

## MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, September 27, 2005  
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Susan McLain, Carl Hosticka, Rod Park, Robert Liberty, Rex Burkholder, Brian Newman

Councilors Absent:

Council President Bragdon convened the Metro Council Work Session Meeting at 2:00 p.m.

### **1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, SEPTEMBER 29, 2005/ ADMINISTRATIVE/CHIEF OPERATING OFFICER AND CITIZEN COMMUNICATIONS**

Council President Bragdon reviewed the September 29, 2005 Metro Council agenda.

Dan Cooper, Metro Attorney, discussed that the Oak Lodge Sanitary District was seeking an exception to Title 3. Dick Benner has analyzed the material and prepared draft findings to support a denial. The record was still open. If Council wanted to approve it, it would have to go back to legal. If Council accepts denial, it can be taken care of on Thursday.

Councilor Newman wanted to clarify that the staff recommendation was for denial. Mr. Cooper concurred. The Council packet information supported the denial without explicitly saying so. Councilor Newman wanted further information for him to decide whether to carry the item.

Council President Bragdon brought up the question of the convention center, whether this would displace funds for the Leadership in Energy and Environmental Design (LEED); decision was that it would not. The Blue Ribbon Committee needed a formal commitment to go ahead in order to recover expenses if the bond measure passed.

Councilor Liberty asked if any of the Blue Ribbon Committee members had a background in green design. Council President Bragdon thought the proposed group was of high quality and well-balanced.

Chief Operating Officer (COO) Michael Jordan recognized that about 600-700 people had been left out of the Nature in Neighborhoods notification. He wanted a head-nod to send out another round of notices. Bob Clay, City of Portland, recommended this process. There were very fundamental issues with the map; it is very important to have a seamless map. Councilor Park was concerned that the first map had not been finished yet. Mr. Jordan said they would not be prepared to send map acknowledgements until further adoption of the ordinance. Councilor Park wondered whether this would be just a formality. Councilor McLain thought this was just a technical correction, due to the mapping misunderstanding between Metro and Tualatin Basin. Councilor Hosticka was generally in favor of the process but asked about indemnification on Measure 37 claims and compliance with Metro versus compliance with the State. Mr. Jordan responded to his question. He thought the Metro process would provide even better indemnification. Council President Bragdon said we should address the correction without letting it derail the larger project. Councilor Burkholder observed that we still had time for people to come into the process, so he had no problem with Mr. Jordan's plan. Councilor Liberty approved

of Mr. Jordan's approach and acknowledged that the Council always had the right to make changes along the way. Councilor Newman supported the general consensus of the Council.

## **2. DAMASCUS CONCEPT PLAN**

Andy Cotugno, Planning Director, acknowledged the many attendees who had participated in preparing the plan. He introduced Mayor Eugene Grant of Happy Valley and Mayor Dee Wescott of Damascus. The Damascus plan was approaching a key proposal, with a draft ready to go out to the public. Mr. Cotugno showed some graphics of the study area, which was as large as some of the Metro area's largest areas. Mayor Grant said there were some areas that had not yet requested annexation. Mr. Cotugno identified some areas that would be considered in the future. He talked about the elements that had gone into the plan. All the property owners in the primary and secondary study areas will receive the newsletter. Mr. Cotugno discussed some of the other alternatives that had been considered and not proposed. He talked about the challenges faced in trying to retain green areas, maintain the watershed, provide reasonable transportation choices, minimize impacts to neighborhoods, a change in jurisdictional governance, and balance housing with job creation.

Mr. Cotugno described the rationale behind the selection of the community-identified new town center area. Neighborhoods will be "walkable." Highway 212 will serve as the community's Main Street. Through traffic will have to find another route. 242<sup>nd</sup> will be a main arterial into the north, into Portland. He discussed the vision for a parkway.

Councilor Newman asked how other communities had designed their throughways. Kim Ellis, Planning Department, gave him some examples. Councilor Liberty had a question about the plans to ease traffic off of 212. Councilor Park asked what traffic volumes had been used for the plan. Mr. Cotugno said they used City of Gresham data. He then talked about the planning that had been done to create attractive, multi-function streets, as well as identifying the major transit systems that were planned. 232<sup>nd</sup> would be the north/south Main Street and would ultimately connect to Gresham. Councilor Liberty asked about future bus corridor routes. Mr. Cotugno pointed out the various transit routes. Councilor Park asked about future traffic along 232<sup>nd</sup>; Mr. Cotugno replied that the plan did not go to that level of future detail. He then talked about future Urban Growth Boundary (UGB) expansion areas. This would include long-term protections for naturally sensitive areas. The future of the Boring area was uncertain, in terms of UGB inclusion. Councilor Liberty asked whether this followed the hierarchy; Mr. Cotugno said it did not, it would need an exception. Councilor Park asked about the availability of water in the Boring area.

