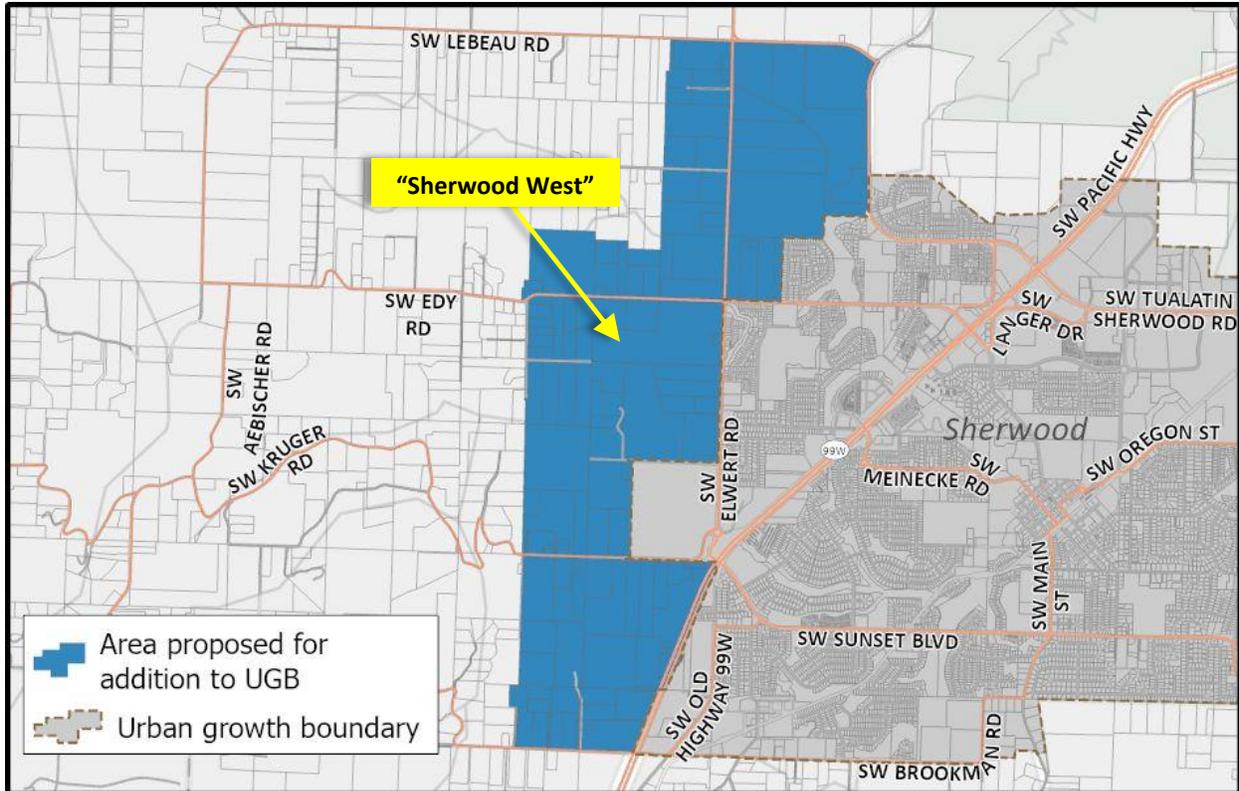


SHERWOOD WEST URBAN RESERVE AREA ASSESSMENT OF THE IMPACTS OF A PROPOSED UGB EXPANSION ON EXISTING RESIDENTIAL NEIGHBORHOODS



Proposed UGB expansion area (Sherwood West urban reserve area) in blue

PROPOSAL

The City of Sherwood has proposed an amendment to the urban growth boundary (UGB) to add approximately 1,200 acres for future urban residential and employment land uses. The proposed UGB expansion area, shown in the map above, is the Sherwood West urban reserve area (or simply, “Sherwood West”) generally located west of current Sherwood city limits, between SW Lebeau Road and SW Scholls-Sherwood Road to the north and SW Chapman Road to the south. The Metro Council will consider amending the UGB for this proposal as part of Ordinance No. 24-1520. A public hearing on the proposal is scheduled for Thursday, November 21, 2024, and the Metro Council is scheduled to make a decisional vote on the proposal at its meeting on Thursday, December 5, 2024. The times and locations for both the public hearing and decisional vote can be found at the end of this report.

