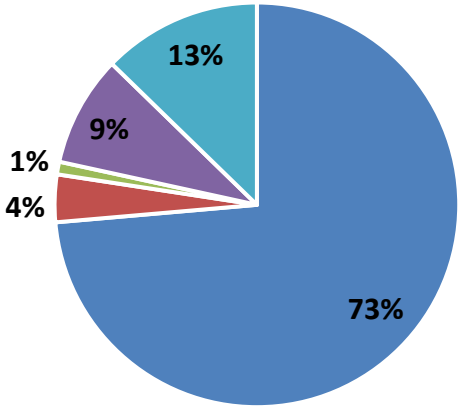


- Expect quality of life to continue attracting migrants
- Affordability and cost of living
- Climate refugees?

Increasing diversity

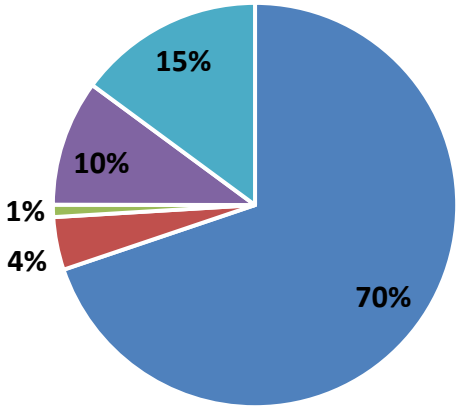
2020

Total population – 2,517,378



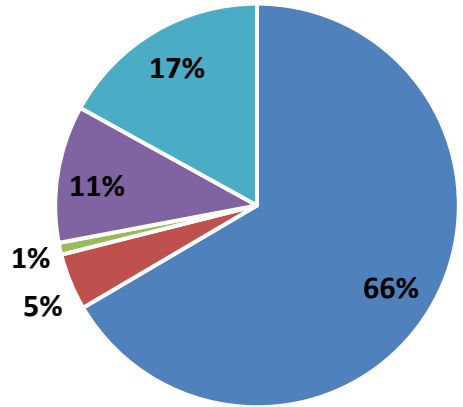
2030

Total forecast population – 2,700,038

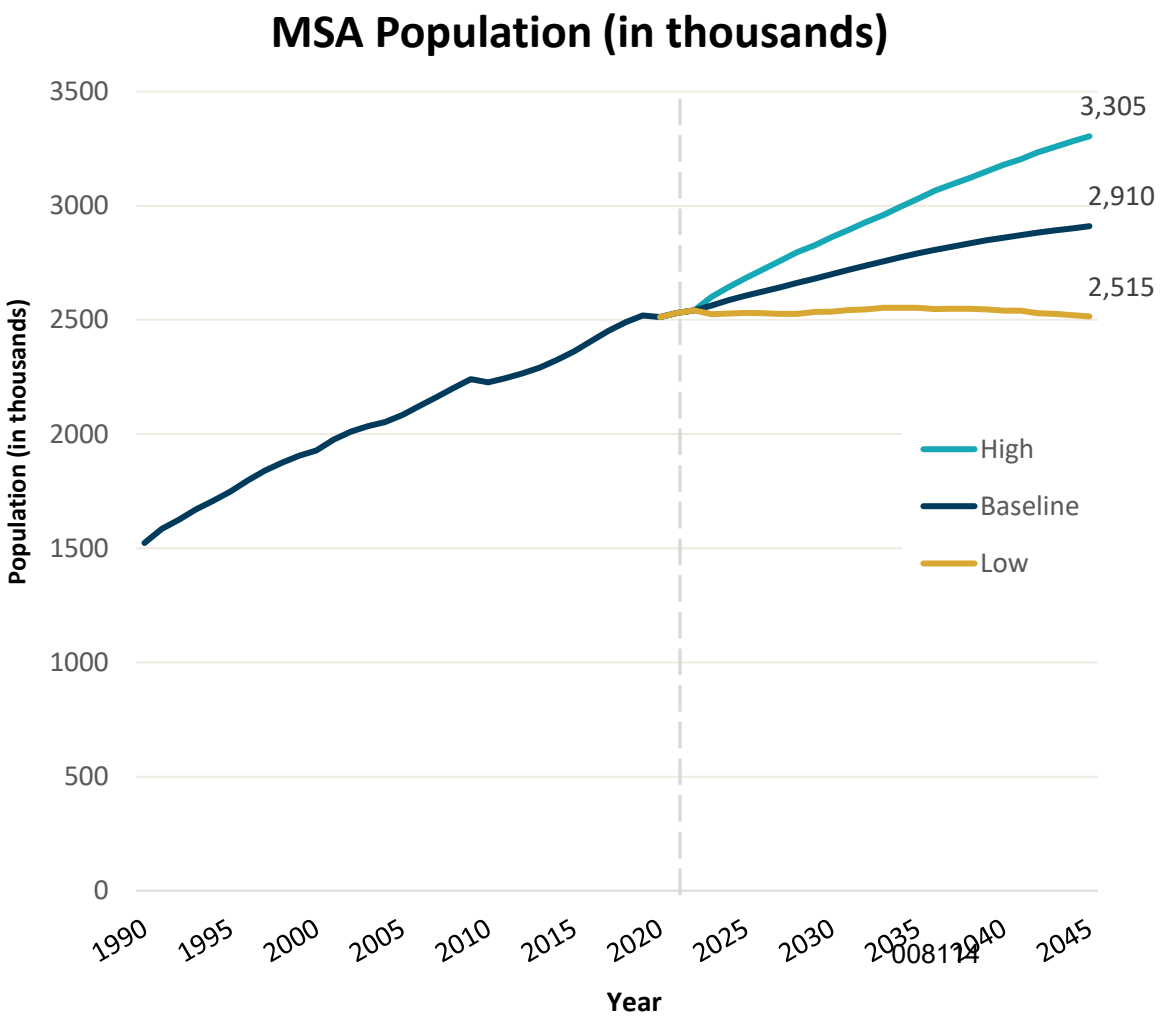


2040

Total forecast population – 2,860,301



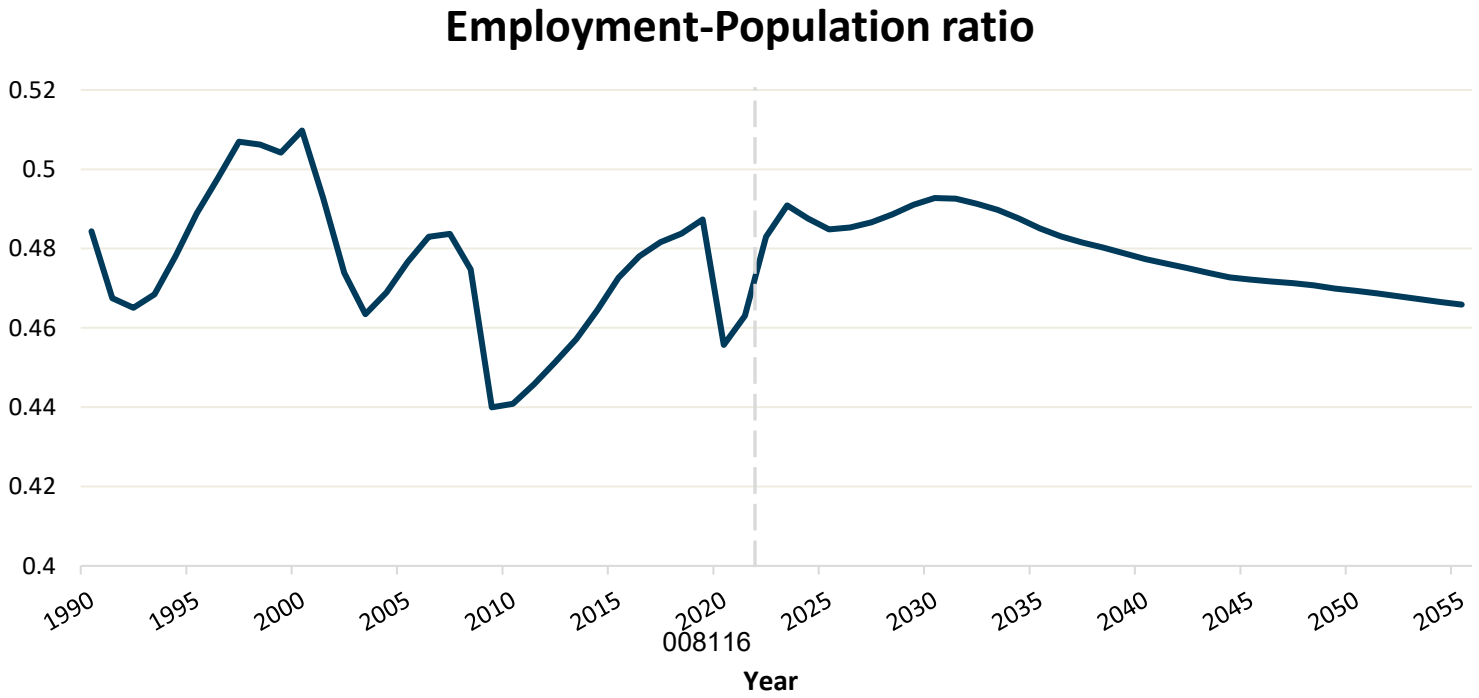
White Black AIAN API Hispanic

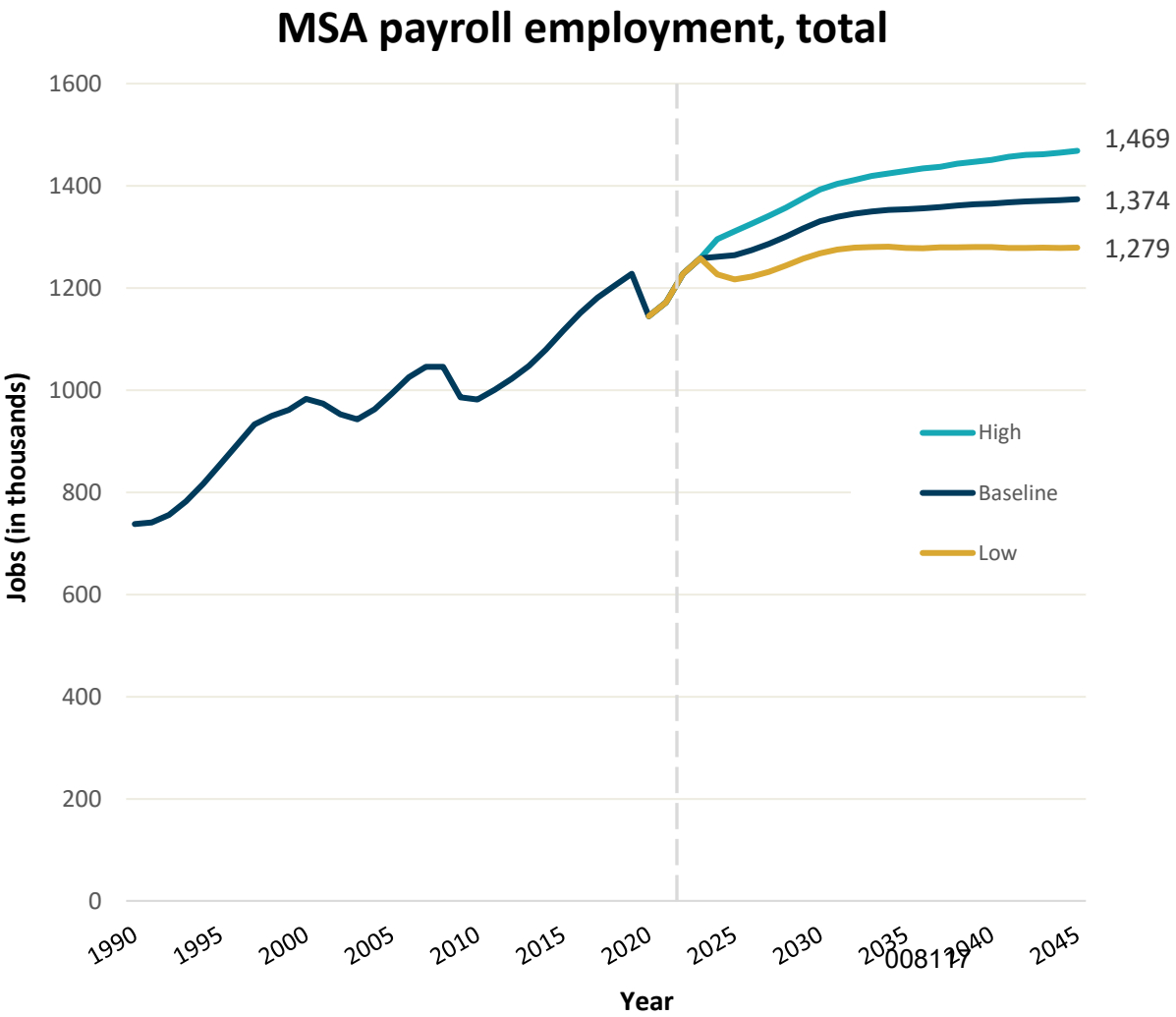


Regional demographic outlook

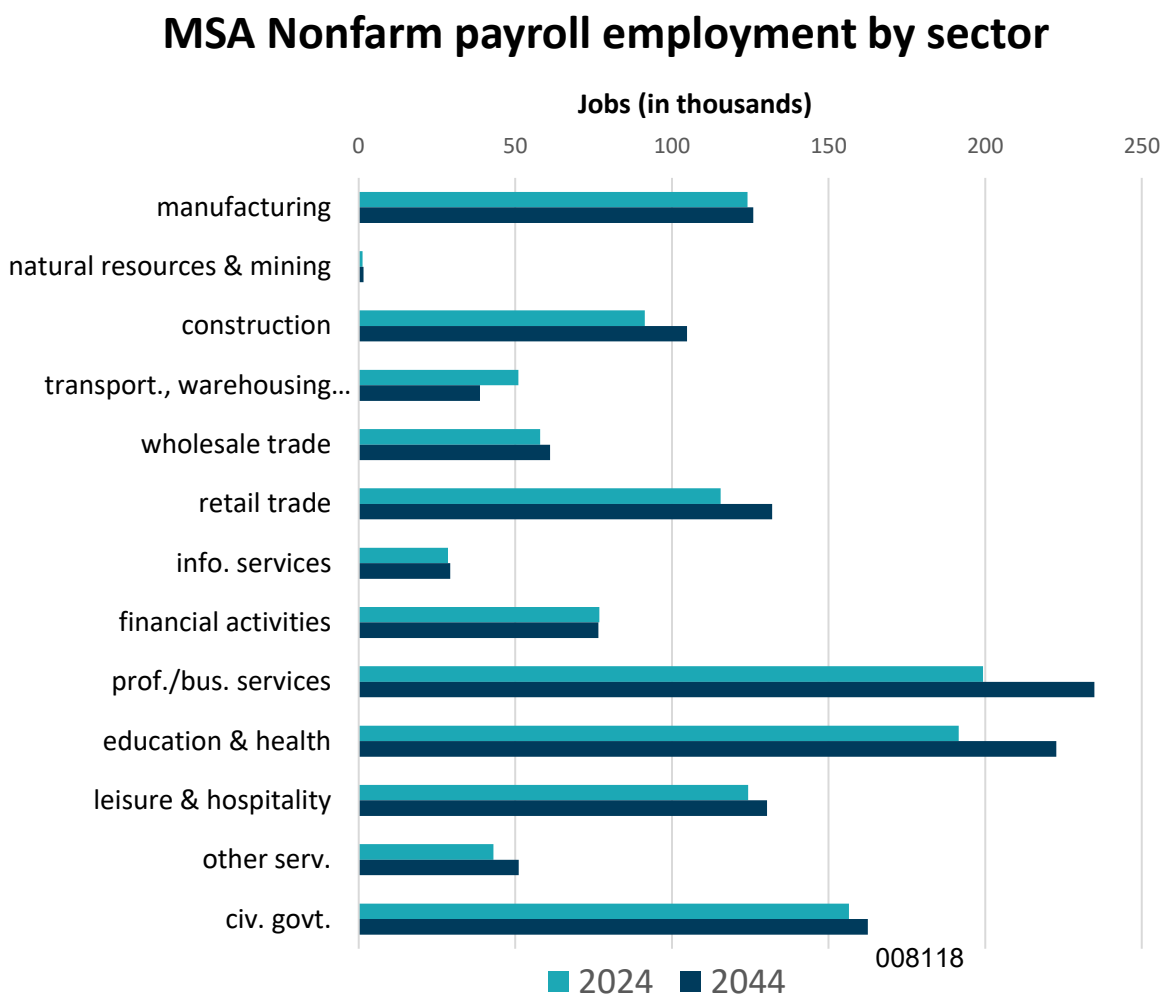
Employment

Labor force participation



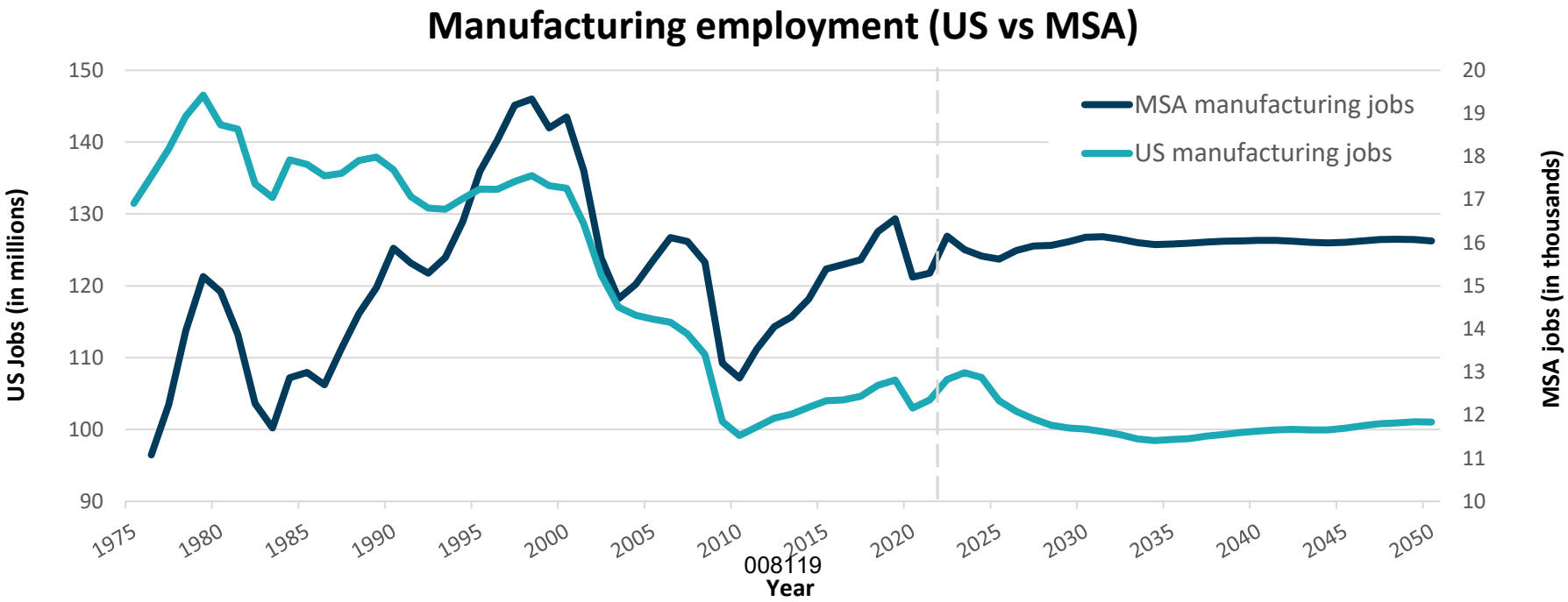


MSA employment outlook



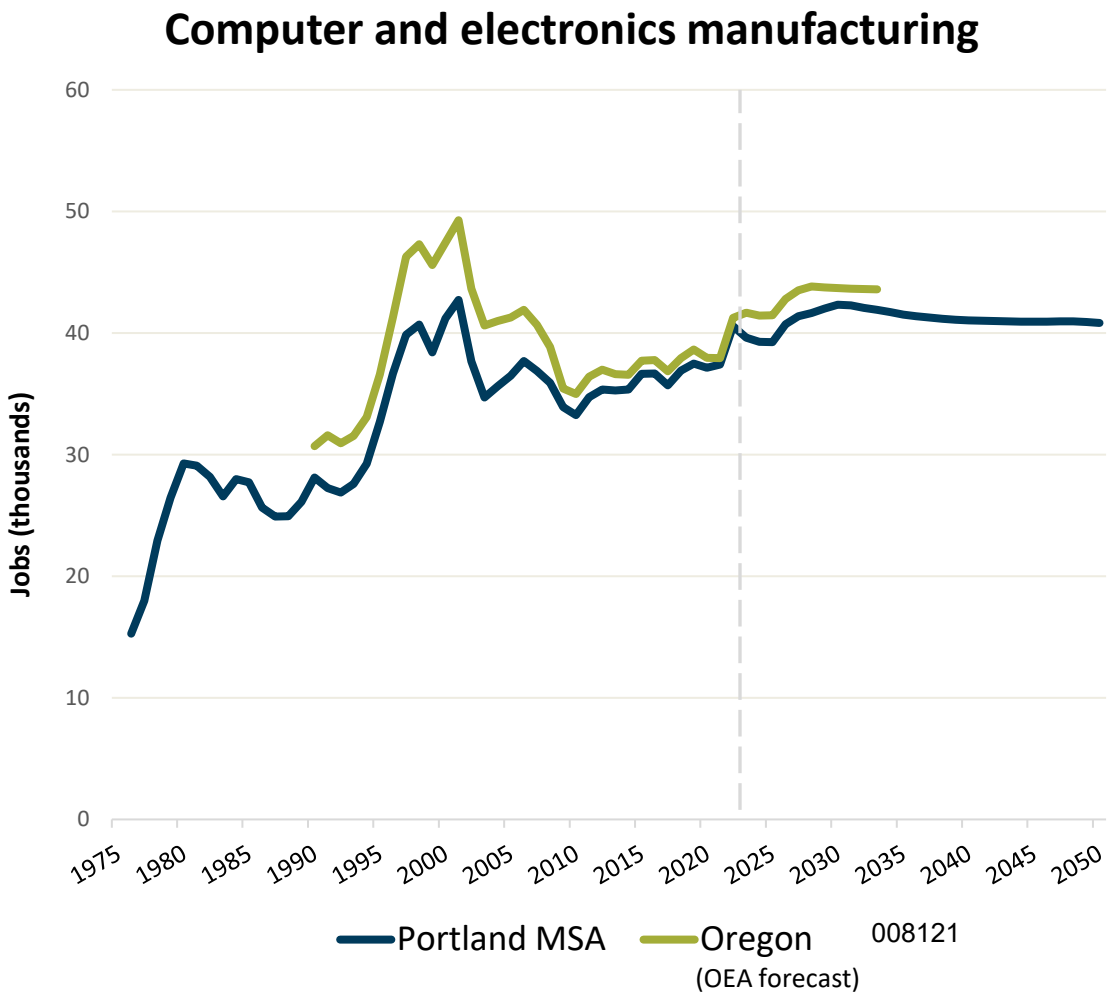
Sector-specific forecast

A closer look at manufacturing



oregonmetro.gov





A closer look at computer and electronic products

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Committee on Racial Equity (CORE)
Date:	February 15, 2024
Time:	5:30-7:30pm (Zoom room opens at 5pm)
Place:	Virtual meeting via Zoom

5:30 PM **Welcome and Introductions**

5:35 PM **Public Comment**

5:40 PM **Metro Council Update**

5:45 PM **Committee Business**

6:00 PM **Urban Growth Management Decision**
Eryn Kehe, Urban Policy and Development Manager; Planning, Development, and Research
Ted Reid, Principal Regional Planner; Planning, Development, and Research

7:15PM **Community Updates**
Updates from Committee members

7:20 PM **CORE Debrief Time**

7:30 PM **Adjourn**

2024 Urban Growth Management Decision

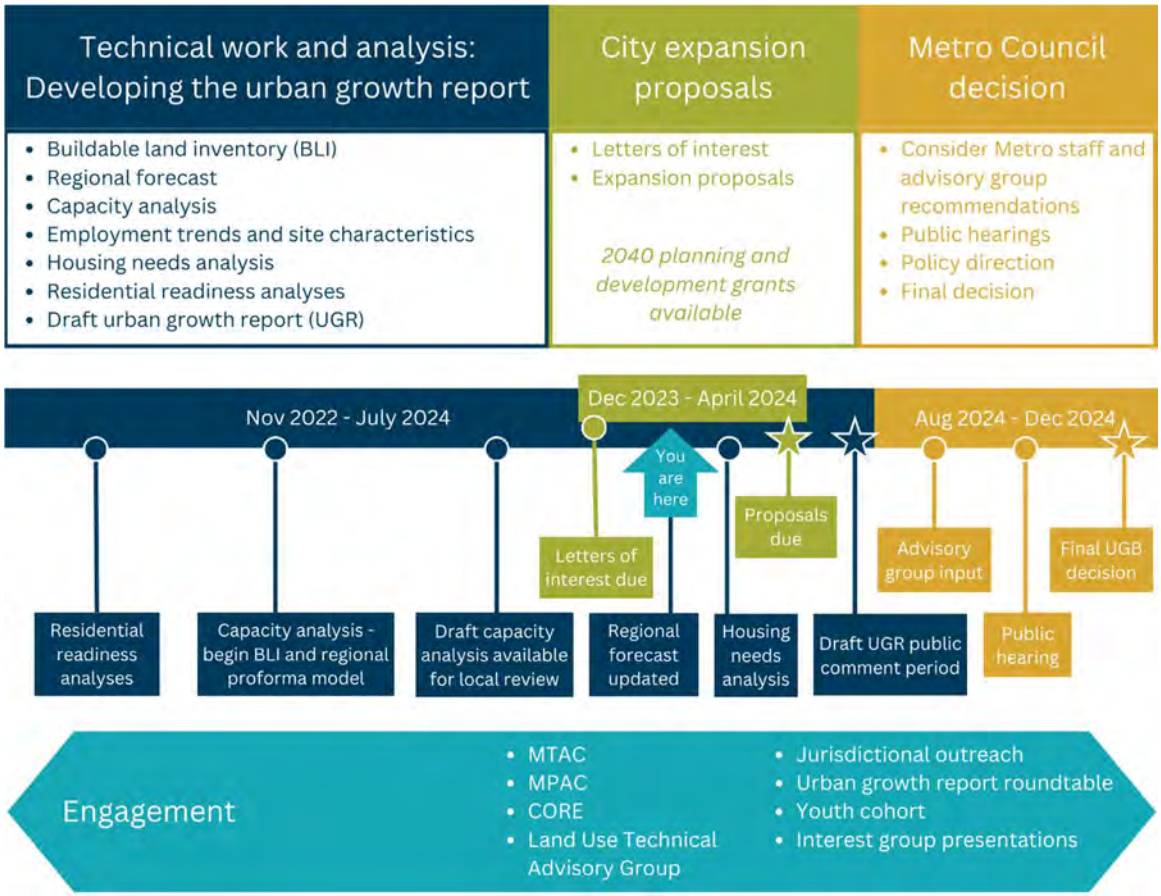
Meeting Date: February 15, 2024
Department: Planning, Development, and Research

Presenters: Eryn Kehe, Ted Reid
Length: 60 minutes

ISSUE STATEMENT

Under state law, the Metro Council must determine by the end of 2024 whether the region's urban growth boundary (UGB), which delineates urban and rural uses, contains enough room to accommodate expected housing and job growth. If the Metro Council finds a need for more growth capacity, it must take measures to use land inside the UGB more efficiently and/or expand the region's UGB into designated urban reserves.

Currently, Metro staff is working towards completing the technical work and analysis that comprises the urban growth report. We have received one letter of interest from Sherwood for an expansion area called Sherwood West. Over the remainder of 2024, the technical work will be completed, and the urban growth report will be released for public comment. A few months later, staff will make a recommendation about the UGB in the Chief Operating Officer (COO) Recommendation. Metro Council will decide about the urban growth boundary after reviewing that recommendation and receiving advisory group (like CORE) recommendations and holding public hearings.



COUNCIL ENGAGEMENT & KEY DATES

Upcoming Council work sessions may include relevant updates on the outcomes from CORE meeting discussions. As CORE continues to learn more about the components of the urban growth report, including a meeting dedicated to discussing the Sherwood West Concept Plan, member comments, questions, and feedback will be heard by Metro staff and shared with Metro Council.

The public comment period occurs following the release of the draft Urban Growth Report at the end of June 2024. Public comment summaries will be shared with decision-making advisory groups. CORE will hold a meeting to discuss the draft Urban Growth Report and related community input on July 18th, 2024. The perspectives of CORE will be shared with the Metro COO to be considered before the formal COO recommendation.

Council adoption: Council will make the decision on the proposal to expand the UGB by December 2024. CORE feedback on the expansion proposal has the potential to shape the final conditions of approval, which guide future uses in the expansion area if it is added to the UGB.

Prior CORE Engagement:
On March 16, 2023, Metro staff visited CORE to provide an overview of the work program for the urban growth management decision. Staff visited again on November 9, 2023, to

invite CORE participation in the urban growth report stakeholder roundtable. One current and one previous CORE member are currently participants at the urban growth report roundtable. This Roundtable was formed to provide more transparency about how Metro staff conducts its growth management analyses. During the time between longer staff presentations at CORE, these liaisons will help share information and updates at each monthly CORE meeting.

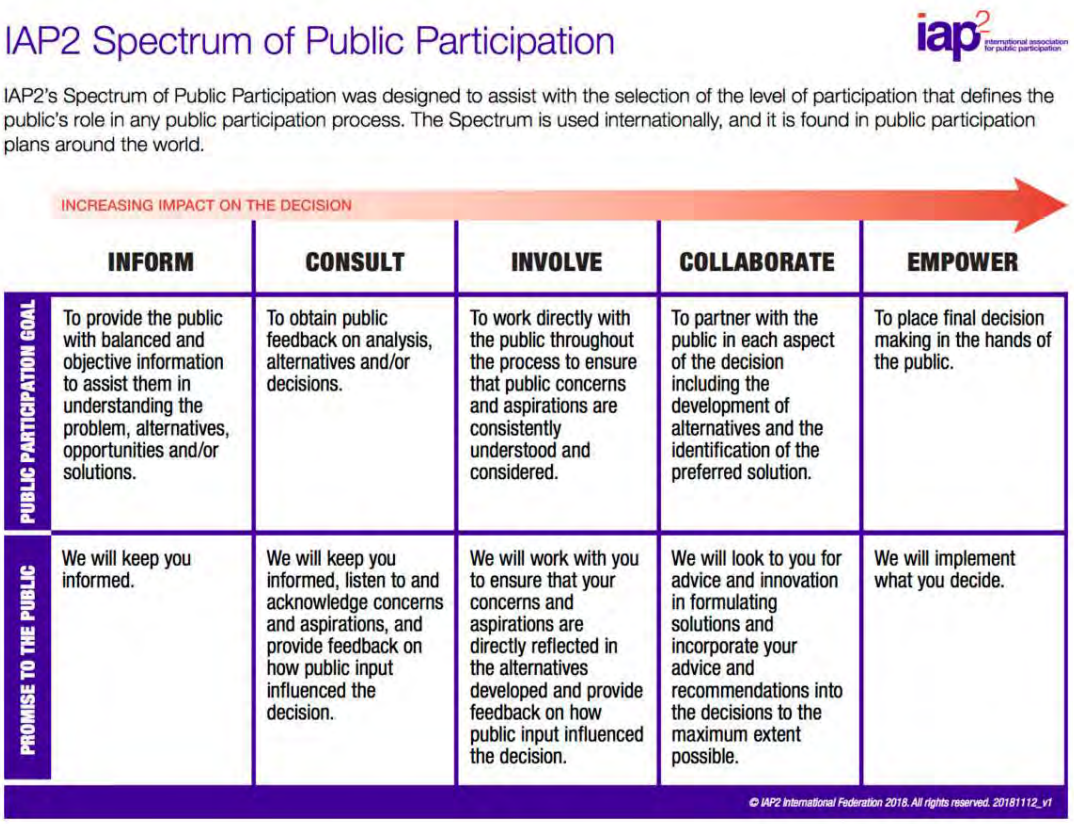
Why are you coming to CORE?
The primary goals from the February 15th CORE meeting are:

- Provide important context of the work that has been happening since previous CORE meetings (March and November 2023)
- Create an educational foundation for the remainder of the growth management decision process
- Familiarize CORE with the work to prepare meaningful input on the topics to come, including the review of the Sherwood West Concept Plan and the draft urban growth report
- Understand CORE's preferred way to provide input to Council on this work

Key things to hear from CORE:

- This is the first time that CORE has been engaged in a regional urban growth management decision. Do CORE members have any questions about the purpose, process, or community implications of growth management decisions?
- Do CORE members have suggestions for the types of advice that the committee is best suited to give in a growth management decision?

How will CORE feedback be used?
CORE feedback will be shared with the COO before the formal recommendation. Additionally, Metro staff would like to understand how CORE wants to provide feedback to Metro Council over the relevant areas of influence (e.g. the conditions of approval) before they make the final UGB decision in December 2024.



IAP2 Spectrum of Public Participation

IAP2's Spectrum of Public Participation was designed to assist with the selection of the level of participation that defines the public's role in any public participation process. The Spectrum is used internationally, and it is found in public participation plans around the world.

INCREASING IMPACT ON THE DECISION

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To obtain public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
PROMISE TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

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Using the Public Participation spectrum, where is CORE's impact at this particular meeting?

Inform: The goal of this meeting is to learn about the fundamental components of the urban growth management decision-making process and to support CORE in preparing to provide feedback at future meetings. CORE will have an opportunity to ask clarifying questions about their role in the process and work with staff to determine the ways they would like to communicate their feedback to Council.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

The 2040 Growth Concept is the region's long-range plan for growth. It calls for focusing most housing and job growth in designated urban centers and along transportation corridors to ensure that lands inside the UGB are used efficiently and that sprawl is minimized. The regional UGB is one tool that the Metro Council uses to achieve those ends.

Metro has a strong track record of conducting technical analysis, peer review, and engaging its advisory committees, but has struggled to make growth management decisions relevant to the general public. Staff thinks that this is because of the highly legalistic and technical aspects of the required analysis and the long-range nature of these decisions.
Typically, only known stakeholder groups such as 1000 Friends of Oregon or the Homebuilding Association and property owners who will be directly impacted by a

proposed UGB expansion tend to engage. We are trying to improve how we address racial equity in growth management decisions and find ways to have meaningful public engagement.

Engaging with CORE is new this decision cycle, along with the work being done with the urban growth report roundtable and the youth cohort. We hope that by incorporating more voices with a diversity of perspectives into the urban growth report, we are increasing understanding of the urban growth boundary decision and bringing more points of view to the Metro Council.

- Which Strategic Plan to Advance Racial Equity, Diversity and Inclusion goal(s) or department racial equity plan goals does this project advance and how?

This project seeks to advance two primary Guiding Principals and action in the Planning, Development, and Research Department's Diversity Equity and Inclusion Action Plan:

- "Power" actions – this work seeks to develop capacity for community leaders to participate through actions like convening the Youth Cohort and providing stipends for community member participation in the Urban Growth Report Roundtable.
- "Influence" actions – this work seeks to provide the best available information and analysis about how growth management decisions may impact communities of color. This includes analyses such as:
    - Forecasting population growth by race and ethnicity.
    - Assessing who lives in past UGB expansion areas.
    - Assessing past gentrification and displacement trends.

BACKGROUND

As a lead up to the Metro Council's 2024 urban growth management decision, Metro staff is undertaking a process to engage policy makers, advisory committees, interested parties, and local jurisdictions. Much of this engagement will focus on various analyses that Metro is either required to complete or that are of particular interest to stakeholders.

Required analyses include, for instance:

- An inventory of buildable lands, including vacant, redevelopment, and infill lands inside the UGB
- Documentation of historic residential development trends
- A regional population, household and employment forecast
- A regional housing needs analysis that will include:
    - Detail about the housing needs of various income groups
    - Estimates of current housing needs attributable to historic underproduction of housing and houselessness

Additional analyses include, for instance:

- Potential for office-to-residential conversion

- Analysis of gentrification and displacement trends
- Assessment of the potential economic benefits of any proposed UGB expansions for employment uses.

Through experience, we have learned that growth management decisions that place too much emphasis on calculating land needs and too little emphasis on whether cities are ready to urbanize additional land do not result in housing or job creation in UGB expansion areas. Consequently, the Metro Council has adopted a policy to only expand the UGB into urban reserves that have been concept planned by a local jurisdiction.

Concept plans describe the general types of uses planned for an area, their transportation facilities, housing types, infrastructure costs, and community assets like parks and trails. We provide grant funding for concept planning through its 2040 Planning and Development grant program. Typically, the most meaningful public engagement in urban growth management has happened through local concept planning processes since they are focused on specific locations that may undergo land use changes in the future.

ATTACHMENTS
2024 Urban Growth Management Decision Public Engagement Plan, June 2023

Public Engagement Plan

2024 Urban Growth Management Decision

July 2023

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Urban growth management decision-making framework……1

Public engagement goals and objectives ……2

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INTRODUCTION

Regional readiness for population, housing, and job growth

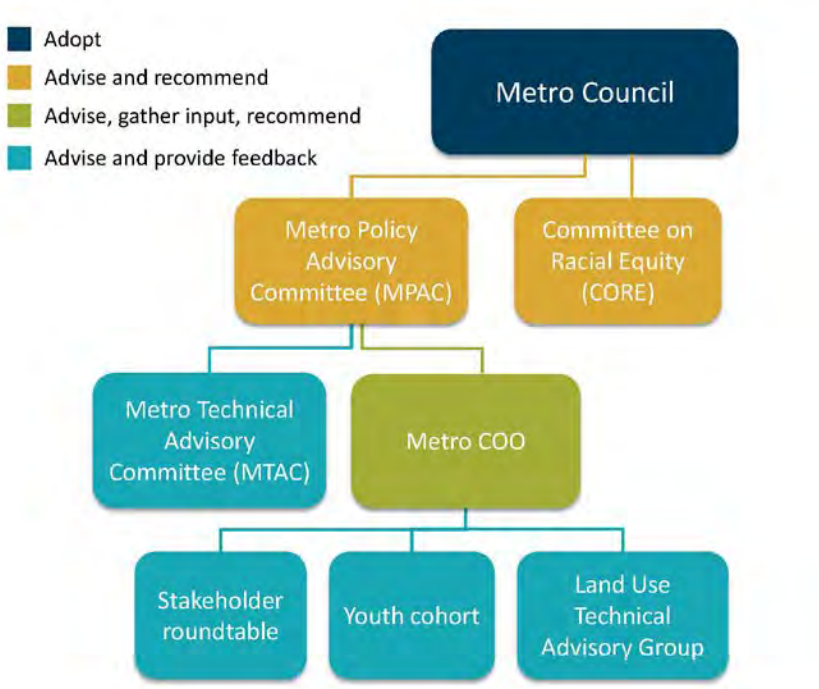
The Metro Council is required under state law to adopt – by the end of 2024 – an assessment of the region's capacity to accommodate the next twenty years of housing and job growth inside the urban growth boundary (UGB). This engagement plan outlines the spectrum of activities that will inform the Council's decision, from formal Metro Council and advisory committee meetings to presentations to outside organizations and outreach to local jurisdictions.

Metro seeks to improve its growth management practices every time it undertakes this cyclical process. As always, Metro will strive to improve the data analysis that informs decision makers. Likewise, Metro will continue its emphasis on land readiness to ensure that decisions emphasize the governance, market, and infrastructure conditions that must be present to produce housing and jobs. This process will differ from past decisions by applying a greater focus on the housing needs of all income groups, particularly households with lower incomes. This focus on affordability advances shared goals of increasing housing production for those that have the fewest choices.

The engagement approach during this project will encompass a variety of audiences with a priority to increase the transparency of the inputs and assumptions that make up the urban growth report. Traditionally, the general public has not shown much interest in this process. We don't know whether the information has appeared too complex, or the proposed expansions do not seem personally relevant. Regardless, a goal for this project is to simplify the key messages to increase awareness and understanding of the decision-making process and highlight the relevant opportunities for input.

URBAN GROWTH MANAGEMENT DECISION-MAKING FRAMEWORK

Metro has a statutory responsibility to manage the UGB for the Metro region. Its existing decision-making framework is shown below.



The decision-making framework includes the Metro Council and three advisory committees (MPAC, MTAC, CORE) that will review, provide input and in some cases make recommendations on the development of the urban growth report. Integral to this decision-making process are timely opportunities for partners and the public to provide meaningful input to the Metro Council and the technical and policy advisory committees prior to key decision milestones.

Metro's Committee on Racial Equity (CORE) advises Metro Council and staff on the implementation of the Strategic Plan to Advance Racial Equity, Diversity, and Inclusion. CORE will provide input at key points in the urban growth management decision-making process. CORE's input will be shared with Metro's other advisory committees for consideration. The Metro Policy Advisory Committee (MPAC) advises and makes recommendations to the Metro Council on growth management and land use issues at the policy level, and the Metro Technical Advisory Committee (MTAC) provides input to MPAC at the technical level.

Metro staff, including the Chief Operating Officer, will receive feedback from the stakeholder roundtable, youth cohort, and land use technical advisory group and share this information with the Metro advisory groups with regularly scheduled update presentations. These groups will be described in the Engagement Activities section of the document.

PUBLIC ENGAGEMENT GOALS & OBJECTIVES

The plan is in alignment with Metro's agency wide Strategic Plan to Advance Racial Equity, Diversity and Inclusion, and the Planning, Development and Research Departmental Strategy for Achieving Racial Equity. A youth cohort will be convened with diverse membership and representation across all three Metro counties. The stakeholder roundtable membership will reflect a range of voices, variety of experiences and perspectives, and regional representation.

The desired outcome of the engagement is to:

- Increase transparency of the assumptions and inputs of the analyses in the Urban Growth Report
- Expand outreach to a broader range of stakeholders and perspectives, including youth
- Simplify key messages for presentations and communication to a variety of audiences
- Capture feedback from across the region in advance of key milestones and share input with decisionmakers
- Increase communication and coordination with local jurisdictions to improve readiness of city proposals for expansion

The information gathered from engagement activities will be shared with decision-makers to ensure they have opportunity to contemplate and fully consider public input.

PUBLIC ENGAGEMENT APPROACH

Increase transparency of the decision-making process, assumptions, and analysis inputs

Advisory groups will serve as the primary engagement mechanisms for collaboration and consensus building for this UGM process. In addition to these groups, engagement with other interested individuals, communities and organizations will be an important element of the engagement strategy.

- Provide information to the public about urban growth management and its function in clear, engaging, and simplified ways
- Encourage public access to review city expansion proposals with opportunities to submit public comments
- Demystify the urban growth management decision-making process, correct common misunderstandings about the role of Metro and the UGB, and increase access to the background analysis and data that make up the Urban Growth Report
- Emphasize the Urban Growth Report (UGR) as a decision-support tool: The draft UGR that staff will release in the summer of 2024 will not be a conclusive determination of regional need for land. The draft UGR will provide high quality, peer-reviewed analysis that will serve as a decision support tool for policy makers
- Focus on readiness: Focus policy discussions on the readiness of cities to urbanize possible expansion areas (concept planned Urban Reserves)
- Deepen understanding of and access to Council decision-making process

- The Council's decision will include a regional housing needs analysis. That analysis will inform a subsequent Regional Housing Coordination Strategy that Metro is required to complete by the end of 2025.

- Expand awareness of potential equity impacts

ENGAGEMENT ACTIVITIES

Summary

Group	**Level of engagement** (inform, consult, involve, collaborate, empower)	**Discussion format and purpose**
MPAC	Involve	Monthly or bimonthly updates; advice given to Council
MTAC	Consult	Monthly meetings; feedback given to MPAC
CORE	Involve	4-6 meetings over the course of the project; feedback given to staff and Council
Metro Council	Decision-maker	Bi-monthly work sessions; feedback given to staff; receive feedback from advisory committees; listening role on stakeholder roundtable; decision makers
Stakeholder roundtable	Involve	Monthly or bi-monthly meetings to provide input and feedback on urban growth report analyses; feedback given to staff
Youth cohort	Involve	8 meetings; feedback shared with staff, MPAC, and Council
Land use technical advisory group	Involve/Collaborate	Collaboration and technical advice given to staff
Metro cities and counties	Involve	Direct communication with Metro staff and Councilors

		through proposal process, surveys, interviews, and visits
General public	Inform and consult	Outreach via Metro website, social media, and open invites to public meetings

Metro advisory group meetings

MPAC

The Metro Policy Advisory Committee (MPAC) will be engaged in policy discussions like those that the Council engages in throughout the process. MPAC will be asked for its advice to the Metro Council in late summer 2024. MPAC's advice will focus on policy options for increasing the region's readiness for housing and employment growth and the merits of any city proposals for handling some of that growth through concept planned UGB expansions.

MTAC

The Metro Technical Advisory Committee (MTAC) will provide advice on technical aspects as needed. Local jurisdiction staff review of the buildable land inventory will be essential and Metro will reconvene the ad-hoc Land Use Technical Advisory Group, which has overlap with MTAC membership for this purpose. MTAC will also be asked to review of any city proposals for UGB expansions. Lastly, MPAC may request MTAC's technical advice on topics.

CORE

Metro's Committee on Racial Equity's (CORE) advice will be sought on the formation of a diverse youth cohort to both learn about and advise on Metro's growth management approach. After additional discussion with CORE, staff will identify the appropriate timing of further engagement with the committee over the course of this work program. CORE has, in particular, expressed an interest in reviewing city proposals for UGB expansions.

Metro Council meetings

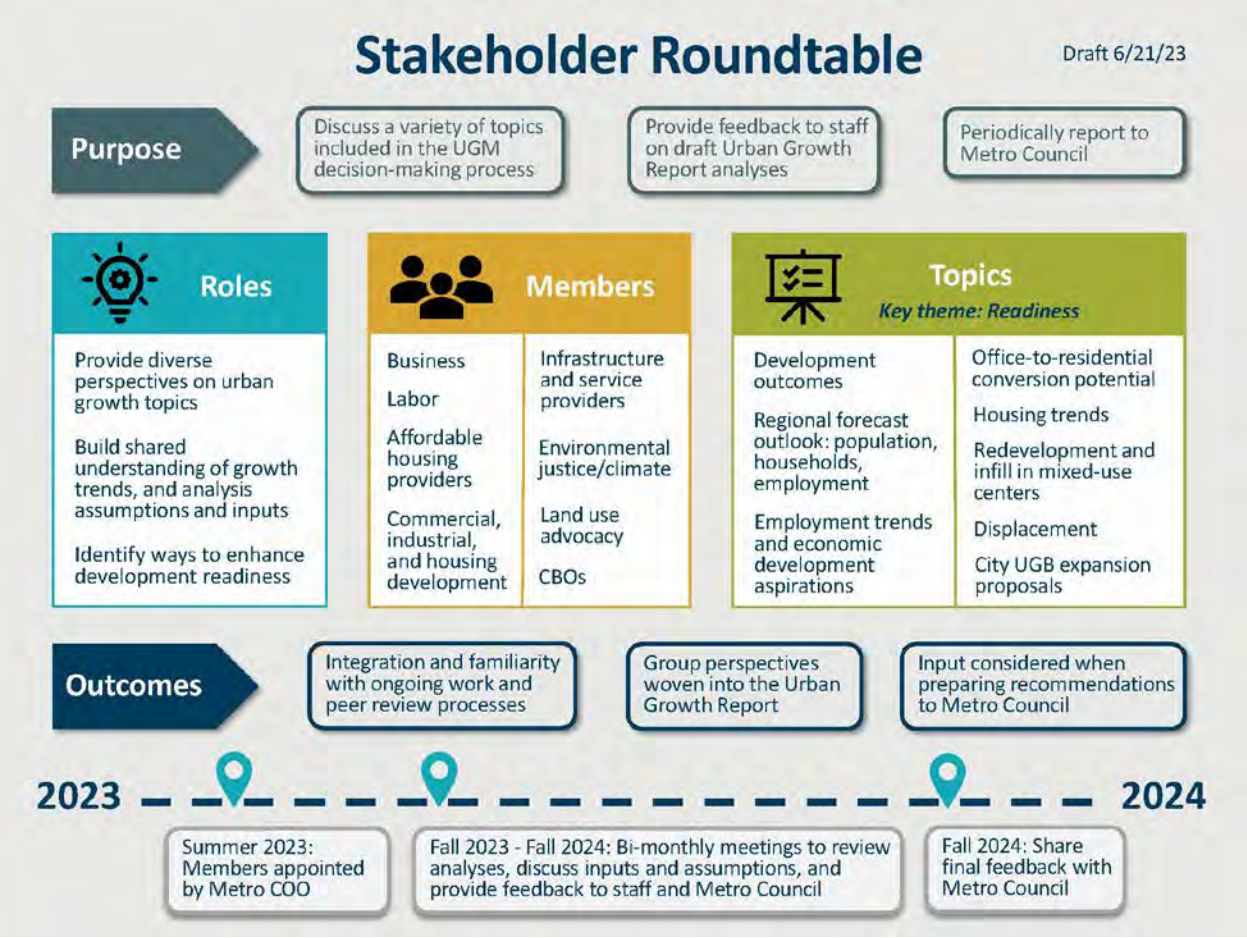
Leading up to the Council's decision in late 2024, policy makers will engage in discussions of a variety of growth and development trends as well as reviewing any UGB expansion proposals submitted by cities. Policy maker discussions will focus on development readiness, additional actions that may be needed to increase housing production and economic growth inside existing urban areas, and specific city proposals for addressing housing and employment needs in UGB expansion areas. Metro Councilors will engage directly with their local elected counterparts throughout this process. Metro Councilors will also be invited to observe stakeholder roundtable discussions.

Stakeholder roundtable

For the 2024 urban growth management decision, Metro staff will convene a stakeholder roundtable to inform the content of the 2024 UGR through contributing their perspectives on the content and analyses. To facilitate stakeholder roundtable discussions, staff will convene the group throughout this process, bringing forward summaries of ongoing work around growth trends and other relevant topics.

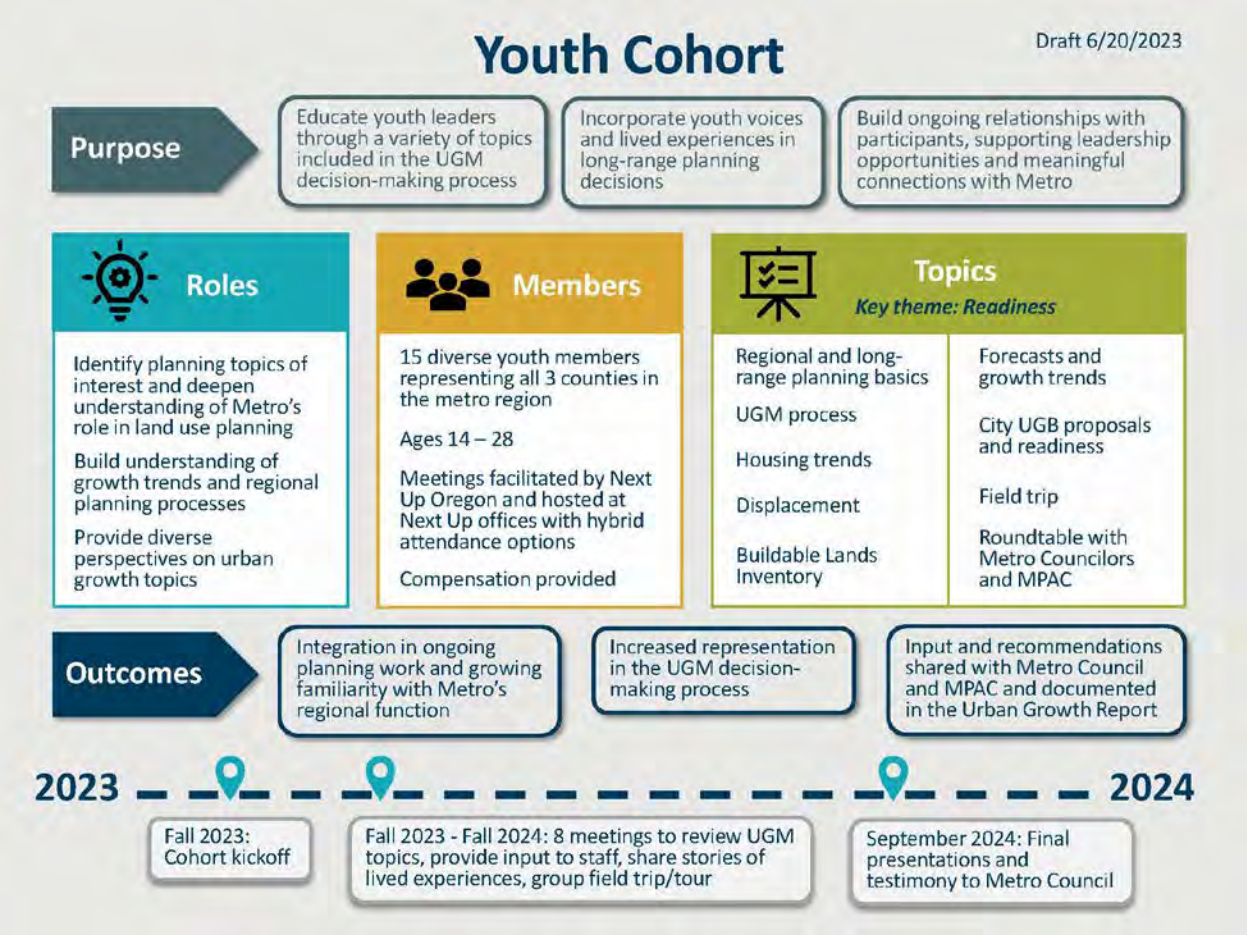
Stakeholder roundtable discussions and perspectives will be reflected in the 2024 UGR and the Metro COO will consider the group's feedback on a variety of topics when preparing recommendations for the Metro Council. To provide that feedback, the committee will have regular opportunities to familiarize itself with ongoing work and peer review processes. Committee representatives will be asked to summarize the group's discussions at Metro Policy Advisory Committee (MPAC) and Metro Council meetings.

Staff will consider the group's feedback when preparing a recommendation for the Metro Council UGB decision.



Youth cohort

In addition to the stakeholder roundtable, staff will convene a youth cohort with the intention of providing leadership opportunities and seeking a younger generation's perspective on long-range planning related topics. The youth cohort will support integration and growing familiarity with ongoing planning work and increase representation in the UGM decision-making process. Input and recommendations from the youth cohort will be shared with Metro Council, MPAC, and CORE.



Technical peer review groups

Several technical peer review groups will be engaged in the development of the 2024 UGR. Those will include:

Regional Forecast: a peer review group consisting of economists and demographers will review regional forecast methods and results.

Buildable land inventory: the Land Use Technical Advisory Group, consisting of local jurisdiction planning staff and other development specialists will review buildable land inventory and growth

capacity estimation methods and results. The draft inventory will also be made available for review by all local jurisdictions.

Additional interest group presentations

As different components of the project are completed, Metro staff will provide update presentations to various jurisdictions, professional associations, and other interest groups. Examples of these groups include County planning directors, Greater Portland Inc, Economic Development Local Practitioners, and the Commercial Association of Brokers.

These presentations will occur at various times leading up to the conclusion of the project. Metro staff will compile a final summary list of these presentations and audiences as part of the urban growth report engagement section.

Local jurisdiction engagement

As described in this engagement summary, this decision-making process is centered on city readiness. As such, there will be a heavy emphasis on the merits of city proposals for concept planned UGB expansions.

Metro staff, Councilors, and the Chief Operating Officer will conduct outreach to local elected officials and planning staff to understand plans for growth, challenges in their communities, and resource needs. These conversations will increase transparency and communication between Metro and local jurisdictions and help Metro to anticipate forthcoming expansion proposals. Additionally, this information will be used to update and improve the 2040 planning and development grants program to better meet the discussed needs.

Cities will be responsible for leading local engagement on concept planning Urban Reserve areas. Public engagement is a required component of developing and submitting a concept plan for a proposed expansion area. The concept plans for proposed expansion areas will be released as appendices to the Urban Growth Report and made available for region-wide public feedback.

Local jurisdiction staff will also have opportunities to provide peer review of the buildable land inventory.

Public communication

The public will have access to the progress of the urban growth report and accompanying analyses throughout the project as the Metro project page is periodically updated.

Metro website and news articles

The UGM project page could include a variety of elements to present the analyses and background information in a simplified, clear, engaging way. The purpose is to provide robust data and a comprehensive analysis of the region and its needs in a compelling format that invites greater understanding of the decision-making process and opportunities for feedback. Examples of potential web features include:

- Interactive map
- Urban Growth Boundary myth vs. reality "quiz"
- Quick learning guides about UGR components
- "What's in a BLI?"
- Displacement analysis
- Our region in numbers
- Guide for submitting comments about the UGR

Social media

Metro's social media channels, primarily Instagram, can be used to present key graphics to reach a broad audience and direct them to learn more about urban growth management and clarify common misconceptions or misunderstandings about this work. The goal of this outreach is to be eye-catching and accessible. Social media posts could include:

- UGB comic
- Youth cohort field trip footage
- Slideshow explainers of different analyses or interesting findings
- Time capsule series – look through UGB decisions of the past – "where are they now"

Public hearings

Most Metro advisory committee meetings during this process are open to the public. The most formal opportunity for testimony is the official public hearing in September 2024 to discuss the COO recommendations. However, beyond this opportunity, the public may participate in additional meetings through listening in to the presentations and are welcome to send comments and questions to the project team. The website will be kept current to provide information about relevant public meetings.

PROJECT TIMELINE



Technical work and analysis

Forecasts — Trends analysis
Land inventories — Modeling

Stakeholder engagement

Jurisdictional outreach
Stakeholder group
Youth cohort

City expansion proposals

Dec 2023: Letters of interest due
April 2024: Proposals due
2040 Planning & Development Grants available

Metro Council decision

Summer 2024: Draft UGR
Stakeholder group, COO recommendations
Fall 2024: MPAC, CORE recommendations
Council direction to staff
Public hearings
Dec 2024: Council decision

Detailed engagement timeline

Summer 2023: Convene stakeholder roundtable; Convene Land Use Technical Advisory Group to provide advice on methods for determining the buildable land inventory

Fall/winter 2023: Convene youth cohort; Local jurisdiction review of preliminary buildable land inventory results

December 1, 2023: Cities submit letters of interest for UGB expansions

Winter 2023/2024: Peer review of regional population, household, and employment forecast

April 5, 2024: City proposals for UGB expansions due

June 28, 2024: Release draft UGR and appendices

June 28, 2024: Public comment period open for the UGR and city expansion proposals

July 9, 2024: Council work session discussion of draft UGR

July 17, 2024: MTAC discussion of draft UGR

July (TBD), 2024: Stakeholder roundtable discussion of draft UGR

July 18, 2024: CORE discussion of draft UGR

July 24, 2024:	MPAC discussion of draft UGR; request any MTAC advice
July 31, 2024:	Public comment period for the UGR and city expansion proposals ends
August 23, 2024:	Release COO recommendation
September 3, 2024:	Council work session on COO recommendations
September 11, 2024:	MPAC discusses recommendations to Council; request any final MTAC advice
September 18, 2024:	MTAC advice to MPAC, if requested
September 19, 2024:	CORE recommendation to Council
September 21, 2024:	Council holds public hearing on COO recommendations
September 25, 2024:	MPAC recommendation to Council
October 1, 2024:	Council provides direction to staff at work session
Oct-Nov, 2024:	Complete various required notice procedures
November 28, 2024:	Council first reading of ordinance; public hearing
December 12, 2024:	Council second reading of ordinance; decision

ENGAGEMENT ROLES AND RESPONSIBILITIES

<table>
<tr>
<td>Policy partnerships: Council, MPAC, CORE

• Provide leadership and policy direction to staff
• Build partnerships and collaborate
• Engage partners and the public
• Incorporate input from partners, advisory groups, and the public</td>
<td rowspan="3">Community partnerships: Stakeholder roundtable, youth cohort, interest groups, public

• Provide community values, needs and priorities
• Provide youth lived experience and perspective
• Provide ideas and solutions
• Provide input and feedback to Metro staff and decision-makers</td>
</tr>
<tr>
<td>Technical partnerships: MTAC, land use technical advisory group

• Implement policy direction to update urban growth report
• Provide technical expertise
• Keep decision-makers informed of progress
• Incorporate input from partners and the public
• Make recommendations to decision-makers</td>
</tr>
<tr>
<td>Technical support: Metro staff, EcoNorthwest, Johnson Economics

• Implement policy direction to update plan
• Provide technical expertise
• Keep decision-makers informed of progress
• Incorporate input from partners and the public
• Make recommendations to decision-makers and advisory groups</td>
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Metro

600 NE Grand Ave.
Portland, OR 97232-2736
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Metro

Minutes

Tuesday, February 13, 2024

10:30 AM

Metro Regional Center, Council Chamber,https://www.youtube.com/live/RI4_BMsohnA?si=Z8gT2kKuDGl0Czkl, https://zoom.us/j/615079992 Webinar ID: 615 079 992 or 888-475-4499 (toll free)

Council work session

This meeting will be held electronically and in person at the Metro Regional Center Council Chamber.
You can join the meeting on your computer or other device by using this link: https://www.youtube.com/live/Rl4_BMsohnA?si=Z8gT2kKuDGl0Czkl, https://zoom.us/j/615079992 Webinar ID: 615 079 992 or 888-475-4499 (toll free)

10:30 Call to Order and Roll Call

Deputy Council President Duncan Hwang called the Metro Council work session to order at 10:30am.

Present: 6 - Councilor Gerritt Rosenthal, Councilor Mary Nolan, Juan Carlos Gonzalez, Duncan Hwang, Ashton Simpson, and Christine Lewis

Excused: 1 - Lynn Peterson

Work Session Topics:

10:35 EPA Climate Pollution Reduction Grant Update

Attachments: Staff Report

Deputy Council President Hwang introduced Eliot Rose (he/him) to present on the topic.

Staff pulled up the EPA Climate Pollution Reduction Grant Update Powerpoint to present to Council.
Presentation Summary:
The presenter explained how the EPA CPRG program offers Metro's agency partners 4-year planning grants to implement projects that reduce greenhouse gas emissions, and helps fund the creation of a comprehensive regional climate action plan. He detailed the process and schedule of planning and funding, aiming to have the comprehensive plan ready by August 2025. Rose also outlined how these implantation grants overlap with other plans at the state, regional, and local level across many of their agency partners. He noted that the most significant greenhouse gas reduction opportunities are in transportation, residential

energy efficiency, and waste management, and gave a few examples of projects that intend to apply for these grants.

Council Discussion
Councilor Gonzalez asked if the TSP investment is systemwide or specific to the BRT project. Rose answered that they were still trying to figure out those details.

Councilor Simpson inquired if the composting capacity project would only serve Gresham, or also Troutdale, Fairview, and Wood Village. Rose answered that they are still coordinating with Gresham to figure out those details.

Councilor Nolan was interested in the coordination with WPES about how that might fit in with the facilities plan, and Rose confirmed WPES staff has been active in this project.

Councilor Lewis asked about how to engage cities that are not apart of the collaborative but still have climate reduction plans, like West Linn, and Rose responded that this was exactly the type of feedback they were hoping to hear from the Council during this process.

Councilor Gonzalez questioned if Climate Smart fits under the category of 'regional climate plans', noting we have many unfunded climate mandates. Rose said he does see it as a regional climate plan that is limited to the transportation sector.

Councilor Rosenthal asked if there is any potential for bi-state coordination, or if it is just limited to MSAs. Rose confirmed that there is potential for bi-state coordination, and that working with the EPA opens the door to potential multistate coalitions that could apply for these grants. Councilor Rosenthal points out modifying the NW power

grid as a major item that could be included in the scope of this program.

Councilor Lewis noted that the emphasis was mostly on transportation, and asked what opportunities for electrification and home energy programs there may be further down the line. Rose responded that the first round of grants would be focused on affordable housing because of its equity benefits, and because it is the area of building sustainability that Metro has the most oversight on. Councilor Lewis inquired as to why we were applying for $30 million for transit but only $5 million for housing. Rose explained that those numbers were just based on the estimates of organizations that intended to apply for the grants, and that once more of those come in the numbers may be more balanced.

Councilor Gonzalez recognized and appreciated Eliot Rose's work on this project.

Councilor Hwang noted that they are applying for funds from the EPA, but asked if there are other federal agencies that may have funding opportunities for regional plans. He also asked for elaboration on the process for the Regional Climate Plan. Rose explained that these grants require applicants to look into their eligibility for other federal funding sources and explain why they need the CPRG money specifically for their projects. He then outlined the three step process for creating the Portland Climate Action Plan: a consultant team created a standardized climate action plan based on others in the region, came up with a set of screening criteria for partners, and then shared the screening results and adapted for them. Councilor Hwang expressed that he was interested in making sure all the partners are as ambitious as possible in their Climate Action

Plans.

Councilor Rosenthal inquired about long-term goals for each sector - solid waste, transportation, housing - from our regional plan. Rose answered that it is clearer for solid waste and transportation, but more vague for housing.

Seeing no further discussion, Deputy Council President Hwang moved on to the next agenda item.

11:05 2024 Urban Growth Management Decision: Draft Regional Population, Household and Employment Forecast

Attachments: Staff Report

Deputy Council President Hwang introduced Ted Reid, Principal Regional Planner at Metro, Josh Harwood, Malu Wilkinson, and Dennis Yee to present on the topic.

Staff pulled up the 2024 Urban Growth Management Decision: Regional Population, Household and Employment Forecast Powerpoint to present to Council.
Presentation summary:
The presenters explained that every 6 years a forecast is done by Metro on expected demographic and economic trends in order to plan for the future of the Urban Growth Boundary. The forecast asserted a range of possible outcomes, with the middle of that range being the most likely outcome. The forecast showed that the birthrate has been declining in recent years, and is predicted to stabilize around 1.5 births per woman, which is below the replacement rate. Mortality rates, on the other hand, have been going up steadily, and are predicted to go up even faster, largely due to the aging Baby Boomer generation. However, life expectancies are rising and are expected to continue rising. In addition, net migration is projected to

continue to be positive, about 15,000 migrants per year, largely due to quality of life and affordability. Presenters noted that diversity is also expected to continue to increase. Overall, net population is expected to grow, but at a slower rate than in previous decades.

Councilor Simpson asked if factors like political asylum and abortion healthcare access are accounted for in these projections, and Josh Harwood responded that those factors are not expected to be significant enough to have much impact on the overall numbers.

Councilor Rosenthal raised a question about the sensitivity of the fertility rate, if it were to change by .1% how much of a difference that would make on the net population changes, and Dennis Yee responded that it is likely a less significant variable than migration in its effects on the total population growth.

Councilor Nolan was concerned with how wide the difference is between the upper and lower ends of the projection range, and Harwood and Yee explained that the likelihood of those estimates decreases the further they are from the middle estimate.

Presenters moved on to the employment forecast, showing how the business cycle changes the employment/population ratio, but that it also tends to hover around 0.5 and they predict it will continue to hover around that ratio. They also predicted employment growth by sector, highlighting construction, retail/trade, service sectors, and education/healthcare as the faster growing sectors. They described how manufacturing is expected to plateau, noting that manufacturing is declining nationally, and we will probably see a similar pattern in the Portland metro area,

but we will fare better than the rest of the country because of our timber and tech industries.

Councilor Hwang asked if they were accounting for automation in these projections, and Harwood responded that they have but our industries are protected a bit from that because those industries conduct their research and development here as well, which is less at risk of automation.

The presenters wrapped up, noting that next time they will be going over capacity and the housing needs analysis with the Council.

Council Discussion
Councilor Lewis was interested in which demographics are opting to live within or without the UGB, and Yee responded that he would be detailing the capture rate in his next forecast presentation to them.

Councilor Rosenthal asked about the effects of an earthquake on the population forecast, and Yee responded that he has not seen significant effects of earthquakes on population changes in other situations. Harwood, on the other hand, pointed out that a natural disaster like Hurricane Katrina did have a major effect on the population in New Orleans.

Councilor Nolan brought up the 2008 housing collapse as the type of incident more likely to have a significant effect on population outcomes in the region.

Seeing no further discussion, Deputy Council President Hwang moved on to the next agenda item.

11:50 2040 Planning & Development Grants- Administrative Rules Updates

Attachments: Staff Report

Deputy Council President Hwang introduced Eryn Kehe, Urban Policy & Development Manager, Metro, Serah Breakstone, 2040 Grants Manager, Metro, Malu Wilkinson, Deputy Director, Planning Development and Research, Metro, to present on the topic.

Staff pulled up the 2040 Planning & Development Grants-Administrative Rules Updates Powerpoint to present to Council.
Presenters detailed the refinements that they have implemented on this program to help make sure it worked better for their partners and stakeholders. The refinements include improvements in: responsiveness to local government partners, effectiveness at producing outcomes that align with Metro's values and goals, and flexibility/efficiency in administrative operations. They plan to implement these refinements through amendments to Administrative Rules, and a code amendment. They would also like to expand opportunities to access these grants by allocating funds to the Placemaking Grant Program, allow tribes to receive grants directly, and allow unincorporated areas to receive grants for incorporation/annexation planning. To improve ease of use, they would like to simply grant categories, have clear and focused criteria, and rolling cycles with quarterly awards. To provide more support for grantees, they proposed to allow 20% of grants to be used for local government staff time, allow CET funds to pay for Metro direct project support, and better tracking of Metro staff time spent on project support.

Council Discussion
Councilor Lewis gave two enthusiastic thumbs up, and applauded presenters for their ideas to improve this

program. She asked when the amount of community placemaking funds available will be known for each cycle, and if that will match up with the budget. Malu Wilkinson responded that they are starting with $250,000 of extra funding for placemaking.

Councilor Hwang asked if that budget change will effect the selection process for those grantees. Wilkinson responded that that process will not change.

Councilor Gonzalez expressed support for increase in planning capacity through project support. He asked about the planning process for large unincorporated urban areas, citing Aloha being left behind. He also expressed tension over the increase in funds for placemaking grants when there are high needs in housing and jobs. Eryn Kehe explained that this program allows unincorporated areas to figure out what their possibilities and options were in incorporation. Wilkinson responded that the placemaking grants are small enough that they are not really taking away money from other areas, but rather bringing in community groups to that process.

Councilor Rosenthal was curious about the idea of 20% of funds going to local government staff time and how that would work with cities of a certain size that may have sufficient funding already for that. Wilkinson explained that that amendment would simply allow grantees to choose to use the funds for that.

Councilor Hwang asked if the allocation for Metro staff time would impact the admin rate on CET funds. Wilkinson explained that the 5% admin cap covered the administration of the program, but not the technical support for implementation of the grants.

Seeing no further discussion, Deputy Council President Hwang moved on to the next agenda item.

12:20 Update on the Natural Areas Work Plan to Fund Real Property Purchases by a Public Partner through the Bond Acquisition Programs of the 2019 Parks and Nature Bond Measure

Attachments: Staff Report

Deputy Council President Hwang introduced Jon Blasher, Parks & Nature Director, Metro, Shannon Leary, Real Estate Manager, Metro, to present on the topic.

Staff pulled up the Update on the Natural Areas Work Plan to Fund Real Property Purchases by a Public Partner through the Bond Acquisition Programs of the 2019 Parks and Nature Bond Measure to present to Council. Presenters gave a recap of Metro's role in regional land and trail acquisition and discussed the challenges and opportunities in the process for partnership transactions with local park providers. They explained that Metro requires additional Council authority in order to contribute funds to transactions led by public partners, and described a couple examples. Presenters asked to adopt an amendment to delegate this authority to the COO in order to better use staff resources, work with partners more efficiently, and gain the desired outcomes of the bond measure.

Council Discussion
Councilor Nolan asked for clarification on the examples provided as to why they are designated as Tier 1 properties but they are not recommended as investment priorities for Metro. Jon Blasher explained that they do recommend the properties, they just do not recommend leading the transaction, but that the local provider should lead the transaction.

Councilor Gonzalez expressed support for the plan.

Councilor Lewis stated support as well, but was unsure on the problem with requiring Council approval, offering for the Parks department to have more time with the Council if that is what they need.

Deputy Council President Hwang asked about how they plan to message this change so that local jurisdictions do not see it as backdoor for Metro funds for their park projects. Blasher responded that they would make sure to consider that as they figure out their messaging plans going forward.

Councilor Rosenthal inquired about how many of these types of examples come up throughout the years. Shannon Leary responded that they are quite common, so having partners lead negotiations instead of Metro would be significant for freeing up Metro time to work on other things.

COO Marissa Madrigal provided additional context for this issue, pointing out that these changes would accelerate Metro's progress and spend the bond funding most efficiently.

Deputy Council President Hwang expressed support for these changes, stating that he would rather not require executive sessions for management of small parcels of land.

Councilor Nolan supported Councilor Lewis's idea to expedite getting the Parks Department issues on the Council schedule rather than shifting that power to the COO.

Councilor Rosenthal expressed worry that the Council would

lose some knowledge of important projects if they are bypassed, but that he is open to further discussion. Blasher explained that the deals that would go through the COO would still be available as memos before they are approved by the COO.

Deputy Council President Duncan Hwang told presenters that the Council would like more time to think about and work on this issue.

Seeing no further discussion, Deputy Council President Hwang moved on to the next agenda item.

12:25 Chief Operating Officer Communication

Marissa Madrigal provided an update on the following events or items:

- Update on Expo Futures: continuing to refine community engagement plan with consultants.
- Subcommittee of the Historical Significance Memorialization Committee is planning a spring storytelling event to provide history of the Expo site.
- Sports and Facilities Committee working on statement on community and public access to Expo Futures for recommended uses.
- Deputy COO Andrew Scott launched the Expo Future Funding Taskforce.

12:30 Councilor Communication

Councilors provided updates on the following meetings and events:

- Councilor Rosenthal announced that the county just opened a safe rest village in Aloha, noting that it is another step forward.
- Councilor Lewis mentioned that the Supportive Housing Services oversight body met to work through the redline on their draft of their Annual Report, and

wanted to make sure that the report would meet the needs of all the counties.
She also encouraged others to stop by Parallax gallery show of art made of found material from the Metro Transfer Station.
In addition, Lewis pointed out that the legislative update notes showed that every bill that Metro cares about is still alive.

12:35 Adjourn

Seeing no further business, Deputy Council President Duncan Hwang adjourned the Metro Council work session at 1:10 p.m.

Respectfully submitted,
Sam Hart

Council work session agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Tuesday, February 13, 2024 **10:30 AM** **Metro Regional Center, Council Chamber,https://www.youtube.com/live/Rl4_BMsohnA?si=Z8gT2kKuDGl0Czkl, https://zoom.us/j/615079992 Webinar ID: 615 079 992 or 888-475-4499 (toll free)**

This meeting will be held electronically and in person at the Metro Regional Center Council Chamber.
You can join the meeting on your computer or other device by using this link:
https://www.youtube.com/live/Rl4_BMsohnA?si=Z8gT2kKuDGl0Czkl, https://zoom.us/j/615079992
Webinar ID: 615 079 992 or 888-475-4499 (toll free)

10:30 Call to Order and Roll Call

Work Session Topics:

10:35 EPA Climate Pollution Reduction Grant Update 24-6010

Presenter(s): Eliot Rose (he/him), Transportation Planner, Metro

Attachments: Staff Report

11:05 2024 Urban Growth Management Decision: draft Regional Population, Household and Employment Forecast 24-6012

Presenter(s): Ted Reid, Principal Regional Planner, Metro
Josh Harwood, Metro
Malu Wilkinson, Metro
Dennis Yee, Metro

Attachments: Staff Report

11:50 2040 Planning & Development Grants- Administrative Rules Updates 24-6009

Presenter(s): Eryn Kehe (she/her), Urban Policy & Development Manager, Metro
Serah Breakstone (she/her), 2040 Grants Manager, Metro
Malu Wilkinson, Deputy Director, Planning Development and Research, Metro

Attachments: Staff Report

12:20 Update on the Natural Areas Work Plan to Fund Real Property Purchases by a Public Partner through the Bond Acquisition Programs of the 2019 Parks and Nature Bond Measure 24-6015

Presenter(s): Jon Blasher (he/him), Parks & Nature Director, Metro, Shannon Leary (she/her), Real Estate Manager, Metro

Attachments: Staff Report

12:25 Chief Operating Officer Communication

12:30 Councilor Communication

12:35 Adjourn

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January 2021

2024 Urban Growth Management Decision: draft Regional Population, Household and Employment Forecast
Work Session Topics

Metro Council Meeting
Tuesday, February 13, 2024

2024 URBAN GROWTH MANAGEMENT DECISION:
DRAFT REGIONAL POPULATION, HOUSEHOLD AND EMPLOYMENT FORECAST

Date: January 24, 2024
Department: Planning, Development, and Research
Meeting Date: February 13, 2024

Prepared by: Ted Reid, Principal Regional Planner ted.reid@oregonmetro.gov
Presenter(s): Josh Harwood (he, him); Ted Reid (he, him); Malu Wilkinson (she, her); Dennis Yee (he, him)
Length: 45 minutes

ISSUE STATEMENT
The region's urban growth boundary (UGB) delineates urban and rural uses and is a tool for ensuring thoughtful and efficient growth patterns. The Metro Council is required by state law to – at least every six years – determine whether the UGB has adequate land for expected housing and job growth. The Metro Council last made this determination in December 2018 and is scheduled to do so again by the end of 2024. The Metro Council has directed staff to proceed with an approved work program and requested periodic updates.

A central aspect of the work program is the completion of a new regional population, household, and employment forecast. This forecast provides the Council with foundational information about how much growth we expect over the next 20 years and serves as a basis for assessments of demand for housing and job lands. To recognize uncertainty, Metro expresses the forecast as a range, which includes low growth, baseline growth, and high growth projections.

Metro staff are currently convening an expert panel of external economists and demographers to provide feedback on the regional forecast. This expert review and the forecast itself will be documented in the 2024 Urban Growth Report, which will be released in early summer 2024.

At the February work session, Metro staff will summarize and answer questions regarding:
- How the forecast informs the Metro Council's growth management decision
- Key takeaways from the draft forecast
- Sources of uncertainty in forecasting

ACTION REQUESTED
Update the Council on implementation of the work program for the 2024 urban growth management decision, focusing on the draft regional forecast.

IDENTIFIED POLICY OUTCOMES
State law and regional policies lay out an intention to make efficient use of land inside the UGB and to only expand the UGB if there is a demonstrable regional need to accommodate expected housing or job growth. The Metro Council makes this growth management

decision for the region after significant engagement. To ensure that areas added to the UGB are ready for growth, it is the Metro Council's policy to only expand the UGB in urban reserves that have been concept planned by a city or a county. Metro provides grant funding for local jurisdictions to complete concept planning.

POLICY QUESTION(S)

- Does the Council have any questions for staff about the draft regional forecast, growth trends, or the expert panel review of the forecast?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

The Council may provide staff with direction on:

- Advice that would be useful from MPAC or CORE
- Updates that the Council would like to have going forward

STAFF RECOMMENDATIONS

- Staff recommends proceeding with the work program

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Regional urban growth management decisions have long been one of the Metro Council's core responsibilities. The Metro UGB – first adopted in 1979 – is one of Metro's tools for achieving the 2040 Growth Concept's vision for compact growth, thereby protecting farms and forests outside the UGB and focusing public and private investment in existing communities. These are all key to reducing greenhouse gas emissions and expanding housing options.

The UGB is just one policy tool, however, and must be accompanied by other policies, partnerships, and investments to make good on the 2040 Growth Concept and to address challenges like housing affordability, displacement, houselessness, and economic development. Often, growth management processes provide a venue for identifying the need for new initiatives.

Metro strives for transparency in its growth management work, which can be challenging given its highly technical aspects. The 2024 decision will provide opportunities for interested parties to inform and understand the many technical and policy aspects of this work. Those opportunities include, not only standing advisory committees, but also groups formed for this decision process such as the UGR Roundtable, the Land Use Technical Advisory Group, the regional forecast expert review panel, and the Youth Cohort.

BACKGROUND

At its March 7, 2023 work session, the Council directed staff to begin implementing the work program for the 2024 urban growth management decision. The Council also directed staff to periodically update the Council on work program implementation, particularly related to engagement activities.

ATTACHMENTS

- Is legislation required for Council action? ☐ Yes ☒ No
- If yes, is draft legislation attached? ☐ Yes ☐ No
- What other materials are you presenting today?
    - UGM project timeline and tentative committee engagement schedule

Materials following this page were distributed at the meeting.

Urban growth management update: Regional forecast

Metro Council Work Session
February 13, 2024

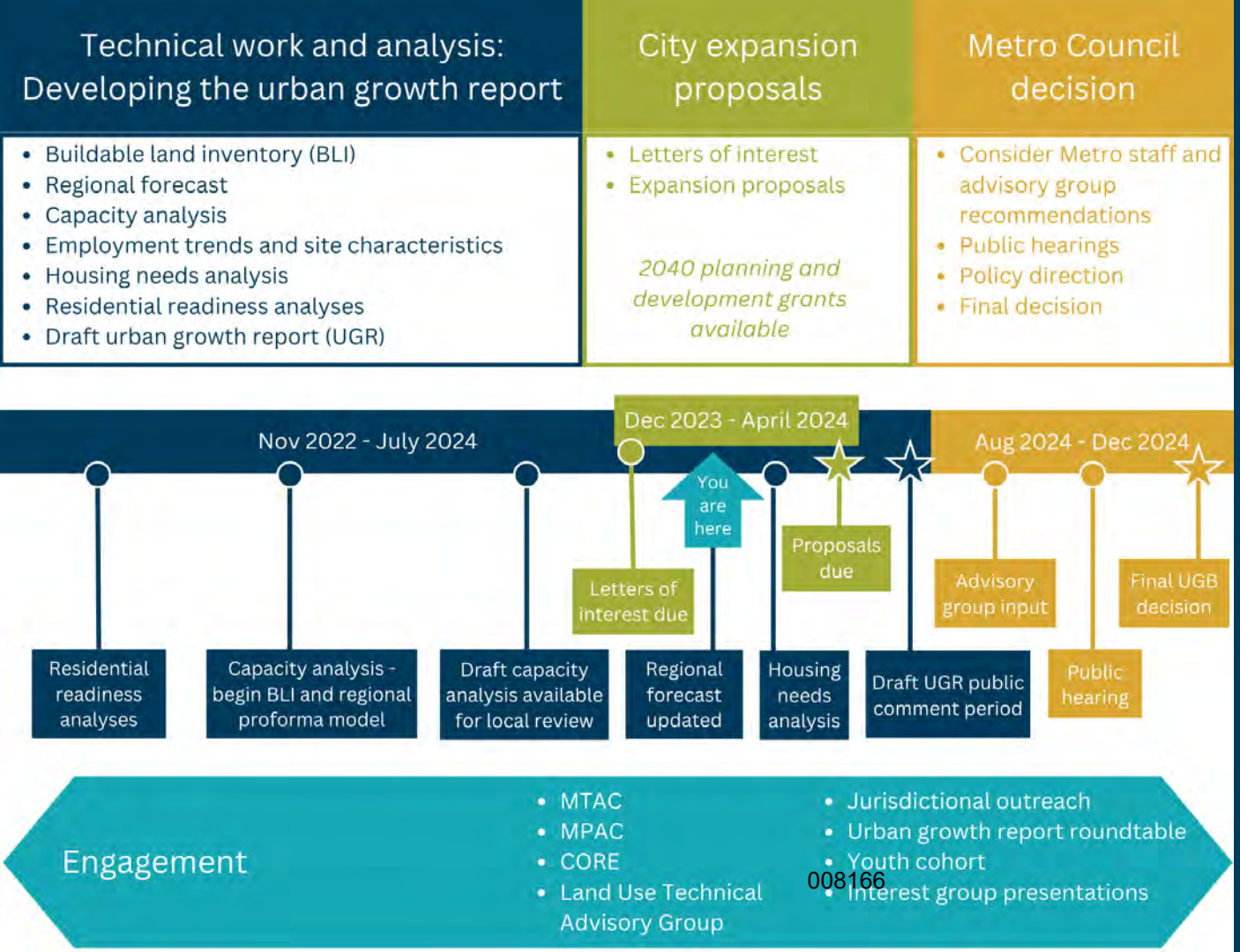
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Urban growth management - why?

- Protect farms and forests
- Focus investment in existing communities
- Encourage a greater variety of housing choices
- Reduce carbon emissions by keeping destinations close

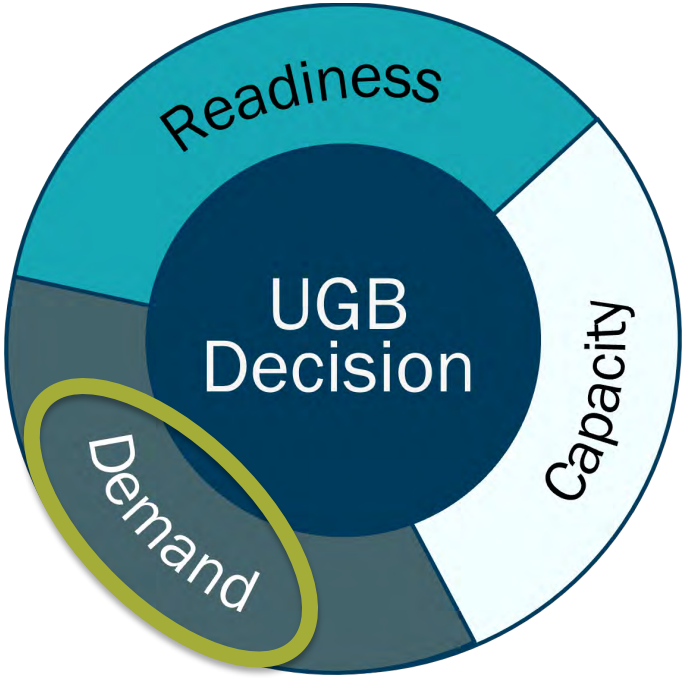


Project timeline



Urban growth report

How does the regional forecast fit into the urban growth report assessment?

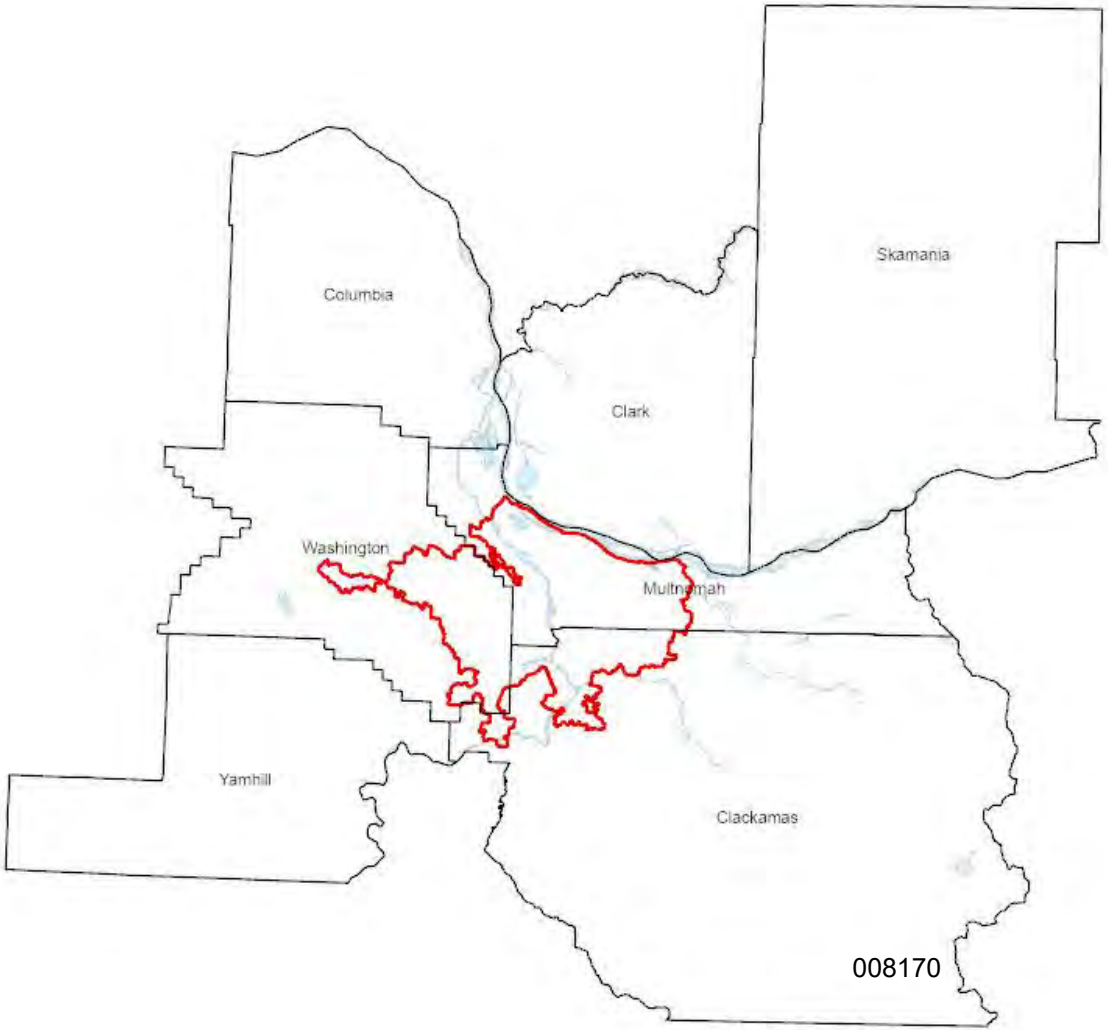


Context setting

- This is a forecast, not a plan
- The forecast is updated every 6 years
- Multiple peer review moments
- Projections are not the only factor in the UGM decision; we will return to discuss readiness and capacity

The forecast is a range – why?

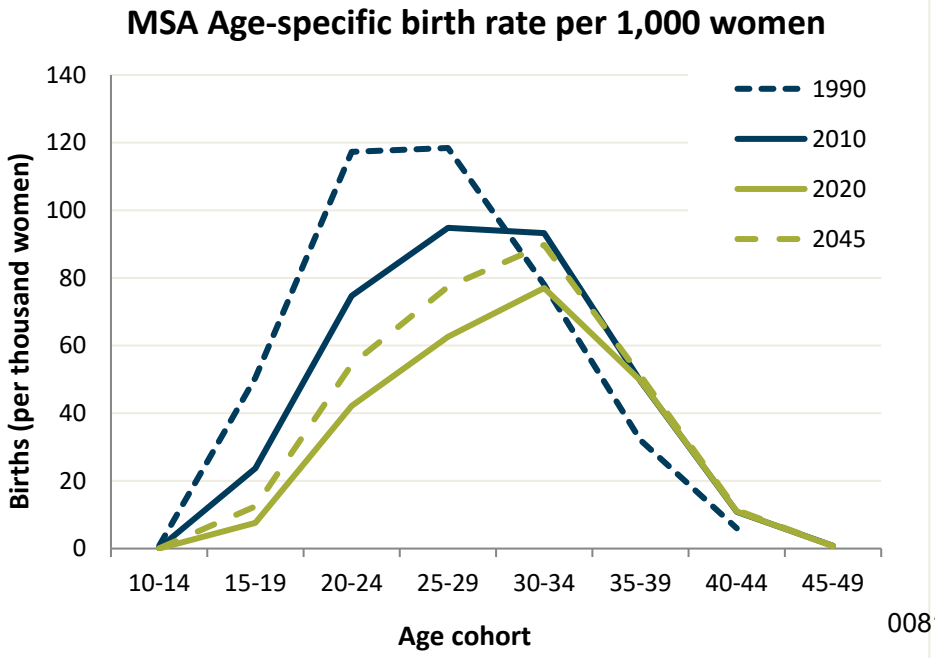
- Acknowledgement of uncertainty
  - Population migration rates, including climate-induced migration
  - Macroeconomic conditions
  - Global events
  - Innovations that can’t be forecasted, but that impact employment (e.g., potential impacts of AI on different sectors)

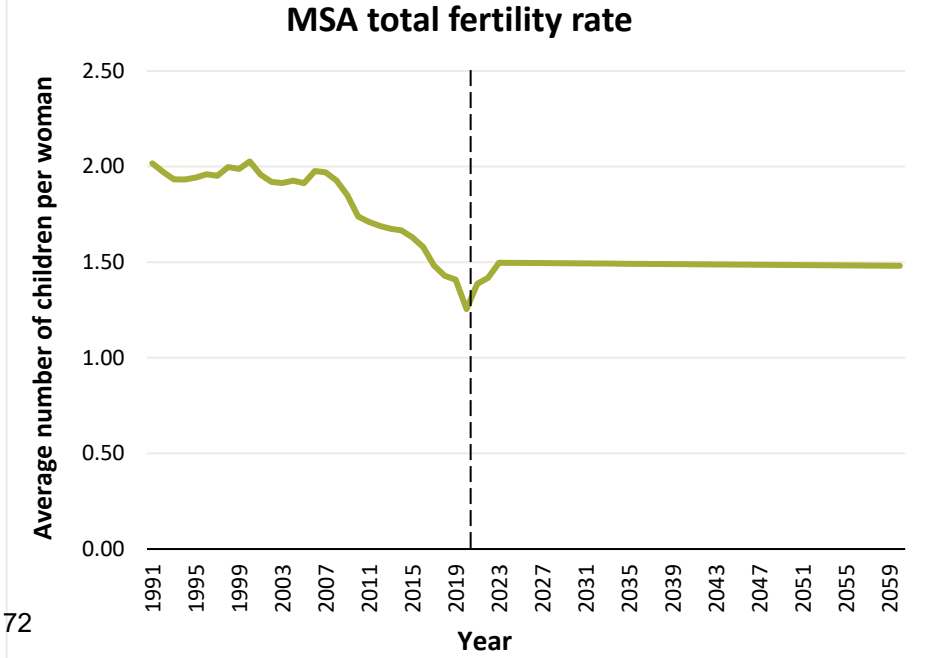


Regional forecast geography

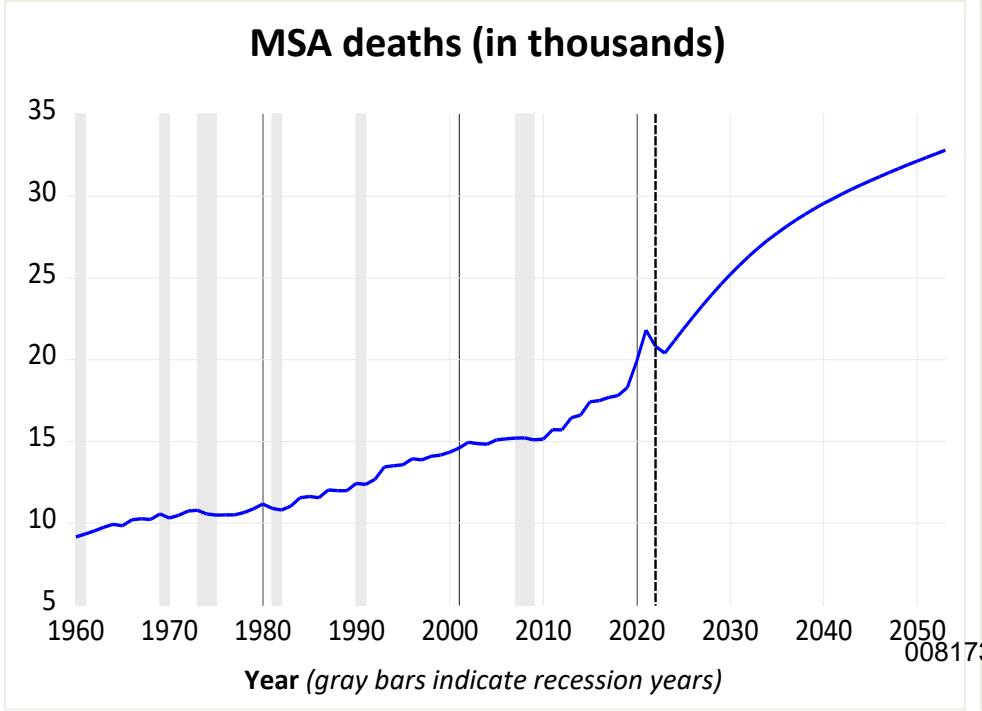
Demographics

MSA fertility assumptions

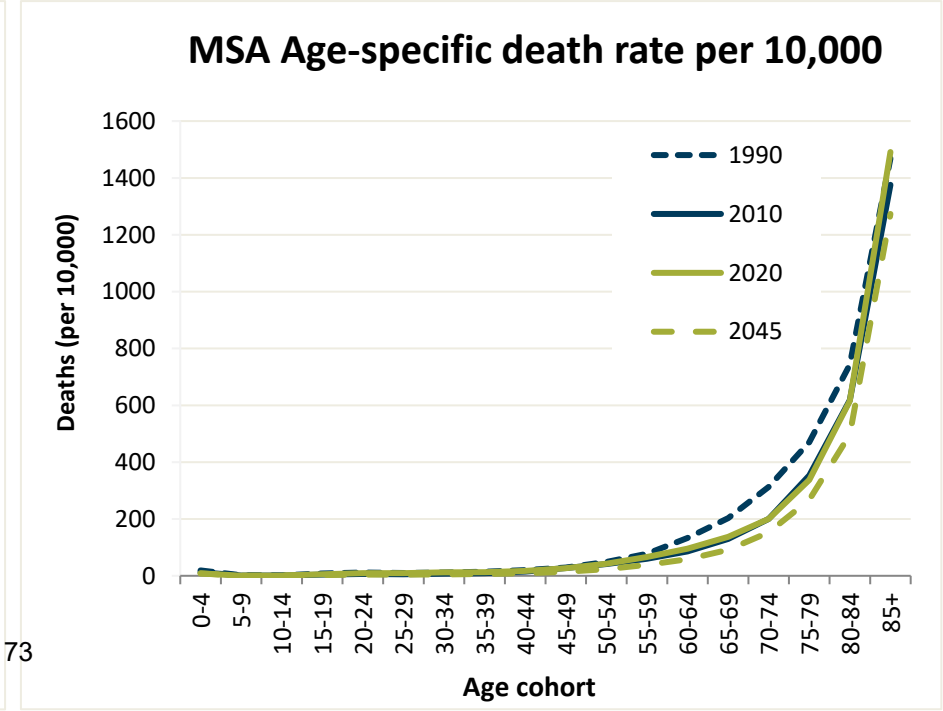




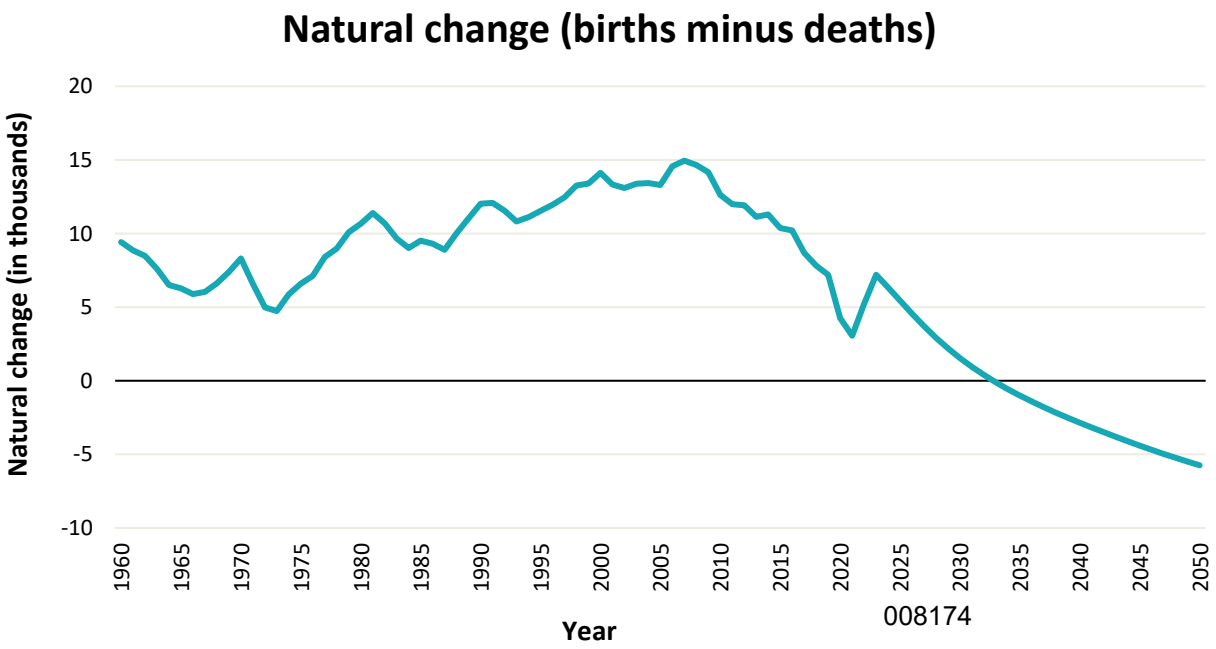
MSA mortality assumptions



008173

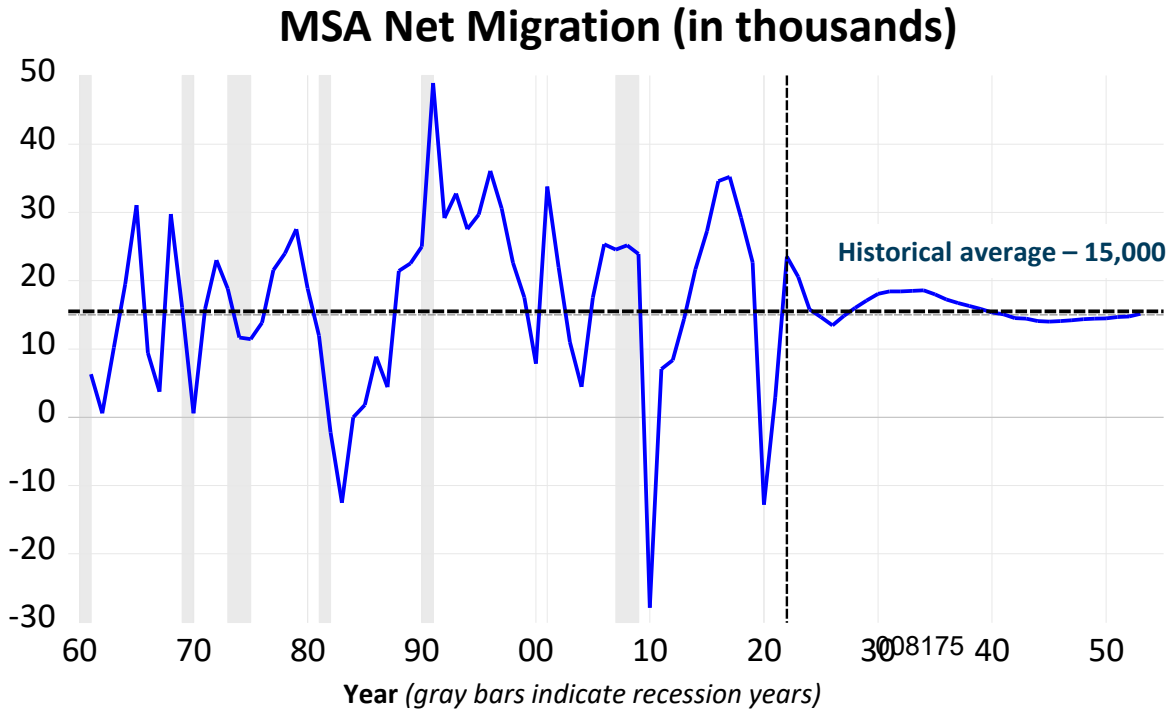


Natural change



- Declining birth rates are the biggest factor that make this forecast different than past forecasts
- National trend

Net migration

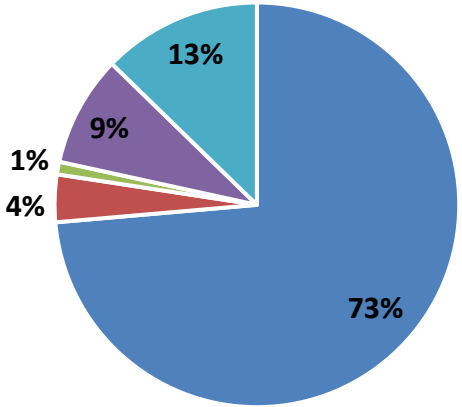


- Expect quality of life to continue attracting migrants
- Affordability and cost of living
- Climate refugees?

Increasing diversity

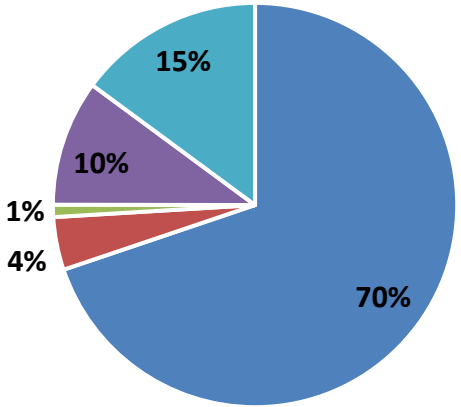
2020

Total population – 2,517,378



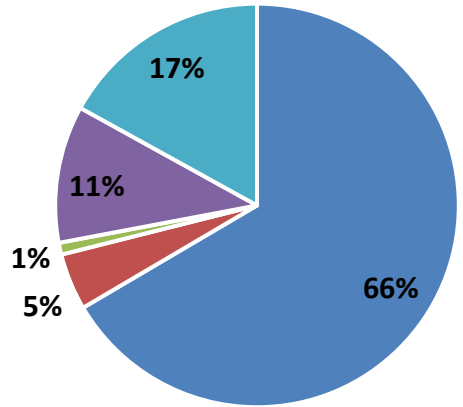
2030

Total forecast population – 2,700,038



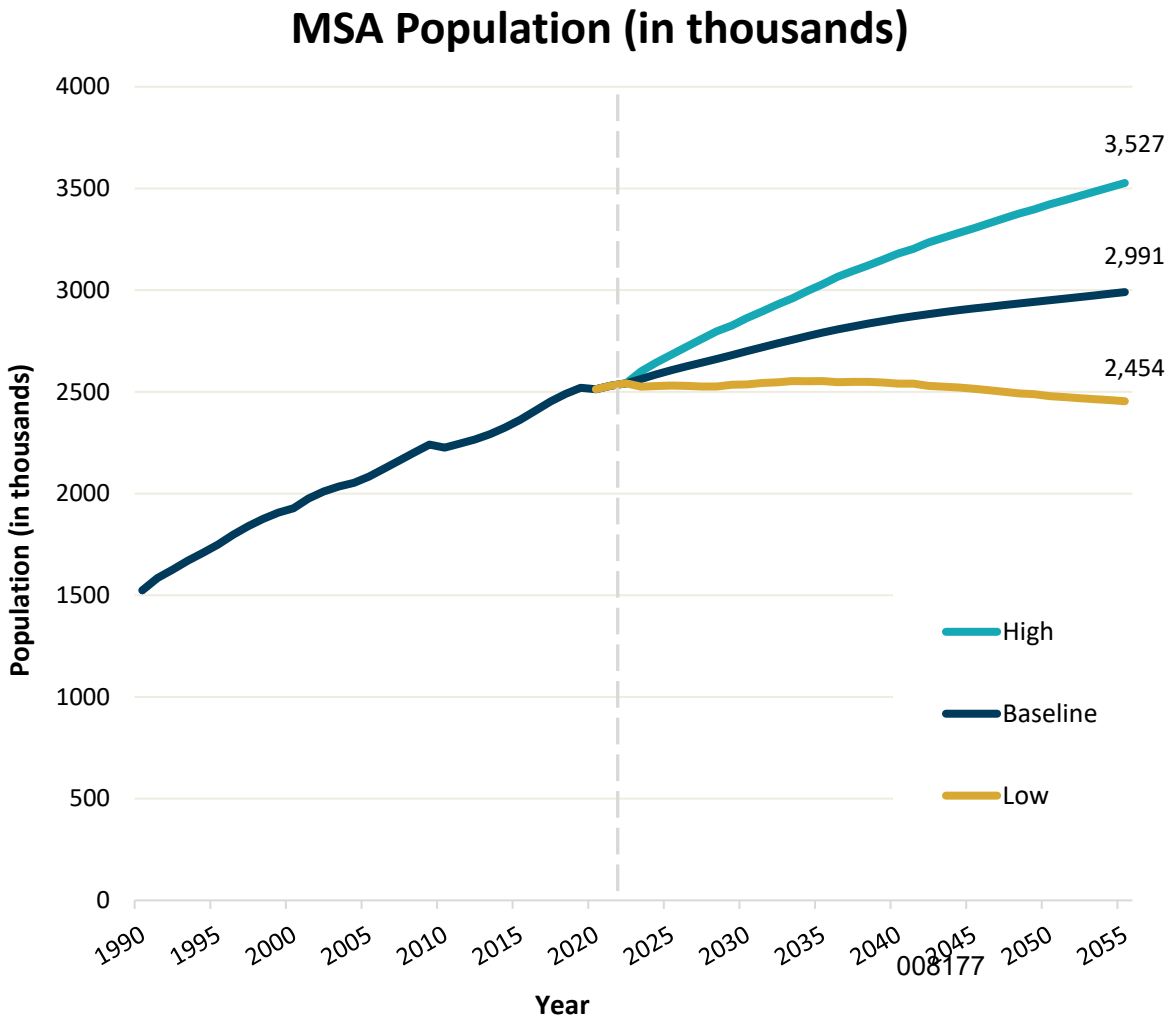
2040

Total forecast population – 2,860,301



White Black AIAN API Hispanic

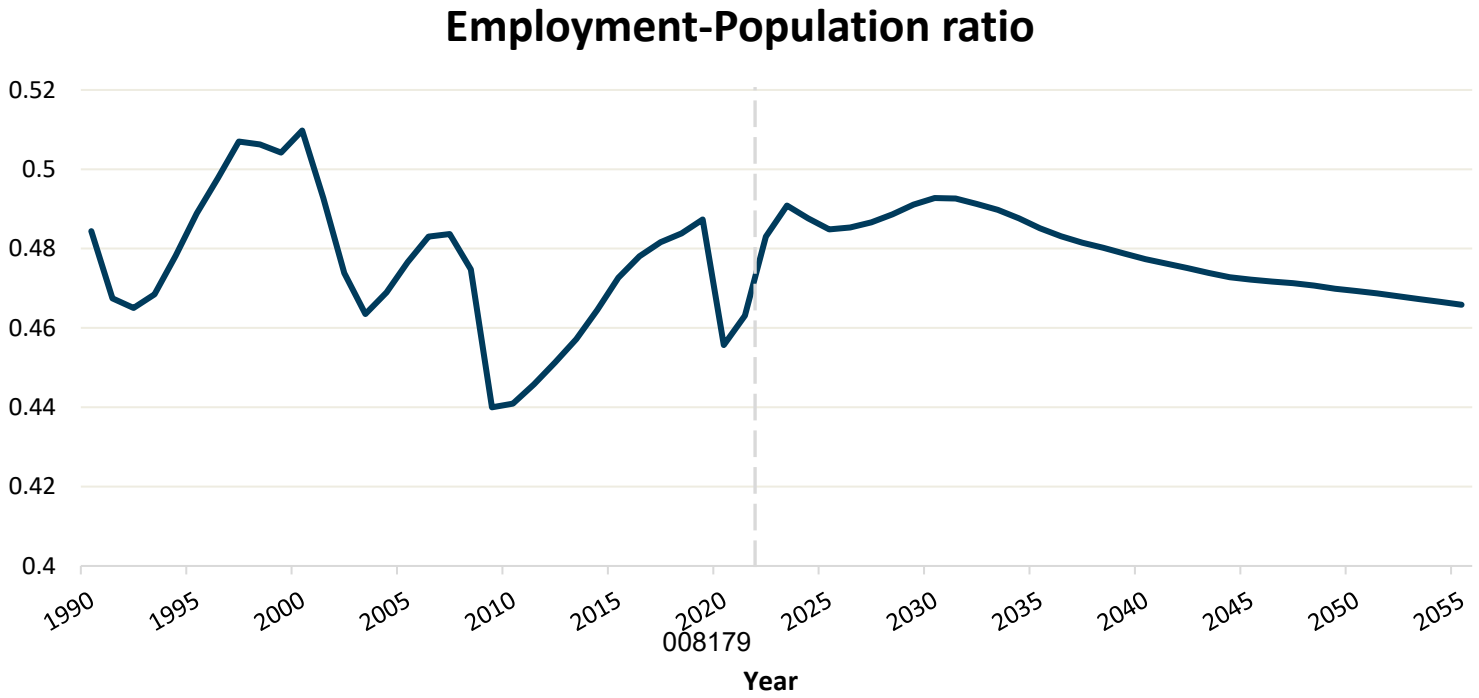
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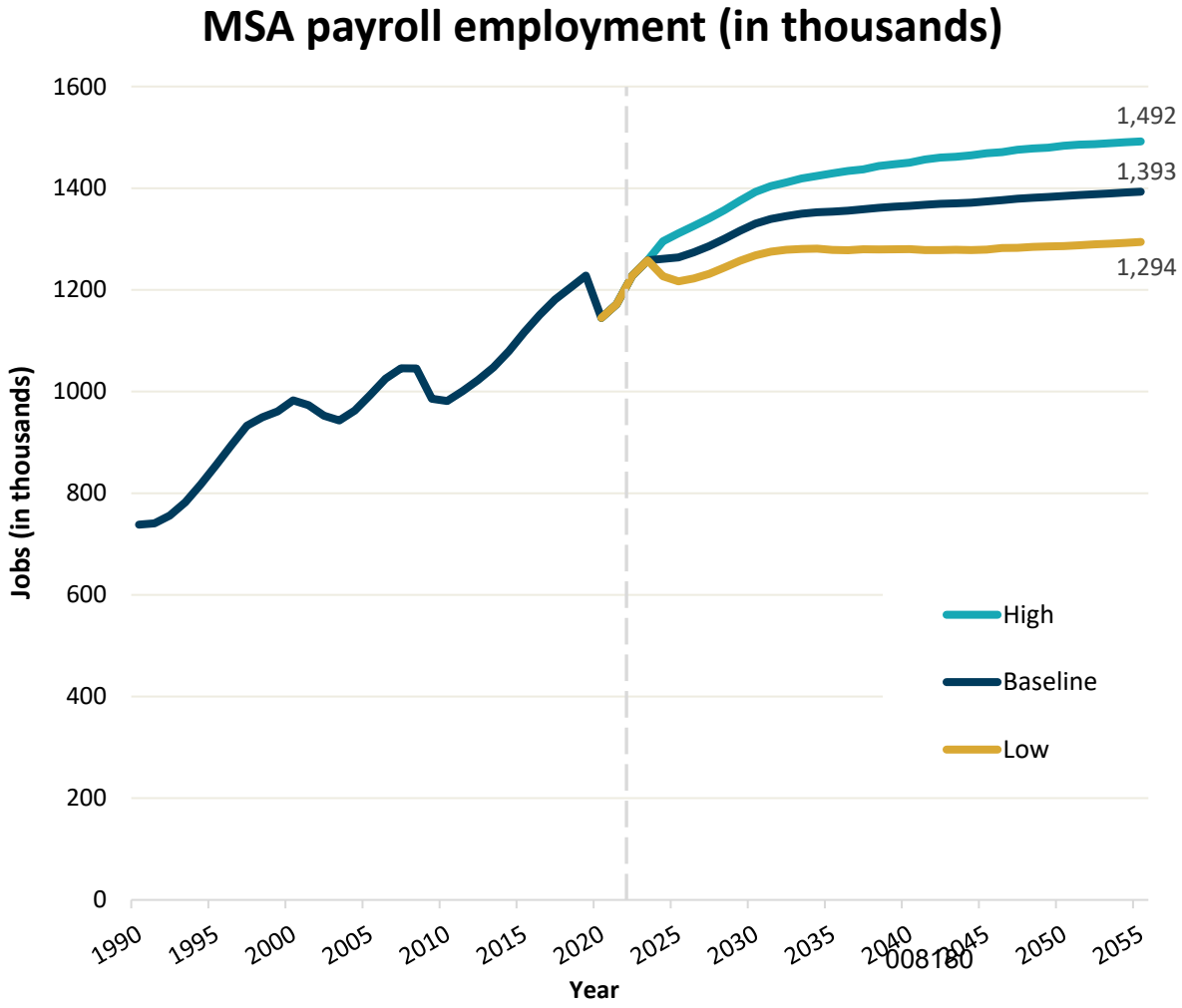


Regional demographic outlook

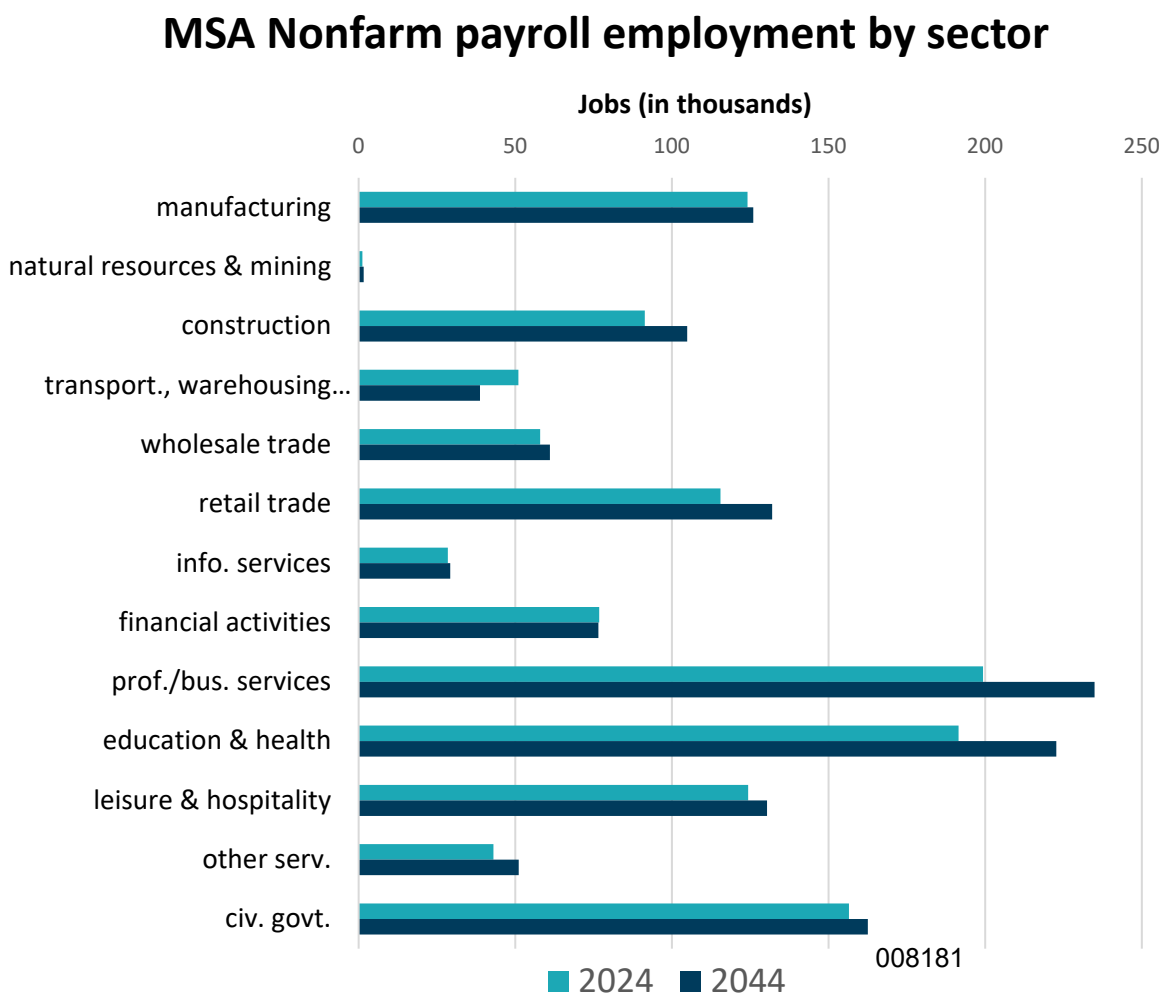
Employment

Labor force participation



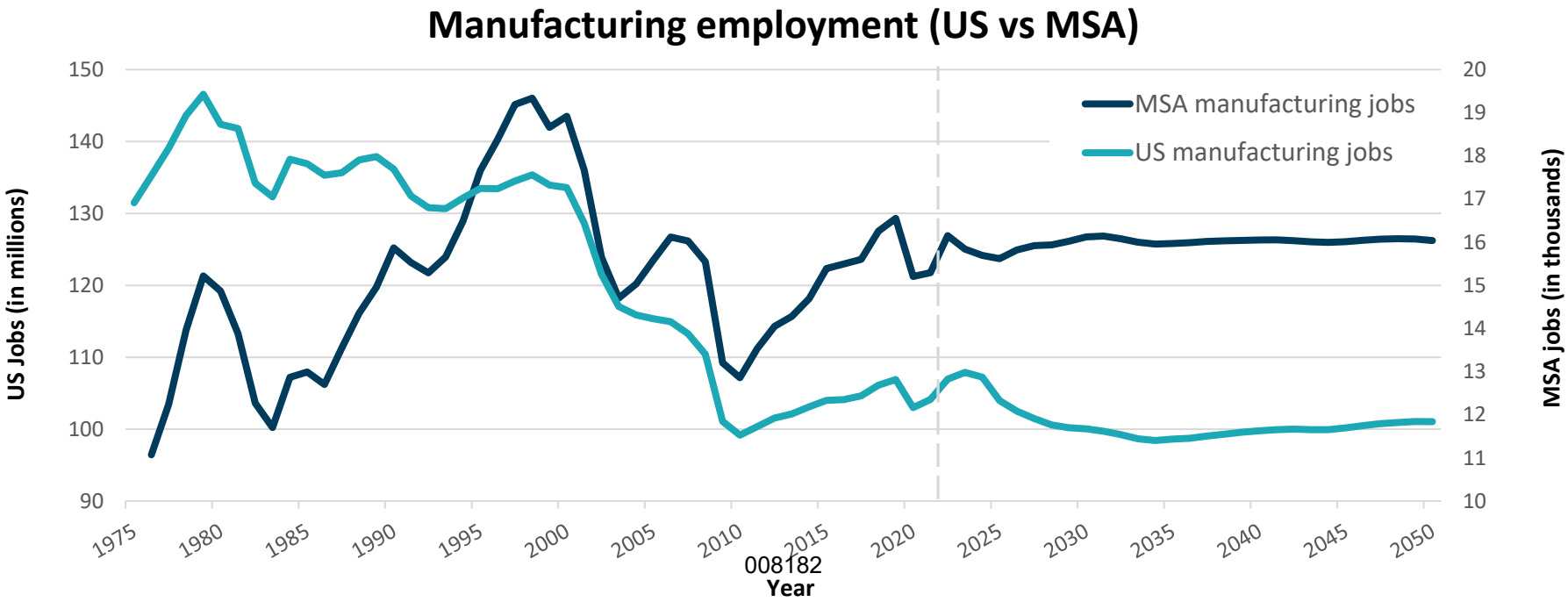


MSA employment outlook



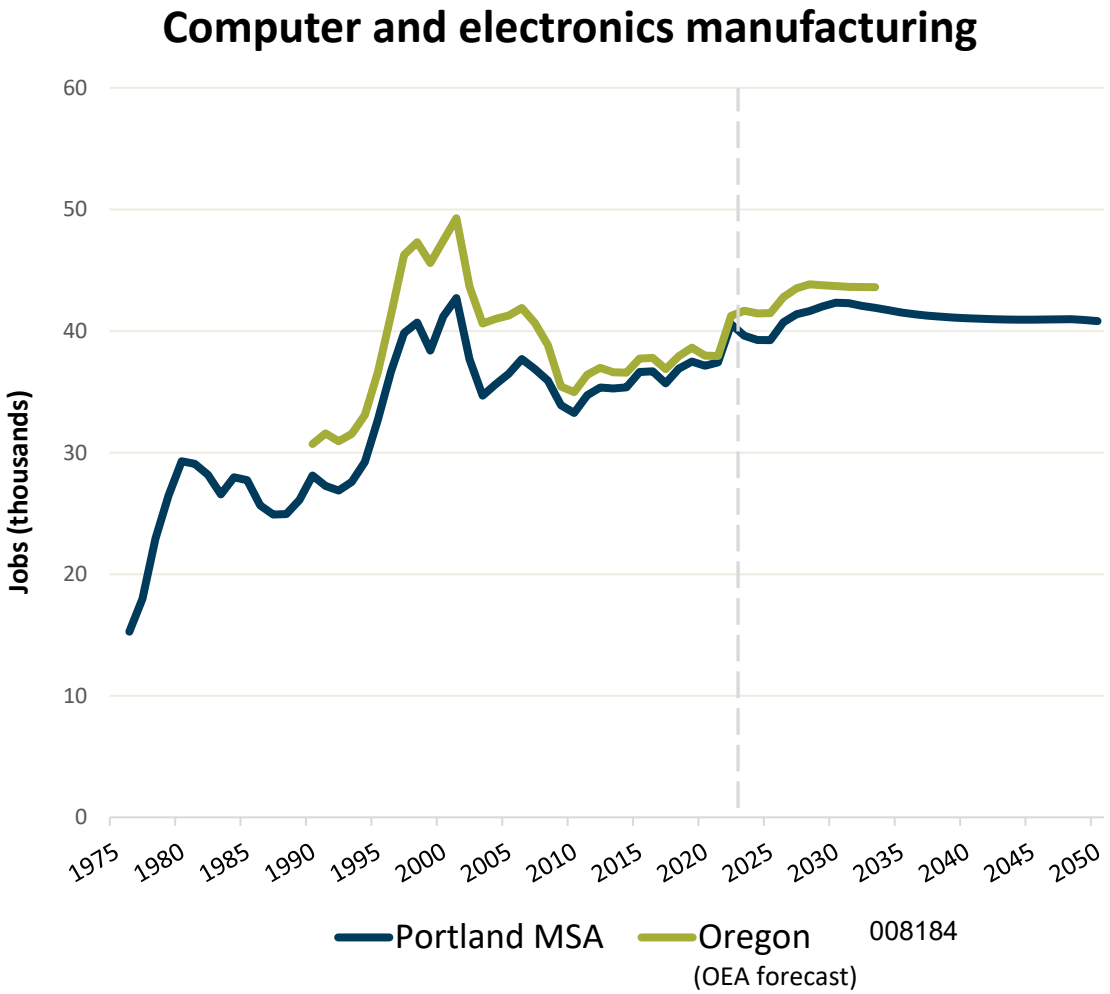
Sector-specific forecast

A closer look at manufacturing



oregonmetro.gov





A closer look at computer and electronic products

Miriam Hanes

From: Hella Betts <hella@cascadewestern.com>
Sent: Friday, January 26, 2024 11:08 AM
To: 2040
Subject: [External sender]Metro decision on a UGB expansion request end of this year (2024) Sherwood, OR

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

Good Morning Metro:

As a property owner of 13 acres on 19945 & 19525 SW Kruger Rd, Sherwood, Or - outside of the UGB, I strongly support to be included in the UGB. We are directly behind the new Sherwood High School with a "turn around intersection of Elwert and Kruger which causes traffic going from Newberg to Hillsboro. The congestion from the High School Literally makes the case for growth, road improvement, local businesses so students do not have to use cars to cross 99W. Sherwood is the "gateway to the coast and wine country" it would be SAD to be like Tigard and just be a "drive though".

This also could be a promotion advertising to come to "OREGON as a DESTINATION".

Thank you,
Hella Betts
19945 SW Kruger Rd.
Sherwood, OR 97140

600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes
January 24, 2024

MEMBERS PRESENT	AFFILIATION
Pam Treece (Chair)	Washington County
Vince Jones-Dixon	City of Gresham, Second Largest City in Multnomah County
Gordon Hovies	Special Districts in Washington County
Sherry French	Special Districts in Clackamas County
Ed Gronke	Citizen of Clackamas County
Thomas Kim	TriMet
Luis Nava	Citizen of Washington County
Gerritt Rosenthal	Metro Council
Ty Stober	City of Vancouver
Mark Shull	Clackamas County
Tim Rosener	Other Cities in Washington County
Mary Nolan	Metro Council
Glen Yung	Clark County
Terri Preeg Riggsby	Special Districts in Multnomah County
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Denyse McGriff	City of Oregon City, Second Largest City in Clackamas County

MEMBERS EXCUSED	AFFILIATION
Ted Wheeler	City of Portland
Randy Lauer	City of Troutdale, Other Cities in Multnomah County
Duncan Hwang	Metro Council
Allison Tivnon	City of Beaverton, Second Largest City in Washington County
Omar Qutub	Citizen of Multnomah County
Sharon Meieran	Multnomah County
Brian Hodson	City of Canby, City in Clackamas County outside UGB
James Fage	City of North Plains, City in Washington County outside UGB
Susan Greenberg	Beaverton School Board, Governing Body of a School District
Steve Callaway	Largest City in Washington County
Carmen Rubio	City of Portland
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Kirstin Greene	Oregon Department of Land Conservation and Development
Alex Howard	Port of Portland

ALTERNATES PRESENT	AFFILIATION
Anthony Martin	Largest City in Washington County
Laura Kelly	Oregon Department of Land Conservation and Development
Bill Reid	City of North Plains, City in Washington County outside UGB
Ashley Hartmeier-Prigg	City of Beaverton, Second Largest City in Washington County

OTHERS PRESENT: Medha, Adam B., Jeff Renfro, Mark McMullen, Tom Armstrong, Joe Gall, Sandy Glantz, Michael Veale, Dee Anders, Jaimie Lorenzini, Jim Duggan, Stephen Roberts, Jean Senechal Biggs, Braden, Dr. Smart Ocholi, Jessica Pelz

STAFF: Connor Ayers, Jemeshia Taylor, Eryn Kehe, Jaye Cromwell, Roger Alfred, Malu Wilkinson, Ted Reid, Eliot Rose, Dennis Yee, Glen Hamburg, Kim Ellis, Laura Combs, Josh Harwood

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Chair Pam Treece called the Zoom meeting to order at 5:00 PM.

Metro staff Jemeshia Taylor (she/her) called the role.

Chair Treece asked if they had reached quorum.

Metro staff Roger Alfred noted that they had reached quorum.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

Chair Treece read aloud the instructions for providing public testimony.

No members of the public provided testimony.

Seeing no further discussion, Chair Treece moved onto the next agenda item.

3. COUNCIL UPDATES

Metro Councilor Gerritt Rosenthal gave updates about the Supportive Housing Services tax, a possible new Zoo Bond, and the Urban Growth Report. He also gave updates about the Waste Prevention and Environmental Services, the Parks and Nature and a burst pipe at the Metro Regional Center.

Seeing no further discussion, Chair Treece moved onto the next agenda item.

4. COMMITTEE MEMBER COMMUNICATIONS

City of Sherwood Mayor Tim Rosener mentioned that Kim Young was appointed as the new Council President for the City of Sherwood.

City of Vancouver Councilmember Ty Stober introduced himself to the MPAC members.

Seeing no further discussion, Chair Treece moved onto the next agenda item.

5. CONSENT AGENDA

5.1 Consideration of the December 13, 2023 MPAC Minutes

Chair Treece called for a motion to approve the consent agenda.

MOTION: City of Sherwood Mayor Tim Rosener moved to approve the consent agenda. City of Oregon City Mayor Denyse McGriff seconded.

ACTION: Councilmember Stober abstained. With all else in favor, the consent agenda was approved.

6. ACTION ITEMS

6.1 MPAC Nominations and Review of MPAC Charge

Chair Treece introduced Metro staff Malu Wilkinson (she/her) to present.

Wilkinson gave an overview of MPAC, MPAC's charge and MTAC. She mentioned that the recommended nominees were stated in the meeting packet.

Chair Treece thanked staff for their work. She mentioned that Mayor McGriff will step down from the First Vice Chair position and nominated City of Happy Valley Councilor Brett Sherman for the position.

Mayor McGriff explained that she was appointed by the Governor to the Willamette Falls Locks Authority and that will take a lot of her time. She noted that she will still be participating in MPAC.

Gronke commented that Councilor Sherman would be a great candidate for the position.

Chair Treece mentioned that City of Gresham Councilor Vince Jones-Dixon agreed to be nominated for the Second Vice Chair position.

Mayor McGriff mentioned that Councilor Sherman was featured in the West Linn Tidings newspaper.

Councilor Jones-Dixon commented that he was looking forward to this year.

Chair Treece called for a motion to approve the nominations.

MOTION: Mayor McGriff moved to approve the nominations. Ed Gronke seconded.

ACTION: With all in favor, the action passed.

Chair Treece mentioned their recommendation to the Metro Council on the UGB expansion. She also mentioned that the MPAC meetings will be in-person every other month.

Wilkinson noted that the February meeting will be in-person at Metro. She also mentioned that staff looking into having the meetings in different locations.

Chair Treece asked those that want to volunteer to host a meeting to also consider if they have the capacity to run a meeting partially on Zoom.

Mayor Rosener mentioned that the city of Sherwood could host a MPAC meeting.

Mayor McGriff raised concerns about not be able to attend some of the in-person meeting because of another in-person meeting she must attend.

Chair Treece commented that the goal is to make the meetings available to everyone.

Wilkinson explained that they cannot hold a public meeting without a remote option.

Councilor Sherman noted that the City of Happy Valley could host a MPAC Meeting.

Councilmember Stober mentioned that MPAC could also visit to the City of Vancouver.

Chair Treece noted the level of commitment and the importance of seeing each other in person.

Seeing no further discussion, Chair Treece moved onto the next agenda item.

7. INFORMATION/ DISCUSSION ITEMS

7.1 Carbon Pollution Reduction Grant

Chair Treece introduced Metro staff Eliot Rose (he/him) to present.

Rose gave an overview of the what the Carbon Pollution Reduction Grant (CPRG) do and what MPAC members can do. He noted the members of the Climate Partners' Forum, the rounds of planning and the rounds of funding. Rose mentioned the importance of coordination and explained how the plans and implementation grants overlap. He discussed the PCAP development process timeline, the Metro area PCAP priority strategies and what they have learned so far. Rose noted the next steps and some discussion questions.

Rose asked Metro staff Jemeshia Taylor to post the discussion questions in the chat.

Taylor posted the discussion questions in the chat.

Councilor Sherman asked if Metro would be the entity that is doing the application and the coordination for the grant. He also asked if the action plan was mandatory or a tool that they have available.

Rose explained that the EPA allows for Metro to lead a collaborative action or for other agencies to lead for one of the implementation grants. He noted that the program is new, and the application is complicated. Rose gave some examples of agencies that might collaborative together on certain applications.

Rose noted that the EPA's deadline for applicants to submit their notice of intent to apply is February 1st. He explained that once the applications are in, it will be easier to coordinate with other applicants.

Chair Treece noted that they are running behind and that they should keep their questions and answers concise.

Mayor McGriff asked about the role of TriMet. She raised concerns that TriMet is their partner in reducing climate change, but they are not participating as much.

Rose mentioned that transit is one of the best ways to reduce greenhouse gases. He noted that they are working with TriMet to see what implementation applications can best move forward.

Gronke asked if there was a formula for ODOT to use when they propose a reduction in greenhouse gases because of congestion pricing.

Rose asked Wilkinson to speak on the parameters of the congestion pricing program.

Wilkinson noted that staff will follow-up with Gronke.

Gronke commented about congestion pricing and that it does not really help reduce greenhouse gas emissions.

Seeing no further discussion, Chair Treece moved onto the next agenda item.

7.2 Urban Growth Management Functional Plan Annual Compliance Report

Chair Treece introduced Metro staff Glen Hamburg (he/him) to present.

Hamburg noted Metro's functional plans, including the Regional Framework Plan (RFP) and the Urban Growth Management Functional Plan (UGMFP). He discussed the compliance report, the UGMFP Title 11 and the UGMFP Title 4. Hamburg explained the 2023 amendments and the requested changes from Happy Valley.

Chair Treece asked Hamburg to stay in the meeting to answer questions.

Hamburg noted that he cannot stay for the rest of the meeting but can gave out his contact information.

Seeing no further discussion, Chair Treece moved onto the next agenda item.

7.3 Urban Growth Management Expert Panel

Chair Treece introduced Metro staff Ted Reid (he/him) to present.

Reid discussed the Urban Growth Report and noted the purpose of the presentation.

Josh Hardwood, Metro introduced Mark McMullen, State of Oregon.

McMullen discussed inflation, the labor market, and Oregon's unique business cycle. He mentioned some expected impacts from the CHIPS Act and some reasons why workers will remain scarce for some time in Oregon. McMullen explained that the population growth had stalled, but the current demographics are great. He discussed data on Oregon's domestic migration, population, housing, and housing demand. McMullen mentioned the effect of a zero-migration scenario on Oregon's population and housing demand.

Hardwood commented on how somethings are changing, and others are not. He introduced Jeff Renfro, Multnomah County and asked him about the things that probably will and will not go back to normal.

Renfro mentioned the relationship population growth or job growth to income growth. He discussed changes in the relationship between the drivers of their tax revenue and indicators of economic activity.

Hardwood commented that even in the zero-migration scenario, they would still need more housing.

Councilor Sherman noted the growth of Happy Valley and its need for single-family homes. He explained that the savings for builders from incentives do not always get passed down to those buying homes. He asked how they can incentivize builders to make the housing the region needs.

Hardwood explained the demand can change quickly, while the supply does not change. He suggested that they should not overreact to the impact of the short-term demand. Hardwood mentioned that they will probably stay away from the individual policy prescriptions.

McMullen noted that the Governor's taskforce is putting out a list of recommendations related to housing. He mentioned that the housing needs analysis will change because of sample size issue and the census data that was used.

Councilor Sherman commented on the balance of providing new units that are more affordable and not reducing the values of existing homes.

Mayor Rosener asked about long-term solutions, such as making more land available for housing. He noted that much of the land in Sherwood that is available for housing is infrastructure constrained. Mayor Rosener also commented on the importance of land for job and attracting companies to Oregon.

Hardwood stated that the question was outside of his expertise, but explained how City of Portland has a different vacant land problem. He mentioned the difficulty of predicting where the development is going to happen.

City of Hillsboro Councilor Anthony Martin asked how housing production increases and climate change factor into the Metro area forecast.

Hardwood mentioned that there will be climate migration, but not to the scale that they need to put it as a factor in a forecast.

Renfro mentioned that climate was not explicitly incorporated, but it may be incorporated in the future within the livability factor.

McMullen noted that Oregon is losing population, but there are jobs available. He believed that climate is a factor and noted the difficulty in getting the data.

Hardwood mentioned that cities like Spokane and Salt Lake City are booming partially because of the cost of living.

Councilor Rosenthal asked if the concept of community has changed and if that would affect housing density and cost. He also mentioned Orenco Station as an example.

Hardwood explained that they look at demographics, like age cohorts and their behavior over time.

Renfro commented on how some Millennials want the same things as previous generations, such as a family and a house, later in their life. He explained that the core metro area is not affordable for younger people, so they are going to other places.

McMullen noted that there are debates about the character of neighborhoods has changed across generations. He mentioned that Millennials in Oregon are not having children like previous generations, but their housing preferences may change when they do have children.

Chair Treece asked the panelists for their remarks and advice to MPAC on the UGM decision.

Mayor Rosener explained that the average age of the population of Sherwood has been mostly constant. He asked what things they need to do to reverse some of the trends.

Hardwood noted the challenges of making long-term plans and suggested that they not overreact to recent events because it is a longer time horizon.

McMullen mentioned the shortage of commercial and industrial land in Oregon. He noted that they will need to lean on their industry expertise and clusters in the state that make sense for employers.

Renfro suggested that they be realistic about what the recovery of the region will look like, to focus on the core drivers of growth and to look at the demographics.

Chair Treece thanked the panelists and Metro staff.

8. ADJOURN

Chair Treece adjourned the meeting at 7:00 pm.

Respectfully Submitted,

Jemeshia Taylor

Jemeshia Taylor
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JANUARY 24, 2024

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
7.1	Presentation	01/24/24	EPA Climate Pollution Reduction Grant (CPRG) Presentation	012424m-01
7.2	Presentation	01/24/24	2023 Compliance Report Presentation	012424m--02
7.3	Presentation	01/24/24	Oregon's Economic and Housing Outlook Presentation	012424m-03

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, January 24, 2024 **5:00 PM** **https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00PM)

Please note: This meeting will be held online. You can join the meeting on your computer or other device by using this link: https://zoom.us/j/95889916633 or by calling +1 669 900 6128 or +1 877 853 5257 (Toll Free)

If you wish to attend the meeting, but do not have the ability to attend by phone or computer, please contact the Legislative Coordinator at least 24 hours before the noticed meeting time by phone at 503-813-7591 or email at legislativecoordinator@oregonmetro.gov.

2. Public Communication on Agenda Items (5:02PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.

Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov.

Those requesting to comment during the meeting can do so by using the "Raise Hand" feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:05PM)

4. Committee Member Communication (5:07PM)

5. Consent Agenda (5:09PM)

5.1 Consideration of the December 13, 2023 MPAC Minutes — COM 24-6014

Attachments: 121323 MPAC Minutes

6. Action Items (5:10PM)

6.1 MPAC Nominations and Review of MPAC Charge COM 24-0765

Presenter(s): Chair Pam Treece
Malu Wilkinson, Metro
Attachments: MPAC Worksheet

7. Information/Discussion Items (5:20PM)

7.1 Carbon Pollution Reduction Grant (5:20PM) COM 24-0766

Presenter(s): Eliot Rose (he/him), Metro
Attachments: MPAC Worksheet

7.2 Urban Growth Management Functional Plan Annual Compliance Report (5:50PM) COM 24-0767

Presenter(s): Glen Hamburg (he/him), Metro
Attachments: MPAC Worksheet
2023 Compliance Report

7.3 Urban Growth Management Expert Panel (6:00PM) COM 24-0768

Presenter(s): Ted Reid (he/him), Metro
Josh Harwood, Metro
Mark McMullen, State of Oregon
Jeff Renfro, Multnomah County
Attachments: MPAC Worksheet

8. Adjourn (7:00PM)

Metro respects civil rights

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro
ការគោរពសិទ្ធិពលរដ្ឋរបស់។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបាទម្រង់បណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ក្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក។

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Metro txoj kev ntxub ntxaug daim ntawv ceeb toom
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January 2021

7.2 Urban Growth Management Functional Plan Annual Compliance Report

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, January 24th, 2024

MPAC Worksheet

Agenda Item Title: Urban Growth Management Functional Plan Annual Compliance Report

Presenters: Glen Hamburg (he/him), Associate Regional Planner, Metro

Contact for this worksheet/presentation: Glen Hamburg (glen.hamburg@oregonmetro.gov)

Purpose/Objective
Submit to MPAC the annual report required by Urban Growth Management Functional Plan (UGMFP) on: the status of compliance by cities and counties on the requirements of the UGMFP; and the cumulative effects on employment land in the region of the amendments to the Employment and Industrial Areas Map (the "Title 4 Map") made in 2023.

Outcomes

1. MPAC briefed on cities' and counties' current compliance with UGMFP requirements and on 2023 changes to the Title 4 Map; and
2. Conformance with reporting requirements in UGMFP Subsections 3.07.450(k) and 3.07.870(a)

What has changed since MPAC last considered this issue/item?
The last annual report was submitted to MPAC in March 2023. Since then:

- The City of Happy Valley adopted the "Pleasant Valley / North Carver Comprehensive Plan" for an approximately 2,700-acre portion of the former City of Damascus;
- Metro COO Order 23-001 amended Title 4 Map at the request of the City of Happy Valley to reflect locally-adopted land use plans for the Pleasant Valley / North Carver area and the amendments made to the UGB by Ordinance No. 23-1488;
- The City of King City came into compliance with UGMFP Title 11 requirements for planning of the "Kingston Terrace" area added to the UGB in 2018; and
- The City of King City adopted its first transportation system plan, consistent with the Regional Transportation Functional Plan (RTFP).

What packet material do you plan to include?

1. 2023 Compliance Report

2023 Compliance Report

January 10, 2024

If you picnic at Blue Lake or take your kids to the Oregon Zoo, enjoy symphonies at the Schnitz or auto shows at the convention center, put out your trash or drive your car – we've already crossed paths.

So, hello. We're Metro – nice to meet you.

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

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Executive Summary

Metro Code Chapter 3.07 (the "Urban Growth Management Functional Plan" or "UGMFP") and Chapter 3.08 (the "Regional Transportation Functional Plan" or "RTFP") provide standards, tools, and guidance for local land use plans, transportation system plans, and implementing regulations that are necessary to advance the regional vision, goals, and policies of Metro's Regional Framework Plan and the 2040 Growth Concept.

As required annually by Metro Code Subsection 3.07.870(a), the 2023 Compliance Report summarizes the status of compliance with the UGMFP for each city and county in the region.[1] To better connect land use planning with transportation planning, this report also includes information on local government compliance with the RTFP.

All jurisdictions are in compliance with the UGMFP, with the exception of a few jurisdictions that continue to work to satisfy UGMFP Title 11 requirements related to planning for areas previously added to the urban growth boundary (UGB). All jurisdictions are in compliance with their respective RTFP requirements.

Per the Metro Code and if requested, the Chief Operating Officer (COO) may grant formal extensions to deadlines for meeting UGMFP requirements if a local government meets one of two criteria: the city or county is making progress towards compliance; or there is good cause for failure to meet the deadline for compliance. In 2023, there were no requests for extensions of compliance dates for the UGMFP. Nonetheless, this report notes that progress is being made by cities and counties to address deficiencies.

Appendix A summarizes the compliance status for all local governments with the requirements of the UGMFP, as of December 31, 2023.

Appendix B shows the status of UGMFP Title 11 new urban area planning for areas added to the UGB since 1998, as of December 31, 2023.

Appendix C summarizes local jurisdictions' compliance with the RTFP, as of December 31, 2023.

Appendix D is the report required by Metro Code Subsection 3.07.450(k) on amendments made in 2023 to the UGMFP Title 4 Employment and Industrial Areas Map (also known as the "Industrial and Other Employment Areas Map" and the "Title 4 Map").[2]

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[1] Metro Code Subsection 3.07.870(a) requires Metro's COO to submit the report to the Metro Council by March 1 and to send a copy of the report to MPAC, JPACT, PERC, and each city and county within Metro.

[2] Subsection 3.07.450(k) requires the COO to submit a written report to the Metro Council and MPAC by January 31 of each year on the cumulative effects on employment land in the region of the amendments made to the Title 4 Map the preceding year. The report must include any recommendations the COO deems appropriate on measures the Council might take to address the effects.

APPENDIX A

Summary of Urban Growth Management Function Plan (UGMFP)
Compliance Status as of December 31, 2023

City/ County	Title 1 *Housing Capacity*	Title 3 *Water Quality and Flood Management*	Title 4 *Industrial and other Employment Land*	Title 6[1] *Centers, Corridors, Station Communities and Main Streets*	Title 7 *Housing Choice*	Title 11 *Planning for New Urban Areas* (See Appendix B for detailed information)	Title 13 *Nature in Neighborhoods*
Beaverton	In compliance	In compliance	In compliance	See footnote	In compliance	Not in compliance	In compliance
Cornelius	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance
Durham	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Fairview	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Forest Grove	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance
Gladstone	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Gresham	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance
Happy Valley	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance
Hillsboro	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance
Johnson City	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
King City	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance
Lake Oswego	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Maywood Park	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Milwaukie	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Oregon City	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance

[1] Title 6 takes an incentive approach and only those local governments seeking a "regional investment" (defined as a new high-capacity transit line) need to comply with its provisions. No cities or counties are currently seeking a regional investment requiring Title 6 compliance.

APPENDIX A (continued)

Summary of Urban Growth Management Function Plan (UGMFP)
Compliance Status as of December 31, 2023

City/ County	Title 1 *Housing Capacity*	Title 3 *Water Quality and Flood Management*	Title 4 *Industrial and other Employment Land*	Title 6[1] *Centers, Corridors, Station Communities and Main Streets*	Title 7 *Housing Choice*	Title 11 *Planning for New Urban Areas* (see Appendix B for detailed information)	Title 13 *Nature in Neighborhoods*
Portland	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance
Rivergrove	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Sherwood	In compliance	In compliance	In compliance	See footnote	In compliance	Not in compliance	In compliance
Tigard	In compliance	In compliance	In compliance	See footnote	In compliance	Not in compliance	In compliance
Troutdale	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Tualatin	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance
West Linn	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Wilsonville	In compliance	In compliance	In compliance	See footnote	In compliance	In compliance	In compliance
Wood Village	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Clackamas County	In compliance	In compliance	In compliance	See footnote	In compliance	Not in compliance	In compliance
Multnomah County	In compliance	In compliance	In compliance	See footnote	In compliance	Not applicable	In compliance
Washington County	In compliance	In compliance	In compliance	See footnote	In compliance	Not in compliance	In compliance

[1] Title 6 takes an incentive approach and only those local governments seeking a "regional investment" (defined as a new high-capacity transit line) need to comply with its provisions. No cities or counties are currently seeking a regional investment requiring Title 6 compliance.

APPENDIX B
Status of Compliance with UGMFP TITLE 11, *Planning for New Urban Areas*, as of December 31, 2023

Project	Lead Government(s)	Compliance	Status
1998 UGB Expansion			
Rock Creek	Happy Valley	Yes	Planning completed; mostly annexed and developed
Pleasant Valley	Gresham, Happy Valley, Portland	Yes	Planning completed; a portion annexed by each city, with limited development occurring
1999 UGB Expansion			
Witch Hazel	Hillsboro	Yes	Planning completed; majority annexed and developed
2000 UGB Expansion			
Villebois Village	Wilsonville	Yes	Planning and annexation completed; development almost complete
2002 UGB Expansion			
Springwater	Gresham	Yes	Planning completed; some limited annexations and development
Damascus/Boring	Happy Valley	Yes	Happy Valley portion: Planning completed; development ongoing
	Clackamas County, Happy Valley	No	Former City of Damascus land area: Happy Valley adopted a Title 11 compliant comprehensive plan (Pleasant Valley / North Carver Comprehensive Plan) for approximately 2,700 acres of the area, and the County and the City have an Urban Growth Management Agreement for the City to do comprehensive planning for additional portions of the area
	Gresham	Yes	Gresham portion: Kelley Creek Headwaters Plan completed; some limited annexations and development
Park Place	Oregon City	Yes	Planning completed; portion annexed and waiting development
Beavercreek Rd	Oregon City	Yes	Planning completed; portion annexed and waiting development
South End Rd	Oregon City	Yes	Planning completed; waiting annexation and development
East Wilsonville (Frog Pond West)	Wilsonville	Yes	Planning completed; mostly annexed, with development ongoing
NW Tualatin (Cipole Rd and 99W)	Tualatin	Yes	Planning completed; waiting annexation and development
SW Tualatin	Tualatin	Yes	Planning completed; waiting annexation and development
Brookman Rd	Sherwood	Yes	Refinement plan completed; annexation and development ongoing
West Bull Mountain (River Terrace 1.0)	Tigard	Yes	*See Roy Rogers West (River Terrace 1.0) with 2011 expansion*
Study Area 59	Sherwood	Yes	Planning and annexation completed; development almost complete
Study Area 61 (Cipole Rd)	Sherwood	No	Extension to 12/31/2021 expired; City staff working to complete project
99W Area (near Tualatin-Sherwood Rd)	Sherwood	Yes	Planning completed; partially annexed and developed

APPENDIX B (continued)
Status of Compliance with UGMFP TITLE 11, *Planning for New Urban Areas*, as of December 31, 2023

Project	Lead Government(s)	Compliance	Status
North Cooper Mountain	Washington County	No	Preliminary planning completed by City of Beaverton in conjunction with Washington County; Future discussions of comprehensive and urban services planning will be informed by Beaverton's Cooper Mountain Community plan and its related Cooper Mountain Utility Plan
Study Area 64 (14 acres north of Scholls Ferry Rd)	Beaverton	Yes	Planned, annexed, and developed
Study Areas 69 and 71	Hillsboro	Yes	Planning completed as part of South Hillsboro; portion annexed and developed
Study Area 77	Cornelius	Yes	Planning and annexation completed; small portion developed
Forest Grove Swap	Forest Grove	Yes	Planned, annexed, and developed
Shute Road	Hillsboro	Yes	Planning and annexation completed; majority developed
North Bethany	Washington County	Yes	Planning completed; majority developed
Bonny Slope West (Area 93)	Washington County	Yes	Planning completed; development ongoing
2004/2005 UGB Expansion			
Damascus area	Clackamas County	See 2002 above	*See Damascus/Boring 2002 expansion above*
Tonquin	Sherwood	Yes	Planning completed; portion annexed, with development ongoing
Basalt Creek / West RR Area	Tualatin, Wilsonville	Yes	Planning completed; some limited annexation; waiting further annexations and development
North Holladay	Cornelius	Yes	Planning completed; waiting annexation and development
Evergreen	Hillsboro	Yes	Planning completed; majority annexed, with development ongoing
Helvetia	Hillsboro	Yes	Planning completed; majority annexed, with development ongoing
2011 UGB Expansion			
North Hillsboro	Hillsboro	Yes	Planning completed; annexation and development ongoing
South Hillsboro	Hillsboro	Yes	Planning completed; annexation and development ongoing
South Cooper Mountain	Beaverton	Yes	Planning and annexation completed; development ongoing
Roy Rogers West (River Terrace 1.0)	Tigard	Yes	Planning completed; annexation and development ongoing

APPENDIX B (continued)
Status of Compliance with UGMFP TITLE 11, *Planning for New Urban Areas*, as of December 31, 2023

Project	Lead Government(s)	Compliance	Status
2014 UGB Expansion (HB 4078)			
Cornelius North	Cornelius	Yes	Planning completed; small portion annexed and developed
Cornelius South	Cornelius	Yes	Planning completed; mostly annexed, with development ongoing
Forest Grove (Purdin Rd)	Forest Grove	Yes	Planning completed; about half annexed and small portion developed
Forest Grove (Elm St)	Forest Grove	Yes	Planning and annexation completed; waiting development
Hillsboro (Jackson East)	Hillsboro	Yes	Planning and some annexations completed; waiting further annexations and development
2018 UGB Expansion			
Cooper Mountain	Beaverton	No	Comprehensive planning expected to be completed in 2024
Witch Hazel Village South	Hillsboro	Yes	Planning completed; waiting annexation and development
Beef Bend South (Kingston Terrace)	King City	Yes	Planning completed; waiting annexation and development
Advance Road (Frog Pond East and South)	Wilsonville	Yes	Planning completed; waiting annexation and development
2023 UGB Amendment			
River Terrace 2.0	Tigard	No	Area only recently added to UGB; planning expected to be completed in 2026

APPENDIX C

Summary of Regional Transportation Functional Plan (RTFP)
Compliance Status as of December 31, 2023

Jurisdiction	Title 1 *Transportation System Design*	Title 2 *Development and Update of Transportation System Plans*	Title 3 *Transportation Project Development*	Title 4 *Regional Parking Management*	Title 5 *Amendment of Comprehensive Plans*
Beaverton	In compliance	In compliance	In compliance	In compliance	In compliance
Cornelius	In compliance	In compliance	In compliance	In compliance	In compliance
Durham	Exempt	Exempt	Exempt	Exempt	Exempt
Fairview	In compliance	In compliance	In compliance	In compliance	In compliance
Forest Grove	In compliance	In compliance	In compliance	In compliance	In compliance
Gladstone	In compliance	In compliance	In compliance	In compliance	In compliance
Gresham	In compliance	In compliance	In compliance	In compliance	In compliance
Happy Valley	In compliance	In compliance	In compliance	In compliance	In compliance
Hillsboro	In compliance	In compliance	In compliance	In compliance	In compliance
Johnson City	Exempt	Exempt	Exempt	Exempt	Exempt
King City	In compliance	In compliance	In compliance	In compliance	In compliance
Lake Oswego	In compliance	In compliance	In compliance	In compliance	In compliance
Maywood Park	Exempt	Exempt	Exempt	Exempt	Exempt
Milwaukie	In compliance	In compliance	In compliance	In compliance	In compliance
Oregon City	In compliance	In compliance	In compliance	In compliance	In compliance
Portland	In compliance	In compliance	In compliance	In compliance	In compliance
Rivergrove	Exempt	Exempt	Exempt	Exempt	Exempt
Sherwood	In compliance	In compliance	In compliance	In compliance	In compliance
Tigard	In compliance	In compliance	In compliance	In compliance	In compliance
Troutdale	In compliance	In compliance	In compliance	Exception	In compliance
Tualatin	In compliance	In compliance	In compliance	In compliance	In compliance
West Linn	In compliance	In compliance	In compliance	In compliance	In compliance
Wilsonville	In compliance	In compliance	In compliance	In compliance	In compliance
Wood Village	In compliance	In compliance	In compliance	In compliance	In compliance
Clackamas County	In compliance	In compliance	In compliance	In compliance	In compliance
Multnomah County	In compliance	In compliance	In compliance	In compliance	In compliance
Washington County	In compliance	In compliance	In compliance	In compliance	In compliance

APPENDIX D

Memo

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Date: January 10, 2024
To: Metro Council and the Metro Policy Advisory Committee
From: Marissa Madrigal, Chief Operating Officer
Subject: Annual report on amendments to UGMFP Title 4 Map

Background
Title 4, *Industrial and Other Employment Areas*, of the Urban Growth Management Functional Plan (UGMFP) seeks to improve the region's economy by protecting a supply of sites for employment with requirements for local jurisdictions to limit the types and scale of certain non-industrial uses in designated Regionally Significant Industrial Areas, Industrial Areas, and Employment Areas. Those areas are officially depicted on the UGMFP's "*Title 4 Industrial and Other Employment Areas Map*" (i.e., the "Title 4 Map"). The Title 4 Map was first adopted in 1996 and has been amended several times. However, amendments have been infrequent in recent years. Between 2014 and 2022, only one amendment, affecting 20 acres, was made to the map.

Title 4 requires that Metro's Chief Operating Officer (COO) submit a written report to the Council and MPAC by January 31 of each year on the cumulative effects on employment land in the region of amendments to the Title 4 Map during the preceding calendar year. This memo constitutes the report on map amendments made in 2023.

Title 4 Map amendments in 2023
Title 4 sets forth several avenues for amending the map, either through a Metro Council ordinance or through an order of the COO, depending on the circumstances. There were no amendments made to the Title 4 Map by the Metro Council in 2023, but COO Order No. 23-001, signed in September of 2023, amended the map at the request of the City of Happy Valley pursuant to UGMFP Subsection 3.07.450(b).

Subsection 3.07.450(b) provides that, when the Metro Council adds territory to the UGB and designates all or part of the territory as Regionally Significant Industrial Area, Industrial Area, or Employment Area, the COO shall issue an order to conform the Title 4 Map to the land use designations subsequently established by the city or county responsible for comprehensive planning. In the case of COO Order No. 23-001, the map amendment occurred a number of years after the UGB expansion, for the following reasons.

Ordinance No. 02-969B adopted by the Metro Council in December 2002, and Ordinance No. 04-1040B adopted by the Metro Council in June 2004, added territory in Clackamas County to the UGB, including approximately 2,700 acres generally located in the Pleasant Valley / North Carver area[1] of the former City of Damascus. These ordinances also preliminarily designated some sections of the added territory as Regionally Significant Industrial Area, Industrial Area, and Employment Area on the Title 4 Map, with the understanding that the Title 4 Map could be amended after the area was planned for urban uses by the responsible local jurisdiction. With the incorporation and disincorporation of the City of Damascus, the subsequent agreement between the City of Happy Valley and Clackamas County for the area to be planned by the City of Happy Valley, and the general complexities of developing the area, urban planning of the Pleasant Valley / North Carver area wasn't completed by the City of Happy Valley until March of 2023.

[1] The Pleasant Valley / North Carver area is generally located east of SE 152nd Ave, west of SE Anderson Rd, and north of the Clackamas River.

The City of Happy Valley's comprehensive land use plan for the Pleasant Valley / North Carver area was informed by a December 2018 buildable lands inventory, a January 2020 housing needs analysis, and a January 2020 economic opportunity analysis, as well as traffic and utility studies, analyses of topography and habitat areas, broad public outreach, and input from numerous stakeholders. The City's plan identifies that certain portions of the 2,700-acre plan area are less suitable for industrial development than they are for other types of employment uses (e.g., commercial uses) and residential uses, but retains protections of 14.5 acres of Title 4 designated Industrial land in the plan area. COO Order No. 23-001 therefore amended the Title 4 Map to conform with the determinations made by the City in its local plan.

COO Order No. 23-001 also updated the Title 4 Map to reflect a UGB amendment adopted by the Metro Council in February 2023 in Ordinance No. 23-1488.

Councilors may be aware of some other city or county zone changes from industrial to other uses that occurred during 2023. None of those zone changes were found to be in conflict with Title 4, so amendments to the Title 4 Map were not necessary or requested by cities or counties.

Cumulative effects on employment land in the region

COO Order No. 23-001 removed Title 4 Map designations for approximately 800 acres of the roughly 2,700-acre Pleasant Valley / North Carver comprehensive plan area, while retaining 14.5 acres of the plan area's Industrial designations along Hwy 212. The undesignated acres were: already developed with other (e.g., institutional, commercial, or residential) uses; not zoned to allow for industrial uses; and/or were determined by the City of Happy Valley to be less suitable for industrial development than other uses due to factors such as topography, environmental features, parcel size, road and utility service access, and nearby land uses. The City's adopted land use plan for the area and its implementing regulations nonetheless allow for other employment-supporting uses in some affected areas, such as tourism-oriented commercial uses, medical offices, and financial institutions.

As noted above, COO Order No. 23-001 also updated the Title 4 Map to reflect Ordinance No. 23-1488, which added land to the UGB adjacent to the City of Tigard in exchange for removing a substantially equivalent amount of land in Clackamas County. The areas removed from the UGB by the ordinance were *not* planned or zoned for industrial uses and were determined to be less ready to accommodate urban development than the areas the ordinance added to the UGB.

Therefore, the Order's removal of Title 4 Map designations in Pleasant Valley / North Carver area, which had been applied nearly 20 years ago and prior to any comprehensive planning of the affected territory, and the updates to reflect Ordinance No. 23-1488 did not reduce the supply of land that would reasonably be expected to develop with employment land uses.

Future UGMFP and Title 4 Map updates

Staff anticipates that the number of requests for Title 4 Map amendments may increase in the next few years as local plans and regional economic needs continue to change. A refresh of the 2040 Growth Concept would offer an opportunity for Metro Council consideration of industrial land policy and regulatory updates including an update of the Title 4 Map.

7.3 Urban Growth Management Expert Panel

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, January 24th, 2024

MPAC Worksheet

Agenda Item Title: 2024 urban growth management decision: panel discussion of economic and demographic conditions

Presenters: Josh Harwood, Fiscal and Tax Policy Director, Metro; Peter Hulseman, Economist, City of Portland; Mark McMullen, State Economist, Oregon; Ted Reid, Principal Regional Planner, Metro; Jeff Renfro, Economist, Multnomah County

Purpose/Objective
The purpose of this item is to continue MPAC's engagement in growth management topics so that it is prepared to advise the Metro Council on its regional growth management decision in late 2024.

Under state law, Metro must assess – at least every six years – whether there is a regional need to expand the urban growth boundary (UGB) to ensure adequate room for 20 years of expected housing and job growth. UGB expansions are only allowed if there is a demonstrated regional need for more land. To assess that demand, Metro completes a regional population, household, and employment forecast, which is reviewed by external economists and demographers.

At the January 24 MPAC meeting, a panel of external demographers and economists will discuss the economic and demographic conditions and trends that factor into forecasting. The guest panelists and others are also providing peer review of Metro's regional forecast.

MPAC has previously discussed Metro's approach for estimating growth capacity of lands inside the current UGB. These analyses and others will be incorporated into a draft 2024 Urban Growth Report (UGR) that will be released in the summer of 2024.

Outcome
MPAC members are aware of the technical review processes that inform Metro's 2024 UGR. MPAC members can ask questions of the expert panel and discuss the implications of economic and demographic trends.

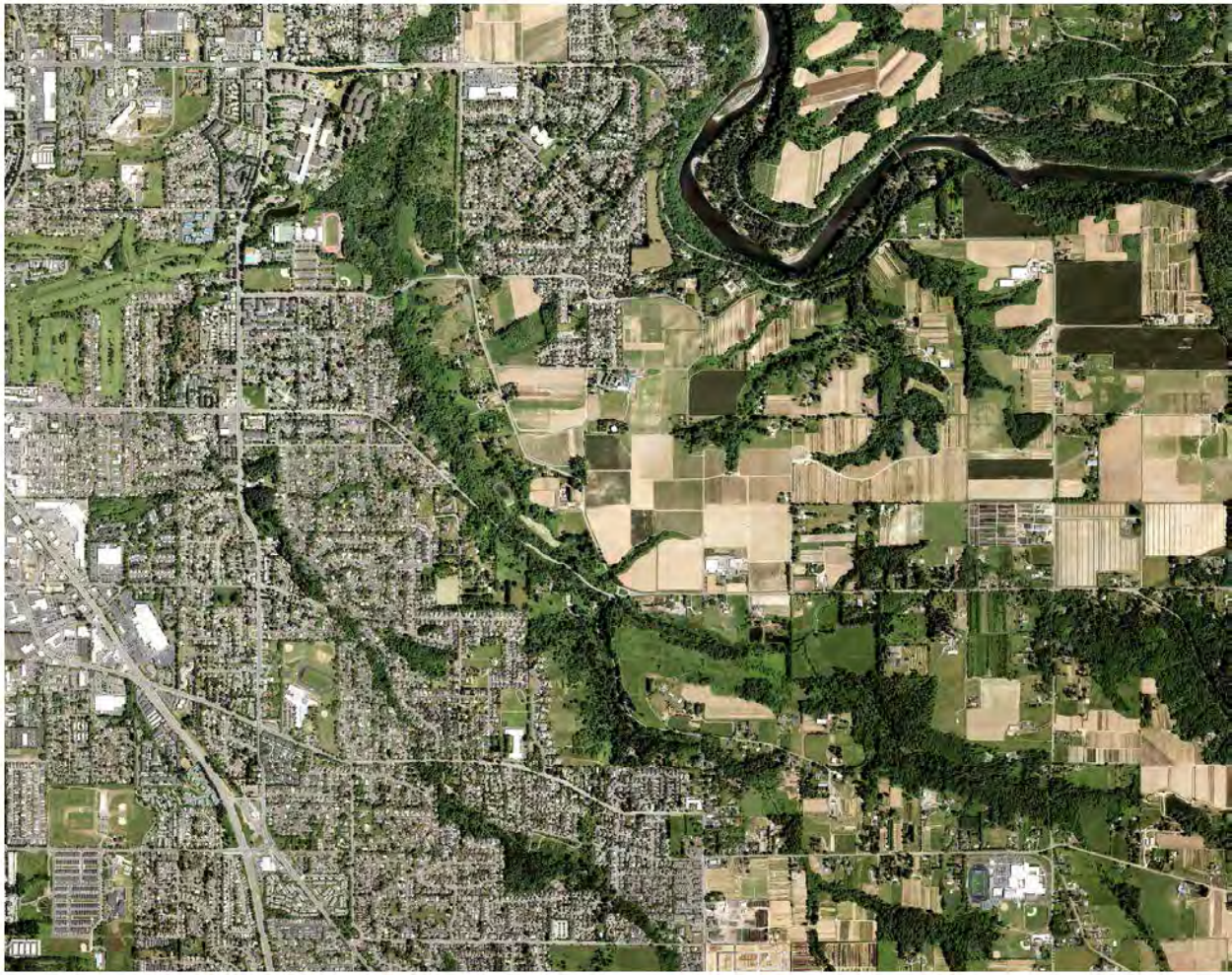
What has changed since MPAC last considered this issue/item?
This is MPAC's first discussion of the topic of the regional forecast for the 2024 urban growth management decision.

What packet material do you plan to include?
None

Materials following this page were distributed at the meeting.







2023 Compliance Report

MPAC: January 24, 2024

008214

Our Functional Plans

Regional Framework Plan (**RFP**)

+

2040 Growth Concept

Urban Growth Management Functional Plan (**UGMFP**)

+

Regional Transportation Functional Plan (**RTFP**)

Compliance Report

- Required annually
- All cities/counties in compliance, with Title 11 exceptions
- Appendix D: Title 4 Map changes in 2023

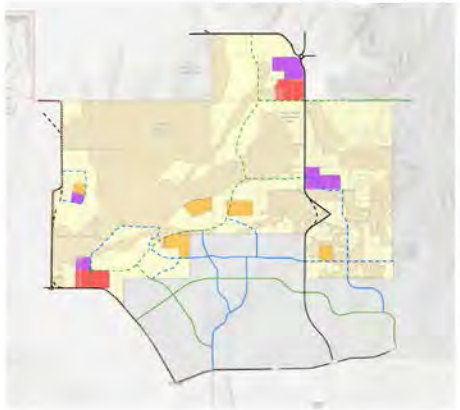


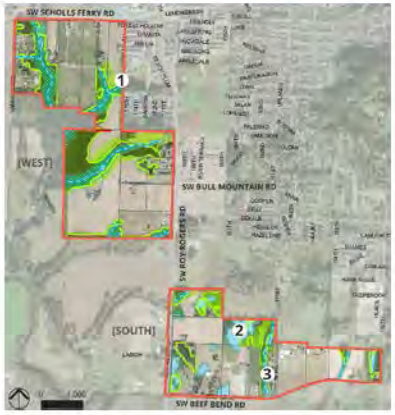
UGMFP Title 11

"Planning for New Urban Areas"

- Cipole Road
- North Cooper Mountain
- Cooper Mountain
- River Terrace 2.0
- Damascus







UGMFP Title 4

Purposes:

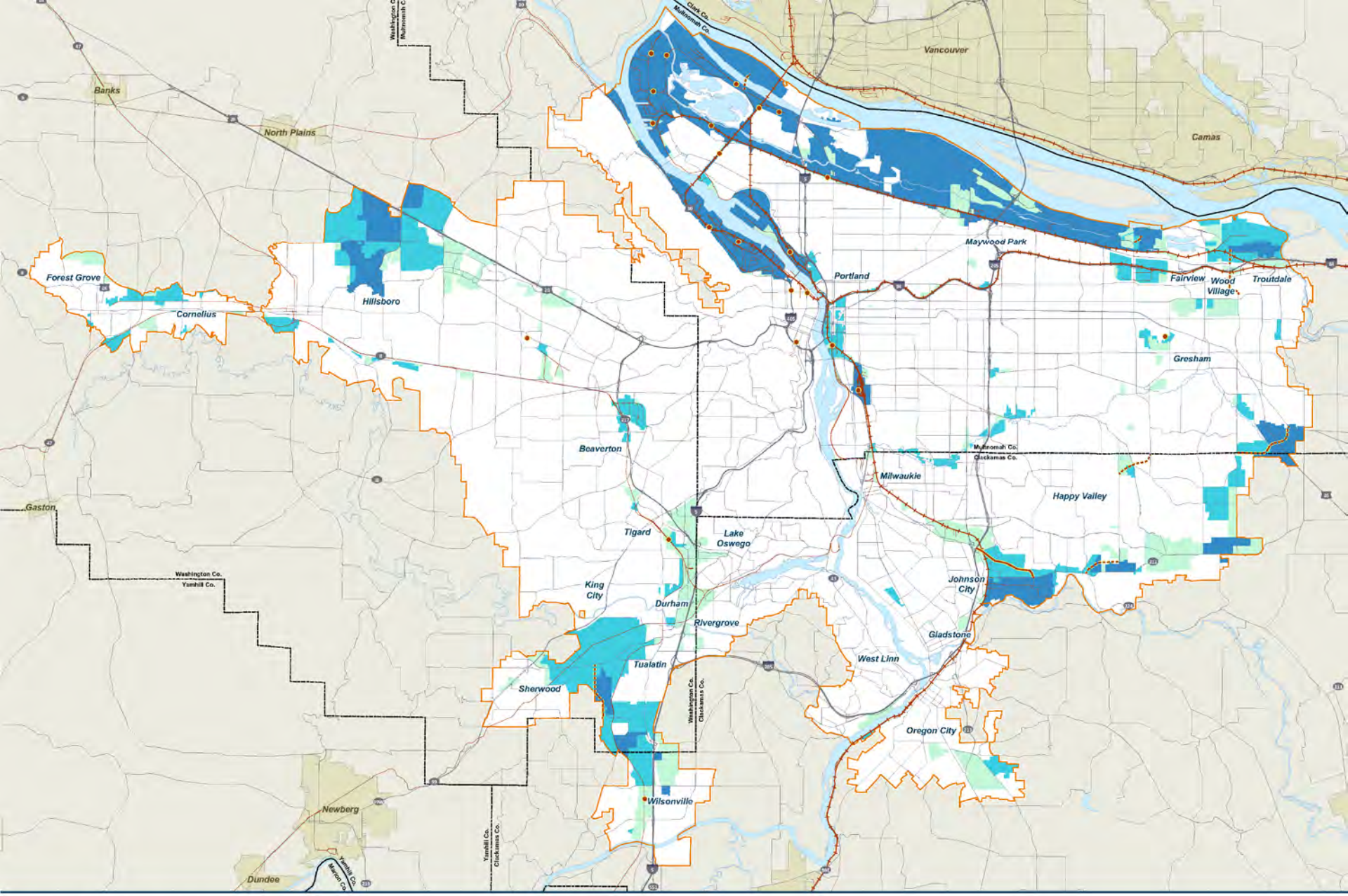
- Provide/protect sites for employment
- Promote industry "**clustering**"
- Promote capacity and **efficiency of transportation system** for movement of goods/services

Key Methods:

- Restrictions on land divisions
- Restrictions on large-footprint retail commercial uses







Title 4 Industrial and other Employment Areas

September 2023

0 1.5 3 6 Miles
0 2.25 4.5 9 Kilometers

Employment area
Industrial area
Regionally significant industrial area

Proposed main roadway route
Proposed road connector
Mainline freight
Branch line freight
Rail yard

County boundary
Metro urban growth boundary
Neighbor city

Metro

2023 Amendments

Request of Happy Valley:

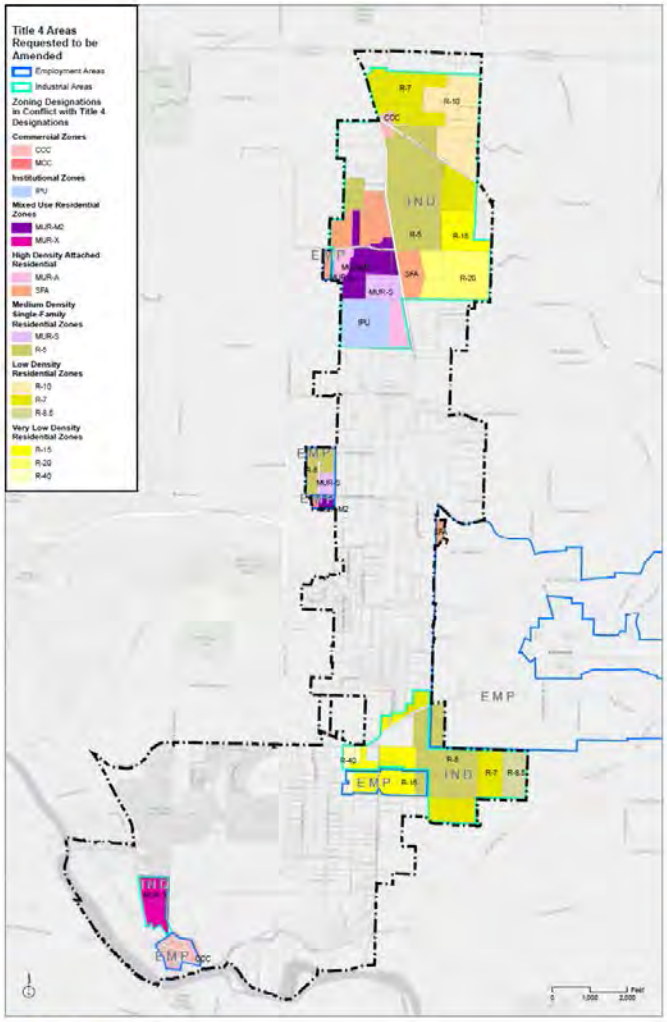
Changes following local development and adoption of plan for Pleasant Valley / North Carver area (2,700 acres)

- Buildable Lands Inventory
- Economic Opportunities Analysis
- Housing Needs Analysis
- Traffic and utility studies
- Analysis of topography and habitat
- Broad public outreach

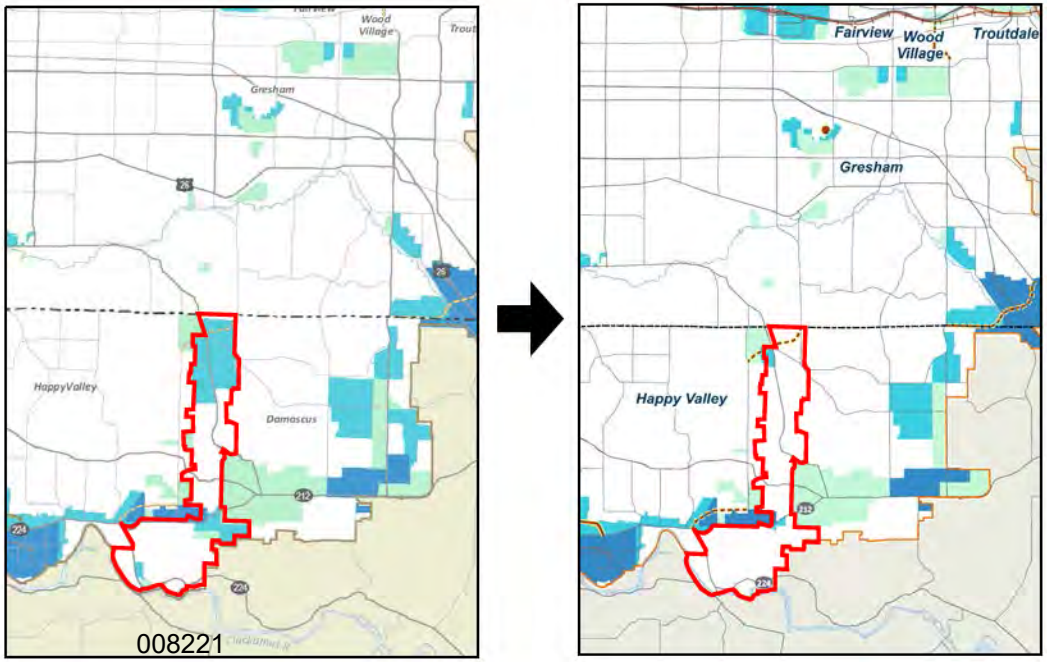


Credit: City of Happy Valley

2023 Amendments



- City's Plan: 800 acres better suited for other uses (commercial, residential)
- Title 4 designation removed by COO order (also conforming map to 2023 UGB decision)



Thank you!



Oregon's Economic and Housing Outlook

DAS
DEPARTMENT OF ADMINISTRATIVE SERVICES

January 24th, 2023

008223

Mark McMullen
Oregon State Economist

Economic soft landing looks likely

Inflation Near Fed's Target

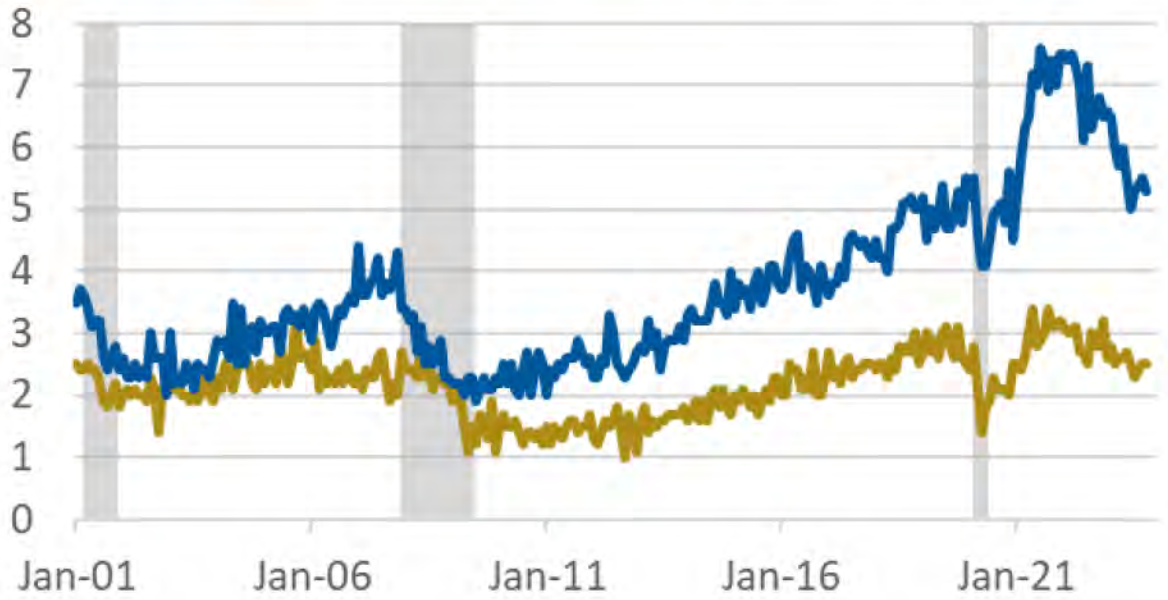
West Region Consumer Price Index excluding Food and Energy (Core CPI)
*Percent change, **Year-over-Year** and 3 Month (annualized rate)*



Latest: December 2023 | Source: BLS, Oregon Office of Economic Analysis

Labor Market has Rebalanced

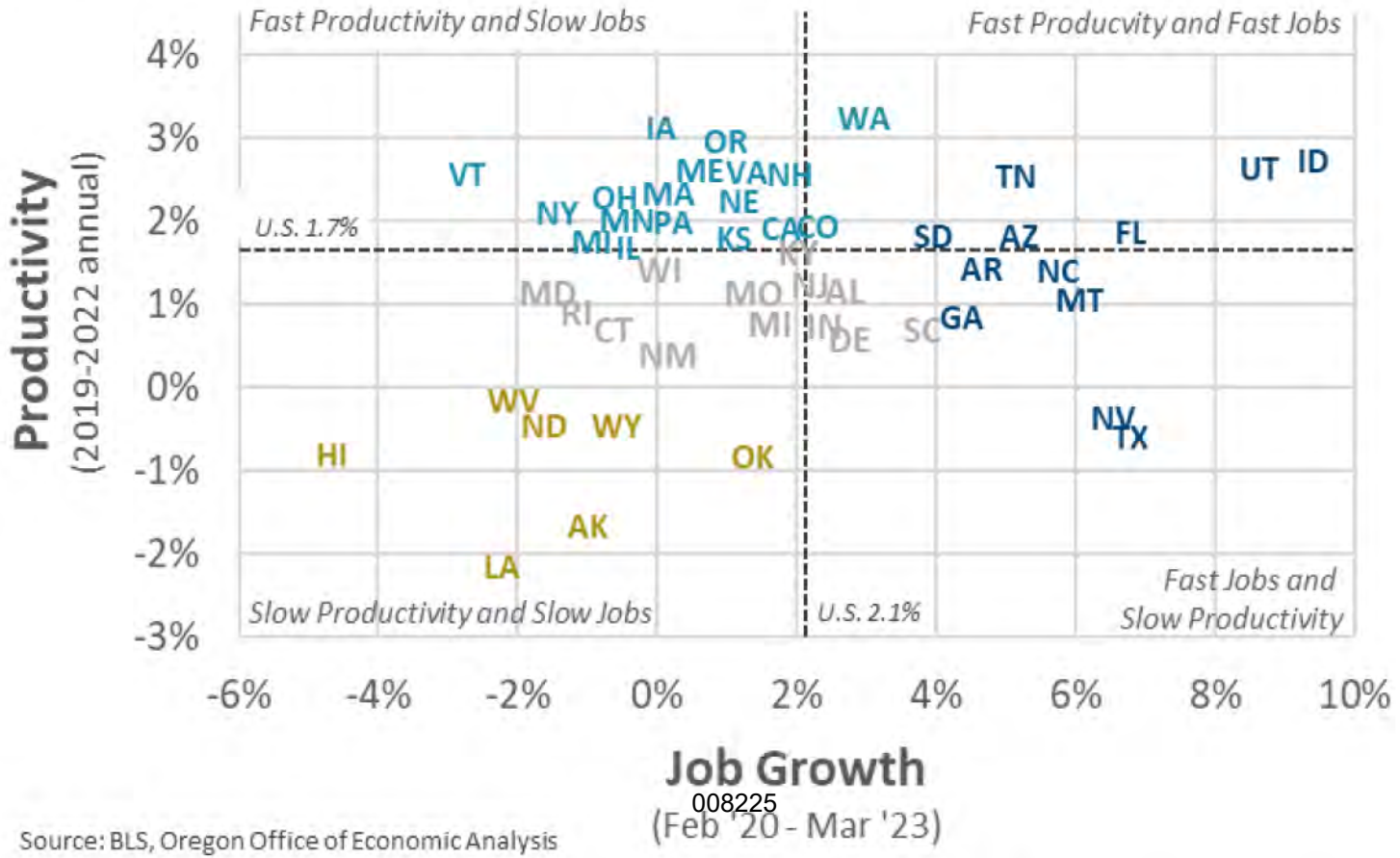
***Job Opening rate** and **Worker Quits rate** (percent) in Oregon*



Latest Data: October 2023 | Source: BLS, Oregon Office of Economic Analysis

A unique business cycle for Oregon

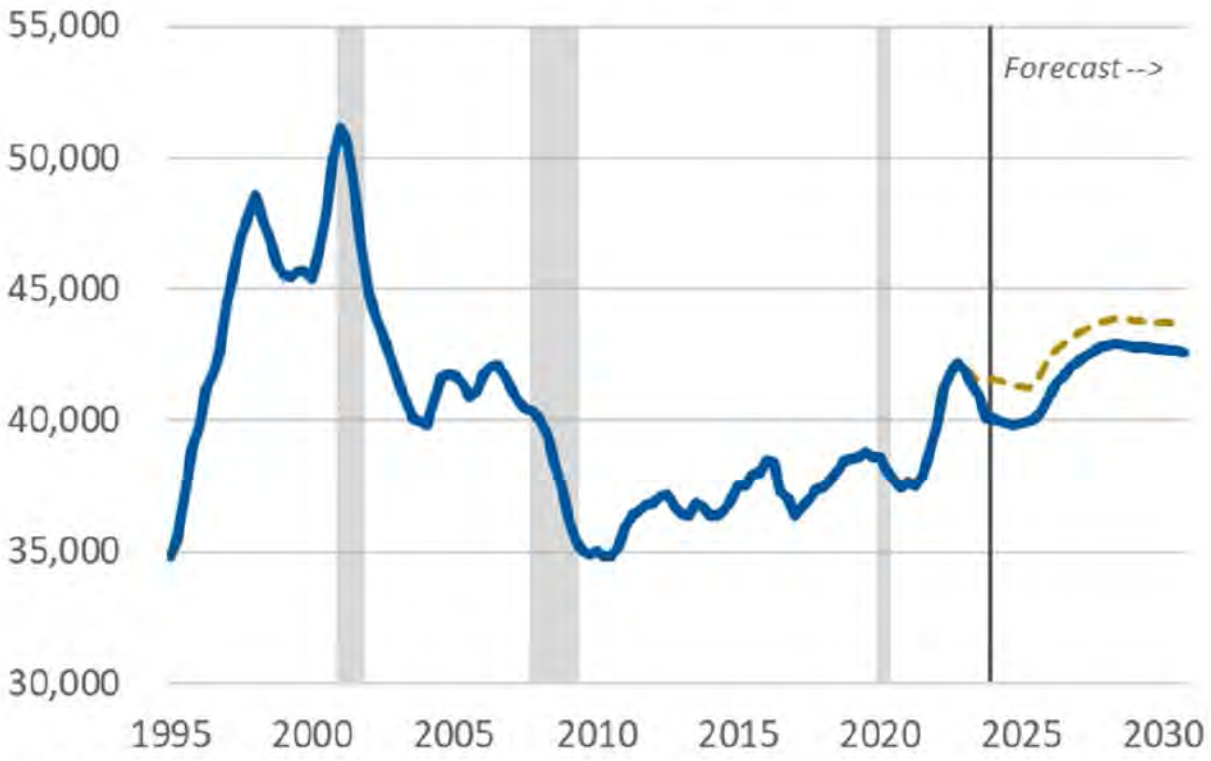
Pandemic Economic Growth Across States



Source: BLS, Oregon Office of Economic Analysis

CHIPS Act Impacts Expected

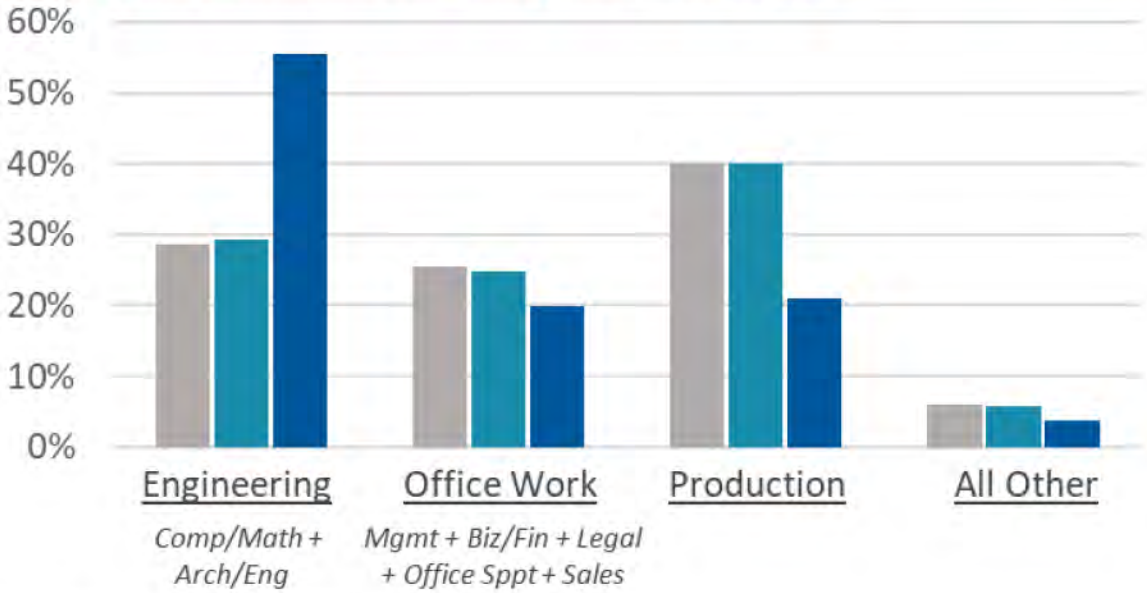
Oregon Computer & Electronic Produdcts



Latest Data: 2023q4 | Source: Oregon Employment Dept, Oregon Office of Econ Analysis

Semiconductor Workforce

*Share of all jobs by occupation in the United States, the **10 States with the Largest Semiconductor Workforce**, and **Oregon***

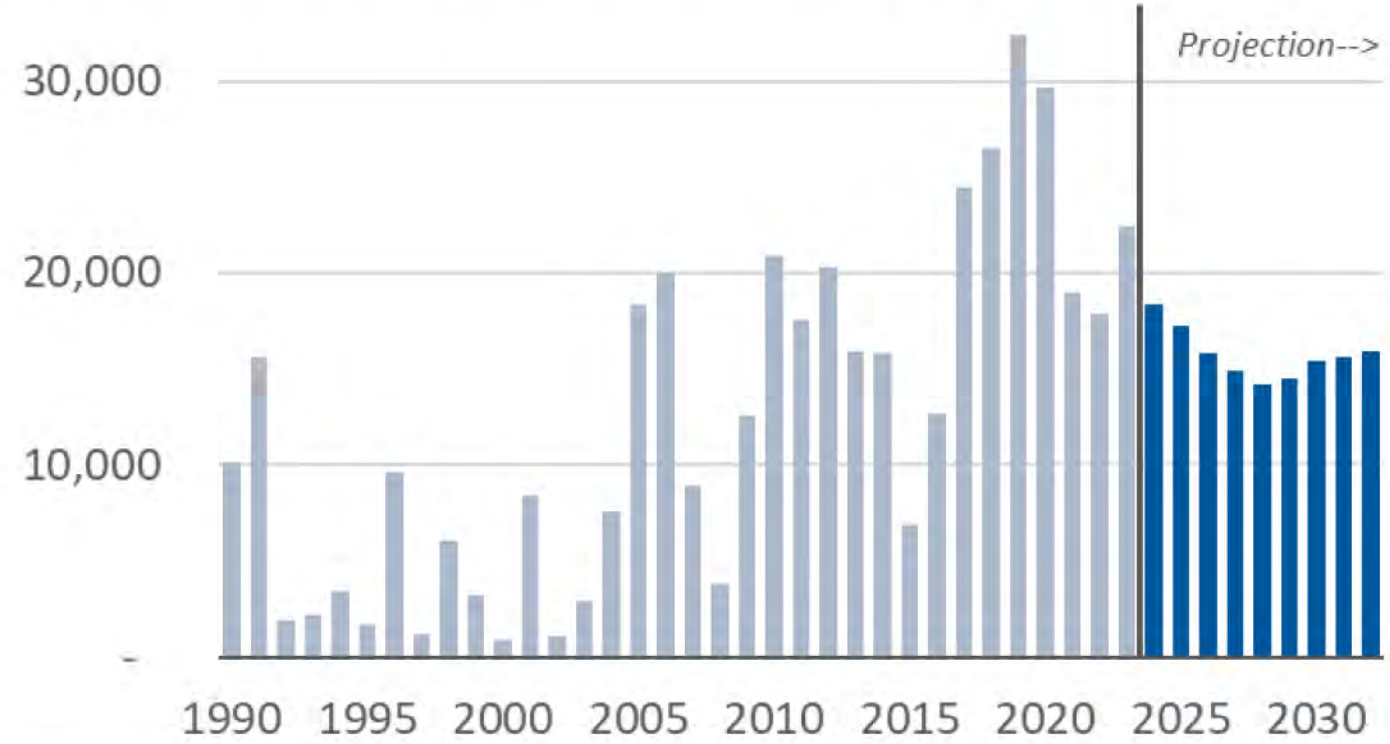


Data: 2022 | Source: BLS, Oregon Office of Economic Analysis

Workers will remain scarce for some time

Oregon Retirements

Annual change in Oregonians 60+ years old not in the labor force



Latest Data: 2023 | Source: IPUMS-CPS, Oregon Office of Economic Analysis

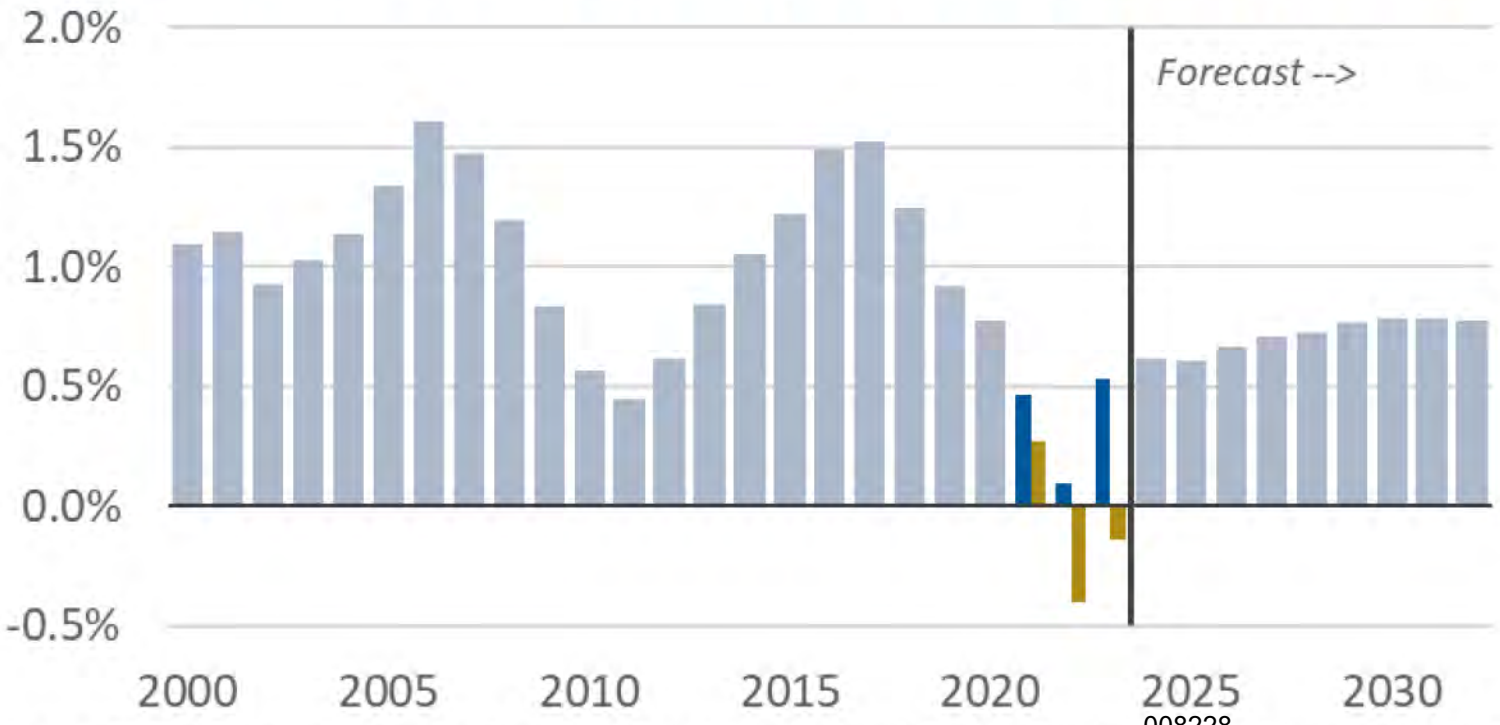
- Strong, inclusive recovery
  - Disparities did not widen based on age, educational attainment, gender, geographic location, or race and ethnicity
  - Disparities did widen based on wealth
- Labor market is tight
  - Cyclically due to strong economy
  - Structurally due to demographics of increased retirements and slower population growth
- Forecast
  - Oregon's potential labor force expected to increase just 0.6% per year this decade
  - Latent Labor Force: reducing historical disparities based on sex, race and ethnicity, and educational attainment among existing Oregonians would boost the workforce

Population growth has stalled

Oregon Population Growth

Annual change in total state population

OEA History and Forecast, Portland State Estimates, Census Estimates

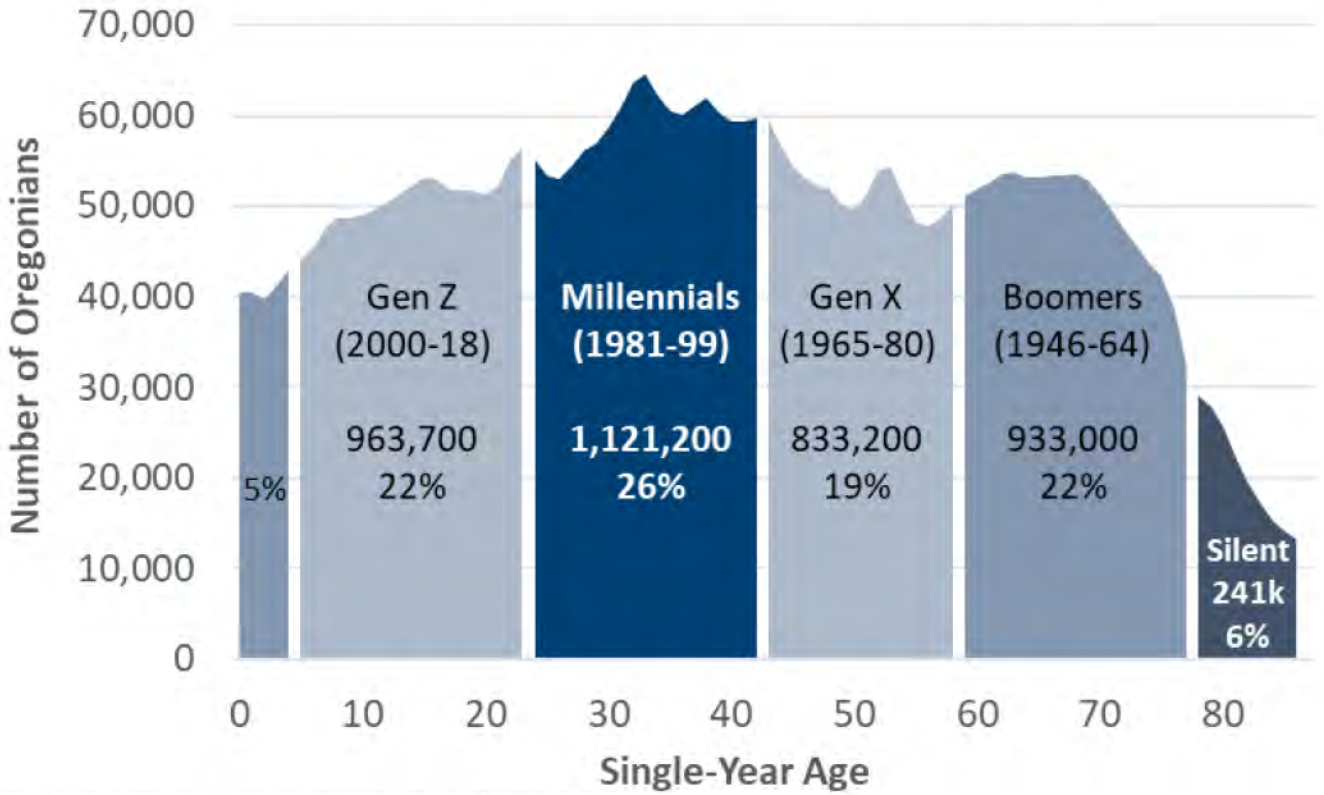


Latest: 2023 | Source: Census, Portland State Population Research Center, Oregon Office of Economic Analysis

- Stagnant population during the pandemic, although estimates are mixed with PSU up slightly, and Census down slightly
- Migration is the primary reason Oregon grows faster than the U.S. It allows local businesses to hire and expand at a faster rate.
- Updated Population Data
  - Deaths continue to outnumber births
  - Surrendered driver licenses at Oregon DMVs continues to match levels seen last decade
  - New data from the Cleveland Fed based on credit reports, shows the Portland metro population may be stabilizing, even as the urban core continues to lose residents

Current Demographics are Great

Oregon Population and Generations



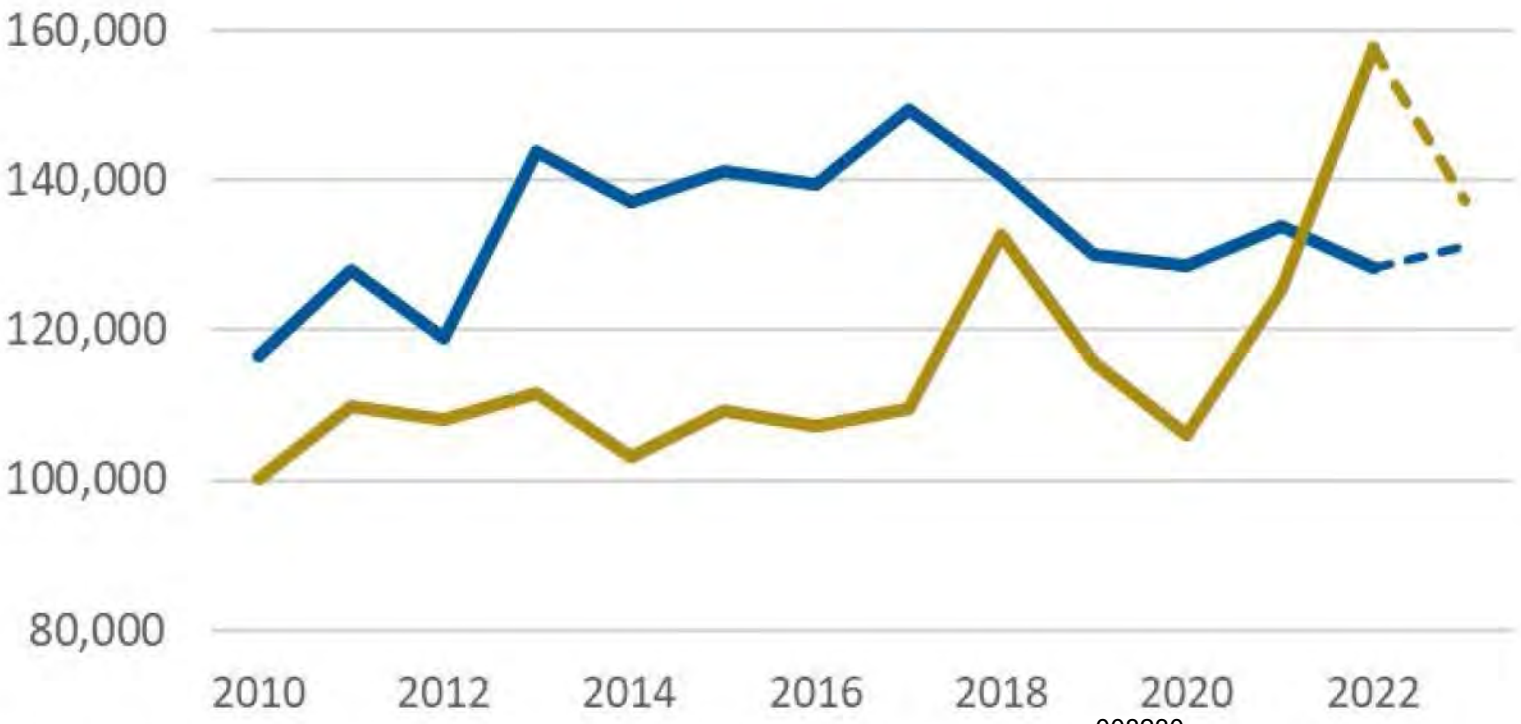
Data: 2023 Estimates | Source: Oregon Office of Economic Analysis

- Millennials
  - Largest generation alive
  - Now middle-age and a key economic force
  - Huge homeownership demand
- Boomers
  - Entering into traditional retirement years
  - Most have decent savings and are still in good health
  - Downsizing in the 2030s
- Gen Z
  - Somewhat smaller, barely offsets retiring Boomers
  - Oregon needs Gen Z to move here like Boomers and Millennials before them
  - Economic driver in the 2040s

Who Left Oregon?

Oregon Domestic Migration

*Number of people moving **Into Oregon** and **Out of Oregon***



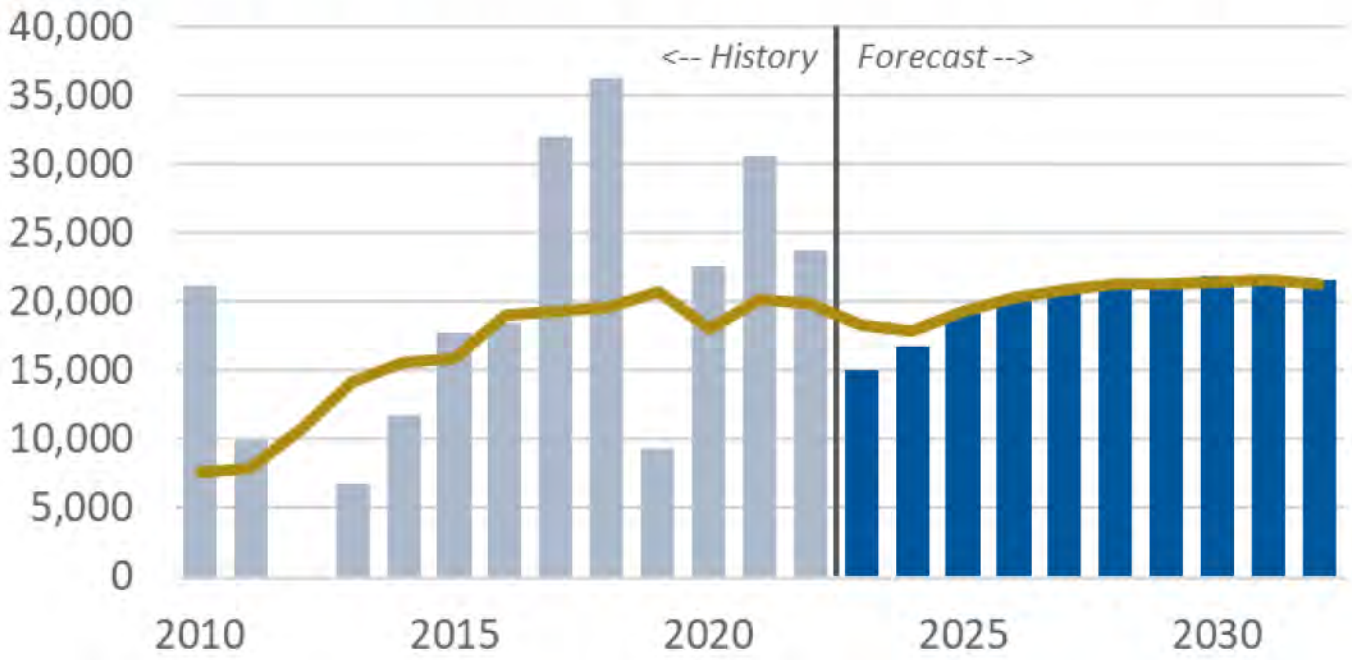
Source: Census, IPUMS-USA, Oregon Office of Economic Analysis

- 2022 population declines driven not by fewer people moving to Oregon, but due to more people packing up and leaving Oregon
- 2022 net out-migration was evident across the board, broadly speaking
  - Half children, half adults
  - Half college graduates, half non-college graduates
  - Nearly 50/50 for white, non-Hispanic, and BIPOC Oregonians
  - Out-migration across all major income brackets
- Glass half full view:
  - 2022 positive in-migration among 18-24 year olds
  - 2023 pendulum swinging back from pandemic patterns

Housing supply matters

Oregon Housing Fundamentals

Annual **Housing Starts**, Change in No. of Household, *and* **Projected Household Formation** *based soley on population and demographics*



Housing starts based on OEA estimates and forecast. Change in number of households from ACS 1 year estimates.
Projected houseold formation based on OEA population forecast, using 2000 ACS headship rates by age
Source: Census, IPUMS-USA, Oregon Office of Economic Analysis

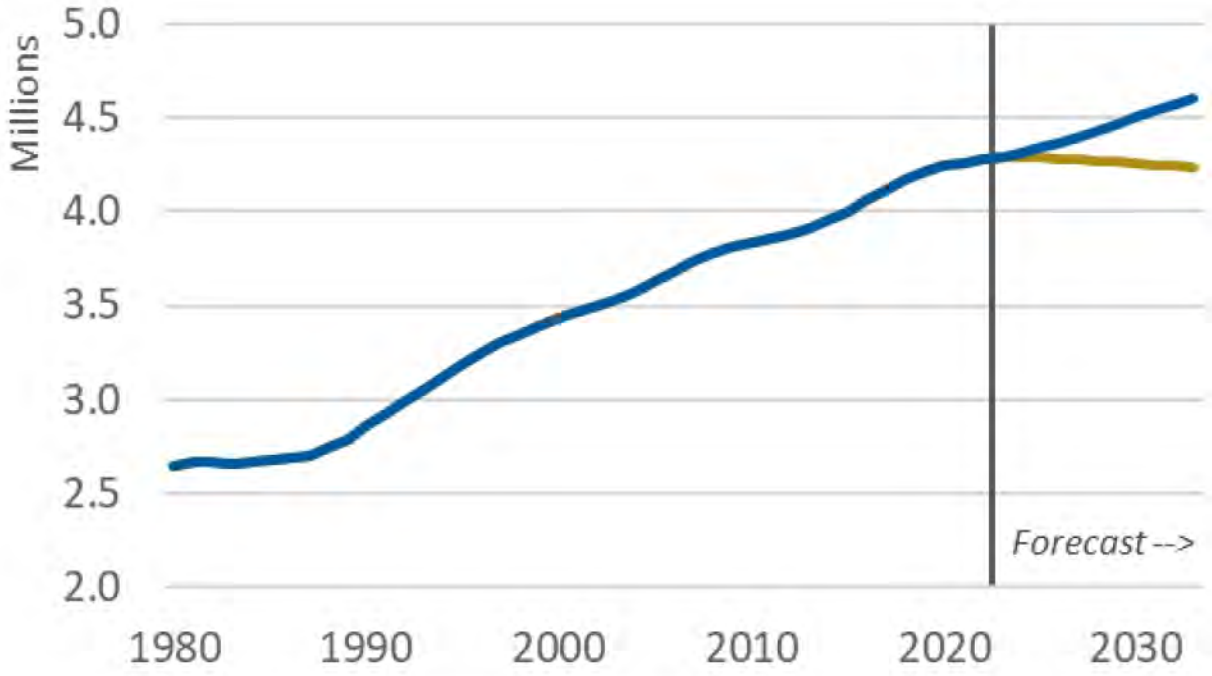
- Oregon has historically underbuilt housing
- Industry running into supply side constraints
- Affordability issues impact all Oregonians, especially low-income households, and slows future growth
- During the pandemic, household formation boomed even with a stagnant population
- Outlook
  - Near-term decline due to high rates and bad affordability
  - Long-term closely tied to population and demographics
  - Underproduction shortfall not made up in the baseline

Zero Migration, Alternative Scenario

Oregon Population

Number of Oregon residents, all ages

Baseline Forecast | **Zero Migration Scenario**



Latest Data: 2022 | Source: Oregon Office of Economic Analysis

Oregon Housing Demand

Change in the number of households from 2023 to 2033



Source: IPUMS-USA, Oregon Office of Economic Analysis

Contact Information

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Metro

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Metro

Minutes

Tuesday, January 23, 2024

10:30 AM

Metro Regional Center, Council Chamber, https://www.youtube.com/watch?v=5XGrvSwmpQY, https://zoom.us/j/615079992 Webinar ID: 615 079 992 or 888-475-4499 (toll free)

Council work session

10:30 Call to Order and Roll Call

Present: 7 - Councilor Gerritt Rosenthal, Councilor Mary Nolan, Juan Carlos Gonzalez, Duncan Hwang, Christine Lewis, Lynn Peterson, and Ashton Simpson

10:35 Work Session Topics:

10:35 Draft Update of Metro's Public Engagement Guide

Attachments: Staff Report
Attachment 1
Attachment 2
Attachment 3

Council President Peterson introduced Gloria Pinzon Marin (she/they), Principal Community Engagement Lead, Metro Lia Waiwaiole (she/her), Director of Communications, and Metro Kimberlee Ables (she/her), Strategic Communications and Crisis manager to present on the topic.

Staff pulled up the Updated Public Engagement Guide, Phase 1 PowerPoint to present to Council.

Presentation Summary:
The presenters shared the past and future Council touchpoints for the public engagement guide, and the project timeline. They discussed the breakdown of the core guide sections that are in draft for review, including the introduction, information for community members, businesses, and partners, as well as guidance for staff. They shared what they have heard from future guide users. Presenters asked what outcomes the Council would like to see related to the application of guiding principles.

Council Discussion

Councilor Rosenthal stated that he appreciates the work they have done, and asked if there is a way to make it clear what and how communities need to be involved in this work, noting that the communities involved differ by area.

Gloria Pinzon Marin responded they have the racial equity framework which will help them identify audiences.

Kimberlee added that they use the power-mapping tool to look at different audiences and determine how they fit into which quadrant of impact and influence. She noted that this tool will come into play in section three.

Councilor Lewis noted that on page 8, there are references to the Tribal Policy Liaison. She stated that they should be more explicit about how they will engage when they are doing government to government relationship work and how only when they are engaging with community members should they proceed with this guide.

Councilor Hwang asked what the next steps are in terms of adoption, and asked what the potential consequences are for noncompliance.

Pinzon Marin responded that this work is already being done, and this engagement guide will allow them to standardize what they are doing. She added that this tool will be a supplement and support for that, and it is not intended to supersede the other things that they are supposed to comply with. Pinzon Marin stated that how they hold each other accountable internally will be developed in the next stage of the guide. She stated that she is happy to discuss what expectations, and that many departments are informing the content of this guide.

Lia Waiwaiole noted that Gloria Pinzon Marin's ongoing goal is to support the work of public engagement and to keep everything connected to the principles and Council.

Councilor Hwang responded that he would like to see consistency across the agency, especially because the community has felt like there has been inconsistencies depending on what part of the organization they are interacting with.

Kimberlee Ables added that not all organizational work needs to be adopted by Council, but they want it to be adopted to go above and beyond the expectations to ensure they have the Council's support in implementation. Metro chooses to have Council's approval because it allows for them to drive innovative things forward and to make sure that the values of Metro Council are included in the document.

Councilor Gonzalez noted that this document is for more than just compliance, and Metro has really worked hard to set the bar for what good engagement looks like. He added that he feels confident about this document. Councilor Gonzalez noted that one of the most important things is to reduce barriers for people to engage. Councilor Gonzalez discussed removal of barriers through stipends for committees and asked about community compensation.

Pinzon Marin responded that she conducted a study about how departments are using stipends and to practice relationship building, and that will be part of the work as the project continues.

Councilor Gonzalez noted that he would like to see designated equity seats where they are able to assign and

appoint people who can remove barriers for participation. He acknowledged that he does not know how that will be impacted by civil rights, but it is important to take these things into account.

Pinzon Marin responded that they could discuss that further at a later date.

Councilor Simpson thanked the staff for their work. He uplifted the work done for multiple languages and how this document is being translated and highlighted how great attachment 3 is. Councilor Simpson thanked their efforts in getting low-income people to participate.

Pinzon Marin noted that they will be translating the documents into Spanish and added that there are five other languages that they will translate the document to, and she added that section two will also be translated. Pinzon added that they want to make sure that their website is accessible.

Waiwaiole added that they will be updating their language access strategy, which determines what they translate and how. They will also update the Metro website to add translation there as well. Waiwaiole noted that they want to make sure that accessibility is at the forefront of their mission.

Pinzon Marin discussed that it is important to understand how non-English speaking communities prefer to be engaged and get reached out to. Some communities prefer face-to-face engagement, others prefer social media, and others prefer email. She remarked that the ability for Metro to build relationships through these strategies is important.

Councilor Simpson added that as they dive deeper into the specific parts of the region and organization, illustration is a

very important way to convey information and is an important piece to include.

Ables added that they are looking at accessibility for neuro divergent people and other community members who need specific accessibility needs.

Council President Peterson stated that she is very proud of the work they are doing and that it has played out very well. She noted that they should ensure that they are bringing diverse groups together, and making sure that all voices are heard is very important. She added that looking at how everyone does their jobs and makes decisions are important, and that everyone wants access differently. Council President Peterson noted that they should look at how they are reaching out to folks and creating consistency, and that this is another opportunity for the region and the staff members to learn.

Pinzon Marin stated that she is excited about continuing to collaborate, and the way to collaborate is part of what Metro can continue to engage on. She noted that this is what the Public Engagement Committee wants them to do.

Council President Peterson responded that she would like to see those key points mentioned prior to adoption, to ensure that they know what the minimum criteria is.

Pinzon Marin noted that they will make sure that the minimum requirements are done before they adopt this initiative.

Council President Peterson noted that she understands the options are in 2 and 3 but wants to know that they look at the minimums for the first part as well as expectations for

the second part.

Pinzon Marin clarified that they are not adopting this initiative in two different parts, but rather, they are adopting it all together, and the entire document brought forward is in draft form.

Council President Peterson clarified that everything will be adopted together. She added that they need to promote a culture of learning.

Ables noted that they want to continue to learn the messages that they are learning, and they will be promoting this culture of learning.

Pinzon Marin added that in the draft document for guiding principles, in regards to being accessible, there are very specific desired outcomes they can write into guiding principle numbers two and four.

Council President Peterson noted that they can bring those desired outcomes to them prior to the adoption.

Councilor Rosenthal asked about the role of AI as a tool for translating.

Ables noted that while AI is getting better, it is not always culturally competent. She stated that they want to make sure they stay on the forefront of technology while being as culturally competent as possible.

There being no further discussion, Council President Peterson moved onto the next agenda item.

11:20 2024 Urban Growth Management Decision: Work Program Status Updates

Attachments: Staff Report
Attachment 1
Attachment 2
Attachment 3
Attachment 4

Council President Peterson introduced Malu Wilkinson (she/her), Planning, Research, and Development Deputy Director, Metro Josh Harwood (he/him), Fiscal & Tax Policy Director, Metro Eryn Kehe (she/her), Urban Policy and Development Manager, Metro Ted Reid (he/him), Principle Regional Planner, Metro to present on the topic.

Staff pulled up the 2024 Urban Growth Management Decision: Work Program Status Updates PowerPoint to present to Council.

Presentation Summary:
Presenters shared the project timeline as well as some of the elements of the decision-making framework. They discussed the stakeholder roundtable discussions and the decisions that are made with MPAC, the Council and CORE. They shared that the group has expanded to include organizations, farmers, academics, and people in the CORE committee. Presenters noted that they have worked to have a better gender and racial balance. The presenters shared what discussions were held at the different stakeholder roundtables and shared the economic and demographic forecasts. The presenters shared that population growth was slowing even prior to the pandemic. They mentioned that manufacturing will do better than the rest of the Country because of semiconductors, but that does not necessarily mean there will be a lot more jobs. They also discussed that there have been structural changes to the economy over the last decade. Presenters also shared that

migration is more important than ever to sustained economic growth. They discussed Sherwood's letter of interest for UGB expansion, and the future updates that will come soon.

Council Discussion
Council President Peterson asked what the team has heard regarding the concerns, as well as hopes and dreams, of the participants of the roundtable.

Eryn Kehe responded that people have been less critical and more curious than they expected. She noted that one of the concerns that has been raised is that there is already an outcome, but she noted that they have been daylighting this process and sharing that this outcome is not yet determined. Kehe noted that there have been many questions regarding how a land is determined to be ready. Kehe mentioned that stakeholders discussed costs, and buildable land as well.

COO Marissa Madrigal added that they have had a lot of discussions about how the UGB is going to be determined by what can happen, rather than what should happen. COO Madrigal also noted that the UGB is only one part of creating a vision for the future and implementing it across the region, which is something that the roundtable is grappling with.

Council President Peterson responded that forecasting for the future is different than determining what exactly needs to happen in the future, and she noted that they may end up with folks being unsatisfied because it is difficult to get from a forecast of the future instead of back casting.

COO Madrigal responded that that is why daylighting is so important, as they are helping folks understand that

everyone shares this unsatisfied feeling.

Councilor Rosenthal asked about how they will prioritize concerns that were highlighted on the presentation graphic.

Kehe stated that they are working on that and noted that they bring the graphic to every meeting. Kehe added that they work hard to make sure to have that incorporated, but they often run out of time. She noted that they try not to forget about the issues on the graphic, while also working on the other things that are important to get done in the meetings.

Councilor Nolan complimented the staff on getting this done and educating the members about the legal parts of the UGB. Councilor Nolan also discussed that in the meetings, it was particularly helpful for the group to understand that many acres have been added to the growth boundary in the past, yet they have not filled up the space yet.

Councilor Hwang mentioned the data presented that one of the reasons they are slowing growth is high cost of living. He asked if they were able to meet housing production goals, if there would be a tipping point where that would change demographic outlooks.

Josh Harwood responded that if that were to meet those goals, then on the margins, it would mean that population could increase. He added that currently, deaths are outnumbering births, but if they attracted a large sum on 25-year-olds due to an easier cost of living, they would get an increase, but it is not likely. Harwood noted that it would change a handful of things, but it depends on the model.

Councilor Hwang followed up, asking if they were to reach

the housing goals as outlined by Governor Kotek, if that would change the model.

Harwood responded that that question is hard to answer, but that generally speaking, yes, it could change a handful of things, but it depends on the model.

Kehe noted that they will come back and talk about the regional projection.

Councilor Hwang asked about what the trends are for climate refugees and climate change trends.

Harwood noted that anecdotally and intuitively, it makes sense that this kind of migration will happen, but this kind of migration is not significant enough right now to include it in the models.

Councilor Nolan asked what they mean by sustained economic growth. Councilor Nolan noted that there are lots of ways to define economic growth, and many of the conventional ones are tilted towards investors rather than the working class. Councilor Nolan asked how they would like to see and define economic growth. They noted that they want economic growth to be determined by basic needs being met for low-income households.

Harwood noted that he has not given a lot of thought to this framework they presented, and that when they think about economic growth, they think about it as increased prosperity at large, including wages, housing, and other aspects together.

Councilor Nolan stated that these demographics don't speak on how the incomes people have can provide for people's

families and highlighted that they want that to be focused on.

Harwood noted that median incomes can go up for many reasons, such as the median income going up because lower income people must leave because they cannot afford things.

Councilor Lewis asked about the Washington State side of demographics, noting that as the tax structure changes, it is likely that people will relocate across the river. She also asked how they should see Washington in a land use perspective and a regional perspective.

Harwood noted that people have been relocating across the river for many reasons, including to avoid the capital gains tax in Oregon. He added that people used to look down on Vancouver, Washington more than they do now, and it is more attractive to people now. Harwood stated that he does not think there will be enough of an effect for that to be included in the model.

Council President Peterson noted the time, and asked Councilors to ask questions to be answered at a later date.

Councilor Gonzalez shared that he feels frustrated, noting that he thinks they are planning to fail. Councilor Gonzalez added that they know the needs that they have in the region, and it appears that they are just doing business as usual and the structural housing deficits will continue. He noted that land does not always equal more housing, but that the region really needs a vision now, and he does not think that this is helping with the vision.

Council President Peterson responded that they need to

discuss regulatory outcomes and how it relates to their desires for the region. She noted that it can be frustrating to look at what a forecast can indicate and how to help the region.

COO Madrigal stated that this longer vision needs to be discussed, and that the urgency that Councilor Gonzalez feels is felt by many, and they are making plans to respond to that.

Councilor Gonzalez noted that they may need another conversation about the structural barriers that he noted, and that there is a structural issue and there is a need for fixing this.

Council President Peterson mentioned that they should investigate options for how to create another process to accelerate the structural issues and the needs of the region. She also discussed that there were many people who could not submit a proposal for an UGB expansion because they did not have the funds to do so. She shared that going out and doing the engagement is something that should be discussed at a later date.

There being no further discussion, Council President Peterson moved to the next agenda item.

12:05 WPES: Investment and Innovation Grant Program Assessment and Update

Attachments: Staff Report

Council President Peterson introduced Marta McGuire (she/her), WPES Director, Metro and Suzanne Piluso (she/her), Investment and Innovation Program Manager, Metro to present on the topic.

Staff pulled up the WPES: Investment and Innovation

Grant Program Assessment and Update PowerPoint to present to Council.

Presentation Summary:
The presenters discussed the grant program, the program history, and the impact. They also shared their reason for why they are assessing and updating the program. These reasons include that the original scope was too broad, the funding landscape has changed since the program launch, and the program has never been fully assessed and updated since it launched in 2018. They highlighted the needs and opportunities that the new projects are uncovering, and they shared a timeline of their work.

Council Discussion

Councilor Gonzalez noted that he is grateful for their work and mentioned that he thinks this is the right time to do this work. He added that there appears to be an opportunity for their funding to go into their reuse sector. He noted that it would be great to find a hybrid of more direct funding for reuse efforts for their partners, including different funding mechanisms to do so. Councilor Gonzalez added that he would like to see private and public sectors work together on this.

Councilor Rosenthal stated that he supports the process.

Councilor Lewis noted that they should ensure that they are working with many groups and stated that she hopes this will help harness strong relationships with people. Councilor Lewis added that they could consider spacing out the grants, noting that there should be rolling applications that are competitive and compelling, stating that they cannot take two years to do this work.

Piluso noted that the rolling-grant cycle is possible.

Councilor Lewis added that this is the appropriate time to do this work.

Council President Peterson noted that they hope this discussion will help clarify their goals and define what their role is.

There being no further discussion, Council President Peterson moved to the next agenda item.

12:45 Chief Operating Officer Communication

COO Marissa Madrigal provided an update on the following events or items:

There were none.

12:50 Councilor Communication

Councilors provided updates on the following meetings and events:

- Councilor Lewis noted that RTAC met, and they discussed revenue share.

12:55 Adjourn to Executive Session

There being no further business, Council President Peterson adjourned the Metro Work Session at 12:40 p.m.

Respectfully submitted,

Georgia Langer

Georgia Langer, Legislative Assistant

Council work session agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Tuesday, January 23, 2024 **10:30 AM** **Metro Regional Center, Council Chamber, https://www.youtube.com/watch?v=5XGrvSwmpQY, https://zoom.us/j/615079992 Webinar ID: 615 079 992 or 888-475-4499 (toll free)**

This meeting will be held electronically and in person at the Metro Regional Center Council Chamber.
You can join the meeting on your computer or other device by using this link:
https://www.youtube.com/watch?v=5XGrvSwmpQY

10:30 Call to Order and Roll Call

10:35 Work Session Topics:

10:35 Updated Public Engagement Guide, Phase 1 24-5995

Presenter(s): Gloria Pinzon Marin (she/they), Principal Community Engagement Lead, Metro
Lia Waiwaiole (she/her), Director of Communications, Metro
Kimberlee Ables (she/her), Strategic Communications and Crisis manager

Attachments: Staff Report
Attachment 1
Attachment 2
Attachment 3

11:20 2024 Urban Growth Management Decision: Work Program Status Updates — 24-5996

Presenter(s): Malu Wilkinson (she/her), Planning, Research, and Development Deputy Director, Metro
Josh Harwood (he/him), Fiscal & Tax Policy Director, Metro
Eryn Kehe (she/her), Urban Policy and Development Manager, Metro
Ted Reid (he/him), Principle Regional Planner, Metro

Attachments: Staff Report
Attachment 1
Attachment 2
Attachment 3
Attachment 4

12:05 WPES: Investment and Innovation Grant Program Assessment and Update — 24-5997

Presenter(s): Marta McGuire (she/her), WPES Director, Metro
Suzanne Piluso (she/her), Investment and Innovation Program Manager, Metro

Attachments: Staff Report

12:45 Chief Operating Officer Communication

12:50 Councilor Communication

12:55 Adjourn to Executive Session

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January 2021

2024 Urban Growth Management Decision:
Work Program Status Updates
Presentations

Metro Council Work Session
Tuesday, January 23, 2024

2024 URBAN GROWTH MANAGEMENT DECISION:
WORK PROGRAM STATUS UPDATES

Date: January 4, 2024
Department: Planning, Development, and Research
Meeting Date: January 23, 2024

Prepared by: Ted Reid, Principal Regional Planner ted.reid@oregonmetro.gov
Presenter(s): Malu Wilkinson (she, her); Josh Harwood (he, him); Eryn Kehe (she, her); Ted Reid (he, him)
Length: 45 minutes

ISSUE STATEMENT
The region's urban growth boundary (UGB) delineates urban and rural uses and is a tool for ensuring thoughtful and efficient growth patterns. The Metro Council is required by state law to – at least every six years – determine whether the UGB has adequate land for expected housing and job growth. The Metro Council last made this determination in December 2018 and is scheduled to do so again by the end of 2024. The Metro Council has directed staff to proceed with an approved work program and requested periodic updates, particularly related to engagement activities.

ACTION REQUESTED
Update the Council on implementation of the work program for the 2024 urban growth management decision, including:

- 2024 Urban Growth Report (UGR) Roundtable discussions to date:
  - UGB capacity estimate methods
  - Housing demand analysis methods
  - Demographic and economic conditions and trends
- Letter of interest for UGB expansion from Sherwood
- Upcoming MPAC, CORE, Youth Cohort and UGR Roundtable engagement

IDENTIFIED POLICY OUTCOMES
State law and regional policies lay out an intention to make efficient use of land inside the UGB and to only expand the UGB is there is a demonstrable regional need to accommodate expected housing or job growth. The Metro Council makes this growth management decision for the region after significant engagement. To ensure that areas added to the UGB are ready for growth, it is the Metro Council's policy to only expand the UGB in urban reserves that have been concept planned by a city or a county. Metro provides grant funding for local jurisdictions to complete concept planning.

POLICY QUESTION(S)
- Does the Council have any questions for staff about engagement activities or ongoing analyses?

POLICY OPTIONS FOR COUNCIL TO CONSIDER
The Council may provide staff with direction on:

- Advice that would be useful from MPAC or CORE
- Updates that the Council would like to have going forward

STAFF RECOMMENDATIONS

- Staff recommends proceeding with the work program

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION
Regional urban growth management decisions have long been one of the Metro Council's core responsibilities. The Metro UGB – first adopted in 1979 – is one of Metro's tools for achieving the 2040 Growth Concept's vision for compact growth, thereby protecting farms and forests outside the UGB and focusing public and private investment in existing communities. These are all key to reducing greenhouse gas emissions and expanding housing options.

The UGB is just one policy tool, however, and must be accompanied by other policies, partnerships, and investments to make good on the 2040 Growth Concept and to address challenges like housing affordability, displacement, houselessness, and economic development. Often, growth management processes provide a venue for identifying the need for new initiatives.

Metro strives for transparency in its growth management work, which can be challenging given its highly technical aspects. The 2024 decision will provide opportunities for interested parties to inform and understand the many technical and policy aspects of this work. Those opportunities include, not only standing advisory committees, but also groups formed for this decision process such as the UGR Roundtable, the Land Use Technical Advisory Group, and the Youth Cohort.

BACKGROUND
At its March 7, 2023 work session, the Council directed staff to begin implementing the work program for the 2024 urban growth management decision. The Council also directed staff to periodically update the Council on work program implementation, particularly related to engagement activities.

ATTACHMENTS

- Is legislation required for Council action? ☐ Yes ☒ No
- If yes, is draft legislation attached? ☐ Yes ☐ No
- What other materials are you presenting today?
    - December 5, 2023 memo to MPAC providing an update on UGB capacity estimation
    - Urban Growth Management: frequently used terms and concepts
    - November 29, 2023 UGB expansion letter of interest from Sherwood
    - UGM project timeline and tentative committee engagement schedule

Memo

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Date: December 5, 2023
To: Metro Policy Advisory Committee
From: Ted Reid, Principal Regional Planner
Subject: 2024 urban growth management decision: update on urban growth boundary capacity estimates

Context
The Metro Council will make its next cyclical urban growth management decision in December 2024. To support Council decision making, staff is conducting an analysis of whether there is enough room in the urban growth boundary (UGB) to accommodate expected household and job growth. Results of this analysis will be included in a draft 2024 Urban Growth Report that will be released in the summer of 2024.

A core aspect of this analysis is estimating how much capacity for additional homes and jobs there is in the current UGB. As previously described at MPAC meetings, this UGB capacity assessment has two main steps:

1. Inventory lands within the UGB, categorizing them as vacant or developed and accounting for environmental constraints.
2. Estimate how many homes or jobs of different types could locate on those lands over the next 20 years (this is done using a *pro forma* model that estimates the likelihood of development on lands inside the UGB).

The methods that staff is using for this analysis have been reviewed and discussed at MTAC, MPAC, and Metro's ad-hoc Land Use Technical Advisory Group. Using those methods, Metro has completed step one above (inventorying land) and has made this inventory available to all cities and counties for review and edits based on local knowledge. That review period has concluded, and staff wishes to summarize some high-level observations of the preliminary inventory.

Staff has recently provided this inventory to our consultant team, which will undertake step two (estimating a range of capacity on those lands using a *pro forma* model). Staff anticipates providing cities and counties with an opportunity to review those capacity estimates in February of 2024.

General observations from local jurisdiction review of the regional land inventory
Using methods discussed by the Land Use Technical Advisory Group, Metro inventoried 490,000 lots (of land) in the UGB. These tax lots were categorized as vacant or developed land and environmental constraints such as steep slopes or floodways were accounted for.

Metro made the inventory available to all 27 Metro area cities or counties for review and received edits and comments back from 16 jurisdictions. Those 16 jurisdictions represent a

large portion of the land in the inventory (92% of the tax lots and 89% of the acres in the inventory).

From those 16 jurisdictions, Metro received specific comments or edits on 5,200 of the 490,000 tax lots in the UGB. This means that, having reviewed almost all of inventory, jurisdictions had edits or comments on just one percent of the tax lots in the inventory. Metro staff believe that this indicates a high level of agreement on the land inventory methods and results.

Changes to the vacant land inventory because of local review

Metro accepted all edits provided by local jurisdictions, which resulted in minimal changes to the vacant land inventory. Based on jurisdictional review, about 200 acres of land were removed from the vacant land inventory. For perspective, the total geographic area[1] of the UGB is about 260,000 acres.

Local jurisdiction edits to the inventory primarily reflect development of vacant land that has happened since aerial photos were taken in August 2022. A small amount of the 200 hundred acres is attributable to local jurisdictions identifying additional environmental constraints that weren't already noted in the inventory.

Capacity in new urban areas

To translate acres of land into capacity for housing, we must also know what is allowable under adopted zoning codes. Some past UGB expansion areas do not yet have urban level zoning, so we rely on local jurisdiction guidance – typically based on adopted concept plans – for how much housing capacity to count. Local jurisdiction review indicates that we should count 15,000 housing units of capacity in these to-be-zoned new urban areas.

Former City of Damascus land

A large area was added to the UGB in 2002 and temporarily incorporated as the City of Damascus. Since the disincorporation of Damascus, the City of Happy Valley has annexed western portions of the area, but eastern portions remain without a concept plan or urban zoning. The City of Happy Valley has provided input on areas that they may serve at a future date. Those areas do not include areas east of 172nd that are over 470 feet[2].

There are approximately 4,100 buildable acres in the eastern portion of the former City of Damascus that Happy Valley does not intend to annex. As with past Urban Growth Reports, Metro staff expects to note in the 2024 Urban Growth Report that these buildable lands do not appear likely to urbanize over the next 20 years because of a lack of city governance, a concept plan, and urban infrastructure.

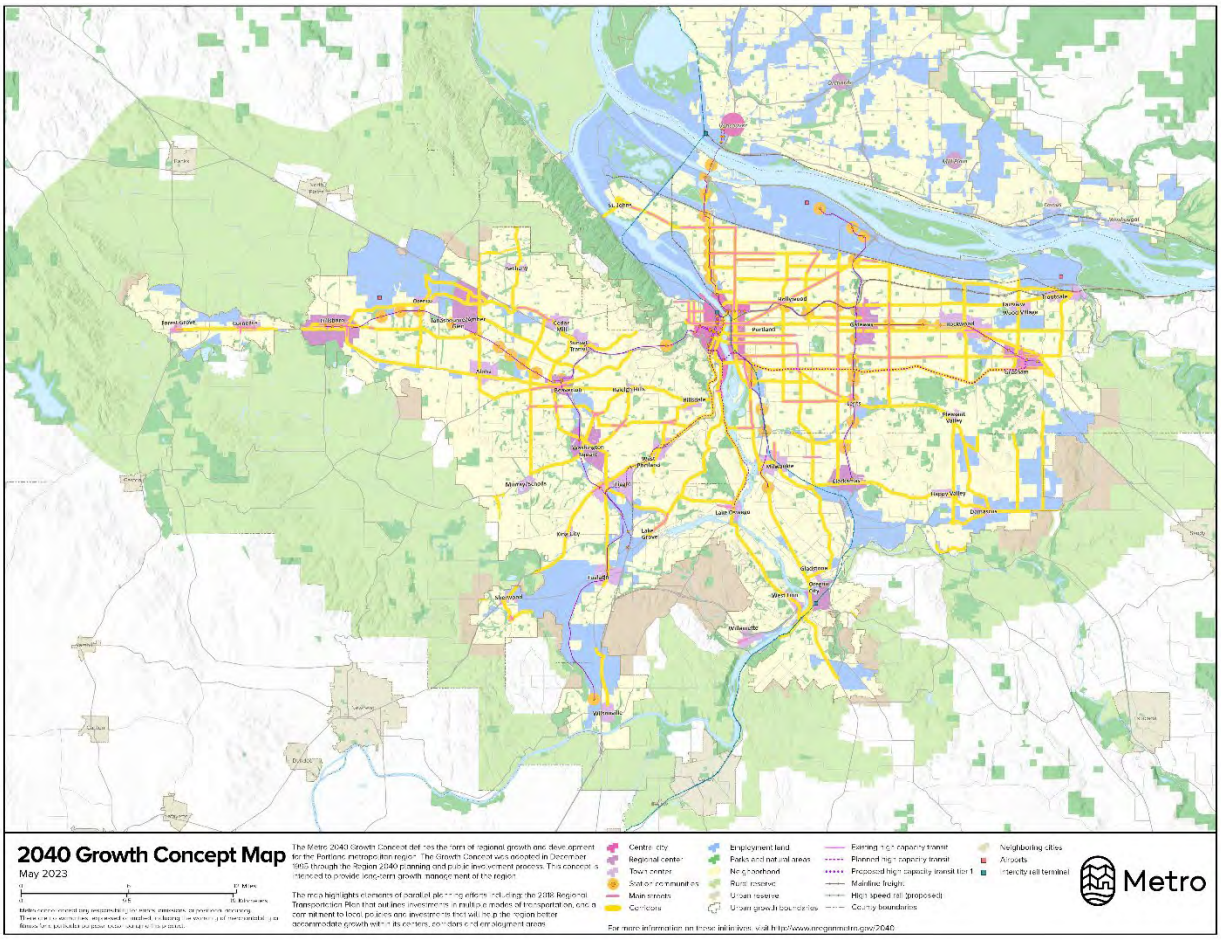
[1] This is the total area, including all land and water bodies.

[2] Sunrise Water Authority has indicated that they do not intend to serve higher elevation areas because of the cost of pumping water.

Urban Growth Management: frequently used terms and concepts

2040 Growth Concept

The 2040 Growth Concept is a 50-year plan for growth in greater Portland that the Metro Council adopted in 1995. The Growth Concept Map identifies urban locations as the focal points for growth: the central city, regional centers, town centers, main streets, regional centers, station communities, corridors, and industrial areas. The map shows the region's urban growth boundary, which defines where urban development may occur, and urban reserves, which are the locations that may be added to the boundary if there is a demonstrated regional need for more land. Parks, natural areas, and rural reserves depicted in green are to remain undeveloped.



Urban growth boundary (UGB)

Every city in Oregon is required to adopt an urban growth boundary that defines where urban development and uses may occur. Outside of boundaries, provision of urban services like sewer is

prohibited and zoning codes are geared towards rural uses. Inside boundaries, zoning codes should encourage efficient development of housing and jobs.

State laws require that Metro manage a regional boundary. This is in recognition of the regional nature of our economy, housing market, commute sheds, and environment. Metro may only expand the boundary upon demonstration of a regional need for more land. The urban growth report is Metro's periodic analysis of regional land needs.

Under state law, Metro can only expand the boundary onto adopted urban reserves. Metro has an additional policy to only expand onto urban reserves that have been concept planned by a city. This is to ensure that any expansion results in intended development.

Bringing land into the urban growth boundary

State law defines the criteria that are used to determine the order in which lands are included within the urban growth boundary.

First priority - Urban reserve land**:** Urban reserves are designated areas outside the current urban growth boundary as the only locations where Metro can expand the boundary to accommodate growth. Metro can only add lower priority lands (listed below) to the UGB if the identified land need cannot be met with urban reserves. In no case can Metro add rural reserves to the UGB.

Second priority - Exception land (also known as non-resource land): Exception land is land next to the urban growth boundary that is not farm or forestland and is not designated as either urban or rural reserve. Second priority also could include farm or forestland that is completely surrounded by exception land but that is not "high value" farm or forest land.

Third priority - Marginal land: Marginal land is a classification of non-resource (exception) land outside of designated urban and rural reserves that allows dwelling units on exclusive farm use land. Marginal lands are unique to Washington County.

Fourth priority - Farm or forest land: Within this category, soil class or forest productivity further sets priorities. Priority is given to the area of lower productivity. In other words, the best, most productive farm or forestland outside of designated urban and rural reserves is the last land to be considered for inclusion in the urban growth boundary.

Concept plan

A document that describes how a city plans to urbanize an urban reserve, including the desired community vision, the broad location of proposed land uses, and conceptual transportation and utility infrastructure. The concept plan is a required component of an urban growth boundary expansion proposal, meant to demonstrate a city's readiness. Metro code describes what a city must address in a concept plan. Metro also provides grant funding for these local planning efforts.

Urban and rural reserves

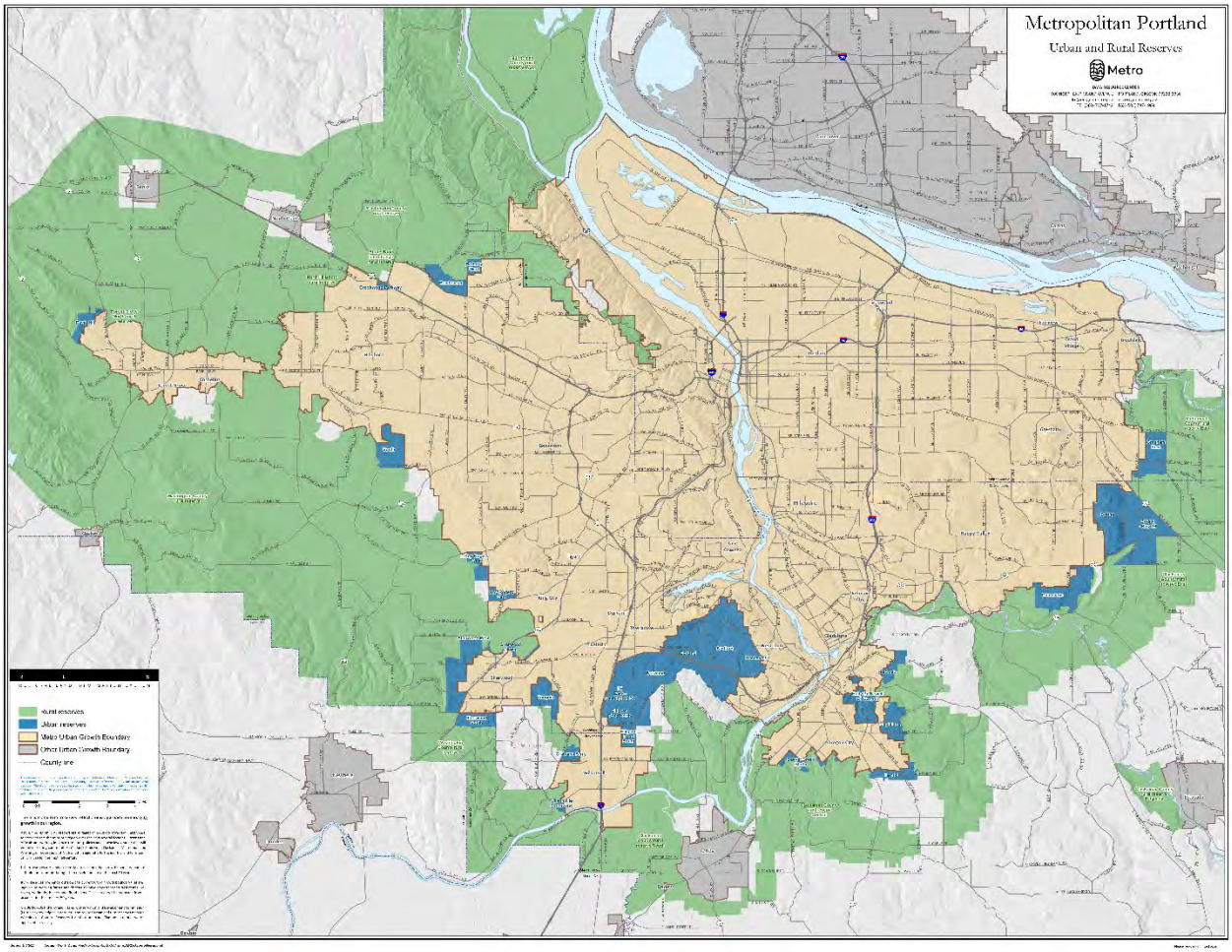
Urban and rural reserves are lands that are outside the Metro urban growth boundary. In 2010, after a multiyear regional process enabled under state law, Metro and the three counties designated urban and

rural reserves to provide long-term certainty for cities, counties, property owners, Metro, farm and forest operators, and others.

Urban reserves are suitable for urbanization and are the only locations where Metro can expand the boundary.

Rural reserves are lands that are high value working farms or forests, or have important natural features like rivers, wetlands, buttes and floodplains. Per state law, rural reserves are off limits for urbanization until the year 2065 at the earliest. This is intended to provide certainty.

"Undesignated" areas are neither urban nor rural reserve and effectively cannot be added to the boundary.

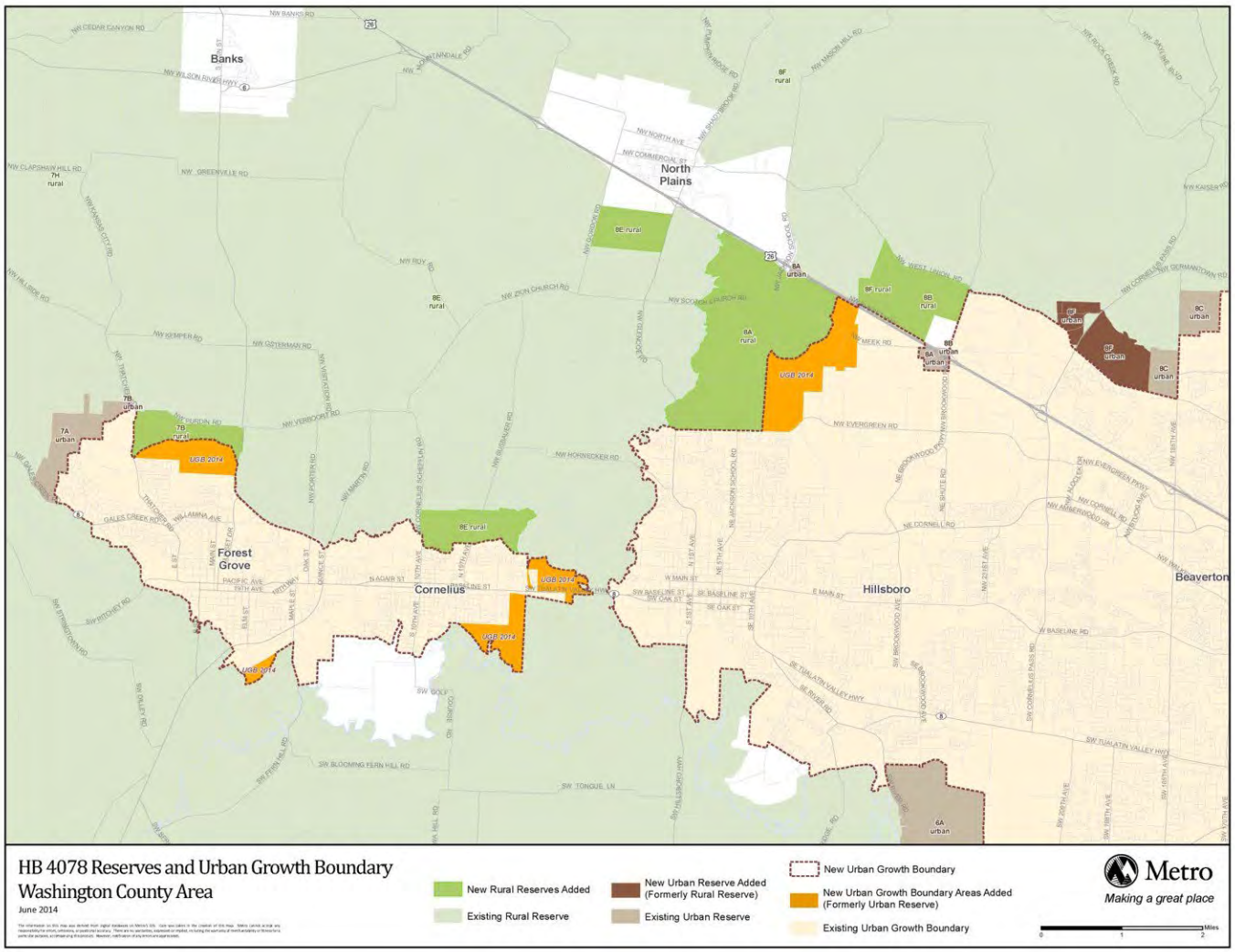


Note: some of the originally designated urban reserves have already been added to the UGB and are no longer depicted here as urban reserves. These areas include areas added to Cornelius, Forest Grove, Hillsboro, Beaverton, King City, Wilsonville, and Tigard. The above map has not yet been updated to reflect the 2023 addition of the River Terrace (Tigard) urban reserve to the UGB.

House Bill 4078 – "The Grand Bargain"

After the adoption of urban and rural reserves, a 2014 Court of Appeals ruling introduced new uncertainty and caused a variety of mayors, legislators and interested parties to negotiate a legislative

compromise to ongoing disagreements about urban and rural reserve designations in Washington County. HB 4078, also referred to as the Land Use Grand Bargain, placed into statute several urban growth boundary expansions and urban and rural reserve designations in Washington County. Today, urban and rural reserve designations in Washington County remain codified in statute.



Urban growth report (UGR)

The urban growth report or UGR is a required periodic (at least every six years) assessment of whether there is a regional need to expand the urban growth boundary for the next 20 years of growth. The UGR provides the Metro Council with information when making its growth management decision. A UGR is not intended as an aspirational vision statement or economic development strategy.

The UGR contains several analyses, including a buildable land inventory, estimations of growth capacity on those lands, assessments of development trends, a regional population, household, and employment forecast, and a regional housing needs analysis.

Metro is currently working to complete a 2024 UGR, which will be released in draft form in summer 2024. Perspectives from a variety of advisory groups will be reflected in the UGR. The Metro Council will consider adopting a final UGR in December 2024 as part of its growth management decision.

Regional forecast

Following state law, Metro completes a regional forecast for population, household, and employment growth. The regional forecast is included in the UGR. It is for the 7-county Metropolitan Statistical Area, which includes Clackamas, Clark, Columbia, Multnomah, Skamania, Washington, and Yamhill counties.

Metro has a strong track record with the accuracy of its regional forecast. This is the result of using reliable data sources such as the Census, the Bureau of Labor Statistics, the Bureau of Economic Analysis, IHS Markit, the PSU Population Research Center, and the Oregon and Washington health authorities. These forecasts are further validated through expert panel reviews with external economists and demographers.

Though Metro's forecasts have proven reliable, we also recognize that there is uncertainty when looking forward 20 years. To reflect this uncertainty, Metro uses a range forecast with a baseline and high and low growth forecasts.

The population forecast includes details on age, gender, and – new for the 2024 forecast—race, ethnicity, and disability status.

The household forecast includes details on household size, income, and age (of the householder). "Household" describes the people, not the home.

The employment forecast includes details on different economic sectors such as manufacturing, retail, professional services, health, and education.

Regional Housing Demand/Needs Analysis

Another core part of an urban growth report is a Regional Housing Needs Analysis. This statutorily required analysis assesses the existing and future (20-year) housing needs of a variety of household income groups. Existing housing needs arise from houselessness and historic underproduction of housing. Future needs are a product of the regional household forecast. These housing needs are also linked to housing types (e.g., duplexes, townhouses, or apartments) so that housing needs can be translated into demand for space/land. The analysis geography is the current urban growth boundary.

House Bill 2001 and middle housing

In 2019, the Oregon Legislature passed HB 2001 to increase housing choice and supply. This bill allows for a range of middle housing types (duplexes, triplexes, fourplexes, townhouses, and cottage clusters) to be built on residential land that has been traditionally zoned solely for single-family detached homes. Cities across the state have now adopted their own zoning code amendments to implement this bill. The 2024 Urban Growth Report will include an assessment of demand and capacity for middle housing.

UGB growth capacity

Determining whether there is a regional need for UGB expansion requires an understanding of how much room there is for the next 20 years of housing and job growth inside the current boundary. That determination depends on several factors, including:

- Buildable land – Defined in more detail below, buildable land is land inside the UGB that may provide room for long-term housing and business growth.
- Zoning allowances – Local zoning codes describe what is allowed on land and are factored into Metro's capacity analysis. For instance, denser developments such as midrise apartments require less land than single-family homes. Because there are hundreds of zone types in the region, Metro consolidates these codes into a regional classification for analytic purposes.
- Likelihood of development – Development, redevelopment, and infill will not necessarily happen simply because zoning allows high-density uses. Metro assesses the likelihood the market will build different building types using a real estate development pro forma model.

Buildable land

Buildable land is land inside a UGB that can provide space for additional homes or businesses. Buildable land includes vacant land as well as already-developed land that may be available for redevelopment or infill over a 20-year planning period. Though Metro's land inventory methods and results undergo extensive review by local government partners and development experts, the inventory is intended to provide a long-range regional estimate, not definitive determinations at the parcel level.

Accounted for in the inventory:

- Environmental constraints like steep slopes, wetlands, and floodways.
- Space that will be needed for future roads and sidewalks, particularly on larger vacant lands that would require more rights-of-way to serve development.
- Properties that are not available for housing or business development because they have a different intended use. Examples include park lands, open spaces, church properties, Tribal lands, and government-owned lands.

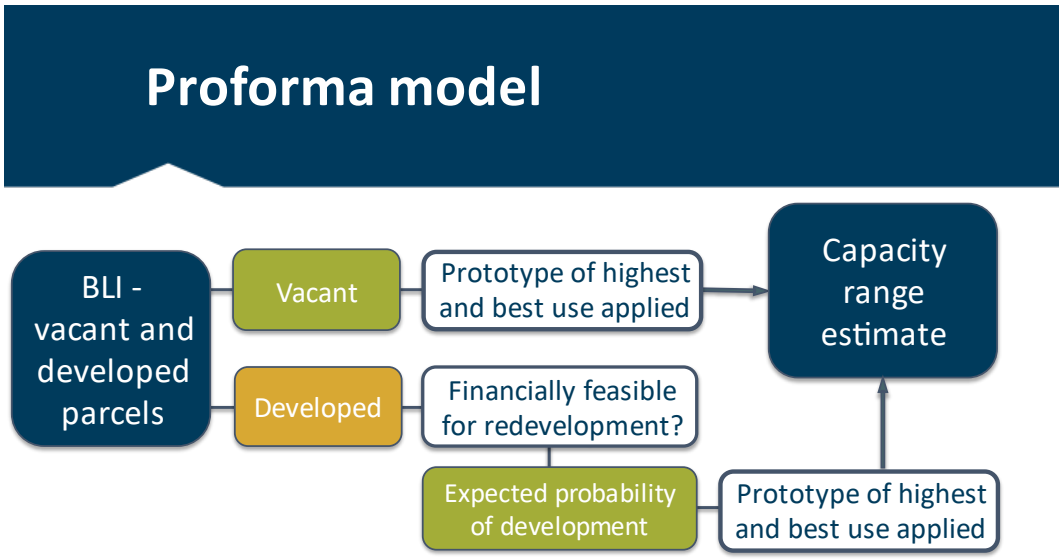
Vacant or partially vacant lands are a type of buildable land. They include parcels that have no buildings or surface parking lots, or that have a significant portion without such improvements. State law instructs Metro to count vacant land as buildable. The vacant land inventory entails careful review of aerial photos.

Redevelopment land is a type of buildable land and refers to a net increase in the number of homes on a parcel because of the removal of an existing building and replacement with a new building with more housing units than were removed. For instance, if a single-family home were demolished and replaced with a triplex, this redevelopment would provide a net increase of two housing units.

Infill land is a type of buildable land and refers to a net increase in the number of homes on a parcel when an existing building is retained. For instance, if a single-family home were divided into a duplex or if an accessory dwelling unit were built in the backyard, this infill would provide a net increase of one housing unit.

Pro forma model

For the 2024 Urban Growth Report, Metro has engaged consultants to develop a regional financial model that can be used to estimate development capacity on buildable lands – both vacant and already-developed – over the next 20 years. The pro forma model determines the highest-and-best use for each parcel by identifying a building prototype that is most feasible. There are dozens of possible building prototypes, such as manufacturing, office, retail, apartments, single-family homes, or triplexes. Because the model is sensitive to assumptions such as interest rates or construction costs, regional capacity results will be reported as a range that recognizes analytic uncertainty. These capacity estimates are not intended to be definitive feasibility determinations at the parcel level. Instead, they provide the building blocks for a regional estimate.



**BLI = buildable land inventory*

Senate Bill 4 – the Oregon CHIPS Act

Senate Bill 4 dedicates $190 million to develop a grant and loan program to support semiconductor businesses looking to expand in Oregon. This provides the opportunity for significant federal funding provided by the U.S. CHIPS and Science Act of August 2022. It also funds $10 million to help communities prepare land for manufacturing sites and $10 million for a University Innovation Research fund that will help public universities secure federal research grants.

The bill also granted a new authority – through 2024 – to the Governor to expand urban growth boundaries, if it is determined that doing so is the only way a semiconductor project can move forward. Boundary changes can be made for up to eight sites — six of no more than 500 acres and two of any size. This authority is sometimes referred to as super-siting.

Annexation

Urban growth boundary expansion is just a first step in the development timeline. A city must then approve an annexation application to bring property into city limits. Annexation provides urbanizing

areas with city services and voting privileges and brings the property under the regulatory and taxing authority of the city's government.

Comprehensive plan

All Oregon cities and counties must adopt a comprehensive plan to implement a broad, long-term vision for their community, typically set over a planning horizon of 20 years. The plan describes future land uses and accompanying components of the built environment – transportation networks, bicycle and pedestrian infrastructure, utilities, parks, natural resources, housing, economic development, and schools. Local jurisdictions periodically review their comprehensive plans to address local planning needs, regional regulations, and new state requirements.

The comprehensive plan provides more detail than a concept plan. After Metro expands the urban growth boundary, cities must update their comprehensive plans and zoning designations to incorporate the new urban area. Metro provides grant funding for these plan updates.

Land Use Technical Advisory Group (LUTAG)

This group advises staff on the technical analyses included in the Urban Growth Report, particularly the buildable land inventory (BLI) and growth capacity estimation (the pro forma model) methods and results. Membership includes local jurisdiction planning staff, Metro research staff, and additional development professionals. All cities and counties in the region were invited to participate.

Exclusive Farm Use (EFU)

The purpose of the EFU (exclusive farm use) zone is to provide areas for continued practice of commercial agriculture. It is intended to be applied in areas composed of land with high-value farm soils. EFU zones are typically applied by counties, outside of urban growth boundaries. These zones limit uses that conflict with farming and ranching and restrict division of properties into smaller parcels.

Exclusive farm use zones are regulated by zoning and planning statutes and local zoning ordinances. Allowable and conditional uses in an EFU zone are defined in ORS 215.213 or 215.283.

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Councilors
Renee Brouse
Taylor Giles
Doug Scott
Dan Standke
Kim Young

City Manager
Keith Campbell

November 29, 2023

Metro Council
Attn: Marissa Madrigal, COO
600 NE Grand Avenue
Portland, OR 97232

Re: Urban Growth Boundary Expansion Letter of Interest, City of Sherwood

Dear Metro Chief Operating Officer Madrigal:

The City of Sherwood is pleased to present this Letter of Interest for Metro's upcoming 2024 Urban Growth Management Decision.

Sherwood upholds a strong history of planning. This is demonstrated through its holistic approach to addressing housing and employment needs in its existing urban areas and maintaining a compact urban form. If past trends continue, several thousand people will decide to live, work, and play in Sherwood over the next 20 years as part of the larger regional growth pattern. As a commitment to keeping Sherwood a thriving community and providing a reasonable supply of land for housing and employment opportunities, the city continues to plan for its urban reserves as the basis for considering an urban growth boundary (UGB) expansion.

In February 2016, the City of Sherwood approved the Metro region's first preliminary concept plan for an entire urban reserve area called Sherwood West. Sherwood West is designated as Metro's Urban Reserve Area 5B, encompassing 1,291 acres of land, located west and north of the existing city boundary. Since the Preliminary Plan's approval, there have been significant changes in Sherwood and surrounding areas:

- The State of Oregon adopted House Bill 2001 in 2019.
- The Sherwood School District constructed the new 350,000-square-foot High School on 73 acres inside the Sherwood West boundary in 2020.
- Washington County completed its Urban Reserve Transportation Study (URTS) in 2020.
- The City adopted *Sherwood 2040*, an updated Comprehensive Plan in 2021.
- Adding employment land and quality jobs is a City of Sherwood Council priority.

To account for these changes, the City updated the Preliminary Concept Plan for the Sherwood West area through a Metro Community and Development Grant to ensure that future decisions reflect the community's current goals, needs, and future aspirations. The

Sherwood West Concept Plan is the result of a 2-year community planning process about growth, urban development, and governance encompassing extensive engagement with area property owners, community members, and service providers. The Sherwood West Concept Plan illustrates how Metro's Urban Reserve Area 5B can be incorporated into the fabric of Sherwood and our region in a manner that respects and reflects the strong sense of community and livable neighborhoods we are known for. The Plan was unanimously recommended by the Citizen Advisory Committee and the Planning Commission to the Sherwood City Council. The Council accepted the Sherwood West Concept Plan by Resolution 2023-060 on July 18, 2023.

In a formal proposal to Metro Council by April 5, 2024, Sherwood may request up to all 1,291 gross acres of land within Urban Reserve Area 5b (Sherwood West) to be brought into the UGB.

The Sherwood West area is illustrated in Exhibit A and described below. Land, housing, and job estimates below are based on the entire planning area and represent the maximum request being considered. If the City requests that only a portion of the planning area be brought into the UGB, the information below would be modified for the full application.

1. **Location and Characteristics:** Sherwood West is located north and west of the existing City limits. The area is bounded on the east by Highway 99W, SW Elwert Road, and SW Roy Rogers Road. It is bounded by SW Chapman Road on the south and SW Lebeau Road and SW Scholls-Sherwood Road to the north. The area generally slopes from west to east.
2. **Acreage:** The total area is 1,291 gross acres. The net developable acreage is 605 acres, and excludes right-of-way, land designated for park and open space, and Metro Title 3 and 13 areas.
3. **Residential Land**: The total net residential acreage is 340-acres, and the estimated future housing in Sherwood West ranges from 3,120 to 5,580 units, depending on how much middle housing is developed in the neighborhood zones (See table below). This results in an estimated residential density of 9.2 to 16.4 units per acre.

Sherwood West Housing Estimates Table

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood areas) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	33	*10%*	798	798	798	798
Middle Housing	5.5 to 11	16	*5%*	173	173	173	173
Cottage Cluster	12.8 to 16	23	*7%*	362	362	362	362
Med/High Density Nbhd	5.5 to 11	23	*7%*	248	279	311	406
Medium-Density Nbhd	5.6 to 8	102	*30%*	816	990	1,163	1,683
Low-Density Nbhd	3.5 to 5	144	*42%*	720	1,008	1,296	2,160
TOTAL		**340**	***100%***	**3,117**	**3,610**	**4,103**	**5,582**
Total Average Density				*9.2*	*10.6*	*12.1*	*16.4*
Total Average Density with Open Space				*7.8*	*9.0*	*10.3*	*13.9*

4. **Employment Land:** The total net employment acreage is 265-acres which includes a variety of employment lands, as shown in the table below. It is estimated that approximately 4,500 jobs can be accommodated within Sherwood West.

Sherwood West Employment Estimates

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	130	18	2,398	53%	49%
Commercial	7	36	237	5%	2%
Mixed Use	25	25	638	14%	9%
Hospitality	63	15	938	21%	24%
Schools	40	8	314	7%	15%
TOTAL	**265**		**4,524**	**100%**	**100%**

The jobs-per-acre estimates for each land use type are rough estimates gleaned from the Metro 2014 Urban Growth Report and from the scenario planning software Urban Footprint.

The Sherwood Concept Plan proposes innovative new zoning types including a middle housing only zone, cottage cluster zone, and a hospitality zone. These future land use designations are intended to address Sherwood's need for smaller, more affordable housing options and take advantage of our geographic location as the Gateway to Wine County.

The work that has gone into creating the Sherwood Concept Plan will be the basis of refining a formal UGB expansion proposal to Metro by Spring 2024. The City may submit a proposal that balances the importance of readiness, strategy, and governance that contributes to efficient land uses consistent with our community, regional, and statewide goals.

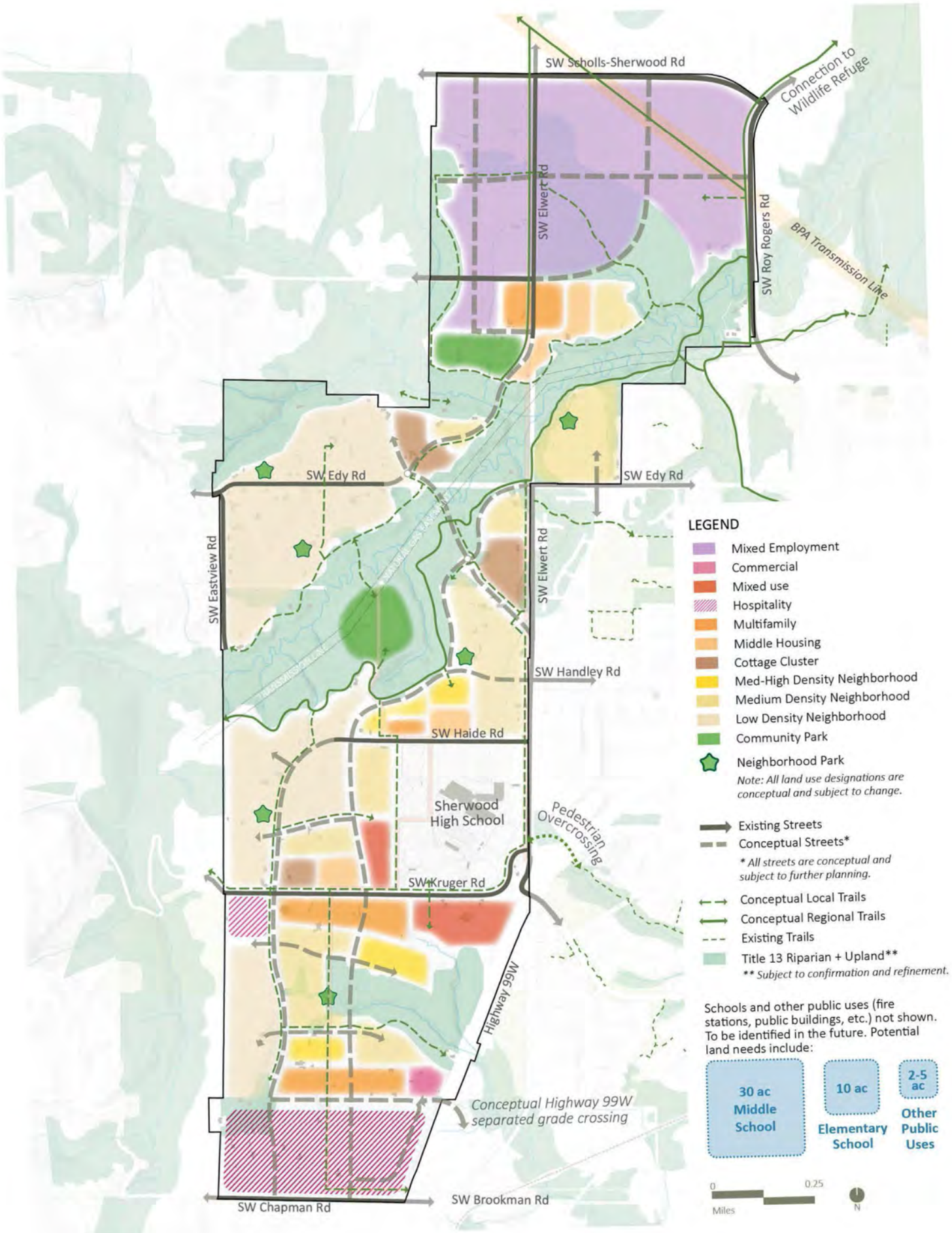
We look forward to an opportunity to discuss this letter of interest with you. Thank you for your consideration.

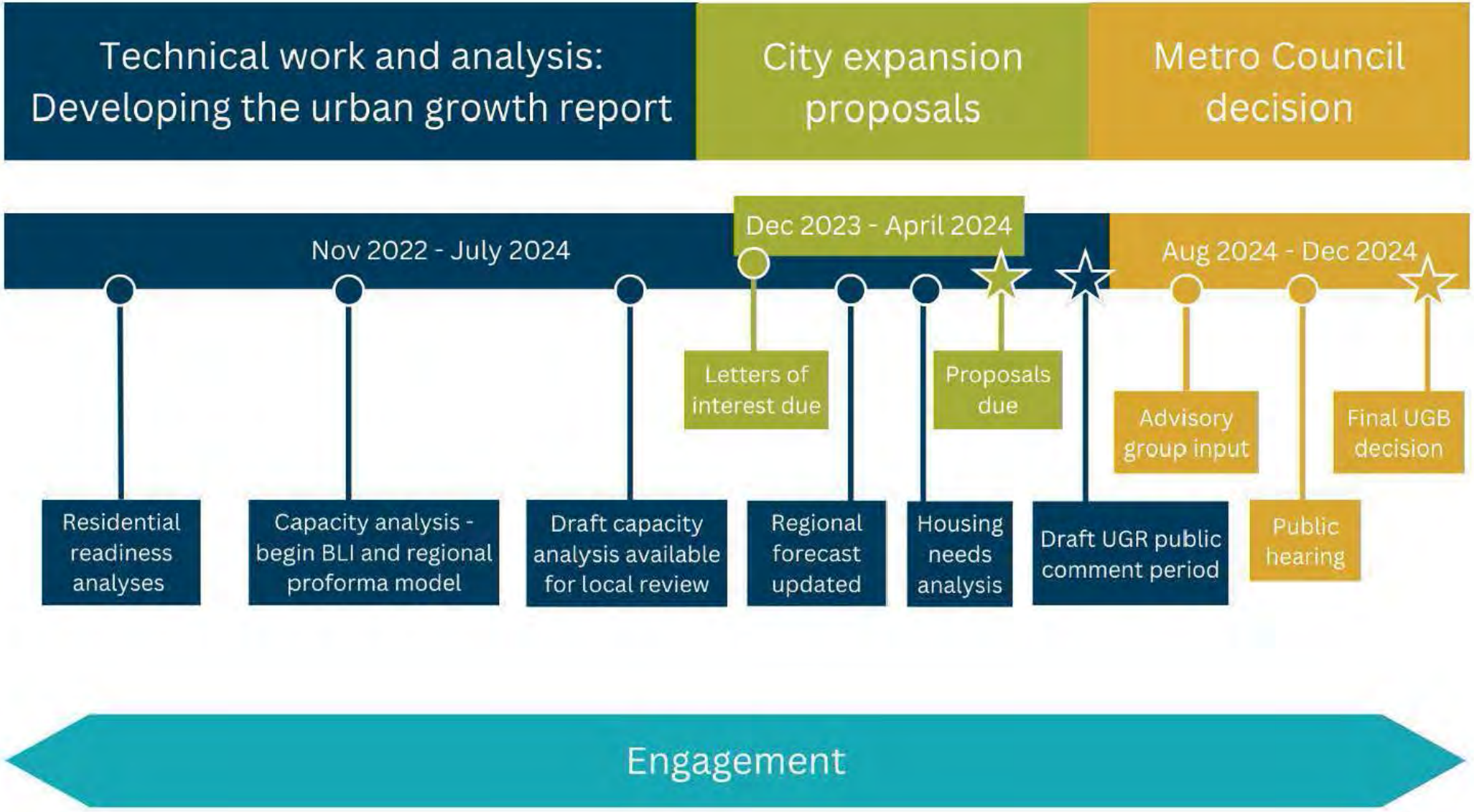
Sincerely,

Eric Rutledge
Community Development Director

Erika Palmer
Planning Manager

Figure 8. Composite Concept Plan Map




Technical work and analysis: Developing the urban growth report
City expansion proposals
Metro Council decision
Nov 2022 - July 2024
Dec 2023 - April 2024
Aug 2024 - Dec 2024
Residential readiness analyses
Capacity analysis - begin BLI and regional proforma model
Draft capacity analysis available for local review
Letters of interest due
Regional forecast updated
Proposals due
Housing needs analysis
Draft UGR public comment period
Advisory group input
Public hearing
Final UGB decision
Engagement

Key engagement dates leading to the 2024 urban growth management decision

September	9/19	Council work session	• Engagement update • Conditions of approval	background
	9/19	Youth cohort	• Kickoff meeting • Introduce group purpose and project overview	background
	9/20	MTAC	• Capacity analysis: BLI and proforma modeling	capacity
	9/26	LUTAG	• Proforma model approach (Jerry Johnson)	capacity
	9/27	MPAC	• Engagement update	background
	9/29	UGR roundtable	• Kickoff meeting • Group introductions • Process and purpose overview • Intro to UGM and decision-making process	background
October	10/20	UGR roundtable	• Part 1: overview of approach for estimating UGB growth capacity including pro forma modeling	capacity
November	11/2	Youth cohort	• History of Oregon land use planning • Metro/regional land use planning primer • What is zoning?	background
	11/8	MPAC	• Overview of approach for estimating UGB growth capacity, including pro forma modeling	capacity
	11/15	MTAC	• Overview of approach to estimating housing needs	demand
	11/17	UGR roundtable	• Part 2: Continue conversation about capacity – diving deeper into the pro forma model • Jerry Johnson attends to answer questions	capacity
December	12/1		• Letter of interest due	
	12/5	Youth cohort	• What's in a concept plan?	readiness
	12/13	MPAC	• Draft Sherwood West concept plan – city presents • Update on the BLI	readiness/ capacity
	12/15	UGR roundtable	• Overview of approach to estimating housing needs (ECONorthwest)	demand
	12/20	MTAC	• Draft Sherwood West concept plan – city presents	readiness
2024				
January	1/12	UGR roundtable	• Economic conditions and trends • Overview of approach for the regional forecast including data sources and assumptions • Josh Lehner presentation	demand

	1/17	MTAC	• Economic trends and conditions	demand
	1/23	LUTAG	• Updates on capacity estimates	capacity
	1/23	Council work session	• Engagement update • Review remaining schedule	background
	1/23	Youth cohort	• Optional office hours	background/ review
	1/24	MPAC	• Economic and demographic conditions and trends • Approach for regional forecast	demand
February	2/12	Youth cohort	• Housing topics • Housing needs analysis	demand
	2/15	CORE	• Process refresher • Engagement update – who else is weighing in on this; advice for public outreach • Regional forecast	background/ demand
	2/16	LUTAG	• BLI update • Preliminary regional forecast methods and results • HNA approach	capacity/ demand
	TBD	Council work session	• Capacity analysis	capacity
	2/21	MTAC	• Preliminary regional forecast methods and results	demand
	2/23	UGR roundtable	• Preliminary regional forecast methods and results • Discussion topic: What would the region need to do to influence job and population growth?	demand
	2/28	MPAC	• Overview of approach to estimating housing needs (ECONorthwest)	demand
March	3/15	UGR roundtable	• Preliminary UGB capacity estimates (ECONorthwest)	capacity
	TBD	LUTAG	• Preliminary UGB capacity estimates	capacity
	3/20	MTAC	• Preliminary UGB capacity estimates	capacity
	3/26	Council work session	• Early regional forecast results	demand
	3/27	MPAC	• Preliminary UGB capacity estimates (ECONorthwest)	capacity

April	4/5		• City proposals for UGB expansions due	
	4/17	MTAC	• Historic development trends	demand
	4/24	MPAC	• Historic development trends	demand
	4/26	UGR roundtable	• Historic development trends	demand
	TBD	Youth cohort	• Forecasts and growth • Regional demographic changes • Equity discussion	demand
May	5/7	Council work session	• City UGB expansion proposals (city presentations)	readiness
	5/15	MTAC	• City UGB expansion proposals (city presentations)	readiness
	5/16	CORE	• City UGB expansion proposals (city presentations)	readiness
	5/17	UGR roundtable	• City UGB expansion proposals (city presentations)	readiness
	5/22	MPAC	• City UGB expansion proposals (city presentations)	readiness
June	TBD	LUTAG	• Pending employment land expansion proposal, possible discussion of benefits of UGB expansion	readiness
	6/26	MTAC	• Pending employment land expansion proposal, possible discussion of benefits of UGB expansion	readiness
	6/26	MPAC	• Pending employment land expansion proposal, possible discussion of benefits of UGB expansion	readiness
	6/28	UGR roundtable	• Pending employment land expansion proposal, possible discussion of benefits of UGB expansion	readiness
	TBD	Youth cohort	• Field trip	readiness
	6/28		• Release draft UGR and appendices	
July	7/9	Council work session	• Discuss draft UGR	decision
	7/17	MTAC	• Discuss draft UGR	decision
	7/18	CORE	• Discuss draft UGR • Joint meeting with youth cohort	decision
	7/18	Youth cohort	• Discuss draft UGR, specifically city proposals • Joint meeting with CORE	decision
	TBD	LUTAG	• Discuss draft UGR	decision

	7/24	MPAC	• Discuss draft UGR	decision
	7/26	UGR roundtable	• Final meeting • Discuss draft UGR • Wrap-up and process evaluation	decision
August	8/23		• Release COO recommendation	
September	9/3	Council work session	• Council work session on COO recommendations	decision
	9/19	CORE	• Recommendations to Council	decision
	9/21	Council public hearing	• Public hearings on COO recommendation	decision
	9/25	MPAC	• Recommendations to Council	decision
October	10/1	Council	• Direction to staff on intended decision	decision
	10/14		• Measure 56 notices sent to property owners in proposed expansion areas	
	10/24		• 35-day notice of proposed amendment to DLCD	
November	11/28	Council	• First reading of ordinance • Public hearing • Encourage youth cohort testimony/participation	decision
December	12/12	Council	• Second reading of ordinance • Council decision	decision
	TBD	CORE	• Follow-up on process	decision
	12/18	MTAC	• Follow-up on process	decision
	TBD	MPAC	• Follow-up on process	decision

Materials following this page were distributed at the meeting.

Urban growth management update

Metro Council Work Session
January 23, 2024

Urban growth management - why?

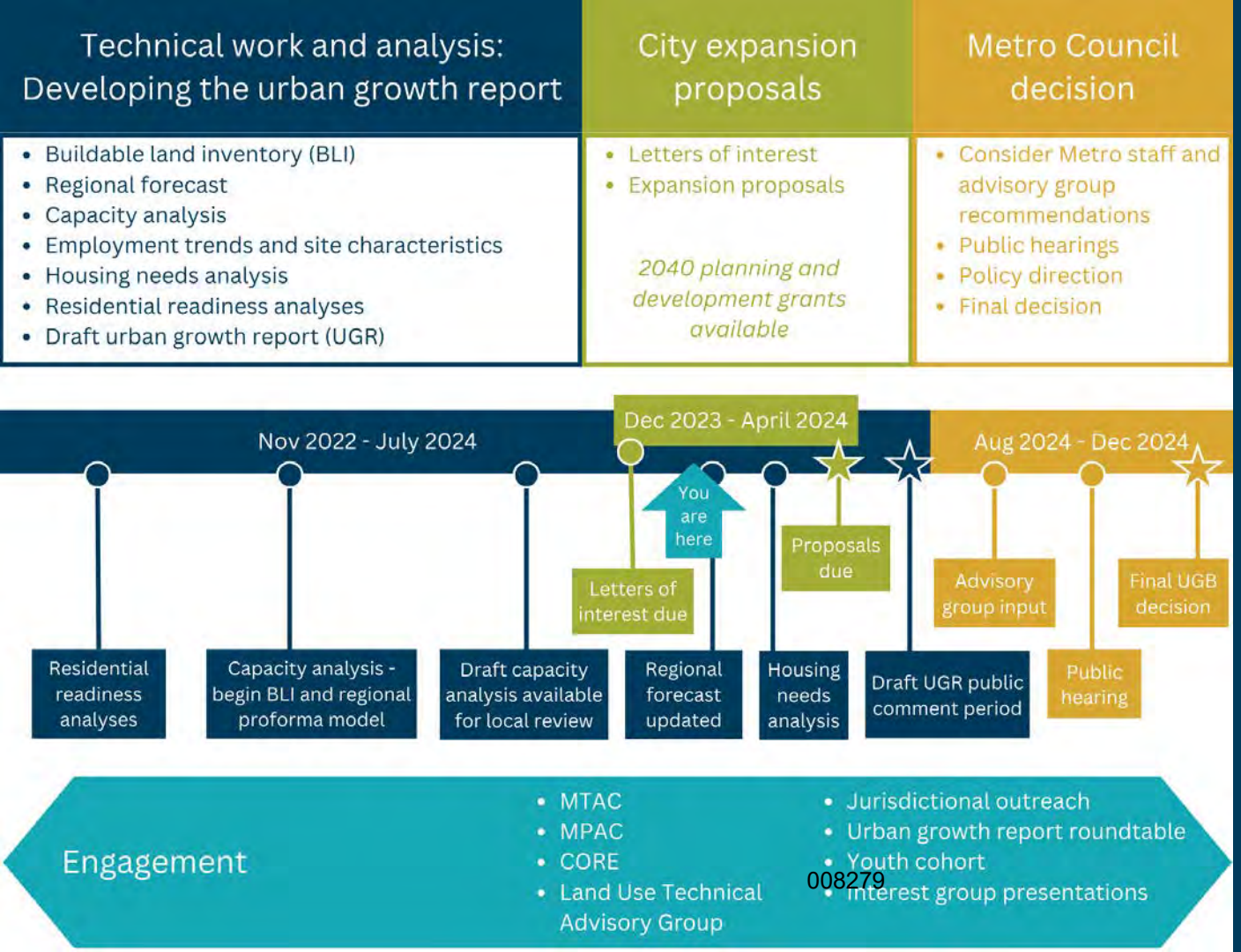
- Protect farms and forests
- Focus investment in existing communities
- Encourage a greater variety of housing choices
- Reduce carbon emissions by keeping destinations close

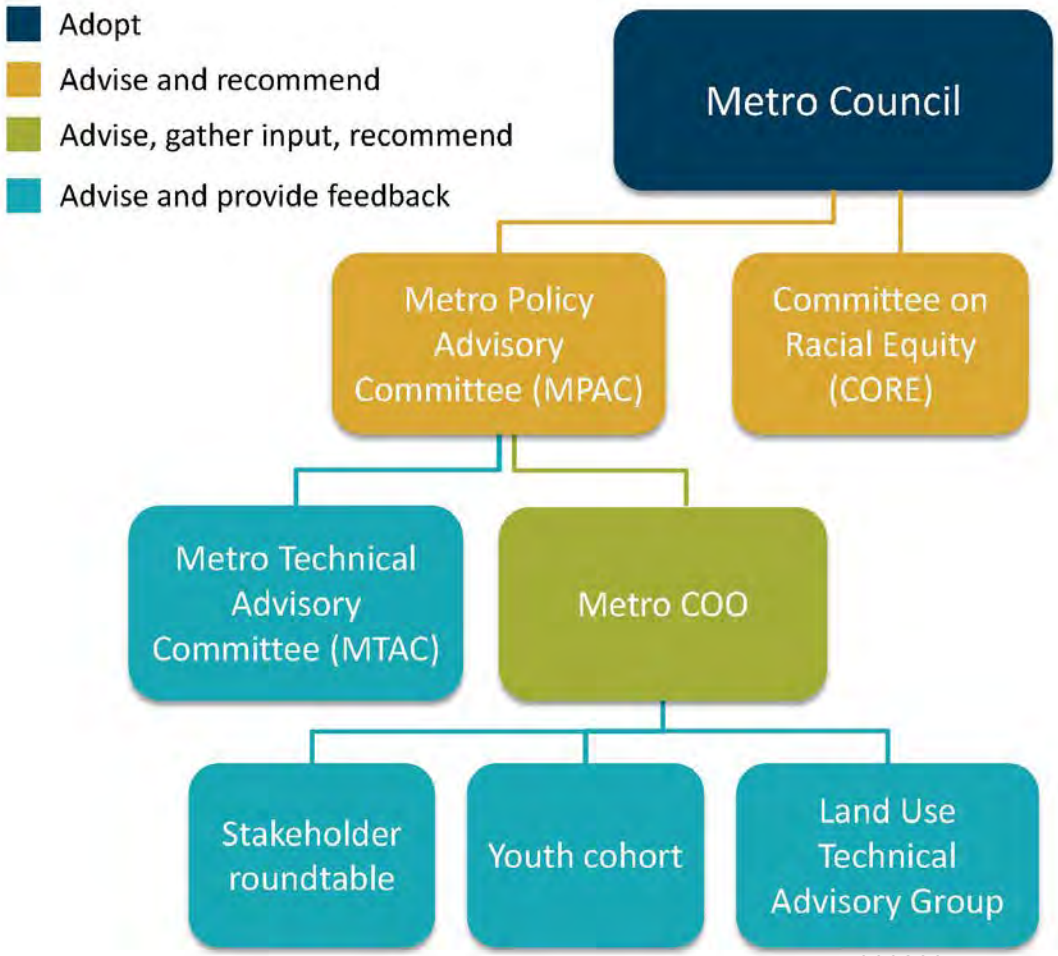


Overview

- Last visit – engagement overview and conditions of approval
- Urban Growth Report Roundtable update
- Letter of interest – Sherwood West
- Upcoming engagement

Project timeline





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Decision-making framework

STAKEHOLDER ROUNDTABLE Your Role in the UGB Process



MEMBERSHIP

- Range of stakeholders representing a variety of industries who work or live in different parts of the region.
- Appointed by Metro's COO.
- Forum is also open to the public.

YOUR ROLE

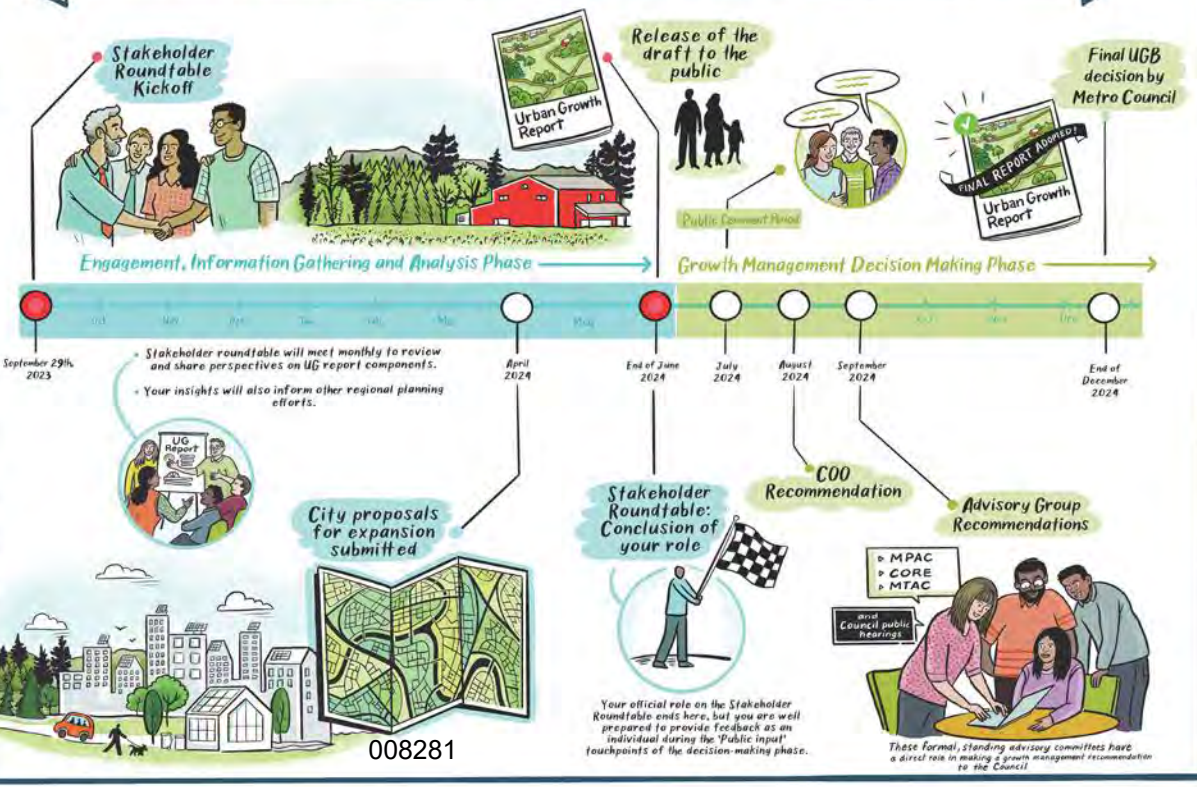
What's in scope. In this role you are:

- Developing shared understanding around the UGB process - including the underlying rationale (the "why") and the analytical aspects that inform the process (the "how").
- Sharing your lived experiences, perspectives and ideas with Metro staff to help shape thinking around the UGB.

What's out of scope. In this role, you are not:

- Making any growth management decisions.
- Making direct recommendations to the Metro Council.

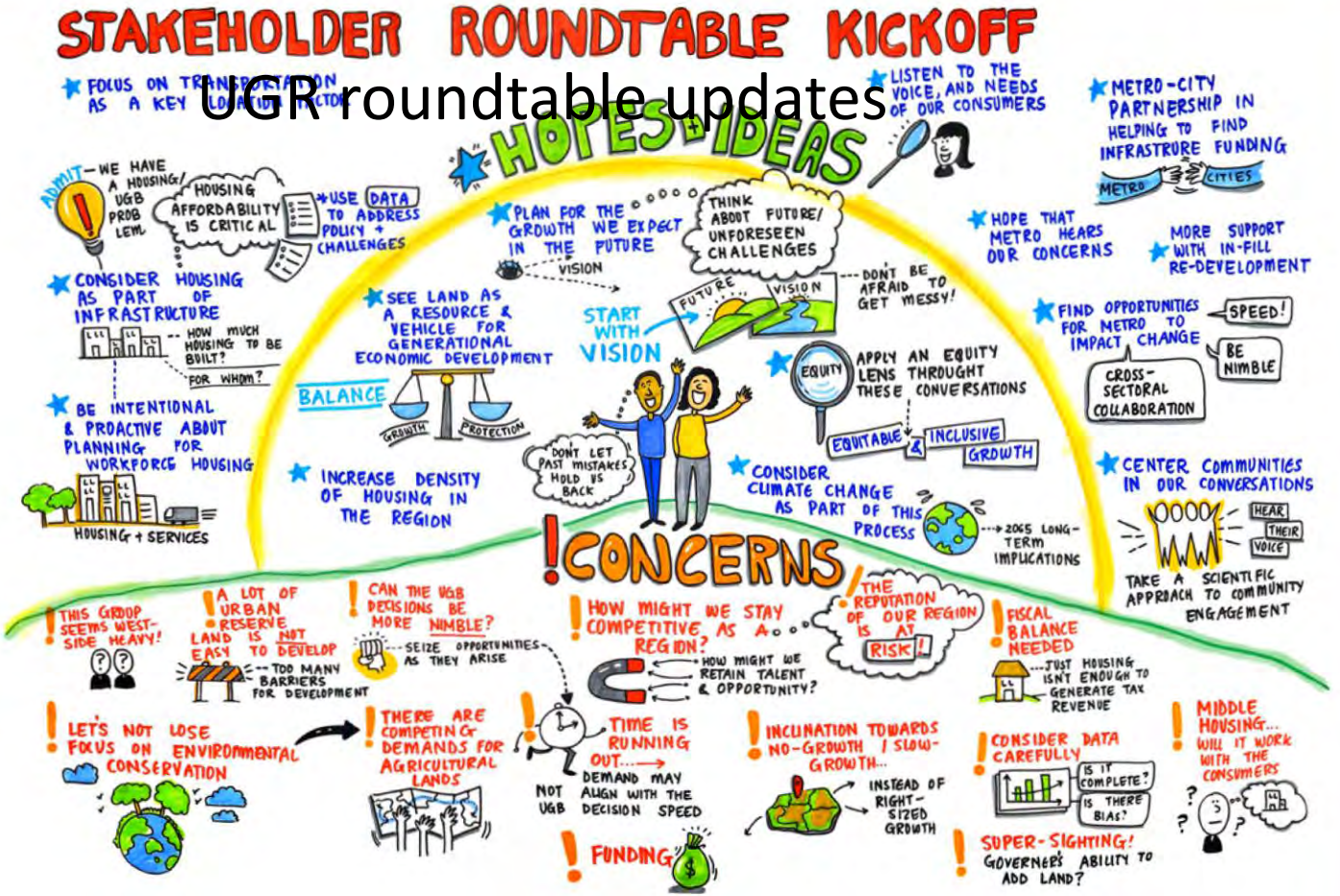
UGB PROCESS TIMELINE AND KEY MILESTONES



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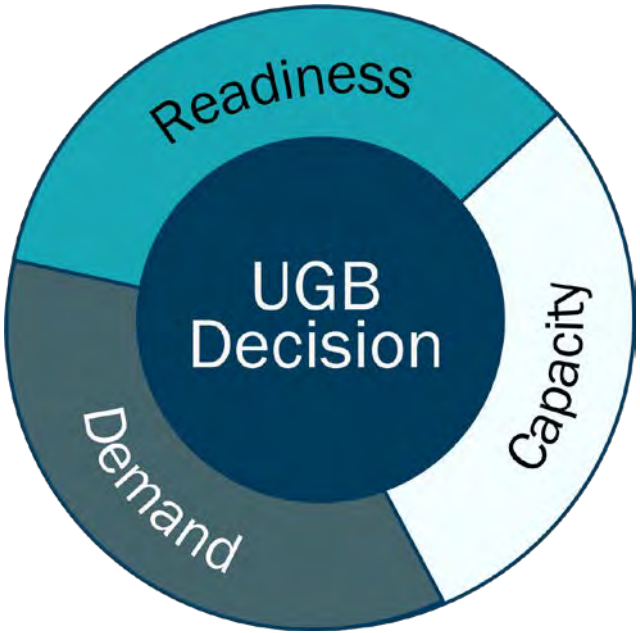
Metro

UGR roundtable updates



UGR roundtable updates

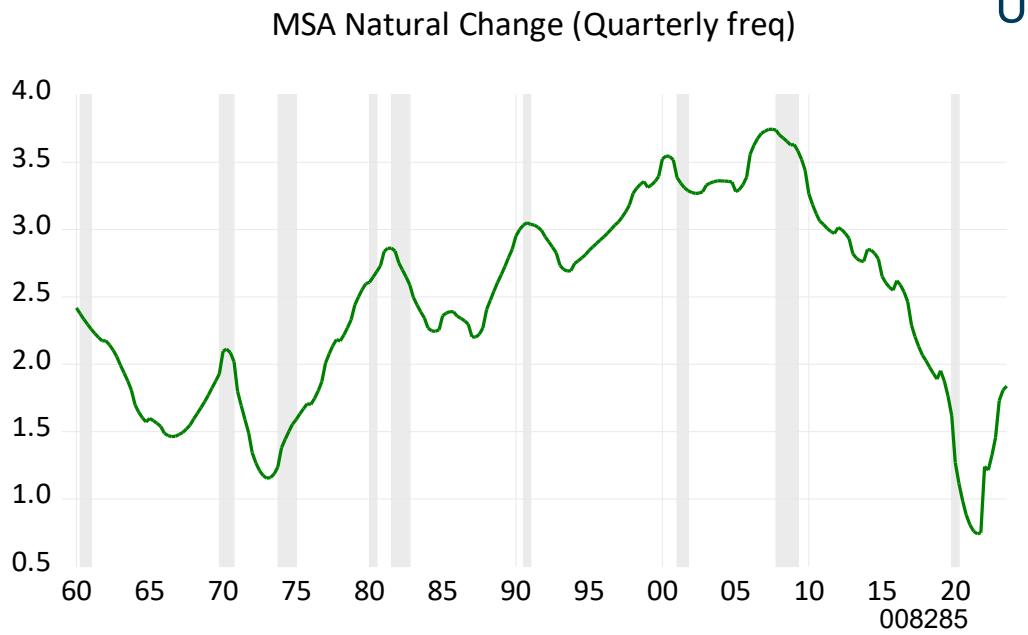
- Capacity: Buildable lands inventory
- Deep dive into the pro forma model with Jerry Johnson, Johnson Economics



UGR roundtable updates

- Demand: Housing needs analysis with Becky Hewitt, ECONorthwest
- Economic and demographic trends with expert panel, including PSU Population Research Center

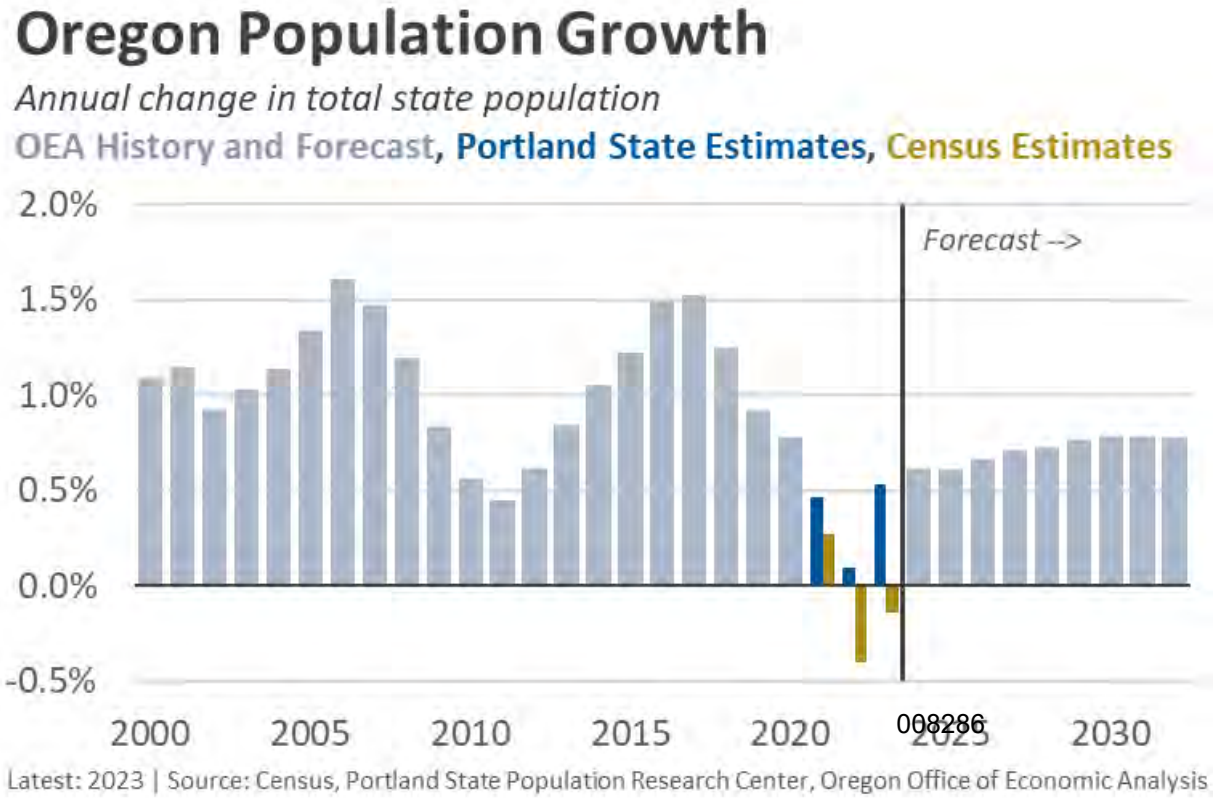
Population growth is slowing



Updated population data

- Deaths continue to outnumber births as more baby boomers “age out”
- Surrendered driver licenses at Oregon DMVs continues to match levels seen last decade
- Portland metro population may be stabilizing, even as the urban core continues to lose residents

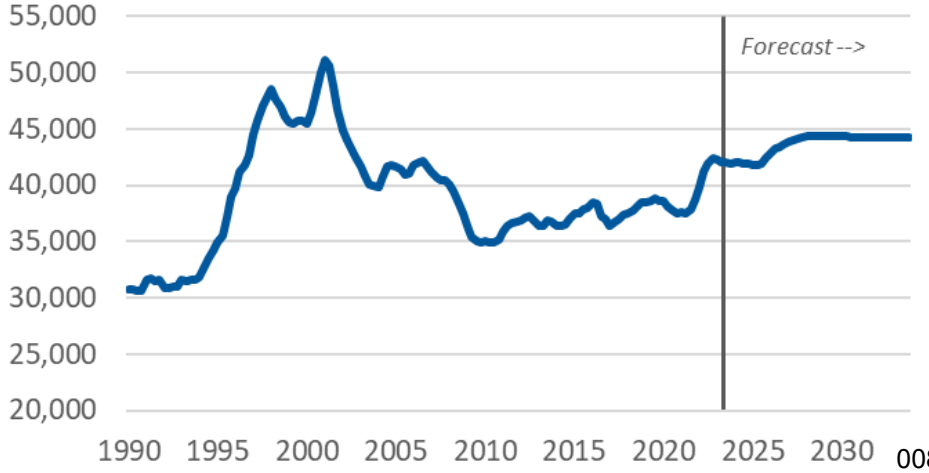
Population growth slowly returns



- Stagnant population during the pandemic (estimates vary between PSU and Census)
- Migration is the primary reason Oregon grows faster than the U.S. It allows local businesses to hire and expand at a faster rate.

CHIPS Act Impacts Expected

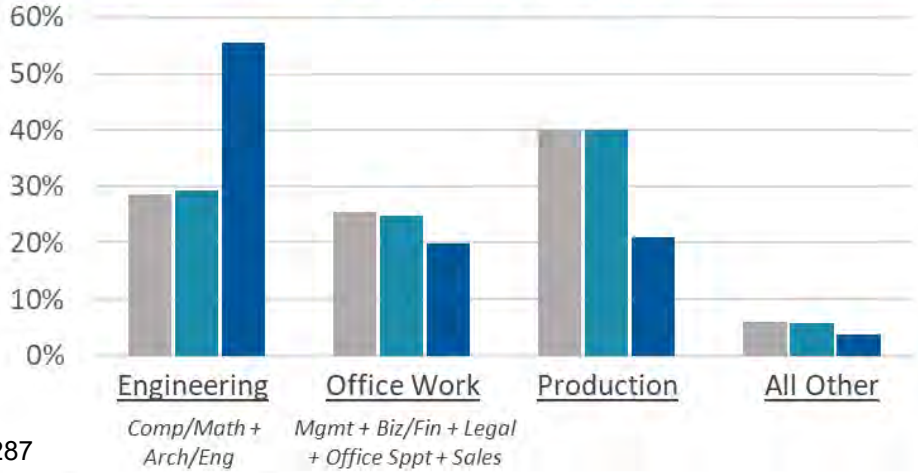
Oregon Computer and Electronic Product Manufacturing Employment



Latest Actual: 2023q2 | Source: Oregon Office of Economic Analysis

Semiconductor Workforce

*Share of all jobs by occupation in the United States, the **10 States with the Largest Semiconductor Workforce**, and **Oregon***



Data: 2022 | Source: BLS, Oregon Office of Economic Analysis

Economist and demographer panel summary – Roundtable reflections

Demographics

Population growth was slowing even prior to the pandemic.

Employment

Manufacturing will do better than the rest of the Country because of semiconductors, but that doesn't necessarily mean a lot more jobs.

008288

Key Takeaways

Today IS different.

There have been structural changes to the economy over the last decade.

Migration is more important than ever to sustained economic growth.

Letter of interest: Sherwood West



- 1,291 acres
- Mix of residential, employment, and open space
- 75-acre hospitality zone
- Protection of Chicken Creek and Goose Creek
- Estimated jobs to housing ratio of 1.4

Upcoming engagement

- MPAC
- CORE
- Youth cohort
- Tribal outreach
- UGR roundtable



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Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

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

Date/time: Wednesday, January 17, 2024 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video meeting via Zoom

Members Attending	**Affiliate**
Eryn Kehe, Chair	Metro
Carol Chesarek	Multnomah County Community Member
Victor Saldanha	Washington County Community Member
Tom Armstrong	City of Portland
Anna Slatinsky	Second Largest City in Washington County: Beaverton
Laura Terway	Clackamas County: Other Cities, City of Happy Valley
Katherine Kelly	City of Vancouver
Jamie Stasny	Clackamas County
Jessica Pelz	Washington County
Gary Albrecht	Clark County
Neelam Dorman	Oregon Department of Transportation
Laura Kelly	Oregon Dept. of Land Conservation & Development
Manny Contreras	Clackamas Water Environmental Services
Gery Keck	Tualatin Hills Park & Recreation District
Nina Carlson	NW Natural
Tara O'Brien	TriMet
Bret Marchant	Greater Portland, Inc.
Brett Morgan	1000 Friends of Oregon
Nora Apter	Oregon Environmental Council
Rachel Loftin	Community Partners for Affordable Housing
Preston Korst	Home Builders Association of Metropolitan Portland
Brendon Haggerty	Public Health & Urban Forum, Multnomah County

Alternate Members Attending	**Affiliate**
Kamran Mesbah	Clackamas County Community Member
Vee Paykar	Multnomah County Community Member
Faun Hosey	Washington County Community Member
Dan Rutzick	Largest City in Washington County: City of Hillsboro
Martha Fritzie	Clackamas County
Kevin Cook	Multnomah County
Theresa Cherniak	Washington County
Chris Faulkner	Clean Water Services
Scott Bruun	Oregon Business Industry
Aaron Golub	Portland State University
Jacqui Treiger	Oregon Environmental Council
Craig Sheahan	David Evans & Associates, Inc.
Ryan Ames	Public Health & Urban Forum, Washington County

Guests Attending	Affiliate
Brian Moore	Prosper Portland
Jessica Numanoglu	City of Lake Oswego
Dakota Meyer	City of Troutdale
Greg Schrock	PSU
Bill Berg	City of Beaverton
Kevin Young	Dept. of Land Conversation & Development
Marc Farr	Metropolitan Land Group
Michael Veale	

Metro Staff Attending
Andrea Pastor, Bryan Blanc, Carson Fehner, Clint Chiavarini, David Tetrick, Dennis Yee, Eliot Rose, Eryn Kehe, Glen Hamburg, Hau Hagedorn, Jeffrey Hood, Joe Gordon, John Mermin, Jon Williams, Laura Combs, Marie Miller, Patrick McLaughlin, Ted Reid

Call to Order, Quorum Declaration and Introductions
Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. Zoom logistics and meeting features were reviewed for online raised hands, renaming yourself, finding attendees and participants, and chat area for messaging and sharing links. An overview of the agenda was given.

Comments from the Chair and Committee Members

- **Survey results on MTAC meetings at MRC** (Chair Kehe) There were 49 responses received from the survey about in-person meetings. There were slightly more members than alternatives participating but almost 50/50. Further responses can be accepted. It was noted 80% of people want to have some number of in-person meetings over the course of the year. There were definitely some hard nos. Several people emphasized how important it would be for these meetings to be hybrid. That will always be an option offered at MTAC meetings. A few people shared ideas about potentially hosting a meeting rather than held at Metro Regional Center. If anyone has a facility for a large group and the ability to hold hybrid meetings, contact Chair Kehe. All this is work in progress. A reminder that the MTAC Feb. meeting will be online.

- **Updates from committee members around the region** (all)
- Neelam Dorman announced a job opening at ODOT Region 1 for a Senior Transportation Planner. A link was shared in chat: https://oregon.wd5.myworkdayjobs.com/en-US/SOR_External_Career_Site/job/Portland--ODOT--Region-1-Headquarters/Senior-Transportation-Planner_REQ-145635?hiringCompany=47688ccd4cac014f570a979ec2233d33 . A couple of responsibilities for this position would be working with local agencies on the Transportation System Plan updates, staffing county coordinating committees, and administering the Transportation Growth and Management Grant Projects.
- Jessica Pelz announced that Washington County is hiring for an assistant director at land use and transportation. The link was shared in chat: https://www.governmentjobs.com/careers/cowashingtonor/jobs/4128514/assistant-director-of-land-use-transportation

Public Communications on Agenda Items – none given.

Consideration of MTAC minutes December 20, 2023 meeting
Chair Kehe asked for a vote to approve MTAC minutes from December 20, 2023 meeting.
ACTION: Motion passed with no opposed, and 3 abstentions.

Urban Growth Management Functional Plan Title 4 Map and Amendments in 2023 (Glen Hamburg, Metro) Background information on the Functional Plan and Title 4 Map and amendments was given. Title 4, *Industrial and Other Employment Areas*, of the Urban Growth Management Functional Plan (UGMFP) seeks to improve the region's economy by protecting a supply of sites for employment with requirements for local jurisdictions to limit the types and scale of certain non-industrial uses in designated Regionally Significant Industrial Areas, Industrial Areas, and Employment Areas.

Title 4 purposes is to provide/protect sites for employment, promote industry clustering, promote capacity and efficiency of transportation system for movement of goods/services, encourage non-industrial uses to locate in 2040 Centers, Corridors, Main Streets, and Station Communities. Methods, criteria and pathways to amending the map were described.

Title 4 sets forth several avenues for amending the map, either through a Metro Council ordinance or through an order of the COO, depending on the circumstances. There were no amendments made to the Title 4 Map by the Metro Council in 2023, the map was amended at the request of the City of Happy Valley in 2023. The city's plan addressed 800 acres better suited for other uses (commercial, residential).

Comments from the committee:

- Laura Terway thanked Glen and Metro for working with Happy Valley on this project. It was designated long ago and really none of that foundational work or the dive into the context and the details of the site had been done. It was nice that we were finally able to adopt a comprehensive plan or a concept plan for this area and work with the community for over five years to come up with something that is suitable. The City of Happy Valley does still believe in a lot of industrial Title 4 lands that we have in the city and are looking forward to supporting their development over time.
- Jamie Stasny appreciated the presentation which was helpful for context and to ground everyone in the functional plan and what the sections are. Mr. Hamburg added we seem to be getting more interest in this particular title. So while this is a lot of information, I feel there is quite a bit of interest in what Title 4 is about and how it relates to cities and counties changing interests, and how to protect industrial lands, how to satisfy other needs that they have, for example, commercial development, residential development. If anyone has other questions about how this all works, contact Mr. Hamburg.

Economic conditions/trends (Ted Reid/ Dennis Yee/ Joe Gordon, Metro) Ted Reid provided the introduction to this agenda item. Dennis Yee would be discussing economic and demographic trends that inform our outlook looking forward. Joe Gordon would be discussing work from home trends that have been happening which influence the demand side of the question that we have been looking at. If a lot more people are working from home, then what does that imply abut future demand for office space?
Dennis Yee presented information on new forecast mandates and expected deliverables. Population growth by decade was presented by Metropolitan Area (MSA) and Metro Counties. Death statistics and death rates decline was shown particularly evident in retirement-age cohorts.

The decline in birth rates was shown, partly due to delay in child rearing decisions. MSA population trends show that growth rates sharply slow as number of deaths exceed live births. MSA population growth data was given on migration vs natural change, rise in diversity by race and ethnicity, demonstrated by a population pyramid characteristic of a population growing very slowly.

Employment and population relationships were reviewed. Industry sector growth rankings sorted by NAICS code and by historic growth percent were shown. Household size, income and age draft forecast was shown with a decline in average household size in MSA, proportional increase in MSA lower income brackets, and aging of population / head of household in MSA.

In summary, population (MSA & US) is slowing due to underlying demographics & vital statistics. Payroll Jobs (MSA & US) are slowing with labor force participation topping out and lower population growth. There is a relationship between population and employment. We see there's a relationship between population and economic cycles and trends. There's a relationship between population and employment itself. And there's a relationship between population and employment regionally versus nationally versus Oregon and other MSAs. They are all tied together in some fashion. The national forecast is quite slower going forward, so imagining that forecast for the MSA.

Comments from the committee:

- Manuel Contreras noted it was hard to see the lines showing the periods of recession. Is there a point you're making of how the recession relates to either death outpacing births, net migration and employment dips, and employment population rations? Mr. Lee noted the gray bars are these vertical bars at different year intervals. The width of it and the location of it indicates when and how long migration persisted. People make decisions about their life and their employment and businesses based on the state of economic affairs. It's not a hundred percent. People make migration decisions because of family or other social eco reasons. But largely economically people have children when they feel prosperity. These gray areas represent periods of economic downturns with some of the economic and population phenomena charted here going forward.
- Greg Schrock noted possible mention of a number of different factors that could potentially be playing in sources of variability. Could you boil it down to one or two things that you think are the biggest contingencies that may impact these sort of regional growth forecasts and the potential for where that's likely to happen?

  Mr. Yee noted we're talking about the long-term. You notice I didn't talk much about interest rates, inflation, these really transitory economic factors. I can certainly talk about them because it does impact the near-term business cycle. And the near-term employment and economic trends because there is a relationship, but we're talking 25, 30 years down the line. A lot of these tend to flatten out. That is to say, they trend up or down. But if looking at smoothing out that trend they don't impact that much. So what does impact long term population growth and long-term employment? The reason I chose fertility and death rates is the death rates are pretty certain, we see a trend of them improving, but also have an age structure that can apply the death rate to.

  We know what the population segment sizes of different generations are and can assert some kind of morality rate to that. Those changes are obviously going to be factoring in as much as we can for life expectancy. So if life expectancies change dramatically and we become healthier in some dramatic sense that will cause us to rethink that trend. Same with fertility rates.

Then the relationship between population and employment is huge because of the labor supply being capped. Near-term you could probably affect some things through tax policy, through changing infrastructure investments. Because then that could boost employment. We're pretty close to being maxed out there to alter growth rates. But these are all short-term things that I find hard to see manipulating in long-term trends unless something major happens.

- Jamie Stasny was curious about context, how the work you're doing now is going to evolve. I believe you'll be back to talk about forecasting and how this will affect the larger Urban Growth Report process. From what you're telling us it looks like population will now be growing as we look forward. So what does that mean for the UGR process this year?

  Mr. Yee agreed, population employment growth are much lower rates as we've seen from the national forecast. I think there's a carryover in my point for the MSA. I think there might be some questions around the CHIPS Act and how that might impact job growth. It does, we've seen that in the State employment forecast. But you'll note that the high tech employment sector doesn't boom. It edges up and then levels, and essentially there's been a movement towards reshoring or onshoring high tech and perhaps some of the other manufacturing sectors, but it's almost a little too late kind of thing. We're probably going to continue to see employment in the manufacturing sector perhaps level or hold its own.

  The trend is for more service sector jobs. Machines fabricate things much more efficiently than people do. So we need smart people to run the machines in the manufacturing sector. But with an aging population some sectors make a lot of sense that will continue to grow, like the medical, healthcare, aging services and personal services as the population ages we expect to have more services like that. We've seen some obvious growth in artificial intelligence and computer related things but not necessarily the manufacturing of the hardware, but the software where growth is expected.

- Ted Reid noted Mr. Lee mentioned that we will be conducting a peer review of this forecast in the next month that will include economists and demographers from places like PSU, the State of Oregon Office of Economic Analysis and others that are going to look at these numbers and trends and give us their feedback. Then in terms of how it factors into the growth management decision, it was discussed some of the details around household demographics. That will work into our housing needs analysis that we're going to conduct for the Urban Growth Report. The model that Eco Northwest is developing for us to access housing needs using demographic factors will include what was presented. Likewise for the employment side, in the UGR we'll be doing some estimation of what those forecasts for job imply and land demand or space demand.

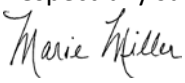
Joe Gordon was introduced, who has been doing some analysis on work from home trends in our region compared to other metropolitan areas. Mr. Gordon explained the Census Bureau call a metro area an urbanized area, but it's as close to our shape of the UGB or the metro jurisdiction on the Oregon side as you can get with a census geography. It does include Vancouver however, so a good proxy for the metropolitan regional area. Portland as a city is included in the comparison charts. The years displayed are for 2019, 2021 and 2022. The charts show the effects of pre-pandemic work from home rates, the drastic increase over two years to 2021, and then sort of a comeback a little bit in 2022. The information will be factored into estimations for demand side for

office space or land demand for employment area. The trend for remote work situations are roughly a third of us now and will be evaluated in the analysis.

- Jessica Pelz asked if this is showing any work from home such as hybrid or is it a hundred percent work from home on these responses. The question relates to means of transportation on the survey which is sent to your house, correct? Mr. Gordon noted there could be a fair amount of subjectivity and then the questions are very specific to your life experience in some certain amount of time that you've been living that life experience. So the question is literally last week how did you get to work the majority of the time. This could be answered working entirely remotely or using a hybrid situation. It's kind of all that that captured together, but the fact that you're seeing such a marked increase is showing that a good amount of this effect that we're seeing is relative to the pandemic and the change in work modes.
- Chair Kehe noted it does seem like this is a moving target, how without seeing 2023 results, how do we anticipate whether that decrease that we see in all of the cities between 21 and 22, if that continues or if we see more of a settling out at those percentages? Mr. Gordon noted he thought if we think back to 2022, I think maybe we were still on the tail edge effect of some of the pandemic related type issues. I would expect in 2023 it feels like fully out of it, and I think this trend will increase. But I also feel a lot of companies or agencies or society in general has identified a new form of normal work behavior, too. I'd be surprised if it went back to the way it was. Some agencies and types of work are going to keep being remote, and I would expect this trend would continue to come back in 2023 going forward. I think you'll start to see a leveling off, but who knows what the new normal is.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 11:00 a.m.
Respectfully submitted,



Marie Miller, MTAC Recorder

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	1/17/2024	1/17/2024 MTAC Meeting Agenda	011724M-01
2	MTAC Work Program	1/5/2024	MTAC Work Program as of 1/5/2024	011724M-02
3	Minutes	12/20/2023	Draft minutes from MTAC 12/20/2023 meeting	011724M-03
4	Memo	1/10/2024	TO: MTAC members and interested parties From: Glen Hamburg, Associate Regional Planner RE: UGMFP Title 4 Map and Amendments in 2023	011724M-04
5	Presentation	1/17/2024	The UGMFP Title 4 Map and Amendments in 2023	011724M-05
6	Presentation	1/17/2024	Regional Forecast	011724M-06
7	Presentation	1/17/2024	Worked from Home by Metro Area and City	011724M-07

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC)
Date:	Wednesday, January 17, 2024
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom
	video recording is available online within a week of meeting
	Connect with Zoom Passcode: 982966 Phone: 888-475-4499 (Toll Free)

9:00 a.m.	**Call meeting to order, Declaration of Quorum and Introductions**	Chair Kehe
9:10 a.m.	**Comments from the Chair and Committee Members** • Updates from committee members around the Region (all) • Survey results on MTAC meetings at MRC (Chair Kehe)	
9:20 a.m.	**Public communications on agenda items**	
9:23 a.m.	**Consideration of MTAC minutes, December 20, 2023** **(action item)** Send edits/corrections to Marie Miller	Chair Kehe
9:25 a.m.	**Urban Growth Management Functional Plan Title 4 Map and Amendments in 2023** Purpose: As required by Metro code, the previous year's UGMFP Title 4 map and amendments from the previous year are shared annually with MPAC and Metro Council. Staff will share a summary from 2023.	Glen Hamburg, Metro
9:45 a.m.	**Economic conditions/trends** Purpose: Understand state and national population / economic trends in preparation for the 20-year regional forecast produced for the urban growth management decision in 2024.	Ted Reid, Metro Dennis Yee, Metro Josh Harwood, Metro Joe Gordon, Metro
11:00 a.m.	**Adjournment**	Chair Kehe

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គ ប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

إشعار بعدم التمييز من Metro

تحترم Metro الحقوق المدنية. للمزيد من المعلومات حول برنامج Metro للحقوق المدنية أو لإيداع شكوى ضد التمييز ، يُرجى زيارة الموقع الإلكتروني www.oregonmetro.gov/civilrights. إن كنت بحاجة إلى مساعدة في اللغة، يجب عليك الاتصال مقدماً برقم الهاتف 503-797-1700 (من الساعة 8 صباحاً حتى الساعة 5 مساءاً، أيام الاثنين إلى الجمعة) قبل خمسة (5) أيام عمل من موعد الاجتماع.

Paunawa ng Metro sa kawalan ng diskriminasyon

Iginagalang ng Metro ang mga karapatang sibil. Para sa impormasyon tungkol sa programa ng Metro sa mga karapatang sibil, o upang makakuha ng porma ng reklamo sa diskriminasyon, bisitahin ang www.oregonmetro.gov/civilrights. Kung kailangan ninyo ng interpreter ng wika sa isang pampublikong pulong, tumawag sa 503-797-1700 (8 a.m. hanggang 5 p.m. Lunes hanggang Biyernes) lima araw ng trabaho bago ang pulong upang mapagbigyan ang inyong kahilingan.

Notificación de no discriminación de Metro

Metro respeta los derechos civiles. Para obtener información sobre el programa de derechos civiles de Metro o para obtener un formulario de reclamo por discriminación, ingrese a www.oregonmetro.gov/civilrights . Si necesita asistencia con el idioma, llame al 503-797-1700 (de 8:00 a. m. a 5:00 p. m. los días de semana) 5 días laborales antes de la asamblea.

Уведомление о недопущении дискриминации от Metro

Metro уважает гражданские права. Узнать о программе Metro по соблюдению гражданских прав и получить форму жалобы о дискриминации можно на веб-сайте www.oregonmetro.gov/civilrights. Если вам нужен переводчик на общественном собрании, оставьте свой запрос, позвонив по номеру 503-797-1700 в рабочие дни с 8:00 до 17:00 и за пять рабочих дней до даты собрания.

Avizul Metro privind nediscriminarea

Metro respectă drepturile civile. Pentru informații cu privire la programul Metro pentru drepturi civile sau pentru a obține un formular de reclamație împotriva discriminării, vizitați www.oregonmetro.gov/civilrights. Dacă aveți nevoie de un interpret de limbă la o ședință publică, sunați la 503-797-1700 (între orele 8 și 5, în timpul zilelor lucrătoare) cu cinci zile lucrătoare înainte de ședință, pentru a putea să vă răspunde în mod favorabil la cerere.

Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib www.oregonmetro.gov/civilrights. Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnub ua hauj lwm ua ntej ntawm lub rooj sib tham.

January 2021

Memo

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Date: January 10, 2024
To: Metro Technical Advisory Committee (MTAC)
From: Glen Hamburg, Associate Regional Planner
Subject: UGMFP Title 4 Map and Amendments in 2023

Background
Title 4, *Industrial and Other Employment Areas*, of the Urban Growth Management Functional Plan (UGMFP) seeks to improve the region's economy by protecting a supply of sites for employment with requirements for local jurisdictions to limit the types and scale of certain non-industrial uses in designated Regionally Significant Industrial Areas, Industrial Areas, and Employment Areas. Those areas are officially depicted on the UGMFP's "*Title 4 Industrial and Other Employment Areas Map*" (i.e., the "Title 4 Map", Attachment A). The Title 4 Map was first adopted in 1996 and has been amended several times. However, amendments have been infrequent in recent years. Between 2014 and 2022, only one amendment, affecting 20 acres, was made to the map.

As required by Title 4, Metro's Chief Operating Officer (COO) will be submitting a written report to the Council and MPAC by January 31 on the cumulative effects on employment land in the region of amendments to the Title 4 Map during the preceding calendar year. This memo previews that report.

Title 4 Map amendments in 2023
Title 4 sets forth several avenues for amending the map, either through a Metro Council ordinance or through an order of the COO, depending on the circumstances. There were no amendments made to the Title 4 Map by the Metro Council in 2023, but COO Order No. 23-001, signed in September of 2023, amended the map at the request of the City of Happy Valley pursuant to UGMFP Subsection 3.07.450(b).

Subsection 3.07.450(b) provides that, when the Metro Council adds territory to the UGB and designates all or part of the territory as Regionally Significant Industrial Area, Industrial Area, or Employment Area, the COO shall issue an order to conform the Title 4 Map to the land use designations subsequently established by the city or county responsible for comprehensive planning. In the case of COO Order No. 23-001, the map amendment occurred a number of years after the UGB expansion, for the following reasons.

Ordinance No. 02-969B adopted by the Metro Council in December 2002, and Ordinance No. 04-1040B adopted by the Metro Council in June 2004, added territory in Clackamas County to the UGB, including approximately 2,700 acres generally located in the Pleasant Valley / North Carver area[1] of the former City of Damascus. These ordinances also preliminarily designated some sections of the added territory as Regionally Significant Industrial Area, Industrial Area, and Employment Area on the Title 4 Map, with the understanding that the Title 4 Map could be amended after the area was planned for urban uses by the responsible local jurisdiction. With the incorporation and disincorporation of the City of Damascus, the subsequent agreement between the City of Happy Valley and Clackamas County for the area to be planned by the City of Happy Valley, and the general complexities of developing the area, urban planning of the Pleasant Valley / North Carver area wasn't completed by the City of Happy Valley until March of 2023.

[1] The Pleasant Valley / North Carver area is generally located east of SE 152nd Ave, west of SE Anderson Rd, and north of the Clackamas River.

The City of Happy Valley's comprehensive land use plan for the Pleasant Valley / North Carver area was informed by a December 2018 buildable lands inventory, a January 2020 housing needs analysis, and a January 2020 economic opportunity analysis, as well as traffic and utility studies, analyses of topography and habitat areas, broad public outreach, and input from numerous stakeholders. The City's plan identifies that certain portions of the 2,700-acre plan area are less suitable for industrial development than they are for other types of employment uses (e.g., commercial uses) and residential uses, but retains protections of 14.5 acres of Title 4 designated Industrial land in the plan area. COO Order No. 23-001 therefore amended the Title 4 Map to conform with the determinations made by the City in its local plan.

COO Order No. 23-001 also updated the Title 4 Map to reflect a UGB amendment adopted by the Metro Council in February 2023 in Ordinance No. 23-1488.

MTAC members may be aware of some other city or county zone changes from industrial to other uses that occurred during 2023. None of those zone changes were found to be in conflict with Title 4, so amendments to the Title 4 Map were not necessary or requested by cities or counties.

Cumulative effects on employment land in the region

COO Order No. 23-001 removed Title 4 Map designations for approximately 800 acres of the roughly 2,700-acre Pleasant Valley / North Carver comprehensive plan area, while retaining 14.5 acres of the plan area's Industrial designations along Hwy 212. The undesignated acres were: already developed with other (e.g., institutional, commercial, or residential) uses; not zoned to allow for industrial uses; and/or were determined by the City of Happy Valley to be less suitable for industrial development than other uses due to factors such as topography, environmental features, parcel size, road and utility service access, and nearby land uses. The City's adopted land use plan for the area and its implementing regulations nonetheless allow for other employment-supporting uses in some affected areas, such as tourism-oriented commercial uses, medical offices, and financial institutions.

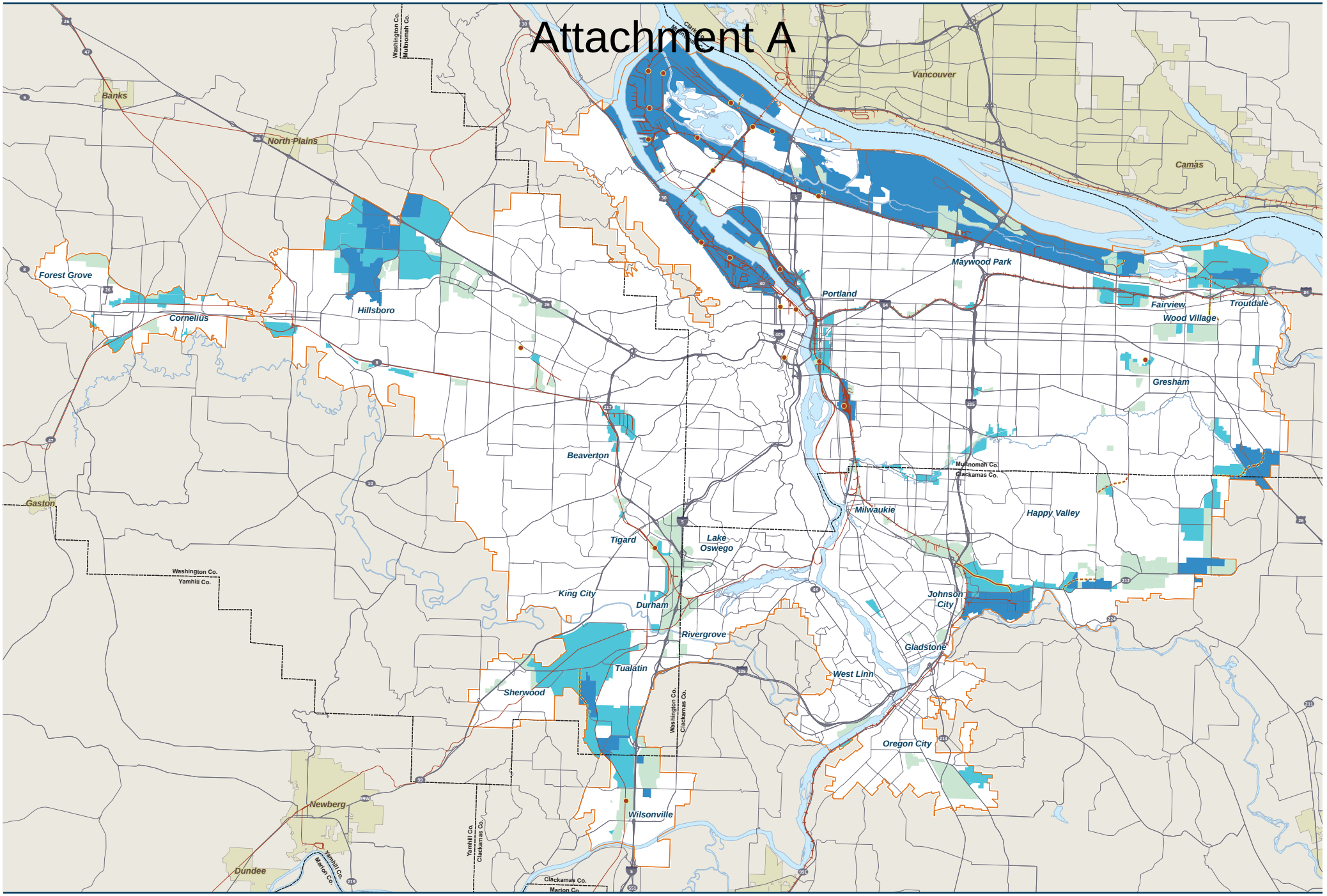
As noted above, COO Order No. 23-001 also updated the Title 4 Map to reflect Ordinance No. 23-1488, which added land to the UGB adjacent to the City of Tigard in exchange for removing a substantially equivalent amount of land in Clackamas County. The areas removed from the UGB by the ordinance were *not* planned or zoned for industrial uses and were determined to be less ready to accommodate urban development than the areas the ordinance added to the UGB.

Therefore, the Order's removal of Title 4 Map designations in Pleasant Valley / North Carver area, which had been applied nearly 20 years ago and prior to any comprehensive planning of the affected territory, and the updates to reflect Ordinance No. 23-1488 did not reduce the supply of land that would reasonably be expected to develop with employment land uses.

Future UGMFP and Title 4 Map updates

Staff anticipates that the number of requests for Title 4 Map amendments may increase in the next few years as local plans and regional economic needs continue to change. A refresh of the 2040 Growth Concept would offer an opportunity for Metro Council consideration of industrial land policy and regulatory updates including an update of the Title 4 Map.

Attachment A



Title 4 Industrial and other Employment Areas

Employment area
Industrial area
Regionally significant industrial area

Proposed main roadway route
Proposed road connector
Mainline freight
Branch line freight
Rail yard

County boundary
Metro urban growth boundary
Neighbor city

0 1.5 3 6 Miles
0 2.25 4.5 9 Kilometers

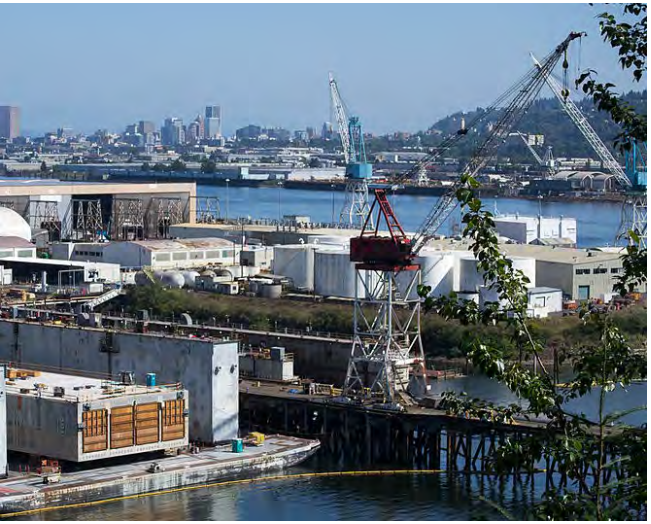
008503

Metro

Metro cannot accept any responsibility for errors, omissions, or positional accuracy. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product.

M:\plan\drc\projects\23035_Title4MapUpdates\Maps\Title4MapUpdates.aprx

Materials following this page were distributed at the meeting.







The UGMFP Title 4 Map and Amendments in 2023

MTAC: January 17, 2024

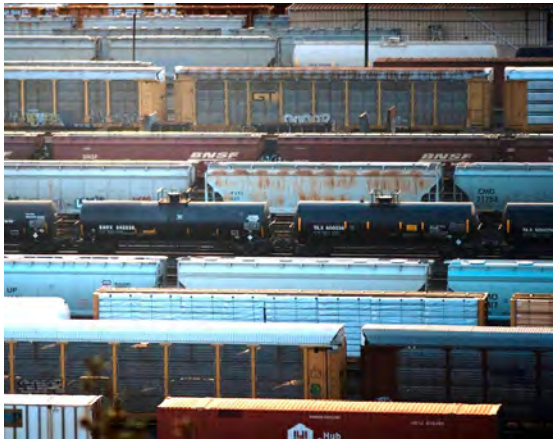
008305

UGMFP Title 4

Purpose:

- Provide/protect sites for employment
- Promote industry "**clustering**"
- Promote capacity and **efficiency of transportation system** for movement of goods/services
- Encourage non-industrial uses to locate in 2040 Centers, Corridors, Main Streets, and Station Communities





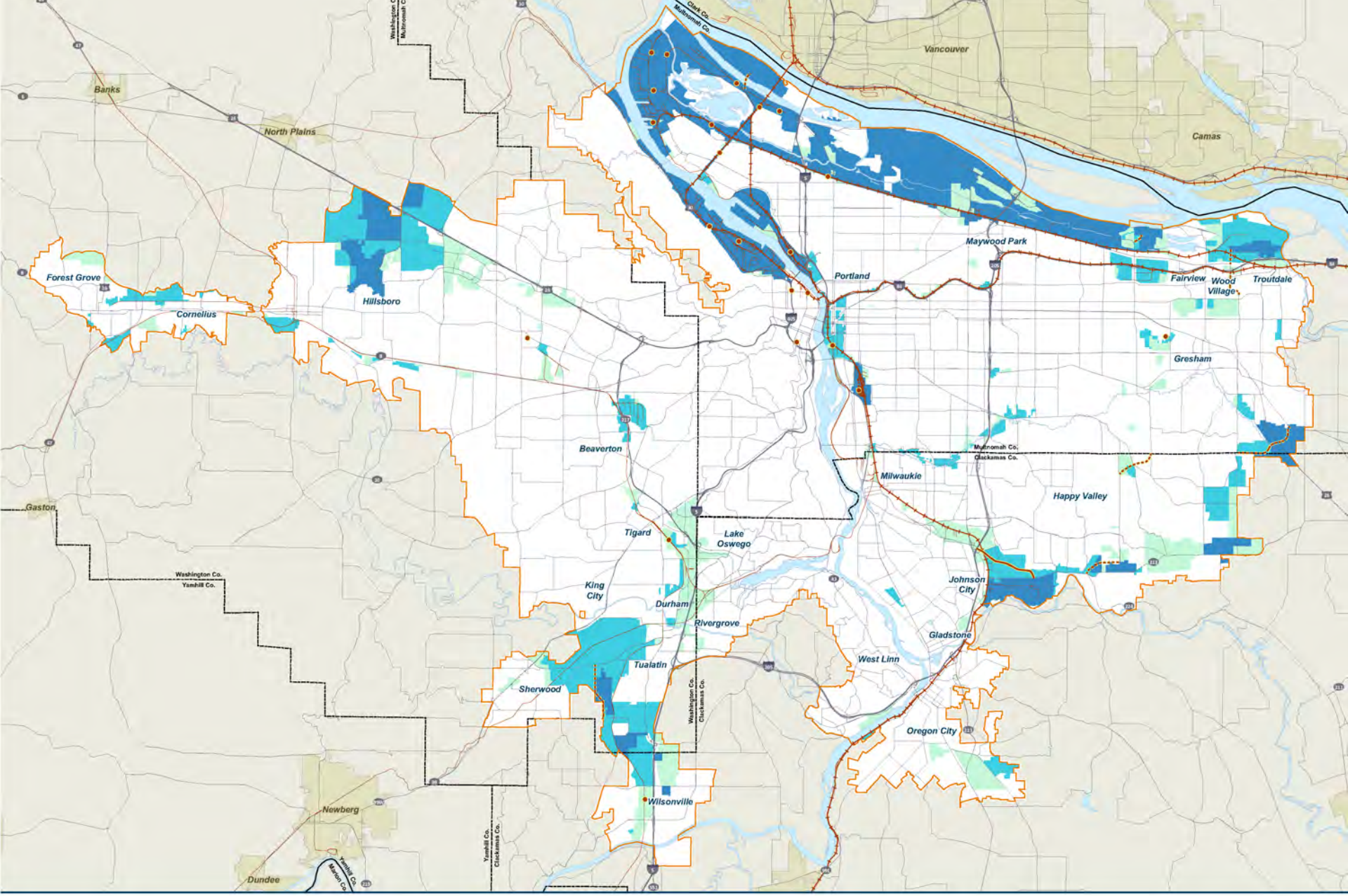
UGMFP Title 4

Methods:

- Restrictions on land divisions
- Restrictions on large-footprint retail commercial uses
- Criteria and procedures for changing local land use allowances
- The “Title 4 Map”







Title 4 Industrial and other Employment Areas

September 2023

0 1.5 3 6 Miles
0 2.25 4.5 9 Kilometers

Employment area
Industrial area
Regionally significant industrial area

Proposed main roadway route
Proposed road connector
Mainline freight
Branch line freight
Rail yard

County boundary
Metro urban growth boundary
Neighbor city

Metro

008308

Diverging from the Map

Must satisfy certain Title 4 criteria concerning:

- Site area
- Proximity to other RSIA/Industrial areas
- Effects on employment capacity
- Effects on regional freight network
- Impacts to 2040 Centers
- Access to specialized services

Amending the Map

Several Title 4 pathways:

- By Council ordinance, to better achieve RFP policies
- By Council ordinance, to make locally requested changes that could not meet divergence standards
- By COO order, following local comprehensive planning

2023 Amendments

Request of Happy Valley:

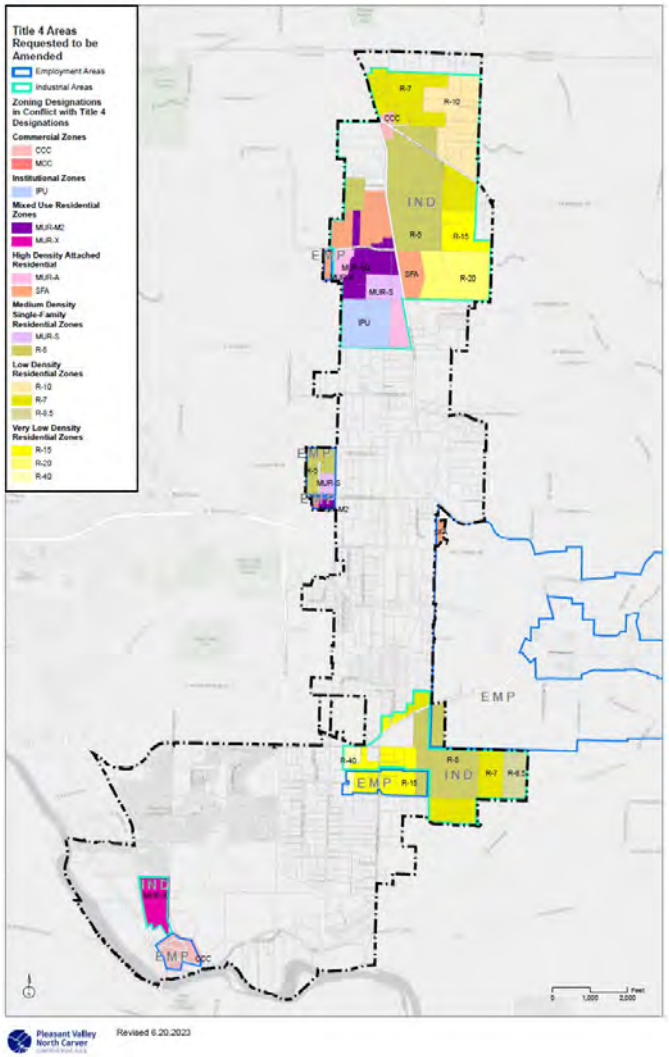
Changes following local development and adoption of plan for Pleasant Valley / North Carver area (2,700 acres)

- Buildable Lands Inventory
- Economic Opportunities Analysis
- Housing Needs Analysis
- Traffic and utility studies
- Analysis of topography and habitat
- Broad public outreach

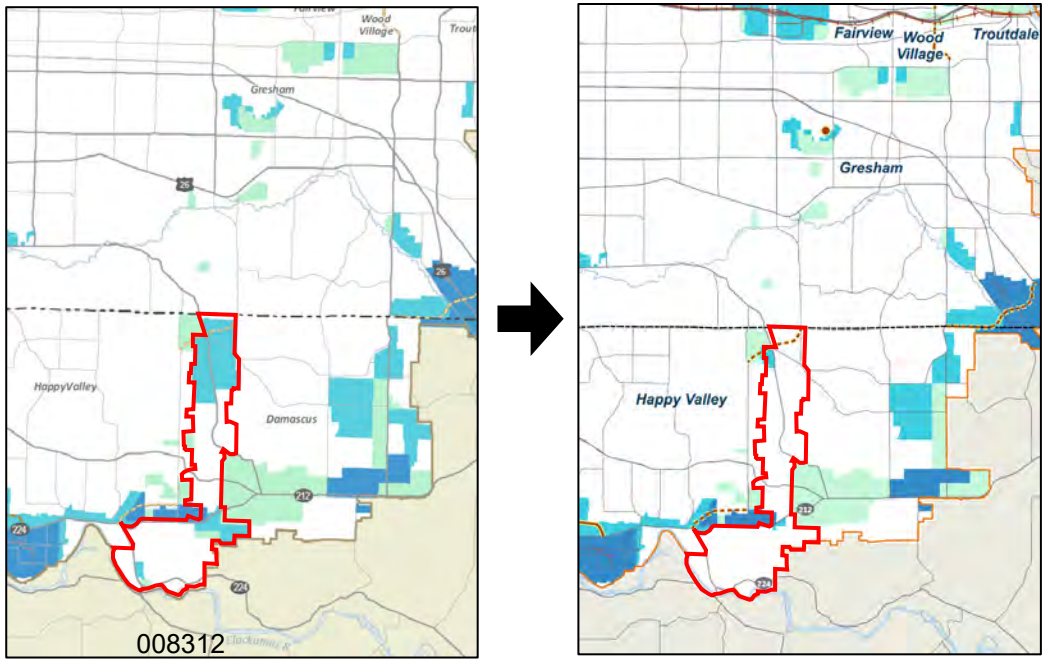


Credit: City of Happy Valley

2023 Amendments



- City's Plan: 800 acres better suited for other uses (commercial, residential)
- Title 4 designation removed by COO order (also conforming map to 2023 UGB decision)



Thank you!



