



Keizer Growth Opportunities Workshop

June 13, 2018



WORKSHOP AGENDA AND CONTENT

- **Presentation and Discussion Topics**
 - Overview of Costs of Growth
 - Infrastructure and service costs
 - Non-monetary / indirect costs
 - Other considerations
 - Learn from experiences of peer cities & other jurisdictions
 - Challenging UGB amendment process
 - How growth patterns affect costs & impacts
 - What does this mean for Keizer?

POPULATION GROWTH IN KEIZER

Moderate population growth...

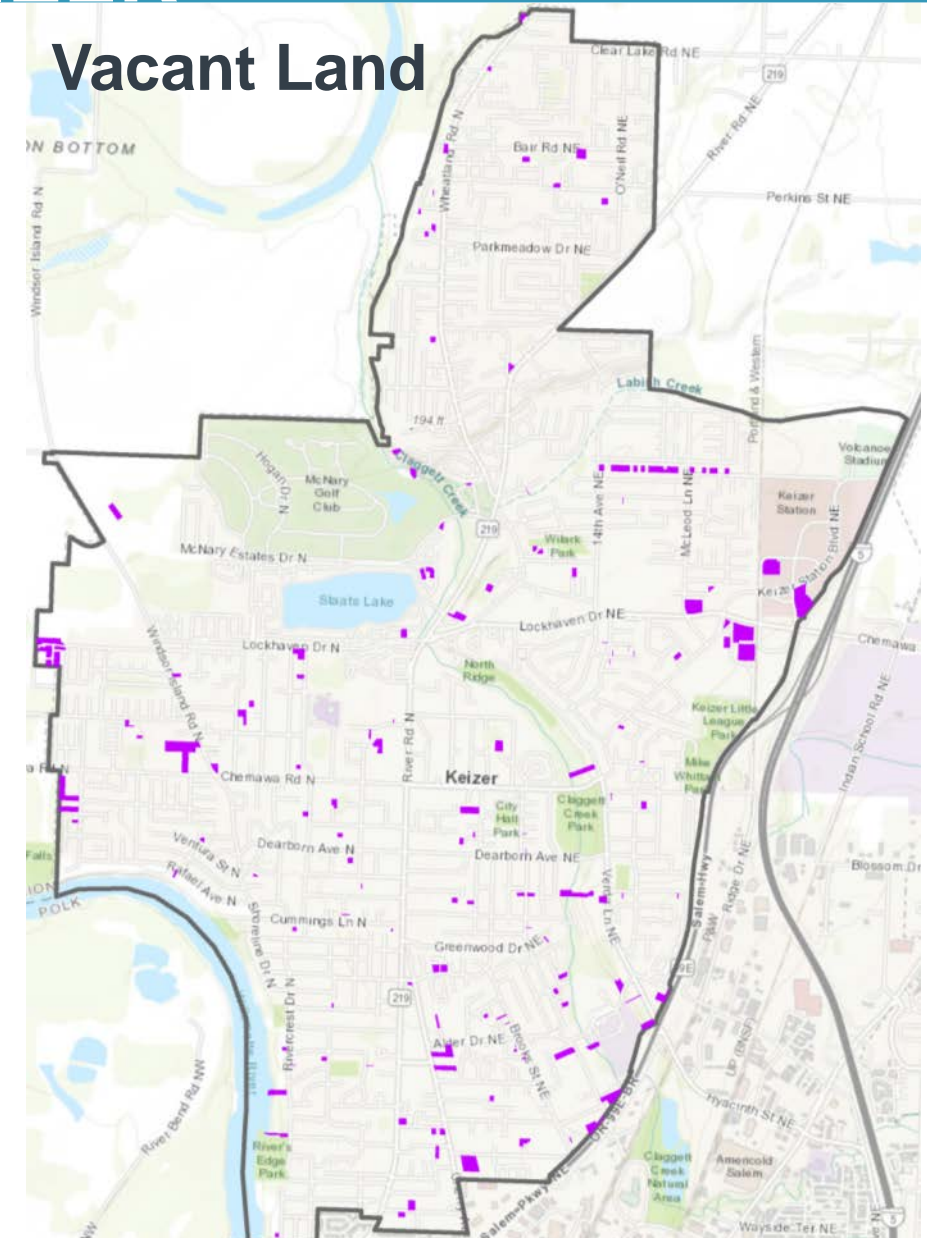
As of 2018:

- 38,600 people
- 14,350 households

Since 2010:

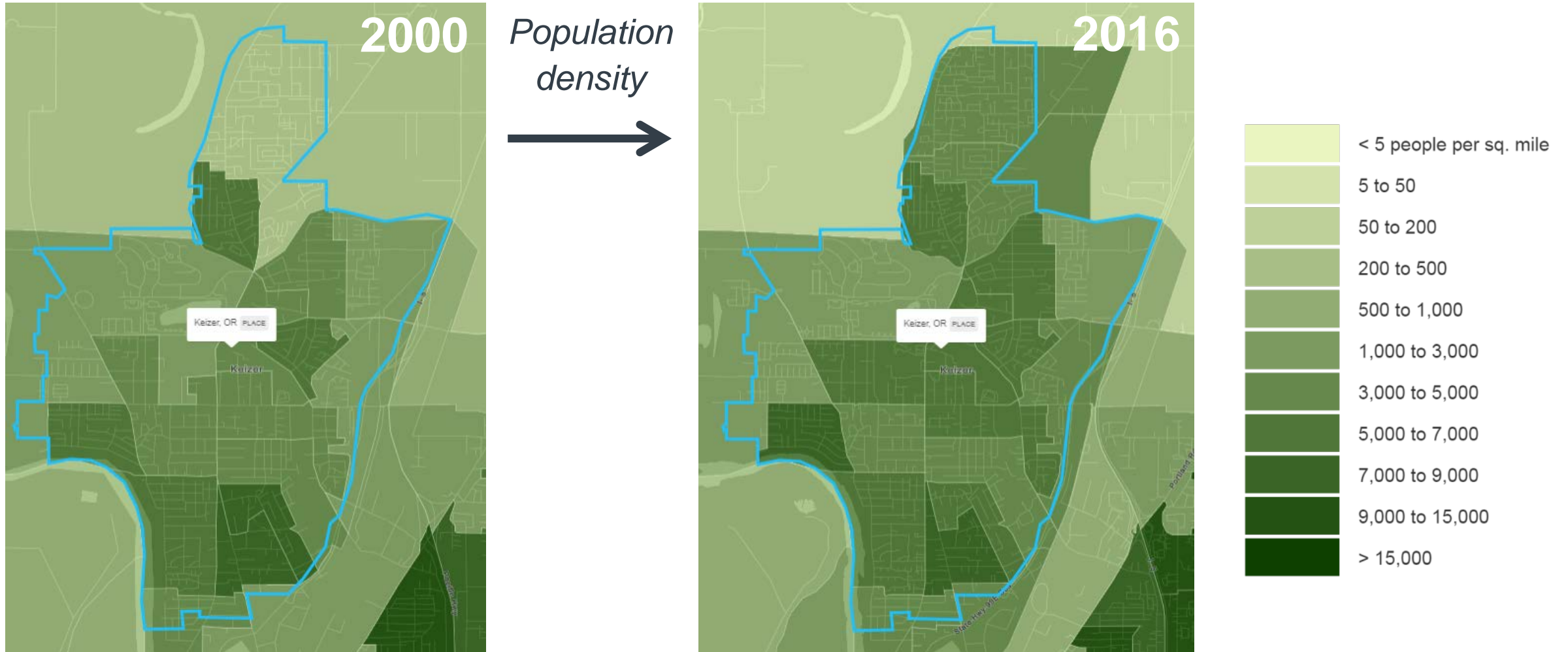
- 2,150 people (+6%)
- 660 new households (+5%)

... few completely vacant parcels



POPULATION GROWTH IN KEIZER

Where is population growth happening?



WHY SHOULD KEIZER GROW?

NEEDED HOUSING

2013 Housing Needs Analysis:

Housing need exceeds capacity in Keizer by **1,674 units**; projected new land need: **313.4 acres** (supplied from land near Salem, infill, UGB expansion, or a combination)

Figure 8: Projected New Units Need by 2033, Keizer

Zoning Designation		Capacity of Vacant Lands (In Units) ¹	NEW UNITS NEEDED (2033) vs. CAPACITY						
			S.F. Detached	S.F. Attached	Duplex	3- or 4-plex	5+ Units MFR	Mobile home	Total Units
			1,782	765	141	402	1,260	162	4,513
RS	Single Family Residential	1,527	977	550	-	-	-	-	1,527
RL	Limited Density Residential	-	-	-	-	-	-	-	0
RL-LU	Limited D.R. - Limited Use	-	-	-	-	-	-	-	0
RM (Medium)	Medium Density Residential	-	-	-	-	-	-	-	0
RM (Medium High)	Medium Density Residential	362	-	-	-	-	362	-	362
RM-LU	MDR - Limited Use	-	-	-	-	-	-	-	0
RH	High Density Residential	-	-	-	-	-	-	-	0
UT	Urban Transition	383	245	138	-	-	-	-	383
MU	Mixed Use (Keizer Station)	153	-	-	-	-	153	-	153
MU	Mixed Use (Other)	314	-	-	-	-	314	-	314
Totals/Averages:		2,738	1,222	687	0	0	829	0	2,738
Accessory Dwelling Unit Assumption :				100					100
			560	77	41	402	431	162	1,674

← New Units Needed (2032)

← Distribution of Remaining BLI Capacity

← Total Capacity of Buildable Lands

← Remaining Unit Need

¹ Sources: City of KEIZER, MWVCOG, Johnson Reid LLC

Figure 10: Projected Total New Land Need City of Keizer, 2033

Category of Land	Gross Acreage
	Remaining Need
Commercial:	21.6
Industrial:	0
Institutional:	41.8
Residential:	196.9
Parks and Recreation:	43.5
Schools:	10
Total New 20-Year Land Need:	313.8

Source: Johnson Reid LLC

WHY SHOULD KEIZER GROW?

JOBS

2013 Economic Opportunities Analysis:

Projected job growth of 3,774 & employment land need:

21.6 acres commercial; 41.8 acres institutional

Figure 4: Forecasted Employment Land Need, 2013 – 2033, Keizer

Scenario	Demand	Supply	Surplus/ Shortage
<u>High Growth Scenario</u>			
Commercial	86.0	64.5	(21.6)
Industrial	31.8	59.6	27.8
Institutional	41.8	-	(41.8)

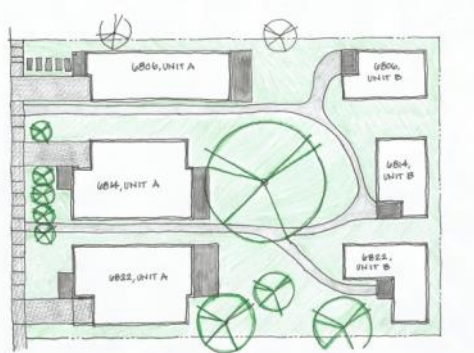
1/ Assumes a demand distribution of Office support 25% to commercial and 75% to Industrial

HOW SHOULD KEIZER GROW?

