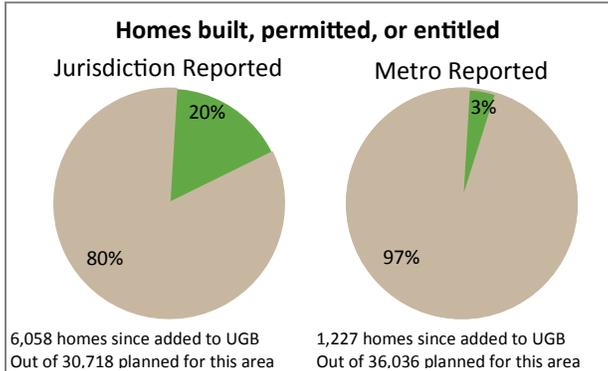


Key Findings In a February 12, 2016 news article, *Where growth happens: Development in cities, delays on the edge*, Metro discusses the status of ten expansions to the Urban Growth Boundary, from 1998 to 2014. Staff from Hillsboro, with input from the jurisdictions representing the highlighted expansion areas, put together updated information detailing the planning efforts,



development needs, and construction activity for nine of these ten areasⁱ. Metro’s build out numbers and jurisdiction-reported build out numbers are substantially different, which can be attributed to several factors: 1) differences in methodologyⁱⁱ; 2) outdated construction activity data; and 3) modified plan assumptions. The differences are shown at left.

Annexations Several UGB areas have been unable to develop, at least in part due to city charters requiring voter approval of annexations. Passage of new legislation (SB 1573) will now remove this complication. However, in at least one case, plans are not yet in place for the funding and installation of costly

infrastructure necessary for development, making near term development unlikely.

UGB Expansions 1998-2002 Older UGB expansion areas brought in prior to the Great Recession, on the whole, have taken longer to develop than newer areas. As the housing market has recovered, many of these areas have been able to retool their strategies and are seeing development move forward. Others are continuing to look for ways to fund the infrastructure necessary for development after funding agreements were nullified by developer bankruptcy.

UGB Expansions 2011-2014 Newer UGB expansion areas, as a group, have fared much better than their older counterparts. The average time from UGB expansion to housing entitlements is approximately four years. Several jurisdictions expect their expansion areas to be completely built out within 10 years of UGB expansion. Even for areas added as recently as 2014, e.g. Forest Grove and Cornelius, development applications are coming in and construction of more than 1,000 homes is expected over the next few years.

High Volumes of Development Activity Reported

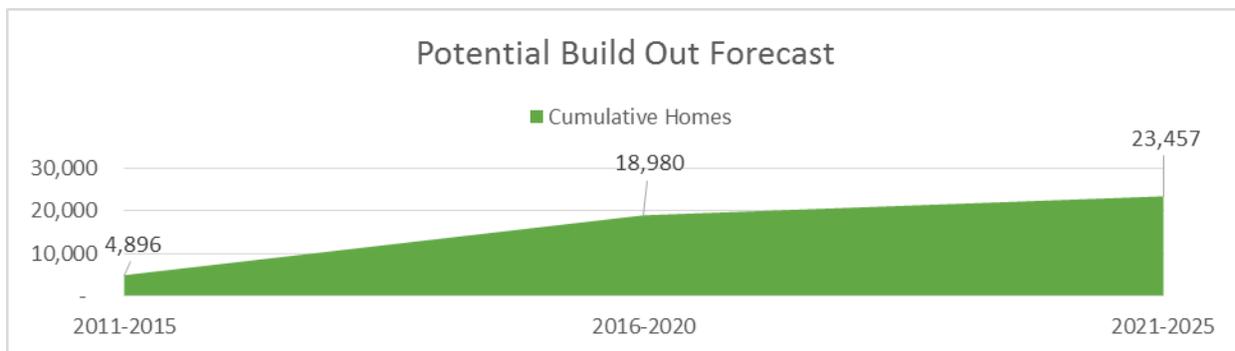
Underway

- North Bethany
- Villebois
- River Terrace
- South Cooper Mountain

Expected Near Term

- South Hillsboro
- Forest Grove
- Cornelius

Future Activity The chart below illustrates a possible build out of the expansion areas forecast using current development trends and jurisdiction-reported information. Build out assumes 90% of the 25,827 planned homes.



UGB EXPANSION AREA	JURISDICTION REPORTED BUILD OUT ⁱⁱⁱ	METRO REPORTED BUILD OUT ^{iv}	STATUS ^v
PLEASANT VALLEY (1998)	5%	3%	Gresham is developing an infrastructure funding plan to replace plan brokered with developers prior to Great Recession. Currently, 250 homes entitled.
VILLEBOIS (2000)	91%	17%	All utilities funded and are being installed. New primary school opened. Currently, 1063 homes entitled.
OREGON CITY (2002)	0%	0%	Major infrastructure issues likely to stall development for the foreseeable future.
SHERWOOD (2002)	5%	5%	SB 1573, allowing annexations without voter approval, will likely pave the way for Brookman Rd, which has developer but annexation has been rejected by voters 3 times. Currently, 64 homes entitled in Area 59.
NORTH BETHANY (2002)	58%	11%	Funding for transportation and other improvements was approved in late 2011. Most infrastructure construction began in 2013. Springville school opened 2009; funding in place for another K-5 school, expected to open Fall, 2017. Currently 2,038 units entitled, another 398 under review.
RIVER TERRACE (2002/2011)	51%	0%	All utilities are funded, but installation is not able to keep pace with development. Water reservoir and pump station to be completed in 2021 necessary for development, although workarounds possible for development in the interim. Currently, 1,316 homes entitled.
SOUTH COOPER MTN (2011)	21%	0%	All utilities funded and being engineered. Sewer main extension to Scholls Ferry Rd summer 2016. New high school under construction, expected to open Fall 2017. Currently, 725 homes entitled, approx. 300 more expected next year.
SOUTH HILLSBORO (2011)	0%	0%	Funding agreements for infrastructure recently finalized. Home construction expected to begin late 2017.
FOREST GROVE (2002/2014)	15%	0%	Most of the area still being planned; one portion has zoning. Development of the first phase (about 40 units) expected Summer, 2016. Currently, 204 homes entitled.
CORNELIUS (2014)	0%	0%	Annexation and zoning of 180 acres underway with first phase construction expected by end of summer. New pump station, utilities and streets to be constructed in 2017. Approx. 1000 units over next few years. Entitlements are in process.

ⁱ This analysis excludes Damascus; Metro’s findings have been adjusted accordingly, Metro’s 2014 UGR discusses the future of Damascus and the changing assumptions about residential capacity, indicating that the first phase of infrastructure will not be available until at least 2020. At more than 12,000 acres, it accounts for nearly 50% of the land area added to the UGB since 1998. While an instructive case study in its own right, it has been excluded as it is not representative of the activity occurring in the remaining 50%.

ⁱⁱ Specifically, Metro utilizes building permit data from 2014 to illustrate the number of homes, “OK’d since added to UGB”. Jurisdiction reporting includes all entitled units (including those with current land use approvals), to more precisely calculate this statistic.

ⁱⁱⁱ Number of homes constructed, permitted or with land use entitlements of the total planned.

^{iv} Number of homes constructed or permitted of the total planned.

^v Reported by jurisdictions mid-March, 2016.

Introduction

In a February 12, 2016 news article, *Where growth happens: Development in cities, delays on the edge*, Metro discusses the status of ten expansions to the Urban Growth Boundary, from 1998 to 2014, using data compiled through 2014. Staff from Hillsboro, with input from the jurisdictions representing the highlighted expansion areas, has put together case studies detailing the planning efforts, development needs, and construction activity for nine of these ten areas. This analysis does not include information about Damascus which is an instructive case study in its own right but does not belong in a discussion of viable new urban areas expected to supply housing for the region in the near term. These case studies are intended to be a snapshot in time (mid-March, 2016) showing the latest facts and assumptions for each area.

