



Date: February 22, 2017  
To: Council President Tom Hughes and Metro Councilors  
Chair Jim Bernard and Clackamas County Commissioners  
From: Martha Bennett, Chief Operating Officer  
Don Krupp, County Administrator  
Subject: Conditions for future urbanization of Stafford Urban Reserves

---

In March and April, the Metro Council and Clackamas County Commission will hold public hearings and consider findings as part of finalizing the 2010 designation of urban and rural reserves. Those hearings result from the Land Conservation and Development Commission's (LCDC) remand of the urban and rural reserves decision that followed the Oregon Court of Appeals' 2014 decision in the *Barkers Five* case.

As you will recall, the City of Tualatin and the City of West Linn were two of the appellants in that case, and those two cities persuaded the Court that the 2010 decision did not adequately consider potential future traffic impacts in and around Stafford. Those two cities and the City of Lake Oswego remain concerned about the designation of Stafford as an urban reserve (specifically, urban reserve areas 4A, 4B, 4C and 4D).

We know that the Metro Council and Clackamas County Commission are committed to working collaboratively with these three cities, and we are writing this memo to help the Council and Commission convey our agencies' mutual commitment to addressing the concerns raised by the cities. In particular, we recommend that the Council and Commission specify, as part of your decision on the remand, that Metro and Clackamas County execute a Memorandum of Understanding (MOU) to ensure the following issues are addressed before any future decisions are made to expand the urban growth boundary (UGB) into Stafford:

- **An existing city government wants to govern the area:** Both Metro and Clackamas County believe that this area should be governed by the surrounding cities (West Linn, Tualatin, Lake Oswego and Wilsonville). The cities must have the authority to decide what land uses should be planned for, and when and how municipal services will be provided. Similarly, both Metro and Clackamas County should oppose any future effort to incorporate a new city or create service districts to provide urban services in the area.
- **An existing city government has completed a concept plan:** As you all know, since 2011 Metro requires that local governments develop concept plans before an area comes into the UGB. In the case of Stafford, some of the concerns that have been expressed about future urbanization – such as steep slopes; preserving stream corridors, natural areas, visual buffers and green spaces; the intensity of development; and the cost of infrastructure - will be addressed by the cities in their concept plans. The cities have local control over these decisions. Neither Metro nor Clackamas County have made any decisions about how much development needs to take place in Stafford.
- **Citizens from the Stafford area are engaged and involved:** Metro, the County and the cities must ensure that decision-making regarding the timing and content of concept planning and the expansion of the UGB involve the participation of citizens from the Stafford community along with others having a stake in the future of this area.

- **Metro and Clackamas County support planning for transportation:** As the Council and the Commission likely recall, Metro has approved a Community Planning and Development Grant that would allow the County to begin planning for transportation. That grant was submitted in collaboration with West Linn, Tualatin and Lake Oswego, and it will help all five jurisdictions better understand how roads in the region, in Stafford and in the three cities would be affected by future development. This project can begin as soon as both Metro and Clackamas County have finalized the urban reserve decision, and we recommend that both the Council and Commission express your continued commitment to this project.
- **Metro and Clackamas County support widening of I-205:** In 2016, Metro and Clackamas County both supported a Joint Policy Advisory Committee on Transportation (JPACT) decision that prioritized five transportation projects as the region's top priorities for funding:
  - Widening I-205 from Oregon City to Stafford Road
  - Reconstructing the I-5 viaduct at the Rose Quarter in Portland
  - Resolving congestion on Highway 217
  - Providing high capacity transit in the Southwest Corridor
  - Providing high capacity bus service on Powell-Division

Both Metro and Clackamas County are seeking funding for these projects and are working collaboratively with ODOT as they begin work on the I-205 project.

There are four other things, too, that we believe are worth remembering:

- Once designated, existing land use plans and zoning for Stafford are locked in and cannot be changed until designated lands have concept plans and are included in the UGB. The purpose of designation is to preserve lands for potential future urban development, not to facilitate or expedite their development.
- Concept plans must be completed before the UGB can be expanded, and the cities, Metro and the County must agree on the timing for completion of those concept plans.
- Metro's Community Planning and Development Grant program can provide funding for the cities in planning Stafford. Those grants are certainly available to the cities for concept planning, but could also be granted for projects to address governance of the area or the cost of infrastructure.
- There are several cities in the region that will likely have completed concept plans by 2018, the next time Metro will determine whether to expand the UGB. This includes the Cities of Wilsonville, Tigard, Hillsboro and Sherwood.

