



Metro

*may*  
**What you <sup>^</sup>not know  
about the urban  
growth boundary**

UGR Stakeholder Roundtable  
October 20, 2023

# Three things to know about the UGB:

1. There are state rules Metro must follow
2. An urban growth report (UGR) documents those requirements
3. Urban/rural reserves and the “Grand Bargain” defines where expansions occur

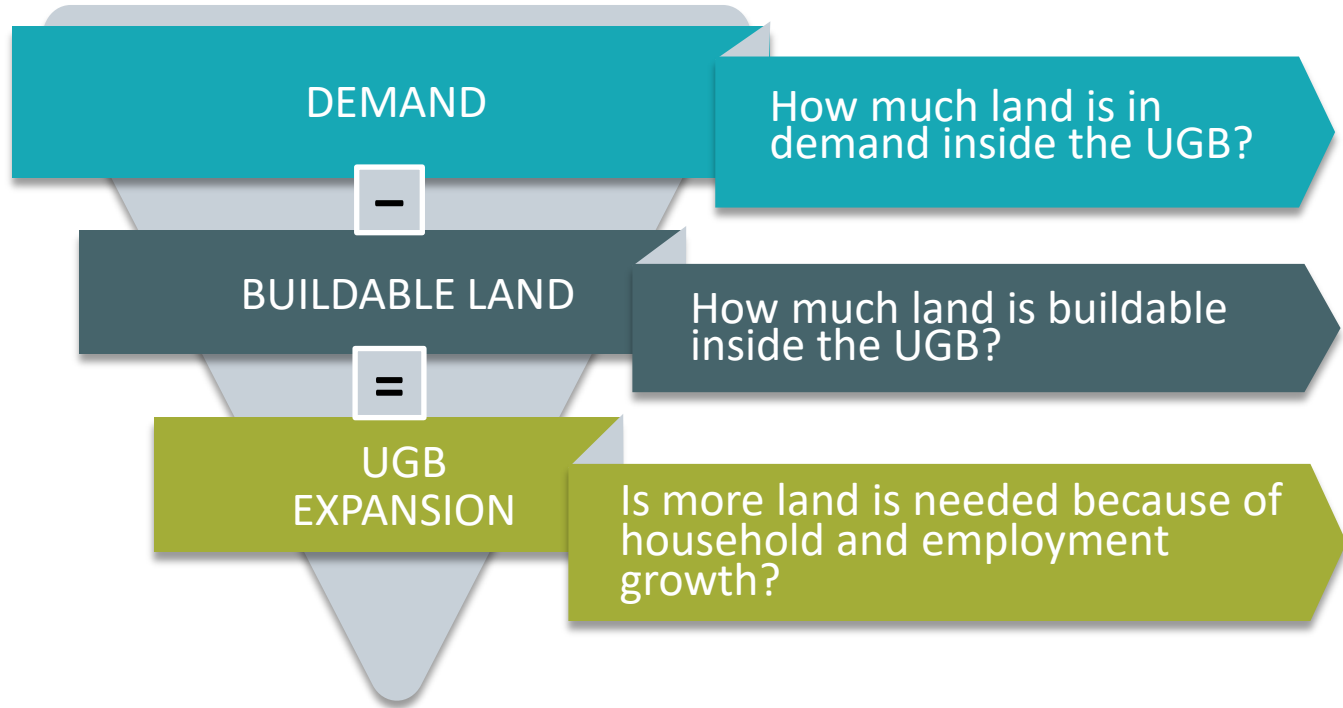
# State requirements

- What legal requirements must be addressed?
- What ways Metro can be nimble?
- Who can change the regulations?

# Regional need required to expand

- Comparison of land demand and capacity
- If there is a regional need for additional land for jobs or housing, Metro must take “efficiency measures” or expand the UGB to meet the need

# Regional need required to expand



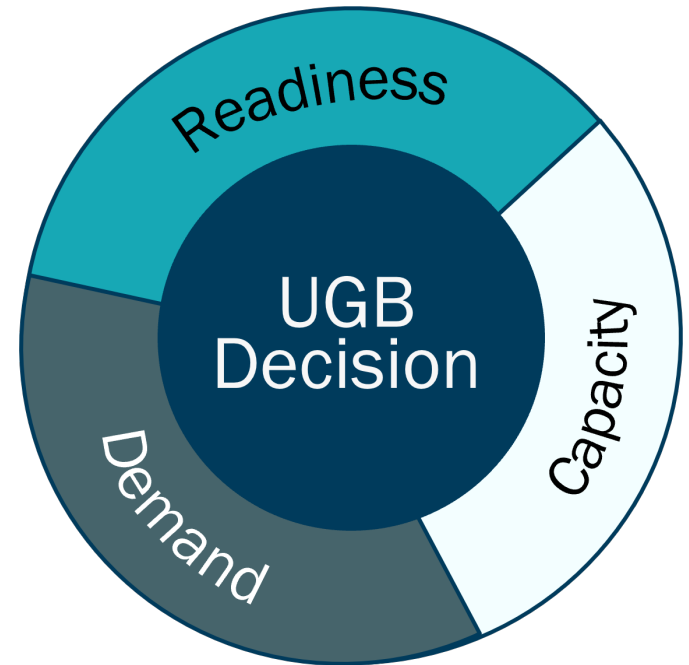
# UGB “land swap”

