



## COMMUNITY INVESTMENT STRATEGY

# Building a sustainable, prosperous and equitable region

**Recommendations from  
Metro's Chief Operating Officer**

**August 10, 2010**





Last September, I issued a call to action for our region and today I am pleased to report the Metro Council and partners around the region have accomplished much of what we set out to do. Through a series of highly collaborative land use and transportation decisions described on page 7, we set a new course that will lead the way for our region to create innovative public-private partnerships to build the kinds of communities we want.

These important decisions prove our region knows how to work together to find pragmatic solutions to the challenges we face. We've protected almost 267,000 acres of rural lands from urban development, worked together to bring new green industry to the region, and agreed on visionary new investments to make the most of our transportation system. From creating family-wage jobs to building the world's greatest system of parks, trails and natural areas, the people, governments and organizations of our region increasingly seek to shatter institutional barriers with collaborative solutions.

Which brings me to today. It is investment – by both the public and private sectors – that converts a great plan into vibrant, safe and prosperous communities. The investments we've made together in everything from light rail lines and natural areas to new housing and industry built our economy and quality of life.

Unfortunately, making investments in critical public structures is more difficult than ever in an era of limited resources, growing environmental and economic challenges, and voter distrust of government. However, the results of doing nothing are not pretty – we'll spend more time in traffic, breathe more pollution, lose more farmland, and lose our competitive edge to other regions. We also will fail to pass along the civic legacy our parents and grandparents left for us.

That's why I'm recommending today that together we implement a **Community Investment Strategy** to fulfill the vision of the 2040 Growth Concept and realize the aspirations of communities throughout the region.

This strategy will:

- invest in safe, livable communities
- promote economic development and good jobs
- protect our natural areas
- reduce inefficiency, foster innovation and demand accountability.

To succeed we'll need to target our investments carefully, work collaboratively like never before, engage the public in new ways, and hold ourselves accountable for everything we do. Now more than ever, government must pave the way for innovation that will support private investments and bolster our middle class.

Because each of us bears responsibility for helping make our region a great place, I invite you to share your opinion about the ideas offered here and add your own ideas to the discussion. It is my hope that these proposals will spark a region-wide conversation that will help the Metro Council and public officials make the best long-term decisions for the future of our people and the communities they live in.

We look forward to hearing from you.

A handwritten signature in black ink, appearing to read "Michael Fordan".

## THE IMPERATIVE TO ACT

*The state has faced tough times before, but this crisis is a game changer ... the choices that lie ahead affect not only the state budget, but the kind of place Oregon will become.*

The Oregonian,  
July 25, 2010

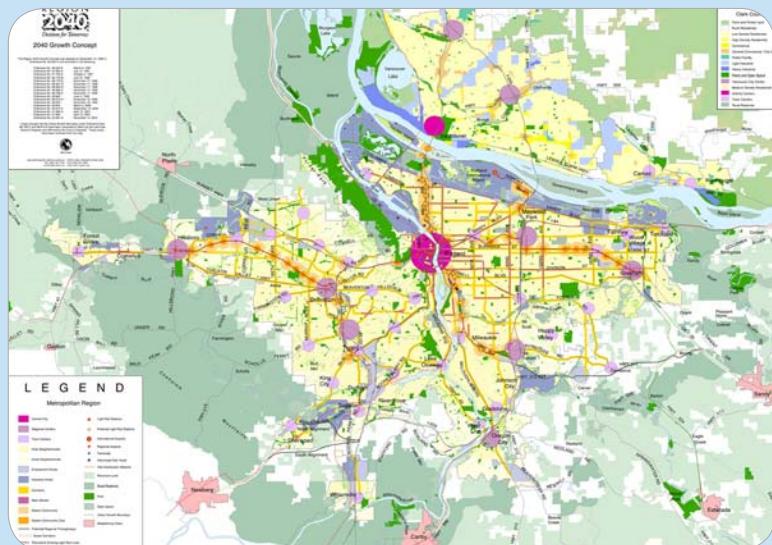


### Making a great place

We love living in the Portland metropolitan area for so many reasons – our boundless innovative spirit, our distinctive communities, our passion for the outdoors and our easy connection to the rural and natural beauty that surrounds us.

This didn't just happen. We planned for it. And we made important choices and smart investments to bring our plans to life. More than a decade ago, by adopting the 2040 Growth Concept we set a course for this region to grow as a constellation of compact, vibrant communities that use land efficiently, maintain firm connections to the natural environment and promote strong local and regional economies.

And it worked. We've kept farms close to cities and nature close to home. Our practice of planning ahead, protecting farms and forests and investing in light rail, bike routes, trails and natural areas has become the model for growing regions across the country. It is no coincidence that we're home to companies as varied as Solar World, Intel, Oregon Iron Works, Bob's Red Mill, Nike and Keen who all recognize a good place for employees when they see it. And unlike so many areas of the country, we continue to entice young educated innovators seeking opportunities to create something fresh and new. We've grown famous for our collective creative spirit and a culture that supports new ideas.



