



February 4, 2014

Jon Holan
Community Development Director
City of Forest Grove
PO Box 326
Forest Grove, OR 97116

Dear Mr. Holan:

Enclosed, please find an original and signed copy of the Community Development and Planning Grant Intergovernmental Agreement between Metro and the City of Forest Grove – “Westside Planning Program Project.” The Metro contract number for this project is 932489. Please use this number when referencing this project in your invoices and reports.

If you have any questions or comments, do not hesitate to contact the Metro liaison to this project, Tim O’Brien, Principal Regional Planner, at 503-797-1840 or “tim.o'brien@oregonmetro.gov”

We look forward to working with you and the City of Forest Grove on this project.

Sincerely,

Gerry Uba
CDPG Project Manager

Enclosure

c: Tim O’Brien, Principal Regional Planner, Land Use Planning
Sherrie Blackledge, Senior Management Analyst, Planning & Development
Sarah Erskine, Administrative Assistant, Finance & Regulatory Services

**CONSTRUCTION EXCISE TAX GRANT
INTERGOVERNMENTAL AGREEMENT
Metro – City of Forest Grove
Westside Planning Program Project**

This Construction Excise Tax Grant Intergovernmental Agreement (“CET Grant IGA”) is effective on the last date of signature below, and is entered into by and between Metro, a metropolitan service district organized under the laws of the state of Oregon and the Metro Charter, located at 600 Northeast Grand Avenue, Portland, OR, 97232-2736 (“Metro”), and the City of Forest Grove (“City”), located at 1924 Council Street, Forest Grove, OR 97116, collectively referred to as “Parties.”

WHEREAS, Metro has established a Construction Excise Tax (“CET”), Metro Code Chapter 7.04, which imposes an excise tax throughout the Metro regional jurisdiction to fund regional and local planning that is required to make land ready for development after inclusion in the Urban Growth Boundary; and

WHEREAS, the CET is collected by local jurisdictions when issuing building permits, which the local jurisdictions then remit to Metro pursuant to Construction Excise Tax Intergovernmental Agreements to Collect and Remit Tax (“CET Collection IGAs”) entered into separately between Metro and the local collecting jurisdictions; and

WHEREAS, the City has submitted a CET Grant Request (“Grant Request”) for the Forest Grove Westside Planning Program Project (“Project”); and

WHEREAS Metro has agreed to provide the City CET Grant funding for the Project in the amount of \$123,000 subject to the terms and conditions set forth herein, and the parties wish to set forth the funding amounts, timing, procedures and conditions for receiving grant funding from the CET fund for the Project.

NOW THEREFORE, the Parties hereto agree as follows:

1. Metro Grant Award. Metro shall provide CET grant funding to the City for the Project as described in the City’s CET Grant Request, attached hereto as Exhibit B and incorporated herein (“Grant Request”), in the amounts and at the milestone and deliverable dates as set forth in Exhibit A attached hereto and incorporated herein (“Deliverables Schedule”), subject to the terms and conditions in this Agreement.
2. City Responsibilities. The City shall perform the Project described in the Grant Request and as specified in this Agreement and in Exhibit A, subject to the terms and conditions specified in this Agreement and subject to the “funding conditions” identified by the Screening Committee as stated in Metro Council Resolution No. 13-4450, Exhibit A. The City shall obtain all applicable permits and licenses from local, state or federal agencies or governing bodies related to the Project, and the City shall use the CET funds it receives under this Agreement only for the purposes specified in the Grant Request and to achieve the deliverables and/or milestones set forth in Exhibit A.
3. Payment Procedures. Within 30 days after the completion of each deliverable/milestone as set forth in Exhibit A, the City shall submit to Metro an invoice describing in detail its expenditures as may be needed to satisfy fiscal requirements. Within 30 days of receiving the City’s invoice and supporting documents, and subject to the terms and conditions in this Agreement, Metro shall reimburse the City for its eligible expenditures for the applicable deliverable as set forth in Exhibit A. Metro shall send CET payments to:

City of Forest Grove
Attention: Nancy Mateo
P.O. Box 326
Forest Grove, OR 97116

4. Funding Provisions.

(a) CET Funds. Metro's funding commitment set forth in this Agreement shall be fulfilled solely through the programming of CET funds; no other funds or revenues of Metro shall be used to satisfy or pay any CET Grant funding commitments. The parties recognize and agree that if the CET is ever held to be unenforceable or invalid, or if a court orders that CET funds may no longer be collected or disbursed, that this Agreement shall terminate as of the effective date of that court order, and that Metro shall not be liable in any way for funding any further CET grant amounts beyond those already disbursed to the City as of the effective date of the court order. In such case the City shall not be liable to Metro for completing any further Project deliverables as of the date of the court order.

(b) Waiver. The parties hereby waive and release one another for and from any and all claims, liabilities, or damages of any kind relating to this Agreement or the CET.

5. Project Records. The City shall maintain all records and documentation relating to the expenditure of CET Grant funds disbursed by Metro under this Agreement. The City shall provide Metro with such information and documentation as Metro requires for implementation of the CET grant process. The City shall establish and maintain books, records, documents, and other evidence in accordance with generally accepted accounting principles, in sufficient detail to permit Metro or its auditor to verify how the CET Grant funds were expended. Metro and its auditor shall have access to the books, documents, papers and records of the City that are directly related to this Agreement, the CET grant moneys provided hereunder, or the Project for the purpose of making audits and examinations.

6. Audits, Inspections and Retention of Records. Metro and its representatives shall have full access to and the right to examine, during normal business hours and as often as they deem necessary, all City records with respect to all matters covered by this Agreement and Exhibit A. Such representatives shall be permitted to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls and other matters covered by this Agreement. All documents, papers, time sheets, accounting records, and other materials pertaining to costs incurred in connection with the project shall be retained by the City and all of their contractors for three years from the date of completion of the project, or expiration of the Agreement, whichever is later, to facilitate any audits or inspection.