Without determining need, Metro Council can bring land into the UGB if an equal amount of land is removed.



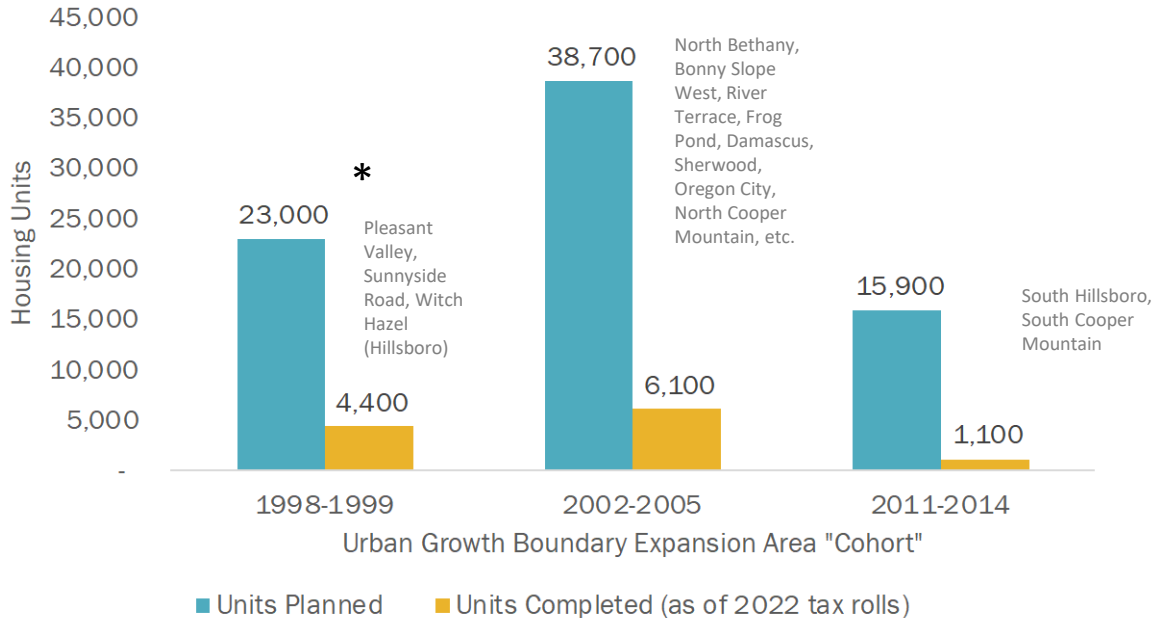
# The Urban Growth Report (UGR)

- Required documentation for any expansion
- A decision-making tool for Metro Council
- Draft released before UGB decision



# City readiness

Estimated Housing Units Planned & Completed in Past UGB Expansion Areas



Sources: Units planned: Metro UGB History; Deliveries: ECONorthwest analysis of 2022 RLIS tax lot data. Note that tax lot data tends to lag construction completions, sometimes by up to a year.

\* Units planned may include portions of Wilsonville's Villebois, which is not included in estimated units



# Concept plan required

- Metro policy adopted in 2010 to ensure city readiness for expansion area
- To date, all city proposals have been approved by Metro



