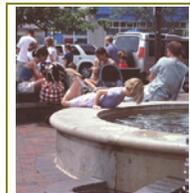
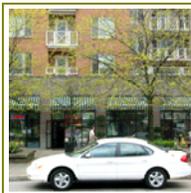


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NORTH BETHANY STRATEGIC PROGRAMMING

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prepared for:
WASHINGTON COUNTY



prepared by:
LELAND CONSULTING GROUP
and
OTAK, INC.





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Introduction

The purpose of this report is to create development strategy alternatives for use in preparing the physical North Bethany Concept Plan Alternatives. The report uses tools such as market conditions, stakeholder input, development programming, financial analysis, and overall project goals to guide the strategic process. Development program and narrative alternatives for both housing and a commercial center are studied.

The North Bethany Planning Area is a recent addition into the greater Portland Region Urban Growth Boundary. Located north of the Sunset Highway and Tanasbourne Town Center (see Figure 1), North Bethany represents a rare opportunity to take a comprehensive approach to community design, programming and the coordination of services. The planning area lies within Washington County's jurisdiction. With funding from Metro, Washington County retained two teams of multi-disciplinary experts to a) recommend a finance strategy to fund necessary new infrastructure, and b) design a plan and development approach to implement this new, urbanizing residential community. Otak, Inc., engineers and planners, assisted by Leland Consulting Group (LCG), CH2M Hill, DKS Associates, Greenworks, Jeanne Lawson Associates, Laurence Qamar Architect and Town Planner, and William Haack, are working with County and Metro officials and staff, property owners, developers, special service districts, citizens presently living in or near the area, and other stakeholders to define and design a plan that can move quickly to implementation.

FIGURE 1: NORTH BETHANY CONTEXT MAP



Source: GoogleMaps, Leland Consulting Group

Preparing a development program for the North Bethany Planning Area begins with establishing agreed-upon goals regarding an overall theme and identity for the community. Washington County's vision of a "Community of Distinction" for North Bethany is an excellent starting point. It informs expectations from the public sector and

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thus informs needs within the program. At the programming stage, the principles that describe the Community of Distinction have not yet been translated into physical form. As the program is refined and the physical planning process, research, and analysis proceed, other goals and objectives may be included. The program provides a holistic context against which details can subsequently be tested for consistency.

Vision Statement: A Community of Distinction

North Bethany will be integrated into the existing, larger Bethany community. It is envisioned that North Bethany be a community of distinction, with a higher (than elsewhere in the unincorporated County) level of service for parks and open-spaces, and a comprehensive design approach that integrates neighborhoods with open space, provides a variety of housing choices for a range of affordability levels, highlights community focal points (i.e., civic space, mixed-use node, schools, etc.), and connects them to one another, to adjacent points of interest, and to neighborhoods via multi-modal access routes. Transportation improvements will be planned to anticipate possible future expansion of the Urban Growth Boundary in the North Bethany vicinity.¹

Stakeholders

The participants or stakeholders in this process who have (or can be expected to express) interest in the outcome of the North Bethany Concept Plan include, public participation from exiting urban and agricultural communities, developer interests and other stakeholders, service providers, affected jurisdictions, nearby commercial areas along with decision makers, namely the Board of Washington County Commissioners and, ultimately, Metro.

Satisfying the needs and expectations of all is only possible with excellent communication, a thorough understanding of the challenges and risks, and willingness to compromise. These are the objectives of the technical advisory committee (TAC) and the stakeholder work group (SWG) that are closely involved in guiding the planning process.

Purpose of a Development Program

A development program, by definition, is both a narrative and numerical description of how a property or area should be developed. The program draws upon the research conducted by the various professional disciplines in the consulting team, market conditions, stakeholder objectives, public policy, and other factors. It is a guiding document for the community and the consultant team that have responsibility for translating the program into a physical land use, transportation, utility, open space, and amenities plan. The development program describes an overall identity for the project, how the properties best position to capture optimum market opportunity in relation to objectives, the “brand or image” for the area, and how the plan can realistically evolve. The overall objective is to successfully respond to the markets (people) that will reside in

¹ Taken from Part III - Project Specifications II. Background/Nature of Project of the RFP: Consultant Services for Planning Urban Growth Boundary Expansion Area in North Bethany by Washington County dated May 2006.

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North Bethany, introduce Place Making techniques, and maintain economic viability. The best solution will strengthen prospects for financial success while addressing the needs of future residents in terms of establishing a supportive and satisfying environment, thus creating a positive, long-term identity for the community. These principles then, are defined within this report. The report will:

- Examine the current market, trends, and needs;
- Study how the market interfaces with the County's vision for North Bethany and this project;
- Recognize existing community assets, opportunities, and strengths;
- Define the program in terms of housing and commercial components; and
- Develop program alternatives for the housing and commercial component.

The guiding language and information from this report will be directly used in seeking physical solutions in the next step of the planning process, the concept planning phase.

Market Study versus Market Strategy

Real estate products (various types of housing and non-residential uses) and amenities should rely on an analysis of the various markets for the project and the products to be offered. Ideally (market permitting), many of the housing products will be simultaneously offered for the purpose of accelerating sales and paying for both on- and off-site infrastructure. Each of the developers who become active in North Bethany will most likely conduct their own specific market research or interpolate from their recently constructed nearby product. However, for successful community building and particularly to pursue the county's vision to establish a Community of Distinction, there needs to be a balance between short-term market opportunity (as defined in a market study) and longer-term community objectives (as defined in a market strategy). The distinction (market strategy vs. market study) is both a matter of length of time and recognition of the tools and obligations that go with Place Making and power of public-private partnerships.

A market study is an analysis of supply and demand, and in the case of North Bethany, it is current market opportunity defined as active families seeking a place to live – a home. Interviews with developers positioning in North Bethany (and having also recently developed nearby) suggest the current market is younger active families seeking first time and first move up homes (and some second move up homes). Interestingly, across the United States – “mom, dad, two kids and a dog” represents only 20 percent of all households. However, this portion of Washington County has recently attracted a high proportion of traditional nuclear families.

In a traditional market study, the existing supply (of housing) currently in the marketplace in the form of built product is compared to the amount that homebuyers can and will demand and afford over a given period. A market study is essentially a

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mathematical formula. However, there are several issues that represent a challenge with traditional market studies in terms of Place Making:

- If there is no comparable product within the market area, demand for the product is more difficult to measure and must be interpolated as being transferable from a proven and successful market area to the new environment. Depending upon the skills and experience of the analyst, this process could forecast low demand for the new product to be imported.
- On the other hand, a market strategy asks, what do we have to do in order to create the environment that will attract and support this new type of housing product? Is it a neighborhood park, a small commercial center (coffee shop, deli), a community college, trails and open space, recreational facilities – what ingredients will make the difference and attract a broader demographic, provide product diversity and accelerate absorption? Thinking holistically then, “what is it that we want this place to become?” and “what will it take to get it there?”
- Market studies are usually only accurate in the short term and defined opportunities can change quickly. Market studies tend to have a relatively short shelf life and therefore, require regular updating. When, for example, major changes take place in the marketplace, such as up or down swings in the economy, changes in consumer preferences, rising interest rates, employer cutbacks and closures, the market paradigm can and usually will change dramatically.

For developers with a significant investment in land and pressure to move forward with development now, building the tried and true is the least risk course to economic success. Deviating from the norm involves additional risk and this is where public-private partnerships can make a difference – for the community, for its residents, and for the developers, builders, and investors that ultimately build the community. To go beyond building “just another subdivision” requires more planning and potentially more cost. The benefits and risks need to balance one another.

Therefore, some blend of market research and market strategy is appropriate for North Bethany with the recognition that a short-term strategy can overwhelm the long-term objectives unless communication and partnering is involved and respected. To move North Bethany from a “business as usual” residential subdivision to a true “Community of Distinction” with a blended diversity of product, amenities, and enhanced quality of life will require a strategy. That strategy involves cooperative and joint public and private decision making, combined with cooperative funding of a blend of both public and private capital.

