



Meeting minutes

Meeting: **Metro Technical Advisory Committee (MTAC) meeting**

Date/time: Wednesday, March 20, 2024 | 9:00 a.m. to 12:00 p.m.

Place: Virtual video meeting via Zoom

Members Attending

Eryn Kehe, Chair
Joseph Edge
Carol Chesarek
Victor Saldanha
Tom Armstrong
Erik Olson
Aquilla Hurd-Ravich
Anna Slatinsky
Laura Terway
Steve Koper
Katherine Kelly
Jamie Stasny
Jessica Pelz
Laura Kelly
Manuel Contreras, Jr.
Gery Keck
Nina Carlson
Tom Bouillion
Bret Marchant
Brett Morgan
Nora Apter
Rachel Loftin
Preston Korst
Brian Moore
Mike O'Brien
Brendon Haggerty

Affiliate

Metro
Clackamas County Community Member
Multnomah County Community Member
Washington County Community Member
Largest City in the Region: Portland
Largest City in Clackamas County: Lake Oswego
Second Largest City in Clackamas County: Oregon City
Second Largest City in Washington County: Beaverton
Clackamas County: Other Cities, City of Happy Valley
Washington County: Other Cities, City of Tualatin
City of Vancouver
Clackamas County
Washington County
Oregon Dept. of Land Conservation & Development
Clackamas Water Environmental Services
Tualatin Hills Park & Recreation District
NW Natural
Port of Portland
Greater Portland, Inc.
1000 Friends of Oregon
Oregon Environmental Council
Community Partners for Affordable Housing
Home Builders Association of Metropolitan Portland
Prosper Portland
Mayer/Reed, Inc.
Multnomah County

Alternate Members Attending

Vee Paykar
Faun Hosey
Dan Rutzick
Dakota Meyer
Martha Fritzie
Graham Martin
Theresa Cherniak
Oliver Orjiako
Glen Bolen
Kelly Reid
Cassera Phipps

Affiliate

Multnomah County Community Member
Washington County Community Member
Largest City in Washington County: City of Hillsboro
City of Troutdale
Clackamas County
Multnomah County
Washington County
Clark County
Oregon Department of Transportation
Oregon Department of Land Conservation & Dev.
Clean Water Services

Jerry Johnson
Jeff Hampton
Aaron Golub
Jacqui Treiger
Kerry Steinmetz
Erin Reome
Craig Sheahan
Max Nonnamaker
Ryan Ames
Leah Fisher

Johnson Economics, LLC
Business Oregon
Portland State University
Oregon Environmental Council
Fidelity National Title Greater Metropolitan Portland
North Clackamas Parks & Rec. District
David Evans & Associates, Inc.
Public Health & Urban Forum, Multnomah County
Public Health & Urban Forum, Washington County
Public Health & Urban Forum, Clackamas County

Guests Attending

Becky Hewitt
Bill Berg
Bruce Coleman
Kevin Young
Marc Farrar
Michael Veale
Rebecca Geisen
Will Mathias

Affiliate

ECONorthwest
Mercer Advisors
City of Sherwood
Oregon Department of Land Conservation & Dev.
Metropolitan Land Group, LLC

Regional Water Providers Consortium

Metro Staff Attending

Alicia Wood, Cindy Pederson, Clint Chiavarini, David Tetrick, Dennis Yee, Eryn Kehe, Jake Lovell, John Mermin, Laura Combs, Marie Miller, Matthew Hampton, Ted Reid

Call to Order, Quorum Declaration and Introductions

Chair Eryn Kehe called the meeting to order at 9:00 a.m. A quorum was declared. Introductions were made. An overview of the agenda was given. New incoming MTAC members and alternates attending the meeting were welcomed to the panel with introductions. Chair Kehe noted in-person MTAC meetings are being planned this year with hybrid options. Interest and suggestions for holding a MTAC meeting outside Metro Regional Center could be sent to Chair Kehe.