# Urban and rural reserves

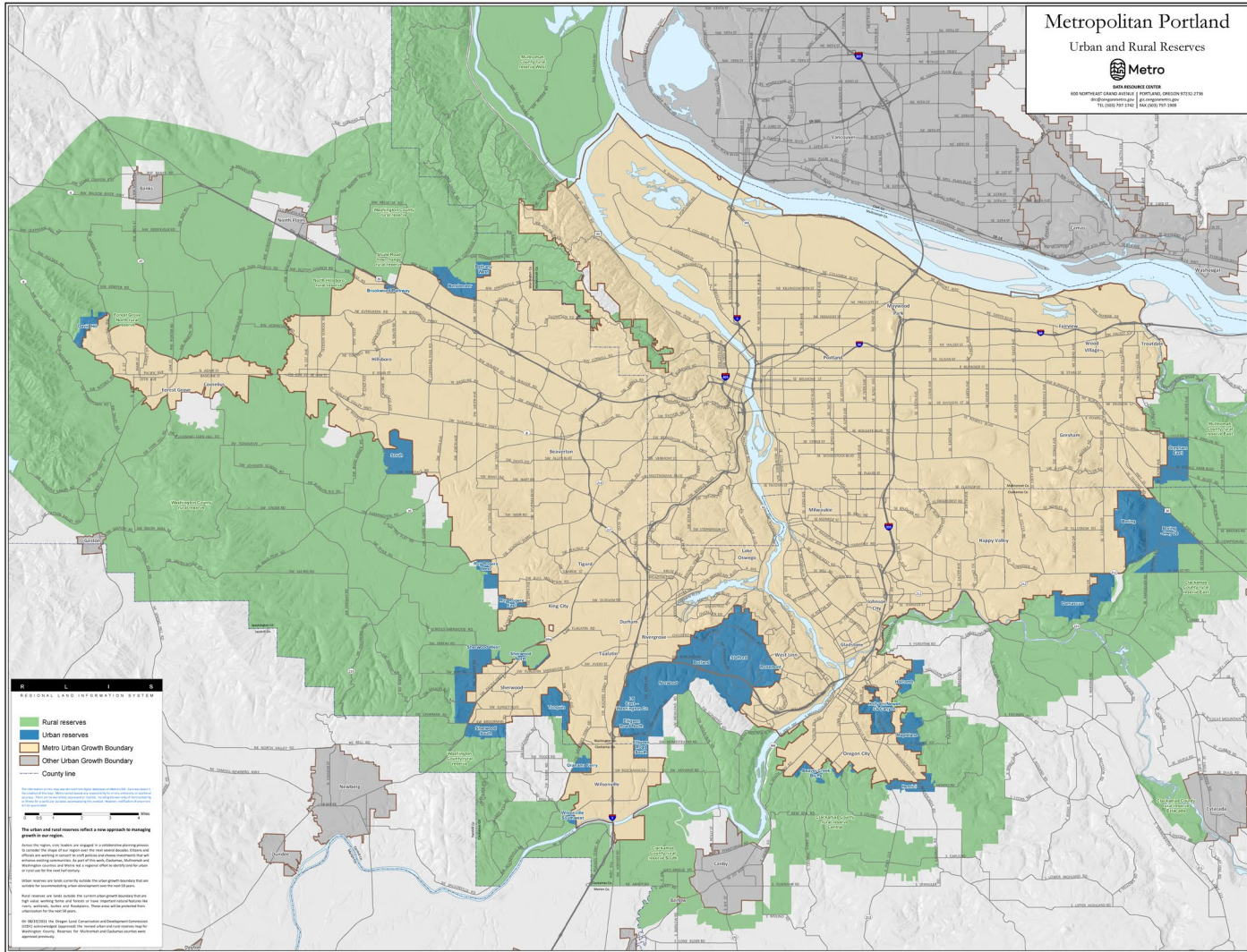
- **Urban reserves** lands suitable for urban development over the 50 years after designation. *The only places a city can propose a UGB expansion.*
- **Rural reserves** high value working farms and forest land or lands with important natural features like rivers, wetlands, buttes and floodplains. Protected from urbanization for 50 years after their designation.
- **Undesignated areas** remain outside of the urban growth boundary and are of lower priority for possible urban growth boundary expansion.

# Metropolitan Portland

## Urban and Rural Reserves



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### NATIONAL LAND INFORMATION SYSTEM

- Rural reserves
- Urban reserves
- Metro Urban Growth Boundary
- Other Urban Growth Boundary
- County line

The information on this map is derived from the National Land Information System (NLIS) and is subject to change. Metro is not responsible for any errors or omissions on this map. For more information, please contact Metro at 503.553.7000.

**The Urban and Rural Reserves reflect a new approach to managing growth in our region.**  
Across the region, city leaders are engaged in a collaborative planning process to address the challenges of rapid growth. The Urban and Rural Reserves are a key component of this process, providing a framework for managing growth in a way that is consistent with the region's long-term goals and objectives. The Reserves are designed to provide a clear and consistent framework for managing growth in a way that is consistent with the region's long-term goals and objectives.

**Urban Reserves** are lands that are currently used for urban purposes but are being converted to other uses. These lands are being converted to other uses in order to provide a clear and consistent framework for managing growth in a way that is consistent with the region's long-term goals and objectives.

# HB 4078: “The Grand Bargain”

What is this?