8. Term. This Agreement shall be effective on the date it is executed by both parties, and shall be in effect until all deliverables/milestones have been achieved, all required documentation has been delivered, and all payments have been made as set forth in Exhibit A, unless terminated earlier pursuant to this Agreement.

9. Amendment. This CET Grant IGA may be amended only by mutual written agreement of the Parties.

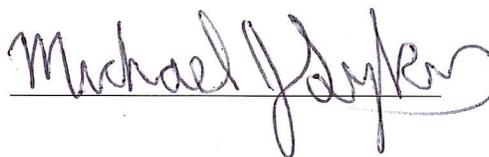
10. Other Agreements. This CET Grant IGA does not affect or alter any other agreements between Metro and the City.

11. Authority. City and Metro each warrant and represent that each has the full power and authority to enter into and perform this Agreement in accordance with its terms; that all requisite action has been taken by the City and Metro to authorize the execution of this Agreement; and that the person signing this Agreement has full power and authority to sign for the City or Metro, respectively.

Metro

City of Forest Grove

By: 
Martha Bennett

By: 

Title: Metro Chief Operating Officer

Title: City Manager

Date: 1/31/14

Date: 1/8/14

Approved as to Form:

Approved as to Form:

By: 
Alison R. Kean

By: 

Title: Metro Attorney

Title: City Attorney

Date: 1/28/14

Date: 12/23/13

Attachments:

Exhibit A – Deliverables Schedule
Exhibit B - City's Grant Request

Exhibit A

IGA for Community Planning and Development Grants funded with CET Forest Grove – Westside Planning Program Milestone and Deliverables Schedule for Release of Funds

Milestone	Deliverable	Date Due*	Grant Payment
1.	Execution of Grant IGA	December 31, 2013	\$0.00
2.	Execution of Professional Services Agreement with consultant <ul style="list-style-type: none"> a) Prepare RFP b) Select Consultant c) Negotiate and execute professional services agreement 	January 31, 2014	\$0.00
3.	Develop Project Public Participation Program Public Involvement Program <ul style="list-style-type: none"> a) Prepare public involvement program including project FAQ; direct mail; open houses; newspaper insert and project webpage b) Metro acceptance of public participation program c) Establish Technical Advisory Committee (TAC) d) Review program with Citizens Community Involvement (CCI) e) Prepare stakeholder working group roster 	March 31, 2014	\$18,000
4.	Planning Commission Review of Urban Reserve Concept Plan Draft Title 11 Urban Reserve Concept Plan <ul style="list-style-type: none"> a) Complete Title 11 analysis requirements consistent with Metro Code 3.07.1110 and submit to Metro b) Determine if Comprehensive Plan and/or TSP needs to be amended, and if so, prepare amendments c) Conduct workshop with property owners and interested citizens d) Submit to review agencies for comments e) Conduct technical committee meeting f) Conduct stakeholder working group meeting <ul style="list-style-type: none"> • Agenda and meeting notes 	October 31, 2014	\$33,500

	<ul style="list-style-type: none"> • Copies of public outreach materials <p>g) Prepare final documents for Planning Commission hearing incorporating review comments</p> <p>h) Prepare findings</p> <p>i) Prepare staff report and ordinances</p> <p>j) Legal Notice issued</p> <p>k) Conduct Planning Commission public hearing</p> <p>l) Brief CCI</p> <p>m) Monthly progress reports to Metro PM</p>		
5.	<p>City Council considers for Adoption Urban Reserve Concept Plan</p> <p>Adoption ready Title 11 Urban Reserve Concept Plan</p> <p>a) Prepare final urban reserve plan incorporating any changes at Planning Commission</p> <p>b) Prepare, if needed, and Comprehensive Plan and/or TSP amendments</p> <p>c) Conduct City Council Work Session(s)</p> <p>d) Prepare transmittal memo and finalize ordinances</p> <p>e) Issue public hearing notice for City Council hearing</p> <p>f) Conduct public hearing</p> <p>g) Submit to Metro adopted Title 11 compliant Urban Reserve Concept Plan</p>	December 31, 2014	\$1,500
6.	<p>Planning Commission Review of David Hill Plan</p> <p>Draft Davis Hill Area Land Use and Transportation Plan</p> <p>a) Geo-technical analysis and policy for steep slope protection</p> <p>b) Sustainability program</p> <p>c) Transportation alternatives evaluation</p> <p>d) Conceptual transportation network</p> <p>e) Draft plan</p> <p>f) Draft TSP and if needed Comprehensive Plan amendments</p> <p>g) Draft amendments to Development Code and Zoning Map</p> <p>h) Conduct workshop with property owners and interested citizens</p> <ul style="list-style-type: none"> • Agenda and meeting notes • Copies of public outreach materials <p>i) Submit to review agencies for comments</p> <p>j) Conduct technical review committee meetings</p> <p>k) Conduct stakeholder working group meeting</p> <ul style="list-style-type: none"> • Agenda and meeting notes 	March 31, 2015	\$68,500

	<ul style="list-style-type: none"> • Copies of public outreach materials l) Prepare final documents for Planning Commission hearing incorporating review comments m) Prepare findings n) Prepare staff report and ordinances o) Legal Notice issued p) Conduct Planning Commission public hearing q) Brief CCI r) Monthly progress reports to Metro PM 		
7.	<p>City Council considers for Adoption David Hill Plan and attendant amendments including TSP, Comprehensive Plan, Development Code and Zoning Map</p> <p>Adoption Ready David Hill Plan and attendant TSP, Comprehensive Plan, Development Code and Zoning Map amendments</p> <ul style="list-style-type: none"> a) Prepare final David Hill Plan incorporating any changes at Planning Commission b) Prepare final Comprehensive Plan, TSP, Development Code and Zoning Map amendments incorporating any changes at Planning Commission hearing c) Conduct City Council Work Session(s) d) Prepare transmittal memo and finalize ordinances e) Issue public hearing notice for City Council hearing f) Conduct public hearing g) Submit to Metro adopted David Hill Plan and attendant amendments 	May 31, 2015	\$1,500
TOTAL REIMBURSABLE AMOUNT			\$123,000

*If the Grant contained any Funding Conditions, Grantee shall demonstrate satisfaction with those conditions at the applicable milestone or deliverable due dates. The following will be addressed as part of the Urban Reserve Concept Plan (Milestone 4): discussions with Gresham concerning eco-industrial, obtain eco-industrial brochures (obtain prior to process), Metro staff invited to participate on Technical Committee, address sustainability and financing/governance commitment and examine transportation choices. David Hill Plan (Milestone 6) will address Metro staff participation on Technical Committee, address sustainability, financing and governance commitment and examine transportation choices.

