

MINUTES OF THE METRO COUNCIL MEETING

October 7, 1999

Metro Council Chamber

Councilors Present: Rod Monroe (Presiding Officer), Susan McLain, Ed Washington, Rod Park, Bill Atherton, David Bragdon, Jon Kvistad

Councilors Absent:

Presiding Officer Monroe convened the Regular Council Meeting at 2:05 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATION

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

Mike Burton, Executive Officer, addressed two matters on the agenda. He suggested that in the Urban Growth Boundary Public Hearing factors that the ESA listing was only a part of the extension issues. There had been a number of local jurisdictions that had asked for extensions regarding planning around town center areas and parking. These factors could effect the buildability around these town centers. Second, Resolution No. 99-2848 would be before council today, three years ago he had put together the Metro Communication Team with the purpose of coordinating what the seven different departments and divisions were doing with outreach, education and informational functions and activities. He felt it was our responsibility to make information available to the public about Metro's activities and to find out if that information was being presented in an effective and efficient manner. He had asked the team to design a Communications Plan and return that information to council to show them what was being done in a coordinated way. He felt that Metro had very creative and talented individuals in the agency. He wanted to make certain that these individuals had the best opportunity to exercise those talents in reference to agency goals and mission responsibilities as a government. He said this plan was not a campaign, the plan was an attempt to manage this agency as effectively as possible.

He noted the article in the Oregonian this morning about the plan and was surprised to see its slant as he had not been contacted at all by Mr. Nokes, the reporter who wrote the article. He and two Presiding Officers had worked on issues to try to make certain that the public understood what Metro was doing. He added that there was no new money in this proposal.

4. AUDITOR COMMUNICATIONS

None.

5. MPAC COMMUNICATION

Councilor McLain said MPAC had not met this week, there would be a meeting next week.

6. CONSENT AGENDA

6.1 Consideration meeting minutes of the September 30, 1999 Regular Council Meeting.

Motion: **Councilor McLain** moved to adopt the meeting minutes of September 30, 1999 regular Council Meeting.

Seconded: **Councilor Washington** seconded the motion.

Councilor Kvistad asked that his comments concerning his vote against Ordinance No. 99-818A be included in the minutes of September 30, 1999.

Vote: The vote was 7 aye/ 0 nay/ 0 abstain. The motion passed as amended.

7. ORDINANCES - FIRST READING

7.1 **Ordinance No. 99-823**, For the Purpose of Amending Metro Code Chapter 5.02 to Modify Charges for Direct Haul Disposal, to Modify Metro System Fees, to Create Additional Regional System Fee Credits, and Making other related amendments.

Presiding Officer Monroe assigned Ordinance No. 99-823 to Council.

7.2 **Ordinance No. 99-824**, For the Purpose of Amending Metro Code Chapter 7.01 to Modify and Adjust Excise Taxes and making other related amendments.

Presiding Officer Monroe assigned Ordinance No. 99-824 to Council.

7.3 **Ordinance No. 99-825**, For the Purpose of Amending the Metro Code Section 5.02.025 to Modify the Disposal Charge at the Metro South and Metro Central Transfer Stations.

Presiding Officer Monroe assigned Ordinance No. 99-825 to Council.

8. RESOLUTIONS

8.1 **Resolution No. 99-2848**, For the Purpose of Adopting the Metro Communications Plan for Fiscal Year 1999-2000 and Approving the Expenditure of Funds Necessary for Implementation of the Plan.

Motion: **Councilor McLain** moved to adopt Resolution No. 99-2848.

Seconded: **Councilor Bragdon** seconded the motion.

Councilor McLain introduced the resolution and asked that the Communcation Team come forward to explain correction and minor amendments. As a councilor who had served at Metro for nine years, she found this plan to be extremely important piece of work that the Executive Officer and the Council had done together. This plan would help Metro be more efficient internally and allow a coordinated effort on each project. It would also allow the agency to tailor the outreach communication approach to the needs of the local jurisdictions as well as the needs of groups of citizens. She thought the internal team had done a good job of recognizing Metro's diverse

mission that included land use, transportation, regional facilities, parks and green spaces and a variety of other activities. The event coordination was also another key element to the plan. She noted that Councilor Kvistad supported the idea that the Regional Transportation Plan got as much coverage as the land use issues did. She added that there were several projects in the plan that had never been tried.

Beth Anne Steele, Council Outreach Coordinator, introduced John Donovan, team member and Janice Larson, Chair of Communication Team. She reviewed the composite of the team, which was made up of members from all over the agency. One of her roles as a member of this team was to provide the link with the council to be able to continually communicate what this team was doing and how they were progressing on communication for the entire agency. \$75,000 had been budgeted in this year's budget. The council had asked for a plan and a plan as to how to spend that money most effectively. These were existing dollars not new dollars. They were integrating not duplicating, more bang for the buck. This was not a public relations campaign but a communications program. As a public body, they believed that it was their responsibility to talk to the public, to the people who live in this region and tell them what Metro was doing, how Metro was doing it and because of the unique mission of the agency, how we think that the future could look and feel in terms of land use, transportation, recycling etc. Another part of the plan was the communication from the people back to Metro, opening up a two way communication which could expand and grow so that Metro could hear more from the people, to get their ideas and get them working with Metro.