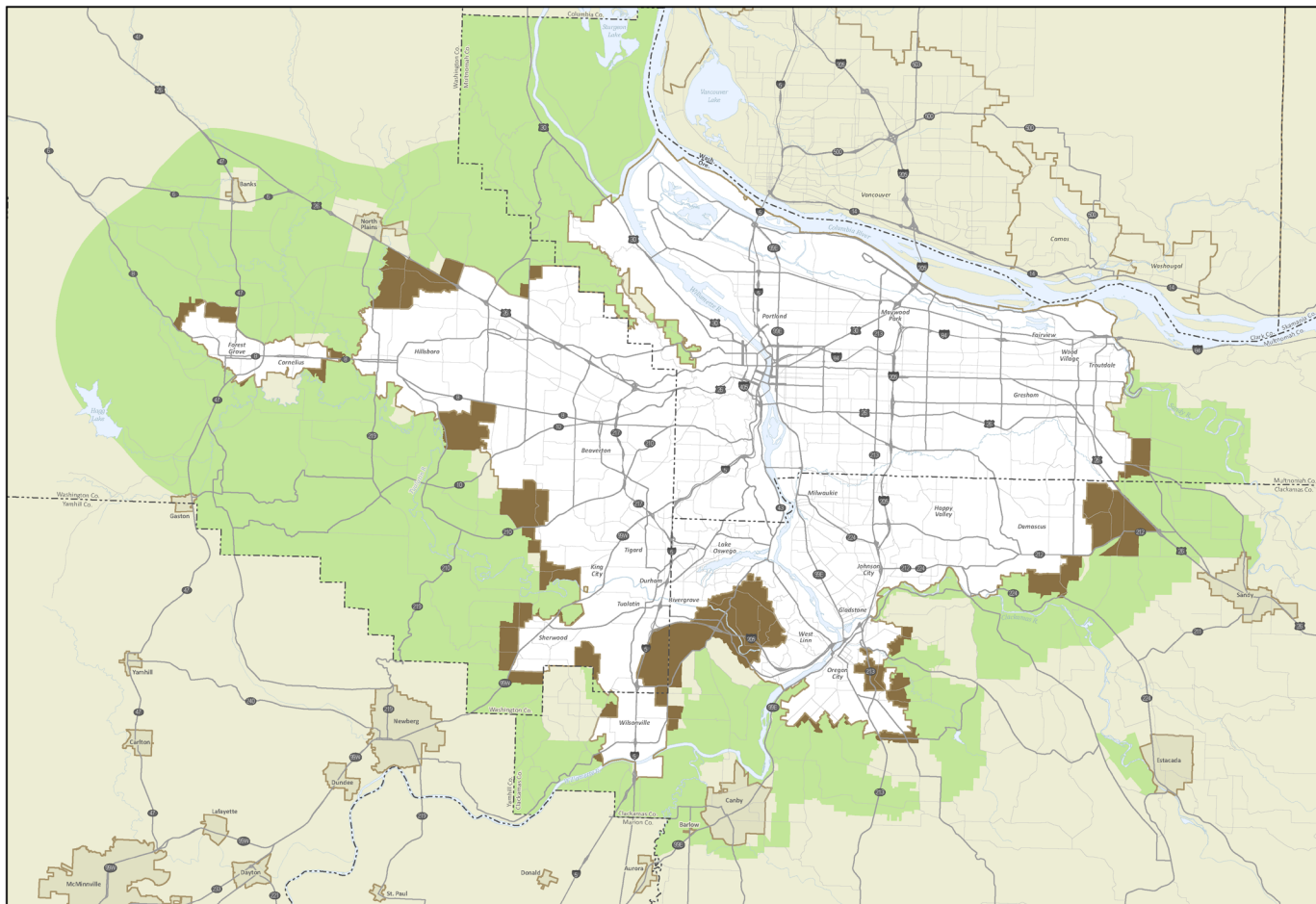
Who led this decision?

Why was it proposed?

What are the outcomes?