Attached to this memo is a technical memo from Metro staff that spells out the past direction that Metro Council has provided around urbanization.

Please let either of us know if you have questions.



# Memo

Date: February 22, 2017  
To: Martha Bennett, Chief Operating Office  
From: Ted Reid, Principal Regional Planner  
Subject: Process that would precede future urbanization of urban reserves

---

## Background

Urban and rural reserve designations are an important aspect of the region's efforts to protect farms and forests, create quality jobs and housing, and to provide additional certainty for cities and property owners for the long-term. At the Council's direction, Metro staff has been working with Clackamas and Multnomah counties to finalize reserve designations. Public hearings have now been scheduled for the Metro Council and the Clackamas County Board of Commissioners.

As you are aware, the three cities surrounding the Stafford urban reserve area and residents in the area have ongoing concerns about the area's proposed urban reserve designation and what it may portend for future development. In 2015, Metro, Clackamas County, West Linn, Lake Oswego, and Tualatin participated in a several-months-long "facilitated dialogue" about the future of the Stafford area and, although areas of agreement were identified, the participants did not arrive at a comprehensive agreement settling all issues. These ongoing concerns remain part of the urban and rural reserves discussion and I understand that Metro would like to address them to the extent possible.

To further clarify Metro's intent in the reserves process and future growth management decisions, and to address some of the cities' and residents' concerns, you asked that I summarize the direction that the Council has provided over the past several years on these issues. In short, there is significant analysis and process that would need to occur before urban reserves could be added to the urban growth boundary (UGB). Many of these Metro policies implement state law, but this memo does not attempt to describe the relevant state laws that also govern UGB expansions.

## What an urban reserve designation means

As the Council has consistently stated, an urban reserve *designation* does not necessarily mean that urbanization will happen in the area either soon or in several decades. The urban reserve designation simply means that the area is suitable for urbanization under state law should there be a demonstrated need in the next 50 years to expand the UGB.

Contrary to a petition that is being circulated regarding Stafford, the urban reserve designation does not constitute a decision on future UGB expansions or potential population densities in those expansion areas. As described in this memo, any discussion of future densities would occur through a city-initiated concept planning process. The Metro Council has been clear that it does not intend to expand the UGB into urban reserves that lack city commitments for planning, governance and service provision.

## Adopted Metro policies

In response to state laws, public sentiment, and urban planning best practices, the Metro Council has adopted a number of policies that indicate a commitment to compact urban growth and efficient use of public resources. These policies all highlight Metro's stance that UGB expansions should only be made when needed and when they will actually lead to housing or jobs. Following is a summary of some of those policies:

### Regional Framework Plan

Policy 1.1 (Compact Urban Form) lays out a number of policies that state the Metro Council's commitment to "...ensure and maintain a compact urban form within the UGB."

Policy 1.1.2 states Metro's policy to "adopt and implement a strategy of investments and incentives to use land within the UGB more efficiently and to create a compact urban form."

Policy 1.7 (Urban and Rural Reserves) describes the Council's policy to adopt urban reserves that are suitable for longer-term urbanization. These policies make clear that the urban reserve designation is not a commitment to expanding the UGB. Policy 1.7.5 states Metro's policy to, "...in conjunction with the appropriate county, cities and service districts, develop concept plans for urban reserves prior to their addition to the UGB." Metro is to "...provide technical, financial and other support..." to local governments to:

"Identify the city or cities that will likely annex the area after it is added to the UGB."

"Identify the city or cities or the service districts that will likely provide services to the area after it is added to the UGB."

"Determine the general urban land uses and prospective components of the regional system of parks, natural areas, open spaces, fish and wildlife habitats, trails and greenways."

Policy 1.9 (Urban Growth Boundary) reiterates Metro's commitment to maintain a compact urban form and describes the significant steps and analysis that must be taken before adding an urban reserve to the UGB.

Policy 1.9.1 calls for maintaining "...an urban growth boundary to limit urbanization of rural land and facilitate the development of a compact urban form."

Policy 1.9.2 states the Metro policy to "...consider expansion of the UGB only after having taken all reasonable measures to use land within the UGB efficiently."

Policy 1.9.6 again states Metro's policy to "...add land to the UGB only after concept planning for the land has been completed by the responsible local governments..."

Policy 1.9.11 requires "an inventory of significant fish and wildlife habitat that would be affected by addition of land, and consider effects of urbanization of the land on the habitat and measures to reduce adverse effects, prior to a decision on the proposed addition."