MTAC
(Regional Forecast)

Dennis.Yee@oregonmetro.gov (Metro Economist)

January 17, 2024

New Forecast Mandates & Expected Deliverables

Regional Employment by industry sectors (baseline & range)

- Econometric model links the forecast for each industry to 1) national & demographic trends; 2) industrial assumptions; 3) input-output mechanisms / inter-industry trade-flows between industries
- Estimated coefficients behave as regional quotients which size the economic impacts of each variable to forecast industry growth rates

Regional Population (range | age, sex, race/ ethnicity)

- Population pyramids connected to latest US census assumptions (births & deaths)
- Cohort-component model linked to econometric model of region (net migration)
- Coordination with PSU Pop. Res. Ctr. (per ORS 195.033 | ORS 195.036)

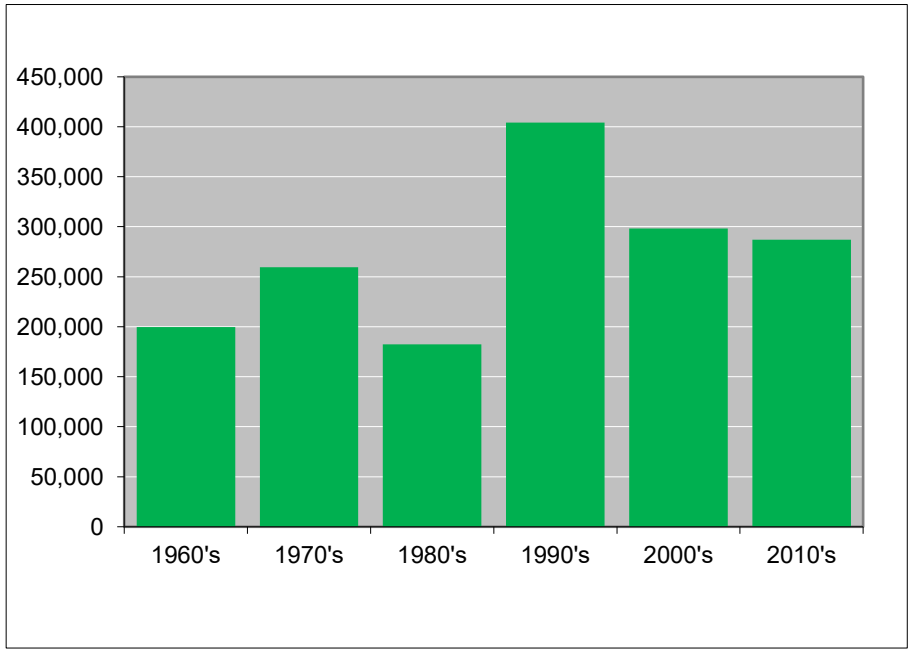
Households (HIA forecast) i.e., household size, income & age bracket

Disability – population forecast

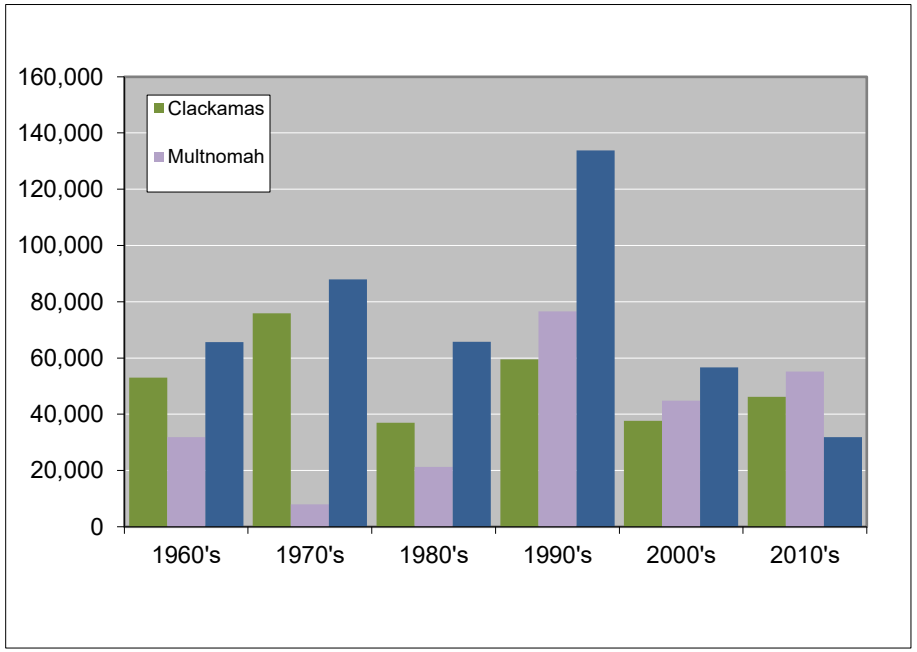
Peer review – forthcoming in January / February

Population Growth by Decade

Metropolitan Area (MSA)

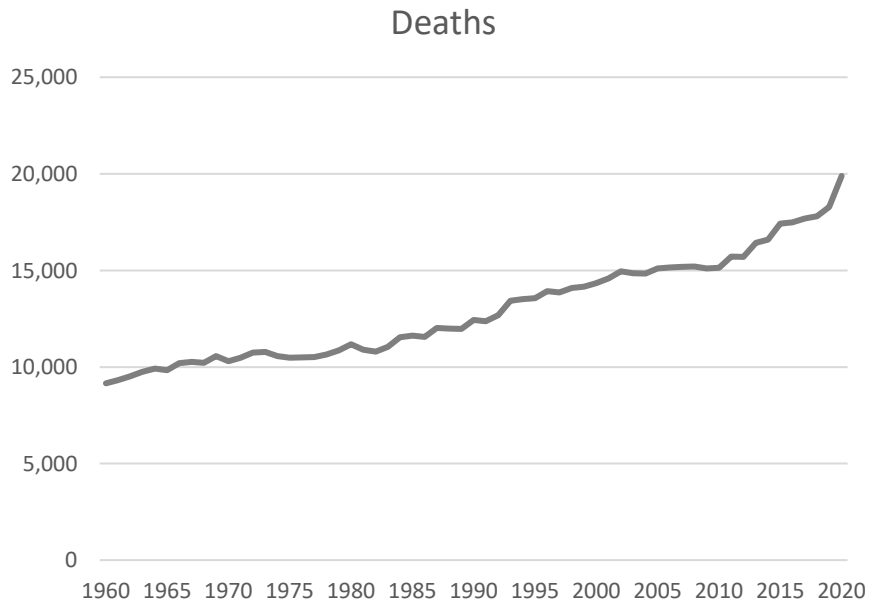


County

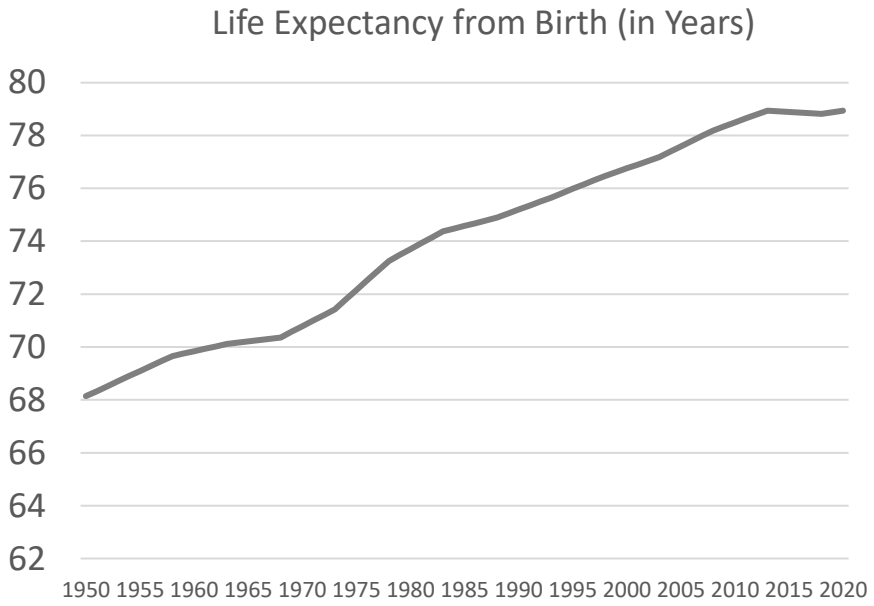


Vital statistics - deaths

MSA deaths rises

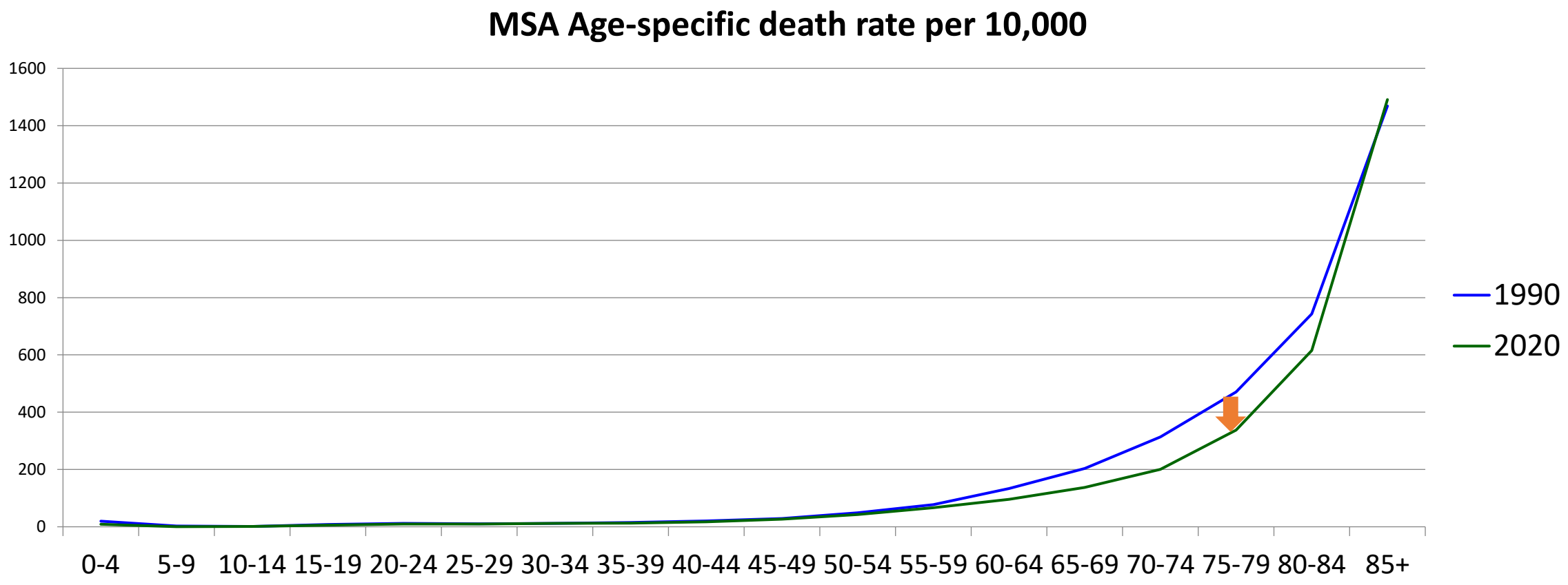


Average life expectancy improves



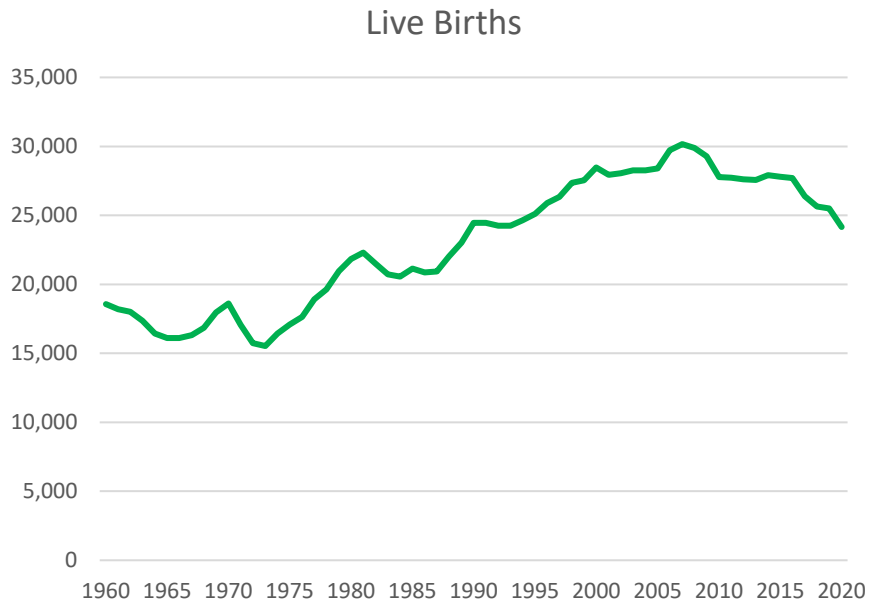
Note: differences in y-axis

Death rates decline … particularly evident in retirement-age cohorts

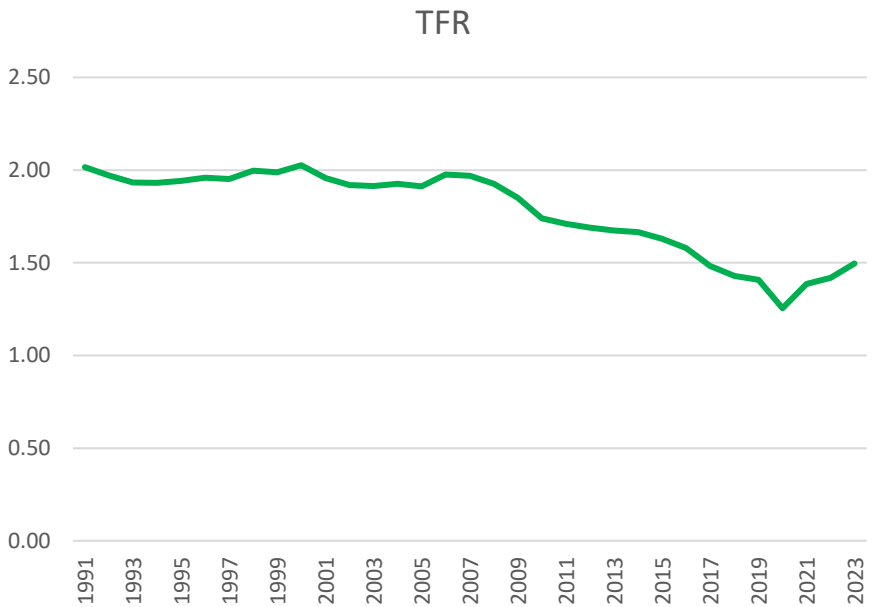


Vital statistics - births

MSA births in decline

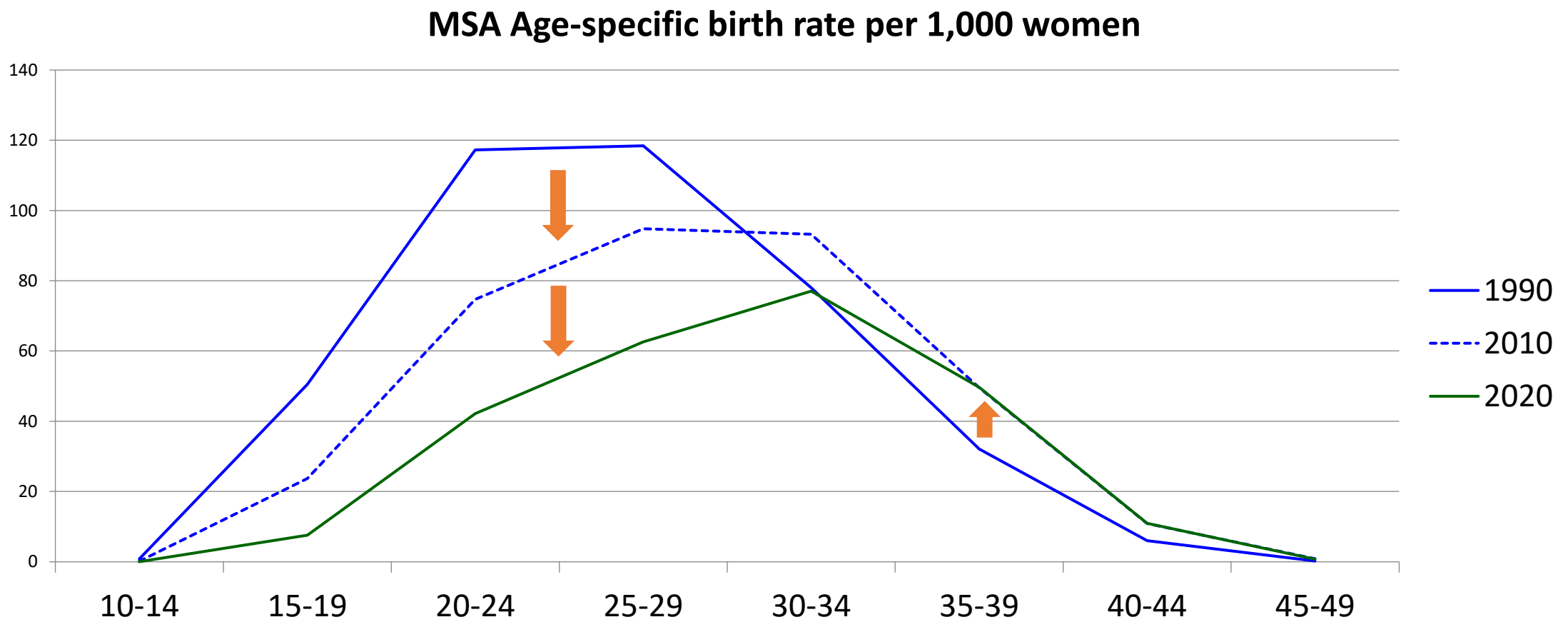


Total fertility rate (TFR) declines … women averaging fewer babies



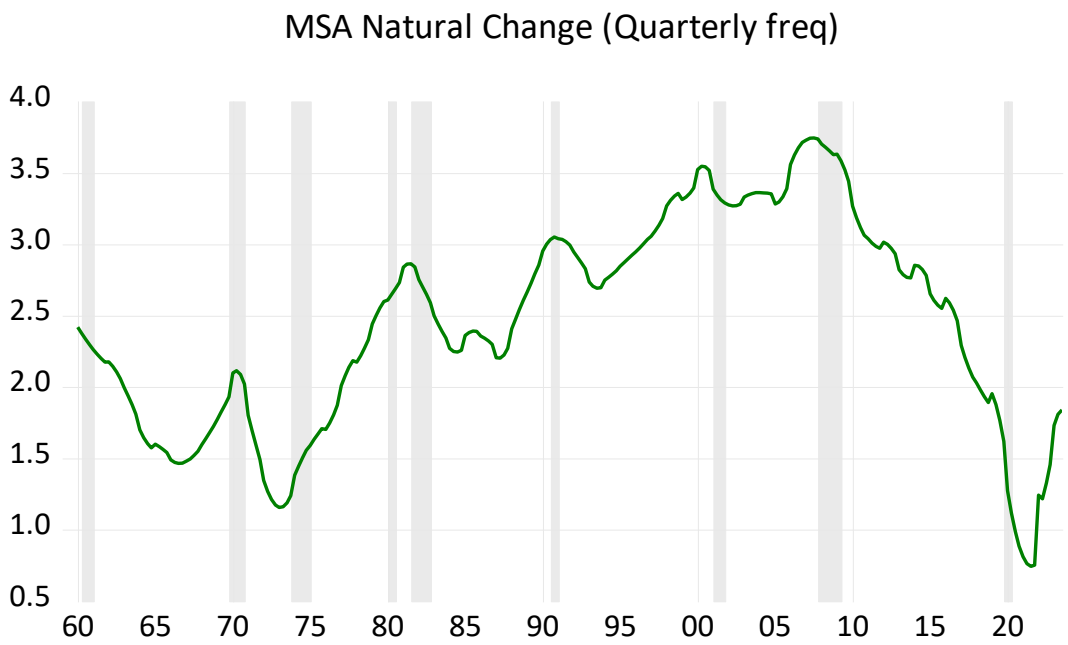
Note: differences in y-axis

Birth rates diminish … delay in child rearing

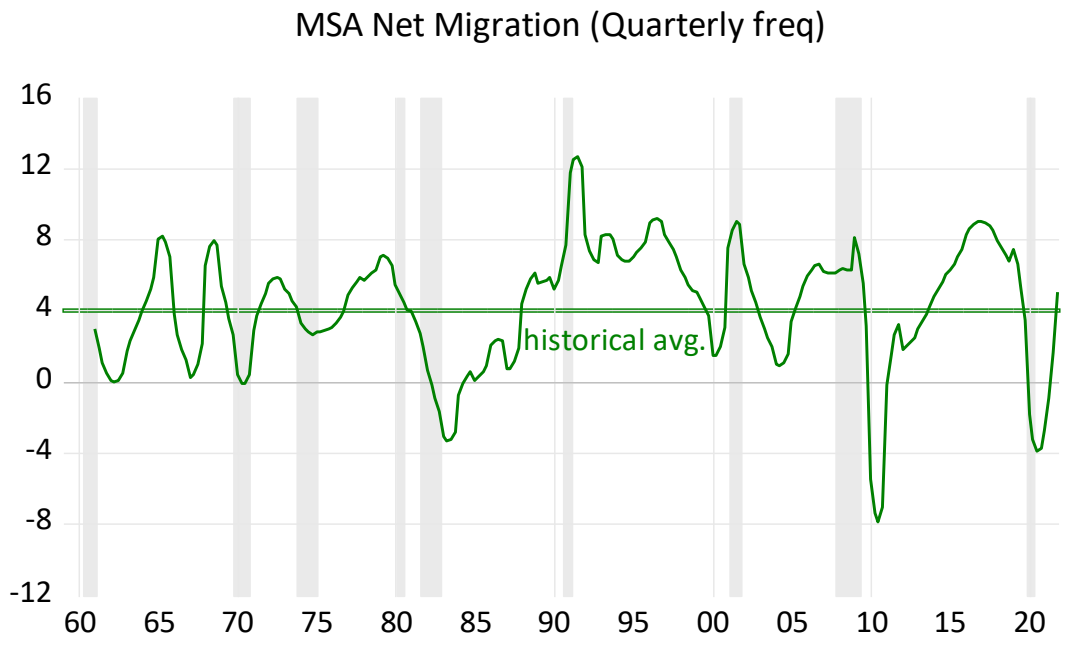


MSA Population trends … growth rates sharply slow as number of deaths exceed live births

Deaths expected to soon outpace births as more baby boomers ‘age out’

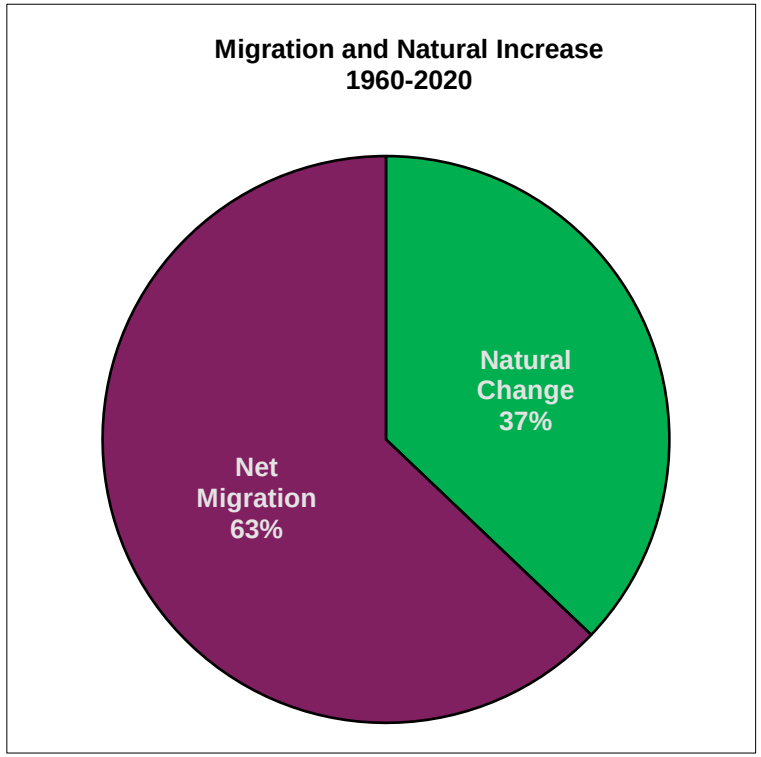


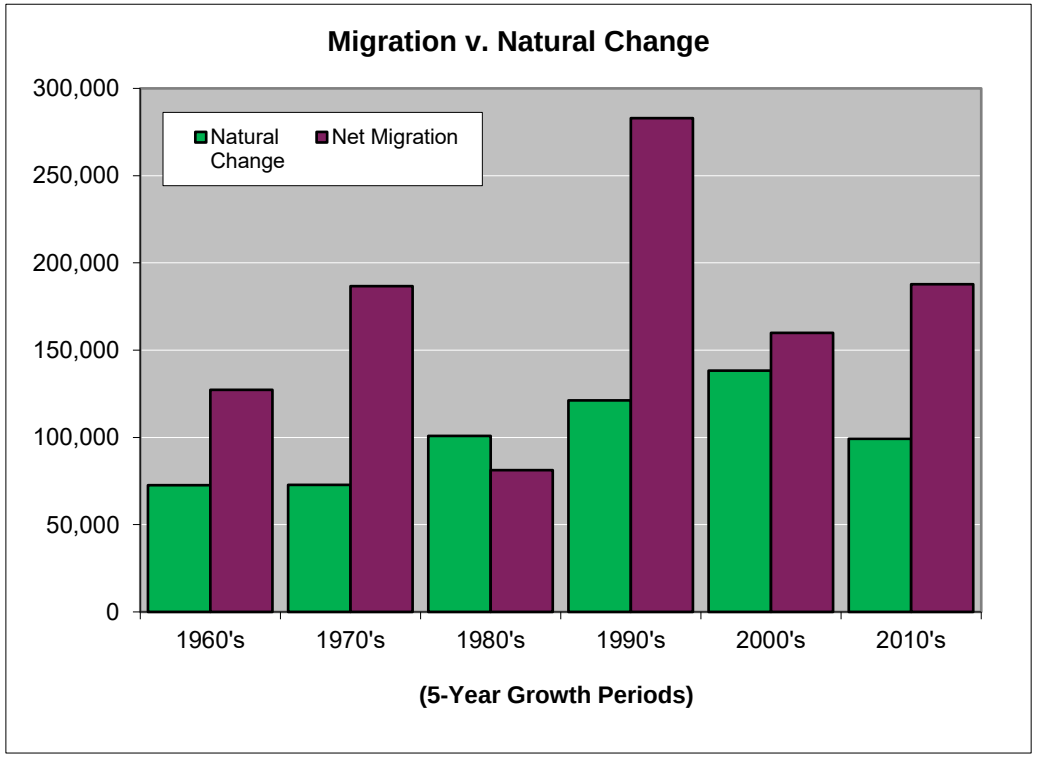
Net in-migration adds to natural increase… boosting historical population growth



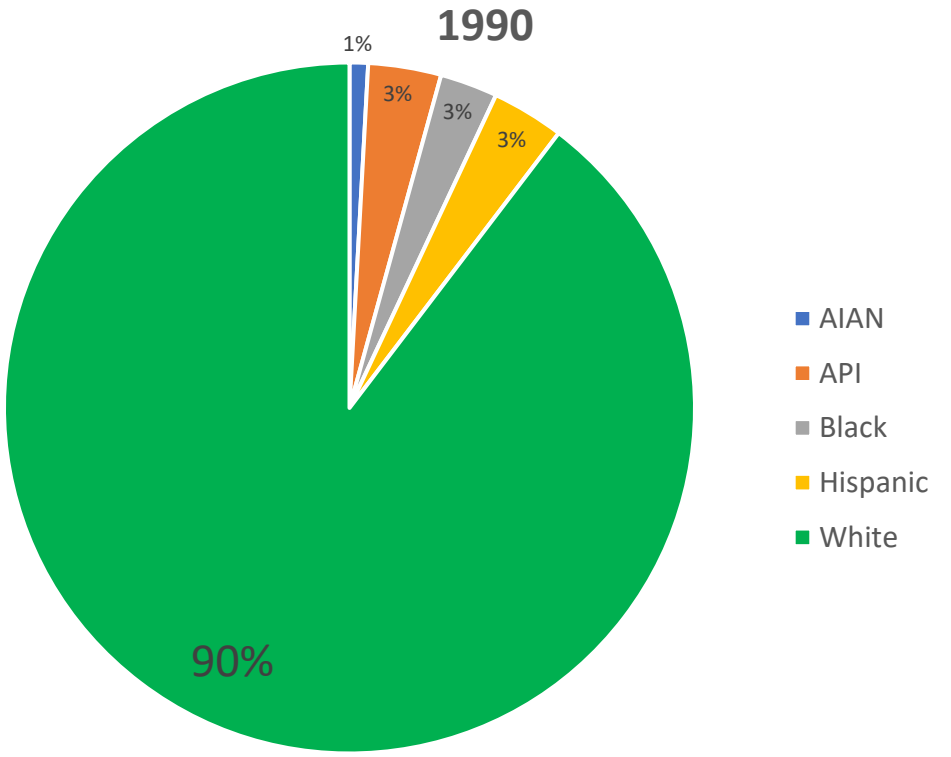
Note: differences in y-axis

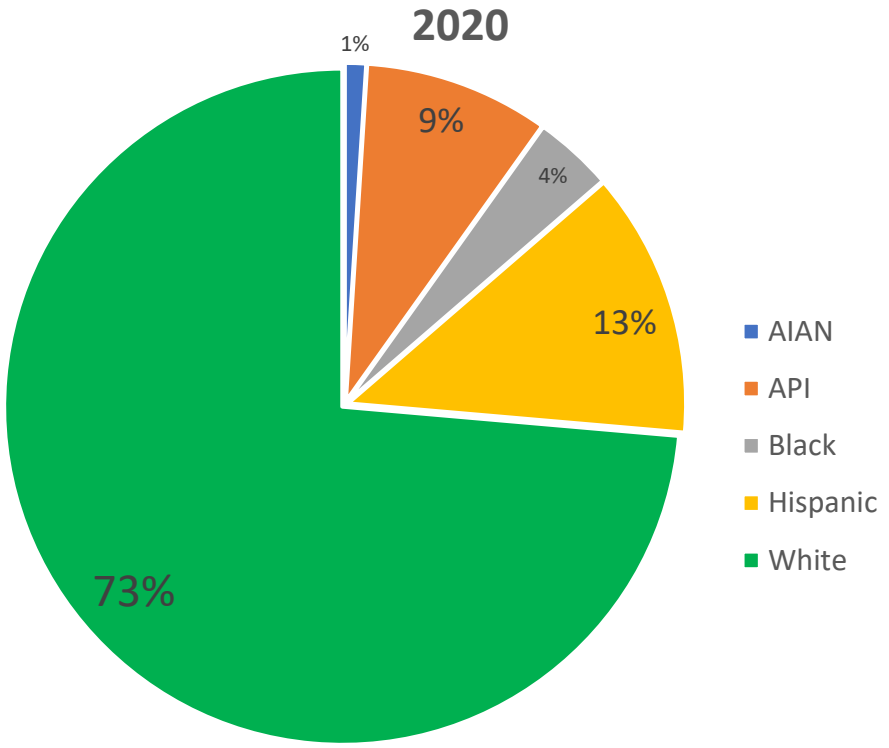
Contributions to MSA Population Growth





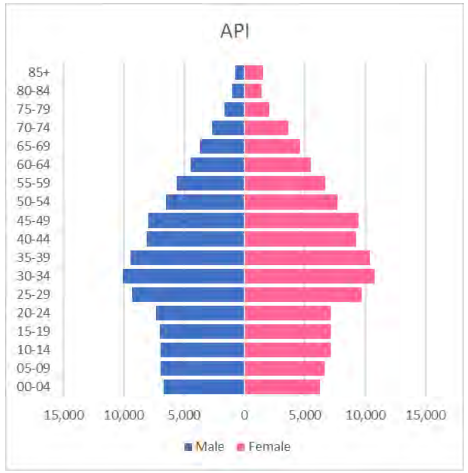
MSA Population by Race & Ethnicity … rise in diversity

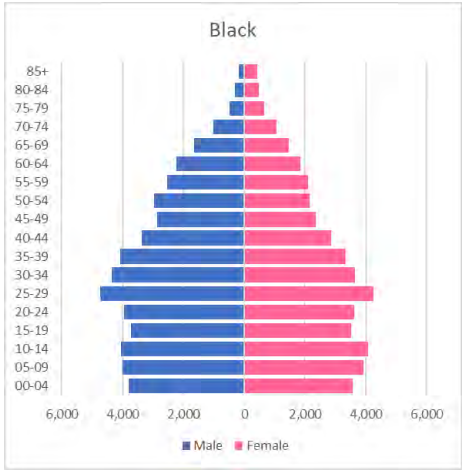


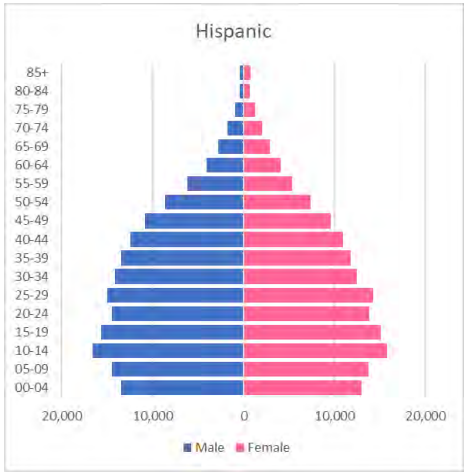


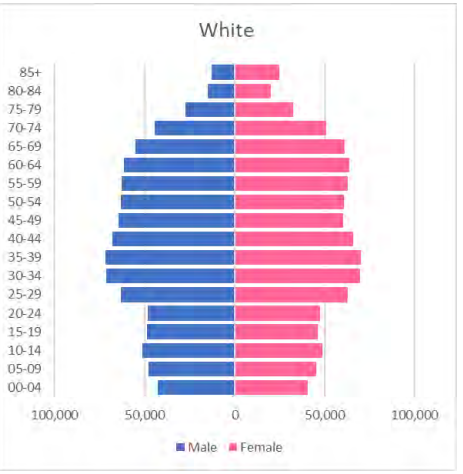
MSA Population Pyramids by Race



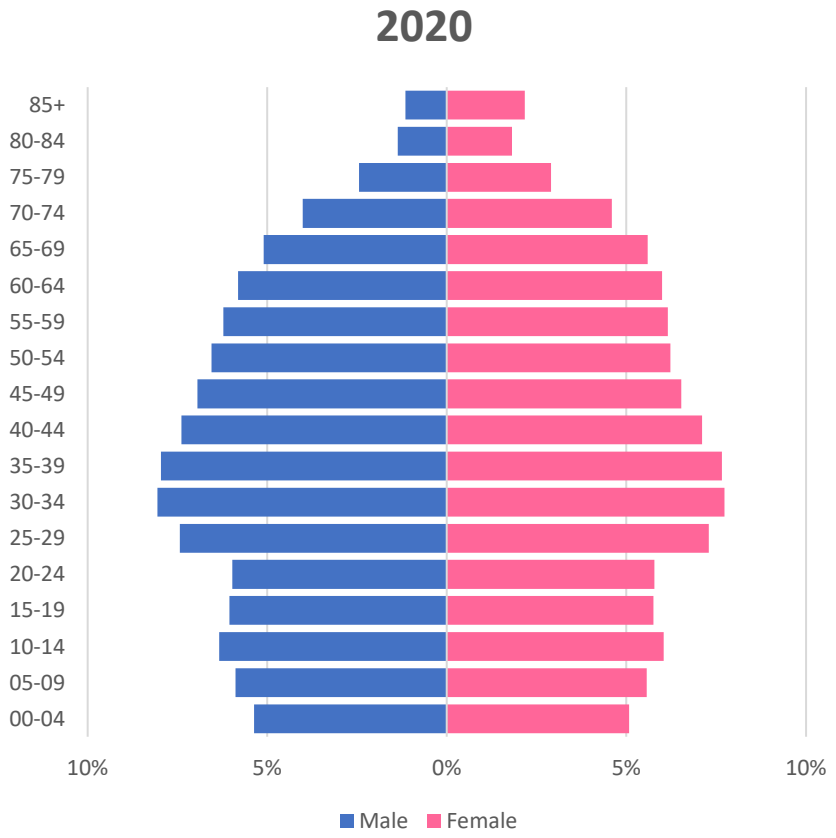








MSA Population pyramid … beehive shape is characteristic of a population growing very slowly

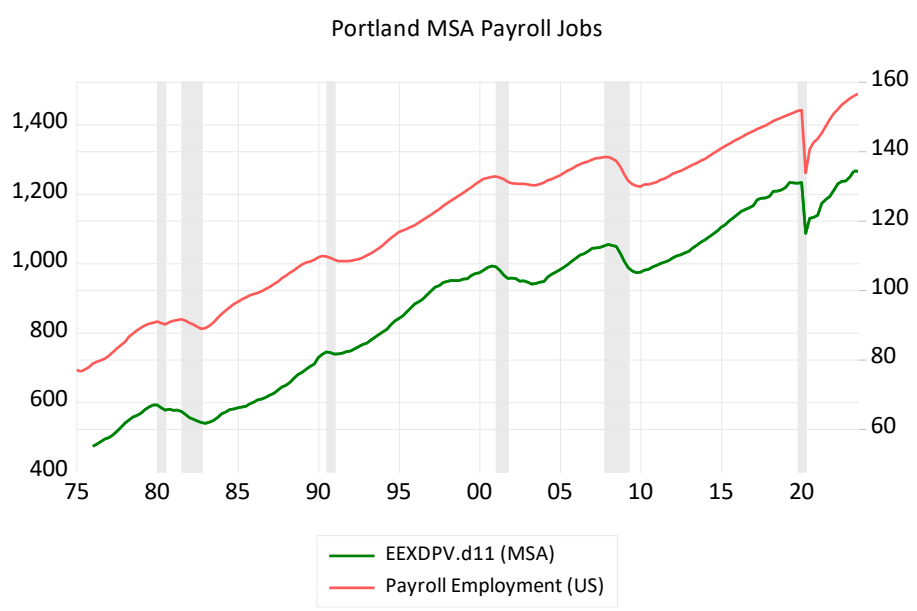


"Constrictive population pyramids describe populations that are elderly and shrinking. Constrictive pyramids often look like beehives and typically have an inverted shape with the graph tapering in at the bottom. Constrictive pyramids have smaller percentages of people in the younger age cohorts and are typically characteristic of countries with higher levels of social and economic development, where access to quality education and health care is available to a large portion of the population.

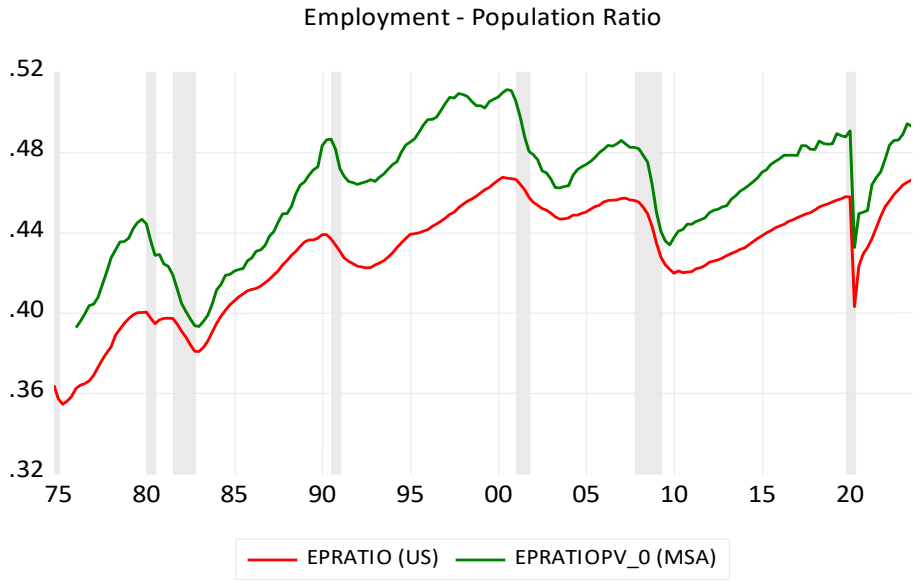
Source: https://populationeducation.org/what-are-different-types-population-pyramids/#:~:text=Stationary%2C%20or%20near%20stationary%2C%20population,taper%20off%20toward%20the%20top.

Employment and population (MSA & US)

Employment dips with recessions … jobs overall return to pre-pandemic levels



Last decades, emp-pop ratio has hovered near 0.5 for the MSA



Note: differences in y-axis

INDUSTRY SECTOR GROWTH (MSA)

rankings sorted by NAICS code and by historic growth %

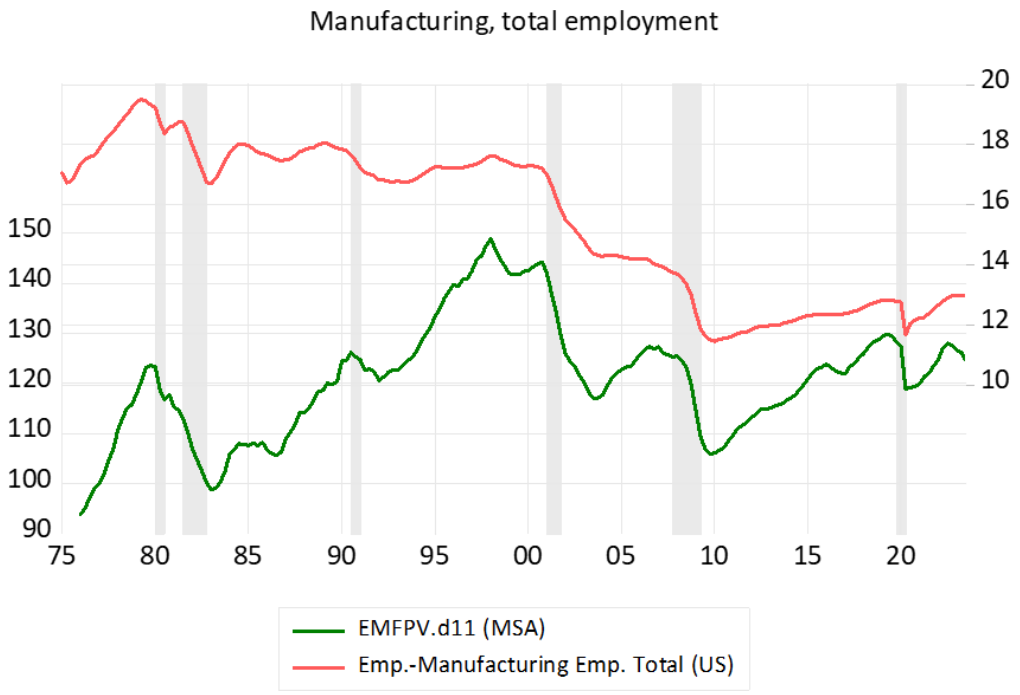
Industry Name by NAICS	APR%: History 1976-2022
Total Nonfarm Payroll	2.1%
Manufacturing, total	0.6%
Durable MF, total	0.7%
Lumber products	-1.9%
Primary metals	-0.1%
Fabricated metals	0.6%
Machinery	0.4%
Computer & Electronics	2.1%
Transportation Equipment	-0.4%
Other Durable MF	0.8%
Non-durable MF, total	0.2%
Food processing	1.0%
Paper products	-2.1%
Other Non-durable MF	0.3%
Private Non-manufacturing, total	2.5%
Natural resources	-0.9%
Construction	2.9%
Wholesale trade	1.4%
Retail trade	1.5%
Transportation, Warehousing & Utilities	2.1%
Info - Publishing	3.5%
Info - Internet	0.8%
Finance & Insurance	1.5%
Real Estate	2.6%
Pro., Sci., Tech. services	3.9%
Mgmt. of Companies	4.2%
Admin. & Waste Mgmt. Services	3.5%
Education	3.6%
Health care	3.3%
Leisure	2.3%
Hospitality	2.5%
Other services	2.3%
Government, total	1.4%
Federal gov.	0.3%
State & Local gov.	1.5%

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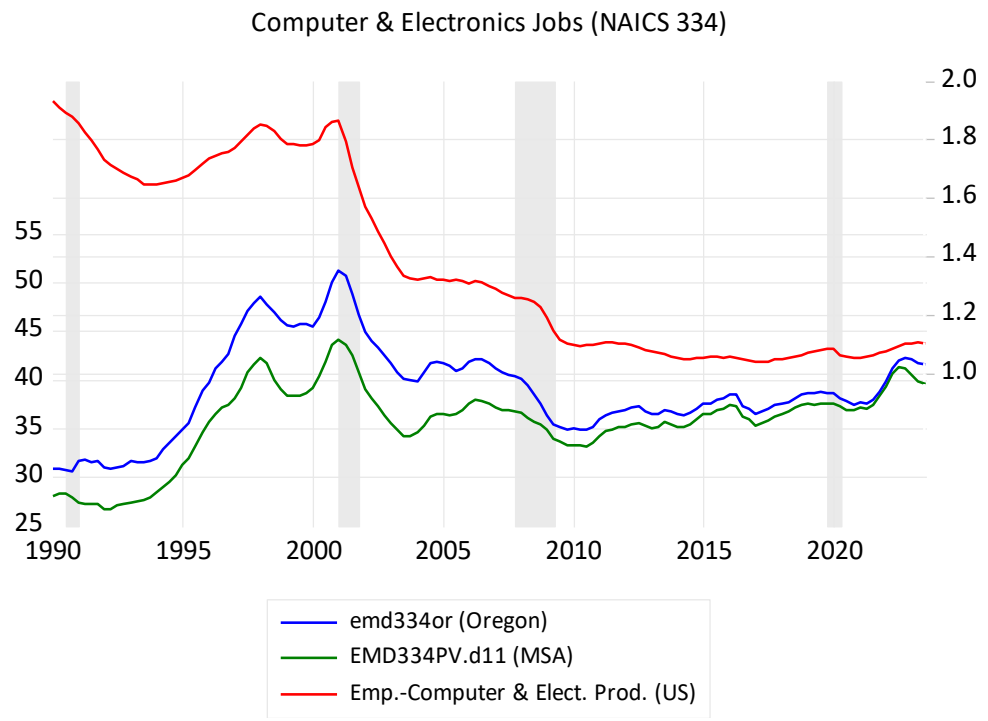
sorted by historical growth rates	APR% 1976-2022
Mgmt. of Companies	4.2%
Pro., Sci., Tech. services	3.9%
Education	3.6%
Info - Publishing	3.5%
Admin. & Waste Mgmt. Services	3.5%
Health care	3.3%
Construction	2.9%
Real Estate	2.6%
Private Non-manufacturing, total	2.5%
Hospitality	2.5%
Other services	2.3%
Leisure	2.3%
Computer & Electronics	2.1%
Transportation, Warehousing & Utilities	2.1%
Total Nonfarm Payroll	**2.1%**
State & Local gov.	1.5%
Retail trade	1.5%
Finance & Insurance	1.5%
Wholesale trade	1.4%
Government, total	1.4%
Food processing	1.0%
Other Durable MF	0.8%
Info - Internet	0.8%
Durable MF, total	0.7%
Manufacturing, total	0.6%
Fabricated metals	0.6%
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Federal gov.	0.3%
Other Non-durable MF	0.3%
Non-durable MF, total	0.2%
Primary metals	-0.1%
Transportation Equipment	-0.4%
Natural resources	-0.9%
Lumber products	-1.9%
Paper products	-2.1%

Spotlight: selected industry sectors (MSA & US)

Manufacturing jobs



High-tech jobs (NAICS 334)



DRAFT illustration

HIA forecast

- Decline in avg. household size in MSA
- Proportional increase in MSA lower income brackets
- Aging of population / head of household in MSA



Household Size Categories

	1 person	2-person	3-person	4-preson	5 or more		(excludes pop in GQ) average HH size
2020	27.2%	36.0%	15.4%	12.9%	8.5%	100.0%	2.52
2030	30.2%	36.0%	16.4%	12.4%	4.9%	100.0%	2.31
2040	31.4%	36.0%	16.8%	12.2%	3.6%	100.0%	2.23
2050	32.2%	36.1%	16.9%	12.0%	2.8%	100.0%	2.19

Household Income Brackets

	under $15,000	$15,000 - $24,999	$25,000 - $34,999	$35,000 - $49,999	$50,000 - $74,999	$75,000 - $99,999	$100,000 - $149,999	$150,000 and over	
2020	7.5%	5.9%	6.6%	10.3%	16.8%	13.8%	19.1%	20.0%	100.0%
2030	8.2%	6.8%	7.4%	11.4%	16.2%	12.8%	18.2%	19.0%	100.0%
2040	8.4%	7.2%	7.7%	11.9%	16.0%	12.4%	17.9%	18.6%	100.0%
2050	8.6%	7.3%	7.9%	12.1%	15.9%	12.2%	17.7%	18.4%	100.0%

Household Age Brackets (Head of Household)

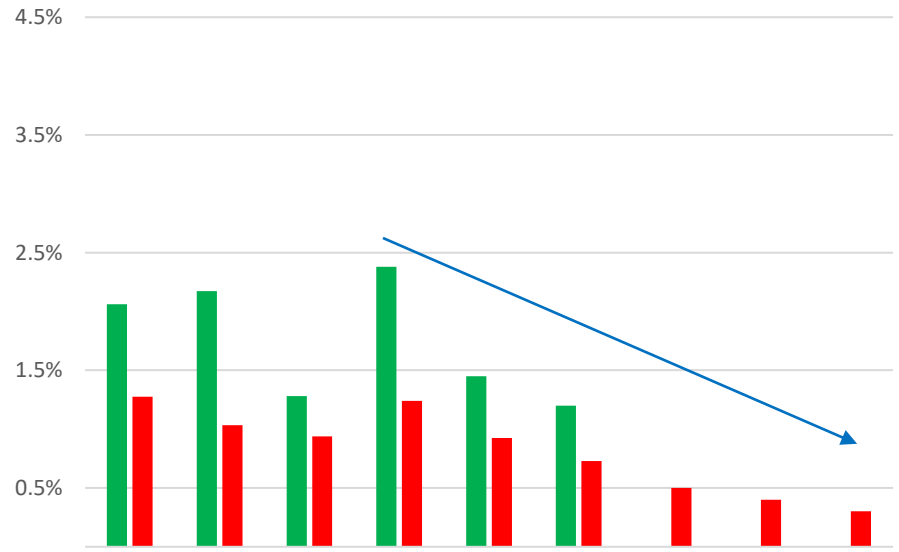
	under 25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75 to 84	85 & over	
2020	3.3%	16.9%	19.9%	17.9%	17.8%	15.0%	6.6%	2.6%	100.0%
2030	3.2%	13.7%	18.4%	18.2%	16.8%	14.9%	10.3%	4.5%	100.0%
2040	3.3%	12.7%	16.1%	17.6%	17.5%	15.3%	11.2%	6.2%	100.0%
2050	3.2%	12.1%	15.0%	16.4%	17.5%	16.2%	12.2%	7.6%	100.0%

GQ stands for group quarters

Outlook … growth to taper

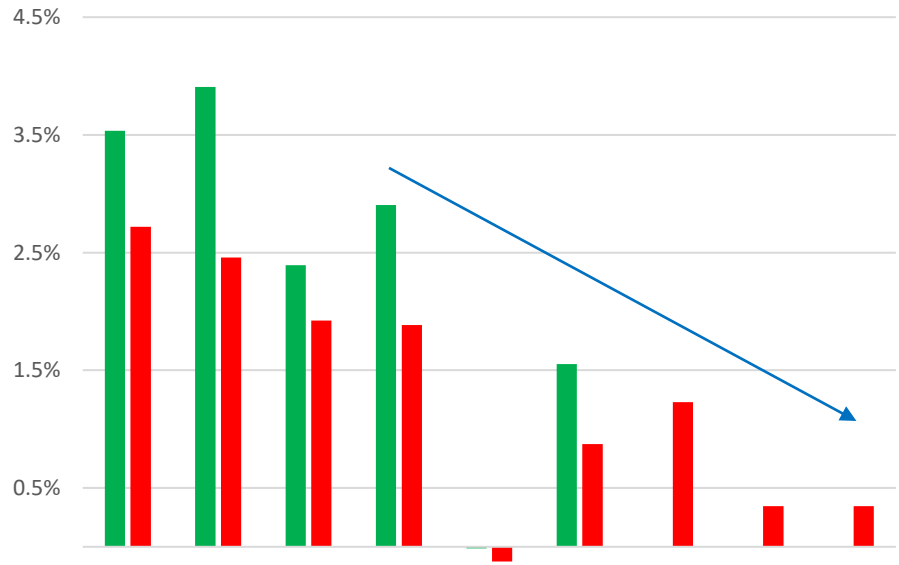
(US forecast: S&P Global | IHS Markit, Dec. 2023)

Population (MSA & US) … slowing due to underlying demographics & vital statistics



	1960-70	1970-80	1980-90	1990-2000	2000-10	2010-20	2020-30	2030-40	2040-50
MSA (7 counties)	2.1%	2.2%	1.3%	2.4%	1.4%	1.2%			
US	1.3%	1.0%	0.9%	1.2%	0.9%	0.7%	0.5%	0.4%	0.3%

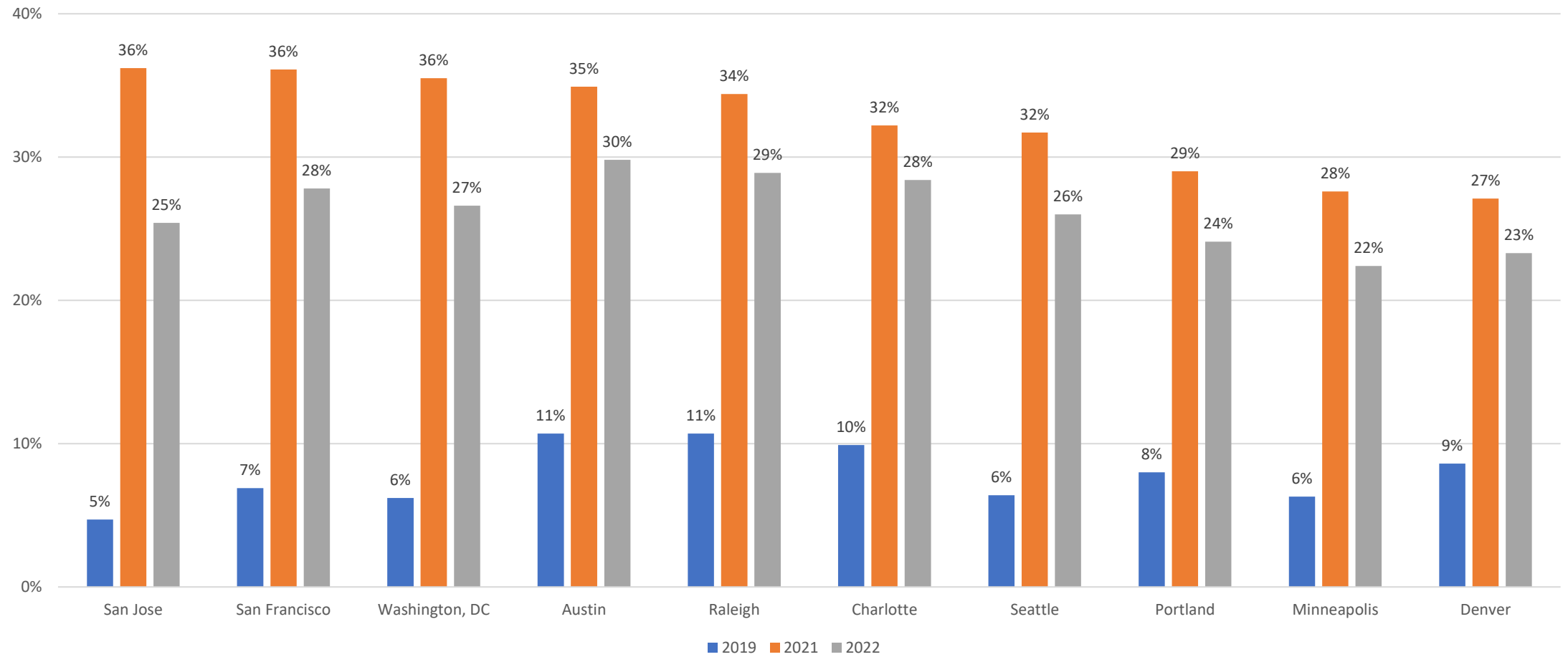
Payroll Jobs (MSA & US) … slowing w/ labor force participation topping out and lower population growth



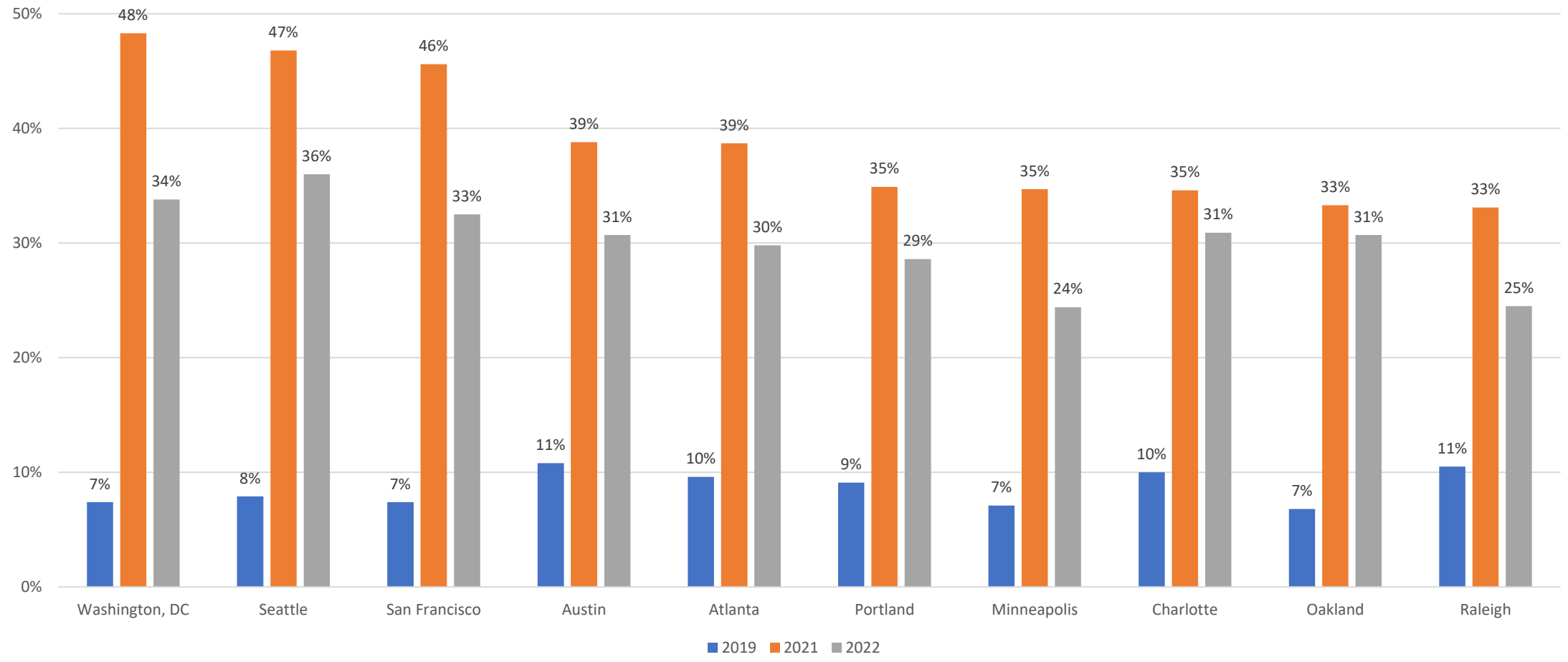
	1960-70	1970-80	1980-90	1990-2000	2000-10	2010-20	2020-30	2030-40	2040-50
MSA (7 counties)	3.5%	3.9%	2.4%	2.9%	0.0%	1.6%			
US	2.7%	2.5%	1.9%	1.9%	-0.1%	0.9%	1.2%	0.3%	0.3%

Worked from Home by Metro Area and City

Worked from Home: Top 10 Metro Areas



Worked from Home: Top 10 Cities



Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

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

Date/time: Wednesday, December 20, 2023 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video meeting via Zoom

Members Attending	**Affiliate**
Eryn Kehe, Chair	Metro
Joseph Edge	Clackamas County Community Member
Carol Chesarek	Multnomah County Community Member
Victor Saldanha	Washington County Community Member
Tom Armstrong	City of Portland
Aquilla Hurd-Ravich	Second Largest City in Clackamas County, Oregon City
Steve Koper	Washington County: Other Cities, City of Tualatin
Katherine Kelly	City of Vancouver
Jamie Stasny	Clackamas County
Jessica Pelz	Washington County
Gary Albrecht	Clark County
Neelam Dorman	Oregon Department of Transportation
Laura Kelly	Oregon Dept. of Land Conservation & Development
Gery Keck	Tualatin Hills Park & Recreation District
Cindy Detchon	North Clackamas School District
Tara O'Brien	TriMet
Bret Marchant	Greater Portland, Inc.
Rachel Loftin	Community Partners for Affordable Housing
Preston Korst	Home Builders Association of Metropolitan Portland
Erik Cole	Schnitzer Properties, Inc./ Revitalize Portland Coalition
Mike O'Brien	Green Infrastructure/Sustainability, Mayer/Reed, Inc.

Alternate Members Attending	**Affiliate**
Kamran Mesbah	Clackamas County Community Member
Vee Paykar	Multnomah County Community Member
Faun Hosey	Washington County Community Member
Miranda Bateschell	Washington County: Other Cities, City of Wilsonville
Erika Palmer	Washington County: Other Cities, City of Sherwood
Kevin Cook	Multnomah County
Theresa Cherniak	Washington County
Glen Bolen	Oregon Department of Transportation
Kelly Reid	Oregon Dept. of Land Conservation & Development
Cassera Phipps	Clean Water Services
Chris Faulkner	Clean Water Services
Jeff Hampton	Business Oregon
Aaron Golub	Portland State University
Jacqui Treiger	Oregon Environmental Council
Craig Sheahan	David Evans & Associates, Inc.

Guests Attending	Affiliate
Adrienne DeDona	JLA
Barbara Fryer	City of Cornelius
Brian Hurley	Oregon Department of Transportation
Bruce Coleman	City of Sherwood
Dakota Meyer	City of Troutdale
Eric Rutledge	City of Sherwood
Kevin Young	OR Dept. Land Conservation & Development
Kia Selley	North Clackamas Park & Recreation District
Marc Farrar	Metropolitan Land Group, LLC
Max Nonnamaker	Multnomah County Health Department
Nancy Chapin	TSG Services
Rebecca Geisen	Regional Water Providers Consortium
Schuyler Warren	City of Tigard
Tracy Lunsford	Parametrix
Valentina Peng	JLA

Metro Staff Attending
Cindy Pederson, Clint Chiavarini, Eliot Rose, Eryn Kehe, Glen Hamburg, Jake Lovell, Marie Miller, Ted Reid

Call to Order, Quorum Declaration and Introductions
Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. Zoom logistics and meeting features were reviewed for online raised hands, renaming yourself, finding attendees and participants, and chat area for messaging and sharing links. An overview of the agenda was given.

Comments from the Chair and Committee Members

- **Updates from committee members around the Region** – none given.
- **2024 MTAC meeting schedule and member poll on in-person meetings** (Chair Kehe) Poll questions were shared with members and alternate members on interest in meeting in-person with hybrid options, and frequency of meetings held in-person in 2024. Technical difficulties from the poll prevented final results, but information given at the meeting showed interest in meeting in-person with hybrid options on a quarterly basis. A survey will be given to members and alternate members to ask input on these questions. Results will be shared in January. A reminder was given on the MTAC 2024 meeting schedule included in the meeting packet.

Public Communications on Agenda Items – none given.

Consideration of MTAC minutes November 15, 2023 meeting
Chair Kehe asked for a vote to approve MTAC minutes from November 15, 2023 meeting.
ACTION: Motion passed with no opposed, and 5 abstentions

EPA Climate Pollution Reduction Grant (Eliot Rose, Metro/ Adrienne DeDona, JLA/ Tracy Lunsford, Parametrix) The presentation began with defining what the Climate Pollution Reduction Grants (CPRG) include. The CPRG grants are non-competitive, 4-year planning grants that fund states and

metropolitan areas (*The Portland-Vancouver metropolitan statistical area (MSA) includes Clackamas, Clark, Columbia, Multnomah, Skamania,*
Washington and Yamhill counties) to create plans and identify strategies that:
• Significantly reduce greenhouse gases (GHGs) and offer other co-benefits
• Can be readily implemented by agency partners
• Are aligned with federal and state climate funding sources

The Climate Partners' Forum is a group of self-nominated technical staff from agencies across the MSA who help to steer the CPRG planning grant. These forum members review deliverables and provide feedback at key points, are typically lead climate staff in their organization, have expertise in different GHG emissions sectors and strategies (e.g., energy, buildings, transportation), and may join or leave the Forum at any time, and may invite other staff within their agency to participate.

Preliminary CAP round of planning (now-Mar '24) will focus on emissions and actions where public agencies are poised to achieve significant GHG reductions. Comprehensive CAP round of planning (Apr '24-Aug '25) will cover all relevant GHG emissions and actions. The second round of planning includes provided updates on GHG emissions and PCAP/CCAP implementation actions in the status report with other federal climate funds known later.

Highlighted were the CPRG implementation grants: the basics
• Total funding available: $4.3b
• Individual grant amount: $2m-500m
• Number of awards expected: 30-115
• EPA expects 50-70% of grants to be <$10m
• Match required: none
• Grant period: 5 years
• Eligible applicants: states, municipalities, and tribes
• *Projects must be included in a PCAP to be eligible for CPRG implementation grants*.

The PCAP will be an action-driven plan that reviews potential projects and highlights those that best align with EPA's implementation funding criteria. It will focus on projects that are focused on reducing GHGs, can reduce GHG emissions within 5 years, are documented in existing plans, are detailed enough for us to understand potential GHG reductions, costs, and work plans, can be led by public agencies, and have a clear lead applicant with the capacity to develop an application.

Evaluation criteria EPA is looking for in the notice of funding opportunity (NOFO):
• Significantly reduce GHG emissions in a cost-effective manner (60 points)
• Have a clear, well-thought-out work plan (45)
• Have reasonable, well-documented budgets (45)
• Benefit people living in federally designated Low Income and Disadvantaged communities (35)
• Have a sound plan to track implementation and performance (30)
• Are led by agencies with a track record of successfully managing EPA grants (30)
• Provide quality jobs (5)

The PCAP 5-month timeline was presented. The importance of coordination was noted. In addition to the Portland-Vancouver region, Oregon, Washington, and the Affiliated Tribes of Northwest Indians, have received planning grants. Any projects identified in these PCAPs are also eligible for implementation grants. The initial screening criteria of projects was presented:

• Readiness: is information available?
• GHG reductions: likelihood of significant GHG reductions within 5 years
• Local agency authority: authority, resources and experience to lead implementation
• Scalability: can it benefit multiple agencies or communities within the MSA?
• Co-Benefits: especially with respect to equity

Priority action categories were described:
Support EV transition through charging infrastructure
Make transit convenient, frequent, accessible and affordable
Make biking, walking and active transportation safe and convenient
Use technology to actively manage the transportation system
Improve building energy efficiency
And Other categories not related to transportation / land use
Screening results for potential PCAP strategies was reviewed. Next steps with the program were described.

Comments from the committee:
Jamie Stasny noted one of the items that you said is rising to the top is implementation of congestion pricing in the region. I'm curious what that will look like and what you're imagining these grants could be used for in that vein of projects. Mr. Rose noted we're still figuring that out with a lot of details of implementation that continue to be worked out. With the stage we're at we are trying to screen out actions and identify the ones that do the most to reduce greenhouse gas emissions and are the most ready to go. We felt pricing belonged on the short list because it's a critical strategy to climate smart, which is our regional strategy for reducing transportation related GHG. It's such a big opportunity for the region to reduce GHG that we wanted to leave the door open to it.

Vee Paykar noted you mentioned that GHG was the highest scored criteria for the project, but there were others such as equity. How much of the criteria was the percentage of the score? Mr. Rose presented the slide in the presentation that detailed what EPA is looking for. There are 250 points total available. There are 60 points related to available for reducing GHG. The one related to work plan, budgets, performance and successful management of EPA grants are basically related to can the agency that's applying for this grant deliver on it. Do they have the plan and the experience to do that. Those four criteria collectively account for 150 points. And then there's 40 points related to equity and workforce development that provide quality jobs. But federal notices of funding are complicated and vague documents. For those interested in the details the implementation grant NOFO link was shared: https://www.epa.gov/system/files/documents/2023-09/CPRG%20General%20Competition%20NOFO.pdf

Glen Bolen noted that re-looking at the scores, I'm thinking of transit access. We've done a lot of first last mile studies in this region. I know Washington County did a big one a few years ago. I could imagine, especially within where we have equity focus areas that good quality access to transit stops would be very successful in high scoring. I think it's pretty implementable and gets to the human health and safety goals in our local plans and the RTP.

Tara O'Brien agreed with Mr. Bolen's comments. The EPA is very interested in the very quantifiable GHG emission reduction in terms of the implementation grants. So what Metro has been leading now is looking at the strategies that we can point to some data through Climate Smart and other work we've done in the region to quantify those. As we are trying to hone in on what the most successful

implementation grants could be, we're looking closely at those criteria that you just brought up and what can we quantify GHS emission reduction from. I think access to transit could be apart of that, but we have been trying to look at what types of projects would be most successful. Looking at some of the analysis we've done through Climate Smart, what can we point to the emissions reduction the most either through fleet transition or known mode shift, and trying to connect those things which serves the areas that EPA cares most about. I think there are a lot of pieces that could come into play in implementation grants that we're talking with partners about and how to possibly combine some of those into the most successful application.

Joseph Edge agreed with the pedestrian access to transit plan for use with new funds. Getting sidewalks built, particularly in unincorporated Clackamas County is nearly impossible. This could be true in other areas of the region as well, and hopefully score high with the criteria. It was noted that building rails to everywhere is just really expensive. One idea mentioned was kind of a full build out of the FX bus network to where we have frequent express routes that aren't necessarily just an upgrade of the bus route that it's replacing, but maybe are thinking about providing connections between all of the regional centers on the region 2040 plan. In this manner we would have a high quality capacity transit by definition. Again, build out that FX network to help serve policy goals as opposed to just replace bus line that has really good ridership which obviously is a criteria that we shouldn't ignore. But maybe a more ambitious plan that isn't purely focused on the highest ridership lines, but it also focuses on connecting key destinations where maybe easy transit trips don't already exist and maybe one day transition to rail on the plan.

Vee Paykar noted it was really important that we think about the other modes that reduce GHG emissions, not simply change our entire fleet to electric. When you build out complete streets you are reducing GHG emissions. It's just harder to quantify. It is something you like to see in the long term with the change of pedestrians reduction in traffic violence and all these other things that allow for people to want to be able to take other modes safely. How do we not lose these opportunities in the grants and how can we demonstrate this.

Gary Albrecht noted appreciation of including Clark County part of these discussions and will continue to collaborate on these efforts as much as possible.

Draft Sherwood West Concept Plan (Erika Palmer & Eric Rutledge, City of Sherwood) The Sherwood West Concept Plan was described as large Urban Reserve area located just to the west of Sherwood city limits, which the City of Sherwood has identified as an area for future growth. Future development in Sherwood West will require expansion of the Metro urban growth boundary (UGB). Since 2016, the city and surrounding areas have seen significant changes including:

- Shifting of City Council priorities focusing on employment and job growth to diversify the city's tax base,
- Construction of a new high school within the Sherwood West study area,
- Adoption of the Sherwood 2040 Comprehensive Plan, and
- Recent changes to statewide and local housing regulations to plan for "missing middle housing" in residential areas.

Information on the plan provided a general framework for locating various land uses, transportation networks, open spaces, and public services. Once the area is brought into the UGB, the City will conduct additional analysis and undertake a comprehensive planning effort to refine the general concepts that are laid out in the Concept Plan – a necessary next step prior to land being eligible for

future annexation and development. The planning and engagement process was described. Information on the plan included land use, transportation, and green space.

The City of Sherwood will have the ability to request expansion of the UGB to include Sherwood West in 2024. There is more work to be done to prepare Sherwood West for future growth and development. The comprehensive planning and zoning process offers an opportunity for the City to reach out to affected property owners and the larger community to refine higher-level concepts. Robust community engagement, in addition to further evaluation of the topics addressed in this plan, will be an essential component of the City's next steps in developing refined plans and future regulations for Sherwood West.

Comments from the committee:
Joseph Edge noted particular interest in the concept of the middle housing zones in order to try and make sure that we're actually seeing some productivity there. You mentioned on your upcoming steps where this is found. Can you provide any kind of enlightenment on how you've done this before or how it might change in terms of guaranteeing that kind of orderly annexation, and to make sure that the properties are actually being brought into the city. In particular, I'm thinking about the larger parcel, employment and industrial land. How do we make sure that we're actually getting those within city limits?

Eric Rutledge noted that all of us as practitioners and planning, engineering and development planners want orderly growth and our city council does as well. We think we can accomplish the orderly growth mainly through annexation policy. Right now our annexation policy is relatively minimal. So we likely, as part of the next phase, will update our annexation policy and likely require an annexation agreement with a property owner or developer before they come into the city.

Infrastructure is one of the biggest challenges with development. By the time you get through annexation and you get into a land use phase it's not too late. You can address things at that point but you have less opportunity to address shared interests and infrastructure with a developer or property owner. The annexation agreement allows us to get in front of that, get partnerships with them and make sure we get the transportation, street improvements, storm water management and all that goes with urbanization. At the same time we don't want to discourage development but what we definitely don't want is disorderly development and issue with traffic, storm water and other factors.

Carol Chesarek asked, with the middle housing and the cottage cluster housing, what has been done in the code to ensure how the desired housing types will actually be built at the price points you are looking for? Mr. Rutledge noted the reason we want middle housing and cottage cluster is because by their nature they'll be smaller and more affordable. So we have some of that built in already. At the last WA Co. TAC meeting discussion was held on a reduced or lower TDT (transportation development tax) for middle housing right now. If they built that today based on that reduced TDT we really haven't gotten into any type of agreements with developers to deliver at a certain price point, deeded restrictions and things like that. I think the approach to start would be to see if we can get that housing at the price points based on a market approach. If we feel we can't do that I think we would consider other options as well. Our first approach will be through sort of basic incentives, reduced SDC for this type of housing, maybe more density. It was noted much of this work is yet to come if this area comes into the growth boundary.

Aquilla Hurd-Ravich noted the hospitality zone and wondered if there's a model that you used and how you are thinking about incentivizing that development space. Mr. Rutledge noted we have started to engage lightly and informally with stakeholders who might have interest in being involved (developers, winemakers, master planner). It's something we need to do a lot more work on. Examples of winery tasting rooms and associated development was shared.

Chair Kehe added a little more context around this in terms of the urban growth boundary decision. I'm sure you all remember we've talked a lot about the production of the Urban Growth Report, which is a report that will present all of the data and information that you've begun to learn about how we're collecting. It includes those 3 parts of looking at capacity inside the growth boundary to accommodate needed growth in the future as well as demand and growth looking out 20 years for the region. This is the math problem between what our projected need is and what our supply is inside the growth boundary, and what needed land we have for the future. This comes together with readiness. All of that comes together in the Urban Growth Report which the committee will be along for the ride as each piece comes together.

Urban Growth Boundary discussion topic: Town and regional centers and CFEC (Update to Title 6)
(Glen Hamburg, Metro) Background and an overview of a state requirement to amend Title 6, *Centers, Corridors, Station Communities, and Main Streets*, of Metro's Urban Growth Management Functional Plan in order to require local adoption of boundaries for regional and town centers was provided. The Growth Concept foresees numerous walkable, higher-density, mixed-use centers of employment, housing, cultural and recreational activities, and transit service across the region, with those centers helping to grow the economy, provide affordable housing, and promote vibrant and distinctive communities that reduce the need for sprawl and minimize transportation costs and contributions to climate change.

There are three types of 'centers' envisaged in the 2040 Growth Concept:
1. The **Central City**, which includes areas such as Downtown Portland, Old Town/Chinatown, the Pearl, Goose Hollow, South Waterfront, the Lloyd District, Lower Albina, and the Central Eastside, is the region's business and cultural hub, indeed the primary center for finance, commerce, government, retail, tourism, arts, and entertainment with the most intensive development of housing and employment.
2. **Regional centers**, serving hundreds of thousands of people in major urban areas outside the Central City and surround high-quality transit service, multi-modal street networks, and nodes of regional through-routes. Regional centers are typically characterized by two- to four-story employment and housing development, larger commercial uses, healthcare facilities, and local government services.
3. **Town centers**, which are smaller than regional centers and serve populations of tens of thousands of people. They offer more locally focused retail uses, like restaurants, cafes, brewpubs, childcare facilities, cinemas, and dry cleaners and public amenities like libraries and community halls. Town centers are typified by one- to three-story buildings for employment and housing, as well as a strong sense of community identity.

Over the last couple years, Oregon's Land Conservation and Development Commission (LCDC) has updated certain Oregon Administrative Rules (OARs) as part of the state's Climate Friendly and Equitable Communities (CFEC) program. CFEC aims to reduce greenhouse gas pollution and improve social equity in transportation services and community health, safety, and livability. To those ends, CFEC includes measures intended to accelerate the development and transformation of Metro's centers in ways that are consistent with the 2040 Growth Concept and RFP policies.

Implementing CFEC measures for centers necessitates defining a geographic area where those measures apply. OAR 660-012-0012(4)(d) therefore requires Metro to amend UGMFP Title 6 by the end of 2024 to include a mandate that cities and counties adopt boundaries of the regional and town centers for which they have land use planning authority and for which they have adopted urban land use designations. Cities and counties in the region then have until the end of 2025 to adopt those center boundaries. The locally adopted boundaries must be in the general location of the center as depicted on the 2040 Growth Concept Map.

Over the next year, Metro staff will continue to have dialogue with staff of cities and counties, DLCD, and other stakeholders to refine the amendments to UGMFP Title 6 intended to comply with CFEC requirements before submitting a formal proposal of amendments for review by MTAC, MPAC, and ultimately the Metro Council to be considered for adoption by the Metro Council with the 2024 Urban Growth Report. Details on the amendment requirements were reviewed in the presentation.

Comments from the committee:
Joseph Edge asked if the intent from CFEC that the adopted boundaries of the region 2040 centers will need to be treated and regulated as the climate friendly areas that are required of non-Metro jurisdictions in the state. Mr. Hamburg agreed, that's the kind of idea that outside of Metro there are these climate friendly areas. Inside of Metro we already have these 2040 centers that sort of look and act like what these climate friendly areas are. So in the Metro region the climate friendly areas will be these regional and town centers.

Kevin Young added the requirements that are established for climate friendly areas in downtown NPO's will not be applied to town and regional and central city centers in the Metro region. Essentially, it's continuing to implement the Climate Smart Communities program and the program that's already ongoing in the Metro region. There are some associated requirements. One of the things that happens with the designation, with the adoption of the centers, is a permutation in terms of transportation impact review. Zone changes in those areas would not go through the old significant effect test process. There's a new process that is significantly onerous and more streamlined and more focused on promoting transportation options in town and regional centers. That will also be in effect within the Metro region, but the zoning minimum densities allowed, building heights, all of that stuff is not a component within the Metro region. The 30% requirement for housing does not apply for housing so that calculation is necessary.

Mr. Edge noted, then in the spirit of CFEC, even if the state isn't requiring it, we might want to consider that jurisdictions target 30% of their housing in their designated centers. There's a proposal underway to require Metro counties, urban counties to plan for housing needs analyses for their unincorporated areas that are not intended to be brought into cities. I would encourage us to want to see the new housing be targeted for centers in the unincorporated parts of counties that are under that county planning authority. To that end I'd like you to describe the role of station communities and how they relate to centers and why they're not included in this proposal.

Mr. Hamburg noted the quick answer is they're not included in this proposal because CFEC is not requiring Metro to do that. We once had a requirement for the adoption of center boundaries and then those requirements were removed, and now we're at this incentive approach. We are back to the idea that in order to focus certain regulatory provisions we need to define what that geography is, meaning that we need to adopt boundaries. CFEC didn't require all jurisdictions to have boundaries for station

communities being specifically focused around light rail. And not all centers are focused around a light rail transit stop.

Mr. Edge noted we don't have the high capacity transit element present in all our centers. With that in mind, station communities provide that benefit of having existing high capacity transit access for that surrounding area. I would encourage us to figure out a way that we can guarantee, through defining boundaries, requiring boundaries and zoning designations adopted around station communities. Particularly the ones that already exist that haven't seen such designation changes. I think that's an important thing moving forward to consider the role of station communities and how they compliment what we're trying to do with CFEC. And not to look at it as what the minimum compliance is required by the state, but what we are trying to do for the 2040 concept.

Mr. Hamburg noted in some cases some station communities overlap with a 2040 center. So there will be some cases where the boundaries get adopted for a center and end up having some benefits for the station community that's in there. Chair Kehe added there has been discussion on the need to update the 2040 vision. This kind of bigger policy question is one of those that is something that we should reflect on in thinking about a 2040 update.

Glen Bolen noted a recent presentation from the City of Portland on the Multnomah Montgomery Park redevelopment plan with the Streetcar elements among them. The planning described with urban transportation in this central city area could be related to town or regional center level of intensity development. Is this playing into the 30% or more of populations in these centers? Are there thoughts on this or a path planned? Would Portland be expanding sort of the city in this method? Would they be creating a new semi-regional center or town center? If you look at Portland's comprehensive plan I see places like 82nd Avenue for example that have center like characteristics to their plans, too.

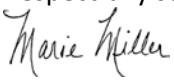
Tom Armstrong noted when the City of Portland updated their comprehensive plan in 2016 we designated a number of local town centers that aren't on the 2040 map that Mr. Hamburg mentions, to reach sort of town center level of activities and we would be interested in either as part of this process, or some upcoming process, to be able to recognize those town centers in the regional context. Mr. Bolen added when we look at context mapping for use of the urban design blueprint, that's one of the things that we look at. I noticed Portland had made these town center like designations along roads like 82nd that reflect how we do our assessments.

Michael O'Brien thanked Mr. Edge for bringing up the station communities and centers discussion. It's interest looking at the map the stated communities are shown on the Metro map. I think it's important that we start to look at these as a way to build ourselves out of the housing crisis in one sense, but also in terms of climate resiliency. These areas, as they were designed and sold to the public with the light rail, was that we are going to build up communities at the light rail stops. That has not happened in my view to the extent or even close to the extent that they need to for making an impact on this. I think if we can incentivize and place stricter restrictions on what happens in these areas and provide some benefit or monetary benefit to developers to increase and expand on these areas, I think we are doing ourselves a great favor on a number of different fronts. I would wholeheartedly say let's be thinking of those a little more closely as we talk about 2040.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 11:21 a.m.

Respectfully submitted,



Marie Miller, MTAC Recorder

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	12/20/2023	12/20/2023 MTAC Meeting Agenda	122023M-01
2	MTAC Work Program	12/8/2023	MTAC Work Program as of 12/8/2023	122023M-02
3	Memo	11/16/2023	TO: MTAC and interested parties From: Marie Miller, Metro RE: 2024 Metro Technical Advisory Committee (MTAC) Meeting Schedule	122023M-03
4	Minutes	11/15/2023	Draft minutes from MTAC 11/15/2023 meeting	122023M-04
5	Draft Resolution from City of Sherwood	July 18, 2023	RESOLUTION 2023-060 ACCEPTING THE SHERWOOD WEST CONCEPT PLAN	122023M-05
6	Report	July 18, 2023	Sherwood West Concept Plan	122023M-06
7	Appendix A	July 18, 2023	APPENDIX A Future Development Timeline	122023M-07
8	Appendix B	July 18, 2023	APPENDIX B Housing Policy Implications Memo	122023M-08
9	Appendix C	July 18, 2023	Appendix C Public Engagement Plan	122023M-09
10	Appendix D	July 18, 2023	Appendix D Open House #1 (Online) Summary	122023M-10
11	Appendix E	July 18, 2023	Appendix E Open House #2 and Survey Summary	122023M-11
12	Appendix F	July 18, 2023	Appendix F Development Trends and Implications Memo	122023M-12
13	Appendix G	July 18, 2023	Appendix G Economic Opportunities Memo	122023M-13
14	Appendix H	July 18, 2023	Appendix H Transportation Issues Memo	122023M-14
15	Appendix I	July 18, 2023	Appendix I Plan Concepts	122023M-15
16	Appendix J	July 18, 2023	Appendix J Alternatives Evaluation Memo	122023M-16
17	Appendix K	July 18, 2023	Appendix K Developer Tour Summary	122023M-17

Item	Document Type	Document Date	Document Description	Document No.
18	Appendix L	July 18, 2023	Appendix L Transportation Impact Analysis	122023M-18
19	Appendix M	July 18, 2023	Appendix M Housing Memo	122023M-19
20	Appendix N	July 18, 2023	Appendix N Infrastructure and Phasing Analysis	122023M-20
21	Appendix O	July 18, 2023	Appendix O Preliminary Infrastructure Funding Strategy	122023M-21
22	Presentation	12/20/2023	Sherwood West Concept Plan	122023M-22
23	Memo	12/13/2023	TO: MTAC and interested parties From: Glen Hamburg, Associate Regional Planner RE: CFEC-Required Amendments to UGMFP Title 6 for Regional and Town Centers	122023M-23
24	Presentation	12/20/2023	CFEC and 2040 Centers	122023M-24
25	Presentation	12/20/2023	EPA Climate Pollution Reduction Grant (CPRG)	122023M-25
26	Handout	12/20/2023	Technical Memorandum – Draft Screening Results for PCAP Strategies	122023M-26

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC)
Date:	Wednesday, December 20, 2023
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom
	video recording is available online within a week of meeting
	Connect with Zoom
	Passcode: 863801
	Phone: 877-853-5257 (Toll Free)

9:00 a.m.	**Call meeting to order, Declaration of Quorum and Introductions**	Chair Kehe
9:10 a.m.	**Comments from the Chair and Committee Members** • Updates from committee members around the Region (all) • 2024 Meeting Schedule (Chair Kehe) • Member poll on in-person MTAC meetings (Chair Kehe)	
9:20 a.m.	**Public communications on agenda items**	
9:23 a.m.	**Consideration of MTAC minutes, November 15, 2023** **(action item)** Send edits/corrections to Marie Miller	Chair Kehe
9:25 a.m.	**EPA Climate Pollution Reduction Grant** Purpose: Update MTAC on the EPA Climate Pollution Reduction grant and discuss potential land use-related strategies.	Eliot Rose, Metro
10:10 a.m.	**Draft Sherwood West Concept plan** Purpose: Sherwood has submitted a letter of interest for a UGB expansion in the 2024 urban growth management decision. The purpose of this agenda item is to provide MTAC with a summary of Sherwood's concept plan for the Sherwood West urban reserve.	Erika Palmer Eric Rutledge City of Sherwood
10:45 a.m.	**Urban Growth Boundary discussion topic: Town and regional centers and CFEC (Update to Title 6)** Purpose: Provide background to, and an overview of, a state requirement to amend Title 6, Centers, Corridors, Station Communities, and Main Streets, of Metro's Urban Growth Management Functional Plan in order to require local adoption of boundaries for regional and town centers.	Glen Hamburg, Metro
11:15 a.m.	**Adjournment**	Chair Kehe

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January 2021

City of Sherwood Oregon

Home of the Tualatin River National Wildlife Refuge

RESOLUTION 2023-060

ACCEPTING THE SHERWOOD WEST CONCEPT PLAN AS A FOUNDATIONAL TOOL TO BASE FUTURE URBAN GROWTH BOUNDARY EXPANSION DISCUSSIONS THROUGH THE PLAN'S VISION & IMPLEMENTATION

WHEREAS, the completion and acceptance of the Sherwood West Re-Look Project was a City Council Goal for FY 2022-2023; and

WHEREAS, the City is required to prepare a concept plan for an urban reserve area prior to a request to expand the Urban Growth Boundary can be made to Metro; and

WHEREAS, the City received a Community Development and Planning Grant from Metro to fund the Sherwood West Re-look Project, and the City awarded a planning consultant contract to Angelo Planning Group, now known as MIG/APG, to assist in the planning process to update the 2016 Sherwood West Preliminary Concept Plan accepted by Council by Resolution 2016-009; and

WHEREAS, the community has had extensive input into the Plan, shaping many elements; and

WHEREAS, the development of the Plan was guided by a Public Involvement Plan that included both Technical and Community Advisory Committees; and

WHEREAS, two widely advertised open houses (including on-line) were conducted as part of the project; and

WHEREAS, the Sherwood Planning Commission and City Council have held work sessions on the Sherwood West Concept Plan; and

WHEREAS, the Planning Commission conducted a public hearing on the Sherwood West Concept Plan on June 27, 2023, affording all interested parties an opportunity to provide input and, following testimony, deliberated, providing a recommendation to City Council to accept the Plan; and

WHEREAS, the Sherwood West Concept Plan is attached as Exhibit 1, and the Plan's Appendices is attached as Exhibit 2.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. Based on the staff report to the City Council dated July 11, 2023, the Planning Commission's recommendations to accept the plan, and subsequent public testimony

provided at the Council hearing on July 18, 2023, The City Council hereby accepts the Sherwood West Concept Plan as a foundational tool on which to base future planning decisions for future UGB expansion discussions through the Plan's vision and implementation.

Section 2. This Resolution shall take effect immediately upon its passage by the Council and signature by the Mayor.

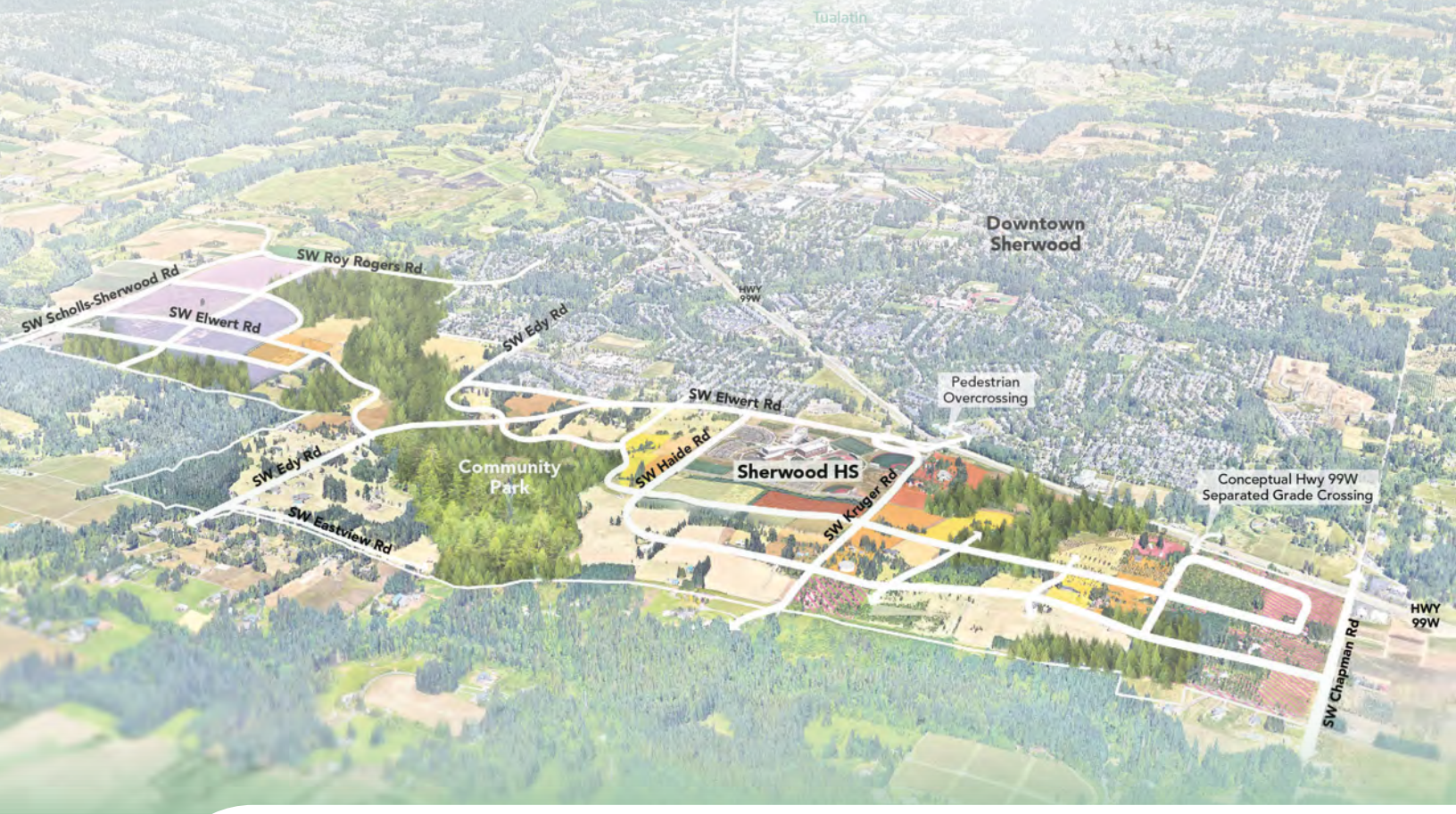
Duly passed by the City Council this 18th day of July 2023.

Keith Mays, Council President

Attest:

Sylvia Murphy, MMC, City Recorder

SHERWOOD WEST CONCEPT PLAN



DRAFT JULY 2023

City of Sherwood Oregon

ACKNOWLEDGEMENTS

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John Clifford, Parks and Recreation Advisory Committee
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Brian Fairbanks, Sherwood Chamber of Commerce
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Julia Hajduk, Former Community Development Director

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Kate Rogers, MIG|APG
Darci Rudzinski, MIG|APG
Kyra Haggart, APG
Saumya Kini, Walker Macy
Betty Lou Poston, Walker Macy
Ken Pirie, Walker Macy
Chris Zahas, Leland Consulting Group
Ellen Bini, Leland Consulting Group
Carl Springer, DKS Associates

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EXECUTIVE SUMMARY

Overview

The Sherwood West Concept Plan is a long-range planning document intended to guide Sherwood community members, decision makers, and staff as they make plans and decisions about future growth in Sherwood West. Sherwood West is a large Urban Reserve area located just to the west of Sherwood city limits, which the City of Sherwood has identified as an area for future growth. Future development in Sherwood West will require expansion of the Metro urban growth boundary (UGB).

This Concept Plan is an update to the Sherwood West Preliminary Concept Plan accepted by Sherwood Council on February 16, 2016 (Resolution 2016-009). Since that time, the city and surrounding areas have seen significant changes including:

- Shifting of City Council priorities focusing on employment and job growth to diversify the city's tax base,
- Construction of a new high school within the Sherwood West study area,
- Adoption of the Sherwood 2040 Comprehensive Plan, and
- Recent changes to statewide and local housing regulations to plan for "missing middle housing" in residential areas.

This updated plan better reflects these changing conditions, while carrying forward ideas from the Preliminary Plan that are still valid and supported by the Sherwood community.

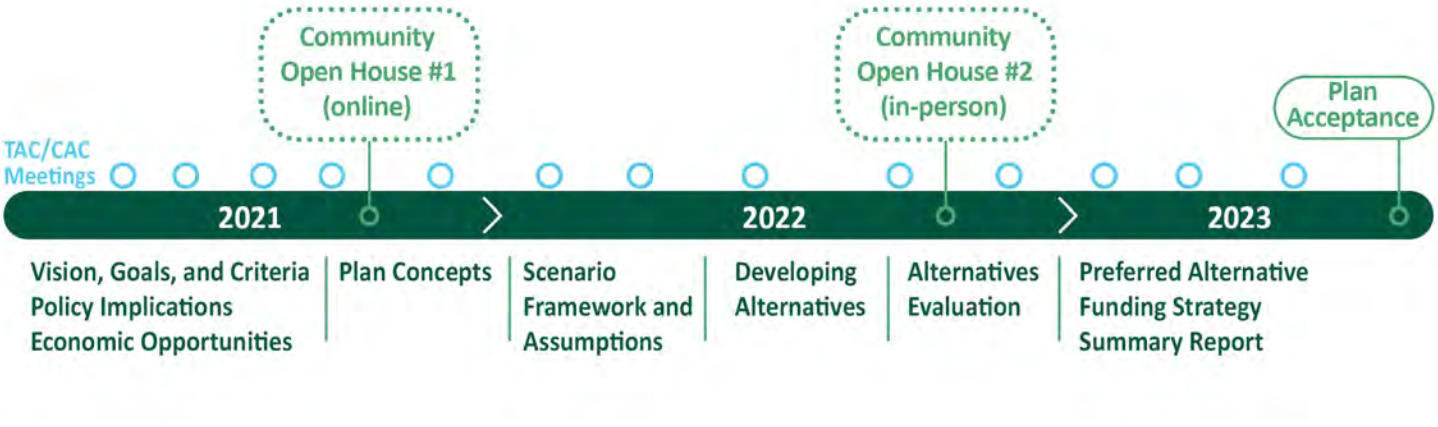
The Concept Plan provides a general framework for locating various land uses, transportation networks, open spaces, and public services. Once the area is brought into the UGB, the City will conduct additional analysis and undertake a comprehensive planning effort to refine the general concepts that are laid out in the Concept Plan – a necessary next step prior to land being eligible for future annexation and development.

EXECUTIVE SUMMARY

Planning and Engagement Process

The Sherwood West Concept Plan was developed between spring 2021 and spring 2023 through a collaborative planning process that engaged a multitude of Sherwood residents, business and property owners, local organizations, technical advisors, City staff, and consultants. The project timeline is depicted below.

Project Timeline



The City convened two stakeholder groups to help guide the project—the Community Advisory Committee (CAC) and the Technical Advisory Committee (TAC)—which represented a broad range of interests. Together, these committees represented a broad range of interests and expertise that helped shape the direction and result of this process.

In addition, the City provided a wide range of engagement opportunities, including community open houses, online surveys, targeted outreach to high school students, meetings with neighborhood associations, stakeholder interviews, a project webpage, and periodic emails to interested parties.

Every step of the way, Sherwood community members provided meaningful guidance and feedback. This guidance has been essential to the Sherwood West planning process and the design of the Concept Plan is a reflection of this work.

Project Goals

The project vision, goals, and evaluation criteria were developed early in the planning process to guide Concept Plan development. The following six goals helped to develop and evaluate the concepts, alternatives and recommendations:

1. The area is designed as a natural extension of Sherwood and is integrated into the existing pattern of growth in order to preserve the community's heritage and small-town feel.
2. The area attracts a variety of businesses and employment opportunities, which help satisfy the City's need for an expanded tax base.
3. Transportation facilities serve to connect, rather than divide, neighborhoods.

EXECUTIVE SUMMARY

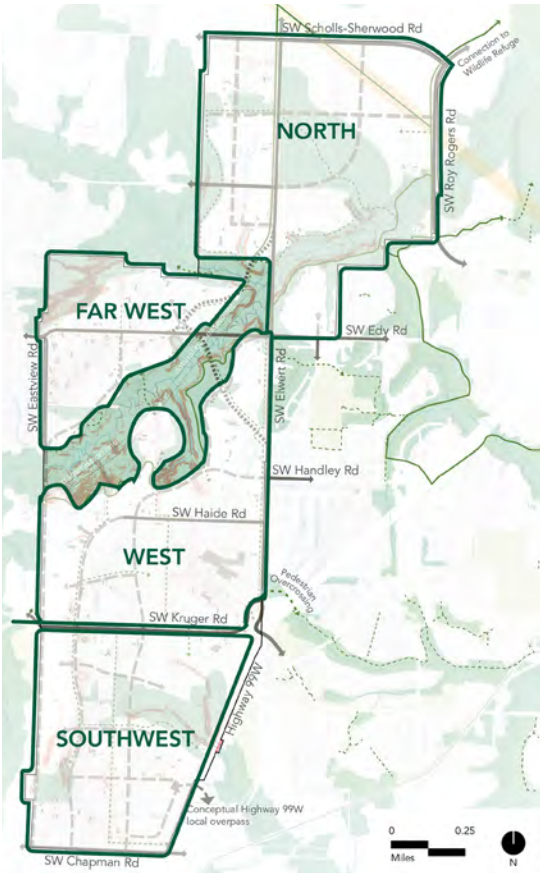
4. Residents have access to a variety of parks and natural areas, anchored by the Chicken Creek Greenway.
5. The area is served by a robust network of active transportation options that are integrated into Sherwood's existing network.
6. Growth and development are well-planned and implementation of the area is pragmatic.

Concept Plan

Land Use

The Concept Plan identifies conceptual locations for future residential, commercial, employment, and open space areas.

Study Area and Subdistricts



- Land Use Themes – Key land use themes are associated with four distinct subdistricts:
  - **North District** – Mixed Employment is the main focus of this area due to its flat topography and transportation access. The plan also locates a cluster of housing near SW Elwert Road and a community park near West Fork Chicken Creek.
  - **Far West District** – The plan designates this area for mostly low-density housing, due to existing rural homes and sloping terrain.
  - **West District** – This area surrounds the new Sherwood High School and has relatively good access to existing infrastructure. The plan includes a mix of medium and higher-density housing types near the high school and some mixed use land along Kruger Road. The plan also locates a community park nestled into the Chicken Creek Greenway.
  - **Southwest District** – The plan focuses mixed use development at the Kruger-Highway 99W intersection, with higher-density housing along Kruger Road. The southern end of the district is focused on being the "Gateway to Wine Country." Sherwood has an opportunity to capitalize on visitors entering or leaving wine country on Highway 99W. Uses in this area can focus on the growing wine and specialty agriculture tourism industry and provide lodging, tasting rooms, restaurants, and small retail shops.

EXECUTIVE SUMMARY

- **Housing** – Planning for a variety of housing options that will meet the needs of a wide range of Sherwood West residents was a key objective of the concept planning process. Providing housing opportunities for first-time home buyers, seniors who may prefer to age in place or downsize their housing, and moderate-income households will require a wider range of housing types than has typically been provided in Sherwood.

  Housing types that have designated places in Sherwood West include single detached homes on smaller lots; cottage clusters; townhomes; duplexes, triplexes, and fourplexes; garden apartments; and mid-rise apartments. These types will be in addition to the standard single detached housing that has typified Sherwood's development so far.

- **Employment** – Sherwood wants and needs more jobs. Expanding existing businesses and attracting new employment to Sherwood—particularly the right kind of jobs in the right places—will provide opportunities for industrial and commercial development with higher wage jobs, help diversify and balance the City's tax base, and build a self-sustaining and vibrant local economy.

  A key theme of the Sherwood West Concept Plan is to designate land for Mixed Employment, which includes a mix of office, light industrial, and flex space uses in the same development or area of the city. The plan identifies potential areas for future Mixed Employment development, intended to accommodate the type of job growth desired for Sherwood West.

- **Schools and Civic Facilities** – Sherwood will eventually need new schools and other civic facilities, such as fire stations, library, and other public services to accommodate future households in Sherwood West. The Concept Plan anticipates an eventual need for two schools in the area—one middle school and one elementary school. Potential land needs have been factored into the plan for these facilities but, because they will not be needed until later stages of growth in the area, specific locations are not identified.

Transportation

As the City of Sherwood grows, a well-designed and connected network of streets, paths, and trails in Sherwood West should focus on safety, knitting the existing and new growth together, creating livable and walkable neighborhoods, and mitigating impacts of regional through-traffic.

Key elements of the transportation plan for Sherwood West focus on north-south connectivity through the area and providing for active (non-vehicular) transportation.

- **SW Elwert Road** – This key north-south arterial street is an important opportunity for providing access and defining urban design in Sherwood West. Design concepts for the roadway are aimed at making Elwert a livable and positive addition to the growth of Sherwood West and the adjacent neighborhoods on its east side. The concept is to create a safe, connected, and attractive boulevard inspired by SW Sunset Boulevard, that includes: buffered sidewalks, safe crossings, bike lanes, a planted median with canopy trees, and path connections to key sites and destinations.

EXECUTIVE SUMMARY

- **Potential Elwert-Edy Realignment** – The Concept Plan explores two options for future upgrades to SW Elwert Road and SW Edy Road: realigning the roads to reduce impacts to natural resources or maintaining the current intersection location. In either case, Elwert Road will need to be upgraded to current standards when development occurs in Sherwood West. The CAC and project team recommend the realignment option, although further analysis will be necessary before the decision about Elwert Road's alignment is finalized.
- **Active Transportation and Trails** – Trails, cycling routes, transit, "micromobility," and other ways of getting around without a car are designed into Sherwood West. These active transportation options will connect between local parks, green spaces, schools, neighborhoods, and employment areas to encourage walking, rolling, and biking. The Concept Plan trail framework identifies potential future trail connections between new growth in Sherwood West and existing areas of Sherwood; future safe routes to school; and opportunities to ensure future transit can be as successful as possible.

Green Space Network

The Concept Plan for parks and open space take advantage of the natural landscape in Sherwood West to enhance access to nature and outdoor recreation. Sherwood West's green space network will include creek corridors and their habitat areas, trails and greenways, tree and tree canopy protected by Sherwood's code, stormwater facilities, neighborhood parks, community parks, and school fields.

- **Chicken Creek Greenway** – The concept for a future Chicken Creek Greenway is an opportunity to preserve and enhance natural stream corridors, provide wildlife crossings, incorporate stormwater management practices, and provide access to nature through a network of connected walking trails.

Chicken Creek Natural Area



- **Neighborhood and Community Parks** – Park spaces are integrated into Sherwood West's overall trail and open space network. The Concept Plan identifies two possible locations for future community parks, which provide opportunities for active recreation and organized play where they can best accommodate anticipated increased demand. The plan also identifies conceptual locations for smaller, neighborhood parks to serve nearby residents.
- **Natural Resources** – Natural resource areas in Sherwood West will be preserved and integrated into the open space network. In addition to the Chicken Creek Greenway, regulations at the regional, state, and federal level will require protection of wetlands, habitat areas, and other natural resources as part of future development.

EXECUTIVE SUMMARY

Utilities

In addition to transportation infrastructure, future development in Sherwood West will require provision of water, sanitary sewer, and stormwater utilities. Below is a summary of opportunities and potential phasing of future utility extension.

- **Water** – The area's West and Southwest districts can be served with water infrastructure in the near future. Water infrastructure will need to be extended east to west to serve the hillsides. The Far West district can be served after water infrastructure improvements, such as an additional pump station, are constructed. The North district will need further study and significant water infrastructure improvements to be served.
- **Sewer** – The West and Southwest districts also can be served with sanitary sewer infrastructure in the near future, through connection to existing and planned sewer lines. Sanitary sewer infrastructure would need to be extended into the hillside area of the West and Southwest districts and Far West district as those areas develop. The North district needs further study on how to serve the area and if any significant infrastructure is necessary to serve sanitary sewers in this area.
- **Stormwater** – All areas within Sherwood West can handle stormwater with required infrastructure improvements as development occurs. The West and Southwest districts in Sherwood West may be the easiest to serve.

Implementation

The Concept Plan will need to be formally accepted by the Sherwood City Council. City Council adoption will enable the Concept Plan to serve as a resource for future discussion about expanding the UGB and more detailed planning for growth and development in Sherwood West. There are a range of identified potential strategies and considerations for implementing the concepts laid out in the plan, including:

- **UGB Expansion Request** – The City of Sherwood will have the ability to request expansion of the UGB to include Sherwood West in 2024.
- **Infrastructure Funding Strategy** – The Preliminary Infrastructure Funding Strategy includes a high-level estimate of infrastructure costs, revenues, and potential tools for funding the development of priority districts in Sherwood West. Next steps involve continued refinement of projects and costs and financial modeling and discussions with developers on potential funding strategies.
- **Future Comprehensive Planning** – A detailed comprehensive planning process will assign land use designations and zoning, identify specific locations for major road connections, protect natural resources, and develop infrastructure plans.

EXECUTIVE SUMMARY

- **Natural Resource Protection** – For resource areas subject Metro Title 13 / Statewide Goal 5, the City will need to further analyze specific resources, make significance determinations; conduct an ESEE analysis; and adopt plans for resource protection through the Comprehensive Plan and Development Code
- **Future Development Code Regulations**
  - *Custom Zoning* – The land use plan recommends two residential designations (Cottage Cluster and Middle Housing) and a Hospitality designation that would be implemented through custom zoning strategies.
  - *Master Planning or "Village Planning"* – Master planning for the entire area, or specifically focused on smaller "villages," can help prepare this future UGB expansion area for annexation and development. A master plan approach would allow for more certainty for coordinating multiple developments into cohesive neighborhoods; ability to coordinate unique plan elements; and coordination of infrastructure phasing and funding.
  - *Future Annexation* – The City could consider requiring or allowing Annexation Agreements (binding contracts between the property owner and City) to ensure that proposed annexations are beneficial to the City and that key elements of the Sherwood West Concept Plan are implemented.
- **Transportation and Infrastructure**
  - *Future Alternatives/Feasibility Studies* – The City will need to conduct several alternatives analyses and feasibility studies to determine the final location, alignment, and design of key transportation improvements.
  - *Public Facility Plans* – Updates to the Sherwood Transportation System Plan and Capital Improvement Plan will be necessary to incorporate street design standards and improvement projects for facilities within Sherwood West. The City's water and sewer master plans should also be updated to incorporate future utility extension in Sherwood West.
  - *Funding Tools* – To establish detailed infrastructure funding plans, more detailed cost estimates, revenue projections, and infrastructure planning is needed.
- **Continued Community Engagement** – The City should continue engaging with property owners and the Sherwood community about Sherwood West. This should include outreach via periodic email updates, the project website, and neighborhood engagement.

Next Steps

There is more work to be done to prepare Sherwood West for future growth and development. The comprehensive planning and zoning process offers an opportunity for the City to reach out to affected property owners and the larger community to refine higher-level concepts. Robust community engagement, in addition to further evaluation of the topics addressed in this plan, will be an essential component of the City's next steps in developing refined plans and future regulations for Sherwood West.

INTRODUCTION



Concept Plan Background and History

Sherwood West is a geographic area located west of the existing Sherwood city limits and adjacent to the Metro Urban Growth Boundary (UGB). Sherwood West is a designated Metro urban reserve (Urban Reserve Area 5b) and, at 1,291 total acres, is a large area for potential future growth.

Urban reserves are designated by Metro in coordination with partner cities and counties and identify land that will be considered for addition to the region's UGB for urbanization over a 50 year period. Given its size, and the location of existing infrastructure, Sherwood West is logically the best direction for the City to consider growth in the future.

Preliminary Concept Plan

Starting in 2015, the City of Sherwood undertook a community process to develop a long-range planning tool that would help guide future community discussions and decisions about the city's long-term growth. The result was the Sherwood West Preliminary Concept Plan, which was accepted by City Council in 2016.

Re-Look Project

Significant changes in Sherwood and the surrounding areas since the adoption of the Preliminary Concept Plan spurred the City to reconsider growth options for Sherwood West and embark on the Sherwood West Concept Plan Re-look project.

Shifting priorities…

- Sherwood City Council has prioritized adding employment land and job growth as a major goal to create a more diversified tax base. Sherwood West is an opportunity to help achieve that goal.
- The City adopted the Sherwood 2040 Comprehensive Plan in 2021, which updated the vision, goals, and policies for the city as a whole.
- The City updated plans for Brookman Road as a refinement of the Brookman Addition Concept Plan, the guiding planning document for the area just southeast of Sherwood West.

Changing conditions…

- The Sherwood School District constructed the new 350,000 square foot Sherwood High School on 73 acres inside the Sherwood West area.
- The city continues to see rapid growth and development. Since 1990, Sherwood has added hundreds of residents every year, with annual growth rates between 3-8%.
- Washington County completed its Urban Reserve Transportation Study (URTS), which provides updated transportation information to help with future planning in urban reserve areas.
- The State enacted new laws related to Climate Friendly and Equitable Communities, housing affordability, and other issues that will affect planning in Sherwood.

Changing housing regulations…

- The State of Oregon adopted House Bill 2001 in 2019, which directs cities to allow for "middle housing" (such as duplexes, townhomes, and cottage clusters) within areas zoned single-family residential. (Refer to Appendix Q, Housing Policy Implications Memo for more information.) The City adopted new Residential Design Standards in 2021 to ensure middle housing and other housing types fit into the City's desired neighborhood character.

While many of the ideas and concepts in the Preliminary Concept Plan continue to be valid and are reflected in this update, the current plan better reflects existing and expected conditions. Specifically, the Sherwood West Concept Plan builds off the earlier accepted plan by addressing new land use and growth patterns, transportation plans, housing regulations, and opportunities for employment and economic growth.

The Role of the Concept Plan

The Concept Plan is a long-range planning tool intended to guide Sherwood community members, decision makers, and staff as they make plans and decisions about future growth in Sherwood West. Specifically, creating and adopting a concept plan is a required step prior to amending the UGB, which is a necessary precursor to development in Sherwood West. There are specific requirements for the types of information that must be included and what issues must be considered in a concept plan in order to inform UGB amendment decisions. Metro and the State ultimately make those decisions.

Concept planning also provides a foundation for the more detailed comprehensive planning work that will follow UGB expansion. The concept plan provides a general framework for locating various land uses, transportation networks, open spaces, and public services. While vitally important as a policy document to provide planning direction, a concept plan is not a regulatory document, and the City must take additional actions to govern future urbanization. Once an area is brought into the UGB, a city will conduct additional analysis and undertake a comprehensive planning effort to assign land use designations and zoning, identify specific locations for major road connections, protect natural resources, and develop infrastructure plans within Sherwood West. For Sherwood, that later process will refine the general concepts that are laid out in this plan – a necessary next step prior to land being eligible for annexation and development.

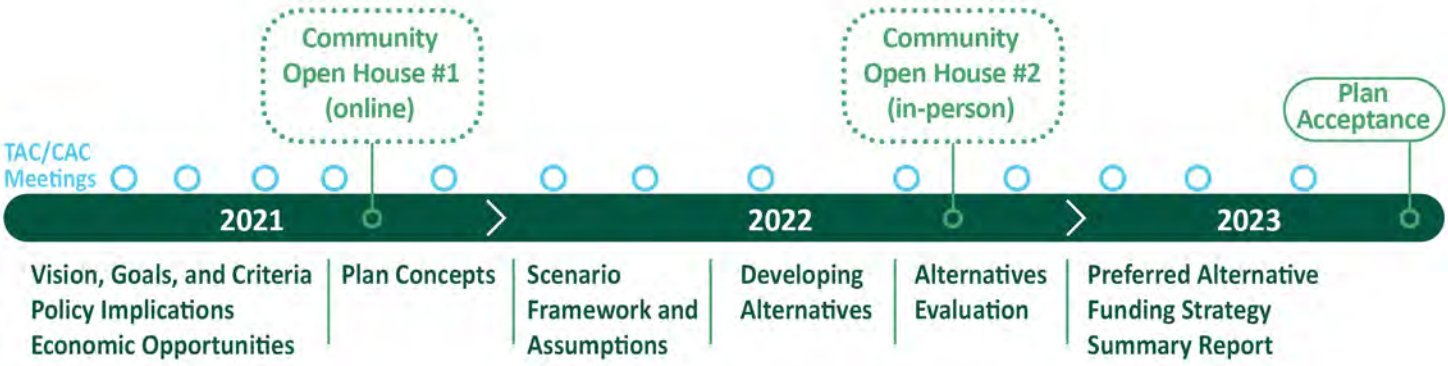
PLANNING & ENGAGEMENT PROCESS



PLANNING & ENGAGEMENT PROCESS

The Sherwood West Concept Plan was developed between spring 2021 and spring 2023 through a collaborative planning process that engaged a multitude of Sherwood residents, business and property owners, local organizations, technical advisors, City staff, and consultants. The diagram below provides an overview of the Concept Plan process.

Figure 1. Concept Plan Process



Community Engagement

Engaging with Sherwood residents and other stakeholders was considered essential for producing a plan that reflects community values with integrity and foresight. To help guide the project, two stakeholder committees were formed to include a broad range of interests: the Community Advisory Committee (CAC) and the Technical Advisory Committee (TAC). Together, these committees worked to help shape the direction and result of this process.

- **The CAC** was made up of 16 community members who live or own property within the city as well as those in the study area, and representatives from the City's Parks Board, Planning Commission, City Council, the Sherwood School District, and Sherwood Chamber of Commerce. They were charged with reviewing materials from the consultant team, providing broad perspectives to ensure the Sherwood West Concept Plan reflects diverse needs, participating in public outreach regarding the plan, and providing recommendations on plan alternatives. They were recruited and selected by the City Council through an open application process. Twenty-three individuals applied to be on the CAC and 16 were selected.
- **The TAC** was comprised of essential public service provider representatives: City Public Works, Engineering, Community Services, Police Department, Clean Water Services, Tualatin River National Wildlife Refuge, Tualatin Valley Fire and Rescue, the Oregon Department of Transportation (ODOT), Metro Oregon Home Builders, City of King City, Washington County Land Use & Transportation, and Metro. TAC members reviewed project deliverables for technical adequacy, policy, and regulatory compliance.

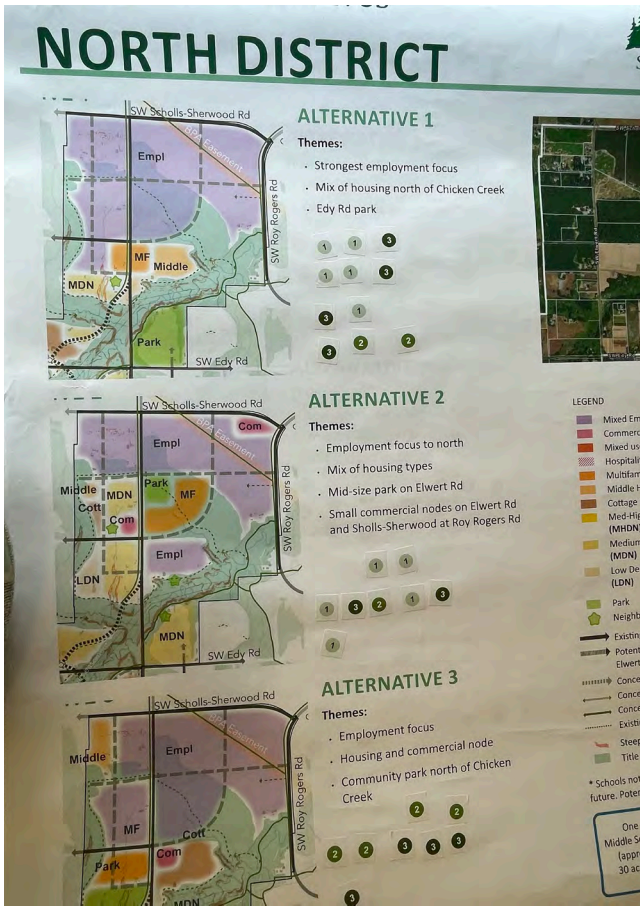
PLANNING & ENGAGEMENT PROCESS

Every step of the way, Sherwood community members provided meaningful guidance and feedback, gathered through interviews, public events, CAC public testimonies, online surveys and open houses. In addition, high school students' input was received through an online survey. This guidance has been essential to the Sherwood West planning process. The design of the Concept Plan is a reflection of this work. Together, we:

1. **Refreshed the vision, goals and evaluation criteria that guided the Concept Plan.** This work was informed by CAC and TAC input and background research into updated policies, regulations, transportation issues, and economic opportunities.
2. **Designed alternative concept plan scenarios**. Based on community core values, vision, existing conditions and discussions with the CAC and TAC, three draft alternative concept plan scenarios were developed to explore a variety of ideas for comparison.
3. **Considered the relative merits of each scenario and the key features that best represent the goals and objectives of Sherwood West.** Through a community open house and workshop and online surveys, the CAC, TAC, staff, and consultant team worked to identify preferences for individual and collective plan elements using the evaluation criteria they helped develop.
4. **Designed a Concept Plan that builds upon community feedback, technical guidance, and a landform analysis.** The Concept Plan is a hybrid of the three alternatives, combining the preferred elements into a recommended draft "hybrid" Concept Plan.







PLANNING & ENGAGEMENT PROCESS

Each step of the planning process incorporated a variety of community engagement activities, as listed below, designed to reach a broad spectrum of Sherwood residents.

Community Engagement Activities

- Community Advisory Committee (CAC) Meetings - total of 14 meetings
- Public Testimony at CAC Meetings
- CAC Interested Parties Email Subscription
- Project Website
- Social Media (Facebook, Twitter, Next Door)
- Sherwood Utility Billing Email Listings Notices
- Sherwood Archer Newsletter
- Project Video
- Property Owner Mailing - Introduction to project (June 2021)
- Online Survey – Informational and Initial Concepts (October 2021)
- Coffee Klatches with Neighbors and Homeowners Associations (Summer 2021)
- Movies in the Park (August 2022)
- Cedar Creek Trail Grand Opening (September 2022)
- Community Open House with Property Owner Mailing (October 2022)
- Virtual Open House (October 2022)
- Technical Advisory Committee (TAC) Meetings – total of 12 meeting
- Metro Home Builders Association Presentation (August 2021)
- Sherwood West Economic Development Stakeholder Interviews (June 2021)
- Metro Technical Advisory Committee (MTAC) Presentation (July 2022)

To learn more about engagement approaches and results, refer the appendices (Appendix C, Community Engagement Plan; Appendix D, Open House #1 (Online) Summary; and Appendix E, Open House #2 and Survey Summary).

Note: Due to the COVID-19 pandemic, prior to June 2022 all public engagement activities occurred virtually. Starting in June 2022, all CAC meetings and public events took place in person, with virtual participation options also made available.

VISION, GOALS & EVALUATION CRITERIA



VISION, GOALS & EVALUATION CRITERIA

Vision Statement

The vision statement was developed early in the Concept Plan Re-Look process, updating the vision from the 2016 Preliminary Concept Plan. The vision describes the community's desired future for the Sherwood West area. The vision and its associated goals were developed and revised through a visioning exercise and subsequent discussions with the Community Advisory Committee and reflect current community priorities for Sherwood West.

Sherwood West is a walkable community with a balanced mix of employment, residential, commercial, and greenspace land uses—it is a place where families can safely live, work, shop, and play. Sherwood West is home to a variety of businesses that offer stable, high-paying jobs and those employment opportunities have helped satisfy the City's need for an expanded tax base to protect and maintain Sherwood's great quality of life. Sherwood West is attractive to employers and residents because of its well-planned infrastructure, well-connected streets, walkable neighborhoods, and variety of well-designed housing choices. The area feels like a natural extension of Sherwood's existing neighborhoods, and it is integrated with other nearby urbanizing areas and regional destinations such as the Tualatin River National Wildlife Refuge. Sherwood West's natural landscape is anchored by the Chicken Creek Greenway, which protects the creek corridor and connects the area's neighborhoods through a network of natural areas, parks, and trails.







Goals and Evaluation Criteria

Following are specific goals for various aspects of Sherwood West's future and corresponding criteria for evaluating Concept Plan alternatives. Like the vision statement, the goals and criteria were updated from the 2016 Preliminary Concept Plan to reflect current community priorities and desires for Sherwood West.

Table 1. Goals and Evaluation Criteria

GOAL	*EVALUATION CRITERIA*
1. The area is designed as a natural extension of Sherwood and is integrated into the existing pattern of growth in order to preserve the community's heritage and small-town feel.	• There is a balanced mix of office, industrial, commercial, and residential land uses and open spaces • A variety of housing options accommodates a diverse range of family structures, income levels, and lifestyles • Neighborhood retail nodes provide residents with walkable access to goods and services • Housing density and implementation is pragmatic • View corridors and separation from other cities contribute to Sherwood's unique identity
2. The area attracts a variety of businesses and employment opportunities, which help satisfy the City's need for an expanded tax base.	• Infrastructure is well-planned to make Sherwood West attractive to developers and large employers • There are large low-impact employment areas available for the growth of technology parks and other higher-wage jobs • There are opportunities to leverage the area's unique location for destination retail, hospitality, and visitor-related uses
3. Transportation facilities serve to connect, rather than divide, neighborhoods.	• A network of streets provides north-south connections to and through the area • The Concept Plan helps realize the opportunity for a Highway 99 pedestrian crossing • Streets are designed to balance accommodating vehicle traffic and parking while also being welcoming places for people • Streets are designed with consideration for safety and emergency response vehicles • Sherwood is "transit-ready" for future transit service

VISION, GOALS & EVALUATION CRITERIA

GOAL	EVALUATION CRITERIA
4. Residents have access to a variety of parks and natural areas, anchored by the Chicken Creek Greenway.	• The Chicken Creek corridor is protected • Creek connections to the Tualatin River National Wildlife Refuge are preserved and, where possible, enhanced • Residents have access to nature through a network of multi-use and soft-surface trails • Parks and natural areas serve as places where families and community members can gather together • Existing mature trees and areas of dense tree canopy are preserved where feasible
5. The area is served by a robust network of active transportation options that are integrated into Sherwood's existing network.	• Residents can easily walk or bike to access local destinations such as schools, parks, employment areas, and shopping centers • Active transportation facilities connect to existing Sherwood neighborhoods and nearby regional destinations • Students have safe options to walk or bike to school
6. Growth and development are well-planned and implementation of the area is pragmatic.	• The extension of public facilities and services are phased and coordinated with development • Land uses serve Sherwood's needs and are complementary to other expansion areas along the western Urban Growth Boundary



EXISTING CONDITIONS



EXISTING CONDITIONS

Study Area

Sherwood West is a 1,291-acre area just west of the existing Sherwood city limits—see Figure 2. The area is bounded on the east by Highway 99W, SW Elwert Road, and SW Roy Rogers Road. The area's southern boundary is SW Chapman Road; its northern extent is SW Lebeau Road and SW Scholls-Sherwood Road. The western boundary is the outer edge of Metro's Urban Reserves, with Rural Reserve land lying further to the west). Site topography generally slopes from west to east, with an elevation difference of approximately 150 to 200 feet.

Figure 2. Sherwood West Study Area



EXISTING CONDITIONS

Land Use and Zoning

Existing land use in Sherwood West includes a mix of farmland, orchards, rural homes, and natural areas. The new Sherwood High School and the adjacent Countryside Community Church represent the few non-rural uses in the study area. Sherwood West is considered highly "parcelized" because it is divided up into numerous individual properties—126 tax lots in total. A majority of those properties (75 percent) are under 10 acres in size.

The land inside Sherwood West is currently under Washington County's jurisdiction and is zoned for agricultural and forest uses (except for the high school, which is inside city limits and is zoned for institutional/public use).

Nearby landmarks and developed neighborhoods inside Sherwood include Ridges Elementary School, the Oregon Trail neighborhood, Mandel Farms, and Middleton.

Economic Opportunities

One of the main goals for updating the Sherwood West Concept Plan is to plan for additional employment land and to prioritize job growth and expansion of the City's tax base, as directed by the Sherwood City Council. A better future jobs-to-housing ratio will provide the opportunity for more Sherwood residents to work in the city, rather than having to commute elsewhere for work. This has benefits in terms of quality of life, traffic congestion, and lower emissions.

To understand opportunities for economic development and job creation in Sherwood West, the project team (staff and consultants) studied economic opportunities and development trends, evaluated the area's assets and constraints, and spoke with local developers, stakeholders, and leading economists. Key findings from these studies are summarized below. Full summaries can be found in Appendix F, Development Trends and Implications Memo, and Appendix G, Economic Opportunities Memo.

Economic Opportunities Analysis (EOA)

The City's 2023 EOA Update identifies a deficit of 277 acres of industrial and commercial lands to meet Sherwood's projected 20-year employment needs. Within the current city limits there is a shortage of appropriate sites for industrial development – particularly sites between 10 and 50 acres in size or larger. The lack of buildable sites over 10-acres is notable, especially since this size of industrial land supports high tech manufacturing and traded-sector jobs. Sherwood West provides an opportunity to address some of the identified employment land deficit, including proposed employment land designations with parcels between 10 – 50 acres in size.

Target Industries and Sectors

The following sectors represent likely employment and development opportunities in Sherwood West:

- **Employment/Industrial.** There is strong potential for mixed employment and industrial development, considering the increasing demand for, and limited supply of, high-quality buildable employment land in the region, particularly large sites.

EXISTING CONDITIONS

- **Tech Clusters.** Sherwood is centrally located between existing tech clusters in Wilsonville and the Sunset Corridor, and developers are looking for opportunities elsewhere in the region. The Sherwood area is beginning to draw interest from existing tech companies in Hillsboro and elsewhere.
- **Wine Businesses.** The wine industry is an important part of the local and regional economy which may dovetail with industrial, retail, and hospitality uses in Sherwood.
- **Hospitality.** Hotels are in demand in the region, and Sherwood is well positioned with its proximity to wine country and Highway 99W. However, other cities to the south are better located for an immersive wine country experience. New hotels in Sherwood will likely be feasible as a follow-on use once employment growth occurs, and the market is proven.
- **Retail.** Sherwood should focus on convenience-based retail, such as grocery and health and personal care, as well as neighborhood-serving retail, such as foodservice and drinking places.

Strategies and Recommendations

The top recommendations related to planning for employment uses and positioning Sherwood West for successful economic development include:

- **Plan for Mixed Employment.** Most of the opportunities for long-term job creation will likely require a mixed employment approach—namely industrial, flex, and office. Mixed Employment in centers/parks of 20-100 acres is the strongest market.
- **Reserve large, flat parcels with transportation access for employment uses.** Land needs for mixed employment range from 40 to 50 acres per “center” or “park." The City should target areas of Sherwood West with the largest and flattest contiguous tracts of land for these developments, with slopes of less than 3.0 percent.
- **Target Highway 99W for transportation-dependent uses.** Considering the limited frontage, retain 99W for certain users that require access and visibility.
- **Be Flexible.** Maintain as much flexibility (zoning, land, tools, approach) as possible in planning for employment growth as market cycles and trends over the next 20 years are unclear. This means maintaining large, contiguous sites but not mandating large-lot sites.





EXISTING CONDITIONS

Transportation

The summary in this section describes key features of the Sherwood West transportation network, as illustrated in Figure 3, and current plans for future improvements. Appendix H, Transportation Issues Memo, contains more detailed information on the existing and planned transportation system.

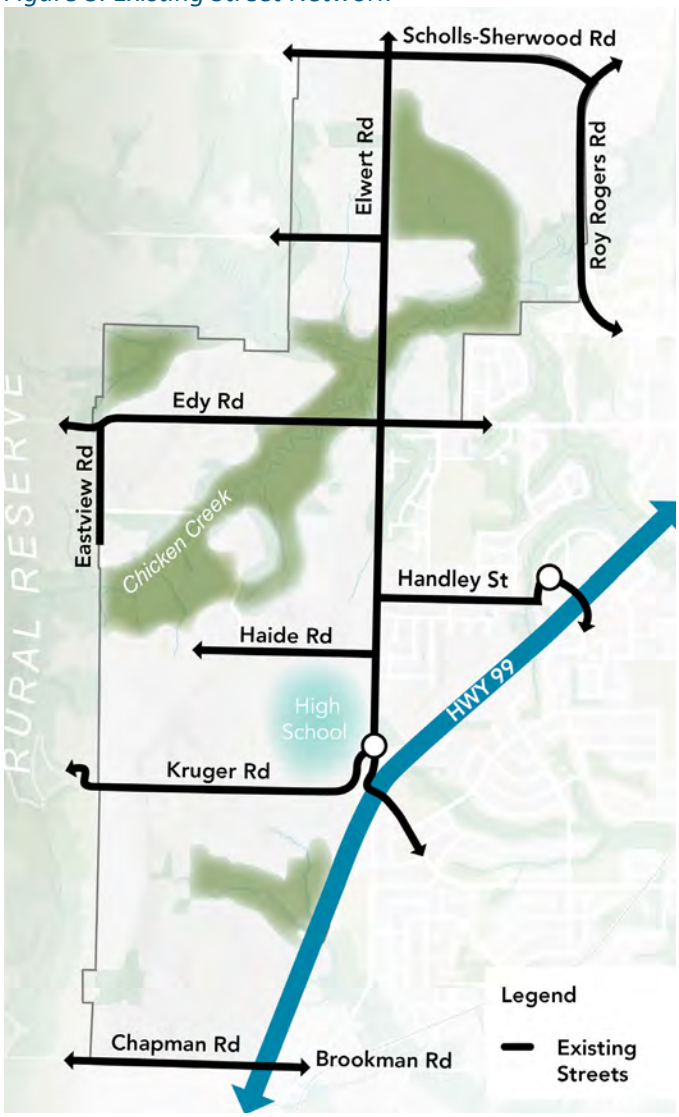
Elwert Corridor

Spanning the length of the Sherwood West area, from SW Scholls-Sherwood Road to SW Kruger Road, SW Elwert Road is a key north-south route. Designed as a two-lane rural arterial under Washington County jurisdiction, it is now commonly used as an alternative route to Highway 99W for both local and commuter (through) travel.

Travel along Elwert Road is characterized by rolling hills that include acute vertical sags and crests, which result in poor vertical sight distances and intersection sight distances. While sidewalks have been constructed along portions of Elwert Road adjacent to developed land (on the east side), Elwert Road will eventually need to be upgraded to urban standards as more land develops and vehicular trips increase.

Both the Washington County Transportation System Plan (TSP) and the City of Sherwood TSP identify the future build-out condition of Elwert Road as a 3-lane arterial which will include sidewalks and bike lanes on both sides of the road. It will be important to strike a balance between local connectivity and regional travel needs when developing the ultimate design of this facility.

Figure 3. Existing Street Network



EXISTING CONDITIONS

Regional Transportation Improvements

Highway 99W

Highway 99W is a state-designated freight corridor and limited-access highway. It is identified as a principal arterial in both the County and City TSPs. New access onto Highway 99W must be coordinated with the Oregon Department of Transportation (ODOT). The intersections of SW Chapman, SW Brookman, and SW Elwert roads will all need to be studied and possibly reconfigured or signalized depending on the amount of traffic generated by future land uses within the area.



Intersection of Elwert and Edy.

Roy Rogers Road

The County plans to expand SW Roy Rogers Road to a five-lane roadway – two travel lanes in either direction plus a center turn lane – south into Sherwood and through to Highway 99W. The final southerly extent of this improvement will be from Chicken Creek to Borchers Drive. The estimated $14 million project is funded by the County's MSTIP program, and it is planned for completion by Spring 2024.

This regional corridor connects SW Scholls Ferry Road to Highway 99W and connects between job centers in Hillsboro, Beaverton and housing areas in Sherwood, Wilsonville, and western Clackamas County. Horizon year (2040) travel forecasts are roughly 40,000 vehicles on an average weekday, which is similar to levels observed today on Highway 99W between Tigard and Tualatin. This high level of travel demand may influence the type and location of potential development along the SW Roy Rogers Road corridor, specifically making it more attractive for retail and mixed use development.

Brookman Road

An extension of SW Brookman Road will ultimately define a new southern edge of Sherwood. When properties in the Brookman Addition area annex to the City, SW Brookman Road will be upgraded to a full urban arterial facility and its current intersection with Highway 99W will be upgraded to comply with Washington County and ODOT multi-modal standards to safely accommodate driving, bicycling, and walking. The recent update to the Brookman Addition Concept Plan recommends an interim 3-lane arterial cross-section on Brookman Road until such a time as a 5-lane section is required.

The SW Brookman Road extension west of Highway 99W, via SW Chapman Road, will also serve as the southern edge of the greater Sherwood West planning area. The scope and character of its intersection with Highway 99W, and additional connectivity between the Brookman Addition and Sherwood West areas are still being planned. See the transportation recommendations in Section VI for further discussion.

Multimodal Transportation

A key component of the Sherwood West transportation network is the incorporation of safe and convenient walking and bicycling facilities into the higher classification street facilities. Planned improvements to arterial and collector class streets will include these elements. In addition, the natural areas and varied terrain in Sherwood West offer opportunities for a separate trail system to promote non-motorized travel away from the roadway network.

Transit does not currently serve the immediate Sherwood West area. The closest TriMet service is Route 94 which connects to Portland along Highway 99W. The nearest stop is over a mile away. The Concept Plan explores how to make the area "transit-ready" with transit-supportive land use and sufficient connectivity of the street system.

Parks, Trails, and Open Spaces

There are no formal multi-use trails or parks in Sherwood West. Chicken Creek forms a natural greenway flowing southwest to northeast through the study area, eventually draining to the Tualatin River via Cedar Creek. The Cedar Creek greenway through the city connects at Chicken Creek. West Fork Chicken Creek and Goose Creek form smaller natural greenways in the central and southeast portions of the study area, respectively. Upper Chicken Creek, a 38-acre Metro-owned natural area, is located just outside the study area and abuts its western edge south of Kruger Road.

Sherwood's updated Parks and Recreation Master Plan (2021), discusses recommendations for park, trail, and facility development throughout the City and within planned growth areas such as Sherwood West. Recommendations for parks and facilities within Sherwood West include the following:

- Provide parks or park amenities in natural areas and along trail corridors to meet **the 10-minute walk goal**.
- Provide a **connected trail network** throughout the concept plan area. Explore the potential of a trail in the powerline corridor and an off-street shared use path along the Elwert Road corridor.
- Site a community park south of Edy Road, potentially adjacent to a natural area.
- **Consider a sports complex within Sherwood West** to include rectangular fields with lighting and potentially a new fieldhouse. At least 10 acres of relatively level, developable land is needed to accommodate a complex of this type. Specific considerations for the use and siting of this type of facility are detailed in Chapter 4 of the Parks and Recreation Master Plan (PRMP).

The PRMP also establishes minimum standards for parks and open space—including minimum sizes and levels of service for neighborhood parks, community parks, and other types of facilities (see PRMP Chapter 3).

Environment and Natural Resources

Floodplains

There is a defined 100-year floodplain for a portion of Chicken Creek and West Fork Chicken Creek within Sherwood West (Figure 4). The floodplain for Cedar Creek at its intersection with Chicken Creek is also defined. The upper reaches of Chicken Creek and Goose Creek do not have available flood study data.

Wetlands

Wetlands that are mapped by the National Wetland Inventory and Metro's inventory comprise just over 31 acres within the study area. Most prominently, these are found along the riparian corridor of Chicken Creek, but also near the headwaters of Goose Creek. Additional wetland areas are also expected to exist within the study area, most likely along smaller tributaries of Chicken Creek, Cedar Creek, and Goose Creek. An inventory will be necessary to determine the likely extent of these wetlands.



Metro Title 13 Habitat

Metro Title 13 habitat areas are also depicted in Figure 4. Title 13 establishes baseline requirements to protect, conserve, and restore the region's significant riparian corridors and wildlife habitat resources, collectively referred to as Habitat Conservation Areas. Habitat Conservation Areas include rivers, streams, wetlands, and adjacent resource areas, as well as upland wildlife habitat patches and habitats of concern. Riparian Habitat areas are classified as either Class I, II, or III and Upland Habitat areas are classified as Class A, B, or C. The mapping of Title 13 habitat areas will be further refined and protections will be established as part of the comprehensive planning for Sherwood West once it is brought into the UGB.

Steep Slopes

The Sherwood West area mostly consists of gently sloped terrain, but there are also areas of steep slopes (25% or greater). Such steep slopes are found along drainage corridors for Chicken Creek, West Fork Chicken Creek, Goose Creek, and their tributaries, as well as at a higher point in the southwest portion of the study area (Figure 5). These areas are generally considered unbuildable.

Figure 5 depicts the range of slope conditions found in Sherwood West. Note that this map is from the Preliminary Concept Plan and predates the construction of Sherwood High School.

Figure 4: Natural Resources Existing Conditions

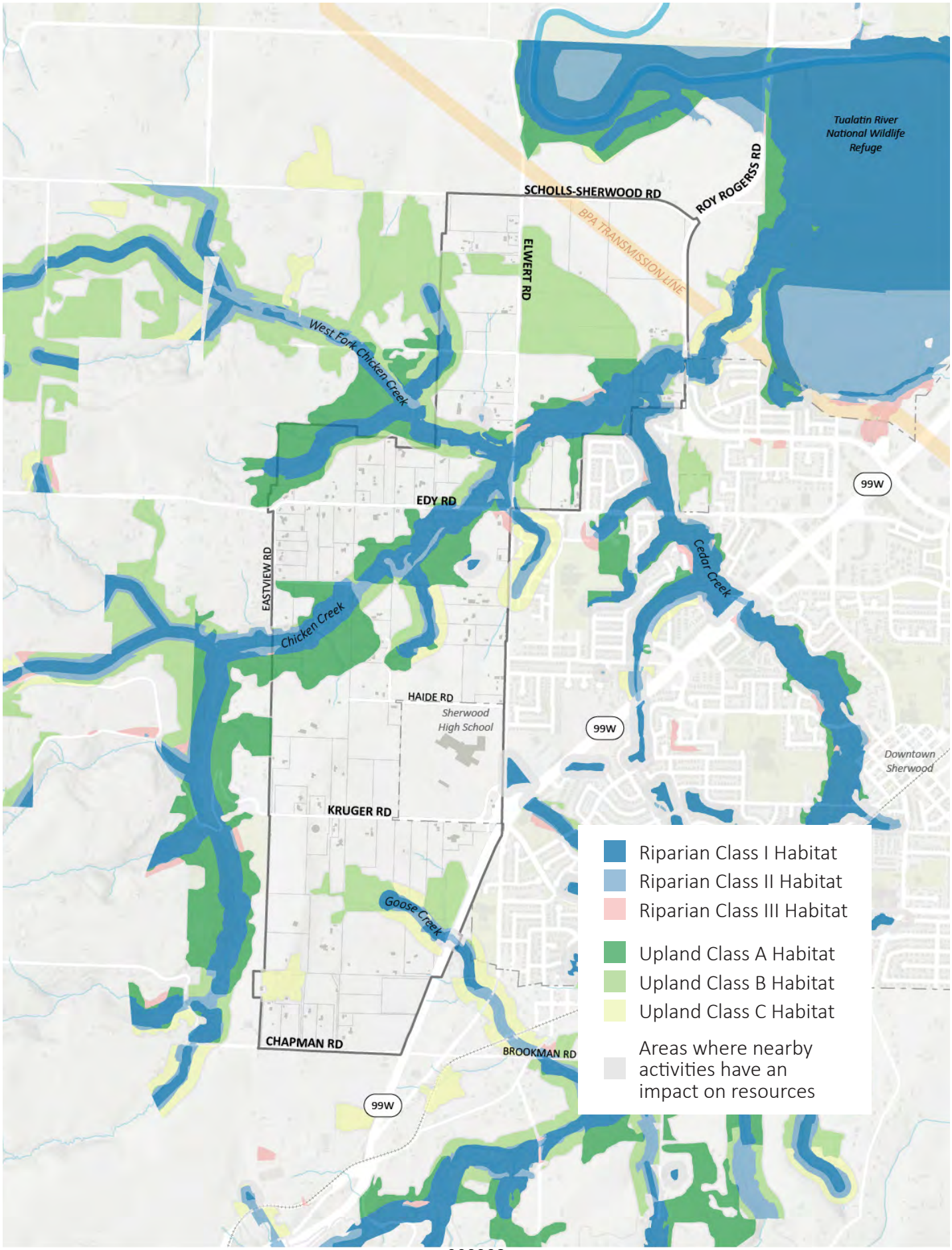
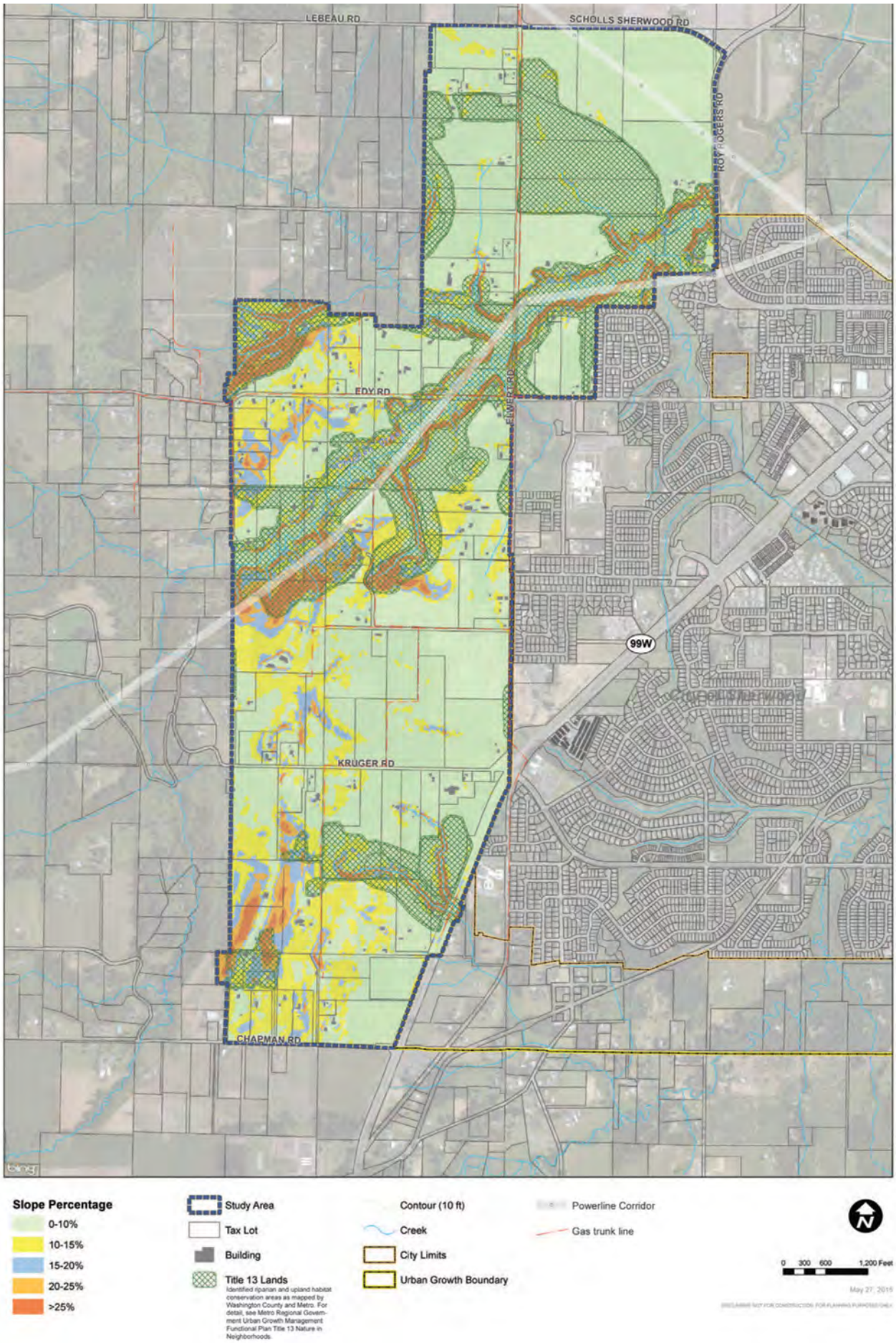


Figure 5: Slope Analysis (from Preliminary Concept Plan)



Public Facilities

As properties in Sherwood West annex into the city boundary for future development opportunities, public facilities will need to be extended to support intended uses.

Water

Existing Conditions

The current Water System Master Plan was adopted in May 2015 and considers all areas within the city limits, the UGB, and the Sherwood West area. The City's primary water supply is from the Wilsonville Water Treatment Plant, supplemented by groundwater wells. The City maintains an emergency connection and transmission piping to the Tualatin-Portland supply main. The City's distribution system includes three service zones supplied by three storage reservoirs and two pumping stations. The majority of Sherwood customers are served from the 380 Pressure Zone which is supplied by gravity from the City's Sunset Reservoirs. The 535 Pressure Zone, serving the area around the Sunset Reservoirs, is supplied with constant pressure by the Sunset Pump Station, and the 455 Pressure Zone serves higher elevation customers on the western edge of the City by gravity from the Kruger Reservoir.

Opportunities and Constraints

Initial anticipated growth in Sherwood West will be served by extending the existing 380 and 455-Zone distribution mains. Future customers along the ridge north and south of the existing Kruger Reservoir will be served by constant pressure from the proposed Kruger Pump Station at the existing reservoir site. Some future customers in Sherwood West may need to be served through a Pressure Relief Valve (PRV)-controlled sub-zone or through individual PRVs on each service in order to maintain required service pressures. A small area on the western edge of the Sherwood West, along Edy Road near Eastview Road, is too high in elevation to receive adequate service pressure from the adjacent 380 Zone. This area will be served by constant pressure from the proposed Edy Road Pump Station. An additional pump station would potentially be needed to serve this area. Extensive large-diameter mains will be needed to expand the City's water service area to supply water to Sherwood West as development occurs.

Sanitary Sewer

Existing Conditions

The existing Sanitary Sewer Master Plan was completed in 2016 and considers all areas within the city limits and the UGB, but not Sherwood West. The City of Sherwood is served by two sanitary sewer trunk lines, the Sherwood Trunk Sewer (24-inch) which conveys sewage from the Cedar Creek sewage collection basin and the Rock Creek Trunk Sewer (18-inch) which conveys sewage from the Rock Creek sewage collection basin. Both trunk lines convey flows to the Sherwood Pump Station, owned by Clean Water Services (CWS), which sends sewage to the Durham Advanced Wastewater Treatment Plant via the Upper Tualatin Interceptor, also owned by CWS.

EXISTING CONDITIONS

Opportunities and Constraints

Existing sanitary sewer facilities adjacent to or near Sherwood West are limited. The Sherwood Interceptor crosses the study area near the northeast corner of the area at Cedar and Chicken Creeks, and any sewer mainlines would need to cross these creeks to connect. The Brookman Addition is an area within the UGB on the south end of Sherwood between the city limits and SW Brookman Road. The City recently constructed a sewer mainline to the northern boundary of the Brookman area.

Clean Water Services and the City of Sherwood are working together to extend necessary sewer services to the Brookman and Sherwood West areas. The Brookman sanitary project will connect the Brookman and Sherwood West areas to the existing lines in the Ladd Hill area.

The sanitary sewer line is needed because the new Sherwood High School (annexed in 2018 as part of the West Sherwood planning area) was constructed in an area where there was no existing sanitary service. A short-term pump station provides service to the new Sherwood High School but long-term the school must be converted over to this new sewer extension.

Stormwater

Existing Conditions

The existing Stormwater Master Plan was completed in 2016 and considers all areas within the city limits and the UGB, but not Sherwood West. Sherwood West lies primarily within the Chicken Creek Drainage Basin. The basin flows north and northeast along Chicken Creek. Cedar Creek flows into Chicken Creek at the northeast corner of Sherwood West near SW Roy Rogers Road. West Fork Chicken Creek enters the Sherwood West area at the northwest boundary and flows east into Chicken Creek. A small portion of the Sherwood West area in the southeastern corner is part of the Cedar Creek Drainage Basin. On-site runoff enters Goose Creek, which flows from west to east, crosses under Hwy 99W, and reaches Cedar Creek.

The Stormwater Master Plan notes that Chicken and Cedar Creeks have been identified by the Environmental Protection Agency (EPA) as providing habitat for anadromous fish that are listed as threatened under the Federal Endangered Species Act. The area in the vicinity of Chicken and Cedar Creeks and their tributaries have been designated by Metro as riparian corridors, upland wildlife habitat, and aquatic impact areas. Some areas within the riparian corridors are also shown on the National Wetland Inventory Opportunities and Constraints. Beyond the natural streams, channels and roadside ditches, there is no developed stormwater infrastructure within the Sherwood West area except for the Sherwood High School site and the surrounding public roads that drain southeast through a large stormwater management pond and into a storm culvert under the highway and the east through the Woodhaven greenway over to Cedar Creek.

As development occurs in the future, stormwater would likely be discharged into the floodplains of the adjacent creeks and tributaries flowing to the north and south of the high school site that drains the middle part of the study area. The City of Sherwood requires that all stormwater facilities meet the requirements of Clean Water Services Design and Construction Standards for conveyance, water quality treatment, hydromodification, and water quantity treatment. The City has indicated that they prefer to use regional stormwater facilities where possible within Sherwood West, similar to the vegetated stormwater ponds near the roundabout, with Low Impact Development Approaches (LIDA), proprietary treatment, and underground storage preferred only private property only.

LAND USE ALTERNATIVES



LAND USE ALTERNATIVES

Developing Alternatives

The project team developed three Concept Plan alternatives through an iterative process that involved close collaboration with the Community Advisory Committee. The alternatives were intended to explore and compare a variety of ideas and to solicit preferences for plan elements that would be advanced and combined into a single preferred alternative.

The process of developing alternatives started with a series of baseline assumptions, based on consideration of existing conditions, ideas carried forward from the Preliminary Concept Plan, the vision statement and project goals, and recent regulatory changes (e.g., middle housing requirements under Oregon House Bill 2001). The team also developed a series Plan Concepts that addressed key topics for the Concept Plan—transportation, employment, open space, housing, etc. These concepts then fed into the assumptions and alternatives (see Appendix I. Plan Concepts).

Themes and Assumptions

Several baseline assumptions and key themes factored into the three alternatives:

- **Employment Focus** – Mixed Employment uses, defined as a mix of office, light industrial, and flex space uses in the same development or area, emerged as a key driver of the land use alternatives. This focus was informed by the City Council prioritizing job creation and opportunities identified in the Economic Opportunities and Challenges memo (Appendix G). However, the amount of mixed employment land, as well as other commercial and employment lands, was not a constant between alternatives.
- **Community and Neighborhood Parks** – The alternatives targeted 10-20 acres for one or more community parks in Sherwood West. In addition, neighborhood parks (average 2 acres) would be distributed throughout the neighborhoods. The location of parks varied across alternatives.
- **Open Space** – In every alternative, nearly 500 acres – approximately 40% of Sherwood West – would be reserved as open space, either in the form of natural resource lands, tree groves, parks, or open space set aside as part of development.
- **Schools** – An estimated 35-40 acres would be needed for future schools in Sherwood West – 25-30 acres for a middle school and 10 acres for an elementary school. While these land needs were factored into the alternatives, the City of Sherwood and the school district cannot identify specific locations for schools at this point.
- **Transportation Network** – Feedback received from the advisory committees and the online open house showed a clear preference for the Elwert-Edy realignment concept, which was studied in the Preliminary Plan (and described in Section VI, below). This alignment, as well as a general framework of local streets, was kept constant across the three alternatives.
- **Custom Land Use Designations for Middle Housing** – The State's middle housing requirements were a key consideration for developing land use concepts for Sherwood West. State law requires that Sherwood allow development of duplexes, triplexes, fourplexes, cottage clusters, and townhouses in residential areas zoned for detached single-family homes.

LAND USE ALTERNATIVES

The CAC was interested in developing custom land use designations for the middle housing types that are most favored by the Sherwood community: duplexes, townhomes, and cottage clusters. Custom designations would provide areas for these middle housing types only, and would not allow single-family detached dwellings, which would give the City more flexibility to customize their design and development standards. See below for a description of the land use designations.

Land Use Designations for the Concept Plan

The following land use designations are included in the three alternatives maps (Figure 6). Note that, with the exception of Middle Housing and Cottage Cluster, the residential land use designations are based on the City's existing residential zones and associated densities.

Table 2. Concept Plan Land Use Designations

DESIGNATION	PURPOSE AND ATTRIBUTES
	RESIDENTIAL
Multifamily	• **Purpose:** To provide intentional locations for apartments and condominiums in Sherwood West. • **Housing Types:** Apartments, condominiums, townhomes, triplexes, and quadplexes would be permitted in this designation. • **Density:** 16.8-24 dwelling units/acre (based on High Density Residential [HDR] zone).
Middle Housing	• **Purpose:** To provide intentional locations for specific middle housing choices of duplexes, townhomes, and cottage clusters. These middle housing types are most favored by the CAC and Sherwood community, and would provide different housing choices—including options for more affordable homeownership as compared to single detached dwellings. • **Housing Types:** Duplexes, townhomes, and cottage clusters would be permitted in this designation. • **Density:** 5.5-11 dwelling units/acre
Cottage Cluster	• **Purpose:** To provide intentional locations for cottage cluster housing. • **Housing Types:** This designation would only allow cottage cluster housing. Cottage clusters are groupings of relatively small homes clustered around a shared courtyard or open space. Their smaller footprints and shared amenities can make cottage cluster housing appealing to many seniors, small households, and first-time homebuyers. • **Density:** 12.8-16 dwelling units/acre
Neighborhood Designations	• **Purpose:** To provide land for a range of single and middle housing types, ensuring open space with each project. • **Housing Types:** These are the designations for single detached homes; by law, the full range of middle housing (duplexes, triplexes, quadplexes, townhouses, and cottage clusters) must also be allowed (with design standards). • **Densities:** See below. (Note that state law limits how cities can regulate density for middle housing.)

LAND USE ALTERNATIVES

DESIGNATION	PURPOSE AND ATTRIBUTES
• Medium-High Density Neighborhood • Medium Density Neighborhood • Low Density Neighborhood	• **5.5-11 units/acre –** This designation would likely be applied in flatter areas with larger sites where there would be more flexibility for creation of smaller lots. (Based on Medium Density Residential High [MDRH] zone.) • **5.6-8 units/acre –** This designation is also likely to be applied in flatter areas with larger sites. (Based on Medium Density Residential [MDRL] zone.) • **3.5-5 units/acre –** This designation would likely be applied in hillside and hilltop areas, and in parcelized areas with existing homes, where lots would be larger and densities would be lower. This would better accommodate topography, utility access, partial development, and other features, which would typically require larger lots. (Based on Low Density Residential [LDR] zone.)
	EMPLOYMENT, COMMERCIAL, AND MIXED USE
Mixed Employment	Provide land that supports living-wage employment opportunities for Sherwood residents. Mixed Employment includes a mix of office, tech, healthcare, light industrial, warehouse, and limited retail uses. This type of development typically requires large sites (at least 40-50 acres), flat topography, and good access to transportation.
Commercial	Provide opportunities for commercial businesses, including retail, dining, services, offices, and civic uses. These areas should have good visibility and access to transportation.
Mixed Use	Provide opportunities for a mix of housing and commercial businesses. Residential and commercial uses could be in the same building (vertical mixed use) or on the same site (horizontal mixed use).
Hospitality	This is a new concept for Sherwood, which emerged from discussions with the CAC. This zone would provide intentional locations for uses such as hotels/motels, restaurants, wineries, and similar uses that could capitalize on Sherwood West's location as the "entrance to wine country." These uses typically rely on strong visibility to the public—e.g., from Highway 99W.
	PARKS
Community Parks	Community parks are large parks (10 to 20 acres) that are intended to serve the broader community, and which may include amenities such as sports fields, picnic areas, pathways, and playgrounds. Community parks need relatively flat acreages and good transportation access for all modes of travel. The land use alternatives maps identify one or two locations for community parks.
Neighborhood Parks	Neighborhood parks are smaller (2 to 5 acres) and provide recreation opportunities for nearby residents, who typically live within walking and bicycling distance. The maps identify very conceptual locations for neighborhood parks, spread among the various residential areas.

Process

To create the three alternatives, the project team led the CAC through a hands-on exercise in which small groups developed the maps interactively. Each small group was given a base map and a set of land use "chips" that represented all the land uses listed in Table 2. The groups were then asked to place the chips on the map using their best judgment as to the appropriate location and overall layout of the land uses. Table facilitators helped organize the exercise and suggested parameters for placing the chips (e.g., certain uses, such as employment and schools, should not be placed on steeply sloped land).

The results of the chip exercise were then digitized and refined by the project team, with additional input from the CAC.

LAND USE ALTERNATIVES

Land Use Alternatives

The three land use alternatives in Figure 6 share several common themes:

- Focus on mixed employment in the northern, flat area
- Community park on the south side of the Chicken Creek corridor
- Commercial/mixed use and higher-density housing along Kruger Road
- Mix of housing types throughout
- Low density residential along western hilltop

Figure 6. Land Use Alternatives Maps



Alternative 1

- Largest amount of Neighborhood residential
- Moderate Mixed Employment land
- Community park northeast of Edy-Elwert intersection
- Hospitality on western end of Chapman Road

Alternative 2

- Most multi-family
- Least Mixed Employment land Community park west of Goose Creek
- Largest hospitality area, whole southern portion of study area

Alternative 3

- Mixed use residential focus west of high school
- Most Mixed Employment land
- Community park northwest of where Chicken Creek crosses Elwert Road
- Smallest hospitality area, at Kruger and Highway 99W

LAND USE ALTERNATIVES

Alternatives Evaluation

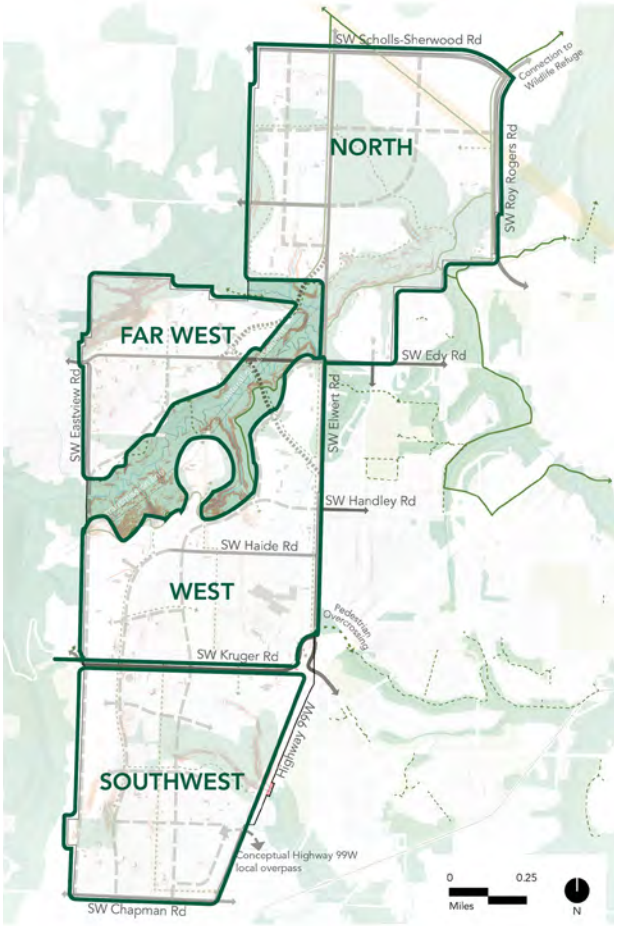
The three alternatives were evaluated through a community open house and survey and through application of the evaluation criteria (Section III). The project team also confirmed employment concepts through additional stakeholder engagement, and evaluated transportation alternatives through a Traffic Impact Analysis. The outcomes of each of these steps are briefly summarized below. Refer to the Appendices for full summaries.

Community Feedback

The Sherwood community had the opportunity to weigh in on the three land use alternatives, transportation concepts, and other plan concepts at an in-person open house and accompanying online survey in Fall 2022.

For the purpose of assessing the alternatives, the maps were broken up into the four distinct districts identified in the Preliminary Plan: North, Far West, West, and Southwest. Participants were asked to rank the alternatives in order of preference. Overall, participants favored Alternative 1 for the North and Far West districts, and Alternative 2 for the West and Southwest districts. See Appendix E for a full summary of survey/open house results.

Figure 7. Sherwood West Subdistricts



Qualitative Evaluation

The project team also evaluated the three land use alternatives using the qualitative evaluation criteria identified earlier in the concept planning process. Table 3 summarizes the extent to which each alternative meets each criterion. See Appendix I for the full evaluation memo.

Generally speaking, all three alternatives are supportive of the project goals. None of the alternatives were given a score of "does not support project objectives" for any of the criteria. However, Alternative 1 rated the highest, with Alternatives 2 and 3 close behind, as shown in Table 3.

LAND USE ALTERNATIVES

Table 3. Alternatives Evaluation Summary

GOAL	ALTERNATIVE 1	ALTERNATIVE 2	ALTERNATIVE 3
1. The area is designed as a natural extension of Sherwood and is integrated into the existing pattern of growth in order to preserve the community's heritage and small-town feel.	●	◒	◒
2. The area attracts a variety of businesses and employment opportunities, which help satisfy the City's need for an expanded tax base.	●	●	●
3. Transportation facilities serve to connect, rather than divide, neighborhoods.	●	●	●
4. Residents have access to a variety of parks and natural areas, anchored by the Chicken Creek Greenway.	◒	●	◒
5. The area is served by a robust network of active transportation options that are integrated into Sherwood's existing network.	●	●	●
6. Growth and development are well-planned and implementation of the area is pragmatic.	●	◒	●

● Supports Objectives ◒ Partially Supports ○ Does Not Support

Developer Feedback

In Fall 2022, the City of Sherwood hosted a driving tour and discussion of the Sherwood West Concept Plan area with stakeholders from the development and brokerage community. The purpose was to gather insights about the draft plan concepts from development practitioners and to provide advice for future implementation. Some key takeaways from these discussions are provided below. A full summary of developer feedback, including recommendations for infrastructure and funding needs is included in Appendix J.

Industrial/Employment Opportunities

- Industrial development at the north end of Sherwood West could be developed as soon as the land is brought into the UGB and utilities are available. The region is virtually out of industrial land today.
- Likely industrial uses would be multi-tenant buildings in the 50,000-70,000 square foot range.
- Sherwood's Employment Industrial (EI) zone is an appropriate one for Sherwood West. It is flexible and does not restrict by tenant use unlike some zones in neighboring cities.

LAND USE ALTERNATIVES

Other Commercial Uses

- Office development is unlikely in Sherwood West.
- Some support retail would make sense near the industrial uses, but zoning should remain flexible.
- Sloped sites or sites at a higher grade than the adjacent street lend themselves better to housing than retail uses.

Hospitality

- The hospitality designation needs a destination use to make it viable if the area is not visible from or directly located on Highway 99W.
- A wine-themed destination would best be built off of an existing working winery, although offsite tasting rooms are becoming popular.

The development and brokerage participants also provided feedback on necessary conditions for development to occur in Sherwood West, including needed utilities and funding. These elements are discussed in more detail under Implementation (Section VII).

Traffic Analysis

A traffic analysis evaluated the potential transportation impacts of the three land use alternatives and examined potential transportation network upgrades for the Concept Plan area. Below is a summary of the findings and recommendations. See Appendix L for the full Traffic Impact Analysis memo.

Findings

- **Total Trips** – All three land use alternatives have a comparable number of total proposed housing units, total jobs, and total vehicle trips. Overall estimated vehicle trips are also similar to the number estimated by Washington County as part of the Urban Reserve Transportation Study (URTS) for this area.
- **Travel Patterns** – Variations in land use and layout in the three alternatives would be expected to have a minimal impact on overall travel patterns, based on an examination of the origin and destination of trips.



- **Traffic Operations** – Initial findings indicate that Sherwood West growth will be served adequately with the planned street network, including planned street upgrades, as described in the Concept Plan. Further study is recommended to develop a more comprehensive list of improvements and associated cost estimates as this area is made ready for urban development.

Recommendations

- Advance the **Elwert Road re-alignment** concept with the Sherwood West Concept Plan; conduct further study to determine the best alignment and intersection configurations.
- Adopt **design themes for the Elwert Road corridor** consistent with the City's vision, as represented by the Sunset Boulevard corridor.
- **Upgrade Elwert Road** to a 3-lane cross-section with bike lanes and sidewalks as development occurs.
- Upgrade the **Elwert at Lebeau/Scholls-Sherwood intersection** to adequately support traffic growth through to the 2040 horizon year. The intersection with Elwert Road will require additional study, reconfiguration, and eventual signalization or roundabout improvement as development occurs.
- Make **multimodal safety improvements** to the Elwert-Edy intersection consistent with the Concept Plan. Other intersections should also be reviewed for possible multimodal safety upgrades as development occurs nearby, including the Elwert-Handley intersection, and the Elwert-Haide intersection.
- Upgrade **Edy Road** east of Elwert/Chicken Creek 3-lane collector with bike lanes and sidewalks, consistent with the Sherwood TSP. Keep Edy Road west of Chicken Creek as a two-lane collector road.

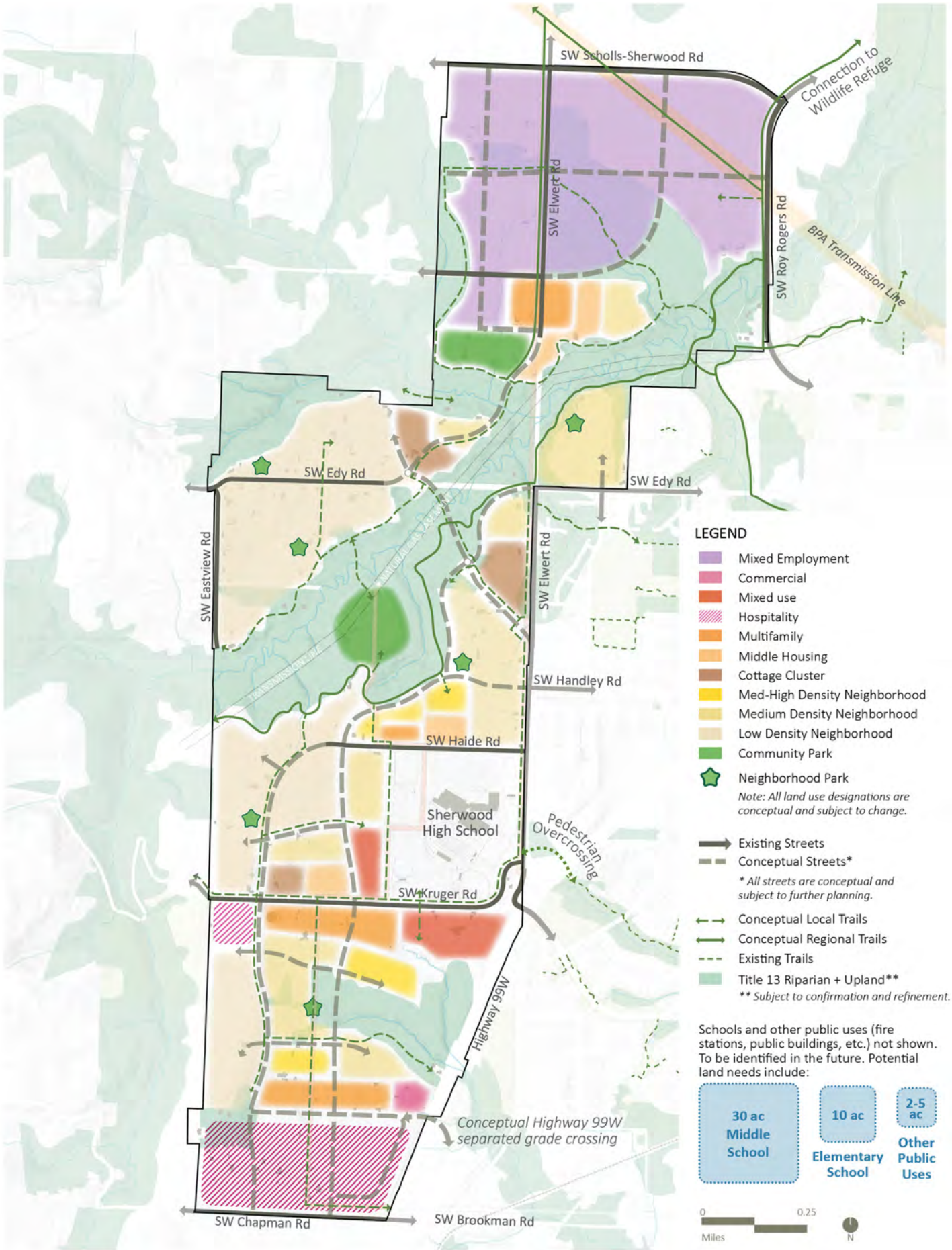
Preferred Alternative

The preferred alternative for the Sherwood West Concept Plan is described in the next section. The preferred land use map was developed by taking the most supported ideas from the three land use alternatives reviewed at the community open house and online survey. By comparing the districts (North, Far West, West, and Southwest) across alternatives, the best ideas from each could be incorporated into the final map. The CAC considered the community's input and provided direction as to which alternative they preferred for each district. The preferred layout of the North and Far West districts is based primarily on Alternative 1, while the West and Southwest districts are based primarily on Alternative 2. The CAC and project team also suggested modifications and refinements to the land uses in a few areas, for consistency with earlier plan concepts.

CONCEPT PLAN



Figure 8. Composite Concept Plan Map



Overview

The map in Figure 8 illustrates the recommended land uses, street network, parks, and trails for the Sherwood West area. The map shows how all these components come together to form complete and connected neighborhoods in Sherwood West. The accompanying descriptions related to land use, transportation, green space, and utilities further explain how these elements are integrated into the Concept Plan.

Land Use Plan

Figure 13 depicts the preferred land use designations for Sherwood West, as well as key themes within each district – North, Far West, West, and Southwest. In Sherwood West, each of the four distinct subdistricts has unique qualities, shaped by the area's creeks, hills, valleys, and major roads. The land use plan for each district is described below.

North District

The North district is the employment center for Sherwood West. Located south of Scholls-Sherwood Road and north of Chicken Creek, this area features mostly flat terrain to the northeast, many large parcels, and good transportation access to SW Roy Rogers Road—all favorable qualities for Mixed Employment uses.

The plan for this area also features a mix of housing types clustered near Elwert Road, just north of Chicken Creek. A community park of roughly 13 acres (net) takes advantage of access from Elwert and adjacency to a Chicken Creek tributary.

Far West District

Located northwest of Chicken Creek with access to Sherwood via Edy Road, this area features mostly sloping terrain and has many existing parcels and rural residential homes. The plan for the Far West district includes low-density housing with a pocket of cottage cluster and medium-density residential near Edy Road and Chicken Creek.

Figure 9. North District

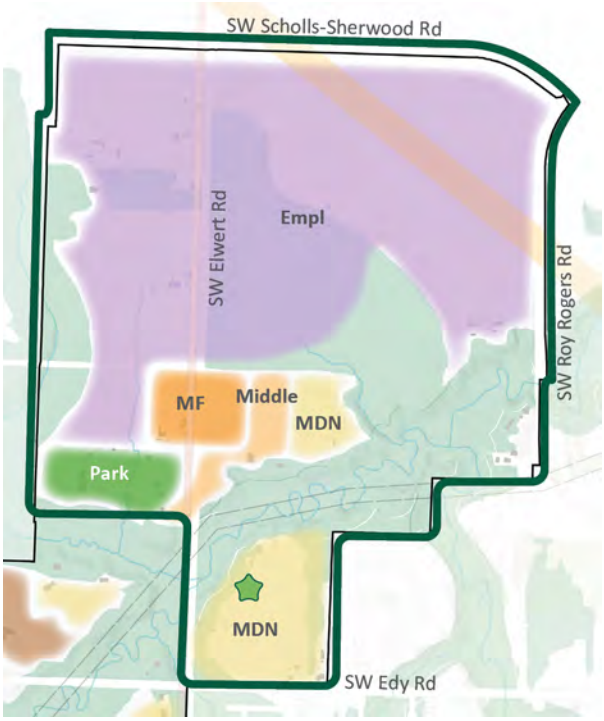
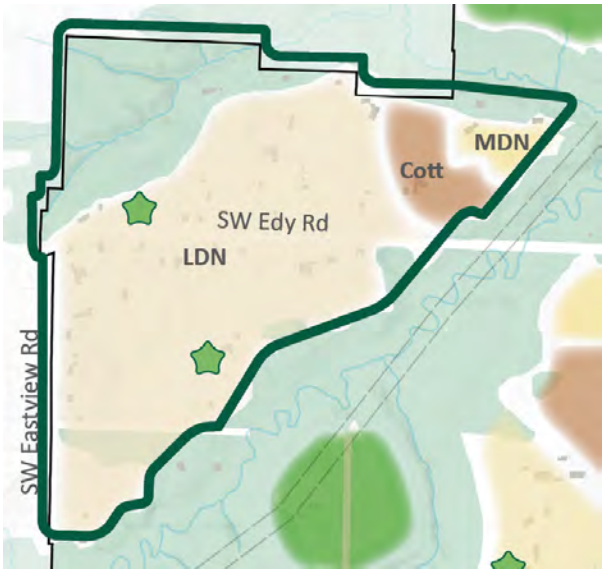


Figure 10. Far West District



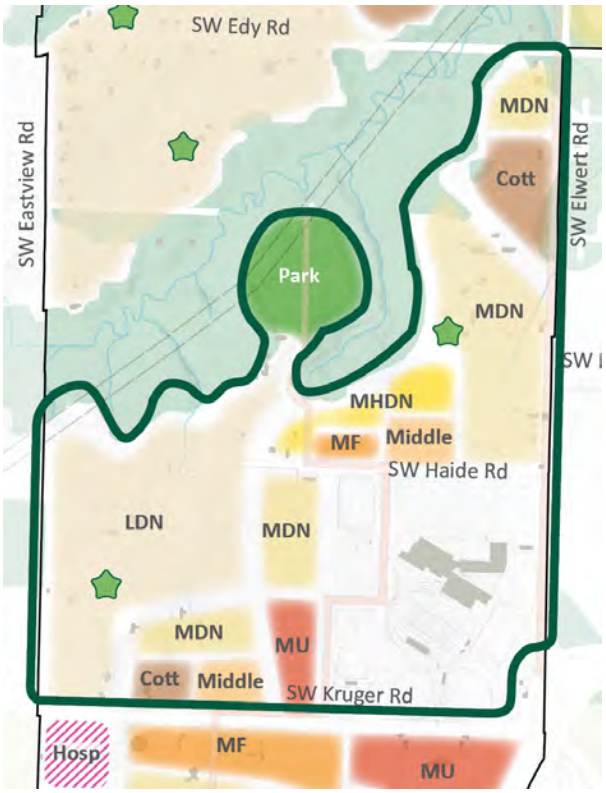
West District

Located in the middle of the planning area, directly west of Elwert Road, north of Kruger Road, and south of Chicken Creek, this area surrounds the new Sherwood High School and has relatively good access to existing infrastructure as compared to the other districts. The terrain features steeper slopes and higher elevations to the west.

The plan for the West district includes a mix of housing types west of the high school. Mixed use residential, cottage cluster, and middle housing are focused along Kruger Road. Medium-density and cottage cluster housing provide frontage along Elwert Road. The hilltop area to the west is designated for low-density residential.

A second, approximately 8-acre (net) community park is nestled into the Chicken Creek greenway. This area is relatively flat, with access to the future greenway trails, natural areas, and street access from the south.

Figure 11. West District



Southwest District

The Southwest district is located west of Highway 99W, between Kruger Road and Chapman Road. The terrain features steeper slopes and higher elevations to the west, but mostly flat land along Kruger Road.

The plan focuses mixed use development at the Kruger-99W intersection, with higher-density housing along Kruger Road. The southern end of the district is focused on being the "Gateway to Wine Country." Sherwood has an opportunity to capitalize on visitors entering or leaving wine country on Highway 99W. Uses in this area can focus on the growing wine and specialty agriculture tourism industry and provide lodging, tasting rooms, restaurants, and small retail shops. Another hospitality node is also located at the west end of Kruger Road, where the current property owner has plans for a wine-related business.

A small commercial node along Highway 99W, a variety of housing, and a low-density area on the hilltop round out the remainder of the Southwest district.

Figure 12. North District

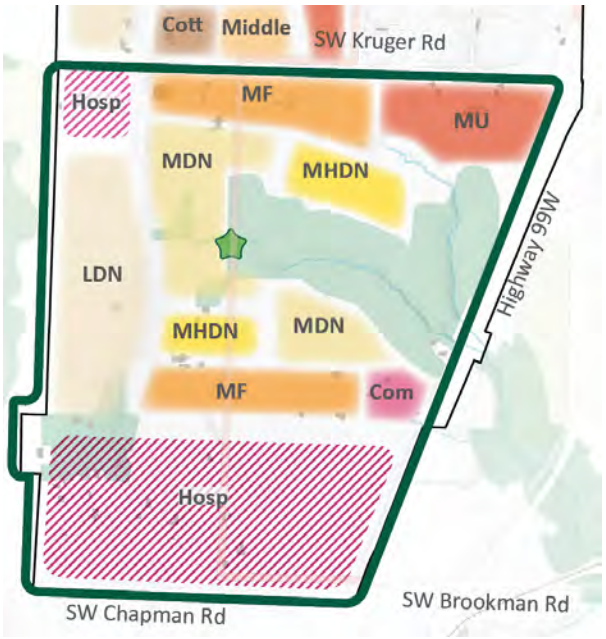
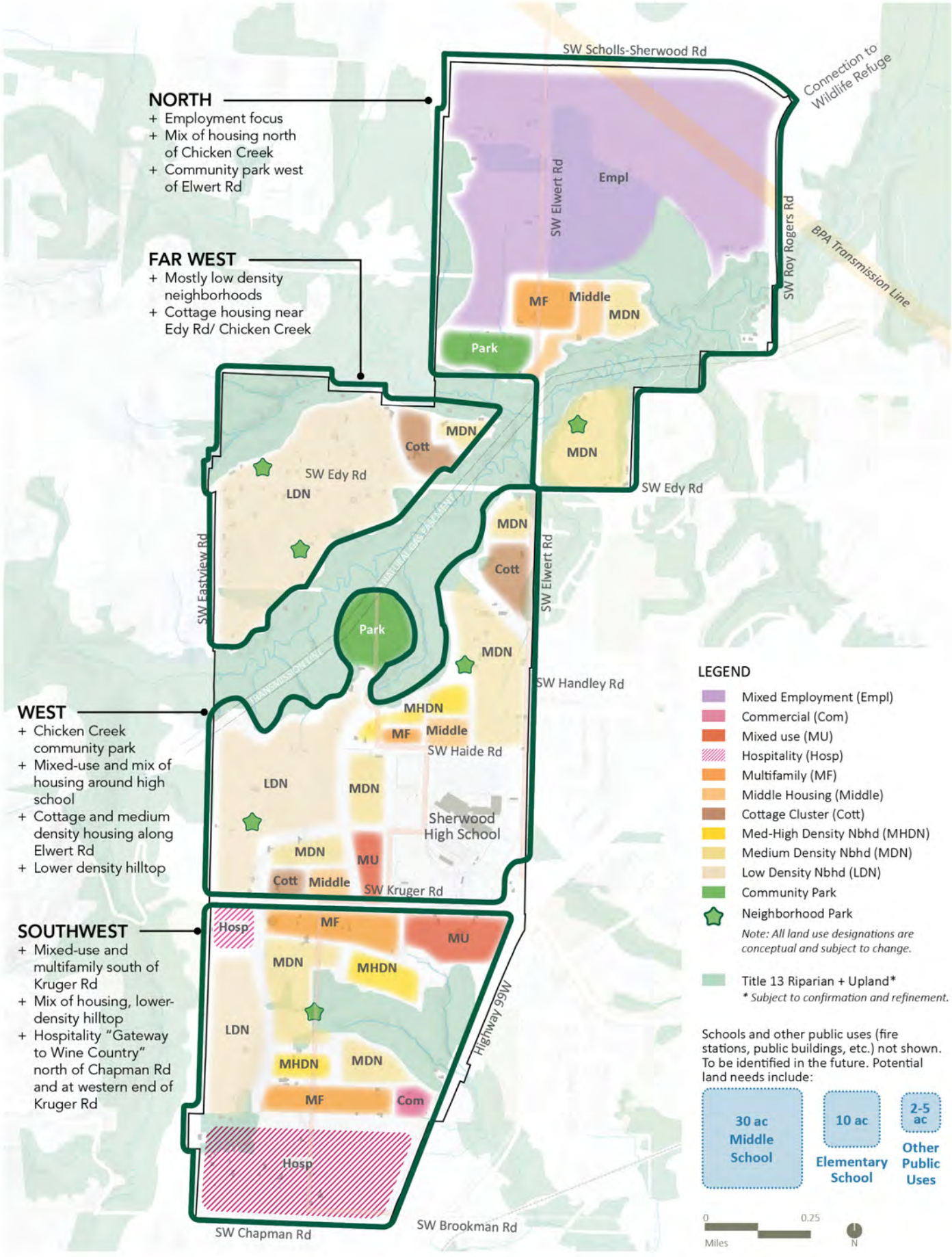


Figure 13. Land Use Plan Map



Housing

Planning for a variety of housing options that will meet the needs of a wide range of Sherwood West residents was a key objective of the concept planning process. Providing housing opportunities for first-time home buyers, seniors who may prefer to age in place or downsize their housing, and moderate-income households will require a wider range of housing types than has typically been provided in Sherwood. Examples of housing types that have designated places in Sherwood West include: single detached homes on smaller lots, cottage clusters, townhomes, duplexes, triplexes, fourplexes, garden apartments, and mid-rise apartments. These types will be in addition to the standard single detached housing that has typified Sherwood's development so far.

Residential Design Standards

Design standards will shape the look and feel of housing in Sherwood West. The City adopted new Residential Design Standards in 2021 to ensure middle housing (plexes, townhomes, etc.) and single-family housing fits into the City's desired neighborhood character. The standards focus on entry location and orientation, design of garages and off-street parking areas, window coverage, minimum landscaping required in all residential zones, and other specific design details. These new standards will apply in Sherwood West to ensure that all new housing maintains design features that are within the context, scale, and compatibility with the Sherwood community. Additional design standards could also be customized for the Sherwood West area (see Section VII. Implementation for further discussion).















Custom Zoning

As described in Section V. Land Use Alternatives, custom land use designations were developed to plan for the middle housing types that are most favored for future development in Sherwood West: duplexes, townhomes, and cottage clusters. Sherwood West's custom designations for Cottage Cluster housing and Middle Housing would not allow single-family detached development. This will not only help ensure middle housing is built in Sherwood West, but it will also give the City more flexibility to customize the design and development standards that apply in these zones.

Housing Metrics

Based on the Land Use Map depicted in Figure 13, the total estimated amount of future housing in Sherwood West could range from roughly 3,120 units up to 5,580 units, depending on how much middle housing is developed in the Neighborhood zones (see Table 4). The low end of the range represents no middle housing being developed in the Low-Density, Medium-Density, and Medium-High Density Neighborhood zones; the high end represents 50% of these areas being developed as middle housing at maximum allowable densities.

While middle housing will be permitted in the Neighborhood zones (as required by state law), it is unknown how much will actually be developed. Currently there is still a strong market for single-family detached housing in the region. Based on current development trends and consultation with developers in the region and housing economists, a realistic estimate is that somewhere in the range of 5-10% of single-family areas will be developed with middle housing. Because of the number of variables that can impact the actual percentage built, it was important to test a range of potential outcomes. Table 4 calculates total units based on a range of middle housing scenarios in the Neighborhood zones: 0%, 10%, 20%, and 50%.

This results in an estimated overall residential density of 9.2 to 10.6 units per acre (or up to 16.4 in the less likely 50% middle housing scenario). Average density is slightly lower factoring in the 15% open space that is required by the Sherwood Community Development Code.

See Appendix M. Housing Memo for additional information about the Concept Plan's consistency with state and regional requirements for housing.

Table 4. Sherwood West Housing Estimates

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood areas) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	33	*10%*	798	798	798	798
Middle Housing	5.5 to 11	16	*5%*	173	173	173	173
Cottage Cluster	12.8 to 16	23	*7%*	362	362	362	362
Med/High Density Nbhd	5.5 to 11	23	*7%*	248	279	311	406
Medium-Density Nbhd	5.6 to 8	102	*30%*	816	990	1,163	1,683
Low-Density Nbhd	3.5 to 5	144	*42%*	720	1,008	1,296	2,160
TOTAL		**340**	***100%***	**3,117**	**3,610**	**4,103**	**5,582**
Total Average Density				*9.2*	*10.6*	*12.1*	*16.4*
Total Average Density with Open Space				*7.8*	*9.0*	*10.3*	*13.9*

Employment

Sherwood wants and needs more jobs. Expanding existing businesses and attracting new employment to Sherwood—particularly the right kind of jobs in the right places—will provide opportunities for industrial and commercial development with higher wage jobs, help diversify and balance the City's tax base, and build a self-sustaining and vibrant local economy.

Key employment concepts for Sherwood West are described below.

Mixed Employment

Mixed Employment, which involves a mix of office, light industrial, and flex space uses within the same development or area of the city, emerged as an important theme of the Concept Plan. The economic opportunities study (Appendix G) identified mixed employment as a key economic development and job creation opportunity for Sherwood West. The land use plan locates Mixed Employment areas in the North district based on favorable characteristics for siting this type of use: large sites (at least 40-50 acres), flat topography (less than 3-5% slopes), larger ownerships, and easy access to major freight routes.

Hospitality

The proposed hospitality-focused land use designation is intended to accommodate uses such as lodging, wine tasting rooms, restaurants, and small retail shops—which typically rely on strong visibility to the public, e.g., from Highway 99W. This informed the placement of the hospitality designation at Highway 99W and Kruger Road—visible from the highway and closest to the vineyard areas to the southwest of Sherwood.

Section VII, Implementation includes potential approaches to implementing a hospitality designation, including a new base zone and an overlay zone.

Precedent Example: The Allison Inn & Spa

A luxury hotel in Oregon's wine country, The Allison Inn & Spa in Newberg, Oregon is an example of a type of destination resort that could distinguish Sherwood's own "Gateway to Wine Country."



Image Source: The Allison

Employment Metrics

Table 5 presents estimated employment potential for Sherwood West, based on the Land Use Map depicted in Figure 13. Based on these estimates, the total employment potential in Sherwood West is roughly 4,500 jobs.

Table 5. Sherwood West Employment Estimates

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	130	18	2,398	53%	49%
Commercial	7	36	237	5%	2%
Mixed Use	25	25	638	14%	9%
Hospitality	63	15	938	21%	24%
Schools	40	8	314	7%	15%
TOTAL	**265**		**4,524**	**100%**	**100%**

The jobs-per-acre estimates for each land use type are rough estimates gleaned from the Metro 2014 Urban Growth Report and from the scenario planning software Urban Footprint.

Jobs-to-Housing Ratio

Sherwood's current jobs-to-housing ratio is 0.9, meaning that for every 10 households in the city, there are 9 jobs. The potential jobs-to-housing ratio for Sherwood West is calculated by comparing the total housing and employment estimates (see Table 6). The estimated ratio ranges from 0.8 to 1.5, depending on how much additional housing results from middle housing being built in the Neighborhood zones. A reasonable "most likely" scenario is 1.3 jobs for each unit of housing.

Table 6. Sherwood West Jobs-to-Housing Ratio

	Middle Housing Scenario		
	0% MH	10% MH	50% MH
Total housing units	3,117	3,610	5,582
Total jobs	4,524	4,524	4,524
Jobs-Housing Ratio	**1.5**	**1.3**	**0.8**

According to 2019 Census data, approximately 92% of local Sherwood residents work outside of the community. This suggests that some residents are seeking employment outside Sherwood because the jobs available within the city do not match their needs. Adding more employment land in Sherwood West is intended to help balance the jobs-housing ratio in the city, help balance the types of jobs in the community, and allow more residents to live and work in Sherwood.

Community Services

Schools



Given the opportunities for new households, as Sherwood West is built out there will be demand for additional school facilities. While potential locations for school sites were part of the discussion, the CAC recommended that specific school locations not be included in the updated Concept Plan. As conveyed by the School District representative, schools will be built in later development phases, and the District does not typically reserve land many years in advance of development.

The Land Use Map (Figure 13) indicates the general land need for an elementary school and middle school and these school acreages also are factored into the housing and employment metrics in Table 4 and Table 5. Locating schools in Sherwood West will require trade-offs with less land available for other uses—this should be a consideration for future school siting. Pursuant to the City's development code, schools are a Conditional Use within residential-zoned areas. School placement could also factor into infrastructure phasing and future transportation planning.

Other Services

Sherwood West will need other community services and facilities in addition to schools. Existing services may need to expand, such as those provided by the City of Sherwood, Tualatin Valley Fire & Rescue, and Portland General Electric (PGE). PGE anticipates that a new substation in Sherwood West will be needed north of Edy Road to serve this area. Other facilities that may need to improve and expand to serve growing community needs include the Sherwood Library and the Field House. The Land Use Map (Figure 13) indicates the general estimated land need for future civic uses (roughly 2-5 acres). The City of Sherwood will continue working with local service providers to ensure community services are being met through planned and orderly development.

Transportation Plan

Streets

As the City of Sherwood grows, a well-designed and connected network of streets, paths, and trails in Sherwood West should focus on safety, knitting the existing and new growth together, creating livable and walkable neighborhoods, and mitigating impacts of regional through-traffic.

Figure 14 shows a conceptual framework of livable and connected streets for Sherwood West. Locations and alignments of proposed new streets (dashed gray lines) are conceptual and approximate. Additional local streets will be built between the framework streets, depending on land uses.

Transportation Principles for Sherwood West:

- Design for safety
- Integrate with existing Sherwood
- Connect all areas of Sherwood West
- Streets are places for people of all ages and abilities
- Provide for all modes of travel

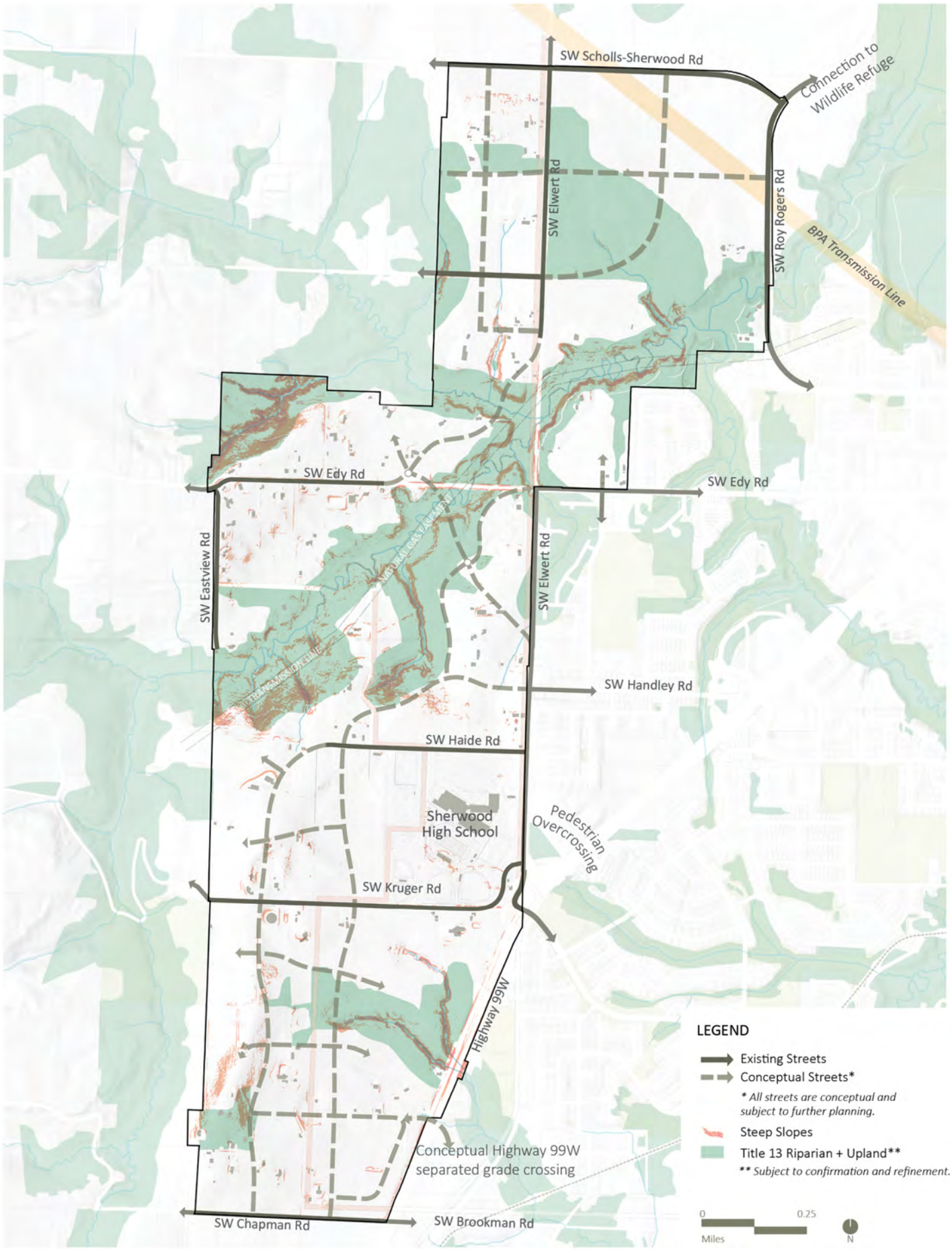
Key features of the streets framework include:

- North of Chicken Creek, the street framework is designed to serve Mixed Employment land uses. There are continuous parallel routes to SW Elwert Road so that local trips can move freely and turning movements Elwert are minimized.
- The Elwert-Edy Road intersection is realigned as described below (and in the Preliminary Concept Plan).
- A neighborhood street connects from SW Handley to SW Haide and south to SW Chapman Road. This street connects multiple neighborhoods and the central and southern employment areas.
- A north-south hilltop route provides additional north-south access and a second continuous north-south route for emergency access and other services.



SW Sunset Blvd

Figure 14. Conceptual Street Framework for Sherwood West



Elwert Road

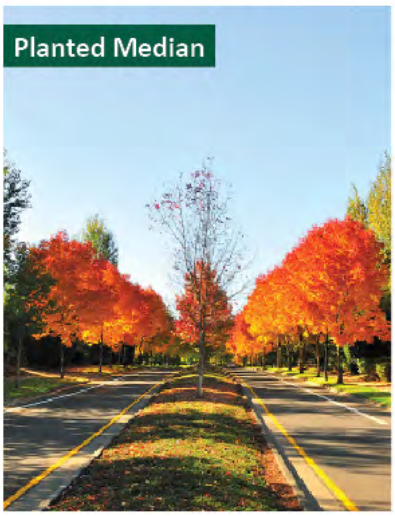
Design Concept

SW Elwert Road is a key north-south arterial street, and an important opportunity for providing access and defining urban design in Sherwood West. Design concepts for the roadway are aimed at making Elwert a livable and positive addition to the growth of Sherwood West and the adjacent neighborhoods on its east side. The concept is to create a safe, connected, and attractive boulevard with buffered sidewalks, safe crossings, bike lanes, a planted median with canopy trees, and path connections to key sites and destinations.

Design Ideas: Learning from SW Sunset Boulevard

Elwert Road connects to SW Sunset Boulevard at its southern end. The City can incorporate ideas from Sunset Boulevard into the design of Elwert Road. Desired roadway elements exemplified by Sunset Boulevard are illustrated at right.







Design Ideas: A Distinctive, Context-Sensitive Elwert Road

The design of Elwert Road should respond to the varied landscape and land use contexts along its length. Ideas for potential design strategies are specific to the identified land uses along the roadway. Elwert is currently a County roadway and future design details will require further study and collaboration with Washington County.

Figure 15. Contextual Design Concepts for Elwert Road

Employment Area Parkway

- Distinct street tree character
- Sherwood 'visual corridor' design
- Fewer curb cuts, continuous white fence
- Truck-turning considerations
- Large parcels with space for pathways linked to trails

Residential Boulevard

- Consistent street tree canopy, median
- Consistent white fence
- Safe crosswalks
- Protected bike lanes
- Access paths to residential areas
- Adjacent homes with side 'frontage'

Green Crossings

- Street tree choices informed by natural area proximity
- Narrower ROW to reduce footprint in ecologically-sensitive areas
- Trails and wildlife passage underneath
- Bridges as public view points, with art, educational signage

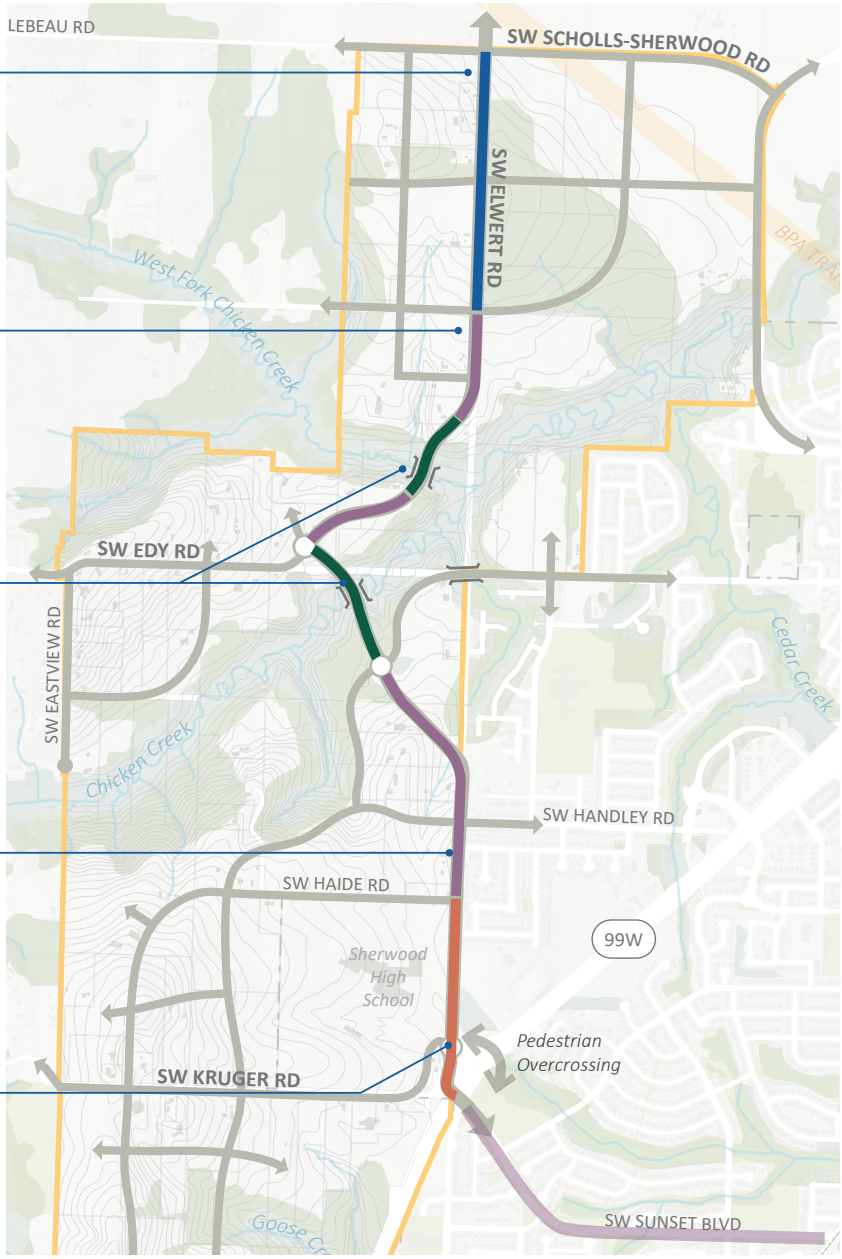
Residential Boulevard

See above, and...

- Between Haide and Handley, consider existing neighborhoods to east in design and ROW availability
- Continue multi-use path from High School
- Consider matching white fence on Sunset

High School Edge/Gateway

- Recently-rebuilt
- Generous multi-use path on west edge should extend north
- Pedestrian overcrossing



Potential Elwert Realignment

The Concept Plan Re-Look project examined two options for the intersection of SW Elwert Road and SW Edy Road, which are described in detail in the Preliminary Concept Plan. In either case, Elwert Road will need to be upgraded to current standards when development occurs in Sherwood West.

Realignment (Figure 16)

This option would realign Elwert and Edy Roads and add two new intersections on either side of Chicken Creek. As described in the Preliminary Concept Plan, this option has several advantages:

- Crosses two Chicken Creek tributary streams at the narrowest points, thereby reducing or eliminate wetland mitigation issues.
- Eliminates the excessive fills within the Elwert-Edy intersection and follows the existing terrain.
- Likely discourages freight traffic usage of the road and enhances safety by reducing speeds while still allowing significant local residential and commuter traffic flow.
- Allows the existing Elwert-Edy alignments and intersection to remain in use until construction of the realigned roadway is nearly complete.

This option would require construction of structural bridging and acquisition of right-of-way to accommodate the realignment of SW Elwert Road.

Existing Alignment (Figure 17)

This option retains the current location of the Edy-Elwert intersection, which would require correcting the intersection's vertical alignment to meet safety standards. This means raising the road elevation approximately 10-20 feet to flatten the rolling topography for safer stopping sight distances at intersections. In contrast to the realignment approach, this option has a few disadvantages:

Figure 16. Realignment Option

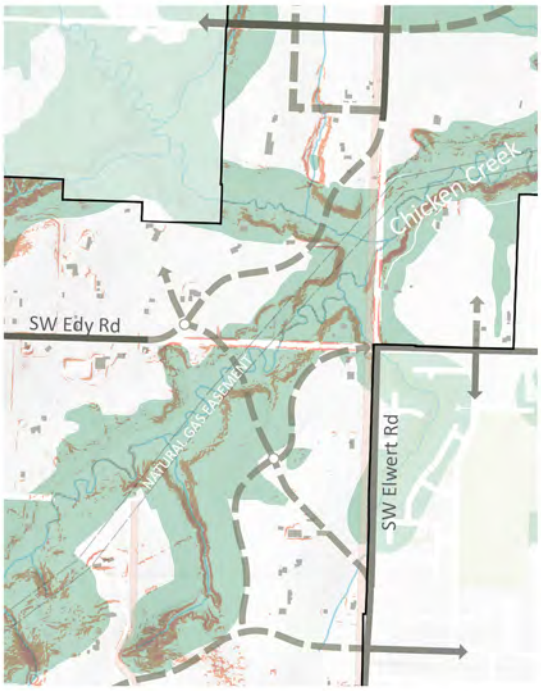
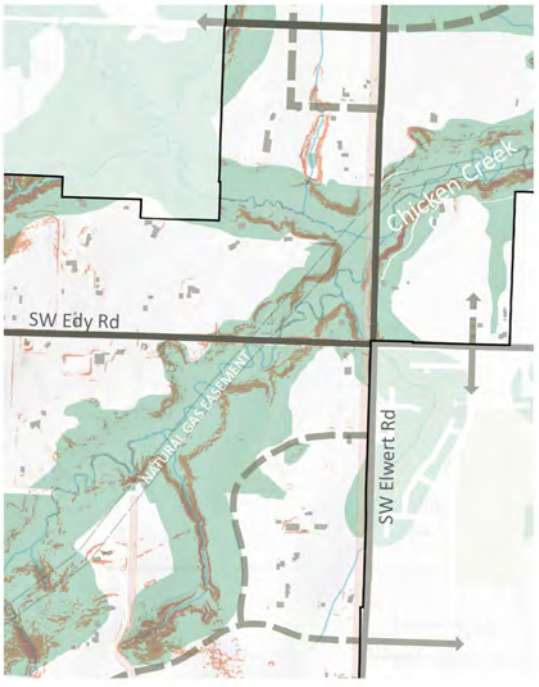


Figure 17. Existing Alignment Option



- By raising the road along this length, there would be impacts to the existing right-of-way and adjacent wetlands due to the need for additional fill.
- An estimated 20 to 40 feet of additional right-of-way would be required to account for fill slope.
- The additional environmental impacts would require extensive wetlands mitigation.
- Local and commuter traffic would be heavily impacted during construction.

Because of these reasons, the CAC and project team recommend the realignment approach. However, further analysis, including more in-depth environmental, engineering, and cost analysis, will be necessary before the decision about Elwert Road's alignment is finalized.

Transportation Improvements Under Study

Pedestrian Overcrossing

A new Highway 99W pedestrian overcrossing is planned in the vicinity of Sherwood High School and is currently being designed (as of spring 2023). The new overcrossing will address the major barrier that the highway presents for pedestrians today. It would also help connect the high school, the YMCA, and the greater Sherwood West area with existing trails and destinations on the east side of the highway. The preferred alignment for the overcrossing is illustrated in Figure 18.

Figure 18. Pedestrian Overcrossing Alignment



Connection to Brookman Area

The City of Sherwood has been studying several alternatives for improving connectivity between the Brookman Area and Sherwood West. Sherwood City Council recently endorsed the alternative that would locate a new grade-separated crossing of Highway 99W to the north of SW Chapman Road (see Figure 19). The crossing would serve local access (no interchanges from Highway 99W), and would connect to Old Highway 99W to the east and to the western side of Sherwood West via new local streets.



Figure 19. OR 99W/Brookman-Chapman Alternative 2

The connectivity alternative also includes intersection improvements (signal or roundabout) at the intersection of SW Brookman Road/ SW Chapman Road and Highway 99W, which would provide access to and from the highway.

Other Transportation Concepts for Future Study

The existing transportation system in Sherwood West is limited to very few routes, is characterized by rural road conditions, and has almost no pedestrian and bicycle facilities. A key challenge to future development in the area is the current reliance on Oregon Highway 99W and SW Elwert Road for north-south travel, particularly for through-trips that do not have an origin or destination in Sherwood. Highway 99W is designed for this traffic; however, SW Elwert Road is not. Elwert's future improvements should support Sherwood West as a livable, walkable part of Sherwood, not only as a conduit for through traffic.

The transportation network for Sherwood West will serve local travel, provide excellent walking and biking routes, and minimize trips through Sherwood's neighborhoods. Toward this end, the strategies in the Concept Plan are to:

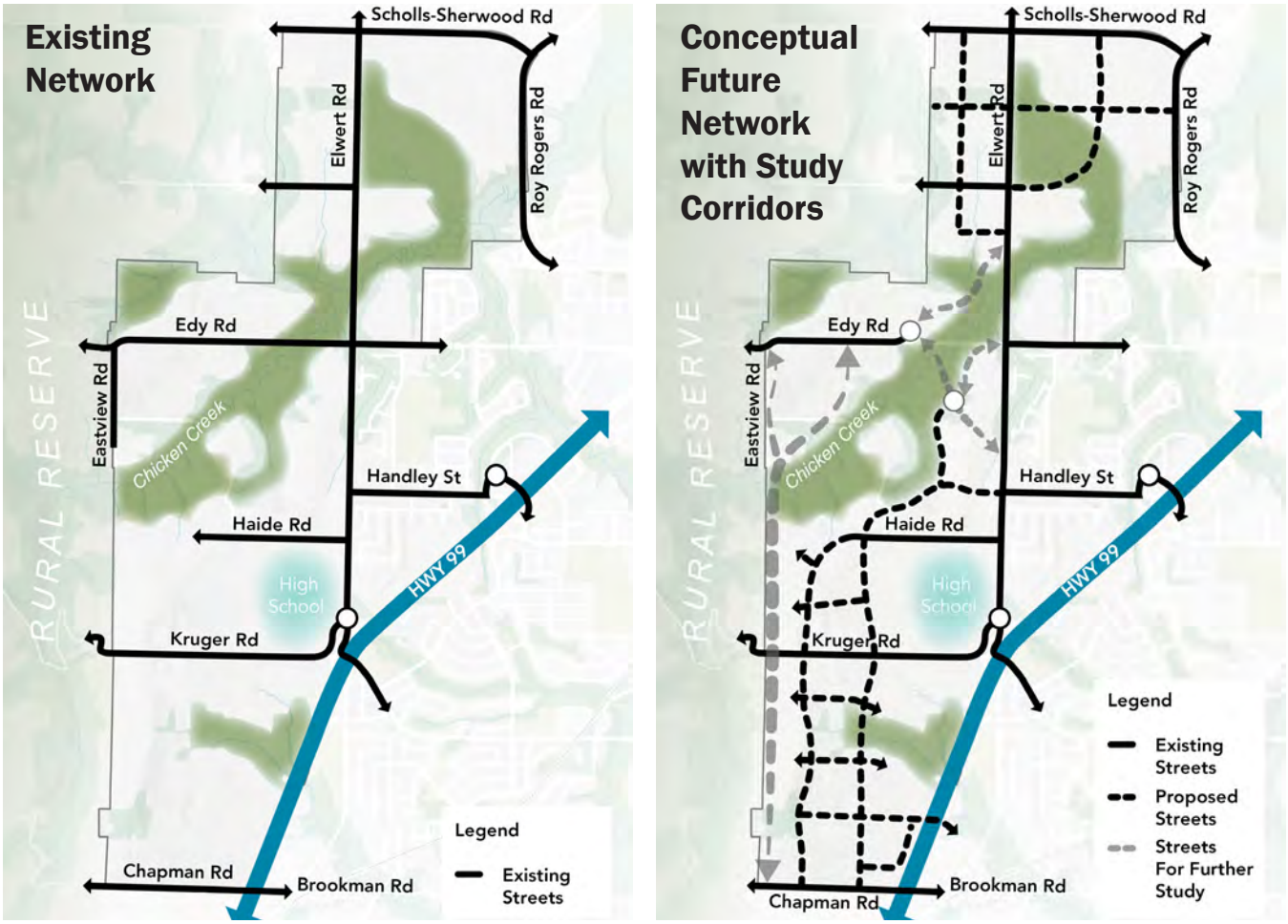
- Plan and develop a well-connected street network that connects existing and new neighborhoods;
- Plan and develop a robust, safe and inviting pedestrian and bike network – for all users;
- Implement the Chicken Creek Greenway with a regional trail that connects Sherwood West to the existing city and the Tualatin National Wildlife Refuge;

- Implement the Elwert Road Design Concept described and illustrated above, using Sunset Boulevard as inspiration;
- Build the Brookman separated-grade crossing;
- Build the Highway 99W pedestrian overpass; and
- Provide additional north-south connectivity that directs traffic away from neighborhoods rather than through them.

Streets For Further Study (North-South Connector & Elwert Realignment)

Figure 20 shows a conceptual street framework for further study. The diagram shows additional north-south connectivity and the realignment of Elwert Road. The core idea of the north-south connectivity concept is to connect SW Chapman Road to the north end of Sherwood West, enhancing regional connectivity and providing an option away from neighborhoods. The route is conceptual and its specific alignment has not been identified. The City is aware of the challenges – topographic, environmental, conflicts with existing development – but seeks to continue to study this long range transportation corridor. The Elwert realignment concept is discussed on page 53.

Figure 20. Conceptual Diagrams – Streets for Further Study



Active Transportation and Trails



Trails, cycling routes, transit, "micromobility," and other ways of getting around without a car will be designed into Sherwood West. It is expected that active transportation options will connect between local parks, green spaces, schools, neighborhoods, and employment areas to encourage walking, rolling, and biking. This Concept Plan provides an opportunity to pre-plan key connections between new growth in Sherwood West and existing areas of Sherwood. There is also an opportunity through plan implementation to ensure future transit can be as successful as possible.

Sherwood West's streets will be an important part of providing active transportation options, along with off-street trails and the location of parks, schools, and community gathering spaces.

Trail Network

The maps in Figure 22 and Figure 24 illustrate a conceptual trail network for Sherwood West, ranging from larger regional trails to smaller community trails. Future trails in the Sherwood West area will prioritize connections to existing and planned trail networks.

Chicken Creek will also form a key component of the future trail network. See the Green Space Network section, below, for a discussion of Chicken Creek Greenway concepts.

Safe Routes to School



The Concept Plan illustrates the potential for a bicycle and pedestrian network that is safe, connected, and serves all ages and abilities. Key elements include:

- Chicken Creek Regional Trail;
- Local trails serving every neighborhood and providing continuous routes throughout Sherwood West (north to south and east to west);
- Key connections to Sherwood at SW Edy Road, SW Chapman Road, and SW Elwert Road / SW Sunset Boulevard, with associated pedestrian and bicycle improvements;
- A pedestrian overcrossing of Highway 99W connecting to Sherwood High School; and
- Potential safe routes to Ridges Elementary School at SW Handley, SW Copper Terrace and via trail connections from SW Elwert and SW Edy.

Future Transit, Micromobility, and the "First and Last Mile"

The Sherwood West lies directly adjacent to TriMet's current service boundary but TriMet does not currently provide transit service to the area. The closest bus stops are about a mile away in Old Town, which is served by lines 93 and 94. The Concept Plan helps Sherwood West to be "transit-ready" by planning land uses, key streets, and trails to accommodate and support future transit service. The diagram at right shows potential future transit routes in orange as conceptually noted in the TSP.

In addition, the inclusion of "micromobility" services, like bike-sharing and scooters, can help people to get around more easily without a car. Micromobility stations could be included at schools, employment and commercial areas, and near existing transit stops. Access to micromobility services can help people access transit and make the "first and last mile" of a trip and provides options for getting to and from school, work, and leisure activities.

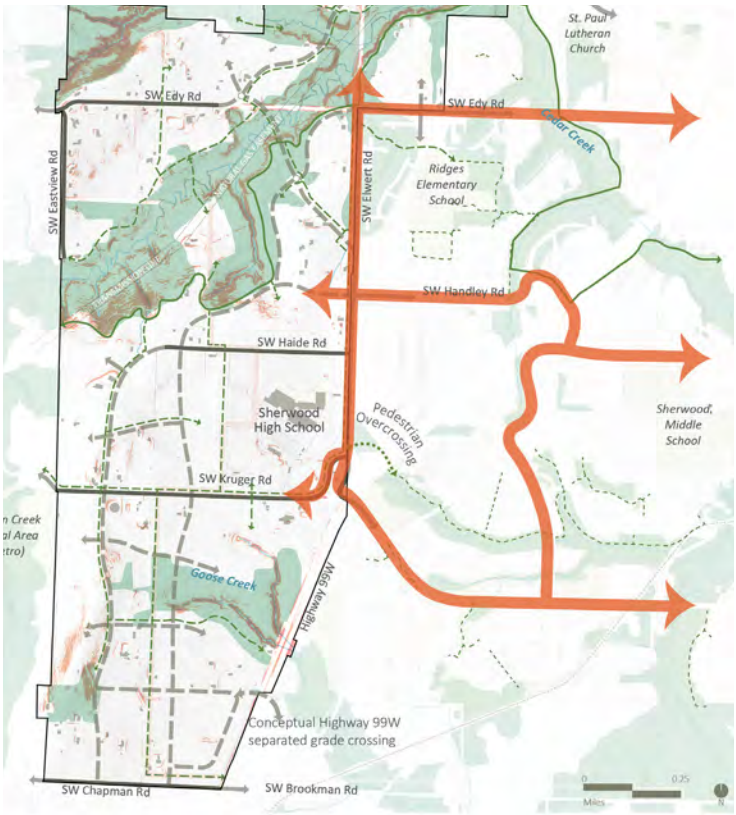
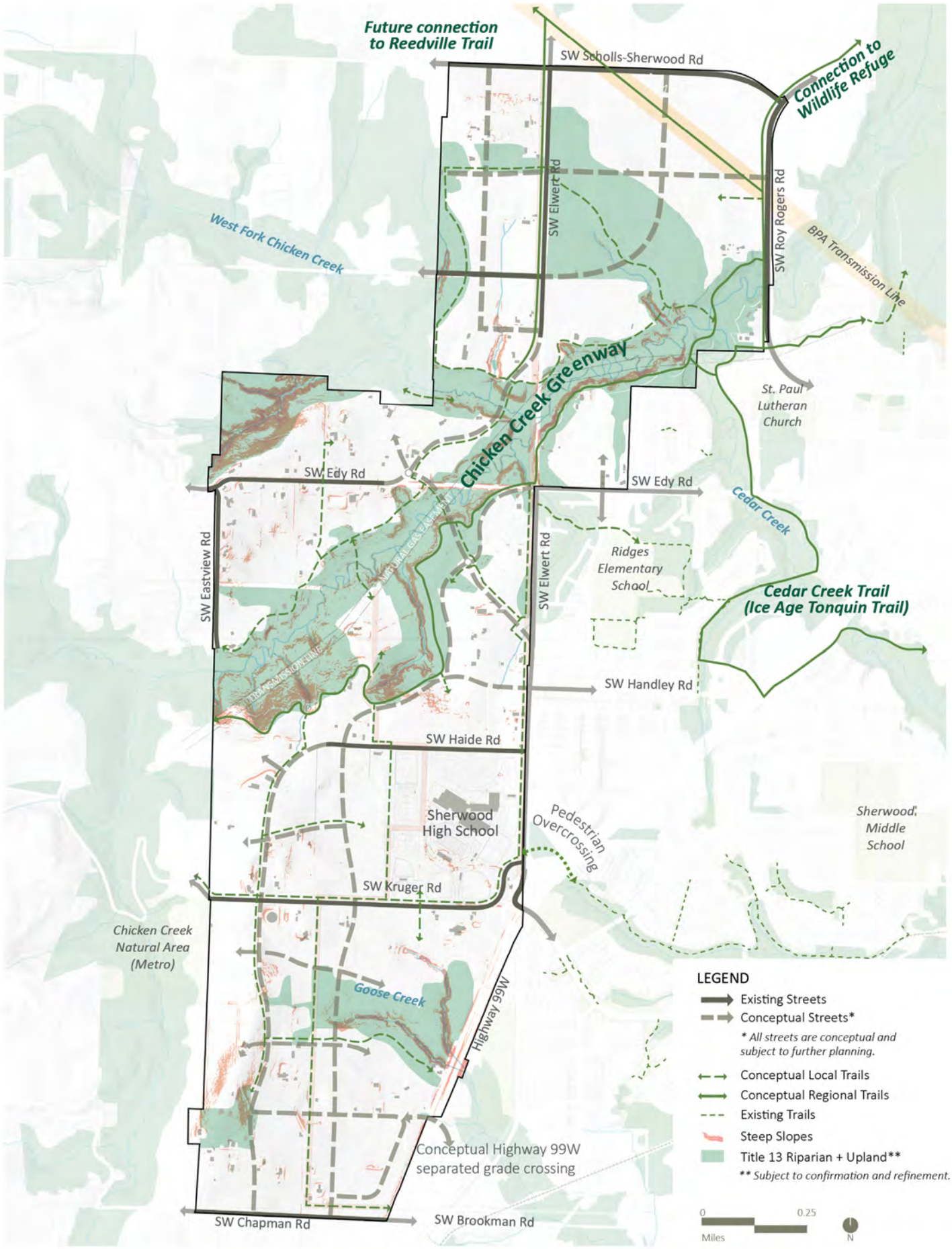


Figure 21. Potential Future Transit Routes Connecting to Old Town (Source: Sherwood TSP)





Figure 22. Overall Transportation Framework for Sherwood West



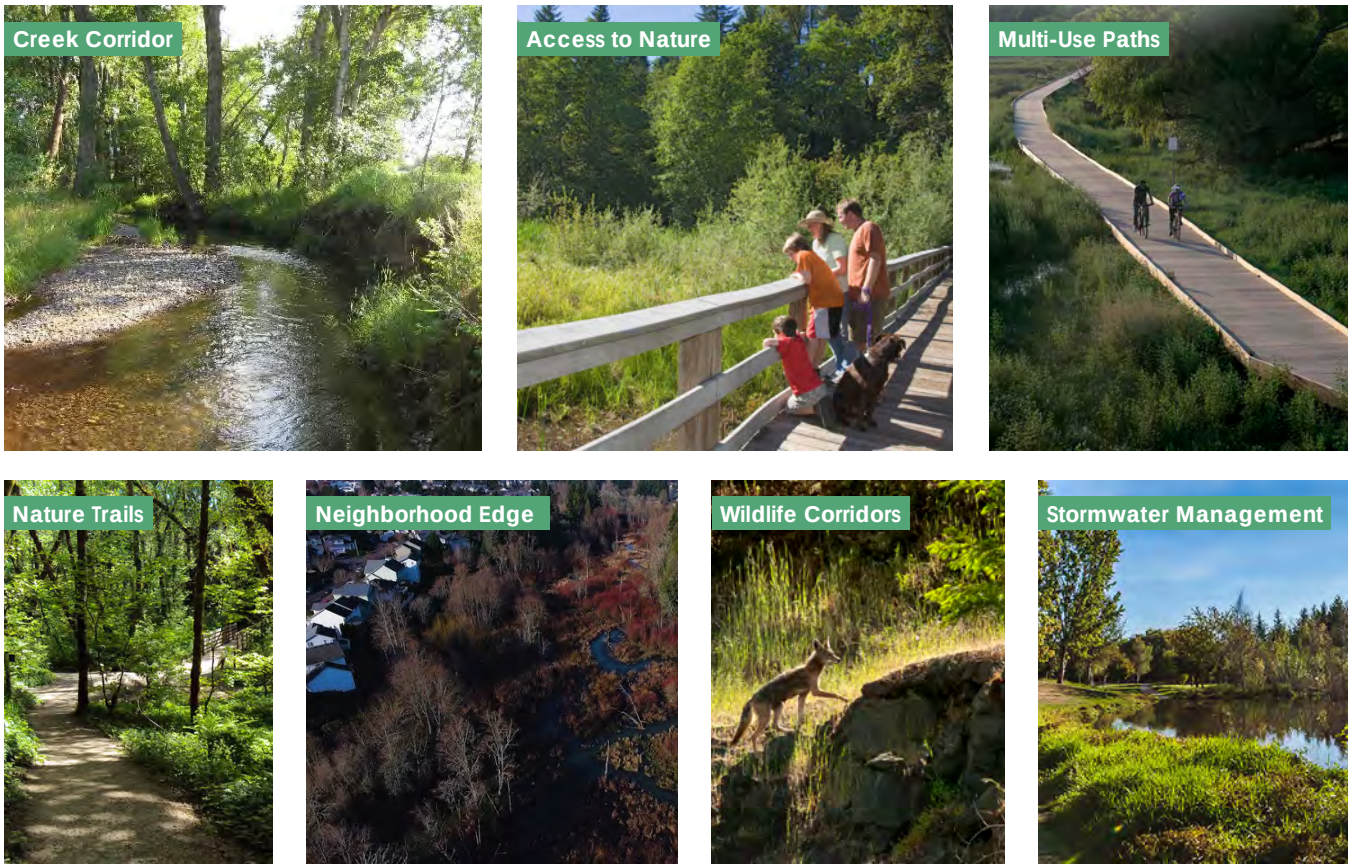
Green Space Network

A vital component of Sherwood's livability is its access to nature and open spaces. Sherwood's landscape is defined by the creek corridors that flow through the city and drain to the Tualatin River at the Tualatin River National Wildlife Refuge. Parks and open space illustrated in the Concept Plan take advantage of the natural landscape in Sherwood West to enhance access to nature and outdoor recreation. Sherwood West's green space network includes creek corridors and their habitat areas; trails and greenways; tree and tree canopy, as protected by Sherwood's code; stormwater facilities; and neighborhood parks, community parks, and school fields.

Chicken Creek Greenway

Chicken Creek forms a natural greenway through the area, flowing southwest to northeast and eventually draining into the Tualatin River. It is fed by several other waterways: Cedar Creek, Goose Creek, and West Fork Chicken Creek. The future Chicken Creek Greenway preserves and enhances these natural corridors by providing wildlife crossings, incorporating stormwater management practices, and providing access to nature through a network of connected walking trails. As conceptualized, the Chicken Creek Greenway will incorporate the creek corridor as well as the surrounding riparian and upland habitat areas (as shown in Figure 23).

Figure 23. Elements of a Greenway



Neighborhood and Community Parks

The map in Figure 24 identifies potential locations for future neighborhood and community parks. These spaces will ultimately be integrated into Sherwood West's overall trail and open space network.



Community Parks. Consistent with the Sherwood Parks and Recreation Master Plan, the Concept Plan locates two community parks with a minimum of 10 acres in Sherwood West. Specific future locations for community parks will depend on site suitability (e.g., topography, size, street access), phasing of development, and property acquisition opportunities.

Neighborhood and Pocket Parks. The Concept Plan also identifies conceptual locations for smaller neighborhood parks. While the City may identify preferred locations and acquire land for neighborhood parks, typically greater than 1.5 acres, often these areas can be dedicated as a part of land development. In addition, pocket parks, typically smaller than 1.5 acres and maintained by Homeowner Associations, will be required as part of usable open space through the land development process.

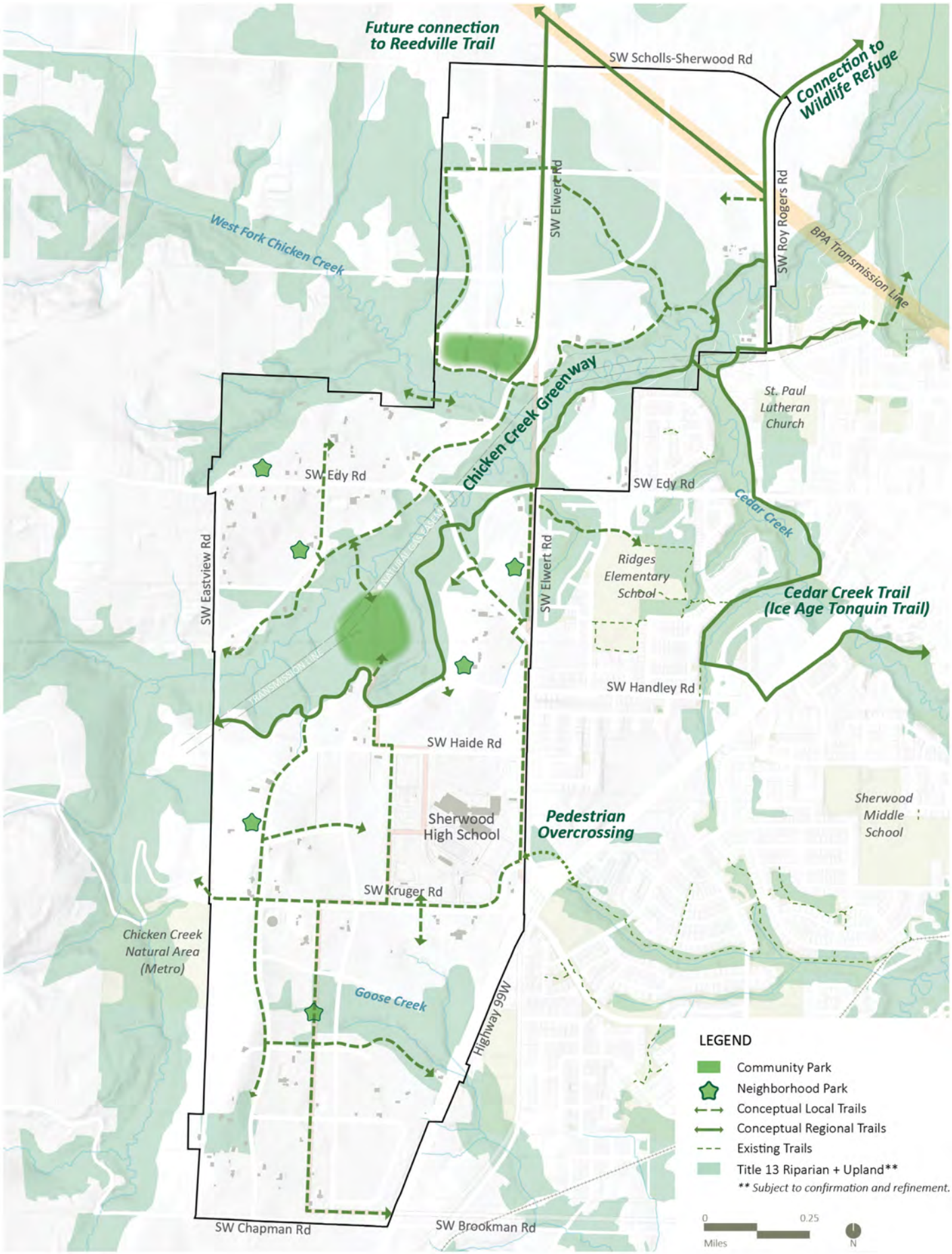
Natural Resources

Natural resource areas in Sherwood West will be preserved and integrated into the open space network. The Chicken Creek Greenway section, above, describes how creek corridors will form an essential component of the trail network and access to nature. In addition, regulations at the regional, state, and federal level require protection of wetlands, habitat areas, and other natural resources as part of future development.



Once Sherwood West is brought into the UGB, the next steps for riparian and other habitat areas subject to Metro Title 13 and Statewide Planning Goal 5 will be to analyze specific resources; make determinations about their significance; conduct an Economic, Social, Environmental and Energy Consequences (ESEE) analysis; and adopt plans for resource protection through the Sherwood Comprehensive Plan and Development Code. The Concept Plan maps show mapped Title 13 habitat areas; however, the extent of protected resources could change based on future analysis and planning.

Figure 24. Sherwood West Trails and Open Space Network



Utilities

In addition to transportation infrastructure, future development in Sherwood West will require provision of water, sanitary sewer, and stormwater utilities. This section briefly summarizes future planning, phasing, and future extension of utilities. Additional detail is provided in Appendix M, Infrastructure Costs, Planning, and Phasing Memo) and Appendix N, Preliminary Infrastructure Funding Strategy.

Water

Existing water facilities in or near Sherwood West include a water reservoir, a supply line, and distribution lines. The Kruger Reservoir, which serves a portion of existing Sherwood, is located in Sherwood West, south of SW Kruger Road and approximately one-half mile west of Highway 99W. There is also an existing water main in SW Elwert Road between SW Kruger Road and SW Handley Street, and in the vicinity of Derby Terrace. This water main could be extended to serve Sherwood West development.

Phasing: Development in Sherwood West's West and Southwest districts can be served with water infrastructure in the near future. Water infrastructure will need to be extended east to west to serve the hillsides. The Far West district can be served after water infrastructure improvements, such as an additional pump station, are constructed. The North district will need further study and significant water infrastructure improvements to be served. The Preliminary Infrastructure Funding Strategy (Appendix N) includes cost estimates for extending infrastructure to the North district; water and transportation projects have the highest projected costs for this district.



Sewer

Existing sanitary sewer facilities adjacent to or near Sherwood West are limited. To serve the area with sanitary sewer, a new pump station in the West district and a new sewer trunk line extension to the Sherwood High School from the Brookman Area are needed.

Pump station

A sewer mainline was constructed in Copper Terrace as part of the Ridges Elementary School development. This mainline runs up Edy Road, down Copper Terrace, and ends at the north end of the school perimeter. To use this line, a new pump station is needed from the south to the crest of Handley Street. The line would need to cross private property or run to and down Edy Road to connect in. This

line could serve the West, Far West and a portion of the North districts. An additional pump station and sanitary sewer planning are needed for the North district.

Trunk line extension

The Brookman sanitary trunk line extension will gravity flow across Highway 99W at the future Brookman Road intersection to a future gravity system that will serve a portion of the West and Southwest districts. The Brookman sanitary trunk line project ties into the existing Sherwood Trunk that runs north. A current CWS project is extending and constructing the Brookman trunk line to the boundary of the Brookman Addition and then north of Highway 99W to serve the new Sherwood High School. The extension project is anticipated to be completed in 2025.

Phasing: The West and Southwest districts in Sherwood West can be served with sanitary sewer infrastructure in the short term. Sanitary sewer infrastructure would need to be extended into the hillside area of the West, Southwest, and Far West districts as those areas develop. The North district needs further study on how to best serve the area and if any significant infrastructure is necessary to serve sanitary sewers in this area.

Storm

Largely undeveloped today, Sherwood West has no existing stormwater infrastructure. As development occurs in the future, stormwater would likely be discharged onto the floodplain of the adjacent creeks and tributaries. All planned stormwater facilities must meet the requirements of Clean Water Services Design and Construction Standards for conveyance, water quality treatment, and water quantity treatment. Handling Sherwood West's future needs through regional stormwater facilities within Sherwood West is the City's preferred approach.





Sherwood West also offers new opportunities to utilize low impact development approaches (LIDAs) such as rain gardens, vegetated swales, porous pavement, and other forms of green infrastructure. These types of facilities can provide visual amenities and habitat benefits in addition to managing stormwater and should be integrated into new transportation facilities, parks, and private development.

Phasing: All areas within Sherwood West can handle stormwater with required infrastructure improvements as development occurs.

IMPLEMENTATION



IMPLEMENTATION

Once accepted by the Sherwood City Council, this Concept Plan will serve as a resource for future discussion about expanding the UGB and more detailed planning for growth and development in Sherwood West. The following strategies and considerations are suggested to implement the concepts laid out in this plan.

UGB Expansion Request

City Council will decide whether to make a UGB expansion request in the next review cycle, and Metro will decide whether Sherwood West is an appropriate area for expansion. With local acceptance of the Sherwood West Concept Plan, the City will have the ability to request a UGB expansion to include all or part of Sherwood West in 2024. The Metro Council must review and report on the regional 20-year land supply UGB every six years and, if necessary, adjust the UGB to meet land needs for that 20-year period. Metro's next review of the land supply will occur in 2024.

Possible timing for these decisions is included in the "Future Development Timeline" in Appendix A and the phasing strategy in Appendix O.

Infrastructure Funding Strategy

The City of Sherwood places a high priority on well-planned, efficient infrastructure to serve community goals. The Sherwood West Concept Plan's Preliminary Infrastructure Funding Strategy (Appendix N) is consistent with City priorities and implements Project Goal #6, which states "(g)rowth and development are well-planned and implementation of the area is pragmatic."

The Preliminary Infrastructure Funding Strategy includes a high-level estimate of infrastructure costs, revenues, and potential tools for funding future development in Sherwood West. The strategy addresses water, sanitary sewer, storm water, transportation, and parks.

Key findings of the preliminary infrastructure funding strategy analysis include:

- Envisioned development includes employment uses in the North district and a mix of housing and employment uses along Highway 99W in the West and Southwest districts.
- Several infrastructure projects are catalytic to making development possible in these areas. For the North, West, and Southwest districts, transportation projects are projected as the highest-cost, including the improvement of Elwert Road, Scholls-Sherwood Road in the North, and a new 2-lane collector in the West and Southwest districts. Additional catalytic projects include extending water and storm improvements along Elwert Road in the North and expanding water service in the West and Southwest districts.
- Preliminary analysis shows a revenue shortfall for water and storm and surplus for transportation, sewer, and parks when regional connection charge revenues to Clean Water Services and the Washington County Transportation Development Tax are included. *NOTE: Cost and revenue estimates for this analysis are rough estimates and will be refined in subsequent planning phases.*

- Of all the potential funding strategies, a supplemental system development charge (SDC) would be easiest to implement to cover funding gaps, though the City should also aggressively seek outside funding from regional, state and federal programs to reduce the overall cost.
- Next steps involve continued refinement of projects and costs and financial modeling and discussions with developers on a potential supplemental fee.

Future Zoning And Regulations

Future Comprehensive Planning

The Sherwood West Concept Plan establishes the overall vision, goals, and framework plans for land use, transportation, parks, natural resources, and utility infrastructure. If Sherwood West is added to the UGB, the next phase is a more detailed comprehensive planning process. Outcomes of that process will include:

- New or revised Comprehensive Plan policies that address issues in Sherwood West (if needed)
- Property-specific Comprehensive Plan and zone map designations (these could be existing Plan designations or new designations tailored to Sherwood West)
- Development Code regulations
- Specific locations for major road connections and updates to the Transportation System Plan
- Detailed infrastructure plans
- Natural resource protection (see below)
- Other implementation strategies needed to set the stage for annexation and development

The comprehensive planning and zoning process is another opportunity for the City to reach out to affected property owners and the larger community to refine plans for Sherwood West. Robust community engagement will be an important component of developing detailed plans and regulations.

Natural Resource Protection

The Concept Plan identifies locations of Metro Title 13 / Statewide Goal 5 resources within Sherwood West. However, additional analysis and planning will be necessary to determine the level of significance of these resources and the extent to which they must be protected. As part of the future comprehensive planning process, the City will further analyze specific resources, make significance determinations; conduct an Economic, Social, Environmental and Energy Consequences (ESEE) analysis; and adopt plans for resource protection through updates to the Comprehensive Plan and Development Code.

Future Development Code Regulations

Objectives

The regulatory implementation for the Sherwood West Concept Plan should:

- Implement the Sherwood West vision and goals.
- Create a system that can implement the vision over time, with incremental development. Because Sherwood West is highly parcelized, development is likely to happen incrementally, rather than large areas being developed all at once.
- Design a zoning structure that will ideally work in the short- and long-term. Development in Sherwood West is expected to occur over several decades; therefore, regulations should be flexible and adaptable to changing conditions.
- Adopt new base zones only if there is a compelling reason to do so. A simple approach to zoning that limits the amount of "new code" is easier for City staff and applicants to work with, which can lead to better outcomes.
- Craft the fewest number of rules to get the job done while meeting the City's expectations for quality development.
- Adopt and implement annexation code for the orderly and efficient transition of land uses from rural to urban.

Custom Residential Zoning

While the objective is to minimize new zoning and related requirements, the land use plan for Sherwood West recommends two residential designations that would be implemented through new, custom zones:

- **Cottage Cluster** – This zone would allow only cottage clusters, which are groupings of relatively small homes clustered around a shared courtyard or open space. Their smaller footprints and shared amenities make them an appealing alternative to typical single detached dwellings.
- **Middle Housing** – This zone would allow duplexes, townhomes (attached housing on individual lots), and cottage clusters. These are the middle housing types that have been most favored by the CAC and Sherwood community and would provide different housing choices—including options for more affordable homeownership, as compared to single detached dwellings.

This strategy is recommended to help ensure that community-supported middle housing types are built in Sherwood West and to give the City flexibility to customize the design and development standards that apply in these zones.

In developing these zones, the City should evaluate how its current zones and recently-adopted Residential Design Standards are working as demonstrated by recent development. If different approaches to development and design would be beneficial in Sherwood West, those should be considered for the Cottage Cluster and Middle Housing zones. Care should be taken to ensure future regulations are not overly restrictive and discourage this type of development, especially given the limited housing types that will be permitted.

IMPLEMENTATION

Hospitality Zoning

Specific approaches for implementing a Hospitality Zone, unique to Sherwood West, will need to be developed as part of the comprehensive planning/zoning process. To successfully capitalize on this area's ability to be the "Gateway to Wine Country," additional economic study and outreach to developers is recommended to assess the feasibility of this concept and options for implementation.

Potential approaches to accommodate hotels/motels, restaurants, wineries, destination tourism, and similar uses:

- New Hospitality base zone – Establish a new zone that would allow only those uses that are desired in this area.
- Overlay zone – Apply standard base zones, with an overlay zone that implements the City's hospitality objectives. The underlying zoning could be commercial zones that already allow lodging and restaurants, such as the City's Retail Commercial (RC) or General Commercial (GC) zones, and/or could include employment or residential zones. The overlay zone could either restrict uses or add additional allowed uses, depending on what is allowed in the underlying zone(s).
- Incentive zoning – Offer development incentives, such as increased building height or lot coverage, to desired hospitality uses.

Master Planning or "Village Planning"

Master planning is an approach used by some Metro-area jurisdictions to prepare UGB expansion areas for annexation and development. It is expected that a master plan approach, led by the City in advance of development, would have the following benefits and characteristics:

- More certainty for coordinating multiple developments into cohesive neighborhoods.
- Ability to coordinate unique elements like views, trails, specific greenspaces, public uses, street trees, and streetscape design.
- More specific land planning to help coordinate infrastructure phasing and funding.
- Required public planning process, with an associated timeline, City staff time and costs, and community participation.
- Potential challenges if some property owners are ready/favorable toward development and others are not – this should be thoroughly assessed prior to initiation.
- Reduced flexibility for developers in subsequent development review.
- Phasing – Infrastructure planning to date has identified infrastructure phasing for the Sherwood West area. Sherwood could prepare master plans in phases that follow that same general sequence of development.
- Master planning may be superseded by regulatory compliance of House Bill 2001.

The "Village Planning" concept involves planning for a mix of land uses, walkable community design, and open spaces that can result in quality new development that reflects Sherwood values. Villages are assumed to be created through master planning processes that are either City led or developer led prior to annexation into the city. Precedents for village planning are Villebois Village and Frog East & South in Wilsonville.

A potential strategy for Sherwood West is to prepare master plans only for "village" portions of Sherwood West—such as the areas along SW Kruger Road and near Sherwood High School. These areas are primed for future development, offering locational and topographic features that lend themselves to a broader mix of uses and village-style development.

Note that if the City pursues a master planning approach, it should work with the Department of Land Conservation and Development (DLCD) to understand how state middle housing requirements would affect planning in Sherwood West.

Future Annexation

Annexation is the process by which land inside the UGB will be brought into Sherwood city limits. Annexation may be initiated by property owners and is a necessary step before development can occur.

The Sherwood Comprehensive Plan requires that annexations occur "in an orderly and coordinated manner, and services are provided to support urban growth consistent with the 2040 Vision" (Policy 3.4). Criteria include that the property is contiguous to the existing City limits or separated from it only by a public right of way and that an adequate level of urban services and infrastructure are available or can be extended in a cost effective and efficient manner to the area.

Some cities require or allow **Annexation Agreements**, which are binding contracts between the property owner and City, to ensure that a proposed annexation is in the public interest. The City of Sherwood could use a such a strategy to ensure that applicants are aware of the key elements of the Sherwood West Concept Plan and aware of what their development obligations will be regarding utilities, dedication of open space and trails, and other requirements applicable to the subject property.

Planning for Housing

In the coming years, the City of Sherwood will undertake a planning process called a Housing Production Strategy (HPS) to identify actions that the City will take to increase housing production that meets community members' needs. An HPS is required of Oregon cities under House Bill 2003 and OAR 660-008. The law requires Sherwood and other cities to evaluate a broad range of solutions to meet local housing needs—which may include policies, programs, funding tools, incentives, partnerships, and more. The City will be required to adopt its first HPS by 2027. As part of that process, the City will consider various strategies to promote housing development in Sherwood West that provides a variety of housing choices and options and that is affordable to the full range of income levels, including low-income households.

Transportation and Infrastructure

Future Alternatives/Feasibility Studies

The City will need to conduct several alternatives analyses and feasibility studies to determine the final location, alignment, and design of key transportation improvements.

- **SW Elwert Road - SW Edy Road Alignment** – The City will need to conduct more in-depth environmental, engineering, and cost analysis before the decision about Elwert Road's alignment is finalized. This should be undertaken as a separate feasibility study, which should be included in the scope of work for the comprehensive planning effort. The feasibility analysis should be robust and include coordination with Division of State Lands, an engineering feasibility analysis with a preliminary 5-10% roadway and intersection design, and a high-level cost estimate, among other analyses required for wetland and other impacts.

  In addition, because SW Elwert Road is a Washington County facility, final designs and proposed cross sections must be coordinated with County staff and be appropriately sized and designed for an arterial roadway that can accommodate anticipated future local and regional travel demand, including truck traffic.
- **LeBeau Road/Elwert Road/Scholls-Sherwood Road Intersection** – The scope of work for comprehensive planning should also include analysis of the LeBeau Road/Elwert Road/Scholls-Sherwood Road intersection and needed improvements.
- **Connection to Brookman Area** – The recommendation for a separated-grade crossing of Highway 99W will require further analysis to determine what specific type of improvement is preferred and how it will be phased.
- **North-South Connectivity** – The concept of adding a route to enhance regional north-south connectivity will require future study. Additional feasibility and cost analysis will be necessary. This should be considered as a long-term strategy, rather than an essential component of early-stage transportation planning in Sherwood West.

Public Facility Plans

Transportation Plans

Updates to the Sherwood TSP and Capital Improvement Plan (CIP) will be necessary to incorporate street design standards and improvement projects for facilities within Sherwood West. A TSP update will include functional classification of roads and potentially new street cross section designs. The CIP establishes, prioritizes, and defines funding for capital projects to improve existing systems and develop new infrastructure and facilities. Ultimately, key Sherwood West transportation projects can be included and prioritized in the CIP based on the availability of funding (e.g., county, regional, state, and federal funds).

IMPLEMENTATION

Other Utilities

More detailed water, sewer, and stormwater infrastructure planning will be necessary prior to annexation and development in Sherwood West. As part of this step, the City's water and sewer master plans should be updated as needed.

Funding Tools

The Preliminary Infrastructure Funding Strategy (Appendix N) identifies potential funding approaches for catalytic infrastructure projects in the North, West, and Southwest districts. However, more detailed cost estimates, revenue projections, and infrastructure planning are needed. In subsequent phases, the City should conduct further study to evaluate and establish funding tools for Sherwood West. One promising tool to explore in the next steps is implementing a supplemental SDC. This would be managed by City staff with the support of a municipal finance consultant and would involve:

- Ongoing refinement of project engineering and costs;
- Outreach to property owners and developers to refine development projections and phasing and to negotiate the specifics of a potential fee;
- Financial modeling of a potential fee, including identification of specific projects that would be included in the fee and exploration of scenarios that might vary the fee in different parts of Sherwood West;
- Sherwood City Council and Planning Commission engagement; and
- Development of a final proposal for adoption.

Developer Recommendations

The following are recommendations for infrastructure and funding needs from local development practitioners. These points were gleaned from the developer tour and discussions conducted in fall 2022. Refer to Appendix J for the full summary of developer feedback.

Infrastructure

- Roads with utilities are critical to setting the stage for private development. Consider it backbone infrastructure that is a prerequisite to getting development underway.
- Get a wetlands inventory done soon so that potential issues are known early on.
- The high school is not yet on sewer, but when it is installed in 2025, that part of the study area will open up for development.

Implementation and Funding

- It is a challenge for developers to front load all infrastructure when they do not always get credit for it and/or they may not get reimbursed by future developers before they expire.
- Locating a public facility like city offices or a police or fire station in the study area could jumpstart development.

Continued Community Engagement

The City should continue engaging with property owners and the Sherwood community about Sherwood West's future growth. This should include outreach via periodic email updates, the project website, and neighborhood outreach. Community engagement is critical to the success of Sherwood West development, especially given the voter-approved annexation laws applicable in Sherwood. The City can learn from other annexation projects to better understand when Sherwood West land may be needed to accommodate growth, what issues are important to the community, and how best to support the smooth incorporation and transition of Sherwood West.

Metro Title 11 Compliance

Title 11 of the Metro Urban Growth Management Functional Plan addresses planning for new urban areas added to the UGB. The City of Sherwood is required to have a Title 11-compliant Concept Plan for Sherwood West before it can be added to the UGB. To meet Metro requirements, the Concept Plan must "consider actions" necessary to achieve certain outcomes, including:

- A mix of land uses that will make efficient use of the public systems and facilities;
- A development pattern that supports pedestrian and bicycle travel;
- A range of housing of different types, tenure and prices addressing local and regional housing needs;
- Employment opportunities to support a healthy economy;
- Well-connected systems of streets, bikeways, parks, recreational trails and public transit;
- A well-connected system of parks, natural areas and other public open spaces;
- Protection of natural ecological systems and important natural landscape features; and
- Minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands

The Title 11 findings included in Appendix O describe how this Concept Plan addresses these and other Metro requirements.

Future Development Timeline

The diagram in Appendix A illustrates the potential planning and future development timeline for Sherwood West. As indicated in this diagram, development in Sherwood West is not expected to occur for at least five or six years after being brought into the UGB and full buildout is anticipated to take several decades.

APPENDIX A

Future Development Timeline



Sherwood West Concept Plan

Why are we Planning for Sherwood West?

The City of Sherwood is taking a second look at the 2016 Concept Plan for Sherwood West. The updated Concept Plan addresses many factors including state rules and opportunities for housing and employment. The updated plan supports the city's newly adopted Comprehensive Plan. Oregon Law requires a 20-year land supply for housing and employment uses within cities. Sherwood has a deficient of housing units to meet projected future growth. If Metro decides the regional Urban Growth Boundary (UGB) needs to be expanded it will need to decide where to expand. If Sherwood West, or a portion thereof, is brought into the UGB our community's concept plan for the area ensures that it will grow in a way that we all love. **For more information: www.SherwoodOregon.gov, Email: PalmerE@Sherwoodoregon.gov, Phone: 503-625-4208**

Potential Sherwood West Planning and Development Process 2022-2065

Sherwood West Concept Plan

The City received a Grant to Update the 2016 Sherwood West Preliminary Concept Plan, in 2021. A Community Advisory Committee was appointed to update the plan. It is anticipated that public hearings will be held before the Planning Commission and City Council for acceptance of the plan in 2022

Metro Decision to Expand UGB

Every six years, the Metro Council must review and report on the 20-year land supply in the Urban Growth Boundary (UGB). If necessary Metro adjusts the UGB to meet land needs for that 20-year period. Oregon law requires Metro to maintain a 20-year land supply within the UGB. Metro's next review of the land supply will occur in 2024

Repeats at least every 6 years

This decision of Metro is required at least every 6 years

Sherwood Decision to Expand UGB

If the Metro Council decides the UGB needs to be expanded, it will decide where to expand. There are currently 27 Urban Reserve Areas in the Metro region. Metro would need to decide that Sherwood West is an appropriate area for expansion

This decision typically takes a year

Refinement Planning Process & Adoption

Once any part of the Sherwood West area is brought into the UGB, the City will begin a more refined comprehensive planning process by working with property owners and residents to identify appropriate zoning designations, and amendments to the development code, and transportation plan.

This process typically takes 1.5 to 3+ years

Annexation

After completion and adoption of a Refinement Plan for the area, property owners who want to annex into the City must file an an annexation request and meet the city's, Metro and state annexation criteria.

Repeats for every property or group of properties requesting to annex

This process typically takes 6+ months

Land Use Applications & Public Hearings

After annexation, property owners must submit a land use application before developing their property after public notice and a public hearing.

Repeats for each development

This process typically takes up to 8 - 12+ months

Public Improvements Construction

If a land use application is approved, the applicant is required to construct pubic improvements (typically utility and transportation improvements) prior to any construction.

Repeats for each development

This process typically takes 6 - 12+ months

Construction Residents and Businesses Move In

After public improvements are completed, a developer can get permits to begin construction.

If Metro expands the UGB to include any part of Sherwood West; if refinement planning is approved by the community and City Council; if property owners annex into the city; and if the public and the City support land use applications, the earliest new residents/businesses could move in is 2029

This process typically takes 3 - 12+ months and repeats for every project

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Timing of annexation and development varies based on property owner desires, public support, and market conditions

APPENDIX B

Housing Policy Implications Memo

HOUSING POLICY IMPLICATIONS

Sherwood West Preliminary Concept Plan, Comprehensive Plan Update, and Oregon House Bill 2001

TO:	Community Advisory Committee
FROM:	Erika Palmer, Planning Manager
CC:	Angelo Planning Group
DATE:	April 27, 2021

Introduction

The purpose of this memorandum is to summarize the future of housing to help inform discussions on this topic during this re-look of the Preliminary Sherwood West Concept Plan. This memorandum provides a brief overview of housing and neighborhoods described in the 2016 Sherwood West Preliminary Concept Plan, the draft housing goals and policies in the updated Comprehensive Plan, and implementation of Oregon House Bill 2001: Housing Choices (HB 2001).

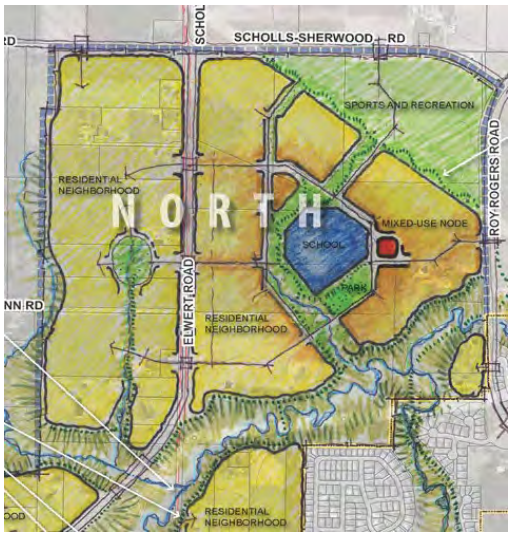
SHERWOOD WEST PRELIMINARY CONCEPT PLAN

Sherwood West is the regional Urban Reserve Area 5B, which is approximately 1,291 acres. This area, designated by Metro in coordination with its partner cities and counties, identifies land that will be considered for addition to the region's Urban Growth Boundary (UGB) for urbanization over a 50 year period. Sherwood West is the largest urban reserve area adjacent to Sherwood, and given the location of existing utilities, the area is logically the best direction for the City to consider growth in the future.

The 2016 Preliminary Sherwood West Concept Plan recognized that Sherwood has a shortage of land available for housing and the plan was envisioned to help address this need. The understanding was that If we don't add more land for new housing, people will still move here, housing prices will rise, and the community will experience more pressure for infill development at higher densities. The Preliminary Concept Plan did not speak to urban densities or the design of a particular area within Sherwood West. The Plan was intended to be a tool for residents and decision-makers to rely on as they make decisions about growth expansions, knowing that community values and needs may shift, tastes in housing may change, and densities and neighborhood form would be shaped through future refinement processes.

The Sherwood West Preliminary Concept Plan preferred alternative recognized four distinct subareas: the North District, the West District, the Far West District and the Southwest District. All four subareas were intended to provide a mix of housing.

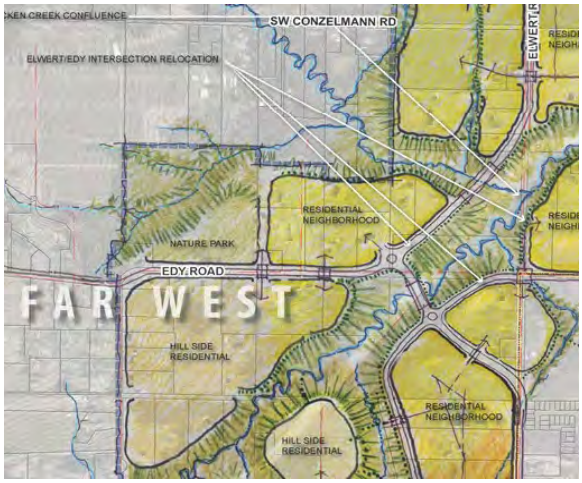
The North District is a mixed-housing neighborhood organized around a new school, neighborhood park, and mixed-use node. Residential intensities transition from center to edge of the neighborhood. Residential housing is oriented towards the collective open space. West of Elwert Road, residences are organized around a smaller neighborhood park that marks the high point of a topographic ridge.



The West District is a mixed-housing district organized around a new school (Sherwood High School), neighborhood park, and mixed-use center. A new neighborhood connector street paralleling Elwert serves the neighborhood from the west side. The road follows the break in topography to create an area for residential development that is anchored by the school site. Housing intensities transition out from this mixed-use center (high to low) with hillside residential on the higher and steeper slopes.



The Far West District includes a mixed residential neighborhood, with the higher and steeper elevations envisioned to be hillside residential.



The Southwest District is a primarily residential neighborhood with varying intensities and hillside residential on the higher and steeper elevation slopes.



Land uses identified in the Sherwood West Preliminary Concept Plan are primarily residential, with varying degrees of intensity based on topography, natural features, proximity, and transition out from mixed-use centers (high to low).

Subsequent to the completion of the Preliminary Concept Plan, city staff prepared preliminary estimates of the housing capacity provided by the Plan. In 2018, staff provided a housing analysis of a proposed expansion on roughly 586 gross acres of the Sherwood West area out of the approximately 1,291 acres. The net developable acreage, after excluding roads, natural resource areas, land designated for parks

and open space, and an existing church, came to roughly 452 acres. Of the 452 developable acres, roughly 425 acres are designated Residential Neighborhood, Residential Hillside, and Residential Mixed-Use. These 452 acres should be thought of as two area types. The first type, an urban area, suitable for medium and higher density development. The second, a hillside area, which its topography makes it suitable for lower density development. It was envisioned residential intensity transitioning out from mixed-use centers (high to low) with hillside residential on the higher and steeper sloped areas. The overall assumed average residential density of the 452 acres was 8.5 dwelling units per acre. The 8.5 average residential density in the 452 developable acres would accommodate roughly 3,800 new housing units.

SHERWOOD'S COMPREHENSIVE PLAN UPDATE

The following section focuses on the City of Sherwood's 2019-2039 Housing Needs Analysis (HNA) adopted by Ordinance 2020-018 and the draft 'Housing' goals and policies developed through the city's comprehensive planning work. The goals and policies have not been adopted and may be refined during the adoption process scheduled for Spring/Summer 2021.

Sherwood Housing Needs Analysis

As part of the City's process to update its 1990 Comprehensive Plan, a Housing Needs Analysis (HNA) was conducted in March 2019. The Housing Needs Analysis provides Sherwood with a factual basis to support future planning efforts related to housing, including Concept Planning for Sherwood West, and prepares *the City* for updates and revisions to *its* Housing Comprehensive Plan policies. Understanding growth in terms of population, demographic, and development trend shifts is crucial for determining future housing needs.

How Has Sherwood's Population Changed In Recent Years?

Sherwood's population grew relatively fast in recent years from 3,000 people in 1990 to nearly 18,600 people in 2013, averaging 8% annual growth. Sherwood's fastest period of growth was during the 1990s, consistent with statewide trends. Between 2000-2013, Sherwood grew by 6,600 people, at an average rate of nearly 3.5% per year. For comparison, Washington County grew at 2.5% annually between 1990-2013 and the Portland Region grew at 1.6% per year.

Sherwood's population is aging. People aged 45 years and older were the fastest-growing age group in Sherwood between 2000 and 2010, which is consistent with state and national trends. By 2035, people 60 years and older will account for 24% of the population in Washington County (up from 18% in 2015) and 25% in the Portland Region (up from 19% in 2015). It is reasonable to assume that the share of people 60 years and older will grow relatively quickly in Sherwood as well.

Sherwood is attracting younger people and more households with children. In 2010, the median age in Sherwood was 34.3 years old, compared to Washington County's median age of 35.3 years and the State median of 38.4. Sherwood has a larger share of households with children (47% of households), compared with Washington County (33%) or the Portland Region (29%). The Millennial generation—people born roughly between 1980 to 2000—are the largest age group in Oregon and will account for the majority of household growth in Sherwood over the next 20 years.

Sherwood's population is becoming more ethnically diverse. About 6% of Sherwood's population is Latino, an increase from 4.7% in 2000. In comparison to Washington County and the Portland Region, Sherwood is less ethnically diverse. In the 2009-2013 period, 16% of Washington County residents, and 12% Portland Region residents, were Latino.

What Factors May Affect Future Growth In Sherwood?

If these trends continue they will result in changes in the types and amount of housing demanded or "needed" in Sherwood in the future.

The aging of the population is likely to result in increased demand for smaller single-family housing, multifamily housing, and housing for seniors. People over 65 years old will make a variety of housing choices, including: remaining in their homes as long as they are able, downsizing to smaller single-family homes (detached and attached) or multifamily units, or moving into group housing (such as assisted living facilities or nursing homes) as they continue to age.

The growth of younger and diversified households is likely to result in increased demand for a wider variety of affordable housing appropriate for families with children, such as small single-family housing, townhouses, duplexes, and multifamily housing. If Sherwood continues to attract young residents, then it will continue to have demand for housing for families, especially housing affordable to younger families with moderate incomes. Growth in this population will result in growth in demand for both ownership and rental opportunities, with an emphasis on housing that is comparatively affordable.

Changes in commuting patterns could affect future growth in Sherwood. Sherwood is part of a complex, interconnected regional economy. Demand for housing by workers at businesses in Sherwood may change with significant fluctuations in fuel and commuting costs, as well as substantial decreases in the capacity of highways to accommodate commuting.

Sherwood households have relatively high income, which affects the type of housing that is affordable. Income is a key determinant of housing choice. Sherwood's median household income ($78,400) is more than 20% higher than Washington County's median household income ($64,200). In addition, Sherwood has a smaller share of population below the federal poverty line (7.6%) than the averages of Washington County (11.4%) and the Portland Region (13.9%).

What Are The Characteristics of Sherwood's Housing Market?

The existing housing stock in Sherwood, homeownership patterns, and existing housing costs will shape changes in Sherwood's housing market in the future.

Sherwood's housing stock is predominantly single-family detached. About 75% of Sherwood's housing stock is single-family detached, 8% is single-family attached (such as townhomes), and 18% is multifamily (such as duplexes or apartments). 69% of new housing permitted in Sherwood between 2000 and 2014 was single-family detached housing.

Almost three quarters of Sherwood's residents own their homes. Homeownership rates in Sherwood are above Washington County (54%), the Portland Region (60%), and Oregon (62%) averages.

Homeownership costs increased in Sherwood, consistent with national trends. Median sales prices for homes in Sherwood increased by about 30% between 2004 and 2014, from about $245,000 to $316,500. The median home value in Sherwood is 3.8 times the median household income, up from 2.9 times the median household income in 2000.

Housing sales prices are higher in Sherwood than the regional averages. As of January 2015, median sales price in Sherwood was $316,500, which is higher than the Washington County ($281,700), the Portland MSA ($269,900), and Oregon ($237,300) median sales prices. Median sales prices were higher in Sherwood than in other Portland westside communities such as Tigard, Tualatin, and Beaverton, but lower than Wilsonville or West Linn.

Rental costs are higher overall in Sherwood than the regional averages, with a slightly lower-rental cost on a cost per square foot basis. The median rent in Sherwood was $1,064, compared to Washington County's average of $852. Average rent in the Tigard/Tualatin/Sherwood area submarket was $1.13 per square foot in Fall 2014, lower than the regional average of $1.22 per square foot. Between Spring 2010 and Spring 2013, average rent in Tigard/Tualatin/Sherwood area increased by 38%, consistent with the regional increase of 36%.

More than one-third of Sherwood's households are cost-burdened. Thirty-eight percent of Sherwood's households were cost-burdened (i.e., paid more than 30% of their income on rent or homeownership costs). Renters were more likely to be cost-burdened (40% of renters were cost-burdened), compared to homeowners (35% were cost-burdened) in Sherwood. These levels of cost burden are consistent with regional averages. In Washington County in the 2009-2013 period, 38% of households were cost burdened, compared to 41% in the Portland Region.

Future housing affordability will depend on the relationship between income and housing price. The key question is whether housing prices will continue to outpace income growth. Answering this question is difficult because of the complexity of the factors that affect both income growth and housing prices. However, Sherwood will need to provide the opportunity for development of a wider variety of housing, including housing affordable to low- and moderate-income households because the City is short over 500 units for people whose income range is less than $55,520.

Sherwood's Housing Growth Forecast And Can That Growth Be Accommodated in Sherwood?

Sherwood is forecast to add 1,728 new households between 2019 and 2039. Of these, 700 new households are anticipated to be developed inside the existing city limits; and 1,029 new households will be added in areas that are currently outside city limits but inside the UGB (the Brookman area). Recently, three new subdivisions in Brookman have approved which will provide 232 new lots for development.

Sherwood's land base can accommodate most of the forecast for growth. Vacant and partially vacant land in the Sherwood Planning Area (all land within the city limits and the Brookman area) has capacity to accommodate 1,121 new dwelling units. Sherwood can accommodate about 65% of the forecast for new housing in its Planning Area.

Sherwood has a deficit of land for housing. Sherwood has a projected deficit of land for 608 dwelling units, which includes the Brookman area. The largest deficits are in Medium Density Residential-Low (154 dwelling units), Medium Density Residential-High (252 dwelling units), and High Density Residential (145 dwelling units).

To provide adequate land supply, Sherwood will need to continue to annex the Brookman area. Without the Brookman area developing, the City has a projected deficit of about 1,155 dwelling units. Sherwood will need to continue to annex the Brookman area in order to accommodate the City's forecast of residential growth.

What If Sherwood Grows Faster?

The forecast for growth in Sherwood is considerably below historical growth rates. Metro's forecast for new housing in Sherwood shows that households will grow at an average annual growth rate of 1.1% per year. In comparison, Sherwood's population grew at 3.4% per year between 2000 and 2013 and 8% per year between 1990 and 2013. If Sherwood grows faster than Metro's forecast during the 2019 to 2039 period, then Sherwood will have a larger deficit of land needed to accommodate growth.

At faster growth rates, Sherwood's land base has enough capacity for several years of growth. At growth rates between 2% to 4% of growth annually, land inside the Sherwood city limits can accommodate two to five years of growth. With capacity in the Brookman Area, Sherwood can accommodate four to ten years of growth at these growth rates.

Additional housing growth in Sherwood depends on the availability of development-ready land. The amount of growth likely to happen in Sherwood over the next few years is largely dependent on when the Brookman Area is fully annexed, when the Sherwood West area is brought into the urban growth boundary and annexed, and when urban services (such as roads, water, and sanitary sewer) are developed in each area.

What Are the Implications For Sherwood's Housing Policies?

Sherwood will need to either add additional land for residential purposes or increase the densities within the existing city limits to accommodate future growth beyond the existing city limits and Brookman area. The growth rate of Metro's forecast for household growth (1.1% average annual growth) is considerably lower than the City's historical population growth rate over the last two decades (8% average annual growth). Metro's forecast includes growth that can be generally accommodated within the Sherwood city limits and Brookman. Given the limited supply of buildable land within Sherwood, it is likely that the City's residential growth will slow until Sherwood West is made development-ready.

Sherwood has a relatively limited supply of land for moderate- and higher-density multifamily housing. The limited supply of land in these zones is a barrier to development of townhouses and multifamily housing, which are needed to meet housing demand resulting from growth of people over 65, young families, and moderate-income households.

The Housing Needs Analysis highlights questions for the update of the City's Comprehensive Plan and the Concept Planning of Sherwood West.

- Providing housing opportunities for first time home buyers and community elders (who prefer to age in place or downsize their housing) will require a wider range of housing types. Examples of these housing types include: single family homes on smaller lots, clustered housing, cottages or townhomes, duplexes, tri-plexes, four-plexes, garden apartments, or mid-rise apartments. Where should Sherwood consider providing a wider range of housing types? What types of housing should Sherwood plan for?
- Changes in demographics and income for Sherwood and residents in the Metro area will require accommodating a wider range of housing types. How many of Sherwood's needed units should the City plan to accommodate within the city limits? How much of Sherwood's needed units should be accommodated in the Brookman Area and in Sherwood West?
- What design features and greenspaces would be important to consider for new housing?
- What other design standards would be needed to keep Sherwood "Sherwood"?
- What is the appropriate mix of residential land and employment land in the City to balance the City's tax base?
- What is the mix of residential zones that reflect Sherwood's character?
- COVID-19 has changed how people live and work. What are some of the long-term impacts of the pandemic on residential housing trends and needs?
- The need to consider recent state legislation of House Bill 2001 to review and analyze density expectations assumed to result from the provision of middle housing that meets regulatory requirements.

Sherwood's Comprehensive Plan Update – Draft Housing Goals & Policies

The Comprehensive Plan is a planning document that directs all activities related to land use and the future of natural and man-made systems and services in Sherwood. The Plan helps manage expected population and employment growth through a set of goals, policies and implementation measures that align with the community's vision. City leaders use the Comprehensive Plan to coordinate public investments and make decisions about new development, existing neighborhoods, transportation, and various other topics. Given Sherwood's dramatic growth over the past 20 years, the 1990 Comprehensive Plan no longer represents the vision and values of today's residents and businesses.

The main components of the Comprehensive Plan include a vision, goals, policies, and objectives. The vision and goals describe what the community wants to be in the future. Policies and objectives are based on the vision and direct land use decisions and public investments. For example, the housing policies are the backbone that informs new development code language to achieve the community's goals and vision. The City is nearly finished with a multi-year comprehensive update to the Comprehensive Plan and the goals and policies identified below reflect the outcome from the housing block of that project. It should be noted, however that, at this time the City Council has not adopted the updated comprehensive plan goals, policies and objectives.

Adopted Vision for Attractive and Attainable Housing In Sherwood

"In 2040, Sherwood has a range of housing choices for a diversity of ages and income levels, providing community members the ability to live in Sherwood throughout all stages of life."

Draft Housing Goals

1. Provide the opportunity for a variety of housing types in locations and at price points that meet the needs of current and future residents.
2. Preserve and enhance the character of existing neighborhoods.
3. Plan new residential developments to integrate with existing Sherwood as complete neighborhoods where community members can live, learn, shop, and recreate.

Draft Housing Policies

Policy 1. Plan for a 20-year supply of suitable land for Sherwood to meet housing needs.

Objective 1.1 Identify opportunities to address land deficits shown in the Housing Needs Analysis within the existing city limits.

Objective 1.2 Accommodate future growth through annexation of areas within the Metro UGB and work with Metro to bring urban reserve areas into the Metro UGB as needed.

Objective 1.3 Ensure that the City has enough land to accommodate Sherwood's projected share of regional household growth, through regular monitoring and adjustments of available land in the Buildable Lands Inventory.

Objective 1.4 Maintain a minimum overall density of six (6) dwelling units a net acre, per the Metropolitan Housing Rule.

Policy 2. Plan for infrastructure development to support residential development.

Objective 2.1 Continue to coordinate capital improvement planning to ensure infrastructure availability on residential land and continue to pursue funding for needed infrastructure to support housing growth.

Objective 2.2 Coordinate with regional partners to develop infrastructure across the City to support housing growth across the City, ensuring availability of water and wastewater service and improving transportation access to the broader Portland Region.

Objective 2.3 Coordinate population, residential growth and infrastructure planning with the Sherwood School District to ensure that land is available for new schools as needed and that utilities can efficiently be provided to new school sites.

Policy 3. Maintain the quality of existing neighborhoods and ensure that new neighborhoods fit with Sherwood's character.

Objective 3.1 Encourage that existing neighborhoods benefit from access and connections to trails, parks, open space and neighborhood amenities as they are built in new neighborhoods.

Objective 3.2 Encourage infill residential development in areas near shopping, parks, transit and other major public facilities and services, with a focus on opportunities in the Old Town District.

Objective 3.3 Encourage housing is of a design and quality compatible with the neighborhood in which it is located.

Objective 3.4 Reduce the negative impacts of traffic, noise, parking, lack of privacy, and negative visual aesthetics, through compatible site and building design and buffering techniques, such varying densities and types of residential use and design features.

Policy 4. Foster complete neighborhoods that provide housing choice, serve daily needs, and are walkable, connected, safe and integrated with the natural landscape.

Objective 4.1 Utilize concept planning, master planning and the planned unit development (PUD) technique to foster flexibility, creativity and innovation in the division of land, siting of buildings and provision of community amenities such as trails and open space.

Objective 4.2 Encourage neighborhoods are designed in a manner that incorporates the following principles:

(a) Cultivate a mix of housing types that are designed in a way to enhance neighborhood character.

(b) Create walkable neighborhoods that respond to their surrounding landscape.

(c) Provide safe and effortless connectivity to schools, parks, and commercial centers for pedestrians, cyclists, and cars.

(d) Enhance existing natural assets and integrate greenspaces and parks into new development.

(e) Enhance Sherwood's small-town character and historic core through architectural balance and design that is accessible and inviting to all.

Objective 4.3 Make use of density transfer as a means of preserving open space and developing recreational areas within a single development.

Objective 4.4 Promote housing and site design that supports the conservation, enhancement, and continued vitality of areas with special historic, architectural, or cultural value.

Policy 5. Provide opportunities for the development of a range of housing types that are attainable to current and future households at all income levels, as described in the Sherwood Housing Needs Analysis, to maintain Sherwood's high quality of life.

Objective 5.1 Identify opportunities to increase residential development to balance the housing supply. Ensure the housing supply includes a mix of housing types and unit sizes at a range of housing prices and amenities throughout the City.

Objective 5.2 Support a variety of housing types such as, but not limited to, townhomes, cottages, courtyard housing, accessory dwelling units, single story units, and extended family and multi-generational housing.

Objective 5.3 Support housing affordable to Sherwood's residents and workers at businesses in Sherwood, including housing options for first-time homebuyers, new families, the elderly, and persons with disabilities.

Objective 5.4 Support homeownership opportunities in multi-dwelling housing by encouraging the creation of condominiums, cooperative housing, and limited equity cooperatives.

Objective 5.5 Collaborate with nonprofit organizations to provide opportunities for development of low-income housing such as rent-subsidized housing and other low-income housing in areas that have access to jobs, transportation, open spaces, schools, and supportive services and amenities.

OREGON HOUSE BILL 2001: HOUSING CHOICES

In 2019, the Oregon State Legislature adopted HB 2001, Housing Choices. By June 30, 2022 cities in the Portland Metro region and Oregon's other largest dozen cities (those over 25,000 population) must allow people to build duplexes, triplexes, fourplexes, cottage clusters, and townhouses in residential areas. The rational for the new rules is that these houses can be more attainable and meet the housing needs of many younger people, older people, and people who work but can't afford a large single-family detached house of their own.

People can still build detached single-family homes, and we expect most homes in residential areas to be built as such. Many cities already allow some of these housing types in certain areas. Not many have been built. Local knowledge of how to build these housing types will grow over time, and how many are developed will depend on local housing markets. Cities can set clear and objective siting and design requirements for these housing types (often called "middle housing" types), but these standards must apply to *all* housing, include single-family housing.

For more information on HB 2001 please visit the Department of Land Conservation and Development public overview webpage: https://www.oregon.gov/lcd/UP/Documents/HB2001OverviewPublic.pdf

City of Sherwood Residential Design Standards Code Update and Implementation of HB 2001

The City of Sherwood is undertaking a development code audit and needed development code amendments to support a range of community housing choices. The development code audit project aims to understand the existing barriers and future solutions to promote a larger supply of housing options for the community. Future amendments to the development code will provide an opportunity for a variety of housing types at various price points community for members at different stages of life; from recent college students to empty nesters, and retirees.

It is anticipated that new Residential Design Standards will be adopted and incorporated into the City's development code in 2021 for *all* housing types. Additional housing choices (duplexes, triplexes, fourplexes, and cottage clusters) with development standards (lot areas, dimensions, setbacks, landscaping, etc.) are expected to be adopted prior to June 30, 2022, compliant with the requirements of HB 2001.

For more information on this project, please visit the City's project page: https://www.sherwoodoregon.gov/planning/page/residential-design-standards-code-update-and-implementation-house-bill-2001-housing

How does Oregon House Bill 2001 affect Sherwood West?

The Oregon Land Conservation and Development Commission (LCDC) adopted Administrative Rules to help implement HB 2001. These administrative rules help prescribe standards guiding the development of new types (plexes, townhomes, cottage clusters) and establish minimum standards related to the siting and design. Sherwood West meets the definition for a "Master Planned Community" as a site area added to a Large City's UGB after January 1, 2021 for which the Large City proposes to adopt, by resolution or ordinance, a master plan or a plan that functions in the same manner as a master plan. Sherwood West will need to plan for infrastructure to accommodate twenty (20) units per acre; however, the overall density of Sherwood West is not determined and ultimately could be less than twenty (20) units per acre. The overall density of Sherwood West will be identified through this Concept Planning process and set through Metro's ordinance incorporating this area into the regional UGB.

APPENDIX C

Public Engagement Plan

PUBLIC ENGAGEMENT PLAN

DRAFT | May 14, 2021

Prepared by:
Angelo Planning Group
City of Sherwood

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Project Overview

The purpose of this project is to prepare a concept plan for the 1,291-acre Sherwood West area by updating the Sherwood West Preliminary Concept Plan. The Preliminary Plan was approved by the Sherwood City Council in 2016. It was developed as a long-range planning tool to help guide future community discussions and decisions about the City's long-term growth. However, there have been significant changes in Sherwood and surrounding areas since the Preliminary Concept Plan's local approval: the Sherwood School District constructed a new 350,000 square foot high school on 73 acres inside the Sherwood West area; Washington County completed its Urban Reserve Transportation Study (URTS), which provides detailed transportation impact information to help with future planning in urban reserve areas; and the City is nearing completion on a major update to its Comprehensive Plan, which has not been updated since 1990. In addition, the State of Oregon adopted House Bill 2001 in 2019, which allows for the development of middle housing types within areas zoned single-family residential. This Concept Plan project will take another look at the Sherwood West area to address new land use and growth patterns, new transportation plans, new State rules related to housing, and new opportunities for employment and economic growth. The outcome of this "re-look" will be a Sherwood West Concept Plan that is compliant with Metro Title 11, Planning for New Urban Areas.

Goals and Outcomes

Outreach will be an integral part of this project, both for specific details of the Concept Plan and as part of the community's broader ongoing conversation about housing, employment, transportation, and cost of services. Community members who live and/or seek future annexation and development opportunities in the Sherwood West area will be most affected by the project's outcomes. Other key stakeholders are expected to include area neighbors, local business owners, property owners, students at the new Sherwood High School, and community members from historically-underserved populations. **The City of Sherwood is committed to an inclusive and transparent planning process. Community engagement is crucial to guide the development of a representative, sustainable plan.** The goals of the public engagement process for this project are to:

- Communicate complete, accurate, understandable, and timely information to the greater Sherwood community throughout the course of the project.

- Help participants in the process understand the benefits and challenges of planning issues and alternatives for Sherwood West.
- Actively seek input from individuals, businesses, and organizations who are most likely to be impacted by the outcomes of the planning process.
- Intentionally engage culturally-diverse community members and those whose voices have been historically under-represented in previous planning processes.
- Provide meaningful opportunities for all community members to provide input into the plan, and clearly demonstrate how that input has influenced the process.

The outcome of this public engagement process will be a Concept Plan that reflects the community's vision and desires for the Sherwood West area, balance the diverse interests of project stakeholders, and is feels true to Sherwood.

A NOTE ABOUT THE COVID-19 PANDEMIC

Due to the ongoing COVID-19 pandemic, the majority of public engagement activities are expected to occur virtually. The project team will continue to monitor the situation and will resume in-person events and meetings if and when it becomes safe to do so. We hope to see you in person soon!

Key Messages

The City will be the key point of contact for all communications with the public regarding this project. The City will also be the lead for notifications, emailing lists, media contact, and event logistics. The following key messages summarize the **what, where, why, when**, **who,** and **how** of the project, and constitute the basic talking points when communicating with the public about the planning process.

- **What:** The City of Sherwood is taking a second look at Sherwood West to prepare a Concept Plan for the area. The Concept Plan will address new land use and growth patterns, new transportation plans, new State rules related to housing, and new opportunities for employment and economic growth in Sherwood. This plan is not starting from scratch; it will build from the Sherwood West Preliminary Concept Plan, which was adopted in 2016.
- **Where:** Sherwood West is a 1,291-acre area located west of the existing city limits and outside the Urban Growth Boundary (UGB). It is bound by SW Lebeau Road to the north and SW Chapman Road to the south. Sherwood West is a designated Metro urban reserve (Urban Reserve Area 5b) and is the largest of Sherwood's three future growth areas.
- **Why:** Sherwood has seen significant changes since the adoption of the Preliminary Concept Plan in 2016, both on-the-ground and in the regulatory and planning context. In 2018 the Sherwood School District annexed a portion of the Sherwood West area into city limits and constructed a new 350,000 square foot high school, which was completed in 2020 and is expected to open to students in 2021. The State of Oregon adopted new housing rules (House Bill 2001) in 2019, which allow for the development of middle housing types within areas zoned single-family residential. In 2020

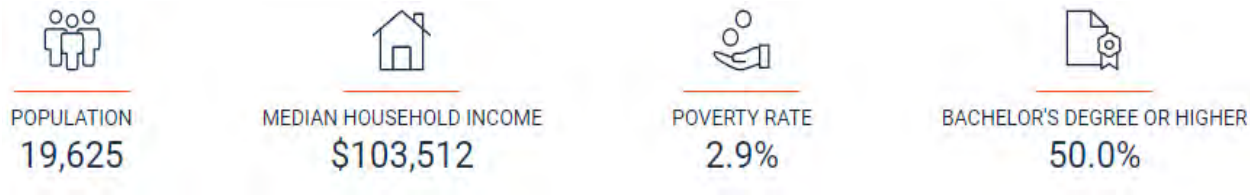
Washington County completed its Urban Reserve Transportation Study (URTS), which provides detailed transportation impact information to help with future planning in urban reserve areas such as Sherwood West. In addition, the City is nearing completion of a three-year planning and visioning process to update its citywide Comprehensive Plan, with adoption of the new plan expected to occur in summer 2021.

- **When:** This project will kick-off in May 2021 and will take approximately 15 months to complete.
- **Who:** The Concept Plan project team includes staff from Sherwood's Community Development Department, supported by a team of consultants led by Angelo Planning Group that includes Walker Macy (urban design), Leland Consulting Group (economics), and DKS Associates (transportation). The process will be guided by input from two advisory committees. The Community Advisory Committee (CAC) is made up of community members who live or own property within the City and Sherwood West, and representatives from the City's Parks Board, Planning Commission, City Council, Police Advisory Board, and the Sherwood School District. The Technical Advisory Committee (TAC) will be comprised of public service provider representatives: City Public Works, Engineering, Community Services, the Police department, Clean Water Services, Oregon Department of Transportation, and regional economic and housing development professionals.
- **How:** As this project gets underway, the Sherwood community will see articles in local community newsletters; city social media posts to Facebook, Twitter, Nextdoor; public meeting notices online and flyers; 'pop-up' engagement at local community events (consistent with COVID-19 protocols); online surveys; engagement with Sherwood High School students and families; and Frequently Asked Questions sheets. In addition to these opportunities, feedback is always welcome via email at any point in the process.

  If you would like to submit a comment or question to the project team, or you are interested in subscribing to the Sherwood West Re-look Email Interested Parties list, please send an email to: palmere@SherwoodOregon.gov

Sherwood Demographics

The following demographic profile is a snapshot of Sherwood today.



Source: 2019 American Community Survey 5-Year Estimates

According to estimates from the American Community Survey (ACS), the population of Sherwood in 2019 was 19,625. Around 89 percent of Sherwood residents identify as White, and nearly six percent identify as Hispanic or Latinx. Over five percent of residents identify as Asian (alone or with some other race), almost two percent identify as American Indian or Alaskan Native (alone or with some other race), one percent identify as Black or African American (alone or with some other race), and less than one

percent identify as Native Hawaiian and Pacific Islander (alone or with some other race).[1] ACS data also indicates that nearly 90 percent of Sherwood residents speak English at home, and nearly four percent speak Spanish at home.

In addition to these demographics, recent trends identified in the City's 2019 Housing Needs Analysis indicate that:

- **Sherwood's population is growing.** Sherwood grew by 6,600 people between 2000 and 2013, at a rate of nearly 3.5% per year—well above the regional average.
- **Sherwood's population is aging.** People aged 45 years and older were the fastest-growing age group in Sherwood between 2000 and 2010.
- **Sherwood is attracting younger people and more households with children.** Nearly 50% of Sherwood households have children, which is significantly higher than in Washington County or the Portland region generally.
- **Sherwood's population is becoming more ethnically diverse.** Sherwood's percentage of people who identify as Hispanic or Latinx grew from 4.7% in 2000 to about 6% in 2019.

Communications and Outreach Tools

The City is committed to equitably engaging the public on this project and is employing multiple types of communication and outreach tools in order to engage the full range of Sherwood community members. The following table includes informational tools and activities that will be used throughout the project to inform a broader public audience and solicit input related to needs and possible planning concepts. Where possible, project materials developed as part of these tools and activities should be made available in both English and Spanish.

Tool/Activity	Description	Audience	Timing
Community Advisory Committee (CAC)	The CAC will be made up of community members who live or own property within the City and Sherwood West, and representatives from the City's Parks Board, Planning Commission, City Council, Police Advisory Board, and the Sherwood School District. The City Council will appoint CAC members through an open application process. CAC meetings will be open to the public, and each meeting will include dedicated time for non-CAC members to provide input.	General Public	May 2021 through May 2022(7 meetings total)
Technical Advisory Committee (TAC)	The Technical Advisory Committee (TAC) will be composed of public service provider representatives: City Public Works, Engineering, Community Services, the Police department, Clean	Agency Partners & Service Providers	May 2021 through May 2022

[1] 2019 American Community Survey 5-Year Estimates

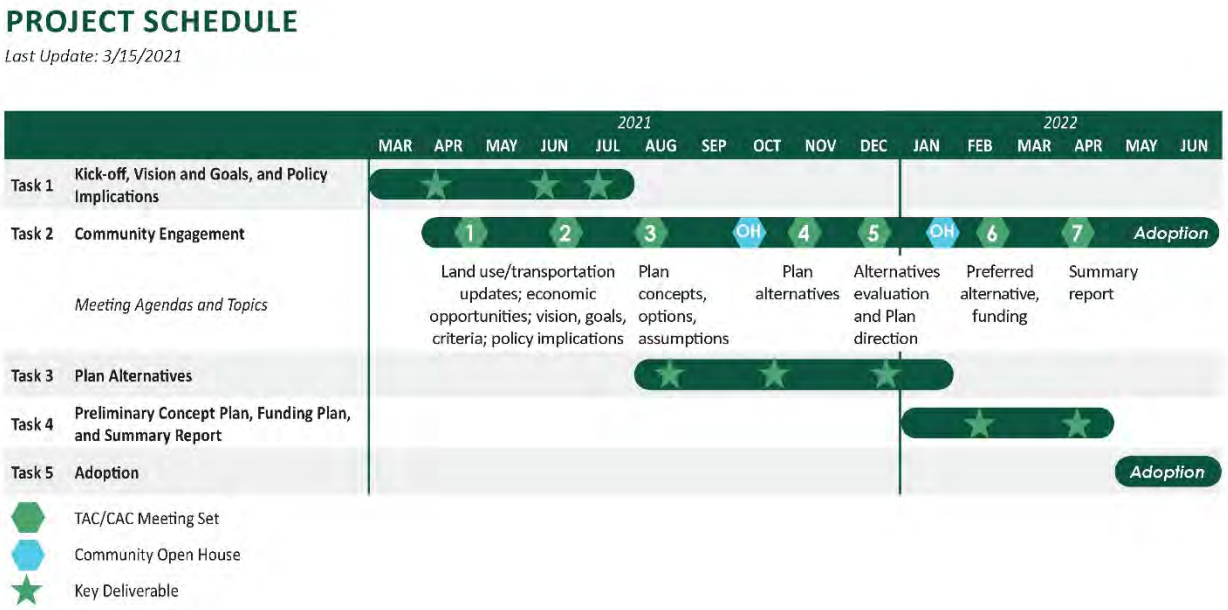
Tool/Activity	Description	Audience	Timing
	Water Services, Oregon Department of Transportation, regional economic and housing development professionals will also provide input into this work. City staff will lead the recruitment of TAC members.		(7 meetings total)
Community Open Houses and Surveys	Two community open houses will be held at key points in the planning process. These community-wide events are intended to engage the greater Sherwood community and provide opportunities for a diverse range of community members to review and comment on issues, alternative approaches, and draft recommendations. They are expected to include a combination of live events (either online or in-person, depending on the status of the COVID-19 pandemic) and will also include an online survey component that will remain open for several weeks to gather additional feedback from community members who were unable to attend the live event. Community members will be notified about upcoming open house events through the use of social media posts, emails, postcards, newsletter advertisements, and website banners.	General Public	Fall 2021 and early Spring 2022
Stakeholder Interviews	As part of the project team's research on economic opportunities and potential challenges, Leland Consulting Group will conduct five interviews with local and regional economic development officials to explore how technology, health care, office, hospitality including farm to table concepts, retail, and other employment uses might evolve in Sherwood West.	Economic Development Officials	June 2021
Project Website	A project website hosted by the City's will be used as the main repository of project information, including draft and final deliverables, upcoming meeting announcements, and contact information for project staff. The website will be updated frequently over the course of the project to keep interested parties up to date on current information and opportunities to be involved. https://www.sherwoodoregon.gov/planning/page/sherwood-west-preliminary-concept-plan-re-look	General Public	Ongoing
Interested Parties Email List	The City will maintain a database that includes email addresses for interested parties and important	General Public	Ongoing

Tool/Activity	Description	Audience	Timing
	stakeholder groups in the project area. The database will be updated as the project progresses and will track individuals and groups who express interest in the project. The database will be used for notification of upcoming engagement opportunities and communicating project progress, draft deliverables, and key milestones.		
Local Newsletter	Articles with project information will be included as part of the City's e-newsletter and will be shared with past and current subscribers to share information, increase project awareness, and provide additional avenues for community input.	General Public	Ongoing
Social Media	The City's social media accounts will be used to share information, increase project awareness, and provide avenues for community input.	General Public	Ongoing
Pop-Up Events	The City anticipates conducting several pop-up engagement events at planned local events such as farmers markets, fairs, or festivals. Specific dates or events have not yet been identified. Any engagement that occurs as part of these events will be conducted in accordance with current COVID-19 social distancing protocols.	General Public	Ongoing, beginning in summer 2021
Property Owner Mailings	To ensure that all property owners and residents in the Sherwood West area are aware of the project and process, the team will send postcards and/or pamphlets with project information via mail at key points in the process, including at the outset of the project, prior to community-wide events, and prior to the final CAC/TAC meeting.	Area Property Owners and Residents	Ongoing
Project Snapshots/FAQs	The project team will prepare public-friendly summaries of project progress, findings, alternatives, and conclusions at key points in the process. These "snapshots" are intended to capture and distill project information and in a fun and easily-digestible way for consumption by the greater Sherwood community.	General Public	Ongoing
Printed Materials	The project team will develop eye-catching graphic posters, postcards, flyers, and/or brochures with project information to display at local businesses, community centers, parks, grocery stores, and other locations frequented by community members. These materials will include links to the project	General Public	Ongoing

Tool/Activity	Description	Audience	Timing
	website, information about upcoming opportunities to engage, updates on project milestones, and contact information for project staff.		

Project Schedule

The following schedule outlines the tasks and key deliverables, as well as preliminary timing for TAC/CAC meetings and community open houses. This schedule is preliminary and subject to change; it may be updated over the course of the project.



APPENDIX D

Open House #1 (Online) Summary

OPEN HOUSE #1 SUMMARY

TO:	Sherwood West Community Advisory Committee and Technical Advisory Committee
FROM:	Kyra Haggart and Joe Dills, Angelo Planning Group
DATE:	April 28, 2023

Introduction

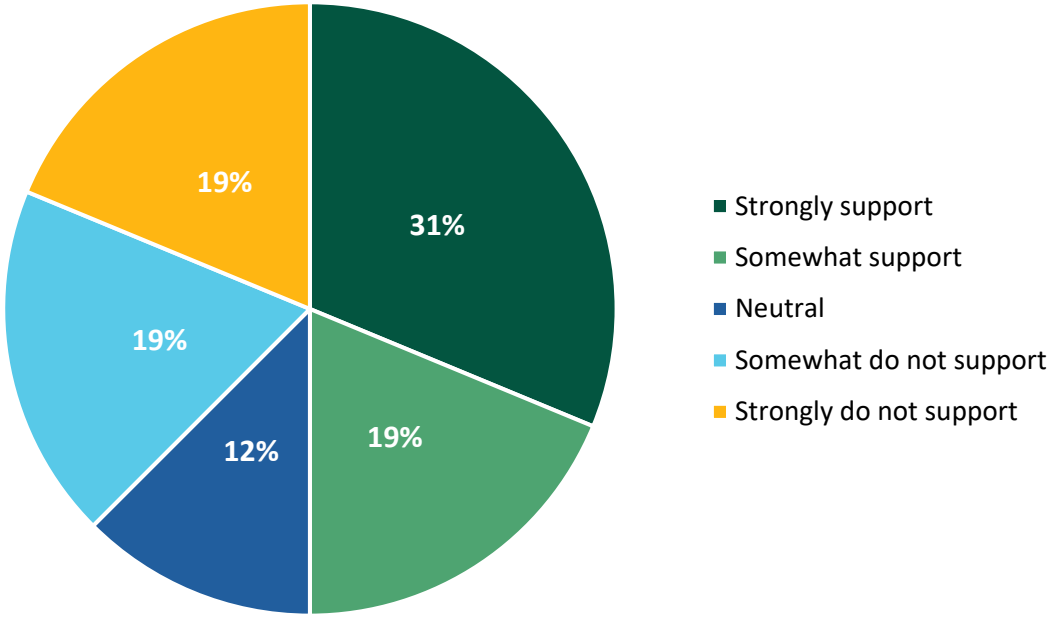
This memorandum provides a summary of the results from the Sherwood West Concept Plan Online Open House #1. The Online Open House survey questions were available from Wednesday, October 6 through Sunday, October 24, 2021. A link to the Online Open House was posted to the project website and the City's social media accounts (Facebook, Twitter, and Nextdoor), sent to the project's interested parties email list and all City boards and commissions email lists, included on flyers posted in five downtown sign monuments, and at Sherwood High School for student engagement. Open house participants were invited to enter into a drawing for one of five $10 gift cards to local businesses as a thank you for their participation. The Online Open House received 135 responses to the survey questions.

The Online Open House provided some background about Sherwood West; presented the project vision, goals, and evaluation criteria; and shared a summary of each of the six Plan Concepts. Because of the breadth of information covered in the open house, participants were invited to select explore any topics that interested them from a menu of pages.

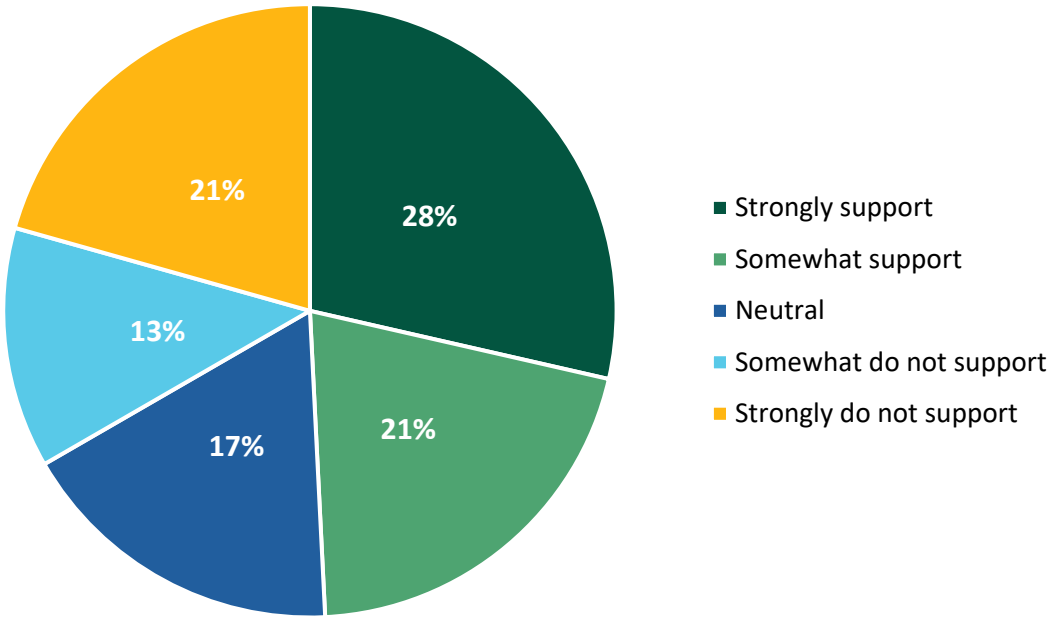
Survey Results

VISION, GOALS, AND EVALUATION CRITERIA

What is your level of support for the vision statement?



What is your level of support for the goals and evaluation criteria?



Do you think that the vision and goals represent the values of the greater Sherwood community? Why or why not?

- Yes, the vision and goals reflect the values of the greater Sherwood Community. Please make certain that in the aggregate considering all new development in Sherwood West well provide a well-balanced and fully functioning community that continues to be attractive and well serve all current and future residents and businesses.
- There is no need for added business/industrial development in this area. Actually, even residential should be put on hold until all current land within the Sherwood boundaries are fully explored and subsequently developed.
- Not the values of keeping Sherwood a small town with neighborly feel. These designed areas with added business and industry just turn Sherwood into more and more of a cookie cutter suburb with more traffic and more hustle and bustle.
- Sherwood West is a pipe dream. The infrastructure in Sherwood is a joke. There is a strong need to drive from pt A to pt B, but it takes soooo long to traverse those points. The increase in tax base only seems to drive an increase in taxes, I don't understand how that works. Sherwood has lost it's identity and the reason people decided to move here in the first place. It's no longer affordable and now we're only adding to the issue. Are we going to become the next Hillsboro? Growth is inevitable, but do it smartly; this is just outright a simple money grab and politicians trying to make a name for themselves.
- Yes, great job!
- I don't think there should be industrial or office development on this side of town. Everything else looks great.
- The vision and goals represent Sherwood which is essentially to continue what was created with the development of the Woodhaven neighborhood. A neighborhood that is connected and can be walked.
- Expanding Sherwood’s borders will only bring increased traffic and property taxes. The new development will not pay for itself, so please don’t tell me that my already high taxes won’t go up. Bringing MAX to Sherwood would give homelessness, drugs and increased crime to the area. Hillsboro is an excellent example of this. This proposal will only benefit a handful of people, namely the landowners and developers. The citizenry of Sherwood will see a decreased quality of life
- I appreciate the focus on preserving existing greenways and habitat. On the topic of walkable communities, it would be great to see Sherwood utilize more multi-use building developments (retail space, office space, and apartments) to improve density.
- As long as it doesn't turn into what is on Roy Rogers and Scholls Ferry, I support the vision and goals. High density/medium density housing doesn't fit with Sherwood's look and feel. Sherwood has a small town atmosphere and it should stay that way. It is one of the many reasons people move to Sherwood.
- yes.... bring more commerce to sherwood - while keeping the small town feel - and quality of life.

- I do not believe now is the time to look at a project with such a huge impact on the city. We are dealing with very uncertain times and adding to an already strained infrastructure. As a 25 year plus resident I see allot of industrial add especially along Tualatin/Sherwood Rd that has made traffic along that route ineffective to say the least. As these projects are submitted and approved who bears the burden of the roadway strain, the traffic increase, the environmental impact? I don't see anything the vison or goals that places that responsibility directly on those who stand to make the most profit from the project.
- Seems like a fair representation.
- Continuing the small town feel (I live in Old Town), keeping natural environments clean, and "ignoring" the dividing 99 highway
- Yes. Sherwood is a friendly, welcoming town. These goals and vision would promote growth that is aligned with that lifestyle.
- No. No neighborhood values. Trees, walkable streets. Schools.
- In some ways yes and in some ways no. In my mind, goal #2 of attracting large employers and developers stands in stark contrast to the maintaining the heritage and small town feel of Sherwood, as described in goal #1. Furthermore, I'm very alarmed with warehouse after warehouse that's consuming every commercial lot coming down Tualatin Sherwood Rd. Those buildings destroy sense of community, design esthetic and/or of a master plan. Business parks should look more like the Nike campus or like those in North Hillsboro, of which many are leased by Nike as satellite offices. High berms, nice landscaping, variety of sizes, different assistance, limited entry, etc. I'd love to see more stringent/cohesive criteria for all new commercial building construction such as architecture, area improvements, landscaping requirements, etc. to make sure Sherwood continues to feel and look like Sherwood, even though it'll be "bigger."
- Many businesses are looking to escape the violent climate of downtown Portland. This helps attract small businesses to leave Portland for a better and safer community.
- Yes, the vision and goals seek to grow our community while maintaining a connection to our beautiful natural Oregon resources, preserving our small town feel, and creating opportunities to diversify our community.
- Although many of the goals and considerations are on target and thoughtful, and could be used as models in planning for communities across our country, the underlying concept that Sherwood needs to increase is population is disturbing. More residents, more traffic, more congestion should not be goals. Improving the lives of existing residents should be the focus. We moved here to escape the rampant growth of population and traffic and congestion of our previous community. We really do not want to face that condition yet again. Keep our growth at a maximum of 1 1/2 percent per year, not an iota more.
- While the vision and goals may represent the values of the Sherwood community, I don't believe it. This area, like previous expansion of Sherwood will just turn into a bedroom community while developers cash out and fails gt benefit Sherwood as a whole. Increase the strength of statements for large employers and reduce the dependence on residential.

- Housing (both affordable and other) continues to be a challenge for the area. Designing a neighborhood around the new high school makes sense to anchor the community.
- No I think its a tax grab and doesnt serve the community. One of the things that makes Sherwood unique (and why people live here) is the small town feel with the rural surroundings. Youre taking that away just to create more suburbia. I think your goals would be FAR FAR better served by investing that money into upgrading transportation, upgrading the employment near and around highway 99 and by investing more into parks and schools. This is a bedroom community not a big employment hotspot. Youre going to devalue peoples property, lower values of home and ruin a sense of community if you keep going. This isnt Tigard. If we wanted sprawling excess growth we would live there instead.
- Yes, I think the vision and goals are well written and make sense. I feel that protection of our natural resources and areas should be one of the highest priorities. As cities expand and developers move in to lobby for that expansion, the natural areas and transportation are the first things that become "too expensive" to make the investment. Sherwood should make sure that these portions of the plan are well protected to avoid future government from bypassing them in haste for more tax money. also, transportation of people will likely be much different in the future, maybe everyone won't own a car, but limited parking is also an eyesore and issue because developers cant sell parking spots. So the streets that were meant for transportation turn into parking lots. They also cant sell bike paths, or sidewalks so those also get removed. These should all be thoroughly protected.
- yes, somewhat
- Yes: neighborhoods, walkability, and greenspace mixed with local jobs.
- We want to keep Sherwood the existing size that if currently is
- NO, Let the rest of metro become a traffic mess, the current Tualitan Sherwood Road plan is joke and will be at capacity the moment it is opened...
- We are witnessing the poor traffic planning that was done with the new high school as we have School Administration on top the building in the early fall trying to figure out how to alleviate the massive morning and afternoon congestion.
- Sherwood West of course will Not have enough parking and the streets will be filled with cars. Initially it looks fine but as the area ages the families grow older the kids need cars and the quantity of cars increases. The developer is long gone and the city streets are his parking plan. (See Villebois, Wilsonville, Langer Parkway Sherwood, Woodhaven Sherwood) If you can limit on street parking and make the a realistic assessment of the parking issues and mandate a real world number of spaces then I would be more supportive. (See Wilsonville Charbonneau area) somewhat. not sure the longtime residents are being heard that live outside the current city limits.no
- Concerned that long time residents that live outside the current city limits are being heard.
- "The greater Sherwood community lives here, because we are not in favor of housing density and instead appreciate the country and generous lot sizes. We want to be able to move freely about. Traffic is already a huge problem, and packing more people in here, whether it's to live or work here,

will further reduce our quality of life. Instead of chasing after more and more property tax revenue, why don't you prioritize existing Sherwood residents who are your voting constituents? You heard the outcry from Sherwood residents a few years ago - what makes you think we've changed our minds?

- This plan of growth will put further strain on Sherwood's water supply. Residents have already been urged to limit their water usage, so what's going to happen when thousands more users are added?"
- No not at all, what makes Sherwood Sherwood is it being and staying small... the size that it is period.
- NO. We have development & building background. Okay with thoughtful housing but not crowded subdivisions, and most certainly, NOT THE BLIGHT THAT IS SOUTH HILLSBORO AND THAT UNSIGHTLY RIVER TERRACE SUBDIVISIONS.
- The size of Sherwood is great the way it is, the majority of residents are here for the smaller town that it is, it's already gotten way bigger, we're done with the growth. End of story
- Yes, enjoy the goal to support the small town feel. Walkability is something that is a challenge for some of the outlying areas of Sherwood so it is nice to see that as a focus to improve and have as a goal for this expansion plan.
- No! You are planning on taking valuable farm land and wet lands and turn it into high density housing. The wet lands at the intersection on Elwert and Edy are not conducive to building and would ruin the habitat for many native animals and plants. I don't think the current community wants high density housing ruining our beautiful natural and farm areas. If your looking for tax revenue take back land bought by Metro (baker creek area) and get that back on the tax base.
- No one is asking for Sherwood to grow except for the money hungry developers and builders and if it's the Mayor too we'll get him replaced... a group of us are going to organize and fight this just as much and more..as you are pushing this on our community
- No, I believe it supports money hungry politicians who are trying to make a name for themselves. Please why not leave the land alone and let the farmers make a living and have places of natural habitat rather than constantly and continually destroying the lands. Sherwood is big enough as it is and all you are doing is taking away the livelihoods of many generational farmers who provide product for the rest of us. It is time to stop the expansions and start putting your monies into remodeling and redesigning existing areas, especially those where we have closed buildings or empty houses that are run down and eye sores!
- Is it being developed too quick then any road development? How about improve/build more ""roads"" first before start to do any more development? Currently 99 and Sunset traffics were bad enough, not even talk about Edy road and Elmer.
- What you have here sounds just like the horror of building that has happened along Scholls Ferry and Roy Rodgers. You say transportation and neighborhoods will be connected, fine, but what about actually getting to this area? The traffic density all around the area will increase and it's already awful during many parts of the day. You need to look at the bigger picture of quality of life for everyone in Sherwood, not just your new project. This is not a good idea.

- Being 'complementary' to other expansion is your problem. You should strive to be better, much better. What's been happening nearby is awful. It sucks the life out of people. It's depressing.

Is there anything else you'd like to tell us about the vision, goals, or evaluation criteria?

- We are particularly interested in the economic development and employment center aspects of the Vision and Goals which will need to be carefully integrated and connected with the residential and commercial aspects centered on multi-modal transportation goals. Then, Sherwood will become great destination for living and working into the future.
- Sherwood West is mostly agricultural land at present, as well as wild undeveloped land. It would be great if this were to remain untouched by major development.
- "preserve the community's heritage and small-town feel" mentioned in goal #1 is not possible when we keep cramming in high-density housing, increasing the town population by leaps and bounds. Sherwood used to be a small town, but now feels like it is just another suburb.
- We need a 55and up single level home neighborhood, smaller homes, 1800-2200.
- To create this vision the whole Sherwood West Area will most likely need to be brought into the UGB at the same time in order for land developers to work together with the city to build out the plan. Bringing in portions of the area into the UBG over different periods of time would threaten the ability to fulfill the plan.
- you have no mention of maintaining housing values of the boarding homes. How you develop Edy Road will make or break family's livelihoods.
- I currently live in the Woodhaven neighborhood and absolutely love the abundance of nature trails. This feels like a unique characteristic of Sherwood and love to see this tradition continue with newer developments.
- I'm not really in favor of large employers or industrial/technology parks in Sherwood West. I would rather see smaller businesses, retailers, etc, and keep the larger employers in the existing Sherwood/Tualatin/Tigard industrial areas. I am strongly in favor of preserving our natural spaces and would love to see a network of walking trails, paths, and parks included in the Sherwood West plan.
- With the changes we are facing as a greater region, Sherwood has a chance to be a leader in developing criteria based off more that the short term tax base gain. As far as employment opportunities, currently our local businesses are hard pressed to have enough staff to keep their doors open! If the city is not looking at the immediate and long term impact any project has on power consumption, projected water use, impact on traffic patterns, and long term environmental impact, then I can only assume we are a for profit managed city and if so need to look at my ongoing residency of Sherwood, a city I have loved to be part of for over 25 years and as a lifetime Oregonian and resident of the greater Portland metro all my life I have seen managed growth and for profit growth in many areas, the difference is easy to see with time. I want to know there is enough water to put out a house fire and generate electricity for many generations to come.

- Transportation vision within Sherwood West is great. But with the potential for thousands of new jobs and residents within the area how do those that don't live in Sherwood get to those jobs and those that live in the area but work elsewhere reliably get to those places of work. Existing infrastructure, even with widening of Tualatin-Sherwood Road will certainly not meet the growing demand. Southern arterial plan should instead be Southern Expressway with dedicated transit lanes/express lanes in order to adequately connect Sherwood West and the rest of Sherwood to I-5.
- Greater emphasis should be placed on safe biking and walking routes since there is already a major highway bisecting the town that is unsafe to cross at times.
- I will say that if we can incorporate an area as well thought out and designed as Wilsonville's Villebois area, people would come in droves. The area is beautifully landscaped, has lots of elevation changes (roads, buildings, etc.), different building plans (so they don't look cookie cutter), common/recreational areas, etc. They have a great mix of high, medium, and low density design plans to attract buyers of all incomes and budgets.
- Traffic management and road surface quality must be a top priority. Tualatin-Sherwood Rd must be improved and accommodate the businesses newly placed on SW Olds Place/ SW Arrow.
- A few goals I would like to see are:
  - Multiple public charging stations for electric vehicles
  - A noise abatement program to get the noisy vehicles refitted with appropriate sound muffling equipment. Traffic cameras cannot detect and remedy ""glass pack syndrome"" We need regulations with specific maximums on db level, and then enforcement of same.
  - The more development continues, the smaller our wonderful downtown area becomes in proportion. I think this is lost in the above planning. If we choose not to grow, we will not need to do all this expensive planning. *However, we could be spending the energy developing plans and programs to improve and upgrade many of the residential and retail structures that are in disrepair or just need updating. Also putting in place and enforcing minimum landscaping requirements, especially on rental units. "
- I just want to ask everyone involved in this Sherwood West Concept Plan to completely think through what we want Sherwood to look like in the future. Let me just reference one current project. This is the home building project on Brookman Rd. I don't live on Brookman Road, but I drive on it occasionally. There will be a lot of homes that will be built and I fear that the traffic could be hazardous. The road somehow needs to be widened and the S-curve on the east end of Brookman Road needs to be straightened. What I don't understand was why Sherwood was forced to incorporate that parcel of land into the city limits. As I remember it, the citizens of Sherwood voted three times to reject adding that land to the city. When I contacted Kim Thatcher, she said that state law required us to incorporate the land. Let me be clear and say I am not against growth. That will come. What we need to do, and hopefully you agree, is the growth needs to be planned and managed. Good Luck
- While I recognize the vision statement is mostly an aspirational statement, I feel the wording of "High Paying Jobs" will cause problems. How will that be measured? Does that mean that restaurants will be excluded? Certainly some of those jobs are not high paying. I think using "Well

Paying Jobs" is more ambiguous and allows more wiggle room as we measure success against the vision.

- I am concerned about the special interest groups pushing industrial and commercial near that high school. I do not think that is in the best interest of the Sherwood community. The Tualatin Sherwood Road area is already an established and growing industrial and commercial zone. There is no reason to plant industrial and commercial zoning around or near the high school.
- Instead of worrying about ""complementing"" the growth on Urban Boundary's western edge, why not protect the rural feel we have and instead build better roads, expand them and help revitalize downtown? I think if you asked the citizens you would find most have no desire for Sherwood to get bigger. That abomination of homes on Roy Rogers and Scholls Ferry drives taxes I am sure but not a single person I have talked to thinks it improves Tigard in any meaningful way. Its one of the reason I left that city. All money, no heart. Sounds like Sherwood is headed that way too. The vision is misguided. Goals are better served investing in the community at hand.
- Include a focus on wine and food oriented hospitality.
- It would be nice to see more hospitality industry along the 99 corridor to accommodate wine tourism - hotel, restaurant, etc.
- It's bad enough seeing all the development and farm land taken away at the end of Roy Roger's and Scholls ferry... we don't want it continued down to us in Sherwood.
- Without a West Side bypass this plan is a Mess. With the massive development to the North, South Beaverton, the massive King City project and lack of long term transportation network this is going to be a mess. No major manufacturing or distribution company is going be land locked from a major highway system i.e. I-5,217,26. The idea that we crowd the roads to the point of misery to get people out of their cars is not and will not be a effective plan, just wishful thinking and piss poor planning.
- There is already an epidemic of clear cutting trees on rural lots, and I don't want to see it get any worse. Your statement: "Existing mature trees and areas of dense tree canopy are preserved WHERE FEASIBLE" means that developers like Metropolitan Land Group and Randy Sebastian of Renaissance Homes don't have to bother - it's cheaper for them to destroy all of the trees so their heavy equipment can roll through faster and their profits add up faster too (to them, it's not feasible to save any trees). Frankly, I don't care about their profits - I care about my community. It happens over and over again. The little tiny trees they commit to planting in their developments are not equivalent to the 100-year-old fir trees that provide shade & oxygen, and rid C02 from our environment. These monstrous developments, like Metropolitan Land Group’s River Terrace 1 & 2, are speeding up global warming. I urge you to stop this plan.
- Reverse the sale...give the developer/ builder all who is involved money wise... give them their money back!
- PLEASE DON'T LET IT HAPPEN
- It is a very delicate balance to keep small town feel and walkability with transportation growth and integration of nearby urbanizing areas. The inevitable compromises that come with these projects

will need to be anchored by this vision to maintain the proper balance, no easy feat! The map so far in this presentation has not shown the proposed boundaries for business/residential/recreation, but I'm sure that will come later in the presentation. That is where the balance will be key.

- Think about what this area looks like now and what you would be leaving for future generations by putting in high density housing. the steepness of the terrain would create nothing but water run off and erosion issues into Chicken creek thus destroying even more habitat for native species.
- It is a shame that our elected officials find it necessary to destroy our lands, our farms, and our history all for the sake of making money and using funds which need to be directed to protect the lands and current farms. We are tired of the takeover and the fact that you do not allow people to vote on these projects before you begin the work. People should have a say as to what they want done with the land prior to your posting documentation such as above. A simple vote as to asking the people do you want the land developed or left as is, that is all you need to do. If the people say leave as is, then go find something else to do and stop the moving forward. YOU NEED TO ASK THE PEOPLE WHAT THEY WANT..IT IS NOT UP TO A FEW OF YOU TO MAKE THESE DECISIONS FOR THE MASSES.
- I bought a house here because I loved the privacy and view of my back yard. But it is no more. All trees were gone now. I will see my ""neighbors"" after a year or two. I ""disapprove/hate"" it but I could not do anything about it. As people said money did talk. I bet no city leaders even live in here or they may have big properties and not care about regular residents.
- You paint a rosy picture of this perfect community you want to create. The reality is that you will create more congestion, more ordinary ugly houses and another area demonstrating that the dollar is really the driving force of development and not innovative vision and imagination. It will cater to the lowest common denominator and be another development blight on our landscape.
- Wake up and try to be really innovative and different. Don't cater to the bare minimum. Have the courage to really be imaginative and do something different and exciting. Yet another cookie cutter neighborhood isn't needed or wanted.

MIXED EMPLOYMENT AREAS

Think about the map of potential mixed employment areas. Do these areas look about right to you? Do you have any comments or suggestions?

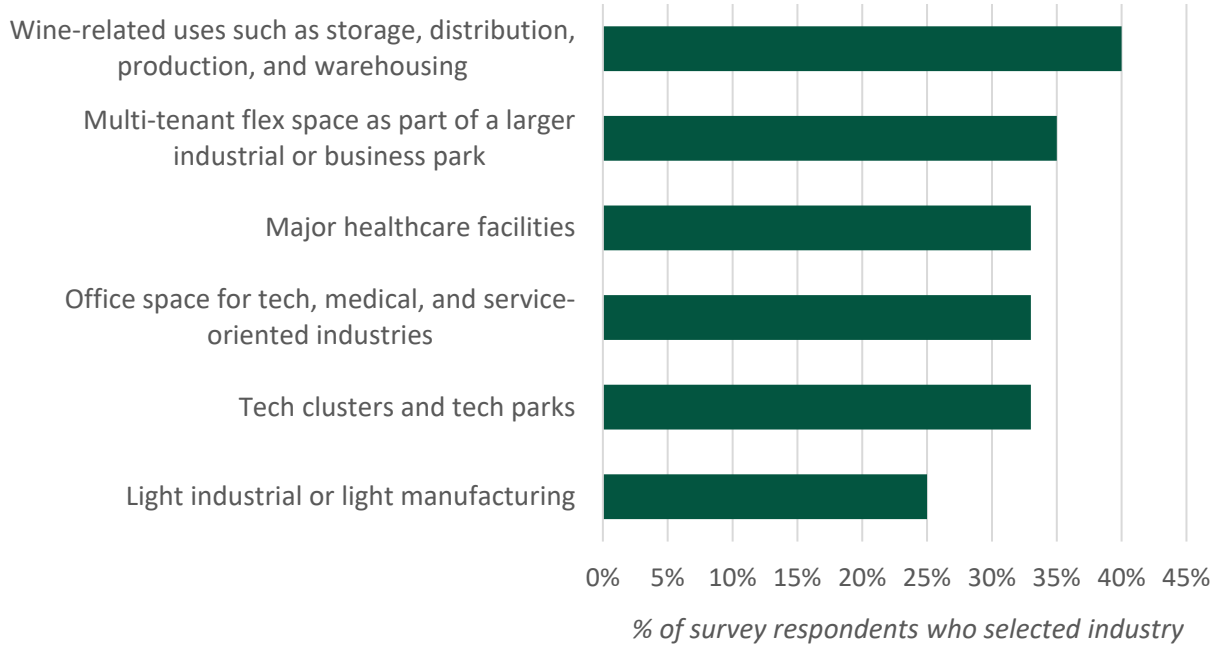
- No, no, no! There are many "For Lease" signs all around Sherwood in industrial sites and strip malls. This means that there is a great deal of unused business real estate at present, and so there is no need to develop more business land/properties. Use the current vacant properties first, and only once we have 100% occupancy should we consider more development. We should not carry on with the assumption that development is good in and of itself. We are a small town - let's keep it that way!
- Yes, transportation infrastructure including multi-modal is most important for the success of each area. Yes, about right as long as the re-looked "concept" can have a level of flexibility that allows creative and attractive mixed uses on the fringes of each transitioning to multi-family and single family residential uses.

- Area #2 seems poor for transportation flow to High School. So many of these small commercial corners are difficult for businesses to stay afloat.
- We have too many giant, industrial buildings arising between Sherwood and Tualatin. Do we really need more on the west side of town as well???
- Area 3 really needs to have at least one grocery store.
- i don't think putting commercial or industrial next to the high school makes any sense at all. Why wouldnt we want nice residential neighborhoods right next to the school/ i cant think of another recently built school that has anything but residential next to it .
- Yay! More traffic for our already over burdened roads.
- They generally look right to me. I think the emphasis on mixed employment is good. I think retail locations need to be minimized along 99W. I don't want 99W in Sherwood to look like 99W in Tigard which is a visual and traffic abomination.
- Don’t do it. Period.
- I agree with areas 3 and 4 because of their proximity to Hwy 99 and visibility. There would also be less impact to existing residential areas
- Area one is too big and appears to completely disregard the creeks through the middle of it. Looks like no consideration for green space.
- With the extreme growth already existing and in progress by off Scholls and Roy Rogers, near the Mountainside High School, I fear the level of traffic and congestion is already past the threshold of livability. More development in this area is a bad idea. When the plan sites a need for more employment, it does not specify how many sherwood residents are currently employed, nor does it state a specific goal for how many residents should be employed. Nor does it give any specific target for existing average pay nor goals for such. This all seems like good intentions, but how do we gauge success? Is it providing jobs for one percent more of our residents, is it raising the mean average wages by two percent? Of the new jobs created in Sherwood, what percentage will be Sherwood residents, and what percentage will be new commuters, clogging our existing infrastructure. I don't see anything in place to measure the success of these plans.
- "One of the goals is for ""Neighborhood retail nodes provide residents with walkable
- access to goods and services"". Given the map, the only way to accomplish this is to have mixed commercial/residential development, similar to what has transpired in Orenco and Villebois. The committee should review the success of these ventures prior to finalizing the document.
- It looks good. I am fine with this.
- Area 1 is problematic, depending on Roy Rogers for transportation will be a disaster, it already is a problem. There are also significant woodland resources in this area that would be destroyed by industrial parks.
- As someone who lives off of Lebeau Rd. I am disappointed but not surprised to see Area #1 as priority development land. This was slated as sports fields and potentially a school in the 2016 plan. I hate to say I imagine large box buildings like what is along Tualatin Sherwood road placed here,

rather than something more like a more open Langer's Farm development but with a business park (similar to Mohawk or Kruse Way).

- Would area 3 be a possible location for hospitality, food and wine oriented development?
- All except 2. I'm not sure I'd want to see commercial space there
- Looks ok.
- Area #2. Traffic at Elwert and Haide is a mess at the start of the school day. Putting businesses in that area would add to the congestion.
- "Traffic! Elwert Road cannot handle any more traffic, as there has already been a noticeable increase in traffic and accidents, including rollover crashes, since new housing developments and the high school have gone in. It was never intended for semi-truck traffic, and that is exactly what industrial and manufacturing businesses will bring. Please don't expand this country road to a 4-lane highway – these are ecologically sensitive areas with creeks and wildlife. Let's not put more wear and tear on the roads and diesel exhaust in the air.
- 99W also has problematic traffic congestion, and ODOT and Metro have listed it as a ""Tier 2"" priority level, not Tier 1. Apparently, they don't think there is a problem. With more development, it will only get worse.
- Area #2 is certain NOT ""mostly flat"". Have you traveled up Edy Road?
- No none of it looks right, we have empty retail space that has been empty for years... and the existing business have reduced hours now because they can't hire workers... no one wants to work. Sherwood is great the way it is...
- Agree with these areas being along the busy main roads and seems to be the best areas for the required business tax base to sustain the city's growth. As a resident near Edy/Elwert I have concern over the North/South traffic plan, but assume that will be addressed later in the presentation. I would hope there will be some architectural standards in these areas to emphasize the inviting and higher class the images of existing business represent and that these areas do not just become large flat front buildings with no character or charm. Sherwood's shopping centers and standalone offices have done a fairly good job with this, but I worry about the more industrial setting of zone 1.
- On Area 3 you say "some slopes" it is steep!!! Take a walk and look at it. what isn't steep is a wet land area. Get out of the office and take a look at the areas! Not the place for Mixed employment areas. There are High Voltage lines that run thru the area too and building is not permitted under those anyway.
- I don't understand why the creek space/green space in area 1 is not protected??

Which of the target industries would you like to see developed in Sherwood West?



Are there any other employment uses that you think would be a good fit for Sherwood West?

- Clean industry Corporate Headquarters uses which is somewhat inherent in the "tech park" but without being limited to "tech" uses. Need more definition. Will read the above reports.
- small, locally owned businesses
- I dont support employment uses for Sherwood West. That should all be on the eastern side of town where there is tons of new industrial lands being developed.
- restaurants
- Absolutely not
- Restaurant space and grocery
- We need more local businesses, and a locally operated grocery store. If I see one more big box chain store in Sherwood I will cry into my Symposium coffee. This town is incredibly family friendly-what about a decent space for more childcare centers or a children's museum? You mention centers for high-paying jobs, but we won't be a filling those jobs if people don't have childcare.
- For area four, I could see wine related business development, but what would make this a big win for Sherwood, is if we had a significant ""Sherwood, Gateway to WV Wine Country "" statement piece [sculpture or ???] similar to what we see entering Napa Valley Wine Country in California. It is an iconic landmark. Sherwood could really benefit from this. And this area 4 could be successful with upscale wine themed restaurants, as Napa put in place as their wine region was developing early on.
- Could use another grocery store on the south end of Sherwood.

- A Wine Country hotel and restaurant would be great. The view of Mt Hood and the valley would be a draw for visitors. Don't waste the green hillside and creeks on industrial uses.
- Maybe more recreation.
- Consider options for a more integrated design of civic uses. housing, employment, food and beverage, retail etc., not strictly segregated into separate zones. Encourage enough density to create the body heat needed to give the location a sense of identity and community.
- Farms!
- No none
- The list created seems to be thought-out and comprehensive. With carbon initiatives set out by state and regions it may be worth pulling renewable energy out of "tech & light manufacturing" to be its own category.
- None. Put it on the East where the infrastructure is already there.
- I think there should be a library on this side of 99 and that a focus should be making the area walkable like the other side of the highway all connects to downtown. This side of the highway feels excluded from what Sherwood has to offer. Repeat what you did on the other side.

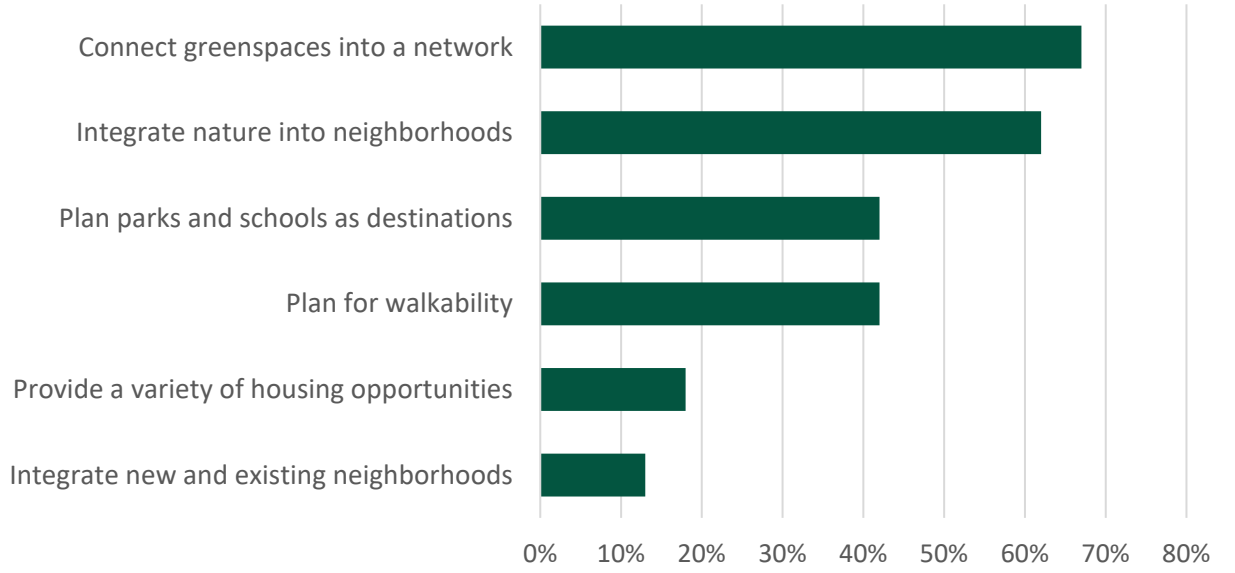
Is there anything else you would like to tell us about mixed employment in Sherwood West?

- See my Comment #1 above.
- The City needs to ultimately establish the right balance between local jobs and housing (and commercial) with the focus on limiting the length and number of daily trips now that many of us are working out of homes which appears to be the trend for the foreseeable future.
- Sherwood was a nice place to live as a "bedroom" community. Let's not bring a bunch of large industrial buildings to town. Support local business owners, even if they are smaller.
- it doesnt make sense at all
- Terrible idea
- Please build the trails that benefit existing residents FIRST.
- I can see the Kruger rd / Elwert rd circle traffic overload with area 3.
- Please stop building the 'strip mall' style mixed use business parks. They are soulless, and do not add to the beauty of our town.
- Maybe instead of looking for new mixed employment structures, the city would be better served working with consultants and developers to improve the existing business areas, be they strip malls, mini business parks that look tired and run down. Funny how reimagining what we already have can be so much more productive, And in the process, if the goal is to employ more city residents, get a commitment from these businesses that we help update their locations and in exchange they give preference to hiring locally.
- Not enough.

- Keep it green and visually appealing. We need clean air and solar powered buildings. No tall buildings or unsightly manufacturing, please. Low to moderate traffic is better.
- I feel like the big industrial parks are covered with all that are going in on Tualatin Sherwood rd.
- Please don't do it.
- Understand that most residential folks don't want business in their backyard, but without the business tax base their community suffers. The balance of easy to access businesses with keeping traffic low in neighborhoods is one of those key balance points that will be hard to maintain here. It looks like this plan may have a path to success here once we get further into transportation to see how roads are directed north/south.

GREAT NEIGHBORHOODS

Which great neighborhood principles are the most important to you?



% of survey respondents who selected principle as a top priority

Are there any other principles that you think are important to consider when planning new neighborhoods?

- Traffic congestion is a major concern. This development will create a terrible mess on the existing roads, which are already crowded. I live off of Edy Road near to the intersection with Elwert. There are already too many cars, driving way too fast, and more neighborhoods will mean a tremendous increase in road traffic. This is not good.
- Put the houses further apart. As close as they put the new ones together, they might as well be apartments or townhouses.
- Cul de sacs, wide streets, minimal street parking
- Affordability is vitally important and because developers always have to pass their costs onto the consumer, one important aspect of affordability is infrastructure costs. We do not want Sherwood

West to create spaces that are so upscale as to be unattainable financially. Affordability will drive diversity will enhance the lives of all who desire to make Sherwood West their home and work destinations.

- Yes, I would select Integrate nature into neighborhoods as well.
- On site parking for any apartments or townhouses, with guest parking too. Creekview Crossing residents use Handley for their parking. Cannery Row apartments use residents use surrounding streets as their free parking. Sunfield Lakes residents use Century Blvd as their parking lot. At least one car garages and driveways big enough to park a car / SUV with out blocking sidewalks
- Impact on school crowding
- BIKING!
- NO HIGH DENSITY HOUSING. Focus primarily on single family dwelling. The traffic impact is terrible otherwise.
- plenty of travel lanes to get in and out of the neighborhoods to 99W and Tualatin Sherwood Rd
- The travel lanes that support the neighborhoods needs to be efficient and in good condition.
- Plan for them to be in other cities, not Sherwood. We have more than enough residents. The photos examples shown here are pretty much all tasteful and could be used for cities that need go grow. However how about we use these principles in reimagining and refreshing our existing dwellings? More is not necessarily better.
- Stick to single family residence as much as possible.
- Dont ruin the current property value, dont ruin the look and feel of neighborhoods, don't ruin the sense of connectedness with nature. That said, all of these do that. Every single one.
- A variety of housing opportunities, but the existing parts of Sherwood should be prioritized for conversion especially closer to facilities and transportation along Hwy 99.
- Maximize housing being close to schools so to minimize traffic issues. Be respectful of existing homesites.
- Stop new developments! We don't need them or want them. Once the country is erased, you can never get it back.
- Parking for anywhere that has multi family living. That it will not spill over into surrounding living which is a problem in other parts of Sherwood.
- No new neighborhoods!!!
- Traffic patterns
- Think about what the high density house will do to the countryside.
- There needs to be better, safer pedestrian crossings at multiple places on Edy and Elwert.
- Single story homes primarily for elderly would be welcome.

Think about the map of walkable neighborhood areas. Do these neighborhood areas look about right to you? Do you have any comments or suggestions?

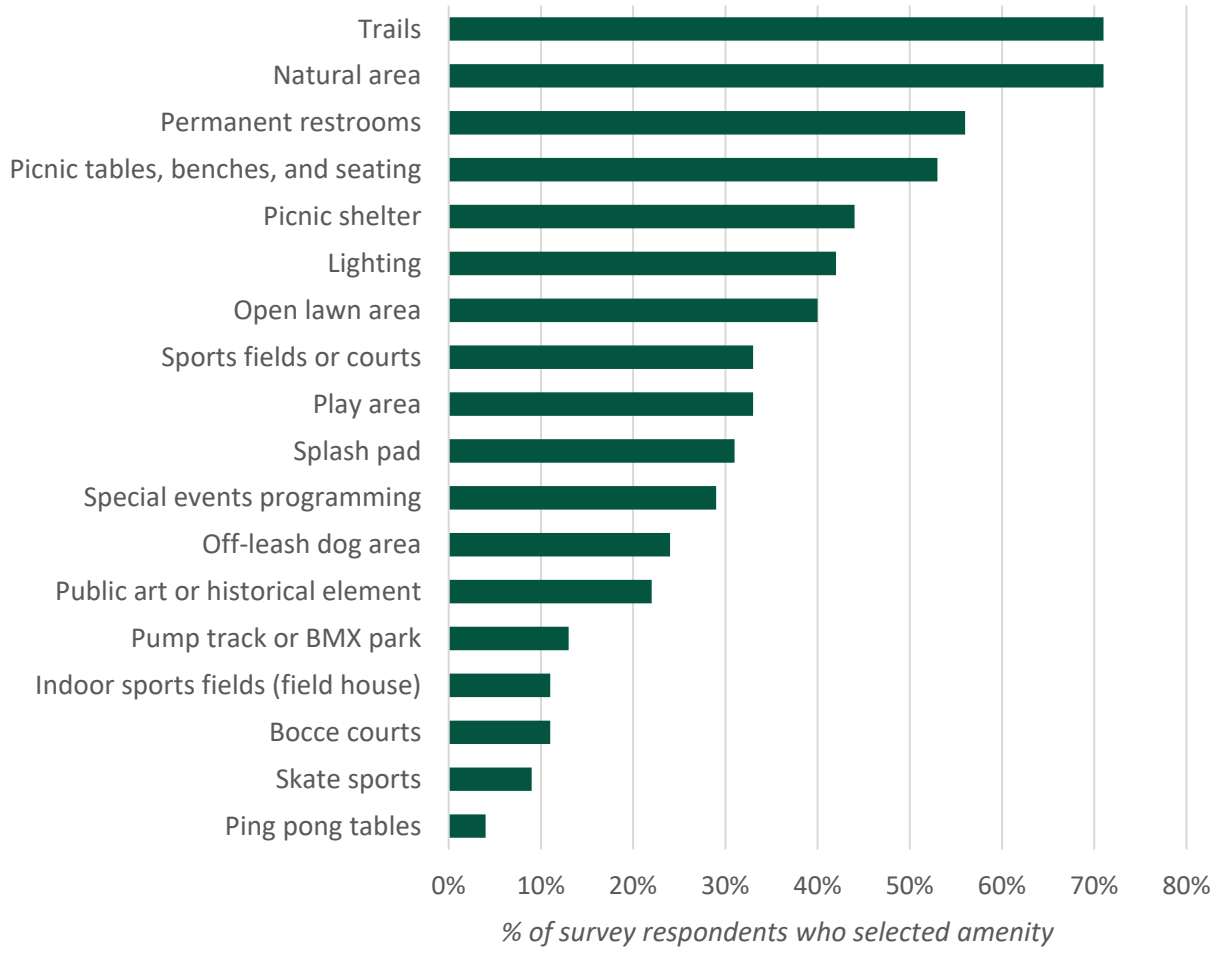
- Let's fully occupy, or even build up, existing land within Sherwood before expanding into this western area. Looking at item #4 below: Why does Sherwood need to grow? ""If you build it, they will come."" This will prove true. The opposite also holds: Don't build and the town remains small - which I view as a good thing.
- Give kids more space to play in larger yards with houses further apart!
- Yes, related to the above statements, we notice that the above referenced maps are still showing the very expensive reconfiguration of the Elwert/Edy Road intersection and related configurations, which now appear to conceptually show a minimum of two bridges across Chicken Creek and one of its tributaries as well as an apparent east-west overpass (?) of Edy over Elwert. More to study and discuss and to comment on when we address transportation infrastructure in more detail. Improving the existing intersection with its existing natural resource crossings with the addition of ped/bike crossings will be less expensive and impactful on Chicken Creek and on affordability and neighborhoods and parks in that area. Please provide several alternative development scenarios for multi-modal transportation with real costs and impact analyses to each of the several alternatives and let the Sherwood community comment and decide which works best.
- they look pretty good
- Don’t do it
- I am not familiar enough to offer specific insights.
- Need a plan for walking to commercial/retail, or revise the goals.
- I like this look alot.
- I have a hard time understanding what the goal is. I really want to be constructive but these are all just awful and short sighted and illogical.
- There should be a trail from Lebeau down the west side of the North Development Area. You could probably get BPA to move their transmission line to make that land more contiguous.
- Mixed feelings but overall concept looks reasonable.
- Don't do it. Leave the farms and nature and the existing large country residential plots.
- Good network of multiuse trails. Like the connection to schools and existing trails
- At the Intersection of Elwert and Edy the road (Edy) goes up steeply. there would be nobody walking that hill anyway. So it would be wasted to put anything there.
- I like the concept, but concerned about the reality of even more kids needing to cross or walk on roads that don’t have sidewalks or safe crossing areas.
- Looks good.

What housing types do you think will be most important to build in Sherwood West’s neighborhoods to help meet the City’s goals related to housing?

Order below represents results of survey participants ranking types from most to least important

1. Small Single-Family Detached
2. Standard Single-Family Detached
3. Cottage Cluster
4. Townhouse
5. Duplex
6. Live-Work Unit
7. Triplex
8. Accessory Dwelling Unit (ADU)
9. Courtyard Apartments
10. Mixed Use Building
11. Fourplex
12. Apartments

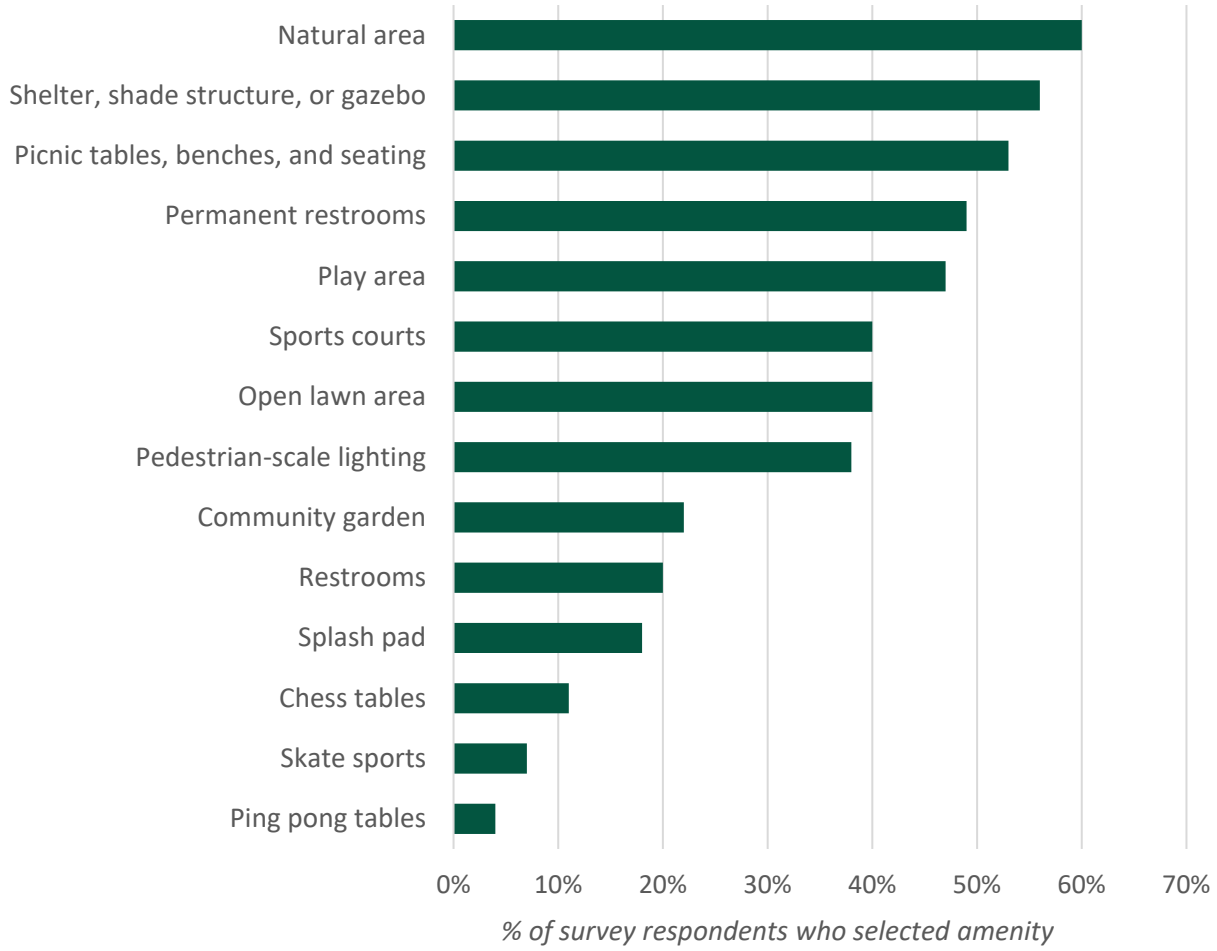
What types of activities and resources would you like to see at a future community park in Sherwood West?



Other:

- Pickle Ball, Par Course, Practice putting greens
- I would like to see nothing done on the west side. wrong place for it.

What types of resources would you like to see at future neighborhood parks in Sherwood West?



Other:

- Par Course, practice putting greens, pickle ball courts
- None. Parks invite the homeless to "camp"

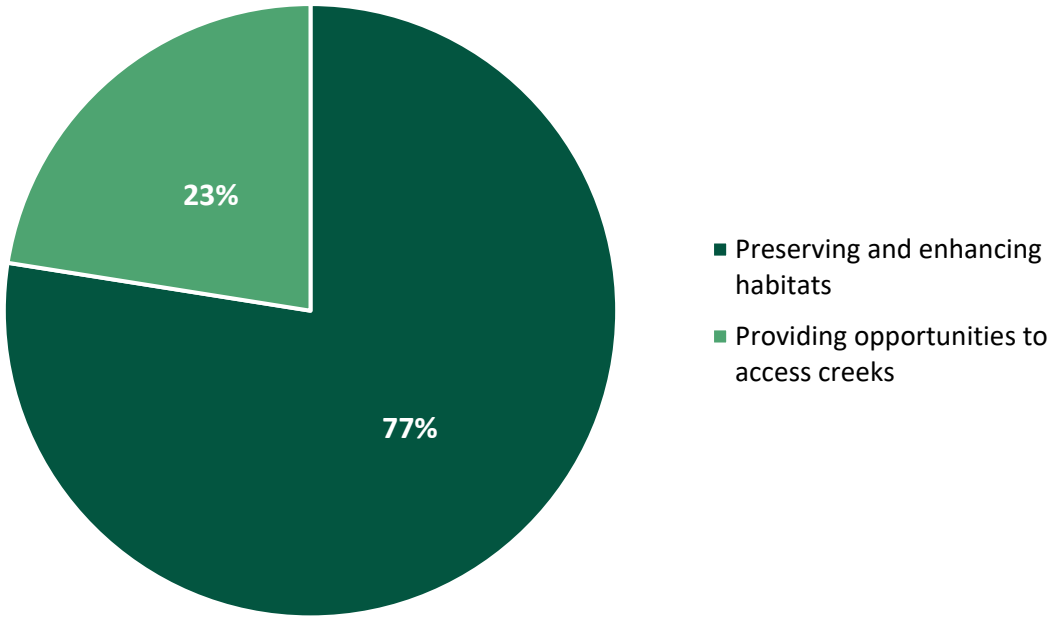
Is there anything else you'd like to tell us about creating great neighborhoods in Sherwood West?

- Please do not expand into the Sherwood West area at all!
- Please please please help muffle the sound of Roy Roger's and even Elwert and Edy.

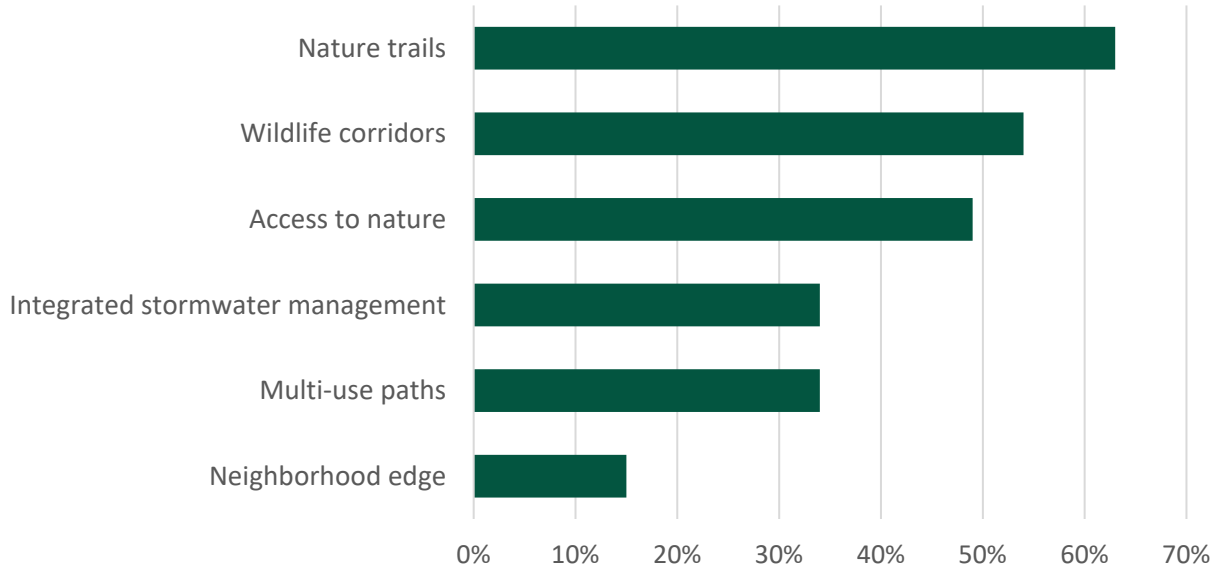
- Middle housing and attainable housing is a must. Better opportunities to purchase, Mixed neighborhoods are needed.
- Walkability and natural areas Sherwood and Joe Dills and his team have got down, but multi-modal connections between neighborhoods and all other uses in Sherwood West need to be carefully planned and safe for all.
- A variety of housing includes a variety of lot sizes. Setbacks need to be increased - house footprint to lot size is too small in Sherwood!
- Create areas for parks BEFORE planning for housing.
- Dont build them there. Sherwood West is a bad idea.
- I thought the plan showed there was enough land within existing Sherwood. I'll have to go look at it again.
- I wouldn't like to see any increased housing or parks in Sherwood West. Please don't do it.
- You said it here... the city does not have enough land to accommodate... so the question has been answered. No land! no building anything!
- Understand the housing report showing not enough land. I am tired of small lots with houses on top of each other. So if there is opportunity to have high density housing near the business sectors, but keep some larger (1/4, 1/3, 1/2 acre) lots on the edges to help blend from high density city centers to more open feel near the edges that blend with surrounding farmland
- Keep it on the east side where there is infrastructure.
- Many people who purchased homes on this side of 99 did so because of the open space. Please maintain open and green space.
- The type of housing ranking in this Survey DID NOT WORK! Apartments always showed up second and could not be changed.

CHICKEN CREEK GREENWAY

What do you think is most important: providing more opportunities to access the creek corridors, or preserving and enhancing creek corridor habitats?



Which greenway elements are most important to you?



% of survey respondents who selected element as a top priority

In addition to Chicken Creek, are there any other natural areas in Sherwood West that you think should be protected as part of a greenspace network?

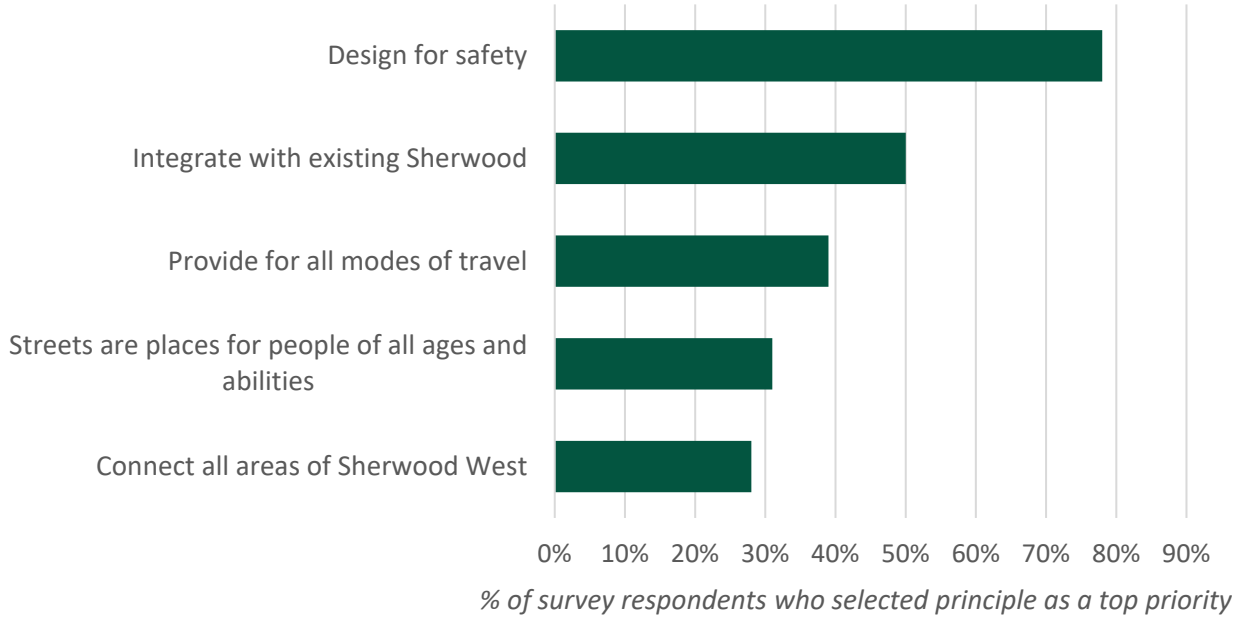
- As much of the forest as possible.
- No, great job!
- cedar creek
- No
- Sherwood is just a very sad story. Our family is looking to move out towards McMinnville. All you see everywhere in Sherwood is destruction. Tualatin Sherwood, every little piece of land going to development. And this shooting range... My god, this is ridiculous. It's just a little piece of red America. Oh well, I guess we had good memories while it lasted.
- Cedar creek
- This sounds good: "The Sherwood West Concept Plan offers an opportunity to preserve and enhance these natural corridors, provide wildlife crossings, incorporate stormwater management practices, and provide access to nature through a network of connected walking trails." But better would be to leave the land as is. The pictures provided above as models show how much "development" has replaced nature.
- All that are not yet developed
- Cedar and Goose Creaks
- Cedar and Goose Creeks
- the entire thing
- Existing habitat areas should not be fragmented. The continuity and contiguousness of the existing areas should be preserved and this aspect should be noted and be made a priority for preservation. It doesn't matter if you have 100 acres of green space if the are all 1/4 acre parcels that are not interconnected. The greenway is not just for humans it is also a path for wildlife.
- No.
- I think all of the existing natural areas should remain untouched by your plan.
- Yes all of it should be protected... don't touch anything!
- North of the Chicken Creek and Cedar Creek intersection, inside of the proposed business zone. I'm not proposing full protection here, but some element of drainage retention within the business park where an element of nature makes a good gathering place for lunchtime walks and having your lunch outdoors by a nature pond that helps filter drainage from the industrial area before flowing into Chicken/Cedar creeks. Similar comment at Goose Creek - not full protection but some element of nature in the business park
- the whole west side around Chicken creek
- Cedar Creek pathway constructed from Stella Olson Park to chicken creek with bike and pedestrian access

Is there anything else you would like to tell us about Chicken Creek Greenway or other greenspaces in Sherwood West?

- This is where my house is. Keep the are as it is; keep it safe for existing homes and existing wildlife.
- As we move into the Community Planning Stage for Sherwood West, the less impactful balance will be required between the affordable and efficient provision of the gravity sanitary and storm sewer systems and the natural resources areas, which typically recover quickly with careful regrading and replanting of indigenous native plant species. These public systems along with water and transportation too should be carefully planned and developed to keep costs down and development affordable which results in enhancing the general overarching goal of affordability for all residents and businesses. If what we build is too expensive, then the goal of diversity of development and opportunity for all will suffer.
- this is a very important part of the livability of Sherwood and i support this part of the plan
- I live in the Sherwood school district, on Baker Road outside of the city limits. The sprawl north of Sherwood is discouraging and it is discouraging that Sherwood's elected leaders want more of the same here.
- I like all of the photo examples that appear here. The more we can do to provide for this, the better
- Dont build near it.
- Good job with the keeping the road plan from 2016 that minimized impacts to the creek and slows traffic on Elwert.
- Please don't mess up a good thing. It is great as it is, please leave it be.
- Sherwood does not want to be Beaverton or like any other town..
- Have you looked or walked on the Fanno creek trail? it is filled with homeless camps. it's not even safe to walk this trail anymore. is that what you want for Sherwood?
- Connect Cedar Creek trail

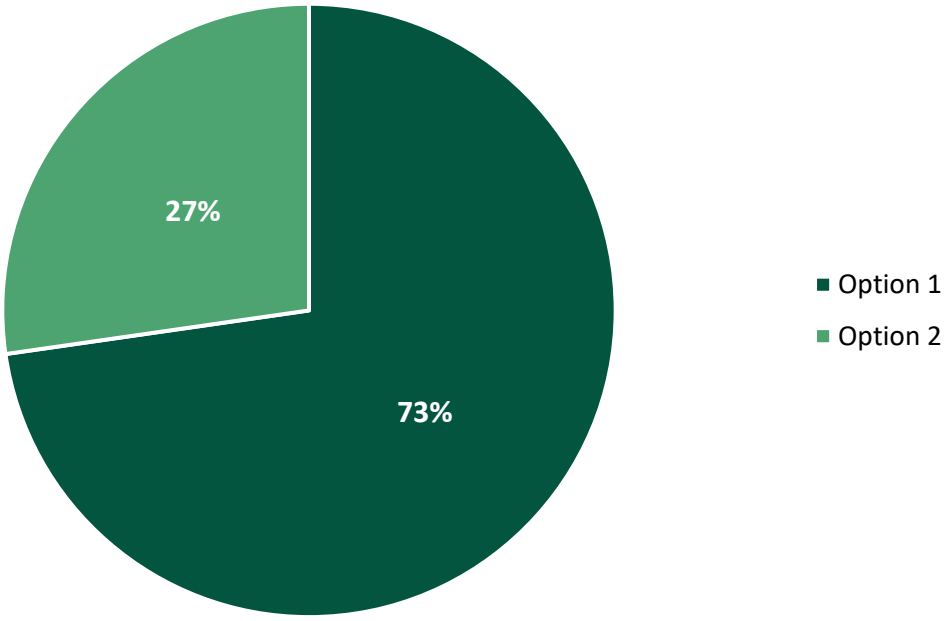
LIVABLE AND CONNECTED STREETS

Which livable & connected streets principles are the most important to you?



% of survey respondents who selected principle as a top priority

Which of the two street options do you think will best serve Sherwood West?



Looking at the rest of the street plan, are there any specific roads or intersections you would like to comment on?

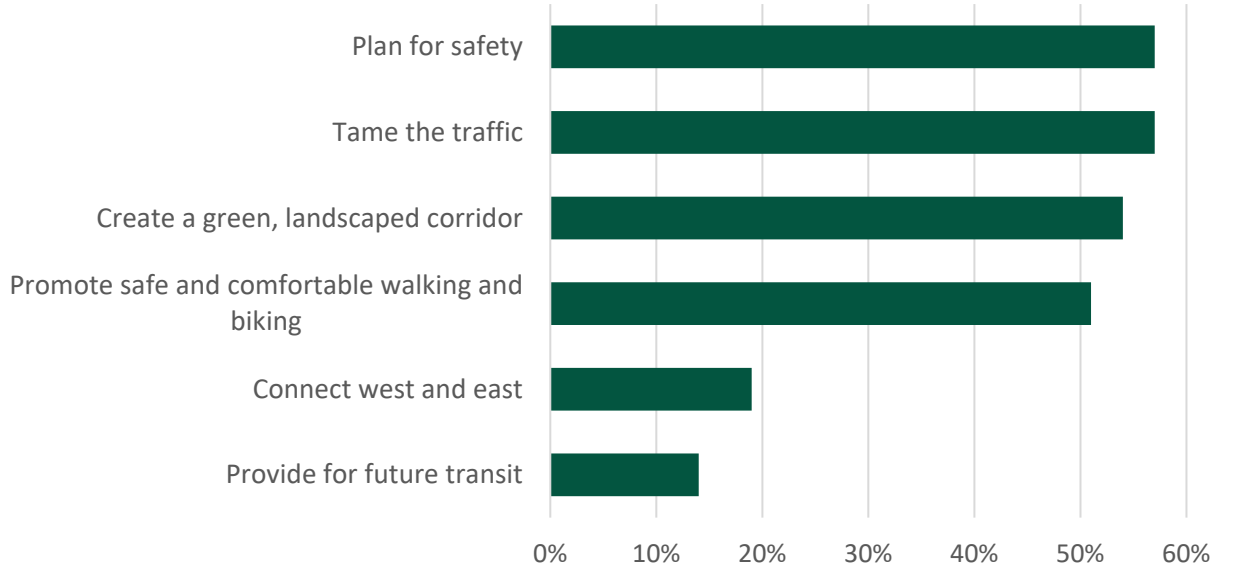
- Edy & Elwert intersection, in its current form, is extremely dangerous. Option 1 is far better than Option 2. Also, Edy Road should be repaved. The current asphalt is rough and creates very loud road noise. A smoother surface is needed for this road.
- We like the idea of developing as many of the new minor collector roads as shown linking the neighborhoods serving the north side of Area 3, the west sides of Areas 3 and 4, and the south side of Area 5 as Sunset Blvd type street section (treed with planter strip and adequate left turn refuges. With the expectation that significant traffic will continue to be a problem for all existing major collectors (Elwert and Edy as well as Kruger and Chapman), they should all be developed as generous ROW width boulevards with center planter strips and two travel lanes both directions with generous left and right turn refuges, maybe including Haide to the rear of the HS and the final approach to 99W on Chapman. Obviously, Sherwood working with the County will be generous on the arterials of Roy Rogers and Scholls Sherwood Roads. We want to avoid the problems associated with Tualatin Sherwood Road when originally planned and developed.
- There needs to be a light at Chapman and 99
- Edy and Elwart intersection. Needs to be rerouted for safety.
- Elwert Road needs to be upgraded so that it is no longer seen as a Sherwood bypass
- No, as I have not spent any significant amount of time in the area at question.
- If this plan is developed, the current Edy Road will become the primary East/West traffic path. Edy Road is not anywhere near capable of handling the load that will transpire. It should get a similar makeover as anticipated for Elwert, namely 3 lanes including a turn lane, sidewalks and bike paths on both sides, and the same level of amenities as exist on Sunset Blvd.
- Option 2 destroys my home/property. It would be devastating for me and my family to be forced to move from our home because you would build a road right through it. I am at 16365 SW Sherwood road. McConnell family.
- Brookman - Chapman Road will be required to have a stop light controlled intersection.
- Elwert is going to at least quadruple in usage if you build sherwood west. Go ahead and make it at least as busy as Tualatin Sherwood/Roy Rogers. If you go ahead with this plan, itll need to be 4 lanes.
- I'd have to spend a lot more time to study this. Trusting that the people on the CAC did that.
- Does Option 2 keep Elwert two lanes and no turning lanes?
- What are you planning to do with all of the existing homeowners in that space? People have farms, vineyards, stables, and homes that have been around for years. It is unconscionable to displace these residents.
- Leave them all alone. Enough is enough
- There should be a roundabout at the Scholls-Sherwood, Lebeau, Elwert Intersection.

Is there anything else you would like to tell us about livable and connected streets in Sherwood West?

- the need to be wide enough for traffic and parking
- I worry about the increased traffic in general. None of the existing roads are designed to handle increased traffic. Edy and Elwert are already over used today. I cannot imagine the quality of life (I life off of Edy road in the Oregon Trail HOA neighborhood) if this Sherwood West development goes forward. I will probably sell (at a nice profit!) and move away - far away.
- Yes, but only as it relates to site specific development which can be addressed at the Community Planning level of analysis, which we expect will occur soon after this Re-Look process.
- i dont think industrial buildings as those that seem to be contemplated here and "livable neighborhoods' can be in the same concept. It doesn't make sense
- more bike and pedestrian friendly
- Will Elwert rd become bogged down with stops, or continue thru ?
- Not just "mitigating impacts of regional through-traffic' but mitigating the mentality that we can continue to add local traffic onto our streets without it having a negative effect on the quality of life for our existing residents. To think otherwise is to deny reality.
- Please go with option 1. My wife and I want to retire in our current home and option 2 would force us out.
- Roy Rogers is going to become a disaster.
- None of these are really viable unless there is massive street expansion
- Provide access from HWY 99 to Wine Country Gateway development with hospitality, food and beverage, retail, etc.
- Please consider cars. We aren’t giving them up, so please accommodate for them
- Plan 1 eliminates access to several properties.
- Provide pedestrian and bike paths.
- Scrap the Sherwood West plan. It will mess up a beautiful area that people don't want changed.
- Very strong preference for #1
- the intersection of Elwert and Edy is a wet land. In the last year a traffic light has been installed and I have personally had two close calls where people run the red light on Elwert. There will be a fatality here at this intersection and putting more housing is only going to make it worse.