Metro Code Subsection 3.07.1420(d) states that, prior to a final hearing on a proposed legislative amendment of the UGB in excess of 100 acres, Metro’s Chief Operating Officer shall prepare a report on the effect of the proposed amendment on existing residential neighborhoods. The intent of the report is to determine the impacts on the existing residential neighborhoods within the current

UGB, whether or not those neighborhoods are within a city or in the unincorporated portion of a county. Copies of the report shall be provided to all households within one mile of the proposed amendment area (i.e., the Sherwood West urban reserve area), and to all cities and counties within the Metro District, at least 20 days prior to a hearing on the matter.

Accordingly, this report addresses the following:

1. Traffic patterns and any resulting increase on traffic congestion, commute times, and air quality;
2. Whether parks and open space protection in the area to be added will benefit existing residents of the Metro District as well as future residents of the added territory; and
3. The cost impacts on existing residents of providing needed public facilities and services, police and fire services, public schools, emergency services, and parks and open spaces.

A primary source of information for this report is the City of Sherwood's Sherwood West UGB expansion proposal, which includes the "Sherwood West Concept Plan" accepted by Sherwood City Council resolution. The proposal can be found online at:

www.oregonmetro.gov/public-projects/2024-growth-management-decision/expansion-proposal

ASSESSMENT OF IMPACTS

Traffic patterns and any resulting increase on traffic congestion, commute times, and air quality:

The Sherwood West urban reserve area is being evaluated for inclusion in the UGB for future urban residential and employment land uses. The Sherwood West Concept Plan, an associated transportation impacts analysis (Appendix L of the Concept Plan), and City of Sherwood findings (Appendix P of the Concept Plan) address the potential traffic impacts from a full build-out of the reserve as envisioned in the Concept Plan.

The City of Sherwood intends for the proposed UGB expansion area ("Sherwood West") to include a multimodal transportation network that connects housing, jobs, commercial services, parks, and institutional uses with new and improved roadways, sidewalks, bike facilities, and trails. It aims for "complete communities" and "ten-minute neighborhoods" where residents can access their daily needs within a 10-minute travel distance of their homes, with active transportation (e.g., walking, rolling, biking) considered a key priority. In support of this aim, the Concept Plan locates residential neighborhoods near schools, parks, and employment areas and proposes mixed-use neighborhoods and linkages to local and regional trails. The expansion proposal also states that "micromobility" bike-sharing and scooter services could potentially be included at schools, employment and commercial areas, and near existing transit stops in the City to help fill gaps in transit access and to provide options for getting to and from school, work, and leisure activities. Facilitating active transportation, micromobility, and access to transit and locating residents' employment

opportunities and daily needs nearer to where the live can help to mitigate traffic congestion, commute times, and traffic-related impacts to air quality.

Appendix L of the Concept Plan is a January 2023 transportation impact analysis of Concept Plan land use alternatives, each with different levels of assumed total housing units and jobs in Sherwood West. The analysis found that there may be between 6,000 and 6,780 vehicle trips during the two-hour PM peak travel period at full build-out of the proposed expansion area, depending on levels of housing density and the scale of employment land uses. The analysis expects that most of these trips will be into/out of the area utilizing Roy Rogers Road, Highway 99W, or Tualatin-Sherwood Road, with approximately 10 percent of two-hour PM peak travel period vehicle trips starting and ending entirely within Sherwood West. According to the analysis, Chapman Road west of Highway 99W and SW Edy Road east of SW Elwert Road could each see 9,000 vehicle trips per day by 2040 assuming full build-out conditions.