The 2040 Growth Concept is the region's blueprint for the future, guiding growth and development based on a shared vision to create vibrant communities while protecting what we love about this place. The Metro Council will consider an updated 2040 Growth Concept map along with these recommendations. The new map includes the urban and rural reserves adopted in June 2010 and refinements requested by Happy Valley, Cornelius and Hillsboro. To view the proposed map, visit [www.oregonmetro.gov/investment](http://www.oregonmetro.gov/investment).

## New challenges

However, implementation hasn't been easy, and having a great plan hasn't solved all of our problems. The challenges before us could widen the gap between the aspirations we have set for ourselves and the means we have to achieve them.

Consider:

**We are failing to maintain the public structures that support our quality of life.** The pipes, pavement, schools and parks our parents and grandparents built in the last century are in serious need of repair, but public investment in these and other tangible assets that make our communities livable has been declining nationally for decades. The flow of federal dollars that built so much of our region's public infrastructure has dwindled to a trickle or dried up completely, and state and local revenue sources are failing to keep pace with rising costs.

**Neglecting our past investments harms our economy, safety and property values.** Declining funding means that investments we have made in our existing communities are deteriorating. Potholes, aging schools, dilapidated buildings, crumbling sewers and contaminated industrial sites waste public and private dollars, weaken neighborhoods, undermine our economy and degrade our environment and quality of life. We pay now in reduced livability, and we pay later in increased repair and rebuilding costs.

**Public needs vary greatly across the region.** Residential neighborhoods require sidewalks, parks and modern school facilities. In our industrial areas, freight access and cleanup of contaminated sites are among the most critical needs. Investment priorities in downtowns and commercial areas include street redesign, structured parking and transit improvements. This broad array of investment types underscores the need for varied and flexible sources of funding.

### Public structures

People tend not to think about one critical ingredient to our traditional economic success. Sometimes referred to as "public structures," these are systems or physical structures that we all own and that are created for the public good.

Examples of public structures include roads and bridges, schools and community colleges, water and sewer systems, and police and fire services.

Maintaining and investing in public structures is one of the critical ways to promote our prosperity, and experts even say they are one of the biggest differences between us and Third World countries.

### Federal investments in infrastructure

Represented as a percentage of the gross domestic product

3%

U.S. infrastructure spending from the 1950s to the 1970s

2%

U.S. infrastructure spending since the 1970s

9%

Infrastructure spending today in China



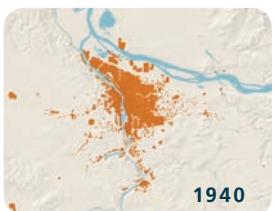
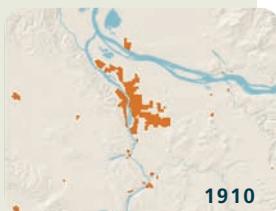
## Cost-burdened households

throughout the region could more than double from 95,500 in 2005 to a projected 195,000 by 2030.

**Fragmented governance and lack of coordination frustrate the rational delivery of public investments and services.** While the complex and interconnected issues we face as a region call for a 21st century model of government, many of our governance structures were created in the 19th century. The existing patchwork quilt of local governments and service districts does not always reflect natural community boundaries, or result in efficient public investment and service delivery.

**The benefits and burdens of growth are not shared equitably among our citizens.** Forecasts show the number of “cost burdened” households – renters spending more than 50 percent of their income on housing and transportation – could double during the next 20 years. Meanwhile, several recent studies reveal that communities of color are disproportionately experiencing childhood poverty, lack of educational access, low home ownership, lack of access to parks and nature and poor health. Such trends are not in keeping with our region’s strongly shared values of diversity and equity.

In addition to declining infrastructure funding, megatrends like a growing, aging and increasingly diverse populace, economic globalization and climate change pose challenges of an entirely new scale.



We arrive at this crossroads at an inopportune moment. An emerging consensus among elected leaders about the need for decisive action to support the region's goals exists uneasily alongside popular attitudes about government that are as caustic as they have been in living memory. And the troubling currents of public opinion pale in comparison to the stark prospects of budget deficits and fiscal austerity as far as the eye can see.

But doing nothing is not an option; the challenges we face are tangible and unavoidable. If we lose our nerve, we will fail to realize the promise of our region as a place that can lead the way to a prosperous, sustainable and equitable future.

*But doing nothing is not an option – the challenges we face are tangible and unavoidable.*

### The cost of doing nothing

In 2008, Metro evaluated how different investment choices would affect the region's future. The forecasts are a warning that we need to change course to address the big challenges ahead including demographic change, deteriorating infrastructure and decreasing resources. What we found was that staying the course in the face of the challenges ahead could lead by 2035 to:

**More rural land used for development** More than 11,000 acres of rural farms, forests and natural areas could be converted to urban uses.

