

# Best Practices @ Greater Portland Metro Region

## Feb. 15-17, 2023

*For ground rules for this trip, see pg. 2.*

### **SUMMARY NOTES**

(trip headlines on pp. 1-2; trip ground rules on pg. 2-3; details on following pages)

#### **Demographics:**

Cities and counties around Portland have gained population and jobs; Portland and Multnomah County have lost population in reaction to issues such as the (relatively high) tax burden and chaotic environment.

#### **Land use and economic development:**

Even after the Metro Council 2018 review of the Urban Growth Boundary (UGB)—at the behest of entities concerned that the existing boundary did not include enough property open for development—determined that the boundaries enclosed sufficient developable land, growth proponents in Hillsboro are advocating even more expansion around the city to capture re-shored silicon chip manufacturing. Wilsonville, Tualatin believe that they have enough industrial land inside their UGBs for the coming ~5 years and believe they could be good sites for re-shored silicon chip manufacturing.

- Gresham (growing within its UGB) has many apartment developments in the planning and construction stages.
- Vancouver (which has no UGB) is growing in terms of jobs and use of land for housing development.
- Portland is trying to encourage small-business growth, while searching for a strategy for reviving downtown.

#### **Homelessness:**

The population and problem of homelessness shows no sign of decreasing – although individual cities have made progress toward addressing the problem.

- Vancouver and Gresham have small teams of outreach workers, who focus on getting to know people and providing them with housing and services.
- Portland's Mayor Ted Wheeler says that Portland's homeless population is too large, and social service workers too scarce, to conduct a similarly intensive and hands-on strategy. After receiving positive feedback from surveys of people experiencing homelessness, Wheeler (backed by the City Council) is proposing a series of large encampment locations, which will also allow individuals to be offered social services.

### **Tolling raises tempers – should more be done to increase support? :**

Tolling on I-5 is inevitable, according to Vancouver's mayor (despite opposition from other Washintonians) and also according to Oregon's Department of Transportation (despite opposition from some Oregonians, especially in the southwest quadrant of the Greater Portland Metro Area). Should more be done to win broader support for tolling, and if so, what?

Vancouver's mayor also said that an interstate bridge is inevitable, and today (unlike in the past), Washington will welcome multi-modal transportation across it.

*Trip Ground rules: Each city to be visited, and Metro, were told that they could structure a roughly ½ day program around the kinds of topics that Best Practices trips have explored everywhere:*

- **Demographic data**, including regional diversity/inclusion and synergies with cities around them.
- **Employer landscape/Human Capital/Regional competitiveness** and what makes their city's and neighboring cities' special in terms of innovation, entrepreneurship, workforce education. Jobs, housing supply: balanced or mismatched?
- **City history and governance:** Economic development practices and how transportation and land use are impacted. Longer term vision for prosperity, equity, and a healthy community

*Defining the Greater Portland Metro Area: The U.S. Census defines the Portland–Vancouver–Hillsboro, OR–WA Metropolitan Statistical Area, as including Clackamas, Columbia, Multnomah, Washington and Yamhill counties in Oregon; and Clark and Skamania counties in southwest Washington.*

*Portland and 23 other cities in Multnomah, Clackamas, and Washington Counties in Oregon; and Clark County in southwest Washington.[1] Portland (est. pop. 641+K, US Census 2021) is the largest city, followed by Vancouver (est. pop. 192+ K, US Census 2021) in Clark County; Hillsboro (106.5+K, U.S. Census 2020) and Gresham (114+K, US Census 2020); and Beaverton (97,494 US Census 2020). Three cities comprise a population center that spans southwest Washington County and Clackamas County: Wilsonville (pop. 26,664, U.S. Census 2020); Tualatin (pop. 27,942, U.S. Census 2020); and Sherwood (pop. 20,450, U.S. Census 2020).*

*Background on Metro: Metro is a regional government, serving a pop. of 1.7+ million in 3 counties (Clackamas, Multnomah and Washington), which include Portland and 23 other cities. The [Metro Council](#) consists of a president, elected regionwide, and six councilors who are elected by district every four years in nonpartisan races. Metro [provides](#) “regionwide planning and coordination to manage growth, infrastructure and development issues that cross jurisdictional boundaries...and to protect farms and forests from urbanization and to provide services that are regional in nature. ...(the regional government) works with local partners to bring this vision to life across the region – targeting investments in downtowns and main streets that spur economic development and accommodate growth while preserving the unique character of each community.”*

- Metro manages the [boundary](#) that separates urban land from rural land in the Portland region and works with communities to plan for future population growth and meet needs for housing, employment, transportation and recreation...”
- Metro also “coordinate[s] and plan[s] investments in the transportation system for the three-county area.”
- Metro “manages 17,000 acres of parks, trails and natural areas across the Portland metropolitan region,..”

