

METRO POLICY ADVISORY COMMITTEE MEETING RECORD

February 8, 2006 – 5:00 p.m.

Metro Regional Center, Council Chambers

Committee Members Present: Chuck Becker, Nathalie Darcy, Rob Drake, Andy Duyck, Dave Fuller, Ed Gronke, John Hartsock, Jack Hoffman, Tom Hughes, Richard Kidd, Alice Norris, Chris Smith, Erik Sten

Committee Members Absent: Ken Allen, Richard Burke, Bernie Giusto, Margaret Kirkpatrick, Charlotte Lehan, Diane Linn, Tom Potter, Katherine Ruthruff, Larry Sowa, Steve Stuart, (Multnomah Co. Special Districts – vacant, Governing Body of School District –vacant)

Alternates Present: Larry Cooper, John Leeper

Also Present: Frank Angelo, Angelo Easton & Associates; Hal Bergsma, City of Beaverton; Ron Bunch, City of Gresham; Jim Chapman, HBAMP/Legend Homes; Carol Chesarek, Citizen; Bob Clay, City of Portland; Debbie Collard, Ball Janik LLP; Valerie Counts, City of Hillsboro; Danielle Cowan, City of Wilsonville; Tom Cox, Citizen; Shirley Craddick, City of Gresham; Brent Curtis, Washington County; Kay Durtschi, MTAC; Meg Fernekees, DLCD; Jon Holan, City of Forest Grove; Jim Jacks, City of Tualatin; Stephan Lashbrook, City of Lake Oswego; Irene Marvich, League of Women Voters; Doug McClain, Clackamas County; Bud Moore, Beaverton School District; Jonathan Schlueter, Westside Economic Alliance; Pat Ribellia, City of Hillsboro; Andrea Vannelli, Washington County; Jan Youngquist, Beaverton School District; David Zagel, TriMet

Metro Elected Officials Present: Liaisons – Carl Hosticka, Council District 3, Robert Liberty, Council District 6 others in audience: Brian Newman, Council District 2; David Bragdon, Metro Council President

Metro Staff Present: Kim Bardes, Dick Benner, Tom Chaimov, Dan Cooper, Andy Cotugno, Chris Deffebach, Ken Ray, Robin McArthur, Lake McTighe, Gerry Uba, Reed Wagner

1. SELF-INTRODUCTIONS, ONE MINUTE LOCAL UPDATES & ANNOUNCEMENTS

Mayor Richard Kidd, MPAC Chair, called the meeting to order at 5:04 p.m. Chair Kidd asked those present to introduce themselves.

2. CITIZEN COMMUNICATIONS FOR NON-AGENDA ITEMS

There was none.

3. CONSENT AGENDA

Meeting Summary for January 25, 2006:

Motion:	Mayor Rob Drake, City of Beaverton, with a second from, Alice Norris, City of Oregon City, moved to adopt the consent agenda without revisions.
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Vote:	The motion passed unanimously.
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4. COUNCIL UPDATE

Councilor Carl Hosticka reported on the public forums for the Metro Bond Measure and upcoming public hearings. He informed the members that if they wanted to see the presentation and polling results from Davis, Hibbitts & Midghall both items were located on the Metro website. He informed the members about a celebration for the City of Damascus on February 22, 2006. He said that highway 217 would be in front of JPACT the next morning for discussion and then it would come back to MPAC sometime thereafter.

5. EVALUATING REGIONAL WASTE REDUCTION PROGRAMS

Lee Barrett, Waste Reduction & Outreach Division Manager, asked the members to share their thoughts about the recycling and solid waste programs for the region. He distributed a survey, which is attached and forms part of the record. He reviewed the survey and asked the members to fill that out and return it to him.

6. RESPONSE TO EXPANSION AREA PLANNING FUND

Councilor Brian Newman explained that the final report had been emailed and circulated with the MPAC members. He reviewed the report and the reasons it was taken up as an issue for Metro and MPAC. A copy of the report was placed in the back of the room and a copy is attached and forms part of the record.

Chair Kidd asked for discussion and informed members that the issue would come back to MPAC for a recommendation on March 8, 2006.

Mayor Chuck Becker, City of Gresham, said that in order to move forward with work on the comprehensive plan for Springwater the City of Gresham had taken out a loan. He said that since the city had taken fiscal responsibility for moving forward on planning, it seemed only fair that they get reimbursed.

Councilor Newman said that the Metro Council had a discussion on that very issue and there was general consensus that they did not want to penalize Gresham and that they would be looking for a way to reimburse them if this plan were to go forward.

Andy Duyck, Washington County, asked about the 1% fee and what it applied to.

Reed Wagner, Policy Advisor, distributed 5-6 copies of a map for the members to share and look at that would help facilitate the discussion.

Chris Smith, Multnomah County Citizen, asked what would happen when the fee was sunset and during the next expansion review new land was brought in by Metro.