In close cooperation with Washington County and the consulting team, and from interviews with property owners, the development community, technical advisors, and other stakeholders, programming for North Bethany includes identifying and formulating a concept for a commercial center, as well as housing program opportunities in the study area, including:

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- Different types of housing and mix and distribution ranges
- Density analysis and recommendations
- Non-residential elements (commercial, institutional)
- Amenities such as open space, recreation and public realm elements
- Education and research facilities
- Recommended phasing of development
- Other development recommendations

Challenges

Preparing a development program for an area as large as North Bethany is always challenging. This is only the second such community project in the region (Damascus, on the eastside of the region, was the first) that addresses smart growth and Place Making as part of a recent UGB annexation. In addition to the traditional factors of market conditions, site characteristics, adopted policies, access limitations, infrastructure needs, and other related factors – all of which have cost implications – programming for this area is further impacted by differing opinions. There is a wide, and potentially conflicting array of expectations, policies, hopes, and ideals from the public sector and private development community, most often trying to solve similar problems, but frequently looking at success through different criteria.

All development programs and strategies must thoughtfully consider the needs of the potential residents, employees and shoppers who will live in and come to the area. These considerations include price, size, quality levels, image, quality of life, and other factors. The North Bethany program of housing and commercial uses must successfully establish a sense of community.

The consultant team is charged with preparing a plan that can expect successful implementation while addressing the goals of the community or an agreed upon vision for the area, such as a “Community of Distinction.” The additional and equally rigorous layer of considerations that impact the program consist of:

- Market willingness to live, work and shop in the environment to be developed;
- Market capacity to pay for homes and rent office or retail space;
- Ability to establish construction and long-term debt for development;
- Lending and loan underwriting policy and criteria;
- Achieving levels of profitability commensurate with risk; and
- Implementing financial strategies to pay for off-site infrastructure.

Care must be taken to assure that the plan not be overly burdened with expectation. The economics of development, land prices, off-site charges, cost of capital in relation to market affordability (what can home buyers afford) will need to balance, as with any healthy checkbook.

With density and intensity (public sector goals) come both design challenges, traffic impacts and infrastructure needs. Some of these requirements may threaten success or even the very start of implementation. Financing must be understood and agreed upon prior to development. Public financing solutions and assistance is very likely necessary

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for North Bethany to develop successfully, meeting both public and private expectations. Partnering may involve varying forms of public financing, changes to development codes, constructing key amenities with public dollars in order to stimulate the private investment, ultimately leading to a Community of Distinction.

Financing new development is dependent upon appraisals that reflect the value of nearby property and the appraisals should support the price-value relationship that goes with a well-planned community. Part of the programming and financing strategy is to establish a community with a range of housing products and prices while recognizing that housing is the dominant land use and must pay virtually all of the off-site infrastructure, work within timing challenges, and fit the market. It is also necessary to recognize the need for commercial facilities in this new community and provide for that component's success through location, timing, and financial strategies.

Implementation Tools: Options for Consideration

LCG, as described in the document North Bethany Developer Interviews Summary, prepared for Washington County in support of this project and dated October 2006, proposed the idea of different implementation tools. Two such tools for consideration are a Memorandum of Understanding (MOU) and a Development Agreement (DA), as part of the tool kit for forming agreements and an implementing strategy for North Bethany.

Because the opportunities and issues are so complex, if an MOU and/or a DA would be one method to use for coordination with the infrastructure financing options being identified by the financial consultant team in parallel with this planning project for the County. As a rule, an MOU is not legally binding; whereas a DA is a legal instrument. However, both instruments can serve to guide a process for the purpose of gaining agreement and understanding between the key parties. If such an approach were taken, owners, developers, Washington County, special districts, and Metro could use it as a vehicle for agreed upon responsibilities, actions, and goals. An MOU is often used as an interim step, before getting to a DA. An MOU could be used to define the objectives such as the following:

- Overall goals for the North Bethany Concept Plan
- Land use plan
- Location of land uses
- Circulation and amenity system
- Responsibilities and strategy for infrastructure improvements and finance
- Phasing of development
- Primary responsibilities of parties
- Funding strategy and tools to be employed for public-private projects
- Overview of the regulatory and permitting system and new tools
- Structure of a public-private oversight committee
- Other elements

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A guiding MOU can assist in an accelerated time frame for implementation of other, more complex processes if established, as the ground rules and responsibilities are worked out in this step. Examples could include:

- New land use regulations
- Development agreements
- Accelerated approvals permitting
- Use of System Development Charges (SDCs)
- Establishing an urban renewal district
- Other supporting policies, codes and agreements

As with all aspects of the North Bethany Concept Plan, these methods would be developed in a transparent public process.



Development Program

Development Theme and Character

The recommended program is written to establish a **Residential Mixed-Use Community**, defined primarily by its housing and supported by a commercial component that will provide shops and services, as well as other possible complementary elements such as civic, educational, and recreational uses, activities, and amenities for the North Bethany neighborhoods and surrounding community. Of particular consideration in planning is anticipating the level of future growth adjacent to the North Bethany Planning Area – currently outside the UGB. The premise of a mixed-use residential community with a commercial component is the appropriate approach for a number of reasons:

- A residential community is the only primary land use category that can reasonably “take down” (put into development) this large concentration of real estate holdings in a reasonable time frame – necessary in order to repay capital, cost of capital and generate a profit. Given the challenges, take down (sometimes a wrestling term) seems an appropriate label.
- A residential mixed-use community meets many of Washington County’s goals for achieving the vision of a “Community of Distinction.”
- Density allocations by Metro and growth forecasts for the region support a predominantly residential community, as does its location at the edge of the Urban Growth Boundary next to the rural and forested area.
- A mixed residential community permits a range of different kinds of housing to be introduced – ideally simultaneously but at the least, sequentially. Therefore, a number of different housing markets can be addressed in terms of household size, age of the head of household, incomes, and lifestyles, reaching a wider market sector for developers. Timing and strategy will determine what products can arrive and when.
- Developing a commercial component supports the public objectives of reducing vehicle miles traveled (VMTs) in the area while providing convenient access to day-to-day shopping needs and services, as well as providing a gathering place for community-building. Care must be taken not to oversize the commercial component at the edge of the UGB next to the rural and forested area (critters don’t shop).
- The nature of the overall adjacent property to the north and east is rural residential and agricultural, institutional to the west, and suburban medium density residential to the south.
- The interest of the owners and developers holding property in the study area is to develop residential projects.

The recommended character of the North Bethany Concept Plan is a diversity of housing choices in terms of image, price, density and type, and quality (commensurate with

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price). This building diversity (form, color, materials, density, height, massing, etc.) can be executed within the physical context of planned streetscape, landscaping, street lighting, signing, street furniture, and other common elements. In other words, character will be given consistency through the streetscape and landscape (the public realm); diversity can be expressed in the structures. In theatrical terms – a common stage with a variety of sets.

Existing Facilities and Conditions

The North Bethany Concept Plan Study Area comprises 796.7 acres of land. This aggregation of properties was annexed into the Urban Growth Boundary (UGB) in 2002 to accommodate growth needs in Washington County – primarily for new housing. Metro requires all new land brought into the UGB for housing to be built out at an overall minimum threshold density of 10 dwelling units per net acre. That calculation is made after deducting roads, easements, open space, wetlands, non-residential uses and other lands that cannot (or should not) be developed – the remaining land is considered “net.” The following calculations then, are based on Metro’s Title 11 requirement to achieve net buildable area for density².

Existing land in the North Bethany study area is made up primarily of large tracts of farmland and some single-family housing sites. However, there has been “positioning” by special districts and institutions to acquire land in advance of development, particularly schools.

Beaverton School District (BSD) has purchased one and is in negotiations to purchase two additional properties in North Bethany as future school sites. The schools are intended to be a combination of elementary and K-8, requiring a minimum of 10 acres each. Information of BSD’s holdings and plans will be integrated in the concept planning process.

Additionally, the Bethany Presbyterian Church owns 10.9 acres in the northwest corner of the intersection of NW Kaiser Road and NW Springville Road and continuing along NW Springville Road to the west. Portland Community College (PCC) owns 243 acres of land, in the southwest quadrant, adjacent to the study area. Within the land owned by PCC, Tualatin Hills Park and Recreation (THPRD) is developing over 30 acres into a community park with ball fields and other facilities, intended to mitigate a shortfall of park services in adjacent neighborhoods. THPRD states that these facilities are not intended to address future needs in North Bethany, but rather, to meet existing recreation supply deficiencies elsewhere in the district.