- “Metro runs the [Oregon Zoo](#), [Oregon Convention Center](#), [Portland Expo Center](#) and [Portland’s Centers for the Arts](#). Together, these popular destinations drew 3.4 million people in FY 2013, generating nearly \$2 million a day in spending throughout the region.”
- “Metro plans and oversees the region's solid waste system...”

## Demographics:

**Cities and counties around Portland have gained population and jobs; Portland and Multnomah County have lost population in reaction to issues such as the (relatively high) tax burden and chaotic environment.**

- Hillsboro, Beaverton
  - Hillsboro—Washington Co.'s county seat and its most populous city—has been growing rapidly (1970, 15,365 population to ~106.6+K in 2021, US Census estimate).
  - Population growth in Beaverton, which is relatively more built-out within its city boundaries, has slowed but remains positive.
  - Cradle-to-career workforce development: Hillsboro has a cradle-to-career strategy of encouraging its residents to obtain sufficient education/training to fill the jobs being created in both the city's trades and in its high-tech industries
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- Wilsonville, Tualatin, Sherwood
  - All three cities in the southwest of the greater Portland metro region have been gaining population.
  - Broadly speaking, Wilsonville and Tualatin have more jobs than residents; Sherwood has more residents than jobs.
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- Vancouver :
  - Although the city and surrounding county have been gaining population and jobs from companies that choose to locate there for a variety of reasons, indicators suggest that the growth in Vancouver's population is a combination of factors including new residents choosing to live in Vancouver and surrounding areas and Portland residents coming north to take advantage of (a perceived) relatively lower tax burden and greater availability of affordable housing.
- Gresham: Population has increased as Portland residents, priced or gentrified out of the city, have moved to lower-cost housing in Gresham.
  - The movement of a relatively-lower-income demographic from Portland to Gresham, accompanied by siting of affordable housing in Gresham has raised demands for urban services without providing increased or sufficient funds to cover their cost.
- Portland:
  - Has **lost population (U.S. Census est. population in 2020 was 652,503 and 641,162 in 2021, a decrease of 1.7%), especially among [higher-income earners](#).**

- Multnomah County also lost population (U.S. Census est. population in 2020 was 815,428 and 803,377 in 2021, a decrease of 1.5%).

By contrast, Washington, Clackamas and Clark counties all gained population between 2020-2021 in the range of 0.3%-1.6% (the largest increase being in Clark County)

- Indicators suggest that population loss from Portland and Multnomah County is due to such factors as relatively high taxes, and concern about chaotic social picture (e.g., growing and highly visible homelessness; decline in quality of life conditions; riots/demonstrations in 2021, etc.).
- In 2021, Portland began [an effort to better](#) coordinate and unify financial management of the city's four public safety systems (Portland Police Bureau, Portland Fire & Rescue, the Bureau of Emergency Communications, and the Bureau of Emergency Management).
- Portland's response includes:
  - The [transition](#) to a mayor-and-city-manager form of government, adopted by the city's voters in November 2022, is scheduled for completion by the end of 2024.
  - [Modular housing](#) might help reduce costs of increasing the number of housing units available in Portland..
  - Prosper Portland's draft [Inclusive Economic Development Strategy](#) features growth industry clusters and place-based recommendations. **(The draft Strategy is going to the City Council in April for approval. Prosper Portland's [Shea Flaherty Betin](#) asked for feedback on the Strategy before April.)**

## **Land use and economic development:**

**Even after the Metro Council 2018 review of the Urban Growth Boundary (UGB)—at the behest of entities concerned that the existing boundary did not include enough property open for development—determined that the boundaries enclosed sufficient developable land, growth proponents in Hillsboro are advocating even more expansion around the city to capture re-shored silicon chip manufacturing.**

**Wilsonville, Tualatin believe that they have enough industrial land inside their UGBs for ~5 years and believe they could be good sites for re-shored silicon chip manufacturing.**

- **Gresham (growing within its UGB) has many apartment developments in the planning and construction stages.**
- **Vancouver (which has no UGB) is growing in terms of jobs and use of land for housing development.**
- **Portland is trying to encourage small-business growth, while searching for a strategy for reviving downtown.**

### *Background:*

– “Under Oregon law, each of the state’s cities and metropolitan areas has created an urban growth boundary around its perimeter – a land use planning line to control urban expansion onto farm and forest lands. [Metro is responsible for managing the Portland metropolitan area’s urban growth boundary.](#)”

– The Metro Council must “[keep 20 years of developable land](#) in the urban growth boundary.”