# Title 14, Urban Growth Boundary

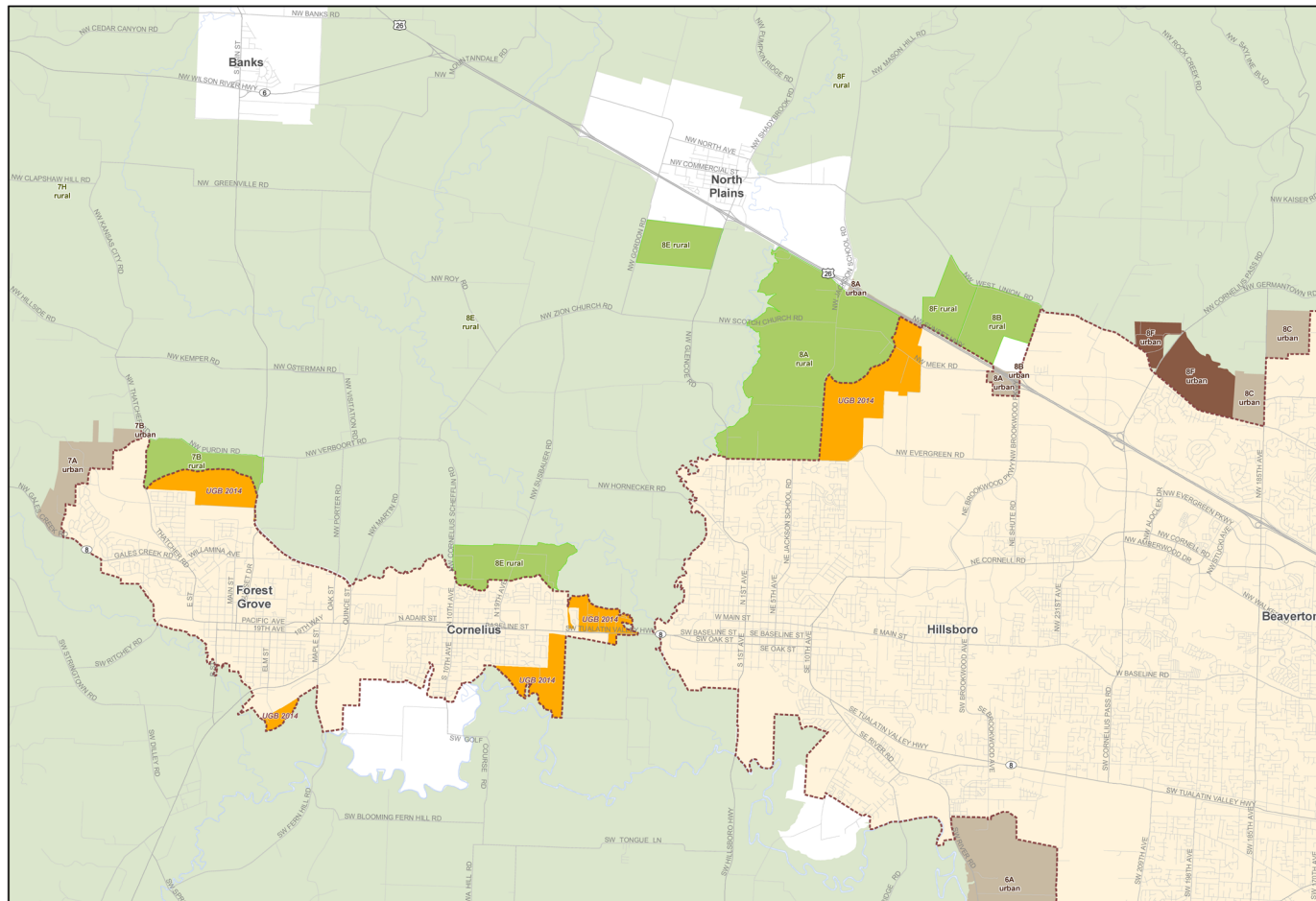
Exhibit A to Ordinance 11-1255



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- County boundaries
- Urban growth boundaries
- Neighbor cities
- Rural reserve
- Urban reserve





## HB 4078 Reserves and Urban Growth Boundary

### Washington County Area

June 2014

■ New Rural Reserves Added

■ New Urban Reserve Added (Formerly Rural Reserve)

New Urban Growth Boundary

■ Existing Rural Reserve

■ Existing Urban Reserve

■ New Urban Growth Boundary Areas Added (Formerly Urban Reserve)

■ Existing Urban Growth Boundary



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## Technical work and analysis: Developing the urban growth report

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

## City expansion proposals

- Letters of interest
- Expansion proposals

*2040 planning and development grants available*

## Metro Council decision

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

November 2022 - July 2024

Dec 2023 - April 2024

August 2024 - Dec 2024

You are here

Residential readiness analyses

Capacity analysis - BLI and regional proforma model

Draft BLI available for local review

Letters of interest due

Regional forecast updated

Housing needs analysis

Proposals due

Draft UGR complete

Advisory group input

Public hearings and policy direction

Final UGB decision

## Stakeholder engagement

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

# 2024 urban growth management decision timeline

# Questions?

**Learn more:**

[oregonmetro.gov/public-projects/2024-growth-management-decision](https://oregonmetro.gov/public-projects/2024-growth-management-decision)



