

MINUTES OF THE METRO COUNCIL MEETING

Thursday, March 23, 2006
Metro Council Chamber

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

Councilors Absent: Carl Hosticka (excused), Rod Park (excused)

Council President Bragdon convened the Regular Council Meeting at 2:03 p.m.

1. INTRODUCTIONS

There were none.

2. CITIZEN COMMUNICATIONS

There were none.

3. STATUS OF AUDIT RECOMMENDATIONS - 2005

Alexis Dow, Metro Auditor, said each year the Auditor's Office does a review of all previous audits to bring to the attention of the Council the status of those audits. Valerie DeGroot, Metro Senior Auditor, provided a power point presentation of her report (a copy of which is included in the meeting record). She spoke to the purpose of the report, the overall responsibility of the Metro Auditor, management responsibilities, the successes, the progress of the recommendations, where attention to recommendations were needed, and management tracking. Auditor Dow added that there were two recommendations, which needed to be paid attention to: Disaster Planning and Contracting. She explained why there was a need to attend to the recommendations. She noted that the Chief Financial Officer was planning on hiring a Contract Manager and felt that this would assist the contracting issues. She also noted the Open spaces work program and the need for improvement. Councilor Burkholder talked about the two recommendations that were still pending. Auditor Dow responded to his question. Councilor Burkholder felt there should be a response from management concerning the two outstanding recommendations. Reed Wagner, Policy Analyst, said he would convey these requests from Councilor Burkholder. He also acknowledged the work of Marybeth Haliski and Valerie DeGroot.

4. COMPARISON OF HOUSEHOLD HAZARDOUS WASTE PROGRAM TO OTHERS IN THE COUNTRY

Mike Hoglund, Solid Waste and Recycling Director, explained that they had been looking at many efficiencies in their programs and fine-tuning their performance measures. Jim Quinn, Solid Waste and Recycling Department, talked about the study comparing Metro's household hazard waste program with other programs around the country (a copy of his power point presentation is included in the record). He noted the survey components. Councilor Liberty asked about auto waste? Mr. Quinn said they were talking about hazardous waste that came from cars such as antifreeze. Councilor McLain asked about the level of causticity. He noted key findings of the study. Councilor Liberty asked about waste disposal. Mr. Quinn responded to his question. He noted that 10% of our regional households brought waste to our facility, 3% above the national average. He spoke to additional benefits that Metro's facility provided. He noted that Metro's

program was the top performer. Their overall cost per pound was near the median. He presented future direction of the household hazardous waste program including additional hazardous materials and efficiencies. He said customers have tripled over the past ten years and costs have decreased from \$1.50 to \$.60 per pound. Councilors asked questions about the program. Mr. Quinn continued with future direction. Councilor McLain thanked Mr. Quinn and Mr. Hoglund. She felt that this was one of the most outstanding programs that Metro had. She said people talked about the Metro Paint Program and the Roundups that Metro offered in collecting hazardous waste. Councilor Liberty asked about programs in Canada and Europe. Mr. Quinn wasn't aware of European program but talked about Canada's program.

5. CONSENT AGENDA

- 5.1 Consideration of minutes of the March 16, 2006 Regular Council Meetings.
- 5.2 **Resolution No. 06-3678**, Authorizing the Chief Operating Officer to Renew the Non-System License Issued to Gray and Company for Delivery of Putrescible Solid Waste to the Riverbend Landfill.
- 5.3 **Resolution No. 06-3682**, For the Purpose of Confirming Jim Watkins, Kendal Walden and Kim Bardes to the Metro 401(K) Employee Salary Savings Plan Advisory Committee.

Motion:

Councilor Newman moved to adopt the meeting minutes of the March 16, 2006 Regular Metro Council, Resolution No. 06-3678 and 06-3682.
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Vote:

Councilors Burkholder, McLain, Liberty, Newman, and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.
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6. ORDINANCES – SECOND READING

- 6.1 **Ordinance No. 06-1115**, An ordinance creating a new Metro Code Chapter 7.04 establishing a Construction Excise Tax.