*Due dates are intended by the parties to be hard estimates of expected milestone completion dates. If the City anticipates that a due date cannot be met due to circumstances beyond its control, it shall inform Metro in writing no later than ten (10) days prior to the due date set forth above and provide a revised estimated due date; and Metro and the City shall mutually agree upon a revision to the milestone due dates set forth in this Agreement.

Note: City of Forest Grove match = \$49,000

Exhibit B

City Grant Request

Forest Grove Westside Planning

Project Narrative

a. Project Description

The City of Forest Grove continues to experience sustained development activity. During the past three years the City of Forest Grove issued 229 new single family residential building permits. With this level of development activity, the inventory of approved single family lots is being rapidly depleted. At best, Forest Grove has a three or four supply of approved single family lots. This presents both a challenge and opportunity for the Forest Grove community. The challenge is evident given Metro's long term household growth projections released in 2012. The household projections indicate approximately 94% of the planned household capacity within the northwestern portion of the City's planning area, referred to as the David Hill area, (Metro Transportation Analysis Zone 1393) will be absorbed by the Year 2025. As absorption of single family lots continues, there will be increased pressure for new subdivision activity especially within the urban growth boundary where little advance planning work has taken place.

The challenge is clear. So is the opportunity. Simply stated the opportunity is sustainability. The undeveloped area within the Forest Grove planning area provides a clean slate for promoting sustainable residential development that takes into account natural areas, steep slopes and land efficient development patterns and transportation systems. How this project addresses sustainability is explained more fully below.

In addition, to demand for new single family residential lots, the City's Economic Opportunity Analysis indicates a need for large lot industrial land. The Purdin Road urban reserve area (URA) is well suited for large lot industrial development meeting local and regional employment needs. The Purdin Road URA is designated by Metro as Urban Reserve 7B. Concept planning is necessary to maximize development opportunities within the urban reserve and ensure local employment opportunities which reduce the need to commute and thereby lower regional vehicle miles traveled. Good planning practice also suggests that the urban reserve area be considered in relation to the developing David Hill area noted above. As such, concept planning within the urban reserve area is included as an element of this project.

The principle goal of this project is simple: the City of Forest Grove wants to "get ahead" of future subdivision and development activity. Getting ahead of the subdivision process is necessary to maximize development potential, promote sustainable development practices, and ensure a balanced transportation system where neighborhoods are well connected to each other as well as the local and regional transportation systems. This goal will be achieved through this project by establishing a framework for sustainable (residential and non-residential) development, creating clear City expectations regarding transportation connections and adoption of revised development standards for steeply sloped areas to maximize development potential and minimize development costs. The other primary goal is related to the URA. This goal is to diversify large-lot industrial sites in the Metro Region to include a portion of the Purdin Road area in the next round of UGB considerations.

The expected outcomes described below, build on the project goal by removing barriers to future development and streamlining the subdivision review and permitting process leading to timely and more cost-effective issuance of building permits. It is expected building permits will be issued in the project area within the urban growth boundary within the next two- to five-years.

Expected outcomes of this project include:

- Adoption of a conceptual local street network and land use plan for the developing residential area of the community for inclusion in the TSP and Comprehensive Plan;
- Adoption of development standards for development within steeply sloped areas.
- Completion of a land use concept for Urban Reserve 7B preserving opportunities for large lot industrial uses and sustainable development;
- Improving predictability in the subdivision review process by documenting constraints to development and City transportation expectations; and
- Advancing sustainability goals including:
 - Supporting a land efficient development pattern that minimizes infrastructure cost and environmental impact;
 - Identifying opportunities for cluster development to increase development densities within the project area while minimize the environmental impacts of development;
 - Promoting a transportation network that minimizes out of direction travel and vehicle miles traveled and enables multiple modes of travel;
 - Providing opportunities so that residents are able to shop and work close to their place of residence if desired;
 - Establish a land use pattern supportive of transit; and
 - Encourage a transition from outer-neighborhood suburban residential to a more walkable environment.

b. Project Site Description

This project includes three distinct subareas: 1. Forest Gale Heights/Gales Creek Road Neighborhood; 2. David Hill Area; 3. Purdin Road Urban Reserve Area. Together these distinct subareas form a whole for evaluating sustainable development practices in an area of the community likely to experience significant development pressures.

1. Forest Gale Heights/Gales Creek Road Neighborhood: This area is developed with single family residential neighborhoods at densities ranging from 4.35 dwellings to 6.22 dwellings per net acre. This part of the City includes subdivisions built over the last thirty years. This area is suburban in character with isolated subdivisions which are auto dependent. Many of these subdivisions have limited connections to the arterial and collector street system making it difficult for non-motorized modes of transportation. The Forest Gale Heights and Gales Creek Road Neighborhoods are included in the project to provide an opportunity to examine potential future transportation connections to/from this developed area to new neighborhoods to the north. The Forest Gale Heights/Gales Creek Road Neighborhood is approximately 295 acres in area.

2. David Hill Area: The David Hill area is located within the northwest portion of the City's planning area. The David Hill area is adjacent to the Forest Gale Heights and Gales Creek Road area neighborhoods to the south. The David Hill area is undeveloped and characterized by large tracts of land currently in forest or agricultural use. Due to slope constraints the area is planned for residential densities in the 4.35 dwellings per net acre range. A portion of the area above the 440 foot elevation line is planned for development at 1.0 dwellings per acre due to current constraints associated with providing water service. The David Hill subarea is approximately 374 acres in land area.