- Increased efficiency vs. outward growth
- Outward growth = UGB expansion



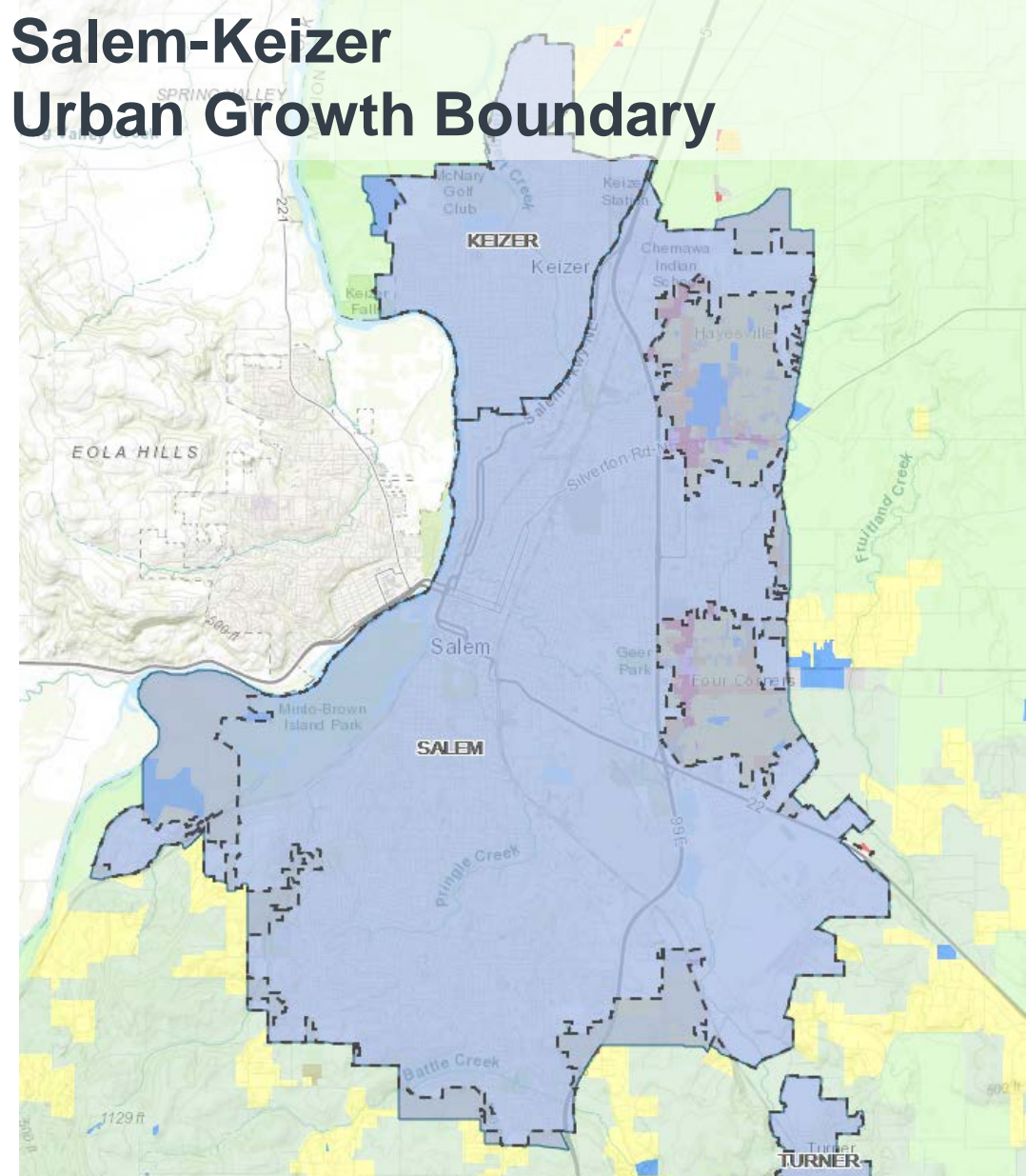
Cottage housing in Salem



ADU community in Portland



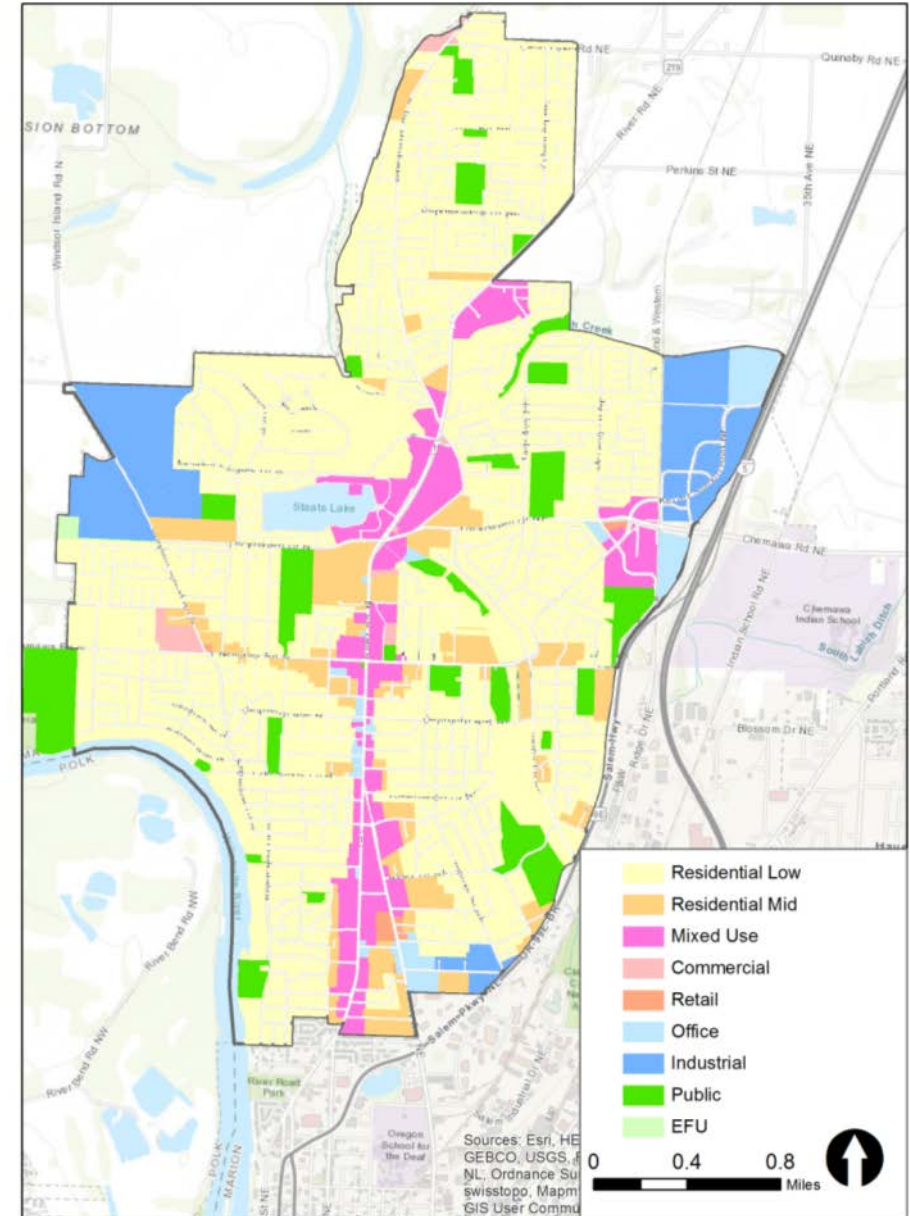
Salem-Keizer Urban Growth Boundary



HOW SHOULD KEIZER GROW?

Keizer Zoning

- Much of city zoned for single-family housing
- Central Keizer zoned for mixed use and multifamily housing



HOW DO YOU EXPAND A UGB IN OREGON?

UGB Amendment Process Overview

Determine
Land Need

Determine
Land Supply

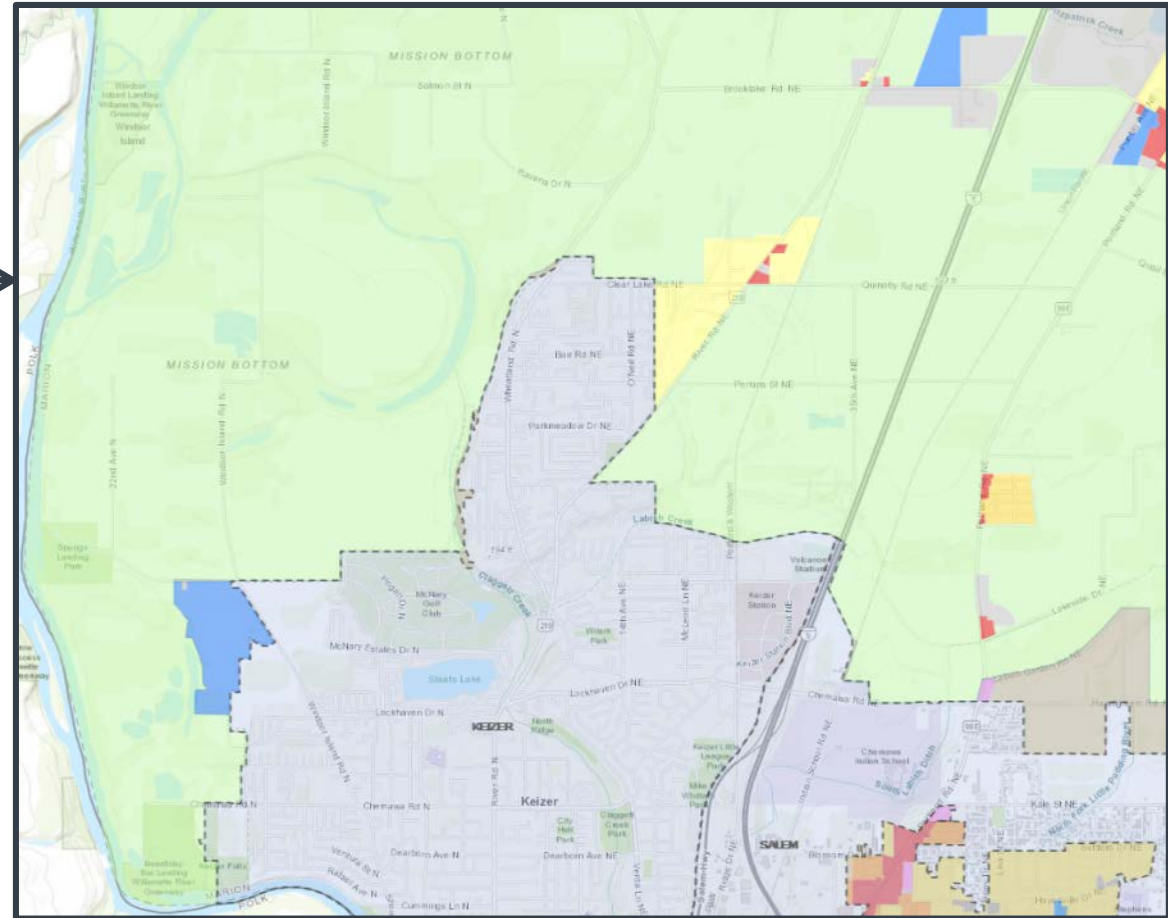
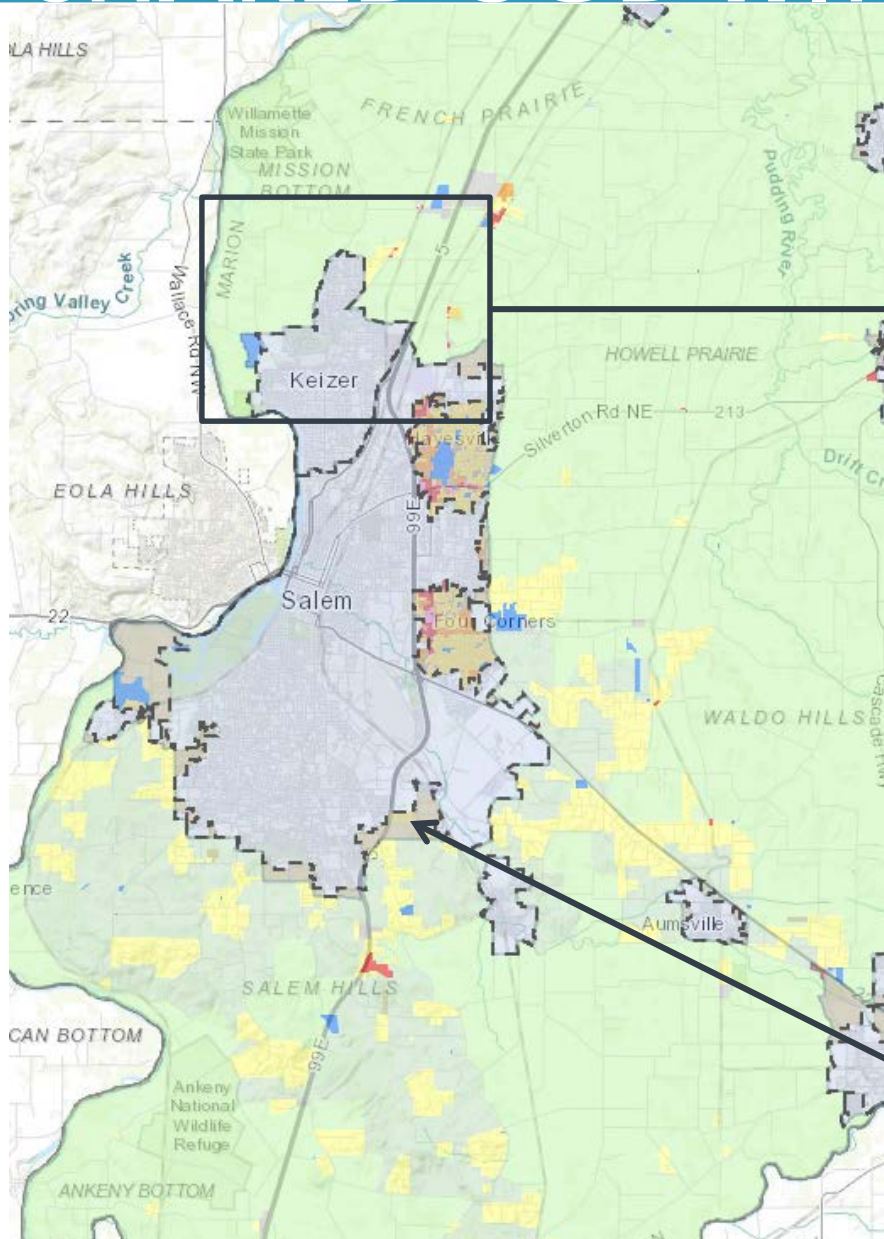
Compare
Need with
Supply

Analyze and
revise
capacity
within
existing
UGB

Determine
how much
land is
needed

Evaluate
Lands for
Inclusion in
UGB

SHARED UGB WITH SALEM



- All jurisdictions must agree
- Salem has lots of land inside UGB

COSTS OF GROWTH: INTRO

Fiscal / service costs

- Utilities
- Transportation
- Parks
- Public Safety
- Schools
- Other services

Non-monetary / indirect costs

- Changes to rural character and function
- Changes to city neighborhood character
- Possible school district split
- Traffic congestion and crashes
- Health impacts
- Environmental costs—energy, pollution

COSTS OF GROWTH: LITERATURE REVIEW

Outward growth (sprawl) tends to cost cities more than internal growth (infill)

Infrastructure Costs

Calgary study compared compact urban growth scenario with sprawl scenario.

Significant cost savings for compact development:

- **33% savings** on capital infrastructure costs
- **14% savings** on operations

Transportation Costs & Environmental Impacts

EPA study compared impacts for infill sites vs. suburban edge/greenfield sites.

Infill development had:

- Shorter average trip distances
- Fewer vehicle miles traveled (VMT) per capita
- Shorter travel times
- Lower household travel costs
- Lower emissions production
- Greater access to multi-modal transportation options and community amenities

Sources: Sustainable Cities Initiative, 2012; EPA, 1999

WHAT HAPPENS WHEN WE GROW?

SERVICE COSTS: UTILITIES

- Water
- Wastewater / Sewer
- Stormwater

Who pays?



WHAT HAPPENS WHEN WE GROW?

SERVICE COSTS: TRANSPORTATION

- Roads and highways
 - New roads
 - Road expansions
- Transit



Who pays, and what proportion?



WHAT HAPPENS WHEN WE GROW?

SERVICE COSTS: OTHERS

- Parks
- Public Safety
- Schools
- Libraries
- Etc.

Who pays?



WHAT HAPPENS WHEN WE GROW?

NON-MONETARY & INDIRECT COSTS

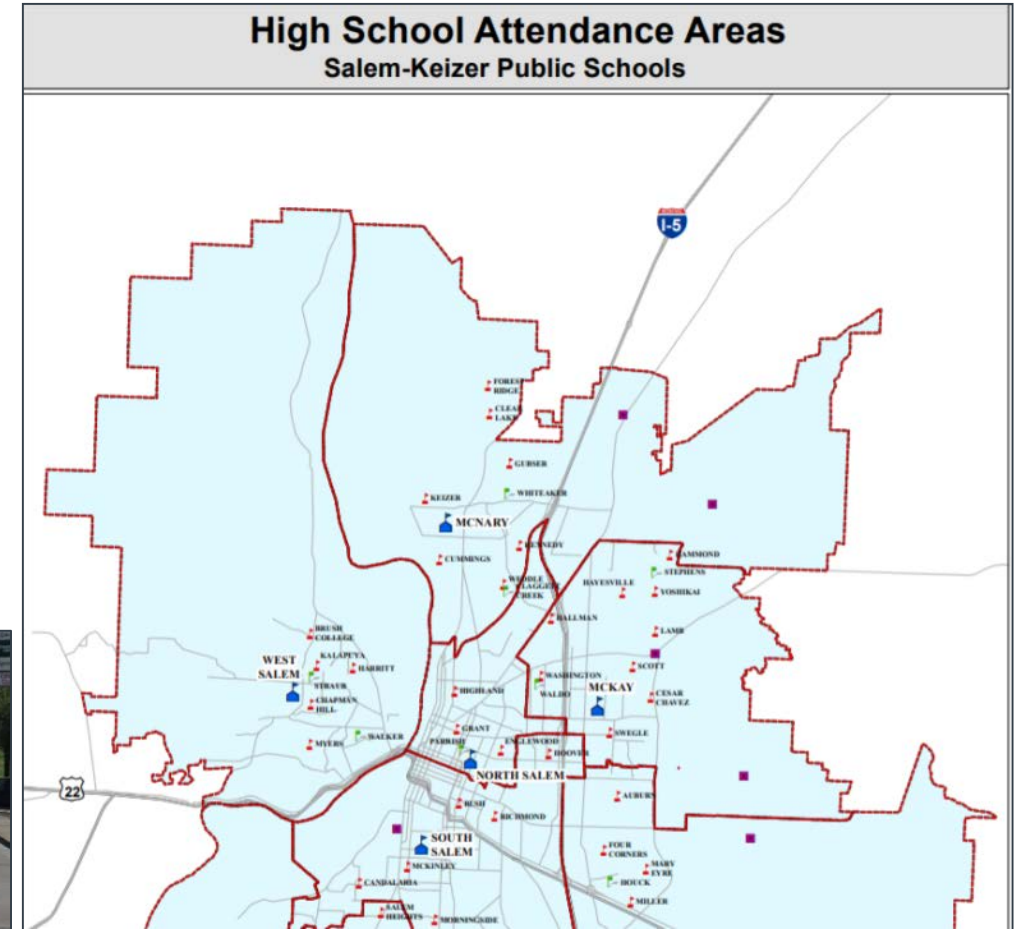
- Changes to rural character and function



WHAT HAPPENS WHEN WE GROW?

NON-MONETARY & INDIRECT COSTS

- Possible school district split
- Traffic congestion and crashes
- Health impacts
- Environmental costs—energy, pollution



WHAT HAPPENS WHEN WE GROW?

