

2024 Metro Council Urban Growth Management Decision: Draft work program summary

Regional readiness for population, housing, and job growth

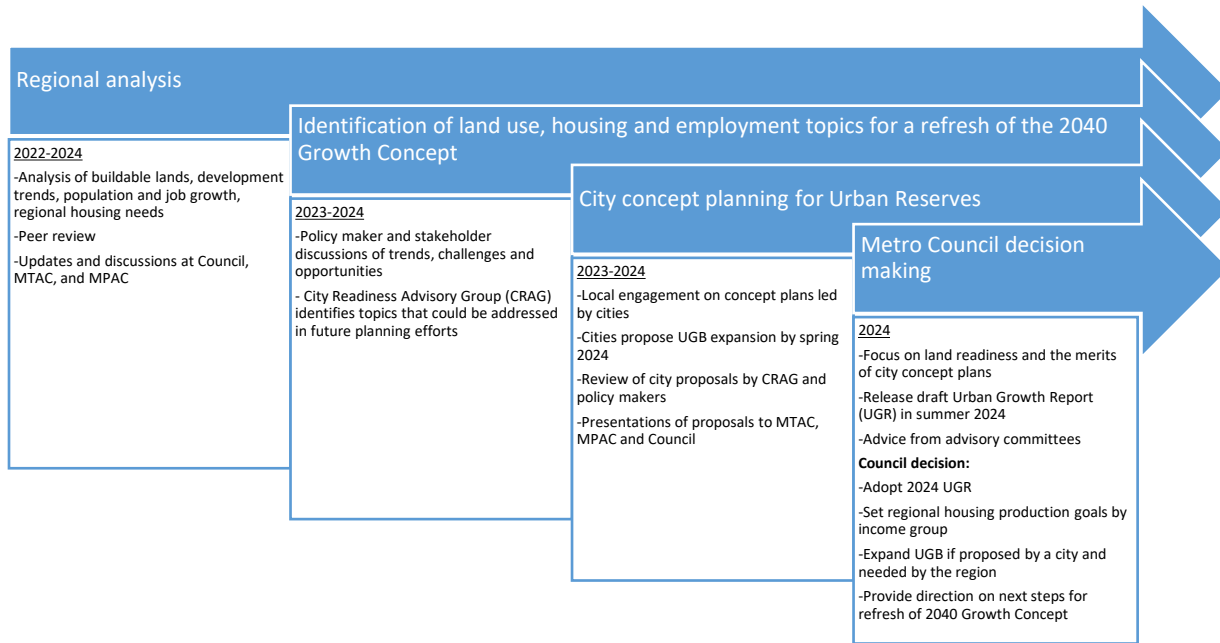
The Metro Council is required under state law to adopt – by the end of 2024 – an assessment of the region’s capacity to accommodate the next twenty years of housing and job growth inside the urban growth boundary (UGB). This work program summary outlines the proposed process that will lead to the Council’s decision, focusing on how the Metro Council and its advisory committees will be engaged.

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

This proposed work program also describes how this process will identify land use, housing and employment policy topics that deserve additional consideration in a subsequent refresh of the region’s 2040 Growth Concept or through other programs. Those topics will include climate change, racial equity, and ways of diversifying the set of stakeholders that are engaged.

DISCUSSION DRAFT

Process overview



Council roles

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

Advisory committee roles

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

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

Metro’s Committee on Racial Equity (CORE) will be briefed on this work program and their advice will be sought on the formation of a diverse youth cohort to both learn about and advise on Metro’s growth management approach. After an initial discussion with CORE, staff will identify the appropriate timing of further engagement with the committee over the course of this work program.

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Staff roles

Staff will manage the work program to meet deadlines and facilitate advisory committee discussions and Council decision making. Staff will also undertake the legal, communications, engagement and technical work needed to support Council decision making. Metro will build on its long-standing expertise in spatial, housing, and economic analysis and research by continuously improving its work to support decision making. Peer review and local jurisdiction staff engagement will help to ensure the validity of these analyses. Aspects of these analyses will be brought forward to inform policy discussions throughout 2023 and 2024 and will be incorporated into the 2024 Urban Growth Report (UGR).

Local jurisdiction roles

As described in this work program summary, staff proposes that this process is centered on city readiness. As such, there will be a heavy emphasis on the merits of city proposals for concept planned UGB expansions. Cities will be responsible for leading local engagement on concept planning Urban Reserve areas. Local jurisdiction staff will also have opportunities to provide peer review of the buildable land inventory and advice through MTAC.