This project provides an opportunity to establish a framework for sustainable development and transportation in an area of the community, with significant development constraints, likely to experience intense development pressure over the next ten years. Metro's long range growth projections indicate that more than 94% of the residential development capacity in TAZ 1393 (west of Thatcher Rd. and North of David Hill Rd.) area will be absorbed by 2025.

3. Purdin Road Urban Reserve Area: The Purdin Road Urban Reserve area is a critical piece of Forest Grove's sustainable development strategy. The Purdin Road urban reserve area is well suited to meet future local and regional employment needs. The Purdin Road urban reserve area is approximately 470 acres in land area and is characterized by flat terrain down slope from Thatcher Road on the west. This area is well suited for large lot industrial development complementary of Forest Grove's location in the region, municipal watershed and municipal light and power department.

The project area is located within the western part of the City's planning area as well as Urban Reserve 7B located north of the City. The project area is approximately 1,140 acres in total land area. The project area includes 295 developed acres, 378 undeveloped acres and 468 acres in urban reserve. The project area as proposed includes the majority of vacant, buildable land remaining within the urban growth boundary. The City also does not have a circulation plan for the two adjacent Urban Reserve Areas (URAs) David Hill URA and Purdin Road URA, approved in 2011 by Washington County and Metro. The study would include a transportation analysis for any revision to the TSP.

To remove possible development barriers, this project includes a geotechnical assessment to be performed by a qualified consulting firm with expertise in this specialty. Much of the area west of Thatcher Road has geologic constraints including steep slopes, ancient landslides, "slick" soils and shallow groundwater. Because of these constraints, several homes in a nearby subdivision required special foundation designs in order to ensure their structural stability. These same constraints may affect the proposed location of streets and other public infrastructure and need to be examined on an area-wide basis, rather than trying to address them as development applications are filed. The outcome of the geotechnical assessment will also provide the basis for establishing development standards addressing the geotechnical issues. Currently, the Forest Development Code requires a geotechnical analysis for property with a slope of 20% or more. The City has not factual basis to require a lower threshold which we believe prudent based on standards used in other communities. Understanding the extent of geotechnical issues in advance of development proposals should help streamline the development review process and possibly reduce the overall cost of development.

The City has included Urban Reserve Area 7B in this grant request. The undeveloped area within the current UGB and the URAs are adjacent to each other and to existing development. Because of their inter-connectedness, it is simply good planning practice for the City to create a detailed plan of the current UGB and adjacent URA to ensure that they can be efficiently integrated into the community. The City pursued inclusion of a portion of the Purdin Road URA, as it was one of three sites recommended by MPAC to be included in the most recent UGB expansion. While it was not included in the final action by the Metro Council, it is a potentially viable site for consideration in the upcoming UGB consideration in 2014/2015. The grant will assist the City in completing the Metro Title 11 concept planning. In addition, the 2009 *Economic Opportunities Analysis and Long-Term Urban Land Needs Assessment* (EOA) concluded that "Forest Grove is generally lacking in necessary industrial sites on the larger end of the industrial user spectrum ..." This lack of large-acreage industrial sites is indicative of the City's "inability to recruit / site larger users." To be able to recruit a larger-acreage user, the City must have such sites in its industrial lands inventory. While no larger-acreage sites are located in the current UGB, there are sites located in the Purdin Road URA that could address this deficiency.

c. Project Background

Several previous planning efforts have led to the need for this project. These planning efforts include adoption of the Regional Transportation Framework Plan; adoption of urban reserve designations; release of the Metro long range gamma household growth projections; and work related to periodic review of the Forest Grove Comprehensive Plan. These projects have involved

the planning staff from the City of Forest Grove, Washington County and Metro. In addition, the need for this project is evident given the sustained development experienced by Forest Grove.

d. Evaluation Criteria (Projects within the Current UGB and Urban Reserve Area)

Expected Development Outcomes: Explain how the proposed planning and development grant will increase the ability to achieve on-the-ground development/redevelopment outcomes. The project will increase the ability to achieve on-the-ground development outcomes in a timely and efficient manner by establishing clear City expectations related to subdivision of land and desired transportation system. The project will result in identification of a conceptual future local street network, including transportation connections to adjacent areas, and a geological assessment in areas constrained by steep slope. Both the lack of a planned street network and uncertainty regarding slope constraints are potential barriers to future development. Adoption of a local street network will support developer financing of needed infrastructure improvements. Information from the geological assessment will provide the necessary basis for amending the City's Development Code regarding thresholds for site specific geo-technical assessments and further engineering required with development applications.

This project provides an opportunity to survey property owners within the developing residential area to assess level of interest in development and timing. At a minimum this project will open up lines of communication with property owners. This project also provides an opportunity to share information with residents of adjacent neighborhoods about how the City may develop in the future. Residents will be given an opportunity to share their desires and expectations about the future of Forest Grove. Increasing communication should help with the future review of subdivision applications leading to issuance of building permits within a five year time frame.

- a) Identification of opportunity site/s within the boundary of the project area with catalyst potential that focus on jobs growth and/or housing. Explain the characteristics of the site/s and how the proposed project will lead to a catalyst investment strategy with private and public sector support. This project is not focused on any one particular opportunity site. Rather, the catalyst potential from the project is the potential to remove barriers to future housing development within the City's planning area through advance planning efforts. This project focuses on removing potential barriers to timely and cost-effective by streamlining the development approval process and establishing clear City objectives and requirements for transportation connections and geotechnical analysis. As development occurs in the David Hill area, it increases the marketability and investments in the Forest Grove Town Center to provide goods and services for David Hill area residents.
- b) The expected probability that due to this planning and development grant, development permits will be issued within two years. Although it is possible that this planning and development grant will result in issuance of building permits the expected probability is low. However, staff believes that land use and development review activity is plausible within the two-year time frame since the existing residential inventory is diminishing at a high rate (see the discussion in the next section).
- c) The expected probability that due to this planning and development grant, development permits will be issued within five years. The probability is high that this grant will result in the issuance of development permits within five years. Since January 2010, the City of Forest Grove has issued 230 new single family residential building permits (an average of 76 permits annually). Currently, there are approximately 300 platted vacant single family residential lots. This amounts to a four year inventory based on absorption over the past three years. This project will encourage further subdivision of land to promote the issuance of building permits after the currently platted lots are absorbed during the next three to five years.