OTHER CONSIDERATIONS / DISCUSSION

- Who are we expanding for?
 - Where do new residents work? Are they driving more?
 - What are their City service expectations?
- Size of government will increase
- Intergovernmental relations (Keizer/Salem/Marion Co./Polk Co.)
- Character of expansion areas – new vs. old neighborhoods
 - Smaller lots, larger homes
- City tax base

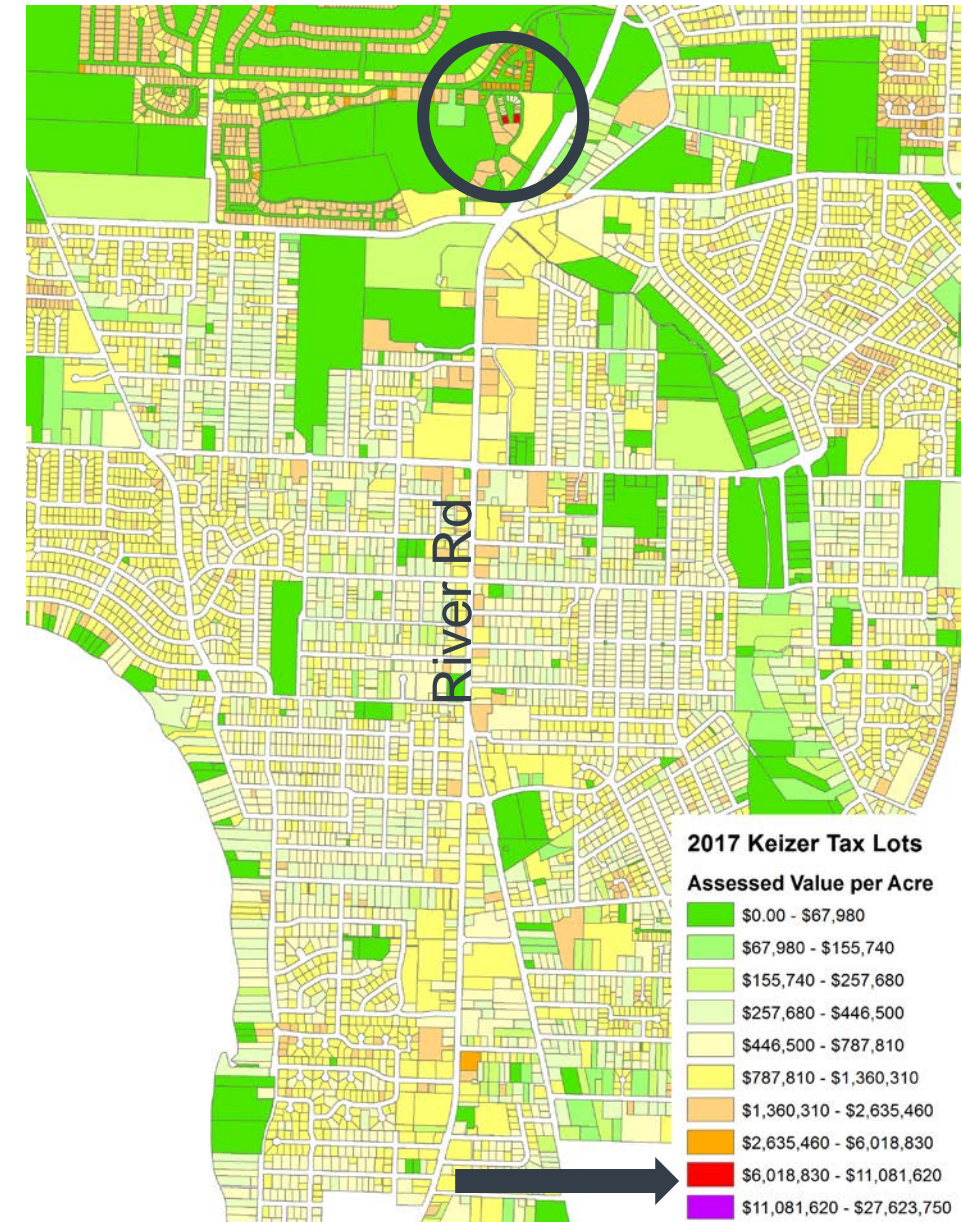


VALUE OF NEW DEVELOPMENT

Higher tax revenues per acre for higher-density development



Townhomes on Shoreview Ln N



VALUE OF NEW DEVELOPMENT

Higher tax revenues per acre for higher-density development



2017 Keizer Tax Lots

Assessed Value per Acre

	\$0.00 - \$67,980
	\$67,980 - \$155,740
	\$155,740 - \$257,680
	\$257,680 - \$446,500
	\$446,500 - \$787,810
	\$787,810 - \$1,360,310
	\$1,360,310 - \$2,635,460
	\$2,635,460 - \$6,018,830
	\$6,018,830 - \$11,081,620
	\$11,081,620 - \$27,623,750

Townhomes vs. single-family homes on McNary Estates Dr N

LESSONS LEARNED

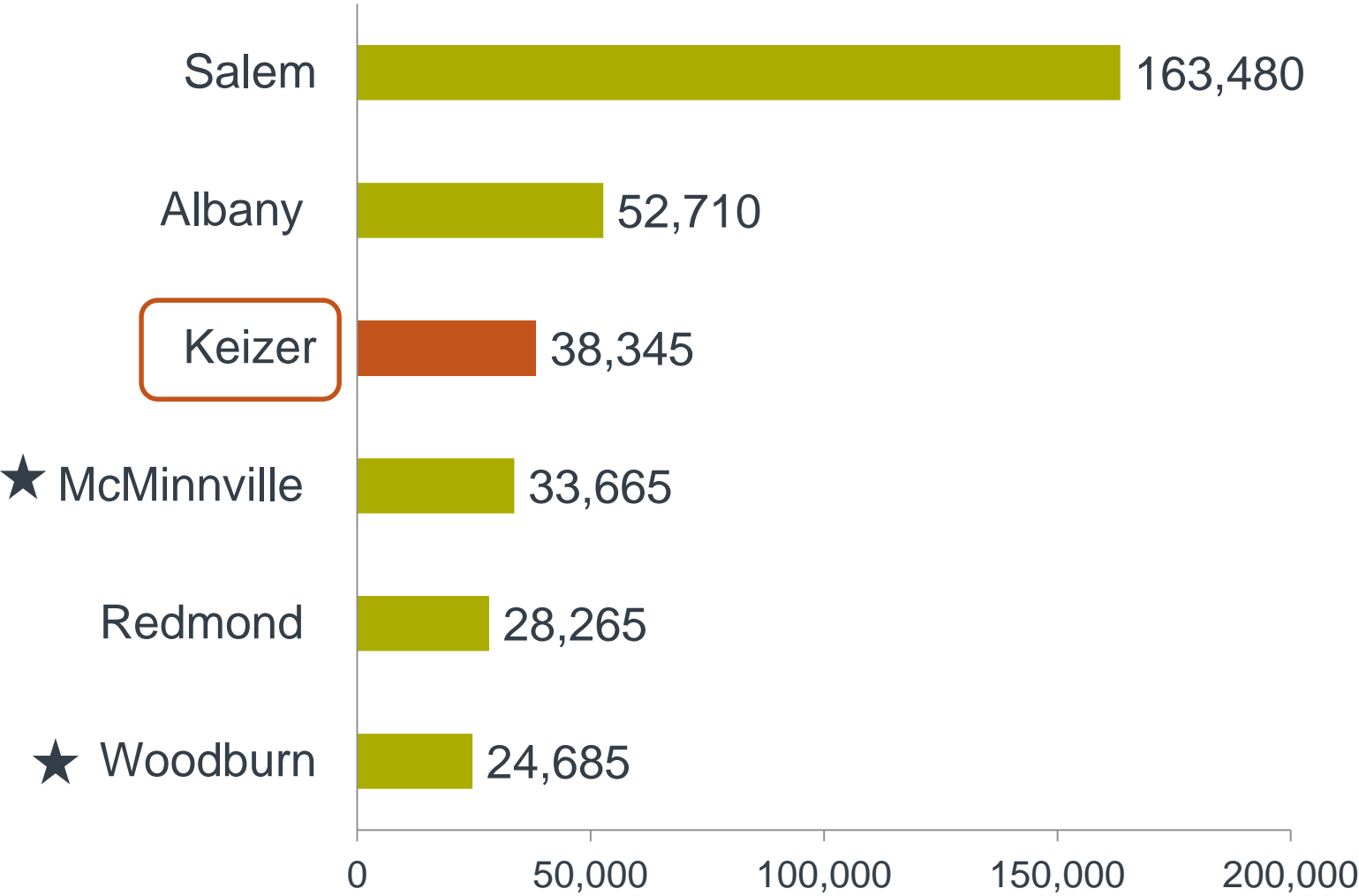
CASE STUDIES

- Woodburn
- McMinnville
- North Bethany
- + other peer cities & UGB expansion areas



COMPARISON: PEER CITY GROWTH

Current Population
(2017 estimates)



COMPARISON: PEER CITY GROWTH

Population Growth

Annual Average Growth Rates

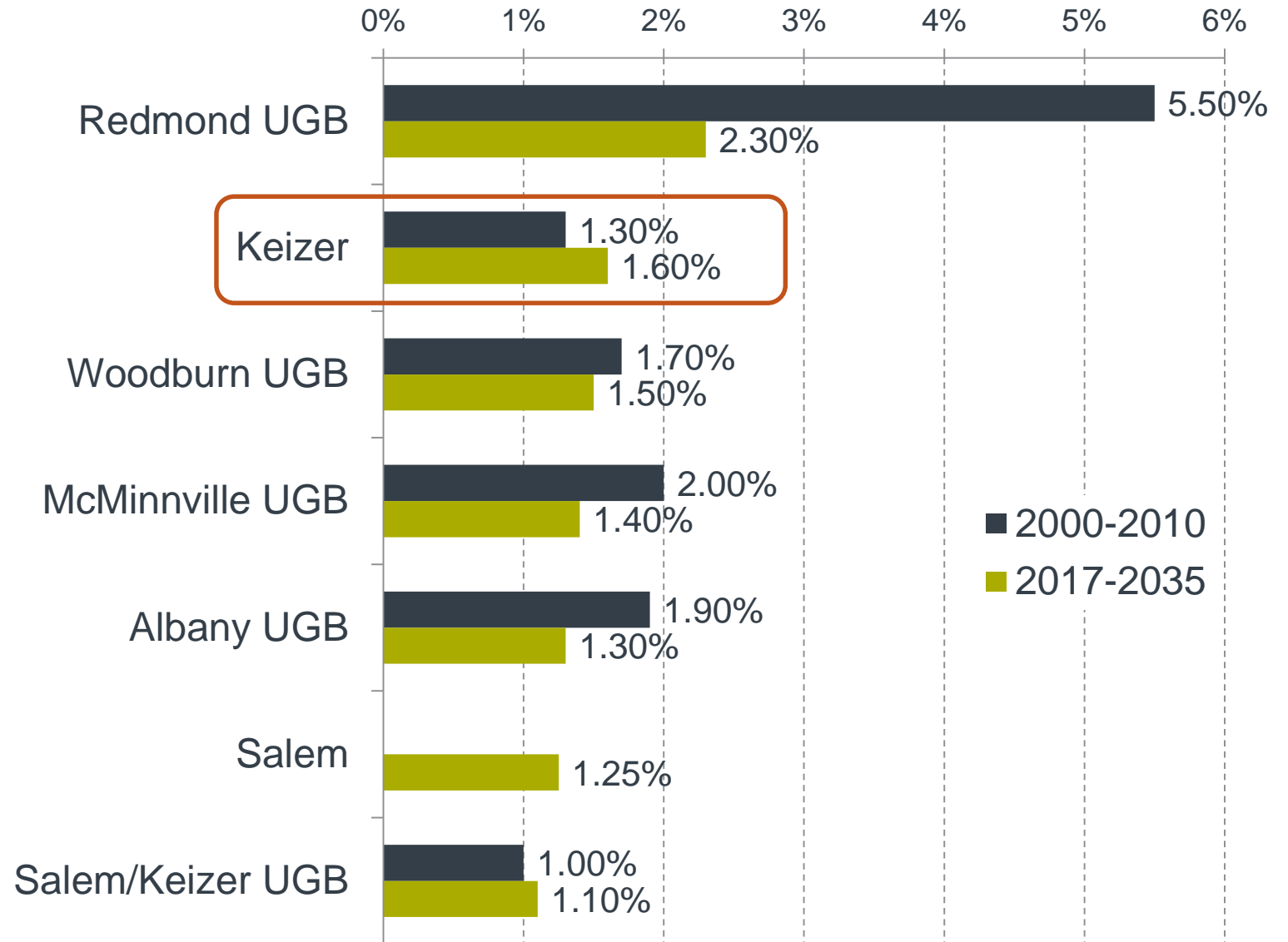
2000-2010

2017-2035 (projected)

Redmond: 2018-2043 (data from newer forecast)

Keizer: 2018-2033 (data from 2013 HNA)

Salem: (data from 2014 HNA)



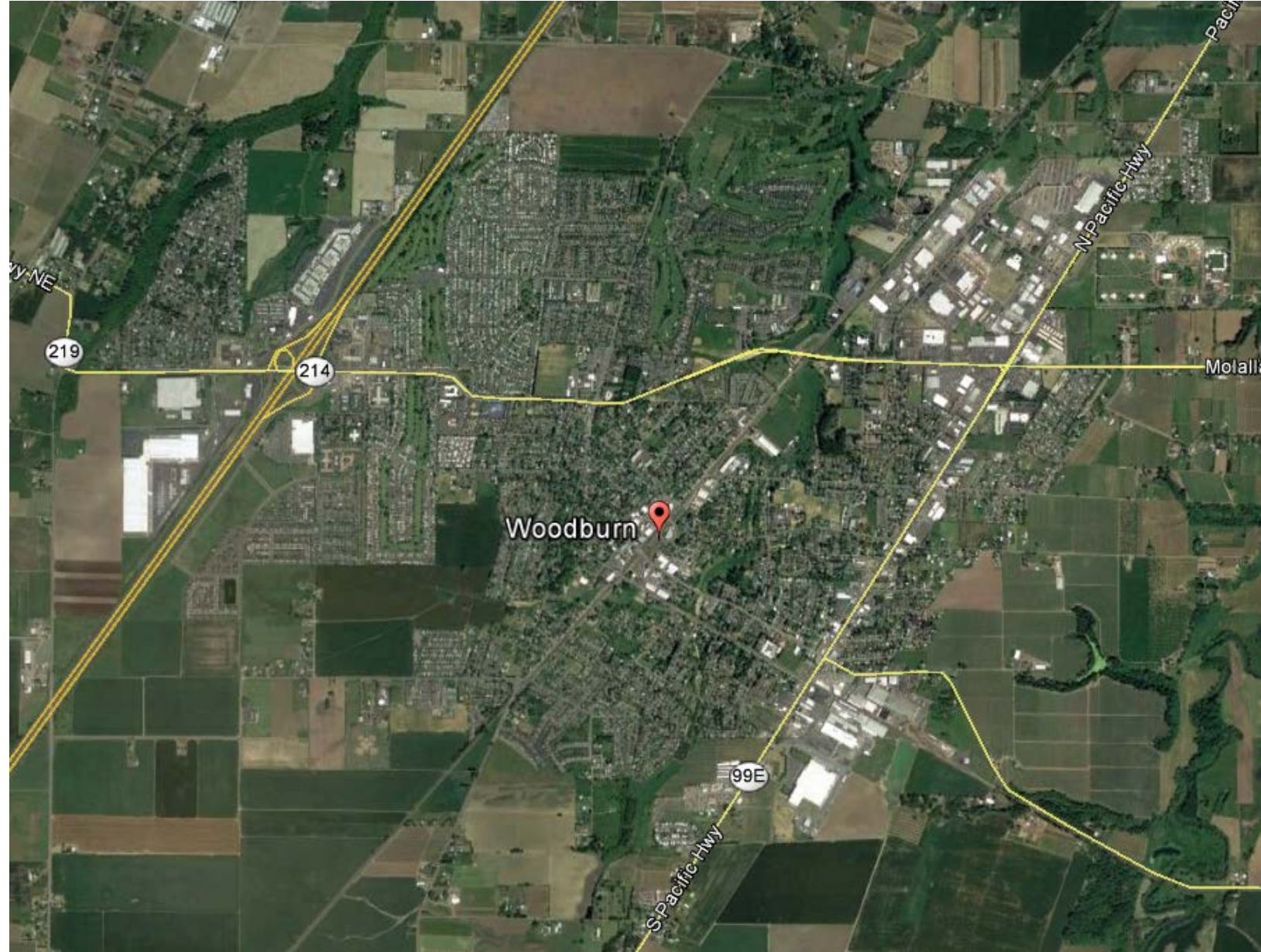
WOODBURN

-
- A map of the Portland, Oregon area, showing the locations of Woodburn and Keizer. Woodburn is marked with a black star and labeled 'Woodburn' in large black text. Keizer is also marked with a black star and labeled 'Keizer' in large black text. The map shows major highways like I-5, I-205, and US-26, and various cities and towns in the region.