Comments from the Chair and Committee Members

Glen Bolen announced it is transportation growth management grant season. ODOT is accepting pre-applications by April 1. If interested the process is easy to apply and then we'll meet with you to talk about your potential project idea. Complete applications are due in July. A link was shared in chat for more information: <https://www.oregon.gov/lcd/tgm/pages/planning-grants.aspx>

Nora Apter announced that Oregon Environmental Council is hiring for a transportation program director. A link was shared in the chat: <https://oeconline.org/now-hiring-transportation-program-director/>

Brett Morgan announced the 1000 Friends of Oregon just published a report in the last couple of months. It contains information on HB2017 and some of the revisions that have happened on the major transportation package since then. It's on our website under publications and anyone is welcome to reach out directly to him for a copy. Many people are thinking about 2025 and may find the information helpful.

Public Communications on Agenda Items – none given.

Consideration of MTAC minutes February 21, 2024 meeting

Chair Kehe asked for a vote to approve MTAC minutes from February 21, 2024 meeting.

ACTION: Motion passed with no opposed, and 4 abstentions: Glen Bolen, Graham Martin, Manuel Contreras, Kevin Young.

2024 Urban Growth Management Decision: Preliminary urban growth boundary capacity estimates

(Ted Reid, Clint Chiavarini, Dennis Yee, Metro and Becky Hewitt, ECONorthwest) Chair Kehe began the presentation with an overview of this agenda item of preliminary land capacity results as part of the Urban Growth Report. The project timeline was described. It was noted the Urban Growth Report is a decision making tool for the Metro Council.

Ted Reid noted things to keep in mind about the capacity analysis:

- Volatility of market factors
- Analysis on a regional scale
- Results presented as a range
- These results are preliminary and will undergo local review for additional refinement

Capacity estimates based on actual redevelopment that occurred – “backcasting”, trends in density and mix of housing types, market factors that may impact future development and 20-year time horizon. Information was provided on where we estimate capacity and the process on how land capacity is estimated. It was noted all capacity calculations are done on lands within the existing urban growth boundary and summarized on a regional scale.

Comments from the committee:

Rachel Loftin asked for more information on the process of the proforma modeling assuming for redevelopment. What that looks like and what the assumptions are. Mr. Reid noted this would be covered further in the presentation.

Joseph Edge asked about the environmental constraints and lands that are excluded from inventory due to environmental constraints. You mentioned steep slopes and floodways. Is there any other classification like goal five, habitat, or anything else that is covered in that category other than just steep slopes and floodways? Clint Chiavarini added Title 13 and Title 3 which are habitat and water resource, wetlands, that kind of thing. Some of those are taken out at a hundred percent and some of those have discounts applied depending on the type of development and the type of zoning.

Nina Carlson asked for clarification on the Stafford land, was that already taken out because it has agreements that preclude development at this point in time? Mr. Reid noted Stafford is an Urban Reserve, so it is not in our Urban Growth Boundaries. What we are attempting to do now is to inventory land that is currently in our UGB.

The presentation resumed with Becky Hewitt providing information on the pro forma model variables. This includes elements of how viable redevelopment might be (Rents & sale prices, construction costs, cap rates linked to interest rates) to what are the odds of redevelopment (Redevelopment rate compared to historic trends based on feasibility results). Notes on the pro forma model were made.

Clint Chiavarini provided information on the results of Buildable Land Inventory (BLI) and preliminary results of vacant land. Ms. Hewitt presented information on redevelopment was established using a baseline:

- Market conditions assume modest recovery
 - Interest rates and cap rates come back down somewhat
 - Relationship between rents/prices & construction costs remains similar to today
- Redevelopment rates aligned with trends over last 20 years

Preliminary results were reported.

New urban areas that have been added to the UGB but have not yet received urban level zoning and additional future adjustments to capacity results combined with preliminary capacity results was described with a high estimate of 175,100 total units, to a low estimate of 133,400 total units.