d) The level of community readiness and local commitment to the predicted development outcomes. The predicted development outcome is timely subdivision of land necessary to support needed housing types and market choice as well as development of large lot industrial sites within the urban reserve. The City of Forest Grove is ready and committed to this expected outcome. This project will ensure that there are a variety of development sites of adequate scale supported by an inter-connected transportation system. The City's existing urban form provides strong residential development opportunities although there is a lack of large lot industrial sites. However, development of the remaining land within the urban growth boundary is hindered by steep slopes, vegetative corridors and lack of a planned transportation network and inadequate water storage infrastructure. This project proposes to address these potential barriers to development in advance of development proposals.

e) Describe the roles and responsibilities of the applicant and county or city, and relevant service providers for accomplishing the goals of the proposed project. The City of Forest Grove Community Development will oversee the planning effort. The City will form a technical advisory committee including representatives from the Planning Division, Engineering Division, Administrative Services Department (Finance), and consulting team providing expertise in transportation planning, infrastructure, and geotechnical analysis. As a full service city the technical advisory committee will include the relevant service providers. The City will also form a stakeholder working group to involve property owners, developers and real estate interests.

Regionally Significant: This project is regionally significant since it directly addresses elements of the Regional Transportation Functional Plan related to the transportation system. Furthermore, this project will help remove potential obstacles to the subdivision of land and encourage the orderly and efficient development of land within the urban growth boundary consistent with the Urban Growth Management Plan and urban reserve area. In addition, a coordinated development plan would aid the region achieve targets for greenhouse gas reductions by implementing RTP and TSP provisions, including limiting out-of-direction travel, as well as provide a development pattern suitable for both residential and industrial development that could be served by transit. Furthermore, this project is regionally significant since the project will increase the diversity of large lot industrial development in the western part of the region in an area with comparatively low electricity costs. In addition, this project addresses Section 3.07.1110C2 which emphasizes that urban reserve areas be coordinated with the comprehensive plans and land use regulations that apply to nearby lands already within the UGB. Finally this project promotes the Region 2040 Growth Concept and many of the Six Desired Outcomes including creating opportunities for people to live and work in a vibrant community with an efficient multi-modal transportation system (Outcome A). This project promotes the region's sustained economic competitiveness and prosperity by expanding future employment opportunities and Forest Grove's competitive advantage with respect to low electrical and water rates (Outcome B). This project promotes a balanced transportation system and transportation choice by proactively establishing a local street network in the project area (Outcome C). Promoting a balanced transportation will also help reduce greenhouse gas emissions reducing contributions to global warming (Outcome D). Furthermore, by expanding employment opportunities for current and future Forest Grove residents helps ensure that the benefits and burdens of growth and change are distributed equally (Outcome F).

Location: The project location includes the undeveloped area within the current UGB and Urban Reserve 7B as shown on the attached map. The project location includes and potential future employment and industrial area (Urban Reserve 7B). This project will facilitate development in the future employment and industrial area.

Best Practices Model: This project will demonstrate how a developing residential area can be comprehensively planned and coordinated with an urban reserve area focused on large lot industrial employment. This project will also proactively address traffic circulation (both within the

Forest Grove Westside Planning

developing residential area and to nearby residential neighborhoods) as well as proactively addressing development constraints prior to review of development proposals. This approach will help streamline the development review process and help hold down the overall cost of development. As a best practice, this project will help expand opportunities for large lot industrial development and employment in an area of the region that has comparatively low electricity rates through Forest Grove Light and Power and low water costs.

Leverage and Matching Fund/Potential: The City of Forest Grove will fund staff time related to planning related work, project management, consultant coordination, and administrative tasks. This project has potential to leverage investments in the existing transportation system by maximizing connections between the existing developed area and the developing residential area. Furthermore, maximizing densities through sustainable and land efficient development practices (e.g. cluster development) could provide opportunities for more dwelling units than possible under baseline conditions. Additional dwelling units will result in higher taxable value in the community, additional construction jobs, and increased permit revenue including construction excise tax revenue.

Equity: Based on City accounting records, development within the City of Forest Grove generated \$260,331.61 since 2007. Since 2007 the City received two CET grant awards. One award was in the amount \$8,422 to complete planning for an area brought into the urban growth boundary. The second award was for \$85,000 to fund completion and potentially adoption of an urban renewal plan within the City. Combined these CET funded projects amount to \$93,422.

Public Involvement: The City will form a stakeholder working group to involve property owners, developers and real estate interests and the broader community in the project. A firm or person(s) specializing in public outreach will be used to strengthen the project outcome.

Collaborations Planning staff with Washington County Land Use and Transportation have been invited to participate with the project. Washington County staff have expressed their willingness to provide in-kind staff support to this planning effort within resource constraints.

Statement The Forest Grove City Council has been briefed about the grant opportunity and endorsed the proposed project. The City has followed internal policies for approval required to submit this application for grant funding. Adoption of a formal City Council resolution for submittal of this application is not required.

Project Management Jon Holan, Community Development Director, will provide project management oversight and will be the designated primary contact for this project.

Evaluation Criteria Specific to Urban Reserve Areas

Address Title 11 Requirements for Urban Reserve Areas Since the proposed project area includes a designated urban reserve area the project scope includes preparing a concept plan consistent with Title 11 requirements. This includes preparing a land use concept with sufficient detail to estimate the cost of public systems; addressing the location of infrastructure improvements; assessment of opportunities to protect sites for large lot industrial development; identification of areas potentially subject to UGMFP Titles 3 and 13; and policies to include the Urban Planning Area Agreement with Washington County regarding interim protection of the area; service provision and annexation.

