

A G E N D A

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METRO

Agenda

MEETING: METRO COUNCIL REGULAR MEETING
DATE: December 16, 1999
DAY: Thursday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS

3. EXECUTIVE OFFICER COMMUNICATIONS

4. AUDITOR COMMUNICATIONS

5. MPAC COMMUNICATIONS

6. CONSENT AGENDA

6.1 Consideration of Minutes for the December 9, 1999 Metro Council Regular Meeting.

7. ORDINANCES - SECOND READING

7.1 **Ordinance No. 99-833**, For the Purpose of Amending the Section of the Metro Code, Chapter 3.08 on the Work Program of the Affordable Housing Technical Advisory Committee to Complete its Recommendation for the Regional Affordable Housing Strategy Plan. *(Time Certain 2:30 p.m.)* Washington

7.2 **Ordinance No. 99-829**, For the Purpose of Annexing Lands within Urban Reserve Area 41 to the Metro Jurisdictional Boundary. *(Public Hearing)* McLain

7.3 **Ordinance No. 99-830**, For the Purpose of Annexing Lands within Urban Reserve Area 39 to the Metro Jurisdictional Boundary. *(Public Hearing)* McLain

7.4 **Ordinance No. 99-834**, For the Purpose of Amending the Metro Urban Growth Boundary and the 2040 Growth Concept Map in Ordinance No. 95-625A in Urban Reserve Area 39 and 41 in Clackamas County. McLain

7.5 **Ordinance No. 99-812A**, For the Purpose of Amending Metro Urban Growth Boundary and the 2040 Growth Concept Map in Ordinance No. 95-625A in Urban Reserve Area 65 of Washington County. Bradgon

8. **RESOLUTIONS**

8.1 **Resolution No. 99-2876**, For the purpose of Granting a Time Extension to Washington County and the Cities of Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Sherwood, Tigard and Tualatin for Compliance With Title 3 of the Urban Growth Management Functional Plan. McLain

8.2 **Resolution No. 99-2878**, For the Purpose of Approving 1999 Update to the Regional Transportation Plan. (*Public Hearing*) Kvistad

8.3 **Resolution No. 99-2880**, For the Purpose of Authorizing an Amendment to the Intergovernmental Agreement with the City of Portland concerning the Civic Stadium and the Portland Center For the Performing Arts. Washington

9. **CONTRACT REVIEW BOARD**

9.1 **Resolution No. 99-2872**, For the Purpose of Providing an Exemption from Competitive Bidding Requirements for a Request for Proposals for Construction Management/General Contractor Services for the Oregon Convention Center Expansion Project. (*Public Hearing*) Atherton

10. **COUNCILOR COMMUNICATION**

ADJOURN

Cable Schedule for December 16, 1999 Metro Council Meeting

	Sunday (12/19)	Monday (12/20)	Tuesday (12/21)	Wednesday (12/22)	Thursday (12/16)	Friday (12/17)	Saturday (12/18)
CHANNEL 11 (Community Access Network) (most of Portland area)						2:00 P.M. *	
CHANNEL 21 (TVCA) (Washington Co., Lake Oswego, Wilsonville)	7:00 P.M. *	1:00 A.M. *		7:00 P.M. *			
CHANNEL 30 (TVCA) (NE Washington Co. - people in Wash. Co. who get Portland TCI)	7:00 P.M. *			7:00 P.M.*			
CHANNEL 30 (CityNet 30) (most of Portland area)		POSSIBLE 2:00 P.M. (previous meeting)					
CHANNEL 30 (West Linn Cable Access) (West Linn, Rivergrove, Lake Oswego)		10:00 A.M. (previous meeting)	7:00 P.M. (previous meeting)			8:00 P.M. (previous meeting)	
CHANNEL 33 (ATT Consumer Svcs.) (Milwaukie)	4:00 P.M. (previous meeting)					10:00 P.M. (previous meeting)	9:00 A.M. (previous meeting)

* These meetings may be preceded by a 30-minute public affairs program, *The Regional Report*, produced by Metro.

PLEASE NOTE THAT ALL SHOWING TIMES ARE TENTATIVE BASED ON THE INDIVIDUAL CABLE COMPANIES' SCHEDULES. THE METRO COUNCIL WILL BE IN RECESS UNTIL JANUARY 6,, 2000, AND THIS WILL AFFECT CABLE-CASTING SCHEDULES IN LATE DECEMBER AND EARLY JANUARY..

Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, 797-1542. Public Hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by email, fax or mail or in person to the Clerk of the Council. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

Agenda Item Number 6.1

Consideration of the December 9, 1999 Regular Metro Council Meeting minutes.

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

MINUTES OF THE METRO COUNCIL MEETING

December 9, 1999

Metro Council Chamber

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

Councilors Absent: None

Presiding Officer Monroe convened the Regular Council Meeting at 2:12 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATION

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

None.

4. AUDITOR COMMUNICATIONS

None.

5. MPAC COMMUNICATIONS

Councilor McLain said MPAC met the night before to discuss the Regional Transportation Plan (RTP) and the constrained funds for transportation projects. MPAC also addressed Metro's request to the Department of Land Conservation and Development (DLCD) for an extension on the urban growth boundary (UGB) expansion. The Affordable Housing Technical Advisory Committee (H-TAC) also presented a report on regulations, land use issues, and fair share concepts. MPAC agreed to move forward, and requested another report in April.

Councilor Bragdon added that the H-TAC presentation was very comprehensive. He said it may be useful for the Council to hear the same presentation that was made at MPAC.

Councilor McLain said H-TAC would make a presentation at Council next week. She added that H-TAC also presented its report to the Growth Management Committee while Councilor Bragdon was out of town. She said she was impressed by the cooperation and mutual respect shown by the members of H-TAC.

Councilor Atherton added that MPAC discussed real estate transfer tax. After that discussion, he asked two of the members if they had ever considered a regional sharing of new commercial

and industrial tax base, as it applied to housing. They said they had not, but he expected that the issue may be coming up.

5-A. JPACT COMMUNICATION

Councilor Kvistad said JPACT had a major transportation meeting that morning, addressing both the Regional Transportation Plan (the 20 year planning program for roads and transportation), as well as allocation of the region's share of the \$600 million state bonding program. He said JPACT adopted the RTP in its meeting, and it would now come before the Council. There were two sections to the RTP, and JPACT finished the resolution form. Then over the next six months, they would do refinement plans to refine meeting state air quality goals and guidelines and federal rules and restrictions. He expected the final RTP to be passed in June 2000. He said the primary election in May 2000 would determine whether the bonding program comes forward. The metro region was expected to have a little under \$200 million of that bonding program available for about \$4 billion in current transportation needs. He said the voters would determine whether the money would be available, but the region has pared its lists of critical projects to \$280 million.

Presiding Officer Monroe added that the JPACT vote on the allocation of funds was unanimous, which was no small accomplishment.

Councilor Atherton clarified that while there was unanimity over the wish list, there was no unanimity over how to pay for the projects. That was the big question, and JPACT would try to make its decisions over the next four to six months.

Councilor Kvistad said the real decision was up to the voters in May, but in the next four to six months, JPACT would try to put together a framework for options. MPAC was currently working, through a subcommittee, on transportation funding options. He hoped the subcommittee's work would provide a basis for JPACT.

6. METRO'S ENDANGERED SPECIES ACT PRESENTATION

Bruce Warner, Chief Operating Officer, introduced the quarterly report on watershed and fish conservation, protection, and restoration activities, a copy of which is included in the meeting record. He said Executive Officer Burton was not able to attend the meeting, but he was committed to the environment and community livability. He added that staff was directed by Council in Resolution No. 99-2815A to present a quarterly report.

David Moskowitz, Salmon Recovery Coordinator, briefly described the report and identified some key issues related to Metro's work. He thanked all the staff at Metro who contributed to the report. He asked the Council to read over "Highlights of Metro's current programs," and he briefly reviewed the section, "Next steps."

Councilor Atherton noted that research in the Puget Sound region had concluded that if impervious surface in the watershed was exceeded by 10%, it affected the volume and velocity of water flow, which affected the habitat. He asked if Mr. Moskowitz felt those findings were relevant to Metro's experience.

Mr. Moskowitz said the scientific studies in Puget Sound were relevant, as the conditions in Puget Sound and the Portland metro area were similar. He said there was growing acknowledgement that hardened surfaces in watershed affected storm water, water quality, and the changes of streams. He said staff reviewed the Puget Sound studies, and it was being put into place as jurisdictions considered storm water management programs. He said the metro region was probably well past 10% impervious surfaces in watersheds, when adding in transportation systems, roof tops, and buildings. He said the question facing the region was how to manage the watersheds when there was more than 10% impervious surfaces. He said Metro needed to work with its partners to develop creative solutions.

Councilor Atherton asked if Mr. Moskowitz felt there was the opportunity to keep the amount of impervious surfaces below 10% in urban reserves. He noted that the Urban Growth Report Update projected 18.5% impervious surface area just from roads.

Mr. Moskowitz said in areas that had not yet been developed, there was a better chance of limiting impervious surfaces and employing new technologies that reduced the impacts. He noted, however, that even if the region did all the new development perfectly, it would not recover the fish or let the streams heal, because the existing, built environment already created a big problem.

Councilor Washington noted that page 16 of the report stated that Metro should seek to continue to cultivate a regional consensus. He asked for Mr. Moskowitz's thoughts on how the Council could affect that.

Mr. Moskowitz said they had a two-prong approach. First, Executive Officer Burton sat on the Willamette Restoration Initiative, which was a Willamette Basin-wide group of stakeholders, and Metro needed to maintain an active role there. There was also a group of urban elected officials and staff, the Willamette Urban Working Group, which met informally on a regular basis. Both Executive Officer Burton and Mr. Moskowitz were attending those meetings. He said Metro should think about its relationship to the whole watershed, and try to bring together all stakeholders, which included the four county boundaries of Clackamas, Washington, Multnomah and Clark Counties. Metro was at a cornerstone, with the Willamette and Columbia Rivers coming together, and it needed to bring policymakers together to determine how to focus dollars and priorities. Funding was one of the key challenges, because Metro did not have the kind of political clout in the U.S. Congress as Washington State. One of the reasons the tri-county effort had been very successful was that they could track over \$30 million of funding for last year's efforts.

Councilor Kvistad noted some of his concerns about the report. He said although it was called a report, its orientation was towards public relations. Of particular concern was the quote from Executive Officer Burton on page one. He noted that while it may be good to "stop building stupid buildings in stupid places," those decisions were made by local governments, not Metro. He said the quote was probably not appropriate for the document, nor was Appendix 5, "A message from regional leaders." He said it was important to include the Council, as policymakers, when making statements of Metro policy. He concluded by noting that in two places on page 15, there were statements about Metro organizing "free" events and providing "free" public education. He said there was nothing free about services; Metro provided services to the public for which they did not have to directly pay when they utilized the services. He said it was important to think about what the word "free" meant. The programs Metro offered

involved major costs. Metro's goal was to return benefit to the ratepayers and taxpayers by having programs available for which they did not have to pay more.

Councilor Bragdon said he thought a large part of the Council's role in the next six months would be the adoption of fish and wildlife habitat protection measures, under Goal 5. He noted the wide range of people and agencies which Mr. Moskowitz acknowledged for their help, and asked how Metro staff was being organized to work on Goal 5.

Mr. Moskowitz said the departure of Rosemary Furfey, former Principal Regional Planner, had left a large hole in the program, however they had reorganized into an ad hoc group, led by Mark Turpel, Growth Management Services, that was responsible for developing and completing the Goal 5 work. The group included Carol Krigger, Susan Payne, and Malu Wilkinson from Growth Management Services, Jennifer Budhabhatti from Regional Parks and Greenspaces, Ken Helm from Office of General Counsel, and Mr. Moskowitz. The group expected to complete another revision of the Goal 5 report, and release it to the public shortly. The Goal 5 Technical Advisory Committee continued to meet and advise the ad hoc staff group. He said staff had been reassigned to ensure that the Goal 5 work would be completed.

Councilor McLain added that Elaine Wilkerson, Director of Growth Management Services, was working directly with the Water Resources Policy Advisory Committee (WRPAC) and with the ad hoc group. She said the commitment from Ms. Wilkerson, Mr. Turpel, and the rest of the group was outstanding, and they had been able to meet the WRPAC timelines. She said the Council should address the loss of Ms. Furfey's position in the budget process, because Ms. Furfey lent the work an extra degree of credibility.

Councilor Park asked Mr. Moskowitz what would happen if the Council just said no to all of this.

Mr. Moskowitz said one reason for Metro's involvement was that once the federal regulations were in place, anyone found doing anything to harm, harass, capture, or kill listed endangered species was liable for "take" under Section 9 of the act, and was liable for civil and criminal penalties. Metro needed make sure that in its operations it was avoiding "take." Secondly, the issue was not just about protection of endangered fish species, it was about clean water and flood protection and prevention. Metro's mission and all of its major documents like the Framework Plan and the 2040 Growth Concept stated that natural resources were an important part of livable communities. Helping improve fish habitat also improved water quality, public health, and reduced losses of public and private properties, and potentially lives, to flooding. In addition, Metro had legal responsibilities, and there were other federal and state laws that would require Metro to do good things, including the Clean Water Act.

Councilor Park asked about the implications of the Endangered Species Act (ESA) for an individual whose property and lawn bordered a stream bank.

Mr. Moskowitz spoke to the enforcement of the Endangered Species Act. He said there would not be federal agents searching for lawnmowers along stream banks that were cutting down native vegetation. However, there would be a wide range of activities affecting fish, and along that continuum, there were actions one could take to avoid causing adverse impacts to streams. Everyone on the continuum had some responsibility, and it was not Metro's duty to make sure everyone was avoiding "take." Metro did have a responsibility, however, to provide tools,

information, and methods whereby people could avoid those activities or could have alternatives to those activities, so that the region could begin to change actions in the watershed. There would likely be enforcement actions which the federal government would pursue under the ESA, but those would probably be fairly high profile on egregious cases.

Councilor Park asked for worst case examples of ESA enforcement.

Mr. Moskowitz said there were not many good examples in the urban area for fish. One high profile case concerning salmon was the Savage Rapids Dam on the Rouge River. The federal government prevented the dam from diverting water because the diversions were not properly screened. Another example in the Wenatchee Basin in Eastern Washington also involved water diversion. He said it may be useful to identify the cases where ESA enforcement was taken in urban areas. There were cases nationwide, and staff could research how those were prosecuted and what the liabilities were.

Councilor Washington thanked Mr. Moskowitz for the report. He said he thought the presentation and following questions highlighted the importance of the Council hearing from Mr. Moskowitz on a more frequent basis, as the issues he dealt with had tremendous policy implications.

7. CONSENT AGENDA

7.1 Consideration meeting minutes of the December 2, 1999 Regular Council Meeting.

Motion: Councilor McLain moved to adopt the meeting minutes of December 2, 1999 Regular Council Meeting.

Seconded: Councilor Kvistad seconded the motion.

Vote: The vote was 6 aye/ 0 nay/ 1 abstain. The motion passed with Councilor Bragdon abstaining from the vote because he was absent from the meeting.

8. ORDINANCES - FIRST READING

8.1 Ordinance No. 99-829, For the Purpose of Annexing Lands within Urban Reserve 41 to the Metro Jurisdictional Boundary.

Presiding Officer Monroe assigned Ordinance No. 99-829 to Council.

8.2 Ordinance No. 99-830, For the Purpose of Annexing Lands within Urban Reserve 39 to the Metro Jurisdictional Boundary.

Presiding Officer Monroe assigned Ordinance No. 99-830 to Council.

8.3 Ordinance No. 99-833, For the Purpose of Amending the section on the Metro Code, Chapter 3.08 on the Work Program of the Affordable Housing Technical Advisory Committee to Complete its Recommendation for the Regional Affordable Housing Strategy Plan.

Presiding Officer Monroe assigned Ordinance No. 99-833 to Council.

9. ORDINANCES - SECOND READING

9.1 Ordinance No. 99-831, For the Purpose of Repealing Metro Ordinance No. 99-824A and Declaring an Emergency.

Motion: Councilor Park moved to adopt Ordinance No. 99-831.

Seconded: Councilor Washington seconded the motion.

Councilor Park said Ordinance No. 99-831 would repeal Ordinance No. 99-824A, which increased the excise tax and converted it from a percentage to a flat fee per ton. He asked Paul Ehinger, REM Program Supervisor, to give a short presentation on the information that had come forward since the adoption of Ordinance No. 99-824A. He said the information revealed some important flaws in the assumptions and arguments made when Ordinance No. 99-824A was adopted.

Paul Ehinger, REM Program Supervisor, gave an analysis of how the tipping fee varied with tonnage. A staff report to Ordinance No. 99-831, and a hard copy of the visual presentation, include information presented by Mr. Ehinger and are included in the meeting record.

Councilor Park asked Mr. Ehinger how in the high-growth scenario, where the recycling rate plummets, Metro could keep the tipping rates so low. He said it seemed to be the opposite of what should be occurring.

Mr. Ehinger said Councilor Park's question brought up two points. First, a very large component of why the rates were low was that Metro had a significant number of costs that were not related to tonnage. Therefore, if there was a much higher tonnage, and a set of fixed costs, it was possible to set a lower rate to recovery those costs, because there were more tons to bear the burden. Second, some of Metro's contracts, in particular the disposal contract, were also impacted: with higher tonnages, Metro received a lower rate. It was a combination of those two factors that caused the rate to be lower in the high-growth scenario.

Councilor Park said he recalled that for the first 550,000 tons the Metro disposed in Gilliam County, the rate was \$22.31 a ton. He asked if the rate dropped to about \$8.00 a ton after 550,5000 tons.

Mr. Ehinger said it stair-stepped down from \$22.31 in 42,500 ton increments, on an annual basis. The first increment was about \$10.00, then it dropped about 50 cents a ton in the declining increments, out to a little less than \$8.00.

Councilor Park noted that the contract was structured like most business contracts, so that the business could recover its fixed costs.

Mr. Ehinger added that even though Metro's tipping fee went up when the recycling level increased, the total cost to Metro went down. For example, if 100,000 tons did not go to the transfer station, then Metro would not have to pay to haul it to the land fill in Gilliam County, nor would Metro have to pay its transfer station employees to process it. In every scenario, even though the tipping fee increased, a higher level of recycling caused a reduction in total cost to

Metro. If the recovery of that waste in the region was accomplished for less than it would have cost Metro to dispose of it, then the region still saved money, even if Metro's tipping fee increased.

Councilor Park noted that at the beginning of Mr. Ehinger's presentation, he said that even though they were looking at the effects on tonnage of the recycling rate, there were other issues, such as potential flow control lawsuits, that would result in a reduction of the amount of tonnage going to the Gilliam County landfill. He said the situation was much more complex than originally thought. He thanked staff for producing the graphs and for giving a presentation on short notice. He noted that while the graphs looked relatively simple; each graph required 6 to 8 hours to produce.

Councilor McLain added another reason for supporting Ordinance No. 99-831, which was brought up at the REM Committee. Metro had a transfer station plan, which it had been working on with its advisory groups. That transfer station plan included ideas that could radically change Metro's solid waste system and the public services that Metro could offer. She said she would support the repeal of Ordinance No. 99-824A due to some of the issues that came up after its adoption.

Presiding Officer Monroe opened a public hearing on Ordinance No. 99-831. No one came forward to speak to the ordinance. Presiding Officer Monroe closed the public hearing.

Councilor Washington thanked Councilor Park for his work. He said it was clear that the issue was much more complicated than originally realized. He said he would also support Ordinance No. 99-831.

Councilor Kvistad said he was pleased that the Council chose to revisit Ordinance No. 99-824A, as he did not find it to be the best decision ever made by the Council. He said he did not want passage of Ordinance No. 99-831 to be sugar coated as a sudden embracing of recycling or a sudden realization of additional information. He said the Council needed to learn a lesson from this: with the taxing authority given to Metro by the voters, came a greater level of care and responsibility than the Council exercised in passing Ordinance No. 99-824A. He thought the Council paid a high price for not paying attention, and for not realizing that a high level of care and responsibility needed to come first. He said the Council needed to focus and understand the dynamics, and understand the potential ramifications of legislation on the agency as a whole. He congratulated the Council for rethinking Ordinance No. 99-824A.

Councilor McLain thanked Mr. Park and staff for their work on the graphics presented to the Council. She said usually this type of analysis was done during the budget process, and she found it very helpful to have the information prior to the start of the budget process. She felt it was appropriate to repeal Ordinance No. 99-824A because the Council had a major decision in front of it on the transfer station plan review. She noted that Metro's solid waste system had changed dramatically in the last few years. She said Metro needed to balance the profits and costs to the public for services.

Councilor Park closed by saying that the Council would be coming back to revisit this issue. There was one principle within the ordinance being repealed which he did want to uphold, which was changing to a per ton tax. He said he supported the per ton tax because under the variable rate, different citizens in different parts of the region paid a different amount of excise tax, which

was not fair. He said he wanted Council to revisit that issue in the future. He said Councilor McLain brought up a good point that they were early on the budget process. He said perhaps the budget process should have been started much earlier, and recognized as such. In reality, the Council's prior decision was not about the excise tax and the \$60 million, it was about the needs of the agency, and quite honestly, the Council probably embroiled itself in an unnecessary conversation. He said he looked forward to the budget discussion and reviewing the needs of the agency, and then going back and determining what would be required. He urged an aye vote on the motion.

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

9.2 Ordinance No. 99-832, Amending the FY 1999-00 Budget and Appropriations Schedule for the Purpose of Transferring \$510,000 from Contingency to Capital Outlay in the Convention Center Project Capital Fund, Authorizing an Interfund Loan from the Solid Waste Revenue Fund to the Convention Center Project Capital Outlay Fund to Provide for Cash Flow; and Declaring an Emergency.

Motion: Councilor Atherton moved to adopt Ordinance No. 99-832.

Seconded: Councilor Washington seconded the motion.

Councilor Atherton reviewed Ordinance No. 99-832. A staff report to the ordinance includes information presented by Councilor Atherton and is included in the meeting record. He noted that this was an interfund loan that had become necessary to the Oregon Convention Center because bond proceeds from the City of Portland had not been forthcoming, and Metro had been depending on interest income from that money. The loan would come from regional solid waste funds. He said a key issue raised during committee was that solid waste would be made whole again, because the funds were coming from REM funds that were already in the shared investment pool of the agency.

Kathy Rukowski, Financial Planning Department, said Councilor Atherton accurately stated the effect of the budget amendment. She spoke to the issue of the investment rate that would be charged on the loan and given back to REM. She said there were certain funds in the investment pool currently. The investments that were made by Metro were guided by Metro's investment code, which was fairly conservative because the funds were public. The intention was to make the solid waste revenue fund whole: the interfund loan would not harm the solid waste revenue fund. Whatever interest the money would have earned, had it remained in REM, would be paid back when the Convention Center project received the bond proceeds from the City of Portland.

Presiding Officer Monroe opened a public hearing on Ordinance No. 99-832. No one came forward to speak to the motion. Presiding Officer Monroe closed the public hearing.

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

10. ORDINANCES – WORK SESSION

10.1 Ordinance No. 99-812, For the Purpose of Amending Metro Urban Growth Boundary and the 2040 Growth Concept Map in Ordinance No. 95-625A in Urban Reserve Area 65 of Washington County.

10.2 Ordinance No. 99-834, For the Purpose of Amending the Metro Urban Growth Boundary and the 2040 Growth Concept Map in Ordinance No. 95-625A in Urban Reserve Area 39 and 41 in Clackamas County.

Presiding Officer Monroe asked Councilor McLain if he understood correctly that both Ordinance No. 99-812A and Ordinance No. 99-834 were passed out of the Growth Management Committee and were in proper form for final action next week.

Councilor McLain said that was correct. Both motions were approved unanimously. Ordinance No. 99-812A came forward without a recommendation for adoption, and Ordinance No. 99-834 came forward with a do pass recommendation.

Presiding Officer Monroe said both ordinances would be placed on next week's Council agenda for public hearing and final action.

Dan Cooper, General Counsel, noted that the evidentiary record on both Ordinances No. 99-812A and 99-834 closed today, December 9, at 5:00 p.m., pursuant to the announcement made last week by Presiding Officer Monroe.

11. RESOLUTIONS

11.1 Resolution No. 99-2845, For the Purpose of Appointing Karen Lewotsky to the Water Resources Policy Advisory Committee.

Motion: Councilor Park moved to adopt Resolution No. 99-2845.

Seconded: Councilor Bragdon seconded the motion.

Councilor Park presented Resolution No. 99-2845. A staff report to the resolution includes information presented by Councilor Park and is included in the meeting record.

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

11.2 Resolution No. 99-2860, For the Purpose of Appointing Jennifer Allen, Ron Hernandez, and Juliet Hyams to the Metro Central Station Community Enhancement Committee.

Presiding Officer Monroe removed Resolution No. 99-2860 from the agenda.

11.3 Resolution No. 99-2862, For the Purpose of Appointing Jim Johnson, Clifton Deal and Todd Heidgerken to the Water Resources Policy Advisory Committee.

Motion: Councilor Park moved to adopt Resolution No. 99-2862.

Seconded: Councilor Washington seconded the motion.

Councilor Park reviewed Resolution No. 99-2862. A staff report to the resolution includes information presented by Councilor Park and is included in the meeting record.

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

11.4 **Resolution No. 99-2869, For the Purpose of Adopting the Capital Improvement Plan for Fiscal Year 2000-01 to 2004-05.**

Motion: Councilor Washington moved to adopt Resolution No. 99-2869.

Seconded: Councilor McLain seconded the motion.

Councilor Washington presented Resolution No. 99-2869. A staff report to the resolution includes information presented by Councilor Washington and is included in the meeting record.

Motion to Amend: Councilor Atherton moved to amend the Capital Improvement Plan. A copy of his amendment, entitled "Draft Policy Statements, Asset Depreciation," is included in the meeting record.

Seconded: Councilor Bragdon seconded the amendment.

Councilor Atherton said his amendment would address the problem of having replacement reserves, and misnaming as capital improvements such things as replacing carpets and HVAC systems. Prudent investment and management strategy included maintaining adequate replacement reserves. He said this issue was raised during the Council/Executive Officer Informal meetings, and he thought there was a general recognition by the executive staff that this was an issue that needed to be addressed, and the question was how and when. He said there was no better time than now.

Bruce Warner, Chief Operating Officer, said he believed that the amendment before the Council was drafted by Tony Mounts, Manager of Financial Planning. It was written as an example of some draft finance policies that would address Councilor Atherton's concerns. He noted that this was a timely and important discussion, but recommended that the Council consider it during the budget process. He said such a change had many budgetary implications and should be thoroughly researched by staff and discussed by the Council before any action was taken.

Councilor Park noted that Councilor Atherton's amendment stated that "Metro enterprises shall establish rates that recover all annual operating expenses including asset depreciation." He asked if he was correct that if this language had been in place in the past, and the Convention Center had an estimated life span of about 40 years, then Metro would now be a quarter of the way toward a new convention center which it may or may not choose to replace. He said the amendment would take away an enormous amount of money and put it away for a purpose that may or may not be there in the future.

Mr. Warner said he thought Councilor Park was correct, and that was why it was important for the Council to discuss what such a change would mean. Councilor Atherton's amendment would mean that Metro would charge much higher rates at the gate of the Convention Center to build up the kind of reserves that would deal with both ongoing O&M and capital replacement.

Councilor Washington said he appreciated Mr. Warner's thoughts. He said he was aware of Councilor Atherton's concern, which he had brought up at Metro Operations Committee.

Councilor Washington expressed concern about the timeliness of the matter, and the lack of discussion about the broader financial impact. He said he would like to have that discussion, but he was not prepared to vote on it today, not knowing what those impacts might be.

Councilor McLain noted that she would like to see the Council have this discussion during the budget process rather than as an attachment to Resolution No. 99-2869 for a couple of reasons. First, in the Council's discussions to date, there were questions which had not yet been answered. For example, in some documents with a CIP, it was labeled as "CIP and replacement projects." She said the Council needed to discuss the threshold of what distinguished a replacement project from a capital improvement, and how to depreciate items that were hard to track.

Councilor Kvistad said he liked most of the concept in Councilor Atherton's motion. He said he was not able to attend the Metro Operations Committee the day before, so this was his first chance to review the amendment. He probably could not vote in favor of the motion today due to specific language in the motion, but in general, he thought it was important for the Council to start developing capital reserves and replacement accounts. He was very interested in moving forward with the concept in the next few weeks and discussing the details.

Councilor Bragdon said it was also the first time he had seen the amendment, and it sounded good conceptually. He asked Councilor Atherton how he proposed to establish rates that recovered all operating expenses for activities that Metro subsidized or cross-subsidized because it was in the public interest, such as the household hazardous waste collection or a day camp program at the zoo. He said these types of activities were in an overall enterprise activity, but might be one business line within the overall enterprise activity that did not necessarily recover its own annual operating expenses. He asked if there would be a way to continue to subsidize these activities if the Council felt they were in the public interest.

Councilor Atherton said that was definitely possible to continue those activities. He acknowledged that the devil was in the details and in the definitions, as Councilor Park and McLain demonstrated. In the example of hazardous waste, if there was a piece of equipment with a known life of 10 years, money should be put aside each year from revenues or somewhere in the overall enterprise to make sure that the unit could be replaced. He said in this way, these expenses would not need to be listed as capital expenses. He said it was considered acceptable to go into debt for capital expenses, and going into debt for maintenance was one of the easiest ways to go broke managing facilities. He thanked the Councilors for the discussion, and said there were nuances in the motion that needed to be clarified. He responded to Councilor Park's question, and said that structures such as the Convention Center would be depreciated in a different way, but the carpets, elevator, and HVAC equipment had more definable thresholds. The Council needed to clear up those issues either in its budgetary process or in the next capital improvement plan, so that it had a clear picture of its true capital needs and annual maintenance expenditure. The basic business principle was that one paid for operations and maintenance from annual revenues, not by going into debt.

Withdrawal of Motion to Amend: Councilor Atherton withdrew his motion to amend.

Presiding Officer Monroe thanked Councilor Atherton for bringing the issue to the Council, and said he would refer it to the Budget Committee as the Council deliberated through the budget process next year.

Councilor Washington closed by urging an aye vote.

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

11.5 Resolution No. 99-2877, For the Purpose of Granting a Time Extension to the Cities of Fairview and Wilsonville for Compliance with Title 3 of the Urban Growth Management Functional Plan.

Motion: Councilor Park moved to adopt Resolution No. 99-2877.

Seconded: Councilor McLain seconded the motion.

Councilor Park reviewed Resolution No. 99-2877. A staff report to the resolution includes information presented by Councilor Park and is included in the meeting record.

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

12. CONTRACT REVIEW BOARD

12.1 Resolution No. 99-2875, For the Purpose of Authorizing the Executive Officer to Execute a Contract with URS Corporation for the Design of a Public Unloading Area at Metro South Station.

Motion: Councilor McLain moved to adopt Resolution No. 99-2875.

Seconded: Councilor Washington seconded the motion.

Councilor McLain reviewed Resolution No. 99-2875. A staff report to the resolution includes information presented by Councilor McLain and is included in the meeting record.

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

13. COUNCILOR COMMUNICATION

Councilor Washington said tomorrow, he would be sitting in on the interviews for finalists for the new Director of REM.

Councilor Kvistad said there would be a special Transportation Committee meeting directly prior to the Council Executive Officer Informal next week, to move forward the Regional Transportation Plan for action on Thursday, December 16, at Council. He asked if the final year-end calendar had been announced yet.

Presiding Officer Monroe said no meetings were planned after Thursday, December 16, through the end of the year.

Councilor McLain said WRPAC was meeting next Monday, December 13, to discuss Goal 5 issues. She invited the Council to attend.

Presiding Officer Monroe said he would be meeting with Congressman Blumenauer Friday, December 10, to discuss federal transportation funds for some of the projects that were important to Metro. On Tuesday, he would go with Openspaces Acquisition staff to Salem to talk to the Land Board about the Wilsonville openspace property that Metro would like to acquire, and which the City of Wilsonville would like to sell. They were meeting to discuss the issues involved in whether the Land Board would be willing to sell the land to Metro for a reasonable price. Next Tuesday afternoon was the Council informal meeting. He noted that the Executive Officer would not be present as he was still convalescing. Most of the informal meeting would focus on possible changes to the Council's structure, the committee structure, and staffing. He reminded the Council that tomorrow night at 5:00 there was a party for all of the Council and their significant others and Council staff at his home.

Councilor Park said he would attend the Land Conservation and Development Committee (LCDC) hearing next Friday, when LCDC will consider Metro's request for an time extension on the expansion of the urban growth boundary. He said Mr. Cooper and Ms. Wilkerson would also be going to the hearing.

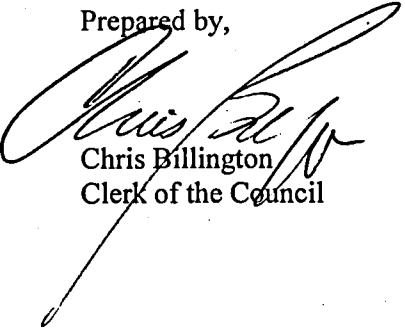
Presiding Officer Monroe said some Council members met with Dick Benner, Director of the Department of Land Conservation and Development, and he seemed positively disposed toward Metro's request.

Councilor Atherton said at the beginning the Council's work together this year, there was a discussion about the ethics code which broadened into a concept of an election code. At that time, he promised that he would bring a proposal to the Council. He said he expected his proposal to be ready next week. He noted that the Metro Committee for Citizen Involvement (MCCI) had reviewed the proposal.

14. ADJOURN

There being no further business to come before the Metro Council, Presiding Officer Monroe adjourned the meeting at 4:01 p.m.

Prepared by,



Chris Billington
Clerk of the Council

Document Number	Document Date	Document Title	TO/FROM	RES/ORD
120999c-01	12/09/1999	Ordinance No. 99-829		Ordinance No. 99-829
120999c-02	12/09/1999	Ordinance No. 99-834		Ordinance No. 99-834
120999c-03	12/09/1999	Ordinance No. 99-830		Ordinance No. 99-830
120999c-04	12/06/1999	Email RE: H-TAC Continuation, and follow-up email on same topic	TO Metro Council/ FROM Leon Laptook	Citizen Communications
120999c-05	12/07/1999	Email RE: Affordable Housing/H-TAC	TO Mike Burton, Susan McLain, Paul Bragdon (sic)/FROM Russ Dondero	Citizen Communications
120999c-06	Fall 1999	Watershed and fish conservation, protection and restoration activities, Initial report to the Metro Council	TO Metro Council/ FROM Mike Burton, David Moskowitz	Metro's Endangered Species Act Presentation
120999c-07	12/09/1999	Metro Tipping Fee Analysis visual presentation	TO Metro Council/ FROM Paul Ehinger	Ordinance No. 99-831
120999c-08	12/09/1999	Draft Policy Statements, Asset Depreciation (Councilor Atherton amendment to Resolution No. 99-2869	TO Metro Council/ FROM Bill Atherton	Resolution No. 99-2869

Agenda Item Number 7.1

Ordinance No. 99-833, For the Purpose of Amending the Section of the Metro Code, Chapter 3.08 on the Work Program of the Affordable Housing Technical Advisory Committee to Complete its Recommendation for the Regional Affordable Housing Strategy Plan.

Second Reading

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING)
THE SECTION OF THE METRO CODE,)
CHAPTER 3.08, ON THE WORK)
PROGRAM OF THE AFFORDABLE)
HOUSING TECHNICAL ADVISORY)
COMMITTEE TO EXTEND THE TIME)
FOR THE COMMITTEE TO COMPLETE)
ITS RECOMMENDATION FOR THE)
REGIONAL AFFORDABLE HOUSING)
STRATEGY PLAN)

ORDINANCE NO 99-833
Introduced by Councilor Washington

WHEREAS, the Affordable Housing Technical Advisory Committee (H-TAC) was established in Ordinance No. 98-769, adopted September 10, 1998, and codified in Metro Code 3.08; and

WHEREAS, the Metro Code 3.08.030 states that no later than 15 months after the date of adoption of Ordinance No. 98-769, the H-TAC shall report to the Metro Council with a recommendation for the adoption of the Regional Affordable Housing Strategy Plan; and

WHEREAS, the recommendation must be first submitted to MPAC as a preliminary recommendation for review and comment consistent with Metro Code 3.08.040; and

WHEREAS, prior to the recommendation to the Metro Council, the H-TAC shall conduct at least one public hearing; and

WHEREAS, H-TAC created and utilized a Fair Share Subcommittee, meeting twice a month, from October 1998 to May 1999, to analyze housing data, develop a fair share affordable housing distribution model, make consistent with the Regional Framework Plan requirements; and

WHEREAS, H-TAC has reviewed the preliminary recommendations of the Fair Share ; and

WHEREAS, H-TAC presented the Options for Fair Share Housing Targets to the Metro Council Growth Management Committee on June 8, 1999 and to the MPAC on June 9, 1999, for review and comment; and

WHEREAS, MPAC and the Metro Council Growth Management Committee advised the H-TAC to withhold public hearing on the Options for Fair Share Housing Targets, to develop strategies for achieving more affordable housing and upon completion, H-TAC should present both the options for fair share targets and strategies to the MPAC and Metro Council; and

WHEREAS, the H-TAC has created and utilized three additional Subcommittees (Cost Reduction Subcommittee, Land Use & Regulatory Subcommittee, Regional Funding Subcommittee), since July 1999 to address the strategies and tools in the Regional Framework Plan; and

WHEREAS, the Cost Reduction Subcommittee has developed draft reports and recommendations based on factual information for five of the fifteen strategies and tools included in its work program, and the Land Use & Regulatory Subcommittee has developed draft reports and recommendations based on factual information for three of the twelve strategies and tools included in its work program, and the Regional Funding Subcommittee has additional work to complete a regional funding strategy; and

WHEREAS, H-TAC has reviewed all the eight draft strategy reports prepared by the Cost Reduction Subcommittee and Land Use & Regulatory Subcommittee and granted approval to seven of the strategy reports as preliminary recommendations – see Exhibit A – *Work Products of the Affordable Housing Technical Advisory Committee, December 1999* ; and

WHEREAS, by motion and unanimous vote, the H-TAC reached a decision to forward request for an extension of time for the completion of the Regional Affordable Housing Strategy Plan from December 1999 to June 2000; now, therefore

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That Metro Code 3.08.030 is hereby amended to read
“Prior to making recommendation, the Committee shall conduct at least one public hearing and invite interested citizens and government officials to testify. The Committee shall consider all matters referred to it pursuant to Section 1.3 of the Regional Framework Plan and shall make a recommendation to the Council for the adoption of affordable housing (fair share) targets for each jurisdiction, and the Regional Affordable Housing Strategy Plan. This recommendation shall first be submitted to MPAC as a preliminary Committee recommendation for review and comment in accordance with Section 3.08.040 prior to its submittal to the Council. The Committee shall report to the Council and MPAC with a recommendation for the adoption of the Regional Affordable Housing Strategy Plan no later than June 2000. Thereafter, in accordance with Section 3.08.040, the Committee shall make recommendation to the Council and MPAC on Matters referred to it pursuant to this Section . The Committee shall review the effectiveness of the Regional Affordable Housing Strategy in accordance with timeliness as set forth in the Strategy itself.”

ADOPTED by the Metro Council this _____ day of _____ 1999.

Rod Monroe, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

HIGHLIGHTED CHANGES SHOWN

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That Metro Code 3.08.030 is hereby amended to read

“Prior to making a recommendation, the Committee shall conduct at least one public hearing and invite interested citizens and government officials to testify. The Committee shall consider all matters referred to it pursuant to Section 1.3 of the Regional Framework Plan and, ~~prior to nine months after the date of adoption of this ordinance,~~ shall make a recommendation to the Council for the adoption of ~~fair share~~ affordable housing (fair share) targets for each jurisdiction; and the Regional Affordable Housing Strategy Plan. This recommendation shall first be submitted to MPAC as a preliminary Committee recommendation for review and comment in accordance with Section 3.08.040 prior to its submittal to the Council.

~~No later than 15 months after the date of adoption of this Ordinance,~~ The Committee shall report to the Council and MPAC with a recommendation for the adoption of the Regional Affordable Housing Strategy Plan; no later than June 2000. Thereafter, in accordance with Section 3.08.040, the Committee shall make recommendation to the Council and MPAC on Matters referred to it pursuant to this Section . The Committee shall review the effectiveness of the Regional Affordable Housing Strategy in accordance with timeliness as set forth in the Strategy itself.”

ADOPTED by the Metro Council this _____ day of _____ 1999.

Rod Monroe, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

Staff Report

CONSIDERATION OF ORDINANCE NO. 99-833 FOR THE PURPOSE OF AMENDING THE SECTION OF THE METRO CODE, CHAPTER 3.08, ON THE WORK PROGRAM OF THE AFFORDABLE HOUSING TECHNICAL ADVISORY COMMITTEE TO COMPLETE ITS RECOMMENDATION FOR THE REGIONAL AFFORDABLE HOUSING STRATEGY PLAN.

Date: November 24, 1999

Presented by: Councilor Ed Washington

PROPOSED ACTION

This resolution would change the work program schedule for the Affordable Housing Technical Advisory Committee to report to the Metro Council and MPAC with a recommendation for the adoption of the Regional Affordable Housing Strategy Plan.

FACTUAL BACKGROUND

The Council established H-TAC on November 20, 1997 (Resolution 97-2583B) and included it in the Regional Framework Plan, adopted by the Council on December 11, 1997 (Ordinance 97-715B). The appeal of the Regional Framework Plan provisions by some local governments resulted in a settlement agreement that amended Section 1.3 of the Regional Framework Plan regarding housing and affordable housing. The settlement also added a new chapter to the Metro Code that amended the composition of the H-TAC and confirmed the appointment of initial members to the committee. On September 10, 1998, the Council adopted Ordinance 98-769 that amended the Regional Framework Plan provisions, appointed the initial members of H-TAC, and stated the schedule for the H-TAC to submit its recommendation to the MPAC and Metro Council.

The Metro Code stated as follows:

- Prior to nine months after the adoption of Ordinance 98-769, the H-TAC shall submit preliminary recommendation to MPAC of fair share affordable housing targets for each jurisdiction in the Metro region. This schedule translates into a June 1999 deadline;
- Within this schedule, the H-TAC shall conduct at least one public hearing and invite citizens and government officials to testify;
- Within this schedule, the H-TAC shall make a recommendation to the Council for the adoption of fair share affordable housing targets for each jurisdiction; and
- No more than fifteen months after the adoption of Ordinance 98-769, the H-TAC shall report to MPAC and Council with recommendation for the adoption of the Regional Affordable Housing Strategy Plan. This schedule translates into a December 1999 deadline.