Staff presented a very impressive flyover graphic of the proposed plan. Mr. Cotugno then talked about some basic metrics – housing units, employment figures, amount of open space. Councilor Burkholder asked how the job numbers were identified, and Councilor Park asked whether the job acreage wasn't short of what had been originally planned. Mr. Cotugno responded that the proposal included more acreage for residential and open space, with somewhat less for employment land. Councilor Liberty asked how big the city center area would be; answer was about 90 buildable acres. Mr. Cotugno showed a graph detailing the changes made from the 2002 Metro estimate. Councilor Newman asked for and received definition of Regionally Significant Industrial Areas (RSIA) opportunity sites.

Mr. Cotugno said that the current focus of the proposal was the community forum scheduled for October 8<sup>th</sup>. The advisory committee's work will be done by the end of the year, and the proposal will be turned over to the communities for approval. Councilor Liberty asked about the current

population of the area; Mayor Wescott said the population of Damascus was currently about 10,000.

Mr. Cotugno addressed the need to look even beyond the scope of the current proposal, to future coordination and reviews that would take place. Some elements of the current proposal were already undergoing aspects of this analysis. He then concluded the formal part of the presentation.

Council President Bragdon asked Mayor Grant and Mayor Wescott for their comments. Mayor Grant talked about the similarity between what he was facing and the Nature in the Neighborhoods project. They were facing tremendous development pressure in this area. The public strongly supported maintaining the upland tree canopy qualities in the area. This was a prime motivation behind the transition zone concept. He wanted to team with other local jurisdictions and regional agencies to identify acquisition areas before they were lost to private development. This would need to happen quickly. Mayor Wescott confirmed that his constituents wanted to preserve as much rural character as possible, but this was a conflict with people wanting to develop and profit from their own lands.

Councilor Park commented how pleased he was with the process that had taken place. He said he had always envisioned the town center being farther to the west. He expressed concern over the alignment for the Sunrise Corridor, as well as the long-term vision for Boring. He questioned whether development of Boring would conflict with existing agreements with the City of Sandy. Councilor Liberty was favorably impressed with the vision of an urban place set in a rural setting. He had four concerns: 1) The imbalance of jobs. He wanted more focus on the number of jobs available in this area; 2) Affordable housing, and whether there was a plan to take advantage of the new zoning to help lower-income workers afford housing; 3) Whether the Sunrise Parkway concept was a response to a fait accompli, or was it an integral part of the overall plan? 4) Concern that the implementation of the plan address affordable housing, green spaces, and looking ahead to the location of the town centers.

Councilor Burkholder thought the plan was overall very successful, except in terms of housing needs. He said Metro ought to have a higher bar for housing density. Council President Bragdon lauded the effort to adhere to Metro's original charge. He had a couple of concerns relating to implementation. He wondered which approaches might be used, rather than creating winners and losers (who can and can't develop), and how everyone could share in the greater good that will accrue. He was also concerned about the through transportation, the parkway, would this end up being too much like a Robert Moses approach? Would commuters just drive on through and not support the local communities? Councilor Newman was very pleased with the proposal and thought 45,000 jobs was a reasonable and attainable, albeit challenging, goal. As far as housing, the more we expand into the exception lands with natural resources, more housing will always be difficult. Due to the topography of this area, very dense housing was less possible than in flat farmland areas. He also expressed a concern about the mixed-use employment areas – the current adventures in mixed-use employment were a mish-mash of jobs that were not necessarily the high-quality jobs we would like to see. He wondered if the employment areas would bleed out the city centers, unless this was strategically addressed. School siting was also a concern; how much coordination had taken place with the school districts? He thought the parkway was a good concept but wondered about the implementation and who had the expertise to pull this off.