Overview

UGB expansions cannot all be grouped together in a single category. They may occur in different years, under different economic circumstances, and with different development expectations. For example, Metro’s report includes two expansion areas (Forest Grove and Cornelius) that are too new to reasonably expect development activity, having been brought into the UGB in 2014. It also includes Oregon City, and Sherwood- two areas which have been constrained by annexation-related issues. Also included are areas that have seen housing development activity occurring at a pace that rivals or even outpaces regional activity. In order to more accurately discuss these areas, we have grouped the case studies into four categories:

- Planning:** Concept/ community plans are under development
- Governance:** Concept/community plans are adopted, but issues such as inability to annex have prevented further progress
- Infrastructure:** Concept/community plans are adopted, a viable governance structure is in place, and jurisdictions are working on a funding plan and/or working to construct key pieces of infrastructure before development can occur
- Development:** Land use approvals and building permits are being issued for development consistent with adopted plans

Development Phase: Villebois, River Terrace, South Cooper Mountain, N. Bethany

Generally, for those areas in the Development phase, it takes about 6 years¹ from time of UGB expansion to complete plans, resolve any governance and litigation issues, adopt funding mechanisms for infrastructure, and install gateway infrastructure². From this point, it typically takes just over one year for major development activity to occur. On average, these areas are seeing housing development occur at an annual rate of approximately 22%³. These findings have been used to forecast development activity for the remaining phases.

Generalized Activity Timeline: Development Phase Case Studies

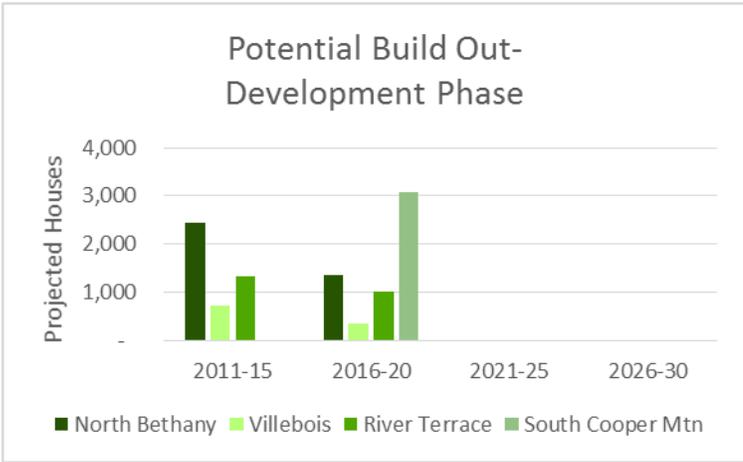


Legend: UGB Expansion (blue) Concept or Community Plan Adopted (orange) Infrastructure Funding/Agreements (dark blue) Major Development Activity (green)

¹ Based on median data values for South Cooper Mountain, N Bethany, River Terrace, and Villebois.

² Essential infrastructure that must be in place in order for development to occur, e.g. the extension of Cornelius Pass Rd. south across TV Highway/ rail tracks.

³ Annual housing development rates based number of homes constructed, permitted or with land use entitlements divided by number of years major development activity has been occurring.

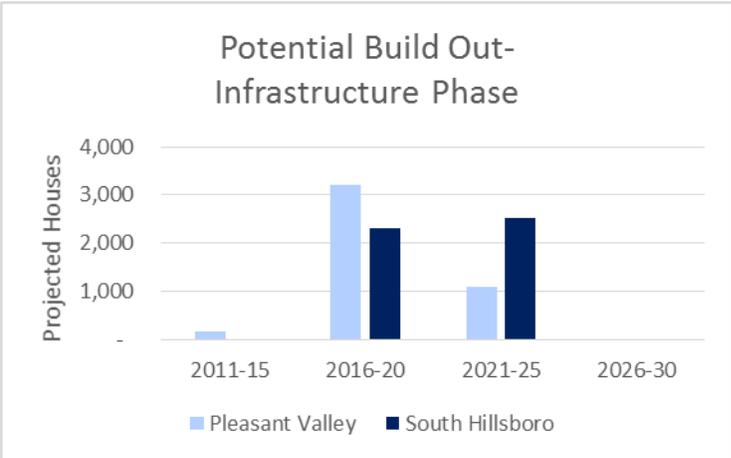


As a group, the areas that were added to the UGB prior to the 2007-2009 recession were severely hampered by the economic slowdown as developers pulled out and infrastructure funding dried up. Those that were able to adapt their funding strategies, e.g. North Bethany, Villebois, were able to recover strongly and are experiencing fast-paced growth. Those that were added to the UGB after the 2007-2009 recession, e.g. South Cooper Mountain, did not experience the same delays and are seeing high volumes of development activity more quickly than their predecessors.

Expected Activity: As of Mid- March, 2016, a total of 5,540 of the 11,368 planned homes have been built, permitted, or entitled in these four areas, representing **49% of total build out**. Assuming construction activity patterns remain consistent, **by 2020 more than 10,000 homes are forecast to be built or permitted in these four areas alone.**

Infrastructure Phase: Pleasant Valley, South Hillsboro

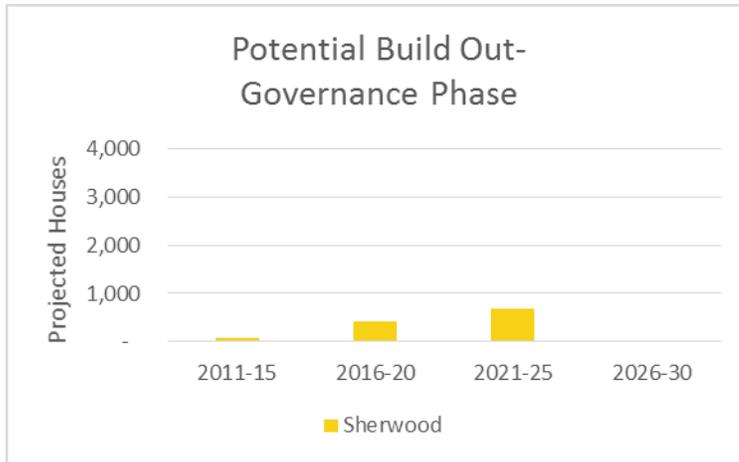
For the two case studies in the Infrastructure phase, progress is being made toward installing the gateway infrastructure needed to spur development. Gateway infrastructure in South Hillsboro is expected to be in place by the end of 2019. In Pleasant Valley, an area significantly impacted by the 2007-2009 recession, the City of Gresham has been working out a funding plan to install essential wastewater infrastructure that will support development of the area.



Expected Activity: Consistent with development patterns of the case studies in the Development Phase, once the gateway infrastructure and funding plans are in place, major development activity is likely to begin within one to two years⁴. With more than 10,000 homes planned, a significant amount of the region’s housing stock is likely to be constructed in these two areas in the near future. Assuming construction activity patterns remain consistent, **by 2020 nearly 5,700 homes are forecast to be built or permitted**, and by 2025, these two areas are likely to see more than 9,000 total new homes.

⁴ Assumes Pleasant Valley development ramps up in 2018; South Hillsboro in 2019. Assumes an annual build out rate of 22%, the average annual rate for the case studies in the Development Phase.

Governance Phase: Oregon City, Sherwood



The case studies in the Governance Phase, Sherwood and Oregon City, have city charters requiring a vote on annexation petitions, although a recently passed state law now allows annexations to be processed without requiring elector approval under specific conditions⁵. In both communities, this has prevented the UGB expansion areas from being developed, although concept plans are in place. Both communities will need to adopt infrastructure funding mechanisms and install the gateway infrastructure. In Sherwood's case, infrastructure funding plans/ mechanisms are in place

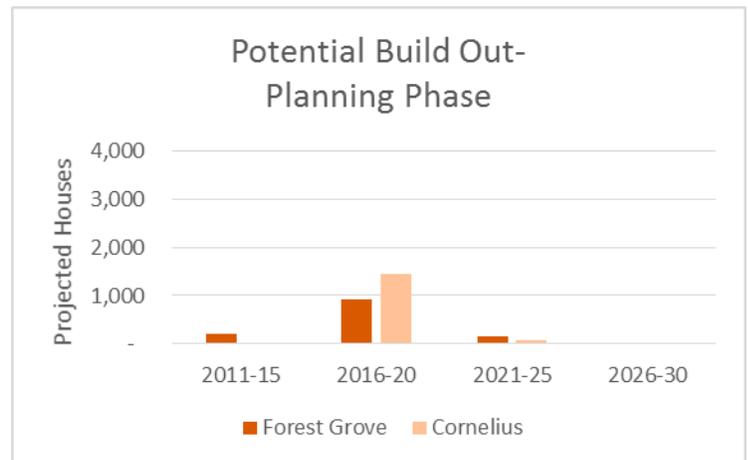
for Brookman Road and Area 59, so it is likely that development will occur in the near term. For Oregon City, extensive infrastructure issues exist and funding mechanisms have not yet been adopted. Because Oregon City cannot estimate when these issues will be resolved, it has been excluded from the forecasts.