Attachment B to the City of Sherwood's UGB expansion proposal notes that private motor vehicle transportation along Roy Rogers Road, Highway 99W, and Tualatin-Sherwood Road is currently a primary means of travel into and out of the Sherwood community, and that these roadways operate with heavy congestion during many hours of the day. Attachment B also finds that some travelers opt to use more rural roads to get to their destinations due to the congestion on arterial roads, but that these facilities are not intended to be used by high vehicle traffic volumes and any design constraints often result in safety concerns when heavily used. TriMet provides regional bus service connections Sherwood's Old Town Transit Center and to Langer Drive, but Attachment B states that bus services can be slowed by traffic congestion and that no additional transit services are planned on other regional routes through Sherwood. Implementing the aforementioned visions for "complete communities", active transportation, and micromobility for Sherwood West could help to ensure that urban development of the area does not significantly add to existing traffic congestion, commute times, and traffic safety concerns. Future street network improvements could also help to address roadway capacity issues. Additionally, individual zone change and development proposals for annexed properties in Sherwood West will be reviewed by the City for their particular impacts to the transportation system and for warranted transportation system improvements.

The Concept Plan states that SW Elwert Road, a key north-south roadway, will need to be upgraded to urban standards when development occurs in Sherwood West. According to the Concept Plan, both the Washington County Transportation System Plan (TSP) and the City of Sherwood TSP identify the future build-out condition of SW Elwert Road as a three-lane arterial with sidewalks and bike lanes on both sides and a planted median with canopy trees. Upgrading could also include a realignment of SW Elwert Road near its current intersection with SW Edy Road, with two new intersections on both sides of Chicken Creek. Realignment might reduce or eliminate wetland mitigation concerns associated with expanding the roadway, be more compatible with terrain, and reduce freight traffic use of and travel speeds along the roadway. However, it could also require construction of structural bridging and acquisition of right-of-way. Keeping the existing alignment while also improving the roadway to current urban standards could require significant fill with impacts to wetlands, acquisition of additional right-of-way, and disruption of local and commuter traffic during construction. Further analysis of the potential realignment, its costs, and its benefits

would occur during a comprehensive planning phase following inclusion of Sherwood West into the UGB.

Farther to the north, an upgrade of the SW Elwert Road intersection with SW Lebeau Road/SW Schools-Sherwood Road may also be necessary to accommodate urban development of Sherwood West. The intersection may require reconfiguration, signalization, or a roundabout improvement. Multimodal safety improvements may also be warranted at the intersections of SW Elwert Road with SW Handley Street and SW Haide Road.

The Concept Plan also notes that Highway 99W is a state-designated freight corridor and limited-access highway; the highway's intersections with SW Chapman Road, SW Brookman Road, and SW Elwert Road will need to be studied and possibly reconfigured or signalized, depending on the amount of traffic generated by future land uses in the proposed UGB expansion area. The City has already been studying several alternatives for improving connectivity between the "Brookman Area" on the east side of Highway 99W and Sherwood West on the west side, including a potential new multimodal grade-separated crossing of the highway (i.e., overpass).

Metro's Air Quality Program ensures metropolitan planning activities for the Portland metropolitan area address state and federal regulations pertaining to air quality and coordinates with other air quality initiatives in the region. The region's main air-quality-related activities are primarily focused on continued implementation of provisions outlined in the State Implementation Plan for the Portland area. These activities include ensuring the completion of the region's transportation control measures, monitoring air pollution levels and vehicle miles traveled, and voluntary reporting. In October 2017, the US Environmental Protection Agency (EPA) and the Oregon Department of Environmental Quality (DEQ) determined that the Portland region's air met all federal air quality health standards. These standards exist for six pollutants known as the criteria pollutants: carbon monoxide, ozone, particulate matter (PM_{2.5} and PM₁₀), nitrogen oxides, sulfur oxides, and lead. The criteria pollutants of most concern in the Portland region are ozone, carbon monoxide, and fine particulate matter. While short periodic episodes of air pollution for ozone and fine particulate matter have occurred since 2017, the Portland metropolitan region continues to maintain the federal air quality standards.