Ms. Larson said the overall goals of the Communications Plan were to increase awareness and understanding of Metro's role and regional planning mission. As noted in the introduction, what if more people understood what Metro does, would more of them be engaged in the regional public policy process, would the number of volunteers involved in Metro programs increase, would more people make environmentally sound decisions in their own lives. They thought that the best way to investigate these questions was to link Metro's planning role to what it was already doing to protect the environment. The Plan was a result of two years of work by the Communications Team involving citizens, staff and the Council. They had incorporated the work of the MPAC Public Outreach Subcommittee in their section on Regional Partnerships. After meeting with Councilors individually, they had really taken the Council's comments to heart. They would be looking at more ways to reach business partners, tools to support interactive public outreach such as Internet and cable access. It was their hope that the council would see their ideas reflected in the plan.

Mr. Donovan said his job was to outline the structure of the plan, identifying the major audiences. The Plan was organized by objective: 1) linking Metro's planning role to protecting the environment (defined as urban and natural environments functioning together involving both economic and livability issues as well as the natural environment of open spaces and parks). 2) provide the opportunities for employees to be effective communicators, 3) enhance regional partnerships with local partners, 4) maximize and streamline core communications programs – they could do a better job of being more effective in a competitive communications marketplace.

Councilor Atherton said he had a number of conversations with the team. He was not ready to vote on this resolution. The questions that hadn't been answered were: clarification of who speaks for Metro and what process do we go through to get that. Did this plan address that issue?

Ms. Steele said there were several different levels. There were 600+ employees who worked for Metro. The team saw the employees as ambassadors for the agency. She gave an example. When

it came to speaking to the policy of this agency, the Council sets the policy. If a staff person went out and talked about issue X, and the Council had a policy on issue X, the staff person should talk about the program. But if it was an issue dealing with questions or controversy about that policy, that should come back to the Council (or). The Plan did not address elected official speaking for the agency. The Council was the policy making body of this agency.

Mr. Donovan added that Councilor Atherton's question related to a specific part of the plan. The team was trying to link the policy decisions that were still in front of Metro with the policy decisions that the Council had already made. The best way in their minds to mesh these was through a strong partnership between the Council and staff going out to those bodies that were in need of information so that they appeared as a coordinated effort. He felt that this was one of the strengths of the plan.

Councilor Atherton expressed concern about the role of public surveys, when Metro did public polling. He said the plan utilized the polling as a way of measuring their success. Had they ever considered the role of public surveys up front to find out what people's attitudes were about key issues at Metro? What were the public's attitudes about growth? Who should pay for growth? Was the public comfortable with Metro coming in and telling their community to serve areas even though they didn't want to? The whole purpose of the survey was to bring clarity to conflict and not more confusion. He wondered if they had considered this in the plan.

Councilor McLain said in her conversation with the Communication Team she had asked similar questions because they had administered a number of surveys in previous years. A number of the questions that Councilor Atherton had asked were part of those surveys. Those surveys helped Metro respond to the 2040 Growth Concept as an ideal and also as it was related to the Regional Goals and Objectives. She wanted these to continue and although the plan did not address a set amount of surveys to be administered in the next three years, the team had taken previous surveys and compared them to some of the more current surveys. They had done a recent survey on recycling but included issues on growth. That report had been presented to councilors. She did see that they had left this component out or not hearing the council on this issue, she felt that they thought that surveys were a standard tool that would be continued but not the only tool.

Councilor Atherton clarified himself about the survey issue. He was talking about tracking a public survey where you ask the same question over a period of time and see what kinds of changes take place. For example, now do you view your community as a place to live today, and then how would you rank your community as a place to live 10 years from now. You would administer this survey on a two-year cycle; it gave you a pretty good indication of what people are feeling about the planning effort.

Ms. Steele responded that Councilor Atherton's recommendations had been heard. There was no immediate plan to conduct this type of survey in the next year but within the next two years they would look to Councilor Atherton for some of those questions. She suggested that Councilor Atherton's web page to do that kind of survey, and although not scientific, they could start getting some data back from his web page as well as from the neighborhood groups. They would be happy to take a look at that information as it came in.

Councilor Atherton responded that this was a two to three year plan. His preference would be to decide up front what was going to be the role of these public surveys and would tracking surveys be utilized. Another item the plan did not address was the issue of bringing clarity to conflict. The

communication plan did not seem to address conflict. For example, the plan said that Metro's role was to protect the environment, was this true, or was it to accommodate growth?

Ms. Steele said there were places within the place where they accommodate people of all viewpoints, for example, the town hall forums, the web based interactivity programs. These programs and forums were places that encouraged different viewpoints.

Councilor Atherton asked for examples.

Ms. Steele reiterated the town hall forum in the community as well as the web-based forums that would open up discussion issue periods.