LESSONS LEARNED

WOODBURN

- Initial ask:
 - 546 acres for residential
 - 409 acres for industrial
 - 22 acres for commercial
- 1000 Friends of Oregon objected to:
 - amount of industrial land
 - inclusion of high-value farmland



LESSONS LEARNED

MCMINNVILLE

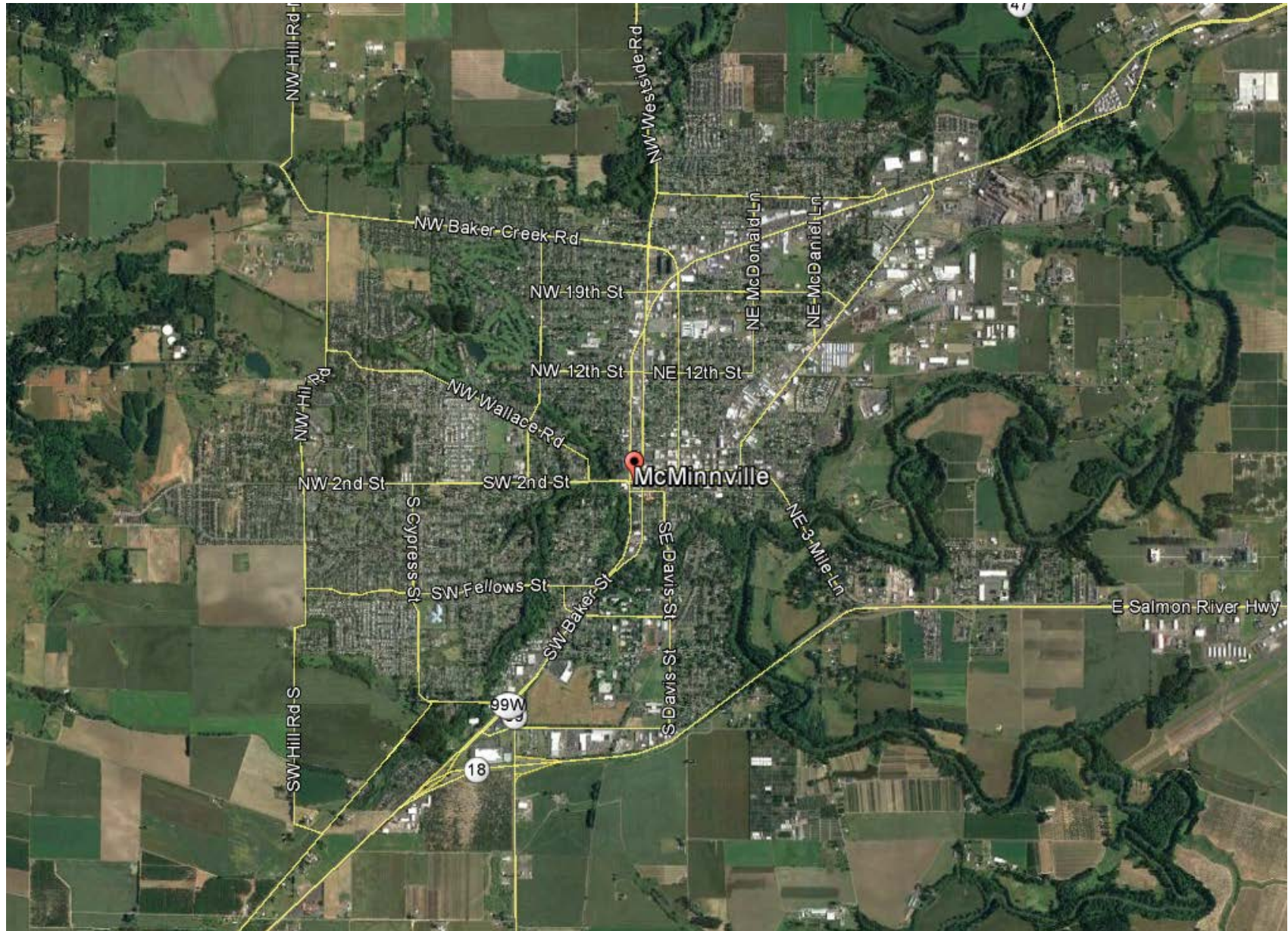
- Worked towards expansion for over 10 years
- Abandoned plans in 2012



LESSONS LEARNED

MCMINNVILLE

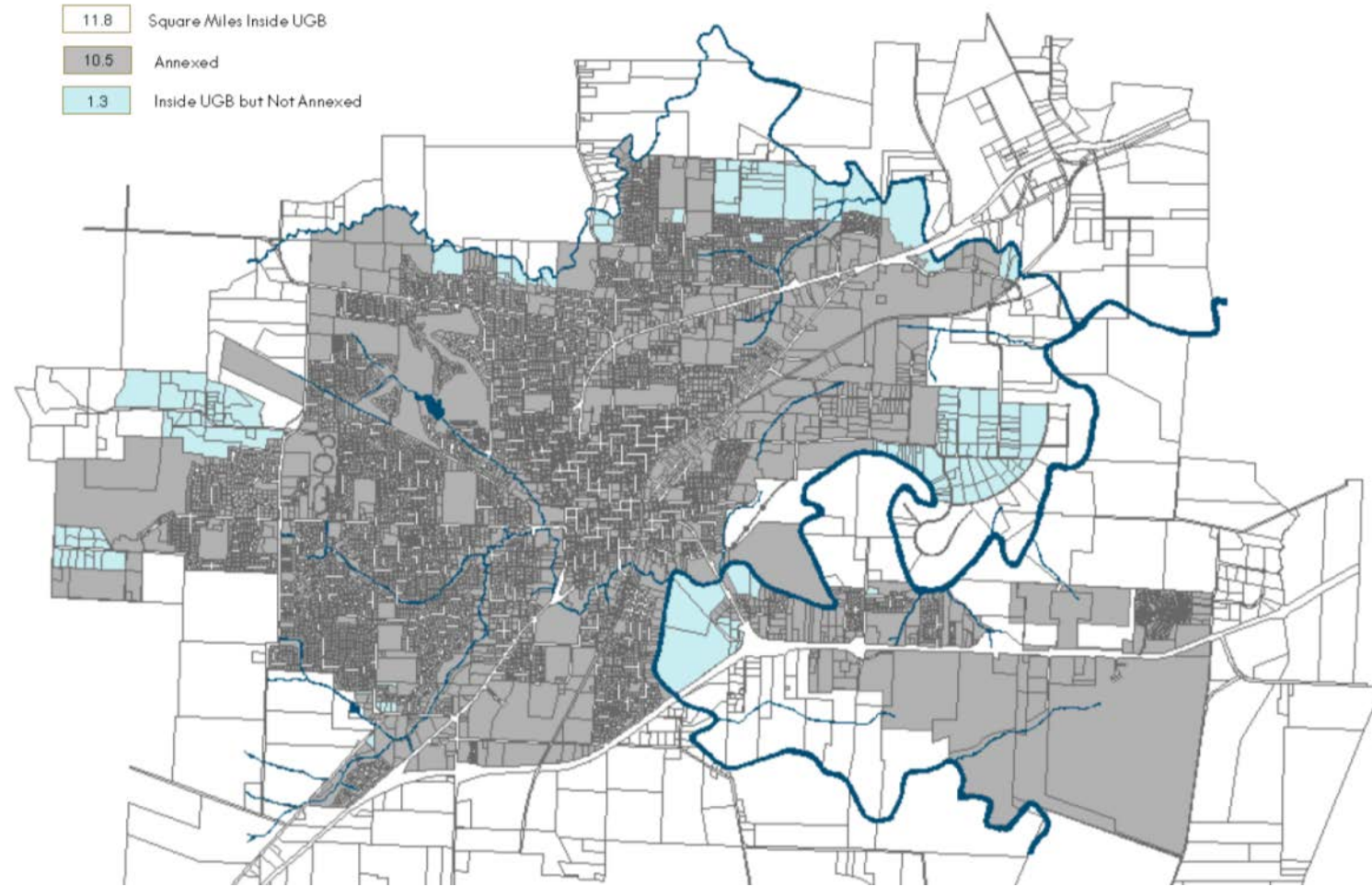
- Proposed to expand by 1,200 acres
- Approx. 2/3 was high-quality farmland
- Advocates objected to exclusion of rural residential “exception lands” in favor of farmland



LESSONS LEARNED

MCMINNVILLE

- Since 2012, City has adopted efficiency measures to accommodate growth
- Currently revisiting UGB expansion; concerned that land supply is inhibiting growth



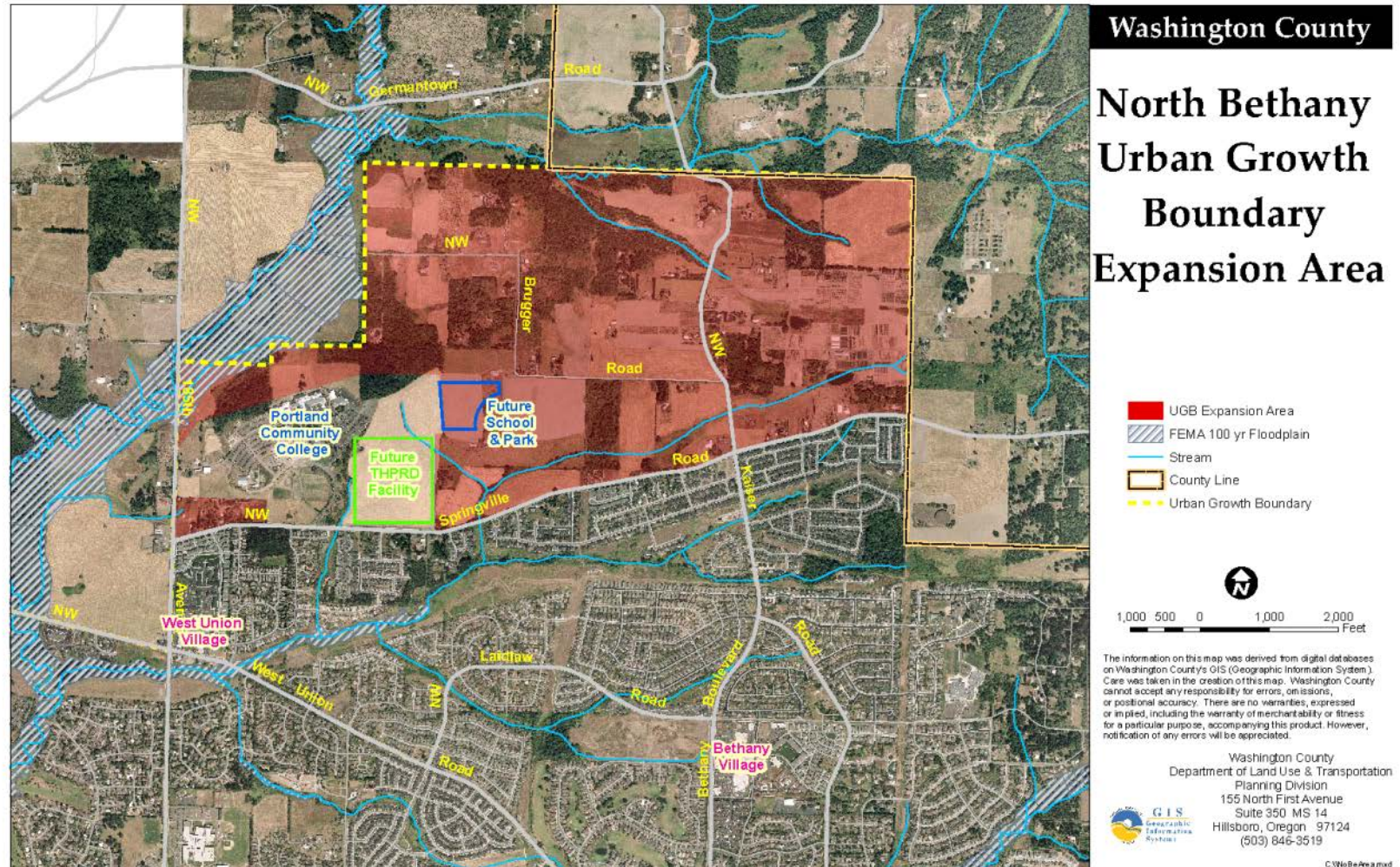
NORTH BETHANY, WASHINGTON COUNTY

-
- A map of North Bethany, Oregon, showing the location of Keizer relative to Portland and Salem. The map is a Google Map with a light gray background and green areas representing parks and forests. Major roads are shown in yellow and orange, with route numbers in blue and white circles. The city of Portland is labeled in the upper right, and Salem is labeled in the lower left. Keizer is marked with a black star and the word "Keizer" in large black text. Other cities and towns labeled include North Plains, Hillsboro, Beaverton, Tigard, Tualatin, Sherwood, Wilsonville, Canby, Aurora, Hubbard, Woodburn, Gervais, Mt Angel, Silverton, Brooks, Labish Village, Klamath Falls, Matsum, Macleay, Turner, Aumsville, Sublimity, Stayton, Lyons, Fox Valley, Mill City, Gates, Niagara, Elkhorn, Drake Crossing, Silver Falls State Park, Wilhoit, Scotts Mills, Glen Avon, Molalla, Needly, Mulino, Beaver Creek, Oregon City, West Linn, Clackamas, Happy Valley, Milwaukie, Gresham, Troutdale, Camas, Bull Run, Sandy, Eagle Creek, Dover, George, Dodge, Colton, Estacada, and Springwater. The map also shows the Willamette River and various smaller creeks and lakes. The Google logo is visible in the bottom center.