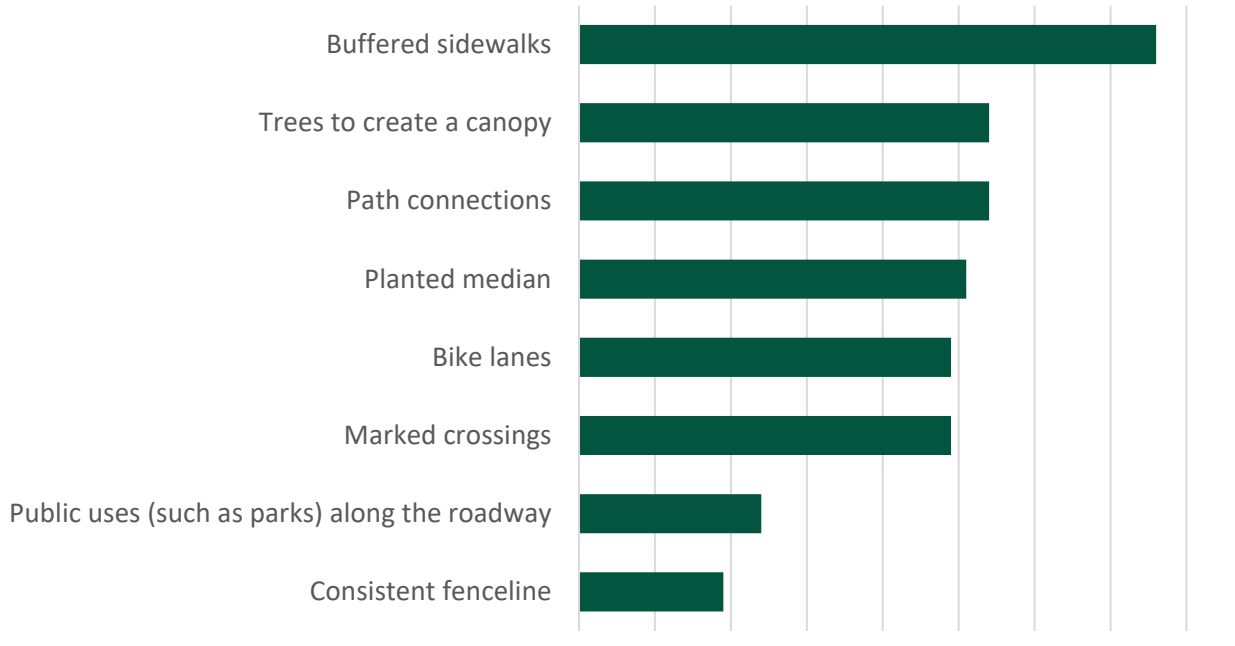
ELWERT ROAD DESIGN CONCEPT

Which of the following principles are the most important to you regarding the future design of SW Elwert Road?



% of survey respondents who selected principle as a top priority

Which of the design elements would you most want to see on SW Elwert Road?



% of survey respondents who selected element as a top priority

Other:

- you have trees to create a canopy. we have that now before you destroy it.
- Fewer cars than we already have. The impact we see today as a result of the new high school is already a mess.

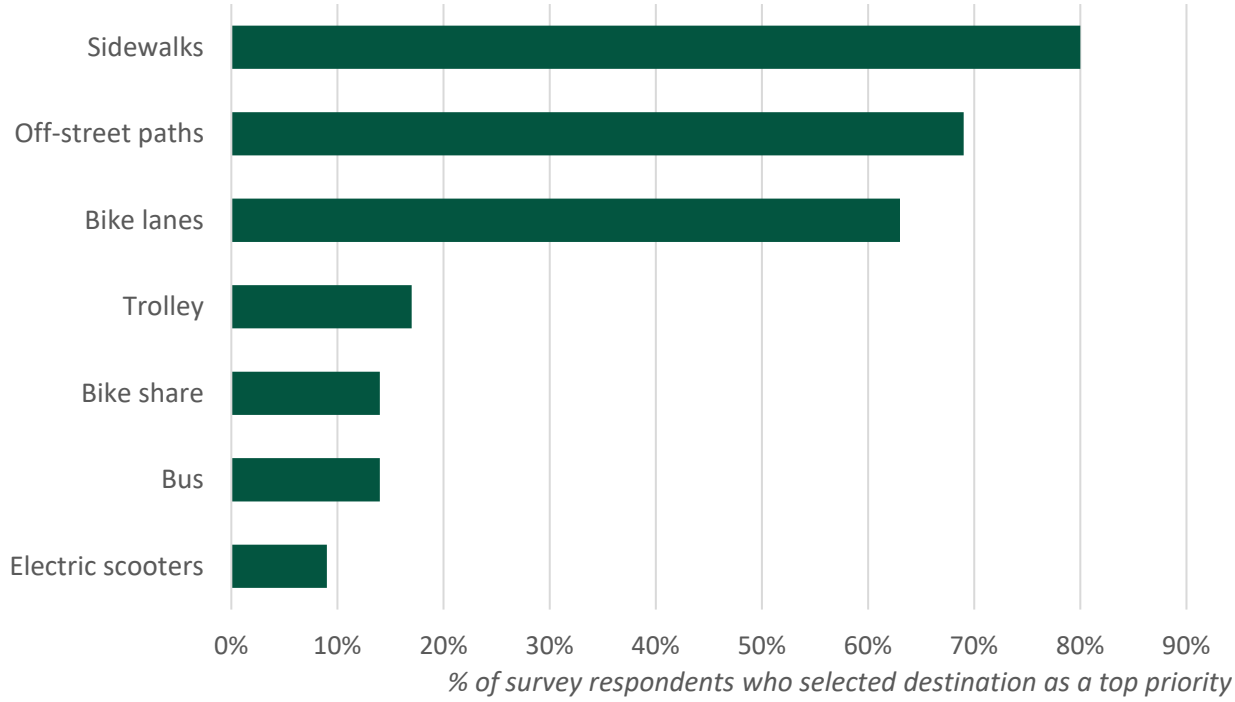
Is there anything else you would like to tell us about the design of SW Elwert Road?

- Elwert is a rural road at present. It would be nice to keep it that way.
- As above, Option 2 should be the new preferred alternative based on affordability issues and less impact on the existing Chicken Creek natural resource areas. Redeveloping the existing Elwert and Edy intersection can be done in a manner that could even provide for a larger roundabout located in the NE and/or SW quadrant which appears to be partially developed and farmed upland areas to protect the existing riparian and natural habitat areas along the Creek. Enhanced wildlife crossings will have to be developed in those areas to which wildlife has already been displaced by the existing traffic problems. Developing wildlife crossings and mitigating the impacts of Option 2 should be significantly more affordable than the substantial realignment and infrastructure improvements planned for Option 1. Given the current state of affairs in our City, State and Country, we owe it to our citizens to plan for efficient and cost effective development at every level.
- Edy and Elwart's intersection needs to be moved west.
- need to connect pedestrian/bike the rest of the way to Edy SOON. it is used and is so much more dangerous now with increased HS traffic.
- it carries about 9,000 average daily trips today and is forecast to carry 14,000 average daily trips in 2035". In traffic analysis, the effect of moving from 9 to 14 K trips will be more like tripling the congestion. I think only a minority of people looking at these options realize that the congestion grows exponentially, not linearly. And the more lanes we build, the more cars will be attracted to use those lanes. It is a vicious cycle, and if we do not realize that upfront, we will continue to spend more and more on street widening projects and just get more and more frustrated with the results. The same treatment needs to be applied to Edy Road.
- Its going to have to expand massively. The traffic is so bad on 99 and Roy Rogers, if you build Sherwood West youre going to have at least 14,000 visitors right away (not 2035) becuase you create a faster way to get through. right now its more difficult for people to access because its single lane but when you make it the ONLY choice for more people, its going to be a mess.
- Does it remain only two lanes with mini minimal turning lanes?
- Connect into regional bike pats
- There are high-voltage towers and lines that run in that area. It is not suitable to place homes near them. Please don't built in Sherwood West - I'm begging you.
- With no further growth is fine the way it is so nothing needs to be done.
- Why do you have pictures here that are over a year old? The intersection has a traffic signal light at it now. Again get out of the office and look at what is existing.
- Traffic circles work

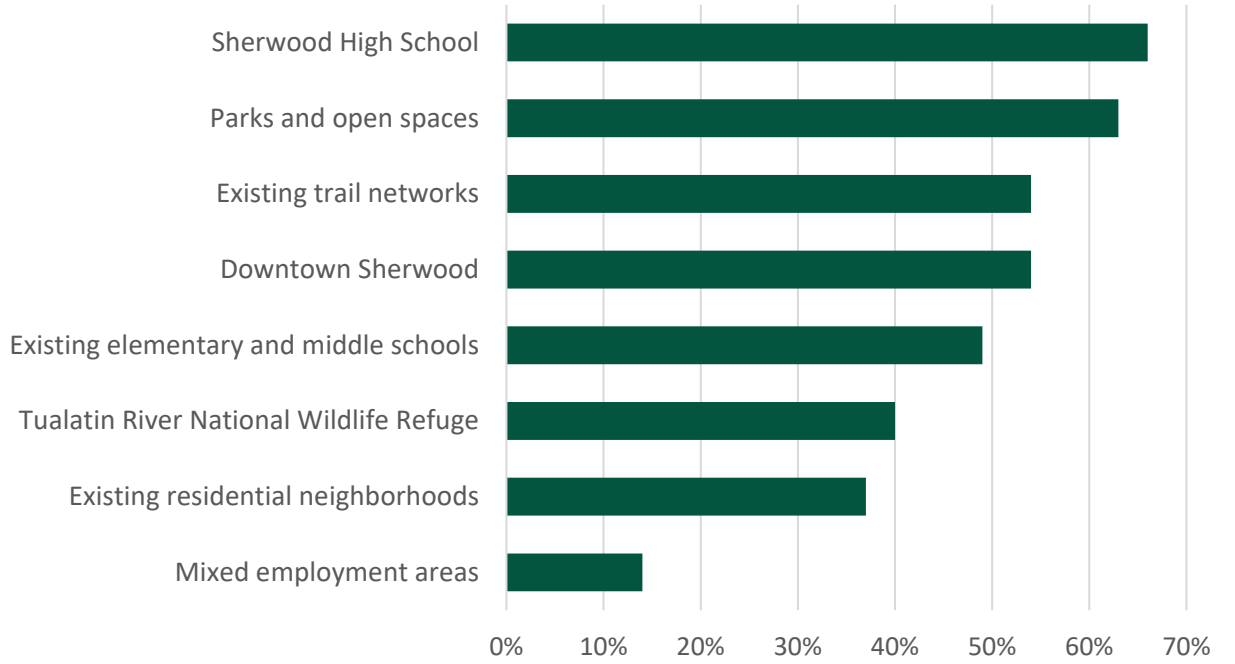
- Better foot paths to the High School - over passes potentially so traffic is not impaired and can accommodate the high influx and exodus of traffic to and from the High School.

ACTIVE TRANSPORTATION

What destinations do you think are the most important to connect Sherwood West's future neighborhoods to by walking and biking?



What types of active transportation infrastructure or programs would you like to see in Sherwood West?



% of survey respondents who selected destination as a top priority

Other:

- There are no bike lanes all the way up Edy and it is heavily travelled by bikes. someone is going to get hit here eventually.

Is there anything else you would like to tell us about active transportation in Sherwood West?

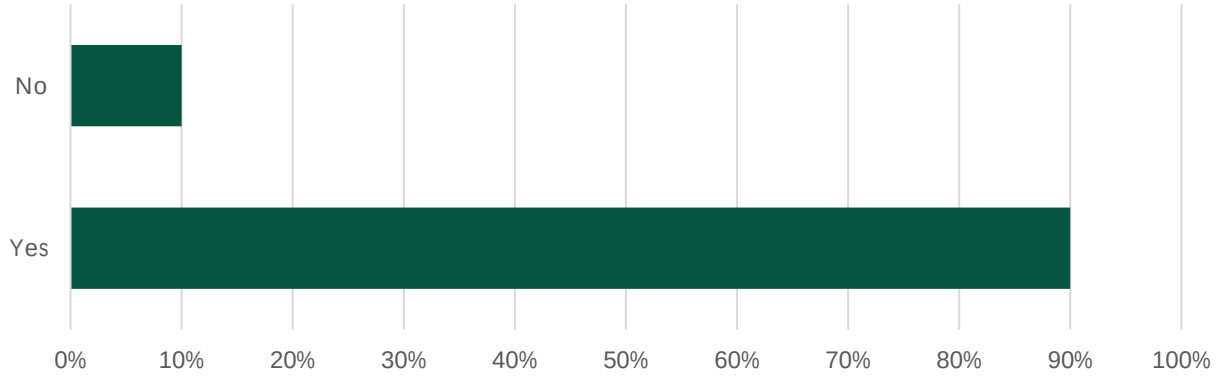
- We like the idea of the Chicken Creek Greenway and active transportation and trail system as conceptually planned. We like the idea of affordable bus service through Sherwood West and believe that the Elwert/Edy Option 2 plan with roundabout in upland areas in the SW and/or NE of that intersection would provide the best and most direct transit service between the new employment areas and neighborhoods, connecting to 99W and Downtown and existing neighborhoods.
- Transportation here has to be about safety, families and kids
- Address the 99w traffic that cuts thru Elwert to Roy Rodgers rd. Also traffic that uses Sunset as a bypass around the 'six corners' intersection.
- I'm absolutely against bus, shared bikes and scooters. Especially a bus on sunset or going through Woodhaven. It will ruin the quality of life for all that live off of it. Scooters have been a disaster in Portland. It's asking for trouble. I don't want bikes and scooters tossed and left sitting wherever. I'd

like to keep a more urban/suburban feel. Please don't open us up to being crowded like Beaverton and Portland.

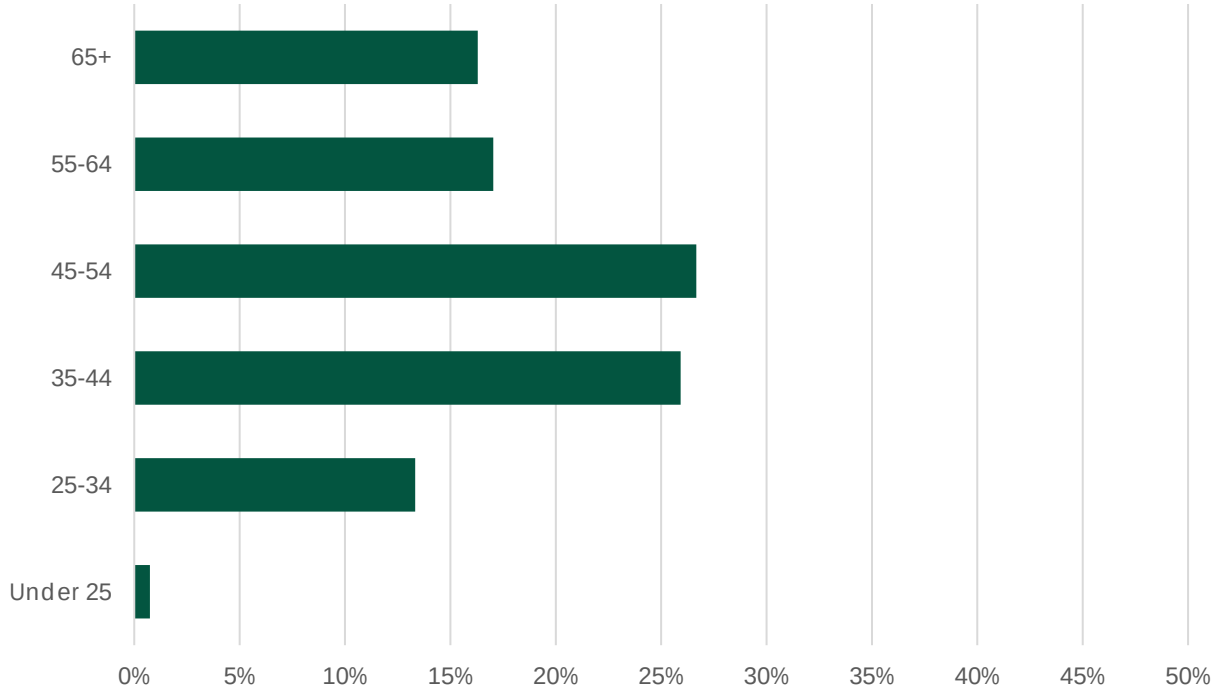
- Connect Sherwood to regional bike paths. I would like to safely bike across Sherwood but bing able to safely connect to other communities is important too.
- There are better places to bike and walk. I don't want the environment changed to accommodate bikers, pedestrians, more homes, and businesses. There are plenty of other options, and we don't need any more residential construction in Sherwood. Period.
- No one is asking for Sherwood to grow except for the money hungry developers and builders and if it's the Mayor too. We'll
- Are off-street Paths (multiuse- pedestrian & bike), if so I like that more than bike lanes on the roads. Sherwood has many young families and having the ability for small children to ride away from the road with parents and older siblings is important for supporting the family friendly draw of Sherwood.
- with all the upgrades to the roads that are needed who is going to pay for it? Not fair to make the existing community pay for these upgrades to the roads that are just fine for our use now. if they develop a ton of houses make the developer pay for the infrastructure upgrades.
- Please do not put electric scooters in. They have not legitimate purpose and we will just have scooters strewn about this side of town.
- There should be a trail that connects further up Lebeau at the northwest corner.

Survey Respondent Demographics

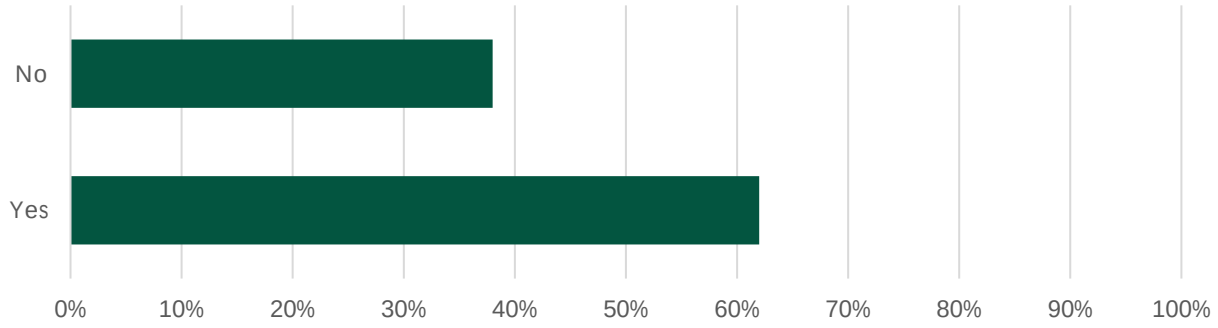
Are you a resident of Sherwood?



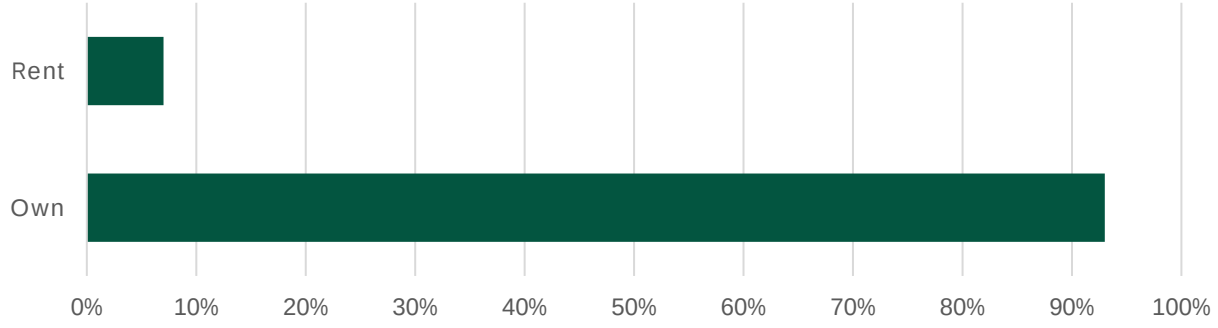
What is your age?



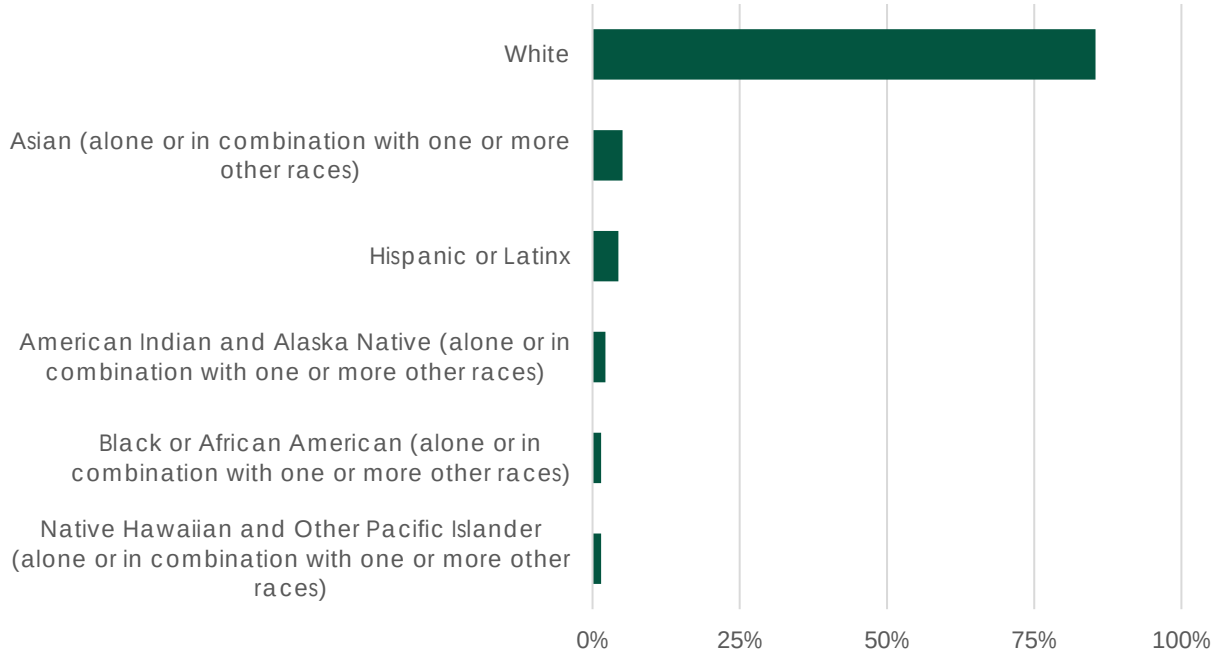
Are there children in your household?



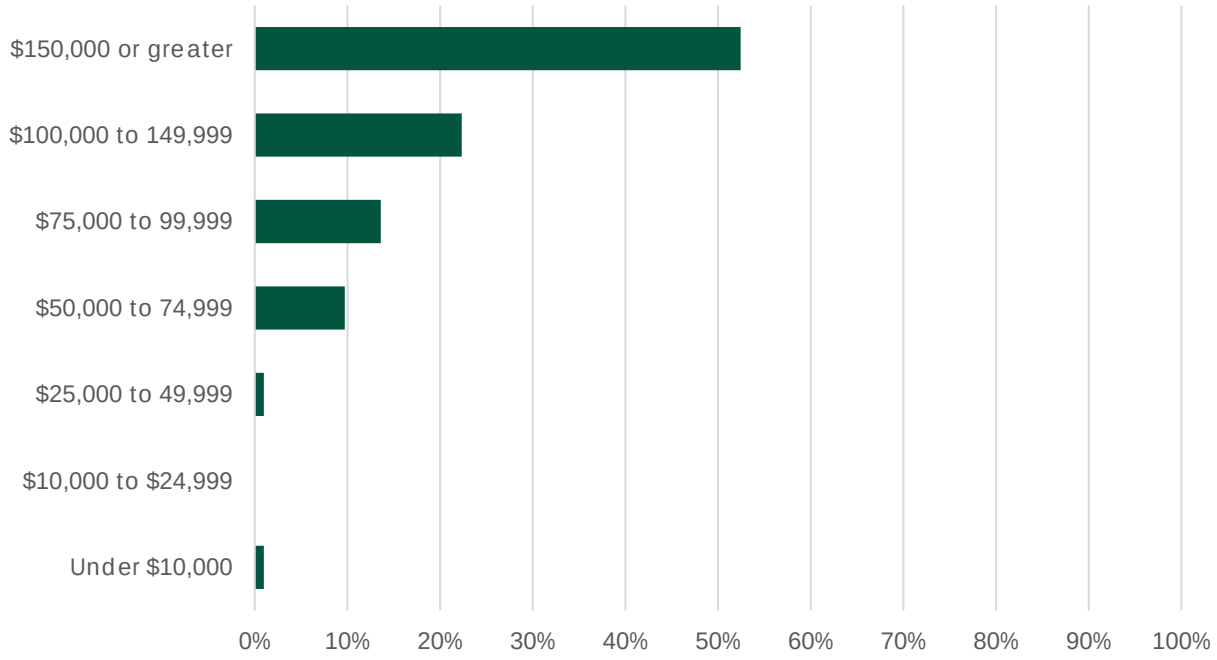
Do you rent or own your home?



How do you identify your race or ethnicity?



What is your annual household income?



APPENDIX E

Open House #2 and Survey Summary

OPEN HOUSE #2 SUMMARY

TO:	Sherwood West Community Advisory Committee and Technical Advisory Committee
FROM:	Sherwood West Project Team
DATE:	November 10, 2022

Introduction

This memorandum provides a summary of the results from the Sherwood West Concept Plan Open House #2, which included both in-person and online participation options.

Open House

The in-person open house took place at Ridges Elementary School on October 20, 2022, from 5:30-7:30 PM. The open house was advertised through a mailed postcard to all Sherwood West property owners, the project's interested parties email list, all City boards and commissions email lists, the City's utility email billing list, the City's social media accounts (Facebook, Twitter, and Nextdoor), and a printed flyer and the City's reader board. A total of 60 people signed in at the event, and an additional 20 to 30 people attended without signing in.

The open house provided an opportunity for attendees to review presentation boards and other information and ask questions of the project team. The presentation boards provided the following information:

- **Background and Overview** – Project purpose, vision/goals, and timeline.
- **Plan Concepts** – These boards summarized concepts related to trails, the Chicken Creek Greenway, Elwert Road design, housing choices, and mixed employment areas.
- **Land Use Alternatives** – These boards provided information about three alternative ways that land uses could be arranged in Sherwood West. The alternatives were presented and compared by subdistrict—North, Far West, West, and Southwest.
- **Transportation Concepts** – These boards provided a map and information about several key transportation improvements that are being studied through the Concept Plan Re-Look process.

Copies of the Land Use Alternatives posters were also placed on tables and attendees were encouraged to rank the alternatives in order of preference by placing dot stickers (labeled 1, 2, and 3). Participants could also write comments on the posters. See Attachment A for a summary and photos of the results of this exercise. Conclusions from the results of this activity are as follows:

- North District – Alternatives 1 and 2 are tied for most 1st choice votes; however Alternative 1 has more 2nd choice votes.
- Far West District – Alternative 1 has most support.

- West District – Alternative 1 has most support.
- Southwest District – Alternative 2 has most support.

In addition, hard copy questionnaires provided another opportunity to weigh in on the land use alternatives and transportation concepts. The questionnaire asked the same questions as in the online survey (see below). Four questionnaires were submitted—see Attachment B.

Online Open House / Survey

An Online Open House provided similar information as was presented at the in-person open house—it is still available online at this link: https://arcg.is/044vDW. Because of the breadth of information covered in the open house, participants were invited to select and explore any topics that interested them from a menu of pages. The open house also included a link to an online survey, which was available from October 20 through November 3, 2022. A link to the Online Open House was posted to the project website and promoted through the same digital outlets as the in-person open house. The survey received a total of 104 responses.

The main purpose of the survey was to solicit input on the three land use alternatives. The survey presented information about each alternative and, for each district, asked respondents to rank them in order of preference (or to select "none of the above"). For each district, respondents were also asked:

- What do you like in the alternatives?
- What do you not like in the alternatives, or what would you change?
- If you selected "None of the above", please tell us why and what you think the long term plan should be for this area.

The survey then presented a "Bonus Topic" of Key Transportation Improvements Under Study--similar to what was presented at the in-person open house. The five potential transportation improvements include:

- Elwert Design Concept
- Elwert Realignment
- Overpass Connection to Brookman Area
- Pedestrian Overcrossing
- Conceptual North-South Connector

For each improvement concept, the survey asked if respondents had any comments or questions.

Lastly, the survey asked a set of demographic questions to get a sense of who took the survey.

Survey Results – Land Use Alternatives

Below are the results from respondents' ranking of land use alternatives for each district. The first, more detailed, chart indicates what percentage of respondents ranked each alternative as Rank 1, 2, 3, or 4. The second chart indicates a weighted average score for each selection—these charts give a sense of which alternatives were generally favored over others.

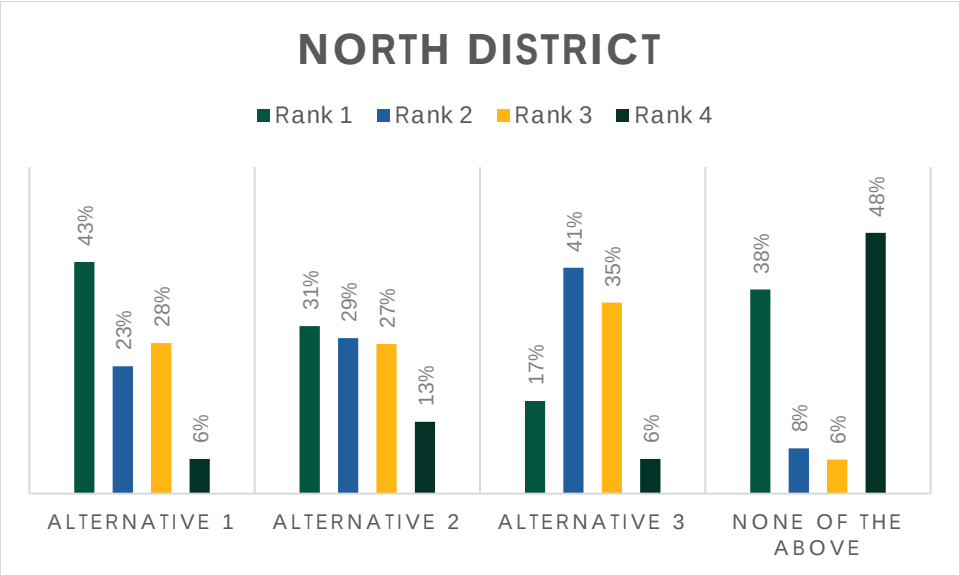
Following each chart is a summary of the key themes from the written responses (what did you like/not like, etc.). A full survey report with all individual written responses is included as Attachment C.

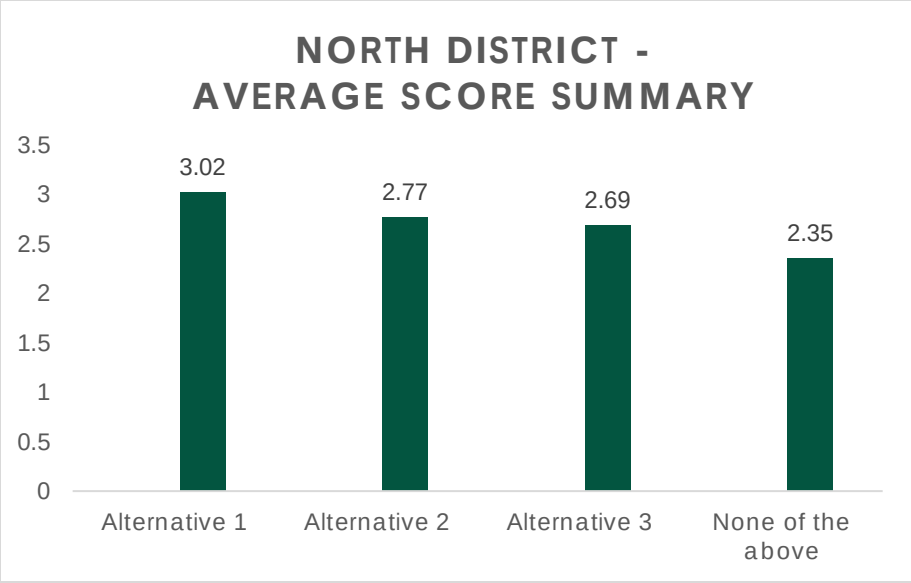
[NOTE: This is not a scientific survey. The online open house was intended as an additional way for people to get information and participate, but it does not reflect a representative sample of Sherwood resident's opinions about Sherwood West.]

NORTH DISTRICT

If the City were to choose to grow into the North District in the future, how should the Concept Plan guide that growth? Rank your preferences among the three land use alternatives for the North District. (If you do not like any of the alternatives, rank "none of the above" as #1.)

[102 answered; 2 skipped]





Themes from Written Responses:

Likes:

- Parks
  - Some specifically mentioned parks at Edy Rd
  - Greenspace around Chicken Creek
  - Parks near multi-family
- Employment focus
  - Jobs compatible to Sherwood for people to live and work in community
  - Employment on the edge near transportation corridors (Scholls Sherwood/Roy Rogers)
- Housing
  - Medium density housing/multi-family near employment
  - Keeping employment buffered from housing
  - Good balance of housing and employment/commercial uses
    - Some specifically mentioned Alternative 2 best mix of uses
  - Cottage clusters near Chicken Creek

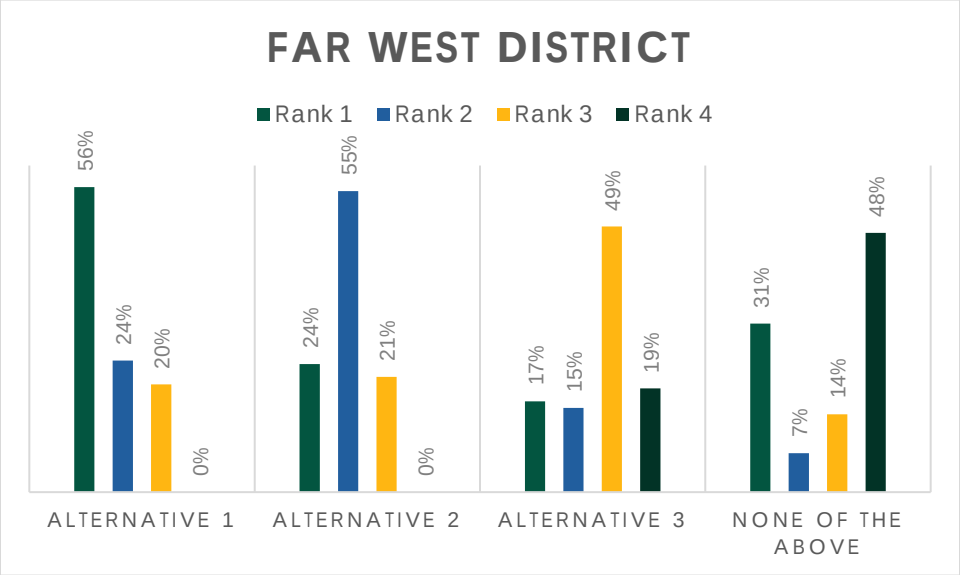
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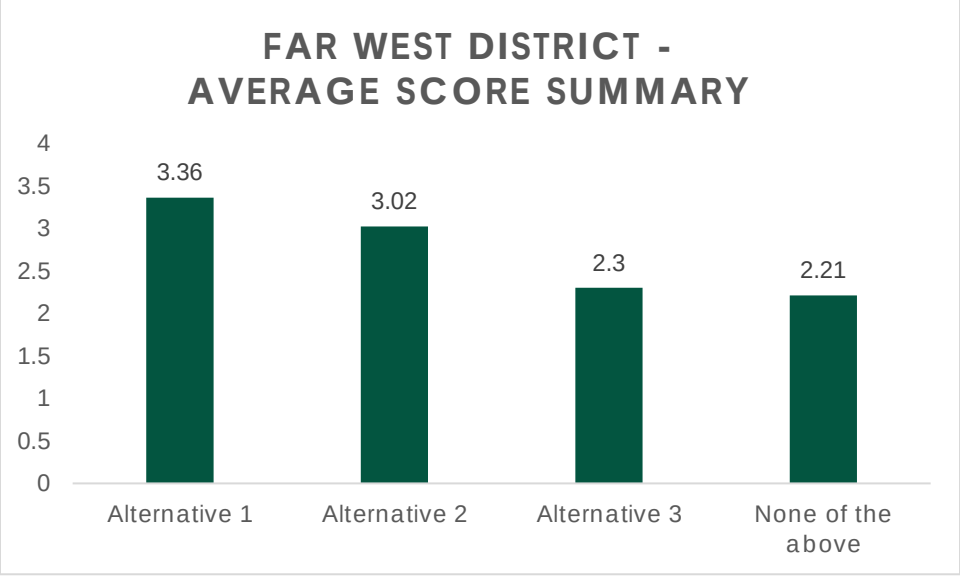
- Area too focused on employment
- Employment near Chicken Creek
- Medium density housing near Edy/Elwert intersection – The amount of traffic existing on Edy/Elwert
- Place housing east of Elwert on Edy near existing subdivisions (Oregon Trail, Mandel Farms)
- Hybrid of Alternative 1 and 2
- Traffic congestion on roadways with new development

FAR WEST DISTRICT

If the City were to choose to grow into the Far West District in the future, how should the Concept Plan guide that growth? Rank your preferences among the three land use alternatives for the Far West District. (If you do not like any of the alternatives, rank "none of the above" as #1.)

[98 answered; 6 skipped]





Themes from Written Responses:

Likes:

- Parks
  - Balance of open space and housing

- Access and protection of the Chicken Creek Corridor
- Parks in neighborhoods and access to trails

- Housing
  - Low and Medium density housing
  - Cottage cluster housing

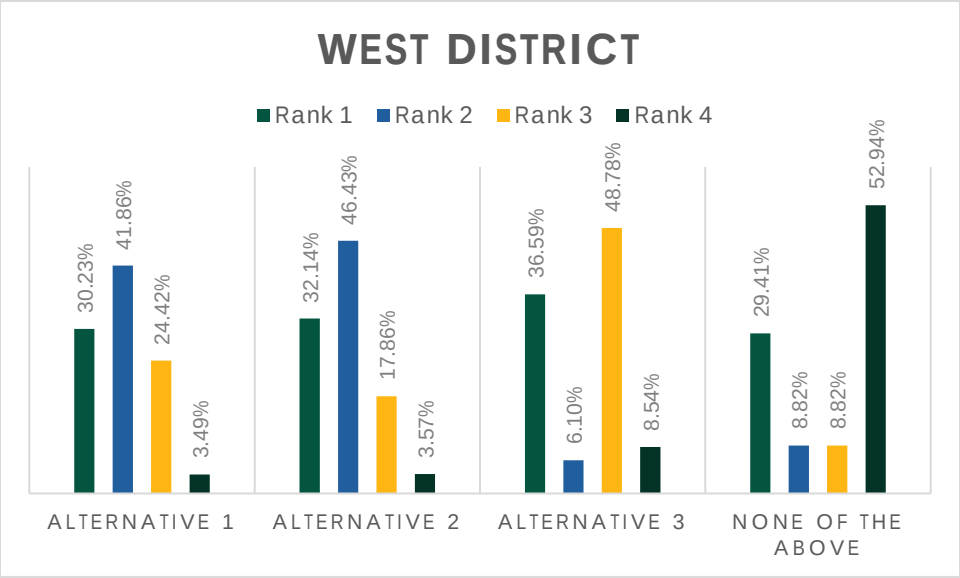
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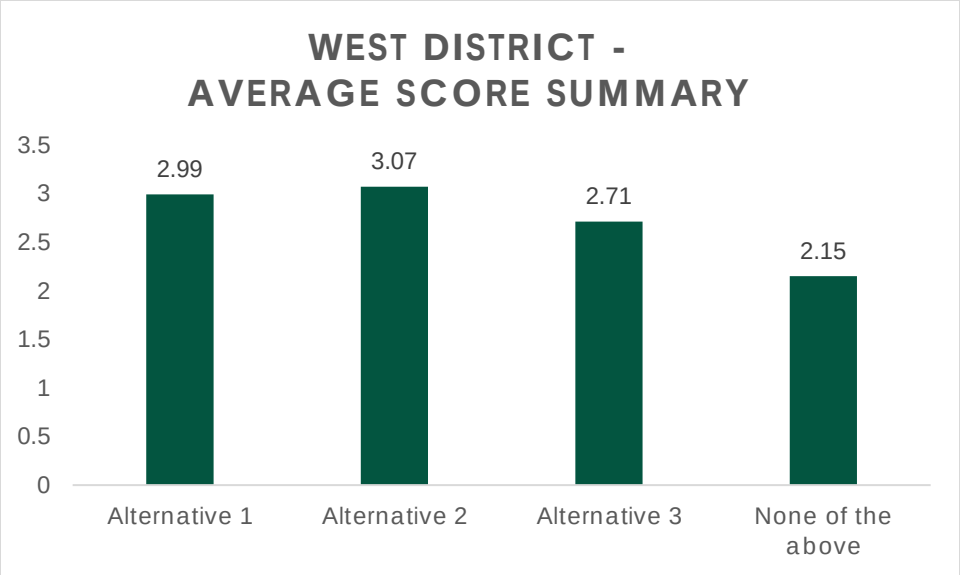
- Lesser density housing in areas of steeper slopes
- Impacts to existing Eastview neighborhood – proposed road connection
- Intersection at Edy/Elwert is dangerous
- Traffic impacts in the area with additional housing

WEST DISTRICT

If the City were to choose to grow into the West District in the future, how should the Concept Plan guide that growth? Rank your preferences among the three land use alternatives for the West District. (If you do not like any of the alternatives, rank "none of the above" as #1.)

[94 answered; 10 skipped]





Themes from Written Responses:

Likes:

- Parks
  - Large park and trails
  - Access to Chicken Creek Corridor
- Housing
  - Housing near high school – kids can walk to walk/bike to activities
  - Higher density and mix of housing and uses near the high school
  - Cottage Cluster housing
- Mixed Use
  - Mix of uses near high school
  - Smaller commercial/retail uses and eateries
  - A neighborhood anchor development –inspiration Orenco type of concept

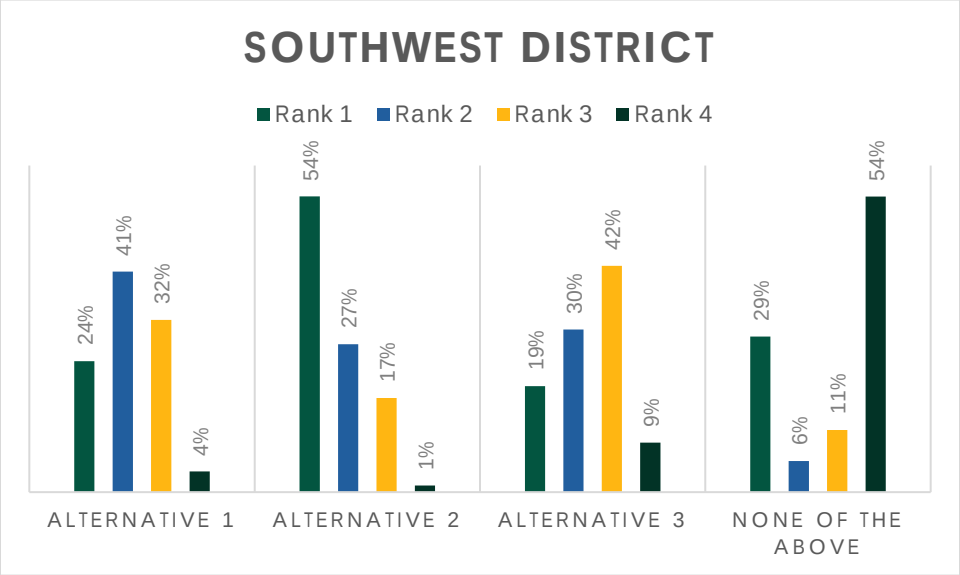
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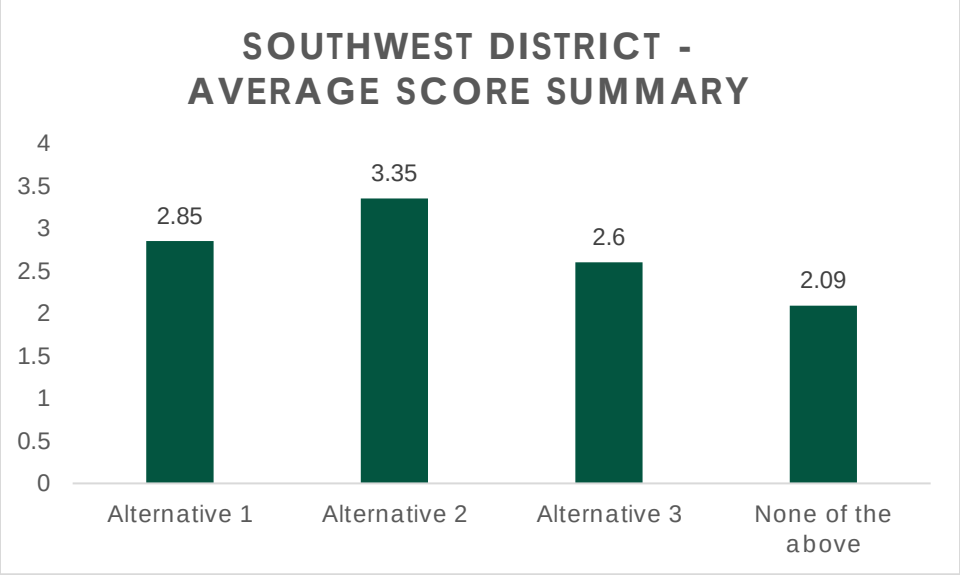
- Increase of traffic
- Edy/Elwert intersection is dangerous
- Extension of Eastview Rd is not practical
- Cottage cluster housing near high school – less likely to have children going to school
- Relocation of Elwert
- Too much high density and cottage cluster housing
- More employment commercial will impact traffic

SOUTHWEST DISTRICT

If the City were to choose to grow into the Southwest District in the future, how should the Concept Plan guide that growth? Rank your preferences among the three land use alternatives for the Southwest District. (If you do not like any of the alternatives, rank "none of the above" as #1.)

[91 answered; 13 skipped]





Themes from Written Responses:

Likes:

- Park
  - Some specifically liked the large park in Alternative 2

- Mixed Uses
- Hospitality uses and commercial along Highway 99W
  - Some specifically called out hospitality and employment areas in Alternative 1 and 2
  - Some specifically called out Alternative 3 that clusters uses together (e.g. employment and housing)
  - Additional restaurants, possible new grocery store
- Gateway to wine country theme

Changes:

- Roads to accommodate additional traffic impacts
- More employment near Highway 99W
- What is hospitality area (unclear)
- More parks and trails in this area

Survey Results – Transportation Improvements

Below is a summary of key themes from the written responses for each potential transportation improvement.

Do you have any questions or comments about the Elwert Design concept?

- Likes – buffered sidewalks, median plantings and street trees, similar to Sunset

Do you have any questions or comments about the Elwert Realignment concept?

- Maintain existing Elwert alignment but look for ways to slow it down and create neighborhood feel
- What is the cost of improving Elwert with two crossings over Chicken Creek?
- Traffic circles will not improve traffic flow
- The realignment of Elwert will increase safety, slow down traffic
- Lower the speed on Elwert to 25 mph
- Roads should be built prior to development

Do you have any questions or comments about the Overpass Connection to the Brookman Area?

- If the overpass connects to existing arterial (Elwert) it would be reasonable. It should not connect to proposed n/s connector road.
- Why would you need an overpass if intersection of Chapman/Brookman is signalized?
- Seems expensive
- Work with ODOT to reclassify Highway 99W in Sherwood; 35 mph within Sherwood City Limits
- Why does the overpass not connect Chapman/Brookman intersections?

Do you have any questions or comments about the planned Pedestrian Overcrossing?

- Pedestrian overcrossing is needed
- Why was it not built with new high school?

- Seems unnecessary

Do you have any questions or comments about the conceptual North-South Connector?

- This road is not viable due to unsafe grades, environmental impacts and safety hazards
- What traffic would use this road?
- Elwert Road needs to be widened, focus on improving Elwert Road
- The second alignment, running parallel to Chicken Creek is better option, as it impacts less homes
- A new road will negatively impact Chicken Creek
- Keep studying this as a long-term option
- An expensive idea

Survey Respondent Demographics

See Attachment C for a summary of respondent demographics.

APPENDIX F

Development Trends and Implications Memo

Sherwood West Concept Plan

Development Trends and Implications

Date July 18, 2021

To Joe Dills, Kyra Haggart
Angelo Planning Group

From Sam Brookham, Chris Zahas
Leland Consulting Group

Note: The City of Sherwood adopted an updated Economic Opportunities Analysis (EOA) in June 2023, after this document was completed. The adopted EOA includes updated information about employment land needs in Sherwood and is available on the City's website: https://www.sherwoodoregon.gov/planning/page/2023-economic-opportunities-analysis-update

Executive Summary

Introduction

This Development Trends and Implications memo is intended to highlight a variety of key trends that will be explored in more detail in another memo to determine the specific opportunities for Sherwood West. It is not intended to answer the question of what Sherwood West can be; instead, it serves to provide a baseline summary of high-level findings from existing City of Sherwood planning documents and the current land use, transportation, and development conditions in the greater Sherwood area.

The Economic Opportunities and Challenges memo that will follow this memo will provide more specific information about assets, opportunities, constraints, economic development strategies, options for long-term job creation, and recommended land uses in Sherwood West.

This memo is organized as follows.

- **Planning Document Summary.** The memo includes summaries of two existing City of Sherwood planning documents: the Housing Needs Analysis (HNA) and Economic Opportunities Analysis (EOA). The HNA and EOA[1] provide information about supply and demand for residential, commercial, and employment lands in the City of Sherwood over 20 years. As both documents are policy-oriented and based on regional growth rates, there may be additional or different opportunities for Sherwood West that will be discussed in the Economic Opportunities and Challenges memo that follows. The summary of these documents in this memo, therefore, reflects just one perspective that may require an updated assessment.
- **Development Trends.** It also summarizes the team's evaluation of recent land use, transportation, and development conditions that impact Sherwood West, including new/pending developments in King City West, River Terrace, and Cooper Mountain, residential and employment growth areas in Sherwood (Brookman and Tonquin), and other development trends in Sherwood.

The key findings from this memo include the past development trends that offer insights into future development prospects for various land uses in Sherwood West, the key takeaways from the HNA and EOA.

Past Development Trends

The development trends of the past can provide an insight into the current and emerging opportunities for new growth. Relative to many other cities in the Portland metropolitan region, Sherwood's building stock is quite new, with most of the buildings constructed during the mid-to-late 1990s and early 2000s. During this time, construction activity was

[1] The 2018 EOA was not adopted by City Council. It is simply included in this memo to highlight baseline conditions.

dominated by single-family residential homes, industrial, and retail. While single-family residential construction declined significantly going into and since the recession of 2007-2008, construction activity for industrial and retail space has remained relatively high. Multifamily construction has been limited but consistent over the past three decades. And construction activity for office, healthcare, and hospitality space has been very limited, although new and emerging trends may result in growth opportunities, particularly for Sherwood West.

ES-1. City of Sherwood Residential Units and Square Feet of Development by Decade Built

Year Built	SFR Units	Multifamily Units	Industrial	Office	Retail	Health Care	Hospitality
Pre-90s	672	225	177,139	29,319	164,187	0	0
'90 to '00	2,844	256	709,574	38,265	107,812	52,893	0
'00 to '10	1,655	261	332,881	127,036	402,803	0	0
'10 to '20	349	249	626,206	20,000	327,462	0	70,993
Total			**1,668,661**	**185,301**	**838,077**	**52,893**	**70,993**

Source: Costar, Metro RLIS (SFR Data)

Below is a summary of the trends relating to each real estate development sector.

- **Employment (office, industrial).** The industrial sector has generally been shielded from the worst effects of the COVID-19 pandemic, and rapid growth in demand for distribution facilities has spurred significant new investment activity. There are trends and opportunities on which Sherwood may capitalize, including automation, shifting consumer behaviors (e.g., ecommerce), the emergence of the "hub and spoke" offices, and the electrification of vehicles. Sherwood's office market is locally oriented, and construction and absorption have been limited. It has been more than 10 years since an office project was delivered and the pandemic remains a major disrupter to the economy at large and creates uncertainty in the development and investment community. The Tonquin Employment Area (TEA) is Sherwood's primary growth area for new employment. Several industrial buildings totaling 535,000 square feet are in various phases of planning and development at the T-S Corporate Park—the first project since the creation of the concept plan in 2010. Other projects are in the early stages of planning in the TEA, per the City, including plans for multi-tenant industrial buildings totaling 900,000 square feet on 60 acres and project interest on 30 acres that was recently annexed and an adjacent 20 acres. Between these prospects and additional interest in new development in the TEA, there is reason to believe that most of the 200 acres of usable land in the TEA will be accounted for sooner than was originally anticipated in the 2018 EOA.
- **Retail/Commercial.** New construction has averaged approximately 50,000 square feet annually over the past five years, although nothing has been built in the past year since the COVID-19 pandemic began. Except for Parkway Village South (described below), there is very little new development in the pipeline and Sherwood does not appear to face a burgeoning wave of development supply pressure. With that said, investment in new retail typically follows household growth; in the southwest Portland metropolitan region, there are several large growth areas expected to generate significant demand for new retail services and amenities. Sherwood West may capitalize on this increased demand and capture a portion through new development.
- **Residential.** Significant growth in the population aged 55 and over has given rise to the growing demand for certain housing types, including apartments, assisted living facilities, and small-format single-family detached and attached residential. Sherwood's owner-occupied housing market is considered competitive, with a sale-to-list price ratio of around 101.3 percent and averaging less than 20 days on the market before going pending. Apartment occupancy is currently at 95.9 percent—close to the five-year high—indicating demand for new development.

Sherwood West is one of several planned expansions in the southwest metro region. Others include Tigard River Terrace, Beaverton Cooper Mountain, and King City West. How and when these areas develop will directly impact the market and compete with the study area. However, it is expected that these areas will be predominately residential with limited commercial and employment development. As Sherwood West develops, there may be increasing opportunities for it to be a sub-regional hub for employment. There may also be opportunities to add retail services, but we expect the primary trade area for these other southwestern growth areas to be oriented to the north and east, rather than to Sherwood.

The following table summarizes the scale of planned development in each of these expansion areas.

ES-3. Summary of Planned Development in SW Metro Region Expansion Areas

Expansion Area	Planned Commercial / Employment	Planned Residential
Tigard River Terrace 1.0	25,000 to 40,000 sq. ft. (building area)	2,587 units (about 1,200 units built to date)
Tigard River Terrace 2.0	10 to 30+ gross acres of employment and/or commercial uses	Up to 4,500 total units
Cooper Mountain (CM), Beaverton	10-acre main street commercial Est. 80,000 to 120,000 sq. ft. (building area)	South CM: 3,430 units; Urban Reserve Area: 3,760 units; North CM: 300 units
King City West	Est. 54,000 to 85,000 sq. ft. (building area)	3,576 units

Planning Document Summary

The table below highlights the strengths, weaknesses, opportunities, and land supply and demand considerations described in Sherwood's EOA and HNA. These documents offer a potentially conservative depiction of the supply and demand factors for employment and residential growth in the City of Sherwood over the next 20 years.

While this information is helpful context, it is important to recognize that the documents reflect conditions at a certain point in time that are based primarily on an agreed-upon projected growth rate. Given that Sherwood is a relatively small city compared to most others in the Portland metropolitan region, modest developments can have significant impacts on employment and household growth. Growth could be further impacted by a proactive approach by the City, causing businesses and developers to locate in planned employment centers in Sherwood West beyond what was forecasted in each document.

There are, therefore, limitations to these documents which necessitate a fresh look at opportunities for Sherwood West. Because both the EOA and HNA are policy-based documents that follow a required framework, neither provides a discussion of emerging trends that may serve as opportunities for Sherwood West, nor do they include a complete depiction of the development pipeline in Sherwood, particularly for industrial projects. The remainder of this memorandum, as well as the next Economic Opportunities and Constraints memo, will revisit this baseline information and explore more specific opportunities and constraints for Sherwood West.

Table 1. Summary of Key Planning Documents

	Economic Opportunities Analysis	Housing Needs Analysis
Economic Strengths	• Suitable attributes for attracting new business. • Proximity of new residential growth areas. • High quality of life.	• Strong residential growth, particularly in younger families and senior populations. • Relatively high incomes compared with the rest of the Metro region.
Economic Weaknesses	• Congestion and the distance from I-5 hinder both industrial and residential prospects. • Lack of infrastructure in new growth areas. • Reliance on Tonquin Employment Area for meeting industrial land needs.	• Relatively high proportion of single-family detached housing relative to other housing types • Reliance on development of the Brookman Area for meeting residential land needs.
Opportunities	• Citywide growth potential in the industries of manufacturing, professional and business services, wholesale, and visitor and resident services. • Population growth will drive growth in retail businesses.	• Ageing population driving demand for smaller single-family housing, multifamily housing, and housing for seniors. • The growth of younger and diversified households is likely to result in increased demand for a wider variety of housing.
Land Supply & Demand	• Sherwood had 242 acres of unconstrained employment land in 2018, of which half is in the Tonquin Employment Area (TEA). • Employment growth is projected to drive demand for 86 gross acres of industrial land and 85 gross acres of commercial land. • Sherwood has a 24 gross acre surplus of industrial land and a 57 gross acre deficit of commercial land. The surplus is, in reality, much less given the new development coming online.	• Land base can accommodate 65 percent of forecasted population growth. • Limited supply of land for moderate- and higher-density multifamily housing, causing a barrier to the development of townhouses and multifamily housing, which are needed to meet housing demand resulting from the population growth of seniors, young families, and moderate-income households.

Source: City of Sherwood

Economic Opportunities Analysis

The 2018 EOA is "an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends."

The primary goals of the EOA are to:

(1) project the amount of land needed to accommodate the future employment growth within the Sherwood City Limits and employment land areas in the Urban Growth Boundary (UGB), namely Tonquin Employment Area and Brookman Annexation Area, between 2019 and 2039;
(2) evaluate the existing employment land supply within Sherwood to determine if it is adequate to meet that need; and
(3) fulfill state planning requirements for a twenty-year supply of employment land.

While the EOA provides an indication of the strengths and weaknesses for job creation and highlights specific opportunities for Sherwood West, it is important to note that the Sherwood City Council decided not to adopt the 2018 EOA and to make updates closer to the adoption of the Comprehensive Plan. The reasoning for not doing so was primarily due to discrepancies between the rate of employment growth projected in the EOA and by Metro. Other

information provided in the EOA, such as broader economic trends and land availability, are still relevant and are discussed here.

The key points of the 2018 EOA are as follow. It is important to emphasize that this section simply summarizes what the EOA indicates, rather than a comprehensive discussion of the specific opportunities for Sherwood West.

Land Supply and Demand

The EOA included a discussion of land supply for employment and commercial development. Key findings are listed below (all findings are as of 2018).

- In 2018, Sherwood had 242 acres of unconstrained land[2], 141 of which is vacant and 101 of which is potentially redevelopable (i.e., underutilized but not vacant sites). Nearly 60 percent of the vacant land (and 40 percent of the redevelopable land) is in the Tonquin Employment Area (TEA). Most were sites less than five acres, nine sites were between five and 10 acres, and three were larger than 10 acres, including just one 50+ acre site in the TEA and two 12-acre industrial sites. Small industrial sites are considered an issue by the City and its economic development partners; the Metro Employment Land Site Readiness Tool Kit describes smaller sites with multiple owners and limited infrastructure as a regionwide issue in the Portland metropolitan area.
- While there has been little new development since the 2018 assessment for the EOA, anecdotal evidence from the City of Sherwood indicates a more constrained land supply than what is portrayed in the EOA. Sherwood West has a potential opportunity to capitalize on regional demand for large industrial sites, particularly given the aforementioned regionwide shortage.
- Sherwood's employment base was 8,340 jobs in 2018. The EOA forecasts 11,785 jobs by 2039, an increase of 3,446 that is projected to result in the demand for 86 gross acres of industrial land and 85 gross acres of commercial land.
- **Industrial.** Most of the buildable vacant employment land in Sherwood is designated as industrial as opposed to commercial, retail, or other types of employment. Sherwood has a supply of 110 acres of suitable land designated for industrial uses, which is a forecasted surplus of 24 gross acres over 20 years, per the analysis conducted for the EOA. There is a greater surplus with the addition of the TEA and the Brookman Addition.
- **Commercial.** Sherwood has 28 acres of land designated for commercial uses. The employment forecast projects demand for 85 acres of commercial land. Sherwood has less commercial land than the City is projected to need over 20 years, with a deficit of 57 gross acres of commercial land.
- **Future Development.** Sherwood has 172 acres of land designated for employment uses in future development designations in the Tonquin Employment Area and Brookman Annexation Area. In total, this land is likely to sufficiently meet both industrial and commercial demand over the next 20 years. However, if the rate of development increases as expected beyond what was forecast in the EOA, there will likely be a shortage of appropriate sites—particularly sites in excess of 10 acres—for employment growth in the City of Sherwood, thereby creating development opportunities in Sherwood West. These opportunities will be further explored in the Economic Opportunities and Constraints memo.

Sherwood's Economic Strengths and Weaknesses

The EOA included several strengths and weaknesses that affect Sherwood's ability to attract and accommodate job growth. A summary is provided below.

[2] The physical constraints used in the Sherwood buildable lands inventory includes areas subject to landslides, areas with slopes greater than 25%, lands within the 100-year flood plain, Metro's Title 3 land (including Water Resource Conservation Areas), lands within Metro's Title 13 Habitat Conservation Areas (Class I and II, A and B), Wetlands, and public facilities.

Strengths

- Sherwood's attributes that may attract businesses are its location along Highway 99; quality of public facilities and services; general availability of vacant land serviced by utilities[3]; quality of schools; and overall quality of life.
- Proximity to new residential growth areas—including the areas along the Roy Rogers Corridor north of Sherwood West—may increase demand for services and employment for new nearby residents. The growth expected in these areas is summarized later in this memo.
- High quality of life due to the Tualatin River National Wildlife Refuge, cultural amenities and events, and access to high-quality education and medical care, among other factors.
- The region's high-quality natural resources present economic growth opportunities for Sherwood, ranging from agriculture and wineries to amenities that attract visitors and contribute to the region's high quality of life. Proximity to Wine Country offers potential opportunities for manufacturing, hospitality, commercial, and other uses.

Weaknesses

- The current transportation network is considered a disadvantage for both residents commuting to jobs (both in and out of Sherwood) as well as businesses that need a distribution route to access the region. Several transportation projects, including the widening of Roy Rogers Road and Tualatin-Sherwood Road, may improve the prospects of attracting new industrial, technology, and commercial users to Sherwood. These opportunities will be explored more in the Economic Opportunities and Constraints memo.
- Distance from I-5 is a disadvantage for attracting some types of businesses, such as warehouses and distribution or manufacturers that need close access to I-5 for heavy freight.
- There is a lack of infrastructure needed to support employment growth on large vacant sites.

Opportunities for Sherwood West

The EOA describes several economic trends and opportunities that could apply to the Sherwood West area. These are described below.

- Growth in population in Sherwood will drive modest growth in retail businesses, including commercial centers and neighborhood retail. It should be noted that the 2018 EOA did not specifically reference the potential opportunities and the new market dynamics that will arise as a result of the substantial new household growth along the Roy Rogers Corridor to the north. While this new growth is unlikely to increase demand for retail businesses in Sherwood, there are likely to be opportunities for additional employment development that capitalizes on Sherwood West's proximity to this sizeable talent base.
- Approximately 1,719 new jobs (83.5 percent of total new jobs) in Sherwood are expected to require vacant or partially vacant land. The forecasted growth of 1,719 new employees will result in the following demand for employment land: 61 gross acres of industrial, nine gross acres of retail commercial, and 41 acres for office and commercial services.
- Approximately 16.5 percent of jobs in Sherwood are located in residential plan designations, including 12 percent of industrial, 15 percent of retail, and 21 percent of office and commercial service employment. Over 20 years it is expected that the proportion of employment located in residential areas will remain the same. These

[3] Anecdotal information provided by the City of Sherwood indicates that utility service throughout the City is inconsistent, with some existing industrial parks and infill location lacking the necessary utility services. The constrained capacity of existing services can be a barrier to economic growth and detrimental to development prospects.

jobs include home offices for industrial employment, such as construction companies and office and commercial medical offices, or small personal service businesses such as banks or hair stylists.

- The industries identified as having potential for growth in Sherwood include manufacturing, professional and business services, wholesale, and services for visitors and residents.
    - **Manufacturing.** Sherwood's attributes may attract manufacturing firms, such as Technology and Advanced Manufacturing, Machinery Manufacturing (Metals and Machinery), and Clean Tech.
    - **Professional and business services.** Sherwood's high quality of life, access to quality schools, existing population and business base, and location within the Portland region may attract professional and business services that prefer to locate in a smaller city like Sherwood, such as Software and Media, Clean Tech, Athletics and Outdoors, and other services.
    - **Wholesale.** Sherwood's access to Highway 99 may make the city attractive to the continued growth of wholesale businesses.
    - **Services for visitors.** Growth in tourism, especially related to agriculture and wineries, will drive demand for services for visitors such as specialty retail, wine tasting rooms, restaurants, and hotels.
    - **Services for residents.** Growth in population in and around Sherwood will drive the growth of businesses that serve residents, such as medical services, legal services, financial services, retail, personal services (e.g., barbers), and restaurants.

The following table is also from the 2018 EOA and shows the concentration of Sherwood's existing businesses by industry. The **bolded** industries have a high location quotient[4] (i.e., highly specialized compared to national employment in the industry), high employment (i.e., have more than 200 employees in Sherwood), and higher than average wages in Sherwood. These industries have the highest growth potential, given existing businesses and the higher concentration of employment.

With that being said, the table is a summary of Sherwood in 2018 and does not reflect an exploration of potential growth industries. Sherwood has up to now been attractive to certain types of industries, yet there is an opportunity to encourage the growth of industries that may not currently exist but see Sherwood as a competitive location in the Portland metropolitan region. For example, while most economic growth is due to the expansion of existing businesses, the City may be able to capitalize on the demand for large sites in excess of 50 acres that are in short supply in the region.

[4] Location quotients are ratios that allow an area's distribution of employment by industry, ownership, and size class to be compared to a reference area's distribution. If an LQ is equal to 1.0, then the industry has the same share of its area employment as it does in the nation. An LQ greater than 1 indicates an industry with a greater share of the local area employment than is the case nationwide.

Table 2. Concentration of Industries and Employment, City of Sherwood, 2016

	High Employment	Low Employment
High Location Quotient	• **Waste management and remediation services** • **Specialty trade contractors** • **Heavy and civil engineering construction** • **Machinery manufacturing** • **Merchant wholesalers, durable goods** • Building material and garden equipment and supplies dealers • Amusement, gambling, and recreation industries • General merchandise stores • Food and beverage stores • Food services and drinking places	• Construction of buildings • Real estate • Wholesale electronics markets and agents and brokers • Plastics and rubber products manufacturing • Personal and laundry services
Low Location Quotient	• Merchant wholesalers, nondurable goods • Miscellaneous store retailers • Truck transportation	• Professional, scientific, and technical services • Ambulatory health care services • Utilities • Administration and support services • Nursing and residential care facilities • Social assistance

Source: Oregon Employment Department, QCEW, 2016 (Table recreated from EOA)

Housing Needs Analysis

Sherwood's HNA provides a factual basis to support future planning efforts related to housing, including concept planning for Sherwood West and the update and revision of the City's Comprehensive Plan policies. The most recently completed HNA for the City of Sherwood provides analysis through twenty years from 2019 – 2039.

Demographics

According to the HNA, Sherwood has experienced rapid population growth since 1990, reflecting its situation as a major growth area on the edge of the Portland metro. Growth has consistently outpaced Washington County and the Portland Metro region. While the population is aging on average, Sherwood has started to attract a greater proportion of younger people and more households with children. The population is also becoming more ethnically diverse.

The aging of the population is likely to result in increased demand for smaller single-family housing, multifamily housing, and housing for seniors. The growth of younger and diversified households is likely to result in increased demand for a wider variety of affordable housing appropriate for families with children, such as small single-family housing, townhouses, duplexes, and multifamily housing.

Sherwood households also have relatively high incomes compared to the rest of the Metro region, which affects the type of housing that is affordable. Income is a key determinant of housing choice.

Housing Stock

Sherwood's housing stock is predominantly single-family detached, which accounts for about 75 percent, with single-family attached accounting for eight percent, and multifamily accounting for 18 percent. Approximately 69 percent of new housing permitted in Sherwood between 2000 and 2014 was single-family detached housing.

Projections.

Sherwood is forecast to add 1,728 new households between 2019 and 2039. Of these, 700 new households will be inside the existing city limits; 1,029 new households will be outside the current city limits in the Brookman Area.

According to the HNA, the forecast for growth in Sherwood is considerably below historical growth rates. Metro's forecast for new housing in Sherwood shows that households will grow at an average annual growth rate of 1.1 percent per year. In comparison, Sherwood's population grew at 3.4 percent per year between 2000 and 2013 and 8.0 percent per year between 1990 and 2013.

Land Supply. Sherwood's land base can only accommodate 65 percent of the forecasted population growth. Vacant and partially vacant land in the Sherwood Planning Area can accommodate 1,121 new dwelling units of the forecasted need for 1,728 units, leaving a deficit of land for 608 units. If Sherwood grows faster than Metro's forecast during the 2019 to 2039 period, then Sherwood will have a larger deficit of land needed to accommodate growth.

The largest deficits are in Medium Density Residential-Low (154 dwelling units), Medium Density Residential-High (252 dwelling units), and High-Density Residential (145 dwelling units).

At faster growth rates, Sherwood's land base has enough capacity for several years of growth. At growth rates between 2.0 to 4.0 percent of growth annually, the land inside the Sherwood city limits can accommodate two to five years of growth. With capacity in the Brookman Area, Sherwood can accommodate four to 10 years of growth at these growth rates.

Additional housing growth in Sherwood depends on the availability of development-ready land. The amount of growth likely to happen in Sherwood over the next few years is largely dependent on when the Brookman Area is developed, when the Sherwood West area is brought into the UGB and annexed, and when urban services (such as roads, water, and sanitary sewer) are developed in each area.

Sherwood has a relatively limited supply of land for moderate- and higher-density multifamily housing. The limited supply of land in these zones is a barrier to the development of townhouses and multifamily housing, which are needed to meet housing demand resulting from the population growth of people over 65, young families, and moderate-income households.

Development Trends

This section describes the general development trends for residential, commercial, and employment development in and around Sherwood, including a discussion of planned development in each of the nearby UGB expansion areas of King City West, Tigard River Terrace, and Beaverton's Cooper Mountain.

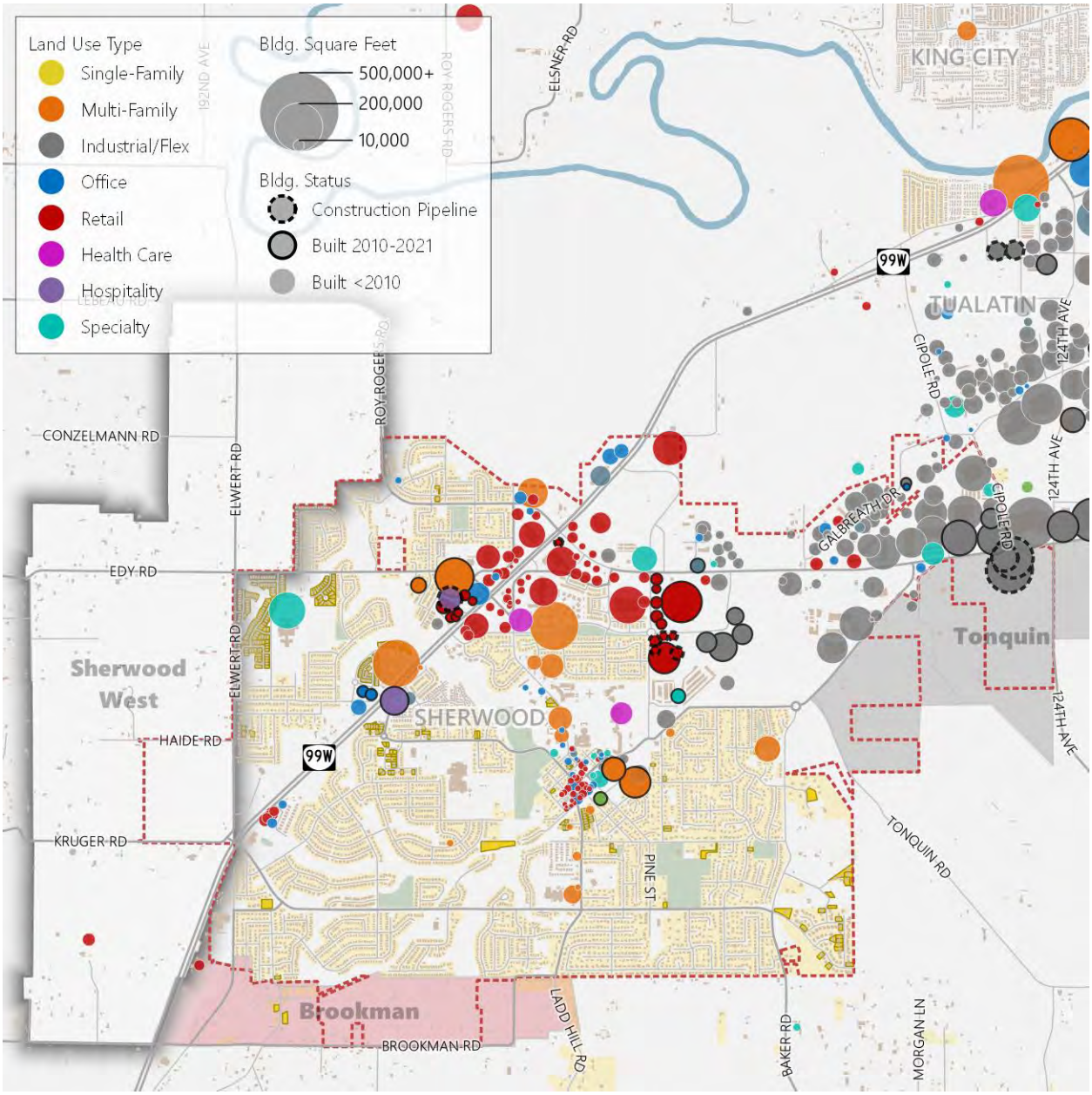
Sherwood Overview by Land Use Sector

Sherwood is experiencing strong growth in all development sectors. The map below provides the location, size, and type of new and existing development in and around the City. Most of the newer (built since 2010—symbolized with the bolded outline in the map) single-family/owner-occupied housing development has occurred on the City periphery where most of the vacant land exists. Industrial has largely clustered in east Sherwood along Tualatin-Sherwood Road. Commercial (retail, office, specialty, other) and multifamily residential development are more centralized, clustering along major arterials (Highway 99W and Tualatin-Sherwood Road) and in Old Town.

Industrial users tend to cluster near other users for a myriad of reasons, and so as long as there is developable land that meets that user's needs, the TEA and the surrounding area are likely to remain the most attractive location for new industrial users. Sherwest West may attract industrial users in select locations, especially as land availability diminishes elsewhere. Office users, while currently one of the most impacted land use sectors by the Covid-19 pandemic, might

consider Sherwood West an attractive location, especially if it develops in a way that offers a variety of amenities, services, and housing options (both in and near the area).

Figure 1. Development Overview by Land Use, Size, and Building Status

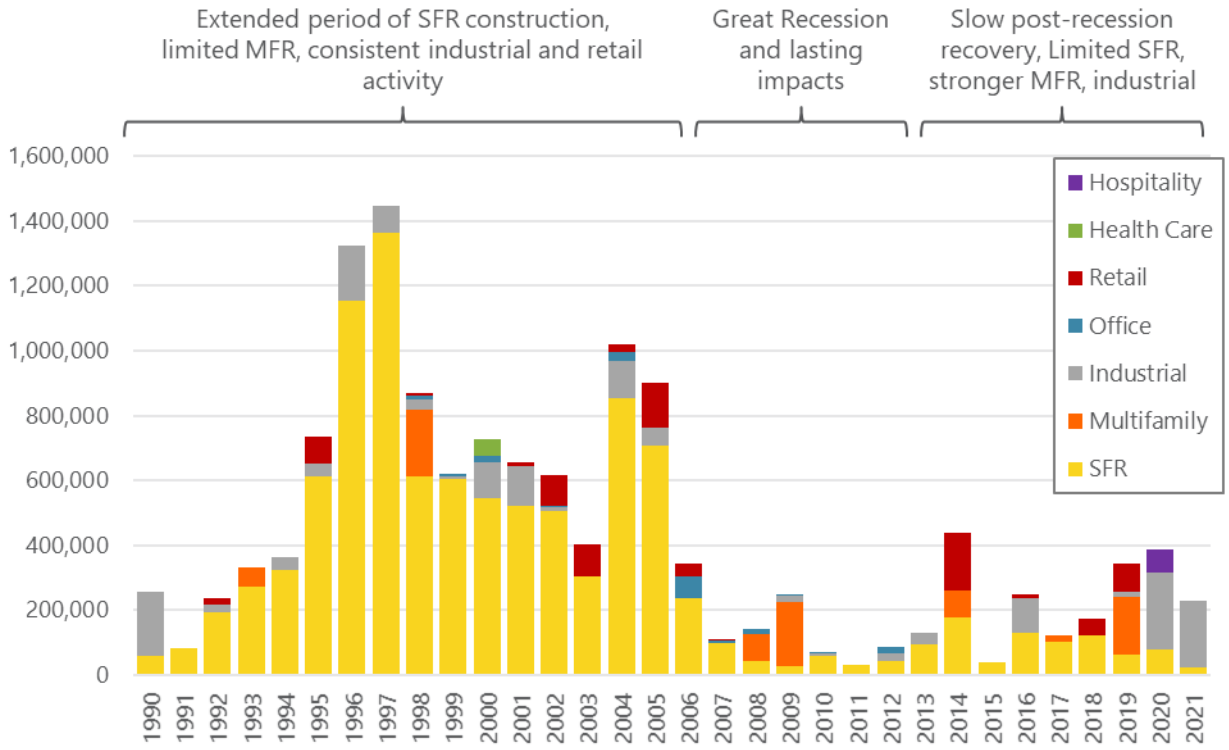


Source: Costar, Metro RLIS (SFR Data), City of Sherwood, LCG

The chart below and the table that follows show total development by year built for the City of Sherwood. There was a significant decline in residential construction activity going into and since the recession of 2007-2008. Multifamily construction has been consistent over the past three decades, averaging almost 26 units or 30,000 square feet per year. Industrial activity has increased again in the past decade following a relative hiatus between 2000 and 2010. Office activity has been very limited, as has healthcare and hospitality, although is likely growth opportunities for Sherwood West that capitalize on several emerging trends, including hub and spoke office development, proximity to Wine Country, proximity to major household growth areas, population growth of all age demographics, and the localization of

healthcare, among other trends that will be further explored in following documents. Retail development activity increased in the 2000s following strong residential growth in the previous decade and has continued into the past decade.

Figure 2. City of Sherwood Square Feet of Development by Year, 1990-2021



Source: Costar, Metro RLIS (SFR Data), LCG

Table 3. City of Sherwood Residential Units and Square Feet of Development by Decade Built

Year Built	SFR Units	Multifamily Units	Industrial	Office	Retail	Health Care	Hospitality
Pre-90s	672	225	177,139	29,319	164,187	0	0
'90 to '00	2,844	256	709,574	38,265	107,812	52,893	0
'00 to '10	1,655	261	332,881	127,036	402,803	0	0
'10 to '20	349	249	626,206	20,000	327,462	0	70,993
Total			**1,668,661**	**185,301**	**838,077**	**52,893**	**70,993**

Source: Costar, Metro RLIS (SFR Data)

Industrial

The Sherwood industrial submarket contains around 1.7 million square feet of industrial space and can be considered a midsized submarket. The industrial sector has generally been shielded from the worst effects of the COVID-19 pandemic, and rapid growth in demand for distribution facilities—largely due to ecommerce—has spurred significant new investment activity. There is potential to capitalize on these opportunities in Sherwood given the proximity to Highway 99W.

Vacancies have increased significantly over the past year to 13.0 percent, up from 5.1 percent at this time last year, which, in turn, was slightly lower than the five-year average of 5.4 percent. However, this appears largely because of the three new buildings in the Cipole Industrial Park (TEA) completed in 2020 that total about 240,000 square feet and are yet to be fully occupied. According to Costar, leasable available industrial space totals 290,000 square feet of a total inventory of 2.2 million. According to the City of Sherwood, approximately 34,000 square feet in one new building is being sold to a manufacturer and an unknown additional amount of square is likely to get sold to an Australian company for their North American headquarters. The higher vacancy rate should not, therefore, be considered an indication of weak demand.

Net absorption came in at 18,000 square feet over the past year, slightly above the five-year average of 14,400 square feet. Rents grew by 6.1 percent over the past 12 months, in line with the five-year average but lower than this time last year.

New development supply pressures on vacancy or rent are generally limited to the Tonquin Employment Area (described below) in the near term, although few other places in Sherwood could accommodate significant new development projects without larger tracts of additional land being planned for employment uses, such as in Sherwood West. As indicated previously, the EOA indicated a surplus of industrial land, but most of it was small, challenging to develop sites.

Leland Consulting Group understands that there is significant interest in Sherwood from industrial users that is likely to continue the considerable construction activity seen in Sherwood over the past three years. Between 2018 and 2020, approximately 250,000 square feet of industrial space was delivered to market, representing a 12.8 percent cumulative expansion of the inventory. As this recent inventory expansion is absorbed by new or expanding users in the area and the available land supply diminishes, there may be a slowdown in industrial construction in the near term (approximately 2-5 years) until additional land is planned for industrial expansion opportunities. As one of only a handful of new growth areas in the metro, Sherwood West may capitalize on this and other several pertinent trends over a longer timeframe, including:

- Increasing automation of the manufacturing industry will decrease company's needs to locate near large population clusters and potentially result in companies seeking land on the urban periphery.
- Rapidly shifting consumer behaviors, such as ecommerce growth, will continue to enhance demand for distribution and land-mile warehousing facilities.
- Electrification and automation of vehicles will continue to require distributors to locate near major transportation routes.

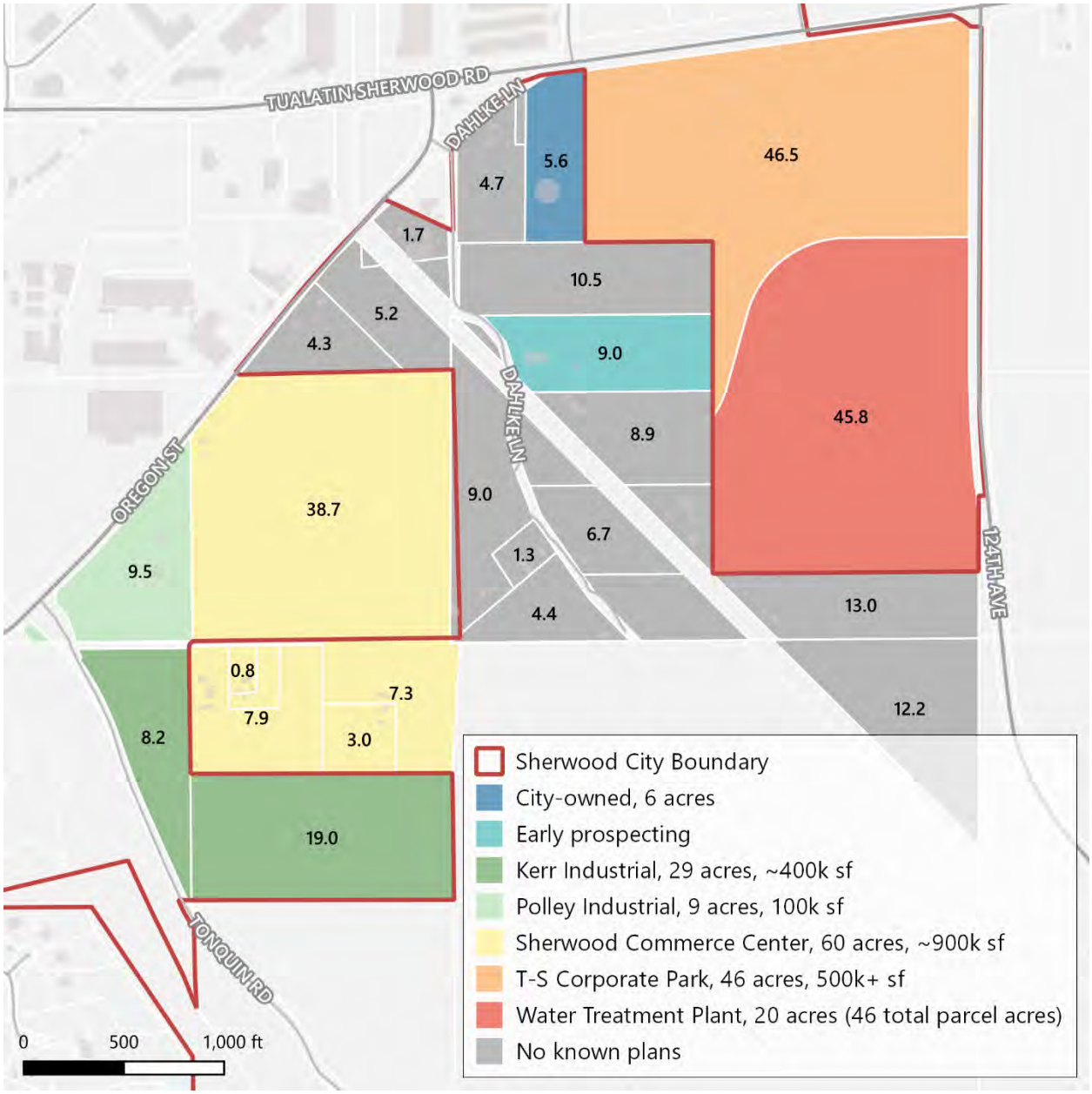
Tonquin Employment Area. The Tonquin Employment Area (TEA) was brought into the region's UGB by Metro in 2004 and the City of Sherwood completed a concept plan for the area in 2010. The TEA vision is of industry supporting high-tech manufacturing and traded sector jobs. Properties within the Tonquin Employment Area will be annexed into the City of Sherwood upon request by the property owners. Upon annexation, the properties will be zoned Employment Industrial (EI).

There has not yet been a completed project within the TEA since the adoption of the concept plan, but the development pipeline indicates that most of the land is already accounted for, with several projects at various planning and development stages.



- Most notably, a large multi-phase project called the T-S Corporate Park, which involves five industrial buildings on 46.53 acres, is underway at 12822 SW Tualatin Sherwood Road. Two buildings totaling about 144,000 square feet are underway and a third 183,000 square foot building is proposed for 2022, per Costar data and the City of Sherwood. Upon completion of all five buildings, T-S Corporate Park is expected to contain approximately 535,000 square feet of space for warehousing and industrial uses. At an estimated employment density of 1,000 square feet per employee, the T-S Corporate Park would employ around 535 people. According to the City of Sherwood, there is strong interest from a variety of companies, including tech, advanced manufacturing, and ecommerce occupiers. It was also indicated that there is more interest than the site can accommodate.
- South of the T-S Corporate Park, the Willamette Water Supply Program will begin construction of a statteof-the-art water treatment plant on two acres of 46 total site acres beginning in late 2021-early 2022. The treatment plant improvements will include the construction of a portion of Orr Drive, an important east-west connection within the TEA.
- Multiple parcels totaling approximately 60 total acres with frontage on SW Oregon Street are controlled by a major investment company. Two-thirds of the site is currently annexed and the remainder is likely to be annexed soon, with plans for a 900,000 square foot industrial park with multitenant buildings known as the Sherwood Commerce Center.
- Two parcels containing 38.7 acres fronting onto SW Tonquin Road were annexed in early 2021. According to the City, the property owner has indicated plans to develop approximately 400,000 square feet of new industrial space on the property.
- A 9.2-acre property with frontage on SW Oregon Street and SW Tonquin Road was annexed in early 2021. There is a pre-application submittal for over 100,000 square feet of new industrial space.
- There was previously interest in developing a 4.6-acre site frontage SW Oregon Street, but the owner has indicated holding off until there is more information about the proposed east-west industrial collector road through the TEA.
- Other properties in the TEA are generally accessible by Dahlke Lane, but development challenges include the quality of the road, the location of the major Bonneville Power Authority and PGE transmission lines, incompatible existing development requiring redevelopment, limited quality access, and various topographical and environmental barriers. It is expected that these properties will develop last in the TEA.
- The proposed 2021 URA will provide funds for infrastructure for the TEA and for various sites/projects along 99W.

Figure 3. TEA Development Project Pipeline



Source: LCG, City of Sherwood

Office

Sherwood's office submarket is locally oriented with roughly 200,000 square feet of office space. The vacancy rate has risen somewhat over the past 12 months as of 2021 Q2, but at 2.3 percent, the rate was well below the 10-year average of 6.1 percent.

Annual net absorption for the past year is negative 2,700 square feet, reflecting an increase in vacancies that were likely induced by the COVID-19 pandemic. Over five years, net annual absorption has averaged 1,100 square feet. Despite the rising vacancies and challenges of the last year, average rents increased by 1.7 percent over the past year—slightly lower than the 3.0 percent average change over the past decade—to a 10-year high of $24.61 per square foot.

There are no development supply pressures on vacancy or rent in the near term, as there is no new known office construction in the pipeline. This lack of construction extends a prolonged hiatus from new development in the Sherwood area; it has been more than 10 years since an office project was delivered. The Economic Challenges and Constraints memo that follows this document will provide additional details about specific opportunities to include office space as a component of employment-oriented land development.

The pandemic remains a major disrupter to the economy at large and creates uncertainty in the development and investment community. Looking ahead, the effect of the pandemic has the potential to redefine the use of office space, as employers reevaluate the safety and health of workers. As the office sector emerges from the COVID-19 pandemic, there may be pent-up demand for new leasing opportunities, particularly offices in suburban locations that offer more space at more affordable rates than premier office locations like the Portland CBD.

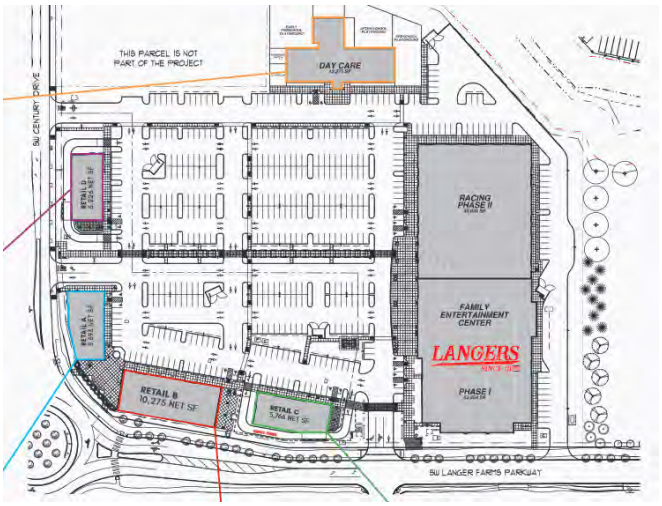
Retail

Retail vacancies in Sherwood, at 2.7 percent, are lower than the five-year average of 5.0 percent, albeit higher than this time last year. The rate is also significantly lower than the region's average. Meanwhile, rents have increased by four percent in the past year, slightly lower than the five-year average of 4.2 percent.

New construction has averaged approximately 50,000 square feet annually over the past five years, although nothing has been built in the past year since the COVID-19 pandemic began. Except for Parkway Village South (described below), there is very little new development in the pipeline and Sherwood does not appear to face a burgeoning wave of development supply pressure. Retail investors are also reasonably active in Sherwood and pricing is above the region's average.

The commercial real estate environment, and particularly the retail sector, remains uncertain due to the pandemic and the increasing demand for ecommerce. Even with vaccines, it is probable that retailers will continue to face turbulence in the coming quarters. Those effects will likely linger for the foreseeable future, impacting demand, rent growth, and the capital markets in the process. However, as household growth occurs in Sherwood and in nearby areas (including the competing UGB expansion areas to Sherwood West that are described later in this memo), there will be increased demand for new retail development. Retail in Sherwood is likely to draw most of its customers from within the City and from areas to the south, rather than from areas to the north and east where there are preexisting retail and commercial clusters. That being said, unique regional drawers or major destinations will likely have a much larger trade area from which to pull customers than convenience-based retail.

Parkway South. There is a substantial new development under construction in Sherwood called Parkway South on the area bounded by SW Langer Farms Parkway and SW Century Drive.



At 132,000 square feet of gross leasable area (GLA), Parkway South is anchored by a 53,000 square foot family entertainment center—the only building currently built. Among the other proposed buildings are a 12,275 square foot daycare facility and a 40,000 square foot indoor racing facility. Approximately 27,000 square feet of in-line tenants on "pad" sites make up the remaining buildings.

The fact that the only new major commercial center planned for this part of the metropolitan region is primarily non-retail is telling and reflects the changing composition of commercial development and a desire for differentiation in an often saturated retail market.

Rental Residential

Sherwood shares a multifamily/apartment submarket with Tualatin and is conveniently located between major employers in the Sunset Corridor and Wilsonville. Vacancies generally trend below the regional Metro area rate, but can be volatile as there are only 3,888 total units (1.9 percent of the regional market), so small changes in new inventory or absorption can make significant impacts. Regardless, occupancy is currently at 95.9 percent—close to the five-year high—indicating strong and consistent demand for new development.

Annual rent growth 6.0 percent in the past year, up from an annual average of 3.3 percent over the past five years. Rent growth in 2019 was triple Portland's overall average, ranking near the top of all apartment submarkets in the region, but slowed in 2020 due to the coronavirus pandemic.

Only four new developments were delivered to the market in the past decade, representing about 320 total units, and no additional projects are in the pipeline. Though few multifamily sales have occurred since 2017, the submarket occasionally sees sizable institutional investment.

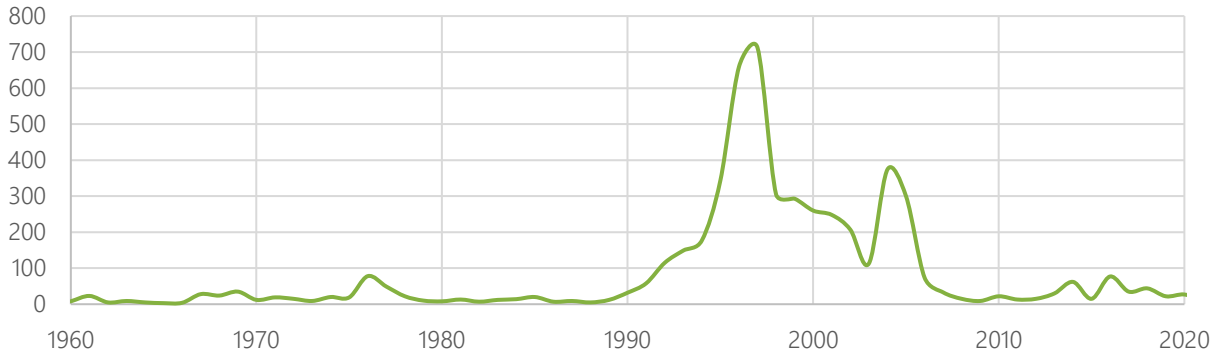
Significant growth in the population aged 55 and over has given rise to the growing demand for certain housing types, including apartments, assisted living facilities, and small-format single-family detached and attached residential.

Ownership Residential

Sherwood's owner-occupied housing market is considered competitive, with a sale-to-list price ratio of around 101.3 percent and averaging less than 20 days on the market before going pending.

Sherwood's housing stock is relatively new compared with the rest of the Portland Metro region. Almost half of all Sherwood single-family homes were built in the 1990s, averaging 284 new units built per year, with another third built in the 2000s, averaging 150 new units built per year. Construction slowed since 2010, with new construction averaging 32 units per year, impacted by both the lasting effects of the Great Recession and the diminishing availability of buildable residential land (not including the Brookman area). Upon annexation of additional residential land in the Brookman area, single-family residential construction is expected to pick up again. The city has annexed roughly 65 acres to date and three new subdivisions have been approved with a total of 232 lots. These households will generate demand for both nearby commercial amenities and services and employment opportunities.

Figure 4. Single-family Homes by Year Built



Source: Metro RLIS

In March 2021, Sherwood home prices were down 5.9 percent compared to last year, selling for a median price of $585,000. On average, homes in Sherwood sell after 16 days on the market compared to 22 days last year. There were 37 homes sold in March this year, up from 22 last year.

Hospitality

While the hotel industry has been among the most significantly impacted real estate sectors by the COVID-19 pandemic, it is now seeing buyers flock to distressed properties. Sales have surged nationwide; a clear signal some commercial real estate investors are ready to act while others may still be waiting for similar action in other sectors such as office or retail.

Sherwood's only hotel—a 73-room, 71,000 square foot Hampton by Hilton—was built recently in 2020 along Highway 99W, reflecting a highly limited market.

The hotel industry appears poised for recovery as people begin to travel once more. However, future disruptions in the near term (0-2 years), such as new waves of coronavirus infections, continuing competition from Airbnb and similar models, too few hotel workers and patrons vaccinated, a glut of supply, and continued reduced business travel may continue to dampen hotel prospects. That being said, there are most likely opportunities that can capitalize on Sherwood's proximity to Wine Country and an increasing number of prominent companies in the area, among other emerging trends. These opportunities will be further explored in later tasks.

Southwest Metro Region Expansion Areas

Sherwood is part of the Metro region. All cities in Metro share one regional UGB. This boundary is the line between urban and rural/resource uses and development. The following map shows the location of Sherwood West relative to the current location of Metro's urban and rural reserves, denoted in blue and green, respectively. Understanding the timing of the development in both of these areas is critical to determining the extent of the demand for various uses in Sherwood West in the near- and mid-term, as well as how much land will be needed to serve longer-term growth.

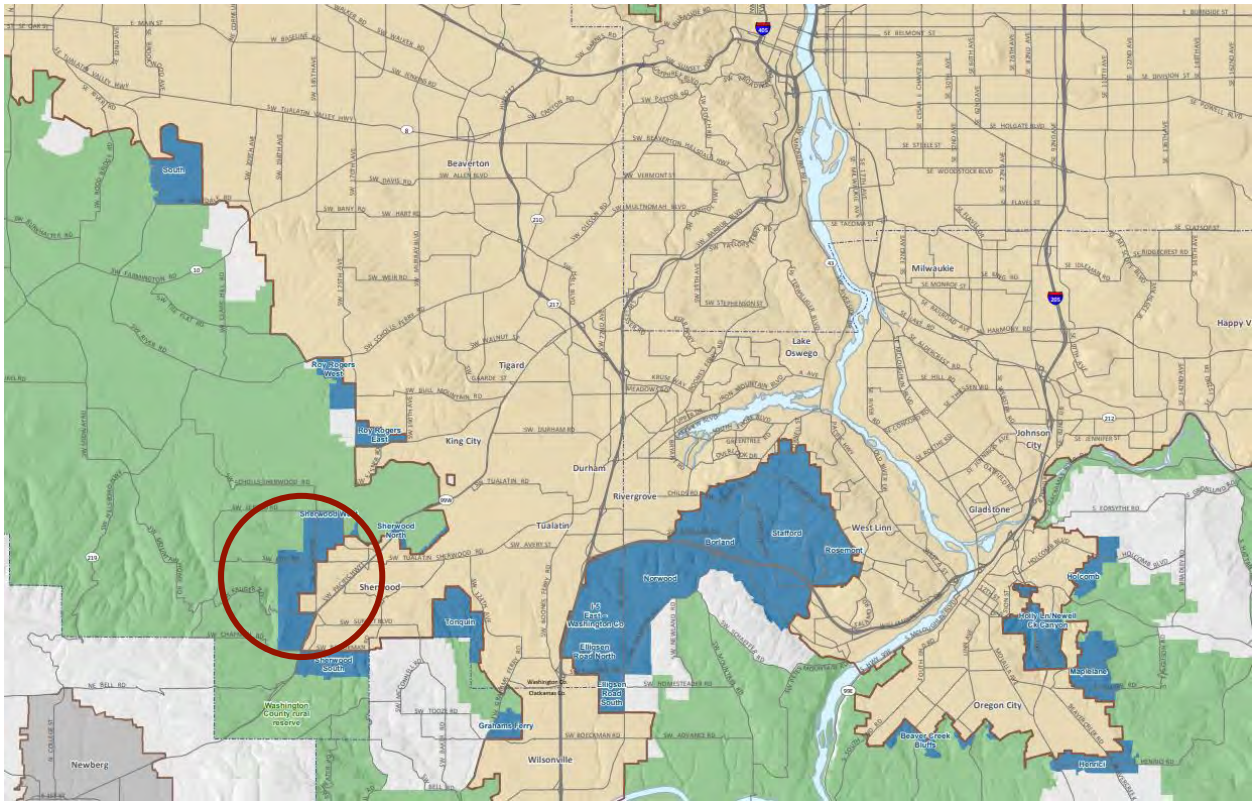
The reserves designated by Metro represent the region's policy regarding land supply needed over the next 50 years. However, the Portland metropolitan region has experienced higher-than-expected economic growth and housing construction, resulting in a quickly diminishing availability of developable land since the designations. A reassessment of land needs, therefore, is likely to be triggered sooner than expected.

In short, it is safe to assume that areas to the west and south will be developed at some point. This analysis, therefore, takes a phased approach to assessing development potential in Sherwood West. In the near term (0-10 years), Sherwood West will continue to be an edge location. As development occurs over the longer-term (20+ years), it will become increasingly central to surrounding neighborhoods. Thus, it is important to identify short-term opportunities based on the current market while maintaining a long-term outlook, particularly if the City's vision for economic development does not align with what the current market allows.

Sherwood West is one of several planned expansions in the southwest metro region. Others include Tigard River Terrace, Beaverton Cooper Mountain, and King City West. How and when these areas develop will directly impact the market and compete with the study area.

Other expansion areas exist along the I-5 and I-205 corridors. These areas are in various stages of planning but are likely to serve a different market area and, therefore, not directly compete with Sherwood West. For major employment uses, there might be some level of competition at the regional level, but Leland Consulting Group anticipates sufficient demand for these uses. A myriad of other challenges also pose barriers to developing these areas, including topography and political hurdles.

Figure 5. Metro Urban and Rural Reserves



Source: Metro

The following table summarizes the scale of planned development in each of these expansion areas.

Table 4. Planned Development Summary

Expansion Area	Commercial / Employment	Residential	Additional Notes
River Terrace 1.0	25,000 to 40,000 sq. ft. (building area)	2,587 units; 75% Single-family, 25% Multifamily (about 1,200 units built to date)	Residential Development is currently underway and is expected to finish in the next several years. Construction of commercial space is expected in late 2021.
Tigard River Terrace 2.0	10 to 30+ gross acres of employment and/or commercial uses	Approximately 3,100 to 4,500 total residential units,	A mix of SFR detached and attached and MFR apartments are expected. Employment uses are desired by the City.
Cooper Mountain (CM), Beaverton	10-acre main street commercial Est. 80,000 to 120,000 sq. ft. (building area)	South CM: 3,430 units Urban Reserve Area: 3,760 units North CM: 300 units	Residential Development currently underway, existing high school, future development at North Cooper Mountain. Limited competition.
URA 6D King City (King City West)	Est. 54,000 to 85,000 sq. ft. (building area)	3,576 units, including a mix of single-family and multi-family homes.	Limited existing household support and physical barriers limit market area, this area is the most removed from centers of population and employment.

Source: LCG

The UGB expansion areas are expected to get built out in the following order.

- River Terrace 1.0
- South Cooper Mountain
- King City West (URA 6D)
- River Terrace 2.0

King City 6D

King City Urban Reserve Area 6D is a 528-acre expansion area to the west of the existing city limits. SW Beef Bend Road and SW Roy Rogers Road border the area on the north and west, respectively. The south boundary is formed primarily by the southern segment of SW Elsner Road and the Tualatin River.

According to the 2018 concept plan, the area could accommodate as many as 3,576 housing units, including 1,222 multifamily units, 560 single-family attached, and 1,794 single-family detached. The 2017 King City Market Study estimated 500 to 950 housing units could be absorbed within the first 10 years of construction.

King City is looking to develop a town center, which is likely to serve these new residents. Development is likely to compete with River Terrace 2.0 or be part of a compatible commercial/employment cluster near Beef Bend Road.

Tigard River Terrace

River Terrace 1.0 is a 500-acre area on Tigard's westernmost edge. It was added to the region's Urban Growth Boundary in 2002 and 2011 to accommodate future housing needs. Approximately 1,200 units are currently built in the area, about three-quarters of which have been built since 2016 (233 were built between 2000 and 2015). Continued build-out of

Tigard River Terrace 1.0 (excluding the River Terrace 2.0 West and South study areas) will result in a total of 2,600 residential units (single-family and multifamily), approximately 25 percent of which will be multifamily.

The River Terrace Town Center is also proposed in the area, a "Main Street" development type that will include 350 residential rental units and 25,000 to 40,000 square feet of neighborhood-serving commercial, likely involving a small format or specialty grocer, medical or professional/financial offices, and food service and drinking establishments. Development is expected to start in late 2021.

River Terrace 2.0 is the next phase of planning in this area. Two urban reserves are totaling over 500 acres to the west and south of the current River Terrace (1.0). River Terrace 2.0 is expected to feature a wider variety of housing options (with average residential densities of 16 to 24 units per acre), recreation, and employment areas. River Terrace 2.0 is expected to add between 3,100 to 4,546 units at full project built out.

Between 10 and 30 or more acres have been identified for commercial and employment uses. It remains too early in the planning process to describe these plans in more detail.

Collectively, the River Terrace areas may include more than 11,000 new residential units and substantial land planned for commercial and employment growth.

Beaverton Cooper Mountain

The Beaverton Cooper Mountain Community Plan is a multi-year effort to plan for the 1,232-acre Cooper Mountain area, which was added to the region's urban growth boundary in 2018. The Cooper Mountain Community Plan will establish a long-term vision for the area's growth and development to support welcoming, walkable neighborhoods that honor the unique landscape and ensure a legacy of natural resource protection and connection. The Cooper Mountain area is located southwest of Beaverton outside the current city limits.

The Cooper Mountain area consists of three areas: a 510-acre area to that north that is inside the UGB but still in unincorporated Washington County; a 544-acre area to the south that was annexed into the city in 2012 (South Cooper Mountain); and a 1,232-acre urban reserve area in-between.

Urban Reserve Area. Current Washington County zoning is primarily Agricultural and Farmland and Rural Residential zones; however, Beaverton will apply its own zoning to the area once properties are brought inside city limits and the area is anticipated to provide at least 3,760 future homes, including a mix of single-family, multi-family, and middle housing types such as townhomes, duplexes, triplexes, and fourplexes. The City anticipates completing the Community Plan in December 2022, after which it will begin accepting owner-initiated applications for annexation and development.

South Cooper Mountain. Due to its proximity to Sherwood and location on Scholls Ferry Road and near Roy Rodgers (providing north-south access to Sherwood), the 554-acre South Cooper Mountain is expected to be the primary competition for new development in Sherwood West out of the three Cooper Mountain areas. The South Cooper Mountain Plan shows that the area could support up to 3,430 housing units and between 47,000 and 142,000 square feet of new commercial space, which would primarily be driven by demand from new residents. South Cooper Mountain is expected to be nearly built out as early as 2024. There is also a new high school that will hold up to 2,200 students and 200 staff.

North Cooper Mountain is slated to support another 300 housing units if new zoning is adopted in the northern portion of the area; utilities are made available; and, properties annex to the City of Beaverton.

Transportation

The regional transportation network serving Sherwood West and surrounding areas is planned for a number of updates and improvements that will be needed to serve future residential and employment growth and changing land use

patterns. Washington County recently completed an Urban Reserves Transportation Study (URTS) project, which is intended to inform concept planning in the urban reserves (including Sherwood West), help ensure that the County meets mobility and capacity standards on area roadways, and provide a roadmap to funding transportation system improvements as the urban reserves develop in the future. Notable projects in the vicinity of Sherwood West include:

- **Roy Rogers Road:** Washington County plans to widen Roy Rogers Road between Scholls Ferry Road and 2,500 feet south of Bull Mountain Road to five lanes with bike lanes and sidewalks. This project is expected to be completed in December 2021.
- **Tualatin Sherwood Road/Roy Rogers Road:** Washington County plans to widen Tualatin-Sherwood Road/Roy Rogers Road, between Borchers Drive and Langer Farms Parkway, to five lanes with bike lanes and sidewalks and additional turn lanes at Highway 99W. The project is expected to begin in Fall 2021.
- **SW Brookman Road:** When the Sherwood West area annexes to the City, SW Brookman Road (SW Chapman Road) will be upgraded to an urban facility with facilities for bicycling and walking, and the City is exploring crossing solutions at Highway 99W.

APPENDIX G

Economic Opportunities Memo

Sherwood West Concept Plan

Economic Opportunities and Challenges

Date June 15, 2021

To Joe Dills, Kyra Haggart
Angelo Planning Group

From Sam Brookham, Chris Zahas
Leland Consulting Group

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Executive summary

Stakeholder Interview Takeaways

- **Employment Land.** There is a limited supply of high-quality buildable employment land in the region and increasing demand, particularly for large sites. Stakeholders believe that demand is strong enough to absorb whatever amount of land the City sets aside for employment in Sherwood West.
- **Development types.** Developers are mostly building multitenant flex space (as part of larger industrial or business parks), warehouses, and distribution facilities (both speculative and build-to-suit). The transportation network is considered prohibitive for the latter two in Sherwood West. Opportunities for build-to-suit single-user buildings may also arise sporadically.
- **Limited Infrastructure Funding Availability.** While this concept plan is expected to address some of the challenges associated with infrastructure phasing and funding in Sherwood West, developers want to see a clear plan for infrastructure improvements before committing to a site.
- **Land needs** range from 40 to 50 acres per "center" or "park" allowing for buildings averaging 50,000 square feet on five to six acres, although a larger-than-average business park or campus-style development may require more than 100 acres. Total demand is likely sufficiently strong to support a number of these developments, creating a healthier jobs/housing/fiscal balance for Sherwood. Sherwood should target two to three areas of Sherwood West with the largest and flattest (less than 3.0 percent slopes) contiguous tracts of land for these developments. Possible locations for this appear limited to the northern section of Sherwood West, particularly in the area bounded by Elwert Road, Roy Rogers Road, Scholls Sherwood Road, and Conzelmann Road, along Highway 99W and potentially near Haide Road and Kruger Road. Most of the inland areas along the western half of Sherwood West are unlikely to be suitable for mixed employment (industrial, flex, office) given the topographical and access constraints.
- **The wine industry** is an important part of the local and regional economy which may dovetail with industrial, retail, and hospitality uses, but it is unlikely to solely support the growth of any of these land use sectors. A diversified economy and additional employment are necessary.

- **Land aggregation** is critical because of the number of different property owners in Sherwood West.
- Developers want **transparency and certainty** for land, zoning, and infrastructure. This is now considered more important than a shorter development timeline.
- **Office prospects** are questionable, and the market may not return to normal for many years. Campus-style development may be possible but there are few local examples and the market is unproven.
- **Zoning flexibility** is critical. It is not recommended the City dictates uses, but simply provides limitations on undesirable uses.

Opportunities for Sherwood West

- **Industrial.** The industrial market is hot and unlikely to cool within the next 10 years. Sherwood is beginning to see interest from existing tech companies in Hillsboro and elsewhere. As the west and southwest parts of the metro region develop, the gap between Sherwood and existing tech and other industry clusters will likely decrease, creating a critical mass of employment with access along the Roy Rogers corridor.
- **Target tenants** are wide-ranging, including service providers, contractors, tech companies, logistics, light manufacturers, designers, healthcare users, etc. Other users in the City's target industry list—including advanced manufacturing, life sciences, R&D, software/media design, professional and business services, food products, outdoor wear design, etc.—are also appropriate.
- **Tech Clusters.** Sherwood is centrally located between existing tech clusters in Wilsonville and the Sunset Corridor. These clusters have historically dominated the tech-oriented employment landscape, but these markets are now understood to be softening, with developers looking for opportunities elsewhere in the Portland metro. The Sherwood area is beginning to draw existing businesses from Hillsboro, as well as serving as an attractive location for new businesses to the metro region.
- **Hotels**—particularly mid-range, independent, and boutique hotels—are in demand. However, Sherwood cannot expect to support new hotel development based entirely on its proximity to wine country as other cities to the south are better positioned for an immersive wine country experience. Instead, new hotels in Sherwood will likely be feasible as a follow-on use once employment growth occurs, and the market is proven.
- Similarly, new **retail development** will come in a later phase after residential and employment growth.
- **Office space** is likely to be part of mixed-use developments, commercial centers, or larger employment centers. Target tenants include tech, medical, and service-oriented office space with some "hub and spoke" or satellite office.
- **Retail.** New growth will drive demand for new space, but the growth of ecommerce and declining retail footprints may dampen the impact. Sherwood should focus on convenience-based retail, such as grocery and health and personal care, as well as neighborhood-serving retail, such as foodservice and drinking places, either as neighborhood-centers or main street corridor approach that diversifies the retail mix and supports the growth independent retailers and restauranters.
- **Healthcare.** Because major healthcare facilities depend on large nearby population bases and visibility and access along highways and major transportation corridors, such a facility may be unlikely in the next 10 or 20 years. Attracting such a user would require time, effort, and deliberate planning and policy on the part of the City. Smaller-scale healthcare facilities are likely to be part of centers or larger developments.

Strategies/Recommendations

- **Be Flexible.** Maintain as much flexibility (zoning, land, tools, approach) as possible in planning for employment growth as market cycles and trends over the next 20 years are unclear. This means maintaining large, contiguous sites but not mandating large-lot sites.

- **Plan for Mixed Employment.** Most of the opportunities for long-term job creation will likely require a mixed employment approach—namely industrial, flex, and office. Mixed Employment in centers/parks of 20-100 acres is the strongest market.
- **Plan for Multitenant Space** that can be scaled up or down and is highly divisible (e.g., to 2,500 square feet) allows for business expansion and the flexibility to accommodate various sized flex, office, commercial, or light industrial users.
- **Compile a Toolkit** of incentives and tools that can be packaged together to encourage desired development types.
- **Be Both Proactive and Patient.** Depending on the market cycle and the opportunities at any given time, certain land uses will develop faster than others. This will require a phased development approach in Sherwood West. Industrial and residential uses are likely to dominate in the near term, followed by retail, hospitality, office, and healthcare.
- **Ensure that Buildable Shovel-ready Land is Available for Employment.** The land must be zoned for employment development. The zoning and building codes should require an appropriate level of development quality, but not make unrealistic requirements, for example, around low parking ratios, mixed-use, etc. For certain sites, the City may want to use the State's "Certified Shovel Ready" process to document that environmental, archeological, title, wetland, and topographical issues do not preclude development. Flat sites with slopes of less than 3.0 percent are limited and should be reserved for mixed employment and industrial users.
- **Invest in Talent and Quality of Place**. The underpinnings of traded sector office site selection are simple: Locate where the talent is. Therefore, cities must attract talented people, by providing high-quality cities and neighborhoods where people want to live. The Sherwood West Concept Plan, which integrates residential, employment, and commercial development with parks and open spaces, is an important step; building out the plan is another.
- **Increase Accessibility and Visibility** via the regional transportation network. Large employers have historically needed to bring large numbers of employees to their campuses, and this requires robust auto, transit, bicycle, and pedestrian transportation infrastructure.
- **Consider Land Acquisitions.** Site ownership can put the City in a strong position to recruit employers; it can also be expensive, risky, and politically contentious. If the City is considering land acquisitions, LCG recommends that the City work with a broker with experience executing deals that have resulted in employment land and building development in Washington County, in order to clearly understand costs and benefits.
- **Target 99W and North Sherwood West** for transportation-dependent uses and larger-scale employment development, respectively. There is little frontage on 99W so it should be retained for certain users. Similarly, the largest tract of flat land (100+ acres) in Sherwood West is located to the north. Other areas may be feasible, but developers of industrial and, to a slightly lesser extent, office projects typically require regularly-shaped tracts of flat land with slopes of less than 3.0 percent. A campus-style development may be able to accommodate a greater variety of topographical conditions. Further analysis of the topographical and other physical conditions is necessary to determine the extent of these opportunities.

Introduction

This Economic Opportunities and Challenges memo provides an evaluation of Sherwood West's assets and constraints; summarizes input from interviews with developers, stakeholder, and leading economists; and provides insights on the economic future of Sherwood West as a part of a growing Sherwood. It is intended to highlight opportunities for economic development strategies and non-residential land uses that could produce jobs and tax base as part of the overall mix of land uses in Sherwood West over the next 20 years and beyond. It also explores creative options for long-term job creation that reflect Sherwood West's location at the urban edge and that optimize its ability to evolve as the region matures and economic changes occur.

In preparing the memo, Leland Consulting Group (LCG) conducted interviews with key stakeholders to explore how technology, health care, office, hospitality, retail, and other employment uses might evolve in Sherwood West's unique location. These stakeholders included local and regional industrial, office, mixed-use, retail, and hotel developers, brokers, and specific industry representatives (such as the wine industry). The anecdotal takeaways from these interviews are intermixed within the narrative of this memorandum.

Sherwood should not attempt to compete against other employment centers that may have better locational attributes such as proximity to I-5 or existing clusters of technology employment. Accordingly, we have identified opportunities that play to Sherwood West's unique attributes. These opportunities build upon the area's proximity to the wine country, long-term changes to office dynamics as a result of COVID-19, evolving changes to the retail landscape, and other factors.

The memo includes a shortlist of employment land uses that could realistically be supported in Sherwood West, with projections for development over time.

Constraints and Challenges

Based on key takeaways from feedback received during the stakeholder interviews, most of the opportunities for long-term job creation in Sherwood West will likely require a mixed employment approach—namely industrial, flex, and office. This approach is consistent with both recent development in the Tonquin Employment Area and other examples of peripheral employment development clusters in the region. Of these mixed employment uses, industrial development, which typically includes warehousing, logistics, distribution, and manufacturing, has the narrowest framework of site selection criteria. While demand-related factors are generally expected to largely overcome potential challenges related to site conditions, it is important to highlight these selection criteria as the industrial market may not remain as strong as it currently is over the next 20 years.

Site selection criteria for industrial development typically includes:

- **Access to major transportation routes.** Industrial users typically need access to major transportation routes so that products can be quickly and easily delivered and shipped, and to maximize the employment catchment area. The closest industrial development in the past 20 years has been in Tualatin and Sherwood along I-5 and Highway 99W—both major freight and transportation routes.
- **Separation from residential uses.** Due to the propensity of industrial users to generate noise, pollution, and vehicular traffic, development is not typically located next to residential uses. This sometimes also applies to other uses that attract pedestrian activity, such as main street retail and hospitality.
- **Low-cost land.** Of all land use types, industrial fetches the lowest rents and sale prices. Comparatively, high-density residential and commercial uses fetch the highest rents and sale prices. Typically, the cost of land reflects these trends.
- **Large, uniform sites.** Industrial development is low-density (typically one or two stories) and requires plentiful space for circulation, storage, and parking, particularly for freight operators.

- **Flat sites.** Due to the cost of grading, combined with the low value of industrial development, industrial users require sites with less than 3.0 percent slopes.

With these selection criteria in mind, there are several major constraints or barriers to commercial and employment-focused development in Sherwood West and the immediate surrounding area. We have highlighted these below.

- **Location.** Sherwood West is located in the southwestern corner of the Portland Metro region and lacks easy access to the I-5 corridor. In the near term, this edge location creates a one-sided market area, limiting the employment catchment area. Further, the travel time to or from Portland International Airport[1] is double the average tract in the Portland metro. As we will discuss in the following pages, strong regional demand and a limited supply of employment lands mitigate these challenges in the near term, and long-term residential and job growth is expected to soften these impacts as time goes on.
- **Regional Competition.** As noted in the previous Development Trends and Implications memo, the southwest Portland metro region will see significant growth over the next 20 years, primarily because of the development of Sherwood West and several other nearby UGB expansion areas—including Tigard River Terrace, King City West, and Beaverton Cooper Mountain—as well as local annexation areas like Brookman and Tonquin. Most of these future growth areas are expected to include some level of commercial (and to a leser extent, employment) space that will compete with new development in Sherwood West. Closer cities within the Portland metropolitan region also have existing industry and business clusters that will continue to grow in the coming years. However, these central-area opportunities are expected to be fully built out or have limited land availability (particularly for larger sites), pushing the focus of substantial new developments to outer locations like Sherwood West.
- **Local Competition.** More locally, there are existing and emerging clusters of development within Sherwood that may be seen by developers and businesses as more attractive for new development. Locally serving retailers, such as restaurateurs, may prefer the established location and charm of Old Town. A hotel developer may have similar sentiments. For larger-scale retail, which is facing an uncertain future due to shifting consumer behaviors and the rise of ecommerce, Sherwood West's southeastern boundary fronting Highway 99W may be a favorable location because of access and visibility, as might the Roy Rogers corridor after its planned expansion. The Tonquin Employment Area (TEA) and the surrounding areas in Tualatin are currently seen as better locations for industrial and office development but vacant land is quickly being developed, which is likely to push the focus further west to places like Sherwood West.
- **Multiple Property Owners.** With 126 properties and 110 property owners, there are few locations that would not require land aggregation and assemblage for a larger (20+ acre) development. Developers tend to prefer large sites with single ownership in order to avoid the significant delays and hurdles associated with assembling enough land from multiple parcels. Further, property owners are rarely on the same page regarding long-term plans and it is difficult to predict if, when, and why private property owners will sell or develop their land. The City may implement a strategic program for property acquisition to meet economic objectives, either in partnership with other public agencies, by soliciting a qualified broker, or by other means.
- **Limited Infrastructure Funding Availability.** While this concept plan is expected to address some of the challenges associated with infrastructure phasing and funding in Sherwood West, developers want to see a clear plan for infrastructure improvements before committing to a site. Infrastructure needs often include enhanced water delivery systems (particularly for tech), enhanced electricity (e.g., green energy), and high speed internet.

[1] Access to other closer municipal airports, such as Hillsboro, also play a role in economic opportunities for Sherwood West, albeit to a lesser extent that Portland Airport. Corporate executives and prospectors often utilize these other airports with private or corporate planes.

- **Topography.** Substantial employment-oriented development, such as a business park, campus, or large-scale industrial or office space, typically requires relatively flat land with slopes under five percent (under three is preferable for industrial). Locations with these topographical conditions are limited in Sherwood West. Sloped sites require grading, which can be prohibitively expensive for developers, particularly if the soil conditions are challenging.[2]
- **Lack of existing rooftops.** While new residential growth is expected over the next 10+ years, the lower density of households and jobs within a five-mile radius of Sherwood West currently limits demand for new retail space and also limits the employment catchment area for new businesses. The density of rooftops in a given location is a critical site selection criterion for new developments. During the recent round of interviews, one stakeholder shared an example where a developer chose to develop in Salem rather than Woodburn due to this issue. With this being said, the lead time for new development to occur will likely align with this growth, which necessitaes proactive planning for new development. Further, Sherwood benefits from its proximity to the Portland metro and is the heart of the triangle formed by Hillsboro, Beaverton, and Wilsonville, with existing undeveloped "gaps" in this area expected to fill in over the next 20 years, increasing the total number of jobs and people.
- **Uncertain/softened Office Market.** The COVID-19 pandemic created much uncertainty regarding the future of office uses. The suburban office market has fared relatively better than the Portland Central Business District (CBD), likely because of the suburb's propensity for "essential" or neighborhood-serving offices like medical, banks, finance and insurance, etc. rather than industries that typically cluster in downtown settings (e.g., professional services).
- **Land Use Application and Permitting.** Some stakeholders interviewed considered Sherwood's application process to be arduous relative to other cities, particularly for industrial development. Suggestions to improve and streamline this process include pushing elements of the initial application to later in the process and being clear about timeframes for various types of permits.

Opportunities

Industrial

The industrial market is considered the hottest of all land use sectors. Ecommerce has surged during the course of the pandemic, with online shopping now considered a norm and capturing more than one-quarter of the total retail market. Further, for every one percent of new retail sales, ecommerce creates demand for 38 million square feet of new warehouse space, and is expected to continue to increase. Other trends benefitting industrial prospects in Sherwood West include the increasing popularity of satellite facilities, which appears to be aligned with residents' desire to work close to their homes. Several other key opportunities related to industrial development in Sherwood West are highlighted below.

Strong Demand. Stakeholders consistently pointed out the increasing difficulties in finding sites in the Portland area, especially large, contiguous, developable sites. As high-quality industrial sites become increasingly scarce in the Portland region, rental rates for industrial space have surged.

Land Needs. In terms of the rate of development, the Tonquin Employment Area (TEA) is considered a relatively accurate depiction of what could be seen in Sherwood West. While Sherwood West is less likely to see as many users that are highly dependent on major transportation routes, the pace of development in the TEA is indicative of the

[2] Basalt is common in soils throughout the Portland area; Sherwood may experience similar challenges, although that bedrock around Sherwood West is understand to be relatively deep, making grading less of a challenge than in some other parts of the region.

strength of the market, and this is unlikely to subside for at least 10 years. In fact, some developers would not consider a 100-acre designation "long-term planning" and several stakeholders suggested that the 108-acre area in the north of Sherwood West is considered a "drop in the bucket" that would be accounted for within two weeks if it were development-ready today. Additionally, institutional developers are generally purchasing 40- to 50-acre sites in order to phase development over time, with the main focus on five to six-acre developments with around 50,000 square feet of multitenant, mixed employment space. There is also new investment nearby in the Tonquin Employment Area (TEA) for larger buildings (upwards of 200,000 square feet), albeit to a lesser extent than the aforementioned product type, that can be either single user or multitenant. The larger the development, however, the greater the need for flat, unencumbered sites that become increasingly challenging to find.

The City of Sherwood could, therefore, plan for substantial industrial-focused employment growth over the next 20 years. Development types include mixed-use employment with a focus on tech, manufacturing, and warehousing. Despite the regional need for large lot industrial, the City should avoid mandating large lot industrial and instead maintain as much contiguous developable land as possible in order to accommodate phasing. While providing an estimate for the total amount that could be designated for employment lands or the specific product types that should be planned for is challenging, we recommend a flexible approach that can accommodate a range of development programs and types. Larger sites may be developed in full or subdivided by a developer.

Residential Growth. Nearby residential growth will benefit industrial prospects—mainly for smaller multitenant spaces—as people continue to value shorter commutes and quality spaces.

Competition. One of Sherwood's primary competitors for new industrial-focused employment land development is Wilsonville. The Coffee Creek area is considered a comparable location to Sherwood West. However, Wilsonville's sites are also considered challenging to develop because there are few sites in excess of 10 acres and there is limited city-provided infrastructure (water, sewer, roads); stakeholders agree that larger sites are needed to achieve an adequate return on investment, especially if infrastructure investments are expected from the developer. Wilsonville is also seen as challenging to work with due to overly restrictive zoning and a challenging permitting process. Of note, the City of Wilsonville has formed an urban renewal district as part of its strategy to support development in the Coffee Creek area.

Low Vacancies. Of the almost 10 million square feet of speculative construction in the metro region that have been delivered over the past 5 years, less than 10 percent is available and the market should be able to absorb most of the 2.1 million speculative square feet being delivered in 2020-2021. Vacancy is expected to increase to 6-8 percent within the next five years as a result of the development pipeline, bringing about more stability to the market. There are roughly four million square feet still in the pipeline, over half of which is planned to be owner-user or build-to-suit properties.

Wine-related Impacts. Outside investment is increasing in Oregon's wine industry and the Willamette Valley is quickly becoming a hotbed of new activity as investors see profit-making opportunities associated with the lower cost of land (relative to France and California) and grape production, as well as recognizing the need to diversify locations in the face of climate change. The recent acquisition of Ponzi (a Sherwood area business) by the French company Bollinger is one of the first foreign acquisitions in Oregon, but it is expected as the start of an emerging trend rather than an exception. Impacts of the wine industry on hospitality and commercial prospects are explored in later pages.

Developers see opportunities in storage, distribution (including bottling), production, and warehousing. While the former is a low-density employment type, the others pay higher wages and employ a significant number of people. Wine-focused manufacturing also aligns with existing trends in the southwest metro region which has seen food processing become a major employment sector. While industrial stakeholders see opportunities in production, wine industry experts consider it a nonstarter, with the majority of production facilities likely to remain in the immediate vicinity of the growth area. Storage and distribution may benefit from proximity to Highway 99W, but, again, developers

see areas that are more centrally located in wine country—such as McMinnville along Highway 18—as better potential locations in the short-term.

T-S Corporate Park. Cities are increasingly using zoning codes to influence development. For the T-S Corporate Park, the developers knew the zoning before it was annexed, and the plans were reactive to that zoning. The developers looked at the Koch Corporate Park to the east as a comparable example for what they could expect. Despite topographical, soil, and wetland constraints, the project is rapidly proceeding with multitenant space geared to manufacturing, food, and tech (such as bioscience).

Target Industries

During the stakeholder interviews, participants (including those throughout all stages of the development process, from high-level prospecting to tenant recruitment) generally agreed with Sherwood's target industries. These industries include:

- High Technology/Computers & Electronics
- Light Manufacturing/Advanced Manufacturing[3]
- Cleantech
- Life Sciences/Biosciences
- Research and Development (R&D)
- Software/Media Design
- Professional/Business Services
- Food Products
- Outdoor/Athletic Wear Design
- Healthcare

Other industries mentioned during the interviews included logistics and engineering. Many of the target industries above are highly water-intensive. One major competitive advantage in Oregon's favor is the availability of water. Some of Oregon's competition, including New Mexico and Arizona, are facing significant challenges due to current and expected future droughts.

These industries are primarily traded sector and provide, on average, higher-paying jobs and may be part of a campus-style development or as individual site developments (most likely multitenant mixed employment buildings). It is understood that these development types are seeing increasing levels of interest from various stakeholders. A larger campus or business/tech park will require larger tract of land in excess of 20 acres and perhaps as much as 100 or more acres.

Possible locations for this appear limited to the northern section of Sherwood West, particularly in the area bounded by Elwert Road, Roy Rogers Road, Scholls Sherwood Road, and Conzelmann Road. Other locations may be appropriate as long as land is free of development impediments, such as steep slopes and wetlands. A high-level topographical analysis of the area shows potential locations for other employment areas along Highway 99W and perhaps centrally around Haide Road and Kruger Road. Most of the inland areas along the western half of Sherwood West are unlikely to be suitable for mixed employment (industrial, flex, office) given the topographical and access constraints.

Locational Considerations

Highway Access. Approximately 0.8 miles of Sherwood West's southeastern boundary fronts onto Highway 99W (between Kruger Road and Chapman Road). This access is considered critical for industrial users that require quick and easy access to the transportation network. This location is considered the only place that warehousing and distribution users may locate. The middle section of this stretch of Sherwood West contains topography that is likely prohibitive for new development that requires flat land (especially industrial), and the northern section is made up of multiple property owners and several irregularly-shaped and smaller parcels, creating challenges for land assembly and development. Generally, high-density employment is not considered likely due to the impacts on the transportation network and

[3] One stakeholder specifically mentioned interest in aerospace components manufacturing.

probable congestion, although this could be somewhat mitigated with robust residential growth that reduces commute times.

Tech Clusters. Sherwood is centrally located between existing tech clusters in Wilsonville and the Sunset Corridor. These clusters have historically dominated the tech-oriented employment landscape, but the market is now believed to be softening, with developers looking for opportunities elsewhere in the Portland metro where there is access to new talent clusters, new homes (especially for executives), and large tracts of land available to develop (particularly lower-cost land). LCG's stakeholder interviews suggest that the Sherwood area is beginning to draw existing businesses from Hillsboro, as well as serving as an attractive location for new businesses in the metro region.

Access to Talent. Talent is critical to location decisions for employers and is the single most important factor driving urban economic success is the educational attainment of a city's population.[4] Economic development partners and employers talk about "Talent" in terms of (1) the size of the skilled labor force in the market area, (2) the size or percentage of the population with a college degree, and (3) industry composition.

Approximately 17,000 new households are planned between the three UGB expansion areas along the Roy Rogers corridor (Sherwood West, Tigard River Terrace, and King City West—all within a five-mile radius), potentially adding more than 50,000 people to the area in the next 10 to 20 years. This growth will increase the interest of developers of all land uses in and around the Sherwood area. The importance of Sherwood High School should not be understated here as a local driver of talent creation. The school district is considered a major draw to the area for residents and executives, and programs and partnerships with industry groups or businesses will likely continue to increase opportunities for localized economic development.

Infrastructure

Infrastructure is considered one of—if not the most—important elements for employment-focused development in Sherwood West. Developers desire certainty around roads and utilities, and now consider it a simple "build it and they will come" approach.

Funding Plan. Metro, the regional planning agency, also considers infrastructure essential and recommends that the City develop a clear infrastructure funding and phasing plan as part of the Sherwood West Concept Plan. If the City can prove a certain return on investment, this plan can help justify the additional investment, financing, and funding from an economic development perspective. This does not necessarily equal an expectation of the City to build all infrastructure, but developers are increasingly doing risk assessments relative to delivery, so a clear plan for getting the shovel in the ground is important—more important than being promised a quicker overall timeline.

Shovel-ready Sites. Having shovel-ready sites available is likely to offset any of the area's potential disadvantages, to a certain extent. However, we recognize that there is a risk involved in speculative infrastructure investment, especially if the requirements for new development differ from user to user. The tech industry, for example, is understood to be asking for enhanced water delivery systems, enhanced electricity (e.g., green energy), and high-speed internet. In this case, Sherwood's municipally-owned broadband is a major advantage. It is recommended that the City of Sherwood develop a defined implementation plan with readily available funding.

Office

Office prospects are questionable, and the market may not return to normal for many years. Campus-style development may be possible but there are few local examples, and the market is unproven.

[4] https://cityobservatory.org/talent-and-prosperity/

Based on LCG's experience and other sources, employers base their decisions on where to locate office space based on the following primary criteria:

- **Attracting and retaining talent.** This is the most often cited requirement for location decisions. Businesses want to be in locations where they can draw on a large pool of highly-educated, innovative, creative, and motivated individuals. While the population size and educational attainment near Sherwood West are reasonably strong, other competitive areas still have a talent advantage, as shown in the table in the Locational Considerations section.
- **Development Clusters.** Being located in proximity to customers, collaborators, suppliers, and even competitors is critical to the success of office developments. Hence the clustering of Athletic and Outdoor businesses in the Portland metro region, and in proximity to Nike.
- **Accessibility and visibility.** Employers' workforce, customers, suppliers, and others must be able to easily get to and from the office space. Visibility is important since an attractive office space can act as a marketing tool for the company's brand.
- **Quality of place.** Since talent is the most important consideration, and highly skilled people are attracted to places with a high quality of life, quality of place is important to employers.
- **Real estate costs.** After labor costs, real estate costs like rent and other fees increase the costs of operation. Higher costs often mean tighter budgets and slower growth trajectories.
- **Regulation and tax structure.**[5] Depending on a business' perspective, it may consider the regulatory or fiscal environment as supportive or contrary to its operations. Regulations can include environmental requirements, zoning, and other elements that may restrict certain uses, development types, or businesses. Taxes, such as property and income tax, can also impact a business' ability to attract workers, but taxes play a lesser role than others mentioned here.

Regional Overview

While office prospects remain murky, it is expected to return to full strength within the next five years as economic conditions improve. The Portland CBD accounts for the vast majority of the metro's office inventory, which is unlikely to change despite trends that support a greater dispersion of the office inventory.

Total vacancy in Downtown Portland has been increasing each quarter since 2019 to its current vacancy of 16 to 18 percent and is expected to continue to increase as pipeline development comes online and if leases expire and are not renewed. A vacancy rate near or upwards of 20 percent is considered a major problem from which it is challenging to recover. Almost one million square feet of new, mostly unleased, office product was delivered to the market in 2020, and another 500,000 square feet is still in the pipeline.

After many years of office space consolidation, office users may start to value more space (spurred on by health concerns brought on by the COVID-19 pandemic), although any impacts from space expansions are likely to be dampened by the increasing normalization of the work-from-home environment.

Suburban Office

The suburban office market has generally maintained a steadier course with a vacancy rate currently around 10 percent, albeit with a substantially smaller inventory. The suburbs can provide employment opportunities closer to people's homes and often levy fewer taxes that can be seen as attractive for residents.

[5] Based on LCG experience and *Seven reasons why location is important* https://www.us.jll.com/en/views/seven-reasons-location-important

Most office developments that are part of larger planned centers as single, isolated buildings typically struggle to penetrate the market. An example of this is the nearby Pacific Financial Center in Tualatin. Despite a location on Highway 99W, the building has struggled to attract tenants and is only recently achieving a vacancy of 75 percent since its construction in 2008, with asking rents of $28 full-service advertised for currently available space. Pacific Financial Center is an ode to an outdated development model and demonstrates the need to cohesively plan for a critical mass of employment and commercial activity.

For the purpose of long-term planning of Sherwood West, the City can assume that office space will be a relatively minor part of the development program, either as mixed-employment, campus, and/or mixed-use developments. The most likely development type is surface parked projects no more than 20,000 square feet, with some smaller office space as part of mixed-use developments. Target tenants include tech, medical, and service-oriented office space with some "hub and spoke" or satellite office. With tech, it is most important for there to be a critical mass.

As with industrial, a flexible approach that accommodates these and other development types—as desired by council—is recommended. While office prospects remain dictated by the availability of flat land, it is typically a higher value development type that commands higher prices and rents than industrial, and it can therefore get built in areas with slightly more challenging site conditions (sometimes with slopes between five and 10 percent).

Office as Part of Mixed-Use Developments

Several trends in consumer behavior provide additional cause for optimism for commercial and employment uses in Sherwood West.

Remote Working Opportunities. One of the trends from the COVID-19 pandemic that is likely to continue is the rise of flexible employment and remote work. As many as 20 to 30 percent of office workers plan on not returning to the office full time. With the projected growth of anywhere from 20,000 to 30,000 new residents aged between 25 and 64 over the next 20 years within five miles of Sherwood West (above an existing baseline of 36,400), this growth may result in as many as 20,000 people working remotely. This may provide opportunities for smaller office suites (less than 1,000 square feet) and coworking spaces that could be part of a mixed-use environment.

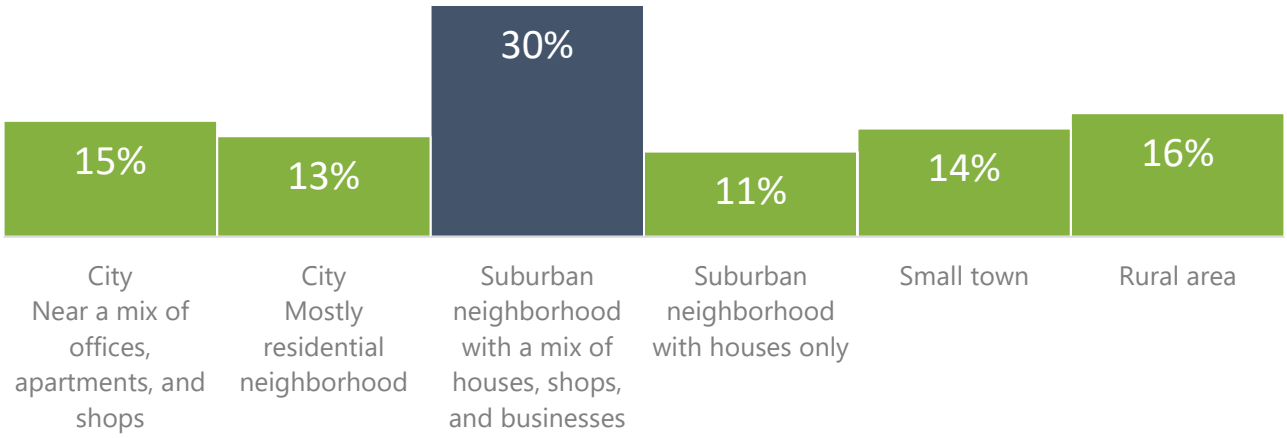
20-minute Neighborhood. One notable shift in consumer behavior is the growing demand for the **20-minute neighborhood—**the concept where one can take care of everything within a 20-minute walk. These areas have walkable access to a mix of employment and commercial services, including amenities, multimodal access, adequate sidewalks, and good street connectivity.

While it is challenging for most areas in suburban or edge locations to attract a critical mass of commercial amenities and services and employment opportunities to achieve the 20-minute neighborhood, there has long been a growing demand for suburban neighborhoods that include these elements, as shown below. Sherwood West can capitalize on these shifting preferences.

Orenco Station is a good example of this: the Hillsboro suburb is a grocery-anchored mixed-use center with retail and office uses surrounded by a variety of housing types, including single-family homes, townhouses, and apartments. Another good example is the City of Lake Oswego, which has succeeded in creating an amenity-rich environment for its office workers, resulting in an attractive, mixed-use location that drives rent premiums and supports higher density development.

These areas are attractive to younger knowledge workers who might be interested in some type of incubation space for new company creation. The new high school will help the potential growth of knowledge-related employment by anchoring and nurturing community bonds.

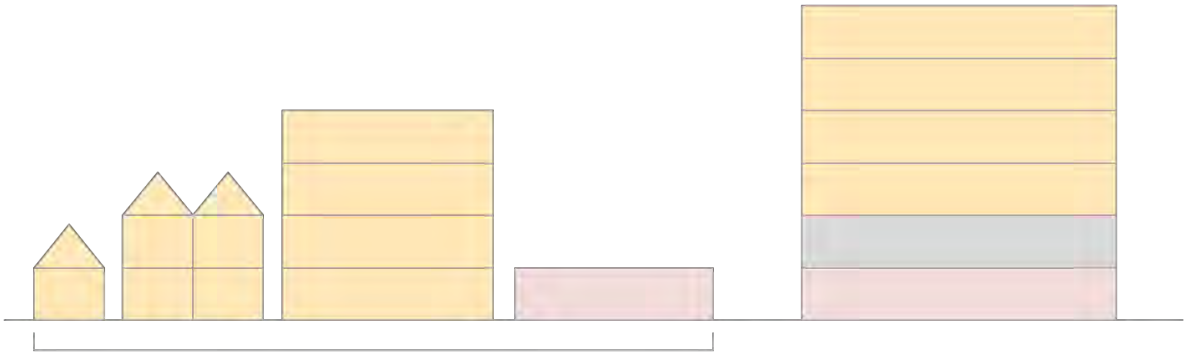
"Where Would You Most Like to Live" Survey Results



Mixed-use development has historically been limited to downtown environments, only occurring in some suburbs in hotter markets. However, it is now expected that mixed-use has a future in the suburbs, especially if it can be developed horizontally (versus vertically) and accommodated on larger sites to mitigate the higher cost of construction associated with typical vertical mixed-use development. Horizontal mixed-use typically occurs organically and, in turn, creates the market conditions to support more density.

Sherwood should pursue horizontal, rather than vertical, mixed-use development, at least in the near term. The major differences include parking (surface versus structured), construction type (wood versus concrete podium), the use of elevators, additional circulation and interior spaces, fire and safety elements, and the level of fees associated with the development.

Vertical mixed use also requires much higher rents, primarily because of the more expensive construction costs. These rents do not exist in the Sherwood area today. As such, pursuing the latter without allowing for the former may delay new development in Sherwood West.



Hospitality

New hotel development has been clustered in downtown Portland and Hillsboro, with a few isolated projects elsewhere along major arterials. There has been relatively limited hotel development in the southwest metro region, except for Sherwood's new Hampton Inn.

Some of the key inputs to hotel developers' site selection decisions are the amount of nearby employment (which drives business travel), convention center space, major tourist destinations/quality of place, and visibility from major highways/transportation corridors. There is also "background demand" that is linked to the size of the surrounding population. Hotel development, to an even greater degree than commercial development, tends to be a "following use." In other words, hospitality follows other types of development, particularly office space. Office space is a significant generator of hotel demand and makes it easier to justify the market and attract developers.

Sherwood West is likely to have competitive advantages in terms of major employment clusters, tourism draws, and transportation corridors compared to other locations. LCG considers the probability of attracting a new hotel in the area as high, particularly for a mid-range hotel. However, the City should not expect lodging development to be completed early in the lifespan of Sherwood West.

Challenges. Specific challenges related to the hotel industry for Sherwood West are listed below.

- Lack of major office employers and two of the major employers include healthcare and the school district, which doesn't reflect an adequately diversified employment base to drive hotel demand.
- Existing land availability in the heart of wine country for wine-oriented hotels in other cities such as Dundee means that Sherwood is unlikely to be competitive based on the wine industry alone.
- Hotels are generally "follow-on" investments because they are expensive to build; developers, therefore, need a proven demand before committing to development.
- Hotels require adequate "activation energy"; there is currently a lack of restaurants and other amenities in and around Sherwood West.
- Lack of local comparable examples; hotel developers need to prove that hotels can get to 70 percent occupancy in order to confidently develop. However, if the Hampton Inn negatively performs, it is not necessarily an indication of prospects as branded hotels can be a negative for certain audiences.

Opportunities. Most of these challenges can be addressed by focusing on employment growth and a greater array of commercial amenities and services. The pandemic has also increased consumer's desires for "drive-to" areas, so cities like Sherwood that are less isolated may become more resilient to future market disruptions.

Feedback from the stakeholder interviews indicated a range of hotel options for Sherwood, including mid-range and upper-range or boutique hotels. The Allison Inn and Spa in Newberg was discussed as a luxury option ($500+ a night) but is not expected to be currently feasible in Sherwood until a critical mass of high-wage employment occurs to complement Sherwood's presence as a gateway to Wine Country. An upper range or boutique option ($300-400 a night) such as McMinnville's Atticus Hotel faces similar challenges in the near term and may be best suited to Old Town Sherwood over the longer term. The recently completed 73-room Hampton Inn in Sherwood is considered a budget-friendly option (less than $150 a night).

Primary demand is for at least one mid-range hotel in the $150 to $250 a night range that fills an existing gap in the market.

Location. The most likely location for a hotel would be near a mix of uses or town center feature, or near open spaces. It is possible that lodging could be located along one of the arterials and look to build on travel to and from the wine country to the southwest, but there are most likely superior wine country lodging locations. In fact, a location on 99W would help with visibility, but the need for visible, highway-adjacent locations is declining as consumers increasingly use technology to seek lodging options and book ahead of time. A more physically attractive location will maximize Sherwood West's unique assets such as its views and open spaces. Proximity to future employment is also recommended to target business travelers and a broad spectrum of customers that may desire a different product from branded I-5 corridor hotels.

Wine tourism. While Sherwood is well positioned between the Portland metro and wine country, the City should not base its future on the wine industry. Other cities that are more centrally located in Wine Country are likely to continue expanding and experience the bulk of tourism activity, particularly for out-of-state visitors (even though Sherwood's location as a gateway to wine country is a major advantage). Local support is also strong, and new residential growth coupled with an increase in inter and intra-state tourism (particularly from TX, NY, FL, etc.) will drive demand for new facilities (e.g., satellite tasting rooms).

An Oregon Winery Visitor Profile Study Report for 2019 by Travel Oregon profiles visitors to the State's wine regions. In the Sherwood region, the average visitor is a 51-year-old woman earning $113,000 per year. These visitors average $600 in spending over the course of two days and stay an average of 1.5 nights. Compared to the Napa region, the lack of available lodging and other services and amenities is apparent, with Napa visitors staying an average of two nights with greater expenditures.

This data is consistent with information garnered during stakeholder interviews, which indicated potential opportunities for high-end and boutique hotels and white tablecloth restaurants in Sherwood. These uses would help elevate Sherwood's position as a high-end tourism destination for domestic and international visitors.

Retail/Commercial

As described previously, the retail real estate sector continues to struggle as a result of the ongoing pandemic and the growth of ecommerce. There is now significantly less new retail development being built per new resident than ever before. Big box retail prospects are also the lowest they have ever been among the development community. With that said, Sherwood's retail market is considered vibrant and healthy.

Sherwood's retail inventory is largely traditional brick-and-mortar, i.e., surface parked commercial centers or standalone buildings along transportation routes. The three types of centers include:

- **Community centers.** Often referred to as a strip mall, community centers range from 125,000 square feet to 400,000 square feet. These properties usually have a grocery store and can also have a discounter and large specialty shops mixed with convenience retailers, such as drugstores.
- **Neighborhood Centers.** A smaller version of community centers. These are typically referred to as grocery-anchored properties, along with other convenience retailers. They run up to 125,000 square feet.
- **Convenience Centers.** These are very small properties that are less than 30,000 square feet and filled with, well, convenience-based retailers, such as dry cleaners, nail salons, drug stores, and other types of shops where customers are looking for a quick purchase or service.

Spending Gap Analysis. A retail gap or leakage analysis helps identify strengths and opportunities in the retail market. Supply is determined by estimating the sales by retail establishments in the region to all consumers, regardless of where they live; sales to businesses are excluded. Demand is determined by estimating the expected amount spent by consumers that live in the region at all retail establishments, regardless of their location. The difference between supply (retail potential) and demand (retail sales) represents the retail gap. If the demand is greater than supply, a leakage occurs. Retail leakage refers to the amount of money that residents are spending on retail goods and services at stores located outside the community. If supply is greater than demand, a surplus occurs and indicates that retailers are selling more than is demanded within the region. This information is critical to economic developers and regional planners because it can be used to recruit appropriate retailers to the community. It is also useful to retailers already located in a community because it can guide on tapping new markets with expanded or improved product offerings.

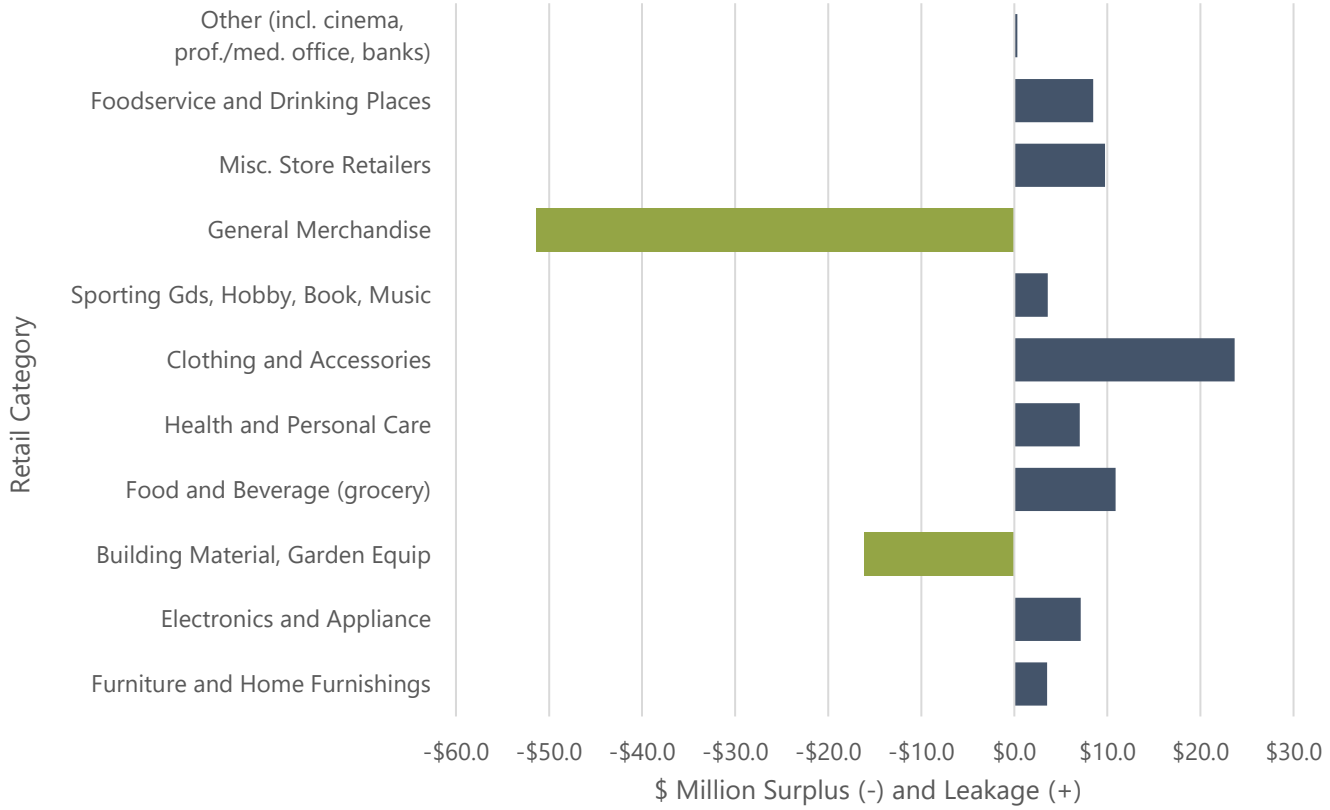
As the following chart shows, there is leakage in most retail categories. However, total retail demand is estimated at $402 million and total retail sales at $395 million, meaning there is little difference in total. Further, a huge surplus for General Merchandise (such as Target, Walmart, etc.) may account for much of the leakage in specific retail categories

like Clothing and Accessories and Miscellaneous Store Retailers. Also likely is that the Sherwood area, as the gateway to the Portland metro, is capturing spending from smaller cities in the Willamette Valley that do not have as many retail offerings. As Sherwood increases its retail offerings and the commercial landscape becomes increasingly vibrant and diverse, the retail gravity will likely draw from an increasingly large trade area to the south. If planned properly, a cluster of unique, destination-style retail offerings would likely capitalize on these opportunities.

Looking ahead, residential and employment growth will certainly drive demand for additional retail space, but the growth of ecommerce and declining retail footprints may dampen the impact. Traditional "big box" retail is also unlikely as the market is relatively saturated with this product type. Instead, Sherwood should expect to focus on convenience-based retail, such as grocery and health and personal care, as well as neighborhood-serving retail, such as foodservice and drinking places. These categories are also less prone to market disrupters. Enough leakage exists in these categories to immediately support at least one moderately-sized cluster of stores.

There is a growing desire for placemaking, entertainment, and culinary experiences. According to stakeholders, Sherwood is missing specialty markets and independent, farm to fork, and white tablecloth restaurants. Restaurants are important placemaking elements that support business retention and expansion and other economic objectives. There is a belief that opportunities exist to market Sherwood West to certain restauranteurs that may want to relocate from the central city. Similarly, individual wine-related tasting rooms or a regional wine bar may be able to capitalize on the burgeoning wine industry. While Old Town is the more likely environment for these uses, existing available spaces are limited; a nodal development cluster or main street development in Sherwood West may attract developers and tenants that recognize the market opportunity for these uses.

Current Spending Surplus (-) and Leakage(+) by Retail Category, Primary Trade Area (10-minute drive time)



Source: ESRI, LCG

Healthcare

Today's healthcare facilities are dispersed throughout the region and have spread out to serve the needs of the metro's growing population. Key healthcare demand drivers are the size of the population in the market area and the size of key populations such as seniors. Small- and medium-size healthcare facilities (particularly clinics, primary care offices, and dental offices) can easily fit into smaller commercial centers. Major healthcare facilities (e.g., hospitals and large medical office buildings) tend to locate along highways and major transportation corridors. Healthcare is an industry that has the potential to drive demand for other commercial uses and amenities, including retail, office, lodging, and, to a lesser extent, light industrial and manufacturing.

One of the hottest trends shaping healthcare real estate is the shift to delivering medical care in outpatient settings. Ultimately, this trend is being driven by three factors: an emphasis on driving down costs, the rise of the healthcare consumer, and an aging population.

This is consistent with the findings from LCG's interview with a major healthcare provider. Key findings are as follow.

- Site criteria for new healthcare facilities include drive times, ease of access, visibility, proximity to other services, and distance from competitors. A location along 99W appears the only adequate location that fits this criteria.
- With the shift to outpatient facilities, healthcare providers are unlikely to build additional in-patient facilities in Sherwood.
- Providers consider a 10-minute drive time the market area for primary care and 20-minute drive time the market area for specialty services. Existing facilities in Newberg and Beaverton are within a 20-minute drive time of Sherwood and may not compete for additional specialty services in the near future. Demand for primary care services, however, is likely to increase as the population and number of jobs increases in the immediate Sherwood area.
- Providers are increasingly partnering with developers to build facilities as part of larger mixed-use and wellness-oriented projects.
- Smaller clinics sized around 1,500 square feet may be part of mixed-use developments or in retail settings.

Sherwood West may benefit in the future from several emerging trends, including a growing acceptance and use of telehealth (driven by the COVID-19 pandemic), technological advances, and a growing desire for more convenient and accessible outpatient services. These trends are more likely to lend themselves to smaller healthcare facilities.

LCG's assessment is that it is likely that some small- or medium-size healthcare facilities will locate within one or more of the Sherwood West commercial areas. Assisted living facilities can be located within residential parts of Sherwood West.

Because major healthcare facilities depend on large nearby population bases, higher visibility, and access to highways and major transportation corridors, as well as the shift away from inpatient facilities, such a facility is unlikely to develop in Sherwood West, at least in the next 20 years. Attracting such a user would require time, effort, and deliberate planning and policy on the part of the City.

Strategies for Employment Growth

LCG recommends the following approaches and strategies for employment attraction:

- *Be Flexible.* Maintain as much flexibility (zoning, land, tools, approach) as possible in planning for employment growth as market cycles and trends over the next 20 years are unclear. This means maintaining large, contiguous sites but not mandating large-lot sites.
- *Plan for Mixed Employment.* Most of the opportunities for long-term job creation will likely require a mixed employment approach—namely industrial, flex, and office. Mixed Employment in centers/parks of 20-100 acres is the strongest market.

- *Plan for Multitenant Space* that can be scaled up or down and is highly divisible (e.g., to 2,500 square feet) allows for business expansion and the flexibility to accommodate various sized flex, office, commercial, or light industrial users.
- *Compile a Toolkit* of incentives and tools that can be packaged together to encourage desired development types.
- *Be both proactive and patient.* The City will need to be both *proactive*—in maintaining relationships with major employers, brokers, economic development professionals at different levels of government, and others in the employment development community and understanding their needs—and also *patient*. This means a recognition that the City will probably forgo the opportunity to see the land developed sooner with residential.
- *Ensure that buildable shovel-ready land is available for employment.* The land must be zoned for employment development. The zoning and building codes should require an appropriate level of development quality, but not make unrealistic requirements, for example, around low parking ratios, mixed-use, etc. For certain sites, the City may want to use the State's "Certified Shovel Ready" process to document that environmental, archeological, title, wetland, and topographical issues do not preclude development.
- *Invest in talent and quality of place.* The underpinnings of traded sector office site selection are simple: Locate where the talent is. Therefore, cities must attract talented people, by providing high-quality cities and neighborhoods where people want to live. The Sherwood West Concept Plan, which integrates residential, employment, and commercial development with parks and open spaces, is an important step; building out the plan is another. More broadly, the City should work to ensure that its workforce is well educated and trained to fill jobs within the City and regional industry clusters. It should also focus on supporting the development of a diverse array of suitable housing types, promoting placemaking as a core economic development strategy that prioritizes amenities, services, connection to Old Town, and open space. Doing so will likely draw a greater connection between Sherwood's existing high quality of life and well-skilled/educated workforce to encourage talent retention/tech business incubation and grow the community tech "ecosystem" etc. in Sherwood West.
- *Increase accessibility and visibility via the regional transportation network.* Large employers have historically needed to bring large numbers of employees to their campuses, and this requires robust auto, transit, bicycle, and pedestrian transportation infrastructure. In the near term, most employees are most likely to commute to work in cars they own; over the long term, automated vehicles, ride-sharing, and non-auto modes may increase. In any case, this will require the City to work closely with other cities, Washington County, and Metro.
- *Consider land acquisitions.* Site ownership can put the City in a strong position to recruit employers; it can also be expensive, risky, and politically contentious. If the City is considering land acquisitions, LCG recommends that the City work with a broker with experience executing deals that have resulted in employment land and building development in Washington County, in order to clearly understand costs and benefits.

Tools

The market is currently favorable for new employment-oriented development, yet tools and incentives may be necessary if the City desires a certain type of use the market doesn't support or it wishes to accelerate the timing of new development. The City may achieve this using an array of tools, including:

- Enterprise zones
- Zoning
- Incentive programs (tax abatements, development assistance)
- Fee waivers
- Marketing[6], developer outreach/solicitation

[6] An element of marketing may be necessary. The City's municipally-owned broadband service is a unique differentiator in the region and should be promoted.

- Public-private partnerships
- Strategic public partnerships (e.g., with GPI)
- Local improvement districts
- Urban renewal areas

Phasing

Developers are already interested in Sherwood West, particularly developers of industrial and mixed-employment uses. Despite the 20-year planning horizon of this Concept Plan, the timeline for bringing land into the UGB is potentially much quicker. The next legislative ask is 2024 and it is recommended the City move quickly to ensure development can occur within the next 10 years.

Industrial development has historically been about cost and infrastructure; now, it is about speed to market and feasibility. Most major industrial developers are likely operating within a five to 10-year timeline. It is also important to note that infrastructure provisions—or at least a clear implementation plan—available land to develop (without development encumbrances or multiple property owners), and adequate zoning are all critical elements for attracting employment-focused development.

Zoning

Zoning is one of the most critical pieces to get right. Flexibility is critical and the balance should be just prescriptive enough without dictating the uses in order to encourage desired development types while accommodating future growth and emerging trends like robotics and changing delivery systems. Restrictions should be limited to uses that have very low employment densities, such as storage. The zoning in the Tonquin Employment Area is considered a good example of employment-focused zoning.

Parking and environmental standards are two of the more challenging elements of the development code. It is important to keep these standards up to date with industry best practices and user needs and not have overly cumbersome standards.

APPENDIX H

Transportation Issues Memo

DKS 720 SW WASHINGTON STREET, SUITE 500, PORTLAND, OR 97205 • 503.243.3500 • DKSASSOCIATES.COM

TRANSPORTATION ISSUES MEMO

DATE: April 29, 2021

TO: Joe Dills and Kyra Haggart | Angelo Planning Group

FROM: Carl Springer | DKS Associates

SUBJECT: Sherwood West Concept Plan Re-Look, Transportation Issues Project #21057-000

PURPOSE

The Sherwood West Concept Plan Re-Look will update the land uses and community plan envisioned in the Sherwood West Preliminary Concept Plan, which will influence the transportation systems that serve it. This memorandum highlights key transportation considerations, including what has changed since Preliminary Concept Plan was completed in 2016 to inform strategic transportation system choices for Sherwood West.

The purpose of this memorandum is to summarize the key transportation issues and projects that will be addressed through this Concept Plan update. It is recognized that transportation system planning works best when it responds to the existing and future needs of its users, which are represented by how land use plans are organized. The transportation plan must also respect the environmental and topographical constraints that are present within Sherwood West.

LAND USE ISSUES

This update is expected to take a new approach in the land use plan which has a direct impact on transportation systems. Studies completed since 2015 indicate greater community needs for employment and mixed-use commercial areas to help Sherwood better balance the mix of jobs and housing that are accessible to the community. This kind of change will affect the travel patterns during commute hours and have some influence on the kinds of services and public amenities that are suitable to support this area. Also, recent state land use regulations have modified single-family zoning requirements to encourage a mix of housing types within each new neighborhood (HB 2001). This is expected to yield higher residential densities than was previously reflected in the preliminary concept plan.

In addition, the new Sherwood High School campus will be reflected in this plan, which was not a part of the prior work. The transportation demands of a high school campus represent a significant change, in terms of the intensity of travel in this area; the reliance on safe and comfortable

walking and bicycling systems in Sherwood West; and, the ability to provide north-south connectivity on the west side of SW Elwert Road. Several major new street improvement projects have already been constructed to support the new school. However, in developing the rest of the concept plan's transportation system, these unique school-related travel needs will be considered to ensure a consistent and connected service to all neighborhoods that are expected to utilize this campus.

Outside of the City of Sherwood, new growth along the Roy Rogers Road corridor now has better plans or updated information that was not available five years ago. Growth in these areas will influence regional travel conditions, which could include local routes within Sherwood West like SW Elwert Road. These new external growth areas include Cooper Mountain in Beaverton, expansions to River Terrace in Tigard, and Kingston Terrace, the new western expansion of King City extending to Roy Rogers Road. Taken together, these nearby growth areas will add thousands of additional families that will rely on the same regional transportation system that serves the Sherwood West community, and they need to be considered in assessing the travel conditions for the Sherwood West Concept Plan.

TRANSPORTATION SYSTEM ISSUES AND PROJECTS

This section provides a review of pending regional transportation system improvement projects and also highlights several previous street elements within the plan boundary that will be revisited through this process.

ROY ROGERS ROAD

Washington County plans to expand SW Roy Rogers Road to a five-lane arterial (two travel lanes in either direction plus a center turn lane) south into Sherwood through to Highway 99W. The final southerly extent of this improvement will be from Chicken Creek to Borchers Drive. The estimated $14 million project is funded by the County's MSTIP program, and it is planned for completion by Spring 2024. This regional corridor connects SW Scholls Ferry Road to Highway 99W and connects between job centers in Hillsboro, Beaverton and housing areas in Sherwood, Wilsonville, and western Clackamas County. Horizon year (2040) travel forecasts are roughly 40,000 vehicles on an average weekday, which is similar to levels observed today on Highway 99W between Tigard and Tualatin. This high level of travel demands may influence the type and location of potential development along the SW Roy Rogers Road corridor, specifically making it more attractive for retail and mixed-use development.

BROOKMAN ROAD

The SW Brookman Road extension ultimately will define a new southern edge of Sherwood. When properties in the Brookman Addition area annex to the City, SW Brookman Road will be upgraded to a full urban arterial facility and its current intersection with Highway 99W will be upgraded to comply with Washington County and ODOT standards for driving, bicycling, and walking. The recent update to the Brookman Addition Concept Plan recommended an interim 3-lane arterial cross-section on Brookman Road until such a time as a 5-lane section is required. The scope and character of the 99W crossing is still under discussion, and the City has stated a desire to explore

an overcrossing roadway rather than at-grade intersection to provide a more convenient and safer route east-west. The SW Brookman Road extension west of Highway 99W (via SW Chapman Road) will also serve as the southern edge of the greater Sherwood West planning area and provides important connections to planned north-south routes that lead up to SW Krueger Road. Ultimately, the timing of the Brookman Road upgrade is tied to land use actions to bring this area into the City of Sherwood. At this time, the County has not programmed funding for these improvements.

HIGHWAY 99W

This state facility is a primary north-south regional highway serving Sherwood. The high speeds, crossing width, and limited crossing opportunities make it a significant barrier for intra-city travel within Sherwood, especially for walking and bicycling travelers. At the time the new high school campus was considered by the City in 2017, a potential solution was identified that would provide a new highway overcrossing for walking and bicycling near the southern end of the campus. Initial feasibility studies have been done to provide a non-motor vehicle crossing just north of SW Sunset Boulevard that extends over Highway 99W to the far side of SW Elwert Road. This connection should be considered as part of the Sherwood West planning process.

ELWERT ROAD

SW Elwert Road is a direct north-south route between SW Scholls-Sherwood Road and SW Krueger Road. It spans a significant portion of the Sherwood West Planning area and is a common alternative route to Highway 99W for local and diverted regional travel. It will be important to strike a balance between local connectivity and regional travel needs when developing the ultimate design of this facility as it is upgraded to urban standards. Several aspects of this route that should be considered include:

- **Intersection with SW Scholls-Sherwood Road** – This intersection will likely need upgraded traffic controls and a more defined intersection area as the adjoining farmlands are developed.
- **Intersection with Elwert Road at Edy Road** – This intersection is adjacent to Chicken Creek and significant environmentally constrained lands. The prior plan recommended a double roundabout solution to minimize environmental impacts and to discourage attractiveness of regional through traffic.
- **Intersection with Elwert Road at Kruger Road** – This intersection was recently improved to a larger roundabout and road re-alignments as part of the high school campus project to address chronic congestion and safety concerns. As the remaining lands to the south are planned for development, the adequacy of this improvement will be re-evaluated.
- **Parallel routes to Elwert Road** – As the preliminary concept plan is revised, the consultant team will seek out opportunities for parallel routes further to the west that can provide local travelers with more north-south options, particularly for access to the high school campus area.

MULTIMODAL TRAVEL OPTIONS

A key component of the transportation network for Sherwood West will be to incorporate safe and convenient walking and bicycling facilities into the higher classification street facilities. All of the local arterial and collector

class streets will have these elements added to the cross-sections for planned improvements. In addition, the natural areas and varied terrain offer opportunities for a separate trail system to promote non-motorized travel away from the roadway network. Transit does not currently serve the immediate Sherwood West area. The closest TriMet service is Route 94 which connects to Portland along Highway 99W. The nearest stop is over a mile away. The concept plan should explore how to make the area "transit-ready" with transit-supportive land use and sufficient connectivity of the street system. In addition, consideration should be given to micromobility solutions like scooters and bike-sharing to help address first/last mile challenges.

APPENDIX I

Plan Concepts

- Livable and Connected Streets
- Elwert Road Design Concept
- Active Transportation
- Great Neighborhoods
- Mixed Employment Areas
- Chicken Creek Greenway

These Plan Concepts were developed early in the development of the Sherwood West Concept Plan. Ideas from these Plan Concepts were refined and revised for the final Concept Plan.

SHERWOOD WEST
CONCEPT PLAN

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LIVABLE & CONNECTED STREETS

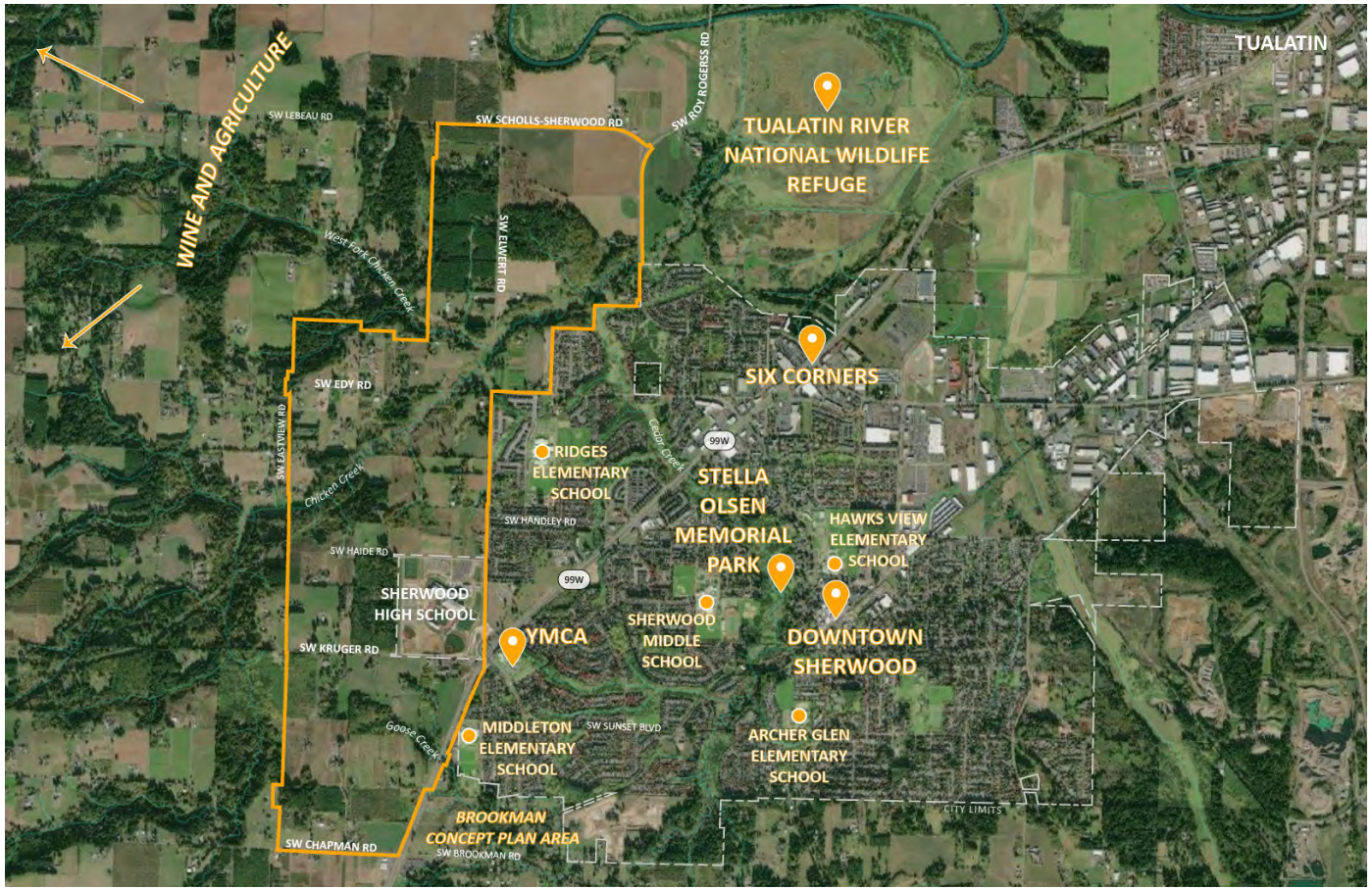
The Sherwood West area is adjacent to and a part of Sherwood's network of streets that carry both local and regional traffic. As the City of Sherwood grows, a well-designed and connected network of streets in Sherwood West should focus on safety, knitting the existing and new growth together, creating livable and walkable neighborhoods, and mitigating impacts of regional through-traffic.

PRINCIPLES

- Design for safety
- Integrate with existing Sherwood
- Connect all areas of Sherwood West
- Streets are places for people of all ages and abilities
- Provide for all modes of travel

INTEGRATED STREET NETWORK

This map shows important local and regional destinations. It will be important to ensure that the future street network in Sherwood West is integrated with existing Sherwood, providing connections to these destinations.



A FRAMEWORK OF LIVABLE AND CONNECTED STREETS: 0PTION 1

This diagram shows a draft framework of streets for Sherwood West. This option implements the realignment of SW Elwert Rd and SW Edy Rd that was studied in the Preliminary Concept Plan. Street locations and alignments are conceptual and approximate. Additional local streets will be built between the framework streets, depending on land uses.

North of Chicken Creek, the street framework is designed to serve Mixed Employment land uses. There are continuous parallel routes to SW Elwert so that local trips can move freely and turning movements on SW Elwert Road are minimized.

The Elwert-Edy Road intersection is realigned as described in the Preliminary Concept Plan.

A neighborhood street connects from SW Handley to SW Haide and south to SW Chapman Road. This street connects multiple neighborhoods and the central and southern employment areas.

A north-south "hilltop" route provides additional north-south access and a second continuous north-south route for emergency access and other services.

All intersection types are to be determined through further study and coordination. The City is evaluating strategies and road alignments to minimize regional traffic through Sherwood neighborhoods. All improvements at Chicken Creek subject to potential State/Federal permitting.



The SW Chapman-SW Brookman Road intersection is an area for additional study of integration between Sherwood West and south Sherwood.

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0 0.25 0.5 Miles

A FRAMEWORK OF LIVABLE AND CONNECTED STREETS: 0PTION 2

This diagram shows a second option for the street framework in Sherwood West. In this option, the existing alignment of SW Elwert Rd and SW Edy Rd is retained, with the intersection rebuilt. Option 2 would require raising the intersection and road approaches approximately 10 to 20 feet in elevation in order to correct for topography, floodplain issues, and the existing unsafe sight-distance visibility. Street locations and alignments are conceptual and approximate. Additional local streets will be built between the framework streets, depending on land uses.

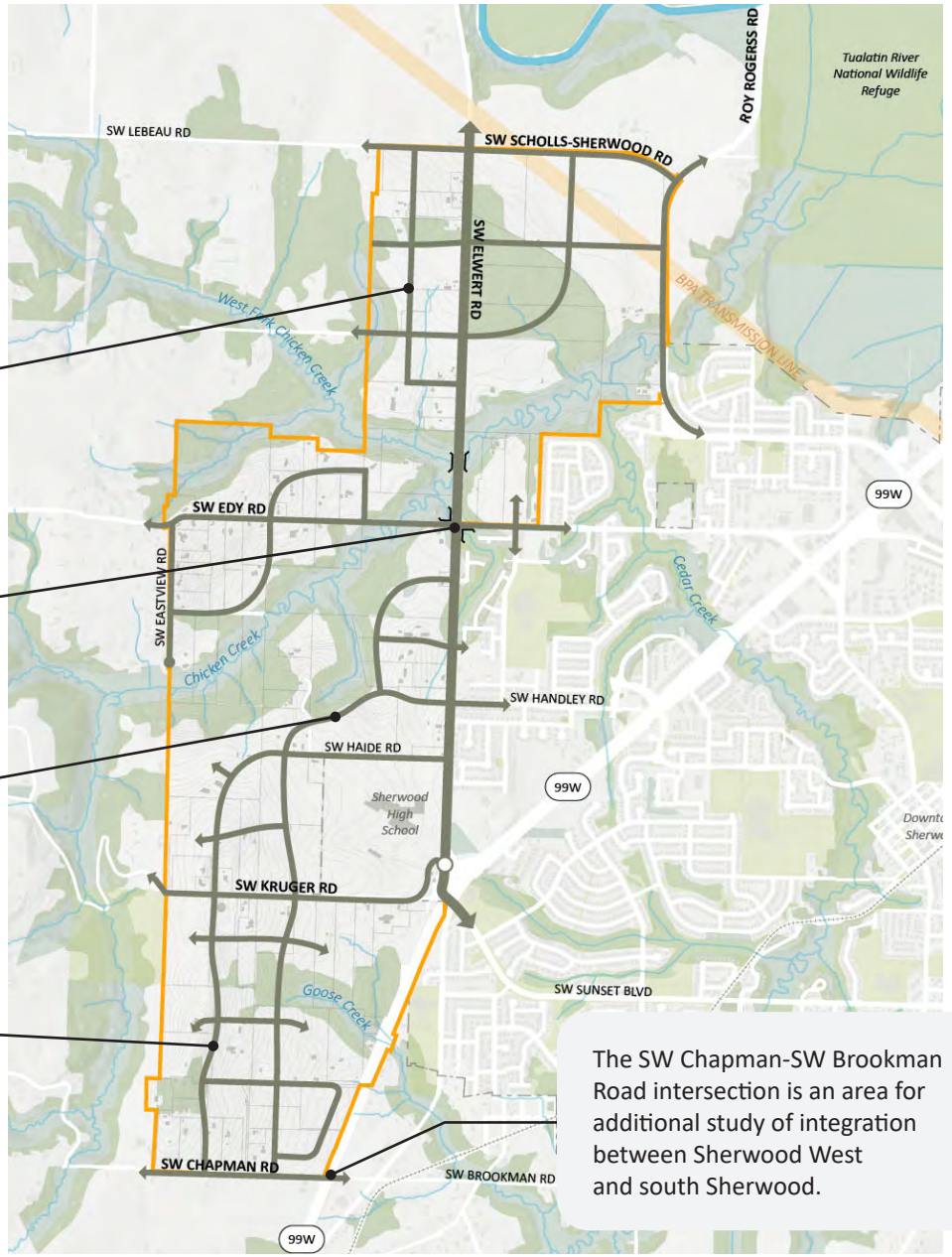
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SW ELWERT ROAD DESIGN CONCEPT

SW Elwert Road is an important opportunity for Sherwood West. A County-designated arterial street (south of SW Edy Road), it carries about 9,000 average daily trips today and is forecast to carry 14,000 average daily trips in 2035. How can it be designed to be a livable and positive addition to the growth of Sherwood West and the adjacent neighborhoods on its east side? This document provides ideas to achieve that goal.

PRINCIPLES

- Connect west and east
- Tame the traffic
- Promote safe and comfortable walking and biking
- Create a green, landscaped corridor
- Provide for future transit
- Plan for safety

ELWERT ROAD TODAY



Distinctive landscape character



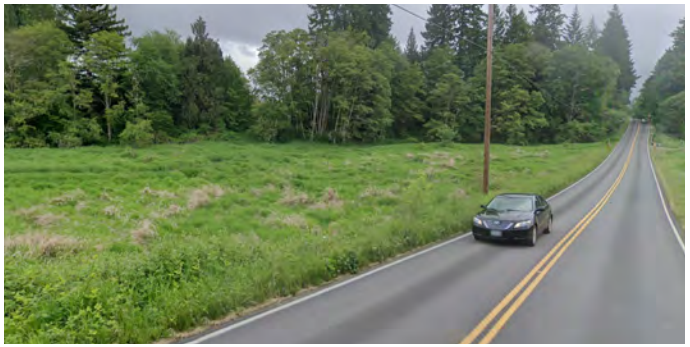
Opportunity to improve east-west integration, add sidewalks and bike lanes



SW Edy & SW Elwert intersection
(Significant improvements are needed)



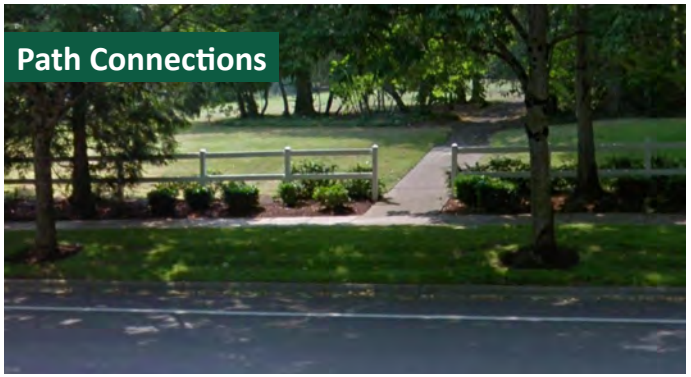
Southern Gateway to Sherwood West, High School provides likely destination for future transit

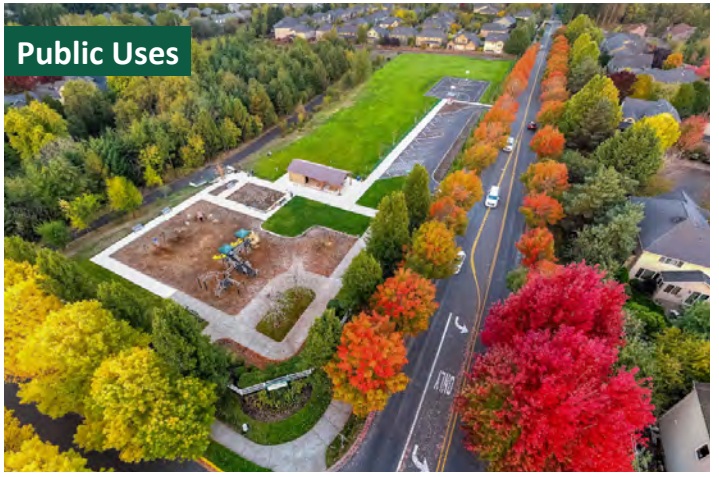


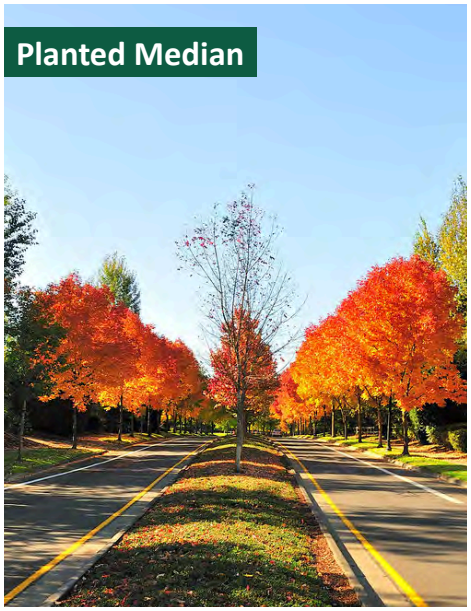
Potential Chicken Creek crossing viewed from SW Elwert

DESIGN IDEAS: LEARNING FROM SW SUNSET BOULEVARD













DESIGN IDEAS: A DISTINCTIVE, CONTEXT-SENSITIVE SW ELWERT ROAD











Employment Area Parkway

- Distinct street tree character
- Sherwood 'visual corridor' design
- Fewer curb cuts, continuous white fence
- Truck-turning considerations
- Large parcels with space for pathways linked to trails

Residential Boulevard

- Consistent street tree canopy, median
- Consistent white fence
- Safe crosswalks
- Protected bike lanes
- Access paths to residential areas
- Adjacent homes with side 'frontage'

Green Crossings

- Street tree choices informed by natural area proximity
- Narrower ROW to reduce footprint in ecologically-sensitive areas
- Trails and wildlife passage underneath
- Bridges as public view points, with art, educational signage

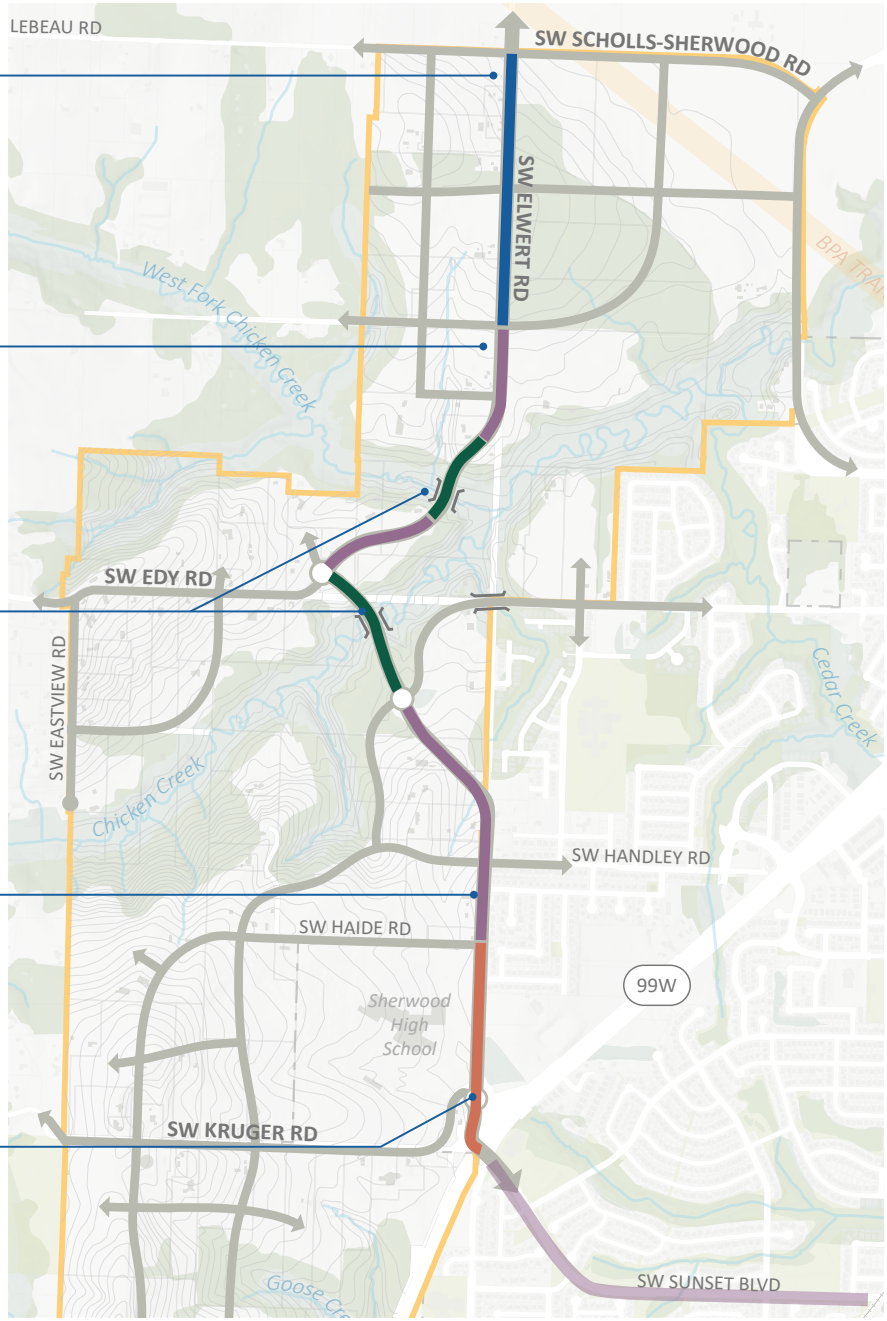
Residential Boulevard

See above, and...

- Between Haide and Handley, consider existing neighborhoods to east in design and ROW availability
- Continue multi-use path from High School
- Consider matching white fence on Sunset

High School Edge/Gateway

- Recently-rebuilt
- Generous multi-use path on west edge should extend north



SHERWOOD WEST
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ACTIVE TRANSPORTATION

Trails, cycling routes, transit, "micromobility", and other ways of getting around without a car can be designed into Sherwood West. These active transportation facilities will help to meet the Sherwood 2040 Comprehensive Plan goal of **coordinated and connected infrastructure:**

> ***"In 2040, the city's transportation system is efficient, safe and provides transportation options. The town has an active and connected transportation network where residents enjoy walking and bicycle paths between neighborhoods, parks, schools, the Tualatin National Wildlife Refuge and Old Town."***

Sherwood West's streets will be an important part of providing active transportation options, along with off-street trails and the location of parks, schools, and community gathering spaces.

WHAT COULD ACTIVE TRANSPORTATION LOOK LIKE IN SHERWOOD WEST?

Within the Sherwood West area, trails that connect between local parks, green spaces, schools, neighborhoods and employment areas will help to encourage walking, rolling, and biking. There is an opportunity to pre-plan key connections between new growth in Sherwood West and existing areas of Sherwood. There is also an opportunity to ensure future transit can be as successful as possible.

Chicken Creek is an important natural feature in Sherwood West, and offers the opportunity to develop a greenway trail along the edge of multiple neighborhoods and employment areas. The Chicken Creek Greenway could serve as the backbone for a robust trail network that connects Sherwood West to surrounding destinations such as Old Town (via the Cedar Creek trail), Sherwood High School, and the Tualatin River National Wildlife Refuge.







INTERCONNECTING FUTURE TRAILS - INITIAL CONCEPTS

This map shows initial ideas for trails in Sherwood West, ranging from larger regional trails to smaller community trails. Future trails in the Sherwood West area should prioritize connections to existing and planned trail networks. The land uses shown on the map are from the Preliminary Concept Plan – they will be revised and updated as part of this concept plan process. The local trails noted on this map are conceptual ideas for community feedback. A local trail network will be prepared in concert with the land use plan, following these concepts.

Parks, schools, employment areas, and other local destinations should be well connected by trails or wide sidwalks and bike lanes through neighborhoods in order to create a healthy and walkable environment for all ages.

Key connections to existing or planned trails should be prioritized, such as future connections to the Reedville Trail, the Tualatin River National Wildlife Refuge trails, Ice Age Tonquin Trail/Cedar Creek Trail, and the future Highway 99 pedestrian overcrossing.

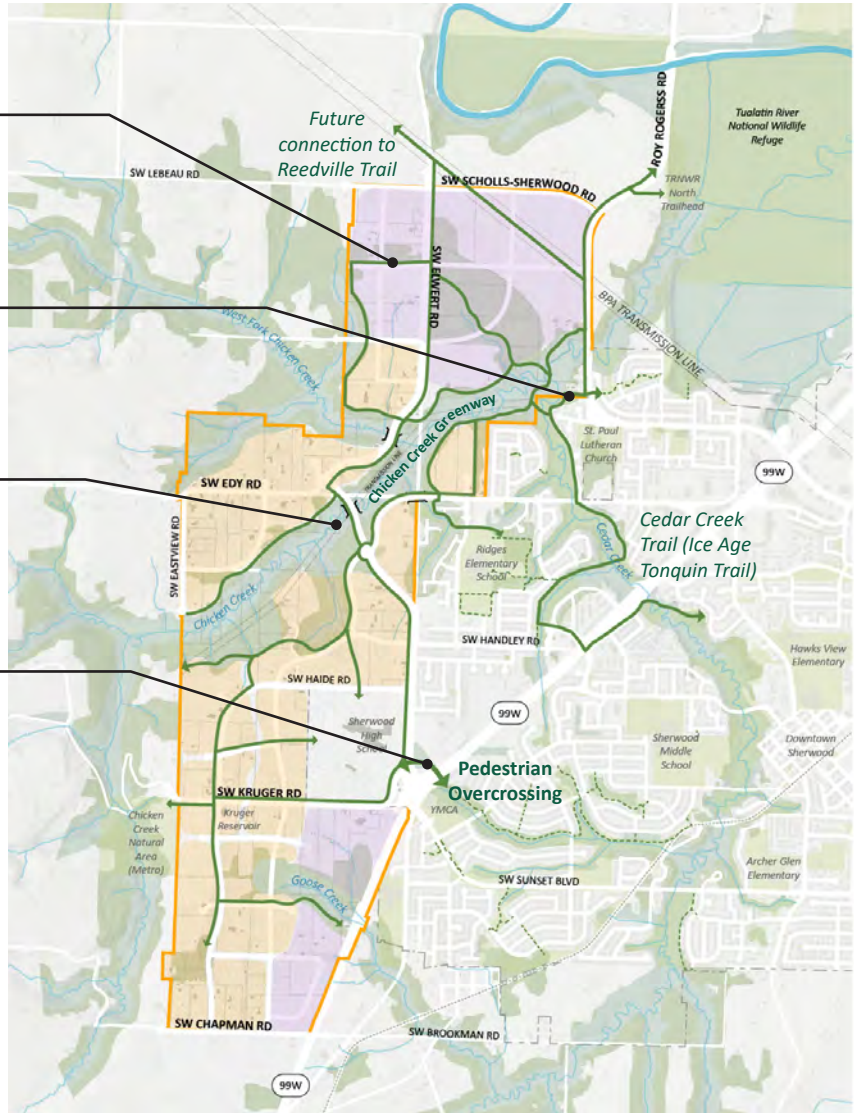
A new Chicken Creek Greenway could take advantage of the existing natural creek corridor to connect to the Cedar Creek Trail and other regional trail networks.

A new Highway 99 pedestrian overcrossing is planned in the vicinity of the new Sherwood High School. The new overcrossing will address the major barrier that the highway presents for pedestrians today. It would also help connect the high school, the YMCA, and the greater Sherwood West area with existing trails and destinations on the east side of the highway.





Local trails can connect to schools, parks, employment areas and other destinations, with viewpoints along the way.



FUTURE TRANSIT, MICROMOBILITY, AND THE "FIRST AND LAST MILE"

Trimet does not currently provide transit service to the Sherwood West area, but it is directly adjacent to Trimet's current service boundary. The closest bus stops are about a mile away in Old Town (served by lines 93 and 94). Sherwood West's opportunity is to be "transit-ready" by planning land uses, key streets, and trails to accommodate and support future transit service. The diagram at right shows potential future transit routes in orange as conceptually noted in the City of Sherwood Transportation System Plan (TSP).

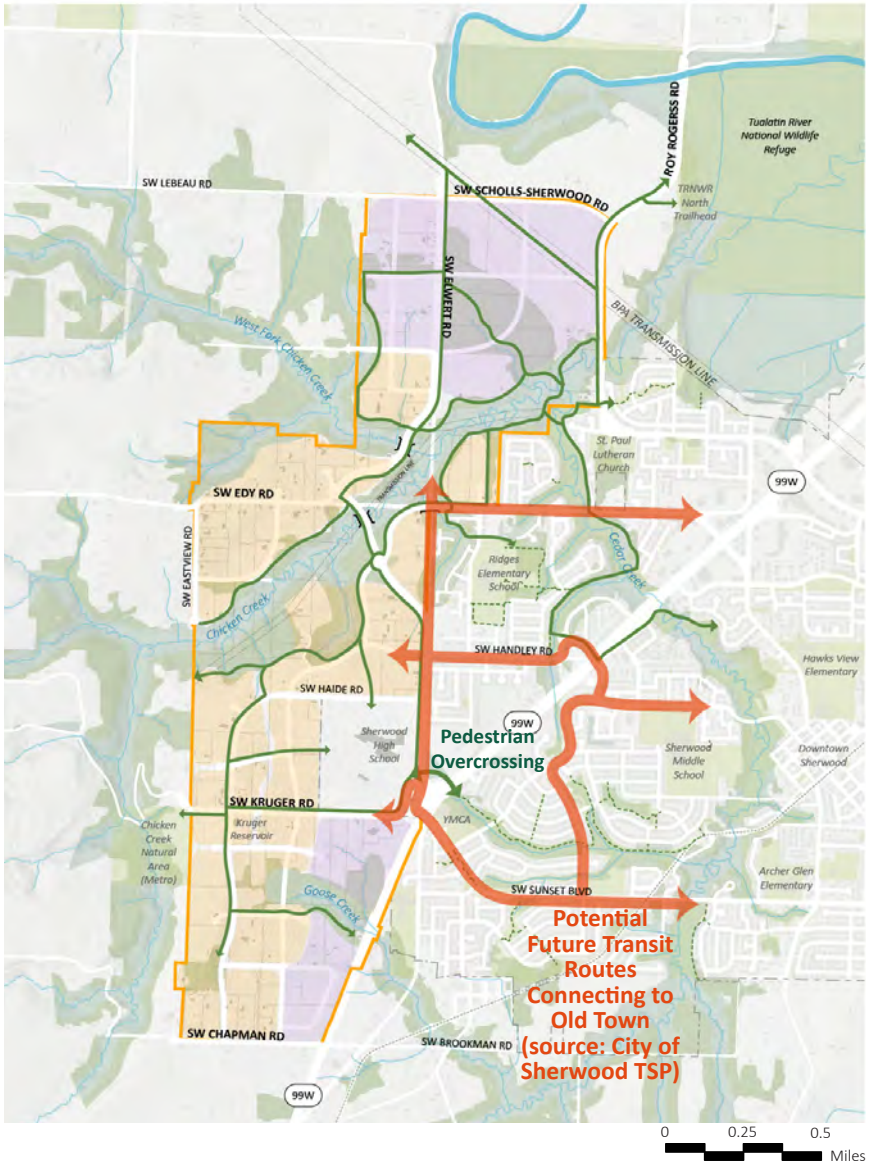
In addition, the inclusion of "micromobility" services, like bike-sharing and scooters, can help people to get around more easily without a car. Micromobility stations could be included at schools, employment and commercial areas, and near existing transit stops to help fill gaps in transit access (the "first and last mile" of a trip) and to provide options for getting to and from school, work, and leisure activities.











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GREAT NEIGHBORHOODS

What will make great neighborhoods in Sherwood West? The vision statement provides guidance in its citation of "families… well-connected streets… walkable… variety of well-designed housing… natural extension of Sherwood's neighborhoods… natural landscape… network of natural areas, parks, and trails." This document provides ideas for how those visions can be turned into reality. It focuses on neighborhood form and key issues for the Concept Plan. Using this guidance, the next step will be to identify land use alternatives.

PRINCIPLES

- Plan for walkability
- Provide a variety of housing opportunities
- Integrate new and existing neighborhoods
- Plan parks and schools as destinations
- Provide adequate parking
- Connect greenspaces into a network
- Integrate nature into neighborhoods











WALKABLE NEIGHBORHOODS: SHAPED BY THE LAND

This diagram is a study of "walkable" areas within Sherwood West. The colored areas show a combination of factors that influence walkability: ¼ to ½ mile of distance (a 5-10 minute walk); natural features such as Chicken Creek; slopes; and existing development. These subareas within are useful for identifying areas of cohesive character and where various land uses might be located and connected. The edges of some areas are clear and very intuitive. The edges of other areas are approximate.

West Elwert: Potential addition to the northern Mixed Employment area

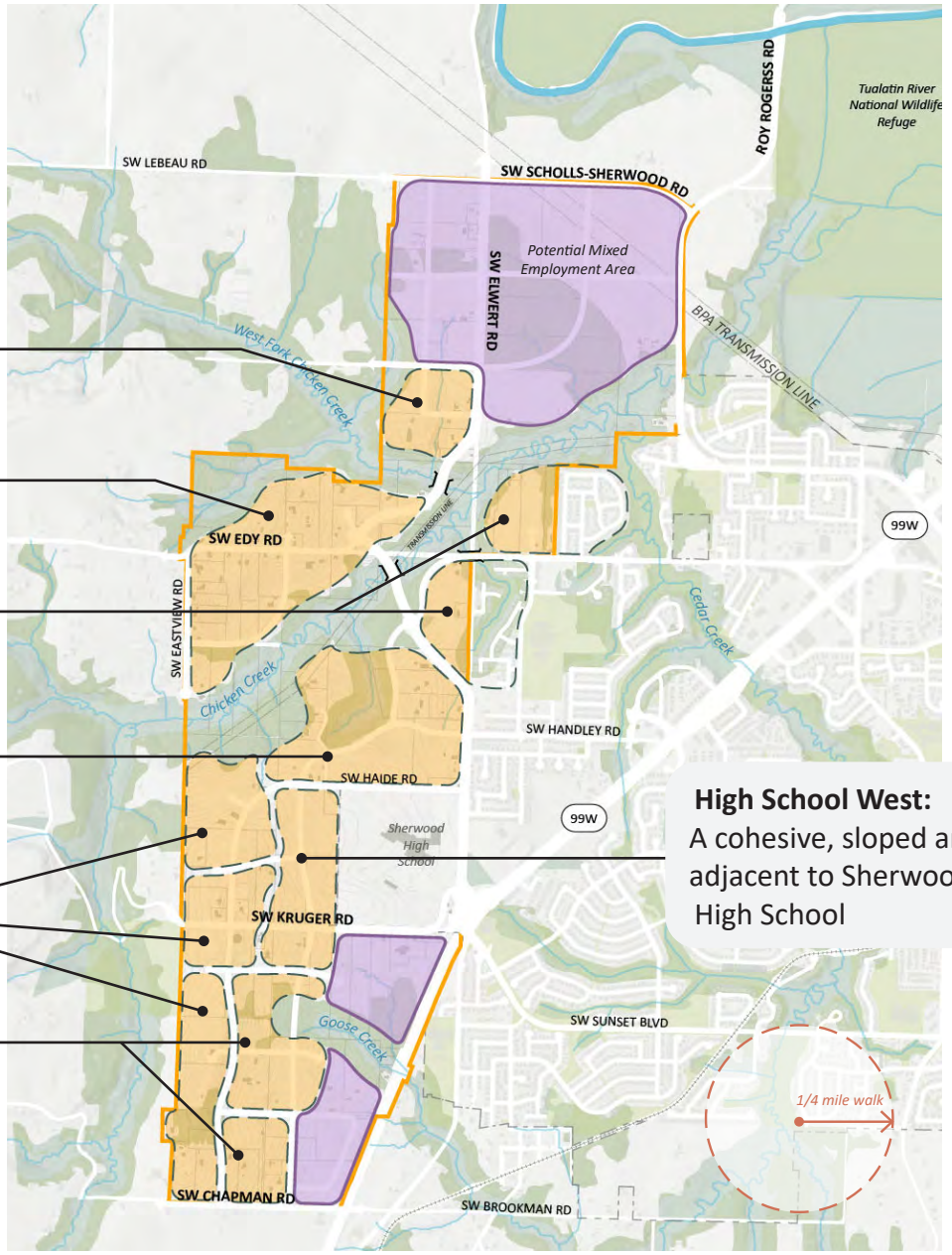
West Edy: A cohesive area from Chicken Creek to the Eastview Road ridgeline

Edy South and East: Close proximity to existing neighborhoods and Ridges Elementary School

Haide North: A fairly large "flat" area with an easy walk from center to edge and some slopes toward Chicken Creek

Hilltop and Ridgeline: Sherwood West's view properties; includes areas facing west

Goose Creek and East Slope: Hillside areas that face east and close to Mixed Employment areas



High School West: A cohesive, sloped area adjacent to Sherwood High School

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CONNECTED PARKS, SCHOOLS, AND GREENSPACES

This diagram is a study of how neighborhood and community parks might be part of a network of connected greenspaces and community connections. The number and locations of potential parks is preliminary and intended to show ideas, not recommendations.









Community Parks provide opportunities for active recreation and organized play in a location that can accommodate increased traffic and demand, while also serving as a neighborhood park for nearby residents.

Minimum size: 10 acres

Neighborhood Parks provide close-to-home recreation opportunities for nearby residents, who typically live within walking and bicycling distance (.5 miles) of the park in a residential setting.

Minimum size: 1.5 acres

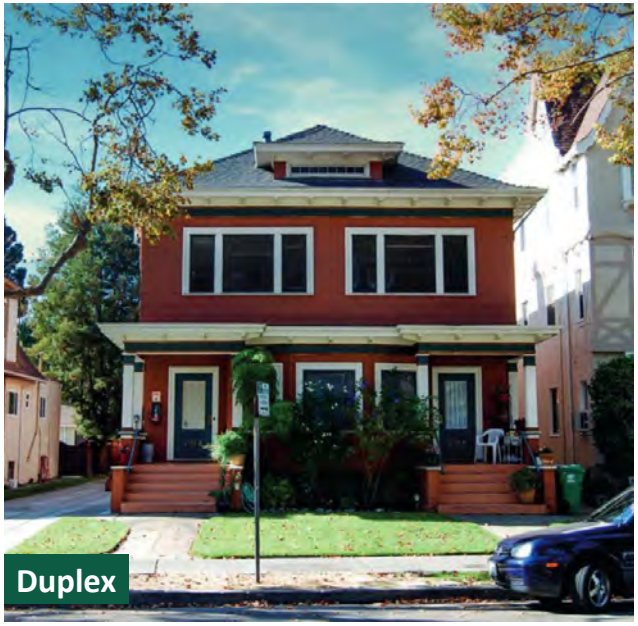


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HOUSING TYPES

Sherwood West's zoning will allow for a wide range of housing types, guided by Sherwood's design guidelines and standards. Here are some examples of the potential housing types.


Accessory Dwelling Unit (ADU)


Duplex


Townhouse


Standard Single-Family Detached


Cottage Cluster


Small Single-Family Detached

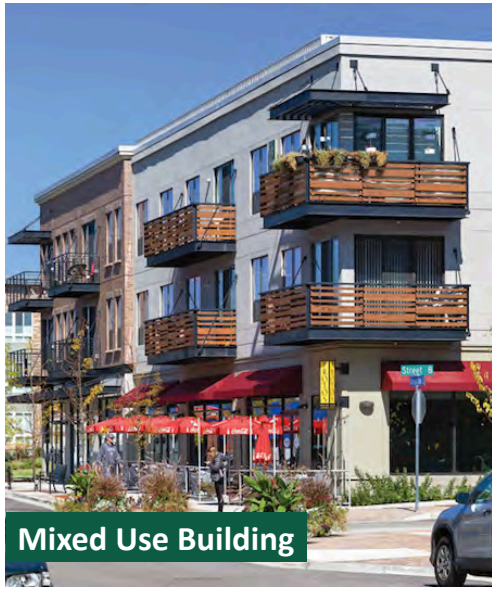

Triplex


Fourplex


Apartments



Live-Work Unit


Mixed Use Building


Courtyard Apartment

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MIXED EMPLOYMENT AREAS

Sherwood wants and needs more jobs. Expanding existing businesses and attracting new employment to Sherwood—particularly the right kind of jobs in the right places—will: provide opportunities for industrial and commercial development with higher wage jobs; help diversify and balance the City's tax base; and build a self-sustaining and vibrant local economy.

A **thriving and diversified economy** is one of the six core areas of the Sherwood 2040 Comprehensive Plan. Over the past few years, the City has engaged hundreds of community members in conversations about what makes Sherwood special, and what Sherwood will look like in the future. Their voices helped to craft the following vision statement:

> ***"In 2040, the Sherwood economy has grown to include a variety of businesses big and small that offer stable employment opportunities, higher-wage jobs, and expand the tax base to protect and maintain Sherwood's quality of life. Sherwood provides great destinations and experiences for both residents and visitors."***

WHAT IS MIXED EMPLOYMENT?

Mixed Employment is where there is a mix of office, light industrial, and flex space[1] uses in the same development or area of the city. This type of development typically requires large sites (at least 40-50 acres), flat topography, and larger ownerships.









1 Flex space is generally defined as a building that provides for a combination of uses, typically including a mix of warehouse, light industrial, office, and/or retail space.

MIXED EMPLOYMENT: A RECIPE FOR SUCCESS

As part of the Sherwood West Concept Plan process, the project team studied regional development trends; evaluated Sherwood West's unique assets and constraints; and provided insights on the economic future of Sherwood West as a part of a growing Sherwood. The following components will be essential to the success of mixed employment in Sherwood West:

A MIX OF EMPLOYMENT USES

Candidate industries and employment uses for Sherwood West include:

- Multi-tenant flex space as part of a larger industrial or business park
- Tech clusters and tech parks
- Office space for tech, medical, and service-oriented industries
- Major healthcare facilities
- Wine-related uses such as storage, distribution, production, and warehousing
- Light industrial or light manufacturing

SITING REQUIREMENTS

There is a limited regional supply of high-quality buildable employment land. Ideal sites for this type of development will be:

- At least 40-50 acres for employment-park-style development; larger campus-style developments may require more than 100 acres
- Contiguous flat areas with less than 3-5% slopes
- Single ownerships are preferred to avoid delays associated with assembling land with multiple property owners

TRANSPORTATION ACCESS

Transportation considerations for Sherwood West include:

- Many employment uses—including warehousing, distribution, and major healthcare facilities—will require quick and easy access to Highway 99W
- Retail and commercial will require locations with higher visibility from major transportation routes
- Large employers tend to require robust auto, transit, bicycle, and pedestrian transportation infrastructure for their employees













MIXED EMPLOYMENT IN SHERWOOD WEST: AREAS FOR FUTURE STUDY

These following generalized areas have characteristics that meet the basic requirements for successful mixed use development. They are intended for future study and refinement as part of the concept planning process.

Approximate Acres: 285

Characteristics: large area, mostly flat, large parcels, good transportation access to Roy Rogers

Opportunities: large employment or business park; multi-tenant flex space; tech park

Approximate Acres: 6

Characteristics: high visibility along Highway 99, mostly flat, proximity to High School and existing

Opportunities: mixed-use node with retail

Approximate Acres: 55

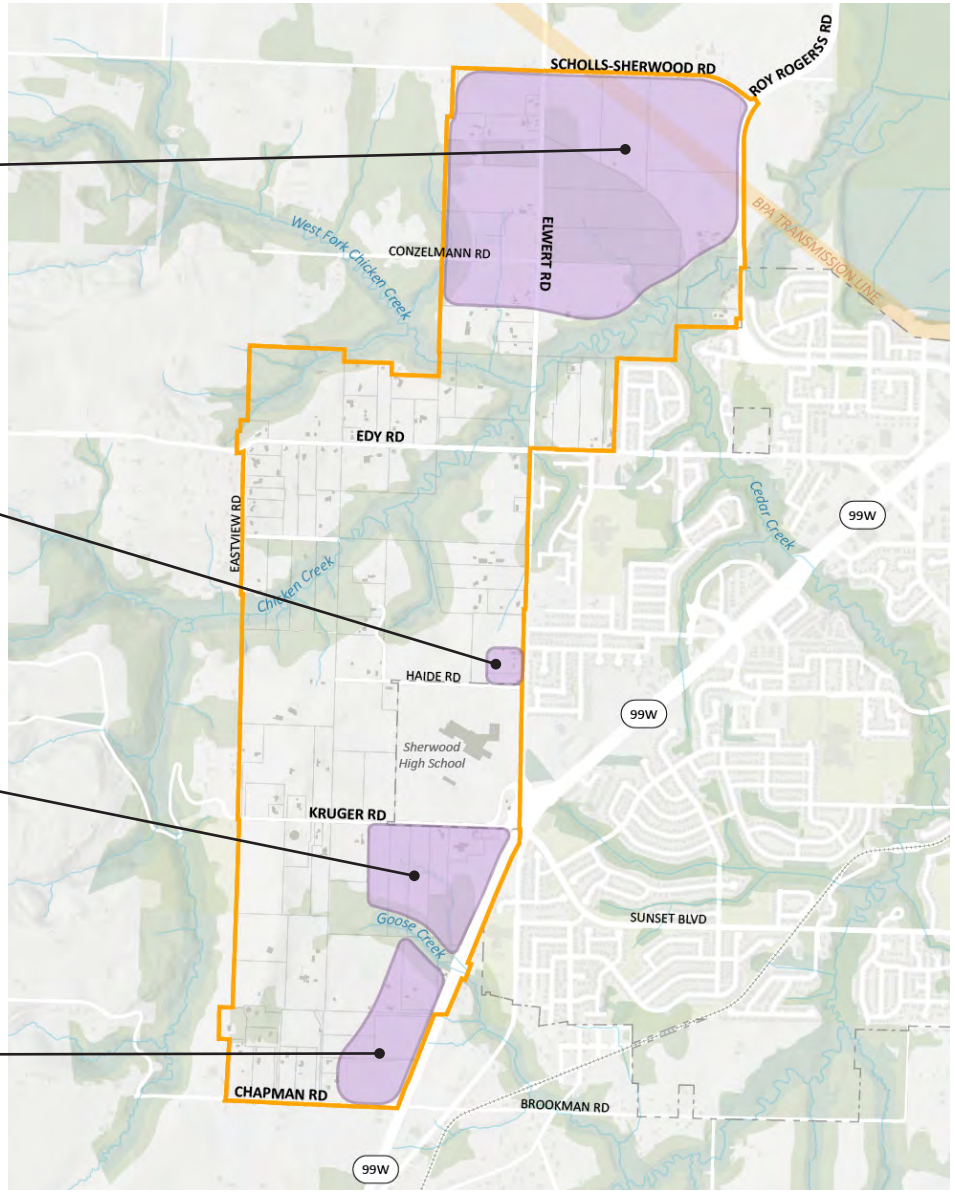
Characteristics: high visibility, good transportation access to Highway 99 at Kruger, some slopes and natural resource areas

Opportunities: multi-tenant flex space; healthcare or clinic; some retail or commercial; light industrial or manufacturing

Approximate Acres: 43

Characteristics: high visibility, good transportation access to Highway 99 at Chapman, mostly flat

Opportunities: multi-tenant flex space; possible warehousing or distribution, particularly for wine-related uses



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CHICKEN CREEK GREENWAY

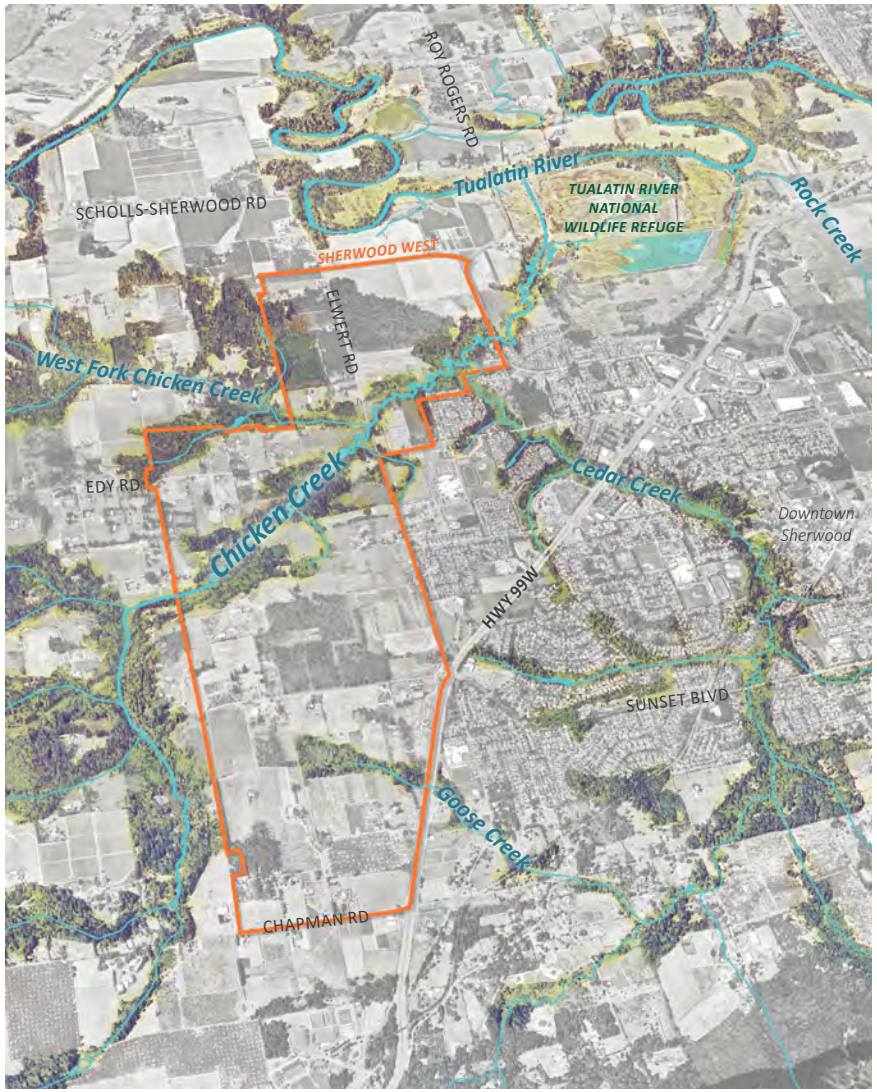
A vital component of Sherwood's livability is its access to nature and open spaces. Sherwood's landscape is defined by the creek corridors that flow through the city and drain to the Tualatin River at the Tualatin River National Wildlife Refuge.

In Sherwood West, Chicken Creek forms a natural greenway through the area, flowing southwest to northeast and eventually draining into the Tualatin River. The Cedar Creek greenway, which passes through Sherwood just west of downtown, feeds into Chicken Creek in the northeast part of the study area. Several smaller channels—Goose Creek and West Fork Chicken Creek—also feed into Chicken Creek in the southeast and central portions of Sherwood West, respectively.

The Sherwood West Concept Plan offers an opportunity to preserve and enhance these natural corridors, provide wildlife crossings, incorporate stormwater management practices, and provide access to nature through a network of connected walking trails.

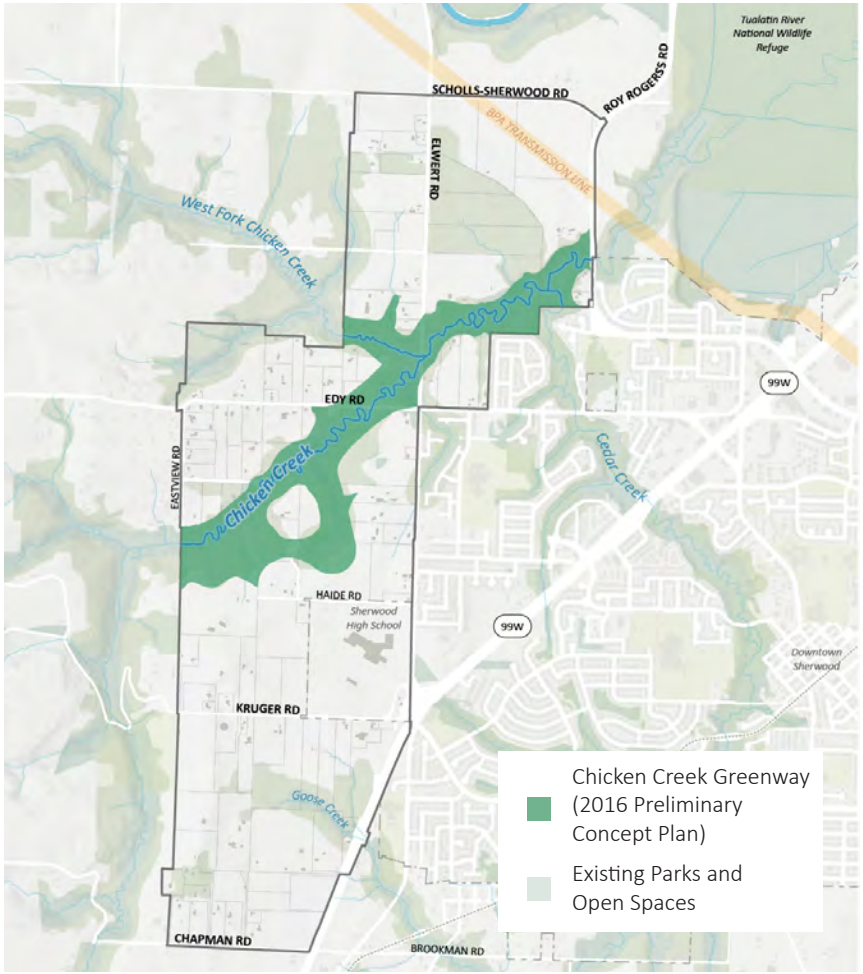


Fanno Creek / Photo Credit: Tree for All



CHICKEN CREEK GREENWAY

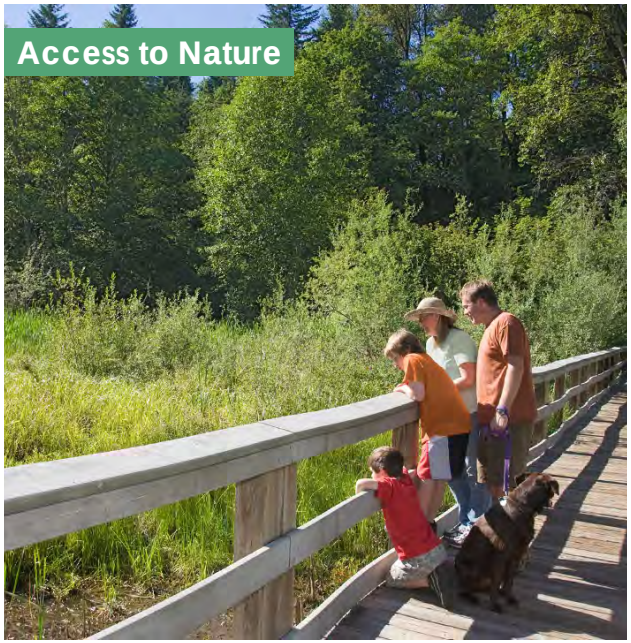
The 2016 Preliminary Concept Plan identified the Chicken Creek corridor as a key green space element of the plan. This concept planning process offers the opportunity to refine the 2016 vision for this area as the **Chicken Creek Greenway**. A greenway is a collection of natural areas, parks, and trails connected by a linear green corridor, often surrounding a creek. The Chicken Creek Greenway will incorporate the creek corridor as well as the surrounding riparian and upland habitat areas shown below. The Chicken Creek Greenway would be one part of Sherwood West's greenspaces. Other examples of greenspaces include: tree and tree canopy protected by Sherwood's code; West Fork Chicken Creek, Goose Creek, Cedar Creek, and their habitat areas; stormwater facilities; neighborhood parks, community parks, and school fields; and trail corridors. Neighborhood and community parks are addressed as part of the Great Neighborhoods plan concept.



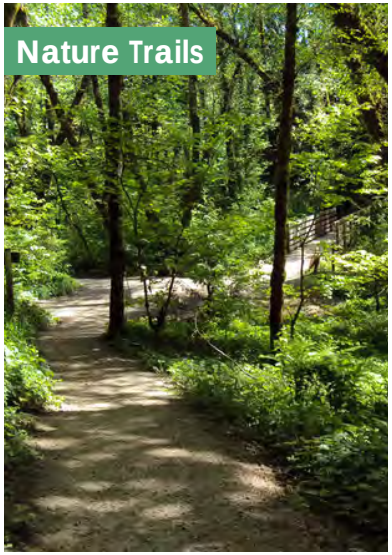


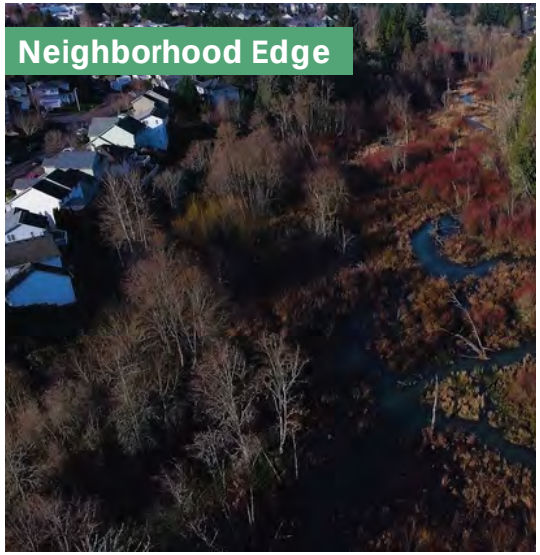
ELEMENTS OF A GREENWAY



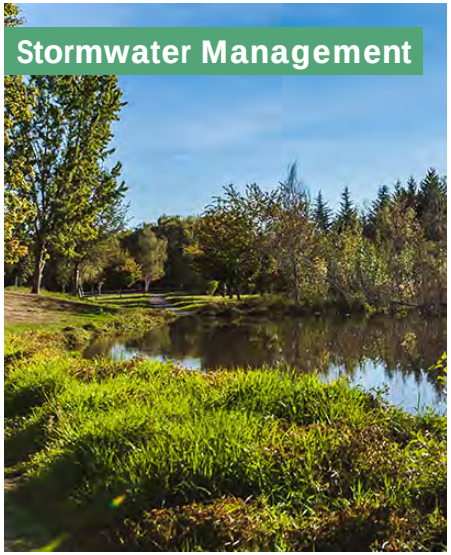












GREENWAY PRECEDENTS



Location: Beaverton, OR

Amenities: paved trails, creek boardwalk, habitat restoration site, Moshofsky Woods Natural Area, regional trail connections



Location: Bethany, Washington County, OR

Amenities: paved trail, creek boardwalk, regional trail connections, wildlife habitat and viewing opportunities





Location: Beaverton, OR

Amenities: paved trails, benches, parking, wetlands, wildlife habitat and viewing opportunities, regional trail connections

APPENDIX J

Alternatives Evaluation Memo

ALTERNATIVES EVALUATION

TO:	Sherwood West Community Advisory Committee and Technical Advisory Committee
FROM:	Sherwood West Concept Plan Project Team
DATE:	November 10, 2022

Introduction

This memorandum compares the three Concept Plan alternatives using the project goals and evaluation criteria. It is one part of five evaluation methods for the Concept Plan alternatives:

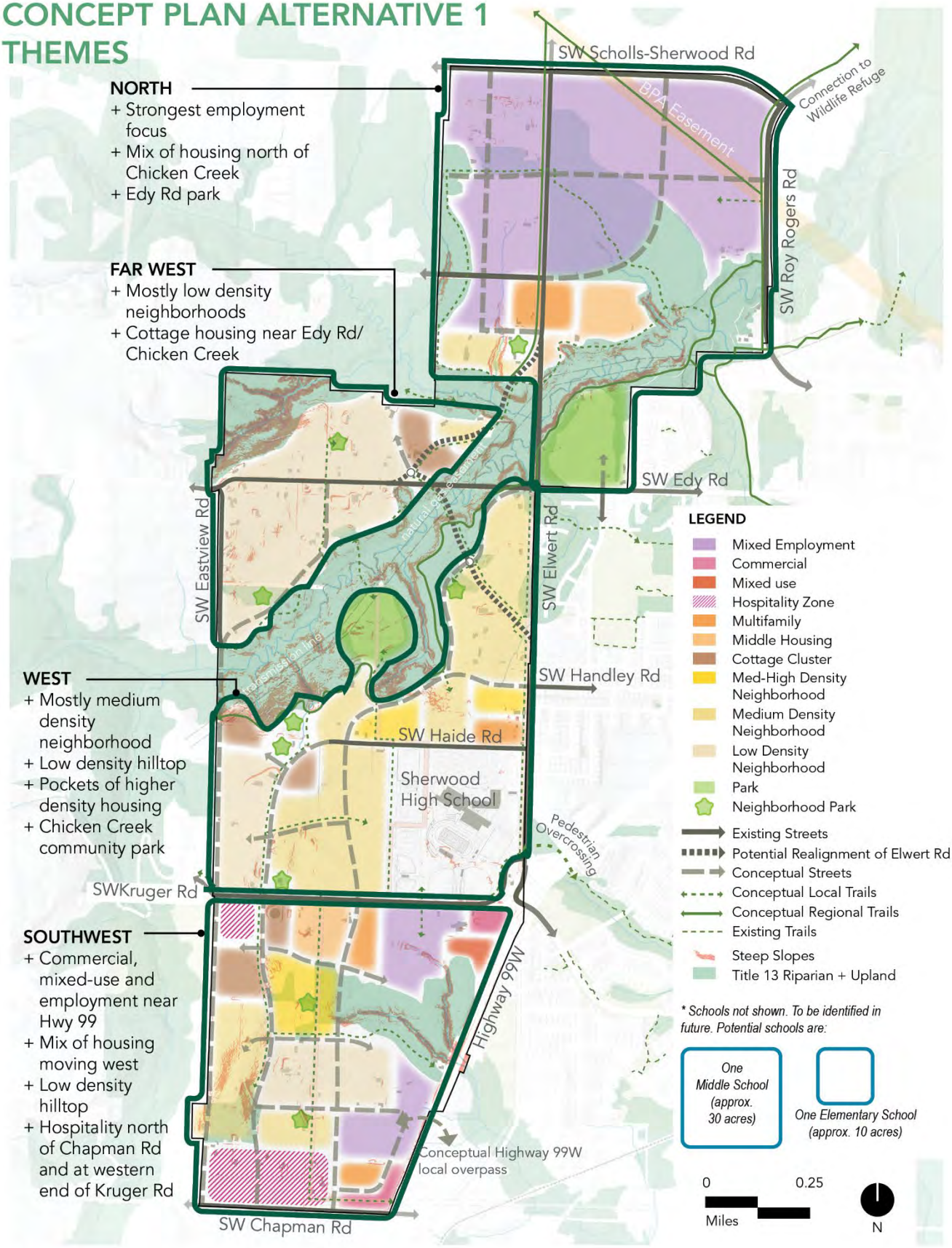
- Alternatives evaluation (this memo)
- Community feedback from Open House #2
- Community feedback from the online Open House #2
- Developer feedback from the Employment Opportunities tour and meeting
- Traffic impact analysis

Vision Statement

Sherwood West is a walkable community with a balanced mix of employment, residential, commercial, and greenspace land uses—it is a place where families can safely live, work, shop, and play. Sherwood West is home to a variety of businesses that offer stable, high-paying jobs and those employment opportunities have helped satisfy the City's need for an expanded tax base to protect and maintain Sherwood's great quality of life. Sherwood West is attractive to employers and residents because of its well-planned infrastructure, well-connected streets, walkable neighborhoods, and variety of well-designed housing choices. The area feels like a natural extension of Sherwood's existing neighborhoods, and it is integrated with other nearby urbanizing areas and regional destinations such as the Tualatin River National Wildlife Refuge. Sherwood West's natural landscape is anchored by the Chicken Creek Greenway, which protects the creek corridor and connects the area's neighborhoods through a network of natural areas, parks, and trails.

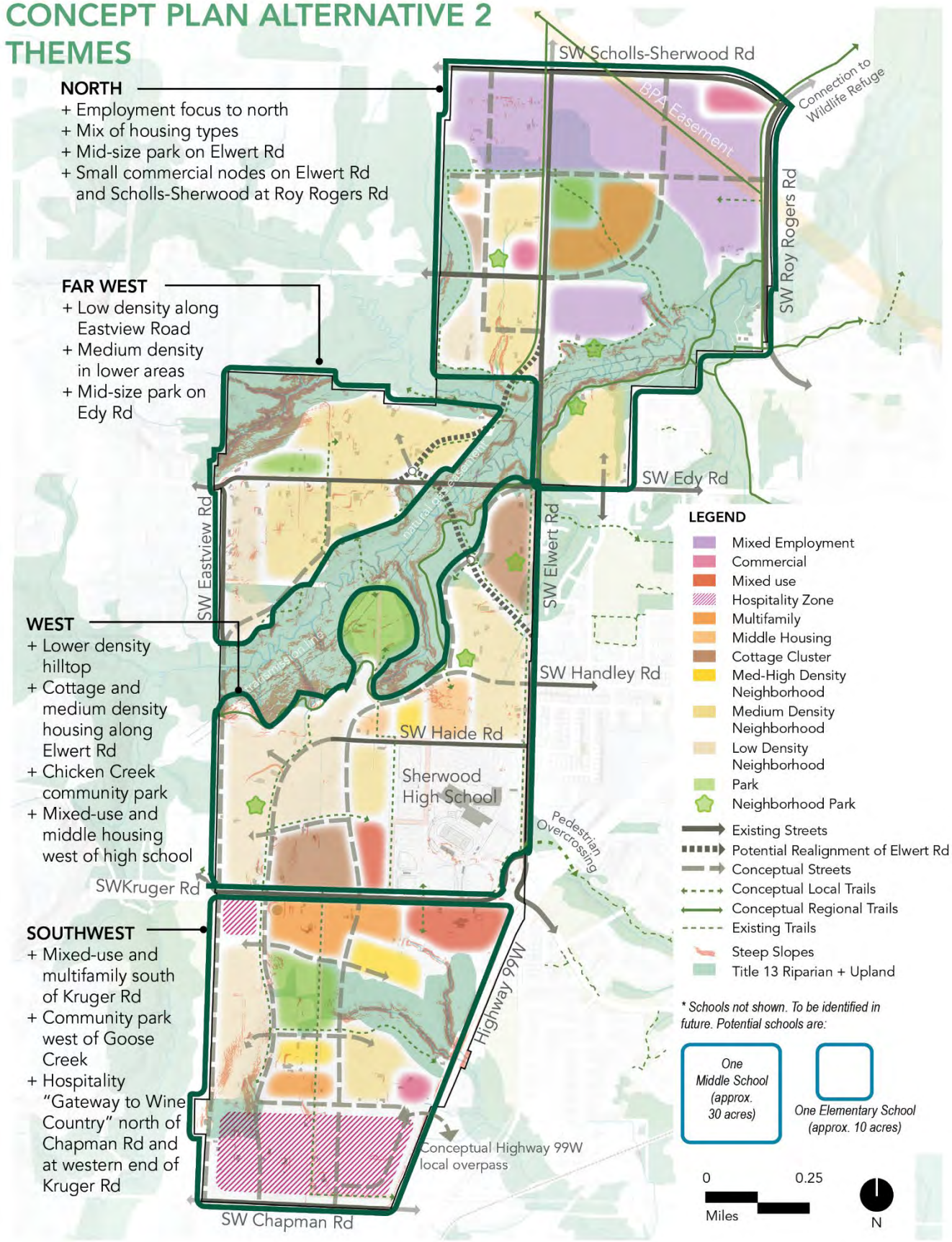
Concept Plan Alternatives (next pages)

CONCEPT PLAN ALTERNATIVE 1 THEMES



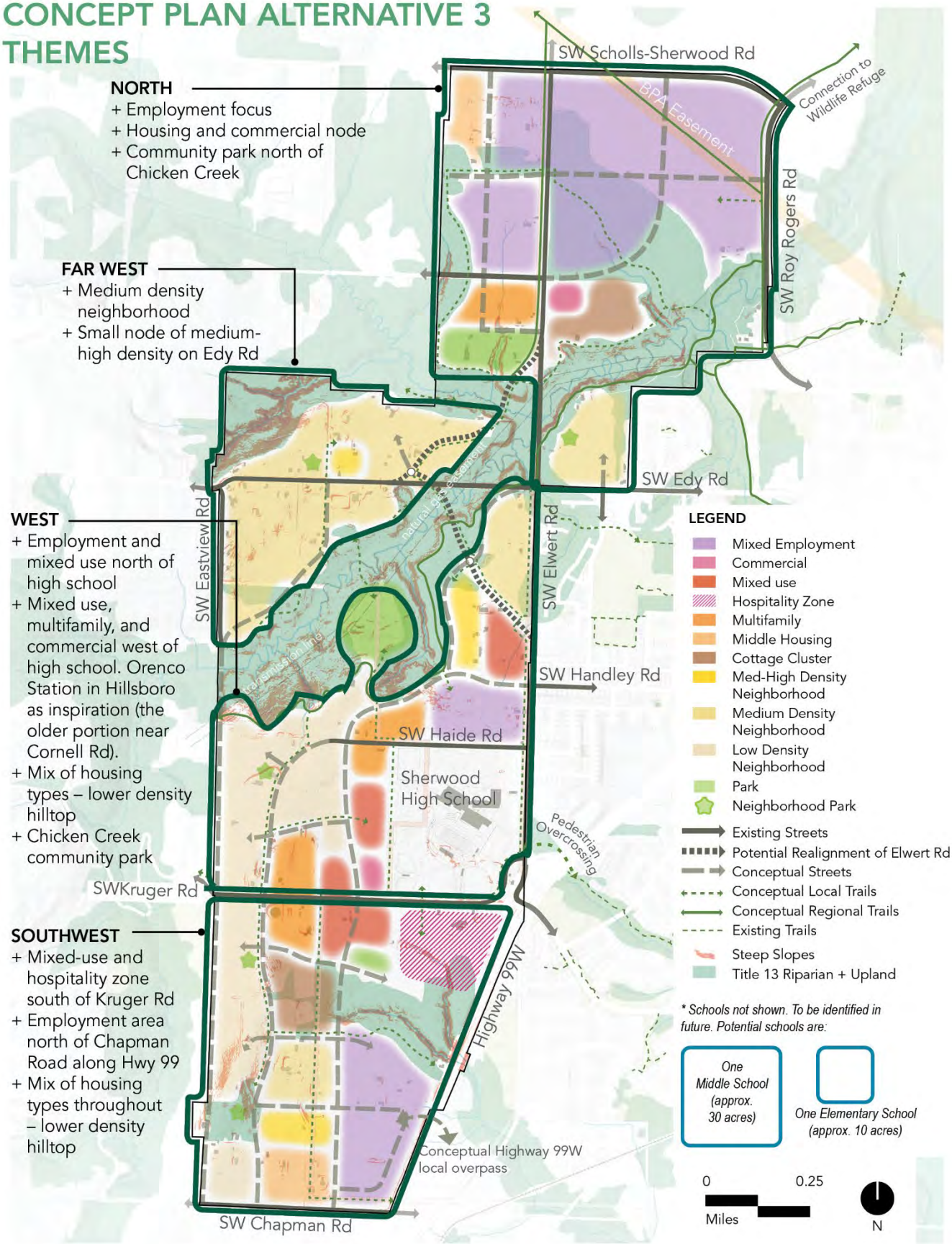
SHERWOOD WEST CONCEPT PLAN

CONCEPT PLAN ALTERNATIVE 2 THEMES



SHERWOOD WEST CONCEPT PLAN

CONCEPT PLAN ALTERNATIVE 3 THEMES



SHERWOOD WEST CONCEPT PLAN

Land Use Metrics

HOUSING ESTIMATES

The tables below present estimated housing units and densities based on the three land use alternatives. The acreages for each residential zone are based on acreage calculations from the maps. The assumptions regarding residential densities are consistent with previous housing metrics reviewed with the TAC/CAC, and are based on existing zone densities in the Sherwood Development Code. The tables present a range of potential housing unit outcomes, depending on how much middle housing is developed in the Neighborhood Zones (0-50%). *[NOTE: The "average density with open space" calculations assume an open space set-aside of 15%, integrated into development.]*

Alternative 1

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood Zones) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	24	*7%*	585	585	585	585
Middle Housing Zone	5.5 to 11	22	*6%*	245	245	245	245
Cottage Zone	12.8 to 16	26	*7%*	421	421	421	421
Med/High Density Nbhd	5.5 to 11	31	*9%*	338	380	423	552
Medium-Density Nbhd	5.6 to 8	134	*38%*	1,068	1,295	1,522	2,203
Low-Density Nbhd	3.5 to 5	115	*33%*	574	804	1,033	1,722
TOTAL		**352**	***100%***	**3,231**	**3,730**	**4,230**	**5,728**
Total Average Density				*9.2*	*10.6*	*12.0*	*16.3*
Total Average Density with Open Space				*7.8*	*9.0*	*10.2*	*13.8*

Alternative 2

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood Zones) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	44	*13%*	1,066	1,066	1,066	1,066
Middle Housing Zone	5.5 to 11	10	*3%*	113	113	113	113
Cottage Zone	12.8 to 16	33	*10%*	524	524	524	524
Med/High Density Nbhd	5.5 to 11	19	*6%*	214	241	268	350
Medium-Density Nbhd	5.6 to 8	107	*32%*	857	1,039	1,221	1,767
Low-Density Nbhd	3.5 to 5	123	*36%*	615	861	1,107	1,845
TOTAL		**337**	***100%***	**3,390**	**3,845**	**4,300**	**5,666**
Total Average Density				*10.1*	*11.4*	*12.8*	*16.8*
Total Average Density with Open Space				*8.5*	*9.7*	*10.8*	*14.3*

Alternative 3

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood Zones) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	32	*10%*	776	776	776	776
Middle Housing Zone	5.5 to 11	20	*6%*	217	217	217	217
Cottage Zone	12.8 to 16	32	*10%*	505	505	505	505
Med/High Density Nbhd	5.5 to 11	21	*6%*	235	241	268	350
Medium-Density Nbhd	5.6 to 8	114	*35%*	913	1,039	1,221	1,767
Low-Density Nbhd	3.5 to 5	110	*33%*	550	861	1,107	1,845
TOTAL		**329**	***100%***	**3,196**	**3,639**	**4,095**	**5,461**
Total Average Density				*9.7*	*11.1*	*12.4*	*16.6*
Total Average Density with Open Space				*8.3*	*9.4*	*10.6*	*14.1*

EMPLOYMENT ESTIMATES

The tables below present estimated employment potential in Sherwood West, and associated jobs-to-housing ratios, based on the three land use alternatives. As in previous employment metrics calculations, the jobs-per-acre estimates are sourced from the Metro 2014 Urban Growth Report and from the scenario planning software Urban Footprint. The jobs-housing ratios are based on three potential housing scenarios, depending on how much middle housing is developed in the Neighborhood Zones (0%, 10% or 50%).

Alternative 1

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	165	18	3,037	71%	66%
Commercial	10	36	366	9%	4%
Mixed Use	4	25	111	3%	2%
Hospitality	31	15	469	11%	12%
Schools	40	8	314	7%	16%
TOTAL	**251**		**4,297**	**100%**	**100%**

Alternative 1

	Middle Housing Scenario 0% MH	10% MH	50% MH
Total housing units	3,231	3,730	5,728
Total jobs	4,297	4,297	4,297
Jobs-Housing Ratio	**1.3**	**1.2**	**0.8**

Alternative 2

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	111	18	2,050	45%	43%
Commercial	19	36	672	15%	7%
Mixed Use	25	25	638	14%	10%
Hospitality	63	15	938	20%	24%
Schools	39	8	306	7%	15%
TOTAL	**257**		**4,602**	**100%**	**100%**

Alternative 2

	Middle Housing Scenario		
	0% MH	10% MH	50% MH
Total housing units	3,390	3,845	5,666
Total jobs	4,602	4,602	4,602
Jobs-Housing Ratio	**1.4**	**1.2**	**0.8**

Alternative 3

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	183	18	3,364	67%	65%
Commercial	8	36	278	6%	3%
Mixed Use	29	25	729	15%	10%
Hospitality	22	15	334	7%	8%
Schools	40	8	311	6%	14%
TOTAL	**281**		**5,017**	**100%**	**100%**

Alternative 3

	Middle Housing Scenario		
	0% MH	10% MH	50% MH
Total housing units	3,516	3,639	6,301
Total jobs	5,017	5,017	5,017
Jobs-Housing Ratio	**1.4**	**1.4**	**0.8**

Qualitative Evaluation

The tables on the next pages provide a qualitative evaluation of the three land use alternatives, using the evaluation criteria identified earlier in the concept planning process. The tables indicate the extent to which each alternative meets each criterion. The evaluation also assigns scores for each criterion using the rating system described below.

Score	Description
●	The alternative clearly supports the project objectives and/or is the best performing alternative if all alternatives support the objectives
◒	The alternative partially supports the project objectives and/or is the second-best choice if all alternatives support the objectives
○	The alternative does not support the project objectives or is the third-best choice if all alternatives support the objectives (i.e., it provides only a baseline level of performance)
N/A	The objective has no effect or does not apply

Goals, Criteria, and Evaluation

GOAL 1	EVALUATION CRITERIA
The area is designed as a natural extension of Sherwood and is integrated into the existing pattern of growth in order to preserve the community's heritage and small-town feel.	• *There is a balanced mix of office, industrial, commercial, and residential land uses and open spaces* • *A variety of housing options accommodates a diverse range of family structures, income levels, and lifestyles* • *Neighborhood retail nodes provide residents with walkable access to goods and services* • *Housing density and implementation is pragmatic* • *View corridors and separation from other cities contribute to Sherwood's unique identity*
All Alternatives	• All alternatives provide a variety of housing options. • All alternatives have significant new emphasis on jobs and a mixed use area near Kruger Road. • All alternatives provide about 70% of net residential acres in the lowest density categories (MDR and LDR) and the same approximate number of units, about 2000, in those zones (10% of which is assumed as middle housing). • Housing in the Middle Housing Zone is relatively low at 3-6 percent of residential land and 3-7 percent of total units. • View corridors and separation from Newberg and King City are the same for all alternatives.
Alternative 1 Score ●	• Mix of land uses – Alternative 1 has relatively large areas of the same or similar land use, except in the Southwest district. • Alternative 1 has the lowest number of Multi-family units at 585. • Alternative 1 has the highest number of Med/High Neighborhood Zone units at 380. • Two retail nodes: Kruger Road and Chapman (none north of Kruger). • Average density is 10.6 du/acre (9.0 with open space), assuming 10% middle housing in single dwelling zones.

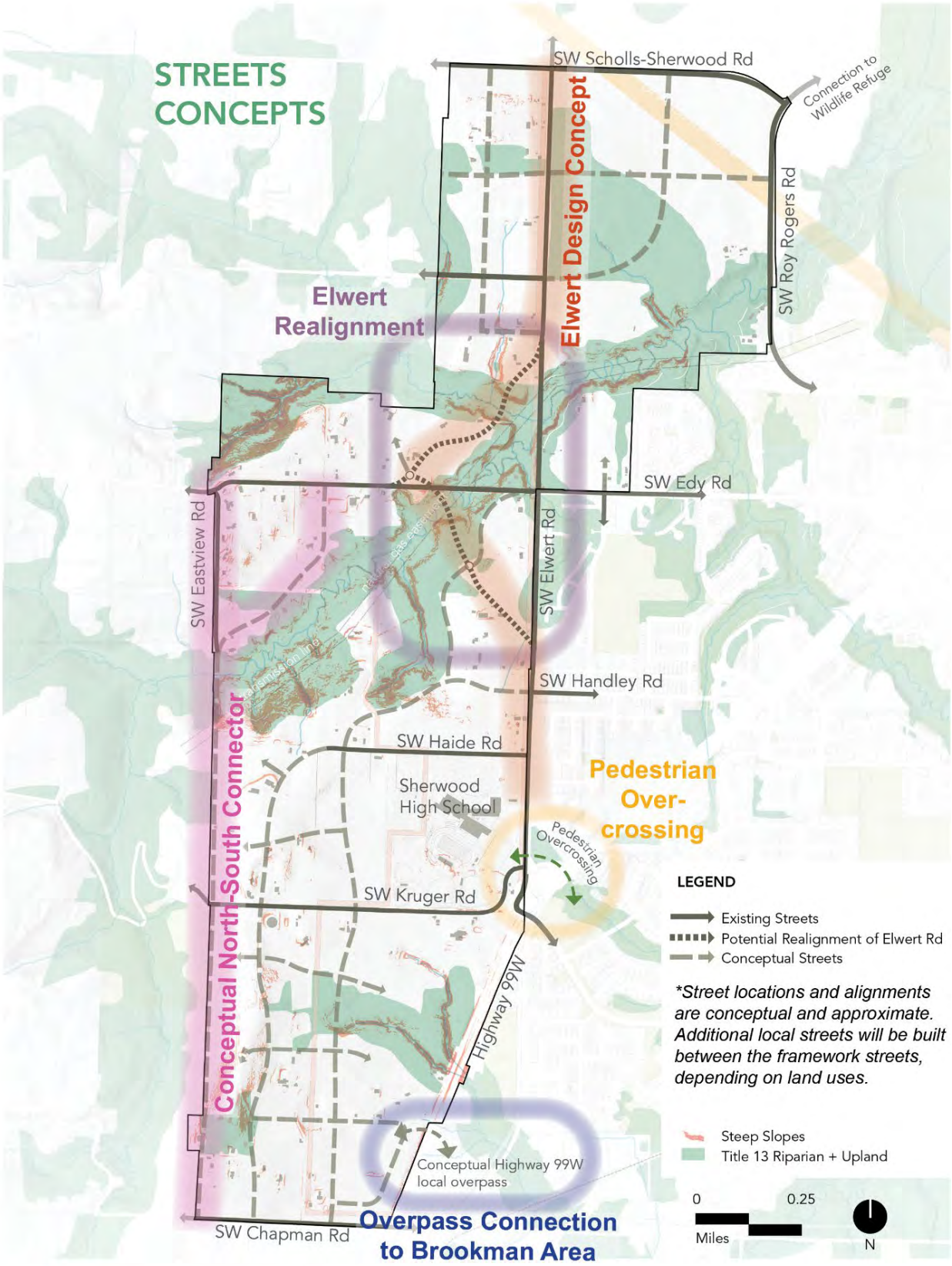
GOAL 1	EVALUATION CRITERIA
Alternative 2 Score ◒	• Mix of land uses – Alternative 2 has a greater mix of land uses is introduced into the North and West districts as compared to Alternative 1. • Alternative 2 has the highest number of Multi-family units at 1066. • Alternative 2 has the lowest number of Middle Housing Zone units at 113. • Alternative 2 has the highest number of Cottage Zone units at 524. • Three retail nodes: in the North, West, South districts. • Average density is 11.4 du/ac (9.7 with open space), assuming 10% middle housing in single dwelling zones.
Alternative 3 Score ◒	• Mix of land uses – Alternative 3 has a relatively high degree of mix, especially in the West district and Kruger Road area. • The mixed use and employment north of the High School is different from Alternatives 1 and 2, which have residential uses in that area. • Alternative 3 is in the middle of the range for Multi-family units at 776. • Alternative 3 has relatively high amount of Cottage Zone units at 505. • Three retail nodes: North, West (Handley Road), West/Southwest (Kruger Road). • Average density is 11.3 du/ac (9.4 with open space), assuming 10% middle housing in single dwelling zones.
Summary	The main difference for this criterion is the mix and variety of land use across the alternatives. Alternative 1 is the most similar to existing Sherwood due to prevalence of residential uses and slightly lower density. Alternative 2 can be seen as a plan for an evolving Sherwood, where residential land use is dominant, more housing choices are introduced over the next 10-40 years, and neighborhood character is guided by design regulations. Alternative 3 has the most marked differences from existing Sherwood. The percentage of Multi-family housing is also a key variable, ranging from 585 units (Alt 1) to 776 units (Alt 2) to 1066 units (Alt 3). The full circle score for Alternative 1 is based on it being most similar to existing Sherwood, per the goal. Alternatives 2 and 3 provide more housing types and choice.

GOAL 2	EVALUATION CRITERIA
The area attracts a variety of businesses and employment opportunities, which help satisfy the City's need for an expanded tax base.	• *Infrastructure is well-planned to make Sherwood West attractive to developers and large employers* • *There are large low-impact employment areas available for the growth of technology parks and other higher-wage jobs* • *There are opportunities to leverage the area's unique location for destination retail, hospitality, and visitor-related uses*
All Alternatives	• Infrastructure planning is similar for all three alternatives. • Per the City's initial analysis, the West subdistrict is the most readily served with infrastructure. However, the City could prioritize infrastructure funding to serve other land sooner. Further analysis is required. • All alternatives would add significant amounts of new employment lands to the City of Sherwood, including larger sites for technology parks in the North district. • All alternatives include land designated for a new Hospitality Zone, with the intent to leverage the area's unique location for destination retail, hospitality and visitor-related uses.
Alternative 1 Score ●	• Alternative 1 has the second highest amount of Mixed Employment land, 163 acres, focused in the North District. • Commercial, Mixed-Use, and Hospitality lands total 86 acres. • The Hospitality Zone lands are in upland properties with scenic views along Chapman Road and the west end of Kruger Road.
Alternative 2 Score ●	• Alternative 2 has significantly less Mixed Employment land, 111 acres, focused in the northern area of the North district. • Commercial, Mixed-Use, and Hospitality lands total 146 acres – highest of the alternatives. • The Hospitality Zone lands along Chapman Road have visibility from Hwy 99 and continue west to upper, scenic view properties.

GOAL 2	EVALUATION CRITERIA
Alternative 3 Score ●	• Alternative 3 has the largest amount of Mixed Employment land, 183 acres, focused in the North district and Southwest district along Hwy 99. • Commercial, Mixed-Use, and Hospitality lands total 98 acres – slightly higher than Alternative 1. Employment uses are located on the west and north side of the High School, which is unique to this alternative. • The Hospitality Zone is focused at the Kruger/Hwy 99 node and there are no Hospitality Zone lands at Chapman Road as there are with the other alternatives.
Summary	All three alternatives support the Goal 2 and would significantly increase the employment land supply in Sherwood. At 250-280 total acres, employment lands comprise about 40% of the net buildable land supply in Sherwood West. The alternatives have different locational emphasis for different employment sectors. Alternatives 1 and 3 emphasize use of the North district for Mixed Employment. All alternatives include mixed use and other commercial opportunities along Kruger Road, with Alternative 3 extending that concept around the High School. A focus on Hospitality land along Chapman Road is in Alternatives 1 and 2. The equal scoring above is based on excellent fulfillment of the goal by all alternatives - the alternatives simply achieve that outcome in different ways. The differences between the alternatives are related more to land use compatibility, how much Mixed-Use and Commercial lands could be supported, and preferences for the location of the Hospitality Zone.

GOAL 3	EVALUATION CRITERIA
Transportation facilities serve to connect, rather than divide, neighborhoods.	• *A network of streets provides north-south connections to and through the area* • *The Concept Plan helps realize the opportunity for a Highway 99 pedestrian crossing* • *Streets are designed to balance accommodating vehicle traffic and parking while also being welcoming places for people*

GOAL 3	EVALUATION CRITERIA
	• *Streets are designed with consideration for safety and emergency response vehicles* • *Sherwood is "transit-ready" for future transit service*
All Alternatives	*Note: A traffic impact analysis is being prepared and will provide information needed for assessment of this goal. Initial results from the analysis will be presented at the TAC and CAC meetings.* • The same street network is common to all alternatives (see map on next page). • All alternatives support the future opportunity for a Highway 99 pedestrian crossing. • The alternatives all emphasize the same priority for safety, managing traffic, and making streets places for people. • Transit routing is an unknown at this point. From a land use perspective, Alternative 3 may be the most transit supportive due to the land use patterns in the West district.
Summary	This evaluation is unscored because the transportation recommendations are the same for all alternatives and a traffic impact analysis is underway.

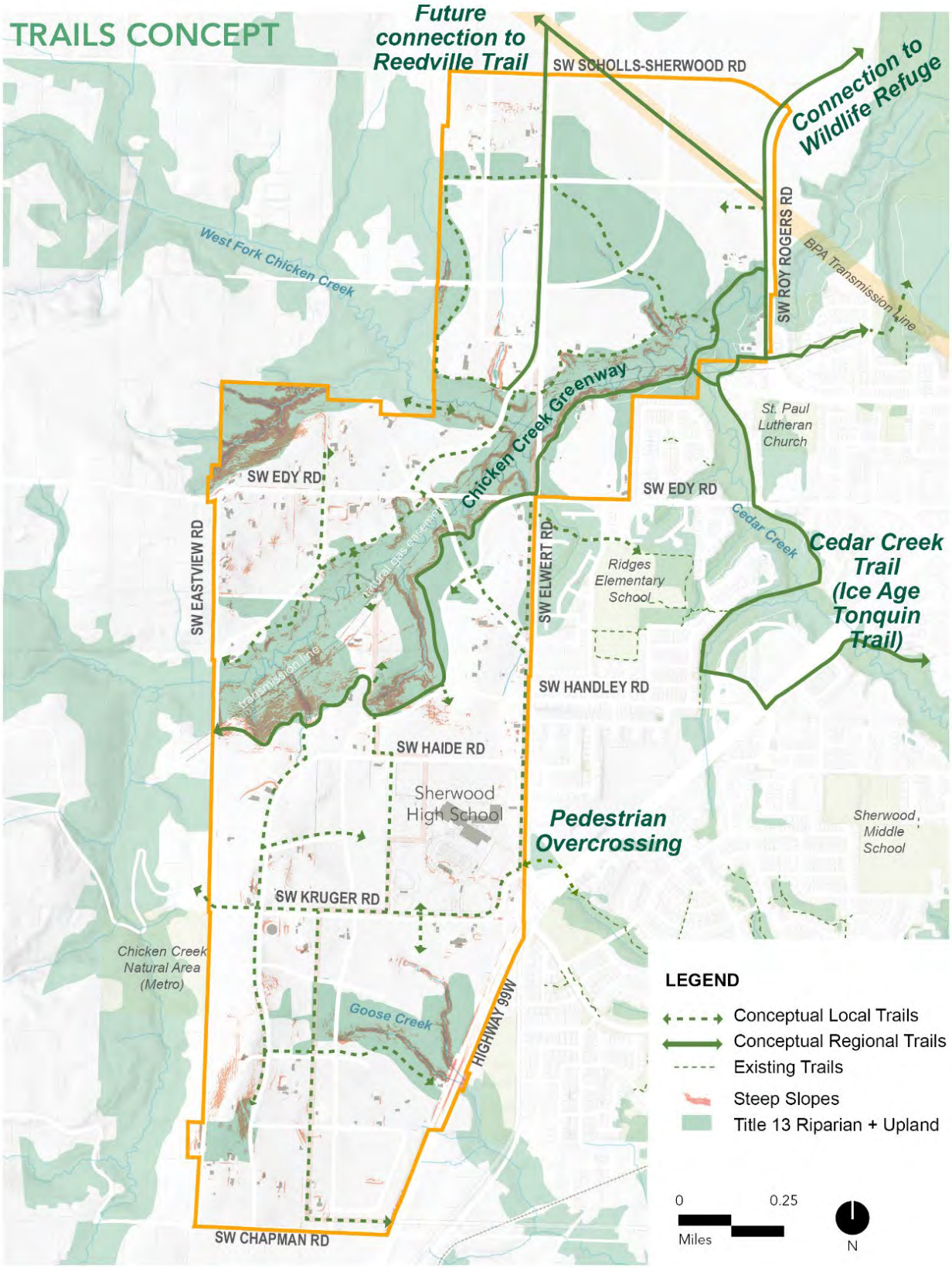


SHERWOOD WEST CONCEPT PLAN

GOAL 4	EVALUATION CRITERIA
Residents have access to a variety of parks and natural areas, anchored by the Chicken Creek Greenway.	• *The Chicken Creek corridor is protected* • *Creek connections to the Tualatin River National Wildlife Refuge are preserved and, where possible, enhanced* • *Residents have access to nature through a network of multi-use and soft-surface trails* • *Parks and natural areas serve as places where families and community members can gather together* • *Existing mature trees and areas of dense tree canopy are preserved where feasible*
All Alternatives	• Protection of the creek corridor and riparian/upland habitat areas is built into all three land use alternatives. The Chicken Creek Greenway is one of the key plan concepts for Sherwood West and will provide access to nature and trail connections for future residents and visitors. • The proposed realignment of Elwert and Edy Roads will reduce the impact of infrastructure improvements (road widening) on sensitive creek confluences. The realigned roadway will cross two Chicken Creek tributary streams at the narrowest points in order to reduce or eliminate wetland mitigation issues. The realignment also eliminates the excessive fills within the SW Elwert/SW Edy Road intersection and follows the existing terrain. This will require construction of structural bridging and acquisition of right-of-way. • The trails concept is the same for all three alternatives (see page 18). This includes a regional trail connection to the Tualatin River National Wildlife Refuge. It also includes a conceptual network of local trails, multi-use paths, sidewalks, and bike lanes through neighborhoods to connect residents with parks, schools, employment areas, and other local destinations. • All three alternatives include two community parks (10-20 acres each) as well as neighborhood parks (2-5 acres) integrated throughout Sherwood West neighborhoods. Future parks will be consistent with policies and guidelines in the recently-updated Sherwood Parks & Recreation Master Plan. Natural areas and open space dedicated through development will provide additional green space. • Existing mature trees and tree canopies will be preserved through Metro Title 13 habitat protections and through application of the Sherwood Development Code's tree preservation standards.

GOAL 4	EVALUATION CRITERIA
Alternative 1 Score ◒	• Alternative 1 has an estimated 43 total acres of parks (community and neighborhood parks).
Alternative 2 Score ●	• Alternative 2 has the most park acreage, with an estimated 55 total acres.
Alternative 3 Score ◒	• Alternative 3 has the least park acreage, with an estimated 37 total acres.
Summary	All three alternatives provide strong support for these evaluation criteria by emphasizing preservation of natural areas and access to parks and nature. The three alternatives each locate one community park in the area south of Chicken Creek, surrounded by resource land. The main distinguishing features between the alternatives are the locations of the second community park and total park acreage. Alternative 2 was given the highest score because it provides the most park acreage—thereby providing the greatest access to recreation, nature, and community gathering space for residents.

GOAL 5	EVALUATION CRITERIA
The area is served by a robust network of active transportation options that are integrated into Sherwood's existing network.	• *Residents can easily walk or bike to access local destinations such as schools, parks, employment areas, and shopping centers* • *Active transportation facilities connect to existing Sherwood neighborhoods and nearby regional destinations* • *Students have safe options to walk or bike to school*
All Alternatives ●	• The trails concept is the same for all three alternatives (see next page). This includes a conceptual network of local trails, multi-use paths, sidewalks, and bike lanes through neighborhoods to connect residents with parks, schools, employment areas, and other local destinations. Trails connecting to local destinations will help to encourage walking, rolling, and biking. • The trails concept includes key connections between new growth in Sherwood West and existing areas of Sherwood—such as such as future connections to the Reedville Trail, the Tualatin River National Wildlife Refuge trails, Ice Age Tonquin Trail/Cedar Creek Trail, and the future Highway 99 pedestrian overcrossing. • School locations are not identified in the alternatives maps. However, safe routes to school will be an important consideration in the siting of future schools in Sherwood West, and in planning trail and sidewalk connections between neighborhoods and schools.
Alternative 1 Score	• N/A
Alternative 2 Score	• N/A
Alternative 3 Score	• N/A
Summary	All alternatives support these criteria equally, as described above.



SHERWOOD WEST CONCEPT PLAN

GOAL 6	EVALUATION CRITERIA
Growth and development are well-planned and implementation of the area is pragmatic.	• *The extension of public facilities and services are phased and coordinated with development* • *Land uses serve Sherwood's needs and are complementary to other expansion areas along the western Urban Growth Boundary*
All Alternatives	• Extension of public facilities is a critical issue for Sherwood West regardless of the land use alternative. • Infrastructure phasing and funding will be further explored after a preferred land use alternative is selected. • Considering the capability of extending existing public facilities and constructing needed new infrastructure to serve the Sherwood West area, areas north and south of the high school and close to SW Elwert Road, are the most logical areas for development to occur first. • The City may consider new annexation policies based on a phasing plan for development within Sherwood West. The annexation policies could consider priority areas to provide an orderly and efficient transition from rural to urban land uses to ensure public infrastructure needs are met to provide homes and jobs in Sherwood West. These ideas will be further fleshed out in the infrastructure phasing/funding task.
Alternative 1 Score ●	• Alternative 1's land uses generally serve Sherwood's needs by providing a mix of housing, employment, and commercial uses. • The Hospitality Zone concept is a new idea for Sherwood and would provide intentional locations for uses such as hotels/motels, restaurants, wineries, and similar uses. Because it is untested, it is unknown how effective it will be in serving Sherwood's needs. Alternative 1 has a moderate amount of Hospitality zoning (roughly 31 acres) located on Chapman Rd and at the west end of Kruger Rd. • Land uses in the Southwest district closest to the Brookman expansion area include a mix of commercial, mixed employment, and multi-family zoning. This complements the planned commercial, office and light industrial zoning for the western portion of the Brookman area.

GOAL 6	EVALUATION CRITERIA
Alternative 2 Score ◒	• Alternative 2's land uses also serve Sherwood's needs by providing a mix of housing, employment, and commercial uses. • Alternative 2 has the greatest amount of Hospitality zoning (roughly 63 acres), occupying about a third of the Southwest district. • Land uses in the Southwest district closest to the Brookman area include commercial and hospitality uses. These uses are relatively compatible with the planned zoning for the western portion of the Brookman area.
Alternative 3 Score ●	• Alternative 3's land uses also serve Sherwood's needs by providing a mix of housing, employment, and commercial uses. • Alternative 3 has the most modest amount of Hospitality zoning (roughly 63 acres), located at the intersection of Highway 99 and Kruger Rd. • The eastern portion of the Southwest district closest to the Brookman area is exclusively designated as mixed employment. This use may be the most complementary to the planned zoning for the western portion of the Brookman area.
Summary	All three alternatives will extend public facilities as part of development and will be phased primarily based on different areas' proximity to existing facilities. All three alternatives include land uses that serve Sherwood's needs. However, the Hospitality Zone is the newest concept, and its practicality is not yet known. Therefore, alternatives that de-emphasize hospitality zoning (Alternatives 1 and 3) may be more pragmatic for implementation, consistent with the goal. The conclusion is very subjective – the City should continue to study the Hospitality Zone concept and include it in its economic development efforts.

APPENDIX K

Developer Tour Summary

Sherwood West Re-Look

Developer Tour Notes

Date October 26, 2022

To Erika Palmer, City of Sherwood

From Chris Zahas, Leland Consulting Group

CC Joe Dills, MIG

On October 24, 2022, the City of Sherwood hosted a driving tour of the Sherwood West Concept Plan area with invited guests from the development and brokerage community. The purpose was to gather insights about the area and the draft plan concepts from development practitioners and to provide implementation advice as the plan moves toward completion. The tour route included a loop through the main existing arterials in the study area with stops to discuss key opportunity areas such as the planned industrial zone at the north end and the mixed-use commercial area near the high school. Following the tour, the group met at Sherwood City Hall to debrief and discuss implications.

The tour included the following participants:

- Erika Palmer, Planning Manager, City of Sherwood
- Bruce Coleman, Economic Development Manager, City of Sherwood
- Joy Chang, Planner, City of Sherwood
- Chris Zahas, Managing Principal, Leland Consulting Group
- Stu Peterson, Broker, Macadam Forbes
- Eric Sporre, Vice President, PacTrust
- Kirk Olsen, Principal, Trammell Crow
- Matt Grady, Vice President, Gramor Development

Following is a summary of the key comments heard during the tour, organized into general themes.

Zoning and Land Use

- Sherwood's E-I zone is a good one. It's flexible and doesn't restrict by tenant use unlike some zones in neighboring cities. Avoid the types of use restrictions found in Tualatin's Basalt Creek industrial zone.
- Office development is unlikely in Sherwood West.
- The region is virtually out of industrial land today. New inventory is needed as soon as possible to accommodate job growth.
- Industrial development at the north end of Sherwood West could be developed as soon as the land is brought into the UGB and utilities are available.
- Likely industrial uses would be multi-tenant buildings in the 50,000-70,000 square foot range. Given the distance to I-5, it is not likely that large distribution facilities would consider this area, but there are plenty of smaller miscellaneous industrial users who would be attracted to it.
- Some support retail would make sense in this area, but zoning requirements that the retail be in direct support of the industrial use can be a challenge to work with. Typically, a developer would need a minimum of 35,000 square feet of retail to make a center viable.
- The hospitality zone needs a destination use to make it viable if it's not visible from or directly located in 99W.
- A wine-themed destination would best be built off of an existing working winery, although offsite tasting rooms are becoming popular.

- Sloped sites or sites at a higher grade than the adjacent street lend themselves better to housing than retail uses.
- Structured parking is necessary to get true commercial density and can be viable with parking rates at $2 per hour.

Infrastructure

- Roads with utilities are critical to setting the stage for private development. Consider it backbone infrastructure that is a prerequisite to getting development underway.
- Get a wetlands inventory done soon so that potential issues are known early on.
- The high school is not yet on sewer, but when it is installed in 2025, that part of the study area will open up for development.

Implementation and Funding

- It is a challenge for developers to front load all infrastructure when they do not always get credit for it and/or they may not get reimbursed by future developers before they expire.
- A detailed infrastructure funding strategy is needed.
- Urban renewal can be a very good tool for funding infrastructure.
- Sherwood has a good brand image, and employers are attracted to the small-town image, good schools, and quality of life.
- Locating a public facility like city offices or a police or fire station in the study area could jumpstart development.

APPENDIX L

Transportation Impact Analysis

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TRANSPORTATION IMPACT ANALYSIS MEMO

DATE: January 5, 2023

TO: Joe Dills, Kate Rogers | MIG
Erika Palmer, Joy Chang | City of Sherwood

FROM: Carl Springer, Amanda Deering, Alex Haag | DKS Associates

SUBJECT: Sherwood West Concept Plan Traffic Impact Analysis Project #21057-000

INTRODUCTION

The Sherwood West Re-Look project will prepare a concept plan for the 1,291-acre Sherwood West area by updating the Sherwood West Preliminary Concept Plan. The Preliminary Plan, which was approved by the Sherwood City Council in 2016, was developed as a long-range planning tool to help guide future community discussions and decisions about the City's long-term growth. The purpose of the Sherwood West Re-Look project is to take another look at the Sherwood West area to address new land use and growth patterns, new transportation plans, new State rules related to housing, and new opportunities for employment and economic growth.

This memorandum summarizes the preliminary findings regarding the transportation impacts of the Sherwood West Concept Plan (Concept Plan) project and transportation network upgrades contemplated for the Plan Area. This memorandum includes:

- Estimated trip generation of the three land use alternatives
- Discussion of potential transportation network changes being contemplated in the Concept Plan, including the realignment of Elwert Road and evaluation of a parallel north-south connector route from Chapman Road to Edy Road.

  Note: the north-south connector is not a site-specific proposal. It is a connectivity concept for further study. The memorandum is an initial evaluation of a conceptual connection between Chapman Road and Edy Road.
- Discussion of expected traffic growth in Plan Area
- Initial system performance review on major roadways and at two key study intersections

STUDY AREA AND LAND USE ALTERNATIVES

The Concept Plan Area, illustrated in **Figure 1**, is bounded by Scholls-Sherwood Road to the north, Roy Rogers Road and OR 99W to the east, Chapman Road to the south, and Eastview Road to the west.

Three land use alternatives for the Concept Plan Area are being developed as part of the Concept Plan Re-Look (**Appendix A**). Land use Alternative 1 has the highest proportion of medium/high-density neighborhood land use of the three alternatives and less cottage zoning and multifamily than the other alternatives. Alternative 2 has the highest proportion of multifamily land use and less middle housing zone than the other two alternatives. In terms of employment acres, Alternative 1 has fewer mixed-use acres than the other two alternatives. In comparison, Alternative 2 has fewer mixed-employment acres but more commercial and hospitality land-use acres than the other two alternatives.

A breakdown of the total jobs and housing units for the three alternatives is summarized in **Table 1**. While the alternatives vary regarding the proportion and location of housing types, all three offer a comparable number of total housing units. For total jobs, Alternative 3 provides the highest number of total jobs, and Alternative 2 provides the least.

TABLE 1: HOUSING METRICS AND JOBS SUMMARY

CATEGORY	CONCEPT PLAN ALTERNATIVES		
	ALT 1	ALT 2	ALT 3
TOTAL HOUSING UNITS	3,730	3,845	3,635
TOTAL JOBS	5,245	4,600	5,020

Note: values rounded to the nearest multiple of 5

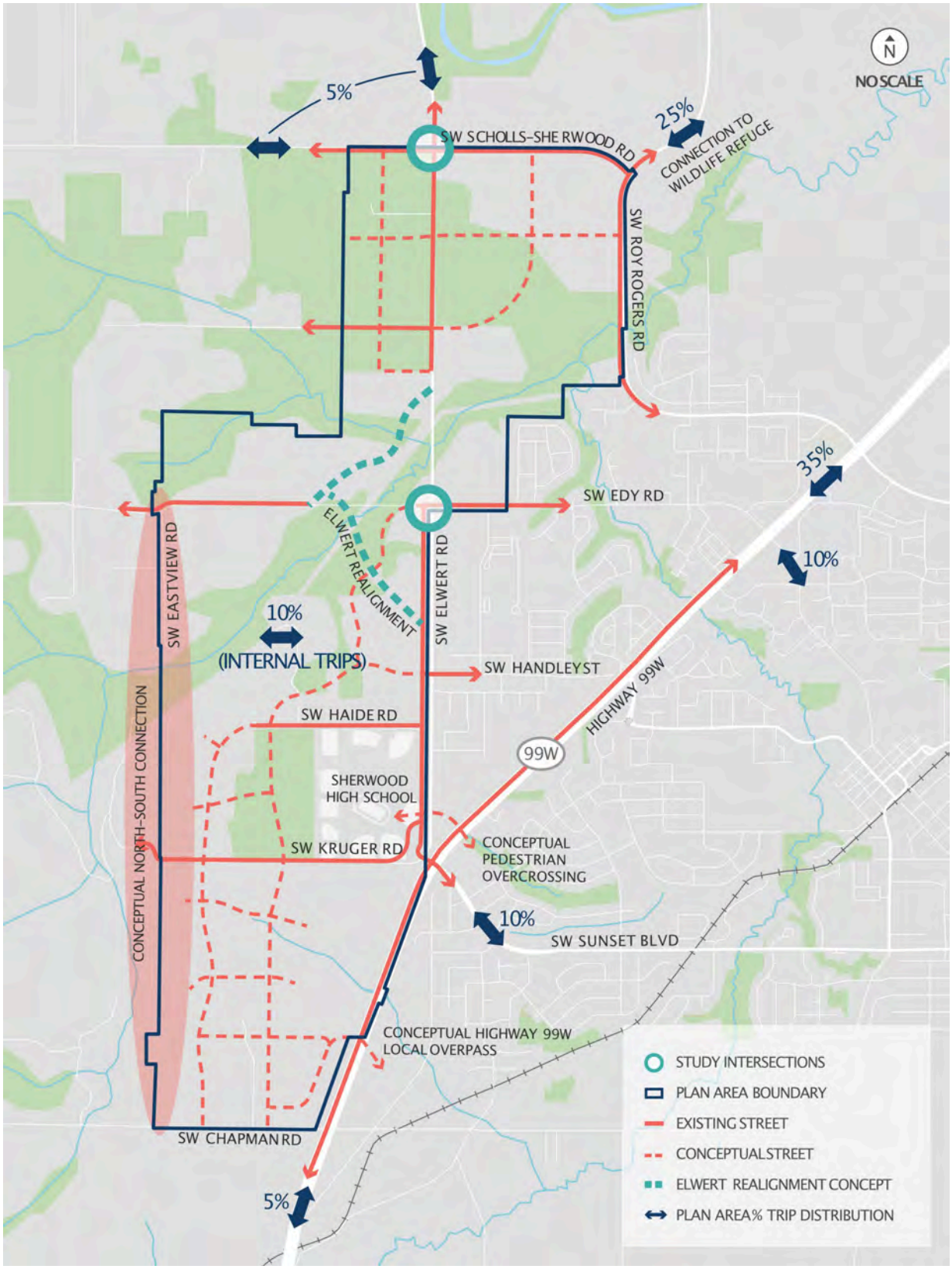


FIGURE 1: PLAN AREA AND TRIP DISTRIBUTION

PLAN AREA TRAVEL FORECAST

VEHICLE TRIP GROWTH ESTIMATE

Trip generation for the three land use alternatives is estimated based on the Westside Travel Demand Model and the number of the expected housing units and jobs provided by each alternative. Summarized in **Table 2**, all three land use alternatives are expected to generate a similar number of vehicle trips when the area is fully developed. The values reported in **Table 2** are total vehicle trips during the 2-hour PM peak period. The magnitude of vehicle trips is comparable to the number of anticipated trips estimated by the previously completed Urban Reserve Transportation Study (URTS) for this area. By way of comparison, the URTS assumed land uses included a higher level of households (6,495) and minimal jobs (545) within the planning area.

TABLE 2: VEHICLE TRIPS DURING 2-HOUR PM PEAK PERIOD

	ALT 1	ALT 2	ALT 3	URBAN RESERVE TRANSPORTATION STUDY
TOTAL VEHICLE TRIPS (2-HOUR PM PEAK)	6,040	6,725	6,780	6,470

Note: values rounded to the nearest multiple of 5

REGIONAL TRIP PATTERNS

Regional trip patterns for the Plan Area were estimated using the Westside Travel Demand Model to help understand the primary travel directions for trips that start or end in Sherwood West. As shown in **Figure 1**, most Plan Area travel demand is to/from the northeast of the Plan Area, either on Roy Rogers Road, OR 99W, and to/from the east on Tualatin-Sherwood Highway. Approximately 60% of vehicle traffic that begins or ends within the planning area will use these three routes. About 30% of travel demand crosses OR 99W to/from the rest of the City of Sherwood, while only 5% is to/from south of the Plan Area via OR 99W, and 5% is to/from northwest of the Plan Area on Lebeau Road and Scholls Sherwood Road. The analysis also showed that about 10% of traffic remains internal to the Plan Area, meaning that the trips start and end within the planning area.

STREET NETWORK AND CONCEPTUAL STREET ALTERNATIVES

Several transportation network improvements were considered as part of the Preliminary Sherwood West Concept Plan and others as part of this subsequent analysis, including:

- The realignment of Elwert Road west of Chicken Creek.
- A conceptual north-south connection between Chapman Road and Edy Road.
- A new pedestrian over crossing near OR 99W at Sunset.
- A new multimodal overcrossing at OR 99W north of Brookman Chapman Road; and

- Several new internal local and connector roadways.

The conceptual locations of these upgrades are illustrated in **Figure 1**. All future facilities would meet current City multimodal street and trail facility standards. Major roadways generally would have one travel lane in each direction with center turn lanes (Scholls-Sherwood Road, Elwert Road, Edy Road, and Kruger Road), while local streets would be one lane in each direction. As noted above, the north-south connector is not a site-specific alignment. For this analysis, a two-lane road is assumed.

ELWERT ROAD RE-ALIGNMENT CONCEPT

Elwert Road from OR 99W to Scholls-Sherwood Road is a two-lane rural arterial. Washington County and the City of Sherwood's Transportation System Plan identify the future build-out condition of Elwert Road as a 3-lane arterial, including sidewalks and bike lanes on both sides of the road. According to the County's Road Design Standards, this type of facility requires 90 feet of road right-of-way which includes 50 feet wide pavement, 2 travel lanes, a center turn lane and 2 bike lanes, plus landscape areas and sidewalks behind the curbs. The existing Elwert Road north of Edy Road has a paved area about 24 feet wide with ditches on both sides. As described in the Preliminary Concept Plan, the existing rural condition of Elwert Road would require significant expansion and upgrading to accommodate the city's adopted roadway design standards. This would include land acquisition for road right-of-way and could include re-grading the vertical alignment to improve driver sight distance. In addition, the portions of Elwert Road constrained by the Chicken Creek watershed would further require large cut-and-fill sections and significant environmental mitigation.

As a result, the Preliminary Concept Plan identified re-aligning Elwert Road west of the creek as being more cost-effective and preferred from a constructability standpoint rather than improving the existing alignment. Re-aligning Elwert Road is a transportation recommendation that has been carried forward as part of the current Sherwood West Concept Plan Re-Look project and is analyzed in this memorandum.

As shown in **Figure 1**, this future re-alignment is preliminary and subject to further study and design. Issues to be addressed in future work should include the following:

- Full or partial closure of existing creek crossings
- Cost and constructability
- Safety for all travel modes
- Local circulation for adjacent property and neighborhood connectivity
- Natural resource impacts and permitting
- The potential for a jurisdictional transfer of SW Elwert Road from the county to the city
- Implementation of an SW Elwert Road Design Concept

This initial study did not evaluate specific designs for the re-alignment – that is left to be addressed during future studies. However, this study did confirm that the existing alignment and traffic controls at Elwert/Edy need to be improved to safely serve the expected growth, as discussed in a later section of this memo. As discussed in the next section, this study also confirms that the re-aligned Elwert Road can function effectively as a two-lane cross-section, with appropriate pedestrian-bike facilities provided and center turn lanes/median where needed.

NORTH-SOUTH CONNECTOR

The core idea of the north-south connector is to connect SW Chapman Road to the north end of Sherwood West, enhancing regional connectivity and providing an option away from neighborhoods. The specific route is conceptual, and its alignment has yet to be identified, as reflected by the wide shaded area in **Figure 1**. The City is aware of challenges – topographic, environmental, and conflicts with existing development – but seeks to continue to study this long-range transportation corridor. This connector would require approximately 1.7 miles of new roadway plus a new bridge structure across Chicken Creek.

TRAFFIC PERFORMANCE ANALYSIS

Based on the initial travel forecast for 2040, the general travel conditions were reviewed to assess the planning street system overall based on expected daily traffic volumes and a more detailed review at two key study intersections during peak hours that have historically had operational issues. After the Sherwood West Concept Plan is approved, a further detailed operational analysis will be made to identify specific geometric and traffic control improvements that will be needed at other intersections as the area develops, which will be incorporated into the capital improvement program and the City's Transportation System Plan. A prior study of the OR 99W intersection at Brookman Road-Chapman Road recommended upgrading that intersection to traffic signal controls as development continues in the south end of Sherwood.

It is recognized that Sherwood West will not be fully built out by 2040, but a horizon year 20 years from the existing conditions was selected for analysis. The analysis includes the existing (2019) and future (2040) conditions. Both horizon year scenarios assume the existing lane configurations and controls of the study intersections. Analysis has been conducted using Highway Capacity Manual (HCM) 6th Edition methodology and Synchro 11 software suite.

As all three land use alternatives are expected to generate a comparable number of total vehicle trips, analysis has been conducted for Alternative 3 since it had the highest vehicle trip estimate. Plan Area generated traffic has been assigned to the study road network based on the regional travel patterns described in the previous section.

DAILY TRAFFIC VOLUMES

The daily traffic volumes on the major roadways within the Plan Area provide a general performance indicator for road segment capacity. Depending on access management and cross-

street spacing, a 3-lane arterial or collector roadway can carry 15,000 to 20,000 vehicles daily. 2040 daily traffic volume forecasts have been reviewed within the planning area, as summarized in **Table 3**. Each roadway was shown to carry below this maximum level and will therefore provide satisfactory service. Further studies will be required during the development review to determine appropriate geometric improvements and traffic control upgrades at significant intersections.

TABLE 3: DAILY TRAFFIC FORECASTS ON SELECTED ROADWAYS

ROAD SEGMENT	2040 DAILY TRAFFIC
SCHOLLS-SHERWOOD ROAD BETWEEN ELWERT ROAD AND ROY ROGERS ROAD	13,000
ELWERT ROAD NORTH OF CHICKEN CREEK	10,000
EDY ROAD EAST OF ELWERT ROAD	9,000
EDY ROAD WEST OF CHICKEN CREEK	1,500
NORTH-SOUTH CONNECTOR ROAD	4,000*
CHAPMAN ROAD WEST OF OR 99W	9,000

Note: *The volume estimate ranged from 1,500 to 4,000 ADT on this facility.

The notable finding from this review was the expected low vehicle traffic usage on the conceptual north-south connector roadway. As shown in **Table 3**, the volumes are expected to range from a low of 1,500 to 4,000 vehicles daily, which is consistent with local street or neighborhood routes. Further study is recommended as the planning advances.

INTERSECTION OPERATIONS

Summarized in **Table 4**, the results of the traffic operations analysis indicate that the study intersections are found to be operating acceptably under existing conditions. The Elwert Road & Lebeau/Scholls-Sherwood Road intersection, which is controlled by all-way stop signs, is operating at LOS D, with the highest delays experienced by the westbound shared movement. The Elwert Road at Edy Road intersection is currently controlled by a traffic signal and shared approach lanes on all legs. It operates at overall LOS A, and LOS B or better for all individual approaches.

Results of the traffic operation analysis indicate that by 2040, conditions at Elwert Road at Lebeau/Scholls-Sherwood Road intersection would be expected to deteriorate to LOS F if no capacity improvements are made, with significant delays experienced by the westbound and southbound movements. The Elwert Road at Edy Road signalized intersection would be expected to operate acceptably at LOS C through to 2040 with existing capacity (no geometric improvements). However, as noted previously, to comply with the city's urban street design standards, this intersection requires expansion to accommodate safe walking and bicycling, which is important given the proximity of two school campuses. Refer to **Appendix B** for more details on these intersection analyses.

TABLE 4: EXISTING AND FUTURE INTERSECTION OPERATIONAL ANALYSIS SUMMARY

INTERSECTION	WORST MOVEMENTS	2019 PM		2040 PM	
		DELAY	LOS	DELAY	LOS
ELWERT ROAD & LEBEAU / SCHOLLS-SHERWOOD ROAD	Westbound Scholls-Sherwood	41.0	E	165.7	F
	Southbound Scholls-Sherwood	23.5	C	46.0	E
	OVERALL	**28.8**	**D**	**98.1**	**F**
ELWERT ROAD & EDY ROAD	Eastbound Edy	9.0	A	35.3	D
	OVERALL	**12.2**	**B**	**27.9**	**C**

Note: Worst movements noted have the highest delay for a given roadway approach. In all cases, the approach shares a single lane for all left-turning, through, and right-turning traffic. Refer to Appendix B for calculation details.

CONCLUSIONS

This memorandum summarizes the preliminary findings of the transportation impacts of the three land use concepts developed for the Plan Area as part of the Sherwood West Concept Plan Re-Look.

All three land use concepts being contemplated as part of the Re-Look have a comparable number of total proposed housing units and total jobs. Despite each alternative varying in terms of housing typology and land use layout, all three would be expected to generate a similar number of overall vehicle trips to the number estimated by the previously completed URTS for this area.

Regional travel patterns identified using the Westside Travel Demand Model indicate that most Plan Area traffic travels to or from outside the Plan Area, with only 10% of travel demand remaining internal. Most travel demand (60%) is to/from the northeast of the Plan Area, and about 30% is traveling to/from the City of Sherwood east of OR 99W. Variations in land use and layout in the three Alternatives would be expected to have a minimal impact on overall travel patterns.

The Sherwood West Concept Plan describes two road network upgrades that are being examined as part of the Re-Look: the realignment of Elwert Road and a new conceptual north-south parallel route that would connect Chapman Road to Edy Road. The realignment of Elwert Road was identified as a preferred option as part of the Preliminary Concept Plan, and this current Re-Look project, due to the required cross-sectional upgrades and the existing alignment's confluence with Chicken Creek.

Results of the intersection operational analysis indicate that conditions at Elwert Road at Lebeau/Scholls-Sherwood Road intersection would be expected to deteriorate to excessive congestion (LOS F) during peak travel hours if no capacity improvements were made. In contrast,

the intersection of Elwert Road at Edy Road would be expected to operate acceptably with its existing signalized configuration through to the 2040 horizon year. However, both locations will need to be improved to accommodate multimodal facilities as required by the county and city's urban street standards.

The Concept Plan includes urban upgrades to significant roadways within the Plan Area, such as Elwert Road, Kruger Road, Chapman Road, and Edy Road. The planned upgrades include two to three-lane cross-sections and upgrading several existing intersections to either roundabouts or traffic signals. Our initial finding is that Sherwood West Growth will be served adequately with the planned street network as described in the Concept Plan. Further study is recommended to develop a more comprehensive list of improvements and associated cost estimates as this area is made ready for urban development.

RECOMMENDATIONS

Based on the high-level findings of this memorandum, the following are recommended:

- The Elwert Road re-alignment concept be advanced with the Sherwood West Concept Plan, and further studies be conducted to determine the best alignment and intersection configurations.
- The Elwert Road corridor should adopt design themes consistent with the city's vision, as represented by the Sunset Road corridor.
- Upgrade Elwert Road to three lane cross-section with bike lanes and sidewalks take place as development occurs.
- Upgrades to the Elwert/Lebeau Road at Scholls-Sherwood Road intersection be made to provide additional capacity to adequately support traffic growth through to the 2040 horizon year. The intersection with Elwert Road will require additional study, reconfiguration, and eventual signalization or roundabout improvement as development occurs.
- Multimodal safety improvements be made to the Elwert Road and Edy Road intersection consistent with the cross-sectional upgrades to these roadways outlined in the Concept Plan. Other intersections should also be reviewed for possible multimodal safety upgrades as development occurs nearby, including the Elwert Road at Handley Road intersection, and the Elwert Road at Haide Road intersection.
- Edy Road between Elwert Road and Borchers Drive is as a 3-lane collector with bike lanes and sidewalks in the city's Transportation System Plan. This project should be included for the portion within the concept planning area.
- Edy Road west of Chicken Creek should be a two-lane collector road without on-street parking within the concept planning area.
- The north-south connector concept should be further studied to better address the cost/benefit trade-offs for this new route. Sufficient north-south connectivity should be incorporated into the growth area to provide direct north-south multimodal service parallel to SW Elwert Road.

APPENDIX M

Housing Memo

Background on Housing Needs and Consistency with State/Metro Requirements

HOUSING MEMO

Supplemental to Housing Policy Implications Memo

TO:	Community Advisory Committee
FROM:	Erika Palmer, Planning Manager
CC:	MIG|APG
DATE:	April 2023

Introduction

This memorandum provides supplemental information to the Housing Implications Memo that summarizes the future of housing in Sherwood to help inform discussions on this topic. This memorandum provides background on housing needs in Sherwood and how the Sherwood West Concept Plan is consistent with state and regional requirements.

STATE LAND USE GOAL 10, HOUSING

The purpose of Goal 10 is to provide for the housing needs of Oregonians. Goal 10 requires Sherwood to maintain and plan for an adequate land supply to accommodate at least 20 years of future growth, providing flexibility in housing location, type, and density to ensure the availability and prices of housing units are commensurate with the needs and financial capabilities of households. The City is required to meet the Metropolitan Housing Rule (OAR 660-007) that is designed to "assure opportunity for the provision of adequate numbers of needed housing units and the efficient use of land within the Metropolitan Portland (Metro) Urban Growth Boundary (UGB)." Needed housing means housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels. The rule also specifies the mix and density of new residential construction for cities within the Metro UGB. Sherwood is required to provide the opportunity for at least 50 percent of new residential units to be attached single-family housing or multi-family housing. In addition, the rule sets specific density targets for cities in the Metro UGB. Sherwood's average density target is six dwelling units per net buildable acre.

Sherwood's housing stock is predominantly single-family detached at roughly 75% (2021 American Community Survey, US Census). Sherwood's population growth and shifting demographics affect future housing growth and shape the changes in the City's housing market. While Sherwood's population has been growing relatively fast in recent years, the population has been aging while the community continues to attract younger people and more households with children. In addition, Sherwood's population is becoming more ethnically diverse. If these trends continue, there will be changes in the types of housing demanded in the community's future.

The aging population is likely to result in increased demand for smaller single-family housing detached and attached, multi-family housing, and senior living facilities. The growth of younger and diversified households will likely result in increased demand for a wider variety of affordable and appropriate housing for families with children, such as small single-family housing, townhouses, duplexes, and multi-family housing choices. Smaller housing units such as cottage clusters can be an attractive option for a wide variety of community members including seniors, empty-nesters looking to downsize, and young adults. Cottage housing is smaller and may be more accessible than a typical single-family home. The smaller size makes it a more attainable option for first-time home buyers than a larger home due to less expensive insurance, energy, property taxes, and mortgages. The number of people living in multigenerational family households is growing due to many reasons including finances, caregiving, childcare, or a change in relationship status. Accessory Dwelling Units, plexes, cottage clusters can help provide housing types where families can live close together.

Housing prices are higher in Sherwood than regional averages, though the City's increasing homeownership costs are consistent with the upward national trend. Almost three-quarters of Sherwood's residents own their homes. Sherwood households have a relatively high income, which affects the type of housing that is affordable, particularly for young people and new families. Future housing affordability will depend on the relationship between income and housing price and whether housing prices will continue to outpace income growth.

2019-2039 Housing Needs Analysis

Sherwood's 2019-2039 Housing Needs Analysis (HNA), adopted by reference in the City's Comprehensive Plan, provides technical and factual background relating to current and future housing needs. The Oregon Department of Land Conservation and Development acknowledged the HNA and no one appealed the document to the Land Use Board of Appeals. As state law requires, the HNA examines household growth based on Metro's coordinated forecast. The forecast includes growth in both areas within the city limits and areas currently outside the city limits that the City expects to annex for residential uses (Brookman area). ***The HNA identifies an additional 1,728 new households between 2019 and 2039*****. Sherwood must provide enough land to accommodate forecasted housing needs for the next 20 years which can be met through continued annexation of the Brookman area and planning for Sherwood West.**

Sherwood's HNA includes information about the factors that could affect housing development, including historical and recent development trends; projections of new housing units needed in the next 20 years; demographic and socioeconomic factors affecting housing choice, and regional and local trends in housing cost and affordability.

The forecasted growth rate in the HNA 2019-2039 is 1.1% based on Metro's forecast. The HNA provides a forecast of housing by type and density of housing. The HNA includes a Buildable Lands Inventory (BLI) for housing within the Urban Growth Boundary. The BLI demonstrates that the current land use designations provide an adequate short- and long-term land supply for housing development, meeting existing needs and 65%, and projected growth over the next 20 years. However, Sherwood has a deficit of land for 608 dwelling units, and annexations will need to continue in Brookman to provide an adequate land supply.

The HNA analyzes existing development patterns and intensity, existing land use designations and zoning, and building constraints to determine where vacant land and/or land that is likely to be redeveloped and then compares the existing supply of land to emerging development trends and projection of needed housing units.

The HNA 2019-2039 makes the following conclusions regarding compliance with Goal 10:

- Sherwood will need to plan for enough residential land to accommodate forecasted housing needs for the next 20-years:
- Sherwood is forecast to add 1,728 new households between 2019 and 2039. Of these 700 new households are inside existing city limits; 1,029 new households are outside current city limits.
- Sherwood's land base can accommodate most of the forecast for growth. Vacant and partially vacant land in the Sherwood Planning Area has the capacity to accommodate about 65% of the forecast for new housing on areas within the city limits and the Sherwood Planning Area.
- Sherwood has a deficit of land for housing. The deficit of land is for 608 dwelling units. The largest deficits are in Medium Density Residential-Low (154 dwelling units); Medium Density Residential-High (252); and High-Density Residential (145 dwelling units).
- To provide adequate land supply, Sherwood will need to continue annexing the Brookman Area, the primary designated residential area in the Sherwood Planning Area. Without the Brookman area developing, the City has a projected deficit of 1,155 dwelling units
- Sherwood will need Sherwood West to accommodate future growth beyond the existing city limits and the UGB (Brookman area). There is a deficit of 608 dwelling units over the next 20-years in Sherwood city limits and Brookman Area. The growth rate of Metro's forecast for household growth (1.1% average annual growth) is considerably lower than the City's historical population growth rate over the last two decades (8% average annual growth). At the historic growth rate, Sherwood will be out of buildable lands for residential development within 4-10 years.
- Sherwood has a relatively limited supply of land for moderate and higher density housing. The limited supply of land in these zones is a barrier to development of townhouses and multi-family housing, which is needed to meet the housing demand for growth of people over 65, young families, and moderate-income households. Sherwood will need to plan for a greater variety of housing types.
- Sherwood will have an ongoing need for providing affordable housing to lower-income households. About 31% of households in Sherwood have incomes below 80% of the MFI. These household will need a range of housing types, such as lower-cost single family housing, townhouses, or multi-family housing. Sherwood currently has a limited supply of land available in its planning area for moderate and high-density housing.

To comply with Goal 10, the City will need to either change its policies to allow for more development on the inventory of vacant land within the City boundary (greater densities, greater building heights), request a UGB expansion from Metro, or both. An urban growth boundary expansion proposal to Metro will allow the community to accommodate needed housing and provide the opportunity for a variety of housing types in locations and at price points that meet the needs of current and future residents.

The Sherwood West Concept Plan includes land use designations that provide for a variety of housing types: single-family residential detached, single-family residential attached (townhomes), duplexes, triplexes, quadplexes, cottage clusters, accessory dwelling units, and multi-family units. The Concept Plan supports homeownership and lower-income housing opportunities with access to jobs, transportation choices, parks and open spaces, and other supportive amenities of a complete community.

Metropolitan Housing Rule: OAR 660, Division 007

The planning process for the Sherwood West Concept Plan applied the Metropolitan Housing Rule. As identified in Table 1 below, the Concept Plan provides for a variety of residential land use districts that allow for multiple housing types at a range of prices and rent levels. Table 1 presents estimated housing units and densities based on the proposed Concept Plan map. The assumptions regarding residential densities were developed in collaboration with the Community Advisory Committee and are based on existing zone densities in the Sherwood Development Code. The metrics assume that Sherwood West will build out based on recent density trends in each residential designation. Recent density trends in Sherwood show that developments are utilizing the maximum densities per acre allowed in each zone.

In each of the "Neighborhood" designations, middle housing will be permitted along with single-family detached housing. Table 1 includes a range of total housing units depending on how much middle housing is built in these areas, showing 0, 10, 20, or 50 percent middle housing scenarios. The range shows 3,117 units on the low end to a high of 5,582 units if 50 percent of middle housing was constructed in the neighborhood designations. The density ranges from 9.2 units per net buildable acre with 0 percent middle housing to 16.4 units per net buildable acre if 50 percent of middle housing was constructed in the neighborhood designations.

Table 1. Sherwood West Housing Estimates

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood areas) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	33	*10%*	798	798	798	798
Middle Housing	5.5 to 11	16	*5%*	173	173	173	173
Cottage Cluster	12.8 to 16	23	*7%*	362	362	362	362
Med/High Density Nbhd	5.5 to 11	23	*7%*	248	279	311	406
Medium-Density Nbhd	5.6 to 8	102	*30%*	816	990	1,163	1,683
Low-Density Nbhd	3.5 to 5	144	*42%*	720	1,008	1,296	2,160
TOTAL		**340**	***100%***	**3,117**	**3,610**	**4,103**	**5,582**
Total Average Density				*9.2*	*10.6*	*12.1*	*16.4*
Total Average Density with Open Space				*7.8*	*9.0*	*10.3*	*13.9*

The Sherwood West Concept Plan has provided the opportunity for at least 50 percent of new housing types to be single-family detached and 50 percent a mix of single-family attached and multifamily. The Low and Medium neighborhood designations provide the opportunity for a range of single-family

detached and by law allow the full range of middle housing types (attached housing) with design standards. The Middle Housing, Cottage Cluster, and Medium/High designations allow the opportunity for attached single-family units (cottages, plexes, townhomes). The Multi-Family designation allows for multi-family units. As described below in Table 2, even if zero percent middle housing is produced in the Low and Medium Density Neighborhoods, there is an opportunity for 50 percent attached housing. Table 2 identifies the estimated allocation of housing units to residential designations in Sherwood West.

Table 2. An estimated allocation of housing units to residential designations in Sherwood West

	Estimated Dwelling Units	% of Units	Housing Units by Mix	
Multi-Family	798	26%	Multifamily	25%
Middle Housing	173	6%	Attached	25%
Cottage Cluster	362	12%	SFD	50%
Med/High Density	248	8%		
Medium Density	816	26%		
Low Density	720	23%		
Total	3,117			

METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

TITLE 11 – PLANNING FOR NEW URBAN AREAS

The Regional Framework Plan calls for long-range planning to ensure that areas brought into the UGB are urbanized efficiently and become or contribute to mixed-use, walkable, transit-friendly communities. It is the purpose of Title 11 to guide such long-range planning for urban reserves and areas added to the UGB.

UGMFP 3.07.110(b)(1)(C)

(b) 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:

(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;

The City of Sherwood is experiencing a housing shortage, as with other cities within Washington County, the Portland Metro region, and the state of Oregon. It is estimated that between 2020-2040 the Portland

Metro region will need almost 295,000 housing units. [1] The ongoing undersupply of housing is one factor in the rapidly rising home prices and rent increases throughout the metro area and other cities and counties throughout the state.

According to the Case-Schiller price index, home prices in the Portland MSA have more than doubled in the past 15 years.[2] The strong housing market during the pandemic resulted in higher rents and home prices. Seasonally adjusted home prices are down about 4% for the Portland metro region this past year (2022), but only 19% of the Portland area households are estimated to afford the monthly payment on the median home sold. This is a decline of 131,000 households since the start of 2022.[3] Housing affordability has two components: housing costs and household income. Affordability is the ratio of the two. As such, a growing economy with more-plentiful and better-paying job opportunities does help housing affordability, at least insofar as incomes rise faster than housing costs do.[4] Housing cost burdens create impacts. Households that spend a higher proportion of their income on housing will have fewer resources for other basic needs. In addition, high rents lead to a lower rate of savings which can lead to economic instability if there is a loss of employment, an emergency, or an unexpected expense.

Sherwood's population growth and shifting demographics affect future housing growth and shape city housing market changes. While Sherwood's populations have been growing relatively fast in recent years, the population has been aging while the community continues to attract younger people and more households with children. In addition, Sherwood's population is becoming more diverse. If all these trends continue, there will likely be changes in the types of housing demanded in Sherwood in the future.

The aging of the population is likely to result in increased demand for smaller single-family housing, multifamily housing, and senior living. The growth of younger and diversified households will likely result in increased demand for a wider variety of affordable and appropriate housing for families with children, such as small single-family housing, townhouses, duplexes, and multifamily units.

Currently, Sherwood's housing stock is predominantly single-family detached. Housing prices in Sherwood are higher than the regional averages, though the City's increasing homeownership costs are consistent with the upward national trend. Almost three-quarters of Sherwood's residents own their homes and households have a relatively high income, which affects the affordable housing type, particularly for young people and new families.

The City's most recent Housing Needs Analysis (HNA) for the 2019-2039 period provides Sherwood with a factual basis to support future planning efforts related to housing. It is used to help develop

[1] Oregon Department of Land Conservation and Development Regional Housing Needs Analysis Presentation, Washington County Coordinating Committee, December 14, 2020.
[2] https://fred.stlouisfed.org/series/POXRSA
[3] https://oregoneconomicanalysis.com/2022/12/09/oregon-homeownership-affordability-november-2022/
[4]https://oregoneconomicanalysis.com/2022/02/15/construction-housing-supply-and-affordability/

Comprehensive Plan goals and policies that are consistent with the HNA while reflecting City priorities and strategies.

As required by state law, Sherwood's Housing Needs Analysis examines household growth based on Metro's coordinated forecast. The forecast includes growth in both areas within the city limits and areas currently outside the city limits that the city expects to annex for residential uses. The HNA identifies an additional 1,728 new households between 2019 and 2039. Sherwood must provide enough land to accommodate forecasted housing needs for the next 20 years which can be met through continued annexation of the Brookman area and planning for Sherwood West. Sherwood can accommodate about 65% of the forecast for new housing within city limits and the Brookman area. Sherwood has a deficit of 608 dwelling units in all residential zones (low, medium, and high). Without the Brookman area developing, the City has a greater projected deficit of 1,155 dwelling units.

The City of Sherwood has implemented a number of policies over the last couple of years to meet the Comprehensive Plan goal to "Provide the opportunity for a variety of housing types in locations and at price points that meet the needs of current and future residents."

Some of the policies include:

- Allowing for middle housing types in all residential zones
- Implementing clear and objective standards for all housing types
- Eliminating off-street parking requirements for accessory dwelling units (per Oregon House Bill 2001) and reducing parking requirements for multi-family housing per Oregon Climate-Friendly and Equitable Communities (CFEC) rules adopted by the Oregon Land Conservation and Development Commission in July 2022.

In addition, the City's Comprehensive Plan sets out policies relating to attractive and attainable housing within the community including:

> Policy 3.2 Identify opportunities to support the city's housing mix, to ensure the housing supply includes a variety of housing types and unit sizes that support a range of housing prices
>
> Policy 3.3 Support a variety of housing types such as but not limited to, townhomes, cottages, courtyard housing, accessory dwelling units, single-story units, and extended family and multi-generational housing.
>
> Policy 3.4 Support housing affordable to Sherwood's residents and workers at businesses in Sherwood, including housing options for first-time homebuyers, new families, the elderly, and persons with disabilities.
>
> Policy 3.5 Support homeownership opportunities for all housing types by encouraging condominiums, cooperative housing, and other types of ownership methods
>
> Policy 3.6 Collaborate with organizations to provide opportunities for the development of lower-cost housing and housing development incentives In areas with access to jobs, transportation, open spaces, schools, and supportive services and amenities.

The Sherwood West Concept Plan proposes a mix of housing types, leading to different tenures and price points. The Sherwood West Concept Plan provides a variety of housing types: single-family

residential detached, single-family residential attached (townhomes), duplexes, triplexes, quadplexes, cottage clusters, accessory dwellings, and multi-family units. A proposed middle housing designation comprised of apartments, condominiums, townhomes, and plexes, and a cottage cluster designation provides more options for homeownership as compared to single-family detached housing on large lots.

As discussed above, the Concept Plan also ensures that the density and mix of housing types for new residential units are planned for the opportunity of at least 50 percent single-family detached and 50% attached and multi-family housing units.

There are six residential designations, which will allow multiple housing types and varying lot sizes within Sherwood West. As described above, the Concept Plan includes a range of housing estimates for the "Neighborhood" (single-family) designations – depending on how much middle housing could potentially be built (including scenarios from 0-50%). Based on current development trends and consultation with developers in the region and housing economists, the City believes that a realistic estimate is that somewhere in the range of 5-10% of single-family areas will be developed with middle housing.

Two residential designations (Middle Housing and Cottage Cluster) will solely allow for middle housing types and are responsive to many voices in the Concept Plan process who have advocated for housing for young families and people in Sherwood who would like to age in place. The Concept Plan provides housing types that are needed for the community while allowing for a transition to lower urban densities adjacent to the rural reserve in the hillier areas of Sherwood West.

There is a need for both housing and employment opportunities in Sherwood. The most recent Economic Opportunities Analysis indicates Sherwood has a deficit of roughly 277 buildable acres of employment land. The Sherwood West Concept Plan proposes 265 net buildable acres of employment land. The mixed employment areas are anticipated to provide a mix of office, light industrial, and flex space uses for target industries such as clean tech and advanced manufacturing identified in the city's Economic Opportunities Analysis. It is estimated that 4,524 jobs can be accommodated and the employment-to-housing ratio for the plan area is estimated at 1.3 (but would depend on the middle housing scenarios described above). The Concept Plan is anticipated to meet the projected community housing needs and employment needs to create a walkable community with a balance of employment, residential, commercial, and greenspace land uses – to be place where families can safely live, work, shop and play.

APPENDIX N

Infrastructure and Phasing Analysis

INFRASTRUCTURE & PHASING ANALYSIS

TO:	Sherwood West Technical & Community Advisory Committees
FROM:	Erika Palmer, Planning Manager; Jason Waters, City Engineer
CC:	Kate Rogers and Darci Rudzinski, MIG|APG
DATE:	February 7, 2023

Purpose

This memorandum outlines the following:

1. Existing infrastructure conditions in Sherwood West (including water, sanitary sewer, stormwater, and transportation); and
2. The opportunities and constraints in Sherwood West for the provision of extending public facilities and services, and potential future phasing.

Attachments:

- Figure 1: Existing Water System Map
- Figure 2: Existing Sanitary Sewer Map
- Figure 3: Existing Stormwater Facility Map
- Figure 4: Washington County Functional Street Classification Map
- Figure 5: City of Sherwood Street Classification Map

WATER SYSTEM

Existing Conditions

The current Water System Master Plan was adopted in May 2015. The Master Plan considers all areas within city limits, the urban growth boundary, and the West Urban Reserve (Sherwood West study area). The City's primary water supply is from the Wilsonville Water Treatment Plant, supplemented by groundwater wells. The City maintains an emergency connection and transmission piping to the Tualatin-Portland supply main. The City's distribution system includes three service zones supplied by three storage reservoirs and two pumping stations. The majority of Sherwood customers are served from the 380 Pressure Zone, which is supplied by gravity from the City's Sunset Reservoirs. The 535 Pressure Zone serves the area around the Sunset Reservoirs, supplied with constant pressure by the Sunset Pump Station, and the 455 Pressure Zone serves higher elevation customers on the City's western edge by gravity from the Kruger Reservoir.

Opportunities and Constraints in Sherwood West

Existing water facilities in or near the study area include a water reservoir, a supply line, and distribution lines. The Kruger Reservoir is a 3.0 MG reservoir located inside the study area, south of SW Kruger Road and approximately one-half mile west of Hwy 99W. The Kruger Reservoir serves the 455 pressure zone. An 18-inch transmission line is located in SW Kruger Road between the reservoir and Hwy 99W.

The area south of SW Handley Street is split between the Future 455 West and Future 630 West zones. The area north of SW Handley Street falls primarily within the Future 380 West pressure zone.

An 18-inch water main from the Kruger Reservoir extends north in SW Elwert Road for approximately 800 feet. The line then reduces to a 12-inch line and continues north to SW Handley Street. In addition, a short segment of a 12-inch waterline has been constructed in Elwert Road in the vicinity of Derby Terrace. A 16-inch water main located in SW Copper Terrace terminates at SW Edy Rd, approximately 840 feet east of the study area.

Initial anticipated growth in Sherwood West will be served by extending the existing 380 and 455 Zone distribution mains. Future customers along the ridge north and south of the existing Kruger Reservoir will be served by constant pressure from the proposed Kruger Pump Station at the existing reservoir site. This proposed closed zone is referred to as the 630 West Zone. Some future customers in the West Urban Reserve at the interface between the 630 West and 455 Zones may need to be served through a PRV-controlled sub-zone or through individual PRVs on each service in order to maintain required service pressures. This area is referred to as the 630 West PRV Zone.

A small area on the western edge of the West Urban Reserve along Edy Road near Eastview Road is too high in elevation to receive adequate service pressure from the adjacent 380 Zone. This area will be served as part of the closed 475 West Zone by constant pressure from the proposed Edy Road Pump Station. An additional pump station would potentially be needed to serve the 630 West PRV Zone. Extensive large diameter mains will be needed to expand the City's water service area to supply Sherwood West as development occurs.

Implications for Water Facilities on Phasing

The West and Southwest districts in Sherwood West have the opportunity to be served with water infrastructure in the near future. Water infrastructure will need to be extended east to west to serve the hillsides. The Far West district can be served after water infrastructure improvements, such as an additional pump station, are constructed. The Northern District will need further study and significant water infrastructure improvements to be served.

See Figure 1. Existing Water System Map

SANITARY SEWER SYSTEM

Existing Conditions

The current Sanitary Sewer Master Plan was completed in 2016. The Master Plan considers all areas within the city limits and the urban growth boundary. The West Sherwood Concept Plan study area is outside the urban growth boundary and was not included in the Master Plan. Two sanitary sewer trunk lines serve the City of Sherwood, the Sherwood Trunk Sewer (24-inch), which conveys sewage from the Cedar Creek sewage

collection basin, and the Rock Creek Trunk (18-inch), which conveys sewage from the Rock Creek sewage collection basin. Both trunk lines convey flows to the Sherwood Pump Station, owned by Clean Water Services (CWS), which sends sewage to the Durham Advanced Wastewater Treatment Plant via the Upper Tualatin Interceptor, also owned by Clean Water Services (CWS).

Opportunities and Constraints in Sherwood West

Existing sanitary sewer facilities adjacent to or near this site are limited. A pump station is needed in the West subarea and a new trunk line extended to the Sherwood High School from the Brookman area.

Pump station

A 15" diameter Sanitary Serwer (SS) mainline was constructed in Copper Terrace as part of the Sherwood School District Area 59 elementary/middle school development. This mainline runs up Edy Road, down Copper Terrace, and ends at the north end of the school perimeter.

To use this line, a new pump station is needed from the south to the crest of Handley Street. The line would need to cross private property or run to and down Edy Road to connect in.

The two main drawbacks are:

1. It requires the use of a 55 pump station for conveyance operations. This creates a situation of long-term maintenance costs.
2. The Sherwood Trunk pump station requires upgrading to handle future flows.

The three main positive aspects are:

1. That it utilizes an already existing truck line (Sherwood Trunk)
2. The Sherwood Trunk has the capacity for the future development of this area (existing flow= 6.4 cfs, build-out capacity flow= 11.5 cfs).
3. That it does not require constructing a sanitary line across Hwy 99W and has limited crossings of stream corridors and buffers.

Trunk line extension

The Brookman sanitary trunk line will gravity flow across Hwy 99W at the future Brookman Road intersection to a future gravity system serving the Brookman Area (Area 54/55) expansion. The Sherwood Trunk line serves this area.

The two main drawbacks are:

1. That the Sherwood Trunk line is undersized for the combined future flows. The downstream system would need to be upsized to accommodate future flows.
2. That the alignment of the conveyance system needs to cross Hwy 99W and run down a stream corridor to be able to serve the overall area.

The main advantage is that it appears that the entire UGB area addition could be served by gravity using this line. The trunk line has the capacity to serve the future expansion (existing flow= 1.4 cfs, build-out capacity flow= 5.8 cfs). A current CWS project is upgrading a portion of the system from 15" to 18" and

extending the sewer trunk line to the boundary of the Brookman Addition (Area 54/55) and then north of Highway 99W to serve the new Sherwood High School. It is anticipated that this project will be completed in 2025. Recently approved subdivisions in the Brookman area have extended the sewer line to serve these developments.

Implications for Sanitary Sewer Facilities on Phasing

The West and Southwest districts in Sherwood West have the opportunity to be served with sanitary sewer infrastructure in the near future through either option described above. Sanitary sewer infrastructure would need to be extended into the hillside area of the West and Southwest districts and Far West District as those areas develop. The North District needs further study on how to serve the area and if any significant infrastructure is necessary to serve sanitary sewers in this area.

See Figure 2: Existing Sanitary System *Map*

STORMWATER SYSTEM

Existing Conditions

The current Stormwater System Master Plan was updated in 2017. The Master Plan considers all areas within the city limits and the urban growth boundary. The Sherwood West Concept Plan area is outside the urban growth boundary and was not included in the Master Plan.

The Sherwood West Concept Plan area lies primarily within the Chicken Creek Drainage Basin. The basin flows north and northeast along Chicken Creek, which bisects the plan area. Cedar Creek flows into Chicken Creek at the northeast corner of the plan area, west of SW Roy Rogers Road. The West Fork of Chicken Creek enters the plan area near the northwest boundary and flows east into Chicken Creek.

A small portion of the plan area in the southeastern area is part of the Cedar Creek Drainage Basin. On-site runoff enters Goose Creek, which flows from west to east, crossing Highway 99W and reaching Cedar Creek. The Stormwater Master Plan notes that Chicken and Cedar Creeks have been identified by the Environmental Protection Agency (EPA) as providing habitat for anadromous fish listed as threatened under the Federal Endangered Species Act.

According to the Storm Water Master Plan, on-site soils fall primarily in Hydrologic Soils Group C, with small areas of Groups B and D. The areas near Chicken and Cedar Creeks and their tributaries have been designated by Metro as riparian corridors, upland wildlife habitat, and aquatic impact areas. Some areas within the riparian corridors are also shown on the National Wetland Inventory.

Opportunities and Constraints in Sherwood West

Sherwood West is undeveloped, and as such, there is no existing stormwater infrastructure. As development occurs in the future, stormwater would likely be discharged onto the floodplain of the adjacent creeks and tributaries. The City of Sherwood requires that all stormwater facilities meet the requirements of Clean Water Services Design and Construction Standards for conveyance, water quality treatment, and water quantity treatment. Regional stormwater facilities within Sherwood West are the City's preferred method for handling stormwater.

Implications for Stormwater Facilities on Phasing

All areas within Sherwood West can handle stormwater with required infrastructure improvements as development occurs. The West and Southwest Districts in Sherwood West may be the easiest to serve.

See Figure 3: Existing Stormwater Facilities Map

TRANSPORTATION SYSTEM

Existing Conditions

The current Transportation Systems Plan (TSP) was updated in 2014. The TSP considered all areas within the city limits and the urban growth boundary. The Sherwood West Concept Plan area is outside the urban growth boundary and was not included in the Plan.

Elwert Road from Highway 99W to Scholls-Sherwood Road is currently functioning as a two-lane rural arterial. Elwert Road historically was a rural road used primarily for providing transportation access for farm equipment and rural residents. Over time, Elwert Road has become a secondary route for commuter traffic (through trips) traveling between Highway 99W and Scholls-Sherwood Road and Roy Rogers Road, avoiding the intersection signals along the Highway 99W route.

Elwert Road's physical characteristics consist of two 11-foot paved lanes, a straight horizontal alignment, and a vertical alignment consisting of rolling hills that include acute vertical sags and crests, which result in poor vertical sight distances, and intersection sight distances. Access points onto Elwert Road include several private driveways and seven street intersections (both local and collector). The intersecting streets and their proposed classifications are listed below.

- Kruger Road – Collector
- Orchard Hill Road – Local
- Edy Road – Collector
- Schroeder Road – Local
- Haide Road – Local
- Handley Road – Collector
- Conzelmann Road – Local
- Lebeau Road - Local

The City's TSP and Washington County's TSPs identify the future build-out condition of Elwert Road as a 3-lane arterial, including sidewalks and bike lanes on both sides of the road. Both Edy and Chapman roads are classified as collectors within Washington County TSP. Edy Road, within the current City boundary, is also designated a collector street within the City's TSP.

Given the terrain, the presence of significant natural areas, and the current parcelization of the area, there are likely to be significant costs and challenges with constructing and connecting roadways within the study area.

Opportunities and Constraints in Sherwood West

Elwert Road

Two options for the design of Elwert were included in the 2016 Preliminary Concept Plan. The City Engineer provided a Transportation Options Alternative Analysis Report that is included in the appendices of the 2016 Preliminary Concept Plan and is described below.

SW Elwert Road is classified as an arterial road with a future 3-lane configuration with; two 12-foot travel lanes, a 14-foot center turn lane, two 6-foot bike lanes, two 5-foot wide planter strips, two 8-foot wide sidewalks, and two 1-foot clear areas behind the sidewalks to the right of way line in both the City's and Washington County's Transportation System Plans (TSPs). The overall right-of-way width required with this cross section is 78 feet.

Transportation Alternative Analysis Report – Defining Options for SW Elwert Road

The major limiting condition for the transportation options analysis is the phasing break between three areas. These areas include:

- Elwert between Highway 99W and SW Handley (West District)
- Elwert between SE Handley and SW Conzelman Rd (West and North Districts); and
- Elwert between SW Conzelman Rd and the SW Lebeau/Scholls-Sherwood Intersection (North District)

Two options were analyzed with respect to constructability, construction costs, and environmental impacts.

Option 1

Option 1 consists of realigning SW Elwert Road and SW Edy Road. The realignment would cross two Chicken Creek tributary streams at the narrowest points in order to reduce or eliminate wetland mitigation issues. The realignment follows the existing terrain, eliminates the need for excessive fills, and minimizes impacts to the wetlands within the SW Elwert Road and SW Edy Road intersection. Option 1 will require the construction of structural bridging and the acquisition of right-of-way to accommodate the realignment of SW Elwert Road.

The realignment of SW Elwert Road will include the construction of roundabouts at major intersections, such as with SW Edy Road. The combination of roundabouts and curved alignments would likely discourage freight traffic usage of the road and reduce speeds of commuter traffic while still allowing significant local residential and commuter traffic flow.

Construction of this option will also allow the existing SW Elwert Road and SW Edy Road alignments and intersection to remain in use until construction of the realigned roadway is nearly complete. The 2016 Preliminary Concept Plan estimated this option to be the least costly and have less impacts to the environment however, additional analysis is needed to review the two options.

Option 2

Option 2 consists of correcting the vertical alignment of the SW Edy Road and SW Elwert Road intersection to meet ASSHTO design standards. Specifically, raising the road elevation to reduce the adverse vertical curves and meeting stopping sight distances at intersections. This means raising the road approximately 10 to 20 feet (15 foot average) in elevation. The impacts from the intersection along SW Elwert Road from this action extend for approximately 2,050 feet, and approximately 790 feet along SW Edy Road.

By raising the road along this length, impacts to the existing right-of-way and adjacent wetlands occur due to the need for fill with a 2:1 slope ratio. It is estimated that an additional 20 to 40 feet (30-foot average) of right-of-way would be required to account for fill slope. The standard wetland/vegetated corridor mitigation requirement is approximately 2:1 (Clean Water Service, R&O 07-20, Table 3-2).

Additionally, the existing culvert crossing would most likely need to be updated to meet future Clean Water Services (CWS), Environmental Protection Agency (EPA), United States Army Corps of Engineers (USACE), and Oregon Department of Fish and Wildlife (ODFW) requirements. Reconstruction of SW Elwert Road would require the closure of the roadway to through traffic until roadway construction completion. This would have a definite negative impact on local and commuter traffic during the expected 1 to 2-year construction cycle.

The 2016 Preliminary Concept Plan estimated this option as the most expensive financially due to mitigating environmental impacts to the Chicken Creek corridor environment and impact on local and commuter traffic during construction. However, as stated above a more detailed analysis is needed on review the two options.

<u>Highway 99W</u>

Highway 99W is a state-designated freight corridor and limited-access highway and is identified as a principal arterial in Washington County and the City of Sherwood TSPs. Access to Highway 99W would be coordinated with the Oregon Department of Transportation. The intersection of Highway 99W with SW Chapman and SW Brookman roads is planned as a future signalized intersection with pedestrian and bicycle enhancements.

<u>A Grade Separated Crossing over Highway 99W</u>

An alternative crossing study between the Brookman Area and Sherwood West was recently completed and will require additional study. The preferred crossing approach is a grade-separated crossing to serve local access (no interchanges from Highway 99W) between the Brookman and Sherwood West areas. The proposed location would be north of Highway 99W and the SW Chapman and SW Brookman intersection. Access to an overcrossing over Highway 99W would be from a local street connection from Old Highway 99W in Brookman to a new street in Sherwood West crossing over Highway 99W.

<u>The Kruger/Elwert/Sunset Boulevard/Highway 99W intersection</u>

This intersection was recently reconstructed with a roundabout. This is intended to alleviate a current condition of inadequate stacking distance and restricted traffic by-pass flow off Highway 99W towards Scholls-Sherwood Road.

Scholls-Sherwood Road

Scholls-Sherwood is designated as an arterial within the Washington County TSP. According to Washington County, rural arterials serve a mix of rural-to-urban and farm-to-market traffic. In some cases rural arterials, especially in rural/urban fringe areas, accommodate significant amounts of urban-to-urban through-traffic during peak commuting time periods. This is not the intended function of the rural arterial designation and is often the result of congestion on urban arterials. Rather, arterials are intended to provide freight movement in support of principal arterials. Arterials have strong access control for cross streets and driveways. Scholls-Sherwood Road will need to be improved to urban standards on the south side and along Roy Rogers Road. There are two intersections along Scholls-Sherwood Road within the study area. The intersection with Elwert Road will require additional study, reconfiguration, and possible signalization as Sherwood West is developed. The intersection of Roy Rogers Road was recently reconfigured and signalized as a Washington County transportation improvement. Per the City's current TSP standards for arterial roads, new access should be spaced between 600 to 1,000 feet apart.

Remaining Streets within Sherwood West

The remaining transportation network will be local neighborhood streets. While local streets are not intended to serve through traffic, the aggregate effect of local street design can impact the effectiveness of the arterial and collector system when local trips are forced onto the arterial street network due to a lack of adequate local street connectivity.

Implications for Transportation Facilities Phasing

Given the terrain, the presence of significant natural areas, and the current parcelization of the area, there are likely to be significant costs and challenges with constructing and connecting roadways within Sherwood West. The finance of urban services is a significant conversation in all urban boundary expansion areas. The City may want to develop specific policies focusing on infrastructure financing and the feasibility and timing of the extension of public facilities, including implementing financing strategies for transportation systems in Sherwood West.

We have heard from Sherwood stakeholders that new development should pay for its own infrastructure. Development-derived tools include system development charges and Washington County's transportation development tax (TDT). Other tools may need to be considered to support transportation improvements, such as new taxing districts, Local Improvement Districts (LIDs), county funding sources, and supplemental system development charges.

See Figure 4: Washington County Street Classification Map

See Figure 5: City of Sherwood Street Classification Map

PHASING AND NEXT STEPS

Considering the capability of extending existing public facilities and constructing needed new infrastructure to serve the Sherwood West area, the West and Southwest Districts are the most logical for development to occur first. However, diversifying the tax base by creating a better employment-to-population ratio is a critical goal of the City. The North District is best suited for employment land needs, but serving this area with the appropriate infrastructure will be challenging. This district will need additional infrastructure analysis. With this economic development goal in mind, the City should initiate infrastructure planning in this area as soon as possible.

The City may want to consider new annexation policies based on a phasing plan for development within Sherwood West. The annexation policies could consider priority areas to provide an orderly and efficient transition from rural to urban land uses to ensure public infrastructure needs are met to provide homes and jobs in Sherwood West.

Figure 1: City of Sherwood Existing Water System Map

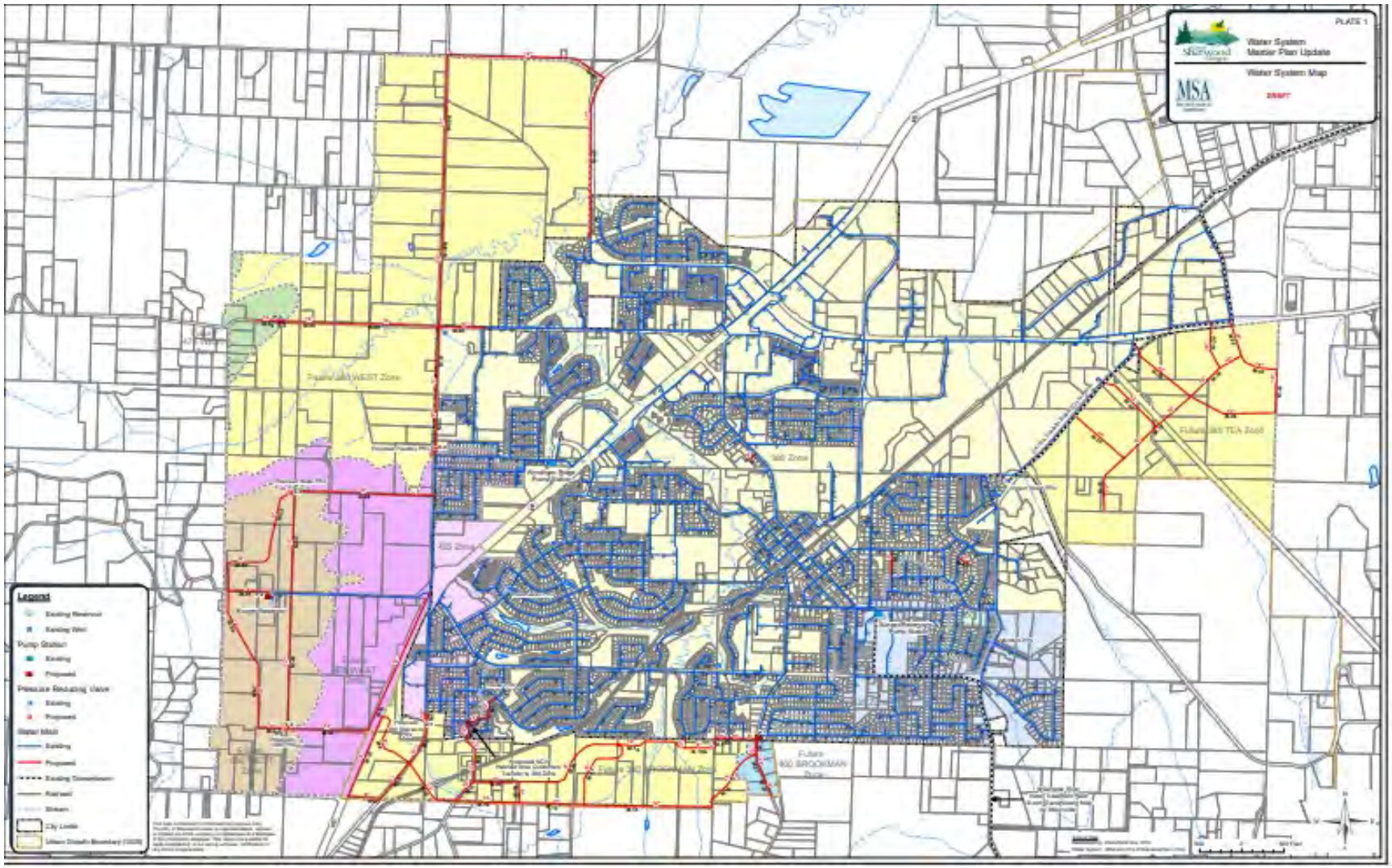


Figure 2: City of Sherwood Existing



Figure 3: City of Sherwood Existing Storm Water System Map

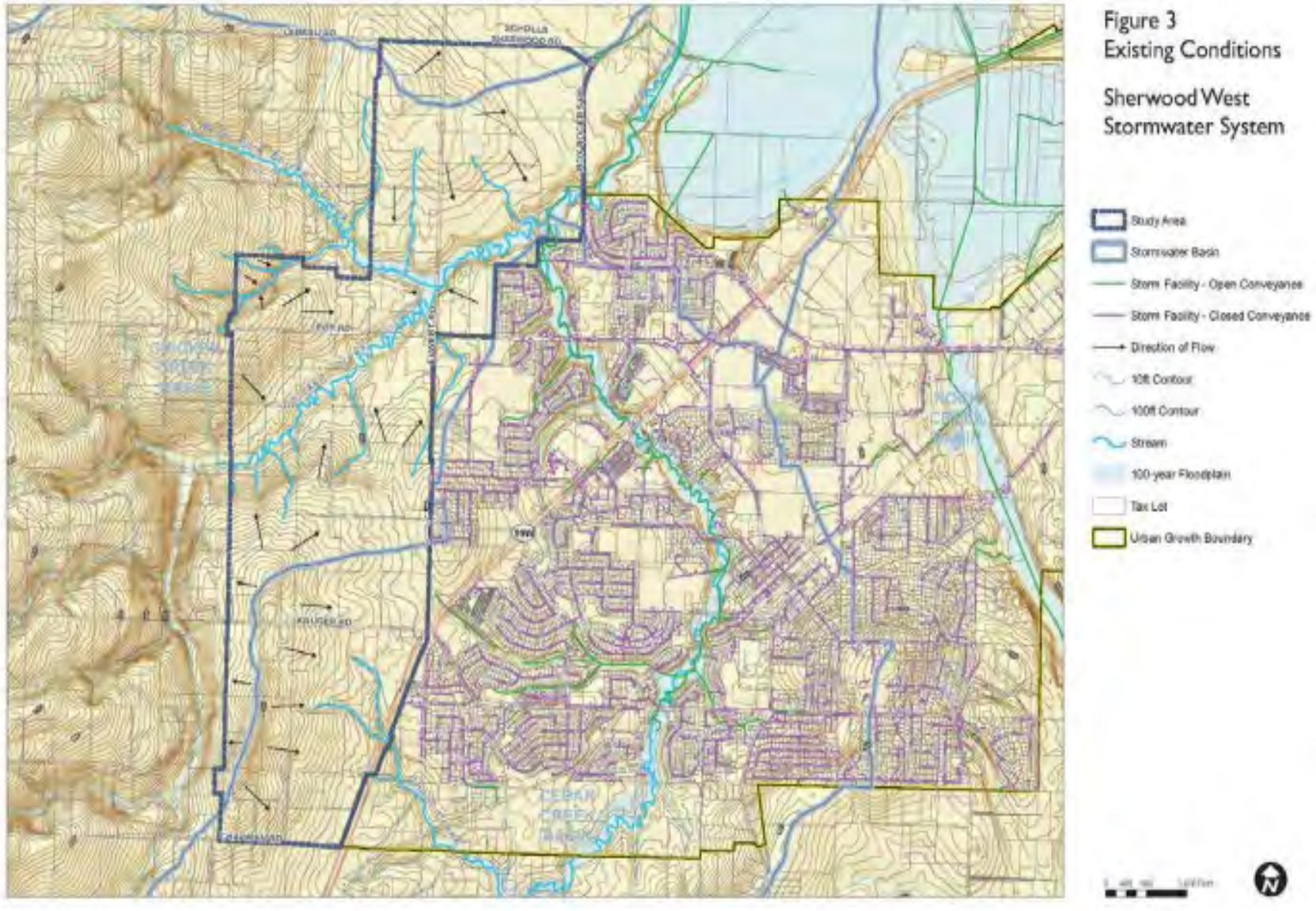
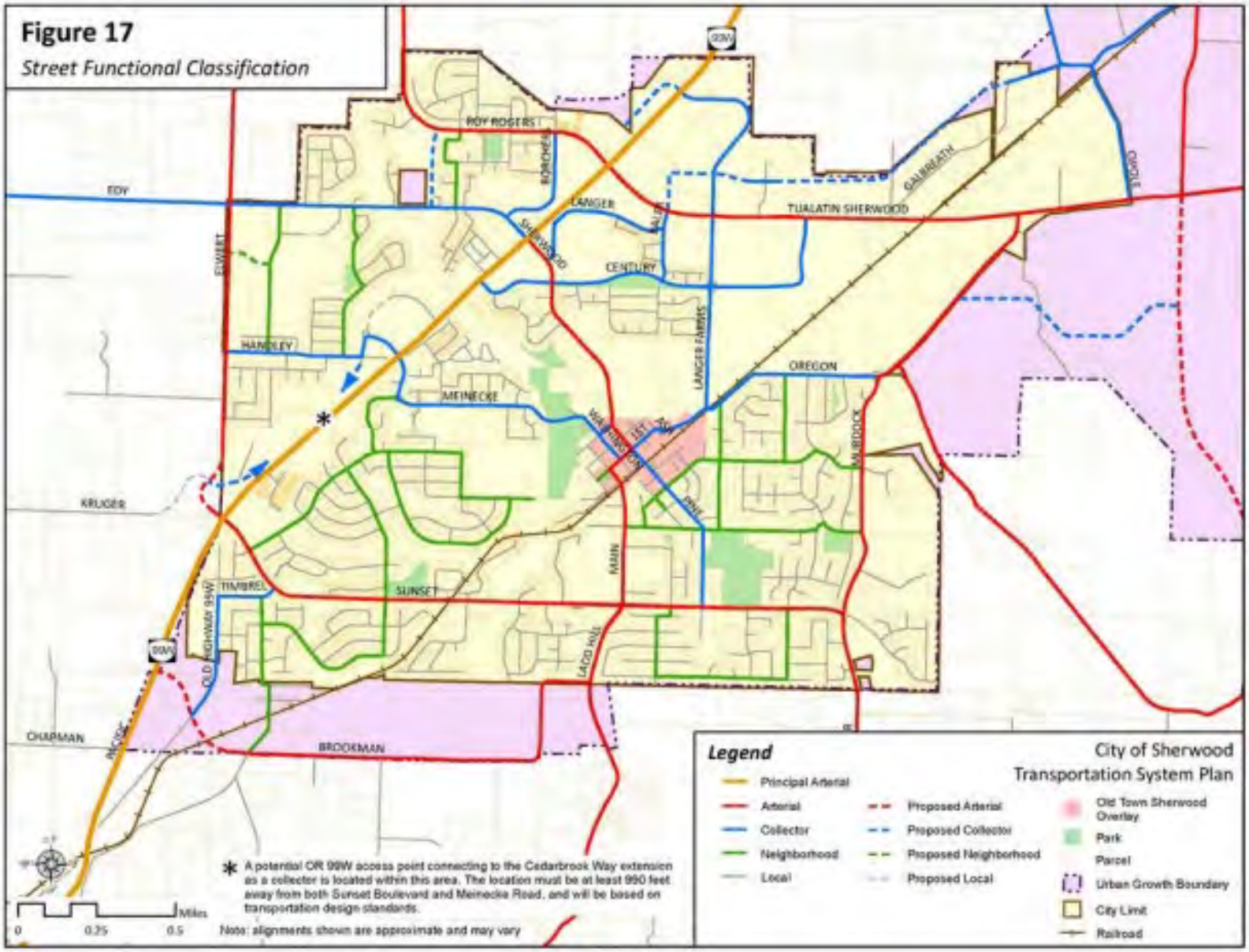


Figure 4. Washington County Street Classification Map



Figure 5. City of Sherwood Street Classification Map



APPENDIX O

Preliminary Infrastructure Funding Strategy

Sherwood West Concept Plan

Preliminary Infrastructure Funding Strategy

Date March 10, 2023

To Kate Rogers and Darci Rudzinski, MIG|APG

From Ellen Bini, Leland Consulting Group
Chris Zahas, AICP, Leland Consulting Group

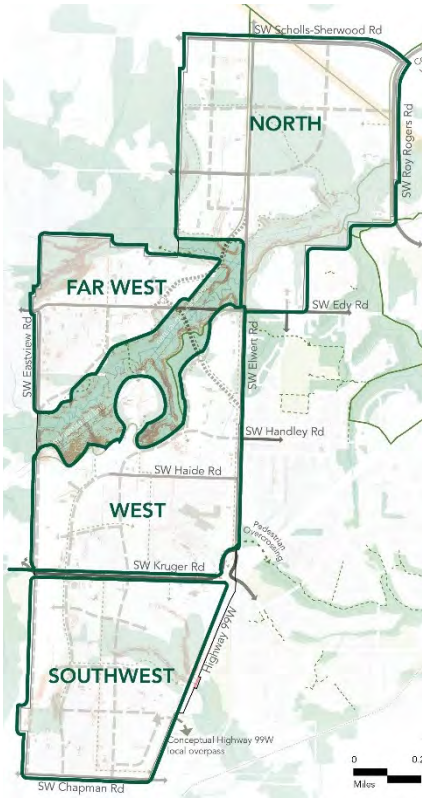
CC Erika Palmer, City of Sherwood

Introduction

This Infrastructure Funding Strategy memorandum accompanies the Sherwood West Preliminary Concept Plan Re-Look by providing a high-level estimate of infrastructure costs and potential tools for funding the development of priority districts in the Sherwood West area. It builds upon a preliminary exploration of infrastructure costs and funding tools that were developed during the 2016 Sherwood West Preliminary Concept Plan.

This memorandum is organized as follows:

- **Infrastructure Funding Gap Analysis.** We present a high-level summary of likely infrastructure costs required to make the various subdistricts of Sherwood West developable and compare them to the system development charges (SDCs) and other development impact fees that would be generated by development in Sherwood West to help pay for such infrastructure. This calculation identifies funding gaps that will need to be addressed for Sherwood West to build out. The types of infrastructure evaluated in this memorandum include water, sanitary sewer, storm water, and transportation.
- **Funding Toolkit and Strategy.** To address the anticipated funding gaps, the memo identifies potential funding tools and strategies that could supplement the baseline SDC revenues to make development feasible. This memo builds upon the tools discussed in the 2016 Sherwood West Preliminary Concept Plan and recommends those that have the most promise for filling any funding shortfalls.



In all steps of this analysis and throughout this memorandum, the focus is on regional infrastructure necessary to provide access or utility service to development parcels. For the most part, this means major arterials, collectors and trunk utility lines that will serve multiple parcels within Sherwood West. Roads and infrastructure internal to development sites is not considered here and is assumed to be a developer cost.

Catalyst Projects

Based on City priorities and existing infrastructure availability, it is anticipated that two of the four districts in the current concept planning process—North and West—will develop first. Because infrastructure costs were provided by the City for sectors ("A" through "F," aligned with the 2016 Preliminary Concept Plan Phasing boundaries), the following analysis aggregates costs for sectors "C" and

"D" as the North district, and "A," "B," and "E" for the West/Southwest districts (Southwest included with West because sector "E" spans both West and Southwest). Appendix B includes the map that engineering used to put together the estimates for the Sectors "A" through "F." Through public investment and private development, attention in these districts will help lay the foundation for the long-term evolution of Sherwood West. The analysis, therefore, takes a close look at the infrastructure that will help these two areas serve as catalysts for subsequent development elsewhere in Sherwood West.

- **North District.** The North District is best suited for employment uses that support the City's economic development goals, and the concept plan accordingly shows a future focus on mixed employment uses in this area. Serving this area with appropriate infrastructure will be a challenge—requiring additional infrastructure analysis. Below is a list of projects that collectively account for over 70% of associated "hard" costs (or those not including design, construction, and land acquisition) for infrastructure serving this area. Transportation and water projects have the highest projected costs for this district, with the Elwert Road and Scholls-Sherwood improvements collectively accounting for 30% of costs, followed by 22% of costs attributed to water improvements along Elwert, Roy Rogers, and Scholls-Sherwood roads. Storm water improvements along Elwert Road account for 16% of costs, and a sewer trunk line extension accounts for an estimated 5%. It is expected that a large proportion of transportation project costs will be paid by developers on a project-by-project basis, though the City will need to plan for capital projects serving the area (e.g., the Elwert and Scholls-Sherwood intersection).

  Table 1. North District Catalyst Project Cost Estimates

Project	Type	Cost	% of North District Costs
Elwert Road	Street	$7,432,500	24%
Elwert Road	Storm	$4,955,000	16%
Elwert Road	Water	$2,973,000	10%
Roy Rogers	Water	$1,836,000	6%
Scholls-Sherwood	Street	$1,830,000	6%
Scholls-Sherwood	Water	$1,830,000	6%
Trunk Line	Sewer	$1,650,000	5%
Total		**$22,506,500**	**73%**

- **West/Southwest Districts.** Development of the West District has already begun with the new high school, finished in 2021. In the current concept plan, this district is expected to be developed with a mixture of housing types and employment uses adjacent to Highway 99W. According to an infrastructure and phasing analysis prepared by City staff, this area can more readily accommodate most needed infrastructure improvements with existing water and sewer infrastructure currently being planned and constructed by Clean Water Services—but road construction and financing will pose significant costs and challenges throughout Sherwood West given the terrain, the presence of significant natural areas, and the current parcelization of the area. This finding is reflected in the list of major projects below, 39% of which are transportation-related, followed by 23% for water and 10% for storm water improvements.

Table 2. West/Southwest District Catalyst Project Cost Estimates

Project	Type	Cost	% of West/Southwest District Costs
New Collector (2-lane) in "A"	Street	$5,910,000	11%
New Collector (2-lane) in "B"	Street	$4,692,000	9%
Elwert in "A"	Street	$4,500,000	8%
Pump facility in "A"	Water	$4,500,000	8%
Finish Loop in "E"	Water	$3,440,000	6%
Highway 99 in "B"	Water	$2,520,000	5%
Elwert/Edy Intersection in "A"	Street	$2,400,000	4%
New Collector (2-lane) in "A"	Storm	$1,970,000	4%
New Collector in "A"	Water	$1,970,000	4%
Chapman Road in "E"	Street	$1,950,000	4%
Elwert in "A"	Storm	$1,800,000	3%
Chapman Road in "B"	Street	$1,695,000	3%
Total		**$37,347,000**	**69%**

Infrastructure Funding Gap Analysis

Methodology

The table below compares infrastructure costs and revenue scenarios to calculate the funding surplus (positive amounts) or gap (negative amounts) that would be generated through development fees. Some notes on the methodology used are included below, with a detailed account of the methodology found in Appendix A:

- **Revenues.** The primary revenues that will be generated by development in Sherwood West and used to fund infrastructure are system development charges (SDCs) and Washington County's Transportation Development Tax. Some additional funds may be available from other public agencies and other local funding tools, described briefly at the end of this memorandum. All revenues shown are based on a full build out of the area, and the land use programs developed during the current Sherwood West concept planning effort—with low and high scenarios for the housing estimates. The low housing scenario signifies 0% middle housing (2-4 plexes, townhomes, and cottage clusters) built in areas designated for single-family homes, and the high scenario signifies 20% middle housing built in those areas. This analysis does not take into account the timing of infrastructure costs or revenues. Additionally, low and high scenarios for sewer revenue generation for Mixed Employment and Commercial development were included given the uncertainty over the scale of development.
- **Costs.** Not included are costs internal to development projects, such as site preparation and construction, that will be paid by private developers. The City will likely also have additional costs not covered here in the development of public spaces such as parks design and development. Infrastructure costs for water, sanitary sewer, storm water, and transportation facilities were provided by the City engineering team. Low and high sewer flow count estimates for Mixed Employment and Commercial uses were also provided by the City engineering team.

Table 3. Sherwood West Infrastructure Funding Gap Analysis

Preliminary Gap Analysis: Low Density Housing (0% Middle Housing), Low-End Mixed Employment/Commercial Sewer Revenues Scenario

	Water	Sewer		Storm	Parks	Transportation	
Revenues to City of Sherwood	City SDC	City SDC	CWS RCC	City SDC	City SDC	City SDC	County TDT
North ("C" & "D")	$4,304,851	$435,991	$3,292,666	$1,849,623	$5,515,847	$6,901,574	$43,658,755
Far West ("F")	$4,674,244	$474,952	$3,504,625	$425,369	$7,933,413	$1,040,374	$5,288,942
West/Southwest ("A," "B," "E")	$15,397,353	$2,019,462	$15,355,574	$2,590,460	$28,811,193	$36,041,567	$69,719,304
Total Sources	**$24,376,448**	**$2,930,405**	**$22,152,865**	**$4,865,452**	**$42,260,453**	**$43,983,514**	**$118,667,001**
Costs to City of Sherwood							
North ("C" & "D")	$10,954,350	$3,531,250		$18,634,500	-	$20,995,625	
West/Southwest ("A," "B," "E")	$27,749,100	$3,679,350		$22,312,850	-	$46,829,175	
Far West ("F")	$7,476,000	$4,801,500		$10,447,500	-	$10,658,750	
Total Uses	**$46,179,450**	**$12,012,100**		**$51,394,850**	-	**$78,483,550**	
Funding Surplus/Gap	-$21,803,002	$13,071,171		-$46,529,398	$42,260,453	$84,166,965	

Preliminary Gap Analysis: High Density Housing (20% Middle Housing), Low-End Mixed Employment/Commercial Sewer Revenues Scenario

	Water	Sewer		Storm	Parks	Transportation	
Revenues to City of Sherwood	City SDC	City SDC	CWS RCC	City SDC	City SDC	City SDC	County TDT
North ("C" & "D")	$4,923,371	$498,839	$3,756,416	$1,905,910	$6,565,637	$6,983,934	$44,077,425
Far West ("F")	$7,475,256	$759,564	$5,604,750	$680,269	$12,687,462	$1,413,350	$7,184,919
West/Southwest ("A," "B," "E")	$20,690,117	$2,557,263	$19,323,949	$3,072,116	$37,794,396	$36,746,338	$73,301,923
Total Sources	**$33,088,744**	**$3,815,666**	**$28,685,115**	**$5,658,295**	**$57,047,495**	**$45,143,622**	**$124,564,267**
Costs to City of Sherwood							
North ("C" & "D")	$10,954,350	$3,531,250		$18,634,500	-	$20,995,625	
West/Southwest ("A," "B," "E")	$27,749,100	$3,679,350		$22,312,850	-	$46,829,175	
Far West ("F")	$7,476,000	$4,801,500		$10,447,500	-	$10,658,750	
Total Uses	**$46,179,450**	**$12,012,100**		**$51,394,850**	-	**$78,483,550**	
Funding Surplus/Gap	-$13,090,706	$20,488,681		-$45,736,555	$57,047,495	$91,224,338	

Preliminary Gap Analysis: Low Density Housing (0% Middle Housing), High-End Mixed Employment/Commercial Sewer Revenues Scenario

	Water	Sewer		Storm	Parks	Transportation	
Revenues to City of Sherwood	City SDC	City SDC	CWS RCC	City SDC	City SDC	City SDC	County TDT
North ("C" & "D")	$4,304,851	$517,882	$4,614,499	$1,849,623	$5,515,847	$6,901,574	$43,658,755
Far West ("F")	$4,674,244	$474,952	$3,504,625	$425,369	$7,933,413	$1,040,374	$5,288,942
West/Southwest ("A," "B," "E")	$15,397,353	$2,360,274	$15,914,799	$2,590,460	$28,811,193	$36,041,567	$69,719,304
Total Sources	**$24,376,448**	**$3,353,108**	**$24,033,922**	**$4,865,452**	**$42,260,453**	**$43,983,514**	**$118,667,001**
Costs to City of Sherwood							
North ("C" & "D")	$10,954,350	$3,531,250		$18,634,500	-	$20,995,625	
West/Southwest ("A," "B," "E")	$27,749,100	$3,679,350		$22,312,850	-	$46,829,175	
Far West ("F")	$7,476,000	$4,801,500		$10,447,500	-	$10,658,750	
Total Uses	**$46,179,450**	**$12,012,100**		**$51,394,850**	-	**$78,483,550**	
Funding Surplus/Gap	-$21,803,002	$15,374,930		-$46,529,398	$42,260,453	$84,166,965	

Preliminary Gap Analysis: High Density Housing (20% Middle Housing), High-End Mixed Employment/Commercial Sewer Revenues Scenario

	Water	Sewer		Storm	Parks	Transportation	
Revenues to City of Sherwood	City SDC	City SDC	CWS RCC	City SDC	City SDC	City SDC	County TDT
North ("C" & "D")	$4,923,371	$580,730	$5,078,249	$1,905,910	$6,565,637	$6,983,934	$44,077,425
Far West ("F")	$7,475,256	$759,564	$5,604,750	$680,269	$12,687,462	$1,413,350	$7,184,919
West/Southwest ("A," "B," "E")	$20,690,117	$2,898,074	$19,883,174	$3,072,116	$37,794,396	$36,746,338	$73,301,923
Total Sources	**$33,088,744**	**$4,238,368**	**$30,566,172**	**$5,658,295**	**$57,047,495**	**$45,143,622**	**$124,564,267**
Costs to City of Sherwood							
North ("C" & "D")	$10,954,350	$3,531,250		$18,634,500	-	$20,995,625	
West/Southwest ("A," "B," "E")	$27,749,100	$3,679,350		$22,312,850	-	$46,829,175	
Far West ("F")	$7,476,000	$4,801,500		$10,447,500	-	$10,658,750	
Total Uses	**$46,179,450**	**$12,012,100**		**$51,394,850**	-	**$78,483,550**	
Funding Surplus/Gap	-$13,090,706	$22,792,441		-$45,736,555	$57,047,495	$91,224,338	

Findings

Across all four scenarios, revenues generated under a full buildout of Sherwood West are sufficient to cover estimated infrastructure costs for sewer, parks, and transportation, but not water and storm infrastructure. Parks show a surplus across all scenarios because the cost of parks were not included in this analysis. Sewer and transportation show a surplus due to the inclusion of funding mechanisms in addition to City SDCs:

- **Clean Water Services (CWS) Regional Connection Charge (RCC).** Clean Water Services is a "water resources management utility" providing sewer and surface water management in Washington County.[1] This analysis assumes RCC revenue will be available for funding infrastructure expansion in Sherwood West.
- **County Transportation Development Tax (TDT).** The TDT, passed by Washington County voters in 2008, is a one-time charge on development (like an SDC) that funds transportation capital improvements designed to accommodate growth. A list of eligible projects is maintained by the County and are "generally limited to improvements on major roads (arterials and collectors) and selected transit capital projects."[2]

It is unusual to have a surplus on transportation infrastructure but that is the case here due to the sizeable TDT revenues and the fact that cost estimates assume no Chicken Creek bridge—which would represent a significant expense and cut into the transportation surplus found by this analysis. The calculation of storm water revenues assumed no CWS Regional Storm Drainage Improvement Charges were collected due to credits given for water detention and water quality projects, per City guidance. With an additional 45% reduction in assumed City storm water SDC collection (due to participation in water quality projects), the largest shortfall across all infrastructure categories—$46,529,398—is found for stormwater under both low housing scenarios.

This is a preliminary analysis and should be revisited as the City conducts additional infrastructure planning, as development is implemented, and as other aspects of development in Sherwood West change—including significant changes to costs and timing of development.

Funding Toolkit and Strategy

Recommended Funding Strategies

LCG recommendations for supplementing existing baseline funding are informed by recent development experience in the region and review of existing resources, including the Phasing and Funding Strategy prepared by ECONorthwest for the Preliminary Concept Plan in 2016 and the 2020 Washington County Infrastructure Funding Plan Toolkit (which provides guidance on funding transportation infrastructure in urban reserve areas specifically).

Supplemental SDC. Based on recent development experience in the region, especially Frog Pont West in Wilsonville, LCG recommends focusing first on Supplemental SDCs to meet any funding gaps. Supplemental SDCs are essentially additional SDCs for a sub-area of the City, paid by developers. By using the SDC tool, costs can be shared across multiple developers over time. As with standard SDCs, developers can be credited and/or reimbursed for oversized infrastructure that they construct that benefits other developers and/or the city as a whole. As with any development cost, the costs of supplemental SDCs will ultimately get passed on to homebuyers and commercial and residential tenants in the form of higher housing costs and rents. The next steps to implementing a

[1] Clean Water Services "About Us", https://cleanwaterservices.org/about/who-where/.
[2] Washington County Department of Land Use and Transportation, Transportation Development Tax Annual Reports 2009–Present.

supplemental SDC would involve the following, which should be managed by City staff with the support of a municipal finance consultant:

- Ongoing refinement of project engineering and costs;
- Outreach to property owners and developers to refine development projections and phasing and to negotiate the specifics of a potential fee;
- Financial modeling of a potential fee, including identification of specific projects that would be included in the fee and exploration of scenarios that might vary the fee in different parts of Sherwood West;
- Engagement of the Sherwood City Council and Planning Commission;
- Development of a final proposal for adoption.

Regional Sources. In addition to a supplemental SDC and other tools mentioned above, securing "outside" funding sources for needed infrastructure can help reduce costs on a dollar-for-dollar basis. Therefore, the City should seek to leverage additional existing funding through other government sources, including:

- **Major Streets Transportation Improvement Program (MSTIP).** MSTIP is a county-wide road improvement program funded by countywide property taxes. The 2023-2028 System of Countywide Interest Map identifies Elwert Road as an "eligible arterial/principal," and may receive funding through MSTIP as a major road. There is MSTIP funding for SW Roy Rogers Road, but not currently for the portion adjacent to Sherwood West.
- **Metropolitan Transportation Improvement Program (MTIP).** MTIP, overseen by Oregon Metro, "records how all federal transportation money is spent in the Portland metropolitan area" and monitors significant state and locally funded projects with an impact on air quality. MTIP follows a four-year construction schedule and is updated every two to three years. Sherwood West projects may be eligible for the next round of MTIP funds.
- **Regional Flexible Funding**. Regional flexible funding for transportation projects, administered by Oregon Metro, provides "federal funding for investments in sidewalks, trails, and roadways in communities across the region." Regional funds not already allocated for ongoing commitments may be applied for by regional jurisdictions through a project selection process. Projects for the 2025-2027 cycle were selected in October 2022, but the City can plan to submit a project proposal for the next funding cycle—which to be successful, will need to demonstrate alignment with regional investment priorities.

State Funding Sources. Business Oregon operates industrial and employment land readiness programs that may have the potential to fund infrastructure development in Sherwood West, particularly in the North District.

- **Regionally Significant Industrial Sites Program (RSIS).** RSIS is "a profit sharing economic development tool that offers state income tax reimbursements for approved industrial site readiness activities," and can cover activities such as transportation and infrastructure improvements. Local governments can apply if they own or act as a sponsor for privately-owned industrially zoned sites.
- **Emerging Opportunities.** Finally, the City should watch the state legislature, as state resources may become available to support industrial site readiness and best position the state for federal funding via new legislation, such as the CHIPS Act and Inflation Reduction Act.

