

DATE: April 16, 2020

TO: Michael Weston, City of King City

FROM: Sadie DiNatale and Matt Craigie, ECONorthwest

SUBJECT: Existing Land Use Conditions and Future Baseline Report - REVISED DRAFT

The City of King City contracted DKS, and several subconsultants including ECONorthwest, to develop a Transportation System Plan and Land Use Refinement. This memorandum is one of several deliverables for the project. This document addresses Task 4A in the project's Scope of Work—the "Land Use Existing Conditions and Future Baseline Report."

URA 6D: Existing Land Use Conditions

Purpose of the Memorandum

The purpose of this memorandum is to provide land use context for King City's Transportation System Plan and Land Use Refinement project. Specifically, it aims to explain the historic, present, and likely future land use conditions of King City's urban expansion area (URA 6D) and its immediate vicinity to inform the market analysis component of the TSP project. To do so, it summarizes previous analyses, reports and studies; it does not present new analysis.

Ultimately, the data summarized in this memorandum will serve as a baseline for the area's future Master Plan. The Master Plan would include Comprehensive Plan and Zoning Code Amendments.

This memorandum acknowledges that cities adjacent to King City are similarly planning for growth by developing Town Center and Neighborhood Center plans. This memorandum describes those plans to provide background on nearby areas that may influence development in URA 6D.

Background

King City is a small city located inside Metro's Urban Growth Boundary (UGB). The City sits along Oregon Route 99W, between the cities of Tigard and Sherwood. Consistent with regional trends, in the last two decades King City's population more than doubled, adding 2,245 residents between 2000 and 2019.¹

The challenge of a limited land supply has become a pressing problem as the City seeks to accommodate growth. To better plan for the community's long-term needs, the City initiated steps to expand into Urban Reserve Area 6D (Exhibit 1). Urban Reserve Areas (URAs) are lands suitable for accommodating urban development over 50 years after their designation. URA 6D,

¹ Portland State University, Population Research Center (2000 and 2019). Population Estimates.

located just west of the current King City city limits line, was designated as an URA in 2011. In a technical sense, URA 6D is expected to accommodate urban development through 2061.

To explain its long-term plans to Metro and key stakeholders for URA 6D, the City sponsored a concept plan for the area. While the concept plan was developed in May 2018, more analysis is needed to evaluate the suitability of the land use mix and development types proposed for the Area.

Exhibit 1. Urban Reserve Area 6D Source: City of King City. (May 2018). King City Urban Reserve Area 6D Concept Plan.



Methodology

This memorandum summarizes previously conducted studies. It is informed by content and analysis from several land use planning documents and reports developed by, or for, the City of King City in the last few years. The following list describes each of the documents that were reviewed for this report.

- URA 6D Concept Plan (2018).² With the assistance of several consultants, the City of King City developed a concept plan for URA 6D. The Concept Plan, submitted to Metro, served as a request to expand King City's geography so that it would include URA 6D. The Plan proposed land use designations, four neighborhoods (including a Main Street/Town Center), a residential buildout program, transportation routes, and needed infrastructure (and costs) to support development. The Plan concluded that the mix of proposed uses would help address the city's residential land deficit and create a mix of amenities, employment, and educational opportunities to serve the area.
- Housing Needs Analysis (2018).³ ECONorthwest developed a Housing Needs Analysis for King City in 2018. The analysis documented national and state housing trends and analyzed local housing, demographic, and housing affordability trends. In addition, the analysis inventoried the suitability of residential lands, forecasted housing needs, and determined the sufficiency of residential lands to accommodate the housing forecast.
- Market Analysis (2017). Leland Consulting Group developed a market analysis for URA 6D. Leland defined a 525-acre study area to understand existing and likely future site conditions, economic and demographic indicators, and residential/commercial development trends including pipeline activities. The analysis concluded that (1) there is increased demand for walkable, in-town neighborhoods with cultural amenities and proximity to jobs; (2) millennial household formation will drive starter home demand in the near-term; (3) seniors will drive active senior and assisted living demand; and (4) the URA 6D area could absorb 500-900 dwelling units and 54,000 to 85,000 square feet of retail.
- **King City Comprehensive Plan.**⁵ Adopted in 1995, King City's Comprehensive Plan guides the long-term use of land in the City. In 2013, the City amended its Comprehensive Plan to include the King City Town Center Planning Area as a special planning district.
- King City Municipal Code.⁶ Title 16 of King City's Municipal Code describes community development and zoning requirements. It presents procedures, land use

² City of King City. (May 2018). King City Urban Reserve Area 6D Concept Plan.