Land Available for Development

The economics of any large-scale development project are generally challenging and capital intensive. The process in North Bethany is made even more complex by the fact there is no single entity “in charge” of the process from the private side. It is for that

² Washington County’s development code uses a somewhat different method.

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reason that an MOU and regular meetings of developers are recommended to make this process work successfully.

As stated, there is a considerable amount of land that is either not suitable for development because of topography, or environmental sensitivity or is dedicated to public uses such that a disproportionate amount of land is not available to pay for infrastructure. Schools, churches, regional recreation facilities, wetlands, drainage channels, and other features and holdings further reduce the amount of the community that can be developed and therefore, contribute to off-site infrastructure funding.

As shown in Table 1, the North Bethany Study area totals 796.7 acres. A total of just over 401 acres (about 50 percent) of the total planning area is actually available for net new residential development (net of all other uses), reflecting the cumulative acreage of constrained lands, committed parcels and other site-specific realities.

TABLE 1: LAND TAKE ANALYSIS

	Estimated Acres	Percent
Total Planning Area	796.7	100.00
Constrained Lands		
Less Existing Street Rights-of-Way ¹	-15.5	1.95
Less Existing Utility Easements ²	-16.8	2.11
Less Flood Plain ³	-9.8	1.23
Less Natural Resources: ⁴		
100% Strictly Limit	-21.0	-2.64
50% Moderately Limit	-30.4	-3.82
Less Existing Parks	-0.0	0.00
Committed Lands		
Sites with Improvements > \$350,000 ⁵	-35.5	4.46
School District Property ⁶	-30.0	3.77
Bethany Presbyterian Church ⁷	-10.0	1.26
Gossamer Hills Development ⁸	-71.3	8.95
Gross Development Area	556.4	69.84
Less Commercial Center ⁹	-20.0	2.51
Less Future Parks ¹⁰	- ~30.0	3.77
Adjusted Gross Development Area	~506.4	63.56
Less Future Rights-of-Way (25%) ¹¹	-105.0	13.18
Net Residential Area	401.4	50.38

¹ Street right of ways include Kaiser Road and Brugger Road.

² Utility easements include the north-south power line easement.

³ Floodplain area is located within Rock Creek floodplain.

⁴ Natural resources include areas mapped as Strictly Limit, and 50 percent of areas mapped as Moderately Limit, as defined by the Washington County Goal 5 Program.

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- ⁵ Parcels with improvements exceeding \$350,000 are assumed to be committed, i.e. not likely to redevelop. The mapped committed area is an estimate of the parcel that would be retained around existing buildings.
- ⁶ School district properties considered committed include three 10-acre sites, per Washington Co. planning.
- ⁷ Committed lands include eight acres at the existing Bethany Presbyterian Church, plus cemetery property.
- ⁸ Gossamer Hills Development land calculation does not include land within the mapped natural resource area.
- ⁹ Land for commercial/mixed use center(s) is estimated at 20 acres by LCG. It is subject to refinement and exploration of alternatives.
- ¹⁰ The Future Parks estimate is based on level of service analysis by Greenworks. They include 12 acres for Neighborhood Parks and 17 acres for a Community Park. Acreages are subject to refinement based on coordination with Tualatin Hills Park and Recreation District, Beaverton School District, and site design.
- ¹¹ Future Right of Way includes all new streets arranged in a connected network.

Source: GIS mapping and data: Washington County and Metro RLIS; Development assumptions: Leland Consulting Group and Otak; Parks programming: Greenworks; School ownerships: Beaverton School District.

However, 71.3 acres of the North Bethany study area are in land already approved under the Gossamer Hills (renamed Arbor Lakes and now called Arbor Oaks) Master Plan as a phased residential neighborhood, (gross acreage is approximated at 109 acres). The developer has already begun Phase I, however they have agreed to consider flexibility on future phases following the North Bethany Concept Planning Process. Per the approved entitlements, the master plan allows for a minimum of 535 dwelling units and a maximum of 901 dwelling units. Assuming 10 dwelling units/acre, a minimum of 540 units is expected in this development. This number will likely be higher once all phases of development are complete.

Thus, adding the Arbor Oaks committed land back into the Net Residential Area equals 472.7 acres, bringing the total percentage to just under 60 percent of total land area (See Table 2). Arbor Oaks will be used as part of the overall population and density for North Bethany, and must be taken into account. Although not all the land is flexible in nature (Phase I is currently under construction and future phases already planned), it is necessary to include the total amount.

TABLE 2: REVISED LAND TAKE, INCLUDING GOSSAMER HILLS

	Estimated	
	Acres	Percent
<i>Net Residential Area</i>	401.4	50.38
Arbor Oaks Development	+71.3	8.95
<i>Revised Net Residential Area</i>	472.7	59.33

Source: Otak, West Hills Development, Leland Consulting Group

The amount of land available for development may be further increased by:

- Using portions of the utility rights-of-way for recreation needs;
- Using portions of the flood plain for recreation or building in the edges of the floodplain;
- Reducing the overall recreation land allocation by THPRD, given that a major athletic facility is being built at PCC, and given that utility/floodplain can be used to satisfy

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recreation needs. Public urban open space, such as a square or plaza, at the commercial center can also be considered by THPRD for meeting their requirements;

- Reducing the allocated percentage of land for future rights-of-way (currently shown as 25 percent) to a lower amount by designing larger block sizes (such as a minimum of 300 feet square or larger); and

The following sections use the land take analysis and define specific land allocations by identifying residential and commercial program element alternatives for North Bethany.

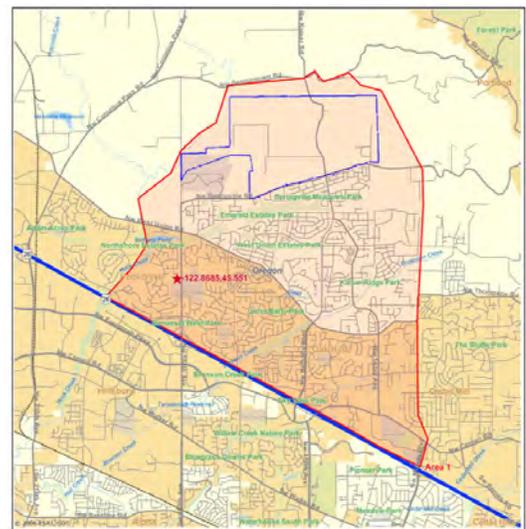
Who is the Market?

From a demographic analysis of the site and in adjacent neighborhoods (See Figure 2), households likely to move to North Bethany area (in the short term) have the following characteristics. They are:

- Primarily college-educated working professionals in business and management;
- Younger head of household³ in the age range 25 to 45;
- Majority are married;
- Majority of households have incomes above \$50,000 (Figure 3);
- Median household income of \$80,000 to \$85,000;
- Family households⁴ (73 percent in nearby neighborhoods);
- Average household size is 2.73 persons and the average family size is 3.21; and
- Homeowners (70 percent of housing supply in nearby neighborhoods).

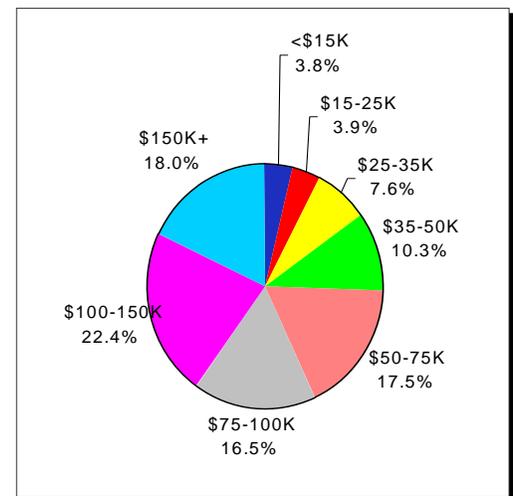
The demographic in the Bethany area is more affluent than the county in general. The households with incomes over \$50,000

FIGURE 2: NORTH BETHANY STUDY AREA, INCLUDING ADJACENT NEIGHBORHOODS



Source: ESRI; Leland Consulting Group

FIGURE 3: BETHANY HH BY INCOME: 2006



Source: ESRI; Leland Consulting Group

³ Households refer to any domestic social unit living together, whether related by blood or not. A household may be a single individual living alone.

⁴ Family households refer to any group of persons closely related by blood, typically parents and their children.