Additional funding strategies

Additionally, the four funding tools identified as preferred in the Preliminary Concept Plan could also be considered, but would be a lower priority than supplemental SDCs, regional, and state sources:

- **Local Improvement District (LID).** "An LID is a special assessment district where property owners are assessed a fee to pay for capital improvements, such as streetscape enhancements, underground utilities, or shared open

space."[3] With LIDs, landowners within the district are assessed a fee based on the proportional benefits they receive from the district, established at inception. LIDs typically require the approval of 60 percent of the affected property owners in the district. Owners benefit from paying costs over time and the City's access to a lower interest rate. LIDs would have much the same impact as a supplemental SDC, therefore we recommend focusing on a supplemental SDC as the primary tool before considering using LIDs.

- **Utility fees**: Utility fees for regional infrastructure are much less common in Oregon and, while allowed, would be relatively unique and less familiar to developers than a supplemental SDC. A utility fee also would be paid by end users (homeowners and tenants) and could therefore create a timing issue where revenues aren't realized until after the infrastructure is built.
- **Property Tax (GO) Bonds**: While citywide general obligation bonds backed by a temporary increase in property tax rates are a legal option for consideration, the need for a public vote and the fact that all city residents would bear the funding burden limits the appropriateness of this tool to infrastructure projects that have a citywide benefit. Given the need for a public vote and the greater ease of implementing other tools, we do not recommend GO bonds as a funding tool for Sherwood West.

Urban Renewal was also considered in the previous Phasing and Funding Strategy, but not as a preferred tool. Nevertheless, it could potentially be used with some caveats as discussed here. Through tax increment financing, urban renewal can help pay for infrastructure through the increase in property taxes that occur in the urban renewal area over time. Urban renewal is typically implemented in existing areas of a city where revitalization is desired or there is a need to address specific infrastructure deficiencies that are barriers to new investment, and its use in new undeveloped areas of the city may face political challenges in implementation. There are also strict limits on how much of a city can be within an urban renewal district, both by taxable value and geographically. This would need to be considered since Sherwood already has two existing urban renewal areas.

Conclusion

Key findings of this preliminary infrastructure funding strategy analysis include:

- Development envisioned for the focus areas of this analysis include employment uses in the North and a mix of housing (including middle housing intermixed with low and medium-density single family development) and employment uses along Highway 99W in the West/Southwest.
- Several infrastructure projects are catalytic to making development possible in these areas. For both the North and West/Southwest districts, transportation projects are projected as the highest-cost, including the extension of Elwert Road for both areas, Scholls-Sherwood Road in the North, and a new 2-lane collector in the West/Southwest. Additional catalytic projects include extending water and storm improvements along Elwert Road in the North and expanding water service in the West/Southwest.
- Preliminary analysis shows a shortfall for water and storm and surplus for transportation, sewer, and parks when regional connection charge revenues to Clean Water Services and the Washington County TDT are included.
- Of all the potential funding strategies, a supplemental SDC would be easiest to implement to cover the gap, though the City should also aggressively seek outside funding from regional, state and federal programs to reduce the overall cost.
- Next steps involve continued refinement of projects and costs and financial modeling and discussions with developers on a potential supplemental fee.

[3] ECONorthwest, Preliminary Concept Plan Phasing and Funding Strategy.

Appendix A: Methodology

The following assumptions were made for the Sherwood West Infrastructure Funding Strategy and Action Plan revenue gap analysis:

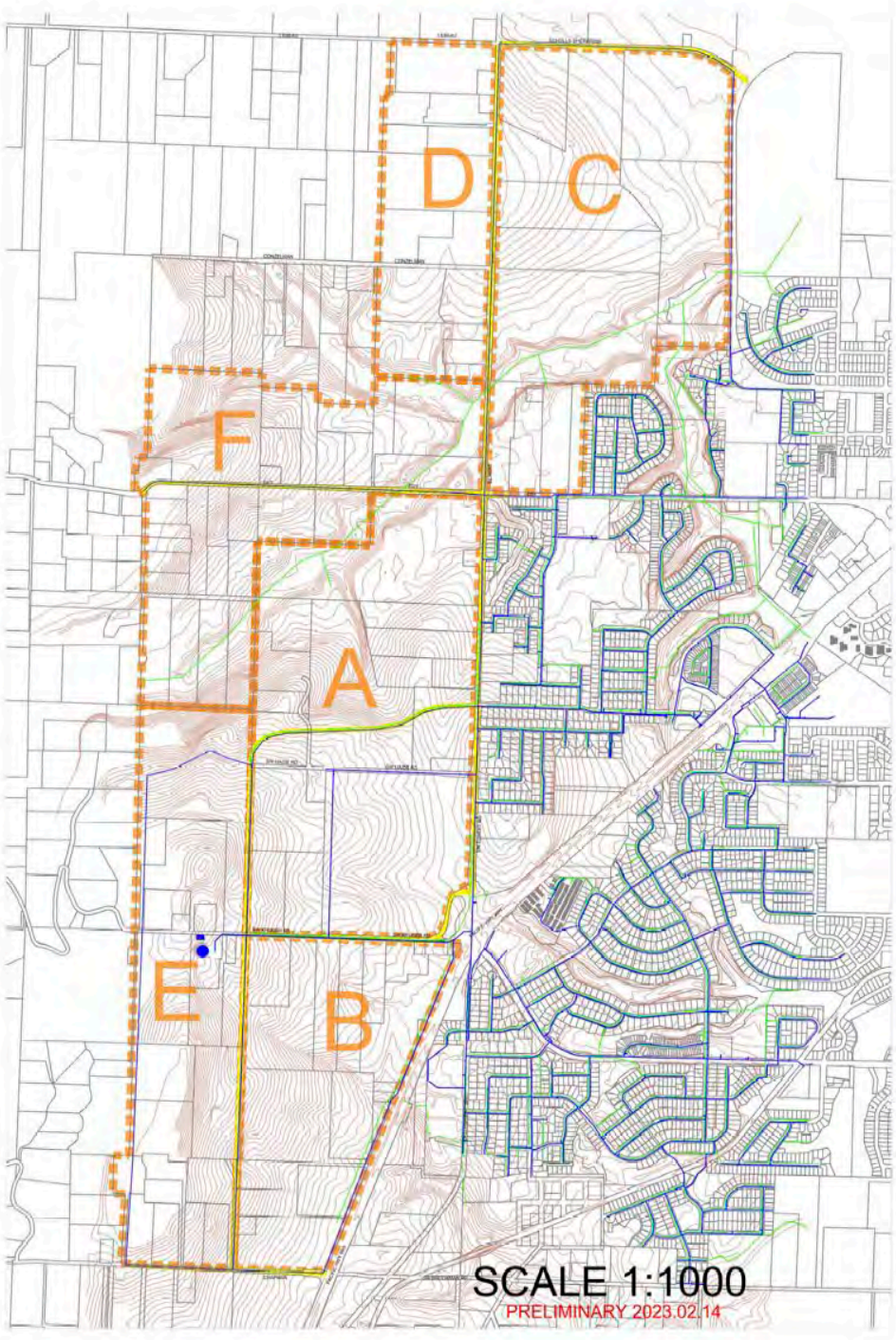
Development Programming

- To match development programming by Concept Plan "district," costs were summed as follows:
    - North ("C" & "D")
    - West/Southwest ("A," "B," "E")
    - Far West ("F")
- Mixed Use treated as Commercial, with no additional estimates for housing.

Revenue Calculation

- FAR of 0.35 was applied to programming acreage for non-residential land uses, and multifamily for water SDC revenue calculation when calculating connection charges for water, sewer, and park revenues.
- For sewer SDCs:
    - For City SDC calculation, an EDU is equivalent to 150 gallons per day. Low/high flow counts for Mixed Employment and Commercial were provided by the City and used to generate a low and high-sewer revenue scenario.
    - For CWS SDC calculation, an EDU is equivalent to 16 "fixture units." Low/high flow counts for Mixed Employment and Commercial were provided by the City and used to generate a low and high-sewer revenue scenario.
- For stormwater SDCs:
    - The CWS Regional Storm Drainage Improvement Charge was not tracked because most users have these charges waived because their projects provide water quality and water detention services.
    - As with the CWS Regional Storm Drainage Improvement Charge, it is expected that many users will receive a 45% discount for designs that support water quality (a discount for water detention is not available for the City's SDC). For this reason, in the calculation of the City of Sherwood's stormwater SDC, only 55% of the charge was included. For this SDC, one equivalent service unit (ESU) of 2,640 feet is equivalent to one single-family residence. For other uses, calculations were area based, after removing 10% of land area as estimated non-pervious surface (for Multifamily, Mixed Employment, and Commercial/Mixed Use/Hospitality uses).
- For City of Sherwood transportation SDCs, fees associated with the following non-residential "Type" were used:
    - Mixed Employment: "General Light Commercial"
    - Commercial, Mixed Use, Hospitality: "Specialty Retail"

Appendix B: Sherwood West Preliminary Concept Plan Phasing



SHERWOOD WEST CONCEPT PLAN



Metro Technical Advisory Committee (MTAC)

December 20, 2023

Eric Rutledge, Community Development Director

Erika Palmer, Planning Manager

Sherwood West Concept Plan (Re-Look)

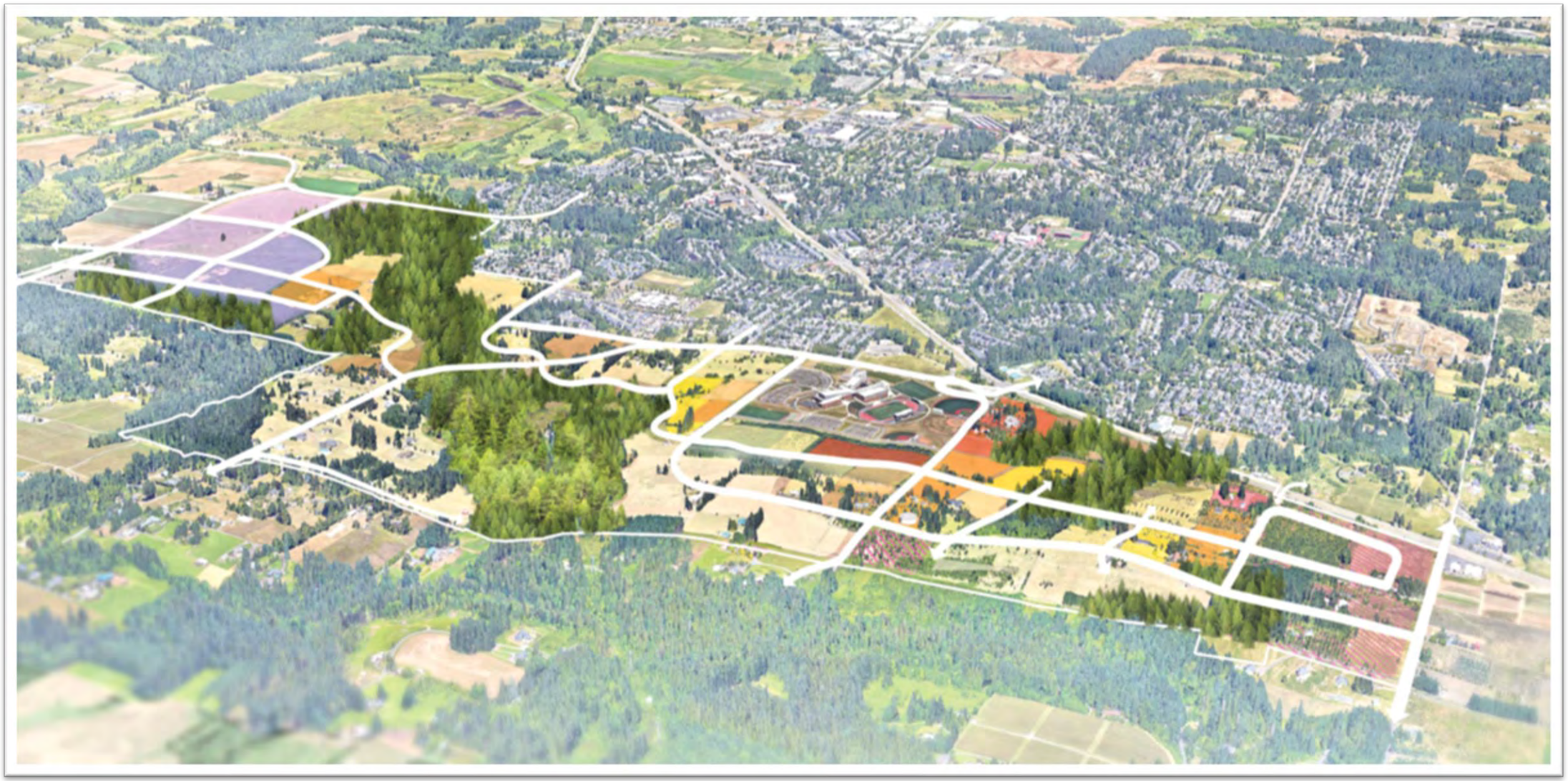
- Introduction
- Planning and Engagement Process
- Vision and Goals
- Existing Conditions
- Land Use Alternatives
- Accepted Concept Plan



Stella Olsen Park by Dave Gilmore

CONCEPT PLAN INTRODUCTION

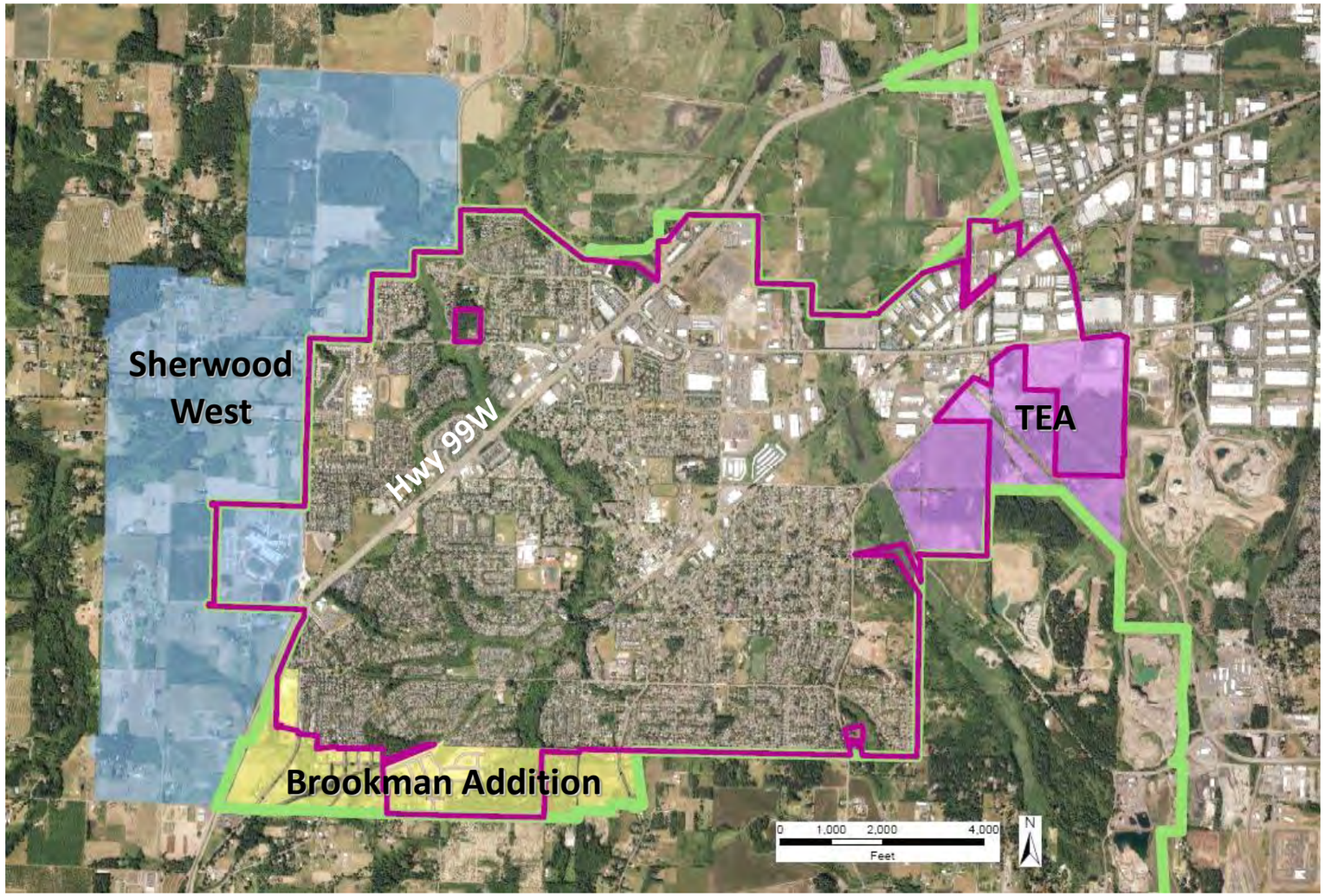
The Role of the Concept Plan



Sherwood West

Metro Urban Reserve Area 5B

- 1,291 acres
- 126 properties
- 110 properties owners
- 9.8 acres (avg property size)
- 2016 Preliminary Concept Plan



Why a Re-Look?

Shift in priorities
- Creating a more diversified tax base
- Adoption of 2040 Comprehensive Plan
- Updated housing and employment plans

Changing conditions
- New High School
- Continued growth
- Need for both employment and residential land

Changing regulations
- House Bill 2001
- Residential Design Standards



Why a Re-Look?





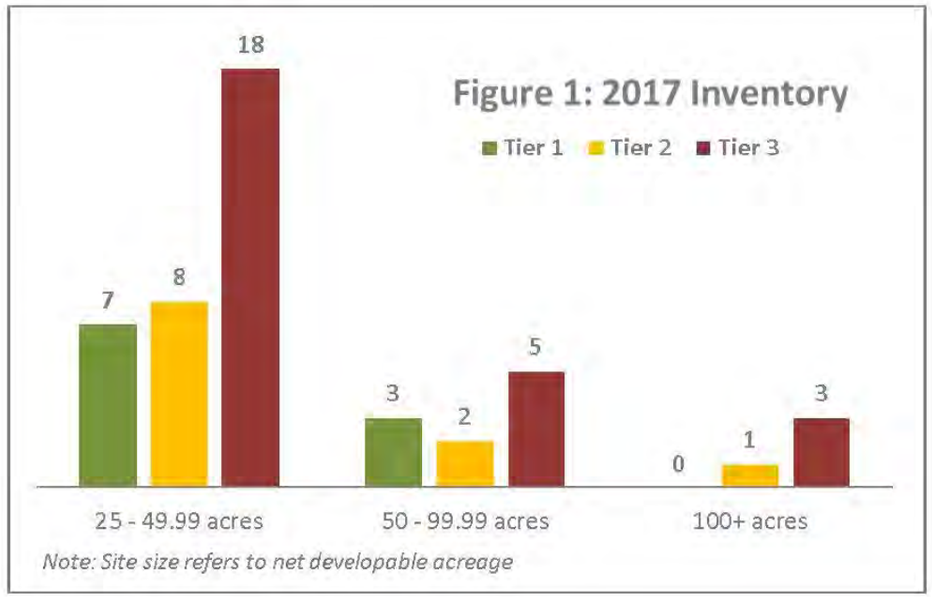
Why a Re-Look?



Employment Land Uses

- 8,600 net buildable acres of industrial employment land inside UGB
- No available and unencumbered Tier 1 industrial sites in region greater than 50-acres
- Three available and unencumbered Tier 1 industrial sites in region between 25 – 50 acres
- Challenge of moving Tier 2 and 3 sites of this size to market (brownfield, gravel pits, etc.)

Figure 1: 2017 Inventory Results

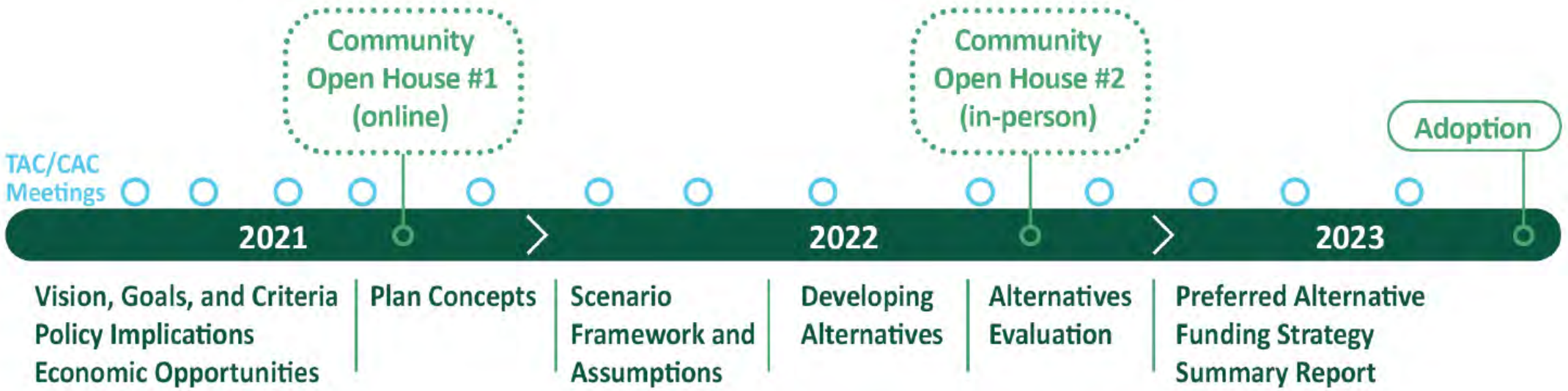


2018 Urban Growth Report Appendix 8:
Regional Industrial Site Readiness Inventory

PLANNING & ENGAGEMENT PROCESS

Guided by the Community Advisory Committee (CAC)

Community Engagement Timeline



Community Engagement Activities

- ✓ Community Advisory Committee Meetings – total of 14
- ✓ Public Testimony at CAC Meetings
- ✓ CAC Interested Parties Email Subscription
- ✓ Project Website
- ✓ Social Media (Facebook, Twitter, Next Door)
- ✓ Sherwood Utility Billing Email Listing Notices
- ✓ Sherwood Archer Newsletter
- ✓ Project Video
- ✓ Property Owner Mailings
- ✓ Online Surveys
- ✓ Coffee Klatches with HOA's
- ✓ Community Pop-Up Events
- ✓ Cedar Creek Trail Grand Opening
- ✓ Community Open Houses
- ✓ Virtual Open House
- ✓ Technical Advisory Committee Meetings – total of 12
- ✓ Metro Home Builders Association Presentation
- ✓ Sherwood West Economic Development Stakeholder Interviews
- ✓ Metro Technical Advisory Committee (MTAC) Presentation





EXISTING CONDITIONS

Sherwood West Existing Conditions



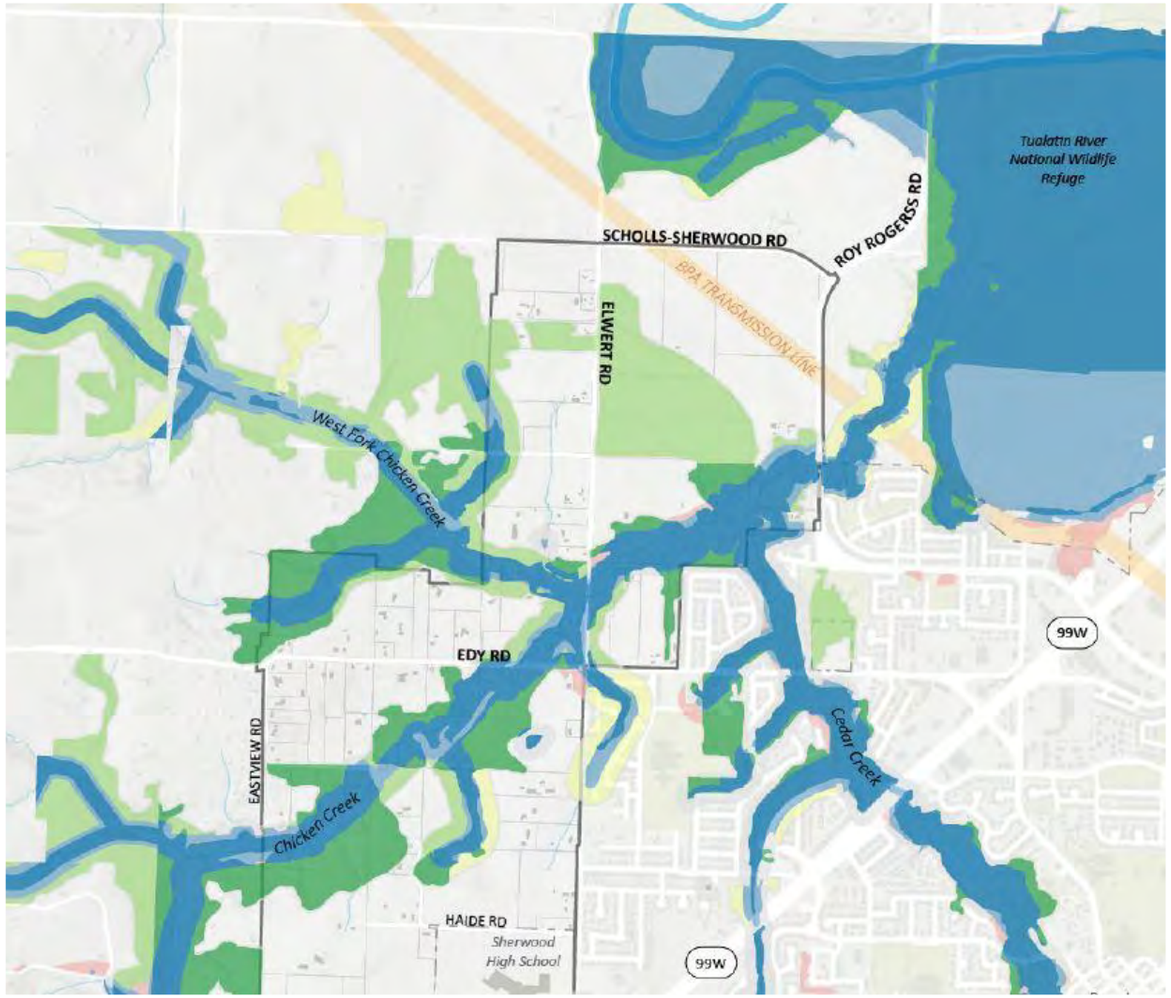
Sherwood West Existing Conditions

Open Space and Natural Resources

- Chicken Creek
- Tualatin River National Wildlife Refuge
- Riparian and Upland Habitat

Concept Plan

- Parks within 10-min walk
- Regional trail to wildlife refuge
- Two Community Parks



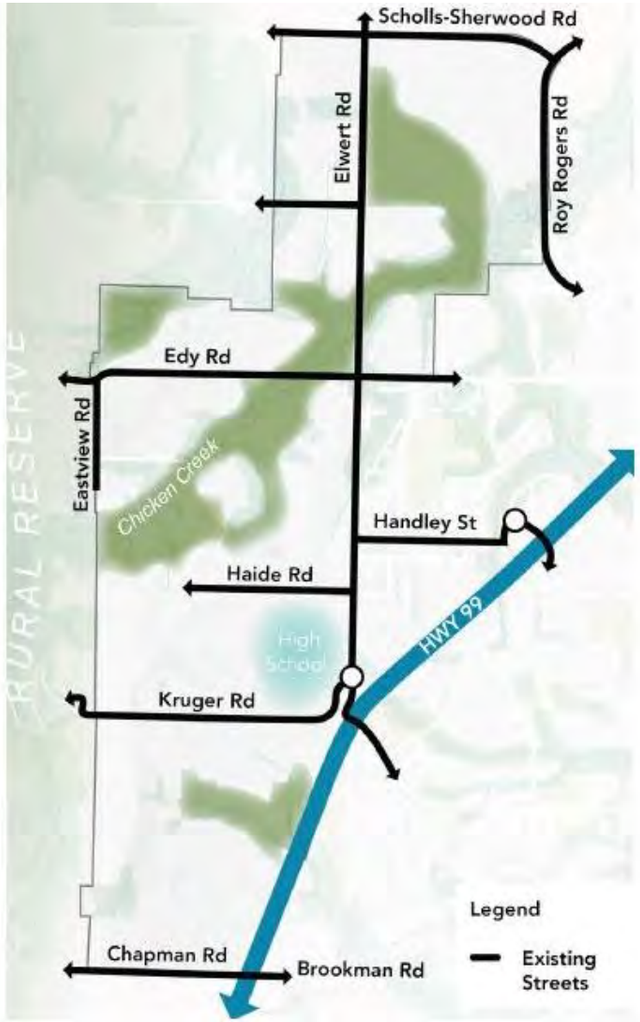
Sherwood West Existing Conditions

Transportation

- Highway 99W
- SW Elwert Rd.

Concept Plan

- Multi-modal, micro mobility
- Highway 99W Pedestrian Bridge
- Transit ready

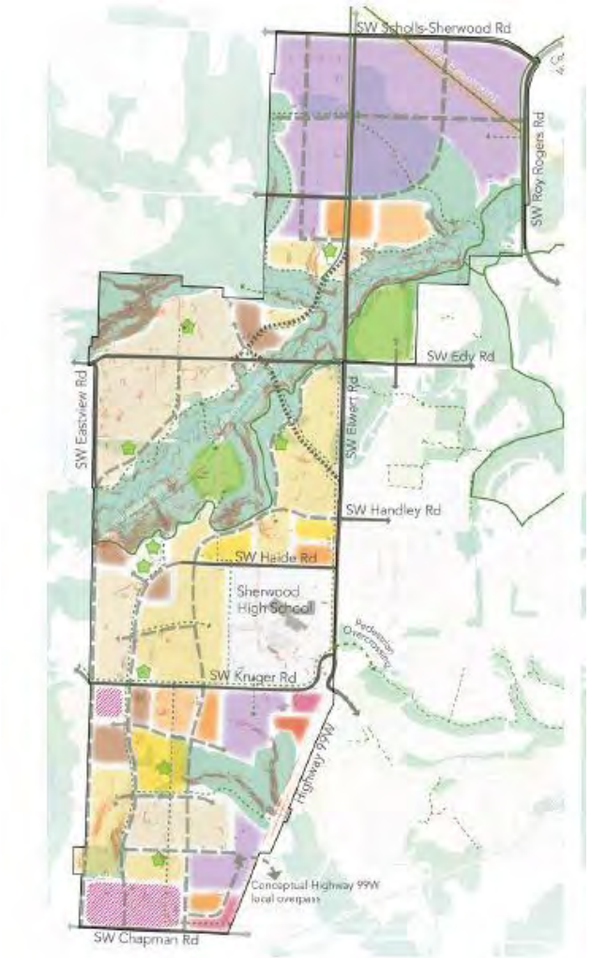




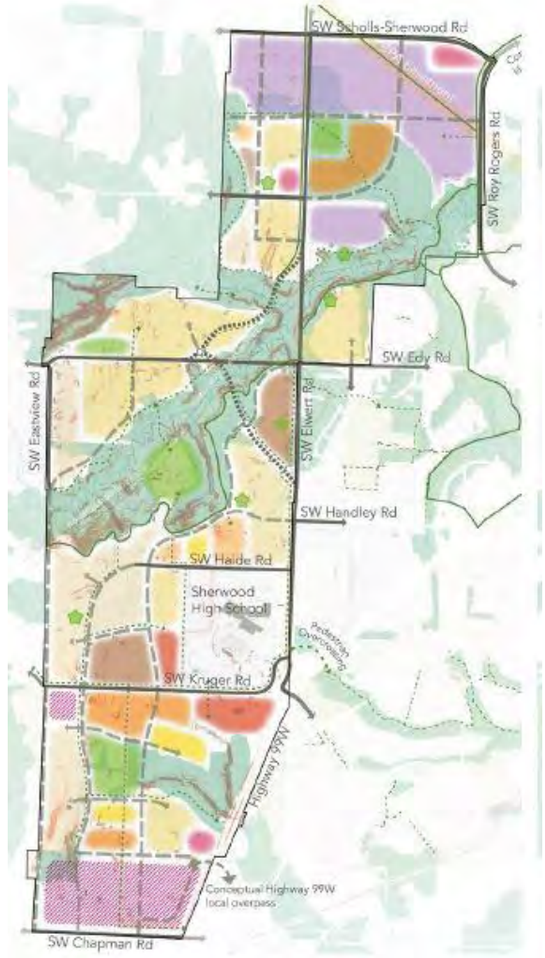
LAND USE ALTERNATIVES

Guided by the Community Advisory Committee (CAC)

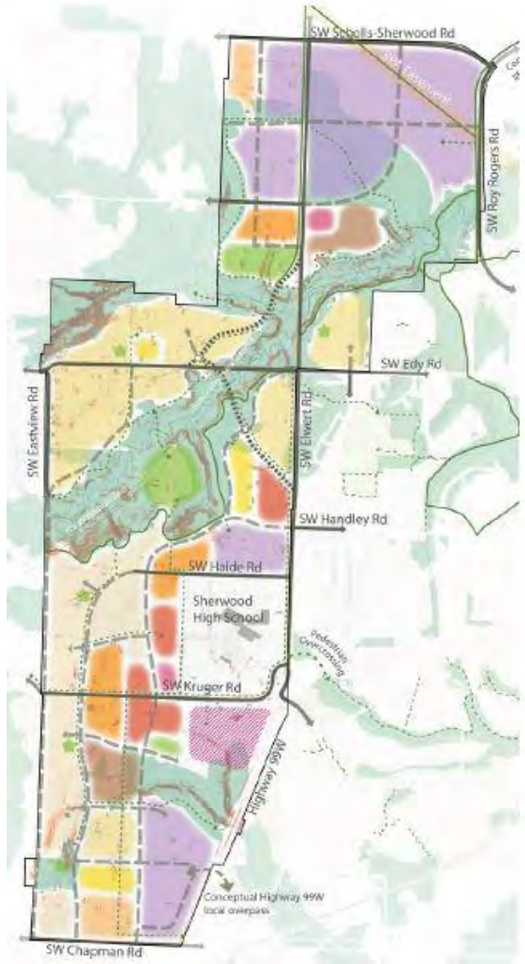
Land Use Alternatives



Alternative 1



Alternative 2



Alternative 3

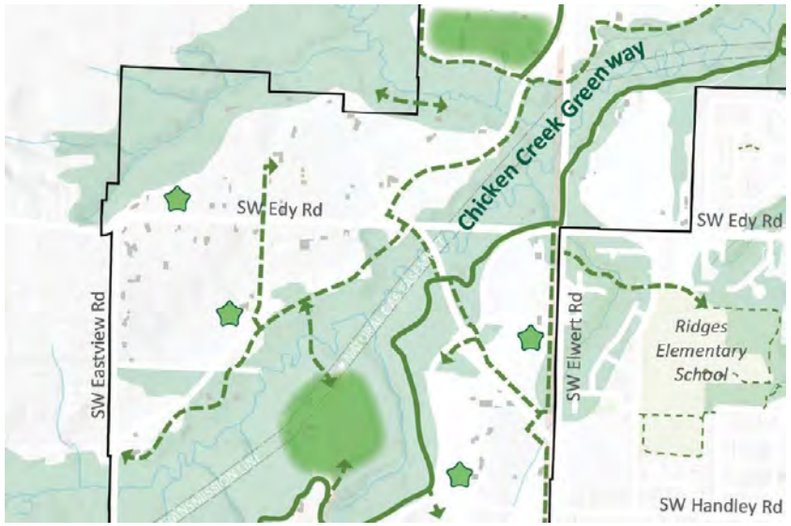
Land Use Alternatives

What we heard

- Design of Elwert Rd. is important
- Preserve natural features
- Plan for parks and trails

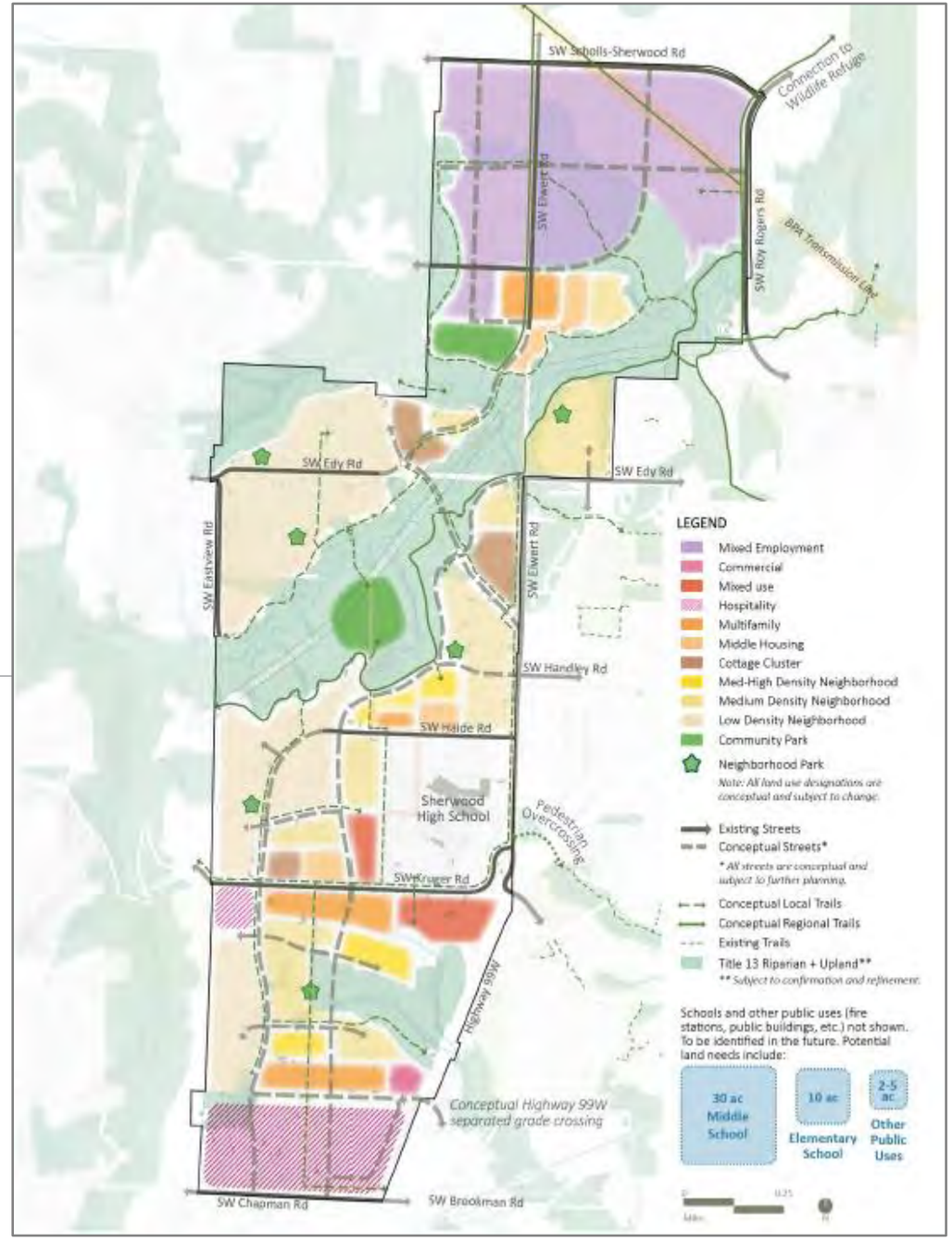
- Support the variety of housing (cottage clusters)
- Support employment in north district
- Support mix of uses near Highway 99
- Concern with the north/south connector at far west end





Recommended and Accepted Concept Plan

- Diverse land uses
- Connected transportation system
- Ample parks, trails, open space



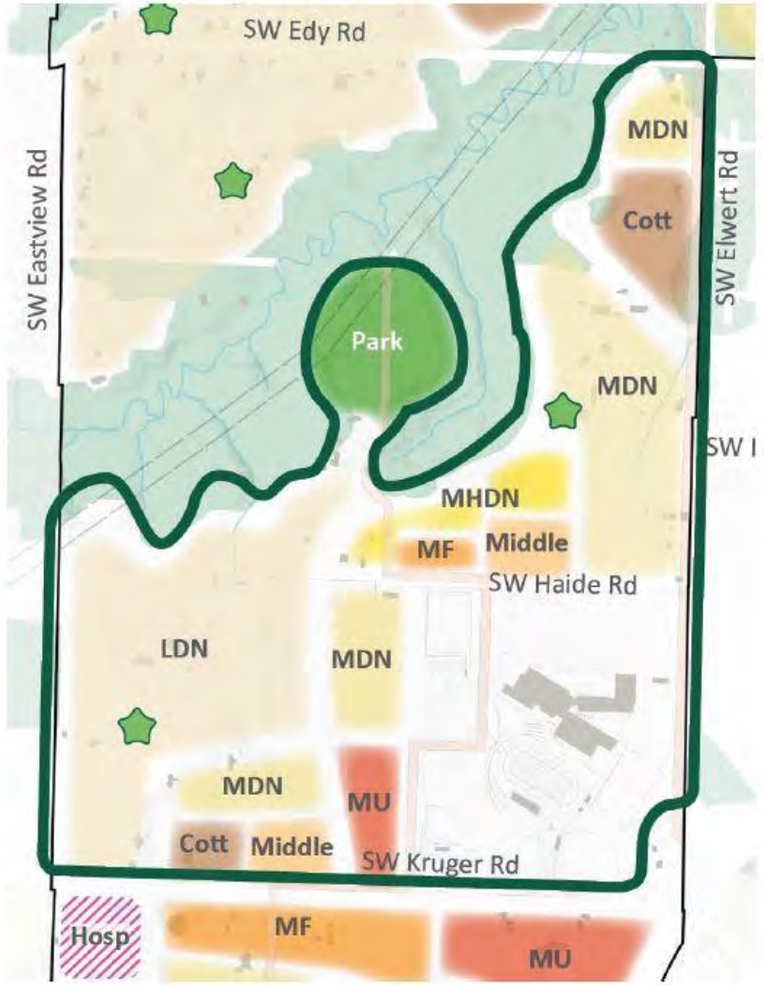
Residential Land Uses

- Residential low
- Residential medium
- Residential medium-high
- Middle housing
- Cottage cluster
- Multi-family

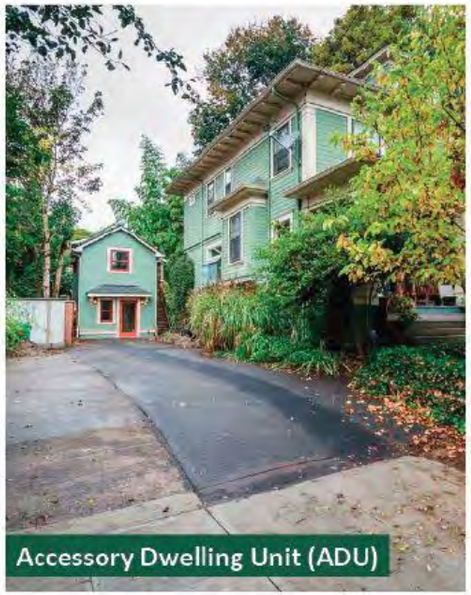


The Wyers End cottages in White Salmon, Wash. (Photo: Ross Chapin Architects)

Figure 11. West District



Residential Building Types













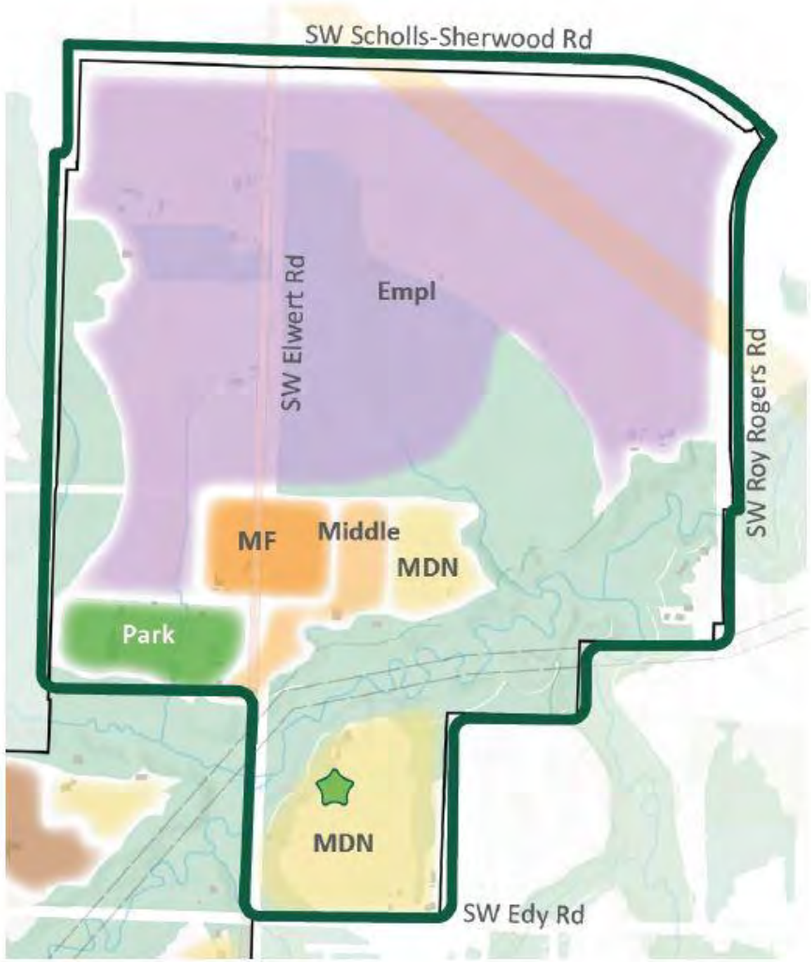


Housing Estimates

Table 4. Sherwood West Housing Estimates

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood areas) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	33	*10%*	798	798	798	798
Middle Housing	5.5 to 11	16	*5%*	173	173	173	173
Cottage Cluster	12.8 to 16	23	*7%*	362	362	362	362
Med/High Density Nbhd	5.5 to 11	23	*7%*	248	279	311	406
Medium-Density Nbhd	5.6 to 8	102	*30%*	816	990	1,163	1,683
Low-Density Nbhd	3.5 to 5	144	*42%*	720	1,008	1,296	2,160
TOTAL		**340**	***100%***	**3,117**	**3,610**	**4,103**	**5,582**
Total Average Density				*9.2*	*10.6*	*12.1*	*16.4*
Total Average Density with Open Space				*7.8*	*9.0*	*10.3*	*13.9*

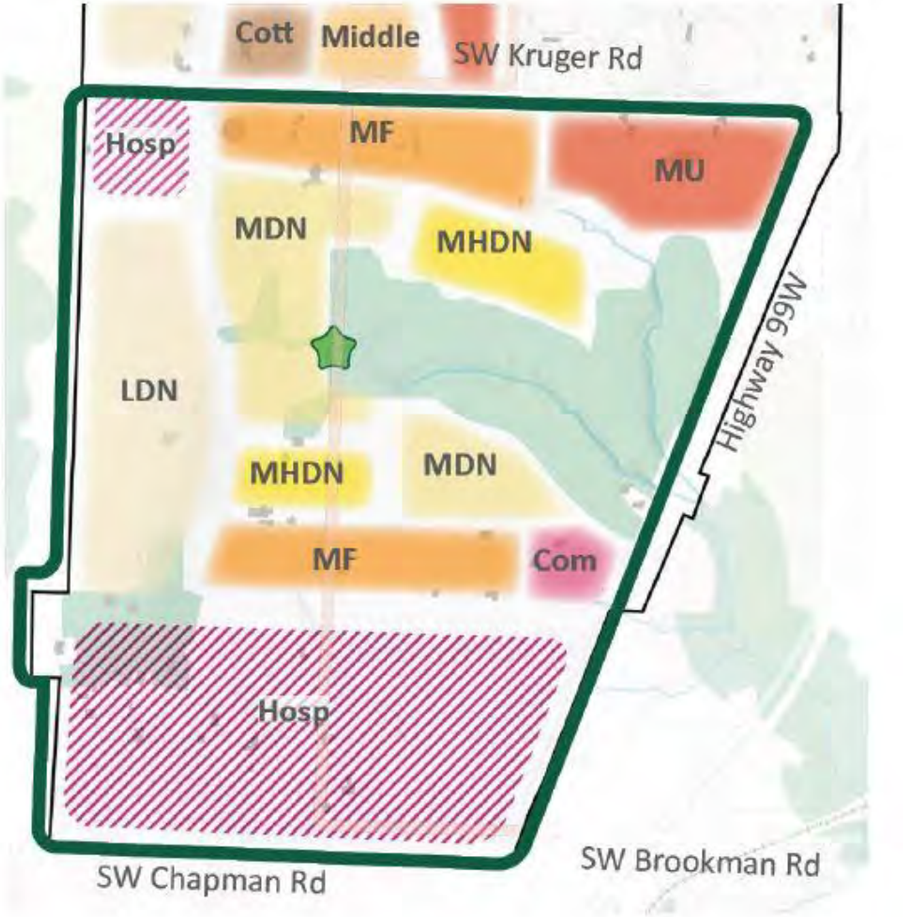
Employment Land Uses



North District

- 250 gross acres
- Flat terrain, large parcels, and good transportation access to SW Roy Rogers Road / Tualatin-Sherwood Rd.
- Mixed Employment: office, light industrial, and flex space uses
- Targeted industries: advanced manufacturing, clean tech, apparel and outdoor

Employment Land Uses – Hospitality Zone



South District

- 75 gross acres
- Hospitality zone that serves as a destination. Focus on wine and specialty agriculture.
- Lodging, tasting rooms, restaurants, event space, small retail shops.



Hawk's View Winery

Employment Estimates

Table 5. Sherwood West Employment Estimates

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	130	18	2,398	53%	49%
Commercial	7	36	237	5%	2%
Mixed Use	25	25	638	14%	9%
Hospitality	63	15	938	21%	24%
Schools	40	8	314	7%	15%
TOTAL	**265**		**4,524**	**100%**	**100%**

The jobs-per-acre estimates for each land use type are rough estimates gleaned from the Metro 2014 Urban Growth Report and from the scenario planning software Urban Footprint.

Transportation Network





SW Sunset Blvd

Transportation Principles for Sherwood West:

- Design for safety
- Integrate with existing Sherwood
- Connect all areas of Sherwood West
- Streets are places for people of all ages and abilities
- Provide for all modes of travel

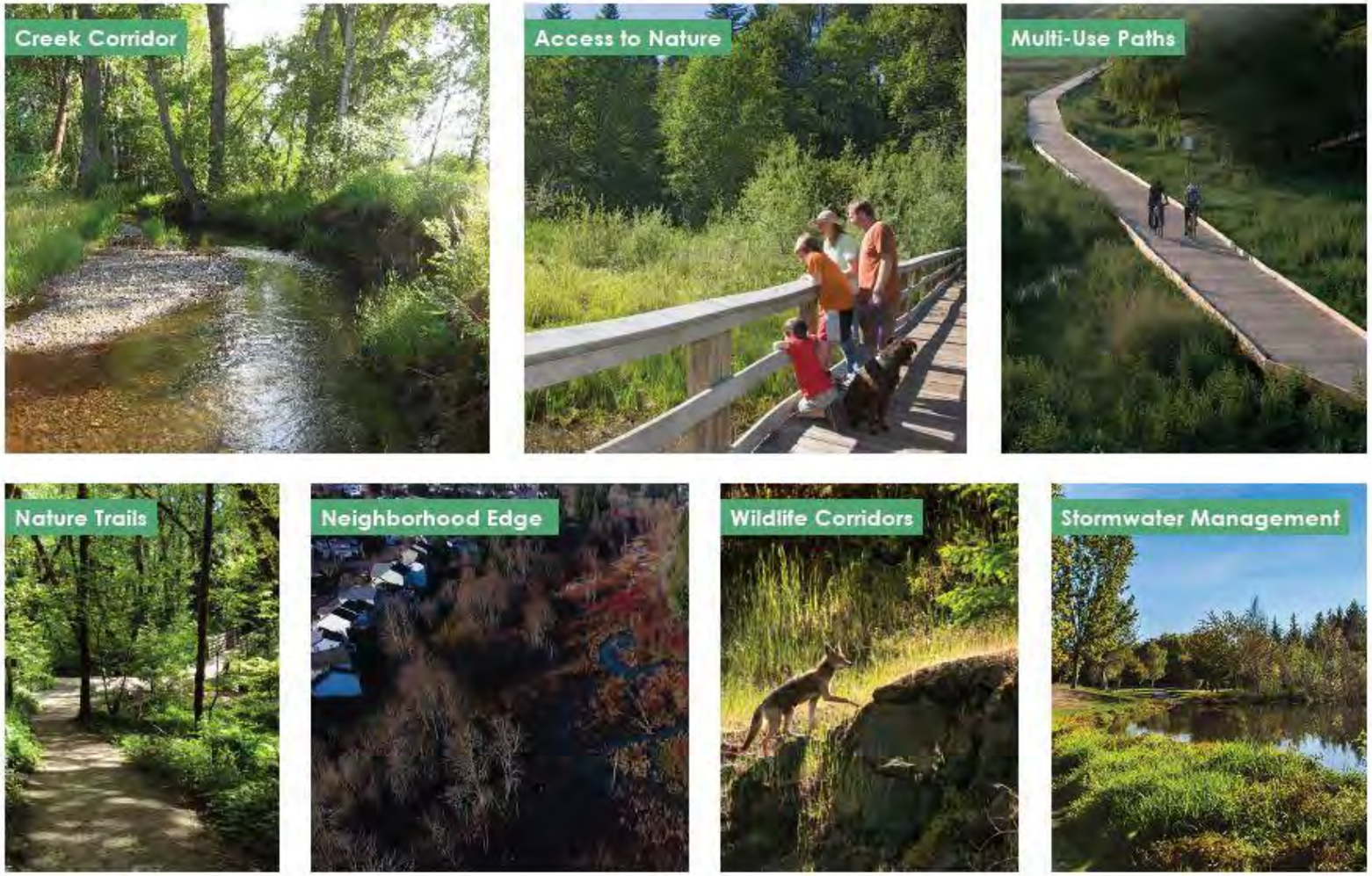
Park and Trail Network



- Centered around Chicken Creek Greenway
- Connection to regional Ice Age Tonquin Trail
- Connection to Tualatin River National Wildlife Refuge
- Two Community Parks

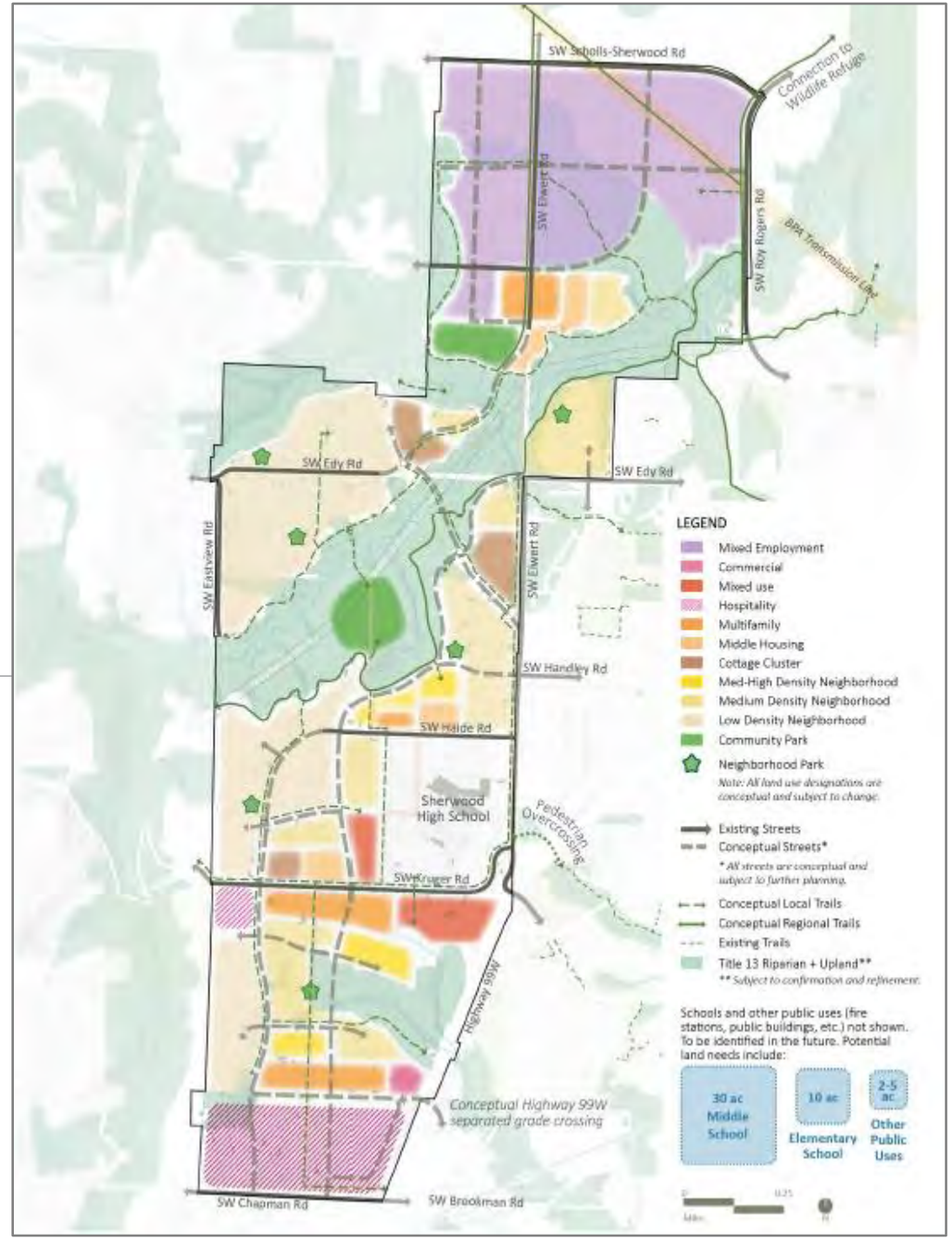
Chicken Creek Greenway

Figure 23. Elements of a Greenway



Recommended and Accepted Concept Plan

- Diverse land uses
- Connected transportation system
- Ample parks, trails, open space



IMPLEMENTATION

Concept Plan Implementation

- **UGB Expansion Request to Metro – April 5, 2024**
- **Comprehensive Planning and Future Zoning**
  - Natural Resource Protection
  - Custom Residential Zoning
  - Hospitality Zoning
  - Master Planning or “Village Planning”
  - Future Annexation Policies/Strategy/Phasing
- **Infrastructure Plan and Funding Strategy**
  - Continued refinement of project costs/financial modeling
  - Supplemental SDC methodology
- **Master Plans (TSP, water, sewer, etc.)**
- **Continued Community Engagement**



Stella Olsen Park by Dave Gilmore

SHERWOOD WEST CONCEPT PLAN



Metro Policy Advisory Committee (MPAC)

December 13, 2023

Eric Rutledge, Community Development Director

Erika Palmer, Planning Manager

Memo

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Date: December 13, 2023
To: Metro Technical Advisory Committee (MTAC)
From: Glen Hamburg, Associate Regional Planner
Subject: CFEC-Required Amendments to UGMFP Title 6 for Regional and Town Centers

PURPOSE
Provide background to, and an overview of, a state requirement to amend Title 6, *Centers, Corridors, Station Communities, and Main Streets*, of Metro's Urban Growth Management Functional Plan in order to require local adoption of boundaries for regional and town centers

BACKGROUND
The '2040 Growth Concept', adopted by the Metro Council in 1995[1], is the long-range vision for development of our region's urban form. The '2040 Growth Concept Map' (Attachment A) is the geographic expression of that vision. Both the 2040 Growth Concept and Map are now incorporated in the Regional Framework Plan (RFP) adopted by the Metro Council in 1997[2] and are the unifying bases for the RFP's various regional policies, such as those concerning land use. RFP policies are implemented by Metro's functional plans, including the Urban Growth Management Functional Plan (UGMFP), which has certain requirements and recommendations for cities' and counties' comprehensive plans and land use regulations.

The 2040 Growth Concept's underlying philosophy is to "*preserve our access to nature and build better communities for the people who live here today and who will live here in the future*". In support of this philosophy, the Growth Concept foresees numerous walkable, higher-density, mixed-use **centers** of employment, housing, cultural and recreational activities, and transit service across the region, with those centers helping to grow the economy, provide affordable housing, and promote vibrant and distinctive communities that reduce the need for sprawl and minimize transportation costs and contributions to climate change.

There are three types of 'centers' envisaged in the 2040 Growth Concept:

1. The **Central City**, which includes areas such as Downtown Portland, Old Town/Chinatown, the Pearl, Goose Hollow, South Waterfront, the Lloyd District, Lower Albina, and the Central Eastside, is the region's business and cultural hub, indeed the primary center for finance, commerce, government, retail, tourism, arts, and entertainment with the most intensive development of housing and employment.

2. **Regional centers**, serving hundreds of thousands of people in major urban areas outside the Central City and surround high-quality transit service, multi-modal street networks, and nodes of regional through-routes. Regional centers are typically characterized by two- to four-story employment and housing development, larger commercial uses, healthcare

[1] Ordinance No. 95-625A
[2] Ordinance No. 97-715B

facilities, and local government services. There are eight regional centers in the 2040 Growth Concept:

- Downtown Oregon City and Clackamas Regional Center, both serving Clackamas County
- Gateway, serving central Multnomah County
- Downtown Gresham, serving eastern Multnomah County
- Downtown Hillsboro and Tanasbourne/AmberGlen, both serving western Washington County
- Downtown Beaverton and Washington Square, both serving eastern Washington County

3. **Town centers**, which are smaller than regional centers and serve populations of tens of thousands of people. They offer more locally-focused retail uses, like restaurants, cafes, brewpubs, child care facilities, cinemas, and dry cleaners and public amenities like libraries and community halls. Town centers are typified by one- to three-story buildings for employment and housing, as well as a strong sense of community identity.

   There are 32 town centers in the 2040 Growth Concept, which vary greatly in character across the region:

- Aloha
- Bethany
- Cedar Mill
- Cornelius
- Damascus
- Fairview
- Forest Grove
- Gladstone
- Happy Valley
- Hillsdale
- Hollywood
- King City
- Lake Grove
- Lake Oswego
- Lents
- Milwaukie
- Murray/Scholls
- Orenco
- Pleasant Valley
- Raleigh Hills
- Rockwood
- Sherwood
- St. Johns
- Sunset Transit
- Tigard
- Troutdale
- Tualatin
- West Linn – Bolton
- West Linn – Willamette
- West Portland
- Wilsonville
- Wood Village

CURRENT APPROACH

Existing RFP policies recognize that the success of the 2040 Growth Concept depends in part on the success of these centers serving as hubs of urban life in the region. RFP policies encourage the development of employment and housing opportunities, along with as transportation system improvements, in centers in partnership with cities, counties, and other stakeholders.

However, the UGMFP does not currently mandate that cities and counties take specific actions (e.g., local regulatory strategies) to develop their centers in accordance with the vision of the 2040 Growth Concept. Rather, Title 6 of the UGMFP has employed an incentive approach, tying eligibility

for optional regional investments[3] in centers to: local adoption of defined center boundaries; assessment of the center's physical and market conditions and of barriers to and ways to encourage mixed-use, pedestrian-friendly, and transit-supportive development; and a local plan of actions and investments that will be taken to enhance centers consistent with the 2040 Growth Concept. To be sure, these measures only have to be taken when pursuing a regional investment in the center.

Nonetheless, roughly three-quarters of the centers in the 2040 Growth Concept already have locally adopted geographic boundaries that either originate from a time when the UGMFP did require such boundaries or were otherwise adopted by local choice. Many jurisdictions have also adopted land use policies and implementing regulations applicable to their centers that, while not necessarily required by the UGMFP, encourage development and activation of centers consistent with the 2040 vision. Less than a dozen 2040 centers lack locally adopted boundaries today.

NEW STATE REQUIREMENTS

Over the last couple years, Oregon's Land Conservation and Development Commission (LCDC) has updated certain Oregon Administrative Rules (OARs) as part of the state's Climate Friendly and Equitable Communities (CFEC) program. CFEC aims to reduce greenhouse gas pollution and improve social equity in transportation services and community health, safety, and livability, in part by facilitating denser, transit-oriented development, active transportation, and the "greening" of Oregon's urban spaces.

To those ends, CFEC includes measures intended to accelerate the development and transformation of Metro's centers in ways that are consistent with the 2040 Growth Concept and RFP policies. Metro will continue to defer to Department of Land Conservation and Development (DLCD) on the specifics of those state measures, but they generally have obligations for cities and counties concerning the following in and near centers for which they have planning jurisdiction:

- Motor vehicle parking management (e.g., minimum off-street parking requirements, parking maximums, etc.);
- Provision of public bicycle parking;
- Design of streets to prioritize pedestrian, bicycle, and transit systems;
- Enhanced pedestrian crossings near transit stops;
- Improvements to tree canopies; and
- Reporting on housing production.

Implementing CFEC measures for centers necessitates defining a geographic area where those measures apply. OAR 660-012-0012(4)(d) therefore requires Metro to amend UGMFP Title 6 by the end of 2024 to include a mandate that cities and counties adopt boundaries of the regional and town centers for which they have land use planning authority and for which they have adopted urban land use designations. Cities and counties in the region then have until the end of 2025 to adopt those center boundaries. The locally adopted boundaries must be in the general location of the center as depicted on the 2040 Growth Concept Map.

[3] UGMFP Section 3.07.610 defines a "regional investment" as an investment in a new high-capacity transit line or an investment that is so designated in a grant or funding program administered by Metro or subject to Metro's approval.

DRAFT AMENDMENTS

Attachment B is an early working draft of amendments to UGMFP Title 6 intended to comply with CFEC requirements, specifically OAR 660-012-0012(4)(d). Over the next year, Metro staff will continue to have dialogue with staff of cities and counties, DLCD, and other stakeholders to refine this draft before submitting a formal proposal of amendments for review by MTAC, MPAC, and ultimately the Metro Council to be considered for adoption by the Metro Council with the 2024 Urban Growth Report.

Consistent with CFEC requirements, the draft amendments would only require adoption of boundaries for centers with urban land use designations; they would not require adoption of boundaries for any center on the 2040 Growth Concept Map that still has only rural land use plan designations in the comprehensive plan of the responsible jurisdiction.

The 2040 Growth Concept Map has conceptual depictions of centers that sometimes span county and/or city boundaries. However, CFEC and the draft amendments do not require multiple jurisdictions to adopt boundaries for portions of the same center. CFEC and the draft amendments only require that one jurisdiction adopt boundaries for each center with an urban land use plan designation.

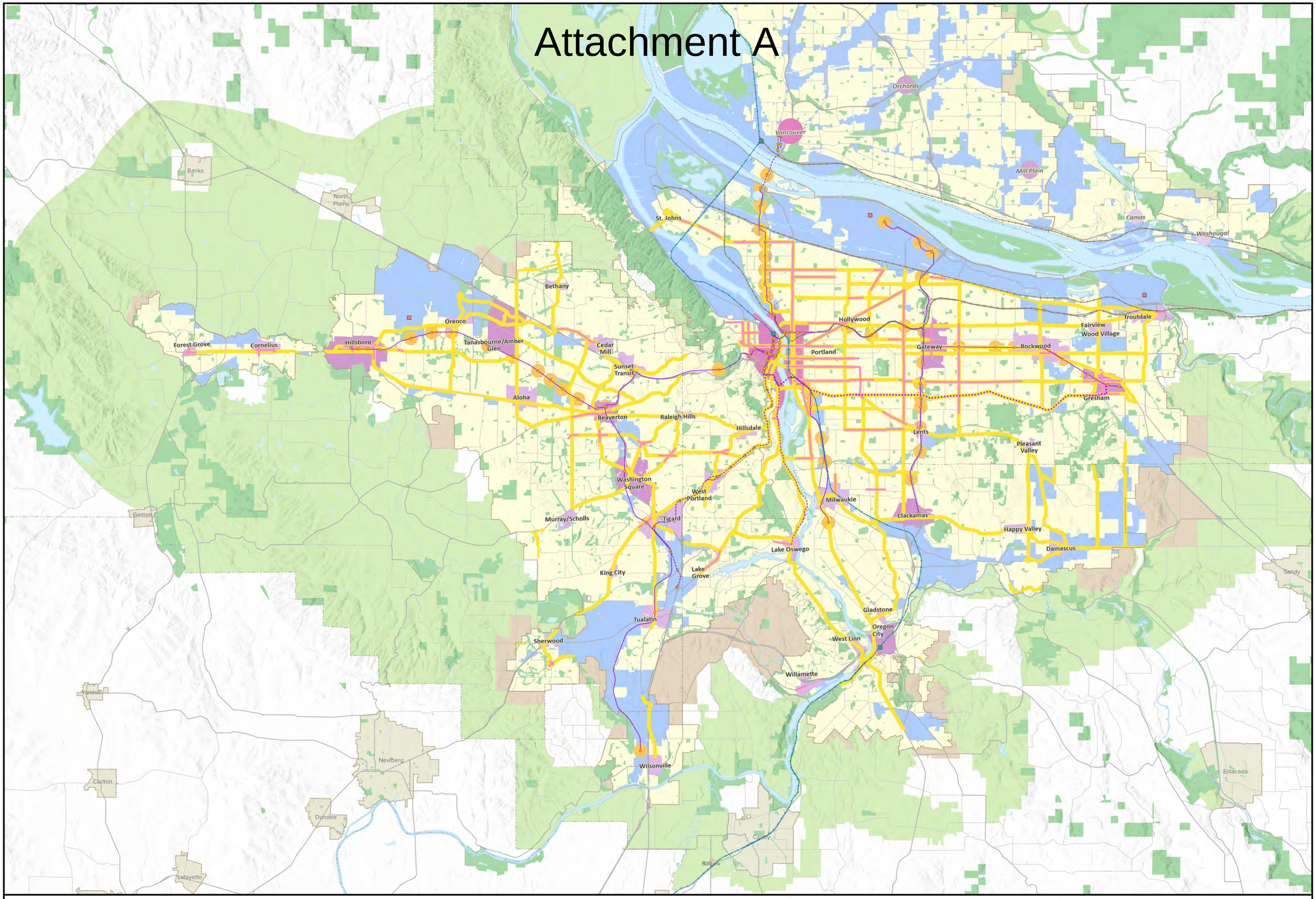
While CFEC specifically mandates that Metro require local adoption of boundaries for regional and town centers, Metro staff supports applying the Title 6 boundary adoption requirement to the Central City as well, with the same expectation for all centers in the 2040 Growth Concept that have been planned for urban uses. The draft Title 6 amendments therefore would require adoption of boundaries for all centers, including the Central City.

Metro staff also see it as useful to identify a timeframe for cities and counties to report their adopted boundaries to Metro so that Metro can reflect those boundaries in an updated 2040 Growth Concept Map and other relevant maps. The draft amendments say that, by February 1, 2026, cities and counties shall identify to Metro the boundaries of each center that they have adopted as of December 31, 2025. The draft amendments also require that cities and counties notify Metro of any new or revised Center boundaries within 31 days of adopting those new or revised Center boundaries after December 31, 2025.

Finally, the draft amendments propose a number of minor, non-substantive amendments to Title 6 that would clarify existing provisions, address formatting discrepancies, update citations, and correct typographic errors.

Metro staff welcome any feedback on these draft Title 6 amendments.

Attachment A



2040 Growth Concept Map

May 2023

0 6 12 Miles
0 9.5 19 Kilometers

Metro cannot accept any responsibility for errors, omissions, or positional accuracy.
There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product.

The Metro 2040 Growth Concept defines the form of regional growth and development for the Portland metropolitan region. The Growth Concept was adopted in December 1995 through the Region 2040 planning and public involvement process. This concept is intended to provide long-term growth management of the region.

The map highlights elements of parallel planning efforts including: the 2018 Regional Transportation Plan that outlines investments in multiple modes of transportation, and a commitment to local policies and investments that will help the region better accommodate growth within its centers, corridors and employment areas.

- Central city
- Regional center
- Town center
- Station communities
- Main streets
- Corridors
- Employment land
- Parks and natural areas
- Neighborhood
- Rural reserve
- Urban reserve
- Urban growth boundaries
- Existing high capacity transit
- Planned high capacity transit
- Proposed high capacity transit tier 1
- Mainline freight
- High speed rail (proposed)
- County boundaries
- Neighboring cities
- Airports
- Intercity rail terminal

Metro

For more information on these initiatives, visit http://www.oregonmetro.gov/2040

Title 6: Centers, Corridors, Station Communities and Main Streets

3.07.610 Purpose

The Regional Framework Plan (RFP) identifies three types of Centers – the Central City, Regional Centers and Town Centers, – Corridors, Main Streets and Station Communities throughout the region on the 2040 Growth Concept Map and recognizes them as the principal centers of urban life in the region. Pursuant to OAR 660-012-0012(4)(d), cities and counties must define the boundaries of Centers for areas that have urban land use designations in their comprehensive plans. To enhance the intended role of the Centers, Corridors, Main Streets and Station Communities in the region, Title 6 also calls for voluntary actions and investments by cities and counties, complemented by regional investments, to enhance this role. A "regional investment" is: an investment in a new high-capacity transit line; or a designated a regional investment in a grant or funding program that is either administered by Metro or subject to Metro's approval. [Ord. 97-715B, Sec. 1. Ord. 98-721A, Sec. 1. Ord. 02-969B, Sec. 7. Ord. 10-1244B, Sec. 5.]

3.07.615 Adoption of Boundaries for Centers

(a) By December 31, 2025, each city and county shall adopt boundaries for all Centers identified on the 2040 Growth Concept Map for which the city or county has adopted urban land use designations in their comprehensive plan, unless another city or county has already adopted a boundary for the portion of the Center within its jurisdiction.

(b) Each city and county shall adopt boundaries for any other Center identified on Metro's 2040 Growth Concept Map when the city or county designates the area of that Center for urban land uses in their comprehensive plan, unless portions of the Center have boundaries already adopted by another city or county with planning jurisdiction for the Center.

(c) Identified boundaries for Centers that are adopted pursuant to Section 3.07.615 shall be located in the general area of the Center as identified on the 2040 Growth Concept Map.

(d) By February 1, 2026, cities and counties shall identify to Metro the boundaries of each Center that they have adopted pursuant to Section 3.07.615 as of December 31, 2025. After December 31, 2025, cities and counties shall notify Metro of any new or revised Center boundaries within 31 days of adopting those new or revised Center boundaries.

3.07.620 Actions and Investments in Centers, Corridors, Station Communities and Main Streets

(a) In order to be eligible for a regional investment in a Center, Corridor, Station Community or Main Street, or a portion thereof, a city or county shall take the following actions:

DISCUSSION DRAFT

(1) Establish a boundary for the Center, Corridor, Station Community or Main Street, or portion thereof, pursuant to ~~subsection~~ Subsection 3.07.620(b);

(2) Perform an assessment of the Center, Corridor, Station Community or Main Street, or portion thereof, pursuant to ~~subsection~~ Subsection 3.07.620(c); and

(3) Adopt a plan of actions and investments to enhance the Center, Corridor, Station Community or Main Street, or portion thereof, pursuant to ~~sub~~Subsection 3.07.620(d).

(b) The boundary of a Center, Corridor, Station Community or Main Street, or portion thereof, shall:

(1) Be consistent with the general location shown in the ~~RFP~~ 2040 Growth Concept Map except, for a proposed new Station Community, be consistent with Metro's land use final order for a light rail transit project;

(2) For a Corridor with existing high-capacity transit service, include at least those segments of the Corridor that pass through a Regional Center or Town Center;

(3) For a Corridor designated for future high-capacity transit in the RTP, include the area identified during the system expansion planning process in the RTP; and

(4) Be adopted and may be revised by the city council or county board following notice of the proposed boundary action to the Oregon Department of Transportation and to Metro in the manner set forth in ~~subsection~~ Subsection 3.07.820(a) ~~of section 3.07.820~~ of this chapter.

(c) An assessment of a Center, Corridor, Station Community or Main Street, or portion thereof, shall analyze the following:

(1) Physical and market conditions in the area;

(2) Physical and regulatory barriers to mixed-use, pedestrian-friendly and transit-supportive development in the area;

(3) The city or county development code that applies to the area to determine how the code might be revised to encourage mixed-use, pedestrian-friendly and transit-supportive development;

(4) Existing and potential incentives to encourage mixed-use pedestrian-friendly and transit-supportive development in the area; and

(5) For Corridors and Station Communities in areas shown as Industrial Area or Regionally Significant Industrial Area under Title 4 of this chapter, barriers to a mix and intensity of uses sufficient to support public transportation at the level prescribed in the RTP.

(d) A plan of actions and investments to enhance the Center, Corridor, Station Community or Main Street shall consider the assessment completed under ~~subsection~~ Subsection 3.07.620(c) and include at least the following elements:

DISCUSSION DRAFT

(1) Actions to eliminate, overcome or reduce regulatory and other barriers to mixed-use, pedestrian-friendly and transit-supportive development;

(2) Revisions to its comprehensive plan and land use regulations, if necessary, to allow:

(A) In Regional Centers, Town Centers, Station Communities and Main Streets, the mix and intensity of uses specified in ~~section~~ Section 3.07.640; and

(B) In Corridors and those Station Communities in areas shown as Industrial Area or Regionally Significant Industrial Area in Title 4 of this chapter, a mix and intensity of uses sufficient to support public transportation at the level prescribed in the RTP;

(3) Public investments and incentives to support mixed-use pedestrian-friendly and transit-supportive development; and

(4) A plan to achieve the non-SOV mode share targets, adopted by the city or county pursuant to ~~subsections~~ Subsections 3.08.230(a) and (b) of the RTFP, that includes:

(A) The transportation system designs for streets, transit, bicycles and pedestrians consistent with Title 1 of the RTFP;

(B) A transportation system or demand management plan consistent with ~~section~~ Section 3.08.160 of the RTFP; and

(C) A parking management program for the Center, Corridor, Station Community or Main Street, or portion thereof, consistent with ~~section~~ Section 3.08.410 of the RTFP.

(e) A city or county that has completed all or some of the requirements of ~~subsections~~ Subsections 3.07.620(b), (c), and (d) may seek recognition of that compliance from Metro by written request to the COO.

(f) Compliance with the requirements of this section is not a prerequisite to:

(1) Investments in Centers, Corridors, Station Communities or Main Streets that are not regional investments; or

(2) Investments in areas other than Centers, Corridors, Station Communities and Main Streets. [Ord. 97-715B, Sec. 1. Ord. 98-721A, Sec. 1. Ord. 02-969B, Sec. 7. Ord. 10-1244B, Sec. 5.]

3.07.630 Eligibility Actions for Lower Mobility Standards and Trip Generation Rates

(a) A city or county is eligible to use the higher volume-to-capacity standards in Table 7 of the 1999 Oregon Highway Plan when considering an amendment to its comprehensive plan or land use regulations in a Center, Corridor, Station Community or Main Street, or portion thereof, if it has taken the following actions:

DISCUSSION DRAFT

(1) Established a boundary pursuant to ~~subsection (b) of~~ Subsection 3.07.620~~(b)~~; and

(2) Adopted land use regulations to allow the mix and intensity of uses specified in ~~section~~ Section 3.07.640.

(b) A city or county is eligible for an automatic reduction of 30 percent below the vehicular trip generation rates reported by the Institute of Traffic Engineers when analyzing the traffic impacts, pursuant to OAR 660-012-0060, of a plan amendment in a Center, Corridor, Main Street or Station Community, or portion thereof, if it has taken the following actions:

(1) Established a boundary pursuant to ~~subsection (b) of~~ Subsection 3.07.620~~(b)~~;

(2) Revised its comprehensive plan and land use regulations, if necessary, to allow the mix and intensity of uses specified in ~~section~~ Section 3.07.640 and to prohibit new auto-dependent uses that rely principally on auto trips, such as gas stations, car washes and auto sales lots; and

(3) Adopted a plan to achieve the non-SOV mode share targets adopted by the city or county pursuant to ~~subsections~~ Subsections 3.08.230 (a) and (b)of the RTFP, that includes:

(A) Transportation system designs for streets, transit, bicycles and pedestrians consistent with Title 1 of the RTFP;

(B) A transportation system or demand management plan consistent with ~~section~~ Section 3.08.160 of the RTFP; and

~~(c)~~ (C) A parking management program for the Center, Corridor, Station Community or Main Street, or portion thereof, consistent with section 3.08.410 of the RTFP. [Ord. 97-715B, Sec. 1. Ord. 98-721A, Sec. 1. Ord. 02-969B, Sec. 7. Ord. 10-1244B, Sec. 5.]

3.07.640 Activity Levels for Centers, Corridors, Station Communities and Main Streets

(a) ~~A~~ Centers, Corridors, Station Communities and Main Streets need a critical number of residents and workers to be vibrant and successful. The following average number of residents and workers per acre is recommended for each:

(1) Central City - 250 persons

(2) Regional Centers - 60 persons

(3) Station Communities - 45 persons

(4) Corridors - 45 persons

(5) Town Centers - 40 persons

(6) Main Streets - 39 persons

DISCUSSION DRAFT

(b) Centers, Corridors, Station Communities and Main Streets need a mix of uses to be vibrant and walkable. The following mix of uses is recommended for each:

(1) The amenities identified in the most current version of the *State of the Centers: Investing in Our Communities*, such as grocery stores and restaurants;

(2) Institutional uses, including schools, colleges, universities, hospitals, medical offices and facilities;

(3) Civic uses, including government offices open to and serving the general public, libraries, city halls and public spaces.

(c) Centers, Corridors, Station Communities and Main Streets need a mix of housings types to be vibrant and successful. The following mix of housing types is recommended for each:

(1) The types of housing ~~listed in the~~identified as "needed housing" ~~statute,~~in ORS 197.303(1)(a)-(e);

(2) The types of housing identified in the city's or county's housing need analysis ~~done~~ completed pursuant to ORS 197.296 or ~~statewide~~ Statewide ~~planning~~ Planning Goal 10 (Housing); and

(3) Accessory dwellings pursuant to ~~section~~ Section 3.07.120 of this chapter. [Ord. 97-715B, Sec. 1. Ord. 98-721A, Sec. 1. Ord. 02-969B, Sec. 7. Ord. 10-1244B, Sec. 5. Ord. 15-1357.]

3.07.650 Centers, Corridors, Station Communities and Main Streets Map

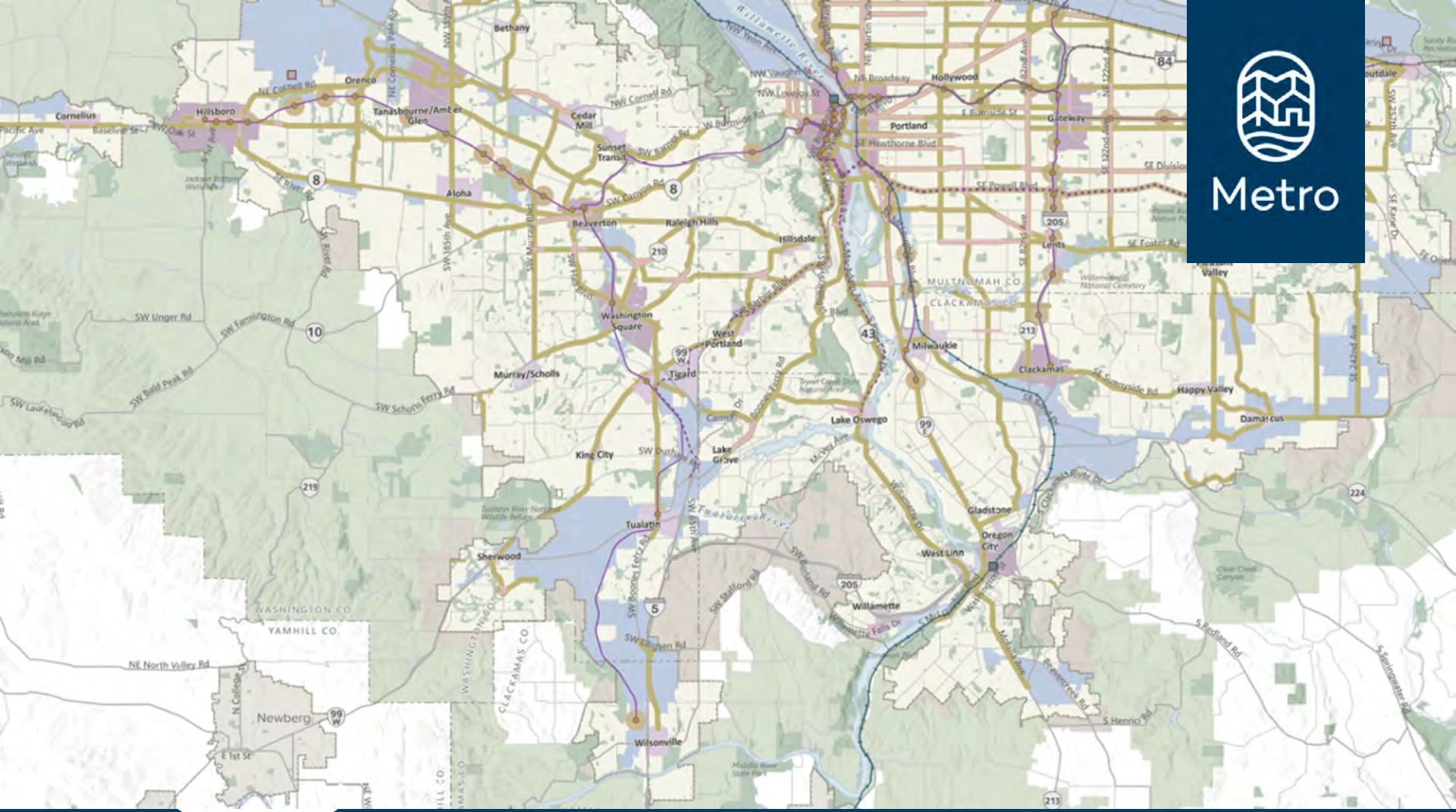
(a) The 2040 Growth Concept Map's depiction of Centers, Corridors, Station Communities and Main Streets Map is incorporated in this title as the "Title 6 Centers, Corridors, Station Communities and Main Streets Map," ~~and is Metro's official depiction of their~~ which depicts the boundaries of those areas. ~~The map shows the boundaries established pursuant to this title.~~

(b) A city or county may revise the boundary of a Center, Corridor, Station Community or Main Street so long as the boundary is consistent with the general location on the 2040 Growth Concept Map in the RFP and the revision is made consistent with all other requirements of this title. The city or county shall provide notice of its proposed revision as prescribed in ~~subsection~~ Subsection ~~(b) of section~~ 3.07.620(b).

(c) The COO shall revise the Title 6 Centers, Corridors, Station Communities and Main Streets Map, as well as the 2040 Growth Concept Map and any other relevant maps, by order to conform ~~the~~ such maps to establishment or revision of a boundary under this title. [Ord. 02-969B, Sec. 7; Ord. 10-1244B, Sec. 5; Ord. 11-1264B, Sec. 1.]

Title 6 Centers, Corridors, Station Communities and Main Streets Map as of April 1, 2021 [COO Order 12-073. Ord. 14-1336. COO Order 21-001.]

DISCUSSION DRAFT



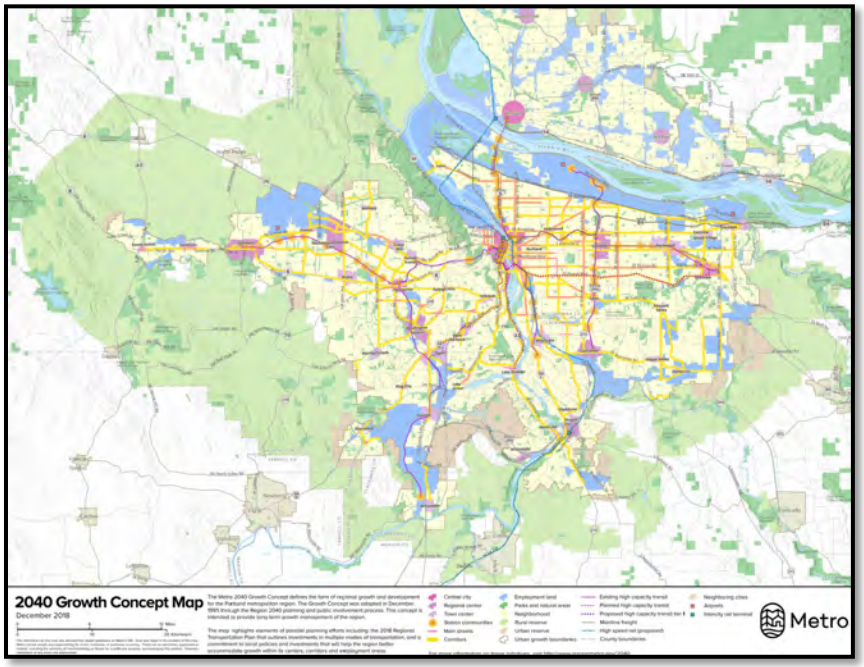
MTAC: CFEC and 2040 Centers

December 20, 2023

008678

2040 Growth Concept

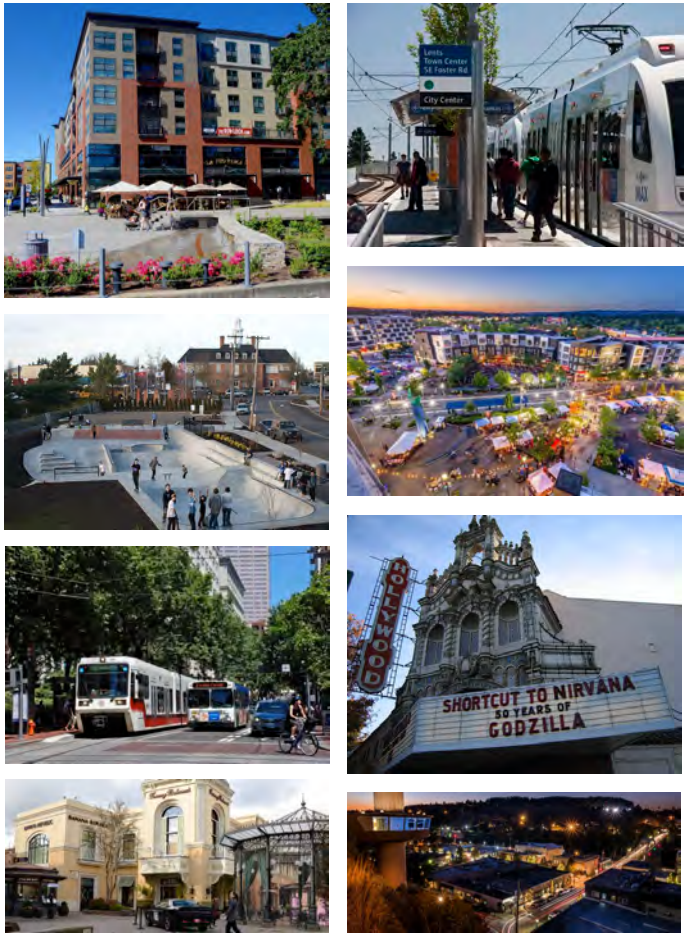
- Long-range vision of regional urban form
- Growth Concept Map depicts that form
- Now part of the RFP
- Advanced by UGMFP

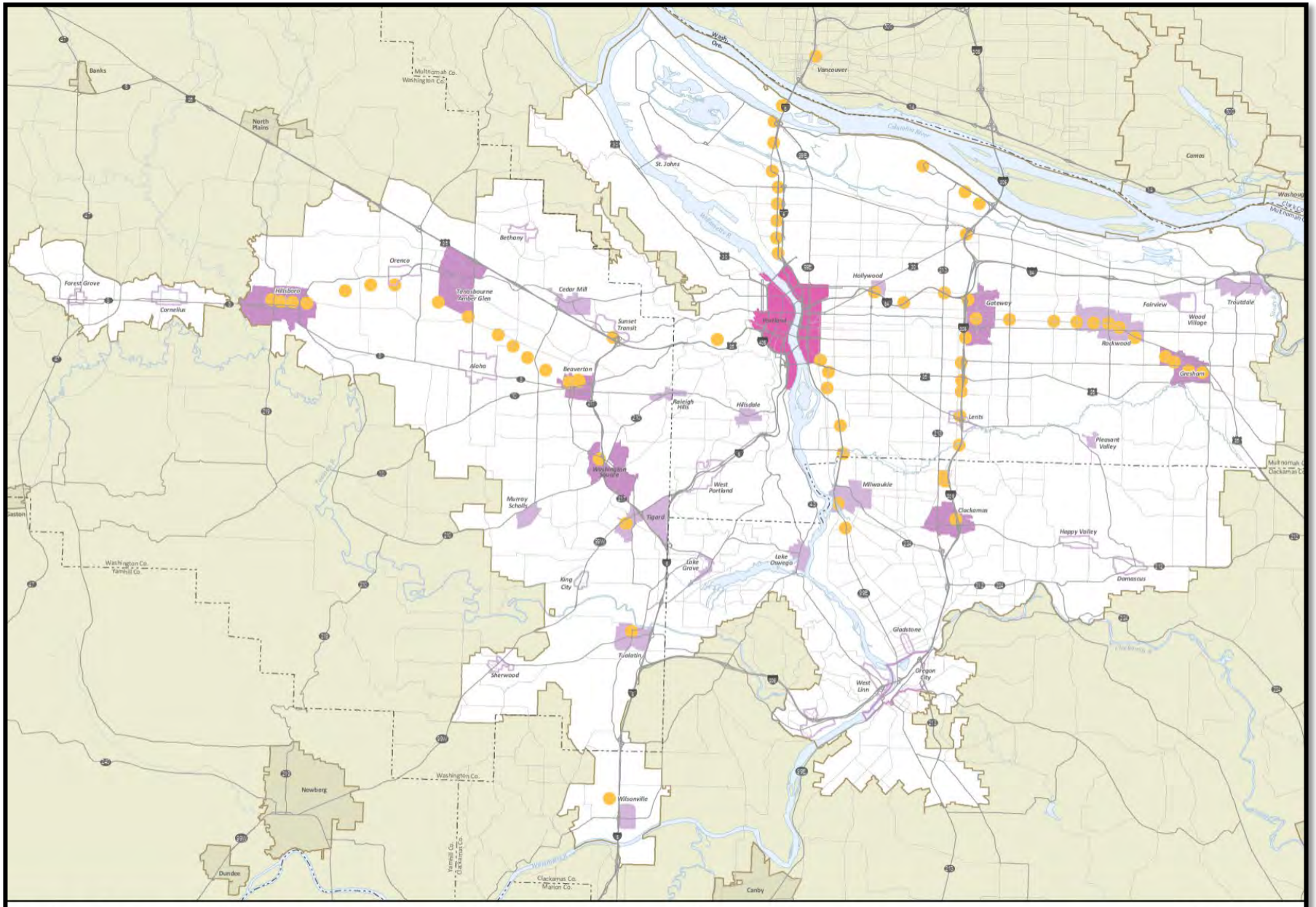


2040 Growth Concept

Three types of centers:

- Central City
- Regional Centers (8)
- Town Centers (32)





Title 6, Centers, Corridors, Station Communities and Main Streets, Adopted Boundaries

October 2014

0 1 2 4 miles

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

Metro

Making a great place

Changes under CFEC

Currently:

- Incentive approach to centers
- Center boundaries not generally required

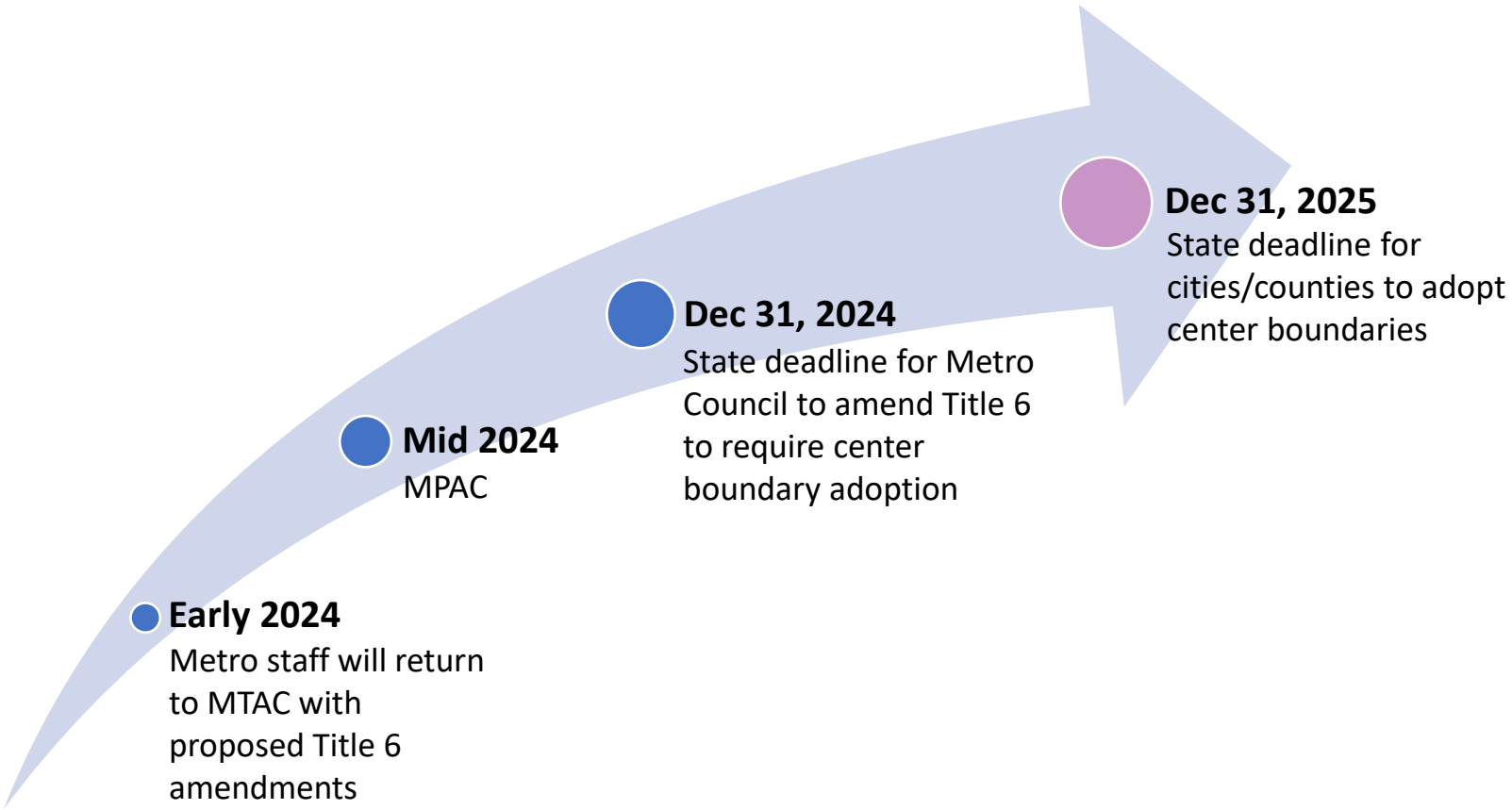
On the horizon:

- UGMFP requirement for boundaries of **urban-planned** centers
- General location in Growth Concept Map
- Boundaries adopted locally by end of 2025

UGMFP Amendments

- Will address CFEC requirements
- Boundaries for Central City, as well as Regional and Town Centers
- **One jurisdiction per center** is sufficient
- Timeframe for reporting to Metro
- Minor, non-substantive “clean up” amendments

Process Ahead



Questions, comments, or suggestions?



600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes

December 13, 2023

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon (Chair)	City of Gresham, Second Largest City in Multnomah County
Gordon Hovies	Special Districts in Washington County
Sherry French	Special Districts in Clackamas County
Nadia Hasan	City of Beaverton, Second Largest City in Washington County
Mark Shull	Clackamas County
Tim Rosener	Other Cities in Washington County
Pam Treece	Washington County
Mary Nolan	Metro Council
Randy Lauer	City of Troutdale, Other Cities in Multnomah County
Glen Yung	Clark County
Terri Preeg Riggsby	Special Districts in Multnomah County
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Duncan Hwang	Metro Council
Kirstin Greene	Oregon Department of Land Conservation and Development
Denyse McGriff	City of Oregon City, Second Largest City in Clackamas County

MEMBERS EXCUSED	AFFILIATION
Ted Wheeler	City of Portland
Gerritt Rosenthal	Metro Council
Ed Gronke	Citizen of Clackamas County
Omar Qutub	Citizen of Multnomah County
Thomas Kim	TriMet
Sharon Meieran	Multnomah County
Brian Hodson	City of Canby, City in Clackamas County outside UGB
James Fage	City of North Plains, City in Washington County outside UGB
Susan Greenberg	Beaverton School Board, Governing Body of a School District
Kim Harless	City of Vancouver
Steve Callaway	Largest City in Washington County
Luis Nava	Citizen of Washington County
Carmen Rubio	City of Portland
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Alex Howard	Port of Portland

ALTERNATES PRESENT	AFFILIATION
Anthony Martin	Largest City in Washington County
Rebecca Stavenjord	Other Cities in Clackamas County
Laura Kelly	Oregon Department of Land Conservation and Development

OTHERS PRESENT: Dan Rutzick, Eric Rutledge, Marc, Laurie Petrie, Jessica Pelz, Medha, Anna Slatinsky, Erika Palmer, Jaimie Lorenzini, Stephen Roberts, Adam Barber, Bruce Coleman

STAFF: Connor Ayers, Jemeshia Taylor, Roger Alfred, Laura Combs, Andy Shaw, Eryn Kehe, Ted Reid, Jaye Cromwell, Malu Wilkinson,

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Vice Chair Pam Treece called the Zoom meeting to order at 5:00 PM.

Metro staff Connor Ayers (he/they) called the role.

MPAC Chair Vince Jones-Dixon asked if they had reached quorum.

Ayers and Metro staff Roger Alfred noted that they were not at quorum yet.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

Chair Jones-Dixon read aloud the instructions for providing public testimony.

No members of the public provided testimony.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

3. COUNCIL UPDATES

Metro Councilor Mary Nolan mentioned that the Metro Council approved the Regional Transportation Plan without the amendment regarding tolling. They also mentioned that in 2024, the Council will be deliberating on the Urban Growth Boundary and on their annual budget. Councilor Nolan noted that the city of Sherwood is the only city to submit a letter of interest for an expansion.

Metro Councilor Duncan Hwang thanked Chair Jones-Dixon for his service on MPAC.

Washington County Commissioner Pam Treece thanked Chair Jones-Dixon for his work. She mentioned that he will be second vice chair for the interim.

Chair Jones-Dixon thanked Metro Staff for their work.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

4. COMMITTEE MEMBER COMMUNICATIONS

No members of the committee provided an update.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

5. CONSENT AGENDA

5.1 Consideration of the October 25, 2023 MPAC Minutes

5.2 Consideration of the November 8, 2023 MPAC Minutes

Chair Jones-Dixon stated that they had reached quorum.

Chair Jones-Dixon called for a motion to approve the consent agenda.

MOTION: City of Sherwood Mayor Tim Rosener moved to approve the consent agenda. City of Beaverton Councilor Nadia Hasan seconded.

ACTION: With all in favor, the consent agenda was approved.

6. INFORMATION/ DISCUSSION ITEMS

6.1 Update on Buildable Land Inventory

Chair Jones-Dixon introduced Metro staff Eryn Kehe and Ted Reid to present.

Kehe discussed the timeline for the 2024 Urban Growth Management (UGM) decision and capacity in the Urban Growth Report (UGR). Kehe mentioned the basic equation to determine the need for more land and land capacity for housing and jobs. Reid explained the buildable land inventory process, the local city and county review and the next steps.

Mayor Rosener asked what kind of outputs that staff expect to get for jobs or land. He commented that there is demand for large parcels of land. Mayor Rosener also asked about the quality of data and if they are getting information back from the jurisdictions.

Reid explained that they use their employment forecast to determine demand for acres for certain types of employment sectors. He noted that for industrial employment, they tend to need larger sites.

Reid noted that they received feedback from 16 of the 27 jurisdictions, which represents 90 percent of the land area. He mentioned that they received comments and edits on around 5,0000 of the tax lots in inventory.

City of Hillsboro Councilor Anthony Martin asked how much acreage the edited tax lots in the inventory was. He commented that 1 percent of parcels could be thousands or hundreds of acres depending on the scale.

Reid noted that there were edits on 200 acres to the inventory. He explained that those acres were recategorized, but they represent a very small percentage of the total acreage in the UGB.

Councilor Martin asked if Metro had accepted all the edits from the jurisdictions. He also asked Metro Staff how they are considering the Governor's desired targets to add 36,000 housing units and income levels into their analysis.

Reid confirmed that Metro did accept all the edits.

Kehe explained that they are focusing on capacity now, but needs are a part of the demands portion of the analysis. She noted that demand is based on undersupply and future growth.

Reid explained that staff are working on a household growth forecast with ECO Northwest that includes household size, income, and other demographic information. He mentioned that this forecast to estimate demand for housing of different types and at different price points.

Kehe referenced the UGM decision timeline, and mentioned when the regional forecast and housing needs forecast will be.

City of Happy Valley Councilor Brett Sherman noted the pro forma model for land development financial feasibility. He asked how detailed the financial feasibility overlay is. He mentioned that Happy Valley is not looking to annex the 4,100 acres east of Damascus within twenty years.

Kehe mentioned that they want to have a realistic estimate of what is buildable within the next 20 years. She thanked Councilor Sherman for clarifying Happy Valley's intention. She noted that they are using the model to get a probability on a general set of properties, not on each individual property.

Clark County Councilor Glen Yung mentioned that City of Vancouver, Clark County, WA and Metro are using ECO Northwest.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

6.2 Draft Sherwood West Concept Plan

Chair Jones-Dixon introduced City of Sherwood staff Erika Palmer and Eric Ruttledge to present.

Mayor Rosener mentioned that there was a previous plan, but the plan being presented is their re-look.

Ruttledge mentioned the Sherwood West Concept Plan's role, where the area is and the reasoning for a re-look of the plan. Palmer discussed the community engagement and shared the vision and goals of the plan. Palmer explained the existing conditions of Sherwood West and several land use alternatives. Ruttledge discussed the residential land uses of the approved concept plan.

Councilor Nolan asked about density in residential lands and density of jobs in industrial and commercial land. They also asked if Sherwood is considering minimum density on zoning.

Ruttledge referred to the housing estimates slide of the presentation. Ruttledge mentioned that there is not a minimum density in the plan, but the possibility of not permitting single family housing within middle housing and cottage cluster zones. Ruttledge noted that they need to go through the full

planning process.

City of Troutdale Mayor Randy Lauer asked if they hoped that cottage clusters would be more for homeownership opportunities or more for rental opportunities.

Ruttledge noted that there would be middle housing only and cottage cluster housing only zones. Ruttledge explained that this was because of House Bill 2001 and development in Sherwood mostly single-family residential housing. Ruttledge mentioned that they provide homeownership and rental opportunities in smaller units.

City of Oregon City Mayor Denyse McGriff asked how the Sherwood High School was built before Sherwood West.

Ruttledge explained that the school district did a UGB expansion application that would have been approved by Metro.

Mayor Rosener added that the school system was looking for space for the high school and the only opportunity was to use land in the urban reserves.

Mayor McGriff asked if there were two high schools in Sherwood.

Mayor Rosener stated that there is one large high school, and the old high school is currently being used as a middle school.

For the Housing Estimates slide, Mayor Rosener commented that they went through the concept plan process after HB 2001 and so they could not exactly predict the kind of density in each zone.

Ruttledge continued to explain the residential and employment land uses of the approved concept plan. Ruttledge discussed the transportation network, the parks and trails network and the implementation process of the concept plan.

In the chat, Mayor McGriff asked if they must get signoff from the local government first.

Councilor Sherman asked how Chicken Creek got its name. He also asked if the trails that reference were exist or are a part of the plan.

Ruttledge noted that he did not know how Chicken Creek got its name.

Ruttledge explained that those trails are planned and that they will need development and capital to build the whole trail system.

Councilor Sherman asked about the cost of their bridge concept and how the plan to make it happen.

Mayor Rosener stated that the $21 million contract for the bridge with the builder was approved last night. He explained that the funding was coming from the state lottery, URA and other sources.

Councilor Martin asked what the cottage housing zoning concept was based on.

Palmer noted that people in Sherwood supportive of cottage cluster housing and the zoning was created so that the housing type will be developed over time. Palmer mentioned the River Terrace 2.0 in the City of Tigard as an example of cottage cluster housing.

Ruttledge mentioned the Salish Pond Cottages in the City of Fairview as an example of cottage cluster housing.

Mayor Rosener mentioned that cottage cluster housing is great for people aging in place and starter homes.

Councilor Martin mentioned interest in knowing the cost of crossing the creek in the future.

Commissioner Treece supported the idea of having employment and hospitality zones.

Metro Staff Malu Wilkinson answered Mayor McGriff's question by explaining that the amendment process asks for a statement from the local jurisdiction. She mentioned that it is not uncommon for school districts to be ahead of the development process, like how Sherwood High School was built before other development.

Mayor Rosener noted that there was a lot of partnership with the school district on the high school, including on issues with design and transportation.

Palmer mentioned that there are two additional schools in the plan that they coordinated with the Sherwood school district on.

Tualatin Valley Fire & Rescue Vice President Gordon Hovies mentioned that in the past, the school district was opposed to the Sherwood West plan moving forward. He also mentioned that the presentation was excellent.

Mayor Rosener noted that six years ago the school system asked to pause the plan. He explained that at that time, the school system was concerned that they would not have enough bonding capacity to build new schools. Mayor Rosener mentioned that the school system now supports moving forward with the plan.

7. ADJOURN

Chair Jones-Dixon adjourned the meeting at 6:32 pm.

Respectfully Submitted,

Jemeshia Taylor

Jemeshia Taylor
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF DECEMBER 13, 2023

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
6.1	Presentation	12/13/2023	Buildable Land Inventory Update Presentation	121323m-01
6.2	Presentation	12/13/2023	Sherwood West Concept Plan Presentation	121323m-02

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, December 13, 2023 **5:00 PM** **https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00 PM)

Please note: This meeting will be held online. You can join the meeting on your computer or other device by using this link: https://zoom.us/j/95889916633 or by calling +1 669 900 6128 or +1 877 853 5257 (Toll Free)

If you wish to attend the meeting, but do not have the ability to attend by phone or computer, please contact the Legislative Coordinator at least 24 hours before the noticed meeting time by phone at 503-813-7591 or email at legislativecoordinator@oregonmetro.gov.

2. Public Communication on Agenda Items (5:05 PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.

Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov.

Those requesting to comment during the meeting can do so by using the “Raise Hand” feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:10 PM)

4. Committee Member Communication (5:15 PM)

5. Consent Agenda (5:20 PM)

5.1 Consideration of the October 25, 2023 MPAC Minutes — COM 23-5986

Attachments: 102523 MPAC Minutes

5.2 Consideration of the November 8, 2023 MPAC Minutes — COM 23-5987

Attachments: 110823 MPAC Minutes

6. Information/Discussion Items (5:25 PM)

6.1 Update on Buildable Land Inventory (5:25 PM) — COM 23-0751

Presenter(s): Eryn Kehe, Metro
Ted Reid, Metro

Attachments: MPAC Worksheet
MPAC Buildable Lands Update Memo

6.2 Draft Sherwood West Concept Plan (5:45 PM) — COM 23-0753

Presenter(s): Erika Palmer, City of Sherwood

Attachments: Sherwood West Concept Plan
MPAC Presentation

7. Adjourn (7:00 PM)

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
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January 2021

6.1 Update on Buildable Land Inventory

Information/ Discussion Items

Metro Policy Advisory Committee
Wednesday, December 13th, 2023

MPAC Worksheet

Agenda Item Title: 2024 urban growth management decision: update on process for estimating regional growth capacity

Presenters: Ted Reid, Principal Regional Planner

Contact for this worksheet/presentation: Ted Reid

Purpose/Objective
The purpose of this item is to continue MPAC's engagement in growth management topics so that it is prepared to advise the Metro Council on its regional growth management decision in late 2024.

Under state law, Metro must assess – at least every six years – whether there is a regional need to expand the urban growth boundary (UGB). UGB expansions are only allowed if there is a demonstrated regional need for more UGB capacity to accommodate anticipated household or job growth (demand), which Metro assesses using a peer-reviewed forecast.

A core question that Metro must answer is how much growth capacity currently exists in the UGB. When determining growth capacity, state law instructs Metro to consider vacant lands as well as developed lands that may provide space for redevelopment or infill. Past analyses show that most of our region's housing and job growth occurs through redevelopment and infill of land inside the UGB. These analyses and others will be incorporated into a draft 2024 Urban Growth Report (UGR) that will be released in the summer of 2024.

At the October 25 MPAC meeting, staff described the methods that they are using to estimate regional growth capacity, including methods for accounting for environmental constraints and market factors. For this analysis, staff has engaged consultant expertise to develop a better understanding of the likelihood of development, redevelopment and infill on lands already inside the UGB. Staff also described technical review opportunities for these methods and results.

Outcome
MPAC members are aware of the technical review processes that inform Metro's 2024 UGR.

What has changed since MPAC last considered this issue/item?
Staff will provide a brief update on city and county review of the preliminary buildable land inventory and a summary of next steps.

What packet material do you plan to include?
None. PowerPoint available at the meeting.

Memo

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Date: December 5, 2023
To: Metro Policy Advisory Committee
From: Ted Reid, Principal Regional Planner
Subject: 2024 urban growth management decision: update on urban growth boundary capacity estimates

Context
The Metro Council will make its next cyclical urban growth management decision in December 2024. To support Council decision making, staff is conducting an analysis of whether there is enough room in the urban growth boundary (UGB) to accommodate expected household and job growth. Results of this analysis will be included in a draft 2024 Urban Growth Report that will be released in the summer of 2024.

A core aspect of this analysis is estimating how much capacity for additional homes and jobs there is in the current UGB. As previously described at MPAC meetings, this UGB capacity assessment has two main steps:

1. Inventory lands within the UGB, categorizing them as vacant or developed and accounting for environmental constraints.
2. Estimate how many homes or jobs of different types could locate on those lands over the next 20 years (this is done using a *pro forma* model that estimates the likelihood of development on lands inside the UGB).

The methods that staff is using for this analysis have been reviewed and discussed at MTAC, MPAC, and Metro's ad-hoc Land Use Technical Advisory Group. Using those methods, Metro has completed step one above (inventorying land) and has made this inventory available to all cities and counties for review and edits based on local knowledge. That review period has concluded, and staff wishes to summarize some high-level observations of the preliminary inventory.

Staff has recently provided this inventory to our consultant team, which will undertake step two (estimating a range of capacity on those lands using a *pro forma* model). Staff anticipates providing cities and counties with an opportunity to review those capacity estimates in February of 2024.

General observations from local jurisdiction review of the regional land inventory
Using methods discussed by the Land Use Technical Advisory Group, Metro inventoried 490,000 lots (of land) in the UGB. These tax lots were categorized as vacant or developed land and environmental constraints such as steep slopes or floodways were accounted for.

Metro made the inventory available to all 27 Metro area cities or counties for review and received edits and comments back from 16 jurisdictions. Those 16 jurisdictions represent a

large portion of the land in the inventory (92% of the tax lots and 89% of the acres in the inventory).

From those 16 jurisdictions, Metro received specific comments or edits on 5,200 of the 490,000 tax lots in the UGB. This means that, having reviewed almost all of inventory, jurisdictions had edits or comments on just one percent of the tax lots in the inventory. Metro staff believe that this indicates a high level of agreement on the land inventory methods and results.

Changes to the vacant land inventory because of local review

Metro accepted all edits provided by local jurisdictions, which resulted in minimal changes to the vacant land inventory. Based on jurisdictional review, about 200 acres of land were removed from the vacant land inventory. For perspective, the total geographic area[1] of the UGB is about 260,000 acres.

Local jurisdiction edits to the inventory primarily reflect development of vacant land that has happened since aerial photos were taken in August 2022. A small amount of the 200 hundred acres is attributable to local jurisdictions identifying additional environmental constraints that weren't already noted in the inventory.

Capacity in new urban areas

To translate acres of land into capacity for housing, we must also know what is allowable under adopted zoning codes. Some past UGB expansion areas do not yet have urban level zoning, so we rely on local jurisdiction guidance – typically based on adopted concept plans – for how much housing capacity to count. Local jurisdiction review indicates that we should count 15,000 housing units of capacity in these to-be-zoned new urban areas.

Former City of Damascus land

A large area was added to the UGB in 2002 and temporarily incorporated as the City of Damascus. Since the disincorporation of Damascus, the City of Happy Valley has annexed western portions of the area, but eastern portions remain without a concept plan or urban zoning. The City of Happy Valley has provided input on areas that they may serve at a future date. Those areas do not include areas east of 172nd that are over 470 feet[2].

There are approximately 4,100 buildable acres in the eastern portion of the former City of Damascus that Happy Valley does not intend to annex. As with past Urban Growth Reports, Metro staff expects to note in the 2024 Urban Growth Report that these buildable lands do not appear likely to urbanize over the next 20 years because of a lack of city governance, a concept plan, and urban infrastructure.

[1] This is the total area, including all land and water bodies.

[2] Sunrise Water Authority has indicated that they do not intend to serve higher elevation areas because of the cost of pumping water.

6.2 Draft Sherwood West Concept Plan

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, December 13th, 2023

City of Sherwood Oregon

Home of the Tualatin River National Wildlife Refuge

RESOLUTION 2023-060

ACCEPTING THE SHERWOOD WEST CONCEPT PLAN AS A FOUNDATIONAL TOOL TO BASE FUTURE URBAN GROWTH BOUNDARY EXPANSION DISCUSSIONS THROUGH THE PLAN'S VISION & IMPLEMENTATION

WHEREAS, the completion and acceptance of the Sherwood West Re-Look Project was a City Council Goal for FY 2022-2023; and

WHEREAS, the City is required to prepare a concept plan for an urban reserve area prior to a request to expand the Urban Growth Boundary can be made to Metro; and

WHEREAS, the City received a Community Development and Planning Grant from Metro to fund the Sherwood West Re-look Project, and the City awarded a planning consultant contract to Angelo Planning Group, now known as MIG/APG, to assist in the planning process to update the 2016 Sherwood West Preliminary Concept Plan accepted by Council by Resolution 2016-009; and

WHEREAS, the community has had extensive input into the Plan, shaping many elements; and

WHEREAS, the development of the Plan was guided by a Public Involvement Plan that included both Technical and Community Advisory Committees; and

WHEREAS, two widely advertised open houses (including on-line) were conducted as part of the project; and

WHEREAS, the Sherwood Planning Commission and City Council have held work sessions on the Sherwood West Concept Plan; and

WHEREAS, the Planning Commission conducted a public hearing on the Sherwood West Concept Plan on June 27, 2023, affording all interested parties an opportunity to provide input and, following testimony, deliberated, providing a recommendation to City Council to accept the Plan; and

WHEREAS, the Sherwood West Concept Plan is attached as Exhibit 1, and the Plan's Appendices is attached as Exhibit 2.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. Based on the staff report to the City Council dated July 11, 2023, the Planning Commission's recommendations to accept the plan, and subsequent public testimony

provided at the Council hearing on July 18, 2023, The City Council hereby accepts the Sherwood West Concept Plan as a foundational tool on which to base future planning decisions for future UGB expansion discussions through the Plan's vision and implementation.

Section 2. This Resolution shall take effect immediately upon its passage by the Council and signature by the Mayor.

Duly passed by the City Council this 18th day of July 2023.

Keith Mays, Council President

Attest:

Sylvia Murphy, MMC, City Recorder

SHERWOOD WEST CONCEPT PLAN



DRAFT JULY 2023

City of Sherwood Oregon

ACKNOWLEDGEMENTS

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Brian Dorsey, Police Advisory Board
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EXECUTIVE SUMMARY

Overview

The Sherwood West Concept Plan is a long-range planning document intended to guide Sherwood community members, decision makers, and staff as they make plans and decisions about future growth in Sherwood West. Sherwood West is a large Urban Reserve area located just to the west of Sherwood city limits, which the City of Sherwood has identified as an area for future growth. Future development in Sherwood West will require expansion of the Metro urban growth boundary (UGB).

This Concept Plan is an update to the Sherwood West Preliminary Concept Plan accepted by Sherwood Council on February 16, 2016 (Resolution 2016-009). Since that time, the city and surrounding areas have seen significant changes including:

- Shifting of City Council priorities focusing on employment and job growth to diversify the city's tax base,
- Construction of a new high school within the Sherwood West study area,
- Adoption of the Sherwood 2040 Comprehensive Plan, and
- Recent changes to statewide and local housing regulations to plan for "missing middle housing" in residential areas.

This updated plan better reflects these changing conditions, while carrying forward ideas from the Preliminary Plan that are still valid and supported by the Sherwood community.

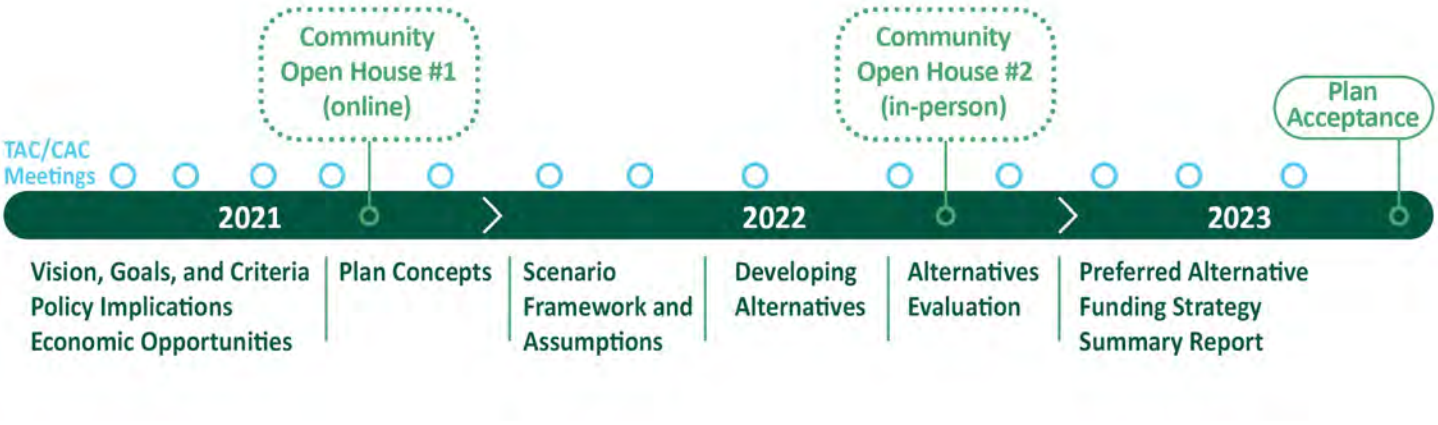
The Concept Plan provides a general framework for locating various land uses, transportation networks, open spaces, and public services. Once the area is brought into the UGB, the City will conduct additional analysis and undertake a comprehensive planning effort to refine the general concepts that are laid out in the Concept Plan – a necessary next step prior to land being eligible for future annexation and development.

EXECUTIVE SUMMARY

Planning and Engagement Process

The Sherwood West Concept Plan was developed between spring 2021 and spring 2023 through a collaborative planning process that engaged a multitude of Sherwood residents, business and property owners, local organizations, technical advisors, City staff, and consultants. The project timeline is depicted below.

Project Timeline



The City convened two stakeholder groups to help guide the project—the Community Advisory Committee (CAC) and the Technical Advisory Committee (TAC)—which represented a broad range of interests. Together, these committees represented a broad range of interests and expertise that helped shape the direction and result of this process.

In addition, the City provided a wide range of engagement opportunities, including community open houses, online surveys, targeted outreach to high school students, meetings with neighborhood associations, stakeholder interviews, a project webpage, and periodic emails to interested parties.

Every step of the way, Sherwood community members provided meaningful guidance and feedback. This guidance has been essential to the Sherwood West planning process and the design of the Concept Plan is a reflection of this work.

Project Goals

The project vision, goals, and evaluation criteria were developed early in the planning process to guide Concept Plan development. The following six goals helped to develop and evaluate the concepts, alternatives and recommendations:

1. The area is designed as a natural extension of Sherwood and is integrated into the existing pattern of growth in order to preserve the community's heritage and small-town feel.
2. The area attracts a variety of businesses and employment opportunities, which help satisfy the City's need for an expanded tax base.
3. Transportation facilities serve to connect, rather than divide, neighborhoods.

EXECUTIVE SUMMARY

4. Residents have access to a variety of parks and natural areas, anchored by the Chicken Creek Greenway.
5. The area is served by a robust network of active transportation options that are integrated into Sherwood's existing network.
6. Growth and development are well-planned and implementation of the area is pragmatic.

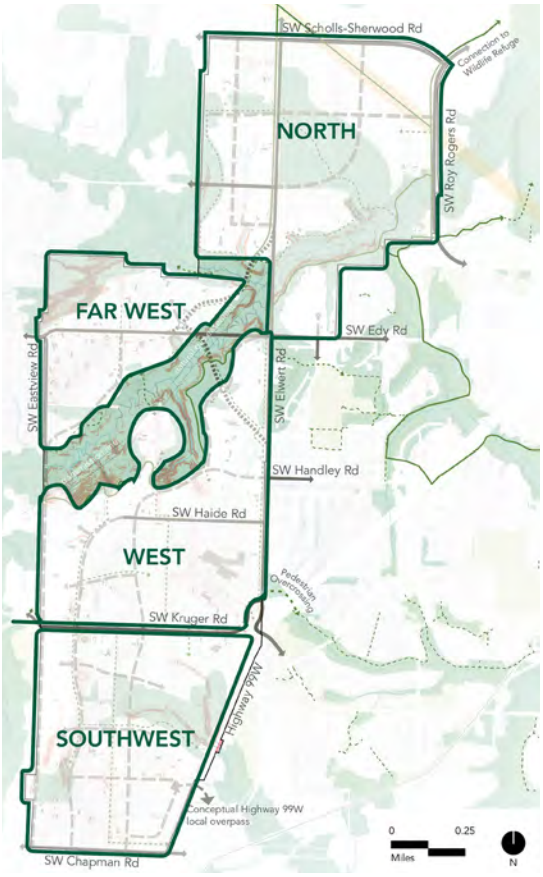
Concept Plan

Land Use

The Concept Plan identifies conceptual locations for future residential, commercial, employment, and open space areas.

- Land Use Themes – Key land use themes are associated with four distinct subdistricts:
  - **North District** – Mixed Employment is the main focus of this area due to its flat topography and transportation access. The plan also locates a cluster of housing near SW Elwert Road and a community park near West Fork Chicken Creek.
  - **Far West District** – The plan designates this area for mostly low-density housing, due to existing rural homes and sloping terrain.
  - **West District** – This area surrounds the new Sherwood High School and has relatively good access to existing infrastructure. The plan includes a mix of medium and higher-density housing types near the high school and some mixed use land along Kruger Road. The plan also locates a community park nestled into the Chicken Creek Greenway.
  - **Southwest District** – The plan focuses mixed use development at the Kruger-Highway 99W intersection, with higher-density housing along Kruger Road. The southern end of the district is focused on being the "Gateway to Wine Country." Sherwood has an opportunity to capitalize on visitors entering or leaving wine country on Highway 99W. Uses in this area can focus on the growing wine and specialty agriculture tourism industry and provide lodging, tasting rooms, restaurants, and small retail shops.

Study Area and Subdistricts



- **Housing** – Planning for a variety of housing options that will meet the needs of a wide range of Sherwood West residents was a key objective of the concept planning process. Providing housing opportunities for first-time home buyers, seniors who may prefer to age in place or downsize their housing, and moderate-income households will require a wider range of housing types than has typically been provided in Sherwood.

  Housing types that have designated places in Sherwood West include single detached homes on smaller lots; cottage clusters; townhomes; duplexes, triplexes, and fourplexes; garden apartments; and mid-rise apartments. These types will be in addition to the standard single detached housing that has typified Sherwood's development so far.

- **Employment** – Sherwood wants and needs more jobs. Expanding existing businesses and attracting new employment to Sherwood—particularly the right kind of jobs in the right places—will provide opportunities for industrial and commercial development with higher wage jobs, help diversify and balance the City's tax base, and build a self-sustaining and vibrant local economy.

  A key theme of the Sherwood West Concept Plan is to designate land for Mixed Employment, which includes a mix of office, light industrial, and flex space uses in the same development or area of the city. The plan identifies potential areas for future Mixed Employment development, intended to accommodate the type of job growth desired for Sherwood West.

- **Schools and Civic Facilities** – Sherwood will eventually need new schools and other civic facilities, such as fire stations, library, and other public services to accommodate future households in Sherwood West. The Concept Plan anticipates an eventual need for two schools in the area—one middle school and one elementary school. Potential land needs have been factored into the plan for these facilities but, because they will not be needed until later stages of growth in the area, specific locations are not identified.

Transportation

As the City of Sherwood grows, a well-designed and connected network of streets, paths, and trails in Sherwood West should focus on safety, knitting the existing and new growth together, creating livable and walkable neighborhoods, and mitigating impacts of regional through-traffic.

Key elements of the transportation plan for Sherwood West focus on north-south connectivity through the area and providing for active (non-vehicular) transportation.

- **SW Elwert Road** – This key north-south arterial street is an important opportunity for providing access and defining urban design in Sherwood West. Design concepts for the roadway are aimed at making Elwert a livable and positive addition to the growth of Sherwood West and the adjacent neighborhoods on its east side. The concept is to create a safe, connected, and attractive boulevard inspired by SW Sunset Boulevard, that includes: buffered sidewalks, safe crossings, bike lanes, a planted median with canopy trees, and path connections to key sites and destinations.

EXECUTIVE SUMMARY

- **Potential Elwert-Edy Realignment** – The Concept Plan explores two options for future upgrades to SW Elwert Road and SW Edy Road: realigning the roads to reduce impacts to natural resources or maintaining the current intersection location. In either case, Elwert Road will need to be upgraded to current standards when development occurs in Sherwood West. The CAC and project team recommend the realignment option, although further analysis will be necessary before the decision about Elwert Road's alignment is finalized.
- **Active Transportation and Trails** – Trails, cycling routes, transit, "micromobility," and other ways of getting around without a car are designed into Sherwood West. These active transportation options will connect between local parks, green spaces, schools, neighborhoods, and employment areas to encourage walking, rolling, and biking. The Concept Plan trail framework identifies potential future trail connections between new growth in Sherwood West and existing areas of Sherwood; future safe routes to school; and opportunities to ensure future transit can be as successful as possible.

Green Space Network

The Concept Plan for parks and open space take advantage of the natural landscape in Sherwood West to enhance access to nature and outdoor recreation. Sherwood West's green space network will include creek corridors and their habitat areas, trails and greenways, tree and tree canopy protected by Sherwood's code, stormwater facilities, neighborhood parks, community parks, and school fields.

- **Chicken Creek Greenway** – The concept for a future Chicken Creek Greenway is an opportunity to preserve and enhance natural stream corridors, provide wildlife crossings, incorporate stormwater management practices, and provide access to nature through a network of connected walking trails.

Chicken Creek Natural Area



- **Neighborhood and Community Parks** – Park spaces are integrated into Sherwood West's overall trail and open space network. The Concept Plan identifies two possible locations for future community parks, which provide opportunities for active recreation and organized play where they can best accommodate anticipated increased demand. The plan also identifies conceptual locations for smaller, neighborhood parks to serve nearby residents.
- **Natural Resources** – Natural resource areas in Sherwood West will be preserved and integrated into the open space network. In addition to the Chicken Creek Greenway, regulations at the regional, state, and federal level will require protection of wetlands, habitat areas, and other natural resources as part of future development.

EXECUTIVE SUMMARY

Utilities

In addition to transportation infrastructure, future development in Sherwood West will require provision of water, sanitary sewer, and stormwater utilities. Below is a summary of opportunities and potential phasing of future utility extension.

- **Water** – The area's West and Southwest districts can be served with water infrastructure in the near future. Water infrastructure will need to be extended east to west to serve the hillsides. The Far West district can be served after water infrastructure improvements, such as an additional pump station, are constructed. The North district will need further study and significant water infrastructure improvements to be served.
- **Sewer** – The West and Southwest districts also can be served with sanitary sewer infrastructure in the near future, through connection to existing and planned sewer lines. Sanitary sewer infrastructure would need to be extended into the hillside area of the West and Southwest districts and Far West district as those areas develop. The North district needs further study on how to serve the area and if any significant infrastructure is necessary to serve sanitary sewers in this area.
- **Stormwater** – All areas within Sherwood West can handle stormwater with required infrastructure improvements as development occurs. The West and Southwest districts in Sherwood West may be the easiest to serve.

Implementation

The Concept Plan will need to be formally accepted by the Sherwood City Council. City Council adoption will enable the Concept Plan to serve as a resource for future discussion about expanding the UGB and more detailed planning for growth and development in Sherwood West. There are a range of identified potential strategies and considerations for implementing the concepts laid out in the plan, including:

- **UGB Expansion Request** – The City of Sherwood will have the ability to request expansion of the UGB to include Sherwood West in 2024.
- **Infrastructure Funding Strategy** – The Preliminary Infrastructure Funding Strategy includes a high-level estimate of infrastructure costs, revenues, and potential tools for funding the development of priority districts in Sherwood West. Next steps involve continued refinement of projects and costs and financial modeling and discussions with developers on potential funding strategies.
- **Future Comprehensive Planning** – A detailed comprehensive planning process will assign land use designations and zoning, identify specific locations for major road connections, protect natural resources, and develop infrastructure plans.

EXECUTIVE SUMMARY

- **Natural Resource Protection** – For resource areas subject Metro Title 13 / Statewide Goal 5, the City will need to further analyze specific resources, make significance determinations; conduct an ESEE analysis; and adopt plans for resource protection through the Comprehensive Plan and Development Code
- **Future Development Code Regulations**
  - *Custom Zoning* – The land use plan recommends two residential designations (Cottage Cluster and Middle Housing) and a Hospitality designation that would be implemented through custom zoning strategies.
  - *Master Planning or "Village Planning"* – Master planning for the entire area, or specifically focused on smaller "villages," can help prepare this future UGB expansion area for annexation and development. A master plan approach would allow for more certainty for coordinating multiple developments into cohesive neighborhoods; ability to coordinate unique plan elements; and coordination of infrastructure phasing and funding.
  - *Future Annexation* – The City could consider requiring or allowing Annexation Agreements (binding contracts between the property owner and City) to ensure that proposed annexations are beneficial to the City and that key elements of the Sherwood West Concept Plan are implemented.
- **Transportation and Infrastructure**
  - *Future Alternatives/Feasibility Studies* – The City will need to conduct several alternatives analyses and feasibility studies to determine the final location, alignment, and design of key transportation improvements.
  - *Public Facility Plans* – Updates to the Sherwood Transportation System Plan and Capital Improvement Plan will be necessary to incorporate street design standards and improvement projects for facilities within Sherwood West. The City's water and sewer master plans should also be updated to incorporate future utility extension in Sherwood West.
  - *Funding Tools* – To establish detailed infrastructure funding plans, more detailed cost estimates, revenue projections, and infrastructure planning is needed.
- **Continued Community Engagement** – The City should continue engaging with property owners and the Sherwood community about Sherwood West. This should include outreach via periodic email updates, the project website, and neighborhood engagement.

Next Steps

There is more work to be done to prepare Sherwood West for future growth and development. The comprehensive planning and zoning process offers an opportunity for the City to reach out to affected property owners and the larger community to refine higher-level concepts. Robust community engagement, in addition to further evaluation of the topics addressed in this plan, will be an essential component of the City's next steps in developing refined plans and future regulations for Sherwood West.

INTRODUCTION



Concept Plan Background and History

Sherwood West is a geographic area located west of the existing Sherwood city limits and adjacent to the Metro Urban Growth Boundary (UGB). Sherwood West is a designated Metro urban reserve (Urban Reserve Area 5b) and, at 1,291 total acres, is a large area for potential future growth.

Urban reserves are designated by Metro in coordination with partner cities and counties and identify land that will be considered for addition to the region's UGB for urbanization over a 50 year period. Given its size, and the location of existing infrastructure, Sherwood West is logically the best direction for the City to consider growth in the future.

Preliminary Concept Plan

Starting in 2015, the City of Sherwood undertook a community process to develop a long-range planning tool that would help guide future community discussions and decisions about the city's long-term growth. The result was the Sherwood West Preliminary Concept Plan, which was accepted by City Council in 2016.

Re-Look Project

Significant changes in Sherwood and the surrounding areas since the adoption of the Preliminary Concept Plan spurred the City to reconsider growth options for Sherwood West and embark on the Sherwood West Concept Plan Re-look project.

Shifting priorities…

- Sherwood City Council has prioritized adding employment land and job growth as a major goal to create a more diversified tax base. Sherwood West is an opportunity to help achieve that goal.
- The City adopted the Sherwood 2040 Comprehensive Plan in 2021, which updated the vision, goals, and policies for the city as a whole.
- The City updated plans for Brookman Road as a refinement of the Brookman Addition Concept Plan, the guiding planning document for the area just southeast of Sherwood West.

Changing conditions…

- The Sherwood School District constructed the new 350,000 square foot Sherwood High School on 73 acres inside the Sherwood West area.
- The city continues to see rapid growth and development. Since 1990, Sherwood has added hundreds of residents every year, with annual growth rates between 3-8%.
- Washington County completed its Urban Reserve Transportation Study (URTS), which provides updated transportation information to help with future planning in urban reserve areas.
- The State enacted new laws related to Climate Friendly and Equitable Communities, housing affordability, and other issues that will affect planning in Sherwood.

Changing housing regulations…

- The State of Oregon adopted House Bill 2001 in 2019, which directs cities to allow for "middle housing" (such as duplexes, townhomes, and cottage clusters) within areas zoned single-family residential. (Refer to Appendix Q, Housing Policy Implications Memo for more information.) The City adopted new Residential Design Standards in 2021 to ensure middle housing and other housing types fit into the City's desired neighborhood character.

While many of the ideas and concepts in the Preliminary Concept Plan continue to be valid and are reflected in this update, the current plan better reflects existing and expected conditions. Specifically, the Sherwood West Concept Plan builds off the earlier accepted plan by addressing new land use and growth patterns, transportation plans, housing regulations, and opportunities for employment and economic growth.

The Role of the Concept Plan

The Concept Plan is a long-range planning tool intended to guide Sherwood community members, decision makers, and staff as they make plans and decisions about future growth in Sherwood West. Specifically, creating and adopting a concept plan is a required step prior to amending the UGB, which is a necessary precursor to development in Sherwood West. There are specific requirements for the types of information that must be included and what issues must be considered in a concept plan in order to inform UGB amendment decisions. Metro and the State ultimately make those decisions.

Concept planning also provides a foundation for the more detailed comprehensive planning work that will follow UGB expansion. The concept plan provides a general framework for locating various land uses, transportation networks, open spaces, and public services. While vitally important as a policy document to provide planning direction, a concept plan is not a regulatory document, and the City must take additional actions to govern future urbanization. Once an area is brought into the UGB, a city will conduct additional analysis and undertake a comprehensive planning effort to assign land use designations and zoning, identify specific locations for major road connections, protect natural resources, and develop infrastructure plans within Sherwood West. For Sherwood, that later process will refine the general concepts that are laid out in this plan – a necessary next step prior to land being eligible for annexation and development.

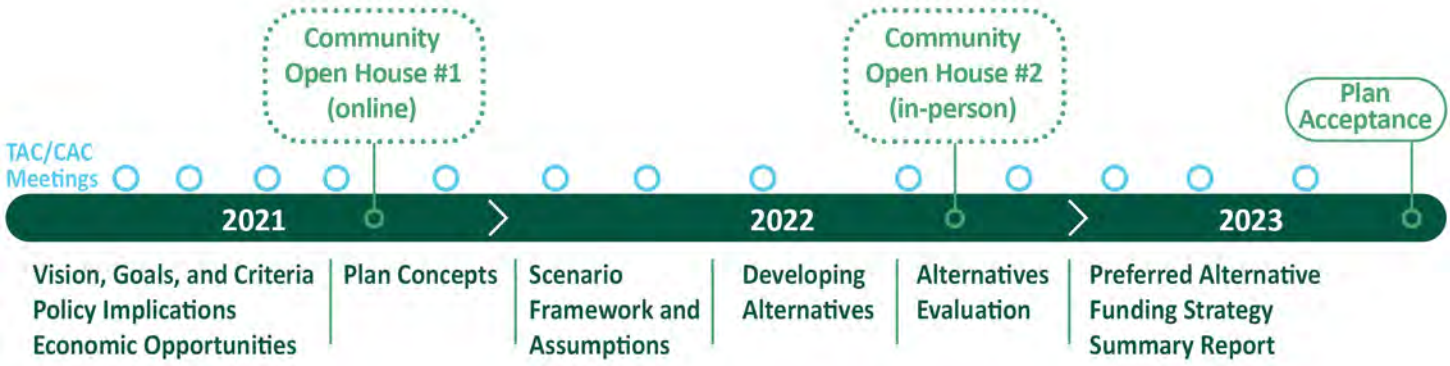
PLANNING & ENGAGEMENT PROCESS



PLANNING & ENGAGEMENT PROCESS

The Sherwood West Concept Plan was developed between spring 2021 and spring 2023 through a collaborative planning process that engaged a multitude of Sherwood residents, business and property owners, local organizations, technical advisors, City staff, and consultants. The diagram below provides an overview of the Concept Plan process.

Figure 1. Concept Plan Process



Community Engagement

Engaging with Sherwood residents and other stakeholders was considered essential for producing a plan that reflects community values with integrity and foresight. To help guide the project, two stakeholder committees were formed to include a broad range of interests: the Community Advisory Committee (CAC) and the Technical Advisory Committee (TAC). Together, these committees worked to help shape the direction and result of this process.

- **The CAC** was made up of 16 community members who live or own property within the city as well as those in the study area, and representatives from the City's Parks Board, Planning Commission, City Council, the Sherwood School District, and Sherwood Chamber of Commerce. They were charged with reviewing materials from the consultant team, providing broad perspectives to ensure the Sherwood West Concept Plan reflects diverse needs, participating in public outreach regarding the plan, and providing recommendations on plan alternatives. They were recruited and selected by the City Council through an open application process. Twenty-three individuals applied to be on the CAC and 16 were selected.
- **The TAC** was comprised of essential public service provider representatives: City Public Works, Engineering, Community Services, Police Department, Clean Water Services, Tualatin River National Wildlife Refuge, Tualatin Valley Fire and Rescue, the Oregon Department of Transportation (ODOT), Metro Oregon Home Builders, City of King City, Washington County Land Use & Transportation, and Metro. TAC members reviewed project deliverables for technical adequacy, policy, and regulatory compliance.

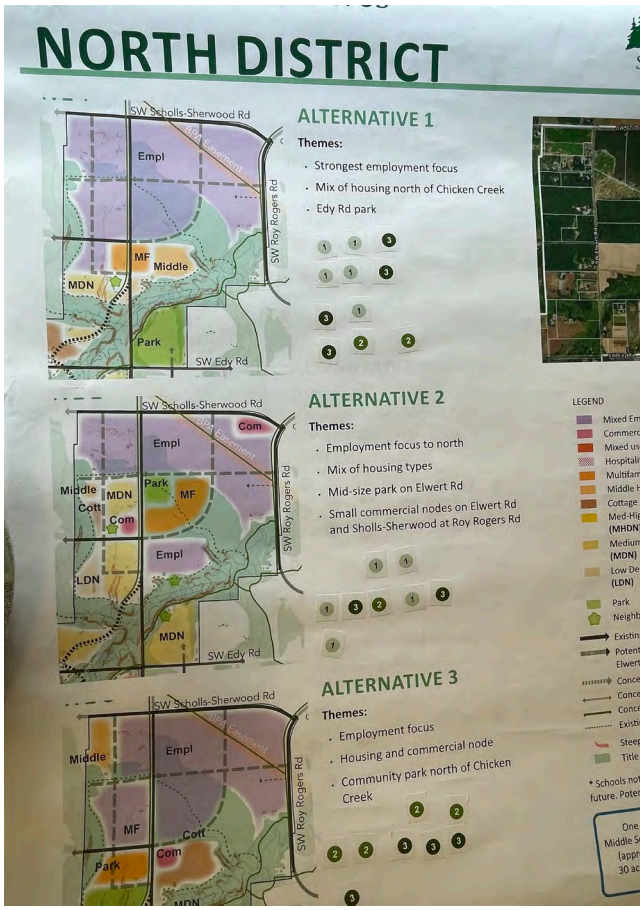
PLANNING & ENGAGEMENT PROCESS

Every step of the way, Sherwood community members provided meaningful guidance and feedback, gathered through interviews, public events, CAC public testimonies, online surveys and open houses. In addition, high school students' input was received through an online survey. This guidance has been essential to the Sherwood West planning process. The design of the Concept Plan is a reflection of this work. Together, we:

1. **Refreshed the vision, goals and evaluation criteria that guided the Concept Plan.** This work was informed by CAC and TAC input and background research into updated policies, regulations, transportation issues, and economic opportunities.
2. **Designed alternative concept plan scenarios**. Based on community core values, vision, existing conditions and discussions with the CAC and TAC, three draft alternative concept plan scenarios were developed to explore a variety of ideas for comparison.
3. **Considered the relative merits of each scenario and the key features that best represent the goals and objectives of Sherwood West.** Through a community open house and workshop and online surveys, the CAC, TAC, staff, and consultant team worked to identify preferences for individual and collective plan elements using the evaluation criteria they helped develop.
4. **Designed a Concept Plan that builds upon community feedback, technical guidance, and a landform analysis.** The Concept Plan is a hybrid of the three alternatives, combining the preferred elements into a recommended draft "hybrid" Concept Plan.







PLANNING & ENGAGEMENT PROCESS

Each step of the planning process incorporated a variety of community engagement activities, as listed below, designed to reach a broad spectrum of Sherwood residents.

Community Engagement Activities

- Community Advisory Committee (CAC) Meetings - total of 14 meetings
- Public Testimony at CAC Meetings
- CAC Interested Parties Email Subscription
- Project Website
- Social Media (Facebook, Twitter, Next Door)
- Sherwood Utility Billing Email Listings Notices
- Sherwood Archer Newsletter
- Project Video
- Property Owner Mailing - Introduction to project (June 2021)
- Online Survey – Informational and Initial Concepts (October 2021)
- Coffee Klatches with Neighbors and Homeowners Associations (Summer 2021)
- Movies in the Park (August 2022)
- Cedar Creek Trail Grand Opening (September 2022)
- Community Open House with Property Owner Mailing (October 2022)
- Virtual Open House (October 2022)
- Technical Advisory Committee (TAC) Meetings – total of 12 meeting
- Metro Home Builders Association Presentation (August 2021)
- Sherwood West Economic Development Stakeholder Interviews (June 2021)
- Metro Technical Advisory Committee (MTAC) Presentation (July 2022)

To learn more about engagement approaches and results, refer the appendices (Appendix C, Community Engagement Plan; Appendix D, Open House #1 (Online) Summary; and Appendix E, Open House #2 and Survey Summary).

Note: Due to the COVID-19 pandemic, prior to June 2022 all public engagement activities occurred virtually. Starting in June 2022, all CAC meetings and public events took place in person, with virtual participation options also made available.

VISION, GOALS & EVALUATION CRITERIA



VISION, GOALS & EVALUATION CRITERIA

Vision Statement

The vision statement was developed early in the Concept Plan Re-Look process, updating the vision from the 2016 Preliminary Concept Plan. The vision describes the community's desired future for the Sherwood West area. The vision and its associated goals were developed and revised through a visioning exercise and subsequent discussions with the Community Advisory Committee and reflect current community priorities for Sherwood West.

Sherwood West is a walkable community with a balanced mix of employment, residential, commercial, and greenspace land uses—it is a place where families can safely live, work, shop, and play. Sherwood West is home to a variety of businesses that offer stable, high-paying jobs and those employment opportunities have helped satisfy the City's need for an expanded tax base to protect and maintain Sherwood's great quality of life. Sherwood West is attractive to employers and residents because of its well-planned infrastructure, well-connected streets, walkable neighborhoods, and variety of well-designed housing choices. The area feels like a natural extension of Sherwood's existing neighborhoods, and it is integrated with other nearby urbanizing areas and regional destinations such as the Tualatin River National Wildlife Refuge. Sherwood West's natural landscape is anchored by the Chicken Creek Greenway, which protects the creek corridor and connects the area's neighborhoods through a network of natural areas, parks, and trails.







Goals and Evaluation Criteria

Following are specific goals for various aspects of Sherwood West's future and corresponding criteria for evaluating Concept Plan alternatives. Like the vision statement, the goals and criteria were updated from the 2016 Preliminary Concept Plan to reflect current community priorities and desires for Sherwood West.

Table 1. Goals and Evaluation Criteria

GOAL	*EVALUATION CRITERIA*
1. The area is designed as a natural extension of Sherwood and is integrated into the existing pattern of growth in order to preserve the community's heritage and small-town feel.	• There is a balanced mix of office, industrial, commercial, and residential land uses and open spaces • A variety of housing options accommodates a diverse range of family structures, income levels, and lifestyles • Neighborhood retail nodes provide residents with walkable access to goods and services • Housing density and implementation is pragmatic • View corridors and separation from other cities contribute to Sherwood's unique identity
2. The area attracts a variety of businesses and employment opportunities, which help satisfy the City's need for an expanded tax base.	• Infrastructure is well-planned to make Sherwood West attractive to developers and large employers • There are large low-impact employment areas available for the growth of technology parks and other higher-wage jobs • There are opportunities to leverage the area's unique location for destination retail, hospitality, and visitor-related uses
3. Transportation facilities serve to connect, rather than divide, neighborhoods.	• A network of streets provides north-south connections to and through the area • The Concept Plan helps realize the opportunity for a Highway 99 pedestrian crossing • Streets are designed to balance accommodating vehicle traffic and parking while also being welcoming places for people • Streets are designed with consideration for safety and emergency response vehicles • Sherwood is "transit-ready" for future transit service

VISION, GOALS & EVALUATION CRITERIA

GOAL	EVALUATION CRITERIA
4. Residents have access to a variety of parks and natural areas, anchored by the Chicken Creek Greenway.	• The Chicken Creek corridor is protected • Creek connections to the Tualatin River National Wildlife Refuge are preserved and, where possible, enhanced • Residents have access to nature through a network of multi-use and soft-surface trails • Parks and natural areas serve as places where families and community members can gather together • Existing mature trees and areas of dense tree canopy are preserved where feasible
5. The area is served by a robust network of active transportation options that are integrated into Sherwood's existing network.	• Residents can easily walk or bike to access local destinations such as schools, parks, employment areas, and shopping centers • Active transportation facilities connect to existing Sherwood neighborhoods and nearby regional destinations • Students have safe options to walk or bike to school
6. Growth and development are well-planned and implementation of the area is pragmatic.	• The extension of public facilities and services are phased and coordinated with development • Land uses serve Sherwood's needs and are complementary to other expansion areas along the western Urban Growth Boundary



EXISTING CONDITIONS



EXISTING CONDITIONS

Study Area

Sherwood West is a 1,291-acre area just west of the existing Sherwood city limits—see Figure 2. The area is bounded on the east by Highway 99W, SW Elwert Road, and SW Roy Rogers Road. The area's southern boundary is SW Chapman Road; its northern extent is SW Lebeau Road and SW Scholls-Sherwood Road. The western boundary is the outer edge of Metro's Urban Reserves, with Rural Reserve land lying further to the west). Site topography generally slopes from west to east, with an elevation difference of approximately 150 to 200 feet.

Figure 2. Sherwood West Study Area



EXISTING CONDITIONS

Land Use and Zoning

Existing land use in Sherwood West includes a mix of farmland, orchards, rural homes, and natural areas. The new Sherwood High School and the adjacent Countryside Community Church represent the few non-rural uses in the study area. Sherwood West is considered highly "parcelized" because it is divided up into numerous individual properties—126 tax lots in total. A majority of those properties (75 percent) are under 10 acres in size.

The land inside Sherwood West is currently under Washington County's jurisdiction and is zoned for agricultural and forest uses (except for the high school, which is inside city limits and is zoned for institutional/public use).

Nearby landmarks and developed neighborhoods inside Sherwood include Ridges Elementary School, the Oregon Trail neighborhood, Mandel Farms, and Middleton.

Economic Opportunities

One of the main goals for updating the Sherwood West Concept Plan is to plan for additional employment land and to prioritize job growth and expansion of the City's tax base, as directed by the Sherwood City Council. A better future jobs-to-housing ratio will provide the opportunity for more Sherwood residents to work in the city, rather than having to commute elsewhere for work. This has benefits in terms of quality of life, traffic congestion, and lower emissions.

To understand opportunities for economic development and job creation in Sherwood West, the project team (staff and consultants) studied economic opportunities and development trends, evaluated the area's assets and constraints, and spoke with local developers, stakeholders, and leading economists. Key findings from these studies are summarized below. Full summaries can be found in Appendix F, Development Trends and Implications Memo, and Appendix G, Economic Opportunities Memo.

Economic Opportunities Analysis (EOA)

The City's 2023 EOA Update identifies a deficit of 277 acres of industrial and commercial lands to meet Sherwood's projected 20-year employment needs. Within the current city limits there is a shortage of appropriate sites for industrial development – particularly sites between 10 and 50 acres in size or larger. The lack of buildable sites over 10-acres is notable, especially since this size of industrial land supports high tech manufacturing and traded-sector jobs. Sherwood West provides an opportunity to address some of the identified employment land deficit, including proposed employment land designations with parcels between 10 – 50 acres in size.

Target Industries and Sectors

The following sectors represent likely employment and development opportunities in Sherwood West:

- **Employment/Industrial.** There is strong potential for mixed employment and industrial development, considering the increasing demand for, and limited supply of, high-quality buildable employment land in the region, particularly large sites.

EXISTING CONDITIONS

- **Tech Clusters.** Sherwood is centrally located between existing tech clusters in Wilsonville and the Sunset Corridor, and developers are looking for opportunities elsewhere in the region. The Sherwood area is beginning to draw interest from existing tech companies in Hillsboro and elsewhere.
- **Wine Businesses.** The wine industry is an important part of the local and regional economy which may dovetail with industrial, retail, and hospitality uses in Sherwood.
- **Hospitality.** Hotels are in demand in the region, and Sherwood is well positioned with its proximity to wine country and Highway 99W. However, other cities to the south are better located for an immersive wine country experience. New hotels in Sherwood will likely be feasible as a follow-on use once employment growth occurs, and the market is proven.
- **Retail.** Sherwood should focus on convenience-based retail, such as grocery and health and personal care, as well as neighborhood-serving retail, such as foodservice and drinking places.

Strategies and Recommendations

The top recommendations related to planning for employment uses and positioning Sherwood West for successful economic development include:

- **Plan for Mixed Employment.** Most of the opportunities for long-term job creation will likely require a mixed employment approach—namely industrial, flex, and office. Mixed Employment in centers/parks of 20-100 acres is the strongest market.
- **Reserve large, flat parcels with transportation access for employment uses.** Land needs for mixed employment range from 40 to 50 acres per “center” or “park." The City should target areas of Sherwood West with the largest and flattest contiguous tracts of land for these developments, with slopes of less than 3.0 percent.
- **Target Highway 99W for transportation-dependent uses.** Considering the limited frontage, retain 99W for certain users that require access and visibility.
- **Be Flexible.** Maintain as much flexibility (zoning, land, tools, approach) as possible in planning for employment growth as market cycles and trends over the next 20 years are unclear. This means maintaining large, contiguous sites but not mandating large-lot sites.





EXISTING CONDITIONS

Transportation

The summary in this section describes key features of the Sherwood West transportation network, as illustrated in Figure 3, and current plans for future improvements. Appendix H, Transportation Issues Memo, contains more detailed information on the existing and planned transportation system.

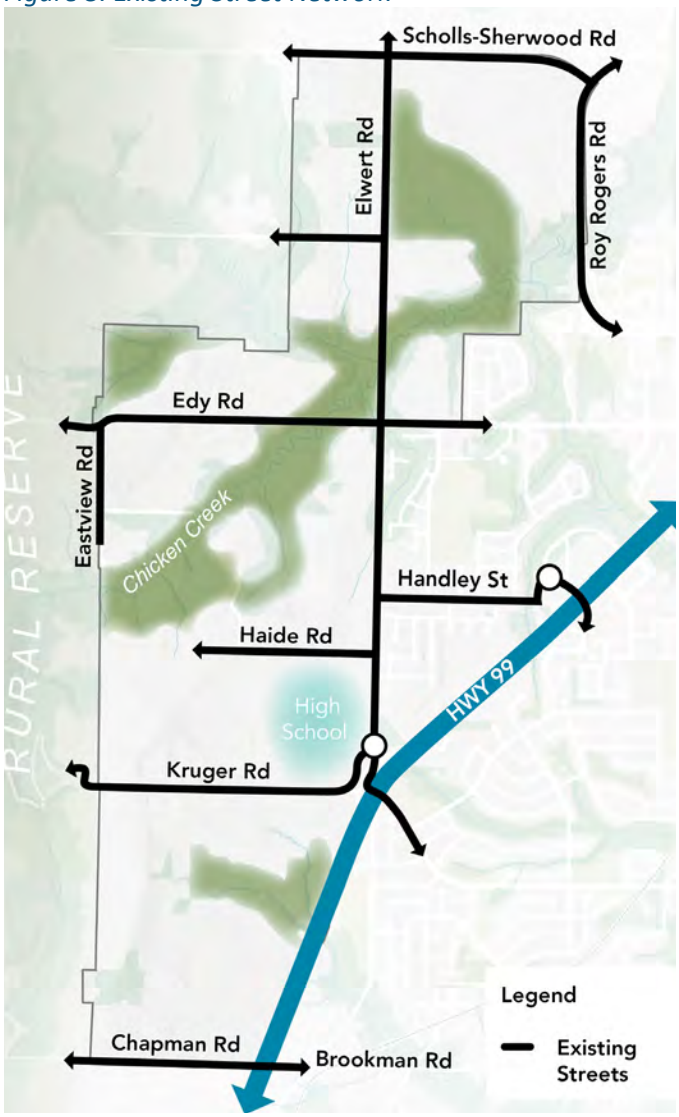
Elwert Corridor

Spanning the length of the Sherwood West area, from SW Scholls-Sherwood Road to SW Kruger Road, SW Elwert Road is a key north-south route. Designed as a two-lane rural arterial under Washington County jurisdiction, it is now commonly used as an alternative route to Highway 99W for both local and commuter (through) travel.

Travel along Elwert Road is characterized by rolling hills that include acute vertical sags and crests, which result in poor vertical sight distances and intersection sight distances. While sidewalks have been constructed along portions of Elwert Road adjacent to developed land (on the east side), Elwert Road will eventually need to be upgraded to urban standards as more land develops and vehicular trips increase.

Both the Washington County Transportation System Plan (TSP) and the City of Sherwood TSP identify the future build-out condition of Elwert Road as a 3-lane arterial which will include sidewalks and bike lanes on both sides of the road. It will be important to strike a balance between local connectivity and regional travel needs when developing the ultimate design of this facility.

Figure 3. Existing Street Network



EXISTING CONDITIONS

Regional Transportation Improvements

Highway 99W

Highway 99W is a state-designated freight corridor and limited-access highway. It is identified as a principal arterial in both the County and City TSPs. New access onto Highway 99W must be coordinated with the Oregon Department of Transportation (ODOT). The intersections of SW Chapman, SW Brookman, and SW Elwert roads will all need to be studied and possibly reconfigured or signalized depending on the amount of traffic generated by future land uses within the area.



Intersection of Elwert and Edy.

Roy Rogers Road

The County plans to expand SW Roy Rogers Road to a five-lane roadway – two travel lanes in either direction plus a center turn lane – south into Sherwood and through to Highway 99W. The final southerly extent of this improvement will be from Chicken Creek to Borchers Drive. The estimated $14 million project is funded by the County's MSTIP program, and it is planned for completion by Spring 2024.

This regional corridor connects SW Scholls Ferry Road to Highway 99W and connects between job centers in Hillsboro, Beaverton and housing areas in Sherwood, Wilsonville, and western Clackamas County. Horizon year (2040) travel forecasts are roughly 40,000 vehicles on an average weekday, which is similar to levels observed today on Highway 99W between Tigard and Tualatin. This high level of travel demand may influence the type and location of potential development along the SW Roy Rogers Road corridor, specifically making it more attractive for retail and mixed use development.

Brookman Road

An extension of SW Brookman Road will ultimately define a new southern edge of Sherwood. When properties in the Brookman Addition area annex to the City, SW Brookman Road will be upgraded to a full urban arterial facility and its current intersection with Highway 99W will be upgraded to comply with Washington County and ODOT multi-modal standards to safely accommodate driving, bicycling, and walking. The recent update to the Brookman Addition Concept Plan recommends an interim 3-lane arterial cross-section on Brookman Road until such a time as a 5-lane section is required.

The SW Brookman Road extension west of Highway 99W, via SW Chapman Road, will also serve as the southern edge of the greater Sherwood West planning area. The scope and character of its intersection with Highway 99W, and additional connectivity between the Brookman Addition and Sherwood West areas are still being planned. See the transportation recommendations in Section VI for further discussion.

Multimodal Transportation

A key component of the Sherwood West transportation network is the incorporation of safe and convenient walking and bicycling facilities into the higher classification street facilities. Planned improvements to arterial and collector class streets will include these elements. In addition, the natural areas and varied terrain in Sherwood West offer opportunities for a separate trail system to promote non-motorized travel away from the roadway network.

Transit does not currently serve the immediate Sherwood West area. The closest TriMet service is Route 94 which connects to Portland along Highway 99W. The nearest stop is over a mile away. The Concept Plan explores how to make the area "transit-ready" with transit-supportive land use and sufficient connectivity of the street system.

Parks, Trails, and Open Spaces

There are no formal multi-use trails or parks in Sherwood West. Chicken Creek forms a natural greenway flowing southwest to northeast through the study area, eventually draining to the Tualatin River via Cedar Creek. The Cedar Creek greenway through the city connects at Chicken Creek. West Fork Chicken Creek and Goose Creek form smaller natural greenways in the central and southeast portions of the study area, respectively. Upper Chicken Creek, a 38-acre Metro-owned natural area, is located just outside the study area and abuts its western edge south of Kruger Road.

Sherwood's updated Parks and Recreation Master Plan (2021), discusses recommendations for park, trail, and facility development throughout the City and within planned growth areas such as Sherwood West. Recommendations for parks and facilities within Sherwood West include the following:

- Provide parks or park amenities in natural areas and along trail corridors to meet **the 10-minute walk goal**.
- Provide a **connected trail network** throughout the concept plan area. Explore the potential of a trail in the powerline corridor and an off-street shared use path along the Elwert Road corridor.
- Site a community park south of Edy Road, potentially adjacent to a natural area.
- **Consider a sports complex within Sherwood West** to include rectangular fields with lighting and potentially a new fieldhouse. At least 10 acres of relatively level, developable land is needed to accommodate a complex of this type. Specific considerations for the use and siting of this type of facility are detailed in Chapter 4 of the Parks and Recreation Master Plan (PRMP).

The PRMP also establishes minimum standards for parks and open space—including minimum sizes and levels of service for neighborhood parks, community parks, and other types of facilities (see PRMP Chapter 3).

Environment and Natural Resources

Floodplains

There is a defined 100-year floodplain for a portion of Chicken Creek and West Fork Chicken Creek within Sherwood West (Figure 4). The floodplain for Cedar Creek at its intersection with Chicken Creek is also defined. The upper reaches of Chicken Creek and Goose Creek do not have available flood study data.

Wetlands

Wetlands that are mapped by the National Wetland Inventory and Metro's inventory comprise just over 31 acres within the study area. Most prominently, these are found along the riparian corridor of Chicken Creek, but also near the headwaters of Goose Creek. Additional wetland areas are also expected to exist within the study area, most likely along smaller tributaries of Chicken Creek, Cedar Creek, and Goose Creek. An inventory will be necessary to determine the likely extent of these wetlands.



Metro Title 13 Habitat

Metro Title 13 habitat areas are also depicted in Figure 4. Title 13 establishes baseline requirements to protect, conserve, and restore the region's significant riparian corridors and wildlife habitat resources, collectively referred to as Habitat Conservation Areas. Habitat Conservation Areas include rivers, streams, wetlands, and adjacent resource areas, as well as upland wildlife habitat patches and habitats of concern. Riparian Habitat areas are classified as either Class I, II, or III and Upland Habitat areas are classified as Class A, B, or C. The mapping of Title 13 habitat areas will be further refined and protections will be established as part of the comprehensive planning for Sherwood West once it is brought into the UGB.

Steep Slopes

The Sherwood West area mostly consists of gently sloped terrain, but there are also areas of steep slopes (25% or greater). Such steep slopes are found along drainage corridors for Chicken Creek, West Fork Chicken Creek, Goose Creek, and their tributaries, as well as at a higher point in the southwest portion of the study area (Figure 5). These areas are generally considered unbuildable.

Figure 5 depicts the range of slope conditions found in Sherwood West. Note that this map is from the Preliminary Concept Plan and predates the construction of Sherwood High School.

Figure 4: Natural Resources Existing Conditions

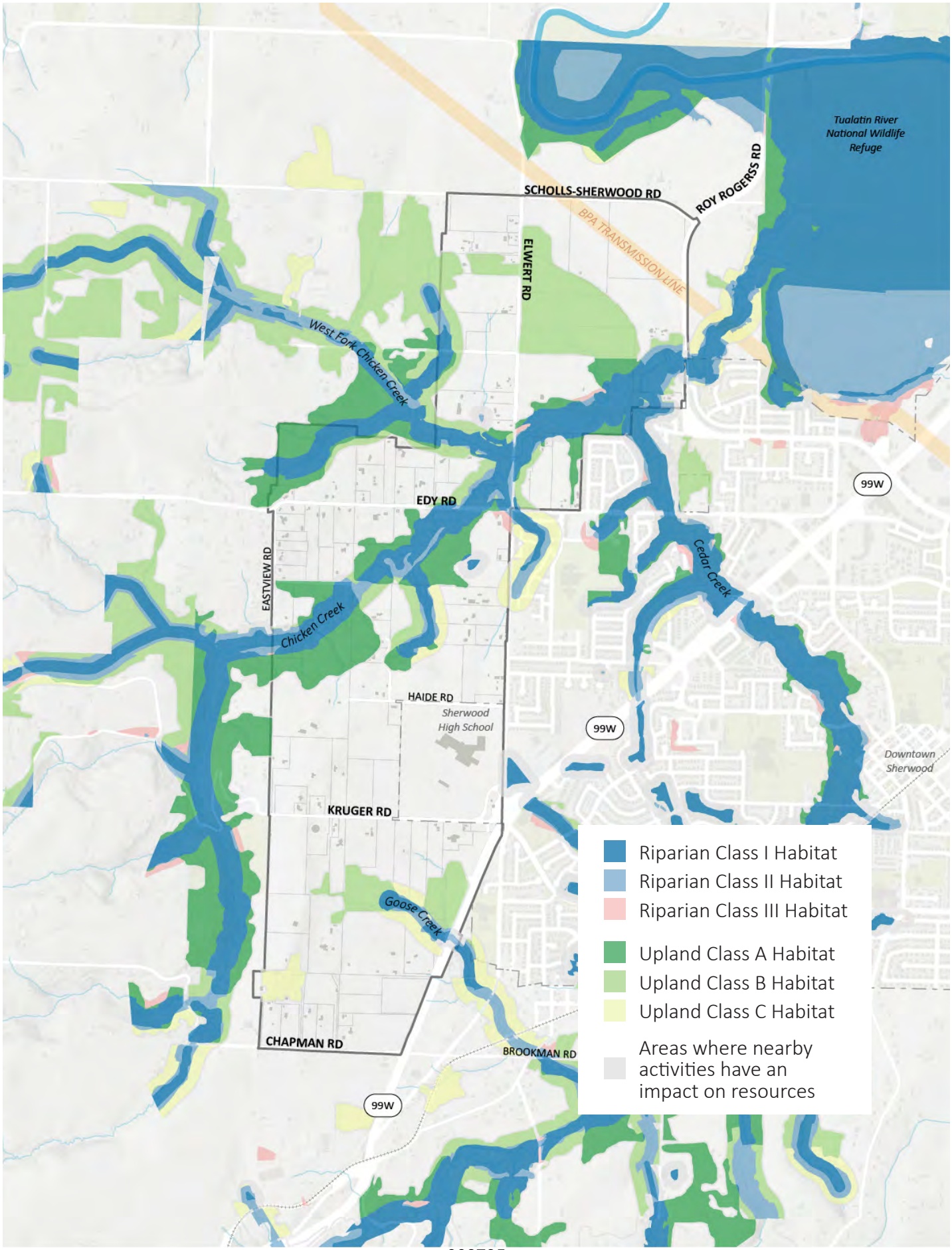
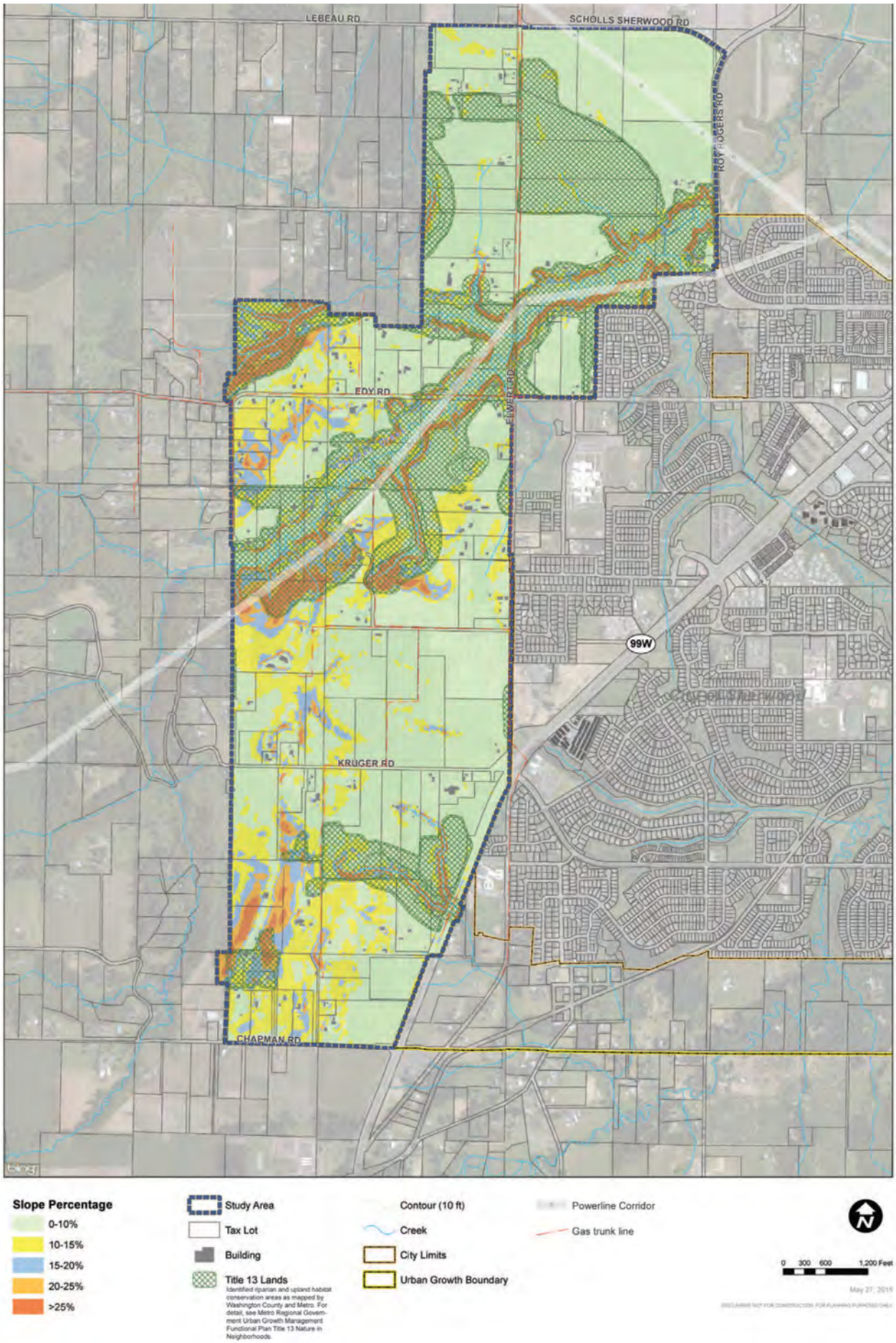


Figure 5: Slope Analysis (from Preliminary Concept Plan)



Public Facilities

As properties in Sherwood West annex into the city boundary for future development opportunities, public facilities will need to be extended to support intended uses.

Water

Existing Conditions

The current Water System Master Plan was adopted in May 2015 and considers all areas within the city limits, the UGB, and the Sherwood West area. The City's primary water supply is from the Wilsonville Water Treatment Plant, supplemented by groundwater wells. The City maintains an emergency connection and transmission piping to the Tualatin-Portland supply main. The City's distribution system includes three service zones supplied by three storage reservoirs and two pumping stations. The majority of Sherwood customers are served from the 380 Pressure Zone which is supplied by gravity from the City's Sunset Reservoirs. The 535 Pressure Zone, serving the area around the Sunset Reservoirs, is supplied with constant pressure by the Sunset Pump Station, and the 455 Pressure Zone serves higher elevation customers on the western edge of the City by gravity from the Kruger Reservoir.

Opportunities and Constraints

Initial anticipated growth in Sherwood West will be served by extending the existing 380 and 455-Zone distribution mains. Future customers along the ridge north and south of the existing Kruger Reservoir will be served by constant pressure from the proposed Kruger Pump Station at the existing reservoir site. Some future customers in Sherwood West may need to be served through a Pressure Relief Valve (PRV)-controlled sub-zone or through individual PRVs on each service in order to maintain required service pressures. A small area on the western edge of the Sherwood West, along Edy Road near Eastview Road, is too high in elevation to receive adequate service pressure from the adjacent 380 Zone. This area will be served by constant pressure from the proposed Edy Road Pump Station. An additional pump station would potentially be needed to serve this area. Extensive large-diameter mains will be needed to expand the City's water service area to supply water to Sherwood West as development occurs.

Sanitary Sewer

Existing Conditions

The existing Sanitary Sewer Master Plan was completed in 2016 and considers all areas within the city limits and the UGB, but not Sherwood West. The City of Sherwood is served by two sanitary sewer trunk lines, the Sherwood Trunk Sewer (24-inch) which conveys sewage from the Cedar Creek sewage collection basin and the Rock Creek Trunk Sewer (18-inch) which conveys sewage from the Rock Creek sewage collection basin. Both trunk lines convey flows to the Sherwood Pump Station, owned by Clean Water Services (CWS), which sends sewage to the Durham Advanced Wastewater Treatment Plant via the Upper Tualatin Interceptor, also owned by CWS.

EXISTING CONDITIONS

Opportunities and Constraints

Existing sanitary sewer facilities adjacent to or near Sherwood West are limited. The Sherwood Interceptor crosses the study area near the northeast corner of the area at Cedar and Chicken Creeks, and any sewer mainlines would need to cross these creeks to connect. The Brookman Addition is an area within the UGB on the south end of Sherwood between the city limits and SW Brookman Road. The City recently constructed a sewer mainline to the northern boundary of the Brookman area.

Clean Water Services and the City of Sherwood are working together to extend necessary sewer services to the Brookman and Sherwood West areas. The Brookman sanitary project will connect the Brookman and Sherwood West areas to the existing lines in the Ladd Hill area.

The sanitary sewer line is needed because the new Sherwood High School (annexed in 2018 as part of the West Sherwood planning area) was constructed in an area where there was no existing sanitary service. A short-term pump station provides service to the new Sherwood High School but long-term the school must be converted over to this new sewer extension.

Stormwater

Existing Conditions

The existing Stormwater Master Plan was completed in 2016 and considers all areas within the city limits and the UGB, but not Sherwood West. Sherwood West lies primarily within the Chicken Creek Drainage Basin. The basin flows north and northeast along Chicken Creek. Cedar Creek flows into Chicken Creek at the northeast corner of Sherwood West near SW Roy Rogers Road. West Fork Chicken Creek enters the Sherwood West area at the northwest boundary and flows east into Chicken Creek. A small portion of the Sherwood West area in the southeastern corner is part of the Cedar Creek Drainage Basin. On-site runoff enters Goose Creek, which flows from west to east, crosses under Hwy 99W, and reaches Cedar Creek.

The Stormwater Master Plan notes that Chicken and Cedar Creeks have been identified by the Environmental Protection Agency (EPA) as providing habitat for anadromous fish that are listed as threatened under the Federal Endangered Species Act. The area in the vicinity of Chicken and Cedar Creeks and their tributaries have been designated by Metro as riparian corridors, upland wildlife habitat, and aquatic impact areas. Some areas within the riparian corridors are also shown on the National Wetland Inventory Opportunities and Constraints. Beyond the natural streams, channels and roadside ditches, there is no developed stormwater infrastructure within the Sherwood West area except for the Sherwood High School site and the surrounding public roads that drain southeast through a large stormwater management pond and into a storm culvert under the highway and the east through the Woodhaven greenway over to Cedar Creek.

As development occurs in the future, stormwater would likely be discharged into the floodplains of the adjacent creeks and tributaries flowing to the north and south of the high school site that drains the middle part of the study area. The City of Sherwood requires that all stormwater facilities meet the requirements of Clean Water Services Design and Construction Standards for conveyance, water quality treatment, hydromodification, and water quantity treatment. The City has indicated that they prefer to use regional stormwater facilities where possible within Sherwood West, similar to the vegetated stormwater ponds near the roundabout, with Low Impact Development Approaches (LIDA), proprietary treatment, and underground storage preferred only private property only.

LAND USE ALTERNATIVES



LAND USE ALTERNATIVES

Developing Alternatives

The project team developed three Concept Plan alternatives through an iterative process that involved close collaboration with the Community Advisory Committee. The alternatives were intended to explore and compare a variety of ideas and to solicit preferences for plan elements that would be advanced and combined into a single preferred alternative.

The process of developing alternatives started with a series of baseline assumptions, based on consideration of existing conditions, ideas carried forward from the Preliminary Concept Plan, the vision statement and project goals, and recent regulatory changes (e.g., middle housing requirements under Oregon House Bill 2001). The team also developed a series Plan Concepts that addressed key topics for the Concept Plan—transportation, employment, open space, housing, etc. These concepts then fed into the assumptions and alternatives (see Appendix I. Plan Concepts).

Themes and Assumptions

Several baseline assumptions and key themes factored into the three alternatives:

- **Employment Focus** – Mixed Employment uses, defined as a mix of office, light industrial, and flex space uses in the same development or area, emerged as a key driver of the land use alternatives. This focus was informed by the City Council prioritizing job creation and opportunities identified in the Economic Opportunities and Challenges memo (Appendix G). However, the amount of mixed employment land, as well as other commercial and employment lands, was not a constant between alternatives.
- **Community and Neighborhood Parks** – The alternatives targeted 10-20 acres for one or more community parks in Sherwood West. In addition, neighborhood parks (average 2 acres) would be distributed throughout the neighborhoods. The location of parks varied across alternatives.
- **Open Space** – In every alternative, nearly 500 acres – approximately 40% of Sherwood West – would be reserved as open space, either in the form of natural resource lands, tree groves, parks, or open space set aside as part of development.
- **Schools** – An estimated 35-40 acres would be needed for future schools in Sherwood West – 25-30 acres for a middle school and 10 acres for an elementary school. While these land needs were factored into the alternatives, the City of Sherwood and the school district cannot identify specific locations for schools at this point.
- **Transportation Network** – Feedback received from the advisory committees and the online open house showed a clear preference for the Elwert-Edy realignment concept, which was studied in the Preliminary Plan (and described in Section VI, below). This alignment, as well as a general framework of local streets, was kept constant across the three alternatives.
- **Custom Land Use Designations for Middle Housing** – The State's middle housing requirements were a key consideration for developing land use concepts for Sherwood West. State law requires that Sherwood allow development of duplexes, triplexes, fourplexes, cottage clusters, and townhouses in residential areas zoned for detached single-family homes.

LAND USE ALTERNATIVES

The CAC was interested in developing custom land use designations for the middle housing types that are most favored by the Sherwood community: duplexes, townhomes, and cottage clusters. Custom designations would provide areas for these middle housing types only, and would not allow single-family detached dwellings, which would give the City more flexibility to customize their design and development standards. See below for a description of the land use designations.

Land Use Designations for the Concept Plan

The following land use designations are included in the three alternatives maps (Figure 6). Note that, with the exception of Middle Housing and Cottage Cluster, the residential land use designations are based on the City's existing residential zones and associated densities.

Table 2. Concept Plan Land Use Designations

DESIGNATION	PURPOSE AND ATTRIBUTES
	RESIDENTIAL
Multifamily	• **Purpose:** To provide intentional locations for apartments and condominiums in Sherwood West. • **Housing Types:** Apartments, condominiums, townhomes, triplexes, and quadplexes would be permitted in this designation. • **Density:** 16.8-24 dwelling units/acre (based on High Density Residential [HDR] zone).
Middle Housing	• **Purpose:** To provide intentional locations for specific middle housing choices of duplexes, townhomes, and cottage clusters. These middle housing types are most favored by the CAC and Sherwood community, and would provide different housing choices—including options for more affordable homeownership as compared to single detached dwellings. • **Housing Types:** Duplexes, townhomes, and cottage clusters would be permitted in this designation. • **Density:** 5.5-11 dwelling units/acre
Cottage Cluster	• **Purpose:** To provide intentional locations for cottage cluster housing. • **Housing Types:** This designation would only allow cottage cluster housing. Cottage clusters are groupings of relatively small homes clustered around a shared courtyard or open space. Their smaller footprints and shared amenities can make cottage cluster housing appealing to many seniors, small households, and first-time homebuyers. • **Density:** 12.8-16 dwelling units/acre
Neighborhood Designations	• **Purpose:** To provide land for a range of single and middle housing types, ensuring open space with each project. • **Housing Types:** These are the designations for single detached homes; by law, the full range of middle housing (duplexes, triplexes, quadplexes, townhouses, and cottage clusters) must also be allowed (with design standards). • **Densities:** See below. (Note that state law limits how cities can regulate density for middle housing.)

LAND USE ALTERNATIVES

DESIGNATION	PURPOSE AND ATTRIBUTES
• Medium-High Density Neighborhood • Medium Density Neighborhood • Low Density Neighborhood	• **5.5-11 units/acre –** This designation would likely be applied in flatter areas with larger sites where there would be more flexibility for creation of smaller lots. (Based on Medium Density Residential High [MDRH] zone.) • **5.6-8 units/acre –** This designation is also likely to be applied in flatter areas with larger sites. (Based on Medium Density Residential [MDRL] zone.) • **3.5-5 units/acre –** This designation would likely be applied in hillside and hilltop areas, and in parcelized areas with existing homes, where lots would be larger and densities would be lower. This would better accommodate topography, utility access, partial development, and other features, which would typically require larger lots. (Based on Low Density Residential [LDR] zone.)
	EMPLOYMENT, COMMERCIAL, AND MIXED USE
Mixed Employment	Provide land that supports living-wage employment opportunities for Sherwood residents. Mixed Employment includes a mix of office, tech, healthcare, light industrial, warehouse, and limited retail uses. This type of development typically requires large sites (at least 40-50 acres), flat topography, and good access to transportation.
Commercial	Provide opportunities for commercial businesses, including retail, dining, services, offices, and civic uses. These areas should have good visibility and access to transportation.
Mixed Use	Provide opportunities for a mix of housing and commercial businesses. Residential and commercial uses could be in the same building (vertical mixed use) or on the same site (horizontal mixed use).
Hospitality	This is a new concept for Sherwood, which emerged from discussions with the CAC. This zone would provide intentional locations for uses such as hotels/motels, restaurants, wineries, and similar uses that could capitalize on Sherwood West's location as the "entrance to wine country." These uses typically rely on strong visibility to the public—e.g., from Highway 99W.
	PARKS
Community Parks	Community parks are large parks (10 to 20 acres) that are intended to serve the broader community, and which may include amenities such as sports fields, picnic areas, pathways, and playgrounds. Community parks need relatively flat acreages and good transportation access for all modes of travel. The land use alternatives maps identify one or two locations for community parks.
Neighborhood Parks	Neighborhood parks are smaller (2 to 5 acres) and provide recreation opportunities for nearby residents, who typically live within walking and bicycling distance. The maps identify very conceptual locations for neighborhood parks, spread among the various residential areas.

Process

To create the three alternatives, the project team led the CAC through a hands-on exercise in which small groups developed the maps interactively. Each small group was given a base map and a set of land use "chips" that represented all the land uses listed in Table 2. The groups were then asked to place the chips on the map using their best judgment as to the appropriate location and overall layout of the land uses. Table facilitators helped organize the exercise and suggested parameters for placing the chips (e.g., certain uses, such as employment and schools, should not be placed on steeply sloped land).

The results of the chip exercise were then digitized and refined by the project team, with additional input from the CAC.

LAND USE ALTERNATIVES

Land Use Alternatives

The three land use alternatives in Figure 6 share several common themes:

- Focus on mixed employment in the northern, flat area
- Community park on the south side of the Chicken Creek corridor
- Commercial/mixed use and higher-density housing along Kruger Road
- Mix of housing types throughout
- Low density residential along western hilltop

Figure 6. Land Use Alternatives Maps



Alternative 1

- Largest amount of Neighborhood residential
- Moderate Mixed Employment land
- Community park northeast of Edy-Elwert intersection
- Hospitality on western end of Chapman Road

Alternative 2

- Most multi-family
- Least Mixed Employment land Community park west of Goose Creek
- Largest hospitality area, whole southern portion of study area

Alternative 3

- Mixed use residential focus west of high school
- Most Mixed Employment land
- Community park northwest of where Chicken Creek crosses Elwert Road
- Smallest hospitality area, at Kruger and Highway 99W

LAND USE ALTERNATIVES

Alternatives Evaluation

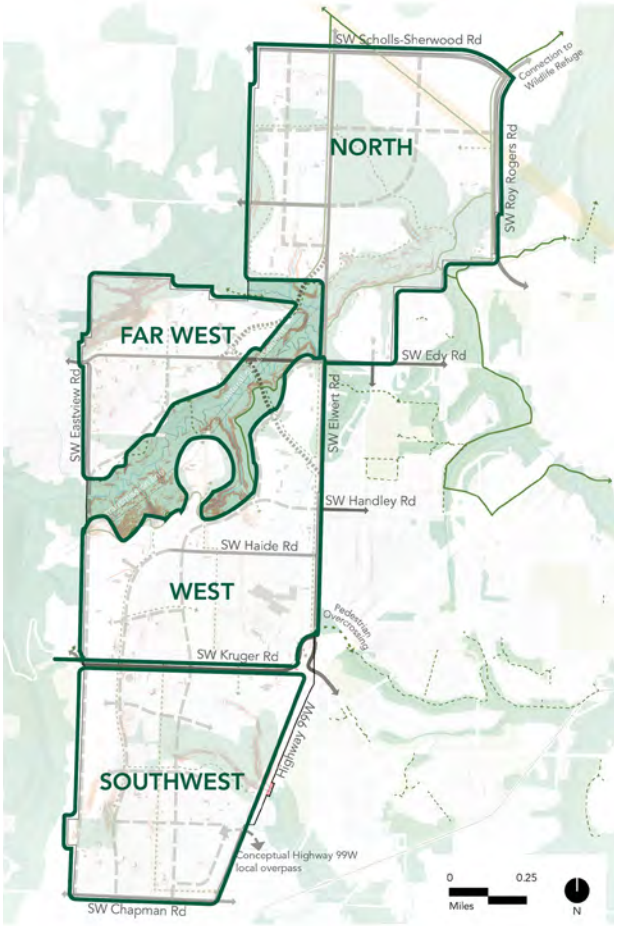
The three alternatives were evaluated through a community open house and survey and through application of the evaluation criteria (Section III). The project team also confirmed employment concepts through additional stakeholder engagement, and evaluated transportation alternatives through a Traffic Impact Analysis. The outcomes of each of these steps are briefly summarized below. Refer to the Appendices for full summaries.

Community Feedback

The Sherwood community had the opportunity to weigh in on the three land use alternatives, transportation concepts, and other plan concepts at an in-person open house and accompanying online survey in Fall 2022.

For the purpose of assessing the alternatives, the maps were broken up into the four distinct districts identified in the Preliminary Plan: North, Far West, West, and Southwest. Participants were asked to rank the alternatives in order of preference. Overall, participants favored Alternative 1 for the North and Far West districts, and Alternative 2 for the West and Southwest districts. See Appendix E for a full summary of survey/open house results.

Figure 7. Sherwood West Subdistricts



Qualitative Evaluation

The project team also evaluated the three land use alternatives using the qualitative evaluation criteria identified earlier in the concept planning process. Table 3 summarizes the extent to which each alternative meets each criterion. See Appendix I for the full evaluation memo.

Generally speaking, all three alternatives are supportive of the project goals. None of the alternatives were given a score of "does not support project objectives" for any of the criteria. However, Alternative 1 rated the highest, with Alternatives 2 and 3 close behind, as shown in Table 3.

LAND USE ALTERNATIVES

Table 3. Alternatives Evaluation Summary

GOAL	ALTERNATIVE 1	ALTERNATIVE 2	ALTERNATIVE 3
1. The area is designed as a natural extension of Sherwood and is integrated into the existing pattern of growth in order to preserve the community's heritage and small-town feel.	●	◒	◒
2. The area attracts a variety of businesses and employment opportunities, which help satisfy the City's need for an expanded tax base.	●	●	●
3. Transportation facilities serve to connect, rather than divide, neighborhoods.	●	●	●
4. Residents have access to a variety of parks and natural areas, anchored by the Chicken Creek Greenway.	◒	●	◒
5. The area is served by a robust network of active transportation options that are integrated into Sherwood's existing network.	●	●	●
6. Growth and development are well-planned and implementation of the area is pragmatic.	●	◒	●

● Supports Objectives ◒ Partially Supports ○ Does Not Support

Developer Feedback

In Fall 2022, the City of Sherwood hosted a driving tour and discussion of the Sherwood West Concept Plan area with stakeholders from the development and brokerage community. The purpose was to gather insights about the draft plan concepts from development practitioners and to provide advice for future implementation. Some key takeaways from these discussions are provided below. A full summary of developer feedback, including recommendations for infrastructure and funding needs is included in Appendix J.

Industrial/Employment Opportunities

- Industrial development at the north end of Sherwood West could be developed as soon as the land is brought into the UGB and utilities are available. The region is virtually out of industrial land today.
- Likely industrial uses would be multi-tenant buildings in the 50,000-70,000 square foot range.
- Sherwood's Employment Industrial (EI) zone is an appropriate one for Sherwood West. It is flexible and does not restrict by tenant use unlike some zones in neighboring cities.

LAND USE ALTERNATIVES

Other Commercial Uses

- Office development is unlikely in Sherwood West.
- Some support retail would make sense near the industrial uses, but zoning should remain flexible.
- Sloped sites or sites at a higher grade than the adjacent street lend themselves better to housing than retail uses.

Hospitality

- The hospitality designation needs a destination use to make it viable if the area is not visible from or directly located on Highway 99W.
- A wine-themed destination would best be built off of an existing working winery, although offsite tasting rooms are becoming popular.

The development and brokerage participants also provided feedback on necessary conditions for development to occur in Sherwood West, including needed utilities and funding. These elements are discussed in more detail under Implementation (Section VII).

Traffic Analysis

A traffic analysis evaluated the potential transportation impacts of the three land use alternatives and examined potential transportation network upgrades for the Concept Plan area. Below is a summary of the findings and recommendations. See Appendix L for the full Traffic Impact Analysis memo.

Findings

- **Total Trips** – All three land use alternatives have a comparable number of total proposed housing units, total jobs, and total vehicle trips. Overall estimated vehicle trips are also similar to the number estimated by Washington County as part of the Urban Reserve Transportation Study (URTS) for this area.
- **Travel Patterns** – Variations in land use and layout in the three alternatives would be expected to have a minimal impact on overall travel patterns, based on an examination of the origin and destination of trips.



LAND USE ALTERNATIVES

- **Traffic Operations** – Initial findings indicate that Sherwood West growth will be served adequately with the planned street network, including planned street upgrades, as described in the Concept Plan. Further study is recommended to develop a more comprehensive list of improvements and associated cost estimates as this area is made ready for urban development.

Recommendations

- Advance the **Elwert Road re-alignment** concept with the Sherwood West Concept Plan; conduct further study to determine the best alignment and intersection configurations.
- Adopt **design themes for the Elwert Road corridor** consistent with the City's vision, as represented by the Sunset Boulevard corridor.
- **Upgrade Elwert Road** to a 3-lane cross-section with bike lanes and sidewalks as development occurs.
- Upgrade the **Elwert at Lebeau/Scholls-Sherwood intersection** to adequately support traffic growth through to the 2040 horizon year. The intersection with Elwert Road will require additional study, reconfiguration, and eventual signalization or roundabout improvement as development occurs.
- Make **multimodal safety improvements** to the Elwert-Edy intersection consistent with the Concept Plan. Other intersections should also be reviewed for possible multimodal safety upgrades as development occurs nearby, including the Elwert-Handley intersection, and the Elwert-Haide intersection.
- Upgrade **Edy Road** east of Elwert/Chicken Creek 3-lane collector with bike lanes and sidewalks, consistent with the Sherwood TSP. Keep Edy Road west of Chicken Creek as a two-lane collector road.

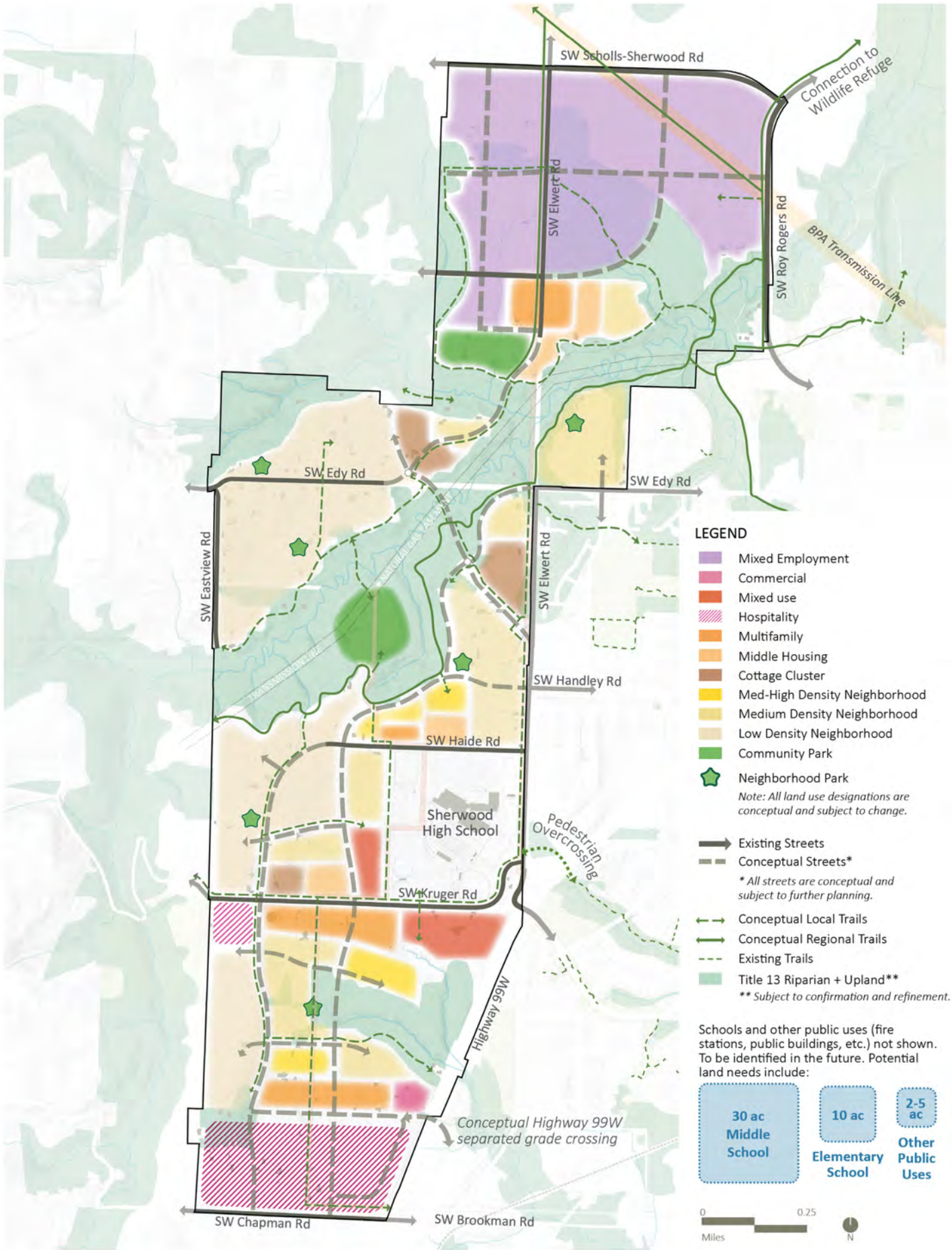
Preferred Alternative

The preferred alternative for the Sherwood West Concept Plan is described in the next section. The preferred land use map was developed by taking the most supported ideas from the three land use alternatives reviewed at the community open house and online survey. By comparing the districts (North, Far West, West, and Southwest) across alternatives, the best ideas from each could be incorporated into the final map. The CAC considered the community's input and provided direction as to which alternative they preferred for each district. The preferred layout of the North and Far West districts is based primarily on Alternative 1, while the West and Southwest districts are based primarily on Alternative 2. The CAC and project team also suggested modifications and refinements to the land uses in a few areas, for consistency with earlier plan concepts.

CONCEPT PLAN



Figure 8. Composite Concept Plan Map



Overview

The map in Figure 8 illustrates the recommended land uses, street network, parks, and trails for the Sherwood West area. The map shows how all these components come together to form complete and connected neighborhoods in Sherwood West. The accompanying descriptions related to land use, transportation, green space, and utilities further explain how these elements are integrated into the Concept Plan.

Land Use Plan

Figure 13 depicts the preferred land use designations for Sherwood West, as well as key themes within each district – North, Far West, West, and Southwest. In Sherwood West, each of the four distinct subdistricts has unique qualities, shaped by the area's creeks, hills, valleys, and major roads. The land use plan for each district is described below.

North District

The North district is the employment center for Sherwood West. Located south of Scholls-Sherwood Road and north of Chicken Creek, this area features mostly flat terrain to the northeast, many large parcels, and good transportation access to SW Roy Rogers Road—all favorable qualities for Mixed Employment uses.

The plan for this area also features a mix of housing types clustered near Elwert Road, just north of Chicken Creek. A community park of roughly 13 acres (net) takes advantage of access from Elwert and adjacency to a Chicken Creek tributary.

Far West District

Located northwest of Chicken Creek with access to Sherwood via Edy Road, this area features mostly sloping terrain and has many existing parcels and rural residential homes. The plan for the Far West district includes low-density housing with a pocket of cottage cluster and medium-density residential near Edy Road and Chicken Creek.

Figure 9. North District

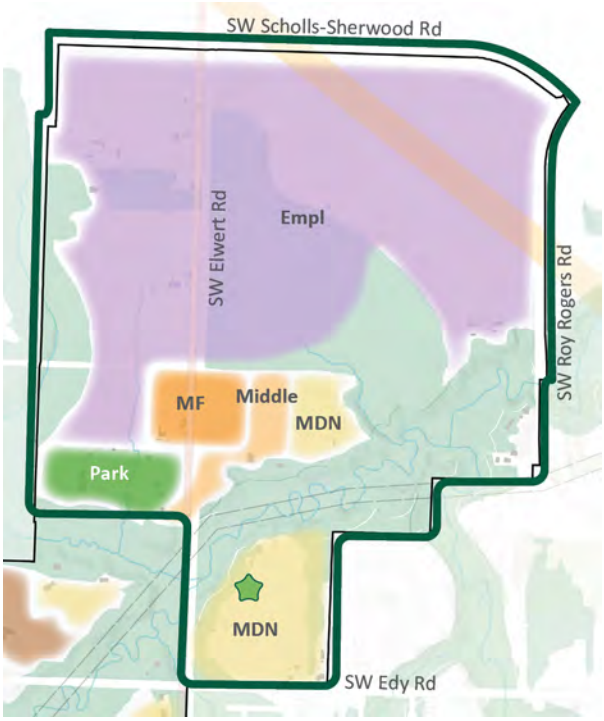
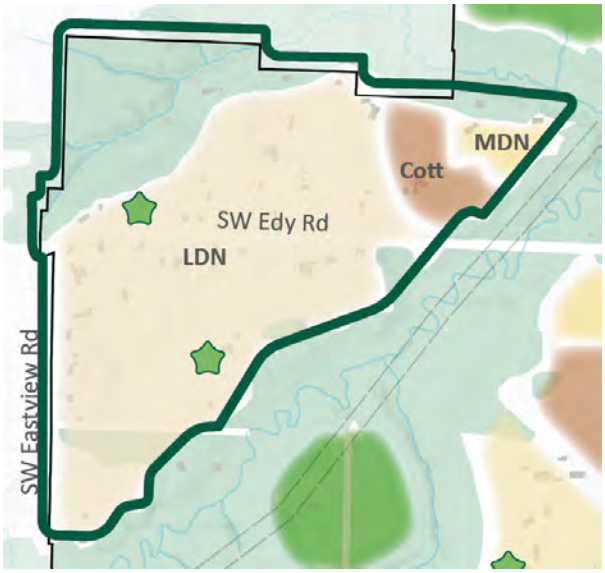


Figure 10. Far West District



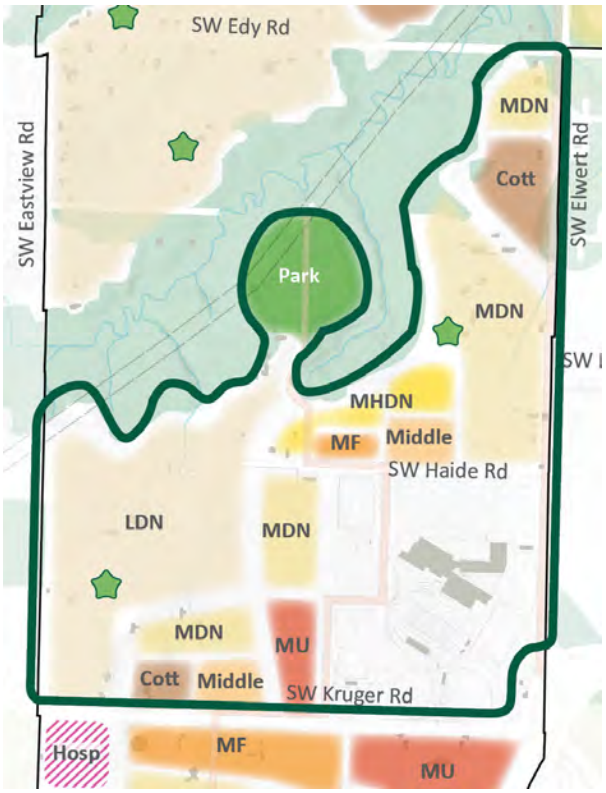
West District

Located in the middle of the planning area, directly west of Elwert Road, north of Kruger Road, and south of Chicken Creek, this area surrounds the new Sherwood High School and has relatively good access to existing infrastructure as compared to the other districts. The terrain features steeper slopes and higher elevations to the west.

The plan for the West district includes a mix of housing types west of the high school. Mixed use residential, cottage cluster, and middle housing are focused along Kruger Road. Medium-density and cottage cluster housing provide frontage along Elwert Road. The hilltop area to the west is designated for low-density residential.

A second, approximately 8-acre (net) community park is nestled into the Chicken Creek greenway. This area is relatively flat, with access to the future greenway trails, natural areas, and street access from the south.

Figure 11. West District



Southwest District

The Southwest district is located west of Highway 99W, between Kruger Road and Chapman Road. The terrain features steeper slopes and higher elevations to the west, but mostly flat land along Kruger Road.

The plan focuses mixed use development at the Kruger-99W intersection, with higher-density housing along Kruger Road. The southern end of the district is focused on being the "Gateway to Wine Country." Sherwood has an opportunity to capitalize on visitors entering or leaving wine country on Highway 99W. Uses in this area can focus on the growing wine and specialty agriculture tourism industry and provide lodging, tasting rooms, restaurants, and small retail shops. Another hospitality node is also located at the west end of Kruger Road, where the current property owner has plans for a wine-related business.

A small commercial node along Highway 99W, a variety of housing, and a low-density area on the hilltop round out the remainder of the Southwest district.

Figure 12. North District

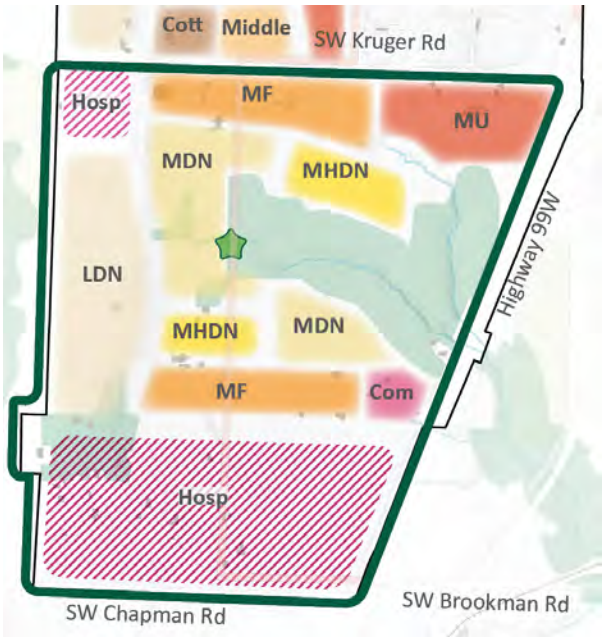
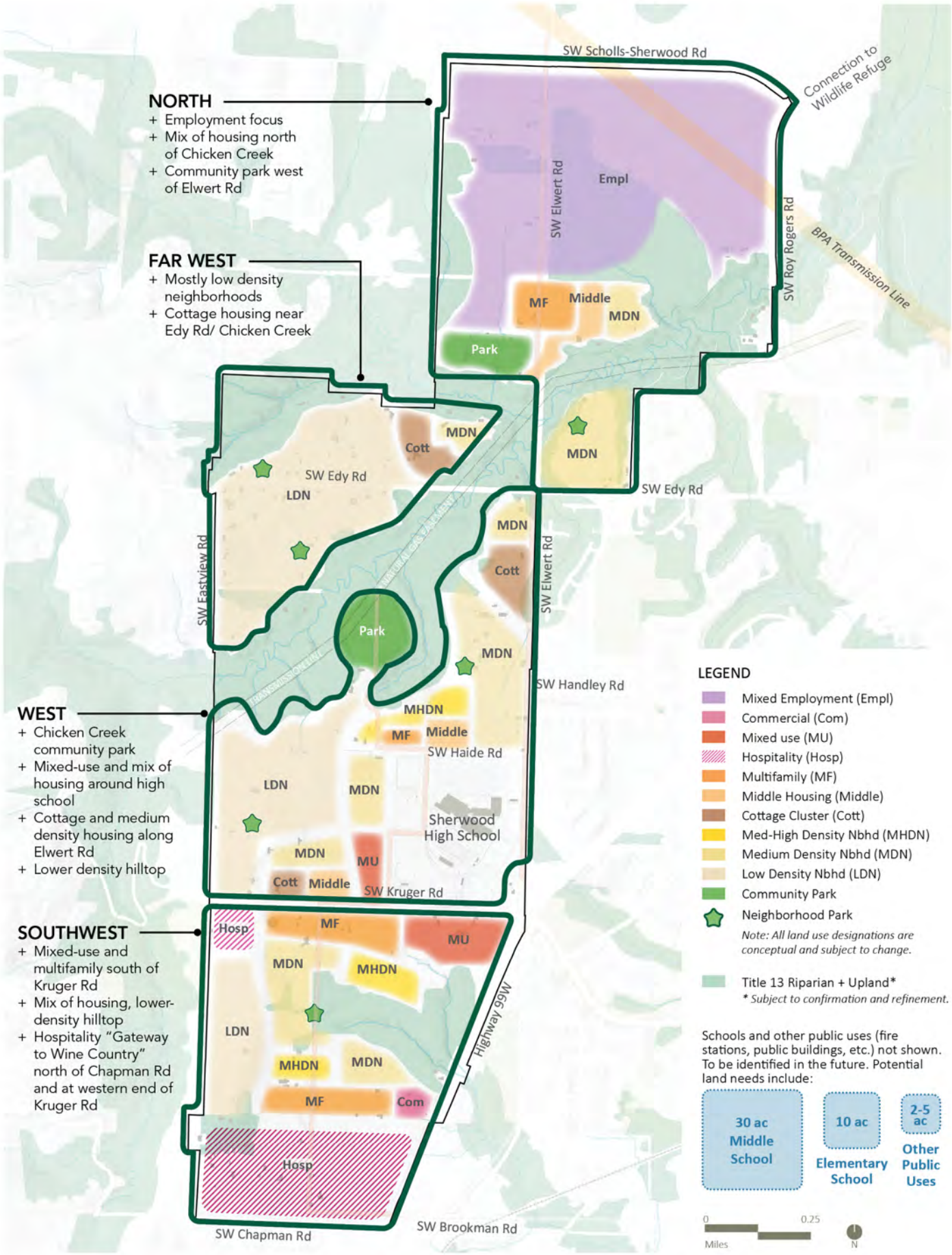


Figure 13. Land Use Plan Map



Housing

Planning for a variety of housing options that will meet the needs of a wide range of Sherwood West residents was a key objective of the concept planning process. Providing housing opportunities for first-time home buyers, seniors who may prefer to age in place or downsize their housing, and moderate-income households will require a wider range of housing types than has typically been provided in Sherwood. Examples of housing types that have designated places in Sherwood West include: single detached homes on smaller lots, cottage clusters, townhomes, duplexes, triplexes, fourplexes, garden apartments, and mid-rise apartments. These types will be in addition to the standard single detached housing that has typified Sherwood's development so far.

Residential Design Standards

Design standards will shape the look and feel of housing in Sherwood West. The City adopted new Residential Design Standards in 2021 to ensure middle housing (plexes, townhomes, etc.) and single-family housing fits into the City's desired neighborhood character. The standards focus on entry location and orientation, design of garages and off-street parking areas, window coverage, minimum landscaping required in all residential zones, and other specific design details. These new standards will apply in Sherwood West to ensure that all new housing maintains design features that are within the context, scale, and compatibility with the Sherwood community. Additional design standards could also be customized for the Sherwood West area (see Section VII. Implementation for further discussion).















Custom Zoning

As described in Section V. Land Use Alternatives, custom land use designations were developed to plan for the middle housing types that are most favored for future development in Sherwood West: duplexes, townhomes, and cottage clusters. Sherwood West's custom designations for Cottage Cluster housing and Middle Housing would not allow single-family detached development. This will not only help ensure middle housing is built in Sherwood West, but it will also give the City more flexibility to customize the design and development standards that apply in these zones.

Housing Metrics

Based on the Land Use Map depicted in Figure 13, the total estimated amount of future housing in Sherwood West could range from roughly 3,120 units up to 5,580 units, depending on how much middle housing is developed in the Neighborhood zones (see Table 4). The low end of the range represents no middle housing being developed in the Low-Density, Medium-Density, and Medium-High Density Neighborhood zones; the high end represents 50% of these areas being developed as middle housing at maximum allowable densities.

While middle housing will be permitted in the Neighborhood zones (as required by state law), it is unknown how much will actually be developed. Currently there is still a strong market for single-family detached housing in the region. Based on current development trends and consultation with developers in the region and housing economists, a realistic estimate is that somewhere in the range of 5-10% of single-family areas will be developed with middle housing. Because of the number of variables that can impact the actual percentage built, it was important to test a range of potential outcomes. Table 4 calculates total units based on a range of middle housing scenarios in the Neighborhood zones: 0%, 10%, 20%, and 50%.

This results in an estimated overall residential density of 9.2 to 10.6 units per acre (or up to 16.4 in the less likely 50% middle housing scenario). Average density is slightly lower factoring in the 15% open space that is required by the Sherwood Community Development Code.

See Appendix M. Housing Memo for additional information about the Concept Plan's consistency with state and regional requirements for housing.

Table 4. Sherwood West Housing Estimates

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood areas) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	33	*10%*	798	798	798	798
Middle Housing	5.5 to 11	16	*5%*	173	173	173	173
Cottage Cluster	12.8 to 16	23	*7%*	362	362	362	362
Med/High Density Nbhd	5.5 to 11	23	*7%*	248	279	311	406
Medium-Density Nbhd	5.6 to 8	102	*30%*	816	990	1,163	1,683
Low-Density Nbhd	3.5 to 5	144	*42%*	720	1,008	1,296	2,160
TOTAL		**340**	***100%***	**3,117**	**3,610**	**4,103**	**5,582**
Total Average Density				*9.2*	*10.6*	*12.1*	*16.4*
Total Average Density with Open Space				*7.8*	*9.0*	*10.3*	*13.9*

Employment

Sherwood wants and needs more jobs. Expanding existing businesses and attracting new employment to Sherwood—particularly the right kind of jobs in the right places—will provide opportunities for industrial and commercial development with higher wage jobs, help diversify and balance the City's tax base, and build a self-sustaining and vibrant local economy.

Key employment concepts for Sherwood West are described below.

Mixed Employment

Mixed Employment, which involves a mix of office, light industrial, and flex space uses within the same development or area of the city, emerged as an important theme of the Concept Plan. The economic opportunities study (Appendix G) identified mixed employment as a key economic development and job creation opportunity for Sherwood West. The land use plan locates Mixed Employment areas in the North district based on favorable characteristics for siting this type of use: large sites (at least 40-50 acres), flat topography (less than 3-5% slopes), larger ownerships, and easy access to major freight routes.

Hospitality

The proposed hospitality-focused land use designation is intended to accommodate uses such as lodging, wine tasting rooms, restaurants, and small retail shops—which typically rely on strong visibility to the public, e.g., from Highway 99W. This informed the placement of the hospitality designation at Highway 99W and Kruger Road—visible from the highway and closest to the vineyard areas to the southwest of Sherwood.

Section VII, Implementation includes potential approaches to implementing a hospitality designation, including a new base zone and an overlay zone.

Precedent Example: The Allison Inn & Spa

A luxury hotel in Oregon's wine country, The Allison Inn & Spa in Newberg, Oregon is an example of a type of destination resort that could distinguish Sherwood's own "Gateway to Wine Country."



Image Source: The Allison

Employment Metrics

Table 5 presents estimated employment potential for Sherwood West, based on the Land Use Map depicted in Figure 13. Based on these estimates, the total employment potential in Sherwood West is roughly 4,500 jobs.

Table 5. Sherwood West Employment Estimates

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	130	18	2,398	53%	49%
Commercial	7	36	237	5%	2%
Mixed Use	25	25	638	14%	9%
Hospitality	63	15	938	21%	24%
Schools	40	8	314	7%	15%
TOTAL	**265**		**4,524**	**100%**	**100%**

The jobs-per-acre estimates for each land use type are rough estimates gleaned from the Metro 2014 Urban Growth Report and from the scenario planning software Urban Footprint.

Jobs-to-Housing Ratio

Sherwood's current jobs-to-housing ratio is 0.9, meaning that for every 10 households in the city, there are 9 jobs. The potential jobs-to-housing ratio for Sherwood West is calculated by comparing the total housing and employment estimates (see Table 6). The estimated ratio ranges from 0.8 to 1.5, depending on how much additional housing results from middle housing being built in the Neighborhood zones. A reasonable "most likely" scenario is 1.3 jobs for each unit of housing.

Table 6. Sherwood West Jobs-to-Housing Ratio

	Middle Housing Scenario		
	0% MH	10% MH	50% MH
Total housing units	3,117	3,610	5,582
Total jobs	4,524	4,524	4,524
Jobs-Housing Ratio	**1.5**	**1.3**	**0.8**

According to 2019 Census data, approximately 92% of local Sherwood residents work outside of the community. This suggests that some residents are seeking employment outside Sherwood because the jobs available within the city do not match their needs. Adding more employment land in Sherwood West is intended to help balance the jobs-housing ratio in the city, help balance the types of jobs in the community, and allow more residents to live and work in Sherwood.

Community Services

Schools



Given the opportunities for new households, as Sherwood West is built out there will be demand for additional school facilities. While potential locations for school sites were part of the discussion, the CAC recommended that specific school locations not be included in the updated Concept Plan. As conveyed by the School District representative, schools will be built in later development phases, and the District does not typically reserve land many years in advance of development.

The Land Use Map (Figure 13) indicates the general land need for an elementary school and middle school and these school acreages also are factored into the housing and employment metrics in Table 4 and Table 5. Locating schools in Sherwood West will require trade-offs with less land available for other uses—this should be a consideration for future school siting. Pursuant to the City's development code, schools are a Conditional Use within residential-zoned areas. School placement could also factor into infrastructure phasing and future transportation planning.

Other Services

Sherwood West will need other community services and facilities in addition to schools. Existing services may need to expand, such as those provided by the City of Sherwood, Tualatin Valley Fire & Rescue, and Portland General Electric (PGE). PGE anticipates that a new substation in Sherwood West will be needed north of Edy Road to serve this area. Other facilities that may need to improve and expand to serve growing community needs include the Sherwood Library and the Field House. The Land Use Map (Figure 13) indicates the general estimated land need for future civic uses (roughly 2-5 acres). The City of Sherwood will continue working with local service providers to ensure community services are being met through planned and orderly development.

Transportation Plan

Streets

As the City of Sherwood grows, a well-designed and connected network of streets, paths, and trails in Sherwood West should focus on safety, knitting the existing and new growth together, creating livable and walkable neighborhoods, and mitigating impacts of regional through-traffic.

Figure 14 shows a conceptual framework of livable and connected streets for Sherwood West. Locations and alignments of proposed new streets (dashed gray lines) are conceptual and approximate. Additional local streets will be built between the framework streets, depending on land uses.

Transportation Principles for Sherwood West:

- Design for safety
- Integrate with existing Sherwood
- Connect all areas of Sherwood West
- Streets are places for people of all ages and abilities
- Provide for all modes of travel

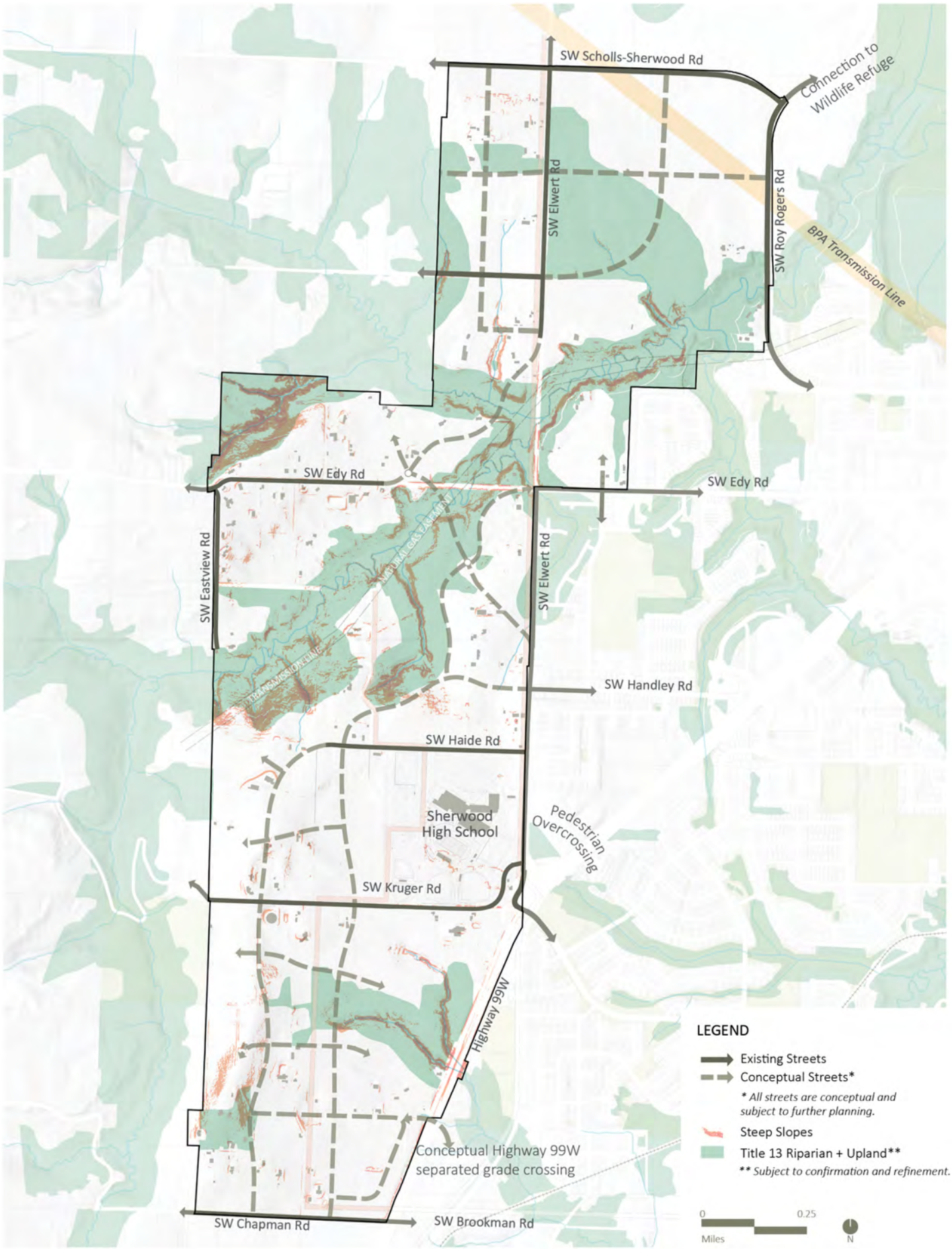
Key features of the streets framework include:

- North of Chicken Creek, the street framework is designed to serve Mixed Employment land uses. There are continuous parallel routes to SW Elwert Road so that local trips can move freely and turning movements Elwert are minimized.
- The Elwert-Edy Road intersection is realigned as described below (and in the Preliminary Concept Plan).
- A neighborhood street connects from SW Handley to SW Haide and south to SW Chapman Road. This street connects multiple neighborhoods and the central and southern employment areas.
- A north-south hilltop route provides additional north-south access and a second continuous north-south route for emergency access and other services.



SW Sunset Blvd

Figure 14. Conceptual Street Framework for Sherwood West



Elwert Road

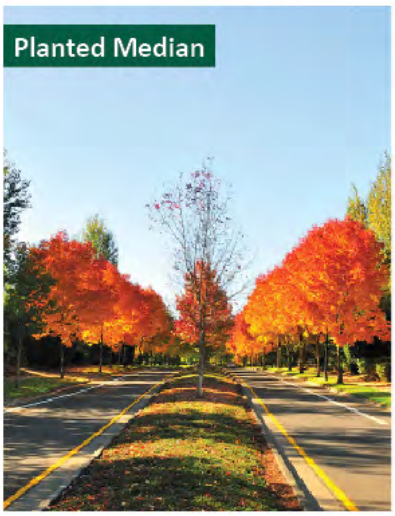
Design Concept

SW Elwert Road is a key north-south arterial street, and an important opportunity for providing access and defining urban design in Sherwood West. Design concepts for the roadway are aimed at making Elwert a livable and positive addition to the growth of Sherwood West and the adjacent neighborhoods on its east side. The concept is to create a safe, connected, and attractive boulevard with buffered sidewalks, safe crossings, bike lanes, a planted median with canopy trees, and path connections to key sites and destinations.

Design Ideas: Learning from SW Sunset Boulevard

Elwert Road connects to SW Sunset Boulevard at its southern end. The City can incorporate ideas from Sunset Boulevard into the design of Elwert Road. Desired roadway elements exemplified by Sunset Boulevard are illustrated at right.







Design Ideas: A Distinctive, Context-Sensitive Elwert Road

The design of Elwert Road should respond to the varied landscape and land use contexts along its length. Ideas for potential design strategies are specific to the identified land uses along the roadway. Elwert is currently a County roadway and future design details will require further study and collaboration with Washington County.

Figure 15. Contextual Design Concepts for Elwert Road

Employment Area Parkway

- Distinct street tree character
- Sherwood 'visual corridor' design
- Fewer curb cuts, continuous white fence
- Truck-turning considerations
- Large parcels with space for pathways linked to trails

Residential Boulevard

- Consistent street tree canopy, median
- Consistent white fence
- Safe crosswalks
- Protected bike lanes
- Access paths to residential areas
- Adjacent homes with side 'frontage'

Green Crossings

- Street tree choices informed by natural area proximity
- Narrower ROW to reduce footprint in ecologically-sensitive areas
- Trails and wildlife passage underneath
- Bridges as public view points, with art, educational signage

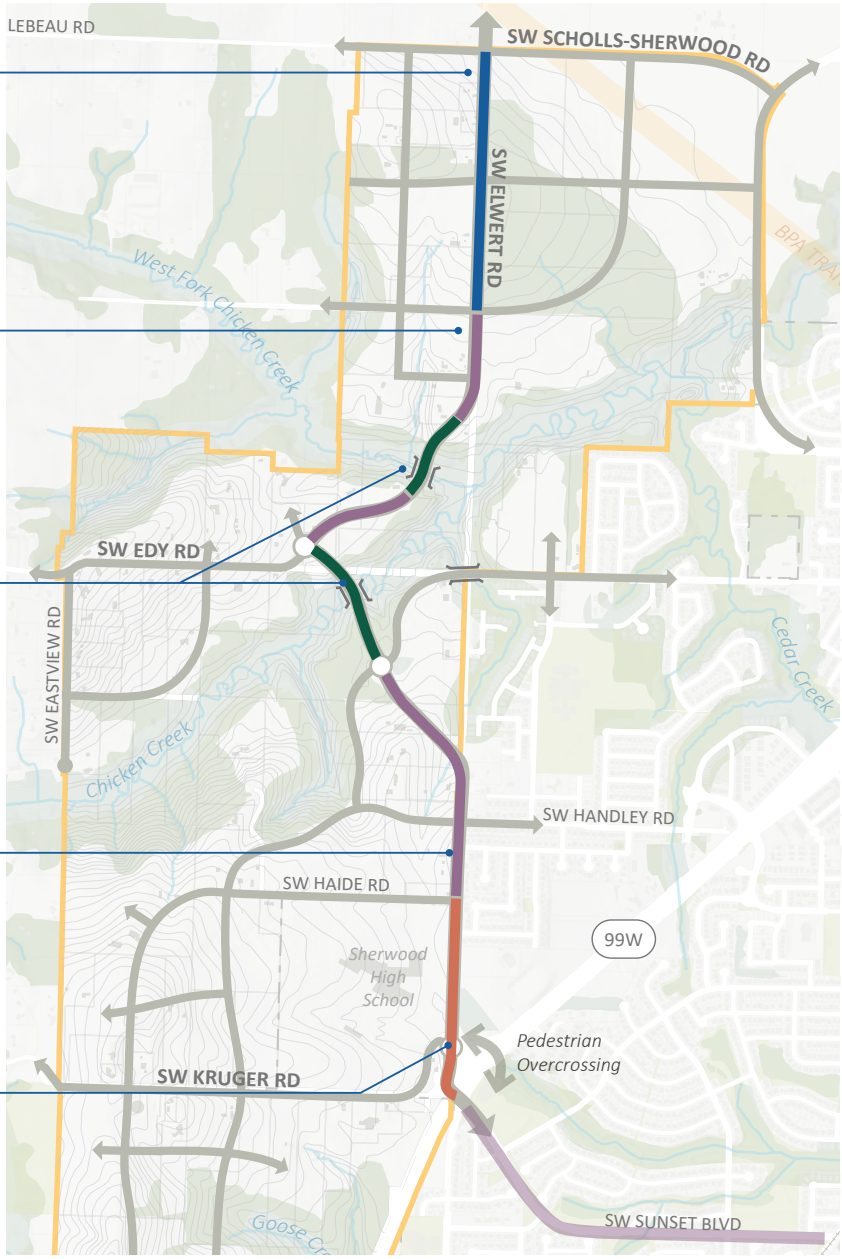
Residential Boulevard

See above, and...

- Between Haide and Handley, consider existing neighborhoods to east in design and ROW availability
- Continue multi-use path from High School
- Consider matching white fence on Sunset

High School Edge/Gateway

- Recently-rebuilt
- Generous multi-use path on west edge should extend north
- Pedestrian overcrossing



Potential Elwert Realignment

The Concept Plan Re-Look project examined two options for the intersection of SW Elwert Road and SW Edy Road, which are described in detail in the Preliminary Concept Plan. In either case, Elwert Road will need to be upgraded to current standards when development occurs in Sherwood West.

Realignment (Figure 16)

This option would realign Elwert and Edy Roads and add two new intersections on either side of Chicken Creek. As described in the Preliminary Concept Plan, this option has several advantages:

- Crosses two Chicken Creek tributary streams at the narrowest points, thereby reducing or eliminate wetland mitigation issues.
- Eliminates the excessive fills within the Elwert-Edy intersection and follows the existing terrain.
- Likely discourages freight traffic usage of the road and enhances safety by reducing speeds while still allowing significant local residential and commuter traffic flow.
- Allows the existing Elwert-Edy alignments and intersection to remain in use until construction of the realigned roadway is nearly complete.

This option would require construction of structural bridging and acquisition of right-of-way to accommodate the realignment of SW Elwert Road.

Existing Alignment (Figure 17)

This option retains the current location of the Edy-Elwert intersection, which would require correcting the intersection's vertical alignment to meet safety standards. This means raising the road elevation approximately 10-20 feet to flatten the rolling topography for safer stopping sight distances at intersections. In contrast to the realignment approach, this option has a few disadvantages:

Figure 16. Realignment Option

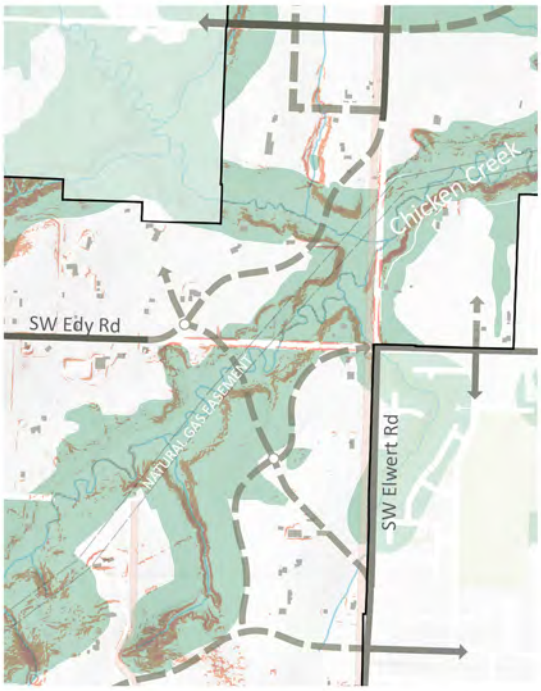
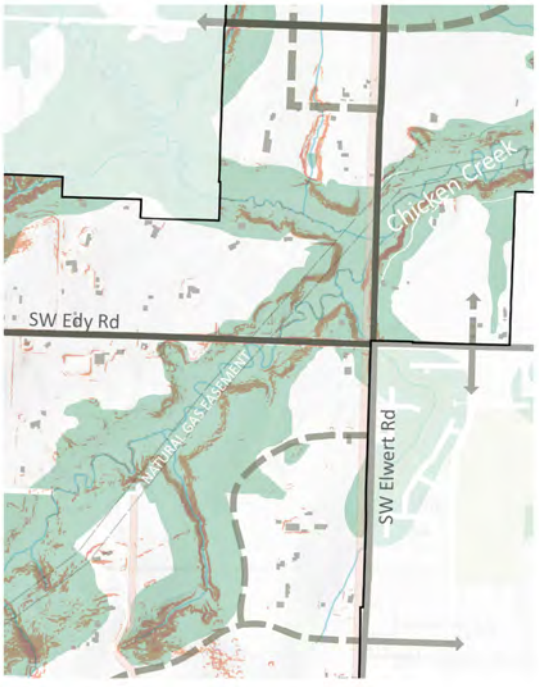


Figure 17. Existing Alignment Option



- By raising the road along this length, there would be impacts to the existing right-of-way and adjacent wetlands due to the need for additional fill.
- An estimated 20 to 40 feet of additional right-of-way would be required to account for fill slope.
- The additional environmental impacts would require extensive wetlands mitigation.
- Local and commuter traffic would be heavily impacted during construction.

Because of these reasons, the CAC and project team recommend the realignment approach. However, further analysis, including more in-depth environmental, engineering, and cost analysis, will be necessary before the decision about Elwert Road's alignment is finalized.

Transportation Improvements Under Study

Pedestrian Overcrossing

A new Highway 99W pedestrian overcrossing is planned in the vicinity of Sherwood High School and is currently being designed (as of spring 2023). The new overcrossing will address the major barrier that the highway presents for pedestrians today. It would also help connect the high school, the YMCA, and the greater Sherwood West area with existing trails and destinations on the east side of the highway. The preferred alignment for the overcrossing is illustrated in Figure 18.

Figure 18. Pedestrian Overcrossing Alignment



Connection to Brookman Area

The City of Sherwood has been studying several alternatives for improving connectivity between the Brookman Area and Sherwood West. Sherwood City Council recently endorsed the alternative that would locate a new grade-separated crossing of Highway 99W to the north of SW Chapman Road (see Figure 19). The crossing would serve local access (no interchanges from Highway 99W), and would connect to Old Highway 99W to the east and to the western side of Sherwood West via new local streets.



Figure 19. OR 99W/Brookman-Chapman Alternative 2

The connectivity alternative also includes intersection improvements (signal or roundabout) at the intersection of SW Brookman Road/ SW Chapman Road and Highway 99W, which would provide access to and from the highway.

Other Transportation Concepts for Future Study

The existing transportation system in Sherwood West is limited to very few routes, is characterized by rural road conditions, and has almost no pedestrian and bicycle facilities. A key challenge to future development in the area is the current reliance on Oregon Highway 99W and SW Elwert Road for north-south travel, particularly for through-trips that do not have an origin or destination in Sherwood. Highway 99W is designed for this traffic; however, SW Elwert Road is not. Elwert's future improvements should support Sherwood West as a livable, walkable part of Sherwood, not only as a conduit for through traffic.

The transportation network for Sherwood West will serve local travel, provide excellent walking and biking routes, and minimize trips through Sherwood's neighborhoods. Toward this end, the strategies in the Concept Plan are to:

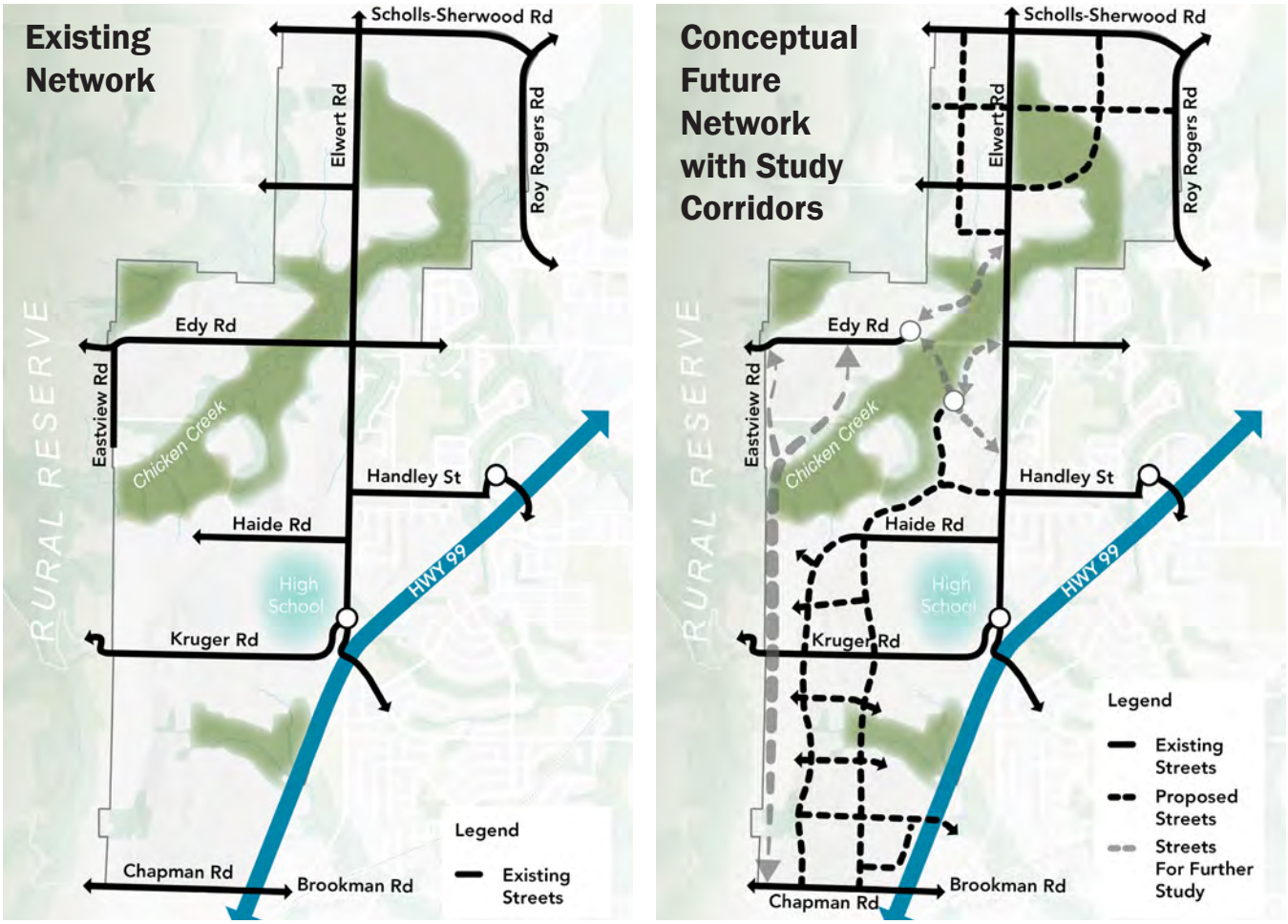
- Plan and develop a well-connected street network that connects existing and new neighborhoods;
- Plan and develop a robust, safe and inviting pedestrian and bike network – for all users;
- Implement the Chicken Creek Greenway with a regional trail that connects Sherwood West to the existing city and the Tualatin National Wildlife Refuge;

- Implement the Elwert Road Design Concept described and illustrated above, using Sunset Boulevard as inspiration;
- Build the Brookman separated-grade crossing;
- Build the Highway 99W pedestrian overpass; and
- Provide additional north-south connectivity that directs traffic away from neighborhoods rather than through them.

Streets For Further Study (North-South Connector & Elwert Realignment)

Figure 20 shows a conceptual street framework for further study. The diagram shows additional north-south connectivity and the realignment of Elwert Road. The core idea of the north-south connectivity concept is to connect SW Chapman Road to the north end of Sherwood West, enhancing regional connectivity and providing an option away from neighborhoods. The route is conceptual and its specific alignment has not been identified. The City is aware of the challenges – topographic, environmental, conflicts with existing development – but seeks to continue to study this long range transportation corridor. The Elwert realignment concept is discussed on page 53.

Figure 20. Conceptual Diagrams – Streets for Further Study



Active Transportation and Trails



Trails, cycling routes, transit, "micromobility," and other ways of getting around without a car will be designed into Sherwood West. It is expected that active transportation options will connect between local parks, green spaces, schools, neighborhoods, and employment areas to encourage walking, rolling, and biking. This Concept Plan provides an opportunity to pre-plan key connections between new growth in Sherwood West and existing areas of Sherwood. There is also an opportunity through plan implementation to ensure future transit can be as successful as possible.

Sherwood West's streets will be an important part of providing active transportation options, along with off-street trails and the location of parks, schools, and community gathering spaces.

Trail Network

The maps in Figure 22 and Figure 24 illustrate a conceptual trail network for Sherwood West, ranging from larger regional trails to smaller community trails. Future trails in the Sherwood West area will prioritize connections to existing and planned trail networks.

Chicken Creek will also form a key component of the future trail network. See the Green Space Network section, below, for a discussion of Chicken Creek Greenway concepts.

Safe Routes to School



The Concept Plan illustrates the potential for a bicycle and pedestrian network that is safe, connected, and serves all ages and abilities. Key elements include:

- Chicken Creek Regional Trail;
- Local trails serving every neighborhood and providing continuous routes throughout Sherwood West (north to south and east to west);
- Key connections to Sherwood at SW Edy Road, SW Chapman Road, and SW Elwert Road / SW Sunset Boulevard, with associated pedestrian and bicycle improvements;
- A pedestrian overcrossing of Highway 99W connecting to Sherwood High School; and
- Potential safe routes to Ridges Elementary School at SW Handley, SW Copper Terrace and via trail connections from SW Elwert and SW Edy.

Future Transit, Micromobility, and the "First and Last Mile"

The Sherwood West lies directly adjacent to TriMet's current service boundary but TriMet does not currently provide transit service to the area. The closest bus stops are about a mile away in Old Town, which is served by lines 93 and 94. The Concept Plan helps Sherwood West to be "transit-ready" by planning land uses, key streets, and trails to accommodate and support future transit service. The diagram at right shows potential future transit routes in orange as conceptually noted in the TSP.

In addition, the inclusion of "micromobility" services, like bike-sharing and scooters, can help people to get around more easily without a car. Micromobility stations could be included at schools, employment and commercial areas, and near existing transit stops. Access to micromobility services can help people access transit and make the "first and last mile" of a trip and provides options for getting to and from school, work, and leisure activities.

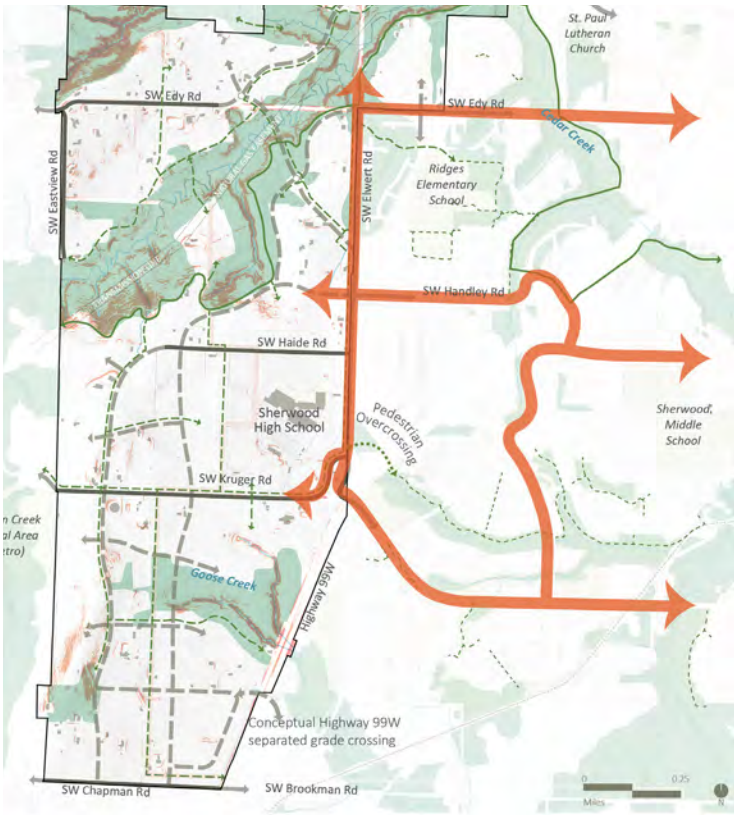
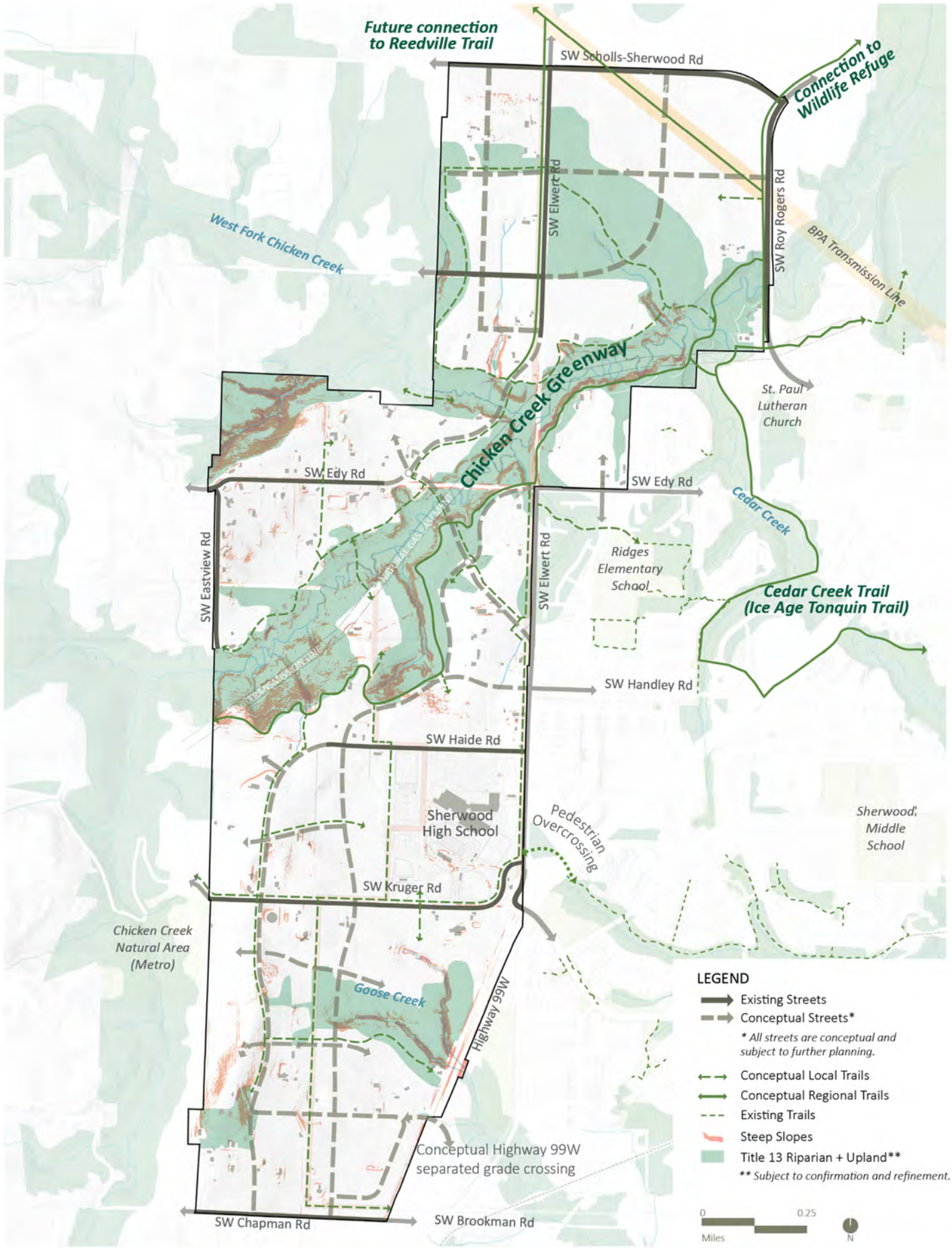


Figure 21. Potential Future Transit Routes Connecting to Old Town (Source: Sherwood TSP)





Figure 22. Overall Transportation Framework for Sherwood West



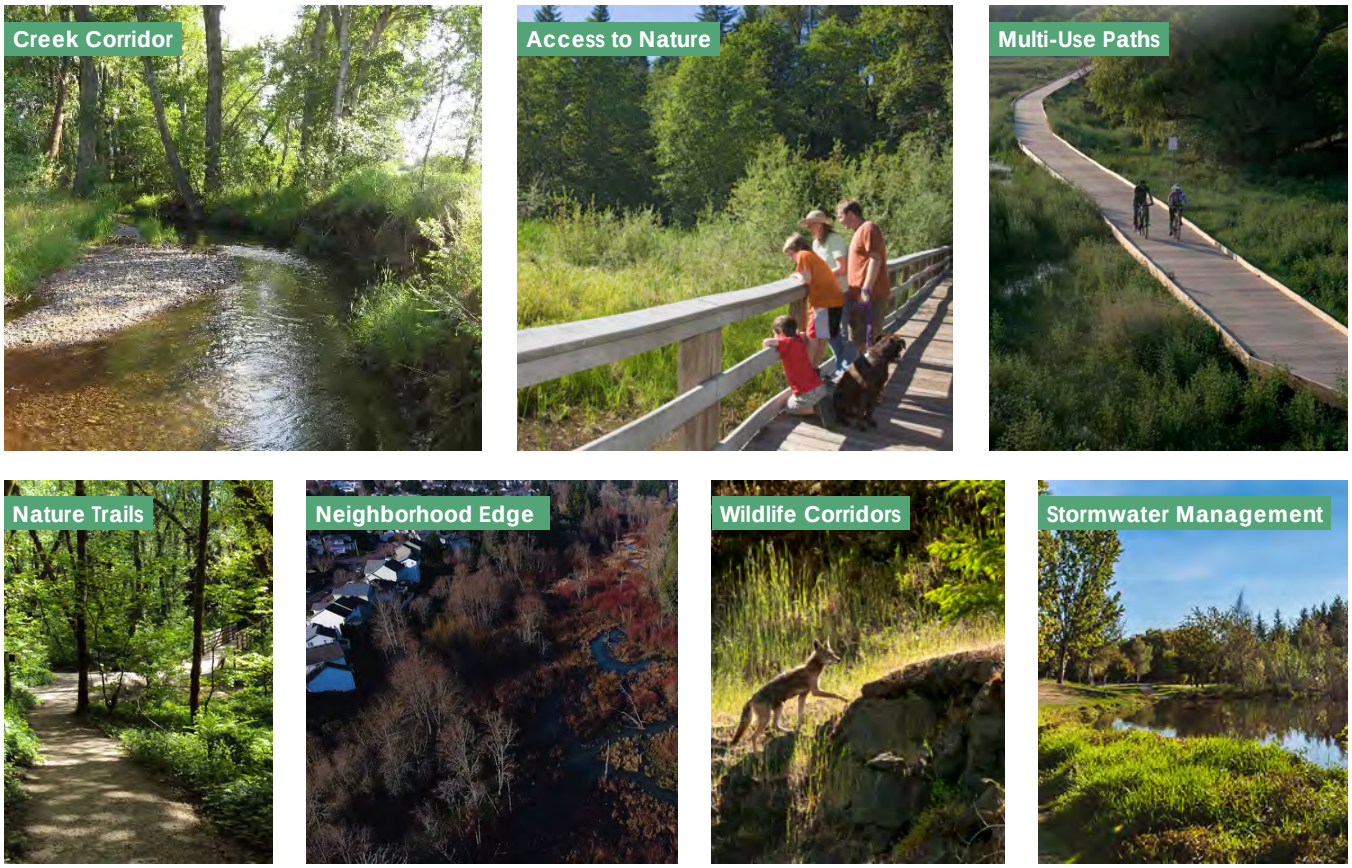
Green Space Network

A vital component of Sherwood's livability is its access to nature and open spaces. Sherwood's landscape is defined by the creek corridors that flow through the city and drain to the Tualatin River at the Tualatin River National Wildlife Refuge. Parks and open space illustrated in the Concept Plan take advantage of the natural landscape in Sherwood West to enhance access to nature and outdoor recreation. Sherwood West's green space network includes creek corridors and their habitat areas; trails and greenways; tree and tree canopy, as protected by Sherwood's code; stormwater facilities; and neighborhood parks, community parks, and school fields.

Chicken Creek Greenway

Chicken Creek forms a natural greenway through the area, flowing southwest to northeast and eventually draining into the Tualatin River. It is fed by several other waterways: Cedar Creek, Goose Creek, and West Fork Chicken Creek. The future Chicken Creek Greenway preserves and enhances these natural corridors by providing wildlife crossings, incorporating stormwater management practices, and providing access to nature through a network of connected walking trails. As conceptualized, the Chicken Creek Greenway will incorporate the creek corridor as well as the surrounding riparian and upland habitat areas (as shown in Figure 23).

Figure 23. Elements of a Greenway



CONCEPT PLAN

Neighborhood and Community Parks

The map in Figure 24 identifies potential locations for future neighborhood and community parks. These spaces will ultimately be integrated into Sherwood West's overall trail and open space network.



Community Parks. Consistent with the Sherwood Parks and Recreation Master Plan, the Concept Plan locates two community parks with a minimum of 10 acres in Sherwood West. Specific future locations for community parks will depend on site suitability (e.g., topography, size, street access), phasing of development, and property acquisition opportunities.

Neighborhood and Pocket Parks. The Concept Plan also identifies conceptual locations for smaller neighborhood parks. While the City may identify preferred locations and acquire land for neighborhood parks, typically greater than 1.5 acres, often these areas can be dedicated as a part of land development. In addition, pocket parks, typically smaller than 1.5 acres and maintained by Homeowner Associations, will be required as part of usable open space through the land development process.

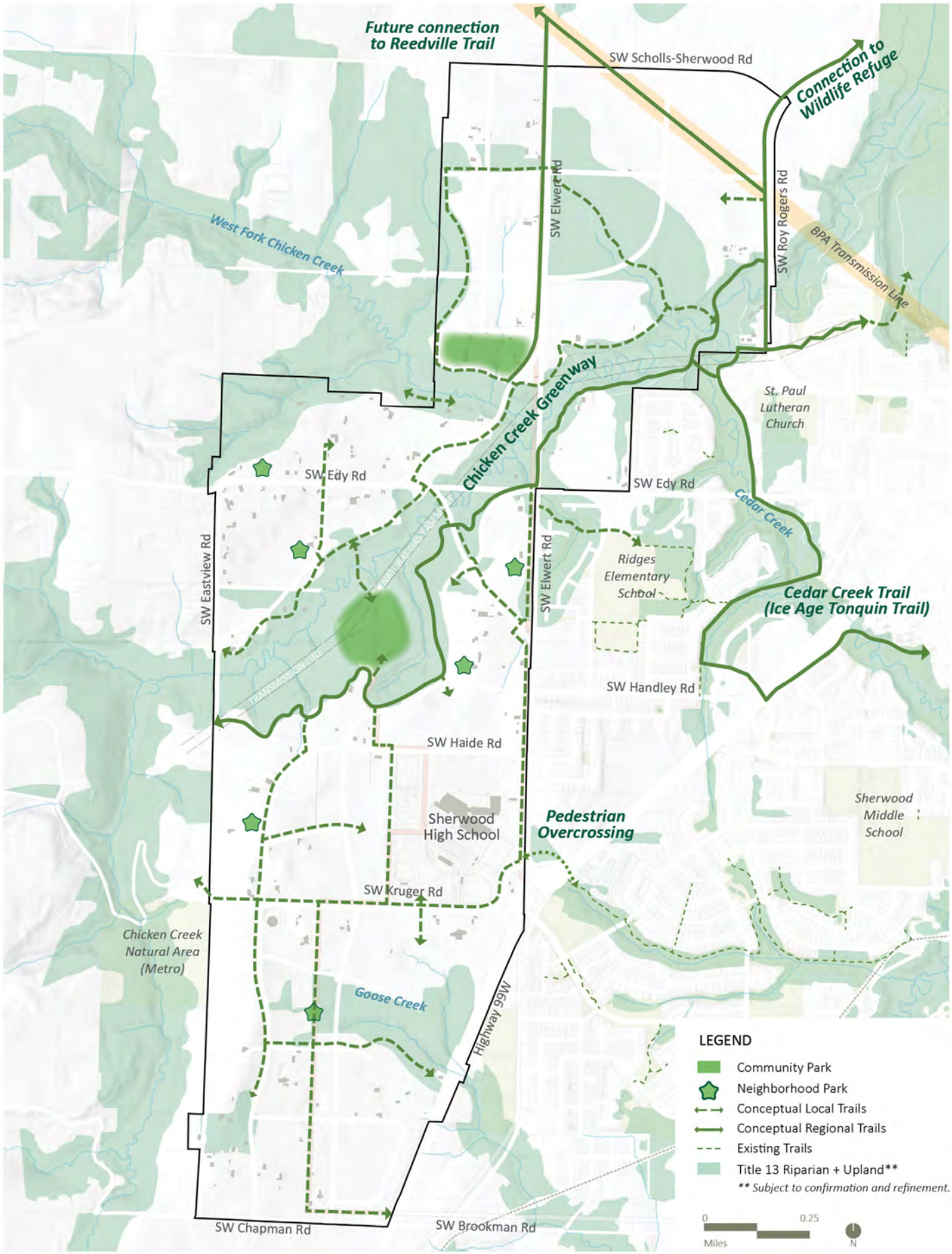
Natural Resources

Natural resource areas in Sherwood West will be preserved and integrated into the open space network. The Chicken Creek Greenway section, above, describes how creek corridors will form an essential component of the trail network and access to nature. In addition, regulations at the regional, state, and federal level require protection of wetlands, habitat areas, and other natural resources as part of future development.



Once Sherwood West is brought into the UGB, the next steps for riparian and other habitat areas subject to Metro Title 13 and Statewide Planning Goal 5 will be to analyze specific resources; make determinations about their significance; conduct an Economic, Social, Environmental and Energy Consequences (ESEE) analysis; and adopt plans for resource protection through the Sherwood Comprehensive Plan and Development Code. The Concept Plan maps show mapped Title 13 habitat areas; however, the extent of protected resources could change based on future analysis and planning.

Figure 24. Sherwood West Trails and Open Space Network



Utilities

In addition to transportation infrastructure, future development in Sherwood West will require provision of water, sanitary sewer, and stormwater utilities. This section briefly summarizes future planning, phasing, and future extension of utilities. Additional detail is provided in Appendix M, Infrastructure Costs, Planning, and Phasing Memo) and Appendix N, Preliminary Infrastructure Funding Strategy.

Water

Existing water facilities in or near Sherwood West include a water reservoir, a supply line, and distribution lines. The Kruger Reservoir, which serves a portion of existing Sherwood, is located in Sherwood West, south of SW Kruger Road and approximately one-half mile west of Highway 99W. There is also an existing water main in SW Elwert Road between SW Kruger Road and SW Handley Street, and in the vicinity of Derby Terrace. This water main could be extended to serve Sherwood West development.

Phasing: Development in Sherwood West's West and Southwest districts can be served with water infrastructure in the near future. Water infrastructure will need to be extended east to west to serve the hillsides. The Far West district can be served after water infrastructure improvements, such as an additional pump station, are constructed. The North district will need further study and significant water infrastructure improvements to be served. The Preliminary Infrastructure Funding Strategy (Appendix N) includes cost estimates for extending infrastructure to the North district; water and transportation projects have the highest projected costs for this district.



Sewer

Existing sanitary sewer facilities adjacent to or near Sherwood West are limited. To serve the area with sanitary sewer, a new pump station in the West district and a new sewer trunk line extension to the Sherwood High School from the Brookman Area are needed.

Pump station

A sewer mainline was constructed in Copper Terrace as part of the Ridges Elementary School development. This mainline runs up Edy Road, down Copper Terrace, and ends at the north end of the school perimeter. To use this line, a new pump station is needed from the south to the crest of Handley Street. The line would need to cross private property or run to and down Edy Road to connect in. This

line could serve the West, Far West and a portion of the North districts. An additional pump station and sanitary sewer planning are needed for the North district.

Trunk line extension

The Brookman sanitary trunk line extension will gravity flow across Highway 99W at the future Brookman Road intersection to a future gravity system that will serve a portion of the West and Southwest districts. The Brookman sanitary trunk line project ties into the existing Sherwood Trunk that runs north. A current CWS project is extending and constructing the Brookman trunk line to the boundary of the Brookman Addition and then north of Highway 99W to serve the new Sherwood High School. The extension project is anticipated to be completed in 2025.

Phasing: The West and Southwest districts in Sherwood West can be served with sanitary sewer infrastructure in the short term. Sanitary sewer infrastructure would need to be extended into the hillside area of the West, Southwest, and Far West districts as those areas develop. The North district needs further study on how to best serve the area and if any significant infrastructure is necessary to serve sanitary sewers in this area.

Storm

Largely undeveloped today, Sherwood West has no existing stormwater infrastructure. As development occurs in the future, stormwater would likely be discharged onto the floodplain of the adjacent creeks and tributaries. All planned stormwater facilities must meet the requirements of Clean Water Services Design and Construction Standards for conveyance, water quality treatment, and water quantity treatment. Handling Sherwood West's future needs through regional stormwater facilities within Sherwood West is the City's preferred approach.





Sherwood West also offers new opportunities to utilize low impact development approaches (LIDAs) such as rain gardens, vegetated swales, porous pavement, and other forms of green infrastructure. These types of facilities can provide visual amenities and habitat benefits in addition to managing stormwater and should be integrated into new transportation facilities, parks, and private development.

Phasing: All areas within Sherwood West can handle stormwater with required infrastructure improvements as development occurs.

IMPLEMENTATION



IMPLEMENTATION

Once accepted by the Sherwood City Council, this Concept Plan will serve as a resource for future discussion about expanding the UGB and more detailed planning for growth and development in Sherwood West. The following strategies and considerations are suggested to implement the concepts laid out in this plan.

UGB Expansion Request

City Council will decide whether to make a UGB expansion request in the next review cycle, and Metro will decide whether Sherwood West is an appropriate area for expansion. With local acceptance of the Sherwood West Concept Plan, the City will have the ability to request a UGB expansion to include all or part of Sherwood West in 2024. The Metro Council must review and report on the regional 20-year land supply UGB every six years and, if necessary, adjust the UGB to meet land needs for that 20-year period. Metro's next review of the land supply will occur in 2024.

Possible timing for these decisions is included in the "Future Development Timeline" in Appendix A and the phasing strategy in Appendix O.

Infrastructure Funding Strategy

The City of Sherwood places a high priority on well-planned, efficient infrastructure to serve community goals. The Sherwood West Concept Plan's Preliminary Infrastructure Funding Strategy (Appendix N) is consistent with City priorities and implements Project Goal #6, which states "(g)rowth and development are well-planned and implementation of the area is pragmatic."

The Preliminary Infrastructure Funding Strategy includes a high-level estimate of infrastructure costs, revenues, and potential tools for funding future development in Sherwood West. The strategy addresses water, sanitary sewer, storm water, transportation, and parks.

Key findings of the preliminary infrastructure funding strategy analysis include:

- Envisioned development includes employment uses in the North district and a mix of housing and employment uses along Highway 99W in the West and Southwest districts.
- Several infrastructure projects are catalytic to making development possible in these areas. For the North, West, and Southwest districts, transportation projects are projected as the highest-cost, including the improvement of Elwert Road, Scholls-Sherwood Road in the North, and a new 2-lane collector in the West and Southwest districts. Additional catalytic projects include extending water and storm improvements along Elwert Road in the North and expanding water service in the West and Southwest districts.
- Preliminary analysis shows a revenue shortfall for water and storm and surplus for transportation, sewer, and parks when regional connection charge revenues to Clean Water Services and the Washington County Transportation Development Tax are included. *NOTE: Cost and revenue estimates for this analysis are rough estimates and will be refined in subsequent planning phases.*

- Of all the potential funding strategies, a supplemental system development charge (SDC) would be easiest to implement to cover funding gaps, though the City should also aggressively seek outside funding from regional, state and federal programs to reduce the overall cost.
- Next steps involve continued refinement of projects and costs and financial modeling and discussions with developers on a potential supplemental fee.

Future Zoning And Regulations

Future Comprehensive Planning

The Sherwood West Concept Plan establishes the overall vision, goals, and framework plans for land use, transportation, parks, natural resources, and utility infrastructure. If Sherwood West is added to the UGB, the next phase is a more detailed comprehensive planning process. Outcomes of that process will include:

- New or revised Comprehensive Plan policies that address issues in Sherwood West (if needed)
- Property-specific Comprehensive Plan and zone map designations (these could be existing Plan designations or new designations tailored to Sherwood West)
- Development Code regulations
- Specific locations for major road connections and updates to the Transportation System Plan
- Detailed infrastructure plans
- Natural resource protection (see below)
- Other implementation strategies needed to set the stage for annexation and development

The comprehensive planning and zoning process is another opportunity for the City to reach out to affected property owners and the larger community to refine plans for Sherwood West. Robust community engagement will be an important component of developing detailed plans and regulations.

Natural Resource Protection

The Concept Plan identifies locations of Metro Title 13 / Statewide Goal 5 resources within Sherwood West. However, additional analysis and planning will be necessary to determine the level of significance of these resources and the extent to which they must be protected. As part of the future comprehensive planning process, the City will further analyze specific resources, make significance determinations; conduct an Economic, Social, Environmental and Energy Consequences (ESEE) analysis; and adopt plans for resource protection through updates to the Comprehensive Plan and Development Code.

Future Development Code Regulations

Objectives

The regulatory implementation for the Sherwood West Concept Plan should:

- Implement the Sherwood West vision and goals.
- Create a system that can implement the vision over time, with incremental development. Because Sherwood West is highly parcelized, development is likely to happen incrementally, rather than large areas being developed all at once.
- Design a zoning structure that will ideally work in the short- and long-term. Development in Sherwood West is expected to occur over several decades; therefore, regulations should be flexible and adaptable to changing conditions.
- Adopt new base zones only if there is a compelling reason to do so. A simple approach to zoning that limits the amount of "new code" is easier for City staff and applicants to work with, which can lead to better outcomes.
- Craft the fewest number of rules to get the job done while meeting the City's expectations for quality development.
- Adopt and implement annexation code for the orderly and efficient transition of land uses from rural to urban.

Custom Residential Zoning

While the objective is to minimize new zoning and related requirements, the land use plan for Sherwood West recommends two residential designations that would be implemented through new, custom zones:

- **Cottage Cluster** – This zone would allow only cottage clusters, which are groupings of relatively small homes clustered around a shared courtyard or open space. Their smaller footprints and shared amenities make them an appealing alternative to typical single detached dwellings.
- **Middle Housing** – This zone would allow duplexes, townhomes (attached housing on individual lots), and cottage clusters. These are the middle housing types that have been most favored by the CAC and Sherwood community and would provide different housing choices—including options for more affordable homeownership, as compared to single detached dwellings.

This strategy is recommended to help ensure that community-supported middle housing types are built in Sherwood West and to give the City flexibility to customize the design and development standards that apply in these zones.

In developing these zones, the City should evaluate how its current zones and recently-adopted Residential Design Standards are working as demonstrated by recent development. If different approaches to development and design would be beneficial in Sherwood West, those should be considered for the Cottage Cluster and Middle Housing zones. Care should be taken to ensure future regulations are not overly restrictive and discourage this type of development, especially given the limited housing types that will be permitted.

IMPLEMENTATION

Hospitality Zoning

Specific approaches for implementing a Hospitality Zone, unique to Sherwood West, will need to be developed as part of the comprehensive planning/zoning process. To successfully capitalize on this area's ability to be the "Gateway to Wine Country," additional economic study and outreach to developers is recommended to assess the feasibility of this concept and options for implementation.

Potential approaches to accommodate hotels/motels, restaurants, wineries, destination tourism, and similar uses:

- New Hospitality base zone – Establish a new zone that would allow only those uses that are desired in this area.
- Overlay zone – Apply standard base zones, with an overlay zone that implements the City's hospitality objectives. The underlying zoning could be commercial zones that already allow lodging and restaurants, such as the City's Retail Commercial (RC) or General Commercial (GC) zones, and/or could include employment or residential zones. The overlay zone could either restrict uses or add additional allowed uses, depending on what is allowed in the underlying zone(s).
- Incentive zoning – Offer development incentives, such as increased building height or lot coverage, to desired hospitality uses.

Master Planning or "Village Planning"

Master planning is an approach used by some Metro-area jurisdictions to prepare UGB expansion areas for annexation and development. It is expected that a master plan approach, led by the City in advance of development, would have the following benefits and characteristics:

- More certainty for coordinating multiple developments into cohesive neighborhoods.
- Ability to coordinate unique elements like views, trails, specific greenspaces, public uses, street trees, and streetscape design.
- More specific land planning to help coordinate infrastructure phasing and funding.
- Required public planning process, with an associated timeline, City staff time and costs, and community participation.
- Potential challenges if some property owners are ready/favorable toward development and others are not – this should be thoroughly assessed prior to initiation.
- Reduced flexibility for developers in subsequent development review.
- Phasing – Infrastructure planning to date has identified infrastructure phasing for the Sherwood West area. Sherwood could prepare master plans in phases that follow that same general sequence of development.
- Master planning may be superseded by regulatory compliance of House Bill 2001.

The "Village Planning" concept involves planning for a mix of land uses, walkable community design, and open spaces that can result in quality new development that reflects Sherwood values. Villages are assumed to be created through master planning processes that are either City led or developer led prior to annexation into the city. Precedents for village planning are Villebois Village and Frog East & South in Wilsonville.

A potential strategy for Sherwood West is to prepare master plans only for "village" portions of Sherwood West—such as the areas along SW Kruger Road and near Sherwood High School. These areas are primed for future development, offering locational and topographic features that lend themselves to a broader mix of uses and village-style development.

Note that if the City pursues a master planning approach, it should work with the Department of Land Conservation and Development (DLCD) to understand how state middle housing requirements would affect planning in Sherwood West.

Future Annexation

Annexation is the process by which land inside the UGB will be brought into Sherwood city limits. Annexation may be initiated by property owners and is a necessary step before development can occur.

The Sherwood Comprehensive Plan requires that annexations occur "in an orderly and coordinated manner, and services are provided to support urban growth consistent with the 2040 Vision" (Policy 3.4). Criteria include that the property is contiguous to the existing City limits or separated from it only by a public right of way and that an adequate level of urban services and infrastructure are available or can be extended in a cost effective and efficient manner to the area.

Some cities require or allow **Annexation Agreements**, which are binding contracts between the property owner and City, to ensure that a proposed annexation is in the public interest. The City of Sherwood could use a such a strategy to ensure that applicants are aware of the key elements of the Sherwood West Concept Plan and aware of what their development obligations will be regarding utilities, dedication of open space and trails, and other requirements applicable to the subject property.

Planning for Housing

In the coming years, the City of Sherwood will undertake a planning process called a Housing Production Strategy (HPS) to identify actions that the City will take to increase housing production that meets community members' needs. An HPS is required of Oregon cities under House Bill 2003 and OAR 660-008. The law requires Sherwood and other cities to evaluate a broad range of solutions to meet local housing needs—which may include policies, programs, funding tools, incentives, partnerships, and more. The City will be required to adopt its first HPS by 2027. As part of that process, the City will consider various strategies to promote housing development in Sherwood West that provides a variety of housing choices and options and that is affordable to the full range of income levels, including low-income households.

Transportation and Infrastructure

Future Alternatives/Feasibility Studies

The City will need to conduct several alternatives analyses and feasibility studies to determine the final location, alignment, and design of key transportation improvements.

- **SW Elwert Road - SW Edy Road Alignment** – The City will need to conduct more in-depth environmental, engineering, and cost analysis before the decision about Elwert Road's alignment is finalized. This should be undertaken as a separate feasibility study, which should be included in the scope of work for the comprehensive planning effort. The feasibility analysis should be robust and include coordination with Division of State Lands, an engineering feasibility analysis with a preliminary 5-10% roadway and intersection design, and a high-level cost estimate, among other analyses required for wetland and other impacts.

  In addition, because SW Elwert Road is a Washington County facility, final designs and proposed cross sections must be coordinated with County staff and be appropriately sized and designed for an arterial roadway that can accommodate anticipated future local and regional travel demand, including truck traffic.
- **LeBeau Road/Elwert Road/Scholls-Sherwood Road Intersection** – The scope of work for comprehensive planning should also include analysis of the LeBeau Road/Elwert Road/Scholls-Sherwood Road intersection and needed improvements.
- **Connection to Brookman Area** – The recommendation for a separated-grade crossing of Highway 99W will require further analysis to determine what specific type of improvement is preferred and how it will be phased.
- **North-South Connectivity** – The concept of adding a route to enhance regional north-south connectivity will require future study. Additional feasibility and cost analysis will be necessary. This should be considered as a long-term strategy, rather than an essential component of early-stage transportation planning in Sherwood West.

Public Facility Plans

Transportation Plans

Updates to the Sherwood TSP and Capital Improvement Plan (CIP) will be necessary to incorporate street design standards and improvement projects for facilities within Sherwood West. A TSP update will include functional classification of roads and potentially new street cross section designs. The CIP establishes, prioritizes, and defines funding for capital projects to improve existing systems and develop new infrastructure and facilities. Ultimately, key Sherwood West transportation projects can be included and prioritized in the CIP based on the availability of funding (e.g., county, regional, state, and federal funds).

Other Utilities

More detailed water, sewer, and stormwater infrastructure planning will be necessary prior to annexation and development in Sherwood West. As part of this step, the City's water and sewer master plans should be updated as needed.

Funding Tools

The Preliminary Infrastructure Funding Strategy (Appendix N) identifies potential funding approaches for catalytic infrastructure projects in the North, West, and Southwest districts. However, more detailed cost estimates, revenue projections, and infrastructure planning are needed. In subsequent phases, the City should conduct further study to evaluate and establish funding tools for Sherwood West. One promising tool to explore in the next steps is implementing a supplemental SDC. This would be managed by City staff with the support of a municipal finance consultant and would involve:

- Ongoing refinement of project engineering and costs;
- Outreach to property owners and developers to refine development projections and phasing and to negotiate the specifics of a potential fee;
- Financial modeling of a potential fee, including identification of specific projects that would be included in the fee and exploration of scenarios that might vary the fee in different parts of Sherwood West;
- Sherwood City Council and Planning Commission engagement; and
- Development of a final proposal for adoption.

Developer Recommendations

The following are recommendations for infrastructure and funding needs from local development practitioners. These points were gleaned from the developer tour and discussions conducted in fall 2022. Refer to Appendix J for the full summary of developer feedback.

Infrastructure

- Roads with utilities are critical to setting the stage for private development. Consider it backbone infrastructure that is a prerequisite to getting development underway.
- Get a wetlands inventory done soon so that potential issues are known early on.
- The high school is not yet on sewer, but when it is installed in 2025, that part of the study area will open up for development.

Implementation and Funding

- It is a challenge for developers to front load all infrastructure when they do not always get credit for it and/or they may not get reimbursed by future developers before they expire.
- Locating a public facility like city offices or a police or fire station in the study area could jumpstart development.

Continued Community Engagement

The City should continue engaging with property owners and the Sherwood community about Sherwood West's future growth. This should include outreach via periodic email updates, the project website, and neighborhood outreach. Community engagement is critical to the success of Sherwood West development, especially given the voter-approved annexation laws applicable in Sherwood. The City can learn from other annexation projects to better understand when Sherwood West land may be needed to accommodate growth, what issues are important to the community, and how best to support the smooth incorporation and transition of Sherwood West.

Metro Title 11 Compliance

Title 11 of the Metro Urban Growth Management Functional Plan addresses planning for new urban areas added to the UGB. The City of Sherwood is required to have a Title 11-compliant Concept Plan for Sherwood West before it can be added to the UGB. To meet Metro requirements, the Concept Plan must "consider actions" necessary to achieve certain outcomes, including:

- A mix of land uses that will make efficient use of the public systems and facilities;
- A development pattern that supports pedestrian and bicycle travel;
- A range of housing of different types, tenure and prices addressing local and regional housing needs;
- Employment opportunities to support a healthy economy;
- Well-connected systems of streets, bikeways, parks, recreational trails and public transit;
- A well-connected system of parks, natural areas and other public open spaces;
- Protection of natural ecological systems and important natural landscape features; and
- Minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands

The Title 11 findings included in Appendix O describe how this Concept Plan addresses these and other Metro requirements.

Future Development Timeline

The diagram in Appendix A illustrates the potential planning and future development timeline for Sherwood West. As indicated in this diagram, development in Sherwood West is not expected to occur for at least five or six years after being brought into the UGB and full buildout is anticipated to take several decades.

APPENDIX A

Future Development Timeline



Sherwood West Concept Plan

Why are we Planning for Sherwood West?

The City of Sherwood is taking a second look at the 2016 Concept Plan for Sherwood West. The updated Concept Plan addresses many factors including state rules and opportunities for housing and employment. The updated plan supports the city's newly adopted Comprehensive Plan. Oregon Law requires a 20-year land supply for housing and employment uses within cities. Sherwood has a deficient of housing units to meet projected future growth. If Metro decides the regional Urban Growth Boundary (UGB) needs to be expanded it will need to decide where to expand. If Sherwood West, or a portion thereof, is brought into the UGB our community's concept plan for the area ensures that it will grow in a way that we all love. **For more information: www.SherwoodOregon.gov, Email: PalmerE@Sherwoodoregon.gov, Phone: 503-625-4208**

Potential Sherwood West Planning and Development Process 2022-2065

Sherwood West Concept Plan

The City received a Grant to Update the 2016 Sherwood West Preliminary Concept Plan, in 2021. A Community Advisory Committee was appointed to update the plan. It is anticipated that public hearings will be held before the Planning Commission and City Council for acceptance of the plan in 2022

Metro Decision to Expand UGB

Every six years, the Metro Council must review and report on the 20-year land supply in the Urban Growth Boundary (UGB). If necessary Metro adjusts the UGB to meet land needs for that 20-year period. Oregon law requires Metro to maintain a 20-year land supply within the UGB. Metro's next review of the land supply will occur in 2024

Repeats at least every 6 years

This decision of Metro is required at least every 6 years

Sherwood Decision to Expand UGB

If the Metro Council decides the UGB needs to be expanded, it will decide where to expand. There are currently 27 Urban Reserve Areas in the Metro region. Metro would need to decide that Sherwood West is an appropriate area for expansion

This decision typically takes a year

Refinement Planning Process & Adoption

Once any part of the Sherwood West area is brought into the UGB, the City will begin a more refined comprehensive planning process by working with property owners and residents to identify appropriate zoning designations, and amendments to the development code, and transportation plan.

This process typically takes 1.5 to 3+ years

Annexation

After completion and adoption of a Refinement Plan for the area, property owners who want to annex into the City must file an an annexation request and meet the city's, Metro and state annexation criteria.

Repeats for every property or group of properties requesting to annex

This process typically takes 6+ months

Land Use Applications & Public Hearings

After annexation, property owners must submit a land use application before developing their property after public notice and a public hearing.

Repeats for each development

This process typically takes up to 8 - 12+ months

Public Improvements Construction

If a land use application is approved, the applicant is required to construct pubic improvements (typically utility and transportation improvements) prior to any construction.

Repeats for each development

This process typically takes 6 - 12+ months

Construction Residents and Businesses Move In

After public improvements are completed, a developer can get permits to begin construction.

If Metro expands the UGB to include any part of Sherwood West; if refinement planning is approved by the community and City Council; if property owners annex into the city; and if the public and the City support land use applications, the earliest new residents/businesses could move in is 2029

This process typically takes 3 - 12+ months and repeats for every project

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Timing of annexation and development varies based on property owner desires, public support, and market conditions

APPENDIX B

Housing Policy Implications Memo

HOUSING POLICY IMPLICATIONS

Sherwood West Preliminary Concept Plan, Comprehensive Plan Update, and Oregon House Bill 2001

TO:	Community Advisory Committee
FROM:	Erika Palmer, Planning Manager
CC:	Angelo Planning Group
DATE:	April 27, 2021

Introduction

The purpose of this memorandum is to summarize the future of housing to help inform discussions on this topic during this re-look of the Preliminary Sherwood West Concept Plan. This memorandum provides a brief overview of housing and neighborhoods described in the 2016 Sherwood West Preliminary Concept Plan, the draft housing goals and policies in the updated Comprehensive Plan, and implementation of Oregon House Bill 2001: Housing Choices (HB 2001).

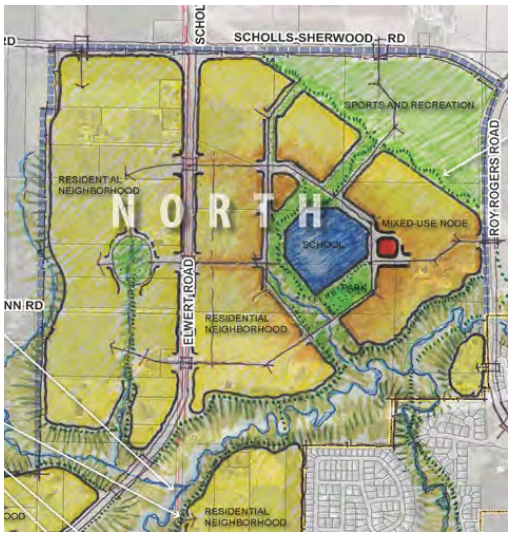
SHERWOOD WEST PRELIMINARY CONCEPT PLAN

Sherwood West is the regional Urban Reserve Area 5B, which is approximately 1,291 acres. This area, designated by Metro in coordination with its partner cities and counties, identifies land that will be considered for addition to the region's Urban Growth Boundary (UGB) for urbanization over a 50 year period. Sherwood West is the largest urban reserve area adjacent to Sherwood, and given the location of existing utilities, the area is logically the best direction for the City to consider growth in the future.

The 2016 Preliminary Sherwood West Concept Plan recognized that Sherwood has a shortage of land available for housing and the plan was envisioned to help address this need. The understanding was that If we don't add more land for new housing, people will still move here, housing prices will rise, and the community will experience more pressure for infill development at higher densities. The Preliminary Concept Plan did not speak to urban densities or the design of a particular area within Sherwood West. The Plan was intended to be a tool for residents and decision-makers to rely on as they make decisions about growth expansions, knowing that community values and needs may shift, tastes in housing may change, and densities and neighborhood form would be shaped through future refinement processes.

The Sherwood West Preliminary Concept Plan preferred alternative recognized four distinct subareas: the North District, the West District, the Far West District and the Southwest District. All four subareas were intended to provide a mix of housing.

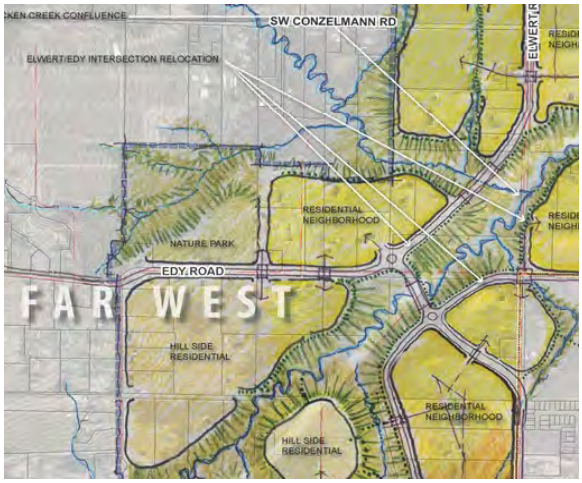
The North District is a mixed-housing neighborhood organized around a new school, neighborhood park, and mixed-use node. Residential intensities transition from center to edge of the neighborhood. Residential housing is oriented towards the collective open space. West of Elwert Road, residences are organized around a smaller neighborhood park that marks the high point of a topographic ridge.



The West District is a mixed-housing district organized around a new school (Sherwood High School), neighborhood park, and mixed-use center. A new neighborhood connector street paralleling Elwert serves the neighborhood from the west side. The road follows the break in topography to create an area for residential development that is anchored by the school site. Housing intensities transition out from this mixed-use center (high to low) with hillside residential on the higher and steeper slopes.



The Far West District includes a mixed residential neighborhood, with the higher and steeper elevations envisioned to be hillside residential.



The Southwest District is a primarily residential neighborhood with varying intensities and hillside residential on the higher and steeper elevation slopes.



Land uses identified in the Sherwood West Preliminary Concept Plan are primarily residential, with varying degrees of intensity based on topography, natural features, proximity, and transition out from mixed-use centers (high to low).

Subsequent to the completion of the Preliminary Concept Plan, city staff prepared preliminary estimates of the housing capacity provided by the Plan. In 2018, staff provided a housing analysis of a proposed expansion on roughly 586 gross acres of the Sherwood West area out of the approximately 1,291 acres. The net developable acreage, after excluding roads, natural resource areas, land designated for parks

and open space, and an existing church, came to roughly 452 acres. Of the 452 developable acres, roughly 425 acres are designated Residential Neighborhood, Residential Hillside, and Residential Mixed-Use. These 452 acres should be thought of as two area types. The first type, an urban area, suitable for medium and higher density development. The second, a hillside area, which its topography makes it suitable for lower density development. It was envisioned residential intensity transitioning out from mixed-use centers (high to low) with hillside residential on the higher and steeper sloped areas. The overall assumed average residential density of the 452 acres was 8.5 dwelling units per acre. The 8.5 average residential density in the 452 developable acres would accommodate roughly 3,800 new housing units.

SHERWOOD'S COMPREHENSIVE PLAN UPDATE

The following section focuses on the City of Sherwood's 2019-2039 Housing Needs Analysis (HNA) adopted by Ordinance 2020-018 and the draft 'Housing' goals and policies developed through the city's comprehensive planning work. The goals and policies have not been adopted and may be refined during the adoption process scheduled for Spring/Summer 2021.

Sherwood Housing Needs Analysis

As part of the City's process to update its 1990 Comprehensive Plan, a Housing Needs Analysis (HNA) was conducted in March 2019. The Housing Needs Analysis provides Sherwood with a factual basis to support future planning efforts related to housing, including Concept Planning for Sherwood West, and prepares *the City* for updates and revisions to *its* Housing Comprehensive Plan policies. Understanding growth in terms of population, demographic, and development trend shifts is crucial for determining future housing needs.

How Has Sherwood's Population Changed In Recent Years?

Sherwood's population grew relatively fast in recent years from 3,000 people in 1990 to nearly 18,600 people in 2013, averaging 8% annual growth. Sherwood's fastest period of growth was during the 1990s, consistent with statewide trends. Between 2000-2013, Sherwood grew by 6,600 people, at an average rate of nearly 3.5% per year. For comparison, Washington County grew at 2.5% annually between 1990-2013 and the Portland Region grew at 1.6% per year.

Sherwood's population is aging. People aged 45 years and older were the fastest-growing age group in Sherwood between 2000 and 2010, which is consistent with state and national trends. By 2035, people 60 years and older will account for 24% of the population in Washington County (up from 18% in 2015) and 25% in the Portland Region (up from 19% in 2015). It is reasonable to assume that the share of people 60 years and older will grow relatively quickly in Sherwood as well.

Sherwood is attracting younger people and more households with children. In 2010, the median age in Sherwood was 34.3 years old, compared to Washington County's median age of 35.3 years and the State median of 38.4. Sherwood has a larger share of households with children (47% of households), compared with Washington County (33%) or the Portland Region (29%). The Millennial generation—people born roughly between 1980 to 2000—are the largest age group in Oregon and will account for the majority of household growth in Sherwood over the next 20 years.

Sherwood's population is becoming more ethnically diverse. About 6% of Sherwood's population is Latino, an increase from 4.7% in 2000. In comparison to Washington County and the Portland Region, Sherwood is less ethnically diverse. In the 2009-2013 period, 16% of Washington County residents, and 12% Portland Region residents, were Latino.

What Factors May Affect Future Growth In Sherwood?

If these trends continue they will result in changes in the types and amount of housing demanded or "needed" in Sherwood in the future.

The aging of the population is likely to result in increased demand for smaller single-family housing, multifamily housing, and housing for seniors. People over 65 years old will make a variety of housing choices, including: remaining in their homes as long as they are able, downsizing to smaller single-family homes (detached and attached) or multifamily units, or moving into group housing (such as assisted living facilities or nursing homes) as they continue to age.

The growth of younger and diversified households is likely to result in increased demand for a wider variety of affordable housing appropriate for families with children, such as small single-family housing, townhouses, duplexes, and multifamily housing. If Sherwood continues to attract young residents, then it will continue to have demand for housing for families, especially housing affordable to younger families with moderate incomes. Growth in this population will result in growth in demand for both ownership and rental opportunities, with an emphasis on housing that is comparatively affordable.

Changes in commuting patterns could affect future growth in Sherwood. Sherwood is part of a complex, interconnected regional economy. Demand for housing by workers at businesses in Sherwood may change with significant fluctuations in fuel and commuting costs, as well as substantial decreases in the capacity of highways to accommodate commuting.

Sherwood households have relatively high income, which affects the type of housing that is affordable. Income is a key determinant of housing choice. Sherwood's median household income ($78,400) is more than 20% higher than Washington County's median household income ($64,200). In addition, Sherwood has a smaller share of population below the federal poverty line (7.6%) than the averages of Washington County (11.4%) and the Portland Region (13.9%).

What Are The Characteristics of Sherwood's Housing Market?

The existing housing stock in Sherwood, homeownership patterns, and existing housing costs will shape changes in Sherwood's housing market in the future.

Sherwood's housing stock is predominantly single-family detached. About 75% of Sherwood's housing stock is single-family detached, 8% is single-family attached (such as townhomes), and 18% is multifamily (such as duplexes or apartments). 69% of new housing permitted in Sherwood between 2000 and 2014 was single-family detached housing.

Almost three quarters of Sherwood's residents own their homes. Homeownership rates in Sherwood are above Washington County (54%), the Portland Region (60%), and Oregon (62%) averages.

Homeownership costs increased in Sherwood, consistent with national trends. Median sales prices for homes in Sherwood increased by about 30% between 2004 and 2014, from about $245,000 to $316,500. The median home value in Sherwood is 3.8 times the median household income, up from 2.9 times the median household income in 2000.

Housing sales prices are higher in Sherwood than the regional averages. As of January 2015, median sales price in Sherwood was $316,500, which is higher than the Washington County ($281,700), the Portland MSA ($269,900), and Oregon ($237,300) median sales prices. Median sales prices were higher in Sherwood than in other Portland westside communities such as Tigard, Tualatin, and Beaverton, but lower than Wilsonville or West Linn.

Rental costs are higher overall in Sherwood than the regional averages, with a slightly lower-rental cost on a cost per square foot basis. The median rent in Sherwood was $1,064, compared to Washington County's average of $852. Average rent in the Tigard/Tualatin/Sherwood area submarket was $1.13 per square foot in Fall 2014, lower than the regional average of $1.22 per square foot. Between Spring 2010 and Spring 2013, average rent in Tigard/Tualatin/Sherwood area increased by 38%, consistent with the regional increase of 36%.

More than one-third of Sherwood's households are cost-burdened. Thirty-eight percent of Sherwood's households were cost-burdened (i.e., paid more than 30% of their income on rent or homeownership costs). Renters were more likely to be cost-burdened (40% of renters were cost-burdened), compared to homeowners (35% were cost-burdened) in Sherwood. These levels of cost burden are consistent with regional averages. In Washington County in the 2009-2013 period, 38% of households were cost burdened, compared to 41% in the Portland Region.

Future housing affordability will depend on the relationship between income and housing price. The key question is whether housing prices will continue to outpace income growth. Answering this question is difficult because of the complexity of the factors that affect both income growth and housing prices. However, Sherwood will need to provide the opportunity for development of a wider variety of housing, including housing affordable to low- and moderate-income households because the City is short over 500 units for people whose income range is less than $55,520.

Sherwood's Housing Growth Forecast And Can That Growth Be Accommodated in Sherwood?

Sherwood is forecast to add 1,728 new households between 2019 and 2039. Of these, 700 new households are anticipated to be developed inside the existing city limits; and 1,029 new households will be added in areas that are currently outside city limits but inside the UGB (the Brookman area). Recently, three new subdivisions in Brookman have approved which will provide 232 new lots for development.

Sherwood's land base can accommodate most of the forecast for growth. Vacant and partially vacant land in the Sherwood Planning Area (all land within the city limits and the Brookman area) has capacity to accommodate 1,121 new dwelling units. Sherwood can accommodate about 65% of the forecast for new housing in its Planning Area.

Sherwood has a deficit of land for housing. Sherwood has a projected deficit of land for 608 dwelling units, which includes the Brookman area. The largest deficits are in Medium Density Residential-Low (154 dwelling units), Medium Density Residential-High (252 dwelling units), and High Density Residential (145 dwelling units).

To provide adequate land supply, Sherwood will need to continue to annex the Brookman area. Without the Brookman area developing, the City has a projected deficit of about 1,155 dwelling units. Sherwood will need to continue to annex the Brookman area in order to accommodate the City's forecast of residential growth.

What If Sherwood Grows Faster?

The forecast for growth in Sherwood is considerably below historical growth rates. Metro's forecast for new housing in Sherwood shows that households will grow at an average annual growth rate of 1.1% per year. In comparison, Sherwood's population grew at 3.4% per year between 2000 and 2013 and 8% per year between 1990 and 2013. If Sherwood grows faster than Metro's forecast during the 2019 to 2039 period, then Sherwood will have a larger deficit of land needed to accommodate growth.

At faster growth rates, Sherwood's land base has enough capacity for several years of growth. At growth rates between 2% to 4% of growth annually, land inside the Sherwood city limits can accommodate two to five years of growth. With capacity in the Brookman Area, Sherwood can accommodate four to ten years of growth at these growth rates.

Additional housing growth in Sherwood depends on the availability of development-ready land. The amount of growth likely to happen in Sherwood over the next few years is largely dependent on when the Brookman Area is fully annexed, when the Sherwood West area is brought into the urban growth boundary and annexed, and when urban services (such as roads, water, and sanitary sewer) are developed in each area.

What Are the Implications For Sherwood's Housing Policies?

Sherwood will need to either add additional land for residential purposes or increase the densities within the existing city limits to accommodate future growth beyond the existing city limits and Brookman area. The growth rate of Metro's forecast for household growth (1.1% average annual growth) is considerably lower than the City's historical population growth rate over the last two decades (8% average annual growth). Metro's forecast includes growth that can be generally accommodated within the Sherwood city limits and Brookman. Given the limited supply of buildable land within Sherwood, it is likely that the City's residential growth will slow until Sherwood West is made development-ready.

Sherwood has a relatively limited supply of land for moderate- and higher-density multifamily housing. The limited supply of land in these zones is a barrier to development of townhouses and multifamily housing, which are needed to meet housing demand resulting from growth of people over 65, young families, and moderate-income households.

The Housing Needs Analysis highlights questions for the update of the City's Comprehensive Plan and the Concept Planning of Sherwood West.

- Providing housing opportunities for first time home buyers and community elders (who prefer to age in place or downsize their housing) will require a wider range of housing types. Examples of these housing types include: single family homes on smaller lots, clustered housing, cottages or townhomes, duplexes, tri-plexes, four-plexes, garden apartments, or mid-rise apartments. Where should Sherwood consider providing a wider range of housing types? What types of housing should Sherwood plan for?
- Changes in demographics and income for Sherwood and residents in the Metro area will require accommodating a wider range of housing types. How many of Sherwood's needed units should the City plan to accommodate within the city limits? How much of Sherwood's needed units should be accommodated in the Brookman Area and in Sherwood West?
- What design features and greenspaces would be important to consider for new housing?
- What other design standards would be needed to keep Sherwood "Sherwood"?
- What is the appropriate mix of residential land and employment land in the City to balance the City's tax base?
- What is the mix of residential zones that reflect Sherwood's character?
- COVID-19 has changed how people live and work. What are some of the long-term impacts of the pandemic on residential housing trends and needs?
- The need to consider recent state legislation of House Bill 2001 to review and analyze density expectations assumed to result from the provision of middle housing that meets regulatory requirements.

Sherwood's Comprehensive Plan Update – Draft Housing Goals & Policies

The Comprehensive Plan is a planning document that directs all activities related to land use and the future of natural and man-made systems and services in Sherwood. The Plan helps manage expected population and employment growth through a set of goals, policies and implementation measures that align with the community's vision. City leaders use the Comprehensive Plan to coordinate public investments and make decisions about new development, existing neighborhoods, transportation, and various other topics. Given Sherwood's dramatic growth over the past 20 years, the 1990 Comprehensive Plan no longer represents the vision and values of today's residents and businesses.

The main components of the Comprehensive Plan include a vision, goals, policies, and objectives. The vision and goals describe what the community wants to be in the future. Policies and objectives are based on the vision and direct land use decisions and public investments. For example, the housing policies are the backbone that informs new development code language to achieve the community's goals and vision. The City is nearly finished with a multi-year comprehensive update to the Comprehensive Plan and the goals and policies identified below reflect the outcome from the housing block of that project. It should be noted, however that, at this time the City Council has not adopted the updated comprehensive plan goals, policies and objectives.

Adopted Vision for Attractive and Attainable Housing In Sherwood

"In 2040, Sherwood has a range of housing choices for a diversity of ages and income levels, providing community members the ability to live in Sherwood throughout all stages of life."

Draft Housing Goals

1. Provide the opportunity for a variety of housing types in locations and at price points that meet the needs of current and future residents.
2. Preserve and enhance the character of existing neighborhoods.
3. Plan new residential developments to integrate with existing Sherwood as complete neighborhoods where community members can live, learn, shop, and recreate.

Draft Housing Policies

Policy 1. Plan for a 20-year supply of suitable land for Sherwood to meet housing needs.

Objective 1.1 Identify opportunities to address land deficits shown in the Housing Needs Analysis within the existing city limits.

Objective 1.2 Accommodate future growth through annexation of areas within the Metro UGB and work with Metro to bring urban reserve areas into the Metro UGB as needed.

Objective 1.3 Ensure that the City has enough land to accommodate Sherwood's projected share of regional household growth, through regular monitoring and adjustments of available land in the Buildable Lands Inventory.

Objective 1.4 Maintain a minimum overall density of six (6) dwelling units a net acre, per the Metropolitan Housing Rule.

Policy 2. Plan for infrastructure development to support residential development.

Objective 2.1 Continue to coordinate capital improvement planning to ensure infrastructure availability on residential land and continue to pursue funding for needed infrastructure to support housing growth.

Objective 2.2 Coordinate with regional partners to develop infrastructure across the City to support housing growth across the City, ensuring availability of water and wastewater service and improving transportation access to the broader Portland Region.

Objective 2.3 Coordinate population, residential growth and infrastructure planning with the Sherwood School District to ensure that land is available for new schools as needed and that utilities can efficiently be provided to new school sites.

Policy 3. Maintain the quality of existing neighborhoods and ensure that new neighborhoods fit with Sherwood's character.

Objective 3.1 Encourage that existing neighborhoods benefit from access and connections to trails, parks, open space and neighborhood amenities as they are built in new neighborhoods.

Objective 3.2 Encourage infill residential development in areas near shopping, parks, transit and other major public facilities and services, with a focus on opportunities in the Old Town District.

Objective 3.3 Encourage housing is of a design and quality compatible with the neighborhood in which it is located.

Objective 3.4 Reduce the negative impacts of traffic, noise, parking, lack of privacy, and negative visual aesthetics, through compatible site and building design and buffering techniques, such varying densities and types of residential use and design features.

Policy 4. Foster complete neighborhoods that provide housing choice, serve daily needs, and are walkable, connected, safe and integrated with the natural landscape.

Objective 4.1 Utilize concept planning, master planning and the planned unit development (PUD) technique to foster flexibility, creativity and innovation in the division of land, siting of buildings and provision of community amenities such as trails and open space.

Objective 4.2 Encourage neighborhoods are designed in a manner that incorporates the following principles:

(a) Cultivate a mix of housing types that are designed in a way to enhance neighborhood character.

(b) Create walkable neighborhoods that respond to their surrounding landscape.

(c) Provide safe and effortless connectivity to schools, parks, and commercial centers for pedestrians, cyclists, and cars.

(d) Enhance existing natural assets and integrate greenspaces and parks into new development.

(e) Enhance Sherwood's small-town character and historic core through architectural balance and design that is accessible and inviting to all.

Objective 4.3 Make use of density transfer as a means of preserving open space and developing recreational areas within a single development.

Objective 4.4 Promote housing and site design that supports the conservation, enhancement, and continued vitality of areas with special historic, architectural, or cultural value.

Policy 5. Provide opportunities for the development of a range of housing types that are attainable to current and future households at all income levels, as described in the Sherwood Housing Needs Analysis, to maintain Sherwood's high quality of life.

Objective 5.1 Identify opportunities to increase residential development to balance the housing supply. Ensure the housing supply includes a mix of housing types and unit sizes at a range of housing prices and amenities throughout the City.

Objective 5.2 Support a variety of housing types such as, but not limited to, townhomes, cottages, courtyard housing, accessory dwelling units, single story units, and extended family and multi-generational housing.

Objective 5.3 Support housing affordable to Sherwood's residents and workers at businesses in Sherwood, including housing options for first-time homebuyers, new families, the elderly, and persons with disabilities.

Objective 5.4 Support homeownership opportunities in multi-dwelling housing by encouraging the creation of condominiums, cooperative housing, and limited equity cooperatives.

Objective 5.5 Collaborate with nonprofit organizations to provide opportunities for development of low-income housing such as rent-subsidized housing and other low-income housing in areas that have access to jobs, transportation, open spaces, schools, and supportive services and amenities.

OREGON HOUSE BILL 2001: HOUSING CHOICES

In 2019, the Oregon State Legislature adopted HB 2001, Housing Choices. By June 30, 2022 cities in the Portland Metro region and Oregon's other largest dozen cities (those over 25,000 population) must allow people to build duplexes, triplexes, fourplexes, cottage clusters, and townhouses in residential areas. The rational for the new rules is that these houses can be more attainable and meet the housing needs of many younger people, older people, and people who work but can't afford a large single-family detached house of their own.

People can still build detached single-family homes, and we expect most homes in residential areas to be built as such. Many cities already allow some of these housing types in certain areas. Not many have been built. Local knowledge of how to build these housing types will grow over time, and how many are developed will depend on local housing markets. Cities can set clear and objective siting and design requirements for these housing types (often called "middle housing" types), but these standards must apply to *all* housing, include single-family housing.

For more information on HB 2001 please visit the Department of Land Conservation and Development public overview webpage: https://www.oregon.gov/lcd/UP/Documents/HB2001OverviewPublic.pdf

City of Sherwood Residential Design Standards Code Update and Implementation of HB 2001

The City of Sherwood is undertaking a development code audit and needed development code amendments to support a range of community housing choices. The development code audit project aims to understand the existing barriers and future solutions to promote a larger supply of housing options for the community. Future amendments to the development code will provide an opportunity for a variety of housing types at various price points community for members at different stages of life; from recent college students to empty nesters, and retirees.

It is anticipated that new Residential Design Standards will be adopted and incorporated into the City's development code in 2021 for *all* housing types. Additional housing choices (duplexes, triplexes, fourplexes, and cottage clusters) with development standards (lot areas, dimensions, setbacks, landscaping, etc.) are expected to be adopted prior to June 30, 2022, compliant with the requirements of HB 2001.

For more information on this project, please visit the City's project page: https://www.sherwoodoregon.gov/planning/page/residential-design-standards-code-update-and-implementation-house-bill-2001-housing

How does Oregon House Bill 2001 affect Sherwood West?

The Oregon Land Conservation and Development Commission (LCDC) adopted Administrative Rules to help implement HB 2001. These administrative rules help prescribe standards guiding the development of new types (plexes, townhomes, cottage clusters) and establish minimum standards related to the siting and design. Sherwood West meets the definition for a "Master Planned Community" as a site area added to a Large City's UGB after January 1, 2021 for which the Large City proposes to adopt, by resolution or ordinance, a master plan or a plan that functions in the same manner as a master plan. Sherwood West will need to plan for infrastructure to accommodate twenty (20) units per acre; however, the overall density of Sherwood West is not determined and ultimately could be less than twenty (20) units per acre. The overall density of Sherwood West will be identified through this Concept Planning process and set through Metro's ordinance incorporating this area into the regional UGB.

APPENDIX C

Public Engagement Plan

PUBLIC ENGAGEMENT PLAN

DRAFT | May 14, 2021

Prepared by:
Angelo Planning Group
City of Sherwood

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Project Overview

The purpose of this project is to prepare a concept plan for the 1,291-acre Sherwood West area by updating the Sherwood West Preliminary Concept Plan. The Preliminary Plan was approved by the Sherwood City Council in 2016. It was developed as a long-range planning tool to help guide future community discussions and decisions about the City's long-term growth. However, there have been significant changes in Sherwood and surrounding areas since the Preliminary Concept Plan's local approval: the Sherwood School District constructed a new 350,000 square foot high school on 73 acres inside the Sherwood West area; Washington County completed its Urban Reserve Transportation Study (URTS), which provides detailed transportation impact information to help with future planning in urban reserve areas; and the City is nearing completion on a major update to its Comprehensive Plan, which has not been updated since 1990. In addition, the State of Oregon adopted House Bill 2001 in 2019, which allows for the development of middle housing types within areas zoned single-family residential. This Concept Plan project will take another look at the Sherwood West area to address new land use and growth patterns, new transportation plans, new State rules related to housing, and new opportunities for employment and economic growth. The outcome of this "re-look" will be a Sherwood West Concept Plan that is compliant with Metro Title 11, Planning for New Urban Areas.

Goals and Outcomes

Outreach will be an integral part of this project, both for specific details of the Concept Plan and as part of the community's broader ongoing conversation about housing, employment, transportation, and cost of services. Community members who live and/or seek future annexation and development opportunities in the Sherwood West area will be most affected by the project's outcomes. Other key stakeholders are expected to include area neighbors, local business owners, property owners, students at the new Sherwood High School, and community members from historically-underserved populations. **The City of Sherwood is committed to an inclusive and transparent planning process. Community engagement is crucial to guide the development of a representative, sustainable plan.** The goals of the public engagement process for this project are to:

- Communicate complete, accurate, understandable, and timely information to the greater Sherwood community throughout the course of the project.

- Help participants in the process understand the benefits and challenges of planning issues and alternatives for Sherwood West.
- Actively seek input from individuals, businesses, and organizations who are most likely to be impacted by the outcomes of the planning process.
- Intentionally engage culturally-diverse community members and those whose voices have been historically under-represented in previous planning processes.
- Provide meaningful opportunities for all community members to provide input into the plan, and clearly demonstrate how that input has influenced the process.

The outcome of this public engagement process will be a Concept Plan that reflects the community's vision and desires for the Sherwood West area, balance the diverse interests of project stakeholders, and is feels true to Sherwood.

A NOTE ABOUT THE COVID-19 PANDEMIC

Due to the ongoing COVID-19 pandemic, the majority of public engagement activities are expected to occur virtually. The project team will continue to monitor the situation and will resume in-person events and meetings if and when it becomes safe to do so. We hope to see you in person soon!

Key Messages

The City will be the key point of contact for all communications with the public regarding this project. The City will also be the lead for notifications, emailing lists, media contact, and event logistics. The following key messages summarize the **what, where, why, when**, **who,** and **how** of the project, and constitute the basic talking points when communicating with the public about the planning process.

- **What:** The City of Sherwood is taking a second look at Sherwood West to prepare a Concept Plan for the area. The Concept Plan will address new land use and growth patterns, new transportation plans, new State rules related to housing, and new opportunities for employment and economic growth in Sherwood. This plan is not starting from scratch; it will build from the Sherwood West Preliminary Concept Plan, which was adopted in 2016.
- **Where:** Sherwood West is a 1,291-acre area located west of the existing city limits and outside the Urban Growth Boundary (UGB). It is bound by SW Lebeau Road to the north and SW Chapman Road to the south. Sherwood West is a designated Metro urban reserve (Urban Reserve Area 5b) and is the largest of Sherwood's three future growth areas.
- **Why:** Sherwood has seen significant changes since the adoption of the Preliminary Concept Plan in 2016, both on-the-ground and in the regulatory and planning context. In 2018 the Sherwood School District annexed a portion of the Sherwood West area into city limits and constructed a new 350,000 square foot high school, which was completed in 2020 and is expected to open to students in 2021. The State of Oregon adopted new housing rules (House Bill 2001) in 2019, which allow for the development of middle housing types within areas zoned single-family residential. In 2020

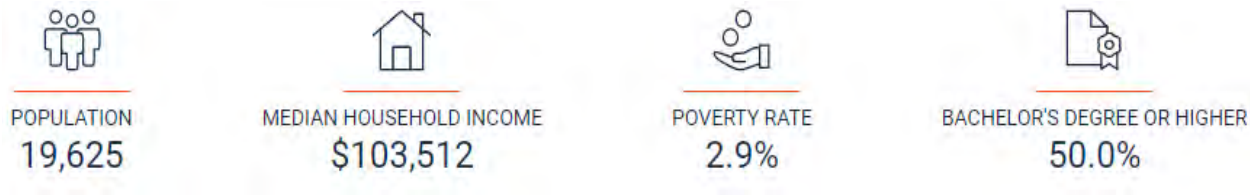
Washington County completed its Urban Reserve Transportation Study (URTS), which provides detailed transportation impact information to help with future planning in urban reserve areas such as Sherwood West. In addition, the City is nearing completion of a three-year planning and visioning process to update its citywide Comprehensive Plan, with adoption of the new plan expected to occur in summer 2021.

- **When:** This project will kick-off in May 2021 and will take approximately 15 months to complete.
- **Who:** The Concept Plan project team includes staff from Sherwood's Community Development Department, supported by a team of consultants led by Angelo Planning Group that includes Walker Macy (urban design), Leland Consulting Group (economics), and DKS Associates (transportation). The process will be guided by input from two advisory committees. The Community Advisory Committee (CAC) is made up of community members who live or own property within the City and Sherwood West, and representatives from the City's Parks Board, Planning Commission, City Council, Police Advisory Board, and the Sherwood School District. The Technical Advisory Committee (TAC) will be comprised of public service provider representatives: City Public Works, Engineering, Community Services, the Police department, Clean Water Services, Oregon Department of Transportation, and regional economic and housing development professionals.
- **How:** As this project gets underway, the Sherwood community will see articles in local community newsletters; city social media posts to Facebook, Twitter, Nextdoor; public meeting notices online and flyers; 'pop-up' engagement at local community events (consistent with COVID-19 protocols); online surveys; engagement with Sherwood High School students and families; and Frequently Asked Questions sheets. In addition to these opportunities, feedback is always welcome via email at any point in the process.

  If you would like to submit a comment or question to the project team, or you are interested in subscribing to the Sherwood West Re-look Email Interested Parties list, please send an email to: palmere@SherwoodOregon.gov

Sherwood Demographics

The following demographic profile is a snapshot of Sherwood today.



Source: 2019 American Community Survey 5-Year Estimates

According to estimates from the American Community Survey (ACS), the population of Sherwood in 2019 was 19,625. Around 89 percent of Sherwood residents identify as White, and nearly six percent identify as Hispanic or Latinx. Over five percent of residents identify as Asian (alone or with some other race), almost two percent identify as American Indian or Alaskan Native (alone or with some other race), one percent identify as Black or African American (alone or with some other race), and less than one

percent identify as Native Hawaiian and Pacific Islander (alone or with some other race).[1] ACS data also indicates that nearly 90 percent of Sherwood residents speak English at home, and nearly four percent speak Spanish at home.

In addition to these demographics, recent trends identified in the City's 2019 Housing Needs Analysis indicate that:

- **Sherwood's population is growing.** Sherwood grew by 6,600 people between 2000 and 2013, at a rate of nearly 3.5% per year—well above the regional average.
- **Sherwood's population is aging.** People aged 45 years and older were the fastest-growing age group in Sherwood between 2000 and 2010.
- **Sherwood is attracting younger people and more households with children.** Nearly 50% of Sherwood households have children, which is significantly higher than in Washington County or the Portland region generally.
- **Sherwood's population is becoming more ethnically diverse.** Sherwood's percentage of people who identify as Hispanic or Latinx grew from 4.7% in 2000 to about 6% in 2019.

Communications and Outreach Tools

The City is committed to equitably engaging the public on this project and is employing multiple types of communication and outreach tools in order to engage the full range of Sherwood community members. The following table includes informational tools and activities that will be used throughout the project to inform a broader public audience and solicit input related to needs and possible planning concepts. Where possible, project materials developed as part of these tools and activities should be made available in both English and Spanish.

Tool/Activity	Description	Audience	Timing
Community Advisory Committee (CAC)	The CAC will be made up of community members who live or own property within the City and Sherwood West, and representatives from the City's Parks Board, Planning Commission, City Council, Police Advisory Board, and the Sherwood School District. The City Council will appoint CAC members through an open application process. CAC meetings will be open to the public, and each meeting will include dedicated time for non-CAC members to provide input.	General Public	May 2021 through May 2022(7 meetings total)
Technical Advisory Committee (TAC)	The Technical Advisory Committee (TAC) will be composed of public service provider representatives: City Public Works, Engineering, Community Services, the Police department, Clean	Agency Partners & Service Providers	May 2021 through May 2022

[1] 2019 American Community Survey 5-Year Estimates

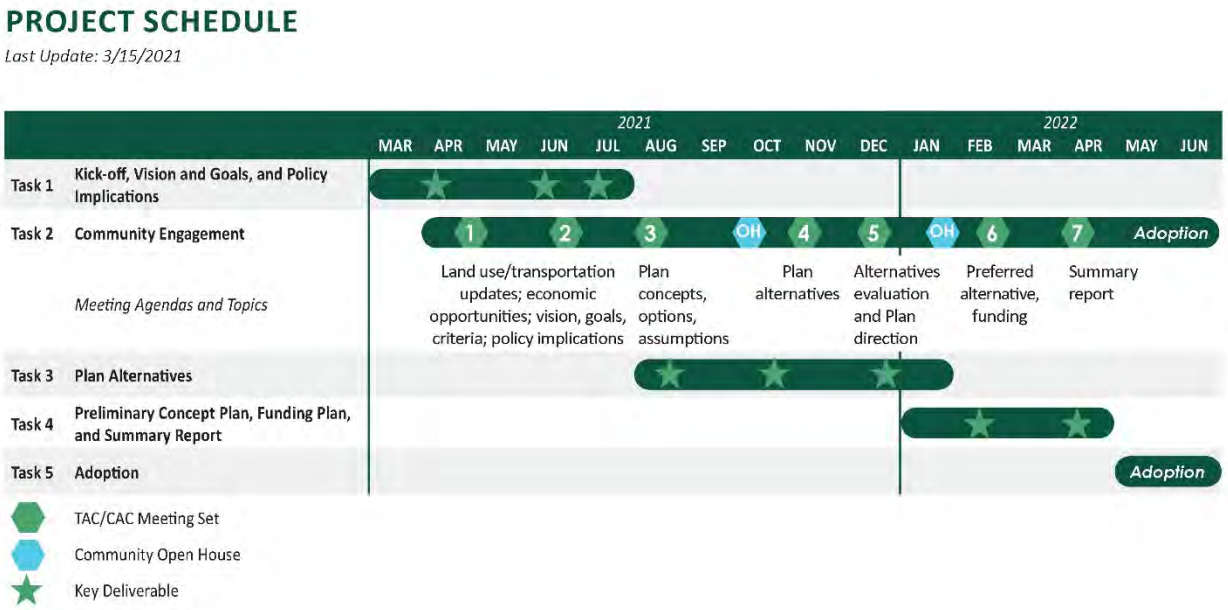
Tool/Activity	Description	Audience	Timing
	Water Services, Oregon Department of Transportation, regional economic and housing development professionals will also provide input into this work. City staff will lead the recruitment of TAC members.		(7 meetings total)
Community Open Houses and Surveys	Two community open houses will be held at key points in the planning process. These community-wide events are intended to engage the greater Sherwood community and provide opportunities for a diverse range of community members to review and comment on issues, alternative approaches, and draft recommendations. They are expected to include a combination of live events (either online or in-person, depending on the status of the COVID-19 pandemic) and will also include an online survey component that will remain open for several weeks to gather additional feedback from community members who were unable to attend the live event. Community members will be notified about upcoming open house events through the use of social media posts, emails, postcards, newsletter advertisements, and website banners.	General Public	Fall 2021 and early Spring 2022
Stakeholder Interviews	As part of the project team's research on economic opportunities and potential challenges, Leland Consulting Group will conduct five interviews with local and regional economic development officials to explore how technology, health care, office, hospitality including farm to table concepts, retail, and other employment uses might evolve in Sherwood West.	Economic Development Officials	June 2021
Project Website	A project website hosted by the City's will be used as the main repository of project information, including draft and final deliverables, upcoming meeting announcements, and contact information for project staff. The website will be updated frequently over the course of the project to keep interested parties up to date on current information and opportunities to be involved. https://www.sherwoodoregon.gov/planning/page/sherwood-west-preliminary-concept-plan-re-look	General Public	Ongoing
Interested Parties Email List	The City will maintain a database that includes email addresses for interested parties and important	General Public	Ongoing

Tool/Activity	Description	Audience	Timing
	stakeholder groups in the project area. The database will be updated as the project progresses and will track individuals and groups who express interest in the project. The database will be used for notification of upcoming engagement opportunities and communicating project progress, draft deliverables, and key milestones.		
Local Newsletter	Articles with project information will be included as part of the City's e-newsletter and will be shared with past and current subscribers to share information, increase project awareness, and provide additional avenues for community input.	General Public	Ongoing
Social Media	The City's social media accounts will be used to share information, increase project awareness, and provide avenues for community input.	General Public	Ongoing
Pop-Up Events	The City anticipates conducting several pop-up engagement events at planned local events such as farmers markets, fairs, or festivals. Specific dates or events have not yet been identified. Any engagement that occurs as part of these events will be conducted in accordance with current COVID-19 social distancing protocols.	General Public	Ongoing, beginning in summer 2021
Property Owner Mailings	To ensure that all property owners and residents in the Sherwood West area are aware of the project and process, the team will send postcards and/or pamphlets with project information via mail at key points in the process, including at the outset of the project, prior to community-wide events, and prior to the final CAC/TAC meeting.	Area Property Owners and Residents	Ongoing
Project Snapshots/FAQs	The project team will prepare public-friendly summaries of project progress, findings, alternatives, and conclusions at key points in the process. These "snapshots" are intended to capture and distill project information and in a fun and easily-digestible way for consumption by the greater Sherwood community.	General Public	Ongoing
Printed Materials	The project team will develop eye-catching graphic posters, postcards, flyers, and/or brochures with project information to display at local businesses, community centers, parks, grocery stores, and other locations frequented by community members. These materials will include links to the project	General Public	Ongoing

Tool/Activity	Description	Audience	Timing
	website, information about upcoming opportunities to engage, updates on project milestones, and contact information for project staff.		

Project Schedule

The following schedule outlines the tasks and key deliverables, as well as preliminary timing for TAC/CAC meetings and community open houses. This schedule is preliminary and subject to change; it may be updated over the course of the project.



APPENDIX D

Open House #1 (Online) Summary

OPEN HOUSE #1 SUMMARY

TO:	Sherwood West Community Advisory Committee and Technical Advisory Committee
FROM:	Kyra Haggart and Joe Dills, Angelo Planning Group
DATE:	April 28, 2023

Introduction

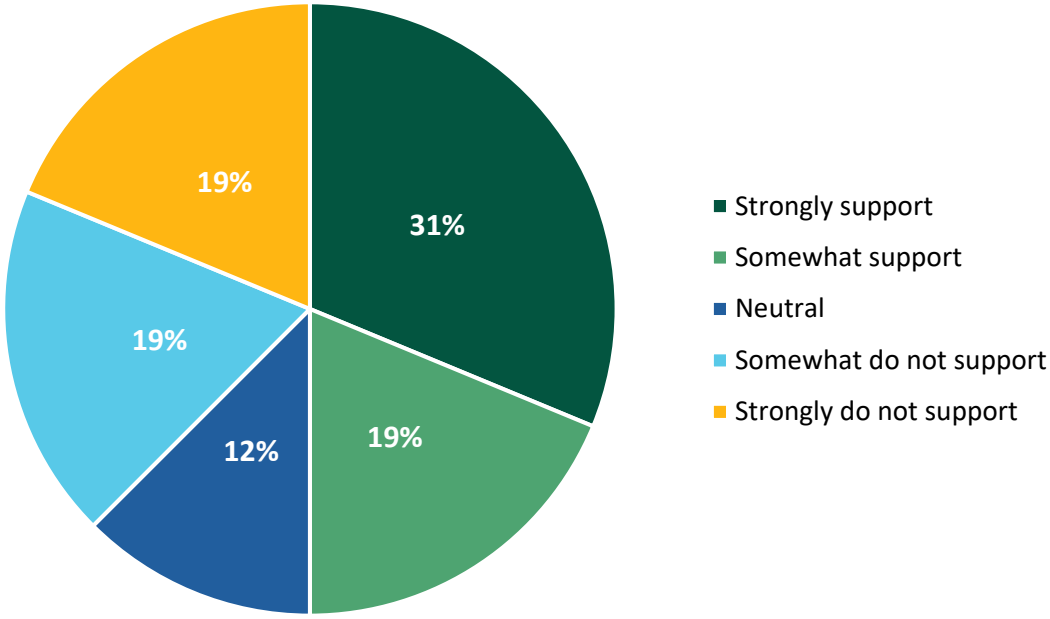
This memorandum provides a summary of the results from the Sherwood West Concept Plan Online Open House #1. The Online Open House survey questions were available from Wednesday, October 6 through Sunday, October 24, 2021. A link to the Online Open House was posted to the project website and the City's social media accounts (Facebook, Twitter, and Nextdoor), sent to the project's interested parties email list and all City boards and commissions email lists, included on flyers posted in five downtown sign monuments, and at Sherwood High School for student engagement. Open house participants were invited to enter into a drawing for one of five $10 gift cards to local businesses as a thank you for their participation. The Online Open House received 135 responses to the survey questions.

The Online Open House provided some background about Sherwood West; presented the project vision, goals, and evaluation criteria; and shared a summary of each of the six Plan Concepts. Because of the breadth of information covered in the open house, participants were invited to select explore any topics that interested them from a menu of pages.

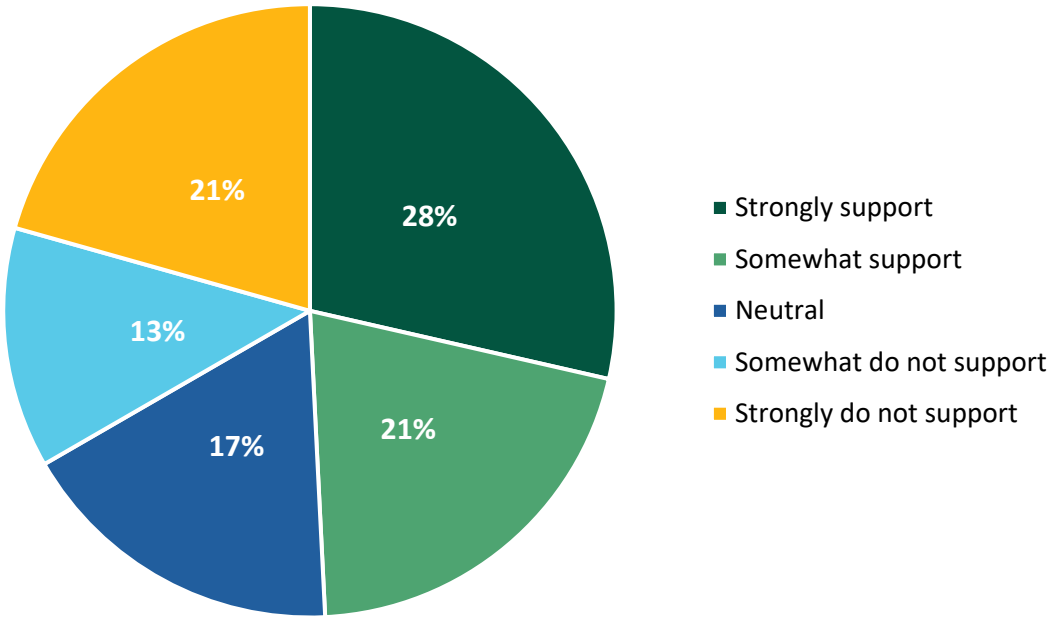
Survey Results

VISION, GOALS, AND EVALUATION CRITERIA

What is your level of support for the vision statement?



What is your level of support for the goals and evaluation criteria?



Do you think that the vision and goals represent the values of the greater Sherwood community? Why or why not?

- Yes, the vision and goals reflect the values of the greater Sherwood Community. Please make certain that in the aggregate considering all new development in Sherwood West well provide a well-balanced and fully functioning community that continues to be attractive and well serve all current and future residents and businesses.
- There is no need for added business/industrial development in this area. Actually, even residential should be put on hold until all current land within the Sherwood boundaries are fully explored and subsequently developed.
- Not the values of keeping Sherwood a small town with neighborly feel. These designed areas with added business and industry just turn Sherwood into more and more of a cookie cutter suburb with more traffic and more hustle and bustle.
- Sherwood West is a pipe dream. The infrastructure in Sherwood is a joke. There is a strong need to drive from pt A to pt B, but it takes soooo long to traverse those points. The increase in tax base only seems to drive an increase in taxes, I don't understand how that works. Sherwood has lost it's identity and the reason people decided to move here in the first place. It's no longer affordable and now we're only adding to the issue. Are we going to become the next Hillsboro? Growth is inevitable, but do it smartly; this is just outright a simple money grab and politicians trying to make a name for themselves.
- Yes, great job!
- I don't think there should be industrial or office development on this side of town. Everything else looks great.
- The vision and goals represent Sherwood which is essentially to continue what was created with the development of the Woodhaven neighborhood. A neighborhood that is connected and can be walked.
- Expanding Sherwood’s borders will only bring increased traffic and property taxes. The new development will not pay for itself, so please don’t tell me that my already high taxes won’t go up. Bringing MAX to Sherwood would give homelessness, drugs and increased crime to the area. Hillsboro is an excellent example of this. This proposal will only benefit a handful of people, namely the landowners and developers. The citizenry of Sherwood will see a decreased quality of life
- I appreciate the focus on preserving existing greenways and habitat. On the topic of walkable communities, it would be great to see Sherwood utilize more multi-use building developments (retail space, office space, and apartments) to improve density.
- As long as it doesn't turn into what is on Roy Rogers and Scholls Ferry, I support the vision and goals. High density/medium density housing doesn't fit with Sherwood's look and feel. Sherwood has a small town atmosphere and it should stay that way. It is one of the many reasons people move to Sherwood.
- yes.... bring more commerce to sherwood - while keeping the small town feel - and quality of life.

- I do not believe now is the time to look at a project with such a huge impact on the city. We are dealing with very uncertain times and adding to an already strained infrastructure. As a 25 year plus resident I see allot of industrial add especially along Tualatin/Sherwood Rd that has made traffic along that route ineffective to say the least. As these projects are submitted and approved who bears the burden of the roadway strain, the traffic increase, the environmental impact? I don't see anything the vison or goals that places that responsibility directly on those who stand to make the most profit from the project.
- Seems like a fair representation.
- Continuing the small town feel (I live in Old Town), keeping natural environments clean, and "ignoring" the dividing 99 highway
- Yes. Sherwood is a friendly, welcoming town. These goals and vision would promote growth that is aligned with that lifestyle.
- No. No neighborhood values. Trees, walkable streets. Schools.
- In some ways yes and in some ways no. In my mind, goal #2 of attracting large employers and developers stands in stark contrast to the maintaining the heritage and small town feel of Sherwood, as described in goal #1. Furthermore, I'm very alarmed with warehouse after warehouse that's consuming every commercial lot coming down Tualatin Sherwood Rd. Those buildings destroy sense of community, design esthetic and/or of a master plan. Business parks should look more like the Nike campus or like those in North Hillsboro, of which many are leased by Nike as satellite offices. High berms, nice landscaping, variety of sizes, different assistance, limited entry, etc. I'd love to see more stringent/cohesive criteria for all new commercial building construction such as architecture, area improvements, landscaping requirements, etc. to make sure Sherwood continues to feel and look like Sherwood, even though it'll be "bigger."
- Many businesses are looking to escape the violent climate of downtown Portland. This helps attract small businesses to leave Portland for a better and safer community.
- Yes, the vision and goals seek to grow our community while maintaining a connection to our beautiful natural Oregon resources, preserving our small town feel, and creating opportunities to diversify our community.
- Although many of the goals and considerations are on target and thoughtful, and could be used as models in planning for communities across our country, the underlying concept that Sherwood needs to increase is population is disturbing. More residents, more traffic, more congestion should not be goals. Improving the lives of existing residents should be the focus. We moved here to escape the rampant growth of population and traffic and congestion of our previous community. We really do not want to face that condition yet again. Keep our growth at a maximum of 1 1/2 percent per year, not an iota more.
- While the vision and goals may represent the values of the Sherwood community, I don't believe it. This area, like previous expansion of Sherwood will just turn into a bedroom community while developers cash out and fails gt benefit Sherwood as a whole. Increase the strength of statements for large employers and reduce the dependence on residential.

- Housing (both affordable and other) continues to be a challenge for the area. Designing a neighborhood around the new high school makes sense to anchor the community.
- No I think its a tax grab and doesnt serve the community. One of the things that makes Sherwood unique (and why people live here) is the small town feel with the rural surroundings. Youre taking that away just to create more suburbia. I think your goals would be FAR FAR better served by investing that money into upgrading transportation, upgrading the employment near and around highway 99 and by investing more into parks and schools. This is a bedroom community not a big employment hotspot. Youre going to devalue peoples property, lower values of home and ruin a sense of community if you keep going. This isnt Tigard. If we wanted sprawling excess growth we would live there instead.
- Yes, I think the vision and goals are well written and make sense. I feel that protection of our natural resources and areas should be one of the highest priorities. As cities expand and developers move in to lobby for that expansion, the natural areas and transportation are the first things that become "too expensive" to make the investment. Sherwood should make sure that these portions of the plan are well protected to avoid future government from bypassing them in haste for more tax money. also, transportation of people will likely be much different in the future, maybe everyone won't own a car, but limited parking is also an eyesore and issue because developers cant sell parking spots. So the streets that were meant for transportation turn into parking lots. They also cant sell bike paths, or sidewalks so those also get removed. These should all be thoroughly protected.
- yes, somewhat
- Yes: neighborhoods, walkability, and greenspace mixed with local jobs.
- We want to keep Sherwood the existing size that if currently is
- NO, Let the rest of metro become a traffic mess, the current Tualitan Sherwood Road plan is joke and will be at capacity the moment it is opened...
- We are witnessing the poor traffic planning that was done with the new high school as we have School Administration on top the building in the early fall trying to figure out how to alleviate the massive morning and afternoon congestion.
- Sherwood West of course will Not have enough parking and the streets will be filled with cars. Initially it looks fine but as the area ages the families grow older the kids need cars and the quantity of cars increases. The developer is long gone and the city streets are his parking plan. (See Villebois, Wilsonville, Langer Parkway Sherwood, Woodhaven Sherwood) If you can limit on street parking and make the a realistic assessment of the parking issues and mandate a real world number of spaces then I would be more supportive. (See Wilsonville Charbonneau area) somewhat. not sure the longtime residents are being heard that live outside the current city limits.no
- Concerned that long time residents that live outside the current city limits are being heard.
- "The greater Sherwood community lives here, because we are not in favor of housing density and instead appreciate the country and generous lot sizes. We want to be able to move freely about. Traffic is already a huge problem, and packing more people in here, whether it's to live or work here,

will further reduce our quality of life. Instead of chasing after more and more property tax revenue, why don't you prioritize existing Sherwood residents who are your voting constituents? You heard the outcry from Sherwood residents a few years ago - what makes you think we've changed our minds?

- This plan of growth will put further strain on Sherwood's water supply. Residents have already been urged to limit their water usage, so what's going to happen when thousands more users are added?"
- No not at all, what makes Sherwood Sherwood is it being and staying small... the size that it is period.
- NO. We have development & building background. Okay with thoughtful housing but not crowded subdivisions, and most certainly, NOT THE BLIGHT THAT IS SOUTH HILLSBORO AND THAT UNSIGHTLY RIVER TERRACE SUBDIVISIONS.
- The size of Sherwood is great the way it is, the majority of residents are here for the smaller town that it is, it's already gotten way bigger, we're done with the growth. End of story
- Yes, enjoy the goal to support the small town feel. Walkability is something that is a challenge for some of the outlying areas of Sherwood so it is nice to see that as a focus to improve and have as a goal for this expansion plan.
- No! You are planning on taking valuable farm land and wet lands and turn it into high density housing. The wet lands at the intersection on Elwert and Edy are not conducive to building and would ruin the habitat for many native animals and plants. I don't think the current community wants high density housing ruining our beautiful natural and farm areas. If your looking for tax revenue take back land bought by Metro (baker creek area) and get that back on the tax base.
- No one is asking for Sherwood to grow except for the money hungry developers and builders and if it's the Mayor too we'll get him replaced... a group of us are going to organize and fight this just as much and more..as you are pushing this on our community
- No, I believe it supports money hungry politicians who are trying to make a name for themselves. Please why not leave the land alone and let the farmers make a living and have places of natural habitat rather than constantly and continually destroying the lands. Sherwood is big enough as it is and all you are doing is taking away the livelihoods of many generational farmers who provide product for the rest of us. It is time to stop the expansions and start putting your monies into remodeling and redesigning existing areas, especially those where we have closed buildings or empty houses that are run down and eye sores!
- Is it being developed too quick then any road development? How about improve/build more ""roads"" first before start to do any more development? Currently 99 and Sunset traffics were bad enough, not even talk about Edy road and Elmer.
- What you have here sounds just like the horror of building that has happened along Scholls Ferry and Roy Rodgers. You say transportation and neighborhoods will be connected, fine, but what about actually getting to this area? The traffic density all around the area will increase and it's already awful during many parts of the day. You need to look at the bigger picture of quality of life for everyone in Sherwood, not just your new project. This is not a good idea.

- Being 'complementary' to other expansion is your problem. You should strive to be better, much better. What's been happening nearby is awful. It sucks the life out of people. It's depressing.

Is there anything else you'd like to tell us about the vision, goals, or evaluation criteria?

- We are particularly interested in the economic development and employment center aspects of the Vision and Goals which will need to be carefully integrated and connected with the residential and commercial aspects centered on multi-modal transportation goals. Then, Sherwood will become great destination for living and working into the future.
- Sherwood West is mostly agricultural land at present, as well as wild undeveloped land. It would be great if this were to remain untouched by major development.
- "preserve the community's heritage and small-town feel" mentioned in goal #1 is not possible when we keep cramming in high-density housing, increasing the town population by leaps and bounds. Sherwood used to be a small town, but now feels like it is just another suburb.
- We need a 55and up single level home neighborhood, smaller homes, 1800-2200.
- To create this vision the whole Sherwood West Area will most likely need to be brought into the UGB at the same time in order for land developers to work together with the city to build out the plan. Bringing in portions of the area into the UBG over different periods of time would threaten the ability to fulfill the plan.
- you have no mention of maintaining housing values of the boarding homes. How you develop Edy Road will make or break family's livelihoods.
- I currently live in the Woodhaven neighborhood and absolutely love the abundance of nature trails. This feels like a unique characteristic of Sherwood and love to see this tradition continue with newer developments.
- I'm not really in favor of large employers or industrial/technology parks in Sherwood West. I would rather see smaller businesses, retailers, etc, and keep the larger employers in the existing Sherwood/Tualatin/Tigard industrial areas. I am strongly in favor of preserving our natural spaces and would love to see a network of walking trails, paths, and parks included in the Sherwood West plan.
- With the changes we are facing as a greater region, Sherwood has a chance to be a leader in developing criteria based off more that the short term tax base gain. As far as employment opportunities, currently our local businesses are hard pressed to have enough staff to keep their doors open! If the city is not looking at the immediate and long term impact any project has on power consumption, projected water use, impact on traffic patterns, and long term environmental impact, then I can only assume we are a for profit managed city and if so need to look at my ongoing residency of Sherwood, a city I have loved to be part of for over 25 years and as a lifetime Oregonian and resident of the greater Portland metro all my life I have seen managed growth and for profit growth in many areas, the difference is easy to see with time. I want to know there is enough water to put out a house fire and generate electricity for many generations to come.

- Transportation vision within Sherwood West is great. But with the potential for thousands of new jobs and residents within the area how do those that don't live in Sherwood get to those jobs and those that live in the area but work elsewhere reliably get to those places of work. Existing infrastructure, even with widening of Tualatin-Sherwood Road will certainly not meet the growing demand. Southern arterial plan should instead be Southern Expressway with dedicated transit lanes/express lanes in order to adequately connect Sherwood West and the rest of Sherwood to I-5.
- Greater emphasis should be placed on safe biking and walking routes since there is already a major highway bisecting the town that is unsafe to cross at times.
- I will say that if we can incorporate an area as well thought out and designed as Wilsonville's Villebois area, people would come in droves. The area is beautifully landscaped, has lots of elevation changes (roads, buildings, etc.), different building plans (so they don't look cookie cutter), common/recreational areas, etc. They have a great mix of high, medium, and low density design plans to attract buyers of all incomes and budgets.
- Traffic management and road surface quality must be a top priority. Tualatin-Sherwood Rd must be improved and accommodate the businesses newly placed on SW Olds Place/ SW Arrow.
- A few goals I would like to see are:
  - Multiple public charging stations for electric vehicles
  - A noise abatement program to get the noisy vehicles refitted with appropriate sound muffling equipment. Traffic cameras cannot detect and remedy ""glass pack syndrome"" We need regulations with specific maximums on db level, and then enforcement of same.
  - The more development continues, the smaller our wonderful downtown area becomes in proportion. I think this is lost in the above planning. If we choose not to grow, we will not need to do all this expensive planning. *However, we could be spending the energy developing plans and programs to improve and upgrade many of the residential and retail structures that are in disrepair or just need updating. Also putting in place and enforcing minimum landscaping requirements, especially on rental units. "
- I just want to ask everyone involved in this Sherwood West Concept Plan to completely think through what we want Sherwood to look like in the future. Let me just reference one current project. This is the home building project on Brookman Rd. I don't live on Brookman Road, but I drive on it occasionally. There will be a lot of homes that will be built and I fear that the traffic could be hazardous. The road somehow needs to be widened and the S-curve on the east end of Brookman Road needs to be straightened. What I don't understand was why Sherwood was forced to incorporate that parcel of land into the city limits. As I remember it, the citizens of Sherwood voted three times to reject adding that land to the city. When I contacted Kim Thatcher, she said that state law required us to incorporate the land. Let me be clear and say I am not against growth. That will come. What we need to do, and hopefully you agree, is the growth needs to be planned and managed. Good Luck
- While I recognize the vision statement is mostly an aspirational statement, I feel the wording of "High Paying Jobs" will cause problems. How will that be measured? Does that mean that restaurants will be excluded? Certainly some of those jobs are not high paying. I think using "Well

Paying Jobs" is more ambiguous and allows more wiggle room as we measure success against the vision.

- I am concerned about the special interest groups pushing industrial and commercial near that high school. I do not think that is in the best interest of the Sherwood community. The Tualatin Sherwood Road area is already an established and growing industrial and commercial zone. There is no reason to plant industrial and commercial zoning around or near the high school.
- Instead of worrying about ""complementing"" the growth on Urban Boundary's western edge, why not protect the rural feel we have and instead build better roads, expand them and help revitalize downtown? I think if you asked the citizens you would find most have no desire for Sherwood to get bigger. That abomination of homes on Roy Rogers and Scholls Ferry drives taxes I am sure but not a single person I have talked to thinks it improves Tigard in any meaningful way. Its one of the reason I left that city. All money, no heart. Sounds like Sherwood is headed that way too. The vision is misguided. Goals are better served investing in the community at hand.
- Include a focus on wine and food oriented hospitality.
- It would be nice to see more hospitality industry along the 99 corridor to accommodate wine tourism - hotel, restaurant, etc.
- It's bad enough seeing all the development and farm land taken away at the end of Roy Roger's and Scholls ferry... we don't want it continued down to us in Sherwood.
- Without a West Side bypass this plan is a Mess. With the massive development to the North, South Beaverton, the massive King City project and lack of long term transportation network this is going to be a mess. No major manufacturing or distribution company is going be land locked from a major highway system i.e. I-5,217,26. The idea that we crowd the roads to the point of misery to get people out of their cars is not and will not be a effective plan, just wishful thinking and piss poor planning.
- There is already an epidemic of clear cutting trees on rural lots, and I don't want to see it get any worse. Your statement: "Existing mature trees and areas of dense tree canopy are preserved WHERE FEASIBLE" means that developers like Metropolitan Land Group and Randy Sebastian of Renaissance Homes don't have to bother - it's cheaper for them to destroy all of the trees so their heavy equipment can roll through faster and their profits add up faster too (to them, it's not feasible to save any trees). Frankly, I don't care about their profits - I care about my community. It happens over and over again. The little tiny trees they commit to planting in their developments are not equivalent to the 100-year-old fir trees that provide shade & oxygen, and rid C02 from our environment. These monstrous developments, like Metropolitan Land Group’s River Terrace 1 & 2, are speeding up global warming. I urge you to stop this plan.
- Reverse the sale...give the developer/ builder all who is involved money wise... give them their money back!
- PLEASE DON'T LET IT HAPPEN
- It is a very delicate balance to keep small town feel and walkability with transportation growth and integration of nearby urbanizing areas. The inevitable compromises that come with these projects

will need to be anchored by this vision to maintain the proper balance, no easy feat! The map so far in this presentation has not shown the proposed boundaries for business/residential/recreation, but I'm sure that will come later in the presentation. That is where the balance will be key.

- Think about what this area looks like now and what you would be leaving for future generations by putting in high density housing. the steepness of the terrain would create nothing but water run off and erosion issues into Chicken creek thus destroying even more habitat for native species.
- It is a shame that our elected officials find it necessary to destroy our lands, our farms, and our history all for the sake of making money and using funds which need to be directed to protect the lands and current farms. We are tired of the takeover and the fact that you do not allow people to vote on these projects before you begin the work. People should have a say as to what they want done with the land prior to your posting documentation such as above. A simple vote as to asking the people do you want the land developed or left as is, that is all you need to do. If the people say leave as is, then go find something else to do and stop the moving forward. YOU NEED TO ASK THE PEOPLE WHAT THEY WANT..IT IS NOT UP TO A FEW OF YOU TO MAKE THESE DECISIONS FOR THE MASSES.
- I bought a house here because I loved the privacy and view of my back yard. But it is no more. All trees were gone now. I will see my ""neighbors"" after a year or two. I ""disapprove/hate"" it but I could not do anything about it. As people said money did talk. I bet no city leaders even live in here or they may have big properties and not care about regular residents.
- You paint a rosy picture of this perfect community you want to create. The reality is that you will create more congestion, more ordinary ugly houses and another area demonstrating that the dollar is really the driving force of development and not innovative vision and imagination. It will cater to the lowest common denominator and be another development blight on our landscape.
- Wake up and try to be really innovative and different. Don't cater to the bare minimum. Have the courage to really be imaginative and do something different and exciting. Yet another cookie cutter neighborhood isn't needed or wanted.

MIXED EMPLOYMENT AREAS

Think about the map of potential mixed employment areas. Do these areas look about right to you? Do you have any comments or suggestions?

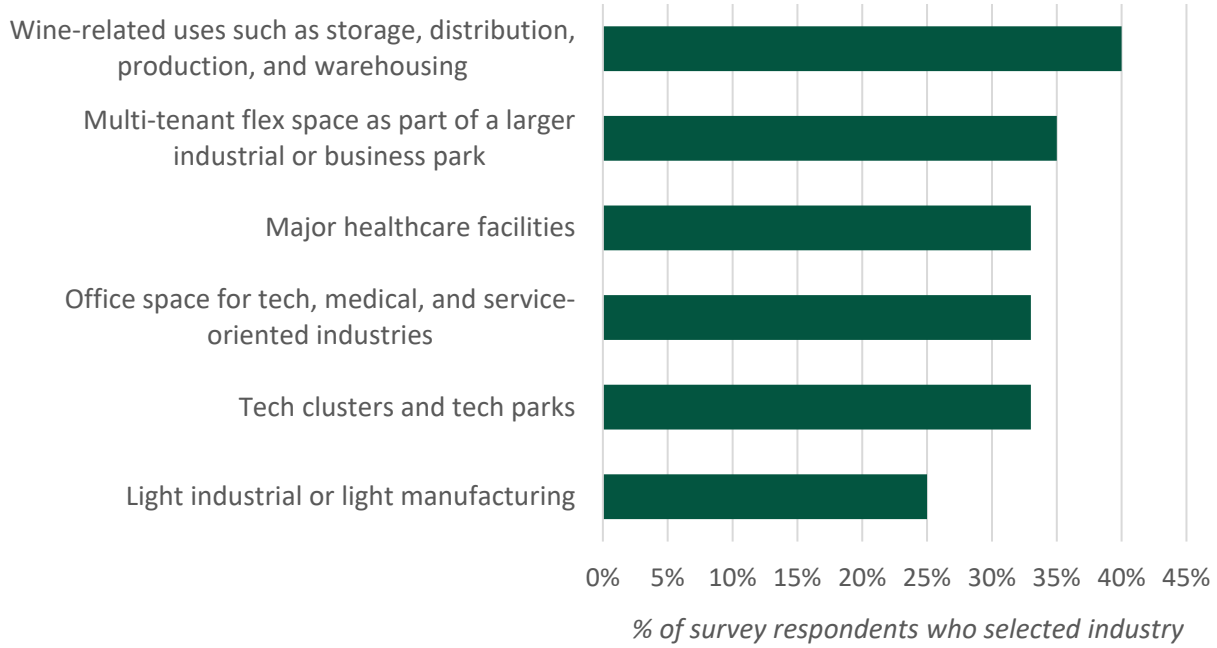
- No, no, no! There are many "For Lease" signs all around Sherwood in industrial sites and strip malls. This means that there is a great deal of unused business real estate at present, and so there is no need to develop more business land/properties. Use the current vacant properties first, and only once we have 100% occupancy should we consider more development. We should not carry on with the assumption that development is good in and of itself. We are a small town - let's keep it that way!
- Yes, transportation infrastructure including multi-modal is most important for the success of each area. Yes, about right as long as the re-looked "concept" can have a level of flexibility that allows creative and attractive mixed uses on the fringes of each transitioning to multi-family and single family residential uses.

- Area #2 seems poor for transportation flow to High School. So many of these small commercial corners are difficult for businesses to stay afloat.
- We have too many giant, industrial buildings arising between Sherwood and Tualatin. Do we really need more on the west side of town as well???
- Area 3 really needs to have at least one grocery store.
- i don't think putting commercial or industrial next to the high school makes any sense at all. Why wouldnt we want nice residential neighborhoods right next to the school/ i cant think of another recently built school that has anything but residential next to it .
- Yay! More traffic for our already over burdened roads.
- They generally look right to me. I think the emphasis on mixed employment is good. I think retail locations need to be minimized along 99W. I don't want 99W in Sherwood to look like 99W in Tigard which is a visual and traffic abomination.
- Don’t do it. Period.
- I agree with areas 3 and 4 because of their proximity to Hwy 99 and visibility. There would also be less impact to existing residential areas
- Area one is too big and appears to completely disregard the creeks through the middle of it. Looks like no consideration for green space.
- With the extreme growth already existing and in progress by off Scholls and Roy Rogers, near the Mountainside High School, I fear the level of traffic and congestion is already past the threshold of livability. More development in this area is a bad idea. When the plan sites a need for more employment, it does not specify how many sherwood residents are currently employed, nor does it state a specific goal for how many residents should be employed. Nor does it give any specific target for existing average pay nor goals for such. This all seems like good intentions, but how do we gauge success? Is it providing jobs for one percent more of our residents, is it raising the mean average wages by two percent? Of the new jobs created in Sherwood, what percentage will be Sherwood residents, and what percentage will be new commuters, clogging our existing infrastructure. I don't see anything in place to measure the success of these plans.
- "One of the goals is for ""Neighborhood retail nodes provide residents with walkable
- access to goods and services"". Given the map, the only way to accomplish this is to have mixed commercial/residential development, similar to what has transpired in Orenco and Villebois. The committee should review the success of these ventures prior to finalizing the document.
- It looks good. I am fine with this.
- Area 1 is problematic, depending on Roy Rogers for transportation will be a disaster, it already is a problem. There are also significant woodland resources in this area that would be destroyed by industrial parks.
- As someone who lives off of Lebeau Rd. I am disappointed but not surprised to see Area #1 as priority development land. This was slated as sports fields and potentially a school in the 2016 plan. I hate to say I imagine large box buildings like what is along Tualatin Sherwood road placed here,

rather than something more like a more open Langer's Farm development but with a business park (similar to Mohawk or Kruse Way).

- Would area 3 be a possible location for hospitality, food and wine oriented development?
- All except 2. I'm not sure I'd want to see commercial space there
- Looks ok.
- Area #2. Traffic at Elwert and Haide is a mess at the start of the school day. Putting businesses in that area would add to the congestion.
- "Traffic! Elwert Road cannot handle any more traffic, as there has already been a noticeable increase in traffic and accidents, including rollover crashes, since new housing developments and the high school have gone in. It was never intended for semi-truck traffic, and that is exactly what industrial and manufacturing businesses will bring. Please don't expand this country road to a 4-lane highway – these are ecologically sensitive areas with creeks and wildlife. Let's not put more wear and tear on the roads and diesel exhaust in the air.
- 99W also has problematic traffic congestion, and ODOT and Metro have listed it as a ""Tier 2"" priority level, not Tier 1. Apparently, they don't think there is a problem. With more development, it will only get worse.
- Area #2 is certain NOT ""mostly flat"". Have you traveled up Edy Road?
- No none of it looks right, we have empty retail space that has been empty for years... and the existing business have reduced hours now because they can't hire workers... no one wants to work. Sherwood is great the way it is...
- Agree with these areas being along the busy main roads and seems to be the best areas for the required business tax base to sustain the city's growth. As a resident near Edy/Elwert I have concern over the North/South traffic plan, but assume that will be addressed later in the presentation. I would hope there will be some architectural standards in these areas to emphasize the inviting and higher class the images of existing business represent and that these areas do not just become large flat front buildings with no character or charm. Sherwood's shopping centers and standalone offices have done a fairly good job with this, but I worry about the more industrial setting of zone 1.
- On Area 3 you say "some slopes" it is steep!!! Take a walk and look at it. what isn't steep is a wet land area. Get out of the office and take a look at the areas! Not the place for Mixed employment areas. There are High Voltage lines that run thru the area too and building is not permitted under those anyway.
- I don't understand why the creek space/green space in area 1 is not protected??

Which of the target industries would you like to see developed in Sherwood West?



Are there any other employment uses that you think would be a good fit for Sherwood West?

- Clean industry Corporate Headquarters uses which is somewhat inherent in the "tech park" but without being limited to "tech" uses. Need more definition. Will read the above reports.
- small, locally owned businesses
- I dont support employment uses for Sherwood West. That should all be on the eastern side of town where there is tons of new industrial lands being developed.
- restaurants
- Absolutely not
- Restaurant space and grocery
- We need more local businesses, and a locally operated grocery store. If I see one more big box chain store in Sherwood I will cry into my Symposium coffee. This town is incredibly family friendly-what about a decent space for more childcare centers or a children's museum? You mention centers for high-paying jobs, but we won't be a filling those jobs if people don't have childcare.
- For area four, I could see wine related business development, but what would make this a big win for Sherwood, is if we had a significant ""Sherwood, Gateway to WV Wine Country "" statement piece [sculpture or ???] similar to what we see entering Napa Valley Wine Country in California. It is an iconic landmark. Sherwood could really benefit from this. And this area 4 could be successful with upscale wine themed restaurants, as Napa put in place as their wine region was developing early on.
- Could use another grocery store on the south end of Sherwood.

- A Wine Country hotel and restaurant would be great. The view of Mt Hood and the valley would be a draw for visitors. Don't waste the green hillside and creeks on industrial uses.
- Maybe more recreation.
- Consider options for a more integrated design of civic uses. housing, employment, food and beverage, retail etc., not strictly segregated into separate zones. Encourage enough density to create the body heat needed to give the location a sense of identity and community.
- Farms!
- No none
- The list created seems to be thought-out and comprehensive. With carbon initiatives set out by state and regions it may be worth pulling renewable energy out of "tech & light manufacturing" to be its own category.
- None. Put it on the East where the infrastructure is already there.
- I think there should be a library on this side of 99 and that a focus should be making the area walkable like the other side of the highway all connects to downtown. This side of the highway feels excluded from what Sherwood has to offer. Repeat what you did on the other side.

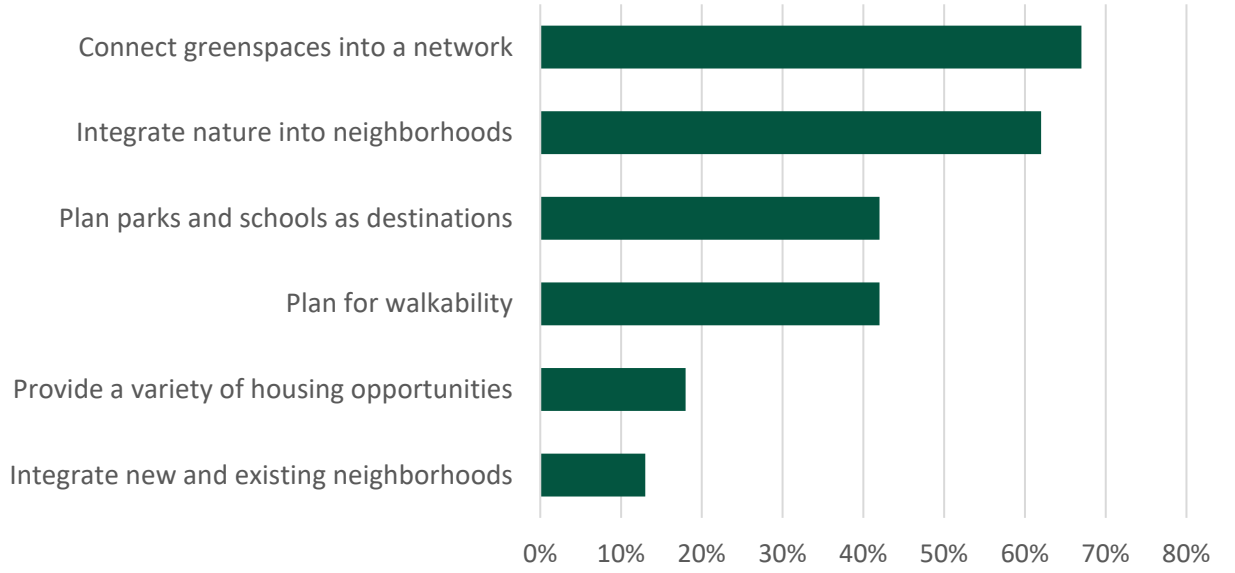
Is there anything else you would like to tell us about mixed employment in Sherwood West?

- See my Comment #1 above.
- The City needs to ultimately establish the right balance between local jobs and housing (and commercial) with the focus on limiting the length and number of daily trips now that many of us are working out of homes which appears to be the trend for the foreseeable future.
- Sherwood was a nice place to live as a "bedroom" community. Let's not bring a bunch of large industrial buildings to town. Support local business owners, even if they are smaller.
- it doesnt make sense at all
- Terrible idea
- Please build the trails that benefit existing residents FIRST.
- I can see the Kruger rd / Elwert rd circle traffic overload with area 3.
- Please stop building the 'strip mall' style mixed use business parks. They are soulless, and do not add to the beauty of our town.
- Maybe instead of looking for new mixed employment structures, the city would be better served working with consultants and developers to improve the existing business areas, be they strip malls, mini business parks that look tired and run down. Funny how reimagining what we already have can be so much more productive, And in the process, if the goal is to employ more city residents, get a commitment from these businesses that we help update their locations and in exchange they give preference to hiring locally.
- Not enough.

- Keep it green and visually appealing. We need clean air and solar powered buildings. No tall buildings or unsightly manufacturing, please. Low to moderate traffic is better.
- I feel like the big industrial parks are covered with all that are going in on Tualatin Sherwood rd.
- Please don't do it.
- Understand that most residential folks don't want business in their backyard, but without the business tax base their community suffers. The balance of easy to access businesses with keeping traffic low in neighborhoods is one of those key balance points that will be hard to maintain here. It looks like this plan may have a path to success here once we get further into transportation to see how roads are directed north/south.