LESSONS LEARNED

NORTH BETHANY

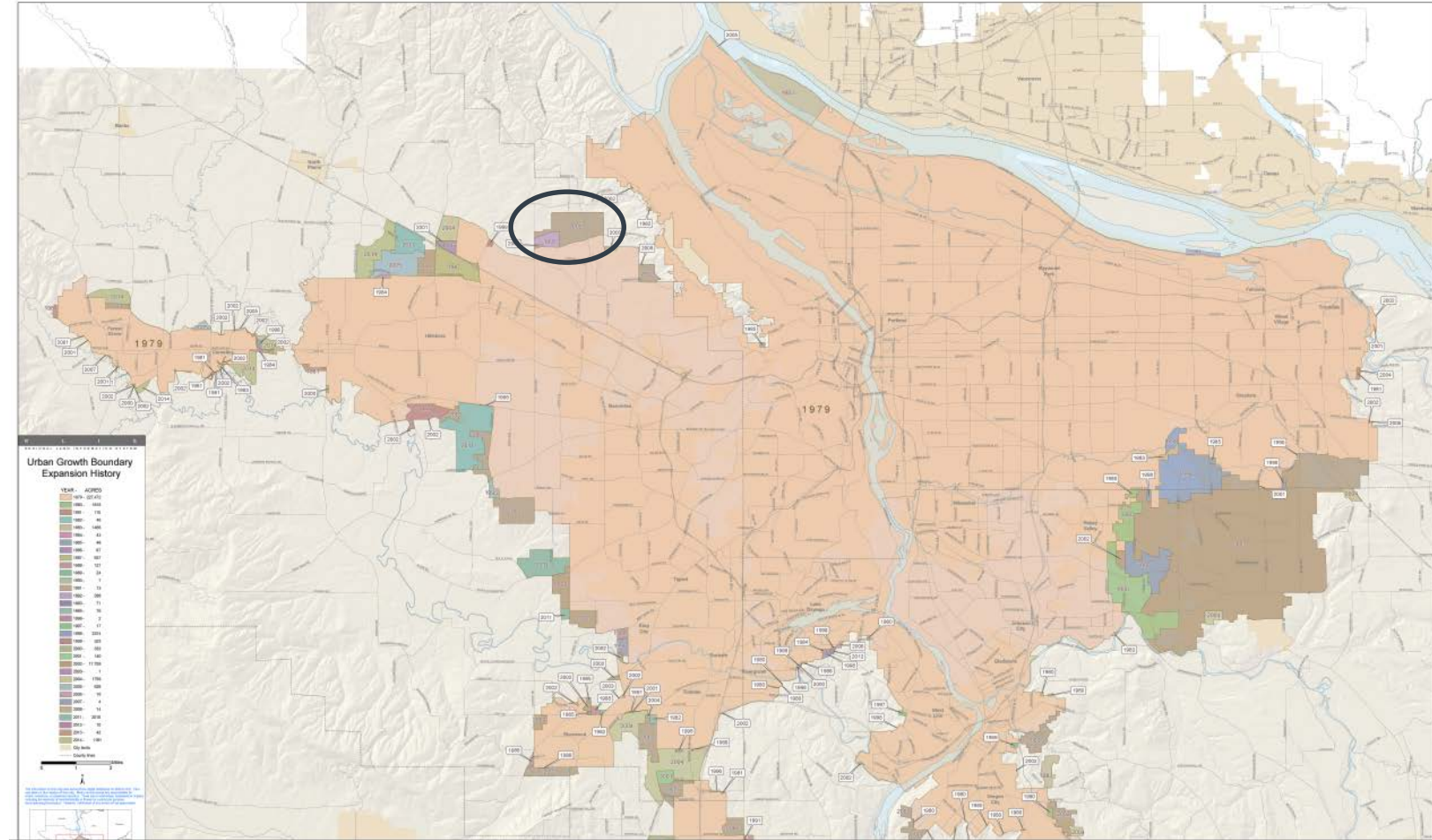
- 800 acres added to UGB
- Balance of exception land and EFU zoned farmland



LESSONS LEARNED

NORTH BETHANY

- One of many areas added in 2002 – the year of Metro's largest UGB expansion in history



LESSONS LEARNED

NORTH BETHANY: FUNDING CHALLENGES

- 10-year lag between expansion and when first homes were constructed
- Long and contentious planning process
- Existing funding sources left the County approx. **\$100,000 short per house** in capital costs for infrastructure
- County adopted \$69 million infrastructure funding package:
 - Higher SDCs
 - Transportation Development Tax (TDT) funds
 - Up to \$10 million from Major Streets Transportation Improvement Program (MSTIP)—funded through county-wide property taxes
 - Additional property taxes for lots in North Bethany (\$1.25 per \$1,000 of assessed value)

DISCUSSION

POTENTIAL TOPICS

- Planning Process
- Timing
- Shared UGB
- Best Places for Growth
- Keizer's Character

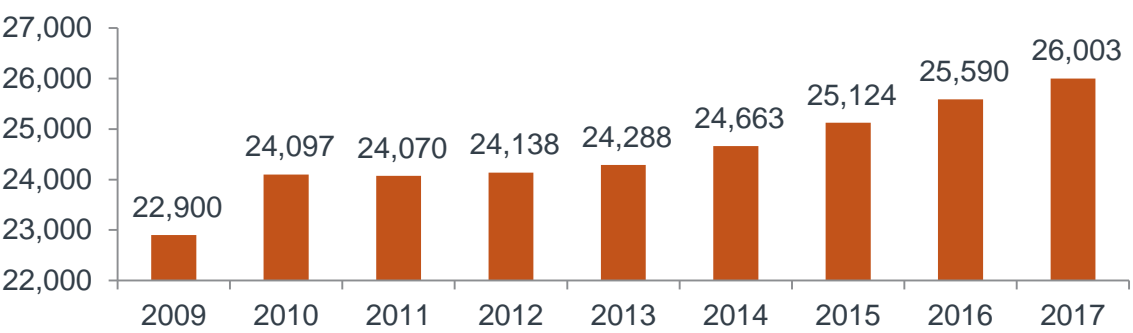


LESSONS LEARNED

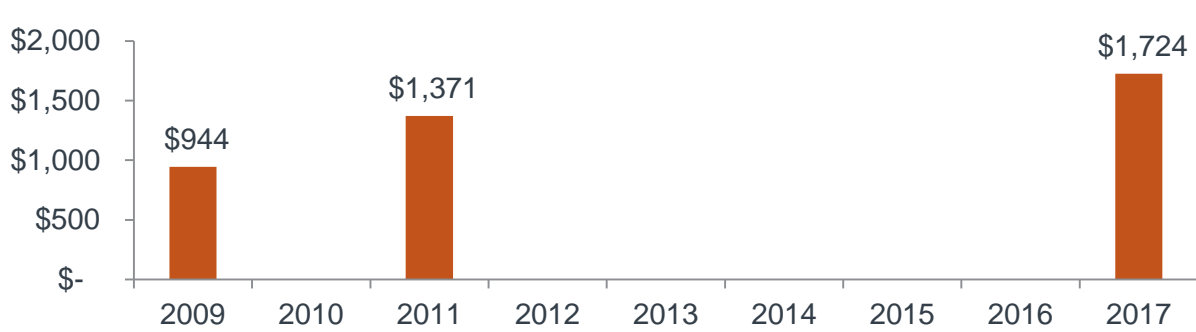
MUNICIPAL BUDGETS

Woodburn

Population growth

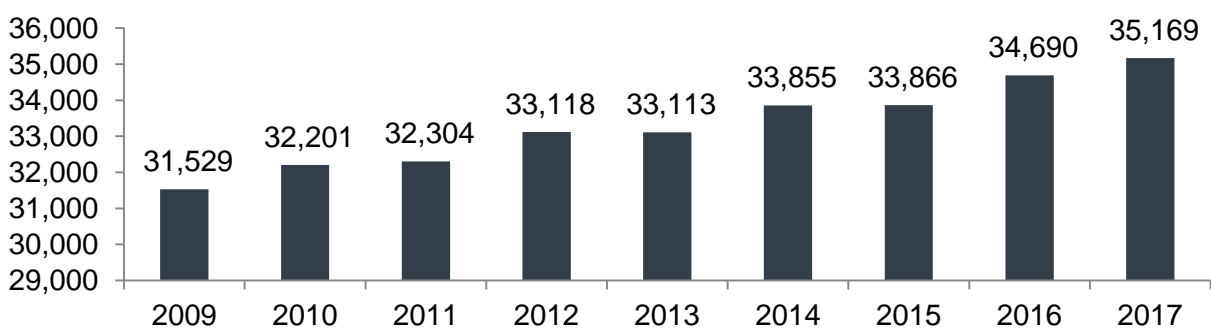


Budget per capita

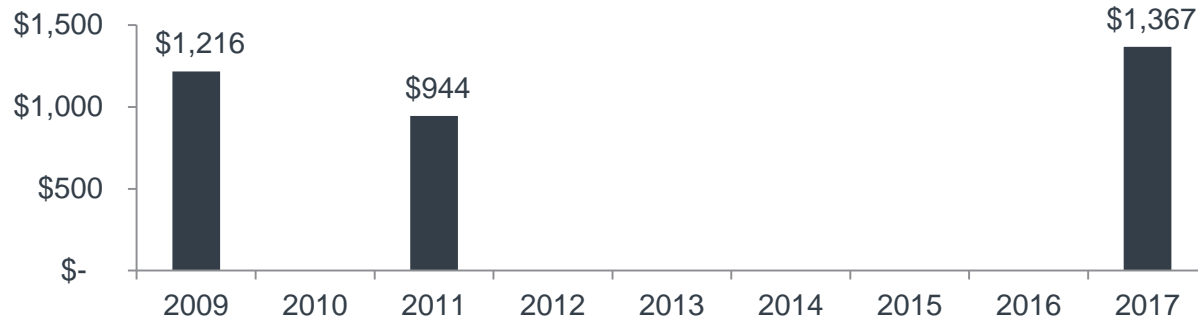


McMinnville

Population growth



Budget per capita



LESSONS LEARNED

SYSTEM DEVELOPMENT CHARGES (SDCs)

- Transportation
- Water
- Sewer
- Stormwater
- Parks
- Schools (some districts)

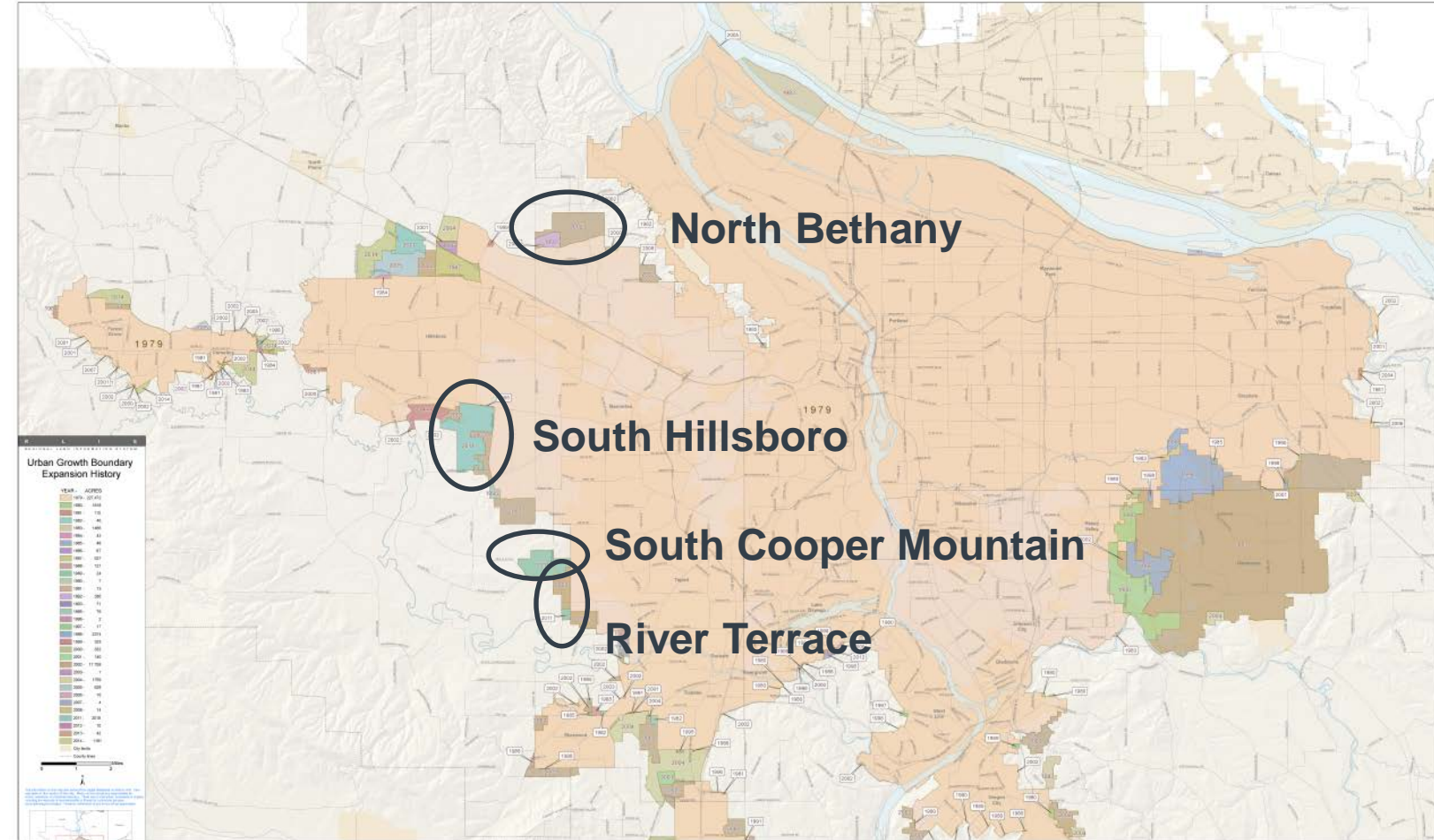


LESSONS LEARNED

SDCs

Portland Metro UGB Expansion Areas

- North Bethany, Washington County
- South Hillsboro
- South Cooper Mountain, Beaverton
- River Terrace, Tigard