In recent years, air toxics have become pollutants of concern throughout the Portland region. Air toxics are generally defined as air pollutants known or suspected to cause cancer or other serious health problems. Air toxics include diesel soot, benzene, polycyclic aromatic hydrocarbons (tar-like by-products from auto exhaust and other sources), and metals, including manganese, nickel, and lead. Air toxics come from a variety of sources, including cars and trucks, all types of burning (including fireplaces and woodstoves), businesses, and consumer products such as paints. DEQ reduces air toxics through regulations and by encouraging people and businesses to produce less pollution. DEQ also actively works with local jurisdictional partners to implement strategies which reduce exposure to air toxics.

Any increased fossil fuel powered vehicle use caused by urbanization of Sherwood West could increase localized criteria pollutants and air toxics pollution in nearby existing residential neighborhoods.

Whether parks and open space protection in the area to be added will benefit existing residents of the Metro District as well as future residents of the added territory:

The Sherwood West Concept Plan envisions two new community parks that are each about 10 acres or larger, five new neighborhood parks that are smaller in area, new/extended local and regional trails, and the protection of certain existing wetlands, streams, and vegetated corridors in Sherwood West. The parks are anticipated to be integrated into Sherwood West’s overall trail and open space network, which itself would be connected to existing and planned trail networks that already in the Metro District and Sherwood city limits. New streets, sidewalks, and bike lanes will facilitate access to parks as well.

A major feature of the Concept Plan is the “Chicken Creek Greenway”, which is seen as an opportunity to preserve and enhance natural stream corridors, provide wildlife crossings, incorporate stormwater management practices, and provide access to nature through a network of connected walking trails.

The Concept Plan also imagines Elwert Road potentially being improved with “green crossings” over streams that include public viewpoints, art, and educational signage and trails and wildlife passages underneath. Such facilities would be open to existing residents of the Metro District as well as future residents of Sherwood West.

In total, the Concept Plan anticipates nearly 500 acres of Sherwood West being designated creek corridor open space, general open space, and/or parks. A stated recommendation in the City’s 2021 Parks and Recreation Master plan is to provide parks or park amenities in natural areas and along trail corridors to meet a “10-minute walk goal”.

The cost impacts on existing residents of providing needed public facilities and services, police and fire services, public schools, emergency services and parks and open spaces:

Public Facilities and Services

For the purposes of this section of this report, “public facilities and services” are considered to be water, sanitary sewer, stormwater management, and transportation facilities and services.

Appendix O to the Concept Plan includes a February 2024 preliminary infrastructure funding strategy. The Concept Plan explains that Appendix O is the City’s high-level cost estimates for extending public facilities and services to development in Sherwood West and potential funding approaches consistent with City priorities. However, true costs for extending facilities will be informed by factors that will be determined during the comprehensive planning phase following inclusion of the area in the UGB. Such factors include density, road layouts, and locations for permitted land uses. True costs will also be dependent on construction and labor costs at the time of development. While costs to the City for construction of public facilities will be generally the same regardless of the number of users those facilities end up serving, revenues to the City to pay for the construction of those facilities will depend in part on built density. As Appendix O demonstrates, the higher the density (i.e., the more dwelling units) in Sherwood West, the greater the revenue from sources such as SDCs; the lower the density, the lower the revenue.

The costs to the City for extending water service facilities to Sherwood West are estimated in Appendix O to be approximately \$48.3 million. According to Appendix O, revenues from City SDCs assessed on new development in the UGB expansion area may cover between \$29.5 million and \$38.9 million, depending on density, leaving a City funding deficit of between \$9.3 million and \$18.8 million for water system infrastructure. Options for filling this deficit are discussed further below. User fees are expected to support the water system's ongoing maintenance costs.

Appendix O estimates that the costs to the City for development of sanitary sewer facilities in Sherwood West could be approximately \$33 million, with the entirety of those costs being met by a combination of revenues from City SDCs assessed on new development and Clean Water Services (CWS) regional connection charges (RCCs). User fees would ultimately support ongoing maintenance.

The costs to the City for stormwater management service facilities in Sherwood West are estimated in Appendix O to be approximately \$19.9 million. Appendix O shows revenues from City SDCs assessed on new development in the UGB expansion area may cover between \$5.3 million and \$6.2 million, again depending on density. That would result in a City funding deficit of between \$13.7 million and \$19.0 million for stormwater management infrastructure. Options for filling this deficit are discussed below.