Mr. Donovan added that as the team worked more closely with the council to reach groups that they were providing the Council access to their constituents so that they would be able as policy makers to hear those viewpoints. This was vital to the entire system and the plan.

Councilor Atherton asked about cable access television and a direct link. What was involved in making this happen, the cost and how that could fit in this plan?

Ms. Steele said it was mentioned but she only had preliminary information. To create a system where they could cablecast live these meetings, the cost was about \$140,000 to \$150,000 to equip the chamber for that ability. She was looking into grant funds to cover the majority of that cost, the Council would still have to put up matching grants of about \$30,000 to \$40,000 to make that happen. There was also the issue of web casting. They were currently researching this to see what the requirements were for web casting the meetings.

Councilor Atherton asked if there were any bodies in the country that had an interactive situation where people could watch the meeting live.

Ms. Steele said there were jurisdiction within this region where the meeting can be cablecast live and jurisdictions within the country where meetings were web cast live. She was sure technology was available, it was a matter of cost and what Metro was willing to put up to get it.

Councilor Bragdon said he thought that the various aspects in the plan relating to the public were very clear but he was surprised at the emphasis on communication with Metro's own staff. He asked if new staff were given an orientation to Metro so they started out their Metro career with some foundation.

Ms. Steele said there was a session offered but it didn't always reach everyone. She said the session also didn't keep people up to date. One of the things the communications team heard over and over again from staff was that when something major was going on at Metro, they didn't know about it until they read it in the paper. She said this was caused by a lack of communication, on a daily, weekly and monthly basis, on the issues that are going on at the agency. Park Rangers, and many other Metro employees, worked 40 hours a week, out in the field doing their duties. She said they didn't have e-mail access, and they didn't get all the council agendas and internal e-mails. They also didn't get other e-mails that passed only through the headquarters building. Only approximately half of Metro's employees worked in the headquarters building.

She said the goal was designed to include all Metro employees in the communications process, no matter where they worked, so they would realize (a) they were Metro employees and (b) so they understood they were part of a bigger picture and a bigger mission. She said the goal was also designed so they understood that their job was not just recycling paint, but that it extended beyond their specific job duties. The job of Metro employees was to make the community a more livable place. She said employees should talk with their neighbors, and explain what Metro was and what the agency did as a whole. She called it the “in-reach” effort as opposed to outreach. She said it was vital that the employees were on board and bought into the vision of the agency, because they were the ones that made it happen on a daily basis.

Ms. Larson described the communications team as one example of a cross-departmental group of employees that worked together with increased efficiency. She said that part of the strategy to increase Metro efficiency crossed some departmental boundaries. Ideally, people were encouraged to talk to one another and work together in a better way. She said the effort was not designed simply to make people feel good about working at Metro. It was also designed to help them work better.

Councilor Bragdon said that he appreciated the emphasis on the environmental mission of the agency. But in terms of public outreach, he wanted the communications team to think about the positive commercial and economic programs and services provided by the agency. He said these were both components of which Metro ought to be proud. He said the agency should strive to ensure that Metro provided a positive commercial and economic impact.

He said he met with representatives from the Greater Louisville, Kentucky Chamber of Commerce. They were all private sector people who were very interested in the City of Portland’s Industrial Sanctuary policy. He said they considered the Industrial Sanctuary a pro-business land use policy that had existed here. They considered emulating this policy in their part of the country. He said he also talked to them about the green spaces and other things, but this sanctuary policy was something they saw that was of value. The Atlanta Chamber of Commerce pushed their legislature to create a legislative body similar to Metro because they saw a commercial value to non-fragmented transportation policymaking.

He said Metro should also think about good business ideas, and what the agency could do to make a positive economic impact on the region. He said he didn’t want a positive commercial and economic strategy to contradict the agency’s environmental mission. Instead, he considered them complementary. He said he simply wanted to add a commercial and economic dimension to the communications effort.

Ms. Steele said when they talked about protecting the nature of the region, they were talking about the region’s farm and forestland, parks, streams and other natural resources. But what they considered the nature of the region also included the urban ways, freight corridors, industrial sanctuaries, and the economic viability of the region. She said without economic viability the region would not have jobs, and people without jobs would have greater concerns. She said the unemployed worry about putting food on the table, not whether they can buy another thousand acres of open space land. She said the commercial and economic effect of Metro was something they were looking at.

She said Councilor Kvistad had brought the issue up before, and they tried to address it to some degree in their communications plan. It was something the team was aware of and they were looking for new ways to add to it. The communications team called their plan a living document.

She said they expected to make changes and updates. She said when Metro Council changed policies the document would also change. They knew they would be adding programs, ideas and other items. They would continue to ask for information and feedback from the Metro Council. They knew the economic and business community was an important audience for the communications team to work with. She said it was also important for the Council to hear back from the economic and business community. They addressed and would continue to address that in greater fashion.

Councilor Washington asked if the communications team planned on updating the Council on a more frequent basis. He said if the communications strategy was going to change as things happened, perhaps a quarterly update to the council would be very important.

Ms. Steele said the team would be happy to brief the Council on a quarterly basis.