Note: Vancouver, in Washington State, has no UGB.

- Hillsboro, Beaverton
  - Hillsboro would like to position itself as a central location for technology industry companies to establish themselves—especially silicon chip manufacturing, with newly available federal funds for reshoring silicon chip manufacturing. City planners/leaders express a desire to live within the UGB, but believe that the best property for [potential next-generation silicon chip manufacturing facilities](#) (which tend to need large sites) is just outside the existing UGB.
  - Beaverton is constrained by existing industrial development and property ownership inside the UGB.

- North Plains, just to the north of Hillsboro, may have industrial land to offer to a re-shored chip facility, but may also be constrained by limited supply of fresh water.
- Essential services also require land.
  - For instance, PGE—which is key to providing both energy for normal consumption today and also will be key to addressing the low-carbon-use energy of the future—requires land for (unpopular but essential) electrical structures.
- Wilsonville, Tualatin, Sherwood
  - Wilsonville and Tualatin have land available for industrial development and the two cities are looking for technology industry companies (and light industry) to site there. City leaders believe that their available property is competitive with industrial property around Hillsboro/Beaverton
  - Preparing property for industrial (or any type of) development requires investing in preparing the property in advance.
    - The use of Tax Increment Financing to finance local property improvements can be, as one official put it, “magical”
- Vancouver:
  - Vancouver and Clark County have land available for development and are actively recruiting companies (esp. technology industry).
- Portland:
  - [Indicators](#) suggest that population loss—especially to Vancouver, WA—is due to relatively high taxes, and concern about the chaotic social picture (e.g. widespread homelessness, decline in quality of life conditions, riots/demonstrations in 2021).
  - The downtown is suffering from post-pandemic high building vacancy rates, while businesses in commercial nodes in other parts of the city have recovered.
  - Prosper Portland is using several levers, with an equity lens, to encourage small business growth, especially in key neighborhoods, nodes and transportation corridors.
    - An [analysis](#) by ECONorthwest of the need for a variety of approaches to stimulating business and social improvements in key corridors and [nodes](#).
    - Tax Increment Financing (i.e., TIF or “urban renewal”), which was used to shape urban development downtown and in the Pearl (with mixed results) is going to be used for the first time for a neighborhood redevelopment plan—with an equity lens—in the Cully neighborhood. (TIF has been used in other neighborhoods in past decades, and [recently in the Lents neighborhood](#).)

- Metro: Metro's real estate responsibilities/positions cover three areas:
  - Land for [parks](#) and other public uses
  - Property for affordable housing, which is being paid for by (recently enacted) housing [bonds](#); the property where housing is to be located must be found/acquired within Metro's jurisdictions, esp. inside cities.
  - Property for [transit improvements](#) (e.g. the "southwest corridor"); these are related to property improvements alongside transit corridors.
  - Metro is responsible for the Urban Growth Boundary (UGB) in three counties, including occasionally expanding the UGB to [add land for housing development](#)



## **Houselessness:**

**The population and problem of houselessness shows no sign of decreasing – although individual cities have made progress toward addressing the problem.**

- **Vancouver and Gresham have small teams of outreach workers, who focus on getting to know people and providing them with housing and services.**
- **Portland's Mayor Ted Wheeler says that Portland's houseless population is too large, and social service workers too scarce, to conduct a similarly intensive and hands-on strategy. After receiving positive feedback from surveys of people experiencing homelessness, Wheeler (backed by the City Council) is proposing a series of large encampment locations, which will also allow individuals to be offered social services.**
- **<https://www.newscientist.com/article/2356643-we-can-reduce-homelessness-if-we-follow-the-science-on-what-works/>**
- **Vancouver:**
  - Vancouver's small team of workers who conduct outreach to people experiencing homelessness have had success by following up and, when people are ready to move inside, promptly providing indoor housing.
  - ○ Key to Vancouver's success: the city manager can rapidly translate policy decisions made by the city council into actions/strategy conducted by city workers.
  - Using city funds for the homeless program has allowed the city to avoid some of the strings that come with state and federal funding.
  - Vancouver also is planning to increase the city's supply of [affordable housing](#)
- **Gresham:**
  - Has dramatically reduced the population of homeless people inside the city limits from hundreds to dozens.