³ ECONorthwest. (February 2018). City of King City Housing Needs Analysis.

⁴ Leland Consulting Group. (March 2017). King City Market Analysis.

⁵ City of King City. (1995). City of King City Comprehensive Plan.

⁶ City of King City. (Codified 1990, Revised 1999). King City Municipal Code, A Codification of the General Ordinances of the City of King City, Oregon.

- districts, development standards, development review, land division standards, and public facility and service requirements.
- Washington County Community Development Code. Washington County's Community Development Code describes procedures, land use districts, development standards, public facility and service requirements, land division and property line adjustments procedures, and public transportation facility.

Existing Conditions

This document concerns the entire city, but it specifically focuses on URA 6D. Therefore, we provide some applicable city-level information/statistics throughout this memorandum but generally apply that knowledge to URA 6D.

Land Use Conditions in King City

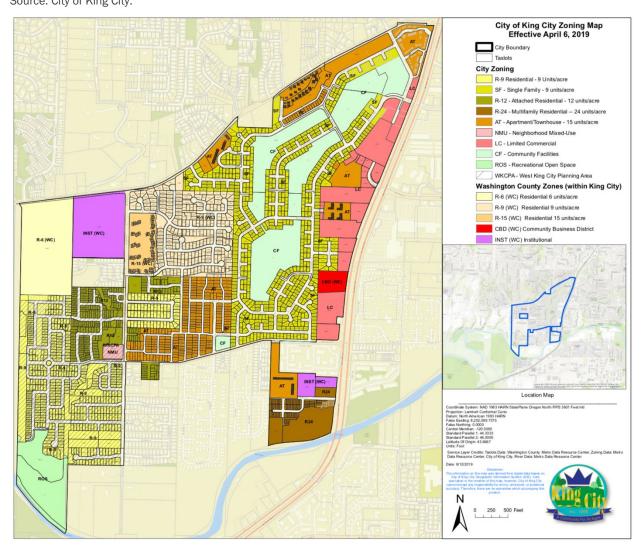
The city of King City is bounded by SW Beef Bend Rd to the north, SW 137th Avenue to the west, the Tualatin River and local neighborhood streets to the south, and Oregon Route 99W to the east.

As illustrated in Exhibit 2, most of the city's land area is zoned for residential uses with a narrow portion along the eastern boundary of King City that is zoned for commercial and neighborhood mixed-use uses. In 2013, the eastern portion of the city (comprising the commercially designated uses) was codified in King City's comprehensive plan as a special planning district. Importantly, this area, which is just shy of 50 acres, "was designated as a town center and corridor in the Metro 2040 Growth Concept." 8

⁷ Washington County. Community Development Code.

⁸ City of King City. King City Town Center Plan and Implementation Strategy, Comprehensive Plan.

Exhibit 2. Zoning Districts Map, King City, 2019 Source: City of King City.



Land Use Conditions in URA 6D

URA 6D, which is about 600 acres, is largely undeveloped. The area is bounded by SW Beef Bend Rd to the north, SW Roy Rogers Rd to the west, the Tualatin River to the south, and King City's city limits to the east. The 2018 Concept Plan summarized the area's existing land uses and limited development types as:

The current land use in the planning area generally ranges from home sites of ½ to 4 acres on the east, larger rural residential and small agricultural properties in the central portion (1.2 to 10+ acres), and larger agricultural properties (up to 40+ acres) on the west. Non-residential and non-farm uses include a small airstrip (Meyer's Riverside Airport) and a commercial garden and landscaping supply business (Al's Garden and Home) on SW Roy Rogers Road.

The area's existing plan designations are outlined below with a characterization of each designation using language from Washington County's Community Development Code.