Motion:	Councilor Newman moved to adopt Ordinance No. 06-1115.
Seconded:	Councilor McLain seconded the motion

Councilor Newman provided an overview of the ordinance. He talked about the need for good land use planning. He spoke to why local governments had not begun their planning. It was primarily a lack of funds. He talked about the history of ordinance. This tax would raise money to plan the new areas that had been brought into the urban growth boundary. He spoke to the proposal before Council. He said this proposal would raise over \$2 million over the course of the next several years. He noted exemptions including affordable housing.

Mr. Wagner added that they convened a discussion group to identify the need last summer. He talked about the composite of that group and the history of the group. They recommended a tax to pay for planning for expansion areas. The ordinance abided by the committee's recommendation and added a few exemptions. He said Metro would frontload the monies. Councilor Newman thanked Michael Jordan, Chief Operating Officer (COO), Reed Wagner, Ray Valone, Lake McTighe, Dennis Yee, Dan Cooper and Alison Keane Campbell. He said Metro Policy Advisory

Committee (MPAC) voted to support the proposal. He acknowledged other groups that supported the proposal. There was a broad group that supported this proposal. He dispelled some of the rumors that he had heard. Finally, they would be surveying organizations that pulled a large number of permits such as TriMet and Intel.

Council President Bragdon opened a public hearing on Ordinance No. 06-1115.

Gil Kelley, City of Portland, Bureau of Planning, 1900 SW 4th Ave Portland OR 97201 thanked Council for being invited to serve on the committee. He felt that there was a board cross section on the committee. He said Portland was an unusual player in this. Much of the fee revenue would come from the inner urban area and go to the fringes. He talked about why they supported the ordinance. He felt they were doing the right thing for the region. They were advocates of good planning everywhere. It was clear that many jurisdictions didn't have the funds to plan. He talked about good will. They said there were things that they would have to deal with in the future where they had to work collectively and collaboratively. He acknowledged the limitation of the funding. He supported the ordinance.

Shirley Craddick, Gresham City Councilor, 1333 NW Eastman Pkwy Gresham OR 97030 said she was supporting the ordinance. City of Gresham fully supported the fee. Gresham had been on the forefront of planning. They took pride in being good regional partners. She talked about the acreage that was being brought into Gresham. They were proud of Gresham's efforts in this process. They supported Metro Council's action to establish this fund. It made it possible for Gresham to be reimbursed for planning new areas.

Jim McCauley, Home Builders Association, 1555 Bangy Rd Suite 300, Lake Oswego OR 97035 read his letter into the record (a copy of which is included in the meeting record). Their support remained conditional. They wanted to make sure there were no additional restrictions placed on these funds.

Jim Chapman, Legend Homes, 12755 SW 69th Suite 100 Tigard, OR 97223 said he participated in the Committee because he felt they had reached a crisis in this region. He felt it was important to stick to the plan and that this should work out well. He noted some of the groups that supported the ordinance. It was a stop gap measure but necessary. Council President Bragdon thanked the four testifiers for being involved in the committee. Councilor Newman said he was hopeful this would build the trust to then hopefully build the momentum for the next challenges.

Greg Miller, Associated General Contractors, 9450 SW Commerce Circle Suite 200 Wilsonville, OR 97070 summarized his letter (a copy of which may be found in the record).

Kelley Ross, NAIOP, 12725 SW 66th Ave Suite 107 Portland OR 97223 provided his letter for the record and summarized that letter (a copy of which is found in the meeting record). Their Board of Directors voted unanimously to support the ordinance. He noted a few concerns that the board had voiced.

Ray Phelps, Allied Waste industries, 10295 SW Ridder Rd Wilsonville, OR 97070 thanked the Council for making good on their commitment to find other revenue sources besides solid waste.

Marion Haynes, Portland Business Alliance, 200 SW Market Suite 1770 Portland OR 97203 said they recognized the need to completed the planning for expansion areas. They understood the

regional need. They were concerned about the impacts. She thanked Councilor Newman for instituting a cap. She offered her support in the next coming months.