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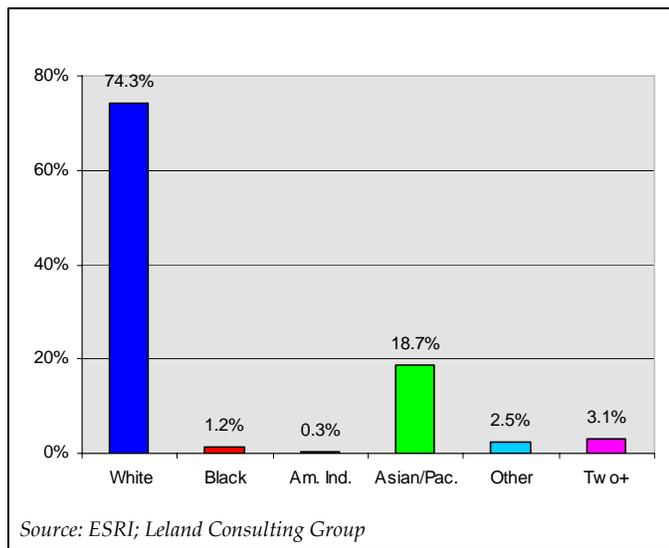
are higher here than the entire Washington County household population by 11 percent. The median household income in the county is \$64,000, over 16 percent lower than in Bethany. Another indicator, homeownership, is higher by over 18 percent in the Bethany area than the rest of Washington County (59 percent).

Household size is slightly larger than in the rest of the county (2.63 persons per household), but is 11 percent larger than the average Oregon household at 2.46 persons per household.

The racial mix in the adjacent neighborhoods is primarily white (74.3 percent) or Asian (18.7 percent). The two fastest growing populations in the area

are Asians and Hispanics, as projections for 2011 forecast that 21.1 percent will be Asian and 5.4 percent Hispanic. Figure 4 shows that the Asian/Pacific Islander population is the second highest racial demographic in the adjacent neighborhoods. As described in the North Bethany Developer Interviews Summary, the foreign-born market is large. Those moving to this area are families, of East Asian and East

FIGURE 4: BETHANY POPULATION BY RACE: 2006



Indian descent, under the age of 35, working in the high tech industry, with higher incomes than most in their age bracket, and seeking first time or move-up single-family homes in the \$400,000 to \$500,000 range.

Tapestry Segments

Another method for looking at the potential residents for North Bethany is to study Tapestry Segments. Developed by the Environmental Systems Research Institute (ESRI), Tapestry Segment designations are used to describe typical lifestyle information about various demographic groups. ESRI classifies U.S. neighborhoods into 65 segments. These segments survey daily life in terms of age, income, values, lifestyle, and recreational habits. The top five Tapestry Segments in the existing Bethany area, including the study area, are called *Boomburbs*, *Enterprising Professionals*, *Sophisticated Squires*, *Suburban Splendor*, and *Young and Restless*. The percentage distribution of the Tapestry groups is included in Table 3:

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TABLE 3: TAPESTRY SEGMENT BREAKDOWN: EXISTING BETHANY: 2006

Tapestry Segment	Percentage of Households
Boomburbs	41.1%
Enterprising Professionals	17.0%
Sophisticated Squires	14.7%
Suburban Splendor	5.4%
Young and Restless	4.8%

Source: ESRI; Leland Consulting Group

The Tapestry descriptions support the prior demographic research. Summarizing the five segments, the majority of the residents of Bethany are young (28.9 to 40.5 years of age) well-educated, two-income, well-employed families who prefer a suburban lifestyle, own multiple vehicles, and may or may not have children. They are hard working, with *Young and Restless* and *Enterprising Professionals* comprising the top two markets for labor force participation. They live a busy, upscale, high-tech lifestyle. A more detailed breakdown and description of the individual Tapestry Segments may be found in Appendix A.

However, opportunities exist in the area for changing demographics over time, considering proximity to the college, to rural lands, and the overall aging of America. It should be noted that the changing demographics, particularly in household size, will affect the future psychographic makeup of North Bethany. Creating a diverse community with a variety of housing types will affect the population that moves to the area, causing factors within the above survey to vary significantly depending on how much multifamily product of condominiums, apartments, senior, and student housing is included in the final program. These product types will lower the average household size, but will increase the overall density of the project. Population estimates may stay about the same, but the buying habits and goods and services the population desires may change significantly. Alternative housing and commercial alternatives discussed on the following pages look at a mix of housing types, and commercial scenarios. Each alternative affects the conceptual plan, strategic approach, and timing of development in North Bethany.



Residential Development Alternatives

Residential Elements

Development options in North Bethany should take into consideration several factors:

- 1 Almost the entire developable property within the study area is owned or optioned to a very limited number of local homebuilders and developers.
- 2 These homebuilders have specific housing products they like to build – products that produced success in recent projects. This means they are likely to build (or want to build) single-family homes (SFR) and townhomes. These products are primarily fee simple sales (rather than sales of condominiums).
- 3 Most of the developers have not explored other development types or do not see a need for such at this location at this time – such as apartments, senior housing, affordable housing, condominiums, live-work, stacked units, student housing, and other products. In interviews with developers, they expressed that they are not opposed to incorporating a mixed-use or Village Center component within the area or other types of housing, but they are understandably very interested (and concerned) to see how and where such program elements may be defined, as it will affect their individual plans and timing, physically and financially.

Residential Program Alternatives

For the purposes of this program, alternative approaches are described. Any large-scale community project must accommodate flexibility. As the area matures, alternative housing products become increasingly acceptable and desirable.

The housing programs, or scenarios that follow, illustrate the considerable flexibility available to achieve both an overall average residential density of 10 units per acre (or more) and sufficient diversity to accommodate a varied household demographic. Flexibility is essential – markets change. People’s preferences change. If the community is to be successful, it must also be adaptable. Therefore, the various illustrations of housing combinations show how a variety of housing product can be introduced while respecting the immediate market for detached single-family homes serving active families and a portion of the immediate (early phase) housing mix to serve either smaller households or families that select a lesser price attached townhome or rowhouse product.

The housing alternatives also demonstrate that the threshold target of 10 units per net acre can be surpassed, and that an average of 12 per acre is also within reach if combined with other community features. As density goes up, mitigating benefits in lieu of privacy must be present. Density increases should be offset with amenities – trading more people per acre for less price per unit but with better access to open space, education, community facilities, and similar attractions. It is one way to deal with high land prices and also sell to a price sensitive market.

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The following analysis uses the 472.7 acres available for residential development and distributes an array of products across that land area. A “Community of Distinction” can imply a diversity of population and thus of housing types. The programs below consider this, in various stages from the least diverse to most diverse housing program.

To guide the planning team, six alternative housing mixes are defined. The distribution and mix of housing considers:

- Maintaining a high proportion of housing product that is familiar to the builders and developers in North Bethany such that more than half is product that is being built today;
- Showing a range of overall densities from an average of 10.0 to 12.5 units per net acre; and
- For the higher density scenarios, student and senior housing near either the college or amenities (or both) is anticipated – aggregating the highest densities next to features that will support such densities.