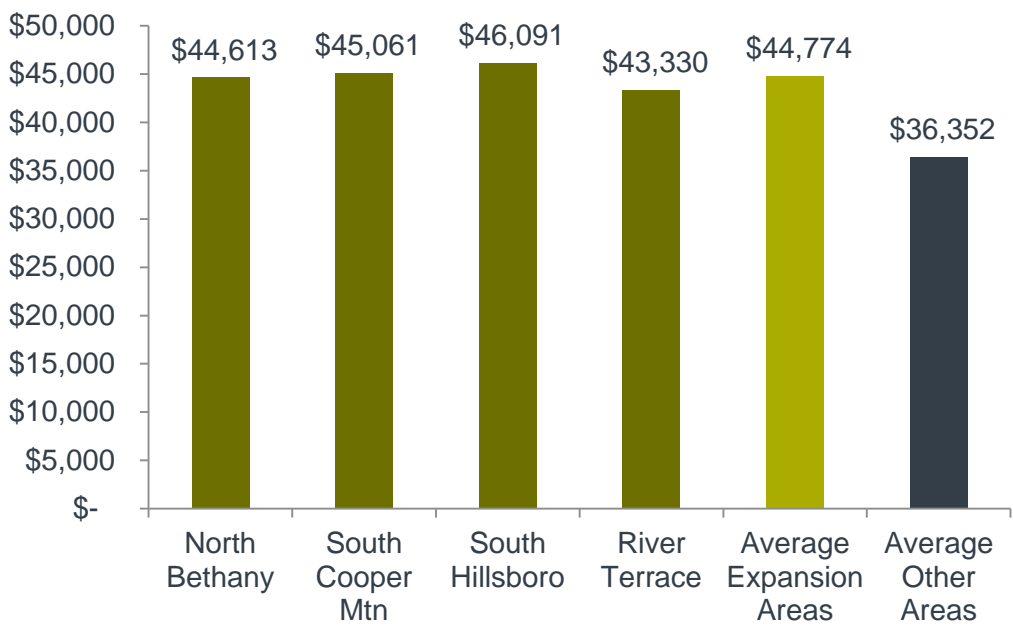


LESSONS LEARNED

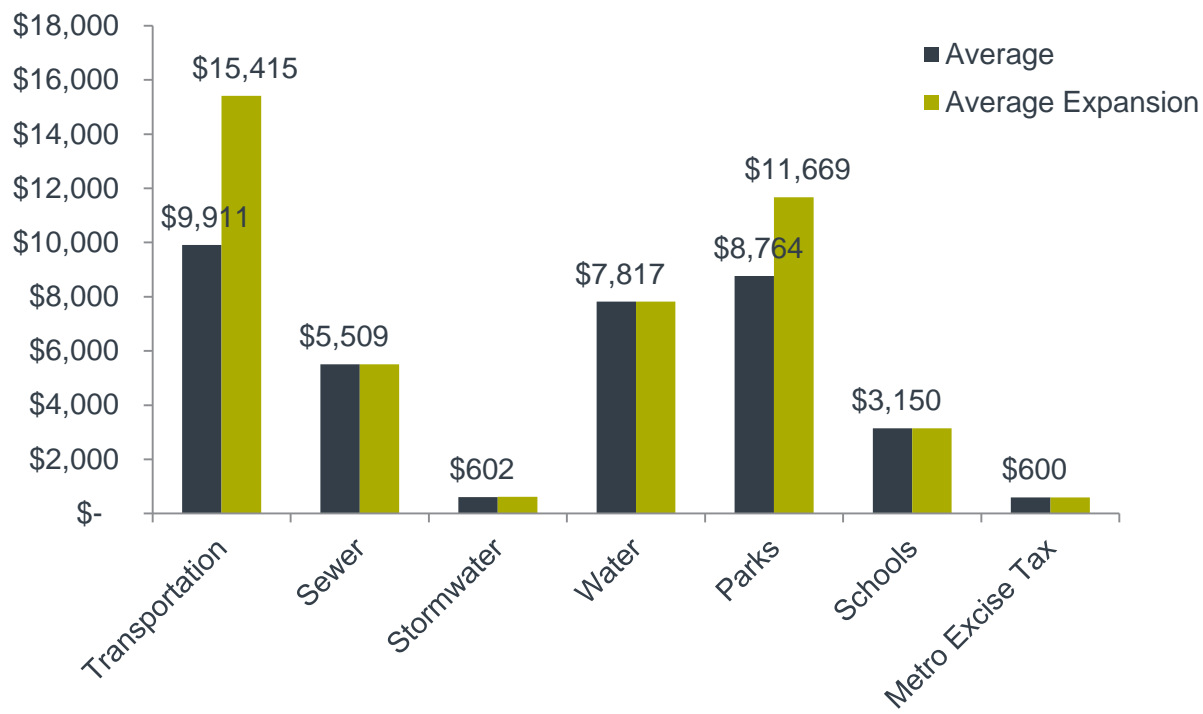
SDCs

Total SDCs

Average
25%
Increase



SDCs by category



LESSONS LEARNED

SDCs

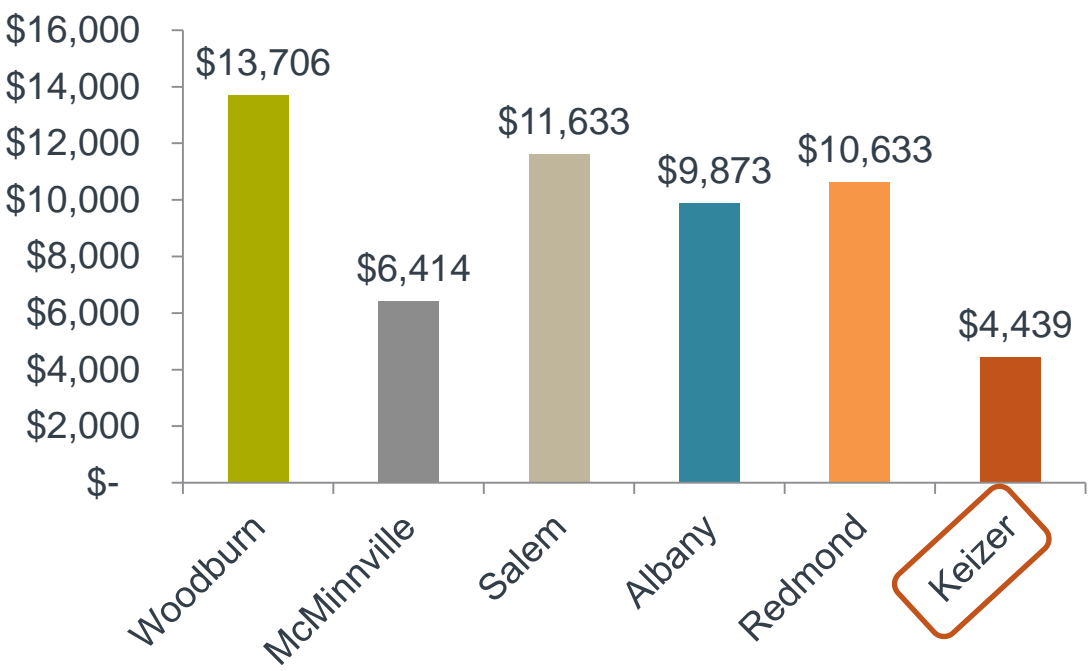
- Keizer & peer cities
 - Woodburn
 - McMinnville
 - Salem
 - Albany
 - Redmond



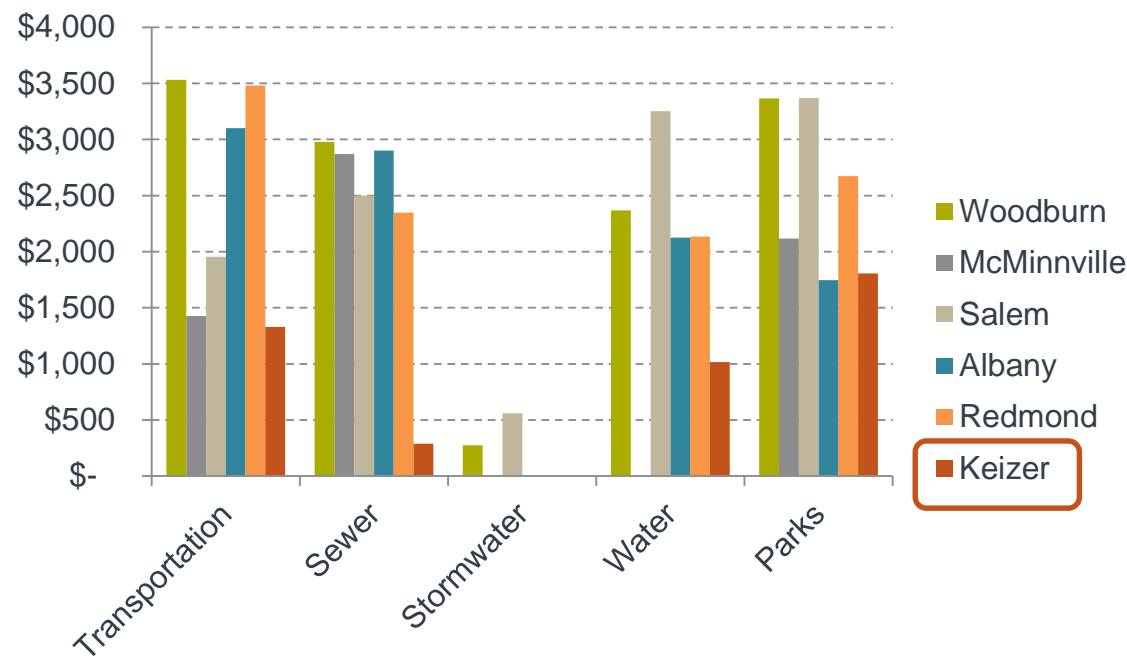
LESSONS LEARNED

SDCs

Total SDCs



SDCs by category

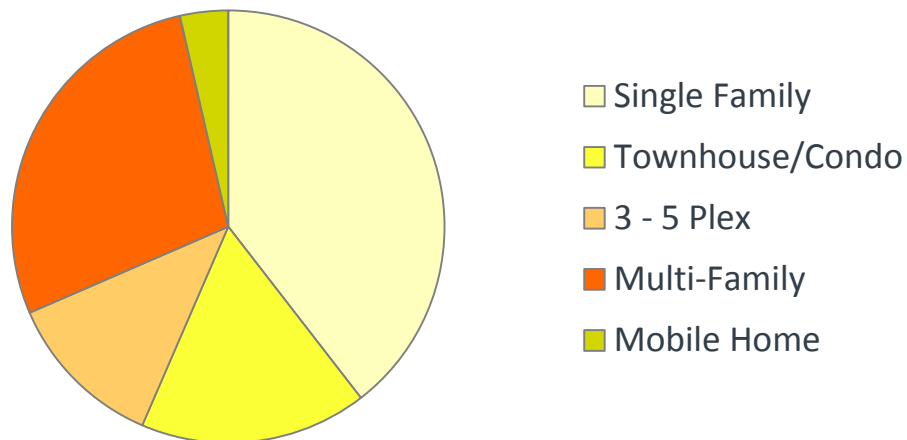


LESSONS LEARNED

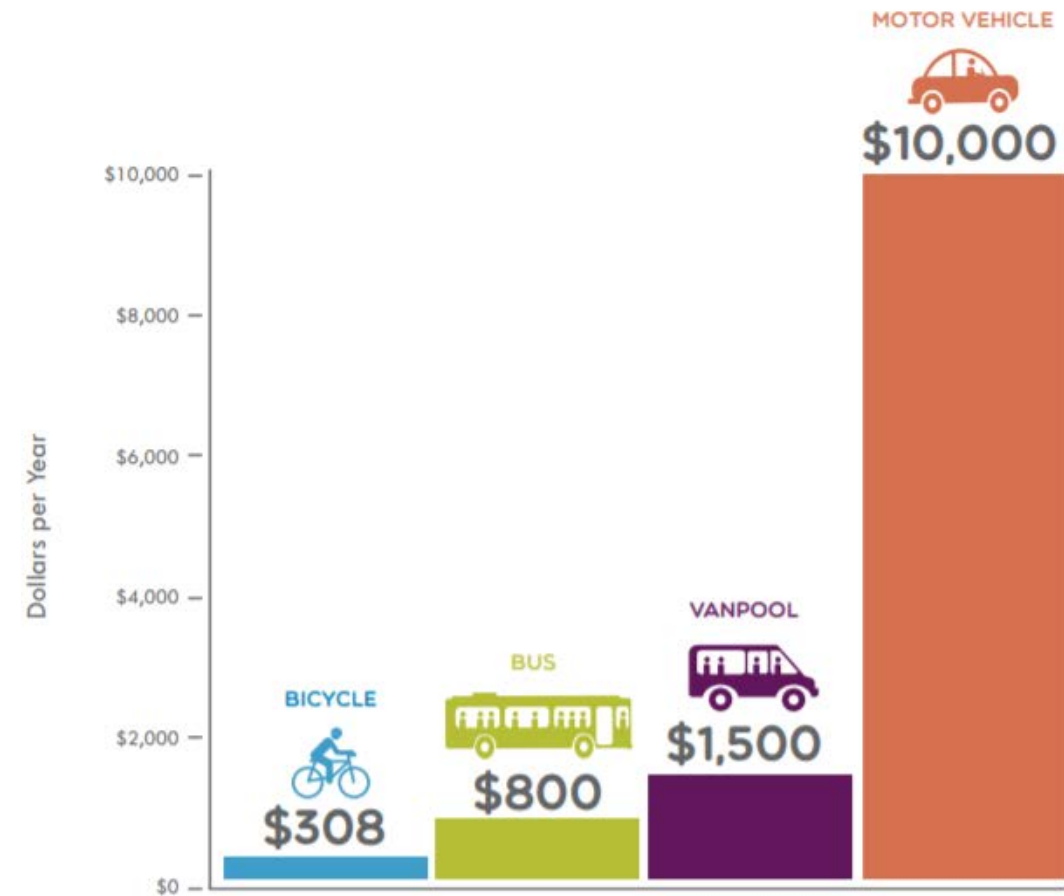
REVISITING NON-MONETARY IMPACTS

- Impacts of growth patterns on:
 - Land use mix & transportation options
 - Increased driving and associated costs

2013 Housing Mix



Average Annual Cost Comparison of Biking, Taking Transit, Vanpool, and Driving



LESSONS LEARNED

TRANSPORTATION OPTIONS

One-third of Keizer's population doesn't have the option to drive

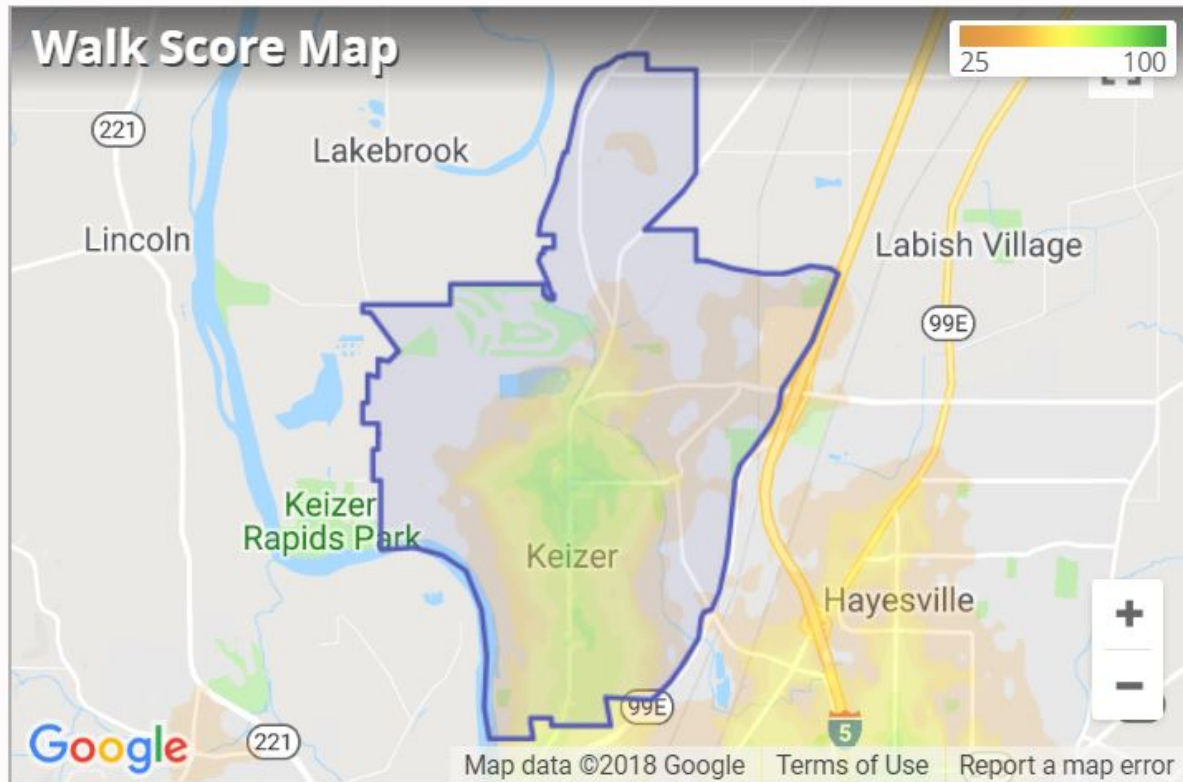


LAND USE MIX & TRANSPORTATION OPTIONS

Walk Score
35

Keizer is a Car-Dependent city

Most errands require a car.



Keizer has an average Walk Score of 35 with 36,478 residents.

Keizer has some public transportation and is somewhat bikeable.

[United States](#) ▶ [Oregon](#) ▶ [Keizer](#)

LAND USE MIX: EDGE VS. CENTRAL

Keizer edge

1381 Saint Charles Place Northeast

[Add scores to your site](#)

Keizer, Oregon, 97303

Commute to **Downtown Keizer**

11 min 24 min 60+ min [View Routes](#)

Favorite

Map

Nearby Apartments

[Looking for a home for sale in Keizer?](#)

Walk Score
12

Car-Dependent

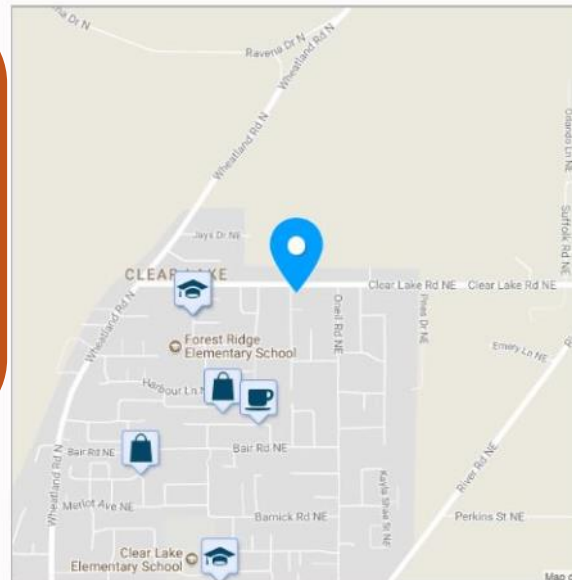
Almost all errands require a car.