Expected Activity: Consistent with development patterns of the case studies in the Development Phase, once the governance issues are resolved and gateway infrastructure and funding plans are in place, major development activity is likely to begin within one to two years. Assuming Sherwood's governance issues are resolved in 2018, and construction activity patterns remain consistent, **by 2025, it may see more than 1,100 new homes.**

Planning Phase: Forest Grove, Cornelius

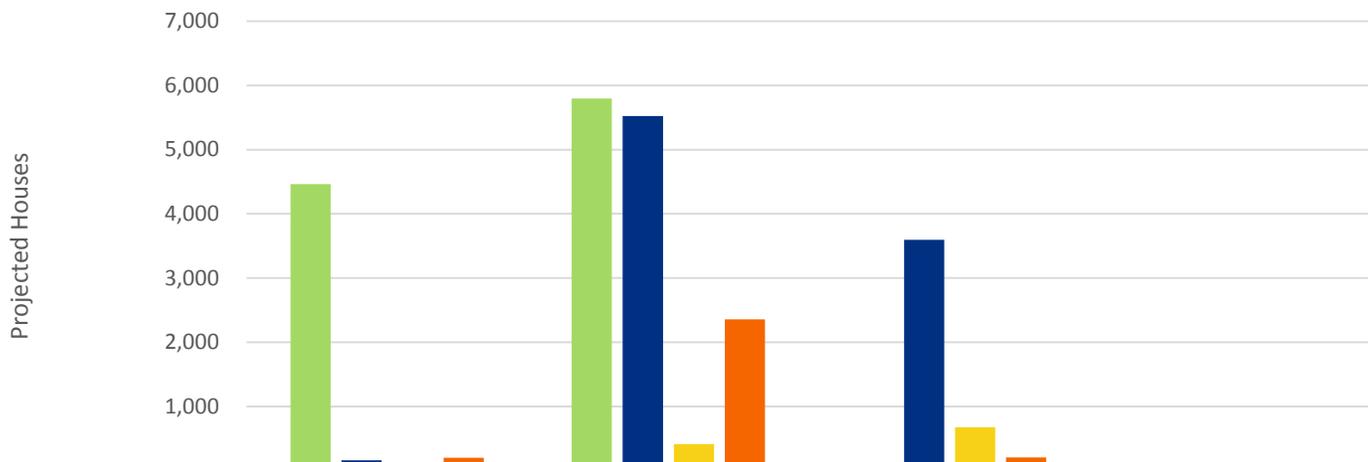
These two case studies were brought into the UGB in 2014 with HB4078 and plans have already been adopted in Cornelius and are near completion in Forest Grove. Neither area expects to have any significant governance or infrastructure issues.

Expected Activity: Consistent with development patterns of the case studies in the Development Phase, once the plans are adopted, governance issues (if any) are resolved and gateway infrastructure and funding plans are in place, major development activity is likely to begin within one to two years. Assuming construction activity patterns remain consistent, **by 2020 more than 2,500 homes are forecast to be built or permitted** and by 2025, these two areas could see approximately 150 more new homes.



⁵ <https://olis.leg.state.or.us/liz/2016R1/Measures/Overview/SB1573>

Potential Build Out Forecast



	2011-15	2016-20	2021-25	2026-30
Development Phase	4,465	5,793	-	-
Infrastructure Phase	163	5,521	3,595	-
Governance Phase	64	417	678	-
Planning Phase	204	2,358	209	-

Potential Build Out⁶ 4,896 14,090 4,482 -

At 90% build out, approximately 23,500 are forecast to be built in the 5,000+ acres identified in the Metro article. Assuming market trends hold, 90% build out is likely to be complete by 2025.

⁶ Oregon City and Damascus are excluded from forecasting. All remaining case studies are forecast to 90% build out.

1. Pleasant Valley

Metro's Summary: In 1998, the Metro Council added more than 1,000 acres of Multnomah County's Pleasant Valley into the urban growth boundary. More than 5,000 homes were planned for the area, but only 145 have been built or permitted for construction.

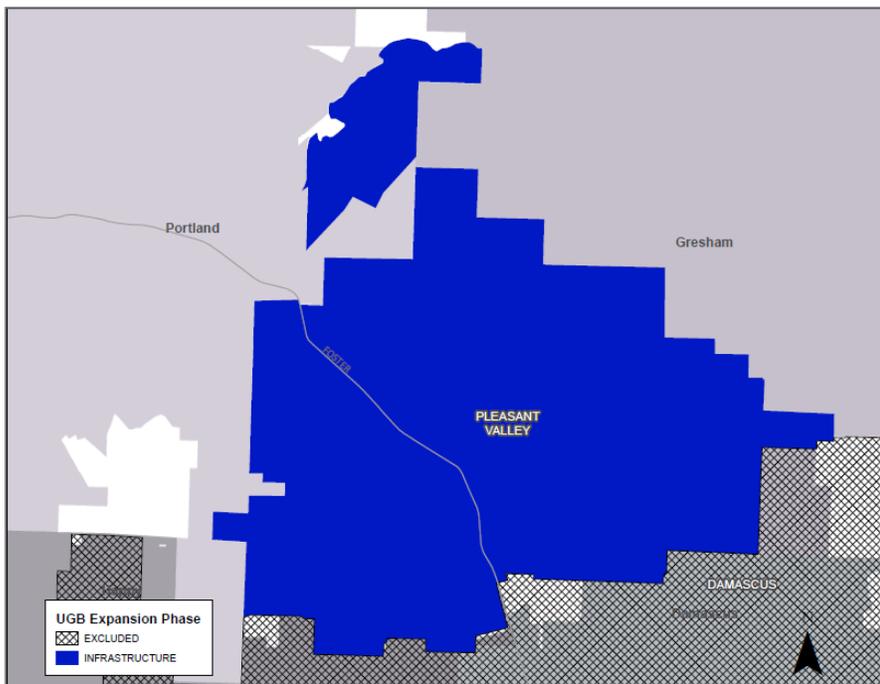
Background: Approximately 1,382 acres were added to the UGB in 1998. Since that time, Gresham, Metro, Portland, Clackamas and Multnomah counties and other interested parties created the Pleasant Valley Concept Plan, adopted in 2002. A total of **4,940 homes are planned**. As of March, 2016, the area has had more than **250 homes built or entitled**.

Owners of 541 acres voted to annex to Gresham in 2006.

Plan implementation next steps:

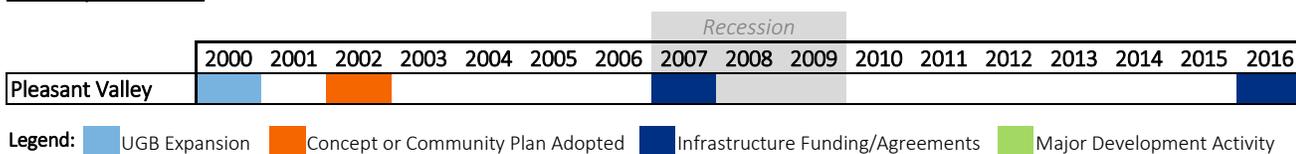
- Annexation(s); adoption of zoning designations upon annexation
- Development review
- Infrastructure funding and installation

Jurisdiction Reported Data	
UGB Expansion Year	1998
Current phase	Infrastructure
Homes entitled, permitted, or built	250
Homes planned	4,940
% approved for build out ⁷	3%



Barriers to full build out: In 2007, Gresham city council worked out an infrastructure agreement with several developers; developers would pay up front for infrastructure then would be reimbursed through SDC credits. However, the 2007-2009 recession halted development as key developers filed bankruptcy. Gresham is again trying to resolve the question of how to install water and wastewater infrastructure. The City is currently discussing whether to take on debt to install the infrastructure. City Council took up the issue on February 9, 2016 and is expected to continue discussions this spring.