Councilor Hosticka was very happy with the plan, especially considering other directions that it might have taken. He liked the separation of identifiable communities, as well as the self-contained aspect of the plan, with people living and working in a bounded area. He wanted more

work on the future of the UGB in this area. Councilor McLain said the plan set a high standard for future concept plans, in technical areas as well as cooperation with staff and budget. The Sunrise Corridor area was something she wanted to keep an eye on. She thought more cooperation with the Oregon Department of Transportation (ODOT) was needed. She appreciated the attention paid to the city centers. She questioned whether so much RSIA land was needed. A big concern of hers was to give people choices, and to ask the question of whether we ourselves would like to live here. She thought the plan did this, in paying attention to their unique advantages. John Hartsock, project management consultant, responded to several of the issues raised by the Councilors.

Council President Bragdon asked the mayors for their response to Council comments. Mayor Grant acknowledged that there were two different jurisdictions with potentially competing interests. He wanted to make sure that Happy Valley was not “handcuffed” from certain employment opportunities. He would prefer to take as little additional housing and as many jobs as possible but realized that there were tradeoffs to be made, and that revenue sharing was already on the table between the two communities.

Councilor Park had a question about whether the possible site of the hospital was a true RSIA site. He asked for clarification from staff. He wanted to make sure the Council was not dictating where hospitals could be located.

### **3. BREAK**

### **4. VALUE CAPTURE DISCUSSION**

Council President Bragdon acknowledged Councilor Burkholder’s classification of the projects into two groups: 1) the shape of the region; and 2) the shape of communities.

Councilor Liberty said that value capture focused on the mechanism, not the purpose. The purpose was really to integrate neighborhoods, implement the 2040 plan, preserve farmland, and preserve fairness. There was already a lot of policy on these issues; the current proposal does not really change any of this policy. He identified the growth in value of land brought into the UGB as a windfall; the goal was to use this windfall to serve government needs. He looked ahead to the election schedule. The amount of revenue captured would be substantial but would not be enough to cover all potential claims on the revenue. This money would be used not just for claims payment but to preserve certain lands. Councilor Liberty introduced Holly Iburg, whose company owns land that would be subject to the windfall and was supportive of the proposal.

Councilor Hosticka commented that Metro was not able to pursue its vision, due to a lack of fiscal capacity. Measure 37 could completely eviscerate any planning, if all we could do was waive planning and not pay any claims. We needed an increased fiscal capacity as a tool to deal with potential claims. Councilor Burkholder thought the issue ought to be broken down into two pieces: 1) value capture mechanism, and 2) what to use it for. He asked whether compensation had been looked at and what kinds of claims were being submitted. Councilor Hosticka said that if people thought compensation was a real option, there would be a lot more scrutiny on the validity of the claims. Councilor Burkholder wanted to make sure the collection mechanism was a clear one, that we didn’t get mired in the details. Councilor Newman acknowledged it was an enormously complex issue. He relayed comments from his constituents about the fairness of taxing older neighborhoods to pay for new development infrastructure. He thought there was a common-sense approval of such an approach. He had questions about 1) political/outreach

strategy, with such a short timeline, to educate and bring people into the discussion; 2) how to prioritize the needs for the revenue; there are priorities for the value capture revenue other than Measure 37 and farmland preservation; and 3) how to deal with easements when urbanizing land. We needed to be thinking a century out in terms of land and planning.

Councilor McLain wanted to go forward with the proposal, to flesh it out and get input from other people. She appreciated the focus on acquiring resources to help us with our planning. She thought maybe the proposal would let citizens appreciate the challenges faced by planning agencies. She also remembered voting for the construction tax and wondered whether we could partner successfully with other stakeholders. Councilor Park had no problem with understanding the concept, but some of the details bothered him somewhat. He wasn't sure how the claims would be processed. Councilor Liberty defined some of the process and terminology. Councilor Park wondered about the fairness of two farmers – one with an easement, one without – and wanted to make sure there would not be a distinct possibility for one to profit more than another. Councilor Liberty said a lot of these details remained to be worked out, but that the focus would be on using a variety of tools, in the post-Measure 37 environment, to be as equitable as possible.