GREAT NEIGHBORHOODS

Which great neighborhood principles are the most important to you?



% of survey respondents who selected principle as a top priority

Are there any other principles that you think are important to consider when planning new neighborhoods?

- Traffic congestion is a major concern. This development will create a terrible mess on the existing roads, which are already crowded. I live off of Edy Road near to the intersection with Elwert. There are already too many cars, driving way too fast, and more neighborhoods will mean a tremendous increase in road traffic. This is not good.
- Put the houses further apart. As close as they put the new ones together, they might as well be apartments or townhouses.
- Cul de sacs, wide streets, minimal street parking
- Affordability is vitally important and because developers always have to pass their costs onto the consumer, one important aspect of affordability is infrastructure costs. We do not want Sherwood

West to create spaces that are so upscale as to be unattainable financially. Affordability will drive diversity will enhance the lives of all who desire to make Sherwood West their home and work destinations.

- Yes, I would select Integrate nature into neighborhoods as well.
- On site parking for any apartments or townhouses, with guest parking too. Creekview Crossing residents use Handley for their parking. Cannery Row apartments use residents use surrounding streets as their free parking. Sunfield Lakes residents use Century Blvd as their parking lot. At least one car garages and driveways big enough to park a car / SUV with out blocking sidewalks
- Impact on school crowding
- BIKING!
- NO HIGH DENSITY HOUSING. Focus primarily on single family dwelling. The traffic impact is terrible otherwise.
- plenty of travel lanes to get in and out of the neighborhoods to 99W and Tualatin Sherwood Rd
- The travel lanes that support the neighborhoods needs to be efficient and in good condition.
- Plan for them to be in other cities, not Sherwood. We have more than enough residents. The photos examples shown here are pretty much all tasteful and could be used for cities that need go grow. However how about we use these principles in reimagining and refreshing our existing dwellings? More is not necessarily better.
- Stick to single family residence as much as possible.
- Dont ruin the current property value, dont ruin the look and feel of neighborhoods, don't ruin the sense of connectedness with nature. That said, all of these do that. Every single one.
- A variety of housing opportunities, but the existing parts of Sherwood should be prioritized for conversion especially closer to facilities and transportation along Hwy 99.
- Maximize housing being close to schools so to minimize traffic issues. Be respectful of existing homesites.
- Stop new developments! We don't need them or want them. Once the country is erased, you can never get it back.
- Parking for anywhere that has multi family living. That it will not spill over into surrounding living which is a problem in other parts of Sherwood.
- No new neighborhoods!!!
- Traffic patterns
- Think about what the high density house will do to the countryside.
- There needs to be better, safer pedestrian crossings at multiple places on Edy and Elwert.
- Single story homes primarily for elderly would be welcome.

Think about the map of walkable neighborhood areas. Do these neighborhood areas look about right to you? Do you have any comments or suggestions?

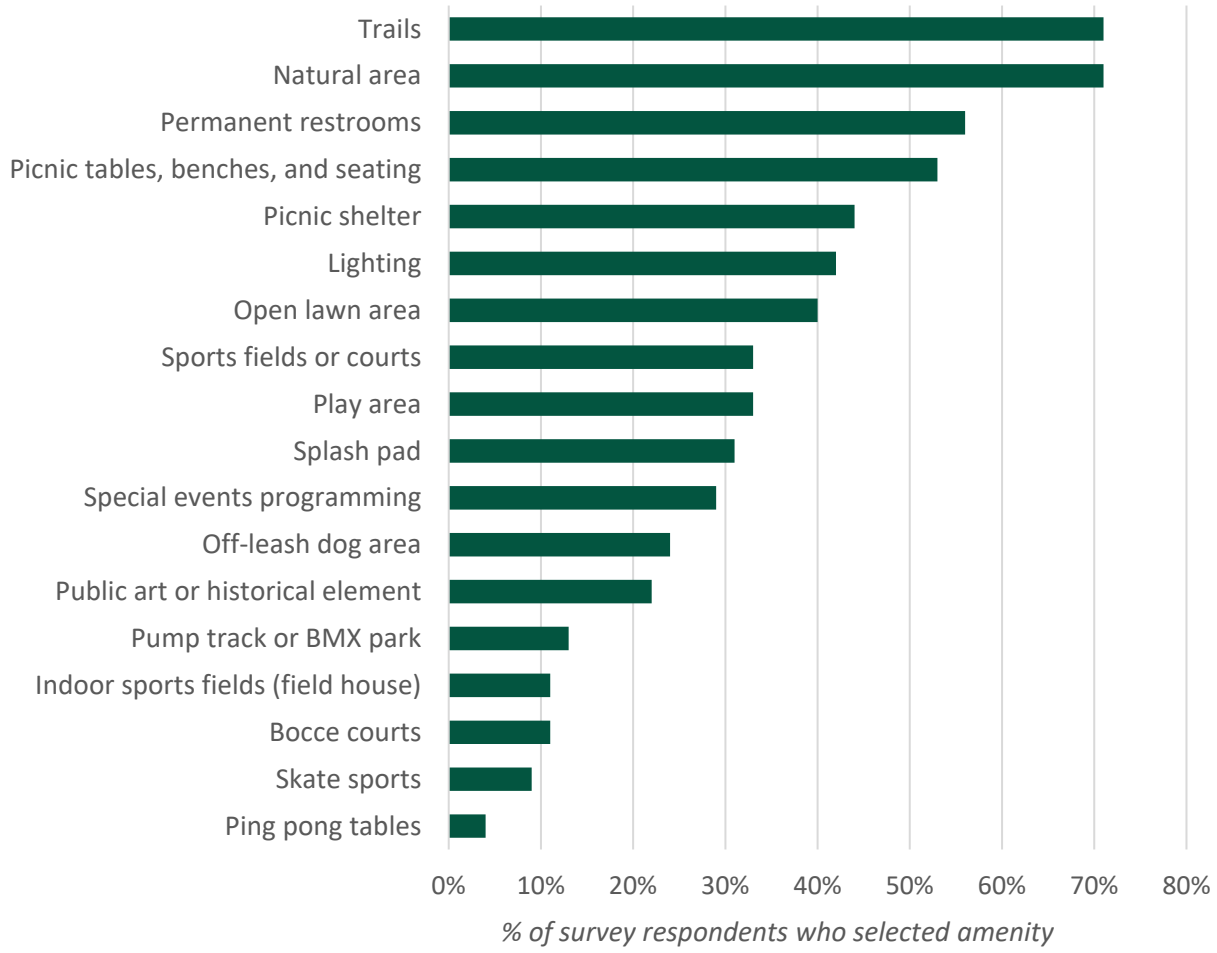
- Let's fully occupy, or even build up, existing land within Sherwood before expanding into this western area. Looking at item #4 below: Why does Sherwood need to grow? ""If you build it, they will come."" This will prove true. The opposite also holds: Don't build and the town remains small - which I view as a good thing.
- Give kids more space to play in larger yards with houses further apart!
- Yes, related to the above statements, we notice that the above referenced maps are still showing the very expensive reconfiguration of the Elwert/Edy Road intersection and related configurations, which now appear to conceptually show a minimum of two bridges across Chicken Creek and one of its tributaries as well as an apparent east-west overpass (?) of Edy over Elwert. More to study and discuss and to comment on when we address transportation infrastructure in more detail. Improving the existing intersection with its existing natural resource crossings with the addition of ped/bike crossings will be less expensive and impactful on Chicken Creek and on affordability and neighborhoods and parks in that area. Please provide several alternative development scenarios for multi-modal transportation with real costs and impact analyses to each of the several alternatives and let the Sherwood community comment and decide which works best.
- they look pretty good
- Don’t do it
- I am not familiar enough to offer specific insights.
- Need a plan for walking to commercial/retail, or revise the goals.
- I like this look alot.
- I have a hard time understanding what the goal is. I really want to be constructive but these are all just awful and short sighted and illogical.
- There should be a trail from Lebeau down the west side of the North Development Area. You could probably get BPA to move their transmission line to make that land more contiguous.
- Mixed feelings but overall concept looks reasonable.
- Don't do it. Leave the farms and nature and the existing large country residential plots.
- Good network of multiuse trails. Like the connection to schools and existing trails
- At the Intersection of Elwert and Edy the road (Edy) goes up steeply. there would be nobody walking that hill anyway. So it would be wasted to put anything there.
- I like the concept, but concerned about the reality of even more kids needing to cross or walk on roads that don’t have sidewalks or safe crossing areas.
- Looks good.

What housing types do you think will be most important to build in Sherwood West’s neighborhoods to help meet the City’s goals related to housing?

Order below represents results of survey participants ranking types from most to least important

1. Small Single-Family Detached
2. Standard Single-Family Detached
3. Cottage Cluster
4. Townhouse
5. Duplex
6. Live-Work Unit
7. Triplex
8. Accessory Dwelling Unit (ADU)
9. Courtyard Apartments
10. Mixed Use Building
11. Fourplex
12. Apartments

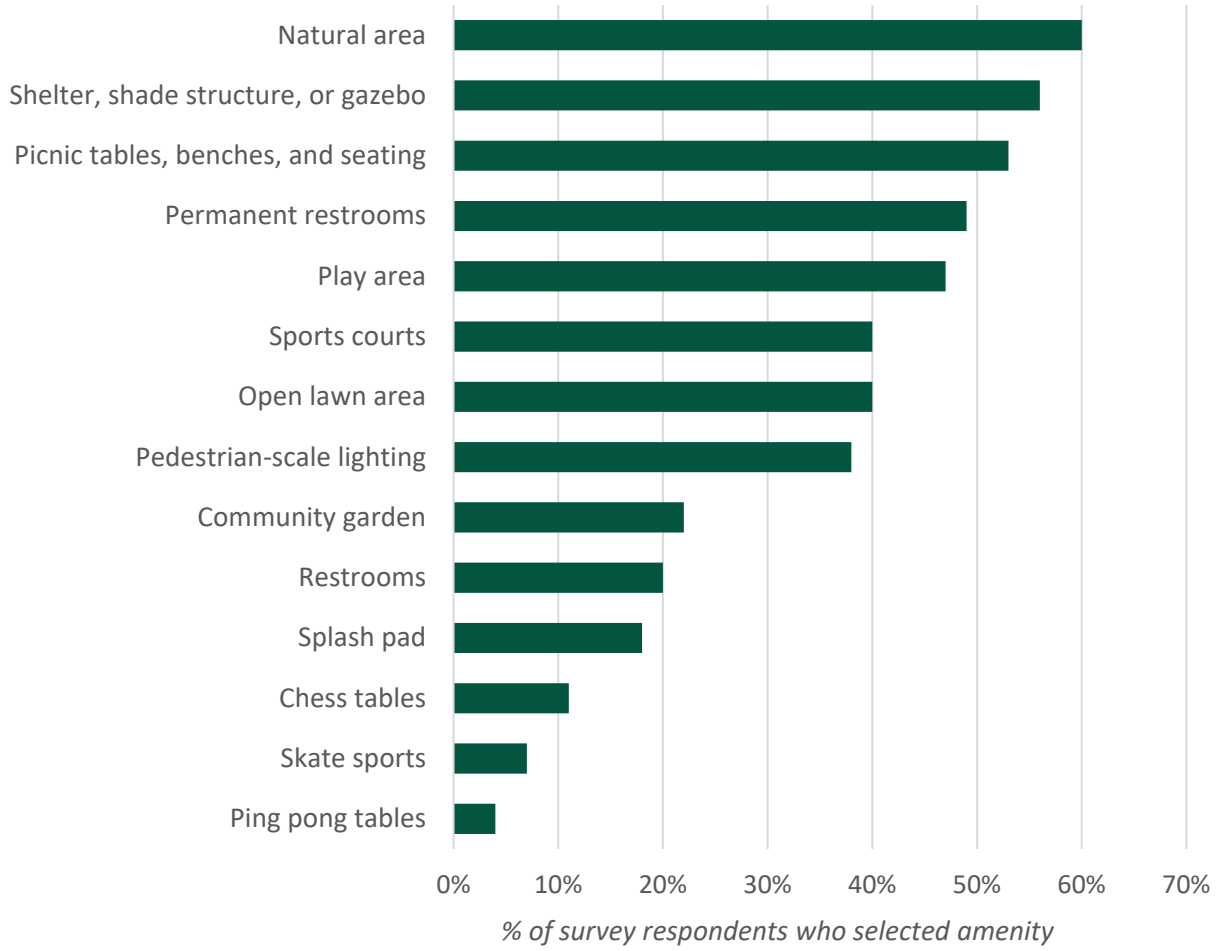
What types of activities and resources would you like to see at a future community park in Sherwood West?



Other:

- Pickle Ball, Par Course, Practice putting greens
- I would like to see nothing done on the west side. wrong place for it.

What types of resources would you like to see at future neighborhood parks in Sherwood West?



Other:

- Par Course, practice putting greens, pickle ball courts
- None. Parks invite the homeless to "camp"

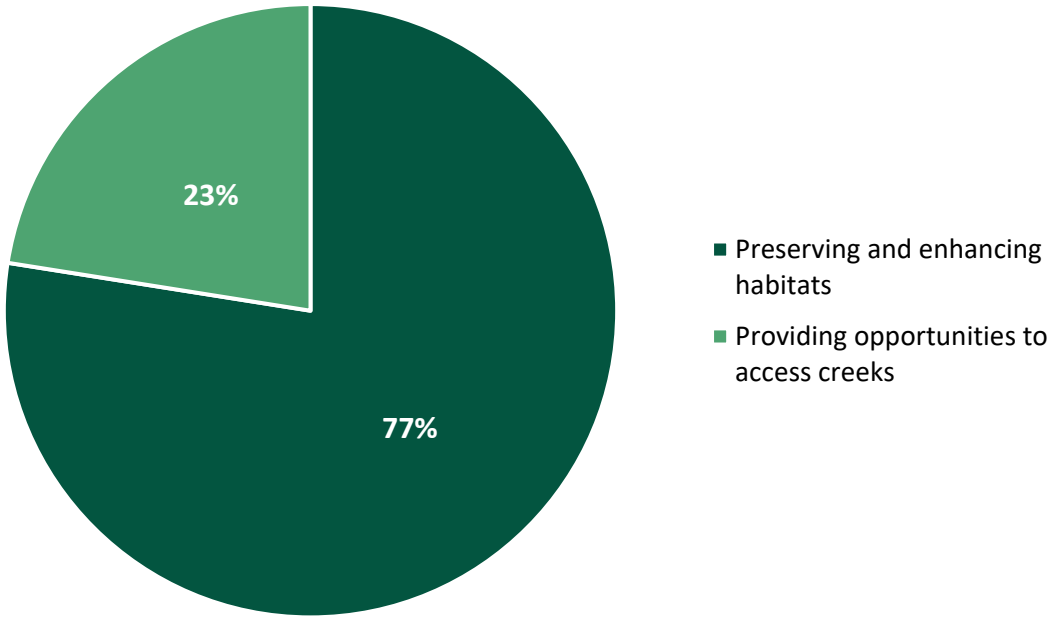
Is there anything else you'd like to tell us about creating great neighborhoods in Sherwood West?

- Please do not expand into the Sherwood West area at all!
- Please please please help muffle the sound of Roy Roger's and even Elwert and Edy.

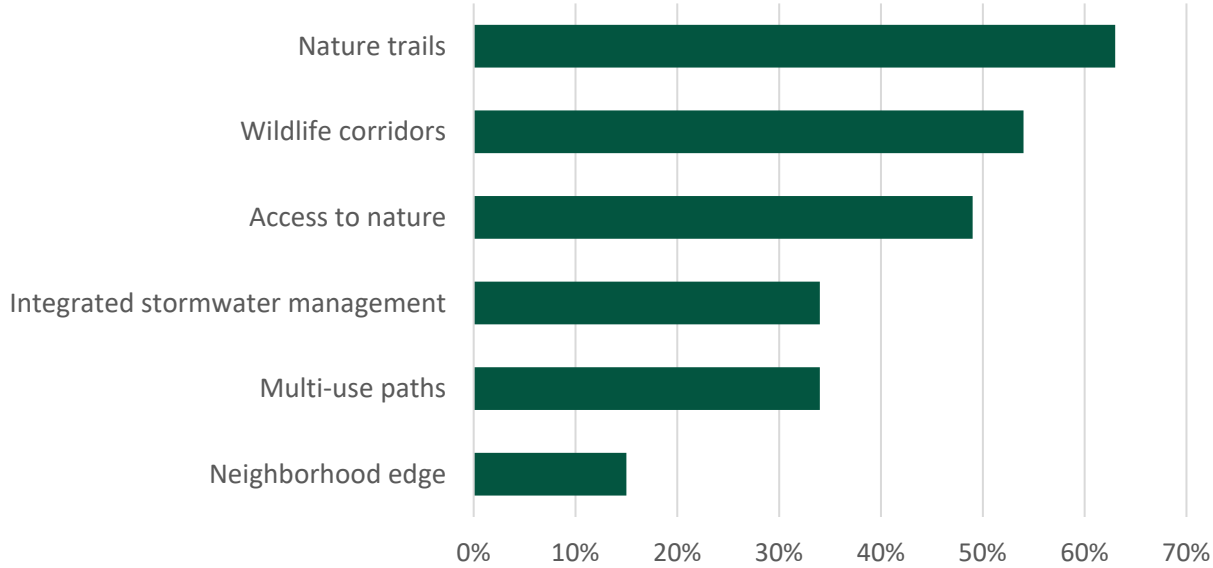
- Middle housing and attainable housing is a must. Better opportunities to purchase, Mixed neighborhoods are needed.
- Walkability and natural areas Sherwood and Joe Dills and his team have got down, but multi-modal connections between neighborhoods and all other uses in Sherwood West need to be carefully planned and safe for all.
- A variety of housing includes a variety of lot sizes. Setbacks need to be increased - house footprint to lot size is too small in Sherwood!
- Create areas for parks BEFORE planning for housing.
- Dont build them there. Sherwood West is a bad idea.
- I thought the plan showed there was enough land within existing Sherwood. I'll have to go look at it again.
- I wouldn't like to see any increased housing or parks in Sherwood West. Please don't do it.
- You said it here... the city does not have enough land to accommodate... so the question has been answered. No land! no building anything!
- Understand the housing report showing not enough land. I am tired of small lots with houses on top of each other. So if there is opportunity to have high density housing near the business sectors, but keep some larger (1/4, 1/3, 1/2 acre) lots on the edges to help blend from high density city centers to more open feel near the edges that blend with surrounding farmland
- Keep it on the east side where there is infrastructure.
- Many people who purchased homes on this side of 99 did so because of the open space. Please maintain open and green space.
- The type of housing ranking in this Survey DID NOT WORK! Apartments always showed up second and could not be changed.

CHICKEN CREEK GREENWAY

What do you think is most important: providing more opportunities to access the creek corridors, or preserving and enhancing creek corridor habitats?



Which greenway elements are most important to you?



% of survey respondents who selected element as a top priority

In addition to Chicken Creek, are there any other natural areas in Sherwood West that you think should be protected as part of a greenspace network?

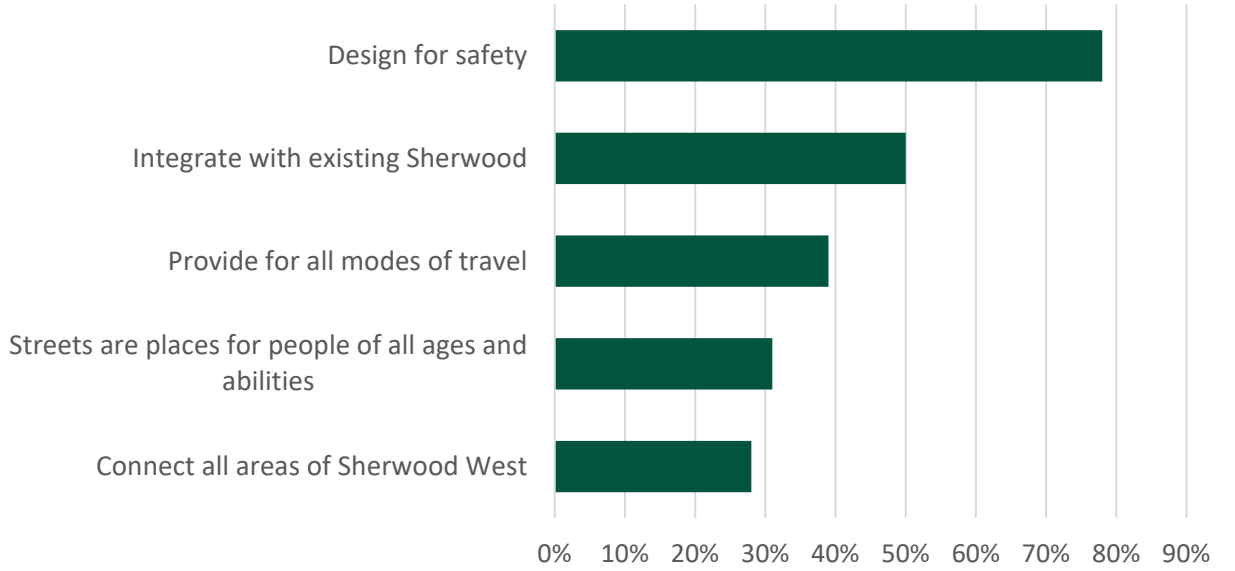
- As much of the forest as possible.
- No, great job!
- cedar creek
- No
- Sherwood is just a very sad story. Our family is looking to move out towards McMinnville. All you see everywhere in Sherwood is destruction. Tualatin Sherwood, every little piece of land going to development. And this shooting range... My god, this is ridiculous. It's just a little piece of red America. Oh well, I guess we had good memories while it lasted.
- Cedar creek
- This sounds good: "The Sherwood West Concept Plan offers an opportunity to preserve and enhance these natural corridors, provide wildlife crossings, incorporate stormwater management practices, and provide access to nature through a network of connected walking trails." But better would be to leave the land as is. The pictures provided above as models show how much "development" has replaced nature.
- All that are not yet developed
- Cedar and Goose Creaks
- Cedar and Goose Creeks
- the entire thing
- Existing habitat areas should not be fragmented. The continuity and contiguousness of the existing areas should be preserved and this aspect should be noted and be made a priority for preservation. It doesn't matter if you have 100 acres of green space if the are all 1/4 acre parcels that are not interconnected. The greenway is not just for humans it is also a path for wildlife.
- No.
- I think all of the existing natural areas should remain untouched by your plan.
- Yes all of it should be protected... don't touch anything!
- North of the Chicken Creek and Cedar Creek intersection, inside of the proposed business zone. I'm not proposing full protection here, but some element of drainage retention within the business park where an element of nature makes a good gathering place for lunchtime walks and having your lunch outdoors by a nature pond that helps filter drainage from the industrial area before flowing into Chicken/Cedar creeks. Similar comment at Goose Creek - not full protection but some element of nature in the business park
- the whole west side around Chicken creek
- Cedar Creek pathway constructed from Stella Olson Park to chicken creek with bike and pedestrian access

Is there anything else you would like to tell us about Chicken Creek Greenway or other greenspaces in Sherwood West?

- This is where my house is. Keep the are as it is; keep it safe for existing homes and existing wildlife.
- As we move into the Community Planning Stage for Sherwood West, the less impactful balance will be required between the affordable and efficient provision of the gravity sanitary and storm sewer systems and the natural resources areas, which typically recover quickly with careful regrading and replanting of indigenous native plant species. These public systems along with water and transportation too should be carefully planned and developed to keep costs down and development affordable which results in enhancing the general overarching goal of affordability for all residents and businesses. If what we build is too expensive, then the goal of diversity of development and opportunity for all will suffer.
- this is a very important part of the livability of Sherwood and i support this part of the plan
- I live in the Sherwood school district, on Baker Road outside of the city limits. The sprawl north of Sherwood is discouraging and it is discouraging that Sherwood's elected leaders want more of the same here.
- I like all of the photo examples that appear here. The more we can do to provide for this, the better
- Dont build near it.
- Good job with the keeping the road plan from 2016 that minimized impacts to the creek and slows traffic on Elwert.
- Please don't mess up a good thing. It is great as it is, please leave it be.
- Sherwood does not want to be Beaverton or like any other town..
- Have you looked or walked on the Fanno creek trail? it is filled with homeless camps. it's not even safe to walk this trail anymore. is that what you want for Sherwood?
- Connect Cedar Creek trail

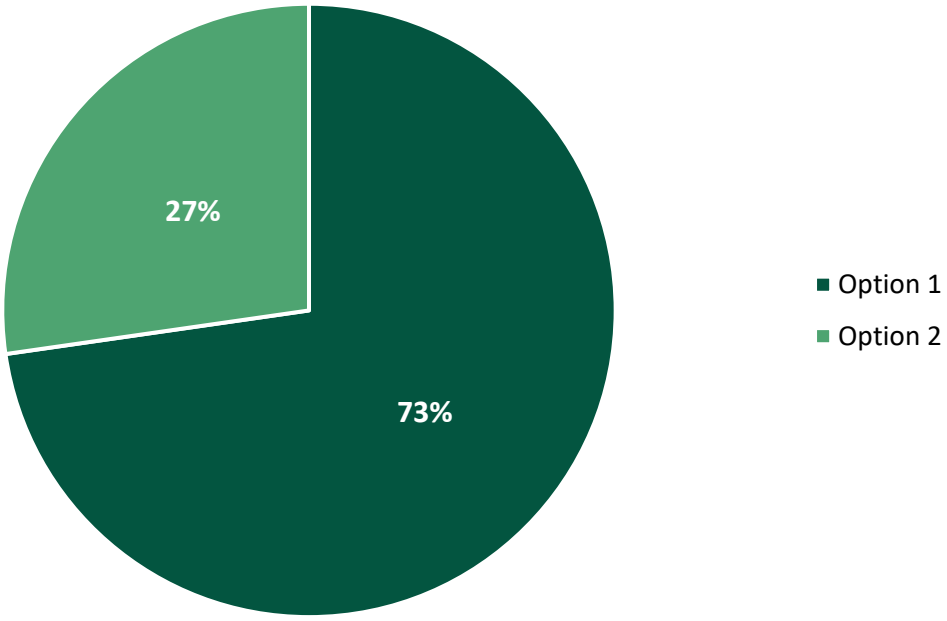
LIVABLE AND CONNECTED STREETS

Which livable & connected streets principles are the most important to you?



% of survey respondents who selected principle as a top priority

Which of the two street options do you think will best serve Sherwood West?



Looking at the rest of the street plan, are there any specific roads or intersections you would like to comment on?

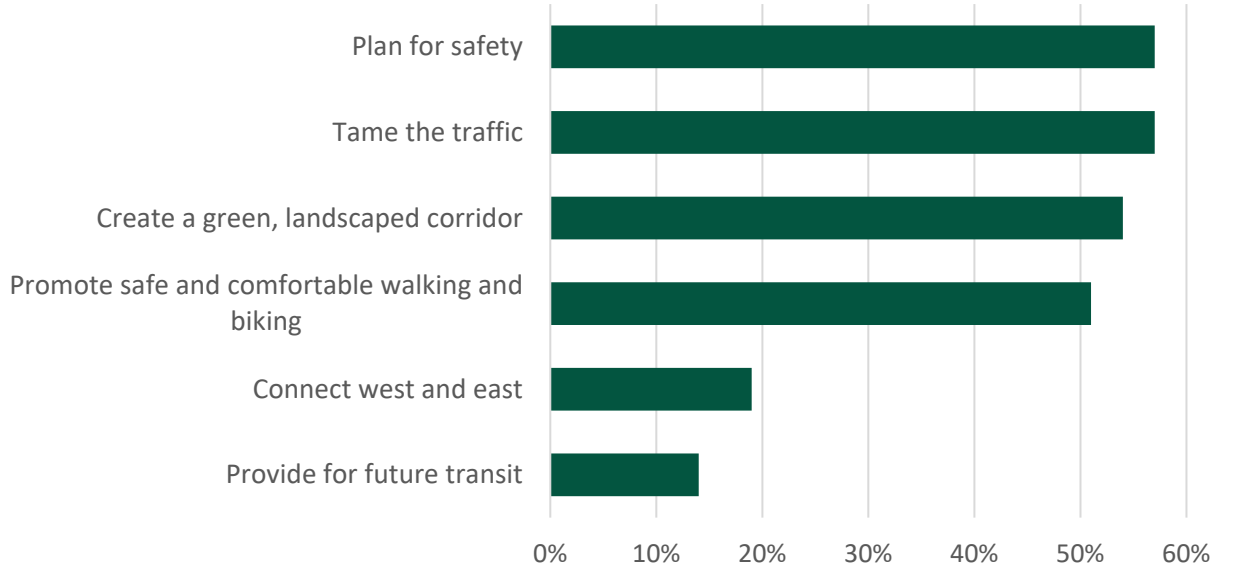
- Edy & Elwert intersection, in its current form, is extremely dangerous. Option 1 is far better than Option 2. Also, Edy Road should be repaved. The current asphalt is rough and creates very loud road noise. A smoother surface is needed for this road.
- We like the idea of developing as many of the new minor collector roads as shown linking the neighborhoods serving the north side of Area 3, the west sides of Areas 3 and 4, and the south side of Area 5 as Sunset Blvd type street section (treed with planter strip and adequate left turn refuges. With the expectation that significant traffic will continue to be a problem for all existing major collectors (Elwert and Edy as well as Kruger and Chapman), they should all be developed as generous ROW width boulevards with center planter strips and two travel lanes both directions with generous left and right turn refuges, maybe including Haide to the rear of the HS and the final approach to 99W on Chapman. Obviously, Sherwood working with the County will be generous on the arterials of Roy Rogers and Scholls Sherwood Roads. We want to avoid the problems associated with Tualatin Sherwood Road when originally planned and developed.
- There needs to be a light at Chapman and 99
- Edy and Elwart intersection. Needs to be rerouted for safety.
- Elwert Road needs to be upgraded so that it is no longer seen as a Sherwood bypass
- No, as I have not spent any significant amount of time in the area at question.
- If this plan is developed, the current Edy Road will become the primary East/West traffic path. Edy Road is not anywhere near capable of handling the load that will transpire. It should get a similar makeover as anticipated for Elwert, namely 3 lanes including a turn lane, sidewalks and bike paths on both sides, and the same level of amenities as exist on Sunset Blvd.
- Option 2 destroys my home/property. It would be devastating for me and my family to be forced to move from our home because you would build a road right through it. I am at 16365 SW Sherwood road. McConnell family.
- Brookman - Chapman Road will be required to have a stop light controlled intersection.
- Elwert is going to at least quadruple in usage if you build sherwood west. Go ahead and make it at least as busy as Tualatin Sherwood/Roy Rogers. If you go ahead with this plan, itll need to be 4 lanes.
- I'd have to spend a lot more time to study this. Trusting that the people on the CAC did that.
- Does Option 2 keep Elwert two lanes and no turning lanes?
- What are you planning to do with all of the existing homeowners in that space? People have farms, vineyards, stables, and homes that have been around for years. It is unconscionable to displace these residents.
- Leave them all alone. Enough is enough
- There should be a roundabout at the Scholls-Sherwood, Lebeau, Elwert Intersection.

Is there anything else you would like to tell us about livable and connected streets in Sherwood West?

- the need to be wide enough for traffic and parking
- I worry about the increased traffic in general. None of the existing roads are designed to handle increased traffic. Edy and Elwert are already over used today. I cannot imagine the quality of life (I life off of Edy road in the Oregon Trail HOA neighborhood) if this Sherwood West development goes forward. I will probably sell (at a nice profit!) and move away - far away.
- Yes, but only as it relates to site specific development which can be addressed at the Community Planning level of analysis, which we expect will occur soon after this Re-Look process.
- i dont think industrial buildings as those that seem to be contemplated here and "livable neighborhoods' can be in the same concept. It doesn't make sense
- more bike and pedestrian friendly
- Will Elwert rd become bogged down with stops, or continue thru ?
- Not just "mitigating impacts of regional through-traffic' but mitigating the mentality that we can continue to add local traffic onto our streets without it having a negative effect on the quality of life for our existing residents. To think otherwise is to deny reality.
- Please go with option 1. My wife and I want to retire in our current home and option 2 would force us out.
- Roy Rogers is going to become a disaster.
- None of these are really viable unless there is massive street expansion
- Provide access from HWY 99 to Wine Country Gateway development with hospitality, food and beverage, retail, etc.
- Please consider cars. We aren’t giving them up, so please accommodate for them
- Plan 1 eliminates access to several properties.
- Provide pedestrian and bike paths.
- Scrap the Sherwood West plan. It will mess up a beautiful area that people don't want changed.
- Very strong preference for #1
- the intersection of Elwert and Edy is a wet land. In the last year a traffic light has been installed and I have personally had two close calls where people run the red light on Elwert. There will be a fatality here at this intersection and putting more housing is only going to make it worse.

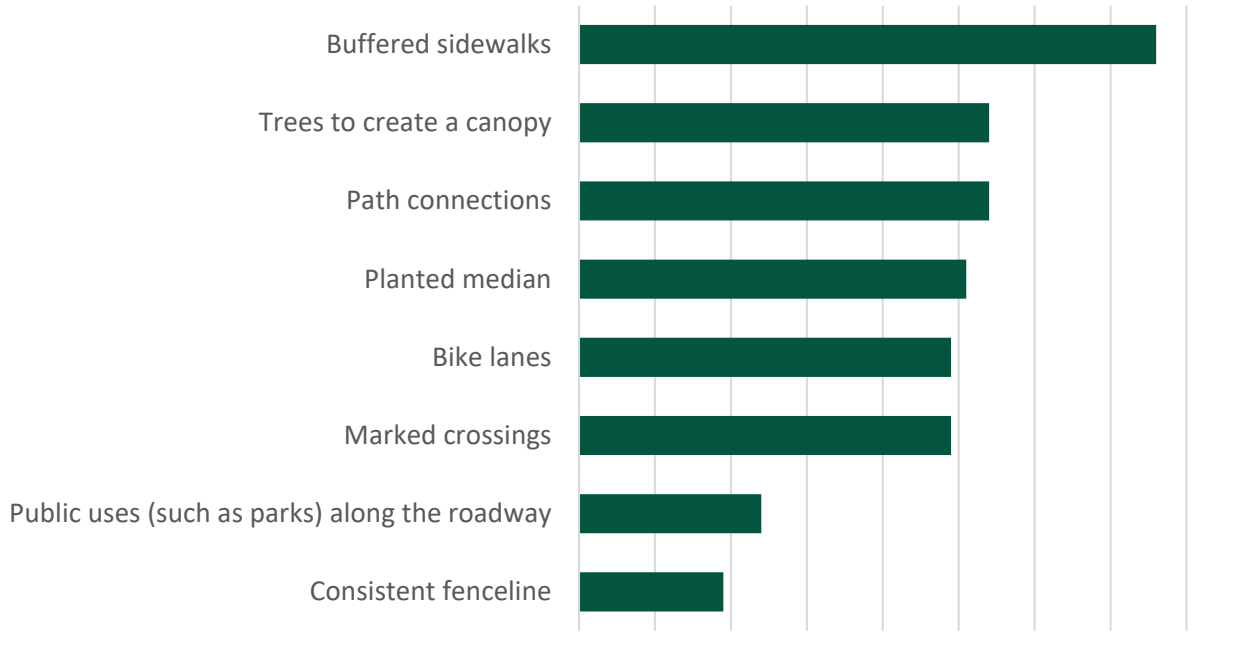
ELWERT ROAD DESIGN CONCEPT

Which of the following principles are the most important to you regarding the future design of SW Elwert Road?



% of survey respondents who selected principle as a top priority

Which of the design elements would you most want to see on SW Elwert Road?



% of survey respondents who selected element as a top priority

Other:

- you have trees to create a canopy. we have that now before you destroy it.
- Fewer cars than we already have. The impact we see today as a result of the new high school is already a mess.

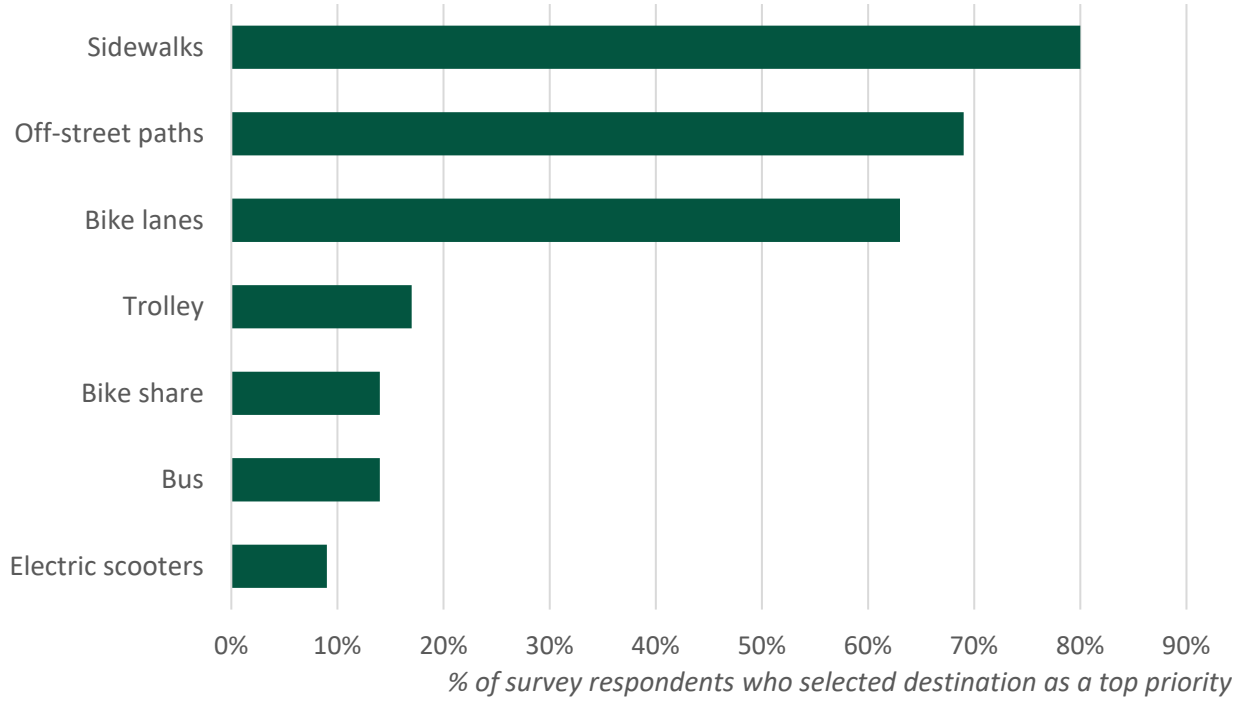
Is there anything else you would like to tell us about the design of SW Elwert Road?

- Elwert is a rural road at present. It would be nice to keep it that way.
- As above, Option 2 should be the new preferred alternative based on affordability issues and less impact on the existing Chicken Creek natural resource areas. Redeveloping the existing Elwert and Edy intersection can be done in a manner that could even provide for a larger roundabout located in the NE and/or SW quadrant which appears to be partially developed and farmed upland areas to protect the existing riparian and natural habitat areas along the Creek. Enhanced wildlife crossings will have to be developed in those areas to which wildlife has already been displaced by the existing traffic problems. Developing wildlife crossings and mitigating the impacts of Option 2 should be significantly more affordable than the substantial realignment and infrastructure improvements planned for Option 1. Given the current state of affairs in our City, State and Country, we owe it to our citizens to plan for efficient and cost effective development at every level.
- Edy and Elwart's intersection needs to be moved west.
- need to connect pedestrian/bike the rest of the way to Edy SOON. it is used and is so much more dangerous now with increased HS traffic.
- it carries about 9,000 average daily trips today and is forecast to carry 14,000 average daily trips in 2035". In traffic analysis, the effect of moving from 9 to 14 K trips will be more like tripling the congestion. I think only a minority of people looking at these options realize that the congestion grows exponentially, not linearly. And the more lanes we build, the more cars will be attracted to use those lanes. It is a vicious cycle, and if we do not realize that upfront, we will continue to spend more and more on street widening projects and just get more and more frustrated with the results. The same treatment needs to be applied to Edy Road.
- Its going to have to expand massively. The traffic is so bad on 99 and Roy Rogers, if you build Sherwood West youre going to have at least 14,000 visitors right away (not 2035) becuase you create a faster way to get through. right now its more difficult for people to access because its single lane but when you make it the ONLY choice for more people, its going to be a mess.
- Does it remain only two lanes with mini minimal turning lanes?
- Connect into regional bike pats
- There are high-voltage towers and lines that run in that area. It is not suitable to place homes near them. Please don't built in Sherwood West - I'm begging you.
- With no further growth is fine the way it is so nothing needs to be done.
- Why do you have pictures here that are over a year old? The intersection has a traffic signal light at it now. Again get out of the office and look at what is existing.
- Traffic circles work

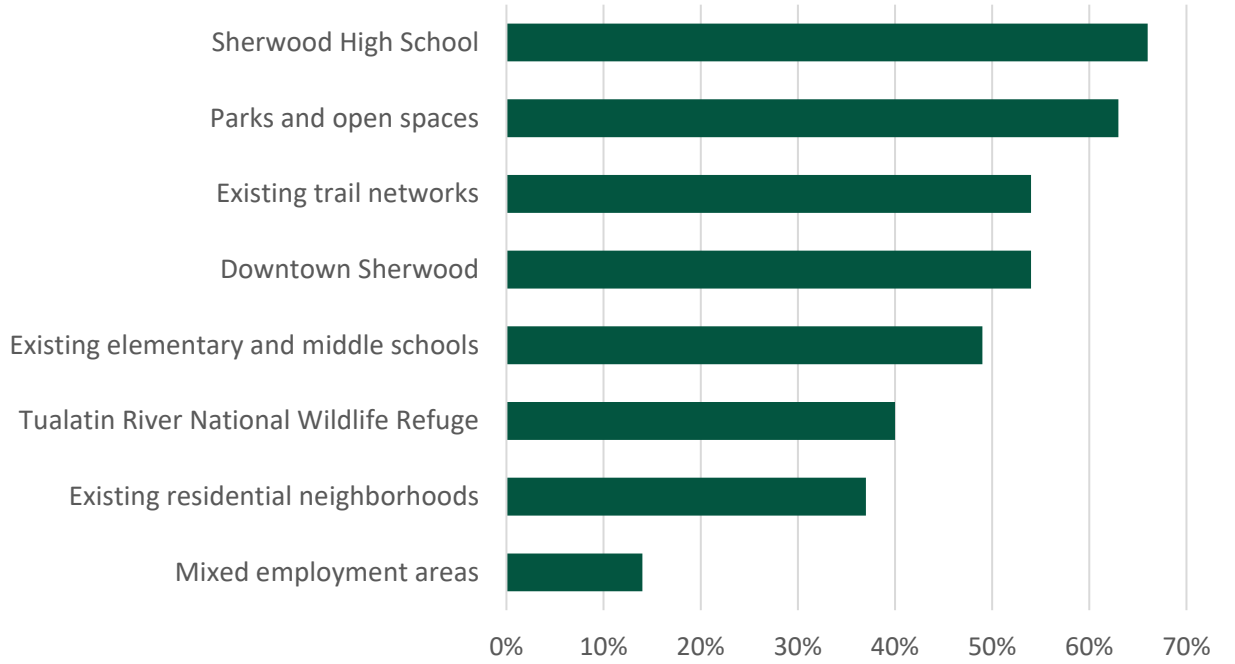
- Better foot paths to the High School - over passes potentially so traffic is not impaired and can accommodate the high influx and exodus of traffic to and from the High School.

ACTIVE TRANSPORTATION

What destinations do you think are the most important to connect Sherwood West's future neighborhoods to by walking and biking?



What types of active transportation infrastructure or programs would you like to see in Sherwood West?



% of survey respondents who selected destination as a top priority

Other:

- There are no bike lanes all the way up Edy and it is heavily travelled by bikes. someone is going to get hit here eventually.

Is there anything else you would like to tell us about active transportation in Sherwood West?

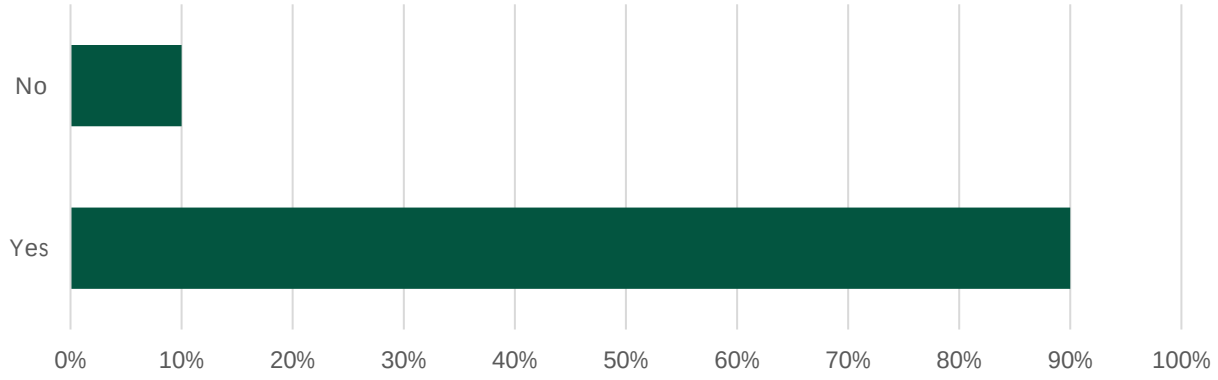
- We like the idea of the Chicken Creek Greenway and active transportation and trail system as conceptually planned. We like the idea of affordable bus service through Sherwood West and believe that the Elwert/Edy Option 2 plan with roundabout in upland areas in the SW and/or NE of that intersection would provide the best and most direct transit service between the new employment areas and neighborhoods, connecting to 99W and Downtown and existing neighborhoods.
- Transportation here has to be about safety, families and kids
- Address the 99w traffic that cuts thru Elwert to Roy Rodgers rd. Also traffic that uses Sunset as a bypass around the 'six corners' intersection.
- I'm absolutely against bus, shared bikes and scooters. Especially a bus on sunset or going through Woodhaven. It will ruin the quality of life for all that live off of it. Scooters have been a disaster in Portland. It's asking for trouble. I don't want bikes and scooters tossed and left sitting wherever. I'd

like to keep a more urban/suburban feel. Please don't open us up to being crowded like Beaverton and Portland.

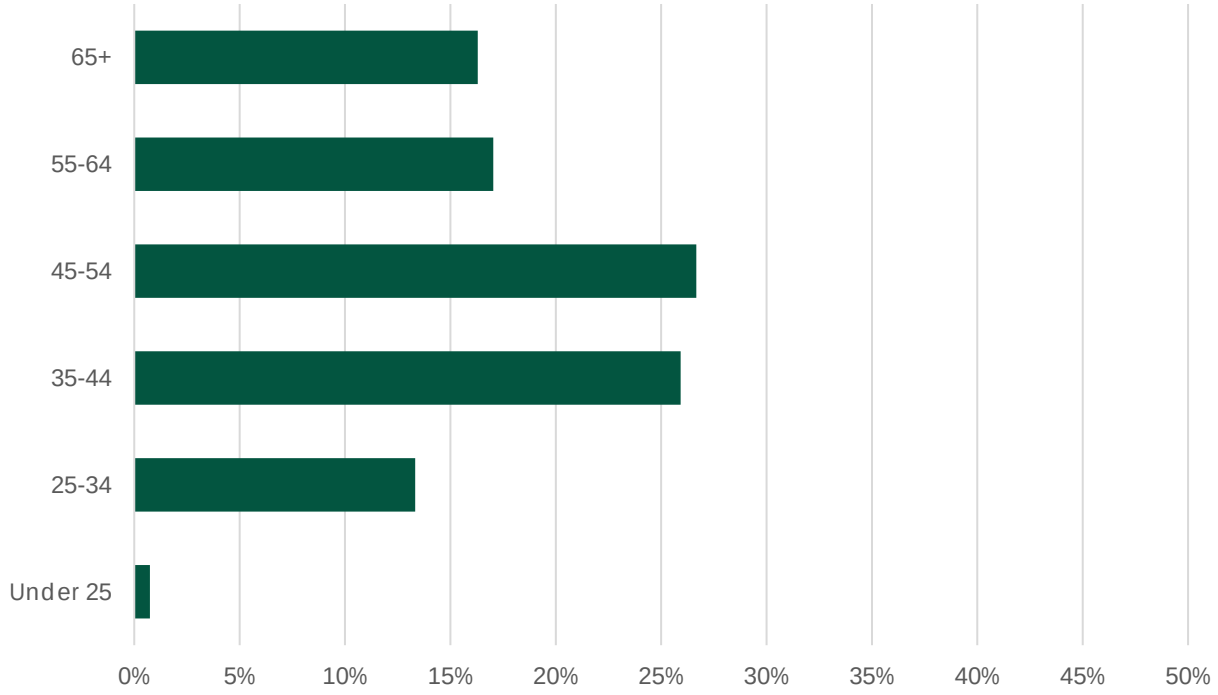
- Connect Sherwood to regional bike paths. I would like to safely bike across Sherwood but bing able to safely connect to other communities is important too.
- There are better places to bike and walk. I don't want the environment changed to accommodate bikers, pedestrians, more homes, and businesses. There are plenty of other options, and we don't need any more residential construction in Sherwood. Period.
- No one is asking for Sherwood to grow except for the money hungry developers and builders and if it's the Mayor too. We'll
- Are off-street Paths (multiuse- pedestrian & bike), if so I like that more than bike lanes on the roads. Sherwood has many young families and having the ability for small children to ride away from the road with parents and older siblings is important for supporting the family friendly draw of Sherwood.
- with all the upgrades to the roads that are needed who is going to pay for it? Not fair to make the existing community pay for these upgrades to the roads that are just fine for our use now. if they develop a ton of houses make the developer pay for the infrastructure upgrades.
- Please do not put electric scooters in. They have not legitimate purpose and we will just have scooters strewn about this side of town.
- There should be a trail that connects further up Lebeau at the northwest corner.

Survey Respondent Demographics

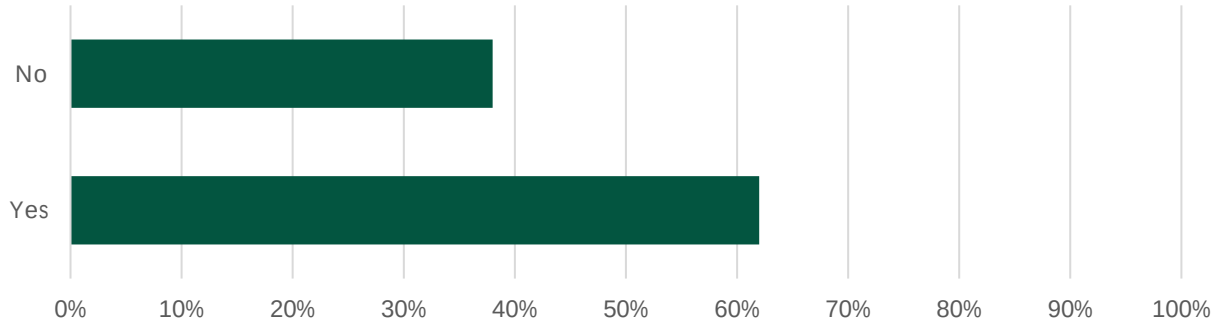
Are you a resident of Sherwood?



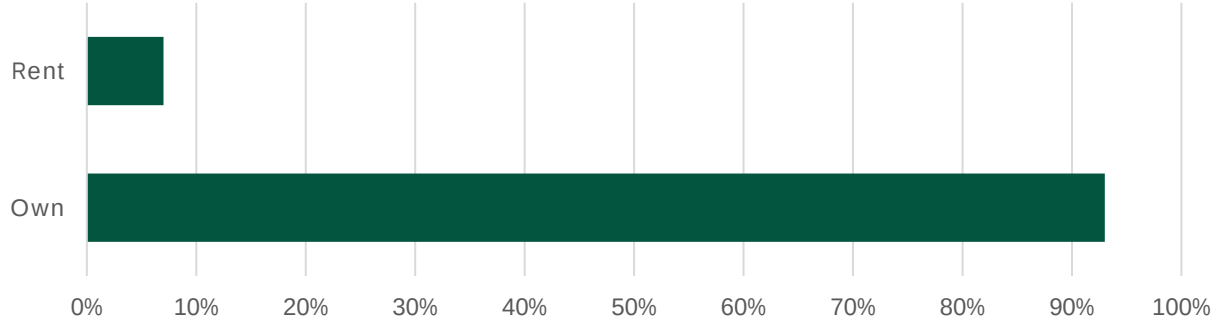
What is your age?



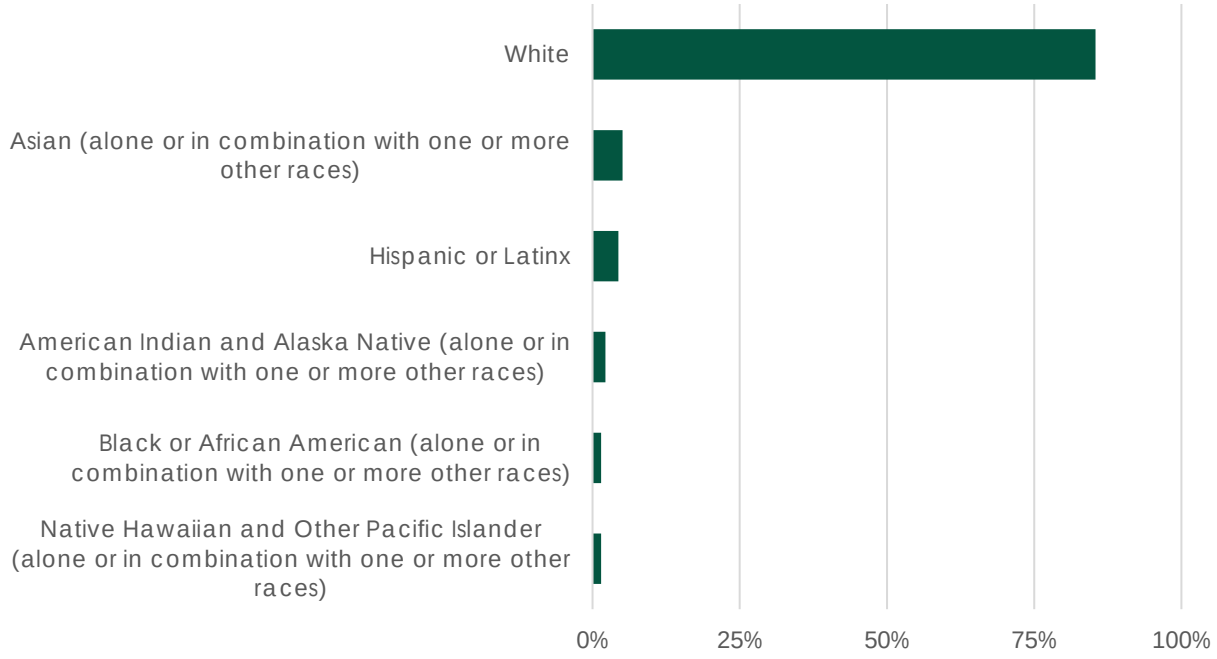
Are there children in your household?



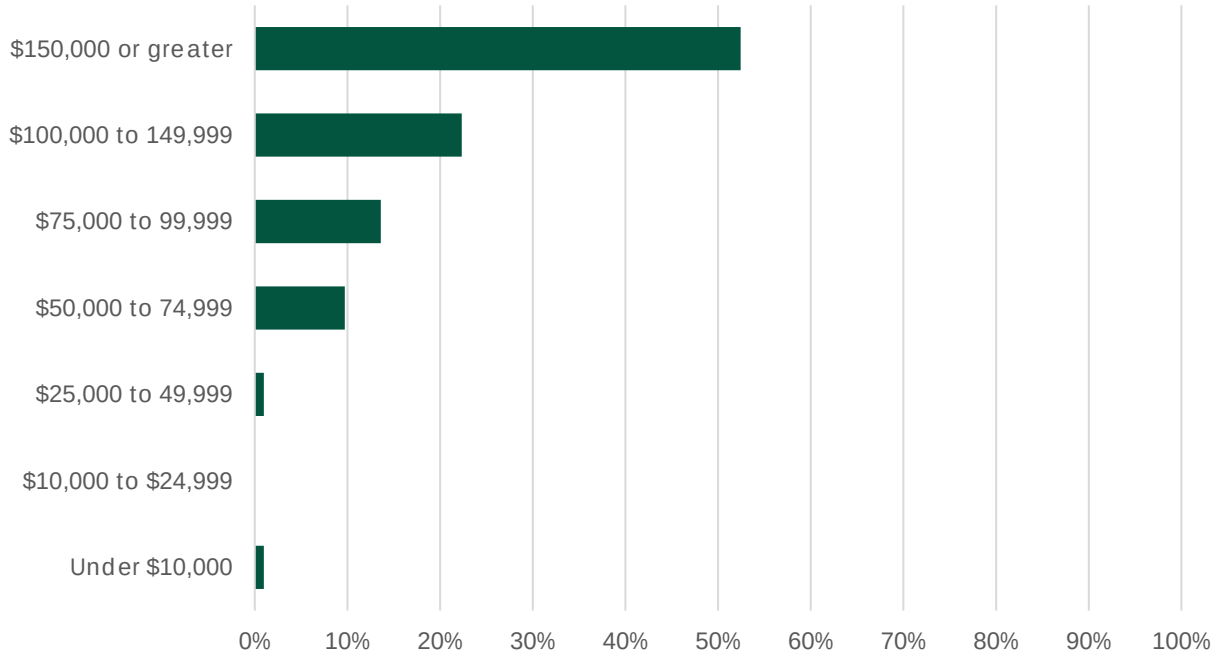
Do you rent or own your home?



How do you identify your race or ethnicity?



What is your annual household income?



APPENDIX E

Open House #2 and Survey Summary

OPEN HOUSE #2 SUMMARY

TO:	Sherwood West Community Advisory Committee and Technical Advisory Committee
FROM:	Sherwood West Project Team
DATE:	November 10, 2022

Introduction

This memorandum provides a summary of the results from the Sherwood West Concept Plan Open House #2, which included both in-person and online participation options.

Open House

The in-person open house took place at Ridges Elementary School on October 20, 2022, from 5:30-7:30 PM. The open house was advertised through a mailed postcard to all Sherwood West property owners, the project's interested parties email list, all City boards and commissions email lists, the City's utility email billing list, the City's social media accounts (Facebook, Twitter, and Nextdoor), and a printed flyer and the City's reader board. A total of 60 people signed in at the event, and an additional 20 to 30 people attended without signing in.

The open house provided an opportunity for attendees to review presentation boards and other information and ask questions of the project team. The presentation boards provided the following information:

- **Background and Overview** – Project purpose, vision/goals, and timeline.
- **Plan Concepts** – These boards summarized concepts related to trails, the Chicken Creek Greenway, Elwert Road design, housing choices, and mixed employment areas.
- **Land Use Alternatives** – These boards provided information about three alternative ways that land uses could be arranged in Sherwood West. The alternatives were presented and compared by subdistrict—North, Far West, West, and Southwest.
- **Transportation Concepts** – These boards provided a map and information about several key transportation improvements that are being studied through the Concept Plan Re-Look process.

Copies of the Land Use Alternatives posters were also placed on tables and attendees were encouraged to rank the alternatives in order of preference by placing dot stickers (labeled 1, 2, and 3). Participants could also write comments on the posters. See Attachment A for a summary and photos of the results of this exercise. Conclusions from the results of this activity are as follows:

- North District – Alternatives 1 and 2 are tied for most 1st choice votes; however Alternative 1 has more 2nd choice votes.
- Far West District – Alternative 1 has most support.

- West District – Alternative 1 has most support.
- Southwest District – Alternative 2 has most support.

In addition, hard copy questionnaires provided another opportunity to weigh in on the land use alternatives and transportation concepts. The questionnaire asked the same questions as in the online survey (see below). Four questionnaires were submitted—see Attachment B.

Online Open House / Survey

An Online Open House provided similar information as was presented at the in-person open house—it is still available online at this link: https://arcg.is/044vDW. Because of the breadth of information covered in the open house, participants were invited to select and explore any topics that interested them from a menu of pages. The open house also included a link to an online survey, which was available from October 20 through November 3, 2022. A link to the Online Open House was posted to the project website and promoted through the same digital outlets as the in-person open house. The survey received a total of 104 responses.

The main purpose of the survey was to solicit input on the three land use alternatives. The survey presented information about each alternative and, for each district, asked respondents to rank them in order of preference (or to select "none of the above"). For each district, respondents were also asked:

- What do you like in the alternatives?
- What do you not like in the alternatives, or what would you change?
- If you selected "None of the above", please tell us why and what you think the long term plan should be for this area.

The survey then presented a "Bonus Topic" of Key Transportation Improvements Under Study--similar to what was presented at the in-person open house. The five potential transportation improvements include:

- Elwert Design Concept
- Elwert Realignment
- Overpass Connection to Brookman Area
- Pedestrian Overcrossing
- Conceptual North-South Connector

For each improvement concept, the survey asked if respondents had any comments or questions.

Lastly, the survey asked a set of demographic questions to get a sense of who took the survey.

Survey Results – Land Use Alternatives

Below are the results from respondents' ranking of land use alternatives for each district. The first, more detailed, chart indicates what percentage of respondents ranked each alternative as Rank 1, 2, 3, or 4. The second chart indicates a weighted average score for each selection—these charts give a sense of which alternatives were generally favored over others.

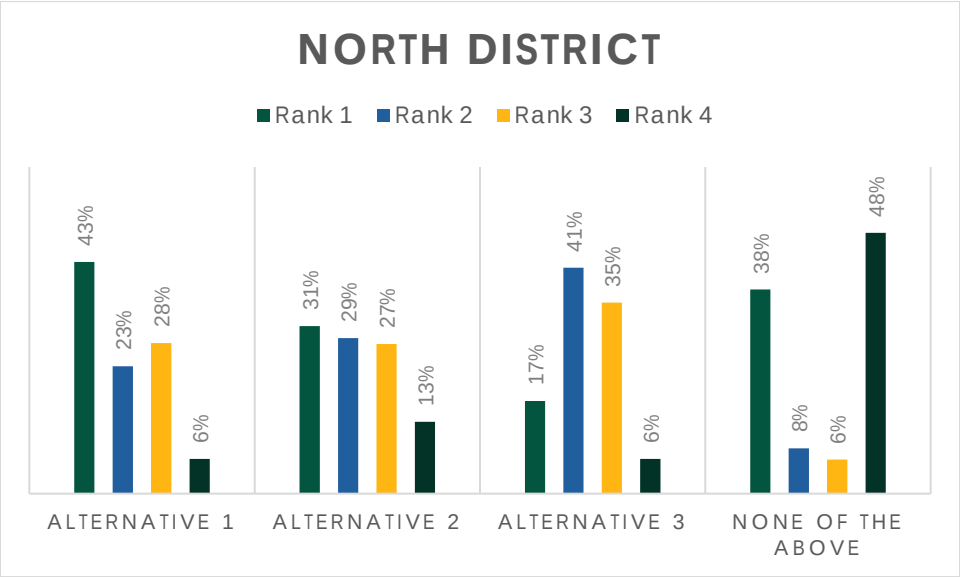
Following each chart is a summary of the key themes from the written responses (what did you like/not like, etc.). A full survey report with all individual written responses is included as Attachment C.

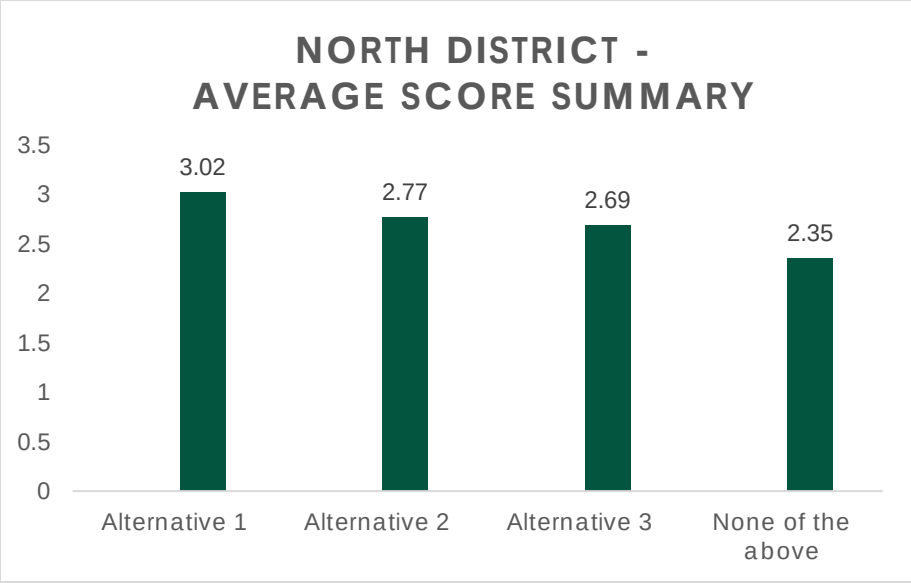
[NOTE: This is not a scientific survey. The online open house was intended as an additional way for people to get information and participate, but it does not reflect a representative sample of Sherwood resident's opinions about Sherwood West.]

NORTH DISTRICT

If the City were to choose to grow into the North District in the future, how should the Concept Plan guide that growth? Rank your preferences among the three land use alternatives for the North District. (If you do not like any of the alternatives, rank "none of the above" as #1.)

[102 answered; 2 skipped]





Themes from Written Responses:

Likes:

- Parks
  - Some specifically mentioned parks at Edy Rd
  - Greenspace around Chicken Creek
  - Parks near multi-family
- Employment focus
  - Jobs compatible to Sherwood for people to live and work in community
  - Employment on the edge near transportation corridors (Scholls Sherwood/Roy Rogers)
- Housing
  - Medium density housing/multi-family near employment
  - Keeping employment buffered from housing
  - Good balance of housing and employment/commercial uses
    - Some specifically mentioned Alternative 2 best mix of uses
  - Cottage clusters near Chicken Creek

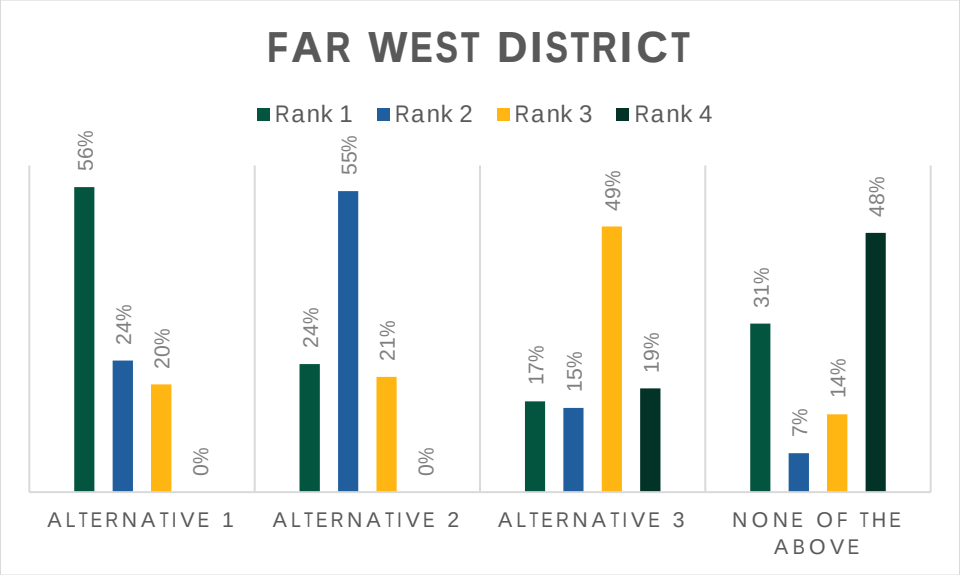
Changes:

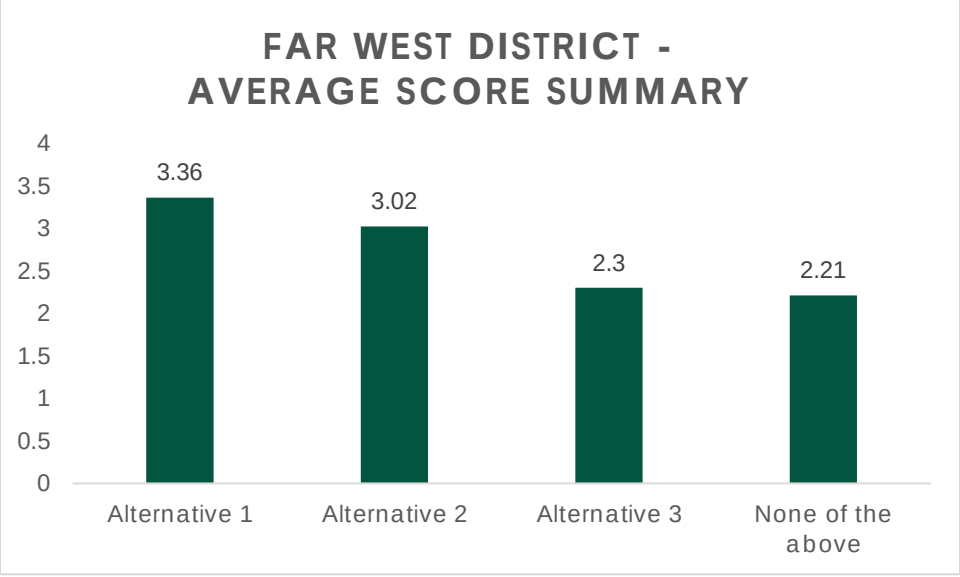
- Area too focused on employment
- Employment near Chicken Creek
- Medium density housing near Edy/Elwert intersection – The amount of traffic existing on Edy/Elwert
- Place housing east of Elwert on Edy near existing subdivisions (Oregon Trail, Mandel Farms)
- Hybrid of Alternative 1 and 2
- Traffic congestion on roadways with new development

FAR WEST DISTRICT

If the City were to choose to grow into the Far West District in the future, how should the Concept Plan guide that growth? Rank your preferences among the three land use alternatives for the Far West District. (If you do not like any of the alternatives, rank "none of the above" as #1.)

[98 answered; 6 skipped]





Themes from Written Responses:

Likes:

- Parks
  - Balance of open space and housing

- Access and protection of the Chicken Creek Corridor
- Parks in neighborhoods and access to trails

- Housing
  - Low and Medium density housing
  - Cottage cluster housing

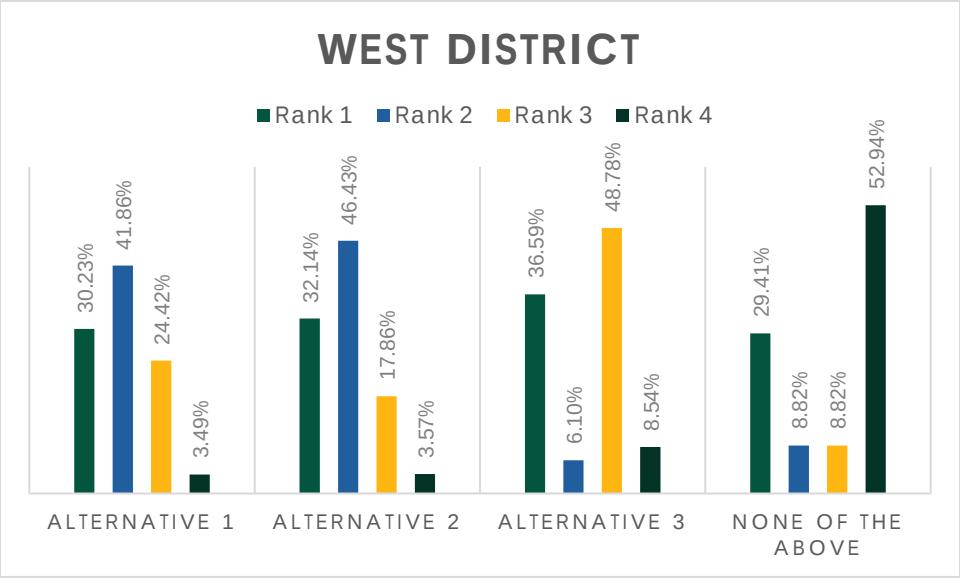
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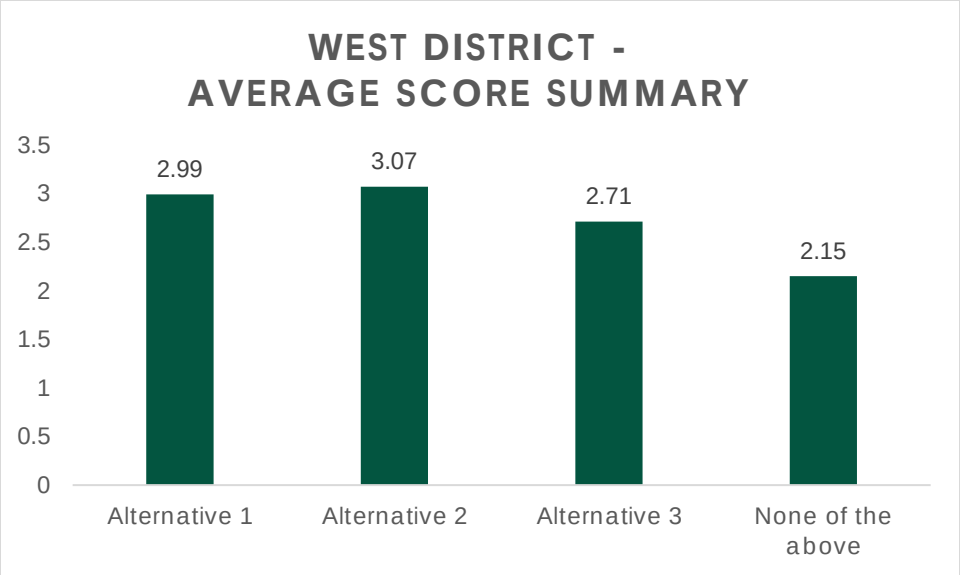
- Lesser density housing in areas of steeper slopes
- Impacts to existing Eastview neighborhood – proposed road connection
- Intersection at Edy/Elwert is dangerous
- Traffic impacts in the area with additional housing

WEST DISTRICT

If the City were to choose to grow into the West District in the future, how should the Concept Plan guide that growth? Rank your preferences among the three land use alternatives for the West District. (If you do not like any of the alternatives, rank "none of the above" as #1.)

[94 answered; 10 skipped]





Themes from Written Responses:

Likes:

- Parks
  - Large park and trails
  - Access to Chicken Creek Corridor
- Housing
  - Housing near high school – kids can walk to walk/bike to activities
  - Higher density and mix of housing and uses near the high school
  - Cottage Cluster housing
- Mixed Use
  - Mix of uses near high school
  - Smaller commercial/retail uses and eateries
  - A neighborhood anchor development –inspiration Orenco type of concept

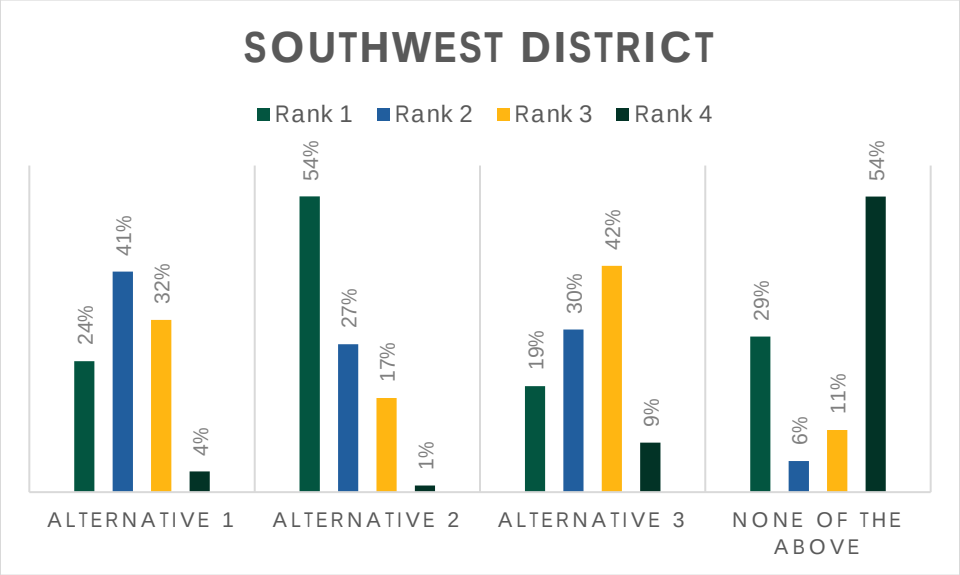
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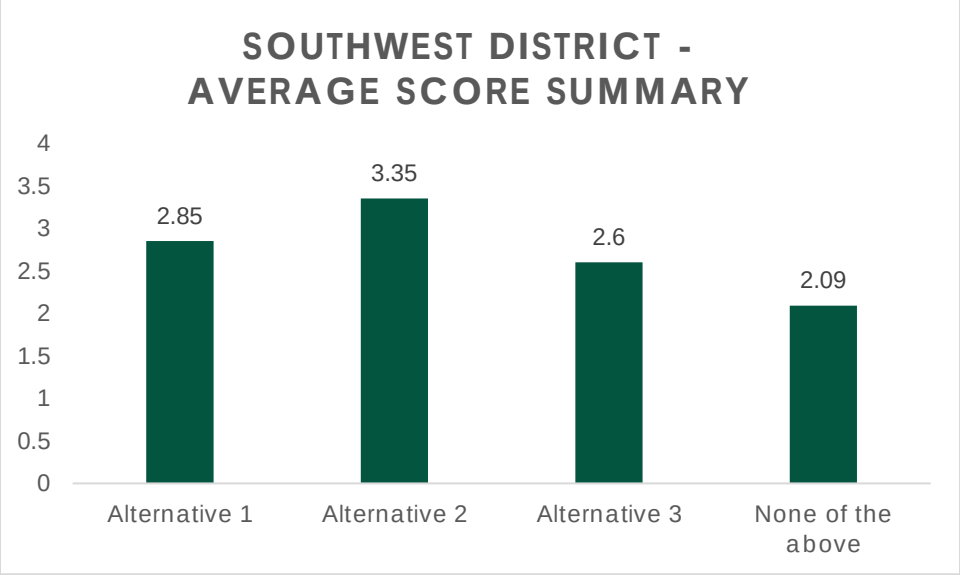
- Increase of traffic
- Edy/Elwert intersection is dangerous
- Extension of Eastview Rd is not practical
- Cottage cluster housing near high school – less likely to have children going to school
- Relocation of Elwert
- Too much high density and cottage cluster housing
- More employment commercial will impact traffic

SOUTHWEST DISTRICT

If the City were to choose to grow into the Southwest District in the future, how should the Concept Plan guide that growth? Rank your preferences among the three land use alternatives for the Southwest District. (If you do not like any of the alternatives, rank "none of the above" as #1.)

[91 answered; 13 skipped]





Themes from Written Responses:

Likes:

- Park
  - Some specifically liked the large park in Alternative 2

- Mixed Uses
- Hospitality uses and commercial along Highway 99W
  - Some specifically called out hospitality and employment areas in Alternative 1 and 2
  - Some specifically called out Alternative 3 that clusters uses together (e.g. employment and housing)
  - Additional restaurants, possible new grocery store
- Gateway to wine country theme

Changes:

- Roads to accommodate additional traffic impacts
- More employment near Highway 99W
- What is hospitality area (unclear)
- More parks and trails in this area

Survey Results – Transportation Improvements

Below is a summary of key themes from the written responses for each potential transportation improvement.

Do you have any questions or comments about the Elwert Design concept?

- Likes – buffered sidewalks, median plantings and street trees, similar to Sunset

Do you have any questions or comments about the Elwert Realignment concept?

- Maintain existing Elwert alignment but look for ways to slow it down and create neighborhood feel
- What is the cost of improving Elwert with two crossings over Chicken Creek?
- Traffic circles will not improve traffic flow
- The realignment of Elwert will increase safety, slow down traffic
- Lower the speed on Elwert to 25 mph
- Roads should be built prior to development

Do you have any questions or comments about the Overpass Connection to the Brookman Area?

- If the overpass connects to existing arterial (Elwert) it would be reasonable. It should not connect to proposed n/s connector road.
- Why would you need an overpass if intersection of Chapman/Brookman is signalized?
- Seems expensive
- Work with ODOT to reclassify Highway 99W in Sherwood; 35 mph within Sherwood City Limits
- Why does the overpass not connect Chapman/Brookman intersections?

Do you have any questions or comments about the planned Pedestrian Overcrossing?

- Pedestrian overcrossing is needed
- Why was it not built with new high school?

- Seems unnecessary

Do you have any questions or comments about the conceptual North-South Connector?

- This road is not viable due to unsafe grades, environmental impacts and safety hazards
- What traffic would use this road?
- Elwert Road needs to be widened, focus on improving Elwert Road
- The second alignment, running parallel to Chicken Creek is better option, as it impacts less homes
- A new road will negatively impact Chicken Creek
- Keep studying this as a long-term option
- An expensive idea

Survey Respondent Demographics

See Attachment C for a summary of respondent demographics.

APPENDIX F

Development Trends and Implications Memo

Sherwood West Concept Plan

Development Trends and Implications

Date July 18, 2021

To Joe Dills, Kyra Haggart
Angelo Planning Group

From Sam Brookham, Chris Zahas
Leland Consulting Group

Note: The City of Sherwood adopted an updated Economic Opportunities Analysis (EOA) in June 2023, after this document was completed. The adopted EOA includes updated information about employment land needs in Sherwood and is available on the City's website: https://www.sherwoodoregon.gov/planning/page/2023-economic-opportunities-analysis-update

Executive Summary

Introduction

This Development Trends and Implications memo is intended to highlight a variety of key trends that will be explored in more detail in another memo to determine the specific opportunities for Sherwood West. It is not intended to answer the question of what Sherwood West can be; instead, it serves to provide a baseline summary of high-level findings from existing City of Sherwood planning documents and the current land use, transportation, and development conditions in the greater Sherwood area.

The Economic Opportunities and Challenges memo that will follow this memo will provide more specific information about assets, opportunities, constraints, economic development strategies, options for long-term job creation, and recommended land uses in Sherwood West.

This memo is organized as follows.

- **Planning Document Summary.** The memo includes summaries of two existing City of Sherwood planning documents: the Housing Needs Analysis (HNA) and Economic Opportunities Analysis (EOA). The HNA and EOA[1] provide information about supply and demand for residential, commercial, and employment lands in the City of Sherwood over 20 years. As both documents are policy-oriented and based on regional growth rates, there may be additional or different opportunities for Sherwood West that will be discussed in the Economic Opportunities and Challenges memo that follows. The summary of these documents in this memo, therefore, reflects just one perspective that may require an updated assessment.
- **Development Trends.** It also summarizes the team's evaluation of recent land use, transportation, and development conditions that impact Sherwood West, including new/pending developments in King City West, River Terrace, and Cooper Mountain, residential and employment growth areas in Sherwood (Brookman and Tonquin), and other development trends in Sherwood.

The key findings from this memo include the past development trends that offer insights into future development prospects for various land uses in Sherwood West, the key takeaways from the HNA and EOA.

Past Development Trends

The development trends of the past can provide an insight into the current and emerging opportunities for new growth. Relative to many other cities in the Portland metropolitan region, Sherwood's building stock is quite new, with most of the buildings constructed during the mid-to-late 1990s and early 2000s. During this time, construction activity was

[1] The 2018 EOA was not adopted by City Council. It is simply included in this memo to highlight baseline conditions.

dominated by single-family residential homes, industrial, and retail. While single-family residential construction declined significantly going into and since the recession of 2007-2008, construction activity for industrial and retail space has remained relatively high. Multifamily construction has been limited but consistent over the past three decades. And construction activity for office, healthcare, and hospitality space has been very limited, although new and emerging trends may result in growth opportunities, particularly for Sherwood West.

ES-1. City of Sherwood Residential Units and Square Feet of Development by Decade Built

Year Built	SFR Units	Multifamily Units	Industrial	Office	Retail	Health Care	Hospitality
Pre-90s	672	225	177,139	29,319	164,187	0	0
'90 to '00	2,844	256	709,574	38,265	107,812	52,893	0
'00 to '10	1,655	261	332,881	127,036	402,803	0	0
'10 to '20	349	249	626,206	20,000	327,462	0	70,993
Total			**1,668,661**	**185,301**	**838,077**	**52,893**	**70,993**

Source: Costar, Metro RLIS (SFR Data)

Below is a summary of the trends relating to each real estate development sector.

- **Employment (office, industrial).** The industrial sector has generally been shielded from the worst effects of the COVID-19 pandemic, and rapid growth in demand for distribution facilities has spurred significant new investment activity. There are trends and opportunities on which Sherwood may capitalize, including automation, shifting consumer behaviors (e.g., ecommerce), the emergence of the "hub and spoke" offices, and the electrification of vehicles. Sherwood's office market is locally oriented, and construction and absorption have been limited. It has been more than 10 years since an office project was delivered and the pandemic remains a major disrupter to the economy at large and creates uncertainty in the development and investment community. The Tonquin Employment Area (TEA) is Sherwood's primary growth area for new employment. Several industrial buildings totaling 535,000 square feet are in various phases of planning and development at the T-S Corporate Park—the first project since the creation of the concept plan in 2010. Other projects are in the early stages of planning in the TEA, per the City, including plans for multi-tenant industrial buildings totaling 900,000 square feet on 60 acres and project interest on 30 acres that was recently annexed and an adjacent 20 acres. Between these prospects and additional interest in new development in the TEA, there is reason to believe that most of the 200 acres of usable land in the TEA will be accounted for sooner than was originally anticipated in the 2018 EOA.
- **Retail/Commercial.** New construction has averaged approximately 50,000 square feet annually over the past five years, although nothing has been built in the past year since the COVID-19 pandemic began. Except for Parkway Village South (described below), there is very little new development in the pipeline and Sherwood does not appear to face a burgeoning wave of development supply pressure. With that said, investment in new retail typically follows household growth; in the southwest Portland metropolitan region, there are several large growth areas expected to generate significant demand for new retail services and amenities. Sherwood West may capitalize on this increased demand and capture a portion through new development.
- **Residential.** Significant growth in the population aged 55 and over has given rise to the growing demand for certain housing types, including apartments, assisted living facilities, and small-format single-family detached and attached residential. Sherwood's owner-occupied housing market is considered competitive, with a sale-to-list price ratio of around 101.3 percent and averaging less than 20 days on the market before going pending. Apartment occupancy is currently at 95.9 percent—close to the five-year high—indicating demand for new development.

Sherwood West is one of several planned expansions in the southwest metro region. Others include Tigard River Terrace, Beaverton Cooper Mountain, and King City West. How and when these areas develop will directly impact the market and compete with the study area. However, it is expected that these areas will be predominately residential with limited commercial and employment development. As Sherwood West develops, there may be increasing opportunities for it to be a sub-regional hub for employment. There may also be opportunities to add retail services, but we expect the primary trade area for these other southwestern growth areas to be oriented to the north and east, rather than to Sherwood.

The following table summarizes the scale of planned development in each of these expansion areas.

ES-3. Summary of Planned Development in SW Metro Region Expansion Areas

Expansion Area	Planned Commercial / Employment	Planned Residential
Tigard River Terrace 1.0	25,000 to 40,000 sq. ft. (building area)	2,587 units (about 1,200 units built to date)
Tigard River Terrace 2.0	10 to 30+ gross acres of employment and/or commercial uses	Up to 4,500 total units
Cooper Mountain (CM), Beaverton	10-acre main street commercial Est. 80,000 to 120,000 sq. ft. (building area)	South CM: 3,430 units; Urban Reserve Area: 3,760 units; North CM: 300 units
King City West	Est. 54,000 to 85,000 sq. ft. (building area)	3,576 units

Planning Document Summary

The table below highlights the strengths, weaknesses, opportunities, and land supply and demand considerations described in Sherwood's EOA and HNA. These documents offer a potentially conservative depiction of the supply and demand factors for employment and residential growth in the City of Sherwood over the next 20 years.

While this information is helpful context, it is important to recognize that the documents reflect conditions at a certain point in time that are based primarily on an agreed-upon projected growth rate. Given that Sherwood is a relatively small city compared to most others in the Portland metropolitan region, modest developments can have significant impacts on employment and household growth. Growth could be further impacted by a proactive approach by the City, causing businesses and developers to locate in planned employment centers in Sherwood West beyond what was forecasted in each document.

There are, therefore, limitations to these documents which necessitate a fresh look at opportunities for Sherwood West. Because both the EOA and HNA are policy-based documents that follow a required framework, neither provides a discussion of emerging trends that may serve as opportunities for Sherwood West, nor do they include a complete depiction of the development pipeline in Sherwood, particularly for industrial projects. The remainder of this memorandum, as well as the next Economic Opportunities and Constraints memo, will revisit this baseline information and explore more specific opportunities and constraints for Sherwood West.

Table 1. Summary of Key Planning Documents

	Economic Opportunities Analysis	Housing Needs Analysis
Economic Strengths	• Suitable attributes for attracting new business. • Proximity of new residential growth areas. • High quality of life.	• Strong residential growth, particularly in younger families and senior populations. • Relatively high incomes compared with the rest of the Metro region.
Economic Weaknesses	• Congestion and the distance from I-5 hinder both industrial and residential prospects. • Lack of infrastructure in new growth areas. • Reliance on Tonquin Employment Area for meeting industrial land needs.	• Relatively high proportion of single-family detached housing relative to other housing types • Reliance on development of the Brookman Area for meeting residential land needs.
Opportunities	• Citywide growth potential in the industries of manufacturing, professional and business services, wholesale, and visitor and resident services. • Population growth will drive growth in retail businesses.	• Ageing population driving demand for smaller single-family housing, multifamily housing, and housing for seniors. • The growth of younger and diversified households is likely to result in increased demand for a wider variety of housing.
Land Supply & Demand	• Sherwood had 242 acres of unconstrained employment land in 2018, of which half is in the Tonquin Employment Area (TEA). • Employment growth is projected to drive demand for 86 gross acres of industrial land and 85 gross acres of commercial land. • Sherwood has a 24 gross acre surplus of industrial land and a 57 gross acre deficit of commercial land. The surplus is, in reality, much less given the new development coming online.	• Land base can accommodate 65 percent of forecasted population growth. • Limited supply of land for moderate- and higher-density multifamily housing, causing a barrier to the development of townhouses and multifamily housing, which are needed to meet housing demand resulting from the population growth of seniors, young families, and moderate-income households.

Source: City of Sherwood

Economic Opportunities Analysis

The 2018 EOA is "an analysis of the community's economic patterns, potentialities, strengths, and deficiencies as they relate to state and national trends."

The primary goals of the EOA are to:

(1) project the amount of land needed to accommodate the future employment growth within the Sherwood City Limits and employment land areas in the Urban Growth Boundary (UGB), namely Tonquin Employment Area and Brookman Annexation Area, between 2019 and 2039;
(2) evaluate the existing employment land supply within Sherwood to determine if it is adequate to meet that need; and
(3) fulfill state planning requirements for a twenty-year supply of employment land.

While the EOA provides an indication of the strengths and weaknesses for job creation and highlights specific opportunities for Sherwood West, it is important to note that the Sherwood City Council decided not to adopt the 2018 EOA and to make updates closer to the adoption of the Comprehensive Plan. The reasoning for not doing so was primarily due to discrepancies between the rate of employment growth projected in the EOA and by Metro. Other

information provided in the EOA, such as broader economic trends and land availability, are still relevant and are discussed here.

The key points of the 2018 EOA are as follow. It is important to emphasize that this section simply summarizes what the EOA indicates, rather than a comprehensive discussion of the specific opportunities for Sherwood West.

Land Supply and Demand

The EOA included a discussion of land supply for employment and commercial development. Key findings are listed below (all findings are as of 2018).

- In 2018, Sherwood had 242 acres of unconstrained land[2], 141 of which is vacant and 101 of which is potentially redevelopable (i.e., underutilized but not vacant sites). Nearly 60 percent of the vacant land (and 40 percent of the redevelopable land) is in the Tonquin Employment Area (TEA). Most were sites less than five acres, nine sites were between five and 10 acres, and three were larger than 10 acres, including just one 50+ acre site in the TEA and two 12-acre industrial sites. Small industrial sites are considered an issue by the City and its economic development partners; the Metro Employment Land Site Readiness Tool Kit describes smaller sites with multiple owners and limited infrastructure as a regionwide issue in the Portland metropolitan area.
- While there has been little new development since the 2018 assessment for the EOA, anecdotal evidence from the City of Sherwood indicates a more constrained land supply than what is portrayed in the EOA. Sherwood West has a potential opportunity to capitalize on regional demand for large industrial sites, particularly given the aforementioned regionwide shortage.
- Sherwood's employment base was 8,340 jobs in 2018. The EOA forecasts 11,785 jobs by 2039, an increase of 3,446 that is projected to result in the demand for 86 gross acres of industrial land and 85 gross acres of commercial land.
- **Industrial.** Most of the buildable vacant employment land in Sherwood is designated as industrial as opposed to commercial, retail, or other types of employment. Sherwood has a supply of 110 acres of suitable land designated for industrial uses, which is a forecasted surplus of 24 gross acres over 20 years, per the analysis conducted for the EOA. There is a greater surplus with the addition of the TEA and the Brookman Addition.
- **Commercial.** Sherwood has 28 acres of land designated for commercial uses. The employment forecast projects demand for 85 acres of commercial land. Sherwood has less commercial land than the City is projected to need over 20 years, with a deficit of 57 gross acres of commercial land.
- **Future Development.** Sherwood has 172 acres of land designated for employment uses in future development designations in the Tonquin Employment Area and Brookman Annexation Area. In total, this land is likely to sufficiently meet both industrial and commercial demand over the next 20 years. However, if the rate of development increases as expected beyond what was forecast in the EOA, there will likely be a shortage of appropriate sites—particularly sites in excess of 10 acres—for employment growth in the City of Sherwood, thereby creating development opportunities in Sherwood West. These opportunities will be further explored in the Economic Opportunities and Constraints memo.

Sherwood's Economic Strengths and Weaknesses

The EOA included several strengths and weaknesses that affect Sherwood's ability to attract and accommodate job growth. A summary is provided below.

[2] The physical constraints used in the Sherwood buildable lands inventory includes areas subject to landslides, areas with slopes greater than 25%, lands within the 100-year flood plain, Metro's Title 3 land (including Water Resource Conservation Areas), lands within Metro's Title 13 Habitat Conservation Areas (Class I and II, A and B), Wetlands, and public facilities.

Strengths

- Sherwood's attributes that may attract businesses are its location along Highway 99; quality of public facilities and services; general availability of vacant land serviced by utilities[3]; quality of schools; and overall quality of life.
- Proximity to new residential growth areas—including the areas along the Roy Rogers Corridor north of Sherwood West—may increase demand for services and employment for new nearby residents. The growth expected in these areas is summarized later in this memo.
- High quality of life due to the Tualatin River National Wildlife Refuge, cultural amenities and events, and access to high-quality education and medical care, among other factors.
- The region's high-quality natural resources present economic growth opportunities for Sherwood, ranging from agriculture and wineries to amenities that attract visitors and contribute to the region's high quality of life. Proximity to Wine Country offers potential opportunities for manufacturing, hospitality, commercial, and other uses.

Weaknesses

- The current transportation network is considered a disadvantage for both residents commuting to jobs (both in and out of Sherwood) as well as businesses that need a distribution route to access the region. Several transportation projects, including the widening of Roy Rogers Road and Tualatin-Sherwood Road, may improve the prospects of attracting new industrial, technology, and commercial users to Sherwood. These opportunities will be explored more in the Economic Opportunities and Constraints memo.
- Distance from I-5 is a disadvantage for attracting some types of businesses, such as warehouses and distribution or manufacturers that need close access to I-5 for heavy freight.
- There is a lack of infrastructure needed to support employment growth on large vacant sites.

Opportunities for Sherwood West

The EOA describes several economic trends and opportunities that could apply to the Sherwood West area. These are described below.

- Growth in population in Sherwood will drive modest growth in retail businesses, including commercial centers and neighborhood retail. It should be noted that the 2018 EOA did not specifically reference the potential opportunities and the new market dynamics that will arise as a result of the substantial new household growth along the Roy Rogers Corridor to the north. While this new growth is unlikely to increase demand for retail businesses in Sherwood, there are likely to be opportunities for additional employment development that capitalizes on Sherwood West's proximity to this sizeable talent base.
- Approximately 1,719 new jobs (83.5 percent of total new jobs) in Sherwood are expected to require vacant or partially vacant land. The forecasted growth of 1,719 new employees will result in the following demand for employment land: 61 gross acres of industrial, nine gross acres of retail commercial, and 41 acres for office and commercial services.
- Approximately 16.5 percent of jobs in Sherwood are located in residential plan designations, including 12 percent of industrial, 15 percent of retail, and 21 percent of office and commercial service employment. Over 20 years it is expected that the proportion of employment located in residential areas will remain the same. These

[3] Anecdotal information provided by the City of Sherwood indicates that utility service throughout the City is inconsistent, with some existing industrial parks and infill location lacking the necessary utility services. The constrained capacity of existing services can be a barrier to economic growth and detrimental to development prospects.

jobs include home offices for industrial employment, such as construction companies and office and commercial medical offices, or small personal service businesses such as banks or hair stylists.

- The industries identified as having potential for growth in Sherwood include manufacturing, professional and business services, wholesale, and services for visitors and residents.
    - **Manufacturing.** Sherwood's attributes may attract manufacturing firms, such as Technology and Advanced Manufacturing, Machinery Manufacturing (Metals and Machinery), and Clean Tech.
    - **Professional and business services.** Sherwood's high quality of life, access to quality schools, existing population and business base, and location within the Portland region may attract professional and business services that prefer to locate in a smaller city like Sherwood, such as Software and Media, Clean Tech, Athletics and Outdoors, and other services.
    - **Wholesale.** Sherwood's access to Highway 99 may make the city attractive to the continued growth of wholesale businesses.
    - **Services for visitors.** Growth in tourism, especially related to agriculture and wineries, will drive demand for services for visitors such as specialty retail, wine tasting rooms, restaurants, and hotels.
    - **Services for residents.** Growth in population in and around Sherwood will drive the growth of businesses that serve residents, such as medical services, legal services, financial services, retail, personal services (e.g., barbers), and restaurants.

The following table is also from the 2018 EOA and shows the concentration of Sherwood's existing businesses by industry. The **bolded** industries have a high location quotient[4] (i.e., highly specialized compared to national employment in the industry), high employment (i.e., have more than 200 employees in Sherwood), and higher than average wages in Sherwood. These industries have the highest growth potential, given existing businesses and the higher concentration of employment.

With that being said, the table is a summary of Sherwood in 2018 and does not reflect an exploration of potential growth industries. Sherwood has up to now been attractive to certain types of industries, yet there is an opportunity to encourage the growth of industries that may not currently exist but see Sherwood as a competitive location in the Portland metropolitan region. For example, while most economic growth is due to the expansion of existing businesses, the City may be able to capitalize on the demand for large sites in excess of 50 acres that are in short supply in the region.

[4] Location quotients are ratios that allow an area's distribution of employment by industry, ownership, and size class to be compared to a reference area's distribution. If an LQ is equal to 1.0, then the industry has the same share of its area employment as it does in the nation. An LQ greater than 1 indicates an industry with a greater share of the local area employment than is the case nationwide.

Table 2. Concentration of Industries and Employment, City of Sherwood, 2016

	High Employment	Low Employment
High Location Quotient	• **Waste management and remediation services** • **Specialty trade contractors** • **Heavy and civil engineering construction** • **Machinery manufacturing** • **Merchant wholesalers, durable goods** • Building material and garden equipment and supplies dealers • Amusement, gambling, and recreation industries • General merchandise stores • Food and beverage stores • Food services and drinking places	• Construction of buildings • Real estate • Wholesale electronics markets and agents and brokers • Plastics and rubber products manufacturing • Personal and laundry services
Low Location Quotient	• Merchant wholesalers, nondurable goods • Miscellaneous store retailers • Truck transportation	• Professional, scientific, and technical services • Ambulatory health care services • Utilities • Administration and support services • Nursing and residential care facilities • Social assistance

Source: Oregon Employment Department, QCEW, 2016 (Table recreated from EOA)

Housing Needs Analysis

Sherwood's HNA provides a factual basis to support future planning efforts related to housing, including concept planning for Sherwood West and the update and revision of the City's Comprehensive Plan policies. The most recently completed HNA for the City of Sherwood provides analysis through twenty years from 2019 – 2039.

Demographics

According to the HNA, Sherwood has experienced rapid population growth since 1990, reflecting its situation as a major growth area on the edge of the Portland metro. Growth has consistently outpaced Washington County and the Portland Metro region. While the population is aging on average, Sherwood has started to attract a greater proportion of younger people and more households with children. The population is also becoming more ethnically diverse.

The aging of the population is likely to result in increased demand for smaller single-family housing, multifamily housing, and housing for seniors. The growth of younger and diversified households is likely to result in increased demand for a wider variety of affordable housing appropriate for families with children, such as small single-family housing, townhouses, duplexes, and multifamily housing.

Sherwood households also have relatively high incomes compared to the rest of the Metro region, which affects the type of housing that is affordable. Income is a key determinant of housing choice.

Housing Stock

Sherwood's housing stock is predominantly single-family detached, which accounts for about 75 percent, with single-family attached accounting for eight percent, and multifamily accounting for 18 percent. Approximately 69 percent of new housing permitted in Sherwood between 2000 and 2014 was single-family detached housing.

Projections.

Sherwood is forecast to add 1,728 new households between 2019 and 2039. Of these, 700 new households will be inside the existing city limits; 1,029 new households will be outside the current city limits in the Brookman Area.

According to the HNA, the forecast for growth in Sherwood is considerably below historical growth rates. Metro's forecast for new housing in Sherwood shows that households will grow at an average annual growth rate of 1.1 percent per year. In comparison, Sherwood's population grew at 3.4 percent per year between 2000 and 2013 and 8.0 percent per year between 1990 and 2013.

Land Supply. Sherwood's land base can only accommodate 65 percent of the forecasted population growth. Vacant and partially vacant land in the Sherwood Planning Area can accommodate 1,121 new dwelling units of the forecasted need for 1,728 units, leaving a deficit of land for 608 units. If Sherwood grows faster than Metro's forecast during the 2019 to 2039 period, then Sherwood will have a larger deficit of land needed to accommodate growth.

The largest deficits are in Medium Density Residential-Low (154 dwelling units), Medium Density Residential-High (252 dwelling units), and High-Density Residential (145 dwelling units).

At faster growth rates, Sherwood's land base has enough capacity for several years of growth. At growth rates between 2.0 to 4.0 percent of growth annually, the land inside the Sherwood city limits can accommodate two to five years of growth. With capacity in the Brookman Area, Sherwood can accommodate four to 10 years of growth at these growth rates.

Additional housing growth in Sherwood depends on the availability of development-ready land. The amount of growth likely to happen in Sherwood over the next few years is largely dependent on when the Brookman Area is developed, when the Sherwood West area is brought into the UGB and annexed, and when urban services (such as roads, water, and sanitary sewer) are developed in each area.

Sherwood has a relatively limited supply of land for moderate- and higher-density multifamily housing. The limited supply of land in these zones is a barrier to the development of townhouses and multifamily housing, which are needed to meet housing demand resulting from the population growth of people over 65, young families, and moderate-income households.

Development Trends

This section describes the general development trends for residential, commercial, and employment development in and around Sherwood, including a discussion of planned development in each of the nearby UGB expansion areas of King City West, Tigard River Terrace, and Beaverton's Cooper Mountain.

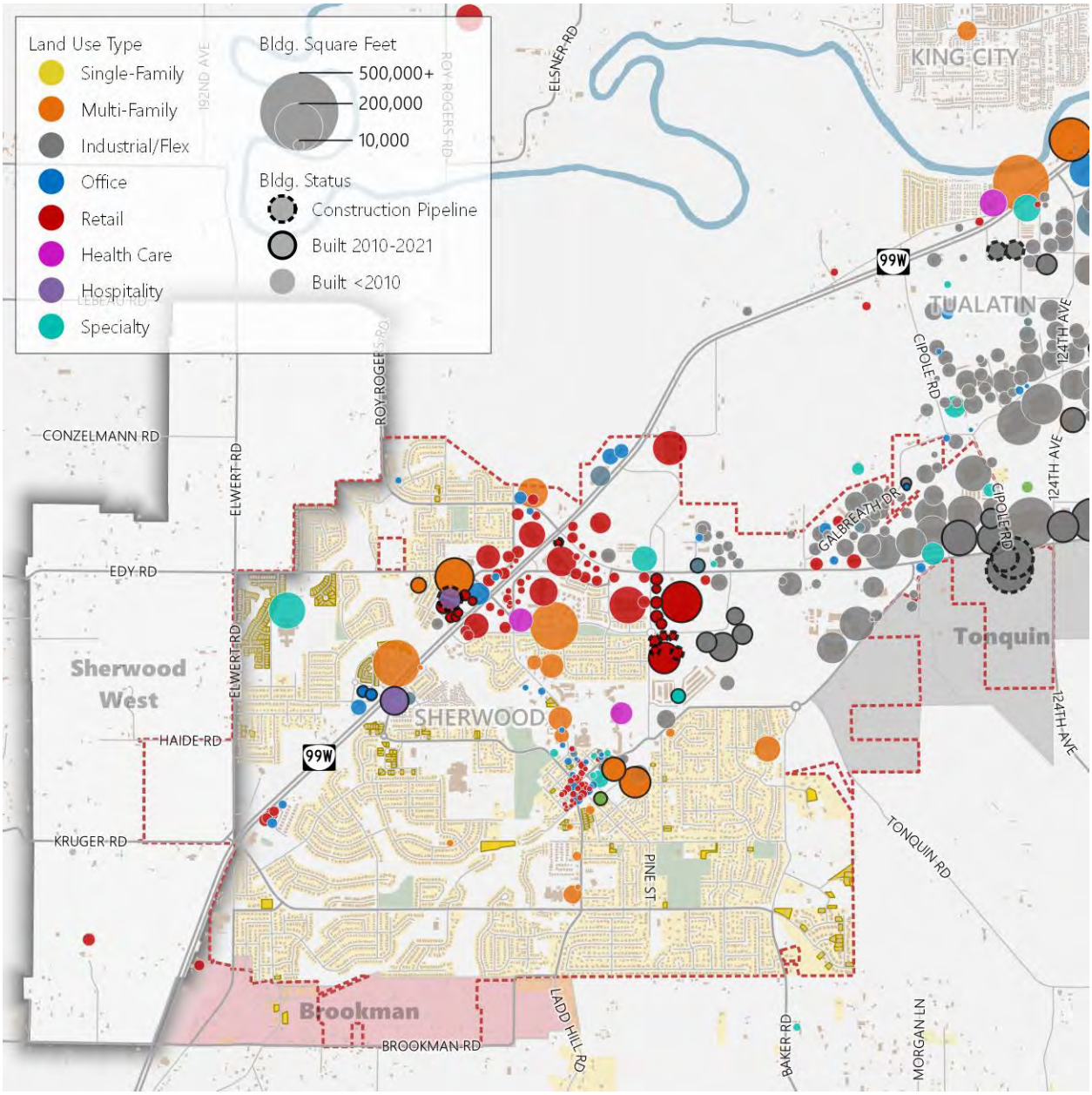
Sherwood Overview by Land Use Sector

Sherwood is experiencing strong growth in all development sectors. The map below provides the location, size, and type of new and existing development in and around the City. Most of the newer (built since 2010—symbolized with the bolded outline in the map) single-family/owner-occupied housing development has occurred on the City periphery where most of the vacant land exists. Industrial has largely clustered in east Sherwood along Tualatin-Sherwood Road. Commercial (retail, office, specialty, other) and multifamily residential development are more centralized, clustering along major arterials (Highway 99W and Tualatin-Sherwood Road) and in Old Town.

Industrial users tend to cluster near other users for a myriad of reasons, and so as long as there is developable land that meets that user's needs, the TEA and the surrounding area are likely to remain the most attractive location for new industrial users. Sherwest West may attract industrial users in select locations, especially as land availability diminishes elsewhere. Office users, while currently one of the most impacted land use sectors by the Covid-19 pandemic, might

consider Sherwood West an attractive location, especially if it develops in a way that offers a variety of amenities, services, and housing options (both in and near the area).

Figure 1. Development Overview by Land Use, Size, and Building Status

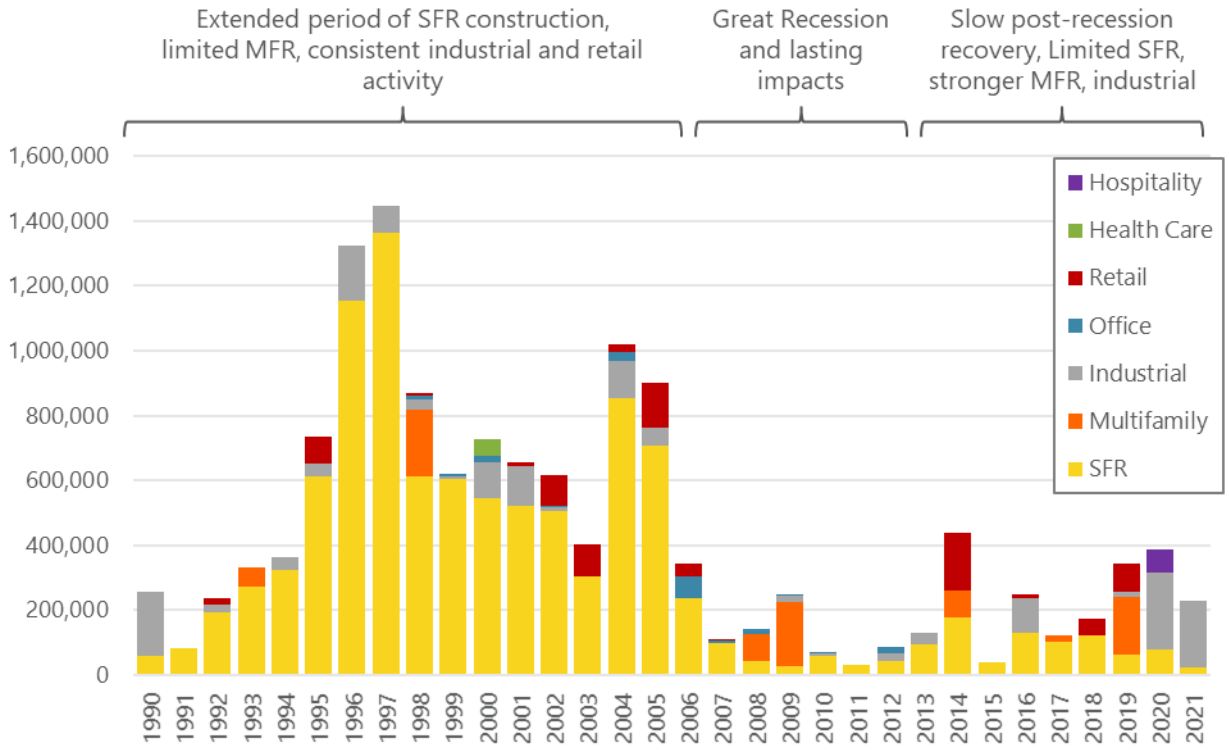


Source: Costar, Metro RLIS (SFR Data), City of Sherwood, LCG

The chart below and the table that follows show total development by year built for the City of Sherwood. There was a significant decline in residential construction activity going into and since the recession of 2007-2008. Multifamily construction has been consistent over the past three decades, averaging almost 26 units or 30,000 square feet per year. Industrial activity has increased again in the past decade following a relative hiatus between 2000 and 2010. Office activity has been very limited, as has healthcare and hospitality, although is likely growth opportunities for Sherwood West that capitalize on several emerging trends, including hub and spoke office development, proximity to Wine Country, proximity to major household growth areas, population growth of all age demographics, and the localization of

healthcare, among other trends that will be further explored in following documents. Retail development activity increased in the 2000s following strong residential growth in the previous decade and has continued into the past decade.

Figure 2. City of Sherwood Square Feet of Development by Year, 1990-2021



Source: Costar, Metro RLIS (SFR Data), LCG

Table 3. City of Sherwood Residential Units and Square Feet of Development by Decade Built

Year Built	SFR Units	Multifamily Units	Industrial	Office	Retail	Health Care	Hospitality
Pre-90s	672	225	177,139	29,319	164,187	0	0
'90 to '00	2,844	256	709,574	38,265	107,812	52,893	0
'00 to '10	1,655	261	332,881	127,036	402,803	0	0
'10 to '20	349	249	626,206	20,000	327,462	0	70,993
Total			**1,668,661**	**185,301**	**838,077**	**52,893**	**70,993**

Source: Costar, Metro RLIS (SFR Data)

Industrial

The Sherwood industrial submarket contains around 1.7 million square feet of industrial space and can be considered a midsized submarket. The industrial sector has generally been shielded from the worst effects of the COVID-19 pandemic, and rapid growth in demand for distribution facilities—largely due to ecommerce—has spurred significant new investment activity. There is potential to capitalize on these opportunities in Sherwood given the proximity to Highway 99W.

Vacancies have increased significantly over the past year to 13.0 percent, up from 5.1 percent at this time last year, which, in turn, was slightly lower than the five-year average of 5.4 percent. However, this appears largely because of the three new buildings in the Cipole Industrial Park (TEA) completed in 2020 that total about 240,000 square feet and are yet to be fully occupied. According to Costar, leasable available industrial space totals 290,000 square feet of a total inventory of 2.2 million. According to the City of Sherwood, approximately 34,000 square feet in one new building is being sold to a manufacturer and an unknown additional amount of square is likely to get sold to an Australian company for their North American headquarters. The higher vacancy rate should not, therefore, be considered an indication of weak demand.

Net absorption came in at 18,000 square feet over the past year, slightly above the five-year average of 14,400 square feet. Rents grew by 6.1 percent over the past 12 months, in line with the five-year average but lower than this time last year.

New development supply pressures on vacancy or rent are generally limited to the Tonquin Employment Area (described below) in the near term, although few other places in Sherwood could accommodate significant new development projects without larger tracts of additional land being planned for employment uses, such as in Sherwood West. As indicated previously, the EOA indicated a surplus of industrial land, but most of it was small, challenging to develop sites.

Leland Consulting Group understands that there is significant interest in Sherwood from industrial users that is likely to continue the considerable construction activity seen in Sherwood over the past three years. Between 2018 and 2020, approximately 250,000 square feet of industrial space was delivered to market, representing a 12.8 percent cumulative expansion of the inventory. As this recent inventory expansion is absorbed by new or expanding users in the area and the available land supply diminishes, there may be a slowdown in industrial construction in the near term (approximately 2-5 years) until additional land is planned for industrial expansion opportunities. As one of only a handful of new growth areas in the metro, Sherwood West may capitalize on this and other several pertinent trends over a longer timeframe, including:

- Increasing automation of the manufacturing industry will decrease company's needs to locate near large population clusters and potentially result in companies seeking land on the urban periphery.
- Rapidly shifting consumer behaviors, such as ecommerce growth, will continue to enhance demand for distribution and land-mile warehousing facilities.
- Electrification and automation of vehicles will continue to require distributors to locate near major transportation routes.

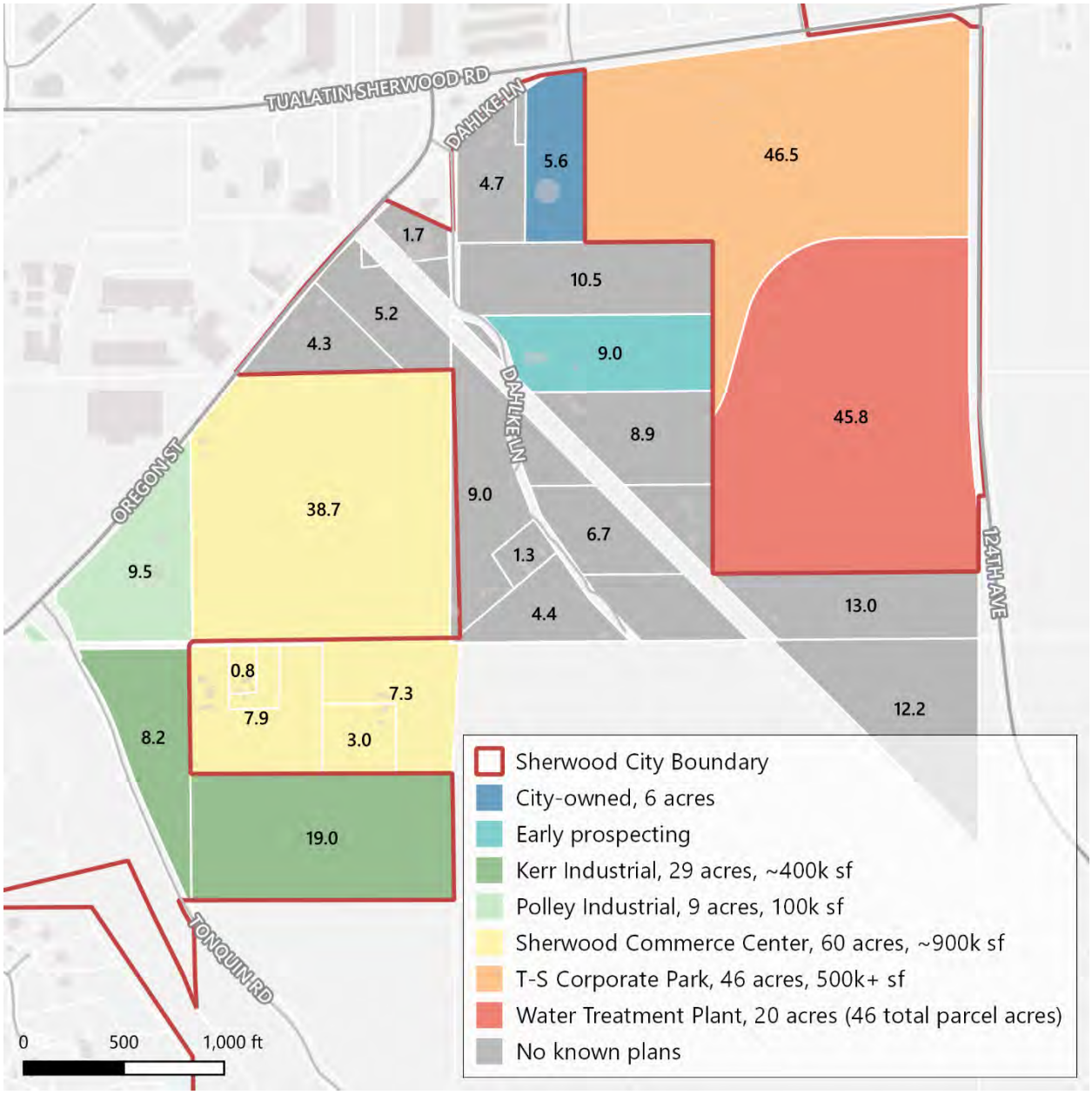
Tonquin Employment Area. The Tonquin Employment Area (TEA) was brought into the region's UGB by Metro in 2004 and the City of Sherwood completed a concept plan for the area in 2010. The TEA vision is of industry supporting high-tech manufacturing and traded sector jobs. Properties within the Tonquin Employment Area will be annexed into the City of Sherwood upon request by the property owners. Upon annexation, the properties will be zoned Employment Industrial (EI).

There has not yet been a completed project within the TEA since the adoption of the concept plan, but the development pipeline indicates that most of the land is already accounted for, with several projects at various planning and development stages.



- Most notably, a large multi-phase project called the T-S Corporate Park, which involves five industrial buildings on 46.53 acres, is underway at 12822 SW Tualatin Sherwood Road. Two buildings totaling about 144,000 square feet are underway and a third 183,000 square foot building is proposed for 2022, per Costar data and the City of Sherwood. Upon completion of all five buildings, T-S Corporate Park is expected to contain approximately 535,000 square feet of space for warehousing and industrial uses. At an estimated employment density of 1,000 square feet per employee, the T-S Corporate Park would employ around 535 people. According to the City of Sherwood, there is strong interest from a variety of companies, including tech, advanced manufacturing, and ecommerce occupiers. It was also indicated that there is more interest than the site can accommodate.
- South of the T-S Corporate Park, the Willamette Water Supply Program will begin construction of a statteof-the-art water treatment plant on two acres of 46 total site acres beginning in late 2021-early 2022. The treatment plant improvements will include the construction of a portion of Orr Drive, an important east-west connection within the TEA.
- Multiple parcels totaling approximately 60 total acres with frontage on SW Oregon Street are controlled by a major investment company. Two-thirds of the site is currently annexed and the remainder is likely to be annexed soon, with plans for a 900,000 square foot industrial park with multitenant buildings known as the Sherwood Commerce Center.
- Two parcels containing 38.7 acres fronting onto SW Tonquin Road were annexed in early 2021. According to the City, the property owner has indicated plans to develop approximately 400,000 square feet of new industrial space on the property.
- A 9.2-acre property with frontage on SW Oregon Street and SW Tonquin Road was annexed in early 2021. There is a pre-application submittal for over 100,000 square feet of new industrial space.
- There was previously interest in developing a 4.6-acre site frontage SW Oregon Street, but the owner has indicated holding off until there is more information about the proposed east-west industrial collector road through the TEA.
- Other properties in the TEA are generally accessible by Dahlke Lane, but development challenges include the quality of the road, the location of the major Bonneville Power Authority and PGE transmission lines, incompatible existing development requiring redevelopment, limited quality access, and various topographical and environmental barriers. It is expected that these properties will develop last in the TEA.
- The proposed 2021 URA will provide funds for infrastructure for the TEA and for various sites/projects along 99W.

Figure 3. TEA Development Project Pipeline



Source: LCG, City of Sherwood

Office

Sherwood's office submarket is locally oriented with roughly 200,000 square feet of office space. The vacancy rate has risen somewhat over the past 12 months as of 2021 Q2, but at 2.3 percent, the rate was well below the 10-year average of 6.1 percent.

Annual net absorption for the past year is negative 2,700 square feet, reflecting an increase in vacancies that were likely induced by the COVID-19 pandemic. Over five years, net annual absorption has averaged 1,100 square feet. Despite the rising vacancies and challenges of the last year, average rents increased by 1.7 percent over the past year—slightly lower than the 3.0 percent average change over the past decade—to a 10-year high of $24.61 per square foot.

There are no development supply pressures on vacancy or rent in the near term, as there is no new known office construction in the pipeline. This lack of construction extends a prolonged hiatus from new development in the Sherwood area; it has been more than 10 years since an office project was delivered. The Economic Challenges and Constraints memo that follows this document will provide additional details about specific opportunities to include office space as a component of employment-oriented land development.

The pandemic remains a major disrupter to the economy at large and creates uncertainty in the development and investment community. Looking ahead, the effect of the pandemic has the potential to redefine the use of office space, as employers reevaluate the safety and health of workers. As the office sector emerges from the COVID-19 pandemic, there may be pent-up demand for new leasing opportunities, particularly offices in suburban locations that offer more space at more affordable rates than premier office locations like the Portland CBD.

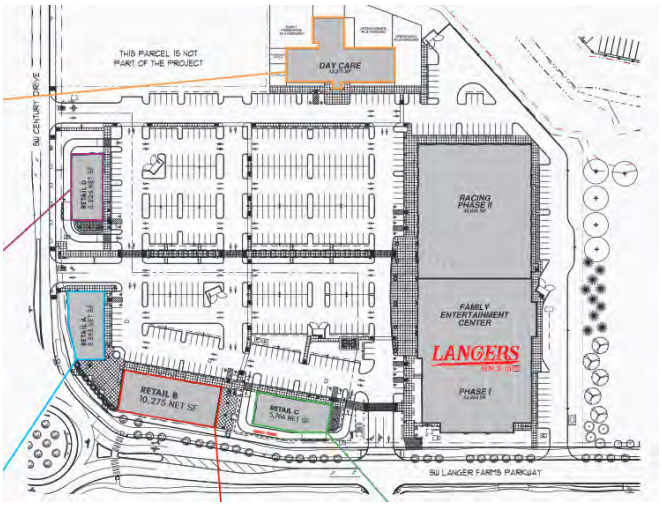
Retail

Retail vacancies in Sherwood, at 2.7 percent, are lower than the five-year average of 5.0 percent, albeit higher than this time last year. The rate is also significantly lower than the region's average. Meanwhile, rents have increased by four percent in the past year, slightly lower than the five-year average of 4.2 percent.

New construction has averaged approximately 50,000 square feet annually over the past five years, although nothing has been built in the past year since the COVID-19 pandemic began. Except for Parkway Village South (described below), there is very little new development in the pipeline and Sherwood does not appear to face a burgeoning wave of development supply pressure. Retail investors are also reasonably active in Sherwood and pricing is above the region's average.

The commercial real estate environment, and particularly the retail sector, remains uncertain due to the pandemic and the increasing demand for ecommerce. Even with vaccines, it is probable that retailers will continue to face turbulence in the coming quarters. Those effects will likely linger for the foreseeable future, impacting demand, rent growth, and the capital markets in the process. However, as household growth occurs in Sherwood and in nearby areas (including the competing UGB expansion areas to Sherwood West that are described later in this memo), there will be increased demand for new retail development. Retail in Sherwood is likely to draw most of its customers from within the City and from areas to the south, rather than from areas to the north and east where there are preexisting retail and commercial clusters. That being said, unique regional drawers or major destinations will likely have a much larger trade area from which to pull customers than convenience-based retail.

Parkway South. There is a substantial new development under construction in Sherwood called Parkway South on the area bounded by SW Langer Farms Parkway and SW Century Drive.



At 132,000 square feet of gross leasable area (GLA), Parkway South is anchored by a 53,000 square foot family entertainment center—the only building currently built. Among the other proposed buildings are a 12,275 square foot daycare facility and a 40,000 square foot indoor racing facility. Approximately 27,000 square feet of in-line tenants on "pad" sites make up the remaining buildings.

The fact that the only new major commercial center planned for this part of the metropolitan region is primarily non-retail is telling and reflects the changing composition of commercial development and a desire for differentiation in an often saturated retail market.

Rental Residential

Sherwood shares a multifamily/apartment submarket with Tualatin and is conveniently located between major employers in the Sunset Corridor and Wilsonville. Vacancies generally trend below the regional Metro area rate, but can be volatile as there are only 3,888 total units (1.9 percent of the regional market), so small changes in new inventory or absorption can make significant impacts. Regardless, occupancy is currently at 95.9 percent—close to the five-year high—indicating strong and consistent demand for new development.

Annual rent growth 6.0 percent in the past year, up from an annual average of 3.3 percent over the past five years. Rent growth in 2019 was triple Portland's overall average, ranking near the top of all apartment submarkets in the region, but slowed in 2020 due to the coronavirus pandemic.

Only four new developments were delivered to the market in the past decade, representing about 320 total units, and no additional projects are in the pipeline. Though few multifamily sales have occurred since 2017, the submarket occasionally sees sizable institutional investment.

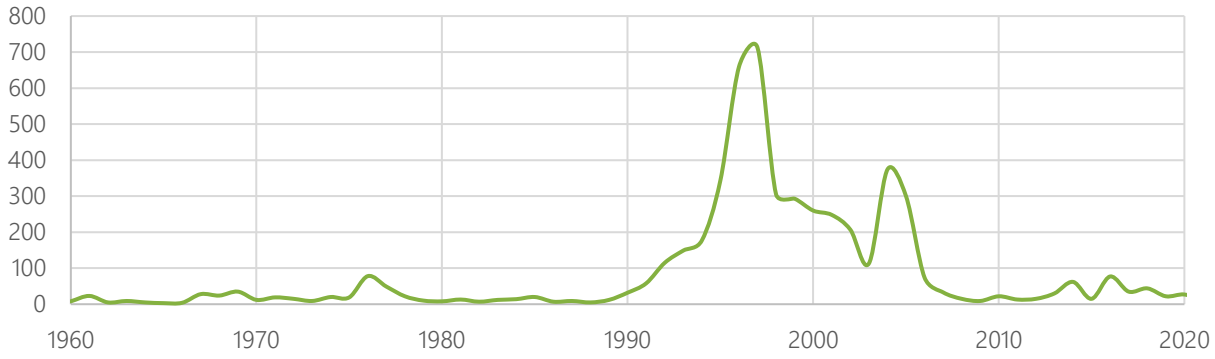
Significant growth in the population aged 55 and over has given rise to the growing demand for certain housing types, including apartments, assisted living facilities, and small-format single-family detached and attached residential.

Ownership Residential

Sherwood's owner-occupied housing market is considered competitive, with a sale-to-list price ratio of around 101.3 percent and averaging less than 20 days on the market before going pending.

Sherwood's housing stock is relatively new compared with the rest of the Portland Metro region. Almost half of all Sherwood single-family homes were built in the 1990s, averaging 284 new units built per year, with another third built in the 2000s, averaging 150 new units built per year. Construction slowed since 2010, with new construction averaging 32 units per year, impacted by both the lasting effects of the Great Recession and the diminishing availability of buildable residential land (not including the Brookman area). Upon annexation of additional residential land in the Brookman area, single-family residential construction is expected to pick up again. The city has annexed roughly 65 acres to date and three new subdivisions have been approved with a total of 232 lots. These households will generate demand for both nearby commercial amenities and services and employment opportunities.

Figure 4. Single-family Homes by Year Built



Source: Metro RLIS

In March 2021, Sherwood home prices were down 5.9 percent compared to last year, selling for a median price of $585,000. On average, homes in Sherwood sell after 16 days on the market compared to 22 days last year. There were 37 homes sold in March this year, up from 22 last year.

Hospitality

While the hotel industry has been among the most significantly impacted real estate sectors by the COVID-19 pandemic, it is now seeing buyers flock to distressed properties. Sales have surged nationwide; a clear signal some commercial real estate investors are ready to act while others may still be waiting for similar action in other sectors such as office or retail.

Sherwood's only hotel—a 73-room, 71,000 square foot Hampton by Hilton—was built recently in 2020 along Highway 99W, reflecting a highly limited market.

The hotel industry appears poised for recovery as people begin to travel once more. However, future disruptions in the near term (0-2 years), such as new waves of coronavirus infections, continuing competition from Airbnb and similar models, too few hotel workers and patrons vaccinated, a glut of supply, and continued reduced business travel may continue to dampen hotel prospects. That being said, there are most likely opportunities that can capitalize on Sherwood's proximity to Wine Country and an increasing number of prominent companies in the area, among other emerging trends. These opportunities will be further explored in later tasks.

Southwest Metro Region Expansion Areas

Sherwood is part of the Metro region. All cities in Metro share one regional UGB. This boundary is the line between urban and rural/resource uses and development. The following map shows the location of Sherwood West relative to the current location of Metro's urban and rural reserves, denoted in blue and green, respectively. Understanding the timing of the development in both of these areas is critical to determining the extent of the demand for various uses in Sherwood West in the near- and mid-term, as well as how much land will be needed to serve longer-term growth.

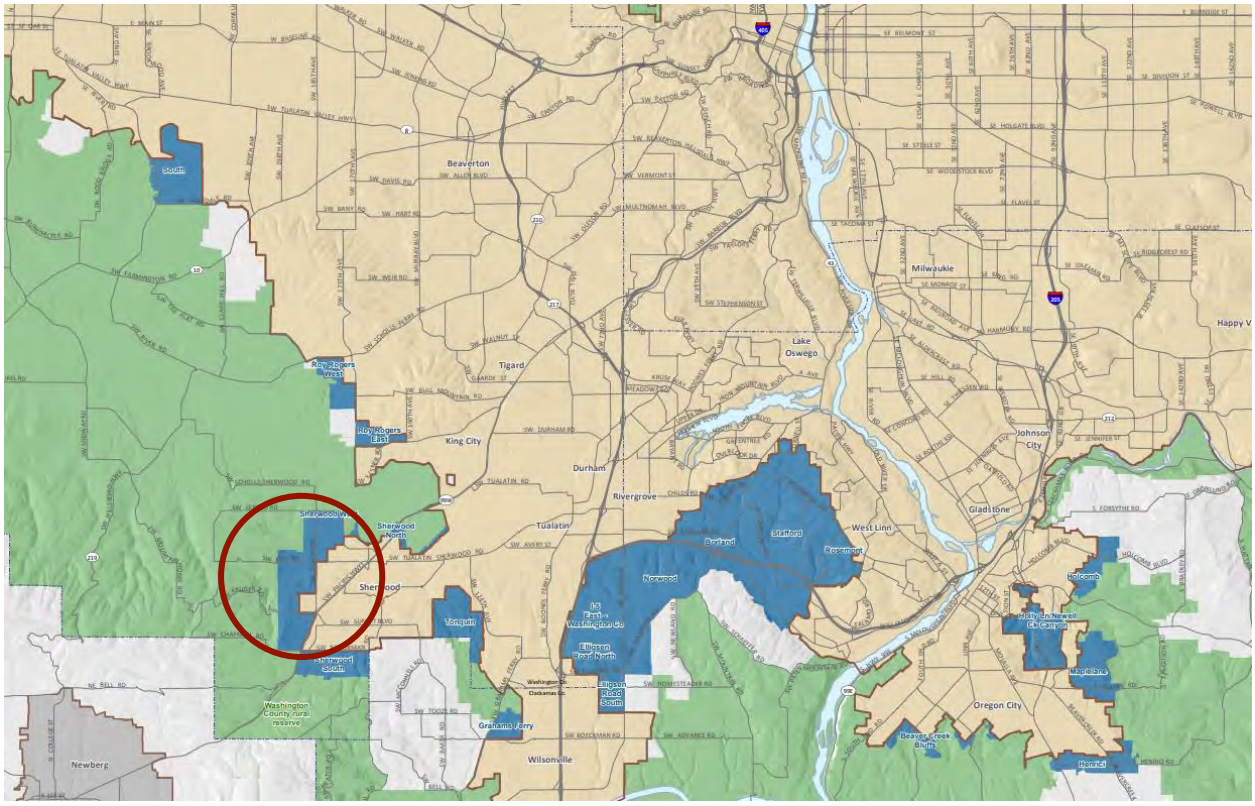
The reserves designated by Metro represent the region's policy regarding land supply needed over the next 50 years. However, the Portland metropolitan region has experienced higher-than-expected economic growth and housing construction, resulting in a quickly diminishing availability of developable land since the designations. A reassessment of land needs, therefore, is likely to be triggered sooner than expected.

In short, it is safe to assume that areas to the west and south will be developed at some point. This analysis, therefore, takes a phased approach to assessing development potential in Sherwood West. In the near term (0-10 years), Sherwood West will continue to be an edge location. As development occurs over the longer-term (20+ years), it will become increasingly central to surrounding neighborhoods. Thus, it is important to identify short-term opportunities based on the current market while maintaining a long-term outlook, particularly if the City's vision for economic development does not align with what the current market allows.

Sherwood West is one of several planned expansions in the southwest metro region. Others include Tigard River Terrace, Beaverton Cooper Mountain, and King City West. How and when these areas develop will directly impact the market and compete with the study area.

Other expansion areas exist along the I-5 and I-205 corridors. These areas are in various stages of planning but are likely to serve a different market area and, therefore, not directly compete with Sherwood West. For major employment uses, there might be some level of competition at the regional level, but Leland Consulting Group anticipates sufficient demand for these uses. A myriad of other challenges also pose barriers to developing these areas, including topography and political hurdles.

Figure 5. Metro Urban and Rural Reserves



Source: Metro

The following table summarizes the scale of planned development in each of these expansion areas.

Table 4. Planned Development Summary

Expansion Area	Commercial / Employment	Residential	Additional Notes
River Terrace 1.0	25,000 to 40,000 sq. ft. (building area)	2,587 units; 75% Single-family, 25% Multifamily (about 1,200 units built to date)	Residential Development is currently underway and is expected to finish in the next several years. Construction of commercial space is expected in late 2021.
Tigard River Terrace 2.0	10 to 30+ gross acres of employment and/or commercial uses	Approximately 3,100 to 4,500 total residential units,	A mix of SFR detached and attached and MFR apartments are expected. Employment uses are desired by the City.
Cooper Mountain (CM), Beaverton	10-acre main street commercial Est. 80,000 to 120,000 sq. ft. (building area)	South CM: 3,430 units Urban Reserve Area: 3,760 units North CM: 300 units	Residential Development currently underway, existing high school, future development at North Cooper Mountain. Limited competition.
URA 6D King City (King City West)	Est. 54,000 to 85,000 sq. ft. (building area)	3,576 units, including a mix of single-family and multi-family homes.	Limited existing household support and physical barriers limit market area, this area is the most removed from centers of population and employment.

Source: LCG

The UGB expansion areas are expected to get built out in the following order.

- River Terrace 1.0
- South Cooper Mountain
- King City West (URA 6D)
- River Terrace 2.0

King City 6D

King City Urban Reserve Area 6D is a 528-acre expansion area to the west of the existing city limits. SW Beef Bend Road and SW Roy Rogers Road border the area on the north and west, respectively. The south boundary is formed primarily by the southern segment of SW Elsner Road and the Tualatin River.

According to the 2018 concept plan, the area could accommodate as many as 3,576 housing units, including 1,222 multifamily units, 560 single-family attached, and 1,794 single-family detached. The 2017 King City Market Study estimated 500 to 950 housing units could be absorbed within the first 10 years of construction.

King City is looking to develop a town center, which is likely to serve these new residents. Development is likely to compete with River Terrace 2.0 or be part of a compatible commercial/employment cluster near Beef Bend Road.

Tigard River Terrace

River Terrace 1.0 is a 500-acre area on Tigard's westernmost edge. It was added to the region's Urban Growth Boundary in 2002 and 2011 to accommodate future housing needs. Approximately 1,200 units are currently built in the area, about three-quarters of which have been built since 2016 (233 were built between 2000 and 2015). Continued build-out of

Tigard River Terrace 1.0 (excluding the River Terrace 2.0 West and South study areas) will result in a total of 2,600 residential units (single-family and multifamily), approximately 25 percent of which will be multifamily.

The River Terrace Town Center is also proposed in the area, a "Main Street" development type that will include 350 residential rental units and 25,000 to 40,000 square feet of neighborhood-serving commercial, likely involving a small format or specialty grocer, medical or professional/financial offices, and food service and drinking establishments. Development is expected to start in late 2021.

River Terrace 2.0 is the next phase of planning in this area. Two urban reserves are totaling over 500 acres to the west and south of the current River Terrace (1.0). River Terrace 2.0 is expected to feature a wider variety of housing options (with average residential densities of 16 to 24 units per acre), recreation, and employment areas. River Terrace 2.0 is expected to add between 3,100 to 4,546 units at full project built out.

Between 10 and 30 or more acres have been identified for commercial and employment uses. It remains too early in the planning process to describe these plans in more detail.

Collectively, the River Terrace areas may include more than 11,000 new residential units and substantial land planned for commercial and employment growth.

Beaverton Cooper Mountain

The Beaverton Cooper Mountain Community Plan is a multi-year effort to plan for the 1,232-acre Cooper Mountain area, which was added to the region's urban growth boundary in 2018. The Cooper Mountain Community Plan will establish a long-term vision for the area's growth and development to support welcoming, walkable neighborhoods that honor the unique landscape and ensure a legacy of natural resource protection and connection. The Cooper Mountain area is located southwest of Beaverton outside the current city limits.

The Cooper Mountain area consists of three areas: a 510-acre area to that north that is inside the UGB but still in unincorporated Washington County; a 544-acre area to the south that was annexed into the city in 2012 (South Cooper Mountain); and a 1,232-acre urban reserve area in-between.

Urban Reserve Area. Current Washington County zoning is primarily Agricultural and Farmland and Rural Residential zones; however, Beaverton will apply its own zoning to the area once properties are brought inside city limits and the area is anticipated to provide at least 3,760 future homes, including a mix of single-family, multi-family, and middle housing types such as townhomes, duplexes, triplexes, and fourplexes. The City anticipates completing the Community Plan in December 2022, after which it will begin accepting owner-initiated applications for annexation and development.

South Cooper Mountain. Due to its proximity to Sherwood and location on Scholls Ferry Road and near Roy Rodgers (providing north-south access to Sherwood), the 554-acre South Cooper Mountain is expected to be the primary competition for new development in Sherwood West out of the three Cooper Mountain areas. The South Cooper Mountain Plan shows that the area could support up to 3,430 housing units and between 47,000 and 142,000 square feet of new commercial space, which would primarily be driven by demand from new residents. South Cooper Mountain is expected to be nearly built out as early as 2024. There is also a new high school that will hold up to 2,200 students and 200 staff.

North Cooper Mountain is slated to support another 300 housing units if new zoning is adopted in the northern portion of the area; utilities are made available; and, properties annex to the City of Beaverton.

Transportation

The regional transportation network serving Sherwood West and surrounding areas is planned for a number of updates and improvements that will be needed to serve future residential and employment growth and changing land use

patterns. Washington County recently completed an Urban Reserves Transportation Study (URTS) project, which is intended to inform concept planning in the urban reserves (including Sherwood West), help ensure that the County meets mobility and capacity standards on area roadways, and provide a roadmap to funding transportation system improvements as the urban reserves develop in the future. Notable projects in the vicinity of Sherwood West include:

- **Roy Rogers Road:** Washington County plans to widen Roy Rogers Road between Scholls Ferry Road and 2,500 feet south of Bull Mountain Road to five lanes with bike lanes and sidewalks. This project is expected to be completed in December 2021.
- **Tualatin Sherwood Road/Roy Rogers Road:** Washington County plans to widen Tualatin-Sherwood Road/Roy Rogers Road, between Borchers Drive and Langer Farms Parkway, to five lanes with bike lanes and sidewalks and additional turn lanes at Highway 99W. The project is expected to begin in Fall 2021.
- **SW Brookman Road:** When the Sherwood West area annexes to the City, SW Brookman Road (SW Chapman Road) will be upgraded to an urban facility with facilities for bicycling and walking, and the City is exploring crossing solutions at Highway 99W.

APPENDIX G

Economic Opportunities Memo

Sherwood West Concept Plan

Economic Opportunities and Challenges

Date June 15, 2021

To Joe Dills, Kyra Haggart
Angelo Planning Group

From Sam Brookham, Chris Zahas
Leland Consulting Group

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Strategies for Employment Growth 16

Executive summary

Stakeholder Interview Takeaways

- **Employment Land.** There is a limited supply of high-quality buildable employment land in the region and increasing demand, particularly for large sites. Stakeholders believe that demand is strong enough to absorb whatever amount of land the City sets aside for employment in Sherwood West.
- **Development types.** Developers are mostly building multitenant flex space (as part of larger industrial or business parks), warehouses, and distribution facilities (both speculative and build-to-suit). The transportation network is considered prohibitive for the latter two in Sherwood West. Opportunities for build-to-suit single-user buildings may also arise sporadically.
- **Limited Infrastructure Funding Availability.** While this concept plan is expected to address some of the challenges associated with infrastructure phasing and funding in Sherwood West, developers want to see a clear plan for infrastructure improvements before committing to a site.
- **Land needs** range from 40 to 50 acres per "center" or "park" allowing for buildings averaging 50,000 square feet on five to six acres, although a larger-than-average business park or campus-style development may require more than 100 acres. Total demand is likely sufficiently strong to support a number of these developments, creating a healthier jobs/housing/fiscal balance for Sherwood. Sherwood should target two to three areas of Sherwood West with the largest and flattest (less than 3.0 percent slopes) contiguous tracts of land for these developments. Possible locations for this appear limited to the northern section of Sherwood West, particularly in the area bounded by Elwert Road, Roy Rogers Road, Scholls Sherwood Road, and Conzelmann Road, along Highway 99W and potentially near Haide Road and Kruger Road. Most of the inland areas along the western half of Sherwood West are unlikely to be suitable for mixed employment (industrial, flex, office) given the topographical and access constraints.
- **The wine industry** is an important part of the local and regional economy which may dovetail with industrial, retail, and hospitality uses, but it is unlikely to solely support the growth of any of these land use sectors. A diversified economy and additional employment are necessary.

- **Land aggregation** is critical because of the number of different property owners in Sherwood West.
- Developers want **transparency and certainty** for land, zoning, and infrastructure. This is now considered more important than a shorter development timeline.
- **Office prospects** are questionable, and the market may not return to normal for many years. Campus-style development may be possible but there are few local examples and the market is unproven.
- **Zoning flexibility** is critical. It is not recommended the City dictates uses, but simply provides limitations on undesirable uses.

Opportunities for Sherwood West

- **Industrial.** The industrial market is hot and unlikely to cool within the next 10 years. Sherwood is beginning to see interest from existing tech companies in Hillsboro and elsewhere. As the west and southwest parts of the metro region develop, the gap between Sherwood and existing tech and other industry clusters will likely decrease, creating a critical mass of employment with access along the Roy Rogers corridor.
- **Target tenants** are wide-ranging, including service providers, contractors, tech companies, logistics, light manufacturers, designers, healthcare users, etc. Other users in the City's target industry list—including advanced manufacturing, life sciences, R&D, software/media design, professional and business services, food products, outdoor wear design, etc.—are also appropriate.
- **Tech Clusters.** Sherwood is centrally located between existing tech clusters in Wilsonville and the Sunset Corridor. These clusters have historically dominated the tech-oriented employment landscape, but these markets are now understood to be softening, with developers looking for opportunities elsewhere in the Portland metro. The Sherwood area is beginning to draw existing businesses from Hillsboro, as well as serving as an attractive location for new businesses to the metro region.
- **Hotels**—particularly mid-range, independent, and boutique hotels—are in demand. However, Sherwood cannot expect to support new hotel development based entirely on its proximity to wine country as other cities to the south are better positioned for an immersive wine country experience. Instead, new hotels in Sherwood will likely be feasible as a follow-on use once employment growth occurs, and the market is proven.
- Similarly, new **retail development** will come in a later phase after residential and employment growth.
- **Office space** is likely to be part of mixed-use developments, commercial centers, or larger employment centers. Target tenants include tech, medical, and service-oriented office space with some "hub and spoke" or satellite office.
- **Retail.** New growth will drive demand for new space, but the growth of ecommerce and declining retail footprints may dampen the impact. Sherwood should focus on convenience-based retail, such as grocery and health and personal care, as well as neighborhood-serving retail, such as foodservice and drinking places, either as neighborhood-centers or main street corridor approach that diversifies the retail mix and supports the growth independent retailers and restauranters.
- **Healthcare.** Because major healthcare facilities depend on large nearby population bases and visibility and access along highways and major transportation corridors, such a facility may be unlikely in the next 10 or 20 years. Attracting such a user would require time, effort, and deliberate planning and policy on the part of the City. Smaller-scale healthcare facilities are likely to be part of centers or larger developments.

Strategies/Recommendations

- **Be Flexible.** Maintain as much flexibility (zoning, land, tools, approach) as possible in planning for employment growth as market cycles and trends over the next 20 years are unclear. This means maintaining large, contiguous sites but not mandating large-lot sites.

- **Plan for Mixed Employment.** Most of the opportunities for long-term job creation will likely require a mixed employment approach—namely industrial, flex, and office. Mixed Employment in centers/parks of 20-100 acres is the strongest market.
- **Plan for Multitenant Space** that can be scaled up or down and is highly divisible (e.g., to 2,500 square feet) allows for business expansion and the flexibility to accommodate various sized flex, office, commercial, or light industrial users.
- **Compile a Toolkit** of incentives and tools that can be packaged together to encourage desired development types.
- **Be Both Proactive and Patient.** Depending on the market cycle and the opportunities at any given time, certain land uses will develop faster than others. This will require a phased development approach in Sherwood West. Industrial and residential uses are likely to dominate in the near term, followed by retail, hospitality, office, and healthcare.
- **Ensure that Buildable Shovel-ready Land is Available for Employment.** The land must be zoned for employment development. The zoning and building codes should require an appropriate level of development quality, but not make unrealistic requirements, for example, around low parking ratios, mixed-use, etc. For certain sites, the City may want to use the State's "Certified Shovel Ready" process to document that environmental, archeological, title, wetland, and topographical issues do not preclude development. Flat sites with slopes of less than 3.0 percent are limited and should be reserved for mixed employment and industrial users.
- **Invest in Talent and Quality of Place**. The underpinnings of traded sector office site selection are simple: Locate where the talent is. Therefore, cities must attract talented people, by providing high-quality cities and neighborhoods where people want to live. The Sherwood West Concept Plan, which integrates residential, employment, and commercial development with parks and open spaces, is an important step; building out the plan is another.
- **Increase Accessibility and Visibility** via the regional transportation network. Large employers have historically needed to bring large numbers of employees to their campuses, and this requires robust auto, transit, bicycle, and pedestrian transportation infrastructure.
- **Consider Land Acquisitions.** Site ownership can put the City in a strong position to recruit employers; it can also be expensive, risky, and politically contentious. If the City is considering land acquisitions, LCG recommends that the City work with a broker with experience executing deals that have resulted in employment land and building development in Washington County, in order to clearly understand costs and benefits.
- **Target 99W and North Sherwood West** for transportation-dependent uses and larger-scale employment development, respectively. There is little frontage on 99W so it should be retained for certain users. Similarly, the largest tract of flat land (100+ acres) in Sherwood West is located to the north. Other areas may be feasible, but developers of industrial and, to a slightly lesser extent, office projects typically require regularly-shaped tracts of flat land with slopes of less than 3.0 percent. A campus-style development may be able to accommodate a greater variety of topographical conditions. Further analysis of the topographical and other physical conditions is necessary to determine the extent of these opportunities.

Introduction

This Economic Opportunities and Challenges memo provides an evaluation of Sherwood West's assets and constraints; summarizes input from interviews with developers, stakeholder, and leading economists; and provides insights on the economic future of Sherwood West as a part of a growing Sherwood. It is intended to highlight opportunities for economic development strategies and non-residential land uses that could produce jobs and tax base as part of the overall mix of land uses in Sherwood West over the next 20 years and beyond. It also explores creative options for long-term job creation that reflect Sherwood West's location at the urban edge and that optimize its ability to evolve as the region matures and economic changes occur.

In preparing the memo, Leland Consulting Group (LCG) conducted interviews with key stakeholders to explore how technology, health care, office, hospitality, retail, and other employment uses might evolve in Sherwood West's unique location. These stakeholders included local and regional industrial, office, mixed-use, retail, and hotel developers, brokers, and specific industry representatives (such as the wine industry). The anecdotal takeaways from these interviews are intermixed within the narrative of this memorandum.

Sherwood should not attempt to compete against other employment centers that may have better locational attributes such as proximity to I-5 or existing clusters of technology employment. Accordingly, we have identified opportunities that play to Sherwood West's unique attributes. These opportunities build upon the area's proximity to the wine country, long-term changes to office dynamics as a result of COVID-19, evolving changes to the retail landscape, and other factors.

The memo includes a shortlist of employment land uses that could realistically be supported in Sherwood West, with projections for development over time.

Constraints and Challenges

Based on key takeaways from feedback received during the stakeholder interviews, most of the opportunities for long-term job creation in Sherwood West will likely require a mixed employment approach—namely industrial, flex, and office. This approach is consistent with both recent development in the Tonquin Employment Area and other examples of peripheral employment development clusters in the region. Of these mixed employment uses, industrial development, which typically includes warehousing, logistics, distribution, and manufacturing, has the narrowest framework of site selection criteria. While demand-related factors are generally expected to largely overcome potential challenges related to site conditions, it is important to highlight these selection criteria as the industrial market may not remain as strong as it currently is over the next 20 years.

Site selection criteria for industrial development typically includes:

- **Access to major transportation routes.** Industrial users typically need access to major transportation routes so that products can be quickly and easily delivered and shipped, and to maximize the employment catchment area. The closest industrial development in the past 20 years has been in Tualatin and Sherwood along I-5 and Highway 99W—both major freight and transportation routes.
- **Separation from residential uses.** Due to the propensity of industrial users to generate noise, pollution, and vehicular traffic, development is not typically located next to residential uses. This sometimes also applies to other uses that attract pedestrian activity, such as main street retail and hospitality.
- **Low-cost land.** Of all land use types, industrial fetches the lowest rents and sale prices. Comparatively, high-density residential and commercial uses fetch the highest rents and sale prices. Typically, the cost of land reflects these trends.
- **Large, uniform sites.** Industrial development is low-density (typically one or two stories) and requires plentiful space for circulation, storage, and parking, particularly for freight operators.

- **Flat sites.** Due to the cost of grading, combined with the low value of industrial development, industrial users require sites with less than 3.0 percent slopes.

With these selection criteria in mind, there are several major constraints or barriers to commercial and employment-focused development in Sherwood West and the immediate surrounding area. We have highlighted these below.

- **Location.** Sherwood West is located in the southwestern corner of the Portland Metro region and lacks easy access to the I-5 corridor. In the near term, this edge location creates a one-sided market area, limiting the employment catchment area. Further, the travel time to or from Portland International Airport[1] is double the average tract in the Portland metro. As we will discuss in the following pages, strong regional demand and a limited supply of employment lands mitigate these challenges in the near term, and long-term residential and job growth is expected to soften these impacts as time goes on.
- **Regional Competition.** As noted in the previous Development Trends and Implications memo, the southwest Portland metro region will see significant growth over the next 20 years, primarily because of the development of Sherwood West and several other nearby UGB expansion areas—including Tigard River Terrace, King City West, and Beaverton Cooper Mountain—as well as local annexation areas like Brookman and Tonquin. Most of these future growth areas are expected to include some level of commercial (and to a leser extent, employment) space that will compete with new development in Sherwood West. Closer cities within the Portland metropolitan region also have existing industry and business clusters that will continue to grow in the coming years. However, these central-area opportunities are expected to be fully built out or have limited land availability (particularly for larger sites), pushing the focus of substantial new developments to outer locations like Sherwood West.
- **Local Competition.** More locally, there are existing and emerging clusters of development within Sherwood that may be seen by developers and businesses as more attractive for new development. Locally serving retailers, such as restaurateurs, may prefer the established location and charm of Old Town. A hotel developer may have similar sentiments. For larger-scale retail, which is facing an uncertain future due to shifting consumer behaviors and the rise of ecommerce, Sherwood West's southeastern boundary fronting Highway 99W may be a favorable location because of access and visibility, as might the Roy Rogers corridor after its planned expansion. The Tonquin Employment Area (TEA) and the surrounding areas in Tualatin are currently seen as better locations for industrial and office development but vacant land is quickly being developed, which is likely to push the focus further west to places like Sherwood West.
- **Multiple Property Owners.** With 126 properties and 110 property owners, there are few locations that would not require land aggregation and assemblage for a larger (20+ acre) development. Developers tend to prefer large sites with single ownership in order to avoid the significant delays and hurdles associated with assembling enough land from multiple parcels. Further, property owners are rarely on the same page regarding long-term plans and it is difficult to predict if, when, and why private property owners will sell or develop their land. The City may implement a strategic program for property acquisition to meet economic objectives, either in partnership with other public agencies, by soliciting a qualified broker, or by other means.
- **Limited Infrastructure Funding Availability.** While this concept plan is expected to address some of the challenges associated with infrastructure phasing and funding in Sherwood West, developers want to see a clear plan for infrastructure improvements before committing to a site. Infrastructure needs often include enhanced water delivery systems (particularly for tech), enhanced electricity (e.g., green energy), and high speed internet.

[1] Access to other closer municipal airports, such as Hillsboro, also play a role in economic opportunities for Sherwood West, albeit to a lesser extent that Portland Airport. Corporate executives and prospectors often utilize these other airports with private or corporate planes.

- **Topography.** Substantial employment-oriented development, such as a business park, campus, or large-scale industrial or office space, typically requires relatively flat land with slopes under five percent (under three is preferable for industrial). Locations with these topographical conditions are limited in Sherwood West. Sloped sites require grading, which can be prohibitively expensive for developers, particularly if the soil conditions are challenging.[2]
- **Lack of existing rooftops.** While new residential growth is expected over the next 10+ years, the lower density of households and jobs within a five-mile radius of Sherwood West currently limits demand for new retail space and also limits the employment catchment area for new businesses. The density of rooftops in a given location is a critical site selection criterion for new developments. During the recent round of interviews, one stakeholder shared an example where a developer chose to develop in Salem rather than Woodburn due to this issue. With this being said, the lead time for new development to occur will likely align with this growth, which necessitaes proactive planning for new development. Further, Sherwood benefits from its proximity to the Portland metro and is the heart of the triangle formed by Hillsboro, Beaverton, and Wilsonville, with existing undeveloped "gaps" in this area expected to fill in over the next 20 years, increasing the total number of jobs and people.
- **Uncertain/softened Office Market.** The COVID-19 pandemic created much uncertainty regarding the future of office uses. The suburban office market has fared relatively better than the Portland Central Business District (CBD), likely because of the suburb's propensity for "essential" or neighborhood-serving offices like medical, banks, finance and insurance, etc. rather than industries that typically cluster in downtown settings (e.g., professional services).
- **Land Use Application and Permitting.** Some stakeholders interviewed considered Sherwood's application process to be arduous relative to other cities, particularly for industrial development. Suggestions to improve and streamline this process include pushing elements of the initial application to later in the process and being clear about timeframes for various types of permits.

Opportunities

Industrial

The industrial market is considered the hottest of all land use sectors. Ecommerce has surged during the course of the pandemic, with online shopping now considered a norm and capturing more than one-quarter of the total retail market. Further, for every one percent of new retail sales, ecommerce creates demand for 38 million square feet of new warehouse space, and is expected to continue to increase. Other trends benefitting industrial prospects in Sherwood West include the increasing popularity of satellite facilities, which appears to be aligned with residents' desire to work close to their homes. Several other key opportunities related to industrial development in Sherwood West are highlighted below.

Strong Demand. Stakeholders consistently pointed out the increasing difficulties in finding sites in the Portland area, especially large, contiguous, developable sites. As high-quality industrial sites become increasingly scarce in the Portland region, rental rates for industrial space have surged.

Land Needs. In terms of the rate of development, the Tonquin Employment Area (TEA) is considered a relatively accurate depiction of what could be seen in Sherwood West. While Sherwood West is less likely to see as many users that are highly dependent on major transportation routes, the pace of development in the TEA is indicative of the

[2] Basalt is common in soils throughout the Portland area; Sherwood may experience similar challenges, although that bedrock around Sherwood West is understand to be relatively deep, making grading less of a challenge than in some other parts of the region.

strength of the market, and this is unlikely to subside for at least 10 years. In fact, some developers would not consider a 100-acre designation "long-term planning" and several stakeholders suggested that the 108-acre area in the north of Sherwood West is considered a "drop in the bucket" that would be accounted for within two weeks if it were development-ready today. Additionally, institutional developers are generally purchasing 40- to 50-acre sites in order to phase development over time, with the main focus on five to six-acre developments with around 50,000 square feet of multitenant, mixed employment space. There is also new investment nearby in the Tonquin Employment Area (TEA) for larger buildings (upwards of 200,000 square feet), albeit to a lesser extent than the aforementioned product type, that can be either single user or multitenant. The larger the development, however, the greater the need for flat, unencumbered sites that become increasingly challenging to find.

The City of Sherwood could, therefore, plan for substantial industrial-focused employment growth over the next 20 years. Development types include mixed-use employment with a focus on tech, manufacturing, and warehousing. Despite the regional need for large lot industrial, the City should avoid mandating large lot industrial and instead maintain as much contiguous developable land as possible in order to accommodate phasing. While providing an estimate for the total amount that could be designated for employment lands or the specific product types that should be planned for is challenging, we recommend a flexible approach that can accommodate a range of development programs and types. Larger sites may be developed in full or subdivided by a developer.

Residential Growth. Nearby residential growth will benefit industrial prospects—mainly for smaller multitenant spaces—as people continue to value shorter commutes and quality spaces.

Competition. One of Sherwood's primary competitors for new industrial-focused employment land development is Wilsonville. The Coffee Creek area is considered a comparable location to Sherwood West. However, Wilsonville's sites are also considered challenging to develop because there are few sites in excess of 10 acres and there is limited city-provided infrastructure (water, sewer, roads); stakeholders agree that larger sites are needed to achieve an adequate return on investment, especially if infrastructure investments are expected from the developer. Wilsonville is also seen as challenging to work with due to overly restrictive zoning and a challenging permitting process. Of note, the City of Wilsonville has formed an urban renewal district as part of its strategy to support development in the Coffee Creek area.

Low Vacancies. Of the almost 10 million square feet of speculative construction in the metro region that have been delivered over the past 5 years, less than 10 percent is available and the market should be able to absorb most of the 2.1 million speculative square feet being delivered in 2020-2021. Vacancy is expected to increase to 6-8 percent within the next five years as a result of the development pipeline, bringing about more stability to the market. There are roughly four million square feet still in the pipeline, over half of which is planned to be owner-user or build-to-suit properties.

Wine-related Impacts. Outside investment is increasing in Oregon's wine industry and the Willamette Valley is quickly becoming a hotbed of new activity as investors see profit-making opportunities associated with the lower cost of land (relative to France and California) and grape production, as well as recognizing the need to diversify locations in the face of climate change. The recent acquisition of Ponzi (a Sherwood area business) by the French company Bollinger is one of the first foreign acquisitions in Oregon, but it is expected as the start of an emerging trend rather than an exception. Impacts of the wine industry on hospitality and commercial prospects are explored in later pages.

Developers see opportunities in storage, distribution (including bottling), production, and warehousing. While the former is a low-density employment type, the others pay higher wages and employ a significant number of people. Wine-focused manufacturing also aligns with existing trends in the southwest metro region which has seen food processing become a major employment sector. While industrial stakeholders see opportunities in production, wine industry experts consider it a nonstarter, with the majority of production facilities likely to remain in the immediate vicinity of the growth area. Storage and distribution may benefit from proximity to Highway 99W, but, again, developers

see areas that are more centrally located in wine country—such as McMinnville along Highway 18—as better potential locations in the short-term.

T-S Corporate Park. Cities are increasingly using zoning codes to influence development. For the T-S Corporate Park, the developers knew the zoning before it was annexed, and the plans were reactive to that zoning. The developers looked at the Koch Corporate Park to the east as a comparable example for what they could expect. Despite topographical, soil, and wetland constraints, the project is rapidly proceeding with multitenant space geared to manufacturing, food, and tech (such as bioscience).

Target Industries

During the stakeholder interviews, participants (including those throughout all stages of the development process, from high-level prospecting to tenant recruitment) generally agreed with Sherwood's target industries. These industries include:

- High Technology/Computers & Electronics
- Light Manufacturing/Advanced Manufacturing[3]
- Cleantech
- Life Sciences/Biosciences
- Research and Development (R&D)
- Software/Media Design
- Professional/Business Services
- Food Products
- Outdoor/Athletic Wear Design
- Healthcare

Other industries mentioned during the interviews included logistics and engineering. Many of the target industries above are highly water-intensive. One major competitive advantage in Oregon's favor is the availability of water. Some of Oregon's competition, including New Mexico and Arizona, are facing significant challenges due to current and expected future droughts.

These industries are primarily traded sector and provide, on average, higher-paying jobs and may be part of a campus-style development or as individual site developments (most likely multitenant mixed employment buildings). It is understood that these development types are seeing increasing levels of interest from various stakeholders. A larger campus or business/tech park will require larger tract of land in excess of 20 acres and perhaps as much as 100 or more acres.

Possible locations for this appear limited to the northern section of Sherwood West, particularly in the area bounded by Elwert Road, Roy Rogers Road, Scholls Sherwood Road, and Conzelmann Road. Other locations may be appropriate as long as land is free of development impediments, such as steep slopes and wetlands. A high-level topographical analysis of the area shows potential locations for other employment areas along Highway 99W and perhaps centrally around Haide Road and Kruger Road. Most of the inland areas along the western half of Sherwood West are unlikely to be suitable for mixed employment (industrial, flex, office) given the topographical and access constraints.

Locational Considerations

Highway Access. Approximately 0.8 miles of Sherwood West's southeastern boundary fronts onto Highway 99W (between Kruger Road and Chapman Road). This access is considered critical for industrial users that require quick and easy access to the transportation network. This location is considered the only place that warehousing and distribution users may locate. The middle section of this stretch of Sherwood West contains topography that is likely prohibitive for new development that requires flat land (especially industrial), and the northern section is made up of multiple property owners and several irregularly-shaped and smaller parcels, creating challenges for land assembly and development. Generally, high-density employment is not considered likely due to the impacts on the transportation network and

[3] One stakeholder specifically mentioned interest in aerospace components manufacturing.

probable congestion, although this could be somewhat mitigated with robust residential growth that reduces commute times.

Tech Clusters. Sherwood is centrally located between existing tech clusters in Wilsonville and the Sunset Corridor. These clusters have historically dominated the tech-oriented employment landscape, but the market is now believed to be softening, with developers looking for opportunities elsewhere in the Portland metro where there is access to new talent clusters, new homes (especially for executives), and large tracts of land available to develop (particularly lower-cost land). LCG's stakeholder interviews suggest that the Sherwood area is beginning to draw existing businesses from Hillsboro, as well as serving as an attractive location for new businesses in the metro region.

Access to Talent. Talent is critical to location decisions for employers and is the single most important factor driving urban economic success is the educational attainment of a city's population.[4] Economic development partners and employers talk about "Talent" in terms of (1) the size of the skilled labor force in the market area, (2) the size or percentage of the population with a college degree, and (3) industry composition.

Approximately 17,000 new households are planned between the three UGB expansion areas along the Roy Rogers corridor (Sherwood West, Tigard River Terrace, and King City West—all within a five-mile radius), potentially adding more than 50,000 people to the area in the next 10 to 20 years. This growth will increase the interest of developers of all land uses in and around the Sherwood area. The importance of Sherwood High School should not be understated here as a local driver of talent creation. The school district is considered a major draw to the area for residents and executives, and programs and partnerships with industry groups or businesses will likely continue to increase opportunities for localized economic development.

Infrastructure

Infrastructure is considered one of—if not the most—important elements for employment-focused development in Sherwood West. Developers desire certainty around roads and utilities, and now consider it a simple "build it and they will come" approach.

Funding Plan. Metro, the regional planning agency, also considers infrastructure essential and recommends that the City develop a clear infrastructure funding and phasing plan as part of the Sherwood West Concept Plan. If the City can prove a certain return on investment, this plan can help justify the additional investment, financing, and funding from an economic development perspective. This does not necessarily equal an expectation of the City to build all infrastructure, but developers are increasingly doing risk assessments relative to delivery, so a clear plan for getting the shovel in the ground is important—more important than being promised a quicker overall timeline.

Shovel-ready Sites. Having shovel-ready sites available is likely to offset any of the area's potential disadvantages, to a certain extent. However, we recognize that there is a risk involved in speculative infrastructure investment, especially if the requirements for new development differ from user to user. The tech industry, for example, is understood to be asking for enhanced water delivery systems, enhanced electricity (e.g., green energy), and high-speed internet. In this case, Sherwood's municipally-owned broadband is a major advantage. It is recommended that the City of Sherwood develop a defined implementation plan with readily available funding.

Office

Office prospects are questionable, and the market may not return to normal for many years. Campus-style development may be possible but there are few local examples, and the market is unproven.

[4] https://cityobservatory.org/talent-and-prosperity/

Based on LCG's experience and other sources, employers base their decisions on where to locate office space based on the following primary criteria:

- **Attracting and retaining talent.** This is the most often cited requirement for location decisions. Businesses want to be in locations where they can draw on a large pool of highly-educated, innovative, creative, and motivated individuals. While the population size and educational attainment near Sherwood West are reasonably strong, other competitive areas still have a talent advantage, as shown in the table in the Locational Considerations section.
- **Development Clusters.** Being located in proximity to customers, collaborators, suppliers, and even competitors is critical to the success of office developments. Hence the clustering of Athletic and Outdoor businesses in the Portland metro region, and in proximity to Nike.
- **Accessibility and visibility.** Employers' workforce, customers, suppliers, and others must be able to easily get to and from the office space. Visibility is important since an attractive office space can act as a marketing tool for the company's brand.
- **Quality of place.** Since talent is the most important consideration, and highly skilled people are attracted to places with a high quality of life, quality of place is important to employers.
- **Real estate costs.** After labor costs, real estate costs like rent and other fees increase the costs of operation. Higher costs often mean tighter budgets and slower growth trajectories.
- **Regulation and tax structure.**[5] Depending on a business' perspective, it may consider the regulatory or fiscal environment as supportive or contrary to its operations. Regulations can include environmental requirements, zoning, and other elements that may restrict certain uses, development types, or businesses. Taxes, such as property and income tax, can also impact a business' ability to attract workers, but taxes play a lesser role than others mentioned here.

Regional Overview

While office prospects remain murky, it is expected to return to full strength within the next five years as economic conditions improve. The Portland CBD accounts for the vast majority of the metro's office inventory, which is unlikely to change despite trends that support a greater dispersion of the office inventory.

Total vacancy in Downtown Portland has been increasing each quarter since 2019 to its current vacancy of 16 to 18 percent and is expected to continue to increase as pipeline development comes online and if leases expire and are not renewed. A vacancy rate near or upwards of 20 percent is considered a major problem from which it is challenging to recover. Almost one million square feet of new, mostly unleased, office product was delivered to the market in 2020, and another 500,000 square feet is still in the pipeline.

After many years of office space consolidation, office users may start to value more space (spurred on by health concerns brought on by the COVID-19 pandemic), although any impacts from space expansions are likely to be dampened by the increasing normalization of the work-from-home environment.

Suburban Office

The suburban office market has generally maintained a steadier course with a vacancy rate currently around 10 percent, albeit with a substantially smaller inventory. The suburbs can provide employment opportunities closer to people's homes and often levy fewer taxes that can be seen as attractive for residents.

[5] Based on LCG experience and *Seven reasons why location is important* https://www.us.jll.com/en/views/seven-reasons-location-important

Most office developments that are part of larger planned centers as single, isolated buildings typically struggle to penetrate the market. An example of this is the nearby Pacific Financial Center in Tualatin. Despite a location on Highway 99W, the building has struggled to attract tenants and is only recently achieving a vacancy of 75 percent since its construction in 2008, with asking rents of $28 full-service advertised for currently available space. Pacific Financial Center is an ode to an outdated development model and demonstrates the need to cohesively plan for a critical mass of employment and commercial activity.

For the purpose of long-term planning of Sherwood West, the City can assume that office space will be a relatively minor part of the development program, either as mixed-employment, campus, and/or mixed-use developments. The most likely development type is surface parked projects no more than 20,000 square feet, with some smaller office space as part of mixed-use developments. Target tenants include tech, medical, and service-oriented office space with some "hub and spoke" or satellite office. With tech, it is most important for there to be a critical mass.

As with industrial, a flexible approach that accommodates these and other development types—as desired by council—is recommended. While office prospects remain dictated by the availability of flat land, it is typically a higher value development type that commands higher prices and rents than industrial, and it can therefore get built in areas with slightly more challenging site conditions (sometimes with slopes between five and 10 percent).

Office as Part of Mixed-Use Developments

Several trends in consumer behavior provide additional cause for optimism for commercial and employment uses in Sherwood West.

Remote Working Opportunities. One of the trends from the COVID-19 pandemic that is likely to continue is the rise of flexible employment and remote work. As many as 20 to 30 percent of office workers plan on not returning to the office full time. With the projected growth of anywhere from 20,000 to 30,000 new residents aged between 25 and 64 over the next 20 years within five miles of Sherwood West (above an existing baseline of 36,400), this growth may result in as many as 20,000 people working remotely. This may provide opportunities for smaller office suites (less than 1,000 square feet) and coworking spaces that could be part of a mixed-use environment.

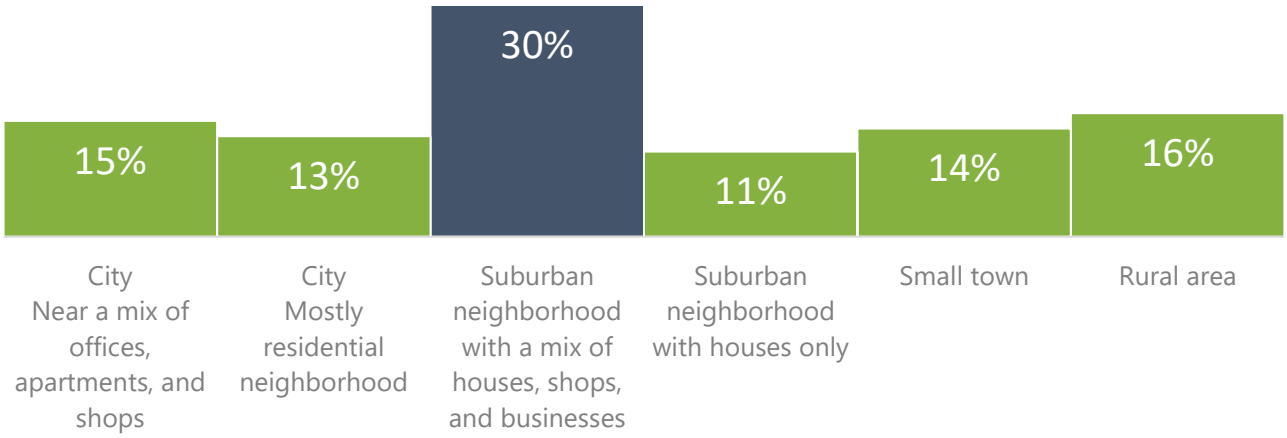
20-minute Neighborhood. One notable shift in consumer behavior is the growing demand for the **20-minute neighborhood—**the concept where one can take care of everything within a 20-minute walk. These areas have walkable access to a mix of employment and commercial services, including amenities, multimodal access, adequate sidewalks, and good street connectivity.

While it is challenging for most areas in suburban or edge locations to attract a critical mass of commercial amenities and services and employment opportunities to achieve the 20-minute neighborhood, there has long been a growing demand for suburban neighborhoods that include these elements, as shown below. Sherwood West can capitalize on these shifting preferences.

Orenco Station is a good example of this: the Hillsboro suburb is a grocery-anchored mixed-use center with retail and office uses surrounded by a variety of housing types, including single-family homes, townhouses, and apartments. Another good example is the City of Lake Oswego, which has succeeded in creating an amenity-rich environment for its office workers, resulting in an attractive, mixed-use location that drives rent premiums and supports higher density development.

These areas are attractive to younger knowledge workers who might be interested in some type of incubation space for new company creation. The new high school will help the potential growth of knowledge-related employment by anchoring and nurturing community bonds.

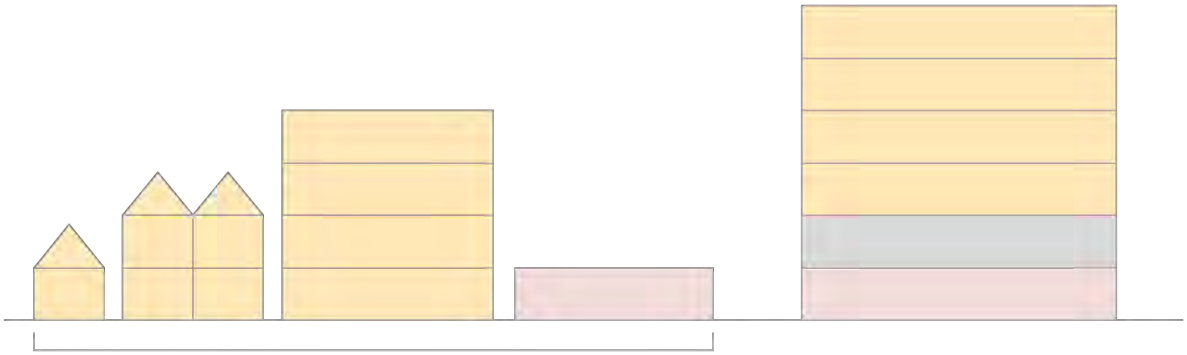
"Where Would You Most Like to Live" Survey Results



Mixed-use development has historically been limited to downtown environments, only occurring in some suburbs in hotter markets. However, it is now expected that mixed-use has a future in the suburbs, especially if it can be developed horizontally (versus vertically) and accommodated on larger sites to mitigate the higher cost of construction associated with typical vertical mixed-use development. Horizontal mixed-use typically occurs organically and, in turn, creates the market conditions to support more density.

Sherwood should pursue horizontal, rather than vertical, mixed-use development, at least in the near term. The major differences include parking (surface versus structured), construction type (wood versus concrete podium), the use of elevators, additional circulation and interior spaces, fire and safety elements, and the level of fees associated with the development.

Vertical mixed use also requires much higher rents, primarily because of the more expensive construction costs. These rents do not exist in the Sherwood area today. As such, pursuing the latter without allowing for the former may delay new development in Sherwood West.



Hospitality

New hotel development has been clustered in downtown Portland and Hillsboro, with a few isolated projects elsewhere along major arterials. There has been relatively limited hotel development in the southwest metro region, except for Sherwood's new Hampton Inn.

Some of the key inputs to hotel developers' site selection decisions are the amount of nearby employment (which drives business travel), convention center space, major tourist destinations/quality of place, and visibility from major highways/transportation corridors. There is also "background demand" that is linked to the size of the surrounding population. Hotel development, to an even greater degree than commercial development, tends to be a "following use." In other words, hospitality follows other types of development, particularly office space. Office space is a significant generator of hotel demand and makes it easier to justify the market and attract developers.

Sherwood West is likely to have competitive advantages in terms of major employment clusters, tourism draws, and transportation corridors compared to other locations. LCG considers the probability of attracting a new hotel in the area as high, particularly for a mid-range hotel. However, the City should not expect lodging development to be completed early in the lifespan of Sherwood West.

Challenges. Specific challenges related to the hotel industry for Sherwood West are listed below.

- Lack of major office employers and two of the major employers include healthcare and the school district, which doesn't reflect an adequately diversified employment base to drive hotel demand.
- Existing land availability in the heart of wine country for wine-oriented hotels in other cities such as Dundee means that Sherwood is unlikely to be competitive based on the wine industry alone.
- Hotels are generally "follow-on" investments because they are expensive to build; developers, therefore, need a proven demand before committing to development.
- Hotels require adequate "activation energy"; there is currently a lack of restaurants and other amenities in and around Sherwood West.
- Lack of local comparable examples; hotel developers need to prove that hotels can get to 70 percent occupancy in order to confidently develop. However, if the Hampton Inn negatively performs, it is not necessarily an indication of prospects as branded hotels can be a negative for certain audiences.

Opportunities. Most of these challenges can be addressed by focusing on employment growth and a greater array of commercial amenities and services. The pandemic has also increased consumer's desires for "drive-to" areas, so cities like Sherwood that are less isolated may become more resilient to future market disruptions.

Feedback from the stakeholder interviews indicated a range of hotel options for Sherwood, including mid-range and upper-range or boutique hotels. The Allison Inn and Spa in Newberg was discussed as a luxury option ($500+ a night) but is not expected to be currently feasible in Sherwood until a critical mass of high-wage employment occurs to complement Sherwood's presence as a gateway to Wine Country. An upper range or boutique option ($300-400 a night) such as McMinnville's Atticus Hotel faces similar challenges in the near term and may be best suited to Old Town Sherwood over the longer term. The recently completed 73-room Hampton Inn in Sherwood is considered a budget-friendly option (less than $150 a night).

Primary demand is for at least one mid-range hotel in the $150 to $250 a night range that fills an existing gap in the market.

Location. The most likely location for a hotel would be near a mix of uses or town center feature, or near open spaces. It is possible that lodging could be located along one of the arterials and look to build on travel to and from the wine country to the southwest, but there are most likely superior wine country lodging locations. In fact, a location on 99W would help with visibility, but the need for visible, highway-adjacent locations is declining as consumers increasingly use technology to seek lodging options and book ahead of time. A more physically attractive location will maximize Sherwood West's unique assets such as its views and open spaces. Proximity to future employment is also recommended to target business travelers and a broad spectrum of customers that may desire a different product from branded I-5 corridor hotels.

Wine tourism. While Sherwood is well positioned between the Portland metro and wine country, the City should not base its future on the wine industry. Other cities that are more centrally located in Wine Country are likely to continue expanding and experience the bulk of tourism activity, particularly for out-of-state visitors (even though Sherwood's location as a gateway to wine country is a major advantage). Local support is also strong, and new residential growth coupled with an increase in inter and intra-state tourism (particularly from TX, NY, FL, etc.) will drive demand for new facilities (e.g., satellite tasting rooms).

An Oregon Winery Visitor Profile Study Report for 2019 by Travel Oregon profiles visitors to the State's wine regions. In the Sherwood region, the average visitor is a 51-year-old woman earning $113,000 per year. These visitors average $600 in spending over the course of two days and stay an average of 1.5 nights. Compared to the Napa region, the lack of available lodging and other services and amenities is apparent, with Napa visitors staying an average of two nights with greater expenditures.

This data is consistent with information garnered during stakeholder interviews, which indicated potential opportunities for high-end and boutique hotels and white tablecloth restaurants in Sherwood. These uses would help elevate Sherwood's position as a high-end tourism destination for domestic and international visitors.

Retail/Commercial

As described previously, the retail real estate sector continues to struggle as a result of the ongoing pandemic and the growth of ecommerce. There is now significantly less new retail development being built per new resident than ever before. Big box retail prospects are also the lowest they have ever been among the development community. With that said, Sherwood's retail market is considered vibrant and healthy.

Sherwood's retail inventory is largely traditional brick-and-mortar, i.e., surface parked commercial centers or standalone buildings along transportation routes. The three types of centers include:

- **Community centers.** Often referred to as a strip mall, community centers range from 125,000 square feet to 400,000 square feet. These properties usually have a grocery store and can also have a discounter and large specialty shops mixed with convenience retailers, such as drugstores.
- **Neighborhood Centers.** A smaller version of community centers. These are typically referred to as grocery-anchored properties, along with other convenience retailers. They run up to 125,000 square feet.
- **Convenience Centers.** These are very small properties that are less than 30,000 square feet and filled with, well, convenience-based retailers, such as dry cleaners, nail salons, drug stores, and other types of shops where customers are looking for a quick purchase or service.

Spending Gap Analysis. A retail gap or leakage analysis helps identify strengths and opportunities in the retail market. Supply is determined by estimating the sales by retail establishments in the region to all consumers, regardless of where they live; sales to businesses are excluded. Demand is determined by estimating the expected amount spent by consumers that live in the region at all retail establishments, regardless of their location. The difference between supply (retail potential) and demand (retail sales) represents the retail gap. If the demand is greater than supply, a leakage occurs. Retail leakage refers to the amount of money that residents are spending on retail goods and services at stores located outside the community. If supply is greater than demand, a surplus occurs and indicates that retailers are selling more than is demanded within the region. This information is critical to economic developers and regional planners because it can be used to recruit appropriate retailers to the community. It is also useful to retailers already located in a community because it can guide on tapping new markets with expanded or improved product offerings.

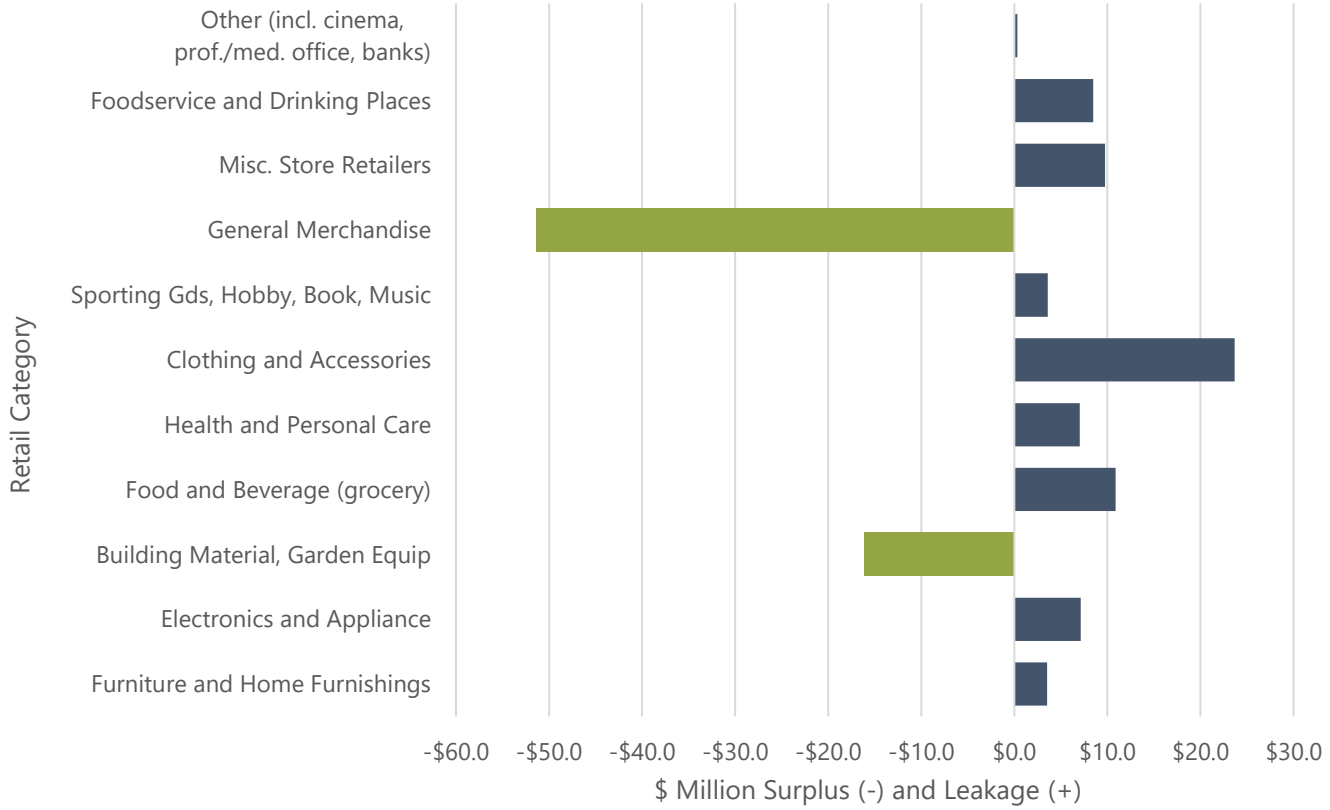
As the following chart shows, there is leakage in most retail categories. However, total retail demand is estimated at $402 million and total retail sales at $395 million, meaning there is little difference in total. Further, a huge surplus for General Merchandise (such as Target, Walmart, etc.) may account for much of the leakage in specific retail categories

like Clothing and Accessories and Miscellaneous Store Retailers. Also likely is that the Sherwood area, as the gateway to the Portland metro, is capturing spending from smaller cities in the Willamette Valley that do not have as many retail offerings. As Sherwood increases its retail offerings and the commercial landscape becomes increasingly vibrant and diverse, the retail gravity will likely draw from an increasingly large trade area to the south. If planned properly, a cluster of unique, destination-style retail offerings would likely capitalize on these opportunities.

Looking ahead, residential and employment growth will certainly drive demand for additional retail space, but the growth of ecommerce and declining retail footprints may dampen the impact. Traditional "big box" retail is also unlikely as the market is relatively saturated with this product type. Instead, Sherwood should expect to focus on convenience-based retail, such as grocery and health and personal care, as well as neighborhood-serving retail, such as foodservice and drinking places. These categories are also less prone to market disrupters. Enough leakage exists in these categories to immediately support at least one moderately-sized cluster of stores.

There is a growing desire for placemaking, entertainment, and culinary experiences. According to stakeholders, Sherwood is missing specialty markets and independent, farm to fork, and white tablecloth restaurants. Restaurants are important placemaking elements that support business retention and expansion and other economic objectives. There is a belief that opportunities exist to market Sherwood West to certain restauranteurs that may want to relocate from the central city. Similarly, individual wine-related tasting rooms or a regional wine bar may be able to capitalize on the burgeoning wine industry. While Old Town is the more likely environment for these uses, existing available spaces are limited; a nodal development cluster or main street development in Sherwood West may attract developers and tenants that recognize the market opportunity for these uses.

Current Spending Surplus (-) and Leakage(+) by Retail Category, Primary Trade Area (10-minute drive time)



Source: ESRI, LCG

Healthcare

Today's healthcare facilities are dispersed throughout the region and have spread out to serve the needs of the metro's growing population. Key healthcare demand drivers are the size of the population in the market area and the size of key populations such as seniors. Small- and medium-size healthcare facilities (particularly clinics, primary care offices, and dental offices) can easily fit into smaller commercial centers. Major healthcare facilities (e.g., hospitals and large medical office buildings) tend to locate along highways and major transportation corridors. Healthcare is an industry that has the potential to drive demand for other commercial uses and amenities, including retail, office, lodging, and, to a lesser extent, light industrial and manufacturing.

One of the hottest trends shaping healthcare real estate is the shift to delivering medical care in outpatient settings. Ultimately, this trend is being driven by three factors: an emphasis on driving down costs, the rise of the healthcare consumer, and an aging population.

This is consistent with the findings from LCG's interview with a major healthcare provider. Key findings are as follow.

- Site criteria for new healthcare facilities include drive times, ease of access, visibility, proximity to other services, and distance from competitors. A location along 99W appears the only adequate location that fits this criteria.
- With the shift to outpatient facilities, healthcare providers are unlikely to build additional in-patient facilities in Sherwood.
- Providers consider a 10-minute drive time the market area for primary care and 20-minute drive time the market area for specialty services. Existing facilities in Newberg and Beaverton are within a 20-minute drive time of Sherwood and may not compete for additional specialty services in the near future. Demand for primary care services, however, is likely to increase as the population and number of jobs increases in the immediate Sherwood area.
- Providers are increasingly partnering with developers to build facilities as part of larger mixed-use and wellness-oriented projects.
- Smaller clinics sized around 1,500 square feet may be part of mixed-use developments or in retail settings.

Sherwood West may benefit in the future from several emerging trends, including a growing acceptance and use of telehealth (driven by the COVID-19 pandemic), technological advances, and a growing desire for more convenient and accessible outpatient services. These trends are more likely to lend themselves to smaller healthcare facilities.

LCG's assessment is that it is likely that some small- or medium-size healthcare facilities will locate within one or more of the Sherwood West commercial areas. Assisted living facilities can be located within residential parts of Sherwood West.

Because major healthcare facilities depend on large nearby population bases, higher visibility, and access to highways and major transportation corridors, as well as the shift away from inpatient facilities, such a facility is unlikely to develop in Sherwood West, at least in the next 20 years. Attracting such a user would require time, effort, and deliberate planning and policy on the part of the City.

Strategies for Employment Growth

LCG recommends the following approaches and strategies for employment attraction:

- *Be Flexible.* Maintain as much flexibility (zoning, land, tools, approach) as possible in planning for employment growth as market cycles and trends over the next 20 years are unclear. This means maintaining large, contiguous sites but not mandating large-lot sites.
- *Plan for Mixed Employment.* Most of the opportunities for long-term job creation will likely require a mixed employment approach—namely industrial, flex, and office. Mixed Employment in centers/parks of 20-100 acres is the strongest market.

- *Plan for Multitenant Space* that can be scaled up or down and is highly divisible (e.g., to 2,500 square feet) allows for business expansion and the flexibility to accommodate various sized flex, office, commercial, or light industrial users.
- *Compile a Toolkit* of incentives and tools that can be packaged together to encourage desired development types.
- *Be both proactive and patient.* The City will need to be both *proactive*—in maintaining relationships with major employers, brokers, economic development professionals at different levels of government, and others in the employment development community and understanding their needs—and also *patient*. This means a recognition that the City will probably forgo the opportunity to see the land developed sooner with residential.
- *Ensure that buildable shovel-ready land is available for employment.* The land must be zoned for employment development. The zoning and building codes should require an appropriate level of development quality, but not make unrealistic requirements, for example, around low parking ratios, mixed-use, etc. For certain sites, the City may want to use the State's "Certified Shovel Ready" process to document that environmental, archeological, title, wetland, and topographical issues do not preclude development.
- *Invest in talent and quality of place.* The underpinnings of traded sector office site selection are simple: Locate where the talent is. Therefore, cities must attract talented people, by providing high-quality cities and neighborhoods where people want to live. The Sherwood West Concept Plan, which integrates residential, employment, and commercial development with parks and open spaces, is an important step; building out the plan is another. More broadly, the City should work to ensure that its workforce is well educated and trained to fill jobs within the City and regional industry clusters. It should also focus on supporting the development of a diverse array of suitable housing types, promoting placemaking as a core economic development strategy that prioritizes amenities, services, connection to Old Town, and open space. Doing so will likely draw a greater connection between Sherwood's existing high quality of life and well-skilled/educated workforce to encourage talent retention/tech business incubation and grow the community tech "ecosystem" etc. in Sherwood West.
- *Increase accessibility and visibility via the regional transportation network.* Large employers have historically needed to bring large numbers of employees to their campuses, and this requires robust auto, transit, bicycle, and pedestrian transportation infrastructure. In the near term, most employees are most likely to commute to work in cars they own; over the long term, automated vehicles, ride-sharing, and non-auto modes may increase. In any case, this will require the City to work closely with other cities, Washington County, and Metro.
- *Consider land acquisitions.* Site ownership can put the City in a strong position to recruit employers; it can also be expensive, risky, and politically contentious. If the City is considering land acquisitions, LCG recommends that the City work with a broker with experience executing deals that have resulted in employment land and building development in Washington County, in order to clearly understand costs and benefits.

Tools

The market is currently favorable for new employment-oriented development, yet tools and incentives may be necessary if the City desires a certain type of use the market doesn't support or it wishes to accelerate the timing of new development. The City may achieve this using an array of tools, including:

- Enterprise zones
- Zoning
- Incentive programs (tax abatements, development assistance)
- Fee waivers
- Marketing[6], developer outreach/solicitation

[6] An element of marketing may be necessary. The City's municipally-owned broadband service is a unique differentiator in the region and should be promoted.

- Public-private partnerships
- Strategic public partnerships (e.g., with GPI)
- Local improvement districts
- Urban renewal areas

Phasing

Developers are already interested in Sherwood West, particularly developers of industrial and mixed-employment uses. Despite the 20-year planning horizon of this Concept Plan, the timeline for bringing land into the UGB is potentially much quicker. The next legislative ask is 2024 and it is recommended the City move quickly to ensure development can occur within the next 10 years.

Industrial development has historically been about cost and infrastructure; now, it is about speed to market and feasibility. Most major industrial developers are likely operating within a five to 10-year timeline. It is also important to note that infrastructure provisions—or at least a clear implementation plan—available land to develop (without development encumbrances or multiple property owners), and adequate zoning are all critical elements for attracting employment-focused development.

Zoning

Zoning is one of the most critical pieces to get right. Flexibility is critical and the balance should be just prescriptive enough without dictating the uses in order to encourage desired development types while accommodating future growth and emerging trends like robotics and changing delivery systems. Restrictions should be limited to uses that have very low employment densities, such as storage. The zoning in the Tonquin Employment Area is considered a good example of employment-focused zoning.

Parking and environmental standards are two of the more challenging elements of the development code. It is important to keep these standards up to date with industry best practices and user needs and not have overly cumbersome standards.

APPENDIX H

Transportation Issues Memo

DKS 720 SW WASHINGTON STREET, SUITE 500, PORTLAND, OR 97205 • 503.243.3500 • DKSASSOCIATES.COM

TRANSPORTATION ISSUES MEMO

DATE: April 29, 2021

TO: Joe Dills and Kyra Haggart | Angelo Planning Group

FROM: Carl Springer | DKS Associates

SUBJECT: Sherwood West Concept Plan Re-Look, Transportation Issues Project #21057-000

PURPOSE

The Sherwood West Concept Plan Re-Look will update the land uses and community plan envisioned in the Sherwood West Preliminary Concept Plan, which will influence the transportation systems that serve it. This memorandum highlights key transportation considerations, including what has changed since Preliminary Concept Plan was completed in 2016 to inform strategic transportation system choices for Sherwood West.

The purpose of this memorandum is to summarize the key transportation issues and projects that will be addressed through this Concept Plan update. It is recognized that transportation system planning works best when it responds to the existing and future needs of its users, which are represented by how land use plans are organized. The transportation plan must also respect the environmental and topographical constraints that are present within Sherwood West.

LAND USE ISSUES

This update is expected to take a new approach in the land use plan which has a direct impact on transportation systems. Studies completed since 2015 indicate greater community needs for employment and mixed-use commercial areas to help Sherwood better balance the mix of jobs and housing that are accessible to the community. This kind of change will affect the travel patterns during commute hours and have some influence on the kinds of services and public amenities that are suitable to support this area. Also, recent state land use regulations have modified single-family zoning requirements to encourage a mix of housing types within each new neighborhood (HB 2001). This is expected to yield higher residential densities than was previously reflected in the preliminary concept plan.

In addition, the new Sherwood High School campus will be reflected in this plan, which was not a part of the prior work. The transportation demands of a high school campus represent a significant change, in terms of the intensity of travel in this area; the reliance on safe and comfortable

walking and bicycling systems in Sherwood West; and, the ability to provide north-south connectivity on the west side of SW Elwert Road. Several major new street improvement projects have already been constructed to support the new school. However, in developing the rest of the concept plan's transportation system, these unique school-related travel needs will be considered to ensure a consistent and connected service to all neighborhoods that are expected to utilize this campus.

Outside of the City of Sherwood, new growth along the Roy Rogers Road corridor now has better plans or updated information that was not available five years ago. Growth in these areas will influence regional travel conditions, which could include local routes within Sherwood West like SW Elwert Road. These new external growth areas include Cooper Mountain in Beaverton, expansions to River Terrace in Tigard, and Kingston Terrace, the new western expansion of King City extending to Roy Rogers Road. Taken together, these nearby growth areas will add thousands of additional families that will rely on the same regional transportation system that serves the Sherwood West community, and they need to be considered in assessing the travel conditions for the Sherwood West Concept Plan.

TRANSPORTATION SYSTEM ISSUES AND PROJECTS

This section provides a review of pending regional transportation system improvement projects and also highlights several previous street elements within the plan boundary that will be revisited through this process.

ROY ROGERS ROAD

Washington County plans to expand SW Roy Rogers Road to a five-lane arterial (two travel lanes in either direction plus a center turn lane) south into Sherwood through to Highway 99W. The final southerly extent of this improvement will be from Chicken Creek to Borchers Drive. The estimated $14 million project is funded by the County's MSTIP program, and it is planned for completion by Spring 2024. This regional corridor connects SW Scholls Ferry Road to Highway 99W and connects between job centers in Hillsboro, Beaverton and housing areas in Sherwood, Wilsonville, and western Clackamas County. Horizon year (2040) travel forecasts are roughly 40,000 vehicles on an average weekday, which is similar to levels observed today on Highway 99W between Tigard and Tualatin. This high level of travel demands may influence the type and location of potential development along the SW Roy Rogers Road corridor, specifically making it more attractive for retail and mixed-use development.

BROOKMAN ROAD

The SW Brookman Road extension ultimately will define a new southern edge of Sherwood. When properties in the Brookman Addition area annex to the City, SW Brookman Road will be upgraded to a full urban arterial facility and its current intersection with Highway 99W will be upgraded to comply with Washington County and ODOT standards for driving, bicycling, and walking. The recent update to the Brookman Addition Concept Plan recommended an interim 3-lane arterial cross-section on Brookman Road until such a time as a 5-lane section is required. The scope and character of the 99W crossing is still under discussion, and the City has stated a desire to explore

an overcrossing roadway rather than at-grade intersection to provide a more convenient and safer route east-west. The SW Brookman Road extension west of Highway 99W (via SW Chapman Road) will also serve as the southern edge of the greater Sherwood West planning area and provides important connections to planned north-south routes that lead up to SW Krueger Road. Ultimately, the timing of the Brookman Road upgrade is tied to land use actions to bring this area into the City of Sherwood. At this time, the County has not programmed funding for these improvements.

HIGHWAY 99W

This state facility is a primary north-south regional highway serving Sherwood. The high speeds, crossing width, and limited crossing opportunities make it a significant barrier for intra-city travel within Sherwood, especially for walking and bicycling travelers. At the time the new high school campus was considered by the City in 2017, a potential solution was identified that would provide a new highway overcrossing for walking and bicycling near the southern end of the campus. Initial feasibility studies have been done to provide a non-motor vehicle crossing just north of SW Sunset Boulevard that extends over Highway 99W to the far side of SW Elwert Road. This connection should be considered as part of the Sherwood West planning process.

ELWERT ROAD

SW Elwert Road is a direct north-south route between SW Scholls-Sherwood Road and SW Krueger Road. It spans a significant portion of the Sherwood West Planning area and is a common alternative route to Highway 99W for local and diverted regional travel. It will be important to strike a balance between local connectivity and regional travel needs when developing the ultimate design of this facility as it is upgraded to urban standards. Several aspects of this route that should be considered include:

- **Intersection with SW Scholls-Sherwood Road** – This intersection will likely need upgraded traffic controls and a more defined intersection area as the adjoining farmlands are developed.
- **Intersection with Elwert Road at Edy Road** – This intersection is adjacent to Chicken Creek and significant environmentally constrained lands. The prior plan recommended a double roundabout solution to minimize environmental impacts and to discourage attractiveness of regional through traffic.
- **Intersection with Elwert Road at Kruger Road** – This intersection was recently improved to a larger roundabout and road re-alignments as part of the high school campus project to address chronic congestion and safety concerns. As the remaining lands to the south are planned for development, the adequacy of this improvement will be re-evaluated.
- **Parallel routes to Elwert Road** – As the preliminary concept plan is revised, the consultant team will seek out opportunities for parallel routes further to the west that can provide local travelers with more north-south options, particularly for access to the high school campus area.

MULTIMODAL TRAVEL OPTIONS

A key component of the transportation network for Sherwood West will be to incorporate safe and convenient walking and bicycling facilities into the higher classification street facilities. All of the local arterial and collector

class streets will have these elements added to the cross-sections for planned improvements. In addition, the natural areas and varied terrain offer opportunities for a separate trail system to promote non-motorized travel away from the roadway network. Transit does not currently serve the immediate Sherwood West area. The closest TriMet service is Route 94 which connects to Portland along Highway 99W. The nearest stop is over a mile away. The concept plan should explore how to make the area "transit-ready" with transit-supportive land use and sufficient connectivity of the street system. In addition, consideration should be given to micromobility solutions like scooters and bike-sharing to help address first/last mile challenges.

APPENDIX I

Plan Concepts

- Livable and Connected Streets
- Elwert Road Design Concept
- Active Transportation
- Great Neighborhoods
- Mixed Employment Areas
- Chicken Creek Greenway

These Plan Concepts were developed early in the development of the Sherwood West Concept Plan. Ideas from these Plan Concepts were refined and revised for the final Concept Plan.

DRAFT PLAN CONCEPTS

LIVABLE & CONNECTED STREETS

SHERWOOD WEST CONCEPT PLAN

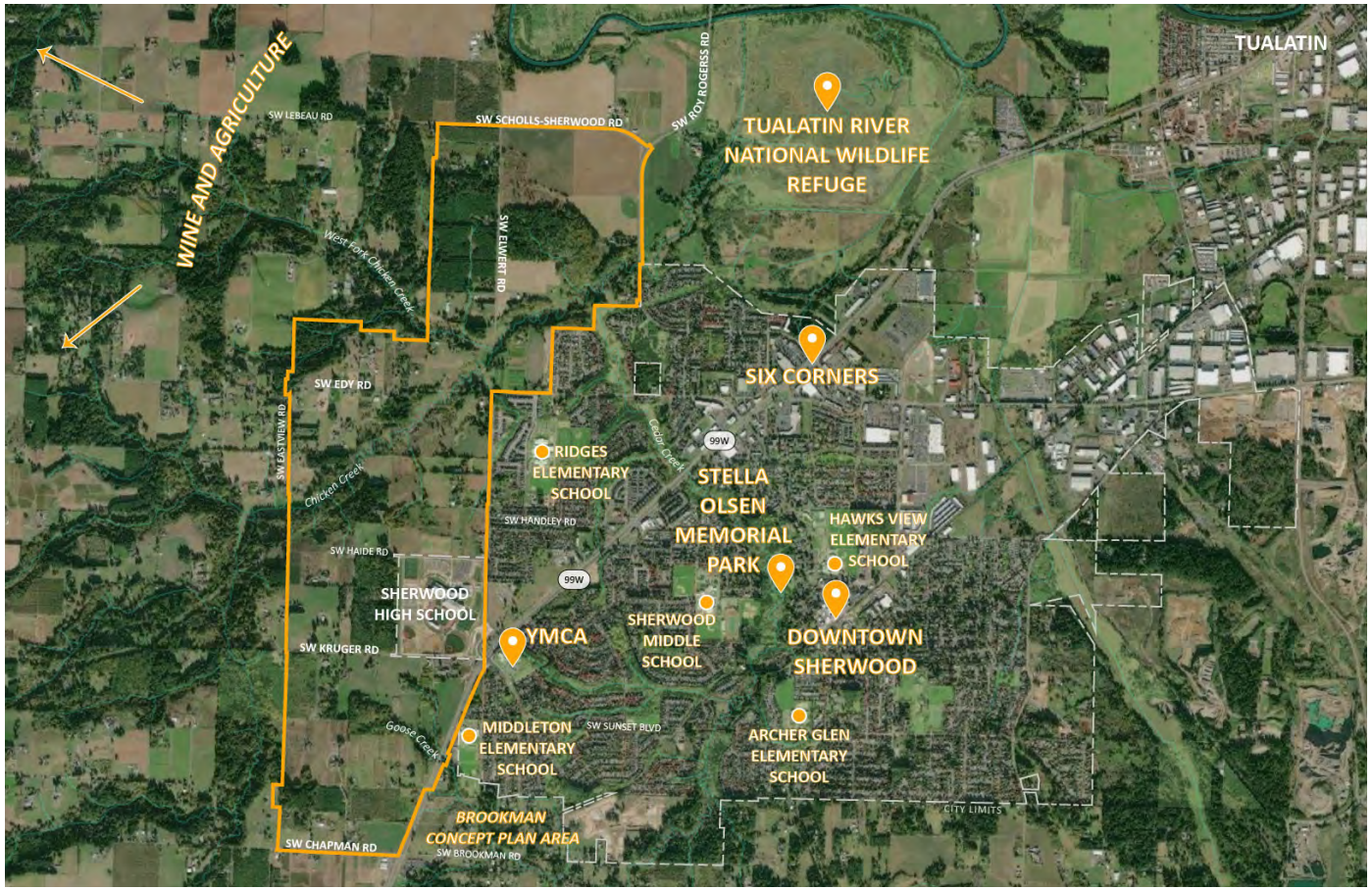
The Sherwood West area is adjacent to and a part of Sherwood's network of streets that carry both local and regional traffic. As the City of Sherwood grows, a well-designed and connected network of streets in Sherwood West should focus on safety, knitting the existing and new growth together, creating livable and walkable neighborhoods, and mitigating impacts of regional through-traffic.

PRINCIPLES

- Design for safety
- Integrate with existing Sherwood
- Connect all areas of Sherwood West
- Streets are places for people of all ages and abilities
- Provide for all modes of travel

INTEGRATED STREET NETWORK

This map shows important local and regional destinations. It will be important to ensure that the future street network in Sherwood West is integrated with existing Sherwood, providing connections to these destinations.



A FRAMEWORK OF LIVABLE AND CONNECTED STREETS: 0PTION 1

This diagram shows a draft framework of streets for Sherwood West. This option implements the realignment of SW Elwert Rd and SW Edy Rd that was studied in the Preliminary Concept Plan. Street locations and alignments are conceptual and approximate. Additional local streets will be built between the framework streets, depending on land uses.

North of Chicken Creek, the street framework is designed to serve Mixed Employment land uses. There are continuous parallel routes to SW Elwert so that local trips can move freely and turning movements on SW Elwert Road are minimized.

The Elwert-Edy Road intersection is realigned as described in the Preliminary Concept Plan.

A neighborhood street connects from SW Handley to SW Haide and south to SW Chapman Road. This street connects multiple neighborhoods and the central and southern employment areas.

A north-south "hilltop" route provides additional north-south access and a second continuous north-south route for emergency access and other services.

All intersection types are to be determined through further study and coordination. The City is evaluating strategies and road alignments to minimize regional traffic through Sherwood neighborhoods. All improvements at Chicken Creek subject to potential State/Federal permitting.



The SW Chapman-SW Brookman Road intersection is an area for additional study of integration between Sherwood West and south Sherwood.

DRAFT 9/27/2021

0 0.25 0.5 Miles

A FRAMEWORK OF LIVABLE AND CONNECTED STREETS: 0PTION 2

This diagram shows a second option for the street framework in Sherwood West. In this option, the existing alignment of SW Elwert Rd and SW Edy Rd is retained, with the intersection rebuilt. Option 2 would require raising the intersection and road approaches approximately 10 to 20 feet in elevation in order to correct for topography, floodplain issues, and the existing unsafe sight-distance visibility. Street locations and alignments are conceptual and approximate. Additional local streets will be built between the framework streets, depending on land uses.

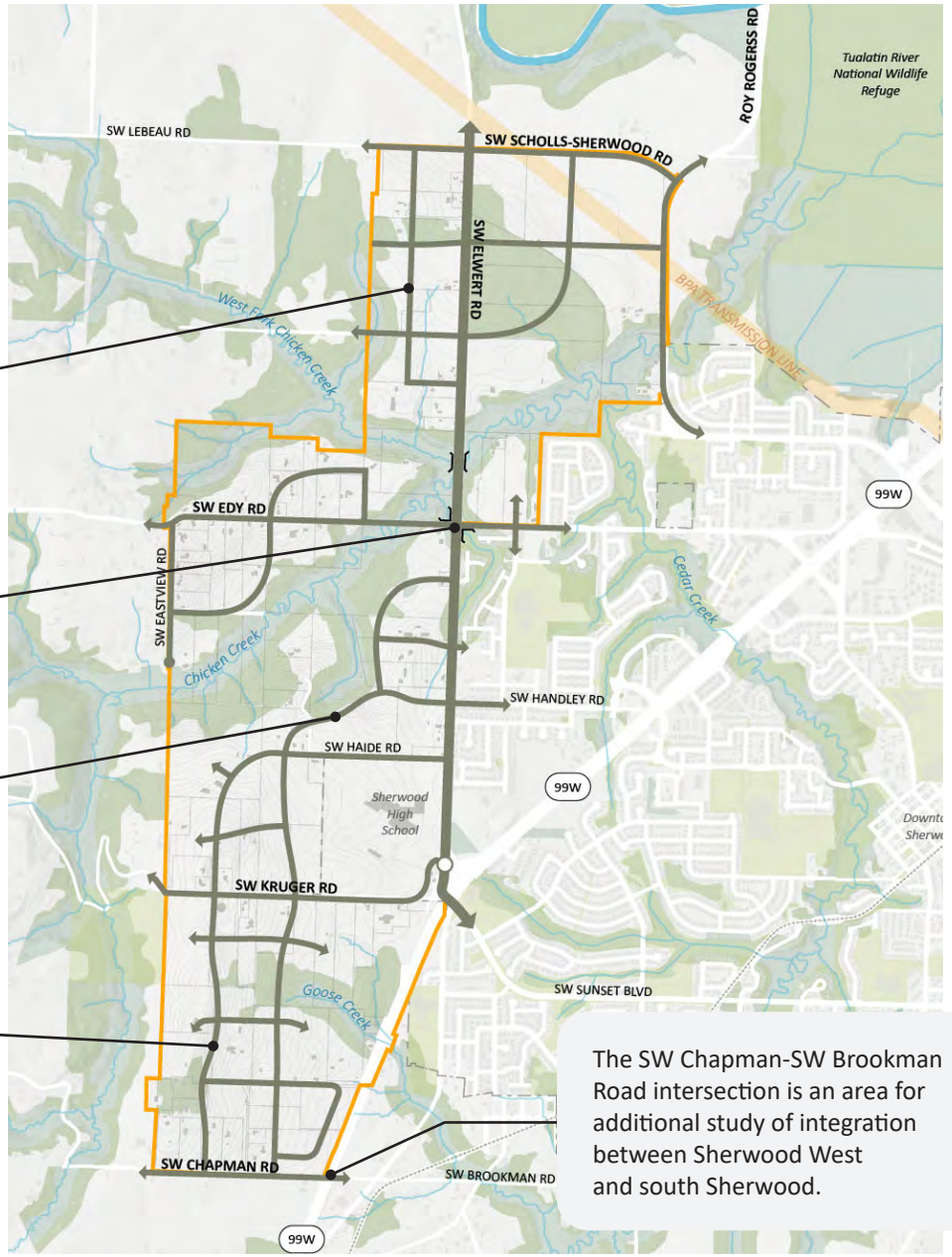
North of Chicken Creek, the street framework is designed to serve Mixed Employment land uses. There are continuous parallel routes to SW Elwert Road so that local trips can move freely and turning movements on SW Elwert Road are minimized.

The existing Elwert-Edy Road intersection is retained and significantly rebuilt.

A neighborhood street connects from SW Handley to SW Haide and south to SW Chapman Road. This street connects multiple neighborhoods and the central and southern employment areas.

A north-south "hilltop" route provides additional north-south access and a second continuous north-south route for emergency access and other services.

All intersection types are to be determined through further study and coordination. The City is evaluating strategies and road alignments to minimize regional traffic through Sherwood neighborhoods. All improvements at Chicken Creek subject to potential State/Federal permitting.



DRAFT 9/27/2021

DRAFT PLAN CONCEPTS

SW ELWERT ROAD DESIGN CONCEPT

SHERWOOD WEST CONCEPT PLAN

SW Elwert Road is an important opportunity for Sherwood West. A County-designated arterial street (south of SW Edy Road), it carries about 9,000 average daily trips today and is forecast to carry 14,000 average daily trips in 2035. How can it be designed to be a livable and positive addition to the growth of Sherwood West and the adjacent neighborhoods on its east side? This document provides ideas to achieve that goal.

PRINCIPLES

- Connect west and east
- Tame the traffic
- Promote safe and comfortable walking and biking
- Create a green, landscaped corridor
- Provide for future transit
- Plan for safety

ELWERT ROAD TODAY



Distinctive landscape character



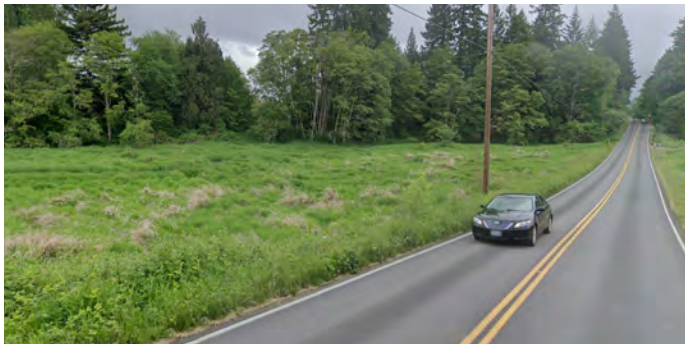
Opportunity to improve east-west integration, add sidewalks and bike lanes



SW Edy & SW Elwert intersection
(Significant improvements are needed)



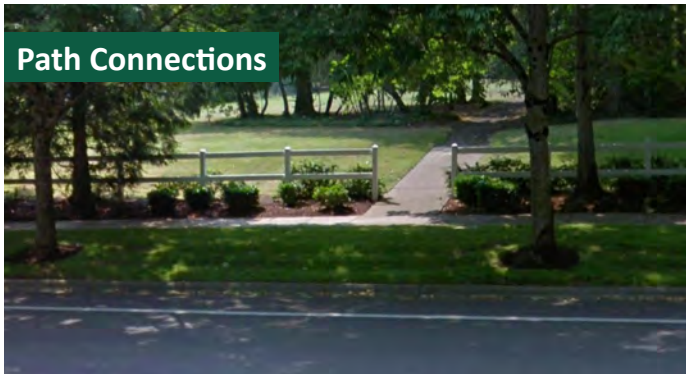
Southern Gateway to Sherwood West, High School provides likely destination for future transit

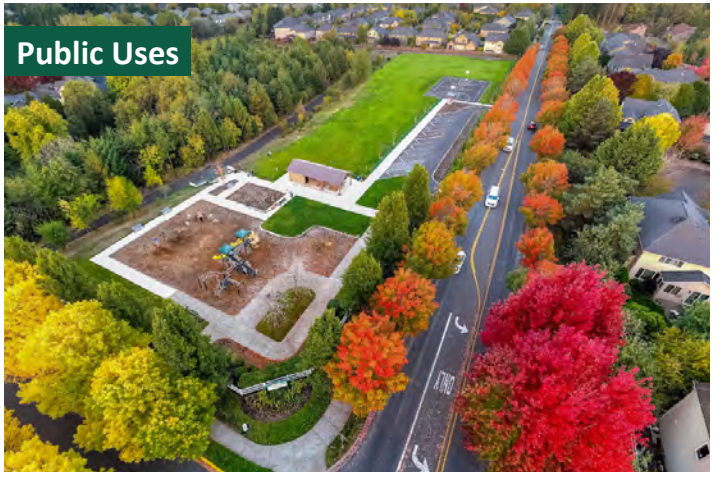


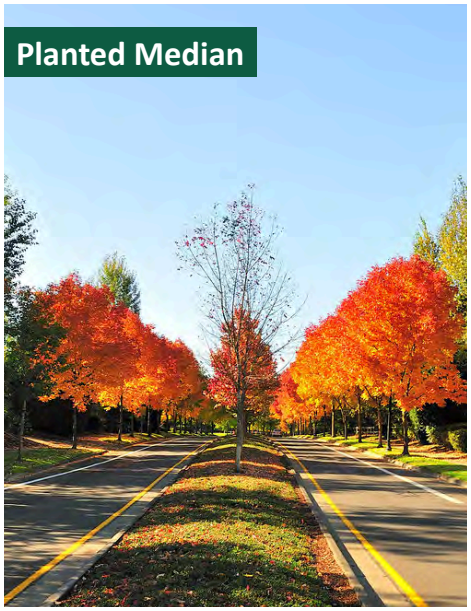
Potential Chicken Creek crossing viewed from SW Elwert

DESIGN IDEAS: LEARNING FROM SW SUNSET BOULEVARD













DESIGN IDEAS: A DISTINCTIVE, CONTEXT-SENSITIVE SW ELWERT ROAD











Employment Area Parkway

- Distinct street tree character
- Sherwood 'visual corridor' design
- Fewer curb cuts, continuous white fence
- Truck-turning considerations
- Large parcels with space for pathways linked to trails

Residential Boulevard

- Consistent street tree canopy, median
- Consistent white fence
- Safe crosswalks
- Protected bike lanes
- Access paths to residential areas
- Adjacent homes with side 'frontage'

Green Crossings

- Street tree choices informed by natural area proximity
- Narrower ROW to reduce footprint in ecologically-sensitive areas
- Trails and wildlife passage underneath
- Bridges as public view points, with art, educational signage

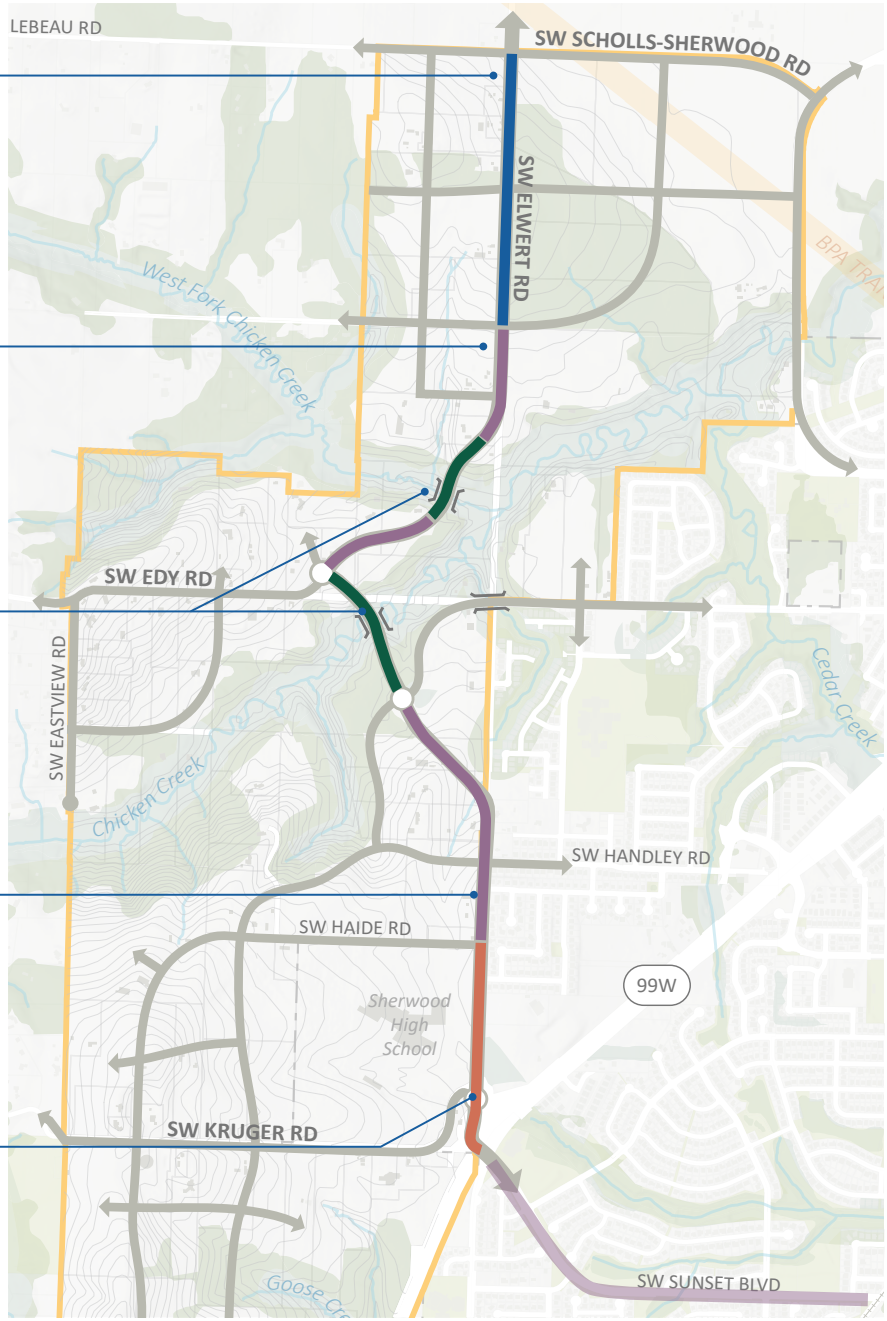
Residential Boulevard

See above, and...

- Between Haide and Handley, consider existing neighborhoods to east in design and ROW availability
- Continue multi-use path from High School
- Consider matching white fence on Sunset

High School Edge/Gateway

- Recently-rebuilt
- Generous multi-use path on west edge should extend north



SHERWOOD WEST
CONCEPT PLAN

DRAFT PLAN CONCEPTS

ACTIVE TRANSPORTATION

Trails, cycling routes, transit, "micromobility", and other ways of getting around without a car can be designed into Sherwood West. These active transportation facilities will help to meet the Sherwood 2040 Comprehensive Plan goal of **coordinated and connected infrastructure:**

> ***"In 2040, the city's transportation system is efficient, safe and provides transportation options. The town has an active and connected transportation network where residents enjoy walking and bicycle paths between neighborhoods, parks, schools, the Tualatin National Wildlife Refuge and Old Town."***

Sherwood West's streets will be an important part of providing active transportation options, along with off-street trails and the location of parks, schools, and community gathering spaces.

WHAT COULD ACTIVE TRANSPORTATION LOOK LIKE IN SHERWOOD WEST?

Within the Sherwood West area, trails that connect between local parks, green spaces, schools, neighborhoods and employment areas will help to encourage walking, rolling, and biking. There is an opportunity to pre-plan key connections between new growth in Sherwood West and existing areas of Sherwood. There is also an opportunity to ensure future transit can be as successful as possible.

Chicken Creek is an important natural feature in Sherwood West, and offers the opportunity to develop a greenway trail along the edge of multiple neighborhoods and employment areas. The Chicken Creek Greenway could serve as the backbone for a robust trail network that connects Sherwood West to surrounding destinations such as Old Town (via the Cedar Creek trail), Sherwood High School, and the Tualatin River National Wildlife Refuge.







INTERCONNECTING FUTURE TRAILS - INITIAL CONCEPTS

This map shows initial ideas for trails in Sherwood West, ranging from larger regional trails to smaller community trails. Future trails in the Sherwood West area should prioritize connections to existing and planned trail networks. The land uses shown on the map are from the Preliminary Concept Plan – they will be revised and updated as part of this concept plan process. The local trails noted on this map are conceptual ideas for community feedback. A local trail network will be prepared in concert with the land use plan, following these concepts.

Parks, schools, employment areas, and other local destinations should be well connected by trails or wide sidwalks and bike lanes through neighborhoods in order to create a healthy and walkable environment for all ages.

Key connections to existing or planned trails should be prioritized, such as future connections to the Reedville Trail, the Tualatin River National Wildlife Refuge trails, Ice Age Tonquin Trail/Cedar Creek Trail, and the future Highway 99 pedestrian overcrossing.

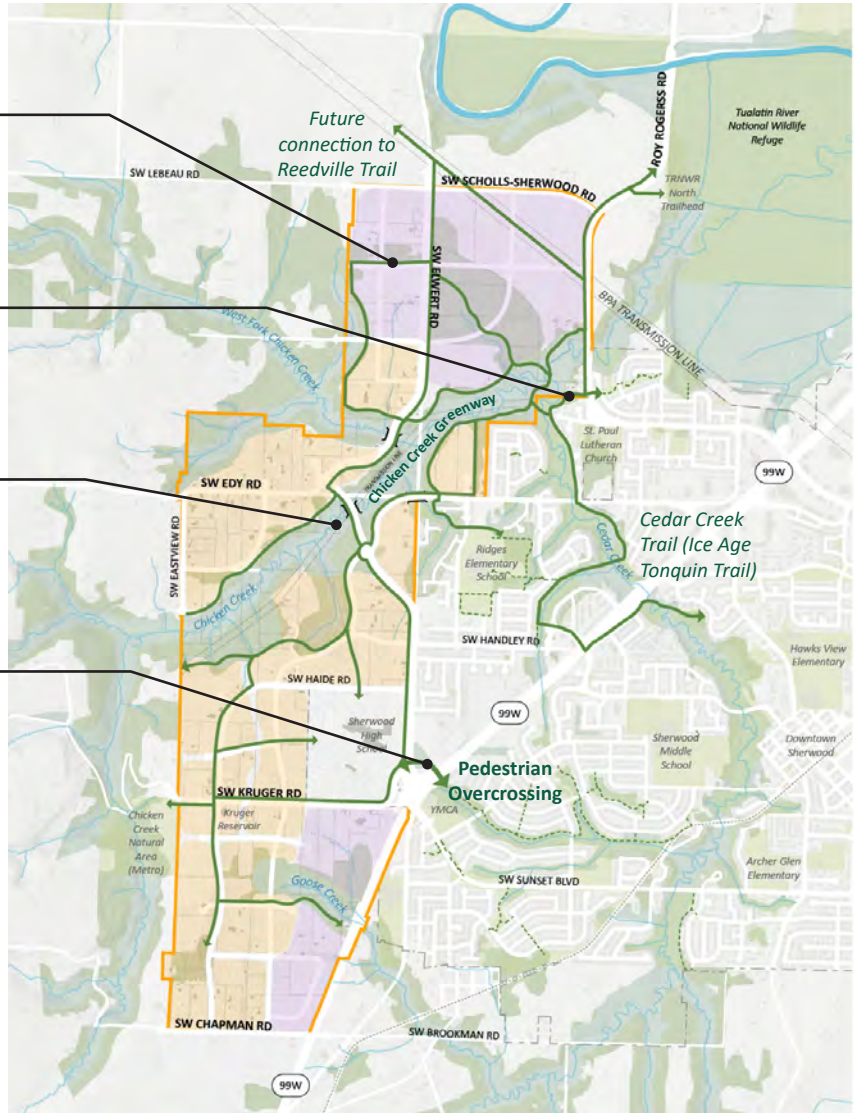
A new Chicken Creek Greenway could take advantage of the existing natural creek corridor to connect to the Cedar Creek Trail and other regional trail networks.

A new Highway 99 pedestrian overcrossing is planned in the vicinity of the new Sherwood High School. The new overcrossing will address the major barrier that the highway presents for pedestrians today. It would also help connect the high school, the YMCA, and the greater Sherwood West area with existing trails and destinations on the east side of the highway.





Local trails can connect to schools, parks, employment areas and other destinations, with viewpoints along the way.



FUTURE TRANSIT, MICROMOBILITY, AND THE "FIRST AND LAST MILE"

Trimet does not currently provide transit service to the Sherwood West area, but it is directly adjacent to Trimet's current service boundary. The closest bus stops are about a mile away in Old Town (served by lines 93 and 94). Sherwood West's opportunity is to be "transit-ready" by planning land uses, key streets, and trails to accommodate and support future transit service. The diagram at right shows potential future transit routes in orange as conceptually noted in the City of Sherwood Transportation System Plan (TSP).

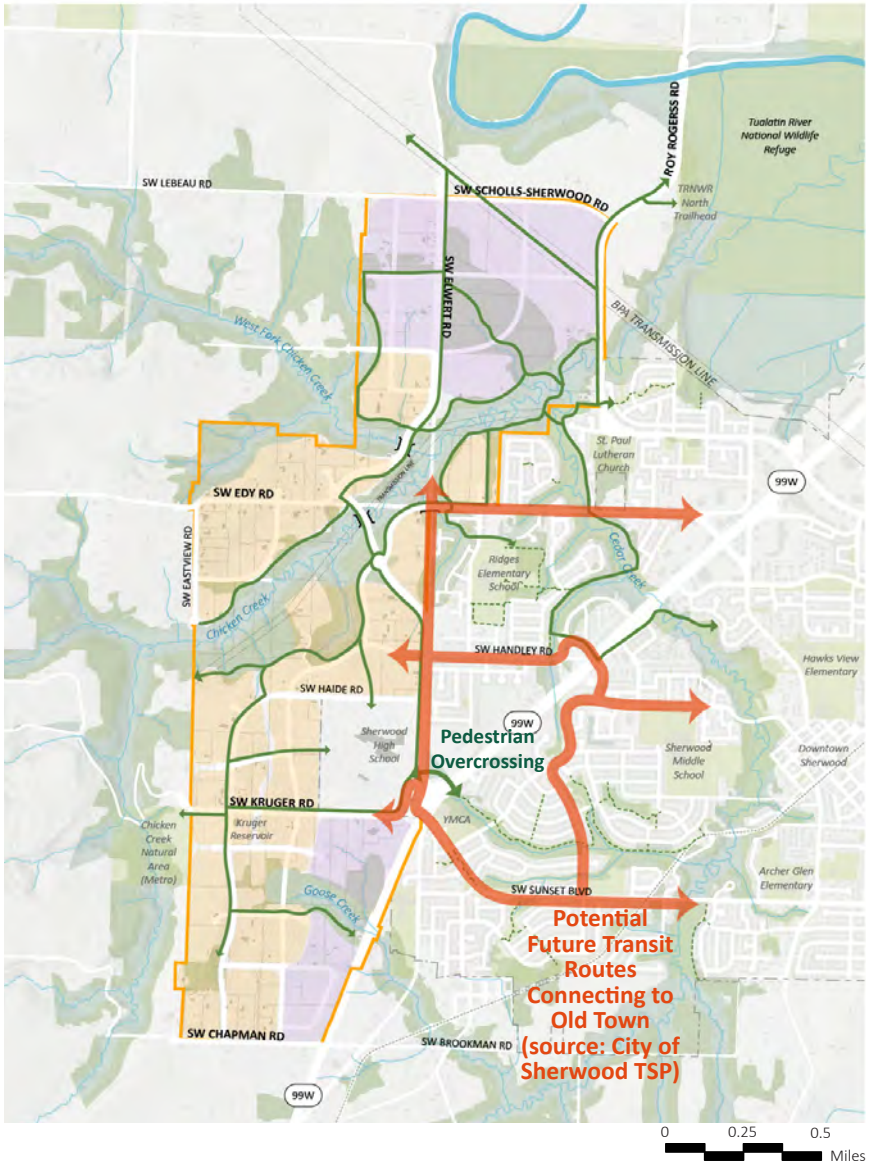
In addition, the inclusion of "micromobility" services, like bike-sharing and scooters, can help people to get around more easily without a car. Micromobility stations could be included at schools, employment and commercial areas, and near existing transit stops to help fill gaps in transit access (the "first and last mile" of a trip) and to provide options for getting to and from school, work, and leisure activities.











SHERWOOD WEST
CONCEPT PLAN

DRAFT PLAN CONCEPTS

GREAT NEIGHBORHOODS

What will make great neighborhoods in Sherwood West? The vision statement provides guidance in its citation of "families… well-connected streets… walkable… variety of well-designed housing… natural extension of Sherwood's neighborhoods… natural landscape… network of natural areas, parks, and trails." This document provides ideas for how those visions can be turned into reality. It focuses on neighborhood form and key issues for the Concept Plan. Using this guidance, the next step will be to identify land use alternatives.

PRINCIPLES

- Plan for walkability
- Provide a variety of housing opportunities
- Integrate new and existing neighborhoods
- Plan parks and schools as destinations
- Provide adequate parking
- Connect greenspaces into a network
- Integrate nature into neighborhoods











WALKABLE NEIGHBORHOODS: SHAPED BY THE LAND

This diagram is a study of "walkable" areas within Sherwood West. The colored areas show a combination of factors that influence walkability: ¼ to ½ mile of distance (a 5-10 minute walk); natural features such as Chicken Creek; slopes; and existing development. These subareas within are useful for identifying areas of cohesive character and where various land uses might be located and connected. The edges of some areas are clear and very intuitive. The edges of other areas are approximate.

West Elwert: Potential addition to the northern Mixed Employment area

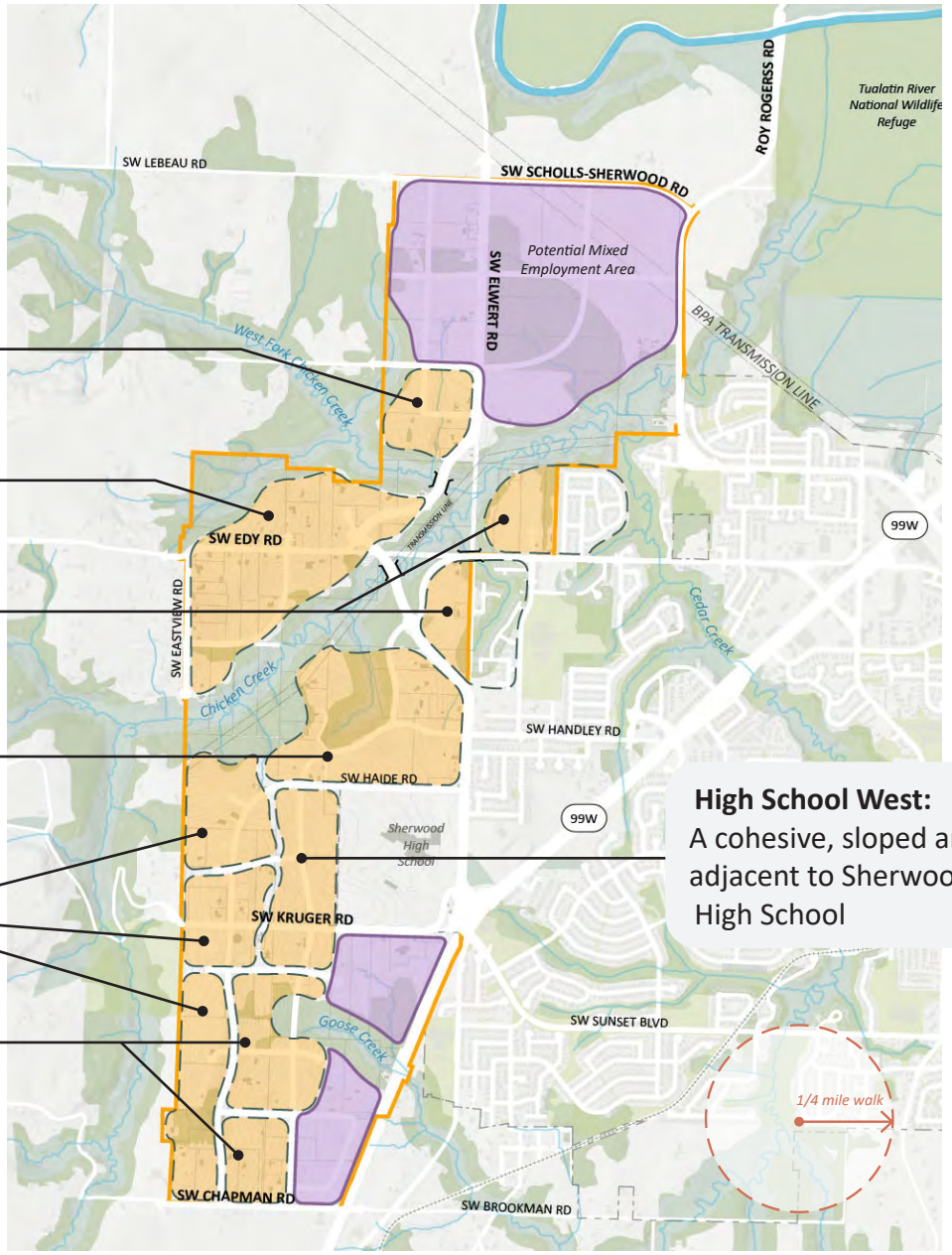
West Edy: A cohesive area from Chicken Creek to the Eastview Road ridgeline

Edy South and East: Close proximity to existing neighborhoods and Ridges Elementary School

Haide North: A fairly large "flat" area with an easy walk from center to edge and some slopes toward Chicken Creek

Hilltop and Ridgeline: Sherwood West's view properties; includes areas facing west

Goose Creek and East Slope: Hillside areas that face east and close to Mixed Employment areas



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CONNECTED PARKS, SCHOOLS, AND GREENSPACES

This diagram is a study of how neighborhood and community parks might be part of a network of connected greenspaces and community connections. The number and locations of potential parks is preliminary and intended to show ideas, not recommendations.









Community Parks provide opportunities for active recreation and organized play in a location that can accommodate increased traffic and demand, while also serving as a neighborhood park for nearby residents.

Minimum size: 10 acres

Neighborhood Parks provide close-to-home recreation opportunities for nearby residents, who typically live within walking and bicycling distance (.5 miles) of the park in a residential setting.

Minimum size: 1.5 acres

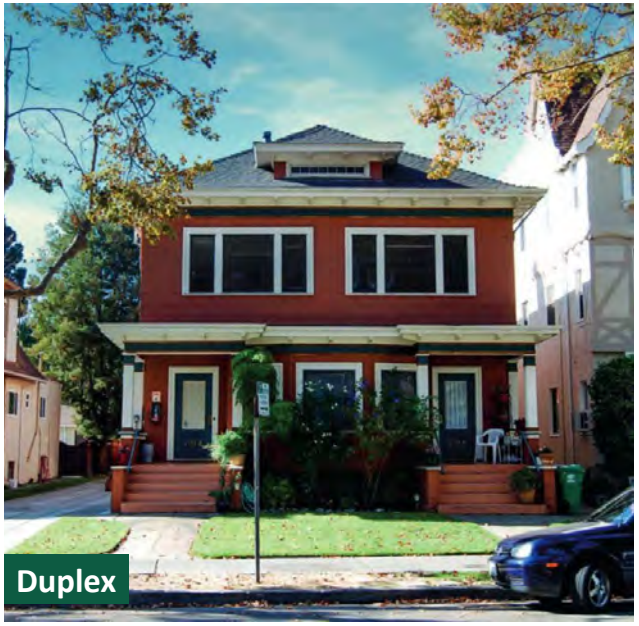


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HOUSING TYPES

Sherwood West's zoning will allow for a wide range of housing types, guided by Sherwood's design guidelines and standards. Here are some examples of the potential housing types.


Accessory Dwelling Unit (ADU)


Duplex


Townhouse


Standard Single-Family Detached


Cottage Cluster


Small Single-Family Detached

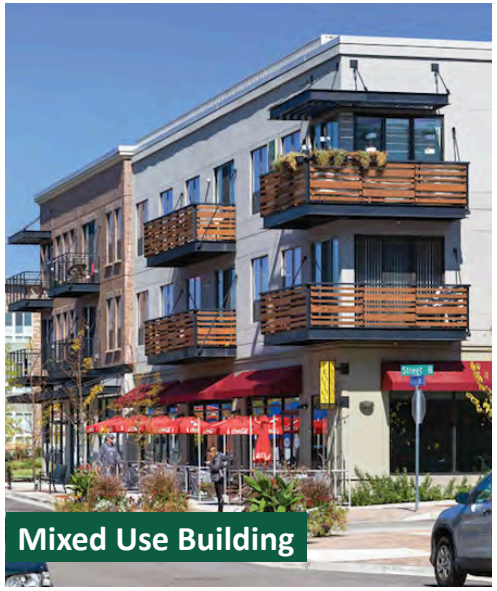

Triplex


Fourplex


Apartments



Live-Work Unit


Mixed Use Building


Courtyard Apartment

SHERWOOD WEST CONCEPT PLAN

DRAFT PLAN CONCEPTS

MIXED EMPLOYMENT AREAS

Sherwood wants and needs more jobs. Expanding existing businesses and attracting new employment to Sherwood—particularly the right kind of jobs in the right places—will: provide opportunities for industrial and commercial development with higher wage jobs; help diversify and balance the City's tax base; and build a self-sustaining and vibrant local economy.

A **thriving and diversified economy** is one of the six core areas of the Sherwood 2040 Comprehensive Plan. Over the past few years, the City has engaged hundreds of community members in conversations about what makes Sherwood special, and what Sherwood will look like in the future. Their voices helped to craft the following vision statement:

> ***"In 2040, the Sherwood economy has grown to include a variety of businesses big and small that offer stable employment opportunities, higher-wage jobs, and expand the tax base to protect and maintain Sherwood's quality of life. Sherwood provides great destinations and experiences for both residents and visitors."***

WHAT IS MIXED EMPLOYMENT?

Mixed Employment is where there is a mix of office, light industrial, and flex space[1] uses in the same development or area of the city. This type of development typically requires large sites (at least 40-50 acres), flat topography, and larger ownerships.









1 Flex space is generally defined as a building that provides for a combination of uses, typically including a mix of warehouse, light industrial, office, and/or retail space.

MIXED EMPLOYMENT: A RECIPE FOR SUCCESS

As part of the Sherwood West Concept Plan process, the project team studied regional development trends; evaluated Sherwood West's unique assets and constraints; and provided insights on the economic future of Sherwood West as a part of a growing Sherwood. The following components will be essential to the success of mixed employment in Sherwood West:

A MIX OF EMPLOYMENT USES

Candidate industries and employment uses for Sherwood West include:

- Multi-tenant flex space as part of a larger industrial or business park
- Tech clusters and tech parks
- Office space for tech, medical, and service-oriented industries
- Major healthcare facilities
- Wine-related uses such as storage, distribution, production, and warehousing
- Light industrial or light manufacturing

SITING REQUIREMENTS

There is a limited regional supply of high-quality buildable employment land. Ideal sites for this type of development will be:

- At least 40-50 acres for employment-park-style development; larger campus-style developments may require more than 100 acres
- Contiguous flat areas with less than 3-5% slopes
- Single ownerships are preferred to avoid delays associated with assembling land with multiple property owners

TRANSPORTATION ACCESS

Transportation considerations for Sherwood West include:

- Many employment uses—including warehousing, distribution, and major healthcare facilities—will require quick and easy access to Highway 99W
- Retail and commercial will require locations with higher visibility from major transportation routes
- Large employers tend to require robust auto, transit, bicycle, and pedestrian transportation infrastructure for their employees













MIXED EMPLOYMENT IN SHERWOOD WEST: AREAS FOR FUTURE STUDY

These following generalized areas have characteristics that meet the basic requirements for successful mixed use development. They are intended for future study and refinement as part of the concept planning process.

Approximate Acres: 285

Characteristics: large area, mostly flat, large parcels, good transportation access to Roy Rogers

Opportunities: large employment or business park; multi-tenant flex space; tech park

Approximate Acres: 6

Characteristics: high visibility along Highway 99, mostly flat, proximity to High School and existing

Opportunities: mixed-use node with retail

Approximate Acres: 55

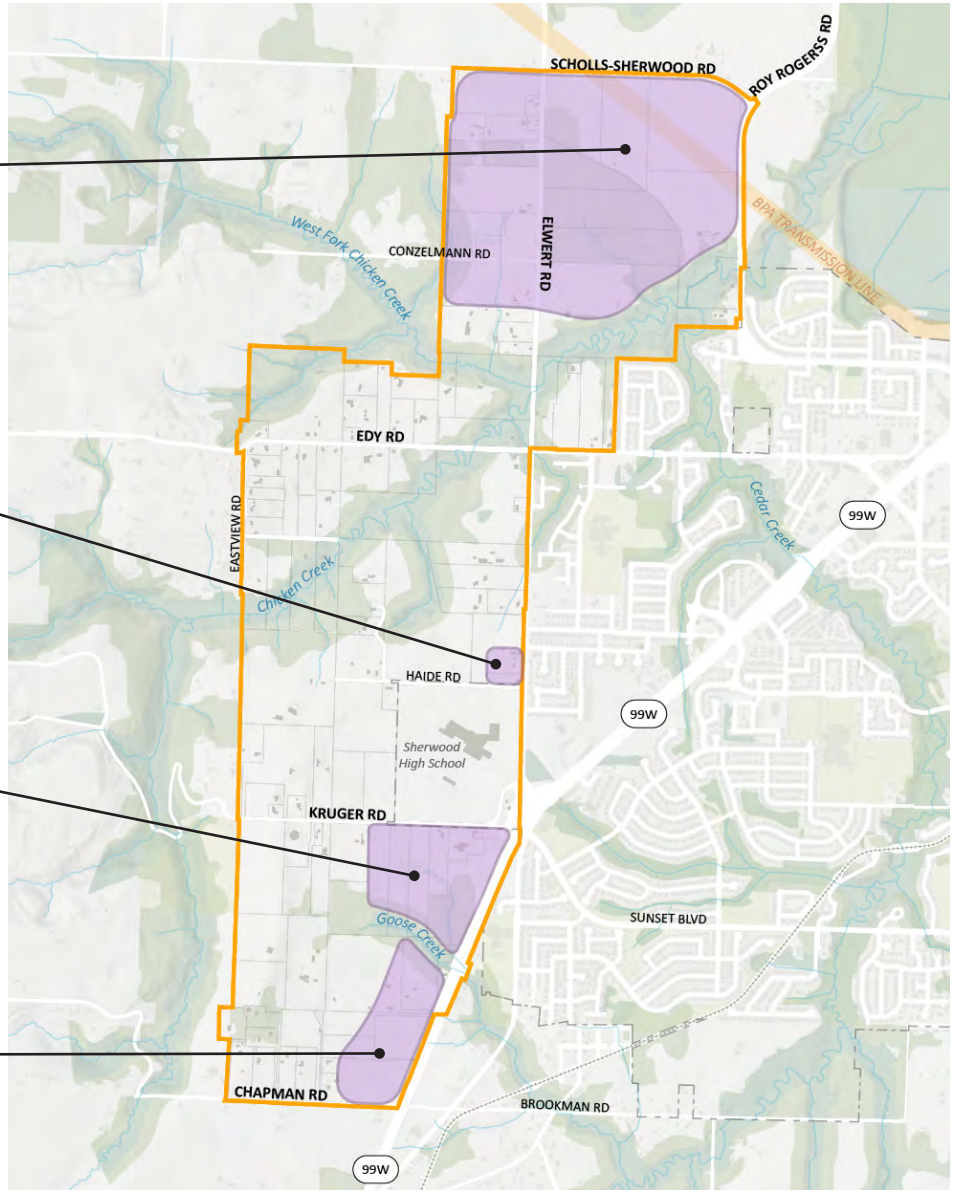
Characteristics: high visibility, good transportation access to Highway 99 at Kruger, some slopes and natural resource areas

Opportunities: multi-tenant flex space; healthcare or clinic; some retail or commercial; light industrial or manufacturing

Approximate Acres: 43

Characteristics: high visibility, good transportation access to Highway 99 at Chapman, mostly flat

Opportunities: multi-tenant flex space; possible warehousing or distribution, particularly for wine-related uses



SHERWOOD WEST
CONCEPT PLAN

DRAFT PLAN CONCEPTS

CHICKEN CREEK GREENWAY

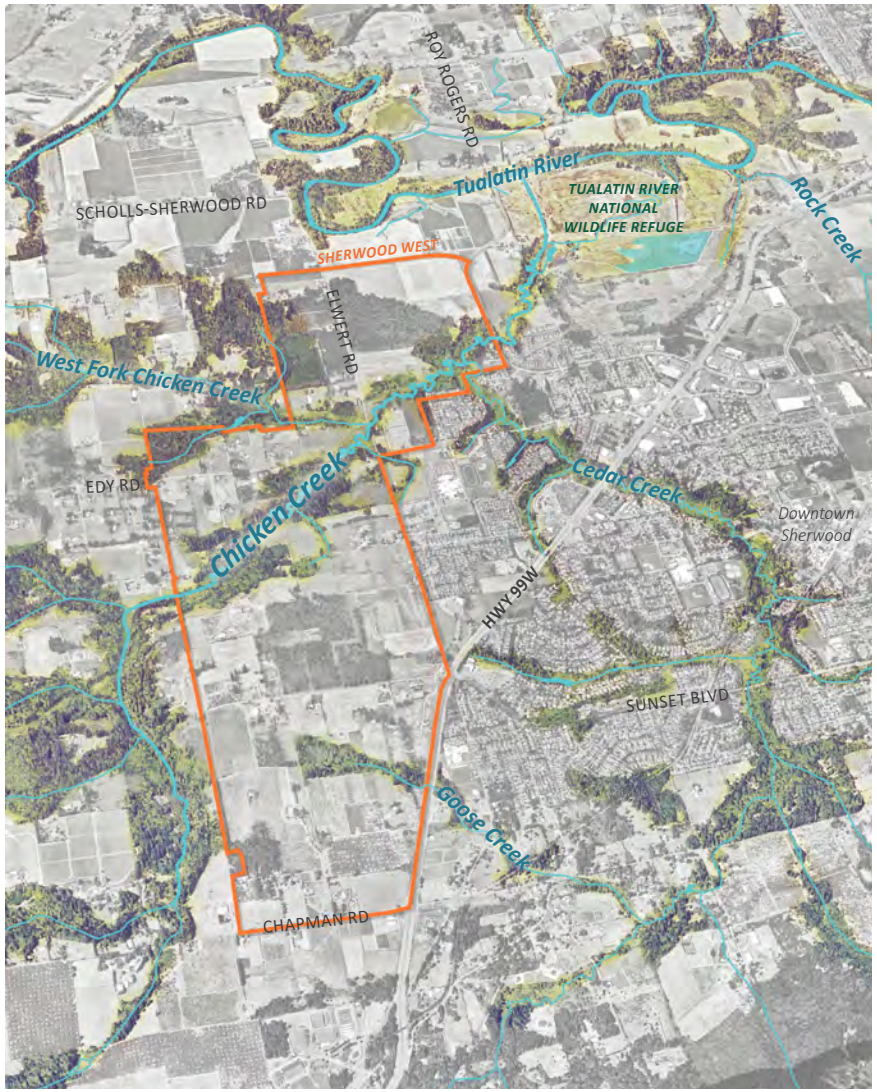
A vital component of Sherwood's livability is its access to nature and open spaces. Sherwood's landscape is defined by the creek corridors that flow through the city and drain to the Tualatin River at the Tualatin River National Wildlife Refuge.

In Sherwood West, Chicken Creek forms a natural greenway through the area, flowing southwest to northeast and eventually draining into the Tualatin River. The Cedar Creek greenway, which passes through Sherwood just west of downtown, feeds into Chicken Creek in the northeast part of the study area. Several smaller channels—Goose Creek and West Fork Chicken Creek—also feed into Chicken Creek in the southeast and central portions of Sherwood West, respectively.

The Sherwood West Concept Plan offers an opportunity to preserve and enhance these natural corridors, provide wildlife crossings, incorporate stormwater management practices, and provide access to nature through a network of connected walking trails.

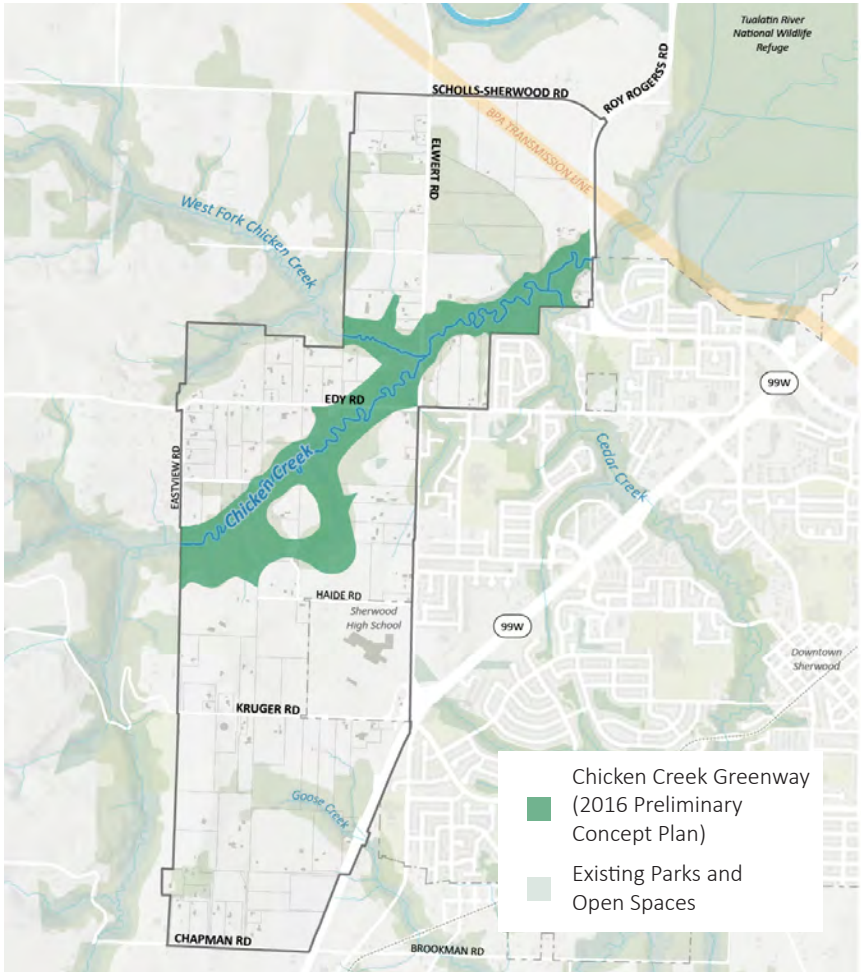


Fanno Creek / Photo Credit: Tree for All



CHICKEN CREEK GREENWAY

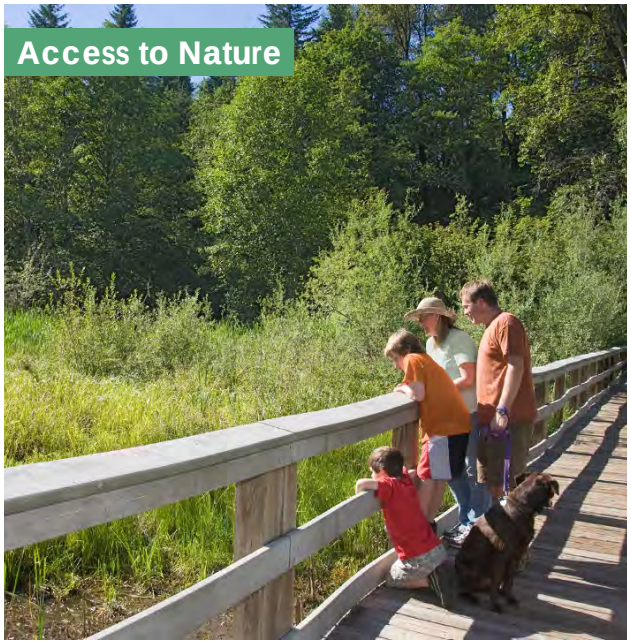
The 2016 Preliminary Concept Plan identified the Chicken Creek corridor as a key green space element of the plan. This concept planning process offers the opportunity to refine the 2016 vision for this area as the **Chicken Creek Greenway**. A greenway is a collection of natural areas, parks, and trails connected by a linear green corridor, often surrounding a creek. The Chicken Creek Greenway will incorporate the creek corridor as well as the surrounding riparian and upland habitat areas shown below. The Chicken Creek Greenway would be one part of Sherwood West's greenspaces. Other examples of greenspaces include: tree and tree canopy protected by Sherwood's code; West Fork Chicken Creek, Goose Creek, Cedar Creek, and their habitat areas; stormwater facilities; neighborhood parks, community parks, and school fields; and trail corridors. Neighborhood and community parks are addressed as part of the Great Neighborhoods plan concept.



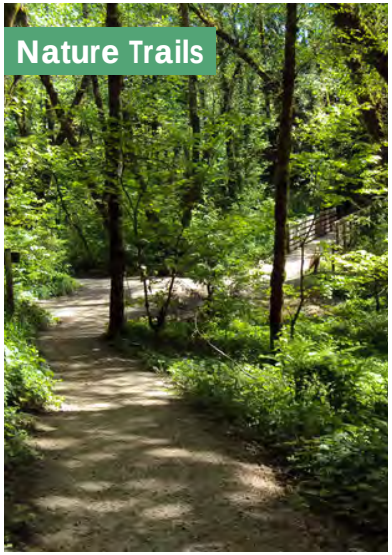


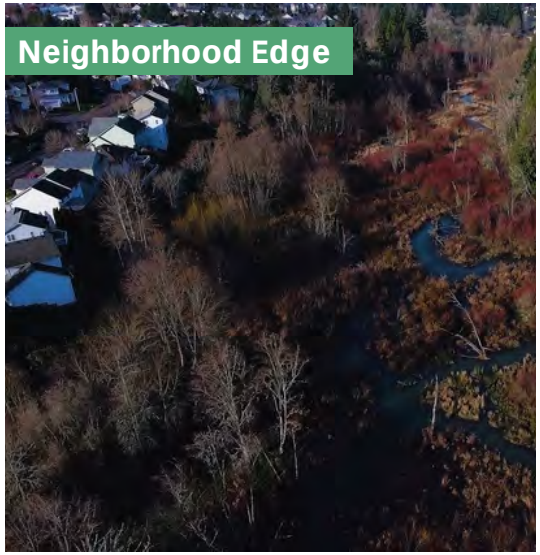
ELEMENTS OF A GREENWAY



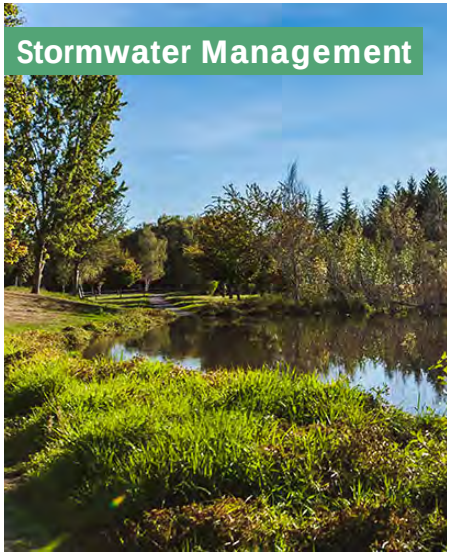












GREENWAY PRECEDENTS



Location: Beaverton, OR

Amenities: paved trails, creek boardwalk, habitat restoration site, Moshofsky Woods Natural Area, regional trail connections



Location: Bethany, Washington County, OR

Amenities: paved trail, creek boardwalk, regional trail connections, wildlife habitat and viewing opportunities





Location: Beaverton, OR

Amenities: paved trails, benches, parking, wetlands, wildlife habitat and viewing opportunities, regional trail connections

APPENDIX J

Alternatives Evaluation Memo

ALTERNATIVES EVALUATION

TO: Sherwood West Community Advisory Committee and Technical Advisory Committee
FROM: Sherwood West Concept Plan Project Team
DATE: November 10, 2022

Introduction

This memorandum compares the three Concept Plan alternatives using the project goals and evaluation criteria. It is one part of five evaluation methods for the Concept Plan alternatives:

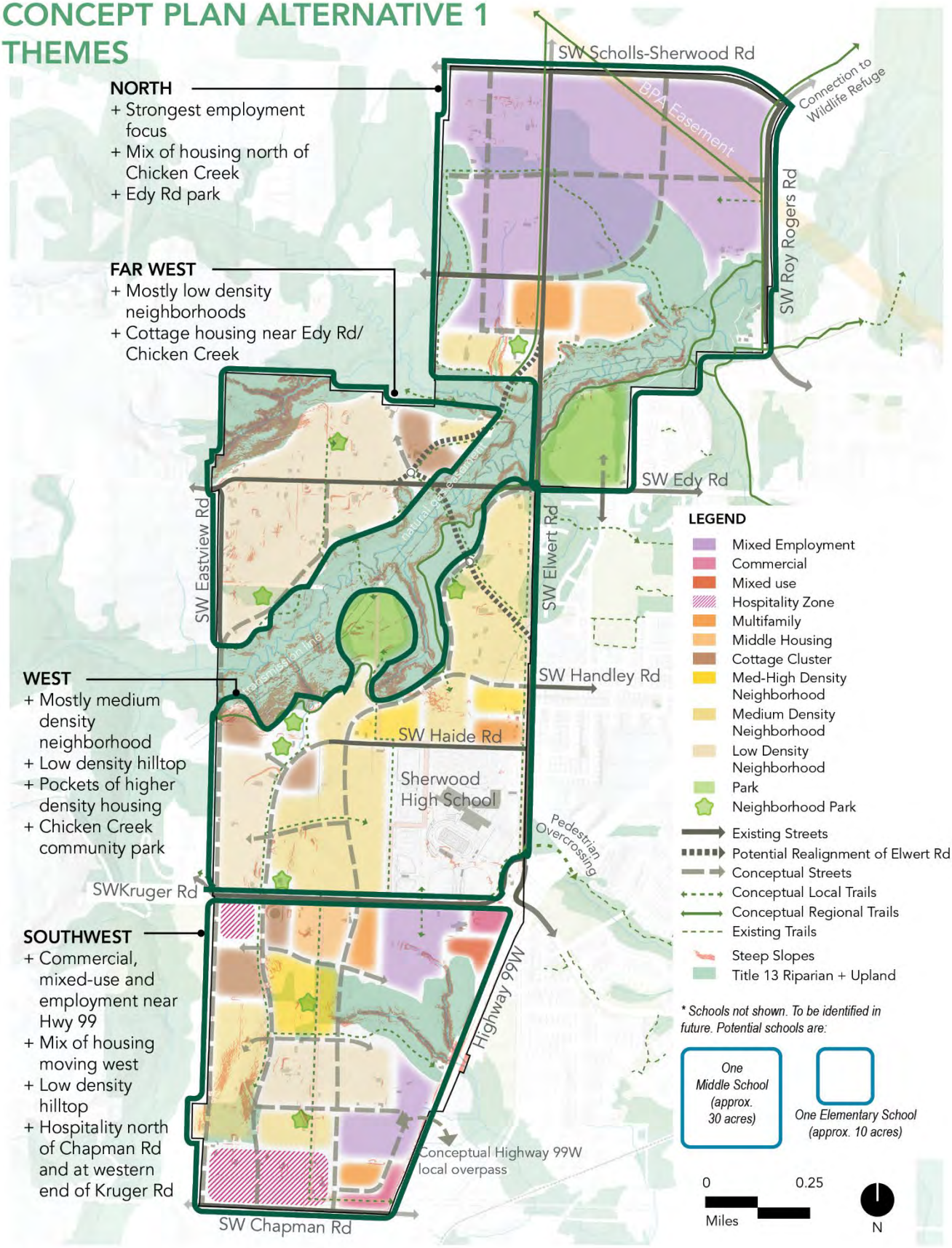
- Alternatives evaluation (this memo)
- Community feedback from Open House #2
- Community feedback from the online Open House #2
- Developer feedback from the Employment Opportunities tour and meeting
- Traffic impact analysis

Vision Statement

Sherwood West is a walkable community with a balanced mix of employment, residential, commercial, and greenspace land uses—it is a place where families can safely live, work, shop, and play. Sherwood West is home to a variety of businesses that offer stable, high-paying jobs and those employment opportunities have helped satisfy the City's need for an expanded tax base to protect and maintain Sherwood's great quality of life. Sherwood West is attractive to employers and residents because of its well-planned infrastructure, well-connected streets, walkable neighborhoods, and variety of well-designed housing choices. The area feels like a natural extension of Sherwood's existing neighborhoods, and it is integrated with other nearby urbanizing areas and regional destinations such as the Tualatin River National Wildlife Refuge. Sherwood West's natural landscape is anchored by the Chicken Creek Greenway, which protects the creek corridor and connects the area's neighborhoods through a network of natural areas, parks, and trails.

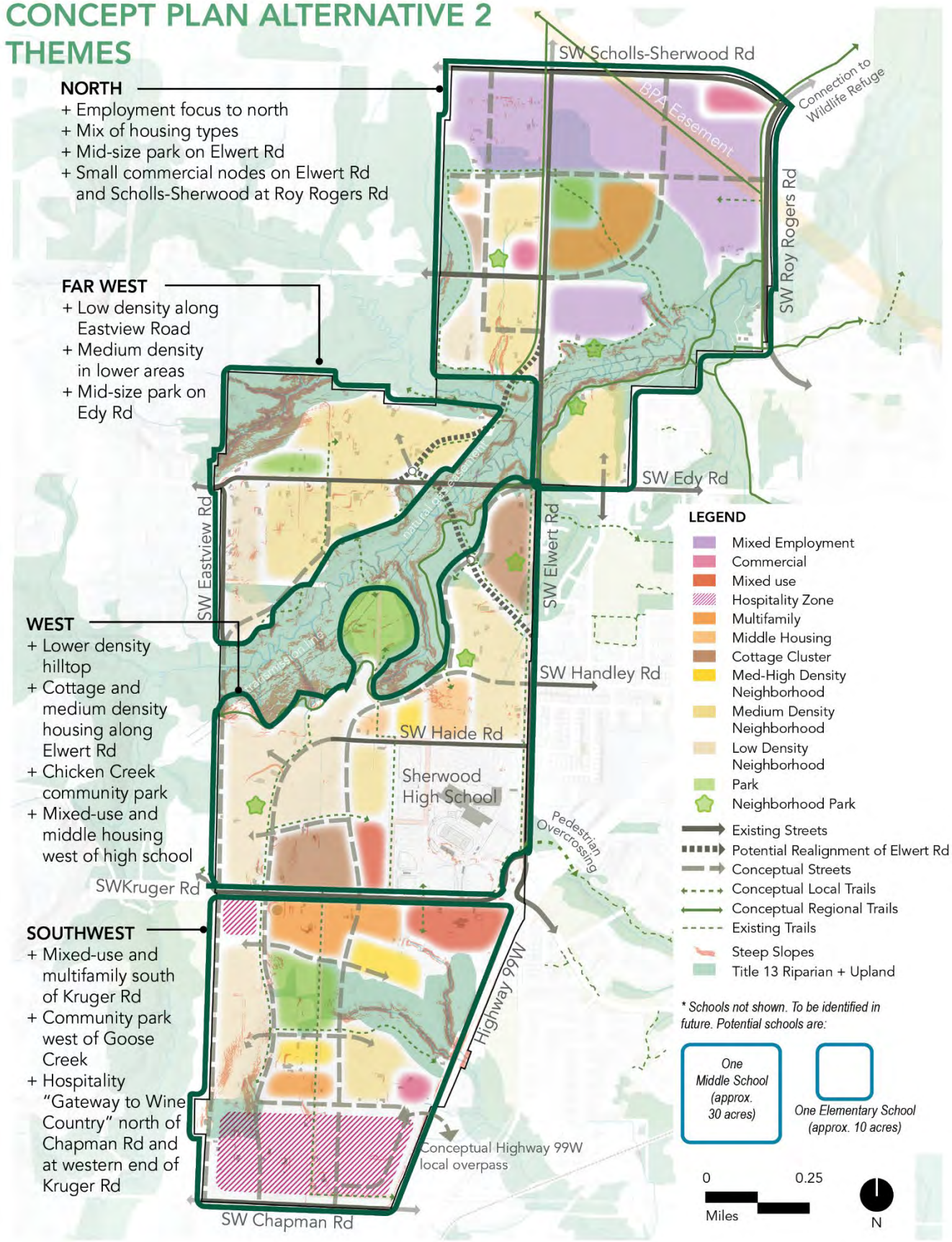
Concept Plan Alternatives (next pages)

CONCEPT PLAN ALTERNATIVE 1 THEMES



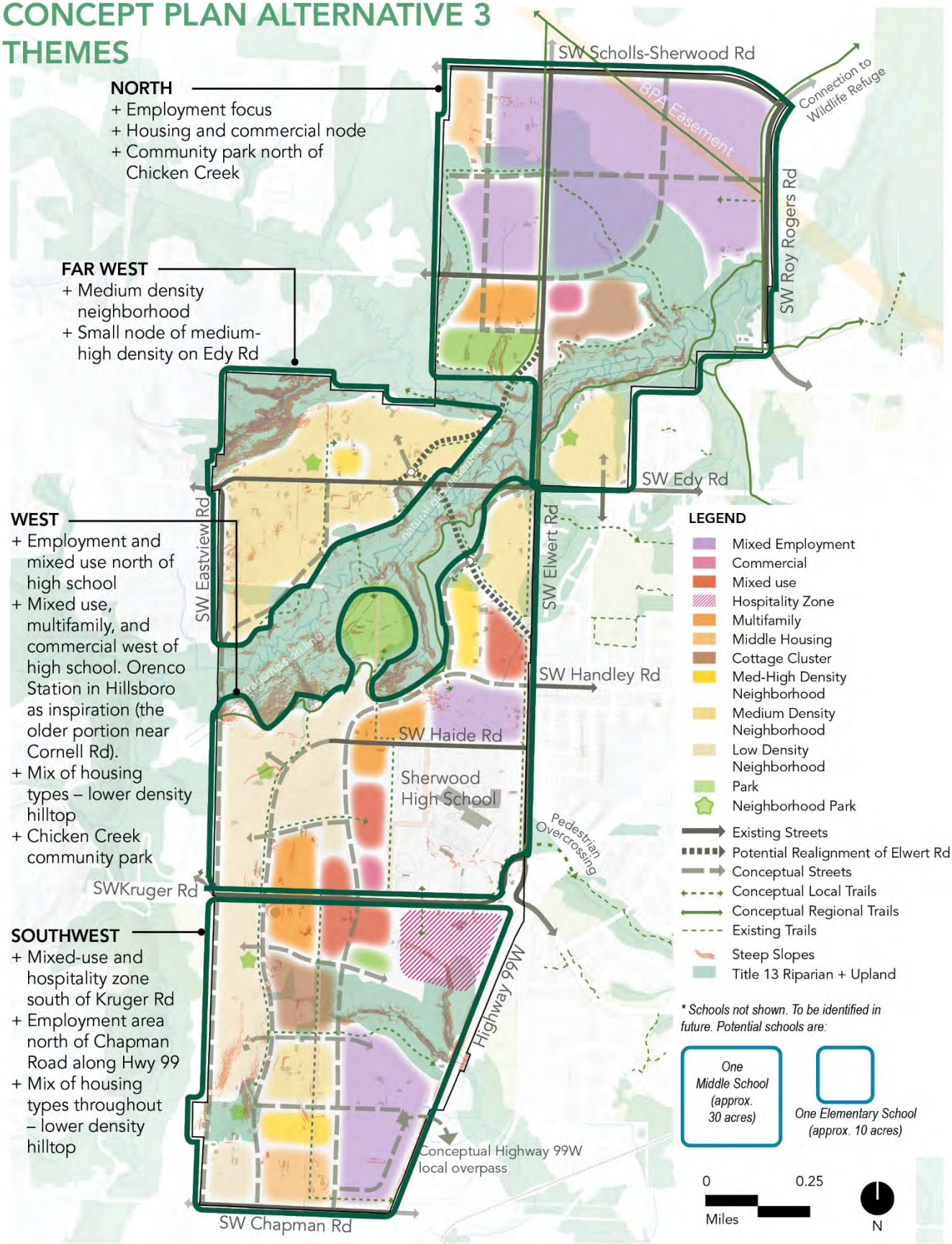
SHERWOOD WEST CONCEPT PLAN

CONCEPT PLAN ALTERNATIVE 2 THEMES



SHERWOOD WEST CONCEPT PLAN

CONCEPT PLAN ALTERNATIVE 3 THEMES



SHERWOOD WEST CONCEPT PLAN

Land Use Metrics

HOUSING ESTIMATES

The tables below present estimated housing units and densities based on the three land use alternatives. The acreages for each residential zone are based on acreage calculations from the maps. The assumptions regarding residential densities are consistent with previous housing metrics reviewed with the TAC/CAC, and are based on existing zone densities in the Sherwood Development Code. The tables present a range of potential housing unit outcomes, depending on how much middle housing is developed in the Neighborhood Zones (0-50%). *[NOTE: The "average density with open space" calculations assume an open space set-aside of 15%, integrated into development.]*

Alternative 1

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood Zones) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	24	*7%*	585	585	585	585
Middle Housing Zone	5.5 to 11	22	*6%*	245	245	245	245
Cottage Zone	12.8 to 16	26	*7%*	421	421	421	421
Med/High Density Nbhd	5.5 to 11	31	*9%*	338	380	423	552
Medium-Density Nbhd	5.6 to 8	134	*38%*	1,068	1,295	1,522	2,203
Low-Density Nbhd	3.5 to 5	115	*33%*	574	804	1,033	1,722
TOTAL		**352**	***100%***	**3,231**	**3,730**	**4,230**	**5,728**
Total Average Density				*9.2*	*10.6*	*12.0*	*16.3*
Total Average Density with Open Space				*7.8*	*9.0*	*10.2*	*13.8*

Alternative 2

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood Zones) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	44	*13%*	1,066	1,066	1,066	1,066
Middle Housing Zone	5.5 to 11	10	*3%*	113	113	113	113
Cottage Zone	12.8 to 16	33	*10%*	524	524	524	524
Med/High Density Nbhd	5.5 to 11	19	*6%*	214	241	268	350
Medium-Density Nbhd	5.6 to 8	107	*32%*	857	1,039	1,221	1,767
Low-Density Nbhd	3.5 to 5	123	*36%*	615	861	1,107	1,845
TOTAL		**337**	***100%***	**3,390**	**3,845**	**4,300**	**5,666**
Total Average Density				*10.1*	*11.4*	*12.8*	*16.8*
Total Average Density with Open Space				*8.5*	*9.7*	*10.8*	*14.3*

Alternative 3

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood Zones) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	32	*10%*	776	776	776	776
Middle Housing Zone	5.5 to 11	20	*6%*	217	217	217	217
Cottage Zone	12.8 to 16	32	*10%*	505	505	505	505
Med/High Density Nbhd	5.5 to 11	21	*6%*	235	241	268	350
Medium-Density Nbhd	5.6 to 8	114	*35%*	913	1,039	1,221	1,767
Low-Density Nbhd	3.5 to 5	110	*33%*	550	861	1,107	1,845
TOTAL		**329**	***100%***	**3,196**	**3,639**	**4,095**	**5,461**
Total Average Density				*9.7*	*11.1*	*12.4*	*16.6*
Total Average Density with Open Space				*8.3*	*9.4*	*10.6*	*14.1*

EMPLOYMENT ESTIMATES

The tables below present estimated employment potential in Sherwood West, and associated jobs-to-housing ratios, based on the three land use alternatives. As in previous employment metrics calculations, the jobs-per-acre estimates are sourced from the Metro 2014 Urban Growth Report and from the scenario planning software Urban Footprint. The jobs-housing ratios are based on three potential housing scenarios, depending on how much middle housing is developed in the Neighborhood Zones (0%, 10% or 50%).

Alternative 1

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	165	18	3,037	71%	66%
Commercial	10	36	366	9%	4%
Mixed Use	4	25	111	3%	2%
Hospitality	31	15	469	11%	12%
Schools	40	8	314	7%	16%
TOTAL	**251**		**4,297**	**100%**	**100%**

Alternative 1

	Middle Housing Scenario 0% MH	10% MH	50% MH
Total housing units	3,231	3,730	5,728
Total jobs	4,297	4,297	4,297
Jobs-Housing Ratio	**1.3**	**1.2**	**0.8**

Alternative 2

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	111	18	2,050	45%	43%
Commercial	19	36	672	15%	7%
Mixed Use	25	25	638	14%	10%
Hospitality	63	15	938	20%	24%
Schools	39	8	306	7%	15%
TOTAL	**257**		**4,602**	**100%**	**100%**

Alternative 2

	Middle Housing Scenario		
	0% MH	10% MH	50% MH
Total housing units	3,390	3,845	5,666
Total jobs	4,602	4,602	4,602
Jobs-Housing Ratio	**1.4**	**1.2**	**0.8**

Alternative 3

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	183	18	3,364	67%	65%
Commercial	8	36	278	6%	3%
Mixed Use	29	25	729	15%	10%
Hospitality	22	15	334	7%	8%
Schools	40	8	311	6%	14%
TOTAL	**281**		**5,017**	**100%**	**100%**

Alternative 3

	Middle Housing Scenario		
	0% MH	10% MH	50% MH
Total housing units	3,516	3,639	6,301
Total jobs	5,017	5,017	5,017
Jobs-Housing Ratio	**1.4**	**1.4**	**0.8**

Qualitative Evaluation

The tables on the next pages provide a qualitative evaluation of the three land use alternatives, using the evaluation criteria identified earlier in the concept planning process. The tables indicate the extent to which each alternative meets each criterion. The evaluation also assigns scores for each criterion using the rating system described below.

Score	Description
●	The alternative clearly supports the project objectives and/or is the best performing alternative if all alternatives support the objectives
◒	The alternative partially supports the project objectives and/or is the second-best choice if all alternatives support the objectives
○	The alternative does not support the project objectives or is the third-best choice if all alternatives support the objectives (i.e., it provides only a baseline level of performance)
N/A	The objective has no effect or does not apply

Goals, Criteria, and Evaluation

GOAL 1	EVALUATION CRITERIA
The area is designed as a natural extension of Sherwood and is integrated into the existing pattern of growth in order to preserve the community's heritage and small-town feel.	• *There is a balanced mix of office, industrial, commercial, and residential land uses and open spaces* • *A variety of housing options accommodates a diverse range of family structures, income levels, and lifestyles* • *Neighborhood retail nodes provide residents with walkable access to goods and services* • *Housing density and implementation is pragmatic* • *View corridors and separation from other cities contribute to Sherwood's unique identity*
All Alternatives	• All alternatives provide a variety of housing options. • All alternatives have significant new emphasis on jobs and a mixed use area near Kruger Road. • All alternatives provide about 70% of net residential acres in the lowest density categories (MDR and LDR) and the same approximate number of units, about 2000, in those zones (10% of which is assumed as middle housing). • Housing in the Middle Housing Zone is relatively low at 3-6 percent of residential land and 3-7 percent of total units. • View corridors and separation from Newberg and King City are the same for all alternatives.
Alternative 1 Score ●	• Mix of land uses – Alternative 1 has relatively large areas of the same or similar land use, except in the Southwest district. • Alternative 1 has the lowest number of Multi-family units at 585. • Alternative 1 has the highest number of Med/High Neighborhood Zone units at 380. • Two retail nodes: Kruger Road and Chapman (none north of Kruger). • Average density is 10.6 du/acre (9.0 with open space), assuming 10% middle housing in single dwelling zones.

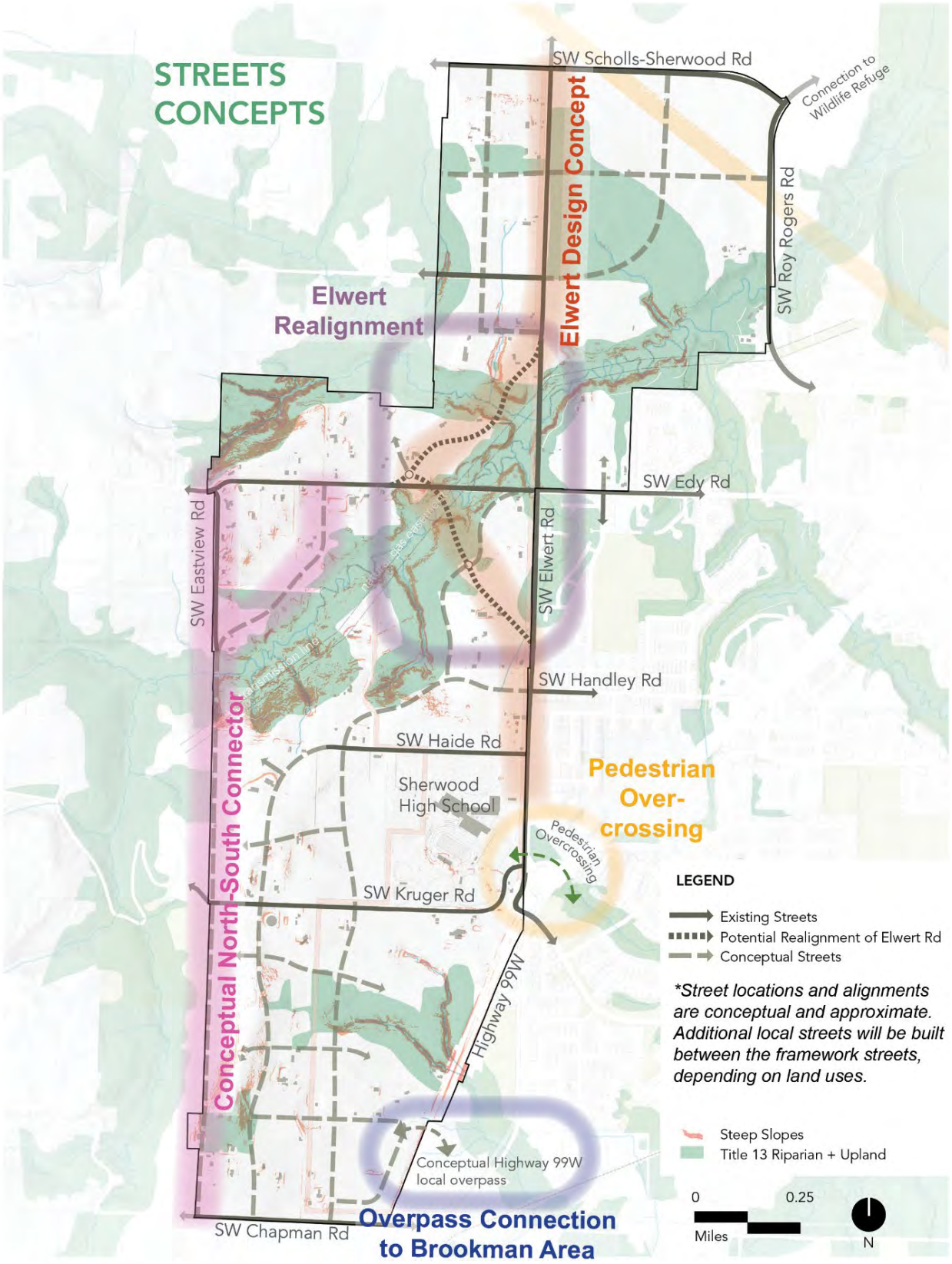
GOAL 1	EVALUATION CRITERIA
Alternative 2 Score ◒	• Mix of land uses – Alternative 2 has a greater mix of land uses is introduced into the North and West districts as compared to Alternative 1. • Alternative 2 has the highest number of Multi-family units at 1066. • Alternative 2 has the lowest number of Middle Housing Zone units at 113. • Alternative 2 has the highest number of Cottage Zone units at 524. • Three retail nodes: in the North, West, South districts. • Average density is 11.4 du/ac (9.7 with open space), assuming 10% middle housing in single dwelling zones.
Alternative 3 Score ◒	• Mix of land uses – Alternative 3 has a relatively high degree of mix, especially in the West district and Kruger Road area. • The mixed use and employment north of the High School is different from Alternatives 1 and 2, which have residential uses in that area. • Alternative 3 is in the middle of the range for Multi-family units at 776. • Alternative 3 has relatively high amount of Cottage Zone units at 505. • Three retail nodes: North, West (Handley Road), West/Southwest (Kruger Road). • Average density is 11.3 du/ac (9.4 with open space), assuming 10% middle housing in single dwelling zones.
Summary	The main difference for this criterion is the mix and variety of land use across the alternatives. Alternative 1 is the most similar to existing Sherwood due to prevalence of residential uses and slightly lower density. Alternative 2 can be seen as a plan for an evolving Sherwood, where residential land use is dominant, more housing choices are introduced over the next 10-40 years, and neighborhood character is guided by design regulations. Alternative 3 has the most marked differences from existing Sherwood. The percentage of Multi-family housing is also a key variable, ranging from 585 units (Alt 1) to 776 units (Alt 2) to 1066 units (Alt 3). The full circle score for Alternative 1 is based on it being most similar to existing Sherwood, per the goal. Alternatives 2 and 3 provide more housing types and choice.

GOAL 2	EVALUATION CRITERIA
The area attracts a variety of businesses and employment opportunities, which help satisfy the City's need for an expanded tax base.	• *Infrastructure is well-planned to make Sherwood West attractive to developers and large employers* • *There are large low-impact employment areas available for the growth of technology parks and other higher-wage jobs* • *There are opportunities to leverage the area's unique location for destination retail, hospitality, and visitor-related uses*
All Alternatives	• Infrastructure planning is similar for all three alternatives. • Per the City's initial analysis, the West subdistrict is the most readily served with infrastructure. However, the City could prioritize infrastructure funding to serve other land sooner. Further analysis is required. • All alternatives would add significant amounts of new employment lands to the City of Sherwood, including larger sites for technology parks in the North district. • All alternatives include land designated for a new Hospitality Zone, with the intent to leverage the area's unique location for destination retail, hospitality and visitor-related uses.
Alternative 1 Score ●	• Alternative 1 has the second highest amount of Mixed Employment land, 163 acres, focused in the North District. • Commercial, Mixed-Use, and Hospitality lands total 86 acres. • The Hospitality Zone lands are in upland properties with scenic views along Chapman Road and the west end of Kruger Road.
Alternative 2 Score ●	• Alternative 2 has significantly less Mixed Employment land, 111 acres, focused in the northern area of the North district. • Commercial, Mixed-Use, and Hospitality lands total 146 acres – highest of the alternatives. • The Hospitality Zone lands along Chapman Road have visibility from Hwy 99 and continue west to upper, scenic view properties.

GOAL 2	EVALUATION CRITERIA
Alternative 3 Score ●	• Alternative 3 has the largest amount of Mixed Employment land, 183 acres, focused in the North district and Southwest district along Hwy 99. • Commercial, Mixed-Use, and Hospitality lands total 98 acres – slightly higher than Alternative 1. Employment uses are located on the west and north side of the High School, which is unique to this alternative. • The Hospitality Zone is focused at the Kruger/Hwy 99 node and there are no Hospitality Zone lands at Chapman Road as there are with the other alternatives.
Summary	All three alternatives support the Goal 2 and would significantly increase the employment land supply in Sherwood. At 250-280 total acres, employment lands comprise about 40% of the net buildable land supply in Sherwood West. The alternatives have different locational emphasis for different employment sectors. Alternatives 1 and 3 emphasize use of the North district for Mixed Employment. All alternatives include mixed use and other commercial opportunities along Kruger Road, with Alternative 3 extending that concept around the High School. A focus on Hospitality land along Chapman Road is in Alternatives 1 and 2. The equal scoring above is based on excellent fulfillment of the goal by all alternatives - the alternatives simply achieve that outcome in different ways. The differences between the alternatives are related more to land use compatibility, how much Mixed-Use and Commercial lands could be supported, and preferences for the location of the Hospitality Zone.

GOAL 3	EVALUATION CRITERIA
Transportation facilities serve to connect, rather than divide, neighborhoods.	• *A network of streets provides north-south connections to and through the area* • *The Concept Plan helps realize the opportunity for a Highway 99 pedestrian crossing* • *Streets are designed to balance accommodating vehicle traffic and parking while also being welcoming places for people*

GOAL 3	EVALUATION CRITERIA
	• *Streets are designed with consideration for safety and emergency response vehicles* • *Sherwood is "transit-ready" for future transit service*
All Alternatives	*Note: A traffic impact analysis is being prepared and will provide information needed for assessment of this goal. Initial results from the analysis will be presented at the TAC and CAC meetings.* • The same street network is common to all alternatives (see map on next page). • All alternatives support the future opportunity for a Highway 99 pedestrian crossing. • The alternatives all emphasize the same priority for safety, managing traffic, and making streets places for people. • Transit routing is an unknown at this point. From a land use perspective, Alternative 3 may be the most transit supportive due to the land use patterns in the West district.
Summary	This evaluation is unscored because the transportation recommendations are the same for all alternatives and a traffic impact analysis is underway.

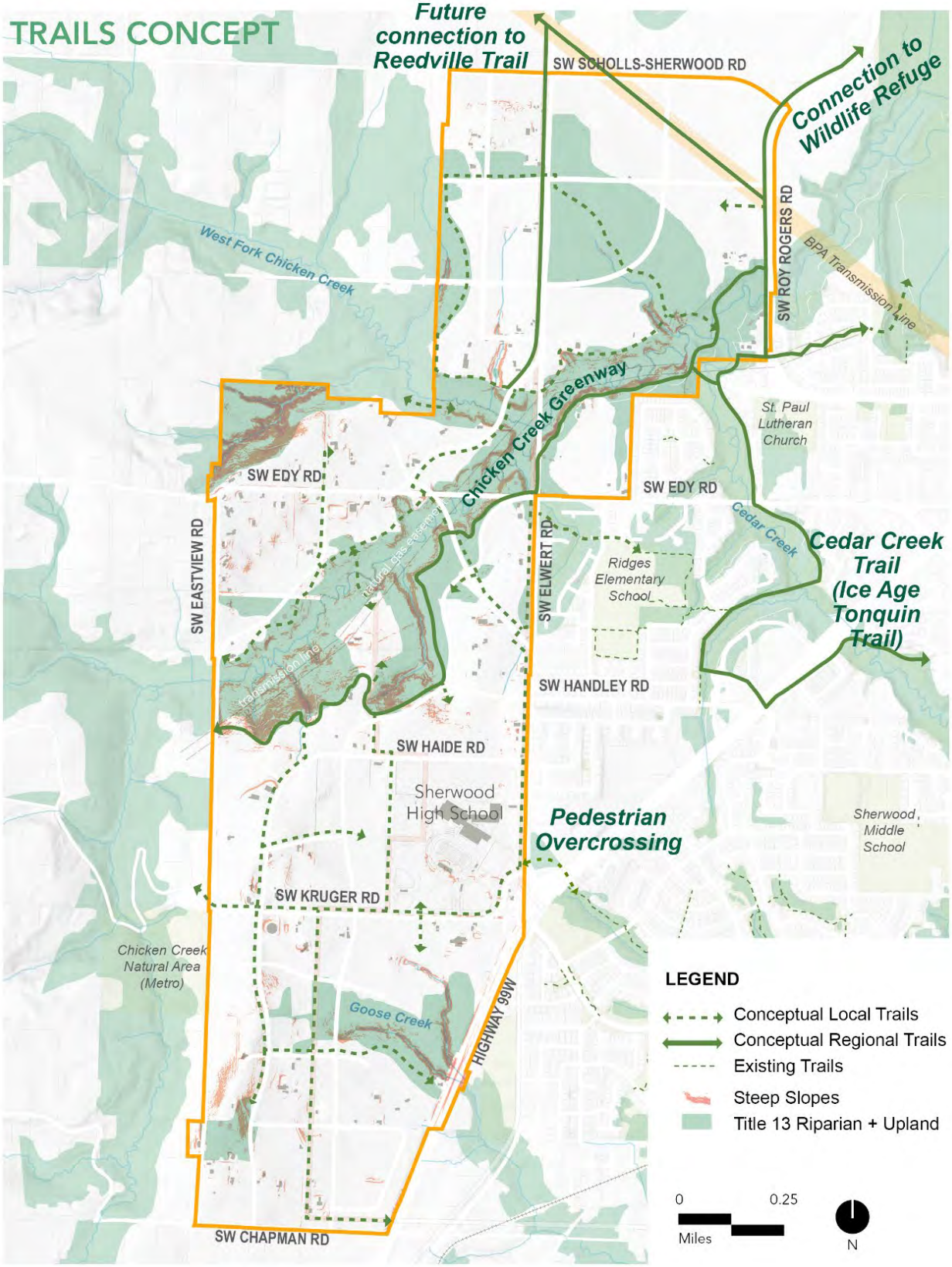


SHERWOOD WEST CONCEPT PLAN

GOAL 4	EVALUATION CRITERIA
Residents have access to a variety of parks and natural areas, anchored by the Chicken Creek Greenway.	• *The Chicken Creek corridor is protected* • *Creek connections to the Tualatin River National Wildlife Refuge are preserved and, where possible, enhanced* • *Residents have access to nature through a network of multi-use and soft-surface trails* • *Parks and natural areas serve as places where families and community members can gather together* • *Existing mature trees and areas of dense tree canopy are preserved where feasible*
All Alternatives	• Protection of the creek corridor and riparian/upland habitat areas is built into all three land use alternatives. The Chicken Creek Greenway is one of the key plan concepts for Sherwood West and will provide access to nature and trail connections for future residents and visitors. • The proposed realignment of Elwert and Edy Roads will reduce the impact of infrastructure improvements (road widening) on sensitive creek confluences. The realigned roadway will cross two Chicken Creek tributary streams at the narrowest points in order to reduce or eliminate wetland mitigation issues. The realignment also eliminates the excessive fills within the SW Elwert/SW Edy Road intersection and follows the existing terrain. This will require construction of structural bridging and acquisition of right-of-way. • The trails concept is the same for all three alternatives (see page 18). This includes a regional trail connection to the Tualatin River National Wildlife Refuge. It also includes a conceptual network of local trails, multi-use paths, sidewalks, and bike lanes through neighborhoods to connect residents with parks, schools, employment areas, and other local destinations. • All three alternatives include two community parks (10-20 acres each) as well as neighborhood parks (2-5 acres) integrated throughout Sherwood West neighborhoods. Future parks will be consistent with policies and guidelines in the recently-updated Sherwood Parks & Recreation Master Plan. Natural areas and open space dedicated through development will provide additional green space. • Existing mature trees and tree canopies will be preserved through Metro Title 13 habitat protections and through application of the Sherwood Development Code's tree preservation standards.

GOAL 4	EVALUATION CRITERIA
Alternative 1 Score ◒	• Alternative 1 has an estimated 43 total acres of parks (community and neighborhood parks).
Alternative 2 Score ●	• Alternative 2 has the most park acreage, with an estimated 55 total acres.
Alternative 3 Score ◒	• Alternative 3 has the least park acreage, with an estimated 37 total acres.
Summary	All three alternatives provide strong support for these evaluation criteria by emphasizing preservation of natural areas and access to parks and nature. The three alternatives each locate one community park in the area south of Chicken Creek, surrounded by resource land. The main distinguishing features between the alternatives are the locations of the second community park and total park acreage. Alternative 2 was given the highest score because it provides the most park acreage—thereby providing the greatest access to recreation, nature, and community gathering space for residents.

GOAL 5	EVALUATION CRITERIA
The area is served by a robust network of active transportation options that are integrated into Sherwood's existing network.	• *Residents can easily walk or bike to access local destinations such as schools, parks, employment areas, and shopping centers* • *Active transportation facilities connect to existing Sherwood neighborhoods and nearby regional destinations* • *Students have safe options to walk or bike to school*
All Alternatives ●	• The trails concept is the same for all three alternatives (see next page). This includes a conceptual network of local trails, multi-use paths, sidewalks, and bike lanes through neighborhoods to connect residents with parks, schools, employment areas, and other local destinations. Trails connecting to local destinations will help to encourage walking, rolling, and biking. • The trails concept includes key connections between new growth in Sherwood West and existing areas of Sherwood—such as such as future connections to the Reedville Trail, the Tualatin River National Wildlife Refuge trails, Ice Age Tonquin Trail/Cedar Creek Trail, and the future Highway 99 pedestrian overcrossing. • School locations are not identified in the alternatives maps. However, safe routes to school will be an important consideration in the siting of future schools in Sherwood West, and in planning trail and sidewalk connections between neighborhoods and schools.
Alternative 1 Score	• N/A
Alternative 2 Score	• N/A
Alternative 3 Score	• N/A
Summary	All alternatives support these criteria equally, as described above.



SHERWOOD WEST CONCEPT PLAN

GOAL 6	EVALUATION CRITERIA
Growth and development are well-planned and implementation of the area is pragmatic.	• *The extension of public facilities and services are phased and coordinated with development* • *Land uses serve Sherwood's needs and are complementary to other expansion areas along the western Urban Growth Boundary*
All Alternatives	• Extension of public facilities is a critical issue for Sherwood West regardless of the land use alternative. • Infrastructure phasing and funding will be further explored after a preferred land use alternative is selected. • Considering the capability of extending existing public facilities and constructing needed new infrastructure to serve the Sherwood West area, areas north and south of the high school and close to SW Elwert Road, are the most logical areas for development to occur first. • The City may consider new annexation policies based on a phasing plan for development within Sherwood West. The annexation policies could consider priority areas to provide an orderly and efficient transition from rural to urban land uses to ensure public infrastructure needs are met to provide homes and jobs in Sherwood West. These ideas will be further fleshed out in the infrastructure phasing/funding task.
Alternative 1 Score ●	• Alternative 1's land uses generally serve Sherwood's needs by providing a mix of housing, employment, and commercial uses. • The Hospitality Zone concept is a new idea for Sherwood and would provide intentional locations for uses such as hotels/motels, restaurants, wineries, and similar uses. Because it is untested, it is unknown how effective it will be in serving Sherwood's needs. Alternative 1 has a moderate amount of Hospitality zoning (roughly 31 acres) located on Chapman Rd and at the west end of Kruger Rd. • Land uses in the Southwest district closest to the Brookman expansion area include a mix of commercial, mixed employment, and multi-family zoning. This complements the planned commercial, office and light industrial zoning for the western portion of the Brookman area.

GOAL 6	EVALUATION CRITERIA
Alternative 2 Score ◒	• Alternative 2's land uses also serve Sherwood's needs by providing a mix of housing, employment, and commercial uses. • Alternative 2 has the greatest amount of Hospitality zoning (roughly 63 acres), occupying about a third of the Southwest district. • Land uses in the Southwest district closest to the Brookman area include commercial and hospitality uses. These uses are relatively compatible with the planned zoning for the western portion of the Brookman area.
Alternative 3 Score ●	• Alternative 3's land uses also serve Sherwood's needs by providing a mix of housing, employment, and commercial uses. • Alternative 3 has the most modest amount of Hospitality zoning (roughly 63 acres), located at the intersection of Highway 99 and Kruger Rd. • The eastern portion of the Southwest district closest to the Brookman area is exclusively designated as mixed employment. This use may be the most complementary to the planned zoning for the western portion of the Brookman area.
Summary	All three alternatives will extend public facilities as part of development and will be phased primarily based on different areas' proximity to existing facilities. All three alternatives include land uses that serve Sherwood's needs. However, the Hospitality Zone is the newest concept, and its practicality is not yet known. Therefore, alternatives that de-emphasize hospitality zoning (Alternatives 1 and 3) may be more pragmatic for implementation, consistent with the goal. The conclusion is very subjective – the City should continue to study the Hospitality Zone concept and include it in its economic development efforts.

APPENDIX K

Developer Tour Summary

Sherwood West Re-Look

Developer Tour Notes

Date October 26, 2022

To Erika Palmer, City of Sherwood

From Chris Zahas, Leland Consulting Group

CC Joe Dills, MIG

On October 24, 2022, the City of Sherwood hosted a driving tour of the Sherwood West Concept Plan area with invited guests from the development and brokerage community. The purpose was to gather insights about the area and the draft plan concepts from development practitioners and to provide implementation advice as the plan moves toward completion. The tour route included a loop through the main existing arterials in the study area with stops to discuss key opportunity areas such as the planned industrial zone at the north end and the mixed-use commercial area near the high school. Following the tour, the group met at Sherwood City Hall to debrief and discuss implications.

The tour included the following participants:

- Erika Palmer, Planning Manager, City of Sherwood
- Bruce Coleman, Economic Development Manager, City of Sherwood
- Joy Chang, Planner, City of Sherwood
- Chris Zahas, Managing Principal, Leland Consulting Group
- Stu Peterson, Broker, Macadam Forbes
- Eric Sporre, Vice President, PacTrust
- Kirk Olsen, Principal, Trammell Crow
- Matt Grady, Vice President, Gramor Development

Following is a summary of the key comments heard during the tour, organized into general themes.

Zoning and Land Use

- Sherwood's E-I zone is a good one. It's flexible and doesn't restrict by tenant use unlike some zones in neighboring cities. Avoid the types of use restrictions found in Tualatin's Basalt Creek industrial zone.
- Office development is unlikely in Sherwood West.
- The region is virtually out of industrial land today. New inventory is needed as soon as possible to accommodate job growth.
- Industrial development at the north end of Sherwood West could be developed as soon as the land is brought into the UGB and utilities are available.
- Likely industrial uses would be multi-tenant buildings in the 50,000-70,000 square foot range. Given the distance to I-5, it is not likely that large distribution facilities would consider this area, but there are plenty of smaller miscellaneous industrial users who would be attracted to it.
- Some support retail would make sense in this area, but zoning requirements that the retail be in direct support of the industrial use can be a challenge to work with. Typically, a developer would need a minimum of 35,000 square feet of retail to make a center viable.
- The hospitality zone needs a destination use to make it viable if it's not visible from or directly located in 99W.
- A wine-themed destination would best be built off of an existing working winery, although offsite tasting rooms are becoming popular.

- Sloped sites or sites at a higher grade than the adjacent street lend themselves better to housing than retail uses.
- Structured parking is necessary to get true commercial density and can be viable with parking rates at $2 per hour.

Infrastructure

- Roads with utilities are critical to setting the stage for private development. Consider it backbone infrastructure that is a prerequisite to getting development underway.
- Get a wetlands inventory done soon so that potential issues are known early on.
- The high school is not yet on sewer, but when it is installed in 2025, that part of the study area will open up for development.

Implementation and Funding

- It is a challenge for developers to front load all infrastructure when they do not always get credit for it and/or they may not get reimbursed by future developers before they expire.
- A detailed infrastructure funding strategy is needed.
- Urban renewal can be a very good tool for funding infrastructure.
- Sherwood has a good brand image, and employers are attracted to the small-town image, good schools, and quality of life.
- Locating a public facility like city offices or a police or fire station in the study area could jumpstart development.

APPENDIX L

Transportation Impact Analysis

DKS 720 SW WASHINGTON STREET, SUITE 500, PORTLAND, OR 97205 • 503.243.3500 • DKSASSOCIATES.COM

TRANSPORTATION IMPACT ANALYSIS MEMO

DATE: January 5, 2023

TO: Joe Dills, Kate Rogers | MIG
Erika Palmer, Joy Chang | City of Sherwood

FROM: Carl Springer, Amanda Deering, Alex Haag | DKS Associates

SUBJECT: Sherwood West Concept Plan Traffic Impact Analysis Project #21057-000

INTRODUCTION

The Sherwood West Re-Look project will prepare a concept plan for the 1,291-acre Sherwood West area by updating the Sherwood West Preliminary Concept Plan. The Preliminary Plan, which was approved by the Sherwood City Council in 2016, was developed as a long-range planning tool to help guide future community discussions and decisions about the City's long-term growth. The purpose of the Sherwood West Re-Look project is to take another look at the Sherwood West area to address new land use and growth patterns, new transportation plans, new State rules related to housing, and new opportunities for employment and economic growth.

This memorandum summarizes the preliminary findings regarding the transportation impacts of the Sherwood West Concept Plan (Concept Plan) project and transportation network upgrades contemplated for the Plan Area. This memorandum includes:

- Estimated trip generation of the three land use alternatives
- Discussion of potential transportation network changes being contemplated in the Concept Plan, including the realignment of Elwert Road and evaluation of a parallel north-south connector route from Chapman Road to Edy Road.

  Note: the north-south connector is not a site-specific proposal. It is a connectivity concept for further study. The memorandum is an initial evaluation of a conceptual connection between Chapman Road and Edy Road.
- Discussion of expected traffic growth in Plan Area
- Initial system performance review on major roadways and at two key study intersections

STUDY AREA AND LAND USE ALTERNATIVES

The Concept Plan Area, illustrated in **Figure 1**, is bounded by Scholls-Sherwood Road to the north, Roy Rogers Road and OR 99W to the east, Chapman Road to the south, and Eastview Road to the west.

Three land use alternatives for the Concept Plan Area are being developed as part of the Concept Plan Re-Look (**Appendix A**). Land use Alternative 1 has the highest proportion of medium/high-density neighborhood land use of the three alternatives and less cottage zoning and multifamily than the other alternatives. Alternative 2 has the highest proportion of multifamily land use and less middle housing zone than the other two alternatives. In terms of employment acres, Alternative 1 has fewer mixed-use acres than the other two alternatives. In comparison, Alternative 2 has fewer mixed-employment acres but more commercial and hospitality land-use acres than the other two alternatives.

A breakdown of the total jobs and housing units for the three alternatives is summarized in **Table 1**. While the alternatives vary regarding the proportion and location of housing types, all three offer a comparable number of total housing units. For total jobs, Alternative 3 provides the highest number of total jobs, and Alternative 2 provides the least.

TABLE 1: HOUSING METRICS AND JOBS SUMMARY

CATEGORY	CONCEPT PLAN ALTERNATIVES		
	ALT 1	ALT 2	ALT 3
TOTAL HOUSING UNITS	3,730	3,845	3,635
TOTAL JOBS	5,245	4,600	5,020

Note: values rounded to the nearest multiple of 5

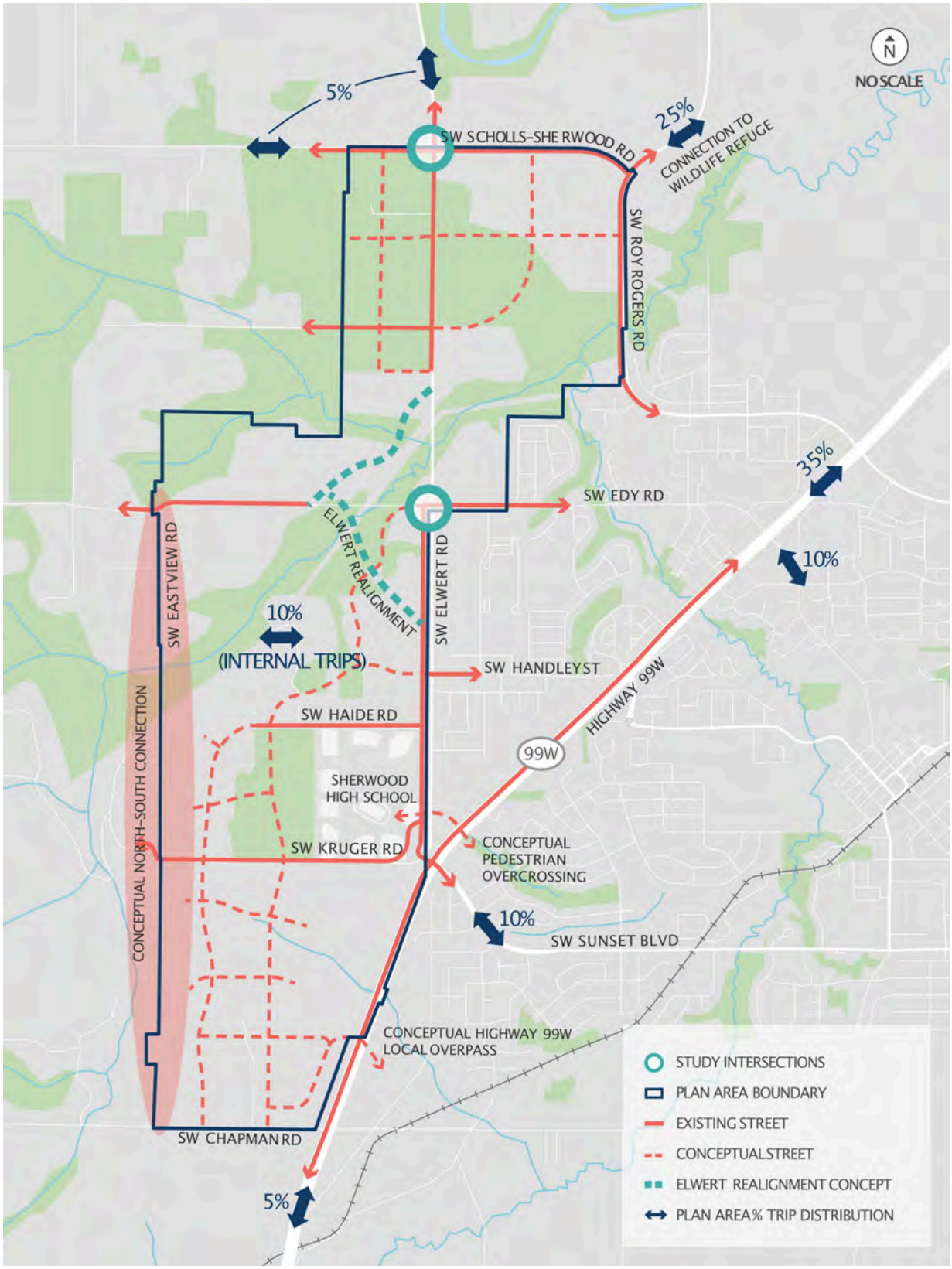


FIGURE 1: PLAN AREA AND TRIP DISTRIBUTION

PLAN AREA TRAVEL FORECAST

VEHICLE TRIP GROWTH ESTIMATE

Trip generation for the three land use alternatives is estimated based on the Westside Travel Demand Model and the number of the expected housing units and jobs provided by each alternative. Summarized in **Table 2**, all three land use alternatives are expected to generate a similar number of vehicle trips when the area is fully developed. The values reported in **Table 2** are total vehicle trips during the 2-hour PM peak period. The magnitude of vehicle trips is comparable to the number of anticipated trips estimated by the previously completed Urban Reserve Transportation Study (URTS) for this area. By way of comparison, the URTS assumed land uses included a higher level of households (6,495) and minimal jobs (545) within the planning area.

TABLE 2: VEHICLE TRIPS DURING 2-HOUR PM PEAK PERIOD

	ALT 1	ALT 2	ALT 3	URBAN RESERVE TRANSPORTATION STUDY
TOTAL VEHICLE TRIPS (2-HOUR PM PEAK)	6,040	6,725	6,780	6,470

Note: values rounded to the nearest multiple of 5

REGIONAL TRIP PATTERNS

Regional trip patterns for the Plan Area were estimated using the Westside Travel Demand Model to help understand the primary travel directions for trips that start or end in Sherwood West. As shown in **Figure 1**, most Plan Area travel demand is to/from the northeast of the Plan Area, either on Roy Rogers Road, OR 99W, and to/from the east on Tualatin-Sherwood Highway. Approximately 60% of vehicle traffic that begins or ends within the planning area will use these three routes. About 30% of travel demand crosses OR 99W to/from the rest of the City of Sherwood, while only 5% is to/from south of the Plan Area via OR 99W, and 5% is to/from northwest of the Plan Area on Lebeau Road and Scholls Sherwood Road. The analysis also showed that about 10% of traffic remains internal to the Plan Area, meaning that the trips start and end within the planning area.

STREET NETWORK AND CONCEPTUAL STREET ALTERNATIVES

Several transportation network improvements were considered as part of the Preliminary Sherwood West Concept Plan and others as part of this subsequent analysis, including:

- The realignment of Elwert Road west of Chicken Creek.
- A conceptual north-south connection between Chapman Road and Edy Road.
- A new pedestrian over crossing near OR 99W at Sunset.
- A new multimodal overcrossing at OR 99W north of Brookman Chapman Road; and

- Several new internal local and connector roadways.

The conceptual locations of these upgrades are illustrated in **Figure 1**. All future facilities would meet current City multimodal street and trail facility standards. Major roadways generally would have one travel lane in each direction with center turn lanes (Scholls-Sherwood Road, Elwert Road, Edy Road, and Kruger Road), while local streets would be one lane in each direction. As noted above, the north-south connector is not a site-specific alignment. For this analysis, a two-lane road is assumed.

ELWERT ROAD RE-ALIGNMENT CONCEPT

Elwert Road from OR 99W to Scholls-Sherwood Road is a two-lane rural arterial. Washington County and the City of Sherwood's Transportation System Plan identify the future build-out condition of Elwert Road as a 3-lane arterial, including sidewalks and bike lanes on both sides of the road. According to the County's Road Design Standards, this type of facility requires 90 feet of road right-of-way which includes 50 feet wide pavement, 2 travel lanes, a center turn lane and 2 bike lanes, plus landscape areas and sidewalks behind the curbs. The existing Elwert Road north of Edy Road has a paved area about 24 feet wide with ditches on both sides. As described in the Preliminary Concept Plan, the existing rural condition of Elwert Road would require significant expansion and upgrading to accommodate the city's adopted roadway design standards. This would include land acquisition for road right-of-way and could include re-grading the vertical alignment to improve driver sight distance. In addition, the portions of Elwert Road constrained by the Chicken Creek watershed would further require large cut-and-fill sections and significant environmental mitigation.

As a result, the Preliminary Concept Plan identified re-aligning Elwert Road west of the creek as being more cost-effective and preferred from a constructability standpoint rather than improving the existing alignment. Re-aligning Elwert Road is a transportation recommendation that has been carried forward as part of the current Sherwood West Concept Plan Re-Look project and is analyzed in this memorandum.

As shown in **Figure 1**, this future re-alignment is preliminary and subject to further study and design. Issues to be addressed in future work should include the following:

- Full or partial closure of existing creek crossings
- Cost and constructability
- Safety for all travel modes
- Local circulation for adjacent property and neighborhood connectivity
- Natural resource impacts and permitting
- The potential for a jurisdictional transfer of SW Elwert Road from the county to the city
- Implementation of an SW Elwert Road Design Concept

This initial study did not evaluate specific designs for the re-alignment – that is left to be addressed during future studies. However, this study did confirm that the existing alignment and traffic controls at Elwert/Edy need to be improved to safely serve the expected growth, as discussed in a later section of this memo. As discussed in the next section, this study also confirms that the re-aligned Elwert Road can function effectively as a two-lane cross-section, with appropriate pedestrian-bike facilities provided and center turn lanes/median where needed.

NORTH-SOUTH CONNECTOR

The core idea of the north-south connector is to connect SW Chapman Road to the north end of Sherwood West, enhancing regional connectivity and providing an option away from neighborhoods. The specific route is conceptual, and its alignment has yet to be identified, as reflected by the wide shaded area in **Figure 1**. The City is aware of challenges – topographic, environmental, and conflicts with existing development – but seeks to continue to study this long-range transportation corridor. This connector would require approximately 1.7 miles of new roadway plus a new bridge structure across Chicken Creek.

TRAFFIC PERFORMANCE ANALYSIS

Based on the initial travel forecast for 2040, the general travel conditions were reviewed to assess the planning street system overall based on expected daily traffic volumes and a more detailed review at two key study intersections during peak hours that have historically had operational issues. After the Sherwood West Concept Plan is approved, a further detailed operational analysis will be made to identify specific geometric and traffic control improvements that will be needed at other intersections as the area develops, which will be incorporated into the capital improvement program and the City's Transportation System Plan. A prior study of the OR 99W intersection at Brookman Road-Chapman Road recommended upgrading that intersection to traffic signal controls as development continues in the south end of Sherwood.

It is recognized that Sherwood West will not be fully built out by 2040, but a horizon year 20 years from the existing conditions was selected for analysis. The analysis includes the existing (2019) and future (2040) conditions. Both horizon year scenarios assume the existing lane configurations and controls of the study intersections. Analysis has been conducted using Highway Capacity Manual (HCM) 6th Edition methodology and Synchro 11 software suite.

As all three land use alternatives are expected to generate a comparable number of total vehicle trips, analysis has been conducted for Alternative 3 since it had the highest vehicle trip estimate. Plan Area generated traffic has been assigned to the study road network based on the regional travel patterns described in the previous section.

DAILY TRAFFIC VOLUMES

The daily traffic volumes on the major roadways within the Plan Area provide a general performance indicator for road segment capacity. Depending on access management and cross-

street spacing, a 3-lane arterial or collector roadway can carry 15,000 to 20,000 vehicles daily. 2040 daily traffic volume forecasts have been reviewed within the planning area, as summarized in **Table 3**. Each roadway was shown to carry below this maximum level and will therefore provide satisfactory service. Further studies will be required during the development review to determine appropriate geometric improvements and traffic control upgrades at significant intersections.

TABLE 3: DAILY TRAFFIC FORECASTS ON SELECTED ROADWAYS

ROAD SEGMENT	2040 DAILY TRAFFIC
SCHOLLS-SHERWOOD ROAD BETWEEN ELWERT ROAD AND ROY ROGERS ROAD	13,000
ELWERT ROAD NORTH OF CHICKEN CREEK	10,000
EDY ROAD EAST OF ELWERT ROAD	9,000
EDY ROAD WEST OF CHICKEN CREEK	1,500
NORTH-SOUTH CONNECTOR ROAD	4,000*
CHAPMAN ROAD WEST OF OR 99W	9,000

Note: *The volume estimate ranged from 1,500 to 4,000 ADT on this facility.

The notable finding from this review was the expected low vehicle traffic usage on the conceptual north-south connector roadway. As shown in **Table 3**, the volumes are expected to range from a low of 1,500 to 4,000 vehicles daily, which is consistent with local street or neighborhood routes. Further study is recommended as the planning advances.

INTERSECTION OPERATIONS

Summarized in **Table 4**, the results of the traffic operations analysis indicate that the study intersections are found to be operating acceptably under existing conditions. The Elwert Road & Lebeau/Scholls-Sherwood Road intersection, which is controlled by all-way stop signs, is operating at LOS D, with the highest delays experienced by the westbound shared movement. The Elwert Road at Edy Road intersection is currently controlled by a traffic signal and shared approach lanes on all legs. It operates at overall LOS A, and LOS B or better for all individual approaches.

Results of the traffic operation analysis indicate that by 2040, conditions at Elwert Road at Lebeau/Scholls-Sherwood Road intersection would be expected to deteriorate to LOS F if no capacity improvements are made, with significant delays experienced by the westbound and southbound movements. The Elwert Road at Edy Road signalized intersection would be expected to operate acceptably at LOS C through to 2040 with existing capacity (no geometric improvements). However, as noted previously, to comply with the city's urban street design standards, this intersection requires expansion to accommodate safe walking and bicycling, which is important given the proximity of two school campuses. Refer to **Appendix B** for more details on these intersection analyses.

TABLE 4: EXISTING AND FUTURE INTERSECTION OPERATIONAL ANALYSIS SUMMARY

INTERSECTION	WORST MOVEMENTS	2019 PM		2040 PM	
		DELAY	LOS	DELAY	LOS
ELWERT ROAD & LEBEAU / SCHOLLS-SHERWOOD ROAD	Westbound Scholls-Sherwood	41.0	E	165.7	F
	Southbound Scholls-Sherwood	23.5	C	46.0	E
	OVERALL	**28.8**	**D**	**98.1**	**F**
ELWERT ROAD & EDY ROAD	Eastbound Edy	9.0	A	35.3	D
	OVERALL	**12.2**	**B**	**27.9**	**C**

Note: Worst movements noted have the highest delay for a given roadway approach. In all cases, the approach shares a single lane for all left-turning, through, and right-turning traffic. Refer to Appendix B for calculation details.

CONCLUSIONS

This memorandum summarizes the preliminary findings of the transportation impacts of the three land use concepts developed for the Plan Area as part of the Sherwood West Concept Plan Re-Look.

All three land use concepts being contemplated as part of the Re-Look have a comparable number of total proposed housing units and total jobs. Despite each alternative varying in terms of housing typology and land use layout, all three would be expected to generate a similar number of overall vehicle trips to the number estimated by the previously completed URTS for this area.

Regional travel patterns identified using the Westside Travel Demand Model indicate that most Plan Area traffic travels to or from outside the Plan Area, with only 10% of travel demand remaining internal. Most travel demand (60%) is to/from the northeast of the Plan Area, and about 30% is traveling to/from the City of Sherwood east of OR 99W. Variations in land use and layout in the three Alternatives would be expected to have a minimal impact on overall travel patterns.

The Sherwood West Concept Plan describes two road network upgrades that are being examined as part of the Re-Look: the realignment of Elwert Road and a new conceptual north-south parallel route that would connect Chapman Road to Edy Road. The realignment of Elwert Road was identified as a preferred option as part of the Preliminary Concept Plan, and this current Re-Look project, due to the required cross-sectional upgrades and the existing alignment's confluence with Chicken Creek.

Results of the intersection operational analysis indicate that conditions at Elwert Road at Lebeau/Scholls-Sherwood Road intersection would be expected to deteriorate to excessive congestion (LOS F) during peak travel hours if no capacity improvements were made. In contrast,

the intersection of Elwert Road at Edy Road would be expected to operate acceptably with its existing signalized configuration through to the 2040 horizon year. However, both locations will need to be improved to accommodate multimodal facilities as required by the county and city's urban street standards.

The Concept Plan includes urban upgrades to significant roadways within the Plan Area, such as Elwert Road, Kruger Road, Chapman Road, and Edy Road. The planned upgrades include two to three-lane cross-sections and upgrading several existing intersections to either roundabouts or traffic signals. Our initial finding is that Sherwood West Growth will be served adequately with the planned street network as described in the Concept Plan. Further study is recommended to develop a more comprehensive list of improvements and associated cost estimates as this area is made ready for urban development.

RECOMMENDATIONS

Based on the high-level findings of this memorandum, the following are recommended:

- The Elwert Road re-alignment concept be advanced with the Sherwood West Concept Plan, and further studies be conducted to determine the best alignment and intersection configurations.
- The Elwert Road corridor should adopt design themes consistent with the city's vision, as represented by the Sunset Road corridor.
- Upgrade Elwert Road to three lane cross-section with bike lanes and sidewalks take place as development occurs.
- Upgrades to the Elwert/Lebeau Road at Scholls-Sherwood Road intersection be made to provide additional capacity to adequately support traffic growth through to the 2040 horizon year. The intersection with Elwert Road will require additional study, reconfiguration, and eventual signalization or roundabout improvement as development occurs.
- Multimodal safety improvements be made to the Elwert Road and Edy Road intersection consistent with the cross-sectional upgrades to these roadways outlined in the Concept Plan. Other intersections should also be reviewed for possible multimodal safety upgrades as development occurs nearby, including the Elwert Road at Handley Road intersection, and the Elwert Road at Haide Road intersection.
- Edy Road between Elwert Road and Borchers Drive is as a 3-lane collector with bike lanes and sidewalks in the city's Transportation System Plan. This project should be included for the portion within the concept planning area.
- Edy Road west of Chicken Creek should be a two-lane collector road without on-street parking within the concept planning area.
- The north-south connector concept should be further studied to better address the cost/benefit trade-offs for this new route. Sufficient north-south connectivity should be incorporated into the growth area to provide direct north-south multimodal service parallel to SW Elwert Road.

APPENDIX M

Housing Memo

Background on Housing Needs and Consistency with State/Metro Requirements

HOUSING MEMO

Supplemental to Housing Policy Implications Memo

TO:	Community Advisory Committee
FROM:	Erika Palmer, Planning Manager
CC:	MIG|APG
DATE:	April 2023

Introduction

This memorandum provides supplemental information to the Housing Implications Memo that summarizes the future of housing in Sherwood to help inform discussions on this topic. This memorandum provides background on housing needs in Sherwood and how the Sherwood West Concept Plan is consistent with state and regional requirements.

STATE LAND USE GOAL 10, HOUSING

The purpose of Goal 10 is to provide for the housing needs of Oregonians. Goal 10 requires Sherwood to maintain and plan for an adequate land supply to accommodate at least 20 years of future growth, providing flexibility in housing location, type, and density to ensure the availability and prices of housing units are commensurate with the needs and financial capabilities of households. The City is required to meet the Metropolitan Housing Rule (OAR 660-007) that is designed to "assure opportunity for the provision of adequate numbers of needed housing units and the efficient use of land within the Metropolitan Portland (Metro) Urban Growth Boundary (UGB)." Needed housing means housing types determined to meet the need shown for housing within an urban growth boundary at particular price ranges and rent levels. The rule also specifies the mix and density of new residential construction for cities within the Metro UGB. Sherwood is required to provide the opportunity for at least 50 percent of new residential units to be attached single-family housing or multi-family housing. In addition, the rule sets specific density targets for cities in the Metro UGB. Sherwood's average density target is six dwelling units per net buildable acre.

Sherwood's housing stock is predominantly single-family detached at roughly 75% (2021 American Community Survey, US Census). Sherwood's population growth and shifting demographics affect future housing growth and shape the changes in the City's housing market. While Sherwood's population has been growing relatively fast in recent years, the population has been aging while the community continues to attract younger people and more households with children. In addition, Sherwood's population is becoming more ethnically diverse. If these trends continue, there will be changes in the types of housing demanded in the community's future.

The aging population is likely to result in increased demand for smaller single-family housing detached and attached, multi-family housing, and senior living facilities. The growth of younger and diversified households will likely result in increased demand for a wider variety of affordable and appropriate housing for families with children, such as small single-family housing, townhouses, duplexes, and multi-family housing choices. Smaller housing units such as cottage clusters can be an attractive option for a wide variety of community members including seniors, empty-nesters looking to downsize, and young adults. Cottage housing is smaller and may be more accessible than a typical single-family home. The smaller size makes it a more attainable option for first-time home buyers than a larger home due to less expensive insurance, energy, property taxes, and mortgages. The number of people living in multigenerational family households is growing due to many reasons including finances, caregiving, childcare, or a change in relationship status. Accessory Dwelling Units, plexes, cottage clusters can help provide housing types where families can live close together.

Housing prices are higher in Sherwood than regional averages, though the City's increasing homeownership costs are consistent with the upward national trend. Almost three-quarters of Sherwood's residents own their homes. Sherwood households have a relatively high income, which affects the type of housing that is affordable, particularly for young people and new families. Future housing affordability will depend on the relationship between income and housing price and whether housing prices will continue to outpace income growth.

2019-2039 Housing Needs Analysis

Sherwood's 2019-2039 Housing Needs Analysis (HNA), adopted by reference in the City's Comprehensive Plan, provides technical and factual background relating to current and future housing needs. The Oregon Department of Land Conservation and Development acknowledged the HNA and no one appealed the document to the Land Use Board of Appeals. As state law requires, the HNA examines household growth based on Metro's coordinated forecast. The forecast includes growth in both areas within the city limits and areas currently outside the city limits that the City expects to annex for residential uses (Brookman area). ***The HNA identifies an additional 1,728 new households between 2019 and 2039*****. Sherwood must provide enough land to accommodate forecasted housing needs for the next 20 years which can be met through continued annexation of the Brookman area and planning for Sherwood West.**

Sherwood's HNA includes information about the factors that could affect housing development, including historical and recent development trends; projections of new housing units needed in the next 20 years; demographic and socioeconomic factors affecting housing choice, and regional and local trends in housing cost and affordability.

The forecasted growth rate in the HNA 2019-2039 is 1.1% based on Metro's forecast. The HNA provides a forecast of housing by type and density of housing. The HNA includes a Buildable Lands Inventory (BLI) for housing within the Urban Growth Boundary. The BLI demonstrates that the current land use designations provide an adequate short- and long-term land supply for housing development, meeting existing needs and 65%, and projected growth over the next 20 years. However, Sherwood has a deficit of land for 608 dwelling units, and annexations will need to continue in Brookman to provide an adequate land supply.

The HNA analyzes existing development patterns and intensity, existing land use designations and zoning, and building constraints to determine where vacant land and/or land that is likely to be redeveloped and then compares the existing supply of land to emerging development trends and projection of needed housing units.

The HNA 2019-2039 makes the following conclusions regarding compliance with Goal 10:

- Sherwood will need to plan for enough residential land to accommodate forecasted housing needs for the next 20-years:
- Sherwood is forecast to add 1,728 new households between 2019 and 2039. Of these 700 new households are inside existing city limits; 1,029 new households are outside current city limits.
- Sherwood's land base can accommodate most of the forecast for growth. Vacant and partially vacant land in the Sherwood Planning Area has the capacity to accommodate about 65% of the forecast for new housing on areas within the city limits and the Sherwood Planning Area.
- Sherwood has a deficit of land for housing. The deficit of land is for 608 dwelling units. The largest deficits are in Medium Density Residential-Low (154 dwelling units); Medium Density Residential-High (252); and High-Density Residential (145 dwelling units).
- To provide adequate land supply, Sherwood will need to continue annexing the Brookman Area, the primary designated residential area in the Sherwood Planning Area. Without the Brookman area developing, the City has a projected deficit of 1,155 dwelling units
- Sherwood will need Sherwood West to accommodate future growth beyond the existing city limits and the UGB (Brookman area). There is a deficit of 608 dwelling units over the next 20-years in Sherwood city limits and Brookman Area. The growth rate of Metro's forecast for household growth (1.1% average annual growth) is considerably lower than the City's historical population growth rate over the last two decades (8% average annual growth). At the historic growth rate, Sherwood will be out of buildable lands for residential development within 4-10 years.
- Sherwood has a relatively limited supply of land for moderate and higher density housing. The limited supply of land in these zones is a barrier to development of townhouses and multi-family housing, which is needed to meet the housing demand for growth of people over 65, young families, and moderate-income households. Sherwood will need to plan for a greater variety of housing types.
- Sherwood will have an ongoing need for providing affordable housing to lower-income households. About 31% of households in Sherwood have incomes below 80% of the MFI. These household will need a range of housing types, such as lower-cost single family housing, townhouses, or multi-family housing. Sherwood currently has a limited supply of land available in its planning area for moderate and high-density housing.

To comply with Goal 10, the City will need to either change its policies to allow for more development on the inventory of vacant land within the City boundary (greater densities, greater building heights), request a UGB expansion from Metro, or both. An urban growth boundary expansion proposal to Metro will allow the community to accommodate needed housing and provide the opportunity for a variety of housing types in locations and at price points that meet the needs of current and future residents.

The Sherwood West Concept Plan includes land use designations that provide for a variety of housing types: single-family residential detached, single-family residential attached (townhomes), duplexes, triplexes, quadplexes, cottage clusters, accessory dwelling units, and multi-family units. The Concept Plan supports homeownership and lower-income housing opportunities with access to jobs, transportation choices, parks and open spaces, and other supportive amenities of a complete community.

Metropolitan Housing Rule: OAR 660, Division 007

The planning process for the Sherwood West Concept Plan applied the Metropolitan Housing Rule. As identified in Table 1 below, the Concept Plan provides for a variety of residential land use districts that allow for multiple housing types at a range of prices and rent levels. Table 1 presents estimated housing units and densities based on the proposed Concept Plan map. The assumptions regarding residential densities were developed in collaboration with the Community Advisory Committee and are based on existing zone densities in the Sherwood Development Code. The metrics assume that Sherwood West will build out based on recent density trends in each residential designation. Recent density trends in Sherwood show that developments are utilizing the maximum densities per acre allowed in each zone.

In each of the "Neighborhood" designations, middle housing will be permitted along with single-family detached housing. Table 1 includes a range of total housing units depending on how much middle housing is built in these areas, showing 0, 10, 20, or 50 percent middle housing scenarios. The range shows 3,117 units on the low end to a high of 5,582 units if 50 percent of middle housing was constructed in the neighborhood designations. The density ranges from 9.2 units per net buildable acre with 0 percent middle housing to 16.4 units per net buildable acre if 50 percent of middle housing was constructed in the neighborhood designations.

Table 1. Sherwood West Housing Estimates

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood areas) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	33	*10%*	798	798	798	798
Middle Housing	5.5 to 11	16	*5%*	173	173	173	173
Cottage Cluster	12.8 to 16	23	*7%*	362	362	362	362
Med/High Density Nbhd	5.5 to 11	23	*7%*	248	279	311	406
Medium-Density Nbhd	5.6 to 8	102	*30%*	816	990	1,163	1,683
Low-Density Nbhd	3.5 to 5	144	*42%*	720	1,008	1,296	2,160
TOTAL		**340**	***100%***	**3,117**	**3,610**	**4,103**	**5,582**
Total Average Density				*9.2*	*10.6*	*12.1*	*16.4*
Total Average Density with Open Space				*7.8*	*9.0*	*10.3*	*13.9*

The Sherwood West Concept Plan has provided the opportunity for at least 50 percent of new housing types to be single-family detached and 50 percent a mix of single-family attached and multifamily. The Low and Medium neighborhood designations provide the opportunity for a range of single-family

detached and by law allow the full range of middle housing types (attached housing) with design standards. The Middle Housing, Cottage Cluster, and Medium/High designations allow the opportunity for attached single-family units (cottages, plexes, townhomes). The Multi-Family designation allows for multi-family units. As described below in Table 2, even if zero percent middle housing is produced in the Low and Medium Density Neighborhoods, there is an opportunity for 50 percent attached housing. Table 2 identifies the estimated allocation of housing units to residential designations in Sherwood West.

Table 2. An estimated allocation of housing units to residential designations in Sherwood West

	Estimated Dwelling Units	% of Units	Housing Units by Mix	
Multi-Family	798	26%	Multifamily	25%
Middle Housing	173	6%	Attached	25%
Cottage Cluster	362	12%	SFD	50%
Med/High Density	248	8%		
Medium Density	816	26%		
Low Density	720	23%		
Total	3,117			

METRO URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

TITLE 11 – PLANNING FOR NEW URBAN AREAS

The Regional Framework Plan calls for long-range planning to ensure that areas brought into the UGB are urbanized efficiently and become or contribute to mixed-use, walkable, transit-friendly communities. It is the purpose of Title 11 to guide such long-range planning for urban reserves and areas added to the UGB.

UGMFP 3.07.110(b)(1)(C)

(b) 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:

(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;

The City of Sherwood is experiencing a housing shortage, as with other cities within Washington County, the Portland Metro region, and the state of Oregon. It is estimated that between 2020-2040 the Portland

Metro region will need almost 295,000 housing units. [1] The ongoing undersupply of housing is one factor in the rapidly rising home prices and rent increases throughout the metro area and other cities and counties throughout the state.

According to the Case-Schiller price index, home prices in the Portland MSA have more than doubled in the past 15 years.[2] The strong housing market during the pandemic resulted in higher rents and home prices. Seasonally adjusted home prices are down about 4% for the Portland metro region this past year (2022), but only 19% of the Portland area households are estimated to afford the monthly payment on the median home sold. This is a decline of 131,000 households since the start of 2022.[3] Housing affordability has two components: housing costs and household income. Affordability is the ratio of the two. As such, a growing economy with more-plentiful and better-paying job opportunities does help housing affordability, at least insofar as incomes rise faster than housing costs do.[4] Housing cost burdens create impacts. Households that spend a higher proportion of their income on housing will have fewer resources for other basic needs. In addition, high rents lead to a lower rate of savings which can lead to economic instability if there is a loss of employment, an emergency, or an unexpected expense.

Sherwood's population growth and shifting demographics affect future housing growth and shape city housing market changes. While Sherwood's populations have been growing relatively fast in recent years, the population has been aging while the community continues to attract younger people and more households with children. In addition, Sherwood's population is becoming more diverse. If all these trends continue, there will likely be changes in the types of housing demanded in Sherwood in the future.

The aging of the population is likely to result in increased demand for smaller single-family housing, multifamily housing, and senior living. The growth of younger and diversified households will likely result in increased demand for a wider variety of affordable and appropriate housing for families with children, such as small single-family housing, townhouses, duplexes, and multifamily units.

Currently, Sherwood's housing stock is predominantly single-family detached. Housing prices in Sherwood are higher than the regional averages, though the City's increasing homeownership costs are consistent with the upward national trend. Almost three-quarters of Sherwood's residents own their homes and households have a relatively high income, which affects the affordable housing type, particularly for young people and new families.

The City's most recent Housing Needs Analysis (HNA) for the 2019-2039 period provides Sherwood with a factual basis to support future planning efforts related to housing. It is used to help develop

[1] Oregon Department of Land Conservation and Development Regional Housing Needs Analysis Presentation, Washington County Coordinating Committee, December 14, 2020.
[2] https://fred.stlouisfed.org/series/POXRSA
[3] https://oregoneconomicanalysis.com/2022/12/09/oregon-homeownership-affordability-november-2022/
[4]https://oregoneconomicanalysis.com/2022/02/15/construction-housing-supply-and-affordability/

Comprehensive Plan goals and policies that are consistent with the HNA while reflecting City priorities and strategies.

As required by state law, Sherwood's Housing Needs Analysis examines household growth based on Metro's coordinated forecast. The forecast includes growth in both areas within the city limits and areas currently outside the city limits that the city expects to annex for residential uses. The HNA identifies an additional 1,728 new households between 2019 and 2039. Sherwood must provide enough land to accommodate forecasted housing needs for the next 20 years which can be met through continued annexation of the Brookman area and planning for Sherwood West. Sherwood can accommodate about 65% of the forecast for new housing within city limits and the Brookman area. Sherwood has a deficit of 608 dwelling units in all residential zones (low, medium, and high). Without the Brookman area developing, the City has a greater projected deficit of 1,155 dwelling units.

The City of Sherwood has implemented a number of policies over the last couple of years to meet the Comprehensive Plan goal to "Provide the opportunity for a variety of housing types in locations and at price points that meet the needs of current and future residents."

Some of the policies include:

- Allowing for middle housing types in all residential zones
- Implementing clear and objective standards for all housing types
- Eliminating off-street parking requirements for accessory dwelling units (per Oregon House Bill 2001) and reducing parking requirements for multi-family housing per Oregon Climate-Friendly and Equitable Communities (CFEC) rules adopted by the Oregon Land Conservation and Development Commission in July 2022.

In addition, the City's Comprehensive Plan sets out policies relating to attractive and attainable housing within the community including:

> Policy 3.2 Identify opportunities to support the city's housing mix, to ensure the housing supply includes a variety of housing types and unit sizes that support a range of housing prices
>
> Policy 3.3 Support a variety of housing types such as but not limited to, townhomes, cottages, courtyard housing, accessory dwelling units, single-story units, and extended family and multi-generational housing.
>
> Policy 3.4 Support housing affordable to Sherwood's residents and workers at businesses in Sherwood, including housing options for first-time homebuyers, new families, the elderly, and persons with disabilities.
>
> Policy 3.5 Support homeownership opportunities for all housing types by encouraging condominiums, cooperative housing, and other types of ownership methods
>
> Policy 3.6 Collaborate with organizations to provide opportunities for the development of lower-cost housing and housing development incentives In areas with access to jobs, transportation, open spaces, schools, and supportive services and amenities.

The Sherwood West Concept Plan proposes a mix of housing types, leading to different tenures and price points. The Sherwood West Concept Plan provides a variety of housing types: single-family

residential detached, single-family residential attached (townhomes), duplexes, triplexes, quadplexes, cottage clusters, accessory dwellings, and multi-family units. A proposed middle housing designation comprised of apartments, condominiums, townhomes, and plexes, and a cottage cluster designation provides more options for homeownership as compared to single-family detached housing on large lots.

As discussed above, the Concept Plan also ensures that the density and mix of housing types for new residential units are planned for the opportunity of at least 50 percent single-family detached and 50% attached and multi-family housing units.

There are six residential designations, which will allow multiple housing types and varying lot sizes within Sherwood West. As described above, the Concept Plan includes a range of housing estimates for the "Neighborhood" (single-family) designations – depending on how much middle housing could potentially be built (including scenarios from 0-50%). Based on current development trends and consultation with developers in the region and housing economists, the City believes that a realistic estimate is that somewhere in the range of 5-10% of single-family areas will be developed with middle housing.

Two residential designations (Middle Housing and Cottage Cluster) will solely allow for middle housing types and are responsive to many voices in the Concept Plan process who have advocated for housing for young families and people in Sherwood who would like to age in place. The Concept Plan provides housing types that are needed for the community while allowing for a transition to lower urban densities adjacent to the rural reserve in the hillier areas of Sherwood West.

There is a need for both housing and employment opportunities in Sherwood. The most recent Economic Opportunities Analysis indicates Sherwood has a deficit of roughly 277 buildable acres of employment land. The Sherwood West Concept Plan proposes 265 net buildable acres of employment land. The mixed employment areas are anticipated to provide a mix of office, light industrial, and flex space uses for target industries such as clean tech and advanced manufacturing identified in the city's Economic Opportunities Analysis. It is estimated that 4,524 jobs can be accommodated and the employment-to-housing ratio for the plan area is estimated at 1.3 (but would depend on the middle housing scenarios described above). The Concept Plan is anticipated to meet the projected community housing needs and employment needs to create a walkable community with a balance of employment, residential, commercial, and greenspace land uses – to be place where families can safely live, work, shop and play.

APPENDIX N

Infrastructure and Phasing Analysis

INFRASTRUCTURE & PHASING ANALYSIS

TO:	Sherwood West Technical & Community Advisory Committees
FROM:	Erika Palmer, Planning Manager; Jason Waters, City Engineer
CC:	Kate Rogers and Darci Rudzinski, MIG|APG
DATE:	February 7, 2023

Purpose

This memorandum outlines the following:

1. Existing infrastructure conditions in Sherwood West (including water, sanitary sewer, stormwater, and transportation); and
2. The opportunities and constraints in Sherwood West for the provision of extending public facilities and services, and potential future phasing.

Attachments:

- Figure 1: Existing Water System Map
- Figure 2: Existing Sanitary Sewer Map
- Figure 3: Existing Stormwater Facility Map
- Figure 4: Washington County Functional Street Classification Map
- Figure 5: City of Sherwood Street Classification Map

WATER SYSTEM

Existing Conditions

The current Water System Master Plan was adopted in May 2015. The Master Plan considers all areas within city limits, the urban growth boundary, and the West Urban Reserve (Sherwood West study area). The City's primary water supply is from the Wilsonville Water Treatment Plant, supplemented by groundwater wells. The City maintains an emergency connection and transmission piping to the Tualatin-Portland supply main. The City's distribution system includes three service zones supplied by three storage reservoirs and two pumping stations. The majority of Sherwood customers are served from the 380 Pressure Zone, which is supplied by gravity from the City's Sunset Reservoirs. The 535 Pressure Zone serves the area around the Sunset Reservoirs, supplied with constant pressure by the Sunset Pump Station, and the 455 Pressure Zone serves higher elevation customers on the City's western edge by gravity from the Kruger Reservoir.

Opportunities and Constraints in Sherwood West

Existing water facilities in or near the study area include a water reservoir, a supply line, and distribution lines. The Kruger Reservoir is a 3.0 MG reservoir located inside the study area, south of SW Kruger Road and approximately one-half mile west of Hwy 99W. The Kruger Reservoir serves the 455 pressure zone. An 18-inch transmission line is located in SW Kruger Road between the reservoir and Hwy 99W.

The area south of SW Handley Street is split between the Future 455 West and Future 630 West zones. The area north of SW Handley Street falls primarily within the Future 380 West pressure zone.

An 18-inch water main from the Kruger Reservoir extends north in SW Elwert Road for approximately 800 feet. The line then reduces to a 12-inch line and continues north to SW Handley Street. In addition, a short segment of a 12-inch waterline has been constructed in Elwert Road in the vicinity of Derby Terrace. A 16-inch water main located in SW Copper Terrace terminates at SW Edy Rd, approximately 840 feet east of the study area.

Initial anticipated growth in Sherwood West will be served by extending the existing 380 and 455 Zone distribution mains. Future customers along the ridge north and south of the existing Kruger Reservoir will be served by constant pressure from the proposed Kruger Pump Station at the existing reservoir site. This proposed closed zone is referred to as the 630 West Zone. Some future customers in the West Urban Reserve at the interface between the 630 West and 455 Zones may need to be served through a PRV-controlled sub-zone or through individual PRVs on each service in order to maintain required service pressures. This area is referred to as the 630 West PRV Zone.

A small area on the western edge of the West Urban Reserve along Edy Road near Eastview Road is too high in elevation to receive adequate service pressure from the adjacent 380 Zone. This area will be served as part of the closed 475 West Zone by constant pressure from the proposed Edy Road Pump Station. An additional pump station would potentially be needed to serve the 630 West PRV Zone. Extensive large diameter mains will be needed to expand the City's water service area to supply Sherwood West as development occurs.

Implications for Water Facilities on Phasing

The West and Southwest districts in Sherwood West have the opportunity to be served with water infrastructure in the near future. Water infrastructure will need to be extended east to west to serve the hillsides. The Far West district can be served after water infrastructure improvements, such as an additional pump station, are constructed. The Northern District will need further study and significant water infrastructure improvements to be served.

See Figure 1. Existing Water System Map

SANITARY SEWER SYSTEM

Existing Conditions

The current Sanitary Sewer Master Plan was completed in 2016. The Master Plan considers all areas within the city limits and the urban growth boundary. The West Sherwood Concept Plan study area is outside the urban growth boundary and was not included in the Master Plan. Two sanitary sewer trunk lines serve the City of Sherwood, the Sherwood Trunk Sewer (24-inch), which conveys sewage from the Cedar Creek sewage

collection basin, and the Rock Creek Trunk (18-inch), which conveys sewage from the Rock Creek sewage collection basin. Both trunk lines convey flows to the Sherwood Pump Station, owned by Clean Water Services (CWS), which sends sewage to the Durham Advanced Wastewater Treatment Plant via the Upper Tualatin Interceptor, also owned by Clean Water Services (CWS).

Opportunities and Constraints in Sherwood West

Existing sanitary sewer facilities adjacent to or near this site are limited. A pump station is needed in the West subarea and a new trunk line extended to the Sherwood High School from the Brookman area.

Pump station

A 15" diameter Sanitary Serwer (SS) mainline was constructed in Copper Terrace as part of the Sherwood School District Area 59 elementary/middle school development. This mainline runs up Edy Road, down Copper Terrace, and ends at the north end of the school perimeter.

To use this line, a new pump station is needed from the south to the crest of Handley Street. The line would need to cross private property or run to and down Edy Road to connect in.

The two main drawbacks are:

1. It requires the use of a 55 pump station for conveyance operations. This creates a situation of long-term maintenance costs.
2. The Sherwood Trunk pump station requires upgrading to handle future flows.

The three main positive aspects are:

1. That it utilizes an already existing truck line (Sherwood Trunk)
2. The Sherwood Trunk has the capacity for the future development of this area (existing flow= 6.4 cfs, build-out capacity flow= 11.5 cfs).
3. That it does not require constructing a sanitary line across Hwy 99W and has limited crossings of stream corridors and buffers.

Trunk line extension

The Brookman sanitary trunk line will gravity flow across Hwy 99W at the future Brookman Road intersection to a future gravity system serving the Brookman Area (Area 54/55) expansion. The Sherwood Trunk line serves this area.

The two main drawbacks are:

1. That the Sherwood Trunk line is undersized for the combined future flows. The downstream system would need to be upsized to accommodate future flows.
2. That the alignment of the conveyance system needs to cross Hwy 99W and run down a stream corridor to be able to serve the overall area.

The main advantage is that it appears that the entire UGB area addition could be served by gravity using this line. The trunk line has the capacity to serve the future expansion (existing flow= 1.4 cfs, build-out capacity flow= 5.8 cfs). A current CWS project is upgrading a portion of the system from 15" to 18" and

extending the sewer trunk line to the boundary of the Brookman Addition (Area 54/55) and then north of Highway 99W to serve the new Sherwood High School. It is anticipated that this project will be completed in 2025. Recently approved subdivisions in the Brookman area have extended the sewer line to serve these developments.

Implications for Sanitary Sewer Facilities on Phasing

The West and Southwest districts in Sherwood West have the opportunity to be served with sanitary sewer infrastructure in the near future through either option described above. Sanitary sewer infrastructure would need to be extended into the hillside area of the West and Southwest districts and Far West District as those areas develop. The North District needs further study on how to serve the area and if any significant infrastructure is necessary to serve sanitary sewers in this area.

See Figure 2: Existing Sanitary System *Map*

STORMWATER SYSTEM

Existing Conditions

The current Stormwater System Master Plan was updated in 2017. The Master Plan considers all areas within the city limits and the urban growth boundary. The Sherwood West Concept Plan area is outside the urban growth boundary and was not included in the Master Plan.

The Sherwood West Concept Plan area lies primarily within the Chicken Creek Drainage Basin. The basin flows north and northeast along Chicken Creek, which bisects the plan area. Cedar Creek flows into Chicken Creek at the northeast corner of the plan area, west of SW Roy Rogers Road. The West Fork of Chicken Creek enters the plan area near the northwest boundary and flows east into Chicken Creek.

A small portion of the plan area in the southeastern area is part of the Cedar Creek Drainage Basin. On-site runoff enters Goose Creek, which flows from west to east, crossing Highway 99W and reaching Cedar Creek. The Stormwater Master Plan notes that Chicken and Cedar Creeks have been identified by the Environmental Protection Agency (EPA) as providing habitat for anadromous fish listed as threatened under the Federal Endangered Species Act.

According to the Storm Water Master Plan, on-site soils fall primarily in Hydrologic Soils Group C, with small areas of Groups B and D. The areas near Chicken and Cedar Creeks and their tributaries have been designated by Metro as riparian corridors, upland wildlife habitat, and aquatic impact areas. Some areas within the riparian corridors are also shown on the National Wetland Inventory.

Opportunities and Constraints in Sherwood West

Sherwood West is undeveloped, and as such, there is no existing stormwater infrastructure. As development occurs in the future, stormwater would likely be discharged onto the floodplain of the adjacent creeks and tributaries. The City of Sherwood requires that all stormwater facilities meet the requirements of Clean Water Services Design and Construction Standards for conveyance, water quality treatment, and water quantity treatment. Regional stormwater facilities within Sherwood West are the City's preferred method for handling stormwater.

Implications for Stormwater Facilities on Phasing

All areas within Sherwood West can handle stormwater with required infrastructure improvements as development occurs. The West and Southwest Districts in Sherwood West may be the easiest to serve.

See Figure 3: Existing Stormwater Facilities Map

TRANSPORTATION SYSTEM

Existing Conditions

The current Transportation Systems Plan (TSP) was updated in 2014. The TSP considered all areas within the city limits and the urban growth boundary. The Sherwood West Concept Plan area is outside the urban growth boundary and was not included in the Plan.

Elwert Road from Highway 99W to Scholls-Sherwood Road is currently functioning as a two-lane rural arterial. Elwert Road historically was a rural road used primarily for providing transportation access for farm equipment and rural residents. Over time, Elwert Road has become a secondary route for commuter traffic (through trips) traveling between Highway 99W and Scholls-Sherwood Road and Roy Rogers Road, avoiding the intersection signals along the Highway 99W route.

Elwert Road's physical characteristics consist of two 11-foot paved lanes, a straight horizontal alignment, and a vertical alignment consisting of rolling hills that include acute vertical sags and crests, which result in poor vertical sight distances, and intersection sight distances. Access points onto Elwert Road include several private driveways and seven street intersections (both local and collector). The intersecting streets and their proposed classifications are listed below.

- Kruger Road – Collector
- Orchard Hill Road – Local
- Edy Road – Collector
- Schroeder Road – Local
- Haide Road – Local
- Handley Road – Collector
- Conzelmann Road – Local
- Lebeau Road - Local

The City's TSP and Washington County's TSPs identify the future build-out condition of Elwert Road as a 3-lane arterial, including sidewalks and bike lanes on both sides of the road. Both Edy and Chapman roads are classified as collectors within Washington County TSP. Edy Road, within the current City boundary, is also designated a collector street within the City's TSP.

Given the terrain, the presence of significant natural areas, and the current parcelization of the area, there are likely to be significant costs and challenges with constructing and connecting roadways within the study area.

Opportunities and Constraints in Sherwood West

Elwert Road

Two options for the design of Elwert were included in the 2016 Preliminary Concept Plan. The City Engineer provided a Transportation Options Alternative Analysis Report that is included in the appendices of the 2016 Preliminary Concept Plan and is described below.

SW Elwert Road is classified as an arterial road with a future 3-lane configuration with; two 12-foot travel lanes, a 14-foot center turn lane, two 6-foot bike lanes, two 5-foot wide planter strips, two 8-foot wide sidewalks, and two 1-foot clear areas behind the sidewalks to the right of way line in both the City's and Washington County's Transportation System Plans (TSPs). The overall right-of-way width required with this cross section is 78 feet.

Transportation Alternative Analysis Report – Defining Options for SW Elwert Road

The major limiting condition for the transportation options analysis is the phasing break between three areas. These areas include:

- Elwert between Highway 99W and SW Handley (West District)
- Elwert between SE Handley and SW Conzelman Rd (West and North Districts); and
- Elwert between SW Conzelman Rd and the SW Lebeau/Scholls-Sherwood Intersection (North District)

Two options were analyzed with respect to constructability, construction costs, and environmental impacts.

Option 1

Option 1 consists of realigning SW Elwert Road and SW Edy Road. The realignment would cross two Chicken Creek tributary streams at the narrowest points in order to reduce or eliminate wetland mitigation issues. The realignment follows the existing terrain, eliminates the need for excessive fills, and minimizes impacts to the wetlands within the SW Elwert Road and SW Edy Road intersection. Option 1 will require the construction of structural bridging and the acquisition of right-of-way to accommodate the realignment of SW Elwert Road.

The realignment of SW Elwert Road will include the construction of roundabouts at major intersections, such as with SW Edy Road. The combination of roundabouts and curved alignments would likely discourage freight traffic usage of the road and reduce speeds of commuter traffic while still allowing significant local residential and commuter traffic flow.

Construction of this option will also allow the existing SW Elwert Road and SW Edy Road alignments and intersection to remain in use until construction of the realigned roadway is nearly complete. The 2016 Preliminary Concept Plan estimated this option to be the least costly and have less impacts to the environment however, additional analysis is needed to review the two options.

Option 2

Option 2 consists of correcting the vertical alignment of the SW Edy Road and SW Elwert Road intersection to meet ASSHTO design standards. Specifically, raising the road elevation to reduce the adverse vertical curves and meeting stopping sight distances at intersections. This means raising the road approximately 10 to 20 feet (15 foot average) in elevation. The impacts from the intersection along SW Elwert Road from this action extend for approximately 2,050 feet, and approximately 790 feet along SW Edy Road.

By raising the road along this length, impacts to the existing right-of-way and adjacent wetlands occur due to the need for fill with a 2:1 slope ratio. It is estimated that an additional 20 to 40 feet (30-foot average) of right-of-way would be required to account for fill slope. The standard wetland/vegetated corridor mitigation requirement is approximately 2:1 (Clean Water Service, R&O 07-20, Table 3-2).

Additionally, the existing culvert crossing would most likely need to be updated to meet future Clean Water Services (CWS), Environmental Protection Agency (EPA), United States Army Corps of Engineers (USACE), and Oregon Department of Fish and Wildlife (ODFW) requirements. Reconstruction of SW Elwert Road would require the closure of the roadway to through traffic until roadway construction completion. This would have a definite negative impact on local and commuter traffic during the expected 1 to 2-year construction cycle.

The 2016 Preliminary Concept Plan estimated this option as the most expensive financially due to mitigating environmental impacts to the Chicken Creek corridor environment and impact on local and commuter traffic during construction. However, as stated above a more detailed analysis is needed on review the two options.