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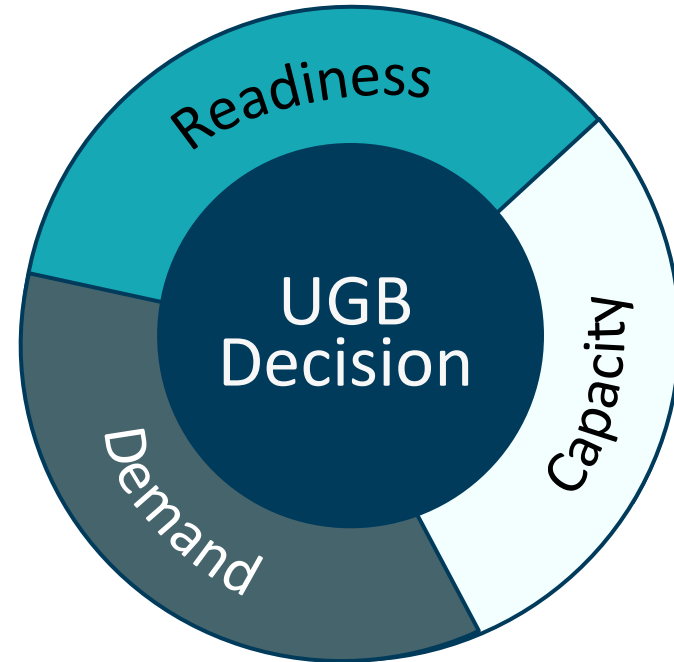
# Land capacity for growth

## October 2023

# Capacity in the UGR

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

Capacity is one of the three main components of the analysis in the UGR



DEMAND

How much land is in demand inside the UGB?

-

BUILDABLE LAND

How much land is buildable inside the UGB?

=

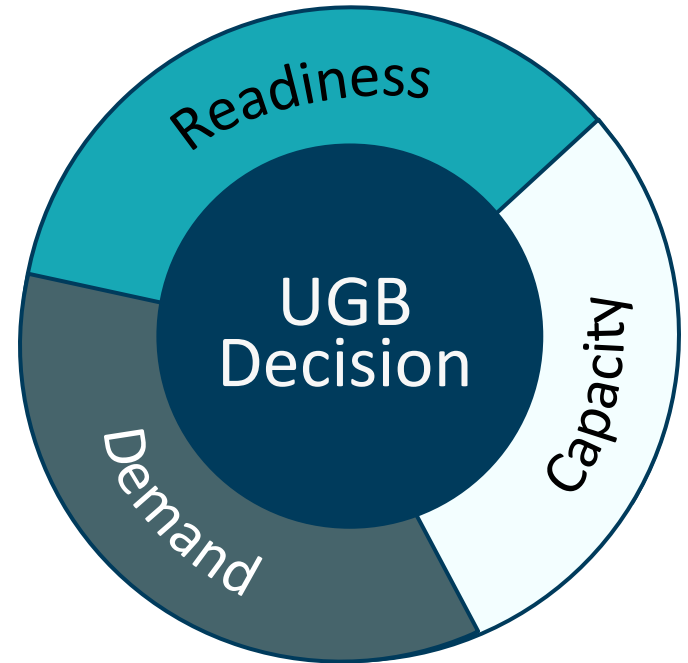
UGB  
EXPANSION

Is more land is needed because of household and employment growth?

# Land capacity for housing/jobs

Process to determine **capacity** inside the UGB to accommodate future growth

Complex process – there are over ½ million parcels in the UGB!



# Typical approach elsewhere in OR

1. Identify vacant and partially vacant land
2. Remove land that isn't developable
3. Assume full buildout allowed by zoning

# Metro approach for determining UGB capacity

1. Categorize parcels as developed or vacant
2. Remove land that isn't developable
3. Apply generalized zoning
4. Determine capacity of developed and vacant land using a pro forma model

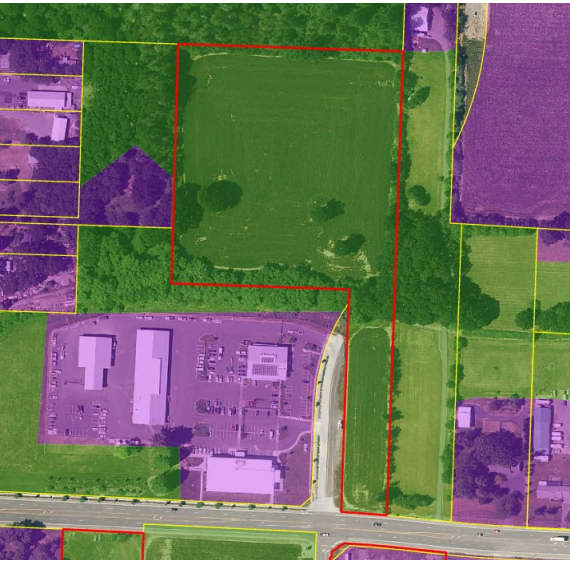
# 1. Categorize land

Staff uses previous analysis and aerial photos to determine if land inside the growth boundary is “vacant” or “developed”





