

## Facts and Findings

The county periodically prepares coordinated countywide forecasts for all the cities in the county and the unincorporated area. These forecasts can be used by cities as a basis for revising the residential lands component of their comprehensive plan, including regarding the amount of land needed for their urban growth boundary. The cities must use a 20-year forecast period for planning purposes. The county last prepared a coordinated countywide forecast in 1998 for the year 2020. Currently, the county is nine years into the adopted forecast period and a new forecast should be adopted in order to again provide a 20-year forecast period.

Statewide Planning Goal 14 requires cities to establish urban growth boundaries to accommodate an urban population consistent with a 20-year population forecast. ORS 195.025 and 195.036 and Oregon Administrative Rule (OAR) 660-024-0030 require the county to adopt and maintain a coordinated 20-year population forecast for the county and for each urban area within the county.

Oregon Revised Statutes (ORS) 195.025 and 195.036 require Marion County to establish and maintain a population forecast for Marion County and its cities and to coordinate the forecast with cities in the county. Marion County contracted with Portland State University Population Research Center to prepare a forecast study for the year 2030. A grant from the Department of Land Conservation and Development (DLCD) partially funded the study. Planning staff discussed the forecast with the cities in the county and with Linn and Polk county and received responses back from most jurisdictions. A summary of the coordination with the cities and counties and their responses to the county are included in Exhibit A-2.

### **Marion County's Forecast**

Portland State University prepared a study (a copy is attached to this report as Exhibit A-4) and presented it to a joint work session of the Board of Commissioners and Marion County Planning Commission on November 3, 2008. The study includes forecasts in five-year increments for all the cities in the county and the unincorporated area of the county (which includes people living inside urban growth boundaries of individual cities but outside the incorporated area of the city). PSU also prepared separate estimates for the Marion County portions of cities split between Marion and Polk Counties (Salem) and Marion and Linn Counties (Gates, Idanha and Mill City). PSU prepared separate forecasts for Salem and Keizer and a combined forecast for the Salem/Keizer Urban Growth Boundary. No forecast was prepared for the portion of Lyons in Marion County because all of that land is designated Commercial in the City of Lyons Comprehensive Plan and no residential population is expected during the forecast period.

The forecast proposed to be adopted for Marion County is based on the medium growth scenario prepared by Portland State with adjustments for cities that provided additional evidence regarding their forecast, as described below.

## **Medium Growth Scenario**

For Marion County as a whole, the medium growth scenario developed by PSU predicts that, on average, the county's population will grow by 4,358 persons per year, mostly from in-migration to the county and the average annual growth rate from 2010 to 2030 for Marion County is forecasted to be 1.2%. The medium growth scenario predicts that periods of lower and higher growth, such as were seen in the 1980s and 1990s respectively, contribute to the overall growth in the county from 2010 to 2030.

PSU's medium growth scenario for Marion County, 410,431, is less than 1% more than the forecast prepared by the Oregon Office of Economic Analysis (OEA) for Marion County for 2030, 410,022 persons. OEA develops forecasts for cities and counties in Oregon in five-year increments through 2040. The study performed by PSU for the county and the forecasts prepared by OEA use similar information as their basis (demographics, construction activity, etc.); therefore, the estimates should be consistent with each other.

## **High and Low Growth Scenarios**

PSU also generated high and low growth scenarios for Marion County. The low growth scenario for the county, 377,165 persons, is 8.0% lower than OEA's forecast and the average annual growth rate from 2010 to 2030 for Marion County is forecasted to be 0.8%. This scenario reflects a slower economic rebound, sustained periods of lower economic growth and less in-migration to the county. The high growth scenario for the county, 444,381 persons, is 8.4% higher than OEA's forecast and the average annual growth rate from 2010 to 2030 for Marion County is forecasted to be 1.5%. This scenario reflects a more rapid economic rebound, sustained periods of higher economic growth and more in-migration to the county.

## **Components of Marion County's Population**

Marion County's population is comprised of both incorporated and unincorporated areas. Incorporated areas are within the city limits of the cities in the county. Unincorporated areas are both rural areas and areas inside of urban growth boundaries but outside a city's incorporated area. The various components of the county's population are analyzed in this report as the largest cities, smaller cities, and the unincorporated area.

## **Largest Cities**

For the five largest cities in the county, Keizer, Salem, Silverton, Stayton and Woodburn, PSU study uses a combination of demographic and housing units methods of analysis, to develop the forecast. PSU also developed high and low growth scenarios for these cities based on the circumstances described in the section on the countywide forecast. These scenarios provide cities with additional information to respond to changing conditions as economic, development and other factors affect the growth within the city. Silverton provided information to justify a higher forecasted population than forecasted in the PSU study. The analysis of this request is contained in Exhibit A-3.

While ranges were developed for the largest cities, DLCD commented that the state requirements are for the county to coordinate a single number forecast for each of the cities. The county discussed adopting a single forecast number based on the medium growth scenario with the five largest cities. Although the cities expressed an interest in using ranges in the forecast, a single number for the forecast is adopted now with the understanding that the additional information contained in the scenarios would be retained in the amendments because it is useful to the cities in their planning efforts. Future forecasts are also able to be updated with new or revised information as it becomes available for cities to use as cities update portions of their plans.

### **Salem/Keizer Urban Growth Boundary**

A forecast was also developed for the Salem and Keizer Urban Growth Boundary. This boundary is comprised of various components:

- Salem Incorporated (Marion County portion)
- Salem Incorporated (Polk County portion)
- Keizer Incorporated
- Unincorporated area in UGB and outside city (Marion County portion)
- Unincorporated area in UGB and outside city (Polk County portion)

Although forecasts were developed for different sub-areas of the boundary, Salem and Keizer share an urban growth boundary and, ultimately, the population may be distributed within the boundary in various ways. Future growth and development must be tracked carefully to identify how populations are changing within the areas of the boundary.