- RR-5 Rural Residential (5-acre minimum): intended to designate rural areas which
 qualify for an exception to LCDC Goals 3 and 4 and which have been committed or
 developed for suburban residential use with minimum farm and forest uses and to
 provide for rural residential uses.
- AF-10 Agriculture and Forest District (10-acre minimum): intended to retain an area's rural character and conserve the natural resources while providing for rural residential use.
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- **EFU Exclusive Farm Use:** intended to preserve and maintain commercial agricultural land within the county.
- Private Use Airport Overlay: intended to recognize the locations of certain private-use and privately-owned, public-use airports and heliports and to provide for their continued operation and vitality consistent with state law.

Despite urban levels of development surrounding the northeast quadrant of URA 6D, existing zoning and development standards in the area ensured the development pattern remained highly rural and grounded in agriculture and natural resources.

Planned Uses

This section identifies planned uses (1) within and surrounding URA 6D, (2) in nearby urban and rural reserves, and (3) in recent UGB expansion areas.

Planned Uses within and Surrounding the Project Area

The 2018 Concept Plan for URA 6D envisioned four, distinct neighborhoods (Exhibit 4) and several plan designations for the study area (Exhibit 5). Each neighborhood was proposed at different intensities to ensure a deliberate development pattern that transitioned from urban to rural. The following provides a high-level summary of the land use framework for each proposed neighborhood:

- Rural Character Neighborhood: The eastern portion of URA 6D would comprise lowdensity residential uses, some redevelopment opportunities, low-volume traffic, and prominent natural areas.
- Central Neighborhood: The central portion of URA 6D would comprise single-family attached/detached residential neighborhoods and neighborhood parks and natural areas along the ravine and river, connected by a trail system.

- Beef Bend Neighborhood: The northern portion of URA 6D would comprise higherdensity, single-family attached/detached residential neighborhoods, neighborhood-scale commercial uses, live/work units, and potentially some mixed-use development (residential above retail).
- Main Street / Town Center: The western portion of URA 6D would comprise the
 highest intensity uses of commercial and mixed-use residential uses (three to five
 stories); civic uses (e.g., new city hall, school, and library); and public plazas, parks, or
 community gathering sites.

Per the Concept Plan, the estimated amount of housing achievable for URA 6D at full build out was roughly 3,500 units. Exhibit 3 presents a more detailed housing mix proposal by neighborhood.

Exhibit 3. Planned Housing Mix by Neighborhood Type Source: City of King City. (May 2018). King City Urban Reserve Area 6D Concept Plan.



Exhibit 4. Proposed Neighborhoods, URA 6D Source: City of King City. (May 2018). King City Urban Reserve Area 6D Concept Plan.

