

PORTLAND BUSINESS JOURNAL

PORTLAND, OREGON | MARCH 7, 2008

BUSINESS NEWS FROM THE FOUR-COUNTY REGION

FOCUS

Land-use law will spark some old-fashioned horse trading

Oregon is well known for its statewide land-use planning program, heralded by many as protecting agricultural and environmental interests against urban sprawl.

Oregon's program relies on tight urban growth boundaries, which separate urban and rural zoning and are supposed to contain a 20-year "urbanizable" land supply. Development on land outside the UGBs is restricted by agricultural and forest zoning, which does not allow urban uses.

When population increases and more urbanizable land is needed, lawsuits have delayed UGB expansion and pushed urbanization onto land that is unsuitable for efficient, cost-effective development because of topography or lack of roads and sewers. At the same time, UGB expansions have not always adequately protected Oregon's most important farm and forest land.

As a result, the Portland-area UGB (including Washington, Clackamas and Multnomah counties) has been in gridlock, with resource land protected, but a lack of available land containing adequate infrastructure for viable development.

THE SOLUTION

Senate Bill 1011, passed by the 2007 Oregon Legislature, addresses this problem by establishing a new process to determine where urban expansion will and will not occur outside UGBs over the coming 40- to 50-year period. SB 1011 authorizes regional government Metro to establish "urban reserves" and "rural reserves" to direct urban growth for up to 30 years beyond the mandated 20-year land supply required each time the UGB expands.

HOW WILL IT WORK?

First, SB 1011 authorizes a new pathway for creation of urban reserves, which are the areas first in line for addition to the UGB. Urban reserves, in conjunction with the land already within the UGB, are intended to provide a 40- to 50-year capacity for urban growth. Designation of urban reserve areas will be based on a new set of factors relating to suitability for urban development.



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Second, SB 1011 authorizes designation of rural reserves, which are the areas off-limits to urban expansion during the 40- to 50-year planning period. Designation of rural reserves will be based on their importance to agriculture and forestry, with an emphasis on protecting natural systems and landscape features.

Third, SB 1011 introduces a concurrent designation concept that requires urban reserves and rural

reserves to be simultaneously designated through intergovernmental agreements between Metro and Washington, Clackamas and Multnomah counties. The simultaneous designation of rural reserves and urban reserves will necessarily require negotiations between stakeholders and may provide a more collaborative process leading to a more efficient UGB expansion with less litigation, greater availability of urban land and more protection for key natural resource land. The "horse-trading" aspect of the new law is a simple, yet elegant way to break the current UGB gridlock.

WHAT IS THE TIMETABLE?

Oregon's Land Conservation and Development Commission adopted new rules to implement SB 1011 in January, 2008. SB 1011 was coupled with House Bill 2051, which grants Metro a one-time, two-year extension of its current five-year cycle for review and expansion of the UGB. That allows Metro until Dec. 31, 2009, to implement the new urban/rural reserve methodology.

In February, Metro established an urban reserve steering committee to assist with the study and development of urban and rural reserves, composed of four voting members (Metro and each county which will designate reserve areas through intergovernmental agreements) and non-voting members (officials from local cities, and representatives of various business sectors, the agricultural community, the environmental conservation community, and social and economic equity organizations). Several state agencies will provide policy and technical expertise.

The steering committee meets monthly and held its first meeting in February (see Metro's Web site for the rest of the schedule). The committee will prepare and implement a work pro-

gram designed to engage elected officials, create broad public outreach, complete technical planning, and formulate recommendations regarding urban and rural reserve areas to be designated. There will be an opportunity for public participation at the regional and local levels and access to information on the Metro and county Web sites.

Technical work will include the initial mapping and analysis necessary to identify which areas outside the UGBs should be designated for urban and rural reserves. New population and employment projections will establish a baseline for an urban reserves needs analysis. Rural reserves lands will be identified based on the protection of certain agricultural land derived from factors espoused in a study by the Oregon Department of Agriculture.

Around July 2009, the steering committee will make its recommendation to Metro and the counties, which will ultimately adopt the designated areas by intergovernmental agreements sometime between July and December 2009. Final adoption will be subject to approval by the state.

ONCE LAND IS IN AN URBAN RESERVE AREA, WHAT HAPPENS?

After urban reserves are designated, it may take some time to get land in the urban reserve area brought into the UGB. Conceptual-level planning will likely be required, based on factors listed in SB 1011, including efficient use of existing and future public and private infrastructure investment, public facilities, transportation systems, natural ecological systems, needed housing types, preservation of important natural landscape features, and avoidance or minimization of adverse effects on farm and forest practices.

Concurrent urban and rural reserve designations are a new concept in Oregon and will require the cooperation of stakeholders on all sides, something that has so far been rare in Oregon's land-use wars. Only time will tell.

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