# Vacant land includes:



Completely vacant/no hardscape



> 95% vacant



< 2,000 square feet developed AND > 90% vacant

## 2. Remove some land

Remove land from the calculation in 3 categories

Exempt



Environmental  
constraints



Future right-of-way  
needs



# Exempt parcels include:

- Government owned (including Tribal land and utilities)
- Schools
- Rail properties
- Churches and social organizations (tax exemption codes)
- Private streets
- Parcels under 1,000 sq. ft.
- Parks, open spaces, private residential common areas



# Environmental constraints:

- Floodways
- Floodplain
- Steep slopes (>25%)
- Water quality / flood management lands
- Fish and wildlife habitat





# Set aside for future roadways

- Only on larger vacant parcels
- Considers future roads that'll be needed



# Local city/county review result

Metro provides the vacant land inventory for review by local planners to adjust as needed



acant  
with boundary

# 3. Apply generalized zoning

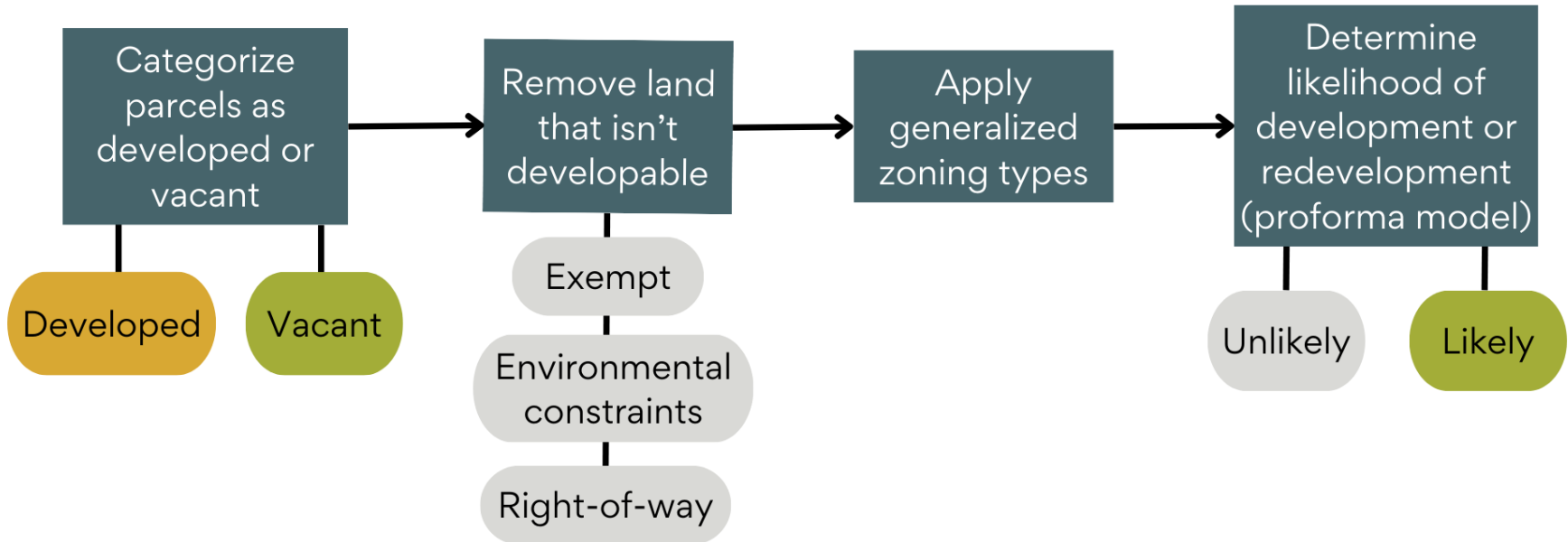
- All 24 cities and three counties in the region have unique zoning codes
- Metro categorizes possible zoning into “zone types” to approximate general designations

## 4. Determine capacity

Based on market forces and what could be built, is it likely that someone would choose to develop on a parcel?



