



OFFICE OF MAYOR SAM ADAMS
CITY OF PORTLAND

Oct. 16, 2009

CORE – 4 Members
Attention: John Williams, Metro Staff
METRO
Planning and Development
600 NE Grand Avenue
Portland, OR 97232

RE: Urban and Rural Reserves Comments

Dear CORE – 4 Members:
Kathryn Harrington, Metro Councilor
Jeff Cogen, Multnomah County Commissioner
Tom Brian, Chair, Washington County Commission
Charlotte Lehan, Clackamas County Commissioner

Thank you for your leadership and public service to the Reserves Steering Committee over the past year. I have been impressed by your hard work and commitment to lead an unprecedented process to guide the region's future over the next 40-50 years. I have been equally impressed by your willingness to listen and respect diverse opinions as you deliberate.

Portland is poised to be the center of America's sustainable economy in the twenty-first century. The City's future leadership is built on a long tradition of excellence in planning and a heritage of conservation and stewardship of our natural environment. The bold decisions made decades ago – to create an urban growth boundary, to invest in light rail rather than additional highways, to acquire our green spaces as a region rather than piecemeal – have given this region a head start over other cities and regions across the country. It is in this context, looking to the next century, that we must approach the designation, location and size of urban and rural reserves. In so doing we must also take into account the importance of the urban growth boundary, the regional transportation plan, and the upcoming work on new ideas for a regional investment strategy.

The decisions we make in the coming months will, in very real ways, shape the community we all share for generations to come. The future of Portland's economy, environment and community all depend upon and leverage our authentic and unique sense of place.

I respect the wisdom and foresight of this process. Even the fact that we are having these long-term planning discussions now puts us in the forefront of American land-use and community planning. It is with this respect for the process that I advocate my city's position on reserves, built on the Metro Chief Operating Officer's three pillars:

1. MAKE THE MOST OF WHAT WE HAVE – We must first invest to maintain and improve our existing communities. This means adopting an integrated regional investment strategy focused on centers, corridors and employment areas. It also means getting the most out of the transportation system we already have by repairing and maintaining our existing systems, employing market incentives and pricing strategies, and investing in smart technology solutions.

We have not found a way to effectively fund infrastructure on new land as we struggle with widening gaps inside the existing Urban Growth Boundary. Portland has embraced the Region 2040 Plan and we work hard to direct our scarce infrastructure funds to our centers and corridors that are part of the 2040 Plan.

- Portland will need to invest \$136 million per year over the next 10 years to keep its infrastructure in good repair (that's 25 to 40% more than is currently spent)
- If current rates of investment continue, the City will likely invest another \$17 billion on infrastructure between 2010 and 2030, only slightly less than the current value of our entire infrastructure system (\$22 billion).

2. PROTECT OUR URBAN GROWTH BOUNDARY – To the *maximum extent possible*, ensure that growth is accommodated within the existing boundary. As The COO aptly points out, the region has only used 5 percent of the 28,000 acres added to the UGB in the past decade or more. And experience has shown us that, once land has been designated as “urban,” it is highly unlikely that designation will be undone.

Portland's recently adopted Five-Year Economic Development Strategy sets a new direction with initiatives relevant to the issue of land-use planning. Those initiatives include protecting Regionally Significant Industrial (RSIA) land, assembling large employment sites, and redeveloping brownfield sites. All these initiatives contribute to containing growth within the existing boundary while creating a healthy economic environment.

Though Portland is the largest city in the state, Portlanders have a deep appreciation not only for the city they live in but also for surrounding forest and farm land that encircle the region. Designating future urban reserves forty to fifty years in advance carries risks to these precious resources and to the city's redevelopment efforts.

3. WALK OUR TALK – Be accountable for our actions and responsible with the public's money. We must ensure that public investments are consistent with the public's values and priorities. And, to hold ourselves accountable to the public on those investments, we must develop and adopt performance targets based on the region's six desired outcomes.

As Portland and Multnomah County move forward with our ambitious but essential Climate Action Plan, we will be asking residents in our communities to take even greater steps to reduce their emissions and live a more sustainable lifestyle. As we ask our citizens to take personal responsibility for their footprints, we as regional leaders must make sure our policies align accordingly.

We share the values and objectives embodied in the COO's three pillars, and with these in mind, I ask the members of the CORE 4 to accept Portland's recommendations to the Reserves Steering Committee.