Additional questions to answer before arriving at a single housing program are

- 1) What are the density per acre goals for Washington County? For the developers?
- 2) What is the minimum threshold for SFR and townhomes? and
- 3) What are acceptable density assumptions for this area in terms of multi-family products. For instance, condominium developments can range from 16 units per acre to 80 units per acre or more. (The tables below assume densities standard for Washington County)

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TABLE 4: HOUSING PROGRAM ALTERNATIVES A THRU F

Housing Type	Units per Net Acre	Alternative A 10 du/acre				Alternative B 10.5 du/acre			
		Percent of Area	Estimated Acres	Number of Units	Percent of Units	Percent of Area	Estimated Acres	Number of Units	Percent of Units
Estate SFR	3	2%	9.5	28	1%	2%	9.5	28	1%
Large SFR	4.5	4%	18.9	85	2%	3%	14.2	64	1%
Standard SFR	5.5	5%	23.6	130	3%	5%	23.6	130	3%
Small SFR	8	65%	307.3	2,458	52%	63%	297.8	2,382	48%
Townhouse	12	15%	70.9	851	18%	15%	70.9	851	17%
Condominium	20	4%	18.9	378	8%	5%	23.6	473	10%
Apartment	25	3%	14.2	355	8%	5%	23.6	591	12%
Specialty	45	2%	9.5	425	9%	2%	9.5	425	9%
Total		100%	472.7	4,710	100%	100%	472.7	4,944	100%
Average Density (du/acre)				10.0				10.5	

Housing Type	Units per Net Acre	Alternative C 11 du/acre				Alternative D 11.5 du/acre			
		Percent of Area	Estimated Acres	Number of Units	Percent of Units	Percent of Area	Estimated Acres	Number of Units	Percent of Units
Estate SFR	3	2%	9.5	28	1%	2%	9.5	28	1%
Large SFR	4.5	3%	14.2	64	1%	2%	9.5	43	1%
Standard SFR	5.5	4%	18.9	104	2%	3%	14.2	78	1%
Small SFR	8	60%	283.6	2,269	48%	57%	269.4	2,156	40%
Townhouse	12	15%	70.9	851	18%	16%	75.6	908	17%
Condominium	20	8%	37.8	756	16%	9%	42.5	851	16%
Apartment	25	6%	28.4	709	15%	8%	37.8	945	17%
Specialty	45	2%	9.5	425	9%	2%	9.5	425	8%
Total		100%	472.7	5,207	111%	99%	468.0	5,434	100%
Average Density (du/acre)				11.0				11.5	

Housing Type	Units per Net Acre	Alternative E 12 du/acre				Alternative F 12.5 du/acre			
		Percent of Area	Estimated Acres	Number of Units	Percent of Units	Percent of Area	Estimated Acres	Number of Units	Percent of Units
Estate SFR	3	1%	4.7	14	0.3%	1%	4.7	14	0.2%
Large SFR	4.5	2%	9.5	43	1%	2%	9.5	43	1%
Standard SFR	5.5	3%	14.2	78	1%	2%	9.5	52	1%
Small SFR	8	55%	260.0	2,080	37%	54%	255.3	2,042	34%
Townhouse	12	18%	85.1	1,021	18%	17%	80.4	964	16%
Condominium	20	10%	47.3	945	17%	11%	49.6	993	17%
Apartment	25	9%	42.5	1,064	19%	10%	47.3	1,182	20%
Specialty	45	2%	9.5	425	8%	3%	14.2	638	11%
Total		100%	472.7	5,670	100%	100%	470.3	5,928	100%
Average Density (du/acre)				12.0				12.5	

Source: Leland Consulting Group

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As shown in Table 4, detached single-family and townhouse / rowhouse product ranges from 70 percent of total units in Alternative A to 50 percent in Alternative F – the highest density mix of housing product. Apartments and specialty housing, and thus household numbers, jump up at the higher densities. By using denser product (i.e., specialty housing such as senior or student housing at 45 units/acre), densities, diversity, and corresponding population may be increased further.

In looking at actual unit counts in relation to density, Alternative A provides 3,309 units for SFR and townhomes with an overall unit count of 4,710. Alternative F provides 3,006 units for SFR and townhomes with an overall unit count of 5,928. So by using a higher density target, the total households in North Bethany could increase by over 1,200, losing only 300 units of SFR and townhomes. More households are an important consideration in not only paying for land costs, but financing off-sites and infrastructure.

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Commercial Development Alternatives

Retail Reality

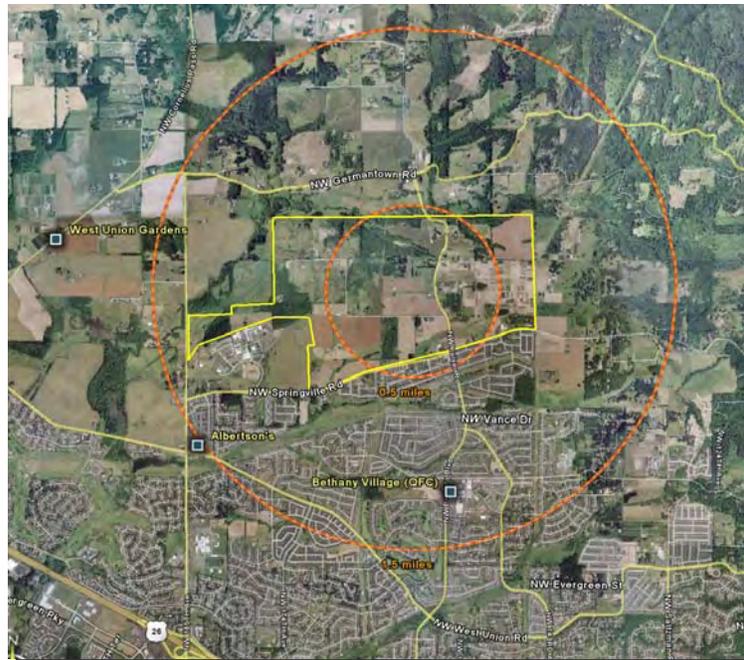
Success for a commercial center depends on a variety of factors, location being the most important. High visibility, high traffic (vehicular or pedestrian), amount of retail square footage, location and program of competition, close proximity to daytime and evening users, and convenient access are all important considerations. Location is of particular importance in North Bethany.

The planning area is mainly accessed from 185th, Bethany Boulevard/Kaiser Road, and Springville Road. The commercial component will be most successful if it is located close to one of these main arterials. If the commercial element is located on Kaiser, it will depend more on local residents and more limited pass-by traffic.

Another factor in programming the commercial center is the existing commercial supply in the area. As shown in Figure 6, within 1½ miles of the planning area are two existing grocery-anchored centers: Bethany Village, and the Albertson's Center. Bethany Village offers a variety of retailers and services, such as QFC, Hallmark, Walgreens, Bank of America, Starbucks, Godfather's Pizza, UPS Store, Bethany Athletic Club, Great Clips, and many others. A residential district and neighborhood center is strongest with a grocery-anchored. From the Developer Interviews, it appears that the two groceries (both national chains) are underperforming for their size. In North Bethany, it is unlikely that a typical grocery store (45,000 to 60,000 square feet with full service such as pharmacy, flowers, etc.) will succeed, due to the close competition and small market base of drive-by customers.



FIGURE 6: PROXIMITY TO NEAREST GROCERY STORES (½- and 1-½ mile radius)



Source: GoogleMaps, Leland Consulting Group

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The majority of the residents in existing Bethany work, and almost all of those who work do so out of the area. They work primarily in downtown Portland or in the high-tech corridor along Highway 26. Most also commute home in single-occupant vehicles – cars or SUVs, via Bethany Boulevard or 185th Street from Highway 26 or south it. There are major retail facilities located just south of Highway 26 between these two thoroughfares and continuing west to Cornelius Pass. Figure 8 shows these major shopping centers: Tanasbourne Town Center and Village, Streets of Tanasbourne, the Fred Meyer Shopping Center, and other major commercial – all less than five miles from North Bethany and on most commuters way home. This will be a major challenge in successfully programming retail for the Commercial Center in North Bethany. Figure 7 (following page) shows the major shopping within five miles of North Bethany, with the majority just south of Highway 26.

Thus, for grocery to succeed in this location, it would need to take a creative and alternative approach. First, it would need to be a smaller store format (less than 30,000 square feet). It would be beneficial if it were well known locally, to have an instant market capture. The third component would be its format and product line. A specialty market, such as health foods, ethnic foods, or gourmet products has a higher chance of success, as it has less competition with nearby and discount grocers. If planned carefully, and at the appropriate time, this approach might do well, considering the high income and diverse demographic of residents in this area.

FIGURE 7: PROXIMITY TO MAJOR SHOPPING CENTERS



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Discount shopping is also an important consideration when studying potential new retail in a community. With more than 70 percent of U.S. retail dollars spent at discount prices and locations, including grocery, it is these larger discount stores that serve the needs of most of the general population⁵. Even though there are two grocers nearby, retailing trends suggest that many of the local grocery dollars are being spent at larger format discount “big box” stores. The locations sought out by these stores are high visibility and high traffic counts. Tanasbourne Town Center and Village alone features shops such as Old Navy, Barnes and Noble, Target, Linens 'N Things, Ross, Mervyn’s, and Petco, all discount retailers.



The North Bethany neighborhood will not have enough density to support a discount retailer, and will at the same time be competing with them (discounters) for grocery and other commercial goods and services. The bottom line is that bringing retail into the existing market will be limited and challenging. Again then, any grocer moving into this market needs to offer a special product line not found at chains or discounters, thus becoming a destination.

