

# Land capacity for growth

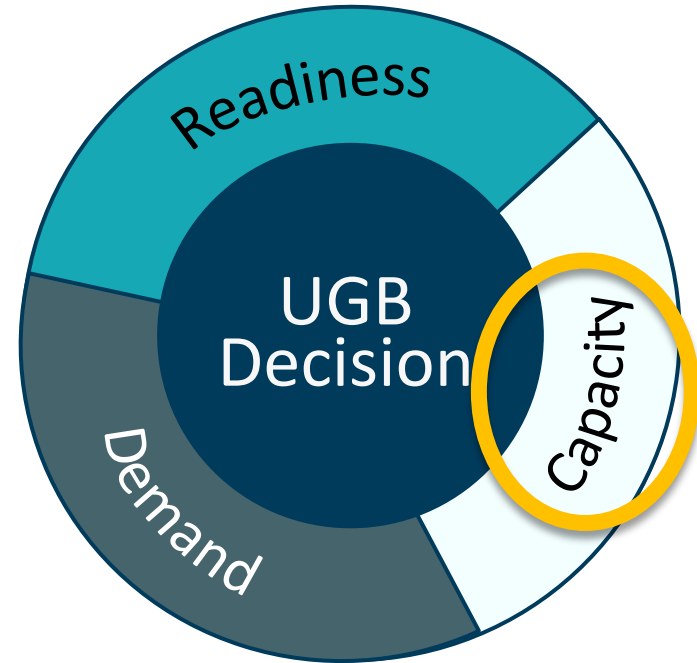
## November 2023



# Capacity in the UGR

The Urban Growth Report (UGR) is a decision-making tool for the Metro Council

Capacity is one of the three main components of the analysis in the UGR





DEMAND

How much land is in demand inside the UGB?

-

BUILDABLE LAND

How much land is buildable inside the UGB?

=

UGB  
EXPANSION

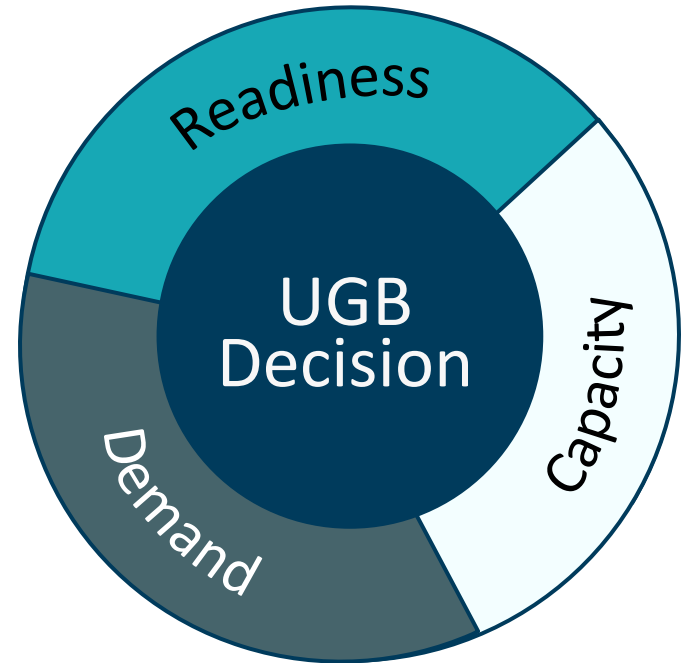
Is more land is needed because of household and employment growth?



# Land capacity for housing/jobs

Process to determine **capacity** inside the UGB to accommodate future growth

Complex process – there are over ½ million parcels in the UGB!





# Typical approach elsewhere in OR

1. Identify vacant and partially vacant land
2. Remove land that isn't developable
3. Assume full buildout allowed by zoning



# Metro approach for determining UGB capacity

1. Categorize parcels as developed or vacant
2. Remove land that isn't developable
3. Apply generalized zoning
4. Determine capacity of developed and vacant land using a pro forma model



# 1. Categorize land

Staff uses previous analysis and aerial photos to determine if land inside the growth boundary is “vacant” or “developed”