Comments from the committee:

Kevin Young asked do the single-family units include attached, or only detached single family units? Ms. Hewitt noted single family attached is part of middle housing in this. The way middle housing is defined is a little different from how jurisdictions probably define it in their code. So basically, attached units that are middle housing are being counted as middle housing. Anything that is detached middle housing is going in the detached, the single unit detached bucket. Middle housing includes what we used to call single family attached or townhouses, and then multifamily is more than four units attached.

Joseph Edge asked what is the expected density for properties zoned commercial where multifamily is permitted by-right? Jerry Johnson noted the pro forma model will pick a highest and best use that supports the highest land values. This may result in an assumption of development as 100% multifamily if that supports the highest values. Chair Kehe noted the whole idea of the proforma model is taking us to a new level of how we evaluate the capacity of land inside the growth boundary. In the past we looked just at what the zone capacity of a lot is. This proforma model takes in the whole market dynamics that shows what zoning allows, but what is likely to happen given the market dynamics that could be in play over the next 2 years. There's the zoned capacity and then the market analysis that may then determine either that it will likely develop at that full capacity, or the probability of developing at this less. Mr. Chiavarini added the density methodology has crosswalks between local zoning code and our regional categories. We did a full review of all the zoning codes about a year and half ago and went through some of what used to be purely commercial because it now allows for multifamily, we switch that into a mixed-use category.

Michael O'Brien noted it was important for us to have a more concise view of what's available. I'm assuming that within the presumed inventory short term rentals like Airbnb and properties that are purchased for predominantly overseas investment that sometimes do not get inhabited, those probably would be negligible, but want to check first. Ms. Hewitt noted we had pulled a stat on this for some of our other work and it was thought it's less than 1% of existing housing stock in the Metro area right now.

It was asked what the likelihood of infrastructure is reaching these areas and is that factored into the numbers. Because we know that there are additional areas in the urban growth boundary that may never develop because there just isn't the political will or the capacity to put street sewers, water, electricity to those areas. I think it's important that we make sure we include that thinking and understanding in whatever capacity we're saying we have. Jerry Johnson noted that's a really difficult

thing to put in the model. It's an absolute legit issue because it raises construction costs to get the infrastructure to these sites, which is not reflected because the construction costs are sort of normalized over the region. We won't be able to get to that detail but that's an important caveat.

Rachel Loftin asked when you are considering redevelopment potential, are any units being stripped out, such as properties that have redeveloped over the last 10 to 15 years but did not develop at its highest and best use. Jerry Johnson noted the ones that have been redeveloped in the last 5 or 10 years will still have a relatively high assessed valuation and basically the ratio between current estimated real market value of the property relative to the residual value residual or current real market value, which means its going to be much less likely to redevelop. Basically, someone who redeveloped in the last 5 – 10 years at a lower density is still going to preclude that from being developed or at least significantly reduce the likelihood of it being redeveloped over a 20-year horizon.

Jessica Petz asked when will MTAC hear about employment land capacity and need? Ted Reid noted we will bring employment capacity estimates to MTAC in June. We will likely be sending preliminary results out for local review earlier though, along with the residential estimates.

Glen Bolen noted he was going to ask about the local review process and the Land Use Technical Advisory Group (LUTAG). It was noted this meeting is being organized now to find the right date. The preliminary results will change after local review. Long term it was supposed that this local review of capacity then goes into our TAZs and our growth forecast. So, we're updating our demographics on the RTP side of things. The reason I bring it up is because all our cities use the regional model for a lot of their work. And if you're updating the precision and accuracy of the regional model that would be great if we can reflect that in the work that we do for infrastructure sizing on actual development.