Convenient access is another important consideration in programming the commercial component for North Bethany. If the center is easily accessible by foot, bicycle, and automobile, planned as a part of the neighborhood instead of a separate entity from the rest of the neighborhood, it will have the highest probability of success. Locating the higher density housing around the center(s) is an effective method to tie the center into the neighborhoods and buffer the commercial from the single-family housing component.

Commercial Programming Considerations

When discussing the idea of a Commercial Center for North Bethany, it is important to recognize Metro’s Resolution 03-3369A, which endorses and supports objectives previously agreed to for the study area; and that these objectives are consistent with the region’s 2040 Growth Concept plan. One of the objectives is for "a sufficient number of dwelling units to support retail commercial uses and civic uses (such as government offices, fire station, police station, town square, library, school, park, etc.) within the concept planning area along a “Main Street” as described in the Regional Framework Plan and/or in a Neighborhood Center as authorized in Title 12 of the UGMFP, section 3.06.1230." This objective is one of the guiding factors for planning this area. Within the following section, Metro’s term “Main Street” will be substituted with the word “Village Center. The scale and uses are comparable to Metro’s “Main Street” terminology. “Center” is a more general term, allowing more flexibility within this concept planning phase. The term “Neighborhood Center,” as described by Metro, will be used.

Programming for the commercial elements in the North Bethany Community Plan should thoughtfully consider and balance the following factors:

⁵ Gibbs Planning and Leland Consulting Group, 2005

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- 1 Commercial space (retail and service facilities) is determined by the consumer needs and preferences of the people supporting that commercial space. Retail demand is determined by buying power and buying preferences;
- 2 Rooftops precede commercial development. That is, a population must be in place in the North Bethany area with sufficient buildup of numbers of people (and their buying patterns). The amount of new residents will determine when retail space can be developed and therefore, be available to consumers. According to the preliminary housing program, North Bethany can expect up to approximately 5,300⁶ dwelling units with projected population for the community at 13,750 or more;
- 3 North Bethany is not an island. People in the area are presently served by commercial stores and services elsewhere. Bethany Village is the closest such concentration of shops and services (less than one mile away) to North Bethany;
- 4 The Bethany Town Center is still in its implementation process. Some of the stores are still building up to a “healthy” level of sales and revenues. To prematurely develop another concentration of retail could have the effect of endangering both Bethany Village and the retail at the Albertson’s Center. Bethany Village is anchored by a grocery store. That grocery store, currently operating at 35,000 square feet (a specialty grocery size) has the potential, when sales so justify, to expand to between 50,000 and 60,000 square feet; and
- 5 A significant part of the determination of retail and service needs must consider how much additional land might be brought into the Urban Growth Boundary on the east, north and west sides of North Bethany. Further, when might that or portions of that land come into the UGB, and at what levels of development in terms of density, and therefore additional need for commercial, retail and service space.

Potential Users

There are three primary market groups that would support a Commercial Center:

- 1 Residents of the new neighborhoods of North Bethany are the primary market group for a Commercial Center. The important question to ask is, “What percentage will residents use this commercial center, in relationship to other retail centers in the Metro region?”
- 2 Depending on the Center’s location, other potential uses of the commercial center include: employees, faculty, and students of PCC, adjacent neighborhoods residents, employees of nearby businesses, and users of the new THPRD community park located on PCC’s property. If the product mix were programmed correctly for this market, nearby employees and visitors to the area would use the center more during the daytime – eating lunch, running errands, and doing some business near their work, school, or activity. A good portion of the retail lease space should be marketed with products and services that fill a potential void for these daytime users.

⁶ This number is the average number of dwelling units taken from the six housing program alternatives

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- 3 Drive-by traffic is the third most likely market group to the Center. These are potential customers who travel by the Center en route to another location. Most drive-by traffic would be employees going to or from Portland by using an alternate route to avoid Highway 26. These users stop for immediate needs or patronize stores that are recognizable and compelling, or have specialty items unavailable elsewhere. This user is the most challenging to attract, which will be no exception at North Bethany. Retailers (particularly those with a grocery anchored center) prefer to locate on the homebound commute side of the street to capture a greater share of the market. Due to the location of the new North Bethany neighborhood on the edge of the urban growth boundary and on the edge of existing neighborhoods, it is not expected that this site will attract many other users – unless there is additional UGB expansion to the west, north and east.

What Can the Market Support?

Using the preceding research and analysis, the potential buying power for North Bethany may be obtained. The analysis is based on a rough estimate of 5,300 potential households yielding an approximate population of 13,750. From this information and the previous demographic information, the buying power for the area is derived and used to develop the approximate distribution for a commercial center.

The approximate Commercial Center square footage that North Bethany neighborhoods could support may be calculated by investigating the overall retail spending capacity of the future residents. With a median annual income of \$83,713⁷ per household, 5,300 households would have a combined income of approximately \$445 million per year. Of this amount, approximately 34.9 percent, or \$155 million, will be spent annually on retail expenditures, including grocery, and excluding vehicle purchases.⁸ Average neighborhood center sales in dollars per square foot of gross leasable area for the western U.S. are \$364⁹. That means North Bethany residents can support 425,400 total square feet of retail space each year. This is a full range of retail expenditures, and again, the vast majority of this buying power will not be spent in North Bethany. If the Center could capture 10 to 12 percent of the residents' retail spending, the Center could support 42,500 square feet to 51,000 square feet of retail space.

If the Center were grocery anchored, even by a local or specialty grocer, the minimum store size would be 25,000 square feet, leaving 20,000 to 28,000 square feet for other retailers. This is a very small program – possibly too small to have enough activity for a successful commercial center. A sound minimum size center would be approximately 150,000 square feet. North Bethany cannot support 150,000 square feet of retail, even when fully built out. However, the entire program (150,000 square feet) does not need to be retail, so long as program elements provide a customer base to support the retail. Other uses such as employment, service, and civic uses that may complement the retail component should be considered within the program.

⁷ ESRI BIS, 2006 Incomes

⁸ 2006 ESRI BIS and Leland Consulting Group

⁹ Dollars and Cents of Shopping Centers

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The closer the Center is to other adjacent uses, such as schools or employment, the greater its chances of a larger program and customer capture. The closer housing is to a Commercial Center, and the more connected the two elements are, usage and success is strengthened significantly. By mixing uses such as high-density housing and some office into the Center, the percentage of local usage may be increased.

Non-resident customers can also be captured from drive-by traffic. The question for both these groups is, how many? As mentioned, success is contingent on capturing not only resident buying power, but also that of adjacent employment support and drive-by customers. It is estimated that 5 to 12 percent of customers will need to be made up of these two groups for the center to succeed.

Using this information, there are several alternatives to consider in planning for a commercial component in North Bethany.

Commercial Component Alternatives

Shopping and service facilities within the North Bethany planning area serve both the day-to-day needs of residents living within this community, as well as having the effect of reducing VMTs outside of the planning area. Therefore, good planning principles strive to reach a retail and services solution as early as possible to support the household needs and reduce VMTs, and thus lessen traffic and infrastructure improvement impacts.

On the other hand, retail can only be successfully introduced when there are sufficient rooftops to assure a successful sales volume that allows shopkeepers to thrive in their respective businesses. Hence, the challenge is one of timing and location.

Another consideration is that many of the developers who are actively positioned in the North Bethany planning area are homebuilders. For the most part, they are not mixed-use developers, and have limited experience with commercial development. Finding ways to hold an appropriate level of land inventory off the market until the retail and service market opportunity has “ripened” to allow construction of these program elements has a cost, and may not be implemented by the landowners presently in control of the land with the most appropriate locations for such facilities. The planning team has considered several options for programming retail and services concentrations.

1 Neighborhood Centers

One alternative is to locate several smaller concentrations of retail and services in different parts of the North Bethany planning area, such as Neighborhood Centers, or “Pulse Points.”

2 Village Center

Another alternative is to combine all such retail and service needs for North Bethany into a single center – such as a Town or Village Center. A Village Center at this location, which would necessarily unfold over time as the market allows. Visibility from major roads and anchor tenants are all elements needed within this alternative.