- A city team of outreach workers (with lived experience) enforces city laws against camping on city property, and when individuals are ready to move indoors, moves quickly to find suitable indoor housing.
- A city manager form of government allows for rapidly translating policies into actions.
- Portland
  - Mayor Ted Wheeler said that his two top priorities—which are equal in importance—are addressing a) homelessness; and b) gun violence.
  - **On Gun Violence:** Wheeler stated that it is at historic levels and that he is attempting to reduce it through Focused Intervention Teams, enhanced Community Safety Teams (to investigate incidents) and Community Based Interveners (trusted community members who talk to youth involved or exposed to gun violence to help them move away from this violence).<sup>1</sup>
  - **On Homelessness:** Wheeler said that the number of Portland’s camps of houseless people numbers in the hundreds, and with a shortage of trained social workers, the city faces a problem too big to address via a more intensive, hands-on social service model. (Currently, news reports say that people living on the streets see social service outreach workers only rarely.)
  - In 2022, the City Council approved Wheeler’s set of proposals, including a ban on unsanctioned camping while establishing approved camping locations, where supportive services would be offered. (A similar model has been [deployed in Los Angeles](#). At this writing, [sites](#) are currently being considered, and [neighborhood feedback](#) is being reported in local news.)
  - Wheeler defended his set of proposals, which he said he hoped would lead to—among other things—fewer [houseless people dying](#) on Portland’s streets.
  - Portland’s [Homelessness and Urban Camping Impact Reduction Program](#) has [recently created](#) a “[dashboard](#)” for data about what the city is doing to clean up camps of people experiencing homelessness (e.g. it lists numbers of [campsites cleared and pounds](#) of garbage collected).
    - *Note:* The new dashboard for information about sweeps of homeless camps does not include information about whether people from those camps have been permanently rehoused.
    - “Of the roughly 1,700 homeless Portlanders offered shelter during city sweeps of encampments over the past 10 months, just 11% remain in some form of temporary shelter and fewer than 1% are permanently housed, data provided by Multnomah County shows.”--[Oregonian, Feb. 21, 2023](#).

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<sup>1</sup> Thank you to Walt Mintkeski for his correction to my initial notes.

- *Note:* Officials in Vancouver and Gresham told the Best Practices visitors that having a city manager was critical to their rapid and—in their view relatively effective response to providing places for houseless people to go indoors.
  - Officials in Vancouver added that working with city funds allowed them to be flexible; federal and state dollars come with many strings attached.
  - (After reorganization of Portland’s governance structure by the end of 2024, Portland will have a city manager; Portland is currently the only large US city without a city manager form of government.)
- METRO
  - In 2020, voters in the three METRO counties (Multnomah, Washington, Clackamas) adopted Measure 26-210 “[to fund services for people experiencing or at risk of homelessness.](#)”
    - [“The measure puts](#) a 1% tax on income over \$125,000 a year for individuals and on income over \$200,000 a year for couples. Joint filers making \$215,000 a year, for example, would be taxed 1% on \$15,000, or \$150 a year. It also places a separate 1% tax on profits from businesses with gross receipts of more than \$5 million. Funds collected from the tax, estimated at \$250 million a year, will be spent on things like addiction and mental health services, employment support and rent assistance.”
    - In the first year since passage of the measure, [Patricia Rojas, Metro’s regional housing director,](#) said (in August 2022), “9,000 people who were able to avoid homelessness altogether with eviction prevention services from the counties. In this case, the goal was 1,000 people to receive eviction prevention services and 9,000 were served.”
- *Note:* Oregon has a serious [shortage of affordable housing](#) and housing with supportive services. Housing and homelessness are two of Gov. Tina Kotek’s [top priorities](#). Throughout Oregon, people are [thinking](#) and [commentary](#) about how the state approaches housing and homelessness.
- *Note:* Separately, [Multnomah County](#) also has a plan to move people out of homelessness into housing. In February 2023, the county announced that the “plan, called Housing Multnomah Now, will go into effect immediately. The \$14 million plan focuses on a housing-first model.”



## **Tolling raises tempers – should more be done to increase support? :**

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- **WILSONVILLE/TUALATIN/SHERWOOD:**
  - OPay-for-use [tolls are coming](#) to the new the planned new Abernethy and Tualatin River bridges on Interstate 205
  - ...but local officials do not like the concept of tolling on I-205 of I-5 and oppose increasing the amount of tolling to pay for improvements on major transportation corridors
- **VANCOUVER:**
  - In Vancouver, the interstate bridge replacement project is getting a welcome from the mayor's office, including multi-modal transportation on the bridge,
  - ...although there have been more [than one](#) vote taken on the topic by the Clark County Council, resulting in [opposition](#) to pay-for-use tolling on the bridge
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