<u>Highway 99W</u>

Highway 99W is a state-designated freight corridor and limited-access highway and is identified as a principal arterial in Washington County and the City of Sherwood TSPs. Access to Highway 99W would be coordinated with the Oregon Department of Transportation. The intersection of Highway 99W with SW Chapman and SW Brookman roads is planned as a future signalized intersection with pedestrian and bicycle enhancements.

<u>A Grade Separated Crossing over Highway 99W</u>

An alternative crossing study between the Brookman Area and Sherwood West was recently completed and will require additional study. The preferred crossing approach is a grade-separated crossing to serve local access (no interchanges from Highway 99W) between the Brookman and Sherwood West areas. The proposed location would be north of Highway 99W and the SW Chapman and SW Brookman intersection. Access to an overcrossing over Highway 99W would be from a local street connection from Old Highway 99W in Brookman to a new street in Sherwood West crossing over Highway 99W.

<u>The Kruger/Elwert/Sunset Boulevard/Highway 99W intersection</u>

This intersection was recently reconstructed with a roundabout. This is intended to alleviate a current condition of inadequate stacking distance and restricted traffic by-pass flow off Highway 99W towards Scholls-Sherwood Road.

Scholls-Sherwood Road

Scholls-Sherwood is designated as an arterial within the Washington County TSP. According to Washington County, rural arterials serve a mix of rural-to-urban and farm-to-market traffic. In some cases rural arterials, especially in rural/urban fringe areas, accommodate significant amounts of urban-to-urban through-traffic during peak commuting time periods. This is not the intended function of the rural arterial designation and is often the result of congestion on urban arterials. Rather, arterials are intended to provide freight movement in support of principal arterials. Arterials have strong access control for cross streets and driveways. Scholls-Sherwood Road will need to be improved to urban standards on the south side and along Roy Rogers Road. There are two intersections along Scholls-Sherwood Road within the study area. The intersection with Elwert Road will require additional study, reconfiguration, and possible signalization as Sherwood West is developed. The intersection of Roy Rogers Road was recently reconfigured and signalized as a Washington County transportation improvement. Per the City's current TSP standards for arterial roads, new access should be spaced between 600 to 1,000 feet apart.

Remaining Streets within Sherwood West

The remaining transportation network will be local neighborhood streets. While local streets are not intended to serve through traffic, the aggregate effect of local street design can impact the effectiveness of the arterial and collector system when local trips are forced onto the arterial street network due to a lack of adequate local street connectivity.

Implications for Transportation Facilities Phasing

Given the terrain, the presence of significant natural areas, and the current parcelization of the area, there are likely to be significant costs and challenges with constructing and connecting roadways within Sherwood West. The finance of urban services is a significant conversation in all urban boundary expansion areas. The City may want to develop specific policies focusing on infrastructure financing and the feasibility and timing of the extension of public facilities, including implementing financing strategies for transportation systems in Sherwood West.

We have heard from Sherwood stakeholders that new development should pay for its own infrastructure. Development-derived tools include system development charges and Washington County's transportation development tax (TDT). Other tools may need to be considered to support transportation improvements, such as new taxing districts, Local Improvement Districts (LIDs), county funding sources, and supplemental system development charges.

See Figure 4: Washington County Street Classification Map

See Figure 5: City of Sherwood Street Classification Map

PHASING AND NEXT STEPS

Considering the capability of extending existing public facilities and constructing needed new infrastructure to serve the Sherwood West area, the West and Southwest Districts are the most logical for development to occur first. However, diversifying the tax base by creating a better employment-to-population ratio is a critical goal of the City. The North District is best suited for employment land needs, but serving this area with the appropriate infrastructure will be challenging. This district will need additional infrastructure analysis. With this economic development goal in mind, the City should initiate infrastructure planning in this area as soon as possible.

The City may want to consider new annexation policies based on a phasing plan for development within Sherwood West. The annexation policies could consider priority areas to provide an orderly and efficient transition from rural to urban land uses to ensure public infrastructure needs are met to provide homes and jobs in Sherwood West.

Figure 1: City of Sherwood Existing Water System Map

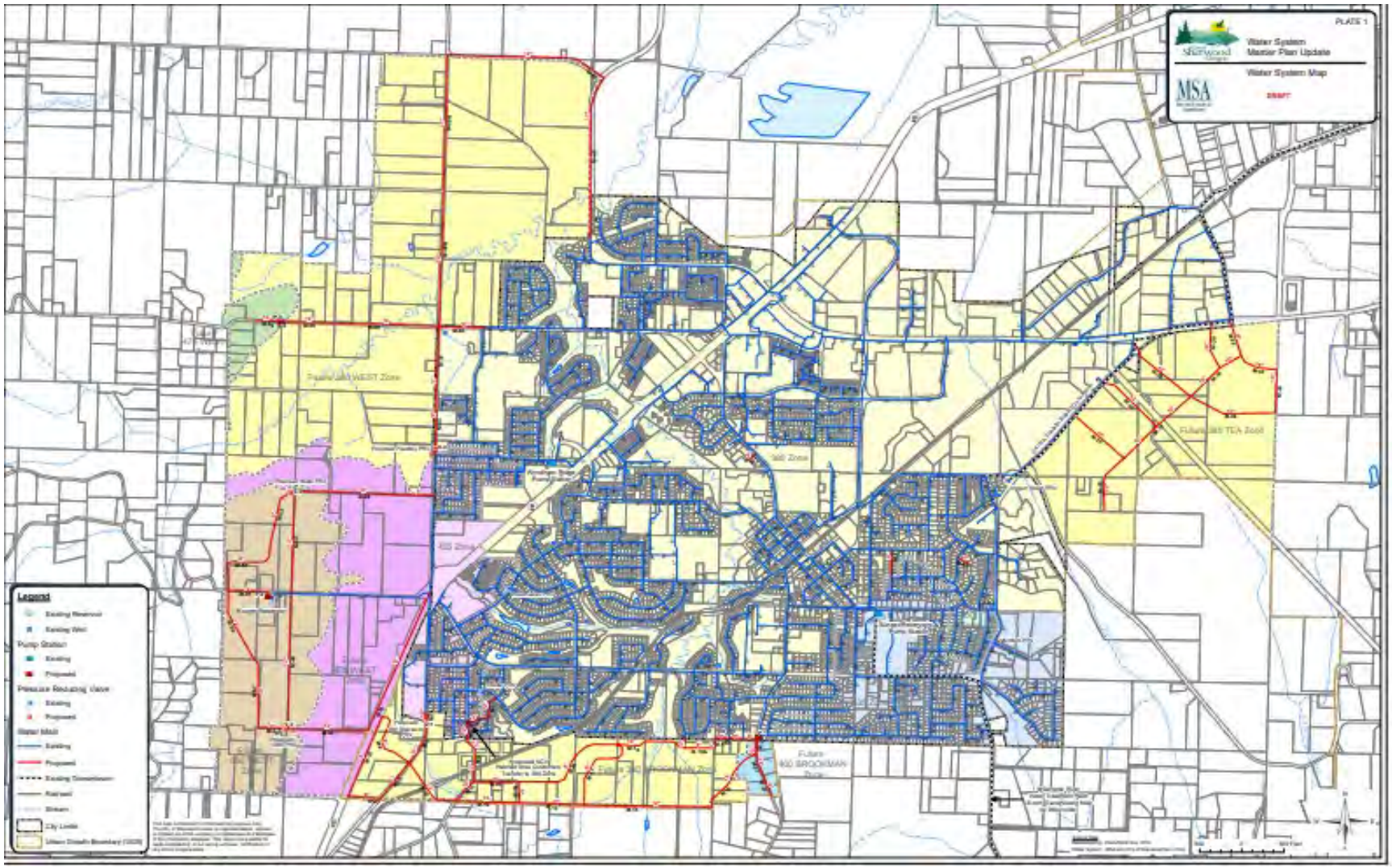


Figure 2: City of Sherwood Existing



Figure 3: City of Sherwood Existing Storm Water System Map

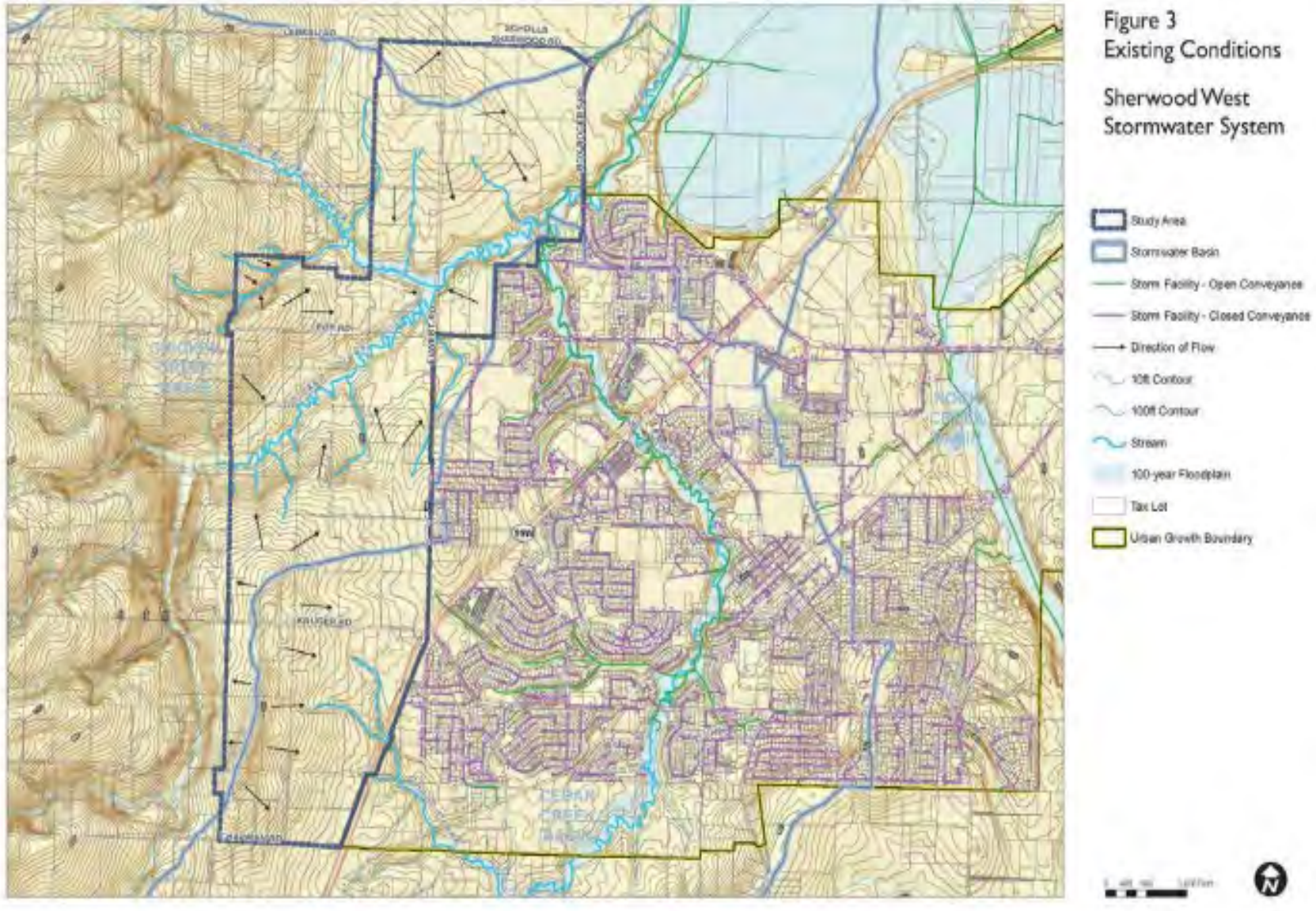
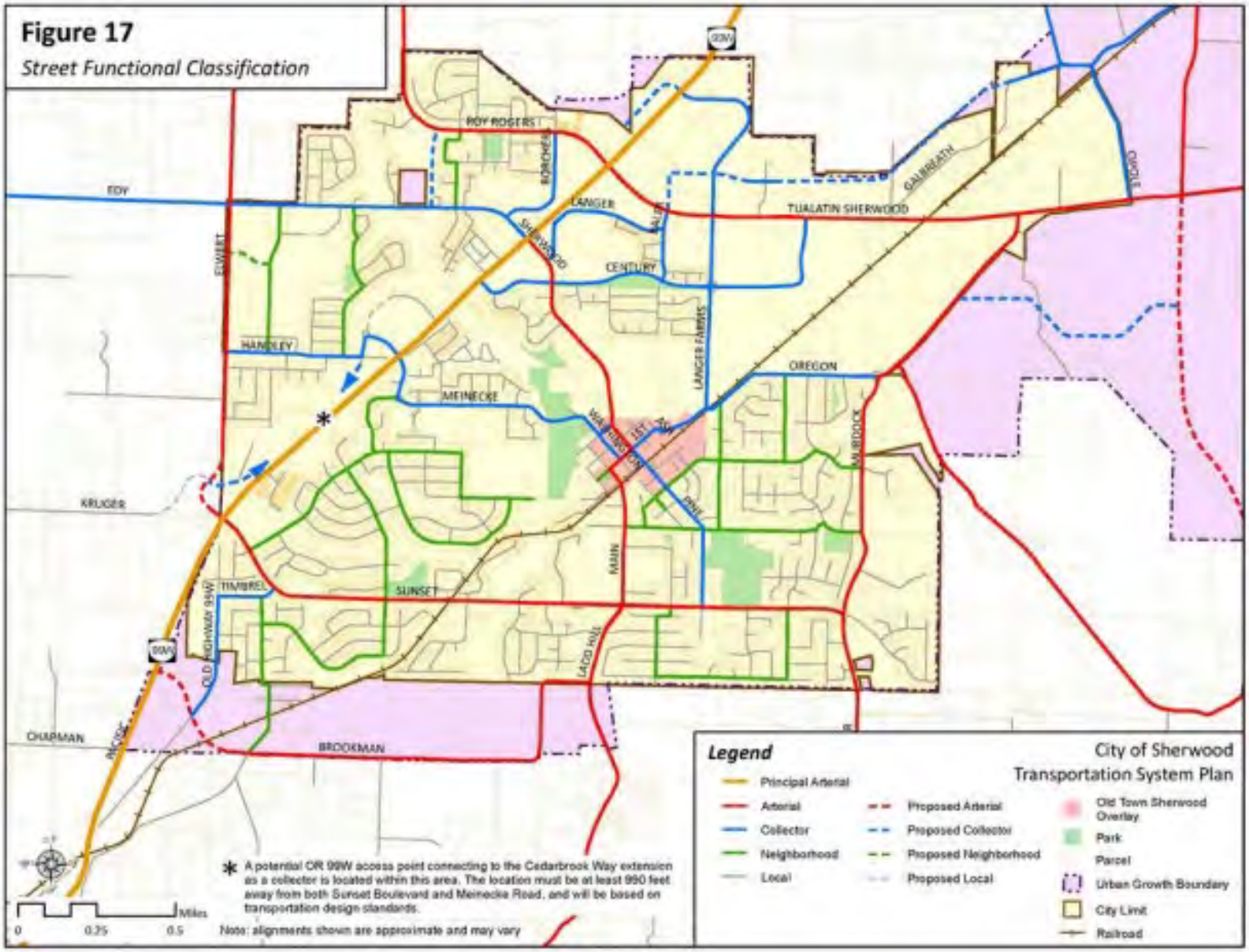


Figure 4. Washington County Street Classification Map



Figure 5. City of Sherwood Street Classification Map



APPENDIX O

Preliminary Infrastructure Funding Strategy

Sherwood West Concept Plan

Preliminary Infrastructure Funding Strategy

Date March 10, 2023

To Kate Rogers and Darci Rudzinski, MIG|APG

From Ellen Bini, Leland Consulting Group
Chris Zahas, AICP, Leland Consulting Group

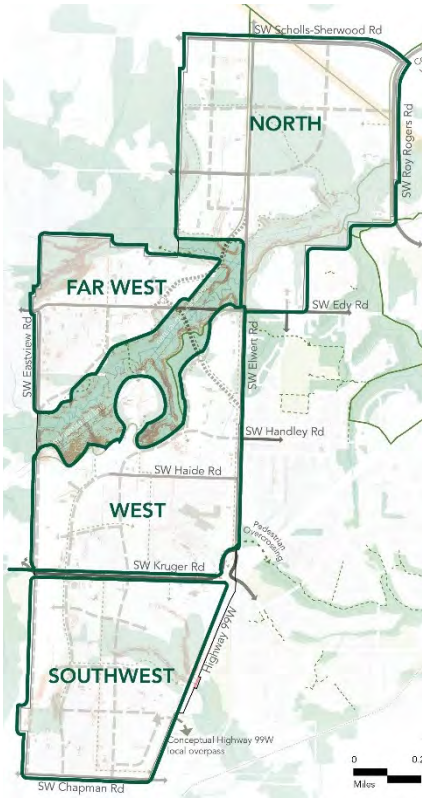
CC Erika Palmer, City of Sherwood

Introduction

This Infrastructure Funding Strategy memorandum accompanies the Sherwood West Preliminary Concept Plan Re-Look by providing a high-level estimate of infrastructure costs and potential tools for funding the development of priority districts in the Sherwood West area. It builds upon a preliminary exploration of infrastructure costs and funding tools that were developed during the 2016 Sherwood West Preliminary Concept Plan.

This memorandum is organized as follows:

- **Infrastructure Funding Gap Analysis.** We present a high-level summary of likely infrastructure costs required to make the various subdistricts of Sherwood West developable and compare them to the system development charges (SDCs) and other development impact fees that would be generated by development in Sherwood West to help pay for such infrastructure. This calculation identifies funding gaps that will need to be addressed for Sherwood West to build out. The types of infrastructure evaluated in this memorandum include water, sanitary sewer, storm water, and transportation.
- **Funding Toolkit and Strategy.** To address the anticipated funding gaps, the memo identifies potential funding tools and strategies that could supplement the baseline SDC revenues to make development feasible. This memo builds upon the tools discussed in the 2016 Sherwood West Preliminary Concept Plan and recommends those that have the most promise for filling any funding shortfalls.



In all steps of this analysis and throughout this memorandum, the focus is on regional infrastructure necessary to provide access or utility service to development parcels. For the most part, this means major arterials, collectors and trunk utility lines that will serve multiple parcels within Sherwood West. Roads and infrastructure internal to development sites is not considered here and is assumed to be a developer cost.

Catalyst Projects

Based on City priorities and existing infrastructure availability, it is anticipated that two of the four districts in the current concept planning process—North and West—will develop first. Because infrastructure costs were provided by the City for sectors ("A" through "F," aligned with the 2016 Preliminary Concept Plan Phasing boundaries), the following analysis aggregates costs for sectors "C" and

"D" as the North district, and "A," "B," and "E" for the West/Southwest districts (Southwest included with West because sector "E" spans both West and Southwest). Appendix B includes the map that engineering used to put together the estimates for the Sectors "A" through "F." Through public investment and private development, attention in these districts will help lay the foundation for the long-term evolution of Sherwood West. The analysis, therefore, takes a close look at the infrastructure that will help these two areas serve as catalysts for subsequent development elsewhere in Sherwood West.

- **North District.** The North District is best suited for employment uses that support the City's economic development goals, and the concept plan accordingly shows a future focus on mixed employment uses in this area. Serving this area with appropriate infrastructure will be a challenge—requiring additional infrastructure analysis. Below is a list of projects that collectively account for over 70% of associated "hard" costs (or those not including design, construction, and land acquisition) for infrastructure serving this area. Transportation and water projects have the highest projected costs for this district, with the Elwert Road and Scholls-Sherwood improvements collectively accounting for 30% of costs, followed by 22% of costs attributed to water improvements along Elwert, Roy Rogers, and Scholls-Sherwood roads. Storm water improvements along Elwert Road account for 16% of costs, and a sewer trunk line extension accounts for an estimated 5%. It is expected that a large proportion of transportation project costs will be paid by developers on a project-by-project basis, though the City will need to plan for capital projects serving the area (e.g., the Elwert and Scholls-Sherwood intersection).

  Table 1. North District Catalyst Project Cost Estimates

Project	Type	Cost	% of North District Costs
Elwert Road	Street	$7,432,500	24%
Elwert Road	Storm	$4,955,000	16%
Elwert Road	Water	$2,973,000	10%
Roy Rogers	Water	$1,836,000	6%
Scholls-Sherwood	Street	$1,830,000	6%
Scholls-Sherwood	Water	$1,830,000	6%
Trunk Line	Sewer	$1,650,000	5%
Total		**$22,506,500**	**73%**

- **West/Southwest Districts.** Development of the West District has already begun with the new high school, finished in 2021. In the current concept plan, this district is expected to be developed with a mixture of housing types and employment uses adjacent to Highway 99W. According to an infrastructure and phasing analysis prepared by City staff, this area can more readily accommodate most needed infrastructure improvements with existing water and sewer infrastructure currently being planned and constructed by Clean Water Services—but road construction and financing will pose significant costs and challenges throughout Sherwood West given the terrain, the presence of significant natural areas, and the current parcelization of the area. This finding is reflected in the list of major projects below, 39% of which are transportation-related, followed by 23% for water and 10% for storm water improvements.

Table 2. West/Southwest District Catalyst Project Cost Estimates

Project	Type	Cost	% of West/Southwest District Costs
New Collector (2-lane) in "A"	Street	$5,910,000	11%
New Collector (2-lane) in "B"	Street	$4,692,000	9%
Elwert in "A"	Street	$4,500,000	8%
Pump facility in "A"	Water	$4,500,000	8%
Finish Loop in "E"	Water	$3,440,000	6%
Highway 99 in "B"	Water	$2,520,000	5%
Elwert/Edy Intersection in "A"	Street	$2,400,000	4%
New Collector (2-lane) in "A"	Storm	$1,970,000	4%
New Collector in "A"	Water	$1,970,000	4%
Chapman Road in "E"	Street	$1,950,000	4%
Elwert in "A"	Storm	$1,800,000	3%
Chapman Road in "B"	Street	$1,695,000	3%
Total		**$37,347,000**	**69%**

Infrastructure Funding Gap Analysis

Methodology

The table below compares infrastructure costs and revenue scenarios to calculate the funding surplus (positive amounts) or gap (negative amounts) that would be generated through development fees. Some notes on the methodology used are included below, with a detailed account of the methodology found in Appendix A:

- **Revenues.** The primary revenues that will be generated by development in Sherwood West and used to fund infrastructure are system development charges (SDCs) and Washington County's Transportation Development Tax. Some additional funds may be available from other public agencies and other local funding tools, described briefly at the end of this memorandum. All revenues shown are based on a full build out of the area, and the land use programs developed during the current Sherwood West concept planning effort—with low and high scenarios for the housing estimates. The low housing scenario signifies 0% middle housing (2-4 plexes, townhomes, and cottage clusters) built in areas designated for single-family homes, and the high scenario signifies 20% middle housing built in those areas. This analysis does not take into account the timing of infrastructure costs or revenues. Additionally, low and high scenarios for sewer revenue generation for Mixed Employment and Commercial development were included given the uncertainty over the scale of development.
- **Costs.** Not included are costs internal to development projects, such as site preparation and construction, that will be paid by private developers. The City will likely also have additional costs not covered here in the development of public spaces such as parks design and development. Infrastructure costs for water, sanitary sewer, storm water, and transportation facilities were provided by the City engineering team. Low and high sewer flow count estimates for Mixed Employment and Commercial uses were also provided by the City engineering team.

Table 3. Sherwood West Infrastructure Funding Gap Analysis

Preliminary Gap Analysis: Low Density Housing (0% Middle Housing), Low-End Mixed Employment/Commercial Sewer Revenues Scenario

	Water	Sewer		Storm	Parks	Transportation	
Revenues to City of Sherwood	City SDC	City SDC	CWS RCC	City SDC	City SDC	City SDC	County TDT
North ("C" & "D")	$4,304,851	$435,991	$3,292,666	$1,849,623	$5,515,847	$6,901,574	$43,658,755
Far West ("F")	$4,674,244	$474,952	$3,504,625	$425,369	$7,933,413	$1,040,374	$5,288,942
West/Southwest ("A," "B," "E")	$15,397,353	$2,019,462	$15,355,574	$2,590,460	$28,811,193	$36,041,567	$69,719,304
Total Sources	**$24,376,448**	**$2,930,405**	**$22,152,865**	**$4,865,452**	**$42,260,453**	**$43,983,514**	**$118,667,001**
Costs to City of Sherwood							
North ("C" & "D")	$10,954,350	$3,531,250		$18,634,500	-	$20,995,625	
West/Southwest ("A," "B," "E")	$27,749,100	$3,679,350		$22,312,850	-	$46,829,175	
Far West ("F")	$7,476,000	$4,801,500		$10,447,500	-	$10,658,750	
Total Uses	**$46,179,450**	**$12,012,100**		**$51,394,850**	-	**$78,483,550**	
Funding Surplus/Gap	-$21,803,002	$13,071,171		-$46,529,398	$42,260,453	$84,166,965	

Preliminary Gap Analysis: High Density Housing (20% Middle Housing), Low-End Mixed Employment/Commercial Sewer Revenues Scenario

	Water	Sewer		Storm	Parks	Transportation	
Revenues to City of Sherwood	City SDC	City SDC	CWS RCC	City SDC	City SDC	City SDC	County TDT
North ("C" & "D")	$4,923,371	$498,839	$3,756,416	$1,905,910	$6,565,637	$6,983,934	$44,077,425
Far West ("F")	$7,475,256	$759,564	$5,604,750	$680,269	$12,687,462	$1,413,350	$7,184,919
West/Southwest ("A," "B," "E")	$20,690,117	$2,557,263	$19,323,949	$3,072,116	$37,794,396	$36,746,338	$73,301,923
Total Sources	**$33,088,744**	**$3,815,666**	**$28,685,115**	**$5,658,295**	**$57,047,495**	**$45,143,622**	**$124,564,267**
Costs to City of Sherwood							
North ("C" & "D")	$10,954,350	$3,531,250		$18,634,500	-	$20,995,625	
West/Southwest ("A," "B," "E")	$27,749,100	$3,679,350		$22,312,850	-	$46,829,175	
Far West ("F")	$7,476,000	$4,801,500		$10,447,500	-	$10,658,750	
Total Uses	**$46,179,450**	**$12,012,100**		**$51,394,850**	-	**$78,483,550**	
Funding Surplus/Gap	-$13,090,706	$20,488,681		-$45,736,555	$57,047,495	$91,224,338	

Preliminary Gap Analysis: Low Density Housing (0% Middle Housing), High-End Mixed Employment/Commercial Sewer Revenues Scenario

	Water	Sewer		Storm	Parks	Transportation	
Revenues to City of Sherwood	City SDC	City SDC	CWS RCC	City SDC	City SDC	City SDC	County TDT
North ("C" & "D")	$4,304,851	$517,882	$4,614,499	$1,849,623	$5,515,847	$6,901,574	$43,658,755
Far West ("F")	$4,674,244	$474,952	$3,504,625	$425,369	$7,933,413	$1,040,374	$5,288,942
West/Southwest ("A," "B," "E")	$15,397,353	$2,360,274	$15,914,799	$2,590,460	$28,811,193	$36,041,567	$69,719,304
Total Sources	**$24,376,448**	**$3,353,108**	**$24,033,922**	**$4,865,452**	**$42,260,453**	**$43,983,514**	**$118,667,001**
Costs to City of Sherwood							
North ("C" & "D")	$10,954,350	$3,531,250		$18,634,500	-	$20,995,625	
West/Southwest ("A," "B," "E")	$27,749,100	$3,679,350		$22,312,850	-	$46,829,175	
Far West ("F")	$7,476,000	$4,801,500		$10,447,500	-	$10,658,750	
Total Uses	**$46,179,450**	**$12,012,100**		**$51,394,850**	-	**$78,483,550**	
Funding Surplus/Gap	-$21,803,002	$15,374,930		-$46,529,398	$42,260,453	$84,166,965	

Preliminary Gap Analysis: High Density Housing (20% Middle Housing), High-End Mixed Employment/Commercial Sewer Revenues Scenario

	Water	Sewer		Storm	Parks	Transportation	
Revenues to City of Sherwood	City SDC	City SDC	CWS RCC	City SDC	City SDC	City SDC	County TDT
North ("C" & "D")	$4,923,371	$580,730	$5,078,249	$1,905,910	$6,565,637	$6,983,934	$44,077,425
Far West ("F")	$7,475,256	$759,564	$5,604,750	$680,269	$12,687,462	$1,413,350	$7,184,919
West/Southwest ("A," "B," "E")	$20,690,117	$2,898,074	$19,883,174	$3,072,116	$37,794,396	$36,746,338	$73,301,923
Total Sources	**$33,088,744**	**$4,238,368**	**$30,566,172**	**$5,658,295**	**$57,047,495**	**$45,143,622**	**$124,564,267**
Costs to City of Sherwood							
North ("C" & "D")	$10,954,350	$3,531,250		$18,634,500	-	$20,995,625	
West/Southwest ("A," "B," "E")	$27,749,100	$3,679,350		$22,312,850	-	$46,829,175	
Far West ("F")	$7,476,000	$4,801,500		$10,447,500	-	$10,658,750	
Total Uses	**$46,179,450**	**$12,012,100**		**$51,394,850**	-	**$78,483,550**	
Funding Surplus/Gap	-$13,090,706	$22,792,441		-$45,736,555	$57,047,495	$91,224,338	

Findings

Across all four scenarios, revenues generated under a full buildout of Sherwood West are sufficient to cover estimated infrastructure costs for sewer, parks, and transportation, but not water and storm infrastructure. Parks show a surplus across all scenarios because the cost of parks were not included in this analysis. Sewer and transportation show a surplus due to the inclusion of funding mechanisms in addition to City SDCs:

- **Clean Water Services (CWS) Regional Connection Charge (RCC).** Clean Water Services is a "water resources management utility" providing sewer and surface water management in Washington County.[1] This analysis assumes RCC revenue will be available for funding infrastructure expansion in Sherwood West.
- **County Transportation Development Tax (TDT).** The TDT, passed by Washington County voters in 2008, is a one-time charge on development (like an SDC) that funds transportation capital improvements designed to accommodate growth. A list of eligible projects is maintained by the County and are "generally limited to improvements on major roads (arterials and collectors) and selected transit capital projects."[2]

It is unusual to have a surplus on transportation infrastructure but that is the case here due to the sizeable TDT revenues and the fact that cost estimates assume no Chicken Creek bridge—which would represent a significant expense and cut into the transportation surplus found by this analysis. The calculation of storm water revenues assumed no CWS Regional Storm Drainage Improvement Charges were collected due to credits given for water detention and water quality projects, per City guidance. With an additional 45% reduction in assumed City storm water SDC collection (due to participation in water quality projects), the largest shortfall across all infrastructure categories—$46,529,398—is found for stormwater under both low housing scenarios.

This is a preliminary analysis and should be revisited as the City conducts additional infrastructure planning, as development is implemented, and as other aspects of development in Sherwood West change—including significant changes to costs and timing of development.

Funding Toolkit and Strategy

Recommended Funding Strategies

LCG recommendations for supplementing existing baseline funding are informed by recent development experience in the region and review of existing resources, including the Phasing and Funding Strategy prepared by ECONorthwest for the Preliminary Concept Plan in 2016 and the 2020 Washington County Infrastructure Funding Plan Toolkit (which provides guidance on funding transportation infrastructure in urban reserve areas specifically).

Supplemental SDC. Based on recent development experience in the region, especially Frog Pont West in Wilsonville, LCG recommends focusing first on Supplemental SDCs to meet any funding gaps. Supplemental SDCs are essentially additional SDCs for a sub-area of the City, paid by developers. By using the SDC tool, costs can be shared across multiple developers over time. As with standard SDCs, developers can be credited and/or reimbursed for oversized infrastructure that they construct that benefits other developers and/or the city as a whole. As with any development cost, the costs of supplemental SDCs will ultimately get passed on to homebuyers and commercial and residential tenants in the form of higher housing costs and rents. The next steps to implementing a

[1] Clean Water Services "About Us", https://cleanwaterservices.org/about/who-where/.
[2] Washington County Department of Land Use and Transportation, Transportation Development Tax Annual Reports 2009–Present.

supplemental SDC would involve the following, which should be managed by City staff with the support of a municipal finance consultant:

- Ongoing refinement of project engineering and costs;
- Outreach to property owners and developers to refine development projections and phasing and to negotiate the specifics of a potential fee;
- Financial modeling of a potential fee, including identification of specific projects that would be included in the fee and exploration of scenarios that might vary the fee in different parts of Sherwood West;
- Engagement of the Sherwood City Council and Planning Commission;
- Development of a final proposal for adoption.

Regional Sources. In addition to a supplemental SDC and other tools mentioned above, securing "outside" funding sources for needed infrastructure can help reduce costs on a dollar-for-dollar basis. Therefore, the City should seek to leverage additional existing funding through other government sources, including:

- **Major Streets Transportation Improvement Program (MSTIP).** MSTIP is a county-wide road improvement program funded by countywide property taxes. The 2023-2028 System of Countywide Interest Map identifies Elwert Road as an "eligible arterial/principal," and may receive funding through MSTIP as a major road. There is MSTIP funding for SW Roy Rogers Road, but not currently for the portion adjacent to Sherwood West.
- **Metropolitan Transportation Improvement Program (MTIP).** MTIP, overseen by Oregon Metro, "records how all federal transportation money is spent in the Portland metropolitan area" and monitors significant state and locally funded projects with an impact on air quality. MTIP follows a four-year construction schedule and is updated every two to three years. Sherwood West projects may be eligible for the next round of MTIP funds.
- **Regional Flexible Funding**. Regional flexible funding for transportation projects, administered by Oregon Metro, provides "federal funding for investments in sidewalks, trails, and roadways in communities across the region." Regional funds not already allocated for ongoing commitments may be applied for by regional jurisdictions through a project selection process. Projects for the 2025-2027 cycle were selected in October 2022, but the City can plan to submit a project proposal for the next funding cycle—which to be successful, will need to demonstrate alignment with regional investment priorities.

State Funding Sources. Business Oregon operates industrial and employment land readiness programs that may have the potential to fund infrastructure development in Sherwood West, particularly in the North District.

- **Regionally Significant Industrial Sites Program (RSIS).** RSIS is "a profit sharing economic development tool that offers state income tax reimbursements for approved industrial site readiness activities," and can cover activities such as transportation and infrastructure improvements. Local governments can apply if they own or act as a sponsor for privately-owned industrially zoned sites.
- **Emerging Opportunities.** Finally, the City should watch the state legislature, as state resources may become available to support industrial site readiness and best position the state for federal funding via new legislation, such as the CHIPS Act and Inflation Reduction Act.

Additional funding strategies

Additionally, the four funding tools identified as preferred in the Preliminary Concept Plan could also be considered, but would be a lower priority than supplemental SDCs, regional, and state sources:

- **Local Improvement District (LID).** "An LID is a special assessment district where property owners are assessed a fee to pay for capital improvements, such as streetscape enhancements, underground utilities, or shared open

space."[3] With LIDs, landowners within the district are assessed a fee based on the proportional benefits they receive from the district, established at inception. LIDs typically require the approval of 60 percent of the affected property owners in the district. Owners benefit from paying costs over time and the City's access to a lower interest rate. LIDs would have much the same impact as a supplemental SDC, therefore we recommend focusing on a supplemental SDC as the primary tool before considering using LIDs.

- **Utility fees**: Utility fees for regional infrastructure are much less common in Oregon and, while allowed, would be relatively unique and less familiar to developers than a supplemental SDC. A utility fee also would be paid by end users (homeowners and tenants) and could therefore create a timing issue where revenues aren't realized until after the infrastructure is built.
- **Property Tax (GO) Bonds**: While citywide general obligation bonds backed by a temporary increase in property tax rates are a legal option for consideration, the need for a public vote and the fact that all city residents would bear the funding burden limits the appropriateness of this tool to infrastructure projects that have a citywide benefit. Given the need for a public vote and the greater ease of implementing other tools, we do not recommend GO bonds as a funding tool for Sherwood West.

Urban Renewal was also considered in the previous Phasing and Funding Strategy, but not as a preferred tool. Nevertheless, it could potentially be used with some caveats as discussed here. Through tax increment financing, urban renewal can help pay for infrastructure through the increase in property taxes that occur in the urban renewal area over time. Urban renewal is typically implemented in existing areas of a city where revitalization is desired or there is a need to address specific infrastructure deficiencies that are barriers to new investment, and its use in new undeveloped areas of the city may face political challenges in implementation. There are also strict limits on how much of a city can be within an urban renewal district, both by taxable value and geographically. This would need to be considered since Sherwood already has two existing urban renewal areas.

Conclusion

Key findings of this preliminary infrastructure funding strategy analysis include:

- Development envisioned for the focus areas of this analysis include employment uses in the North and a mix of housing (including middle housing intermixed with low and medium-density single family development) and employment uses along Highway 99W in the West/Southwest.
- Several infrastructure projects are catalytic to making development possible in these areas. For both the North and West/Southwest districts, transportation projects are projected as the highest-cost, including the extension of Elwert Road for both areas, Scholls-Sherwood Road in the North, and a new 2-lane collector in the West/Southwest. Additional catalytic projects include extending water and storm improvements along Elwert Road in the North and expanding water service in the West/Southwest.
- Preliminary analysis shows a shortfall for water and storm and surplus for transportation, sewer, and parks when regional connection charge revenues to Clean Water Services and the Washington County TDT are included.
- Of all the potential funding strategies, a supplemental SDC would be easiest to implement to cover the gap, though the City should also aggressively seek outside funding from regional, state and federal programs to reduce the overall cost.
- Next steps involve continued refinement of projects and costs and financial modeling and discussions with developers on a potential supplemental fee.

[3] ECONorthwest, Preliminary Concept Plan Phasing and Funding Strategy.

Appendix A: Methodology

The following assumptions were made for the Sherwood West Infrastructure Funding Strategy and Action Plan revenue gap analysis:

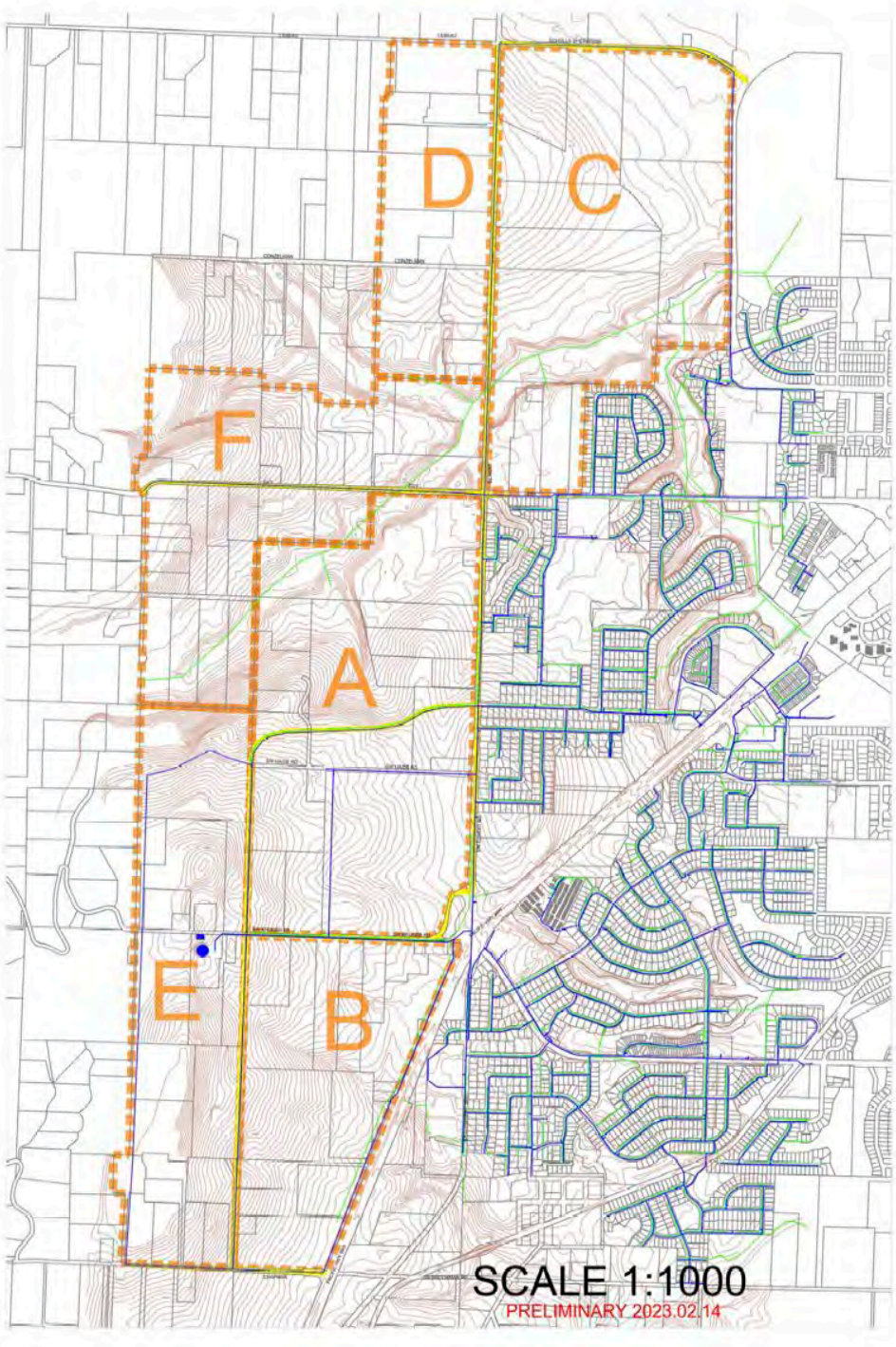
Development Programming

- To match development programming by Concept Plan "district," costs were summed as follows:
    - North ("C" & "D")
    - West/Southwest ("A," "B," "E")
    - Far West ("F")
- Mixed Use treated as Commercial, with no additional estimates for housing.

Revenue Calculation

- FAR of 0.35 was applied to programming acreage for non-residential land uses, and multifamily for water SDC revenue calculation when calculating connection charges for water, sewer, and park revenues.
- For sewer SDCs:
    - For City SDC calculation, an EDU is equivalent to 150 gallons per day. Low/high flow counts for Mixed Employment and Commercial were provided by the City and used to generate a low and high-sewer revenue scenario.
    - For CWS SDC calculation, an EDU is equivalent to 16 "fixture units." Low/high flow counts for Mixed Employment and Commercial were provided by the City and used to generate a low and high-sewer revenue scenario.
- For stormwater SDCs:
    - The CWS Regional Storm Drainage Improvement Charge was not tracked because most users have these charges waived because their projects provide water quality and water detention services.
    - As with the CWS Regional Storm Drainage Improvement Charge, it is expected that many users will receive a 45% discount for designs that support water quality (a discount for water detention is not available for the City's SDC). For this reason, in the calculation of the City of Sherwood's stormwater SDC, only 55% of the charge was included. For this SDC, one equivalent service unit (ESU) of 2,640 feet is equivalent to one single-family residence. For other uses, calculations were area based, after removing 10% of land area as estimated non-pervious surface (for Multifamily, Mixed Employment, and Commercial/Mixed Use/Hospitality uses).
- For City of Sherwood transportation SDCs, fees associated with the following non-residential "Type" were used:
    - Mixed Employment: "General Light Commercial"
    - Commercial, Mixed Use, Hospitality: "Specialty Retail"

Appendix B: Sherwood West Preliminary Concept Plan Phasing



SHERWOOD WEST CONCEPT PLAN



Metro Policy Advisory Committee (MPAC)

December 13, 2023

Eric Rutledge, Community Development Director

Erika Palmer, Planning Manager

Good Evening!

Sherwood West Concept Plan (Re-Look)

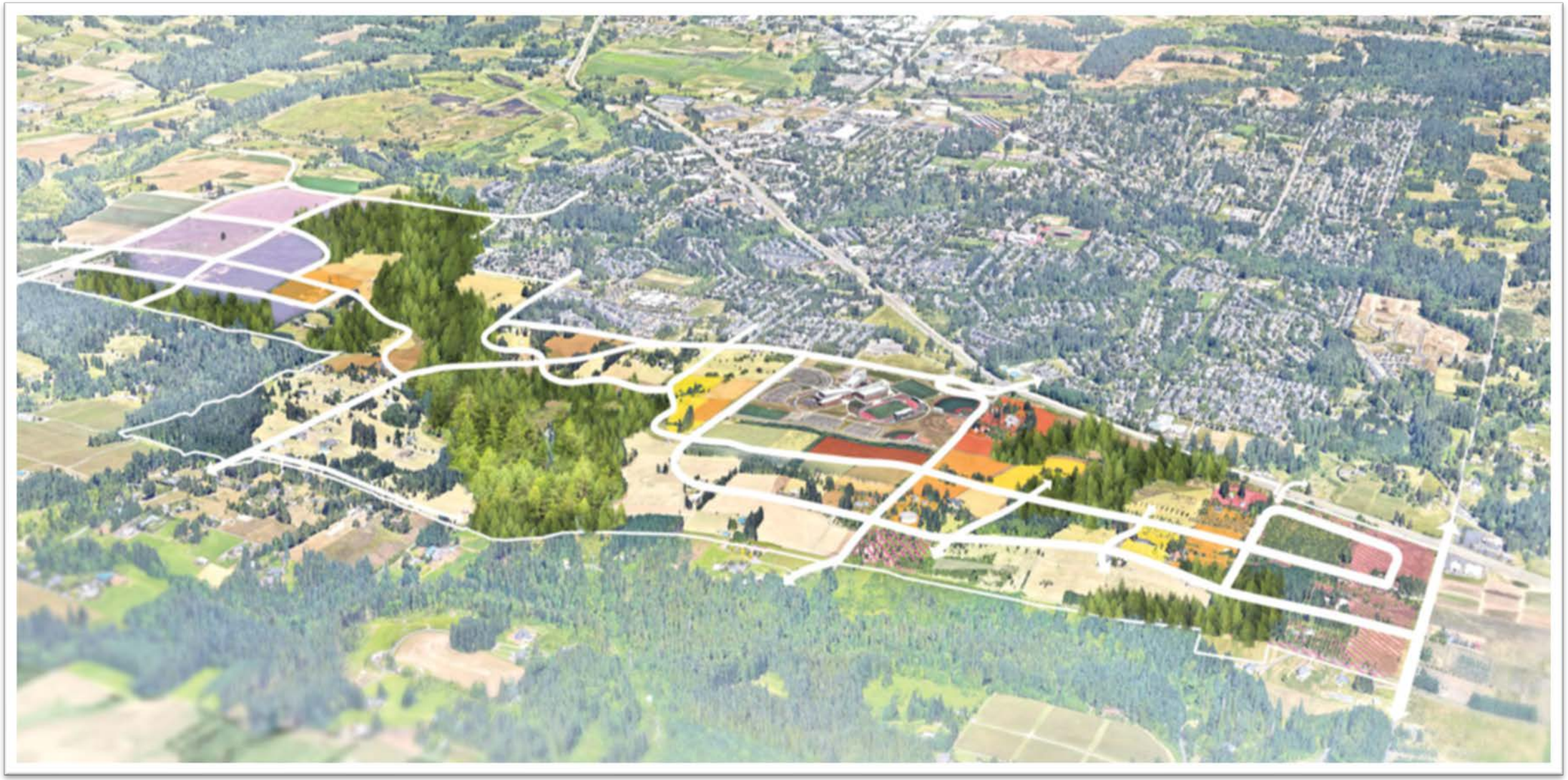
- Introduction
- Planning and Engagement Process
- Vision and Goals
- Existing Conditions
- Land Use Alternatives
- Accepted Concept Plan



Stella Olsen Park by Dave Gilmore

CONCEPT PLAN INTRODUCTION

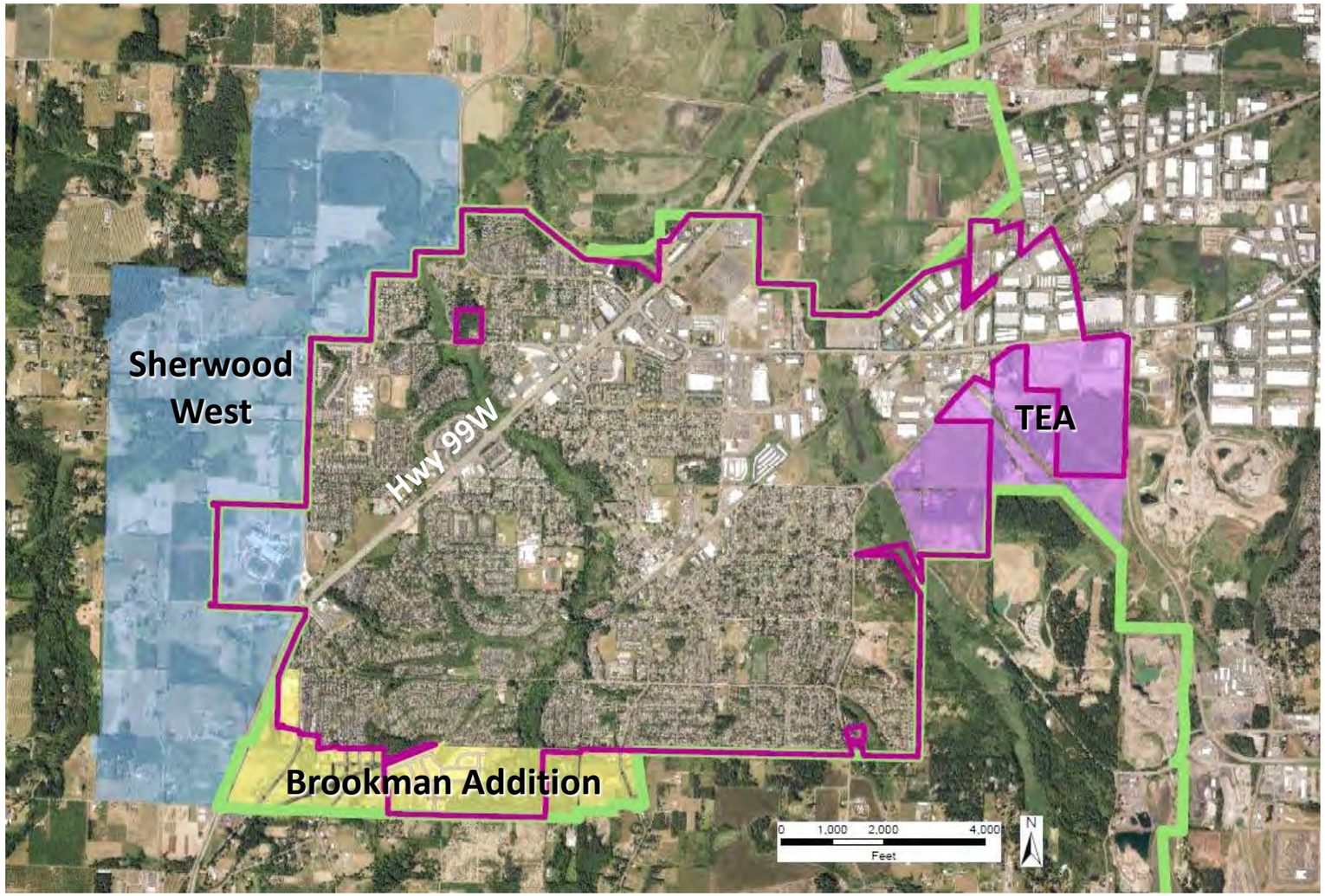
The Role of the Concept Plan



Sherwood West

Metro Urban Reserve Area 5B

- 1,291 acres
- 126 properties
- 110 properties owners
- 9.8 acres (avg property size)
- 2016 Preliminary Concept Plan



Why a Re-Look?

Shift in priorities
- Creating a more diversified tax base
- Adoption of 2040 Comprehensive Plan
- Updated housing and employment plans

Changing conditions
- New High School
- Continued growth
- Need for both employment and residential land

Changing regulations
- House Bill 2001
- Residential Design Standards



Why a Re-Look?





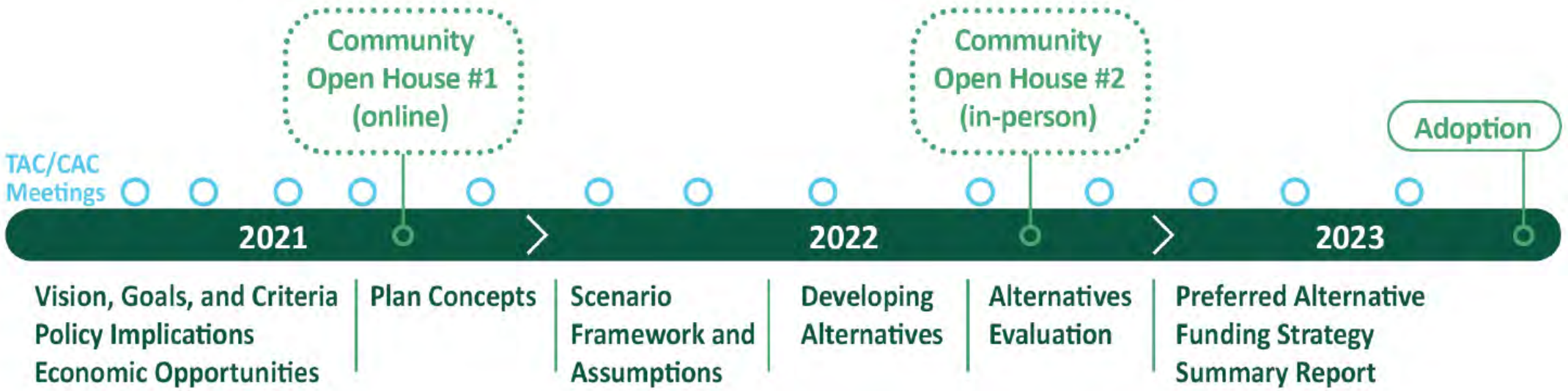
Why a Re-Look?



PLANNING & ENGAGEMENT PROCESS

Guided by the Community Advisory Committee (CAC)

Community Engagement Timeline



Community Engagement Activities

- ✓ Community Advisory Committee Meetings – total of 14
- ✓ Public Testimony at CAC Meetings
- ✓ CAC Interested Parties Email Subscription
- ✓ Project Website
- ✓ Social Media (Facebook, Twitter, Next Door)
- ✓ Sherwood Utility Billing Email Listing Notices
- ✓ Sherwood Archer Newsletter
- ✓ Project Video
- ✓ Property Owner Mailings
- ✓ Online Surveys
- ✓ Coffee Klatches with HOA's
- ✓ Community Pop-Up Events
- ✓ Cedar Creek Trail Grand Opening
- ✓ Community Open Houses
- ✓ Virtual Open House
- ✓ Technical Advisory Committee Meetings – total of 12
- ✓ Metro Home Builders Association Presentation
- ✓ Sherwood West Economic Development Stakeholder Interviews
- ✓ Metro Technical Advisory Committee (MTAC) Presentation





VISION AND GOALS

Guided by the Community Advisory Committee (CAC)

Sherwood West Vision

Sherwood West is a walkable community with a balanced mix of employment, residential, commercial, and greenspace land uses—it is a place where families can safely live, work, shop, and play. Sherwood West is home to a variety of businesses that offer stable, high-paying jobs and those employment opportunities have helped satisfy the City's need for an expanded tax base to protect and maintain Sherwood's great quality of life. Sherwood West is attractive to employers and residents because of its well-planned infrastructure, well-connected streets, walkable neighborhoods, and variety of well-designed housing choices. The area feels like a natural extension of Sherwood's existing neighborhoods, and it is integrated with other nearby urbanizing areas and regional destinations such as the Tualatin River National Wildlife Refuge. Sherwood West's natural landscape is anchored by the Chicken Creek Greenway, which protects the creek corridor and connects the area's neighborhoods through a network of natural areas, parks, and trails.

Sherwood West Goals







EXISTING CONDITIONS

Sherwood West Existing Conditions



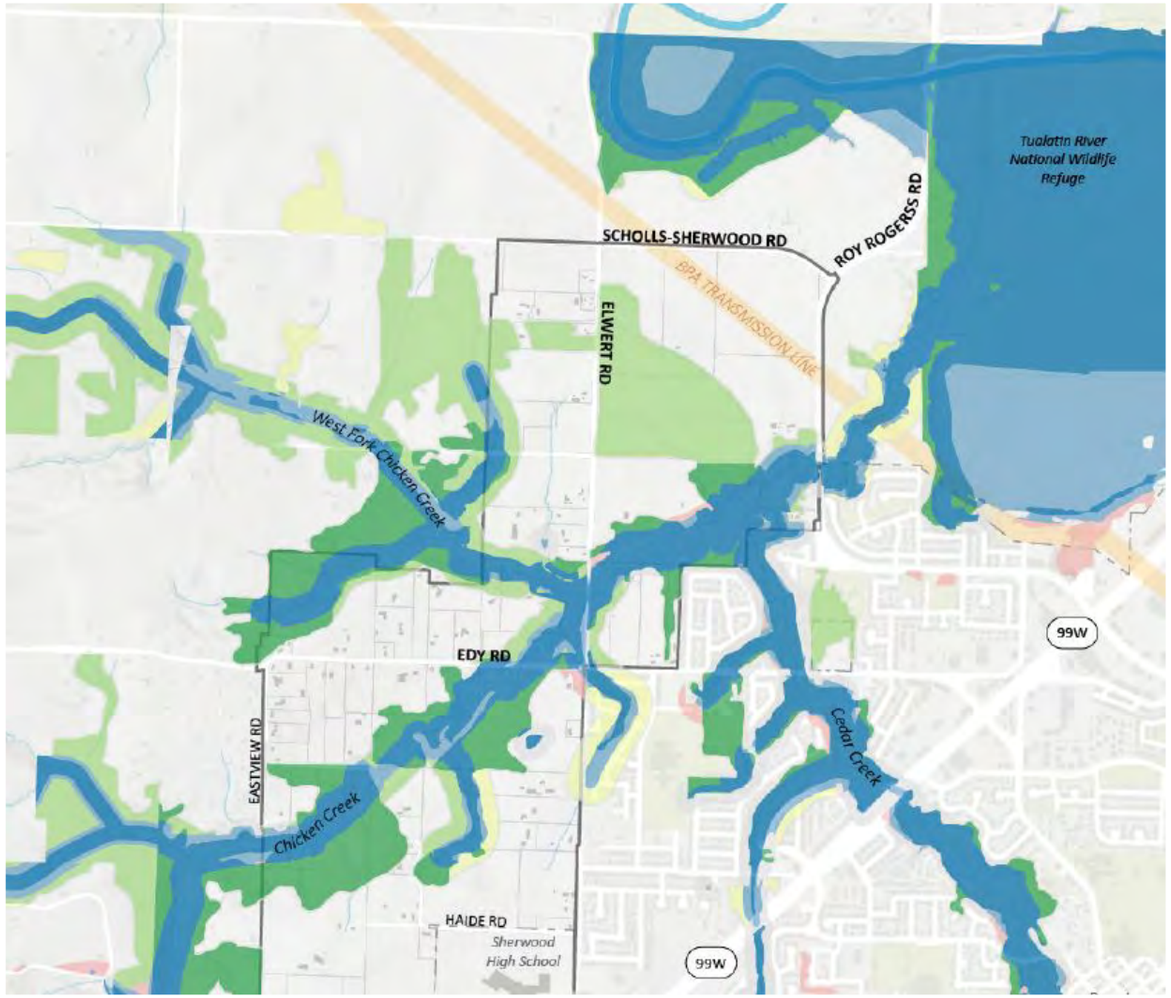
Sherwood West Existing Conditions

Open Space and Natural Resources

- Chicken Creek
- Tualatin River National Wildlife Refuge
- Riparian and Upland Habitat

Concept Plan

- Parks within 10-min walk
- Regional trail to wildlife refuge
- Two Community Parks



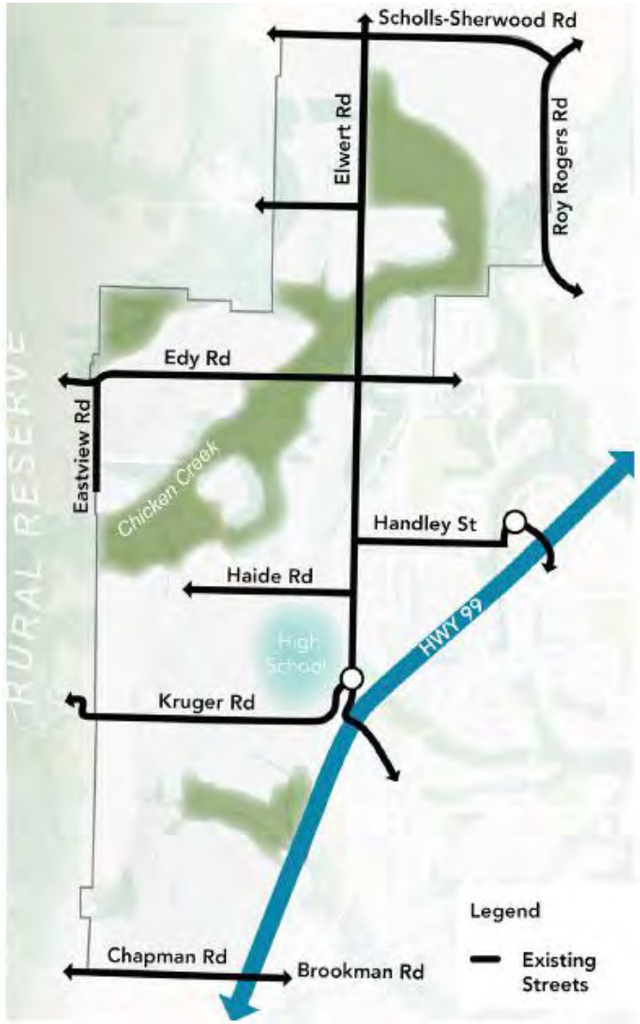
Sherwood West Existing Conditions

Transportation

- Highway 99W
- SW Elwert Rd.

Concept Plan

- Multi-modal, micro mobility
- Highway 99W Pedestrian Bridge
- Transit ready

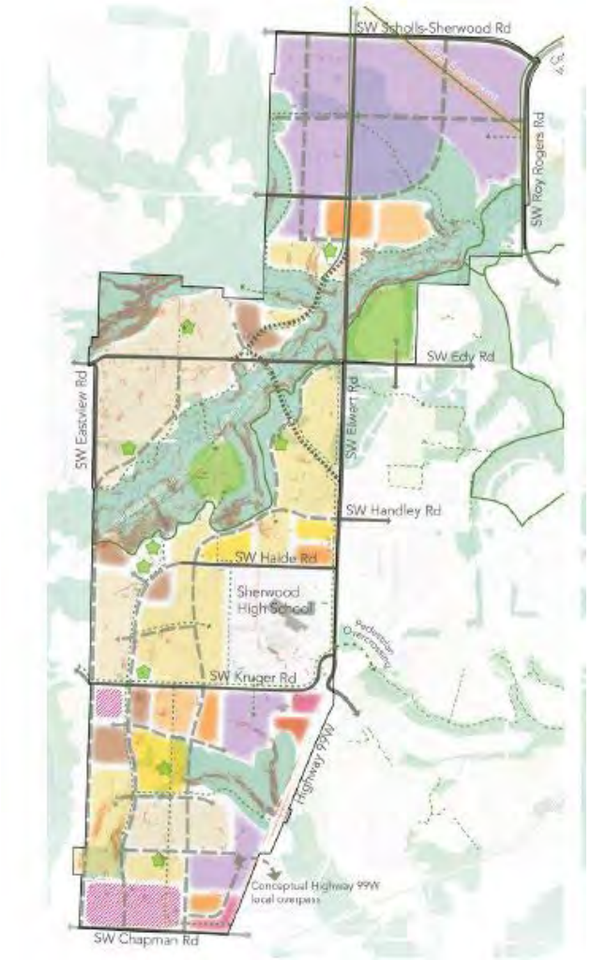




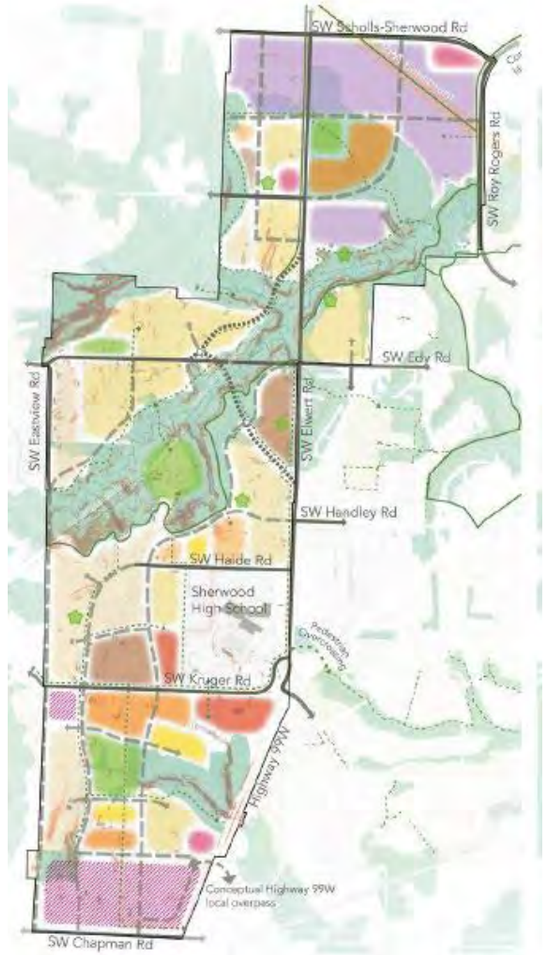
LAND USE ALTERNATIVES

Guided by the Community Advisory Committee (CAC)

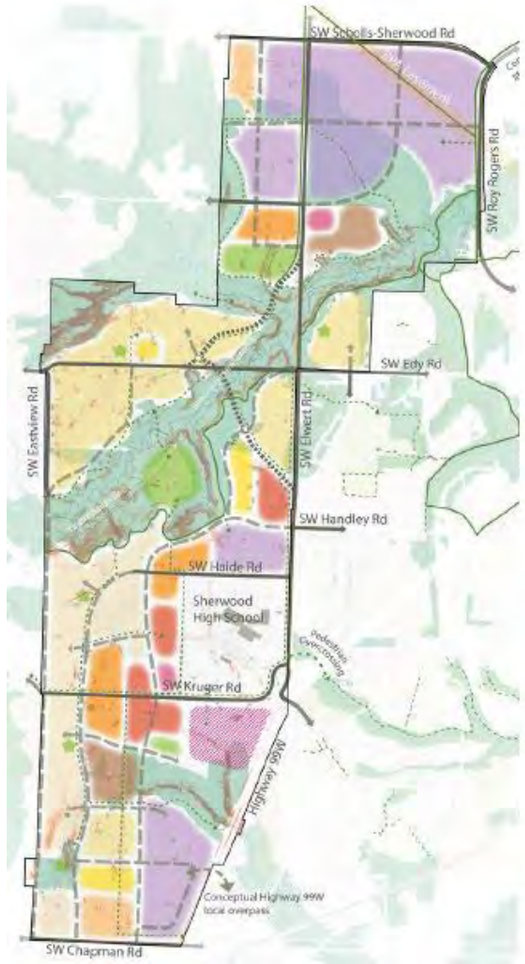
Land Use Alternatives



Alternative 1



Alternative 2



Alternative 3

Land Use Alternatives

What we heard

- Design of Elwert Rd. is important
- Preserve natural features
- Plan for parks and trails

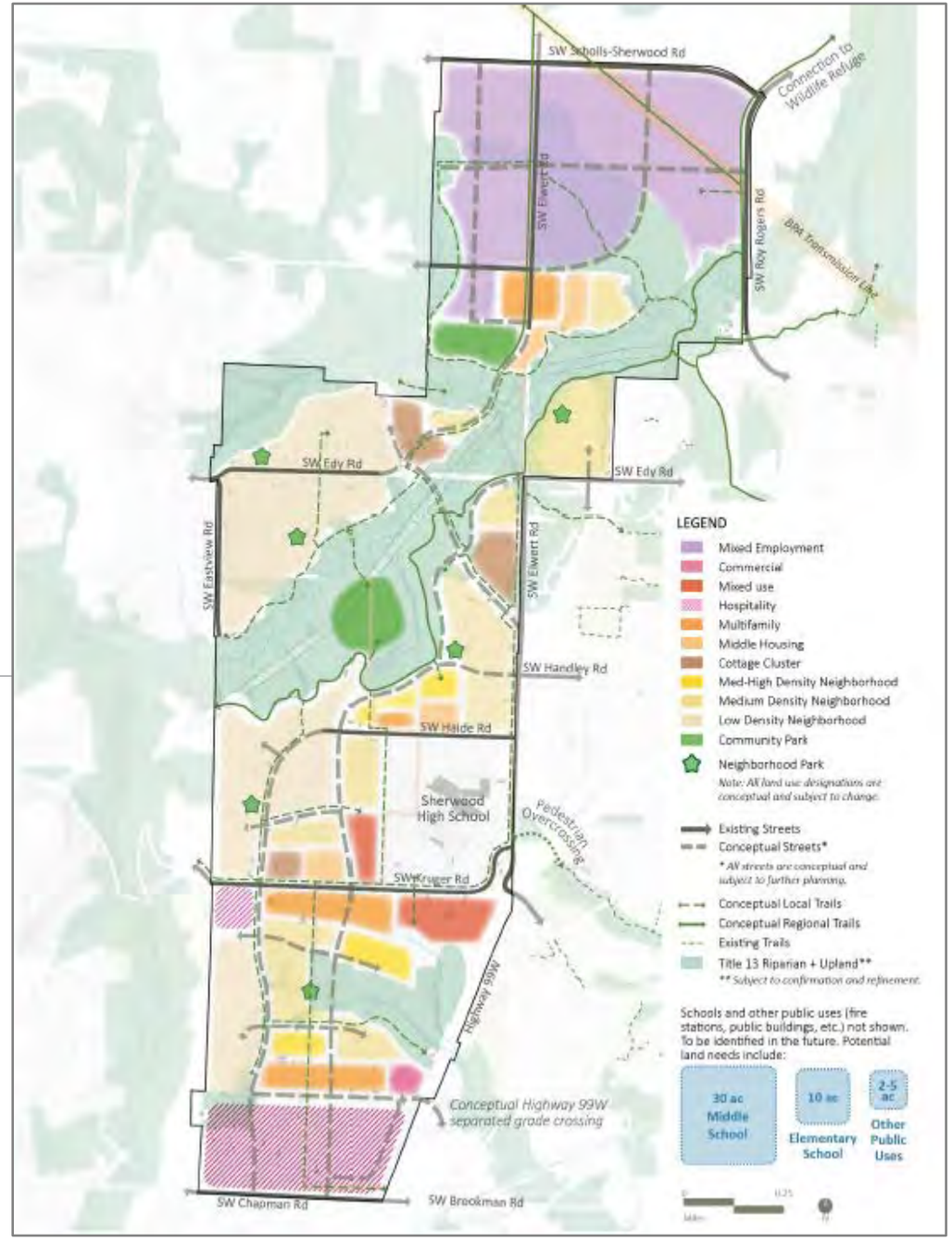
- Support the variety of housing (cottage clusters)
- Support employment in north district
- Support mix of uses near Highway 99
- Concern with the north/south connector at far west end





Recommended and Accepted Concept Plan

- Diverse land uses
- Connected transportation system
- Ample parks, trails, open space



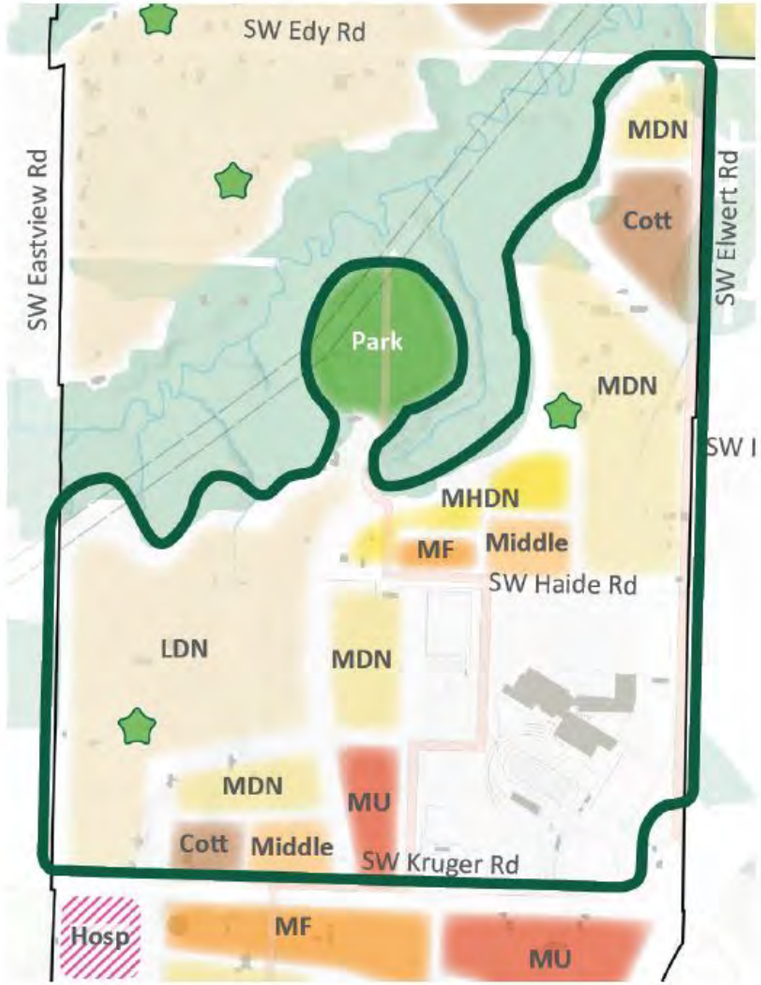
Residential Land Uses

- Residential low
- Residential medium
- Residential medium-high
- Middle housing
- Cottage cluster
- Multi-family



The Wyers End cottages in White Salmon, Wash. (Photo: Ross Chapin Architects)

Figure 11. West District



Residential Building Types













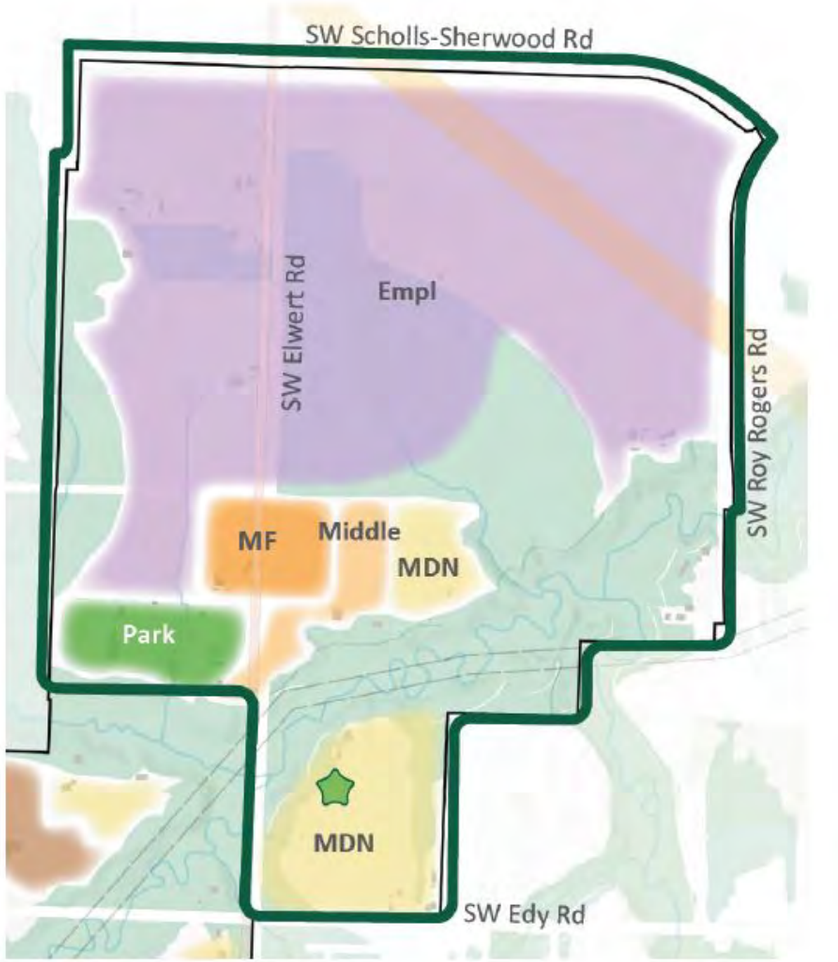


Housing Estimates

Table 4. Sherwood West Housing Estimates

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood areas) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	33	*10%*	798	798	798	798
Middle Housing	5.5 to 11	16	*5%*	173	173	173	173
Cottage Cluster	12.8 to 16	23	*7%*	362	362	362	362
Med/High Density Nbhd	5.5 to 11	23	*7%*	248	279	311	406
Medium-Density Nbhd	5.6 to 8	102	*30%*	816	990	1,163	1,683
Low-Density Nbhd	3.5 to 5	144	*42%*	720	1,008	1,296	2,160
TOTAL		**340**	***100%***	**3,117**	**3,610**	**4,103**	**5,582**
Total Average Density				*9.2*	*10.6*	*12.1*	*16.4*
Total Average Density with Open Space				*7.8*	*9.0*	*10.3*	*13.9*

Employment Land Uses



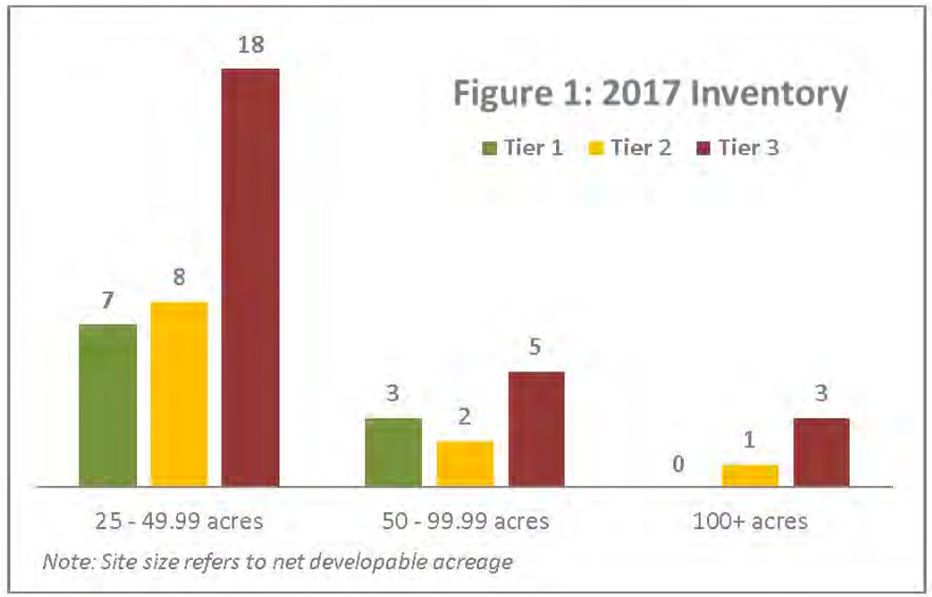
North District

- 250 gross acres
- Flat terrain, large parcels, and good transportation access to SW Roy Rogers Road / Tualatin-Sherwood Rd.
- Mixed Employment: office, light industrial, and flex space uses
- Targeted industries: advanced manufacturing, clean tech, apparel and outdoor

Employment Land Uses

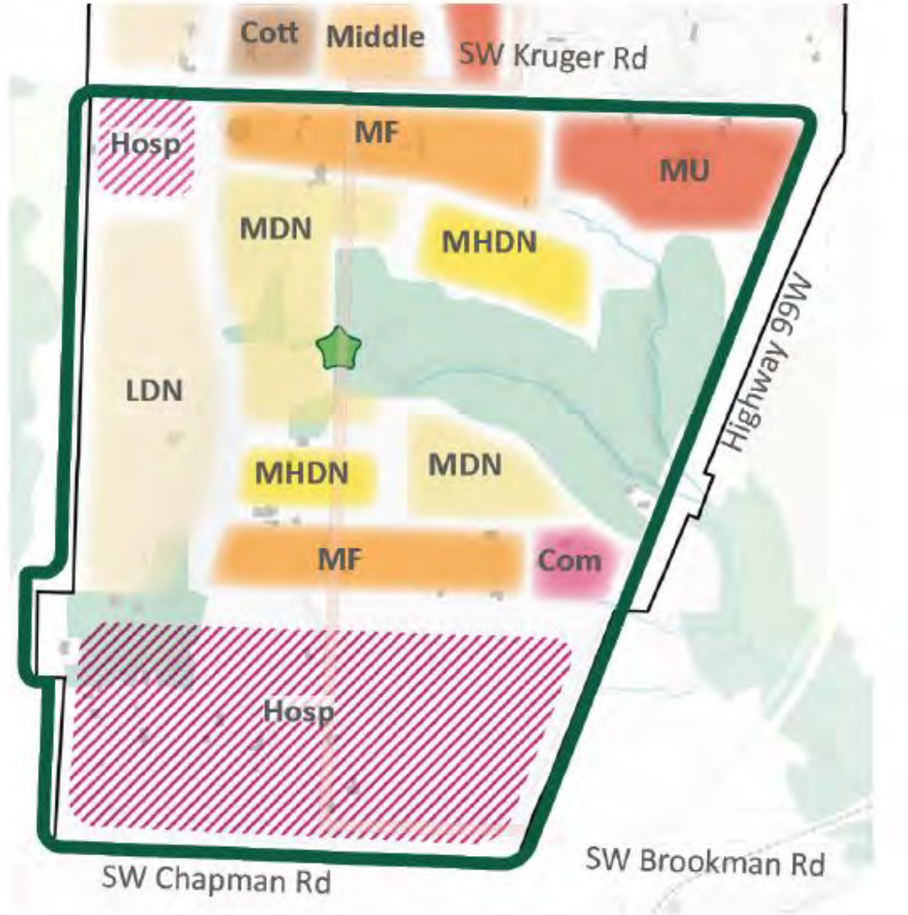
- 8,600 net buildable acres of industrial employment land inside UGB
- No available and unencumbered Tier 1 industrial sites in region greater than 50-acres
- Three available and unencumbered Tier 1 industrial sites in region between 25 – 50 acres
- Challenge of moving Tier 2 and 3 sites of this size to market (brownfield, gravel pits, etc.)

Figure 1: 2017 Inventory Results



2018 Urban Growth Report Appendix 8:
Regional Industrial Site Readiness Inventory

Employment Land Uses – Hospitality Zone



South District

- 75 gross acres
- Hospitality zone that serves as a destination. Focus on wine and specialty agriculture.
- Lodging, tasting rooms, restaurants, event space, small retail shops.



Hawk's View Winery

Employment Estimates

Table 5. Sherwood West Employment Estimates

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	130	18	2,398	53%	49%
Commercial	7	36	237	5%	2%
Mixed Use	25	25	638	14%	9%
Hospitality	63	15	938	21%	24%
Schools	40	8	314	7%	15%
TOTAL	**265**		**4,524**	**100%**	**100%**

The jobs-per-acre estimates for each land use type are rough estimates gleaned from the Metro 2014 Urban Growth Report and from the scenario planning software Urban Footprint.

Transportation Network





SW Sunset Blvd

Transportation Principles for Sherwood West:

- Design for safety
- Integrate with existing Sherwood
- Connect all areas of Sherwood West
- Streets are places for people of all ages and abilities
- Provide for all modes of travel

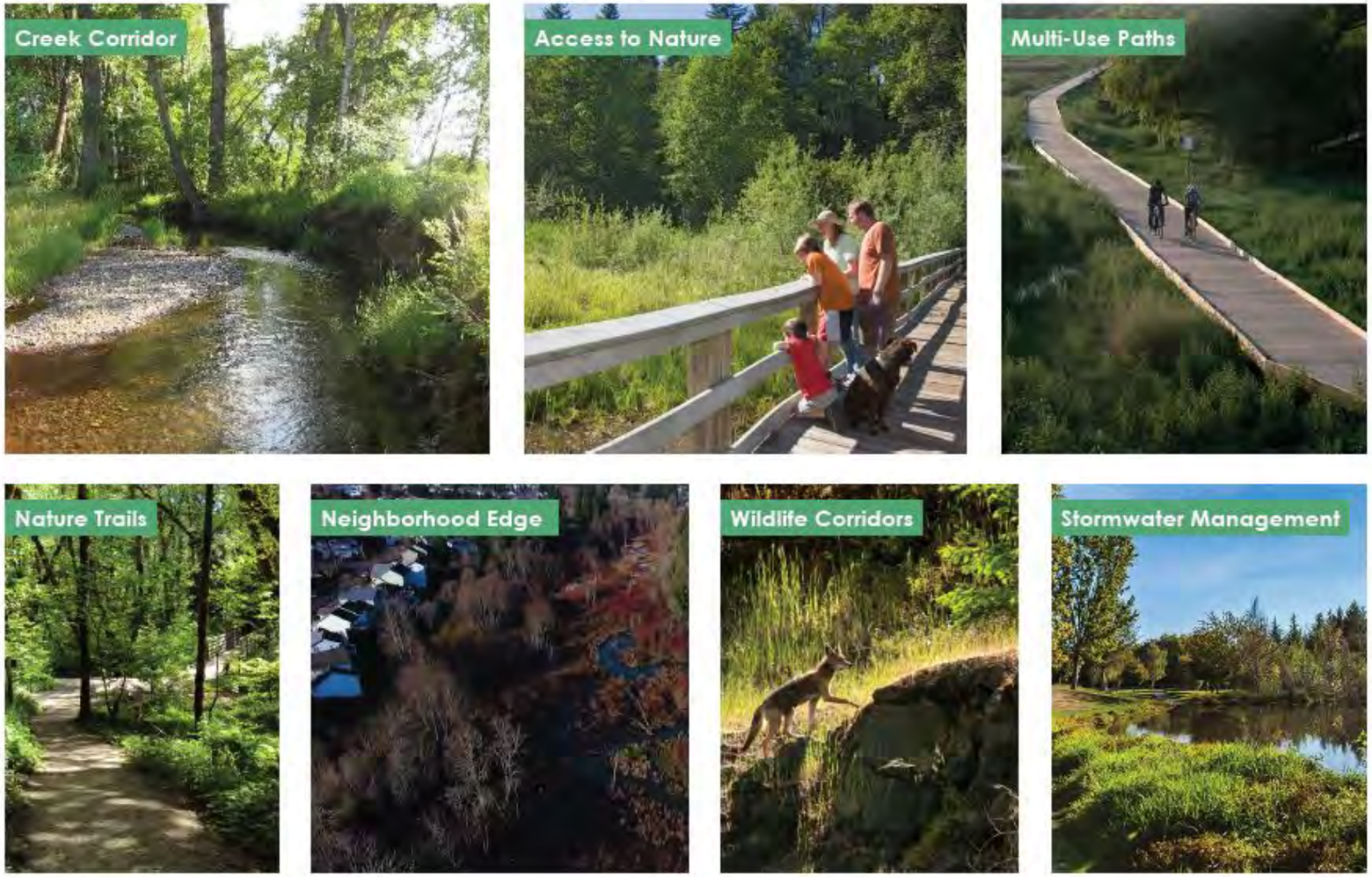
Park and Trail Network



- Centered around Chicken Creek Greenway
- Connection to regional Ice Age Tonquin Trail
- Connection to Tualatin River National Wildlife Refuge
- Two Community Parks

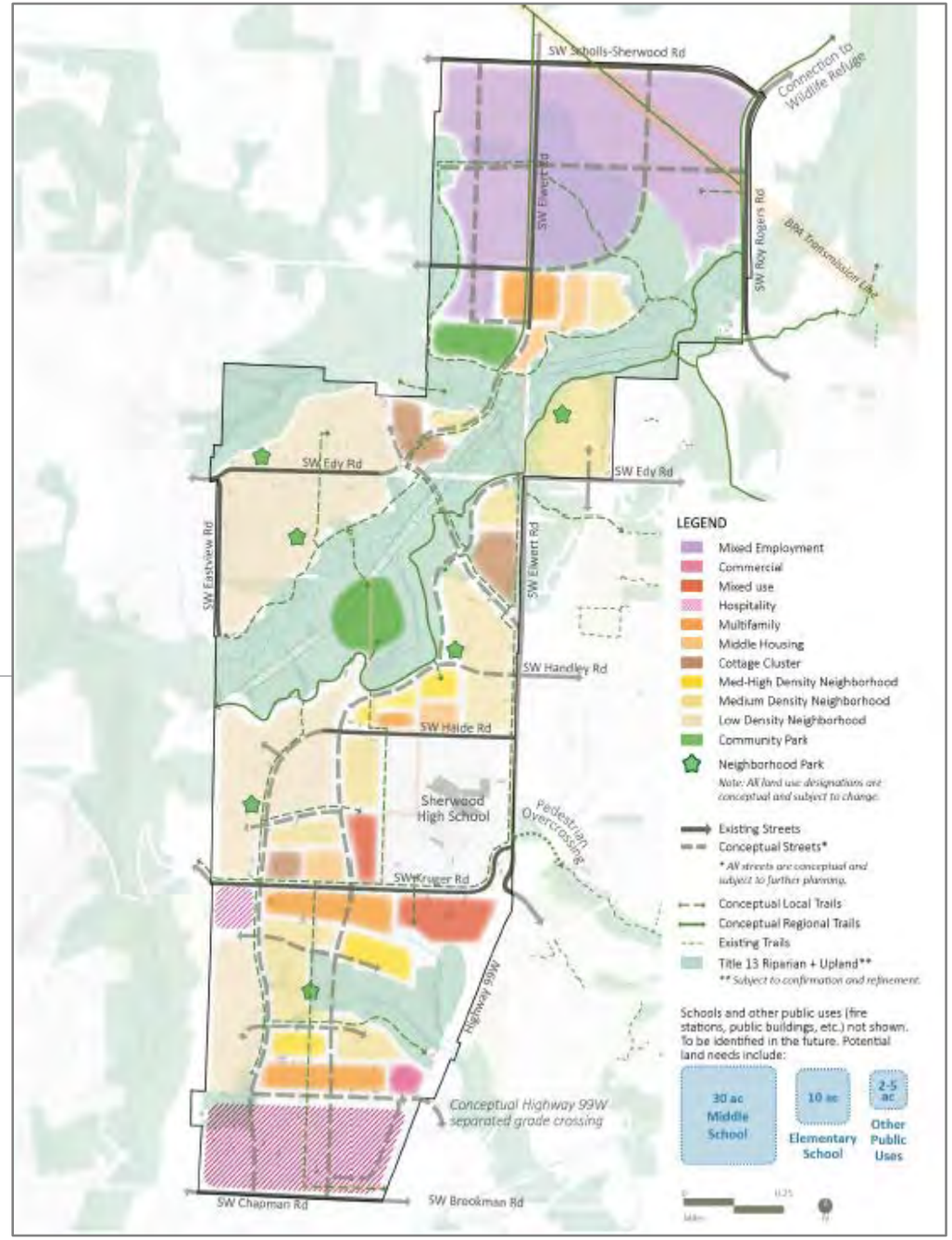
Chicken Creek Greenway

Figure 23. Elements of a Greenway



Recommended and Accepted Concept Plan

- Diverse land uses
- Connected transportation system
- Ample parks, trails, open space



IMPLEMENTATION

Concept Plan Implementation

- **UGB Expansion Request to Metro – April 5, 2024**
- **Comprehensive Planning and Future Zoning**
  - Natural Resource Protection
  - Custom Residential Zoning
  - Hospitality Zoning
  - Master Planning or “Village Planning”
  - Future Annexation Policies/Strategy/Phasing
- **Infrastructure Plan and Funding Strategy**
  - Continued refinement of project costs/financial modeling
  - Supplemental SDC methodology
- **Master Plans (TSP, water, sewer, etc.)**
- **Continued Community Engagement**



Stella Olsen Park by Dave Gilmore

SHERWOOD WEST CONCEPT PLAN



Metro Policy Advisory Committee (MPAC)

December 13, 2023

Eric Rutledge, Community Development Director

Erika Palmer, Planning Manager

Materials following this page were distributed at the meeting.

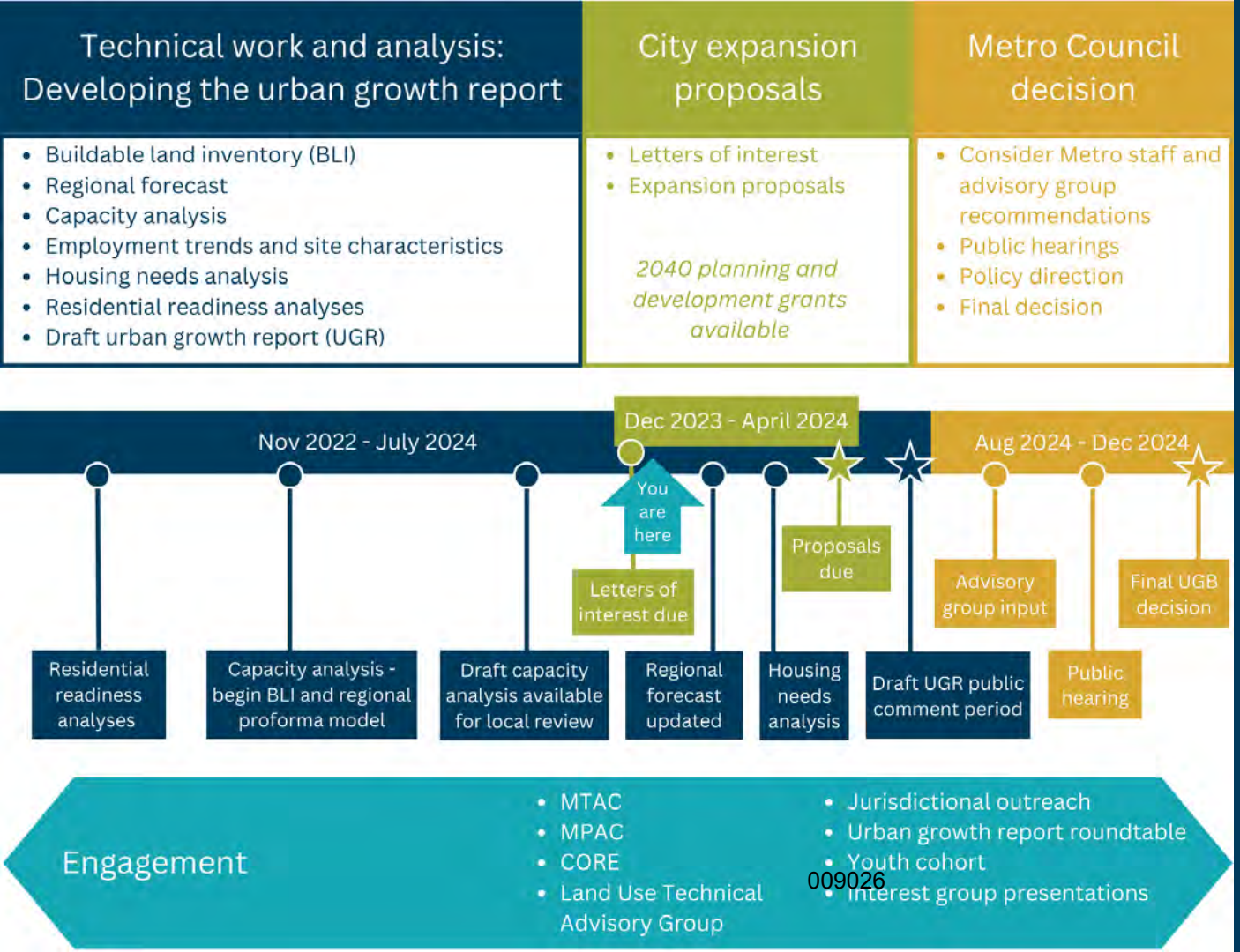


Metro

Buildable land inventory update

December 2023

009025

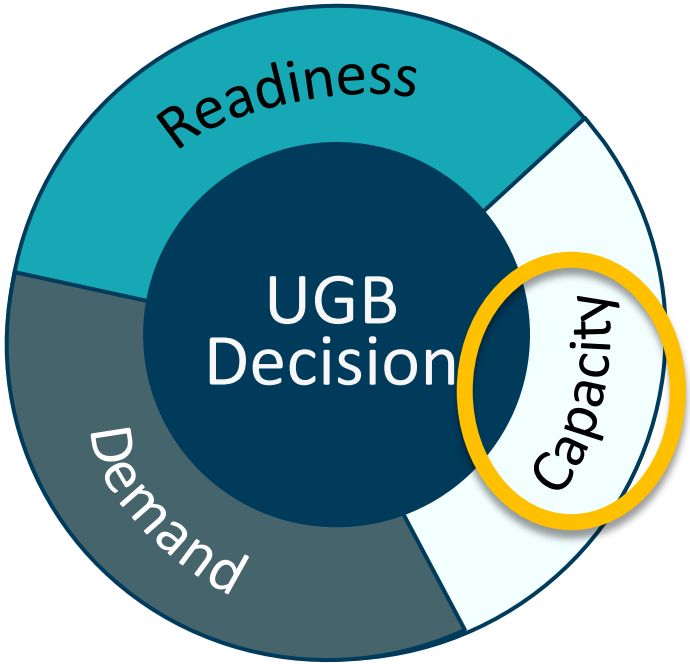


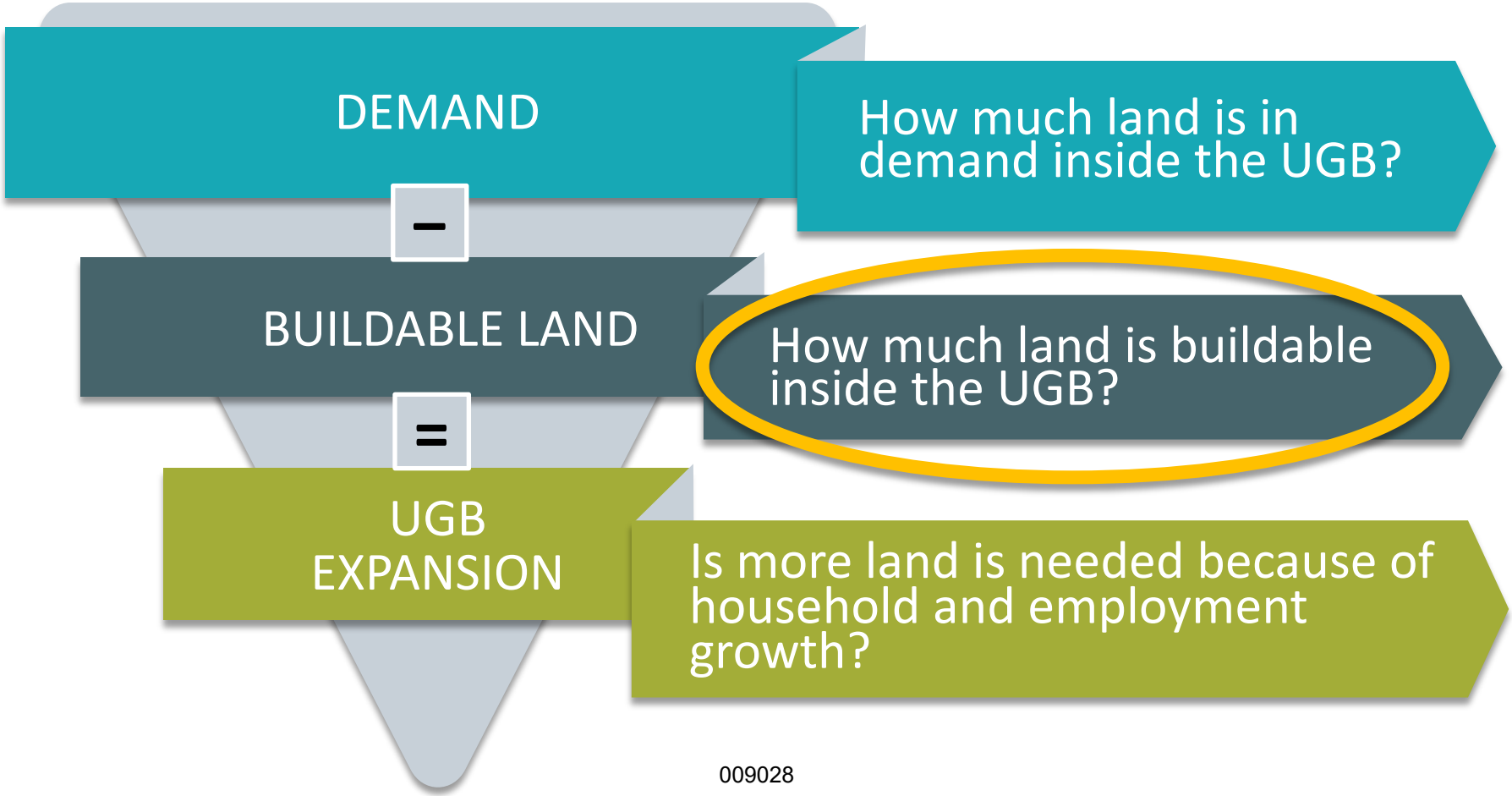
2024 urban growth management decision timeline

Capacity in the UGR

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council

Capacity is one of the three main components of the analysis in the UGR



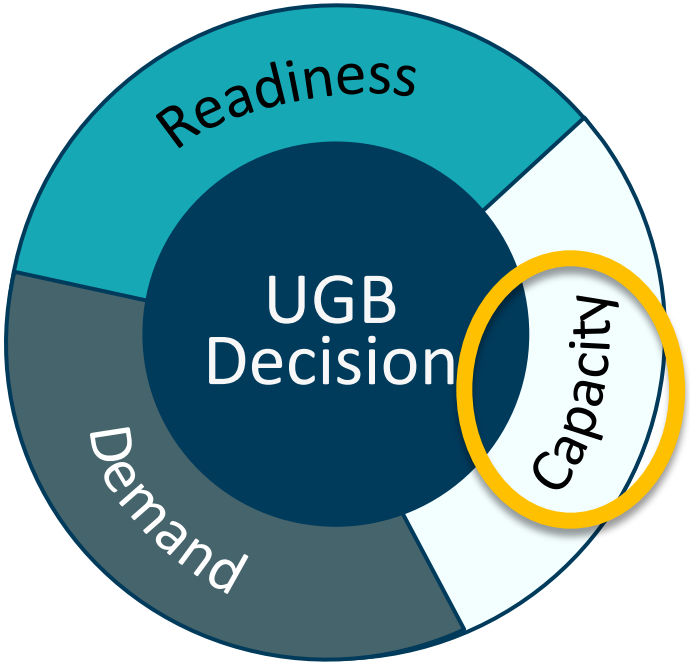

DEMAND
How much land is in demand inside the UGB?
–
BUILDABLE LAND
How much land is buildable inside the UGB?
=
UGB EXPANSION
Is more land is needed because of household and employment growth?

009028

Land capacity for housing/jobs

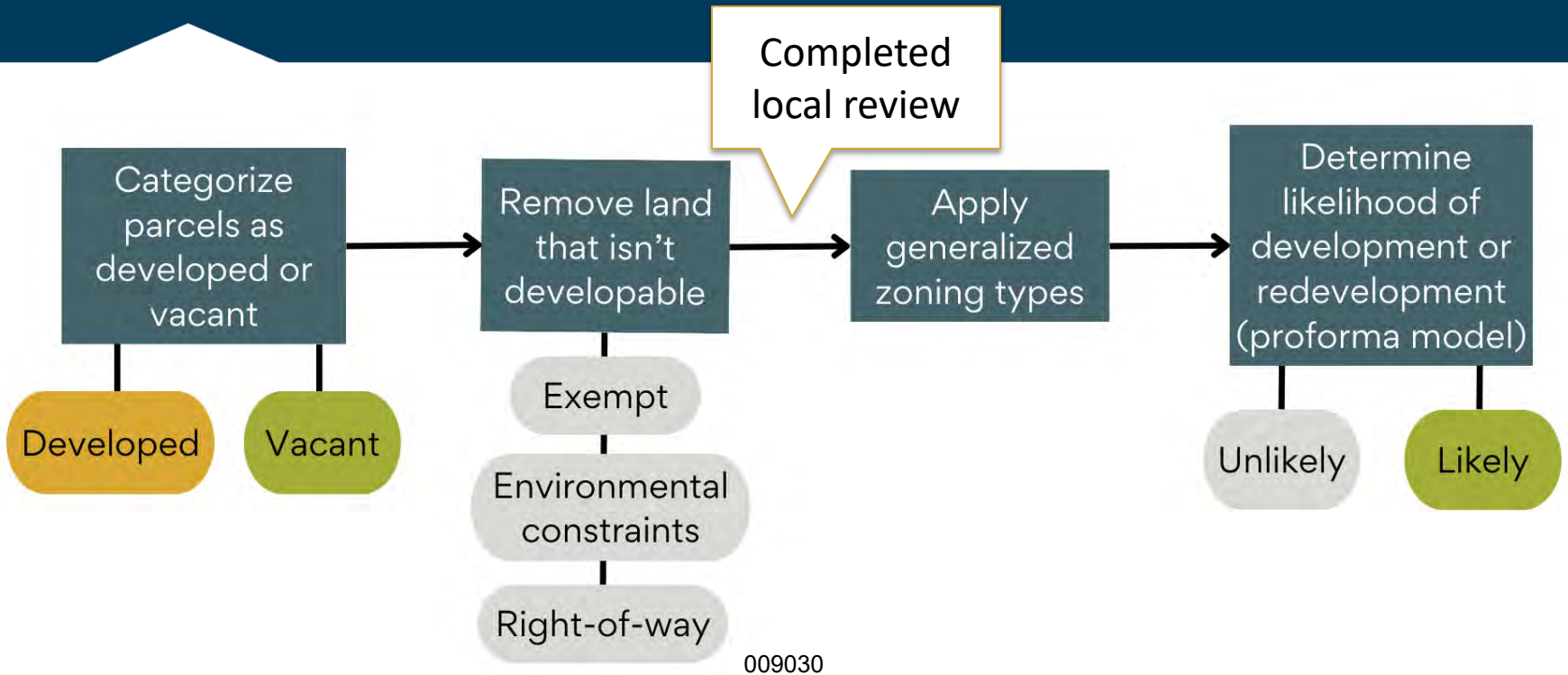
Process to determine **capacity** inside the UGB to accommodate future growth

Complex process – there are over ½ million parcels in the UGB!



009029

Buildable land inventory process



009030

Local city/county review

- 16 out of 27 jurisdictions, representing 90% of the land in the inventory, gave comments/edits
- Recategorized 200 acres as developed



Next steps

- December-January: estimate a range of growth capacity using land inventory
- February: local review of capacity estimates
- Summer: draft 2024 Urban Growth Report

Questions?

Learn more:

oregonmetro.gov/public-projects/2024-growth-management-decision

oregonmetro.gov



SHERWOOD WEST CONCEPT PLAN



Metro Policy Advisory Committee (MPAC)

December 13, 2023

Eric Rutledge, Community Development Director

Erika Palmer, Planning Manager

Good Evening!

Sherwood West Concept Plan (Re-Look)

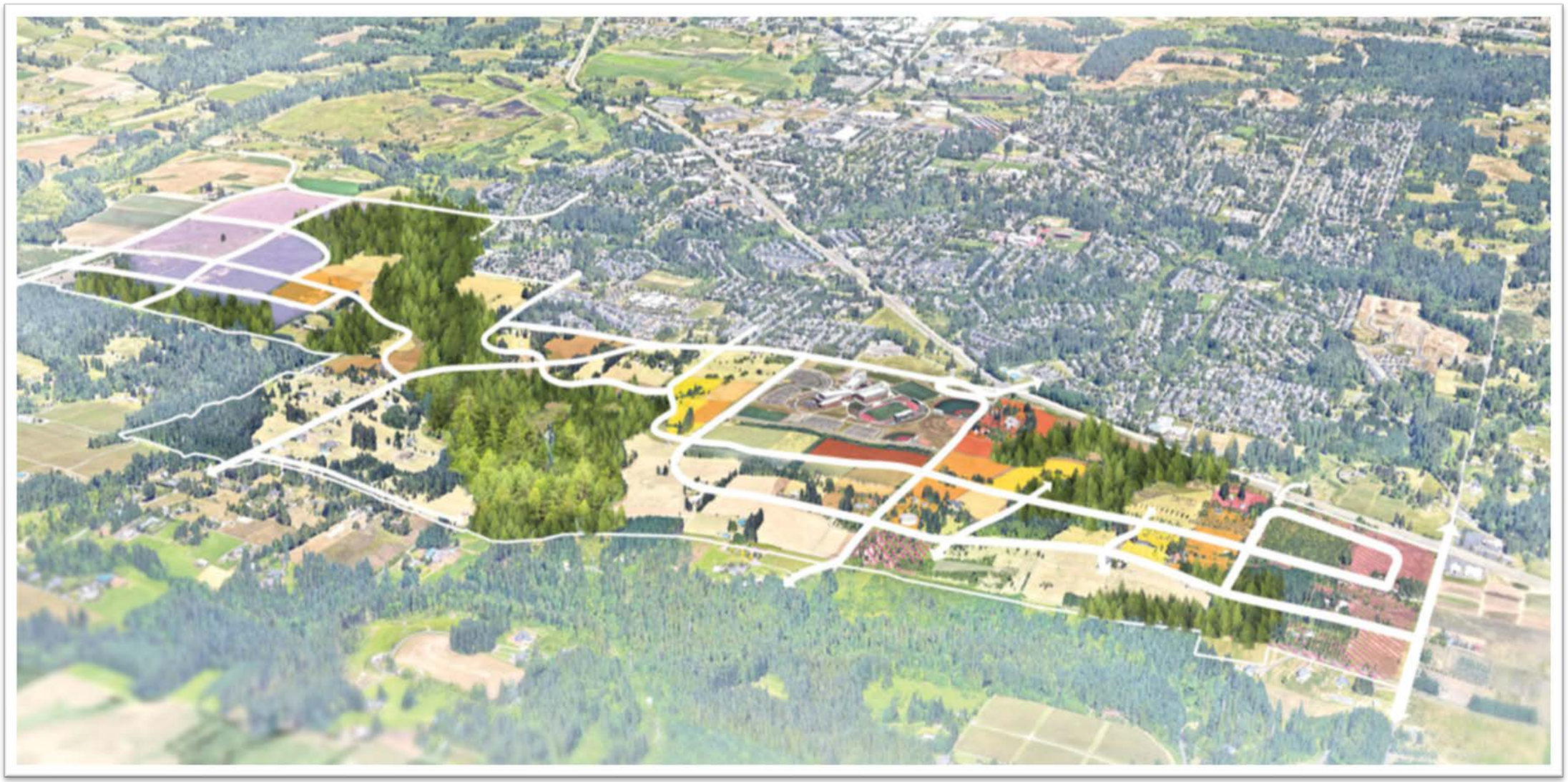
- Introduction
- Planning and Engagement Process
- Vision and Goals
- Existing Conditions
- Land Use Alternatives
- Accepted Concept Plan



Stella Olsen Park by Dave Gilmore

CONCEPT PLAN INTRODUCTION

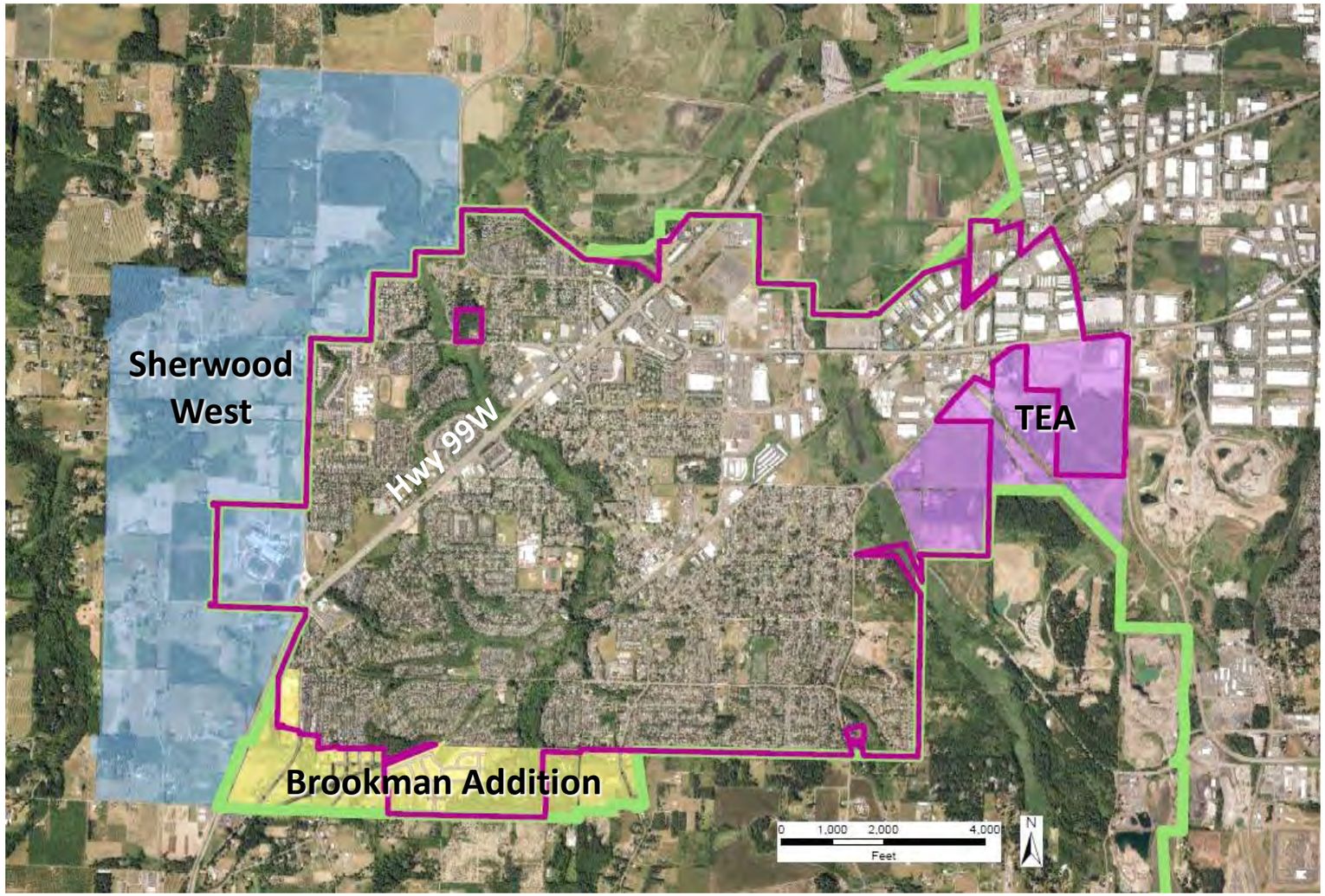
The Role of the Concept Plan



Sherwood West

Metro Urban Reserve Area 5B

- 1,291 acres
- 126 properties
- 110 properties owners
- 9.8 acres (avg property size)
- 2016 Preliminary Concept Plan



Why a Re-Look?

Shift in priorities
- Creating a more diversified tax base
- Adoption of 2040 Comprehensive Plan
- Updated housing and employment plans

Changing conditions
- New High School
- Continued growth
- Need for both employment and residential land

Changing regulations
- House Bill 2001
- Residential Design Standards



Why a Re-Look?





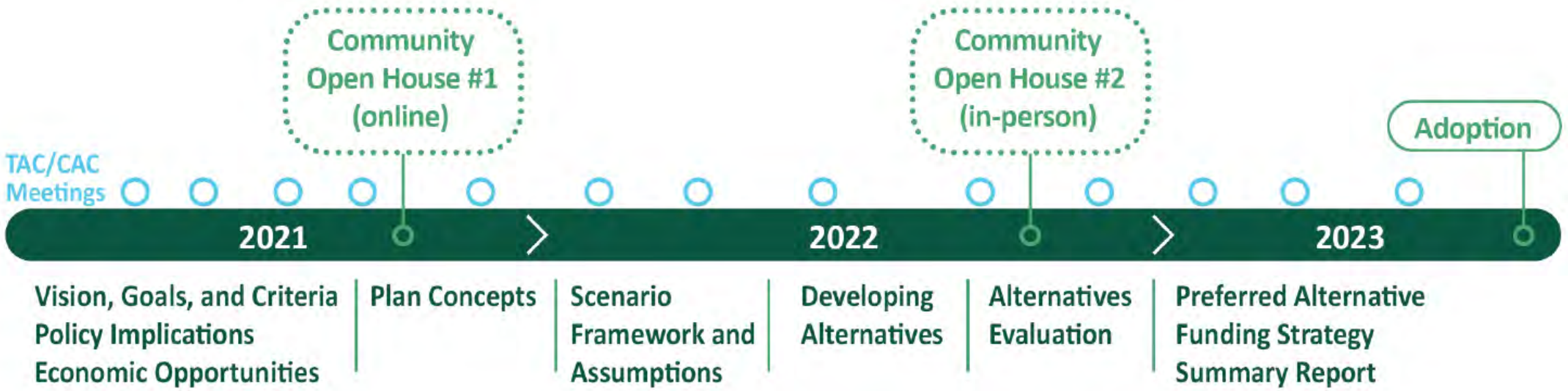
Why a Re-Look?



PLANNING & ENGAGEMENT PROCESS

Guided by the Community Advisory Committee (CAC)

Community Engagement Timeline



Community Engagement Activities

- ✓ Community Advisory Committee Meetings – total of 14
- ✓ Public Testimony at CAC Meetings
- ✓ CAC Interested Parties Email Subscription
- ✓ Project Website
- ✓ Social Media (Facebook, Twitter, Next Door)
- ✓ Sherwood Utility Billing Email Listing Notices
- ✓ Sherwood Archer Newsletter
- ✓ Project Video
- ✓ Property Owner Mailings
- ✓ Online Surveys
- ✓ Coffee Klatches with HOA's
- ✓ Community Pop-Up Events
- ✓ Cedar Creek Trail Grand Opening
- ✓ Community Open Houses
- ✓ Virtual Open House
- ✓ Technical Advisory Committee Meetings – total of 12
- ✓ Metro Home Builders Association Presentation
- ✓ Sherwood West Economic Development Stakeholder Interviews
- ✓ Metro Technical Advisory Committee (MTAC) Presentation





VISION AND GOALS

Guided by the Community Advisory Committee (CAC)

Sherwood West Vision

Sherwood West is a walkable community with a balanced mix of employment, residential, commercial, and greenspace land uses—it is a place where families can safely live, work, shop, and play. Sherwood West is home to a variety of businesses that offer stable, high-paying jobs and those employment opportunities have helped satisfy the City's need for an expanded tax base to protect and maintain Sherwood's great quality of life. Sherwood West is attractive to employers and residents because of its well-planned infrastructure, well-connected streets, walkable neighborhoods, and variety of well-designed housing choices. The area feels like a natural extension of Sherwood's existing neighborhoods, and it is integrated with other nearby urbanizing areas and regional destinations such as the Tualatin River National Wildlife Refuge. Sherwood West's natural landscape is anchored by the Chicken Creek Greenway, which protects the creek corridor and connects the area's neighborhoods through a network of natural areas, parks, and trails.

Sherwood West Goals







EXISTING CONDITIONS

Sherwood West Existing Conditions



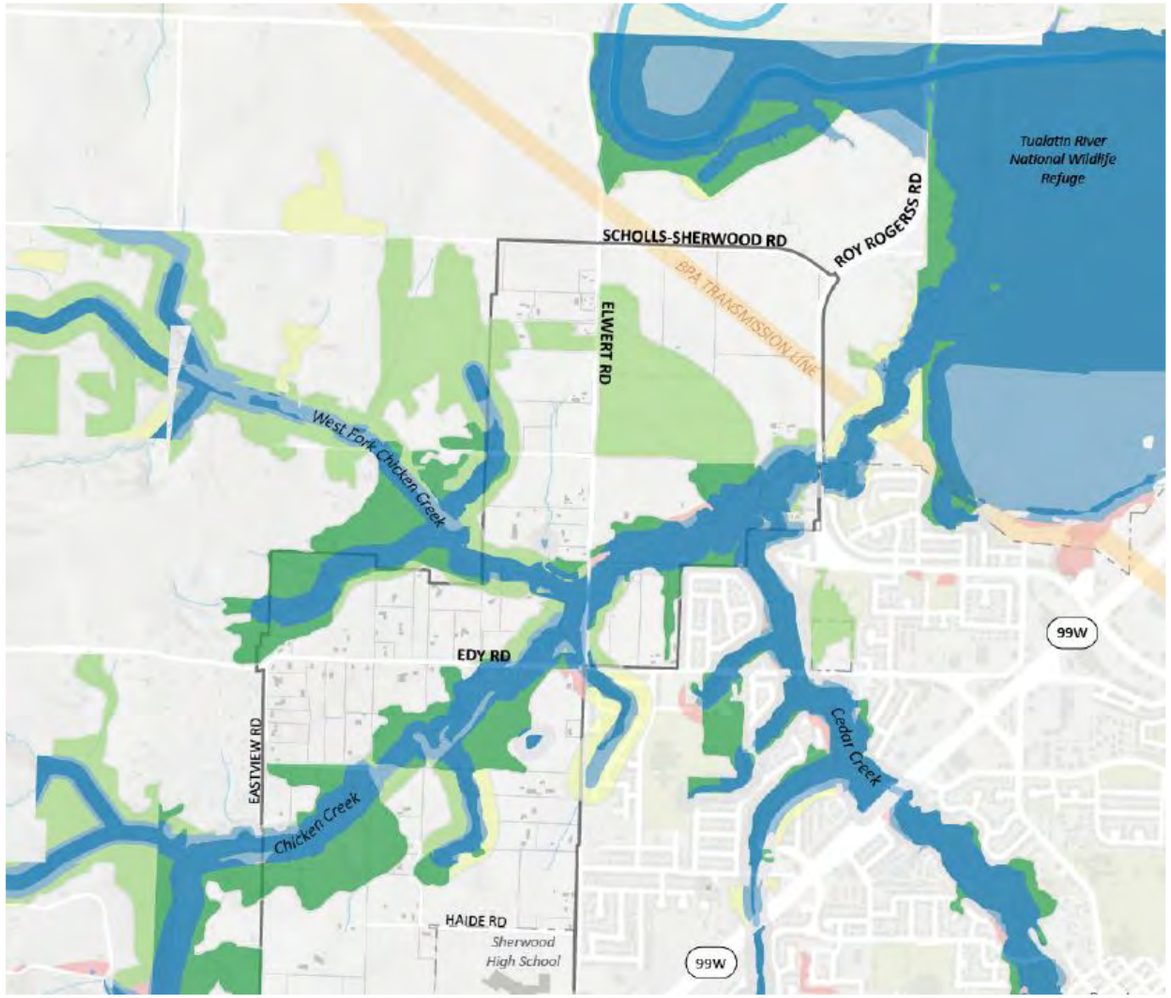
Sherwood West Existing Conditions

Open Space and Natural Resources

- Chicken Creek
- Tualatin River National Wildlife Refuge
- Riparian and Upland Habitat

Concept Plan

- Parks within 10-min walk
- Regional trail to wildlife refuge
- Two Community Parks



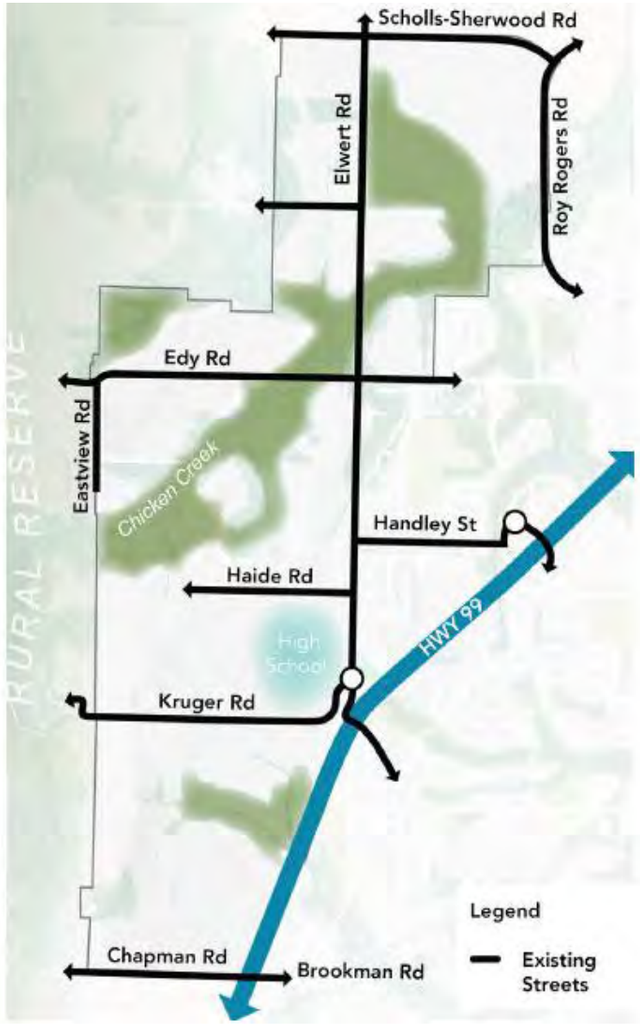
Sherwood West Existing Conditions

Transportation

- Highway 99W
- SW Elwert Rd.

Concept Plan

- Multi-modal, micro mobility
- Highway 99W Pedestrian Bridge
- Transit ready

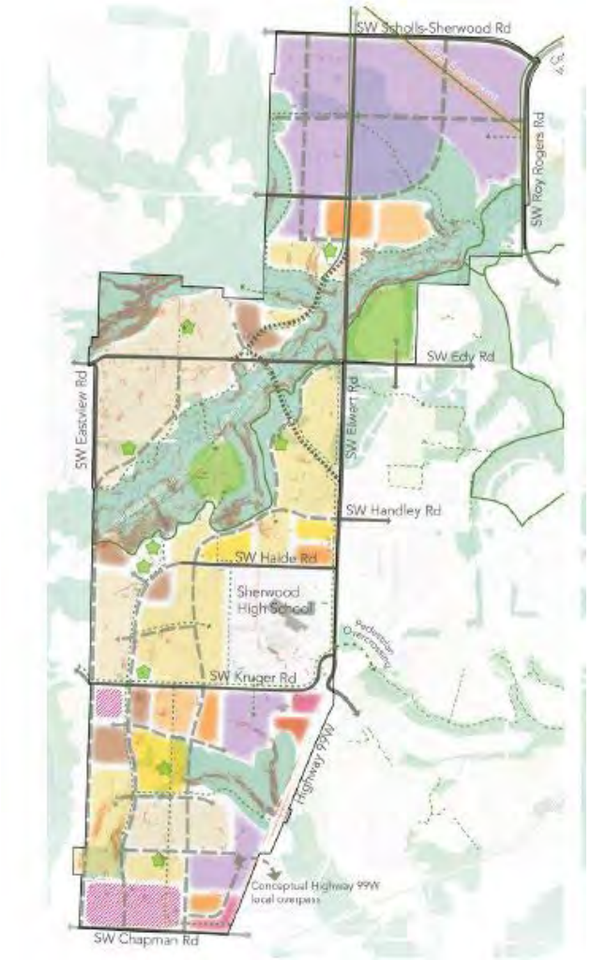




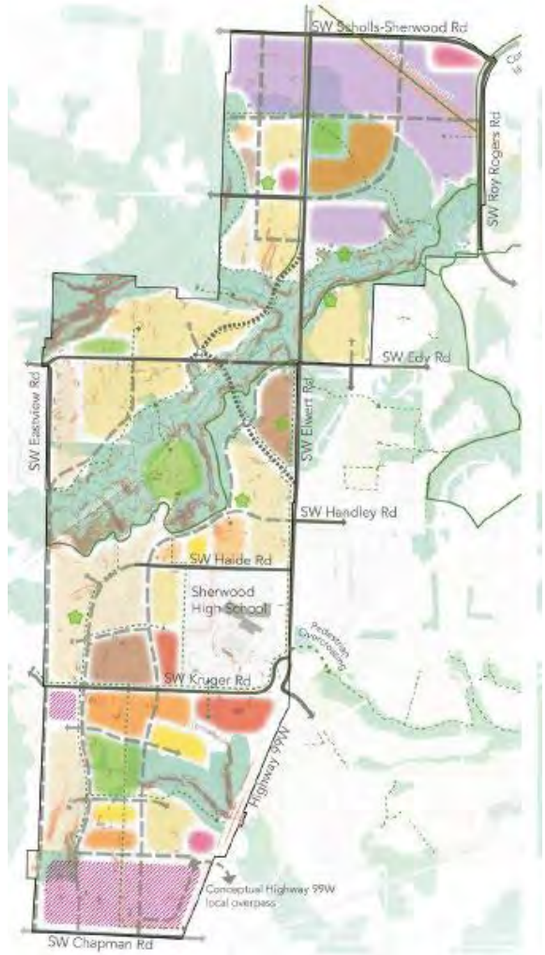
LAND USE ALTERNATIVES

Guided by the Community Advisory Committee (CAC)

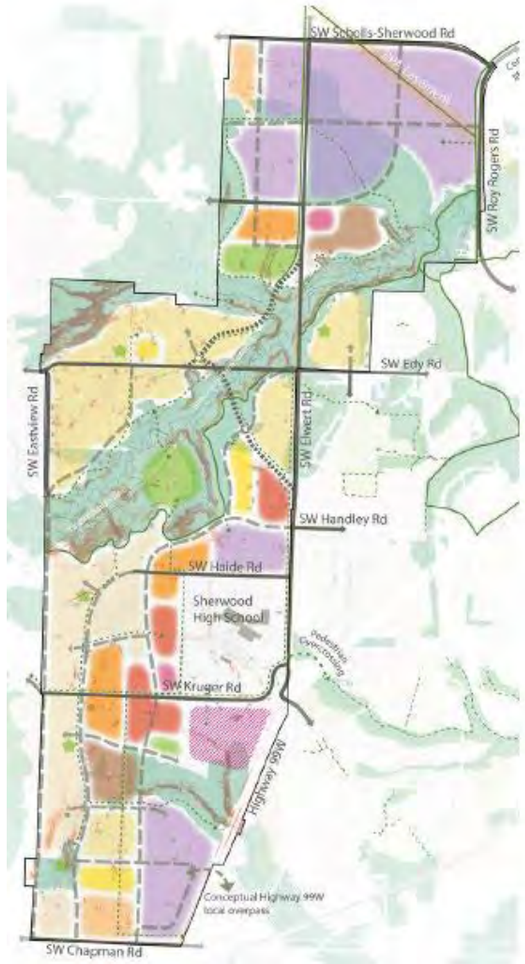
Land Use Alternatives



Alternative 1



Alternative 2



Alternative 3

Land Use Alternatives

What we heard

- Design of Elwert Rd. is important
- Preserve natural features
- Plan for parks and trails

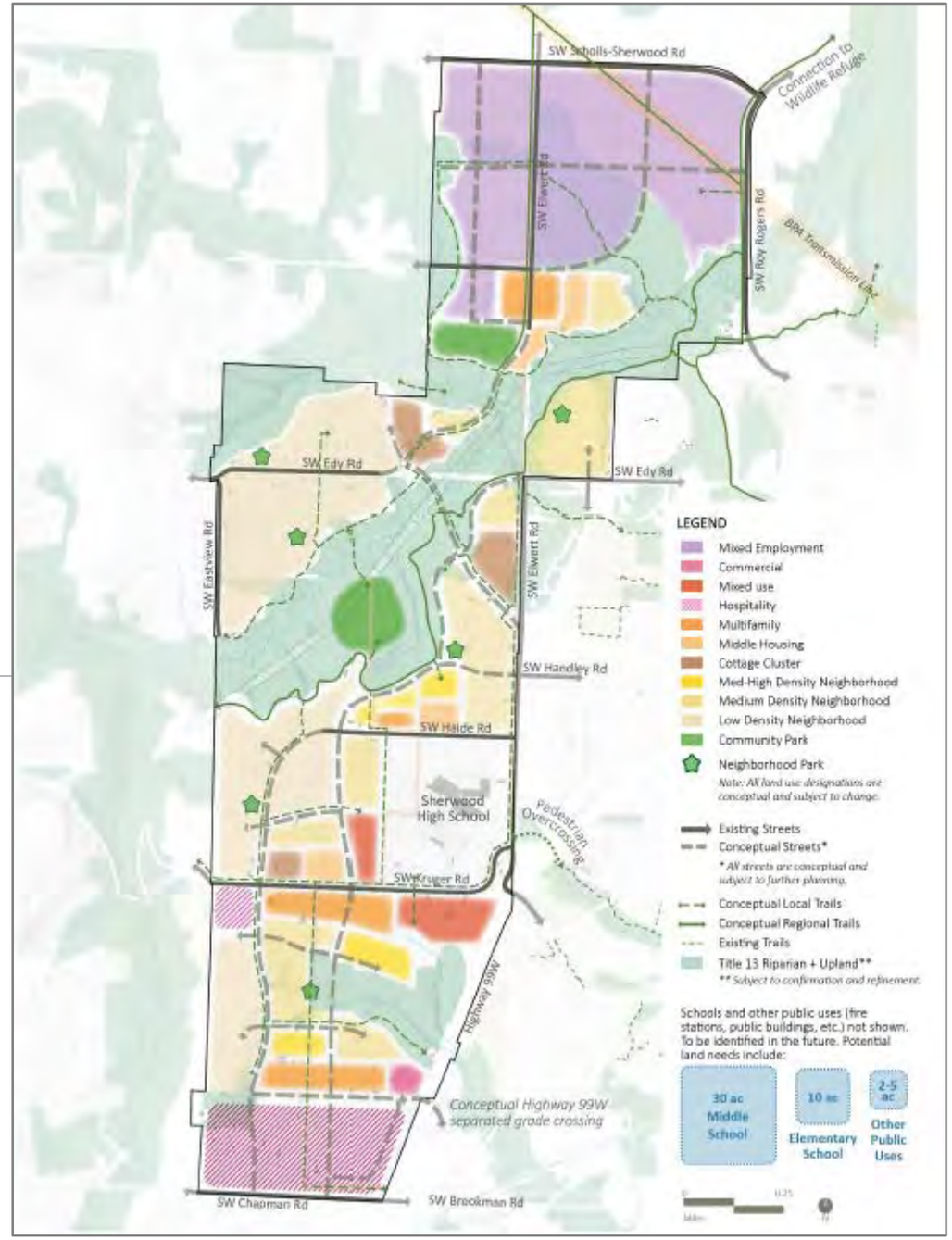
- Support the variety of housing (cottage clusters)
- Support employment in north district
- Support mix of uses near Highway 99
- Concern with the north/south connector at far west end





Recommended and Accepted Concept Plan

- Diverse land uses
- Connected transportation system
- Ample parks, trails, open space



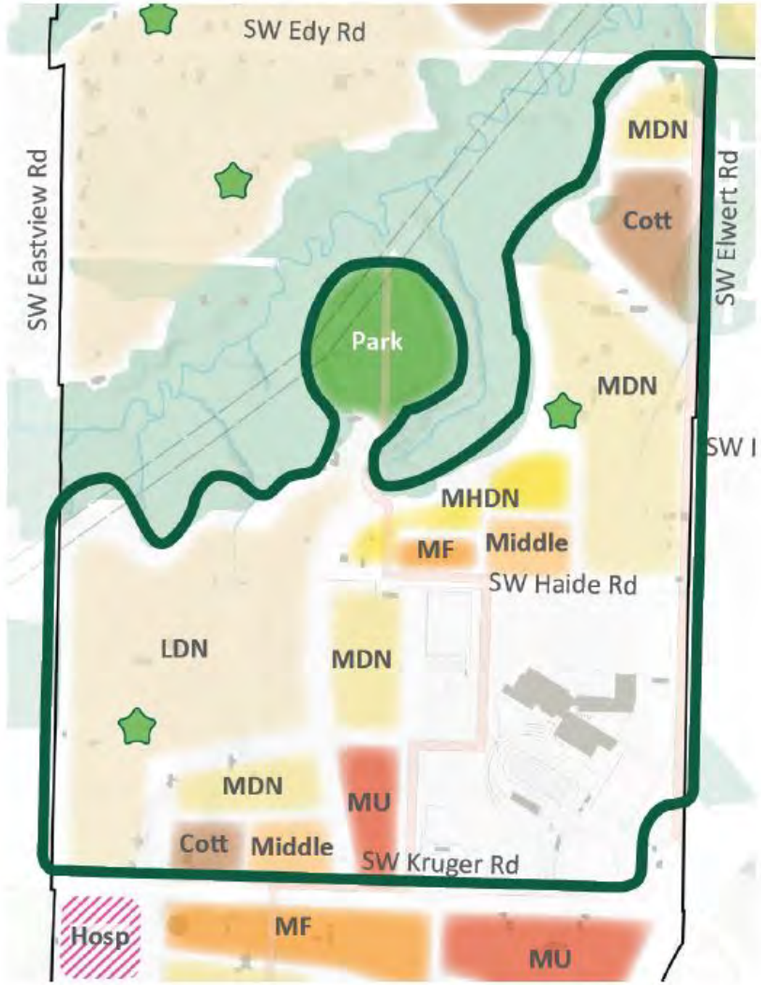
Residential Land Uses

- Residential low
- Residential medium
- Residential medium-high
- Middle housing
- Cottage cluster
- Multi-family



The Wyers End cottages in White Salmon, Wash. (Photo: Ross Chapin Architects)

Figure 11. West District



Residential Building Types













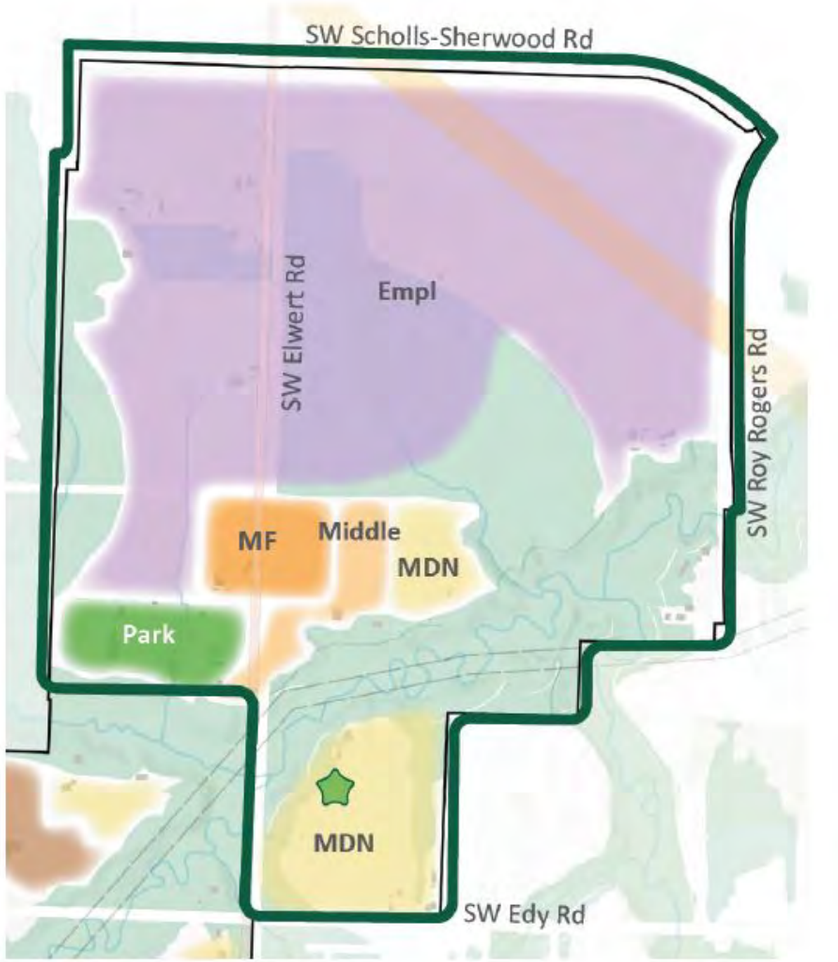


Housing Estimates

Table 4. Sherwood West Housing Estimates

	Density Range (Net)	Total Acres (Net)	*% of Residential Acres*	Total Housing Units (with % of Middle Housing in Neighborhood areas) 0% MH	10% MH	20% MH	50% MH
Multi-Family	16.8 to 24	33	*10%*	798	798	798	798
Middle Housing	5.5 to 11	16	*5%*	173	173	173	173
Cottage Cluster	12.8 to 16	23	*7%*	362	362	362	362
Med/High Density Nbhd	5.5 to 11	23	*7%*	248	279	311	406
Medium-Density Nbhd	5.6 to 8	102	*30%*	816	990	1,163	1,683
Low-Density Nbhd	3.5 to 5	144	*42%*	720	1,008	1,296	2,160
TOTAL		**340**	***100%***	**3,117**	**3,610**	**4,103**	**5,582**
Total Average Density				*9.2*	*10.6*	*12.1*	*16.4*
Total Average Density with Open Space				*7.8*	*9.0*	*10.3*	*13.9*

Employment Land Uses



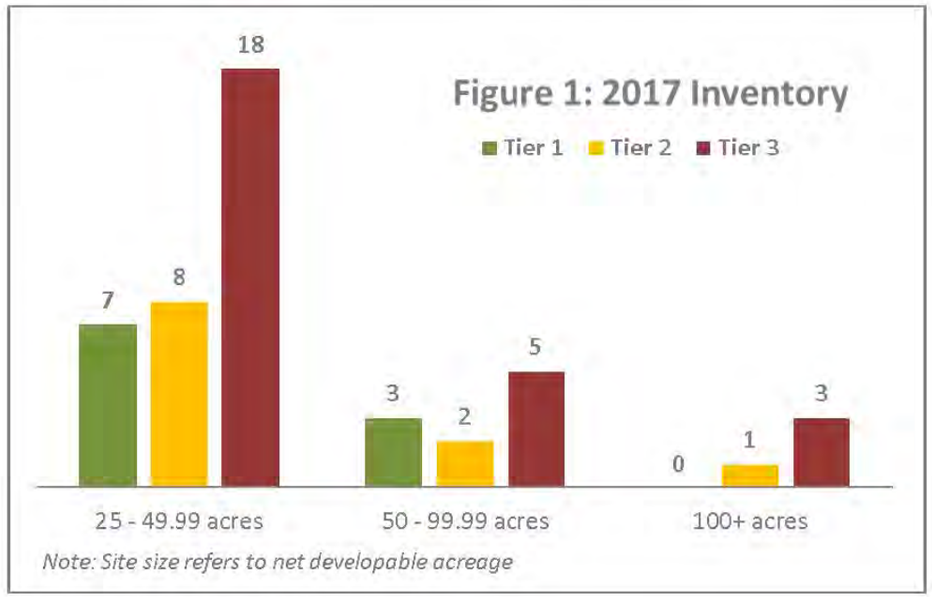
North District

- 250 gross acres
- Flat terrain, large parcels, and good transportation access to SW Roy Rogers Road / Tualatin-Sherwood Rd.
- Mixed Employment: office, light industrial, and flex space uses
- Targeted industries: advanced manufacturing, clean tech, apparel and outdoor

Employment Land Uses

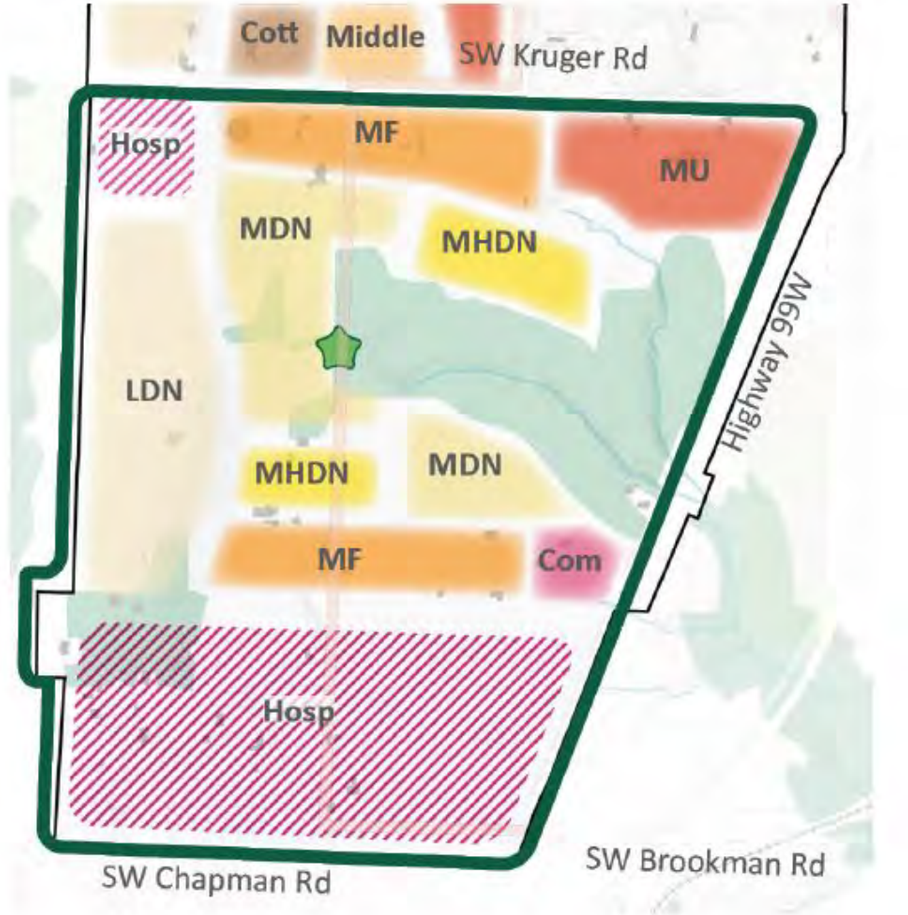
- 8,600 net buildable acres of industrial employment land inside UGB
- No available and unencumbered Tier 1 industrial sites in region greater than 50-acres
- Three available and unencumbered Tier 1 industrial sites in region between 25 – 50 acres
- Challenge of moving Tier 2 and 3 sites of this size to market (brownfield, gravel pits, etc.)

Figure 1: 2017 Inventory Results



2018 Urban Growth Report Appendix 8:
Regional Industrial Site Readiness Inventory

Employment Land Uses – Hospitality Zone



South District

- 75 gross acres
- Hospitality zone that serves as a destination. Focus on wine and specialty agriculture.
- Lodging, tasting rooms, restaurants, event space, small retail shops.



Hawk's View Winery

Employment Estimates

Table 5. Sherwood West Employment Estimates

	Total Acres (Net)	Jobs / Net Acre (est.)	Total Jobs	Percent of Jobs	% of Employment Acres
Mixed Employment	130	18	2,398	53%	49%
Commercial	7	36	237	5%	2%
Mixed Use	25	25	638	14%	9%
Hospitality	63	15	938	21%	24%
Schools	40	8	314	7%	15%
TOTAL	**265**		**4,524**	**100%**	**100%**

The jobs-per-acre estimates for each land use type are rough estimates gleaned from the Metro 2014 Urban Growth Report and from the scenario planning software Urban Footprint.

Transportation Network





SW Sunset Blvd

Transportation Principles for Sherwood West:

- Design for safety
- Integrate with existing Sherwood
- Connect all areas of Sherwood West
- Streets are places for people of all ages and abilities
- Provide for all modes of travel

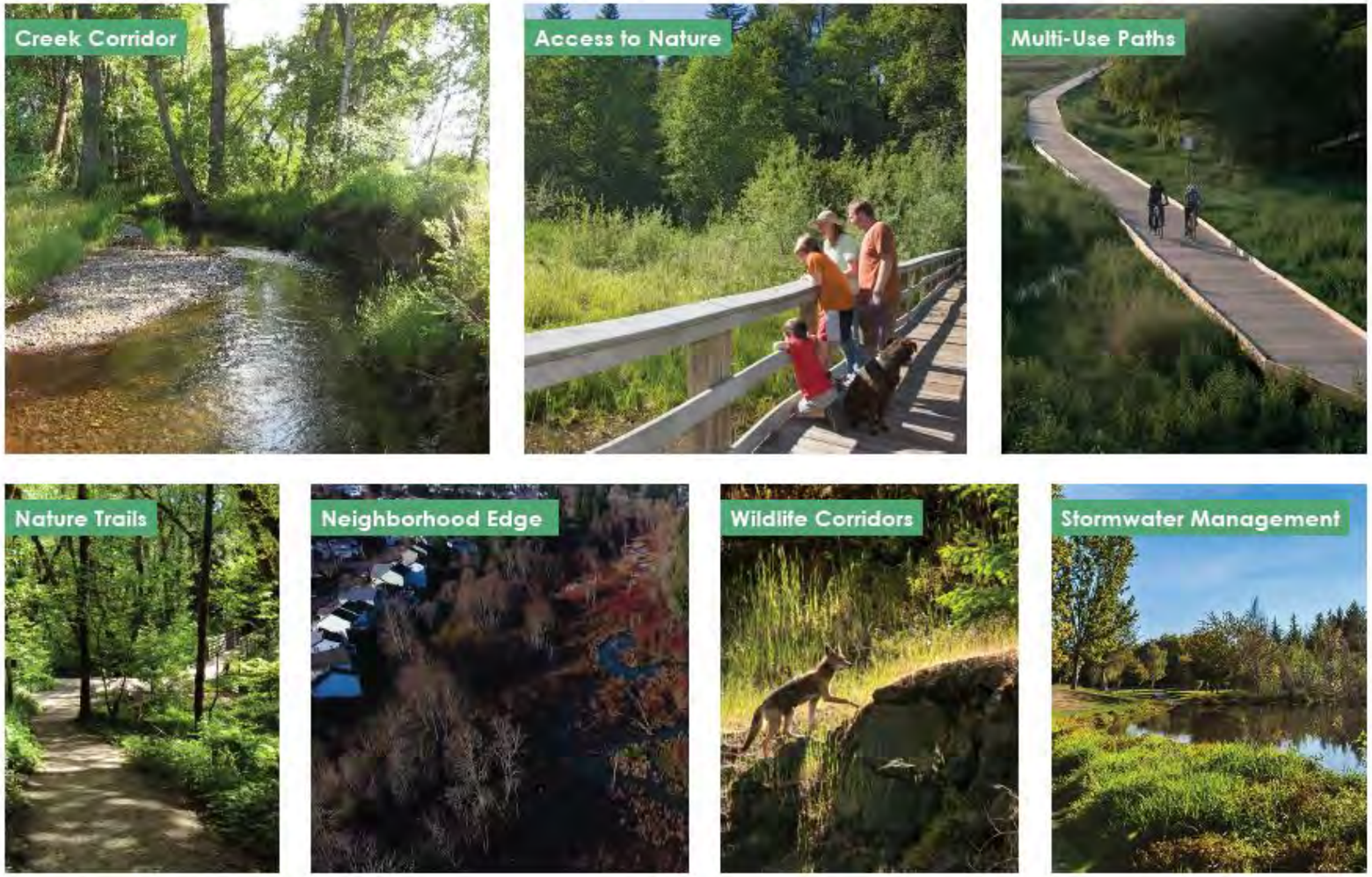
Park and Trail Network



- Centered around Chicken Creek Greenway
- Connection to regional Ice Age Tonquin Trail
- Connection to Tualatin River National Wildlife Refuge
- Two Community Parks

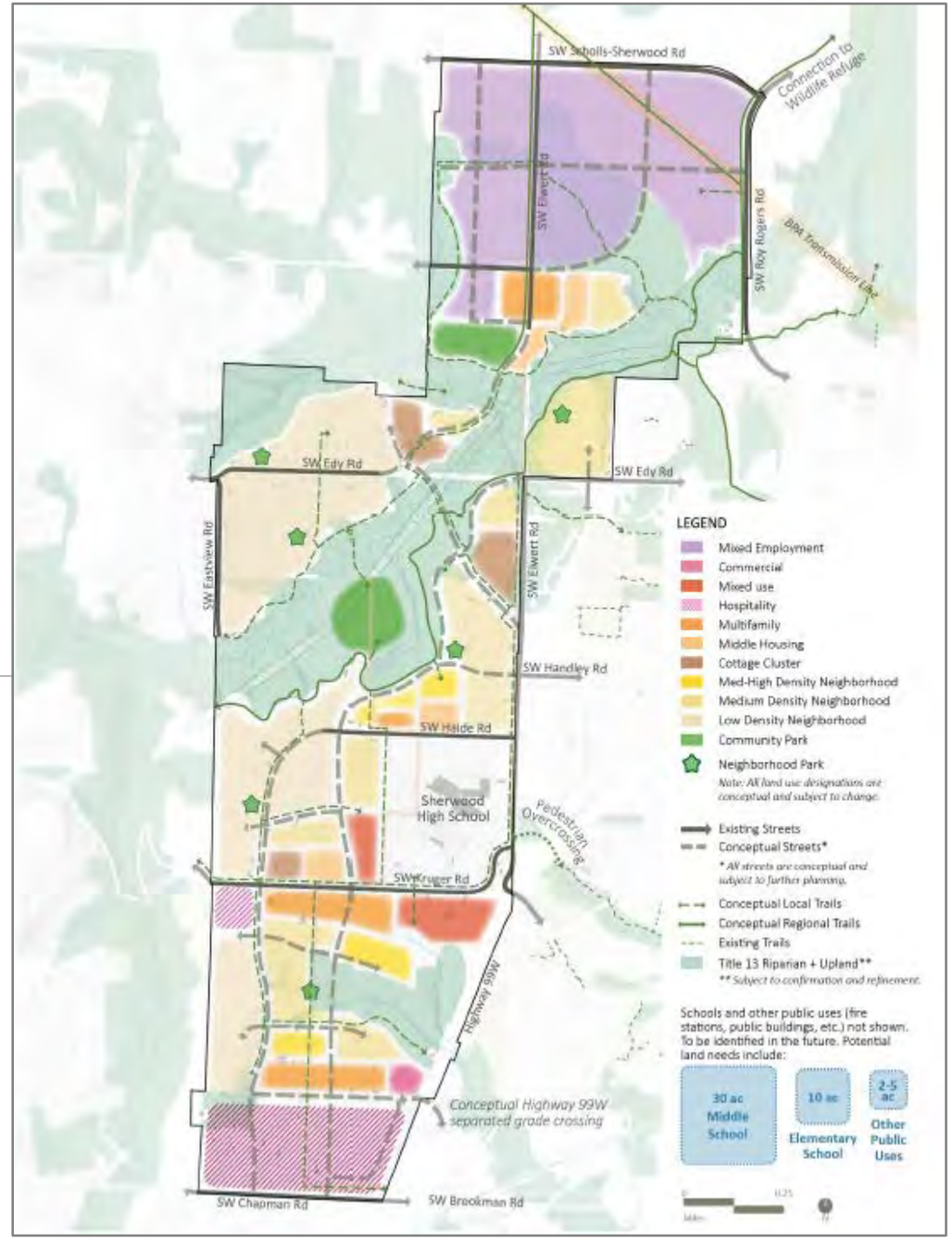
Chicken Creek Greenway

Figure 23. Elements of a Greenway



Recommended and Accepted Concept Plan

- Diverse land uses
- Connected transportation system
- Ample parks, trails, open space



IMPLEMENTATION

Concept Plan Implementation

- **UGB Expansion Request to Metro – April 5, 2024**
- **Comprehensive Planning and Future Zoning**
  - Natural Resource Protection
  - Custom Residential Zoning
  - Hospitality Zoning
  - Master Planning or “Village Planning”
  - Future Annexation Policies/Strategy/Phasing
- **Infrastructure Plan and Funding Strategy**
  - Continued refinement of project costs/financial modeling
  - Supplemental SDC methodology
- **Master Plans (TSP, water, sewer, etc.)**
- **Continued Community Engagement**



Stella Olsen Park by Dave Gilmore

SHERWOOD WEST CONCEPT PLAN



Metro Policy Advisory Committee (MPAC)

December 13, 2023

Eric Rutledge, Community Development Director

Erika Palmer, Planning Manager

Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

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

Date/time: Wednesday, November 15, 2023 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video meeting via Zoom

Members Attending	**Affiliate**
Eryn Kehe, Chair	Metro
Joseph Edge	Clackamas County Community Member
Carol Chesarek	Multnomah County Community Member
Victor Saldanha	Washington County Community Member
Anna Slatinsky	Second Largest City in Washington County, Beaverton
Laura Terway	Clackamas County: Other Cities, City of Happy Valley
Steve Koper	Washington County: Other Cities, City of Tualatin
Katherine Kelly	City of Vancouver
Jamie Stasny	Clackamas County
Jessica Pelz	Washington County
Gary Albrecht	Clark County
Neelam Dorman	Oregon Department of Transportation
Laura Kelly	Oregon Dept. of Land Conservation & Development
Manuel Contreras, Jr.	Clackamas Water Environmental Services
Gery Keck	Tualatin Hills Park & Recreation District
Tara O'Brien	TriMet
Bret Marchant	Greater Portland, Inc.
Brett Morgan	1000 Friends of Oregon
Nora Apter	Oregon Environmental Council
Preston Korst	Home Builders Association of Metropolitan Portland
Mike O'Brien	Green Infrastructure/Sustainability, Mayer/Reed, Inc.

Alternate Members Attending	**Affiliate**
Kamran Mesbah	Clackamas County Community Member
Faun Hosey	Washington County Community Member
Dan Rutzick	Largest City in Washington County: Hillsboro
Jean Senechal Biggs	Second Largest City in Washington County: Beaverton
Martha Fritzie	Clackamas County
Kevin Cook	Multnomah County
Kelly Reid	Oregon Dept. of Land Conservation & Development
Cassera Phipps	Clean Water Services
Jacqui Treiger	Oregon Environmental Council
Craig Sheahan	David Evans & Associates, Inc.
Brendon Haggerty	Public Health & Urban Forum, Multnomah Co.
Ryan Ames	Public Health & Urban Forum, Washington Co.

Guests Attending	**Affiliate**
Ariel Kane	City of Portland
Barbara Fryer	City of Cornelius

Dakota Meyer	City of Troutdale
Kevin Young	
Marc Farrar	Metropolitan Land Group, LLC
Max Nonnamaker	Multnomah County Health Department
MJ Andersen	Multnomah County
Paul Comery	WSP
Robert McCracken	
Sam Brookham	Portland Bureau of Transportation

Metro Staff Attending
Cindy Pederson, Clint Chiavarini, Dennis Yee, Eliot Rose, Eryn Kehe, Jake Lovell, Lake McTighe, Laura Combs, Marie Miller, Matt Bihn, Ted Reid, Tim Collins, Tom Kloster

Call to Order, Quorum Declaration and Introductions
Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. Zoom logistics and meeting features were reviewed for online raised hands, renaming yourself, finding attendees and participants, and chat area for messaging and sharing links. An overview of the agenda was given.

Comments from the Chair and Committee Members

- **Updates from committee members around the Region** – none given.
- **Regional Transportation Plan (RTP) Update** (Chair Kehe) A report from Kim Ellis, RTP Project Manager was read. MPAC and TPAC recommendations were discussed at their recent meetings with both committees approving the RTP moving forward. MPAC's action included a new recommendation concerning the Regional Mobility Policy project. If adopted by JPACT and Metro Council it would split the project into two phases and move the construction implementation stage to the strategic project list. The preliminary engineering phases would stay in this constrained project list, allowing the project to move forward in the PE phase.

  TPAC had mixed support of the phasing and had a lot of questions about what the implication might be. TPAC used MPAC's recommendation as a starting point for their recommendation to JPACT. Because of the political nature of the recommendation about the phasing, TPAC did not take a position on the MPAC recommendation but recommended that JPACT discuss and consider MPAC's recommendation themselves. TPAC recommended that JPACT approve the overall RTP. ODOT voted no on the phasing recommendation with this expected to be a main discussion item at the JPACT meeting tomorrow morning. The JPACT packet was shared in chat: https://oregonmetro.legistar.com/View.ashx?M=E1&ID=1132749&GUID=1D35FBF7-FF1A-42F2-8A38-F33C223A2024

Public Communications on Agenda Items – none given.

Consideration of MTAC minutes October 18, 2023 meeting
Chair Kehe asked for a vote to approve MTAC minutes from October 18, 2023 meeting.
ACTION: Motion passed with 16 votes in favor, 0 against, 3 abstentions: Jamie Stasny, Kevin Cook, Carol Chesarek

Regional Transportation Safety Performance Report (Lake McTighe, Metro) The presentation began with the names of people killed in traffic crashes in the month of October in the 3-county areas of Metro, which is a practice shared at TPAC and JPACT. The purpose of the presentation was to provide an update on traffic deaths and serious injuries in the region and seek feedback on the *DRAFT Safe Streets for All: Regional Transportation Safety Update to JPACT and the Metro Council* before bringing it to the Joint Policy Advisory Committee on Transportation (JPACT) and the Metro Council in December and January.

With a goal of eliminating traffic deaths and life changing injuries by 2035, and using a data driven and Safe System approach, the Regional Safety Strategy provides strategies and actions to address serious traffic safety problems. An introduction to the Safe System Approach was provided. Notable Safety Actions Since 2021 (Table 1 in report) was shared. Actions since 2021 Safe People, Safe Roads, Safe Vehicles, Safe Speeds, and Post-Crash Care (Table 1) was shared.

Updates on the Roadway Safety Problem indicate traffic deaths are increasing, and pedestrian deaths have risen disproportionately over the past decade. Across all the measures summarized in Table 2 (Federal Safety Performance Measures), the region's streets have gotten less safe since compared to baseline data established in 2015. While the total number of crashes has decreased since 2007, the number of deadly crashes has increased. This pattern points to the need to focus on the contributing factors of fatal traffic crashes, namely intoxication, speed, roadway design, pedestrian safety, and heavier vehicles. Taking Action – New Safety Strategies (Table 3 in report) was shared. Next steps with the program:

- November 30, 2023 – Deadline to provide feedback
- December 14, 2023 –JPACT
- January 16, 2024 (tent.) –Metro Council work session
- Spring 2024 – Convene regional SS4A safety work group
- Fall 2024 –Provide status update on serious crashes and on the Safe Streets for All project to JPACT and Metro Council

Comments from the committee:
Carol Chesarek noted if I was reading the information correctly it looked like drug-based intoxication was the largest single contributing factor to accidents. But I didn't see anything in the actions that was aimed at drug-based intoxication as opposed to alcohol. I wanted to make a suggestion and ask a question. The suggestion is to maybe go back and look at whether either the legalization of marijuana or measure 110 made any difference3 in the rates of crashes that might be related to those measures. The question is if there is anything we think we can do in that space because it's disappointing not to see any potential actions there.

Lake McTighe noted there are a few actions that are kind of molded together with alcohol but in terms of upstream public health types of actions, a great suggestion. There's limited reports and some mixed results coming from looking at the legalization of marijuana and measure 110. In terms of the increase, I do think that's an important thing to look at and to continue to see there were some recent legislation passed around driving under the influence of psilocybin and then also looking at DUI. Upstream care and intervention is one of the best things that we can do. This is an area we can look at in terms of

vehicle detection. There is technology that can detect higher alcohol blood level. If they enter a car and touch the steering wheel or breath in the car it won't start. There is effort at the Federal level to have those be implemented, added to all new vehicles by 2026. The data in the crash report is not perfect. But there's a lot of different ways we can take a look at this and I'll do more work on the report to highlight more work is needed to identify some of those potential strategies.

Manny Contreras appreciated the work which appears pretty comprehensive. One thought is I'd like to see where the deaths are actually occurring on a per capita basis by county. Because the numbers in Portland will show huge numbers and priority of projects will always be directed there. Secondly, the policy recommendations you're making make sense.

Ms. McTighe noted one of our goals with the Safe Streets for All funding is going to increase our capacity to do some research and investigation, to develop a lot of the data that I just showed but at each city and county level. In the report as a start there is a per capita traffic deaths by city and county. I mentioned earlier that Washington County has the lowest county per capita of traffic deaths. It's interesting to compare it some of those other counties and to the national level. Oregon has a higher traffic deaths per capita as does the US overall. The report also covers land use patterns, higher use of transit and less VMT overall per capita.

Mr. Contreras asked where cyclists fit into the whole play of deaths. How do they compare to other forms of transportation? It was noted people cycling is one area where we are trending downwards and we need to better understand that. That mode share is decreasing, so is the decrease in dealths attributed to that? We need to do some regression analysis and look at some of the contributing factors. There has been an increase in better bicycle infrastructure, separation, green paint, bike boxes, bike signals and such which we need to understand for cyclist safety.

Brendon Haggerty noted it's great see Metro focusing so much on this issue. It's a major public health concern. Unintentional injury is the third leading cause of death in Multnomah County and in Oregon, and the top one or two causes of death for children and youth. So this is very important for us. We also see the racial disparities and the trend going in the wrong direction. I like what I see in table 3 in that it tracks pretty closely with what we recommended in a county level report over the summer. I want o point out that one of those recommendations is to continue investments in behavioral health and harm prevention, which would be addressing the drug and alcohol piece of it. When we discussed that factor with our public health advisory board one of the things we heard loud and clear was to avoid blaming individuals and keep the focus on the systemic risks that we see to use that in our framing. I want to affirm and support that going forward. We need a system that can accommodate lot of human error without killing people. But that's pretty expensive and it takes a really long time. So while we're doing that we need harm reduction measures and automated enforcement is a good example of that. The Oregon Health Authority publishes a dashboard with injury rates (per capita) here: https://oregoninjurydata.shinyapps.io/transport/

Michael O'Brien noted he was curious about providing some level of understanding of the actions in terms of impact or assumed impact to kind of start to prioritize the actions in a way that we're spending the money that we have to put towards this in the most efficient and effective way. And then

one other comment would be related to size of vehicle and the relation to traffic deaths, pedestrian traffic deaths, and bicyclist traffic deaths. And understanding the correlation between a large truck versus a compact car. Understandably you've got a lot more mass and a lot less visibility in a large vehicle. Presumably that correlates to a higher rate of death per vehicle, or per thousand vehicles or however you want to put it. What can we do to either disincentive or create actions around that kind of thing. Ms. McTighe noted yes, to both of them. Those are things that we want to do in the coming couple years.

Jamie Stasny appreciated the work given to the program. One question was how does what we're looking at doing here regionally play with or pay into the consideration by ODOT, and what are they doing? I know they have a different system so how do these two systems work together? Are they a part of this safe systems approach? Are they trying to incorporate some of those things into their systems? For context, this was something that came up as we started to consider the I-205 toll project as we were looking at the rerouting that would be happening from trying to avoid tolls that would put more trips on the local systems. I came to understand that often the crashes that happen on the local systems end up as fatalities more so than the crashes that will happen on the interstate system. Is there an interplay there or coordination around that.

Ms. McTighe noted she was familiar with the ODOT Transportation Safety Action Plan, so could provide some perspective. The plan does acknowledge the safe system approach per se. It's a fairly new concept in the US. Federal Highway Administration has been starting to implement it over the last five year or so. We are still figuring out how we fit systems into existing concepts. There are a lot of factors that contribute to the safe travel of people in vehicles freeways versus on urban arterials. ODOT and others of us are learning more abut this and advocating for it for safer roadways. Ms. Stasny noted my questions is there an action that can require an elevated level of incorporation of the safe systems approach as we are considering pricing in the region, as we're considering the impacts of rerouting and diversion? My suggestion is to think about how we might be able to encourage that state level of coordination or incorporation of that approach as we consider the impacts from that.

Chair Kehe asked about details on the safety work group. Ms. McTighe noted this was just starting and would be very open like an ad hoc group. The group is planned to increase awareness and understanding of the safe street system, weighing in on details and how actions on phasing, highest impact, the coordination around legislative issues, and what data to develop. The agencies are working together and developing safety action plans now. Interest in participating with the group is welcome.

Dan Rutzick noted, to Mr. O'Brien's point about larger vehicle trucks and even SUVs causing exponentially more harm when there are crashes. To what extent does this work involve creating limitations to where larger trucks can go on local streets and other kinds of lower classification roadways? Ms. McTighe noted I don't think Metro is going to get involved in that type of regulation but there's new awareness now these are just like regular trucks. Cities and counties with this information want to have those types of restrictions. I know many places already do sort of have this for delivery trucks and semis. I think the purpose of the regional work will be to pull together information that's happening at the national level. Researching some of the in-vehicle safety features can help prevent crashes. There are a lot of different things that could be championed more at a legislative level. We

want to lobby for this. So it's important about providing the information so that jurisdictions that have that oversight can make better decisions.

2024 Urban Growth Management Decision: Buildable lands inventory update (Ted Reid and Clint Chiavarini, Metro) Ted Reid began the presentation on the 2024 urban growth management decision timeline. Capacity is one of the three main components of the analysis in the UGR. Factors to consider were described in how deciding how much land is buildable inside the UGB. Clint Chiavarini presented information on what the process was to evaluate a buildable land inventory. Completed in October were local reviews of buildable land inventories. Now through January 2024 the likelihood of development or redevelopment of land using the Pro Forma capacity model will be used. Other pending technical work was noted:

- Residential and employment trends
- Regional forecast (population, households, jobs)
- Regional housing demand analysis
- Employment land demand analysis
- Demographic analysis of past UGB expansions

Comments from the committee:
Anna Slatinsky noted this is obviously a very general overview but when we look at the employment and population trends everyone understands we're in a housing crisis with insufficient housing being produced. This is not an Oregon or Metro problem, but a national problem. One of the dynamics that we're starting to hear from employers is they are having trouble recruiting employees due to the high cost of housing. As you're kind of tweaking the model and looking at how to make the analysis valid both for the need for housing and the need for employment and, ow that feedback loop where a shortage of housing or the cost of housing actually has an impact works or how the results of the model are interpreted. It as noted this would be answered in the next presentation.

Dan Rutzick noted earlier in the presentation was talk of capacity. There are areas at the edges of cities that were brought into the urban growth boundary. Some of them are in the process of urbanizing and some have the infrastructure for utilities a distance away. There are residential infill projects that may have sanitary sewer a distance from some of them, and that has to be expanded as well. Can you talk a little bit about when identifying capacity, what's the coordination between Metro and local governments to get a sense of is this larger geography likely to be served in two years, assuming the markets there, or is it five years out?

Mr. Reid noted we rely on local review for buildable land inventory I our capacity estimates. We have been getting this question about infrastructure availability pretty regularly as we've been presenting this work. So clearly it's on everyone's mind, the shortage of funding to support development of land. I think that the focus on land readiness and what it actually takes to take land and produce housing and jobs on it is an important one that we'll have to keep working on as a region, in all our programs and partnerships because we can't come up with a pot of money in this growth management decision. I think as with many topics, growth management sort of highlights what is on people's minds, and I think infrastructure funding is one of those things. Chair Kehe added our charge at Metro is at the regional scale and for a 20-year outlook. So our job is to determine what the demand, the capacity for growth in

the growth boundary for he next 20 years is. We're coming up with a capacity number for 20 years. I think the work is really knowing what's coming in the close term is going to be more associated with the local housing implementation strategies. We're really looking long term.

Mr. Rutzick noted that was my understanding when taking on this work. If local governments provided input to Mero for the BLI for both the residential and employment land, there hasn't been that step that I'm aware of where Metro asked in an expansion area, is this entire expansion area to be served in 20 years or is that step coming in the coming months as capacity? Chair Kehe added the state doesn't ask us to look at an analysis of land inside the urban growth boundary in the expansion area. For lands that have been brought into the UGB we'll certainly count that land as potential capacity over the next 20 years. And as described, we look to city developed concept plans or comprehensive plans to figure out what kind of capacity those areas will provide.

Bret Marchant asked will your analysis look at kinds of sizes of developable parcels? The size of acreage obviously impacts the work we do on industrial projects but could impact multi-family developments too. If all the developable parcels are of a smaller acreage size. Mr. Chiavarini noted the proforma model takes that into account. For instance, it's a half-acre parcel and the best use may be a fourplex or something to that effect. Whereas a 10-acre parcel, depending on the cost and market conditions may be a four story apartment. So the model goes through a building selection of types and then applies that to parcel size, parcel valuation, the market in that particular area, that kind of thing. There is a bunch of levers that it looks at and trying to figure out. Then the capacity number comes out of that based on them. It's based on what's already there. More information was shared on the analysis of lot size distribution and probability or redevelopment. The link to the Metro site readiness toolkit published in 2020 was shared: https://www.oregonmetro.gov/tools-partners/guides-and-tools/site-readiness-toolkit

Faun Hosey asked is most land outside the UGB generally regarded as potential expansion area? Is there a meaningful way to give consideration to soils maps or values of current land uses (for example, needs of wildlife habitat and our agricultural industry)? Anna Slatinsky noted areas for future UGB expansions have been formally identified as 'Urban Reserves'. Areas that do not have this designation would be difficult to propose for addition to the UGB at this point. Chair Kehe noted Metro Council only has authority to bring "urban reserves" into the growth boundary in their decision next year. You can find a map on this page that shows urban and rural reserve areas. https://www.oregonmetro.gov/2040-growth-concept Ms. Slatinsky noted I think the Urban Reserve and Rural Reserve designations are intended to be for a 50-year timeframe. Ms. Hosey added yes, 50-yr protection is intended, and Metro is bound by approved maps. Meanwhile, legislation is proposed every year to impose changes, and county roads are planned across farmland outside UGBs.

Joseph Edge noted there's a lot of interest in townhouses. They may not be as efficient as developing residential lots with quadplexes. So when you're looking at highest and best use or most likely development outcomes, given that there's a lot of interest in townhouses right now, how does this factor in the likelihood of townhouses, and how they will actually use the land. The second question is with last week's report from the Census Bureau about the US population projected to start declining by the end of this century. What is the relationship of that data with our own growth projection data used

to justify urban growth boundary expansion and understanding that obviously the US is a dynamic system and there will still be migration that is not proportionate to overall population. Mr. Chiavarini noted with the first question that gets into the complexities, the proforma. And I'm not entirely well versed on how that works. I do know that there are going to be limits so that it won't simply throw fourplexes on every single lot, just because that happens to be the highest and best use. There'll be some sort of saturation where after that you don't just get all one type of building, that there ends up being some sort of mix that's into the model.

2024 Urban Growth Management Decision: Overview of approach to estimating housing demand
(Ted Reid and Dennis Yee, Metro) Ted Reid began the presentation on the regional housing demand analysis. The housing demand analysis will include assessments of existing and future needs. The existing housing needs are for those experiencing houselessness and historic underproduction - what is the backlog of housing units to date?

Dennis Yee explained the future needs with the 20-year forecast. This is a regional population forecast and household forecast with housing needs estimated by household size and presence of kids, income, and age/life stage. The housing demand modeling methodology combines forecasts of households by socioeconomic characteristics (from Metro) with factors impacting housing choice to estimate housing need by housing typology. These include household life stage, ability to pay, tenure split, and choice. Levers and scenarios testing will be included in the analysis, including Growth Scenarios, Tenure Split, Cost Burdening, Migration Leakage, and Isolate Household Types.

Chair Kehe reminded the committee this look is just getting started. Staff was asked what is the timeframe we can expect to see some of the results. Mr. Reid noted our consultants are in the midst of getting this model up and running. We are hoping to come back to MTAC with some preliminary information next spring not only on the capacity side but what the housing demand side might look like. We'll be describing both these as ranges because of the uncertainty that's inherit in looking out 20 years. As well some of the assumptions that we have to make to do this modeling.

Comments from the committee:
Joseph Edge again noted the US Census Bureau population projects with expected decline by 2100. It was asked what the relationship is between those kinds of projections and the projections we use for our own population modeling. Mr. Yee noted those relationships that you refer to are very strong because you are talking about mortality, statistics and neutrality statistics or assumptions going forward. As an urban region I would expect that our region would participate with the gross demographic trends that the Census Bureau sees. This is consistent with the PSU Population Center. Natural change in populations that we'll participate in for this trend will include population aging with proportion of households with elderly or middle-aged outpacing the younger age population. I'm not forecasting this region declining in raw or total numbers because we have something called net migration. Migration around the region is at different paces for different states. We anticipate that net migration which has been faster than other areas in the US which include rural and farmland areas.

Jamie Stasny wanted to thank everyone for all this work and thank you for your transparency. I think a lot has evolved over the years in the process as well as the partnerships that you're building with

community and bringing people in to help be apart of the conversation, and also the preemptive information sharing. I think there's been a huge advance made in how you're approaching this and how you're partnering with communities.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 11:13 a.m.
Respectfully submitted,

Marie Miller

Marie Miller, MTAC Recorder

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	11/15/2023	11/15/2023 MTAC Meeting Agenda	111523M-01
2	MTAC Work Program	11/7/2023	MTAC Work Program as of 11/7/2023	111523M-02
3	Minutes	10/18/2023	Minutes from MTAC October 18, 2023 meeting	111523M-03
4	Memo	11/1/2023	TO: MTAC and interested parties From: Lake McTighe, Principal Planner RE: DRAFT SS4A Regional Transportation Safety Update to JPACT and the Metro Council	111523M-04
5	Report	October 2023	Safe Streets for All Regional transportation safety update to JPACT and the Metro Council	111523M-05
6	Presentation	11/15/2023	Draft Safe Streets for All: Regional transportation safety update to JPACT and the Metro Council	111523M-06
7	Presentation	11/15/2023	Land capacity for growth	111523M-07
8	Presentation	11/15/2023	Regional housing demand analysis	111523M-08

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC)
Date:	Wednesday, November 15, 2023
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom
	video recording is available online within a week of meeting
	Connect with Zoom Passcode: 863801 Phone: 877-853-5257 (Toll Free)

9:00 a.m.	**Call meeting to order, Declaration of Quorum and Introductions**	Chair Kehe
9:05 a.m.	**Comments from the Chair and Committee Members** • Updates from committee members around the Region (all)	
9:10 a.m.	**Public communications on agenda items**	
9:13 a.m.	**Consideration of MTAC minutes, October 18, 2023** **(action item)** Send edits/corrections to Marie Miller	Chair Kehe
9:15 a.m.	**Regional Transportation Safety Performance Report** Purpose: Provide an update on traffic deaths and serious injuries in the region and seek feedback on the DRAFT Safe Streets for All: Regional Transportation Safety Update to JPACT and the Metro Council.	Lake McTighe, Metro
10:15 a.m.	**2024 Urban Growth Management Decision: Buildable lands inventory update** Purpose: Provide MTAC with an update on work that informs the 2024 urban growth management decision.	Ted Reid, Metro Clint Chiavarini, Metro
10:30 a.m.	**2024 Urban Growth Management Decision: Overview of approach to estimating housing demand** Purpose: provide MTAC with an update on work that informs the 2024 urban growth management decision.	Ted Reid, Metro Dennis Yee, Metro
11:15 a.m.	**Adjournment**	Chair Kehe

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គ ប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

Materials following this page were distributed at the meeting.

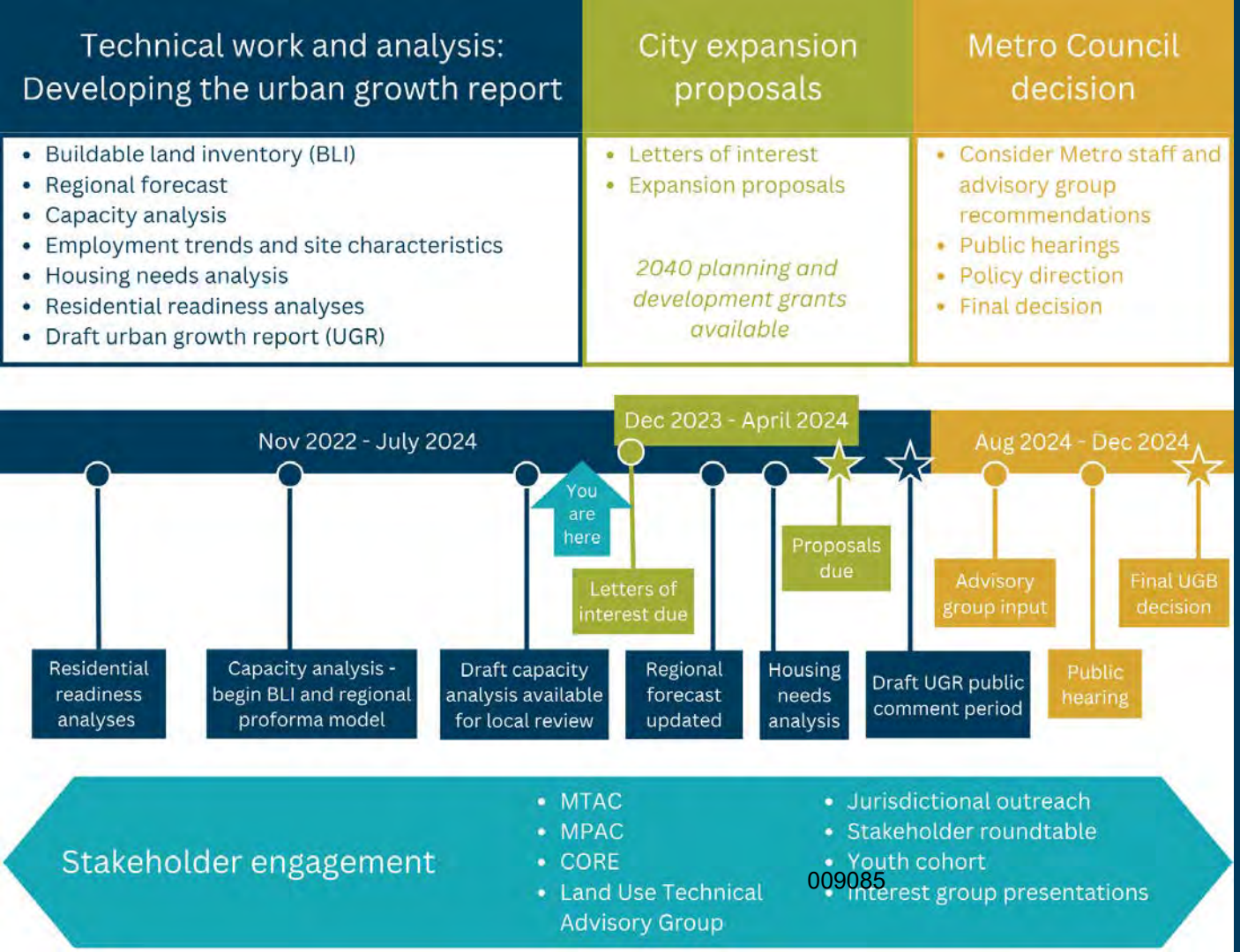


Metro

Land capacity for growth

November 2023

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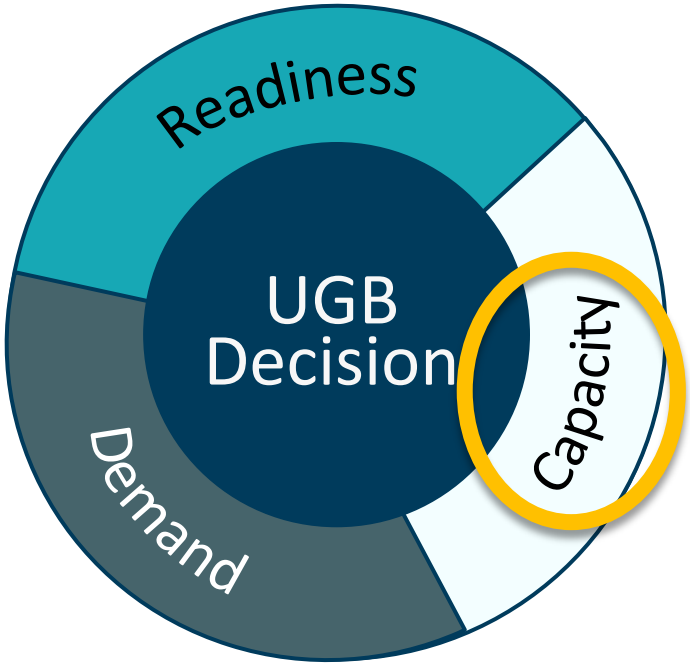


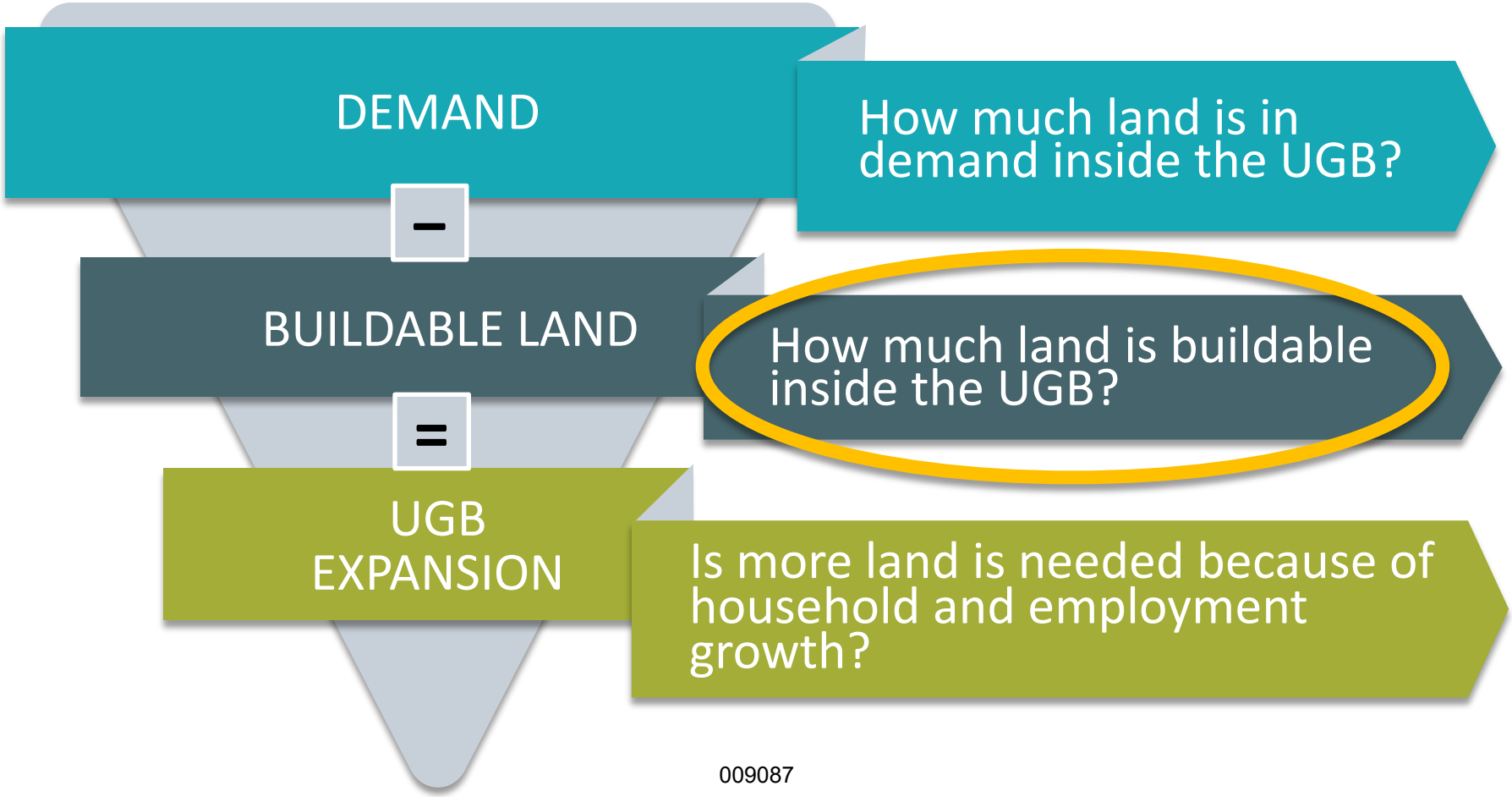
2024 urban growth management decision timeline

Capacity in the UGR

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council

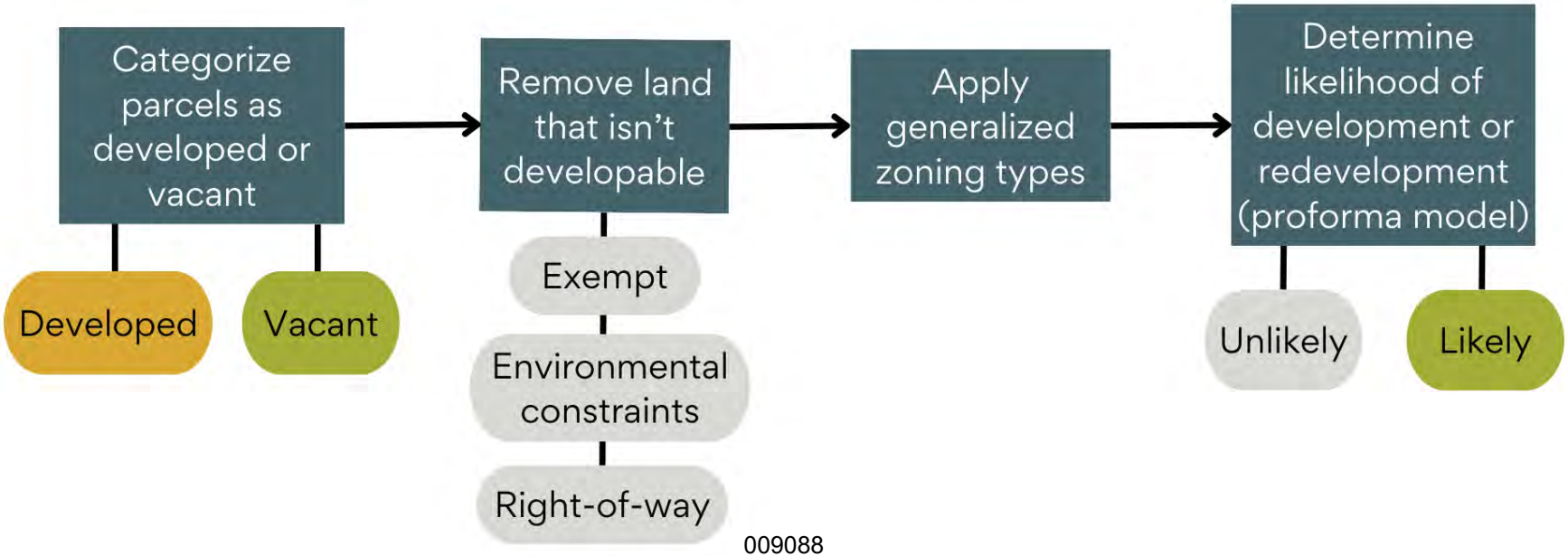
Capacity is one of the three main components of the analysis in the UGR




DEMAND
How much land is in demand inside the UGB?
–
BUILDABLE LAND
How much land is buildable inside the UGB?
=
UGB EXPANSION
Is more land is needed because of household and employment growth?

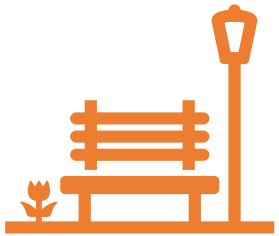
009087

Buildable land inventory process



Local Review Opportunities

October (complete)



Buildable Land Inventory

- Zoning (especially FUD, RUR)
- Recent development
- Environmental Takeouts
- Entitlement screen

January



Pro Forma Capacity

- Likelihood of redevelopment
- Model overrides
  - Concept plans
  - Site master plans

009089

Other pending technical work

- Residential and employment trends
- Regional forecast (population, households, jobs)
- Regional housing demand analysis
- Employment land demand analysis
- Demographic analysis of past UGB expansions

Questions?

Learn more:

oregonmetro.gov/public-projects/2024-growth-management-decision

oregonmetro.gov





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Regional housing demand analysis

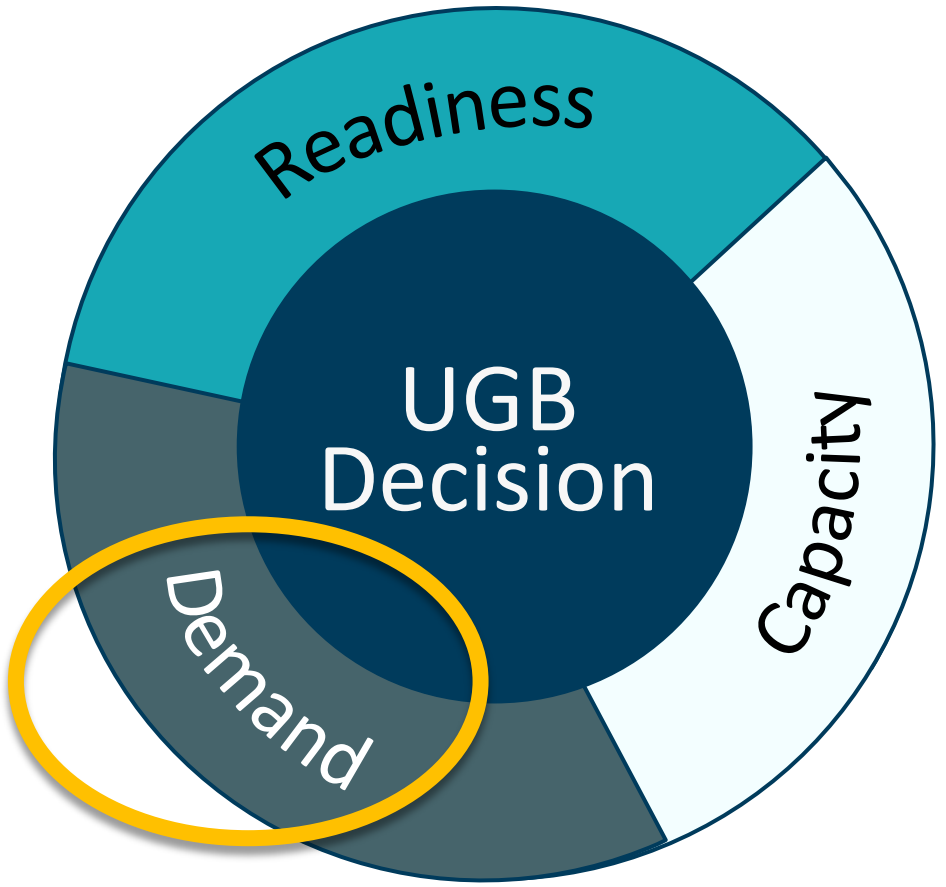
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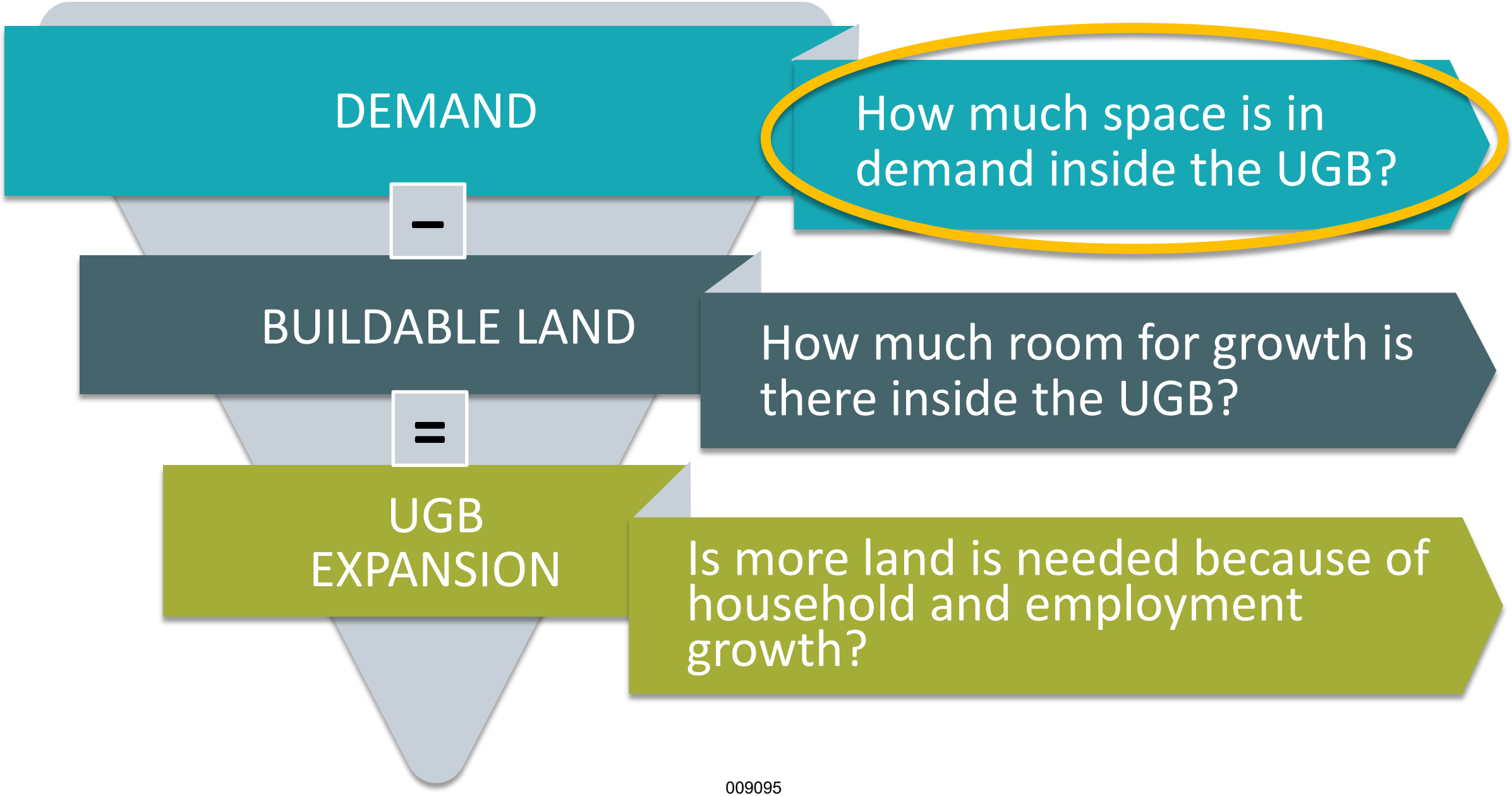
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Housing demand in the UGR

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council

Demand is one of the three main components of the analysis in the UGR




DEMAND
How much space is in demand inside the UGB?
–
BUILDABLE LAND
How much room for growth is there inside the UGB?
=
UGB EXPANSION
Is more land is needed because of household and employment growth?

The housing demand analysis will include assessments of existing and future needs

EXISTING

Housing needs for those experiencing houselessness

&

Historic underproduction - what is the backlog of housing units to date?







009096

FUTURE

20-year forecast

Regional population forecast

&

Household forecast

Housing need (by type) estimated by:

household size and presence of kids

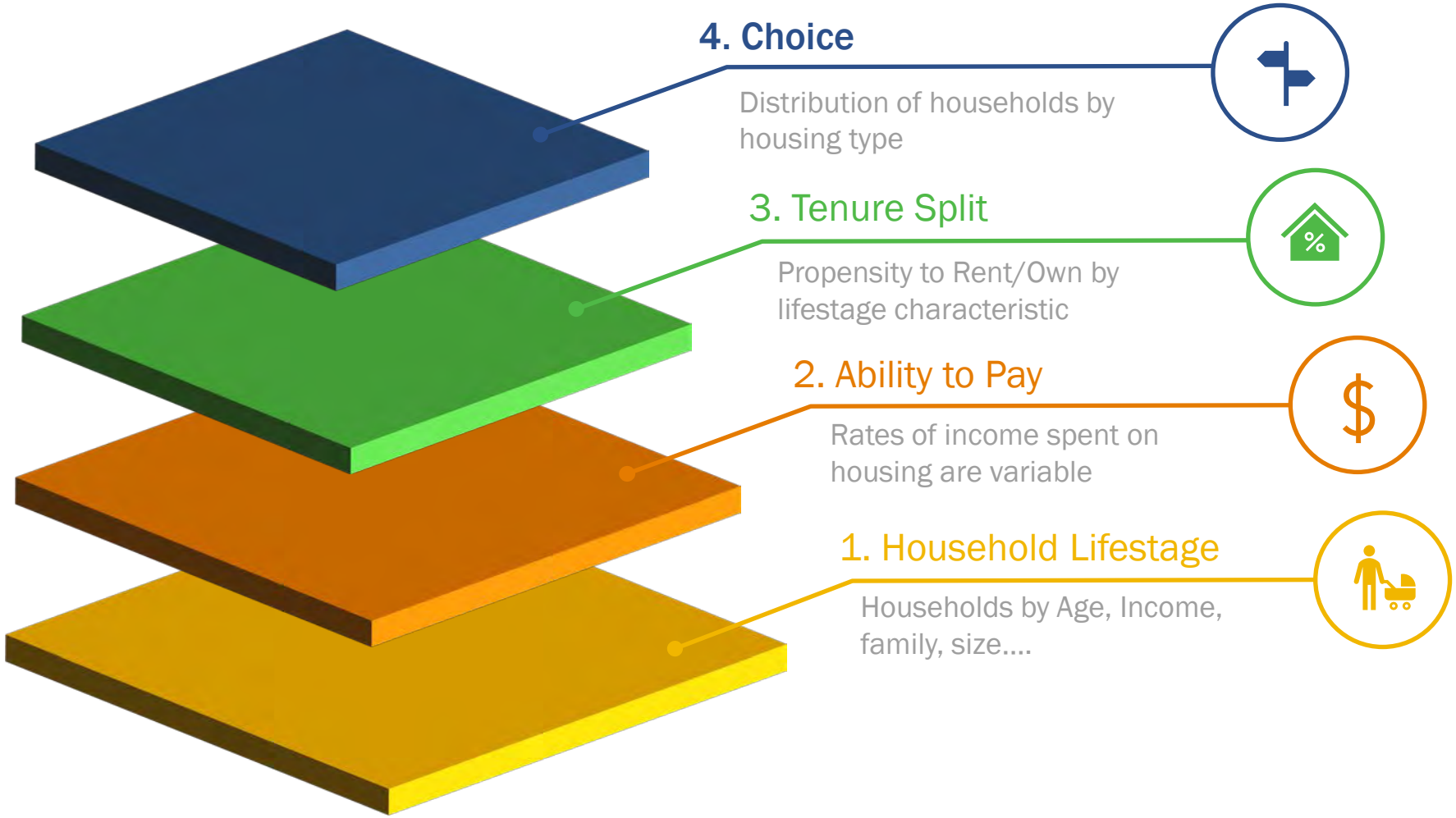
income

age / life stage

HOUSING DEMAND MODELING

METHODOLOGY

The demand methodology combines forecasts of households by socioeconomic characteristics (from Metro) with factors impacting housing choice to estimate housing need by housing typology.



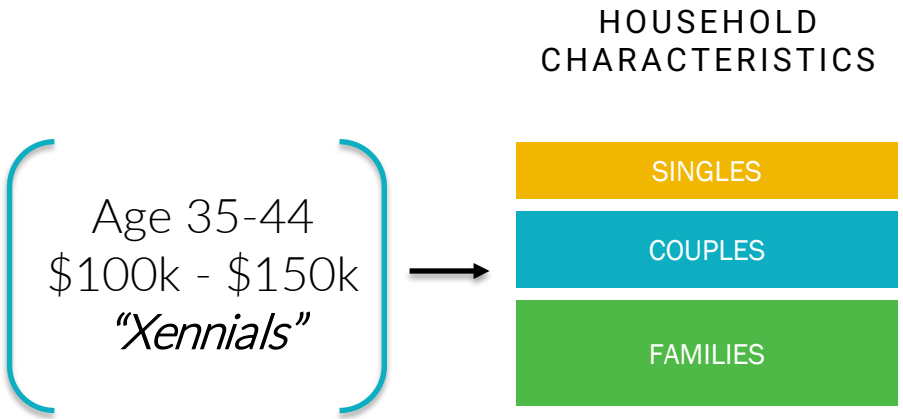
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METHODOLOGY

Age 35-44
$100k - $150k
"Xennials"

HOUSING DEMAND MODELING

METHODOLOGY



HOUSING DEMAND MODELING

METHODOLOGY

Age 35-44
$100k - $150k
"Xennials"

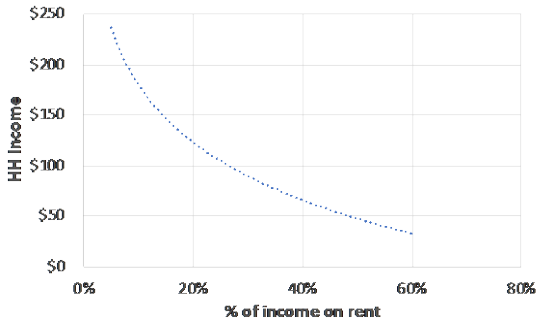
HOUSEHOLD CHARACTERISTICS

SINGLES

COUPLES

FAMILIES

ABILITY TO PAY (WILLINGNESS)



HOUSING DEMAND MODELING

METHODOLOGY

Age 35-44
$100k - $150k
"Xennials"

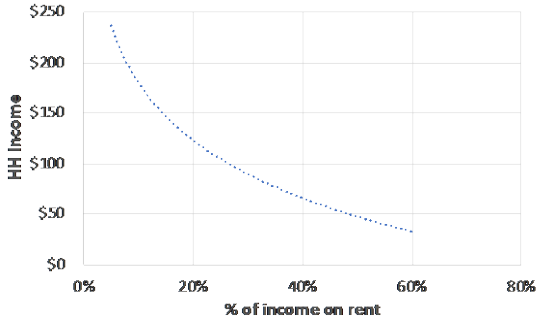
HOUSEHOLD CHARACTERISTICS

SINGLES

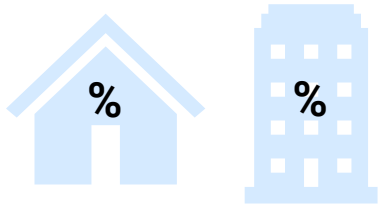
COUPLES

FAMILIES

ABILITY TO PAY (WILLINGNESS)



TENURE SPLIT (RENT VS. OWN)



HOUSING DEMAND MODELING

METHODOLOGY

Age 35-44
$100k - $150k
"Xennials"

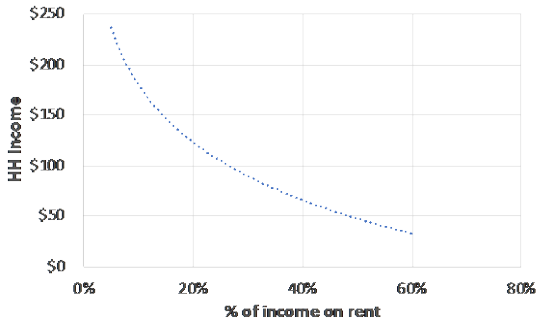
HOUSEHOLD CHARACTERISTICS

SINGLES

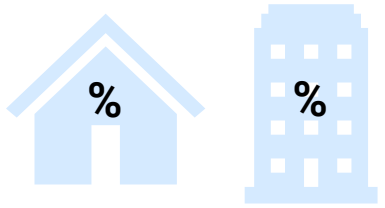
COUPLES

FAMILIES

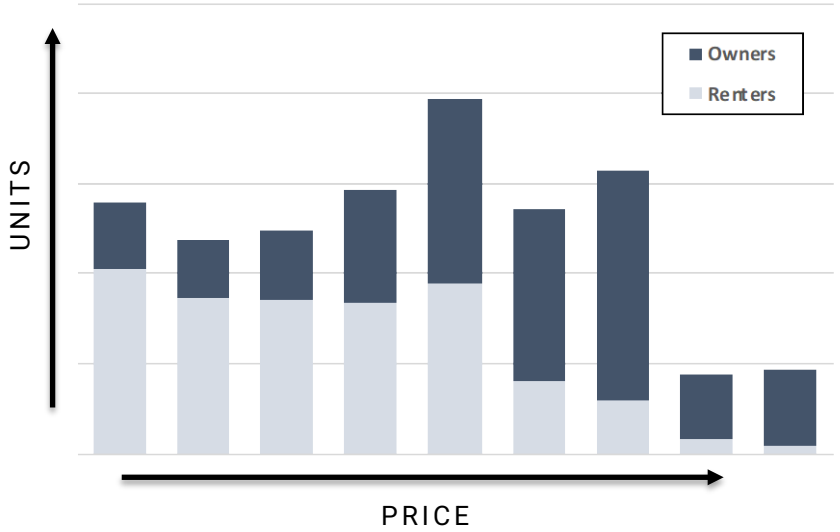
ABILITY TO PAY (WILLINGNESS)



TENURE SPLIT (RENT VS. OWN)



DEMAND BY PRICE



009102

HOUSING DEMAND MODELING

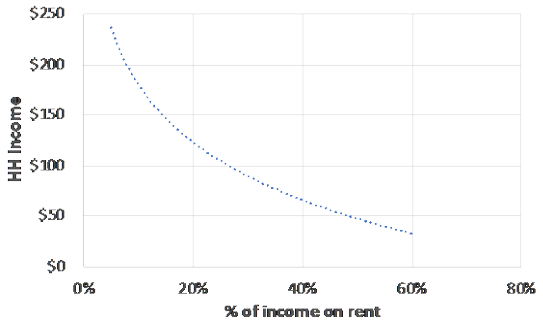
METHODOLOGY

Age 35-44
$100k - $150k
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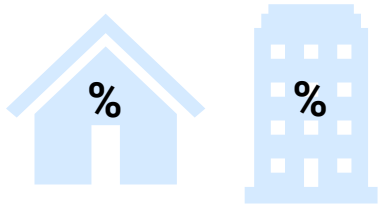
HOUSEHOLD CHARACTERISTICS

- SINGLES
- COUPLES
- FAMILIES

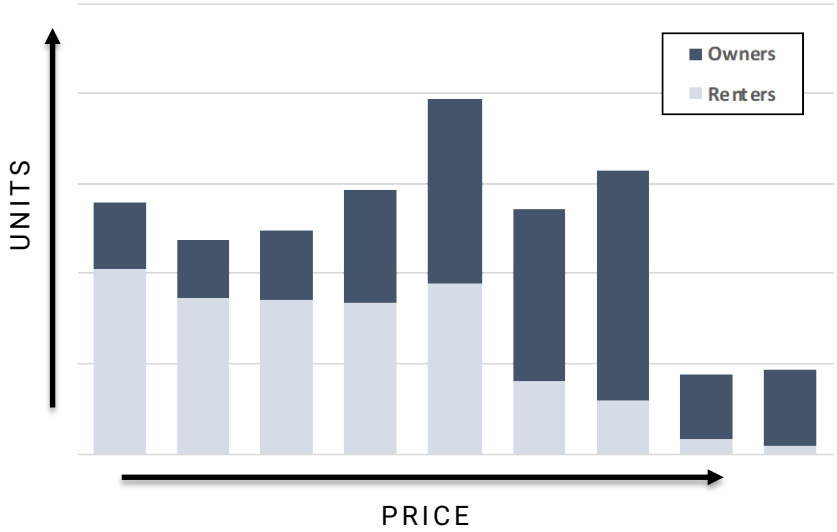
ABILITY TO PAY (WILLINGNESS)



TENURE SPLIT (RENT VS. OWN)



DEMAND BY PRICE



CHOICE

SF	PLEX	APARTMENTS	RENTERS
SF		CONDO / TH	OWNERS

009103

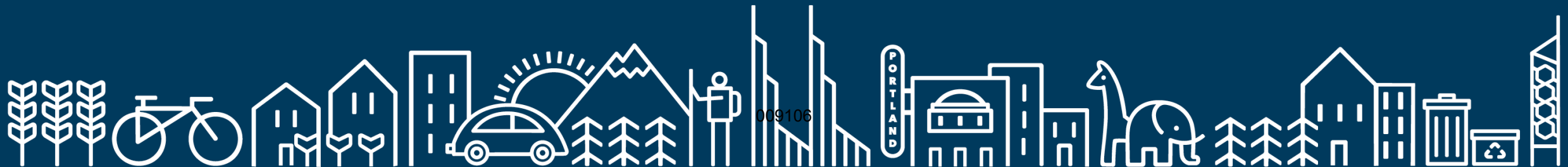
LEVERS AND SCENARIO TESTING

- Growth Scenarios
- Tenure Split
- Cost Burdening
- Migration Leakage
- Isolate Household Types



Questions?

oregonmetro.gov



600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes
November 8, 2023

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon (Chair)	City of Gresham, Second Largest City in Multnomah County
Alex Howard	Port of Portland
Gordon Hovies	Special Districts in Washington County
Gerritt Rosenthal	Metro Council
Sherry French	Special Districts in Clackamas County
Nadia Hasan	City of Beaverton, Second Largest City in Washington County
Mark Shull	Clackamas County
Tim Rosener	Other Cities in Washington County
Pam Treece	Washington County
Ed Gronke	Citizen of Clackamas County
Mary Nolan	Metro Council
Omar Qutub	Citizen of Multnomah County
Thomas Kim	TriMet
Denyse McGriff	City of Oregon City, Second Largest City in Clackamas County

MEMBERS EXCUSED	AFFILIATION
Ted Wheeler	City of Portland
Sharon Meieran	Multnomah County
Brian Cooper	City of Fairview, Other Cities in Multnomah County
Brian Hodson	City of Canby, City in Clackamas County outside UGB
James Fage	City of North Plains, City in Washington County outside UGB
Susan Greenberg	Beaverton School Board, Governing Body of a School District
Kim Harless	City of Vancouver
Terri Preeg Riggsby	Special Districts in Multnomah County
Steve Callaway	Largest City in Washington County
Glen Yung	Clark County
Luis Nava	Citizen of Washington County
Carmen Rubio	City of Portland
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Duncan Hwang	Metro Council
Kirstin Greene	Oregon Department of Land Conservation and Development

ALTERNATES PRESENT	AFFILIATION
Mike Mitchel	City of Oregon City, Second Largest City in Clackamas County
Anthony Martin	Largest City in Washington County
Rebecca Stavenjord	Other Cities in Clackamas County
Laura Kelly	Oregon Department of Land Conservation and Development

OTHERS PRESENT: Cristina Nieves, Jessica Pelz, Stephen Roberts, Jean Senechal Biggs, Dan Rutzick, Adam Barber, Tom Armstrong, COHV, Medha, Jamie Stasny, Annadiana, Mat Dolata

STAFF: Connor Ayers, Jemeshia Taylor, Roger Alfred, Ina Zucker, Catherine Ciarlo, Tom Kloster, Tim Collins, Kim Ellis, Ted Reid, Jaye Cromwell, Malu Wilkinson,

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Chair Vince Jones-Dixon called the Zoom meeting to order at 5:00 PM.

Metro staff Connor Ayers (he/they) called the role.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

Chair Jones-Dixon read aloud the instructions for providing public testimony.

No members of the public provided testimony.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

3. COUNCIL UPDATES

Chair Jones-Dixon stated that there were no council updates.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

4. COMMITTEE MEMBER COMMUNICATIONS

Washington County Commissioner Pam Treece asked if they had a quorum.

Metro Staff Roger Alfred mentioned that they are close to a quorum but that the Multnomah County commissioners were absent.

Ayers explained that Christina Nieves was from Multnomah County and does not count for quorum. He added that there are no action items for the meeting

Alfred commented that he will post in the chat if they reach quorum.

City of Oregon City Mayor Denyse McGriff gave an update on the 4th Joint Work Session with their West Linn colleagues.

Chair Jones-Dixon shared that JPACT will vote on TPAC recommendation on November 16th and the next steps in the RTP adoption process.

Tualatin Valley Fire & Rescue Vice President Gordon Hovies asked if JPACT has considered the amendments made at the MPAC meeting.

Metro Staff Malu Wilkinson explained that JPACT will meet on November 16th and will hear MPAC's recommendation. She mentioned that the Metro Council will hear both MPAC's and JPACT's recommendations on November 30th.

Clackamas County Commissioner Mark Shull stated that Clackamas County Commissioner Paul Savas will present their recommendations at the JPACT meeting.

In the chat, Mayor McGriff asked what MPAC's recommendation was.

Metro Staff Catherine Ciarlo stated that MPAC recommended that the Metro Council approve the RTP. She summarized the MPAC amendments including the amendment to phase the Regional Mobility Pricing Project (RMPP). Ciarlo explained TPAC's recommendation to JPACT and that TPAC did not make a final decision on the phasing of the RMPP amendment from MPAC. She mentioned that TPACT had asked JPACT to think more about the phasing of the RMPP.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

5. INFORMATION/ DISCUSSION ITEMS

5.1 Urban Growth Management discussion: Overview of approach to estimating UGB growth capacity

Chair Jones-Dixon introduced Metro staff Ted Reid (he/him).

Reid discussed capacity in the UGR, the overview of determining UGB expansion and the typical approach in other places in Oregon. Reid summarized Metro's approach to determine UGB capacity. This approach includes categorizing land as developed or vacant, removing land that is not developable, applying generalized zoning and using the pro forma model. He discussed the buildable land inventory process, the Proforma model, the model's assumptions and the 2024 UGM decision timeline.

In the chat, City of Sherwood Mayor Tim Rosener asked how current the aerial photos in the beginning of the presentation are. However, Mayor Rosener left the meeting before the question could be answered.

Ed Gronke asked if the recent change in state law allowing more intensive development in land zoned R-1 was considered in the modeling.

Reid confirmed that Gronke was referring to House Bill 2001, which requires cities and counties to allow

for middle housing in single-family neighborhoods. He explained that they are using the Proforma model and consultants to understand how the market might respond now that those types of housing are allowed.

Gronke asked if they had considered the huge demand for affordable housing in their model. He stated that with all the expenses, he did not believe that affordable housing could be developed within the current Urban Growth Boundary.

Reid mentioned they will work with ECO Northwest on the housing needs analysis. He explained that they will look at the housing needs for different income groups and make sure that their plans provide opportunities to meet those needs.

Washington County Commissioner Pam Treece asked if there are any changes to the timeline since their last meeting.

Reid confirmed that it is the same timeline.

City of Hillsboro Councilor Anthony Martin asked the extent that the capacity analysis factors in proximity of utilities to service vacant lands. Councilor Martin also asked what factors would result in the redevelopment capacity being less than the theoretical capacity and how that would be calculated.

Reid noted that this is intended to be a regional estimate. He commented that much investment in land readiness is needed to accommodate housing and jobs.

Reid explained that the model will look at market conditions in that part of the region and what kinds of rents can be produced from the property. He added that the model would go through different prototypes to determine the highest and best use for the property given the possible returns for the developer.

Chair Jones-Dixon asked Mayor McGriff to summarize her comments from the chat.

Mayor McGriff suggested that they should help developers and cities to reuse land within the Urban Growth Boundary, instead of using raw land outside the boundary.

Councilor Martin noted that he was using Metro's definition of vacant land. He added that there are many areas in Portland that are not served via the appropriate services.

Metro Councilor Gerritt Rosenthal commented that most services are provided by local or special districts and on the difficulty of obtaining transportation infrastructure funding.

Gronke raised concerns from previous boundary expansions when a developer might file a lawsuit and that Metro may lose the case before the LCDC. He believed that developing affordable housing inside the UGB was not possible without government funding.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

5.2 Regional Freight Delay and Commodities Movement Study

Chair Jones-Dixon introduced Metro staff Tim Collins.

Collins discussed the main study objectives, E-commerce trends and their impacts in the region. He noted the regional key findings on commodities movement for 2020 and used I-5 and I-205 on the north end of the region as an example. Collins explained the mobility and reliability issues related to speed and travel time reliability for several locations in the region. He mentioned four regional freight policy questions and explained what lessons they have learned for each of the questions. Lastly, Collins mentioned the final report outline.

Commissioner Treece asked how the information will inform the West Side Multi-Modal Improvement Study group. She suggested that the information should be shared with that group, not just the staff.

Collins mentioned that they have talked with that group's staff and Metro staff.

Wilkinson stated that they will make sure the study is shared with the group.

City of Milwaukie Councilor Rebecca Stavenjord asked if the dark store analysis has changed after COVID and its impact on capacity. She also asked about last mile delivery expansion outside of Portland, particularly for cities on the other side of the Clackamas County border.

Collins noted that they have not seen dark store conversions, but the conversions have happened in other places in the country. He mentioned that if there is interest, the public sector can make sure the zoning allows conversion and look at the potential impacts.

Collins mentioned that the demands for alternative modes, like cargo bikes, have been focused more on the central city. He explained that the density in the inner city makes it difficult for larger trucks to go in and out. Collins noted that expansion into centers closer to the edge, like Oregon City, could be looked at.

Councilor Rosenthal asked how they are considering transloading between rail and truck.

Collins explained that the study did not consider the commodities traveling on rail. He noted that the increase in e-commerce has led to more trucks at the air freight facility to take the commodities coming off cargo planes. Collins added that they also included commodities moved onto railcars at the marine terminal.

Gronke asked they are working with Reid so that they do not look at the same properties for apartment housing and for conversion. He commented that in the McLoughlin Corridor there are properties that could be either for distribution or residential uses.

Collins mentioned that he will work with Reid on the next freight study that investigates industrial lands and what the needs are. He discussed how there may not be many conflicts because of the different zoning for industrial and residential lands.

Councilor Martin asked if the next study would look at inter-regional closed commodity flows, particularly on Highway 26.

Collins stated that the regional freight model does include at it. He added that they did include the Inner jurisdictional commodity flows that are going out the region.

Mayor McGriff asked how they considering the impact of tolling on their model.

Collins stated that the study did not look at the impacts of tolling.

Councilor Rosenthal asked if there has been a cost efficiency or cost flexibility study done on tolling.

Collins stated that he did not know and that they have not done that kind of cost analysis. He explained that truckers may be more willing to pay a toll if it saves them time on deliveries.

Chair Jones-Dixon asked the MPAC members if they wanted to have their last meeting at the Zoo.

Most of the members were interested in having the meeting at the Zoo.

Councilor Mary Nolan mentioned that Zoo lights is going on and that it would be disappointing to the team if no one attended the meeting.

Commissioner Treece commented on reasoning for having the meeting at the Zoo and agreed with Councilor Nolan.

6. ADJOURN

Chair Jones-Dixon adjourned the meeting at 6:17pm.

Respectfully Submitted,

Jemeshia Taylor

Jemeshia Taylor
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF NOVEMBER 8, 2023

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
5.1	Presentation	11/08/2023	Land Capacity for Growth Presentation	110823m-01
5.2	Presentation	11/08/2023	Regional Freight Delay and Commodities Movement Study Presentation	110823m-02
	Testimony	11/08/2023	Dee Anders Testimony	110823m-03

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, November 8, 2023 **5:00 PM** **https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00 PM)

Please note: This meeting will be held online. You can join the meeting on your computer or other device by using this link: https://zoom.us/j/95889916633 or by calling +1 669 900 6128 or +1 877 853 5257 (Toll Free)
If you wish to attend the meeting, but do not have the ability to attend by phone or computer, please contact the Legislative Coordinator at least 24 hours before the noticed meeting time by phone at 503-813-7591 or email at legislativecoordinator@oregonmetro.gov.

2. Public Communication on Agenda Items (5:05 PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.

Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov. Those requesting to comment during the meeting can do so by using the "Raise Hand" feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:10 PM)

4. Committee Member Communication (5:15 PM)

5. Information/Discussion Items (5:20 PM)

5.1 Urban Growth Management discussion: Overview of approach to estimating UGB growth capacity (5:20 PM) — COM 23-0740

Presenter(s): Ted Reid (he/him), Metro

Attachments: MPAC Worksheet

5.2 Regional Freight Delay and Commodities Movement Study (5:50 PM) COM 23-0745

Presenter(s): Tim Collins, Metro

Attachments: MPAC Worksheet

6. Adjourn (7:00 PM)

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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Iginagalang ng Metro ang mga karapatang sibil. Para sa impormasyon tungkol sa programa ng Metro sa mga karapatang sibil, o upang makakuha ng porma ng reklamo sa diskriminasyon, bisitahin ang www.oregonmetro.gov/civilrights. Kung kailangan ninyo ng interpreter ng wika sa isang pampublikong pulong, tumawag sa 503-797-1700 (8 a.m. hanggang 5 p.m. Lunes hanggang Biyernes) lima araw ng trabaho bago ang pulong upang mapagbigyan ang inyong kahilingan.

Notificación de no discriminación de Metro

Metro respeta los derechos civiles. Para obtener información sobre el programa de derechos civiles de Metro o para obtener un formulario de reclamo por discriminación, ingrese a www.oregonmetro.gov/civilrights . Si necesita asistencia con el idioma, llame al 503-797-1700 (de 8:00 a. m. a 5:00 p. m. los días de semana) 5 días laborales antes de la asamblea.

Уведомление о недопущении дискриминации от Metro

Metro уважает гражданские права. Узнать о программе Metro по соблюдению гражданских прав и получить форму жалобы о дискриминации можно на веб-сайте www.oregonmetro.gov/civilrights. Если вам нужен переводчик на общественном собрании, оставьте свой запрос, позвонив по номеру 503-797-1700 в рабочие дни с 8:00 до 17:00 и за пять рабочих дней до даты собрания.

Avizul Metro privind nediscriminarea

Metro respectă drepturile civile. Pentru informații cu privire la programul Metro pentru drepturi civile sau pentru a obține un formular de reclamație împotriva discriminării, vizitați www.oregonmetro.gov/civilrights. Dacă aveți nevoie de un interpret de limbă la o ședință publică, sunați la 503-797-1700 (între orele 8 și 5, în timpul zilelor lucrătoare) cu cinci zile lucrătoare înainte de ședință, pentru a putea să vă răspunde în mod favorabil la cerere.

Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib www.oregonmetro.gov/civilrights. Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnub ua hauj lwm ua ntej ntawm lub rooj sib tham.

January 2021

5.1 Urban Growth Management discussion: Overview of approach to estimating UGB growth capacity

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, November 8th, 2023

MPAC Worksheet

Agenda Item Title: 2024 urban growth management decision: overview of approach for estimating regional growth capacity

Presenters: Ted Reid, Principal Regional Planner

Contact for this worksheet/presentation: Ted Reid

Purpose/Objective
The purpose of this item is to continue MPAC's engagement in growth management topics so that it is prepared to advise the Metro Council on its regional growth management decision in late 2024.

Under state law, Metro must assess – at least every six years – whether there is a regional need to expand the urban growth boundary (UGB). UGB expansions are only allowed if there is a demonstrated regional need for more UGB capacity to accommodate anticipated household or job growth (demand), which Metro assesses using a peer-reviewed forecast.

A core question that Metro must answer is how much growth capacity currently exists in the UGB. When determining growth capacity, state law instructs Metro to consider vacant lands as well as developed lands that may provide space for redevelopment or infill. Past analyses show that most of our region's housing and job growth occurs through redevelopment and infill of land inside the UGB.

At the October 25 MPAC meeting, staff will describe the methods that they are using to estimate regional growth capacity, including methods for accounting for environmental constraints and market factors. For this analysis, staff has engaged consultant expertise to develop a better understanding of the likelihood of development, redevelopment and infill on lands already inside the UGB. Staff will also describe review opportunities for these methods and results.

Outcome
MPAC members become more familiar with key concepts related to estimating regional growth management capacity and have opportunities to share their perspectives on this work.

What has changed since MPAC last considered this issue/item?
In 2023, MPAC has discussed several topics related to the 2024 growth management decision, including development outcomes in past UGB expansion areas, middle housing potential, gentrification and displacement trends, and the engagement plan for the 2024 decision. This will be MPAC's first discussion of this specific topic.

What packet material do you plan to include?
None. PowerPoint available at the meeting.

Materials following this page were distributed at the meeting.

November 8, 2023

METRO REGIONAL CENTER
600 NW Grand Ave.
Portland, Oregon 97232-2736
Tel: (503) 797-1700
Fax: (503) 797-1797
Website: www.oregonmetro.gov/reserves

SUBJECT: **Portland Metro Urban Growth Management Discussion – UGB Growth Capacity**
Metro Policy Advisory Committee (MPAC) Meeting November 8, 2023

References:
1) Bedsaul/Vincent Consulting, LLC - Summary Report, Boring Option 1F Area, dated Development Possibilities, Comprehensive Plan, date January 13, 2020
2) D. Anders Testimony, Portland Metro Urban & Rural Reserves – Boring Option 1F Urban Reserves Metro Jurisdiction, dated November 19, 2015
3) D. Anders Testimony, Portland Metro Urban & Rural Reserves VISION 2010-2050/60 Cor 4 Reserves – Shaping the Next 50 Years, Open House & Hearing, dated January 14, 2010

Dear Ted Reid, Metro Principal Regional Planner:

As a landowner, business owner and Clackamas County resident who recognizes needs in the area for industrial and/or commercial land, I would like to propose for Urban Growth Boundary (UGB) consideration the Boring Option 1F area, located in Boring, Oregon.

This is a unique area of land with excellent transportation infrastructure access via Highway 26 and Highway 212. There are several businesses and commercial non-conforming land uses in this area. The regional and local area could be well served if the Option 1F area is brought into the Urban Growth Boundary with the ability to change zoning, to expand the employment capacity, and add to the range of business services offered to the area.

We have made additional improvements that can facilitate growth to support community needs and can provide this information upon request.

Sincerely,

_____/s/_____
Dee A. Anders
(202) 579-8442
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Boring, Oregon

BEDSAUL/VINCENT CONSULTING, LLC
416 Laurel Ave. #3
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Office: (503) 842.5391
brucevincent@embarqmail.com

Dee Anders & John Chambers
Chambers Motors
30357 SE Highway 212
Boring, Oregon 97009

January 13, 2020

Subject: Summary Report on assessing the feasibility of development possibilities and Clackamas County Comprehensive Plan and Zone Map Amendment approval at 30155 SE Highway 212, Boring Oregon. (Tax Lot 200, Map 14E31D)

Dear Dee & John:

As requested by Dee, I am writing this letter to summarize my work so far on the above-mentioned project. This summary is based upon the following:

1. My review of case file information provided by you, a site visit, and conversations with Dee Anders.
2. A review of relevant Metro documents, Clackamas County ordinance and research of the Clackamas County Zoning and Development Ordinance.

To recap my work thus far, here is what has been concluded:

1. The site is currently zoned EFU, (Exclusive Farm Use), as are other adjacent lots. In essence this current zone makes all of the current development pre-existing, non-conforming uses, which would require a land use approval to expand/change the current uses. For multiple reasons, there is no reason for you to pursue this development option, given the fact that in June, 2010 Metro brought the site and surrounding lands into the Urban Reserve.

2. I have reviewed the relevant pages from Metro's January, 2010 Urban Reserve Phase 4 Public Comment Report, Clackamas County's 4/21/2010 Revised Findings for Clackamas County Urban and Rural Reserve, and the 5/11/2017 Clackamas County Board of Commissioner's Ordinance adopting the Revised Findings for Clackamas County Urban and Rural Reserve. Relevant pages from the above-stated documents are attached to this report. The urban reserve area surrounding your site is known as the Boring/Hwy 26 Urban Reserve Area, which forms a triangular area of land between Hwy 212 to the south, Hwy 26 to the east, and SE 282nd to the west. "Employment land uses", and "employment capacity" were the phrases consistently applied to this urban reserve area throughout these documents. In planning parlance, these phrases translate to commercial and retail uses, because those land uses generate the most employees/square foot of land devoted to those use. If Metro felt otherwise, they would have labeled this area as

industrial land uses, or low density manufacturing, because those uses generate a much lower rate of employees/square foot of land devoted to those uses. Therefore, based on the above, Metro and Clackamas County want this area devoted to some form of commercial zoning.

3. I have researched the current Clackamas County Zoning and Development Ordinance to determine which group of commercial zones would provide the broadest range of permitted and/or conditional commercial and retail uses. Based on that research, I have concluded that Community Commercial, (C-2), Retail Commercial, (RTL), Corridor Commercial, (CC), General Commercial, (C-3), and Planned Mixed Use, (PMU), provide the broadest range of uses with the fewest limitations on getting those use approved. You and your project team should analyze these zones and determine which one is the best fit for the site. Once that is decided, then I recommend applying a Clackamas County Pre-Application Conference to discuss the County required Comprehensive Plan and Zone Map Amendment process. I have included relevant pages from the Zoning and Development Ordinance. Note that Clackamas County may have it's own idea as to which commercial zone is the best fit for the site, and there is no guarantee that you and the County will see things the same way.

At this juncture, I will reiterate that I will not be able to see this Comprehensive Plan and Zone Map Amendment process through to the end. My goal was to analyze the current situation and make recommendations on how you should proceed. You have assembled a good project team that is definitely capable of carrying you through to the end of the process.

Sincerely,

Bruce Vincent

Bruce Vincent
Bedsaul/Vincent Consulting, LLC

November 19, 2015

METRO REGIONAL CENTER
600 NE Grand Avenue
Portland, Oregon 97232
Tel: (503) 797-1700
Fax: (503) 797-1797
Website: www.oregonmetro.gov/reserves

SUBJECT: **Portland Metro Urban & Rural Reserves – *Boring Option 1F Urban Reserves***
Metro Jurisdiction

Dear Mr. Tom Hughes, Metro Council President, and Metro Council Members

Thank you for Metro's hard work and diligence to improve the region and communities over the years. As a stakeholder in the Boring Option 1F area I submit the following positions:

OPPOSE:

1. Oppose House Bill (HB) 2640 which proposes to withdrawal territory within an area of Boring mapped by the Boring Community Planning Organization (CPO) from Metro Jurisdiction.

SUPPORT:

2. Exhibit B to Metro Council Ordinance No. 11-1255, Reasons for Designation of Urban and Rural Reserves, Approved, August 14, 2012.
3. Metro Revised Findings for Clackamas County Urban and Rural Reserves, April 21, 2011.

Today I share my perspective along with my parents John and Sharon Chambers. My father could not be here but he signed this letter to show support. I grew up in the Boring Oregon Option 1F area, attended grade school and high school here**. My parents opened a business in Boring and have served the community as an employer for over 50 years with Chambers Motor Company**. **http://chambersmotorco.com/**

This effort to testify is based on passion for my hometown and hope that it will offer growing promise for residents into the future. I grew up picking raspberries and strawberries in the summer and masking trucks before painting for Chambers Motor Company. As a young adult I did not envision where my career, work ethic, and opportunity would someday take me.

I find the message promoted by the Boring CPO "Keep Boring Boring" disheartening. Since earning my college degree from Pepperdine University I have had the opportunity to support space and national defense missions ranging from servicing the Hubble Space Telescope (and meeting 6 of the seven astronaut crew) to negotiating Air Force Space Command contracts for protected satellite communications to protect the United States President and the American Warfighter.

You see, I believe that the next generation of Boring residents need to become aware of, and be inspired by the many important global missions that are being carried out by hard working, value oriented Americans today. As the Option 1F area becomes land for employment growth, I envision an organization where youth can learn about NASA Science, Technology, Engineering & Math (STEM) and

other programs, as well as a satellite simulation control center where youth can learn to fly satellites in space. Exposure to the many career paths available will afford rural youth new opportunities.

When Metro designated the Boring Option 1F area Urban Reserves it was a step in the right direction. The Boring CPO HB 2640 acting to remove Boring from Metro seems like a step in the wrong direction. Certainly we grow beautiful trees that grace the landscape, but we can also grow value driven youth that will write code for GPS satellite systems, design electronics, develop and draw specifications for future medical devices and become engineers and scientists as well as farmers. I understand Boring may never become a major tech center, but Boring does not need to remain boring. I don't believe that goal is in the community, region, or national interests.

My parents John & Sharon Chambers sold land to **Western Bus Sales** http://westernbus.com/ and in the last year or two Western Bus tried purchasing more land from my parents to expand to their property site footprint before eventually constructing a new building to service buses and RVs on their own land. The only land my parents had available was zoned Farm Use -EFU which would not allow for such expansion. The Option 1F area does have mixed use, industrial, employment and vibrant commercial activity. More space is needed for business and employment in the Option 1F area.

> Metro Revised Findings for Clackamas County Urban and Rural Reserves, April 21, 2011.
>
> "*Conclusions and Analysis*: Designation of the Boring Area as an Urban Reserve is consistent with OAR 660-027. The Boring Urban Reserve provides one of Clackamas County's few identified employment land opportunities. The larger, flat parcels in Area 1F are suitable as employment land. This area is served by St. Hwy. 26 and St. Hwy 212, transportation facilities that have been identified by ODOT as having additional capacity. Development of this area for employment uses also would be a logical complement to the Springwater employment area in Gresham." P-7

When land is zoned 401 Exclusive Farm Use District (EFU) essentially the land is limited to farm related use. As supported by Exhibit B to Metro Council Ordinance No. 11-1255 the Option 1F area is one of Clackamas County's few area suitable for employment. Recently a former horse stables was converted to a "marijuana grow" site. With 401 EFU zoning you get this or maybe tractor or farm implement sales. If zoning could be changed to 602 Business Park (PB), Light Industrial (LI) or General Industrial (GI) the area is opened to electrical vehicle charging stations, exhibit halls, retail, trade schools, offices, research facilities, professional services, solar energy systems as well as many other permitted uses.

Please continue to keep Boring Option 1F area under consideration for worthy future development.

Sincerely,

Dee A. Anders
(202) 579-8442
danders.trade.law@att.net

John D. Chambers
(503) 887-0070
john@chambersmotorco.com

Sharon A. Chambers
(503) 887-0060
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January 14, 2010

METRO REGIONAL CENTER
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Fax: (503) 797-1797
Website: www.oregonmetro.gov/reserves

SUBJECT: **Portland Metro Urban & Rural Reserves VISION 2010-2050/60**
Core 4 Reserves- *Shaping the Next 50 Years* Open House & Hearing January 14, 2010

References: 1) NASA Spinoff Technology 2009 Executive Summary
2) NASA Innovative Partnerships Program (IPP) *see link on page 2*
3) NASAfacts Hubble Space Telescope (HST) Servicing Mission 4 (SM4)
4) Media Reference Guide HST Servicing Mission 4

Dear David Bragdon, Metro Council President, and Metro Council Members

Thank you for engaging the public in this very important decision making process whereby future success of generations is dependent on the outcome of the Urban Rural Reserves decisions that will be finalized during the next few weeks.

It is with this reality that I come before you as a stakeholder in the area in particular the Boring HWY 26 and HWY 212 1F Options area, which at times is considered a Regionally Strategic Industrial Area (RSIA). Regardless of the outcome of that specific area, my comments and the references identified in this letter (with website links page 2) apply to the entire region.

I urge the Council Members to think beyond what you know today. As mentioned in the 1/11/10 East County Meeting, the technical studies for the areas under consideration are essentially complete. Please see the attached references which articulate amazing accomplishments of some who think outside what they know today and venture into the unknown of complex technology creation and mission execution.

You will find in the referenced documents that NASA produces many technologies which benefit society. Whether it be in space, aerospace, solar, nano or green technologies….our world, life, health, safety, and communications are enhanced by the talented engineers, scientists, machinists etc. that support advanced technology and security industries by their efforts. May Oregon be a place,.. rather a home for people and businesses supporting our nation, communities and families.

May our children have opportunities exceeding our own experiences. Thousands of small businesses in the US design, create, produce everything from ball bearings, batteries, airframe composite materials, glass, lenses, resins, electronics, avionics, sensors, and "you name it" supporting high tech sector goals.

Oregon can and hopefully will continue to attract businesses (large and small) to the state and region while at the same time preserving vital farm production and exports. Thank you again for your hard work and the awesome progress your team continues to make.

Sincerely,

_____/s/_____

Dee A. Anders
(202) 579-8442
danders.trade.law@att.net
Sunnyvale, California

Reference 1
http://www.sti.nasa.gov/tto/
NASA Spinoff Home Page- Commercial Uses for Space Technology
Click on VIEW CURRENT ISSUE, then on next screen click on Spinoff 2009 (PDF)
(This is a large file that does take awhile to open up, but it's worth the wait)

Reference 2
http://www.nasa.gov/offices/ipp/home/index.html
NASA Innovative Partnerships Program (IPP) Home Page

Reference 3
http://www.nasa.gov/pdf/252452main_FS_SM4_Summary.pdf
Hubble Space Telescope Servicing Mission 4 NASAfacts

Reference 4
http://www.lockheedmartin.com/data/assets/ssc/Hubble/09_SM4_Media_Guide_FINAL%5b1%5d.pdf
Lockheed Martin Media Guide for Hubble Space Telescope (HST) Servicing Mission 4 (SM4)



Land capacity for growth

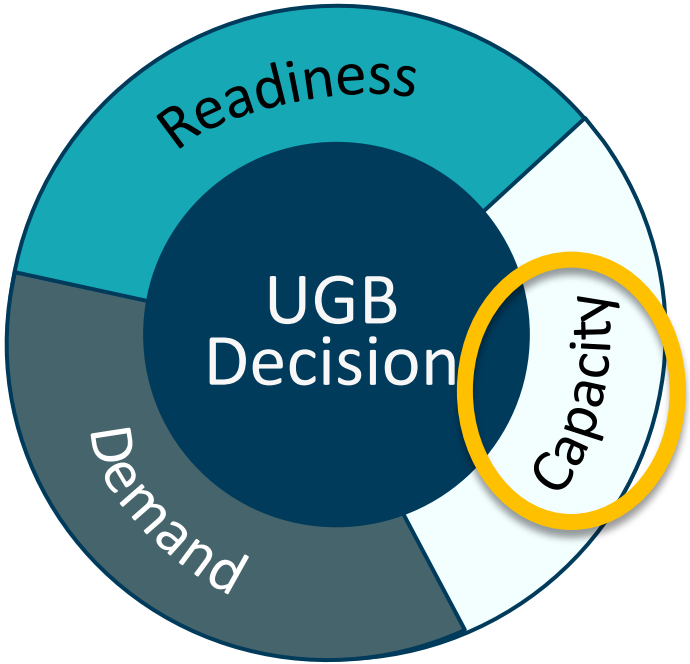
November 2023

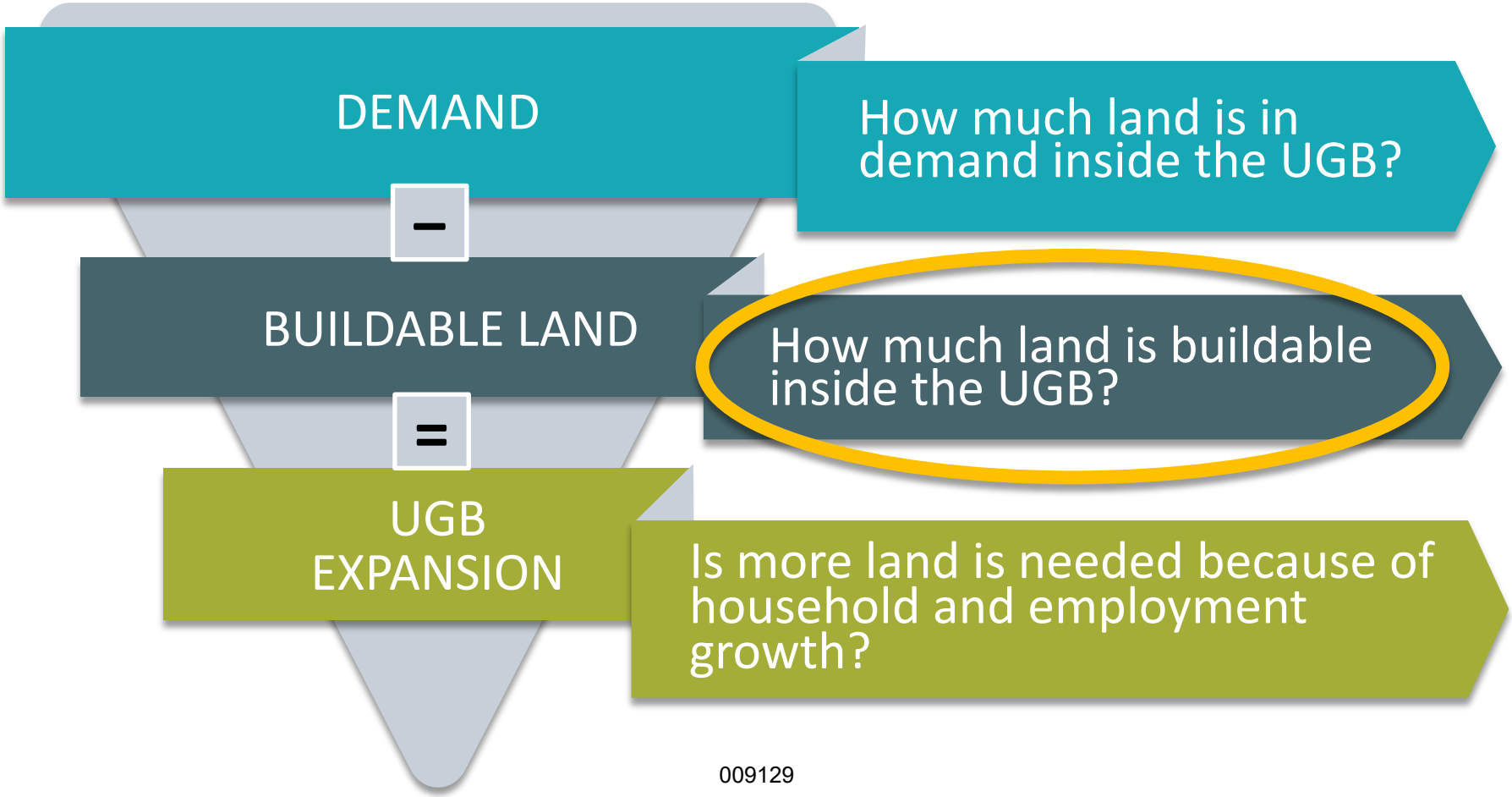
009127

Capacity in the UGR

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council

Capacity is one of the three main components of the analysis in the UGR

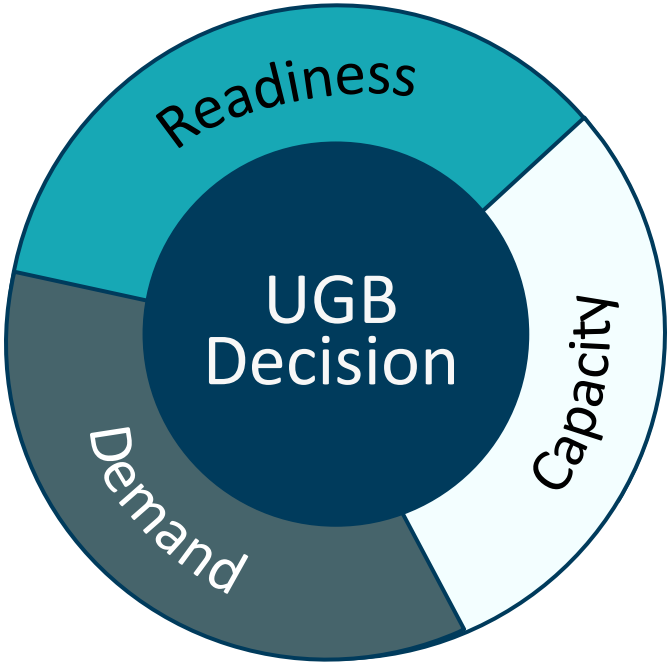



DEMAND
How much land is in demand inside the UGB?
–
BUILDABLE LAND
How much land is buildable inside the UGB?
=
UGB EXPANSION
Is more land is needed because of household and employment growth?

Land capacity for housing/jobs

Process to determine **capacity** inside the UGB to accommodate future growth

Complex process – there are over ½ million parcels in the UGB!



009130

Typical approach elsewhere in OR

1. Identify vacant and partially vacant land
2. Remove land that isn’t developable
3. Assume full buildout allowed by zoning

Metro approach for determining UGB capacity

1. Categorize parcels as developed or vacant
2. Remove land that isn't developable
3. Apply generalized zoning
4. Determine capacity of developed and vacant land using a pro forma model

1. Categorize land

Staff uses previous analysis and aerial photos to determine if land inside the growth boundary is “vacant” or “developed”



009133

Vacant land includes:



Completely vacant/no hardscape



> 95% vacant



< 2,000 square feet developed AND > 90% vacant

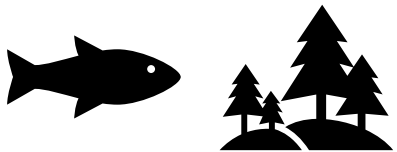
2. Remove some land

Remove land from the calculation in 3 categories

Exempt

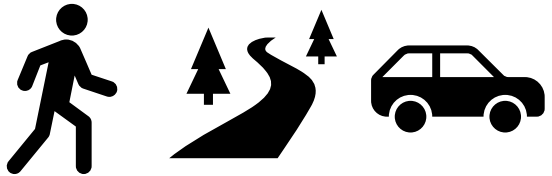


Environmental constraints



009135

Future right-of-way needs



Exempt parcels include:

- Government owned (including Tribal land and utilities)
- Schools
- Rail properties
- Churches and social organizations (tax exemption codes)
- Private streets
- Parcels under 1,000 sq. ft.
- Parks, open spaces, private residential common areas

009136



Environmental constraints:

- Floodways
- Floodplain
- Steep slopes (>25%)
- Water quality / flood management lands
- Fish and wildlife habitat

009137



Set aside for future roadways

- Only on larger vacant parcels
- Considers future roads that’ll be needed



Local city/county review result

Metro provides the vacant land inventory for review by local planners to adjust as needed



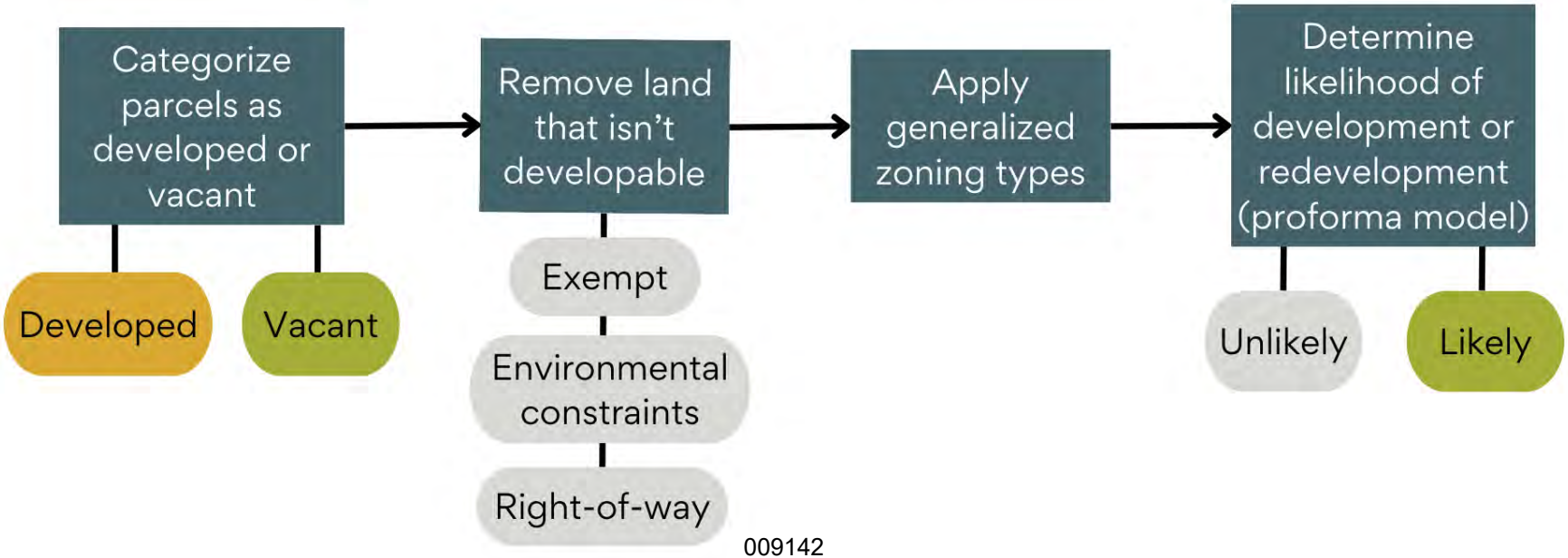
3. Apply generalized zoning

- All 24 cities and three counties in the region have unique zoning codes
- Metro categorizes possible zoning into “zone types” to approximate general designations

4. Determine capacity

Based on market forces and what could be built, is it likely that someone would choose to develop on a parcel?

Buildable land inventory process

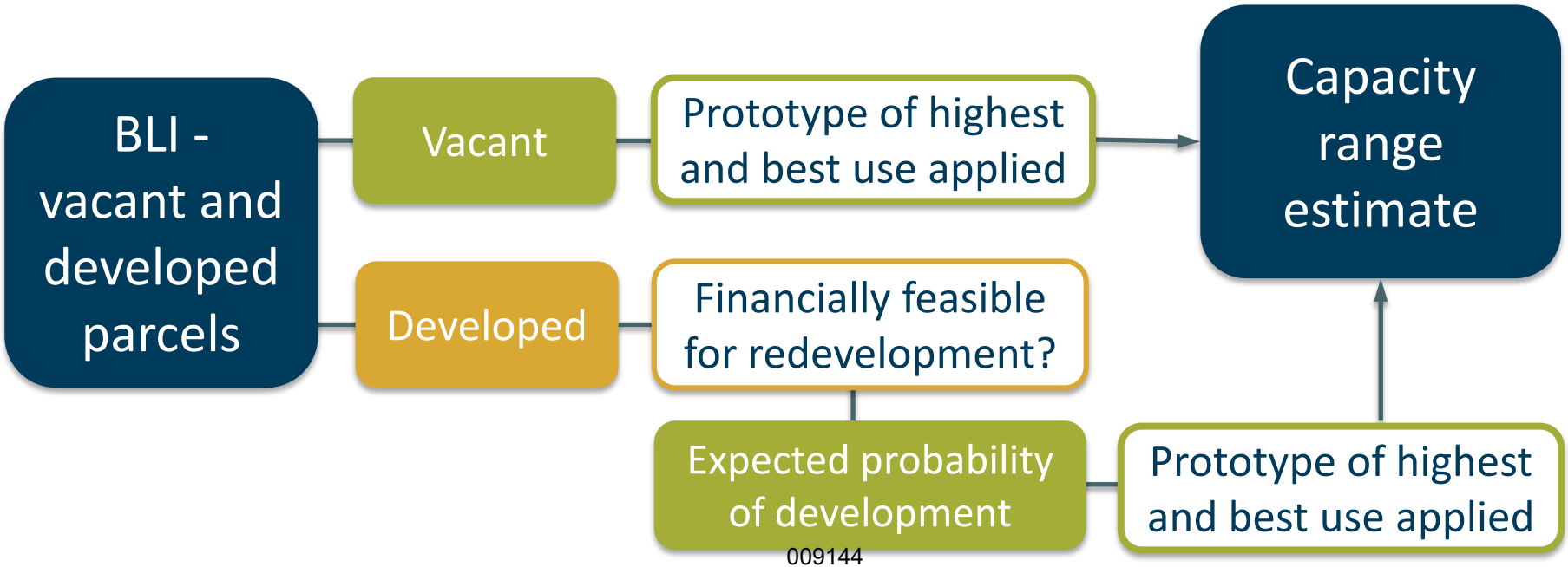


009142

Proforma model

- A computer model using development prototypes
- Determines development density (units and acres) based on zoning and what's financially feasible
- Used for developed and vacant land

Proforma model



Proforma assumptions

Driven by financial feasibility

Revenue & returns expected

- Achievable rents
- Threshold rate of return

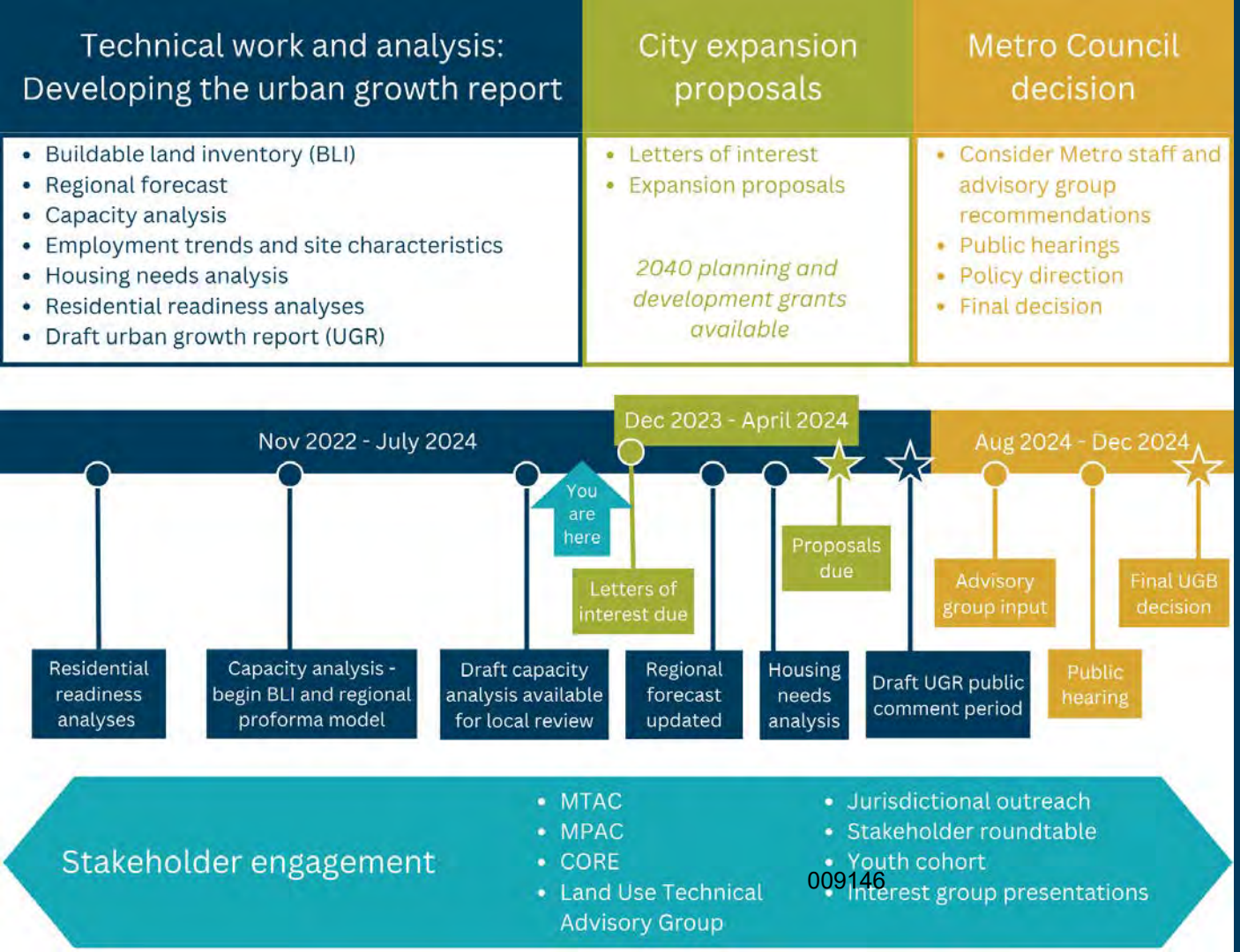
Expenses expected

- Construction cost assumptions
- Operation expenses and vacancy

Property assumptions

- Allowed density and parking requirements

009145



2024 urban growth management decision timeline

Questions?

Learn more:

oregonmetro.gov/public-projects/2024-growth-management-decision

oregonmetro.gov



November 8, 2023

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SUBJECT: **Portland Metro Urban Growth Management Discussion – UGB Growth Capacity**
Metro Policy Advisory Committee (MPAC) Meeting November 8, 2023

References:
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Dee A. Anders
(202) 579-8442
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Boring, Oregon

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416 Laurel Ave. #3
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Office: (503) 842.5391
brucevincent@embarqmail.com

Dee Anders & John Chambers
Chambers Motors
30357 SE Highway 212
Boring, Oregon 97009

January 13, 2020

Subject: Summary Report on assessing the feasibility of development possibilities and Clackamas County Comprehensive Plan and Zone Map Amendment approval at 30155 SE Highway 212, Boring Oregon. (Tax Lot 200, Map 14E31D)

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industrial land uses, or low density manufacturing, because those uses generate a much lower rate of employees/square foot of land devoted to those uses. Therefore, based on the above, Metro and Clackamas County want this area devoted to some form of commercial zoning.

3. I have researched the current Clackamas County Zoning and Development Ordinance to determine which group of commercial zones would provide the broadest range of permitted and/or conditional commercial and retail uses. Based on that research, I have concluded that Community Commercial, (C-2), Retail Commercial, (RTL), Corridor Commercial, (CC), General Commercial, (C-3), and Planned Mixed Use, (PMU), provide the broadest range of uses with the fewest limitations on getting those use approved. You and your project team should analyze these zones and determine which one is the best fit for the site. Once that is decided, then I recommend applying a Clackamas County Pre-Application Conference to discuss the County required Comprehensive Plan and Zone Map Amendment process. I have included relevant pages from the Zoning and Development Ordinance. Note that Clackamas County may have it's own idea as to which commercial zone is the best fit for the site, and there is no guarantee that you and the County will see things the same way.

At this juncture, I will reiterate that I will not be able to see this Comprehensive Plan and Zone Map Amendment process through to the end. My goal was to analyze the current situation and make recommendations on how you should proceed. You have assembled a good project team that is definitely capable of carrying you through to the end of the process.

Sincerely,

Bruce Vincent

Bruce Vincent
Bedsaul/Vincent Consulting, LLC

November 19, 2015

METRO REGIONAL CENTER
600 NE Grand Avenue
Portland, Oregon 97232
Tel: (503) 797-1700
Fax: (503) 797-1797
Website: www.oregonmetro.gov/reserves

SUBJECT: **Portland Metro Urban & Rural Reserves – *Boring Option 1F Urban Reserves***
Metro Jurisdiction

Dear Mr. Tom Hughes, Metro Council President, and Metro Council Members

Thank you for Metro's hard work and diligence to improve the region and communities over the years. As a stakeholder in the Boring Option 1F area I submit the following positions:

OPPOSE:

1. Oppose House Bill (HB) 2640 which proposes to withdrawal territory within an area of Boring mapped by the Boring Community Planning Organization (CPO) from Metro Jurisdiction.

SUPPORT:

2. Exhibit B to Metro Council Ordinance No. 11-1255, Reasons for Designation of Urban and Rural Reserves, Approved, August 14, 2012.
3. Metro Revised Findings for Clackamas County Urban and Rural Reserves, April 21, 2011.

Today I share my perspective along with my parents John and Sharon Chambers. My father could not be here but he signed this letter to show support. I grew up in the Boring Oregon Option 1F area, attended grade school and high school here**. My parents opened a business in Boring and have served the community as an employer for over 50 years with Chambers Motor Company**. **http://chambersmotorco.com/**

This effort to testify is based on passion for my hometown and hope that it will offer growing promise for residents into the future. I grew up picking raspberries and strawberries in the summer and masking trucks before painting for Chambers Motor Company. As a young adult I did not envision where my career, work ethic, and opportunity would someday take me.

I find the message promoted by the Boring CPO "Keep Boring Boring" disheartening. Since earning my college degree from Pepperdine University I have had the opportunity to support space and national defense missions ranging from servicing the Hubble Space Telescope (and meeting 6 of the seven astronaut crew) to negotiating Air Force Space Command contracts for protected satellite communications to protect the United States President and the American Warfighter.

You see, I believe that the next generation of Boring residents need to become aware of, and be inspired by the many important global missions that are being carried out by hard working, value oriented Americans today. As the Option 1F area becomes land for employment growth, I envision an organization where youth can learn about NASA Science, Technology, Engineering & Math (STEM) and

other programs, as well as a satellite simulation control center where youth can learn to fly satellites in space. Exposure to the many career paths available will afford rural youth new opportunities.

When Metro designated the Boring Option 1F area Urban Reserves it was a step in the right direction. The Boring CPO HB 2640 acting to remove Boring from Metro seems like a step in the wrong direction. Certainly we grow beautiful trees that grace the landscape, but we can also grow value driven youth that will write code for GPS satellite systems, design electronics, develop and draw specifications for future medical devices and become engineers and scientists as well as farmers. I understand Boring may never become a major tech center, but Boring does not need to remain boring. I don't believe that goal is in the community, region, or national interests.

My parents John & Sharon Chambers sold land to **Western Bus Sales** http://westernbus.com/ and in the last year or two Western Bus tried purchasing more land from my parents to expand to their property site footprint before eventually constructing a new building to service buses and RVs on their own land. The only land my parents had available was zoned Farm Use -EFU which would not allow for such expansion. The Option 1F area does have mixed use, industrial, employment and vibrant commercial activity. More space is needed for business and employment in the Option 1F area.

> Metro Revised Findings for Clackamas County Urban and Rural Reserves, April 21, 2011.
>
> "*Conclusions and Analysis*: Designation of the Boring Area as an Urban Reserve is consistent with OAR 660-027. The Boring Urban Reserve provides one of Clackamas County's few identified employment land opportunities. The larger, flat parcels in Area 1F are suitable as employment land. This area is served by St. Hwy. 26 and St. Hwy 212, transportation facilities that have been identified by ODOT as having additional capacity. Development of this area for employment uses also would be a logical complement to the Springwater employment area in Gresham." P-7

When land is zoned 401 Exclusive Farm Use District (EFU) essentially the land is limited to farm related use. As supported by Exhibit B to Metro Council Ordinance No. 11-1255 the Option 1F area is one of Clackamas County's few area suitable for employment. Recently a former horse stables was converted to a "marijuana grow" site. With 401 EFU zoning you get this or maybe tractor or farm implement sales. If zoning could be changed to 602 Business Park (PB), Light Industrial (LI) or General Industrial (GI) the area is opened to electrical vehicle charging stations, exhibit halls, retail, trade schools, offices, research facilities, professional services, solar energy systems as well as many other permitted uses.

Please continue to keep Boring Option 1F area under consideration for worthy future development.

Sincerely,

Dee A. Anders
(202) 579-8442
danders.trade.law@att.net

John D. Chambers
(503) 887-0070
john@chambersmotorco.com

Sharon A. Chambers
(503) 887-0060
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January 14, 2010

METRO REGIONAL CENTER
600 NW Grand Ave.
Portland, Oregon
Tel: (503) 797-1700
Fax: (503) 797-1797
Website: www.oregonmetro.gov/reserves

SUBJECT: **Portland Metro Urban & Rural Reserves VISION 2010-2050/60**
Core 4 Reserves- *Shaping the Next 50 Years* Open House & Hearing January 14, 2010

References: 1) NASA Spinoff Technology 2009 Executive Summary
2) NASA Innovative Partnerships Program (IPP) *see link on page 2*
3) NASAfacts Hubble Space Telescope (HST) Servicing Mission 4 (SM4)
4) Media Reference Guide HST Servicing Mission 4

Dear David Bragdon, Metro Council President, and Metro Council Members

Thank you for engaging the public in this very important decision making process whereby future success of generations is dependent on the outcome of the Urban Rural Reserves decisions that will be finalized during the next few weeks.

It is with this reality that I come before you as a stakeholder in the area in particular the Boring HWY 26 and HWY 212 1F Options area, which at times is considered a Regionally Strategic Industrial Area (RSIA). Regardless of the outcome of that specific area, my comments and the references identified in this letter (with website links page 2) apply to the entire region.

I urge the Council Members to think beyond what you know today. As mentioned in the 1/11/10 East County Meeting, the technical studies for the areas under consideration are essentially complete. Please see the attached references which articulate amazing accomplishments of some who think outside what they know today and venture into the unknown of complex technology creation and mission execution.

You will find in the referenced documents that NASA produces many technologies which benefit society. Whether it be in space, aerospace, solar, nano or green technologies….our world, life, health, safety, and communications are enhanced by the talented engineers, scientists, machinists etc. that support advanced technology and security industries by their efforts. May Oregon be a place,.. rather a home for people and businesses supporting our nation, communities and families.

May our children have opportunities exceeding our own experiences. Thousands of small businesses in the US design, create, produce everything from ball bearings, batteries, airframe composite materials, glass, lenses, resins, electronics, avionics, sensors, and "you name it" supporting high tech sector goals.

Oregon can and hopefully will continue to attract businesses (large and small) to the state and region while at the same time preserving vital farm production and exports. Thank you again for your hard work and the awesome progress your team continues to make.

Sincerely,

_____/s/_____

Dee A. Anders
(202) 579-8442
danders.trade.law@att.net
Sunnyvale, California

Reference 1
http://www.sti.nasa.gov/tto/
NASA Spinoff Home Page- Commercial Uses for Space Technology
Click on VIEW CURRENT ISSUE, then on next screen click on Spinoff 2009 (PDF)
(This is a large file that does take awhile to open up, but it's worth the wait)

Reference 2
http://www.nasa.gov/offices/ipp/home/index.html
NASA Innovative Partnerships Program (IPP) Home Page

Reference 3
http://www.nasa.gov/pdf/252452main_FS_SM4_Summary.pdf
Hubble Space Telescope Servicing Mission 4 NASAfacts

Reference 4
http://www.lockheedmartin.com/data/assets/ssc/Hubble/09_SM4_Media_Guide_FINAL%5b1%5d.pdf
Lockheed Martin Media Guide for Hubble Space Telescope (HST) Servicing Mission 4 (SM4)

600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes

September 27, 2023

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon (Chair)	City of Gresham, Second Largest City in Multnomah County
Alex Howard	Port of Portland
Gordon Hovies	Special Districts in Washington County
Kim Harless	City of Vancouver
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Gerritt Rosenthal	Metro Council
Sherry French	Special Districts in Clackamas County
Nadia Hasan	City of Beaverton, Second Largest City in Washington County
Mark Shull	Clackamas County
Duncan Hwang	Metro Council
Kirstin Greene	Oregon Department of Land Conservation and Development
Tim Rosener	Other Cities in Washington County
Pam Treece	Washington County
Ed Gronke	Citizen of Clackamas County
Denyse McGriff	City of Oregon City, Second Largest City in Clackamas County
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Mary Nolan	Metro Council
Omar Qutub	Citizen of Multnomah County
Terri Preeg Riggsby	Special Districts in Multnomah County
Thomas Kim	TriMet
Steve Callaway	Largest City in Washington County

MEMBERS EXCUSED	AFFILIATION
Carmen Rubio	City of Portland
Sharon Meieran	Multnomah County
Ted Wheeler	City of Portland
Glen Yung	Clark County
Brian Cooper	City of Fairview, Other Cities in Multnomah County
Brian Hodson	City of Canby, City in Clackamas County outside UGB
James Fage	City of North Plains, City in Washington County outside UGB
Susan Greenberg	Beaverton School Board, Governing Body of a School District
Luis Nava	Citizen of Washington County

ALTERNATES PRESENT	AFFILIATION
Amira Streeter	Citizen of Multnomah County
Anthony Martin	Largest City in Washington County
Rebecca Stavenjord	Other Cities in Clackamas County
Laura Kelly	Oregon Department of Land Conservation and Development

OTHERS PRESENT: Aaron Kuehn, Dan Rutzick, Jamie Stasny, Katherine Kelly, Jonathan Wheeler, Peter Swinton, Sandy Glantz, Jean Senechal Biggs, Stephen Roberts, Jessica Pelz, Alyssa Wheeler, Leah Fisher, Sarah Paulus

STAFF: Connor Ayers, Jeff Kain, Catherine Ciarlo, Roger Alfred, Eryn Kehe, Kim Ellis, Lake McTighe, Ally Holmqvist, Laura Combs, Ted Reid, Anne Buzzini, Jaye Cromwell, Malu Wilkinson

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Chair Vince Jones-Dixon called the Zoom meeting to order at 5:00 PM.

Metro staff Connor Ayers (he/him) called the role.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

Chair Jones-Dixon read aloud the instructions for providing public testimony.

Aaron Kuehn provided testimony regarding the 2023 Regional Transportation Plan (RTP).

3. COUNCIL UPDATE

Metro Councilor Rosenthal announced that the Metro Council approved the purchase of a new RID Patrol site, expanding garbage and debris pick up capacity. He then discussed updates to the Waste Prevention and Environmental Services (WPES) Solid Waste Facilities plan.

Councilor Rosenthal then provided updates on Metro's Parks and Nature department, mentioning the Community Choice Grants and the Nature in Neighborhoods Community Grants.

The Councilor then commented on the Urban Growth Boundary decision process.

4. COMMITTEE MEMBER COMMUNICATIONS

Chair Jones-Dixon noted that the October MPAC meeting will be held in-person at the Metro Regional Center.

Tualatin Valley Fire & Rescue Vice President Gordon Hovies reminded committee members that parking passes are available for the Metro Regional Center.

City of Beaverton Councilor Nadia Hasan announced that the City of Beaverton are introducing a transportation ambassador system to improve engagement efforts.

Metro Councilor Duncan Hwang noted that Metro's committee on racial equity is recruiting three new members. He then commented that Metro is recognizing September 30th as a National Day of Remembrance for Indian boarding schools.

Councilor Rosenthal remarked that the Metro Council proclaimed September 15th through October 15th as Hispanic Heritage Month.

5. CONSENT AGENDA

5.1 Consideration of the July 26, 2023 MPAC Minutes

Chair Jones-Dixon called for a motion to approve the consent agenda.

MOTION: City of Oregon City Mayor Denyse McGriff moved to approve the consent agenda. City of Sherwood Mayor Tim Rosener seconded.

ACTION: With all in favor, the consent agenda was approved.

6. INFORMATION/DISCUSSION ITEMS

6.1 Urban Growth Management Engagement Update

Chair Jones-Dixon introduced Metro staff Eryn Kehe (she/her) and Laura Combs (she/her).

Key elements of the presentation and member discussion included:

Kehe began the presentation by providing context on the UGM decision, explaining the decision-making framework and the timeline on the process. She then remarked on the engagement plan, highlighting the efforts that will be undertaken to engage stakeholders, jurisdictions, and the public in this issue. Particular attention was given to the stakeholder roundtable, a new group being developed to help facilitate conversations regarding the UGM. Combs explained the role that the youth cohort will play in Metro's engagement efforts.

Oregon Department of Land Conservation and Development Deputy Director Kirstin Greene questioned if the Committee on Racial Equity (CORE) would also be able to advise MPAC.

Mayor McGriff remarked that she would be interested in MPAC hearing directly from the youth cohort group.

Washington County Commissioner Pam Treece suggested that the group visit the Cooper Mountain area as it has middle housing and apartments that are market rate and affordable.

City of Hillsboro Councilor Anthony Martin asked how many members on the stakeholder roundtable are residential, commercial, or industrial developers.

Kehe mentioned that there are representatives on the roundtable from each category of developer.

Councilor Martin then questioned if Metro will create the opportunity for cross-group sharing on this subject.

Kehe overviewed the decision-making framework, detailing the specific roles and relationships between each advisory group.

Mayor Rosener questioned how the kids composing the youth cohort group were selected.

Kehe stated that they worked with Next Up, a community-partner whose organization works with kids, to recruit the members of the group.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

6.2 2023 Regional Transportation Plan: Overview of Public Comment, Key Topics to Address and Next Steps for Finalizing the 2023 RTP and High Capacity Transit Strategy for Adoption

Chair Jones-Dixon introduced Metro staff Catherine Ciarlo (she/her) and Kim Ellis (she/her).

Key elements of the presentation and member discussion included:

Ciarlo thanked committee members and staff for their consistent engagement and work towards developing and refining the RTP.

Ellis's presentation provided updates on the timeline and decision process of the RTP, overviewed the mayor themes from the public comment period, and previewed the process for recommendations on key policy topics. She stated that the key takeaways from the public comment period were demand for more investment in transit, walking, and biking, a greater emphasis on the safety and climate goals, project-specific feedback, and installing strong accountability measures to ensure proper project implementation.

Mayor Rosener spoke to the importance of framing the RTP as more than just a method of attaining federal funding, but an encompassing plan to guide the region's future transportation system.

City of Hillsboro Mayor Steve Callaway expressed his desire for the Metro Council to request that the State undertakes a larger role in funding local transportation projects.

City of Lake Oswego Mayor Joe Buck shared Mayor Callaway's ideas regarding a State led funding strategy to create a more encompassing and coordinated transportation system.

Ciarlo recognized these concerns and noted that staff will be incorporating transportation funding and incorporation into future committee meetings.

Mayor Rosener highlighted that the cities, counties, Metro Council, and committees being aligned in desiring a stronger funding solution could present an opportunity for change at the State level.

Ellis returned to the presentation, discussing mobility policy implementation.

Mayor Rosener expressed concerns that Washington County is significantly underrepresented in the RTP's public comments.

Ciarlo validated the mayor's concerns. Ellis provided more information on the public comment period collection process.

Mayor Rosener suggested that a more scientific phone survey system could be utilized in the next RTP to avoid this issue.

City of Happy Valley Councilor Brett Sherman commented that he would like to ensure that letters from cities included in the public comment period are weighed heavily as they represent the desires of thousands of people. He highlighted transit safety and frequency as top priorities.

Mayor Callaway asked why there is two measures of vehicle miles traveled (VMT) in the mobility policy accounting.

Ellis explained the discrepancy in VMT metrics.

Chair Jones-Dixon read aloud comments from Director Terri Preeg-Riggsby left in the zoom chat, in which she advocated for stronger accessibility systems for transit for disabled riders.

Mayor Buck questioned if the financial plans for biking and pedestrian projects will come from local jurisdictions.

Ciarlo clarified that the RTP is simply a project list and does not provide a comprehensive funding plan for each project.

Ciarlo provided a brief overview of ODOT's tolling plan and explained how this plan will be incorporated into the RTP.

Councilor Sherman questioned the impact of low-income tolling program on the total revenue generated. He then asked how VMT could also be used as a future funding source.

Ciarlo affirmed that the impact of the low-income tolling program is being considered by ODOT in the implementation of the plan.

Mayor Buck stated that if the Regional Mobility Pricing Plan (RMPP) is a key component of meeting the region's climate goals then it should be applied to all of the interstates in the region.

Ciarlo remarked that this feedback should be provided to ODOT.

ADJOURN

Chair Jones-Dixon adjourned the meeting at 7:00 PM.

Respectfully Submitted,

Jeffrey Kain
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF SEPTEMBER 27, 2023

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
5.1	Presentation	09/27/2023	MPAC UGM Engagement Update	092723m-01
5.2	Presentation	09/27/2023	RTP Update MPAC Powerpoint	092723m-02

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, September 27, 2023 **5:00 PM** **https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00 PM)

Please note: This meeting will be held online. You can join the meeting on your computer or other device by using this link: https://zoom.us/j/95889916633 or by calling +1 669 900 6128 or +1 877 853 5257 (Toll Free)
If you wish to attend the meeting, but do not have the ability to attend by phone or computer, please contact the Legislative Coordinator at least 24 hours before the noticed meeting time by phone at 503-813-7591 or email at legislativecoordinator@oregonmetro.gov.

2. Public Communication on Agenda Items (5:05 PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.
Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you
wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov. Those requesting to comment during the meeting can do so by using the "Raise Hand" feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:10 PM)

4. Committee Member Communication (5:15 PM)

5. Consent Agenda (5:20 PM)

5.1 Consideration of the July 26, 2023 MPAC Minutes COM 23-0734

Attachments: 072623 MPAC Minutes

6. Information/Discussion Items (5:25 PM)

6.1 Urban Growth Management Engagement Update — COM 23-0728

Presenter(s): Eryn Kehe (she/her), Metro

Attachments: MPAC Worksheet
UGM Stakeholder Roundtable

6.2 2023 Regional Transportation Plan (RTP): Overview of Public Comment, Key Topics to Address and Next Steps for Finalizing the 2023 RTP and High Capacity Transit Strategy for Adoption — COM 23-0730

Presenter(s): Kim Ellis (she/her), Metro

Attachments: MPAC Worksheet
Attachment 1
Attachment 2
Attachment 3
Ordinance 23-1496
Resolution 23-5348

7. Adjourn (7:00 PM)

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Ogeysiiska takooris la'aanta ee Metro

Metro waxay ixtiraamtaa xuquuqda madaniga. Si aad u heshid macluumaad ku saabsan barnaamijka xuquuqda madaniga ee Metro, ama aad u heshid warqadda ka cabashada takoorista, booqo www.oregonmetro.gov/civilrights. Haddii aad u baahan tahay turjubaan si aad uga qaybqaadatid kullan dadweyne, wac 503-797-1700 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqo ka hor kullanka si loo tixgaliyo codsashadaada.

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
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January 2021

6.1 Urban Growth Management Engagement Update

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, September 27th, 2023

MPAC Worksheet

Agenda Item Title: Urban Growth Management Engagement Update

Presenters: Eryn Kehe (Metro Planning, Development and Research)

Contact for this worksheet/presentation: Eryn Kehe eryn.kehe@oregonmetro.gov

Purpose/Objective
The purpose of this item is to continue MPAC's engagement in the urban growth management process so that it is prepared to advise the Metro Council on its decision in late 2024.

Staff will provide updates on the engagement activities including the stakeholder roundtable, the Land Use Technical Advisory Group, and the youth cohort.

Outcome
The intended outcome of this meeting is that MPAC will gain a better understanding of engagement activities and provide recommendations on key areas for improvement.

What has changed since MPAC last considered this issue/item?
Stakeholder roundtable members were appointed and the first meeting is scheduled for September 29th. Youth cohort members have been recruited and the first kickoff meeting was held on September 19th. The first LUTAG meeting happened on July 31st to discuss the upcoming Buildable Lands Inventory methodology and the use of a new proforma-style model to estimate land capacity.

What packet material do you plan to include?
Urban growth management committees handout. A PowerPoint will also be made available after the meeting.

Urban growth management committees

Draft - 8/31/23

Adopt

Advise and recommend

Advise and provide feedback

Metro

Metro Council

Makes urban growth management decisions every six years based on information from staff and the community

Elected officials - Six Councilors and Metro Council President

A public hearing will be held before the urban growth management decision - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-council

CORE

Advise Metro Council on strategies to advance racial equity across Metro's work areas

Members appointed by Metro Council

Standing committee with monthly meetings - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/committee-racial-equity

MPAC

Advise the Metro Council on land use issues, including the urban growth boundary - established by the Metro Charter

21 voting members representing cities, counties, special districts and the public, and six non-voting members. Three Metro Councilors also participate as non-voting liaisons.

Meetings are the fourth Wednesday of each month - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/metro-policy-advisory-committee

MTAC

Provide technical feedback to MPAC on regional land use issues including the urban growth boundary

35-member committee defined by the Metro Charter and made of planners, citizens, and business representatives

Meetings are monthly on the third Wednesday from Jan to Sept - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/metro-technical-advisory-committee

LUTAG

Provide Metro staff with technical advice on the 2024 Urban Growth Report methods and results, with a particular focus on estimates of housing and job capacity based on local knowledge

Local land use planners from jurisdictions within the Metro boundary and other technical experts from interested organizations

Fall 2023 through spring 2024, meetings as needed

Youth cohort

Members learn about regional urban growth management in Oregon and how to participate in decision-making

15 young people from across the region, ages 14-25

Eight meetings, from fall 2023 - fall 2024

Urban growth report stakeholder roundtable

Members contribute perspectives to the content of the 2024 Urban Growth Report

Range of stakeholders representing a variety of industries and work or live in different parts of the region

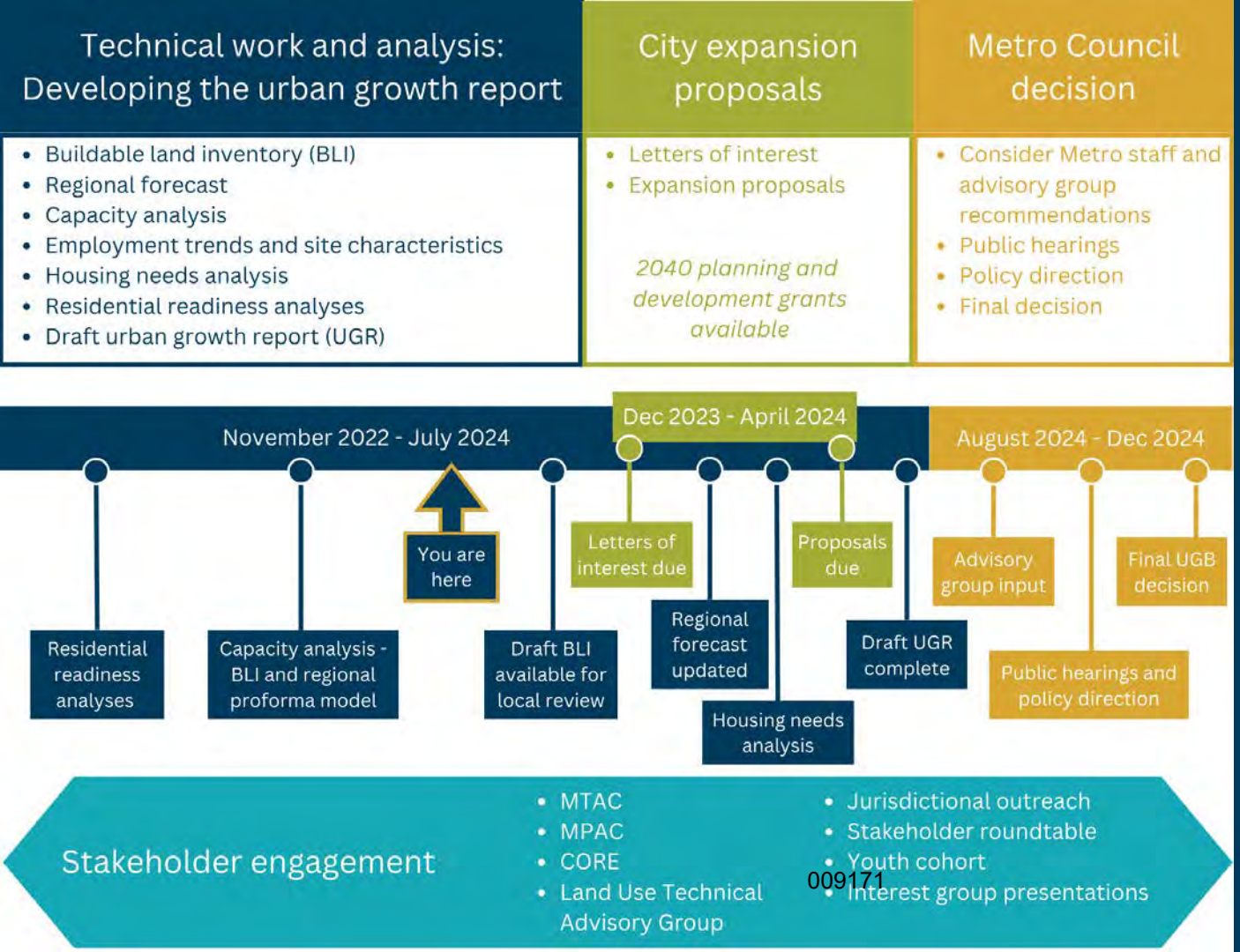
Monthly meetings September 2023 to spring 2024 - *open to the public*

Materials following this page were distributed at the meeting.

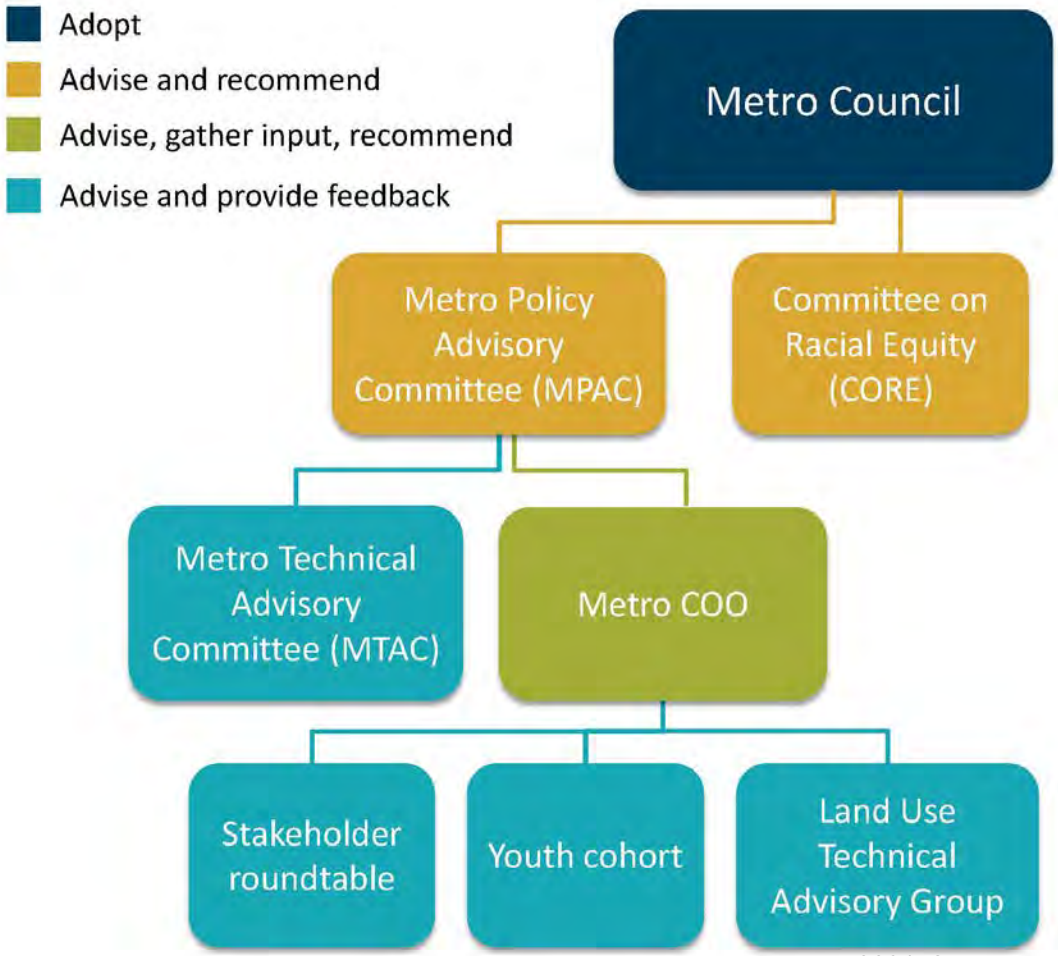
Urban growth management engagement update

Metro Policy Advisory Committee
September 27, 2023

009170



2024 UGM decision



009172

Decision-making framework

Engagement update

- Stakeholder roundtable
- Land Use Technical Advisory Group (LUTAG)
- Youth cohort



009173

Stakeholder roundtable role

- Contribute perspectives to the content of the 2024 Urban Growth Report
- Staff will consider the group's feedback when preparing a recommendation for the Metro Council UGB decision

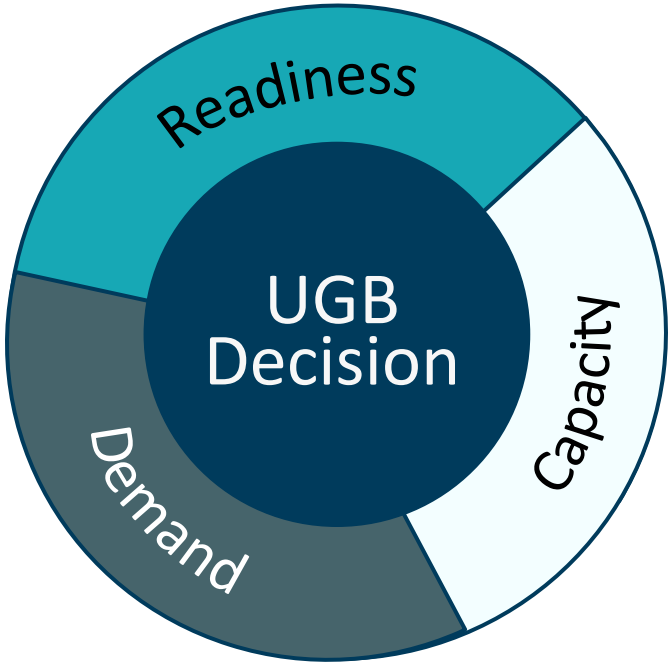
Stakeholder roundtable

- Members appointed
- Range of regional voices
- First meeting:
  This Friday Sept 29th



Land Use Technical Advisory Group

- Kickoff meeting completed
- Current focus on land capacity
  - Buildable lands inventory
  - Proforma model



009176

Youth cohort with Next Up

- Recruitment finalized
- Kickoff meeting complete
- Key areas of focus



Recommendations

Are we missing any key considerations?



oregonmetro.gov



Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

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

Date/time: Wednesday, September 20, 2023 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video conference call meeting via Zoom

Members Attending	**Affiliate**
Eryn Kehe, Chair	Metro
Joseph Edge	Clackamas County Community Member
Carol Chesarek	Multnomah County Community Member
Victor Saldanha	Washington County Community Member
Tom Armstrong	Largest City in the Region: Portland
Dan Dias	Largest City in Washington County: Hillsboro
Aquilla Hurd-Ravich	Second Largest City in Clackamas County: Oregon City
Anna Slatinsky	Second Largest City in Washington County: Beaverton
Laura Terway	Clackamas County: Other Cities, City of Happy Valley
Steve Koper	Washington County: Other Cities, City of Tualatin
Katherine Kelly	City of Vancouver
Adam Barber	Multnomah County
Jessica Pelz	Washington County
Neelam Dorman	Oregon Department of Transportation
Manuel Contreras, Jr.	Clackamas Water Environmental Services
Gery Keck	Tualatin Hills Park & Recreation District
Cindy Detchon	North Clackamas School District
Tom Bouillion	Port of Portland
Tara O'Brien	TriMet
Bret Marchant	Greater Portland, Inc.
Brett Morgan	1000 Friends of Oregon
Nora Apter	Oregon Environmental Council
Preston Korst	Home Builders Association of Metropolitan Portland
Erik Cole	Schnitzer Properties & Revitalize Portland Coalition

Alternate Members Attending	**Affiliate**
Kamran Mesbah	Clackamas County Community Member
Faun Hosey	Washington County Community Member
Mary Phillips	Largest City in Multnomah County: Gresham
Jean Senechal Biggs	Second Largest City in Washington County: Beaverton
Martha Fritzie	Clackamas County
Theresa Cherniak	Washington County
Kelly Reid	Oregon Department of Land Conservation & Dev.
Cassera Phipps	Clean Water Servics
Randy Ealy	Portland General Electric
Jerry Johnson	Johnson Economics, LLC
Aaron Golub	Environmental Advocacy Org: Portland State U.
Jacqui Treiger	Oregon Environmental Council
Craig Sheahan	David Evans & Associates, Inc.

Ryan Ames	Public Health & Urban Forum, Washington Co.

Guests Attending	**Affiliate**
Andy Smith	West Slope Water District
Barbara Fryer	City of Cornelius
Bruce Coleman	City of Sherwood
John Charles	Cascade Policy Institute
Ken Rencher	
Kenny Werth	Oregon Department of Transportation
Maddy Poehlein	Multnomah County Health Department
Marc Farrar	Metropolitan Land Group
Max Nonnamaker	Multnomah County Health Department
Sam Brookham	City of Portland
Schuyler Warren	City of Tigard

Metro Staff Attending

Ally Holmqvist, Cindy Pederson, Dennis Yee, Eryn Kehe, John Mermin, Kim Ellis, Laura Combs, Marie Miller, Matt Bihn, Matthew Hampton, Ted Reid, Thaya Patton, Tom Kloster

Call to Order, Quorum Declaration and Introductions

Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. Zoom logistics and meeting features were reviewed for online raised hands, renaming yourself, finding attendees and participants, and chat area for messaging and sharing links. An overview of the agenda was given.

Comments from the Chair and Committee Members

- **Updates from committee members around the Region** (all) Kelly Reid announced the DLCD was seeking members interested in serving on the rulemaking advisory committee and technical committee. The link to this application was shared in chat, with the deadline to apply Oct. 2. Encouragement was given to have representation from the Portland area on these committees. Link to apply for membership on the rulemaking advisory committee for the Oregon Housing Needs Analysis: Link to apply for membership on the rulemaking advisory committee for the Oregon Housing Needs Analysis: https://www.surveymonkey.com/r/OHNARACApplication?utm_medium=email&utm_source=govdelivery

- **Urban Growth Report Stakeholder Roundtable Update** (Chair Kehe) An update was given on the new stakeholder roundtable group that was part of the engagement plan shared with the committee last month. They are being brought together specifically to learn about the Urban Growth Report and provide feedback that becomes part of this report. Better understanding of how data is collected and approach to growth capacity and projections will be shared. There are 22 regionwide members in this group that is scheduled to meet starting next week.

Public Communications on Agenda Items none received

Consideration of MTAC minutes July 19, 2023 meeting

Approval of the July 19, 2023 MTAC meeting minutes was given by the committee by majority vote with no corrections.

Consideration of MTAC/TPAC August 16, 2023 workshop meeting

Approval of the August 16, 2023 MTAC/TPAC meeting minutes was given by the committee by majority vote with no corrections. Four abstentions: Neelam Dorman, Mary Phillips, Craig Sheahan, Martha Fritzie.

Review of Democratic Rules of Order (Chair Kehe) *Change of order on agenda* Chair Kehe noted the cheat-sheet on this subject in the packet with more information. The presentation included information on the basics with motions for voting following the Democratic Rules of Order. These included making a motion, amending a motion, postponing a motion and voting on a motion.

2024 Urban Growth Report: overview of approach to estimating buildable lands and growth capacity (Chair Kehe, Ted Reid, Dennis Yee, Metro) The presentation began with the description of capacity in the Urban Growth Report. The Urban Growth Report (UGR) is a decision-making tool for the Metro Council. Capacity is one of the three main components of the analysis in the UGR, along with readiness and demand. The process to determine capacity inside the UGB to accommodate future growth was explained. This is a complex process due to over ½ million parcels in the UGB.

The process to determine capacity begins with categorizing parcels as developed or vacant. Staff uses previous analysis and aerial photos to determine if land inside the growth boundary is “vacant” or “developed”. Removing land from the calculation in 3 categories can include exempt (examples were given), environmental constraints (examples were given), and set aside for future roadways, only on larger vacant parcels and consideration where future roads may be needed.

It was asked when/how are local jurisdictions included early in the process to refine the buildable land assumptions done from the aerial view? Refinements based on things such as power line corridors, environmental, major easements, etc. that aren't always readily seen on an aerial. Chair Kehe noted the preliminary land use inventory would be presented at the LUTAG meeting next week. This will be presented at more MTAC meetings as well. Ted Reid added another option jurisdictions have to review the data is to pick through GIS data. Metro provides the vacant land inventory for review by local planners to adjust as needed.

Joseph Edge asked is it possible to see the generalized zoning definitions and how we map the local governments zoning designations to these generalized zones? Chair Kehe noted this is a crosswalk that shows local zones by types. All 24 cities and three counties in the region have unique zoning codes. Metro categorizes possible zoning into “zone types” to approximate general designations.

The next step in the process is determining capacity. Based on market forces and what could be built, projections are made on if it is likely that someone would choose to develop on a parcel. A graphic of the process was shown leading to determine likelihood of development or redevelopment with the proforma model. The proforma model is also referred to as the Development Supply Processor (DSP), a computer model using development prototypes, it determines development density (units and acres)

based on zoning and what's financially feasible and is used for both developed and vacant land. Elements in the model include adding market feasibility, parcel size and zoning potential to estimated final land capacity.

The proforma assumptions driven by financial feasibility include:
Revenue & returns expected (achievable rents, threshold rate of return)
Expenses expected (construction cost assumptions, operation expenses and vacancy)
Property assumptions (allowed density and parking requirements)

Comments from the committee:

- Dan Dias asked is the Financially Feasible Step also applied to the vacants. This was confirmed.
- Theresa Cherinak asked how does the model account for middle housing? Ted Reid noted middle housing is included in some of the prototypes so they will be candidates in the model as it works through what's feasible. Ms. Cherinak noted it sounds like the model assumes that people are making decisions based purely on financial feasibility. Is there any way to account for the fact that people's decisions are not always rational like that? Chair Kehe noted the financial flexibility is what we can measure, but there is no certainty other factors are added.
- Steve Koper asked how is public utility availability or extension factored in? Chair Kehe noted future public utilities needs would be based on ownership which will be needed from local knowledge. Ted Reid added we typically look at right of way deducing from our buildable land. Serviceability is a different question in that we don't tend to get into the details of utilities when we think of buildable lands.
- Aquilla Hurd-Ravich asked, on the exempt lands, based on ownership, how do utilities fit into that. Semi-public utilities such as PGE and NW Natural, are they factored in somehow? Mr. Reid noted to the extent we know about those from local jurisdictional reviews we would take them out of our buildable inventory. They are not buildable lands for residential and employment purposes.

  Chair Kehe added heard from community members that have seen some of these inventories in the past and properties that they know have been listed as developable but knowing the owner has not interest in selling or developing the land. Property owner inclination is unattainable, and we have limited capacity to determine future growth in over ½ million parcels of land. But we can make a good estimation based on the information known.

- Adam Barber asked about landslides in the region. Maps have been produced on these areas in the Metro area in recent years. How are those areas being accommodated in the modeling? Small slides can be engineered around but the large slides cannot. Is that level of risk contemplated in the model? Mr. Reid noted to some extent we catch that when we take out lands that have slopes over 25%, but this is something DLCD has flagged for us as well. We expect to be looking at this more than previously in the past.
- Dan Dias asked for confirmation with the model for jurisdictional access to assumptions to work through the data for accuracy. This was agreed as most helpful. It was noted that many cities work in 20-year planning cycles at local levels with comprehensive plans. With this new approach, will there be a way to flex components as to what land historically Metro has put

into categories of development to access the capacity to yield new development or not. Are these factors in the models, and if so, how?

Dennis Yee noted to some extent the Johnson VSP model does attempt to factor in how much growth did happen on vacant land. Some 6 or 10 years back we had a land development monitoring system that hasn't gotten a lot of air time at MTAC and other groups. But we have been using it to monitor single family, multi-family and commercial/industrial development activity. We hope to use that data in conjunction with ARLS to identify how much new development has occurred over this historical period.

Financial feasibility on vacant land is a much trickier question. We are using financial feasibility to identify what single family zoning can actually develop from a financial standpoint in the middle housing. This is why we are going through this approach. We don't have a lot of data on historical middle housing but can look at this from a feasibility standpoint to help us identify how much of the vacant land is redeveloped/developed.

- Preston Korst asked will environmental mitigation strategies (costs) be included in pro-forma calculations and how that will determine whether or not a lot will get developed? Mr. Lee noted the calculations can be as complex as you want them to be. As noted earlier this is a regional scale analysis for a range approach of data. Mr. Reid added the environmental constraints and how we deduct those before the proforma modeling are taken into account.

  Mr. Korst noted perhaps there's a way to capture generalities in cost to address environmental mitigation strategies. Also, are things like tree removal fees that many cities charge being included in pro forma? Many vacant and re-developable lands would no longer be financially feasible for middle housing (especially affordable development).
- Kamran Mesbah noted it appears some of the environmental constraints land is allowed to be developed with mitigations in some cases. Concern was given with changes of extreme weather. Looking at a 20-year planning direction it was asked if we are including these factors into the formula the idea we are going to allow some shrinking of flood plain areas. Flood plain elevations haven't been updated in some cases for decades. It appears we are depending on the municipalities to give this information locally, but there could be an incentive to minimize those exempt areas for more accurate planning.
- Laura Terway noted a lot of jurisdictions have a done deep dive into this work. It was felt the date of adoption coming before local plans are being completed causes concern with using data in current local plans used in the regional model. Mr. Reid noted each city and county is on their own schedule for doing this work. We need a consistent methodology to use. Otherwise it's hard to follow why some properties are counted in areas while others are not.
- Sam Brookham asked will there be any adjustments or right-sizing of the "allowed density" to account for situations where developers might be building at lower densities than the maximum allowed by the zoning? Are brownfields included in the environmental (or other) constraints? Mr. Reid noted to the extent we know about brownfields we account for them. This is an area where we rely on local review.
- Dan Dias asked can you share how timing of potential development also factors into the analysis and model? This seems particularly important for the infill/redevelopment portion and

with greater emphasis of housing production affecting this work. Mr. Reid noted regarding timing of infill and redevelopment, we're looking at a 20-year time horizon. Jerry and Dennis can say more about how that may influence some of the model assumptions. Also, how is Metro accounting for CFEC and its influence on assessing developable lands and capacities?

Mr. Dias noted my timing question was twofold. One looking at the time horizon, which makes sense to be 20 years given our planning approaches. The second portion was how is the timing of realized development/redevelopment/infill being factored into the proforma analysis if at all. For example if we are determining that sites are developable and evaluating financial feasibility that is great, but what happens if many of them are not redeveloping or proving to be financially/market feasible until the latter half or quarter of the planning horizon and how does this mesh with the need for the region and local jurisdictions, and the development community, to be brining constant and steady supply online to meet regional and sub-regional demand and the additional goals of the state and region?

Jerry Johnson noted the model doesn't specifically output capacity by size range, but it could be modified to do that. The DSP model looks at likelihood of redevelopment and anticipated form of development but is not a demand model. The demand model would be the area in which a differentiation of demand by site size and characteristics could be introduced.

Theresa Cherniak noted the biggest likely immediate impact from CFEC will be that many jurisdictions are eliminating parking requirements. That will affect development feasibility. Mr. Reid added I believe those parking requirements (or lack thereof) get reflected in the development prototypes. Jerry can confirm.

Jerry Johnson noted it will be interesting to assess the impact of reducing parking requirements. Based on previous analyses we have done, the ability to zero park apartments has a significant impact on viability. At the same time we have seen a shift on marginal development to provide parking in jurisdictions without parking requirements. This reflects a tenant and/or lender preference for parking.

Dan Dias noted he was happy to elaborate more as the work progresses. I ask initially because I didn't hear it mentioned in the presentation so just a general question. Also, CFEC does eliminate parking requirements, also limits certain safety and capacity improvements which may have ramifications for densification on existing systems and infrastructure, and thirdly, how will be increase additional modes and transit into new areas where infill/redevelopment and higher densities are being added and perhaps needing/warranting additional transit service.

- Aquilla Hurd-Ravich asked is there a timeline/schedule for the Urban Growth Report? Mr. Reid noted timeline info is here: https://www.oregonmetro.gov/public-projects/2024-growth-management-decision
- Bret Marchant asked will the UGR identify developable industrial land by acreage ranges? And how does the demand/supply model account for that? We hear about the shortage of those

middle and larger parcel sizes in the region. Mr. Reid noted we will include commercial and industrial lands in our modeling. We'll include some summary data on the lot size distribution.

2023 Regional Transportation Plan (RTP): Draft Public Comment Report and Recommended Changes
(Kim Ellis, Metro) Presented was an overview of decision process, comments and major themes, feedback on draft staff recommendations on consent items, and feedback on preview of draft staff recommendations on key policy topics. RTP Ordinance No. 23-1496 was described with **Exhibit A** – 2023 Regional Transportation Plan (and appendices), **Exhibit B** – Regional Framework Plan Amendments, **Exhibit C** – Summary of Comments and Recommended Changes, and **Exhibit D** – Findings of compliance. At the MTAC Oct. 18 meeting the committee will also be asked to approve the High-Capacity Transit Strategy Resolution No. 23-5348 with **Exhibit A** – 2023 High Capacity Transit Strategy, and **Exhibit B** – Summary of Comments and Recommended Changes.

Major themes heard from the final comment period included to invest more in transit, walking and biking, better address safety and climate, accountability to ensure policies are implemented and that priorities align with policies, and project-specific feedback. It was noted Metro staff is summarizing and drafting recommendations to respond to comments in two buckets:
• Key policy topics to address – focus of final discussions
• Consent items – less substantive actions to be considered for approval by Consent

Details covered in the presentation included key policy topics to address in this RTP cycle and beyond.
Policy Topic 1: Investment emphasis – project mix and timing
Policy Topic 2: Pricing policy application to toll projects
Policy Topic 3: Increasing funding for transportation investments
Policy Topic 4: Climate tools and analysis
Policy Topic 5: Mobility policy implementation

MTAC is asked for feedback on draft recommendations on consent items. These recommendations will come back to the committee as Exhibit C in October to act on as a package by Consent, without discussion. Questions or feedback on policy topics/discussion items will be asked as recommendations for each topic in October to discuss and make a recommendation on individually.

Comments from the committee:

- Carol Chesarek asked is there would be time before the 1st reading at Metro Council to cover the to-do list that remains. Ms. Ellis noted we won't have all the staff recommendations completed by the 1st reading at Council. Upcoming materials to MTAC and TPAC will include more recommendations to consider at meetings. It was acknowledged that information would be provided multiple times prior to meetings to consider.

  It was noted there are safety concerns about transit riding with TriMet systems, but no project in the RTP addressing this. Ms. Ellis noted Metro is working with TriMet, and some of the RTP projects address safety issues indirectly. Tara O'Brien noted TriMet did break out operations funding into some additional buckets that highlight some of the safety and security issues. These show up in their project list and have been significantly increasing funded to support

safety issues. They have formed partnerships with others on concerns and more information has been shared on actions taken for commitment with these issues.

- Neelam Dorman agreed on the need to have materials received quickly. It was asked how the voting process was planned regarding consent items and discussion items. Ms. Ellis described how the consent items are taken first. Then discussion items are worked through individually. Then the overall recommendation to adopt the ordinance. The same process applies to the High Capacity Transit Strategy resolution. If changes are suggested to any of the motions this was encouraged to be drafted ahead of the meeting when action is taken. Staff reports provided to MPAC and JPACT on these actions will be provided for their consideration.
- Jessica Pelz asked about the JPACT work plan around regional funding discussions. Ms. Ellis noted JPACT is still working through their annual work plan, defining agendas and forming possible subcommittees. A possible regional funding subcommittee could have more than just elected with a broader base of community involvement. More will be known as the plan is developed.
- Nora Apter asked about specific project investment emphasis category related to project list and timing. It was heard some changes may be made around comments from large projects such as freeway expansions. Information was asked on potential amendments related to these changes responding to the feedback. Was it possible to know in advance what proposed changes will be discussed. Ms. Ellis noted we need to stay within the financially constrained project list based on the RTP forecast. Changes in the strategic project list would require adjustments with possible changes in the constrained list. Larger projects in the RTP are ODOT recommended based on the forecast and their work underway with NEPA, with financial forecast based partly on tolling impacts.
- Jean Senechal Biggs was glad to see the investment emphasis included. RTP outcomes and ability to reach our climate goals will depend on ODOT implementation of pricing and how that plays out. Jurisdictions and cities struggle to move the needle without updating our TSPs to reach these goals. Work with the project lists now is a good starting point for policy for the next RTP. It was noted the Mobility Policy was important and support given for taking the next steps with work needed to be done together.
- Neelam Dorman asked if MTAC could attend the TPAC Oct. 11 workshop with more discussion on RTP and HCT Strategy on the agenda. Tom Kloster noted this was possible and an invitation to MTAC members and alternate members would be extended to attend the workshop.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 11:24 a.m.
Respectfully submitted,

Marie Miller

Marie Miller, MTAC Recorder

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	9/20/2023	9/20/2023 MTAC Meeting Agenda	092023M-01
2	MTAC Work Program	9/13/2023	MTAC Work Program as of 9/13/2023	092023M-02
3	Handout	N/A	Urban growth management committees	092023M-03
4	Minutes	July 19, 2023	Minutes from MTAC July 19, 2023 meeting	092023M-04
5	Minutes	8/16/2023	Minutes from MTAC/TPAC August 16, 2023 workshop meeting	092023M-05
6	Handout	N/A	Democratic Rules Cheat-Sheet: Making Decisions	092023M-06
7	Memo	9/13/2023	TO: MTAC and interested parties From: Kim Ellis, AICP, RTP Project Manager Ally Holmqvist, HCT Strategy Project Manager RE: Draft Legislation and Next Steps for Finalizing the 2023 Regional Transportation Plan (RTP) and 2023 High Capacity Transit (HCT) Strategy for Adoption	092023M-07
8	Memo	9/13/2023	TO: MTAC and interested parties From: Kim Ellis, AICP, RTP Project Manager RE: 2023 Regional Transportation Plan: Draft Public Comment Report and Overview of Key Concerns Raised for Further Policy Discussion	092023M-08
9	Attachment 1	8/29/2023	Key Dates for Finalizing the 2023 Regional Transportation Plan and 2023 High Capacity Transit Strategy for Adoption	092023M-09
10	Attachment 2	September 2023	2023 Regional Transportation Plan *Working draft* Public comment report	092023M-10
11	Attachment 3	N/A	Proposed Discussion Topics on Key Concerns with 2023 Regional Transportation Plan	092023M-11
12	Memo	9/13/2023	TO: MTAC/TPAC and interested parties From: Kim Ellis, AICP, RTP Project Manager RE: 2023 RTP Comment Log: Summary Comments Received and Draft Metro Staff Recommended Actions – Subject to Refinement	092023M-12
13	Presentation	9/20/2023	Land capacity for growth	092023M-13
14	Presentation	9/20/2023	Decision Making Refresh	092023M-14

Item	Document Type	Document Date	Document Description	Document No.
15	Presentation	9/20/2023	2023 Regional Transportation Plan Shaping MTAC's Recommendation to MPAC	092023M-15

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC)
Date:	Wednesday, September 20, 2023
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom
	video recordings are available online within a week of each MTAC meeting
	Connect with Zoom Passcode: 863801 Phone: 877-853-5257 (Toll Free)

9:00 a.m.	**Call meeting to order, Declaration of Quorum and Introductions**	Chair Kehe
9:10 a.m.	**Comments from the Chair and Committee Members** • Updates from committee members around the Region (all) • Urban Growth Report Stakeholder Roundtable Update (Ted Reid)	
9:15 a.m.	**Public communications on agenda items**	
9:17 a.m.	**Consideration of MTAC minutes, July 19, 2023** **Consideration of MTAC/TPAC workshop minutes, Aug. 16, 2023** **(action item)** Send edits/corrections to Marie Miller	Chair Kehe
9:20 a.m.	**2024 Urban Growth Report: overview of approach to estimating buildable lands and growth capacity** Purpose: Provide MTAC with an overview of methods for estimating buildable lands and growth capacity inside the UGB	Chair Kehe Ted Reid, Metro Dennis Yee, Metro
10:05 a.m.	**Review of Democratic Rules of Order** Purpose: Prepare for the upcoming 2023 Regional Transportation Plan and 2040 Growth Decision recommendations to MPAC with a review of our meeting protocols and decision-making structure under the Democratic Rules of Order.	Chair Kehe
10:20 a.m.	**2023 Regional Transportation Plan (RTP): Draft Public Comment Report and Recommended Changes** Purpose: Present an overview of public comments received, key concerns identified by Metro staff for more in-depth policy discussion and draft Metro staff recommendations that respond to public comments received and do not warrant in-depth discussion. MTAC feedback on draft Metro staff recommendations that do not warrant in-depth discussion as well as key concerns to raise for MPAC discussion is requested. MTAC will be requested to make a recommendation to MPAC at the October 18 meeting.	Kim Ellis, Metro
11:30 a.m.	**Adjournment**	Chair Kehe

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គ ប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

Urban growth management committees

Adopt

Advise and recommend

Advise and provide feedback

Metro

Metro Council

Makes urban growth management decisions every six years based on information from staff and the community

Elected officials - Six Councilors and Metro Council President

A public hearing will be held before the urban growth management decision - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-council

CORE

Advise Metro Council on strategies to advance racial equity across Metro's work areas

Members appointed by Metro Council

Standing committee with monthly meetings - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/committee-racial-equity

MPAC

Advise the Metro Council on land use issues, including the urban growth boundary - established by the Metro Charter

21 voting members representing cities, counties, special districts and the public, and six non-voting members. Three Metro Councilors also participate as non-voting liaisons.

Meetings are the fourth Wednesday of each month - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/metro-policy-advisory-committee

MTAC

Provide technical feedback to MPAC on regional land use issues including the urban growth boundary

35-member committee defined by the Metro Charter and made of planners, citizens, and business representatives

Meetings are monthly on the third Wednesday from Jan to Sept - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/metro-technical-advisory-committee

LUTAG

Provide Metro staff with technical advice on the 2024 Urban Growth Report methods and results, with a particular focus on estimates of housing and job capacity based on local knowledge

Local land use planners from jurisdictions within the Metro boundary and other technical experts from interested organizations

Fall 2023 through spring 2024, meetings as needed

Youth cohort

Members learn about regional urban growth management in Oregon and how to participate in decision-making

15 young people from across the region, ages 14-25

Eight meetings, from fall 2023 - fall 2024

Urban growth report stakeholder roundtable

Members contribute perspectives to the content of the 2024 Urban Growth Report

Range of stakeholders representing a variety of industries and work or live in different parts of the region

Monthly meetings September 2023 to spring 2024 - *open to the public*

Materials following this page were distributed at the meeting.



Metro

Land capacity for growth

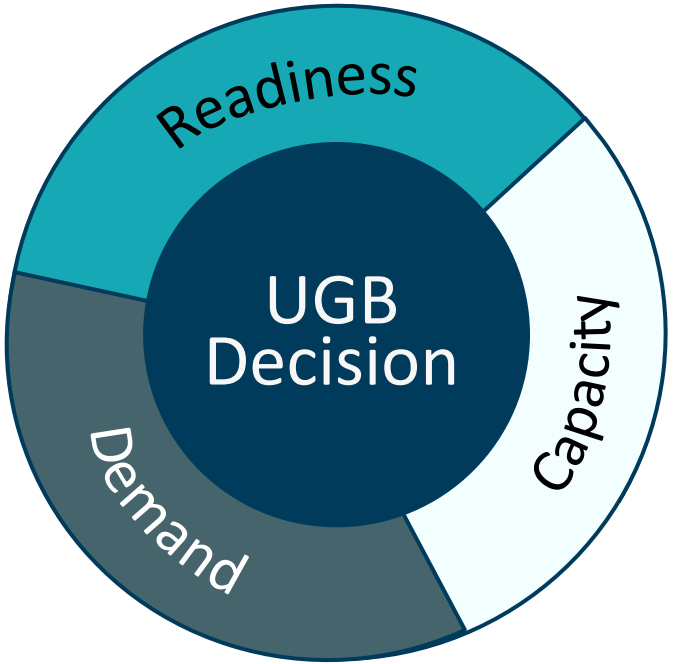
September 2023

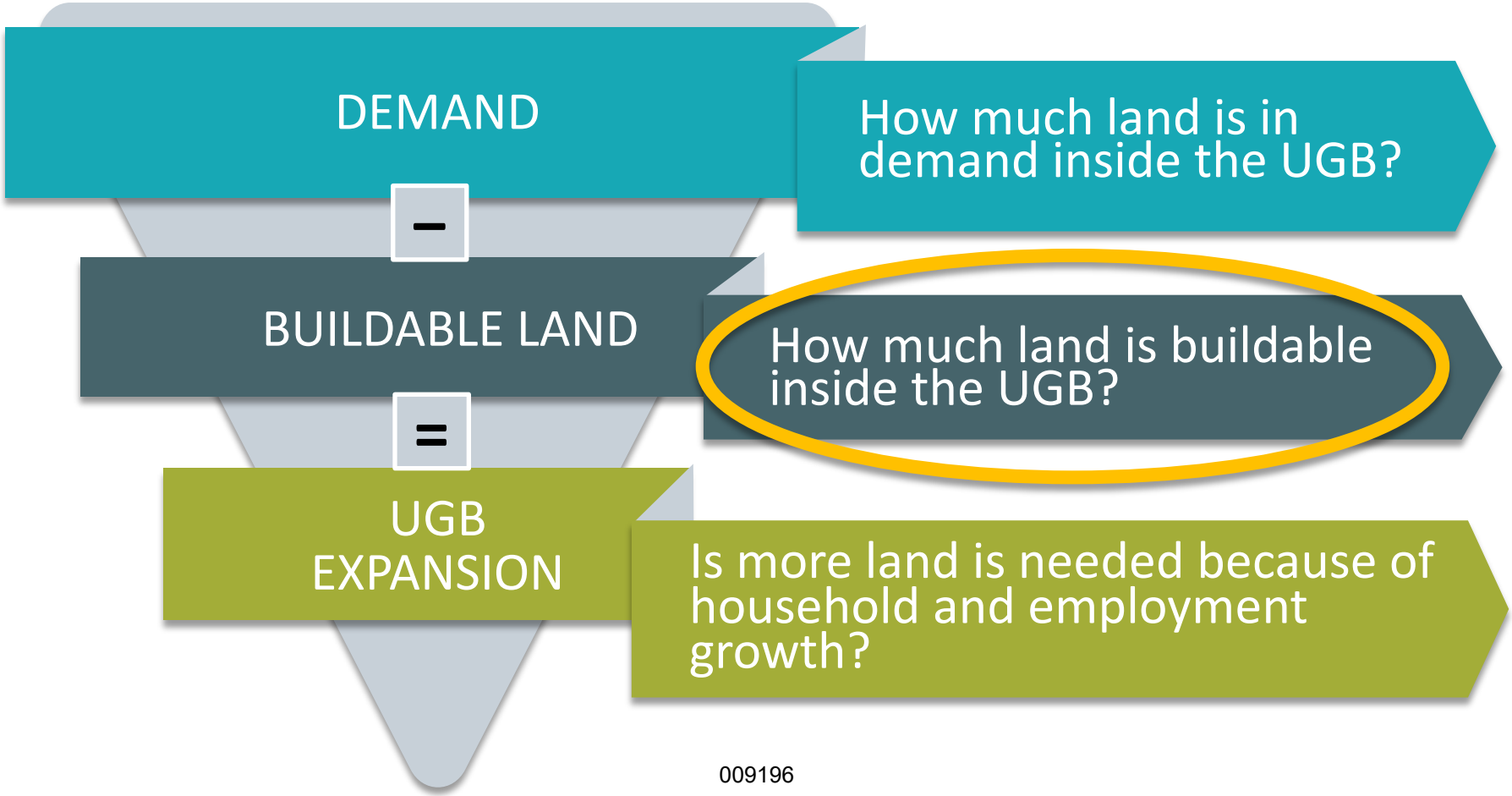
009194

Capacity in the UGR

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council

Capacity is one of the three main components of the analysis in the UGR




DEMAND
How much land is in demand inside the UGB?
–
BUILDABLE LAND
How much land is buildable inside the UGB?
=
UGB EXPANSION
Is more land is needed because of household and employment growth?

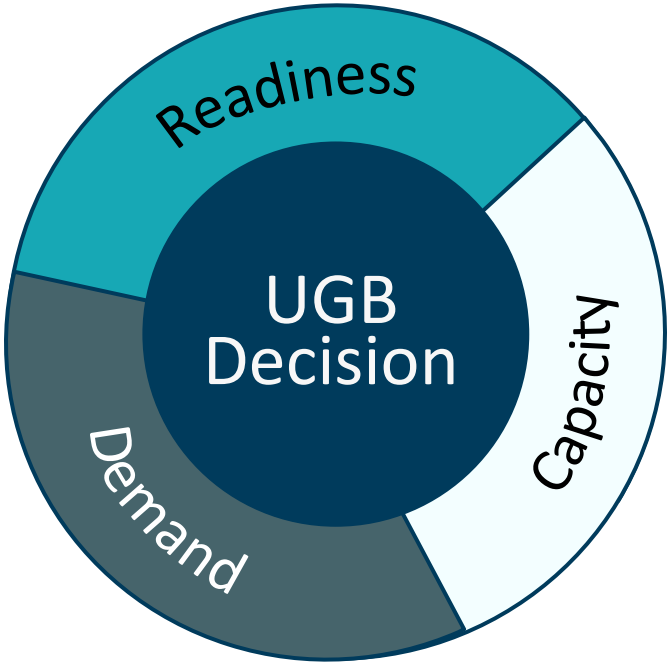
009196

Land capacity for housing/jobs

Process to determine **capacity** inside the UGB to accommodate future growth

Complex process – there are over ½ million parcels in the UGB!

009197

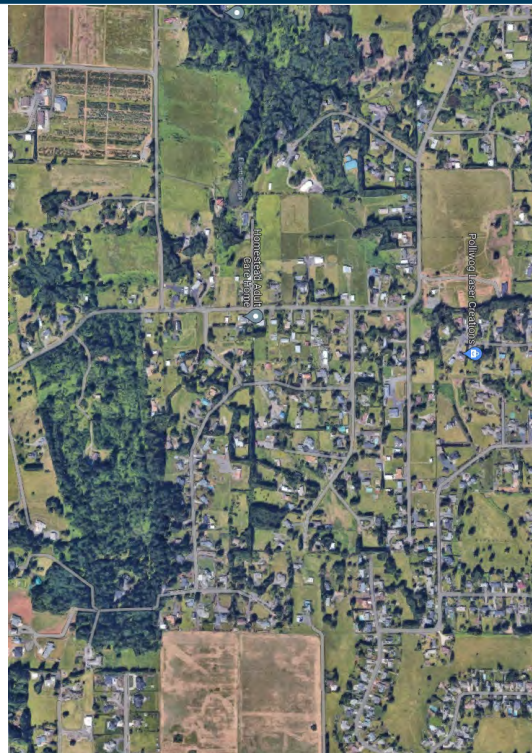


Buildable lands inventory: Process to determine capacity

1. Categorize parcels as developed or vacant
2. Remove land that isn’t developable
3. Apply generalized zoning
4. Determine capacity of developed and vacant land using a pro forma model

1. Categorize land

Staff uses previous analysis and aerial photos to determine if land inside the growth boundary is “vacant” or “developed”



009199

Vacant land includes:



Completely vacant/no hardscape



> 95% vacant

009200



< 2,000 square feet developed AND > 90% vacant

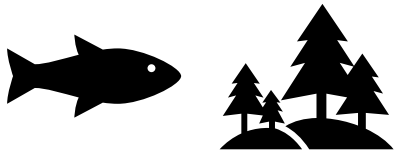
2. Remove some land

Remove land from the calculation in 3 categories

Exempt

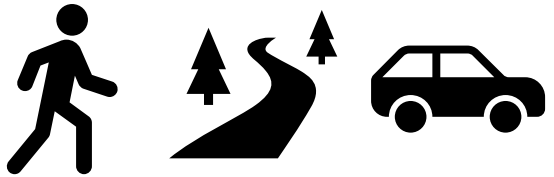


Environmental constraints



009201

Future right-of-way needs



Exempt parcels include:

- Government owned (including Tribal land and utilities)
- Schools
- Rail properties
- Churches and social organizations (tax exemption codes)
- Private streets
- Parcels under 1,000 sq. ft.
- Parks, open spaces, private residential common areas 009202



Environmental constraints:

- Floodways
- Floodplain
- Steep slopes (>25%)
- Water quality / flood management lands
- Fish and wildlife habitat

009203



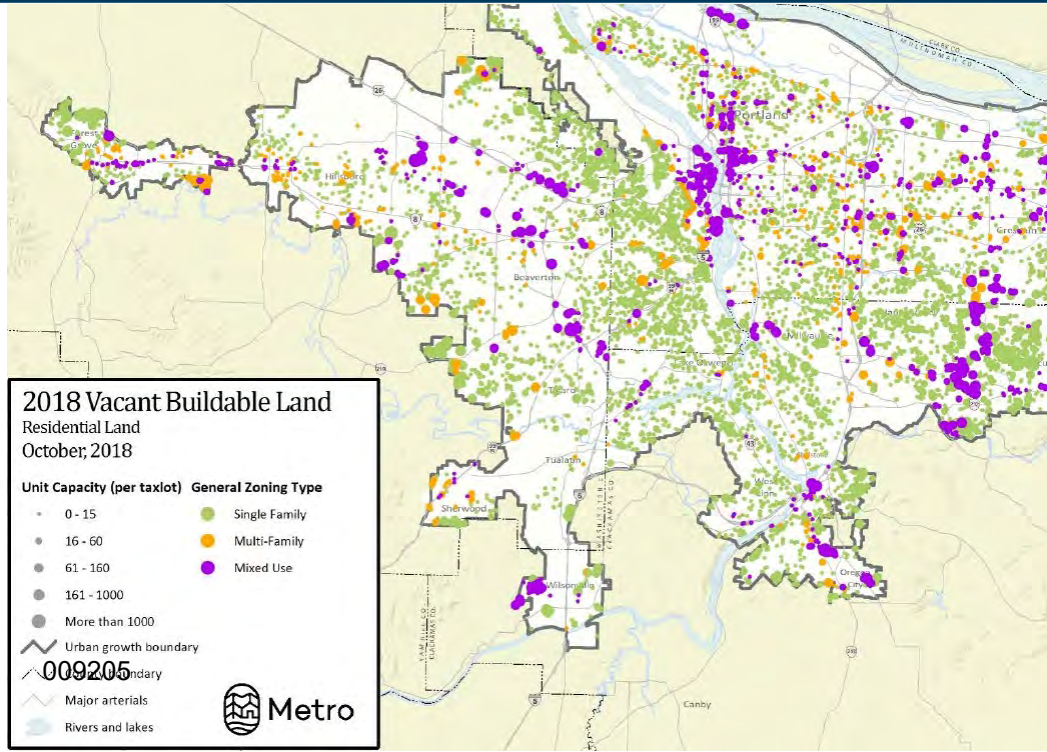
Set aside for future roadways

- Only on larger vacant parcels
- Considers future roads that’ll be needed



Local city/county review result

Metro provides the vacant land inventory for review by local planners to adjust as needed



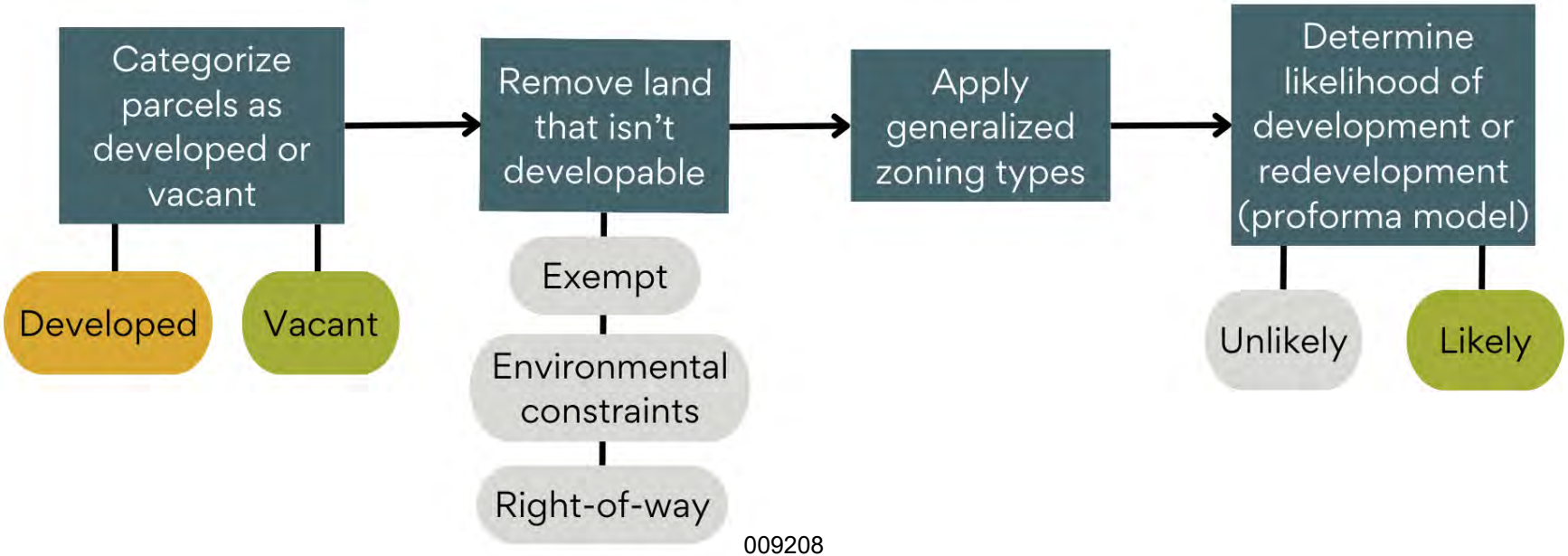
3. Apply generalized zoning

- All 24 cities and three counties in the region have unique zoning codes
- Metro categorizes possible zoning into “zone types” to approximate general designations

4. Determine capacity

Based on market forces and what could be built, is it likely that someone would choose to develop on a parcel?

Buildable land inventory process



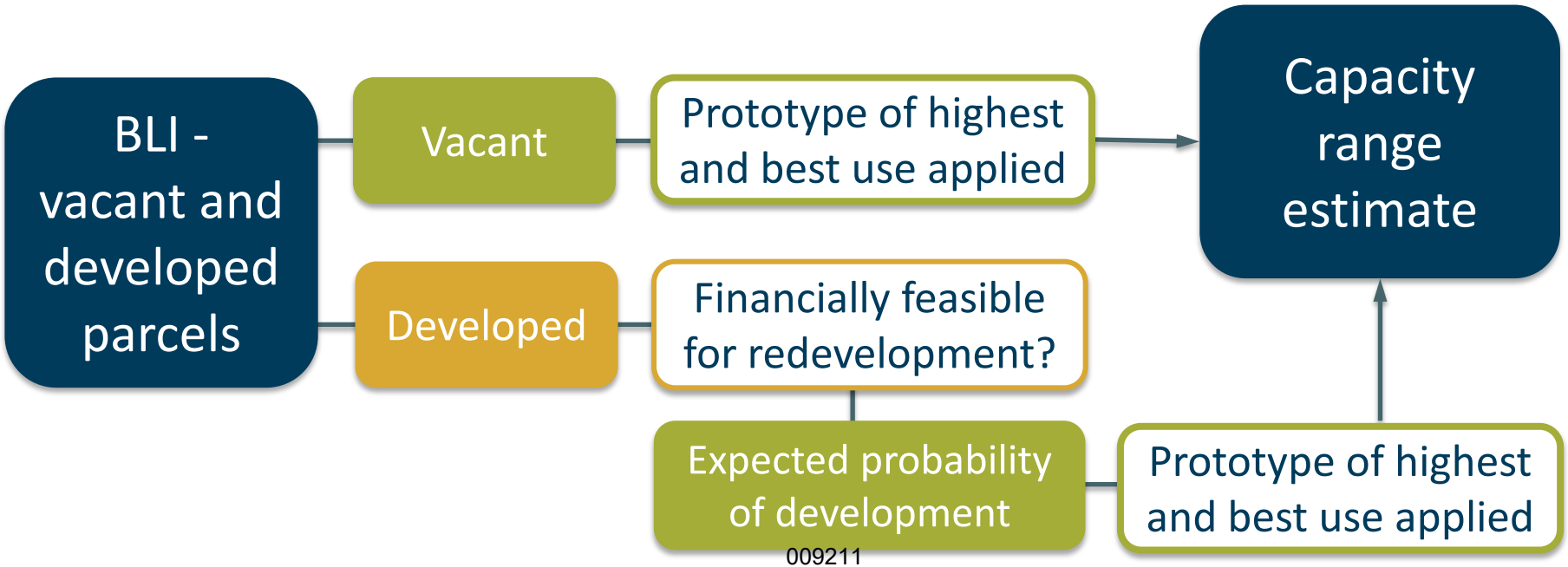
Proforma model

- Also referred to as the Development Supply Processor (DSP)
- A computer model using development prototypes
- Determines development density (units and acres) based on zoning and what's financially feasible
- Used for developed and vacant land

Proforma model



Proforma model



Proforma assumptions

Driven by financial feasibility

Revenue & returns expected

- Achievable rents
- Threshold rate of return

Expenses expected

- Construction cost assumptions
- Operation expenses and vacancy

Property assumptions

- Allowed density and parking requirements

009212

Questions?

Learn more:

oregonmetro.gov/public-projects/2024-growth-management-decision

oregonmetro.gov



Metro

600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

Metro

Minutes

Tuesday, September 19, 2023

10:30 AM

Metro Regional Center, Council Chamber, https://www.youtube.com/live/r74Ng4jVuaQ?si=e2PRIa_WysvqKe9E, https://zoom.us/j/615079992 Webinar ID: 615 079 992 or 888-475-4499 (toll free)

Council work session

Call to Order and Roll Call

Deputy Council President Lewis called the Work Session to order at 10:30 a.m.

Present: 6 - Councilor Christine Lewis, Councilor Juan Carlos Gonzalez, Councilor Mary Nolan, Councilor Gerritt Rosenthal, Councilor Duncan Hwang, and Councilor Ashton Simpson

Excused: 1 - Council President Lynn Peterson

Work Session Topics:

10:30 2024 Urban Growth Management Decision: Work Program Status Updates

Presenter(s): Malu Wilkinson (she/her), Equitable Development and Investments Program Director, Metro
Eryn Kehe (she/her), Urban Policy and Development Manager, Metro
Ted Reid (he/him), Principle Regional Planner, Metro

Attachments: Staff Report
Attachment 1
Attachment 2

Deputy Council President Lewis introduced Malu Wilkinson (she/her), Metro, Eryn Kehe (she/her), Metro, and Ted Reid (he/him), Metro to present on the topic.

Staff pulled up the *Urban Growth Management Update PowerPoint* to present to Council.
Wilkinson provided an overview and discussed the Urban Growth Report and the 2024 UGM decision timeline. Kehe discussed the background and the engagement plan overview. Kehe explained engagement plan included stakeholder roundtable.
Councilor Discussion
Councilor Nolan asked if the stakeholder roundtable will have public meetings.

Kehe stated that the meetings would be public.

Kehe continued the presentation by discussing the jurisdictional outreach and the interest group presentations.

Councilor Discussion

Councilor Nolan recommended that staff adds conservation, environmental and neighborhood livability groups to the list of interest groups.

Kehe noted that staff can reach out to these groups and hoped to have them added to the list.

Councilor Nolan mentioned that 1,000 Friends has a youth outreach program on land use.

Councilor Lewis asked how staff wants the Council to help build the list.

Kehe mentioned that the Council can let staff know which groups to contact or to have the groups contact staff.

Laura Combs, Associate Regional Planner, Metro continued the presentation by discussing the youth cohort with Next Up and the additional engagement opportunities. Kehe noted the role of DEI staff and CORE and the decision-making framework.

Council Discussion

Councilor Hwang asked how they are sequencing the public engagement with the technical analysis. He also asked what types of input they expect to receive from the stakeholders.

Kehe noted the difficulty in doing public engagement in the technical analysis process. She also mentioned that staff are engaging with the youth cohort to build their understanding and to receive feedback from them.

Councilor Hwang asked if a deliverable of the youth cohort could be a statement of values. He commented that this statement could be helpful to the Council.

Kehe hoped that some members of the youth cohort would testify before the Council.

Wilkinson noted that staff are doing the engagement work, so that it can inform staff as they do the technical work.

Councilor Rosenthal noted the challenges of youth engagement. He asked how they will deal with the different interests and concerns in the roundtable. He also asked if they have a current inventory of open land.

Kehe mentioned that the roundtable does not need a consensus. She noted that the purpose was for each other and staff to hear the different perspectives.

Kehe noted that part of the Urban Growth Report is an inventory of vacant land in the Urban Growth Boundary.

Reid mentioned that the inventory will also include lands that may be redeveloped or see infill over the next 20 years.

Kehe noted that they will be explaining the inventory process to the stakeholder roundtable, to MPAC and to MTAC.

Councilor Rosenthal mentioned recent changes to some land use laws. He asked when they will have a trend line of how those changes will impact neighborhoods.

Reid stated that the law changes that need to be contemplated in the inventory work. He noted that staff will collect data, but it may take years to get a trend line.

Kehe mentioned that they have engaged ECO Northwest and Johnson Economics. She noted that ECO Northwest is helping staff on middle housing and its effect on redevelopment inside the UGB.

Councilor Nolan suggested that staff collect information about the land that the roundtable members own and want to develop. They commented that this information can help them understand the members' perspectives. Councilor Nolan noted the importance of communicating the history and benefits of Oregon Senate Bill 100 to the public.

Wilkinson noted that there is opportunity to help more people understand why they do the technical process.

Councilor Gonzalez admired staff's efforts to bring more people to participate in the process. He suggested bringing different actionable policy items to the Council that tie into racial justice. Councilor Gonzalez suggested that they continue to find development opportunities.

Councilor Simpson asked if there are any conservation groups in the land use technical advisory group or can those groups be added. He mentioned the land swap between Tigard and unincorporated Clackamas County. Councilor Simpson also asked if staff is engaging with those unincorporated areas about the process and its impacts.

Wilkinson explained that the engagement for unincorporated areas in urban reserves should come from the cities. She noted that the Council's policy is to bring in land that a city already has a concept plan for.

Councilor Simpson asked about county planning organizations.

Wilkinson mentioned that counties are not really requesting for land to be brought into the UGB. She mentioned that it would be a city annexing the land and providing the urban services.

Reid stated that they can added groups to the land use technical advisory group, but most of the members are city and county staff.

Wilkinson noted that some of those interests are a part of the stakeholder roundtable, and they will have a discussion on their buildable land inventory.

Councilor Lewis suggested engaging with city youth advisory boards and incorporating an analysis of Brownfields and vacancy. She asked how many people they want to participate and the plan to achieve that goal. She also asked about their plan for tribal engagement.

Kehe mentioned that they want to get as many people as possible to participate. She suggested a goal of at least 15 people.

Kehe noted that they do not have required tribal outreach for the process, but staff is open to suggestions for tribal engagement.

Reid confirmed that tribal engagement is not required.

Wilkinson added that staff can speak with Metro's Tribal Engagement Coordinator.

Councilor Lewis suggested that they staff should develop a tribal engagement plan.

Councilor Rosenthal suggested that Metro help cities to make sure housing remains affordable.

Staff pulled up the *Urban Growth Management Conditions of Approval PowerPoint* to present to Council.
Reid gave background information on the Metro Council conditions of approval. He mentioned ideas for discussion, including topics related to housing, mix of uses, industrial lands, expectations of public engagement, and deadlines for cities.

Council Discussion
Councilor Nolan suggested that staff also include transit infrastructure to the newly added areas. They recommended that the Council and staff discuss if expansion is needed.

Councilor Gonzalez suggested that the report should show how they are addressing the shortage of housing units in the region. He also suggested that staff look for more opportunities to add more developable land.

Councilor Rosenthal mentioned data that mentions that their population is stable. He asked how they will incorporate this into projections.

Reid mentioned that their economist believes that population growth will become more normal over time, but slower than in the past.

Councilor Rosenthal noted that deaths are outnumbering births and out-migration is outnumbering in-migration.

Reid believed that growth would come from domestic migration in the future.

Kehe added that they do not have an answer for Councilor

Rosenthal's question yet, but staff are working on it.

Councilor Gonzales asked if there is still a shortage of housing units even with assuming a constant population.

Reid confirmed that there is still a housing shortage.

Councilor Lewis explained that the conditions of approval should also include social infrastructure.

Marissa Madrigal, Chief Operating Officer (she/her) summarized the themes of the discussion. She explained that the roundtable's purpose is to provide transparency on the assumptions that staff are using to make decisions.

Wilkinson thanked the Council and noted the importance of discussing the conditions of approval.

11:30 Garbage and Recycling System Facilities Plan

Presenter(s): Marta McGuire (she/her), WPES Director, Metro
Estee Segal, Principal Planner, Metro
Luis Sandoval, Principal Planner, Metro
Lyndsey Lopez, Waste Planning and Strategy Lead, Jacobs
Joey Velasquez, Environmental Engineering Associate, Jacobs

Attachments: Staff Report
Attachment 1
Attachment 2

Deputy Council President Lewis introduced Marta McGuire (she/her), Metro, Estee Segal, Metro and others to present on the topic.

Staff pulled up the Waste Prevention and Environmental Services: Equity, health, and the environment PowerPoint to present to Council.

McGuire discussed the regional Waste Plan outcomes, the full life approach for products, and the purpose of the discussion. Segal discussed the project need, the timeline, the values and the outcomes. Segal noted the feedback received from stakeholder roundtables and through targeted outreach. Luis Sandoval, Principal Planner, Metro mentioned the gap analysis overview and the steps to develop scenarios. Sandoval discussed the scenarios, the criteria and the technical analysis and the methodology.

Council Discussion

Councilor Gonzalez asked if this included public and private facilities.

Sandoval confirmed that it was both.

Lyndsey Lopez, Waste Planning and Strategy Lead, Jacobs gave an overview of the results. Lopez discussed the gaps in North & West Washington County for the public and commercial haulers.

Council Discussion

Councilor Nolan asked if the travel times incorporated population density.

Lopez noted that the travel time was for anyone within the closest facility.

Sandoval added that the travel time takes in account population for facilities that accept materials from the public. He noted that they use the percentage of the population within 20 minutes of the nearest public facility.

Councilor Nolan asked if it was the proportion of the land or the population.

Sandoval clarified that it was the proportion of population.

For commercial haulers, they use the percentage of the area within 20 minutes of the nearest commercial facility.

Councilor Hwang asked if the travel time is based on peak travel time.

Sandoval believed that they use traffic time between 8 am to 10 am but would need to follow-up.

Lopez explained the gaps in East Multnomah County and Portions of Clackamas County for the public and commercial haulers. Lopez further discussed the gaps for mixed garbage for the public.

Council Discussion

Councilor Nolan asked if mixed garbage was cross tabulated with availability or requirement for curbside pickup. They explained that if someone has curbside pick-up, then it is less important to have a place near-by to do self-haul.

Lopez stated that it was not for this part of the assessment. Lopez explained that these facilities accept mixed garbage from self-haul or from the public.

Councilor Gonzales commented that the Forest Grove Transfer Station charges some of the highest rates in the state or Pacific Northwest.

McGuire mentioned that in the No-Build scenario, the Council could require service.

Lopez noted that they did look at cost difference.

Lopez continued the presentation by explaining the scenarios for public mixed garbage. Lopez discussed business food waste for commercial haulers and the scenarios. Segal mentioned the upcoming work session and events where the

plan and scenarios can be discussed. McGuire thanked staff for their work.

Council Discussion

Councilor Rosenthal commented on the Full-Service and the Distributed scenarios. He asked if the private haulers would be more opposed to the Full-Service scenario. He also asked if the investment in private facilities would be complicated.

Sandoval mentioned that adding the facilities will help with the cost difference, however it would take materials from private facilities.

Councilor Lewis mentioned the state analysis of mixed recycling, but they are going through a recycling modernization. She asked how the future state of mixed recycling impacts how much the facilities can manage.

Sandoval mentioned that the Act covers mixed garbage and explained how the Act will affect commercial haulers. Sandoval added that there is the possibility that public agencies could expand reload facilities. Sandoval also discussed depots for covered materials under the Act.

Councilor Lewis summarized Sandoval's comments.

Sandoval explained Metro's role in the No-Build and Full-Service scenarios.

Segal added that a symposium panelist will talk about depots, producer responsibility and roles.

Councilor Lewis raised concerns that there are multiple layers of investment that Metro does not directly control two of them.

Councilor Nolan asked what waste streams reductions are

included in their projections.

Sandoval explained that the two largest categories were organics and materials for reuse.

Councilor Nolan recommended that they do as much reduction through other ways before capital investment. They also asked how the facilities will change job availability or the labor force.

McGuire noted that regulation is a tool they can use. She added that there are tradeoffs in each scenario.

Lopez mentioned that more jobs are created with more recycling and reuse in the region.

Sandoval added that landfilling is less labor intensive than reuse. Sandoval added that Metro would have a role in collecting the material, but it also created more jobs at other facilities.

Councilor Nolan asked how these additional jobs will be funded.

Sandoval explained multiple revenue models that they could get funding from.

Lopez added that tipping fees at each facility could be a funding source.

Councilor Hwang asked if there are scenarios that people do not need to drive to dispose of their waste. He also asked if making waste disposal more convenient will negatively impact their goals of reducing waste.

Sandoval noted that in the no-build scenario there is an

expansion of the curbside programs. Sandoval explained some of the trade-offs of expanding curbside programs.

Lopez mentioned that organics collection would get organics out of the landfills and into the right place. She added that there is a range of customers that cannot use the curbside program.

Segal mentioned the intention of the Distributed scenario is to have many materials in one place.

Councilor Hwang commented that it may make sense to people to pay more if they can make less trips.

Segal noted that their community advisory group liked the idea of one-stop take back.

Councilor Gonzalez mentioned that private providers believe that Metro is over-built in tonnage capacity but under-built in other areas. He asked how they will reconcile this. He also asked about Ridwell and the disruption it had created.

Councilor Simpson asked how the scenarios impact the RID patrol team. He mentioned that bulk pick-up is convenient to the elderly, those without transportation and others.

Joey Velasquez, Environmental Engineering Associate, Jacobs responded to Councilor's Hwang question by explaining that they took into consideration reductions in travel and greenhouse gas emissions in each scenario.

McGuire answered Councilor Gonzalez's question by explaining that the scenarios highlight different options for Metro's role in the system. For Ridwell, she mentioned that it showed that people are willing to pay more because they

want to recycle.

McGuire responded to Councilor Simpson's question by explaining that they want to reduce the amount of garbage dumped through changes in service, the bulky waste project and opportunities for reuse.

Sandoval noted they have a lot of capacity to process wet and dry waste. Sandoval noted that many facilities may want to take that waste, but others may not want to modify their facilities.

McGuire added that there are many perspectives and different management requirements for materials.

12:10 Chief Operating Officer Communication

Marissa Madrigal provided an update on the following events or items:

- There were none.

12:25 Councilor Communication

Councilors provided updates on the following meetings and events:

- There were none.

Adjourn

There being no further business, Deputy Council President Lewis adjourned the Metro Work Session at 12:59 p.m.

Respectfully submitted,

Jemeshia Taylor

Jemeshia Taylor, Legislative Assistant

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF SEPTEMBER 19, 2023

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
1.0	Powerpoint	09/19/2023	Urban Growth Management Update Presentation	091923c-01
2.0	Powerpoint	09/19/2023	Metro Council Conditions of Approval Presentation	091923c-02
3.0	Powerpoint	09/19/2023	Waste Prevention and Environmental Services: Equity, health and the environment Presentation	091923c-03

Council work session agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Tuesday, September 19, 2023 **10:30 AM** **Metro Regional Center, Council Chamber, https://www.youtube.com/live/r74Ng4jVuaQ?si=e2PRla_WysvqKe9E, https://zoom.us/j/615079992 Webinar ID: 615 079 992 or 888-475-4499 (toll free)**

This meeting will be held electronically and in person at the Metro Regional Center Council Chamber.
You can join the meeting on your computer or other device by using this link:
https://www.youtube.com/live/r74Ng4jVuaQ?si=e2PRla_WysvqKe9E

Call to Order and Roll Call

Work Session Topics:

10:30 2024 Urban Growth Management Decision: Work Program Status Updates 23-5910

Presenter(s): Malu Wilkinson (she/her), Equitable Development and Investments Program Director, Metro
Eryn Kehe (she/her), Urban Policy and Development Manager, Metro
Ted Reid (he/him), Principle Regional Planner, Metro

Attachments: Staff Report
Attachment 1
Attachment 2

11:30 Garbage and Recycling System Facilities Plan 23-5919

Presenter(s): Marta McGuire (she/her), WPES Director, Metro
Estee Segal, Principal Planner, Metro
Luis Sandoval, Principal Planner, Metro
Lyndsey Lopez, Waste Planning and Strategy Lead, Jacobs
Joey Velasquez, Environmental Engineering Associate, Jacobs

Attachments: Staff Report
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12:10 Chief Operating Officer Communication

12:25 Councilor Communication

Adjourn

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បើលោកអ្នកត្រូវការអ្នកបកប្រែកាសនៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក។

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January 2021

2024 Urban Growth Management Decision: Work Program Status Updates
Work Session Topics

Metro Council Work Session
Tuesday, September 19th, 2023

2024 URBAN GROWTH MANAGEMENT DECISION:
WORK PROGRAM STATUS UPDATES

Date: August 30, 2023
Department: Planning, Development, and Research
Meeting Date: September 19, 2023

Prepared by: Ted Reid, Principal Regional Planner ted.reid@oregonmetro.gov
Presenter(s): Malu Wilkinson (she, her)
Eryn Kehe (she, her); Ted Reid (he, him)
Length: 60 minutes

ISSUE STATEMENT
Under state law, the Metro Council is required to – at least every six years – determine whether the urban growth boundary (UGB) has adequate land for expected housing and job growth. The Metro Council last made this determination in December 2018 and is scheduled to do so again by the end of 2024. The Metro Council has directed staff to proceed with an approved work program and requested periodic updates, particularly related to engagement activities.

ACTION REQUESTED
Update the Council on implementation of the work program for the 2024 urban growth management decision, including:

- The proposed engagement plan, including the stakeholder roundtable
- Initial ideas for possible UGB conditions of approval

IDENTIFIED POLICY OUTCOMES
State law and regional policies lay out an intention to make efficient use of land inside the UGB and to only expand the UGB is there is a demonstrable regional need to accommodate expected housing or job growth. The Metro Council makes this growth management decision for the region after significant engagement. To ensure that areas added to the UGB are ready for growth, it is the Metro Council's policy to only expand the UGB in urban reserves that have been concept planned by a city or a county. Metro provides grant funding for local jurisdictions to complete concept planning.

The Council will make a growth management decision by the end of 2024. As part of that decision, the Council will need to also decide on conditions of approval if it adds any land to the UGB.

POLICY QUESTION(S)
- Does the Council have any feedback on the proposed engagement plan?
- Does the Council have any initial direction on possible conditions of approval for any UGB expansions?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

The Council may provide staff with direction on:

- The proposed engagement approach
- Possible UGB conditions of approval

STAFF RECOMMENDATIONS

- Staff recommends proceeding with the proposed engagement plan.
- Staff recommends that the Council describe its policy interests regarding any potential UGB expansion areas so that staff can propose some options for UGB conditions of approval.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Regional urban growth management decisions have long been one of the Metro Council's core responsibilities. The Metro UGB – first adopted in 1979 – is one of Metro's tools for achieving the 2040 Growth Concept's vision for compact growth, thereby protecting farms and forests outside the UGB and focusing public and private investment in existing communities. These are all key to reducing greenhouse gas emissions and expanding housing options.

The UGB is just one policy tool, however, and must be accompanied by other policies, partnerships, and investments to make good on the 2040 Growth Concept and to address challenges like housing affordability, displacement, houselessness, and economic development. Often, growth management processes provide a venue for identifying the need for new initiatives.

As the Council is aware, several stakeholder groups follow urban growth management decisions closely and staff expects this decision to be no different. While these stakeholders at times have differing opinions or interpretations, staff has found that a focus on city readiness and concentrating growth management discussions around actual expansion proposals makes practical sense to all. Consequently, that focus on city readiness is a consistent theme in the work program.

Metro strives for transparency in its growth management work, which can be challenging given its highly technical aspects. The 2024 decision will provide opportunities for stakeholders to inform and understand the many technical and policy aspects of this work. Those opportunities include, not only standing advisory committees, but also groups formed for this decision process such as the Stakeholder Roundtable, the Land Use Technical Advisory Group, and the Youth Cohort.

BACKGROUND

At its March 7, 2023 work session, the Council directed staff to begin implementing the work program for the 2024 urban growth management decision. The Council also directed staff to periodically update the Council on work program implementation, particularly related to engagement activities.

ATTACHMENTS

- Is legislation required for Council action? ☐ Yes ☒ No
- If yes, is draft legislation attached? ☐ Yes ☐ No
- What other materials are you presenting today?
    - Proposed 2024 Urban Growth Management Decision Engagement Plan
    - Memo providing background on UGB conditions of approval

Draft Public Engagement Plan

2024 Urban Growth Management Decision

July 2023

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INTRODUCTION

Regional readiness for population, housing, and job growth

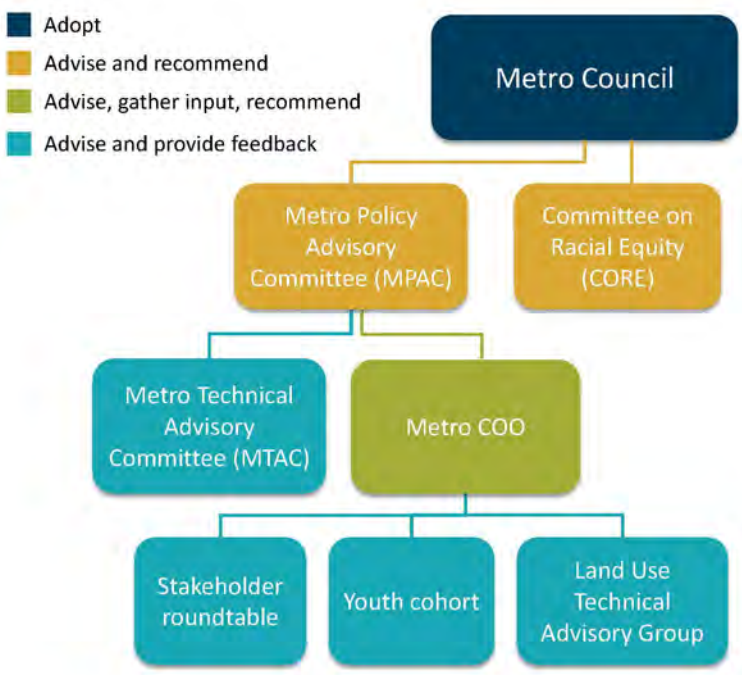
The Metro Council is required under state law to adopt – by the end of 2024 – an assessment of the region's capacity to accommodate the next twenty years of housing and job growth inside the urban growth boundary (UGB). This engagement plan outlines the spectrum of activities that will inform the Council's decision, from formal Metro Council and advisory committee meetings to presentations to outside organizations and outreach to local jurisdictions.