The H-TAC created a Fair Share Subcommittee that met twice a month from October 1998 to May 1999 to analyze housing data and developed information on housing need and fair share affordable housing distribution model. The H-TAC presented the Options for Fair Share Housing Targets to the Metro Council Growth Management Committee on June 8, 1999 and to the MPAC on June 9, 1999 for their review and comments. The MPAC and Metro Council Growth Management Committee advised

the H-TAC to:

- a) withhold the public hearing on the Options for Fair Share Housing Targets until it develops the strategies and tools that will be used to achieve the targets;
- b) go ahead and develop the strategies and tools for achieving more affordable housing in the region; and
- c) upon completing the strategies, it should come back and present the fair share housing targets and strategies.

In July 1999, the H-TAC created three additional subcommittees to develop the strategies and tools for affordable housing. The subcommittees and their charge are the:

1. Cost Reduction – develop programmatic approaches for addressing and developing strategies for implementation of the cost factors affecting affordability, as well as address and develop strategies for other tools as assigned in the Regional Framework Plan;
2. Land Use & Regulation – develop strategies for implementing the land use and regulatory approaches outlined in the Regional Framework Plan Policy 1.3; and
3. Regional Funding – develop options for the regional funding of affordable housing, considering possibilities outlined in the Regional Framework Plan.

The H-TAC has reviewed eight strategy reports developed by the subcommittees and approved seven of them as preliminary recommendations. As shown in Exhibit A to Ordinance 99-833 containing the strategy reports, there are approximately 18 additional strategies that need to be addressed.

At its meeting on November 15, 1999, the H-TAC voted unanimously to request the extension of time for the completion of its work program to June 2000. At this new deadline, the H-TAC will report to the Council and MPAC with a recommendation for the adoption of the Regional Affordable Housing Strategy Plan.

Exhibit A

Work Products

Of the

Affordable Housing Technical Advisory Committee (H-TAC)

December, 1999



METRO

Agenda Item Number 7.2

**Ordinance No. 99-829, For the Purpose of Annexing Lands within Urban Reserve Area 41 to the Metro
Jurisdictional Boundary.**

Second Reading

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ANNEXING)
LANDS WITHIN URBAN RESERVE)
AREA 41 TO THE METRO)
JURISDICTIONAL BOUNDARY)
ORDINANCE NO 99-829)
Introduced by Executive Officer,)
Mike Burton)
)

WHEREAS, on December 31, 1998, the duty and authority to review and approve city and county annexations in Clackamas, Multnomah and Washington Counties under ORS 199.425 was transferred to Metro pursuant to Chapter 516, Oregon Laws 1997; and

WHEREAS, on October 23, 1999, the duty and authority to review and approve annexations to the Metro jurisdictional boundary was granted to Metro pursuant to Chapter 282, Oregon Laws 1999; and

WHEREAS, petitioners are owners of property or are registered voters in urban reserve area 41 which was designated by the Metro Council in 1997 by Ordinance 96-655E; and

WHEREAS, annexation to the Metro jurisdictional boundary of the territory described in Exhibit A would constitute a contiguous boundary change, initiated by a petition of the owners of property or are registered voters in the territory; and

WHEREAS, notice as required by Metro Code 3.09.030 was published on November 24 and December 1, 1999; and

WHEREAS, Metro received consents to the proposed annexation from a majority of the owners of land and a majority of the registered voters in the territory; and

THE METRO COUNCIL ORDAINS:

1. The territory described in Exhibit A is hereby annexed to the Metro jurisdictional boundary.
2. The Metro Council adopts the staff report in Exhibit B, attached hereto and incorporated by reference herein, as the findings of fact and conclusions of law supporting this annexation to the Metro jurisdictional boundary.

3. Pursuant to Metro Code 3.09.050(f), the effective date of this annexation decision shall be immediately upon adoption of this ordinance.

4. This ordinance is necessary for the immediate preservation of public health, safety and welfare because annexation should be effective immediately to allow the Council to consider Urban Growth Boundary amendments to comply with the State of Oregon mandate to move the Urban Growth Boundary pursuant to ORS 197.299; an emergency is therefore declared to exist, and this ordinance shall take effect immediately, pursuant to Metro Charter Section 39(1).

ADOPTED by the Metro Council this _____ day of _____ 1999.

Rod Monroe, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

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OGC/KDH/kvw 12/03/99

A tract of land in Sections 14 and 15, Township 3 South, Range 1 West of the Willamette Meridian, in the County of Clackamas and State of Oregon, being more particularly described as follows:

Beginning at the Northeast corner of said Section 15; thence West, along the North line thereof, a distance of 3800 feet, more or less, to the centerline of Grahams Ferry Road (c.r. #13); thence South, along said centerline, a distance of 3600 feet, more or less to a point being the Westerly corner of that tract described on Page 1 of 2 of Exhibit "A" of that Warranty Deed conveyed to the State of Oregon, recorded January 2, 1998 as Fee No.98-000106, of the Clackamas County Records; thence East , along the Westerly South line of said State of Oregon tract and the Easterly extension thereof, a distance of 1075 feet; thence North 21 degrees 32' 32" East a distance of 1050 feet; thence North 09 degrees 45' 25" East a distance of 1600 feet, more or less, to a point on the North line of said State of Oregon tract; thence East, along said North line, a distance of 1684.98 feet, more or less, to the Northeast corner of said State of Oregon tract, being a point on the East line of the Samuel B. Franklin Donation Land Claim No. 50; thence South along said East line, a distance of 2697.06 feet to the Southeast corner of said Franklin claim, being a point on the

North line of the Robert V. Short Donation Land Claim, No. 46; thence East , along said North line, a distance of 2589.84 feet, more or less, to the Southeast corner of that tract described as Parcel 2 of that Warranty Deed conveyed to Arthur C. Piculell, et ux, recorded September 23, 1993 as Fee No. 93-69118 of the Clackamas County Records; thence North 07 degrees East, along the East line thereof , a distance of 6.47 chains; thence North 05 degrees East, continuing along said East line, a distance of 2.85 chains, thence North 20 degrees 30' West continuing along said East line a distance of 7.66 chains to a point being the Easterly corner of that tract describe as Parcel 1 of said Piculell Tract; thence South 72 degrees 16' West, along the Southeasterly line thereof, a distance of 481.8 feet to the Southerly corner of said Parcel 1; thence North 26 degrees 20' West, along the Southwesterly line thereof, a distance of 604.68 feet to the Westerly corner of said Parcel 1, being a point on the Southeasterly line of that tract conveyed to the Wetlands Conservancy Inc., by Bargain and Sale Deed recorded March 15, 1996 as Fee no. 96018244 of the Clackamas County Records; thence South 72 degrees 16' West along said Southeasterly line, a distance of 195.5 feet to the Southerly corner of said Wetlands Conservancy Tract; thence North 10 degrees 30' East, along the West line thereof , a

distance of 178.13 feet, more or less, to an angle corner in said West line; thence North 14 degrees West, continuing along said West line a distance of 3.00 chains; thence North 26 degrees West, continuing along said West line, a distance of 1.77 chains; thence North 52 degrees West, continuing along said West line, a distance of 100 feet, more or less, to a point of intersection of said West line with the East line of said Section 15; thence North, along said East line, to the point of beginning.

Date: November 9, 1999

**STAFF REPORT TO THE
METRO COUNCIL**

SECTION I: APPLICATION SUMMARY

CASE: FILE NAME: Fasano
Annexation to the Metro Jurisdictional Boundary Case 99-829

APPLICANT/
PETITIONER: Louis J. Fasano¹
2455 SW Gregory Drive
West Linn, OR 97068

PROPOSAL: The petitioners request annexation of a 247.92-acre group of parcels located within a portion of Urban Reserve (URA) #41.

LOCATION: The property is located between Tooze Road and 110th Street and east of Grahams Ferry Road (Attachment A).

PLAN/ZONING
DESIGNATION: *Clackamas County Zoning: Exclusive Farm Use (EFU)- 198.5 acres, Rural Residential/ Farm Forest Use (RRFF-5)- 49.17 acres.*
Clackamas County Comprehensive Plan Designation: Rural, Agricultural

APPLICABLE
REVIEW CRITERIA: Metro Code section 3.09.050

SECTION II: STAFF RECOMMENDATION

Staff recommends that the Metro Council APPROVE Case 99-829: Fasano.

SECTION III: BACKGROUND INFORMATION

Site Information: The 247.92 -acre site is located within Clackamas County adjacent to Tooze Road to the north, Grahams Ferry Road to the west and Evergreen Road to the south. The subject properties are located on Map No. 31W15, tax lots: 2990, 1200, 1205, 1101, 1100, 1000, 900, 800, 700, 100, 300, 500, 501, 502, 380, 390, 490 and Map No. 31W10, tax lot 1490. The site is located adjacent to the

¹ Representing property owners in the subject area

Wilsonville City limits to the south and east. The uses surrounding the subject site are agricultural, rural residential, industrial and urban residential. The subject area contains 8 single-family units.

Case History: The petitioners submitted a petition for annexation of the subject property on October 12, 1999. The application was deemed substantially complete on October 21, 1999. A letter was sent to the applicant on October 21, 1999 discussing the need for additional information and providing a tentative timeline for the required notice and a public hearing before the Metro Council.

Proposal Description: The petitioners propose to annex 247.92 acres of land to the Metro jurisdictional boundary. The subject site comprises the majority of URA #41. The subject site does not include tax lots 1202 and 1203 of map 31W15. The applicant has indicated that the property owner and electors on tax lots 1202 and 1203 do not wish to be part of this proposal. These tax lots are part of URA #41 and correspond to the area included in Resolution 98-2729 that stated Metro Council's intent to bring this entire area into the Urban Growth Boundary.

A master plan has been developed and adopted by the City of Wilsonville for this portion of URA #41 within the last three years and is titled: "The Dammasch Area Transportation- Efficient Land Use Plan". The master plan covers 520 acres (half of which is located within the current Wilsonville City limits). The Dammasch plan was developed to improve the jobs/housing balance in the City of Wilsonville by adding 2300 dwelling units to this area. The plan calls for an average residential density greater than 10 dwelling units per net acre, a commercial node to service the surrounding neighborhood, preservation of over 100 acres of wetlands through open space designation and improved street connectivity. The City, in a letter dated October 13, 1999 to the Metro Council has indicated its support to complete the necessary steps toward inclusion in the UGB and eventual urbanization.

SECTION IV: APPLICABLE REVIEW CRITERIA

The criteria for annexation to the Metro jurisdictional boundary are contained in Metro Code 3.09.050. The criteria with citation in (**bold**), petitioner responses in (*italics*), and staff analysis follow.

Petitions to add land to the Metro jurisdictional boundary may be approved under the following conditions:

- 1. The extent to which urban services presently are available to serve the affected territory including any extraterritorial extensions of service. [3.09.050(b)(1)]**

Because the territory proposed for annexation to Metro is rural land, no urban-level services are presently provided to the territory. However, urban services will be available to serve it upon its eventual conversion to urban land. These services include the following:

Water

The City of Wilsonville will provide water service. The City is currently experiencing a water shortage due to declining levels in the City's wells. A citywide election in September, 1999 established the Willamette River as the City's new water source, and provided \$25 million for needed improvements to the City's water system. Future annexation to the City of Wilsonville will be tied to the completion of the water system improvements.

Sanitary Sewer

The City of Wilsonville will provide sanitary sewer service. Collection system improvements are planned to accommodate future development in the area. The City of Wilsonville recently expanded and improved its wastewater treatment plant to accommodate community growth.

Exhibit "B"
Page 2 of 6

Storm Sewer

The City of Wilsonville will provide storm sewer service. The subject property drains into three creeks in the area. A combination of the on-site storm water detention and use of the natural drainageways is expected to meet the future storm sewer demands of the area. The City has a consultant under contract to prepare an updated Storm Water Master Plan to address the needs of the area.

Transportation

The primary transportation service provider will be the City of Wilsonville. This includes the responsibility for improving and maintaining streets in the vicinity, as well as the provision of transit services through South Metro Rapid Transit (SMART), a City operation. Transportation services are also coordinated with Clackamas County (with continuing responsibility for the roads near the subject property) and with the Oregon Department of Transportation, dealing with freeway access.

Fire and Police

The Tualatin Valley Fire and Rescue District provide fire protection services to the subject property and all properties in the community. The District operates under contract with the City with a fire station located on Kinsman Road, approximately one mile from the subject property.

Schools

The West Linn-Wilsonville School District primarily provides school services in the area. A small part of the subject property is within the Sherwood School District.

The petitioners state, no extraterritorial extension of services will be required to serve the territory proposed for annexation to Metro.

Staff Response

The City of Wilsonville can reasonably provide the necessary urban services in the near future. The City has indicated that it has plans in place to solve the water shortage problem and expand its wastewater treatment facilities to service the subject site. The City has hired a consultant to update the City's stormwater master to include this area. The existing providers can provide police and fire services. The school districts of West-Linn and Sherwood were consulted during the master plan process. As a result, an elementary school has been included in the master plan.

No extra-territorial extensions of services are necessary to serve this property because the property is not located within the UGB, is under rural residential or agricultural use and does not require urban type services. The rural residential and agricultural uses within the subject site are expected to continue until such time as the site is included within the UGB and the City limits of Wilsonville. Prior to urbanization, there is no need to extend urban services to the subject site. The petitioners are requesting no extra-territorial extension of services.

Because there is no need to extend urban services to this site at this time and the City has taken steps to provide these services in the future and there is no extra-territorial extension of services requested, this criterion has been satisfied.

- 2. A description of how the proposed boundary change complies with any urban service provider agreements adopted pursuant to ORS 195.065 between the affected entity and all necessary parties. [3.09.050(b)(2)]**

The petitioners state, there are no adopted ORS 197.065 urban service provider agreements between Metro and the identified providers of urban services.

Exhibit "B"

Page 3 of 6

Staff Response

There are currently no urban service agreements that apply to the subject site or in place between any adjacent providers therefore this criterion does not apply.

3. A description of how the proposed boundary change is consistent with the comprehensive land use plans, public facility plans, regional framework and functional plans, regional urban growth goals and objectives, urban planning agreements and similar agreements of the affected entity and of all necessary parties. [3.09.050(b)(3)]

Under state law, Metro is the entity responsible for establishing and amending the Urban Growth Boundary (UGB) for the Portland metropolitan region. It is Metro's position that its ability to amend the UGB extends only to territories that are already located within Metro's jurisdictional boundaries. This annexation petition would annex the subject property to Metro, thereby allowing Metro to then add the subject territory to its UGB. See attached Metro Resolution No. 98-2729C.

At such time as Metro amends its Urban Growth Boundary to include the subject territory, it will adopt an ordinance and findings addressing how the amendment complies with the applicable criteria governing UGB amendments in Metro's Code, including the Metro Regional Urban growth Goals and Objectives. The current proposal for annexation to Metro is authorized by and is consistent with Metro Code Section 3.01.015(h)(5). Metro's Resolution No. 98-2729C expressly supports and endorses this proposed annexation to Metro.

Following annexation to Metro and Metro Council's adoption of a land use decision to add the subject territory to its UGB, the subject territory will be annexed by the City of Wilsonville in a manner consistent with ORS 222.

Staff Response

The Dammasch Master Plan, which has been completed and adopted by the City of Wilsonville, is a mixed-use urban village concept that includes an overall density of 10.2 dwelling units per net acre. This village concept includes areas set aside for commercial/retail activity, civic uses, neighborhood parks, elementary schools, open space and natural areas. The plan's goals are to provide a variety of housing types for this area and to assist in satisfying the housing needs of the region. The plan recognizes that there is a jobs/ housing imbalance in this sub-region and the City of Wilsonville could benefit from providing more housing. The plan places a heavy emphasis on transportation by developing strategies to improve connectivity with developed portions of Wilsonville and the surrounding area, providing circulation through primary roads serving the site and alignments with existing streets.

The Dammasch Master Plan is acknowledged in the 2040 Growth Concept Plan. The 2040 Growth Concept designation for this subject area is inner neighborhood. The plan is not in conflict with this designation and is actually a refinement of this concept.

The subject property is currently located within Clackamas County. The County Comprehensive plan designations for the subject area are Agricultural and Rural. County policies addressing Urbanization (1.0) identify the need to designate urban areas within Metro's jurisdiction and coordinate with affected cities in the designation of urban areas outside of Metro. Policy 2.0 states- "the following areas may be designated as urban; a) land needed to accommodate 20-years of future urban population; b) land needed for increasing housing and employment opportunities and livability from both a regional and a subregional view; c) land to which public facilities and services can be provided in an orderly and

economic way; h) land where the strategic location of employment and living opportunities can minimize community distance, traffic congestion, pollution and energy needs." The planned use in this area reflect the Country's comprehensive plan goals relative to future urbanization.

Staff finds that the existing plans support the inclusion of this area within the Metro jurisdictional _____ boundary and are a necessary step towards urbanization of this area.

4. Whether the proposed boundary change will result in the withdrawal of the affected territory from the legal boundary of any necessary party. [3.09.050(b)(4)]

The proposed boundary change will not result in the withdrawal of the affected territory from the legal boundary of any necessary party.

Staff Response

The proposed boundary change does not result in a withdrawal from the district, therefore this criterion does not apply.

5. The proposed effective date of the decision. [3.09.050(b)(5)]

Petitioners seeking annexation to Metro request that an order approving this annexation take effect immediately upon its adoption, so that the Metro Council can proceed to adopt an ordinance amending its Urban Growth Boundary to include the annexed territory in the manner set out in paragraph 1 of Metro Resolution 98-2729C.

Staff Response

An effective date of the annexation is proposed to take effect immediately upon adoption. Staff concludes that this criterion has been satisfied because the applicant has proposed an effective date.

SECTION V: SUMMARY AND RECOMMENDATION

This petition seeks to annex 247.92 acres of land into the Metro jurisdictional boundary for the purpose of allowing expansion of the UGB into this area and eventual urbanization. The petitioners have provided sufficient evidence to demonstrate that the subject area can eventually be provided with urban services in an orderly and efficient manner. The petitioners have demonstrated that the annexation is not in conflict with the regional framework plan, functional plan or any other applicable plans. The site can be adequately served with sewer, storm, water, police, fire, park and open space and transportation services after inclusion of the area into the UGB and the City limits of Wilsonville (require subsequent actions).

Based on the above analysis, staff recommends that the Metro Council approve this petition for annexation to the Metro jurisdictional boundary.

Attachments:

Site Map
Double Majority Worksheet- Property Owners
Double Majority Worksheet- Registered Voters
Petition Signatures
Letter from City of Wilsonville, dated October 13, 1999

I:\GM\Long_range_planning\staff\nell\annex\annexstaff

Agenda Item Number 7.3

Ordinance No. 99-830, For the Purpose of Annexing Lands within Urban Reserve Area 39 to the Metro Jurisdictional Boundary.

Second Reading

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ANNEXING)
LANDS WITHIN URBAN RESERVE)
AREA 39 TO THE METRO)
JURISDICTIONAL BOUNDARY)
ORDINANCE NO 99-830
Introduced by Executive Officer,
Mike Burton

WHEREAS, on December 31, 1998, the duty and authority to review and approve city and county annexations in Clackamas, Multnomah and Washington Counties under ORS 199.425 was transferred to Metro pursuant to Chapter 516, Oregon Laws 1997; and

WHEREAS, on October 23, 1999, the duty and authority to review and approve annexations to the Metro jurisdictional boundary was granted to Metro pursuant to Chapter 282, Oregon Laws 1999; and

WHEREAS, petitioners are owners of property in urban reserve area 39 which was designated by the Metro Council in 1997 by Ordinance 96-655E; and

WHEREAS, annexation to the Metro jurisdictional boundary of the territory described in Exhibit A would constitute a contiguous boundary change, initiated by a petition of the owners of property in the territory; and

WHEREAS, notice as required by Metro Code 3.09.030 was published on November 24 and December 1, 1999; and

WHEREAS, Metro received consents to the proposed annexation from 100 percent of the owners of land in the territory; and

WHEREAS, there are no electors on the property; now therefore

THE METRO COUNCIL ORDAINS:

1. The territory described in Exhibit A is hereby annexed to the Metro jurisdictional boundary.
2. The Metro Council adopts the staff report in Exhibit B, attached hereto and incorporated by reference herein, as the findings of fact and conclusions of law supporting this annexation to the Metro jurisdictional boundary.

3. Pursuant to Metro Code 3.09.050(f), the effective date of this annexation decision shall be immediately upon adoption of this ordinance.

4. This ordinance is necessary for the immediate preservation of public health, safety and welfare because annexation should be effective immediately to allow the Council to consider Urban Growth Boundary amendments to comply with the State of Oregon mandate to move the Urban Growth Boundary pursuant to ORS 197.299; an emergency is therefore declared to exist, and this ordinance shall take effect immediately, pursuant to Metro Charter Section 39(1).

ADOPTED by the Metro Council this _____ day of _____ 1999.

Rod Monroe, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

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OGC/KDH/kvw 12/03/99

LEGAL DESCRIPTION

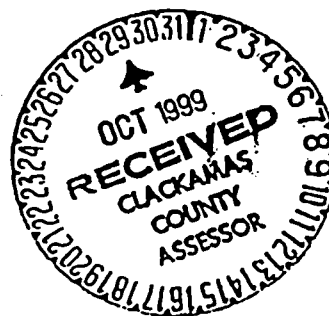
**20 ACRE PARCEL
BEING A PORTION OF TAX LOT 2201 (MAP 3-1W-22)
FOR THE WOOD MIDDLE SCHOOL SITE
WILSONVILLE, OREGON**

**JOB NO 4326
6/10/99 MAR**

EXHIBIT "A"

**A TRACT OF LAND LOCATED IN THE NORTHWEST ONE-QUARTER AND THE
NORTHEAST ONE-QUARTER OF SECTION 22, TOWNSHIP 3 SOUTH, RANGE 1-WEST,
WILLAMETTE MERIDIAN, CITY OF WILSONVILLE, CLACKAMAS COUNTY,
OREGON, BEING A PORTION OF THAT TRACT OF LAND DESCRIBED IN DEED TO
THE STATE OF OREGON, RECORDED JULY 1, 1993, RECORDER'S FEE NO. 94-29363,
CLACKAMAS COUNTY DEED RECORDS, BEING MORE PARTICULARLY DESCRIBED
AS FOLLOWS:**

**COMMENCING AT THE NORTHEAST CORNER OF SECTION 22, T.3S., R.1W., W.M.;
THENCE ALONG THE NORTH LINE THEREOF, S.89°37'45"W., 2,319.21 FEET TO A ¼"
IRON PIPE INSIDE A 2" IRON PIPE; THENCE S.00°17'37"W., 127.61 FEET TO THE
NORTHWEST CORNER OF THAT TRACT OF LAND DESCRIBED IN FEE NO. 79-5357,
CLACKAMAS COUNTY DEED RECORDS, AND THE TRUE POINT-OF-BEGINNING;
THENCE ALONG THE EAST LINE OF THAT TRACT OF LAND DESCRIBED IN DEED
TO THE STATE OF OREGON, RECORDED JULY 1, 1993, RECORDER'S FEE NO. 94-
29363, CLACKAMAS COUNTY DEED RECORDS, S.00°17'37"W., 1,580.05 FEET TO THE
NORTH RIGHT-OF-WAY LINE OF WILSONVILLE ROAD (MARKET ROAD NO. 6) (30.00
FEET FROM CENTERLINE); THENCE ALONG SAID RIGHT-OF-WAY LINE THE
FOLLOWING TWO (2) COURSES: THENCE 22.90 FEET ALONG THE ARC OF A 543.00
FOOT RADIUS CURVE TO THE RIGHT, THROUGH A CENTRAL ANGLE OF 02°24'57"
(THE LONG CHORD BEARS S.63°18'58"W., 22.89 FEET); THENCE S.64°31'27"W., 288.84
FEET; THENCE N.32°52'28"W., 1,200.45 FEET; THENCE N.56°36'30"E., 569.00 FEET;
THENCE N.74°27'30"E., 271.50 FEET; THENCE N.32°31'00"E., 380.00 FEET TO THE
POINT-OF-BEGINNING, CONTAINING 871,200 SQUARE FEET (20.00 ACRES) MORE
OR LESS.**



Date: November 23, 1999

**STAFF REPORT TO THE
METRO COUNCIL**

SECTION I: APPLICATION SUMMARY

CASE: FILE NAME: West Linn-Wilsonville School District
Annexation to the Metro Jurisdictional Boundary Case 99-830

APPLICANT: West Linn- Wilsonville School District¹
Wilsonville, OR 97068

PROPOSAL: The petitioner is requesting annexation of a 20 acre parcel that is designated by Metro as Urban Reserve (URA) #39.

LOCATION: The property is located off of SW Wilsonville Road and adjacent to the Wood Middle School (Attachment A).

PLAN/ZONING DESIGNATION: *Clackamas County Zoning: Exclusive Farm Use (EFU)
Clackamas County Comprehensive Plan Designations: Agricultural*

APPLICABLE REVIEW CRITERIA: Metro Code 3.09.050

SECTION II: STAFF RECOMMENDATION

Staff recommends that the Metro Council APPROVE Case 99-830: West Linn-Wilsonville School District.

SECTION III: BACKGROUND INFORMATION

Site Information: The 20-acre site is located within Clackamas County off of SW Wilsonville Road and adjacent to Wood Middle School to the north. The subject property is located on Map No. 31W22, a portion of tax lot 2201. The site is located adjacent to the Wilsonville City limits to the west. The uses

¹ The Division of State Lands has indicated in a letter dated October 21, 1999 to the Executive Officer that they are in support of the application and permit the West Linn- Wilsonville School District to make this application during the property transfer process.

surrounding the subject site are agricultural, rural/future urban, and residential. The subject area is currently vacant.

Case History: The applicants submitted a petition for annexation of the subject property on November 4, 1999. The application was deemed substantially complete on November 11, 1999.

Proposal Description: The petitioners propose to annex approximately 20-acres of land to the Metro jurisdictional boundary. The 20-acre portion of tax lot 2201 comprises the boundary of URA #39 and corresponds to the area included in Resolution 98-2729 that stated Metro Council's intent to bring URA #39 into the Urban Growth Boundary (UGB).

The West Linn – Wilsonville School District has prepared a basic-design plan for the construction of a new elementary school on the subject property. For this school the district has secured funding and intends to begin construction in 1999. The City of Wilsonville has completed much of the infrastructure planning necessary to develop the site.

SECTION IV: APPLICABLE REVIEW CRITERIA

The criteria for annexation to the Metro jurisdictional boundary are contained in Metro Code 3.09.050. The criteria with citation (**bold**), petitioner responses (*italics*), and staff analysis follow.

Petitions to add land to the Metro jurisdictional boundary may be approved under the following conditions:

1. **The extent to which urban services presently are available to serve the affected territory including any extraterritorial extensions of service. [3.09.050(b)(1)]**

Because the territory proposed for annexation to Metro is rural land, no urban-level services are presently provided to the territory. However, urban services will be available to serve it upon its eventual conversion to urban uses. These services include the following:

Water:

Water service will be provided by the City of Wilsonville. The City has made special arrangements with the School District to assure that adequate water will be available in spite of the City's current water shortage. The school district has agreed to curtail water use on the site during summer months in order to assist the community in conserving water until the new water treatment facility is finished. Major pipeline improvements are planned for the coming fiscal year in order to serve the site.

Sanitary Sewer:

Sanitary sewer service will be provided by the City of Wilsonville. Collection system improvements are planned to accommodate new school construction on the subject property. The City of Wilsonville recently expanded and improved its wastewater treatment plant to accommodate community growth.

Storm drainage:

Storm sewer service will be provided by the City of Wilsonville. The subject property is located between two creeks and near a system of wetlands. A combination of on-site stormwater detention and use of the natural drainageways is expected to meet the storm sewer needs of the site. Flooding is not a problem in the area.

Transportation:

The primary transportation service provider will be the City of Wilsonville. This includes the responsibility for improving and maintaining Wilsonville Road and other streets in the vicinity, as well as the provision of transit services through South Metro Rapid Transit (SMART), a City operation. Transportation services are also coordinated with Clackamas County (with continuing responsibility for the roads near the subject property) and with the Oregon Department of Transportation (I-5 crosses Wilsonville Road approximately 1.5 miles to the east of the subject site.)

Fire and Police:

Fire protection services are provided to the subject property and all properties in the community by the Tualatin Valley Fire and Rescue District. The District operates under contract with the City with a fire station located on Kinsman Road, approximately one mile from the site.

Police services are provided to the subject property and all properties in the community by the Clackamas County Sheriff's Department. This service is provided under contract between the County and the City of Wilsonville. The Clackamas County Sheriff's Department maintains a station in Wilsonville, with officers specifically assigned to the community. A sheriff's lieutenant serves and the City's Chief of Police.

Schools:

School services are and will continue to be provided to the site by the West Linn-Wilsonville School District. Note that the School District is acquiring the subject property for the purpose of new school construction.

Staff Response

The necessary urban services can be reasonably provided by the City of Wilsonville in the near future. The City has indicated that it has plans in place to solve the water shortage problem and expand its wastewater treatment facilities to service this subject site. The City has hired a consultant to update the City's stormwater master to include this area. The existing providers can provide police and fire services.

No extra-territorial extensions of services are necessary to serve this property because the property is not located within the UGB and is in agricultural use so that it does not currently require urban type services. The agricultural uses within the subject site are expected to continue until such time as the site is included within the UGB and the city limits of Wilsonville. Prior to urbanization, there is no need to extend urban services to the subject site. The petitioners are requesting no extra-territorial extension of services.

Because there is no need to extend urban services to this site at this time and the City has taken steps to provide these services in the future and there is no extra-territorial extension of services requested, this criterion has been satisfied.

- 2. A description of how the proposed boundary change complies with any urban service provider agreements adopted pursuant to ORS 195.065 between the affected entity and all necessary parties. [3.09.050(b)(2)]**

The petitioners state, there are no urban planning or other agreements which apply to the territory.

Staff Response

There are currently no urban service agreements required to serve this subject site or in place between any adjacent providers therefore this criterion does not apply.

3. A description of how the proposed boundary change is consistent with the comprehensive land use plans, public facility plans, regional framework and functional plans, regional urban growth goals and objectives, urban planning agreements and similar agreements of the affected entity and of all necessary parties . [3.09.050(b)(3)]

Presently, the property is designated as rural in the Clackamas County Comprehensive Plan. The zoning is EFU – Exclusive Farm Use. The territory is outside of the area covered by the Wilsonville Comprehensive Plan. The comprehensive plans for Wilsonville and Clackamas County will need to be amended once the territory is annexed into the City.

Wilsonville Comprehensive Plan Objective 2.1.5. states:

Allow annexation when it is consistent with future planned public services and when a need is clearly demonstrated for immediate urban growth.

The West Linn – Wilsonville School District has demonstrated to Metro, Wilsonville, and Clackamas County that a need presently exists for a new primary school to serve the western portion of the city and the District. As a result, the territory has been designated by Metro as Urban Reserve (URA #39).

Staff Response

The Dammasch Master Plan which has been completed and adopted by the City of Wilsonville is a mixed-use urban village concept that includes an overall density of 10.2 dwelling units per acre. This village concept includes areas set aside for commercial/retail, civic uses, neighborhood parks, elementary schools, open space and natural areas. The elementary school that is planned to be constructed on URA #39 is not specifically mentioned in this plan but according to the City of Wilsonville, will help satisfy the need for schools from the population located within the city limits and within the area covered by the Dammasch plan.

The Dammasch plan places a heavy emphasis on transportation by developing strategies to improve connectivity with developed portions of Wilsonville and the surrounding area, providing circulation through primary roads serving the site and alignments with existing streets. Transportation considerations in the area of Urban Reserve #39 are factored into the overall transportation plan for the Dammasch area.

The subject property is currently located within Clackamas County. The current County Comprehensive Plan designations for the subject area are Agricultural. The school that is planned for the subject area qualifies as an urban use that will require urban services. Schools are a necessary land use element in the Clackamas County Comprehensive Plan to accompany urbanization. Clackamas County policies addressing urbanization are policy: (1.0) identify the need to designate urban areas within Metro's jurisdiction and coordinate with affected cities in the designation of urban areas outside of Metro. Policy 2.0 states- "the following areas may be designated as urban; a) land needed to accommodate 20-years of future urban population; b) land needed for increasing housing and employment opportunities and livability from both a regional and a subregional view; c) land to which public facilities and services can be provided in an orderly and economic way; h) land where the strategic location of employment and living opportunities can minimize community distance, traffic congestion, pollution and

energy needs." The planned use of this area reflects the Country's Comprehensive Plan goals relative to future urbanization.

The 2040 Growth Concept designation for this area is inner neighborhood. Upon annexation, zoning would be applied by the City of Wilsonville that will be consistent with this 2040 design type. Schools are typically located in residential areas in order to serve the adjacent population. Therefore, locating a school in this area is interpreted as consistent with Metro's 2040 Growth Concept and RUGGOS.

Staff finds that the existing plans support the inclusion of this area within the Metro jurisdictional boundary and are a necessary step towards urbanization of this area.

4. Whether the proposed boundary change will result in the withdrawal of the affected territory from the legal boundary of any necessary party. [3.09.050(b)(4)]

Because all necessary parties are aware of and have supported the proposal, objections to a decision to annex the territory into the Metro District Boundary is not expected.

Staff Response

There are presently no urban service provider agreements in this area. Metro staff has received no comments from any affected agencies that would result in a conflict between providers or a withdrawal from a district. This criterion does not apply.

5. The proposed effective date of the decision. [3.09.050(b)(5)]

The Metro Council has determined that the territory should be within the UGB (Resolution No. 98-2729C). ODSL and West Linn-Wilsonville School District, the present and future owners of all of the territory, herein propose annexation to Metro. They request that an order approving this annexation take effect immediately upon its adoption, so that the Metro Council can proceed to adopt an ordinance amending its Urban Growth Boundary to include the annexed territory.

Staff Response

An effective date of the annexation is proposed to take effect immediately upon adoption. Staff concludes that this criterion has been satisfied because the applicant has proposed an effective date.

SECTION V: SUMMARY AND RECOMMENDATION

This petition seeks to annex approximately 20 acres of land into the Metro jurisdictional boundary for the purpose of allowing expansion of the UGB for the development of a school. The petitioners have provided sufficient evidence to demonstrate that the subject area can eventually be provided urban services in an orderly and efficient manner. The petitioners have demonstrated that the annexation is not in conflict with the Regional Framework Plan, the Urban Growth Management Functional Plan or any other applicable plans. The site can be adequately served with sewer, storm, water, police, fire, park and open space and transportation services after inclusion of the area into the UGB and the City limits of Wilsonville (require subsequent actions).

Based on the above analysis, staff recommends that the Metro Council approve this petition for annexation to the Metro jurisdictional boundary.

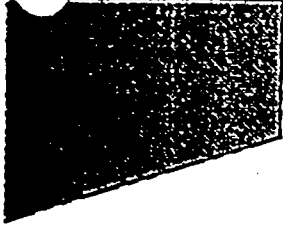
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Proposal No. MU0999

Annexation to Metro Boundary

Clackamas Co.

31W22



31W22 02201




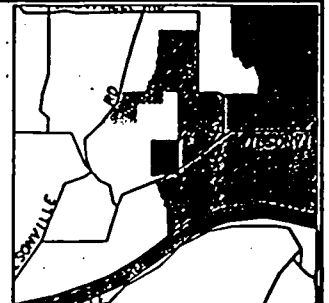
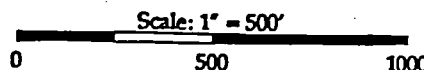

-  Metro boundary
-  Annexation boundary
-  Area to be annexed

Exhibit "B"
Page 7 of 9

PROPOSAL NO. MU0999
METRO BOUNDARY
Figure 1



REGIONAL LAND INFORMATION SYSTEM

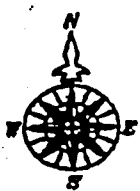


600 NE Grand Ave.
Portland, OR 97232-2736
Voice 503 787-1742
FAX 503 787-1908
Email drc@metro-region.org

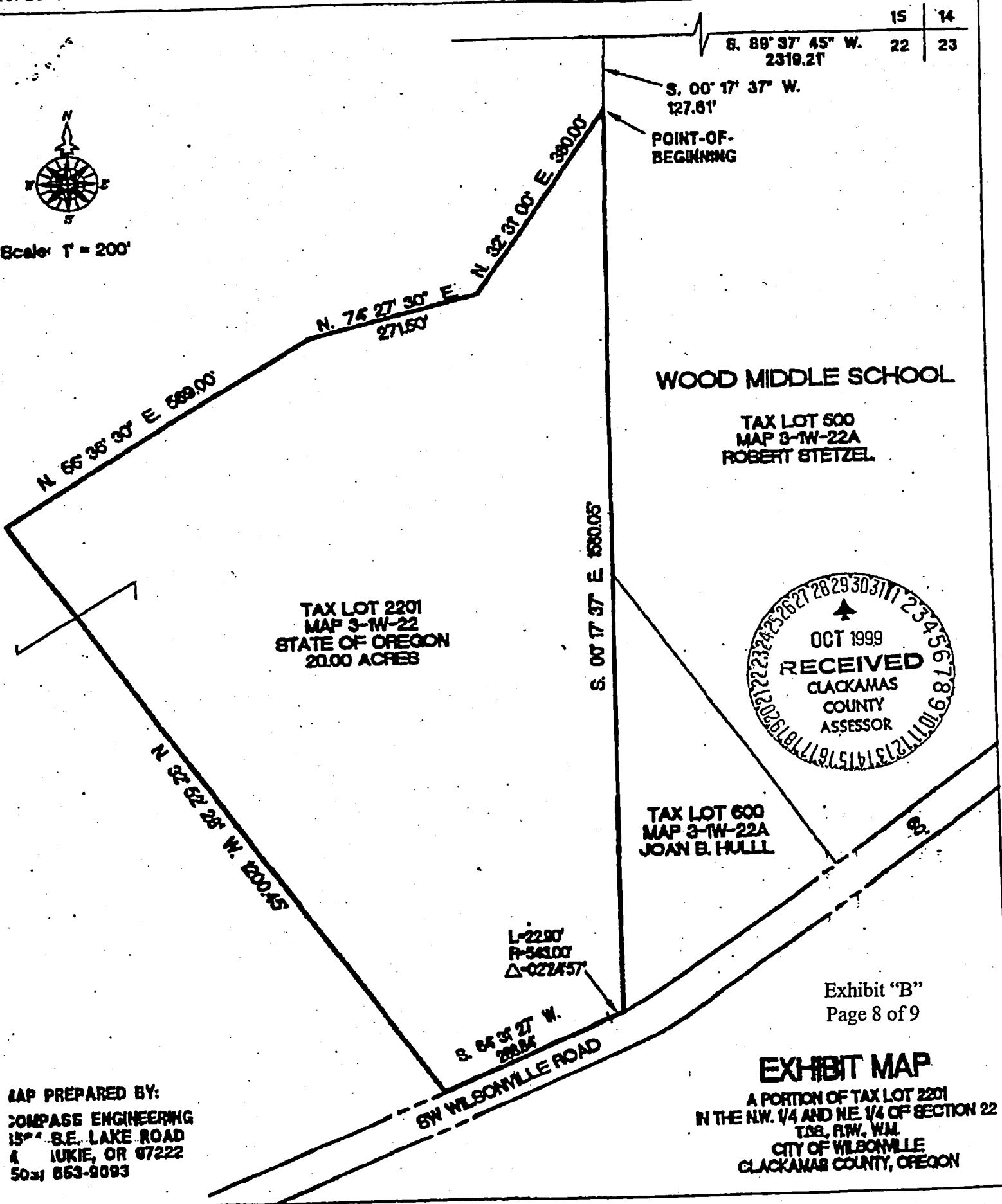
METRO

The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or professional liability. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose, accompanying this product. However, notification of any errors will be appreciated.

15	14
22	23



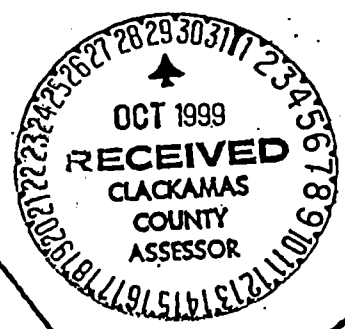
Scale: 1" = 200'



TAX LOT 2201
 MAP 3-1W-22
 STATE OF OREGON
 20.00 ACRES

WOOD MIDDLE SCHOOL

TAX LOT 500
 MAP 3-1W-22A
 ROBERT STETZEL



TAX LOT 600
 MAP 3-1W-22A
 JOAN B. HULL

L-22.80'
 R-543.00'
 Δ-022457'

Exhibit "B"
 Page 8 of 9

MAP PREPARED BY:
 COMPASS ENGINEERING
 1500 B.E. LAKE ROAD
 SEASIDE, OR 97222
 (503) 663-8093

SW WILSONVILLE ROAD

EXHIBIT MAP
 A PORTION OF TAX LOT 2201
 IN THE NW 1/4 AND NE 1/4 OF SECTION 22
 T9S, R1W, W1M
 CITY OF WILSONVILLE
 CLACKAMAS COUNTY, OREGON

CLACKAMAS COUNTY

JEFFERSON R.

1"=400'

11500

SEE MAP 3 IW 15

SEE

---S. 89° 48' W. 80.18 CA. (GLO)---

2790.0'

1508.10'

1/4 Cor.

N 81° E

3 IV

D.L.C. NO. 46

DAMMASH STATE HOSPITAL

APPROX. LOCATION OF 20 AC

38.20

R. V. SHORT

MAP

SEE

3-28

20.39

W. LINE

SUPPL.

SHAW D.L.C. NO. 51

My NE Cor. DLC 51

MAP

SEE

22AC

1100 51.18 Ac. 11850

Exhibit "B" Page 9 of 9

E.F.U.

WLY SW Cor. R.V. Short D.L.C. No. 46

1003 4.61 Ac.

3

IW

SEE

MAP

22DB

1001 4.33 Ac. 12340

PAULINA CT.

DRIVE

MOODIE CT. W.

WILLAMETTE

CHANDROG CT.

INTELL Cor. D.L.C.

BELNAP CT.

LINE

Agenda Item Number 7.4

Ordinance No. 99-834, For the Purpose of Amending Metro Urban Growth Boundary and the 2040 Growth Concept Map in Ordinance No, 95-625A in Urban Reserve Area 39 and 41 in Clackamas County.