Motion to

Amend: **Councilor Atherton** moved to change Metro's slogan from "Creating livable communities" to "Serving livable communities."

Second: The amendment died from lack of a second.

Councilor Kvistad agreed that the slogan needed to be reviewed by the appropriate committee to discuss whether or not the slogan was what Metro wanted. He said the Council never voted on or discussed the slogan before it became part of Metro's documents. He thought it would be beneficial for the appropriate committee to have that discussion. He said the language of the slogan was a bigger issue that the Council should talk about.

Councilor Washington said Metro Operations would be the appropriate committee and he would be happy to bring it before that committee for discussion.

Presiding Officer Monroe said he would refer the issue of Metro's slogan to the Operations Committee.

Councilor Kvistad thanked John Donovan, Janice Larson and Beth Anne Steele for having met with him. He said Metro was a general service regional government not an environmental organization. He was concerned about how Metro had worked with businesses, and how the agency had promoted business interests and a quality business environment in the Portland community. He said those issues were very important, and he knew the communications team had worked on that part of the plan. He wanted to be a positive resource, and would help refine and amend the communications plan. He wasn't comfortable with the latest version of the document. However, he didn't criticize some of the good work that he read in it. He said the plan didn't address some important issues, therefore, he couldn't vote in favor of it yet.

Councilor Park also thanked the staff. He saw the presentation they provided to MCCI. He said if the plan does nothing but stimulate discussion of what Metro does for the region, than it would still accomplish at least a portion of its task. The Oregonian article did not offend him. Instead, he said he was comfortable with Metro's outreach efforts. He wished the article had been longer and had covered all of Metro's services. He said the public should know the services that Metro was responsible for. He was also comfortable with the team's in-reach efforts. He said Metro employees should not only serve, but also inform, the public. Therefore, employees needed to be

informed so they could provide accurate knowledge and information about Metro, and what the agency had done for the region and could do in the future. He said many businesses had reinvented themselves. They had empowered their employees from the top down. He questioned how many organizations had really involved their employees and staff in such a proactive fashion. He was very interested in those issues. He was also interested in how the communications team had been serving both the public externally and the staff internally.

Councilor Washington supported the plan and thanked the staff for their hard work. He said the team created the best communications plan he'd seen in his seven years with the Council. He considered it a major first step that had helped Metro develop a communications package and policies. However, he didn't consider it cast in stone. He noted that the team offered to brief the Council, and change or update the plan in the future, if necessary. Yet, he called it a good beginning document and a step in the right direction, even though the plan hadn't met everyone's needs.

Councilor McLain commended the excellent work by the staff and hoped that the Council voted in favor of the communications plan. She said what the Council was voting on was a living document. The current plan was only the backbone of Metro's communications strategy and had to be fleshed out. She also said the plan provided a good communications background, and a good beginning. As Councilor Park pointed out, the plan sparked conversations with the local jurisdictions and the public concerning what descriptive Metro information they needed to update. She said the Council allotted the communications team \$75,000 and asked them to present the council with a communications plan. She commended them for a job well done, especially their work product and outreach efforts. The communications tools used to put the plan together were costly, but the team was efficient and provided the foundations for an ongoing project.

She said the definition of the word "nature" and the nature of a community was not always a green nature. When the council looked at a community and protecting the positive factors of the community, those pieces included services and economic issues. She said the process involved not simply protection, but also maintenance of systems. Services also included the landfill, transfer stations, and recycling issues. She said she considered economic factors as well as the green scene, parks and environmental issues.

Vote: The vote was 5 aye/ 2 nay/ 0 abstain. The motion passed with Councilors Atherton and Kvistad voting nay.

9. PUBLIC HEARING ON URBAN GROWTH BOUNDARY ISSUES

Elaine Wilkerson, Growth Management Services Director, provided an overview of the Urban Growth Report update. (A copy of the update can be found in the permanent record of this meeting.) She explained the purpose of the update and why Metro was doing this analysis.

Councilor Kvistad said he did not believe the numbers were accurate. He wanted the record to reflect that he had severe concerns about the direction in which the council was moving, and the numbers they were using. He also didn't want the record to reflect that he accepted, from the beginning, the numbers that were presented to him. He felt very strongly that the numbers were not what they appeared to be. He said there was no intent by staff to fake the numbers, but he didn't believe they are accurate. He said it was the Council's responsibility to move forward with

the numbers that they had in front of them as they made the decisions. He said Metro's Director of Land Use stated that the numbers were not fully fleshed out. Therefore, he feared that to step back and change the numbers in midstream would put Metro in jeopardy. He said Metro would soon be in court and would lose the decision. He said he couldn't change the minds of Council members regarding the direction they were going on this matter, but the direction the council was going was not a positive one and he didn't think it was in the agency's best interest. He said this may have been the only opportunity he would have, other than the final vote on the issue, to speak against the numbers. He said to delay the UGB depending on ESA was a cop out. He said the Council needed to finish the urban reserves decision.