Metro seeks to improve its growth management practices every time it undertakes this cyclical process. As always, Metro will strive to improve the data analysis that informs decision makers. Likewise, Metro will continue its emphasis on land readiness to ensure that decisions emphasize the governance, market, and infrastructure conditions that must be present to produce housing and jobs. This process will differ from past decisions by applying a greater focus on the housing needs of all income groups, particularly households with lower incomes. This focus on affordability advances shared goals of increasing housing production for those that have the fewest choices.

The engagement approach during this project will encompass a variety of audiences with a priority to increase the transparency of the inputs and assumptions that make up the urban growth report. Traditionally, the general public has not shown much interest in this process. We don't know whether the information has appeared too complex, or the proposed expansions do not seem personally relevant. Regardless, a goal for this project is to simplify the key messages to increase awareness and understanding of the decision-making process and highlight the relevant opportunities for input.

URBAN GROWTH MANAGEMENT DECISION-MAKING FRAMEWORK

Metro has a statutory responsibility to manage the UGB for the Metro region. Its existing decision-making framework is shown below.



The decision-making framework includes the Metro Council and three advisory committees (MPAC, MTAC, CORE) that will review, provide input and in some cases make recommendations on the development of the urban growth report. Integral to this decision-making process are timely opportunities for partners and the public to provide meaningful input to the Metro Council and the technical and policy advisory committees prior to key decision milestones.

Metro's Committee on Racial Equity (CORE) advises Metro Council and staff on the implementation of the Strategic Plan to Advance Racial Equity, Diversity, and Inclusion. CORE will provide input at key points in the urban growth management decision-making process. CORE's input will be shared with Metro's other advisory committees for consideration. The Metro Policy Advisory Committee (MPAC) advises and makes recommendations to the Metro Council on growth management and land use issues at the policy level, and the Metro Technical Advisory Committee (MTAC) provides input to MPAC at the technical level.

Metro staff, including the Chief Operating Officer, will receive feedback from the stakeholder roundtable, youth cohort, and land use technical advisory group and share this information with the Metro advisory groups with regularly scheduled update presentations. These groups will be described in the Engagement Activities section of the document.

PUBLIC ENGAGEMENT GOALS & OBJECTIVES

The plan is in alignment with Metro's agency wide Strategic Plan to Advance Racial Equity, Diversity and Inclusion, and the Planning, Development and Research Departmental Strategy for Achieving Racial Equity. A youth cohort will be convened with diverse membership and representation across all three Metro counties. The stakeholder roundtable membership will reflect a range of voices, variety of experiences and perspectives, and regional representation.

The desired outcome of the engagement is to:

- Increase transparency of the assumptions and inputs of the analyses in the Urban Growth Report
- Expand outreach to a broader range of stakeholders and perspectives, including youth
- Simplify key messages for presentations and communication to a variety of audiences
- Capture feedback from across the region in advance of key milestones and share input with decisionmakers
- Increase communication and coordination with local jurisdictions to improve readiness of city proposals for expansion

The information gathered from engagement activities will be shared with decision-makers to ensure they have opportunity to contemplate and fully consider public input.

PUBLIC ENGAGEMENT APPROACH

Increase transparency of the decision-making process, assumptions, and analysis inputs

Advisory groups will serve as the primary engagement mechanisms for collaboration and consensus building for this UGM process. In addition to these groups, engagement with other interested individuals, communities and organizations will be an important element of the engagement strategy.

- Provide information to the public about urban growth management and its function in clear, engaging, and simplified ways
- Encourage public access to review city expansion proposals with opportunities to submit public comments
- Demystify the urban growth management decision-making process, correct common misunderstandings about the role of Metro and the UGB, and increase access to the background analysis and data that make up the Urban Growth Report
- Emphasize the Urban Growth Report (UGR) as a decision-support tool: The draft UGR that staff will release in the summer of 2024 will not be a conclusive determination of regional need for land. The draft UGR will provide high quality, peer-reviewed analysis that will serve as a decision support tool for policy makers
- Focus on readiness: Focus policy discussions on the readiness of cities to urbanize possible expansion areas (concept planned Urban Reserves)
- Deepen understanding of and access to Council decision-making process

- The Council's decision will include a regional housing needs analysis. That analysis will inform a subsequent Regional Housing Coordination Strategy that Metro is required to complete by the end of 2025.

- Expand awareness of potential equity impacts

ENGAGEMENT ACTIVITIES

Summary

Group	**Level of engagement** (inform, consult, involve, collaborate, empower)	**Discussion format and purpose**
MPAC	Involve	Monthly or bimonthly updates; advice given to Council
MTAC	Consult	Monthly meetings; feedback given to MPAC
CORE	Involve	4-6 meetings over the course of the project; feedback given to staff and Council
Metro Council	Decision-maker	Bi-monthly work sessions; feedback given to staff; receive feedback from advisory committees; listening role on stakeholder roundtable; decision makers
Stakeholder roundtable	Involve	Monthly or bi-monthly meetings to provide input and feedback on urban growth report analyses; feedback given to staff
Youth cohort	Involve	8 meetings; feedback shared with staff, MPAC, and Council
Land use technical advisory group	Involve/Collaborate	Collaboration and technical advice given to staff
Metro cities and counties	Involve	Direct communication with Metro staff and Councilors

		through proposal process, surveys, interviews, and visits
General public	Inform and consult	Outreach via Metro website, social media, and open invites to public meetings

Metro advisory group meetings

MPAC

The Metro Policy Advisory Committee (MPAC) will be engaged in policy discussions like those that the Council engages in throughout the process. MPAC will be asked for its advice to the Metro Council in late summer 2024. MPAC's advice will focus on policy options for increasing the region's readiness for housing and employment growth and the merits of any city proposals for handling some of that growth through concept planned UGB expansions.

MTAC

The Metro Technical Advisory Committee (MTAC) will provide advice on technical aspects as needed. Local jurisdiction staff review of the buildable land inventory will be essential and Metro will reconvene the ad-hoc Land Use Technical Advisory Group, which has overlap with MTAC membership for this purpose. MTAC will also be asked to review of any city proposals for UGB expansions. Lastly, MPAC may request MTAC's technical advice on topics.

CORE

Metro's Committee on Racial Equity's (CORE) advice will be sought on the formation of a diverse youth cohort to both learn about and advise on Metro's growth management approach. After additional discussion with CORE, staff will identify the appropriate timing of further engagement with the committee over the course of this work program. CORE has, in particular, expressed an interest in reviewing city proposals for UGB expansions.

Metro Council meetings

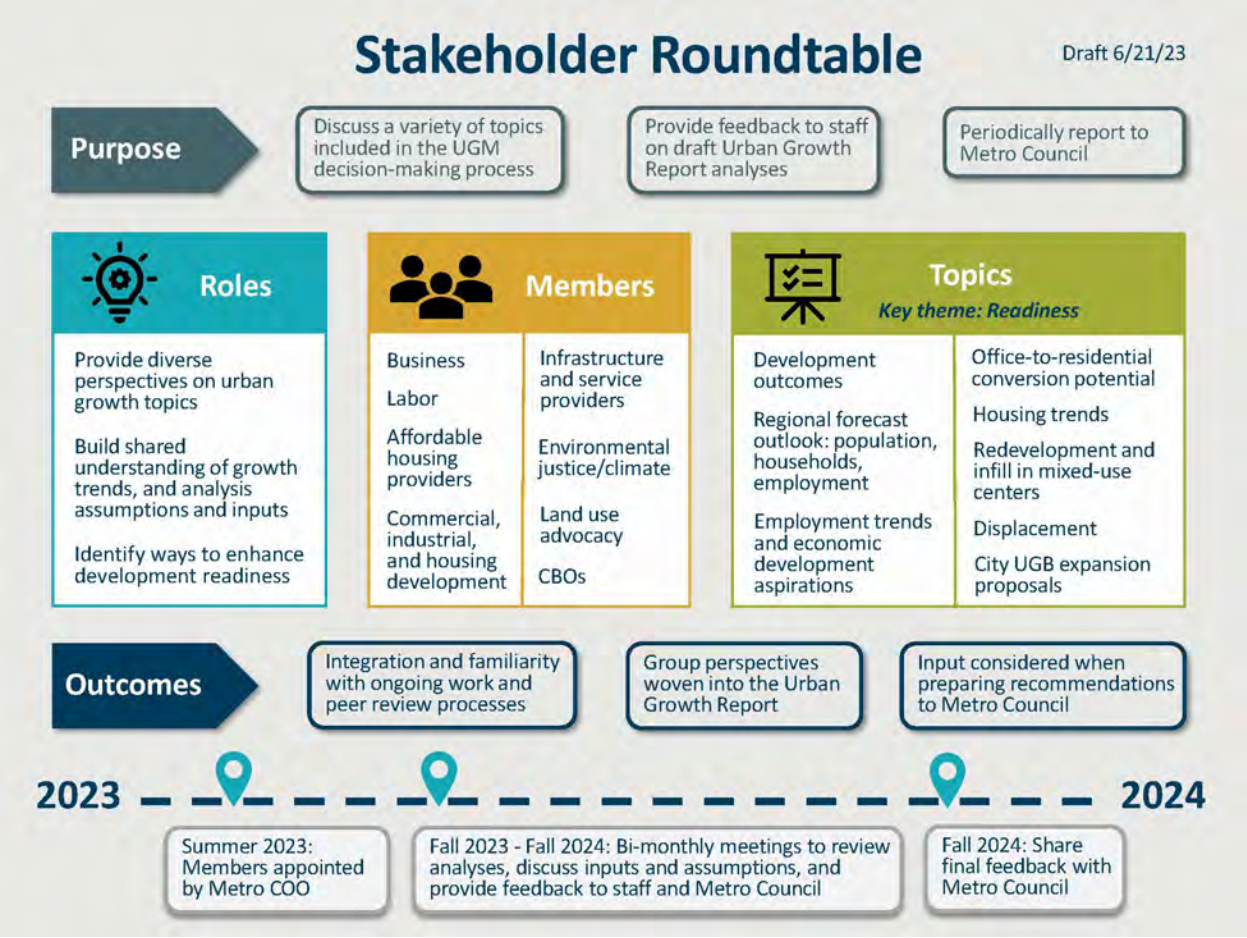
Leading up to the Council's decision in late 2024, policy makers will engage in discussions of a variety of growth and development trends as well as reviewing any UGB expansion proposals submitted by cities. Policy maker discussions will focus on development readiness, additional actions that may be needed to increase housing production and economic growth inside existing urban areas, and specific city proposals for addressing housing and employment needs in UGB expansion areas. Metro Councilors will engage directly with their local elected counterparts throughout this process. Metro Councilors will also be invited to observe stakeholder roundtable discussions.

Stakeholder roundtable

For the 2024 urban growth management decision, Metro staff will convene a stakeholder roundtable to inform the content of the 2024 UGR through contributing their perspectives on the content and analyses. To facilitate stakeholder roundtable discussions, staff will convene the group throughout this process, bringing forward summaries of ongoing work around growth trends and other relevant topics.

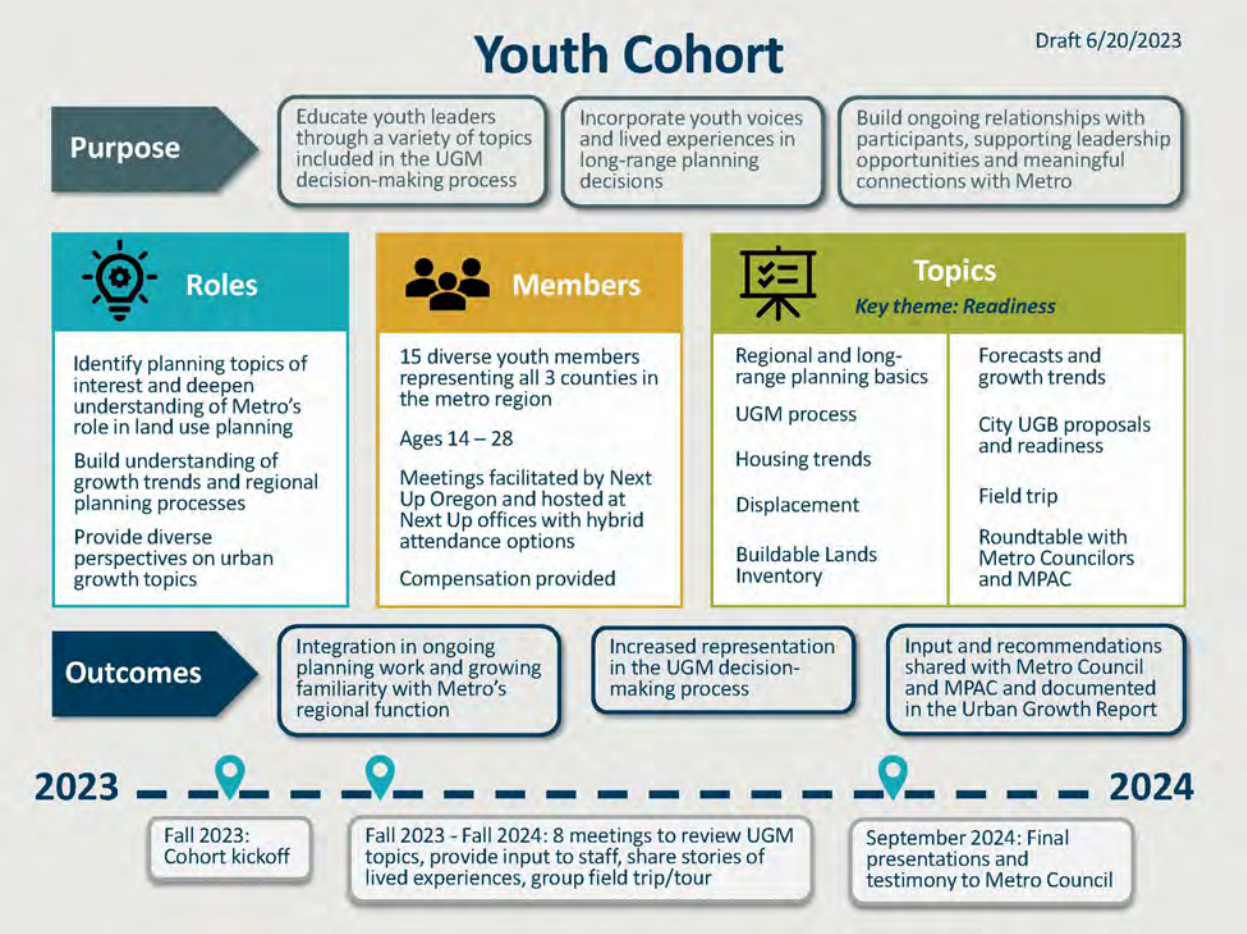
Stakeholder roundtable discussions and perspectives will be reflected in the 2024 UGR and the Metro COO will consider the group's feedback on a variety of topics when preparing recommendations for the Metro Council. To provide that feedback, the committee will have regular opportunities to familiarize itself with ongoing work and peer review processes. Committee representatives will be asked to summarize the group's discussions at Metro Policy Advisory Committee (MPAC) and Metro Council meetings.

Staff will consider the group's feedback when preparing a recommendation for the Metro Council UGB decision.



Youth cohort

In addition to the stakeholder roundtable, staff will convene a youth cohort with the intention of providing leadership opportunities and seeking a younger generation's perspective on long-range planning related topics. The youth cohort will support integration and growing familiarity with ongoing planning work and increase representation in the UGM decision-making process. Input and recommendations from the youth cohort will be shared with Metro Council, MPAC, and CORE.



Technical peer review groups

Several technical peer review groups will be engaged in the development of the 2024 UGR. Those will include:

Regional Forecast: a peer review group consisting of economists and demographers will review regional forecast methods and results.

Buildable land inventory: the Land Use Technical Advisory Group, consisting of local jurisdiction planning staff and other development specialists will review buildable land inventory and growth

capacity estimation methods and results. The draft inventory will also be made available for review by all local jurisdictions.

Additional interest group presentations

As different components of the project are completed, Metro staff will provide update presentations to various jurisdictions, professional associations, and other interest groups. Examples of these groups include County planning directors, Greater Portland Inc, Economic Development Local Practitioners, and the Commercial Association of Brokers.

These presentations will occur at various times leading up to the conclusion of the project. Metro staff will compile a final summary list of these presentations and audiences as part of the urban growth report engagement section.

Local jurisdiction engagement

As described in this engagement summary, this decision-making process is centered on city readiness. As such, there will be a heavy emphasis on the merits of city proposals for concept planned UGB expansions.

Metro staff, Councilors, and the Chief Operating Officer will conduct outreach to local elected officials and planning staff to understand plans for growth, challenges in their communities, and resource needs. These conversations will increase transparency and communication between Metro and local jurisdictions and help Metro to anticipate forthcoming expansion proposals. Additionally, this information will be used to update and improve the 2040 planning and development grants program to better meet the discussed needs.

Cities will be responsible for leading local engagement on concept planning Urban Reserve areas. Public engagement is a required component of developing and submitting a concept plan for a proposed expansion area. The concept plans for proposed expansion areas will be released as appendices to the Urban Growth Report and made available for region-wide public feedback.

Local jurisdiction staff will also have opportunities to provide peer review of the buildable land inventory.

Public communication

The public will have access to the progress of the urban growth report and accompanying analyses throughout the project as the Metro project page is periodically updated.

Metro website and news articles

The UGM project page could include a variety of elements to present the analyses and background information in a simplified, clear, engaging way. The purpose is to provide robust data and a comprehensive analysis of the region and its needs in a compelling format that invites greater understanding of the decision-making process and opportunities for feedback. Examples of potential web features include:

- Interactive map
- Urban Growth Boundary myth vs. reality "quiz"
- Quick learning guides about UGR components
- "What's in a BLI?"
- Displacement analysis
- Our region in numbers
- Guide for submitting comments about the UGR

Social media

Metro's social media channels, primarily Instagram, can be used to present key graphics to reach a broad audience and direct them to learn more about urban growth management and clarify common misconceptions or misunderstandings about this work. The goal of this outreach is to be eye-catching and accessible. Social media posts could include:

- UGB comic
- Youth cohort field trip footage
- Slideshow explainers of different analyses or interesting findings
- Time capsule series – look through UGB decisions of the past – "where are they now"

Public hearings

Most Metro advisory committee meetings during this process are open to the public. The most formal opportunity for testimony is the official public hearing in September 2024 to discuss the COO recommendations. However, beyond this opportunity, the public may participate in additional meetings through listening in to the presentations and are welcome to send comments and questions to the project team. The website will be kept current to provide information about relevant public meetings.

PROJECT TIMELINE



Technical work and analysis

Forecasts — Trends analysis
Land inventories — Modeling

Stakeholder engagement

Jurisdictional outreach
Stakeholder group
Youth cohort

City expansion proposals

Dec 2023: Letters of interest due
April 2024: Proposals due
2040 Planning & Development Grants available

Metro Council decision

Summer 2024: Draft UGR
Stakeholder group, COO recommendations
Fall 2024: MPAC, CORE recommendations
Council direction to staff
Public hearings
Dec 2024: Council decision

Detailed engagement timeline

Summer 2023: Convene stakeholder roundtable; Convene Land Use Technical Advisory Group to provide advice on methods for determining the buildable land inventory

Fall/winter 2023: Convene youth cohort; Local jurisdiction review of preliminary buildable land inventory results

December 1, 2023: Cities submit letters of interest for UGB expansions

Winter 2023/2024: Peer review of regional population, household, and employment forecast

April 5, 2024: City proposals for UGB expansions due

June 28, 2024: Release draft UGR and appendices

June 28, 2024: Public comment period open for the UGR and city expansion proposals

July 9, 2024: Council work session discussion of draft UGR

July 17, 2024: MTAC discussion of draft UGR

July (TBD), 2024: Stakeholder roundtable discussion of draft UGR

July 18, 2024: CORE discussion of draft UGR

July 24, 2024:	MPAC discussion of draft UGR; request any MTAC advice
July 31, 2024:	Public comment period for the UGR and city expansion proposals ends
August 23, 2024:	Release COO recommendation
September 3, 2024:	Council work session on COO recommendations
September 11, 2024:	MPAC discusses recommendations to Council; request any final MTAC advice
September 18, 2024:	MTAC advice to MPAC, if requested
September 19, 2024:	CORE recommendation to Council
September 21, 2024:	Council holds public hearing on COO recommendations
September 25, 2024:	MPAC recommendation to Council
October 1, 2024:	Council provides direction to staff at work session
Oct-Nov, 2024:	Complete various required notice procedures
November 28, 2024:	Council first reading of ordinance; public hearing
December 12, 2024:	Council second reading of ordinance; decision

ENGAGEMENT ROLES AND RESPONSIBILITIES

<table>
<tr>
<td>Policy partnerships: Council, MPAC, CORE

• Provide leadership and policy direction to staff
• Build partnerships and collaborate
• Engage partners and the public
• Incorporate input from partners, advisory groups, and the public</td>
<td rowspan="3">Community partnerships: Stakeholder roundtable, youth cohort, interest groups, public

• Provide community values, needs and priorities
• Provide youth lived experience and perspective
• Provide ideas and solutions
• Provide input and feedback to Metro staff and decision-makers</td>
</tr>
<tr>
<td>Technical partnerships: MTAC, land use technical advisory group

• Implement policy direction to update urban growth report
• Provide technical expertise
• Keep decision-makers informed of progress
• Incorporate input from partners and the public
• Make recommendations to decision-makers</td>
</tr>
<tr>
<td>Technical support: Metro staff, EcoNorthwest, Johnson Economics

• Implement policy direction to update plan
• Provide technical expertise
• Keep decision-makers informed of progress
• Incorporate input from partners and the public
• Make recommendations to decision-makers and advisory groups</td>
</tr>
</table>

Urban growth management committees

Draft - 8/31/23

Adopt

Advise and recommend

Advise and provide feedback

Metro

Metro Council

Makes urban growth management decisions every six years based on information from staff and the community

Elected officials - Six Councilors and Metro Council President

A public hearing will be held before the urban growth management decision - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-council

CORE

Advise Metro Council on strategies to advance racial equity across Metro's work areas

Members appointed by Metro Council

Standing committee with monthly meetings - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/committee-racial-equity

MPAC

Advise the Metro Council on land use issues, including the urban growth boundary - established by the Metro Charter

21 voting members representing cities, counties, special districts and the public, and six non-voting members. Three Metro Councilors also participate as non-voting liaisons.

Meetings are the fourth Wednesday of each month - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/metro-policy-advisory-committee

MTAC

Provide technical feedback to MPAC on regional land use issues including the urban growth boundary

35-member committee defined by the Metro Charter and made of planners, citizens, and business representatives

Meetings are monthly on the third Wednesday from Jan to Sept - *open to the public*

https://www.oregonmetro.gov/regional-leadership/metro-advisory-committees/metro-technical-advisory-committee

LUTAG

Provide Metro staff with technical advice on the 2024 Urban Growth Report methods and results, with a particular focus on estimates of housing and job capacity based on local knowledge

Local land use planners from jurisdictions within the Metro boundary and other technical experts from interested organizations

Fall 2023 through spring 2024, meetings as needed

Youth cohort

Members learn about regional urban growth management in Oregon and how to participate in decision-making

15 young people from across the region, ages 14-25

Eight meetings, from fall 2023 - fall 2024

Urban growth report stakeholder roundtable

Members contribute perspectives to the content of the 2024 Urban Growth Report

Range of stakeholders representing a variety of industries and work or live in different parts of the region

Monthly meetings September 2023 to spring 2024 - *open to the public*

Memo

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Date: June 13, 2023
To: Metro Council President Peterson and Metro councilors
From: Ted Reid, Principal Regional Planner
Subject: 2024 urban growth management decision: preliminary discussion of possible conditions of approval

Purpose

The Metro Council will make its next cyclical urban growth management decision in December 2024. As described in the work program endorsed by the Council, the Council's decision will be supported by extensive analysis and engagement. If the Council determines that there is a regional need to expand the urban growth boundary (UGB), it may choose among designated urban reserve areas for expansion. Per the Urban Growth Management Functional Plan, the Council will also place conditions of approval on any expansion. This memo is intended to begin a Council discussion about its priorities for any such conditions of approval.

Concept planning requirements

Since 2010, the Metro Council has had a policy to only expand the UGB into urban reserves that have been concept planned by a local jurisdiction. To ensure that this requirement is not a barrier, Metro provides grant funding for concept planning. Title 11 (Planning for New Urban Areas) of Metro's Urban Growth Management Functional Plan describes what must be included in a concept plan. Those requirements cover topics like infrastructure locations, funding sources, ecological protection, transportation connectivity, parks, trails, affordability, housing choice, and a healthy economy. This concept planning requirement has proven crucial for ensuring that a city is ready to urbanize an expansion area.

However, notably absent from those provisions are specific requirements for housing or job densities, affordability, and housing mix. Title 11's flexibility recognizes that these local plans need to respond to local contexts as well as regional needs. The potential flipside of this flexibility is that there may be a lack of clarity about what makes for a compelling UGB expansion proposal.

Some of this ambiguity is resolved by newer state laws and administrative rules. For example, when completing concept plans, local jurisdictions are mindful of complying with state laws such as those that require allowing for a variety of middle housing types in neighborhoods that allow single-family housing.

UGB conditions of approval

Title 14 (Urban Growth Boundary) of Metro's Functional Plan (section 3.07.1455) directs the Metro Council to impose conditions of approval on UGB expansions to designate a 2040 Growth Concept design type for the expansion area, and to identify the number of dwelling units expected to be provided in the area. That code section goes on to provide that the Council may:

"(c) … establish other conditions it deems necessary to ensure the addition of land complies with state planning laws and the Regional Framework Plan. If a city or county fails to satisfy a condition, the Council may enforce the condition after following the notice and hearing process set forth in section 3.07.850 of this chapter."

The above-quoted code provision provides the Metro Council with broad authority to impose conditions of approval on UGB expansions to satisfy the goals and policies in the Regional Framework Plan. It also expressly provides the Metro Council with authority to enforce those conditions under Title 8 of the Functional Plan.

Policy considerations for the Metro Council

Pending a Metro Council determination that there is a regional need to expand the UGB in 2024, to further clarify its policy interests the Metro Council may wish to consider the conditions of approval that it would place on any UGB expansions. Initiating that discussion now provides the Council with an opportunity to consider its options and provide additional clarity to any cities that may propose a UGB expansion in 2024[1]. These conditions of approval also provide an opportunity for the Council to require development that it believes will advance its equity goals.

To facilitate the Council's initial discussion, staff has identified several topic areas that the Council could address in UGB conditions of approval. The following list is illustrative and includes examples of topics that have been addressed in past conditions as well as examples of topics that would be new for UGB conditions. The Council may wish to direct staff to develop options around these or other topic areas for further discussion by the Metro Policy Advisory Committee, the Metro Policy Advisory, and the Metro Council. Additional topics may emerge as the Council and advisory committees learn more about possible city proposals for UGB expansions.

- Minimum housing densities that exceed what would be expected with compliance with state laws for middle housing.
- A specific mix of housing types that must be allowed, for instance specifying a minimum share certain housing types.
- Requirements for planning for a mix of commercial and residential uses.
- Affordability provisions that could include, for instance, requirements for deed restrictions to ensure affordability for a specified time period.
- Industrial site protections that provide more specificity than current regional industrial land regulations. For example, there are no regional regulations that prohibit residential

[1] Per the work program endorsed by the Metro Council, letters of interest will be due December 1, 2023 and UGB expansion proposals will be due April 5, 2024.

uses in industrial areas or that specify which types of industrial uses are allowed (e.g., manufacturing, data centers, or fulfillment centers). Conditions of approval could provide additional clarity about intended uses.
- Site assembly requirements for large industrial sites.
- Public engagement expectations for city comprehensive planning after UGB expansion.
- Expected timelines for comprehensive planning.

Additional considerations for drafting conditions of approval

Over the last few growth management decisions, the conditions of approval adopted by the Council have become more specific, moving from asserting a minimum number of homes to plan for to requiring allowing for certain housing types. This specificity can be helpful for advancing Metro Council policy objectives and can provide clarity for cities as they proceed with comprehensive planning and zoning. However, this specificity can also present unforeseen challenges since local market, connectivity, or ecological factors are not always fully understood at the concept planning stage or at the time that conditions are adopted.

Staff suggests the following considerations when contemplating possible conditions of approval:

- Outside of adopting new regulations that apply regionally, the adoption of UGB conditions of approval is one of the Metro Council's few opportunities to advance its land use policy goals and to specify its expectations for any areas that it adds to the UGB. These conditions provide guidance to local jurisdictions and to Metro staff as we engage in subsequent local comprehensive planning efforts.
- Conditions of approval are developed without the benefit of the extensive analysis and engagement that a city undertakes when adopting comprehensive plan and zoning designations. Consequently, Metro should be mindful of how prescriptive its conditions of approval are so that cities can undertake more deliberate work to develop comprehensive plan and zoning designations. For instance, there may be legitimate questions about the market feasibility of certain housing types in certain locations.
- There is no need to reiterate or restate existing Metro regulations or state law requirements in conditions of approval. Doing so may create additional confusion. For instance, conditions of approval need not reiterate HB 2001 middle housing requirements. Conditions only need to address middle housing if they will establish requirements that exceed existing laws or regulations.
- Vague conditions can be hard to interpret by cities and difficult to enforce by Metro.
- Establishing deadlines for comprehensive planning can be useful for shortening the time between UGB expansion and development, but cities may also run into unexpected delays that are beyond their control. Consider a mechanism for Metro staff (COO) to grant extensions when necessary.

Materials following this page were distributed at the meeting.

Urban growth management update

Metro Council Work Session
September 19, 2023

009256

Overview

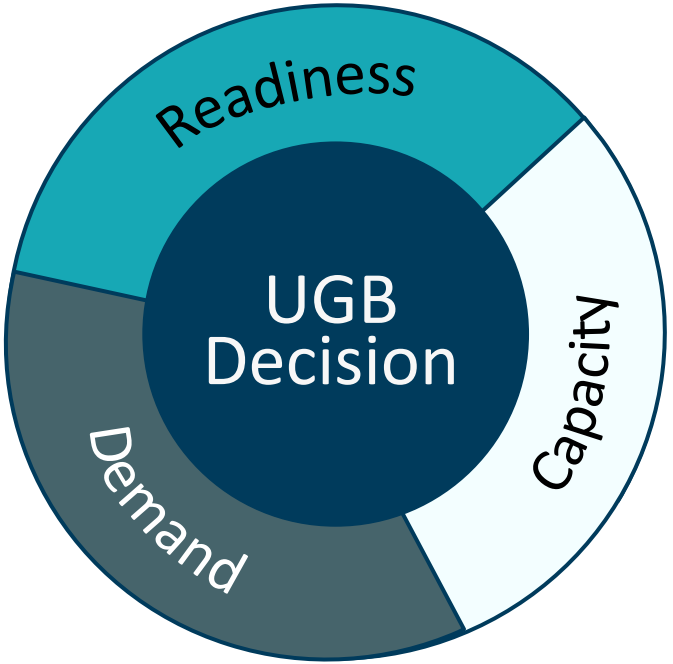
- Last visit in March
- UGB workplan
  - Importance of land readiness
  - The urban growth report will be your decision support tool

The Urban Growth Report

A decision support tool

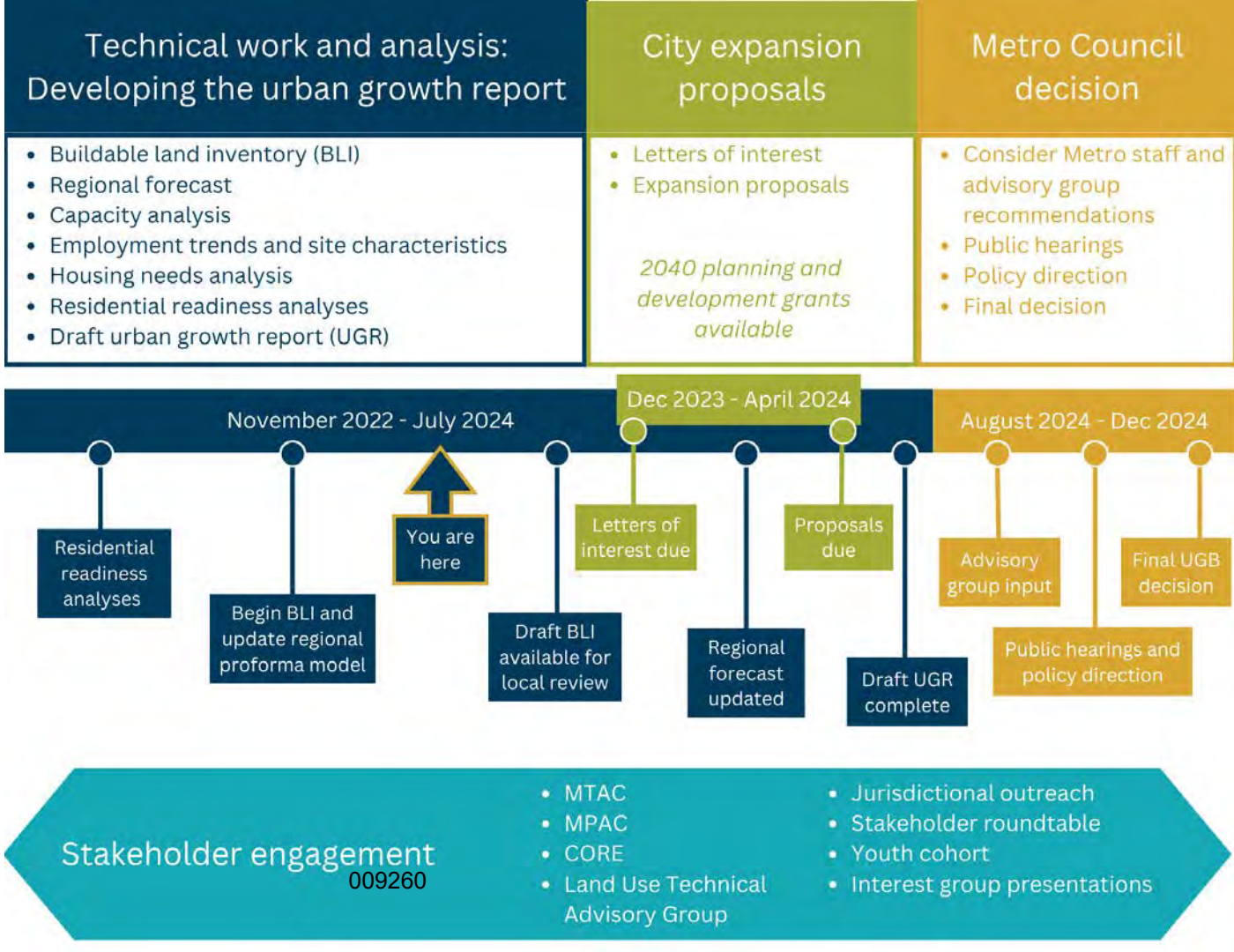
Information about demand, capacity and readiness in our urban reserves

UGB decision in Dec. 2024



009259

2024 UGM decision



Background

- Last visit in March
- Engagement plan overview
- Possible “conditions of approval” for Council to consider



Engagement plan overview

- Stakeholder roundtable
- Jurisdictional outreach
- Youth cohort
- Public communication
- DEI and CORE
- MTAC and MPAC

Stakeholder roundtable purpose

1. Transparency
2. New perspectives on the 2024 UGR
3. Discover topics related to growth that are important to stakeholders (regional vision)
4. Staff will consider the group's feedback when preparing a recommendation for the Metro Council UGB decision

Stakeholder roundtable

- 23 members appointed by Metro COO
- First meeting September 29, 2023
- First meeting topics: introductions, work program, development outcomes
- Second meeting topic: how we measure capacity inside UGB

Jurisdictional outreach

- Outreach with City Managers
- Visits with planning staff underway













009265

Interest group presentations

- Beaverton Chamber
- Washington County Chamber
- Commercial Assoc of Brokers
- WEA
- WCCC
- GPI small cities consortium

Youth cohort with Next Up

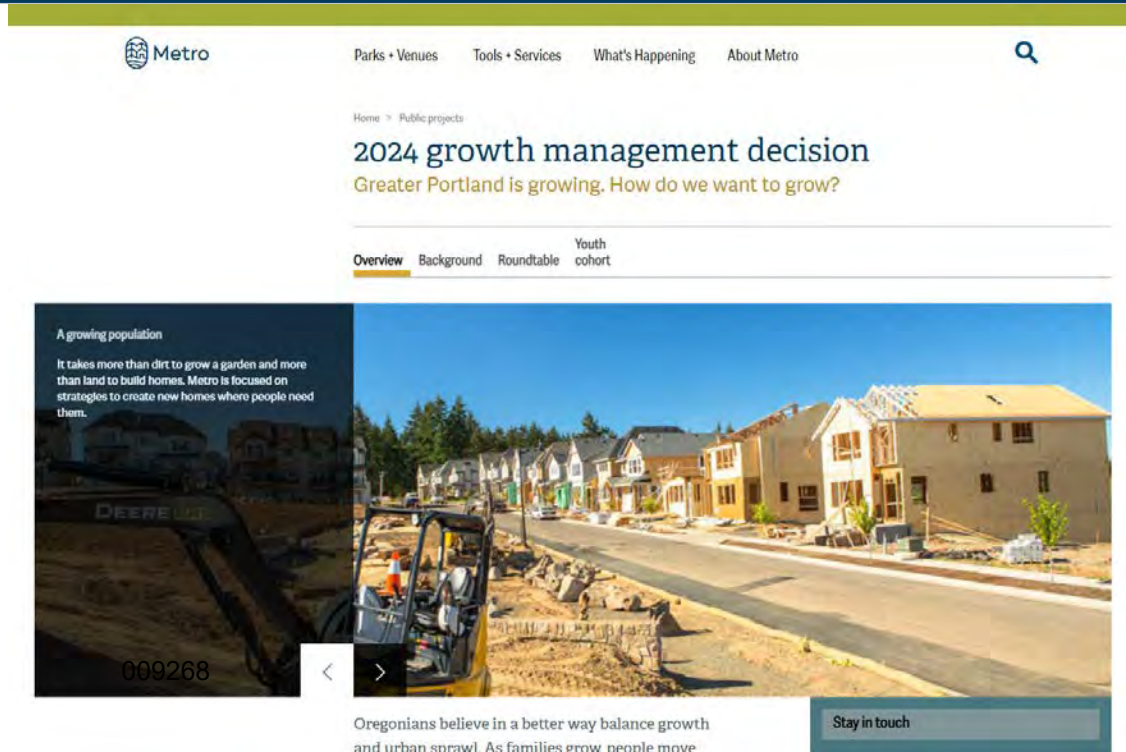
- Sept 2023 – Dec 2024
- 8 cohort meetings
- Field trip
- Council engagement



Additional engagement

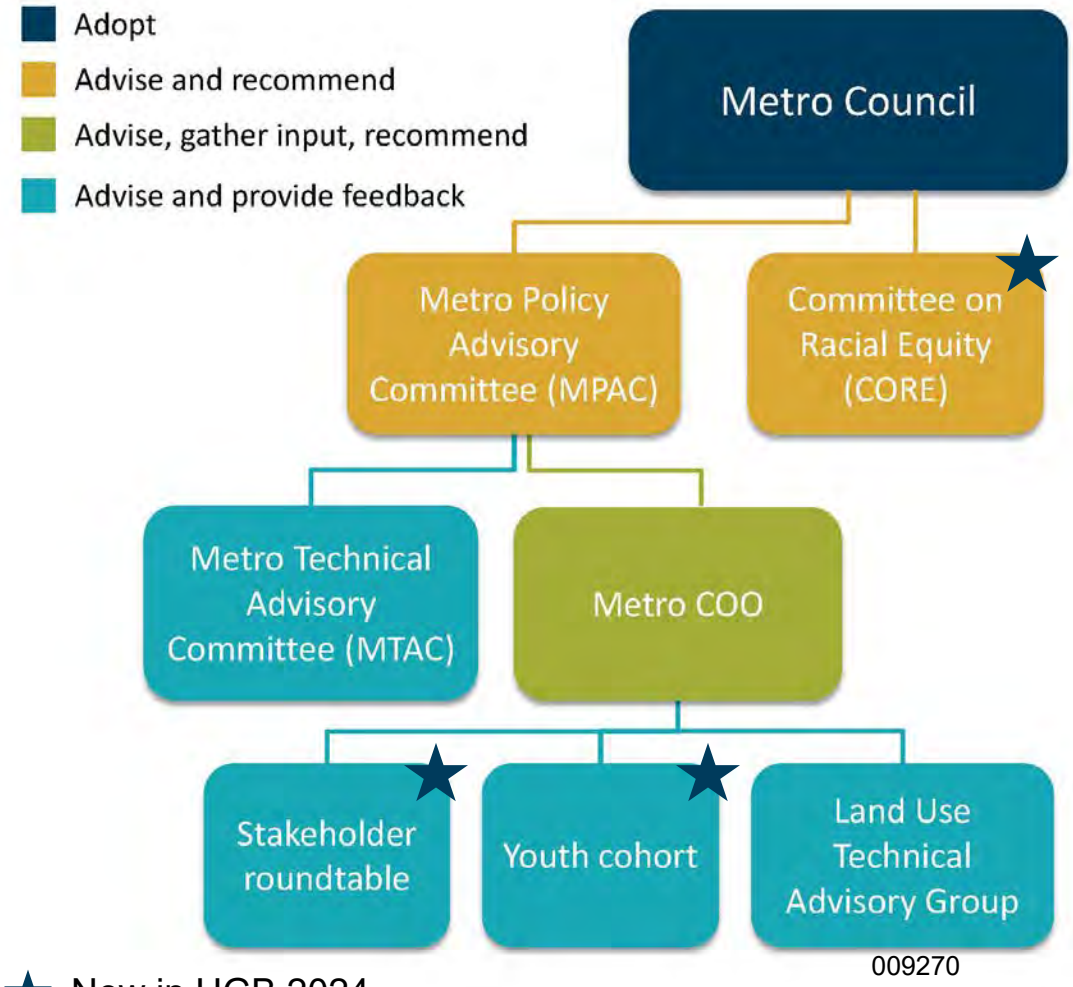
Project web page

Public comment period to review city expansion proposals (2024)



DEI and CORE

- CORE interest in UGB process involvement
- CORE provided youth cohort advice
- Planning and DEI staff working together



★ New in UGB 2024

Decision-making framework

oregonmetro.gov



UGR roundtable membership

Housing developers
Industrial brokers
Real estate
Farming
Affordable housing

Local mayors
Business organizations
Land advocacy
Labor

Ideals: Regional balance, gender and racial balance

Metro Council conditions of approval

- Part of growth management ordinance
- Provide clarity for cities proposing UGB expansions
- Supplement regional regulations or state law if needed
- Advance Metro Council priorities

Housing density, mix & affordability

Supplement existing requirements

Require affordability



Mix of uses

Keep destinations close by

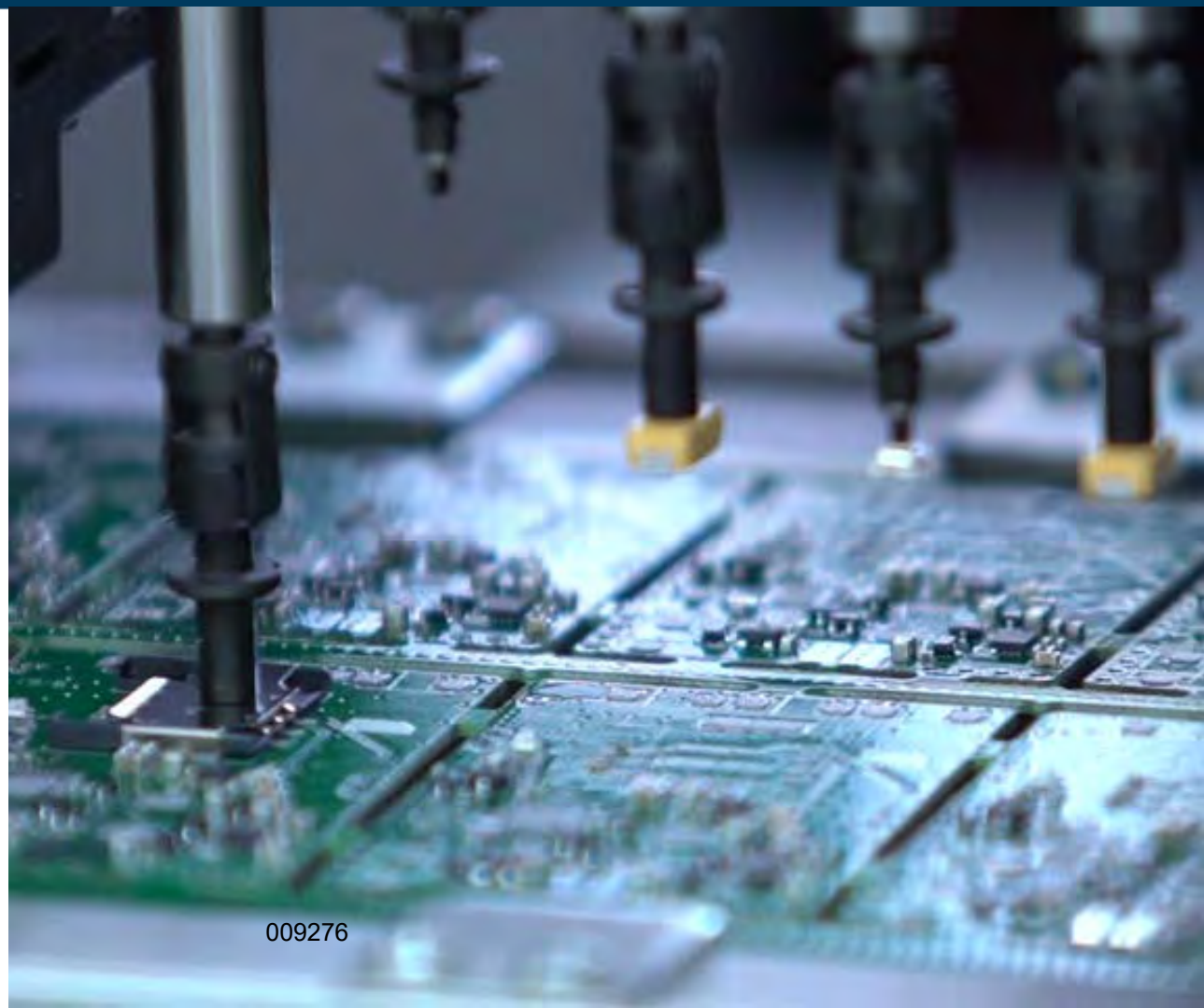
Create small business opportunities



Industrial lands

Aggregate large sites

Protect from conflicting uses



Public engagement expectations

City comprehensive planning



Deadlines

City comprehensive planning



600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov

METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes

July 26, 2023

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon (Chair)	City of Gresham, Second Largest City in Multnomah County
Alex Howard	Port of Portland
Gordon Hovies	Special Districts in Washington County
Kim Harless	City of Vancouver
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Gerritt Rosenthal	Metro Council
Sherry French	Special Districts in Clackamas County
Nadia Hasan	City of Beaverton, Second Largest City in Washington County
Mark Shull	Clackamas County
Duncan Hwang	Metro Council
Kirstin Greene	Oregon Department of Land Conservation and Development
Sharon Meieran	Multnomah County
Pam Treece	Washington County
Ed Gronke	Citizen of Clackamas County
Denyse McGriff	City of Oregon City, Second Largest City in Clackamas County
Carmen Rubio	City of Portland
Mary Nolan	Metro Council
Steve Callaway	Largest City in Washington County

MEMBERS EXCUSED	AFFILIATION
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Tim Rosener	Other Cities in Washington County
Ted Wheeler	City of Portland
Glen Yung	Clark County
Brian Cooper	City of Fairview, Other Cities in Multnomah County
Brian Hodson	City of Canby, City in Clackamas County outside UGB
Omar Qutub	Citizen of Multnomah County
James Fage	City of North Plains, City in Washington County outside UGB
Susan Greenberg	Beaverton School Board, Governing Body of a School District
Terri Preeg Riggsby	Special Districts in Multnomah County
Luis Nava	Citizen of Washington County
Thomas Kim	TriMet

ALTERNATES PRESENT	AFFILIATION
Amira Streeter	Citizen of Multnomah County
Anthony Martin	Largest City in Washington County
Laura Kelly	Oregon Department of Land Conservation and Development

OTHERS PRESENT: Becky Hewitt, Madeline Baron, Laurie Petrie, Anna Slatinsky, Megan McKibben, Jamie Stasny, Jessica Pelz, Stephen Roberts, Miranda Bateschell, Adam Barber

STAFF: Connor Ayers, Jeff Kain, Anneliese Koehler, Catherine Ciarlo, Jaye Cromwell, Jenna Jones, Laura Combs, Ted Reid, Eryn Kehe, Anne Buzzini, Andy Shaw

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Chair Vince Jones-Dixon called the Zoom meeting to order at 5:00 PM.

Metro staff Connor Ayers (he/him) called the role.

Metro staff Jaye Cromwell confirmed that the committee had reached a quorum.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

No members of the public chose to provide testimony on agenda items.

3. COUNCIL UPDATE

Metro Councilor Duncan Hwang (he/him) began by providing an update on the agency's efforts to advance diversity, equity, and inclusion, particularly regarding trans inclusion.

He shared that the first Supportive Housing Services (SHS) annual report has been released, noting the successes and failures of the program.

Councilor Hwang then discussed updates on the 82nd Avenue transportation project.

The Councilor provided remarks on the Community Cleanups project, highlighting Metro efforts to clean up public spaces across the region.

Lastly, he noted that the public comment period for the 2023 Regional Transportation Plan is now open.

Metro Councilor Gerritt Rosenthal reported on a Driving Diversity seminar that encouraged diverse audiences to learn how to drive solid waste trucks.

Washington County Commissioner Pam Treece questioned if one of the Metro Councilors could provide an update on Metro's Strategic Targets work.

Metro staff Catherine Ciarlo (she/her) remarked that there is not the correct staff members present to provide comments on the Strategic Targets Plan, noting that she will work to provide more information in the following MPAC meeting.

Councilor Hwang briefly commented on the promises of the Strategic Targets work, noting that the plan will soon be shared more widely with the region.

4. COMMITTEE MEMBER COMMUNICATIONS

No members of the committee provided an update.

5. CONSENT AGENDA

5.1 Consideration of the June 28, 2023 MPAC Minutes

Chair Jones-Dixon called for a motion to approve the consent agenda.

MOTION: Clackamas County Commissioner Mark Shull moved to approve the consent agenda. City of Beaverton Councilor Nadia Hasan seconded.

ACTION: With all in favor, the consent agenda was approved.

6. INFORMATION/DISCUSSION ITEMS

6.1 Legislative Update

Chair Jones-Dixon introduced Metro staff Anneliese Koehler (she/her) and Jenna Jones (she/her).

Key elements of the presentation and member discussion included:

Jones began the presentation by discussing the Oregon Housing Needs Analysis, highlighting how the analysis has shaped the provisions of major housing legislation. Koehler discussed a policy package that emerged from the Oregon Semiconductor Competitiveness Task Force recommendations. Jones highlighted major legislative investments into regional projects.

Oregon Department of Land Conservation and Development Deputy Director Kirstin Greene mentioned that there is an additional $3.5 million dollars of legislative investment directed towards local governments implementing the provisions of House Bill 2001 (HB2001).

Committee member Amira Streeter (she/her) questioned what qualifies as a unit of measurement in the needs analysis of House Bill 3155 (HB3155).

Jones clarified that any kind of housing unit, whether an apartment, duplex, house, etc., can be qualified as a unit in this analysis, noting that the analysis filters by housing type.

Streeter then questioned why the analysis was set at a deadline of every six years, expressing concerns that there may be significant population changes over the course of six years.

Jones noted that the renewal of the analysis is set at six years to match Metro's Urban Growth Management (UGM) review which occurs every six years. She noted that they do consider the impact of population change.

Streeter asked if there is a metric for affordability, and how this metric is measured.

Jones explained that the newest versions of the analysis closely tying targets to housing affordability levels using area median income (AMI) as the metric.

City of Hillsboro Mayor Steve Callaway firstly reminded the committee that housing production is ultimately dependent upon developers, and that it is in the region's best interest for cities to cooperate to create affordable housing. He then asked what Metro's position will be on an Urban Growth Boundary (UGB) expansion produced as a result of House Bill 3414 (HB3414).

Koehler suggested that this bill will likely not come back through the legislature in the exact same form, noting the difficulty of providing a comment without the necessary details. She ultimately stated that Metro will need to analyze the issue HB3414 is attempting to solve before deciding if Metro wants to act towards expansion.

Councilor Rosenthal ensured that the Metro Council will be listening to input of cities on this issue.

6.2 Urban Growth Management and Engagement Update

Chair Jones-Dixon introduced Metro staff Eryn Kehe (she/her) and Laura Combs (she/her).

Key elements of the presentation and member discussion included:

Kehe began the presentation by providing context on the UGM decision, explaining the decision-making framework and the timeline on the process. She then remarked on the engagement plan, highlighting the efforts that will be undertaken to engage stakeholders, jurisdictions, and the public in this issue. Particular attention was given to the stakeholder roundtable, a new group being developed to help facilitate conversations regarding the UGM. Combs explained the role that the youth cohort will play in Metro's engagement efforts.

As this agenda item was closely tied to the next item, Chair Jones-Dixon moved onto the next agenda item.

6.3 Urban Growth Management Discussion: Long-Term Role of Housing Production in Housing Affordability (filtering); Gentrification and Displacement Trends

Kehe introduced Metro staff Ted Reid (he/him), as well as Becky Hewitt and Madeline Baron from ECONorthwest.

Key elements of the presentation and member discussion included:

Hewitt overviewed research performed by ECONorthwest on housing filtering, market functions, and gentrification with the purpose of guiding Metro's 2024 UGM decision. Baron discussed how new housing affects the affordability of existing housing, at both a regional and neighborhood scale. She noted that the Metro region has been underproducing housing, and with increasing demand for housing, new supply is needed to balance the costs of the housing market. Hewitt explained the risks for displacement, highlighting the areas of the Metro region that are the most at risk of large-scale gentrification.

City of Happy Valley Councilor Brett Sherman firstly questioned if the high interest rate environment of the modern housing market has impacted the filtering process.

Baron affirmed the Councilor's suggestion, stating that high interest rates significantly slow down the sorting process of housing.

Councilor Sherman then expressed concerns that boosting housing production, while improving the affordability of housing, would in effect decrease the average homeowner's value.

Baron stated that there is a conflict here, noting that the community interest in greater affordable housing is often in contention with the individual's interest to protect the value of their home. However, as our supply of housing is already so low, we could experience a large boost to the housing supply without drastically impacting home values.

Councilor Sherman explained that Happy Valley is looking to invest in equity-focused developments near transit centers; he questioned if there is a way to incorporate both transportation and housing factors into the UGM decision.

Hewitt clarified that it is vitally important to consider the overlap of housing and transportation in ensuring that these investments actually serve the populations they are intended to help. She also added that adding housing supply shouldn't simply be viewed as bringing the value of houses down, but rather moderating the pace of increase.

Committee member Ed Gronke questioned what solutions are available to solve the issues discussed in this presentation.

Hewitt explained that Metro's focus on readiness is critical to ensuring that the housing supply the region needs may actually be delivered to meet the demand. She also highlighted securing land investments, careful land use and zoning policy, and the removing of regulatory obstacles to further development as key pieces in solving these issues.

Chair Jones-Dixon requested that staff restate their guidance to cities for discussing this information with constituents.

Hewitt explained that bringing the available data to community members and developers may help fill in gaps in the data and better understand how to better support members of the public.

Councilor Rosenthal noted that roughly 25% of new housing production is listed as being needed for individuals in the below 30% AMI category. He asked where the rest of the housing production is needed most.

Baron provided a brief overview of housing need projections based on income-levels.

Seeing no further discussion on the topic, Chair Jones-Dixon moved onto the next agenda item.

ADJOURN

Chair Jones-Dixon adjourned the meeting at 6:49 PM.

Respectfully Submitted,

Jeff Kain

Jeffrey Kain
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JULY 26, 2023

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
5.1	Presentation	07/26/2023	MPAC Legislative Update	072623m-01
5.2	Presentation	07/26/2023	UGM Public Engagement Presentation	072623m-02
5.3	Presentation	07/26/2023	MPAC – Filtering and Displacement Presentation	072623m-03

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, July 26, 2023 **5:00 PM** **https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00 PM)

Please note: This meeting will be held online. You can join the meeting on your computer or other device by using this link: https://zoom.us/j/95889916633 or by calling +1 669 900 6128 or +1 877 853 5257 (Toll Free)
If you wish to attend the meeting, but do not have the ability to attend by phone or computer, please contact the Legislative Coordinator at least 24 hours before the noticed meeting time by phone at 503-813-7591 or email at legislativecoordinator@oregonmetro.gov.

2. Public Communication on Agenda Items (5:05 PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.
Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you
wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov. Those requesting to comment during the meeting can do so by using the “Raise Hand” feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:10 PM)

4. Committee Member Communication (5:15 PM)

5. Consent Agenda (5:20 PM)

5.1 Consideration of the June 28, 2023 MPAC Minutes COM 23-0724

Attachments: 062823 MPAC Minutes

6. Information/Discussion Items (5:25 PM)

6.1 Legislative Update (5:25 PM) COM 23-0719

Presenter(s): Anneliese Koehler (she/her), Metro
Jenna Jones (she/her), Metro

Attachments: MPAC Worksheet

6.2 Urban Growth Management Engagement Update (5:40 PM) COM 23-0722

Presenter(s): Eryn Kehe (she/her), Metro

Attachments: MPAC Worksheet
Draft Public Engagement Plan

6.3 Urban Growth Management discussion: Long-term Role of Housing Production in Housing Affordability (filtering); Gentrification and Displacement Trends (6:00 PM) COM 23-0720

Presenter(s): Ted Reid (he/him), Metro
Becky Hewitt (she/her), ECONorthwest

Attachments: MPAC Worksheet

7. Adjourn (7:00 PM)

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

6.2 Urban Growth Management Engagement Update

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, July 26th, 2023

Urban growth management public engagement plan

Metro Policy Advisory Committee
July 26, 2023

009290

2024 UGM decision



Technical work and analysis

Forecasts
Land inventories
Trends analysis
Modeling

Stakeholder engagement

Jurisdictional outreach
Stakeholder roundtable
Youth cohort

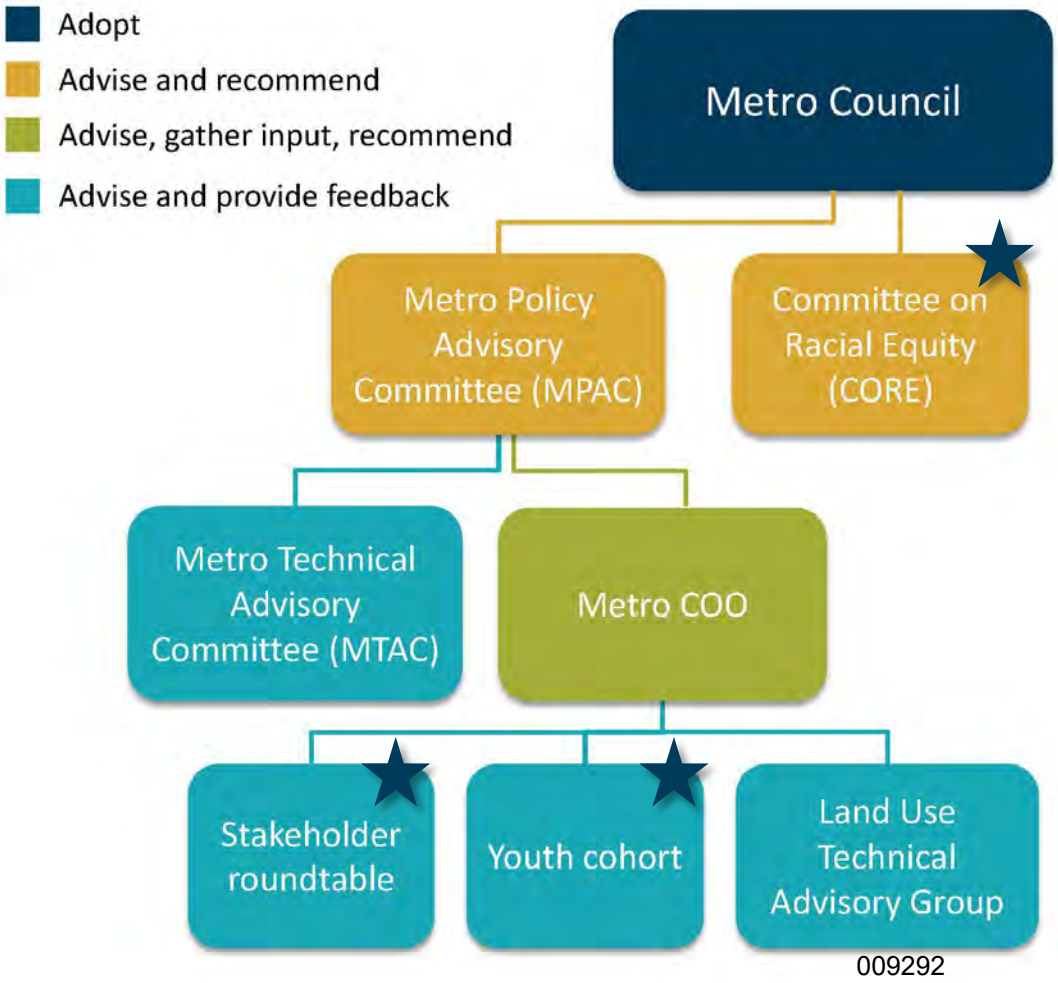
City expansion proposals

Dec 2023: Letters of interest due
April 2024: Proposals due
2040 Planning & Development Grants available

Metro Council decision

Summer 2024: Draft UGR
Stakeholder group, COO recommendations
Fall 2024: MPAC, CORE recommendations
Council direction to staff
Public hearings
Dec 2024: Council decision

009291



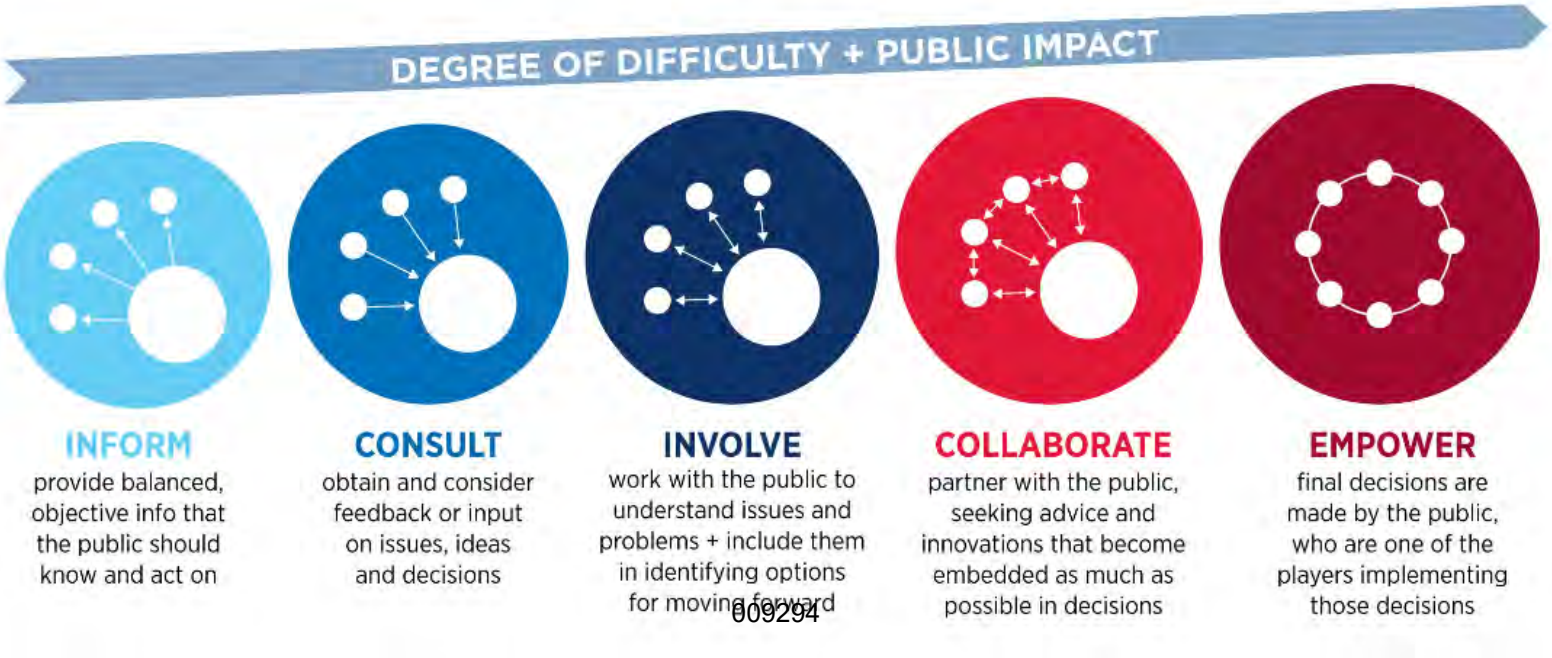
Decision-making framework

Engagement plan overview

- Metro committees
- Stakeholder roundtable
- Jurisdictional outreach
- Youth cohort
- Public communication



Levels of engagement



Levels of engagement

Inform	Consult	Involve	Collaborate
General public	MTAC	MPAC	LUTAG
	General public	CORE	
		Stakeholder Roundtable	
		Youth Cohort	
		LUTAG	
		Metro cities/counties staff and leadership	

Metro Council will act as the final decision-makers

- Advise and recommend
- Advise and provide feedback
- Provide feedback

Stakeholder roundtable

Membership outreach underway

First meeting – September 2023

First meeting topics: introductions, work program, development outcomes in past UGB expansion areas



009296

Stakeholder roundtable role

1. Contribute perspectives to the content of the 2024 Urban Growth Report
2. Staff will consider the group's feedback when preparing a recommendation for the Metro Council UGB decision

Potential membership

Housing developers
Industrial brokers
Real estate
Academia
Affordable housing

Local mayors
Business organizations
Land advocacy
Labor
Farming

Ideals: Regional balance, gender and racial balance

Stakeholder Roundtable

Draft 6/21/23

Purpose

- Discuss a variety of topics included in the UGM decision-making process
- Provide feedback to staff on draft Urban Growth Report analyses
- Periodically report to Metro Council

Roles

- Provide diverse perspectives on urban growth topics
- Build shared understanding of growth trends, and analysis assumptions and inputs
- Identify ways to enhance development readiness

Members

- Business
- Labor
- Affordable housing providers
- Commercial, industrial, and housing development
- Infrastructure and service providers
- Environmental justice/climate
- Land use advocacy
- CBOs

Topics

Key theme: Readiness

- Development outcomes
- Regional forecast outlook: population, households, employment
- Employment trends and economic development aspirations
- Office-to-residential conversion potential
- Housing trends
- Redevelopment and infill in mixed-use centers
- Displacement
- City UGB expansion proposals

Outcomes

- Integration and familiarity with ongoing work and peer review processes
- Group perspectives woven into the Urban Growth Report
- Input considered when preparing recommendations to Metro Council

2023 — **2024**

- Summer 2023: Members appointed by Metro COO
- Fall 2023 - Fall 2024: Bi-monthly meetings to review analyses, discuss inputs and assumptions, and provide feedback to staff and Metro Council
- Fall 2024: Share final feedback with Metro Council

Jurisdictional outreach

- City Manager outreach
- Visits with planning staff ongoing













009300

Youth cohort with Next Up

- Sept 2023 – Dec 2024
- 8 cohort meetings
- Field trip
- Council engagement



009301

Youth Cohort

Draft 6/20/2023

Purpose

- Educate youth leaders through a variety of topics included in the UGM decision-making process
- Incorporate youth voices and lived experiences in long-range planning decisions
- Build ongoing relationships with participants, supporting leadership opportunities and meaningful connections with Metro

Roles

- Identify planning topics of interest and deepen understanding of Metro's role in land use planning
- Build understanding of growth trends and regional planning processes
- Provide diverse perspectives on urban growth topics

Members

- 15 diverse youth members representing all 3 counties in the metro region
- Ages 14 – 28
- Meetings facilitated by Next Up Oregon and hosted at Next Up offices with hybrid attendance options
- Compensation provided

Topics

Key theme: Readiness

- Regional and long-range planning basics
- UGM process
- Housing trends
- Displacement
- Buildable Lands Inventory
- Forecasts and growth trends
- City UGB proposals and readiness
- Field trip
- Roundtable with Metro Councilors and MPAC

Outcomes

- Integration in ongoing planning work and growing familiarity with Metro's regional function
- Increased representation in the UGM decision-making process
- Input and recommendations shared with Metro Council and MPAC and documented in the Urban Growth Report

2023 – 2024

- **Fall 2023:** Cohort kickoff
- **Fall 2023 - Fall 2024:** 8 meetings to review UGM topics, provide input to s[illegible]re stories of lived experiences, group field trip/tour
- **September 2024:** Final presentations and testimony to Metro Council

Additional engagement

- Interest group presentations
- Social media and website updates
- Public comment period to review city expansion proposals (2024)

Questions/Discussion

Is anything missing?



oregonmetro.gov



Metro Residential Readiness Project

Market Functions, Gentrification, and Displacement Trends

Metro Policy Advisory Committee

July 26, 2023

ECONorthwest

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Introductions



Becky Hewitt

Project Director



Madeline Baron

Senior Project Manager

ECONorthwest

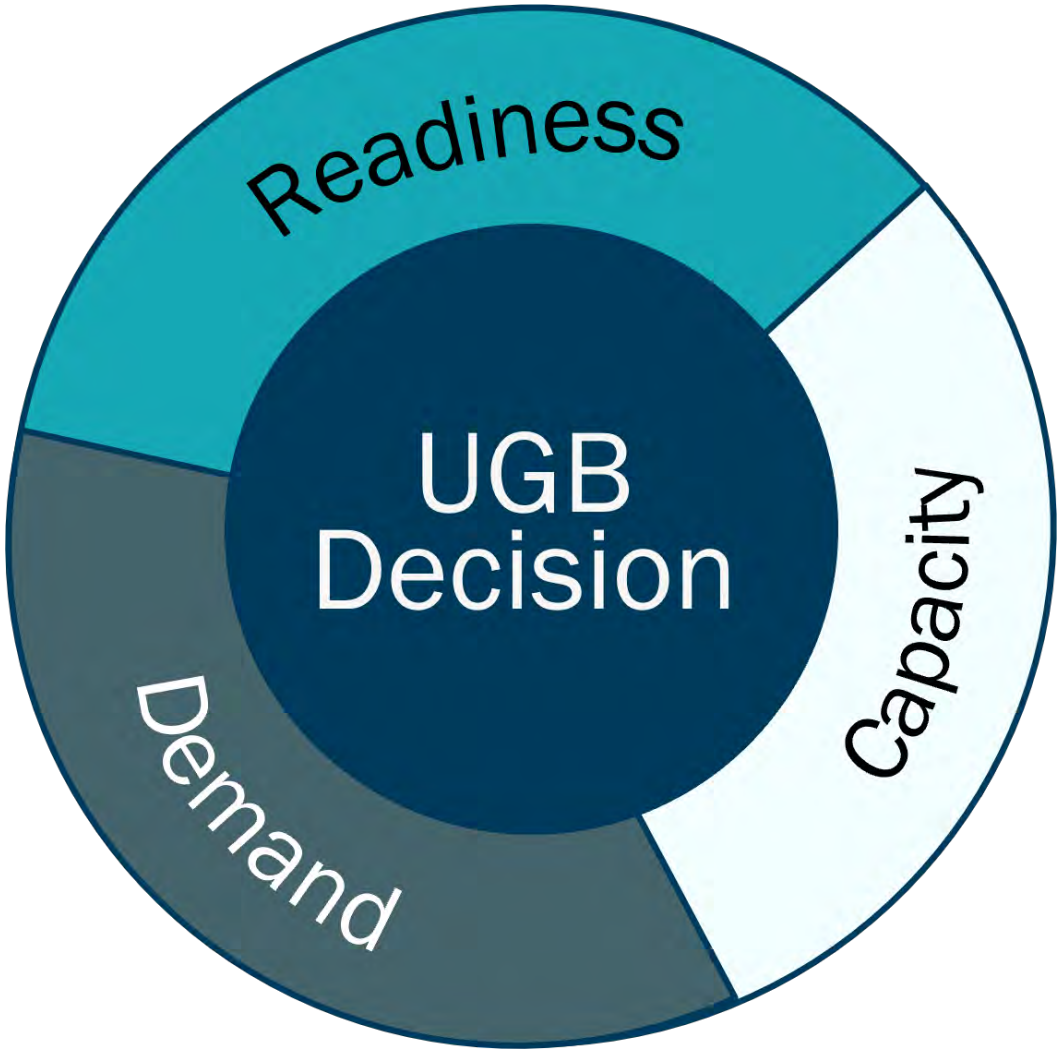
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Justin Sherrill

Technical Manager

The Urban Growth Report is a decision support tool



009308

Metro Residential Readiness Project

Research and analysis to guide Metro's 2024 Urban Growth Management Decision



009309

Presentation Overview

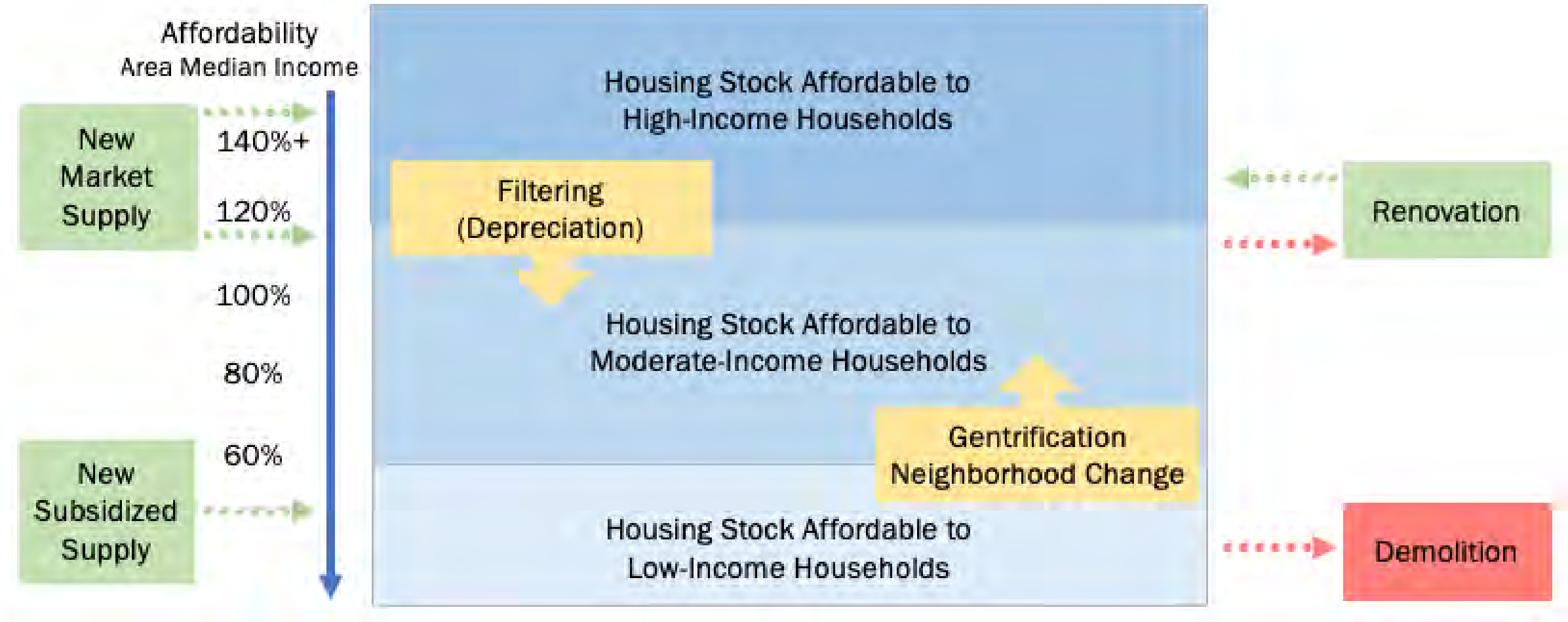
- Today's presentation:
  - **Housing Filtering & Market Functions:** How does new housing affect the affordability of existing housing, at a regional and neighborhood scale?
  - **Gentrification & Displacement Risk:** Where within the Metro region are gentrification and displacement risk highest?
- Questions

Housing Filtering & Market Functions

How Housing Markets Function

- Housing markets are subject to **supply and demand**
- They are also **influenced by government** interventions
- Housing markets need a **range of housing types** to meet the diversity of housing needs
- Household **preferences vary** (cost, location, size, and amenities)
- **New units do not directly replace old units**

How New Supply Affects the Regional Housing Market



Source: ECONorthwest

Importance of New Supply

- Metro region like other metro areas has been underproducing housing with big consequences

- With increasing demand for housing, new supply is needed to moderate prices



009314

How New Supply Affects Localized Market Conditions

- New supply is essential for filtering
  - Filtering takes decades and can reverse in undersupplied markets
  - Filtering will not reach affordability for very low-income households
- At the neighborhood level…
  - Research and opinions are mixed on how new housing supply impacts local neighborhood prices/rents
  - Most quantitative studies suggest the supply effect occurs
  - But personal experiences, neighborhood change, and cultural displacement are real

Gentrification and Displacement Analysis

Two Ways to Look at Gentrification and Displacement

Socioeconomic Vulnerability

- **Snapshot: concentrations of populations** who might be at risk of displacement

Gentrification Trends and Typology

- **Trends:** how demographics and/or housing market **conditions have shifted** relative to regional averages, with a focus on areas that have or had vulnerable populations

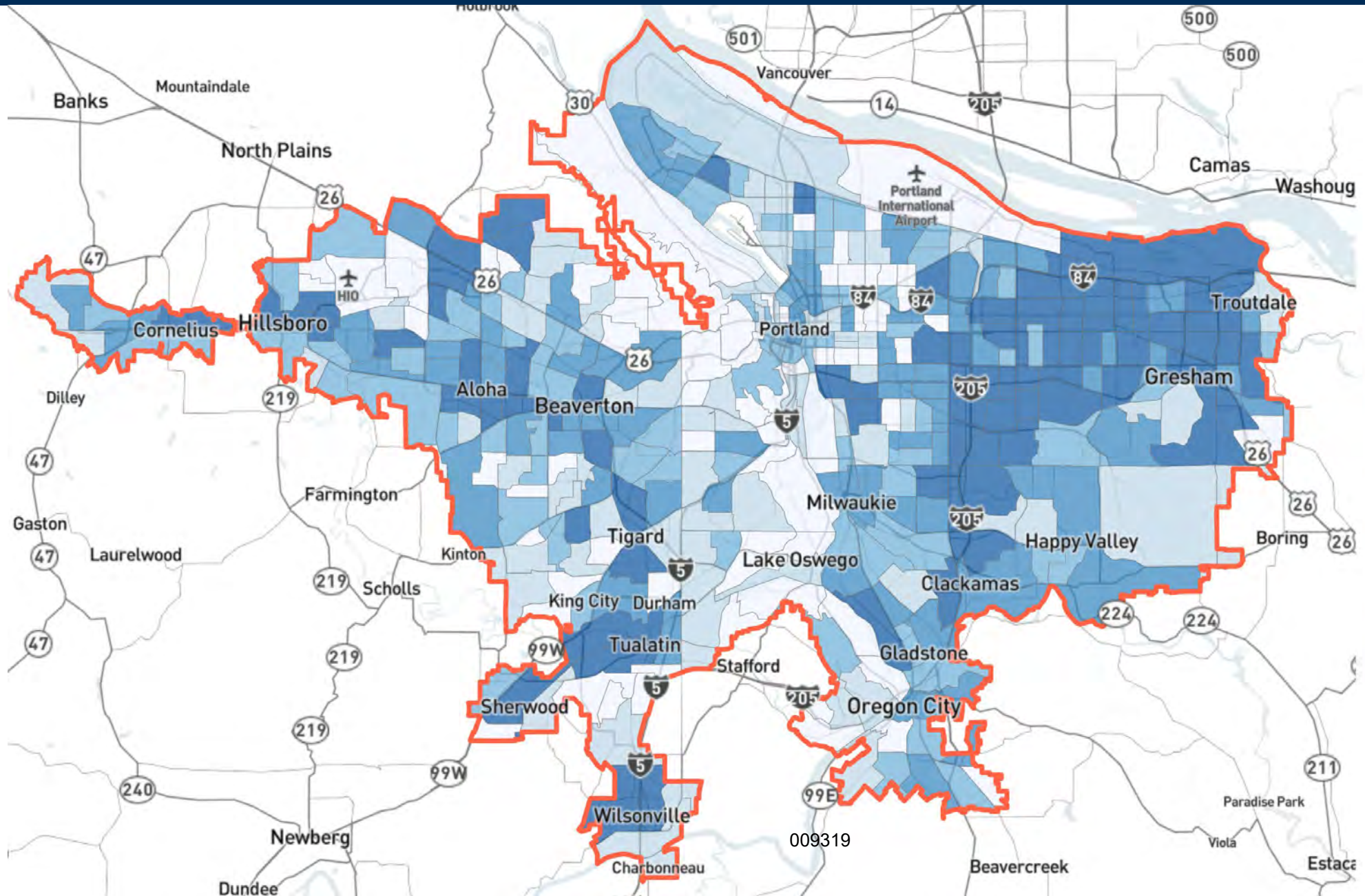
Socioeconomic Vulnerability

Concentrations of:

- Hispanic people
- People of color (non-White, non-Hispanic)
- Adults without a bachelor's degree
- Low-income renter households (<$50,000)
- Population with low English proficiency
- People with disabilities

Snapshot: as of 2021

Socioeconomic Vulnerability Concentrations, Weighted Composite



Vulnerable group concentration

- Very Low
- Low
- Medium
- High
- Very High

UGB

Map shows a weighted composite measure of the concentration of all groups shown on the prior slide, weighted by rate of cost burdening.

Gentrification Trends and Typology

Comparison to region and changes in:

- Tenure (renter/homeowner)
- Race & ethnicity (BIPOC/white)
- Education (with/without bachelor's degree)
- Household income
- Home values/rents

Trend: Existing (2021) and change 2010-2021

Gentrification Typology: Caveats

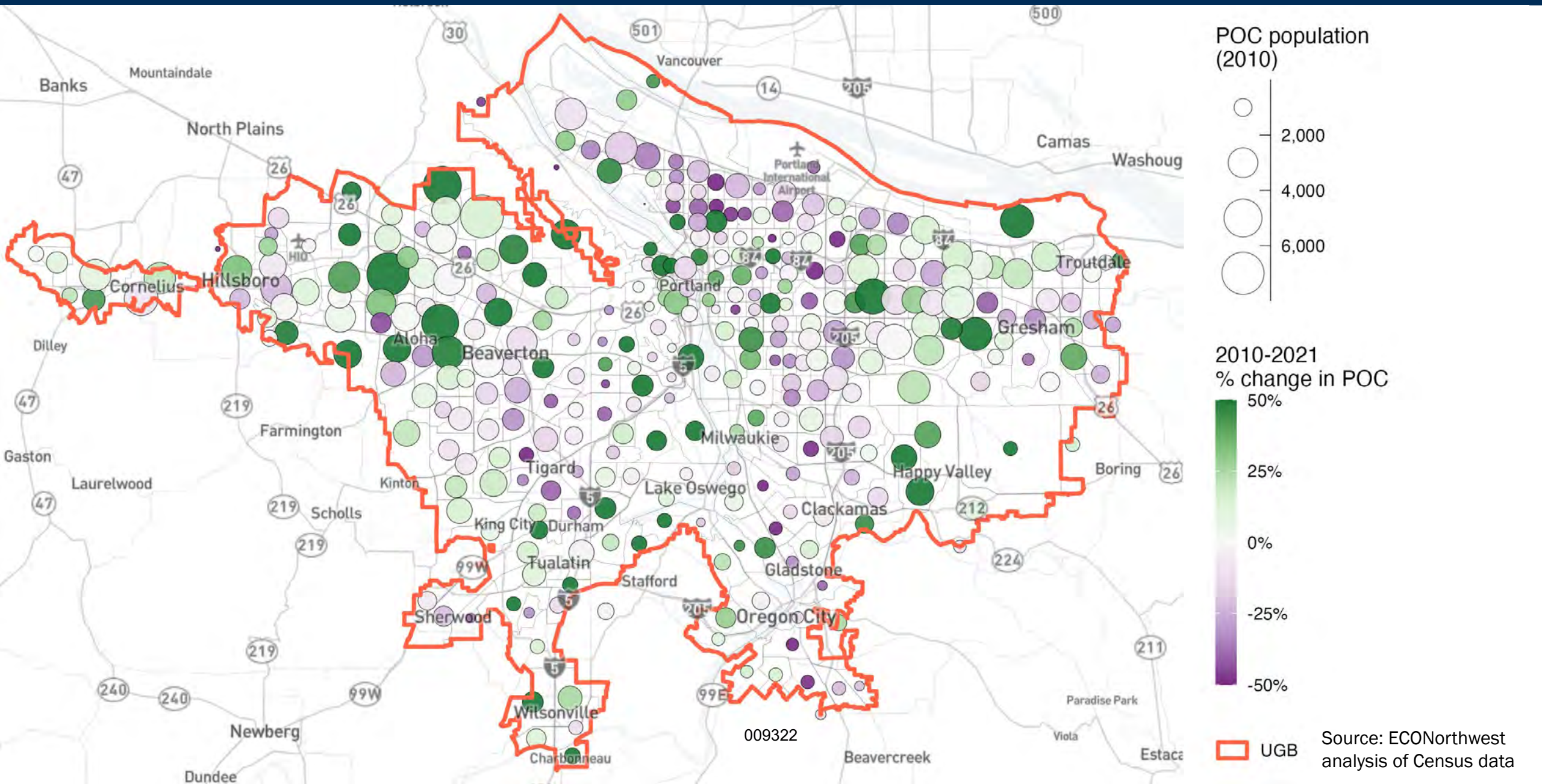
Data is imperfect

- Census data tends to undercount certain BIPOC populations
- Census rent data is a lagging and imprecise indicator of market trends
- Geographies and data definitions have changed over time in some cases
- Margins of error can be high for smaller geographies and smaller population groups

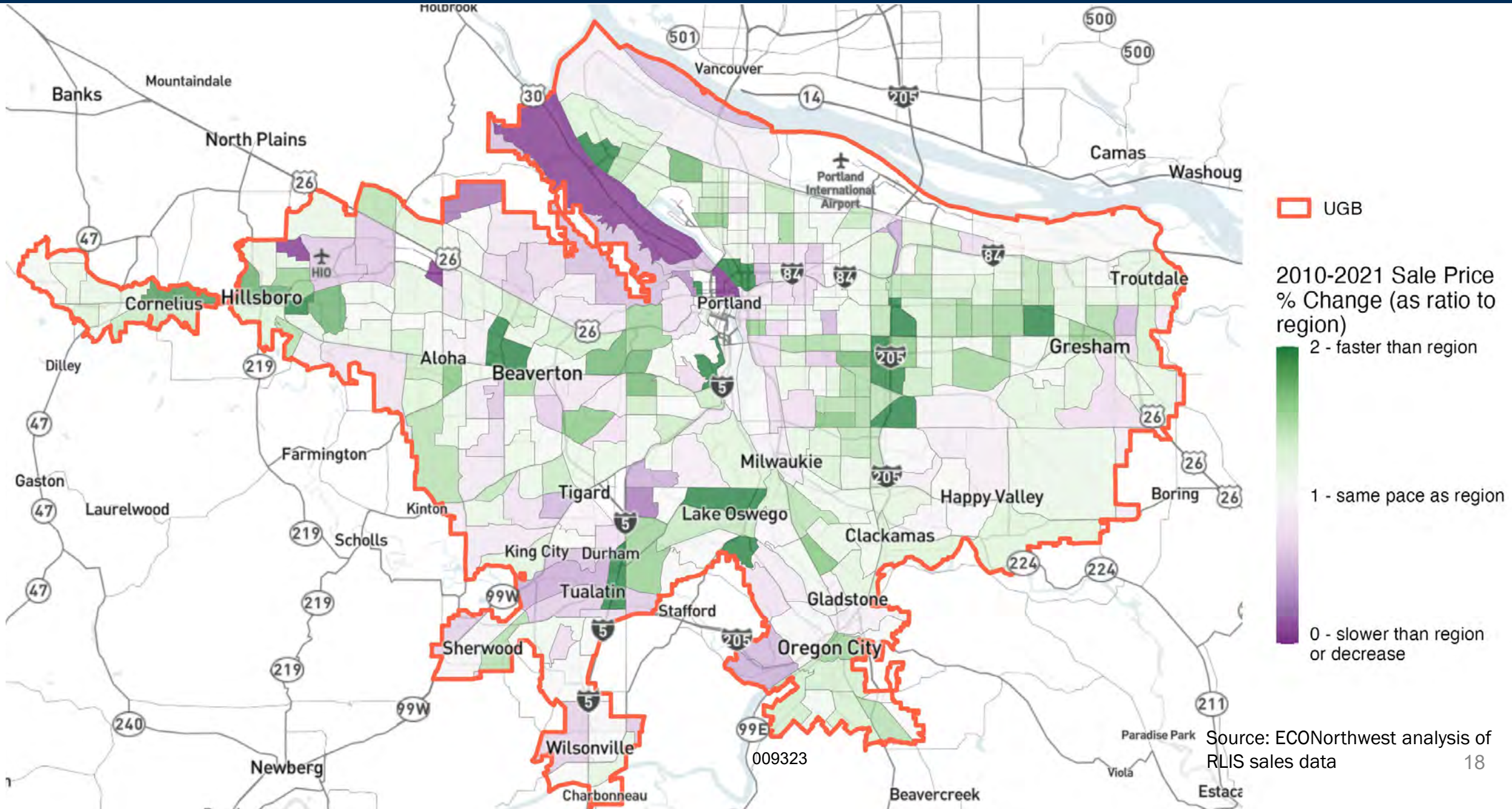
Typology system is imperfect

- Measuring gentrification is complex
- Some combinations of indicators don’t neatly fit a typology
- Data limitations make measuring less accurate
- Data does not encompass all important indicators and factors related to gentrification

Gentrification Trends: Change in BIPOC population

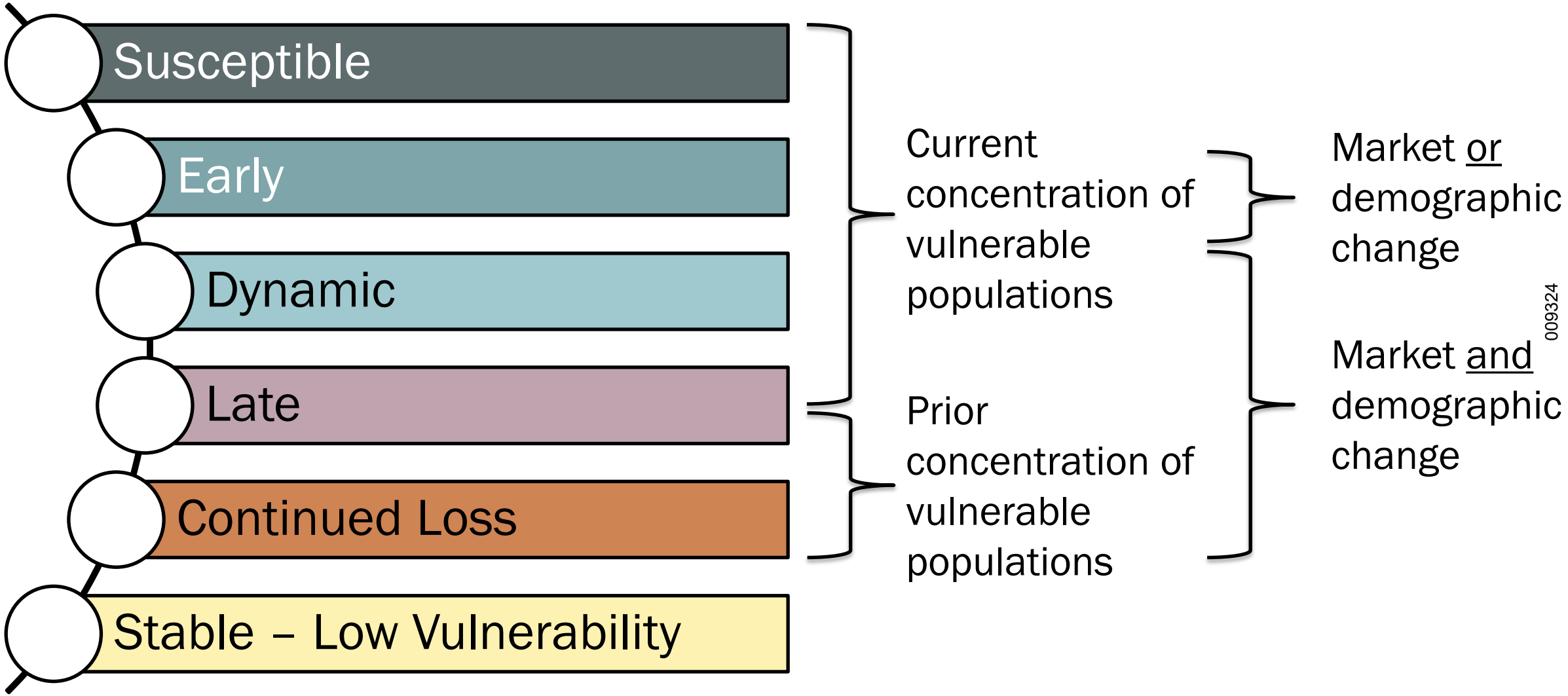


Gentrification Trends: Sale Price Appreciation

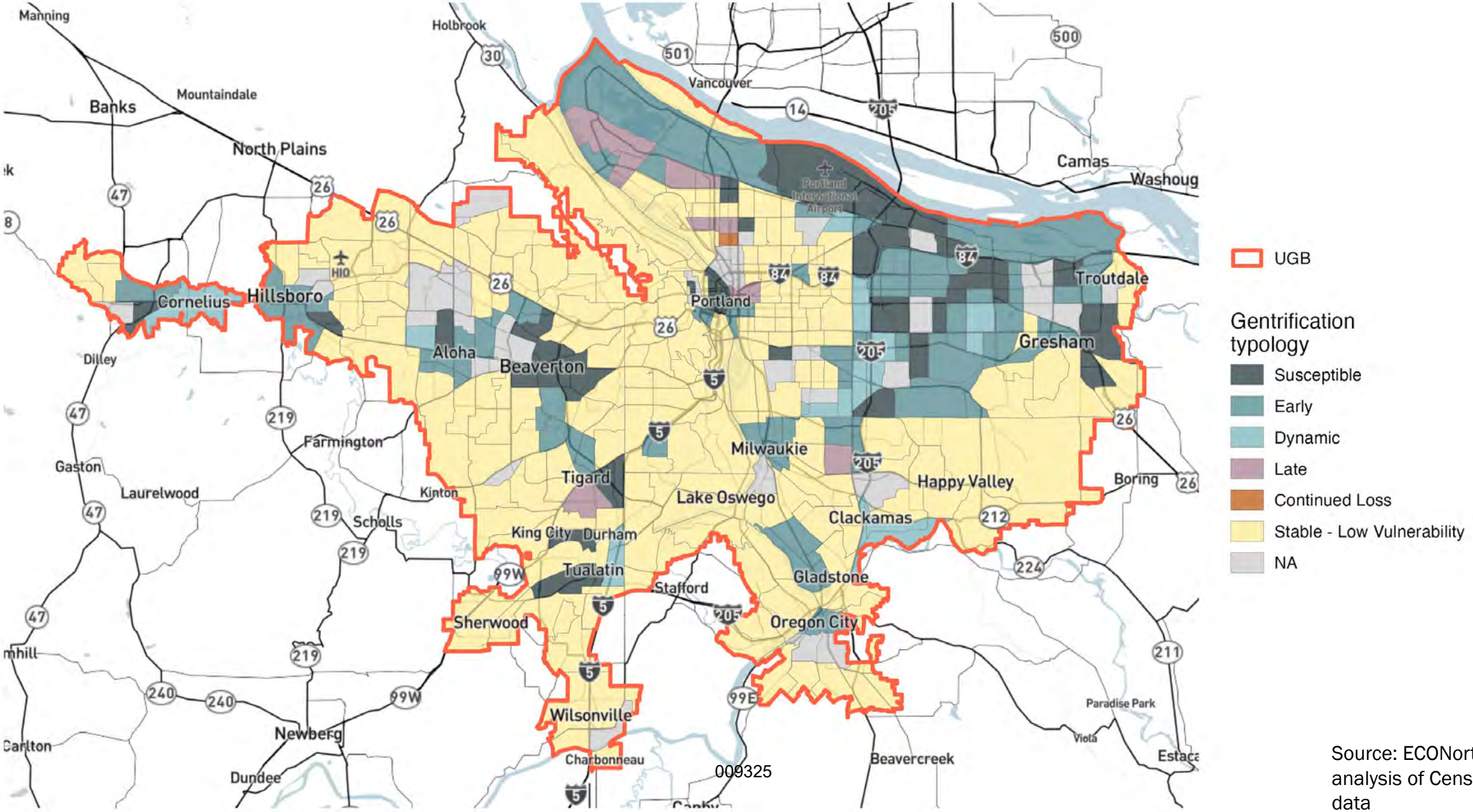


Source: ECONorthwest analysis of RLIS sales data

Gentrification Typologies



Gentrification Typology



009325

Source: ECONorthwest analysis of Census, RLIS, data

Informing Action: Preventing & Mitigating Displacement

Local & Regional Policy, Investments, Programs

Housing, Economic Development, and Infrastructure Investments & Programs

- Support Affordable Housing Development
- Preserve Existing Affordable and Low-Cost Housing Stock
- Support Lower-Income Renters and Homeowners
- Addressing Broader Community Impacts

Growth Management

- Support Housing Supply
- Equitably Distribute Housing Options & Opportunities

Take-Aways

Increasing the supply of new market-rate and affordable housing is key

Data alone is not enough to understand gentrification and displacement

Displacement risk should inform public policies and investments, but not necessarily inhibit them

Preventing and mitigating displacement is hard, but not impossible

Questions



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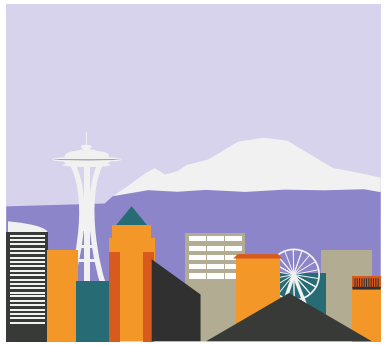
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Los Angeles



Portland



Seattle



Boise

Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

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

Date/time: Wednesday July 19, 2023 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video conference call meeting via Zoom

Members Attending	**Affiliate**
Eryn Kehe, Chair	Metro
Joseph Edge	Clackamas County Community Member
Carol Chesarek	Multnomah County Community Member
Victor Saldanha	Washington County Community Member
Tom Armstrong	Largest City in the Region: Portland
Aquilla Hurd-Ravich	Second Largest City in Clackamas County: Oregon City
Anna Slatinsky	Second Largest City in Washington County: Beaverton
Jamie Stasny	Clackamas County
Adam Barber	Multnomah County
Jessica Pelz	Washington County
Neelam Dorman	Oregon Department of Transportation
Laura Kelly	Department Land Conservation and Development
Manuel Contreras, Jr.	Clackamas Water Environmental Services
Gery Keck	Tualatin Hills Park & Recreation District
Tara O'Brien	TriMet
Bret Marchant	Greater Portland, Inc.
Brett Morgan	1000 Friends of Oregon
Nora Apter	Oregon Environmental Council
Rachel Loftin	Community Partners for Affordable Housing
Preston Korst	Home Builders Association of Metropolitan Portland
Erik Cole	Schnitzer Properties & Revitalize Portland Coalition
Mike O'Brien	Mayer/Reed, Inc.
Andrea Hamberg	Multnomah County Public Health & Urban Forum
Alternate Members Attending	**Affiliate**
Kamran Mesbah	Clackamas County Community Member
Vee Paykar	Multnomah County Community Member
Faun Hosey	Washington County Community Member
Mary Phillips	Largest City in Multnomah County: Gresham
Colin Cooper	Largest City in Washington County: Hillsboro
Jean Senechal Biggs	Second Largest City in Washington County: Beaverton
Sarah Paulus	Multnomah County
Glen Bolen	Oregon Department of Transportation
Cassera Phipps	Clean Water Servics
Fiona Lyon	TriMet
Jerry Johnson	Johnson Economics, LLC
Jacqui Treiger	Oregon Environmental Council
Craig Sheahan	David Evans & Associates, Inc.
Brendon Haggerty	Public Health & Urban Forum, Multnomah Co.
Ryan Ames	Public Health & Urban Forum, Washington Co.

Guests Attending	Affiliate
Barbara Fryer	City of Cornelius
Bill Peterson	
Bruce Coleman	City of Sherwood
Camden McKone	
Max Nonnamaker	Multnomah County
Met Land Group Staff member	

Metro Staff Attending
Ally Holmqvist, Cindy Pederson, Clint Chiavarini, Daniel Audelo, David Tetrick, Eryn Kehe, John Mermin, Kim Ellis, Laura Combs, Marie Miller, Matt Bihn, Ted Reid

Call to Order, Quorum Declaration and Introductions
Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. Zoom logistics and meeting features were reviewed for online raised hands, renaming yourself, finding attendees and participants, and chat area for messaging and sharing links.

Comments from the Chair and Committee Members

- **Updates from committee members around the Region** (all) Michael O'Brien announced the upcoming summertime Paseo festival July 16, 23, & 30, interactive fun in Downtown Portland at Shemanski Park and the South Park Blocks.

- **2023 RTP Public Comment Period** (Kim Ellis) It was announced the public comment period on the 2023 Regional Transportation Plan (RTP) began on July 10 and goes through August 25. The link to public comment period information for the 2023 RTP and High Capacity Transit Strategy was shared in chat: https://www.oregonmetro.gov/public-projects/2023-regional-transportation-plan/public-comment

Public Communications on Agenda Items none received

Consideration of MTAC minutes May 17, 2023 meeting
Approval of the May 17, 2023 MTAC meeting minutes was given by the committee by majority vote with no corrections. Two abstentions: Joseph Edge, Neelam Dorman.

Urban Growth Boundary engagement plan (Chair Kehe & Laura Combs, Metro) Chair Kehe began the presentation with the process for completing the 2024 UGB decision that is due by the end of 2024 by Metro Council adoption. As well as the technical advisory groups including MTAC and the Land Use Technical Advisory group, new this cycle are the Committee on Racial Equity (CORE), Stakeholder Roundtable, and youth cohort.

Membership outreach is underway for the Stakeholder Roundtable who will be tasked with contributing perspectives to the content of the 2024 Urban Growth Report, and provide feedback to staff on draft Urban Growth Report analysis. Members of the group will be appointed by Metro COO in summer 2023 with bi-monthly meetings to review analysis, discuss inputs and assumptions, and provide feedback to staff through to Fall 2024.

Colin Cooper asked how information will be formatted to CORE. Chair Kehe noted staff is working with our DEI department to prepare for presentations similar to what will be presented to the stakeholders group and Council. We are interested in following their interests and making sure they understand the process. Another engagement planned is with jurisdictional outreach to areas that are working with urban reserves. Outreach is underway with city managers and planning staff.

Laura Combs was introduced. She presented information on the youth cohort engagement plan. Metro has partnered with the nonprofit organization Next Up to form the youth cohort group. There are 8 planned meetings between September 2023 and December 2024. A field trip to urban reserve areas and Council engagement with the cohort is planned as well.

The purpose of the youth cohort was described as educating youth leaders through a variety of topics including the UGM decision-making process, incorporate youth voices and lived experiences in long range planning decisions, and build ongoing relationships with participants, supporting leadership opportunities and meaningful connections with Metro. Additional engagement planned includes:

Interest group presentations
Social media and website updates
Public comment period to review city expansion proposals (2024)

Comments from the committee:

- Vee Paykar asked if in regard to the stakeholders group the service providers that are being outreached include homeless services for their input with affordable housing and input to the Urban Growth report. Chair Kehe noted the UGB decision itself is just about whether Metro Council decides to expand the boundary or not. While it does not get into the housing growth patterns, the 2040 growth plan will delve into these issues and is expected to come forward for a refresh soon.

  It was noted the outreach to youth as promising. It was encouraged to include racial and diversity outreach for the membership with factors such as youth dependency on transit ridership, where they live in what form of housing and schools in lower income tracts which would help bring in diverse perspectives. Ms. Combs noted Next Up have members apply for the action team and felt these were good suggestions to include with the recruitment of the outreach engagement.
- Colin Cooper noted the group flows working toward Metro Council. It was asked how this flow of information comes back to MTAC from other groups such as the Stakeholders group, CORE and Youth Cohort. Chair Kehe recognized the role of MTAC to inform our MPAC members and noted the input from other groups will be given to MTAC as part of the process.
- Jessica Pelz asked who would be involved in the stakeholders group and if geographically allocated. Chair Kehe noted the challenge of getting a balanced regional group together, but are aiming for about 25 people and working to get this a geographical balance as well as gender and racial balance. Ms. Pelz noted that active planning directors and staff work with the county coordinating committees and TACs where presentations about this would be welcome. Chair Kehe agreed on coordinating to presenting to these groups and encouraged MTAC members to share ideas on what is most of interest with them.

- Faun Hosey noted I've always felt that "something missing" is an understanding of the communities affected outside the UGB. It seems that wetlands are considered as limitations to growth, but what about affected businesses such as farmers, winemakers, forests, carbon sequesters...? Chair Kehe noted we are in communications with the Oregon Nursery Association and the Oregon Farm Bureau to facilitate their involvement. I hope you and advocates like 1,000 Friends will also bring that perspective to these tables.

2023 Regional Transportation Plan (RTP) update (Kim Ellis, Metro) The presentation provided an update on the public comment period and next steps, the process and timeline for updating Chapter 8 of the RTP, and asking for feedback on Chapter 8 and topics for further discussion. The 45-day comment period (JULY 10 to AUG. 25, 2023) builds on engagement conducted to date.

Chapter 8 (Implementation) of the RTP includes Regional Programs, Region-wide Planning, Corridor Refinement Planning, Major Project Development, and Data and Tools Development. Region wide planning programs were described covering the next 5 years. Corridor refinement planning will develop shared investment strategies to address unmet multimodal transportation needs within identified multimodal mobility corridors, link equity, economic, housing and other goals with multimodal management and capital solutions and recommend strategies and phasing to catalyze investment.

Several large major projects to be developed in the region were described. Measuring and tracking outcomes with data and tools will address existing and emerging planning and policy priorities:
• Data collection and coordination
• Analysis tools (maintenance and development)
• Monitoring and reporting tools

The process and timeline for updating Chapter 8 was provided. MTAC was asked to provide feedback on the process or Chapter 8 and input with further topics of discussion.

Comments from the committee:

- Joseph Edge asked should the Oregon Passenger Rail Corridor Investment Strategy selected alternative be included as a regional planning activity. Ms. Ellis thought this was likely but wasn't familiar with the details where it might fit in with the High-Speed Rail transit study. Further information will need to be found to fully answer this.
- Vee Paykar asked if Metro does canvassing for public comments or contracting for feedback from community based organizations. Ms. Ellis noted there has been an extensive engagement process for outreach including community based organizations. The public comment period offers a great opportunity for organizations and their members to participate and share their concerns and interest in the plan and the projects.
- Victor Saldanha noted the construction career pathways program as a great resource for minority business owners trying to get involved with projects. But while plans and training are there, the funding is not. What plans does Metro have to work with these businesses and organizations to gain access with capital investments for the project work? Ms. Ellis noted some of the projects in Chapter 8 have been identified for possible partnerships and resources for the program. It was asked if there is a list of funding sources that now exist to be used for

the identified projects. Ms. Ellis noted she was not aware of this but can follow up and share the information once known.

- Joseph Edge referred to the mobility corridor recommendations that showed part of one corridor extending High Capacity transit onto another corridor without a recommendation. Where there plans to update the corridor references to point out which are under recommendation consideration and those that are not? Ms. Ellis noted we can look into updating the map showing corridors to better define these areas.
- Tara O'Brien noted the slide in the presentation listing TPAC feedback on Chapter 8. It was suggested these could be further discussed with MTAC as well. Ms. Ellis noted Chapter 8 will be discussed at the TPAC August 4 meeting and MTAC/TPAC workshop on August 16.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 10:33 a.m.
Respectfully submitted,

Marie Miller

Marie Miller, MTAC Recorder

Attachments to the Public Record, MTAC meeting July 19, 2023

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	7/19/2023	7/19/2023 MTAC Meeting Agenda	071923M-01
2	MTAC Work Program	7/11/2023	MTAC Work Program as of 7/11/2023	071923M-02
3	Handout	July 2023	Public comment opportunity - July 10 to Aug. 25, 2023 2023 Regional Transportation Plan	071923M-03
4	Report	July 10, 2023	PUBLIC REVIEW DRAFT 2023 REGIONAL TRANSPORTATION PLAN Executive Summary	071923M-04
5	Minutes	5/17/2023	Minutes from MTAC May 17, 2023 meeting	071923M-05
6	Report	July 2023	Draft Public Engagement Plan 2024 Urban Growth Management Decision	071923M-06
7	Memo	7/12/2023	TO: MTAC and interested parties From: Kim Ellis, RTP Project Manager RE: 2023 Regional Transportation Plan – Schedule and Adoption Package	071923M-07
8	Memo	7/12/2023	TO: MTAC and interested parties From: Kim Ellis, RTP Project Manager, and John Mermin, Senior Transportation Planner RE: 2023 Regional Transportation Plan (RTP) – Chapter 8 – RTP Implementation	071923M-08
9	Presentation	7/19/2023	Urban growth management public engagement plan	071923M-09
10	Presentation	7/19/2023	2023 Regional Transportation Plan Process Update & Chapter 8	071923M-10

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC)
Date:	Wednesday, July 19, 2023
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom
	Connect with Zoom Passcode: 863801 Phone: 877-853-5257 (Toll Free)

9:00 a.m.	**Call meeting to order, Declaration of Quorum and Introductions**	Chair Kehe
9:10 a.m.	**Comments from the Chair and Committee Members** • Updates from committee members around the Region (all) • 2023 RTP Public Comment Period (Kim Ellis)	
9:15 a.m.	**Public communications on agenda items**	
9:17 a.m.	**Consideration of MTAC minutes, May 17, 2023 (action item)**	Chair Kehe
9:20 a.m.	**Urban Growth Boundary engagement plan** Purpose: Metro Planning staff will present plans for engagement during the upcoming Urban Growth Management decision process that MTAC members have been learning about during their meetings this year.	Chair Kehe Laura Combs, Metro
10:05 a.m.	**2023 Regional Transportation Plan (RTP) update** Purpose: Provide overview of the 45-day public comment period and fall adoption process; begin discussion of Chapter 8 and identify topics for further MTAC discussion at upcoming meetings.	Kim Ellis, Metro
10:50 a.m.	**Adjournment**	Chair Kehe

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គ ប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib www.oregonmetro.gov/civilrights. Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnub ua hauj lwm ua ntej ntawm lub rooj sib tham.

January 2021

Draft Public Engagement Plan

2024 Urban Growth Management Decision

July 2023

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Urban growth management decision-making framework……1

Public engagement goals and objectives ……2

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INTRODUCTION

Regional readiness for population, housing, and job growth

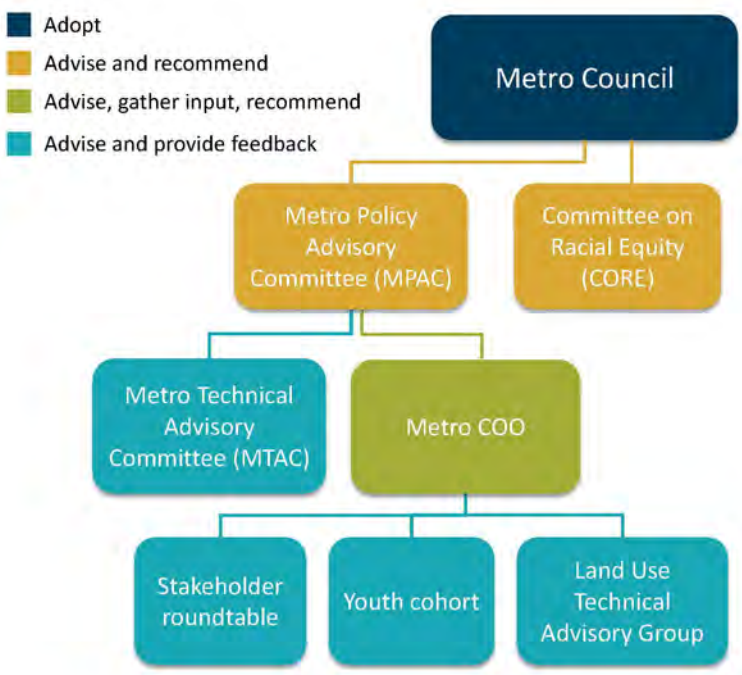
The Metro Council is required under state law to adopt – by the end of 2024 – an assessment of the region's capacity to accommodate the next twenty years of housing and job growth inside the urban growth boundary (UGB). This engagement plan outlines the spectrum of activities that will inform the Council's decision, from formal Metro Council and advisory committee meetings to presentations to outside organizations and outreach to local jurisdictions.

Metro seeks to improve its growth management practices every time it undertakes this cyclical process. As always, Metro will strive to improve the data analysis that informs decision makers. Likewise, Metro will continue its emphasis on land readiness to ensure that decisions emphasize the governance, market, and infrastructure conditions that must be present to produce housing and jobs. This process will differ from past decisions by applying a greater focus on the housing needs of all income groups, particularly households with lower incomes. This focus on affordability advances shared goals of increasing housing production for those that have the fewest choices.

The engagement approach during this project will encompass a variety of audiences with a priority to increase the transparency of the inputs and assumptions that make up the urban growth report. Traditionally, the general public has not shown much interest in this process. We don't know whether the information has appeared too complex, or the proposed expansions do not seem personally relevant. Regardless, a goal for this project is to simplify the key messages to increase awareness and understanding of the decision-making process and highlight the relevant opportunities for input.

URBAN GROWTH MANAGEMENT DECISION-MAKING FRAMEWORK

Metro has a statutory responsibility to manage the UGB for the Metro region. Its existing decision-making framework is shown below.



The decision-making framework includes the Metro Council and three advisory committees (MPAC, MTAC, CORE) that will review, provide input and in some cases make recommendations on the development of the urban growth report. Integral to this decision-making process are timely opportunities for partners and the public to provide meaningful input to the Metro Council and the technical and policy advisory committees prior to key decision milestones.

Metro's Committee on Racial Equity (CORE) advises Metro Council and staff on the implementation of the Strategic Plan to Advance Racial Equity, Diversity, and Inclusion. CORE will provide input at key points in the urban growth management decision-making process. CORE's input will be shared with Metro's other advisory committees for consideration. The Metro Policy Advisory Committee (MPAC) advises and makes recommendations to the Metro Council on growth management and land use issues at the policy level, and the Metro Technical Advisory Committee (MTAC) provides input to MPAC at the technical level.

Metro staff, including the Chief Operating Officer, will receive feedback from the stakeholder roundtable, youth cohort, and land use technical advisory group and share this information with the Metro advisory groups with regularly scheduled update presentations. These groups will be described in the Engagement Activities section of the document.

PUBLIC ENGAGEMENT GOALS & OBJECTIVES

The plan is in alignment with Metro's agency wide Strategic Plan to Advance Racial Equity, Diversity and Inclusion, and the Planning, Development and Research Departmental Strategy for Achieving Racial Equity. A youth cohort will be convened with diverse membership and representation across all three Metro counties. The stakeholder roundtable membership will reflect a range of voices, variety of experiences and perspectives, and regional representation.

The desired outcome of the engagement is to:

- Increase transparency of the assumptions and inputs of the analyses in the Urban Growth Report
- Expand outreach to a broader range of stakeholders and perspectives, including youth
- Simplify key messages for presentations and communication to a variety of audiences
- Capture feedback from across the region in advance of key milestones and share input with decisionmakers
- Increase communication and coordination with local jurisdictions to improve readiness of city proposals for expansion

The information gathered from engagement activities will be shared with decision-makers to ensure they have opportunity to contemplate and fully consider public input.

PUBLIC ENGAGEMENT APPROACH

Increase transparency of the decision-making process, assumptions, and analysis inputs

Advisory groups will serve as the primary engagement mechanisms for collaboration and consensus building for this UGM process. In addition to these groups, engagement with other interested individuals, communities and organizations will be an important element of the engagement strategy.

- Provide information to the public about urban growth management and its function in clear, engaging, and simplified ways
- Encourage public access to review city expansion proposals with opportunities to submit public comments
- Demystify the urban growth management decision-making process, correct common misunderstandings about the role of Metro and the UGB, and increase access to the background analysis and data that make up the Urban Growth Report
- Emphasize the Urban Growth Report (UGR) as a decision-support tool: The draft UGR that staff will release in the summer of 2024 will not be a conclusive determination of regional need for land. The draft UGR will provide high quality, peer-reviewed analysis that will serve as a decision support tool for policy makers
- Focus on readiness: Focus policy discussions on the readiness of cities to urbanize possible expansion areas (concept planned Urban Reserves)
- Deepen understanding of and access to Council decision-making process

- The Council's decision will include a regional housing needs analysis. That analysis will inform a subsequent Regional Housing Coordination Strategy that Metro is required to complete by the end of 2025.

- Expand awareness of potential equity impacts

ENGAGEMENT ACTIVITIES

Summary

Group	**Level of engagement** (inform, consult, involve, collaborate, empower)	**Discussion format and purpose**
MPAC	Involve	Monthly or bimonthly updates; advice given to Council
MTAC	Consult	Monthly meetings; feedback given to MPAC
CORE	Involve	4-6 meetings over the course of the project; feedback given to staff and Council
Metro Council	Decision-maker	Bi-monthly work sessions; feedback given to staff; receive feedback from advisory committees; listening role on stakeholder roundtable; decision makers
Stakeholder roundtable	Involve	Monthly or bi-monthly meetings to provide input and feedback on urban growth report analyses; feedback given to staff
Youth cohort	Involve	8 meetings; feedback shared with staff, MPAC, and Council
Land use technical advisory group	Involve/Collaborate	Collaboration and technical advice given to staff
Metro cities and counties	Involve	Direct communication with Metro staff and Councilors

		through proposal process, surveys, interviews, and visits
General public	Inform and consult	Outreach via Metro website, social media, and open invites to public meetings

Metro advisory group meetings

MPAC

The Metro Policy Advisory Committee (MPAC) will be engaged in policy discussions like those that the Council engages in throughout the process. MPAC will be asked for its advice to the Metro Council in late summer 2024. MPAC's advice will focus on policy options for increasing the region's readiness for housing and employment growth and the merits of any city proposals for handling some of that growth through concept planned UGB expansions.

MTAC

The Metro Technical Advisory Committee (MTAC) will provide advice on technical aspects as needed. Local jurisdiction staff review of the buildable land inventory will be essential and Metro will reconvene the ad-hoc Land Use Technical Advisory Group, which has overlap with MTAC membership for this purpose. MTAC will also be asked to review of any city proposals for UGB expansions. Lastly, MPAC may request MTAC's technical advice on topics.

CORE

Metro's Committee on Racial Equity's (CORE) advice will be sought on the formation of a diverse youth cohort to both learn about and advise on Metro's growth management approach. After additional discussion with CORE, staff will identify the appropriate timing of further engagement with the committee over the course of this work program. CORE has, in particular, expressed an interest in reviewing city proposals for UGB expansions.

Metro Council meetings

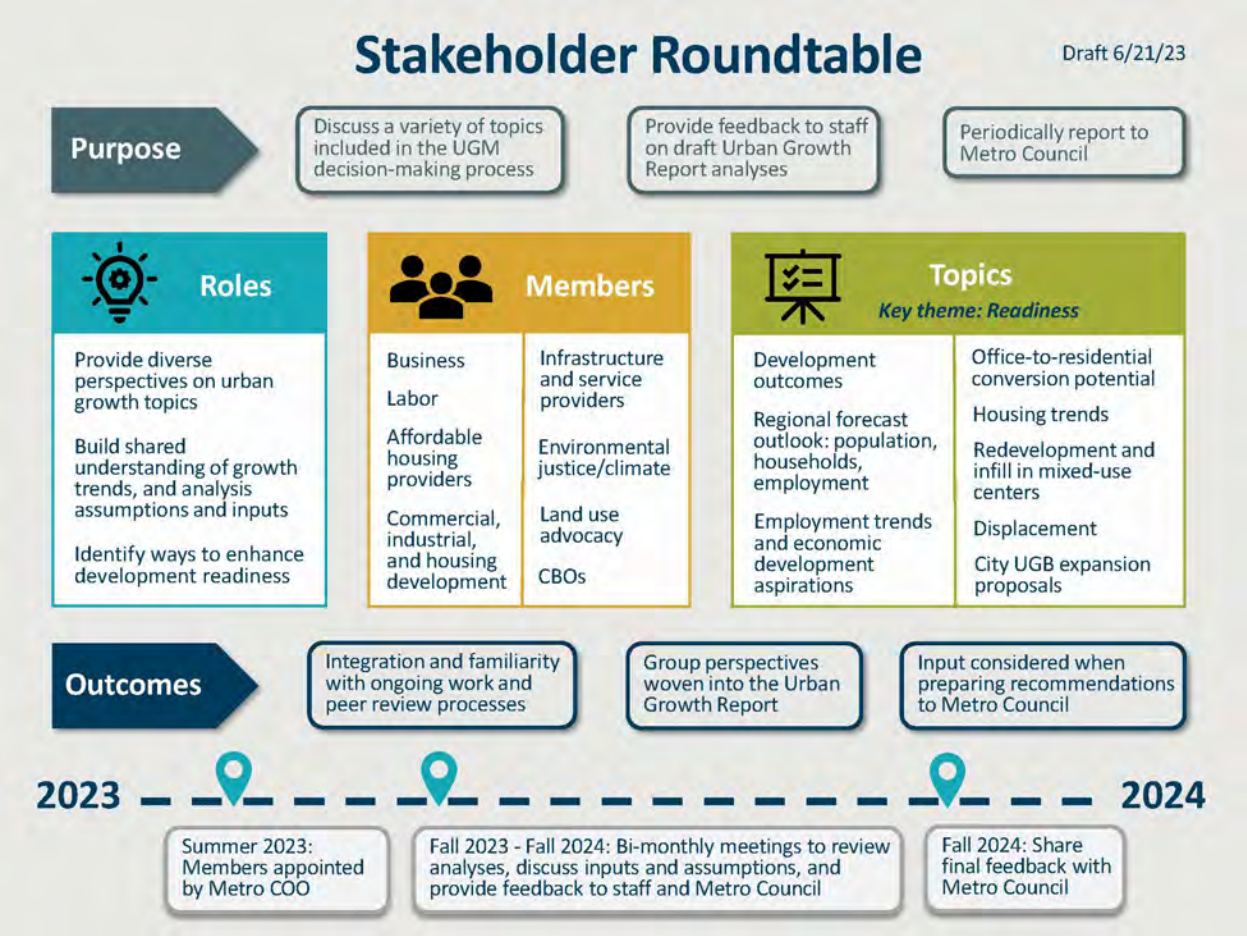
Leading up to the Council's decision in late 2024, policy makers will engage in discussions of a variety of growth and development trends as well as reviewing any UGB expansion proposals submitted by cities. Policy maker discussions will focus on development readiness, additional actions that may be needed to increase housing production and economic growth inside existing urban areas, and specific city proposals for addressing housing and employment needs in UGB expansion areas. Metro Councilors will engage directly with their local elected counterparts throughout this process. Metro Councilors will also be invited to observe stakeholder roundtable discussions.

Stakeholder roundtable

For the 2024 urban growth management decision, Metro staff will convene a stakeholder roundtable to inform the content of the 2024 UGR through contributing their perspectives on the content and analyses. To facilitate stakeholder roundtable discussions, staff will convene the group throughout this process, bringing forward summaries of ongoing work around growth trends and other relevant topics.

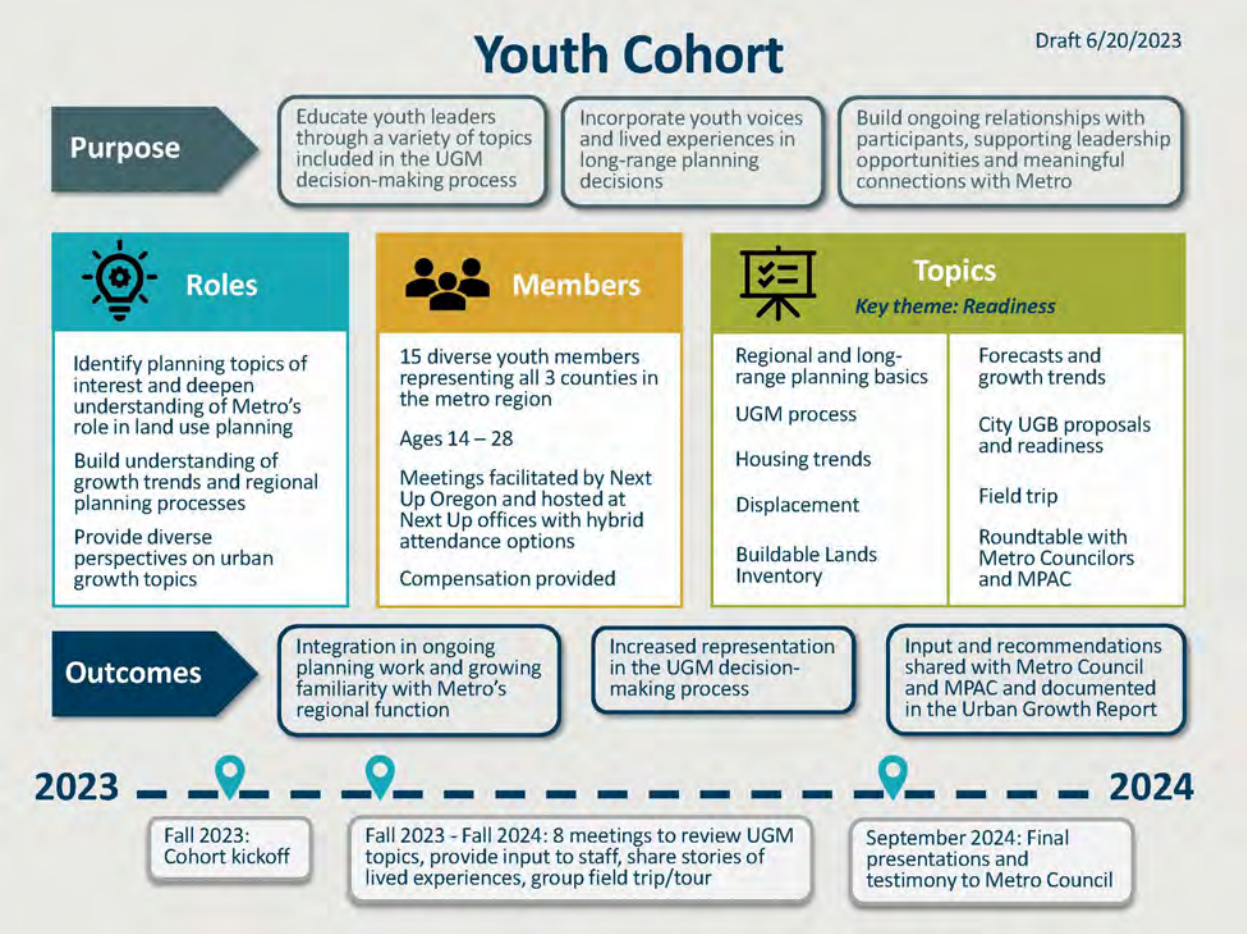
Stakeholder roundtable discussions and perspectives will be reflected in the 2024 UGR and the Metro COO will consider the group's feedback on a variety of topics when preparing recommendations for the Metro Council. To provide that feedback, the committee will have regular opportunities to familiarize itself with ongoing work and peer review processes. Committee representatives will be asked to summarize the group's discussions at Metro Policy Advisory Committee (MPAC) and Metro Council meetings.

Staff will consider the group's feedback when preparing a recommendation for the Metro Council UGB decision.



Youth cohort

In addition to the stakeholder roundtable, staff will convene a youth cohort with the intention of providing leadership opportunities and seeking a younger generation's perspective on long-range planning related topics. The youth cohort will support integration and growing familiarity with ongoing planning work and increase representation in the UGM decision-making process. Input and recommendations from the youth cohort will be shared with Metro Council, MPAC, and CORE.



Technical peer review groups

Several technical peer review groups will be engaged in the development of the 2024 UGR. Those will include:

Regional Forecast: a peer review group consisting of economists and demographers will review regional forecast methods and results.

Buildable land inventory: the Land Use Technical Advisory Group, consisting of local jurisdiction planning staff and other development specialists will review buildable land inventory and growth

capacity estimation methods and results. The draft inventory will also be made available for review by all local jurisdictions.

Additional interest group presentations

As different components of the project are completed, Metro staff will provide update presentations to various jurisdictions, professional associations, and other interest groups. Examples of these groups include County planning directors, Greater Portland Inc, Economic Development Local Practitioners, and the Commercial Association of Brokers.

These presentations will occur at various times leading up to the conclusion of the project. Metro staff will compile a final summary list of these presentations and audiences as part of the urban growth report engagement section.

Local jurisdiction engagement

As described in this engagement summary, this decision-making process is centered on city readiness. As such, there will be a heavy emphasis on the merits of city proposals for concept planned UGB expansions.

Metro staff, Councilors, and the Chief Operating Officer will conduct outreach to local elected officials and planning staff to understand plans for growth, challenges in their communities, and resource needs. These conversations will increase transparency and communication between Metro and local jurisdictions and help Metro to anticipate forthcoming expansion proposals. Additionally, this information will be used to update and improve the 2040 planning and development grants program to better meet the discussed needs.

Cities will be responsible for leading local engagement on concept planning Urban Reserve areas. Public engagement is a required component of developing and submitting a concept plan for a proposed expansion area. The concept plans for proposed expansion areas will be released as appendices to the Urban Growth Report and made available for region-wide public feedback.

Local jurisdiction staff will also have opportunities to provide peer review of the buildable land inventory.

Public communication

The public will have access to the progress of the urban growth report and accompanying analyses throughout the project as the Metro project page is periodically updated.

Metro website and news articles

The UGM project page could include a variety of elements to present the analyses and background information in a simplified, clear, engaging way. The purpose is to provide robust data and a comprehensive analysis of the region and its needs in a compelling format that invites greater understanding of the decision-making process and opportunities for feedback. Examples of potential web features include:

- Interactive map
- Urban Growth Boundary myth vs. reality "quiz"
- Quick learning guides about UGR components
- "What's in a BLI?"
- Displacement analysis
- Our region in numbers
- Guide for submitting comments about the UGR

Social media

Metro's social media channels, primarily Instagram, can be used to present key graphics to reach a broad audience and direct them to learn more about urban growth management and clarify common misconceptions or misunderstandings about this work. The goal of this outreach is to be eye-catching and accessible. Social media posts could include:

- UGB comic
- Youth cohort field trip footage
- Slideshow explainers of different analyses or interesting findings
- Time capsule series – look through UGB decisions of the past – "where are they now"

Public hearings

Most Metro advisory committee meetings during this process are open to the public. The most formal opportunity for testimony is the official public hearing in September 2024 to discuss the COO recommendations. However, beyond this opportunity, the public may participate in additional meetings through listening in to the presentations and are welcome to send comments and questions to the project team. The website will be kept current to provide information about relevant public meetings.

PROJECT TIMELINE



Technical work and analysis

Forecasts — Trends analysis
Land inventories — Modeling

Stakeholder engagement

Jurisdictional outreach
Stakeholder group
Youth cohort

City expansion proposals

Dec 2023: Letters of interest due
April 2024: Proposals due
2040 Planning & Development Grants available

Metro Council decision

Summer 2024: Draft UGR
Stakeholder group, COO recommendations
Fall 2024: MPAC, CORE recommendations
Council direction to staff
Public hearings
Dec 2024: Council decision

Detailed engagement timeline

Summer 2023: Convene stakeholder roundtable; Convene Land Use Technical Advisory Group to provide advice on methods for determining the buildable land inventory

Fall/winter 2023: Convene youth cohort; Local jurisdiction review of preliminary buildable land inventory results

December 1, 2023: Cities submit letters of interest for UGB expansions

Winter 2023/2024: Peer review of regional population, household, and employment forecast

April 5, 2024: City proposals for UGB expansions due

June 28, 2024: Release draft UGR and appendices

June 28, 2024: Public comment period open for the UGR and city expansion proposals

July 9, 2024: Council work session discussion of draft UGR

July 17, 2024: MTAC discussion of draft UGR

July (TBD), 2024: Stakeholder roundtable discussion of draft UGR

July 18, 2024: CORE discussion of draft UGR

July 24, 2024:	MPAC discussion of draft UGR; request any MTAC advice
July 31, 2024:	Public comment period for the UGR and city expansion proposals ends
August 23, 2024:	Release COO recommendation
September 3, 2024:	Council work session on COO recommendations
September 11, 2024:	MPAC discusses recommendations to Council; request any final MTAC advice
September 18, 2024:	MTAC advice to MPAC, if requested
September 19, 2024:	CORE recommendation to Council
September 21, 2024:	Council holds public hearing on COO recommendations
September 25, 2024:	MPAC recommendation to Council
October 1, 2024:	Council provides direction to staff at work session
Oct-Nov, 2024:	Complete various required notice procedures
November 28, 2024:	Council first reading of ordinance; public hearing
December 12, 2024:	Council second reading of ordinance; decision

ENGAGEMENT ROLES AND RESPONSIBILITIES

<table>
<tr>
<td>Policy partnerships: Council, MPAC, CORE

• Provide leadership and policy direction to staff
• Build partnerships and collaborate
• Engage partners and the public
• Incorporate input from partners, advisory groups, and the public</td>
<td rowspan="3">Community partnerships: Stakeholder roundtable, youth cohort, interest groups, public

• Provide community values, needs and priorities
• Provide youth lived experience and perspective
• Provide ideas and solutions
• Provide input and feedback to Metro staff and decision-makers</td>
</tr>
<tr>
<td>Technical partnerships: MTAC, land use technical advisory group

• Implement policy direction to update urban growth report
• Provide technical expertise
• Keep decision-makers informed of progress
• Incorporate input from partners and the public
• Make recommendations to decision-makers</td>
</tr>
<tr>
<td>Technical support: Metro staff, EcoNorthwest, Johnson Economics

• Implement policy direction to update plan
• Provide technical expertise
• Keep decision-makers informed of progress
• Incorporate input from partners and the public
• Make recommendations to decision-makers and advisory groups</td>
</tr>
</table>

Materials following this page were distributed at the meeting.

Urban growth management public engagement plan

Metro Technical Advisory Committee
July 19, 2023

009353

2024 UGM decision



Technical work and analysis

Forecasts
Land inventories
Trends analysis
Modeling

Stakeholder engagement

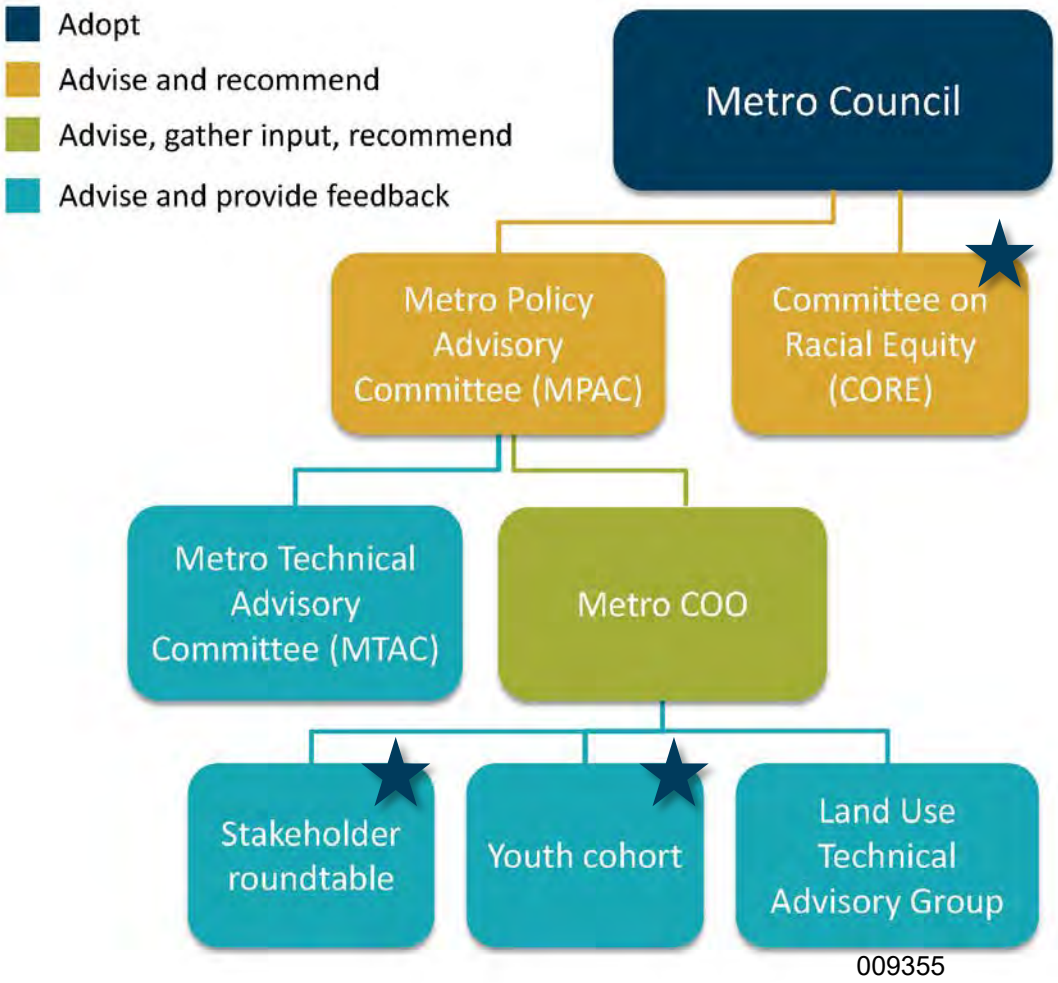
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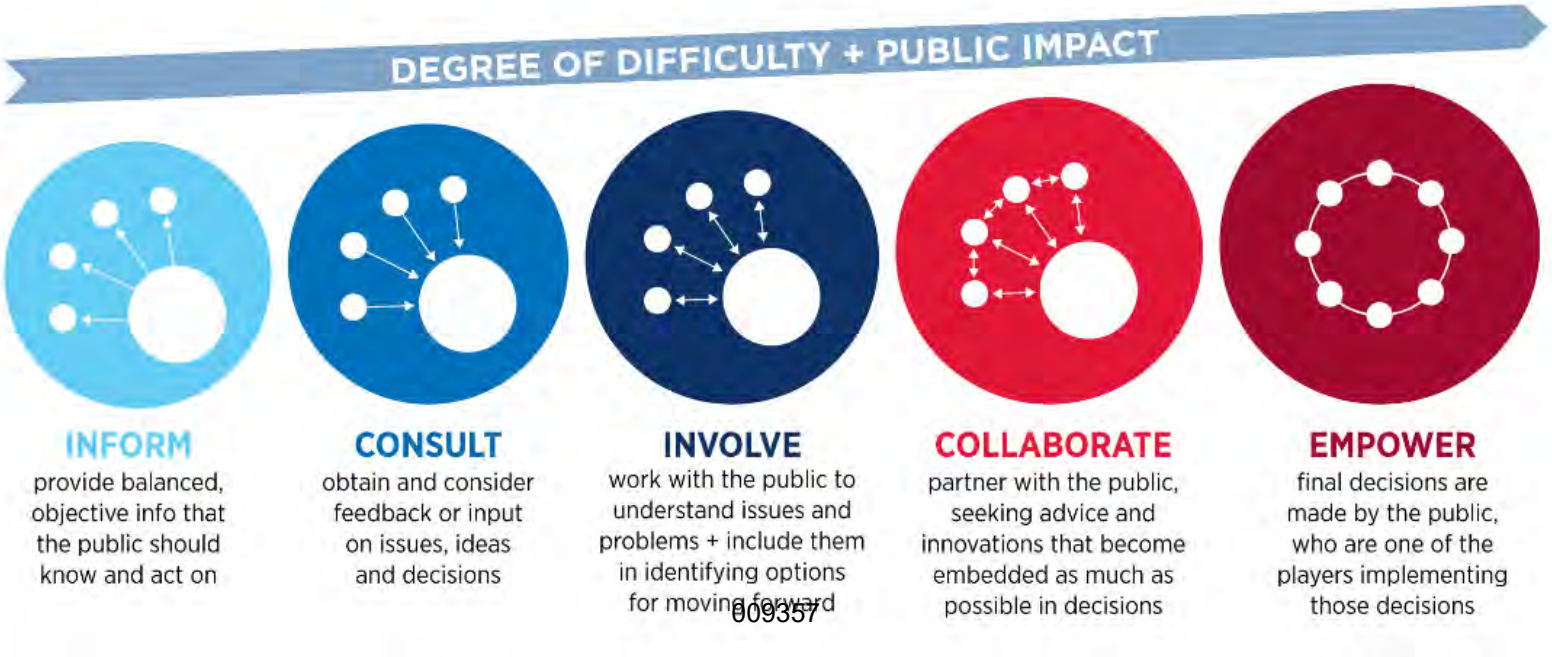
Decision-making framework

Engagement plan overview

- Metro committees
- Stakeholder roundtable
- Jurisdictional outreach
- Youth cohort
- Public communication



Levels of engagement



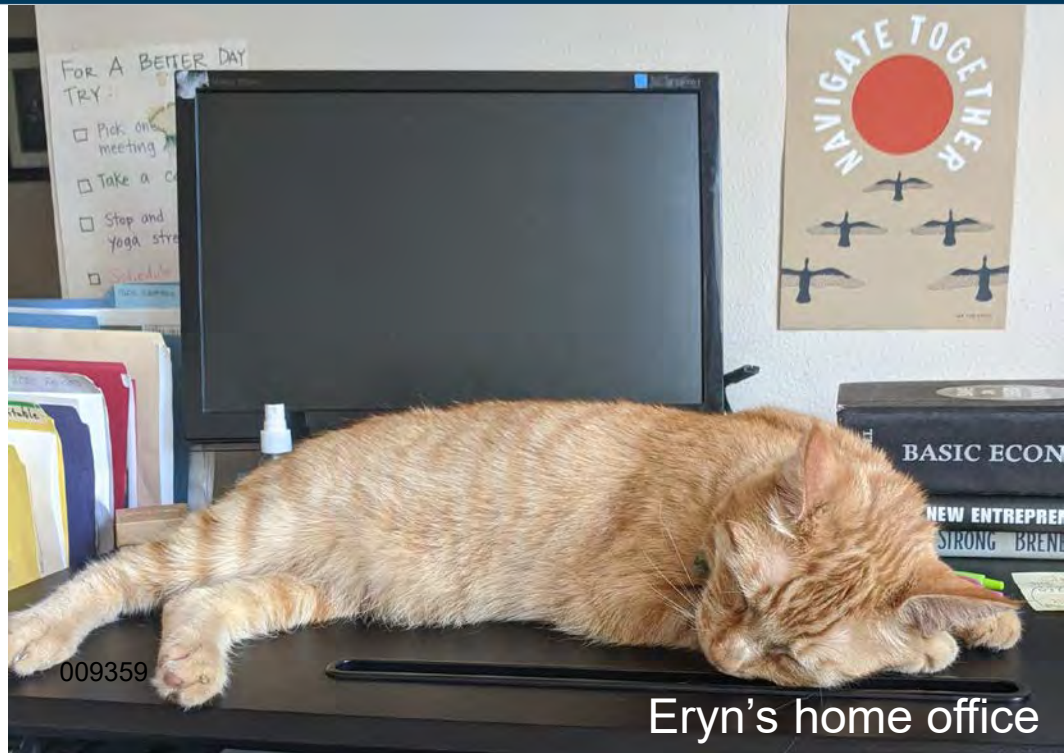
Levels of engagement

Inform	Consult	Involve	Collaborate	Empower
General public	MTAC General public	MPAC CORE Stakeholder Roundtable Youth Cohort LUTAG Metro cities/counties staff and leadership	LUTAG	

Metro committees

Regular updates to MTAC & MPAC

MPAC recommendation in Fall 2024



Eryn's home office

Stakeholder roundtable

Membership outreach underway

First meeting – September 2023

First meeting topics: introductions, work program, development outcomes in past UGB expansion areas



009360

Stakeholder roundtable role

1. Contribute perspectives to the content of the 2024 Urban Growth Report
2. Staff will consider the group's feedback when preparing a recommendation for the Metro Council UGB decision

Potential membership

Housing developers
Industrial brokers
Real estate
Academia
Affordable housing

Local mayors
Business organizations
Land advocacy
Labor
Farming

Ideals: Regional balance, gender and racial balance

Stakeholder Roundtable

Draft 6/21/23

Purpose

- Discuss a variety of topics included in the UGM decision-making process
- Provide feedback to staff on draft Urban Growth Report analyses
- Periodically report to Metro Council

Roles

- Provide diverse perspectives on urban growth topics
- Build shared understanding of growth trends, and analysis assumptions and inputs
- Identify ways to enhance development readiness

Members

- Business
- Labor
- Affordable housing providers
- Commercial, industrial, and housing development
- Infrastructure and service providers
- Environmental justice/climate
- Land use advocacy
- CBOs

Topics

Key theme: Readiness

- Development outcomes
- Regional forecast outlook: population, households, employment
- Employment trends and economic development aspirations
- Office-to-residential conversion potential
- Housing trends
- Redevelopment and infill in mixed-use centers
- Displacement
- City UGB expansion proposals

Outcomes

- Integration and familiarity with ongoing work and peer review processes
- Group perspectives woven into the Urban Growth Report
- Input considered when preparing recommendations to Metro Council

2023 — **2024**

- Summer 2023: Members appointed by Metro COO
- Fall 2023 - Fall 2024: Bi-monthly meetings to review analyses, discuss inputs and assumptions, and provide feedback to staff and Metro Council
- Fall 2024: Share final feedback with Metro Council

Jurisdictional outreach

- City Manager outreach
- Visits with planning staff ongoing













009364

Youth cohort with Next Up

- Sept 2023 – Dec 2024
- 8 cohort meetings
- Field trip
- Council engagement



009365

Youth Cohort

Draft 6/20/2023

Purpose

- Educate youth leaders through a variety of topics included in the UGM decision-making process
- Incorporate youth voices and lived experiences in long-range planning decisions
- Build ongoing relationships with participants, supporting leadership opportunities and meaningful connections with Metro

Roles

- Identify planning topics of interest and deepen understanding of Metro's role in land use planning
- Build understanding of growth trends and regional planning processes
- Provide diverse perspectives on urban growth topics

Members

- 15 diverse youth members representing all 3 counties in the metro region
- Ages 14 – 28
- Meetings facilitated by Next Up Oregon and hosted at Next Up offices with hybrid attendance options
- Compensation provided

Topics

Key theme: Readiness

- Regional and long-range planning basics
- UGM process
- Housing trends
- Displacement
- Buildable Lands Inventory
- Forecasts and growth trends
- City UGB proposals and readiness
- Field trip
- Roundtable with Metro Councilors and MPAC

Outcomes

- Integration in ongoing planning work and growing familiarity with Metro's regional function
- Increased representation in the UGM decision-making process
- Input and recommendations shared with Metro Council and MPAC and documented in the Urban Growth Report

2023 – 2024

- **Fall 2023:** Cohort kickoff
- **Fall 2023 - Fall 2024:** 8 meetings to review UGM topics, provide input to s[illegible]re stories of lived experiences, group field trip/tour
- **September 2024:** Final presentations and testimony to Metro Council

Additional engagement

- Interest group presentations
- Social media and website updates
- Public comment period to review city expansion proposals (2024)

Questions/Discussion

Is anything missing?



oregonmetro.gov



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Portland, OR 97232-2736
oregonmetro.gov

METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes

June 28, 2023

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon (Chair)	City of Gresham, Second Largest City in Multnomah County
Ed Gronke	Citizen of Clackamas County
Alex Howard	Port of Portland
Gordon Hovies	Special Districts in Washington County
Kim Harless	City of Vancouver
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Gerritt Rosenthal	Metro Council
Sherry French	Special Districts in Clackamas County
Nadia Hasan	City of Beaverton, Second Largest City in Washington County
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Duncan Hwang	Metro Council
Tim Rosener	Other Cities in Washington County
Glen Yung	Clark County
Pam Treece	Washington County
Omar Qutub	Citizen of Multnomah County
Denyse McGriff	City of Oregon City, Second Largest City in Clackamas County
Thomas Kim	TriMet
Steve Callaway	Largest City in Washington County

MEMBERS EXCUSED	AFFILIATION
Mary Nolan	Metro Council
Mark Shull	Clackamas County
Kirstin Greene	Oregon Department of Land Conservation and Development
Ted Wheeler	City of Portland
Sharon Meieran	Multnomah County
Brian Cooper	City of Fairview, Other Cities in Multnomah County
Brian Hodson	City of Canby, City in Clackamas County outside UGB
James Fage	City of North Plains, City in Washington County outside UGB
Susan Greenberg	Beaverton School Board, Governing Body of a School District
Terri Preeg Riggsby	Special Districts in Multnomah County
Luis Nava	Citizen of Washington County
Carmen Rubio	City of Portland

ALTERNATES PRESENT	AFFILIATION
Amira Streeter	Citizen of Multnomah County
Laura Kelly	Oregon Department of Land Conservation and Development

OTHERS PRESENT: Cynthia Castro, Jamie Stasny, Preston Korst, Colin Cooper, Anna Slatinsky, Suzanne Savin, Jessica Pelz, Jaimie Lorenzini, Ariel Kane, Laurie Petrie, Sandy Glantz,

STAFF: Connor Ayers, Jeff Kain, Roger Alfred, Catherine Ciarlo, Andy Shaw, Ted Reid, Eryn Kehe, Andrea Pastor, Dana Lucero, Malu Wilkinson

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Chair Vince Jones-Dixon called the Zoom meeting to order at 5:00 PM.

Metro Staff Connor Ayers (he/him) called the role.

Metro Staff Roger Alfred noted that there were not enough members present to declare a quorum.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

No members of the public chose to provide testimony on agenda items.

3. COUNCIL UPDATE

As Metro Councilor Gerritt Rosenthal was not yet present, Chair Jones-Dixon moved onto the Committee Member Communications section of the meeting.

4. COMMITTEE MEMBER COMMUNICATIONS

TriMet Board of Directors member Thomas Kim noted that the TriMet Board of Directors voted in favor of the proposed transit fare increase.

Metro Councilor Duncan Hwang offered to provide the Council Update in the stead of Metro Councilor Gerritt Rosenthal. He began by discussing relevant news surrounding the Parks and Nature Department, announcing that the Metro Council committed to providing up to $10 million for three major parks and nature projects in the region. Along with that, he remarked that the Local Share Program and Community Choice Grants are opening funding opportunities for parks and nature projects and the Nature in Neighborhoods program. Councilor Hwang then discussed the Bulky Waste Pilot Project, as well as reporting progress on developments emerging from the Affordable Housing Bond.

City of Oregon City Mayor Denyse McGriff announced that Oregon City held two diversity and equity

events, as well as a community sponsored pride event.

Councilor Rosenthal reported updates to Metro's housing work, then discussed the success of the Juneteenth Rodeo held at the Expo Center.

5. CONSENT AGENDA

5.1 MPAC Consideration of MTAC Nominees
5.2 Consideration of the May 24th, 2023 MPAC Minutes

Chair Jones-Dixon announced that the committee had reached quorum.

MOTION: City of Hillsboro Mayor Steve Callaway moved to approve the consent agenda. Mayor McGriff seconded.

ACTION: With all in favor, the consent agenda was approved.

6. INFORMATION/DISCUSSION ITEMS

6.1 Community Placemaking Grants

Chair Jones-Dixon introduced Metro staff Dana Lucero and 2023 grantee Chisao Hata, Creative Director at the Japanese American Museum of Oregon.

Councilor Hwang briefly discussed the impact of the Community Placemaking Grants program.

Key elements of the presentation and member discussion included:

Lucero provided an overview of the program, stating that the Community Placemaking Grants support community-led, equity-centered, arts and culture based efforts that strengthen people's connections to each other and places they care about. She noted that $200,000 of grants is available in each cycle, with individual grants ranging from $5,00 to $25,000. Lucero briefly discussed the grantees in the 2023 cycle. Hata reflected on the history of Japanese internment in the Assembly Center of the Expo Center before discussing her vision for a community-centered, inclusive, and reflective new Expo Center. She thanked the Metro councilors who had attended a tour of the Expo Center

City of Happy Valley Councilor Brett Sherman noted that Multnomah and Washington Counties have historically made up a bulk of grantees from this program, questioning if there is something Clackamas County leaders can do to better inform their communities about funding opportunities.

Lucero remarked that Multnomah County is overrepresented in applicants, with Washington County and Clackamas County lagging behind. She noted that staff is open to suggestions on how to increase awareness across these counties.

City of Beaverton Councilor Nadia Hasan thanked both Lucero and Hata for their work.

Mayor Callaway highlighted the importance of calling the Japanese internment centers concentration

camps. He questioned if grantees are excluded from the pool of future grant cycles.

Lucero remarked that the only restriction on applicants is that awardees who secured grant funding for an event are barred from applying for grants in the following grant cycle.

Ed Gronke briefly reflected on the history of Japanese internment. He then asked what means of accountability are used to ensure that grant funds are used appropriately.

Staff responded that there are several program measurements, being advancing racial equity outcomes, building new partnerships amongst groups, and building new relationships amongst Metro, that are used to evaluate the usage of grant funds.

Councilor Rosenthal spoke to the importance of viewing the Assembly Center in-person to get the full perspective on the horrors of internment.

6.2 Transit Oriented Development (TOD) Program Strategic and Work Plan Update

Chair Jones-Dixon introduced Metro staff Eryn Kehe (she/her), and Andrea Pastor (she/her).

Key elements of the presentation and member discussion included:

The presentation overviewed the Transit Oriented Development Program, focusing on the program's strategic plan and policy recommendations. Pastor provided several examples of transit oriented communities around the metropolitan area, explaining how the developments serve to boost housing affordability and transit access. Staff then discussed engagement efforts surrounding this program with community members, as well as stakeholders. Key components of the strategic plan were examined, primarily project outcomes, requirements, and timelines.

Gronke questioned how this program will combat market forces that may result in gentrification and unaffordability.

Pastor responded by explaining that staff focused on site acquisition and using regulated affordability standards to prevent against market forces pushing out lower-income residents.

Gronke asked if Metro currently owns the land on which these developments are being built.

Kehe clarified that Metro purchases land alongside transit corridors and then enters development agreements with private organizations on set development terms and conditions.

Councilor Hasan questioned how Metro staff coordinates with city staff to align efforts towards this program.

Pastor explained that Metro staff are already familiar with collaborating with city staff through the purchasing of land for the Affordable Housing Bond, although she mentioned that staff is hoping to expand their outreach efforts.

Councilor Rosenthal noted that other agencies such as TriMet and the Oregon Department of Transportation (ODOT) also have TOD programs. He questioned how similar the target goals are between these agencies.

Pastor commented that Metro's TOD program is very similar to TriMet's, and thus the organizations collaborate frequently. Kehe remarked that TriMet's program is limited in that their properties must be purchased through the development of transit, while Metro is afforded a greater deal of flexibility, allowing for the programs to complement each other.

Washington County Commissioner Pam Treece asked staff how they assign priority to new investments.

Pastor highlighted that staff attempts to align site acquisition with corridor development, alongside targeting equity focused communities.

Councilor Sherman remarked that many suburban areas face the challenge of needing greater housing affordability while lacking sufficient transit infrastructure. He asked if there is a way that the TOD program can be adopted in areas with less transit connections.

Pastor noted that staff is working to expand the reach of the TOD program, commenting that a dense transit system is not entirely necessary for TOD developments.

Seeing no further discussion, Chair Jones-Dixon moved onto the next agenda item.

6.3 Urban Growth Management Discussion: Middle Housing Potential

Chair Jones-Dixon introduced Metro staff Ted Reid (he/him), as well as Becky Hewitt from ECONorthwest and Jerry Johnson from Johnson Economics.

The presentation summarized past work informing modeling regarding the market feasibility of middle housing zoning. Staff explained that land combined with corresponding public policy creates physical feasibility for middle housing, while market forces combined with sufficient capital creates financial feasibility. Johnson explained approaches to modeling middle housing. Hewitt described different forms of middle housing developments. Staff concluded by noting that prior analysis suggests substantial middle housing potential.

City of Sherwood Mayor Tim Rosener questioned if homeowners' associations (HOAs) were considered in the model.

Johnson remarked that HOAs are not included in the model. Reid clarified that HOAs are not overwritten by the requirements of House Bill 2001 (HB 2001), and therefore may pose challenges to middle housing developers. Staff discussed the ways in which HOAs may interrupt development potential.

Mayor Rosener offered to provide a list and information of the HOAs within Sherwood to staff.

Councilor Sherman questioned if middle housing is really more affordable simply due to the houses' smaller sizes.

Johnson explained that smaller units are often more expensive per square foot as bathrooms and kitchens constitute a large portion of the development costs. Hewitt remarked that the only way to achieve affordability without subsidies is through a smaller unit or undesirable location.

Mayor McGriff questioned if staff is taking into consideration development in areas that allow for residential units, even if its not zoned as a residential area.

Johnson remarked that it is more likely that former retail areas will be developed into distribution centers rather than residential areas. He confirmed that the model accounts for zoning districts that allow for both residential and commercial enterprises.

Mayor Callaway requested clarification on the term “low-value structure”.

Hewitt explained that this term can be used for old, less competitive developments.

Mayor Callaway asked if land that is infill eligible is ever reconsidered if the land continually is not developed further.

Johnson noted that this is not done on a parcel by parcel basis, but rather through running a version of the model in reverse to examine the history of such lands.

City of Lake Oswego Mayor Joe Buck commented that Lake Oswego’s population has voiced a desire for more middle housing, but developers are continuing to prioritize single-family homes. He spoke to the importance of providing middle housing close to services.

7. ADJOURN

Chair Jones-Dixon adjourned the meeting at 6:55 PM.

Respectfully Submitted,

Jeff Kain

Jeffrey Kain
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JUNE 28,, 2023

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
6.1	Presentation	06/28/2023	Community Placemaking Grants Presentation	062823m-01
6.2	Presentation	06/28/2023	TOD Program Strategic Plan Update Presentation	062823m-02
6.3	Presentation	06/28/2023	Urban Growth Management Discussion: Middle Housing Potential Presentation	062823m-03

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, June 28, 2023 **5:00 PM** **Metro Regional Center Council Chamber, https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00 PM)

This meeting will be held electronically and in person at the Metro Regional Center Council Chamber.
You can join the meeting on your computer or other device by using this link:
https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633).
If you wish to attend the meeting, but do not have the ability to attend by phone or computer, please contact the Legislative Coordinator at least 24 hours before the noticed meeting time by phone at 503-813-7591 or email at legislativecoordinator@oregonmetro.gov.

2. Public Communication on Agenda Items (5:05 PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.
Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you
wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov. Those requesting to comment during the meeting can do so by using the "Raise Hand" feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:10 PM)

4. Committee Member Communication (5:15 PM)

5. Consent Agenda (5:20 PM)

5.1 MPAC Consideration of MTAC Nominees — COM 23-0711

Attachments: MPAC Worksheet
Staff Report

5.2 Consideration of the May 24, 2023 MPAC Minutes COM 23-0713

Attachments: 052423 MPAC Minutes

6. Information/Discussion Items (5:25 PM)

6.1 Community Placemaking Grants COM 23-0698

Presenter(s): Dana Lucero, Metro

Attachments: MPAC Worksheet
MPAC Placemaking 2023 Grantees

6.2 Transit Oriented Development (TOD) Program Strategic and Work Plan Update COM 23-0709

Presenter(s): Eryn Kehe, she/her, Urban Policy and Development Manager, Metro
Andrea Pastor, she/her, Senior Development Project Manager, Metro

Attachments: MPAC Worksheet
TOD Strategic Plan

6.3 Urban Growth Management discussion: Middle Housing Potential COM 23-0710

Presenter(s): Ted Reid (he/him), Metro
ECONorthwest Staff

Attachments: MPAC Worksheet

7. Adjourn (7:00 PM)

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

6.3 Urban Growth Management discussion: Middle Housing Potential

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, June 28th, 2023

MPAC Worksheet

Agenda Item Title: 2024 Urban Growth Management Decision: middle housing potential

Presenters: Ted Reid (Metro Planning, Development and Research); Becky Hewitt (ECONorthwest)

Contact for this worksheet/presentation: Ted Reid ted.reid@oregonmetro.gov

Purpose/Objective
The purpose of this item is to continue MPAC's engagement in growth management topics so that it is prepared to advise the Metro Council on its regional growth management decision in late 2024.

Under state law, Metro must assess – at least every six years – whether there is a regional need to expand the urban growth boundary (UGB). UGB expansions are only allowed if there is a demonstrated regional need for more UGB capacity to accommodate anticipated household or job growth (demand), which Metro assesses using a peer-reviewed forecast.

Another core question that Metro must answer is how much growth capacity exists in the current UGB. When determining growth capacity, state law instructs Metro to consider vacant lands as well as developed lands that are likely to redevelop. Past analyses show that most of our region's housing and job growth occurs through redevelopment and infill of land inside the UGB.

In 2019, the Oregon Legislature passed HB 2001, which requires cities and counties to amend their zoning codes to allow a greater mix of middle housing types, including duplexes, triplexes, fourplexes, townhouses, and cottage clusters. Cities and counties have now made those changes to their plans. The allowance of middle housing in existing and new neighborhoods introduces a new consideration for the region as it calculates the UGB's growth capacity. Metro has engaged the consulting firms ECONorthwest and Johnson Economics to assist with this and other growth management analyses.

MPAC will hear about preliminary analyses conducted by Metro's consultant team regarding middle housing potential and affordability. They will learn about the assumptions to be used in the next steps of the work. Metro, with assistance from these consultants, will conduct additional market feasibility analysis in the coming months. MPAC will have future opportunities to discuss those analyses and their implications.

Outcome
The intended outcome of this meeting is that MPAC will gain initial familiarity with the potential of middle housing to accommodate some of the region's housing needs. MPAC members will have the opportunity to provide input on the initial assumptions and share and discuss opportunities and challenges for middle housing in their communities.

What has changed since MPAC last considered this issue/item?
Metro staff, with assistance from a consultant team, has continued implementing the growth management work program that MPAC discussed at its February 22, 2023 meeting.

What packet material do you plan to include?
None. A PowerPoint will be made available after the meeting.

Materials following this page were distributed at the meeting.

Metro Residential Readiness

Middle Housing Potential

ECONorthwest

ECONOMICS · FINANCE · PLANNING

009383

Metro Residential Readiness Project



Development Readiness



Population & Development Trends



Housing Filtering & Market Functions



Gentrification & Displacement Risk



Office-to-Residential Conversion Potential



Middle Housing Potential



Existing Housing Needs

009384

Purpose

Step 1

- Summarize past work to inform modeling
  - Infill/redevelopment potential
  - Housing mix
  - Pricing/affordability

Step 2

- Modeling to estimate market feasibility

Middle Housing Zoned Potential: What's Changed?

Metro Jurisdictions' Response to HB 2001 (2019)

Metro Jurisdiction	Compliance	Bonus Updates or other Unique Features
Portland	Exceeded	• Allow Six-plexes (if 50% affordable units) • Smaller lot sizes • Lower parking requirements
Beaverton	Exceeded	• Smaller lot sizes • Higher FAR for more units
Hillsboro	Complied	n/a
Gresham	Exceeded	• Smaller lot sizes
Happy Valley	Complied	n/a
Cornelius	Exceeded	• Applied more broadly
Wilsonville	Complied	• Allow land divisions for ADUs
West Linn	Exceeded	• Smaller lot sizes • More FAR, lot coverage flexibility
Fairview	Complied*	• Applied more broadly * Has yet to adopt updates
Tigard	Exceeded	• Smaller lot sizes • Lower parking requirements
Oregon City	Exceeded	• Lower parking requirements
Milwaukie	Exceeded	• Smaller lot sizes
Gladstone	Exceeded	• Smaller lot sizes (some zones)
Wood Village	Complied	N/a
Washington County	Exceeded	• Smaller lot sizes
Clackamas County	Exceeded	• Smaller lot sizes

Source: MIG|APG research

Metro Jurisdictions' Response to HB 2001 (2019)

Metro Jurisdiction	Allow Detached Plexes?	Cottage Size Limit?
Portland	Duplex only	Avg unit size
Beaverton	Yes	No (25' height limit only)
Hillsboro	No	Avg unit size & individual unit size
Gresham	Yes	No
Happy Valley	No	Avg unit size & individual unit size
Cornelius	Yes	No
Wilsonville	Yes	Individual unit size
West Linn	Yes	No
Fairview	Yes	No
Tigard	No	Avg unit size & individual unit size
Oregon City	Duplex & triplex with existing unit only	Avg unit size & individual unit size
Milwaukie	Yes	Avg unit size
Gladstone	Yes	Avg unit size
Wood Village	Yes	Individual unit size
Washington County	Yes	Avg unit size
Clackamas County	No	Avg unit size
Tualatin	Yes	*Not sampled*
Troutdale	No	*Not sampled*
Sherwood	No	*Not sampled*
Lake Oswego	No	*Not sampled*
Tualatin	Yes	*Not sampled*
Forest Grove	Yes	*Not sampled*
King City	No	*Not sampled*
Durham	No	*Not sampled*

Source: MIG|APG research

009388

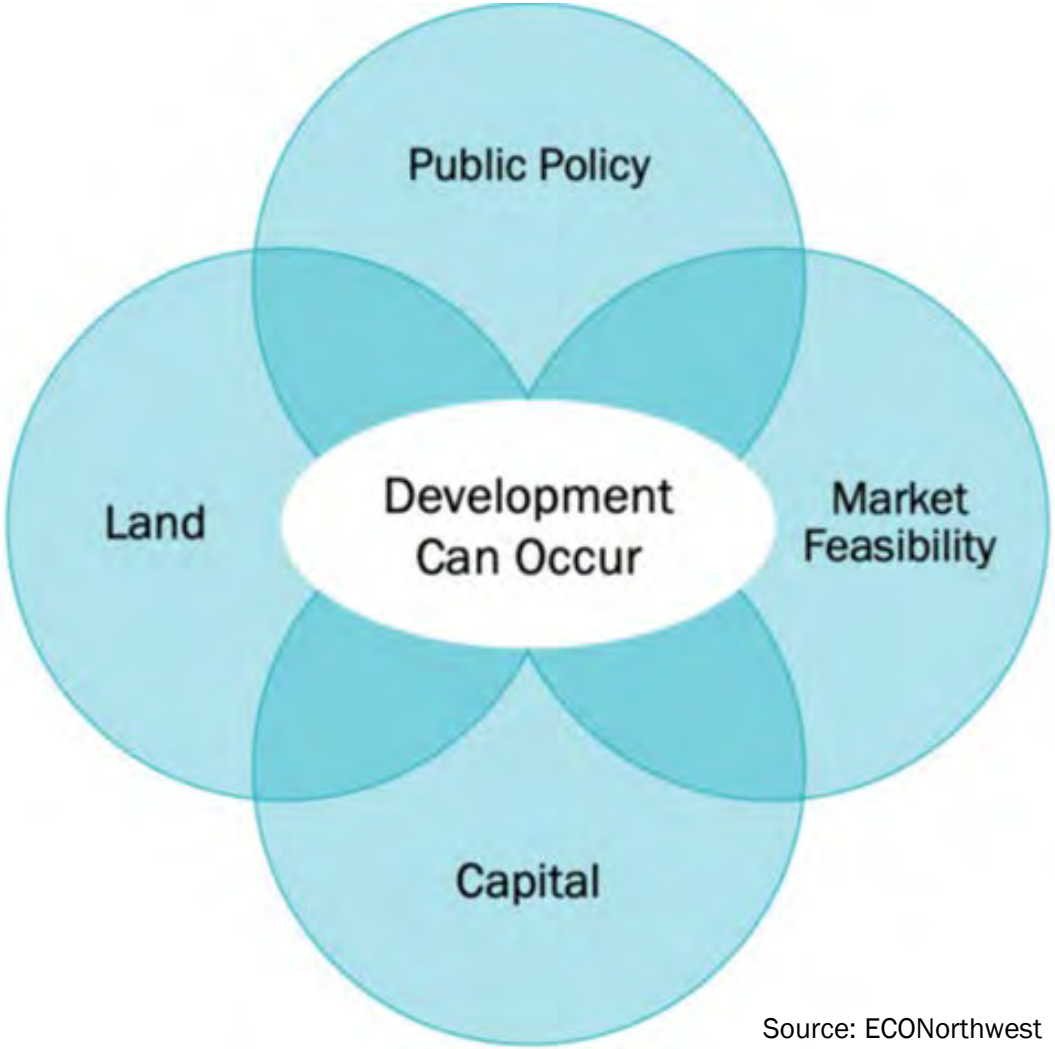
Estimating Middle Housing Demand and Production

ECONorthwest
ECONOMICS • FINANCE • PLANNING

JOHNSON ECONOMICS

What makes middle housing feasible?

- Land + Public Policy => Physical feasibility
- Market + Capital => Financial feasibility



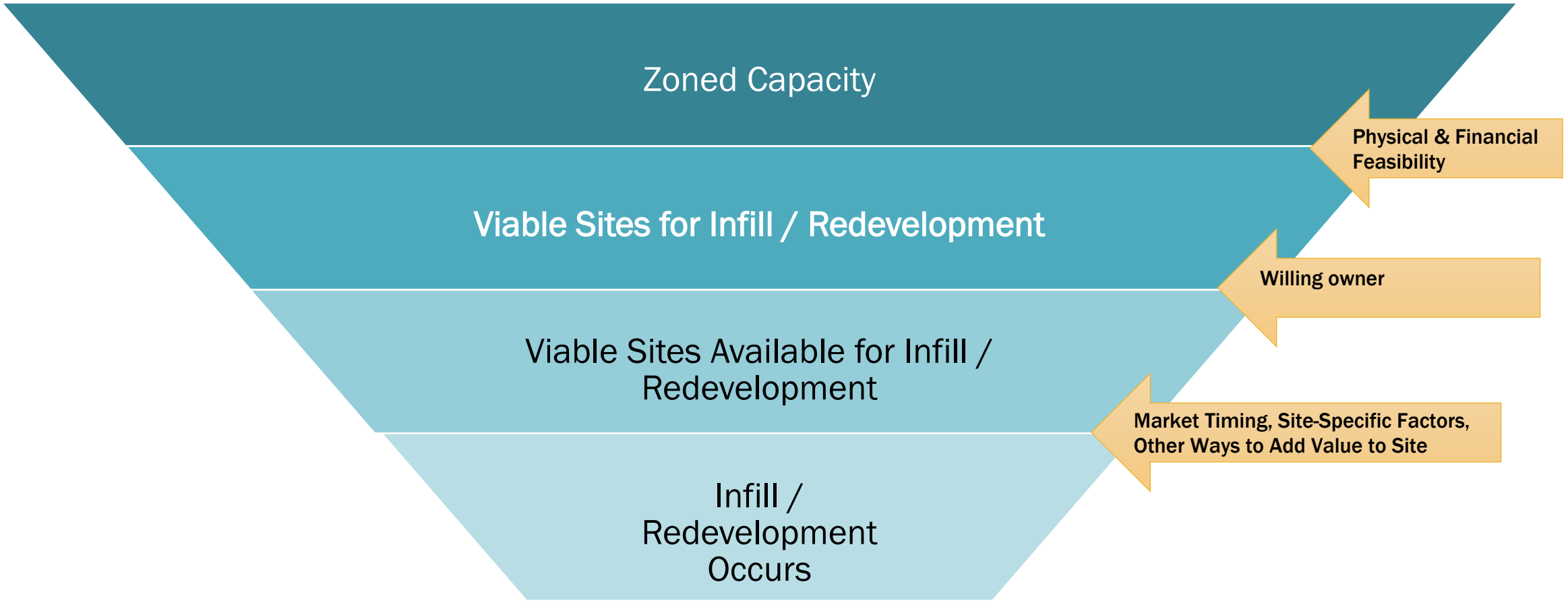
Source: ECONorthwest

Infill/Redevelopment Capacity in Existing Neighborhoods

- Adding middle housing in existing neighborhoods can happen multiple ways:
  - Redevelopment: Low-value structure compared to (re)development potential
  - Infill: enough room to build around existing structure
  - Conversion: Structure can be retrofitted to add units

Infill / Redevelopment Potential vs. Production

Not all potentially viable sites will be further developed



009392
Source: ECONorthwest

Metro Approach to Estimating Middle Housing Capacity

- Model estimates middle housing capacity
- Based on generalized zones
- Uses a few middle housing “prototypes”
- Focused on financial feasibility vs. physical feasibility
- Includes vacant land, infill, and redevelopment
- Estimates probability of feasible development
- Housing mix in concept planned areas estimated separately

Middle Housing Types: Townhouses

Townhouses

- Ownership & rental
- Typical densities (20-25 units per acre)
- Off-street parking assumed, even where not required





009394

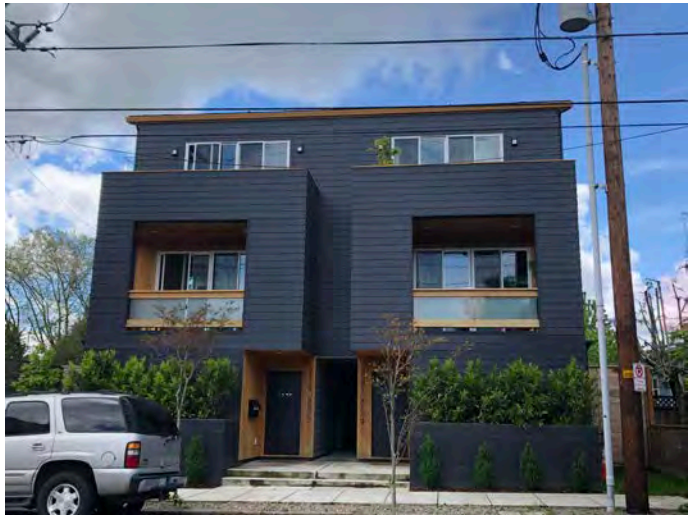


Middle Housing Types

Duplexes

- Ownership & rental
- Assumed 5000 sf lot size
- Some off-street parking assumed, even where not required







Middle Housing Types

Detached Plexes / Compact Detached Housing

- Modeling detached plexes (where permitted) as comparable to compact detached / small-lot detached housing







009396

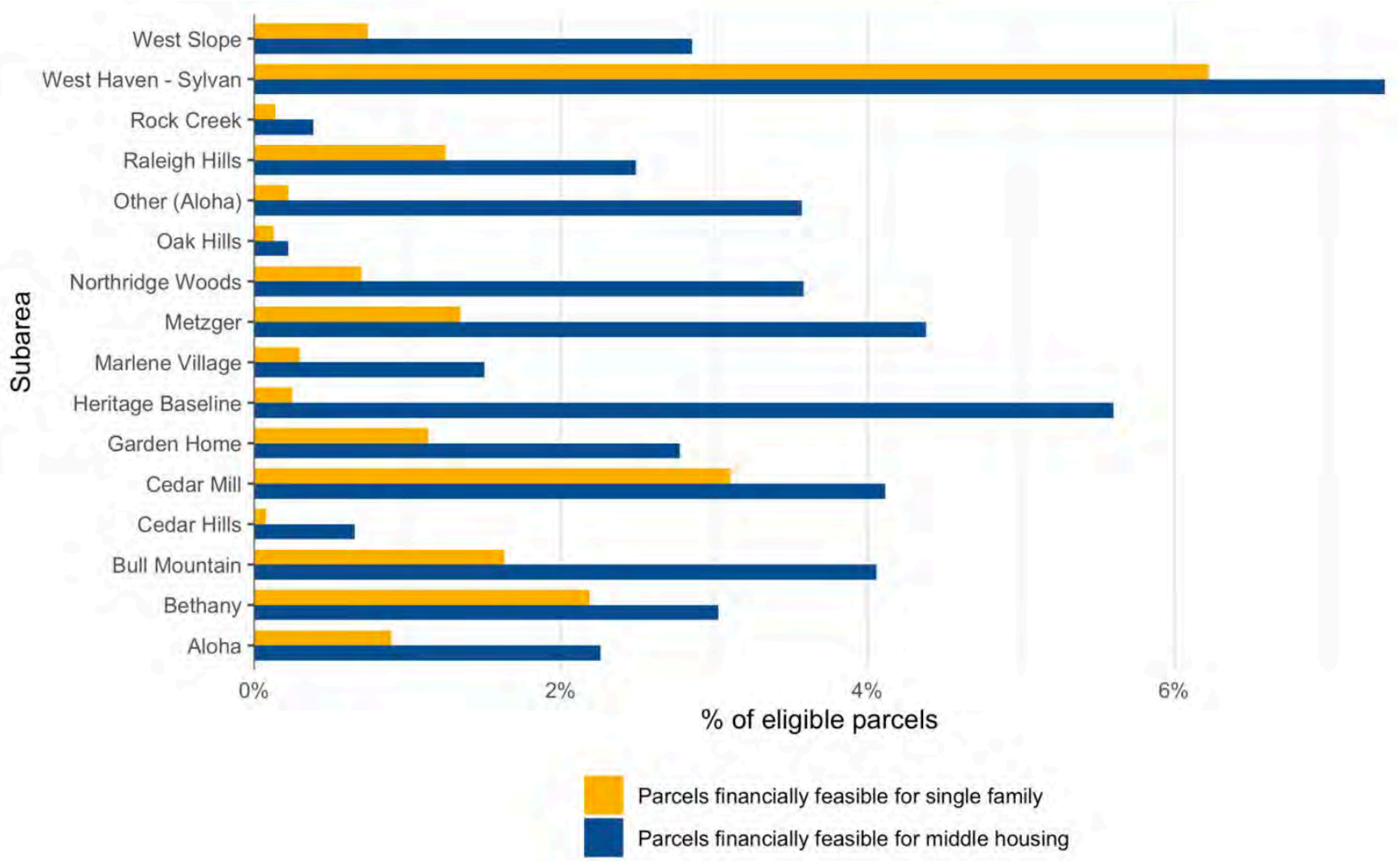
Recent Estimates of Middle Housing Production by Local Jurisdictions

Recent Estimates of Middle Housing Capacity: Washington Co.

3%

of parcels estimated feasible for redevelopment

(urban unincorporated areas)



Source: Washington County House Bill 2001 Implementation Economic Analysis and Market Research Findings and Recommendations (ECONorthwest, 2021)

009398

Recent Estimates of Middle Housing Capacity: Milwaukie

8%

of parcels estimated feasible for redevelopment

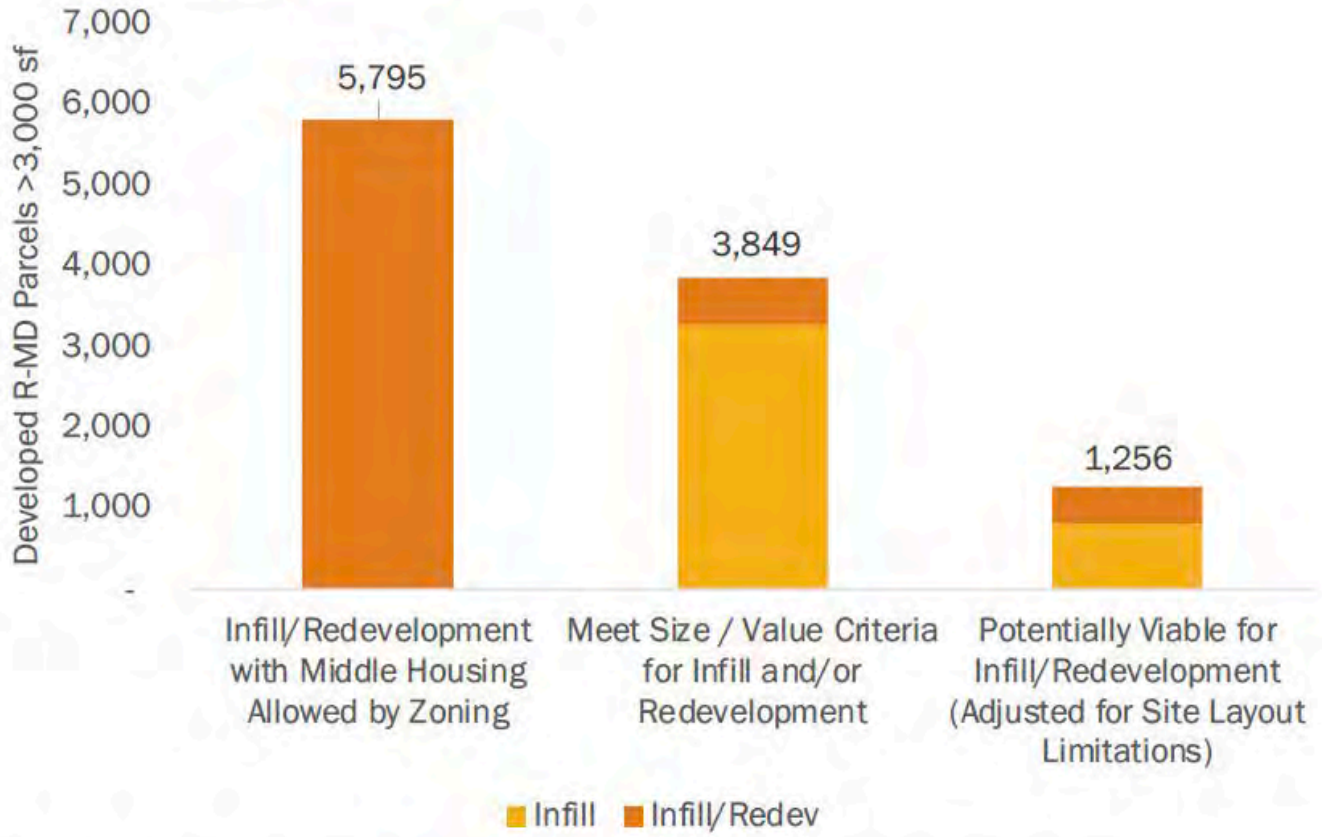
14%

of parcels may have infill potential

(retaining existing structure)

Exhibit 2: Parcels with Infill/Redevelopment Potential based on Zoning, Property Size and Value, and Typical Site Layout Limitations

Source: ECONorthwest



Note: Does not account for all site-specific factors, including property condition, need for infrastructure improvements, localized market factors, and property owner preferences.

009399

Source: Analysis of Middle Housing Infill and Redevelopment Potential in Milwaukie, Oregon (ECONorthwest, 2022)

Recent Estimates of Middle Housing Capacity: Portland

3.4%

of lots converted 1991-2000

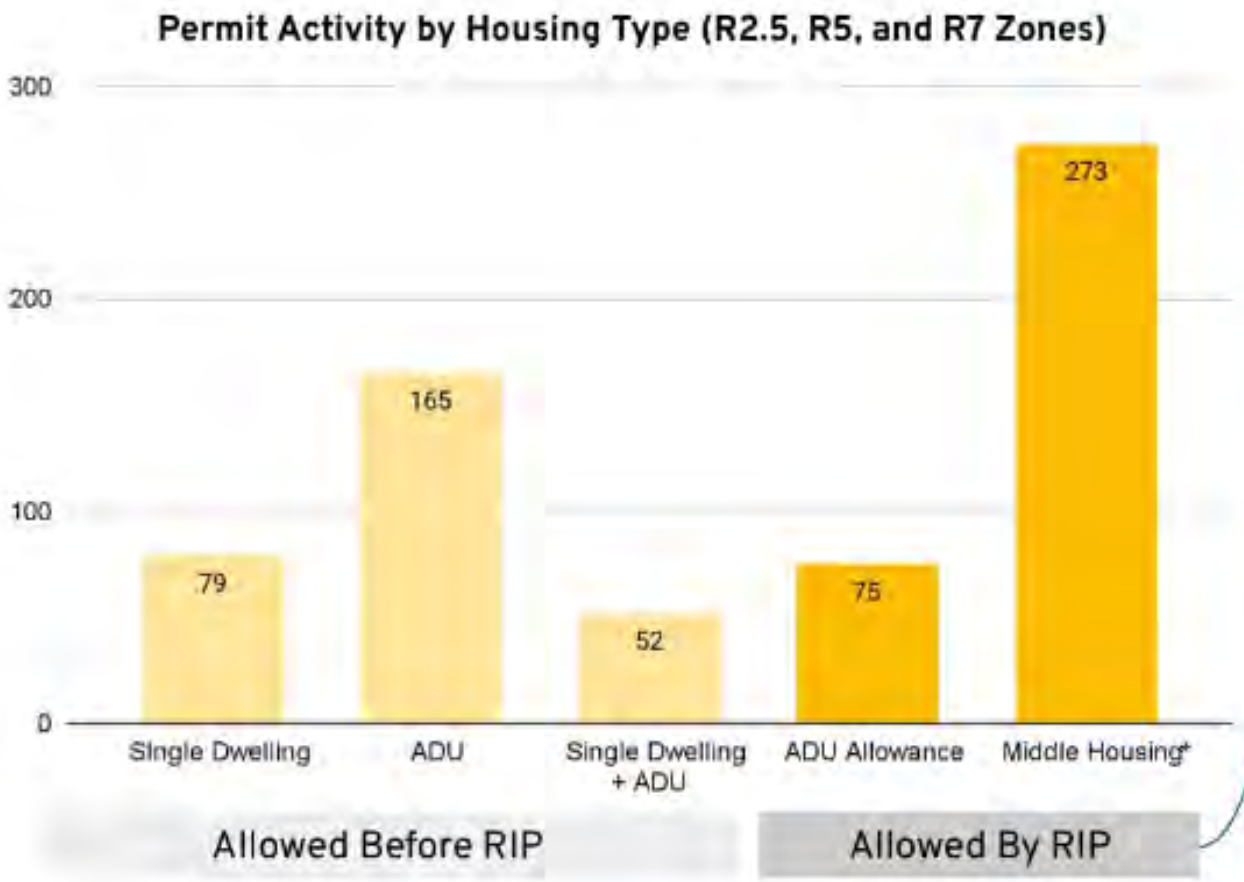
Corner lot duplexes (R7, R5 and R2.5 zones)		
Pattern Area	**All corner lots**	**Only corner lots within ¼ mile of centers**
East	2.0%	2.9%
Inner	4.3%	6.3%
West	0.6%	1.7%
Citywide	3.4%	5.4%

Source: City of Portland Residential Infill Project Findings

009400

City of Portland Permit applications in R7, R5, R2.5 zones

Permit Activity Overview



*Middle Housing category includes corner duplexes

009401

RIP-Enabled Units Permitted by by Housing Type

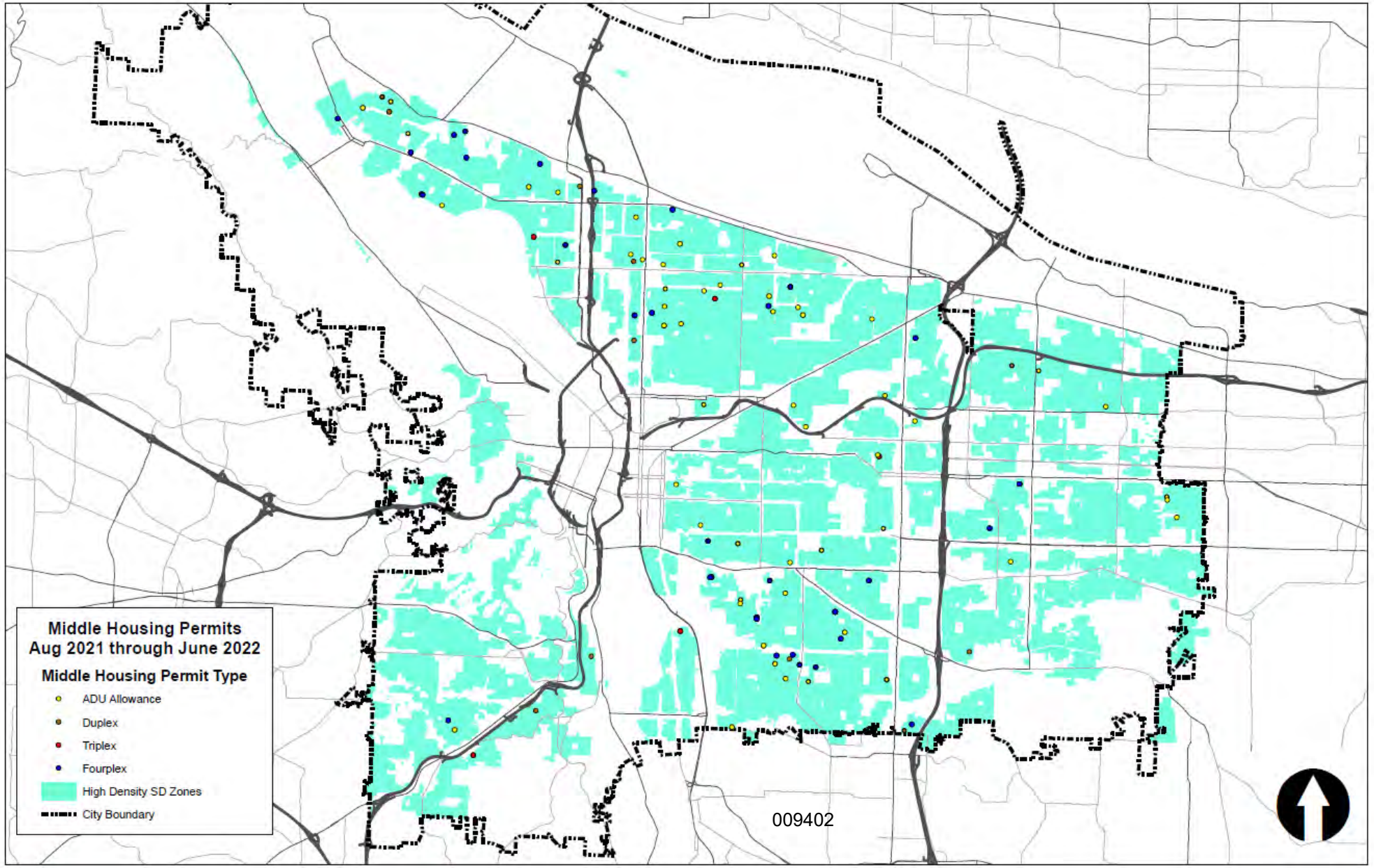
Aug 1, 2021- July 31, 2022

ADU Allowances	75
Duplex	40
Triplex	27
Fourplex	204
Sixplex	2

Source: City of Portland

Data reflects permits for development under Residential Infill Project Part 1 rules through July 2022

Locations of Portland Middle Housing Permits



Data reflects permits for development under Residential Infill Project Part 1 rules through July 2022

Source: City of Portland

Middle Housing Potential in Greenfield Developments

- Why developers include middle housing:
  - Different market segments, lower price points
  - Increase sales volume
- How much middle housing to expect?
  - ECONorthwest estimate for Hillsboro:
    - ~50-50 split between middle housing and single-family housing on vacant low- and medium-density residential land
    - Where not yet concept planned, ~25-30% middle housing overall

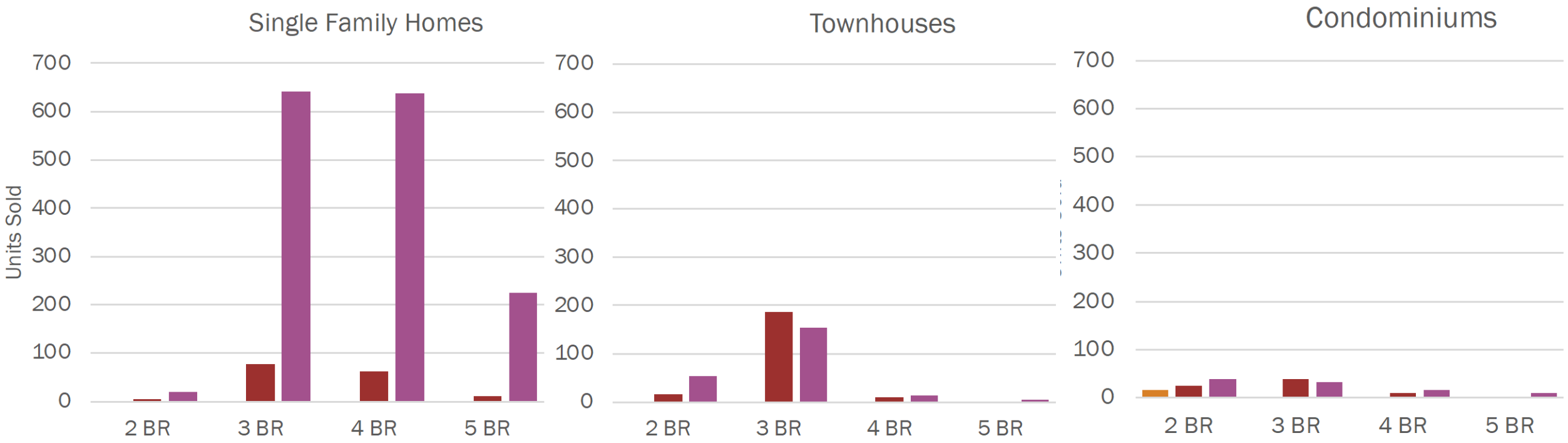
Estimated Pricing for Middle Housing

New For-Sale Housing Affordability by Housing Type

Affordability of Market Sales Prices
(adjusted by unit size, approximate)

- 80-100% AMI
- 100-120% AMI
- >120% AMI

New construction tends to be expensive
Middle housing may be less expensive



Source: ECONorthwest analysis using sales transaction data from RLIS and Redfin. Affordability based on rent limits by unit type, 2022 Median Family Income for Portland MSA, estimated utility allowances, property tax and insurance costs, and HOA dues; lending assumptions: 30-year fixed-rate mortgage at 6.5% with 20% down payment.

Examples: Plexes & Small Multifamily Rentals

















Source: Redfin and ECONorthwest calculations. AMI adjusted for unit size and estimated utility allowances, approximate.

Examples: Compact Detached Rentals





Source: Redfin and ECONorthwest calculations. AMI adjusted for unit size and estimated utility allowances, approximate.

Examples: For-Sale Plexes and Small Multifamily









009408

Source: Redfin and ECONorthwest calculations. AMI adjusted for unit size and estimated utility allowances, approximate.

Take-aways

Take-Aways

Local regulations have changed substantially in neighborhood residential areas:

- Middle housing broadly allowed, ~20-30 du/ac
- Can resemble single-unit detached, but at higher densities
- Many jurisdictions go beyond minimum state requirements

Take-Aways

Potential for increased housing choices and affordability:

- Prior analysis suggests substantial middle housing potential
- Markets in transition offer redevelopment and infill opportunities
- Middle housing can offer housing for middle incomes

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Los Angeles



Portland



Seattle



Boise

From: Dave Wortman
To: 2040; district3@multco.us
Subject: [External sender]UGB expansion
Date: Wednesday, June 28, 2023 7:04:50 PM

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

Please do not expand the UGB anymore. I'm in Wilsonville watching with disappointment the big single family homes being built in Frog Pond West. These homes are not only unaffordable, they're not the high density we need to stop sprawl and address the climate impacts of our communities.

In Wilsonville, we have an empty large parcel, right downtown, that is ripe for high density redevelopment. Much of the city is low rise strip commercial development. We need to remove barriers and create incentives to foster affordable, high density, vibrant mixed use developments within our cities, not to expand the UGB.

Please hold the line.

Respectfully,

Dave W
Wilsonville, OR

Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting: **Metro Technical Advisory Committee (MTAC) and Transportation Policy Alternatives Committee (TPAC) workshop meeting**

Date/time: Wednesday, June 21, 2023 | 9:00 a.m. to noon

Place: Virtual conference meeting held via Zoom

Members, Alternates Attending	Affiliate
Tom Kloster, Chair, TPAC	Metro
Eryn Kehe, Chair, MTAC	Metro
Karen Buehrig	Clackamas County
Jamie Stasny	Clackamas County
Steve Williams	Clackamas County
Allison Boyd	Multnomah County
Adam Barber	Multnomah County
Jessica Pelz	Washington County
Dyami Valentine	Washington County
Theresa Cherniak	Washington County
Judith Perez	SW Washington Regional Transportation Council
Eric Hesse	City of Portland
Tom Armstrong	City of Portland
Jaimie Lorenzini	City of Happy Valley and Cities of Clackamas County
Dayna Webb	City of Oregon City and Cities of Clackamas County
Will Farley	City of Lake Oswego and Cities of Clackamas County
Laura Terway	Clackamas County: Other Cities, Happy Valley
Jay Higgins	City of Gresham and Cities of Multnomah County
Mike McCarthy	City of Tualatin and Cities of Washington County
Gregg Snyder	City of Hillsboro and Cities of Washington County
Colin Cooper	Largest City in Washington County, Hillsboro
Jessica Engelmann	Second Largest City in Washington County, Beaverton
Miranda Bateschell	Washington County: Other Cities, Wilsonville
Tara O'Brien	TriMet
John Serra	TriMet
Fiona Lyon	TriMet
Chris Ford	Oregon Department of Transportation
Neelam Dorman	Oregon Department of Transportation
Glen Bolen	Oregon Department of Transportation
Gerik Kransky	Oregon Department of Environmental Quality
Lewis Lem	Port of Portland
Tom Bouillion	Port of Portland
Laura Kelly	Oregon Dept. of Land Conservation & Development
Kelly Reid	Oregon Dept. of Land Conservation & Development
Manuel Contreras, Jr.	Clackamas Water Environmental Services
Chris Faulkner	Clean Water Services
Cassera Phipps	Clean Water Services
Gery Keck	Tualatin Hills Park & Recreation District
Heather Koch	North Clackamas Park & Recreation District
Nina Carlson	NW Natural
Jerry Johnson	Johnson Economics, LLC

Bret Marchant	Greater Portland, Inc.
Brett Morgan	1000 Friends of Oregon
Nora Apter	Oregon Environmental Council
Rachel Loftin	Community Partners for Affordable Housing
Preston Korst	Home Builders Association of Metropolitan Portland
Erik Cole	Schnitzer Properties, Revitalize Portland Coalition
Dr. Gerard Mildner	Portland State University
Mike O'Brien	Mayer/Reed, Inc.
Craig Sheahan	David Evans & Associates, Inc.
Andrea Hamberg	Public Health & Urban Forum, Multnomah County
Brendon Haggerty	Public Health & Urban Forum, Multnomah County
Ryan Ames	Public Health & Urban Forum, Washington County
Bill Beamer	TPAC Community Member at Large
Ellie Gluhosky	OPAL Environmental Justice in Oregon
Sarah Iannarone	The Street Trust
Danielle Maillard	Oregon Walks
Jasia Mosley	TPAC Community Member at Large
Joseph Edge	Clackamas County Representative, MTAC
Kamran Mesbah	Clackamas County Representative, MTAC
Victoria (Vee) Paykar	Multnomah County Representative, MTAC
Victor Saldanha	Washington County Representative, MTAC
Faun Hosey	Washington County Representative, MTAC

Guests Attending	**Affiliate**
Alex Gilbertson	North Clackamas Parks & Recreation District
Anne Ke	
Ariel Kane	City of Portland
Austin Barnes	Marion County
Barbara Fryer	City of Cornelius
Bryan Graveline	Portland Bureau of Transportation
Chris Smith	
Cody Meyer	Oregon Dept. of Land Conservation & Development
Jonathan Slason	RSG
Justin Sherrill	EcoNorthwest
Kiel Jenkins	
Madeline Baron	EcoNorthwest
Max Nonnamaker	Multnomah County
Nick Chun	EcoNorthwest
Schuyler Warren	City of Tigard
Shane Valle	City of Portland
Stu Peterson	Macadam Forbes
Tia Williams	WSP
Vanessa Vissar	Oregon Department of Transportation
Zoie Wesenberg	Oregon Department of Transportation

Metro Staff Attending

Alicia Wood, Ally Holmqvist, Andre Bealer, Cassie Salinas, Cindy Pederson, Daniel Audelo, Eliot Rose, Eryn Kehe, Grace Cho, Grace Stainback, Jeffrey Hood, John Mermin, Kim Ellis, Lake McTighe, Madeline Steele, Marie Miller, Matt Bihn, Sebrina Owens-Wilson, Ted Leybold, Ted Reid, Thaya Patton, Tim Collins, Tom Kloster

Call meeting to order, introductions and committee updates (Tom Kloster, TPAC Chair)
Tom Kloster, TPAC Chair, called the workshop meeting to order at 9:00 a.m. Introductions were made. The meeting format held in Zoom with chat area for shared links and comments, screen name editing, mute/unmute, and hands raised for being called on for questions/comments were among the logistics reviewed.

Committee Updates

- Tara O'Brien announced the MAX Red Line between the Gateway Center and Airport has shut down for upgrades. Shuttle service is offered. Red Line Project: https://trimet.org/alerts/2023/index.htm It was announced TriMet has added two new board members: Tyler Frisbee and Robert Kellogg. Summer transit youth service passes are now available.

Public Communications on Agenda Items – none provided

Consideration of MTAC/TPAC workshop summary of April 19, 2023 – No edits or corrections were submitted; summary of April 19, 2023 workshop approved as written.

2023 Regional Transportation Plan (RTP): Updated system performance and climate analysis (Eliot Rose, Metro) The presentation began noting two issues now facing the region that were not accounted for in previous RTP updates; The transit system is facing significant challenges, including recovering from severe service and ridership declines due to the COVID-19 pandemic, ongoing challenges hiring drivers, concerns about riders' and drivers' safety, and inflationary increases in the cost of new infrastructure and service, and this will be the first RTP to include significant road pricing. Previous work by Metro shows that pricing can be very effective at advancing the region's mobility, climate and equity goals – as long as pricing programs are carefully designed to maximize these outcomes.

These issues have impacts on all five regional goals, but they are particularly visible in the RTP climate analysis, which considers how transit and pricing work together to help meet the region's greenhouse gas reduction targets using tools that make it easy to estimate how different combinations of transit and pricing impact emissions and is allowed to assume additional pricing mechanisms that are not captured in the RTP.

System analysis results described RTP transit investments and their impact on performance. The RTP continues to grow the transit network, but the nature of that service changes, focusing more on frequent service throughout the day, particularly in equity focus areas, and less on serving peak hour commute trips. The RTP continues to make significant investments in transit service. These investments help to advance the region's mobility, climate and equity goals.

Analysis on how tolling is included in the RTP and impacts on system performance was presented. Tolling's impact on regional goals and performance measures is expected to reduce total regional vehicle miles traveled, reduce congestion on I-5 and I-205 without significantly increasing delay on parallel arterials, likely encourage people to shift when they travel, and likely lead to an increase in carpooling.

The presentation provided more detail on how state-led pricing and regional climate strategies contribute to meeting climate targets. Scenarios presented with assumptions and results, and target assumptions and results were shown. The region meets its targets by assuming a combination of STS

pricing and reinvestment of revenues in other climate strategies. Lessons from this analysis:
• There are multiple paths to meeting climate targets through a combination of additional STS pricing and other strategies.
• It will likely take additional pricing and other actions beyond what is included in the 2023 RTP for the region to meet its climate targets.
• The region can meet its climate targets while also advancing mobility and equity goals if revenues from new pricing programs are reinvested in other GHG reduction strategies.
These findings can help to guide Metro and its partners in advocating for pricing that benefits the region as the state takes steps to implement STS pricing. They do not:
• Change the results of the RTP climate analysis.
• Identify specific transit projects for additional funding.

Comments from the committee:

- Jerry Johnson noted the pandemic was temporary, but the shifts in employment patterns is likely to be more persistent. Is this being included in the modeling? Mr. Rose noted calibrations from the transit data from the pandemic period were an odd time for the transit system. Telework is something we are paying more attention to post-pandemic. The climate analysis shared had background assumptions on what future levels of telework might look like and effects on gas emissions in the region. This is an ongoing effort to account for changing dynamics.
- Sarah Iannarone asked if Metro is using tolling and congestion pricing interchangeably here. Mr. Rose noted tolling refers to collecting a toll at a certain location. Pricing can take other forms such as charging per mile fees and collecting other transportation revenues.
- Mike McCarthy asked to see the data to back up these assertions about the effects of tolling - particularly the 'not increasing delay on parallel routes'. This is a concern with tolling of diverting traffic off tolling facilities onto local streets, safety impacts and livability with crosswalks. Mr. Rose noted isolating the impacts on these tolling projects with quantitative data is challenging and will follow up with the modeling team on what's possible.

  It was noted earlier modeling was not able to convert a price to change in travel patterns. They used an estimated travel time distance so instead of modeling a $2 toll, it was a delay in number of certain minutes. It was suggested the same approach be used rather than use the price to change the behavior it takes of certain number of delays. Mr. Rose noted more of the analysis will get at the details of each project with data such as this.
- Michael O'Brien asked for clarification on slide 19: Target scenarios – key assumptions, that lists pricing 2 cents less when combined with transit (target 2). Mr. Rose noted in our climate smart strategy both pricing and transit are high-impact strategies used to reduce greenhouse gas emissions. In these scenarios they can work together to support the reduction of emissions. If using just pricing to reach targets, you have to charge more than if you use the combined pricing and transit investments which offers travel options, allowing less required pricing.
- Vanessa Vissar noted the assumptions for rates for different congestion pricing, tolling and road usage charge programs are preliminary. We still have a lot of analysis to do to develop and establish what the rates for these projects would be – however, these are helpful guiding assumptions for the analysis of how road pricing contributes to regional goals.
- Bill Beamer noted reports are suggesting car ownership reaching lower rates for older generations and asked if this was factored into the assumptions for transit forecasts as we go out to 2045. Mr. Eliot noted the most recent data available on transit is calibrated and

recalibrated every 5 years with the model. Car ownership data may shift with changes to transit. Tara O'Brien noted in terms of transit services contained in the constrained RTP networks small increases of transit each year based on ridership were forecast. TriMet is embarking on Forward Together 2.0 which will look beyond what we currently estimate for growth.

- Jaimie Lorenzini asked about the relationship between pricing and mode shift that was mentioned. Was there data that explored the strength of this relationship? Mr. Rose noted the details on the analysis need to be followed up. Neelam Dorman noted ODOT will check with their modelers for more information as well.
- Tara O'Brien asked for confirmation on the financially constrained investment being analyzed for the RTP now, with future development of strategic investments when more funding is known. Ms. Ellis noted modeling on future investments has not been done yet but good to think about future strategic investments. It was noted the lessons from the analysis can help to guide Metro and its partners in advocating for pricing that benefits the region as the state takes steps to implement STS pricing.
- Karen Buehrig noted the importance of our transit system as essential to reaching climate goals. Figures 1, 2 and 3 were noted that showed how the RTP transit network evolves over time by presenting side-by-side maps of the 2020, 2030 and 2045 networks. It was disappointing to note the lack of investments in Clackamas County with little frequent service lines, and difficulty of mode share when shifting trips to reach destinations that increase their travel times.

  The Better Bus was not seen in the plans by 2045. It was hoped the tiering related to HCT may include the Better Bus but not sure. It was asked what jurisdictional staff could do better. The action we have been taking has not been reflected in these strategies with the regional plan. The memo notes transit needs to provide frequent service, connect destinations to jobs and housing, and serve focus equity areas. If transit lines are not existing for them it will be difficult to achieve goals. Chapter 8 shows several transit planning projects. A better connection with these project goals needs to be defined to improve mode share.

  It was noted the statement in the memo that read "The anticipated diversion to parallel arterials is not expected to produce substantial additional delay on arterials since most diversion is expected to occur in the off-peak periods, when arterials have excess capacity" is incorrect. For the jurisdictions that have the benefit of the deeper analysis done on the I-205 process that was not proven. The analysis shows additional delay. Missing is the impact on safety with moving more vehicles onto roads that perhaps may not have the same safety features needed for pedestrians and cyclists. Words from the memo moved into Chapter 7 is a concern.

  It was good to note the Statewide Strategy with the Road User Charge which will play a significant role in transportation investment. It will be important to clearly define next steps with tolling and pricing in Chapter 8. More conversations on moving from analysis to action plans is needed for Chapter 8.
- Dyami Valentine fully supported Karen's comments. We need to have a broader discussion around pricing policy. The pricing policies in Ch. 3 needs to reflect revenue generation as an objective. Discussion around how these revenues can be spent is essential to advancing the

initiative, including investments in throughway as well as other roadway investment priorities, in addition to increasing other travel options.

- Gregg Snyder noted with discussions around mode shifts the models that track changes with business around lodging, retail, restaurants and travel in the region may be off. Thinking of this through the lens of the matrix of downtown Portland since the pandemic which has not increased to the same pre-pandemic level. To whatever extent we can model these elements would be helpful.
- Eric Hesse noted the transit rider projections rising steeply seemed like a massive change in expectation. Is this because pricing is assumed to be generating much more ridership? In terms of scenario development it seem to appear we can take tolling and pricing revenues and put them in service growth. Does that assume a change in our competition? It was noted capital investments are needed to create the service increase. There is a concern with being comfortable with the level of uncertainty of VMT per capita for the next 20 years.

  Matt Bihn noted the way Metro reflects the tolling model is not so much delayed times total but translating tolls into travel time penalties at certain spots. The tolls we assumed in the RTP were the best we knew in early April, but know they will change as new data emerges. It was noted there are no mitigations n what we model in the results of what we toll.
- Neelam Dorman acknowledged the earlier comments from Vanessa Vissar with ODOT. The agency is working on analysis of pricing projects and revenues and will be updating their financial plans as new information becomes known.
- Gregg Snyder noted that from a technical standpoint as you proceed with the curve shown in Figure 6 that represent demand, it was suggested to add the supply. We have an increasing population in employment that will help tell the story. It does appear to be a pricing exercise when we add transit to pricing, but what's driving it; pricing or massive increase in transit service. It was suggested to split the transit out and show this on a separate line. It was noted the VMT is a great target but graphics showing geographic areas are unclear what is covered in the number of counties. Outside the Portland area VMT gas emissions are rising and may be offsetting gains. Mr. Rose added the analysis is limited to the Metro boundary, and we used VisionEval, not MOVES for that analysis, as required by the RTP regs and the process the state has set up.
- Joseph Edge asked if we can we see a chart showing total GHG for the region at different touchstone points on the way to the target year, including the base year (1990)? Are we actually reducing total GHG emissions for the target year when we consider population increases? Mr. Rose noted these two resources provide the type of information you're looking for, though neither is 100% a fit. https://regionalbarometer.oregonmetro.gov/pages/climate-mitigation https://www.oregonmetro.gov/transportation-system-monitoring-daily-vehicle-miles-travel
- Joseph Edge noted maybe the RTP should connect planned transit investments to objective goals for transit-supportive land use policy implementation or development patterns, so jurisdictions like Clackamas County will know what is expected of them before seeing transit investments prioritized. The HCT plan provides some detail on this for HCT specifically, but it could be extended for the RTP to apply to other types of investments.
- Ally Holmqvist noted we were just talking about providing more detail (a checklist) for HCT specifically as a next step and thinking about how we can include exactly this as a takeaway from the Access to Transit study.

2024 Urban Growth Management Decision: Housing market filtering and displacement trends (Ted Reid, Metro, Madeline Baron, Justin Sherrill and Nick Chun, EcoNorthwest) Ted Reid began the presentation with an overview on the project that will set the stage for upcoming growth management decisions (particularly the 2024 urban growth management decision) and help Metro more deeply integrate market realities, infrastructure, governance needs, and equity into those decisions.

Madeline Baron provided background and information on house filtering and market functions. In recent decades, many markets have been underproducing housing with big consequences. Housing underproduction correlates with:

- Homelessness via price increases and reduced vacancies
- Greenhouse gasses and vehicle miles traveled
- Homeownership disparities by race and ethnicity
- Economic and racial segregation

Markets need to meet future need (new households arriving/forming) AND existing need (units for people experiencing homelessness, units for households who are cost burdened).

At the regional level, new housing supply impacts prices and rents via the supply elasticity and via filtering. Supply elasticity is the relationship between changes in market supply and average market prices:

- Bringing housing supply in line with demand helps to moderate price and rent increases; areas with too much supply will see prices/rents fall
- Supply elasticity requires 100,000's of units to reduce average prices statewide
- Building this many units would induce demand and restore price equilibrium – muting the impacts on price

Via filtering, national research1 estimates that housing depreciates:

- 2.37% - 2.71% per year for rental
- 0.49% - 0.58% per year for ownership

Filtering will never lead to housing prices/rents becoming affordable to very low income households. Housing for these households will always need public subsidy. Filtering takes a long time and can move in reverse when a regional housing market is undersupplied. Research and opinions are mixed on how new housing supply impacts the prices/rents of existing housing at the local level but personal experiences, neighborhood change, and cultural displacement are real.

Comments from the committee:

- Fiona Lyon asked how much existing housing stock is subsidized? Someone asked us this the other day and I didn't have any statistical data at my fingertips. Ms. Baron noted an estimated ¾ of qualified applicants for Federal subsidized housing do not get it. This housing is extremely undersupplied.

  Preston Korst noted HB4006 produced some data as to how many market rate units are being built vs subsidized… see DLCD summaries in the link: https://www.oregon.gov/lcd/up/pages/reporting.aspx#:~:text=House%20Bill%204006%20(2018)%20requires,1st%20of%20the%20following%20year.
- Colin Cooper asked how much new housing (of all kinds) and how quickly will it need to be built to make an impact in the ongoing increase in housing cost? Notwithstanding all the other variables. You need to include low interest rate (current ownership) vs high interest rate (new owners) in your list. Ms. Baron noted there is a need to build into the model projected future

needs. The national filtering estimates is 2-3% per year, which varies by tenure. Rentals filter faster than home units. Mr. Cooper noted the increasing population with demand for large homes and asked how we balance this with goals of reducing GHG emissions and transportation plans in subregional housing models. Mr. Reid noted the answers are being found at the local level. Chair Kloster noted the changes with state regulations and possible effects from these in housing supply projections. Ms. Baron noted the middle housing discussion will be part of the supply modeling with deeper analytics moving forward.

- Gerry Mildner noted Housing depreciation rates are estimated between 1.2% for single family and 1.4% for multi-family. Rates are lower if there is little construction. I've compared the total number of subsidized housing to the number of households below the poverty line, and it's about 50%. However, there's a lot of double-counting (e.g., LIHTC units receiving other subsidy programs), and LIHTC eligibility isn't the same as the poverty line. Madeleine's estimate of 25% of eligible households receiving benefits seems about right.
- Miranda Bateschell asked what are you hearing from developers on this topic? We have adopted variety standards but seeing pushback from developers, not wanting to develop Middle Housing, except for townhomes, which they are willing to build. There seems to be a lack of creativity, willingness to build these other needed types outside of single-family, multi-family, and townhomes.
- Rachel Loftin noted it's very hard to be creative in this market. Interest rates are high, suitable land is hard to get a hold of, and permitting timelines are long. Going through months of per-development costs for something that may not pencil as well and may not make it through land use is not a risk anyone wants to take in this environment.

  Ms. Baron noted sometimes it comes down to the perceived risk. If there aren't many comps developers aren't confident that the new units will be absorbed (leased, bought) by the population. Sometimes, too, banks and lending institutions will not lend (at all or favorably) for new development types. And of course, Rachel's comments on the other headwinds across the market.
- Gerry Mildner asked does the ECONorthwest team (or Metro staff) know the amount of single-family housing in neighborhoods with private zoning (i.e., CC&Rs) that prevent middle housing from being built. Ms. Baron noted that wasn't something we identified specifically in this effort. I question whether the state legislation supersedes CC&Rs? This is definitely an area that is seeing more research and evaluation.
- Miranda Bateschell noted the legislation prohibited new CC&Rs from MH restrictions but did not negate those already in effect prior to the bill's adoption. Joseph Edge noted housing advocates knew that middle housing types would be generally slow to be adopted by developers (roughly 1% market absorption rate for infill/redevelopment). for nearer-term "middle housing" production, it looks likely that we need to ease townhouse standards & permitting. the share of other middle housing types should increase over a longer time period as developers grow more comfortable with investment potential of those typologies. Ms. Bateschell added It just makes it challenging to have policies to try and build to needs of the community. The choice is to mandate and potentially stall development. Or allow more flexible options and thus, the production of what the market wants to produce, which will continue to use what little land we have and not meet the needs of a vast segment of our populace. Seeing these problems continue or increase.

Justin Sherrill began the next section of the presentation with the Gentrification and Displacement Analysis. Two ways to look at Gentrification and Displacement were described.
Socioeconomic Vulnerability Six demographic groups who display heightened vulnerability via disproportionate rent burdening (in weighted order high to low)
1. Low-income renter households (<$50,000)
2. Population without a bachelor's degree (age 25-64)
3. Households of color (non-White, non-Hispanic)
4. Households with disabilities (physical or cognitive)
5. Hispanic households
6. Population with low English proficiency (age 5+)

Gentrification & Displacement Typology The model characterizes each census tract's past gentrification trajectory, and, by extension, current displacement risk based on demographic and housing market changes between 2010 and 2021. Resulting typologies:

- Early-Stage Gentrification: contains vulnerable populations and is susceptible or experiencing either demographic or housing market changes
- Mid-Stage Gentrification: contains vulnerable populations and is experiencing both demographic and housing market changes
- Late-Stage Gentrification: contains vulnerable populations, experienced demographic changes, and housing market has appreciated

Comments from the committee:

- Gerry Mildner noted one of the limiting factors on the amount filtering is the outset of zoning and will it allow for cut ups. Many neighborhoods have private zoning and CCRs that prevent this from happening. How much housing in the region exist with these restrictions? Mr. Reid noted this task relies on title searches on thousands of thousands of properties. Ms. Baron added that while there is a statewide effort being done on this, it is laborious and a mostly manual project.
- Indi Namkoong thanked the presenters for explaining the N/A on maps that showed overlap between populations, demographics and economic factors, or lack of significant numbers being evaluated in the analysis. This data is important with the designations in working with strategies and solutions, not only for housing but planning infrastructure and transportations around our region.
- Gerry Mildner noted for the ECONorthwest team and the Metro staff, you might look for the locations of middle housing being built into and when you see neighborhoods where no middle housing is being built. That could be an indicator of where CC&Rs are effective in blocking middle housing from being developed. That is, look for voids. For policy makers, that might suggest strategies for overturning those kind of rules. That is, we will build sidewalks and install traffic bumps, if your neighborhood removes those kind of barriers to new housing investment.
- Miranda Bateschell noted CC&Rs are a problem and I agree talking about it regionally is worthwhile. We have issues not just with HOA CC&Rs but we have commercial CC&Rs in our Town Center. We created a vision for a walkable, vibrant, mixed-use Town Center, but it is challenging to achieve because the old Commercial CC&Rs don't allow multi-family residential as a use. It directly contradicts our new Town Center Plan and zoning provisions. This may be a challenge for other centers and CFAs.

ECONW did great work with us on both affordable and more attainable housing prices in Frog Pond (our new urban growth area). The only path is substantive dollars / investment by the City. I would echo sentiment on that last slide. If Metro could help land bank in Urban Reserves, it would help tremendously with us being able to get affordable housing in these areas.

Ms. Baron presented the remaining presentation on Potential Policy Responses to Prevent Gentrification and Involuntary Displacement in Redeveloping Areas. Gentrification and involuntary displacement can take many forms and are inherently hard to predict, measure, and track. No region or city has figured out how to stop gentrification and involuntary displacement. Policies and programs geared to prevent involuntary displacement are working in the context of powerful market dynamics and systems. A wide array of tools can and should be used to mitigate involuntary displacement.

Potential Metro policy responses to prevent / mitigate gentrification and involuntary displacement could include:
A. Supporting Affordable Housing Development
B. Preserving Existing Affordable and Low-Cost Housing Stock
C. Supporting Lower-Income Renters and Homeowners
D. Addressing Broader Community Impacts
Each of the policy responses were reviewed with possible funding and financial support, data, and policies. More information was noted in the packet than time allowed at this presentation.

Construction Career Pathways Overview and Update (Andre Bealer, Metro) Due to the lack of time to present, the agenda item was rescheduled to a later date.

Adjournment (Tom Kloster, TPAC Chair)
There being no further business, workshop meeting was adjourned by TPAC Chair Kloster at 11:45 a.m.
Respectfully submitted,

Marie Miller

Marie Miller, MTAC and TPAC Recorder

Attachments to the Public Record, MTAC and TPAC workshop meeting, June 21, 2023

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	6/21/2023	6/21/2023 MTAC and TPAC workshop meeting agenda	062123M-01
2	Work Program	6/14/2023	MTAC work program as of 6/14/2023	062123M-02
3	Work Program	6/14/2023	TPAC work program as of 6/14/2023	062123M-03
4	Draft Minutes	4/19/2023	Draft minutes from April 19, 2023 MTAC TPAC workshop	062123M-04
5	Memo	June 21, 2023	TO: MTAC, TPAC and interested parties From: Eliot Rose, Senior Transportation Planner RE: 2023 RTP update: Transit and tolling impacts on RTP performance and updated climate analysis	062123M-05
6	Memo	12/22/2022	TO: Ted Reid, Dennis Yee, Metro From: Mike Wilkerson, Becky Hewitt, Madeline Baron, James Kim, Jolie Brownell, ECONorthwest RE: METRO RESIDENTIAL READINESS PROJECT – TASK 4: HOUSING MARKET FILTERING MEMORANDUM - REVISED	062123M-06
7	Presentation	6/21/2023	Metro Residential Readiness Project Market Functions, Gentrification, and Displacement Trends	062123M-07
8	Handout	N/A	CONSTRUCTION CAREER PATHWAYS REGIONAL FRAMEWORK	062123M-08
9	Presentation	6/21/2023	2023 RTP system analysis update: transit, tolling and climate	062123M-09

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC) and Transportation Policy Alternatives Committee (TPAC) Workshop
Date:	Wednesday June 21, 2023
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom Connect with Zoom Passcode: 721459 Phone: 888-475-4499 toll free

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9:00 a.m.	**Call meeting to order, introductions, and committee updates**	TPAC Chair Kloster
9:07 a.m.	**Public communications on agenda items**	
9:08 a.m.	**Consideration of MTAC/TPAC workshop summary, April 19, 2023** Edits/corrections sent to Marie Miller marie.miller@oregonmetro.gov	TPAC Chair Kloster
9:10 a.m.	**2023 Regional Transportation Plan (RTP): Updated system performance and climate analysis** Purpose: Discuss additional details from the RTP system and climate analysis that highlight the impact of pricing and transit investments on RTP outcomes.	Eliot Rose, Metro
10:10 a.m.	**2024 Urban Growth Management Decision: housing market Filtering and displacement trends** Purpose: Continue MTAC's engagement in topics that relate to the 2024 urban growth management decision.	Ted Reid, Metro Madeline Baron Justin Sherrill Nick Chun, ECONorthwest
11:10 a.m.	**Construction Career Pathways Overview and Update** Purpose: To provide TPAC and MTAC with a program overview and progress update on the Construction Career Pathways and the Regional Workforce Equity Agreement.	Andre Bealer, Metro
12:00 p.m.	**Adjournment**	TPAC Chair Kloster

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January 2021

ECONorthwest
ECONOMICS · FINANCE · PLANNING

DATE: December 22, 2022
TO: Ted Reid, Dennis Yee, Metro
FROM: Mike Wilkerson, Becky Hewitt, Madeline Baron, James Kim, Jolie Brownell, ECONorthwest
SUBJECT: METRO RESIDENTIAL READINESS PROJECT – TASK 4: HOUSING MARKET FILTERING MEMORANDUM - REVISED

Background and Purpose

The Metro Regional Government (Metro) has contracted with ECONorthwest to assist in revising some of its regional housing planning and growth management approaches, data, and processes. This project will set the stage for upcoming growth management decisions (particularly the 2024 urban growth management decision) and help Metro more deeply integrate market realities, infrastructure, governance needs, and equity into those decisions.

The outcomes of this effort will help provide a fuller accounting of trade-offs of growth management alternatives and recognize the factors beyond land availability that influence the region's ability to accommodate growth in ways that meet a full spectrum of needs. It will also help Metro implement upcoming changes to statewide requirements related to housing needs and equitable regional housing allocations.

As Metro considers how the anticipated prices and rents of new housing stock that could be built across the region align (or do not align) with the region's overall housing needs by income, it is important to consider all the ways in which new housing supply relates to housing affordability, and how that can change over time. This includes, but is not limited to, "filtering" and depreciation of older housing stock, how new supply impacts the rate of filtering, impacts on price escalation due to the balance between supply and demand (elasticity), and the potential for localized increases in market demand that could cause gentrification and displacement.

This memorandum describes these concepts and market functions, summarizes relevant literature evaluating these impacts, and incorporates local data and examples to illustrate how these factors are playing out in the Metro region. It draws on published literature; a recent, relevant housing market primer prepared by ECONorthwest; and local market data. It is beyond the scope of this effort to conduct a full regression analysis or detailed longitudinal study of home prices and rents regionwide, but ECONorthwest did analyze available rent and home sales data from the Metro region for patterns that suggest whether and to what extent these impacts are occurring in the region. The memorandum also includes several examples of housing in the region to illustrate how these trends and patterns can play out for a specific property.

Introduction

What Drives Housing Markets and Property Value?

Property values are driven by the balance between supply and demand. Prices tend to rise when demand exceeds supply. The pace of price changes depends on the availability of alternatives (e.g., prices rise faster when there are few desirable units to choose from) and changes in demand preferences (e.g., unit types or locations).

Housing markets are subject to the laws of supply and demand, though they are greatly influenced by government interventions. Price reflects buyers' and sellers' willingness to pay and the amount of housing that is demanded and supplied at a given time.[1]

To understand how new housing supply affects the value of existing housing and how property values and affordability change over time, it is important to understand that the value of real estate is a combination of the value of the structure (which tends to depreciate over time and requires maintenance and repair) and the value of the land/location (which can change over time with localized and regional/national trends). The value and desirability of a given residential property at any given time will depend on how old the structure is and how it has been maintained or modified since it was built, how well the structure meets current household needs and preferences, and how desirable the location is, among other factors.

What is Filtering?

Filtering is "the process by which housing ages and depreciates in value relative to newer housing so that it becomes affordable to moderate- and low-income households over time."[2] New construction starts the process of filtering through a "migration chain" where newly constructed units "create vacancies in the existing housing stock and expand housing options for those looking to relocate."[3] When subsequent households relocate, they create new vacancies for other households, thus creating a chain of vacancy and migration. The longer the migration chain continues, the more likely it is for the older housing supply to filter down and become available to lower-income occupants.

The filtering process "is critically important to a functional housing market that meets the needs of a range of households and allows for some housing choice for current and new residents of a community."[4] The addition of new housing in a regional housing market allows the migration chain to continue and creates opportunities for households with moderate-incomes or low-incomes to live in units that were once new and priced at the top end of the market. In contrast, when there are no new housing units built in a region, filtering often does not occur and fewer units become more affordable through the filtering process. When demand exceeds supply,

[1] HDR and ECONorthwest, *Oregon Transportation and Housing Study* (Oregon: Oregon.gov, 2020), https://www.oregon.gov/odot/Planning/documents/TransitHousing_PrimerWithGlossary.pdf

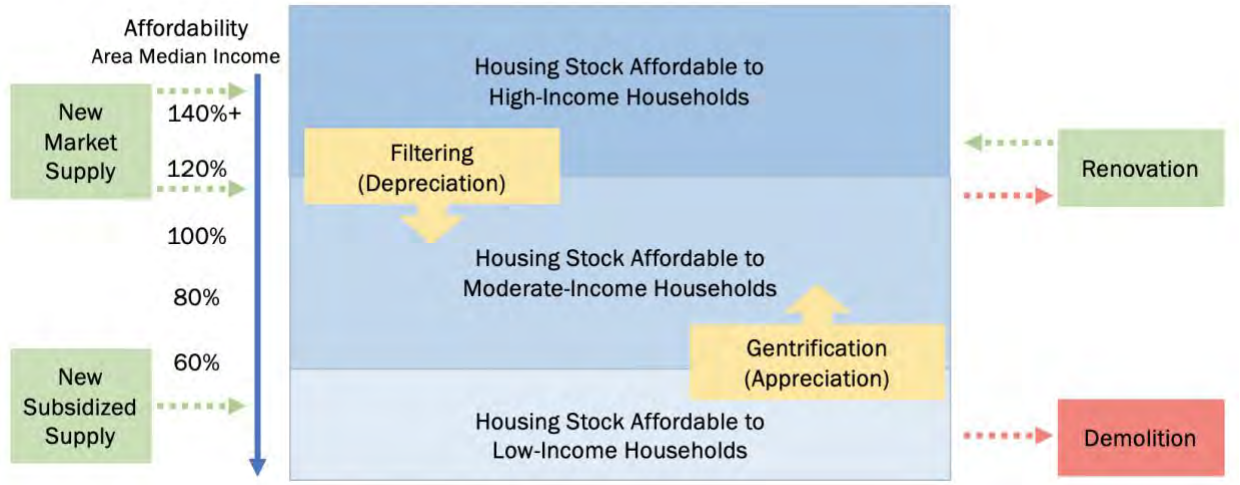
[2] *Ibid*.

[3] *Ibid*.

[4] *Ibid*.

filtering can also occur in reverse. Reverse filtering or upward filtering occurs when "low-cost housing occupied by lower-income households is bought and renovated to meet the demand from higher-income households."[5] This is illustrated in Figure 1.

Figure 1. Filtering vs. Reverse Filtering
Source: ECONorthwest



Notes: Filtering is when new, more expensive housing becomes relatively more affordable over time. Gentrification is when older, less expensive housing becomes relatively less affordable due to increased demand from higher-income households.

Literature Summary

Effects of Filtering on Affordability

The main debate within the filtering literature is broader than filtering itself; the key question is whether filtering is enough to achieve better affordability overall, particularly for lower-income households.[6] Recent studies [7, 8] and the larger research literature, including ECONorthwest's previous work, demonstrate that "**the filtering process is insufficient to create an adequate supply of stable, safe, affordable housing for low-income households** – this part of the housing stock requires ongoing, meaningful investments in subsidized or regulated[9] affordable housing as well as public-private-partnerships with mission-oriented housing developers."[10]

[5] HDR and ECONorthwest, 2020.

[6] Josh Lehner, "Housing Does Filter," *Oregon Office of Economic Analysis*, May 25, 2016, https://oregoneconomicanalysis.com/2016/05/25/housing-does-filter/

[7] Miriam Zuk and Karen Chapple, "Housing Production, Filtering and Displacement: Untangling Relationships," (Urban Displacement Project, University of California, Berkeley, 2016), https://escholarship.org/uc/item/7bx938fx

[8] Chapple et al., 2022.

[9] 'Subsidized or regulated affordable housing' refers to housing that has deed or other financial requirements to restrict the rents or sales prices at the property, or to restrict the incomes of residents who live at the property, so that the unit is affordable to households with incomes in a specified range of the area median income.

[10] HDR and ECONorthwest, 2020.

This is because filtering takes time, as discussed in the next section, does not reach the lowest levels of affordability in a housing market, and can be reversed when demand exceeds supply. Also, the filtering migration chain can break or end due to increases in demand from "household formation, a unit being used as a second home, out-of-metro migration," or from "landlords not reducing rents enough to fully fill vacancies."[11]

In addition, "when a market is undersupplied and demand outpaces supply (marked by rapidly rising prices), filtering can operate in reverse, resulting in the gentrification of places and displacement of low-income residents. In this case, low-cost housing occupied by lower-income households is bought and renovated to meet the demand from higher-income households."[12] Filtering does not guarantee protection from gentrification (or upward filtering) and displacement.[13]

Because the effects of filtering are not easily observable until decades or generations later, many people question the effectiveness of filtering in ensuring the availability of housing that is affordable.[14, 15] Additionally, some worry that the housing that does filter down may have deteriorated too much to be habitable.

Filtering Rates and the Impact of Supply at a Regional Scale

To understand how filtering works and contributes to housing market dynamics, many researchers have studied how quickly housing units filter down or depreciate relative to real incomes. To do so, they measured the percentage difference in the incomes between previous and new occupants after controlling for differences in housing quality, local amenities, and inflation.

While some studies[16,17] show that filtering can begin to occur within five years of new housing construction, "**the filtering process can take decades, or even generations**" due to the long lifespan of residential construction.[18]

The most well-documented study of filtering showed that housing in the U.S. depreciates (relative to new units) at a rate of 0.49 percent to 0.58 percent per year for ownership units and

[11] Mast, 2019.

[12] HDR and ECONorthwest, 2020.

[13] Chapple et al., 2022.

[14] *Ibid*.

[15] Josh Lehner, "Construction, Housing Supply, and Affordability," *Oregon Office of Economic Analysis*, February 15, 2022, https://oregoneconomicanalysis.com/2022/02/15/construction-housing-supply-and-affordability/

[16] Evan Mast, "The Effect of New Market-Rate Housing Construction on the Low-Income Housing Market" (Upjohn Institute Working Paper No. 19-307, Upjohn Institute, Kalamazoo, MI, 2019), http://dx.doi.org/10.2139/ssrn.3426103

[17] Karen Chapple et al., "Housing Market Interventions and Residential Mobility in the San Francisco Bay Area" (Federal Reserve Bank of San Francisco Community Development Working Paper No. 2022-1, San Francisco, CA 2022), https://www.frbsf.org/community-development/wp-content/uploads/sites/3/housing-market-interventions-and-residential-mobility-in-the-san-francisco-bay-area.pdf

[18] HDR and ECONorthwest, 2020.

2.37 percent to 2.71 percent per year for rental units.[19] The study evaluated national panel data from the American Housing Survey (AHS) between 1985 and 2011, including properties built before 1985, and concluded that most of filtering occurs within the first 40 years of construction. The filtering rates are lower in New England, the Middle Atlantic, and the Pacific regions, and the author explains "the regional differences in house price inflation contributes to differences in filtering rates."[20] In other words, **filtering rates are lower in places where housing prices have grown faster and housing underproduction or supply challenges persist**.

Another study confirmed that fast-growing regions like California with higher housing prices have lower filtering rates. Researchers found that **a median-income housing unit in California could take roughly 15 years to filter down to occupants at 80 percent of the median income and almost 50 years to filter down to occupants at 50 percent of the median income**. The same fundamentals are at play affecting high prices and lower filtering rates: a lack of new supply.[21]

An international study based in Finland also concluded that filtering could occur in the near-term.[22] The researchers found greater filtering rates in Finland and explained that the difference in filtering rates between Finland and the U.S. is likely related to greater socioeconomic gaps, income inequality, and residential segregation.

Filtering (and Reverse Filtering) at a Neighborhood Scale

While most research (as summarized above) shows that adding housing moderates price increases at a regional scale, there is some question as to how new housing supply affects filtering and reverse filtering (with potential for gentrification and displacement) in the area immediately surrounding the new housing. This is described in the introduction to a recent study:

> *There's a growing debate among housing advocates over the neighborhood-level impacts of market-rate housing development. On one side are those who think new market-rate units — unsubsidized homes whose price often places them beyond the reach of lower- and middle-income households — make nearby housing more affordable by increasing availability and relieving pressure on the existing housing stock. This is known as the "supply effect." An opposing view, however, is that new housing only attracts more wealthy households, brings new amenities to the neighborhood (including the housing*

[19] Stuart S. Rosenthal, "Are Private Markets and Filtering a Viable Source of Low-Income Housing? Estimates from a 'Repeat Income' Model," *American Economic Review* 104, no. 2 (2014): 687-706, https://www.aeaweb.org/articles?id=10.1257/aer.104.2.687

[20] *Ibid*.

[21] Zuk and Chapple, 2016.

[22] Cristina Bratu et al., "City-wide effects of new housing supply: Evidence from moving chains" (VATT Institute for Economic Research Working Paper No. 146, VATT Institute for Economic Research, Helsinki, Finland, 2021), https://www.doria.fi/handle/10024/181666

itself), and sends a signal to existing landlords that they should raise their rents. This "amenity effect" or "demand effect" thus makes housing less affordable.[23]

This study, a synthesis of other recent papers, notes that five of six recent relevant studies find evidence that new market-rate housing makes nearby rental housing more affordable across the income distribution, with one study finding mixed results.[24]

One study found that new market-rate buildings in large cities[25] decreased rents of nearby units by 5 to 7 percent relative to units slightly farther away.[26, 27] Filtering began the same year the construction was completed and continued for at least another three years.

Another recent study shows the potential for both filtering and reverse filtering to occur across and within smaller geographical spheres. The study estimated the filtering rates across and within six metropolitan statistical areas (MSAs)[28] and found great variation in filtering rates, including "rapid downward filtering in Chicago and Detroit to upward filtering in Washington, D.C. and Los Angeles." [29] Moreover, the researchers found that the filtering rates *within* MSAs vary substantially more than the filtering rates across MSAs. Thus, even within MSAs that, on average, are experiencing upward filtering, some neighborhoods are seeing downward filtering creating more affordable housing options. The study, using data from 1993 to 2018, found that upward filtering occurred in areas closest to city centers and that neighborhoods seeing downward filtering were outside of city centers.[30] Given the timing, this likely reflects a trend of increasing demand for urban living during this period.

[23] Shane Phillips, et al. (2021). "Research Roundup: The Effect of Market-Rate Development on Neighborhood Rents." UCLA: The Ralph and Goldy Lewis Center for Regional Policy Studies. Retrieved from https://escholarship.org/uc/item/5d00z61m

[24] Phillips, et al., 2021

[25] The study included a sample of 1,483 buildings constructed between 2010-2019 in 11 cities: Atlanta, Austin, Chicago, Denver, Los Angeles, New York City, Philadelphia, Portland, San Francisco, Seattle, and Washington, D.C.

[26] Brian J. Asquith et al., "Supply Shock Versus Demand Shock: The Local Effects of New Housing in Low-Income Areas," (Upjohn Institute Working Paper No. 19-316, Upjohn Institute, Kalamazoo, MI, 2019), https://doi.org/10.17848/wp19-316

[27] Nearby units are defined in the study as units within 250 meters (roughly one or two city blocks) and units further away are defined as those within 600 meters (slightly over a third of a mile and 8 to 10 minutes by walking).

[28] Atlanta, Chicago, Detroit, Los Angeles, Minneapolis, and Washington, D.C.

[29] Liyi Liu and Doug McManus and Elias Yannopoulos, "Geographic and Temporal Variation in Housing Filtering Rates," *Regional Science and Urban Economics 93*, no. C (2020), https://www.aeaweb.org/conference/2021/preliminary/paper/GebsZrYS

[30] *Ibid*.

Local Data: Filtering in the Metro Region

Filtering of Rental Units in the Portland Metro Area

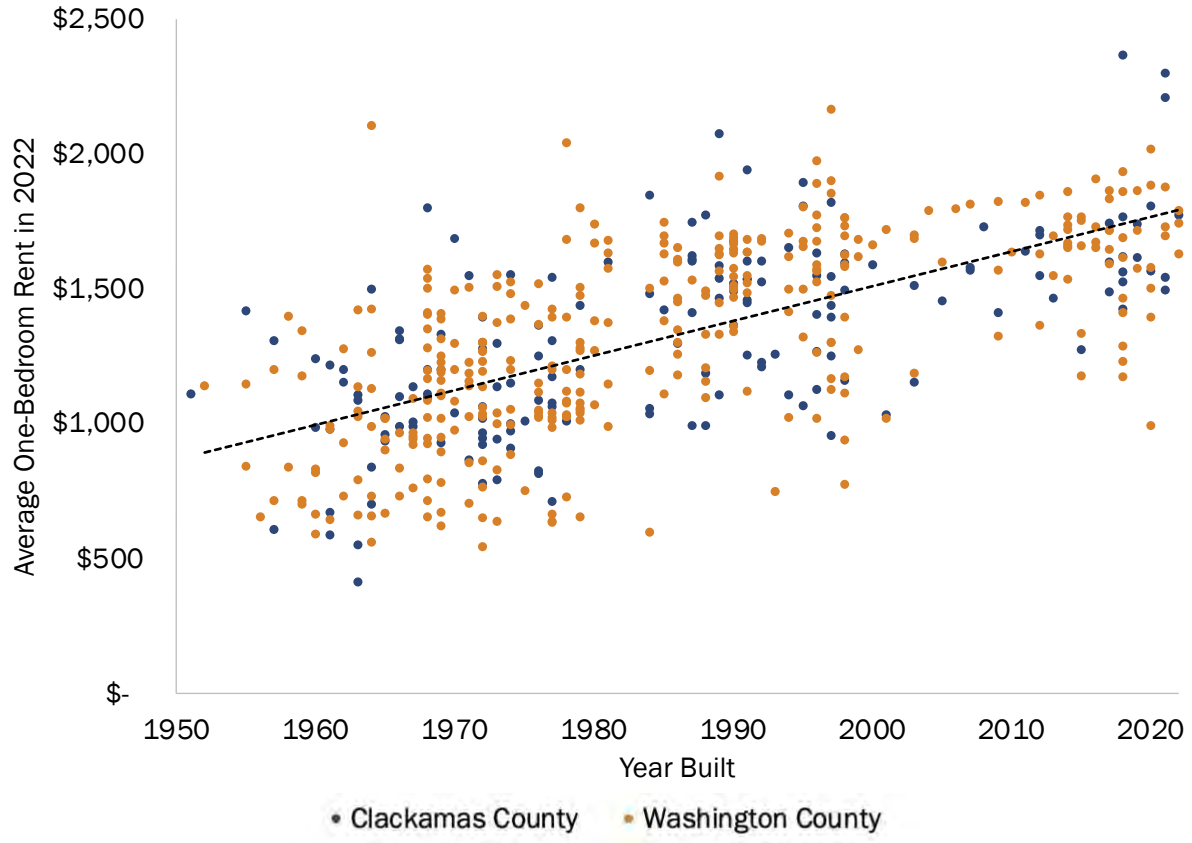
Regional Patterns

To identify long-term price effects of filtering in the Portland metropolitan area, ECONorthwest compared the relative affordability of housing built in different years using building-level rent data and recent sales transactions. If filtering is occurring, older units should have lower rents (and sales prices) on average. The lower rents/sales prices, in turn, would be more affordable to households in the region. However, this approach does not control for changes in building quality for housing built during different time periods due to shifts in the demand for onsite amenities and more stringent building codes. The analysis separates suburban areas (using Clackamas and Washington Counties as a proxy) from more urban areas (using Portland's Central City Plan District as a proxy) to test for differences in different parts of the region.

ECONorthwest's analysis shows a general downward trend in rents relative to building age in Clackamas County and Washington County: one-bedroom units have higher average monthly rents in newly built multifamily buildings than in older buildings (see Figure 2).

Figure 2. Average Multifamily One-Bedroom Monthly Rents by Year Built in Clackamas County and Washington County, Year Built Since 1951

Source: ECONorthwest, CoStar

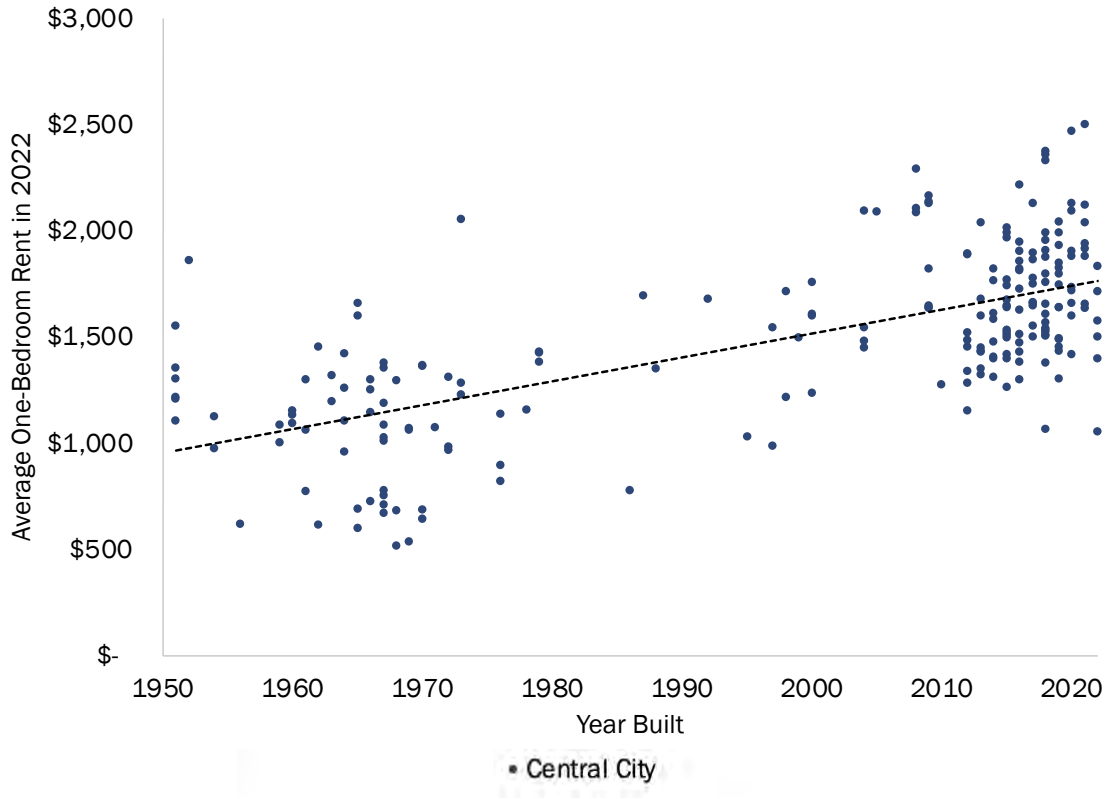


As the figure demonstrates, each decade of a building's age is associated with about $125 lower one-bedroom monthly rents, without controlling for other factors.[31] It also shows that rents vary across building ages as some older buildings have higher rents than newer buildings. Building age is just one of many factors influencing the price of rent, along with other considerations like location, amenities, size, or accessibility to employment and locational amenities.

In Portland's Central City Plan District (Figure 3), the data shows each decade of a building's age is associated with about $106 lower one-bedroom monthly rents,[32] when looking only at buildings constructed since 1951 (for consistency with the Washington County and Clackamas County analysis).

Figure 3. Average Multifamily One-Bedroom Monthly Rents by Year Built in Portland Central City Plan District, Year Built Since 1951

Source: ECONorthwest, CoStar

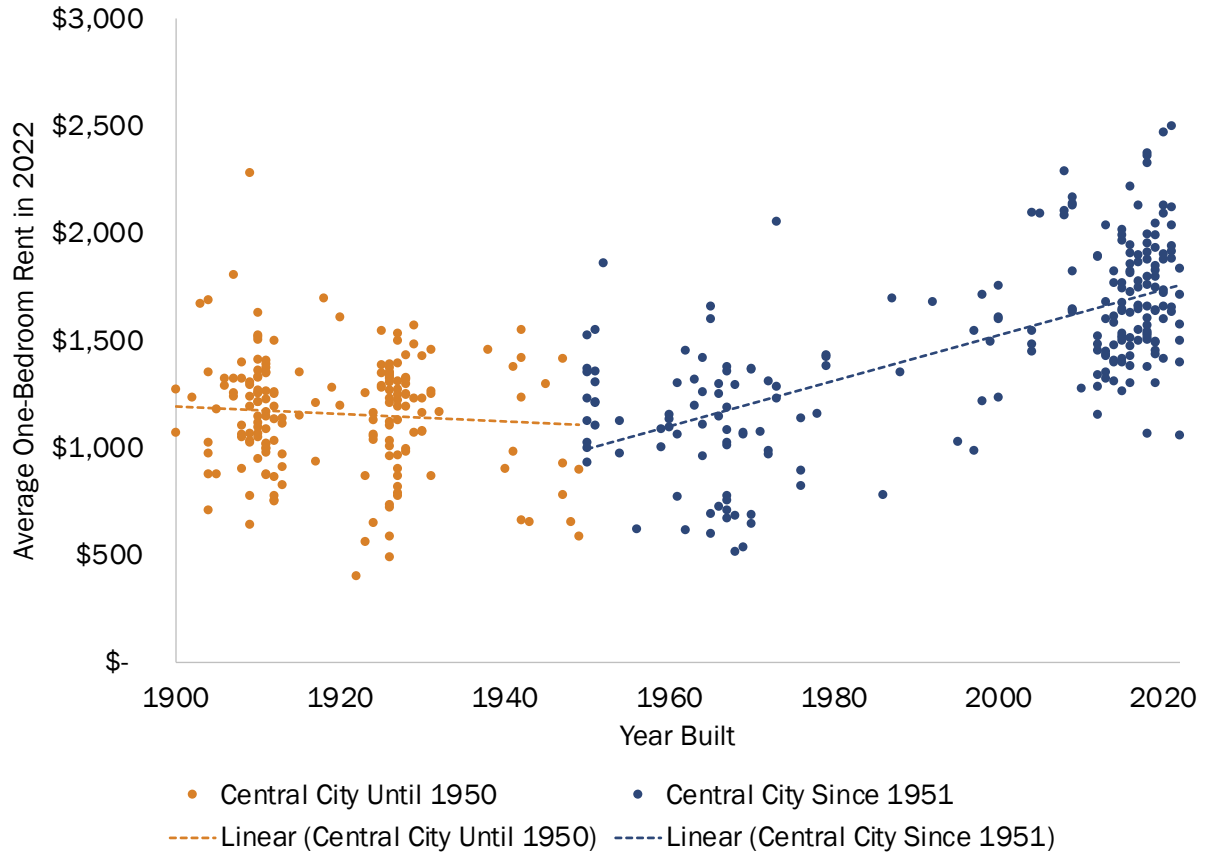


[31] The analysis does not account for variation in construction types across the observed sample; trends in finish qualities and expectations, which can impact rent levels; neighborhood amenities such as transit access; school districts; difference in local property tax rates; and many other factors that could be accounted for in a multivariate regression. The regression analysis in the figure shows that building age explains about 42 percent of the variation in one-bedroom rents.

[32] The analysis does not account for variation in construction types across the observed sample; trends in finish qualities and expectations, which can impact rent levels; neighborhood amenities such as transit access; school districts; difference in local property tax rates; and many other factors that could be accounted for in a multivariate regression. The bivariate regression analysis in the figure shows that building age explains about 43 percent of the variation in one-bedroom rents.

The pattern observed in the data above applies only to apartments that were built since the 1950s and have not been demolished. Looking at older buildings in the Central City Plan District (built in 1950 or earlier), there is almost no difference in average one-bedroom rents across building age, as shown in Figure 4. (The same analysis is not repeated for Clackamas County and Washington County because there were too few properties built earlier than 1950.) There are several possible explanations for this. First, older properties that had depreciated are more likely to have been demolished because building upkeep and renovation costs were too high, leaving only the most desirable properties that are worth reinvestment and can attract reasonable rents. Second, older properties can remain in the market at relatively competitive rent levels due to architectural or historical significance. The demand from a narrow segment of renters and investors and efforts to retain such buildings may outweigh the effects of building age and deterioration on rent levels.

Figure 4. Average Multifamily One-Bedroom Monthly Rents by Year Built in Portland Central City Plan District
Source: ECONorthwest, CoStar



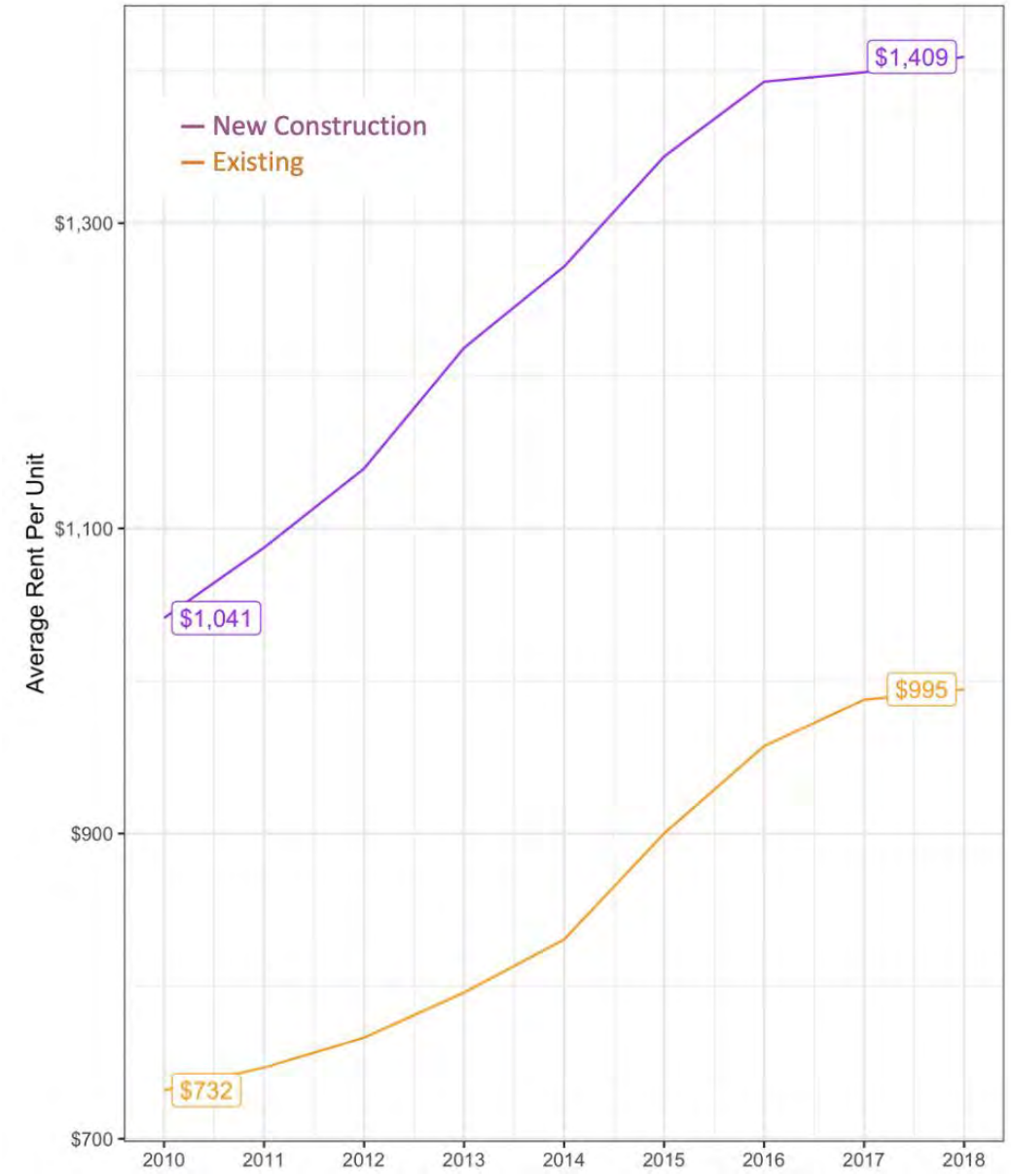
Rent Premium Over Time

Due to data limitations, it is more difficult to track rents for particular buildings longitudinally (over time) at a regional scale. However, an analysis by ECONorthwest for the City of Beaverton in 2018 looked at rent trends over time for apartments in the Metro region, separating

new construction from older housing stock. The analysis showed that rents for both new construction and older housing stock grew at about 4 percent per year and showed a relatively consistent rent premium of about 42 percent for new construction between 2010 and 2018 (see Figure 5).[33]

Figure 5. Multifamily Rent Premium and Trends for New Construction vs. Existing Apartments, 2010-2018

Source: ECONorthwest using data from CoStar[34]



Note: Rent amounts are reported in nominal dollar values and are not adjusted for inflation.

[33] ECONorthwest memorandum to City of Beaverton: "Beaverton Vertical Housing Development Zone Displacement Analysis," June 15, 2018

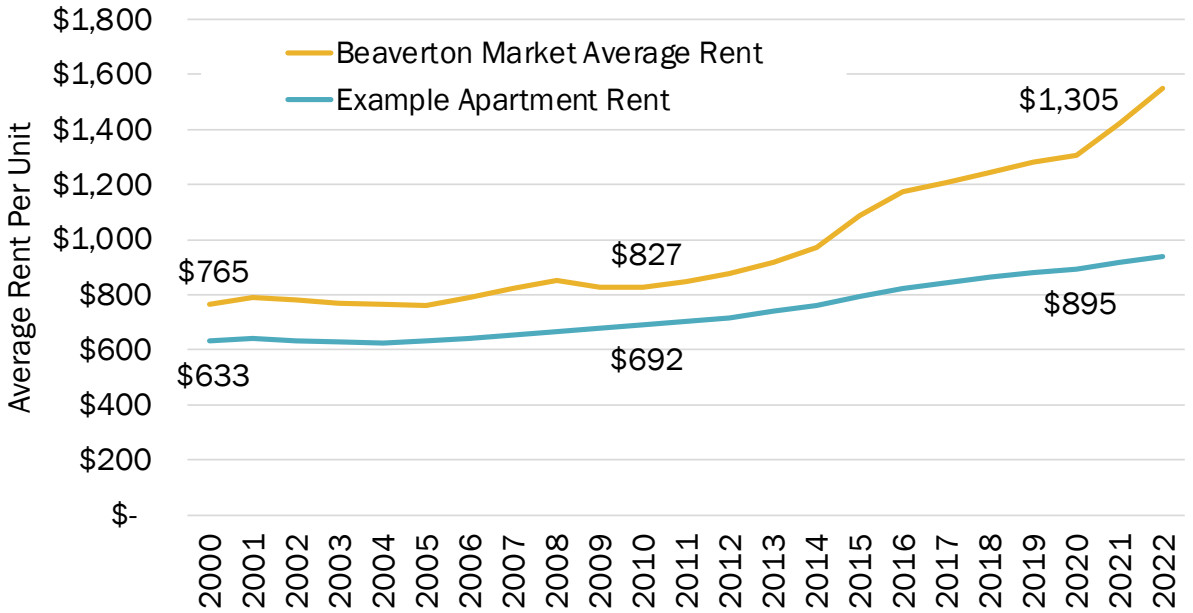
[34] *Ibid*.

Illustrative Examples of Filtering for Rental Housing

Looking at an example apartment built in 1998 illustrates how rents can change over time relative to the market. The example property in Beaverton was relatively affordable even when it was new, with a rent circa 2000 that was 18 percent below the Beaverton market average rent[35]. This gap was sustained through 2010. However, the difference between the example property and the market average grew during the 2010s. The addition of new apartments with higher rent premiums into the existing housing stock pushed the market average rent 58 percent higher between 2020 and 2010. Meanwhile, the average rent for the example property grew only 29 percent. By 2020, the average rent for the example property was 31 percent below the market average rent in Beaverton.

Figure 6. Average Rents at Example Apartment Property Over Time Compared to Beaverton Market, 2000 to 2022

Source: CoStar



[35] The market average rent for Beaverton apartments is for a subset of apartments that CoStar categorizes as having 2, 3, or 4 stars on its 5-star rating system to indicate building quality. It captures the price of typical apartments (including new construction) while excluding extremely high-quality or extremely low-quality ones.

Filtering Observed in Single-Family Home Sales Prices

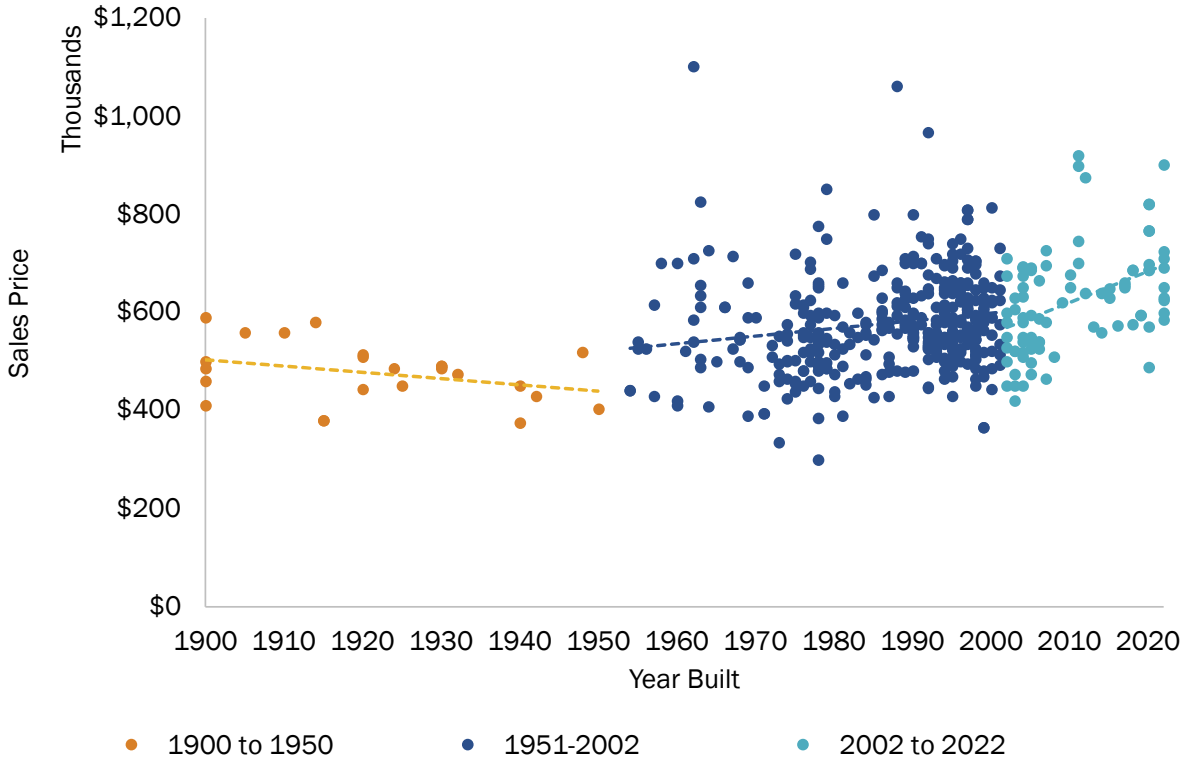
ECONorthwest analyzed relative prices across single-family homes built in different years and identified illustrative examples comparing pairs of similar homes built at different times. If filtering is occurring, sales prices should be lower in older units on average than in newly built units. Lower-priced units are more likely to be purchased by lower-income households.

Regional Patterns

Outside the City of Portland, the relationship between single-family home sales prices and the year built depends on the decades the units were built in, as shown in Figure 7. For units built in 1950 or earlier, there is a very weak but slightly negative relationship (i.e., the sales prices are *lower* for new units on average). For units built between 1951 and 2002, there is a very weak but slightly positive relationship (i.e., the sales prices are *higher* for newer units on average). Finally, for units built in the last 20 years, there is a stronger and positive relationship: each decade of building age is associated with about $63,000 lower sales price.[36]

Figure 7. Recent Sales Prices of Single-Family Homes Outside of Portland*

Sources: ECONorthwest, Metro Regional Land Information System (RLIS)



* Notes: The data is a subset of sales prices recorded in RLIS. Filters are 3 or 4 bedrooms, unit size of 1,500 to 2,500 sq. ft., lot size of 4,500 to 9,000 sq. ft., and sales transaction in September, October, or November of 2022.

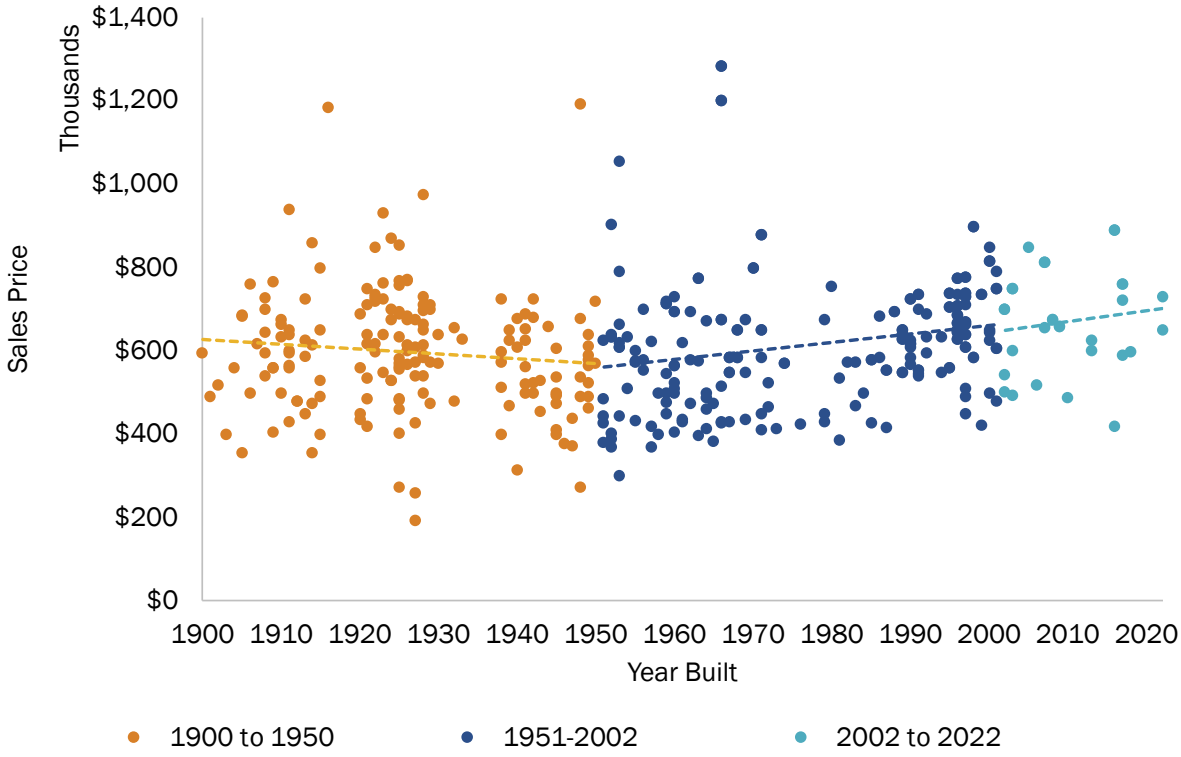
The findings diverge for Portland, as shown in Figure 8. Similar to outside of Portland, there is a very weak but slightly negative relationship for units built in 1950 or earlier and there is a very

[36] The building age in the most recent two decades explains about 19 percent of the variation in sales prices.

weak but slightly positive relationship for units built between 1951 and 2002; the relationship between sales price and year built is not noticeably different for units built in the last 20 years.

Figure 8. Recent Sales Prices of Single-Family Homes in Portland*

Sources: ECONorthwest, Metro Regional Land Information System (RLIS)



* Notes: The data is a subset of sales prices recorded in RLIS. Filters are 3 or 4 bedrooms, unit size of 1,500 to 2,500 sq. ft., lot size of 4,500 to 9,000 sq. ft., and sales transaction in September, October, or November of 2022.

The data suggests that single-family sales prices decline (on average) over time relative to overall market prices, but the effect is limited (without controlling for other factors) and disappears for housing that is more than 70 years old.

Illustrative Examples of Filtering in Single-Family Homes

To find illustrative examples of filtering, ECONorthwest used a matched-pairs approach using data from Zillow on the prices of detached single-family units that were constructed and sold in 2022 and prices of older homes that sold in the past 12 months and at least once before. To attempt to mitigate some of the differences in neighborhood characteristics, ECONorthwest considered the distance between the comparison units, primary school district boundaries, and major roadways that could divide a part of a neighborhood from another. To mitigate some of the differences in building characteristics, ECONorthwest considered unit size, building height, façade, heating and cooling features, and garage size (i.e., number of vehicles that a garage can accommodate).[37] ECONorthwest also excluded renovated units based on information available

[37] A more robust analysis that requires a level of effort beyond the amount needed for the illustrative examples in this section could involve a statistical method (such as a multiple linear regression analysis) that controls for a variety of building and neighborhood characteristics.

from unit images and descriptions. Still, the illustrative examples are not perfect comparisons. Examples include both units in Urban Growth Boundary (UGB) expansion areas and units in infill areas.

For each example unit, ECONorthwest calculated the ratio between the sales price and average market price to gauge *relative affordability*. The average market prices are from Zillow Home Value Index (ZHVI) Single-Family Homes Time Series, which are available monthly and by ZIP Code. Calculating this affordability metric allows a comparison of housing prices in different years. If the metric is above 1.0, then the sales price is above the market average. If the metric is below 1.0, then the sales price is below the market average. This metric does not indicate a unit's affordability to a household because it does not compare the sales prices to a measurement of household income such as the area median income, and because the affordability of ownership units depends not only on the housing price and household income but also on mortgage payment terms and interest rate, which vary over time.

Example 1: Aloha

The two comparison units in Aloha on the next page are similarly sized, detached single-family units located within a mile of one another. In this example, the newer unit carries a price premium relative to the older unit (relative affordability of 1.21 for the newer unit vs. 0.97 for the older unit compared to the zip code overall as of the most recent sale), despite having much higher Homeowners Association (HOA) dues, which would tend to constrain how much a buyer would be willing and able to pay. Although the older unit appreciated about 63 percent from 2006 to late 2021, it became relatively affordable compared to other housing prices in the same area (relative affordability of 1.06 in 2006 vs. 0.97 in 2021).

Figure 9. Aloha Units

Source: Zillow



Newer Unit
Built Year: 2020
Unit Size: 1,825 sq. ft. (4 beds, 3 baths)
Parcel Size: 2,613 sq. ft.
Garage Spaces: 2
HOA Dues: $667 per year

Last Sales Date: March 21, 2022
Last Sales Price: $622,000 ($341 per sq. ft.)
Last Sales Price Relative Affordability: 1.21



Older Unit
Built Year: 2005
Unit Size: 1,815 sq. ft. (3 beds, 3 baths)
Parcel Size: 2,613 sq. ft.
Garage Spaces: 2
HOA Dues: $0 or no data

Last Sales Date: December 30, 2021
Last Sales Price: $475,000 ($262 per sq. ft.)
Last Sales Price Relative Affordability: 0.97

Previous Sales Date: July 3, 2006
Previous Sales Price: $292,000 ($161 per sq. ft.)
Previous Sales Price Relative Affordability: 1.06

Example 2: Tigard

The two comparison units in Tigard are located in residential neighborhoods, about 1.5 miles from each other. They are about equally close to the local elementary and middle schools. The newer unit carries a price premium relative to the older unit (relative affordability of 1.22 for the newer unit vs. 1.02 for the older unit compared to the zip code overall as of the most recent sale). The older unit did not start more affordable (relative affordability of 1.27 in 2005) but became more affordable over time (relative affordability of 1.01 in 2021).

Figure 10. Tigard Units

Source: Zillow



Newer Unit
Built Year: 2022
Unit Size: 2,153 sq. ft. (4 beds, 2 baths)
Parcel Size: 6,528 sq. ft.
Garage Spaces: 2
HOA Dues: $1,008 per year

Last Sales Date: March 15, 2022
Last Sales Price: $788,582 ($366/sq. ft.)
Last Sales Price Relative Affordability: 1.22



Older Unit
Built Year: 2004
Unit Size: 2,295 sq. ft. (3 beds, 3 baths)
Parcel Size: 7,405 sq. ft.
Garage Spaces: 2
HOA Dues: $175 per year

Last Sales Date: July 14, 2022
Last Sales Price: $675,000 ($294/sq. ft.)
Last Sales Price Relative Affordability: 1.01

Previous Sales Date: February 25, 2005
Previous Sales Price: $365,000 ($159/sq. ft.)
Previous Sales Price Relative Affordability: 1.27

Example 3: Oregon City

The two example properties are less than 1 mile from each other. In this example, the newer unit is more expensive than the older unit (relative affordability of 1.28 vs. 1.06), despite the fact that the older unit is slightly larger and on a slightly larger parcel. However, the older unit became relatively less affordable over time (relative affordability of 1.06 in 2022 compared to 0.88 in 2006).

Figure 11. Oregon City Units

Source: Zillow



Newer Unit
Built Year: 2022
Unit Size: 2,583 sq. ft. (4 beds, 3 baths)
Parcel Size: 6,534 sq. ft.
Garage Spaces: 2
HOA Dues: $0 or no data

Last Sales Date: October 14, 2022
Last Sales Price: $769,950 ($298/sq. ft.)
Last Sales Price Relative Affordability: 1.28



Older Unit
Built Year: 2006
Unit Size: 2,819 sq. ft. (4 beds, 3 baths)
Parcel Size: 7,405 sq. ft.
Garage Spaces: 2
HOA Dues: $0 or no data

Last Sales Date: June 3, 2022
Last Sales Price: $660,000 ($234/sq. ft.)
Last Sales Price Relative Affordability: 1.06

Previous Sales Date: June 26, 2006
Previous Sales Price: $295,330 ($105/sq. ft.)
Previous Sales Price Relative Affordability: 0.88

Example 4: Roseway Neighborhood in NE Portland

The two example properties in northeast Portland are located just under 1 mile from each other. The older property is closer to NE Sandy Boulevard and thus has slightly better access to commercial uses, though the two properties are about equal distance from a grocery store. In this example, both units are more affordable than the average market price for the area, and the older unit is more affordable than the newer unit at the most recent sale (relative affordability of 0.83 for the older unit vs. 0.90 for the newer unit). However, the older unit appreciated significantly from 2007 to 2021 (about an 87 percent increase in value) and became relatively less affordable than it had been (relative affordability of 0.83 vs. 0.76 when built).

Figure 12. Roseway Units

Source: Zillow



Newer Unit
Built Year: 2022
Unit Size: 1,520 sq. ft. (3 beds, 3 baths)
Parcel Size: 2,500 sq. ft.
Garage Spaces: 1
HOA Dues: $0 or no data

Last Sales Date: August 30, 2022
Last Sales Price: $550,000 ($362/sq. ft.)
Last Sales Price Relative Affordability: 0.90



Older Unit
Built Year: 2008
Unit Size: 1,502 sq. ft. (3 beds, 3 baths)
Parcel Size: 2,613 sq. ft.
Garage Spaces: 1
HOA Dues: $0 or no data

Last Sales Date: June 28, 2021
Last Sales Price: $471,000 ($314/sq. ft.)
Last Sales Price Relative Affordability: 0.83

Previous Sales Date: November 16, 2007
Previous Sales Price: $252,500 ($168/sq. ft.)
Previous Sales Price Relative Affordability: 0.76

Example 5: Southwest Neighborhood in Gresham

The two example properties in Gresham's Southwest Neighborhood (south of Powell Boulevard / Route 26) are about 0.6 miles from each other. The older home is more affordable than the newer home (relative affordability of 1.22 for the older home vs. 1.29 for the newer home). Although the price of the older unit more than doubled since 2000, it became relatively affordable over time when compared to other housing prices in the same area (relative affordability of 1.32 when new vs. 1.22 after 20 years).

Figure 13. Southwest Gresham Units

Source: Zillow



Newer Unit
Built Year: 2022
Unit Size: 2,214 sq. ft. (4 beds, 3 baths)
Parcel Size: 7,840 sq. ft.
Garage Spaces: 3
HOA Dues: $0 or no data

Last Sales Date: April 8, 2022
Last Sales Price: $673,000 ($304/sq. ft.)
Last Sales Price Relative Affordability: 1.29



Older Unit
Built Year: 2000
Unit Size: 2,205 sq. ft. (4 beds, 3 baths)
Parcel Size: about 10,000 sq. ft.
Garage Spaces: 3
HOA Dues: $0 or no data

Last Sales Date: September 22, 2022
Last Sales Price: $630,000 ($286/sq. ft.)
Last Sales Price Relative Affordability: 1.22

Previous Sales Date: September 25, 2002
Previous Sales Price: $295,500 ($118/sq. ft.)
Previous Sales Price Relative Affordability: 1.32

Conclusion

There is relatively strong evidence that filtering does occur in housing markets, though it varies based on local conditions and can sometimes occur in reverse, potentially resulting in gentrification, when older properties become more valuable. Adding new housing to a regional housing market creates opportunities for higher-income households to move into newer units while older units "filter" down to households with lower incomes. This process occurs over a long period of time, though there are studies suggesting short-term effects as well. Filtering occurs more slowly in places where housing markets are undersupplied, and strong demand has pushed prices upward. Filtering through deterioration and age reverses when there are renovations and other significant upgrades to older properties.

Many recent studies also conclude that new housing supply does more to alleviate upward pressure on rents in the vicinity of the new development than to increase that pressure. However, filtering alone is not enough to provide housing affordable to the lowest-income households, and does not protect from future market pressures.

Housing market patterns and trends within the Metro region show potential evidence of filtering (older units have lower rents and sales prices on average, at least over the first 70 years after construction) and of premiums for new construction. However, construction quality has also increased over time, which could account for some of this effect. As the literature would suggest, filtering appears to be slower where housing prices are higher and housing price/rent growth has been greater (e.g., Portland's central city). Moreover, the effects of filtering appear to disappear after a certain building age, possibly due to significant reinvestments in more desirable properties, demolition of less desirable properties, or a value premium associated with architectural or historical significance of an aged building.

Taken together, this suggests that new construction helps mitigate price and rent increases at a regional and neighborhood level and can allow older units to become relatively more affordable, but filtering provides only modest increases in relative affordability (at best) for new housing over the course of a 20-year planning horizon.

Metro Technical Advisory Committee

Metro Residential Readiness Project

Market Functions, Gentrification, and Displacement Trends

June 21, 2023

ECONorthwest

ECONOMICS · FINANCE · PLANNING

Introductions



Madeline Baron

Senior Project Manager



Justin Sherrill

Technical Manager

ECONorthwest

ECONOMICS • FINANCE • PLANNING



Nick Chun

Data Analytics Manager

Metro Residential Readiness Project

Research and analysis to guide Metro's 2024 Urban Growth Management Decision

Updates to development capacity / supply model



Development Readiness



Population & Development Trends



Housing Filtering & Market Functions



Gentrification & Displacement Risk



Office-to-Residential Conversion Potential



Middle Housing Potential



Existing Housing Needs

009449

Metro Residential Readiness Project

Research and analysis to guide Metro's 2024 Urban Growth Management Decision

Updates to development capacity / supply model



009450

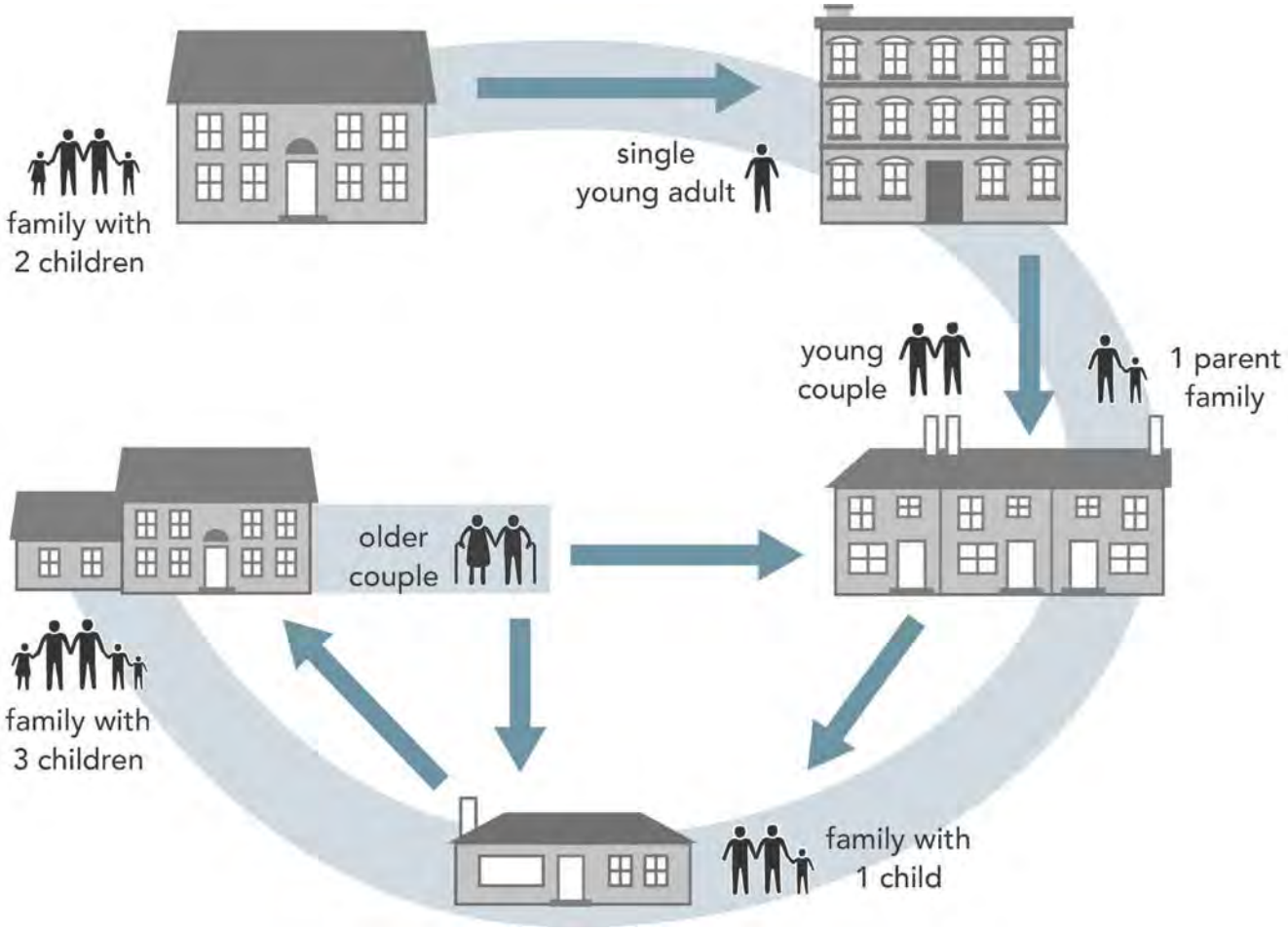
Purpose

- Summarize changing home prices and demographics relating to gentrification and displacement pressure.
- Use a displacement risk typology to highlight areas at risk of additional gentrification and involuntary displacement.
- Help Metro focus on the housing types that are most important for meeting the region's affordability needs.

Housing Filtering & Market Functions

How Housing Markets Function

- Housing markets are subject to the laws of supply and demand, though they are greatly influenced by government interventions
- Housing markets need a range of housing types to meet the diversity of housing needs
- Household preferences vary, and are influenced by cost, location, size, and amenities
- New units cannot directly replace old units; they join the stock of housing from which consumers choose



Adapted from: Clark, William A.V., and Frans M Dieleman. 1996. Households and Housing. New Brunswick, NJ: Center for Urban Policy Research

How New Supply Enters the Market

- New supply enters the market at high prices
- Over time, housing depreciates and becomes more affordable
- As higher income households move into the new stock, their old units depreciate and become available for lower-income households to occupy
- *New supply is necessary to allow the market to filter over time*



Source: ECONorthwest

Importance of New Supply

- In recent decades, many markets have been underproducing housing with big consequences
- Housing underproduction correlates with:
  - Homelessness via price increases and reduced vacancies
  - Greenhouse gasses and vehicle miles traveled
  - Homeownership disparities by race and ethnicity
  - Economic and racial segregation
- Markets need to meet future need (new households arriving/forming) AND existing need (units for people experiencing homelessness, units for households who are cost burdened)
- Undersupply is challenging to dig out from

How Does New Supply Affect Prices/Rents of Existing Housing?

- At the regional level, new housing supply impacts prices and rents via the supply elasticity and via filtering

- **Supply elasticity** is the relationship between changes in market supply and average market prices
  - Bringing housing supply in line with demand helps to moderate price and rent increases; areas with too much supply will see prices/rents fall
  - Supply elasticity requires 100,000's of units to reduce average prices statewide
  - Building this many units would induce demand and restore price equilibrium – muting the impacts on price

How Does New Supply Affect Prices/Rents of Existing Housing?

- **Via filtering,** national research[1] estimates that housing depreciates:
  - 2.37% - 2.71% per year for rental
  - 0.49% - 0.58% per year for ownership
- Filtering will never lead to housing prices/rents becoming affordable to very low income households
  - Housing for these households will always need public subsidy
- Filtering takes a long time and can move in reverse when a regional housing market is undersupplied

[1] Stuart S. Rosenthal, "Are Private Markets and Filtering a Viable Source of Low-Income Housing? Estimates from a 'Repeat Income' Model," American Economic Review 104, no. 2 (2014): 687-706, https://www.aeaweb.org/articles?id=10.1257/aer.104.2.687

How Does New Supply Affect Prices/Rents of Existing Housing?

- Research[2] and opinions are mixed on how new housing supply impacts the prices/rents of existing housing at the local level
  - The "supply effect" suggests that new units relieve pressure in undersupplied markets and moderate price increases nearby
  - The "amenity effect" or "demand effect" suggests that new housing units attract wealthy households, brings new and different amenities to an area and signals to landlords to raise rents
- Most quantitative studies suggest the supply effect occurs
- But personal experiences, neighborhood change, and cultural displacement are real

[2] Shane Phillips, et al. (2021). "Research Roundup: The Effect of Market-Rate Development on Neighborhood Rents." UCLA: The Ralph and Goldy Lewis Center for Regional Policy Studies. Retrieved from https://escholarship.org/uc/item/5d00z61m

Gentrification and Displacement Analysis

Two Ways to Look at Gentrification and Displacement

Socioeconomic Vulnerability

- Evaluate where there are concentrations of populations who might be at risk of displacement
- Snapshot in time, distribution of households across the region

Gentrification Trends and Typology

- Identify areas where demographics and/or housing market conditions have shifted relative to regional averages
- Identify areas where gentrification may be underway

Two Ways to Look at Gentrification and Displacement

Socioeconomic Vulnerability

- Hispanic households
- Households of color (non-White, non-Hispanic)
- Population without a bachelor's degree (age 25-64)
- Low-income renter households (<$50,000)
- Population with low English proficiency
- Households with disabilities (physical or cognitive)

Static analysis: as of 2021

Gentrification & Displacement Typology

- Renter households
- Households of color
- Households without a bachelor's degree
- Low-income households
- Home values / rents

- Change in homeowner households
- Change in White households
- Change in households with bachelor's degree
- Change in median household income
- Change in home values / rents

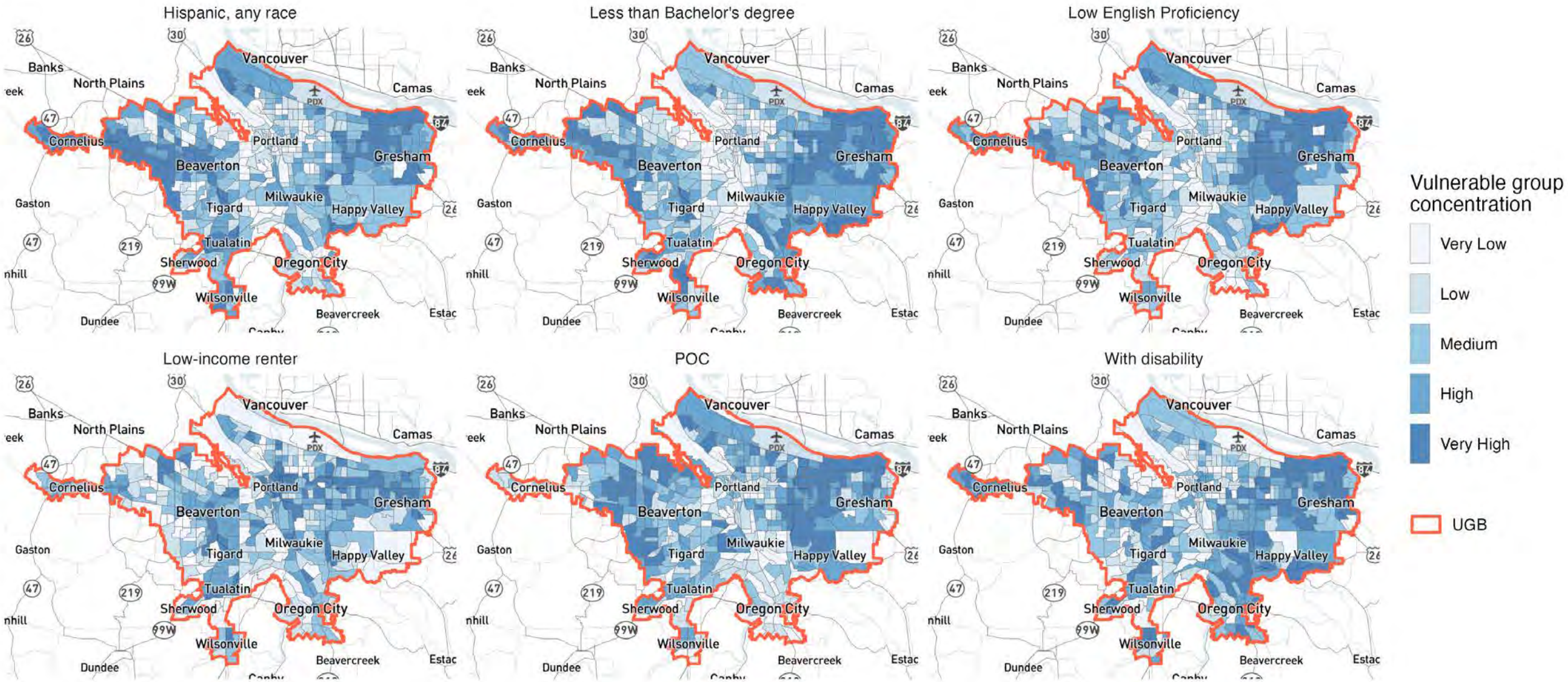
Dynamic analysis: change from 2010-2021

Socioeconomic Vulnerability

Socioeconomic Vulnerability

- Six demographic groups who display heightened vulnerability via disproportionate rent burdening (in weighted order high to low)
  1. Low-income renter households (<$50,000)
  2. Population without a bachelor's degree (age 25-64)
  3. Households of color (non-White, non-Hispanic)
  4. Households with disabilities (physical or cognitive)
  5. Hispanic households
  6. Population with low English proficiency (age 5+)

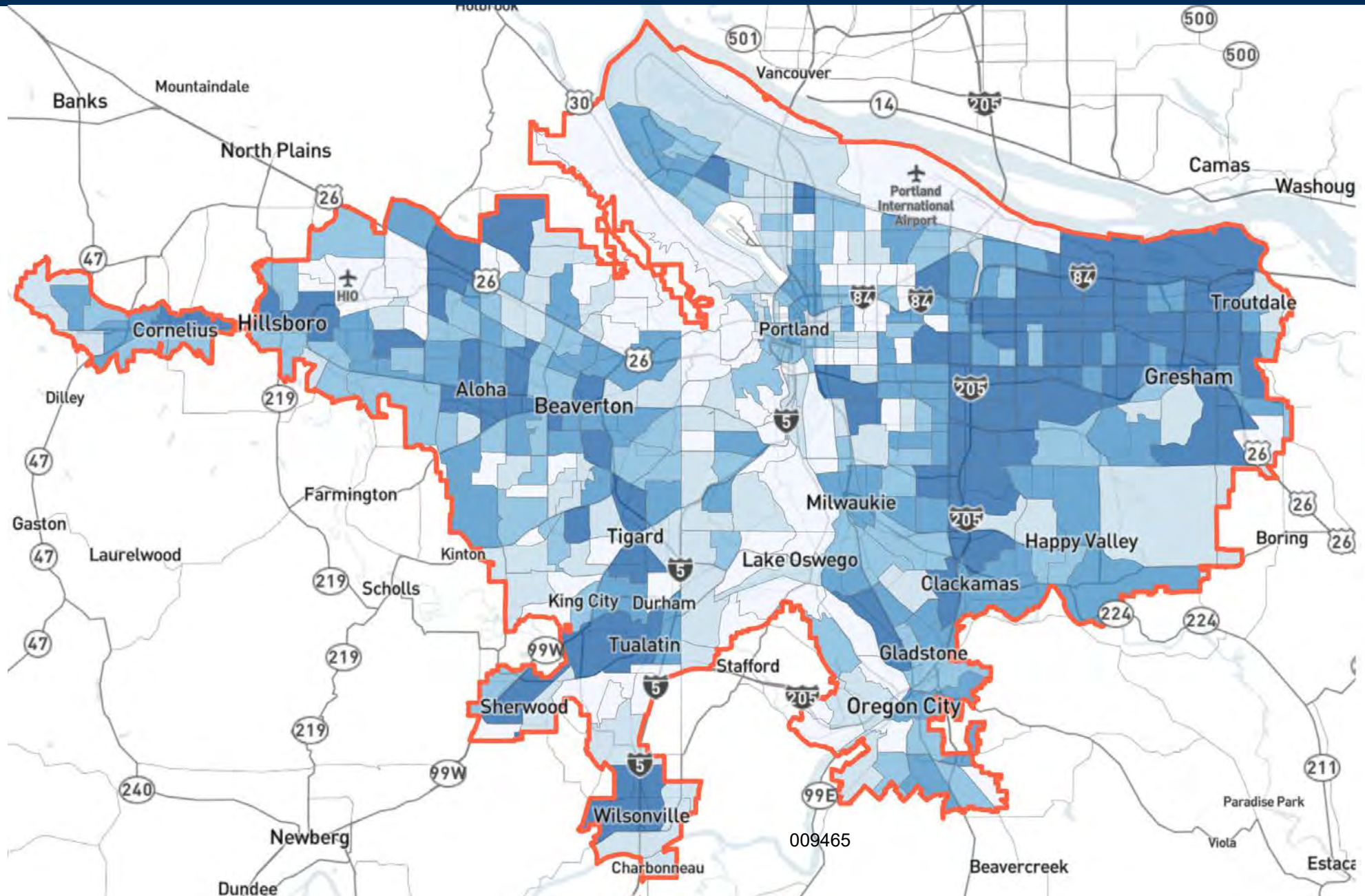
Concentrations of Populations who May be Vulnerable to Displacement



009464

Maps show concentration of each population within census tracts around the region, using quintile distributions of each tract's share of the region's population of the group.

Socioeconomic Vulnerability Concentrations, Weighted Composite



Vulnerable group concentration

- Very Low
- Low
- Medium
- High
- Very High

UGB

Map shows a weighted composite measure of the concentration of all groups shown on the prior slide, weighted by rate of cost burdening.

Gentrification Trends and Typology

Gentrification Typology: Approach

- ECONorthwest developed a modified version of the gentrification and displacement typology model created in 2018 by Dr. Lisa Bates and staff from the City of Portland Bureau of Planning & Sustainability
- ECONorthwest extended the geographic scope of the Portland Model to the entire Metro region
- The model characterizes each census tract's past gentrification trajectory, and, by extension, current displacement risk based on demographic and housing market changes between 2010 and 2021
  - The prior model analyzed demographic and housing market changes beginning in 2000

Gentrification Typology: Sources & Methods

- ECONorthwest model uses Census and HUD data from 2010, 2015, and 2021, as well as RLIS tax lot data
- Model uses a variety of demographic and housing market variables
- Each census tract is compared to the three-county region
- Resulting typologies
  - Early-Stage Gentrification: contains vulnerable populations and is susceptible or experiencing either demographic or housing market changes
  - Mid-Stage Gentrification: contains vulnerable populations and is experiencing both demographic and housing market changes
  - Late-Stage Gentrification: contains vulnerable populations, experienced demographic changes, and housing market has appreciated

Gentrification Typology: Caveats

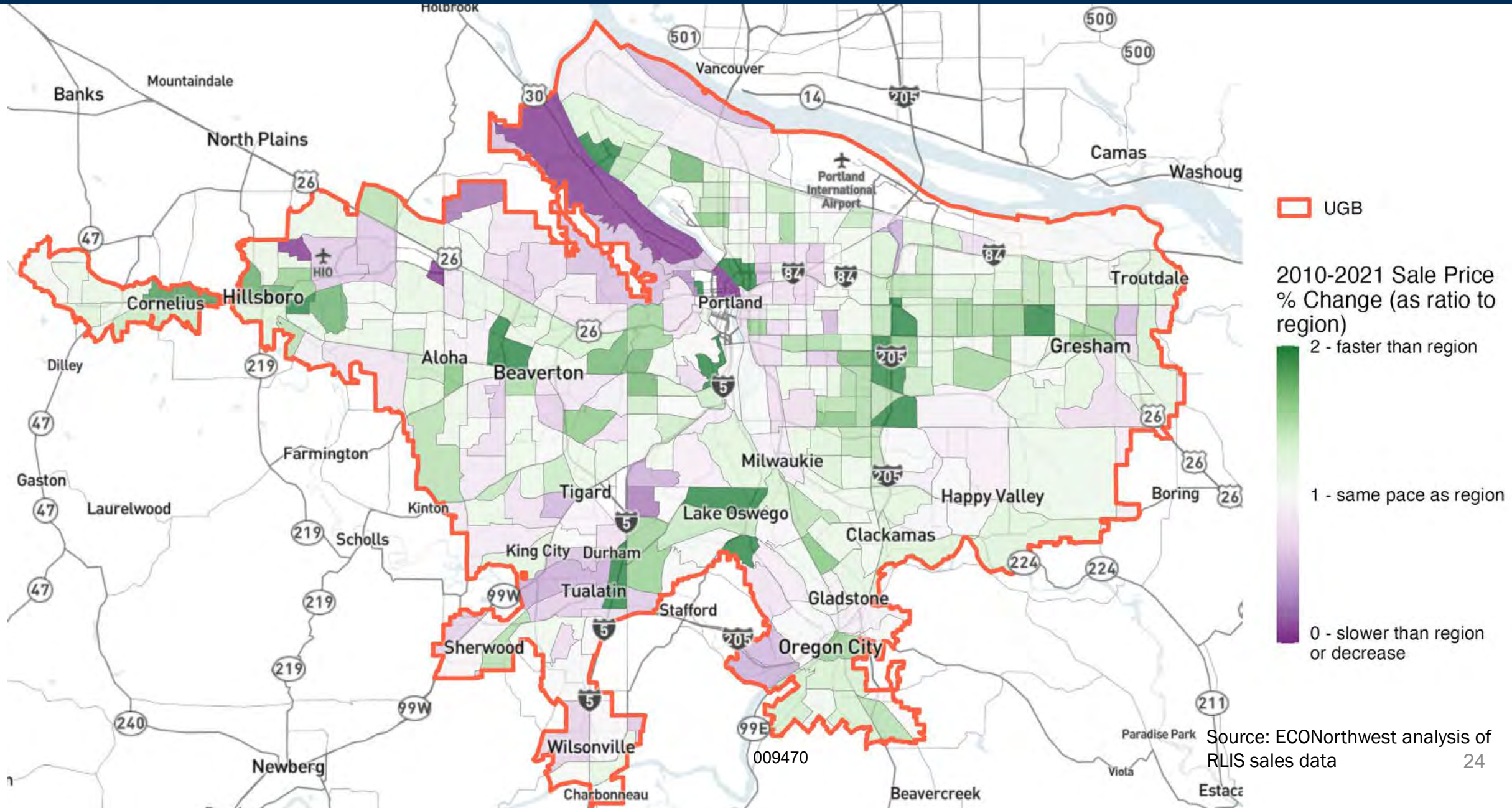
Data is imperfect

- Census data tends to undercount certain BIPOC populations
- Census rent data is a lagging and imprecise indicator of market trends
- Geographies and data definitions have changed over time in some cases
- Margins of error can be high for smaller geographies and smaller population groups

Typology system is imperfect

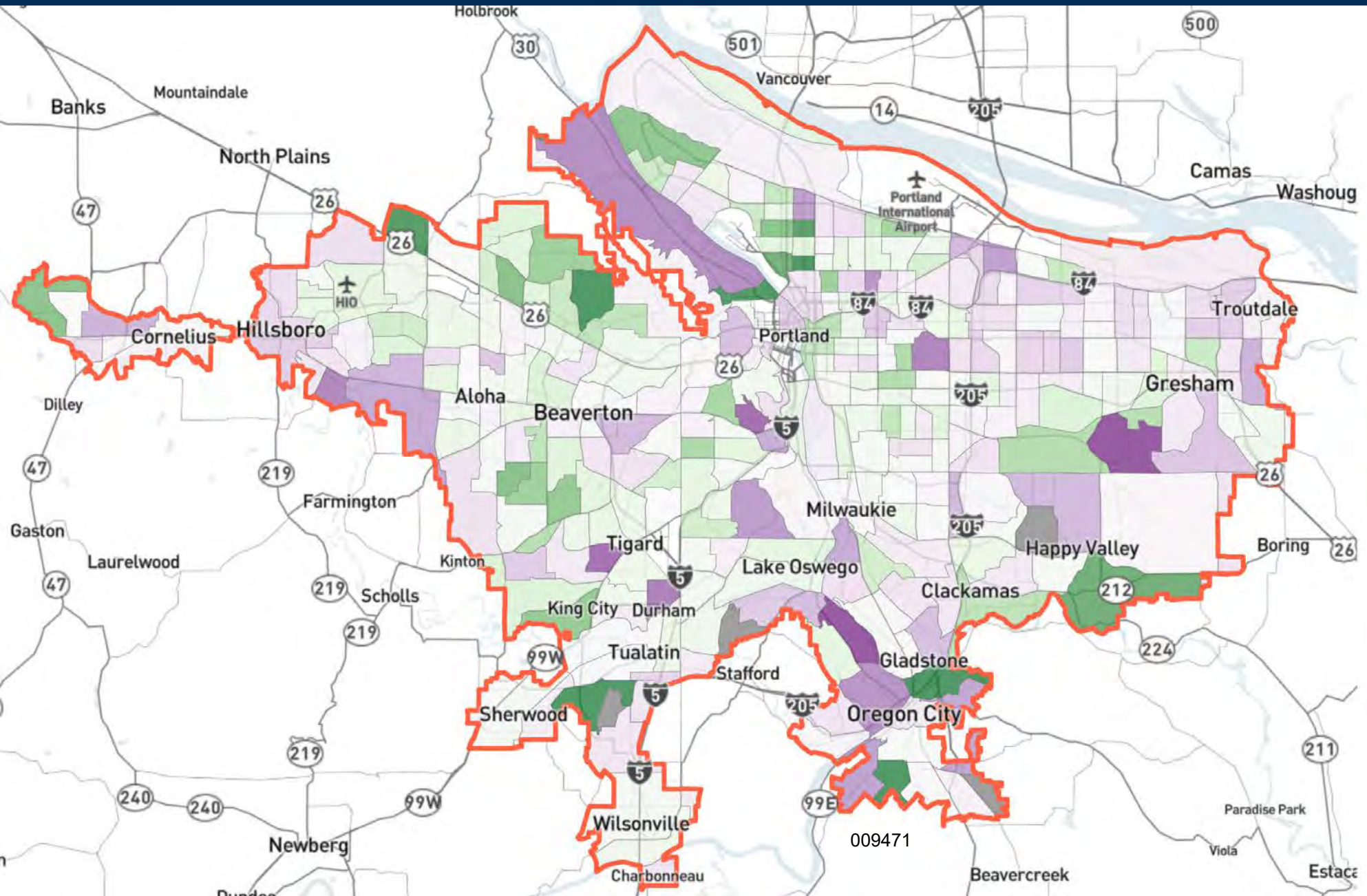
- Measuring gentrification is complex
- Some combinations of indicators don't neatly fit a typology
- Data limitations make measuring less accurate
- Data does not encompass all important indicators and factors related to gentification

Gentrification Trends: Sale Price Appreciation



Source: ECONorthwest analysis of RLIS sales data

Gentrification Trends: Rent Appreciation



UGB

2010-2021 Rent % Change (as ratio to region)

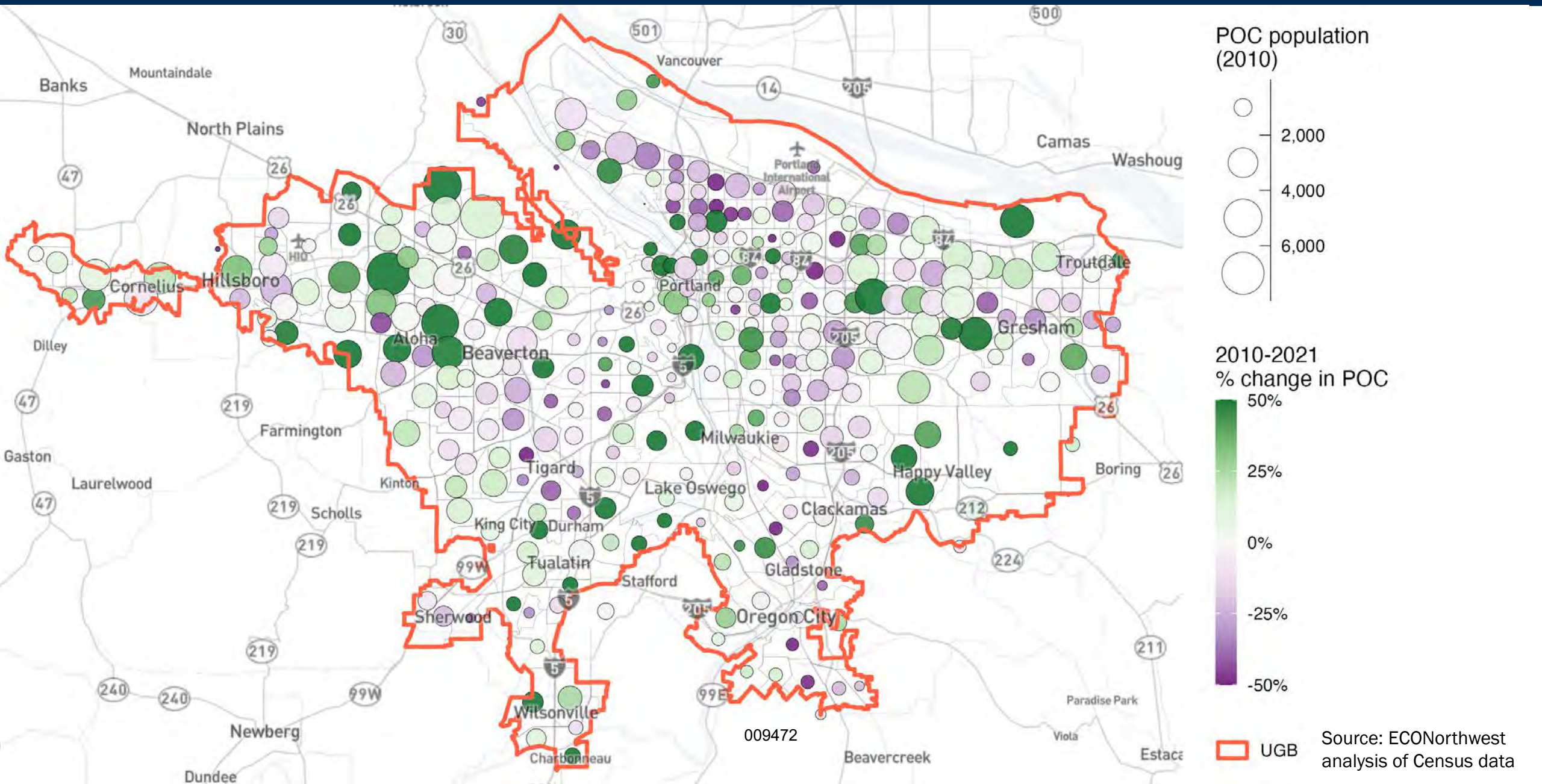
2 - faster than region

1 - same pace as region

0 - slower than region or decrease

Source: ECONorthwest analysis of Census rent data

Gentrification Trends: Change in BIPOC population



Potential Policy Responses to Prevent Gentrification and Involuntary Displacement in Redeveloping Areas

Policy Response Context

- Gentrification and involuntary displacement can take many forms and are inherently hard to predict, measure, and track
- No region or city has figured out how to stop gentrification and involuntary displacement
- Policies and programs geared to prevent involuntary displacement are working in the context of powerful market dynamics and systems
- A wide array of tools can and should be used to mitigate involuntary displacement

Potential Metro Policy Responses: Overview

Potential Metro policy responses to prevent / mitigate gentrification and involuntary displacement could include:

- A. Supporting Affordable Housing Development
- B. Preserving Existing Affordable and Low-Cost Housing Stock
- C. Supporting Lower-Income Renters and Homeowners
- D. Addressing Broader Community Impacts

A) Support Affordable Housing Development

Funding & Financial Support

- Housing Funding
- Target TOD Program Grant Funding
- Develop a Regional Housing Trust Fund
- Capitalize a Revolving Loan Fund

Policy

- Create a Right-to-Return or Preference Policy for Metro-Funded Affordable Projects
- Public Property Disposition for Affordable Housing Policy
- Require or encourage Metro jurisdictions to implement policies, incentives, or requirements to support mixed-income development in UGB expansion areas and areas targeted for redevelopment
- Encourage Metro jurisdictions to offer property tax and/or impact fee reductions or exemptions for regulated affordable housing

B) Preserve Existing Affordable and Low-cost Housing Stock

Funding & Financial Support

- Capitalize a Revolving Loan Fund
- Support Preservation Efforts of Low Cost Market Rentals
- Support Preservation Efforts for Expiring Regulated Projects

Data

- Inventory of Manufactured Housing Communities
- Inventory of Low-Cost Market-Rate Multifamily Housing
- Survey of Tenant Conditions

C) Support Lower-Income Renters and Homeowners

Funding & Financial Support

- Fund Homeownership Assistance
- Home Repair Assistance
- Legal Aid and Tenant Education
- Capacity Building for Community-Based Organizations

D) Address Broader Community Impacts

Funding & Financial Support

- Support culturally specific assets, amenities, or businesses that may be vulnerable to rent increases
- Capacity building for Community-Based Organizations

Policy

- Require Community Impact Reports for Infrastructure Investments

1	Additional Affordable Housing Funding
Category	**Support Affordable Housing Development / Preservation**
Description	Metro could provide additional gap funding for affordable housing development, such as a second bond.
How it helps	Regulated affordable housing creates stability for lower-income renters. In neighborhoods in transition, it can prevent or mitigate involuntary displacement (by providing an affordable option within the neighborhood). It can also create opportunities for lower-income households to live in high-amenity areas that might otherwise be too expensive for them. Gap funding programs, like the 2018 bond, offer critical funding to make affordable housing development financially feasible despite below-market rents.
Why Metro	Metro has the authority to levy taxes and set regional policies to direct where affordable housing might help mitigate or prevent displacement. Metro could direct gap funding for affordable housing into areas targeted for upzoning or redevelopment as a preventative or mitigating measure. Funding could also be directed to urban growth boundary expansion areas to ensure new neighborhoods have mixed incomes.

2	Target TOD Program Grant Funding
Category	**Support Affordable Housing Development / Preservation**
Description	The new strategic plan for Metro's TOD grant funding program suggests required regulated affordability in projects. As the program considers where investments in affordable housing would benefit the region most, it could could direct funding toward areas at risk of gentrification and displacement.
How it helps	Transit station areas are targets for investment and redevelopment across much of the region. Some are also home to larger shares of households who are more vulnerable to displacement. Investments that include affordable units can both support TOD goals and help maintain some affordability in these areas as (re)development occurs.
Why Metro	Metro already operates the TOD grant program as a way to support implementation of regional land use and transportation goals. The TOD program can help to ensure that both new developments and neighborhoods serve a variety of incomes.

3	Develop a Regional Housing Trust Fund
Category	**Support Affordable Housing Development / Preservation**
Description	Metro could work with public, private, and or philanthropic partners to establish a regional housing trust fund to support regulated affordable housing projects.
How it helps	An affordable housing trust fund would allow Metro to leverage funding from other entities, including the private sector, to meet affordable housing goals. It might also create opportunities to use the funding in more flexible ways that can better align with the capital needs for housing preservation, as described in other strategies. In addition, it could provide acquisition funding for vacant or underutilized land that could be offered for affordable housing development.
Why Metro	Metro could act as the regional entity coordinating public and private investments. Metro's new housing division could oversee the Housing Trust Fund and align its policy goals with Metro's regional development goals, particularly focusing in areas at risk of gentrification to prevent involuntary displacement, or in areas of high-opportunity to encourage mixed-income neighborhoods. Metro can help to define where affordable housing goes in the region and can bear the expense of holding land until development is ready to proceed.

4 Capitalize a Revolving Loan Fund

Category	Support Affordable Housing Development / Preservation
Description	Metro could work with public, private, and or philanthropic partners to capitalize a revolving loan fund to provide financing for regulated affordable housing projects. Revolving loan funds are typically seeded with public or philanthropic funding, which often takes higher risk positions to attract other types of capital. Once they are seeded, revolving loan funds are repaid by the projects they fund over a certain time period (e.g., 10 or 15 years).
How it helps	Revolving loan funds typically offer below-market interest rates and favorable lending terms to projects thereby reducing the cost of development and increasing feasibility. They can fill financing gaps where projects have a hard time securing other financing (e.g., site acquisition, predevelopment). They can potentially also provide options for acquisition of lower-cost market-rate housing to stabilize or convert it to regulated affordable housing.
Why Metro	Revolving loan funds need to be large enough to make an impact on a wide array of projects; it is common for loan funds to be capitalized with $50-$60 million, often with MPOs or other regional entities coordinating. As a public entity, Metro can act as a seed funder and reduce or eliminate the investment return it seeks or take higher risk positions. This allows the fund to blend “patient capital” with other types of funding, like mission-oriented lenders, to reduce the overall interest rate charged to projects.

5	Create a Right-to-Return or Preference Policy for Metro-Funded Affordable Projects
Category	Support Affordable Housing Development
Description	When funding affordable housing projects in areas with greater displacement risk, Metro could establish a policy requiring that the project give preference to households who can prove they were displaced from the neighborhood.
How it helps	Regulated affordable housing can stabilize neighborhoods but because it is scarce, many displaced residents may not be able to secure a unit. The policy would give displaced residents, or residents at risk of involuntary displacement the ”right to return” to the neighborhood and receive a priority for the newly created affordable units.
Why Metro	Metro could provide a regional methodology and consistency that would go far in creating common understandings, goals, and systems for implementation. Metro could coordinate these activities for local governments, affordable housing providers, and residents. This policy could apply to projects specifically developed in areas experiencing gentrification and or at risk of displacement. Metro could align it with areas it is targeting for growth or increased zoning capacity.

6	Public Property Disposition for Affordable Housing Policy
Category	**Support Affordable Housing Development**
Description	Metro could create a policy requiring it to give affordable housing developers the right of first refusal on Metro-owned parcels when it intends to dispose of its real property. The policy would require sites to be evaluated for residential development suitability. The policy would stipulate if the disposition included a land write down and if the parcel must be in an area experiencing gentrification or at risk of displacement.
How it helps	This type of policy helps affordable housing developers compete against larger or better-capitalized real estate companies in strong and quickly moving real estate markets. Regulated affordable housing can stabilize neighborhoods but it is a long and complex process to find sites, secure funding, and build the project.
Why Metro	Like many other public agencies, Metro acquires real property from time to time across the region.

7	Require Jurisdictions to Support Mixed-Income Development in Expansion or Redevelopment Areas
Category	Support Affordable Housing Development
Description	As part of its planning requirements, Metro could require jurisdictions to implement policies, incentives, or requirements to support mixed-income development in Urban Growth Boundary expansion areas or areas targeted for redevelopment.
How it helps	The high cost of new construction and greenfield development can make it difficult to provide a range of affordability levels within urban growth expansion areas. Newly constructed housing, especially single-detached housing, is often unaffordable to low- and moderate-income households without a subsidy or incentive. Redevelopment areas can also benefit from mixed-income developments to ensure that neighborhoods continue to offer housing options for a range of income levels as redevelopment occurs.
Why Metro	Metro oversees growth management planning efforts for the region and can require jurisdictions to implement specific policies aligned with regional growth goals.

8	Encourage Jurisdictions to Offer Incentives for Regulated Affordable Housing
Category	Support Affordable Housing Development
Description	As part of its planning requirements, Metro could encourage jurisdictions to offer property tax and or impact fee reductions or exemptions for regulated affordable housing development.
How it helps	Property tax abatements and impact fee exemptions or reductions help to reduce the cost of building or operating affordable housing, thereby increasing development feasibility. These types of incentives are especially helpful for regulated affordable housing which typically require many incentives, subsidies, and funding sources to develop.
Why Metro	Offering tax abatements or impact fee reductions or exemptions is a local policy decision, meaning that different options are available in different jurisdictions across the region. Encouraging Metro jurisdictions to offer one or more financial concessions to affordable housing could help provide a more consistent level of local support for affordable housing. Metro oversees growth management planning efforts for the region and can require jurisdictions to implement specific policies aligned with regional growth goals.

9 Support Preservation Efforts of Low Cost Market Rentals

Category	**Preservation of Existing Affordable and Low-cost Housing Stock**
Description	Metro could support the preservation of low-cost market rentals by creating or expanding programs and funding for the acquisition and rehabilitation of these properties. The funding sources for preservation efforts would be the same as those for development. Public recapitalization would include regulations on the long-term affordability of the property.
How it helps	Because regulated affordable housing is so scarce, most low-income households live in unregulated (market rate) housing. Some units may be low cost due to their location, age, condition, or amenities. Often these properties have deferred maintenance that requires substantial recapitalization to fund, and typically requires big increases in rent, leading to displacement. These units can be preserved and rehabilitated with long-term affordability restrictions and new mission-oriented management, but this is challenging to do.
Why Metro	Metro has the authority to levy taxes and set regional policies to direct housing investments and mitigate or prevent displacement. Metro could direct preservation funding into areas it is targeting for upzoning or redevelopment as a preventative or mitigating measure.

Potential Metro Policy Responses

10	Support Preservation Efforts for Expiring Regulated Projects
Category	**Preservation of Existing Affordable and Low-cost Housing Stock**
Description	Metro could support the preservation of regulated properties with expiring affordability restrictions by creating or expanding programs and funding for recapitalization. The funding sources for preservation efforts would be the same as those for development. Many sources, including the Oregon Housing and Community Services Department and the Network for Oregon Affordable Housing track project expiration dates and work to create preservation plans ahead of time.
How it helps	Regulated affordable housing properties have affordability restrictions for a period of time, typically between 15 and 30 years, but increasingly up to 60 or even 99 years. While most of these properties are already operated by mission-oriented developers, some projects may have deferred maintenance and capital repairs to aging building systems. Paying for these capital needs typically requires recapitalization with new public dollars and new funding restrictions.
Why Metro	Just like development efforts, Metro can help fund preservation efforts to mitigate or prevent displacement. Metro could direct preservation funding into areas it is targeting for upzoning or redevelopment as a preventative or mitigating measure.

11 Revolving Loan Fund

Category	**Preservation of Existing Affordable and Low-cost Housing Stock**
Description	Metro could work with regional partners to establish a revolving loan fund to provide deferred or low-interest loans for property owners who undertake health, safety, accessibility, and/or efficiency improvements with an agreement to limit rent increases. Older apartment buildings run by independent owners may be less likely to be renovated over time and require major upgrades that would require tenants to move out, but they also tend to be slower to raise rents and provide lower cost options for tenants.
How it helps	Revolving loan funds can provide gap financing for specified types of projects through deferred or low-interested loans. These come with the expectation that the borrower repays the full principal plus interest over the life of the loan but offer a more lenient structure than traditional lenders. These funds can give property owners of low-cost market rate multifamily buildings an incentive to make upgrades that benefit tenants and the community, while avoiding rent increases that may increase risk of displacement for low-income tenants.
Why Metro	Metro has experience with administering funding for affordable housing development through the Metro Bond and could help to set regional goals for preserving low-cost market rate housing. This fund could target areas with higher displacement pressures and where local jurisdictions do not have similar incentives for property owners.

12 Inventory of Manufactured Housing Communities

Category	**Preservation of Existing Affordable and Low-cost Housing Stock**
Description	Metro could establish a regional inventory of manufactured housing communities, building on work by Washington County and the Oregon Housing and Community Services Department, in order to better understand the current landscape (and risks) for this housing type.
How it helps	Manufactured housing often provides some of the most affordable homeownership opportunities available in a community. Tracking the current status of manufactured housing communities across Metro can provide jurisdictions with necessary data to identify targeted outreach opportunities, develop local zoning regulations, and support the purchase and preservation of manufactured homes as permanently affordable housing.
Why Metro	Metro can provide consistent regional data to inform local decisions by jurisdictions with manufactured housing communities that may not have the capacity to collect and track this data internally. This may be particularly relevant for places where new investments increase redevelopment pressures on affordable housing types like manufactured homes. An inventory could be the first step in developing programs for manufactured home preservation or conversion to resident or nonprofit ownership.

13	Inventory of Multifamily Housing
Category	**Preservation of Existing Affordable and Low-cost Housing Stock**
Description	Metro could build on its current regional multifamily housing inventory by identifying low-cost (unregulated) market rate housing and track information and trends relating to property sales.
How it helps	Tracking low-cost market rate housing can be challenging, since landlords are not obligated to report metrics in the same way as regulated affordable housing. However, this data can help to provide data and insights to inform policy decisions and targeted interventions to prevent displacement.
Why Metro	Data about low-cost market rate housing could be made widely available with a similar approach to Metro's existing inventory, which is a useful tool for regional partners conducting planning, development, and financing activities related to housing. Since Metro already has an established method of collecting and distributing this data, it would likely be an efficient leader for this initiative.

14	Survey of Tenant Conditions
Category	**Preservation of Existing Affordable and Low-cost Housing Stock**
Description	Metro could conduct surveys of tenants in low-cost market rate apartments to gather information about conditions, rent trends, and critical needs to track risks and changes that could indicate displacement pressures.
How it helps	Tenant experiences can help to expand on data about the housing market and understand what other factors may influence housing options and displacement pressures. Alongside other efforts for tracking affordable units, reporting on conditions directly from tenants can monitor the effectiveness of policy decisions with residents.
Why Metro	Conducting a tenant survey at the regional level allows for a more comprehensive assessment of housing conditions that can highlight concentrations of disparities in cost burden, rent increases, and other indicators. Metro could also conduct this work as a supplement to the existing inventory of new affordable housing and other new tracking initiatives.

15	Fund Homeownership Assistance
Category	Support Lower-Income Renters and Homeowners
Description	Metro could provide funding for down payment assistance or other types of assistance (such as homeownership readiness programs) to support existing renters to become homebuyers in areas at risk of gentrification and displacement. This might be especially important in areas where Metro is establishing parks, trails, or transportation infrastructure.
How it helps	Down payment assistance and educational programs can help low- and moderate-income residents to achieve homeownership by removing initial barriers for many first-time homebuyers. Some households may be able to qualify for a mortgage but lack the upfront capital for a down payment or the experience with navigating the homebuying process. Homeownership can work to stabilize households who currently rent and allow them to build equity in their home.
Why Metro	While many jurisdictions throughout the region have their own programs for down payment assistance or partnerships with nonprofit organizations, some areas may not have the local resources to fund and implement this type of homebuyer support to the necessary scale. Although Metro would not likely directly implement a program for individual homebuyers, it could help to increase existing services in areas with higher vulnerability to gentrification and displacement and expand this opportunity to areas that do not currently offer it.

Potential Metro Policy Responses

16	Home Repair Assistance
Category	Support Lower-Income Renters and Homeowners
Description	Metro could provide funding to support existing lower-income households who own their homes in areas at risk of gentrification and displacement with home repair and foreclosure prevention programs. Home repairs may cover a range of projects, including critical health and safety work, accessibility improvements, or weatherization and efficiency upgrades. It could also include loans or grants for special assessments levied by condominium homeowners' associations that threaten the affordability and stability of a homeowner's unit. Foreclosure prevention can include legal support, counseling, or emergency loans.
How it helps	Home repairs and foreclosure assistance helps households to avoid displacement by addressing maintenance problems or legal issues that may force a homeowner to sell their house. Home repair support can also help homeowners who require specific accessibility features to continue living in their home. Additionally, efficiency upgrades can reduce households' recurring utility costs, contribute to climate goals, and proactively extend the life of housing units for existing homeowners.
Why Metro	Individual jurisdictions may be limited in the amount of local funds they are able to contribute to home repair programs. Although there are programs available in many areas, Metro could fill gaps in service and provide funding to ensure that existing programs can serve more households, particularly in areas that new infrastructure, parks, or trails may attract interest in flipping older housing stock.

17	Legal Aid and Tenant Education
Category	Support Lower-Income Renters and Homeowners
Description	Metro can support organizations that directly provide legal aid and tenant education services to individuals, including free or low-cost legal advice, rent assistance, utility assistance, and information about tenant rights. Metro can build on the wide array of services that operate across the state and region, or within specific cities and counties.
How it helps	Legal aid and tenant education helps to ensure that households at risk of displacement know their rights. These organizations can also help to direct people to the appropriate resources and navigate different levels of government policy.
Why Metro	Although Metro may be limited on establishing its own legal protections for tenants, it can provide funding and capacity-building assistance to support efforts that help individuals to navigate local and state policies and available programs.

18	Capacity Building for Community-Based Organizations
Category	Address Broader Community Impacts
Description	Metro could provide capacity building support for community-based organizations (CBOs) that provide services to lower-income renters and homeowners. It can particularly focus on those operating in areas at greater risk of gentrification and displacement and those focused on housing affordability, neighborhood stabilization, or affordable housing development.
How it helps	CBOs provide a wide range of services that help to stabilize households and prevent displacement, which can include education about tenant protections or homeownership, outreach with local businesses or property owners, and culturally specific services like translation and interpretation.
Why Metro	Metro can contribute funding and capacity to partner organizations who may be more efficiently able to lead initiatives to prevent gentrification and displacement within local communities. While Metro may not have the specific local relationships with communities, it can help with targeted outreach, funding, referrals, and convening partners.

19	Support Culturally Specific Assets at Risk of Displacement
Category	Address Broader Community Impacts
Description	Metro can support culturally specific assets, amenities, and businesses at risk of involuntary displacement due to redevelopment or rent increases. Aligned with goals in the Greater Portland Economic Recovery Plan, Metro could establish policies to support BIPOC and or microenterprises struggling in the post-COVID 19, high-inflation economy.
How it helps	Small and culturally specific businesses, amenities, and community assets are particularly vulnerable to rent increases, direct displacement, and larger economic changes. Policies and programs targeted to these important community assets can help to mitigate displacement pressures. Nationally, BIPOC-owned businesses were disproportionately impacted by the COVID 19 pandemic.
Why Metro	Metro plays an important role in economic development and must help jurisdictions balance the needs for housing, businesses, and community assets. Metro is in a good position to help provide funding and coordination and can encourage partnerships to address inequities that may result from redevelopment efforts.

20	Require Community Impact Reports for Infrastructure Investments
Category	Address Broader Community Impacts
Description	As Metro invests in broader community infrastructure programs – parks, transit (along with TriMet), or community and event spaces – it should consider evaluating the broader community impacts that these projects can have as it relates to housing, displacement risk, and changing neighborhoods, in addition to other equity considerations related to equitable distribution of benefits and needed investments.
How it helps	Understanding the connections between larger public investments and rent / home price appreciation or cultural change in a neighborhood can help Metro and other jurisdictions plan ahead for community stabilization before investments are made.
Why Metro	Since Metro plays a role in prioritizing and funding large scale infrastructure investments (in partnership with other agencies), it should take an active role in understanding the implications of these investments on gentrification and displacement pressure. It can potentially also fund and make investments in community stabilization efforts to complement infrastructure investments.

Policy Response Summary

- Programs, policies, and affordable housing funding could be tailored to targeted areas at risk of involuntary displacement or high opportunity areas unlikely to see affordable housing development occur
- Programs, policies, and funding could be directed to areas such as 2040 centers, corridors, main streets, and station communities to accommodate new housing
- Preservation of existing affordable housing is just as important as new development – unregulated low-cost market rentals can be preserved to have lasting affordability
- Tenant protections, education, and support are critical to ensure vulnerable populations know their rights and can fight discrimination

Policy Response Summary

- Metro can incent affordable housing development via increased funding
  - Metro can generate more funding
  - Metro can coordinate regional funding efforts
  - Metro can serve as patient capital or take high-risk positions to attract other types of capital
- Metro can attach policy requirements to its funding programs to promote equitable distribution and utilization of funds

ECONorthwest

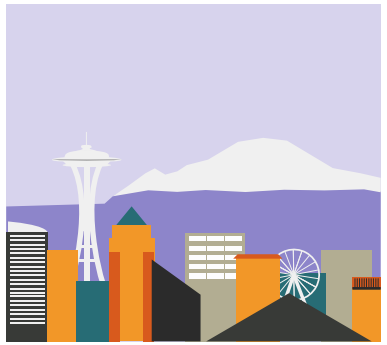
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Boise

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METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes

May 24, 2023

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon (Chair)	City of Gresham, Second Largest City in Multnomah County
Ed Gronke	Citizen of Clackamas County
Alex Howard	Port of Portland
Gordon Hovies	Special Districts in Washington County
Mary Nolan	Metro Council
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Mark Shull	Clackamas County
Sherry French	Special Districts in Clackamas County
Kirstin Greene	Oregon Department of Land Conservation and Development
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Terri Preeg Rigsby	Special Districts in Multnomah County
Tim Rosener	Other Cities in Washington County
Glen Yung	Clark County
Pam Treece	Washington County
Omar Qutub	Citizen of Multnomah County
Denyse McGriff	City of Oregon City, Second Largest City in Clackamas County
Carmen Rubio	City of Portland
Steve Callaway	Largest City in Washington County
Luis Nava	Citizen of Washington County

MEMBERS EXCUSED	AFFILIATION
Kim Harless	City of Vancouver
Gerritt Rosenthal	Metro Council
Nadia Hasan	City of Beaverton, Second Largest City in Washington County
Ted Wheeler	City of Portland
Sharon Meieran	Multnomah County
Brian Cooper	City of Fairview, Other Cities in Multnomah County
Brian Hodson	City of Canby, City in Clackamas County outside UGB
James Fage	City of North Plains, City in Washington County outside UGB
Susan Greenberg	Beaverton School Board, Governing Body of a School District
Duncan Hwang	Metro Council
Thomas Kim	TriMet

ALTERNATES PRESENT	AFFILIATION
Rebecca Stavenjord	City of Milwaukee, Other Cities in Clackamas County
Laura Kelly	Oregon Department of Land Conservation and Development
Anthony Martin	City of Hillsboro, Largest City in Washington County

OTHERS PRESENT: Sean Edging, Ashley Hartmeier-Prigg, Stephen Roberts, Laura Combs, Megan McKibben, Sandy Glantz, Brian Martin, Gerry Mildner, Cynthia Castro, Jamie Stasny, Tom Armstrong, Colin Cooper, Laurie Petrie, Sarah Iannarone, Sarah Paulus, Jaimie Lorenzini

STAFF: Ally Holmqvist, Malu Wilkinson, Roger Alfred, Ted Reid, Kim Ellis, Jeff Kain, Connor Ayers, Eliot Rose, Eryn Kehe, Eduardo Ramos, Tom Kloster, Andy Shaw

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Chair Vince Jones-Dixon called the Zoom meeting to order at 5:00 PM.

Metro Staff Connor Ayers (he/him) called the role.

Metro Staff Roger Alfred confirmed that there were enough members present to declare a quorum.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

No members of the public chose to provide testimony on agenda items.

3. COUNCIL UPDATE

Metro Councilor Mary Nolan (they/them) began by providing an update on Metro's acquisition of land in a highly used wildlife corridor. Land acquisitions have also been made in the urban target area to protect the mainstem of Crystal Springs Creek.

Councilor Nolan alerted the committee of changes to the solid waste fee at Metro transfer stations. They noted that Metro's Waste Prevention and Environmental Services department is planning to convene a forum among local jurisdictions and stakeholders regarding the fee changes. The councilor then briefly discussed the Greater Portland Cleanup Project.

Councilor Nolan then provided an update on Metro's corrective action with Multnomah County regarding their work on the Supportive Housing Services (SHS) program.

They remarked that the HVAC system at the Arlington Schnitzer Concert Hall has failed.

Lastly, Councilor Nolan informed the committee that Metro Council President Lynn Peterson will be delivering a State of the Region speech on June 6th.

Ed Gronke asked if Metro has made any progress towards moving one of the waste transfer stations.

Councilor Nolan responded, noting that efforts had been made to move the Metro South facility. However, the prospective property failed the environmental assessment, effectively restarting the progress on the project.

4. COMMITTEE MEMBER COMMUNICATIONS

Clackamas County Commissioner Mark Shull asked Councilor Nolan why the MPAC committee was included in Metro's considerations to raise the solid waste fee.

Councilor Nolan stated that the engagement process was different in 2023 than in previous years, resulting in MPAC not being involved in these discussions. They then provided additional context on the decision-making process of establishing the new fee level.

Oregon Department of Land Conservation and Development (DLCD) Deputy Director Kirstin Greene announced that today marks the 50th anniversary of Oregon's Land Use Planning Program, with Governor Kotek declaring a proclamation that May shall be established as Land Use Planning Month.

City of Hillsboro Mayor Steve Callaway asked Councilor Nolan if Metro added accountability measures onto private waste haulers and their tipping fees at transfer stations.

Councilor Nolan remarked that Metro intends to conduct a thorough analysis of the regional waste system, and that this review will serve to answer the question Mayor Callaway is proposing.

Mayor Callaway expressed his enthusiasm for such a review, noting that he would be interested in playing a key role in the analysis.

Chair Jones-Dixon informed the committee that the June MPAC meeting will be held in-person at the Metro Regional Center.

5. CONSENT AGENDA

5.1 MPAC Consideration of MTAC Nominees
5.2 Consideration of the March 22nd, 2023 MPAC Minutes
5.3 Consideration of the April 26th, 2023 MPAC Minutes

MOTION: Washington County Commissioner Pam Treece moved to approve the consent agenda. Commissioner Shull seconded.

ACTION: With all in favor, the consent agenda was approved.

6. INFORMATION/DISCUSSION ITEMS

6.1 Update on Oregon Housing Needs Analysis

Chair Jones-Dixon introduced Metro staff Ted Reid and DLCD staff Sean Edging.

Key elements of the presentation and member discussion included:

Edging provided a high-level overview of the Oregon Housing Needs Analysis (OHNA) policy, detailing the provisions of the project and how it interfaces with Metro's role in establishing a regional growth management plan. He began by giving context to the legislative history that resulted in the OHNA policy, how the OHNA serves the goals of House Bill 2001 (HB2001), and the project's methodology. The presentation then explained the role that Metro will play in coordinating with the provisions of the program. A timeline for the policy's next steps was provided.

Mayor Callaway firstly asked what role housing developers play in this policy. He then asked how DLCD's methodology and accountability systems will work in conjunction with Metro's systems.

Edging affirmed that DLCD's methodology will match that of Metro's, explaining the individual responsibilities that will be held by each organization.

Mayor Callaway asked staff how housing distribution across cities will be determined.

Edging responded, stating that the distribution process is still in the process of being developed. He spoke to the difficulties of developing a system that ensures the equitable allocation of housing across jurisdictions with varying levels of need.

City of Beaverton Councilor Ashley Hartmeier-Prigg requested clarification on the funding strategy for this policy.

Edging provided information about several bills moving through the Oregon Legislature that will be able to provide funding opportunities for the provisions of the OHNA.

City of Lake Oswego Mayor Joe Buck questioned if there is a state-strategy for recruiting a construction workforce for this project.

Edging noted that the Housing Production Advisory Council is working on removing barriers to further housing development, and that managing the construction workforce is a key priority of the council.

City of Oregon City Mayor Denyse McGriff expressed concerns that the State and the Governor are focusing on the wrong entity, cities, to provide low-income housing, when this funding should be given to housing developers.

Councilor Nolan alerted the committee that Metro staff Ted Reid is present and may be able to answer additional questions related to how Metro interfaces with the OHNA.

6.2 High Capacity Transit: Draft Strategy Report

Chair Jones-Dixon introduced Metro staff Ally Holmqvist (she/her).

Key elements of the presentation and member discussion included:

The presentation overviewed progress on the High Capacity Transit project, providing details on the project's draft report. The report serves as a framework for establishing the regional high-capacity transit strategy, identifying the necessary actions and investments to bring this vision into reality. A timeline of the project's progress was provided.

City of Happy Valley Councilor Brett Sherman questioned if Metro is able to provide technical assistance to the jurisdictions to advance their level of readiness for transit development, or if there are any incentives to accelerate this process.

Holmqvist noted that many of Metro's grant programs may be leveraged to improve transit readiness.

Commissioner Treece expressed her disappointment that roadway 99W has been moved to Tier 4 readiness, then questioned if 99W could qualify for the Better Bus system or if there are funding opportunities that could advance this corridor's readiness.

Holmqvist remarked that the Better Bus system has its own set of eligibility criteria from high-capacity transit, but that many Tier 3 corridors are eligible for the service. As for funding opportunities, Holmqvist again highlighted that many Metro grant programs could be utilized by the jurisdictions to obtain more funding.

Mayor Shull urged that we express caution when continuing to advance high-capacity transit in dense areas at the expense of the Tier 3 and 4 corridors. He stated that without sufficient transit investment, that it will be very difficult create increases in ridership in these areas.

Mayor Callaway expressed disappointment that many of the comments from the Washington County Coordinating Committee (WCCC) have not been incorporated into the planning for this project.

Holmqvist addressed the mayor's concerns, discussing several of the challenges with the transit examples raised.

6.3 2023 RTP: Project List Input and Draft System Analysis

Chair Jones-Dixon introduced Metro staff Kim Ellis (she/her) and Eliot Rose (he/him).

The presentation recapped the key findings and public input of the draft system analysis, as well as reporting the feedback gathered in the May 11th JPACT/Metro Council Regional Transportation Plan (RTP) Workshop. Information was provided on the projects included in the RTP's constrained list. The key findings from the draft system analysis revealed that the RTP makes progress towards regional goals, but falls short of meeting several target outcomes, with mixed results towards the mobility, equity, and economy goals, and a negative trend towards safety goals. Ellis discussed opportunities to further advance the RTP's goals in the near term. A timeline of the project's next steps was provided.

Councilor Hartmeier-Prigg expressed concerns that the safety, equity, and climate goals will likely not be met in this cycle of the RTP. She asked what will happen if the region fails to meet these targets, and if there is a strategy in place to change approaches.

Ellis noted that the public comment period provides an opportunity for changes to be made to the draft list to better reflect the region's goals.

Chair Jones-Dixon read a comment posted by Mayor McGriff, questioning the timing of the public comment period aligning with many jurisdiction's periods of recess.

Ellis stated that staff is working on a strict timeline to ensure that the final RTP is completed in time, and are working to make sure that the project is as accessible and approachable for the public as possible.

Councilor Sherman asked staff if there is a way to overlay the ongoing work of local transportation service providers (TSPs) with the regional transportation system map.

Ellis explained the structure of the RTP, noting that local transportation projects have been proposed and reviewed by local transportation planners.

Mayor Buck requested clarification on the relationship between the RTP and state-level transportation funding.

Staff remarked that the RTP works in collaboration with state-level funding, and that more information on this coordination will be included in the revenue forecast.

Mayor Buck then asked what role the Metro Council will play in working with the state.

Ellis stated that there will be more conversation moving forward establishing the roles of the Metro Council, MPAC, and JPACT.

City of Sherwood Mayor Tim Rosener firstly requested access to read the summary detailing the outreach process for the RTP.

Ellis remarked that both the summary, as well as the full documents, will be available on the Metro website as well as being sent out the MPAC committee.

Mayor Rosener questioned if the goals were gauged on a regional basis.

Rose noted that staff would be able to provide more specific geographic measures, but that the general RTP goals are based on a regional model.

7. ADJOURN

Chair Jones-Dixon adjourned the meeting at 6:55 PM.

Respectfully Submitted,

Jeffrey Kain
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MAY 24, 2023

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
6.1	Presentation	05/24/2023	Oregon Housing Needs Analysis Presentation	052423m-01
6.2	Presentation	05/24/2023	High-Capacity Transit: Draft Strategy Report Presentation	052423m-02
6.3	Presentation	05/24/2023	2023 RTP: Project List Input and Draft System Analysis	052423m-03

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, May 24, 2023 **5:00 PM** **https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00 PM)

Please note: This meeting will be held online. You can join the meeting on your computer or other device by using this link: https://zoom.us/j/95889916633 or by calling +1 669 900 6128 or +1 877 853 5257 (Toll Free)
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2. Public Communication on Agenda Items (5:05 PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.
Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you
wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov. Those requesting to comment during the meeting can do so by using the “Raise Hand” feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:10 PM)

4. Committee Member Communication (5:15 PM)

5. Consent Agenda (5:20 PM)

5.1 MPAC Consideration of MTAC Nominees COM 23-0697

Attachments: MPAC Worksheet
MTAC Memo

5.2 Consideration of the March 22, 2023 MPAC Minutes — COM 23-0691

Attachments: 032223 MPAC Minutes

5.3 Consideration of the April 26, 2023 MPAC Minutes — COM 23-0703

Attachments: 042623 MPAC Minutes

6. Information/Discussion Items (5:25 PM)

6.1 Update on Oregon Housing Needs Analysis — COM 23-0699

Presenter(s): Ted Reid, Metro
Sean Edging, DLCD

Attachments: MPAC Worksheet
OHNA Graphic
HB2001 Summary

6.2 High Capacity Transit: Draft Strategy Report — COM 23-0701

Presenter(s): Ally Holmqvist (she/her), Metro

Attachments: MPAC Worksheet
HCT Milestones and Meeting Schedules
Executive Summary
Strategy Update
Engagement Summary

6.3 2023 RTP: Project List Input and Draft System Analysis — COM 23-0700

Presenter(s): Kim Ellis (she/her), Metro
Eliot Rose (he/him), Metro

Attachments: MPAC Worksheet
RTP Briefing Book
RTP Schedule

7. Adjourn (7:00 PM)

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

6.1 Update on Oregon Housing Needs Analysis

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, May 24th, 2023

MPAC Worksheet

Agenda Item Title: Oregon Housing Needs Analysis

Presenters: Sean Edging, Housing Planner, OR Department of Land Conservation and Development

Ted Reid, Principal Regional Planner, Metro (not presenting, but available for questions about implementation in the Metro region)

Contact for this worksheet/presentation: Ted Reid, ted.reid@oregonmetro.gov

Purpose/Objective
Oregon Department of Land Conservation and Development staff will provide MPAC with an update on recent changes to state law (HB 2001, 2023 session) that guide housing planning. Metro Planning, Development, and Research staff will also be available to answer questions about how this new law interacts with housing planning in the Metro region.

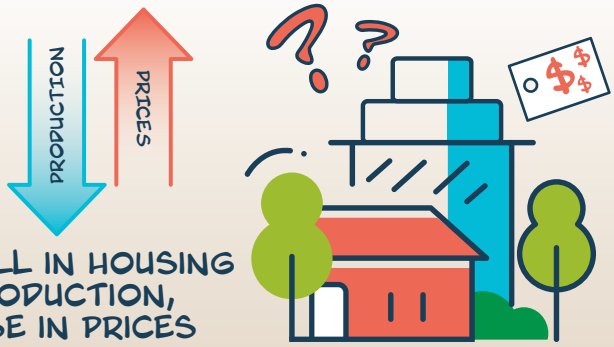
Outcome
MPAC members have an opportunity to deepen their understanding of the Oregon Housing Needs Analysis (OHNA) and how it will be implemented.

What has changed since MPAC last considered this issue/item?
HB 2001 (2023 session) has been signed into law and will result in changes to how the state, Metro, and local jurisdictions undertake planning for housing.

What packet material do you plan to include?
Graphic summary of OHNA
Section by section summary of HB 2001 (2023 session)

FINDING A GOOD PLACE TO LIVE SHOULDN'T BE THIS HARD

If it seems like there aren't enough options to rent or buy where you're looking, it's true! There's a reason for that: **we've been building too few homes in too few places for decades.** The result is sky-high rents and home prices. This is hardest on those who can least afford it, driving up the cost of living and even landing people on the streets. For people of color and marginalized communities, it continues a history of segregation making it harder to find a home that meets their needs.



FALL IN HOUSING PRODUCTION, RISE IN PRICES

AS A RESULT OF THE HOUSING SHORTAGE, YOU MAY BE:



COMMUTING LONG DISTANCES BETWEEN A HOME YOU CAN AFFORD AND THE STORES, SERVICES, AND JOBS YOU NEED TO REACH

UNABLE TO BUY YOUR FIRST HOME OR PRICED OUT OF AREAS NEAR FAMILY, FRIENDS, AND YOUR COMMUNITY





SEEING MORE HOUSING INSTABILITY AROUND YOU, OR EVEN BE AT RISK OF LOSING YOUR OWN HOME

STRUGGLING TO FIND WORKERS OR ACCEPTING A JOB OFFER BECAUSE IT IS DIFFICULT TO FIND AFFORDABLE HOUSING NEARBY





HAVING TROUBLE PAYING RENT WHILE LIVING ON A FIXED INCOME OR SUPPORTING SOMEONE WHO DOES, SUCH AS A FAMILY MEMBER WHO IS AGING OR LIVING WITH A DISABILITY

We are repeating the past instead of preparing for the future, assuming that someone else, somewhere else will take care of the needed housing.

THIS CAN'T CONTINUE IF WE WANT OREGON TO THRIVE.

SOLUTIONS »

009516

YOU MAY BE ASKING, ISN'T THERE A SIMPLE WAY TO FIX THIS? CAN WE JUST...

INCREASE HOME OWNERSHIP?

YES! We need to build more starter homes for first-time buyers. But we also need more rental units of all types, whether they are accessory dwelling units, duplexes, apartments or any other creative solution.

SPEED UP PERMITTING?

YES! Local governments often need more capacity to serve a growing market, and the permitting process is often overly complicated. Streamlining permitting can help reduce costs, allowing for more housing production. But on its own, this won't produce the mix of housing we need in the places that need it most. We need more housing choices everywhere for everyone.

REDUCE DEVELOPMENT COSTS?

YES! It is an efficient use of public funds to leverage the market to build more housing. But tax abatements already exist and we wouldn't be in such a crisis if they worked on their own. There are some types of deeply affordable housing that the market will never build.

PROVIDE MORE LAND?

YES! Some communities do need additional land for housing, but land by itself isn't enough. It needs to be development-ready, either with new infrastructure in expansion areas or by allowing for infill in existing neighborhoods.

WE NEED MORE HOUSING CHOICES FOR EVERYONE, EVERYWHERE

BUILD ENOUGH AFFORDABLE HOUSING FOR EVERYONE WHO NEEDS IT?

YES! We must provide subsidized housing to those who need it now. But in the long term, it won't be enough if the overall housing shortage keeps growing, leaving those lower income income brackets competing over the same limited supply. Both government and private developers need to ramp up to meet our needs.

THERE IS NO SILVER BULLET. WE NEED ALL OF THESE SOLUTIONS AND MORE TO CLOSE THE HOUSING GAP. THAT'S WHY IT'S IMPORTANT THAT WE ADVANCE A PACKAGE OF WORK DEVELOPED WITH HOUSING LEADERS AND COMMUNITY ENGAGEMENT OVER THE PAST YEAR.

OHNA

By adopting the *Oregon Housing Needs Analysis*, The Oregon Legislature is making fundamental changes to our system that will remove barriers to building more homes by:

- Regularly reporting on available housing in each community for existing and future residents, including those who have been historically excluded
- Requiring every community to make progress on providing its fair share of housing choices and work towards more fair and equitable housing outcomes
- Ensuring that cities reduce key barriers to housing development, like zoning, inadequate infrastructure, and permitting delays
- Measuring progress in production, affordability, and choice and holding ourselves accountable when we don't follow through
- Expanding and coordinating the state's role in supporting local housing production
- Working together to make land production-ready for housing, while also protecting Oregon's landscapes and working lands for a diverse economy

009517

GOAL 10

SINCE 1973, OREGON HAS REQUIRED PLANNING FOR A DIVERSITY OF QUALITY, AFFORDABLE HOUSING IN ALL COMMUNITIES THROUGHOUT THE STATE. WE REFER TO THIS AS GOAL 10, AND WE HAVE NOT LIVED UP TO THESE REQUIREMENTS. OHNA POLICIES AIM TO INCREASE HOUSING PRODUCTION, AFFORDABILITY, AND CHOICE, MAKING GOOD ON THE GOAL 10 PROMISE TO OREGONIANS.

The Oregon Legislature paved the way for OHNA implementation with the passage of House Bill 2001, part of a much larger package of needed housing solutions.

It will take time, but with the right tools and resources, we can create housing choices for everyone, everywhere in Oregon. But there is still a lot of work to do, and we'll have to work together to achieve our housing goals.



NEXTSTEPS

1. SETTING STATEWIDE RULES THAT INCREASE HOUSING PRODUCTION, AFFORDABILITY, AND CHOICE
2. PROVIDING SUPPORT AND FUNDING FOR LOCAL IMPLEMENTATION
3. WORKING WITH LOCAL GOVERNMENTS TO ADOPT HOUSING PLANS AND TAKE ACTION

FOR MORE INFO

Learn more about OHNA

Housing GovDelivery for future notices to get involved

OREGON
Department of Land Conservation & Development

Feel free to email us with specific questions at:
housing.dlcd@dlcd.oregon.gov

009518

House Bill 2001 -11: Section by Section Summary

Updated on March 3, 2023

About this summary

The purpose of this memorandum is to provide plain language summaries of provisions included in the -11 amendment of House Bill 2001 (2023 Session). This memorandum focuses on provisions of the bill originally included in House Bill 2889 that implement an Oregon Housing Needs Analysis into state and local planning programs. This bill includes technical notes, which are denoted in blue.

Relevant Acronyms:

DAS – Department of Administrative Services
DLCD – Department of Land Conservation and Development
HCA – Housing Capacity Analysis
HPS – Housing Production Strategy
LCDC – Land Conservation and Development Commission
MFI – Median Family Income
OHCS – Oregon Housing and Community Services
OHNA – Oregon Housing Needs Analysis
ORS – Oregon Revised Statute
PRC – Population Research Center
UGB – Urban Growth Boundary

House Bill 2001 -11 Amendment

Relating to housing; declaring an emergency

Summary (as it relates to the OHNA): Establishes Oregon Housing Needs Analysis in Oregon Department of Administrative Services. Requires cities outside Metro to plan for housing needs as allocated by analysis. Requires Metro to adopt similar methodology to allocate housing needs to cities within Metro. Requires Housing and Community Services Department to develop housing production dashboard and housing equity indicators. Allows Department of Land Conservation and Development to audit, and to enter into housing acceleration agreement with, certain cities that are not adopting or implementing housing production strategies or that are lowest performing as measured by dashboard and indicators. Allows department to seek, and Land Conservation and Development Commission to issue, specific enforcement orders for certain continued noncompliance by cities in addressing housing. Amends land use requirements for local governments related to urbanization, including by requiring cities to measure and plan for development-ready lands, requiring Metro to adopt housing coordination strategy and allowing cities outside of Metro to adopt rural reserves. Requires commission to adopt or amend implementing rules.

Oregon Housing Needs Analysis (Sections 1-8)

SECTION 1 (1) Oregon Housing Needs Analysis Methodology: Establishes the Oregon Housing Needs Analysis (OHNA) within the Department of Administrative Services (DAS). The purpose of the OHNA is:

- Production of housing to meet the need of Oregonians at all levels of affordability; and
- Production of housing in a way that creates more housing choice by affirmatively furthering fair housing.

SECTION 1 (2) OHNA Components: Establishes the three OHNA components completed by DAS:

- A statewide 20-year housing needs analysis (Section 2 (1))
- An allocation of housing need to cities and counties (Section 2 (2), (3), & (4))
- Subsidized affordable and total housing production targets (Section 3)

SECTION 1 (3) & (4) OHNA Process: Subsection (3) specifies that – after the public process to establish a methodology is completed – the results of the methodology are not land use decisions appealable under ORS 197.180. Subsection (4) requires DLCD and OHCS to assist DAS in completing the OHNA and enables the two agencies to study and recommend methodological changes to the OHNA and solicit comments from stakeholders to inform recommendations.

SECTION 2 (1) 20 Year Housing Need: Requires DAS to establish, through the OHNA, an estimate of 20-year housing need for data regions. The 20-year housing need shall include the following major factors:

- Population and household growth;
- Current housing underproduction;
- Housing needed for people experiencing homelessness; and
- Housing units projected to be converted into second and vacation homes.

SECTION 2 (2) & (3) 20 Year Housing Need Allocation: Requires the OHNA methodology to allocate 20-year need to all cities. (Note: Metro will retain statutory responsibility for calculating 20-year need for the region which is discussed in greater detail in sections below.) The allocation must consider:

- Forecasted population growth;
- Forecasted regional job growth;
- An equitable distribution of housing by income level;
- The OHNA estimates made under subsection (1); and
- The purpose of the Oregon Housing Needs Analysis under Section 1 (1).

SECTION 2 (4) OHNA Income Levels: Establishes the following income bins by which needed housing will be reported:

- Housing affordable to households making:
    - Below 30% Median Family Income (MFI);
    - 30% to 60% MFI;
    - 60% to 80% MFI;
    - 80% to 120% MFI; and
    - Above 120% MFI.

SECTION 3 Housing Production Targets: Requires DAS to allocate housing production targets for total production and production of publicly-supported housing affordable to households earning less than 80% MFI for cities above 10,000 in population. These articulate goals that will serve as the basis for tracking and evaluating progress towards achieving greater production and affordability.

SECTION 4 Housing Production Dashboard: Requires OHCS to publish a housing production dashboard in which cities and members of the public can readily access information generated by the OHNA, including comparative assessments of local progress towards housing production targets. The dashboard must include the progress that cities above 10,000 population are making on total and publicly-supported production and a comparative analysis of cities within the region and across similar market typologies.

The information on the dashboard will be based on the OHCS inventory of affordable housing as well as permitting data reported to DLCD in Section 37.

Technical note: A prototype assessment is explored in the OHNA Technical Report (Appendix D).