Second Reading

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) ORDINANCE NO 99-834
THE METRO URBAN GROWTH)
BOUNDARY AND THE 2040 GROWTH)
CONCEPT MAP IN ORDINANCE 95-) Introduced by Growth Management
625A IN THE URBAN RESERVE AREAS) Committee
39 AND 41 IN CLACKAMAS COUNTY)

WHEREAS, the Metro Council designated urban reserve areas in Ordinance No. 96-655E, including urban reserve areas 39 and 41; and

WHEREAS, urban reserve study areas were shown on the 2040 Growth Concept map adopted as part of the Regional Urban Growth Goals and Objectives in Ordinance No. 95-625A and the map was amended by Ordinance No. 96-655E to show urban reserve areas; and

WHEREAS, ORS 197.298(1)(a) requires that land designated as urban reserve land by Metro shall be the first priority land for inclusion in the Metro Urban Growth Boundary; and

WHEREAS, Urban Reserve areas 39 and 41 were the subject of Metro Council Resolution 98-2729C adopted in December, 1998 which expressed intent to amend the Metro Urban Growth Boundary pursuant to Metro Code 3.01.015(h)(5) for lands outside the Metro jurisdictional boundary; and

WHEREAS, in August, 1999 the Metro Council requested that local governments notify Metro of land needs to meet 2040 Growth Concept implementation, including jobs/housing considerations, that could be the subject of the Urban Growth Boundary amendments; and

WHEREAS, the City of Wilsonville responded to the Council's notice requesting Urban Growth Boundary amendments for urban reserve areas 39 and 41; and

WHEREAS, notice of Proposed Amendment for these urban reserve areas 39 and 41, consistent with Metro Code and ORS 197.610(1), was received by the Oregon Department of Land Conservation and Development at least 45 days prior to the November 18, 1999 first evidentiary hearing; and

WHEREAS, notice of hearings was published and mailed in compliance with Metro Code 3.01.050(b), (c) and (d); and

WHEREAS, hearings were held before the Council Growth Management Committee on November 16, December 7 and 9, 1999, and before the full Metro Council on November 18, December 2, 9 and 16, 1999; and

WHEREAS, the staff report for these areas was available at least seven days prior to the December 16, 1999 final hearing; and

WHEREAS, the Metro Council considered all the evidence in the record, including public testimony at the November, and December, 1999 public hearings to decide proposed amendments to the Urban Growth Boundary; and

WHEREAS, the Metro Code requires that all land added to the Metro Urban Growth Boundary shall be subject to comprehensive plan amendments consistent with Title 11 of the Urban Growth Management Functional Plan and consistency with the 2040 Growth Concept; now therefore,

THE METRO COUNCIL HEREBY ORDAINS AS FOLLOWS:

1. The City of Wilsonville shall be the local government responsible for adopting comprehensive plan amendments consistent with the Urban Growth Management Functional Plan for areas added to the Metro Urban Growth Boundary by this ordinance.

2. Regional design types consistent with the City of Wilsonville's special land need for housing and the Metro 2040 Growth Concept for the land added to the Metro Urban Growth Boundary by this ordinance as shown on attached Exhibit A are hereby adopted.

3. The 2040 Growth Concept map adopted as part of Ordinance No. 95-625A is hereby amended to show the Metro Urban Growth Boundary amendment in Exhibit B as within the UGB, instead of urban reserves.

4. The Metro Urban Growth Boundary is hereby amended to add urban reserve areas 39 and 41, as shown on the map in Exhibit B, attached, and incorporated by reference herein. The Council hereby designates the area shown in Exhibit B as the area subject to conceptual planning under Title 11 of the Urban Growth Management Functional Plan, Metro Code 3.07.1110 *et seq.*

5. The City of Wilsonville shall comply with the requirements of the Urban Growth Management Functional Plan, including Title 11, for the land shown in Exhibit B within two years of adoption of this ordinance.

6. Pursuant to Metro Code 3.01.040(b)(5) the comprehensive plan text amendments identified in Exhibit C, are necessary to ensure implementation of the 2040 Growth Concept in the area added to the Metro Urban Growth Boundary by this Ordinance.

7. This amendment of the Metro Urban Growth Boundary is based on Findings of Fact and Conclusions in Exhibit D, attached hereto and incorporated by reference herein.

8. In support of Findings and Conclusions adopted in Exhibit D of this Ordinance, the Council hereby designates as the record herein those documents submitted and before the

Council for consideration on these lands during the period between the October 6, 1998 Growth Management hearing and the December 16, 1999 Metro Council final hearing and final adoption of this ordinance.

9. Consistent with ORS 268.390(3) and ORS 195.025(1), Clackamas County and the City of Wilsonville shall include the area added to the Urban Growth Boundary by this Ordinance as shown on the map in Exhibit B in applicable text and map provisions of their comprehensive plans.

ADOPTED by the Metro Council this _____ day of _____ 1999.

Rod Monroe, Presiding Officer

ATTEST:

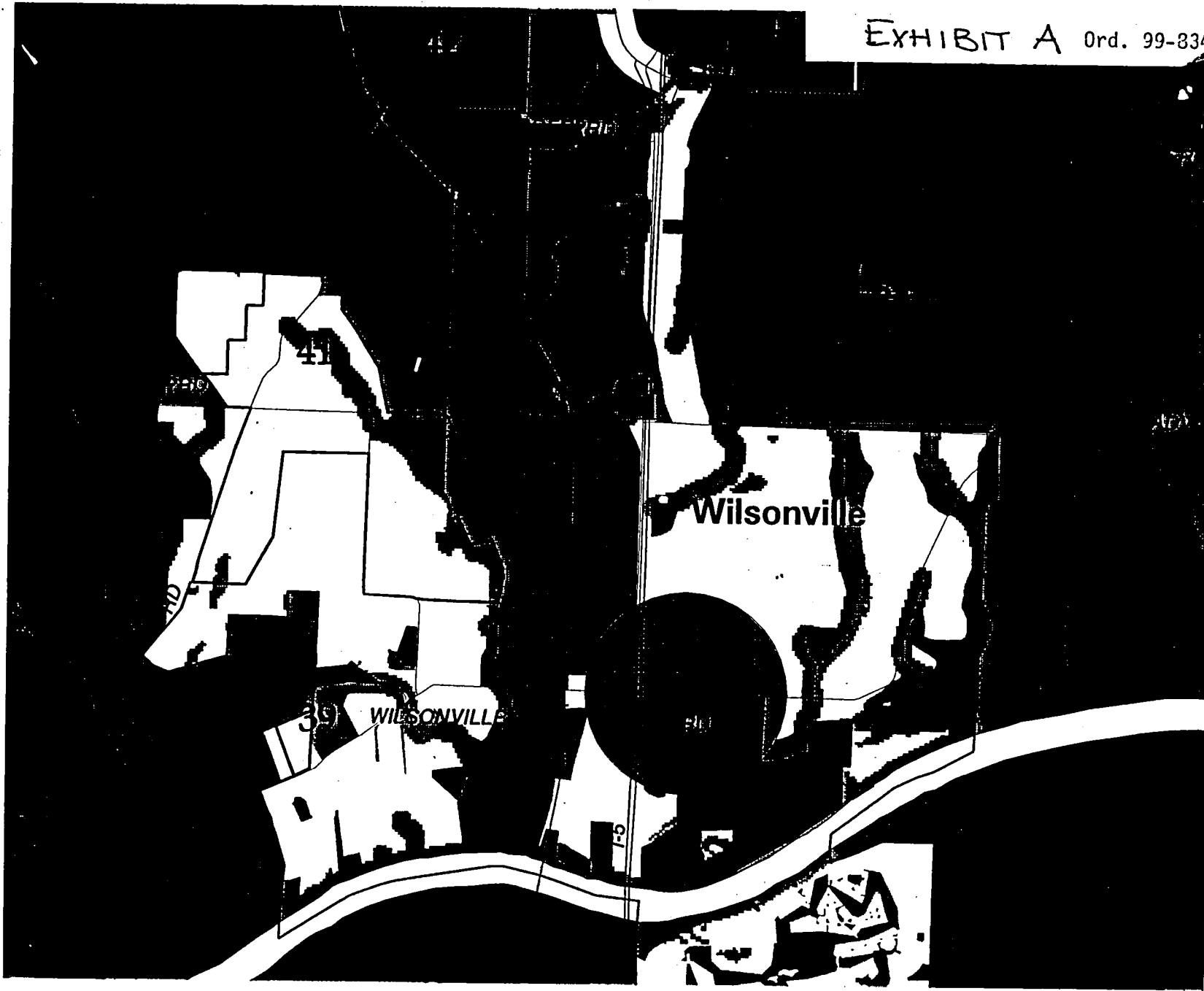
Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

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OGC/KDH/kvw 12/06/99

Draft 2040
Design Types
Urban Growth Boundary
Legislative Amendment
Index number 9

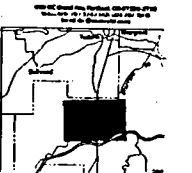
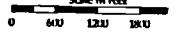


- Central City
- Regional Centers
- Town Centers
- Inner Neighborhoods
- Outer Neighborhoods
- Employment Areas
- Industrial Areas
- Corridors
- Main Streets
- ▲ Proposed Regional Throughway
- ▲ Potential Regional Throughway
- ▲ Green Corridors
- ▲ Planned & Existing Light Rail
- ▲ Proposed Light Rail Alignment
- ▲ Potential I.T.T. Station
- Light Rail Station
- Potential Light Rail Station
- International Airports
- Regional Airports
- Interstate
- Intermodal Rail Yards
- ▲ Rail Distribution Network
- Exclusive Farm Use
- Reception Land in Urban Rear
- Reserve Land in Urban Rear
- Urban Reserves not in Legislative Amendment
- Rural Reserves
- Open Space
- ▲ Urban Growth Boundary
- ▲ Urban Reserve Boundaries
- ▲ Areas added to Reserve by Metro Council Ordinance
- Neighboring Cities
- Public Parks

DRAFT



Scale in Feet



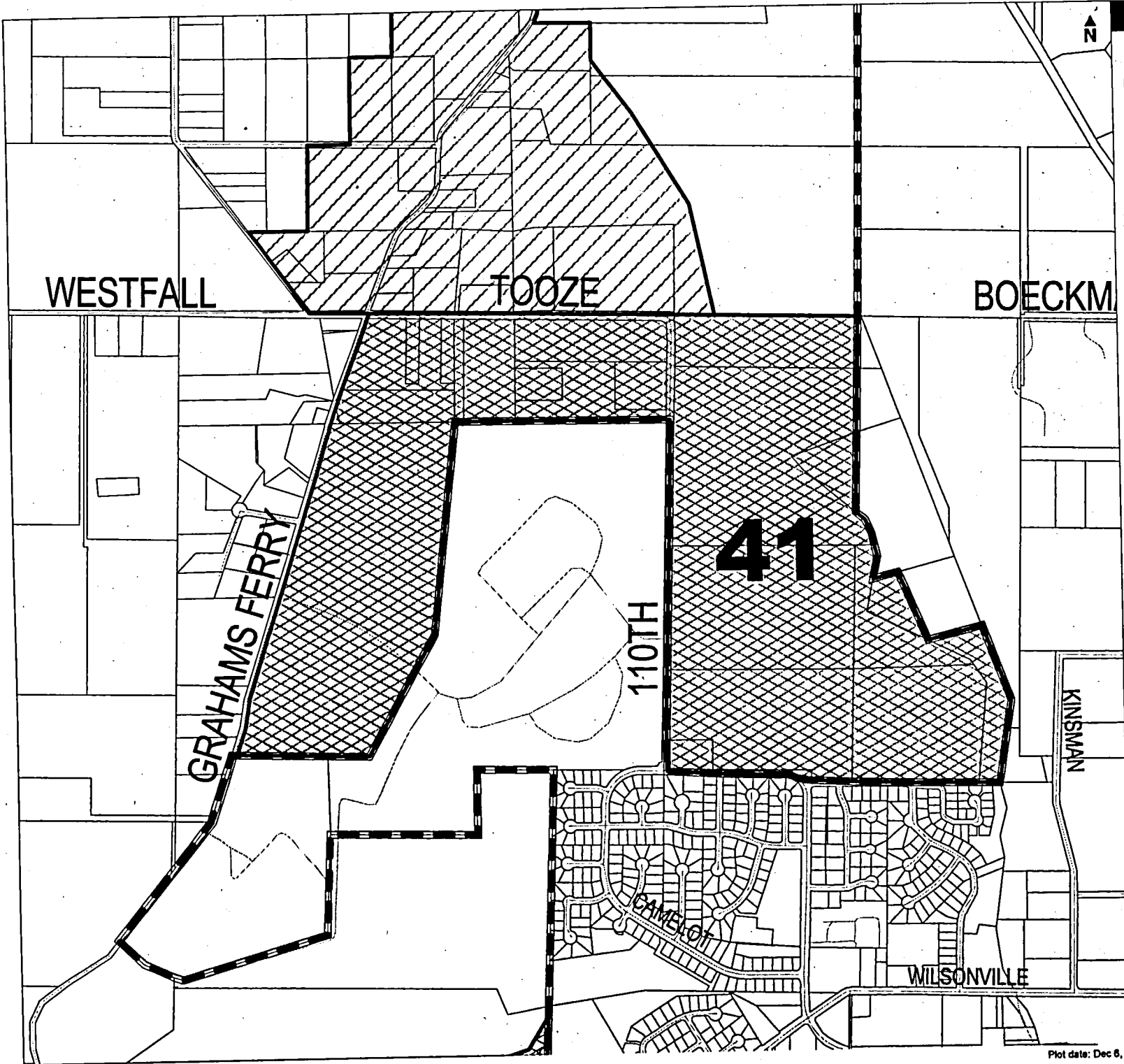



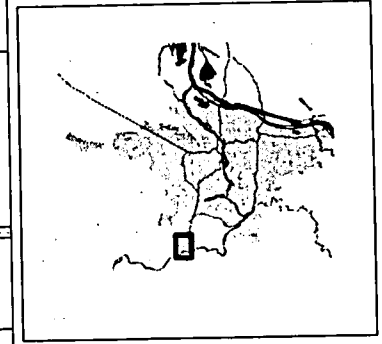
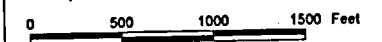


EXHIBIT B
Urban Reserve 41
Ordinance 99-834

-  Urban Growth Boundary
-  Proposed Amendment
-  Other Reserves



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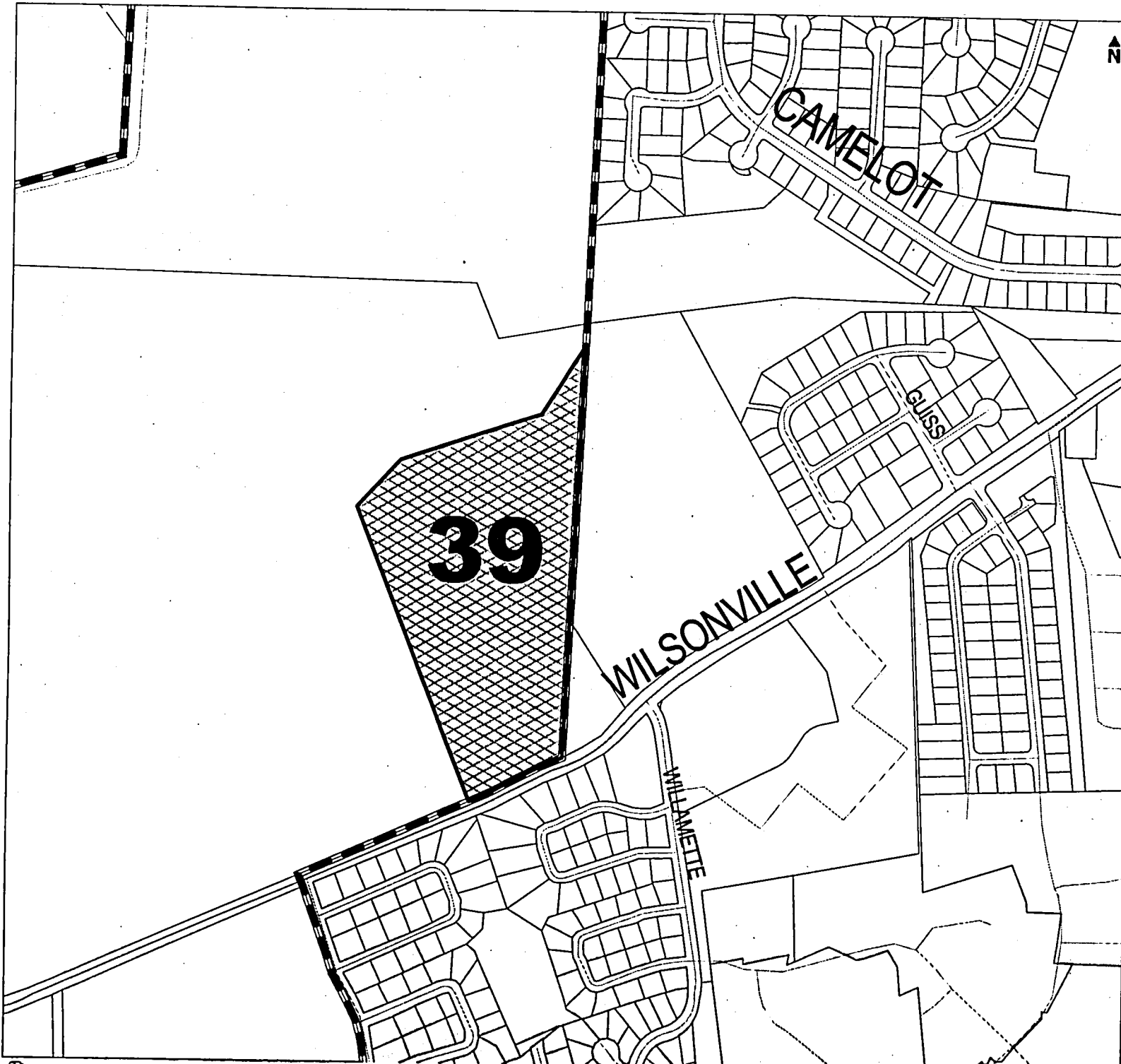


1" = 1000 feet



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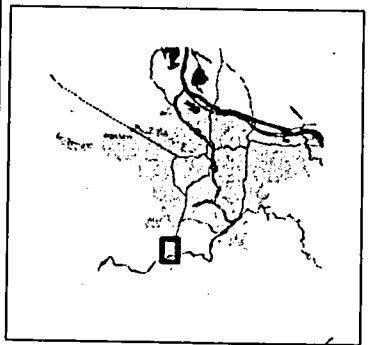


R L I S

REGIONAL LAND INFORMATION SYSTEM

EXHIBIT B
Urban Reserve 39
 Ordinance 99-834

-  Urban Growth Boundary
-  Proposed Amendment



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1" = 500 feet



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EXHIBIT C
Ordinance 99-834

Metro Code 3.01.040(b)(5) allows the Council to adopt text interpretations of the requirements of the Urban Growth Management Functional Plan (UGMFP), which implements the 2040 Growth Concept, in particular Title 11, to "address special land needs that are the basis for the amendment."

The Metro Council finds that the record contains substantial evidence that the requirements of the UGMFP can be met for URA 41 and URA 39. Therefore, it is unnecessary for the Council to adopt text interpretations under Metro Code 3.01.040(b)(5) as part of this ordinance.

EXHIBIT D
Ordinance 99-834 (URA 39 and 41)
ADOPTED FINDINGS AND CONCLUSIONS

3.01.020(a)

Metro Code section 3.01.020 contains the complete requirements for amending the regional UGB. The code provisions have been acknowledged to comply with Statewide Planning Goals 2 and 14. They satisfy Metro's Regional Growth Goals and Objectives (RUGGO), as well. Application of this section constitutes compliance with ORS 197.298 which sets land priorities for lands amended into the UGB because the lands being added to the UGB are designated urban reserve areas. Since the Metro Code has been acknowledged by the Land Conservation and Development Commission, compliance with this code section satisfies Goals 2 and 14.

3.01.020(b)(1) and (2) General Need Factors

This acknowledged code section corresponds to Factors 1 and 2 of Goal 14. The need for urban growth boundary amendments may be demonstrated, generally, using either Factor 1 or Factor 2 or both. This acknowledged code section predates ORS 197.298(3). Therefore, need may, also, be met by complying with this statute on specific land need.

3.01.020(b)(1)(A) Factor 1

The Metro Code requires that the demonstration of need shall include a forecast of regional population and employment. The forecast must also include a forecast of net developable land need. Concurrent with these forecasts, completion of an inventory of net developable land is required.

The regional population and employment forecast, net developable land need and inventory of developable land are contained in Metro's Urban Growth Report (UGR). On December 18, 1997, the Metro Council adopted the final UGR in Resolution No. 97-2559B to comply with ORS 197.299(1). That final report estimated a UGB capacity deficit from 29,350 to 32,370 dwelling units and 2,900 jobs.

The UGR has two components. It contains the 2017 Regional Forecast which projects households and population, in demand for dwelling units, and demand for employment to the year 2017. This forecast represents an update of the 2015 Regional Forecast which made projections for three separate 25-year growth scenarios - Medium Growth, High Growth and Low Growth. The UGR predicted that the Medium Growth scenario has the highest likelihood of being realized over the 20 year forecast horizon.

The UGR also contains a Buildable Land and Capacity Analysis for the Metro UGB. The analysis estimates the supply of land inside the current UGB sufficient to meet future development for industrial, retail and commercial uses and lands "available and necessary for

residential uses" under state law. ORS 197.295(1). The conclusion of the developable lands capacity analysis was that the region does not have a 20-year supply of land inside the current UGB.

Two recent reports update data in the UGR: the Urban Growth Report Addendum (UGRA), and the Urban Growth Boundary Assessment of Need (UGBAN). The UGRA was completed August 26, 1998. The UGRA uses the same methodology as the UGR and updates UGR data in three areas. First, the data on vacant lands were updated from 1994 information to include 1997 data. Second, the analysis of actual residential redevelopment and infill rates were measured for 1995 and 1996 to refine the estimates used in the UGR. Third, the inventory of unbuildable land inside the UGB was revised to better identify land constrained by environmental features.

The UGRA also provides data on two scenarios for assessing the amount of developable land inside the UGB that will be constrained by Title 3 of Metro's Urban Growth Management Functional Plan. These estimates reflect 1998 adoption of the map of Title 3 regulated land. The first scenario calculates total developable land assuming a regionwide 200-foot buffer from the centerline of streams and for steep slopes greater than 25 percent. This assumption is a conservative estimate of additional required buffer widths that could be required as a result of two contingencies, the Endangered Species Act (ESA) listing of lower Columbia River Steelhead and Metro's Fish and Wildlife Habitat planning. The second scenario calculates total developable land assuming only the buffer widths as required by Sections 1-4 of Title 3 on the 1998 map which provide performance standards for regional water quality and flood control.

The UGRA, developed as the most recent data available for 1998 UGB amendments to comply with ORS 197.299(2)(a), did not indicate a need to amend the regionwide need estimate in Resolution No. 97-2559B. In December 1998, the Metro Council adopted urban growth boundary ("UGB") amendments adding about 17,000 dwelling units capacity to the UGB.

Metro Staff have a completed a preliminary draft of Goal 5 analysis and program for Title 3, Section 5 Fish and Wildlife Habitat protection which is coordinated with existing Statewide Planning Goal 5 planning in the region. The draft contains research necessary to determine the scientific basis for riparian buffers beyond those adopted for statewide Goal 6 and 7 purposes in riparian corridors, wetlands. These and other Goal 5 resources are expected to require additional regulation that will be included in a regional functional plan. It is anticipated that the program will be complete and resolutions adopted by June, 2000. See, Resolution No. 99-2855C requesting an extension of time to complete needed regionwide Goal 14, Factor 1 UGB amendments once the remaining need can be estimated from the adopted regulations consistent with ORS 197.296(3). The Council can determine at that time whether regionwide buffers up to 200 but will be necessary to protect identified Goal 5 resources. That information will be included in the required analysis for UGB amendments required to expand the UGB to bring in the remaining one half of needed land as required by ORS 197.299(2)(b).

3.01.020(b)(1)(B)

The Metro Code requires a regional forecast and inventory "along with all other appropriate data" to be completed to determine whether the projected need for land to accommodate the forecast of population and employment is greater than the supply of buildable land inside the UGB.

The adopted 1997 UGR compares the 2017 Regional Forecast with the Buildable Land and Capacity Analysis for the Metro UGB. The UGR found that the current supply of buildable land inside the UGB can accommodate about 217,430 dwelling units and about 473,100 jobs. However, the regional forecast estimates that by 2017, the housing need will be for approximately 249,800 dwelling units and the employment need will be about 476,000 jobs. This leaves a deficit of developable land inside the current UGB needed to accommodate about 32,370 dwelling units and 2,900 jobs. The UGR indicated that at an estimated average 2040 Growth Concept density of 10 dwelling units per net developable acre, between 4,100 and 4,800 gross acres need to be added to the regional UGB to accommodate the need to comply with ORS 197.299(2). The Metro Council held a public hearing, providing the opportunity for public comment on Resolution No. 97-2559B on December 18, 1997. In December 1998, the Metro Council adopted urban growth boundary ("UGB") amendments adding about 17,000 dwelling units capacity to the UGB.

3.01.020(b)(1)(C)

Since the inventory of net developable land is less than the forecasted need, the Metro Code requires an analysis to determine whether there is a surplus of developable land in one or more land use categories that could be suitable to meet that need without expanding the UGB.

The UGBAN discusses Metro's Functional Plan, which is an early implementation measure consistent with ORS 197.296. Under its statutory authority to adopt functional plans, Metro may require or recommend changes to the comprehensive plans and implementing ordinances of the 24 cities and three counties in Metro's jurisdiction. In 1996, the Metro Council adopted the Functional Plan which set targets for housing density with the goal of not having to expand the UGB at the time of this five-year need update. However, these targets were set prior to the requirements in ORS 197.299 that Metro must assess the need for developable land and amend the regional UGB to accommodate at least one half of that need in 1998. The Functional Plan requirements direct development of all residential lands at higher densities than existing comprehensive plans. Full compliance with the Functional Plan by all local governments is anticipated in mid 2000. At that time, Metro can more accurately assess the full impact of the Functional Plan.

The UGBAN also considered the potential for conversion of industrial lands to residential uses to address the unmet need. Based on regional review of industrial lands and compliance plans submitted by jurisdictions which have a significant amount of industrial land, the UGBAN concludes there is minimal opportunity to redirect industrial land to accommodate housing

because those areas are already jobs poor or converting employment to housing will have adverse impacts on the 2040 Growth Concept goal of creating complete communities where residents have close access to jobs and services.

3.01.020(b)(1)(D)

Consideration of a legislative amendment requires “review of an analysis of land outside the present UGB to determine areas best suited for expansion of the UGB to meet the identified need” (emphasis added). The identified need is a subregional need to add land to the Washington Square regional center to increase housing capacity of the UGB to improve the jobs/housing ratio for the regional center. That need was focused in the area adjacent to the Wilsonville Town Center. The urban reserves adjacent to the Wilsonville are limited. The ability to use this portion of URA #41 and URA #39 to efficiently develop the Dammasch redevelopment site into a housing community consistent with the 2040 Concept makes it the best suited for expansion of the UGB. See, “urban reserve plan” in the record.

3.01.020(b)(1)(E)

The Council adopts and incorporates by this reference its findings for Metro Code section 3.01.020(b)(1)(C).

This code provision requires that the need identified in the Regional Forecast cannot reasonably be met within the existing UGB. The analysis in the UGR and the updates in the UGRA demonstrate that Metro meticulously reviewed its buildable land inventory, vacant lands and infill and redevelopment rates to identify lands inside the UGB which are suitable for increasing the capacity of the existing UGB. The UGBAN summarizes these efforts. First, Metro considered all net developable land, regardless of parcelization or ownership in calculating existing UGB capacity. All 2040 Growth Concept design plan categories were considered in the UGR and UGRA. Second, an aggressive redevelopment and infill rate of 28.5 percent was initially used in the UGR. Actual data from 1995-1996 refined this estimated rate. Matching the actual rate identified in new data from 1995-1996 in the UGRA, combined with other factors did not significantly change the range of total housing units needed.

Metro’s Functional Plan requires the 24 cities and three counties in Metro’s jurisdiction to increase densities to more efficiently use residential land. Many local governments amend their comprehensive plans and implementing ordinances for development in residentially designated lands to require 80 percent of zoned density which will maximize the use of newly developed or redeveloped parcels. The effect of the Functional Plan requirements, particularly compliance with Title 3 will be reviewed in 2000 after local governments amend their comprehensive plans to comply with Functional Plan requirements or seek exceptions. That approach is consistent with ORS 197.299(2)(b), and Resolution No. 99-2855C.

3.01.020(b)(2)

Goal 14, Factor 2 authorizes UGB amendments based on consideration of “need for housing, employment opportunities, and livability.” In limited judicial interpretations of this Factor it is established that the housing/employment or livability analysis can be based on a subregion of the Metro regional UGB. *1000 Friends v. City of Forest Grove and Metro*, 18 Or LUBA 311 (1989). Metro has not adopted a UGB amendment based on subregional need since that case.

The acknowledged 2040 Growth Concept, a key part of acknowledged regional goals and objectives (called “RUGGO”), contains policies encouraging jobs and housing balance within regional centers. The 2040 Growth Concept includes the acknowledged 2040 Growth Concept map that displays the general locations of regional centers and town centers.

LCDC amended its Urban Reserve Rule in 1996 to describe a subregional analysis by regional center area of 100,000 population. Metro’s application of that subregional analysis was upheld as applied to a jobs/housing imbalance in the Hillsboro regional center in LUBA No. 97-048 to 97-063 (February 25, 1999) (sections 1.6.2.1 – 1.6.2.3 at pp 79-83). The same subregional analysis, using the same conceptual map of 2040 Growth Concept regional centers is used in the following analysis. This is an analysis of a UGB amendment in the 2040 Growth Concept Town Center of Wilsonville, the Town Center most out of balance in the Washington Square regional center area. Beginning to correct this Town Center jobs/housing imbalance is the best method to begin to correct the Washington Square regional center area jobs/housing imbalance.

A. Regional and Town Center Areas Analysis

The Metro Council hereby adopts the 6 Regional Center areas and the general locations of corresponding Town Center areas indicated on the attached map entitled “Town Centers, Regional Jobs/Housing Balance Analysis” dated December 1, 1999. Washington Square is Regional Center 6. It includes the Town Center areas of King City, Lake Oswego, Lake Grove, Sherwood, Tigard, Tualatin and Wilsonville as indicated in “Exhibit A: Washington County Area Jobs/Housing Ratios By Regional Center and Town Center For 1996 and 2020 Projected” attached from the December, 1999 staff report in the record.

The Metro Council hereby adopts the staff’s calculations of the jobs/household ratios for 1996 and 2020 for the Washington Square Regional Center Area of 2.1 and 2.02 respectively and the 1.48 regional ratio without the Portland Central Business District.

The Metro Council hereby determines that 1.48 jobs/household ratios continue to be the “favorable” jobs/housing balance that regional center areas should seek. This is, statistically, the same as the 1.47 jobs/household ratio adopted as the “favorable” subregional jobs/housing ratio for regional center areas in Metro’s designation of the 1997 Urban Reserve Area based on 1994 data. LUBA upheld that determination of a “favorable” jobs/housing ratio for the regional center areas outside the Portland “Central City” in the above cited LUBA No. 97-048 at Section 1.6.2.3. at p. 81.

The Metro Council finds and determines that the Washington Square regional center area is significantly out of balance requiring a UGB amendment to improve it because the jobs/household ratio of 2.1 is estimated to improve only slightly by 2020 to 2.02 jobs/household without any UGB amendments to add housing capacity. The Metro Council does not accept the December 1, 1999 staff report recommendation that a ratio of 1.75 should be regarded with some concern" and only ratios exceeding 2.0 are significant. On the basis of the data currently available, the Metro Council finds and determines that Washington Square's estimated ratio of 2.02 jobs/household in 2020 is a significant jobs/housing imbalance. This regional imbalance in the context of the serious imbalance in the Wilsonville Town Center justifies the addition of the approximately 2,300 households in a manner planned to be consistent with the acknowledged 2040 Growth Concept.

The Wilsonville Town Center area is the appropriate location to add housing capacity to the UGB to improve the jobs/housing balance of Washington Square regional center area. The staff presentation explained that of the Town Center estimations inside the Washington Square regional center area using Transportation Analysis Zones ("TAZ"s) Wilsonville has the most serious jobs/housing imbalance. Therefore, the Metro Council finds and determines that the jobs and housing unit data for the Wilsonville city limits of 17,013 jobs and 5,329 housing units in 1996 for a 3.19 ratio of jobs/housing units is a better indicator of the extent of the Wilsonville Town Center jobs/housing imbalance than the staff estimate of a 2.74 ratio.

As the Town Center at the edge of the UGB with the greatest jobs/housing imbalance under either the staff of City of Wilsonville calculation, the Metro Council finds and determines that the Wilsonville Town Center is the best location to improve the Washington Square regional center jobs/housing imbalance by adding housing capacity to the UGB. Specifically, the Metro Council finds and determines that (1) Lake Grove and Lake Oswego Town Centers are to be considered together as one Town Center for purposes of this analysis, and (2) Tigard Town Center is the core "central" Town Center for the Washington Square regional center area. The data indicate that all 3 west side regional center areas, Beaverton, Hillsboro and Washington Square, have core Town Centers with very high jobs/household ratios in 2020. This is a subject for study of possible future refinements of 2040 Growth Concept policies concerning whether the core of regional center areas should accept a higher ratio of jobs, like the Portland Business District.

The Metro Council finds and determines that the "urban reserve plan" in the record is consistent with the City of Wilsonville testimony that land already inside the UGB, the former Dammasch state facility, cannot be efficiently redeveloped for housing uses without the addition of this portion of Urban Reserve Area #41 to the urban growth boundary.

The Metro Council finds and determines that the significant Wilsonville Town Center jobs/housing imbalance is a unique situation that deserves earliest possible connection because it "attracts" employees living outside the regional UGB to Wilsonville jobs. These jobs create a demand for housing, including rural housing outside the UGB, that are within short commuting distance from Wilsonville. As the City testified in its December 9, 1999 letter, it is the most

distant, 12 miles, from the core of the Washington Square regional center. The City's anecdotal evidence is that 41 of 139 city employees (almost 30%) commute from outside the regional UGB. This is supported by Metro transportation staff analysis of work trips to the Wilsonville area. About 33% of work trips to Wilsonville jobs originate outside the Metro UGB. See, Higgins memo December 9, 1999.

B. Urban Reserve Area #39 – 20 Acre School Site

By itself any 20 acre urban reserve is small enough to qualify for the acknowledged "locational adjustment" process which does not even address "need." UGB amendments of this small size do not have a significant impact by themselves on jobs, housing or UGB capacity. However, the unique "urban reserve plan" in the record has planned (1) the redevelopable land at Dammasch inside the UGB, (2) the planned portion of Urban Reserve Area #41, and (3) urban reserve area #39 together.

The record shows that the "urban reserve plan" includes a 7 acre primary school site. The school district indicates that this site is suitable for a primary school for 500 to 550 students. The "urban reserve plan" for URA #41 indicates an additional 2230 households (excluding 225 units planned for seniors). Application of the school district ratios for primary students per household results in a need for at least 150 more students from URA #41 that can be served from a new primary school on URA #39 adjacent to an existing school now inside the UGB.

The school district data indicates a systematic primary school capacity problem that if not addressed on URA #39 the city has indicated would impact the city's housing capacity. The city testified that only about 50 vacant areas remain zoned for housing in Wilsonville. If schools are constructed on that land, the jobs/housing imbalance would be worsened.

The Metro Council finds and determines that the closure of the outdated Wilsonville Primary School does not create a replacement site because a school use is inconsistent with the comprehensive plan designation, in a commercial/industrial area surrounded by commercial land uses, railroad tracks and a busy commercial street on the east. Therefore, the additional 20 acre school site, planned together with the "urban reserve plan," is needed to serve the Dammasch – URA #41 area and to avoid displacement of land inside the UGB zoned for housing by construction of a primary school to replace the Wilsonville Primary School. See, Liden memo dated December 8, 1999.

3.01.020(b)(3)

Factor 3

A. Economic Provision of Public Facilities and Services

Cost estimates for wastewater, water, stormwater, roads and transit reflect total buildout based on estimates of dwelling unit and employment capacity in URA 39 and this portion of

URA 41 resulted in a productivity analysis demonstrating that public facilities and services can be economically provided to URA 41 (supported by URA 39). November 24, 1998 Staff Report (Resolution 98-2729A) at pp. 10-13 (hereinafter "Staff Report").

B. Orderly Provision of Public Facilities and Services

URAs 39 and 41 are adjacent to the existing UGB. The studies summarized at pp. 13-18 of the Staff Report, including the Dammasch Plan, demonstrate that necessary services can be integrated with existing services.

3.01.020(b)(4)

Factor 4

A. Efficient Urban Growth Form

The Dammasch Plan accommodates approximately 2,300 housing units, both single and multi-family housing types at varying densities and price ranges. The average dwelling unit density is 10.2 dwelling units per net acre, is a sufficient density to support transit. This Plan indicates that URA 41 (as supported by URA 39) is capable of being developed as a compact community consistent with the 2040 Growth Concept. Maximum efficiency can be accomplished by development consistent with the 2040 design types adopted for this area in this ordinance utilizing a multi-modal transportation system including walking, bicycling, transit and driving. This is explained at pp. 19-20 of the Staff Report.

B. Facilitate Adjacent Urban Growth Form

A school on URA 39 would facilitate efficient growth inside the UGB by providing this public service in closer proximity to existing residential neighborhoods. This allows increased pedestrian, bicycle, and transit use in the vicinity. This school would also serve part of the service needed for URA 41 and the Dammasch State Hospital site already inside the UGB through the Dammasch Plan. This is explained at pp. 20-24 of the Staff Report.

3.01.020(b)(5)

Factor 5

A. Special Protection for Resources or Hazards

There is no evidence that there is any difference between these URAs and other sites for this subfactor. See, Staff Report p 24.

B. Economic Impacts

A regional economic opportunity analysis has not been prepared. However, improvement of the jobs/housing balance by adding this capacity for 2,300 housing units has positive economic impact. *See*, Staff Report pp. 24-25.

C. Long Term Consequences From This Urban Use

The long term impacts of urbanizing URA 39 and 41 can be mitigated so there are no more adverse impacts than the alternative sites. *See*, Staff Report pp. 25-35.

3.01.020(b)(6)

Factor 6

This factor is satisfied. *See*, Staff Report pp. 35-39.

3.01.020(b)(7)

Factor 7 Compatibility With Nearby Agricultural Activities

There are large areas of EFU zoned properties adjacent to URA 39, 41 outside the UGB. However, the former Dammasch Hospital site is, also, adjacent to URA 41 (served by URA 39). The potential impacts on nearby agricultural activities are considered at pp. 43-44 of the Staff Report.

3.01.020(c) Statewide Planning Goal 2

See, Staff Report pp. 45-96.

3.01.020(d) Clear Transition Between Urban and Rural Lands

The Dammasch Area Plan and the 2040 Design Types required by this ordinance assure smaller lot, multi-family residences toward the center of the plan area with larger lot single family detached residences toward the western edge. *See*, Staff Report pp. 46-47.

3.01.020(e) Other applicable Statewide Planning Goals

Goals 1, 2, 3, 5, 6, 7, 9, 10 are addressed at Staff Report pp. 47-49.

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OGC/LSS/kvw (12/13/99)

STAFF REPORT TO THE METRO COUNCIL

Prepared by: J. Bradford, Growth Management

Proposal: Metro Legislative Amendment - Consideration of Ordinance No. 99-834 for the purpose of adding to designated urban reserve areas for the Portland Metropolitan Area Urban Growth Boundary.

Urban Reserves: Urban Reserve Areas (URAs) #39 and #41, Wilsonville

Applicable Review Criteria: Metro Code Section 3.01.020.

SECTION I: INTRODUCTION AND SITE INFORMATION

Introduction:

The purpose of this report is to provide an update to the November 24, 1998 Metro staff analysis on urban reserve areas #39 and #41 in the Wilsonville Area.

Site Information:

URA #39

Urban reserve #39 consists of 20 EFU acres. The eastern boundary of the area is the Metro UGB and the City of Wilsonville city limits. This area is the proposed site for a school, and is adjacent to public school property to the east, inside of the UGB. The site currently belongs to the State of Oregon, and is being held in the Division of State Lands Common School Fund. It is available to the West Linn-Wilsonville School District, provided that it is used for the construction of a public school. The area is located north of Wilsonville Road, and is a little more than a mile away from I-5. This reserve site has no tree cover. The area is within Clackamas County and is not within the Metro jurisdictional boundary. The June 1998 Metro Urban Reserve Productivity Analysis, which has been used for jobs and dwelling unit estimates in these areas, did not estimate urban reserve #39 to accommodate additional dwelling units or jobs. However, as noted on page 20 of the November 24, 1998 Metro staff analysis, the concept plan for urban reserve #39 estimates that the school will hold approximately 50 teaching and support jobs.

URA #41 (southern portion)

The southern portion of urban reserve #41, or the portion formerly referred to as the first-tier portion, sits south of Tooze Road. This area surrounds the former Dammasch State Hospital, and underwent a master planning process in 1996 (*The Dammasch Area Transportation-Efficient Land Use Plan*). The area consists of 279 acres, 225 of which are EFU. The area is within Clackamas County and is not within the Metro jurisdictional boundary. The annexation application for Metro's jurisdictional boundary applies to 248 acres, excluding several parcels where the owners do not

wish to annex. In addition, as noted in an October 18, 1999 letter to Metro Council's presiding officer from the City of Wilsonville's planning director, the State Legislature has recently acted to require that the State-owned properties in this area be sold for development, subject to the City's master plan.

The Productivity Analysis estimates that the southern portion of urban reserve #41 can accommodate between 1,277 and 1,286 dwelling units, and between 426 and 429 jobs. The Dammasch Plan estimates that the entire planning area, including lands within and outside the urban reserve could accommodate approximately 2,300 housing units, with an average dwelling unit density of 10.2 dwelling units per net acre.

Metro Code amendments no longer require that an urban reserve plan be completed prior to approval of a UGB amendment. Title 11 of the Urban Growth Management Functional Plan now requires that the same concept plan work be completed and approved by the local government before the land is developed.

