



Testimony In Support Of

**Metro Ordinance 11-1264A**

Submitted by

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600 N.E. Grand Avenue

Portland Oregon

(Greetings To Metro President Hughes and Councilors)

Earlier today, more than 400 business and community leaders from across the state gathered in downtown Portland for the 8<sup>th</sup> Annual Oregon Economic Forum, sponsored by the University of Oregon. Metro Councilors and staff listened as state economists explained how our state's unemployment rate hovers at 9.6 percent, and is teetering on the brink of another economic recession, and the return to higher unemployment rates.

While most of us came away from today's Forum feeling frustrated and saddened by the prospect of continued economic recession, others in this room have pointed to Oregon's high unemployment rate as proof that we don't need to expand the urban growth boundary, because our population growth has slowed, our home building industry is on its knees, and the employment growth in our region has flat-lined..

For those who believe that Oregon's recession allows us to delay expansions to the UGB and planning for future residential and employment growth in our region, I would like to offer five responses:

**1) Driving without headlights**

In my oral and written testimony on October 6, WEA observed that all seven of Metro's proposed expansion areas totaled only 1.25 percent of the current UGB area--at a time when our region is expected to grow by a million more residents in the next 20 years. I explained this is a lower growth rate than Washington County has experienced in the past 40 years, lower than any state west of the Rocky Mountains has experienced in the past decade, and lower than Oregon has experienced in any decade since we became a state. It is also significantly less than Metro's own projected growth rate of 1.4 percent annually through 2035.

## **2) Failing To Reach Even Modest Growth Opportunities**

Last year, Metro's urban growth report identified a need for 200-1500 acres of large lot industrial land in our region during the next 20 years, and Metro COO Michael Jordan recommended 330 acres north of Hillsboro to provide future employment needs in our tri county region. While there have been several proposals to add employment areas north of Hillsboro, Cornelius and Forest Grove, and south of Tualatin, Ordinance 11-1264A still does not include these requests.

This creates another dilemma for the Metro Council today, since the 330 acres proposed north of Hillsboro, falls far short of the region's "*lower middle third*" projections for future employment areas.

## **3) Discounting The Threat of Global Warming and "Environmental Refugees"**

Up until two years ago, climatologists and urban planners were warning us about the imminent tide of "*environmental refugees*" who would be moving here from other parts of the country, after being blown away, burned out, flooded over or dried up in other states, and eager to start a new life in more temperate Oregon. By limiting our regional vision to "*the lower middle third*" of future population growth projections, Metro will be dismissing these threats, and assuming these unfortunate people will stay where they are.

## **4) Fencing Out Young People and "Economic Refugees?"**

Up until two years ago, urban planners were also predicting an influx of "economic refugees," moving to Oregon after losing their homes, jobs and businesses in other parts of the country, and ready to start over here. By accepting the "*lower middle third*" of future population growth projections, Metro will also be assuming \$4.00 gas prices will be a sufficient deterrent to keep these victims from making this their "greatest place," and contributing to our "vibrant communities."

## **5) Ignoring The Appeal of "Vibrant Communities" and "Making The Greatest Place"**

For the past three years, Metro planning efforts have promised "*vibrant communities*" for those who share in the regional vision for "*making the greatest place.*"

By accepting the lower middle third as the limits to our future population growth, we are also assuming that people outside this region won't move here to share in our success. But if we truly believe in the outcomes we have set for our region, why won't people outside our region want to move here to be a part of this ambition?

Westside Economic Alliance rejects the notion that a recessed economy excuses the need to plan for future population growth and economic recovery in our region, and for our state. To the contrary, we must work harder and better to meet these needs.

*“Those who fail to learn the lessons of history are doomed to repeat them.”*  
George Santayana

The Oregonian this morning described the 2002 UGB expansion, which added 18,836 acres in rural Clackamas and Washington Counties, as a debacle, since little or no planning or development has materialized in the past nine years, and is unlikely to meet the ambitious goals for 38,500 housing units. To those who argue that the lack of development around Damascus signals a lack of need, WEA offers four responses:

**1) The Lack of a 20-year Developable Land Supply**

Conceding that development in and around Damascus is unlikely to happen, validates the warnings WEA outlined in 2002, and also confirms the 20-year land supply Metro claimed at the time, was never really there. The fact Oregon’s unemployment rate has topped the national average ever since, suggests that by limiting economic development opportunities in our tri-county urban region, we have outsourced job opportunities and local tax base to Clark and Lewis counties on the north, Hermiston and the Tri-Cities on the east, Marion and Linn counties on the south, etc.

**2) High Centering the Regional Transportation Plan**

If our region is ready to concede that development in and around Damascus is unlikely to happen, we must also concede that Metro’s 2035 Regional Transportation Plan was obsolete and irrelevant before it was even printed, because the Sunrise corridor, surface arterials and public transit routes won’t be possible in our life times. But with 17,500 new residents moving into South Hillsboro, the RTP also fails to address the transportation needs of the areas where development is now likely to occur.

**3) Promises Without Planning: Brownfields and Redevelopment**

While the lack of development in rural Clackamas County has been disappointing, the lack of redevelopment, and the loss of industrial capacity in north Portland and in other parts of the region has become an even bigger concern.

On December 2, 2010, WEA testified before the Metro Council and cited a list of industrial areas inside the UGB which have been lost to local policy decisions and zone changes. These areas included N.E. Airport Way, Colwood Golf Course, the Columbia River Slough, and the Fields property in Tigard, as examples.

But in the past 10 months, our region has continued to see a continued decline in the industrial capacity of our region, and the places Metro has identified for future employment opportunities in our region. These most recent examples include:

West Hayden Island --- Metro has included 404 acres in the region's industrial land supply. But the City of Portland has indicated it will only allow ~300 acres to be annexed and developed for industrial use

Rivergate Industrial Zone—The recent news that SoloPower Inc. plans to build a \$340 million manufacturing facility in north Portland was welcome news to our region, and the 480 people who are expected to work there in the next 5 years. But this one company will occupy two of the largest industrial zoned buildings remaining in north Portland, and further restricts a limited supply of facilities for other employers---less than 6 months after Metro's 2030 "capacity ordinance" was adopted.

Blue Heron Paper Mill --- When the Blue Heron Paper Mill closed earlier this year, 170 family wage manufacturing jobs were lost and a 22-acres of industrial land in Oregon City was lost from the local tax base. It is doubtful whether this facility will ever be used again to manufacture paper. So how will the community redevelop and restore the productive capacity of this facility?

#### LSI Logic

Last week, the Port Commission approved the purchase of 222 acres of industrial land in Gresham, often referred to simply as the LSI site. This property represents the only industrial property in our tri-county region, offering >100 acres of developable land in a single ownership. The Port's purchase signals actual development is now more likely, and underscores the importance of maintaining a regional supply of large lot industrial sites in other parts of the region.

Westside Economic Alliance supports adoption of Ordinance 11-1264A---as far as it goes. But we remain concerned by the small amounts of developable land that are being proposed for future residential and industrial development, when developable areas inside the UGB are being consumed, or diverted to other purposes.

For our region to break the cycle of high unemployment, rising homelessness and alarming numbers of hungry people in our community will require bold and decisive action not found in Ordinance 11-1264A. We cannot achieve the desired outcomes for our region, deliver on the promises for "Making The Greatest Place," or create "vibrant communities," if we continue to limit access and deny opportunities to a growing number of our neighbors and constituents.

Councilors, your constituents deserve better, and we are waiting for your help.

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