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3 Combination of Centers

Still a third alternative is to combine the two options above, creating a Village Center, such as that suggested for the western end, along with several concentrations of smaller retail/service areas, or Neighborhood Pulse Points.

The following sections examine each of these alternatives individually in narrative, describing character and scale, and ending with a program alternative before moving to the next alternative.

1 Neighborhood Centers Program Elements

Neighborhood concentrations of retail and services could be as small as 10,000 to 30,000 square feet, serving specific neighborhoods and adding to the distinction and character of each by the services and shops provided as well as the sense of place provided. An excellent example of such a place is the small convenience concentration of shops and services located in Forest Heights. The pictures in Figure 8 illustrate a concentration of 12 shops with an approximate floor area of approximately 20,000 square feet. Tenants include a specialty grocer, hair salon, dry cleaner, real estate office, dental office, restaurant, bakery, and others. Such a concentration is dependent upon a combination of walk-in population and those living in the nearby area that have convenient access to a coffee shop, a small mini-mart, a video store, dry cleaners, and hair salon.

FIGURE 8: FOREST HEIGHTS VILLAGE CENTER, PORTLAND OREGON



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Not all uses may be in a single location. One location may house a coffee shop, a hair salon, and a video store, while another location may offer a mini-mart, a local bakery, and a restaurant. The retail node may include mixed-use buildings to provide housing diversity within each neighborhood by offering apartments, condominiums, or specialty housing above the retail component. Incorporating townhouses or other higher density housing close to the retail node increases density immediately near the center for additional capture and provides a “buffer” to single-family neighbors. The nodes may be further strengthened by locating them near other uses, such as schools, churches, parks, or other non-residential elements, creating a core of activity.

Neighborhood Centers Development Program

Each neighborhood center may only be 12,000 square feet, allowing the total allowable retail buying power (in square footage) to be spread among three to five neighborhood centers, thus providing all the neighborhoods in North Bethany their own pocket of retail services. Tables 5 and 6 illustrate programs with typical uses that might be included in one center or another. High-density housing (above or adjacent) to the retail is included to further strengthen their viability.

TABLE 5: NEIGHBORHOOD CENTERS DEVELOPMENT PROGRAM OPTION 1

Land Use	Estimated Size (SF)	Land Use	Estimated Size (SF)
Retail		Housing	
Convenience Store	12,000	Specialty Housing (above—30)	30,000
Coffee Shop	1,250	Apartments (above—20)	25,000
<i>Total, Retail Uses</i>		<i>Total, Residential Uses</i>	
	13,250		125,000

TABLE 6: NEIGHBORHOOD CENTERS DEVELOPMENT PROGRAM OPTION 2

Land Use	Estimated Size (SF)	Land Use	Estimated Size (SF)
Retail		Housing	
Hair Salon	3,000	Condominiums (above—30)	60,000
Coffee Shop	1,250	Townhouses (20)	32,000
Restaurant	3,500	<i>Total, Residential Uses</i>	
Video Store	2,000		92,000
Dry Cleaner	1,250		
<i>Total, Retail Uses</i>			
	11,000		

Source: Leland Consulting Group

These pulse points of development need not take up more than an acre or two of land. Thus, in this scenario, the land take available for single-family housing would be greater, as less than 10 acres would be used for commercial purposes. However, civic uses or high-density housing may end up still using the additional 10 acres allotted to a commercial center.



2 Village Center Program Elements

A Village Center concentration could be larger in scale and size and components if it were to serve an additional expanded UGB area between the western edge of North Bethany and Cornelius Pass Road. The center would logically then serve residents both east and west of its location.

A Village Center in North Bethany is an attractive piece to include in the concept plan. A Village Center would form a “heart” for the neighborhood community. Ideally, it would be a mixed-use component for the overall community and contain both residential and non-residential uses and activities. A preferred program contains:

- **Shopping Center:**

Considering the stiff competition from the nearby centers, if grocery anchored, a smaller, specialty grocery is the best viable option to anchor the Center. The recommended program is one that is unique, offering goods and services unlike those nearby. A specialty grocer will be a different experience, carry different products, and draw customers based on more than price or convenience. It should be highly visible, well designed, and have convenient access for off-site traffic. The adjacent retail tenants will succeed provided the proper grocery anchor is in place.

Equally important is the product mix of the other shops and services offered. They need to be offerings the neighborhood is compelled to use. It is known that people prefer some services close to where they live, such as a dry cleaner, coffee shop, hair salon, movie rental, restaurants, and banks. Other uses include medical services such as family doctors, optometrists, etc. Daycare centers are another center use option.

One other good anchor for small centers is a fitness facility or studio, such as yoga or Pilates, or a day spa. These uses are gaining popularity for anchoring retail development. Individuals go to the gym to exercise, or the spa for a break, and shop at the Center before or afterwards. A fitness facility or spa may be up to 20,000 square feet, capturing users from the neighborhood as well as adjacent businesses employees. Employees of the retail and commercial Center may also use them, increasing the likelihood of success. An advantage to these types of additional anchors is its capability to locate on a second floor. If well designed, they could easily locate above other retail.

- **Civic/Community Center:**

The Village Center can also function as a civic or community center. The civic aspect can be a key feature of the Village Center, and is part of Washington County’s vision for North Bethany. Such uses and activities are both functional and ceremonial, serving a primary Place Making element. Civic functions, when designed around a plaza or green space, provide a gathering space for events and community activities, drawing residents and the larger community to the area and strengthening all other uses. Uses may include a branch library and/or fire station (both needed), a post office, community policing, community hall, and open space as the center of the community.

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▪ **Employment / Educational Center:**

The employment center refers to uses within the Village Center that are may be offices, technology, or educational. PCC is the major employer for the neighborhood. Employment can take the form of corporate offices, speculative office space, and medical facilities. The attractiveness for employment is the proximity to housing and other services. This use may be combined with others such as retail or civic functions.

▪ **Housing Concentration:**

A Village Center provides an excellent opportunity to integrate a variety of housing in close proximity to employment, civic, retail, and other services. Row housing, clustered housing, apartments, specialty housing (such as student or senior), and stacked condominiums can be built in close proximity to the Village Center, strengthening both program elements. This use may be combined with other uses such as office or retail.

The Village Center program alternatives describe each of these uses and category sectors. The consultant team will examine alternative physical forms for this combination of uses.

Village Center Development Program

Using the approach that all elements of the Village Center need not be retail, 146,000 square feet of program is achieved, not including accessory high-density housing opportunities that might be provided using vertical mixed-use development types. The program below in Table 7 includes one to three story buildings, with housing and employment/service above some retail uses. They may also be combined with civic uses.

TABLE 7: VILLAGE CENTER DEVELOPMENT PROGRAM

Land Use	Estimated Size (SF)	Land Use	Estimated Size (SF)
Retail Center		Civic Uses	
Specialty Grocer	30,000	Branch Library	5,000
In-line retail shops	15,000	Fire Station	7,500
Restaurants	8,000	Community Center	3,500
Retail Services	7,000	<i>Sub-Total</i>	16,000
<i>Sub-Total</i>	60,000	Total: Non-residential Uses	146,000
Employment / Service		Housing	
General Office	6,000	Specialty Housing (300)	225,000
Medical / Dental	10,000	Apartments (250)	250,000
Education	30,000	Condominiums (200)	370,000
Fitness Center	24,000	Total: Residential Uses	845,000
<i>Sub-Total</i>	70,000		

Source: Leland Consulting Group

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3 Combination Centers Program Elements and Program

This alternative involves using a combination of the two previous alternatives. Thus, this alternative disperses more shopping throughout North Bethany in several centers; the Village Center becomes smaller than in the previous alternative, but is still more significant than neighborhood nodes or retail. It will contain the primary retail uses, and also some civic and housing components, but on a smaller scale. The Village Center would be very strategically located to capture the maximum customer base possible within the community. There would be less neighborhood nodes within this combined approach, likely only two. Again, they would be 12,000 square feet or less, using similar program elements to Alternative 1. Table 8 describes the more intense Village Center program; Table 9 denotes a Neighborhood Node program alternative.