Lou Ogden, Mayor of Tualatin, 18880 SW Martinazzi Ave Tualatin OR 97062 talked about his concerns (a copy of his testimony is included in the record). He was trying to figure out what problem was being solved. He talked the need for infrastructure. He felt the cost of concept planning was minor compared to the cost of development. Second, he was not sure that the people who were building today should be taxed to pay for future development. He talked about the cost of land. He felt this was not going to solve the problem. Councilor Newman appreciated his testimony. He summarized some of the Committee's struggles with issues the Mayor raised. In the case of Tualatin the amount of activity would generate about \$225,000. The actual cost for the planning was about \$903,000. Councilor Liberty asked how Mayor Ogden would have development pay its own way. Mayor Ogden responded to his question. Councilor Liberty summarized Mayor Ogden's comments.

Alice Norris, Mayor of Oregon City, 320 Warner-Milne Rd Oregon City 97045 said she had inherited the need to do concept planning. She talked about general fund deficits. Concept planning without a solution such as this was a low priority. They were a city that did not have reserves. The city applauded the Council for its solution.

Bob Stacey, 1000 Friends of Oregon Executive Director, 534 SW 3rd #300 Portland OR 97202 thanked the Council for the opportunity to serve on the Committee. As advocates for compact growth they could have asserted that this funded development on the edge. It was important to have a regional solution. There would be larger challenges such as development and redevelopment.

Jonathan Schlueter, Westside Economic Alliance, 10220 SW Nimbus Portland OR 97223 provided a letter for the record (a copy of which is included in the record). They had an interest in the planning of the west side. Their organization was not supporting the ordinance. He thanked Metro and Metro Council for their conversation. He was encouraged about the cap. There needed to be a balance between the residential recipients and the commercial contributors. Councilor Newman said he was disappointed with the Westside Economic Alliance's opposition position. He talked about previous testimony that Mr. Schlueter's had submitted. He thought that the Alliance would embrace this ordinance. Mr. Schlueter responded that this was a pilot case for that development. If this plan works, they would stand corrected. The concern was that the commercial developers would be paying a majority of this tax. He felt the planning and development was market driven. Councilor Newman commented on the Westside Economic Alliance's concerns. He would like to have been to their Board to dispel concerns and rumors. Mr. Schlueter thanked the Council and Mr. Jordan for their offer to meet with the Board.

Council President Bragdon followed up by commenting on the Alliance's resistance to hearing both sides. Mr. Schlueter responded to his comments. Councilor Liberty asked if he had similar views to Mayor Ogden's comments. Mr. Schlueter said some of their concerns had been pointed out in the minority report. Councilor Liberty said one of the things the Metro Council was interested in was paying for growth.

Council President Bragdon closed the public hearing.

Councilor McLain summarized her amendment concerning educational purposes.

Motion to amend:	Councilor McLain moved to amend Ordinance No. 06-1115 with McLain amendment 1 (a copy of which is included in the meeting record).
Seconded:	Councilor Newman seconded the motion

Councilor Newman said he would not support the amendment but he was not unsympathetic to the cause. He explained why he did not support this amendment unless you gave a blanket exemption for all public sector development.

Council President Bragdon asked about the magnitude of the burden and how that would impact others who would have to make up the fee. Mr. Reed said they had discussed this at the committee. If they considered all of the exemptions, the rate would be too high.

Councilor Liberty asked Mr. Reed about discussions extending the period. Mr. Jordan said they had discussed the length of the tax. They were working on estimates. They had had to make assumptions. Mr. Reed said there had been approximate considerations of this issue. If the tax were extended out they would have to increase it about 15%. This was a short-term fix. He summarized the conversation of the committee. Mr. Jordan spoke to future significant public investments.

Council President Bragdon said this was a tough call. He said the Committee had discussed the issue. This was a fee for a service that school districts will benefit from. It ought to apply to them as well.

Councilor McLain said she had been contacted by school districts as well as other entities. She felt it was important to have the conversation in front of the public. She believed that school districts should have the exemption.