**Increased living costs** Residents of the region could be paying almost 50 percent of their income on housing and transportation.

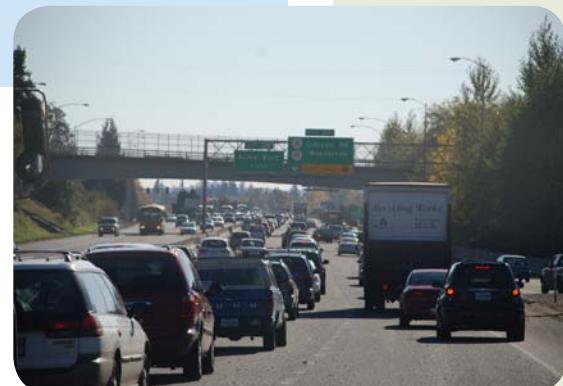
**Loss of natural areas** Opportunities to conserve a connected system of natural areas and recreation opportunities for people to enjoy with their families will be lost. A growing population will make existing natural areas more crowded.

**More pollution** Greenhouse gas emissions from vehicles traveling in our region could increase by 49 percent.<sup>1</sup>

**More congestion** Our roadways could be 106 percent more congested during the evening commute.<sup>1</sup>

**Cost to business** The cost of delay for moving freight on our roadways during the peak shipping period could increase by 582 percent.<sup>1</sup>

<sup>1</sup> These data based on the 2035 Regional Transportation Plan federal priorities investment scenario



# THE WAY FORWARD

## Guided by our values

In 2008 regional leaders agreed on six desired outcomes for our communities and region. By embracing measurable outcomes, leaders shifted from talking about abstract concepts like “compact urban form” to focusing on things that really matter in our everyday lives. I’m recommending that the Metro Council adopt these desired outcomes into our plan to ensure our decisions are guided by a clear focus.

### Desired regional outcomes

#### Attributes of great communities

The six desired outcomes for the region endorsed by Metro Policy Advisory Committee and approved by Metro Council

**Vibrant communities** People live and work in vibrant communities where they can choose to walk for pleasure and to meet their everyday needs.

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

**Safe and reliable transportation** People have safe and reliable transportation choices that enhance their quality of life.

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

**Clean air and water** Current and future generations enjoy clean air, clean water, and healthy ecosystems.

**Equity** The benefits and burdens of growth and change are distributed equitably.



## Setting the stage

Recently, our ability to move beyond business as usual led to three landmark decisions:

- **Urban Growth Report** In December 2009, the Metro Council adopted an urban growth report that evaluated the capacity of the urban growth boundary to accommodate projected population and job growth. While complying with the requirements of state law, the report embodies a new approach to ensure we make the most of our communities as the region grows instead of arguing about abstract forecasts.
- **Regional Transportation Plan** In June of this year, Metro and its partners adopted an outcome-based Regional Transportation Plan prioritizing investments in existing roads, bridges, bike paths, sidewalks and transit to make it cleaner, faster, safer and easier to travel in our region for the next 25 years.
- **Urban and rural reserves** Also in June, elected leaders from Clackamas, Multnomah and Washington counties and Metro protected more than a quarter-million acres of rural farms, forests and natural areas from urban sprawl for the next half-century and identified the best lands for new homes and jobs to support great communities in the future.

These actions recognize a central imperative of our times, which is to do more with less. By emphasizing efficient use of our existing land, resources and dollars, we are living up to the public's expectation that we make the most of what we have. But we need to do more.

## Willingness to act

### Tackling problems head-on

- Since 1985, the region built more than 52 miles of light rail lines that make it cleaner, faster, easier and cheaper to get around.
- Just two years ago, in the face of an economic calamity that threatened to plunge the nation into a full-fledged depression, voters invested more than \$500 million for capital improvements at valued community institutions such as Portland Community College, the Oregon Zoo, and the Tualatin Hills Parks and Recreation District.
- Voters twice approved bond measures totalling \$363 million to safeguard water quality, protect fish and wildlife habitat and ensure access to nature for future generations by purchasing natural areas – over 10,000 acres so far.
- During the last year, thousands of people demonstrated their civic commitment to being part of the solution by sharing their views and getting involved in the region's major land use and transportation decisions.



## Urban and rural reserves

### 50 years

Metro and Clackamas, Multnomah and Washington counties worked together to identify the best places for future growth in the region and the most important lands to protect from development for the next half century.

### 266,954 acres

Farms, forests and natural areas set aside as rural reserves

### 28,615 acres

Land best suited for future urban development designated as urban reserves

# COMMUNITY INVESTMENT STRATEGY

## A collaborative approach

To protect our quality of life, pave the way to innovation, create new jobs and protect farms, forests and natural areas, I recommend the region implement a Community Investment Strategy to fulfill the vision of the 2040 Growth Concept and realize the aspirations of communities throughout our region.