Transit Score
19

Minimal Transit

It is possible to get on a bus.

[About your score](#)



Keizer central

575-631 Chemawa Road Northeast

[Add scores to your site](#)

Keizer, Oregon, 97303

Commute to **Downtown Keizer**

2 min 3 min 13 min [View Routes](#)

Favorite

Map

Nearby Apartments

[Looking for a home for sale in Keizer?](#)

Walk Score
83

Very Walkable

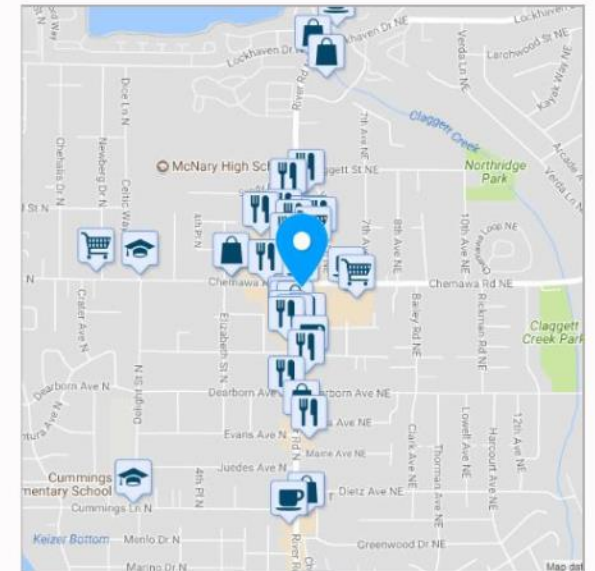
Most errands can be accomplished on foot.

Transit Score
38

Some Transit

A few nearby public transportation options.

[About your score](#)

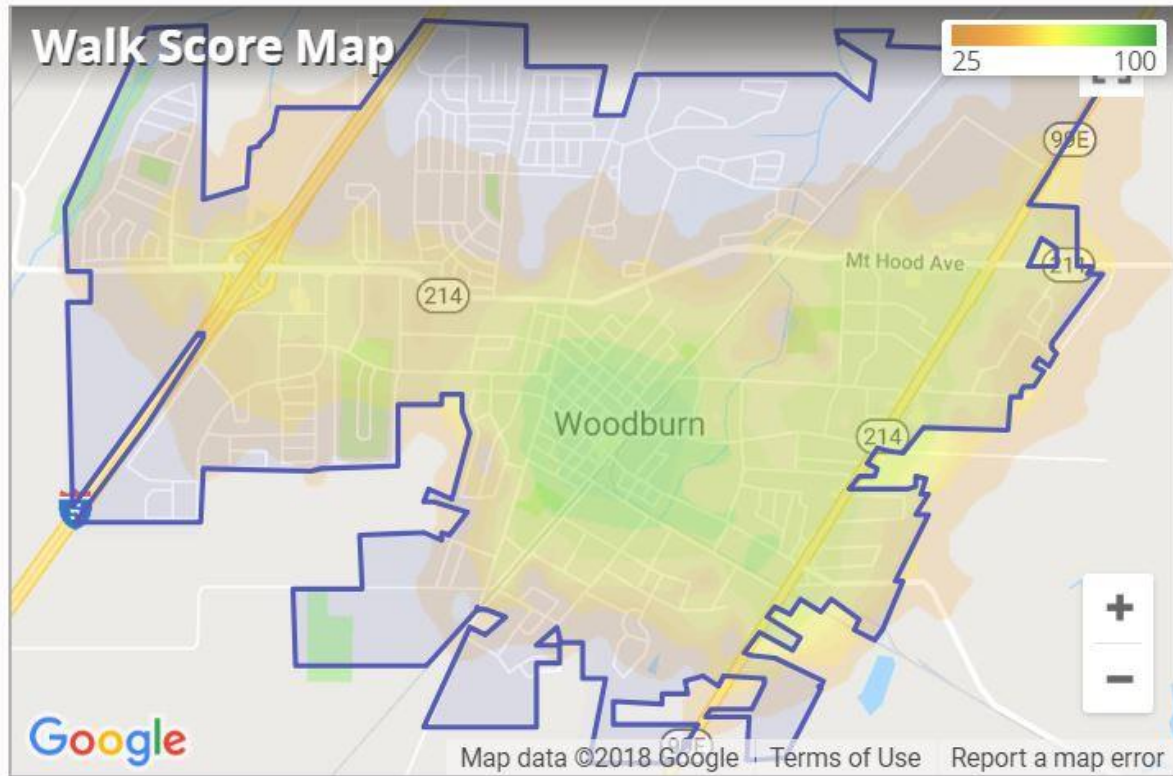


LAND USE MIX: WOODBURN & MCMINNVILLE

Walk Score
47

Woodburn is a Car-Dependent

Most errands require a car.

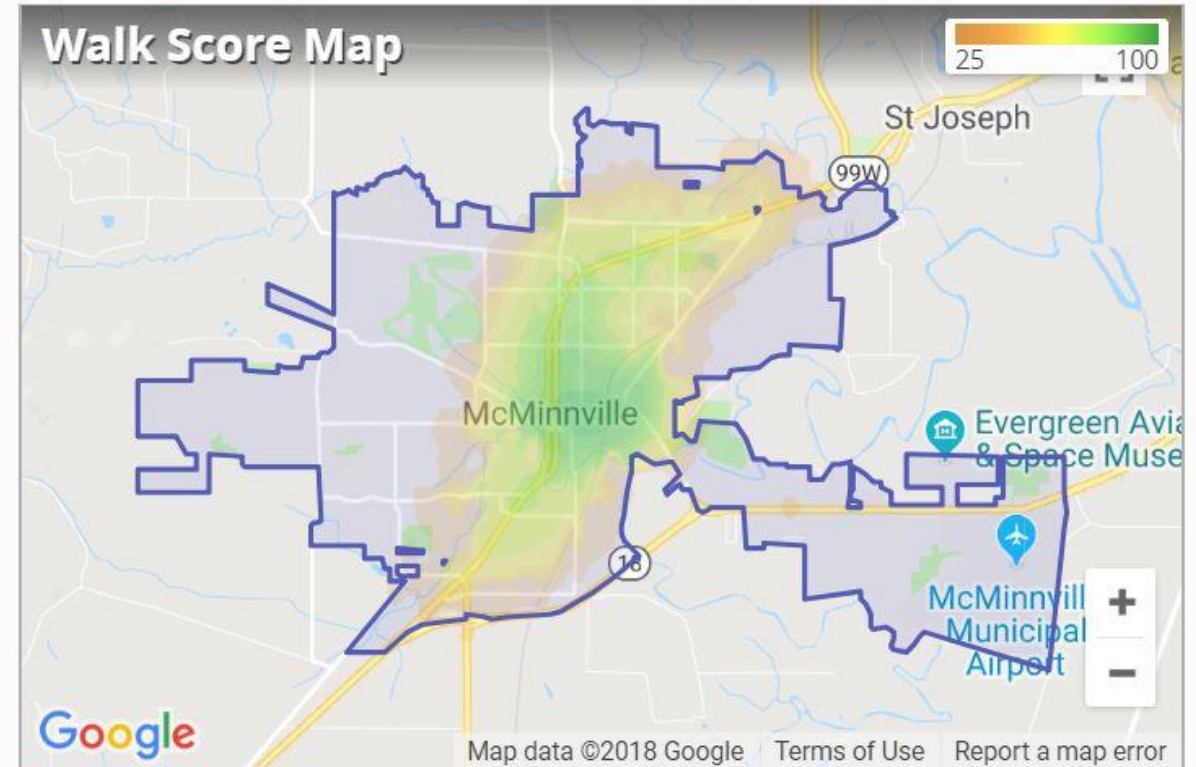


United States ▶ Oregon ▶ **Woodburn**

Walk Score
41

McMinnville is a Car-Depender

Most errands require a car.



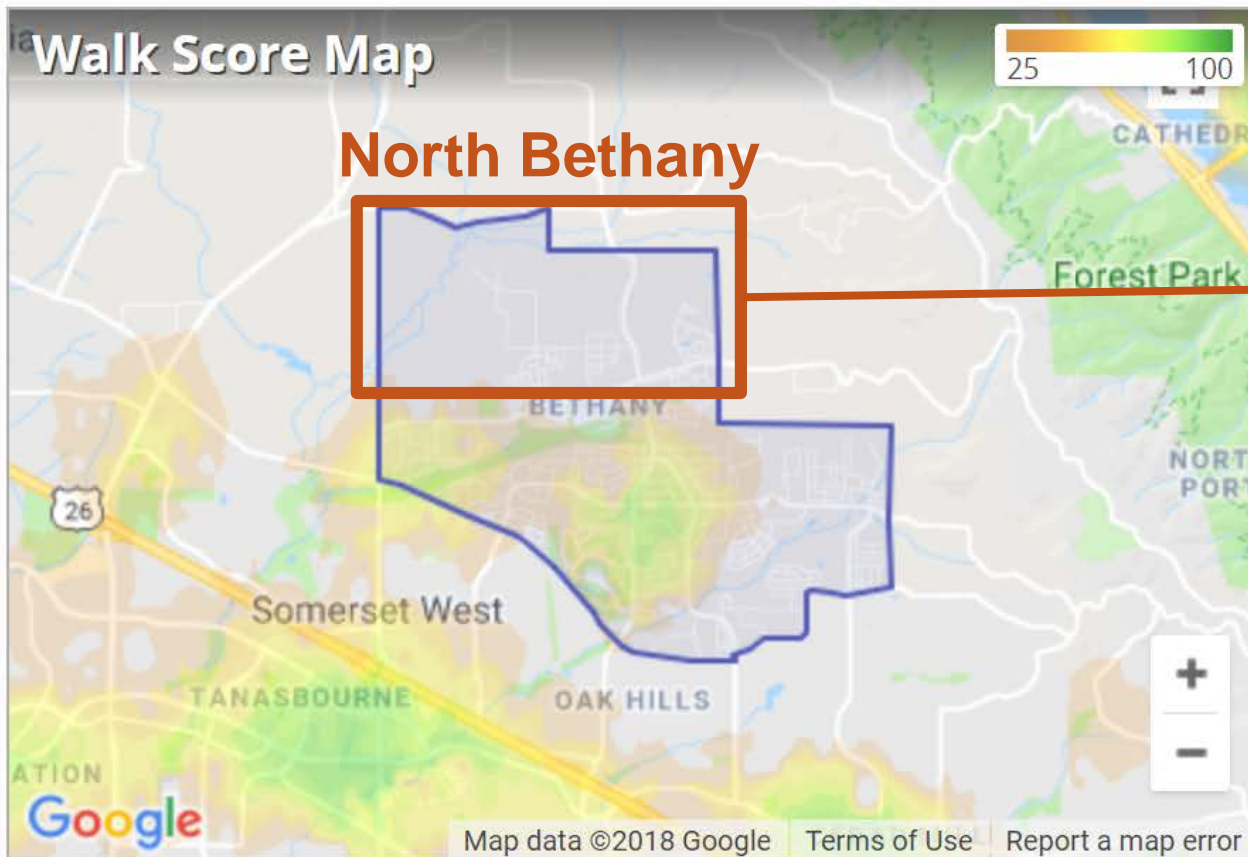
United States ▶ Oregon ▶ **McMinnville**

LAND USE MIX: NORTH BETHANY

Walk Score
39

Bethany is a Car-Dependent city

Most errands require a car.



Walk Score
11

Car-Dependent

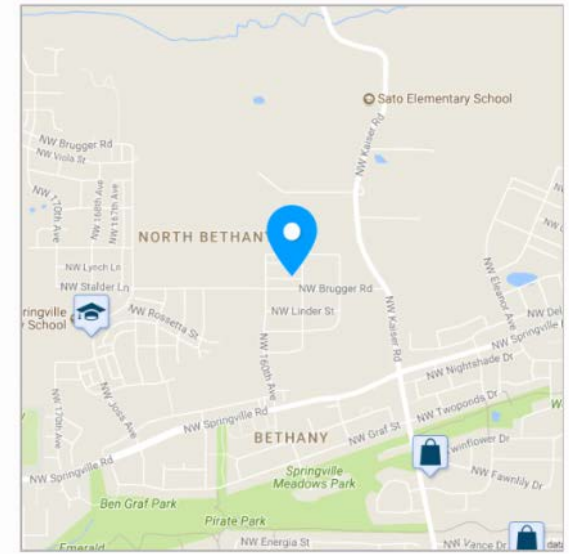
Almost all errands require a car.

Transit Score
31

Some Transit

A few nearby public transportation options.

[About your score](#)

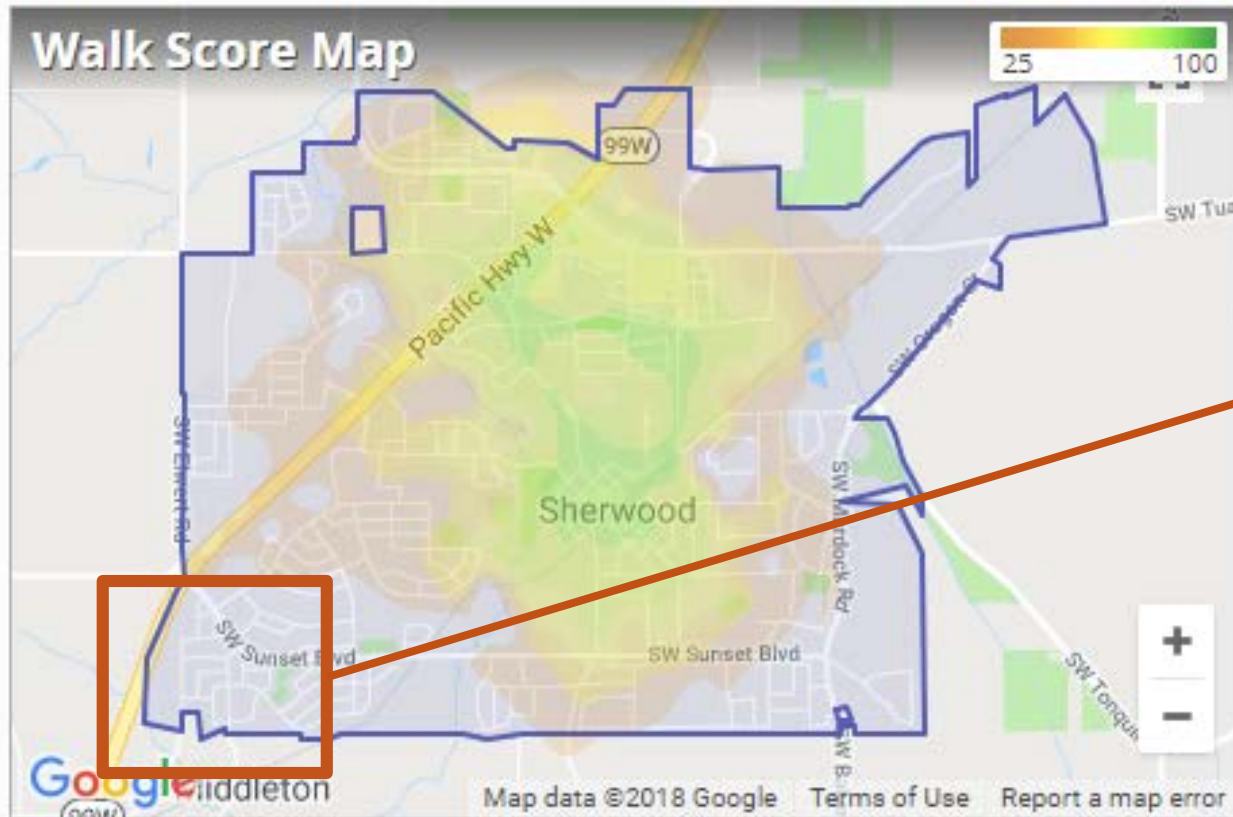


LAND USE MIX: SHERWOOD, OR

Walk Score
34

Sherwood is a Car-Dependent city

Most errands require a car.