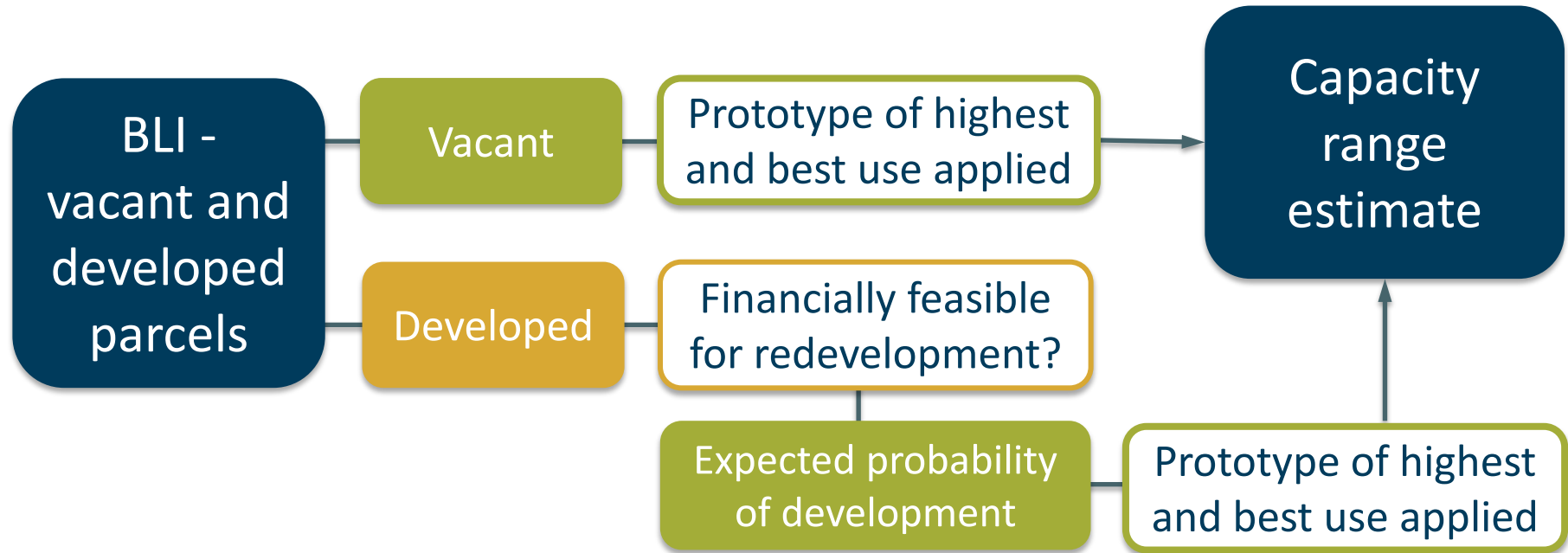
# Buildable land inventory process



# Proforma model

- A computer model using development prototypes
- Determines development density (units and acres) based on zoning and what's financially feasible
- Used for developed and vacant land

# Proforma model



# Proforma assumptions

## Driven by financial feasibility

Revenue & returns expected

Achievable rents

Threshold rate of return

Expenses expected

Construction cost assumptions

Operation expenses and vacancy

Property assumptions

Allowed density and parking requirements

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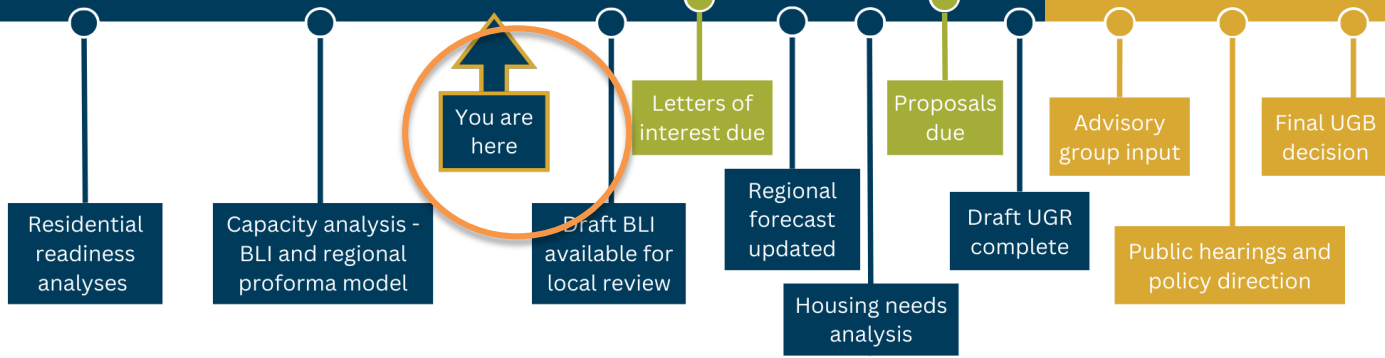
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