This effort will involve innovative policies and a new, more collaborative approach to regional decision-making, where regional and local government officials work more closely with the private sector, citizen-based organizations and the public to achieve mutually agreed-upon outcomes.

With this mindset, we can link previously separated efforts on jobs, parks, housing, equity, transportation, climate, growth management and more into a coordinated strategy allowing us to focus and prioritize our investments. Aligning these efforts makes sense not only as a way to develop investment priorities. In the real world, different categories of investment reinforce each other, adding up to more than the sum of their parts to create complete living communities.

*Community Investment Strategy: An integrated set of policies and investments designed to achieve the six desired regional outcomes.*



As we collectively develop this Community Investment Strategy, we must endeavor to answer three critical – but very difficult – questions:

- **What investments do we need to make?** Which investments will make our communities more livable, prosperous, equitable and sustainable? What kinds of projects, in what places, will spur further investments or actions and attract the greatest market response?
- **How will we pay for priority investments?** What are the most appropriate existing and potential financial mechanisms to employ? What creative approaches can we use to lower costs and leverage better outcomes?
- **Who will decide?** What process will be used to prioritize and coordinate investments needed to achieve our shared vision?

## How we get there

To rise to the enormous challenge these three seemingly simple questions pose, the region's leaders should draw from the lessons of our past accomplishments. In implementing a comprehensive strategy, several characteristics will be critical for its ultimate success:

**Collaboration** Above all, we will continue to pursue the approach exemplified in recent regional decisions by fostering partnership and alignment between different levels of government and between the public and private sectors.



**Efficiency** We will identify the most cost-effective and land-efficient ways of supporting the creation of great communities. By managing demand for public services, streamlining bureaucratic processes, eliminating duplication of services, and planning to achieve multiple benefits from single projects, we will make the most of our existing and future public investments.

**Focus** We will carefully target the use of our financial resources and policy tools, making investment decisions that achieve the best economic, environmental and social return on public resources. While ensuring regional equity over time, we will focus resources on specific priority investments to generate maximum local and regional benefits.

**Integration** Our strategy will coordinate investments at every level of government, from federal to local, in support of the region's desired outcomes, and it will ensure that investments in various types of public structures reinforce and build upon each other to create complete communities.

**Innovation** We will seek fresh approaches to accomplishing our objectives in order to improve performance and save public and private dollars. This includes not just using innovative technologies, but also pursuing creative ways to break down institutional barriers and collaborate across jurisdictional boundaries.

**Inclusion** We will develop governance structures and decision-making processes that embrace the full range of voices that make up our region and address the needs of all members of our communities.

### Laying a foundation for innovation

New products, new ideas and new industries drive a healthy economy. This region has a track record of economic wins built on private/public collaboration. Entrepreneurs innovate; government paves the way.

- Tax incentives encourage businesses to locate in particular places, creating jobs for local residents (e.g. SolarWorld, Intel and Solexant).
- Environmental protection spurs competition among companies to find better ways of doing things (e.g. hybrid cars, renewable energy and double-hulled barges).
- Public agencies are responsible for the basic necessities that enable businesses to operate and thrive: roads, water supply, electricity, sewers. When those systems work well, they are invisible – yet crucial – components of everyday life and a successful economy.

## Working together

Many of my recommendations are addressed to the Metro Council and the Metropolitan Policy Advisory Committee. These policy recommendations are aimed at focusing the funds we do have in places where they will do the most good. Metro should also continue to provide regional leadership in research, development and promotion of implementation tools, best practices, and financing strategies to assist local governments and the private sector.

*Only by acting together with focus and determination will we succeed.*

However, the Community Investment Strategy will require countless public and private actions and investments, large and small, in neighborhoods, downtowns, industrial areas and natural areas all across the region. Local government will always be on the front lines of implementation. The state also has a clear role to play and should take a leadership role in supporting the aspirations of our region's communities.

Lastly, home and office developers, banks, architects, and many other business leaders provide the vast majority of investment, and take on the financial risk, of building most of the homes, offices and industrial buildings that drive and support our economy.

That's why my recommendations are also addressed to local governments, to our state government and to the private sector. Only by acting together with focus and determination will we succeed.



### Sparking private investment

Historic Downtown Gresham is evolving into an economic, historic, civic and cultural center through targeted public and private investment. Recent zoning code updates, created to address design and density issues, help spur private investment. Both Metro and the City of Gresham have made public investments in the downtown area including the Performing Arts Plaza, The Crossings, 3rd Central, The Beranger and Central Point.

As the result of a 50-50 investment match from the City of Gresham and Metro in a ground floor retail space of the 3rd Central mixed-use development, a new natural foods store was able to occupy one of three retail-office spaces available. The continued investment of public dollars will help build market demand in downtown Gresham over the next 5 to 10 years.

## RECOMMENDATIONS

I have divided my recommendations into four sections for clarity, but they will only work effectively when combined into a coordinated strategy to:

**Invest in safe, livable communities** The region should make the most of what we have with policy and investment actions that maintain and improve our existing communities and protect our urban growth boundary. We have limited dollars to invest and these resources should be used strategically to leverage past investments so we can build and maintain the thriving communities our growing population desires.