Address how the proposed projects will meet local needs and also contribute solutions to regional needs Preparation of a Title 11 concept plan will address a community need for large lot industrial sites identified in the City's 2009 Economic Opportunity Analysis. The need for large lot industrial development is also an identified regional need.

Demonstrate jurisdictional and service provider commitments necessary for a successful planning and adoption process The City of Forest Grove has an Urban Planning Area Agreement with Washington outlining City and County roles for coordinated planning within the City's planning area. Although the urban reserve area has not been amended to include the designated urban reserve areas adjacent to the City's planning area the UPAA provides a framework for coordination on preparing a concept plan for Urban Reserve Area 7B. The City of Forest Grove is a full service city and the appropriate future service provider for land now in the urban reserve areas. Forest Grove provides water, electrical services, police and fire protection, parks and recreation, municipal court, library, land use planning, street maintenance, building inspection and general administrative services. In addition, the City of Forest Grove partners with Clean Water Services for storm water and sanitary sewer services. The City and County agree that Forest Grove will provide governance and provide urban services to the urban reserve areas after brought into the urban growth boundary. This approach to governance is consistent with the Washington County Urbanization Forum process comprised of elected leaders and other stakeholders in Washington County.

Address readiness of land for development in areas added to the UGB since 2009 This project does not involve an area added to the UGB since 2009.

Public Involvement

Public involvement will be a key component of this project. The proposed public involvement program will provide an opportunity to gauge the desires of property owners regarding development of property and timing. The public involvement program will also provide an opportunity to inform nearby neighborhood residents of long term development concepts within the urban growth boundary and adjacent urban reserve area. The public involvement program will include establishing a citizen advisory committee, technical advisory committee and use of the Forest Grove Farmers Market and other community events to share information. The public involvement program is also expected to include preparation of a project FAQ, direct mail newsletters, creation of a project website, and newspaper insert for publication in the Forest Grove News-Times or Forest Grove Leader.

e. Collaborations

This project provides opportunities for collaborations with property owners, existing residents, and the broader community leading to adoption of land use concept and conceptual transportation network for the developing areas of the community. This project also provides an opportunity for collaboration with Metro and Washington County on future development within the Purdin Road urban reserve area. Washington County planning staff expressed interest in participating based on budgetary and staff resources.

f. Proposed Milestones and Deliverables

1. Execution of the CET Grant IGA
 - a. Negotiate final IGA including project milestones, deliverables and budget; execute IGA; process progress payment for completion of Milestone #1
 - b. Deliverable: Executed IGA
2. Execution of Professional Services Agreement with Consultant(s)
 - a. Prepare request for proposals; assemble proposal selection committee; select proposal, prepare professional services agreement, issue notice to proceed;
 - b. Deliverables: RFP, Proposals; Professional Services Agreement; Notice to Proceed.
3. Draft UGB Plan
 - a. Planning Commission Work Session
 - b. Community Open House