Councilor Atherton said when he listened to Councilor Kvistad's comments he thought was inappropriate, at the current point in the process, to prejudge what the actions of the Council would be. He said they were in a deliberative mode and he was constantly challenging his assumptions and those of the staff to try to understand. He asked Ms. Wilkerson, in regard to the growth report, if she thought the forecast made in 1995 and adopted by the Council was still valid today.

Ms. Wilkerson said she thought that her staff was very close on their analysis of the 1998 residential production in relation to the forecast. She said they were just a very small percentage (less than 1 percent) off. She said the forecast that tracked residential production was very accurate. But she said on a year-to-year basis, it hasn't tracked jobs as effectively. She said they needed to look closer at that issue because of the capture rate and jobs/housing balance issues that the Council has talked about so often.

She didn't consider a few years of very healthy economic growth an indication that the entire forecast would be wildly inaccurate by 2017. She said some of the growth may simply have occurred faster than Metro anticipated or it may not. She said she didn't know yet. Through the peer review process they were going to do on the forecast, they will have a very good idea what type of economic assumptions they should make. She added that regarding some policy decisions that the Council will be getting involved in on the whole issue of economic development and where they should be pursuing growth, or not pursuing growth and instead stabilizing current growth, the question was: Was the forecast valid? She thought the forecast was very valid at the time of the 1997 decision. She added that the update she presented only attempted to examine the scale of things. She said the conclusion of a 32,000 dwelling unit shortfall was very consistent with current statistics. She said the only significant difference was the placeholder. She also said the forecast was a reasonable basis for the Council to make decisions this year.

Councilor Atherton clarified his question. He was interested in the demand side of the forecast as well as the production capability. Although, he found it a bit offensive to consider his community as production, and didn't feel as if he was production, he understood the context. He said he asked the question once before of the demand forecast and wondered if there had been any change. He asked Ms. Wilkerson if the forecast included the current subsidies - the economic subsidies to growth provided to this state, region and most of the communities.

Ms. Wilkerson said she couldn't answer that question. She said she didn't work for Metro when the Council accepted the forecast. She said the forecast also went through the peer review process at that time. However, she said she could not answer Councilor Atherton's question. She said they discussed at a Growth Management Committee meeting some of the issues mentioned by Councilor Atherton. She said Dennis Yee was more involved in the forecast. She thought that the peer review process and the contributors to that forecast were aware of the general economic

environment in which Metro has been functioning during the past 4-5 years. She suspected their forecast was not out of sync with the environment.

Councilor Atherton said he reviewed the base document on the process, the methodology, including the bivariate multiple regression econometric computer analysis, and it didn't include the ability to remove those subsidies as a factor. He thought that was still the case. So he didn't believe Metro would be able to forecast that.

Ms. Wilkerson said when the forecast is reevaluated this coming year the model can be recalibrated to make any policy assumptions that are necessary. She added that the peer group of economists they will use would be forecasting the economy they expect during the next 20 years. She said they would be trying to anticipate the types of policy changes that may occur in this region and nation. She added that much of the region's growth is related to economic factors that have affected the entire nation.

Councilor Atherton asked if the model included a consideration of change in the U.S. Government immigration policy over the 20-year period.

Ms. Wilkerson said she could not answer any questions specific to the model. She said she was not an expert, in terms of the model, but if he wanted to pursue it further she could arrange for him to speak with Dennis Yee.

Councilor McLain said because of the last questions asked of staff, it was important to remember what Council did and did not update. She said the forecast of population, which included immigration policy, was scheduled for Council review the next time around. However, she said the Council accepted the forecast of pop from 1997 and made those exceptions at the Growth Management Committee meeting for some very specific reasons. She said they could read the minutes and get those answers from Mr. Yee. She said the update included just what the Council saw from staff there today.

She added that Ms. Wilkerson said it was very consistent with the 1997 report. Although the bottom line was the same, the Council got there possibly a little bit different way. She said there were some elements of the report in 1997 that Ms. Wilkerson updated for consistency and there were some issues that Ms. Wilkerson double checked, because it was important to make sure Metro had calculated and not double calculated on particular issues. She asked Ms. Wilkerson to enlighten the councilors who couldn't be at the Growth Management Committee meetings about those issues, because the bottom line was consistent with the 1997 report. She said it didn't look much different.

Councilor Kvistad asked for a point of personal privilege. As a member of the Council, he felt that he had the right and responsibility to speak his mind on the issue. He felt that councilors were responding to him in a way that made him a bit uncomfortable and made him want to respond. He said if the Council wants to start a debate, that was fine and he could do that. Otherwise, he felt put upon to sit and listen to certain questions being asked that make him feel uncomfortable.

Councilor McLain said she wanted to have the answer, even if it was just for herself. She said if the rest of the people didn't want to hear the answer that was fine with her.

Presiding Officer Monroe reminded the Council that there were several individuals who had come to testify and they were waiting patiently to start the public hearing.

Councilor McLain said she had a question for staff. She asked them to describe some of the other ways that Metro arrived at the same number.