**Promote economic development and good jobs** The region should develop and maintain an inventory of shovel-ready industrial land and target investments to create jobs and attract new employers. This will require greater coordination of local, regional and state policy and investment actions to address readiness, including improving access, extending infrastructure, cleaning up polluted sites, and assembling land into larger lots.

**Protect our natural areas** Our region, long a leader in protecting our natural environment, should continue to prioritize maintenance, restoration, and expansion of our parks, trails and natural areas. At the same time, as a region, we must now begin to understand the implications of climate change and incorporate actions to reduce greenhouse gas emissions into our policy and investment decisions.

**Reduce inefficiency, foster innovation and demand accountability** We need to “walk our talk” by connecting our region’s policy and investment actions directly to the outcomes we seek to achieve, measuring our performance, and holding ourselves accountable to achieving those outcomes. When we come up short, we need to learn from our mistakes, find innovative new solutions, break down jurisdictional boundaries and eliminate wasted effort and investments.

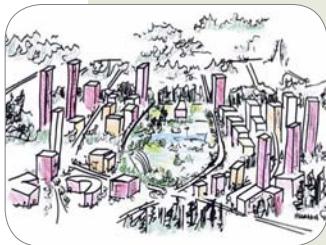
### The case for investing in downtowns and main streets

Recently, a distinguished, cross-sector group of experts on urban development and finance recommended methods to accelerate the development of downtowns and main streets during the next 10 to 20 years, including:

- establish stronger public-private collaboration
- develop diagnostic tools to focus public investment
- streamline and simplify public development processes
- create new mechanisms to finance urban infrastructure.



## RECOMMENDATIONS



### AmberGlen

mixed-use development, Hillsboro

- transformation of suburban development
- creating intensive, mixed-use development
- achieving higher levels of density close to major employers
- providing high quality amenities and an urban, pedestrian environment
- supporting regional transportation infrastructure

## Invest in safe, livable communities

### Regional community investment actions

- Metro should retool regional policies and maps to support local aspirations and focus public investments in downtowns, on main streets and near transit to stimulate private investment. Specifically, Metro should:
  - Endorse the aspirations of Hillsboro, Happy Valley and Cornelius by approving the center designation changes they've requested, in partnership with a commitment from those communities to take complimentary policy and investment actions.
  - Make it easier to target investments and monitor performance in centers and corridors by adopting maps illustrating their boundaries.
  - Focus regional investments into places that have an adopted comprehensive action and investment plan designed to make the most of the area's potential.
- Metro should build on the work of the 2008 Regional Infrastructure Advisory Committee and convene regional leaders (public, private and non-profit) to identify critical investment gaps in public structures and services and to recommend how to fill those gaps, including ways to:
  - Make the most of existing development finance tools and identify new tools to support our communities.
  - Jump start private investment by focusing public investments and efforts on specific priority projects.

## Collaborating across public agencies

College Station is a mixed-use student housing complex that grew out of an innovative partnership of Portland State University, Metro's Transit-Oriented Development Program, TriMet and a private development partner.

### Public investments

- Construction of the adjacent MAX Green and Yellow lines
- Portland Streetcar extension less than a quarter mile away
- Gap financing provided by Metro
- Land provided by TriMet



### Private investments

- \$80 million from developer American Campus Communities

### Return on investments

- 16-story high rise with 120,000 square feet of residential space
- 982 beds for student housing
- 15,000 square feet of ground floor commercial space
- 1,337 bicycle parking spaces, no off-street parking

- Get the most out of our existing resources and eliminate waste by coordinating local, regional, state and federal investments, similar to what was accomplished in the recently-adopted Regional Transportation Plan.
- Metro should help communities and their elected officials examine whether current policies are pointed in the right direction by setting targets for housing and jobs in centers and corridors.
- Metro should define housing affordability as a combination of transportation and housing costs when making policy and investment decisions, supporting a broader view of housing affordability.
- Regional leaders should address equity issues head-on by working with community organizations to secure and implement a federal Sustainable Communities Initiative Planning Grant.
- Metro should adopt a plan with strategies to guide public investment in partnerships with the private sector and to ensure limited public resources generate maximum private investment and complement the region's investment in transit.
- Metro should target technical assistance to help local governments find innovative ways to realize their aspirations in downtowns and main streets.
- Metro should make urban growth boundary decisions that reinforce existing downtowns, main streets and employment areas, with the six desired outcomes in mind. The region should ask whether potential expansion areas have the right finance tools, governance support and market readiness in place to succeed when considering potential expansions.



#### Where do we draw the line?

Metro is responsible for ensuring there is enough land within the urban growth boundary to accommodate projected housing and job growth for the next 20 years. The current review is scheduled to be completed in December 2010. What we've found so far is there is enough land to accommodate the low end of our population forecast. Planning for more residents would mean expanding the UGB to include land for approximately 15,000 or more new dwelling units.