SECTION II: ADDITIONAL REVIEW CRITERIA

The criteria for a legislative amendment to the UGB are contained in Metro Code Section 3.01.020. They are based primarily on Statewide Planning Goals 2 and 14 and have been acknowledged, or approved by the State as meeting its requirements. The criteria and staff analysis of the factors outlined in the Metro Code are contained in Metro's Staff Report, November 24, 1998 (Resolution No. 98-2729A). Additional information that has appeared since the November 24, 1998 staff report is contained in the sections below.

Factor 1: Demonstrated need to accommodate long-range urban population growth.

Please see page 6 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

As per Metro Resolution 99-2855C, Metro Council has accepted the 1997 Urban Growth Report Update, with additional work to be completed on estimates of capacity in environmentally sensitive areas and capacity from accessory dwelling units. Metro Council has also resolved to request a time extension from the Department of Land Conservation and Development to complete required actions that will ensure a 20-year housing supply in the Urban Growth Boundary. This time extension, to October 31, 2000, will allow Metro to respond to the requirements of State Goal 5, regarding fish and wildlife protection. Estimates from the 1997 Urban Growth Report Update indicate that implementation of Goal 5 could reduce the 20-year buildable land supply by approximately 15,000 dwelling units, resulting in a final deficit of approximately 14,800 dwelling units over the 20-year timeframe.

Factor 2: Need for housing, employment opportunities and livability may be addressed under either subsection (A) or (B) or both.

Please see page 9 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

Urban Reserve #39:

A November 18, 1999 letter from Mike Gates, chairman of the West Linn-Wilsonville School Board (Exhibit B) notes that existing school facilities are insufficient to serve the growth that is expected for this area.

In addition, as noted on page 62 of the November 18, 1999 staff report, the school proposed for this site will contain approximately twice the enrollment of most primary schools. The addition of this school will serve the needs of the broader community. While a school may be included in the Dammasch Area as part of the plan for urban reserve #41, this school is intended to serve only the needs of the Dammasch community.

Urban Reserve #41:

A November 18, 1999 letter from the mayor of the City of Wilsonville to Metro's presiding officer (Exhibit C) notes that inclusion of the southern portion of urban reserve #41 would allow the region to accommodate about 2,300 dwelling units on the entire planning area - within one mile of an area with a very high concentration of jobs.

Additional points have been raised regarding the issue of jobs-housing balance.

The November 18, 1999 letter from the mayor of the City of Wilsonville to Metro Council's presiding officer (Exhibit C) counters the approach of analyzing jobs-housing balance at the regional level, which would place Wilsonville with the Washington Square area. The mayor opts, instead, for analyzing jobs-housing balance within smaller sub-regional areas, and notes that inclusion of urban reserve #41 would be the best option for alleviating Wilsonville's relative jobs surplus, as there is a shortage of buildable and redevelopable land in the area.

Metro staff have examined the jobs-housing balance issues in Washington County in a report dated December 1, 1999. A number of different jobs/housing ratios could be calculated based on travel times, geography and home owner preferences. The staff analysis uses a methodology consistent with the urban reserve analysis from 1994, and defines a ratio above 2.00 as jobs rich. A more favorable ratio is estimated at 1.48, representing the current balance for areas outside of the central business district.

Metro (through the RUGGO and the 2040 Growth Concept) and the LCDC concur that subregional need should be demonstrated through a jobs-housing ratio measured across one or more regional center market areas. Most areas smaller than Town Centers have inherent jobs-housing imbalances. The jobs-housing concept recognizes the boundary definition issue, and intends that the concept of balancing jobs and housing should be determined on a wider subregional scale. However, whether job-housing ratios in Wilsonville are examined on a larger geographic area or at a smaller sub-regional level, evidence supports the conclusion that this is a jobs rich area. The analysis shows that the entire Washington Center area is jobs rich, with a jobs-housing ratio of 2.10. This ratio is projected to decline only slightly to 2.02 by the year 2020.

Factor 3: Orderly and economic provision of public facilities and services. An evaluation of this factor shall be based upon the following:

- (A) For the purposes of this section, economic provision shall mean the lowest public cost provision of urban services. When comparing alternative sites concerning Factor 3, the best site shall be that site which has the lowest net increase in the total cost for provision of all urban services. In addition, the comparison may show how the proposal minimizes the cost burden to other areas outside the subject area proposed to the brought into the boundary.**

Please see page 10 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

- (B) For the purposes of this section, orderly shall mean the extension of services from existing serviced areas to those areas which are immediately adjacent and which are consistent with the manner of service provision. For the provision of gravity sanitary sewers, this could mean a higher rating for an area within an already served drainage basin. For the provision of transit, this would mean a higher rating for an area that could be served by the extension of an existing route, rather than an area, which would require an entirely new route.**

Please see page 13 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

Factor 4: Maximum efficiency of land uses within and on the fringe of the existing urban area. An evaluation of this factor shall be based on at least the following:

- (A) The subject area can be developed with features of an efficient urban growth form including residential and employment densities capable of supporting transit service; residential and employment development patterns capable of encouraging pedestrian, bicycle, and transit use; and the ability to provide for a mix of land uses to meet the needs of residents and employees. If it can be shown that the above factors of compact form can be accommodated more readily in one area than others, the area shall be more favorably considered.**

Please see page 19 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

- (B) The proposed UGB amendment will facilitate achieving an efficient urban growth form on adjacent urban land, consistent with local comprehensive plan policies and regional functional plans, by assisting with achieving residential and employment densities capable of supporting transit service; supporting the evolution of residential and employment development patterns capable of encouraging pedestrian, bicycle, and transit use; and improving the likelihood of realizing a mix of land uses to meet the needs of residents and employees.**

Please see page 21 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

In addition, the following information has been submitted since the last staff report regarding urban reserves #39 and #41.

Urban Reserve #39:

A November 18, 1999 letter from Wilsonville's mayor to Metro's presiding officer (Exhibit C) notes that Wilsonville has no other vacant parcels this size that are in close proximity to existing residential neighborhoods. The property is held in trust for the Common School Fund. Thus, the only urban use that can be made of this area is a public school. In addition, as this property is adjacent to an existing middle school, it provides an opportunity for increased efficiency because the adjoining schools can share a parking lot and other facilities.

Urban Reserve #41:

The November 18, 1999 letter from Wilsonville's mayor to Metro's presiding officer (Exhibit C) notes that if the City of Wilsonville is not able to implement the full extent of the Dammasch master plan, "The Dammasch property that is already within the City limits will not be able to be redeveloped to provide much in the way of needed housing." While 1,277 housing units have been reported as a capacity estimate for the portion of the planning area within the UGB, the planning area will develop in whole or not at all; thus the area will achieve approximately 2,300 additional dwelling units, as estimated by the Dammasch Plan, or no additional dwelling units. Surrounding properties are needed to efficiently provide services to the former Dammasch Hospital site.

Factor 5: Environmental, energy, economic and social consequences. An evaluation of this factor shall be based upon consideration of at least the following:

- (A) If the subject property contains any resources or hazards subject to special protection identified in the local comprehensive plan and implemented by appropriate land use regulations, findings shall address how urbanization is likely to occur in a manner consistent with these regulations.

Please see page 24 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

- (B) Complementary and adverse economic impacts shall be identified through review of a regional economic opportunity analysis, if one has been completed. If there is no regional economic opportunity analysis, one may be completed for the subject land.

Please see page 24 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

- (C) The long term environmental, energy, economic, and social consequences resulting from the use at the proposed site. Adverse impacts shall not be significantly more adverse than would typically result from the needed lands being located in other areas requiring an amendment of the UGB.

Please see page 25 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

Factor 6: Retention of agricultural land. This factor shall be addressed through the following:

(A) Prior to the designation of urban reserves, the following hierarchy shall be used for identifying priority sites for urban expansion to meet a demonstrated need for urban land:

- (i) Expansion of rural lands excepted from Statewide Planning Goals 3 and 4 in adopted and acknowledged county comprehensive plans. Small amounts of rural resource land adjacent to or surrounded by those "exception lands" may be included with them to improve the efficiency of the boundary amendment. The smallest amount of resource land necessary to achieve improved efficiency shall be included;**
- (ii) If there is not enough land as described in (i) above to meet demonstrated need, secondary or equivalent lands, as defined by the State, should be considered;**
- (iii) If there is not enough land as described in either (i) or (ii) above, to meet demonstrated need, secondary agricultural resource lands, as defined by the State should be considered;**
- (iv) If there is not enough land as described in either (i), (ii) or (iii) above, to meet demonstrated need, primary forest resource lands, as defined by the State, should be considered;**
- (v) If there is not enough land as described in either (i), (ii), (iii) or (iv) above, to meet demonstrated need, primary agriculture lands, as defined by the State, may be considered.**

Please see page 35 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

(B) After urban reserves are designated and adopted, consideration of Factor 6 shall be considered satisfied if the proposed amendment is wholly within an area designated as an urban reserve.

Please see page 35 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

(C) After urban reserves are designated and adopted, a proposed amendment for land not wholly within an urban reserve must also demonstrate that the need cannot be satisfied within urban reserves.

Please see page 35 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

Factor 7: Compatibility of proposed urban development with nearby agricultural activities. The record shall include an analysis of the potential impact on nearby agricultural activities including the following:

- (i) **A description of the number, location and types of agricultural activities occurring within one mile of the subject site;**

Please see page 38 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

- (ii) **An analysis of the potential impacts, if any, on nearby agricultural activities taking place on lands designated for agricultural use in the applicable adopted county or city comprehensive plan, and mitigation efforts, if any impacts are identified. Impacts to be considered shall include consideration of land and water resources, which may be critical to agricultural activities, consideration of the impact on the farming practices of urbanization of the subject land, as well as the impact on the local agricultural economy.**

Please see page 43 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

Requirements pertaining to Metro Code Section 3.01.020 (c), (d), and (e); and Metro Code Section 3.01.012 (e) are addressed in the Staff Report.

Please see page 45 of Metro's November 24, 1998 staff report on urban reserves #39 and #41 (Resolution No. 98-2729A) for an evaluation of this criterion.

SECTION III: SUMMARY OF STAFF REPORT CONCLUSIONS

The submissions received to date, as well as the information provided in the November 24, 1998 staff report, indicate that the criteria above have been satisfied.

October 13, 1999

Mr. Rod Monroe
Presiding Officer
Metro Council
600 NE Grand Ave.
Portland, OR 97232

City of

WILSONVILLE
in OREGON



30000 SW Town Center Loop E
Wilsonville, Oregon 97070
(503) 682-1011
(503) 682-1015 Fax
(503) 682-0843 TDD

Dear Mr. Monroe and Metro Councilors:

The City of Wilsonville continues to maintain its commitment to the completion of long range plans for all six of the Urban Reserve areas adjoining our City. We intend to plan for, and help to assist with, the eventual urbanization of all six of those areas in the coming years.

At the present time, our primary focus is on two of those areas. We are requesting that the Urban Growth Boundary be expanded to include Urban Reserve Area 39 and the southern portion of Area 41 (south of Tooze Road) as soon as possible.

Area 39 is a 20-acre site that is being acquired by the West Linn – Wilsonville School District for the construction of a new school. The site is currently held in trust for the Common School Fund by the Division of State Lands. The School District has already received voter approval for this acquisition and has prepared a master plan for the development of the site.

The southern portion of Area 41 includes the private properties that surround the former Dammasch State Hospital. A master plan was prepared for the development of that area three years ago (*The Dammasch Area Transportation-Efficient Land Use Plan*). Of the 520 acres covered by that master plan, approximately half are outside the current City limits, in the area that we are seeking to have added to the UGB. The Dammasch Plan includes 2300 housing units at a wide range of densities, four neighborhood parks, 100 acres of open space (mostly wetlands), a public school site, and a core commercial area. Recent action by the State Legislature requires that the State-owned portion be sold for development, subject to the City's master plan. A copy of the land use map from the Dammasch Plan has been attached for your review.

The City of Wilsonville has been through an interesting last few years, as we have successfully defended the Dammasch area against the development of a State prison that would have made it impossible to implement the Dammasch Plan; we have simultaneously had to find a new water source to meet the community's growing needs. The result has been a delay in completing some other important planning projects. As some of you will recall, the City has continued to advocate for the

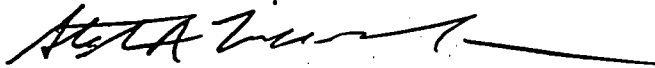


inclusion of these Urban Reserve Areas within the UGB while we have dealt with these other issues as well.

Thank you for your continued support. We would not have been so successful in our recent efforts, if not for Metro's efforts on our behalf.

If you have any questions about this information, or other aspects of the City planning program, please contact me.

Sincerely,



Stephan Lashbrook, AICP
Planning Director

CC: Mayor Lehan and City Council
Planning Commission
Arlene Loble, City Manager
Eldon Johansen, Community Development Director
Elaine Wilkerson, Metro Growth Management

November 18, 1999

Attn: Metro Council

RE: UGB expansion in UR 39

Please accept this as written support to the testimony provided today at your hearing on this matter.

From: Mike Gates, Chairman, West Linn-Wilsonville School Board

The inclusion of parcel #39 is crucial to the educational needs of our school district. We support it as one on the center pieces of our own Long Range Facilities Plan.

Existing primary schools in Wilsonville are already over capacity, with the needs growing every day for more classrooms and adjacent facilities. To meet these explosive growth we hope to begin construction this summer on a new structure.

Voters have already expressed their support by passage of a bond measure to fund the construction of the needed school.

The last piece missing is to bring the former State owned parcel inside the UGB. The county is not structured to provide the basic services required, but the City of Wilsonville, recognizing the impending construction has already begun steps to help speed the process, upon your approval.

Those steps include annexation and comprehensive plan amendments to change zoning. Neither process can be completed until the land is inside the UGB.

The key issue is livability. Without the site, existing school facilities will continue to be inadequate to serve current and expected growth within the current UGB.

Our District has implemented several interim alternatives, including modular units, modified shifts for staff development, and many restrictions in curriculum due to lack of space. All these alternatives are inferior to building a new school.

On behalf of the more than 7,000 students in our District, we heartily urge the bringing of UR 39 inside the UGB.

Thank you for your time and consideration.

Mike Gates



30000 SW Town Center Loop E
Wilsonville, Oregon 97070
(503) 682-1011
(503) 682-1015 Fax
(503) 682-0843 TDD

November 18, 1999

Mr. Rod Monroe
Metro Presiding Officer
600 NE Grand Ave.
Portland, OR 97232

Dear Mr. Monroe and members of the Metro Council:

I am writing to provide input on two related matters that are currently before the Metro Council for consideration. The first concerns the issue of sub-regional consideration of jobs/housing balance. The second concerns the addition of Urban Reserve Area 39 and the southern portion of Urban Reserve Area 41 to the regional Urban Growth Boundary.

Before dealing with those issues, let me provide as background the fact that, according to information received from Metro, Wilsonville had 17,013 jobs and only 5,329 housing units in 1996 (3.19 jobs/housing unit). We have added more housing units than jobs since 1996. Still, Wilsonville continues to have an extremely high ratio of jobs to housing units. This sort of imbalance is quite unprecedented.

Wilsonville has a Town Center, but no Regional Center according to Metro's standards. We have been told that calculating jobs/housing balance on a strictly regional basis means that Wilsonville is lumped in with the Washington Square area, and everything in between. I respectfully submit that this makes no sense at all and is counter-productive to sound regional planning.

Washington Square is some twelve miles from Wilsonville's center, with the connecting traffic corridors between Wilsonville and Washington Square (Interstate-5 and Highway 217) among the most congested in the region. Aggregating Wilsonville and Washington Square together for jobs/housing calculations is the same as saying that it is a good thing to encourage people living around Washington Square to commute to Wilsonville for jobs. In fact, that is the last thing that the region needs at this point. If Metro fails to take a sub-regional view of jobs/housing, you will be encouraging the kinds of land use and transportation patterns that we are all trying to prevent.



Wilsonville has relatively little developable residential land within the City limits and we do not yet have any UGB land outside the City. Because most of Wilsonville was built within the last twenty years, we do not have much potential for redevelopment in the near future. This means that we must look to residential development in the Urban Reserves to meet our growth needs and improve our jobs/housing balance.

By including the southern portion of Urban Reserve Area 41 in the Urban Growth Boundary, you will be helping to make the planned Dammasch urban village a reality. The 2,300 housing units planned for that area will be within one mile of thousands of Wilsonville's current job sites.

Another important consideration in evaluating the Dammasch area is the fact that the former hospital itself will be very difficult, if not impossible, to develop to urban housing densities without also including the remainder of the master planned area within the UGB. I am aware that Metro's staff has summarized the potential productivity of the southern portion of Urban Reserve Area 41 by concluding that it would add 1,277 housing units. A cursory observation might lead one to that conclusion, assuming that the site of the former hospital itself could be redeveloped without urbanizing the surrounding land. In fact, there is no efficient way of providing urban services to the old hospital site without including the surrounding properties. From our perspective, the development of this area will either lead to the 2,300 housing units of the Dammasch master plan, or will result in very little housing development at all.

Urban Reserve Area 39 is only twenty acres in size. While small by urban reserve standards, it is an unusual commodity. Wilsonville does not have any other vacant parcels of this size within easy access of residential neighborhoods. This property is held in trust for the Common School Fund. The only urban use that can be made of Urban Reserve Area 39 is as a public school.

Another unique characteristic of Urban Reserve Area 39 is that it adjoins an existing school. This provides an opportunity for increased efficiency because the adjoining schools can share a parking lot and other facilities.

The City of Wilsonville continues to plan for the urban development of all six of the urban reserve areas adjoining our City. We are most interested in the inclusion of the two Urban Reserves mentioned above in the UGB at this time because these are areas where master plans for development have already been completed. A great deal of community involvement and hard work have already gone into the development of both of these sites and we hope to see that work come to fruition in the near future.

To summarize, the City of Wilsonville seeks the immediate inclusion of Urban Reserve Area 39, and the southern portion of Area 41, to the Urban Growth Boundary as soon as possible because:

- * The City of Wilsonville has an unprecedented jobs to housing imbalance, historically exceeding 3 jobs per housing unit;
- * There is a need and justification to consider Wilsonville's jobs/housing imbalance from a sub-regional perspective. To do otherwise will assure that the jobs/housing situation, and the traffic congestion that results, will worsen over time;
- * The City is ready to move forward with the annexation and urban development of these areas immediately after Metro adds them to the Urban Growth Boundary;
- * The City needs to be able to implement the Dammasch master plan portion of Urban Reserve Area 41 in order to provide a significant new housing area. Without it, the Dammasch property that is already within the City limits will not be able to be redeveloped to provide much in the way of needed housing.

Our staff will be glad to work with yours to provide additional information to help prepare your record for this decision. We appreciate your continued support.

Sincerely,



Charlotte Lehan
Mayor

CC: Metro Councilors

City of Wilsonville Proposed Urban Growth Boundary Expansion - November, 1999

Dammasch portion of
Urban Reserve Area 41

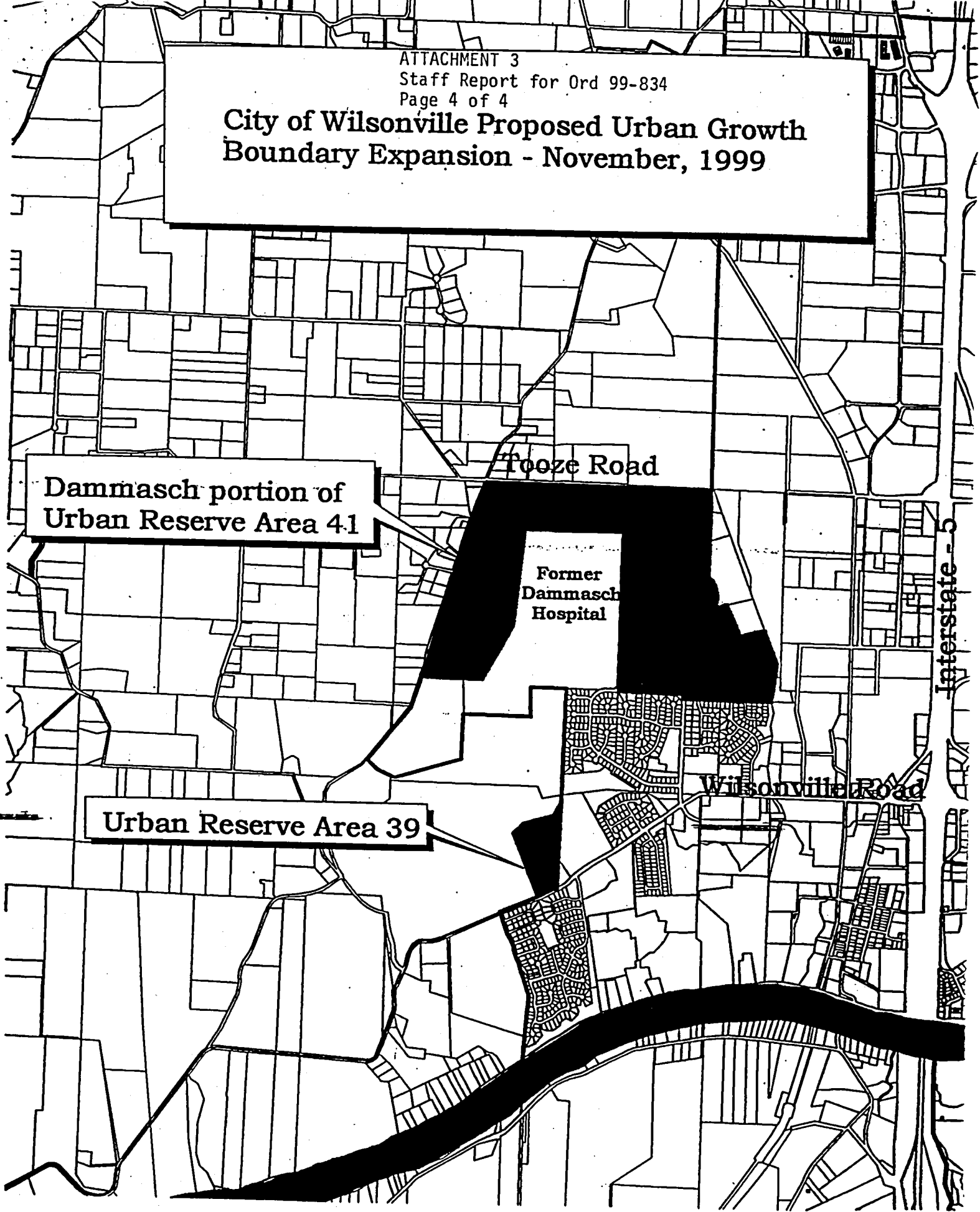
Fooze Road

Former
Dammasch
Hospital

Urban Reserve Area 39

Wilsonville Road

Interstate - 5



Agenda Item Number 7.5

Ordinance No. 99-812A, For the Purpose of Amending Metro Urban Growth Boundary and the 2040 Growth Concept Map in Ordinance No. 95-625A in Urban Reserve Area 65 in Washington County.

Second Reading

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) ORDINANCE NO 99-812A
METRO URBAN GROWTH BOUNDARY)
AND THE 2040 GROWTH CONCEPT) Introduced by Councilor Monroe
MAP IN ORDINANCE 95-625A)
IN URBAN RESERVE AREA 65 IN)
WASHINGTON COUNTY)

WHEREAS, the Metro Council designated urban reserve areas in Ordinance No. 96-655E, including Urban Reserve Area 65; and

WHEREAS, urban reserve study areas were shown on the 2040 Growth Concept map adopted as part of the Regional Urban Growth Goals and Objectives in Ordinance No. 95-625A and the map was amended by Ordinance No. 96-655E to show urban reserve areas; and

WHEREAS, ORS 197.298(1)(a) requires that land designated as urban reserve land by Metro shall be the first priority land to be included in the Metro Urban Growth Boundary (UGB); and

WHEREAS, ~~the Metro Council initiated a series of legislative amendments to the Urban Growth Boundary in 1998 which included Urban Reserve Area 65 which was the subject of a Metro Council Resolution 98-2726B which expressed of intent to amend the Metro Urban Growth Boundary pursuant Metro Code 3.01.015(h)(5) for lands outside the Metro jurisdictional boundary; and~~

~~WHEREAS, a series of hearings was held before the Council Growth Management Committee on October 6, 13, 20 and 27, and before the full Metro Council on November 10, 12, 16, 17, 19 and December 3, 1998; and~~

~~WHEREAS, notice of Proposed Amendment for Urban Reserve Area 65, consistent with Metro Code and ORS 197.610(1), was received by the Oregon Department of Land Conservation and Development at least 45 days prior to the December 3, 1998 hearing; and~~

~~WHEREAS, on December 17, 1998 the Metro Council adopted Resolution No. 98-2726B expressing Council intent to amend the urban growth boundary to add land in Urban Reserve Area 65 to the urban growth boundary within 30 calendar days of receiving notification that the property outside the jurisdictional boundary had been annexed to Metro, provided such notification was received within six (6) months of the date on which the resolution was adopted; and~~

WHEREAS, on May 13, 1999, in Order 99-82, the Multnomah Board of County Commissioners approved annexation of approximately 109 acres in Urban Reserve 65 as shown on the map in Exhibit B to the Metro jurisdictional boundary; and

~~WHEREAS, the Metro Council received notice of the annexation on June 15, 1999 within six months of adoption of Resolution 98-2726B; and~~

~~WHEREAS, after the first reading of this ordinance, the Metro Council scheduled hearings before _____ in July, 1999; and~~

WHEREAS, notice of hearings was published and mailed in compliance with Metro Code 3.01.050(b), (c) and (d); and

WHEREAS, notice of Proposed Amendment for Urban Reserve Area 65, consistent with Metro Code and ORS 197.610(1), was received by the Oregon Department of Land Conservation and Development at least 45 days prior to the first evidentiary hearing on November 18, 1999 hearing; and

WHEREAS, a series of hearings was held before the Council Growth Management Committee on October 6, 13, 20 and 27, and before the full Metro Council on December 9 and 16, 1999; and

WHEREAS, the staff report for these areas was available at least seven days prior to the final hearing ~~on adoption of Resolution 98-2726B and the Metro Council's final hearing and~~ final adoption of this ordinance on December 16, 1999; and

WHEREAS, the Metro Code 3.01.012(e)(3) requires that all land added to the Metro Urban Growth Boundary shall be subject to comprehensive plan amendments consistent with Title 11 of the Urban Growth Management Functional Plan and designation of regional design types consistent with the 2040 Growth Concept for the land added to the UGB; and

WHEREAS, the Metro Council considered all the evidence in the record, including public testimony in October, November, December, 1998 and ~~July~~October, November and December, 1999 to decide proposed amendments to the Urban Growth Boundary; and

~~WHEREAS, conditions of approval are necessary to assure that the lands in Urban Reserve Area 65 added to the Urban Growth Boundary are used to meet the need for housing consistent with the acknowledged 2040 Growth Concept; now therefore,~~

THE METRO COUNCIL HEREBY ORDAINS AS FOLLOWS:

1. Regional design types consistent with the Metro 2040 Growth Concept for the land added to the Metro Urban Growth Boundary by this ordinance as shown on attached Exhibit A are hereby adopted.

2. The Metro Urban Growth Boundary is hereby amended to include land in Urban Reserve Area 65 as shown on the map in Exhibit B, attached, and incorporated by reference herein.

3. The 2040 Growth Concept map adopted as part of Ordinance No. 95-625A is hereby amended to show the Metro Urban Growth Boundary amendment in Exhibit B as within the UGB, instead of urban reserves.

4. This amendment of the Metro Urban Growth Boundary is based on Findings of Fact and Conclusions in Exhibit C, attached hereto and incorporated by reference herein.

5. In support of Findings and Conclusions adopted in Exhibit C of this Ordinance, the Council hereby designates as the record herein those documents submitted and before the Council for consideration on these lands during the period between the October 6, 1998 Growth Management hearing, ~~the December 3, 1998 Metro Council hearing on Resolution 98-2726B and~~ the December 16 1999, Metro Council 1999 final hearing and final adoption of this ordinance.

~~7. The following conditions of approval are needed to assure compliance of the developed use with statewide planning goals and Metro's acknowledged regional goals and objectives:~~

~~A. The land added to the Urban Growth Boundary by this ordinance shall be planned and zoned for housing uses to the extent and in a manner consistent with the acknowledged 2040 Growth Concept text and the regional design types shown on Exhibit A.~~

~~B. Prior to conversion of the new urbanizable land in this ordinance to urban land available for development, an urban reserve plan shall be completed for the lands added to the Urban Growth Boundary by this ordinance consistent with Metro Code 3.01.012, as amended~~

by Ordinance No. 98-772B, including Title 11 of the Urban Growth Management Functional Plan.

~~C. Urban development consistent with Goal 14, Factor 3 on orderly provision of stormwater urban service is feasible with the condition that the urban reserve plan shall require that a stormwater management plan be adopted for this area to assure that the velocity, temperature, sedimentation and chemical composition of stormwater runoff from the form of approved development meets state and federal water quality standards.~~

~~D. Urban development consistent with Title 3 of the Urban Growth Management Functional Plan on Flooding is feasible with the condition that the urban reserve plan and subsequent urban zoning provide for stormwater management to assure that the quantity of stormwater runoff leaving each site after urban development is no greater than before urban development.~~

~~E. Urban development consistent with Title 3 on Water Quality is feasible with the condition that Title 3 water quality setbacks and revegetation requirements shall be adopted prior to adoption of urban comprehensive plan and zoning designations for this area.~~

6. Pursuant to Metro Code 3.01.040(b)(5) the comprehensive plan text amendments identified in Exhibit D, are necessary to ensure implementation of the 2040 Growth Concept in the area added to the Metro Urban Growth Boundary by this Ordinance.

§7. Consistent with ORS 268.390(3) and ORS 195.025(1), Washington County and the City of Beaverton shall include the area added to the Urban Growth Boundary by this Ordinance as shown on the map in Exhibit B in applicable text and map provisions of their comprehensive plans.

ADOPTED by the Metro Council this _____ day of _____ 1999.

Rod Monroe, Presiding Officer

ATTEST:

Approved as to Form:

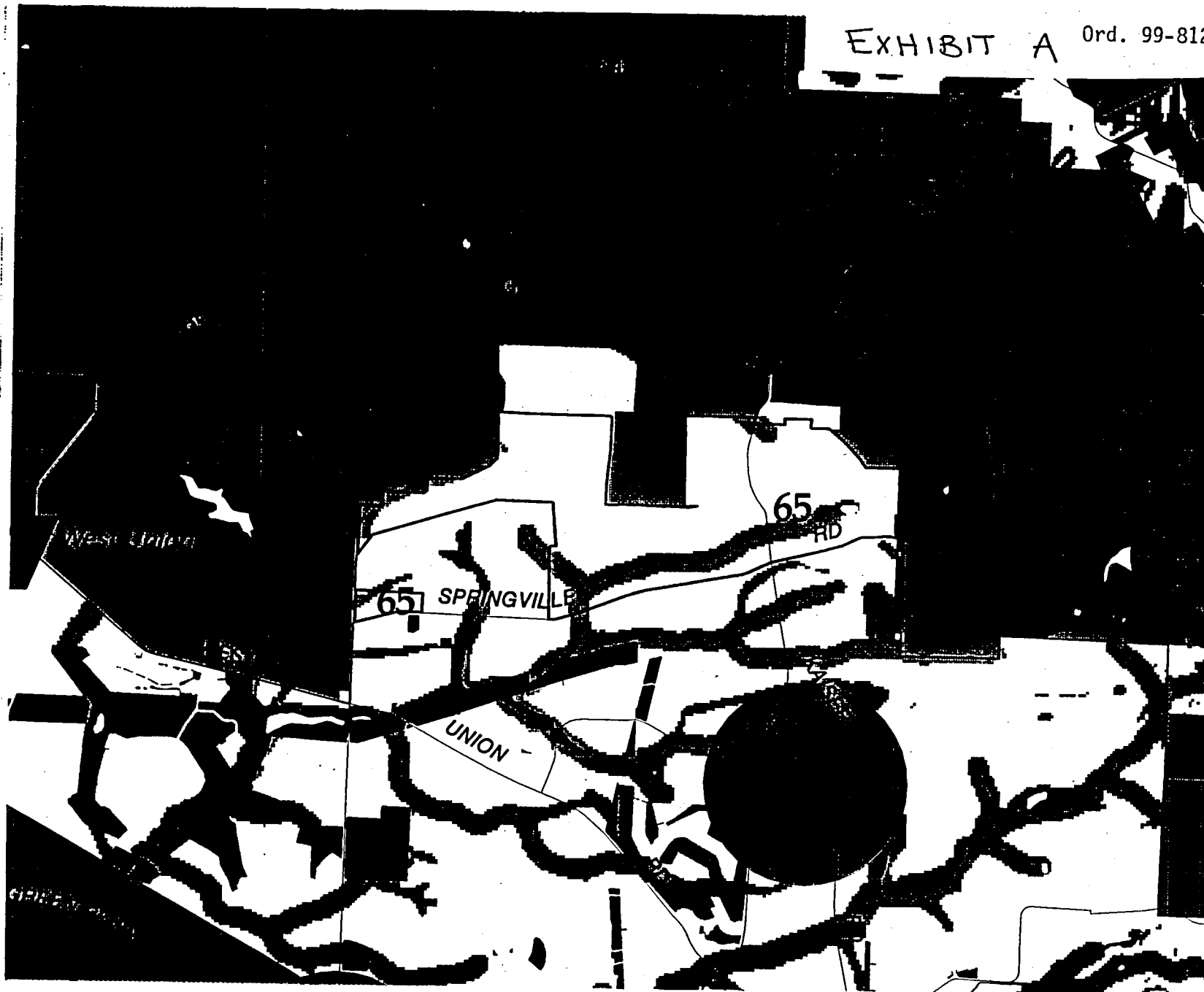
Recording Secretary

Daniel B. Cooper, General Counsel

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(11/99)OGC/KDH/kvw (12/06/99)

Draft 2040 Design Types Urban Growth Boundary Legislative Amendment Index number 15

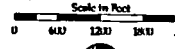
- Central City
- Regional Center
- Town Centers
- Inner Neighborhoods
- Outer Neighborhoods
- Employment Areas
- Industrial Areas
- Corridors
- Main Streets
- ~ Proposed Regional Throughway
- ~ Potential Regional Throughways
- ~ Green Corridors
- ~ Planned & Existing Light Rail L
- ~ Proposed Light Rail Alignment
- ~ Potential I.R.T. Routes
- Light Rail Stations
- Potential Light Rail Stations
- International Airports
- Regional Airports
- Terminals
- Intermodal Rail Yards
- ~ Rail Distribution Network
- ~ Exclusive Farm Use
- ~ Recreation Land in Urban Reser
- ~ Resource Land in Urban Reser
- ~ Urban Reserves not in Legislative Amendment
- ~ Rural Reserve
- ~ Open Space
- ~ Urban Growth Boundary
- ~ Urban Reserve Boundaries
- ~ Areas added to Reserve by Metro Council Ordinance
- ~ Neighboring Cities
- Public Parks



DRAFT



Scale in Feet





METRO



EXHIBIT B

Urban Reserve 65

ORDINANCE 99-812A

-  Urban Growth Boundary
-  Proposed Amendment
-  Other Reserves



The information on this map was derived from digital databases on Metro's GIS. Care was taken in the creation of this map. Metro cannot accept any responsibility for errors, omissions, or positional inaccuracies. There are no warranties, expressed or implied, including the accuracy of measurements or fitness for a particular purpose, concerning this product. However, notification of any errors will be appreciated.



1" = 1400 feet



METRO

600 NE Grand Ave.
 Portland, OR 97232-2736
 503 797-1742 FAX 503 797-1909
 Email: drc@metro.dst.or.us

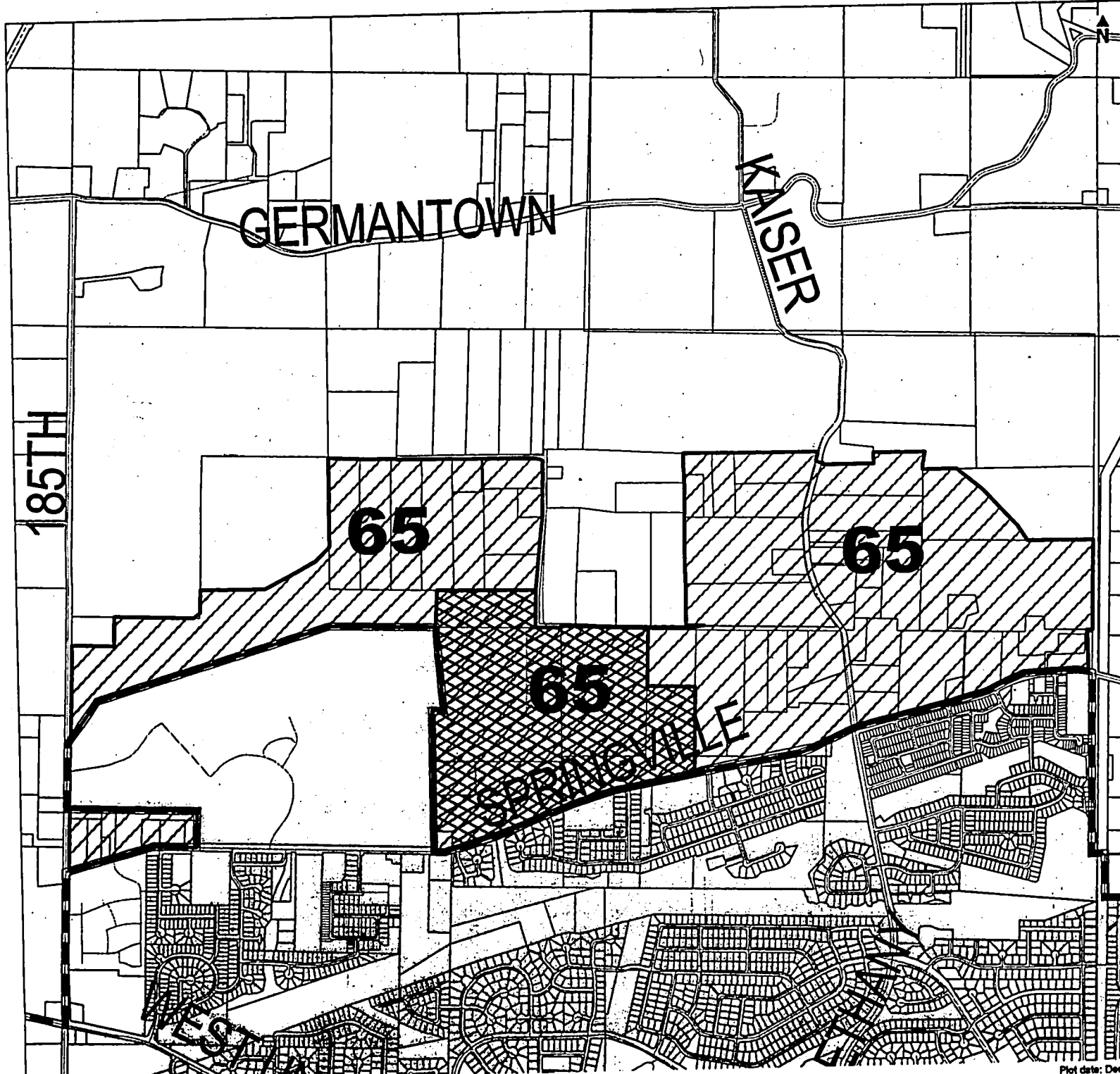


EXHIBIT D
Ordinance 99-812A

Metro Code 3.01.040(b)(5) allows the Council to adopt text interpretations of the requirements of the Urban Growth Management Functional Plan (UGMFP), which implements the 2040 Growth Concept, in particular Title 11, to “address special land needs that are the basis for the amendment.”

The 1998 staff report for Resolution 98-2726B recommended conditions for URA 65 to ensure compliance with the UGMFP. As part of Washington County’s Ordinance No. 546, the county imposed conditions on the comprehensive plan amendments for the 109 acre portion of URA 65 which substantially address the staff’s recommended conditions for Resolution 98-2726B. *See*, Exhibit 1 of Ordinance No. 546.

The Metro Council finds that the conditions imposed by Washington County Ordinance No. 546 are sufficient to ensure compliance with the UGMFP. Therefore, it is unnecessary for the Council to adopt text interpretations under Metro Code 3.01.040(b)(5) as part of this ordinance.

EXHIBIT C
Ordinance No. 99-812A (URA 65)
ADOPTED FINDINGS AND CONCLUSIONS

These findings explain why the amendment of the Metro UGB to include 109 acres of Urban Reserve Area 65 (the subject property is generally referred to herein as "Site 65") complies with the MC 3.01.020, as well as with other applicable approval criteria. The findings below address MC 3.01.020 in two sections: First, the findings explain why there is a "need" to expand the boundary onto Site 65 based on factors 1 and 2 of the Metro Code. Second, the findings explain why Site 65 is an appropriate location, and why there are not better alternative sites, for expanding the boundary. The alternative site analysis involves a consideration and balancing of Metro Code factors 3 through 7, and also addresses the priority considerations set out in ORS 197.298. Because the subject property has been designated as urban reserve land, it is a "first priority" site for expansion under ORS 197.298(1)(a). Nevertheless, because of the still-pending appeal of Metro's urban reserve designation, the findings explain why the inclusion of Site 65 complies with ORS 197.298 in the absence of the urban reserve designation.

3.01.015

The Metro Council initiated this Legislative Amendment proceeding after consultation with the Metro Policy Advisory Committee (MPAC) and the 24 cities and three counties in Metro's jurisdiction. In August, 1999, the Metro Council requested that local governments notify Metro of current land needs to meet 2040 Growth Concept implementation, including jobs/housing balance considerations, that could be the subject of the Urban Growth Boundary amendments. Prior to this request, the Washington County Board of Commissioner expressed a desire for the Council to consider a portion of urban reserve area (URA) 65 for an urban growth boundary (UGB) amendment. The Council included URA 65 in a group of urban reserve areas from throughout the region that local governments requested be considered for UGB amendments during 1999.

Metro Code 3.01.015(e) requires that when a city or county has adopted comprehensive plan amendments for an urban reserve area in anticipation of a UGB amendment, that the Council shall rely on the planned status of that area in considering the applicable Legislative Amendment criteria. Washington County approved comprehensive plan amendments for the area proposed for this UGB amendment in October, 1999. Those comprehensive plan amendments are the basis for the Legislative Amendment criteria analysis discussed below.

3.01.020(a) and (b).