Ms. Wilkerson said that the easiest thing for her to do was return to the changes that occurred between the 1997 report and the update. She said her staff had a much more detailed view of vacant land than they ever had before because the air photos they evaluated were taken at a different elevation and were much clearer than photos taken previously. She said her staff saw vacant land they hadn't realized was vacant in the previous inventory. She said the vacant land inventory itself changed and the new one was much more accurate.

She said that was one of the concerns that had been expressed previously by some of the appellants on the 1997 decision. She said the appellants argued that the inventory was not accurate enough. Recalculating the buildable land based on the Title 3 policy change made a dramatic change as well. The example of not up-zoning neighborhoods in previous reports, as we did in the 1997 report, reduced the capacity within the UGBN by 19,000 units. She said they initiated it at the staff level because they felt that was much more appropriate in light of the Regional 2040 Growth Concept and Metro Council's previous policy decisions.

She said that although they added and subtracted things, the balance, to everyone's surprise, including her own, was that those refinements, those things that they had done that were much more accurate had the same deficit in the end, pretty much as we found in 1997. She said the only thing they were doing was expressing 151,000 units as a placeholder because they had some uncertainty about future environmentally constrained land and Metro's regulation of environmentally constrained land. She said until that is determined, they felt it would be inappropriate to act because they were advised by the state and Metro's legal counsel that the Title 3 adoption changed the rules for Metro.

She said according to the ORS, according to state laws, they should look at past experience to understand density and the calculation of capacity for the past 5 years or so. She said they also can look at new measures they've adopted to change the density or expectations. By adopting Title 3, Metro created a new measure, a new regulation, but at the same time they also know they are going to do more regulation and they hope to do more regulation in light of Metro's fish and wildlife habitat efforts. They certainly assumed that the deficit they've seen before the 32,000 would still exist. She said it's just a matter of how certain they would feel about proceeding to do UGB amendments in the short term.

Presiding Officer Monroe opened a public hearing on the Urban Growth Boundary issues.

Tom Aufenthie, 15674 Highpoint Drive, Sherwood, OR 97140, read his letter into the record. (A copy of this letter can be found in the permanent record of this meeting.)

Dan Tatman, 24351 SW Middleton Rd, Sherwood, OR 97140 commended the Council for their public service. He planned to be in attendance at all of the public hearings concerning Area 45. He also planned to speak regarding more issues than he could effectively present in the 3 minutes he was allotted during this hearing. He submitted a petition for the record he signed by 25 neighbors/property owners in the Middleton/Brookman portion of Area 45. He said the petitioners did not want to be included in the Urban Growth Boundary expansion. He said

approximately 33 property owners on Ladd Hill Road had signed a similar petition. He said some of these people signed the petitions because they wanted to be left alone to enjoy their home and neighborhood. Others signed the petitions because they said they were not notified about the possible growth boundary changes that they were very concerned about. He said he heard that an outside realtor and developer organized a group called Friends of Area 45 months ago for the explicit purpose of expanding. He noted that Area 45 had many complex issues, both for and against expansion. He asked if Area 45 was outside of Metro's jurisdiction didn't there need to be a vote of the landowners to include it in the boundary. He wanted to demonstrate to the Council that there were too many questions at this time to add Area 45. He said leaving Area 45 in reserve did not stop the planning process, it gave those who wanted to plan the area wisely the time to do so without pressure by special interest groups to rush ahead. He asked the Council to give the people involved time to put together a solid plan that would meet Metro's goals and their dreams. He asked the Council to exercise their authority and require Sherwood to have a completed comprehensive plan before voting Area 45 into the growth boundary.

Councilor Atherton asked Mr. Tatman how his state representative voted on HB 2709 and HB 2463 to force the 20 year land supply.

Mr. Tatman did not have that information.

Councilor Atherton said he would supply that information if Mr. Tatman wanted it. He said this was not a Metro choice, it was a state mandate they had to deal with. He asked Mr. Aufenthie what happened if the citizens voted not to annex an area.

Mr. Aufenthie responded that the area would not be brought into the City of Sherwood.

Councilor Atherton said that was not exactly true because the Council had voted last week to amend the Metro Code to basically force Sherwood to serve the area whether they wanted to or not.

Mr. Aufenthie was not aware of that fact.

Mr. Tatman said the main push was to leave the area in reserve until the decisions had been resolved. He understood that as long as it was in reserve, the area could not be annexed either way, but it could if it was in growth.

Councilor Atherton said if it didn't happen in Area 45, where else should it, because lots of people were saying the very same thing.

Councilor McLain, as Chair of the Growth Management Committee, offered a copy of the Metro Code passed last week to both citizens for their review. She did not want to get into it now, but wanted them to have the document and said she would be happy to discuss it on the telephone later.

Presiding Officer Monroe added that they could gather all the information they needed from the Council office or the Growth Management Department..

Mary Kyle McCurdy, 1000 Friends of Oregon, read her letter addressing the urban growth report and its implications into the record (a copy of which may be found in the permanent record of this meeting).