TABLE 8: COMBINATION VILLAGE CENTER DEVELOPMENT PROGRAM

Land Use	Estimated Size (SF)	Land Use	Estimated Size (SF)
Retail Center		Civic Uses	
Specialty Grocer	25,000	Branch Library	5,000
In-line retail shops	10,000	Community Center	3,500
Restaurants	4,000	<i>Sub-Total</i>	8,500
Retail Services	3,000	<hr/>	
<i>Sub-Total</i>	42,000	Total: Non-residential Uses 80,500	
Employment / Service		Housing	
General Office	6,000	Specialty Housing (150)	110,000
Fitness Center	24,000	Apartments (125)	125,000
<i>Sub-Total</i>	30,000	Condominiums (100)	185,000
		<hr/>	
		Total: Residential Uses 420,000	

TABLE 9: COMBINATION NEIGHBORHOOD NODE DEVELOPMENT PROGRAM

Land Use	Estimated Size (SF)	Land Use	Estimated Size (SF)
Retail		Housing	
Hair Salon	3,000	Apartments (above—12)	25,000
Coffee Shop	2,000	Townhouses (36)	60,000
Video Store	2,000	<i>Total, Residential Uses</i>	85,000
Dry Cleaner	1,500	<hr/>	
<i>Total, Retail Uses</i>	8,500		

Source: Leland Consulting Group



Development Program Strategy Summary

Important elements to consider are:

- Flexibility is crucial.
- Establish a community with a range of housing products and prices.
- Recognize that housing is the dominant land use and must pay virtually all the off-site infrastructure, work within timing challenges, and fit the market.
- Commercial uses, particularly retail, must have convenient access and excellent visibility.
- Locating the higher density housing around the center(s) is an effective method to tie the center into the neighborhoods and buffer the commercial from the single-family housing component.
- Financial planning must be thorough and agreed to in advance of development.

For Further Study

Due to the project timeline, several important elements have not yet been examined, and thus are “best guesses” within the development program. These elements will be studied in more detail, inevitably refining the development program as the consultant team approaches physical planning for the North Bethany study area.

Transportation System

The transportation and infrastructure system within the North Bethany study area, and connections to other parts of Washington County, Tanasbourne, the City of Beaverton, and the region, is of paramount importance to the success of the project. Further, the cost of transportation infrastructure and the financial framework created to fund it can make or break the project regardless of the market’s appetite for the neighborhood and community proposed for North Bethany.

One of the immediate uses of this development program may be to inform the transportation and utility study. Thus, it is important to emphasize the following opinions and desires of the transportation system generated by property owners, developers, and other stakeholders. Overall, this information should assist in leading to a best solution regarding off-site roadway and other infrastructure improvements.

Parks and Open Space

Parks and open space play an absolutely critical role as part of this planning effort. Tualatin Hills Park and Recreation District (THPRD) is actively engaged and involved in meeting the needs of this new neighborhood. They are adamant that the level of

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amenities in the neighborhood regarding parks, trails, and open space match the level of density through not only population, but also proximity. A rough first blush from THPRD includes four neighborhood parks throughout the North Bethany study area. Location, size, and connections will affect the overall development program as the physical concept planning begins.

History and experience confirms that residents will choose first to locate in an environment rich with a mix of amenities close-by – parks and open spaces are a critical piece of that amenity mix.

Washington County’s vision for a Community of Distinction includes developing an appropriate level of parks, trails, and open space to serve the new North Bethany neighborhood. A well-developed network of parks and open space will be designed into the concept plan. However, as the study for the green network has not been completed, rough estimates are included as part of the development program. The consultant team will be devoting further consideration to the program requirements, design and financing of this plan element during the course of the contract, as a successful neighborhood environment is not possible without it.



Appendix A

Developed by the Environmental Systems Research Institute (ESRI), Tapestry Segment designations are used to describe typical lifestyle information about various demographic groups. ESRI classifies U.S. neighborhoods into 65 segments. These segments survey daily life in terms of age, income, values, lifestyle, and recreational habits. The top five Tapestry Segments in the existing Bethany area, including the study area, are called *Boomburbs* (41.1 percent), *Enterprising Professionals* (17.0 percent), *Sophisticated Squires* (14.7 percent), *Suburban Splendor* (5.4 percent), and *Young and Restless* (4.8 percent).

The following definitions provide a typical snapshot of the top five demographic segments for the existing Bethany neighborhood, including the North Bethany Study area. As these are general descriptions covering the entire population of the U.S., some of the descriptors may not relate precisely to Bethany. However, the overall depiction is effective to gain an understanding and perspective of the majority of the population in this area today.

Boomburbs



The newest additions to the suburbs, *Boomburbs* communities are home to younger families who live a busy, upscale lifestyle. The median age is 33.8 years. This market has the highest population growth at 4.6 percent annually – more than four times the national figure. The median home value is \$308,700, and most households have two earners and two vehicles. This is the top market for households to own projection TVs, MP3 players, scanners, and laser printers as well as owning or leasing full-sized SUVs. It is the second-ranked market for owning flat-screen or plasma TVs, video game systems, and digital camcorders as well as owning or leasing minivans. Family vacations are a top priority. Popular vacation destinations are Disney World and Universal Studios, Florida. For exercise, residents play tennis and golf, ski, and jog.

Enterprising Professionals



This fast-growing market is home to young, educated, working professionals, with a median age of 32.4 years. Single or married, they prefer newer neighborhoods with townhomes or apartments. The median household income is \$66,000. The *Enterprising Professionals* segment is ranked second of all the Community Tapestry markets for labor force participation, at 75 percent. Their lifestyle reflects their youth, mobility, and growing consumer clout. Residents rely on cell phones and PCs to stay in touch. They use the Internet to find their next job or home, track their investments, and shop. They own the latest electronic gadgets. Leisure activities include yoga, playing Frisbee and football, jogging, going to the movies, and attending horse races and basketball games. These residents also travel frequently, both domestically and overseas.

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Sophisticated Squires

Sophisticated Squires residents enjoy cultured country living in newer home developments with low density and a median home value of \$244,500. These urban escapees are primarily married-couple families, educated, and well employed. They prefer to commute to maintain their semi-rural lifestyle. The median age is 37.4 years. They do their own lawn and landscaping work as well as home improvement and remodeling projects such as installing carpet or hardwood floors and interior painting. They like to barbeque on their gas grills and make bread with their bread-making machines. This is the top market for owning three or more vehicles. Vehicles of choice are minivans and full-sized SUVs. Family activities include playing volleyball, bicycling, playing board games and cards, going to the zoo, and attending soccer and baseball games.



Suburban Splendor

These successful suburbanites are the epitome of upward mobility, just a couple of rungs below the top, situated in growing neighborhoods of affluent homes with a median value of \$408,100. Most households are composed of two-income, married-couple families with or without children. The population is well educated and well employed, with a median age of 40.5 years. Home improvement and remodeling are a main focus of *Suburban Splendor* residents. Their homes feature the latest amenities and reflect the latest in home design. Residents travel extensively in the United States and overseas for business and pleasure. Leisure activities include physical fitness, reading, visiting museums, or attending the theater. This market is proactive in tracking investments, financial planning, and holding life insurance policies.



Young and Restless

Change is the constant in this diverse market. With a median age of 28.9 years, the population is young and on the go. About 85 percent of householders moved in the last five years. *Young and Restless* householders are primarily renters, living in apartments in multiunit buildings. Almost 60 percent are single-person or shared households. This educated market has the highest labor force participation among all the Community Tapestry segments, at 75 percent, and the highest female labor force participation, at 73 percent. The median household income is \$40,900. Residents use the Internet daily to visit chat rooms, play games, obtain the latest news, and search for employment. They read computer and music magazines and listen to public radio. They watch movies in the theater and on VHS/DVD, attend rock concerts, play pool, go dancing, and exercise weekly at a gym.

Opportunities exist in the area for changing demographics over time, considering proximity to the college, to rural lands, and the overall aging of America. It should be noted that the changing demographics, particularly in household size, will affect the future psychographic makeup of North Bethany. Creating a diverse community with a variety of housing types will affect the population that moves to the area, causing factors within the above survey to vary significantly depending on how much multifamily

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product of condominiums, apartments, senior, and student housing is included in the final program. These product types will lower the average household size, but will increase the overall density of the project. Population estimates may stay about the same, but the buying habits and goods and services the population desires may change significantly. Alternative housing and commercial alternatives discussed on the following pages look at a mix of housing types, and commercial scenarios. Each alternative affects the conceptual plan, strategic approach, and timing of development in North Bethany.