Activity Timeline

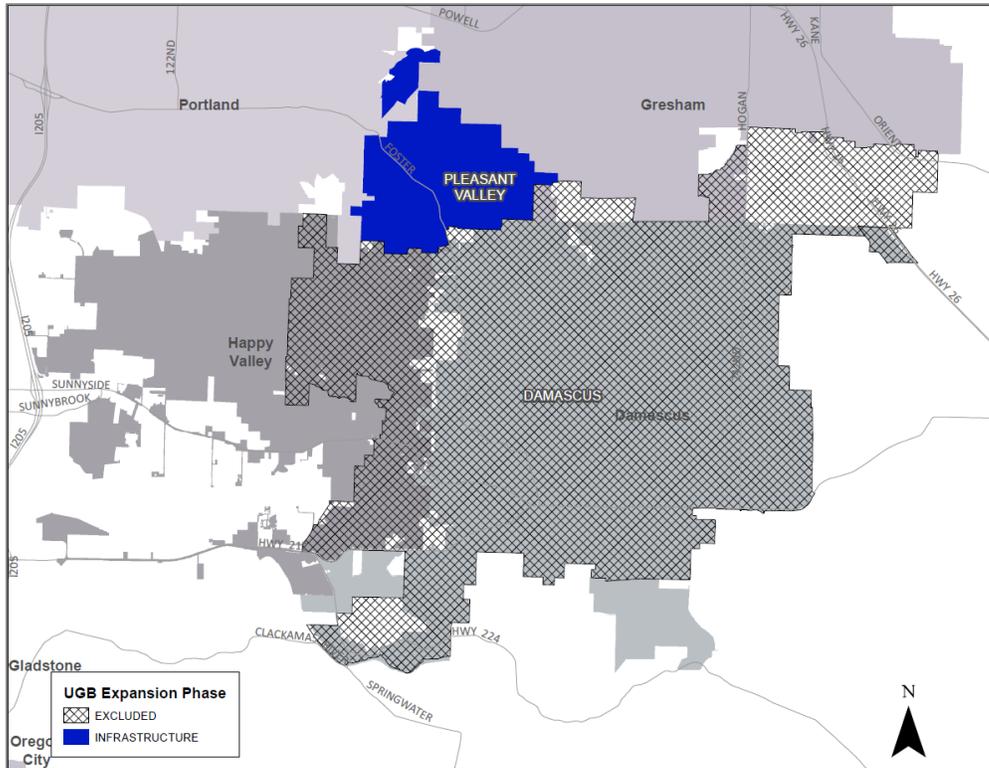


⁷ Number of homes constructed, permitted or with land use entitlements of the total planned.

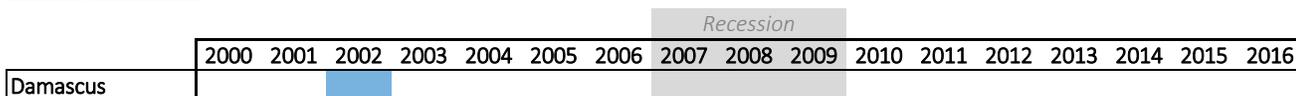
2. Damascus

Metro’s Summary: In 2002, the Metro Council chose the existing community of Damascus – complete with a grocery store and roads to the city – for a 19 square mile urban growth boundary expansion. 295 new homes have been built or approved there.

Background: Approximately **13,164 acres** were added in 2002. Since that time, this area has experienced governance issues that are unlikely to be resolved in the near future. This area has been excluded from further study as it is widely considered to be an infeasible development site in the near term.



Activity Timeline



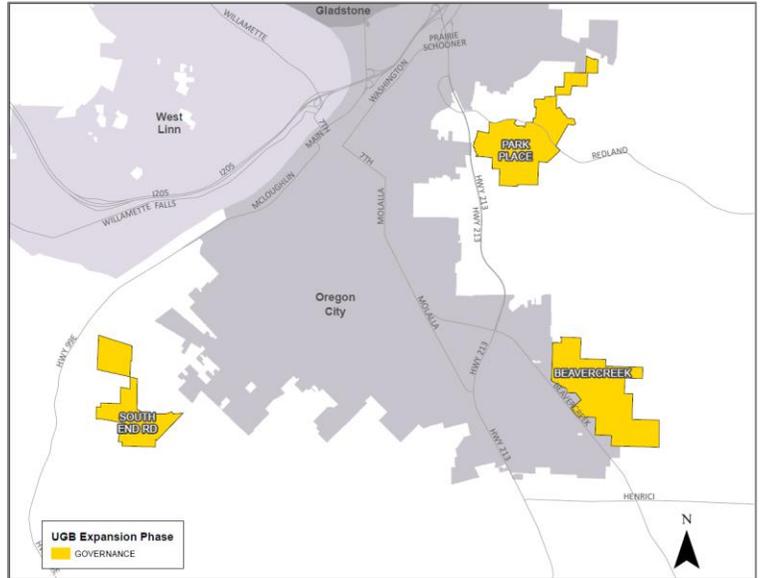
Legend: UGB Expansion (light blue), Concept or Community Plan Adopted (orange), Infrastructure Funding/Agreements (dark blue), Major Development Activity (green)

3. Oregon City

Metro’s Summary: In 2002, the Metro Council added 657 acres around Oregon City to the urban growth boundary. But voters in Oregon City can veto annexation, and the areas have never been brought into the city limits. 12 homes have been built or permitted for construction in those 657 acres.

Background: In 2002, Metro Council added approximately 243 acres to the Beavercreek Road area to the southeast of Oregon City; 247 acres to the northeast in an area known as Park Place; and another 188 acres in South End Road to the west of the city.

- **Beavercreek Road:** Oregon City created a concept plan, adopted 2008, appealed to LUBA, and recently re-adopted in April 2016, which includes 244 acres from the 2002 UGB expansion plus additional acreage from prior UGB expansions. Employment generating and light industrial land uses are a primary goal of the concept plan, though the plan also envisions residential / mixed use areas with capacity for **1,023 homes**.
- **Park Place:** In 2008, Oregon City adopted a concept plan that includes the 247 acres brought into the UGB in 2002 plus adjacent 180 acres already in the UGB. The plan could accommodate **1,458 homes**.
- **South End Road:** Oregon City created a concept plan, adopted 2014, that includes the 188 acres brought into the UGB in 2002 plus adjacent 423 acres. **2,192 homes are estimated** for the entire 611 acre area.



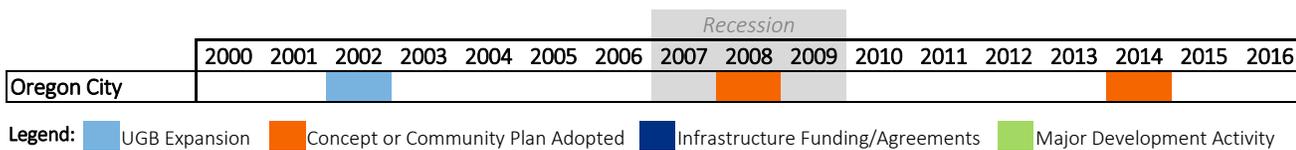
Jurisdiction Reported Data	
UGB Expansion Year	2002
Current phase	Governance
Homes entitled, permitted, or built ⁸	0
Homes planned ⁹	4,673
% approved for build out ¹⁰	0%

Plan implementation next steps:

- Development and adoption of comprehensive plan designations, comprehensive plan amendments, and development code amendments, based on adopted concept plans
- Annexation(s); adoption of zoning designations upon annexation
- Development review
- Infrastructure funding and installation

Barriers to full build out: Oregon City requires voter approval for annexations and the areas have yet to be brought into city limits. In the 2016 session, the Oregon Legislature passed SB 1573, which removes voter approval procedures from some annexations and may result in annexation of these pieces. However, transportation and utility infrastructure needs are extensive and funding mechanisms are not in place.

Activity Timeline



⁸ Excluding existing homes

⁹ Number of homes reflects total plan area, which is a larger geography than the UGB expansion areas.

¹⁰ Number of homes constructed, permitted or with land use entitlements of the total planned.