To provide the Metro Council with options, staff has analyzed a variety of possible UGB expansion areas with the six desired outcomes in mind. Depending on where in the range forecast the Metro Council plans, they may wish to consider a UGB expansion into one or more of the areas. Metro has asked local governments to submit any additional areas they wish to have considered for UGB expansion by Sept. 3. Any nominations and supporting information received will be part of our policy discussions this fall.

For detailed information about the proposed study areas, refer to the 2010 Growth Management Assessment and Appendix 8 on the Metro website.

[www.oregonmetro.gov/investment](http://www.oregonmetro.gov/investment)

## RECOMMENDATIONS



- Based on the above, Metro should work proactively and collaboratively with local governments, special districts and citizens on concept planning of newly designated urban reserve areas. Concept plans will address governance, finance, land use, green infrastructure and natural resource issues to better inform future urban growth boundary decisions.

### Local community investment actions

- Spark private investment in downtowns and main streets by taking actions to:
  - Identify targeted redevelopment areas and sites and partner with the private sector to seek development opportunities.
  - Stimulate investment by expanding the use of financial tools and incentives including improvement districts, differential system development charges, urban renewal and other tools, such as those described in Metro's Financial Incentive Toolkit.
  - Streamline development codes in targeted areas to facilitate development.
- Create attractive, sustainable and safe communities by updating building and design codes, as described in Metro's Innovative Design and Development Codes Toolkit and Integrating Habitats Design Showcase.
- Build and maintain sidewalks and bikeways that connect residents with schools, parks, transit, main streets and job centers, making travel safer, easier and faster.
- Build and maintain local parks, trails and natural areas to be responsive to residents' need for access to nature.

### State community investment actions

- Reform outdated state policies, standards and regulations that impede the ability of local governments to achieve their aspirations. For example:
  - Recognize the importance of biking, walking and transit, and allow communities to develop to their full potential with an update of state mobility policies including the Transportation Planning Rule and Oregon Highway Plan.
  - Allow local communities most affected by state highways a greater role in managing them by developing and implementing a model for collaborative management or jurisdictional transfer of state-owned regional and district highways in our region.
  - Provide clear direction to encourage comparisons of the investments necessary to provide capacity inside and outside of the urban growth boundary. Urban growth boundary decisions should require a finding that urban services and municipal governance can be provided and development is likely to occur in UGB expansion areas.
  - Convene a conversation on the relationship among land use planning laws, fiscal tools (i.e., how we pay for services) and governance (how we deliver services through cities, counties and service districts), which often fail to work together to support our desired outcomes.

- Provide local governments with a more robust set of development and redevelopment financing tools by removing existing statutory limitations on local revenue-raising authority.

## Promote economic development and good jobs

### Regional economic development actions

- Support the traded-sector economy by maintaining an adequate supply of large-lot industrial land by acting to:
  - elevate brownfield cleanup to a regional priority and target efforts on large lot industrial sites within the urban growth boundary
  - limit division of large industrial parcels
  - create a large-site inventory and a system to replenish this inventory when development occurs
  - strengthen protection of key traded-sector industrial sites by prohibiting new schools, places of assembly and parks and recreational facilities
  - with the conditions above, Metro should strategically add large-site industrial land to the urban growth boundary north of Hillsboro this year if land will supply lots larger than 50 acres.



### Leveraging investments pays off in jobs

#### Troutdale Reynolds Industrial Park

##### Public investments

- Port of Portland purchased 700 acres of the site for \$17 million
- \$24 million from Oregon Department of Transportation for improvements at I-84 interchange
- \$11 million loan from state for public infrastructure
- \$100,000 grant from state for construction of Reynolds Trail, part of the 40-Mile Loop
- \$4 million in tax abatements through the Troutdale Enterprise Zone
- \$1 million for a five-year cleanup of lingering groundwater contamination
- \$14 million for local street improvements
- \$1 million in wetland mitigation

##### Private investments

- FedEx Ground purchased the site for about \$16.96 million to build a 425,000-square-foot regional distribution center

##### Return on investments

- 700 jobs with up to 1,000 jobs at full build-out
- 350 acres redeveloped for industrial use, including the FedEx site

## RECOMMENDATIONS

- Greenlight Greater Portland and the regional partners should collaborate with Clark County and Vancouver on a regional economic development action plan.
- Metro should convene regional leaders (public, private, non-profit) to define public actions that will spur job creation including steps to:
  - identify barriers to the development of employment and industrial areas
  - identify underutilized and new finance tools that support specific public investment needs like improved freight access to new and existing industrial areas
  - focus regional resources on locations with market potential to catalyze private investment in new job creation
  - coordinate local, regional, state and federal investments with local, state and federal actions to get the most out of our existing resources, as occurred with the Troutdale Reynolds Industrial Park (see page 15).
- Regional leaders should implement priority actions identified in the Regional Freight Plan to improve freight access in the region and accelerate our leadership in green development and clean technology by supporting implementation of the climate prosperity Greenprint developed by a collaborative public-private partnership.
- Make it easy for workers to get to jobs by ensuring that a range of transportation options – including transit, walking and biking – serve employment areas.