Councilor Newman said that they would have to start a new process for that because this fee would definitely have to sunset in three years and would apply directly to the 2002 and 2004 expansion.

Mayor David Fuller, City of Wood Village, said that some communities were not as wealthy as others and it would be better to set up something that the whole region could benefit from and not have to redo every time they brought new land into the Urban Growth Boundary (UGB).

Councilor Newman distributed a letter from the Home Builders Association and that letter is attached and forms part of the record.

Councilor Jack Hoffman, City of Lake Oswego, asked if the fee covered both commercial and residential development.

Councilor Newman said that was correct.

There was discussion about the basic provisions of the proposal including the fee and how it would be calculated. There was also discussion about benefits, both local and regional, and the possible drawbacks to the plan.

Mayor Tom Hughes, City of Hillsboro, expressed concern that for some areas the reason there was no planning or building was that there was no interest by business to build there. He also pointed out that since they were supposed to be expanding the UGB for a 20-year land supply it was realistic that not all newly included land would be immediately planned and filled.

Councilor Newman said that there needed to be regional solutions for all areas and not just for those that had cash rich developers waiting to build in them.

Mayor Alice Norris, City of Oregon City, said that after reading the minority report one of the things she thought was needed (besides the continual need for funding in communities) was more staff. The lack of staff directly related to the slowness of concept planning. To compensate they have been forced to hire consultants, which also slows down the process because then staff must get the consultant up to speed and guide them through the process. She asked if, when the committee was pondering ways of raising funds, they considered requiring a local match?

Mr. Wagner said that matched funds had been discussed and would be encouraged. He said that if funds were matched then that would reduce the overall need. He said that by the time they got to the end of the first year, and certainly by the second year, they would be able to identify how much money was still needed and determine when they could sunset or if they could sunset early.

Commissioner John Hartsock, City of Damascus, said that most developers would not take a chance on property, except for large firms, unless they knew ahead of time how it would be planned.

Councilor Hoffman asked how they planned to prioritize who gets the money?

Councilor Newman said that if Metro served as the banker then they would not have to prioritize because there would be enough money for every area that wanted to plan to do so. He said that they would always encourage jurisdictions to find other sources of funding, and if that were to happen then they would be able to rescind the fee early. He said that more than anything else they wanted to get work started and done. He said that people lose faith in the system when nothing happens to the land brought in. He said that this issue would be discussed at the Metro work session on Feb 21st and he invited MPAC members to attend if they wanted to.

7. ORDINANCE 06-1110 TITLE 11 PUBLIC FACILITIES

Mayor Rob Drake, City of Beaverton, said that since the ordinance had been reviewed at the last meeting he would like to make a motion.

Motion:	Mayor Rob Drake, City of Beaverton, with a second from John Leeper, Washington County Commissioner, moved for approval of Ordinance 06-1110.
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Councilor Hoffman asked to hear what MTAC had recommended before making a decision.

Dick Benner, Office of Metro Attorney, reviewed some of the main points of discussion from MTAC. He outlined their discussion on “unintended results” of this ordinance and he reported that in the end MTAC decided that there would not be any significant unintended results and forwarded the recommendation as it appeared in the MPAC meeting packet.

Mr. Smith asked about an article he had read regarding a school district purchasing some land outside of the UGB in anticipation of the ordinance and being able to subdivide after it was passed.

Mr. Bud Moore, Beaverton School District, reviewed the events leading up to the purchase and said that the issue was to execute an originally intended sales purchase agreement that they had been restricted from doing by the 20-acre limitation. He said that they needed elementary sites out that way. If they were land speculators they would have bought the land and held on to it and sold it at some future date. He said that the tenancy in common was a provision whereby the school district could buy an interest into the larger parcel with specifications in the tenancy agreement for the specific parcel of 5 acres that would allow for the original intent purchase for future site development.

Mr. Smith said it was a very creative approach, but he wanted to know if that obviated the need for this ordinance.

Mr. Moore said that he did not believe it was just a problem for the Bethany area, but it would affect other areas. He said it was an issue now and would likely be an issue in the future.

Chair Kidd called for a vote.

Vote:	The motion passed unanimously.
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8. MAYORS’/CHAIRS’ FORUM FOLLOW-UP

Robin McArthur, Long Range Planning Director, thanked the mayors for turnout at the forum. She distributed a packet and a copy of the breakout session questions worksheet. Those handouts are attached and form part of the record. She reviewed the materials in the packet and the questions asked in the breakout session. She informed the members that as soon as the Metro Staff tallied the responses to the breakout session that would be shared with the mayors and MPAC members.

Council President Bragdon said that the packet did not include the entire presentation on the public opinion research. He said that all the results of the polling could be found on the Metro website. He said

that there would be a survey emailed/mailed to those who had participated in the forum, and that the results would help evaluate the issues and the needs for the next forum. He said that forum would be held in June and/or September.

Some members commented on what they liked about the forum and where the process could be improved.