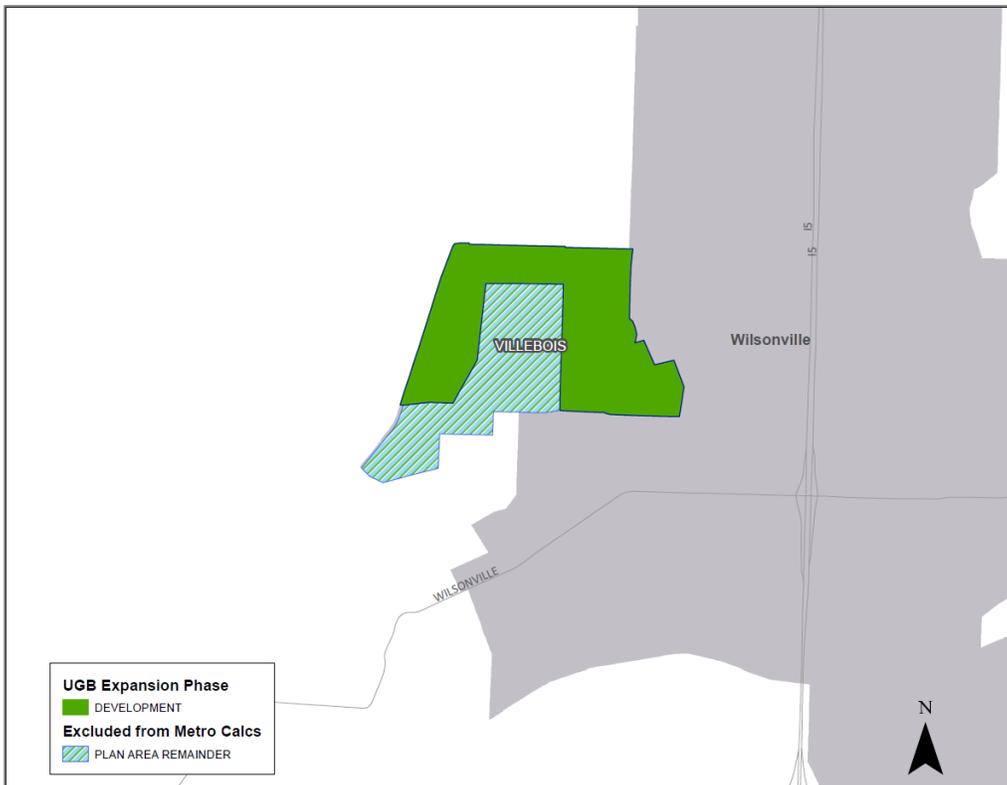
4. Villebois

Metro's Summary: In 2000, the Metro Council added 355 acres to the UGB in Wilsonville. Since then, more than 400 homes have been built or approved for construction in the area. As of mid-February, the least expensive [new home in Villebois was listed at \\$312,990](#). (258 homes built of 2,527 planned)

Background: In 2000, approximately **278 acres** were added to the UGB in Wilsonville. Since that time, the City of Wilsonville created a concept plan, and master plan, adopted in 2003, for the Villebois area, which includes the 278 acres from the 2000 UGB expansion. Approximately **1,163 homes are planned for the 2000 UGB expansion area located in Villebois**.

The City of Wilsonville created an urban renewal district, worked out a land exchange with the school district, and the community passed a school bond. However, several key developers went into bankruptcy with the 2007-2009

Jurisdiction Reported Data	
UGB Expansion Year	2000
Current phase	Development
Homes entitled, permitted, or built	1,063
Homes planned	1,163
% approved for build out ¹¹	91%



recession, and Wilsonville responded by adapting its strategy for installing infrastructure and a primary school. The infrastructure and primary school were constructed on time and on budget and development is occurring at a rapid pace in Villebois. Currently, **713 homes have been built or have building permits and another 350 have land use entitlements**.

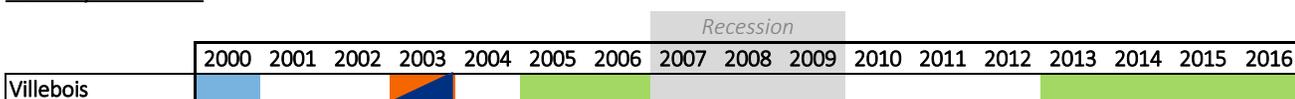
Plan implementation next steps:
None. Approaching complete build out.

Barriers to full build out:
None. Approaching complete

build out.

Metro case study includes only a portion of the plan area (shown here in green).

Activity Timeline



Legend: UGB Expansion (blue), Concept or Community Plan Adopted (orange), Infrastructure Funding/Agreements (dark blue), Major Development Activity (green)

¹¹ Number of homes constructed, permitted or with land use entitlements of the total planned.

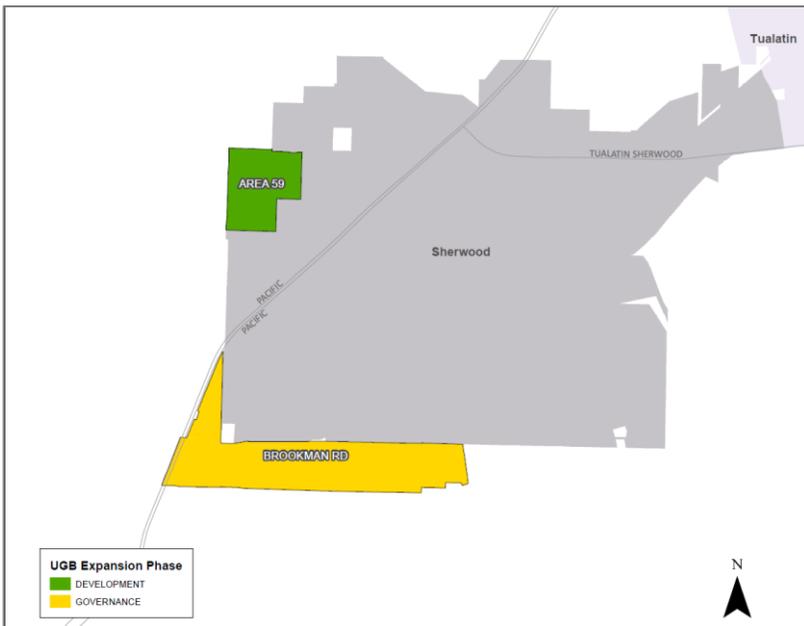
5. Sherwood

Metro's Summary: In 2002, the Metro Council added 337 acres around Sherwood to the urban growth boundary. But voters in Sherwood can veto annexation, and the areas have never been brought into the city limits. 56 homes have been built or approved for construction in those 337 acres.

Background: Metro Council added approximately 235 acres to the Brookman Rd area to the south of Sherwood and 88 acres to the west in 2002 in an area referred to as Area 59.

- Area 59: In 2006, Sherwood adopted the Area 59 concept plan and adopted amendments to the Comprehensive Plan to implement the concept plan in January, 2007. In May, 2007 the public vote approved annexation of Area 59. The first development in this area was a new school. The City has also reviewed land use applications for residential development consistent with the concept plan and anticipates that others will be submitted in the future. Approximately **200 homes are planned** for this area.
- Brookman Rd: The Brookman Concept Plan was adopted by the City Council in June 2009 and became final on April 5, 2010. The property remains in the County (and under County zoning) until annexation into the City of Sherwood. At the time of annexation the comprehensive plan zoning would be applied. Approximately **1,088 homes are planned** for this area.

Jurisdiction Reported Data	
UGB Expansion Year	2002
Current phase	Area 59: Development Brookman Rd: Governance
Homes entitled, permitted, or built	64
Homes planned	1,288
% approved for build out ¹²	5%

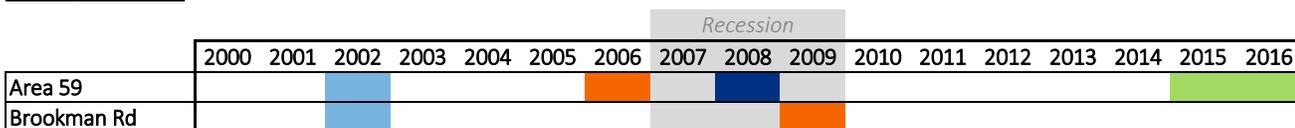


Plan implementation next steps:

- Area 59: Development review for remaining developable areas
- Brookman Rd: annexation to Sherwood, adopt funding mechanisms for infrastructure (will be paid for by the developer and SDC's), install infrastructure, and develop

Barriers to full build out: Sherwood requires voter approval for annexations and the areas have yet to be brought into city limits. Passage of SB 1573 may result in the annexation of the Brookman Rd piece.