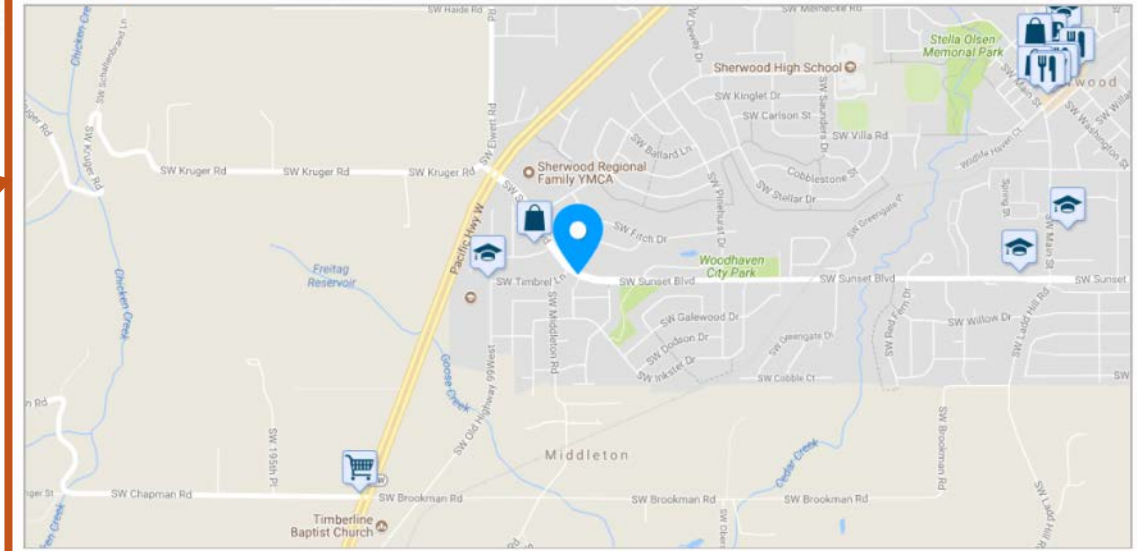
United States » Oregon » **Sherwood**

Walk Score
22

Car-Dependent

Almost all errands require a car.

About your score

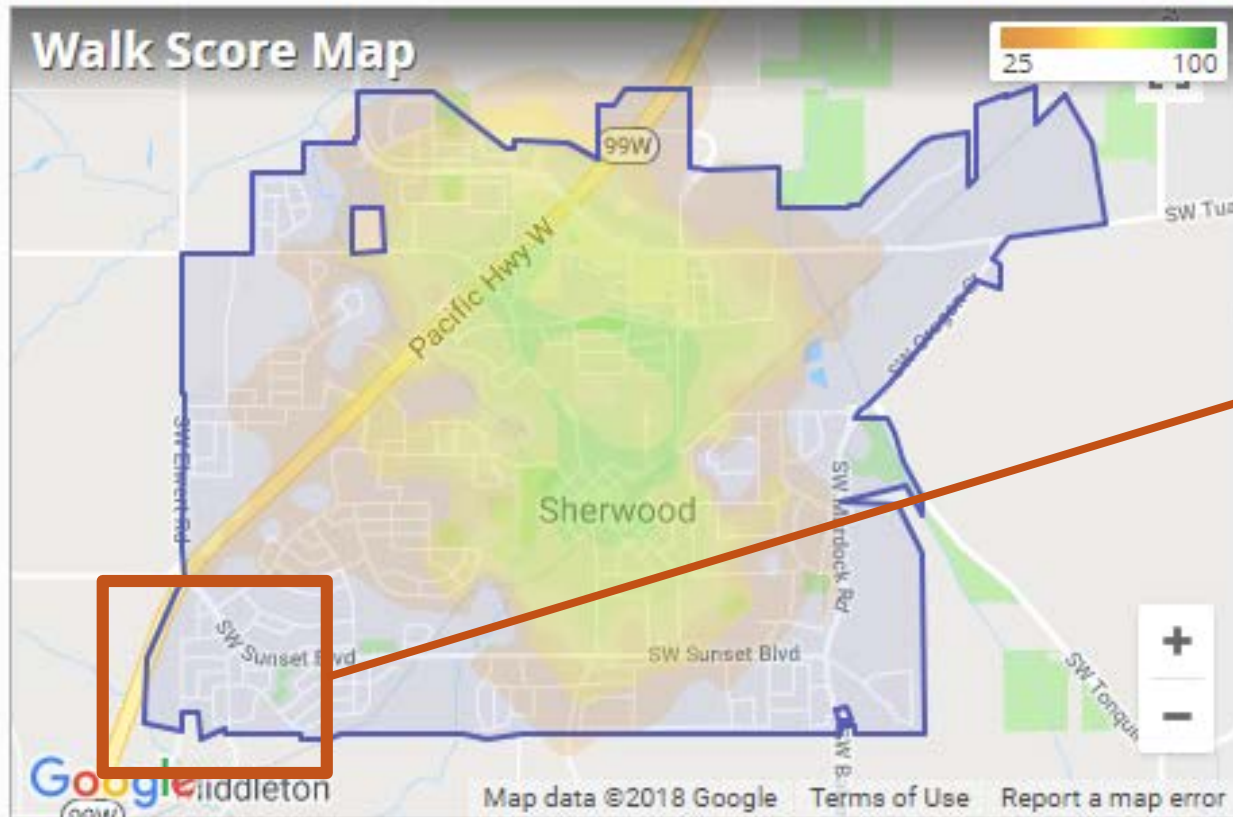


LAND USE MIX: SHERWOOD, OR

Walk Score
34

Sherwood is a Car-Dependent city

Most errands require a car.



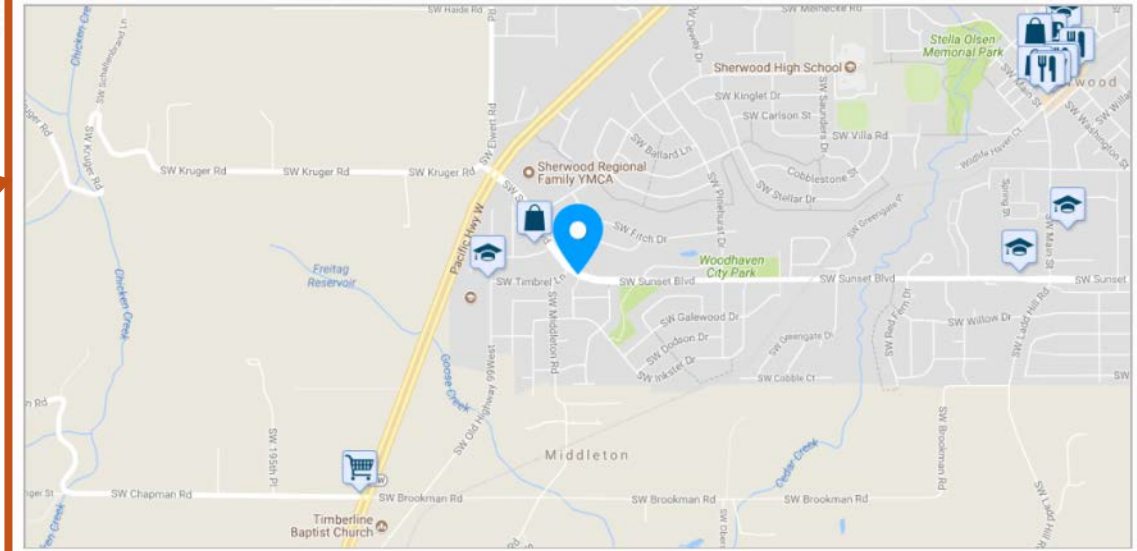
United States » Oregon » **Sherwood**

Walk Score
22

Car-Dependent

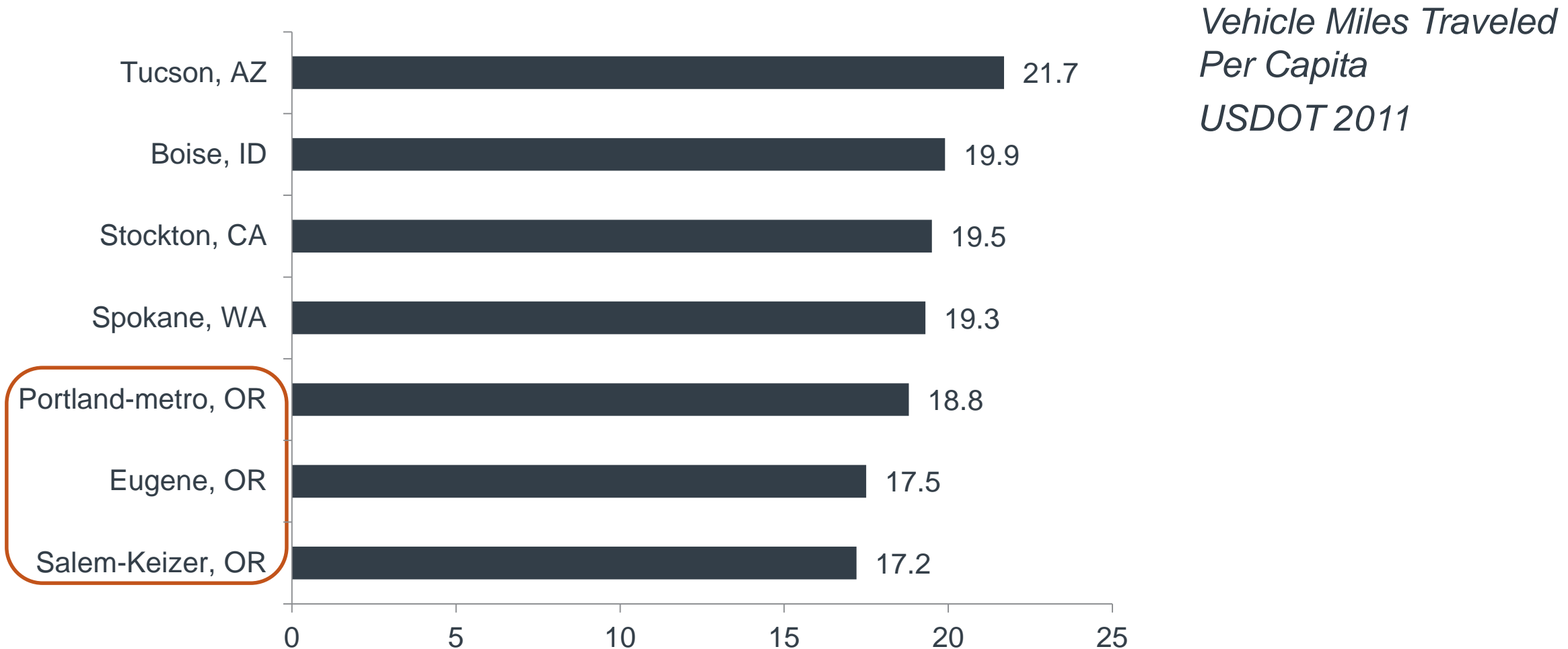
Almost all errands require a car.

About your score



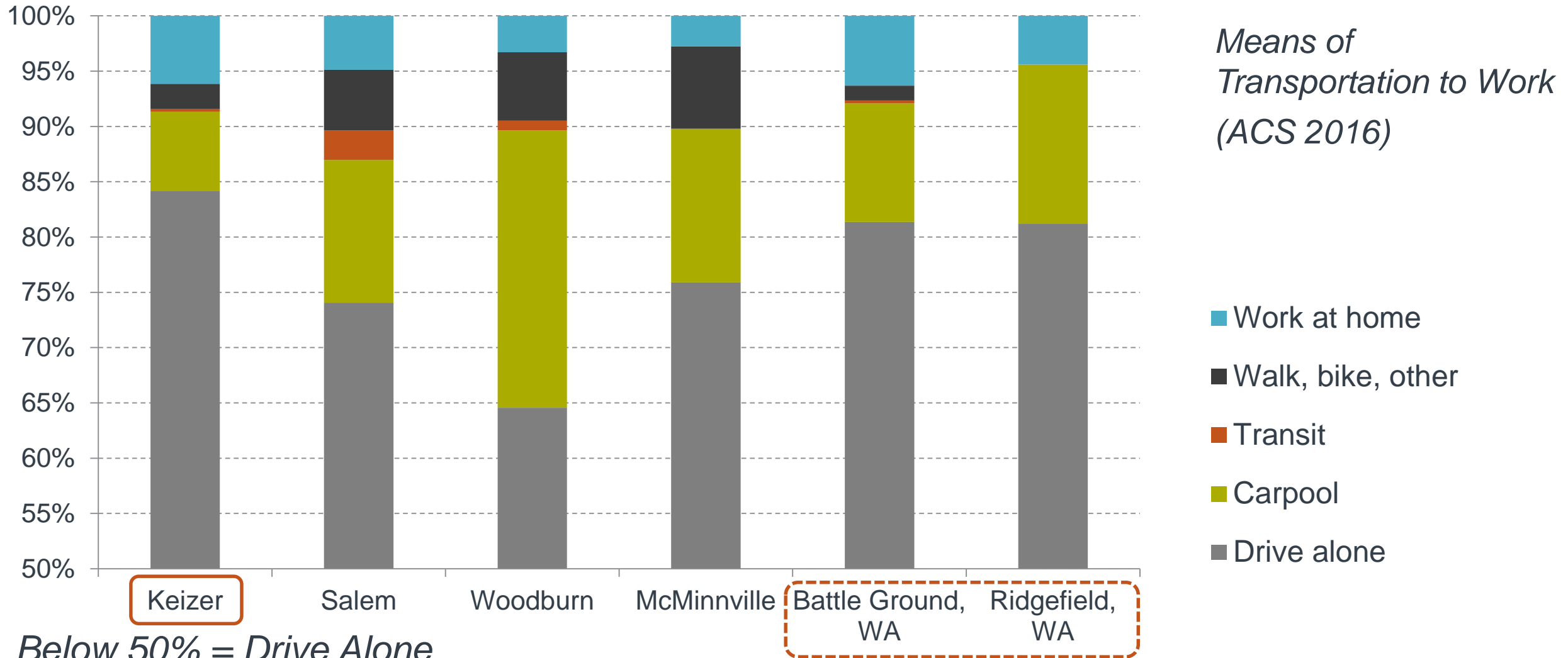
VEHICLE MILES TRAVELED

Daily VMT: sprawl vs. non-sprawl



TRANSPORTATION MODE SPLIT

Commuting mode: sprawl vs. non-sprawl



WHAT DOES THIS MEAN FOR KEIZER?

- Takeaways:
 - Outward growth has impacts that must be weighed (VMT, transportation options, changes to community character, etc.)
 - Keizer has not planned for large-scale annexation or expansion
 - Costs will be higher because everything will be built from scratch
 - High costs = higher SDCs
 - Keizer is known for low fees; to preserve budgets and service levels, will have to increase fees dramatically
 - Demand in Keizer may not be sufficient to support infrastructure costs
 - Homes may not be affordable to current Mid-Valley residents

Q&A / DISCUSSION