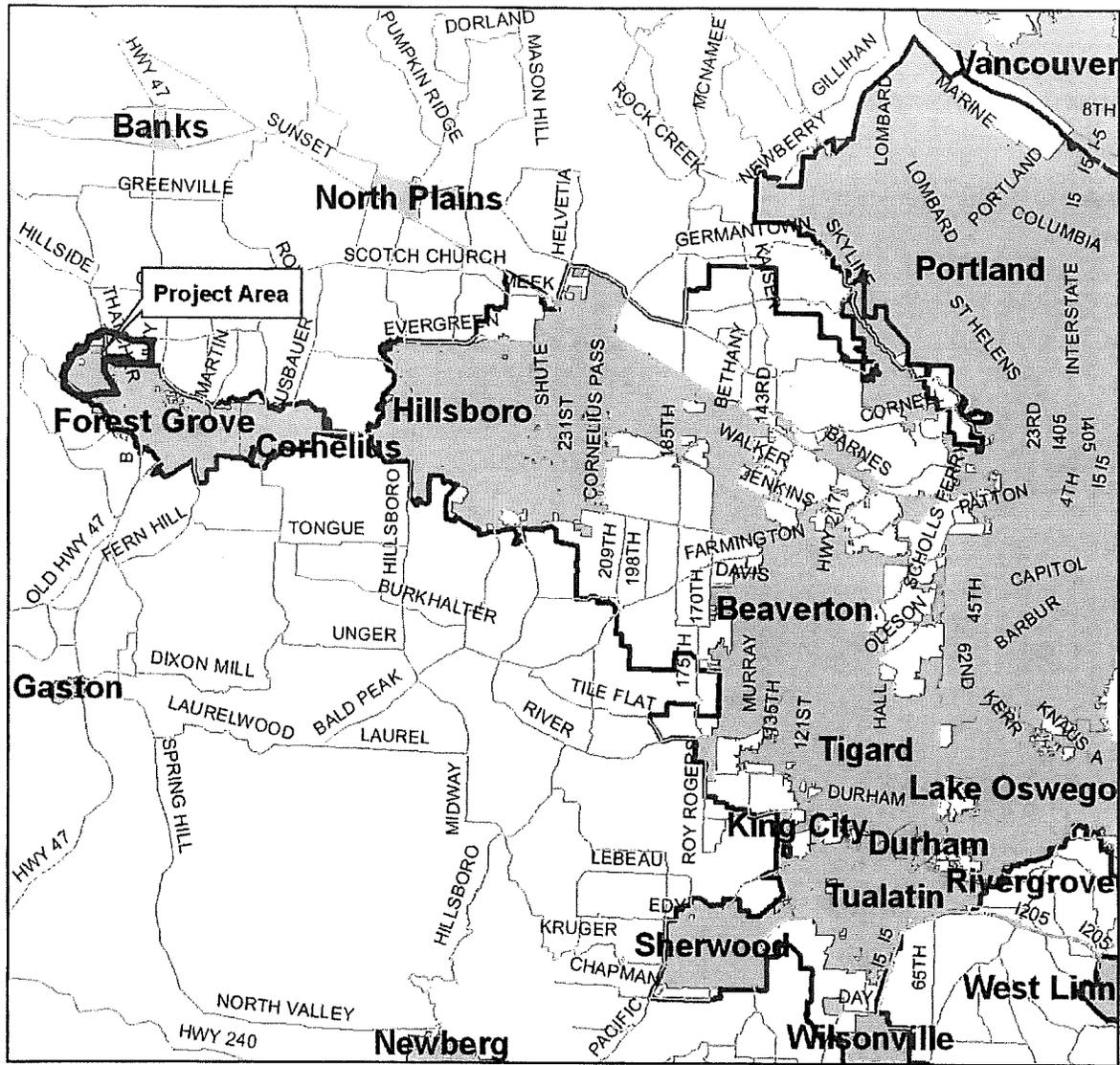
Forest Grove Westside Planning

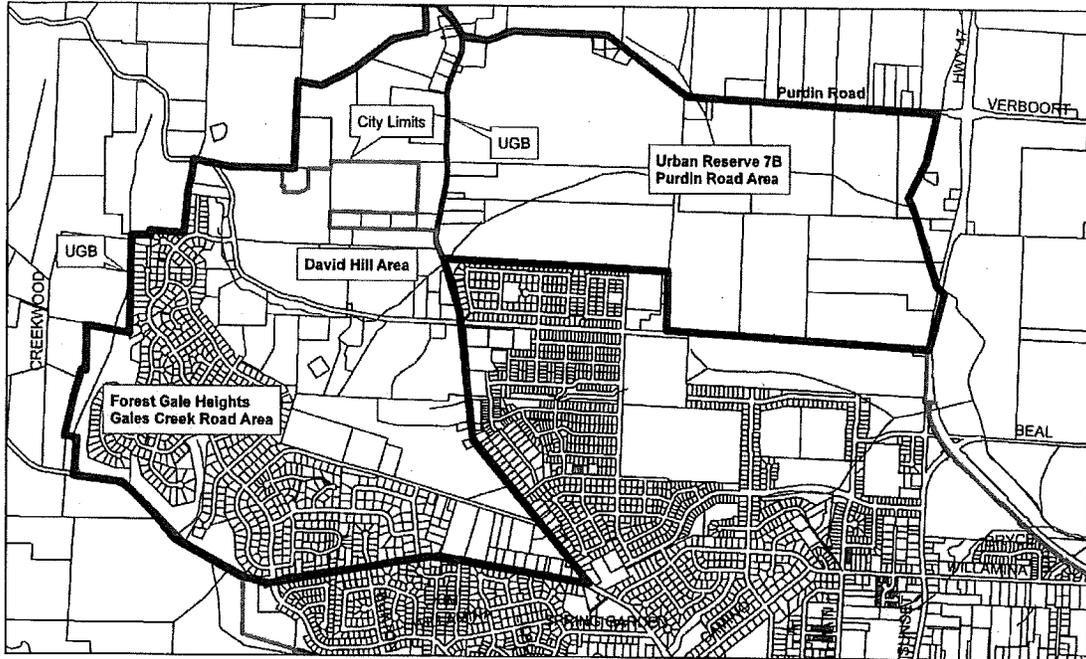
4. Draft Title 11 Urban Reserve Plan
 - a. Planning Commission Work Session
 - b. Community Open House
5. Adoption Ready UGB Plan
 - a. Compile public review and Planning Commission comments
 - b. Revise plan accordingly
 - c. Prepare adoption findings
 - d. Prepare draft ordinance
6. Adoption Ready Title 11 Plan
 - a. Compile public review and Planning Commission comments
 - b. Revise plan accordingly
 - c. Prepare adoption findings
 - d. Prepare draft ordinance
7. Planning Commission Approval
 - a. Prepare staff report
 - b. Prepare required legal notice
 - c. Conduct public hearing
 - d. Prepare planning commission findings and notice of decision
8. City Council Approval
 - a. Prepare staff report
 - b. Prepare required legal notice
 - c. Conduct public hearing
 - d. Prepare required notices

Desired Deliverables:

Desirable deliverables for this project include:

- Map showing general locations for residential, commercial, industrial and public uses with sufficient detail to estimate the cost of the public systems and facilities.
- Map showing the general locations of sanitary sewer, water, and storm-water systems;
- Map showing the general location of internal streets needed to serve future development and protect large lot industrial sites;
- Memorandum recommending potential methods to finance required systems and facilities;
- Memorandum recommending strategies to protect the capacity, function and safe operation of the adjacent state highway system.
- Memorandum recommending measures to protect areas intended for large lot industrial development
- Map showing water quality resource areas and habitat conservation areas (develop in conjunction with Clean Water Services)
- Report recommending appropriate type of large lot industrial development distinguishing among General Industrial, Food Processing, Campus Industrial and/or warehouse activities. Report will document positive and negative attributes of each type of industrial use. Evaluation should be based on the criteria established by Business Oregon for each industry type.





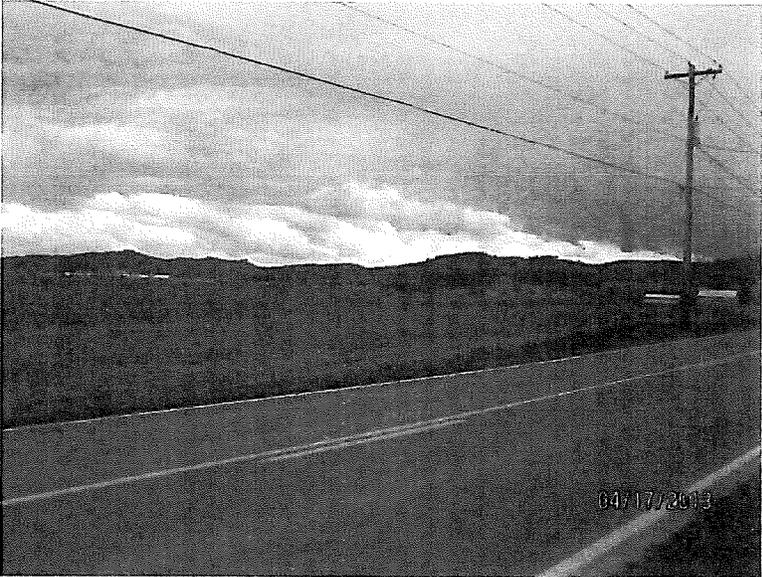
**city of
forest
grove**

**Forest Grove Westside Planning Program
Project Area**



0 445 890 1,780 2,670 3,660 Feet

Purdin Road Urban Reserve Area looking southwest from Purdin Road



Purdin Road Urban Reserve Area from UGB and David Hill Area in Background within the UGB