MC 3.01.020 sets out Metro's acknowledged approval criteria for legislative amendments of the UGB. Compliance with them constitutes compliance with statewide planning Goals 2 and 14, as well as with Metro's RUGGOs. MC 3.01.020(b)(1)-(7) set out the primary approval

factors, along with descriptions of some of the considerations that must be evaluated under each factor. Each factor, along with the accompanying considerations listed thereunder, is not to be viewed as a specific approval criterion. Rather, as stated in MC 3.01.020(b), the factors described in the Metro Code are to be addressed as part of an overall balancing test.

3.01.020(b)(1) and (2)

The need justifying the inclusion of Site 65 in the UGB is the demonstrated need to add more residential land in the Beaverton Regional Center area in order to begin correcting the jobs-housing imbalance in that area.¹ Improving the jobs-housing balance in a subregion of the Metro region, particularly when tied to a specific Growth Concept regional center area, qualifies as a type of need that can justify a UGB amendment based on factor 2 of the Metro code. That interpretation of factor 2 is supported by Metro's 2040 Growth Concept and RUGGO policies encouraging actions to achieve a jobs-housing balance outside the Central City. Those policies aimed at achieving a locational balance between jobs and housing are acknowledged to be consistent with the statewide goals, in particular, Goal 10. Additional support for that interpretation of factor 2 is found in OAR 660-021-0030(4)(a), which specifically acknowledges that "the need to meet favorable ratios of jobs to housing for areas of at least 100,000 population served by one or more regional centers designated in the regional goals and objectives for the Portland Metropolitan Service District" is a specific need that can justify designating land as urban reserves available for future UGB expansions. Interpreting the existing and projected imbalance between jobs and housing as an appropriate factor 2 need is allowed under the Metro Code and supporting policies, and is consistent with the urban reserve rule, case law and prior Metro decisions. Therefore, the subregional need to add Site 65 in order to created the opportunity for more residential development to address the existing and projected jobs-housing imbalance in that area of Washington County qualifies as a "need" under Metro's factor 2 that supports this UGB amendment.

The Economic Analysis prepared by Hobson Johnson & Associates (August 1999, supplemented October 25, 1999) provides expert evidence demonstrating that there is an existing jobs-housing imbalance in the Beaverton Regional Center area, and that the imbalance is likely to continue during the next 20 years if corrective actions are not taken in a timely manner. The report supports the conclusion that the development of approximately 700 housing units on Site 65 is needed to help accommodate both the subregion's projected share of regional growth as well as to address the specific subregional need for more residential land in order to achieve a more favorable ratio of jobs to housing for the area during the next 20 years. The methodology used in the Hobson Johnson Economic Analysis to define and analyze the current and projected jobs-housing balance is consistent with the methodology relied upon by Metro when it adopted Resolution No. 98-2726B (December 17, 1998) and Ordinance No. 96-665E (March 1997). The methodology stated in the 1999 Economic Analysis support the conclusion that an appropriate

¹ The "Beaverton Regional Center Area" is the area identified in the August 1999 Economic Analysis.

factor 2 need for the expansion onto Site 65 has been demonstrated. For purposes of this ordinance, the Metro Council accepts the Beaverton Regional Center Area identified in the August 1999 Economic Analysis as an appropriate geographic area in which to analyze the current jobs/housing ratio consistent with the 2040 Growth Concept for that subregion of Metro's jurisdictional area.

The 1998 Economic Analysis for URA 65 prepared by Hobson Johnson in support of the resolution of intent and the August 1999 Economic Analysis analyze the statistical relationship between jobs and housing within the defined boundaries of the Beaverton Regional Center area. In previous decisions, Metro has established that it is appropriate to analyze a subregion's housing needs and jobs-housing balance based on the regional center boundaries. Metro's adopted 2040 Growth Concept map identifies the general locations of the different regional centers - in Washington County that would include the Hillsboro Regional Center, the Beaverton Regional Center and portions of the Washington Square Regional Center - but it does not set out the precise boundaries between each of the centers. The boundaries of the Beaverton Regional Center area and the adjoining Hillsboro Regional Center area identified in the August 1999 Economic Analysis and were relied upon by the Metro Council when it adopted Ordinance No. 96-665E (the urban reserve decision), Resolution No. 98-2726B (the resolution of intent for URA 65), and Resolution No. 98-2728A (the resolution of intent for the South Hillsboro URA). Moreover, since Metro's adoption of the urban reserves and the resolutions of intent, Washington County, Hillsboro and Beaverton have also accepted and relied upon the regional center boundaries described in the August 1999 Economic Analysis. These regional center boundaries do not overlap. Metro agrees with the testimony of both cities, as well as the expert opinion in the reports, that the boundaries used in the Economic Analysis reports are reasonable geographic areas to rely upon for analyzing the land needs in those areas, in particular the analysis of land needs in relation to jobs and housing.

The Economic Analysis (October supplement) also assessed the jobs-housing imbalance based on what the report describes as a Northern Washington County Study Area. This alternative study area was based on a "job shed" around URA 65, which in turn was based on reasonable driving times from URA 65 to town centers along the Sunset Highway and employment areas in Northern Hillsboro. That geographic area is more specific to the actual employment areas that people living in Site 65 might reasonably travel to. This alternative job shed study provides additional evidence of an interrelated subregional housing need that can

reasonably be ameliorated by the UGB amendment in URA 65. Within that job shed, the current jobs-housing ratio is about 1.82 and is projected to increase to 2.20 during the next 20 years unless more residential land is brought into the boundary in proximity to the job shed. The report concludes that land capable of accommodating up to 38,000 new housing units could be added to the UGB in the vicinity of the northern Washington County job shed in order to move towards an optimal jobs-housing balance by the year 2020. The Council finds that this current data on the jobs-housing imbalance in the northern Washington County job shed reinforces the need to add more residential land to the UGB in the vicinity of Site 65. However, future consideration of UGB amendments based on subregional need in this area and other areas must be based on the best available evidence at that time. Analyzing the imbalance based on the Beaverton Regional Center area at this time provides a sufficient evidentiary basis to conclude there is a sufficient need for housing to support this UGB amendment. Nevertheless, the jobs-housing analysis based on the northern Washington County study area provides even more compelling evidence of the jobs/housing imbalance and the need to take corrective action by adding Site 65 to the UGB. As discussed elsewhere in these findings, there are a number of other considerations that make it appropriate to utilize Site 65 to help address the imbalance.

A Metro staff report dated December 1, 1999, looked at jobs-housing ratios based on different geographic boundaries for each of the three Washington County Regional Center areas. The staff analysis is based on a conceptual "Town and Regional Centers" map contained in the September 15, 1994 Region 2040 Recommended Alternative Technical Appendix (also referred to as the "fishscale" map). The map does not represent an adopted Metro policy identifying the boundaries of Regional Centers. The staff report developed a December 1, 1999 map that is more specific than the fishscale map. The boundaries shown on the fishscale map, as well as on the December 1 staff map, represent another alternative method of allocating TAZs to various town and regional centers. It is not clear from the staff report what the rationale is for the boundaries of the town centers on the new map attached to the December 1 staff report or why a particular town center area was assigned in whole to one regional center. As discussed above, the boundaries used in the 1999 Economic Analysis reports for both the Hillsboro Regional Center and Beaverton Regional Center areas were relied upon in the findings adopted by the Metro Council in support of the 1997 urban reserve decision and are cited to in the findings accompanying the resolutions of intent decisions adopted in 1998. The staff report states that the December 1, 1999 map, August 1999 Economic Analysis and job shed analysis are all "reasonable" allocations of TAZs to fairly describe the geographic area appropriate for this jobs/housing analysis. The Metro Council finds the evidence and analysis in the August 1999 Economic Analysis most persuasive for the reasons discussed below. For the purposes of this ordinance, the Beaverton Regional Center area has the added advantage of being endorsed by the affected local governments. In summary, for the reasons discussed above, the regional center

boundaries utilized in the Hobson Johnson reports and the conclusions reached therein are the more appropriate and more persuasive evidence than the alternatives suggested in the December 1999 staff report. In addition, the opinion offered in the staff report as to what might constitute a "significant" jobs-housing imbalance is also rejected. In approving this UGB expansion, the Metro Council is not adopting a one-size-fits-all approach or a single all-purpose significance standard for determining what degree of a jobs-housing imbalance satisfies the "need" requirements of factor 1 and 2 of the Metro Code. That determination could vary for different UGB expansion proposals depending on a number of factors, including location and other area-specific evidence. Regarding Site 65, the more persuasive expert opinion, along with the underlying supporting evidence, is as stated in the October 25, 1999, Hobson Johnson memorandum, which concludes that the number of housing units and land that needs to be added to the Beaverton Regional Center area represents a real and significant problem for which adding the 700 potential units on Site 65 presents a small but appropriate step towards rectifying. The UGB amendment satisfies the "need" requirements of factors 1 and 2 of the Metro Code, and in addition, on balance with all of the other considerations addressed in these findings, demonstrates the appropriateness of bringing this land into the UGB at this time.

The expert opinion in the Hobson Johnson report and the testimony from the affected local jurisdictions supports the conclusion that it is appropriate to base the housing needs analysis and conclusion, and to base the need determination for this UGB amendment, on the regional center boundaries. Relying on the regional center designations is recognized as appropriate in the urban reserve rule, and Metro's utilization of that approach was affirmed by LUBA in the appeal of the urban reserve decision. Additionally, the Beaverton and Hillsboro Regional Center boundaries utilized in connection with this UGB amendment (and the 1998 resolutions of intent) are based on traffic patterns and transportation links (as reflected in the TAZs), along with the affected cities' perspective on local political and planning considerations. In sum, that results in a reasonable basis for relying on the regional centers as drawn in the August 1999 and October 25, 1999 Economic Analysis reports. While the northern Washington County alternative job-shed boundary is a reasonable alternative approach - and the conclusions about the jobs-housing imbalance reached using that alternative approach are consistent with and supportive of the need determination established in this UGB amendment - these findings are based on the regional center approach for the reasons discussed above.

The 1999 Economic Analysis supports the findings discussed below about the subregional housing needs and the jobs-housing balance in the Beaverton Regional Center area. The current jobs-housing ratio for that study area is about 1.65, whereas the optimal, more favorable ratio for the area should be 1.48 jobs to each housing unit. This translates into a current statistical imbalance of 11.5% in the Beaverton Regional Center area. The August 1999 Economic Analysis states that about 29,000 new dwellings units may be needed in the Beaverton subregional area from 1996 to 2020 (see Table 3).² Comparing this projected housing demand in

²The main evidentiary change from the 1998 Economic Analysis to the 1999 report is the information and

the subregional area with projected job-growth in the area results in a slight improvement in the jobs-housing ratio over the next 20 years, although it would still fall short of the optimal ratio (see Table 4). To achieve the optimal jobs-housing ratio by 2020, would require adding additional land to the UGB in the Beaverton Regional Center area capable of accommodating about 4,400 households (see Table 5). However, the August 1999 Economic Analysis suggests that residential land need in this area is actually greater than accommodating 4,400 housing units and could be as high as 29,000 new dwelling units which cannot be accommodated within the current boundaries of the Beaverton Regional Center area at this time. The August 1999 Economic Analysis states that capacity within that subregional area is about 15,500 dwelling units. Based on this evidence even if the City of Beaverton were to achieve a higher percentage of its Title 1 target, there may be a need to add enough residential land to the subregion to be able to accommodate 13,500 to 18,000 dwelling units. Future UGB amendment proposals must revisit those calculations after Beaverton completes its Title 1 compliance work. Based on the best evidence available at this time, that range of additional units is necessary in order to be able to accommodate both the projected demand for 29,000 new units and to achieve an optimal jobs-housing ratio (see Table 6). In adopting this UGB amendment, Metro is not adopting a precise number as "the need," rather, on balance, the evidence presents a persuasive demonstration that there is a sufficient need that justifies bringing some amount of land into the UGB in the subregional area. Under any analysis of the evidence, adding the approximately 700 units projected for Site 65 is a relatively small expansion in terms of addressing either the subregion's minimal need for more residential land to achieve a more favorable jobs-housing balance and/or the need to accommodate projected housing demand.

As discussed, and as shown in Table 5 and Table 6, regardless of how much of the growth that Metro projects to occur in the Beaverton Regional Center area during the next 20 years can actually be accommodated within that subregion's current UGB, there still needs to be additional land added to that subregion's UGB to be able to accommodate approximately 4,400 more housing units in order to move towards and ultimately obtain an optimal jobs-housing ratio.

projections stated in the Beaverton Compliance Report submitted by the City of Beaverton to Metro. That report states, the degree of the jobs-housing imbalance in the Regional Center area may be reduced slightly because the city projects that it will be able to achieve 91% of the housing goal established in the Metro Functional Plan and 84% of the employment growth goal set out in the Functional Plan. The City of Beaverton has not yet completed its compliance work for Title 1 of the Functional Plan and its capacity estimates have not been accepted by the Council. However, the Council finds that it is appropriate for the August 1999 Economic Analysis to use the Beaverton Compliance report to estimate the range of the presently existing capacity of the Beaverton Regional Center area.

As a "short hand" for purposes of these findings, the minimum need for the subregion will be described as the need for enough land to accommodate at least 4,400 housing units. The approximately 700 units called for in the concept plan being approved as part of this UGB amendment is well within the range of that minimal need. The existing shows that, while 4,400 units is the theoretical minimum need, there is existing persuasive evidence of a need to add enough land to the subregion be able to accommodate in the range of 13,500 to 18,000 dwelling units over the next 20 years or so. The August 1999 Economic Analysis states that the current Beaverton Regional Center area is capable of accommodating no more than about 15,500 housing units during the next 20 years. Future calculations will need to assess the amount of buildable acreage that will be restricted by new regulations adopted pursuant to Metro Functional Plan Title 3, Statewide Planning Goal 5, and as a consequence of the salmon listing under the ESA. Thus, with a potential housing demand in the Beaverton subregion of up to 29,000 additional housing units, there is a subregional need to add more land to the Beaverton Regional Center area in order to be able to accommodate the subregion's projected share of the region's growth. That is an alternative type of subregional need that qualifies under factor 2 (and is linked to factor 1, as well) of the Metro Code to support this UGB amendment.

As summarized above, the 1999 Economic Analysis demonstrates that there are two closely related subregional housing "needs" within the Beaverton Regional Center area that qualify to support the UGB amendment under factor 2. One is the need to address the jobs-housing imbalance that currently exists (and is projected to exist during at least the next 20 years) within that subregional area, and the second is to address the lack of land to accommodate the subregion's projected share of the region's growth. Each of those needs stands as an independent and alternative justification under factor 2, but taken together, they provide a consistent and even more compelling justification for the conclusion stated in the Economic Analysis that there is a "need to take immediate corrective action to increase the amount of developable residential land around URA 65."

Washington County has adopted comprehensive plan amendments that acknowledge the jobs-housing imbalance in the Site 65 subregional area as a significant problem that justifies amending the UGB in order to provide some relief to the problem. Washington County Ordinance No. 546 (October 1999) amended the comprehensive plan to incorporate a number of policies, conditions and findings intended to ensure that the future development of Site 65 is consistent with both Metro Resolution No. 98-2726B and with the anticipated ordinance finalizing the UGB expansion for Site 65. In its amendment of the comprehensive plan, Washington County acknowledged that:

There is persuasive expert evidence demonstrating the need to expand the UGB in the area around what Metro calls the Beaverton Regional Center and Hillsboro Regional Center areas in order to address a growing imbalance between jobs and housing in northern Washington County. A 1.50 ratio of jobs to housing is a desirable balance for Washington County to try to achieve in conjunction with the rest of the (non-central city) Metro region. The current ratio in northern Washington County is about 1.80 and is projected to increase to 2.20 during the next 20 years unless additional residential is brought inside the UGB in the areas around the Hillsboro and Beaverton regional centers. The county considers that a significant problem that justifies the need for the Site 65 UGB amendment.

As discussed below, the housing needs established by the acknowledged amendments to the county's comprehensive plan provide unchallenged evidence to support Metro's determination that the "need" for this UGB expansion has been established under factor 2 of both the Metro Code and Goal 14.

Factor 2 under the Metro Code further provides that amendments based on a specific housing need should also consider statewide planning Goal 10, as well relevant local comprehensive plan policies and Metro's policies on growth management generally. Metro growth management policies emphasize the importance of achieving a balance between jobs and housing as an integral component of implementing compact develop that reduces vehicle miles traveled. Achieving a locational balance between jobs and housing is also consistent with and helps implement statewide planning Goal 10. The job-housing balance concept has been acknowledged through the adoption of numerous Metro planning documents, and it is recognized in the rule adopted by LCDC regarding urban reserves. Maintaining a jobs-housing balance is an integral part of Metro's overall 2040 Growth Concept policies of minimizing vehicle miles traveled and encouraging compact development and efficient use of the land. The concept plan approved by Washington County for Site 65 is consistent with the 2040 Growth Concept and the objectives of statewide planning Goal 10 because it will result in efficient use of the land - achieving at least 10 units per gross acre - a diversity of types of housing units within a broad range of prices, and it will achieve efficiency by putting more housing in proximity to the employment centers in northern Washington County, as well as downtown Portland. All of those factors demonstrate consistency with the objectives of statewide planning Goal 10. Moreover, as discussed in the alternative site analysis, Site 65 is better suited than any other areas around the Beaverton Regional Center area to implement and achieve the kind of efficient, well-designed community envisioned by Metro's planning policies and goals.

OAR Chapter 660, division 7 is the Metropolitan Housing Rule that implements statewide planning Goal 10 for the Metro area. One aspect of the rule is to ensure that local jurisdictions have an adequate supply of residential buildable land. The UGB amendment is consistent with that objective because it addresses the need for more urbanizable land within the Beaverton Regional Center area in order to accommodate that subregion's projected share of regional growth and to ensure that the northern Washington County area has the statutorily required 20-year land supply. While that can be viewed as a factor supporting the subregional need, it is also closely related to the kind of regional need that is more specifically addressed under factor 1 of the Metro Code. As part of its management of the regional UGB, Metro, in coordination with the affected local governments, must enable each local government to comply with Goal 10, as well as maintaining regional and subregional consistency with the land supply requirements of ORS 197.296(2). As discussed below, the need justifying this expansion of the UGB in the Beaverton Regional Center area is consistent with the evidence demonstrating the continuing existence of a regional need for expansions of the boundary in order to satisfy ORS 197.296. The Metropolitan Housing rule is also intended to ensure that local jurisdictions provide the opportunity for the development of different types of housing at different price ranges. The development of Site 65 in accord with the approved concept plan will result in different housing types at a range of prices, including the assurance that a significant portion of the units will be at affordable prices.

Amending the UGB to include Site 65 is consistent with Washington County comprehensive plan policies. Standing alone, the policies and findings implemented by Washington County Ordinance No. 546 and accompanying Resolution and Order No. 99-186 are sufficient to demonstrate that there is a need justifying the UGB amendment for Site 65 and that the amendment is in compliance with all applicable Metro Growth Management policies and standards, in particular Title 11 of the Functional Plan, as well as with all applicable statewide planning goals. Compliance with MC 3.01.040 (b) has been satisfied by the comprehensive amendments adopted by Washington County. The county's action in adopting Ordinance No. 546 and Resolution and Order 99-186 are consistent with and satisfy MC 3.01.012(c). The adoption of this UGB amendment is necessary to implement and assure consistency with the county's actions. Washington County coordinated with Metro and DLCD the adoption of Ordinance 546 and Resolution and Order 99-186. The adopted amendments to the Washington County comprehensive plan have been acknowledged, and demonstrate compliance with the Metro Code that justifies the adoption of this UGB amendment. The county's findings in support of Ordinance No. 546 are consistent with the Metro Council's finding of subregional need for the Beaverton Regional Center area.

Basing the UGB expansion for Site 65 on the subregional housing needs is consistent with Metro's factor 1, which addresses the establishment of a Metro region-wide need for UGB expansions based on long-term population growth. In short, the need to add 109 acres, capable of accommodating about 700 housing units, based on the subregional needs identified above, is consistent with prior Metro decisions regarding the region-wide need for more land to assure Metro's compliance with the 20-year land supply requirements in ORS 197.296. Metro's UGB expansion ordinances adopted in 1998 were based primarily on the data contained in the Urban Growth Report ("UGR") adopted by the Metro Council in December 1997, which report determine a need exists to add sufficient land to the UGB for about 32,370 dwelling units in order to comply with ORS 197.296 and 197.299, and also on the updated evidence contained in the August 1998 Addendum to the UGR, which was considered as supportive evidence, although it was not formally adopted by the Metro Council as part of the official UGR. Metro added 3,527 acres to the UGB by ordinances adopted in 1998, which acreage provides capacity for approximately one-half of the regional-need established by the UGR. No local jurisdiction other than Washington County with URA 65, has yet amended its comprehensive plan to include zoning and a concept plan for the areas brought into the UGB by the Metro decisions last year. Based on the region-wide need determination adopted in 1997, Metro would need to add enough land to the UGB in 1999 to accommodate approximately 16,700 dwelling units to be in compliance with ORS 197.299(2)(b). The adoption of the 1997 UGR, with its determination of the regional need for approximately 32,400 housing units, was done in compliance with the methodology set out in the statute and MC 3.01.020(b)(1)(A)-(C). As discussed in Metro Resolution No. 99-2855C, Metro expects to complete its compliance with ORS 197.296 and 197.299 (2)(b) in 2000 after it completes some additional studies pertaining to a refinement of the official land supply determination adopted by the 1997 UGR. This UGB amendment, based primarily on the subregional need identified above, is consistent with and was anticipated by that resolution.

Metro Staff have a completed a preliminary draft of Goal 5 analysis and program for Title 3, Section 5 Fish and Wildlife Habitat protection which is coordinated with existing Statewide Planning Goal 5 planning in the region. The draft contains research necessary to determine the scientific basis for riparian buffers beyond those adopted for statewide Goal 6 and 7 purposes in riparian corridors, wetlands. These and other Goal 5 resources are expected to require additional regulation that will be included in a regional functional plan. It is anticipated that the program will be complete and resolutions adopted by June, 2000. This is one of several reasons that the Council "accepted" rather than adopted, the 1997 Urban Growth Report Update "with more work to be completed on the density estimated for environmentally sensitive lands." See, Resolution No. 99-2855C. The 1997 Urban Growth Report Update accepted by the Council is data like the other evidence in the record which may be relied on in 2000 for compliance with 197.299. Metro requested an extension of time to complete needed regionwide Goal 14, Factor 1 UGB amendments once the remaining need can be estimated from the adopted regulations consistent with ORS 197.296(3). The Council can determine at that time whether regionwide buffers up to 200 but will be necessary to protect identified Goal 5 resources. That information will be

included in the required analysis for UGB amendments required to expand the UGB to bring in the remaining one half of needed land as required by ORS 197.299(2)(b).

Based on the 1997 UGR determination, there is an evidentiary basis, under factor 1 of the Metro Code, that there is a regional need for a UGB expansion that is larger than the need for Site 65. As noted above, however, it is the subregional need for more residential land, which need is more specifically tied to factor 2 of the Metro Code, that is the primary justification for this UGB amendment. The regional need is addressed herein to demonstrate that expanding the boundary to address the identified subregional needs is not inconsistent with Metro's prior actions and determination regarding the factor 1 regional need.

As set out in Metro Resolution No. 99-2855C (adopted November 18, 1999), Metro is in the process of reviewing the 1997 UGR and anticipates adopting a revised need determination in 2000. The updated data in the record indicates that there will continue to be a region-wide need in 2000 to add more residential land to the UGB in order to assure compliance with ORS 197.296 and 197.299. Thus, this decision to add Site 65 to the UGB in 1999 is consistent with the range of the updated region-wide need that Metro anticipates adopting in 2000. Justifying the UGB expansion based primarily on the subregional housing needs in the Beaverton Regional Center area is consistent with both factor 1 regional need considerations, it is consistent with other applicable statewide goals and Metro policies. In summary, it is consistent with statewide Planning Goal 14 and related case law for Metro to interpret factors 1 and 2 of its code to allow this UGB expansion based primarily on the subregional housing needs stated above, without adopting a specific numeric justification for a region-wide need under factor 1. Basing the need for the UGB amendment on the factor 2 findings and conclusions is permitted because, in this case, those need justifications are consistent with the evidence regarding region-wide need and the actions Metro has taken to date regarding region-wide need. Therefore, it is not necessary to rely on a specific need number under factor 1 of the Metro Code in order to approve this UGB amendment. This approach is consistent with both Metro's interpretation of its factor 1 and 2 requirements and also established UGB case law.

Factor 1 in the Metro Code is focused primarily on demonstrating need based on population projections and a land supply analysis. To the extent both of Metro's need factors are linked to other Statewide Goal considerations (other than Goals 2 and 14), those Goal considerations have been addressed and satisfied. As discussed elsewhere in these findings, the impacts of bringing Site 65 inside the UGB and developing it in accord with the approved conceptual plan have been evaluated in light of applicable Statewide Goals and have found to be consistent with those goals. For example, environmental impacts under the Goal 5 rule and transportation impacts under Goal 12's TPR have been thoroughly addressed. The conclusion that a sufficient need exists under factor 2 of the Metro Code to support this UGB amendment is consistent with the issues that need to be considered under factor 1 of the Metro Code and under other Statewide Goals. However, only in the event that an appellate body reviewing this decision were to determine that a specific need number must be adopted under factor 1 in order to sustain

this UGB amendment decision, then Metro would rely upon the adopted 1997 UGR need determination to support the conclusion that the UGB amendment for Site 65 is also needed to address region-wide population growth under factor 1.

3.01.020(b)(3) – 3.01.020(f)

Appendix A to “Adopted Findings and Conclusions in Support of Ordinance No. 99-812A” address Metro Code sections 3.01.020(b)(3) – 3.01.020(f) and are adopted and incorporated into this ordinance by this reference.

APPENDIX A TO FINDINGS AND CONCLUSIONS IN SUPPORT OF
ORDINANCE 99-812A

This findings document is incorporated into and is part of the full Findings and Conclusions to be adopted in support of the UGB expansion for Site 65.

1. Locational Justification for UGB Amendments - ORS 197.298 and MC 3.01.020(b)(3)-(7).

Having established the need for the UGB amendment pursuant to factors 1 and 2, the Metro Code then requires findings justifying the location of the specific UGB expansion. Justifying Site 65 requires an analysis of and comparison to possible alternative sites, which in turn requires Metro to "demonstrate that the priorities of ORS 197.298 have been followed and that the recommended site was better than alternative sites, balancing factors 3 through 7." MC 3.01.020(b).

a. The priorities of ORS 197.298.

The statute establishes a priority ranking of land to be considered for inclusion within an urban growth boundary. The priorities established in ORS 197.298 closely follow the priority rankings for designating urban reserve areas set out in OAR 660-021-0030(3) and (4). Because it is within URA 65, Site 65 has already been designated urban reserve land under ORS 195.145 and the urban reserve administrative rule, and thus it qualifies as a first priority for inclusion in the UGB, pursuant to ORS 197.298(a). Therefore, this UGB amendment is consistent with and follows the priorities of ORS 197.298.

Additionally, and in the alternative, and to ensure that any subsequent development permits approved for Site 65 would not be affected by the outcome of the pending appeal of the urban reserve decision (in the event the decision is not ultimately affirmed), these findings explain why the evidence supports inclusion of Site 65, pursuant to the priorities established in ORS 197.298, regardless of its urban reserve status. Assuming the urban reserve designation for URA 65 were not in effect, these findings justify the expansion of the UGB onto Site 65 under ORS 197.298 as discussed below.

Washington County has adopted the urban designation of R-9 for Site 65, which designation will take affect after the adoption of this UGB amendment. The site's rural designation is "agriculture," as per ORS 197.298(1)(d). The site consists of properties designated AF-20 and EFU. The site contains soil capability classifications of II, III and IV. Slightly more than half the site is in classes III and/or IV. The non-exceptions areas within the full URA 65 consist solely of Class III and/or IV soils. The Site 65 Soil Map submitted as part of the updated alternative site analysis documentation is the most up-to-date and persuasive description of the appropriate soil classifications on Site 65. Other testimony in the record does not provide persuasive documentation that the appropriate soil classifications are anything other than that

shown on the Site 65 Soil Map. The findings below discuss why the alternative site analysis appropriately concludes that there are no higher priority lands, as per ORS 197.298(1)(b) or (c), that can reasonably accommodate and/or are better-suited to accommodate the housing development proposed for Site 65. Also, as discussed, consideration has been given to alternative resource sites, as per ORS 197.298(2). The priority justification under ORS 197.298(3) has been demonstrated for two alternative reasons: because there is a specific, identified need for more residential land within the Beaverton Regional Center area (ORS 197.298(3)(a)); and, because the urbanization of Site 65 is necessary in order to provided urban services to and ensure the maximum efficiency of land uses within the higher priority exception lands in proximity to Site 65 (ORS 197.298(3)(c)), which higher priority exception lands were previously included within URA 65.

(A) ORS 197.298(3)(a).

As discussed above in response to factors 1 and 2 of the Metro Code, there is an identified need to add more residential land in the Beaverton Regional Center area in order to address the jobs-housing imbalance in that subregional area and also to provide an adequate supply of residential land to be able to accommodate the projected growth for that subregional area during the next approximately 20 years. The same evidence and findings that support the determination that a factor 2 need exists also support the conclusion that bringing in Site 65 is consistent with ORS 197.298(3)(a). Because “specific types of * * * land needs” have been adequately identified, the second requirement under ORS 197.298(3)(a) is to then demonstrate that this specific land need (for more residential land in the Beaverton Regional Center area) “cannot be reasonably accommodated on higher priority lands.” The findings regarding the alternative site analysis set out below (*see* section 1.b, *infra.*) explain why there are no higher priority sites or any other alternative sites that can reasonably accommodate the particular need being addressed by including Site 65 in the UGB. The Alternative Site Report for Site 65 is incorporated as part of these findings. Therefore, the evidence regarding need and higher priority alternative sites is sufficient to support this UGB amendment under ORS 197.298(3)(a).

(B) ORS 197.298(3)(c).

In the alternative, including Site 65 in the UGB ahead of higher priority land is also justified pursuant to ORS 197.298 (3)(c). The development of Site 65 is necessary in order to reasonably provide urban services to the higher priority exception lands within URA 65. The exception lands along Springville Road and Kaiser Road and the ones adjoining the UGB to the north of the PCC campus are high priority lands, pursuant to ORS 197.298(1)(b), and were also considered high priority lands for inclusion in the UGB at the time Metro adopted the urban reserve ordinance (Ordinance No. 96-665E). At that time, the primary justification for the urban reserve designation for URA 65 was pursuant to OAR 660-021-0020(4)(c), which is identical to ORS 197.298(3)(c). The basis for Metro’s initial urban reserve determination was that achieving the maximum efficiency of land uses of the exception land in URA 65 required the inclusion of both the exception land and the adjoining resource land (including Site 65) because the latter was

necessary to efficiently serve and develop the former. LUBA concluded that Metro's findings regarding the urban reserve designation for URA 65 did not adequately explain why there were not alternative ways to provide urban services to the exception areas within URA 65 without going through or developing the resource lands. LUBA said it was a close call as to whether or not the findings were adequate, but LUBA concluded that they were not, in part, because the findings did "not explain why services cannot be provided through the urban area directly to the south of the higher priority lands." *D.S. Parklane Development, Inc. et al. v. Metro.*, LUBA No. 98-048 *et seq.* (February 25, 1999) at slip op. 104. The record for this UGB expansion provides more detailed evidence and findings to justify the inclusion of Site 65 within the UGB pursuant to the "maximum efficiency" test set out in ORS 197.298(3)(c). Justifying this UGB amendment pursuant to ORS 197.298(3)(c) is intended as a separate alternative to justifying the priority inclusion of Site 65 under subsection (3)(a) of that statute.

The utility feasibility information provided by Consulting Engineering Services, Inc., in particular its correspondence of October 1998 and September 17, 1999 and the attachments thereto, provide persuasive expert evidence that it would not be practical to extend sewer, water and storm drainage facilities and services to the exception areas within URA 65 without bringing all of those services through and/or utilizing the resource lands within the middle of URA 65. The evidence and analysis in those two documents are incorporated herein as part of these findings. It is not realistic from a financial and urban-planning perspective to attempt to urbanize the exception areas by extending urban facilities to those areas without utilizing Site 65. In particular, the evidence demonstrates that it would not be economically reasonable to extend sewer service without extending the trunk line through Site 65. On balance, the case has been made that it is unreasonable to expect any type of efficient urbanization of the exception areas without including and first developing Site 65. All of URA 65 is a desirable location for a UGB expansion because of the great efficiencies that can be achieved in terms of density, cost of development, and proximity to an already well-developed urban area. The exception areas within URA 65 can be developed consistent with the design and density objectives established in the 2040 Growth Concept and supporting Metro policies if done in conjunction with the Site 65 concept plan. The record includes a "shadow" plan and supporting testimony that demonstrate that it will be feasible to develop the remainder of URA 65 based on and following up on the Site 65 concept plan. The various considerations discussed in these findings, which demonstrate that Site 65 is a desirable location for the UGB expansion - ie, proximity to and compatibility with the well-established development in the surrounding Bethany community, the presence of the PCC campus, the existing transit service on Springville Road, the readily available urban services and facilities, etc. - also demonstrate that allowing the urbanization of Site 65 in order to facilitate the urban development of the nearby exception lands will result in the most efficient utilization of those exception areas, which means achieving urban development in those exception areas consistent with the 2040 Growth Concept and supporting policies and objectives in the Metro Functional Plan and in other Metro planning documents. Urban development of those exception areas to help address the housing need in the Beaverton Regional Center area is the most efficient use of those lands. As exception lands, it is already been determined that they are not appropriate for commercial agricultural purposes, either in and of themselves or in conjunction with adjoining

resources lands. Moreover, the evidence in the record demonstrates that, on balance, the adjoining resource lands, in particular Site 65, are also more appropriately utilized for urban purposes rather than agricultural uses. The efficient utilization of the exception lands will not occur without first allowing the development of Site 65.

In summary, in conjunction with the alternative analysis provided below, this UGB amendment satisfies ORS 197.298 based on each of (or any one of) the following alternative grounds: (1) it is currently designated urban reserve; (2) the evidence in the record and the findings set out herein justify the urban reserve designation for Site 65 pursuant to OAR 660-021-0030(4)(a) and (c); (3) because the specific subregional need identified pursuant to factors 1 and 2 of the Metro Code cannot be reasonably accommodated on higher priority lands; and (4) the inclusion of Site 65 is required in order to provide services to higher priority lands within URA 65 so as to achieve the maximum efficiency of land uses on those lands.

b. Alternative analysis balancing factors 3-7.

(A) Alternatives to Site 65.

The Metro Code require an analysis of other sites outside the UGB to determine if they are better alternatives for inclusion in the UGB than Site 65 or if they can reasonably accommodate the proposed use. ORS 197.298(3)(a) requires a consideration as to whether higher priority lands can reasonably accommodate the specific need justifying the UGB amendment. MC 3.01.020(b) calls for a consideration as to whether "the recommended site was better than alternative sites, balancing factors 3 through 7." The Metro Code also requires a determination that the identified land need supporting the UGB amendment cannot be reasonably accommodated within the current UGB. The potential alternative sites must be evaluated based on their capability to accommodate urban-level residential development, because that is the identified need justifying this UGB amendment. Additionally, because the identified need is to add residential land to the UGB around the Beaverton Regional Center area, the possible alternative areas that have been analyzed have been limited to those areas that would reasonably be included within the Beaverton Regional Center area, which limited the area of analysis to two locations, one to the west of Beaverton and one to the north. The analysis considered lands outside the subregion's western UGB between Farmington Road to the north and Scholls Ferry Road to the south. Land to the north of Farmington Road is reasonably viewed as being related to the Hillsboro Regional Center area, and lands to the south of Scholls Ferry Road are reasonably viewed as being associated with the Washington Square Regional Center area. The territory analyzed north of the subregion's UGB was located between NW 185th Avenue and the Multnomah County boundary line. NW 185th Avenue is the generally accepted dividing point between the Hillsboro and Beaverton areas, and it is reasonable to consider the county line as the boundary between Beaverton and Multnomah County/Portland.

The Alternative Site Report for Site 65 UGB expansion (updated September 1999) analyzes all of the exception lands within these two territories, provides data concerning resource

lands to the west, and also looks at some other sites. That report then summarizes a number of factors that restrict the ability to accommodate urban-level residential development on those exception lands. The evidence and analysis demonstrate that those lands cannot reasonably accommodate the identified need nor are they better alternative locations than Site 65. That Alternative Site Report, along with the supporting documentation, are incorporated herein. The report analyzes four designated exception areas located to the west of Beaverton. Metro did not include any of those exception lands in its 1997 urban reserve decision. The record also includes evidence from the Metro urban reserve record explaining why that area, generally referred to as the Cooper Mountain area, was excluded from urban reserve consideration. The alternative site report also considers whether there are resource lands in that area that could better accommodate urban-level development in comparison to Site 65. The report contains sufficient evidence to conclude that there are no better alternatives on resource lands.

The Alternative Site Report analyzes four specific exception areas located outside the UGB to the west of Beaverton. One aspect of each of those four exception areas which make them not well-suited for urbanization is the extent of parcelization and the large number of dwellings. Parcelization and the presence of many rural dwellings are not the only factors demonstrating that these areas cannot reasonably accommodate urban-levels of residential development, but they certainly are important considerations. The greater the extent of parcelization and presence of new dwellings, particularly where there is a trend towards more dwellings and more expensive dwellings being constructed in recent years, the greater the difficulty in creating large enough ownerships to facilitate urban development in an efficient and compact form consistent with Growth Concept policies and objectives. An area with a lot of parcelizations and rural dwellings, particularly one with an increasing number of expensive hobby farms built in recent years, is not a good candidate for urbanization. Under those circumstances, even if the land were to be brought into the UGB, it is not likely to redevelop during the next twenty years because of the difficulties and expense of redeveloping an area that has so many different ownerships and so many existing dwellings.

The exception areas to the west of Beaverton have a number of other problems that make efficient urbanization extremely difficult and unlikely in addition to the parcelization and number of existing houses. The steep topography makes efficient development difficult and makes it costly to extend urban services, particularly in light of the fact that, unlike with Site 65, urban services and facilities have not already been extended near to the edge of the UGB. Many of the same factors that make it impracticable and unreasonable to expect or obtain efficient urban development of the exception areas would also make it unreasonable to consider developing the resource areas near the western UGB as a better alternative than bringing Site 65 inside the boundary and developing it in accord with the approved concept plan. As discussed elsewhere in these findings, the Bethany community adjoining Site 65 has already been developed with densities and design patterns that are generally consistent with 2040 Growth Concept policies and objectives. Thus, the urbanization of Site 65 will be compatible with, and makes for a logical extension of, the surrounding urban development. In contrast, there is no evidence that the urban area in the vicinity of the western Beaverton UGB has had a similar intensity of development or

development in accord with Metro growth management policies and objectives.

The only exception areas contiguous to the UGB to the north of Beaverton are those areas that are already included in URA 65. The alternative report analyzes the limited amount of exception lands located outside of URA 65, but within about one mile of the northern UGB: Two of those exception areas are adjacent to URA 65, and the other two are on the north side of Germantown Road about one mile from the UGB. The alternative site report provides sufficient evidence to conclude that those exception areas are not reasonable alternatives to Site 65. The exception areas along Germantown Road are too far from the UGB to be able to reasonably accommodate an urban-level of development or reasonably accommodate urban development that can even minimally achieve the compact urban form features called for in the Growth Concept and factors 3-7 of the Metro Code. They are separated from the UGB by intervening resource land and steep topography. Moreover, there is no evidence in the record to suggest that Germantown Road could be reasonably improved to accommodate urban-level traffic. The other two exception areas, in and of themselves, cannot reasonably accommodate efficient urban development unless they were included as part of URA 65. The exception areas included within URA 65 have the potential to reasonably accommodate urban-level development, however, as discussed in response to ORS 197.298(3)(c), those areas cannot be reasonably developed unless Site 65 is developed first in order to extend urban services and facilities to the exception lands. The entire URA 65 is about 488 acres and it estimated to be able to accommodate about 2,800 dwelling units. That level of development would not be sufficient to correct the minimum need to add enough land to the UGB in the Beaverton Regional Center Area to be able to accommodate at least 4,400 housing units. Therefore, the development of the entire urban reserve will not be enough to reasonably accommodate all of the identified need. Without the inclusion of Site 65 in the UGB, the nearby exception lands cannot reasonably accommodate urban residential development.

Metro has not attempted to calculate the theoretical number of housing units that could theoretically be constructed on the exception areas to the west of the Beaverton UGB and those to the north of URA 65. In this case, Metro does not believe such a calculation is necessary in order to satisfy the considerations necessary to the alternative site analysis. The evidence is sufficient to demonstrate that the entire area to the west of the Beaverton UGB is not a suitable location to accommodate urban-level development for a number of reasons. Moreover, as discussed in response to factors 1 and 2 of the Metro Code, one "need" being served by this UGB amendment is the need to add enough residential to accommodate up to about 18,000 housing units, as shown in Table 6 on page 9 of the 1999 Economic Analysis. It is unreasonable to assume that the exception areas studied in the alternative site analysis could be expected to accommodate enough housing to satisfy the need without including Site 65.

The alternative site considerations set out in OAR 660-004-0020(2)(b) are not directly applicable approval criteria to this UGB amendment, but rather are implemented through the Metro Code. Thus, while the provisions in that rule are not controlling, they do provide some guidance in the evaluation of alternative sites. In particular; the rule does not require the kind of

site-specific alternatives analysis that is contained in the Alternative Site Report and supporting documentation, which are incorporated as part of these findings. The rule only requires site-specific analysis and justification when evidence has been presented regarding a particular potential alternative site. The record of this UGB amendment does not contain any evidence suggesting that a particular alternative site can reasonably accommodate urban-level development or is otherwise a better site for expansion than Site 65. The administrative rule also provides that, when a specific alternative site is analyzed, that analysis can be made on the basis of determining whether the alternative site is "more reasonable" in terms of its development potential and appropriateness for urbanization than the site being added to the UGB. The rule also provides that economic considerations are appropriate when evaluating whether an alternative site can reasonably accommodate urban-levels of development in a manner consistent with Metro's acknowledged urban form standards and policies. The 2040 Growth Concept and supporting Metro planning documents and policies call for urban development to occur in a compact and efficient form. Those policy objectives are taken into account by the UGB amendment factors and considerations called for in MC 3.01.020(b)(3)-(7) and 3.01.020(c) and (d). MC 3.01.020(f) provides that Metro's growth management and other planning policies and provisions do not need to be directly or separately addressed as part of this UGB amendment, because they are all implemented through the other sections of MC 3.01.020. The RUGGOs, referenced in MC 3.01.020(f), which included the 2040 Growth Concept, have now been incorporated into the Regional Framework Plan. The Regional Framework Plan includes other growth management policies and documents, such as the Metro Functional Plan. Achieving development patterns that will result in a compact urban form is the key concept underlying many of Metro's growth management policies and provisions. For example, MC 3.01.020(b)(4)(A) describes some of the features that comprise "an efficient urban growth form." Thus, when analyzing whether a possible alternative site to Site 65 can reasonably accommodate urban-level residential development, it is appropriate to also consider whether the alternative site can be reasonably developed in such a manner as to be consistent with "an efficient urban growth form." The evidence and analysis in the Alternative Site Report, as summarized above, demonstrate that the alternative sites cannot be reasonably developed to achieve an efficient urban form. This is not a situation where urban development on exception lands will be slightly less efficient and slightly more expensive than developing resource land such as Site 65. In such a situation, state laws and Metro provisions that give priority to developing exception lands might result in a conclusion that such alternative exception lands can reasonably accommodate the need for more residential land. In this case, however, there is an enormous and insurmountable gap between the many factors that make urbanization of the alternative exception areas unreasonable and the capability of Site 65 to be developed in full accord with all of Metro's urban development objectives.