City Readiness Advisory Group

In the 2018 growth management decision, Metro convened a City Readiness Advisory Group (CRAG) that included developers, advocacy groups, affordable housing providers, community organizations, and park district staff. The group was charged with reviewing city proposals for UGB expansions, providing their insight on the readiness of these cities to accommodate growth in an equitable, climate-friendly fashion.

For the 2024 decision, staff proposes reconvening CRAG, but with an expanded, more diverse composition and role. In addition to reviewing any city proposals for residential UGB expansions, this group would also be asked to provide insight on the partnerships, policies, and programs needed to further advance the region's readiness for growth and address topics such as revitalizing downtowns, encouraging mid and high-rise housing production in mixed-use centers, encouraging middle housing in neighborhoods, and enhancing affordability. The group would do so through the lens of equity and climate change.

For several growth management decision cycles, Metro has participated in updates of the Regional Industrial Site Readiness Inventory. Recent discussions at the governor's Semiconductor Taskforce have again affirmed the need to address the readiness of industrial lands to attract high-tech manufacturers. For the 2024 urban growth management decision, staff proposes asking CRAG to review any city proposals for UGB expansions for employment uses. CRAG would be asked for its assessment of the readiness of proposed expansion areas, the likelihood that the area would develop, and possible economic and equity benefits.

CRAG would be asked to provide its advice on these topics to MPAC and the Metro Council as a way of identifying potential focus areas for a subsequent refresh of the 2040 Growth Concept. Staff suggests that the Council consider appointing a councilor to chair this group. Likewise, staff suggests having at least one MTAC and MPAC liaison to this group. Finally, staff recommends including representatives of the proposed youth cohort on CRAG.

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Technical peer review groups

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

- Regional Forecast: a peer review group consisting of economists and demographers will review regional forecast methods and results.
- Buildable land inventory: the Land Use Technical Advisory Group, consisting of local jurisdiction planning staff and other development specialists will review buildable land inventory methods and results. The draft inventory will also be made available for review by all local jurisdictions.

2024 Urban Growth Management decision approach

Staff proposes the following approach to the 2024 UGR and growth management decision.

- Focus policy discussions on the readiness of cities to urbanize possible expansion areas (concept planned Urban Reserves).
- The draft UGR that staff will release in the summer of 2024 will not be a conclusive determination of regional need for land. The draft UGR will provide high quality, peer-reviewed analysis that will serve as a decision support tool for policy makers that will:
 - As a best practice, use a range forecast to recognize uncertainty about the amount of future population, household, and job growth.
 - Recognize uncertainty regarding the capacity of land inside the UGB to accommodate growth, particularly related to newly allowed “middle” housing types.
 - Differentiate between housing needs and land needs.
 - Differentiate between employment growth forecasts and economic development aspirations and their implications for regional land needs.
 - Seek to understand changes in housing and employment trends that are under way or that have accelerated during the pandemic.
 - Provide information about how various housing types can address the needs of different income groups.
 - Address newer statutory requirements such as estimating not just future, but existing housing needs.
 - Summarize the possible housing production or economic impacts of any city-proposed UGB expansions.
- Determinations of need for UGB expansions will be a result of Council direction, informed by the UGR.
- The Council’s decision would include setting regional housing production targets (for the region, by income group, not by jurisdiction). Those regional targets could serve as the basis for a subsequent Regional Housing Coordination Strategy that would be led by Metro’s Housing Department in coordination with Planning, Development and Research. A requirement for Metro to produce a Housing Coordination Strategy is pending legislation in the 2023 session.

Timeline overview (subject to change)

The timeline below emphasizes engagement of Metro advisory committees, ad-hoc advisory groups, and known stakeholder groups. Staff will develop a more detailed public involvement plan in the coming months. That public involvement plan will likely focus around any proposed UGB expansion areas since experience indicates that’s what the public is most interested in. We also expect to hear ideas from the public about topics to address in a refresh of the 2040 Growth Concept.