Chair Kidd asked for feedback about whether they should hold a forum in June as well as in September.

Mayor Hughes said he thought they should have the New Look forum in the spring and then Mayors/Chairs forum in the fall.

9. AFFORDABLE HOUSING

Councilor Robert Liberty talked about general affordable housing issues that the region was facing. He talked about the rising costs of housing all over the nation. He reviewed the memorandum that was emailed to the members and placed in the back of the room. That memorandum is attached and forms part of the record. He said that the Housing Choice Task Force (HCTF) report would come back to MPAC at the February 22, 2006 meeting for recommendation. He explained that affordable housing would always be an issue of concern and that once the decision was made on the HCTF (item #2 in the memorandum) those other issues outlined in the memorandum would still continue to need to be talked about. He reviewed the items outlined in the memorandum item by item.

Commissioner Erik Sten, City of Portland, said that he supported the attempt to establish a regional fund, but he cautioned that the elected officials would need to show more vision and beef up the argument. He said he had worked extensively with committees in the past to find funding and a solution to the affordable housing problems in the region, and it seemed like they did not make progress. He said that the region needed a stronger policy statement and greater push in order to make progress on this issue. He said the region would have to demand action on this issue before real solutions were found. He said that they needed to be realistic when facing this issue. He said that the recommendations without some real and hefty funding would not produce affordable housing.

Mayor Drake said that Commissioner Sten was correct. He said that the lack of success thus far was not due to lack of effort.

Commissioner Sten said that an incremental approach made sense but that it needed to be framed more clearly. He said he thought they were not there yet. He said that the argument to establish a regional fund was valid. He said that someday Metro might need to mandate affordable housing versus not having any affordable housing in the region at all. There was currently a consensus that nobody would support regulation, but the voluntary approach doesn't seem to be able to come up with the funds and make it happen. There may not be any choice but to regulate affordable housing.

Councilor Liberty said that there were a lot of politics involved in the last effort to mandate affordable housing so the Council had backed away from it.

Mayor Hughes said that if they were going to be serious about affordable housing they would need to be serious about the amount of money necessary to do it. He said that he had given up on affordable housing until they could find a way to subsidize it. He said that if they were going to be serious about it they would need to look at all the factors that contribute to the economy and affordability. He said that his community was projected to grow in population by 10,000 in the next 25 years but it would add 600,000

jobs – that would be the end of affordable housing in Hillsboro forever. Those 10,000 housing spots would go at a premium. Affordable housing would need to be a priority as the UGB was added to.

Councilor Hoffman said it sounded like Commissioner Sten thought the \$10 million dollar bond was a good recommendation in the context that it was a drop in the bucket. He said that he thought Commissioner Sten was asking for a stronger recommendation from MPAC. The other thing he thought he heard was a need for a legislative agenda related to the UGB and a hierarchy of lands.

Councilor Liberty said that there did seem to be a feeling of defeatism regarding affordable housing.

Commissioner Sten offered to write up some options for further discussion on affordable housing options.

Councilor Hosticka asked whether manufactured housing and mobile homes were included in the report. He said that this was a major issue for his area. He said that mobile home parks were being closed and redeveloped. He wondered if this was counted as part of the affordable housing issue.

Councilor Liberty said that the task force had discussed that as well. He said it was part of the preservation piece of the study and he talked about the pilot project taking place in Wilsonville. He said that they would like to have an inventory of all housing and costs. He said it would help them look more realistically at the situation as they tried to move forward, but it would be difficult to determine. He said they really needed to know details on rents, but that was not a number that Metro or many jurisdictions had. He wondered if jurisdictions were willing to pay to do that sort of research.

Chair Kidd said that anything on the free market related to rent was constantly going up. He said that demand was pricing out affordable housing. He wondered what they could do to deal with that situation.

There being no further business, Chair Kidd adjourned the meeting at 7:03 p.m.

Respectfully submitted,



Kim Bardes
MPAC Coordinator

ATTACHMENTS TO THE RECORD FOR FEBRUARY 8, 2006

The following have been included as part of the official public record:

AGENDA ITEM	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
#4 Council Update	02/08/06	Article: "A big to-doo" Zoo composting plant opens	020806-MPAC-01
#5 Waste Reduction	February 2006	Solid Waste Reduction Survey	020806-MPAC-02
#6 EAPF	February 2006	Map for Expansion Area Planning Fund report and proposal	020806-MPAC-03
#7 Ord 06-1110 Title 11	2/8/06	Memorandum from Home Builders Association, Jim McCauley to MPAC re: proposed construction permit fee surcharge	020806-MPAC-04
#8 Mayors/Chairs forum	2/3/06	Packet material from Mayors/Chairs forum plus break-out worksheet	020806-MPAC-05
#9 Affordable Housing	2/7/06	Memorandum to MPAC from Councilors Burkholder and Liberty re: questions to consider regarding the Housing Choice Task Force draft report	020806-MPAC-06