Kelly Ross, Homebuilders Association, said he would present detailed written testimony at the next hearing, but came today to express general support for Option II. He cited two reasons for not wanting to request an extension. One, they did not believe there was good cause to justify failing to meet the deadline. He said there would always be uncertainties in the future. Two, if the UGB hinged on the Goal 5 work, it may set up a predisposition toward whatever comes from staff and you may be forced into a timeframe that would not allow sufficient time for public comment or analysis from the parties involved. He said they would like to see it be objectively analyzed without hinging on the UGB debate. If there were changes after that there was nothing to stop Council from reopening the process and making those changes. He said they also believed there had been good cause developed on areas open for question in the UGR, which they would present at a later hearing. He said there was reason to question whether there would be full development on larger size lots that already had high value homes on them. He also questioned whether there would be future development at the same pace as in the past on steep slopes and flood plains, and whether it was reasonable to not allocate additional land for the needs of higher education, preschools and private educational facilities with the future projected population. He wondered whether it was reasonable to assume that a 3,000 acre strip 150' wide would develop to the same capacity as a 3,000 acre square which was basically the assumption on the placeholder lands. He expressed concern about the intent of Metro to not update the housing needs analysis when they updated the Urban Growth Report. He hoped as Council was making changes to the UGR and felt the need to update that report with refreshed data that they would also look at the housing needs analysis and update those assumptions, forecasts and calculations as well.

Councilor Atherton asked both speakers about their respective organization's view on the 20 year land supply and its building livable communities.

Mr. Ross said they very much supported the state mandate and felt it was a viable process for making livable communities.

Councilor Atherton asked if that was the case even if the community felt they were built out because they had planned for a certain size.

Mr. Ross responded that the State of Oregon had required urban growth boundaries and interjected themselves into local land use planning for areas outside the urban growth boundary. He felt if that was the case outside the boundary, it was reasonable to have it be the case inside the boundary as well.

Councilor Atherton asked about the smaller towns

Ms. McCurdy clarified it was 2,500 population or growth exceeding the state average in 3 of the last 5 years so that captured most of the smaller cities. In response the 20 year land supply question, she responded that 1,000 Friends had not supported 20 years as an across the board requirement because they felt there were individual characteristics for different communities. She felt there were more things that could be done inside the UGB to use land more efficiently beyond the functional plan. She noted that Metro had gone farther than any other jurisdiction to look at other ways to address how to use existing land supply more efficiently.

Councilor Atherton asked if 1,000 Friends had explored any of the ramifications of starting new communities.

Ms. McCurdy said their only experience starting new communities was Rajnish Puram and it had not worked out very well.

Councilor Atherton asked Mr. Ross if Homebuilders had explored any of the issues regarding new communities.

Mr. Ross said they had neither the time nor the resources to delve into that debate.

Councilor Kvistad responded that Ms. McCurdy's comment was where they were 6 years ago debating 2040. The concept was how they developed inside and how to grow better. The problem he saw was that they were emphasizing and politicizing the edge at the expense of what was inside. He wanted everyone to keep in mind the points of agreement as they moved through the debate.

Ms. McCurdy wondered if UGB expansions were frozen for a time and the Council's energy was focused on how to make it work better inside the UGB if they would not have been a lot farther ahead at this time.

Councilor Kvistad commented that was where the difference was. He felt if they finished the expansion that their numbers showed, that was exactly what they should consider in the future. He wanted to finish the work they had started already.

Councilor Park also felt that was the crux of the argument, that one portion of 2709 required them to be good bean counters so their focus was lost. He asked if Mr. Ross still supported the criteria in 2709 which laid out which lands first.

Mr. Ross said they had not discussed any opposition to it.

Councilor Park addressed his question to Ms. McCurdy

Ms. McCurdy said they supported bringing in exception lands first, farm lands last.

Councilor Atherton asked Mr. Ross if recent discussion about "the edge" of the boundary. He wondered if having much lower densities of housing at the edge was a good place for upscale housing and if that would be consistent with the 2040 Plan.

Mr. Ross said one the concepts they had supported strongly was a variety of housing. He thought those planning decisions should be made by local governments, not dictated by Metro.

Councilor Atherton wondered how that was consistent with Mr. Ross' notion of a continually moving urban growth boundary for a 20-year supply. He wondered if a community were thin on the edge when they had to expand, would they plan thinner farther out or get a new community.

Mr. Ross thought a proper role for Metro once you got into those kinds of decisions, was to keep an eye on the big picture and make sure that not all communities developed to that nature.

Lee Leighton, Westlake Consultants, reported that they planned to be able to share the concept plan for the Sherwood area in January. He said about 150 people showed up for their first open house, which surprised them. He said there was tremendous interest in the planning process. Westlake's aim was to help plan how the area could best be urbanized at some point in the future.

