



Metro UGB Legislation - Summary

Purpose: The bill would validate the Metro UGB expansion of approximately 1,985 acres unanimously authorized by the Metro Council in October 2011 and subsequently unanimously approved and upheld by the Land Conservation and Development Commission in June 2012.

Background on the UGB Decision:

- As required by state law, in 2010, Metro determined that it needed to expand the UGB to accommodate housing and employment needs for the next 20 years.
- Metro conducted an extensive public process throughout the region, involving the general public and local elected officials to determine the most appropriate sites for expansion.
- In 2011, Metro unanimously approved an expanded UGB consisting of 1,985 acres located in four areas – North Hillsboro, South Hillsboro, Cooper Mt. in Beaverton and Tigard.
- It was the first major UGB expansion approved since 2002, despite the requirement to examine the UGB every 5 years.
- After multiple public hearings, LCDC unanimously affirmed Metro's decision in 2012. Three appeals of the decision were then filed with the Court of Appeals.
- In January 2013, the Court of Appeals put the UGB appeal on hold pending the issuance of its decision on the separate appeal of the Urban-Rural Reserves (URR). There is no timeline on when the Court of Appeals might rule on the UGB decision - the process is effectively stopped four years after it began.

The Problem: There is an overdue need for more land to accommodate schools, education, housing and employment needs in the region, and allowing the UGB expansion areas to remain in limbo will have detrimental impacts on economic development and livability throughout the region.

- As Metro determined in 2010, and subsequent market studies have confirmed, there is an immediate need for more land to accommodate housing and employment needs.
- Any further delay will negatively impact an already undersupplied housing market, which has a substantial effect on housing affordability.
- Residential land values have already significantly surpassed the previous peaks in 2006 and 2007 with no relief in sight.
- Recent UGB decisions before the Court of Appeals demonstrate that a delay of an additional 5 or more years is a very distinct possibility.
- Hillsboro, Beaverton, and Tigard, along with the affected school districts, other agencies and property owners have invested an enormous amount of resources – money, time, and energy – in a public process to plan for and implement the development of the expansion areas.
- Both the Beaverton and Hillsboro School Districts have purchased land in the expansion areas. Beaverton plans to start construction of a new high school in the next year.
- An additional \$400 million in development projects are targeted to begin in some of the expansion areas in 2014.
- No new development will occur if the UGB process remains stopped, which will have a negative impact on the entire region.

The Solution: The problems caused by the long delay in implementing the UGB decision are unique and significant, and justify a one-time legislative solution. The proposed bill would validate the process and ultimate decision made by Metro and upheld by LCDC. It would not change the local approval process nor would it address or in any way affect the pending appeals of the URR.