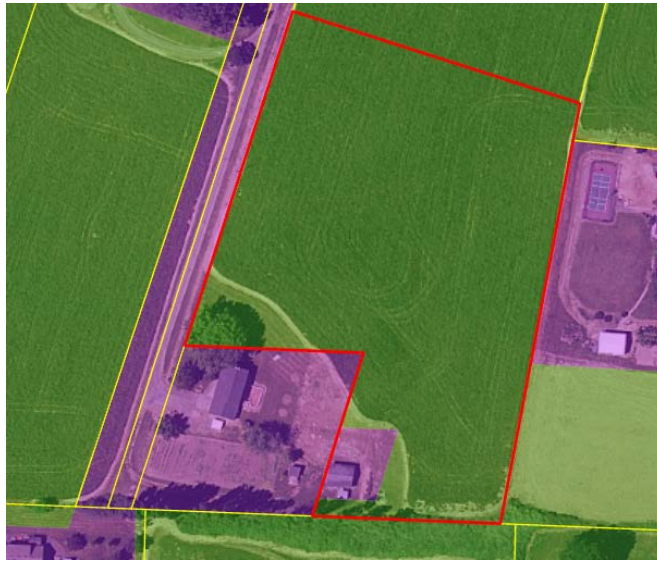




# Vacant land includes:



Completely vacant/no  
hardscape



> 95% vacant



< 2,000 square feet developed  
AND > 90% vacant



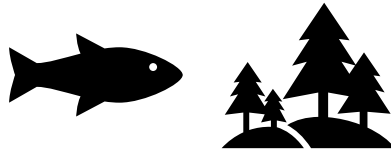
## 2. Remove some land

Remove land from the calculation in 3 categories

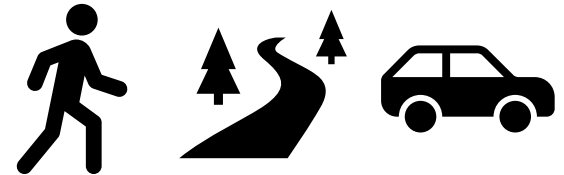
Exempt



Environmental  
constraints



Future right-of-way  
needs





# Exempt parcels include:

- Government owned (including Tribal land and utilities)
- Schools
- Rail properties
- Churches and social organizations (tax exemption codes)
- Private streets
- Parcels under 1,000 sq. ft.
- Parks, open spaces, private residential common areas





# Environmental constraints:

- Floodways
- Floodplain
- Steep slopes (>25%)
- Water quality / flood management lands
- Fish and wildlife habitat





# Set aside for future roadways

- Only on larger vacant parcels
- Considers future roads that'll be needed





# Local city/county review result

Metro provides the vacant land inventory for review by local planners to adjust as needed





### 3. Apply generalized zoning

- All 24 cities and three counties in the region have unique zoning codes
- Metro categorizes possible zoning into “zone types” to approximate general designations

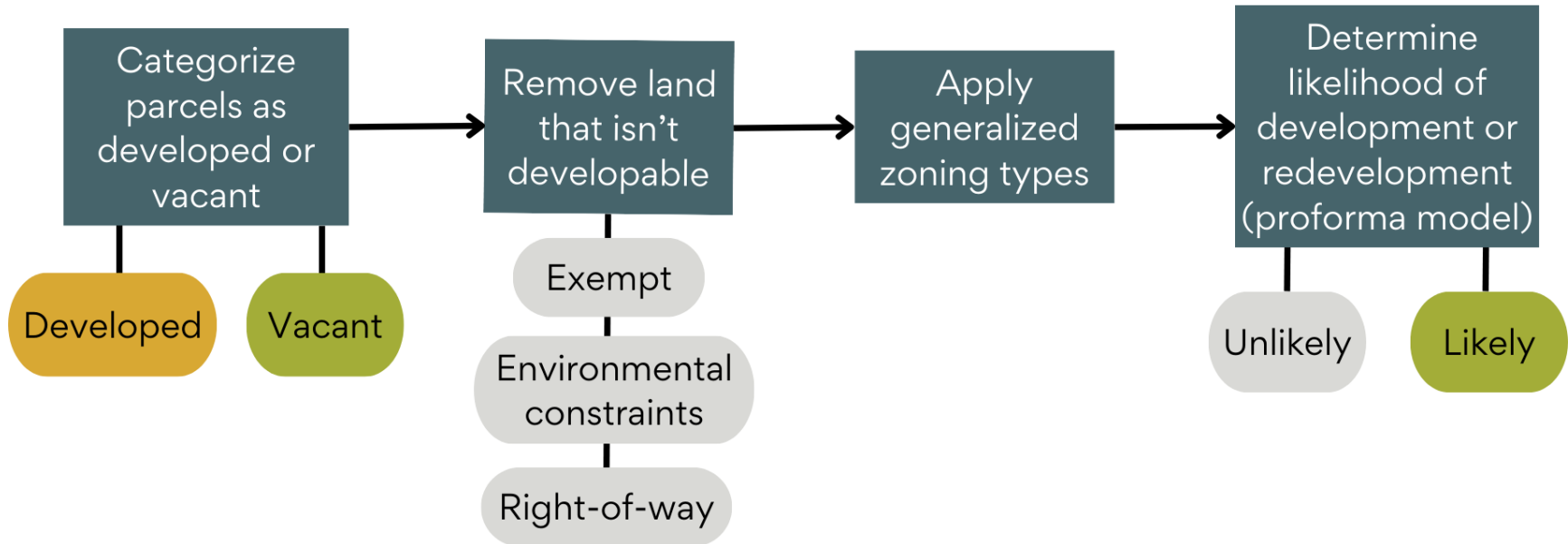


## 4. Determine capacity

Based on market forces and what could be built, is it likely that someone would choose to develop on a parcel?