Activity Timeline



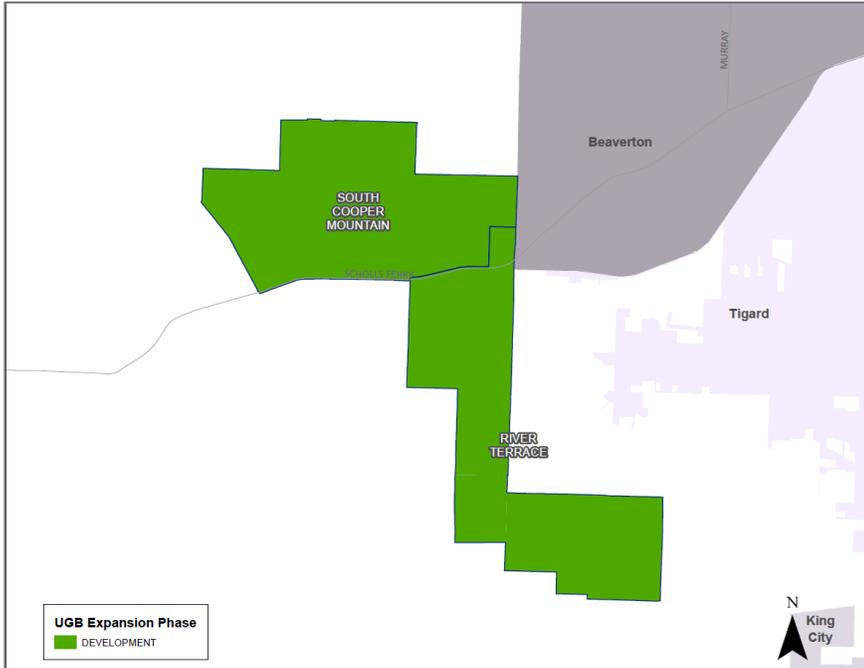
Legend: UGB Expansion (blue), Concept or Community Plan Adopted (orange), Infrastructure Funding/Agreements (dark blue), Major Development Activity (green)

¹² Number of homes constructed, permitted or with land use entitlements of the total planned.

6. River Terrace¹³

Metro's Summary: In 2002, the Metro Council added 572 acres west of Tigard to the urban growth boundary. The area was projected to have 2,450 homes. So far, 12 have been built or permitted for construction.

Background: Metro Council added roughly 500 acres west of Tigard to the urban growth boundary in 2002 and 2011. This area was initially called West Bull Mountain, but it is now known as River Terrace. Tigard annexed this area in 2011 and 2013 and adopted the River Terrace Community Plan in 2014. River Terrace was subsequently rezoned to support



the levels of urban development envisioned by the plan in 2015 and new stormwater quantity management standards were adopted the same year. Infrastructure funding milestones include a Funding Strategy (2014); park & transportation SDCs (2015); and Roy Rogers Road IGA with Washington County utilizing new High-Growth Areas MSTIP Program funds (2016). Since that time, Tigard has **approved 7 subdivisions containing over 1,300 new housing units**. More than 100 homes are expected to be under construction later this year based on the number of building permits currently under review by the city.

Plan implementation next steps:

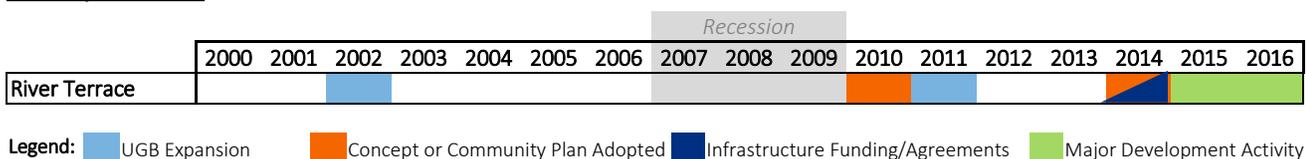
- Update the River Terrace Stormwater Master Plan.
- Adopt the utility fees identified in the Funding Strategy for transportation, sewer, and stormwater.
- Resolve lawsuit filed by the HBA against adopted transportation SDCs.
- Develop and adopt a River Terrace Pedestrian Plan

Jurisdiction Reported Data	
UGB Expansion Year	2002 & 2011
Current phase	Development
Homes entitled, permitted, or built	1,316
Homes planned	2,587
% approved for build out ¹⁴	51%

Barriers to full build out:

- Lack of connectivity and steep slopes make development in the southern part difficult if not impossible.
- The rapid pace of development makes it difficult to keep up with needed infrastructure. Sewer pump stations, force main lines, a new water reservoir and water pump station are all required for full build out.

Activity Timeline



¹³ Metro includes South Cooper Mountain as part of the River Terrace segment. For clarity, these areas have been separated in this document.

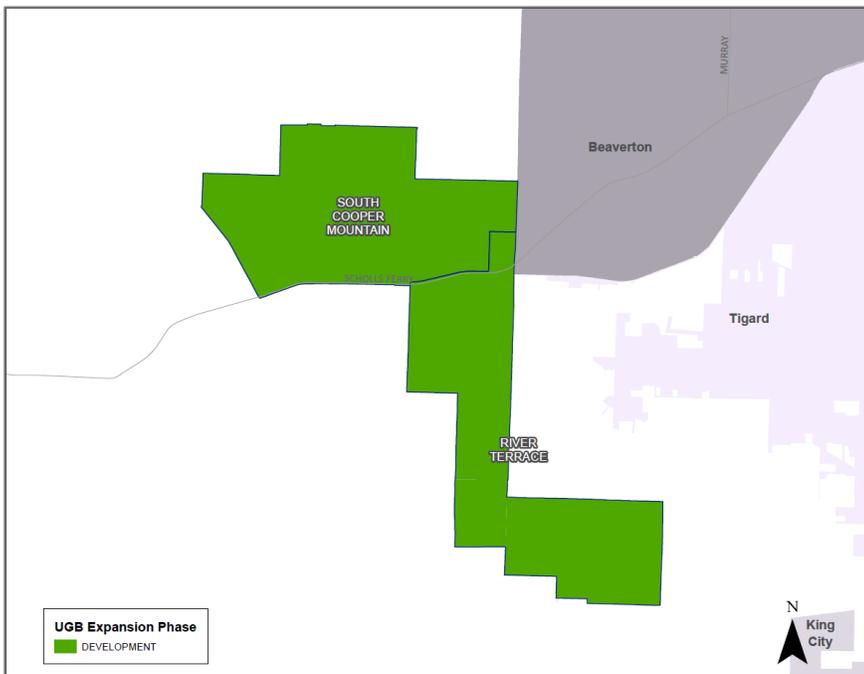
¹⁴ Number of homes constructed, permitted or with land use entitlements of the total planned.

6.a. South Cooper Mountain¹⁵

Metro's Summary: In 2011, the Metro Council added another 544 acres south of Cooper Mountain, in Beaverton and just north of Tigard, to the boundary. The area was projected to have 4,651 homes. Only one has been permitted.

Background: Approximately **544 acres** were added in 2011. Since that time, the City of Beaverton created a concept plan and community plan, adopted January, 2015, for the Cooper Mountain area, which includes the 544 acres from the 2011 UGB expansion. Approximately **3,430 homes are planned** for the area. More than **725 homes** have received land use approval and are awaiting building permits.

Jurisdiction Reported Data	
UGB Expansion Year	2011
Current phase	Development
Homes entitled, permitted, or built	725
Homes planned	3,430
% approved for build out ¹⁶	21%

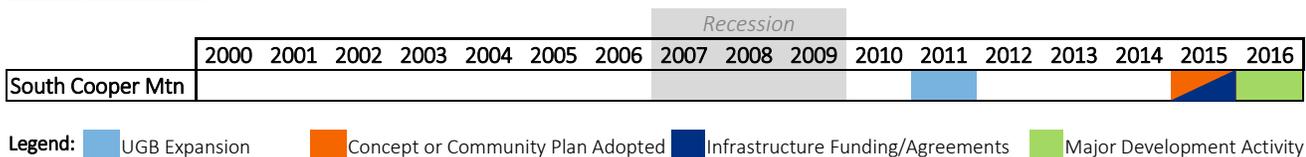


Plan implementation next steps: All utilities are funded and being engineered. Clean Water Services is extending a sewer main to Scholls Ferry Rd in summer 2016. Beaverton School District has a new high school under construction, expected to open Fall 2017. Currently, 725 homes are entitled, and approximately 300 additional homes expected next year. Full build out is expected within 5 years.