Also, no credible evidence has been presented to suggest that the need to accommodate and develop more dwelling units in the Beaverton Regional Center area can be accommodated on specific sites within the current boundaries of the UGB. As discussed in response to factor 2 of the Metro Code the Beaverton Compliance Report and in the Hobson Johnson Economic Analysis provide ~~substantive~~ evidence regarding the projected amount of housing units that can be accommodated within the current UGB. Additionally, as set out in the 1998 Economic Analysis,

even if the Beaverton Regional Center area achieved full compliance with the housing targets established in the functional plan, there would still be a large enough jobs-housing imbalance to justify the need for more residential land being added to the boundary. Moreover, the housing targets established in the functional plan are recognized as being a high-end goal for the amount of housing that can be accommodated and that in many instances a lower amount of housing units *may be* more realistic. The evidence demonstrates that the Beaverton Regional Center area is capable of accommodating no more than about 15,500 housing units during the next 20 years. Fewer units than that may be built due to the anticipated increase in the amount of buildable acreage that will be restricted by new regulations. Also, according to the Hobson Johnson reports, the additions to the subregional urban land supply will need to occur at a faster pace than is likely to occur in order to create the opportunity for the private sector to build that much additional housing by the year 2017. That is one reason it is important not to delay this UGB amendment. Thus, in summary, there is persuasive unchallenged evidence in the Hobson Johnson reports to support the conclusion that, at this time, the identified land need justifying the inclusion of Site 65 cannot be reasonably accommodated within the current Beaverton Regional Center area UGB.

The evidence supports the conclusion that the exception lands, as well as the surrounding area in general, have too many constraints, particularly their physical and locational constraints, so as to make it unreasonable to expect that area to be able to accommodate urban-levels of residential development. Neither the exception lands themselves or the area as a whole can reasonably be developed with features of an efficient urban growth form, including the residential densities called for by the Metro Functional Plan, which also includes urban development capable of supporting transit service and development patterns capable of encouraging pedestrian, bicycle and transit use. The uncontradicted evidence in the record persuasively demonstrates that it is unreasonable to expect that type of development to occur on the exception lands. Additionally, for those same reasons, Site 65 is a far better alternative site for a UGB expansion than is the area to the west of the UGB. The exception areas to the north of Springville Road and the PCC campus have the potential to reasonably accommodate urban-level residential development, but that potential cannot be realized without the inclusion of Site 65 in the UGB. The development of Site 65 in accord with the approved concept plan demonstrates that Site 65, taken alone, satisfies all relevant UGB approval considerations. The evidence in the record indicates that the nearby exception areas would not be able to satisfy all UGB amendment criteria if they were to be considered for a UGB amendment without the inclusion of Site 65.

(B) Comparison Based on Factors 3-7.

Under MC 3.01.020(b), the primary purpose for analyzing Site 65 in light of factors 3-7 is to determine whether there are better alternatives for addressing the identified need for more residential land in the Beaverton Regional Center area other than including Site 65 in the UGB. The following findings in response to those five factors will evaluate the considerations under each of those factors by looking at both Site 65 itself, and then also comparing Site 65 to possible alternative lands outside the UGB in light of those same five factors. The latter exercise is somewhat redundant because, as already discussed above in these findings, the evidence clearly

demonstrates that Site 65 is by far the better candidate for urban-level development, consistent with features of an efficient urban form, than any other land outside the UGB in the vicinity of the Beaverton Regional Center area. In addition, as also discussed above, it is not a reasonable alternative to address the need for more housing simply by expecting (or hoping) that a higher number of housing units can somehow be accommodated inside the current UGB during the next 20 years. There is no credible evidence in the record documenting how more housing can be accommodated inside the current UGB of the Beaverton Regional Center area than that projected out in the Hobson Johnson reports. In this context, factors 3-7 of the Metro Code are discussed below.

Factor 3

MC 3.01.020(b)(3) requires a consideration of the availability and efficiency of providing urban services and facilities to Site 65 and also the costs involved, particularly those costs that may have to be borne by the general public rather than the owners and developers of the property. Subsections (A) and (B) of factor 3 set out the more specific factors that need to be evaluated under factor 3. As detailed in the testimony of Consulting Engineering Services ("CES"), particularly as stated in their letters of October 1998, November 1998 and September 1999, there will be no direct public costs involved to provide the fundamental urban services and facilities necessary to develop Site 65, i.e., sewer, water, storm drainage and environmental protection measures. Those letters are incorporated as part of these findings. The utility feasibility information provided by CES documents the estimated costs to provide those services for the development of Site 65 in accord with the approved concept plan. A relevant consideration under Subsection (A) of factor 3 is a comparison of the costs involved to provide urban services and facilities to Site 65 in comparison to the costs involved with potential alternative sites. (See, the CES letter of September 21, 1999, which is incorporated herein.) The CES evidence contains detailed cost estimates regarding the site-specific and overall economics of providing the services necessary to facilitate the develop of Site 65. The evidence demonstrates that these costs are relatively low in comparison with utility costs involved with urban development generally and relatively low in comparison with the projected costs of development for other urban reserve areas throughout the region. The CES data provides the most persuasive analysis because it is site-specific. The CES analysis is consistent with the more generalized cost analysis for all urban reserve areas contained in earlier utility feasibility reports prepared by KCM and W&H Pacific. The chart on page 13 of the Metro staff report of November 24, 1998 provides a summary of the analysis of the KCM reports. That data indicates that total public facility costs per unit for URA 65 are among the lowest of all the urban reserve areas studies in the region. The data and conclusion in the CES evidence suggests that, on a relative basis, development costs for Site 65 are even lower than suggested by that chart. Generally, the information and conclusions reached in that 1998 staff report have been corrected and updated by newer information in the record. While portions of that staff report provide helpful background information and evidence to support these findings, in general, these findings are based on more-to-date information and site-specific evidence provided elsewhere in the record. The staff report response to statewide planning goals 6, 7, and 13 support the findings in response to those goals adopted by

Washington County.

As discussed above as part of the alternative site analysis and findings, the exception sites and surrounding area located west of the Beaverton UGB cannot reasonably accommodate urban-levels of residential development and that area is a far less appropriate area for urbanization and inclusion in the UGB than is Site 65. Although no specific analysis has been done regarding what the costs would be to extend urban services and facilities to that area, in this case, such a cost analysis was not necessary in order to support the conclusion that Site 65 is a more desirable location for urbanization both because of the better economic efficiencies of providing urban services and facility and because of the other development feasibility issues discussed as part of the alternative site analysis and discussed in response to factors 3 and 4. In light of the numerous constraints on urban development discussed in the alternative site analysis, there would have been no substantive purpose served by attempting to quantify the costs to extend urban services and facilities to an area that cannot reasonably accommodate urban development due to all of the topographical and locational constraints and other reasons discussed as part of the alternative site analysis.

Also consistent with subsection (A) of factor 3 is the fact that extending urban services and facilities as part of the development of Site 65 will minimize the cost burden to develop the remaining properties within URA 65. That determination is discussed above in response to ORS 197.298(3)(c) and is discussed below in response to Factor 4.

Consistent with subsection (B) of Factor 3, the evidence demonstrates that there shall be an orderly extension of urban services and facilities from the adjoining urban area to Site 65. The urban services and facilities that have been extended to and constructed as part of the urban development that has occurred along the south side of Springville Road can be cost-effectively and otherwise reasonably extended across Springville Road to accommodate Site 65. The testimony from the appropriate service providers, and the detailed analysis provided by CES, make clear that the necessary facilities and services can be reasonably provided to Site 65 without negatively impacting or leaving any areas already within the UGB with inadequate facilities or services. The fact that extending urban services and facilities to Site 65 will not have any negative impacts in the urban areas near Site 65, in part because those areas have already been fully developed or approved for development, is discussed in both the CES letter of November 1999 and in the closing testimony from Ryland Homes submitted December 1999. Those documents are incorporated herein as part of these findings. Site 65 is within the same drainage basin that has been utilized for storm and sewer facilities for the development of the urban areas on the south side of Springville Road. An existing trunk line capable of accommodating development of Site 65 is already located just south of the property and connections can be easily extended to Site 65. All of Site 65 can be served by gravity sewer utilizing this existing trunk line (although some small portions of the remainder of URA 65 may require pump stations or extraterritorial extensions of sewer lines). The fact that there are already two Tri-Met bus lines along Springville Road is an important factor supporting Site 65 as an appropriate location for a UGB amendment.

With the exception of the South Hillsboro URA, there is no other urban reserve area in the region that already has Tri-Met bus service at the site. There is no existing Tri-Met bus service anywhere in the vicinity of the exception areas located to the west of the Beaverton UGB.

In summary, urban services and facilities can be extended to Site 65 in an orderly and cost-effective manner, and certainly in a far more orderly and cost-effective manner than such services and facilities could reasonably be expected to be provided to any alternative areas outside the UGB in the vicinity of the Beaverton Regional Center area UGB.

Factor 4

MC 3.01.020(b)(4)(A) and (B) require an analysis of both the proposed development plan for Site 65 and its impacts on nearby urban lands in order to determine whether both the site and nearby urban areas can be developed consistent with the urban design objectives set out in Metro's growth management policies. The issue under subsection (A) of factor 4 is to determine whether the elements of a compact development form "can be accommodated more readily in one area than others" As required by these findings and by the conditions imposed by Washington County in its adoption of the comprehensive plan amendments affecting Site 65, the proposed expansion site shall have to be developed in general accord with the approved conceptual plan (updated September 1999) and conditions and findings adopted by Washington County. That conceptual plan, along with the conditions and findings adopted by the county, are incorporated as part of these findings. The approved plan calls for bicycle/pedestrian pathways to be utilized on the site and then extended from the site to the proposed bicycle/pedestrian pathway system that links the site to the urban area on the south side of Springville Road and extends to the two major neighborhood centers in the Bethany community. Also, the fact that Tri-Met bus service is already available on Springville Road, and that the adjoining PCC campus is a major transit destination, together create the opportunity for the future residents living on Site 65 to utilize these transit opportunities. The concept plan for Site 65 achieves many of the design and density components of a compact development form. The site will achieve at least the minimum density of 10 units per net developable acre as called for in Metro's functional plan provisions. As required by the conditions of the comprehensive plan amendment, this site will provide an opportunity to locate an elementary school on Site 65, which creates a number of efficiencies in terms of development costs and pedestrian/bicycle access to the residents on Site 65 and in adjoining urban areas who will also utilize the school. Conditions have been imposed ensuring development will take place in compliance with all applicable natural resource protection requirements, including Goal 5 and Title 3. The location of Site 65 provides efficiencies in terms of locating housing in proximity to several different employment centers. The two nearby neighborhood centers, in particular the Bethany Planned Development, provide employment opportunities that residents of Site 65 can access by the proposed pedestrian/bicycle pathway or bus service. The site is also conveniently located to access employment centers in Hillsboro and downtown Beaverton and Portland. In contrast, the alternative exception areas located west of the Beaverton UGB could not be developed in a manner that would achieve this same level of efficient and compact urban development form.

Subsection (B) of factor 4 focuses primarily on what the impacts of developing Site 65 will be on the adjoining urban areas. The CES letter of September 17, 1999 and the December 8, 1999 testimony of Ryland Homes provide a detailed discussion about the overall impacts that will result in the urban area in the vicinity of Site 65; that evidence is adopted herein. Because the Bethany community in the vicinity of Site 65 has already been largely developed or approved for development, there is little remaining opportunity to affect the design of development in the area. However, urbanization of Site 65 will be consistent with and supportive of the existing and approved urban development in the area. The concept plan for Site 65 does a good job of integrating that project into the surrounding community, and creates the opportunity for the full development of URA 65 in a similarly compatible manner. The approved concept plan ensures that Site 65 will develop in an efficient manner consistent with the features of a compact urban form development set out in the 2040 Growth Concept, the Metro Functional Plan and the other supporting policies contained in the regional Framework Plan.

Factor 5

Subsections (A), (B) and (C) describe the factors that need to be considered as part of the EEES analysis required under MC 3.01.020(b)(5). Pursuant to subsection (A), the urbanization of Site 65 in accord with the approved concept plan, and in accord with the conditions and findings of the comprehensive plan amendments affecting Site 65 adopted by Washington County, ensure that the development will occur consistent with county, Metro and state regulations intended to protect the riparian corridor and other identified environmental features on the property. The findings in support of the Washington County comprehensive plan amendments explain in detail, how and why the development of Site 65 can be done in compliance with all applicable natural resource protection provisions. Appropriate conditions to ensure compliance were included as part of the comprehensive plan amendments. See, in particular, pages 8-16 of the findings adopted by Washington County R&O 99-186, which are adopted herein as part of these findings.

The Hobson Johnson reports provide a brief "regional economic opportunity analysis," which analysis is relevant to the consideration called for under subsection (B) of factor 5. The economic benefits of the urbanization of Site 65 include the provision of short term jobs associated with the development and construction of the project and the housing thereon. Once the residential community is established, there will be the normal jobs associated with its maintenance, including such things as lawn and garden care, home improvements, plumbing, etc., these types of jobs alone are likely to generate higher levels of income for the region than a continuation of the minimal agricultural use that is currently on the property. Of greater regional economic importance is the provision of housing to serve growing (or potentially growing) employment areas in the nearby regional area. Without adequate housing, the economic growth may not occur. Pursuant to subsection (C) of factor 5, the economic benefits of locating additional housing on Site 65 would not be significantly greater if the same amount of housing was located say, for example, on the lands located outside the UGB to the west of the Beaverton Regional Center. The findings in support of the Washington County comprehensive plan

amendments include an ESEE analysis based on the environmental considerations called for in Goal 5. The ESEE analysis called for under Factor 5 of the Metro Code, although more specifically focused on the impacts of urbanization, calls for a very similar kind of analysis, balancing the effects and impacts resulting from urbanization. Thus, the Washington County ESEE findings are incorporated herein, as an adequate analysis demonstrating compliance with subsection (C) of factor 5 of the Metro Code. There are not any unique or site-specific adverse impacts that would result from the urbanization of Site 65 that would not result from the urbanization of almost any other rural land in the region. Urbanization of Site 65 will result in the loss of the current agricultural uses on the property, whereas urbanization of exception lands that are not in agricultural use would not have that same adverse impact. However, the adverse impact in this case is minimal because of the limited nature of the farming activity on Site 65 and throughout URA 65. Also, there are no exception areas in the vicinity of the Beaverton Regional Center area that could reasonably accommodate urban development. As explained in Washington County's findings in response to Goal 5, the on-site environmental impacts of development will be beneficial because it will result in the enhancement and better protection of the natural resources on the site. All new urban development increases the burden on schools, roads and other urban infrastructure, which has the social consequence of displeasing many current residents. That is an unavoidable consequence of any growth on the fringe of the UGB, regardless of where it is located. Those adverse impacts would not be significantly lessened by expanding elsewhere in the region. Moreover, the development of Site 65 will contribute financially to adding capacity to and providing regional solutions for school capacity and roadway improvement needs - those capacity and other infrastructure improvements in the area are needed even if Site 65 is not brought in to the UGB. On balance, these findings and the record reflects an adequate consideration of the ESEE consequences, and on balance, in light of all of the other considerations that are relevant to this UGB expansion, there is greater need and benefit supporting the expansion of the UGB at this location at this time rather than not expanding the boundary or expanding it elsewhere in the Beaverton Regional Center area.

Factor 6

The considerations called for under MC 3.01.020(b)(6) are, for all practical purposes, identical to the considerations and requirements addressed under ORS 197.298. The primary response to factor 6 of the Metro Code is that it is not applicable to this UGB amendment because the subject property is already designated an urban reserve. In the alternative, the same priority analysis undertaken for ORS 197.298(3)(a) provides an adequate consideration of and demonstrates compliance with subsection (A)(i) to (v) of factor 6 of the Metro Code. It should be noted that the record includes evidence that the only marginal lands, as designated by Washington County, are in areas far removed from the Beaverton Regional Center area UGB. These designated marginal lands are the only type of "secondary or equivalent lands" as referenced in subsections (A)(ii) and (iii). As discussed in the alternative site analysis, there is a small amount of primary forest resource land in the area to the west of the Beaverton UGB, but for the reasons discussed in the alternative site analysis, that is not an appropriate area or location for urbanization. Therefore, amending the UGB to include Site 65 is consistent with subsection

(A)(b) of factor 6 of the Metro Code as demonstrated in the findings adopted herein in response to ORS 197.298(3)(a). The Alternative Site Report to Site 65 is made a part of these findings, and is part of the response to factor 6 of the Metro Code. That report, and the other documents that are incorporated into these findings, are intended to be consistent with the expressly stated findings herein. To the extent there are any overlooked inconsistencies or conflicts between the incorporated findings and the other portions of these findings, then the latter will control and supercede the former.

Factor 7

The evidence and conclusions provided in the farm report entitled "Site 65 at Bethany Farming Practice and Impact Analysis" adequately addressed the considerations called for under MC 3.01.020(b)(7) and are adopted as part of these findings in response to those factor 7 considerations. That farming report includes a description of the number, location and types of agricultural activities occurring within one mile of Site 65, and it contains an analysis of the potential impacts on nearby agricultural activities that could result from the urbanization of Site 65. The key conclusions of that farming report, which are summarized on page 1 of that report, demonstrate that URA 65 is a small and topographically isolated portion of agricultural land that is no longer a viable commercial farming area due to heavy urbanization and the lack of water for irrigation. Several farmers testified at Metro hearings regarding their unsuccessful efforts to obtain sufficient water for irrigation and the resulting failure of their farming activities. The report, as supported by testimony at the Metro hearings, supports the conclusion that the development of Site 65 will not have any tangible impacts on any existing agricultural activities or on any resource lands within one mile of the site. The agricultural activities and income that will be lost by the development of Site 65 constitute a minimally negative impact, that is balanced out by the benefits to the environment and the other benefits and need for urbanization discussed elsewhere in these findings.

In summary, all of the considerations relevant to factors 3 to 7 of the Metro Code have been addressed. The consideration and analysis of those factors supports the ultimate conclusion that Site 65 is the most appropriate location in which to expand the UGB in order to address the identified need for more residential land in the Beaverton Regional Center area.

2. MC 3.01.020(c) - Goal 2 Requirements.

As stated in acknowledged MC 3.01.020(c), the Goal 2 exception requirements are not directly applicable to this UGB amendment, but rather relevant portions thereof are incorporated throughout MC 3.01.020. Subsections (1) to (3) under section (c) list several requirements based on Goal 2 that need to be addressed as part of this UGB amendment. The findings explain why "the land need identified [for more residential land within the Beaverton Regional Center] cannot be reasonably accommodated within the current UGB." The findings explain why the development of Site 65, in accord with the approved concept plan and other imposed conditions, will be compatible with both adjoining urban development and the rural uses adjacent to the

property. This issue of compatibility is discussed further below. This particular subsection of the Metro Code is focused on specific "adjacent uses." Metro interprets this code provision to only apply to immediately adjoining properties, and not to those properties separated from the subject property by a road. Nevertheless, as a precautionary matter, the findings respond to this particular provision by examining more properties than just those immediately adjoining or adjacent to Site 65. The urban area on the south side of Springville Road has been developed, largely with residential uses similar in density to that which is proposed for Site 65. Thus, the two uses will be compatible. The PCC campus is an existing intensive urban use. It is a destination urban use that serves many different communities and constituents throughout the urban area. Locating a planned development such as Site 65 next door to such an urban use is compatible. The site plan indicates where pedestrian connections can be made between the two uses, which in turn will help facilitate pedestrian/bicycle transportation and will encourage other transportation linkages. Also, the proposed school site on Site 65 is located next to the PCC campus, which will encourage potential linkages between those two uses. Urbanization of Site 65 can be done in a manner that is compatible with the rural dwelling located adjacent to the northwestern boundary of the site. The topography slopes downward at that point which will help to create a physical buffer between the two uses, and local development code provisions requiring setbacks would also ensure an adequate buffer so that the two uses can co-exist in a compatible manner. Moreover, because that dwelling is included in URA 65, it is anticipated that that property will ultimately redevelop as an urban use.

Brugger Road ensures an adequate buffer between the rural residences to the north and the urban development proposed on the Site 65. The open space along the eastern portion of Site 65 will be compatible with the current rural open space and pasture land uses located adjacent to the eastern portion of the site. The open space buffer along the BPA right-of-way, which generally forms the eastern boundary of the developable area within Site 65, provides an adequate open space buffer area to ensure compatibility with the adjoining lands to the east. That is consistent with the conditions imposed in the findings adopted by Washington County in response to Goal 5 and other natural resource protection considerations. Moreover, those adjoining uses are on property currently designated as urban reserve which means they are likely to be developed for urban uses in the future, which would make them compatible with the Site 65 proposal. The small property located on Springville Road between Site 65 and the PCC campus is not included as part of this UGB amendment. In approving the annexation of Site 65 into Metro's jurisdictional boundaries, the Multnomah County Board of County Commissioners did not include that property (the "Nolte property"). The property owners have requested that the property not be included as part of this UGB amendment. It is zoned AF-20. There is currently a single dwelling on the Nolte property and a small amount of agricultural activity. The adverse impacts of development can be minimized by ensuring that there is an adequate buffer between the Nolte property and the adjoining development. As long as the current rural residential use of the Nolte property continues, the provision of an adequate buffer between that property and the Site 65 development should ensure that the two uses remain compatible. Because that portion of Site 65 is proposed for multi-family use, there is greater opportunity to minimize impacts by placing the structure further to the north and east, rather than having home sites along the perimeter of the

property. The Nolte property is an obvious candidate for urbanization at such time as the owners so desire, and measures shall be taken during the development review of Site 65 to ensure that the development of Site 65 will not preclude the potential future urbanization of the Nolte property. In the meantime, the setback and buffering requirements in the local development code shall ensure that the development of Site 65 is compatible with the current uses on the Nolte property. To ensure that protection is afforded, Metro hereby imposes a condition requiring the local government approving the development permit for the immediately adjoining property to make a finding, if the Nolte property is still in a rural residential use, that an adequate open space buffer, including any appropriate landscaping, fencing, etc., is required to ensure that adverse impacts of development on the Nolte property have been reasonably mitigated. Compliance with this condition can be shown at the time the actual development plans for the proposed multi-family use are submitted and approved. The imposition of this condition ensures that the considerations called for under subsection (c)(2) have been addressed and satisfied. In this context, it should be noted that Metro interprets 3.01.020(c), (d), and (e) as being approval criteria that must be addressed in the context of the entirety of MC 3.01.020, which means that they are not isolated approval criteria that must be independently satisfied, but rather they are approval considerations that must be addressed and then balanced in the context of the need, locational and alternative site considerations called for under factors 1-7 of the Metro Code. That is the primary interpretation as to how Metro applies these sections of the codes. Nevertheless, as a precautionary matter, these findings also explain why the evidence supports a conclusion that the UGB amendment satisfies each of the specific criteria listed under those code sections.

Subsection (c)(3) entails a determination as to whether there are other resource areas or other areas requiring an exception that could be developed and have significantly less adverse impacts than the development of Site 65, in light of the long-term EESE consequences analyzed in response to factor 5 of the Metro Code. The findings in response to factor 5 support the conclusion that there are no such alternative sites in the Beaverton Regional Center area, either exception areas or non-exception areas, which could be urbanized with less detrimental impacts than would result from the development of Site 65.

3. MC 3.01.020(d) - Expansion Site Boundaries.

The considerations that need to be addressed pursuant to MC 3.01.020(d) are somewhat similar to the issues addressed above regarding compatibility with adjacent uses. Unlike other provisions that need to be addressed pursuant to MC 3.01.020, section (d) is not directly based on any statewide planning goal considerations or any specific case law regarding UGB amendments. It is a Metro-based provision. As noted above, Metro reviews this provision as being applied and considered in the context of and balanced with the other provisions that must be addressed in order to support the UGB expansion. The primary purpose of section (d) is to try and maintain a physically distinguishable area between urban development and rural uses. In making a legislative determination about the appropriate location and size of a UGB amendment, property ownerships is not a primary consideration. However, ownership is a fact of the land use patterns, both current and prospective future uses, that, in some circumstances, can be one element to consider

in determining the precise boundaries of the UGB expansion. Goal 14 recognizes that the establishment and change of the boundaries of the UGB needs to be a cooperative process between affected parties and that choices in the marketplace are also a consideration that is relevant to establishing the boundaries for the UGB. Thus, while the code provision's preference is for physical demarcations between urban uses and rural uses, ownership can be a relevant consideration. While property ownership was a consideration in not including the Nolte property within the boundaries of this UGB amendment, nevertheless, the development of Site 65 in accord with the concept plan and accompanying terms and conditions will result in clear physical separations between the urban uses and rural uses. Another relevant consideration to this code provision in this case is the fact that the northern and eastern boundaries of Site 65 abut properties already designated as urban reserve. (The Nolte property was not included in Resolution No. 98-2726B.) The desire for clear physical demarcations between urban and rural designations was addressed as part of the urban reserve decision. Thus, the boundaries of URA 65 satisfy that consideration. That is an important consideration in a case such as this, where the UGB expansion is, in effect, the first phase of development of the entire urban reserve area. From a utility planning perspective, and recognizing the fact that the property owners affected by this amendment are prepared to implement the approved concept plan, support including Site 65 rather than the entire URA at this time. The findings in the response to the other applicable code criteria explain why the location of Site 65 and the approved conceptual development plan satisfy those other code considerations. Those are considerations that support the boundaries of the UGB expansion. Nevertheless, as discussed below, even if section (d) were viewed as a specific approval criteria - rather than as a consideration to be viewed in the overall context of MC 3.01.020 - the evidence demonstrates that it has been properly addressed and satisfied.

Except for the Nolte property, Site 65 adjoins the existing UGB along its southern and western borders. Brugger Road creates a clear transition between Site 65 and the rural uses to the north. The boundary for the northwestern portion of Site 65 is based primarily on topography. The eastern border of Site 65 generally follows the BPA right-of-way, which is to be maintained as an open space buffer. While the UGB amendment includes some acreage to the east of the BPA right-of-way, this area is noted as open space/future development on the approved concept plan, which is consistent with the natural resource protection findings adopted by Washington County. That area is not proposed for housing development as part of the Site 65 concept plan, and thus the approved UGB amendment will ensure a visible transition area along the power lines between the approved urban development and the rural and open space uses to the east. The properties to the east of the right-of-way have been included in the UGB amendment, even though they will not be developed as part of Site 65 concept plan, in part, because they will ensure an even higher level of environmental protection than if they were to remain in a rural designation, which would allow clear cutting and farming of the property, which in turn would further threaten the existing wildlife habitat and further degrade the stream in the area. These properties can provide a transition area to the remainder of URA 65, and their suitability for development can be considered as part of the future development of the rest of URA 65, which is consistent with the Washington County findings. The Nolte property will be available for urban development if the property owners seek permission to annex into Metro. The

concept plan anticipates that the Nolte property will be next to a multi-family development phase of Site 65. The ultimate developers of that phase of the project will have to provide sufficient landscaping and buffering between the development and the Nolte property (assuming the Nolte property remains in its current rural use). The condition imposed to ensure there is a sufficient open space buffer will result in an identifiable transition between the existing rural use and the future urban use. On balance, the location for the UGB amendment will result in the desired overall visible transition from one side of the UGB line to the other. Consistent with this section (d), it is preferable to expand onto sites that already border the UGB on more than one side, as is the case with Site 65. Brugger Road and the BPA right-of-way easement create a visible demarcation around most of the northern and eastern boundary of Site 65. This UGB expansion is in compliance with MC 3.01.020(d). In addition, that provision is, essentially, a part of the overall locational considerations that need to be taken into account. It would be inappropriate to view this particular section as carrying greater weight in establishing the size and location of a UGB amendment than do the other factors that need to be considered and applied under MC 3.01.020.

4. MC 3.01.020(e) - Other Goals.

MC 3.01.020 implements all applicable approval criteria and considerations based on statewide planning goals 2 and 14. Section (e) is concerned with any other statewide planning goals that may need to be addressed as part of a proposed UGB amendment. In this case, Metro does not need to address any other statewide planning goals because all such applicable goals have been addressed by Washington County in the acknowledged amendments to its comprehensive plan, which were adopted pursuant to Washington County Ordinance No. 546, along with the supporting findings and concept plan adopted pursuant to Washington County Resolution and Order No. 99-186, all of which was adopted October 26, 1999. Metro is entitled to rely on the goal compliance findings adopted by Washington County without conducting a new review and analysis. With the acknowledgment of the comprehensive plan amendments affecting Site 65, it would be a collateral attack on the county comprehensive plan to challenge in this proceeding the comprehensive plan amendments' compliance with the statewide goals. No party in this proceeding has identified a relevant statewide planning goal that was not addressed by Washington County. Washington County's findings are incorporated as part of these findings. Therefore, to the extent that an appellate court determines that compliance with other relevant statewide planning goals is relevant to this UGB amendment, then the incorporated county findings stand as satisfactory findings demonstrating compliance with the applicable statewide planning goals.

Washington County's actions in amending its comprehensive plan in consideration of the proposed UGB amendment for Site 65 are consistent with the delegation and coordination of planning responsibilities established in the Metro Code. The county's actions ensure that the development of Site 65 will be done in a manner consistent with these findings and in accord with the justification set out in these findings. The specific conditions established by Exhibit 1 of Washington County Ordinance No. 546, and those findings and conditions established by

Washington County Resolution and Order 99-186, including the requirement to develop Site 65 in general conformance with the Site 65 Conceptual Plan attached thereto, are all hereby incorporated as part of this UGB amendment. The county's conditions, as incorporated herein, will ensure that the development of the subject property will occur in a manner that is consistent with these findings and with the justification for this UGB amendment. As explained in the county's findings, the comprehensive plan amendments were based on the concept plan and findings endorsed by the Metro Council when it adopted Resolution No. 98-2726B in December of 1998. Based on that resolution, Washington County prepared, processed and adopted the comprehensive plan amendments affecting Site 65 in advance of this UGB amendment, as called for in MC 3.01.012(c). It is the first instance where a local government has adopted comprehensive plan amendments for an urban reserve area prior to final approval by Metro of the UGB amendment. Washington County's comprehensive plan amendments comply with MC 3.07.1120, because they include an adopted an urban growth plan diagram (in this case it is the Site 65 Conceptual Plan) and supporting policies, findings and conditions that demonstrate and ensure compliance with all applicable Metro requirements and policies. The fact that the county's comprehensive plan amendments comply MC 3.07.112 was determined at the time the amendments were adopted, which was done in coordination with Metro and DLCDC. Those amendments have now been acknowledged because no appeal was filed. Therefore, the issue of consistency between the comprehensive plan amendments and MC 3.07.1120 and 3.01.040(d) have been established and cannot be re-considered as part of this comprehensive plan amendment. Because the comprehensive plan amendments have been adopted and acknowledged, Metro does not need to take the actions called for under MC 3.01.040(b). Should an appellate court determine otherwise, and rule that the provisions in MC 3.07.1120(a)-(k) and 3.01.04(b)(1)-(5) are relevant considerations to this UGB amendment, then the county findings incorporated herein stand as Metro's findings in direct response to those Metro Code provisions.

In summary, Metro interprets its code provisions as delegating to Washington County the planning authority to adopt comprehensive plan amendments that demonstrate compliance with all applicable Functional Plan requirements and to address all applicable statewide planning goals as part of that process. As long as the adoption is properly coordinated with Metro and DLCDC, then it is not necessary or appropriate for Metro to re-consider those same issues as part of a UGB amendment.

5. MC 3.010(020)(f) - Conformance With the RUGGOs

Compliance with all of the other provisions of MC 3.01.020, as set out above, are sufficient to demonstrate that this UGB amendment is consistent with the applicable provisions in the Metro RUGGOs, and other policies that have now been made a part of the Regional Framework Plan. Therefore, it is not necessary to independently address those policies because they have been effectively incorporated into the provisions discussed above. The Regional Framework Plan is based on the policy statements contained in the RUGGOs, which includes the 2040 Growth Concept, thereby consolidating all Metro land-use planning goals and objectives. The RUGGOs are aspirational policies and not specific approval criteria. In addition to the Metro

Code UGB amendment criteria, the RUGGOs are also implemented through specific provisions in the Functional Plan. Assuring compliance with the Functional Plan is the primary responsibility of the local government when it amends its local land use regulations to implement the UGB amendments. That process needs to be done in coordination with Metro, which enables Metro to participate in the determination of compliance with the Functional Plan. The Metro Code authorizes local governments to implement a proposed UGB expansion and determine its compliance with the Functional Plan in advance of Metro adopting a final ordinance amending the UGB. As discussed above, that is what has happened with Site 65. In coordination with Metro and DLCD, Washington County has determined, with the imposition of appropriate conditions, that the urbanization of Site 65 complies with all relevant provisions of the Functional Plan. The aspirational policies of the RUGGOs (including the 2040 Growth Concept) have been considered and balanced as part of both Washington County's process and as part of this UGB amendment process for Site 65. It does not appear from the record that any party has cited a specific provision of the RUGGOs or anything else in the Regional Framework Plan would be violated or has not been properly considered and addressed.

6. Other Considerations

There have been a large number of public hearings directed towards a consideration of the UGB amendment for Site 65. Metro has afforded all members of the public, and in particular property owners residing on or in the vicinity of Site 65, with ample notice of this UGB amendment and ample opportunities to comment, submit evidence and review the evidence that has been submitted. The approval of this amendment has been done in a legislative process because of the policy implications involved, the number of directly affected property owners, and most importantly, because Metro is not required to make any decision regarding whether Site 65 should or should not be included in the UGB. These findings attempt to respond to every relevant issue that has been raised on the record.

As another procedural matter, a number of documents submitted into the evidentiary record have been expressly incorporated as part of these findings. That evidence incorporated as findings is intended to be consistent with the rest of the findings adopted in support of the UGB amendment. However, in the event that there is any conflict between the incorporated documents and other portions of the findings, the non-incorporated findings would control and supercede any inconsistent or conflicting statements contained in the incorporated findings.

Three were primary areas of concern raised by a number of the opponents to this UGB amendment: (1) the loss of viable agricultural land; (2) school overcrowding; and, (3) general traffic congestion and roadway improvement needs. Metro's findings regarding the loss of agricultural land are set out in detail above. Metro's Regional Framework Plan contains several general policies regarding schools, which are generally directed towards ensuring adequate coordination with affected school districts. That has happened in this case. More importantly, Washington County has specific criteria directed at ensuring the availability of adequate school capacity. Washington County adopted findings explaining why the county's provisions regarding

school capacity were satisfied based on the evidence submitted and reviewed in that proceeding. That evidence is included in the record of this case. Those findings have been incorporated herein and Metro is entitled to rely upon them. It should also be noted that the Beaverton School District has submitted a letter confirming that the owners of Site 65 have provided the opportunity for the siting of an elementary school on the property, and that the proposed school has been integrated into the planning for the approved concept plan. Moreover, the school district has testified that there is adequate capacity and planning underway to ensure that the school district will be able to accommodate the projected number of students who will ultimately be residing on the Site 65 property.

The record contains two traffic impact studies prepared by DKS. Washington County relied on those two studies in determining that the development of Site 65 could be done in conformance with all requirements of statewide planning goal 12 and the Transportation Planning Rule adopted pursuant thereto, and applicable functional plan provisions. No party has challenged the evidence or findings relied upon by Washington County in its adoption of the comprehensive plan amendments. Metro is entitled to rely upon that same evidence and those findings to conclude that it will be feasible to develop Site 65 in accord with all applicable transportation planning requirements.

Date: December 2, 1999

**STAFF REPORT TO THE
METRO COUNCIL**

Prepared by: Lydia Neill, Growth Management

Proposal: Metro Legislative Amendment – Consideration of Ordinance No. 99- 812 for the purpose of adding to designated urban reserve areas for the Portland Metropolitan Area Urban Growth Boundary.

Urban Reserves: Urban Reserve Area (URA) #65, Beaverton

Applicable Review Criteria: Metro Code Section 3.01.020.

SECTION I: INTRODUCTION AND SITE INFORMATION

Introduction:

The purpose of this report is to update the Metro staff analysis (contained in the report dated November 24, 1998) of Urban Reserve Area (URA) #65 based on information submitted into the record for this proceeding.

Site Information: URA #65

The portion of URA #65 included in this request is approximately 109 acres and is located north of the City of Beaverton; east of 185th Avenue, north of Springville Road, and adjoins the Portland Community College (PCC) Rock Creek campus to the west. The area is composed of Class 2, 3, and 4 soils. The average slope of the site is 7 percent.

Agricultural activities are the dominant land use occurring on this site. Residential development has taken place in a portion of the urban area to the south of Springville Road that is currently located in unincorporated Washington County. Rock Creek runs the length of the reserve parallel to Springville Road and drains to the Tualatin River. The northeastern portion of the reserve is forested.

On December 17, 1998, the Metro Council adopted Resolution 98-2726B for the purpose of expressing its intent to amend the urban growth boundary to include a portion of URA #65. The portion of URA #65 represented in this ordinance includes approximately 109 acres of the 488 total acres.

The Multnomah Board of County Commissioners approved annexation to Metro's jurisdictional boundary on May 13, 1999 by Order No. 99-82 for the expressed purpose of expanding the Urban Growth Boundary (UGB). Prior to this action, several changes were made to the original 116-acre

area, including adjustments for right of way and a request from a property owner to be excluded (Tax Lot 900), leaving an area of 109 acres annexed to Metro's jurisdictional boundary.

Ryland Homes submitted a preliminary urban reserve plan for approximately 116 acres of URA #65 in the fall of 1998. The 116-acre reserve plan area is composed of Class 2, 3 and 4 soils. All of the acreage within this portion of the reserve area is designated EFU by Washington County. At this time, agriculture is the dominant land use activity. The urban reserve plan included a variety of housing types and densities and a school site. The site is expected to accommodate 704 dwelling units and 180 jobs. Metro staff reviewed the proposed urban reserve plan and stated in a staff report issued on November 24, 1998 that all urban reserve plan requirements have been met. Washington County has also reviewed this urban reserve plan and approved the plan in Resolution 99-186, Exhibit "A" dated October 26, 1999.

Since that time, Metro Code amendments no longer require that an urban reserve plan be completed prior to approval of a UGB amendment. Title 11 of the Urban Growth Management Functional Plan now requires that the same concept plan work be completed and approved by the local government before the land is developed.

The City of Beaverton and Washington County have signed a Memorandum of Understanding (MOU) dated October 28, 1998 to provide governance and planning for urban reserve 65. An Addendum to the MOU signed on November 11, 1998 provided for zoning and the orderly provision of urban services to this reserve area.

An Urban Services Intergovernmental Agreement (IA) signed on February 22, 1999 between the City of Beaverton and Washington County includes the area within URA #65. The IA formalizes the preliminary understanding outlined in the MOU dated November 11, 1998 and provides greater detail on the roles the City and County will play in planning, implementing the 2040 Growth Concept and the provision of urban services to this area.

SECTION II: ADDITIONAL REVIEW CRITERIA

The criteria for a legislative amendment to the UGB are contained in Metro Code Section 3.01.020. They are based primarily on Statewide Planning Goals 2 and 14 and have been acknowledged, or approved by the State as meeting its requirements.

The criteria and staff analysis of the factors outlined in the Metro Code are contained in Metro's Staff Report, November 24, 1998 (Resolution No. 98-2729A). Additional information that was submitted since the November 24, 1998 staff report is addressed in the sections below.

Factor 1: Demonstrated need to accommodate long-range urban population growth.

As per Metro resolution 99-2855C, Metro Council has accepted the 1997 *Urban Growth Report Update*, with additional work to be completed on estimates of capacity in environmentally sensitive areas and capacity from dwelling units. Metro Council has also resolved to request a time extension from the Department of Land Conservation and Development to complete required actions that will ensure a 20-year housing supply in the UGB. This time extension, to October 31, 2000, will allow Metro to respond to the requirements of State Goal 5, regarding fish and wildlife

protection. Estimates from the *1997 Urban Growth Report Update* indicate that implementation of Goal 5 could reduce the buildable land supply by approximately 14,800 dwelling units over the 20-year timeframe.

Factor 2: Need for housing, employment opportunities and livability may be addressed under either subsection (A) or (B) or both.

This factor is addressed in the *Proposed Urban Growth Boundary Expansion Staff Report* dated November 24, 1999 on pages 7-8. Additional information has been provided by the applicant to address the issue of a jobs/housing balance within this part of the region. Hobson Johnson and Associates prepared an economic analysis for URA #65 in November 1998 and an update to this analysis in August 1999. The jobs/housing ratio in 1996 was estimated in the additional submission by Hobson Johnson and Associates at 1.82 and increased to 2.20 in 2020. This is outside of the regional average ratio of 1.50 by 47% in 2020.

The analysis was based on selected Transportation Analysis Zones (TAZ's) that describe a proximate commuter shed for the URA #65 that includes the northern half of the Beaverton Regional Center and a portion of the Hillsboro Regional Center. The geographic extent of the commuter shed was based on travel times between employment centers and the expansion area. The report argues that the expansion of the commuter shed is based on the belief that residents of this area work in a different employment area that includes part of the Beaverton and Hillsboro Regional Centers. The selection was based on the assumption that drive time would determine which employment areas would be served by surrounding residential areas. Based on this study, in order to achieve a favorable jobs housing ratio, 38,000 new dwelling units would have to be provided within this area (based on the assumption that the jobs forecast is accommodated within these Regional Centers).