On another note, was the mention of nonprofits and golf courses. At one point we've even set aside land for extra need for golf courses we don't do anymore. In my neighborhood two churches and working with Habit for Humanity to develop townhouses. Will there be capacity that will come from that over time? And will maps be distributed to show where all this land? Ted Reid noted we do have a requirement under the law to produce a map of vacant lands, but not a requirement for producing maps of redevelopment and infill. However, because you can start all sorts of arguments with property owners about their intentions for their properties, that we don't want to have when we're thinking of regional scale estimates. And it's also hard to depict at a regional scale in a meaningful way.

Clint Chiavarini noted we get at churches and golf courses through the local review. One time we were basically told it would be redeveloped at some point, so it was added back into the land supply. Unless we have knowledge of future plans, we will just keep it as a golf course. As far as nonprofits and churches developing things, we don't have a lot of good data on that right now. We could probably come up with an estimate based on some trends that we have or could find where those places have redeveloped, where they have designated that in the past and now they're developed. We could apply that going forward but it's likely to be a small number.

Kerry Steinmetz asked were there any factors in this, as far as you know, how we're seeing buyer preferences, specifically in the Covid era where we saw a little bit heavier demand in the stacked flats and elevator buildings, and things like that. And now we're seeing that wan where people are wanting to in more a single family or a row house. Do buyer preferences have anything to do with this? Jerry Johnson noted at this point it's a demand model on the DSP model or the proforma model. It doesn't actually match with buyer preference necessarily. It more on what developers want to produce to

support land values. There will be ongoing work to mesh it with the demand side. So if no one demands that unit the price effects will change the output. Even developers want to build all the same unit and the market doesn't support that unit anymore. Then we have to adjust and place to another land use. There's a cascading piece where we've overbuilt this product type relative to market demand, therefore we go down to another product type. Those preferences are difficult to pick up because we're working with data that's slow. The Covid years are sort of anomalous and hard to know how long that will last.

Leah Fisher noted office space mentioned and asked if this could be spoken a bit about the opportunity for repurposing some of the surplus mixed use office spaces that we're seeing in some of the urban areas. I've heard it's very expensive and it was mentioned in this assessment, but I'm curious what the update is on reusing some of that excess space for residential in the future.

Jerry Johnson noted people who played with it, particularly in urban settings, there is not the proper floor plates and plumbing stacks. We're also in an area that has a lot of changes in the seismic code in the Portland metro area. And changes of views require a full seismic retrofit. It's very difficult to do and you see examples from Manhattan, but the cost to do these conversions is identical, but the achievable rents are four times what they are in Portland. It's hard to recover these investments. It's good we're looking at it, but I don't think we're going to be expecting a lot to be yielded from it. There's good work that's been done on which buildings have potential to be considered for this type of conversion. It's a very small percentage in the Portland metro area.

Overview of Emergency Transportation Routes Phase 2 project (John Mermin, Metro) The presentation provided a brief overview of the project with history of regional emergency transportation routes and phase one of this project, done in 2019-21. Phase 2 work (2024 – 2026) (Identified in RTP ch.8) was described for prioritize and tier network routes through data review and assessment, workshops and engagement, and development and application methodology. Not included in the project are evacuation plans, establishing operational guidelines and funding decisions. The project timeline, engagement approach, decision-making process, and next steps was described.

Comments from the committee:

Jamie Stasny was curious what the public process will look like. Is there a parallel track where there's engagement with the public? Will they be allowed to give input? What might that look like? I know you will be working on criteria for prioritizations but wondered if you had examples or thoughts about what that might look like. How do you think this information or end result of this process will be used?

Mr. Mermin noted the information could be used to make recommendation for a future regional transportation plan update, such as things we should be considering when we're going through that process relating to emergency transportation routes and updating our maps and updating our policies relating to resilience. In terms of the public being engaged in this project, it's a fairly technical project for developing criteria for the routes for how to respond to emergencies and how to get emergency services to where they need to be. It isn't a project that has a broad public engagement, but we will be trying to engage community-based organizations to get input from vulnerable users and populations that aren't always considered in planning processes. We'll have some workshops and get input on the criteria we're developing and feedback on how this resonates with people's lived experiences. We're developing prioritization as part of the project and could include how close people are to population centers, vulnerable populations, and where hospitals and key destinations are located.