Barriers to full build out: Infrastructure costs are estimated at \$109M. The City of Beaverton created transportation system development charge program in 2015 to

assist in funding the area's streets. Beaverton is working with private developers and special districts to install the roads, water, sewer, parks, trails, and stormwater facilities. The Beaverton and Hillsboro school districts are in the process of completing a land swap to better coordinate education provision in the South Cooper Mountain and South Hillsboro areas.

Activity Timeline



¹⁵ Metro includes South Cooper Mountain as part of the River Terrace segment. For clarity, these areas have been separated in this document.

¹⁶ Number of homes constructed, permitted or with land use entitlements of the total planned.

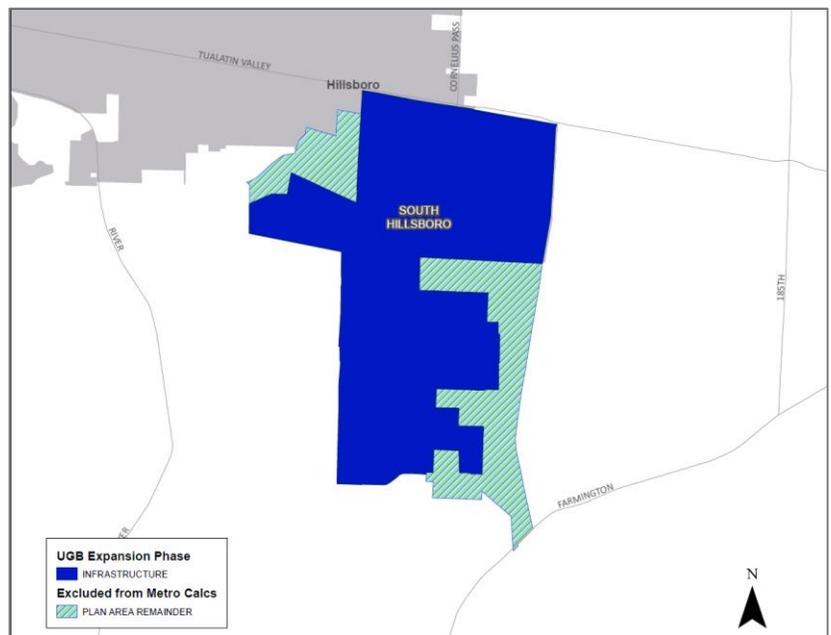
7. South Hillsboro

Metro’s Summary: *The area south of Hillsboro has been primed for development for decades. It was the poster child for the years-long urban and rural reserves designation process, which was largely finished in 2010 and made it easier to expand the urban growth boundary onto land most suitable for new development. The Metro Council brought 1,062 acres in South Hillsboro into the UGB in 2011. The expansion was confirmed by the Legislature in 2014. But the parks, roads and pipes to serve South Hillsboro could cost \$450 million – even though South Hillsboro has existing development on two sides, and is relatively flat. The fees to pay for those parks, roads and pipes could top \$40,000 per home. No homes have been built in South Hillsboro since it was added by the council in 2011.*

Jurisdiction Reported Data	
UGB Expansion Year	2011
Current phase	Infrastructure
Homes entitled, permitted, or built	0
Homes planned	5,370
% approved for build out ¹⁷	0%

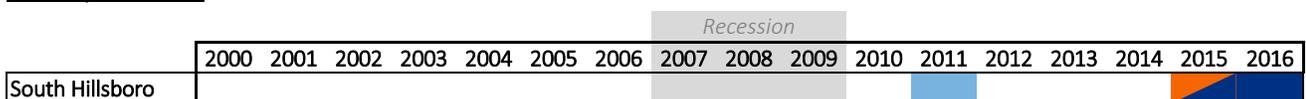
Background: Approximately 1,062 acres were added in 2011. Since that time, the City of Hillsboro created a community plan for the South Hillsboro area, adopted January, 2015, which includes the 2011 UGB expansion plus approximately 345 acres from prior UGB expansions. Approximately **5,370 homes are planned** for the 2011 expansion area (note: the total planned units is approximately 7,712 and includes additional acreage Metro did not analyze for this research). Currently, **few homes have been built** as infrastructure funding is being finalized.

Barriers to full build out: Infrastructure costs are estimated at \$436M. The City of Hillsboro adopted a supplemental transportation system development charge and completed a finance plan in 2015. The City is currently working on large-scale infrastructure projects with its partners. Some of these large infrastructure “gateway” projects, such as the extension of Cornelius Pass Rd across TV Highway, will need to be constructed in order for development to occur. Local property owners are petitioning to form a Local Improvement District to help pay for the gateway infrastructure. City Council is expected to consider the LID petition in April, 2016. Completion of the gateway infrastructure is estimated for the end of 2019, and development activity is expected to occur shortly thereafter. The Beaverton and Hillsboro school districts are in the process of completing a land swap to better coordinate education provision in the South Cooper Mountain and South Hillsboro areas.



Metro case study includes only a portion of the plan area (shown here in blue).

Activity Timeline



Legend: UGB Expansion (light blue), Concept or Community Plan Adopted (orange), Infrastructure Funding/Agreements (dark blue), Major Development Activity (green)

¹⁷ Number of homes constructed, permitted or with land use entitlements of the total planned.

8. Forest Grove

Metro's Summary: In 2002, the Metro Council expanded the urban growth boundary on flat farmland north of Forest Grove. In 2014, the Legislature added more land, totaling 240 acres. No homes have been built there.

Jurisdiction Reported Data	
UGB Expansion Year	2002 & 2014
Current phase	2002 area: Development Purdin Rd: Planning
Homes entitled, permitted, or built	204
Homes planned	1,399
% approved for build out ¹⁸	15%

Background: Approximately **60 acres** were added in 2002 as the result of a land swap that removed an equal amount from the UGB. Another **240 acres** were added in 2014. With help from \$123,000 of Metro CET funds granted in 2013, the City of Forest Grove has undertaken the *Westside Planning Project* to plan for the 2014 portion (called Purdin Road). Early concept plans estimate approximately **1,197 homes planned**. As of March, 2016, a 204 unit planned development has been approved for the 2002 area. Grading and development of the first phase (about 40 units) is expected in summertime.

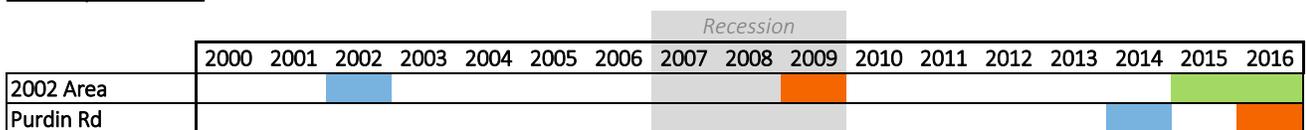
Plan implementation next steps:

- 2002 area: Development review for remaining developable areas
- Purdin Rd: annexation to Forest Grove, adopt funding mechanisms for infrastructure, install infrastructure, and develop

Barriers to full build out: Planning for this area is still underway. Infrastructure estimates are not yet available.



Activity Timeline



Legend: ■ UGB Expansion ■ Concept or Community Plan Adopted ■ Infrastructure Funding/Agreements ■ Major Development Activity

¹⁸ Number of homes constructed, permitted or with land use entitlements of the total planned.

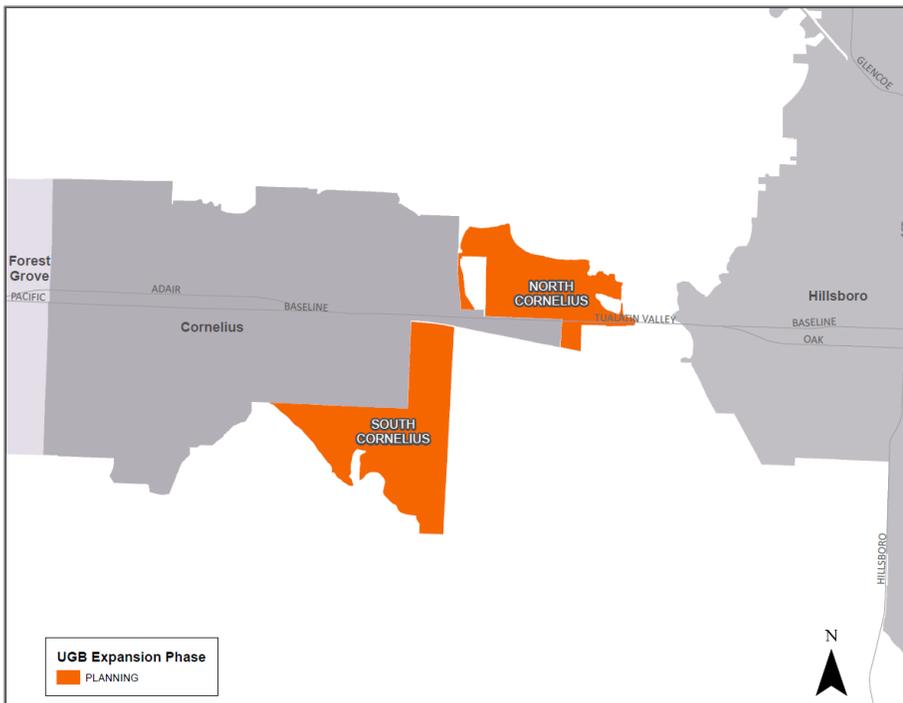
9. Cornelius

Metro's Summary: In 2014, the Legislature added 349 acres to the urban growth boundary around of Cornelius. 1,500 homes are planned for the area. None have been built.