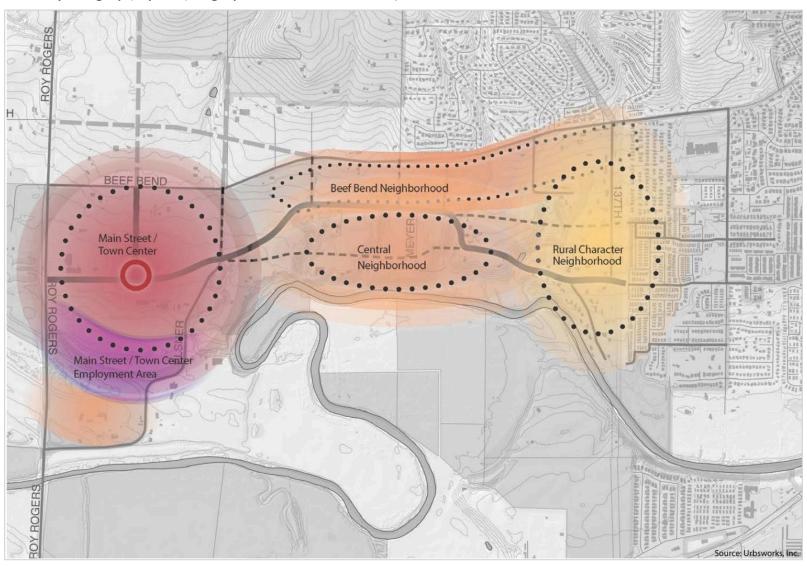
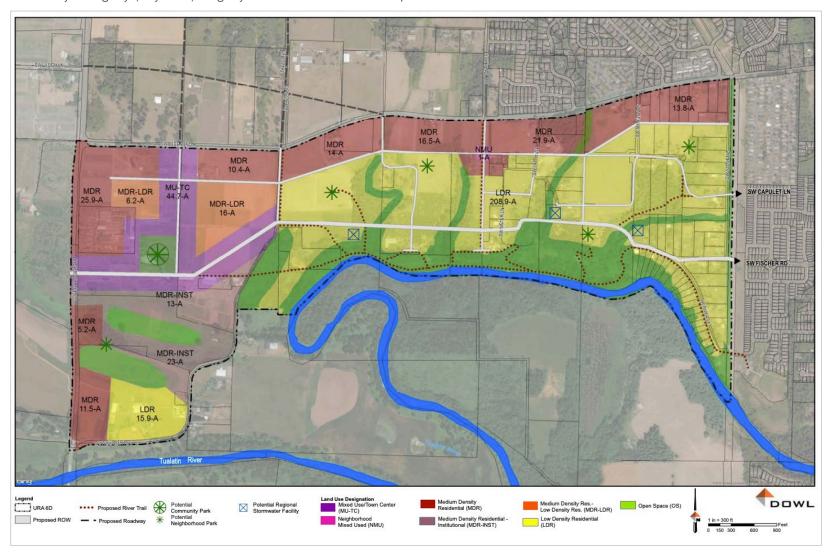


Exhibit 5. Proposed Plan Designations, URA 6D Source: City of King City. (May 2018). King City Urban Reserve Area 6D Concept Plan.



Further, within URA 6D, the Concept Plan envisioned several unique park types: (1) open space, (2) trail, (3) linear park (i.e., a greenway), (4) community agriculture park, (5) community park, (6) neighborhood park, (7) private park, (8) pocket park, and (9) urban park. While the plan identified approximate sizes, ultimately these details would be developed in a later master planning stage.

Planned Uses in Nearby Urban and Rural Reserves

Exhibit 6 displays existing urban (URA) and rural reserve areas (RRA) in Washington County that are in proximity to URA 6D. The identified areas in Exhibit 6 are further discussed below.

- Directly adjacent and to the north of URA 6D sits Roy Rogers East URA, with Roy Rogers West URA further north. Both of these URAs are adjacent to Tigard's River Terrace, which is an existing expansion area currently being built-out. Roy Rogers West is a 303-acre area and Roy Rogers East is 205-acre area. In March of 2020,9 the City approved a motion to enter into an intergovernmental agreement with Metro and accept a \$300,000 grant targeted for a Title-11 compliant, concept planning project for these areas.
- Adjacent to Roy Rogers West and Roy Rogers East are two undesignated areas. These
 areas are technically unincorporated Washington County (i.e., the portion outside of
 Metro's Urban Growth Boundary). These areas may develop consistent with
 Washington County's zoning and development standards.
- Southwest of URA 6D sits **Sherwood West URA**. In 2016, the City developed a preliminary concept plan for the 1,291-acre area and in 2018, the City submitted a request to Metro to include this land in their Urban Growth Boundary as an expansion area. The City's preliminary concept plan for Sherwood West, ¹⁰ indicated that the area will have four, distinct districts. The north district and west district will function as mixed housing neighborhoods centered around a new school, park, and mixed-use node. The far west district will form a mixed residential neighborhood on more steep terrain, and the southwest district will feature residential development and include a "Gateway to Wine Country" node. Overall, the plan highlights district and infrastructure connections, phasing, and funding needs, but it does not yet quantify development scales and amounts. Metro is collecting information for their next urban growth report, which will inform the decision about converting Sherwood West into an expansion area.
- Surrounding URA 6D to the south and west is Washington County RRA. Unlike typical
 unincorporated areas, RRAs are protected from urbanization for the next 50 years
 because of their natural features and their suitability for high value farms and forests.