Ms. Stasny added this process is very technical but as you acknowledged there are people with a lot of lived experiences. Recent circumstances that may be able to add some perspective that isn't in the kind of public agency technical experience. I'm glad to hear you'll be working with CBO's. I encourage you to make sure you're balancing that regionally because I think there have been different experiences in different part of the region. All those perspectives should be brought forward as we're considering these next steps.

Glen Bolen noted his participation in the first round of the project where we focused on where emergencies may happen so emergency crews could be sent with open routes to locations. We identified routes in GIS. I'm assuming this is not about building anything but about operations during the event. Mr. Mermin noted that was a fair assessment. We're not focused on what should be built. We're focused on how to operate the routes that will allow for them to be used in this situation. There might be some upgrades to existing routes that could be needed to help them be seismically resilient and things like that. But we're not focused on trying to find new routes to build for the network.

Rebecca Geisen noted ETRs will be really useful for other sectors to complete their emergency planning. My understanding is the next phase will include critical infrastructure partners to aid quick in recovery. Mr. Mermin noted the next phase will include critical infrastructure partners. As part of this project, we will be engaging with some infrastructure partners and operators. Ms. Geisen added I've been involved with this project and just as water providers are planning in emergency situations the ETRs are really important information for us for critical water infrastructure for consideration because that will be key to restoring drinking water systems.

Jamie Stasny asked for clarification. I think I heard you mention regional planning for evacuation routes but that's not what's happening here, correct? Mr. Mermin noted we know Clackamas County has an effort for a local evacuation plan. Sometimes when people hear about emergency transportation routes they assume we're talking about evacuation, but that isn't the focus here. Asked if there was regional coordination on that, it was noted the RDPO would be more knowledgeable about this.

Jessica Pelz noted my question has to do with funding and whether being designated as a regional emergency transportation route and however the prioritization works plays a part in whether a route might be eligible or more likely to get some sort of federal or state funding to improve that route. Mr. Mermin noted I don't think it's a question I can answer, but if you have a top tier route that comes out of this process, I feel it's something that jurisdictions could point to when applying for future funding sources. This is another reason arterials need funding in addition to having safety or active transportation issues. Future processes can choose how to use the information for funding leverage or applications.

Ms. Pelz asked does the readiness of the route currently without additional improvements play a part in the tiering and prioritization? If we have these routes that would make good routes but they're not currently improved up to current seismic standards, does that push them further down the list? Mr. Mermin noted it was thought going through this process of developing criteria, the discussions will happen with the work group and figuring out what to do with a situation like that. But I don't think I can predict the answer in advance of that.

Adjournment

There being no further business, meeting was adjourned by Chair Kehe at 10:30 a.m.

Respectfully submitted,

Marie Miller

Marie Miller, MTAC Recorder

Attachments to the Public Record, MTAC meeting March 20, 2024

Item	DOCUMENT TYPE	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
1	Agenda	3/20/2024	3/20/2024 MTAC Meeting Agenda	032024M-01
2	MTAC Work Program	3/13/2024	MTAC Work Program as of 3/13/2024	032024M-02
3	Minutes	2/21/2024	Draft minutes from MTAC February 21, 2024 meeting	032024M-03
4	Memo	3/13/2024	TO: MTAC and interested parties From: John Mermin, Metro and Carol Chang, Regional Disaster Preparedness Organization (RDPO) RE: Overview of Regional Emergency Transportation Routes (RETR) Phase 2 project	032024M-04
5	Presentation	3/20/2024	Urban growth management update: Preliminary capacity results	032024M-05
6	Presentation	3/20/2024	REGIONAL EMERGENCY TRANSPORTATION ROUTES (RETR) PHASE 2	032024M-06