The proposed amendments to the Background and Inventory adopt a single forecast for the entire Salem/Keizer Urban Growth Boundary in Marion County based on the medium growth scenario developed by PSU. The county will work with Salem, Keizer and Polk County to allocate population within the boundary to the cities of Salem and Keizer once either city begins comprehensive planning efforts that require a coordinated forecast for either city.

The unincorporated portions of Salem and Keizer are also included in the forecast with the unincorporated population of Marion County. Detailed information was not developed in the Portland State Study for the Polk County portions of Salem and the Polk County unincorporated area. Keizer requested that the growth ranges include scenarios considering that Keizer would continue to receive approximately 22% of the new population coming into the Salem/Keizer Urban Growth Boundary, as it did during the 1990s.

### **Smaller Cities**

For the smaller cities in the county, PSU relied demographic models as well as a method of housing unit analysis. Two cities in the county (Aumsville and Aurora) provided information to justify higher forecasted populations than in the PSU study and three cities (Hubbard, St. Paul, and Sublimity) provided information to justify lower forecasted populations than in the PSU study. The effect of these changes reduces the Marion County 2030 forecast by 186 people to

410,245 persons, which is reflected in Exhibit B. The analysis of these requests is contained in Exhibit A-3.

### **Unincorporated Area**

A separate forecast was also developed for the unincorporated areas of the county. These include both rural areas (outside city limits and urban growth boundaries) and also areas within an urban growth boundary but outside of a city's incorporated area. Some of these areas in the UGBs have significant populations, such as in the east Salem Four Corners and Hayesville areas. As annexation and development occurs, the population becomes part of the city's incorporated area would no longer be counted with the unincorporated population of the county.

### **Planning Commission Recommendation**

On June 16, 2009, the Marion County Planning Commission held a hearing and received testimony on the proposed amendments regarding the population forecasts.

After the close of the hearing, the Planning Commission directed staff to speak with the cities of Salem, Keizer, Woodburn, Silverton and Stayton regarding comments the Department of Land Conservation and Development (DLCD) provided regarding the forecast and the growth ranges.

Planning staff discussed DLCD's comments with staff from the cities of Woodburn, Silverton and Stayton and confirmed that the cities are in agreement with the proposed forecast and the use of the scenarios in the city's planning efforts. Planning staff held a meeting with staff of Salem, Keizer and Polk County to discuss the use of growth scenarios and whether a single forecast could be adopted for the entire urban growth boundary. Members present discussed using a single urban growth boundary forecast for Salem and Keizer, at this time, and, later, apportioning the individual city forecasts for Salem and Keizer when either city begins comprehensive planning efforts that require a city forecast.

On August 18, 2009, staff returned to the Planning Commission for their recommendation. After due consideration, the Planning Commission voted unanimously to recommend approval of the amendments to the Board of Commissioners.

### **Applicable State Statutes and Administrative Rules**

Oregon Revised Statutes 195.025 (1) and 195.036 establish the county as the entity to coordinate population forecasts for incorporated and unincorporated areas of the county:

The coordinating body under ORS 195.025 (1) shall establish and maintain a population forecast for the entire area within its boundary for use in maintaining and updating comprehensive plans, and shall coordinate the forecast with the local governments within its boundary.

Oregon Administrative Rules 660-024-0030 establish standards for developing a population forecast:

- (1) Counties must adopt and maintain a coordinated 20-year population forecast for the county and for each urban area within the county consistent with statutory requirements for such forecasts under ORS 195.025 and 195.036. Cities must adopt a 20-year population forecast for the urban area consistent with the coordinated county forecast, except that a metropolitan service district must adopt and maintain a 20-year population forecast for the area within its jurisdiction. In adopting the coordinated forecast, local governments must follow applicable procedures and requirements in ORS 197.610 to 197.650 and must provide notice to all other local governments in the county. The adopted forecast must be included in the comprehensive plan or in a document referenced by the plan.
- (2) The forecast must be developed using commonly accepted practices and standards for population forecasting used by professional practitioners in the field of demography or economics, and must be based on current, reliable and objective sources and verifiable factual information, such as the most recent long-range forecast for the county published by the Oregon Office of Economic Analysis (OEA). The forecast must take into account documented long-term demographic trends as well as recent events that have a reasonable likelihood of changing historical trends. The population forecast is an estimate which, although based on the best available information and methodology, should not be held to an unreasonably high level of precision.

Marion County proposes to adopt a forecast that provides a 20-year population forecast for the incorporated and unincorporated portions of Marion County. Marion County also periodically maintains the forecast by revising it when new information becomes available or when cities present new information in conjunction with a plan amendment. The forecast is based on the study prepared by the Portland State University Population Research Center. The study was prepared using standard statistical methods, including both cohort-component and housing unit method models of analysis, as described in the study. The information used to generate the forecasts includes the most recent population, demographic, building permit, and other information available at this time. The study documents long-term demographic trends that influenced the forecast and takes into account the affects of recent economic activity on population growth in Marion County. The proposal adopts a single forecast for each urban area of the county. The study and forecast prepared for Marion County complies with the requirements in ORS 195.025 (1) and 195.036 and OAR 660-024-0030.

Based on the above discussion, the Board of Commissioners approves the amendments to the Marion County Comprehensive Plan Background and Inventory Report by amending the text of the Population History and Projections chapter, including new population forecasts for incorporated and unincorporated portions of Marion County.