### Local economic development actions



- Make the most of critical employment land by limiting lot division and prohibiting new schools, places of assembly and parks and recreational facilities in the most important industrial areas.
- Stimulate job growth by pursuing and expanding the use of existing finance tools, including improvement districts, urban renewal, and enterprise zones, to expand access to and readiness of employment and industrial areas.
- Adopt new approaches to industrial area design and operation of employment areas that will lead to more environmentally and economically sustainable infrastructure systems and the reuse of underutilized employment and industrial areas, as discussed in Metro's upcoming Community Investment Toolkit.

### State economic development actions

- Create direct incentives for local governments to invest in job creation and economic development.
- Expand economic development finance tools available to local governments by removing existing statutory limitations on local revenue raising authority.

### The Intertwine

The Intertwine is simultaneously a place, a coalition, a strategy and a way of life. It's the region's network of parks, trails and natural areas that provides opportunities for recreation, connection to nature, and active transportation like walking, running and biking. The name and identity for The Intertwine is the work of the Intertwine Alliance, a collaboration of dozens of partners including private firms, nonprofit organizations and government agencies, including Metro. As the alliance continues to gain momentum, its partners are making increasingly durable investments in planning, protecting and promoting The Intertwine to users and supporters both inside and out of our region.



- Increase funding and use of transportation system management tools to support regional economic development opportunities.
- Increase the importance of economic activity, community building and equity as factors in allocating state transportation funding across the state.
- Test innovative transportation pricing strategies that reduce freight congestion and improve mobility on the region's freight network.

### Protect our natural areas

#### Regional natural areas protection actions

- Build on collaborative regional efforts to promote and build the Intertwine and adequately maintain regional parks, trails and natural areas to protect the public's investment.
- Prioritize acquisition and restoration efforts through creation of a regional conservation strategy.



#### Climate Smart Communities

Climate change may be the defining challenge for the 21st century. National studies continue to show that a compact urban form coupled with expanded travel choices is key to reducing greenhouse gas emissions. Land use and transportation policymakers must work together to provide leadership and commit to strategies that enhance this integration at the local, regional and state levels. These strategies are recommended by the 2035 Regional Transportation Plan and will be further examined through the region's Climate Smart Communities project.

## RECOMMENDATIONS

- Continue the strategies laid out by the Blue Ribbon Task Force for Trails to organize leadership, demonstrate potential, reduce costs and develop a regional active transportation system.
- Implement enhanced approaches to information generation, scenario planning, decision-making, resource allocation, policy development and stakeholder involvement as it relates to climate change preparedness. Such adaptive strategies will allow the region to prepare for more extreme weather events, heat waves, droughts, and altered ecological systems resulting from rising global surface temperatures.
- Incorporate greenhouse gas emissions analysis and climate change preparedness assessments into all major policy and investment decisions.
- Continue the partnership approach to environmental protection embodied in Metro's Nature in Neighborhoods program.

### Local natural areas protection actions

- Work collaboratively to ensure an efficient and equitable distribution of access to nature.
- Incorporate Intertwine signage and branding into local parks marketing efforts to the extent possible.
- Incorporate parks, open space and trails into area planning efforts including concept plans.

### State natural areas protection actions

- Coordinate spending so that an appropriate percentage of lottery funding is returned to the region.



### Ensuring housing equity and opportunity

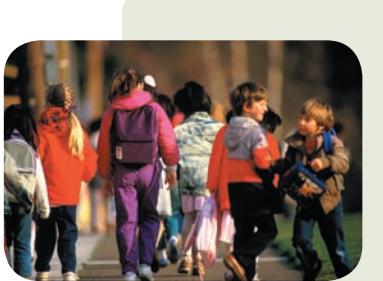
Spurred by an innovative multi-agency federal grant program called the Sustainable Communities Initiative, a unique consortium is coming together to develop a strategy that will ensure all residents of the region – especially members of low-income communities and communities of color – enjoy the exceptional quality of life for which the Portland metropolitan area is known. Using “opportunity maps” that show the location of low-cost and subsidized housing in relation to community assets and services, the strategy will address gaps by improving access to public transit, sidewalks, workforce training, schools, senior centers and health clinics, grocery stores and outdoor recreation.