Appendix O also estimates that the costs to the City for development of transportation facilities in Sherwood West could be approximately \$185.5 million. Appendix O anticipates that City of Sherwood SDCs assessed on new development in the UGB expansion area may cover 19 to 20 percent of these costs and that 70 to 75 percent may be covered by Washington County Transportation Development Tax (TDT) revenues generated through one-time charges on new development that are similar to SDCs, depending on density. These estimates would leave a deficit of \$10 million to \$17.5 million for development of transportation infrastructure in Sherwood West. The Concept Plan does not specifically address the costs to the City of ongoing road maintenance, but the City consistently appropriates funds in its annual budget for road maintenance and these funds are commonly supported by street utility fees, gas taxes received from Washington County, and vehicle taxes from the Oregon Department of Transportation (ODOT).

Appendices O and P of the Concept Plan list some funding strategies that the City could consider to balance the water, stormwater management, and transportation facility development-related deficits noted above, including federal, state, and/or regional funding (e.g., grants) and supplemental SDCs paid by developers. Lower priority funding strategies noted in Appendices O and P as options include:

- Local improvement districts (LIDs), which are special assessment districts where property owners in new growth areas are assessed a fee to pay for capital improvements based on proportional benefits they receive from the district;
- Utility fees, paid by end users; and/or
- Property tax general obligation (GO) bonds, backed by a temporary increase in citywide property tax rates.

Police and Fire Services

The Sherwood West Concept Plan demonstrates the proposed UGB expansion area would accommodate new urban residential and employment land (e.g., commercial and industrial land) development. Residential land uses have been assumed to generate a higher demand for police and fire and services than employment land uses.

The Washington County Sheriff's Office currently provides law enforcement services in the proposed UGB expansion area, though the Sherwood Police Department would provide service to any portion of the area that is annexed to the City. The Sherwood Police Department reports that it will need additional resources to serve portions of Sherwood West annexed to the City, but that the number of additional officers and support staff that are needed will be dependent on factors such as housing density and commercial/retail space. The City's general fund, which is supported by local taxes, would be the primary source of funding until any other funding source is determined.

Tualatin Valley Fire and Rescue (TVF&R) already provides fire and other emergency services to the proposed UGB expansion area and would continue to provide such services to the area if it is added to the UGB, annexed to the City of Sherwood, and urbanized. TVF&R presently has fire stations on around the proposed expansion area, including Sherwood Station #33, King City Station #35, Midway Station #19, and Newberg Station #21. TVF&R reports that it is planning a new station to the north of the proposed expansion area on Roy Rogers Road, and that this future station can help to serve the expansion area as well. Though urban development in the Sherwood West would generate additional demands for service, TVF&R anticipates that its current and planned infrastructure will be sufficient to maintain reliable emergency response. The Sherwood West Concept Plan nonetheless states that Sherwood will eventually need new fire stations to accommodate future growth in Sherwood West; how such new stations would be funded is not yet known, but additional funding, if necessary, could come from bond measures in the TVF&R fire district, which encompasses an extensive area. New development in Sherwood West would also increase the tax base that supports fire services in the area.

Public Schools

The proposed UGB expansion area and Sherwood city limits are fully within the Sherwood School District. The southern half of the proposed expansion area wraps around the Sherwood High School campus and is near to Middleton Elementary on the opposite side of Highway 99W. Ridges Elementary School is less than half a mile from the central portion of the proposed UGB expansion area.

The Sherwood West Concept Plan anticipates an eventual need for two schools in Sherwood West – one elementary school and one middle school – to serve full residential buildout of the proposed expansion area. Specific locations for these new schools are not identified in the Concept Plan, but the plan assumes 10 acres of land in Sherwood West will be needed for the new elementary school and 25-40 acres will be needed for the new middle school. Sherwood School District 88J Resolution No. 2324003 in support of the Concept Plan states, *"The addition of a few thousand new homes to the Sherwood School District over the next 30-40 years would help ensure a growing and healthy school district as existing students matriculate out of the District."* It is expected that the cost of new school

facilities, when needed, would be financed with bonds supported by School District residents, including new residents of Sherwood West, but no bond measure is currently proposed.