Policy 1.9.13 requires Metro to "...prepare a report on the effect of the proposed amendment on existing residential neighborhoods prior to approving any amendment or amendments of the urban growth boundary in excess of 100 acres and send the report to all households within one mile of the proposed UGB amendment areas and to all cities and counties within the district. The report shall address:

- a) Traffic patterns and any resulting increase in traffic congestion, commute times and air quality.
- b) Whether parks and open space protection in the area to be added will benefit existing residents of the district well as future residents of the added territory.

- c) The cost impacts on existing residents of providing needed public services and public infrastructure to the area to be added.”

#### Urban Growth Management Functional Plan

Title 14 (Urban Growth Boundary) describes the criteria and processes for UGB expansions, which – per state law – are to be made based on documented regional needs. Title 14 also further describes the report called for in Regional Framework Plan policy 1.9.13 (report on the effects of proposed expansions on existing residential neighborhoods).

Title 11 (Planning for New Urban Areas) requires that, before the Metro Council adds an area to the UGB, there must be a concept plan developed by the cities and counties. Concept plans must, among other things, include an agreement that identifies which city, cities or districts will likely be the providers of urban services. The agreement must also preliminarily identify the city that will be responsible for annexation and comprehensive planning of the area.

I should point out that the Regional Framework Plan and Title 11 state that, if local governments cannot agree on a concept plan, the Metro Council may add an urban reserve to the UGB to fulfill its responsibility to ensure sufficient growth capacity. However, the very reason that the Metro Council has adopted concept planning requirements is that it has learned that expansions that lack city support are not likely to result in housing or jobs. Consequently, from a practical standpoint, it is reasonable to conclude that additional vacant land that lacks governance and infrastructure is not needed.

Under state law, Metro has an obligation to reconcile that practical perspective with its obligation to provide sufficient land for needed housing. If cities have not completed concept plans for consideration in future growth management decisions and those expansions are not made, population and employment growth would happen elsewhere (in the existing UGB, in expansion areas that have city support, or in neighboring cities outside the Metro UGB), at different prices, or in different development forms. This likely market response would be reflected in Metro’s state-required analyses.

In essence, there is not one single “correct” answer to whether additional land is needed, giving the Council the latitude to decide that expansions without city governance are not warranted. As described below, staff’s proposed work program for the 2018 growth management decision is grounded in this understanding.

#### **Proposed work program for the 2018 urban growth management decision**

On February 28, 2017, the Council will have an opportunity to discuss a proposed work program for its 2018 urban growth management decision. Staff’s hope is that the proposed approach provides a useful framework for future decisions and that it gives cities and residents additional certainty about how those decisions will be made.

The Metro Council has given staff several pieces of direction that shape the proposed work program, including:

- Provide the Council with additional flexibility to respond to city requests for expansions into concept-planned urban reserves.
- The Council is inclined to expand the UGB only when a city has completed a concept plan for an urban reserve.

- The Council will take an outcomes-based approach that moves the region away from a debate solely about numbers.
- The Metro Council will only expand the UGB when there is a demonstrated regional need.

With that direction in mind, staff's proposed work program will seek to focus the Council's decision making around the actual UGB expansion proposals made by cities rather than on a theoretical growth debate that I believe causes worry among our local government partners and residents, including those in the Stafford area. Essentially, the proposed work program means that the Council's 2018 decision would boil down to two basic options, both of which would be based on cities' proposals for UGB expansions and peer-reviewed regional analysis. Staff believes that, with proper documentation, either option could satisfy Metro's legal requirements:

1. Find a regional need for UGB expansions:  
Determine whether city-proposed UGB expansions could accommodate growth that may otherwise spill over into neighboring cities outside the Metro UGB. Find that this option advances desired outcomes. Expand the UGB accordingly. Note - these expansion areas would also need to rank well in the location analysis required under Statewide Planning Goal 14 (Urbanization).
2. Find no regional need for UGB expansions:  
Determine that an acceptable amount of growth can be accommodated inside the existing Metro UGB. Find that this option advances desired outcomes. Don't expand the UGB.

Both of these options assume that UGB expansion would only be made in urban reserves that have city support. Should the Metro Council support this approach, staff's hope is that it will reduce the concerns of cities of West Linn, Tualatin, and Lake Oswego regarding reserve designations. I look forward to the Council's February 28 discussion and direction regarding the proposed work program for the Council's 2018 urban growth management decision.