The Hobson Johnson study concluded that there is a need to take corrective action to increase the amount of developable residential land in this area. This conclusion was reached as a result of current and a projected increase to the jobs/housing imbalance in northern Washington County. Northern Washington County is jobs-rich in comparison to housing opportunities.

In a staff report by Sonny Condor and Dennis Yee, dated December 4, 1999, the regional issue of the jobs/housing balance was examined based on various regional centers, in Washington County. The staff report uses a methodology similar to that used by Hobson Johnson and Associates in their analysis of URA #65 but for different areas of analysis. Because of the nature of the jobs-shed data, a number of different jobs/housing ratios can be calculated based on travel times, geography and homeowner preferences. The staff report uses methodology consistent with the urban reserve analysis from 1997. This staff report approach based on the regional center shows this center as "jobs poor" rather than "jobs rich" in need of more housing. The varying results from these two reports highlights the importance of selection of review areas. Where boundaries are not clearly defined, analysis is less conclusive.

Factor 3: Orderly and economic provision of public facilities and services. An evaluation of this factor shall be based upon the following:

(A) For the purposes of this section, economic provision shall mean the lowest public cost provision of urban services. When comparing alternative sites concerning Factor 3, the

best site shall be that site which has the lowest net increase in the total cost for provision of all urban services. In addition, the comparison may show how the proposal minimizes the cost burden to other areas outside the subject area proposed to be brought into the boundary.

- (B) For the purposes of this section, orderly shall mean the extension of services from existing serviced areas to those areas which are immediately adjacent and which are consistent with the manner of service provision. For the provision of gravity sanitary sewers, this could mean a higher rating for an area within an already served drainage basin. For the provision of transit, this would mean a higher rating for an area that could be served by the extension of an existing route, rather than an area, which would require an entirely new route.

This factor has been addressed in the *Proposed Urban Growth Boundary Expansion Staff Report* dated November 24, 1998 on pages 8-14. The applicant has submitted additional materials to address transportation systems issues in this report, *Transportation System Review for Site 65 URA in Washington County*, dated September 1999. The report is an update of the earlier document *Site 65 at Bethany: Conceptual Transportation Plan*, dated November 1998. DKS and Associates reviewed the transportation impacts of urbanization of this site using the new 2020 model data available from Metro and the County's current transportation plan. The previous report used the 2015 model data. Use of the 2020 horizon year for forecasting is consistent with the anticipated development by Ryland Homes for a portion of URA #65 (670: 700-800). Development beyond the first phase of URA #65 will require additional transportation analysis. The major findings of this study are as follows: 1) NW Springville Road and 185th Avenue will require additional widening because peak capacity is exceeded with development of URA #65 and expansions of the Rock Creek Campus, 2) added traffic will impact north-south facilities including 143rd Avenue and, 3) intersection conditions could be improved by adding signal controls at NW Springville Road and 185th Avenue to maintain acceptable levels of service and safety.

Factor 4: Maximum efficiency of land uses within and on the fringe of the existing urban area. An evaluation of this factor shall be based on at least the following:

- (A) The subject area can be developed with features of an efficient urban growth form including residential and employment densities capable of supporting transit service; residential and employment development patterns capable of encouraging pedestrian, bicycle, and transit use; and the ability to provide for a mix of land uses to meet the needs of residents and employees. If it can be shown that the above factors of compact form can be accommodated more readily in one area than others, the area shall be more favorably considered.
- (B) The proposed UGB amendment will facilitate achieving an efficient urban growth form on adjacent urban land, consistent with local comprehensive plan policies and regional functional plans, by assisting with achieving residential and employment densities capable of supporting transit service; supporting the evolution of residential and employment development patterns capable of encouraging pedestrian, bicycle, and transit use; and improving the likelihood of realizing a mix of land uses to meet the needs of residents and employees.

This factor was addressed in the *Proposed Urban Growth Boundary Expansion Staff Report* dated November 24, 1998 on pages 14-18.

Factor 5: Environmental, energy, economic and social consequences. An evaluation of this factor shall be based upon consideration of at least the following:

- (A) If the subject property contains any resources or hazards subject to special protection identified in the local comprehensive plan and implemented by appropriate land use regulations, findings shall address how urbanization is likely to occur in a manner consistent with these regulations.
- (B) Complementary and adverse economic impacts shall be identified through review of a regional economic opportunity analysis, if one has been completed. If there is no regional economic opportunity analysis, one may be completed for the subject land.
- (C) The long-term environmental, energy, economic, and social consequences resulting from the use at the proposed site. Adverse impacts shall not be significantly more adverse than would typically result from the needed lands being located in other areas requiring an amendment of the UGB.

This factor was addressed in the *Proposed Urban Growth Boundary Expansion Staff Report* dated November 24, 1998, pages 19-27.

An *Addendum to the Natural Resources Evaluation and Protection Plan* dated September 1999, was submitted on November 3, 1999 that contains additional assessment of the site's natural resources in accordance with local and statewide planning objectives. The effects of the proposed development on natural resources located adjacent to the development were also evaluated. The functions and values of the riparian areas, wildlife habitat, fish habitat and wetland resources were evaluated. The analysis provided in the *Addendum* more specifically identifies the location and quality of these resources and appropriate mitigation measures.

Factor 6: Retention of agricultural land. This factor shall be addressed through the following:

- (A) Prior to the designation of urban reserves, the following hierarchy shall be used for identifying priority sites for urban expansion to meet a demonstrated need for urban land:
 - (i) Expansion of rural lands excepted from Statewide Planning Goals 3 and 4 in adopted and acknowledged county comprehensive plans. Small amounts of rural resource land adjacent to or surrounded by those "exception lands" may be included with them to improve the efficiency of the boundary amendment. The smallest amount of resource land necessary to achieve improved efficiency shall be included;
 - (ii) If there is not enough land as described in (i) above to meet demonstrated need, secondary or equivalent lands, as defined by the State, should be considered;
 - (iii) If there is not enough land as described in either (i) or (ii) above, to meet demonstrated need, secondary agricultural resource lands, as defined by the State should be considered;
 - (iv) If there is not enough land as described in either (i), (ii) or (iii) above, to meet demonstrated need, primary forest resource lands, as defined by the State, should be considered;

(v) If there is not enough land as described in either (i), (ii), (iii) or (iv) above, to meet demonstrated need, primary agriculture lands, as defined by the State, may be considered.

(B) After urban reserves are designated and adopted, consideration of Factor 6 shall be considered satisfied if the proposed amendment is wholly within an area designated as an urban reserve.

(C) After urban reserves are designated and adopted, a proposed amendment for land not wholly within an urban reserve must also demonstrate that the need cannot be satisfied within urban reserves.

This factor was addressed in the *Proposed Urban Growth Boundary Expansion Staff Report* dated November 24, 1998, pages 27-30.

Factor 7: Compatibility of proposed urban development with nearby agricultural activities.
The record shall include an analysis of the potential impact on nearby agricultural activities including the following:

(i) A description of the number, location and types of agricultural activities occurring within one mile of the subject site;

(ii) An analysis of the potential impacts, if any, on nearby agricultural activities taking place on lands designated for agricultural use in the applicable adopted county or city comprehensive plan, and mitigation efforts, if any impacts are identified. Impacts to be considered shall include consideration of land and water resources, which may be critical to agricultural activities, consideration of the impact on the farming practices of urbanization of the subject land, as well as the impact on the local agricultural economy.

This factor was addressed in the *Proposed Urban Growth Boundary Expansion Staff Report*, dated November 24, 1998, pages 30-35.

Metro Code Section 3.01.020 (c), (d), and (e); and Metro Code Section 3.01.012 (e)
These code sections refer to urban reserve planning requirements and compliance with Goals 2 and 14.

These code sections were addressed in the *Proposed Urban Growth Boundary Expansion Staff Report*, dated November 24, 1998, pages 35-49. In addition to the material submitted and analyzed in the 1998 staff report, the applicant submitted Washington County Resolution and Order No. 99-186, with Exhibit "A" to demonstrate that the County approved URA #65 at Bethany Conceptual Plan on October 26, 1999.

The *Alternative Site Report*, updated September 1999, includes an alternatives analysis of lands located near URA #65. The analysis states that a number of the exception areas designated by Washington County are unsuitable for development due to topographic conditions, lack of public facilities, existing development patterns, areas not located adjacent to the current UGB and the location of EFU lands. Some of these conditions are easier to overcome than others. Lack of available public facilities can be overcome more easily than topographic conditions or constraints due to existing development.

Conversely, upon examination of EFU lands adjacent to the UGB and within the Beaverton Regional Center it was found that no such lands are located in this surrounding area. The closest EFU land located adjacent to the UGB is located adjacent to Cooper Mountain. Metro Greenspaces program has purchased over 230 acres in this area for parks and open space use and has an eventual goal of acquiring over 400 acres in this area.

SECTION III: SUMMARY OF STAFF REPORT

The applicant has made additional submissions to satisfy Goal 14 requirements for inclusion of URA #65 in the UGB. The applicant has submitted a number of updated documents into the record which have been reviewed by staff. They address regional jobs/ housing balance issues, concerns regarding natural resources and transportation.

Attachment 1: 1999 UGB Record- Area 65 List

Attachment 2: November 24, 1998 Staff Report

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Rev: 12/04/1999

1999 UGB RECORD

Doc. Date	Document Description	To	From
12/02/1999	Letter re: supplemental information for the record	Rod Monroe	Stephan Lashbrook, City of Wilsonville
12/02/1999	Fax of testimony re: Agenda Item No. 13: Metro Council Urban Growth Boundary Public Hearing	Rod Monroe	Winslow Brooks, City of Hillsboro
12/02/1999	Agenda packet for Council regular meeting 12/02/1999 including attachments		Staff
11/30/1999	Letter re: 3 additional articles in reference to Res. No. 99-2855	Rod Monroe	Mark D. Hylland, Home Builders Assoc
11/30/1999	Fax re: need for manufactured dwelling parks inside the UGB	Rod Monroe	Don Miner, Oregon Manufactured Housing Association
11/28/1999	E-mail re: lot size, quality of life, mass transit, taxes, poor community services.	Metro Council	Michael and Rebecca DeCesaro
11/26/1999	Letter re: URA sites 51 – 55. Includes spiral bound draft copy of Hillsboro South Concept Plan for URA Site 55 dated June 1999, spiral bound South Urban Reserve Concept Plan and South Urban Reserve Concept Plan Appendices, UR 51-55, dated 11/16/1999, and 3-ring binder, concept plan testimony and findings. Hand delivered. Six oversized items: #1 Map Hillsboro 2040 Land Use Design Types Boundary #2 Chart Absorption of Hillsboro Buildable Residential Acreage #3 Map City of Hillsboro Exception Area Overview #4 Chart Alternative Hillsboro Dwelling Unit Capacities #5 Chart Hillsboro Study Area Jobs/Housing Balance #6 Exception Areas and South Hillsboro Urban Reserves Dwelling Units Capacity	Chris Billington	Pat Ribellia, AICP, Esq., City of Hillsboro Long-Range Planning Dept.
11/24/1999	Letter re: requested info for UR 51 – 55 (South Hillsboro area)	Jim Jones	Beth Anne Steele
11/24/1999	Letter re: Metro Annexation Petition, UR 44. Includes petition signed by 12 property owners in support of annexation.	Rod Monroe	Lee Leighton, Westlake Consultants, Inc.
11/18/1999	Minutes of the Regular Metro Council Meeting		Staff
11/18/1999	Testimony RE: Malinowski Farm land inappropriately included in UGB		Fern E. Malinowski, Gregory P.

			Malinowski, Richard A. Malinowski, Jon T. Malinowski
11/18/1999	Letter RE: Metro Council Urban Growth Boundary Public Hearing, includes bound copy of City of Hillsboro Metro Functional Plan Final Compliance Report, City's testimony from 9/23/1999 at Hillsboro, and a chart showing Hillsboro 2040 design types		John Godsey, Hillsboro City Council
11/18/1999	Testimony RE: highest and best use for UR 42		Stacey Rumgay
11/18/1999	Testimony RE: support of South Hillsboro addition (URA 54 – 55)		Doug Draper, Genstar
11/18/1999	Statement RE: UR 53, support of south Hillsboro plan		Joe Hanauer, managing partner, Butternut Creek
11/18/1999	Testimony RE: Hillsboro's commitment to Region 2040 concepts and Finding a South Hillsboro UGB expansion solution		Darlene Greene, Hillsboro City Council
11/18/1999	Annexation Application packet for Metro District Boundary for Pacific Capital LLC		Leigh Leighton, Westlake Consultants
11/18/1999	Memo re: Metro Annexation Petition UR 49, includes map of proposed annexation and double majority worksheet verification form.	Metro	Lee D Leighton, Westlake Consultants, Inc.
11/18/1999	Agenda packet for Council regular meeting 11/18/1999 including attachments		Staff
11/17/1999	Spiral bound "Alternative Sites Analysis for South Hillsboro Urban Growth Boundary Amendment"		Doug Draper, Genstar Development Co.
11/17/1999	Spiral bound "Alternative Sites Analysis for South Hillsboro Urban Growth Boundary Amendment – Companion Report – Data Bases"		Doug Draper, Genstar Development Co.
11/15/1999	Letter re: Sherwood UGB	Metro	Carol Zarzana
11/12/1999	Packet including letter from Lee Leighton, City of Tigard Resolution No. 99-73, and 14 page owner & elector petition requesting inclusion into UR 49		Westlake Consultants, Inc. (Lee Leighton)
11/12/1999	Letter re: concern for effect of RTP on businesses on TV Hwy projects, including Beaverton-Hillsboro Industrial Park on Cornelius Pass Rd/TV Hwy	Metro Transportation Committee	Bettina Uris
11/10/1999	Packet including Tigard Resolution No. 99-73, requesting annexation into UR 49		Cathy Wheatley, City of Tigard
11/04/1999	Comments to Metro Council RE: Agriculture in Washington County, opposing adding farmland into UGB		Marcus Simantel
11/02/1999	Agenda packet for Growth Management regular meeting 11/2/1999 including attachments		Staff
10/21/1999	Agenda for regular Council regular meeting 10/21/1999 (1 page)		Staff
10/20/1999	Fax to re: support of including Area 65, includes	Susan McLain	Hillsboro Mayor

	Memo on URSAs 51 – 55 and memo on URSA 65/Ryland Homes Urban Reserve Plan		Gordon Faber and Beaverton Mayor Rob Drake
10/19/1999	Agenda packet for Growth Management regular meeting 10/19/1999 including attachments		Staff
10/18/1999	Letter re: jobs/housing balance and copy of memo from Jerald Johnson Hobson Johnson & Assoc RE: UR 51-55	Susan McLain and Growth Management Committee	Gordon Faber, Mayor City of Hillsboro and Rob Drake, Mayor City of Beaverton
10/18/1999	Letter re: Port of Portland plans to develop the west end of Hayden Island	Bill Atherton	John Diehnel
10/15/1999	Fax re: affordable housing testimony on UGB expansion 10/14/1999 hearing	Jon Kvistad	Debi Laue
10/14/1999	Testimony from UGB Public Hearing 10/14/1999, urging evaluation of affordable housing		David Rohr, Partnership for Sensible Growth
10/14/1999	Agenda packet for regular Council regular meeting 10/14/1999		Staff
10/14/1999	Minutes of the Regular Metro Council Meeting		Staff
10/12/1999	Agenda packet for regular Council regular meeting 10/12/1999		Staff
10/12/1999	Minutes of the Regular Metro Council Meeting - Milwaukie		Staff
10/07/1999	Metro Council Regular Meeting agenda		Staff
10/07/1999	Minutes of the Regular Metro Council Meeting		Staff
10/06/1999	Letter and Development Brief RE: Elderquest Affordable Senior Housing Community, support of adding area into UGB		Robert Baker, Baker Affordable Housing, LLC
10/06/1999	Letter re: support of adding Area 22	Rod Monroe	Barry Rotrock, Superintendent Oregon City Public Schools
10/05/1999	Agenda packet for Growth Management regular meeting 10/5/1999 including attachments		Staff
10/04/1999	Agenda packet for regular Council regular meeting 10/04/1999, includes copies of public testimony cards for UGB issues		Staff
10/04/1999	Minutes of the Regular Metro Council Meeting - Gresham		Staff
10/01/1999	Agenda packet for regular Council regular meeting 10/01/1999		Staff
09/30/1999	Copy of letter to Washington County Planning Commission RE: Raleigh Hills Town Center Plan		Patty Lee, Southwest Neighborhoods, Inc.
09/30/1999	Memo of call from Reita Hribernick RE: Gresham request for time extension		Staff
09/30/1999	Agenda packet for regular Council regular meeting 9/30/1999		Staff

09/30/1999	Minutes of the Regular Metro Council Meeting		Staff
09/23/1999	Letter re: Category 3 TGM Grant Applications, 1999-2001	Pat Ribellia	William B. Adams, AICP
09/23/1999	Packet of testimony from Hillsboro Mayor Gordon Faber, City Manager Tim Erwert Planning Director Winslow Brooks, and City Attorney Tim Sercombe RE: inclusion of URA Sites 51 – 55 “Resolution Lands” into the UGB, Metro Council Public Hearing in Hillsboro		Mayor Gordon Faber et al
09/23/1999	Agenda packet for regular Council regular meeting 9/23/1999		Staff
09/23/1999	Minutes of the Regular Metro Council Meeting Washington County		Staff
09/21/1999	Agenda packet for Growth Management regular meeting 9/21/1999 including attachments		Staff
09/19/1999	Memo of call from Peter and Becky McGovern RE: Bethany farmland into UGB		Staff
09/16/1999	Minutes of the Regular Metro Council Meeting		Staff
09/14/1999	Agenda packet for Growth Management regular meeting 9/14/1999 including attachments		Staff
09/07/1999	Agenda packet for Growth Management regular meeting 9/7/1999 including attachments		Staff
08/03/1999	Agenda packet for Growth Management regular meeting 8/3/1999 including attachments		Staff
08/02/1999	E-mail to Becky Shoemaker RE: noticing 27 local jurisdictions on Ordinance No. 99-809		Christina Billington, Clerk of the Council
07/28/1999	Letter re: concern for assumptions in 1999 Urban Growth Report analysis	Rod Monroe	Betty Atteberry, Westside Economic Alliance
07/20/1999	Agenda packet for Growth Management regular meeting 7/20/1999 including attachments		Staff
07/13/1999	Letter re: UR Concept Plan – Site 55 Exception Lands (Hillsboro)	Rod Monroe	Winslow Brooks, City of Hillsboro
06/25/1999	Letter re: Dwelling Unit Capacity NW 114 th	Chuck Thompson	Brenda Bernards
02/08/1999	Letter re: opposition to 50’ setbacks vs 200’ setbacks, URA 15	Metro Council	Robert A. Vrilakas, Col., USAF (Ret)
01/20/1999	Letter re: Reserve Areas 14 and 15 and the City of Happy Valley in opposition to withdrawing areas from UGB	Rod Monroe	Mayor Eugene Grant
11/24/1998	Proposed Urban Growth Boundary Expansion Staff Reports on URAs 4 and 5, 14 and 15, 31 through 34, 39, 41 and 42, 43, 45, 47, 55, 51 through 55 (except first tier portion of Site 55 inside Metro Boundary), 62 and 63 and 65		Staff
10/26/1998	Memo re: Exception Lands Not Considered as Alternative Sites for UGB Expansion	Mark Turpel	Glen Bolen
10/27/1997	Packet of Maps of Urban Reserves Tax Lot		Metro

	Boundaries		
01/28/1997	Packet including letter from State of Oregon RE: URs, w/ appendix mentioning URs 39, 41, 54, 55, 56, 59, 62, 65, 18, 35, 51, 52, and one mentioning URs 60, 46, 20, 66, 60, 50, 49, 48, 47, 43, 42, 35, 30, 25, 26, 18, 19, 20, 17, 15, and Memo to Jim Sitzman from Patrick Allen	Jon Kvistad	Bruce Andrews, William Scott, Richard Benner, Grace Crunican
Undated	Note RE: announcement of official opening of UGB record and availability of table of contents in council office		Staff
Undated	Testimony RE: Resolution No. 99-2855B, time extension, need to consider impacts on non-residential land supply. (This testimony was received at November 18, 1999 council meeting)		Mark Fraser, Commercial Real Estate Economic Coalition (CREEC)
Undated	Letter RE: opposition to including St. Mary's property (UR 51 - 55) in UGB		Dolores Raymond
Undated	Testimony RE: UGB West Linn area		David Adams
Undated	Packet RE: Recent Actions of Lake Oswego City Council, including City of Lake Oswego Community Assessment survey research report dated 1/1998 and letter from David Smith, attorney for Rosemont Property Owners Association,		Rosemont Property Owners Association
Undated	Letter re: urban reserve 45		Jean Allen

**Proposed Urban Growth Boundary Expansion
Staff Report
November 24, 1998**

ATTACHMENT 2
To Staff Report for
Ordinance 812A

**Urban Reserve Area 65
(Beaverton Area, north of Highway 26)**



METRO

**Growth Management Services Department
600 N.E. Grand Avenue
Portland, OR 97232
503/797-1839**

Agenda Item Number 8.1

Resolution No. 99-2876, For the Purpose of Granting a Time Extension to Washington County and the Cities of Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Sherwood, Tigard and Tualatin for Compliance with Title 3 of the Urban Growth Management Functional Plan.

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF GRANTING A TIME) RESOLUTION NO. 99-2876
EXTENSION TO WASHINGTON COUNTY)
AND THE CITIES OF BEAVERTON,) Introduced by Executive Officer
CORNELIUS, DURHAM, FOREST GROVE,) Mike Burton
HILLSBORO, KING CITY, SHERWOOD,)
TIGARD AND TUALATIN FOR
COMPLIANCE WITH TITLE 3 OF THE
URBAN GROWTH MANAGEMENT
FUNCTIONAL PLAN

WHEREAS, the Metro Council adopted the Urban Growth Management Functional Plan for early implementation of the 2040 Growth Concept on November 21, 1996, by Ordinance No. 96-647C; and

WHEREAS, the Metro Council amended Ordinance Nos. 96-647C to amend Title 3 of the Urban Growth Management Functional Plan and adopted the Title 3 Model Ordinance and Water Quality and Flood Management Maps on June 18, 1998; and

WHEREAS, the Urban Growth Management Functional Plan requires that all jurisdictions in the region make comprehensive plan and implementing ordinance changes needed to come into compliance with Title 3 of the Functional Plan by December 18, 1999; and

WHEREAS, the Urban Growth Management Functional Plan in Metro Code Section 3.07.820.C provides that Metro Council may grant extension to timelines under the Functional Plan "if the city or county has demonstrated substantial progress or proof of good cause for failing to complete the requirements on time;" and

WHEREAS, Washington County and the Cities of Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Sherwood, Tigard and Tualatin have requested time extensions to complete Title 3 compliance work based on evidence showing "substantial progress or proof of good cause" for failing to meet the December 18, 1999 deadline for

compliance with Title 3 of the Functional Plan and have submitted timelines showing when the work will be completed, now therefore,

BE IT RESOLVED:

1. That Washington County and the Cities of Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Sherwood, Tigard and Tualatin shall receive time extensions for compliance with Title 3 of the Functional Plan as shown in Exhibit A.

2. That any further requests for time extensions or requests for Functional Plan exceptions made by the above named jurisdictions shall be determined as delineated in Metro Code 3.07.820, Sections B and C.

ADOPTED by the Metro Council this _____ day of _____, 1999.

Rod Monroe, Presiding Officer

APPROVED AS TO FORM:

Daniel B. Cooper, General Counsel

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EXHIBIT A

Title 3 Functional Plan time extensions have been requested by Washington County and the Cities of Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Sherwood, Tigard, and Tualatin

Washington County and the 9 Cities within the urbanized portion of the County are working with the Unified Sewer Agency (USA) to come into compliance with the requirements of Title 3. The County and the Cities are in substantial compliance with floodplain requirements and in compliance with erosion control requirements but need to complete work on the protection of water quality resource areas. The correspondence from the jurisdictions requesting the time extensions is attached.

Washington County October 2000

The County has requested a time extension to October 2000. The County is working with the adjacent Cities to undertake the compliance work Title 3 for the unincorporated areas of the County. The timeframes for completion of the Title 3 work will be coincident with each City's Title 3 work or no later than October 2000.

City of Beaverton July 2000

The City's time extension request is to July 2000 to accommodate its process for amending the Comprehensive Plan and Development Code. A series of public meetings have been scheduled or proposed.

The City has also requested an exception to the requirements of Title 3 for the Beaverton Regional Center and the Murray Scholls Town Center. This request is not part of Resolution No. 99-2876.

City of Cornelius October 2000

The City is requesting a time extension until October 2000. Cornelius is in the midst of periodic review with a targeted completion date of December 1999. This effort has been the primary focus for the City staff. Cornelius anticipates beginning the public hearing process for Title 3 in January 2000.

City of Durham June 2000

The City is requesting a time extension until June 2000 to accommodate the City's process for making the necessary amendments to the Comprehensive Plan and

Development Code. The City currently has in place a Greenway zone along the Tualatin River which implements much of Title 3.

City of Forest Grove
May 2000

The time extension to May 2000 is requested to accommodate the City's process for amending the Comprehensive Plan and Development Code. The City will begin its public hearing process in January and anticipates holding a joint public meeting with the City of Cornelius.

City of Hillsboro
October 2000

The time extension to October 2000 is requested to accommodate the City's process for amending the Comprehensive Plan and Development Code. The City is scheduled to begin a comprehensive plan revision and preparation of a new City land use code. Title 3 is part of the City's update. The revisions and adoption are to be completed mid-year 2000.

City of King City
June 2000

The time extension to June 2000 is requested in order for the City to adopt the USA water quality standards as part of its Comprehensive Plan and Community Development Code.

City of Sherwood
June 2000

The time extension to June 2000 is requested to accommodate the City's process for amending the Comprehensive Plan and Development Code. The City is intending to hold citizen workshops in January and February 2000 and public hearings in March and April 2000.

City of Tigard
July 2000

The time extension to July 2000 is needed to allow the City to adopt the amendments to its community development code to assure implementation of the USA standards through the land use review process. The extension will allow the City to adopt land use standards for density transfers and a variance process.

City of Tualatin
October 2000

The time extension to October 2000 is requested to adopt the standards and any additional land use policies and regulations into the City's Comprehensive Plan and land use codes. The City process includes educational and review sessions of Title 3 materials for the Tualatin Planning Advisory Committee. This Committee will make a recommendation to City Council. The City anticipates that the necessary amendments could be in place as early as July 2000.

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UNIFIED SEWERAGE AGENCY OF WASHINGTON COUNTY
Metro Growth Mgmt.

NOV 24 1999

November 24, 1999

Mike Burton, Executive Officer
Metro
600 NE Grand Avenue
Portland, OR 97232

Re: Title 3 Compliance Report for Washington County jurisdictions

Dear Mike:

Unified Sewerage Agency (USA) is pleased to provide you and your staff with copies of the Title 3 Compliance Report for Washington County jurisdictions. USA staff, USA consultants, and Washington County planning directors have been working diligently to complete this report. The report addresses the requests made in late September from you and the Council's Growth Management Committee for additional information and clarification on a few technical matters.

The Compliance Report contains the following elements:

- ❖ Executive Summary;
- ❖ Analysis of a portion of the draft USA Design and Construction Standards (USA Standards), specifically updated in part to support Title 3 requirements;
- ❖ Findings that the USA Standards are in substantial compliance with Title 3;
- ❖ Summary of legal issues related to the implementation of USA Standards and the Agency's authority under the Clean Water Act to enforce these standards;
- ❖ Description and summary of current development procedures for all ten jurisdictions;
- ❖ Summary of future implementation options and summary of estimated timeframes;
- ❖ Proposed Alternatives Analysis framework;
- ❖ Summary of existing protections related to Title 3 for all ten jurisdictions; and
- ❖ Pertinent documents such as the draft USA Standards and Ordinance 27.

Brenda Bernards of the Growth Management staff has provided valuable assistance and participation in the meetings over the last several months, and should be up to speed on the technical details contained in the compliance report. It is my understanding that she has been coordinating with other Metro staff, including legal and environmental staff at Metro related to our efforts to come to consensus over the USA Standards. The time she has invested in the process should help Metro to provide an expedient review of this report. On that note, I request that you schedule this item for

discussion at the December 7 1999, Growth Management Committee (GMC). It is our intention that the GMC should be able to make a recommendation to Metro Council on the extension requests submitted by the Washington County jurisdictions so that they can proceed with the conforming amendments called for as part of compliance with Title 3.

As the report details, the Title 3 standards will be met primarily by application and implementation of the USA Standards. At this time, I anticipate that the USA Board will consider adoption of the USA Standards related to Title 3 on December 14, 1999, with an effective date of December 18, 1999. The report also explains that there are a variety of ways that the local jurisdictions will implement USA Standards into their own development procedures. This is merely the reflection that the 10 jurisdictions have different procedures and levels of complexity of development review. However, almost all of the jurisdictions have submitted extension requests explaining their work programs to implement the USA Standards. Table C of the report summarizes the various approaches and timeframes.

USA and local jurisdictions are continuing to refine the procedures related to the proposed Alternatives Analysis. However, the report contains a "framework" of the parameters of the proposed review process, and a discussion of the concerns related to this topic. USA wants to ensure that the procedures for decisions related to encroachment into vegetated corridors and water quality sensitive areas enable the Agency to meet its obligations under the Clean Water Act. Metro staff have been part of the discussions related to the Alternatives Analysis framework and have indicated that the proposed framework is substantially compliant with Title 3.

Thank you for your prompt attention to this report. Please contact Kendra Smith at 844-8118 with any questions.

Sincerely,



Tom Brian
Chair, USA Board of Directors

Enc. Compliance Report

cc: Metro Growth Management Committee members
Washington County Planning Directors
Bill Gaffi, John Jackson, Kendra Smith, USA
Brenda Bernards, Metro
David Noren
Chris Eaton, Angelo-Eaton & Associates



UNIFIED SEWERAGE AGENCY OF WASHINGTON COUNTY

DATE: December 3, 1999
TO: Interested Parties
FROM: Bill Gaffi, General Manager
SUBJECT: Adoption of Amendments to USA's Design and Construction Standards related to Title 3 compliance

On Tuesday, December 14th, the Unified Sewerage Agency's (USA) Board of Directors is scheduled to hold a public hearing on the adoption of updated standards for sensitive areas, vegetated corridors, and floodplain management areas. USA's Board of Directors will consider the proposed updated standards in order to further protect water quality pursuant to the Clean Water Act. In addition, these updated standards will assist the Cities and County in meeting Title 3 compliance.

USA's Board of Directors will hold the public hearing and consider adoption of the revised standards on:

6:30 p.m., Tuesday, December 14, 1999
Shirley Huffman Auditorium, Public Services Building
155 N. First Avenue, Hillsboro

Although USA has worked closely with stakeholders in the development of this package during the last three months, we recognize that the process was not as extensive as customary for the Agency. This was due to the time constraints of Title 3 compliance and the desire to develop standards specific for the needs of the Tualatin Basin. The proposed standards are designed to improve our ability to protect water quality of the watershed, while still providing flexibility for the Cities and Applicants in the site design process. The goal was to provide clear and objective standards that can be fairly and consistently implemented and enforced throughout the service district.

These updated standards have been reviewed and approved by Metro staff to serve as a "Title 3 substantial compliance package" for Washington County and its cities. The deadline for substantial compliance with Metro's Title 3 requirements is December 18, 1999. Despite the recent Land Use Board of Appeals (LUBA) decision, Metro Office of General Counsel has advised that until the court rules, the December 18, 1999 compliance deadline for Title 3 remains valid regional law. In the substantial compliance report to Metro, Washington County and its Cities requested time extensions in order to amend their land use regulations and comprehensive

plans to reflect USA's updated standards. The Metro Council will consider the extension request at their December 16th meeting with the understanding that USA's language will be in place.

The current draft of the Resolutions and Orders identifies an effective date of December 18th. USA is currently re-examining the effective date in light of our need to train our staff, city staff, and consulting engineers on the implementation process. We are developing a transition plan for implementation of these standards and may request that the effective date be 4-6 weeks after adoption to address these needs.

USA's comprehensive update of the Design and Construction Standards is still underway and the public comment period will be held in January with anticipated Board adoption in February. The language revisions being considered by USA's Board of Directors on December 14 represents a portion of the overall Design and Construction Standards update. As part of the Design and Construction Standards public comment period, there will be additional limited opportunities to review these changes in context of the whole document.

We look forward to working with all of you on these issues, as well as the other revisions to the remainder of the Design and Construction Standards. If you have any questions, please feel free to contact Kendra Smith at 844-8118.

Questions & Answers

USA Design & Construction Standards and Metro Title 3 Interaction

Why is USA moving forward in light of the Land Use Board of Appeals (LUBA) decision to remand Title 3?

USA is moving forward with the adoption process of the proposed updated standards for sensitive areas, vegetated corridors, and floodplain management in order to protect water quality pursuant to the federal Clean Water Act. The Agency has also determined that Metro is more likely to grant City and County requested extensions for Functional Plan compliance with Title 3, if USA's update language is in place.

Will Metro accept this package as substantial compliance for Title 3?

Metro staff has determined that the proposed updated standards substantially comply with requirements of Title 3 (per November 29, 1999 Metro Staff Report). Resolution No. 99-2876 before the Metro Council requests that the County and Cities be granted time extensions in order to amend their land use regulations and comprehensive plans to reflect USA's updated standards.

How does this tie into USA's Design and Construction Standards Update Process?

USA is in the process of updating certain elements of Chapters 2, 3, 8, and 10 of the 1996 Design and Construction Standards. The proposed updated standards for sensitive areas, vegetated corridors, and floodplain management are part of the Chapter 3 revisions. The remaining revisions to Chapter 3 will be brought to the USA Board of Directors for consideration in February.

When will USA's substantially compliant version of Title 3 go into effect?

Per the proposed Resolution and Order to be presented to USA's Board of Directors, the proposed updated standards would go into effect on December 18th in order to meet the Title 3 deadline. However, USA is currently re-examining the effective date in light of our need to train our staff, city staff, and consulting engineers on the implementation process. We are developing a transition plan for implementation of these standards and may request that the effective date be 4-6 weeks after adoption to address these needs. Metro Council is scheduled to hear, and potentially grant the time extensions to the County and Cities on December 16th.

What is the impact of USA standards for sensitive areas, vegetated corridors, and floodplain management on the land use process?

The proposed updated standards will require that the Applicant address sensitive areas, vegetated corridors, and floodplains early in the application process by providing a site assessment of conditions. The Applicant would secure a service provider letter from USA that indicates the plans are within the standards and that a storm water connection permit may be issued. If the Applicant can not comply with the standards, an alternatives analysis with the City/County, USA, and Applicant will be conducted to attempt to resolve any conflicts with the standards. The Applicant then submits the service provider letter along with the land use application to the land use authority to proceed through the land use process. Upon completion and approval of engineering plans for the proposed activity, USA will issue the Applicant a storm water connection permit.

How will these standards affect City /County staff?

City and County staff will continue to conduct land use and engineering plans review for proposed projects. The process changes of securing a service provider letter from USA in the beginning and securing a final storm water connection permit from USA in the end, will be the responsibility of the Applicant. The Cities and County will be asked to ensure that these requirements (service provider letter and connection permit) have been secured by the Applicant prior to issuing permits for grading, site development, etc. USA will conduct the review of the vegetated corridors in the transition period, until those Cities wishing to conduct such review internally are adequately trained and authorized via the Intergovernmental Agreements and NPDES MS4 Co-permittee status.

USA will work with the Cities and County to resolve standards delegation and process issues, conforming amendments in the land use codes, intergovernmental agreements, and co-permittee status over the next several months. Transition planning is currently underway internally and will involve representative City / County staff over the next few weeks.



AGENDA
UNIFIED SEWERAGE AGENCY
BOARD OF DIRECTORS

Agenda Title "PH"
CONDUCT PUBLIC HEARING AND ADOPT AMENDMENTS TO CHAPTER 3 OF
USA'S DESIGN AND CONSTRUCTION STANDARDS
To be Presented By Bill Gaffi, General Manager (ks) 12/01/99

SUMMARY (Attach Supporting Documents If Necessary)

Background

The Unified Sewerage Agency (the Agency) has had the lead responsibility for urban surface water management in Washington County (County) since 1990. Because the Agency was formed pursuant to ORS 451.410 to 600, the Agency's authority to plan and regulate stormwater extends to all territory within the district, including territory within cities. Intergovernmental agreements (IGAs) between the Agency and the various cities and County adopted in 1990 explicitly recognize that role.

In 1994, the Agency adopted Ordinance 27, which requires a permit from the Agency for any "connection" to the "stormwater system." Those terms are broadly defined in Ordinance 27, so that almost all development needs a connection permit. In 1996, the Agency revised the Design and Construction Standards as regulations pursuant to Ordinance 27; those standards include protection of certain water quality sensitive areas and require 25-foot vegetated corridors as buffer areas along such water features. The attached portion of Chapter 3 regulations are proposed amendments to those 1996 Design and Construction Standards.

The 1996 regulations have been administered directly by the Agency for development in the unincorporated urban area of the County and in many of the cities. In some cities (notably Beaverton, Tualatin and Tigard), the city staff have administered the regulations on behalf of the Agency, pursuant to the 1990 IGAs; these cities have also adopted all or part of the 1996 regulations as part of the city code.

CONTINUED

FISCAL IMPACT: Agency may require 1 additional full time equivalent (FTE) to process additional stormwater connection permit applications for development activities affecting water quality sensitive areas and vegetated corridors. Engineering Tech III - \$59,225 (Base salary, plus other personnel expenses). These costs can be accommodated within the Agency's current total operating budget for FY 99-00.

REQUESTED ACTION: Hold a public hearing on the proposed amendments to the Agency Design and Construction Standards and adopt the standards after considering any public testimony received.

Agenda Item No. _____
Date: _____

The Agency has been working for some time on updating its 1996 regulations and its Surface Water Management (SWM) Plan to reflect new information, from this subbasin and elsewhere, about the effectiveness of existing management practices and the need for additional practices to further improve water quality and quantity management. In addition, the Agency will be applying for renewal of the NPDES Municipal Separate Storm Sewer System (MS4) permit for all urban Washington County. The renewal application must be submitted or an extension granted in January, and while it may be supplemented by Agency action over the following six months, it is important to have effective stormwater regulations in place to assure that the new MS4 permit process moves forward. Perhaps most significant is the need for new management practices to address a future Total Maximum Daily Load (TMDL) from DEQ for temperature on the Tualatin; such practices include preserving trees in wider vegetated corridors and to plant new trees to shade water areas. The Agency and cities have also begun review of the IGAs to better address the needs that have emerged since 1990.

As the Agency was working on these matters, in June 1998 Metro adopted revisions to Title 3 and Title 8 of the Urban Growth Management Functional Plan (UGMFP), requiring cities and the County to comply with Title 3 by December 18, 1999. Metro's Title 3 standards limit development within water quality resource areas and in adjacent corridors; these vegetated corridors under Title 3 range from 25 to 200 feet in width, depending on the nature of the water quality resource area and surrounding terrain. Cities and the County are required by Title 8 of the UGMFP to amend their comprehensive plans and land use regulations to comply with these Title 3 standards.

Title 3 requirements do not directly apply to the Agency and its planning process. However, in an effort to maintain consistent standards throughout urban Washington County, and to accommodate the timing needs of the cities and County for compliance with Title 3, the Agency has coordinated closely with planning managers to fashion a program for all Washington County jurisdictions to comply with Title 3. That program is described in a Compliance Report submitted to Metro on November 24, 1999, on behalf of the nine cities and Washington County.

The June 1998 UGMFP revisions were appealed to the Land Use Board of Appeals (LUBA) and were recently remanded to Metro. Although LUBA's decision creates some uncertainty about the date when compliance with Title 3 will be required, Metro appears likely to require compliance with Title 3 in the near future. The Agency has determined that requests from the cities and County for extensions of the December 18 deadline are more likely to be granted by Metro if the Agency adopts the standards set out in the Resolution and Order implementing Title 3 requirements on this date, December 14. The principal purpose of the extensions is to allow cities and the County to adopt conforming amendments to their comprehensive plan and/or land use regulations to reflect the Agency's role. The Metro Council is expected to take action on requests to extend the December 18 deadline at its meeting on December 16.

The Agency's adoption of the revised Chapter 3 standards will not automatically result in compliance with Title 3 by the cities and County. Because Metro's primary regulatory authority concerns city and County comprehensive plans and land use regulations, Metro will likely require cities and the County to adopt plan policies that identify compliance with Title 3 as a policy objective that may be met through implementation of the Agency's standards. Specific land use regulations may also be appropriate to assure timely coordination between the Agency permit process and the land use review process.

The Proposed Water Quality Standards And Order

The proposed revisions to the 1996 Design and Construction standards concerning water quality and floodplain management are set out in Exhibit A attached to the Resolution and Order (R & O). The R & O repeals existing standards set out in Sections 3.11, 3.12 and 3.13 of the 1996 Design and Construction Standards, and adopts new standards as shown in Exhibit A. In general, the new standards provide that all persons undertaking development prepare a site assessment and obtain a stormwater connection permit from the Agency pursuant to Ordinance 27. The site assessment should be submitted to the Agency and City/County before the applicant submits a land use application for consideration, but the final stormwater connection permit decision will not occur until the applicant provides evidence of land use and engineering design approval. The criteria for reviewing the Agency permit are clear and objective, prohibiting development within a water quality sensitive area or adjoining vegetated corridor except in specific circumstances. The width of the corridor is established based on the nature of the water body and slope of the surrounding terrain. The first 50 feet of the vegetated corridor width closest to the sensitive area is required to be in a "good" corridor condition either by its existing status or through enhancement of its condition. Flexibility in the width of marginal and degraded vegetated corridors is outlined in the standards through the "averaging" and "reduction" provisions. The 20 percent encroachments allowed in these provisions require mitigation on site for the flexibility allowances. Requested encroachments into good corridors or into marginal/degraded corridors greater than those in the averaging and reduction provisions, will require an alternatives analysis. The process and criteria for the alternatives analysis are outlined under the Administration section of the standards. An applicant may pursue a hardship variance through the land use process if application of the R & O would deprive an owner of all economically viable use of the land.