Background: Approximately **349 acres** were added in 2014. The City of Cornelius received \$83,000 in CET funds from Metro in 2013 and used them to create plans for the area. The plans were adopted in late 2015.

1,680 homes are planned. As of March, 2016, **few homes have been built** as planning for the area has just concluded. 180 acres in the south expansion area is expected to annex by May (Planning Commission in April and City Council in May), which has room for an expected 1,000 homes.

Jurisdiction Reported Data	
UGB Expansion Year	2014
Current phase	Planning
Homes entitled, permitted, or built	0
Homes planned	1,680
% approved for build out ¹⁹	0%

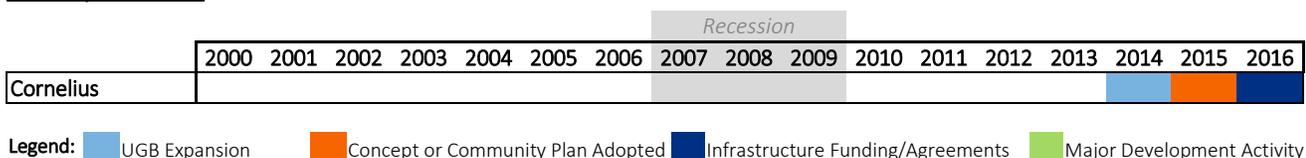


Plan implementation next steps:

- Annexation(s) and adoption of zoning designations
- Development review- the first phase is under review now.
- Infrastructure funding and installation. The major infrastructure work begins next year, including a CWS pump station and additional roads beyond the first phase.

Barriers to full build out: No governance needs have been identified. Infrastructure estimates are not yet available.

Activity Timeline



¹⁹ Number of homes constructed, permitted or with land use entitlements of the total planned.

10. North Bethany

Metro's Summary: In 2002, the Metro Council brought 716 acres into the urban growth boundary in Washington County's North Bethany area. More than 5,000 homes are planned for the area. Since then, 573 homes have been built or approved for construction in the area. As of mid-February, [the least expensive home in the area was for sale for \\$405,995.](#)

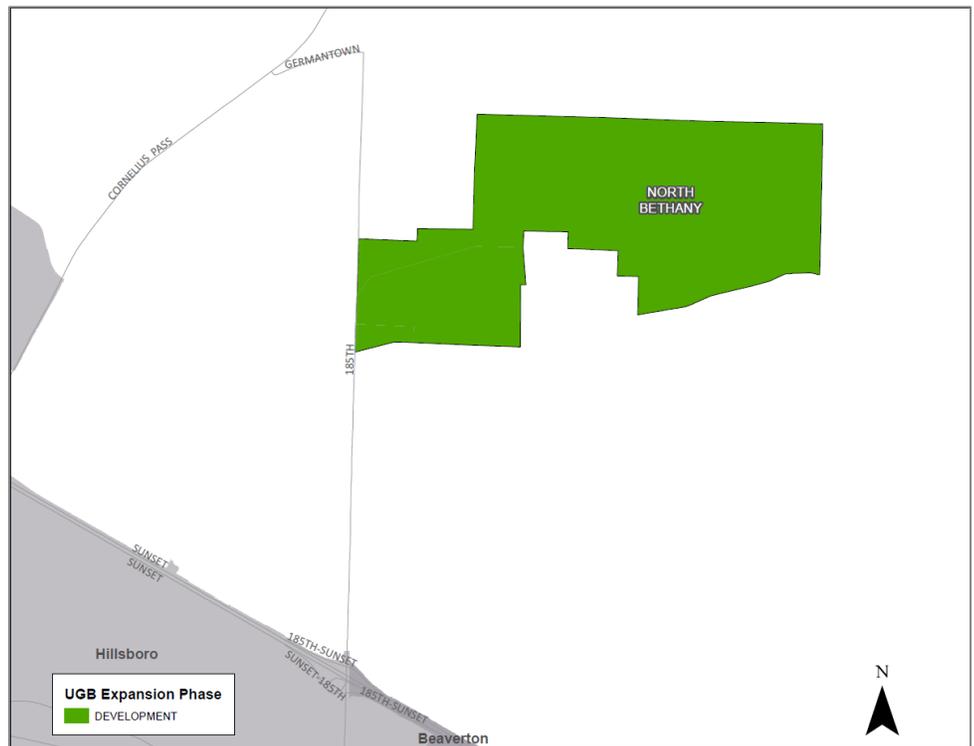
Jurisdiction Reported Data	
UGB Expansion Year	2002
Current phase	Development
Homes entitled, permitted, or built	2,436
Homes planned	4,200
% approved for build out ²⁰	58%

Background: Approximately **691 acres** were added in 2002. Since that time, Washington County created a concept plan for the North Bethany area, adopted in 2009, and community plan, adopted 2010. Approximately **4,200 homes are planned** for the area. More than 2,038 homes have been constructed or permitted for construction. An additional approximately 398 homes are in the land use review process or have received land use approval and are awaiting permits. This totals more than **2,436 homes built, permitted or entitled.**

The North Bethany County Service District, which imposed an assessment in order to provide a sizeable piece of funding needed for transportation and other improvements was approved in late 2011. Many major infrastructure projects, including a CWS sewerline extension and construction of new streets, have already been completed. Springville K-8 School was opened in 2009 and in 2013, the Beaverton School District passed a bond to fund an additional K-5 school, expected to open Fall, 2017.

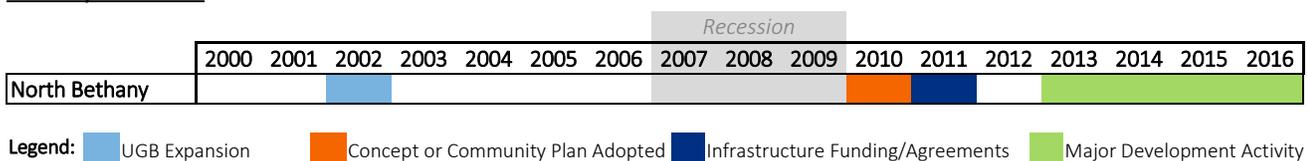
Plan implementation next steps:

None. Area is currently under development.



Barriers to full build out: None. Area is currently under development.

Activity Timeline



²⁰ Number of homes constructed, permitted or with land use entitlements of the total planned.

Exhibit A: Potential Forecast Build Out by Phase²¹

	Recession					
	2000-2005	2006-2010	2011-2015	2016-2020	2021-2025	2026-2030
North Bethany						
Villebois						
River Terrace						
South Cooper Mtn						
Total Development Phase						
South Hillsboro						
Pleasant Valley						
Total Infrastructure Phase						
Oregon City ¹						
Sherwood						
Total Governance Phase						
Forest Grove						
Cornelius						
Total Planning Phase						
POTENTIAL BUILD OUT TOTALS			4,896	14,090	4,482	

Legend: UGB Expansion (light blue), Concept or Community Plan Adopted (orange), Infrastructure Funding/Agreements (dark blue), Major Development Activity (light green)

¹ Due to extensive infrastructure needs and lack of funding plan, it is not possible to forecast Oregon City's UGB areas development with any certainty at this time

²¹ Forecast to 90% build out based on trends from Development Phase case studies

Exhibit B: Metro UGB Expansion Areas Case Studies