⁹ City of Tigard. (March 3, 2020). Business Meeting One, Informational Memo. https://agendas.tigard-or.gov/agenda publish.cfm?id=0&mt=ALL&get month=3&get year=2020&dsp=agm&seq=4097&rev=0&ag=1691&ln=28650&nseq=4103&nrev=0&pseq=&prev=#ReturnTo28650

¹⁰ City of Sherwood. (February 4, 2016). Sherwood West Preliminary Concept Plan, A long range look at our future.

LAT RD SA RIVER RD Roy Rogers West SW BULL MOUNTAIN RD 150TH AVE **SW MIDWAY RD** Roy Rogers East **King City** Study SCHOLLS-SHERWOOD RD TUALATIN 99W) SW LEBEAU RD Sherwood North Washington County rural reserve SW TUALATIN SHERWOOD RD 219 SW EDY RD Sherwood West SH KRUGER & Sherwood SW SUNSET BLVD Tonquin SW CHAPMAN RD

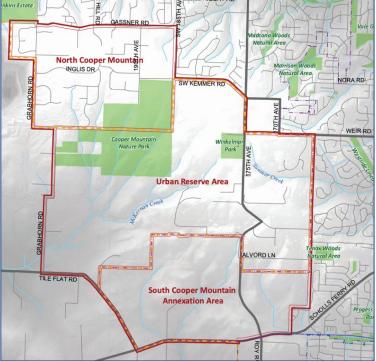
Exhibit 6. Nearby Urban and Rural Reserve Areas, Washington County Source: Metro.

Planned Uses in Recent UGB Expansion Areas

Cooper Mountain Area in Beaverton is located roughly seven miles northwest of King City. The Area has three subareas: (1) South Cooper Mountain, (2) North Cooper Mountain, and an (3) Urban Reserve Area (Exhibit 7). The City of Beaverton annexed South Cooper Mountain into the City in 2013. Per the South Cooper Mountain Concept Plan, the 544-acre area was proposed to comprise natural areas, trails, and parks; a 10-acre Main Street with neighborhood-scale commercial uses; a variety of housing types; and a well-connected transportation network that emphasizes walkability. The area is expected to have a capacity of 3,430 housing units at an average net density of 14.5 units/net acre.

North Cooper Mountain (510 acres) and the "Urban Reserve Area" are both within Washington County's jurisdiction. Washington County will take over planning efforts for North Cooper Mountain, per a 2014 intergovernmental agreement with the City of Beaverton. In January 2020, Metro approved the Cooper Mountain "urban reserve area" as an expansion area and the City of Beaverton hired a consultant team to begin addressing zoning, transportation, natural resource protection, housing, infrastructure and funding for this area. Efforts are underway as of February 2020 and the project is expected to take three years to complete.

Exhibit 7. Cooper Mountain Expansion Area
Source: City of Beaverton. (December 2014). South Cooper Mountain Concept Plan.

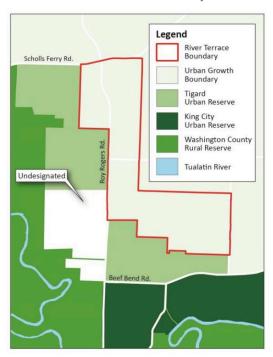


¹¹ City of Beaverton. (December 2014). South Cooper Mountain Concept Plan.

River Terrace in Tigard is located about two miles west of King City. The area is about 490 acres, of which 440 acres were added to Tigard's UGB in 2002 and 50 acres were added to the UGB in 2011. The City developed the Community Plan for the area in 2014, in tandem with five infrastructure master plans.

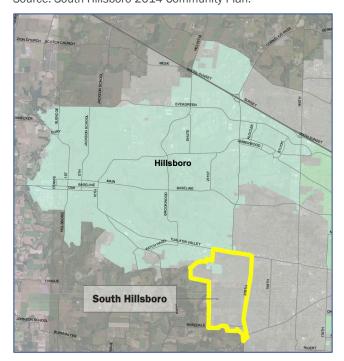
The area is envisioned with residential uses at various densities, primarily. The areas added to the city in 2002 are expected to accommodate a minimum of 10 dwelling units per acre. The area added in 2011 is expected to accommodate a minimum of 479 dwelling units, pursuant to Metro policy. Supporting uses include neighborhood-scale commercial to provide neighborhood residents with access to goods and services. Parks and trails will be distributed throughout the area and a mixed-use node will be centrally located.