Vote to Amend:	Councilors Burkholder Newman, Liberty and Council President Bragdon voted no with Councilor McLain voting yes. The vote was 1 aye/4 nay, the motion failed.
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Council President Bragdon said he would be voting yes on this ordinance and explained his reasoning. He supported this with the sunset. We were all part of a larger system. He talked about the approach to solving the problem. This collaborative approach got people together to have this conversation. The package worked.

Councilor Burkholder thanked Councilor Newman and Mr. Jordan for their efforts. He expressed his concerns, which included equity. He felt this was a response that comes from our own Code that said we wanted concept planning within two years. He suggested that we had created a crisis. He talked about the changes in financing of infrastructure. They were not seeing the dollars come in. He did support this in the fact that they needed to keep doing the work that was required of them. Our responsibilities were to make sure they had complete communities. They were working on addressing some of these issues.

Councilor Liberty said he would be voting in favor. They needed to recognize and find a solution to the regional need with a regional approach. He had an interest in complete communities.

Councilor McLain said she supported the ordinance. The future review for possible changes or exemptions should come back to a full discussion before the Council.

Councilor Newman said they would not be talking about exemptions in their future conversation. This work would not accelerate the process but make sure the planning got done.

Mr. Jordan acknowledged Mr. Cooper's support He complimented the Committee's on its work.

Vote:

Councilors Burkholder, McLain, Newman, Liberty and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.

7. RESOLUTIONS

7.1 **Resolution No. 06-3665**, For the Purpose of Adopting the Policy Direction For the Transportation Priorities 2008-11 Allocation Process and Metropolitan Transportation Improvement Program (MTIP)

Motion:	Councilor Burkholder moved to adopt Resolution No. 06-3665.
Seconded:	Councilor Liberty seconded the motion

Councilor Burkholder provided a summary of the policy objectives in the resolution. They did this every two years. This launched their next effort. He urged support.

Councilor Liberty wondered what were the significant changes? Ted Leybold, Planning Department, responded that definition of trade sector jobs was reviewed and family wage jobs was also raised as an additional measurement of economic development. He explained the policy discussion. There were no significant changes in criteria. He added that they did have a freight category. There were no changes recommended at this time. Councilor Liberty said their economic presentations had recognized incubation strategies. He felt this was worth continuing to think about. Councilor Liberty asked about matching funds. Mr. Leybold responded to his question.

Council President Bragdon felt it was important to get a handle on this early. He talked about the history of this process. He noted that Councilor Burkholder had worked on changing the criteria and the purposes of the projects. The policy direction had been tightened up and was now a smarter way to do it.

Vote:

Councilors Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.
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7.2 **Resolution No. 06-3683**, For the Purpose of Confirming New Member Appointments and Current Member Reappointments to the Greenspaces Policy Advisory Committee.

Motion:	Councilor McLain moved to adopt Resolution No. 06-3683.
Seconded:	Councilor Liberty seconded the motion

Councilor McLain said she felt that advisory committee's work was extremely important She reviewed the new appointments and reappointments. She noted how varied the representation on the committee was. She suggested a council sponsored thank you event to thank advisory committees for their work. She urged support.

Council President Bragdon said the Greenspaces Policy Advisory Committee was meeting tonight.

Vote:

Councilors Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 5 aye, the motion passed.

8. CHIEF OPERATING OFFICER COMMUNICATION

Michael Jordan, COO, said he was at the Land Conservation and Development Commission (LCDC) hearing before Metro's item came up on the agenda. They had talked about the Big Look and the Measure 37 claims. There was an unbelievable amount of uncertainty. There were 30 lawsuits pending. He couldn't foresee resolve for years.

9. COUNCILOR COMMUNICATION

Councilor Liberty commented on the multitude of claims. He talked about the different interpretations among counties. He said he and Councilor Burkholder were at a meeting concerning health care. He said what came out of the conversation was that they needed a plan. There was a proposal that Metro play a convening role.