Emergency Services

TVF&R currently provides emergency services to the proposed UGB expansion area; its service to future urban development of the area is addressed above. Sherwood West is also already within Washington County's Ambulance Service Area (ASA) and would remain in that ASA even if the UGB is amended as proposed. American Medical Response, Inc (AMR) is a privately owned company that has contracted with the County to provide ambulance services throughout the ASA. Ambulance services are funded by fees charged to transport patients (e.g., to a hospital), rather than by tax revenues, and the County sets the allowable fee rates. Therefore, the addition of Sherwood West to the UGB and the reserve's future urbanization are not expected to increase costs to existing UGB residents for their ambulance services.

Parks and Open Spaces

Appendix O of the Sherwood West Concept Plan indicates that park land acquisition and development costs in the proposed UGB expansion area could cost approximately \$47 million. The memo suggests that City of Sherwood SDCs, which would be assessed on new development in the UGB expansion area, will be sufficient to meet those costs. The Concept Plan does not specifically address these parks' ongoing maintenance costs, but they are expected to be supported at least in part by property taxes paid by existing residents. New development in Sherwood West would contribute to the property tax base, and new public parks would be open to the general public, including existing Sherwood residents.

The geographic extent of protected habitat areas (e.g., riparian and upland habitat) and the regulatory limits on development in such areas would be determined through the comprehensive planning phase following addition of the Sherwood West to the UGB. Any development restrictions that are imposed to protect habitat areas would apply to specific properties in Sherwood West and would not have direct financial costs to existing residents of properties already in the UGB.

CONCLUSIONS

Existing residential neighborhoods may be impacted by the City of Sherwood's proposed addition of approximately 1,200 acres to the UGB for urban residential and employment uses.

Urban development of Sherwood West may increase traffic congestion in certain locations and some existing residents' commute times, and may reduce air quality. However, by facilitating active transportation, micromobility, and access to transit, and by locating residents' employment opportunities and daily needs nearer to where they live, as proposed in the Concept Plan, such impacts could be limited. Future street network and other transportation facility improvements, including any determined to be necessary during its review of specific land use and development applications, could also help to address roadway capacity issues.

Based on the Sherwood West Concept Plan and associated analyses to-date, the costs of extending sanitary sewer service to Sherwood West to accommodate its urban development could be covered by SDC charges assessed on new development in the area and CWS RCC revenues. Park SDCs from new development in Sherwood West could also be sufficient to fund new parks in the area that will benefit new residents of the area as well as current residents of the Metro District. Costs of extending water, stormwater management, and transportation facilities to Sherwood West could require funding from sources that are supported at least in part by current residents of the Metro District, depending on the funding options the City chooses to pursue to fill revenue gaps not met by SDCs or Washington County TDT funds. City police services to the area, as well as any new fire district facilities and schools, could eventually require funding from sources paid into by existing residents of the Metro District, though owners of property in and new residents of Sherwood West would also contribute to those funding sources.

Metro Council Public Hearing on Proposed UGB Expansion

10:30am, Thursday, November 21, 2024

Metro Council Chambers
600 NE Grand Ave, Portland

MAX light rail stations nearby: Convention Center; NE 7th Ave
Portland streetcar stops nearby: NE Grand and Hoyt (ID 2169); NE M L King and Hoyt (ID 5912)
TriMet Route #6 bus stops nearby: NE Grand and Hoyt (ID 2169); NE M L King and Hoyt (ID 5912)

An agenda and how to attend virtually will be available one week in advance of the meeting at:
www.oregonmetro.gov/calendar

Metro Council Decisional Meeting on Proposed UGB Expansion

10:30am, Thursday, December 5, 2024

Metro Council Chambers
600 NE Grand Ave, Portland

MAX light rail stations nearby: Convention Center; NE 7th Ave
Portland streetcar stops nearby: NE Grand and Hoyt (ID 2169); NE M L King and Hoyt (ID 5912)
TriMet Route #6 bus stops nearby: NE Grand and Hoyt (ID 2169); NE M L King and Hoyt (ID 5912)

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