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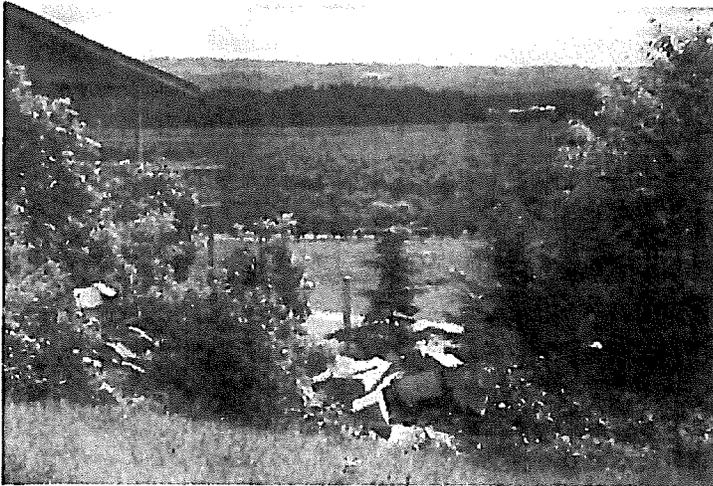
Everything Oregon

Forest Grove moves toward developing its northwest side

Published: Tuesday, June 19, 2012, 10:00 AM Updated: Tuesday, June 19, 2012, 10:36 AM



By **Deborah Bloom, The Oregonian**



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Deborah Bloom / The Oregonian

The view from Thatcher Road overlooking land inside one of the city's urban reserve areas. The city hopes that large industries will consider setting up shop on some of these acres.

Forest Grove planners see growth on the city's horizon and want to accommodate it by expanding the city limits for future residential and industrial uses.

The Westside Planning Study takes about 360 mostly rural acres inside the urban growth boundary and maps out plans for the services needed to support new growth.

The study targets the city's hilly northern section, where planners anticipate enough population growth over the next two decades to support 2,400 new houses.

"This concept plan, generally, will give us a framework for guiding how development happens," said city planner James Reitz.

This includes figuring out where to put utility and road networks, which direction water and sewer lines will run, and evaluating housing demand in the area.

With floodplains to the west and south, and with Cornelius to the east, the northern area of the city by David Hill Road is naturally the only place left for the city to grow, Reitz said.

And grow it has, with a population increase of around 2 percent annually, according to city records.

Despite a sluggish wider economy, **residential development has continued to thrive** in Forest Grove. Since 2007, the city has issued a total of 463 building permits for single family dwellings.

In that same time, Sherwood -- a city with a population comparable to Forest Grove -- issued 65 single-family dwelling permits:

The appeal to settling in Forest Grove, Riordan said, is the availability of prime-view property.

Its northern hilltop houses "are attractive to a lot of homeowners," said Dan Riordan, another city planner.

"And Forest Grove has that small town feel and a strong town center, which a lot of people identify as something they like about this area," Riordan said.

Currently, the Westside Planning Study area can accommodate 4,800 new homes -- twice the number of new houses expected in the next 20 years.

This allows the city some flexibility in terms of planning for residential development.

But industrial development, which would ultimately offer the city more tax revenue, has officials a bit more concerned.

Around **850 acres of urban reserves** are also part of the city's larger, broader vision for eventual development. These areas, most of which lie to either side of the Westside Planning Study area on much flatter land, would ideally house new industries.

And though these urban reserves are farther from actually being developed, at least a little bit of planning is important for both zones to coalesce in future development, Riordan said.

"We don't want to unintentionally preclude opportunities in the future," Riordan said.

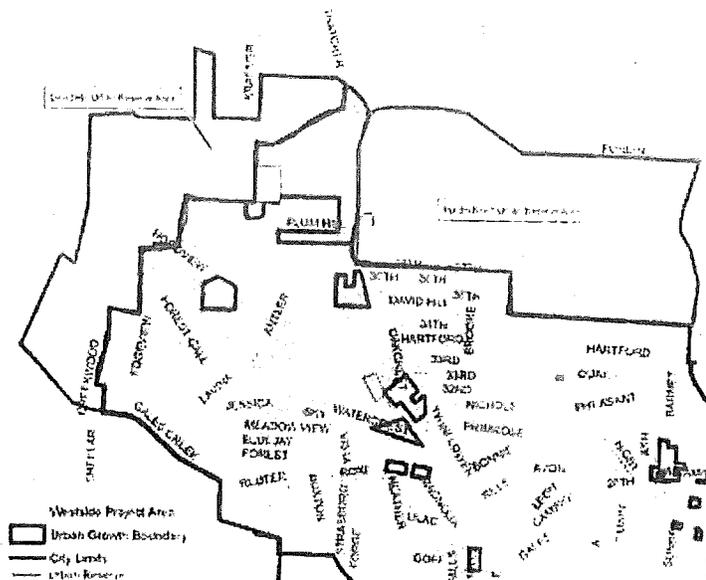
"For instance, we don't want to look into putting in a road connection where it doesn't make sense."

Riordan hopes that adding land fit to accommodate large industrial lots will attract businesses hoping to take advantage of the city's lower utility rates and cheaper land values.

The city's far distance from major freeways has been a constraint to adding larger businesses to the area, Riordan said.

-- **Deborah Bloom**

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Courtesy: City of Forest Grove

Map of northwest Forest Grove. The outlined sections are land planners intend to bring in to city limits over the next 20-50 years to accommodate a growing population.