Council President Bragdon agreed that separating the raising of the revenue from the spending of it might be helpful. He was concerned about the amount of work involved in getting a measure on the ballot. It was very difficult to explain even the best ideas to the voters. These were tactical challenges; however, he was encouraged by the idea. He aggregated some of the comments: develop partners, outreach strategy; distinction between givers and receivers; general support for the concept. Councilor Hosticka agreed that it was important to separate the internal work on the project from the public outreach. Councilor Liberty thought polling would be helpful in getting public opinion on what the money might be used for. Councilor Burkholder suggested that landowners inside the urban areas might not be so thrilled to pay for claims in the rural areas. Councilor McLain said we need to look at the whole package and make the case that everybody would be affected by these claims. She also thought the discussion about where the money would come from and where it would go should happen quickly.

Mr. Jordan mentioned that he appreciated the sense of urgency involved in looking at this issue. He agreed that the proposal would be an important tool but that there was a lot of discussion that would need to take place in getting buy-in from other community partners. The political discussion will be even more complex than the very complex technical aspects.

Councilor Hosticka thought we could benefit from some professional consulting on this issue. Voters do not necessarily respond to the message of fairness. Councilor Park suggested that the answers to a lot of these questions may be very different from what we expect, but we won't know until we get the conversation started.

Councilor Liberty acknowledged the division of opinion on the Council, but he didn't think it was a philosophical divide. He thought that some polling in the near future would help us to learn more about the public views on this matter. Councilor Newman asked about some of the logistical aspects; for example, how would the legal issues be analyzed? Councilor Liberty said it was possible that the conclusion may be that this idea would not be legally possible. Mr. Cooper acknowledged about the two separate aspects – the public outreach aspect and the actual technical mechanisms to draft the ordinance. Legal staff are prepared to do this and will only issue a recommendation if the policy and law support it. Council Newman asked if there was some sort of fatal flaw, some large legal obstacle that would make the proposal invalid from the get-go. Mr. Cooper said nothing had come up so far.

Council President Bragdon discussed raising money in one area and spending it in another as a public perception issue. He expressed appreciation for the work Councilor Liberty had done on the proposal and stated his observation that the Council seemed mostly supportive of the concept, without signing off on every single detail. Councilor Liberty would like to see something happen in November. Mr. Jordan said that if money was raised, a lot of people would be interested in how it was spent.

Council President Bragdon wanted to hear a consensus about whether Councilor Liberty should proceed with the proposal. Councilor Park looked at the map and wondered whether there were other claims in farther outlying areas. There was a concern that this idea might be adopted by other jurisdictions. Councilor Burkholder noted that this was now public information, and we needed to be prepared for any direction the discussion might go, outside our control. We needed to make sure the issue was framed appropriately so it did not get shut down.

Councilor McLain wanted to make sure this issue did not linger for decades, that we have a timeline and keep moving forward. Councilor Liberty said we need to put the issue out there and take the heat if necessary. Councilor Hosticka said he realized these issues can take a long time, but that it was better to start them than not.

**5. COUNCIL BRIEFINGS/COMMUNICATION WORK PLANS FOR EXISTING PROJECTS**

Mike Wetter, Assistant to the Council President, and Paul Couey, Finance and Administrative Department, presented a PowerPoint presentation on the Council Projects Pipeline.

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:56 p.m.

Prepared by



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Council Operations Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF SEPTEMBER  
 27, 2005**

<b>Item</b>	<b>Topic</b>	<b>Doc Date</b>	<b>Document Description</b>	<b>Doc. Number</b>
1	Agenda	9/29/05	Metro Council Agenda for September 29, 2005	092705c-01
4	Project Concept	9/27/05	To: Metro Council From: Councilor Liberty Re: Project Concept	092705c-02
4	Resolution	12/5/02	To: Metro Council From: Councilor Liberty Re: Resolution No. 02-3255A, For the Purpose of Directing the Chief Operating Officer to Prepare Recommendations and Reports Addressing Options on: Regional Fiscal Policy Regarding Land Added to the Metro Urban Growth Boundary and Implementation of the 2040 Growth Concept	092705c-03
2	Concept Plan	8/30/05	To: Metro Council From: Project Management Team Re: Consistency with Metro Ordinance No. 02-969B Exhibit M	092705c-04
2	PowerPoint Presentation	9/27/05	To: Metro Council From: Andy Cotugno Re: Damascus/Boring Concept Plan	092705c-05
2	Map	9/26/05	To: Metro Council From: Project Management Team Re: Damascus/Boring Concept Plan	092705c-06
2	Concept Plan	10/8/05	To: Metro Council From: Project Management Team Re: Damascus/Boring Concept Plan, Community Forum of October 8, 2005	092705c-07