Councilor McLain urged Councilors Liberty and Burkholder to continue their good work. She was the representative on the Hillsboro Airport committee. They were discussing noise, planning issues, etc. She suggested someone continue on with this responsibility when she finished her term. The other liaison need was for the Regional Water Consortium.

Councilor Newman said he would be talking to the LCDC about the New Look. He would report back to the Council on their comments.

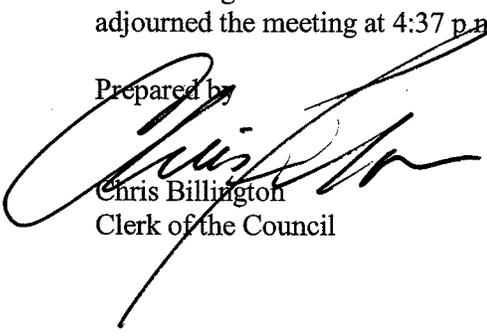
Councilor Burkholder talked about the Columbia River Crossing Task Force that had met last night. There was no decision of the task force. He raised the issue of affordability. Next week he would be bringing a resolution, which was responding to federal action. The resolution had to do with the Endangered Species Act.

Councilor Liberty talked about a meeting tomorrow concerning "Finding the Balance, Realizing the Potential" Reconnecting America Listening Session on Transit-Oriented Development and Housing in the Portland Metropolitan Region.

10. ADJOURN

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:37 p.m.

Prepared by


Chris Billington
Clerk of the Council

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MARCH 23, 2006

Item	Topic	Doc Date	Document Description	Doc. Number
5.1	Minutes	3/16/06	Metro Council Meeting Minutes of March 16, 2006	032306c-01
6.1	Letter	3/20/06	To: Council President Bragdon From: Lois Hornberger, Executive Director Forest Grove Chamber of Commerce Re: Ordinance No. 06-1115	032306c-02
6.1	Letter	3/22/06	To: Metro Council From: Gerald McKee, Building Director City of Hillsboro Building Department Re: Comments on Ordinance No. 06-1115	032306c-03
6.1	Letter	3/22/06	To: Metro Council From: Jim McCauley, Vice President of Government Affairs Home Builders Association Metro Portland Re: Ordinance No. 06-1115	032306c-04
6.1	Letter	3/23/06	To: Metro Council From: Eugene Grant Mayor of Happy Valley Re: Ordinance No. 06-1115	032306c-05
6.1	Letter	3/23/06	To: Metro Council From: Major Weatherby City of Fairview Re: Ordinance No. 06-1115	032306c-06
6.1	Letter	3/23/06	To: Metro Council From: Greg Miller, AGC, 9450 SW Commerce Circle #200 Wilsonville, OR 97070 Re: Ordinance No. 06-1115	032306c-07
6.1	Letter	3/23/06	To: Metro Council From: Doug Fugh and Kelly Ross, NAIOP Re: Ordinance No. 06-1115	032306c-08
6.1	Testimony	3/23/06	To: Metro Council From: Shirley Craddick, Gresham City Councilor Re: Ordinance No. 06-1115	032306c-09
6.1	Letter	3/22/06	To: Metro Council From: Ron Johnson and Jonathan Schlueter, Westside Economic Alliance Re: Ordinance No. 06-1115	032306c-10

Item	Topic	Doc Date	Document Description	Doc. Number
6.1	Talking Points	3/23/06	To: Metro Council From: Lou Ogden, Mayor of Tualatin Re: Ordinance No. 06-1115	032306c-11
6.1	Amendment	3/23/06	To: Metro Council From: Councilor McLain Re: Proposed amendment to Ordinance No. 06-1115	032306c-12
4	Power Point Presentation	3/23/06	To: Metro Council From: Jim Quinn, Solid Waste and Recycling Department Re: Metro Household Hazardous Waste Program Cost Comparison Study	032306c-13
3	Power Point Presentation	3/23/06	To: Metro Council From: Valerie DeGroot, Senior Auditor Re: Status of Audit Recommendations 2005 power point presentation	032306c-14