Exhibit 8. River Terrace Expansion Area Source: River Terrace 2014 Community Plan.



South Hillsboro in Hillsboro is located about 12 miles northwest of King City. The area is roughly 1,400 acres and has three sub-areas: (1) Reed's Crossing, (2) Butternut Creek, and (3) Vendage. South Hillsboro has capacity for 8,000 residential units. The area is also planned with both a Town and Village Center – each of which offers a range of services and shopping options. The master planning for this area took nearly two decades, with construction of the first homes beginning in 2018.

Exhibit 9. South Hillsboro Expansion Area Source: South Hillsboro 2014 Community Plan.



Growth Forecasts

This section documents King City's growth forecasts for population, employment, households, and dwelling units.

Metro's 2040 distributed forecast¹² predicted that King City (city limits) would grow by 1,885 people from 3,425 people in 2015 to 5,310 people in 2040. In that same time period, King City (city limits) would grow by 434 employees, from 709 employees in 2015 to 1,143 employees in 2040.

King City's Housing Needs Analysis documented the city's forecast of household growth using the Metro's adopted 2040 household forecast. The analysis extrapolated the forecast for the 2018 to 2038 period and determined that the city would grow by 980 households, from 2,122 households in 2018 to 3,102 households in 2038.

The Housing Needs Analysis also established a housing forecast for the 20-year period. It used the extrapolated household growth forecast as a basis, concluding that King City would need 980 new dwelling units between 2018 and 2038. Key attributes of the housing forecast were:

• **Housing mix:** 50% single-family detached units, 15% single-family attached units, and 35% multifamily units (490, 147, and 343 units, respectively).

¹² Metro. (July 12, 2016). Exhibit A: 2040 Household Distributed Forecast, 2040 Population Distributed Forecast, and 2040 Employment Distributed Forecast.

• Housing affordability:¹³ 16% affordable to ELI, 32% affordable to VLI, 16% affordable to LI, 16% to MI, and 20% affordable to HI households (158, 312, 161, 153, 197 units, respectively).

The analysis did allocate these units to residential plan designations, however, it noted that "the allocation of new units will likely change when the City identifies land to bring into the city limits and the King City Comprehensive Plan designations are applied to the land."

Development Capacity in Project Area

King City's 2017 Market Analysis found that the URA 6D area could accommodate 54,000 to 85,000 sq. ft. of retail demand in 10 years. Opportunities for retail cited in the analysis included a grocery store (16,000 to 25,000 sq. ft.), restaurant and drinking establishments (10,000 to 15,000 sq. ft.), and more general office / commercial uses. Acreage required to accommodate this retail demand was 4.6 to 5.5 acres. In addition, another 4.6 to 5.5 acres would be required to accommodate demand for roughly 40,000 to 60,000 sq. ft. of wine country lodging (with 70 rooms), event space, and dining.

In 2018, the King City's Housing Needs Analysis determined that the city had a deficit of housing capacity in most of its plan designations that allow housing outright. These were: Single-Family (SF) Plan Designation, Residential (R-9) Plan Designation, and MF Plan Designations (R-12, R-24, and AT). All told, citywide residential land deficits in 2018 were attributed to a deficit of future housing capacity of approximately 940 dwelling units. Analysis in King City's 2018 Concept Plan found that URA 6A could accommodate 3,576 dwelling units. As such, the estimated buildout program presented in the Concept Plan suggests that the area could *more than* accommodate the city's entire household/dwelling unit forecast (2018-2038), with surplus of 2,596 dwelling units. Capacity is consistent with the purpose of URA's generally (i.e. they are purposed to accommodate 50-years of growth).

¹³ Refers to the share and number of forecasted housing units affordable to households in different income categories. The income categories are defined as: extremely low-income (ELI) households who earn less than 30% of MFI, very low income (VLI) households who earn 30-50% of MFI, low-income (LI) households who earn 50-80% of MFI, moderate income (MI) households who earn 80-120% of MFI, and high-income (HI) households who earn 120% of MFI or more. MFI is median family income.