## Reduce inefficiency, foster innovation and demand accountability

### Actions for the region and state and local governments

- Metro should incorporate the six desired regional outcomes into its policies and codes, ensuring that all policy and investment decisions are guided by this coordinated outcomes-based approach.
- Portland State University's Institute for Metropolitan Studies, Metro, and other partners should complete a comprehensive set of Greater Portland-Vancouver Indicators consistent with the six desired outcomes to be used to help guide regional decision-making and resource allocation across the triple-bottom line of people, place and prosperity. This effort should include:
  - performance measures and metrics to measure success or failure to meet established goals, targets or standards
  - a regional scorecard summarizing performance across indicator categories
  - a regional indicators business plan to ensure data collection, performance measurement and analysis
  - recommendations on how to make progress toward targets and ensure accountability in the allocation of scarce resources
  - development of appropriate measurement tools and analytical processes to ensure key indicators are accounted for in regional plans, programs, projects and processes.
- Metro should simplify compliance and reporting requirements for local governments and replace minimum zoned capacity requirements for cities and counties with a simpler “no net-loss” approach.
- Use the recent federal Housing and Urban Development grant opportunity as a pilot project to increase the capacity of communities of color and other under-represented groups to hold government accountable for equitable public investments by directly supporting their participation in decision-making.
- The Metropolitan Policy Advisory Committee should convene a regional conversation about streamlining and standardizing the current patchwork of regulations that make it complicated to do business in the region.
- Metro, local governments, TriMet, the State of Oregon and other partners should work together to improve transportation connections to and through downtowns, main streets and employment areas along the southwest metro (Portland to Sherwood) and east metro (Interstate 84 to U.S. Highway 26) corridors.
- Local governments should reduce waste and inefficiency by working collaboratively with their neighbors to resolve issues that cut across jurisdictional boundaries.





## THE POWER OF PARTNERSHIP

Only a few years ago, every investment decision in the Portland metropolitan region brought out the long knives. Every discussion of how we use our land and how much land we use was fraught with conflict and mistrust. Governments sued each other and local squabbles spilled into the Oregon Legislature. The idea that Metro and the three counties of the region could come together to jointly identify where we will and will not grow during the next half-century would have seemed preposterous.

Yet we did just that. Today, in addition to the landmark decision to designate urban and rural reserves, we can boast a number of other major recent collaborative accomplishments. Collective action among diverse interests is rapidly becoming the rule rather than the exception and continues to gain momentum in areas such as the Intertwine and equity/affordable housing.

### Coming together around shared values

It happened precisely because the combatants in our land use wars, including Metro, finally accepted the fact that no one could go it alone. In so doing, all parties relinquished a measure of decision-making authority in the interest of getting results.

In the case of urban and rural reserves, we hashed out a process that depended crucially on broad agreement, then marched arm in arm to Salem to memorialize that process in state law. Next we engaged in a robust – and sometimes painful – negotiation where no one got everything they wanted, but most parties got what they needed. The result is a template for the future that, while imperfect, reflects an astonishing breadth of vision unequalled anywhere in America.

The point is obvious: in an increasingly interdependent world, we can only succeed when we come together around our shared values.

As we work to advance an ambitious new strategy, Metro has a critical role to play. Indeed, convening the region around complex and comprehensive policy challenges is exactly what the people created Metro to do.

But the responsibility to develop and implement a strategy for investing in our communities is not Metro's alone. Creating a sustainable, prosperous and equitable future for our region is a collective enterprise in which we all have an equal stake, and one that will require vigorous engagement and sustained collaboration. If you are reading this, I know you care and I expect you to participate.

**Together, we can fulfill the promise of our region.**

## NEXT STEPS

These recommendations are intended to inspire a public discussion about community investment and to kick off decision-making processes specifically about growth management choices related to the urban growth boundary. Some key dates for those decisions:

**Aug. 10 to Sept. 27** Public comment period on COO recommendation

**Sept. 13 to 22** Open houses held around the region

**Early October** Metropolitan Policy Advisory Committee and Metro Council review of public comment

**Mid-October** Metro Council makes decision on UGB study areas

**November** Public comment period and public hearings on UGB recommendation

**December** Final growth management decisions by the Metro Council

## GET INVOLVED

We want to hear your ideas and suggestions about where and how to invest in our local communities and where and how we will accommodate growth in our region.

For details on comment opportunities, dates for events and hearings, more information, or to take an online survey, visit **[www.oregonmetro.gov/investment](http://www.oregonmetro.gov/investment)**

Comments may also be submitted by e-mail to 2040@oregonmetro.gov or mailed to:

**Metro**  
600 NE Grand Avenue  
Portland, OR 97232  
For more information, call Metro at 503-797-1735.

To download the complete recommendations, including a draft capacity ordinance and the 2010 Growth Management Assessment, visit **[www.oregonmetro.gov/investment](http://www.oregonmetro.gov/investment)**



# Metro | *Making a great place*

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region's economy.

## **Metro representatives**

**Metro Council President** – David Bragdon

## **Metro Councilors**

Rod Park, District 1

Carlotta Collette, District 2

Carl Hosticka, District 3

Kathryn Harrington, District 4

Rex Burkholder, District 5

Robert Liberty, District 6

**Auditor** – Suzanne Flynn

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