SECTION 5 Statewide Housing Equity Indicators: Requires the OHNA to include a comprehensive equity analysis, to the extent of best available data. This analysis will provide baseline equity analysis that local jurisdictions currently must complete as part of a Housing Production Strategy and will track important equity-related housing outcomes of statewide concern. Subsection (2) outlines the following series of potential types of information that can be reported:

- Housing outcomes (such as cost burden, units to own/rent, housing condition for various demographics, including race or ethnicity, disability status, English proficiency, and age);
- Housing types produced and overall land efficiency of housing production of housing production;
- Accessibility and visitability, as defined by the Department of Consumer and Business Services, of new housing stock;
- Risk of gentrification and displacement;
- Housing segregation by race and income;
- Environmentally just housing outcomes, informed by a mapping tool developed by the Environmental Justice Council;
- Tenants who spend more than 50% of their household income on rent (i.e. 'severely cost burdened'); and
- Other measurable factors or indicators identified by the department.

Technical note: Some, but not all, of these categories are explored in the original pilot methodology (pg.7) and the OHNA Technical Report (Appendix D, pg. 17)

SECTION 6 OHNA Deadlines: Outlines the deadlines by which DAS, OHCS, and DLCD must complete specific milestones including:

- DLCD – Adopt a housing production target schedule no later than March 1, 2024
- DAS – Conduct initial analysis & allocation; establish production targets no later than January 1, 2025
- OHCS – Publish the statewide housing production dashboard and equity indicators no later than January 1, 2025

SECTION 7 Placeholder Budget: This is a placeholder to provide adequate budget for DAS and OHCS to complete the requirements of Sections 1 to 5.

Urbanization Generally (Sections 8-13)

SECTION 8 (1) LCDC Rulemaking Principles: Articulates principles LCDC must apply in adopting or administering rules under ORS 197.286 to 197.314 (Housing and Urbanization statutes). These principles include (paraphrased for brevity):

- Housing that is safe, accessible and affordable in the community of their choice should be available to every Oregonian.
- Building enough equitable housing must be a top priority.

- The development and implementation of the housing production strategy should be the focal point by which the department collaborates with local governments to address and eliminate local barriers to housing production.
- Expertise, technical assistance, model ordinances and other tools and resources to address housing production should be provided to local governments, using cooperative planning tools, but not to the exclusion of the expedient use of enforcement authority.
- Housing production should support fair and equitable housing outcomes, environmental justice, climate resilience and access to opportunity.
- Housing production should not be undermined by litigation, regulatory uncertainty or repetitive or unnecessary procedures.
- Local governments, to the greatest extent possible, should take actions within their control to facilitate the production of housing to meet housing production targets.

SECTION 8 (2) Public Bodies Supporting Production: Subsection (2) requires all public bodies under ORS 174.109 to use their authority to remove barriers and create pathways for production of needed housing and collaborate with DLCD on facilitating production, affordability, and choice

SECTION 8 (3) LCDC Rulemaking Authority: Enables LCDC to approve a range of methodologies, policy options, or assumptions that a local government may adopt in determining:

- Needed housing;
- Housing production strategies or housing coordination strategies;
- Buildable lands or housing capacity;
- Amendments to urban growth boundaries; or
- Adoption or amendments to urban or rural reserves.

SECTION 9 LCDC Rulemaking: Directs the Land Conservation and Development Commission (LCDC) to adopt rules related to housing production strategies and housing accountability on or before January 1, 2025 and rules related to buildable lands inventories and urbanization-related processes on or before January 1, 2026. The purpose of these rules is to provide greater flexibility, options, and certainty for jurisdictions to demonstrate compliance with statute and Goals 10 and 14. Additionally, it's intended to provide more 'off-the-shelf' policy options that support housing production, diversity, and affordability.

Subsection (2) details the priorities that LCDC must weigh in adopting rules. These priorities relate to providing greater certainty and flexibility to local governments pursuing urbanization related analysis and concurrent actions that increase the developability of lands brought into the UGB. Priorities include:

- Facilitating and encouraging housing production, affordability and housing choice on buildable lands within an urban growth boundary;
- Providing greater clarity and certainty in the adoption and acknowledgement of housing capacity analyses, urban growth boundary amendments, urban growth boundary exchanges or urban reserves to accommodate an identified housing need;
- Reducing analytical burden, minimizing procedural redundancy and increasing legal certainty for local governments pursuing urban growth boundary amendments, urban growth boundary exchanges or urban reserves where a housing need is identified, especially for smaller cities, consistent with the appropriate protection of resource lands; and

- Supporting coordinated public facilities planning, annexation, and comprehensive plan amendments to facilitate the development of lands brought into an urban growth boundary.

Section 9 (3) requires LCDC to consult with other state agencies, provide clarity on strategies adopted by cities that fulfill Goal 10 requirements, and recognize actions already taken by local governments.

SECTION 9 (4) LCDC Authority to Postpone Applicability: This subsection enables LCDC to postpone the applicability of this bill to cities that are currently underway with Goal 10 processes to no later than January 1, 2026, to avoid changing the law before a city has completed the work.

Technical note: For cities with upcoming deadlines that have not yet begun work, LCDC has statutory authority to push back deadlines and postpone beginning Goal 10-related work until the OHNA is fully implemented.

SECTION 10 & 11 Placeholder Budget: This is a placeholder to provide adequate budget for DLCD implementation and LCDC rulemaking in the current and next biennium.

SECTION 12 Definitions: Amends statutory definitions of ORS 197.286 to align with the implementation of an OHNA.

Technical note: Urban, unincorporated areas in Metro have been removed from applicability under HB 2001 -11, with the expectation that LPRO will facilitate a work group directed to provide legislative recommendations by the 2024 Legislative Session on how these areas are incorporated into the policy.

SECTION 13 Development-Ready Lands: As part of a buildable lands inventory, this section requires cities to determine the amount of buildable lands likely to support production of housing during the period of their housing production target (i.e. over six years for Metro cities and eight years for non-Metro cities). These lands are:

- Annexed and zoned to allow housing through clear and objective standards and procedures;
- Readily served through adjacent public facilities or identified for near-term capital improvements in an adopted capital improvement plan
- Not encumbered by local, state, or federal protective regulations or have appropriate entitlements to prepare land for development

If a city finds that there is insufficient development-ready land to accommodate their housing production target, they must take actions in their Housing Production Strategy that prepare lands for development or increase capacity of development-ready lands.

Housing Production Accountability (Sections 14-19)

SECTION 14 Housing Accountability: Amends the current "Housing Accountability" statute (ORS 197.293) to establish a framework by which DLCD periodically evaluates production progress and refers underperforming cities to a housing acceleration program. This framework consists of several steps:

- Subsection (1) articulates principles that LCDC must apply in implementation:
    - Increasing housing production;
    - Developing affordable and equitable housing;
    - Forming partnerships with cities and with other public bodies;

    - Responding proportionately to housing underproduction;
    - Escalating enforcement to address persistent, repeated or deliberate noncompliance with housing production targets; and
    - Considering the availability of state resources to support housing production.
- Subsections (2) and (3) require DLCD to evaluate city progress and performance on production, affordability, and choice, and for cities that are underperforming, not completing HPS requirements by the deadline, or referred by an enforcement order, refer into the housing acceleration program.
- Subsections (4) and (5) requires DLCD to evaluate state and local barriers to housing production affordability and choice within six months. It outlines a variety of required factors the department must consider, such as local and state regulatory barriers, capacity, and resources. Additionally, it requires the agency to notify other public bodies and enables the agency to request concurrent OHCS review.
- Within six months of the audit being complete, subsection (6) requires DLCD and the city to enter a proportionate housing acceleration agreement informed by the audit. Subsection (7) requires the department to provide support and funding for implementation and assistance in pursuing other state or public funds. A city under this agreement falls onto one of two tracks:
    - Subsection (8) specifies that, if the factors affecting housing production are a consequence of policies/practices directly within a city's control, the city must adopt an amended HPS within six months and actions within a year of HPS adoption.
    - Subsection (9) specifies that, for cities not required to amend their HPS, the city must adopt findings describing how the city addressed the audit's findings and recommendations.
- Subsection (10) enables DLCD to grant narrow timeline extensions for good cause
- Subsection (11) specifies that this process and local actions are not land use decisions nor are subject to appeal or review
- Subsection (12) requires public bodies to assist cities and DLCD and ensure their rules or policies do not unduly delay implementation.

SECTION 15 LCDC Enforcement Order Request: Amends the statute on filing a request for an enforcement order (ORS 197.319) to allow DLCD to submit a request and for LCDC assign a hearings offer or administrative law judge more expeditiously for cases specific to Housing Accountability.

SECTION 16 LCDC Enforcement Order Authority: Amends the 'enforcement order authority' statute (ORS 197.320) to require LCDC to issue an enforcement order for cities with a population of 10,000 or greater that (paraphrased for brevity):

- Has a pattern or practice of violating housing-related statutes or implementing policies that create additional, unnecessary cost or delay to affordable or market-rate housing production;
- Has a pattern or practice of creating adverse disparate impacts to state or federal protected classes or inhibiting equitable access to housing choice;
- Has failed to enter into a housing acceleration agreement; or
- Has materially breached a term of a housing acceleration agreement, including a failure to meet the timeline for performance.

SECTION 17 LCDC Enforcement Order Compliance: Amends the enforcement order compliance statute (ORS 197.335) to specify the types of actions LCDC may take in an order, including requirements for a city to:

- Comply with the housing acceleration agreement.
- Take specific actions that are part of the city's housing production strategy.
- Impose appropriate models that have been developed by department, including model ordinances, procedures, actions or anti-displacement measures.
- Reduce maximum timelines for review of needed housing or specific types of housing or affordability levels, including through ministerial approval or any other expedited existing approval process.
- Take specific actions to waive or amend local ordinances.
- Forfeit grant funds under subsection (4) of this section.

SECTION 18 & 19 Effective Date: Establishes an effective date of January 1, 2025 and enables DLCD and LCDC to take any necessary actions needed to exercise the duties and functions required for implementing the housing accountability framework.

Urbanization Outside of Metro (Sections 20-24)

SECTION 20 Statute Amendment: Specifies the following sections are added to ORS 197.286 to 197.314.

SECTION 20 Non-Metro City Buildable Lands: Creates a distinct buildable lands statute (ORS 197.296) that is applicable to cities outside of the Portland Metro Region. Subsection (2) clarifies the schedule by which jurisdictions must complete Goal 10 planning, which is the same as the current rule: once every eight years for cities above 10,000 population. Subsection (2)(d) clarifies that small cities can, but are not required to, conduct Housing Capacity Analysis.

SECTION 21 Buildable Lands: Similar to the current buildable lands statute (ORS 197.296), with changes reflecting a shift in approach towards emphasizing housing production:

- Subsections (1) & (2) describe applicability and deadlines, which are substantially similar to current law (once every eight years as scheduled by the commission)
- Subsection (3) and (4) describes the parameters and requirements associated with inventorying and estimating the capacity of buildable lands. These parameters are primarily similar to current law, with a few amendments to reflect a shift in approach towards production.
    - Note: LCDC will adopt rules that articulate more "off the shelf" assumptions that cities can make about this subsection. This includes assumptions cities can make about the redevelopment ability of land and the effect of specific market or regulatory conditions on housing capacity.
- Subsection (5) requires that when a deficiency of buildable lands is identified a city must adopt a UGB amendment, 'efficiency measures', or a combination of both. A city may demonstrate 'efficiency measures' were already adopted as part of a previous HPS. This reflects the recognition of 'efficiency measures' as a type of housing production strategy.
- Subsection (6) outlines the parameters and assumptions a city must make associated with the adoption of 'efficiency measures'. This reflects current statute.

SECTION 17 Needed Housing: Creates a separate "needed housing" statute for cities that is separate and distinct from Metro (ORS 197.303). The statute is similar but adjusted to use allocated housing need as the basis for 20-year need. It broadens the definition of "needed housing" to include middle housing and accessible housing. It also clarifies that cities determine housing type, characteristics, and locations based on the allocated need and must demonstrate that needed housing is:

- Attainable for the allocated housing need by income, including consideration of publicly supported housing;
- Appropriately responsive to current and projected market trends; and
- Responsive to the fair and equitable housing outcomes outlined in Section 28 (the HPS statute).

SECTION 24 Priority Scheme Adjustments: Makes minor revisions related to the priority scheme statue for cities outside the metro, acknowledges cities outside the metro can now adopt rural reserves, cities expanding a UGB can first prioritize urban reserves before prioritizing non-resource lands.

Metro Urbanization (Sections 25-27)

SECTION 25 Buildable Lands: Modifies the "Buildable Lands" statute (ORS 197.296) to separate Metro and cities outside of the Metro. Metro will be required to estimate 20-year need in a manner similar to the OHNA, including incorporating consideration of the effect of second and vacation homes.

Technical Note: This statute retains a current inconsistency of the buildable lands statute (ORS 197.296). Subsections (6)-(9) requires Metro to adopt 'efficiency measures' on a finding of deficiency of lands, similar to cities. However, Metro does not have the same types of tools and actions available to cities that constitute 'efficiency measures'. For example, Metro cannot upzone lands or allow a greater variety of housing types in response to a deficiency, because those are controlled by cities and counties.

SECTION 26 Metro City Buildable Lands: Updates the Metro city buildable land statute to reflect the recognition of 'efficiency measures' as a type of housing production strategy.

SECTION 27 Needed Housing: Modifies the "needed housing" statute (ORS 197.303) to only apply to Metro and removes cities outside of the Metro to a separate statute (Section 17). This statute is amended to align Metro's determination of need and allocation process with the Oregon Housing Needs Analysis, including that Metro incorporate estimates of homelessness, underproduction, and second and vacation homes. It also requires that they estimate need by income and allocate this need to cities in a substantially similar manner as the OHNA.

Housing Production Strategies (Section 28-30)

SECTION 28 (1) & (2) Housing Production Strategy: Adjusts statutes related to the Housing Production Strategy (ORS 197.290) to clarify the intent to further "housing choice for all' and advance fair and equitable housing outcomes in statute. This includes planning for:

- The development of needed housing;
- The development and maintenance of housing that is of diverse housing types, high-quality, affordable and accessible;
- Housing with access to economic opportunities, services and amenities; and
- Affirmatively furthering fair housing (defined in subsection (9)).

SECTION 28 (3) Actions in a Housing Production Strategy: Clarifies actions that local governments can take to respond to identified housing need, promote housing production and overcome locally specific development barriers. In addition to the original provisions of the statute, this subsection further clarifies and articulates the types of actions that increase housing production, affordability, and choice. This includes 'efficiency measures' which were historically part of the buildable lands statute (ORS 197.296).

SECTION 29 Conforming Amendments: Sections 30 is added to and made a part of ORS 197.296 to 197.314.

SECTION 30 Housing Coordination Strategy: Establishes a Housing Coordination Strategy required for Metro and optional for other regional/county entities. This section recognizes a coordinating role that regional governments play in housing planning and outlines the actions and tools that could be included in a Housing Coordination Strategy. Subsection (4) outlines the following actions that may be included in a Housing Coordination Strategy:

- The identification or coordination of resources that support the production of needed housing, including funding, staff capacity or technical support at the regional or state level.
- The identification of local or regional impediments to developing needed housing, including financial, regulatory, or capacity related constraints.
- Regional strategies that coordinate production of needed housing between local governments within a region and that are developed in consultation with impacted local governments.
- The identification of specific actions that cities in the region may consider as part of a housing production under ORS 197.290.
- Any other actions identified by rule of the LCDC that may promote the quantity or quality of developed housing in the region.

Subsection (5) clarifies that the Housing Coordination Strategy does not implicate Metro's Regional Growth Management decision. Subsection (6) & (7) mirror current provisions in the HPS document on required considerations and denoting the strategy is not a land use decision subject to appeal or review, except by DLCD under ORS 197.291.

Technical note: The purpose of this document is to describe the regional tools that Metro brings to the table to support production, affordability, and choice in recognition of the different regional tools that are available to Metro (and optionally, other regional entities). Subsection (5) clarifies that coordination strategy does not implicate the Metro growth management decision, including Metro's assessment of buildable lands. Metro makes this determination once every six years under ORS 197.296, described earlier in this summary. This subsection does not prevent Metro from adopting a UGB amendment if a need is identified under ORS 197.296.

SECTION 31 HPS Submittal and Review Process: Subsections (1)-(7) outlines the Housing Production Strategy submittal and review process which are unchanged from the current statute. Subsection (8) enables LCDC to specify circumstances in which an action in an HPS is exempt from concurrent analyses related to transportation or economic development.

Urban and Rural Reserves (Sections 32-)

SECTION 32 Rural Reserves for non-Metro Cities: Enables non-Metro jurisdictions to establish rural reserves. Subsection (4) clarifies that neither urban nor rural reserves have Measure 49 implications if

they do not create new restrictions on property use, nor do they affect "right to farm" laws that protect farm and forest activities.

SECTION 33 Urban Reserves: Amends the urban reserve statue mostly to clean up ("conform") amendments. Subsection (4)(a) and (5) enables local governments to optionally establish urban reserves before pursuing a UGB amendment, rather than concurrently or after.

SECTION 34: Ensures that changes to the Rural and Urban Reserve statute will not affect existing urban or rural reserves or require a jurisdiction to recomplete the process.

Local Housing Reports (Sections 35-39)

SECTION 35. Reporting Requirements: Moves reporting requirements specific to DLCD to ORS Chapter 197 and focuses this statute on rent burden reporting and engagement under OHCS.

SECTION 36 Conforming Amendments: Moves sections 31 and 32 to ORS 197.286 to 197.314.

SECTION 37 Reporting Requirements: Subsection (1) moves the annual local permitting reporting requirement for cities above 10,000 population to ORS Chapter 197. Includes several refinements, including:

- Subsection (1)(a)(E) requires reporting of accessible units.
- Subsection (1)(b) clarifies that cities only need to report affordable housing that would not be captured on the OHCS affordable housing inventory.
- Subsections (2) & (3) requires DLCD to report production data to OHCS and DAS.

SECTION 38 Pre-HPS Survey: Moves the pre-HPS survey requirement to Chapter 197. Makes minor timing modifications based on the housing capacity analysis deadline, rather than the housing production strategy.

SECTION 39 Reporting Requirement Repealed: ORS 197.178 – an outdated reporting requirement for quasi-judicial housing applications - is repealed.

Population Forecast (Sections 40-41)

SECTION 40 Population Forecast: Modifies the population forecast statute to require the Population Research Center (PRC) to include projections by race/ethnicity, disability, and for tribal lands. It also enables DLCD to fund PRC to complete this work from appropriations other than DLCD's general grant funding.

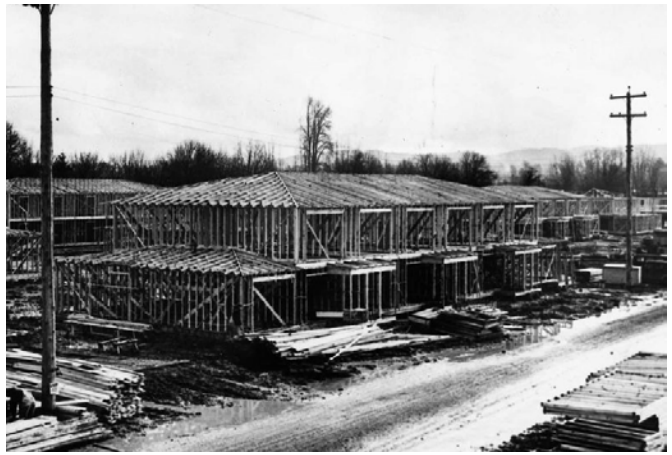
SECTION 41 Metro Population Forecast: Modifies the population forecast statute to require Metro to include projections by race/ethnicity and disability.

Non-OHNA Policies (Sections 42-70)

This memorandum does not include a summary of other policies that are unrelated to the implementation of the Oregon Housing Needs Analysis.

Conforming Amendments (Sections 71-104)

Sections 71-104 Conforming Amendments: Conforms statutory language with the policy changes above.







OREGON HOUSING and COMMUNITY SERVICES

DLCD



Oregon Housing Needs Analysis (OHNA)

Metro Policy Advisory Committee

May 25, 2023
009529

Sean Edging, Housing Planner
Ted Reid, Principal Regional Planner

Oregon Housing Needs Analysis
Context and Policy

Legislative Direction

HB 2003 (2019 Session) – Pilot Methodology

OHCS "shall develop a methodology for calculating… A regional housing needs analysis" | DLCD to develop an evaluation report

HB 5006 (2021 Session) – OHNA Implementation

OHCS and DLCD "to study and make legislative recommendations on the incorporation of a regional housing needs analysis into state and local planning programs" by December 31, 2022

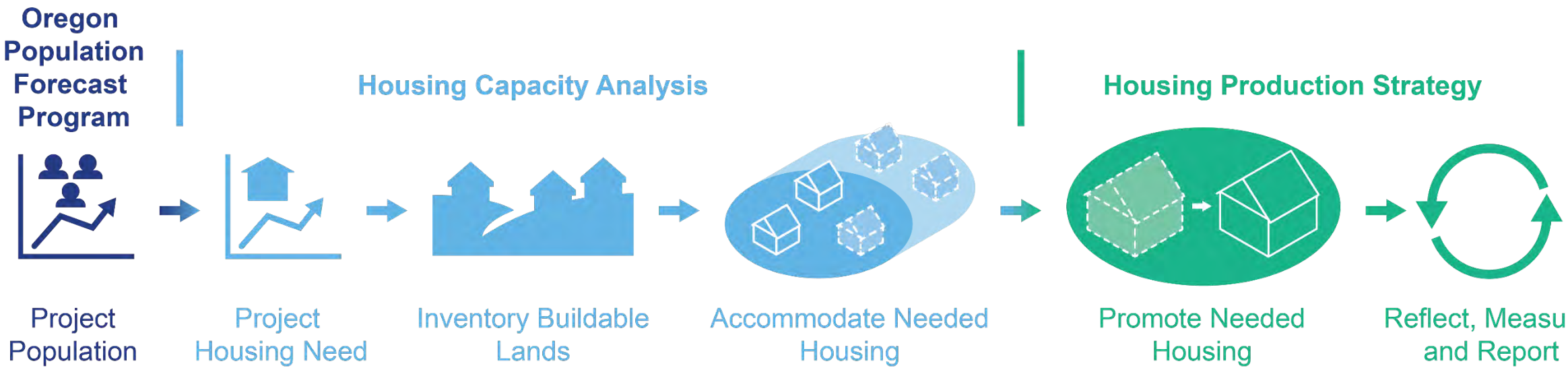
HB 5202 (2022 Session) – Prepare land for housing production

DLCD "to support work on regional housing needs and land supply issues"

009531

Goal 10 – Housing

*"**To provide for the housing needs of citizens of the state.** Buildable lands for residential use shall be inventoried 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."*



OHNA Legislative Recommendations

Recommendation 1: Plan for what's needed



1.1) Plan for more housing, especially affordable housing



1.2) Set targets, track progress and outcomes



1.3) Refocus local action on production



1.4) Unlock land, where it's needed

Recommendation 2: Build what's needed, where it's needed



2.1) Fund housing the market would not produce on its own



2.2) Make "housing choice for all" a state policy goal

Recommendation 3: Commit to working together with urgency



3.1) Coordinate state agencies on housing production



3.2) Organize continuing policy work to support production

House Bill 2001 (2023 Session)

Recommendation 1: Plan for what's needed



1.1) Plan for more housing, especially affordable housing



1.2) Set targets, track progress and outcomes



1.3) Refocus local action on production



1.4) Unlock land, where it's needed

Recommendation 2: Build what's needed, where it's needed



2.1) Fund housing the market would not produce on its own



2.2) Make "housing choice for all" a state policy goal

Recommendation 3: Commit to working together with urgency



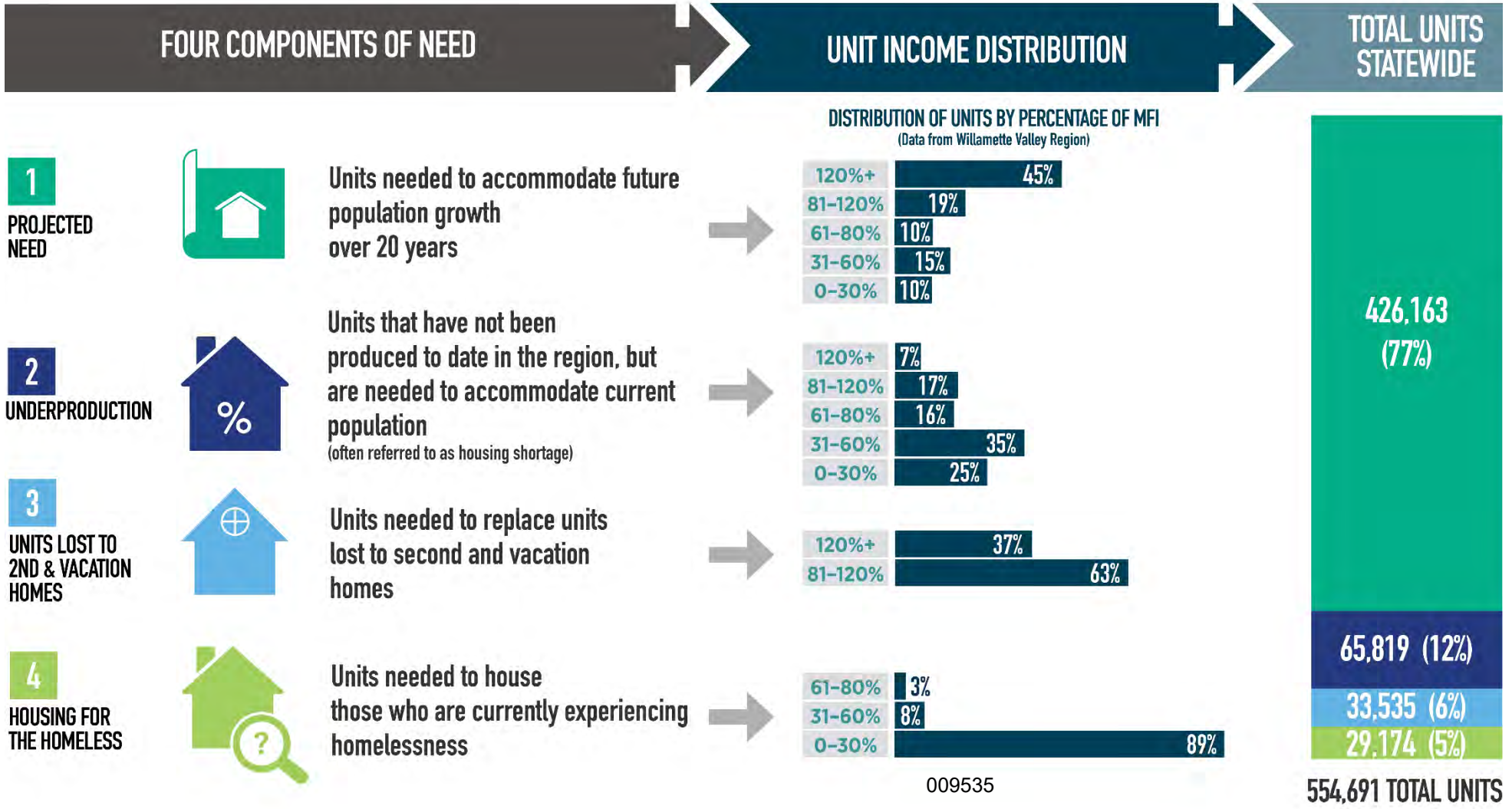
3.1) Coordinate state agencies on housing production



3.2) Organize continuing policy work to support production *

009534

OHNA Methodology



OEA & OHCS

Estimates full statewide need:

- 20-year growth
- Underproduction
- Homelessness
- 2nd & Vacation Homes

Allocation to cities and counties

Establishes production targets

Measure progress and outcomes

Goal 10 - Housing



DLCD

Goal 10 refocus on production, affordability & choice

LCDC Rulemaking

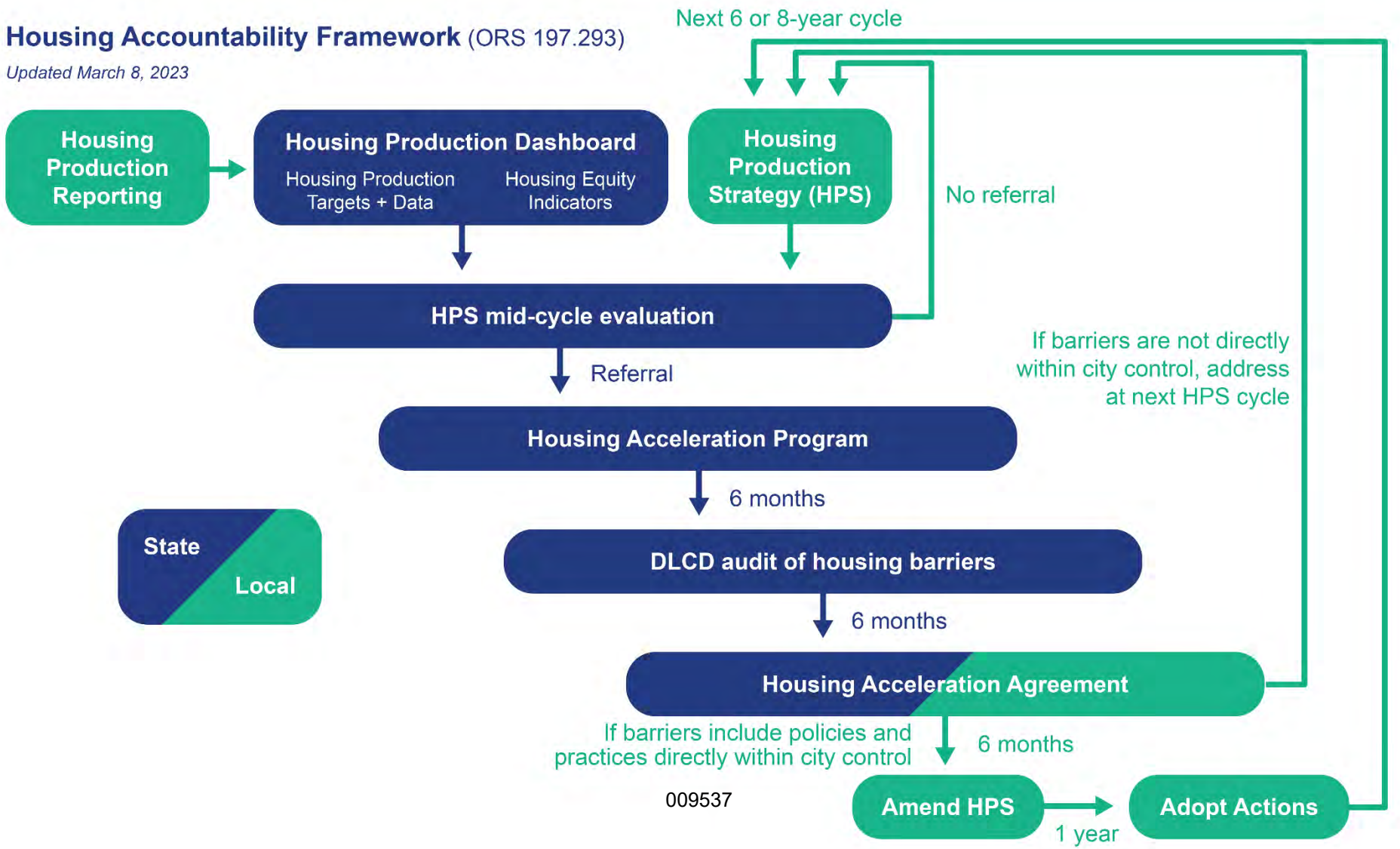
- "Off the shelf" capacity methodological assumptions
- UGB/Urban reserve
- Local policies – e.g. permit-ready plans, equity planning

"Development-ready lands"

UGB & Urban Reserve refinements

Accountability (next slide)

Housing Accountability



Metro OHNA Implementation

Metro Regional Growth Management Decision

OHNA in Metro – joint Metro, State, and local responsibilities



- Projected need includes underproduction, homelessness, & 2nd/vacation homes
- Allocation must reflect “equitable distribution of housing” in the region
- Housing policy & accountability flows through state/local Goal 10 implementation

*Urban, unincorporated areas in Metro policy forthcoming in 2024 Session

009539

Metro “Housing Coordination Strategy”

Recommendation 3: Commit to working together with urgency

3.2) Organize continuing policy work to support production

Metro must complete a “Housing Coordination Strategy” one year after Regional Growth Management deadline

- Similar to a local Housing Production Strategy with a regional focus
- Strategies may include:

Identifying & coordinating resources/capacity

Region-wide assessment of housing barriers

Coordination of regional strategies

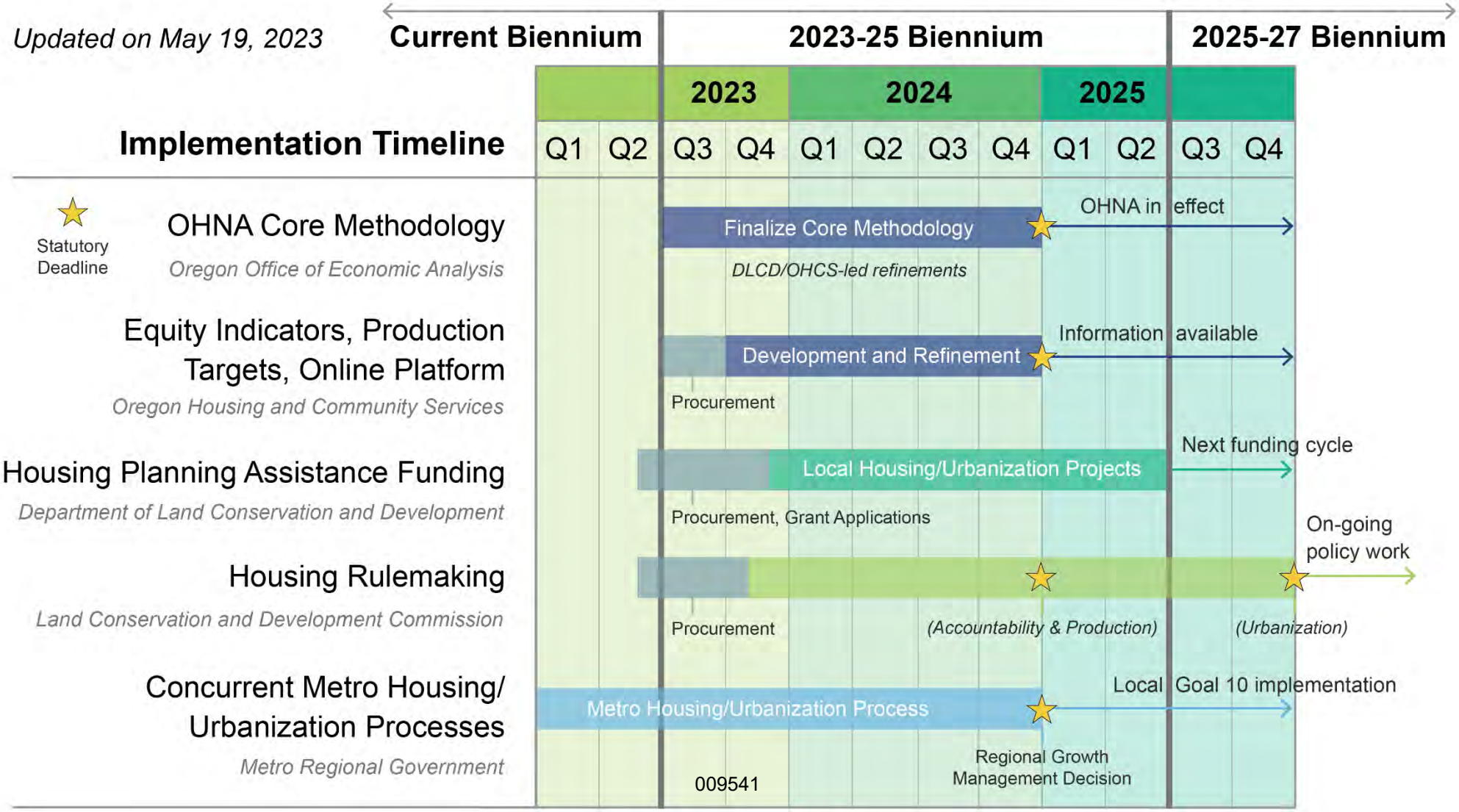
Recommended actions for local consideration

Technical support

Other potential regional actions

009540

OHNA Implementation Timeline







OREGON HOUSING and COMMUNITY SERVICES

DLCD

Metro Policy Advisory Committee

May 24, 2023

009542

Discussion

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Sources, data and facts in support of
Oral Testimony by Jeffrey L. Kleinman, Attorney for West of Sherwood Farm Alliance
Presented to the Metro Policy Advisory Committee
May 22, 20223

The proposed West Sherwood UGB Expansion calls for a 41% expansion of the city's land area to accommodate a 3% increase in population over the next 20 years.

According to Metro's 2021 population forecast for Sherwood, it will have only 632 new residents by 2045. That means it will need, *at most*, land for less than 250 new homes.

Sherwood is proposing a *41% increase* in its land area in order to accommodate a 3% increase in population over the next 20 years.

Sources and calculation:

Sherwood land area: 4.89 square miles = 3,130 acres
Source: Wikipedia, includes recently annexed areas
West Sherwood Concept Area 1,291 acres 1,291/3,130 = 41%
US Census estimate for Sherwood population July 1, 2022: 20,030

Metro's 2021 forecast for Sherwood population in 2045:
20,662
Exhibit A to Ordinance No. 21-1457 2045 Distributed Forecast of Population, Households, and Employment

Forecasted increase in population 2022 – 2045:
632
% population increase (=632/20,030) 3%
Number of new households at current household size: 213
US Census Sherwood persons per household 2018-2022 2.96 person

In 2017 Metro approved a UGB expansion for Sherwood's new High School based on forecasts of growing student enrollment, but last year's enrollment was 20% below the forecast. The same firm that made that forecast is predicting that enrollment in 2032 will be lower than enrollment in 2015.

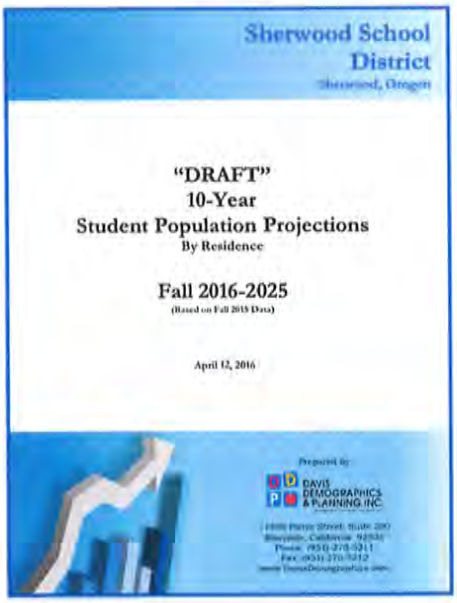
In 2017 Metro adopted Ordinance 17-1406 "FOR THE PURPOSE OF AMENDING THE URBAN GROWTH BOUNDARY IN THE VICINITY OF THE CITY OF SHERWOOD UPON APPLICATION BY THE SHERWOOD SCHOOL DISTRICT" which approved an 82 acre special UGB expansion for Sherwood's new high school based on a forecast that student enrollment would reach 2,141 by 2024, but in fact enrollment in 2022-23 was 15% below the forecast,

Sherwood's new High School was sold to the voters based on a forecasted enrollment of 2,141 by 2024 by Davis Demographics and Planning. But current enrollment is only 1,740, 20% below the forecast.

In April 2023 a new enrollment forecast by the same firm was published. It predicted enrollment would peak at 1,758 students in 2027 and then decline to 1,530 by 2032, less than the 2015 enrollment of 1,537.

These forecasts were also used to help persuade the voters to approve a $247 billion school facilities bond measure.

October 7, 2015 Sherwood High School Enrollment Projection



High School Attendance Area 10-Year Projections

Attendance Area Sherwood HS Projection Date 10/7/2015

	ACTUAL	PROJECTED RESIDENT STUDENTS									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
K	337.0	311.2	342.4	331.0	311.5	335.1	333.7	337.2	346.0	347.1	347.9
1	344.0	387.4	360.7	399.3	386.4	363.6	392.5	393.5	397.5	404.9	402.6
2	371.0	364.2	410.2	384.9	425.2	411.0	388.5	420.9	421.8	423.5	428.1
3	386.0	393.4	389.2	440.2	413.6	455.7	442.3	420.8	455.0	453.4	451.9
4	391.0	396.7	406.2	405.3	458.2	430.4	475.3	463.9	442.0	474.8	470.2
5	367.0	404.1	413.1	424.9	423.8	478.0	451.0	499.4	487.7	462.7	493.3
6	380.0	391.9	435.0	447.2	459.4	459.9	517.5	490.9	542.5	527.3	497.4
7	411.0	389.2	403.5	451.1	463.0	475.0	478.2	540.0	512.9	563.3	544.7
8	408.0	422.2	402.6	419.6	469.0	480.5	494.3	500.4	563.6	533.3	581.9
9	428.0	427.6	444.1	424.9	442.8	495.7	507.5	525.4	531.0	594.7	560.5
10	399.0	422.8	423.9	441.7	423.3	440.3	493.3	507.2	523.7	528.8	589.2
11	375.0	394.0	419.6	422.2	439.4	421.3	439.4	492.6	506.8	520.9	524.0
12	335.0	364.6	385.0	411.4	414.1	429.8	414.2	433.1	484.5	496.8	508.2
9-12	1537.0	1609.0	1672.6	1700.2	1719.6	1787.1	1854.4	1958.3	2046.0	2141.2	2181.9

April 25, 2023 High School Enrollment Projection



Sherwood School District **Fall 2022 Student Forecast**

High School Attendance Area Forecasts (by "Residence")

Sherwood High School Forecast Date
Attendance Area 11/1/2022

	HISTORICAL			CURRENT	FORECASTED RESIDENT STUDENTS									
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
K	301	232	297	256	252.0	299.0	244.4	296.5	296.6	294.5	300.8	298.8	307.3	304.0
1	342	270	269	302	264.4	269.5	322.0	264.4	311.7	312.7	299.6	303.9	310.9	308.3
2	350	297	278	274	297.3	269.7	279.7	327.2	267.0	313.1	303.7	289.3	302.0	298.2
3	336	316	318	284	278.8	311.3	289.0	296.1	338.2	279.5	314.4	303.1	297.2	298.7
4	373	326	346	333	302.0	306.6	346.5	321.4	323.5	367.7	295.5	329.3	326.5	308.9
5	396	341	342	356	339.0	316.3	326.8	363.4	333.2	336.2	369.1	295.4	337.1	323.4
6	429	389	365	349	369.6	362.4	344.8	352.7	384.8	354.7	346.7	378.1	311.7	342.9
7	408	406	383	371	349.0	379.5	379.6	358.4	360.1	392.4	350.0	339.7	380.7	302.9
8	425	398	396	384	373.9	363.5	399.8	396.3	369.9	372.8	392.4	347.8	349.0	375.9
9	396	443	419	429	416.3	416.5	412.2	447.5	437.7	410.5	400.5	418.4	381.6	369.4
10	389	374	447	402	424.1	422.7	428.6	421.7	450.1	441.9	403.3	391.5	418.1	370.1
11	391	380	362	427	398.6	429.0	433.1	437.0	423.7	453.1	432.1	393.2	391.1	404.4
12	416	379	385	350	429.7	410.9	448.2	449.4	446.8	435.4	451.0	429.2	400.0	385.8
9-12	1,592	1,576	1,613	1,608	1,668.7	1,679.1	1,722.1	1,755.6	1,758.3	1,740.9	1,686.9	1,632.3	1,590.8	1,529.7

Sherwood's own 2018 *Housing Needs Analysis* concluded that "Vacant and partially vacant land in the Sherwood Planning Area has capacity to accommodate 1,156 new dwelling units" which would be about five times as many houses as would be required under Metro's 2021 forecast of new households by 2045.

Sources:

2018 Sherwood Housing Need Analysis page v.

2020 US Census 7,132 Housing units

Metro's 2021 forecast for Sherwood households in 2045: 7,372
Exhibit A to Ordinance No. 21-1457 2045 Distributed Forecast of Population, Households, and Employment

Difference between 2020 Census and Metro 2045 forecast = 240

Sherwood's projected employment growth in West Sherwood is wildly exaggerated compared to Metro's forecast..

The West Sherwood Concept Plan for the UGB expansion area states that the additional employment lands would accommodate 4,524 *additional* jobs. (West Sherwood Concept Plan Table 5, page 48.)

But in 2021 Metro projected that between 2020 and 2045 Sherwood would add 1,367 jobs.

Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

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

Date/time: Wednesday May 17, 2023 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video conference call meeting via Zoom

Members Attending	**Affiliate**
Eryn Kehe, Chair	Metro
Carol Chesarek	Multnomah County Community Member
Tom Armstrong	Largest City in the Region: Portland
Terra Wilcoxson	Largest City in Multnomah County: Gresham
Aquilla Hurd-Ravich	Second Largest City in Clackamas County: Oregon City
Laura Terway	Clackamas County: Other Cities, City of Happy Valley
Katherine Kelly	City of Vancouver
Jamie Stasny	Clackamas County
Adam Barber	Multnomah County
Gary Albrecht	Clark County
Laura Kelly	Department Land Conservation and Development
Manuel Contreras, Jr.	Clackamas Water Environmental Services
Gery Keck	Tualatin Hills Park & Recreation District
Cindy Detchon	North Clackamas School District
Tom Bouillion	Port of Portland
Tara O'Brien	TriMet
Bret Marchant	Greater Portland, Inc.
Nora Apter	Oregon Environmental Council
Rachel Loftin	Community Partners for Affordable Housing
Preston Korst	Home Builders Association of Metropolitan Portland
Erik Cole	Schnitzer Properties & Revitalize Portland Coalition
Mike O'Brien	Mayer/Reed, Inc.
Andrea Hamberg	Multnomah County Public Health & Urban Forum

Alternate Members Attending	**Affiliate**
Colin Cooper	Largest City in Washington County: Hillsboro
Dan Rutzick	Largest City in Washington County: Hillsboro
Jean Senechal Biggs	Second Largest City in Washington County: Beaverton
Brian Martin	Second Largest City in Washington County: Beaverton
Martha Fritzie	Clackamas County
Theresa Cherniak	Washington County
Glen Bolen	Oregon Department of Transportation
Kelly Reid	Oregon Department of Land Conservation & Dev.
Jerry Johnson	Johnson Economics, LLC
Craig Sheahan	David Evans & Associates, Inc.
Brendon Haggerty	Public Health & Urban Forum, Multnomah Co.
Ryan Ames	Public Health & Urban Forum, Washington Co.

Guests Attending	Affiliate
Joseph Edge	Clackamas County Community Member (incoming)
Kamran Mesbah	Clackamas County Community Alt. Member (incoming)
Victoria (Vee) Paykar	Multnomah Co. Community Alt. Member (incoming)
Faun Hosey	Washington Co. Community Alt. Member (incoming)
Jessica Pelz	Washington County Member (incoming)
Barbara Fryer	City of Cornelius
Becky Hewitt	ECONorthwest
Bruce Coleman	City of Sherwood
Bryan Robb	Washington County
Camden McKone	
Cassera Phipps	Clean Water Services, Water & Sewer Alt. Member (in)
Cody Meyer	Oregon Department of Land Conservation & Dev.
Elin Michel-Midelfort	Metropolitan Land Group
Ethan Stuckmayer	Oregon Department of Land Conservation & Dev.
Greg Malinowski	
Guy Benn	TriMet
John Charles	Cascade Policy Institute
Karen Buehrig	Clackamas County
Kevin Young	Oregon Department of Land Conservation & Dev.
Mari Valencia Aguilar	Oregon Department of Land Conservation & Dev.
Marc Farrar	Metropolitan Land Group
Max Nonnamaker	Multnomah County
Schuyler Warren	City of Tigard
Sean Edging	3 J Consulting
1 unidentified phone caller	

Metro Staff Attending

Al Mowbray, Ally Holmqvist, Cindy Pederson, Clint Chiavarini, Daniel Audelo, Eliot Rose, Eryn Kehe, Glen Hamburg, John Mermin, Kim Ellis, Laura Combs, Marie Miller, Matt Bihn, Matthew Hampton, Melissa Arnold, Ted Reid, Thaya Patton

Call to Order, Quorum Declaration and Introductions

Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. Zoom logistics and meeting features were reviewed for online raised hands, renaming yourself, finding attendees and participants, and chat area for messaging and sharing links.

Comments from the Chair and Committee Members

- **Updates from committee members around the Region** (all) Chair Kehe announced the recent MTAC community member recruitment provided a large pool of applicants. Following interviews, nominations to fill these positions on MTAC have been submitted to MPAC for approval. Their terms will begin July 1.

Public Communications on Agenda Items none received

Consideration of MTAC minutes March 15, 2023 meeting

Approval of the March 15, 2023 MTAC meeting minutes was given by the committee by majority vote with no corrections. Three abstentions: Terra Wilcoxson, Glen Bolen, Gery Keck.

2024 Urban Growth Management Decision: middle housing potential (Ted Reid, Metro/ Becky Hewitt, ECONorthwest) Ted Reid began the presentation, noting the work program that leads to Metro's Urban Growth Management Decision will be reported on and discussed which ends with the final decision by the end of December 2024. Becky Hewitt was introduced from EcoNorthwest who presented on middle housing potential in the region to help us understand the growth capacity over the next 20 years.

Becky Hewitt provided an overview on updates to development capacity and the supply model of middle housing potential in the region. Changes in zoning potential in response to HB 2001 (2019) showed many Metro jurisdictions went beyond minimum requirements. Local decisions about regulating detached middle housing matter to the market including allowed number of detached plexes and cottage sizes.

Information on what makes middle housing infill/redevelopment feasible was given. Adding middle housing in existing neighborhoods can happen in multiple ways: Redevelopment- Low-value structure compared to (re)development potential, Infill- enough room to build around existing structure or Conversion- Structure can be retrofitted to add units. The model captures redevelopment and infill on sites large enough to be part of the Metro Buildable Land Inventory.

An overview of Metro's approach to estimating Middle Housing Capacity was given. Middle housing types were described. Examples of other estimates of Middle Housing Capacity was described. Why developers include middle housing in greenfield areas was described. They capture different market segments, offer lower price points, where financially viable, and increase sales volume.

Middle Housing Pricing & Rents was summarized:

- Market data on middle housing is limited
- Housing type is not identified in detail in sales listings, and is not categorized consistently
- Rent data is aggregated most consistently and broadly for larger, professionally managed apartment buildings, with limited data for smaller rental properties
- There is little new middle housing development compared to other housing types, especially outside the City of Portland
- Small multifamily development, townhouses, and compact detached housing can offer a proxy
- New construction tends to be expensive, but middle housing may be less expensive
- New Middle Housing/Small Multifamily pricing examples for rent were given.

Take aways from the analysis:

- Middle housing broadly allowed in existing and new neighborhoods ~20-30 du/ac
- Many jurisdictions go beyond minimum requirements
- Many allow housing types that resemble single-unit detached
- Prior analysis suggests substantial middle housing development potential:

- 1-10% of existing homes may be financially feasible to redevelopment middle housing, and others may allow for infill while retaining the existing unit
- 25-50% of housing on vacant land in low-density residential areas could develop as middle housing
- New middle housing likely affordable at 80-120% of AMI in many cases (except large luxury units)
- Markets in transition (moderate value existing homes, but growing demand for housing) may have greatest potential for infill/redevelopment

Comments from the committee:

- Joseph Edge asked is the BLI formula based on redevelopment potential for single-detached dwellings, or based on the ability to divide a lot to create new parcels that meet the average lot size? Clint Chiavarini noted they are based on both, depending on the redevelopment stream in the BLI, if something is already there based on overall property value and redevelopment planned and zoning capacity. Larger lots look at average minimum lot size that would be required and divides that against the constrained portion of the lot. A link to further information was shared: https://www.oregonmetro.gov/sites/default/files/2018/12/03/Appendix2-BuildableLandsInventory_12032018.pdf
- Colin Cooper noted per square foot cost/rent price would be important to do an apples to apples comparison. Jerry Johnson noted the location pricing is also an important variable. How are middle housing units prices relative to other options with the same locational characteristics.
- Kevin Young asked if the thinking that this analysis might be provided as "quantifiable validation" to assume a greater than 3% efficiency, per ORS 197.296(6)(b)? Ted Reid noted we're not quite there yet in terms of knowing what all of this adds up to, but the idea is that the modeling can give us a sense of feasibility.
- Jessica Pelz asked for clarification on if you mean the analysis is based on the title 11 comprehensive plans for areas already added to the UGB vs title 11 concept plans? Mr. Reid noted I believe that when concept plans were referenced, they meant areas previously added to the UGB that do not yet have urban zoning (as opposed to urban reserve concept planning, which we don't count as capacity since they are not yet in the UGB).

  Ms. Hewitt note it is a challenge to find the balance between market demands and land requirements for development. Housing infrastructure costs are spread between housing types and feasibility factors. Jerry Johnson added the funding solution for these communities, including SDC formulas, can have a significant impact on the final mix determination.

- Greg Malinowski noted one of the issues in the past is many concept plans are brought forth by folks who do high end ($1M, to 2$M homes) They tend to suggest that ground they have under option, is lower density, so how do you work Middle housing into concept plans? Chair Kehe noted one example is in Tigard. The River Terrace II concept plan works in middle housing. This area recently came into the UGB.

- Andrea Hamberg noted it was very hopeful about the possibility of supporting the creation of more affordable housing, especially as number of units increase. I'd like to see more focus on development which adds 4+ units to available parcels.
- Rachel Loftin asked when doing the analysis, how much consideration was given to permitting time frames and holding costs with the jurisdictions. Mr. Johnson noted the modeling provides this information which is relevant to development planning and costs.

High Capacity Transit Strategy Update: Draft Report (Ally Holmqvist, Metro) With the pipeline of corridor investments for the region established, this presentation with the final milestone for the High Capacity Transit Strategy looked backward to document how we got there and forward to create the roadmap for putting the pipeline to use in implementing the vision. Described in the presentation was the work done to finalize the corridor investment priorities, outlined the actions and recommendations included in the draft report document, and reviewed next steps for the report and for the strategy as the update merges with the 2023 RTP Update process.

The report made the following recommendations moving corridors forward:

Tier 4 Future Corridors

• Develop land use and transit-oriented development plans for corridors & centers.
• Reassess against the readiness criteria to identify additional areas of action.
• Establish project champions, partnerships and political leadership.

Tier 3 Developing Corridors

Tier 4 actions +
• Update TSPs: functional class, design standards, HCT designation
• Update land use plans to focus growth and density in key corridors.
• Work with community to develop corridor problem statements, identify needs/constraints, and look for opportunities (e.g., anti-displacement).
• Build a coalition of stakeholders to support continued corridor work.

Tier 2 Emerging Regional Priority Corridors

Tier 3 actions +
• Align high density designations and zones with corridors and consider transit supportive development code changes.
• Begin refinement planning, coordinate on improvements beyond the project, and establish a shared vision. Begin alternatives analysis and pre-NEPA.
• Begin conceptual design, clarify cost, and identify funding commitments.
• Begin establishing the stakeholder coalition supporting corridor planning work.

Comments from the committee:

- Sean Edging noted it'd be great to see some numbers on passenger capacity and how that compares to equivalent auto infrastructure (e.g., number of lanes to move the same capacity). My advice from the housing perspective - transit follows density. Serving a wide area of low density development requires the transit network to forego the things that make transit function well - frequency, reliability, and speed. The best way to address this and make transit function is ensure you are getting as many people as possible on transit corridors.

- Andrea Hamberg noted transit density and street network connectivity are both really important for optimizing physical activity and reducing chronic disease. Where does street connectivity planning take place for the tier 3 & 4 corridor areas? Ms. Holmqvist note these include the six key areas that support transit environment and discuss street connectivity and access t transit to make it easy to get to transit which are safe and reliable connections to transit. This is part of the recommendations access to transit brought into tier 3 & 4. More specific details are in the report.
- Jamie Stasny noted concerns with the HCT plan that intends to create a pipeline for the backbone of our transit system. However, people living in the SE section of the map area won't have access to that backbone. We need coverage and service. This plan appears to duplicate other transit lines before it starts to list supporting access to transit service and coverage in other areas. How can we work with everyone to make a better transit future for this area and create viable transit options to driving?

  Ms. Holmqvist noted some regional balance considerations were where most needs are for connections in the region now and moving forward via 2040 planning and changes in travel patterns. Readiness access elements in the region show need to strengthen connections via transit modes with priorities. The market expectations haven't shown as much increase yet. We are looking at other types of improvements near-term for readiness criteria for future investments and priorities. It was noted partnerships and coalitions to build upon for future growth is important in the long-term.
- Colin Cooper commented on the letter the mayor of Hillsboro sent to Metro regarding prioritization of tiers and desire to seek additional consideration of tiers with TV Highway and SW Corridor. It was noted job centers in these corridors are continuing to grow.
- Vee Paykar noted in chat, sorry I missed the key term from the first question - was it transit connectivity? My question is related: Are intersections identified as "high crash intersections" along these transit corridors, being prioritized to fix safety issues ASAP so people feel more comfortable (or not risking their lives) accessing transit via walking/rolling/biking?
- Schuyler Warren noted, right - Transit-Supportive Development, the analog to Transit-Oriented Development. TOD follows fixed-route service and fills in density around it. TSD leads fixed-route service and provides the density and destinations that make transit service fiscally sustainable.
- Glen Bolen added TriMet's Pedestrian Plan analyzed all of the pedestrian projects from everyone's TSPs. It then ranked them within each jurisdiction based on Safety, Equity and Demand.
- Kim Ellis added yes, high crash corridors and intersections are identified as priorities for investment in the RTP, particularly in the near term.
- Tara O'Brien noted access to transit was one of the many factors analyzed at looking at readiness and suitability to future HCT in terms of sidewalk gaps and high crash corridors and when people could access in these existing locations. In terms of prioritizing HCT where access was more built-out that was part of the analysis but the RTP analysis gets more into how well we are meeting our goals.

There was a meeting break for 8 minutes.

TriMet's Transit Oriented Development (TOD) Regional TOD Plan (Guy Benn, TriMet) Mr. Benn explained that Transit Oriented Development (TOD) is the creation of compact, walkable, pedestrian-oriented mixed use communities centered around high quality transportation systems to facilitate shorter trips, better lifestyles, and a more efficient use of resources. A brief history of TOD in Portland and project examples was shown. A regional TOD plan builds on the TOD guidelines, gives transparency to the program and process, outlines engagement guidelines, site inventory, evaluation and prioritization framework, implementation framework, and provides clarity, continuity, and structure for all stakeholders in a way that supports equitable TOD.

The plan contents and chapters were described. Community-Focused TOD projects were shown. The presentation ended with acknowledgements from agency, jurisdictions and stakeholders' contributions to the plan.

Comments from the committee:

- Jamie Stasny had questions around the methodology of the plan and asked if this was considered comprehensive if working with other partners. It was noted Clackamas County works with service providers such as SMART where they recently received a TOD earmark that doesn't show up in this plan. Mr. Benn noted the TOD projects are a collaborative effort with agencies. The TriMet plan is more patterned as a business plan, avoiding individual sites but using case studies. TriMet is working with C-Tran and the City of Wilsonville on a shared parking agreement and were part of the project assessment proposal on the site. The website shows detailed information on projects underway or planned for the future.

  Ms. Stasny noted it would be helpful to show a comprehensive plan that lists project in a way that can show how we're doing and where to make improvements. It sounds that more opportunities are available to showcase the projects in regional development. Mr. Benn noted the dynamics of development and being careful not to raise expectations with required changes. The website is the best way to show what's under development in pre-planning and future planning. Part of the sub-regional planning work is going towards corridors and site that could be useful for identifying TOD development.

- Andrea Hamberg noted two things: 1) We'd like to see you including metrics to assess impacts to air quality, walkability, and traffic safety on the transportation side so that we can maximize public health benefits of TOD. 2) We're also interested in understanding how you're considering gentrification-displacement potential prior to development and what methods you would/will use to mitigate risk.

  Mr. Benn noted our data-based screening that we use to prioritize TOD sites looks at all of these metrics (walkability, air quality, traffic safety) in its assessment of sites. The dynamic screening allows us to filter results if a particular element is disproportionally impacting the score for a TOD site. The model is designed to identify the TOD projects that will have the biggest positive impact on the community, which includes public health and environmental benefits. We also assess all sites using the Regional Social Vulnerability Index so we can identify

displacement and gentrification risks. We have minimum thresholds for affordable housing on TriMet sites that are made available for residential development, but it's worth noting that in the last 5-years we have dramatically exceeded this threshold with 66% of the 718 housing units delivered being protected affordable unit (477 in total). There are also an additional 224 affordable units under development at Hollywood.

- Joseph Edge noted the TriMet park & ride at the Park Ave MAX station is slated for expansion; shouldn't we look at that for a TOD project? Mr. Benn noted the Park Ave parking garage is being expanded using residual funding from the Orange Line (PMLRT) construction project. Before the pandemic, this garage was full by 7.30 am every morning and still has high usage which we are forecasting will increase. We are looking at supporting TOD at Park Ave and have had several conversations with the adjacent Elks Lodge about additional development on its site, but nothing is currently planned at the moment. Should the Elks advance with development, TriMet has was to support this by providing a connection to the MAX station through the green space immediately west of the garage.

2023 Regional Transportation Plan (RTP): Draft System Analysis Results (Eliot Rose, Metro) Draft results were presented from the 2023 Regional Transportation Plan (RTP) system analysis. The system analysis was conducted on the draft financially constrained project list. The analysis helps to understand and demonstrate the RTP's impact on meeting regional goals related to mobility, safety, equity, climate and economy. The RTP uses several different performance measures to capture the region's progress in each of these goal areas and compares the results to targets that are established through the state and federal rules that govern the RTP or that are included in policies adopted by the Joint Policy Advisory Committee on Transportation (JPACT) and the Metro Council.

Highlighted draft results per regional goal:
Mobility – Almost all of the RTP projects include design elements that support travel by transit, foot or bike. However, slightly under a third of the RTP spending goes toward projects that close gaps
Opportunity for improvement**:** Increase the share of RTP capital spending dedicated to projects that help fill regional network gaps (currently 29%).
Safety – The region is not on track to meet its target of reducing fatal and serious injury crashes to zero by 2035.
Opportunity for improvement: Accelerate projects on the high injury network and ensure that projects on this network include safety features.
Equity – The RTP achieves mixed results on equity – it invests equitably, but these investments do not lead to more equitable outcomes, nor do they undo longstanding transportation inequities in safety and access to jobs.
Opportunity for improvement: Accelerate projects that invest in EFAs – and particularly in transit access, transit service, and safe, complete streets.
Economy – The RTP achieves mixed results on regional economic goals. It reduces transit travel times along the corridors that connect the region's centers, but driving times along these corridors increase, particularly in 2045, due to increased congestion. Even with the investments planned in the RTP, the pedestrian and bicycle networks – particularly the former – are not nearly as complete in employment

and industrial areas that are home to many of the region's manufacturing and transportation jobs as it is in the rest of the region.
Opportunity for improvement: Consider a variety of investments to increase access to employment and industrial areas.
Climate – The factors in analyzing climate are variable with transit service, parking pricing, land use, demand management, and planned lane miles that provide estimated results to measure assumptions for obtaining climate goals.
Opportunity for improvement: Proactively plan for the implementation of new transportation revenue sources.

It was noted there are further analysis still underway:
• Travel speed reliability on throughways
• Freight-related measures
• Criteria pollutants and air toxics
• Households near transit / active transportation facilities
• Impact of tolling on system performance
• Transit system performance

Comments from the committee:

- Jamie Stasny noted the graph results reported on climate scenarios toward reaching the 2045 targets. Clarification was asked on these lines. Mr. Rose noted some of the additional mechanisms being contemplated to add transportation revenues are toll pricing, road user charges, changes to how the gas tax is levied, and change to how insurance is paid for vehicles. These considerations are still being discussed with state plans.

  It was noted the analysis looks at pricing options but doesn't show analysis on how different transportation investments could reduce climate impacts more clearly tied to situations and circumstances. Is data on this planned? Mr. Rose noted that given the work put into the RTP project list and that the RTP needs to be a fiscally constrained plan it's late in the game to explore changes in the project list that aren't feasible.

  Kim Ellis noted we know from the Climate Smart Strategies what will get the best results from investments from the context in the RTP. Results show we can't just get there from investments alone. Other policies will need to be thought about as a region and likely include some form of pricing. Ms. Stasny added it feels like we're putting all our eggs in the pricing basket. It was suggested to figure out a way to articulate other opportunities to meet these goals in addition to what has been analyzed to date.

- Manny Contreras commented on the equity focus with the Federal bipartisan investment funds adding to statewide wastewater services that will increase, develop and expand services as needed. Data on these issues that could be shared between agencies and create a line of communication would be welcome.
- Rachel Loftin noted pricing looking at transportation investments, but how much of this will be able to be written off for those in low-income. In particular, affordable housing and transit

connections. Mr. Rose noted the pricing mechanisms that are specified did not go into that level of analysis but appreciate the different ways these investments and plans impact or system. We have an equitable financing study and did look at different ways that impact driving. Ms. Loftin suggested looking at the long-term impacts for communities to understand where families are outpriced for affordable housing.

- Glen Bolen noted ODOT's tolling equitable advisory group committee that provides input and data on equity issues. A program that was based on income was developed but sadly most in the areas of the program did not take advantage of it. Better marketing is planned.
- Joseph Edge asked can we start showing Total VMT alongside VMT per capita? Mr. Eliot noted the reason we focus on per capita is because those targets from the state are discussed and framed for the RTP. We can share both sets of data and welcome further inputs and feedback on the draft plan.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 11:54 a.m.
Respectfully submitted,

Marie Miller

Marie Miller, MTAC Recorder

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	5/17/2023	5/17/2023 MTAC Meeting Agenda	051723M-01
2	MTAC Work Program	5/10/2023	MTAC Work Program as of 5/10/2023	051723M-02
3	Minutes	3/15/2023	Draft minutes from March 15, 2023 MTAC meeting	051723M-03
4	Presentation	5/17/2023	Metro Residential Readiness Middle Housing Potential	051723M-04
5	Memo	5/10/2023	TO: Metro Technical Advisory Committee Members and interested parties From: Ally Holmqvist, Senior Transportation Planner RE: High Capacity Transit Strategy Update: Report and Recommendations	051723M-05
6	Attachment 1	N/A	HIGH CAPACITY TRANSIT STRATEGY UPDATE Key Meeting Dates and Engagement Activities for Project Milestones	051723M-06
7	Attachment 2	4/19/2023	Recap on HCT Vision and tiering, overview of Draft HCT Strategy Update report, next steps for the project and interaction with the ongoing RTP update	051723M-07
8	Attachment 3	4/26/2023	HIGH CAPACITY TRANSIT Strategy Update	051723M-08
9	Attachment 4	April 2023	DRAFT High Capacity Transit Strategy Update	051723M-09
10	Attachment 5	April 2023	Public and stakeholder engagement and consultation summary High Capacity Transit Strategy Update 2023 Regional Transportation Plan	051723M-10
11	Report Plan	Spring 2023	TriMet TRANSIT-ORIENTED DEVELOPMENT PLAN	051723M-11
12	Presentation	5/17/2023	Transit-Oriented Development TriMet Regional TOD Plan	051723M-12
13	Memo	5/17/2023	TO: MTAC and interested parties From: Eliot Rose, Senior Transportation Planner RE: Draft 2023 Regional Transportation Plan system analysis results	051723M-13
14	Handout	5/11/2023	Briefing Book for JPACT and Metro Council for workshop on May 11, 2023	051723M-14
15	Fact Sheet	Feb. 2023	2023 Regional Transportation Plan	051723M-15

Item	Document Type	Document Date	Document Description	Document No.
16	Report	5/5/2023	2023 Regional Transportation Plan Draft System Analysis Findings	051723M-16
17	Fact sheets	N/A	2023 Regional Transportation Plan Update needs assessments	051723M-17
18	Handout	May 2023	2023 Regional Transportation Plan Draft project list overview and maps	051723M-18
19	Handout	May 4, 2023	2023 Regional Transportation Plan Community input on investment priorities – Preliminary summary	051723M-19
20	Presentation	May 17, 2023	Metro Residential Readiness Middle Housing Potential, final	051723M-20
21	Presentation	May 17, 2023	HCT Strategy Update: Report & Actions	051723M-21
22	Presentation	May 17, 2023	2023 draft RTP system analysis results	051723M-22

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC)
Date:	Wednesday, May 17, 2023
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom
	Connect with Zoom Passcode: 863801 Phone: 877-853-5257 (Toll Free)

9:00 a.m.	**Call meeting to order, Declaration of Quorum and Introductions**	Chair Kehe
9:10 a.m.	**Comments from the Chair and Committee Members** • Updates from committee members around the Region (all)	
9:15 a.m.	**Public communications on agenda items**	
9:17 a.m.	**Consideration of MTAC minutes, March 15, 2023 (action item)**	Chair Kehe
9:20 a.m.	**2024 Urban Growth Management Decision: Middle Housing Potential** Purpose: Provide MTAC with background information on middle housing development potential and affordability, which are topics that will factor into the Metro Council's 2024 growth management decision.	Ted Reid, Metro Becky Hewitt, EcoNorthwest
10:20 a.m.	**High Capacity Transit Strategy Update: Draft Report** Purpose: Recap what we heard on the corridor tiers, provide input on the HCT Strategy draft report (particularly implementation actions and recommendations) and review next steps for the report and for the strategy as the update process wholly incorporates into the 2023 RTP Update.	Ally Holmqvist, Metro
10:50 a.m.	**TriMet's Transit Oriented Development (TOD) Regional TOD Plan** Purpose: The TriMet TOD Program has just launched its Regional TOD Plan. This Plan was created with the support of an Transportation Growth Management Grant from ODOT and DLCD. The Plan includes information and guidelines for the inventory, evaluation and prioritization of TriMet sites within the agency's real property, and also details how the agency promotes TOD across the region. Importantly, the Plan empowers the communities and partners with whom we partner to provide feedback regarding where TOD projects are located, how sites are selected, and how decisions are made. The Plan is designed to provide transparency to all elements of our TOD work and is focused on creating equitable TOD projects for everyone. https://trimet.org/tod/pdf/tod-regional-plan.pdf	Miles Anderson, Guy Benn, TriMet
11:10 a.m.	**2023 Regional Transportation Plan (RTP): Draft System Analysis Results** Purpose: Share draft results from the 2023 RTP system analysis for feedback and discussion	Eliot Rose, Metro
12:00 p.m.	**Adjournment**	Chair Kehe

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

Metro Residential Readiness

Middle Housing Potential

ECONorthwest

ECONOMICS · FINANCE · PLANNING

Metro Residential Readiness Project

Research and analysis to guide Metro's 2024 Urban Growth Management Decision

Updates to development capacity / supply model



Development Readiness



Population & Development Trends



Housing Filtering & Market Functions



Gentrification & Displacement Risk



Office-to-Residential Conversion Potential



Middle Housing Potential



Existing Housing Needs

009563

Purpose

Step 1

- Summarize relevant past work to provide context and inform modeling
  - Infill/redevelopment potential for middle housing
  - Housing mix within greenfield developments and UGB expansion areas
  - Pricing/affordability for middle housing development

Step 2

- Estimate market-feasible potential for middle housing using Metro's Developer Supply Processor (development capacity model)
- Summarize results by residential neighborhoods, UGB expansion areas

Middle Housing Zoned Potential: What's Changed?

Metro Jurisdictions' Response to HB 2001 (2019)

Many Metro jurisdictions went beyond minimum requirements (11 / 16 surveyed)

Metro Jurisdiction	Compliance	Bonus Updates or other Unique Features
Portland	Exceeded	• Allow Six-plexes (if 50% affordable units) • Smaller lot sizes • Lower parking requirements
Beaverton	Exceeded	• Smaller lot sizes • Higher FAR for more units
Hillsboro	Complied	n/a
Gresham	Exceeded	• Smaller lot sizes
Happy Valley	Complied	n/a
Cornelius	Exceeded	• Applied more broadly
Wilsonville	Complied	• Allow land divisions for ADUs
West Linn	Exceeded	• Smaller lot sizes • More FAR, lot coverage flexibility
Fairview	Complied*	• Applied more broadly * Has yet to adopt updates
Tigard	Exceeded	• Smaller lot sizes • Lower parking requirements
Oregon City	Exceeded	• Lower parking requirements
Milwaukie	Exceeded	• Smaller lot sizes
Gladstone	Exceeded	• Smaller lot sizes (some zones)
Wood Village	Complied	N/a
Washington County	Exceeded	• Smaller lot sizes
Clackamas County	Exceeded	• Smaller lot sizes

Source: MIG|APG research

Metro Jurisdictions' Response to HB 2001 (2019)

Local decisions about regulating detached middle housing matter to the market

- Detached plexes
  - 15 / 24 allow
- Limits on size of cottages beyond the 900sf footprint definition
  - 11 / 16 have size limits

Metro Jurisdiction	Allow Detached Plexes?	Cottage Size Limit?
Portland	Duplex only	Avg unit size
Beaverton	Yes	No (25' height limit only)
Hillsboro	No	Avg unit size & individual unit size
Gresham	Yes	No
Happy Valley	No	Avg unit size & individual unit size
Cornelius	Yes	No
Wilsonville	Yes	Individual unit size
West Linn	Yes	No
Fairview	Yes	No
Tigard	No	Avg unit size & individual unit size
Oregon City	Duplex & triplex with existing unit only	Avg unit size & individual unit size
Milwaukie	Yes	Avg unit size
Gladstone	Yes	Avg unit size
Wood Village	Yes	Individual unit size
Washington County	Yes	Avg unit size
Clackamas County	No	Avg unit size
Tualatin	Yes	*Not sampled*
Troutdale	No	*Not sampled*
Sherwood	No	*Not sampled*
Lake Oswego	No	*Not sampled*
Tualatin	Yes	*Not sampled*
Forest Grove	Yes	*Not sampled*
King City	No	*Not sampled*
Durham	No	*Not sampled*

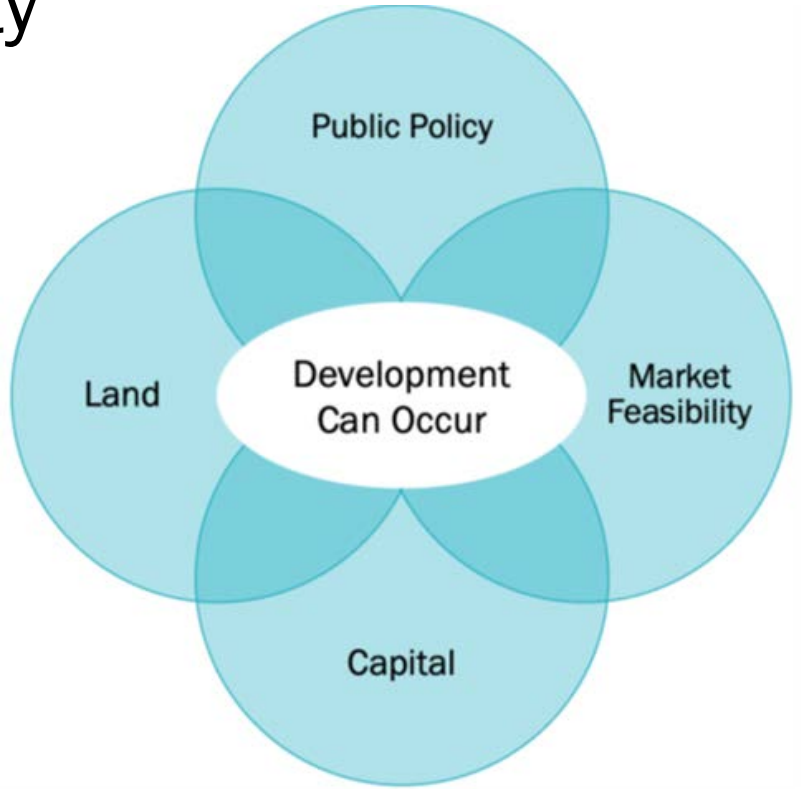
Source: MIG|APG research

Approach to Estimating Middle Housing Demand and Production

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What makes middle housing infill/redevelopment feasible?

- Land + Public Policy => Physical feasibility
  - Units will fit on site with any required parking, setbacks, landscaping, etc.
- Market + Capital => Financial feasibility
  - Sales prices or rents offer a sufficient financial return to justify investment, given cost to build, including fees, demolition (if needed), any required infrastructure improvements, etc.



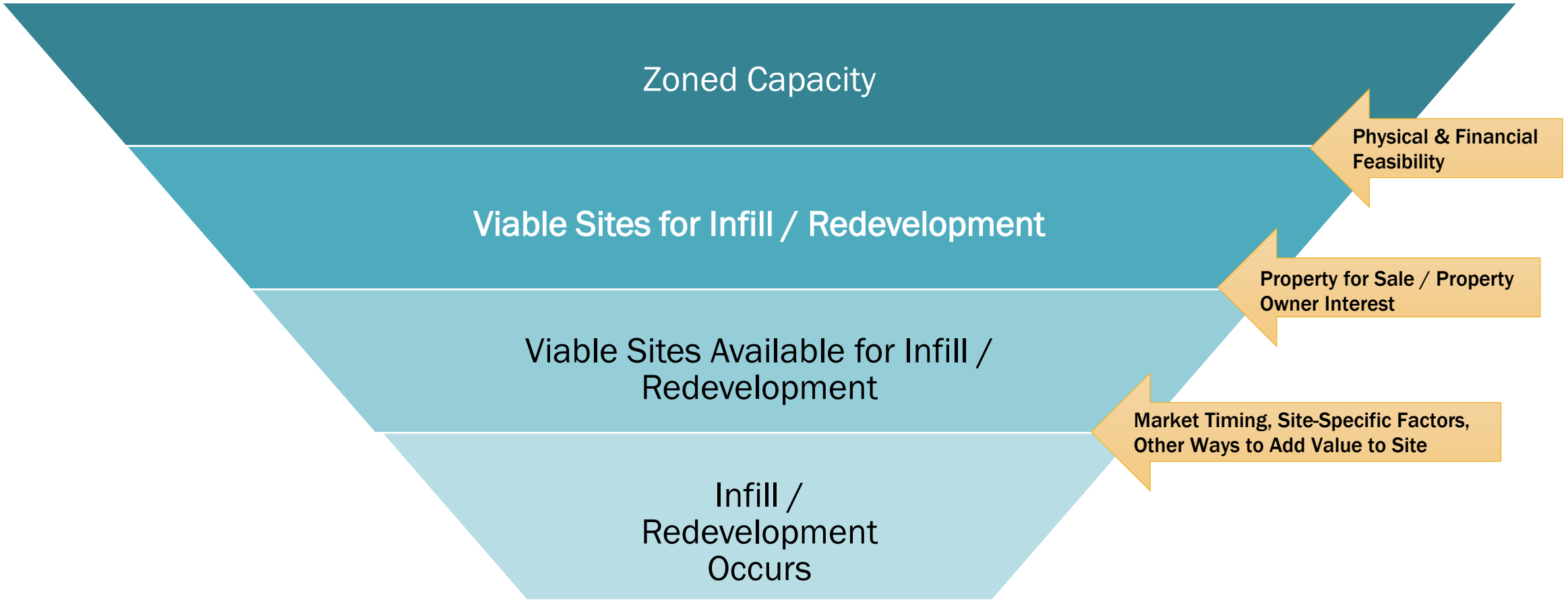
Source: ECONorthwest

Infill/Redevelopment Capacity in Existing Neighborhoods

- Adding middle housing in existing neighborhoods can happen multiple ways:
  - Redevelopment: Low-value structure compared to (re)development potential
  - Infill: enough room to build around existing structure
  - Conversion: Structure can be retrofitted to add units
- Model captures redevelopment and infill on sites large enough to be part of Metro BLI

Infill / Redevelopment Potential vs. Production

Not all potentially viable sites will be further developed



009571
Source: ECONorthwest

Metro Approach to Estimating Middle Housing Capacity

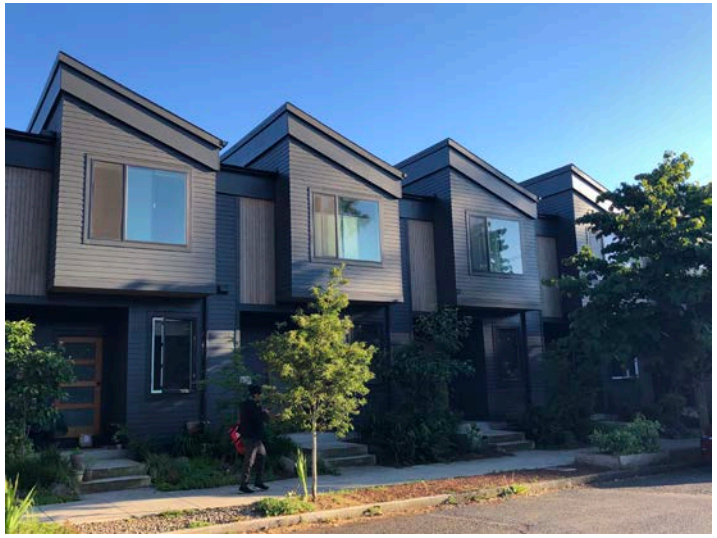
- Using model to estimate middle housing capacity regionwide
- Based on generalized zones – doesn't account for all city-specific variations in regulations
- Uses a few middle housing "prototypes" most likely to be built by market
- Focused on financial feasibility vs. physical feasibility
  - Doesn't account for specific minimum lot sizes
  - Must "outcompete" single family housing
- Includes vacant land, infill, and redevelopment
- Estimates probability of feasible development occurring within planning horizon
- Housing mix in concept planned areas estimated separately

Middle Housing Types: Townhouses

Townhouses

- Modeling both ownership & rental
- Using typical densities (20-25 units per acre)
- Off-street parking assumed, even where not required





009573

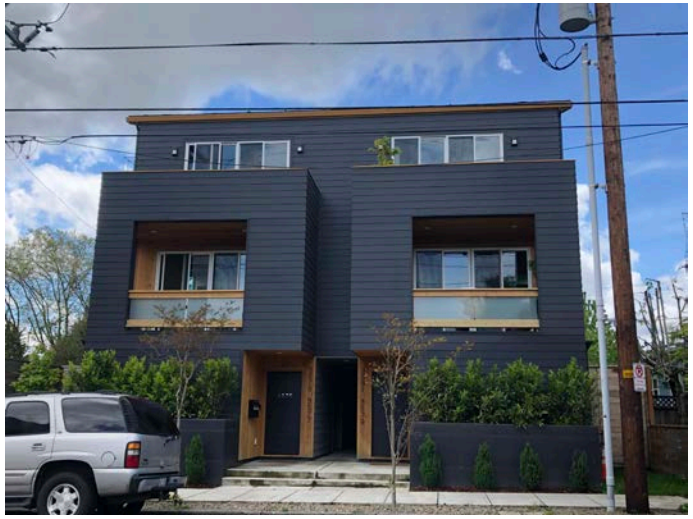


Middle Housing Types

Duplexes

- Modeling both for-sale and rental
- Assumed 5000 sf lot size
- Some off-street parking assumed, even where not required







009574

Middle Housing Types

Detached Plexes / Compact Detached Housing

- Modeling detached plexes (where permitted) as comparable to compact detached / small-lot detached housing



Detached plexes + Middle Housing Land Division = regulated like a duplex/triplex/fourplex, sells like compact detached housing on separate lots



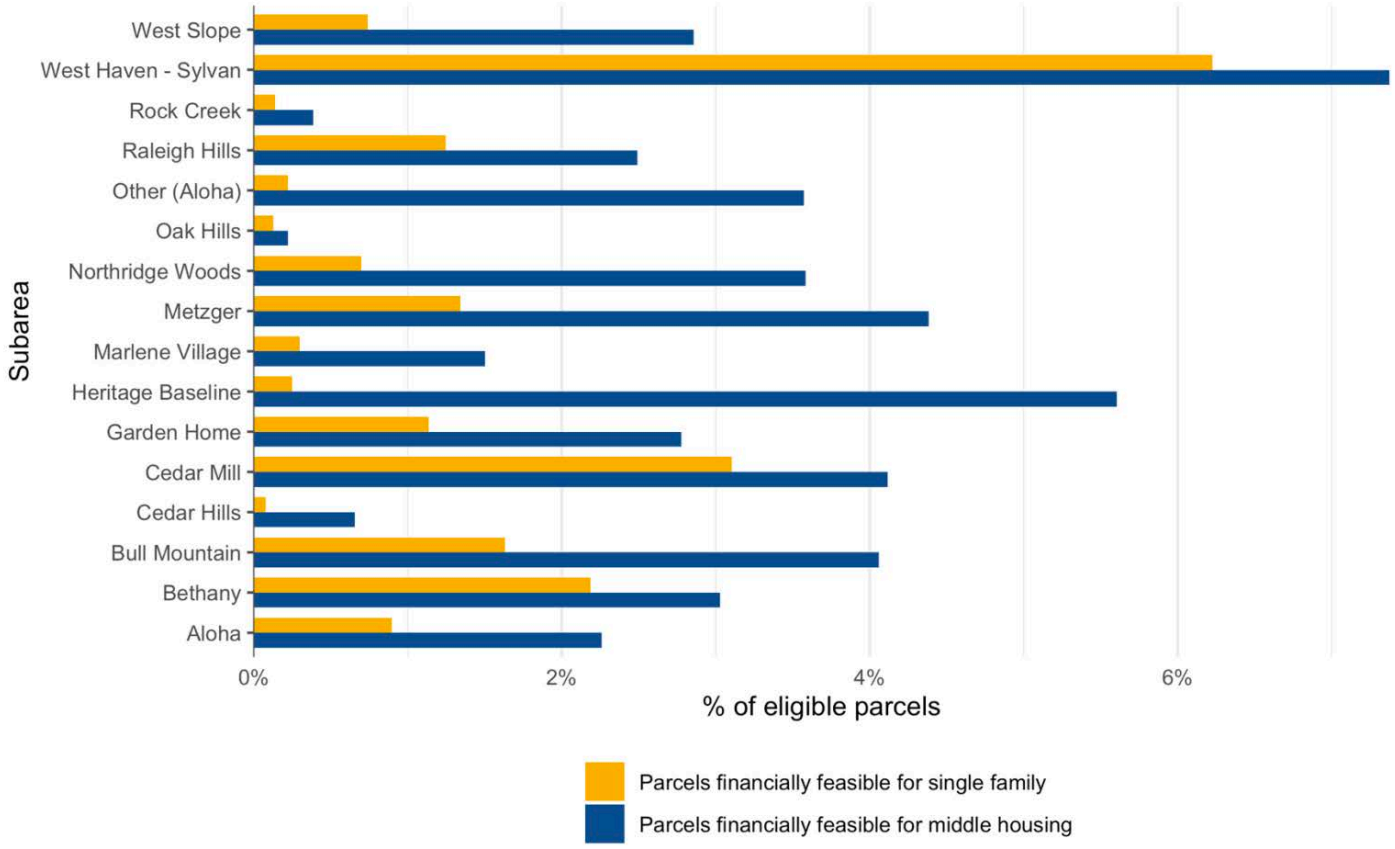


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Other Estimates of Middle Housing Production or Capacity

Washington County Middle Housing Analysis

- ~3% of parcels estimated feasible for redevelopment overall in urban unincorporated areas
- Didn't account for detached plexes or middle housing land division
- Didn't account for CC&Rs

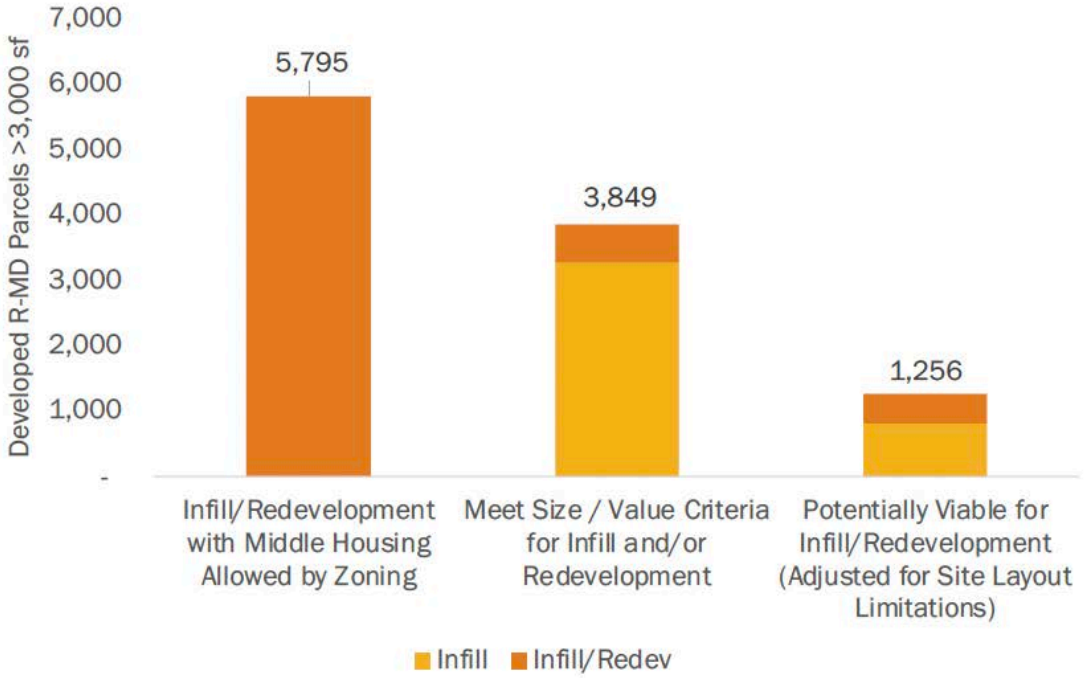


Source: Washington County House Bill 2001 Implementation Economic Analysis and Market Research Findings and Recommendations (ECONorthwest, 2021)

Milwaukie analysis of middle housing infill/redevelopment potential

- ~8% of parcels likely feasible for redevelopment
- Another ~14% may have infill potential (retaining existing structure)
- Accounts for detached plexes & middle housing land division
- Relatively large lots, but many long and narrow

Exhibit 2: Parcels with Infill/Redevelopment Potential based on Zoning, Property Size and Value, and Typical Site Layout Limitations
Source: ECONorthwest



Note: Does not account for all site-specific factors, including property condition, need for infrastructure improvements, localized market factors, and property owner preferences.

Source: Analysis of Middle Housing Infill and Redevelopment Potential in Milwaukie, Oregon (ECONorthwest, 2022)

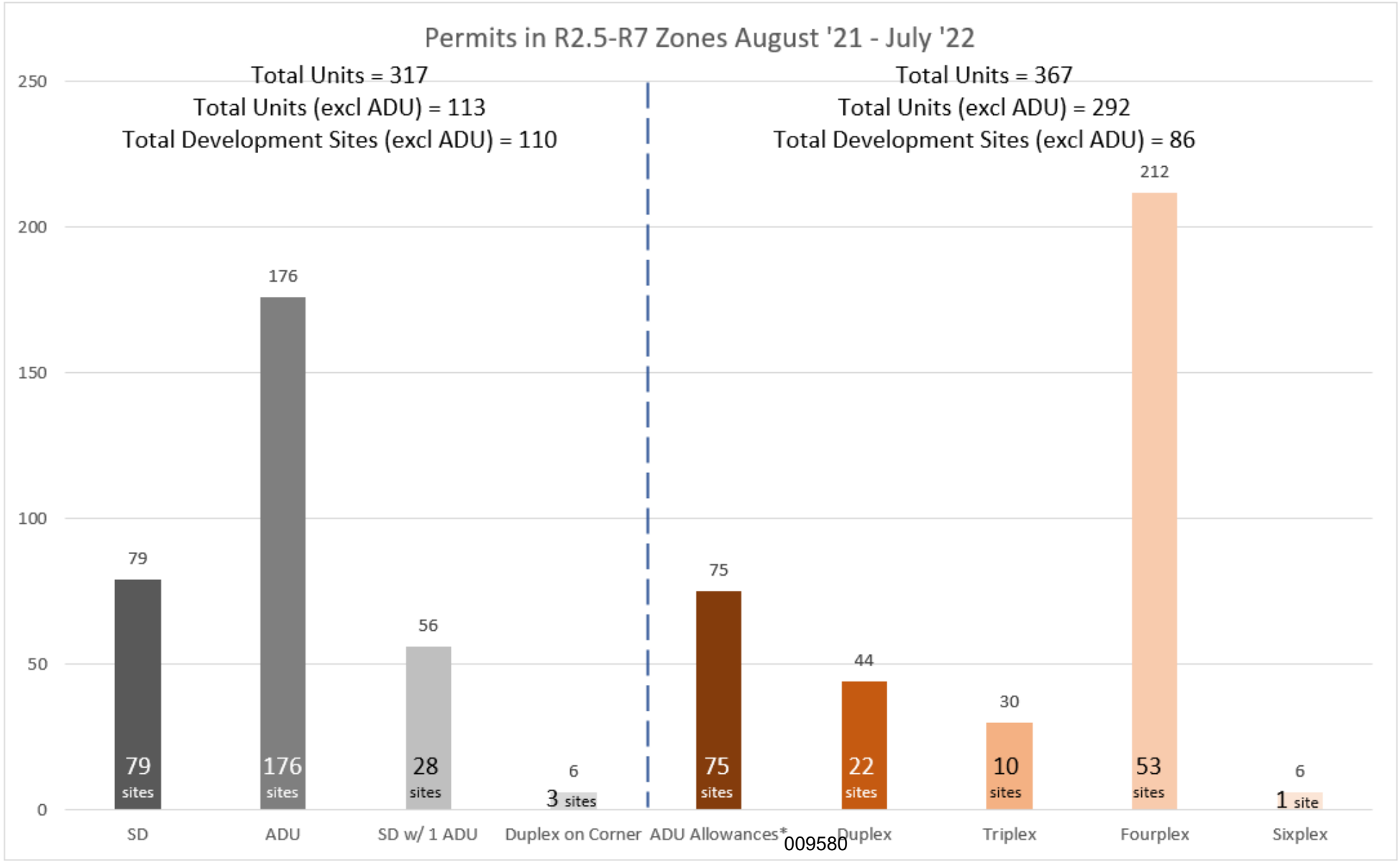
Portland Corner Lot Duplexes

- ~3.4% of lots converted overall from 1991-2020
- Land division generally not permitted – condo or rental only

Corner lot duplexes (R7, R5 and R2.5 zones)		
Pattern Area	All corner lots	Only corner lots within ¼ mile of centers
East	2.0%	2.9%
Inner	4.3%	6.3%
West	0.6%	1.7%
Citywide	3.4%	5.4%

Source: City of Portland Residential Infill Project Findings

City of Portland Permit applications in R7, R5, R2.5 zones



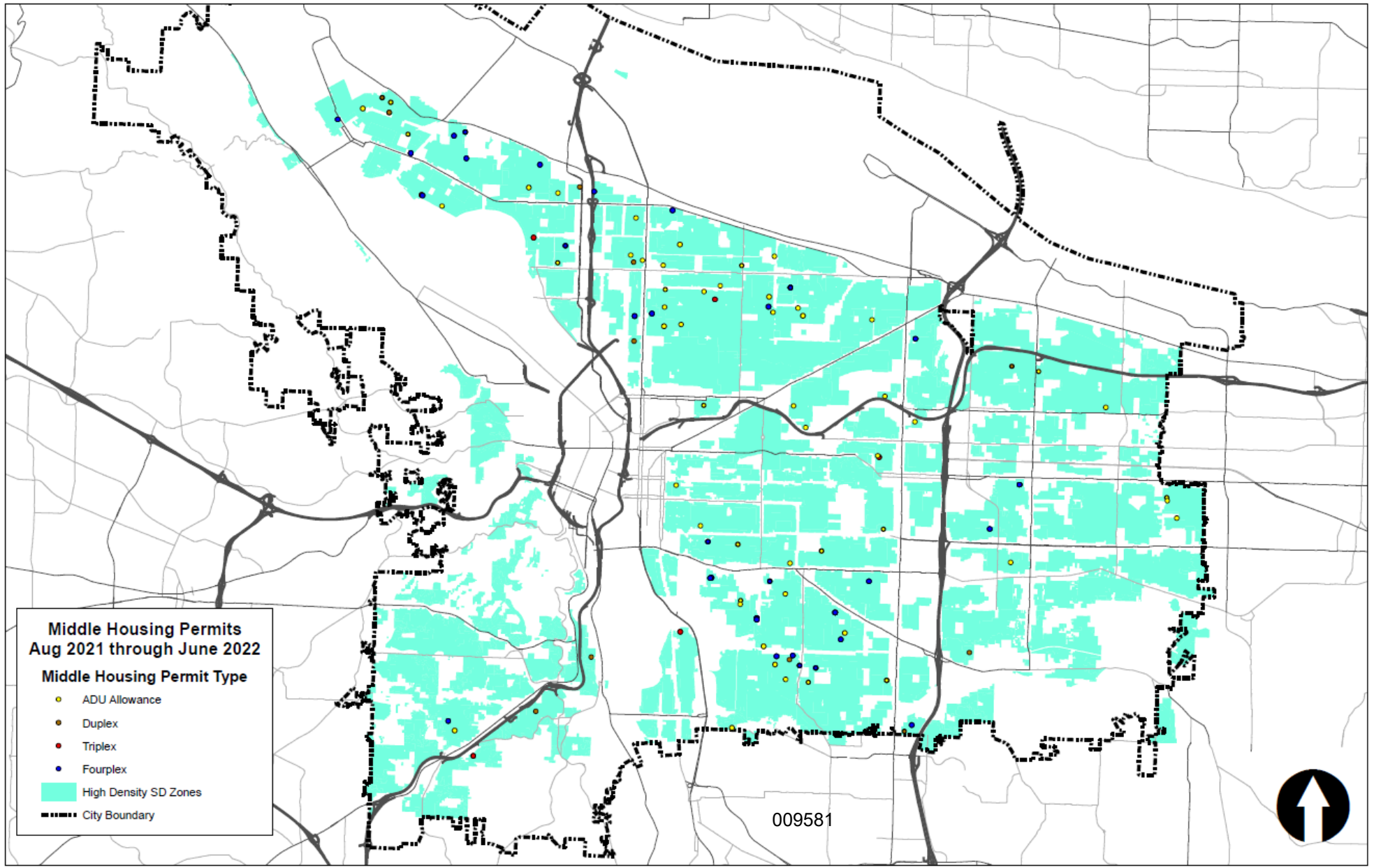
**ADU allowances* includes the second ADU with a house, one ADU with a duplex, or basement ADUs greater than 800 sf*

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Data reflects permits for development under Residential Infill Project Part 1 rules through July 2022

Source: City of Portland

Locations of Portland Middle Housing Permits



Data reflects permits for development under Residential Infill Project Part 1 rules through July 2022

Source: City of Portland

Housing Mix in Greenfield Developments

- Why developers include middle housing in greenfields:
  - Capture different market segments
  - Offer lower price points, where financially viable
  - Increase sales volume
- How much middle housing to expect?
  - ECONorthwest estimate for Hillsboro:
    - ~50-50 split between middle housing and single family housing on vacant low- and medium-density residential land (multifamily not allowed / lower density than middle housing)
    - Where not yet concept planned, ~25-30% middle housing

Estimated Pricing for Middle Housing

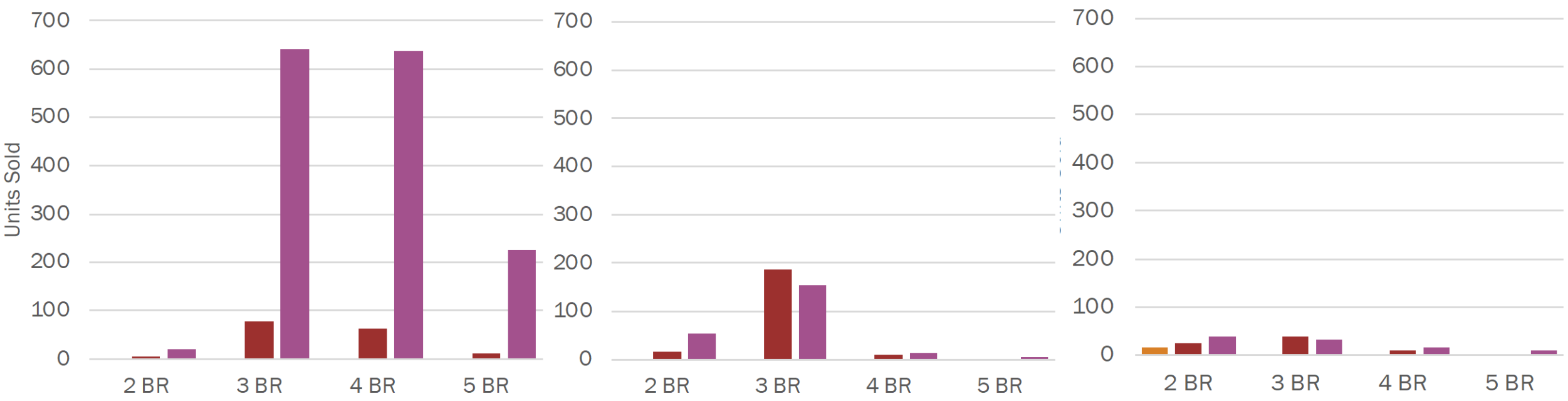
Middle Housing Pricing & Rents

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  - Housing type is not identified in detail in sales listings, and is not categorized consistently
  - Rent data is aggregated most consistently and broadly for larger, professionally managed apartment buildings, with limited data for smaller rental properties
  - There is little new middle housing development compared to other housing types, especially outside the City of Portland
    - Small multifamily development, townhouses, and compact detached housing can offer a proxy

New For-Sale Housing Affordability by Housing Type

Affordability of Market Sales Prices
(adjusted by unit size, approximate)

New construction tends to be expensive, but middle housing may be less expensive



Source: ECONorthwest analysis using sales transaction data from RLIS and Redfin. Affordability based on rent limits by unit type, 2022 Median Family Income for Portland MSA, estimated utility allowances, property tax and insurance costs, and HOA dues; lending assumptions: 30-year fixed-rate mortgage at 6.5% with 20% down payment.

New Middle Housing/Small MF Pricing Examples: For Rent

Duplex, Oregon City

Unit Type	Monthly Rent	Affordability Range**
2BR/2BA	$1,800-$2,000	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Oregon-City/931-Prospect-St-97045/home/25975694

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New Middle Housing/Small MF Pricing Examples: For Rent

Duplex, Portland

Unit Type	Monthly Rent	Affordability Range**
2BR/2BA	$2,500	100-120% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/3315-NE-Rodney-Ave-97212/home/178741994

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New Middle Housing/Small MF Pricing Examples: For Rent

Triplex, Oregon City

Unit Type	Monthly Rent	Affordability Range**
2BR/1BA	$1,800	60-80% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Oregon-City/305-Myrtle-St-97045/home/144915280

009588

New Middle Housing/Small MF Pricing Examples: For Rent

Triplex, Portland

Unit Type	Monthly Rent	Affordability Range**
1BR/1BA	$1,650	80-100% AMI
2BR/2BA	$2,250-$2,450	100-120% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Unknown/10893-Sw-Annand-Hill-Ct-Unknown/home/178478507

New Middle Housing/Small MF Pricing Examples: For Rent

Fourplex, Portland

Unit Type	Monthly Rent	Affordability Range**
3BR/2BA	$1,995	60-80% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/3890-SE-27th-Ave-97202/home/26361220

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New Middle Housing/Small MF Pricing Examples: For Rent

Fourplex, Portland

Unit Type	Monthly Rent	Affordability Range**
2BR/2BA	$2,195	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/5012-SE-38th-Ave-97202/home/49692883

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New Middle Housing/Small MF Pricing Examples: For Rent

5-plex*, Portland

Unit Type	Monthly Rent	Affordability Range**
1BR/1BA	$1,500	60-80% AMI
2BR/1BA	$1,875	80-100% AMI
4BR/2BA	$2,800-$3,000	80-100% AMI



* A 5-plex does not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/2015-NE-47th-Ave-97213/home/26626765

009592

New Middle Housing/Small MF Pricing Examples: For Rent

6-plex*, Portland

Unit Type	Monthly Rent	Affordability Range**
1BR/1BA	$1,275-$1,375	60-80% AMI
2BR/1BA	$1,895-$1,945	80-100% AMI



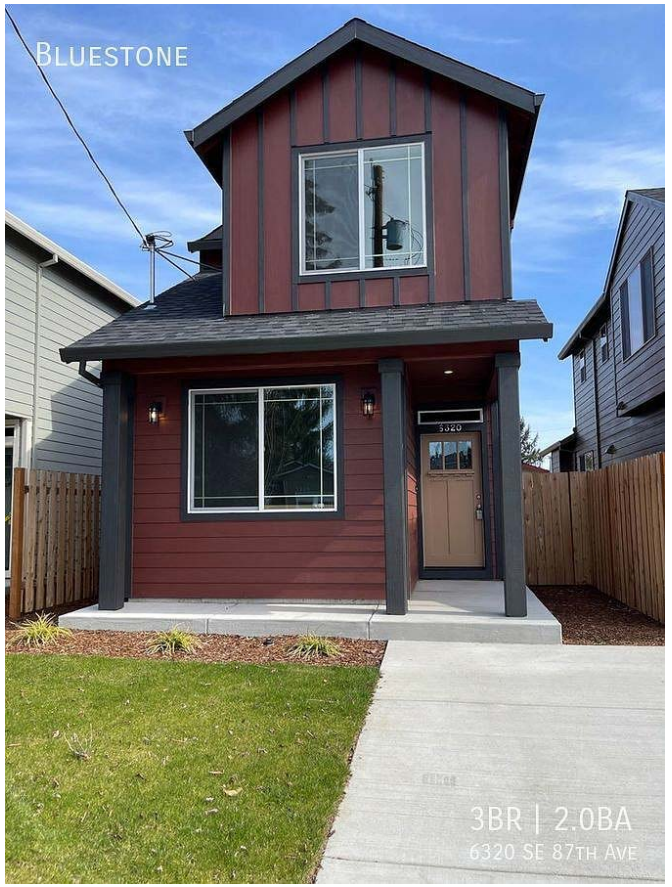
* A 6-plex does not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/6833-N-Montana-Ave-97217/home/49687255

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New Middle Housing/Small MF Pricing Examples: For Rent

Compact Detached, Portland

Unit Type	Monthly Rent	Affordability Range**
3BR/2BA	$2,575	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.zillow.com/homedetails/6320-SE-87th-Ave-Portland-OR-97266/338590778_zpid/?mmlb=g,0

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New Middle Housing/Small MF Pricing Examples: For Rent

Compact Detached, Beaverton

Unit Type	Monthly Rent	Affordability Range**
4BD/2.5BA	$2,900	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.zillow.com/homedetails/2161-NW-163rd-Ter-Beaverton-OR-97006/123906630_zpid/?mmlb=g,0

New Middle Housing/Small MF Pricing Examples: For Sale

Triplex, Beaverton (within larger development)

Unit Type	Sale Price	Affordability Range**
5BR/3.5BA	$582,990***	>120% AMI



* The development may not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
*** This property is currently listed for sale and may not ultimately sell for this price.
Source: https://www.redfin.com/OR/Beaverton/12935-SW-Tabor-TER-97007/home/185213934#property-details

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New Middle Housing/Small MF Pricing Examples: For Sale

Fourplex, Portland

Unit Type	Sale Price	Affordability Range**
1BR/1BA	$249,900***	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
*** This property is currently listed for sale and may not ultimately sell for this price.
Source: https://www.redfin.com/OR/Portland/7360-N-Atlantic-Ave-97217/unit-3/home/185141446

New Middle Housing/Small MF Pricing Examples: For Sale

6-plex*, Portland

Unit Type	Sale Price	Affordability Range**
2BR/1BA	$365,000***	100-120% AMI



* A 6-plex does not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
*** This property is currently listed for sale and may not ultimately sell for this price.
Source: https://www.redfin.com/OR/Portland/5025-N-Minnesota-Ave-97217/unit-102/home/185246763

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New Middle Housing/Small MF Pricing Examples: For Sale

Small multiplex, Portland

Unit Type	Sale Price	Affordability Range**
2BR/1BA	$389,900***	100-120% AMI



* The development may not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
*** This property is currently listed for sale and may not ultimately sell for this price.
009599
Source: https://www.redfin.com/OR/Portland/7517-N-Clarendon-Ave-97203/unit-3/home/185237948

Take-aways

Take-Aways

- Middle housing broadly allowed in existing and new neighborhoods ~20-30 du/ac
- Many jurisdictions go beyond minimum requirements
- Many allow housing types that resemble single-unit detached
- Prior analysis suggests substantial middle housing development potential:
  - 1-10% of existing homes may be financially feasible to redevelopment middle housing, and others may allow for infill while retaining the existing unit
  - 25-50% of housing on vacant land in low-density residential areas could develop as middle housing
- New middle housing likely affordable at 80-120% of AMI in many cases (except large luxury units)
- Markets in transition (moderate value existing homes, but growing demand for housing) may have greatest potential for infill/redevelopment

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Materials following this page were distributed at the meeting.

Metro Residential Readiness

Middle Housing Potential

MTAC May 17, 2023

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009604

Metro Residential Readiness Project

Research and analysis to guide Metro's 2024 Urban Growth Management Decision

Updates to development capacity / supply model



Development Readiness



Population & Development Trends



Housing Filtering & Market Functions



Gentrification & Displacement Risk



Office-to-Residential Conversion Potential



Middle Housing Potential



Existing Housing Needs

009605

Purpose

Step 1

- Summarize relevant past work to provide context and inform modeling
  - Infill/redevelopment potential for middle housing
  - Housing mix within greenfield developments and UGB expansion areas
  - Pricing/affordability for middle housing development

Step 2

- Estimate market-feasible potential for middle housing using Metro's Developer Supply Processor (development capacity model)
- Summarize results by residential neighborhoods, UGB expansion areas

Middle Housing Zoned Potential: What's Changed?

Metro Jurisdictions' Response to HB 2001 (2019)

Many Metro jurisdictions went beyond minimum requirements (11 / 16 surveyed)

Metro Jurisdiction	Compliance	Bonus Updates or other Unique Features
Portland	Exceeded	• Allow Six-plexes (if 50% affordable units) • Smaller lot sizes • Lower parking requirements
Beaverton	Exceeded	• Smaller lot sizes • Higher FAR for more units
Hillsboro	Complied	n/a
Gresham	Exceeded	• Smaller lot sizes
Happy Valley	Complied	n/a
Cornelius	Exceeded	• Applied more broadly
Wilsonville	Complied	• Allow land divisions for ADUs
West Linn	Exceeded	• Smaller lot sizes • More FAR, lot coverage flexibility
Fairview	Complied*	• Applied more broadly * Has yet to adopt updates
Tigard	Exceeded	• Smaller lot sizes • Lower parking requirements
Oregon City	Exceeded	• Lower parking requirements
Milwaukie	Exceeded	• Smaller lot sizes
Gladstone	Exceeded	• Smaller lot sizes (some zones)
Wood Village	Complied	N/a
Washington County	Exceeded	• Smaller lot sizes
Clackamas County	Exceeded	• Smaller lot sizes

Source: MIG|APG research

Metro Jurisdictions' Response to HB 2001 (2019)

Local decisions about regulating detached middle housing matter to the market

- Detached plexes
  - 15 / 24 allow
- Limits on size of cottages beyond the 900sf footprint definition
  - 11 / 16 have size limits

Metro Jurisdiction	Allow Detached Plexes?	Cottage Size Limit?
Portland	Duplex only	Avg unit size
Beaverton	Yes	No (25' height limit only)
Hillsboro	No	Avg unit size & individual unit size
Gresham	Yes	No
Happy Valley	No	Avg unit size & individual unit size
Cornelius	Yes	No
Wilsonville	Yes	Individual unit size
West Linn	Yes	No
Fairview	Yes	No
Tigard	No	Avg unit size & individual unit size
Oregon City	Duplex & triplex with existing unit only	Avg unit size & individual unit size
Milwaukie	Yes	Avg unit size
Gladstone	Yes	Avg unit size
Wood Village	Yes	Individual unit size
Washington County	Yes	Avg unit size
Clackamas County	No	Avg unit size
Tualatin	Yes	*Not sampled*
Troutdale	No	*Not sampled*
Sherwood	No	*Not sampled*
Lake Oswego	No	*Not sampled*
Tualatin	Yes	*Not sampled*
Forest Grove	Yes	*Not sampled*
King City	No	*Not sampled*
Durham	No	*Not sampled*

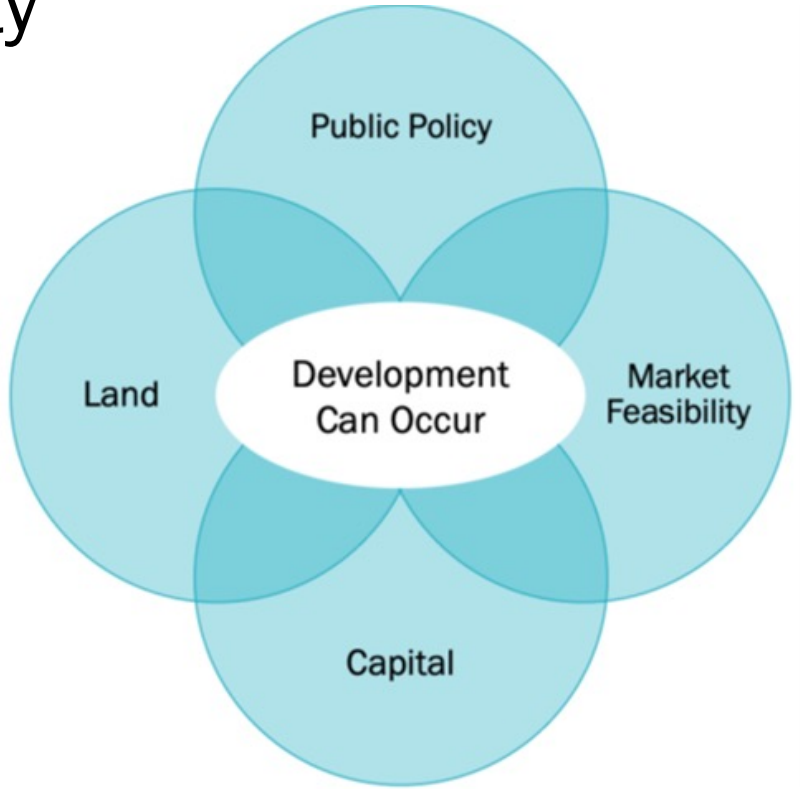
Source: MIG|APG research

Approach to Estimating Middle Housing Demand and Production

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What makes middle housing infill/redevelopment feasible?

- Land + Public Policy => Physical feasibility
  - Units will fit on site with any required parking, setbacks, landscaping, etc.
- Market + Capital => Financial feasibility
  - Sales prices or rents offer a sufficient financial return to justify investment, given total cost to build
  - Must have enough demand (given price, housing characteristics, and location) to sell/lease the units once complete



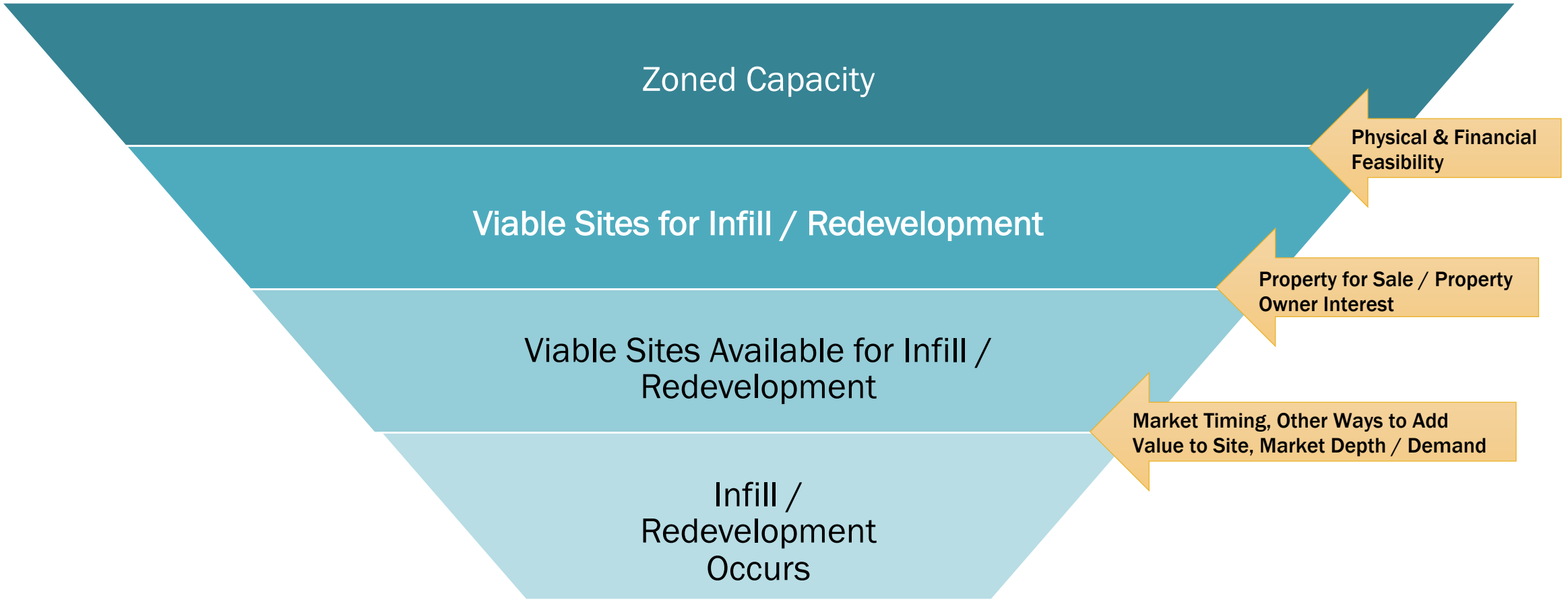
Source: ECONorthwest

Infill/Redevelopment Capacity in Existing Neighborhoods

- Adding middle housing in existing neighborhoods can happen multiple ways:
  - Redevelopment: Low-value structure compared to (re)development potential
  - Infill: enough room to build around existing structure
  - Conversion: Structure can be retrofitted to add units
- Model captures redevelopment and infill on sites large enough to be part of Metro BLI

Infill / Redevelopment Potential vs. Production

Not all potentially viable sites will be further developed



009613
Source: ECONorthwest

Metro Approach to Estimating Middle Housing Capacity

- Using model to estimate middle housing capacity regionwide
- Based on generalized zones – doesn't account for all city-specific variations in regulations
- Uses a few middle housing "prototypes" most likely to be built by market
- Focused on financial feasibility vs. physical feasibility
  - Doesn't account for specific minimum lot sizes
  - Must "outcompete" single family housing
- Includes vacant land, infill, and redevelopment
- Estimates probability of feasible development occurring within planning horizon
- Housing mix in concept planned areas estimated separately

Middle Housing Types: Townhouses

Townhouses

- Modeling both ownership & rental
- Using typical densities (20-25 units per acre)
- Off-street parking assumed, even where not required





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Middle Housing Types

Duplexes

- Modeling both ownership and rental
- Assumed 5000 sf lot size
- Some off-street parking assumed, even where not required







Middle Housing Types

Detached Plexes / Compact Detached Housing

- Modeling detached plexes (where permitted) as comparable to compact detached / small-lot detached housing



Detached plexes + Middle Housing Land Division = regulated like a duplex/triplex/fourplex, sells like compact detached housing on separate lots



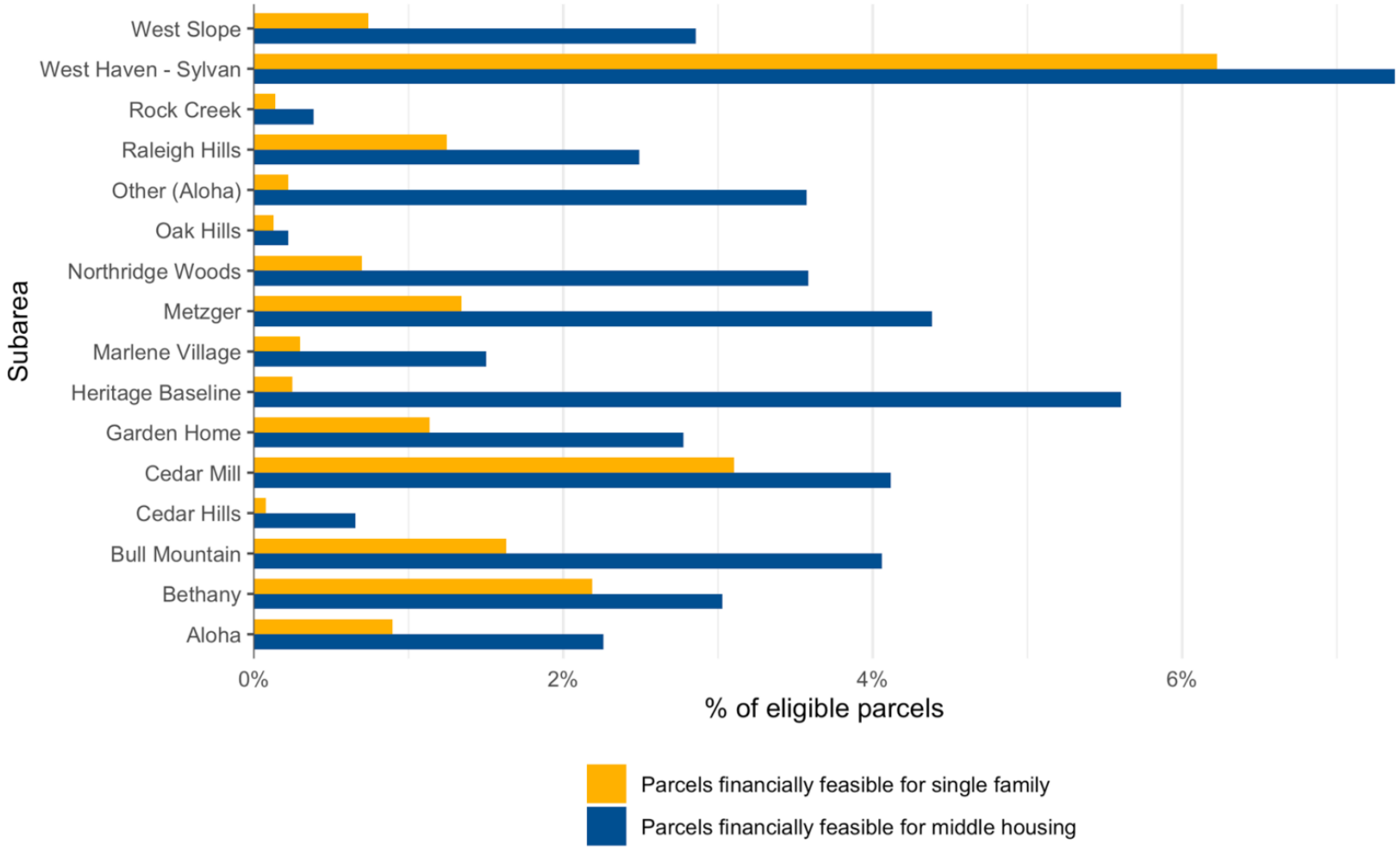


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Other Estimates of Middle Housing Production or Capacity

Washington County Middle Housing Analysis

- ~3% of parcels estimated feasible for redevelopment overall in urban unincorporated areas
- Didn't account for detached plexes or middle housing land division
- Didn't account for CC&Rs

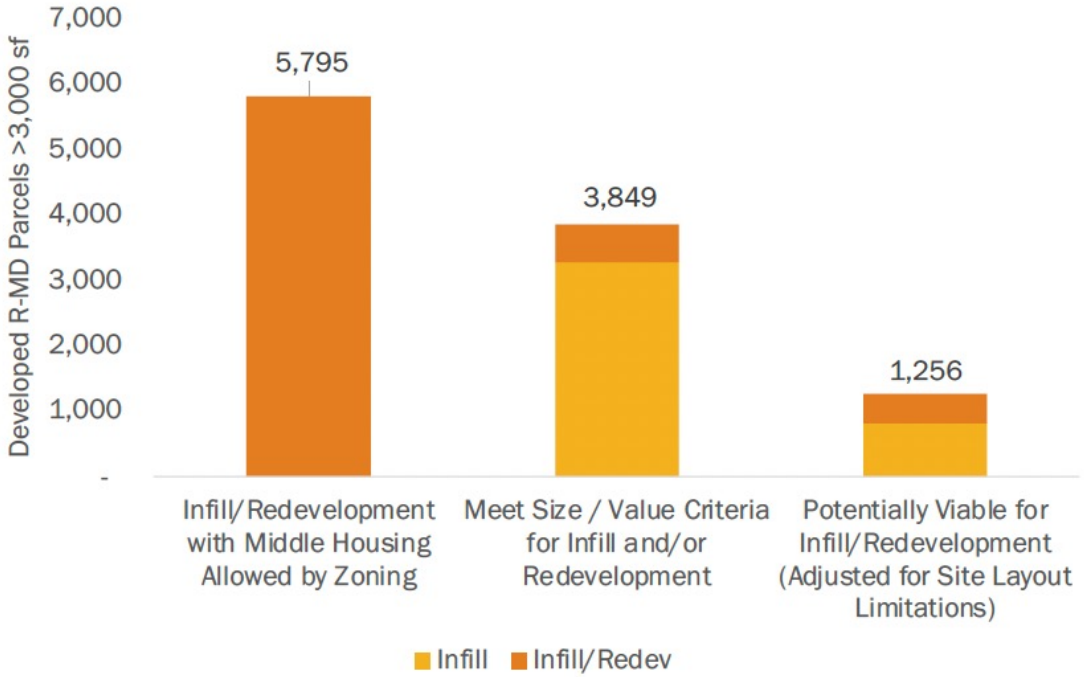


Source: Washington County House Bill 2001 Implementation Economic Analysis and Market Research Findings and Recommendations (ECONorthwest, 2021)

Milwaukie analysis of middle housing infill/redevelopment potential

- ~8% of parcels likely feasible for redevelopment
- Another ~14% may have infill potential (retaining existing structure)
- Accounts for detached plexes & middle housing land division
- Relatively large lots, but many long and narrow

Exhibit 2: Parcels with Infill/Redevelopment Potential based on Zoning, Property Size and Value, and Typical Site Layout Limitations
Source: ECONorthwest



Note: Does not account for all site-specific factors, including property condition, need for infrastructure improvements, localized market factors, and property owner preferences.

Source: Analysis of Middle Housing Infill and Redevelopment Potential in Milwaukie, Oregon (ECONorthwest, 2022)

Portland Corner Lot Duplexes

- ~3.4% of lots converted overall from 1991-2020
- Land division generally not permitted – condo or rental only

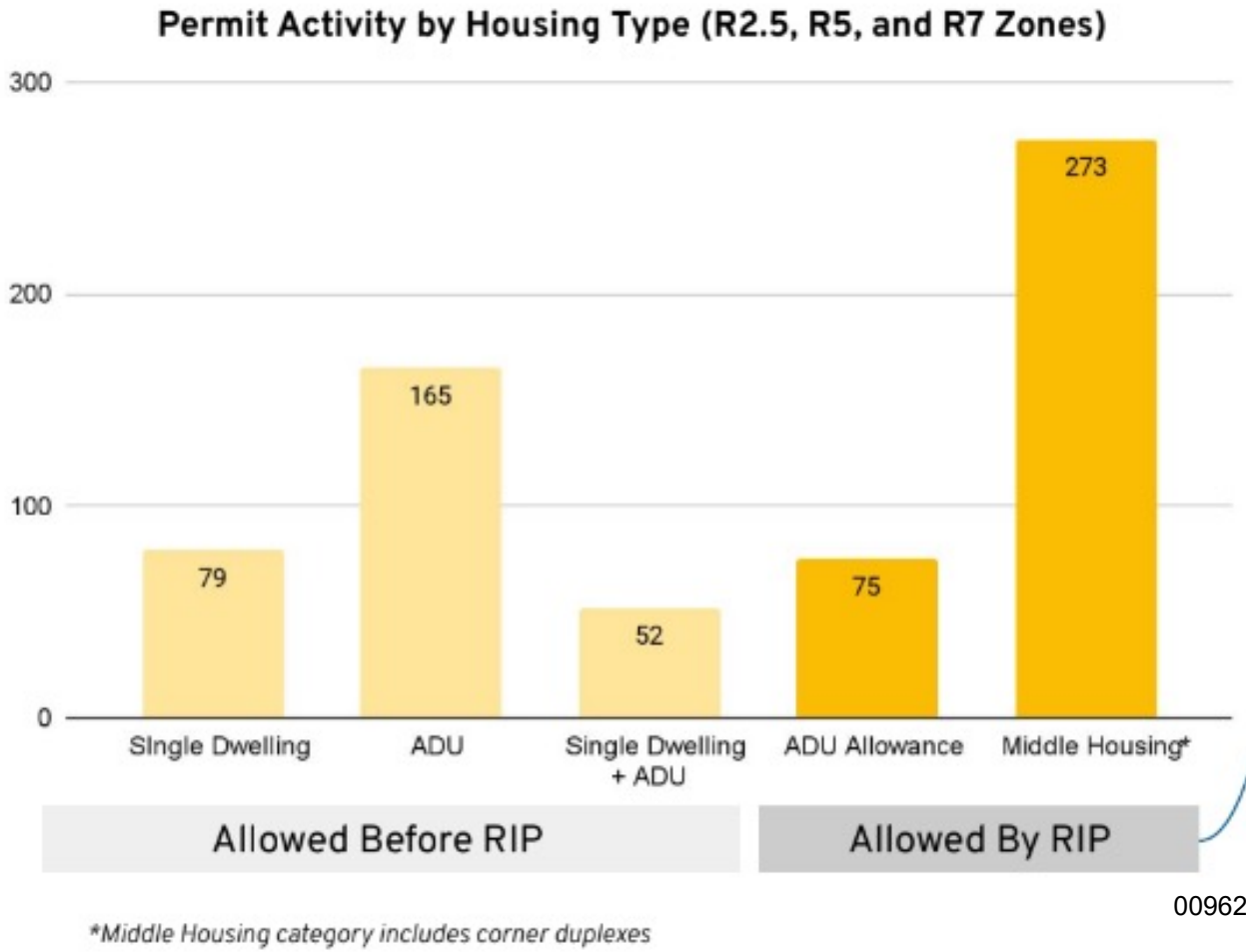
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Source: City of Portland Residential Infill Project Findings

City of Portland Permit applications in R7, R5, R2.5 zones

Data reflects permits for development under Residential Infill Project Part 1 rules through July 2022

Permit Activity Overview

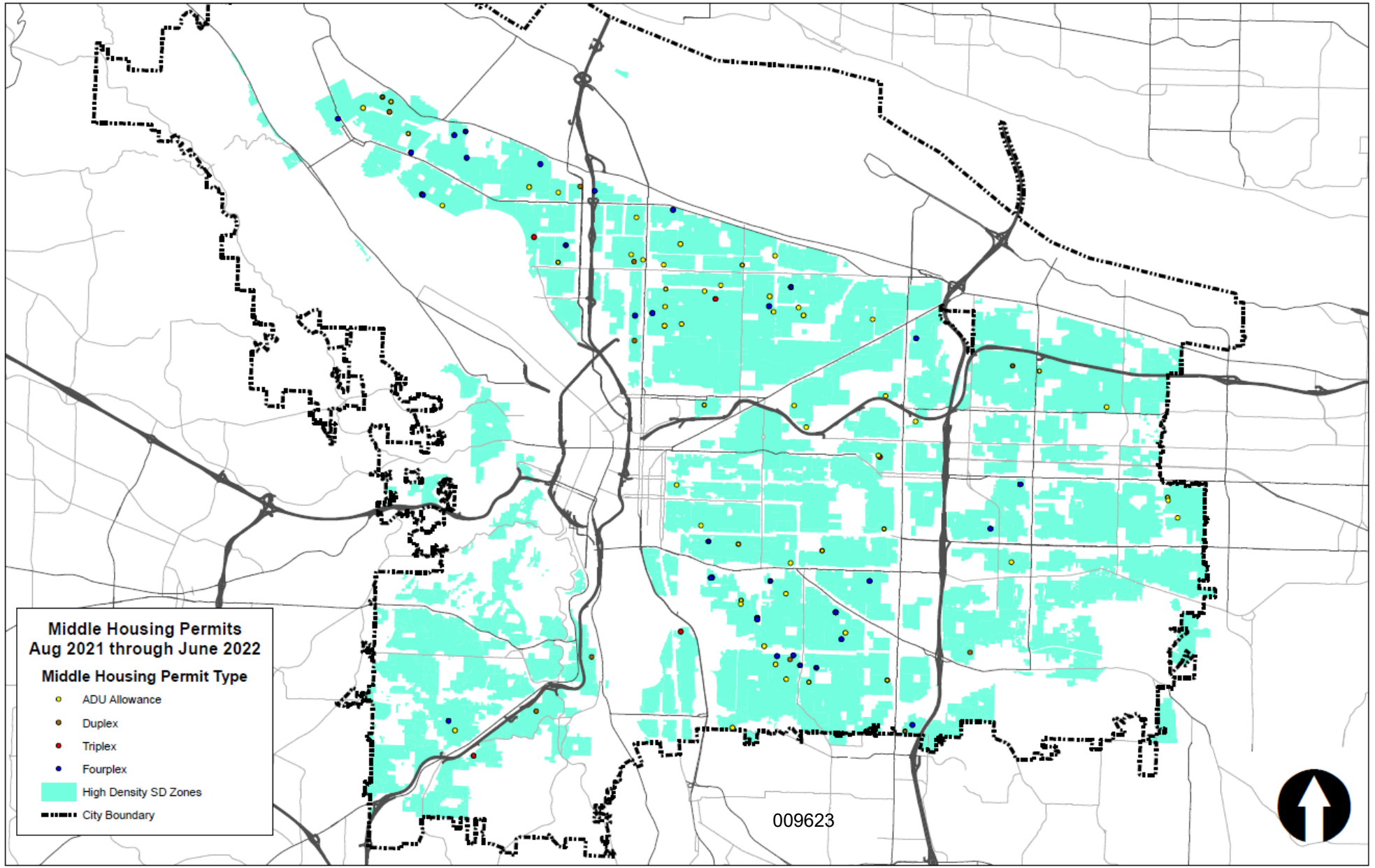




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Source: City of Portland

Locations of Portland Middle Housing Permits



Data reflects permits for development under Residential Infill Project Part 1 rules through July 2022

Source: City of Portland

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  - Increase sales volume
- How much middle housing to expect?
  - ECONorthwest estimate for Hillsboro:
    - ~50-50 split between middle housing and single family housing on vacant low- and medium-density residential land (multifamily not allowed / lower density than middle housing)
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Estimated Pricing for Middle Housing

Middle Housing Pricing & Rents

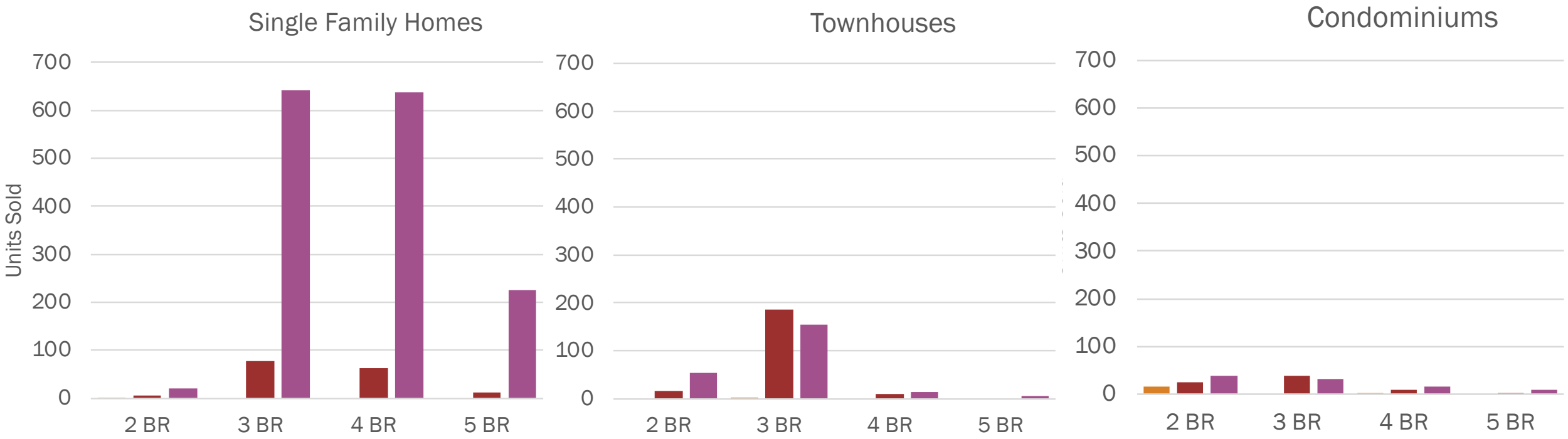
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    - Small multifamily development, townhouses, and compact detached housing can offer a proxy

New For-Sale Housing Affordability by Housing Type

Affordability of Market Sales Prices
(adjusted by unit size, approximate)

- 80-100% AMI
- 100-120% AMI
- >120% AMI

New housing tends to be expensive
Many households willing to pay a premium for detached housing
Attached housing may offer a lower price



Source: ECONorthwest analysis using sales transaction data from RLIS and Redfin. Affordability based on rent limits by unit type, 2022 Median Family Income for Portland MSA, estimated utility allowances, property tax and insurance costs, and HOA dues; lending assumptions: 30-year fixed-rate mortgage at 6.5% with 20% down payment.

New Middle Housing/Small MF Pricing Examples: For Rent

Duplex, Oregon City

Unit Type	Monthly Rent	Affordability Range**
2BR/2BA	$1,800-$2,000	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Oregon-City/931-Prospect-St-97045/home/25975694

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New Middle Housing/Small MF Pricing Examples: For Rent

Duplex, Portland

Unit Type	Monthly Rent	Affordability Range**
2BR/2BA	$2,500	100-120% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/3315-NE-Rodney-Ave-97212/home/178741994

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New Middle Housing/Small MF Pricing Examples: For Rent

Triplex, Oregon City

Unit Type	Monthly Rent	Affordability Range**
2BR/1BA	$1,800	60-80% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Oregon-City/305-Myrtle-St-97045/home/144915280

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New Middle Housing/Small MF Pricing Examples: For Rent

Triplex, Portland

Unit Type	Monthly Rent	Affordability Range**
1BR/1BA	$1,650	80-100% AMI
2BR/2BA	$2,250-$2,450	100-120% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Unknown/10893-Sw-Annand-Hill-Ct-Unknown/home/178478507

New Middle Housing/Small MF Pricing Examples: For Rent

Fourplex, Portland

Unit Type	Monthly Rent	Affordability Range**
3BR/2BA	$1,995	60-80% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/3890-SE-27th-Ave-97202/home/26361220

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New Middle Housing/Small MF Pricing Examples: For Rent

Fourplex, Portland

Unit Type	Monthly Rent	Affordability Range**
2BR/2BA	$2,195	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/5012-SE-38th-Ave-97202/home/49692883

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New Middle Housing/Small MF Pricing Examples: For Rent

5-plex*, Portland

Unit Type	Monthly Rent	Affordability Range**
1BR/1BA	$1,500	60-80% AMI
2BR/1BA	$1,875	80-100% AMI
4BR/2BA	$2,800-$3,000	80-100% AMI



* A 5-plex does not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/2015-NE-47th-Ave-97213/home/26626765

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New Middle Housing/Small MF Pricing Examples: For Rent

6-plex*, Portland

Unit Type	Monthly Rent	Affordability Range**
1BR/1BA	$1,275-$1,375	60-80% AMI
2BR/1BA	$1,895-$1,945	80-100% AMI

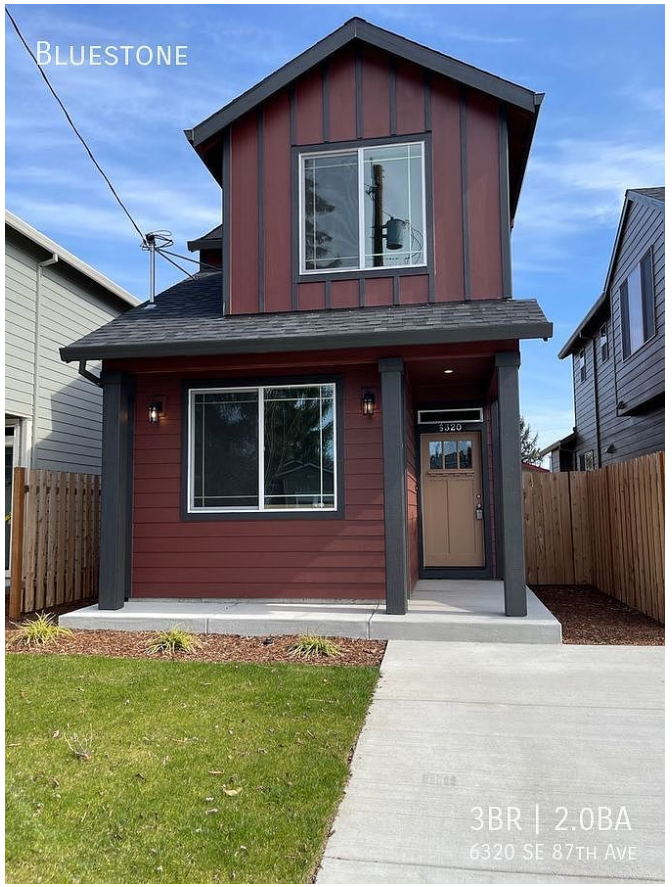


* A 6-plex does not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.redfin.com/OR/Portland/6833-N-Montana-Ave-97217/home/49687255

New Middle Housing/Small MF Pricing Examples: For Rent

Compact Detached, Portland

Unit Type	Monthly Rent	Affordability Range**
3BR/2BA	$2,575	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.zillow.com/homedetails/6320-SE-87th-Ave-Portland-OR-97266/338590778_zpid/?mmlb=g,0

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New Middle Housing/Small MF Pricing Examples: For Rent

Compact Detached, Beaverton

Unit Type	Monthly Rent	Affordability Range**
4BD/2.5BA	$2,900	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
Source: https://www.zillow.com/homedetails/2161-NW-163rd-Ter-Beaverton-OR-97006/123906650_zpid/?mmlb=g,0

New Middle Housing/Small MF Pricing Examples: For Sale

Triplex, Beaverton (within larger development)

Unit Type	Sale Price	Affordability Range**
5BR/3.5BA	$582,990***	>120% AMI



* The development may not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
*** This property is currently listed for sale and may not ultimately sell for this price.
Source: https://www.redfin.com/OR/Beaverton/12935-SW-Tabor-TER-97007/home/185213934#property-details

009638

New Middle Housing/Small MF Pricing Examples: For Sale

Fourplex, Portland

Unit Type	Sale Price	Affordability Range**
1BR/1BA	$249,900***	80-100% AMI



** Adjusted for unit size and estimated utility allowances, approximate.
*** This property is currently listed for sale and may not ultimately sell for this price.
Source: https://www.redfin.com/OR/Portland/7360-N-Atlantic-Ave-97217/unit-3/home/185141443

New Middle Housing/Small MF Pricing Examples: For Sale

6-plex*, Portland

Unit Type	Sale Price	Affordability Range**
2BR/1BA	$365,000***	100-120% AMI



* A 6-plex does not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
*** This property is currently listed for sale and may not ultimately sell for this price.
Source: https://www.redfin.com/OR/Portland/5025-N-Minnesota-Ave-97217/unit-102/home/185246763

009640

New Middle Housing/Small MF Pricing Examples: For Sale

Small multiplex, Portland

Unit Type	Sale Price	Affordability Range**
2BR/1BA	$389,900***	100-120% AMI



* The development may not meet the state definition of middle housing, but is a good proxy for this scale and type of development.
** Adjusted for unit size and estimated utility allowances, approximate.
*** This property is currently listed for sale and may not ultimately sell for this price.
Source: https://www.redfin.com/OR/Portland/7517-N-Clarendon-Ave-97203/unit-3/home/185237948

009641

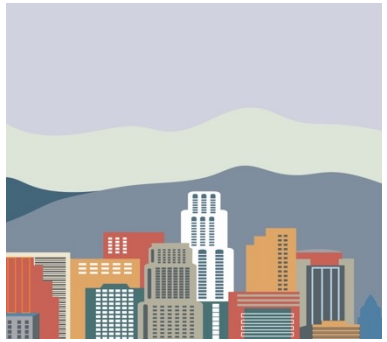
Take-aways

Take-Aways

- Middle housing broadly allowed in existing and new neighborhoods ~20-30 du/ac
- Many jurisdictions go beyond minimum requirements
- Many allow housing types that resemble single-unit detached
- Prior analysis suggests substantial middle housing development potential:
  - 1-10% of existing homes may be financially feasible to redevelopment middle housing, and others may allow for infill while retaining the existing unit
  - 25-50% of housing on vacant land in low-density residential areas could develop as middle housing
- New middle housing likely affordable at 80-120% of AMI in many cases (except large luxury units)
- Markets in transition (moderate value existing homes, but growing demand for housing) may have greatest potential for infill/redevelopment

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600 NE Grand Ave.
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oregonmetro.gov

METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes

March 22, 2023

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon (Chair)	City of Gresham, Second Largest City in Multnomah County
Ed Gronke	Citizen of Clackamas County
Gerritt Rosenthal	Metro Council
Alex Howard	Port of Portland
Mary Nolan	Metro Council
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Mark Shull	Clackamas County
Sherry French	Special Districts in Clackamas County
Nadia Hasan	City of Beaverton, Second Largest City in Washington County
Kirstin Greene	Oregon Department of Land Conservation and Development
Luis Nava	Citizen of Washington County
Tim Rosener	Other Cities in Washington County
Glen Yung	Clark County
Omar Qutub	Citizen of Multnomah County
Denyse McGriff	Second Largest City in Clackamas County

MEMBERS EXCUSED	AFFILIATION
Kim Harless	City of Vancouver
Gordon Hovies	Special Districts in Washington County
Sharon Meieran	Multnomah County
Ted Wheeler	City of Portland
Brian Cooper	City of Fairview, Other Cities in Multnomah County
Brian Hodson	City of Canby, City in Clackamas County outside UGB
James Fage	City of North Plains, City in Washington County outside UGB
Susan Greenberg	Beaverton School Board, Governing Body of a School District
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Duncan Hwang	Metro Council
Terri Preeg Rigsby	Special Districts in Multnomah County
Pam Treece	Washington County
Thomas Kim	TriMet
Carmen Rubio	City of Portland
Steve Callaway	Largest City in Washington County

ALTERNATES PRESENT	AFFILIATION
Anthony Martin	Largest City in Washington County
Rebecca Stavenjord	Other Cities in Clackamas County
Nafisa Fai	Washington County
Donnie Oliveira	City of Portland
Elizabeth Amira Streeter	Citizen of Multnomah County
Laura Kelly	Oregon Department of Land Conservation and Development

OTHERS PRESENT: Cynthia Castro, Becky Hewitt, Sandy Glantz, Christina Ghan, Kendy Schwing, Dr. Smart Ocholi, Sarah Paulus, Debbie, Megan McKibben, Brenda Bartlett, Anna Slatinsky, Tom Armstrong, Colin Cooper, Schuyler Warren, Chris Deffebach, Laurie Petrie

STAFF: Carrie MacLaren, Nui Bezaire, Jaye Cromwell, Liam Frost, Emily Lieb, Malu Wilkinson, Ted Reid, Patricia Rojas, Ash Elverfeld, Paul Slyman, Roger Alfred, Laura Combs, Jeff Kain

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Chair Vince Jones-Dixon (he/him) called the hybrid Zoom meeting to order at 5:00 PM.

Metro Staff Jeff Kain (he/him) called the role.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

No members of the public chose to provide testimony on agenda items.

3. COUNCIL UPDATE

Metro Councilor Gerritt Rosenthal (he/him) began by reading out the 2022 Compliance Report.

Councilor Rosenthal then spoke to the Portland Expo Center project. He remarked that staff has taken the direction of preserving the cultural and historical significance of Hall A, which was used as an internment zone for Japanese-Americans in the mid-20th century as well as housing Portland residents after the Vanport Flood. The Councilor stated that the other halls of the Expo Center are being redeveloped to expand the presence of amateur sports.

Councilor Rosenthal commented that the Oregon Zoo has completed its ten-year plan and is moving into its next phase of planning.

Lastly, the Councilor remarked that Metro's Investment and Innovation Capital Grant review process has begun.

4. COMMITTEE MEMBER COMMUNICATIONS

No members of the committee provided updates.

5. CONSENT AGENDA

5.1 Consideration of the January 25th, 2023 MPAC Minutes
5.2 Consideration of the February 22nd, 2023 MPAC Minutes

MOTION: City of Oregon City Mayor Denyse McGriff moved to approve the consent agenda. City of Happy Valley Councilor Brett Sherman seconded.

ACTION: With all in favor, the appointment was adopted.

6. INFORMATION/DISCUSSION ITEMS

6.1 Update on SHS and AHB Reports

Chair Jones-Dixon introduced Metro Staff Emily Lieb, Liam Frost, and Nui Bezaire, as well as City of Portland Staff Cynthia Castro.

Key elements of the presentation and member discussion included:

The presentation began with Bezaire telling the stories of three people in the Metro region who have recently fallen into homelessness. Bezaire then shifted to analyzing how the implementation of Metro's Supportive Housing Services (SHS) program has compared to its projected targets, with metrics on permanent supportive housing placements, rapid rehousing placements, eviction and homelessness prevention, and shelter units. Frost provided an update on the Tri County Planning Body, a regional planning group composed of local leaders and experts that serves to create a guiding direction for housing development across the metropolitan area. Lieb spoke to the progress of Metro's Affordable Housing Bond (AHB) program, displaying the project's current pace towards benchmark goals as well as detailing the project's locations and available units.

City of Sherwood Mayor Tim Rosener spoke to rising renting costs in Sherwood and the continued threat of displacement for families. He questioned if the SHS's rental assistance voucher system requires individuals to have received an eviction notice before being able to enroll in the program.

Frost began by explaining that this program is primarily targeted to serve individuals who have experienced chronic homelessness, although he noted that 25% of the funds are directed towards cases of episodic homelessness. Bezaire clarified that this program can still serve those facing eviction, and that an eviction notice is not a requirement for service within the SHS. She noted that this qualification may have been established by the county to create tiers of prioritization for assistance.

Mayor Rosener then asked if there is an ongoing conversation about coordinating shelter bed placement regionally rather than at the city level.

Bezaire remarked that there is SHS funding being directed to each county for expanding shelter options,

however there is no greater regional coordination with this expansion.

Washington County Commissioner Nafisa Fai thanked Metro for their partnership with the counties and the implementation of the SHS program. She provided an update on the state of homelessness in Washington County.

6.2 2024 Urban Growth Management Decision: Development Outcomes in Past UGB Expansion Areas and Urban Centers

Chair Jones-Dixon introduced Metro staff Ted Reid (he/him), as well as ECONorthwest staff Becky Hewitt.

Key elements of the presentation and member discussion included:

The presentation discussed the 2024 Urban Growth Management Decision, a state-mandated update to the region's growth, particularly in regards to the Urban Growth Boundary (UGB). Hewitt overviewed the development readiness of areas within the UGB expansion area, focusing on highlighting the circumstances under which housing and employment land development stalls. Graphics displayed that housing production in UGB expansions has lagged significantly behind projections, with Hewitt proposing that the key factors influencing this lag being parcel size and developability, market alignment, infrastructure, and governance. The presentation concluded with staff recommending that Metro focuses on tailoring the UGB to include lands that do not have serious barriers to development and could be utilized quickly for future growth.

Mayor Rosener noted that school capacities and bonding limits may play a role in cities decisions to request UGB expansions.

City of Hillsboro Councilor Anthony Martin highlighted the importance of securing funding for expansion areas, as well as commenting that these land use decisions result in price appreciation for developers. He asked staff whether they performed location specific analyses, and if so whether they noticed any geographic trends. He then questioned how growth is being measured in satellite cities such as Canby and North Plains.

Hewitt stated that they performed individual case studies of specific regions within the UGB, although they chose not to summarize this information by jurisdiction.

Councilor Rosenthal noted that many housing developments in the Southwest have seen a rise of multi-family unit construction, asking staff if they have any understanding of why this shift towards higher density housing is occurring.

Hewitt remarked that higher density housing is being driven by a variety of factors, including policy mandates, market shifts towards apartment complexes, and changes to infrastructure funding.

6.3 Expo Futures Update

Chair Jones-Dixon introduced Metro Staff Paul Slyman (he/him) and Giyen Kim (she/her).

Key elements of the presentation and member discussion included:

The presentation detailed the history of the Expo Future project before overviewing the Request for Expressions of Interest process and Metro's updated vision for the Expo Center. A market and feasibility study conducted in 2014 concluded that Expo should transition to new markets including sports, live entertainment, and highly-produced trade shows. Metro adopted to look for a public-private partnership for the center, opening for community requests on how to develop the space. The new vision for Expo involves reworking Hall A, which was used as an internment center during the Japanese-American internment throughout the 1940's, to be a culturally significant site dedicated to memorial and preserving historic relevance. As for the rest of the halls, Metro has chosen to retain Expo as a community center, while building out its capacity to hold sporting events and gatherings, a decision made due to Oregon's thriving sports industry.

Councilor Martin questioned if there is any alignment between the development of the Expo Center and the building of the new Hillsboro Hops stadium.

Slyman stated that the new vision for Expo will serve to support the broader sports industry in the Metro region as a whole.

City of Beaverton Councilor Nadia Hasan commented that there should be a focus on making sports accessible to all.

Councilor Martin questioned how resiliency and sustainability is being considered in the project's development.

Slyman noted that Metro's sustainability policies would be applied to any new development added to the center. As for resiliency, he remarked that they are following the levy project and are working with the team to ensure sufficient stability.

7. ADJOURN

Chair Jones-Dixon adjourned the meeting at 6:52 PM.

Respectfully Submitted,

Jeff Kain

Jeffrey Kain
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF March 22, 2023

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
6.1	Presentation	03/22/2023	Metro Housing Update Presentation	032223m-01
6.2	Presentation	03/22/2023	Metro Development Readiness Assessment Presentation	032223m-02
6.3	Presentation	03/22/2023	Metro's Vision for the Future of the Expo Center Presentation	032223m-03

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, March 22, 2023 **5:00 PM** **Metro Regional Center Council Chamber, https://youtube.com/live/J1DGaUB6QQk?feature=share, https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00 PM)

This meeting will be held electronically and in person at the Metro Regional Center Council Chamber. You can join the meeting on your computer or other device by using this link: https://youtube.com/live/J1DGaUB6QQk?feature=share, https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633).

If you wish to attend the meeting, but do not have the ability to attend by phone or computer, please contact the Legislative Coordinator at least 24 hours before the noticed meeting time by phone at 503-813-7591 or email at legislativecoordinator@oregonmetro.gov.

2. Public Communication on Agenda Items (5:05 PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.
Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you
wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov. Those requesting to comment during the meeting can do so by using the “Raise Hand” feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update

3.1 Urban Growth Management Functional Plan Annual Compliance Report - 2022 — COM 22-0674
Attachments: 2022 Compliance Report.pdf

4. Committee Member Communication (5:10 PM)

5. Consent Agenda

5.1 Consideration of the January 25th, 2023 MPAC Minutes — COM 23-0675

Attachments: 012523 MPAC Minutes

5.2 Consideration of the February 22th, 2023 MPAC Minutes — COM 23-0676

Attachments: 022223 MPAC Minutes

6. Information/Discussion Items (5:15 PM)

6.1 Update on SHS and AHB reports — COM 23-0668

Presenter(s): Emily Lieb, Metro
Liam Frost, Metro
Nui Bezaire, Metro

Attachments: MPAC Worksheet

6.2 2024 urban growth management decision: development outcomes in past UGB expansion areas and urban centers — COM 23-0670

Presenter(s): Ted Reid (he/him), Metro
Becky Hewitt, ECONorthwest

Attachments: MPAC Worksheet

6.3 Expo Futures update — COM 23-0671

Presenter(s): Paul Slyman (he/him), Metro
Giyen Kim (she/her), Metro

Attachments: MPAC Worksheet

7. Adjourn (7:00 PM)

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

6.2 2024 Urban Growth Management Decision: Development Outcomes in Past UGB Expansion Areas and Urban Centers

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, March 22nd, 2023

MPAC Worksheet

Agenda Item Title: 2024 Urban Growth Management Decision: development outcomes in urban centers and past urban growth boundary expansion areas

Presenters: Ted Reid (Metro Planning, Development and Research); Becky Hewitt (ECONorthwest)

Contact for this worksheet/presentation: Ted Reid ted.reid@oregonmetro.gov

Purpose/Objective
The purpose of this item is to begin MPAC's engagement in growth management topics so that it is prepared to advise the Metro Council in the late 2024.

Outcome
MPAC becomes more familiar with development outcomes in past urban growth boundary (UGB) expansion areas and in urban centers. MPAC will also gain familiarity with the most common obstacles to producing housing and jobs inside the UGB and the need for a focus on readiness.

What has changed since MPAC last considered this issue/item?
MPAC discussed the work program for the 2024 Urban Growth Management Decision at its February 22, 2023 meeting. This is the first in a series of growth management discussions that MPAC will have over the next year and a half.

What packet material do you plan to include?
None. A PowerPoint will be made available after the meeting.

Materials following this page were distributed at the meeting.

Metro Development Readiness Assessment

Metro Policy Advisory Committee

Becky Hewitt, Project Director

March 22, 2023

ECONorthwest

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009657

Introductions / Agenda

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Today's Agenda

- Overview of the Project
- Overview of Development Readiness Analysis
  - Past Urban Growth Boundary Expansion Areas
  - Metro Town Centers & Corridors
- Q&A

Metro Residential Readiness Project

Research and analysis to guide Metro's 2024 Urban Growth Management Decision

Updates to development capacity / supply model



Development Readiness



Population & Development Trends



Housing Filtering & Market Functions



Gentrification & Displacement Risk



Office-to-Residential Conversion Potential



Middle Housing Potential



Existing Housing Needs

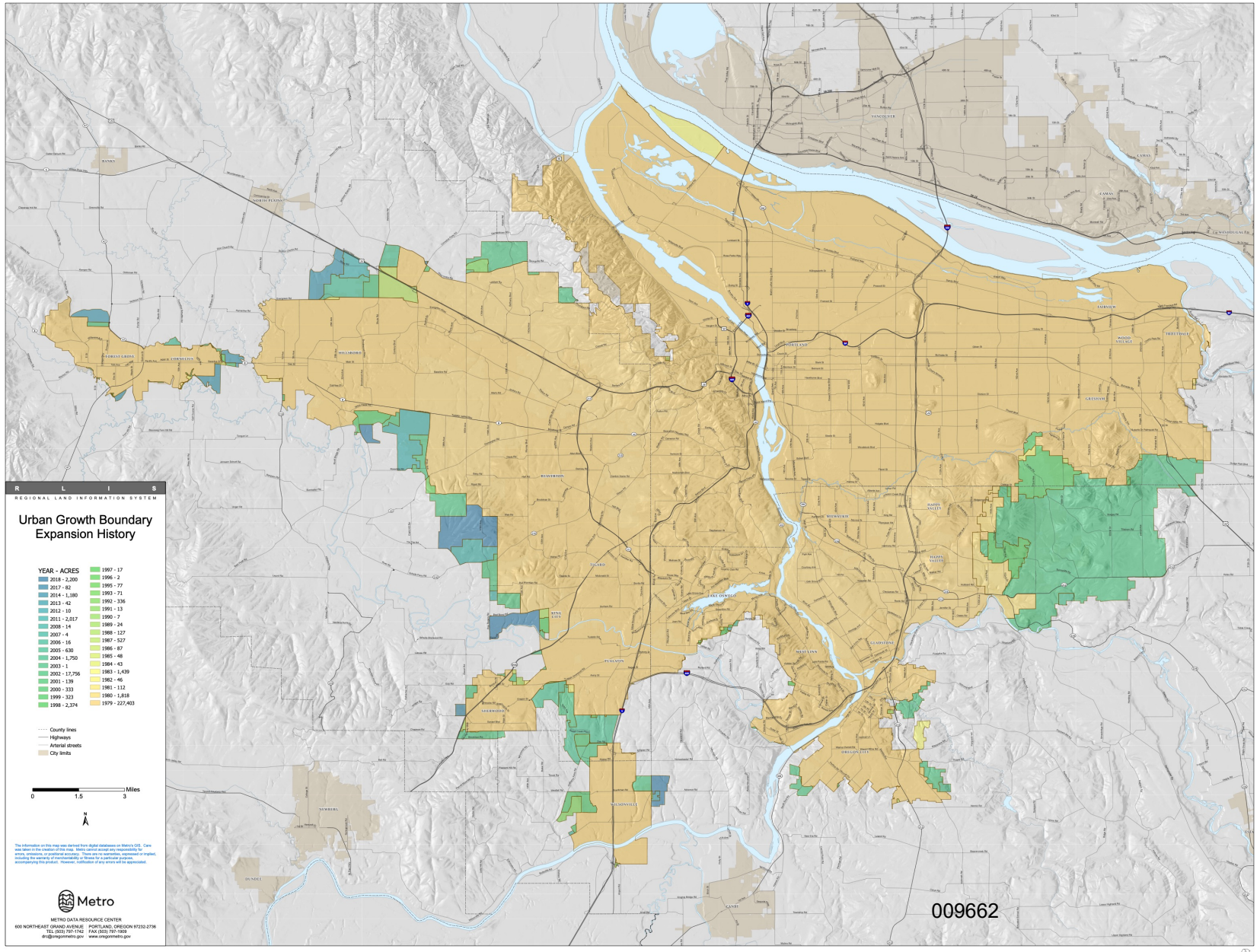
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Development Readiness Analysis

- Goal is to illuminate the circumstances under which housing and employment land development has or hasn't happened in past UGB expansion areas
- Identify typical barriers to mixed-use development in urban locations inside the UGB

Urban Growth Boundary Expansion Areas

Metro UGB Expansions Over the Years



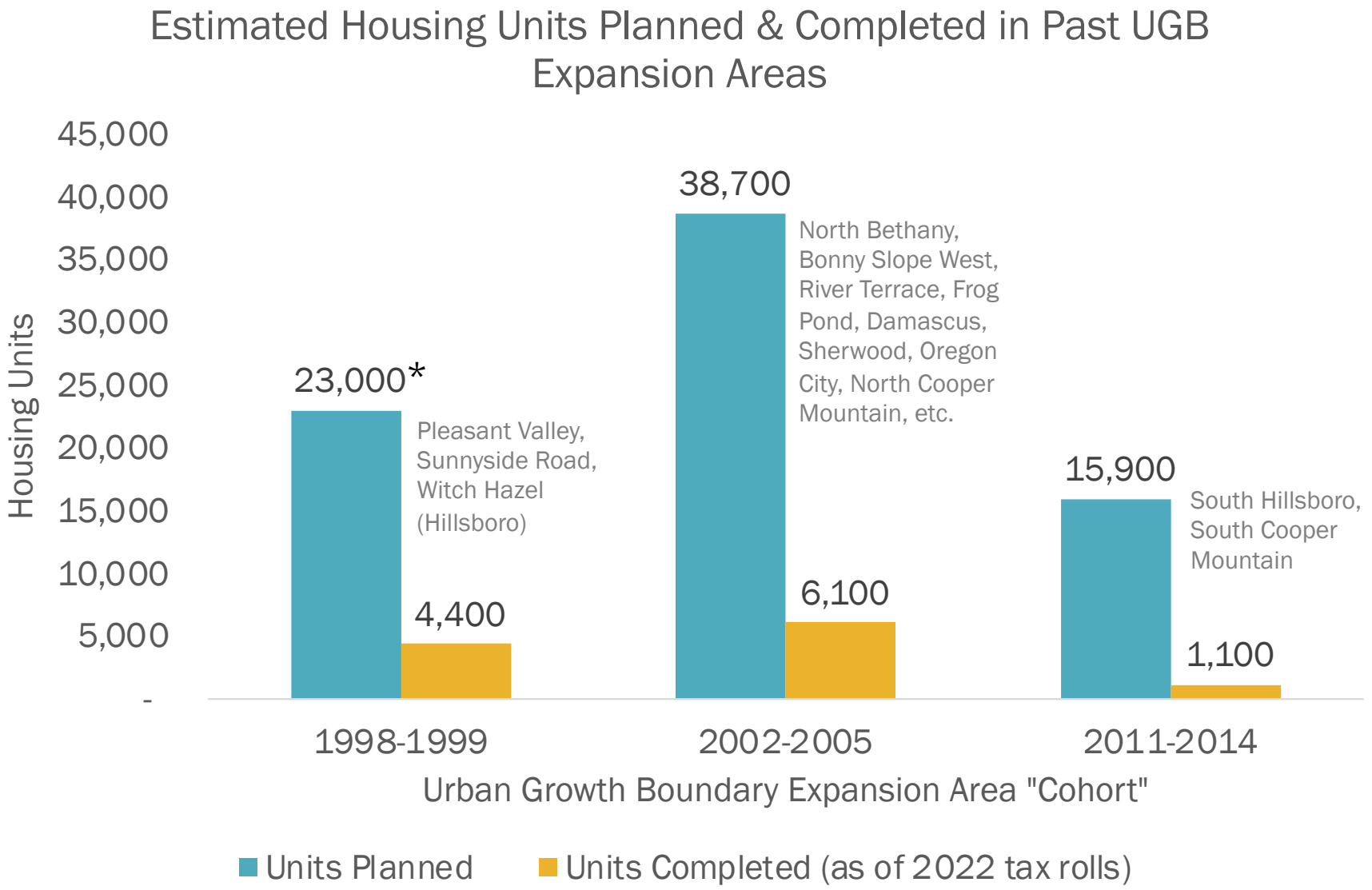
Focus on major UGB expansions in:

- 1998-1999
- 2002-2005
- 2011-2014
- 2018

"Where are they now?" approach for each "cohort"

Data sources: Metro historical UGB expansion area boundaries, tax lot data, employment data (QCEW), CoStar

Housing Production in UGB Expansions Has Lagged Targets



Sources: Units planned: Metro UGB History; Deliveries: ECONorthwest analysis of 2022 RLIS tax lot data. Note that tax lot data tends to lag construction completions, sometimes by up to a year.

* Units planned may include portions of Wilsonville's Villebois, which is not included in estimated units completed.

Take-aways: Key factors that influence development outcomes



Parcel size and developability



Market alignment



Infrastructure serviceability, costs, and funding plans



Governance & local leadership

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Key Factors: Parcel Size & Developability

What's the issue?

- Rural residential parcels are challenging:
  - Existing residents often oppose urbanization
  - Less cost-effective to consolidate and develop
  - Harder to achieve scale for master planning
  - Not well suited for employment uses
- Resource constraints can limit development potential, fragment buildable land

What's working?

- Urban reserves – less reliance on exception land
- Developers consolidating site control to allow bigger master planned developments

Key Factors: Market Alignment

What's the issue?

- Demand for housing in many areas (maybe stronger on west side)
- Commercial & employment more challenging
  - Some areas not well-suited for employment uses(e.g., not flat enough to cost-effectively develop with larger employment uses, far from major transportation facilities).
  - Commercial generally follows residential—need enough customers to support new businesses.

What's working?

- Early involvement by developers in planning for expansion areas (prior to and following UGB decisions)
- Expanding where the demand is for a given land use

Key Factors: Infrastructure

What's the issue?

- Infrastructure is a substantial expense in nearly all expansion areas
- Topography and physical conditions increase cost and difficulty of building infrastructure
- Making initial investments to enable development requires proactive support and creative funding/financing mechanisms
- Major industrial & employment development often can't front infrastructure costs

What's working?

- Early infrastructure assessment and planning (prior to and following UGB decisions)
- Bringing in areas that are easier to serve
- Proactive role by cities in establishing funding mechanisms & advancing critical early infrastructure projects
- Experienced, well-capitalized land developers who can take on bigger on-site infrastructure investments

Key Factors: Governance

What's the issue?

- Cities play a key role in advancing development
- Lack of clarity about which city is responsible creates challenges
- Pro-active planning moves the process faster

What's working?

- Updated process and requirements for City involvement in expansions
- Cities being pro-active about planning and infrastructure

Timing Considerations: UGB Expansion Areas

- Planning, adoption of development regulations, establishing a viable infrastructure funding strategy take time given need for community and stakeholder engagement
- Other steps (annexation, infrastructure programming, etc.) generally follow planning, take additional time
- Development applications usually can't proceed until other pieces are in place
- Recessions or other market disruptions can delay things further

Conclusions: UGB Expansion Areas

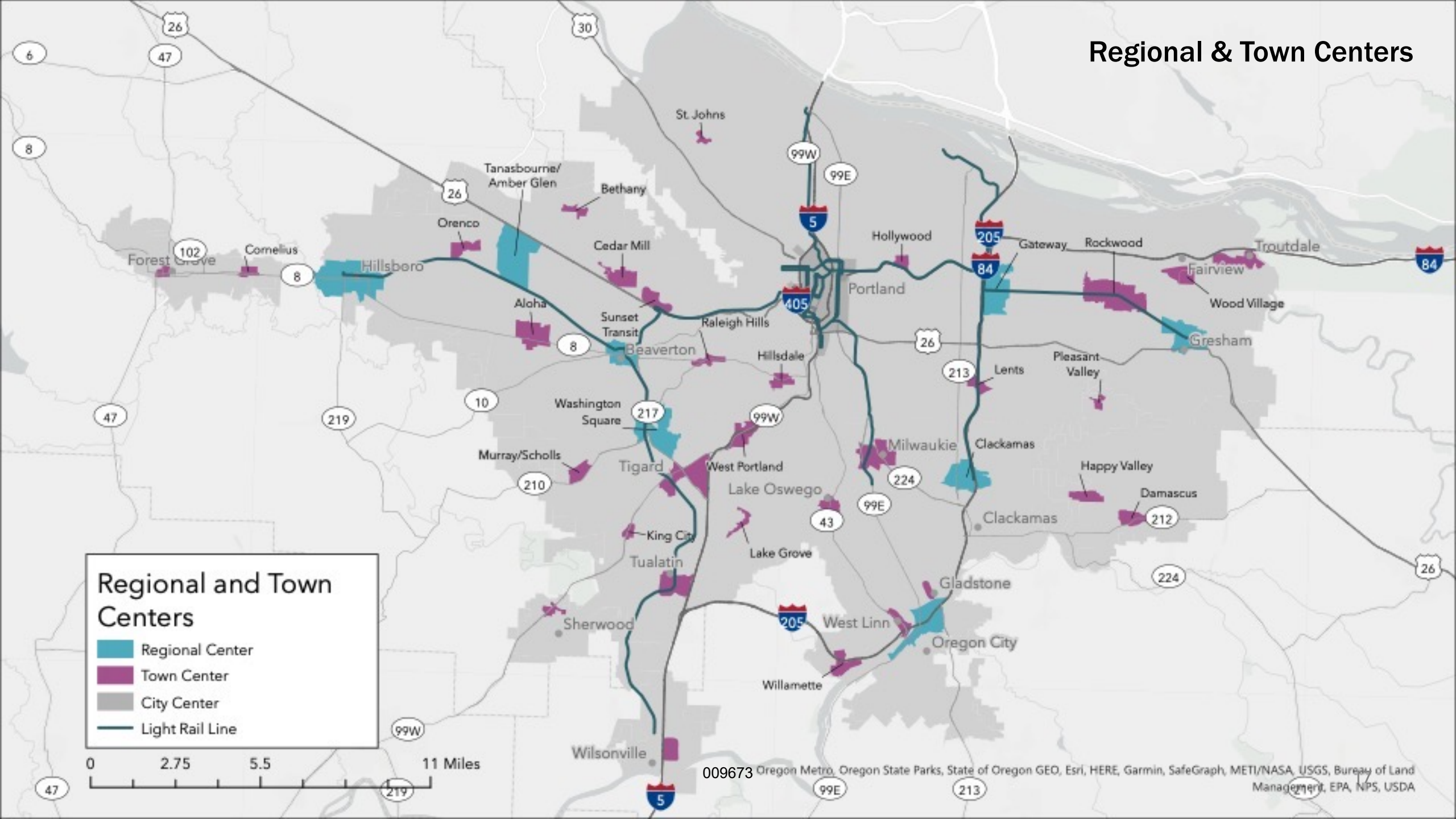
- Changes to rules and process are helping
- Developer interest and participation supports development readiness
- Pro-active City leadership can move development forward faster
- Metro can guide growth, but can't create a market where it doesn't exist or overcome topographic, ownership, or resource barriers to development

State of the 2040 Centers

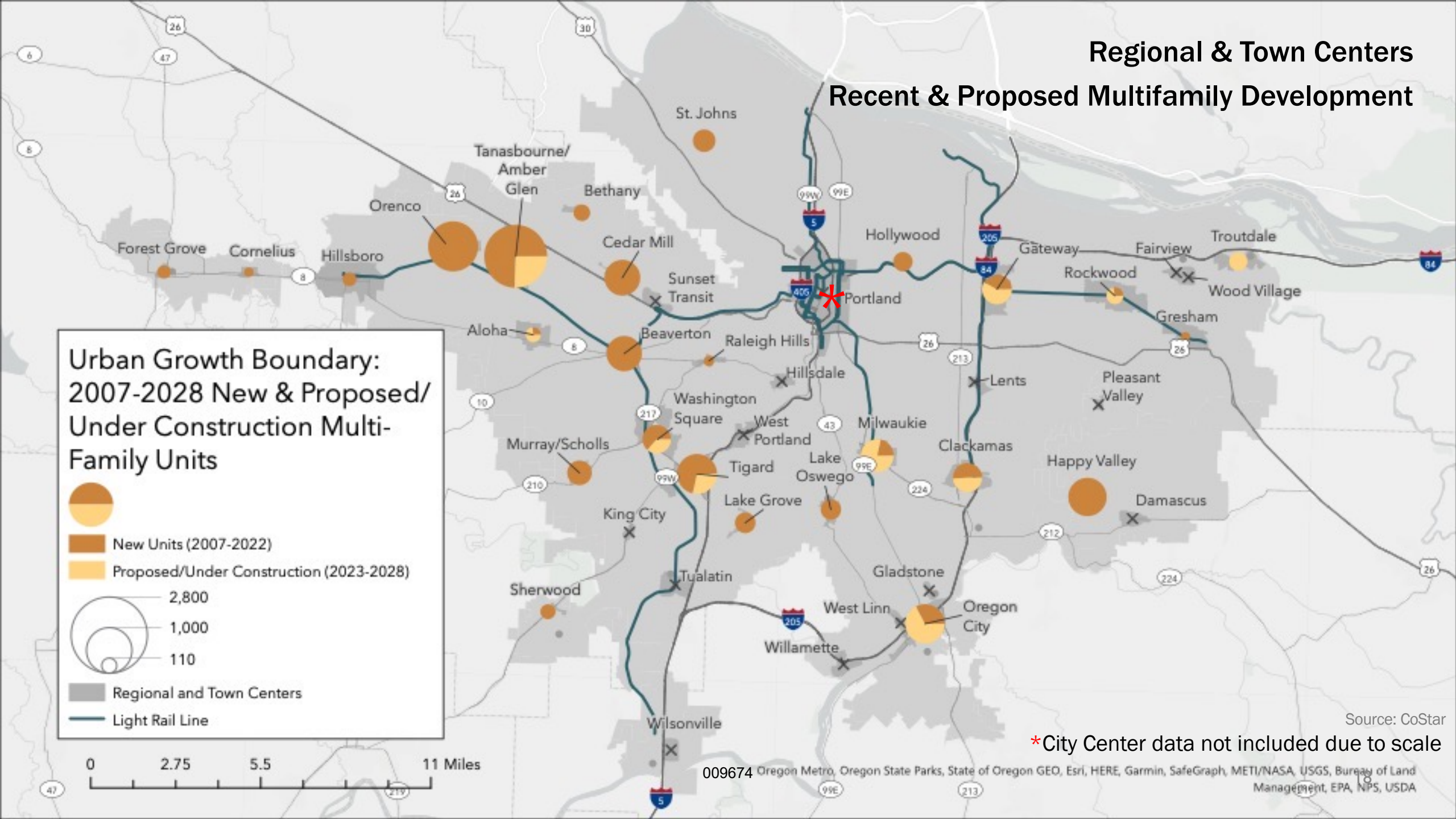
2040 Centers: Key Questions

- Residential development trends in 2040 Centers
- What are the common regulatory, procedural, and market barriers to residential development in 2040 centers?

Regional & Town Centers



Regional & Town Centers
Recent & Proposed Multifamily Development

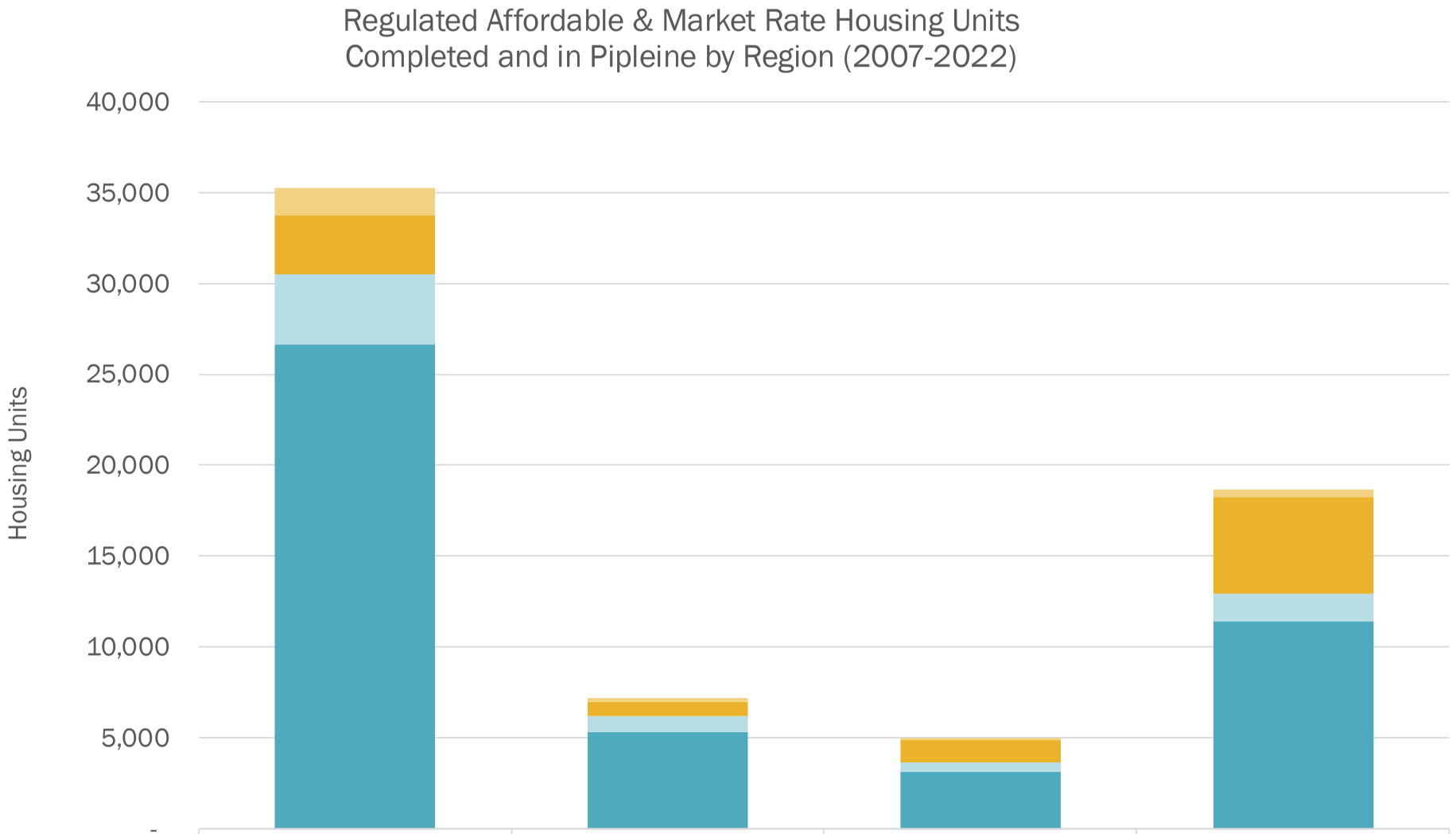


Source: CoStar

*City Center data not included due to scale

009674 Oregon Metro, Oregon State Parks, State of Oregon GEO, Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA

City Center and Other Areas



	Rest of Region	Town Center	Regional Center	Central City
Pipeline Regulated	1,485	181	144	434
Pipeline Market	3,257	793	1,238	5,344
Completed Regulated	3,868	898	515	1,502
Completed Market	26,641	5,313	3,126	11,413

Strong residential development in Central City, especially 2007-2017

Source: CoStar. May exclude some development where year built data is unavailable. Note: "Rest of Region" is all areas within the Metro UGB that are not part of a Regional Center, Town Center, or the Central City.

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2040 Regional & Town Centers: Observations

Common Barriers	What Has Helped?
Lack of amenities, older auto-oriented development pattern – need for investment in public realm	Strong public investment (e.g., TIF) Historic downtowns / walkable street networks
Older suburban development regulations (e.g., high parking & landscaping requirements, etc.)	Code updates Streamlined regulations Reduced parking requirements
Rents too low to support vertical mixed-use or podium development	Development incentives (e.g., VHDZ)
Market demand for parking	Light rail, on-street parking

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Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

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

Date/time: Wednesday March 15, 2023 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video conference call meeting via Zoom

Members Attending	**Affiliate**
Eryn Kehe, Chair	Metro
Erik Olson	Largest City in Clackamas County: Lake Oswego
Aquilla Hurd-Ravich	Second Largest City in Clackamas County: Oregon City
Anna Slatinsky	Second Largest City in Washington County; Beaverton
Laura Terway	Clackamas County: Other Cities, City of Happy Valley
Katherine Kelly	City of Vancouver
Jamie Stasny	Clackamas County
Adam Barber	Multnomah County
Chris Deffebach	Washington County
Gary Albrecht	Clark County
Neelam Dorman	Oregon Department of Transportation
Laura Kelly	Department Land Conservation and Development
Manuel Contreras, Jr.	Clackamas Water Environmental Services
Gery Keck	Tualatin Hills Park & Recreation District
Bret Marchant	Greater Portland, Inc.
Nora Apter	Oregon Environmental Council
Rachel Loftin	Community Partners for Affordable Housing
Erik Cole	Schnitzer Properties & Revitalize Portland Coalition
Mike O'Brien	Mayer/Reed, Inc.
Andrea Hamberg	Multnomah County Public Health & Urban Forum

Alternate Members Attending	**Affiliate**
Mary Phillips	Largest City in Multnomah County: Gresham
Dan Rutzick	Largest City in Washington County: Hillsboro
David Berniker	Multnomah County: Other Cities, City of Troutdale
Miranda Bateschell	Washington County: Other Cities, City of Wilsonville
Theresa Cherniak	Washington County
Raihana Ansary	Portland General Electric
Fiona Lyon	TriMet
Aaron Golub	Portland State University
Craig Sheahan	David Evans & Associates, Inc.
Brendon Haggerty	Public Health & Urban Forum, Multnomah Co.
Ryan Ames	Public Health & Urban Forum, Washington Co.

Guests Attending	**Affiliate**
Becky Hewitt	ECONorthwest
Cassera Phipps	Clean Water Services
Chris Faulker	Clean Water Services
Jessica Pelz	Washington County

Guests Attending	Affiliate
Ken Rencher	Washington County
Marc Farrar	Metropolitan Land Group
Max Nonnamaker	Multnomah County
Schuyler Warren	City of Tigard

Metro Staff Attending
Ally Holmqvist, Andrea Pastor, Clint Chiavarini, Daniel Audelo, David Tetrick, Kadin Mangalik, Kim Ellis, Lake McTighe, Laura Combs, Liam Frost, Marie Miller, Matt Bihn, Matthew Hampton, Ted Reid, Thaya Patton, Tom Kloster

Call to Order, Quorum Declaration and Introductions
Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. Zoom logistics and meeting features were reviewed for online raised hands, renaming yourself, finding attendees and participants, and chat area for messaging and sharing links.

Comments from the Chair and Committee Members

- **Updates from committee members around the Region** (all) none

Public Communications on Agenda Items Max Nonnamaker announced during public health week Multnomah County was holding a networking event on April 6 for professionals and students focused on health and the environment. His email was shared in chat for questions and interest.

Consideration of MTAC minutes January 18, 2023 meeting
Approval of the January 18, 2023 MTAC meeting minutes was given by the committee by majority vote with no corrections. One abstention: Mary Phillips.

2024 Urban Growth Management Decisions: development outcomes in urban centers and past Urban Growth Boundary (UGB) expansion areas (Ted Reid, Metro/ Becky Hewitt, ECONorthwest) Ted Reid provided background and overview of the presentation. As it prepares data focused on land readiness for building and jobs, the consultation team is looking at development outcomes in the urban growth boundary expansion areas and urban centers.

Becky Hewitt reviewed the factors with the Metro Residential Readiness Project that were researched and analyzed to guide Metro's 2024 Urban Growth Management Decision, and update development capacity and supply model. The goal is to illuminate the circumstances under which housing and employment land development has or hasn't happened in past UGB expansion areas and identify typical barriers to mixed-use development in urban locations inside the UGB Development Readiness Analysis.

Major urban expansions over past years were reviewed. The estimated housing units planned and completed lags substantially behind, noting tax lot data tend to lag construction completions. Key factors that influence development outcomes were described in detail per 'What's the issue' and 'What's working'. These factors included parcel size and developability, market alignment, infrastructure serviceability, costs, and funding plans, and governance and local leadership. Timing considerations with UGB expansion areas were reviewed.

Conclusions from this analysis included:
• Changes to rules and process are helping
• Developer interest and participation supports development readiness
• Pro-active City leadership can move development forward faster
• Metro can guide growth, but can't create a market where it doesn't exist or overcome topographic, ownership, or resource barriers to development

Development outcomes in 2040 centers looked at residential development trends in 2040 Centers and the common regulatory, procedural, and market barriers to residential development in 2040 centers. Common barriers observed with what has helped in overcoming these barriers were discussed.

Comments from the committee:

- Manny Contreras asked if anything can be changed in the model that would address areas of gaps to approve actual conclusions to have impacts and show improvements based on caveats mentioned. Will more information shift any of the conclusions? Mr. Reid noted the data was rearranged for better decision making around growth management for reasons based in the presentation. There was a need to change the order of things with cities presenting their planning upfront, which Metro believes will have different outcomes and provide a clear sense of what's required to take the land to turn into housing and jobs. The focus in the 2018 UGM Decision and driven by city proposals are the methods we are now following as the approach for the 2024 Decision as well.
- Michael O'Brien noted it seems Metro is trending the right direction in how we bring areas in to the UGB. Experience with the former City of Damascus was noted with a massive swap of land but virtually no development there. It was asked why this is still part of the UGB and could we not swap that for more land this more development ready. Mr. Reid agreed on the land added in the UGB in 2002. Metro Council recently exchanged some of the former Damascus area (500 acres of it) to enable bringing in other areas to reflect the focus on readiness. Jamie Stasny added that in reference to Damascus there are political challenges when moving lands in the UGB. It was appreciated this technical analysis covered great detail on the data and information presented.
- Dan Rutzick noted the City of Hillsboro was in the process of residential buildable land and other updates. Was it possible to get this data to help inform the work we're doing. Ms. Hewitt noted most of the data regarding the expansion areas came from Metro but anticipates no issues with sharing summaries. Mr. Reid concurred and will follow up.

  One differential that would be helpful to get clarity on is when you looked at the analysis there are areas that have been in the UGB a while, and some don't have infrastructure yet and will take a long time to build out. Most UGB areas are large in size, so you could have half of it coming online with housing. But the other half is part of the sequence of bringing a larger area forward to urbanization. How did you distinguish between the areas that haven't started yet and will take time to be underway and those already built. Ms. Hewitt noted this was looked at broadly with existing land use patterns in the mix for expansion areas. There is a lag in the data. Knowledge from regional planners help to inform where development is underway. Segments of the data show trends and current status.

Regarding the no build parking requirement, it was asked how this was factored in looking at opportunities in town centers. Ms. Hewitt noted our pipeline of information is based on what the centers have submitted or applied for. It's not our own assessment of what is possible in these areas. Work from jurisdictions contributed to the data to help understand the challenges and barriers with parking. Depending on where the parking requirements are at a given time, development plans may change.

- Chris Deffebach noted past study done on current development in corridors in areas of Washington County. This was offered to Metro and consultant team for additional information. The reference in the presentation with city and county responsibilities was noted. It was suggested to see the role of Counties responsible for more of the planning in partnership with cities, particularly in issues with infrastructure. There is a need to have a network to connect the infrastructure. City partnerships are valuable to connect the entire region and share costs where possible. It was suggested to have the data presented by counties with development planned. The size of the former Damascus may be skewering the UGB area when it's an outlier of the data.
- Nora Apter noted the funding streams coming from the Federal infrastructure bill. The Climate Pollution Reduction Grant was noted and link shared in chat: https://www.epa.gov/inflation-reduction-act/climate-pollution-reduction-grants It was asked if this was under consideration with the upcoming deadline and potential use of these funds. Ms. Hewitt noted it was not considered with initial sources of funds as part of this work. Kim Ellis added the grant program has Multnomah County and Metro involved. It requires developing near-term action plans by next March with participants that help develop that action plan eligible with the $4.6 billion for the implementation grants, focused for greenhouse gas reduction in our region.

2023 Regional Transportation Plan (RTP) Preview of Draft Chapter 3 (policy) (Kim Ellis, Metro) The presentation began with an overview of the Regional Transportation Plan (RTP), timeline for the 2023 RTP update, sections of the document, and how outcomes-based framework, and coordinated planning and decision-making create vision and goals for the 2023 RTP.

Draft Chapter 3 Policies (detailed in the meeting packet and presentation) included:
• New policies related to pricing, mobility and transit
• Updates to climate and motor vehicle policies related to new policies and state Transportation Planning Rules
• Minor updates/reformatting to transportation equity, freight, design, transportation system management and operations (TSMO) and transportation demand management (TDM) policies
• No changes to safety, bike, pedestrian and emerging technology policies

Comments recently heard at the Transportation Policy Alternatives Committee (TPAC) were shared: Support for changes to transportation equity policies. No comments on safety, design, bike, pedestrian, freight, TDM, TSMO and emerging technology policies. More discussion needed on specific climate, pricing, motor vehicle, transit policies. Recognition of remaining work on mobility policy measures post-RTP system analysis. More discussion needed on prioritization of investments in policies and which policies support thriving economy goal.

Other Chapter 3 policies highlighted were reviewed. These included:
Climate Policy 3 and 9 and Resilience
Pricing Policy 4
Terms and definitions – Diversion
Motor Vehicle Policies 6 and 9
Terms and definitions – Capacity
Comparison of draft 2023 RTP and draft 2023 Oregon Transportation Plan (OTP) Policies
Transit Policy 5
Prioritization alignment with CFEC prioritization framework and JPACT/Council priorities

Comments on the policies and draft Chapter 3 were requested by March 24. On April 19 MTAC and TPAC will hold a workshop discussion of revised draft policies.

Comments from the committee:

- Neelam Dorman noted some concerns that ODOT had regarding strikeouts in the motor vehicle policy 9. There were questions on what the deficiencies mean and how the region defines "complete" freeway and arterial network. Another concern was the strikeout of "beyond the planned system", with impacts to projects that have been approved possibly being reconsidered and changes with UGB expansions. Ms. Ellis noted these strikeouts in the draft regarded prior to adding new capacity in the system that requires evaluation requirements.
- Andrea Hamberg asked if specific targets have been specified for bike, pedestrian and transit targets. Ms. Ellis noted they were listed in several of the policies and will be reviewed again involving targets regarding safety, climate and mode-share policies. Ms. Hamberg asked if more information was known following discussions on air quality targets modeling. From a public health standpoint reducing all transportation related emissions is important. The more information on reducing these emissions will result in easier tracking progress.
- Jamie Stasny supported comments noted by Ms. Dorman. These could create limitations to additional analysis on projects. It was noted a great concern was with the pricing policies with a lot of unknowns now and trying to draft policies with work under development challenging.
- Chris Deffebach noted there is a lot to think about on how we can efficiently go through these steps and approaches. It was noted the definition of diversion may not be related only to tolling or pricing.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 10:57 a.m.
Respectfully submitted,

Marie Miller

Marie Miller, MTAC Recorder

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	3/15/2023	3/15/2023 MTAC Meeting Agenda	031523M-01
2	MTAC Work Program	3/8/2023	MTAC Work Program as of 3/8/2023	031523M-02
3	Minutes	1/18/2023	Draft minutes from January 18, 2023 MTAC meeting	031523M-03
4	Handout	N/A	Construction Career Pathways Framework A CASE STUDY IN JOB CREATION FOR A JUST SOCIETY	031523M-04
5	Handout	N/A	Construction Career Pathways Project (C2P2) Regional Framework	031523M-05
6	Fact Sheet	December 2022	2023 Regional Transportation Plan	031523M-06
7	Handout	3/8/2023	2023 REGIONAL TRANSPORTATION PLAN UPDATE Project Timeline and Schedule of Planned Engagement and Metro Council and Regional Advisory Committees' Discussions and Actions for 2023	031523M-07
8	Memo	3/1/2023	TO: MTAC and interested parties From: Kim Ellis, AICP, RTP Project Manager RE: 2023 Regional Transportation Plan – Draft Chapter 3 (System Policies) for TPAC and MTAC Review	031523M-08
9	Draft Chapter	3/1/2023	Chapter 3 System Policies to Achieve Our Vision 2023 Regional Transportation Plan	031523M-09
10	Presentation	3/15/2023	Metro Development Readiness Assessment	031523M-10
11	Presentation	3/15/2023	2023 Regional Transportation Plan Draft Chapter 3 – System Policies	031523M-11

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC)
Date:	Wednesday, March 15, 2023
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom
	Connect with Zoom Passcode: 863801 Phone: 877-853-5257 (Toll Free)

9:00 a.m.	**Call meeting to order, Declaration of Quorum and Introductions**	Chair Kehe
9:10 a.m.	**Comments from the Chair and Committee Members** • Updates from committee members around the Region (all)	
9:15 a.m.	**Public communications on agenda items**	
9:17 a.m.	**Consideration of MTAC minutes, January 18, 2023 (action item)**	Chair Kehe
9:20 a.m.	**2024 urban growth management decision: development outcomes in urban centers and past Urban Growth Boundary (UGB) expansion areas** Purpose: Provide MTAC with information about development outcomes around the region as background context for the 2024 urban growth management decision.	Ted Reid, Metro ECONorthwest Johnson Economics
10:05 a.m.	**Construction Career Pathways Overview & Update** Purpose: Provide an overview of Construction Career Pathways – a comprehensive policy strategy to create career pathways for BIPOC and women workers into the construction industry – and the progress the regional program has made to date.	Sebrina Owens-Wilson Andre Bealer, Metro
10:50 a.m.	**2023 Regional Transportation Plan (RTP) Preview of Draft Chapter 3 (policy)** Purpose: MTAC discussion and feedback on the draft policies proposed for Chapter 3 of the 2023 RTP.	Kim Ellis, Metro
12:00 p.m.	**Adjournment**	Chair Kehe

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

إشعار بعدم التمييز من Metro

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January 2021

Materials following this page were distributed at the meeting.

Metro Development Readiness Assessment

Metro Technical Advisory Committee

Becky Hewitt, Project Director

March 15, 2023

ECONorthwest

ECONOMICS · FINANCE · PLANNING

Introductions / Agenda

ECONorthwest
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JOHNSON ECONOMICS

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Today's Agenda

- Overview of the Project
- Overview of Development Readiness Analysis
  - Past Urban Growth Boundary Expansion Areas
  - Metro Town Centers & Corridors
- Q&A

Metro Residential Readiness Project

Research and analysis to guide Metro's 2024 Urban Growth Management Decision

Updates to development capacity / supply model



Development Readiness



Population & Development Trends



Housing Filtering & Market Functions



Gentrification & Displacement Risk



Office-to-Residential Conversion Potential



Middle Housing Potential



Existing Housing Needs

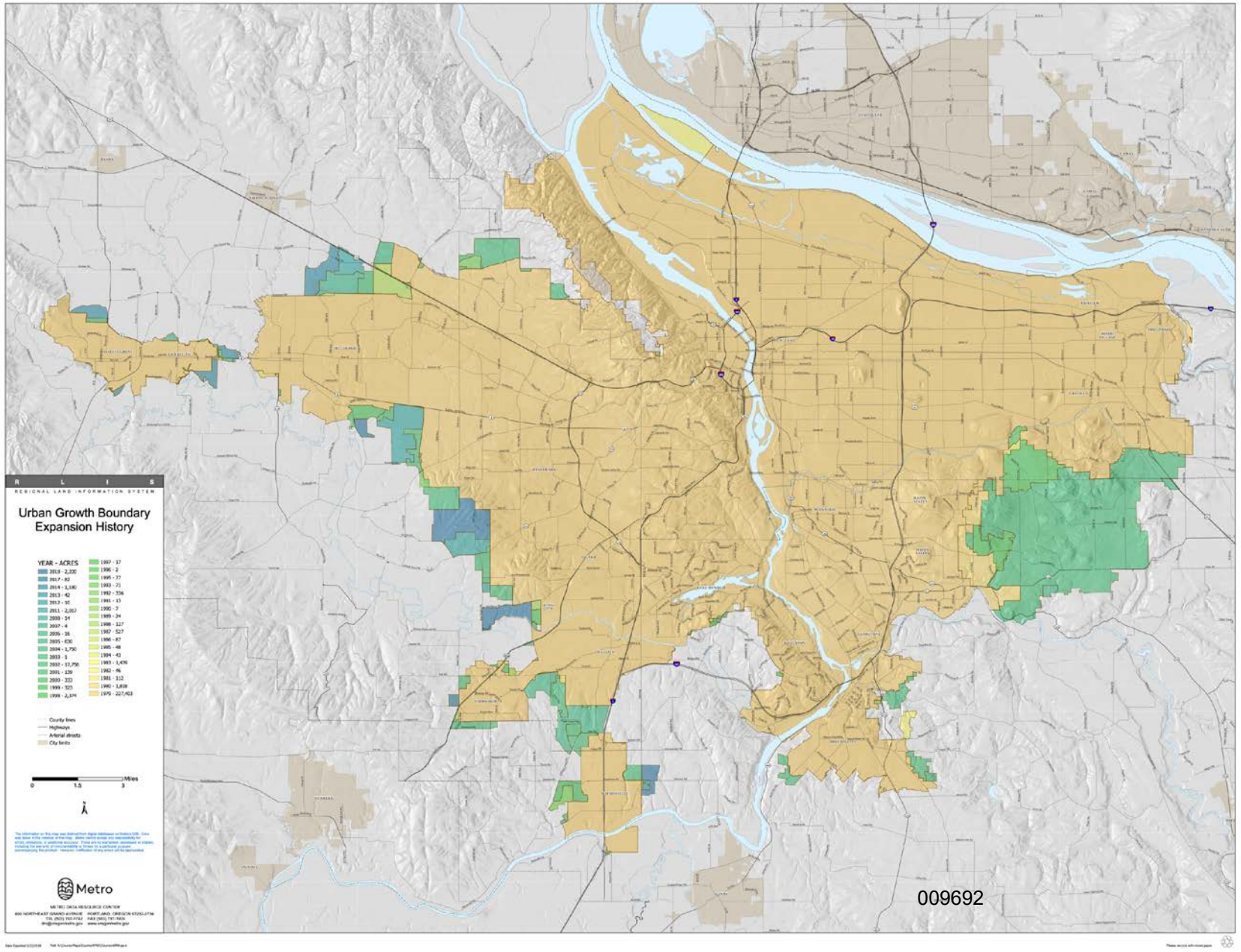
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Development Readiness Analysis

- Goal is to illuminate the circumstances under which housing and employment land development has or hasn't happened in past UGB expansion areas
- Identify typical barriers to mixed-use development in urban locations inside the UGB

Urban Growth Boundary Expansion Areas

Metro UGB Expansions Over the Years



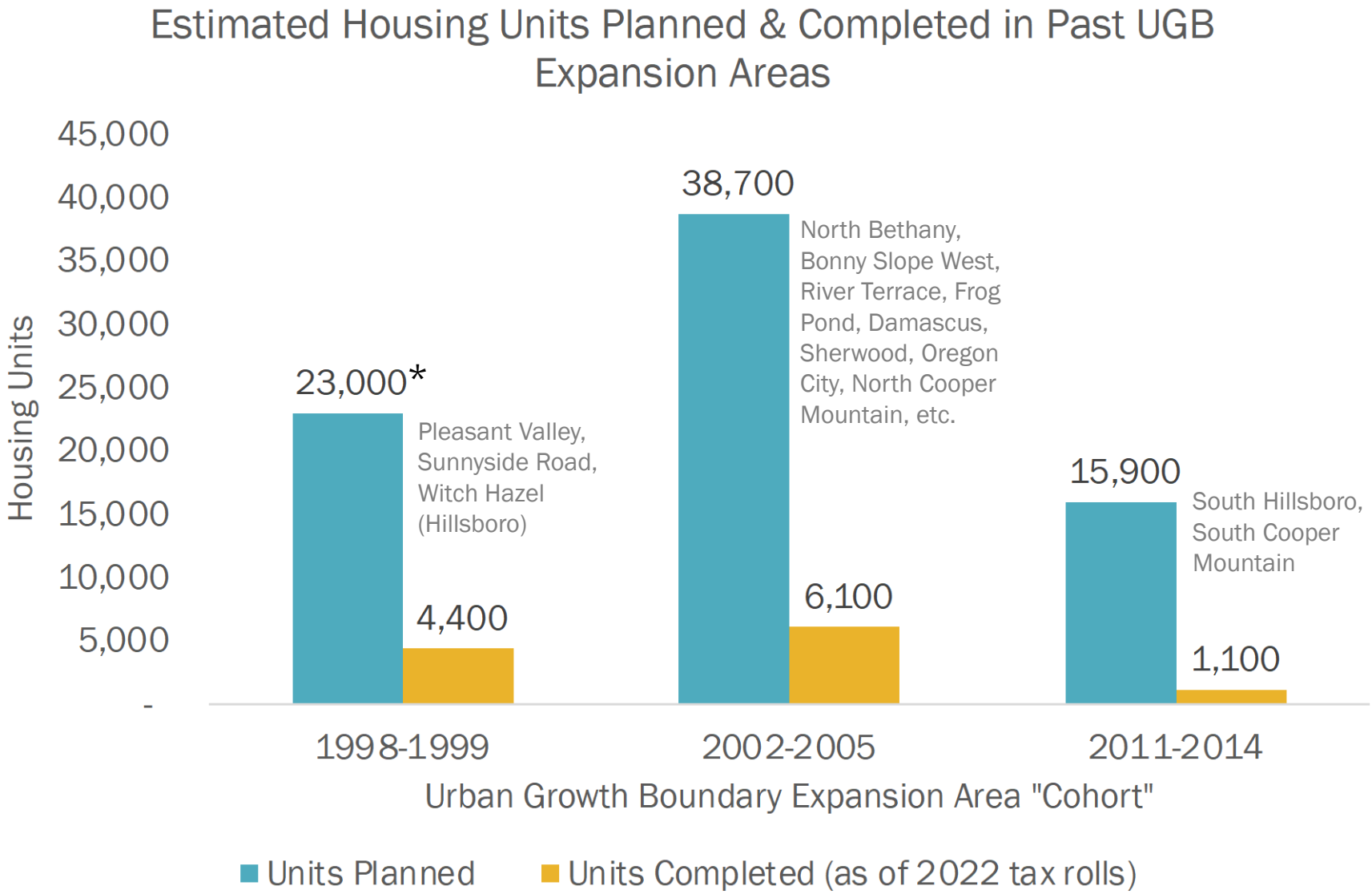
Focus on major UGB expansions in:

- 1998-1999
- 2002-2005
- 2011-2014
- 2018

"Where are they now?" approach for each "cohort"

Data sources: Metro historical UGB expansion area boundaries, tax lot data, employment data (QCEW), CoStar

Housing Production in UGB expansions Has Lagged Targets



Sources: Units planned: Metro UGB History; Deliveries: ECONorthwest analysis of 2022 RLIS tax lot data. Note that tax lot data tends to lag construction completions, sometimes by up to a year.

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* Units planned may include portions of Wilsonville's Villebois, which is not included in estimated units completed.

Take-aways: Key factors that influence development outcomes



Parcel size and developability



Market alignment



Infrastructure serviceability, costs, and funding plans



Governance & local leadership

009694

Key Factors: Parcel Size & Developability

What's the issue?

- Rural residential parcels are challenging:
  - Existing residents often oppose urbanization
  - Less cost-effective to consolidate and develop
  - Harder to achieve scale for master planning
  - Not well suited for employment uses
- Resource constraints can limit development potential, fragment buildable land

What's working?

- Urban reserves – less reliance on exception land
- Developers consolidating site control to allow bigger master planned developments

Key Factors: Market Alignment

What's the issue?

- Demand for housing in many areas (maybe stronger on west side)
- Commercial & employment more challenging
  - Some areas not well-suited for employment uses(e.g., not flat enough to cost-effectively develop with larger employment uses, far from major transportation facilities).
  - Commercial generally follows residential—need enough customers to support new businesses.

What's working?

- Early involvement by developers in planning for expansion areas (prior to and following UGB decisions)
- Expanding where the demand is for a given land use

Key Factors: Infrastructure

What's the issue?

- Infrastructure is a substantial expense in nearly all expansion areas
- Topography and physical conditions increase cost and difficulty of building infrastructure
- Making initial investments to enable development requires proactive support and creative funding/financing mechanisms
- Major industrial & employment development often can't front infrastructure costs

What's working?

- Early infrastructure assessment and planning (prior to and following UGB decisions)
- Bringing in areas that are easier to serve
- Proactive role by cities in establishing funding mechanisms & advancing critical early infrastructure projects
- Experienced, well-capitalized land developers who can take on bigger on-site infrastructure investments

Key Factors: Governance

What's the issue?

- Cities play a key role in advancing development
- Lack of clarity about which city is responsible creates challenges
- Pro-active planning moves the process faster

What's working?

- Updated process and requirements for City involvement in expansions
- Cities being pro-active about planning and infrastructure

Timing Considerations: UGB Expansion Areas

- Planning, adoption of development regulations, establishing a viable infrastructure funding strategy take time given need for community and stakeholder engagement
- Other steps (annexation, infrastructure programming, etc.) generally follow planning, take additional time
- Development applications usually can't proceed until other pieces are in place
- Recessions or other market disruptions can delay things further

Conclusions: UGB Expansion Areas

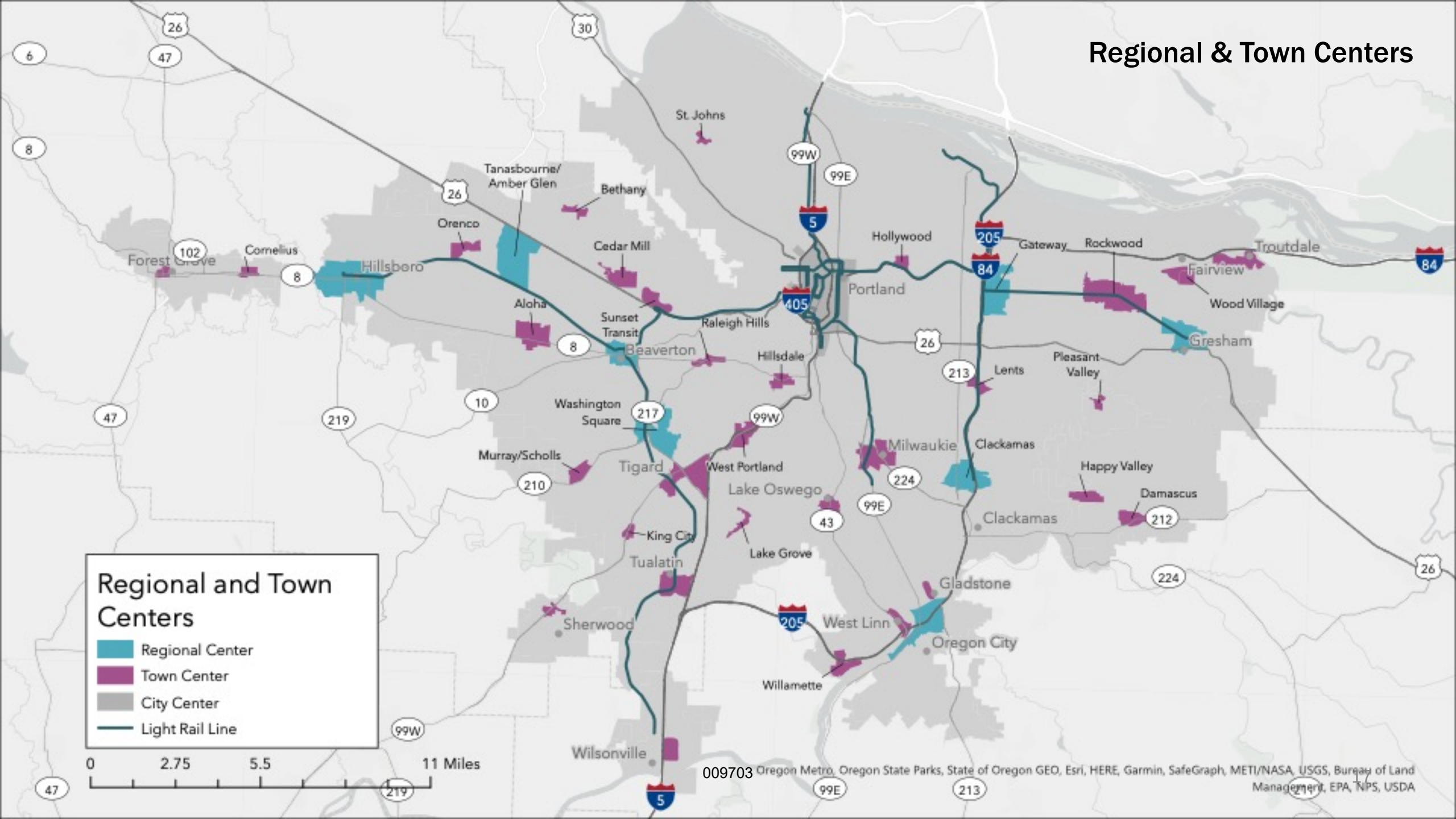
- Changes to rules and process are helping
- Developer interest and participation supports development readiness
- Pro-active City leadership can move development forward faster
- Metro can guide growth, but can't create a market where it doesn't exist or overcome topographic, ownership, or resource barriers to development

State of the 2040 Centers

2040 Centers: Key Questions

- Residential development trends in 2040 Centers
- What are the common regulatory, procedural, and market barriers to residential development in 2040 centers?

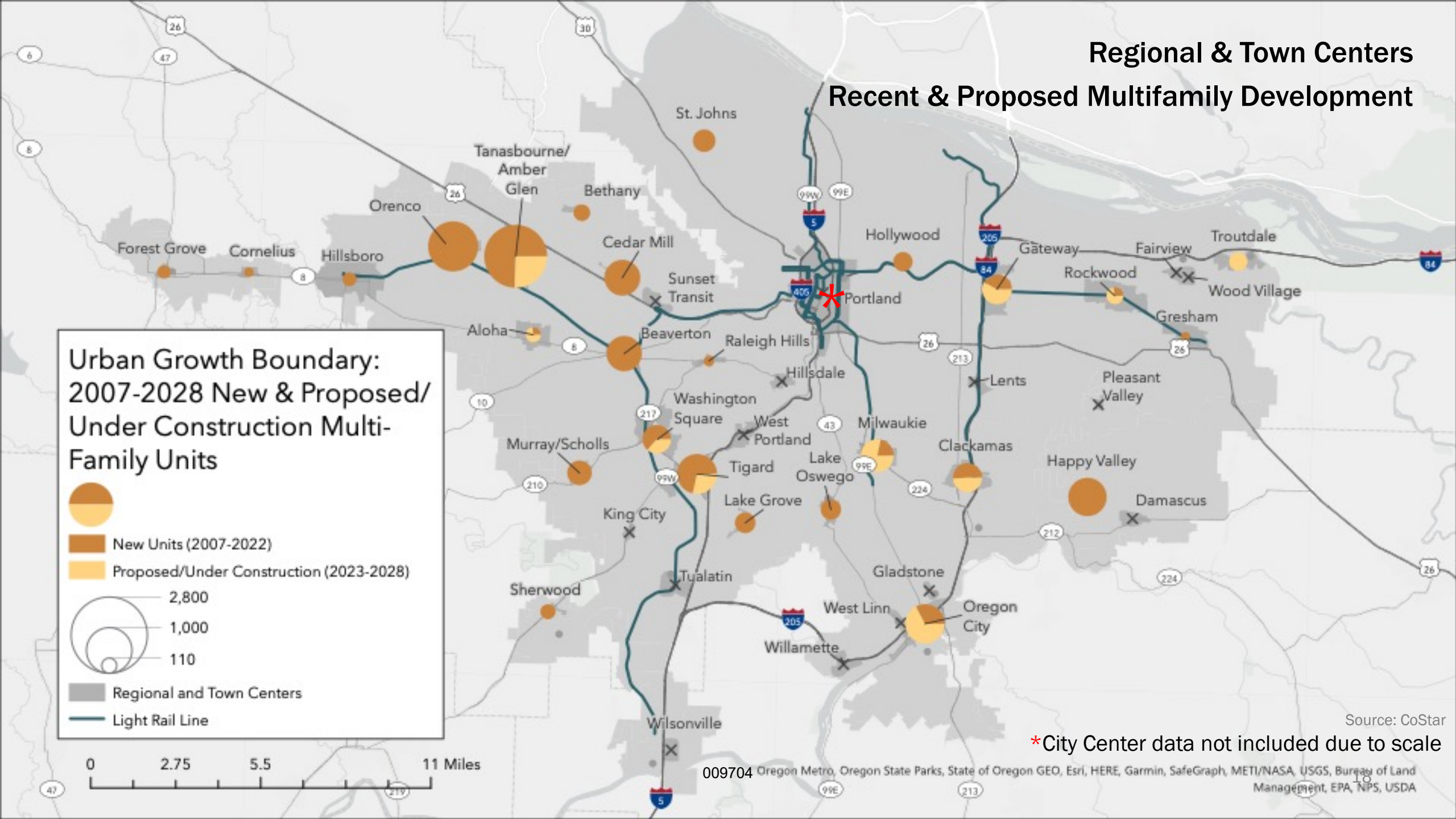
Regional & Town Centers



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Regional & Town Centers

Recent & Proposed Multifamily Development

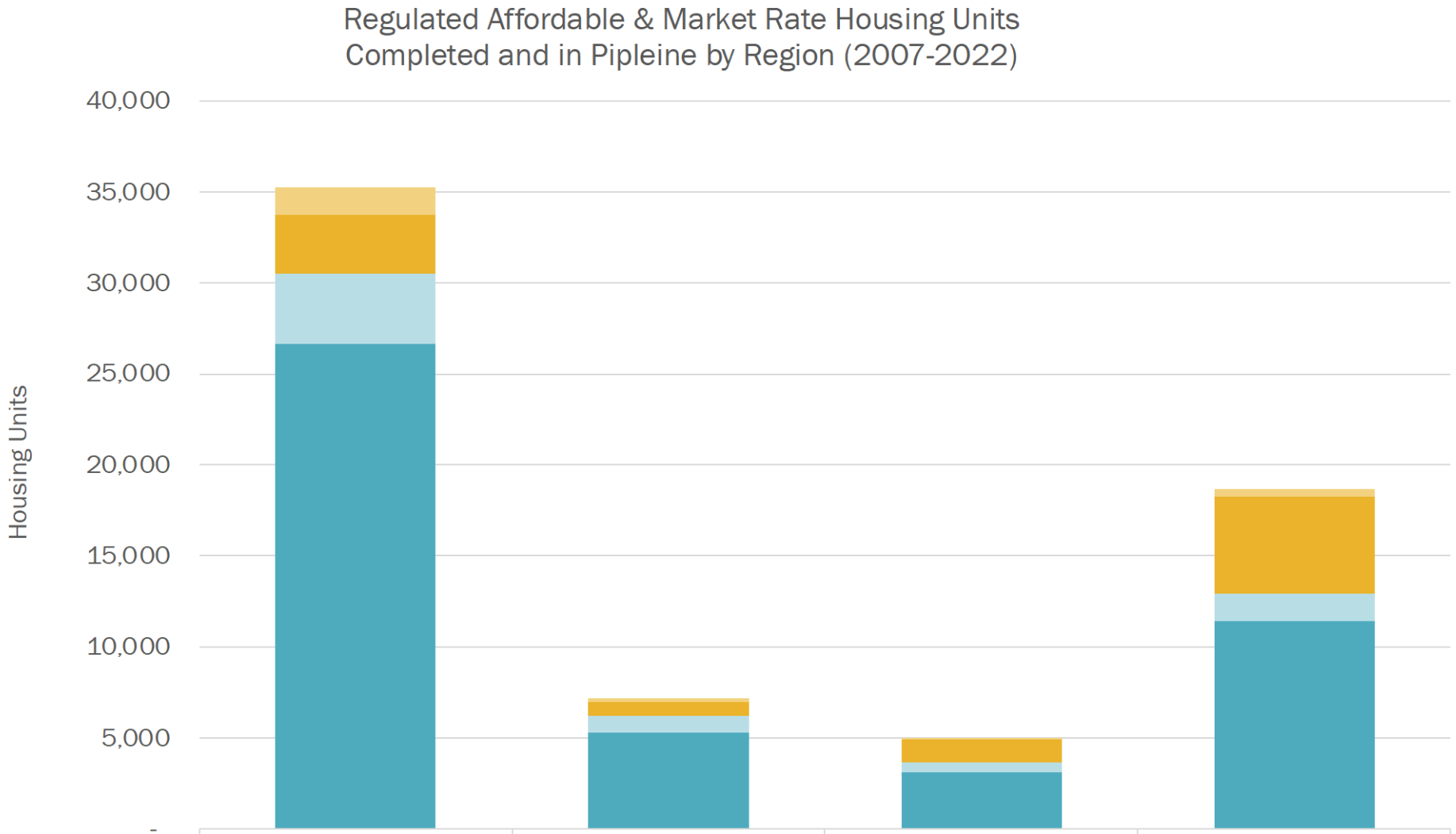


Source: CoStar

*City Center data not included due to scale

009704 Oregon Metro, Oregon State Parks, State of Oregon GEO, Esri, HERE, Garmin, SafeGraph, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA

City Center and Other Areas



	Rest of Region	Town Center	Regional Center	Central City
Pipeline Regulated	1,485	181	144	434
Pipeline Market	3,257	793	1,238	5,344
Completed Regulated	3,868	898	515	1,502
Completed Market	26,641	5,313	3,126	11,413

009705

Strong residential development in Central City, especially 2007-2017

Source: CoStar. May exclude some development where year built data is unavailable. Note: "Rest of Region" is all areas within the Metro UGB that are not part of a Regional Center, Town Center, or the Central City.

2040 Regional & Town Centers: Observations

Common Barriers	What Has Helped?
Lack of amenities, older auto-oriented development pattern – need for investment in public realm	Strong public investment (e.g., TIF) Historic downtowns / walkable street networks
Older suburban development regulations (e.g., high parking & landscaping requirements, etc.)	Code updates Streamlined regulations Reduced parking requirements
Rents too low to support vertical mixed-use or podium development	Development incentives (e.g., VHDZ)
Market demand for parking	Light rail, on-street parking

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Metro

Minutes

Tuesday, March 7, 2023

10:30 AM

Metro Regional Center, Council Chamber, https://www.youtube.com/live/Yi2SNcdXrwI?feature=share, https://zoom.us/j/615079992, or 877-853-5257 (toll free) (Webinar ID: 615079992)

Council work session

Call to Order and Roll Call

Council President Peterson called the Work Session to order at 10:30 a.m.

Present: 7 - Council President Lynn Peterson, Councilor Gerritt Rosenthal, Councilor Mary Nolan, Councilor Juan Carlos Gonzalez, Councilor Duncan Hwang, Councilor Christine Lewis, and Councilor Ashton Simpson

Work Session Topics:

10:30 Draft Urban Growth Boundary (UGB) work plan

Presenter(s): Ted Reid (he/him), Metro
Eryn Kehe (she/her), Metro

Attachments: Staff report
Attachment 1

Council President Peterson introduced Ted Reid (he/him), Metro and Eryn Kehe (she/her), Metro to present on the topic.

Staff pulled up the *Draft Urban Growth Boundary (UGB) Work Plan Presentation* to present to Council.

Kehe mentioned that every six years, the Metro Council votes to determine if there is adequate land to support 20 years of expected growth. The presentation included a map of the 2040 Growth Concept Map. She discussed the basic premise of Oregon's growth management laws and the importance of land readiness. Staff noted that past UGB decisions that did not emphasize readiness have been slow at making housing. Kehe explained how Metro has improved its growth management process to focus on readiness. She mentioned what was included in the Urban Growth Report, such as employment and housing. She also discussed

what would be new in the 2024 Urban Growth Report and in the 2024 decision process. Staff explained how the UGR is a support tool for the Urban Growth Boundary decision. Staff discussed the decision-making process and the timeline for the 2024 UGM Decision.

Council Discussion

Councilor Gonzales stated he liked the new additions and changes staff has made. He suggested that Metro using its tools to deal with the Housing crisis if possible. He also raised concerns about the regulatory burdens.

Kehe stated that they are limited to make changes to regulatory burdens for this decision. However, they can have conversations with their partners about it.

Councilor Gonzales mentioned that this was an opportunity to define what they want the region to be.

Councilor Simpson commented that he was concerned about the regulatory burdens.

Kehe mentioned that there are opportunities to support cities and counties with 2040 Planning and Development grants.

Councilor Rosenthal noted that there was a lot of projected land to build housing. He asked why the housing units were not built and how density is being accounted for. He also asked about incorporating industrial land projections into the planning.

Reid mentioned that in the past, they were focused more on land need instead of land readiness. He noted that lack of city governance, market conditions and other reasons for the lack of land readiness.

Councilor Rosenthal mentioned that cities in his district are ready and eager to develop. He asked if this was staff's assumption.

Reid noted that there are cities that want to develop, but regulation at all levels of government is a challenge.

Councilor Lewis commented about treating the Urban reserves differently and the challenge of people choosing to live and develop in Washington. She gave several suggestions including communication about infrastructure needs for housing vs industrial lands, engagement with youth advisory councils and community place-making partners, and having a transportation check-in.

Councilor Hwang asked about the methodology for displacement trends and how they are incorporated into decision-making. He asked how they will talk about the land swap and the UGB process. He also asked to clarify if the timeline for proposals was for expansion or for funding.

Reid noted that they have will have a consultant on displacement trends and can provide Council their methods. He the UGB exchange process focuses on land readiness, and they need cities to be willing and able to urbanize before adding more land.

Kehe stated that the timeline was for interest in expanding the growth boundary. She added that funding was available through the 2040 Planning and Development Grants and there will be another funding cycle.

Councilor Hwang asked that is enough time for staff to review the applications.

Reid stated that it is enough time for staff to review.

Kehe noted that it is also enough time to determine land readiness.

Councilor Nolan commented that most of their border is with rural parts of Oregon. They asked if they are engaging rural stakeholders.

Reid noted that they can connect with agricultural stakeholders.

President Peterson noted that before Covid, she was supposed to meet with cities outside of the Urban Growth Boundary.

Councilor Nolan suggested engaging with stakeholders in farming, forestry, and conservation. They suggested getting better projections. Councilor Nolan also recommended that the Council hear directly from stakeholders.

Reid noted that they peer-review and try to improve their analysis work. He explained the impacts of House Bill 2003 on their work and staff's work with demographers and economists.

Kehe mentioned that they will look for opportunities for stakeholders to have direct engagement with the Council.

Councilor Nolan asked if they are adding different people to get more perspectives on the projections. They commented on the need to also look in feasibility.

Reid noted that it is staff's intention by focusing on the different aspects of readiness, such as housing need and job creation.

President Peterson commented that some cities do not have the capacity to develop their land. She summarized the feedback from the Council.

Councilor Simpson commented on displacement and suggested that they provide solutions for it.

Kehe mentioned that they have a team focused on equitable development.

Councilor Gonzales mentioned that Metro's approach to displacement has been project specific. He also mentioned the growth of North Plains and they need to question the value

Kehe added that there will need be discussions about growth and development in the region.

Councilor Rosenthal asked about data on the housing units added in Portland and Portland's displacement policy. He stated that they need meetings with cities outside of Metro, developers, and the communities most affected. He asked if they needed more land supply.

Reid will provide information on displacement trends but mentioned that it is worse if there is not enough housing produced. Staff noted that the Council will need to decide if more land is needed.

Kehe noted that they do not have the data yet.

President Peterson noted that there is a cost for land readiness. She raised concerns about making assumptions about investments, but they never come.

Marissa Madrigal, Chief Operating Officer commented on the land use exchange process and added that she looked forward to having future discussions.

11:20 Chief Operating Officer Communication

Marissa Madrigal provided an update on the following events or items:

- The National Education Association will hold their meeting and assembly at the Oregon Convention Center
- Nature and Neighborhoods Capital Grants Program has received 16 pre-applications
- Community partners for affordable housing are holding a forum

11:25 Councilor Communication

Councilors provided updates on the following meetings and events:

- Councilor Gonzales presented with Councilor Rosenthal to the Cornelius City Council about the TV highway project, and they will be presenting to the Hillsboro City Council as well. He mentioned he will be out of the office for his honeymoon.
- Councilor Rosenthal mentioned the Cornelius City Council meeting. He also mentioned that the city of Tigard is having a housing and homelessness forum tomorrow.

11:30 Adjourn

There being no further business, Council President Peterson adjourned the Metro Work Session at 11:54 p.m.

Respectfully submitted,

Jemeshia Taylor

Jemeshia Taylor, Legislative Assistant

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MARCH 7, 2023

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
1.0	Powerpoint	03/07/2023	2024 Urban Growth Management Decision: Draft work program Presentation	030723c-01

Council work session agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Tuesday, March 7, 2023 **10:30 AM** **Metro Regional Center, Council Chamber, https://www.youtube.com/live/Yi2SNcdXrwI?feature=share, https://zoom.us/j/615079992, or 877-853-5257 (toll free) (Webinar ID: 615079992)**

This meeting will be held electronically and in person at the Metro Regional Center Council Chamber.
You can join the meeting on your computer or other device by using this link:
https://www.youtube.com/live/Yi2SNcdXrwI?feature=share

Call to Order and Roll Call

Work Session Topics:

10:30 Draft Urban Growth Boundary (UGB) work plan 23-5824

Presenter(s): Ted Reid (he/him), Metro
Eryn Kehe (she/her), Metro

Attachments: Staff report
Attachment 1

11:20 Chief Operating Officer Communication

11:25 Councilor Communication

11:30 Adjourn

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

Draft Urban Growth Boundary (UGB) work plan
Work Session Topic

Metro Council Work Session
Tuesday, March 7, 2023

2024 METRO COUNCIL URBAN GROWTH MANAGEMENT DECISION:
DRAFT WORK PROGRAM

Date: 2/15/23
Department: Planning, Development, and Research
Meeting Date: 3/22/23

Prepared by: Ted Reid;
ted.reid@oregonmetro.gov
Presenter(s): Eryn Kehe (she, her)
Ted Reid (he, him)
Length: 45 minutes

ISSUE STATEMENT
For Council's consideration, staff has prepared a draft work program to facilitate the Metro Council's 2024 urban growth management decision.

ACTION REQUESTED
Staff is seeking the Metro Council's direction on how it would like to work towards a December 2024 urban growth management decision.

IDENTIFIED POLICY OUTCOMES
Metro completes regional urban growth management decisions in the context of a variety of state laws that guide analyses and urban growth boundary (UGB) expansion options. Additionally, the region has a regional vision – the 2040 Growth Concept – that describes an intention to focus most growth inside the existing UGB in mixed-use centers. This focus on compact growth has proven important for reducing greenhouse gas emissions and diversifying available housing options.

Cities and counties in the region have planned for this type of compact growth. At least every six years, the Metro Council must determine whether those existing plans and growth trends indicate that there is adequate space inside the UGB for growth or if there is a need to expand the UGB.

If the Council finds a regional need for additional UGB growth capacity, it may take measures to use land inside the UGB more efficiently or expand the UGB. If the Council decides to expand the UGB, it may –per state law—only do so in acknowledged urban reserves.

Lastly, the Metro Council has a policy to only add urban reserve areas to the UGB if a local jurisdiction has completed a concept plan for the area. Metro provides grant funding to support local concept planning efforts. This concept plan requirement exists to ensure that any urban reserves that the Council adds to the UGB will be ready for housing or job growth.

POLICY QUESTION(S)
- Does the Council have questions for staff about the proposed work program?

- Does the Council have suggestions for changes or additions to the proposed work program?
- How would councilors like to be involved in the process that will lead to the Council making a decision in December 2024?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

- Council may direct staff to proceed with the proposed work program.
- Council may ask staff to revise to the proposed work program.

STAFF RECOMMENDATIONS

Staff recommends that the Council direct staff to proceed with the proposed work program. Upon doing so, staff will develop more detailed scopes of work and timelines for undertaking the necessary analysis and engagement. Staff will return to Council with periodic updates, when policy questions arise, or as directed by the Council.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Regional urban growth management decisions have long been one of the Metro Council's core responsibilities. The Metro UGB – first adopted in 1979 – is one of Metro's tools for achieving the 2040 Growth Concept's vision for compact growth, thereby protecting farms and forests outside the UGB and focusing public and private investment in existing communities. These are all key to reducing greenhouse gas emissions and expanding housing options.

The UGB is just one policy tool, however, and must be accompanied by other policies, partnerships, and investments to make good on the 2040 Growth Concept and to address challenges like housing affordability, displacement, houselessness, and economic development. Often, growth management processes provide a venue for identifying the need for new initiatives.

As the Council is aware, a number of stakeholder groups follow urban growth management decisions closely and staff expects this decision to be no different. While these stakeholders at times have differing opinions or interpretations, staff has found that a focus on city readiness and concentrating growth management discussions around actual expansion proposals makes practical sense to all. Consequently, that focus on city readiness is a consistent theme in the draft work program.

BACKGROUND

This is the Council's first work session on the proposed work program for its 2024 urban growth management decision.

ATTACHMENTS

Draft work program overview for the 2024 urban growth management decision.

[For work session:]

- Is legislation required for Council action? ☐ Yes ☒ No

- If yes, is draft legislation attached? ☐ Yes ☐ No
- What other materials are you presenting today? PowerPoint presentation

2024 Metro Council Urban Growth Management Decision: Draft work program summary

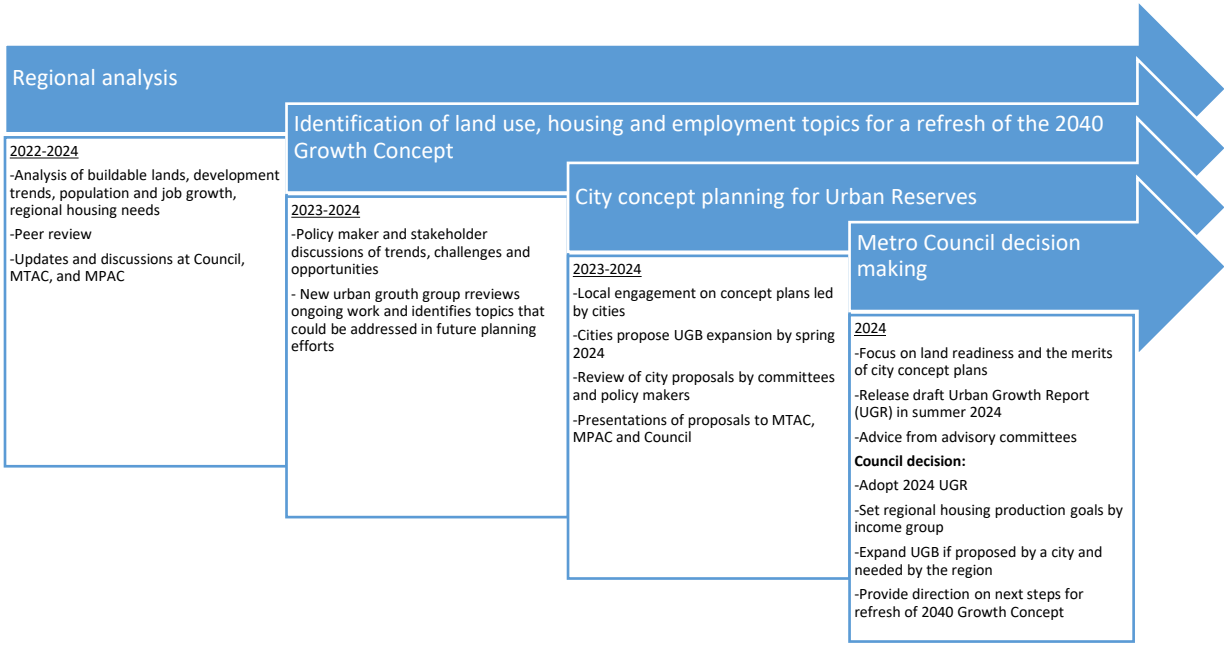
Regional readiness for population, housing, and job growth

The Metro Council is required under state law to adopt – by the end of 2024 – an assessment of the region's capacity to accommodate the next twenty years of housing and job growth inside the urban growth boundary (UGB). This work program summary outlines the proposed process that will lead to the Council's decision, focusing on how the Metro Council and its advisory committees will be engaged.

Metro seeks to improve its growth management practices every time it undertakes this cyclical process. As always, Metro will strive to improve the data analysis that informs decision makers. Likewise, Metro will continue its emphasis on land readiness to ensure that decisions emphasize the governance, market, and infrastructure conditions that must be present to produce housing and jobs. This process will differ from past decisions by applying a greater focus on the housing needs of all income groups, particularly households with lower incomes. This focus on affordability advances shared goals of increasing housing production for those that have the fewest choices.

This proposed work program also describes how this process will identify land use, housing and employment policy topics that deserve additional consideration in a subsequent refresh of the region's 2040 Growth Concept or through other programs. Those topics will include climate change, racial equity, and ways of diversifying the set of stakeholders that are engaged.

Process overview



Council roles

Leading up to the Council's decision in late 2024, policy makers will engage in discussions of a variety of growth and development trends as well as reviewing any UGB expansion proposals submitted by cities. Policy maker discussions will focus on development readiness, additional actions that may be needed to increase housing production and economic growth inside existing urban areas, and specific city proposals for addressing housing and employment needs in UGB expansion areas. Metro Councilors may wish to engage directly with their local elected counterparts throughout this process.

Advisory committee roles

The Metro Policy Advisory Committee (MPAC) will be engaged in policy discussions like those that the Council engages in throughout the process. MPAC will be asked for its advice to the Metro Council in late summer 2024. MPAC's advice will focus on policy options for increasing the region's readiness for housing and employment growth and the merits of any city proposals for handling some of that growth through concept planned UGB expansions.

The Metro Technical Advisory Committee (MTAC) will provide advice on technical aspects as needed. Local jurisdiction staff review of the buildable land inventory will be essential and it is likely that Metro will reconvene the ad-hoc Land Use Technical Advisory Group, which has overlap with MTAC membership for this purpose. MTAC will also be asked to review of any city proposals for UGB expansions. Lastly, MPAC may request MTAC's technical advice on topics.

Metro's Committee on Racial Equity (CORE) will be briefed on this work program and their advice will be sought on the formation of a diverse youth cohort to both learn about and advise on Metro's growth management approach. After an initial discussion with CORE, staff will identify the appropriate timing of further engagement with the committee over the course of this work program.

Staff roles

Staff will manage the work program to meet deadlines and facilitate advisory committee discussions and Council decision making. Staff will also undertake the legal, communications, engagement and technical work needed to support Council decision making. Metro will build on its long-standing expertise in spatial, housing, and economic analysis and research by continuously improving its work to support decision making. Peer review and local jurisdiction staff engagement will help to ensure the validity of these analyses. Aspects of these analyses will be brought forward to inform policy discussions throughout 2023 and 2024 and will be incorporated into the 2024 Urban Growth Report (UGR).

Local jurisdiction roles

As described in this work program summary, staff proposes that this process is centered on city readiness. As such, there will be a heavy emphasis on the merits of city proposals for concept planned UGB expansions. Cities will be responsible for leading local engagement on concept planning Urban Reserve areas. Local jurisdiction staff will also have opportunities to provide peer review of the buildable land inventory and advice through MTAC.

A new urban growth group

In the 2018 growth management decision, Metro convened a City Readiness Advisory Group (CRAG) that included developers, advocacy groups, affordable housing providers, community organizations, and park district staff. The group was charged with reviewing city proposals for UGB expansions, providing their insight on the readiness of these cities to accommodate growth in an equitable, climate-friendly fashion.

For the 2024 decision, staff proposes convening a similar group, but with an expanded, more diverse composition and role. In addition to reviewing any city proposals for residential UGB expansions, this group would also be asked to provide insight on the partnerships, policies, and programs needed to further advance the region's readiness for growth and address topics such as revitalizing downtowns, encouraging mid and high-rise housing production in mixed-use centers, encouraging middle housing in neighborhoods, and enhancing affordability. The group would do so through the lens of equity and climate change.

For several growth management decision cycles, Metro has participated in updates of the Regional Industrial Site Readiness Inventory. Recent discussions at the governor's Semiconductor Taskforce have again affirmed the need to address the readiness of industrial lands to attract high-tech manufacturers. For the 2024 urban growth management decision, staff proposes asking this group to review any city proposals for UGB expansions for employment uses. The group would be asked for its assessment of the readiness of proposed expansion areas, the likelihood that the area would develop, and possible economic and equity benefits.

To facilitate this group's discussions, staff will convene the group throughout this process, bringing forward summaries of ongoing work around growth trends and other relevant topics. Lastly, the group would be asked to provide its advice on these topics as a way of identifying potential focus areas for a subsequent refresh of the 2040 Growth Concept.

Technical peer review groups

Several technical peer review groups will be engaged in the development of the 2024 UGR. Those will include:

- Regional Forecast: a peer review group consisting of economists and demographers will review regional forecast methods and results.
- Buildable land inventory: the Land Use Technical Advisory Group, consisting of local jurisdiction planning staff and other development specialists will review buildable land inventory methods and results. The draft inventory will also be made available for review by all local jurisdictions.

2024 Urban Growth Management decision approach

Staff proposes the following approach to the 2024 UGR and growth management decision.

- Focus policy discussions on the readiness of cities to urbanize possible expansion areas (concept planned Urban Reserves).
- The draft UGR that staff will release in the summer of 2024 will not be a conclusive determination of regional need for land. The draft UGR will provide high quality, peer-reviewed analysis that will serve as a decision support tool for policy makers that will:
    - As a best practice, use a range forecast to recognize uncertainty about the amount of future population, household, and job growth.
    - Recognize uncertainty regarding the capacity of land inside the UGB to accommodate growth, particularly related to newly allowed “middle” housing types.
    - Differentiate between housing needs and land needs.
    - Differentiate between employment growth forecasts and economic development aspirations and their implications for regional land needs.
    - Seek to understand changes in housing and employment trends that are under way or that have accelerated during the pandemic.
    - Provide information about how various housing types can address the needs of different income groups.
    - Address newer statutory requirements such as estimating not just future, but existing housing needs.
    - Summarize the possible housing production or economic impacts of any city-proposed UGB expansions.
- Determinations of need for UGB expansions will be a result of Council direction, informed by the UGR.
- The Council’s decision would include setting regional housing production targets (for the region, by income group, not by jurisdiction). Those regional targets could serve as the basis for a subsequent Regional Housing Coordination Strategy that would be led by Metro’s Housing Department in coordination with Planning, Development and Research. A requirement for Metro to produce a Housing Coordination Strategy is pending legislation in the 2023 session.

Timeline overview (subject to change)

The timeline below emphasizes engagement of Metro advisory committees, ad-hoc advisory groups, and known stakeholder groups. Staff will develop a more detailed public involvement plan in the coming months. That public involvement plan will likely focus around any proposed UGB expansion areas since experience indicates that’s what the public is most interested in. We also expect to hear ideas from the public about topics to address in a refresh of the 2040 Growth Concept.

Early 2023

<u>Venues</u>

- MTAC and MPAC
- Metro Council work sessions

Topics

- The 2040 Vision 30 years later
    - How growth has happened following our regional vision/2040 growth concept
    - How UGB decisions work with other tools to realize our regional vision
    - 2040 grant funds available to support visioning/planning inside UGB
- History of UGB decisions and how the process has evolved to bring us to the process we use now
    - How decisions used to be made
    - Legislative changes and lawsuits
    - Reserves—why/when this system was created
- What will be part of the UGB decision (topics, information) this next year and a half and how it will feed into a 2040 refresh
- Advice on draft 2024 Urban Growth Management Decision work program

Deliverables

- Finalize 2024 Urban Growth Management Decision work program

Spring 2023

Venues

- Stakeholder groups such as HBA, business chambers, NAIOP, Metropolitan Mayor's Consortium, community-based organizations, county planning directors' meetings and county coordinating committees
- Metro Council
- MTAC and MPAC

Topics

- Project kickoff with stakeholders; share the 2024 Urban Growth Management Decision work program
- Speaker panels:
    - Office-to-residential conversion potential (consultant product)
    - Development outcomes in centers and past UGB expansion areas (consultant product)
    - Middle housing potential (consultant product)

Deliverables

- Speaker panels
- Convene new urban growth group

Summer 2023

Venues

- Convene Land Use Technical Advisory Group (LUTAG) to advise on buildable land inventory
- Metro Council
- MTAC and MPAC
- Urban growth group

Topics

- Employment and industrial readiness; semiconductor taskforce

- Long-term role of housing production in housing affordability (filtering); gentrification and displacement trends (consultant products)
- Existing housing needs: historic underproduction and housing for people experiencing houselessness (consultant product)

Deliverables/milestones
- Industrial site readiness (scope TBD)
- Speaker panels

Fall 2023

Venues
- LUTAG
- Metro Council
- MTAC and MPAC
- Urban growth group

Topics
- Factors that influence whether land is buildable and ready

Deliverables/milestones
- Local jurisdiction review of draft buildable land inventory
- Updates on buildable land inventory process

Winter 2023/2024

Venues
- Metro Council
- MTAC and MPAC
- Regional Forecast peer review panel, which in the past has included demographers and economists from PSU, the state of Oregon, NW Natural, and private consulting.
- Urban growth group

Topics
- Economic and demographic outlook
- Title 6 (Centers) updates per Climate Friendly Equitable Communities Rules
- Draft buildable land inventory

Deliverables/milestones
- Draft regional forecast peer review of methods and results
- Draft buildable land inventory
- Draft Title 6 amendment language
- Letters of interest from cities that intend to propose UGB expansions – DUE BY DECEMBER 1, 2023
- Draft tool for assessing potential economic benefits of adding proposed (if any) industrial lands to UGB (consultant product)

Spring 2024

Venues

- Urban growth group
- Metro Council
- MTAC and MPAC

Topics

- City proposals for UGB expansions
- Historic residential development trends
- Programs, partnerships, and investments needed to improve regional readiness for growth
- Draft regional forecast

Deliverables/milestones

- Draft regional forecast
- City proposals for UGB expansions – DUE BY APRIL 5, 2024
- Draft technical assessment of economic benefits of adding proposed (if any) industrial lands to UGB (consultant product)
- Draft report on historic residential development trends
- LUTAG recommendations for readiness topics to advance in 2040 Growth Concept refresh

Summer 2024

Venues

- Urban growth group
- Metro Council
- MTAC and MPAC
- Stakeholder groups such as HBA, business chambers, NAIOP, Metropolitan Mayor's Consortium, community-based organizations, county planning directors' meetings and county coordinating committees

Topics

- Draft UGR, with a focus on the draft regional housing needs analysis and setting regional housing production goals by income group.
- City proposals for UGB expansions
- Urban growth group assessment of UGB expansion proposals

Deliverables/milestones

- Draft UGR, including draft regional housing needs analysis
- Summary of Urban growth group recommendations to the Metro COO and staff
- MTAC and MPAC recommendations on growth management decision, including regional housing production goals by income group, Title 6 amendments, UGB expansions, and topics to advance in 2040 Growth Concept refresh

Fall 2024

Decision process

Metro Council consideration of resolution directing staff to prepare final decision ordinance:

- Public hearings
- Townhalls or other direct public involvement TBD
- Direction on completing the UGR analysis: range forecasts, regional housing target setting by income group, employment lands to plan for, etc.
- Direction on UGB expansions, if any

- Direction on conditions of approval, if any
- Prepare public notices for UGB expansions, if any
- Direction on Title 6 amendments
- Direction on topics to address in 2040 Growth Concept refresh

Winter 2024

Decision process

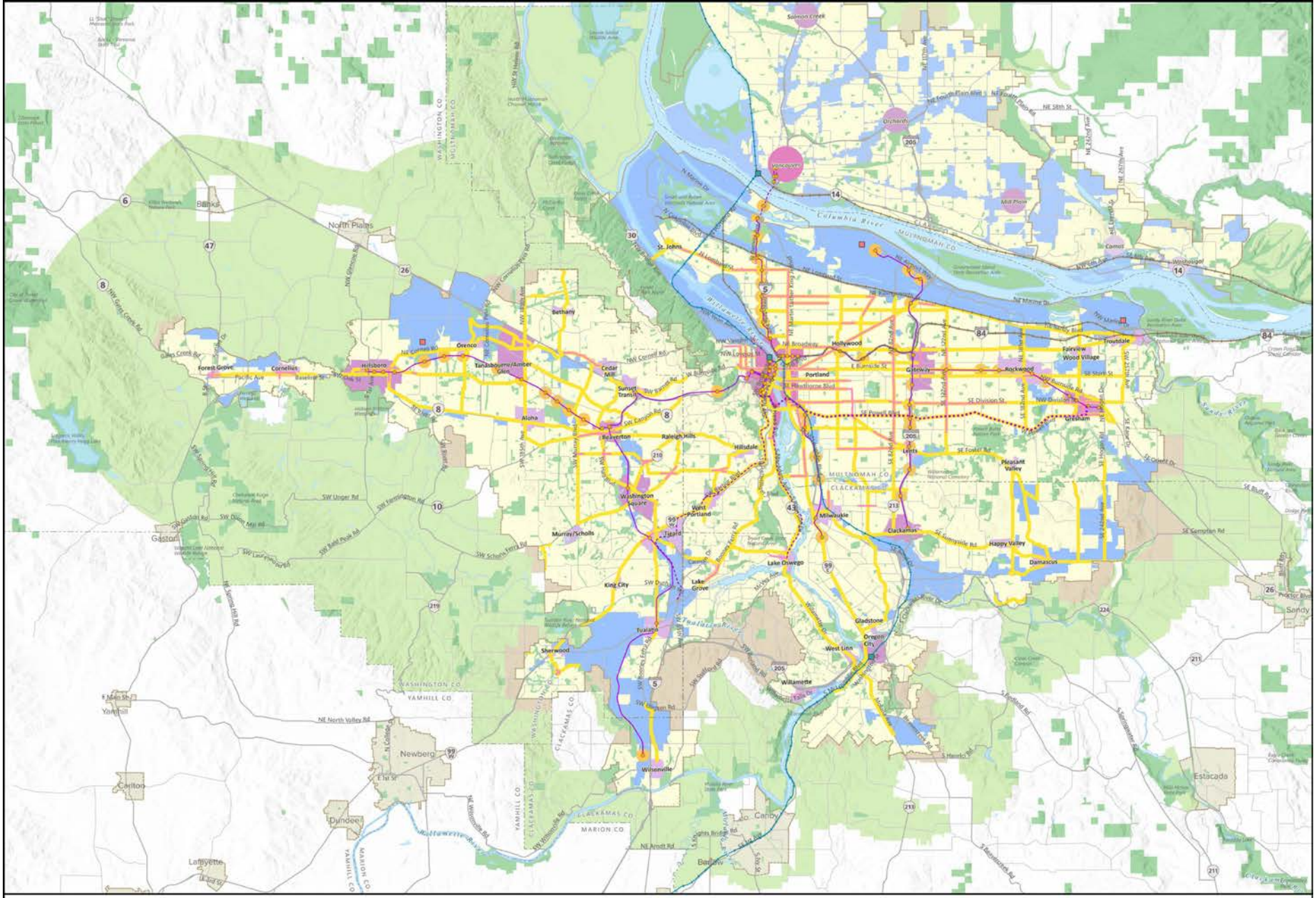
- Provide notices for decision as required
- Council first and second read of ordinance:
    - Adoption of final UGR
    - UGB expansions, if any
    - Conditions of approval for UGB expansions, if any
    - Regional housing production goals for various income groups
    - Title 6 amendments
    - Other policy direction such as topics to address in 2040 Growth Concept Refresh
    - Findings of Fact and Conclusions of law

Materials following this page were distributed at the meeting.

2024 Urban Growth Management Decision:

Draft work program

Metro Council 3-7-23



2040 Growth Concept Map

December 2018

0 6 12 Miles

0 10 20 Kilometers

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

The Metro 2040 Growth Concept defines the form of regional growth and development for the Portland metropolitan region. The Growth Concept was adopted in December 1995 through the Region 2040 planning and public involvement process. This concept is intended to provide long-term growth management of the region.

The map highlights elements of parallel planning efforts including: the 2018 Regional Transportation Plan that outlines investments in multiple modes of transportation, and a commitment to local policies and investments that will help the region better accommodate growth within its centers, corridors and employment areas.

- Central city
- Regional center
- Town center
- Station communities
- Main streets
- Corridors
- Employment land
- Parks and natural areas
- Neighborhood
- Rural reserve
- Urban reserve
- Urban growth boundaries
- Existing high capacity transit
- Planned high capacity transit
- Proposed high capacity transit tier 1
- Mainline freight
- High speed rail (proposed)
- County boundaries
- Neighboring cities
- Airports
- Intercity rail terminal

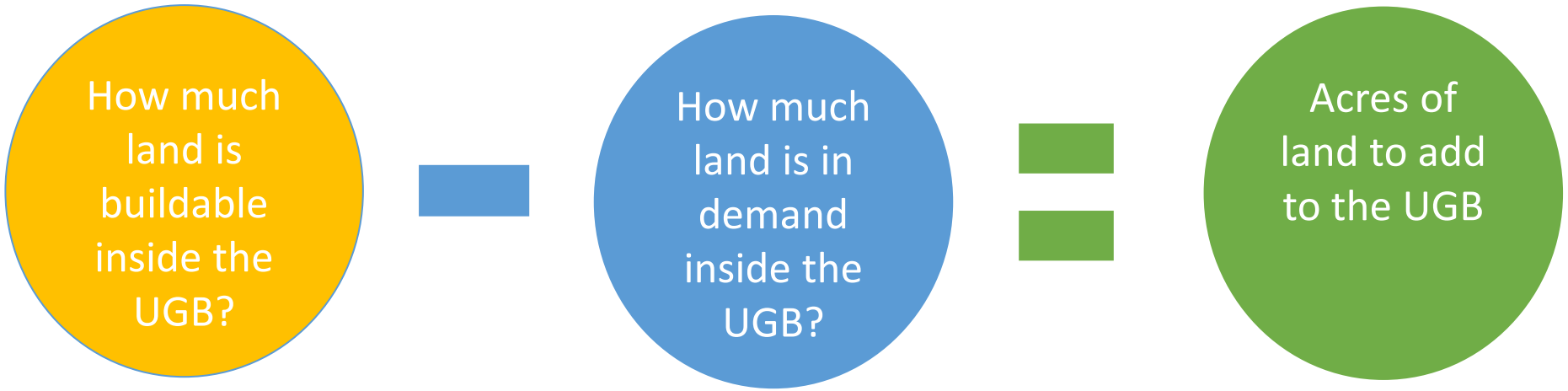
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For more information on these initiatives, visit http://www.oregonmetro.gov/2040

The basic premise of Oregon's growth management laws

Before expanding the UGB, determine whether more land is needed because of household and employment growth.



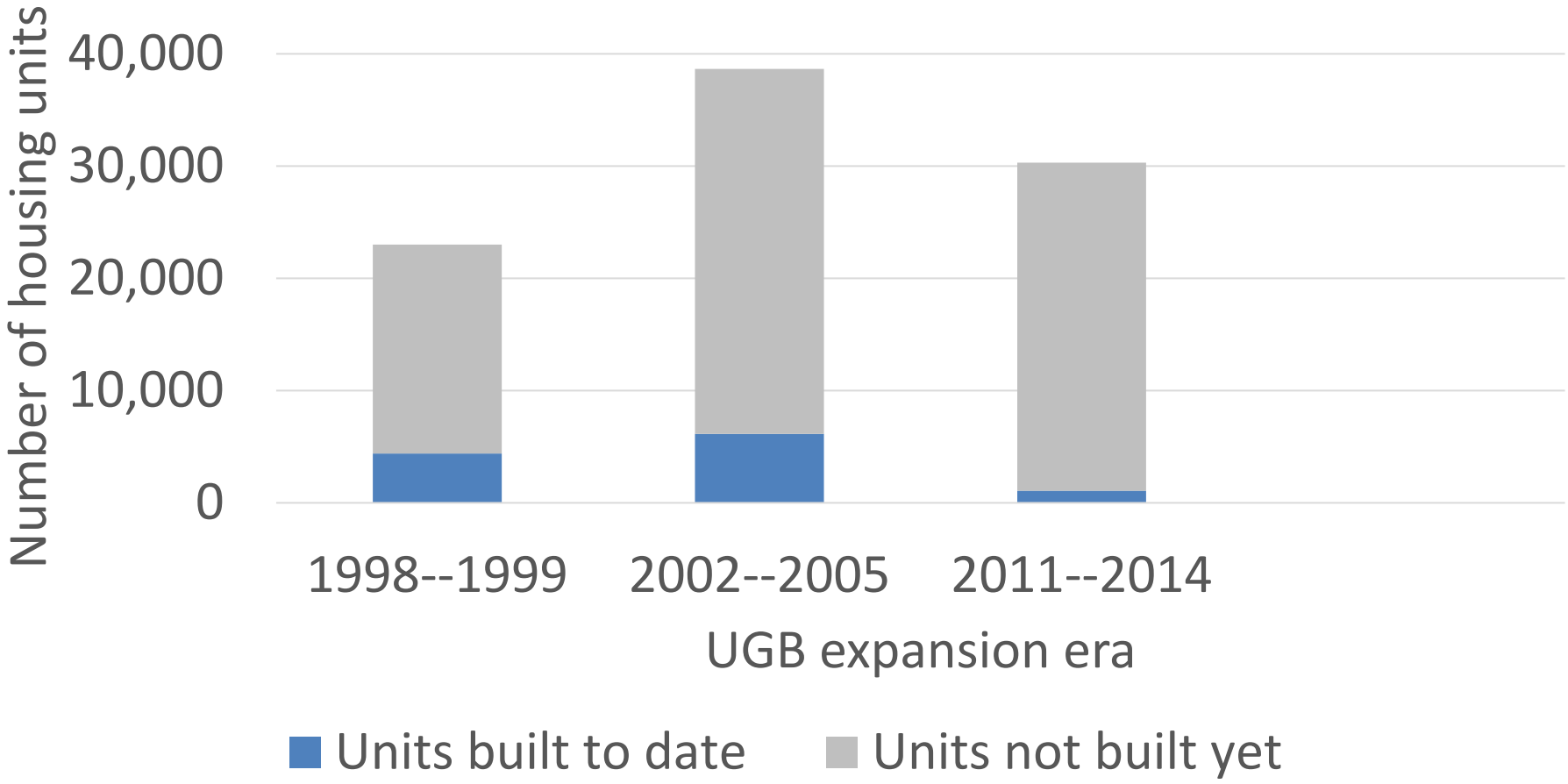
Land readiness matters

UGB expansions only produce jobs or housing when there is a city that can plan the area and build pipes, roads, sidewalks, parks and schools





Past UGB decisions that did not emphasize readiness have been slow to produce housing



009735

Source: ECONorthwest analysis using RLIS taxlot data (note: taxlot data tends to lag actual development)

Metro has improved its growth management process to focus on readiness

Old system

- Calculate the number of housing units needed
- Expand UGB based on soil types
- Concept plan areas after adding to UGB

New system

- Agree on where the region may grow over the next 50 years
- Concept plan urban reserve areas before expansion (Metro funding)
- Decide whether proposed expansions are needed based on outcomes

What's in an Urban Growth Report? Employment

- Regional employment forecast
- Assessment of trends like work from home, etc.
- Employment site inventory
- Industrial land readiness



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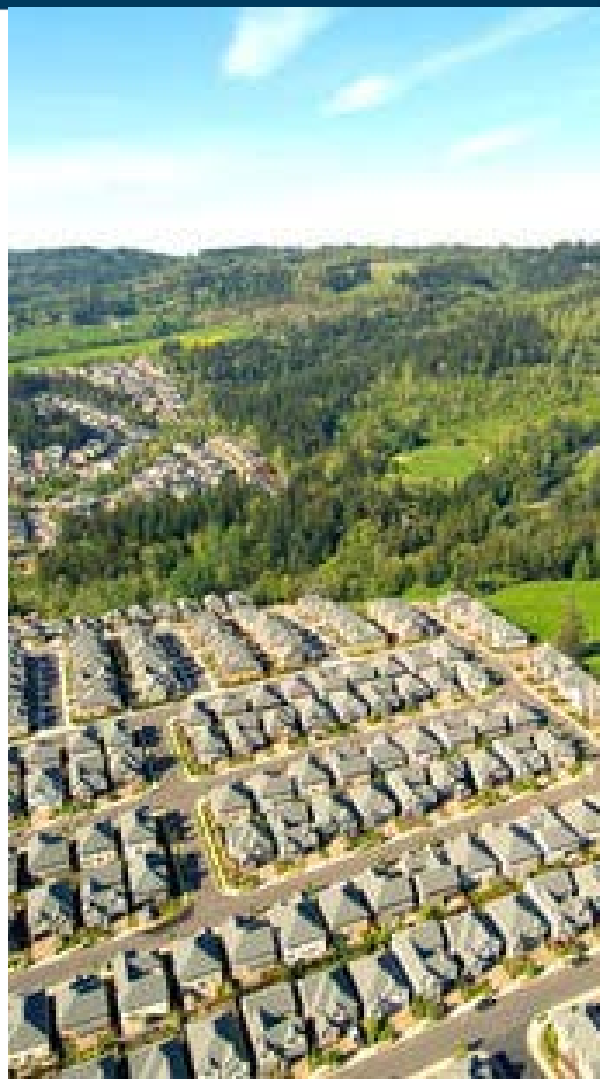
What's in an Urban Growth Report? Housing

- Population and household forecast
- Development trends:
  - Price, type, size, rent/own
  - Redevelopment, infill, vacant lands
- Displacement trends
- Housing needs analysis



What will be new in the 2024 Urban Growth Report?

- Development proforma approach for assessing growth capacity, including middle housing estimates
- Housing needs by income group
- Existing and future housing needs
- Consideration of economic aspirations & forecasts



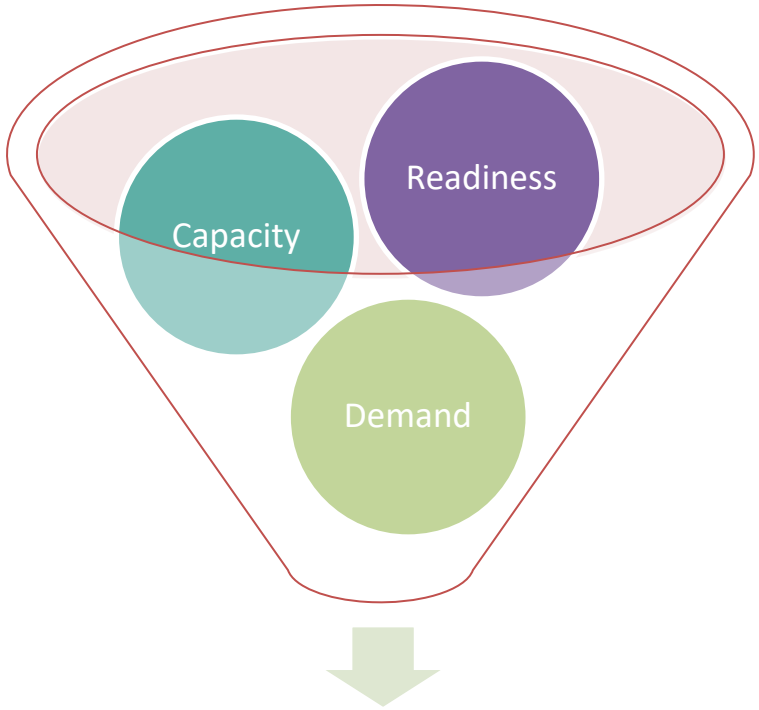
What will be new in the 2024 decision process?

- Advice from CORE (to Council)
- Feedback to staff from more diverse stakeholders, e.g.:
  - Business
  - Land use advocacy
  - Labor
  - Environmental justice
  - Youth



The UGR is a decision support tool

- How much growth *should* we plan for?
- What kind of housing/jobs *should* we plan for?
- What amount of redevelopment and infill would be needed?
- Which Urban Reserves are ready to develop?
- What else needs attention, other than land supply?



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Decision-making

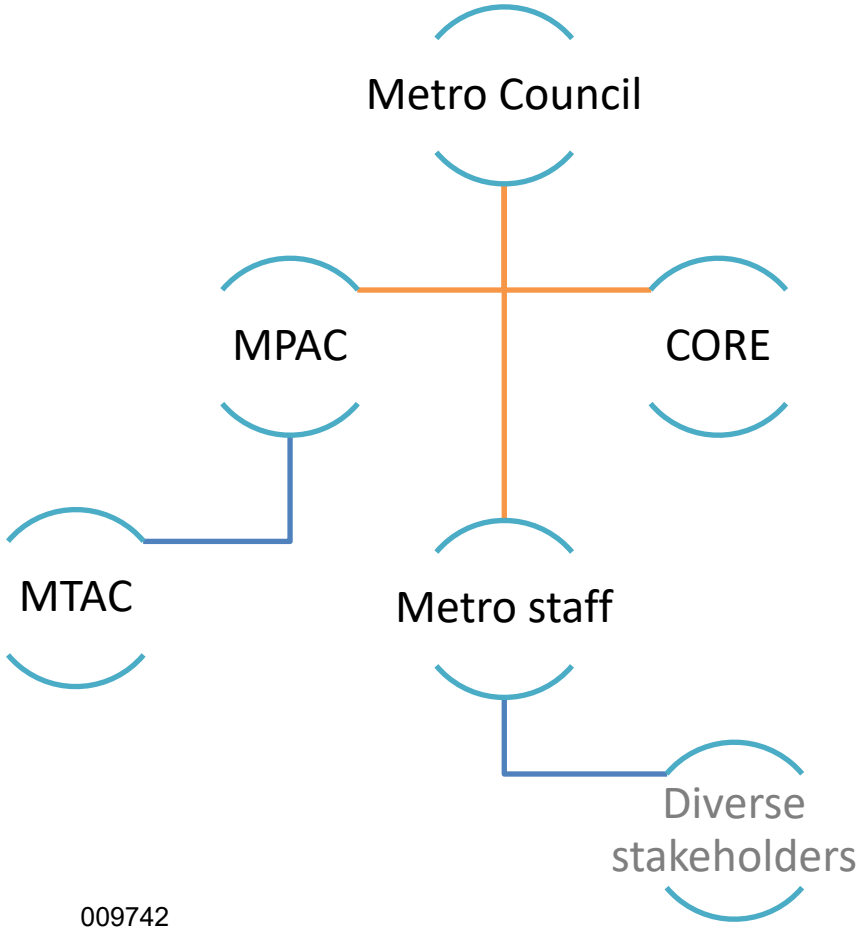
Metro Council makes UGB decisions

MPAC and CORE advise Council

MTAC advises MPAC

COO/staff will make a recommendation to Council

Feedback to staff from diverse stakeholders



009742

2024 UGM Decision



Technical work and analysis

Forecasts
Trends analysis
Land inventories
Modeling

Stakeholder engagement

Jurisdictional outreach
Stakeholder group
Youth cohort

City expansion proposals

Grant funding applications due

Dec 2023: Letters of interest due

April 2024: Proposals due

Metro Council decision

Summer 2024: Draft UGR
Stakeholder group, COO recommendations

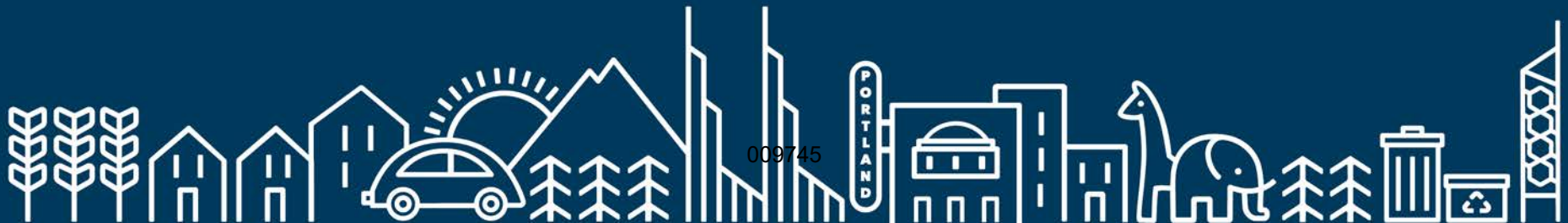
Fall 2024: MPAC, CORE recommendations
Council direction to staff
Public hearings

Dec 2024: Council decision

Questions and suggestions?

- About the work program?
- How would Council like to be engaged throughout the process, leading to its 2024 decision?

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METRO POLICY ADVISORY COMMITTEE (MPAC)

Meeting Minutes

February 22, 2023

MEMBERS PRESENT	AFFILIATION
Vince Jones-Dixon (Chair)	City of Gresham, Second Largest City in Multnomah County
Joe Buck	City of Lake Oswego, Largest City in Clackamas County
Ed Gronke	Citizen of Clackamas County
Gerritt Rosenthal	Metro Council
Alex Howard	Port of Portland
Mary Nolan	Metro Council
Brett Sherman	City of Happy Valley, Other Cities in Clackamas County
Duncan Hwang	Metro Council
Mark Shull	Clackamas County
Sherry French	Special Districts in Clackamas County
Terri Preeg Rigsby	Special Districts in Multnomah County
Nadia Hasan	City of Beaverton, Second Largest City in Washington County
Kirstin Greene	Oregon Department of Land Conservation and Development
Pam Treece	Washington County
Luis Nava	Citizen of Washington County
Tim Rosener	Other Cities in Washington County
Thomas Kim	TriMet
Glen Yung	Clark County
Carmen Rubio	City of Portland
Steve Callaway	Largest City in Washington County
Gordon Hovies	Special Districts in Washington County

MEMBERS EXCUSED	AFFILIATION
Kim Harless	City of Vancouver
Denyse McGriff	Second Largest City in Clackamas County
Sharon Meieran	Multnomah County
Ted Wheeler	City of Portland
Omar Qutub	Citizen of Multnomah County
Brian Cooper	City of Fairview, Other Cities in Multnomah County
Brian Hodson	City of Canby, City in Clackamas County outside UGB
James Fage	City of North Plains, City in Washington County outside UGB
Susan Greenberg	Beaverton School Board, Governing Body of a School District

ALTERNATES PRESENT	AFFILIATION
Ty Stober	City of Vancouver
Rebecca Stavenjord	Other Cities in Clackamas County
Laura Kelly	Oregon Department of Land Conservation and Development

OTHERS PRESENT: Megan Beyer, Jessica Pelz, Peyton James, Anna Slatinsky, Jaimie Lorenzini, Jamie Stasny, Laura Petrie, Sarah Paulus, Tom Armstrong, Megan McKibben, Chris Deffebach, Colin Cooper

STAFF: Eryn Kehe, Malu Wilkinson, Ted Reid, Andy Shaw, Roger Alfred, Jaye Cromwell, Connor Ayers, Jeff Kain, Eduardo Ramos, Robyn Stowers, Anne Buzzini, Carrie MacLaren

1. CALL TO ORDER, INTRODUCTIONS, CHAIR COMMUNICATIONS

MPAC Chair Vince Jones-Dixon (he/him) called the virtual Zoom meeting to order at 5:00 PM.

Metro Staff Connor Ayers (he/him) called the role.

2. PUBLIC COMMUNICATION ON AGENDA ITEMS

No members of the public chose to provide testimony on agenda items.

3. COUNCIL UPDATE

Metro Councilor Gerritt Rosenthal (he/him) began with an update to the Supportive Housing Services tax, noting that both Multnomah County and Metro have agreed to waive the penalties and interest fees for the tax.

Councilor Rosenthal noted that the Oregon Zoo is entering a new phase of planning.

He then spoke to the development of the Expo Future project, noting that the project is focusing on retaining the cultural significance of Building A as well as renovating the other halls for further growth.

Lastly, Metro Councilor Hwang (he/him) remarked that the 82nd Avenue and TV Highway corridor projects are progressing through development.

4. COMMITTEE MEMBER COMMUNICATIONS

Tualatin Valley Fire and Rescue Vice President Gordon Hovies commented that the Special Districts Association of Oregon had a conference, noting that six League of Oregon Cities members were in attendance.

Clackamas River Water President Sherry French also spoke about the Special Districts Association of Oregon conference.

City of Beaverton Councilor Nadia Hasan alerted the committee that the month of Ramadan is starting.

City of Sherwood Mayor Tim Rosener introduced himself to the committee, announcing his excitement to be apart of MPAC.

Councilor Rosenthal stated that the biking and draining districts along the Columbia River have consolidated and are collecting materials to apply for federal funding opportunities.

City of Vancouver Mayor Pro Tem Ty Stober (he/him) noted that Vancouver successfully passed its renewal of the Affordable Housing Levy.

TriMet Board Member Thomas Kim remarked that in the past month TriMet was awarded four congressionally directed spending earmarks. He then announced that TriMet is issuing a winter weather advisory warning that may affect transit travel over the following week.

Chair Jones-Dixon stated that the next MPAC meeting will be a hybrid meeting, held at the Metro Regional Center on March 22, 2023 at 5:00 PM.

5. CONSENT AGENDA

5.1 MPAC Consideration of MTAC Nominees
5.2 Consideration of the November 9th, 2022 MPAC Minutes
5.3 Consideration of the December 14th, 2022 MPAC Minutes

MOTION: City of Hillsboro Mayor Steve Callaway moved to approve the consent agenda. Washington County Vice Chair Pam Treece seconded.

ACTION: With all in favor, the appointment was adopted.

6. INFORMATION/DISCUSSION ITEMS

6.1 MPAC Overview

Chair Jones-Dixon introduced Metro Staff Andy Shaw (he/him) and Malu Wilkinson (she/her).

Key elements of the presentation and member discussion included:

The presentation began with a briefing about the role Metro plays as a regional government, detailing what Metro does, the 2040 Vision, and key policies and programs. Shaw spoke in more depth about Metro programs related to equitable development and regional transportation planning, as these projects are the most central to the work done by the MPAC committee. Staff then overviewed what role the MPAC committee serves, detailing the duties of the committee and its by-laws. Wilkinson highlighted the 2023 Work Program Topics, the primary programs or issues that will be discussed by the

MPAC committee over the course of the year.

Clark County Councilor Glen Yung noted that the consent agenda contained minutes from November of 2022, questioning why it has taken so long to get these minutes approved.

Metro Staff Connor Ayers stated that this case is unusual, remarking that there was several technical issues that caused these minutes to be finished later than normal.

6.2 Growth Management Work Plan

Chair Jones-Dixon introduced Metro Staff Eryn Kehe (she/her) and Ted Reid (he/him).

Key elements of the presentation and member discussion included:

The presentation introduced the 2024 Urban Growth Management Decision, a state-mandated update to the region's growth, particularly in regards to the Urban Growth Boundary (UGB). Kehe explained the process by which the State of Oregon determines whether additional land needs to be added to the UGB. Staff highlighted the importance of readiness in UGB decision making, noting that land readiness is strongly correlated with the efficient production of housing. Reid overviewed the different components included in Urban Growth Reports, primarily being employment and housing metrics. The presentation concluded with a detailed timeline of the process, as well as an overview of the decision-making process.

Mayor Rosener questioned how the City Readiness Advisory Group is involved in the decision-making process.

Kehe clarified that this group will likely be included in a larger committee that will serve as in an advisory role comprised of business and labor perspectives.

Mayor Rosener followed up his question by stating that the Oregon House Bill 2001 (HB2001), which includes mandates on housing density, has created difficulties for the City of Sherwood. He asked staff how density will be approached in the Urban Growth Management Decision under HB2001.

Reid noted that Metro has contracted Eco Northwest and Johnson Economics to help work create an efficient planning process. He added that middle-housing development is likely to be gradual. Kehe remarked that Metro Staff Glen Hamburg is leading concept plan discussions and is a good resource for further questions.

Commissioner Vice Chair Treece requested clarification on the anticipated changes to the Columbia Region Association of Governments (CRAG) group.

Kehe stated that they are considering expanding the time frame given to the CRAG group to review land management proposals, as well as potentially expanding the membership of the group to diversify the range of perspectives.

Commissioner Treece questioned if the CRAG group's membership expansion would draw from the

same type of members already in the group.

Kehe and Reid affirmed that the CRAG expansion would still draw members from commercial real estate development, affordable housing, and land use advocacy groups.

Lake Oswego Mayor Joe Buck asked what kind of advocacy work Metro is doing to ease the UGB expansion process and secure state funding and support for cities.

Shaw explained that Metro has been heavily involved in the semiconductor discussion at the state level, strongly advocating for resources for land readiness. He noted that Metro has also been working with the state to develop the Oregon Housing Needs Analysis (OHNA) process, moving beyond HB2001 to address zoning and housing concerns. Shaw commented that he is not aware of any legislation that would help to ease land use processes in the Metro region.

Mayor Buck expressed his concern over the how the region's housing shortage is disparately impacting low-income communities, stating that the current system is clearly not sufficient if housing production cannot rise to meet this demand.

Mayor Rosener questioned the role the committee will play in reviewing the assumptions behind Metro's job and housing analyses process.

Kehe remarked that the reason the land management team is consistently presenting to MPAC is so that the committee can view the development of the process over time, providing guidance and clarity to the project. She then noted that they will be producing and sharing range forecasts that will give additional perspective into the job and housing analyses.

Commissioner Treece followed up Mayor Buck's question, asking about the role the Housing Needs Analysis will play in the land use decision-making process.

Oregon Department of Land Conservation and Development Deputy Director Kirstin Greene asked if MPAC members will be briefed on the Committee on Racial Equity's (CORE) recommendations for consideration.

Kehe noted that CORE provides their recommendations straight to the Council, but stated that discussing CORE's feedback in MPAC meetings may be useful to draw out additional perspectives.

Councilor Rosenthal asked about the potential of the semiconductor task force recommendations at disrupting the timeline of the Urban Growth Management Decision.

Shaw stated that there is an effort to take advantage of the Federal Chips Act in the short term, and that this effort is reflected in the land use plans.

6.3 Update on UGB Land Exchange

Chair Jones-Dixon introduced Metro Staff Andy Shaw (he/him), Roger Alfred (he/him), and Ted Reid (he/him).

Key elements of the presentation and member discussion included:

Shaw explained that the Metro Council recently adopted the proposed UGB exchange ordinance to remove lands in two areas, east of Oregon City and east of Happy Valley, from the UGB to add in land in Tigard.

Happy Valley Councilor Brett Sherman expressed his appreciation that the Metro Council considered the recommendations of MPAC and shifted the proposal to address concerns offered by the committee.

7. ADJOURN

Chair Jones-Dixon adjourned the meeting at 6:39 PM.

Respectfully Submitted,

Jeff Kain

Jeffrey Kain
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JANUARY 25, 2023

ITEM	DOCUMENT TYPE	DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
6.1	Presentation	02/22/2023	MPAC Overview Presentation	022223m-01
6.1	Presentation	02/22/2023	MPAC Growth Management Work Plan Presentation	022223m-02

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Metro Policy Advisory Committee (MPAC) agenda

Wednesday, February 22, 2023 **5:00 PM** **https://zoom.us/j/95889916633 (Webinar ID: 958 8991 6633)**

1. Call To Order, Declaration of a Quorum & Introductions (5:00 PM)

Please note: This meeting will be held online. You can join the meeting on your computer or other device by using this link: https://zoom.us/j/95889916633 or by calling +1 669 900 6128 or +1 877 853 5257 (Toll Free)
If you wish to attend the meeting, but do not have the ability to attend by phone or computer, please contact the Legislative Coordinator at least 24 hours before the noticed meeting time by phone at 503-813-7591 or email at legislativecoordinator@oregonmetro.gov.

2. Public Communication on Agenda Items (5:05 PM)

Public comment may be submitted in writing and will also be heard by electronic communication (video conference or telephone). Written comments should be submitted electronically by mailing legislativecoordinator@oregonmetro.gov. Written comments received by 4:00 pm on the Wednesday before the meeting will be provided to the committee prior to the meeting.
Those wishing to testify orally are encouraged to sign up in advance by either: (a) contacting the legislative coordinator by phone at 503-813-7591 and providing your name and the item on which you
wish to testify; or (b) registering by email by sending your name and the item on which you wish to testify to legislativecoordinator@oregonmetro.gov. Those requesting to comment during the meeting can do so by using the “Raise Hand” feature in Zoom or emailing the legislative coordinator at legislativecoordinator@oregonmetro.gov. Individuals will have three minutes to testify unless otherwise stated at the meeting.

3. Council Update (5:10 PM)

4. Committee Member Communication (5:15 PM)

5. Consent Agenda (5:20 PM)

5.1 MPAC consideration of MTAC nominees — COM 23-0659

Attachments: Worksheet
Staff Report

5.2	Consideration of the November 9th, 2022 MPAC Minutes		COM 22-0662
	Attachments:	110922 MPAC Minutes	
5.3	Consideration of the December 14th, 2022 MPAC Minutes		COM 22-0663
	Attachments:	121422 MPAC Minutes	

6. Information/Discussion Items (5:25 PM)

6.1	MPAC overview		COM 23-0657
	Presenter(s):	Andy Shaw (he/him), Metro	
	Attachments:	MPAC Worksheet.pdf	
6.2	Growth management work plan		COM 23-0660
	Presenter(s):	Eryn Kehe, Metro Ted Reid, Metro	
	Attachments:	Worksheet Work Program Summary	
6.3	Update on UGB land exchange		COM 23-0658
	Presenter(s):	Andy Shaw (he/him), Metro Ted Reid (he/him), Metro Roger Alfred (he/him), Metro	
	Attachments:	Worksheet	

7. Adjourn (7:00 PM)

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលពាក្យបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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January 2021

6.2 Growth Management Work Plan

Information/Discussion Items

Metro Policy Advisory Committee
Wednesday, February 22nd, 2023

MPAC Worksheet

Agenda Item Title: 2024 Urban Growth Management Decision: draft work program overview

Presenters: Eryn Kehe, Ted Reid (Metro Planning, Development and Research)

Contact for this worksheet/presentation: Ted Reid ted.reid@oregonmetro.gov

Purpose/Objective

- Review proposed work program for the Metro Council's 2024 urban growth management decision process.
- Describe MPAC's proposed role in the growth management decision process.
- Seek MPAC's feedback on the proposed work program.

Outcome

MPAC is familiar with the proposed process – including MPAC's role in making recommendations – that will lead to the Metro Council's December 2024 urban growth management decision.

What has changed since MPAC last considered this issue/item?

MPAC last made a recommendation on a cyclical growth management decision in 2018. More recently, in late 2022, MPAC made a recommendation to the Metro Council on an urban growth boundary exchange. This meeting is the first time that MPAC has discussed the proposed work program for the 2024 urban growth management decision process.

What packet material do you plan to include?

Draft work program overview.

2024 Metro Council Urban Growth Management Decision: Draft work program summary

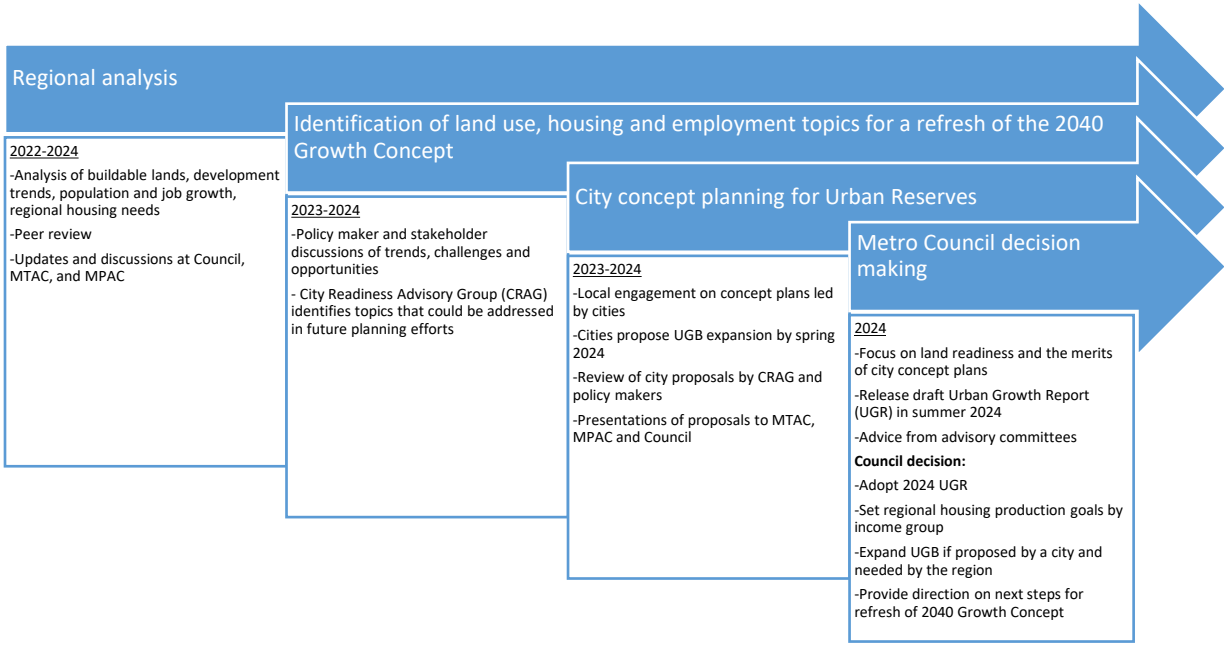
Regional readiness for population, housing, and job growth

The Metro Council is required under state law to adopt – by the end of 2024 – an assessment of the region's capacity to accommodate the next twenty years of housing and job growth inside the urban growth boundary (UGB). This work program summary outlines the proposed process that will lead to the Council's decision, focusing on how the Metro Council and its advisory committees will be engaged.

Metro seeks to improve its growth management practices every time it undertakes this cyclical process. As always, Metro will strive to improve the data analysis that informs decision makers. Likewise, Metro will continue its emphasis on land readiness to ensure that decisions emphasize the governance, market, and infrastructure conditions that must be present to produce housing and jobs. This process will differ from past decisions by applying a greater focus on the housing needs of all income groups, particularly households with lower incomes. This focus on affordability advances shared goals of increasing housing production for those that have the fewest choices.

This proposed work program also describes how this process will identify land use, housing and employment policy topics that deserve additional consideration in a subsequent refresh of the region's 2040 Growth Concept or through other programs. Those topics will include climate change, racial equity, and ways of diversifying the set of stakeholders that are engaged.

Process overview



Council roles

Leading up to the Council's decision in late 2024, policy makers will engage in discussions of a variety of growth and development trends as well as reviewing any UGB expansion proposals submitted by cities. Policy maker discussions will focus on development readiness, additional actions that may be needed to increase housing production and economic growth inside existing urban areas, and specific city proposals for addressing housing and employment needs in UGB expansion areas. Metro Councilors may wish to engage directly with their local elected counterparts throughout this process.

Advisory committee roles

The Metro Policy Advisory Committee (MPAC) will be engaged in policy discussions like those that the Council engages in throughout the process. MPAC will be asked for its advice to the Metro Council in late summer 2024. MPAC's advice will focus on policy options for increasing the region's readiness for housing and employment growth and the merits of any city proposals for handling some of that growth through concept planned UGB expansions.

The Metro Technical Advisory Committee (MTAC) will provide advice on technical aspects as needed. Local jurisdiction staff review of the buildable land inventory will be essential and it is likely that Metro will reconvene the ad-hoc Land Use Technical Advisory Group, which has overlap with MTAC membership for this purpose. MTAC will also be asked to review of any city proposals for UGB expansions. Lastly, MPAC may request MTAC's technical advice on topics.

Metro's Committee on Racial Equity (CORE) will be briefed on this work program and their advice will be sought on the formation of a diverse youth cohort to both learn about and advise on Metro's growth management approach. After an initial discussion with CORE, staff will identify the appropriate timing of further engagement with the committee over the course of this work program.

Staff roles

Staff will manage the work program to meet deadlines and facilitate advisory committee discussions and Council decision making. Staff will also undertake the legal, communications, engagement and technical work needed to support Council decision making. Metro will build on its long-standing expertise in spatial, housing, and economic analysis and research by continuously improving its work to support decision making. Peer review and local jurisdiction staff engagement will help to ensure the validity of these analyses. Aspects of these analyses will be brought forward to inform policy discussions throughout 2023 and 2024 and will be incorporated into the 2024 Urban Growth Report (UGR).

Local jurisdiction roles

As described in this work program summary, staff proposes that this process is centered on city readiness. As such, there will be a heavy emphasis on the merits of city proposals for concept planned UGB expansions. Cities will be responsible for leading local engagement on concept planning Urban Reserve areas. Local jurisdiction staff will also have opportunities to provide peer review of the buildable land inventory and advice through MTAC.

City Readiness Advisory Group

In the 2018 growth management decision, Metro convened a City Readiness Advisory Group (CRAG) that included developers, advocacy groups, affordable housing providers, community organizations, and park district staff. The group was charged with reviewing city proposals for UGB expansions, providing their insight on the readiness of these cities to accommodate growth in an equitable, climate-friendly fashion.

For the 2024 decision, staff proposes reconvening CRAG, but with an expanded, more diverse composition and role. In addition to reviewing any city proposals for residential UGB expansions, this group would also be asked to provide insight on the partnerships, policies, and programs needed to further advance the region's readiness for growth and address topics such as revitalizing downtowns, encouraging mid and high-rise housing production in mixed-use centers, encouraging middle housing in neighborhoods, and enhancing affordability. The group would do so through the lens of equity and climate change.

For several growth management decision cycles, Metro has participated in updates of the Regional Industrial Site Readiness Inventory. Recent discussions at the governor's Semiconductor Taskforce have again affirmed the need to address the readiness of industrial lands to attract high-tech manufacturers. For the 2024 urban growth management decision, staff proposes asking CRAG to review any city proposals for UGB expansions for employment uses. CRAG would be asked for its assessment of the readiness of proposed expansion areas, the likelihood that the area would develop, and possible economic and equity benefits.

CRAG would be asked to provide its advice on these topics to MPAC and the Metro Council as a way of identifying potential focus areas for a subsequent refresh of the 2040 Growth Concept. Staff suggests that the Council consider appointing a councilor to chair this group. Likewise, staff suggests having at least one MTAC and MPAC liaison to this group. Finally, staff recommends including representatives of the proposed youth cohort on CRAG.

Technical peer review groups

Several technical peer review groups will be engaged in the development of the 2024 UGR. Those will include:

- Regional Forecast: a peer review group consisting of economists and demographers will review regional forecast methods and results.
- Buildable land inventory: the Land Use Technical Advisory Group, consisting of local jurisdiction planning staff and other development specialists will review buildable land inventory methods and results. The draft inventory will also be made available for review by all local jurisdictions.

2024 Urban Growth Management decision approach

Staff proposes the following approach to the 2024 UGR and growth management decision.

- Focus policy discussions on the readiness of cities to urbanize possible expansion areas (concept planned Urban Reserves).
- The draft UGR that staff will release in the summer of 2024 will not be a conclusive determination of regional need for land. The draft UGR will provide high quality, peer-reviewed analysis that will serve as a decision support tool for policy makers that will:
    - As a best practice, use a range forecast to recognize uncertainty about the amount of future population, household, and job growth.
    - Recognize uncertainty regarding the capacity of land inside the UGB to accommodate growth, particularly related to newly allowed “middle” housing types.
    - Differentiate between housing needs and land needs.
    - Differentiate between employment growth forecasts and economic development aspirations and their implications for regional land needs.
    - Seek to understand changes in housing and employment trends that are under way or that have accelerated during the pandemic.
    - Provide information about how various housing types can address the needs of different income groups.
    - Address newer statutory requirements such as estimating not just future, but existing housing needs.
    - Summarize the possible housing production or economic impacts of any city-proposed UGB expansions.
- Determinations of need for UGB expansions will be a result of Council direction, informed by the UGR.
- The Council’s decision would include setting regional housing production targets (for the region, by income group, not by jurisdiction). Those regional targets could serve as the basis for a subsequent Regional Housing Coordination Strategy that would be led by Metro’s Housing Department in coordination with Planning, Development and Research. A requirement for Metro to produce a Housing Coordination Strategy is pending legislation in the 2023 session.

Timeline overview (subject to change)

The timeline below emphasizes engagement of Metro advisory committees, ad-hoc advisory groups, and known stakeholder groups. Staff will develop a more detailed public involvement plan in the coming months. That public involvement plan will likely focus around any proposed UGB expansion areas since experience indicates that’s what the public is most interested in. We also expect to hear ideas from the public about topics to address in a refresh of the 2040 Growth Concept.

Early 2023

Venues

- MTAC and MPAC
- Metro Council work sessions

Topics

- The 2040 Vision 30 years later
    - How growth has happened following our regional vision/2040 growth concept
    - How UGB decisions work with other tools to realize our regional vision
    - 2040 grant funds available to support visioning/planning inside UGB
- History of UGB decisions and how the process has evolved to bring us to the process we use now
    - How decisions used to be made
    - Legislative changes and lawsuits
    - Reserves—why/when this system was created
- What will be part of the UGB decision (topics, information) this next year and a half and how it will feed into a 2040 refresh
- Advice on draft 2024 Urban Growth Management Decision work program

Deliverables

- Finalize 2024 Urban Growth Management Decision work program

Spring 2023

Venues

- Stakeholder groups such as HBA, business chambers, NAIOP, Metropolitan Mayor's Consortium, community-based organizations, county planning directors' meetings and county coordinating committees
- Metro Council
- MTAC and MPAC

Topics

- Project kickoff with stakeholders; share the 2024 Urban Growth Management Decision work program
- Speaker panels:
    - Office-to-residential conversion potential (consultant product)
    - Development outcomes in centers and past UGB expansion areas (consultant product)
    - Middle housing potential (consultant product)

Deliverables

- Speaker panels

Summer 2023

Venues

- Convene Land Use Technical Advisory Group (LUTAG) to advise on buildable land inventory
- Metro Council
- MTAC and MPAC

Topics
- Employment and industrial readiness; semiconductor taskforce
- Long-term role of housing production in housing affordability (filtering); gentrification and displacement trends (consultant products)
- Existing housing needs: historic underproduction and housing for people experiencing houselessness (consultant product)

Deliverables/milestones
- Industrial site readiness (scope TBD)
- Speaker panels

Fall 2023

Venues
- LUTAG
- Metro Council
- MTAC and MPAC

Topics
- Factors that influence whether land is buildable and ready

Deliverables/milestones
- Local jurisdiction review of draft buildable land inventory
- Updates on buildable land inventory process

Winter 2023/2024

Venues
- Metro Council
- MTAC and MPAC
- Regional Forecast peer review panel, which in the past has included demographers and economists from PSU, the state of Oregon, NW Natural, and private consulting.

Topics
- Economic and demographic outlook
- Title 6 (Centers) updates per Climate Friendly Equitable Communities Rules
- Draft buildable land inventory

Deliverables/milestones
- Draft regional forecast peer review of methods and results
- Draft buildable land inventory
- Draft Title 6 amendment language
- Letters of interest from cities that intend to propose UGB expansions – DUE BY DECEMBER 1, 2023
- Draft tool for assessing potential economic benefits of adding proposed (if any) industrial lands to UGB (consultant product)

Spring 2024

Venues

- City Readiness Advisory Group (CRAG)
- Metro Council
- MTAC and MPAC

Topics
- City proposals for UGB expansions
- Historic residential development trends
- Programs, partnerships, and investments needed to improve regional readiness for growth
- Draft regional forecast

Deliverables/milestones
- Draft regional forecast
- City proposals for UGB expansions – DUE BY APRIL 5, 2024
- Draft technical assessment of economic benefits of adding proposed (if any) industrial lands to UGB (consultant product)
- Draft report on historic residential development trends
- LUTAG recommendations for readiness topics to advance in 2040 Growth Concept refresh

Summer 2024

Venues
- CRAG
- Metro Council
- MTAC and MPAC
- Stakeholder groups such as HBA, business chambers, NAIOP, Metropolitan Mayor's Consortium, community-based organizations, county planning directors' meetings and county coordinating committees

Topics
- Draft UGR, with a focus on the draft regional housing needs analysis and setting regional housing production goals by income group.
- City proposals for UGB expansions
- CRAG assessment of UGB expansion proposals

Deliverables/milestones
- Draft UGR, including draft regional housing needs analysis
- Summary of CRAG review of city proposals for UGB expansions
- MTAC and MPAC recommendations on growth management decision, including regional housing production goals by income group, Title 6 amendments, UGB expansions, and topics to advance in 2040 Growth Concept refresh

Fall 2024

Decision process

Metro Council consideration of resolution directing staff to prepare final decision ordinance:
- Public hearings
- Townhalls or other direct public involvement TBD
- Direction on completing the UGR analysis: range forecasts, regional housing target setting by income group, employment lands to plan for, etc.
- Direction on UGB expansions, if any

- Direction on conditions of approval, if any
- Prepare public notices for UGB expansions, if any
- Direction on Title 6 amendments
- Direction on topics to address in 2040 Growth Concept refresh

Winter 2024

Decision process

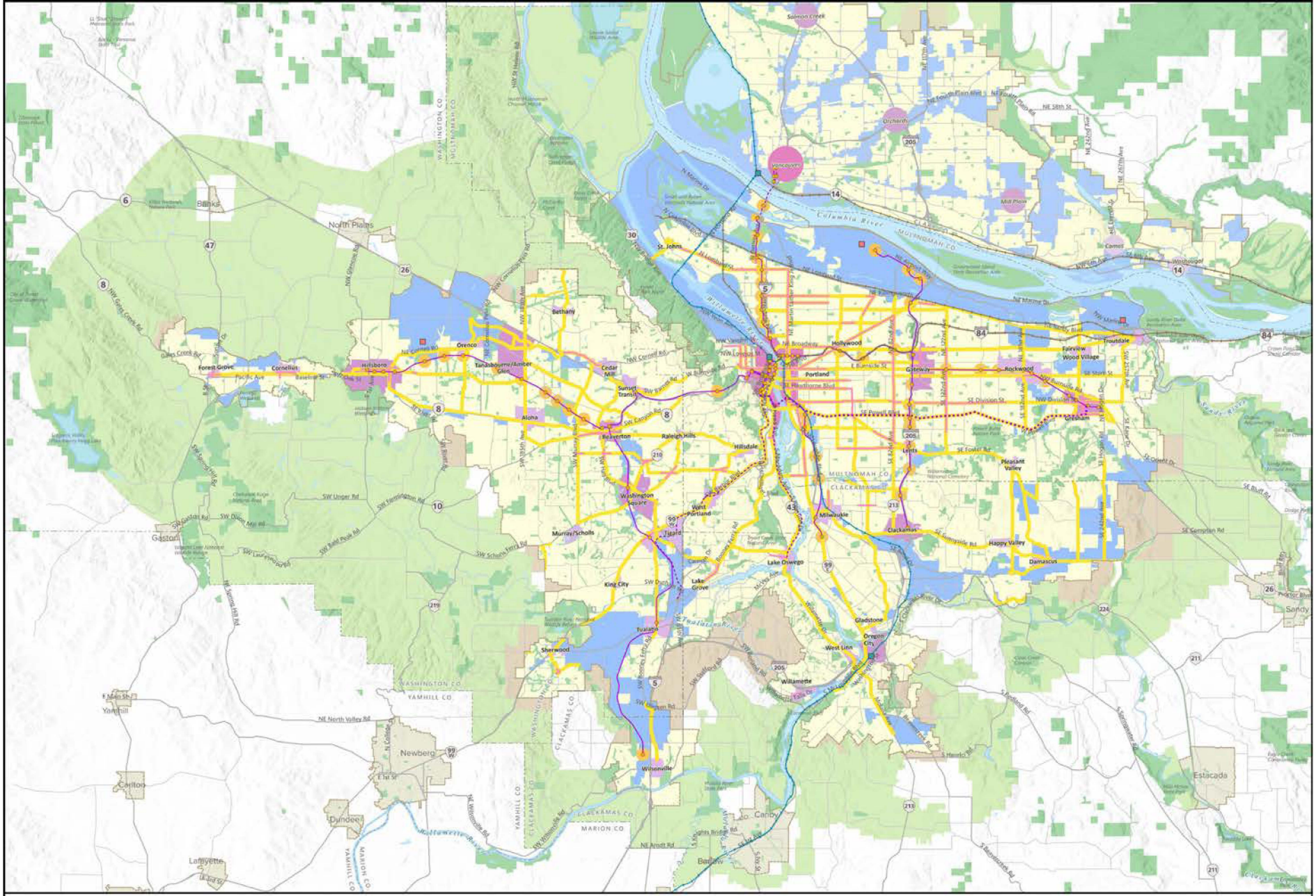
- Provide notices for decision as required
- Council first and second read of ordinance:
    - Adoption of final UGR
    - UGB expansions, if any
    - Conditions of approval for UGB expansions, if any
    - Regional housing production goals for various income groups
    - Title 6 amendments
    - Other policy direction such as topics to address in 2040 Growth Concept Refresh
    - Findings of Fact and Conclusions of law

Materials following this page were distributed at the meeting.

2024 Urban Growth Management Decision

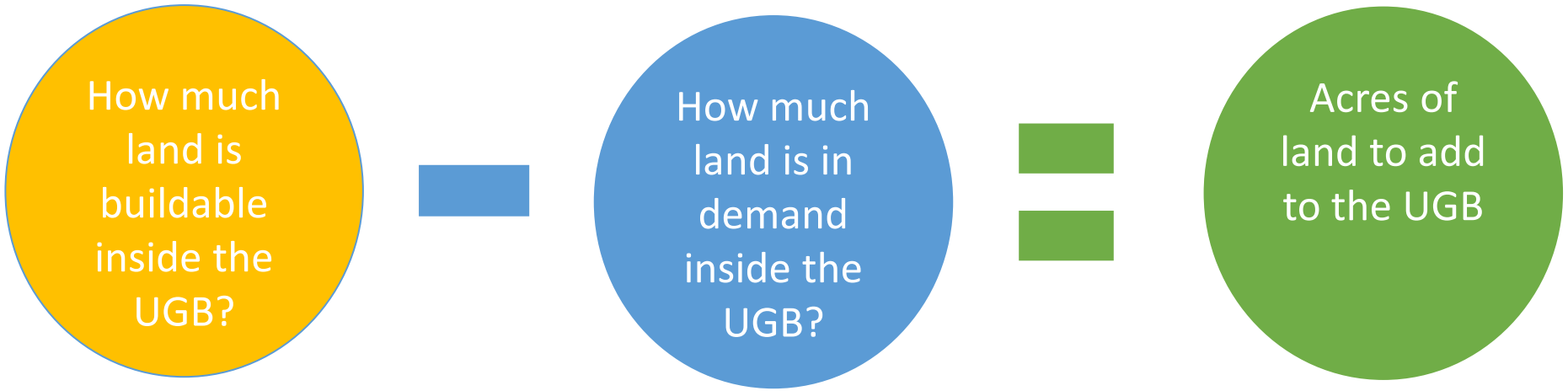
Draft work program

MPAC
2-22-23


Vancouver
Camas
Washougal
Orchards
Salmon Creek
Mill Plain
Fourth Plain
NE 18th St
NE 192nd Ave
NE 162nd Ave
NE 138th Ave
NE 122nd Ave
NE 102nd Ave
NE 82nd Ave
NE 72nd Ave
NE 60th Ave
NE 52nd Ave
NE 42nd Ave
NE 33rd Ave
NE 28th Ave
NE 18th Ave
NE 7th Ave
NE 2nd Ave
Columbia River
MULTNOMAH CO
WASHINGTON CO
CLARK CO
Banks
North Plains
Bethany
Orenco
Hillsboro
Cornelius
Forest Grove
Gaston
St. Johns
Portland
Hollywood
NE Broadway
NW Vaughn St
NW Lovejoy St
NW Marine Dr
NW Cornell Rd
NW Burnside Rd
NW Skyline Blvd
NW Germantown Rd
NW Cornelius Pass Rd
NW Glencoe Rd
NW Gales Creek Rd
NW Thompson Rd
NW Forest Creek Rd
NW Dogwood Rd
NW Helvetia Rd
NW Shute Rd
NW Jackson School Rd
NW Old Cornelius Pass Rd
NW Old Germantown Rd
NW Old Quarry Rd
NW Old Wagon Rd
NW Old Wilkins Rd
NW Old Wolf Creek Rd
NW Old Wood Village Blvd
NW Old Yamhill Rd
NW Old Zig Zag Rd
NW Old Zion Church Rd
NW Old Zion Rd
NW Old Zion Trail
NW Old Zion Trail Rd
NW Old Zion Trail Rd
NW Old Zion Trail Rd

The basic premise of Oregon's growth management laws

Before expanding the UGB, determine whether more land is needed because of household and employment growth.



City readiness matters

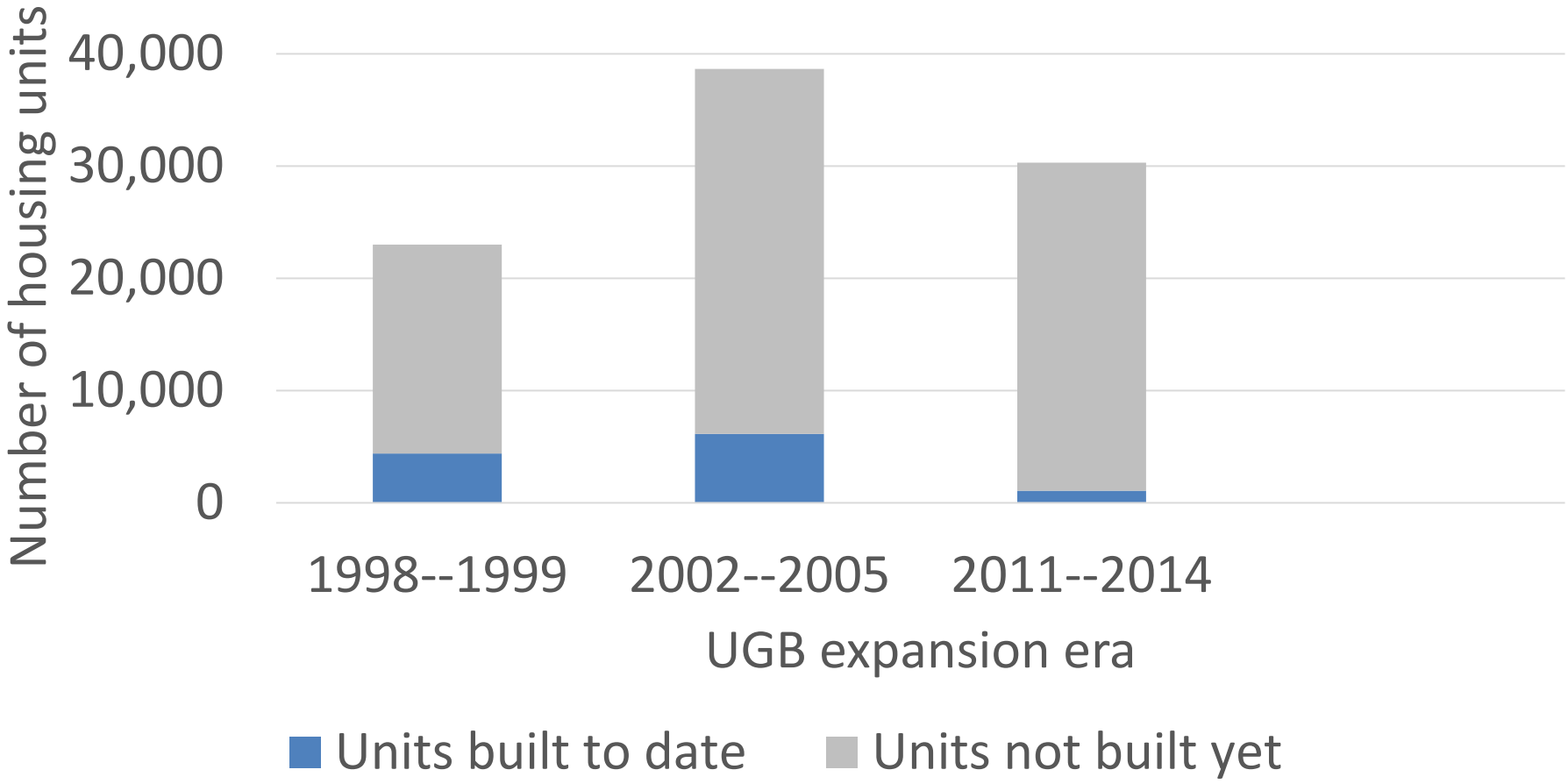
UGB expansions only produce jobs or housing when there is a city that can plan the area and build pipes, roads, sidewalks, parks and schools





009770

Past UGB decisions that did not emphasize readiness have been slow to produce housing



009771

Source: ECONorthwest analysis using RLIS taxlot data (note: taxlot data tends to lag actual development)

Metro has improved its growth management process to focus on readiness

Old system

- Calculate the number of housing units needed
- Expand UGB based on soil types
- Concept plan areas after adding to UGB

New system

- Agree on where the region may grow over the next 50 years
- Concept plan urban reserve areas before expansion (Metro funding)
- Decide whether proposed expansions are needed based on outcomes

What's in an Urban Growth Report? Employment

- Regional employment forecast
- Assessment of trends like work from home, etc.
- Employment site inventory
- Industrial land readiness



009773

What's in an Urban Growth Report? Housing

- Population and household forecast
- Development trends:
  - Price, type, size, rent/own
  - Redevelopment, infill, vacant lands
- Displacement trends
- Housing needs analysis



What will be new in the 2024 Urban Growth Report?

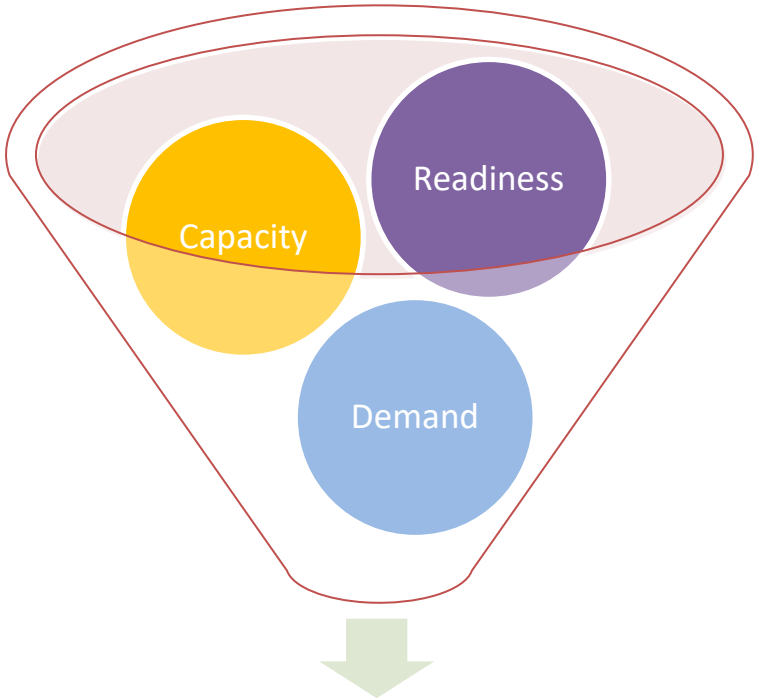
- Development proforma approach for assessing growth capacity, including middle housing estimates
- Housing needs by income group
- Existing and future housing needs
- Consideration of economic aspirations & forecasts



Technical analyses pose policy questions

Council's UGB decision requires information:

- Growth projections/ demand
- Buildable land/growth capacity
- Readiness of land in urban reserves to develop



2024 Urban growth management approach

- Focus on readiness of cities
- Differentiate between:
  - housing needs and land needs
  - employment forecasts and economic development aspirations
- Summer 2024 draft Urban Growth Report will not provide “the answer;” it will be a support tool.

Overview of timeline

Ongoing technical work and stakeholder engagement

- Forecasts
- Land inventories
- Trends analysis
- Modeling
- Peer review
- Convene advisory group

City proposals for expansions

- Fall 2022: grant funding applications due (none received)
- Dec 1, 2023: Letters of interest
- April 5, 2024: Proposals due

Council decision

- Early summer 2024: draft UGR
- Mid summer 2024: advisory group recs to staff
- Late summer 2024: COO rec
- Early fall 2024: MPAC and CORE recs to Council; Council direction to staff
- Fall 2024: Public hearings
- Dec 2024: Council decision

Advice and decision-making

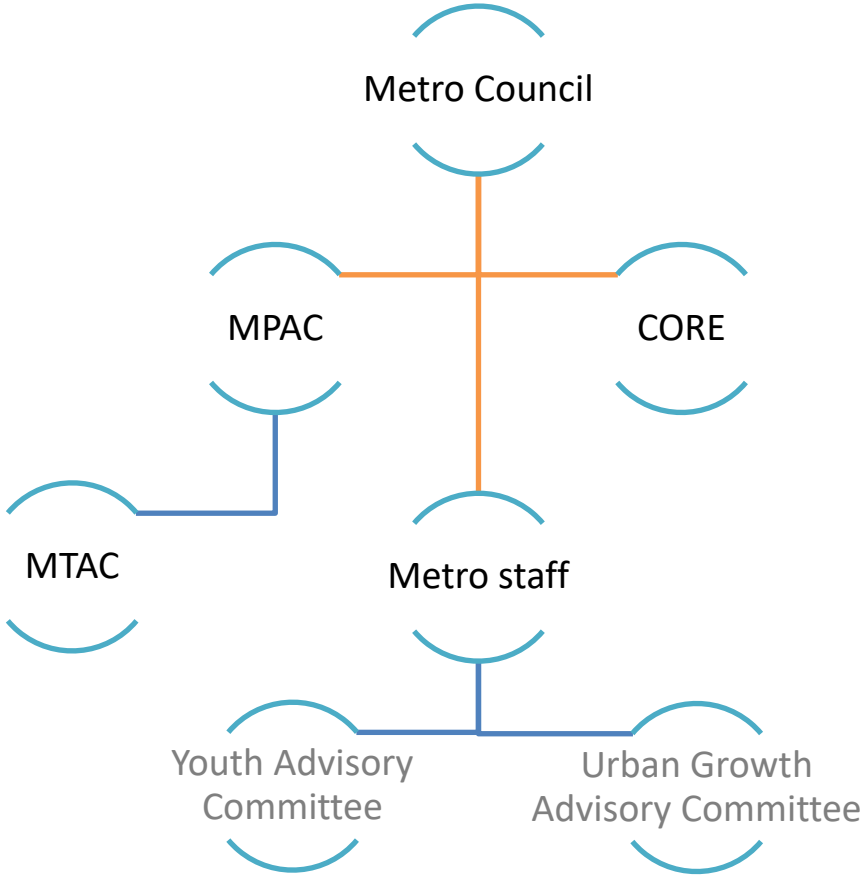
Metro Council makes UGB decisions

MPAC and CORE advise Council

MTAC advises MPAC

COO/staff will make a recommendation to Council

Advisory committees inform staff



009779

MPAC's advisory role in late 2024:

Early summer 2024: Draft Urban Growth Report

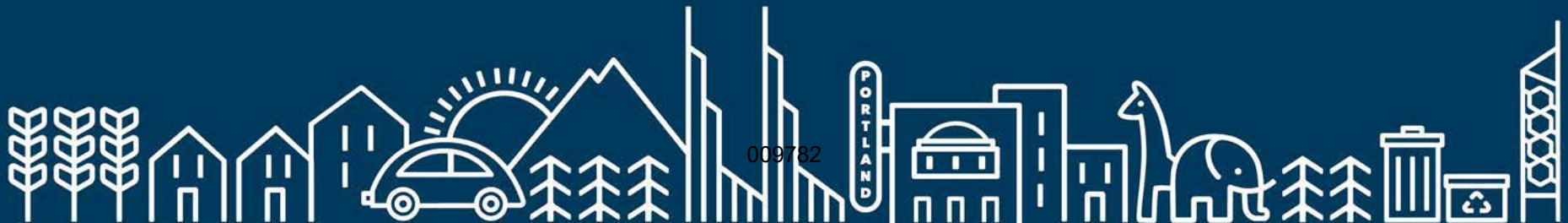
Late summer 2024: Chief Operating Officer recommendation

Late summer/early fall 2024: MPAC will be asked whether it endorses COO recommendation

Questions and suggestions

- About the work program?
- About MPAC's advisory role?

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Meeting minutes

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	**Metro Technical Advisory Committee (MTAC) and Transportation Policy Alternatives Committee (TPAC) workshop meeting**
Date/time:	Wednesday, February 15, 2023 | 9:00 a.m. to noon
Place:	Virtual conference meeting held via Zoom

Members, Alternates Attending	**Affiliate**
Ted Leybold, Vice Chair, TPAC	Metro
Eryn Kehe, Chair, MTAC	Metro
Karen Buehrig	Clackamas County
Allison Boyd	Multnomah County
Sarah Paulus	Multnomah County
Lynda David	SW Washington Regional Transportation Council
Eric Hesse	City of Portland
Mark Lear	City of Portland
Jaimie Lorenzini	City of Happy Valley and Cities of Clackamas County
Dayna Webb	City of Oregon City and Cities of Clackamas County
Jay Higgins	City of Gresham and Cities of Multnomah County
Mike McCarthy	City of Tualatin and Cities of Washington County
Tara O'Brien	TriMet
Neelam Dorman	Oregon Department of Transportation
Glen Bolen	Oregon Department of Transportation
Karen Williams	Oregon Department of Environmental Quality
Carol Chesarek	Multnomah County Representative, MTAC
Tom Armstrong	Largest City in the Region: Portland
Colin Cooper	Largest City in Washington County: Hillsboro
Aquilla Hurd-Ravich	Second Largest City in Clackamas County: Oregon City
Laura Terway	Clackamas County: Other Cities, City of Happy Valley
Steve Koper	Washington County: Other Cities, City of Tualatin
Katherine Kelly	City of Vancouver
Jamie Stasny	Clackamas County
Adam Barber	Multnomah County
Chris Deffebach	Washington County
Kelly Reid	OR Department of Land Conservation & Development
Manuel Contreas, Jr.	Clackamas Water Environment Services
Heather Koch	North Clackamas Park & Recreation District
Cindy Detchon	North Clackamas School District
Fiona Lyon	TriMet
Jerry Johnson	Johnson Economics, LLC
Bret Marchant	Greater Portland, Inc.
Aaron Golub	Portland State University
Jacqui Treiger	Oregon Environmental Council
Rachel Loftin	Community Partners for Affordable Housing
Preston Korst	Home Builders Association of Metropolitan Portland
Erik Cole	Revitalize Portland Coalition, Schnitzer Properties
Mike O'Brien	Green Infrastructure, Mayer/Reed, Inc.
Andrea Hamberg	Mult. County Public Health & Urban Forum
Brendon Haggerty	Mult. County Public Health & Urban Forum

Members, Alternates Attending	Affiliate
Ryan Ames	Washington County Public Health & Urban Forum

Guests Attending	Affiliate
Barbara Fryer	City of Cornelius
Brian Hurley	Oregon Department of Transportation
Bryan Graveline	Portland Bureau of Transportation
Chris Smith	
Cody Meyer	Oregon Depart. of Land Conservation & Development
Danielle Maillard	Oregon Walks
Dave Roth	City of Tigard
Elin Michel-Midelfort	
Indi Namkoong	Verde
Jairaj Singh	Multnomah County Environmental Health
Jasia Mosley	
Jessica Pelz	Washington County
Jonathan Slason	RSG
Joy Change	City of Sherwood
Katie Mangle	Alta Planning & Design
Katie Selin	Alta Planning & Design
Ken Rencher	
Lewis Kelly	Oregon Department of Transportation
Marc Farrar	Metropolitan Land Group
Max Nonnamaker	Multnomah County
Michah Meskel	Portland Audubon Society
Miranda Bateschell	City of Wilsonville
Reid Haefer	RSG
Sarah Iannarone	The Street Trust
Schuyler Warren	City of Tigard
Susie Wright	Kittelson & Associates
Suzanne Savin	Washington County
One phone caller	

Metro Staff Attending
Ally Holmqvist, Andrea Pastor, Caleb Winter, Cindy Pederson, Daniel Audelo, Eliot Rose, Glen Hamburg, Grace Cho, Grace Stainback, John Mermin, Kim Ellis, Lake McTighe, Laura Combs, Marie Miller, Matt Bihn, Matthew Hampton, Noel Mickelberry, Ted Reid, Thaya Patton, Tim Collins

Call meeting to order, introductions and committee updates (Vice Chair, Ted Leybold, TPAC)
Ted Leybold, Vice Chair TPAC, called the workshop meeting to order at 9:00 a.m. Introductions were made. The meeting format held in Zoom with chat area for shared links and comments, screen name editing, mute/unmute, and hands raised for being called on for questions/comments were among the logistics reviewed. Workshops will be held openly for all onscreen for full participation. No committee updates given.

Public Communications on Agenda Items – none provided

Consideration of MTAC/TPAC workshop summary of October 19, 2022 – No edits or corrections were submitted; summary of October 19, 2022 workshop approved.

Metro School Walkshed Map & Regional Transportation Plan Crash Summary Map Demos (Noel Mickelberry & Matthew Hampton, Metro) Noel Mickelberry introduced development work done for the 2023 School Walkshed. Work included development of network datasets, updated data analysis, and creating an interactive map tool for partners to easily view individual school and district data. Matthew Hampton explained that walksheds are built using a Network Dataset, shown in the presentation on maps.

Updated methodology and new variables have been added to reflect equity and safety factors. Ms. Mickelberry noted that each school received a quintile score for each variable. These were presented by radar chart and a new interactive map that was demonstrated.
https://gis.oregonmetro.gov/schoolwalksheds/

Mr. Hampton presented information on Regional Transportation Plan (RTP) Fatal and Serious Crashes from ODOT data (2016-2020). The maps shown had data on fatal and serious crashes for those on bicycles and walking. https://experience.arcgis.com/experience/f9cdb4b5c12d4574aeb7ebc4fbf56915 there's also a shortened URL at https://tinyurl/rtpcrashes

Comments from the committee:

- Chris Deffebach asked is there any factor for size of school population? How will this data be used? Is it part of the RFFA Safe Routes to Schools? Ms. Mickelberry noted ODOT grants are used for infrastructure at schools, which include similar criteria for the tool developed. Populations vary with high schools tending to be larger, elementary schools smaller. It might be possible to compare types of pools with the data. The data will be used as a tool for partners applying for Metro grants that can help with school programming.
- Colin Cooper asked if the overall scores were used in funding priorities for projects. Ms. Mickelberry noted the scores were not used in any prioritization of funding but used for informational purposes.
- Michael O'Brien noted It would be very interesting to apply this tool to parks and green spaces.
- Cindy Detchon noted school district requirements from ODE is 1-mile or 1.5 mile radius walkzone that includes safety, terrains, known criminal activity and other factors not seen within the data sets. ODE's collection of schools demographics is based on our student information systems. Ms. Mickelberry noted the focus of this project was on transportation and safety but it would welcome to have further information for better understanding to include with planning walkzones and bridge any gaps in data between Metro and the school districts.
- Adam Barber asked about seeing a SE/NW alignment when all the regional walksheds were turn on, and interpreting this to mean it would be easier to walk in these directions. Matthew Hampton noted this shown just in the way the walksheds were drawn in a layered way and would check into this.
- Glen Bolen asked if areas with infrastructure involved could be replicated with other data to see where collations are possible. Ms. Mickelberry noted site work with bike infrastructure helps on scores but it is not the only element. Availability for schools and teachers to provide access and safety helps to find what is needed and make this happen.
- Manuel Contreras asked regarding the school walkshed map is the data coming from the school districts or other independent sources. Ms. Mickelberry noted all the data comes from ODE (Oregon Department of Education).

2023 Climate Smart Analysis: estimating the Greenhouse Gas Reduction gap (Kim Ellis & Eliot Rose, Metro) The presentation began with an overview detailing how our regional climate targets and the Climate Smart strategy work, providing an initial estimate of the gap in greenhouse gas (GHG) reductions that we need to close in the 2023 RTP update in order to meet our targets, and how we will refine this initial estimate as we update it to reflect the RTP Call for Projects.

Kim Ellis reminded the committees that these "GHG reduction targets" are in effect vehicle miles traveled (VMT) reduction targets. Our region is expected to meet GHG targets by reducing VMT. Targets reflect the need to reduce GHG reductions beyond what state and federal clean vehicle/fuel policies and investments can achieve. We can only count actions to promote clean vehicles/fuels if they are locally funded. Targets apply to household-based emissions from light-duty vehicles. (In other words, freight trips don't count.) Targets are based on 2005 baseline emissions.

Eliot Rose described how updating the Climate Smart analysis worked. This is a combination of Local/regional transportation/land use plans and investments (RTP), and assumptions about State vehicle/fuel programs and policies (STS). The 2014 Climate Smart Strategy reduced 2035 emissions by 29% (vs. a 20% target) based on then-current state, regional, and local plans to implement GHG reduction strategies. We update the analysis each RTP cycle to review our progress and reflect changes to those plans.

The Climate Smart analysis update process shown:
1. Review Climate Smart policies and priorities assumed in 2018 RTP and progress/what's changed (done)
2. Consult with State on background assumptions and methodology (ongoing)
3. Share the initial estimate of the GHG emissions reduction gap that the 2023 RTP needs to close to meet the target for 2045 (today)
4. Update the initial estimate to reflect the 2023 call for projects (March-April)
5. Identify further changes as needed to address any remaining gap (April-May)

Current policy priorities and updates were presented:
• Increasing transit service remains a high-priority strategy.
• There are both strong hopes and concerns regarding congestion pricing.
• Local implementation of CFEC may expand the use of parking pricing.
• The region should rely on a mix of strategies to meet its GHG reduction targets.
• The analysis should account for teleworking and other changes to travel patterns.
• Land use has a significant impact on GHG emissions – this will be the focus of the 2040 Growth Concept update, not the RTP.

Initial gap estimate was described. The **Target scenario** shows the region's VMT reduction target.
The **STS+RTP18 scenario** shows the VMT reductions due to adopted State and local/regional plans.
• State agencies developed the **STS assumptions** to reflect the Statewide Transportation Strategy. They describe vehicle and fuel mix and cost.
• Metro staff and consultants developed the **RTP18 inputs** to reflect implementation of the 2018 RTP out to 2050.
The **RTP23 gap** is estimated gap between the Target and STS+RTP18 scenarios for the year 2045. We will update this estimate to reflect the Call for Projects. We expect these estimates to change as we adjust them to reflect reduced transit service and ridership, increased teleworking, implementation of

road pricing and questions about how to account for it, and the potential increase in parking due to new CFEC rules. We may have questions about how these changes should be reflected in the final climate analysis.

The Climate Smart analysis update timeline was presented through June, when the release of the draft final climate analysis as part of the public comment draft of the 2023 RTP update is scheduled.

Comments from the committee:

- Karen Buehrig appreciated the detailed information. It was noted in the materials that land use as part of the growth concept update was important. Pricing is an important tool that we would be using and applying in this RTP. And pricing is effective if providing good transit. The pricing we are trying to do is mode shift but in order to have successful transit we need to have the land uses that are appropriate to support the transit. It is important to not be disconnected from land use work because we need to have the right land uses in order to make these strategies work.

  It was noted that RTP 2023 gaps in projects were similar to those from Clackamas County. Not many new projects from Clackamas County are planned for the 2023 RTP, so the process talked about in the scenarios is important in which to close the gap. Regarding scenarios, in the initial work of the mobility policy we discussed VMT. VMT is the greatest in the subregions away from the center of the region. It was suggested to have a scenario that applies to transit service in farther out areas to address VMT, if trying to reduce VMT with strategies with most need.

  In the materials is stated "Before finalizing the RTP, Metro needs to further review the assumptions behind the climate analysis to understand the assumed division of responsibilities between State and local/regional transportation agencies in implementing pricing, understand how to account for locally funded clean vehicle/fuel strategies, and ensure that the analysis accounts for the increase in teleworking and online shopping and potentially for other recent changes to travel behavior. As Metro and its partners review and update the regional climate analysis, they need to pay close attention to updating the level of implementation of particular strategies that are either priorities for JPACT and Metro Council or are the focus of new state/regional policies that create new opportunities for implementation, including parking and road pricing." It was asked to share what the expectations were to pricing and expected additional work going to be done to understand the impacts of pricing and how best to spend these revenues.

  Mr. Rose noted that to respect to land use the RTP always accounts for the land use vision that is outlined in the 2040 growth concept and accounts for how we are building projects in the RTP to interact with land use processes and projected growth and development. What is doesn't do in the 2023 RTP (but will do in the 2040 update) is look at changing that vision overall to better achieve climate targets. Updating the vision provides better reductions in GHG emissions.

  Regarding the transit scenario with shift to where more investment occurs, it was noted that any scenarios we look at needs to be consistent with the constrained RTP investments. There is limited time to adopt the RTP and limited amount of resources to invest in the region. We need to look at scenarios that fit within these constraints in order to keep on the critical path.

To respect to pricing, Metro is still working with ODOT to develop the basic information that will be included in the RTP around which facilities will be priced, how much priced and how revenues will be invested. We expect to better understand how revenues are impacting travel behavior. Ms. Ellis added this will continue to evolve. The statewide pricing strategy still has pricing assumptions that is part of the coordination work. More is being discussed on what pertains and applies to the RTP.

- Jerry Johnson asked does the national average represent urban areas? It seems like the shift to remote work had the most significant impact on the timeline. Is that a pattern we will or should be encouraging, and do changing commute patterns factor into the model? Ms. Ellis noted It is important to note that "urban areas" nationally are a bit different than our urban area since we have a UGB. Here is a link to data Metro monitors: https://www.oregonmetro.gov/transportation-system-monitoring-daily-vehicle-miles-travel

  It was asked if we have any data on transit usage rates and patterns since 2020? I am interested in the impact of shifting commute patterns on transit utilization. Ms. Ellis noted we use the regionally coordinated growth distribution that is based on local plans and 2040 growth concept implementation locally. That was adopted by the Metro Council, reflecting the 2018 growth management decision. Tara O'Brien added here is the evaluation that TriMet conducted on transit trends since 2020. This is what we used to help redesign future bus service which will be implemented through Forward Together, beginning this year. These changes will be incorporated into Metro's near term Transit Network map. https://trimet.org/forward/#background

- Andrea Hamberg noted that past analysis of active transportation shows the importance increasing physical activity, a way to achieve reduced GHG emissions and a key strategy for changes in transit. It was suggested to show active travel more prominently as part of this strategy. It was asked what is planned with changes around ebikes and how this fits in strategies. From the scenario standpoint interest was shown in land use with active transportation that go beyond infrastructure. More information was asked about tools to analyze changes with active transportation.

  Ms. Ellis noted these were important factors with the Climate Smart strategies and have limited resources with tools until the "tool kit" is built forward. Jonathan Slason with RSG noted that ebikes can be accounted for with assumptions on travel lengths, such as over five miles. The shift from a regular bike to an ebike carries assumptions with variables and changes that can put into modeling. It can be developed and be explicit with data for the RTP. Mr. Rose added active transportation is a critical part of the Climate Smart strategy with more discussions on them in the future.
- Heather Koch added parks agencies also are interested in the active transportation piece as park systems contribute to the trail network and support of ebikes to support GHG reductions via reduced VMT. Are there Active Transportation targets in the RTP list formation? Since counties are now coordinating the finalization of lists and projects to be uploaded, I'm unclear if there is any goal or threshold in those RTP lists of projects that will be eligible for federal funding, and whether there is a lever there to ensure that projects on that list support active transportation to any degree/threshold.

- Karen Williams asked of the importance of including assumptions about other protection program strategies besides clean fuels. Was it important to dig deeper or because they are state programs with assumptions about GHG reductions they are not relevant to these strategies? Mr. Rose noted our state agencies have the ultimate strategies for reaching our targets. ODOT gives us the set of assumptions in the STS. It might be worth having coordination between state agencies.
- Michael O'Brien noted strategies with tolling and parking rely on individual outlays of funding. How are factors of naturally challenged households being analyzed and plan to be used in relation to those that are challenged. Mr. Rose noted pricing comes into the RTP though ODOT's Regional Mobility Policy Project, and the other facilities ODOT is planning to price is planning in the area that is part of the programs' developing considerations on how to address these issues with low-income households. Glen Bolen added the legislative directive includes language about this, and the committee EMAC was formed to address the issues.
- Chris Deffebach noted on page 17 of the memo in the packet "**STS+RTP18 Scenario** (STS state inputs + 2018 Regional Adopted Plans). The scenario is a specific analysis that assumes the state and federal actions are occurring as expected (per the assumptions in the target rule) to evaluate the impact of the current trajectory of regional actions on per capita VMT reductions. The analysis suggests a gap of 1.8 DVMT per capita to be addressed by regional policies by 2050. The gap is the different of the STS+RTP18 scenario achieving a 26% point reduction in per capita DVMT relative to the target of 35%, leaving a 9% point gap."

  With 2 miles reduction in VTM for every household, where are these households located, what tools will reflect these changes, what affect comes from home deliveries and online ordering, what do we need to address these and make the targets set, and if targets are not met, what options do we have with possible state support to the regional level? Mr. Rose noted as the analysis is refined the gaps may close or open. A mix of elements will help us reach our targets. Results in better ridership from service changes is being shown from TriMet. The significance of pricing to reduce GHG emissions will be shown in teleworking but less impact expected from home deliveries. It's too early to know if the gap goes up or down and where we are to our targets. The 2050 target in the memo should be noted for the next RTP update. For the current update the 2045 target is used.

  Jonathan Slason noted the 1 mile per capita is correct. This is an average across the entire Metro region which means some individuals would have a substantially larger reduction and some households would have a smaller reduction. Some of the methods with tools to help us identify approaches come geographically, households of certain income, size of household and type of vehicle used. The surgical approach will come when more is known after Call for Projects in the April/May timeline. It was noted that adjacent areas to counties may affect targets. Further analysis can report on these possible changes.

- Mike McCarthy agreed with comments of feeling the traffic coming in from outside the region. It was asked how the model accounted for these trips. Mr. Rose referred to the comment in chat from Cody Meyer (DLCD); Targets don't count households coming into your region. Mr. Rose added what our targets do or do not apply to, and if they are not counting these households, that's the way our targets are constructed. Thaya Patton (Metro) added the tool we are using for this analysis has been developed by the state which is a household based tool. Our targets are written for household DVMT.

It was asked what the goal is; are we trying to meet the targets or are we trying to reduce GHG. Mr. Rose noted this is a process designed by states to make sure we work together. Specific responsibilities to reach reductions in GHG is the work to be done collectively towards reaching climate smart goals. Mr. McCarthy noted agreed that the greatest potential for greenhouse gas reduction is out of the suburbs, in particular in areas of new development but unfortunately with no option for transit. It was felt vehicle hours traveled was a better proxy for the GHG emissions with fuel consumption. Fleet changes to electric vehicles combined with all the strategies for VMT reductions would result in double the reductions. Shifts from traffic divergencies will shift to local roads with less walkability and safety.

- Eric Hesse asked for clarification on the timeline and process. It was asked if the assumption questions raised would be part of the discussion at the March 8 TPAC workshop, or come back in April as part of the analytic presentation. It was noted that on page four of the memo Metro's process for updating the Climate Smart analysis in the 2023 RTP to meet the updated targets set by the State were laid out in steps. Assumptions on fleet reductions were not listed. Mr. Rose noted they were not able to update all of the RTP related inputs into the Climate Strategy until the Call for Projects would be completed and most not known until April. This discussion and future discussions will help advance earliest consideration for adjustments.
- Glen Bolen hopes we are looking at what is happening with the CFEC rule changes as applied to land use changes. They are unlocking the development potential in areas of centers that have transit, walkability, and mobility access. Mr. Rose encouraged more local partners to share how they plan to implement CFEC rules in their plans which is useful information.
- Colin Cooper noted the challenges with changes and slow progress to update zoning and regulation standards but remains optimistic that details can be worked out.
- Jamie Stasny noted in chat ODOT sent this out yesterday. They are asserting that the Oregon Toll Program is not a "Program Affecting Land Use." https://content.govdelivery.com/accounts/ORDOT/bulletins/348d734

Workshop break for five minutes
Workshop resumed with MTAC Chair, Eryn Kehe

Draft work program for the 2024 urban growth management decision (Ted Reid, Metro) The presentation began with background of the requirement under state law to adopt – by the end of 2024 – an assessment of the region's capacity to accommodate the next twenty years of housing and job growth inside the urban growth boundary (UGB). Metro seeks to improve its growth management practices every time it undertakes this cyclical process. Metro will continue its emphasis on land readiness to ensure that decisions emphasize the governance, market, and infrastructure conditions that must be present to produce housing and jobs. This process will differ from past decisions by applying a greater focus on the housing needs of all income groups, particularly households with lower incomes. This focus on affordability advances shared goals of increasing housing production for those that have the fewest choices.

Elements noted in the Urban Growth Report were employment:
• Regional employment forecast
• Assessment of trends like work from home, etc.
• Employment site inventory
• Industrial land readiness

Housing:
• Population and household forecast
• Development trends:
– Price, type, size, rent/own
– Redevelopment, infill, vacant lands
• Displacement trends
• Housing needs analysis

New in the 2024 Urban Growth Report is a development proforma approach for assessing growth capacity, including middle housing estimates, housing needs by income group, existing and future housing needs, and consideration of economic aspirations and forecasts. Committees, groups, stakeholders, public and technical groups will have several opportunities to weigh in before late summer 2024 when Metro Council COO makes a recommendation. The 2024 growth management decision timeline overview was provided, including the noted Dec 1, 2023 date for letters of interest from cities that intend to propose UGB expansions.

Comments from the committee:

- Colin Cooper noted guidance used in the past for jurisdictions interested in proposing expansions. It was suggested to use these again. Mr. Reid agreed they can be sent out to cities and counties with the codes needed to be addressed.
- Barbara Fryer asked if this was a potential pathway for Cornelius to get more land added for the UGB or if constrained by the Grand Bargain (referring to HB-748). Mr. Reid noted this process is intended for cities to propose expansions to acknowledge urban reserves. What were previous urban reserves were added to the City of Cornelius out of the UGB in the Grand Bargain. Metro Council is not able to expand the UGB in urban reserves that surround Cornelius.
- Andrea Hamberg asked what the process is for filling seats on the advisory committee. Mr. Reid noted this is just a conceptual plan at the moment. Work is still being developed on what types of expertise should be included. More direction will come from Metro Council on this soon.
- Preston Korst added that builders/developers should be added to those conversations as well.
- Chris Deffebach noted the challenges with planning this cycle from middle housing and new existing needs for housing in the region. It was suggested to have cities and counties engaged that have staff working on development, permits, forecasting, planning and fact checking in models. Technical staff from cities and counties could provide a huge knowledge base that could be reported at MTAC meetings. It was suggested to include asking what input is needed from the committee in next steps from MTAC. The idea of youth involvement was encouraged. It was noted of the importance to have this participation for discussion of future growth management decisions.
- Colin Cooper asked how growth in Vancouver impacts this urban growth management decision. Mr. Reid noted we start with our 7 county forecast that includes part of Southern Washington State. We have to estimate factors such as how much growth will go to Clark County, which becomes a blend of technical and policies issues. It was noted that Clark County was growing faster than the counties in the Metro region. With the work intended to inform the 2040 Growth Concept Update, and with the decision by Council to have a boundary type perspective rather than satellite city perspective, it was asked how we are making sure we are identifying climate smart strategies as significant growth is happening around satellite communities while able to follow our desired outcomes and goals for reducing GHG, VMT and smart housing

decisions. Mr. Reid noted the region needs to produce more housing, and to the extent there are cities in the region that can propose expansion in the urban reserves.

- Katherine Kelly noted thanks for pointing out the need to effectively capture SW WA growth- especially in City of Vancouver.
- Glen Bolen noted to Colin's point, the Census is now saying that places such as Hubbard and Aurora are now part of our "Urban Area".
- Jamie Stasny supports monthly updates at MTAC including status updates and highlights of critical issues with an opportunity for questions.
- Manny Contreras asked what the percentages of land makeup in Clackamas County from the map was in the UGB and what was in rural reserves. Mr. Reid would be following up with more details on this that describe the map categories and overlays in future presentations.
- Barbara Fryer noted the statistics that Manny is asking for would be helpful for all.
- Erik Cole noted that I haven't fully reviewed the roster nor the plan, but do we have workforce development input/representation in the plan? or at least an overlay with their data/plans? Mr. Reid noted we will be coordinating with our Metro Economic Development planner, Greater Portland, Inc and others on economic data plans throughout this process and reported on at meetings.

Adjournment (Chair MTAC, Eryn Kehe)
There being no further business, workshop meeting was adjourned by MTAC Chair Kehe at 11:35 a.m.
Respectfully submitted,

Marie Miller

Marie Miller, MTAC and TPAC Recorder

Attachments to the Public Record, MTAC and TPAC workshop meeting, February 15, 2023

Item	Document Type	Document Date	Document Description	Document No.
1	Agenda	2/15/2023	2/15/2023 MTAC and TPAC workshop meeting agenda	021523M-01
2	Work Program	2/8/2023	MTAC work program as of 2/8/2023	021523M-02
3	Work Program	2/7/2023	TPAC work program as of 2/7/2023	021523M-03
4	Draft Minutes	10/19/2022	Draft minutes from October 19, 2022 MTAC TPAC workshop	021523M-04
5	Report	February 2023	2023 Regional Transportation Plan Update Climate Smart analysis: estimating the GHG reduction gap	021523M-05
6	Appendix A	February 2023	Appendix A: Consultant analysis of the 2023 RTP GHG reduction gap	021523M-06
7	Report	February 2023	2024 Metro Council Urban Growth Management Decision: Draft work program summary	021523M-07
8	Presentation	2/15/2023	Regional School Walkshed Tool Data update & new interactive map tool - February 2023	021523M-08
9	Presentation	2/15/2023	2023 RTP Climate Smart Analysis: estimating the “GHG gap”	021523M-09
10	Presentation	2/15/2023	2024 Urban Growth Management Decision: Draft work program	021523M-10

Agenda

Metro
600 NE Grand Ave.
Portland, OR 97232-2736

Meeting:	Metro Technical Advisory Committee (MTAC) and Transportation Policy Alternatives Committee (TPAC) Workshop
Date:	Wednesday February 15, 2023
Time:	9:00 a.m. to 12:00 p.m.
Place:	Virtual meeting held via Zoom Connect with Zoom Passcode: 721459 Phone: 888-475-4499 toll free

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9:00 a.m.	**Call meeting to order, introductions, and committee updates**	TPAC Chair Kloster
9:10 a.m.	**Public communications on agenda items**	
9:13 a.m.	**Consideration of MTAC/TPAC workshop summary, October 19, 2022** Edits/corrections sent to Marie Miller marie.miller@oregonmetro.gov	TPAC Chair Kloster
9:15 a.m.	**Metro School Walkshed Map & RTP Crash Summary Map Demos** Purpose: Metro staff will share two new interactive map tools that are available to partners. The School Walkshed Map includes school based equity and safety data analysis and the RTP Crash Summary provides data visualization of the last 5 years of serious and fatal crashes in the region	Matthew Hampton, Metro Noel Mickelberry, Metro
9:30 a.m.	**2023 Climate Smart Analysis: estimating the GHG reduction gap** Purpose: 2023 Regional Transportation Plan Update on Climate Smart analysis: estimating the Greenhouse Gas reduction gap	Kim Ellis, Metro Eliot Rose, Metro
10:40 a.m.	**Break**	MTAC Chair Kehe

The last agenda item is an MTAC topic. TPAC members are welcome to stay, but not required.

10:50 a.m.	**Draft work program for the 2024 urban growth management decision** Purpose: Provide an overview of the draft work program for the Metro Council's 2024 urban growth management decision and solicit MTAC's suggestions for how it would like to be engaged in this process.	Ted Reid, Metro
11:40 a.m.	**Adjournment**	MTAC Chair Kehe

2024 Metro Council Urban Growth Management Decision: Draft work program summary

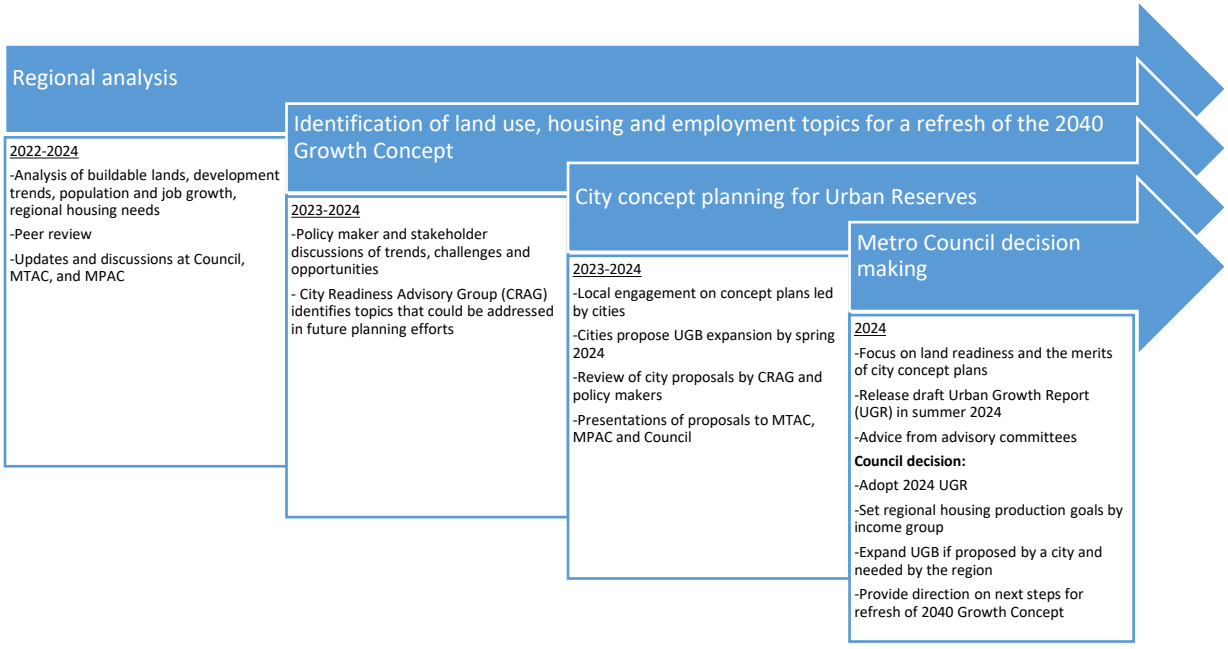
Regional readiness for population, housing, and job growth

The Metro Council is required under state law to adopt – by the end of 2024 – an assessment of the region's capacity to accommodate the next twenty years of housing and job growth inside the urban growth boundary (UGB). This work program summary outlines the proposed process that will lead to the Council's decision, focusing on how the Metro Council and its advisory committees will be engaged.

Metro seeks to improve its growth management practices every time it undertakes this cyclical process. As always, Metro will strive to improve the data analysis that informs decision makers. Likewise, Metro will continue its emphasis on land readiness to ensure that decisions emphasize the governance, market, and infrastructure conditions that must be present to produce housing and jobs. This process will differ from past decisions by applying a greater focus on the housing needs of all income groups, particularly households with lower incomes. This focus on affordability advances shared goals of increasing housing production for those that have the fewest choices.

This proposed work program also describes how this process will identify land use, housing and employment policy topics that deserve additional consideration in a subsequent refresh of the region's 2040 Growth Concept or through other programs. Those topics will include climate change, racial equity, and ways of diversifying the set of stakeholders that are engaged.

Process overview



Council roles

Leading up to the Council's decision in late 2024, policy makers will engage in discussions of a variety of growth and development trends as well as reviewing any UGB expansion proposals submitted by cities. Policy maker discussions will focus on development readiness, additional actions that may be needed to increase housing production and economic growth inside existing urban areas, and specific city proposals for addressing housing and employment needs in UGB expansion areas. Metro Councilors may wish to engage directly with their local elected counterparts throughout this process.

Advisory committee roles

The Metro Policy Advisory Committee (MPAC) will be engaged in policy discussions like those that the Council engages in throughout the process. MPAC will be asked for its advice to the Metro Council in late summer 2024. MPAC's advice will focus on policy options for increasing the region's readiness for housing and employment growth and the merits of any city proposals for handling some of that growth through concept planned UGB expansions.

The Metro Technical Advisory Committee (MTAC) will provide advice on technical aspects as needed. Local jurisdiction staff review of the buildable land inventory will be essential and it is likely that Metro will reconvene the ad-hoc Land Use Technical Advisory Group, which has overlap with MTAC membership for this purpose. MTAC will also be asked to review of any city proposals for UGB expansions. Lastly, MPAC may request MTAC's technical advice on topics.

Metro's Committee on Racial Equity (CORE) will be briefed on this work program and their advice will be sought on the formation of a diverse youth cohort to both learn about and advise on Metro's growth management approach. After an initial discussion with CORE, staff will identify the appropriate timing of further engagement with the committee over the course of this work program.

Staff roles

Staff will manage the work program to meet deadlines and facilitate advisory committee discussions and Council decision making. Staff will also undertake the legal, communications, engagement and technical work needed to support Council decision making. Metro will build on its long-standing expertise in spatial, housing, and economic analysis and research by continuously improving its work to support decision making. Peer review and local jurisdiction staff engagement will help to ensure the validity of these analyses. Aspects of these analyses will be brought forward to inform policy discussions throughout 2023 and 2024 and will be incorporated into the 2024 Urban Growth Report (UGR).

Local jurisdiction roles

As described in this work program summary, staff proposes that this process is centered on city readiness. As such, there will be a heavy emphasis on the merits of city proposals for concept planned UGB expansions. Cities will be responsible for leading local engagement on concept planning Urban Reserve areas. Local jurisdiction staff will also have opportunities to provide peer review of the buildable land inventory and advice through MTAC.

City Readiness Advisory Group

In the 2018 growth management decision, Metro convened a City Readiness Advisory Group (CRAG) that included developers, advocacy groups, affordable housing providers, community organizations, and park district staff. The group was charged with reviewing city proposals for UGB expansions, providing their insight on the readiness of these cities to accommodate growth in an equitable, climate-friendly fashion.

For the 2024 decision, staff proposes reconvening CRAG, but with an expanded, more diverse composition and role. In addition to reviewing any city proposals for residential UGB expansions, this group would also be asked to provide insight on the partnerships, policies, and programs needed to further advance the region's readiness for growth and address topics such as revitalizing downtowns, encouraging mid and high-rise housing production in mixed-use centers, encouraging middle housing in neighborhoods, and enhancing affordability. The group would do so through the lens of equity and climate change.

For several growth management decision cycles, Metro has participated in updates of the Regional Industrial Site Readiness Inventory. Recent discussions at the governor's Semiconductor Taskforce have again affirmed the need to address the readiness of industrial lands to attract high-tech manufacturers. For the 2024 urban growth management decision, staff proposes asking CRAG to review any city proposals for UGB expansions for employment uses. CRAG would be asked for its assessment of the readiness of proposed expansion areas, the likelihood that the area would develop, and possible economic and equity benefits.

CRAG would be asked to provide its advice on these topics to MPAC and the Metro Council as a way of identifying potential focus areas for a subsequent refresh of the 2040 Growth Concept. Staff suggests that the Council consider appointing a councilor to chair this group. Likewise, staff suggests having at least one MTAC and MPAC liaison to this group. Finally, staff recommends including representatives of the proposed youth cohort on CRAG.

Technical peer review groups

Several technical peer review groups will be engaged in the development of the 2024 UGR. Those will include:

- Regional Forecast: a peer review group consisting of economists and demographers will review regional forecast methods and results.
- Buildable land inventory: the Land Use Technical Advisory Group, consisting of local jurisdiction planning staff and other development specialists will review buildable land inventory methods and results. The draft inventory will also be made available for review by all local jurisdictions.

2024 Urban Growth Management decision approach

Staff proposes the following approach to the 2024 UGR and growth management decision.

- Focus policy discussions on the readiness of cities to urbanize possible expansion areas (concept planned Urban Reserves).
- The draft UGR that staff will release in the summer of 2024 will not be a conclusive determination of regional need for land. The draft UGR will provide high quality, peer-reviewed analysis that will serve as a decision support tool for policy makers that will:
    - As a best practice, use a range forecast to recognize uncertainty about the amount of future population, household, and job growth.
    - Recognize uncertainty regarding the capacity of land inside the UGB to accommodate growth, particularly related to newly allowed “middle” housing types.
    - Differentiate between housing needs and land needs.
    - Differentiate between employment growth forecasts and economic development aspirations and their implications for regional land needs.
    - Seek to understand changes in housing and employment trends that are under way or that have accelerated during the pandemic.
    - Provide information about how various housing types can address the needs of different income groups.
    - Address newer statutory requirements such as estimating not just future, but existing housing needs.
    - Summarize the possible housing production or economic impacts of any city-proposed UGB expansions.
- Determinations of need for UGB expansions will be a result of Council direction, informed by the UGR.
- The Council’s decision would include setting regional housing production targets (for the region, by income group, not by jurisdiction). Those regional targets could serve as the basis for a subsequent Regional Housing Coordination Strategy that would be led by Metro’s Housing Department in coordination with Planning, Development and Research. A requirement for Metro to produce a Housing Coordination Strategy is pending legislation in the 2023 session.

Timeline overview (subject to change)

The timeline below emphasizes engagement of Metro advisory committees, ad-hoc advisory groups, and known stakeholder groups. Staff will develop a more detailed public involvement plan in the coming months. That public involvement plan will likely focus around any proposed UGB expansion areas since experience indicates that’s what the public is most interested in. We also expect to hear ideas from the public about topics to address in a refresh of the 2040 Growth Concept.

Early 2023

Venues

- MTAC and MPAC
- Metro Council work sessions

Topics

- The 2040 Vision 30 years later
    - How growth has happened following our regional vision/2040 growth concept
    - How UGB decisions work with other tools to realize our regional vision
    - 2040 grant funds available to support visioning/planning inside UGB
- History of UGB decisions and how the process has evolved to bring us to the process we use now
    - How decisions used to be made
    - Legislative changes and lawsuits
    - Reserves—why/when this system was created
- What will be part of the UGB decision (topics, information) this next year and a half and how it will feed into a 2040 refresh
- Advice on draft 2024 Urban Growth Management Decision work program

Deliverables

- Finalize 2024 Urban Growth Management Decision work program

Spring 2023

Venues

- Stakeholder groups such as HBA, business chambers, NAIOP, Metropolitan Mayor's Consortium, community-based organizations, county planning directors' meetings and county coordinating committees
- Metro Council
- MTAC and MPAC

Topics

- Project kickoff with stakeholders; share the 2024 Urban Growth Management Decision work program
- Speaker panels:
    - Office-to-residential conversion potential (consultant product)
    - Development outcomes in centers and past UGB expansion areas (consultant product)
    - Middle housing potential (consultant product)

Deliverables

- Speaker panels

Summer 2023

Venues

- Convene Land Use Technical Advisory Group (LUTAG) to advise on buildable land inventory
- Metro Council
- MTAC and MPAC

Topics
- Employment and industrial readiness; semiconductor taskforce
- Long-term role of housing production in housing affordability (filtering); gentrification and displacement trends (consultant products)
- Existing housing needs: historic underproduction and housing for people experiencing houselessness (consultant product)

Deliverables/milestones
- Industrial site readiness (scope TBD)
- Speaker panels

Fall 2023

Venues
- LUTAG
- Metro Council
- MTAC and MPAC

Topics
- Factors that influence whether land is buildable and ready

Deliverables/milestones
- Local jurisdiction review of draft buildable land inventory
- Updates on buildable land inventory process

Winter 2023/2024

Venues
- Metro Council
- MTAC and MPAC
- Regional Forecast peer review panel, which in the past has included demographers and economists from PSU, the state of Oregon, NW Natural, and private consulting.

Topics
- Economic and demographic outlook
- Title 6 (Centers) updates per Climate Friendly Equitable Communities Rules
- Draft buildable land inventory

Deliverables/milestones
- Draft regional forecast peer review of methods and results
- Draft buildable land inventory
- Draft Title 6 amendment language
- Letters of interest from cities that intend to propose UGB expansions – DUE BY DECEMBER 1, 2023
- Draft tool for assessing potential economic benefits of adding proposed (if any) industrial lands to UGB (consultant product)

Spring 2024

Venues

- City Readiness Advisory Group (CRAG)
- Metro Council
- MTAC and MPAC

Topics
- City proposals for UGB expansions
- Historic residential development trends
- Programs, partnerships, and investments needed to improve regional readiness for growth
- Draft regional forecast

Deliverables/milestones
- Draft regional forecast
- City proposals for UGB expansions – DUE BY APRIL 5, 2024
- Draft technical assessment of economic benefits of adding proposed (if any) industrial lands to UGB (consultant product)
- Draft report on historic residential development trends
- LUTAG recommendations for readiness topics to advance in 2040 Growth Concept refresh

Summer 2024

Venues
- CRAG
- Metro Council
- MTAC and MPAC
- Stakeholder groups such as HBA, business chambers, NAIOP, Metropolitan Mayor's Consortium, community-based organizations, county planning directors' meetings and county coordinating committees

Topics
- Draft UGR, with a focus on the draft regional housing needs analysis and setting regional housing production goals by income group.
- City proposals for UGB expansions
- CRAG assessment of UGB expansion proposals

Deliverables/milestones
- Draft UGR, including draft regional housing needs analysis
- Summary of CRAG review of city proposals for UGB expansions
- MTAC and MPAC recommendations on growth management decision, including regional housing production goals by income group, Title 6 amendments, UGB expansions, and topics to advance in 2040 Growth Concept refresh

Fall 2024

Decision process

Metro Council consideration of resolution directing staff to prepare final decision ordinance:
- Public hearings
- Townhalls or other direct public involvement TBD
- Direction on completing the UGR analysis: range forecasts, regional housing target setting by income group, employment lands to plan for, etc.
- Direction on UGB expansions, if any

- Direction on conditions of approval, if any
- Prepare public notices for UGB expansions, if any
- Direction on Title 6 amendments
- Direction on topics to address in 2040 Growth Concept refresh

Winter 2024

Decision process

- Provide notices for decision as required
- Council first and second read of ordinance:
    - Adoption of final UGR
    - UGB expansions, if any
    - Conditions of approval for UGB expansions, if any
    - Regional housing production goals for various income groups
    - Title 6 amendments
    - Other policy direction such as topics to address in 2040 Growth Concept Refresh
    - Findings of Fact and Conclusions of law