DISCUSSION DRAFT

Early 2023

Venues

- MTAC and MPAC
- Metro Council work sessions

Topics

- The 2040 Vision 30 years later
 - How growth has happened following our regional vision/2040 growth concept
 - How UGB decisions work with other tools to realize our regional vision
 - 2040 grant funds available to support visioning/planning inside UGB
- History of UGB decisions and how the process has evolved to bring us to the process we use now
 - How decisions used to be made
 - Legislative changes and lawsuits
 - Reserves—why/when this system was created
- What will be part of the UGB decision (topics, information) this next year and a half and how it will feed into a 2040 refresh
- Advice on draft 2024 Urban Growth Management Decision work program

Deliverables

- Finalize 2024 Urban Growth Management Decision work program

Spring 2023

Venues

- Stakeholder groups such as HBA, business chambers, NAIOP, Metropolitan Mayor's Consortium, community-based organizations, county planning directors' meetings and county coordinating committees
- Metro Council
- MTAC and MPAC

Topics

- Project kickoff with stakeholders; share the 2024 Urban Growth Management Decision work program
- Speaker panels:
 - Office-to-residential conversion potential (consultant product)
 - Development outcomes in centers and past UGB expansion areas (consultant product)
 - Middle housing potential (consultant product)

Deliverables

- Speaker panels

Summer 2023

Venues

- Convene Land Use Technical Advisory Group (LUTAG) to advise on buildable land inventory
- Metro Council
- MTAC and MPAC

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Topics

- Employment and industrial readiness; semiconductor taskforce
- Long-term role of housing production in housing affordability (filtering); gentrification and displacement trends (consultant products)
- Existing housing needs: historic underproduction and housing for people experiencing houselessness (consultant product)

Deliverables/milestones

- Industrial site readiness (scope TBD)
- Speaker panels

Fall 2023

Venues

- LUTAG
- Metro Council
- MTAC and MPAC

Topics

- Factors that influence whether land is buildable and ready

Deliverables/milestones

- Local jurisdiction review of draft buildable land inventory
- Updates on buildable land inventory process

Winter 2023/2024

Venues

- Metro Council
- MTAC and MPAC
- Regional Forecast peer review panel, which in the past has included demographers and economists from PSU, the state of Oregon, NW Natural, and private consulting.

Topics

- Economic and demographic outlook
- Title 6 (Centers) updates per Climate Friendly Equitable Communities Rules
- Draft buildable land inventory

Deliverables/milestones

- Draft regional forecast peer review of methods and results
- Draft buildable land inventory
- Draft Title 6 amendment language
- Letters of interest from cities that intend to propose UGB expansions – DUE BY DECEMBER 1, 2023
- Draft tool for assessing potential economic benefits of adding proposed (if any) industrial lands to UGB (consultant product)

Spring 2024

Venues

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- City Readiness Advisory Group (CRAG)
- Metro Council
- MTAC and MPAC

Topics

- City proposals for UGB expansions
- Historic residential development trends
- Programs, partnerships, and investments needed to improve regional readiness for growth
- Draft regional forecast

Deliverables/milestones

- Draft regional forecast
- City proposals for UGB expansions – DUE BY APRIL 5, 2024
- Draft technical assessment of economic benefits of adding proposed (if any) industrial lands to UGB (consultant product)
- Draft report on historic residential development trends
- LUTAG recommendations for readiness topics to advance in 2040 Growth Concept refresh

Summer 2024

Venues

- CRAG
- Metro Council
- MTAC and MPAC
- Stakeholder groups such as HBA, business chambers, NAIOP, Metropolitan Mayor’s Consortium, community-based organizations, county planning directors’ meetings and county coordinating committees

Topics

- Draft UGR, with a focus on the draft regional housing needs analysis and setting regional housing production goals by income group.
- City proposals for UGB expansions
- CRAG assessment of UGB expansion proposals

Deliverables/milestones

- Draft UGR, including draft regional housing needs analysis
- Summary of CRAG review of city proposals for UGB expansions
- MTAC and MPAC recommendations on growth management decision, including regional housing production goals by income group, Title 6 amendments, UGB expansions, and topics to advance in 2040 Growth Concept refresh

Fall 2024

Decision process

Metro Council consideration of resolution directing staff to prepare final decision ordinance:

- Public hearings
- Townhalls or other direct public involvement TBD
- Direction on completing the UGR analysis: range forecasts, regional housing target setting by income group, employment lands to plan for, etc.
- Direction on UGB expansions, if any

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- Direction on conditions of approval, if any
- Prepare public notices for UGB expansions, if any
- Direction on Title 6 amendments
- Direction on topics to address in 2040 Growth Concept refresh

Winter 2024

Decision process

- Provide notices for decision as required
- Council first and second read of ordinance:
 - Adoption of final UGR
 - UGB expansions, if any
 - Conditions of approval for UGB expansions, if any
 - Regional housing production goals for various income groups
 - Title 6 amendments
 - Other policy direction such as topics to address in 2040 Growth Concept Refresh
 - Findings of Fact and Conclusions of law