First, as we move forward to finalize our work, we should not lose sight that the region's investment strategy will have a huge effect on both the Reserves decision and the decision on the Urban Growth Boundary. We haven't factored in new investments and changes to financing mechanisms, such as additional Urban Renewal Areas along High Capacity Transit corridors or future streetcar alignments – and the impact that can have on leveraging additional public and private investment that create vibrant and sustainable neighborhoods and business districts. Future public and private investments in freight movement and access to industrial areas will also need to be considered. Portland welcomes the opportunity in the coming months to explore new ideas for infrastructure funding.

Second, in terms of “urban” reserves, we should stay on the conservative side of the 40-50 year planning horizon. This means:

1. We should focus on 40 years;
2. We should focus on the bottom of the middle one-third of the forecast, and,
3. We should commit to revisit the urban and rural reserves every 20 years to recalibrate.

The city has participated in the Multnomah County Reserves process throughout. My staff in the planning, development and service bureaus has studied carefully the county and COO recommendations for the unincorporated areas of Multnomah County in the Northwest Hills near Forest Park. As I have outlined, the city has many other priorities to plan and invest in our existing centers, corridors and employment areas. Making public investments in these existing areas will be far more cost-effective than trying to pay for services and govern relatively small residential enclaves in a difficult geography amid other resource values and natural features. Portland can deliver far more benefit for its citizens and the region if we focus on producing more housing and employment opportunities that create sustainable neighborhoods and business districts within our borders.

Our region is, for all intents and purposes, a living experiment in smart land-use planning. Following a very cautious approach is what any smart business would do in the face of so many uncertainties. Being cautious will minimize risks to our agricultural industry, our downtown cores, and our neighborhood communities. Being cautious will also avoid diluting Portland's redevelopment efforts and those of our neighboring cities.

Sometimes it is hard to imagine that the lifestyle of future generations will undoubtedly be very different from the lives we lead today, but how we plan today for tomorrow's long term future has consequences. Over the next 20 to 40 years, the following trends are likely:

- Higher energy costs
- Carbon taxes or cap and trade regulations
- Only 20% to 25% of households will have 2 parents and kids at home
- An aging population
 - with advanced health care extending life expectancies to beyond 90 or 100.
 - with demands for services that are easily accessible by public transit, or within walking distance.

Portland is well-positioned to meet the demands that the future is sure to bring. Recent statistics show us that we have proven a strong track record of responding well to the marketplace and its demands over the past several years.

Last year, about 50 percent of all housing starts were in the City of Portland. This is a much higher trend than expected and a trend that goes back 15 years. Trends have changed since the 1970's, 80's and 90's, a period that saw huge growth in Washington and Clackamas counties. Since the mid-1990's, Portland has

captured more than 35 percent of all regional housing starts. About two-thirds of this housing is built in the city's designated centers, mainstreets, light rail station communities and corridors. In the past 20 years we have grown by almost 50 percent from about 400,000 to nearly 600,000. Our investments in centers, mainstreets and station communities have paid off. And we have significant additional capacity, able to accommodate 140,000 households without up-zoning a single parcel.

The city and the region's corridors as designated on the 2040 Growth Concept map hold great potential for redevelopment as investments in transit, bike, trails, sidewalks and pedestrian access improvements are made over time. Portland has over 50 miles of mainstreets and over 75 miles of corridors.

The region has selected two new priorities for future HCT extensions along the Powell Corridor and the Barbur/99W Corridor. Both of these present significant redevelopment potential by supporting the market to redevelop key opportunity sites to transit and pedestrian-friendly uses.

The Portland Streetcar Framework has identified over 70 miles or near term and potential future streetcar corridors. The city's track record of strategic transportation investments and incentives has the potential to leverage public and private redevelopment along these corridors. Our nation's leaders have taken notice and shown a willingness to have Portland continue to serve as a national model by making a commitment to significant funding contributions. When coupled with local and regional investments, the corridors are likely to contribute significantly to the vitality of neighborhoods, business districts, and sustainable communities that Portlanders desire.

Finally, it is essential to the health of the region and Portland's industries and industrial sites to maintain and grow a healthy working harbor. We are committed to cleaning up, over time, our brownfield sites – and consolidating and assembling adjoining parcels to provide larger sites. Opening up huge tracts of otherwise excellent agricultural land for industry, when we have land with services already in the UGB – doesn't make sense from a regional investment point of view. The vast majority of our jobs are created through the growth of small businesses. We need to nurture and retain those companies while attracting others.

I appreciate the opportunity for public comment and applaud your leadership and the wisdom and foresight of this process. The legacy we have inherited from those who preceded us is our region's greatest asset. Building on that asset to plan for our region's green future is the legacy we leave for the generations to follow.

Sincerely,



Sam Adams
Mayor, City of Portland