As a citizen, he shared some concerns about impacts on housing access and affordability that he thought were in the background of the growth report. He agreed that attention paid to 2040 centers was critical and they remained the cornerstone of all of the planning, but added that perceptions about the market really did affect the price of the land and housing affordability. That concerned him because he had seen the economic profiles of residents of the region shifting during this growth curve. He said it was very clear there had been a gentrification process at work in the region in some areas. To the extent that policies create market impressions that drive up market prices, he feared it would accelerate and further that trend. He said the 3.8% assumption for accessory units worked out to approximately 1 per 25-26 units. He felt in the aggregate, that was probably very achievable. He thought some communities would welcome them and others would exclude them. Updating statistics with respect to recent market performance and experience made sense regarding refill, but you had to keep in mind they were coming off the heels of a prolonged slow housing market since the '80s. he said a lot of the refill had occurred on sites that had been aging for quite a long time. He said it was getting harder to find properties that hadn't risen with the market or already been fixed up by their owners. The he wanted to know how long that rate could be sustained. He did not think it could play out at the same pace for an extended period for time quite that way.

Councilor Park asked Mr. Leighton if he would prefer to figure out a way to limit price increases for houses somehow, or find a way to keep values down, or a way to figure out policies to drive the value of housing down.

Mr. Leighton politely objected to the narrow framing of the question. He thought there were other available choices. He found research about land price inflation in communities without urban growth boundaries interesting. He did not necessarily buy into the notion that the UGB was single handedly responsible for driving up housing costs. He did believe there was a substantial perceptual aspect of that. He said Metro had to be careful of the message they were sending people in the region about managing the future land supply. He was concerned about sending mixed messages. He didn't think trying to establish regulatory government controls on housing prices would be productive because some of those aspects were simply cost driven. He noted that you couldn't compel people to run a business at a negative profit. He was not convinced price controls would work. He was thinking more of the perceptions created in the marketplace as a result of the current debate.

Councilor Park said his intent was not to offend. He was not sure how they would address the perception of scarcity or prices going up.

Mr. Leighton noted the assumption in the projections regarding the availability of alternative pieces of land. His recalled a 2 to 1 market assumption where 2 acres of land was calculated for every acre projected to allow for market competitiveness and provide for options and alternatives. He said that didn't seem to fit with people's perceptions of what land was actually available. He felt it might make sense to adjust the variable assumption a little bit.

Councilor Park noted that a debate the Council may have at a future time would be whether the 20-year land supply was the important question or was it the 5 year available land that was the question in the perception.

Presiding Officer Monroe closed the public hearing.

10. COUNCILOR COMMUNICATION

Presiding Officer Monroe announced that the Monday budget work session at the Convention Center. He noted lunch would be provided. Tuesday afternoon would be the Council informal meeting in the annex and that afternoon at 5:00 PM would be the public hearing in Milwaukie. He said lunch would be provided there, also, and Councilor Bragdon had directions to Milwaukie City Hall for anyone who needed them.

Councilor Kvistad noted that the council had not taken any action on recycled paint for non-profits and neighborhood associations. He thought the general policy of the department had changed and he asked for Council's position. He knew of one neighborhood association and one local government who would probably be asking Council to donate the paint for their graffiti removal and/or civic maintenance. He had been told that the auditor had come forward with recommendations and the department had changed the policy. He said if the Council had no objections, if the entities actually brought a request he might ask Council to donate the paint to their efforts. He specifically asked Councilor Washington as chair of the REM committee.

Presiding Officer Monroe said his understanding was the new system was 2 tiered and had one rate for anyone, and a much lower rate for non-profits

Councilor Kvistad said fees had been waived for solid waste pick ups and for groups wanting dumpsters, but graffiti removal or civic improvement was different and they did not have a policy on it. He said it was something they had done in the past.

Presiding Officer Monroe said it was an appropriate topic for Councilor Washington's REM committee to take up.

Councilor Washington remembered that the issue had been before the committee

Councilor Kvistad said the Auditor had brought a report to the Council but no action had been taken on it. He did not think there was a problem with it, he wanted to know if there would be objection of the request were to come forward asking for the donation.

Councilor Washington said he did not have a problem with such a request.

Presiding Officer Monroe commented that the auditor had recommended the paint be made into a money making endeavor to recover costs though it had never been a policy of Metro to do so.

Councilor Kvistad said he would follow up with the groups and if they had a request he would bring it back to Council through Councilor Washington's committee.

Presiding Officer Monroe suggested a brief presentation before the REM Committee and Councilor Washington welcomed it.

Councilor Park asked Mr. Stone for an update on Civic Stadium.

Jeff Stone, Chief of Staff, said reported in the Willamette Week, a request for a time extension made by the Portland Family Entertainment (PFE) group was granted by the City Council. Whether or not PFE would be able to meet their December deadline was unclear.

Councilor Park asked how long an extension was granted.

Mr. Stone said he had a call in to Sam Adams at City Hall to find out the exact timeline.

Councilor Atherton asked for a lobbyist update.

Mr. Stone said they were meeting with PacWest about talking to legislators during the interim, as well as asking legislators to come learn more about Metro. He noted that there were still legislators who actually thought Metro ran Tri-Met. He said Council would be receiving regular updates consistent with what had already been outlined.

11. ADJOURN

There being no further business to come before the Metro Council, Presiding Officer Monroe adjourned the meeting at 4:28 p.m.

Prepared by,

Chris Billington
Clerk of the Council