# Buildable land inventory process



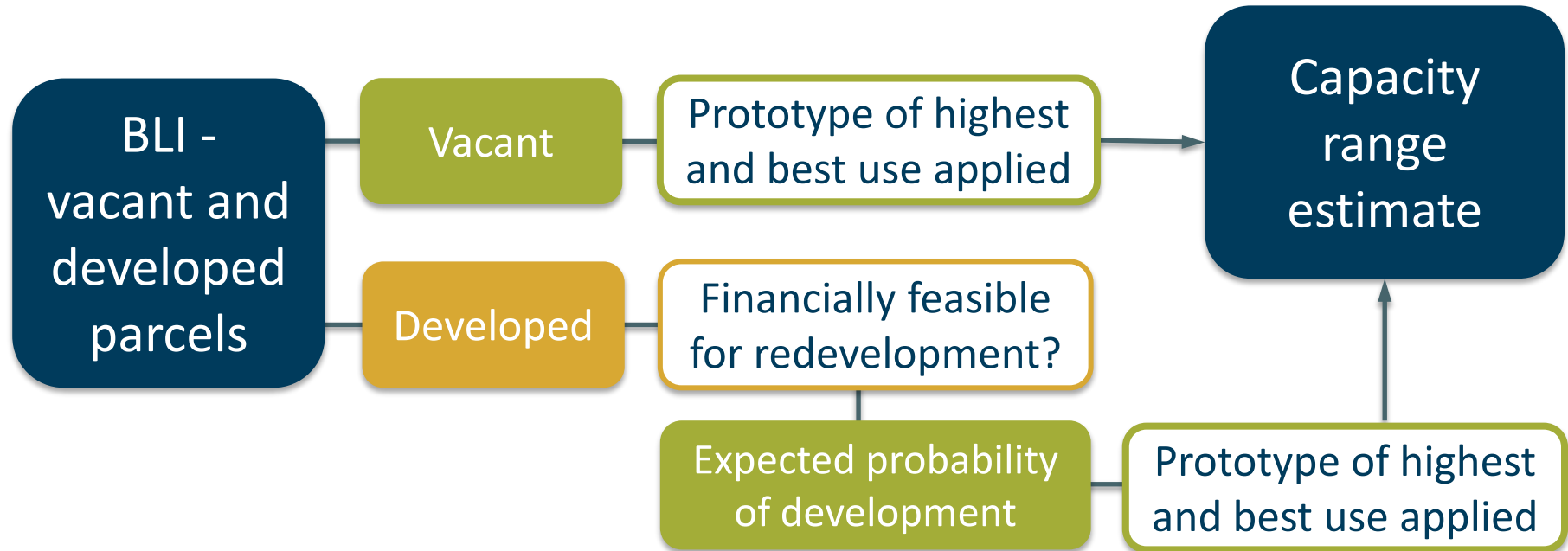


# Proforma model

- A computer model using development prototypes
- Determines development density (units and acres) based on zoning and what's financially feasible
- Used for developed and vacant land



# Proforma model





# Proforma assumptions

## Driven by financial feasibility

### Revenue & returns expected

Achievable rents

Threshold rate of return

### Expenses expected

Construction cost assumptions

Operation expenses and vacancy

### Property assumptions

Allowed density and parking requirements



Technical work and analysis: Developing the urban growth report	City expansion proposals	Metro Council decision
<ul style="list-style-type: none"> <li>• Buildable land inventory (BLI)</li> <li>• Regional forecast</li> <li>• Capacity analysis</li> <li>• Employment trends and site characteristics</li> <li>• Housing needs analysis</li> <li>• Residential readiness analyses</li> <li>• Draft urban growth report (UGR)</li> </ul>	<ul style="list-style-type: none"> <li>• Letters of interest</li> <li>• Expansion proposals</li> </ul> <p><i>2040 planning and development grants available</i></p>	<ul style="list-style-type: none"> <li>• Consider Metro staff and advisory group recommendations</li> <li>• Public hearings</li> <li>• Policy direction</li> <li>• Final decision</li> </ul>



# 2024 urban growth management decision timeline



# Questions?

**Learn more:**

[oregonmetro.gov/public-projects/2024-growth-management-decision](https://oregonmetro.gov/public-projects/2024-growth-management-decision)



**oregonmetro.gov**

