



May 5, 2011

Mr. Dan Cooper
Metro
Acting Chief Operating Officer
600 NE Grand Avenue
Portland, OR 97232

RE: Additional North Hillsboro Industrial Areas UGB Expansion Study Request

Dear Mr. Cooper:

In response to your April 29, 2011 notice and inquiry, **we request that a “Groveland Road Urban Reserve Area” (404 acres) be studied for potential 2011 industrial UGB expansion consideration.** Our request stems from the following recent chain of events:

In 2008-09 MPAC recommended that Metro consider a Regional 20-year UGB demand for between 200 – 1500 additional acres of land for large industrial sites. The 2009 Urban Growth Report (UGR) identified that land-need range. (Concurrently, the Region tried unsuccessfully to form a UGB large industrial site replenishment system.)

Based on the UGR, the COO recommended that at least 310 acres of land in North Hillsboro area immediately south of US Hwy 26 be added to the UGB for large industrial lots, and that additional land south of Hwy 26 and south of Waibel Creek be considered for UGB expansion if more land will be needed for large industrial sites in the Region. These potential UGB employment areas were studied by Metro staff in 2010. Study findings describe comparatively favorable performance of the 310-acre site in terms of employment site suitability and infrastructure services capacity.

In response, Hillsboro strongly agreed with the COO 310-acres recommendation but asked the Metro Council to add about 670 acres south of Hwy 26 to the UGB for large industrial sites: Johnson Reid LLC, CH2M/Hill and local industrial brokers market research confirms that the Portland Region needs a steady, development-ready large industrial site land supply of 1200 acres to become and stay competitive with other US Regions seeking to attract new anchor industries.

In 2010, the Metro Council adopted a **Capacity Ordinance** stating its *“intent”* to add **“approximately 310 acres of land suitable for industrial development in order to accommodate the demand (the aforementioned 200-1500 acres large sites range) identified in the 2009 UGR for large sites”**.

Hillsboro filed an objection to LCDC acknowledgement only to this specific item in the Ordinance on grounds that it violates State UGB Rules by: 1) failing to be based on the “best available information and technologies” (i.e., the aforementioned market studies and expert testimonies) and 2) failing to show that combining the 310 acres UGB expansion with a supply of large sites in the existing UGB would yield an “adequate” 20-year UGB large industrial site land supply. **We proposed an LCDC-ordered remedy that Metro cure these failures in 2011 by adding 670-1200 acres of land to the UGB for large industrial sites (in 2011).**

Regional Urban Reserves discussions throughout 2009-10 kept most prospective North Hillsboro area employment Urban Reserves designations south of Hwy 26. **This month, the Region approved a 404-acres employment-oriented Urban Reserve designation north of Hwy 26 covering a land area described below as the “Groveland Road Area”**. This change prompted this additional UGB areas study request.

The “Groveland Road Area” (See attached Map) This Area should be studied because its location and features list below are consistent with many of the UGB need factors in Metro Code 3.07.1425(C):

- A recent CH2M/Hill market-competitive, industrial site analyses identify much of **this Area as the top- rated, nationally-competitive Regional opportunity site in the Silicon Forest** for large “anchor-level” industrial companies in high tech, silicon solar energy manufacturing and bio-pharma traded sectors.
- This **Area would be the least costly to serve with infrastructure** compared to most other known prospective industrial UGB expansion areas in the Region.
- **A part the Area closer to the Brookwood Avenue/US Hwy 26 Interchange is needed to build trip capacity improvements to the Interchange, itself, and new and expanded nearby arterials and collectors** (i.e., Meek Road, Jacobsen Road, Schaff Road, Huffman Road, Groveland Road, proposed NW 273rd Avenue Overpass). This “bundle” of Interchange/roadway improvements is needed to make the Interchange capacity improvements function properly. State Planning Rules prohibit taking State Goal 3 exceptions in Urban Reserve areas to build such roadway facilities.

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- Along its entire westerly edge this **404-acre area is shielded from intensive farming uses and crop production Rural Reserve areas by a wide riparian/upland forested area and “undesigned lands”**. West Union Road forms a distinct northern edge to the area which could be widened by regulatory buffers to create wide gaps between any future employment activity in the area and farm uses north of the Road.

Our UGB study requests reflect our latest thinking about North Hillsboro Urban Reserves land that are better suited for industrial large sites UGB expansion consideration based on recent Reserves discourse and decisions.

I've asked our staff to request meetings between me and each Metro Councilor sometime in May-June (and concurrent Hillsboro-Metro staff-level meetings) to discuss these matters. Hopefully, we will be able convey our determination to do what's needed to pursue vitally needed industrial UGB expansions in North Hillsboro for the future growth and success of the traded sectors in the Silicon Forest.

Sincerely:

CITY OF HILLSBORO:



Jerry W. Willey
Mayor

Enclosures