The R & O provides that the cities and County notify land use applicants that the Agency regulations have been amended and that a stormwater connection permit must be obtained from the Agency. Due to the limited time available to develop and implement these regulations prior to the Title 3 compliance date established by Metro, it was not possible to effect associated changes in IGAs. Therefore, initially, permits requiring an alternatives analysis would be reviewed and issued by the Agency in concert with the appropriate land use authority and the applicant, but all other permits would be reviewed and issued by the city pursuant to amendments to existing IGAs. The respective responsibilities of the Agency and the cities and County will be the subject of further review over the next several months in the MS4 permit renewal process and revisions to the SWM master plan. The Agency will work with cities wishing to conduct their own alternatives analysis and delegate the appropriate permit review responsibilities as soon as is practicable in combination with reallocation of associated liability under the federal Clean Water Act.

Interested persons may provide comment in the Agency permit review process and may appeal Agency decisions pursuant to the procedures in Ordinance 27. The Order also provides that the standards and permit requirements are effective for all development with a land use application that is complete on or after December 18, 1999.

Relationship Of Regulations To Land Use Review

Because these standards, in part or whole, will be initially applied by the Agency, there must be close coordination between the land use review process and the Agency permit process, particularly where the Agency conducts alternatives analysis. It is the Agency's expectation that it can review a site assessment and proposed use relating to the sensitive areas and vegetated corridors on the parcel within 10 days and notify the applicant of any restrictions or conditions on the proposed use through a service provider letter. The applicant can provide this information to the land use review body, and if in the course of the land use review, the applicant proposed use changes in a way that affects the water quality sensitive area or vegetated corridor, the applicant will obtain a new review and service provider letter by USA to assure that the development approved through the land use process will obtain a stormwater connection permit. It may be helpful if the land use regulations require as a part of the land use application, a service provider letter from the Agency identifying any conditions that will be necessary for the proposed use to obtain an Agency stormwater connection permit, and requiring an updated Agency letter if the proposed use is modified in the course of the land use review. Like the comprehensive plan amendments that may be required by Metro for substantial compliance with Title 3, these implementing provisions will be addressed with the cities in the upcoming months. In the interim, the Agency stormwater permit requirement, pursuant to the new standards, will apply to development without specific coordination requirements in the land use review process.

Impact to the Agency

During the interim period, between the effective date of this R & O and adoption of conforming land use rules in the Cities and County comprehensive land use plans, the Agency will be responsible for review of development applications that affect the water quality sensitive areas and vegetated corridors. This includes the pre-applicant service provider letter for use in the land use decision process and the ultimate stormwater connection permit issued by the Agency. The impacts on staffing will become better known once the cities and County have notified the Agency of their intentions to coordinate compliance with the Resolution and Order. It is contemplated that additional resources to conduct the alternatives analysis contained in the proposed amendments will be needed immediately and can be accommodated within the Agency's operating budget.



WASHINGTON COUNTY
OREGON

November 9, 1999

The Honorable Rod Monroe, Presiding Officer
Metro Council
600 NE Grand Avenue
Portland, Oregon 97232

RE: Washington County Title 3 Implementation

Dear Rod:

This letter is intended to follow up on recent conversations I have had with Mike Burton, Metro Executive Officer, and Councilor McLain concerning Washington County's Title 3 work.

As you know, Washington County and its cities within the Metro boundary made a conscious decision to develop a coordinated response to Title 3 under the leadership of the Washington County Planning Directors and the Unified Sewerage Agency (USA). While this approach has necessarily taken longer than if the County or the cities had acted alone, we believe there are substantial benefits to having the County and nine cities operating under the same design and construction standards to meet or exceed the Title 3 requirements. This effort has also involved the opportunity to review and comment by the construction industry and environmental groups.

The final draft of our work product is nearly complete. I expect the USA Board, which I chair, to adopt the standards in December 1999. As soon as USA adopts the standards, they will become effective in the County within 30 days, and each participating city by operation of pre-existing intergovernmental agreements (IGAs). Based upon our experience with existing standards, and a thorough review of the IGAs, we believe the new standards will clearly be enforceable. Furthermore, Washington County and the USA will vigorously defend any challenges, should they occur.

In addition to the IGAs, Washington County and its cities have agreed to work together in preparing implementing ordinances for the design and construction standards. This will ensure a common standard and further enhances their ability to be enforced. I have met recently with city representatives and they felt that the implementing ordinances could be adopted by the summer of 2000.

November 9, 1999

Page 2

Since the town center plans and other elements of the Functional Plan are targeted to be no later than October 2000, I would recommend an October 2000 date for all final ordinances and comprehensive plan changes related to Title 3 as well. If the Council considers any dates sooner than next October, I would suggest individual discussions with each jurisdiction.

Washington County is, and has been, proceeding in good faith and at a reasonable pace considering the complexity of our undertaking. We are committed to protecting our water quality resource areas, vegetative corridors and flood management areas. If the Council or your staff have further questions in this regard we welcome your questions, and attendance at any of our working meetings.

Sincerely,


Tom Brian
Chairman

C: Mike Burton, Metro
Susan McLain, Metro Councilor
Elaine Wilkerson, Director, GMSD



WASHINGTON COUNTY
OREGON

Metro Growth Mgmt.

JUN 21 1999

June 17, 1999

Ms. Brenda Bernards
Senior Regional Planner
Growth Management Services Department
Metro
600 NE Grand Avenue
Portland, OR 97232-2736

Re: Title 3

Dear Ms. Bernards:

Washington County, Metro and the City of Beaverton were involved early this year in a discussion about the City of Beaverton assuming, by intergovernmental agreement, a number of planning responsibilities associated with the requirements of Metro's Urban Growth Management Functional Plan. That discussion explicitly covered consideration of Metro Title 3 compliance and the need to secure Metro approval of a time extension for compliance.

Subsequent to those discussions and with the knowledge and support of Metro staff, Washington County and the City of Beaverton enacted an Intergovernmental Agreement (IGA) which assigned a number of planning tasks to the City of Beaverton.

The IGA, among other things, assigned Title 3 responsibility for CPO1 and CPO3 (Cedar Hills/Cedar Mill and Raleigh Hills/Garden Home, generally) to the City of Beaverton for completion by November 1, 2000. Washington County continued our jurisdiction for CPO6 (Aloha/Reedville/Cooper Mountain, generally) for completion of Title 3 by November 1, 2000.


As you are aware, the IGA and other discussions with the cities of Washington County have recently focused on assigning Title 1 Table 1 and Title 3 responsibilities for urban unincorporated Washington County to an appropriate city. There is agreement on Title 1 Table 1 issues and we are now proceeding to draft IGAs/MOUs which will assign these responsibilities to cities. Presumably the timeframes for completion of Title 3 will be coincident with each city's Title 3 work or no later than November 1, 2000.

Ms. Brenda Bernards
June 17, 1999
Page 2

As we contemplate the Title 3 work and through our discussion with cities, we anticipate utilizing the Metro Title 3 Substantial Compliance approach as proposed by USA and the Washington County Planning Directors.

Should you have questions, please call.

Sincerely,



Brent Curtis
Planning Manager

cc: John Rosenberger
John Jackson
Lori Faha
City Planning Directors
Hal Bergsma

RECEIVED

JUN 18 1999

CITY of BEAVERTON

EXECUTIVE OFFICER

4755 S.W. Griffith Drive, P.O. Box 4755, Beaverton, OR 97076 TEL: (503) 526-2481 V/TDD FAX: (503) 526-2571



ROB DRAKE
MAYOR

June 17, 1999

Mike Burton
Executive Director
Metro
600 NE Grand Avenue
Portland, OR 97232-2736

Dear Mr. Burton:

The City of Beaverton's Urban Growth Management Functional Plan Compliance Report update for Title 3 accompanies this letter. The City's report has been prepared in accordance with Metro code Section 3.07.820 that states:

- On or before six months prior to the 18-month deadline established in this section, cities and counties shall transmit to Metro the following:*
- 1. An evaluation of their local plans, including any relevant existing regulations and the amendments necessary to comply with the Title 3 of this functional plan;*
 - 2. Copies of all applicable comprehensive plans, maps and implementing ordinances as proposed to be amended;*
 - 3. Findings that explain how the amended city and county comprehensive plans, maps and implementing ordinances will achieve the standards required in Title 3 of this functional plan.*

This information is being submitted within the time frame established by Metro.

On November 18, 1998, the City submitted a full compliance report, which included information on the status of Title 3. At that time, the City reported that Washington County's Unified Sewerage Agency (USA) had proposed a work program for a joint approach to implement Title 3 within their urban service district. In December the Washington County Planning Directors agreed to form a joint committee with USA to address Title 3 implementation.

The committee's final report and recommendations for joint implementation of Metro's Title 3 program was recently (June 16, 1999) presented to the Washington County Planning Directors. Following the presentation, the next steps are as follows:

1. Each Planning Director was asked to present the report to their respective administration and/or Council.
2. Each jurisdiction's Council will be asked to review the report and consider whether to:
 - a. Support joint implementation through amended USA policies;
 - b. Modify the recommendations to allow the jurisdiction to support a joint implementation policy; or
 - c. Reject the committee's report and pursue a single jurisdiction program for compliance.

Mike Burton
June 17, 1999
Page 2

3. The USA Board will consider each jurisdiction's recommendations. USA has the option to:
 - a. Amend the USA Design and Construction Standards manual;
 - b. Make no amendments; or
 - c. Amend the manual with some modifications but not others.

How the City will implement Title 3 currently depends on City Council recommendations and USA's decisions. Since these decisions are currently pending, the City has included a rough draft of an implementation schedule. As the steps outlined above progress, the City will continue to update Metro. It should be noted that each jurisdiction, in accordance with their Intergovernmental Agreement with USA, would be required to enforce the new standards should USA amend their Design and Construction manual. Based on the Washington County Planning Director's response and decisions that will follow with public input, the City's proposed final adoption date is expected to exceed Metro's December 18, 1999 deadline. The projected timeline for implementation is enclosed. The City continues to request an extension to July 1, 2000.

Enclosed is information, which details the City's analysis and provides justification for the requested time extension. Also enclosed is a copy of the Washington County Planning Director's committee report detailing the proposed joint implementation package.

In the November 18, 1998 Compliance Report, the City also made a request for an exception to Title 3 for the Regional and Town Centers. Pending the outcome of the USA joint implementation recommendations discussed above, the City continues to request this exception to Title 3. Over the next six to twelve months, the City will continue to update you on this matter.

The City appreciates the ongoing support received from Metro, as our approach to Title 3 has been refined during the past year. If you have any questions regarding the City's progress toward implementation, please contact Veronica Smith, Associate Planner in the Policy Division of the Community Development Department, at 526-2458.

Sincerely,



Rob Drake
Mayor

RD/VS/pal

c: City Council
Joe Grillo
Veronica Smith
John Jackson, USA

Enclosures

g:/patty/mayor/MetroCompliance

City of Beaverton
Updated Compliance Report: Title 3 Implementation
June 18, 1999

January - June 1999

January 5 - June 10, 1999. The Washington Planning Directors form a committee in conjunction with Unified Sewerage Agency (USA) and develop a Title 3 joint implementation program for ten cities and urban Washington County.

June 16, 1999. The committee presents the report to the Washington County Planning Directors and makes it available to Metro staff and the public.

July - December 1999

July 21, 1999. Scheduled Beaverton Planning Commission work session on a joint implementation strategy. The Planning Commission will recommend that the Beaverton City Council either:

1. Support the recommendation
2. Support with additional recommendations, or
3. Reject the program and adopt a different approach.

August 2, 1999. Schedule Beaverton City Council work session to consider the Planning Commission's recommendations and make a final decision.

By August 16, 1999. Beaverton will provide USA with a letter, stating their position and/or recommendations for implementation. Each of the ten cities and Washington County will concurrently consider their respective approach providing USA with formal notification.

September through November. The USA Board hold public hearings, consider the letters submitted by the local jurisdictions, and make a determination to adopt new polices effective December 18, 1999.

December 1999. City mails out a Citywide measure 56 public hearing notice to implement legislative amendments to support Title 3. Pursuant to BM 56 legislation, Metro reimbursement processes will be followed.

January - June 2000

January - February, 2000. The City begins the public hearing process with the Planning Commission (not scheduled at this time).

March 2000. The Planning Commission makes final recommendation to City Council.

April 2000. Pending no appeal of the Planning Commission recommendation, the City Council will consider the recommendation to adopt amendments to meet substantial compliance to Title 3.

May - June 2000. Additional time to amend any conflicting development code text amendments for internal consistency, and with the City's Periodic Review work program. This action requires a measure 56 public notice and would be combined with a mailing of several Citywide public hearing notices.

July, 2000. Title 3 is complete.

Metro Title 3 Report for
Substantial Compliance Recommendations
Prepared By the
Washington County Planning Directors Title 3 Implementation
Committee
June 16, 1999

Metro staff determined that all ten jurisdictions should submit a copy of this report. For ease of administration, copies were provided to Brenda Bernards, Metro Growth Management Services on 6-16-99. Should you need a copy, please contact her or Veronica Smith, Associate Planner City of Beaverton at 526-2458.



City of Cornelius
1355 N. Barlow Street
P.O. Box 608
Cornelius, Oregon 97113

Phone: 503/357-9112
FAX: 503/357-7775

September 27, 1999

Attn. Barbara Linssen
Metro Regional Government
600 NE Grand Avenue
Portland, Oregon 97232-2736

Dear Metro,

The City of Cornelius hereby requests an extension for substantial compliance with Title 3 until October 31, 2000. The City requests this extension based on the following factors.

First, the City is in the midst of periodic review with a targeted completion date of December 20, 1999. This has been a primary focus for the City of Cornelius this past year and the City staff is working diligently to complete periodic review.

Second, the City of Cornelius has been part of the joint Title 3 activity with USA and the cities of Washington County. Based on the work program established through this cooperative effort, it appears that all jurisdictions may be in substantial compliance by the end of the year. However, additional time is necessary to provide for notification consistent with Measure 56 and to amend any conflicting development code text amendments for internal consistency.

Finally, the City of Cornelius has only one planner on staff at this time. The City is in the process of hiring an additional staff planner however the additional assistance will not be available until late in 1999.

The City of Cornelius feels strongly that working together with the jurisdictions within Washington County in a cooperative effort will result in a more effective implementation of Title 3 and ultimately result in improved water quality. Please support the request for extension and the cooperative effort that is taking place in Washington County.

Sincerely,

Tracy Lee
Cornelius Planning Director

Attachment



City of Cornelius
1355 N. Barlow Street
P.O. Box 608
Cornelius, Oregon 97113

Phone: 503/357-9112
FAX: 503/357-7775

City of Cornelius
Request for Extension: Title 3 Implementation
September 27, 1999

January - June 1999

January 5 - June 10, 1999. The Washington Planning Directors form a committee in conjunction with Unified Sewerage Agency (USA) and develop a Title 3 joint implementation program for ten cities and urban Washington County.

June 16, 1999. The committee presents the report to the Washington County Planning Directors and makes it available to Metro staff and the public.

July - December 1999

August 16, 1999. A summary of the "green book" presented to the Cornelius City Council. Staff recommended that the Cornelius City Council either:

1. Support the recommendation
2. Support with additional recommendations, or
3. Reject the program and adopt a different approach.

The Cornelius City Council recommended support of option #3 and recommended that staff continue working jointly with Unified Sewerage Agency and the cities of Washington County.

September through November. The USA Board hold public hearings, consider the letters submitted by the local jurisdictions, and make a determination to adopt new polices effective December 18, 1999.

September through November. USA will work with consultants and the cities of Washington County to determine what needs to be done in each jurisdiction beyond the USA Construction Standards to be in substantial compliance with Title 3.

December through January. Following adoption of new USA Construction Standards, Cornelius will adopt construction standards as required through the intergovernmental agreement.

January 2000. Following Periodic Review, the City will mail out a Citywide measure 56 public hearing notice to implement legislative amendments to support Title 3. Pursuant to BM 56 legislation, Metro reimbursement processes will be followed.

February – October 2000

January – February, 2000. The City begins the public hearing process with the Planning Commission (not scheduled at this time).

July 2000. The Planning Commission makes final recommendation to City Council.

August 2000. Pending no appeal of the Planning Commission recommendation, the City Council will consider the recommendation to adopt amendments to meet substantial compliance with Title 3.

August – October 2000. Additional time to amend any conflicting development code text amendments for internal consistency. This action requires a measure 56 public notice.

October, 2000. Title 3 is complete.



City of Durham

P.O. Box 23483

Durham Oregon 97281

(503) 639-6851

Fax (503) 598-8595

Roel C. Lundquist - City Administrator/Recorder

INTERNET: DURHAMCITY@AOL.COM

November 2, 1999

Metro Growth Management

NOV - 3 1999

Lydia Neill
Metro Growth Management Services
600 NE Grand Avenue
Portland, OR 97232

Re: Title 3 Progress Report and Request for Extension of Time for Compliance – City of Durham

Dear Lydia:

As per a request from Barbara Linsen, the City of Durham is asking that the Metro Council grant an extension of time for Functional Plan Title 3 Compliance until June 30, 2000. It was noted at the October 27th Washington County Managers' meeting that most agencies in Washington County had already requested time extensions. The extension should allow sufficient time for the Unified Sewerage Agency (USA) and Metro to work out details of compliance and for Durham to implement changes in Durham's Code and Plan.

In response to Barbara's letter of October 21st, the City is prepared to adopt the other Functional Plan items that have been previously submitted. The adopting ordinance is scheduled to be read for the first time on November 23rd and adopted on December 28th.

Please submit this extension request to Executive Officer Mike Burton for review and action.

Sincerely,

Roel C. Lundquist
City Administrator

C: Jim Trosen, Planning Chair
K.J. Won
Bill Scheiderich



Metro Growth Mfg

October 6, 1999

OCT 12 1999

Ray Valone
Metro
600 NE Grand Avenue
Portland, OR 97232-2736

Dear Mr. Valone:

This letter provides Metro with a report on existing plans and policies and a request for a time extension on the City of Forest Grove's work towards complying with Title 3 of the Metro Urban Growth Management Functional Plan.

In November 1998, Washington County's Unified Sewerage Agency (USA) proposed a work program for a joint approach to implement Title 3 within their urban service district. The following December the Washington County Planning Directors agreed to form a joint committee with USA to address Title 3 implementation. The committee's final report and recommendations for joint implementation of Title 3 was presented to the Washington County Planning Directors on June 16, 1999. Since that time the committee and Metro staff have been working on revising portions of the report.

The USA/Washington County Planning Directors joint committee is expected to submit a revised report to Metro on November 1, 1999. The work program to meet substantial compliance of Title 3 is being included in USA's proposed amendment to their Surface Water Management Design and Construction Standards. USA is expected to adopt the amendment to the Design and Construction Standards in December of 1999, and meet Metro's December 18, 1999 final adoption deadline for Title 3.

How Forest Grove will implement Title 3 depends on City Council recommendations and USA's decisions. Forest Grove currently has an Intergovernmental Agreement with USA to implement their Surface Water Management Program through the Design and Construction Standards. It is expected that the City and USA will enter in to a revised Intergovernmental Agreement implementing Title 3. The USA/Planning Directors committee is presently exploring the options available to the local jurisdictions for new agreements. The projected timeline for implementation is outlined below. The City requests an extension to May 31, 2000.

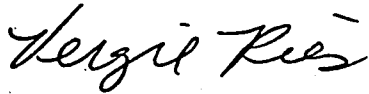
January-February 2000. The City begins the public hearing process with the Planning Commission (not scheduled at this time). Included in this task is a joint public meeting with the City of Cornelius.

March 2000. The Planning Commission makes a recommendation to City Council.

April 2000. The City Council will consider the recommendation to adopt amendments to meet substantial compliance to Title 3.

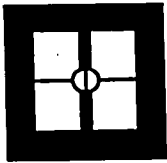
May 2000. The requirements for Title 3 compliance will be incorporated into the City's new Development Code, which is to be adopted in May of 2000. The City is planning to execute one Measure 56 public notice, combining several citywide public-hearing notices.

Sincerely,



Vergie Ries
City Manager

CC: Richard Kidd, Mayor



JUN 18 1999

EXECUTIVE OFFICER

June 16, 1999

Mike Burton, Executive Officer
Metro
600 NE Grand Avenue
Portland, OR 97232

RE: Progress Report on Hillsboro Compliance with Title 3, Metro Urban Growth Management Functional Plan

Dear Mr. Burton:

As you may know, the City of Hillsboro is participating with Washington County, other cities in Washington County and the Unified Sewerage Agency (USA) to present a common streams, floodplains, and water quality protection program that substantially complies with Title 3 ("common program"). Metro received copies of the report titled "Metro Title 3 Substantial Compliance Recommendations" by the Washington County Planning Directors Title 3 Implementation Committee dated June 16, 1999 that describe the features of the proposed common program. The program will enable the participating jurisdictions to substantially comply with Title 3 requirements. In accordance with Metro Code Sec. 3.04.820.G (Title 8 of the Metro Functional Plan), this letter and the report comprise our progress report toward achieving Hillsboro comprehensive plan and land use regulation compliance with Title 3 of the Functional Plan.

Briefly, the common program contains standards for flood and erosion control and for water quality protection. Consistent with Title 3, the key water quality provision of this common program requires a vegetated corridor along streams and around wetlands and allows for varied stream and wetland corridor widths depending on type of stream and adjoining topography. It also allows "buffer-averaging" and buffer width reductions, if certain enhancement for mitigation measures are taken which improve stream hydrology. Stream hydrology is an important component of a comprehensive approach to enhanced fish habitat.

If the common program is endorsed by participating local governments, we will take the program to our City Council for consideration and action in June-July of this year. Subsequent to formal City Council action, we will initiate any necessary Title 3 amendments to our comprehensive plan and land use regulations as part of our upcoming comprehensive plan revision and preparation of a new City land use code scheduled to start this Fall pursuant to City Periodic Review obligations. Therefore, we might not be able to meet the December, 1999 deadline for adopting the necessary Title 3 plan and regulatory amendments. The plan revision and new land use code preparation and adoption will be completed mid year 2000.

Mike Burton
June 16, 1999
Page 2.

Thank you for receiving this Title 3 progress report. If you have any questions or need additional information please contact me at 681-6156.

Respectfully submitted:

CITY OF HILLSBORO PLANNING DEPARTMENT

A handwritten signature in black ink, appearing to read "Winslow C. Brooks". The signature is written in a cursive style with a large initial "W".

Winslow C. Brooks
Planning Director

Cc John Jackson, Planning Division Manager, Unified Sewerage Agency
Lori Faha, Water Resources Program Manager, Unified Sewerage Agency



McKeever/Morris, Inc.
209 S.W. Oak Street, Suite 200
Portland, Oregon 97204
503.228.7352
fax 503.228.7365

November 30, 1999

VIA FAX ONLY
797-1911

Lydia Neill
Metro
600 N. E. Grande Avenue
Portland, OR 97232-2736

RE: Functional Plan
Title 3 Compliance

Dear Ms. Neill:

The city supports the efforts of Metro, and the City Council understands the importance of the regional planning efforts. The city recently adopted a number of Comprehensive Plan and Community Development Code amendments to help implement the Functional Plan. Amendments related to Title 3 - Water Quality and Flood Management Conservation were not made because the Unified Sewage Agency (USA) manages storm water and sanitary sewer facilities for the city, and it was not clear how water quality issues would be implemented.

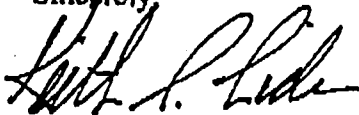
The city intends to adopt USA water quality standards as part of the King City Comprehensive Plan and Community Development Code. The city requests that it be allowed to defer consideration and adoption of these amendments until late spring to early summer 2000 because:

- The city recently adopted other plan and code amendments related to the Functional Plan;
- The city will soon begin the concept planning for Urban Reserve Area #47 and additional plan and code amendments will be necessary at the conclusion of this project; and
- USA already enforces its water quality standards within the city.

*Planning
Design
Public Involvement
Project Management*

If you need any further information regarding this request, please contact Jane Turner our City Manager or me. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith S. Liden". The signature is written in a cursive style with a large initial "K".

Keith S. Liden, AICP
City Planning Consultant

cc: Jane Turner, City Manager



Home of the Tualatin River National Wildlife Refuge

October 20, 1999

Marian Hull
METRO
600 Northeast Grand Avenue
Portland, Oregon 97232-2736

RE: City of Sherwood 2040 Compliance Program – Draft Revised Timelines.

Dear Marian:

We have reviewed comments received from Metro regarding our compliance report and capacity analysis (City of Sherwood's Compliance Report dated August 19, 1998). Based on our review and conversations with you and Lydia we have revised our scope of work and compliance schedule. Listed below is the tentative revised schedule and reformatted scope, together with the estimated completion dates for the various components of the work program.

While we are proceeding with the work tasks, the Planning Commission and City Council has not yet reviewed and approved the revised work program, schedule, and budget. Their review is scheduled for a joint work session on November 30, 1999. So, we will not be able to officially submit our program until the first week of December.

The City understands that this schedule fails to meet the compliance deadline of December 1999, as set by the Functional Plan. Therefore we are requesting an extension to June 15, 2000 in order to allow completion of the work program. However, regardless of the Metro Council's action on our request, we are proceeding with the scheduled work, to the extent our present budget allows.

As you know, the City of Sherwood is operating in a rapid growth environment with a severe shortage of staff. To assist with the compliance work, we have hired the firm of Ragsdale Koch Altman, LLC (RKA). Ben Altman of RKA has prepared the revised Work Program and schedule in coordination with city staff.

Please review our program and provide any comments and recommendations. Any comments provided will be forwarded to the Planning Commission and Council as part of the program review and approval on November 30, 1999.

Sincerely,

Greg Turner
City Planner

2040 COMPLIANCE SCHEDULE AND TASK OUTLINE

- I. General Back Ground and Initial Public Engagement
 - A. Define Geographic Framework – Set context through a series of public workshops.
 1. What are the desired and defining physical characteristics of Sherwood?
 - a) What defines it now?
 - b) How should that change, if at all?
 2. What is the desired future for Old Town?
 - a) What is its look and feel?
 - b) What is the appropriate land use mix and densities?
 - c) What about access and circulation, to, from, and through?
 - d) What are the boundaries?
 3. What about the Six Corners Commercial area?
 - a) What is its look and feel?
 - b) What is the appropriate land use mix and densities?
 - c) What about access and circulation, to, from, and through?
 - d) What are the boundaries?
 4. What about the Industrial Areas?
 - a) What is its look and feel?
 - b) What is the appropriate land use mix and densities?
 - c) What about access and circulation, to, from, and through?
 - d) What are the boundaries?
 5. What about Residential Neighborhoods?
 - a) What is their look and feel?
 - b) How do they relate to the other use areas?
 - c) What about access and circulation, to, from, and through?
 - d) What are the boundaries?
 6. What about Open Spaces, including the Wild Life Refuge?
 - a) What is their look and feel?
 - b) How do they relate to the other use areas?
 - c) What about access and circulation, to, from, and through?
 - d) What are the boundaries?
 7. What about Connecting Corridors?
 - a) Green corridors?
 - b) Local corridors such as Sherwood Blvd, Oregon Street, Washington/Meinecke?
 - c) Major transportation links such as 99W and Tualatin/Sherwood Rd?
 8. Public Review Process.
 - a) Based on citizen workshops, staff prepares comparative match of Community Character to Metro 2040: 10-27-99 to 11-29-99.
 - b) Planning Commission Review: 12-7-99, 12-21-99, 1-4-2000, and 1-18-2000.
 - c) City Council briefing: 1-11-2000 and 1-25-2000.

d) Draft Recommendations to Metro: 1-31-2000.

1/2000

B. Metro 2040 Design Types.

1. Based upon the conclusions from task set A, define the boundaries of the 2040 Design Types that fit Sherwood.

- a) Town Center (Location?)
- b) Main Street(s).
- c) Corridors.
- d) Green.
- e) Transportation.
- f) Employment Areas.
- g) Industrial Areas.
- h) Neighborhoods.
Inner.
Outer.

2. Conclusion - Summary of Comprehensive Plan Policies and Map Issues.

3. Public Review Process.

- a) Based upon citizen workshops, staff prepares updated analysis and findings: 11-17-99 to 11-29-99.
- b) Planning Commission review: 12-7-99, 12-21-99, 1-4-2000, and 1-18-2000
- c) City Council briefing: 1-11-2000 and 1-25-2000.
- d) Draft Recommendations to Metro: 1-31-2000.

C. Refine and Reconcile vacant land inventory and population/employment allocations with Metro.

1. Refine methodology for vacant land capacity analysis per Metro's comments.

2. Update the vacant land inventory and reconcile with Metro housing and employment allocations, including mixed-uses centers.

3. Public Review Process.

- a) Staff prepares updated analysis and findings: 10-18-99 to 11-26-99.
- b) Planning Commission Review: 12-21-99 and 1-4-2000.
- c) City Council briefing: 1-25-2000.
- d) Draft Recommendations to Metro: 1-31-2000.

D. Assess public facilities master plans to identify any significant service capacity limitations relative to supporting the projected growth.

1. Sewer (coord. USA).

2. Water (C/C approved October '99 update).

3. Storm (coord. USA).

4. Parks (to C/C November '99 update).

5. Assess draft Transportation System Plan (April '98) relative to Metro Title 6 design issues.

a) Street classifications.

b) Optional performance standards relative to congestion (Section 4.B).

- c) Assess current parking ratios compared to Metro's minimum and maximum criteria.
 - d) Note: Full State TPR compliance review may occur at a separate time.
6. Assess City's current growth management policy framework to determine appropriate revisions, to address current UGB/City Limits versus Urban Reserves.
7. Public Review Process.
- a) Staff prepares updated analysis and findings: 10-18-99 to 11-26-99.
 - b) Planning Commission Review: 12-21-99 to 1-4-2000.
 - c) City Council briefing: 1-25-2000.
 - d) Draft Recommendations to Metro: 1-31-2000.
- II. Comprehensive Plan and Code Amendment Package.
- A. Amendment of City's Comprehensive Plan.
- 1. Chapter 3 – Growth Management (Title 1).
 - a) Update the text and policies of the City's Comprehensive Plan to reflect the new planning horizon of 20 years.
 - (1) Growth assumptions:
 - (a) population allocation
 - (b) employment allocation
 - 2. Chapter 4 - Land Use (Title 1).
 - a) Establish minimum residential densities particularly for high density districts.
 - b) Develop a policy to prohibit Big Box retail uses in identified Industrial and Employment areas.
 - c) Develop a mixed-use policy, which permits limited multi-family housing in certain commercial areas, particularly in the Old Town area.
 - d) Amend City's Comprehensive Plan Map to identify the boundaries of the applicable 2040 Growth Concept design types.
 - 3. Chapter 5 – Environmental Resources (Title 3).
 - a) Develop policies to implement contextual framework identified for Corridors and Title 3.
 - (1) Review and adopt USA Title 3 package (Dec. '99).
 - (2) Refine policies as needed to acknowledge and protect open spaces, stream corridors, and the wild life refuge, including new maps.
 - b) Evaluate flood management policies for appropriate updates, including coordination with Washington County on possible FEMA, Firm Map updates.
 - 4. Chapter 6 – Transportation (Title 6).
 - a) Evaluate whether optional Level of Service Standard (Title 6, Section 4.B) is needed for the designated Town Center.

- b) Revise transportation policies in Chapter 6 to include a reference to the design elements and performance standards in the Functional Plan.
 - c) Incorporate a new policy in Chapter 6 to recognize the Transportation Planning Rule and 2040 Growth Concept, which calls for more compact urban development.
 - d) Develop a policy commitment to review and amend parking regulations, if necessary, to meet the Regional Parking Ratios Table and parking Maximum Map.
5. Chapter 7 - Community Facilities and Services (Title 1).
- a) Identify any necessary amendments to City's adopted master plans (sewer, water, drainage) to assure that public facilities can be provided to accommodate the planned housing and employment capacity within the planning period.
 - b) Identify appropriate Code amendments as necessary to assure continued coordination between development and public facilities and services.
6. Public Review Process - Comparative match of Community Character to Metro 2040 Concepts and Design Types.
- a) Based on prior citizen workshops and Commission hearings, staff prepared recommended amendments: 12-7-99 to 1-17-2000.
 - b) Citizen Review Workshops (3): 1-26-2000, 2-2-2000, and 2-9-2000.
 - c) Planning Commission Review: 3-7-2000, 3-21-2000, and 4-4-2000.
 - d) City Council briefing: 4-25-2000.
 - e) Draft Recommendations to Metro: 4-28-2000.
 - f) City Council Adoption 5-9-2000 and 5-23-2000.
- B. Amendment of City's Zoning Code relative to applicable Titles of Metro Growth Management Functional Plan.
- Title 1. Requirements for housing and Employment Accommodation.
- a) Develop minimum density standards based on 80% of the maximum number of dwelling units per net acre permitted by the zoning designation.
 - b) Add a purpose statement specifying requirement of allowing partitioning or subdividing land inside the UGB where existing lot sizes are two or more times that of minimum lot size of the zone - Sherwood appears to already comply with this requirement.
 - c) Develop amendment to allow at least one accessory dwelling unit within any detached single family dwelling unit within all of the residential districts.
 - d) Select approach to identifying redevelopable lands to complete the capacity estimate. The City needs to analyze the Old Town area and Main Street areas and develop an approach

to identifying the redevelopable lands. The City will then be able to complete the capacity analysis.

e) Review residential zones to look for opportunities to increase housing capacity to meet the 2017 housing targets.

f) Consider methods of increasing housing and jobs in Town Center, Employment Areas and along Corridors.

2. Title 2. Regional Parking Policy.

a) The completion of these items would coincide with the completion of the City's Transportation System Plan.

(1) Establish process for considering variances when a development application is received which may result in approval of construction of parking spaces either in excess of the maximum parking ratios or less than the minimum parking ratios.

(2) In mixed use areas, provide blended parking ratios to account for cross-patronage and shared parking benefits

(3) Establish maximum parking ratios per Table 2 of the Functional Plan.

(4) Revise minimum parking standards in Code to coincide with Table 2, Regional Parking Ratios Title 2, Section 2.A.1.

(5) Count adjacent on-street parking spaces, nearby public parking and shared parking toward minimum standard.

(6) Rewrite Section 5.301.02 of the City's Zoning Code to read: "Two or more uses, structures or parcels of land may utilize jointly the same parking and loading spaces when the peak hours of operation do not substantially overlap..."

(7) Amend Section 5.301.04 of the City's Zoning Code to read, "When several uses occupy a single structure or parcel of land, the total requirements for off-street parking...shall be the sum of the requirements for the several uses computed separately with a reduction of 10-25% to account for cross-patronage of adjacent businesses or services."

(8) Relative to storm water management measures in parking areas, consider alternatives to hard, impermeable surface treatments for infrequently utilized parking areas, and on-site water retention in large parking lots.

3. Title 3. Water Quality, Flood Management and Fish and Wildlife Conservation.

a) Coordinate compliance package through Unified Sewerage Agency (USA).

- (1) Adopt a balanced cut and fill for any development occurring within the floodplain.
 - (a) Amend Flood plain regulations to include 1996 flood inundation areas.
- (2) Require erosion and sediment control for all new development regardless of size or location of site.
- (3) Provide protection for steep slopes within Water Quality Resource Areas defined by Title 3, including provisions for increasing riparian vegetation cover along Water Quality Resource Areas.
- (4) Prohibit new uses of uncontained areas of hazardous materials of hazardous materials defined by DEQ in the Water Quality and Flood Management Areas.
 - b) Develop code amendment to flood plain regulations to account to FEMA map revision process (CLOMR & LOMR).
4. Title 4. Retail in Employment Areas.
 - a) Prohibit retail uses larger than 60,000 square feet of gross leasable area per building or business from the OC, LI and GI zones. Request change to Title 4 map to remove employment designation for rail district property.
5. Title 5. Neighboring Cities and Rural Reserves.
 - a) Develop Code language to reflect Title 5 requirements to recognize and protect Green corridors.
6. Title 6 – Regional Accessibility.
 - a) The completion of these items would coincide with the completion of the City's Transportation System Plan.
 - (1) Sherwood Boulevard from Gleneagle Drive to Oregon Street and Oregon Street from Sherwood boulevard to Lincoln Street have been designated on Metro's Boulevard design map as Main Streets. The Transportation System Plan as well as the Comprehensive Plan should contain consideration of the design treatments listed in Title 6, Section 2B (1-9) for the two Main Streets.
 - (2) In the Comprehensive Plan, Part 2 Chapter 6C Policies 2-6 reference Title 6, Section 2B (1-9).
 - (3) In the Comprehensive Plan, Part 2 Chapter 6D 2(a) and Policy 11 should reference portions of Title 6, Section 2B (1-9).
 - (4) Revise Section 6.304.01 and 6.304.02 of Zoning Code to contain a reference of Title 6, Section 2B (1-9).
 - (5) Design Standards for Street Connectivity - The City will decide through the Transportation System Plan process whether to comply with Title 6 Section 3A (Design option) or Section 3B (Performance option).

b) Title 6, Section 4.A. Alternative Mode Analysis - The City shall establish mode split targets for the 2040 design types, which will be used to guide transportation system improvements.

c) Title 6, Section 4.B. Motor Vehicle Congestion Analysis - The City may establish optional performance standards and deficiency thresholds intended to identify transportation needs through multi-modal system-level planning.

d) Title 6, Section 4.C. Transportation System Analysis - The City shall establish the process to identify appropriate recommended solutions to address those needs identified through multi-modal system level planning.

e) Title 6, Section 4.D. Congestion Analysis Outside of Mixed Use Areas - Addresses congestion and capacity issues that result from the implementation of the functional plan. In Sherwood, these provisions would apply (a) areas outside the town center boundaries, and (b) the Town Center area, if the City elects not to use the alternative congestion standards contained in Section 4.B of the Functional Plan.

7. Public Review Process - Comparative Match of Community Character to Metro 2040 Concepts and Design Types.

a) Based on prior citizen workshops and Commission hearings, staff prepared recommended amendments 12-7-99 to 1-17-2000.

b) Citizen review Workshops (3) 1-26-2000, 2-2-2000 and 2-9-2000.

c) Planning Commission Review 3-7-2000, 3-21-2000, and 4-4-2000.

d) City Council briefing: 4-25-2000.

e) Draft Recommendations to Metro 4-28-2000.

8. City Council Adoption 5-9-2000 and 5-23-2000.

C. Title 7. Affordable Housing.

1. This Title deals with affordable housing and is currently advisory. No action is required by the City at this time. There is no specific work program task focused on this issue. However, any policy direction that may emerge from the public review process will be incorporated into the amendment package.

D. Title 8. Compliance Procedures.

1. Draft copies of the various elements will be forwarded to Metro for review and comment as noted in to above schedule. Formal notice of adoption, of proposed amendments to comprehensive plan provisions or implementing ordinances, shall be provided to METRO at the same time notice is provided to DLCD, as required by their administrative procedures. The notice shall include the city's analysis demonstrating that the proposed amendments are in substantial compliance with the 2040 Functional Plan, and shall address any requested exceptions.

October 29, 1999

Brenda Bernards
Growth Management Services
Metro
600 Northeast Grand Ave.
Portland, OR 99232-2736

Metro Growth Mgmt.
NOV - 1 1999



RE: Title 3 Time Extension

Dear Ms. Bernards:

The City of Tigard respectfully requests an extension of the December 19th deadline for Title 3 compliance. During the past year, Tigard has been working with the Unified Sewerage Agency (USA) and the other jurisdictions within Washington County to develop a coordinated approach to Title 3 substantial compliance. This approach builds on the county-wide USA storm water management program and is proposed to be implemented through incorporation into USA's design and construction standards, which Tigard and the other jurisdictions within the county are required to follow as a minimum.

USA's target date for putting together a baseline compliance package is early November 1999. The timeline for USA board action on these Title 3 implementation measures is early December 1999. The new standards will become effective and enforceable by USA in December 1999 as water quality standards.

Tigard's request for a time extension to July 31, 2000, is needed to allow time for the adoption of amendments to the City's community development code to assure implementation of the USA standards through the land use review process. It also is needed to allow the City time to adopt land use standards for the Title 3-required density transfer and variance processes, which will not be included in the USA development rules.

The proposed timeframe for specific comprehensive plan and development code changes is outlined below.

January-February 2000

City begins the public hearing process to (1) amend comprehensive plan policies to clarify role of USA in water quality management, (2) amend the development code to update references to USA's 1999 Design and Construction Standards, and (3) to adopt conforming density transfer and variance amendments.

March 200

The Planning Commission holds hearings and makes recommendation to City Council.

May 2000

The City Council considers the recommendations to adopt the Title 3 amendments to the plan and code.

June 200

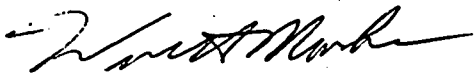
Extended hearings, if necessary.

July 2000

Full Title 3 compliance achieved.

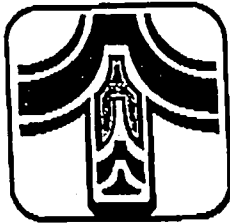
Thank you for forwarding to the Metro Growth Management Committee the City of Tigard's request for a short time extension to complete the necessary amendments to our local comprehensive plan and development code. The USA substantial compliance standards will be enforced by the City beginning December 19th.

Sincerely,



William A Monahan
City Manager

\\rpn\duane\title3.ext



CITY OF TUALATIN

PO BOX 369
TUALATIN, OREGON 97062-0369
(503) 692-2000
TDD 692-0574

October 4, 1999

Ms. Brenda Bernards
Metro Growth Management Department
600 NE Grand Ave.
Portland, OR 97232-2736

FAX 10/4/99

797-1911

RE: Clarify Requested Deadline For Title 3

Dear Brenda:

Per the City of Tualatin letter dated September 14, 1999 an extension of the December 18, 1999 deadline to comply with Title 3 was requested to October 31, 2000. As stated in the letter we do not believe it will take that long, but to avoid having to request another extension if problems are encountered, we requested October 31 which matched the requested deadlines for the City of Hillsboro and Washington County.

This letter explains our timing of adoption. The City of Tualatin is working cooperatively with the Unified Sewerage Agency (USA), Washington County and the cities in Washington County to address T-3 in a unified manner. We are actively participating with USA in the Washington County Planning Directors' Subcommittee on developing flexible standards to comply with T-3.

The City of Tualatin anticipates that USA will adopt standards in December 1999 and those standards will be effective the next day and the City of Tualatin will comply with those standards the next day in accordance with our intergovernmental agreement.

The City then anticipates going through our city process to adopt the standards and any additional land use policies and regulations in 2000. That process would include educational sessions, review of the proposed T-3 materials and a recommendation by the Tualatin Planning Advisory Committee to the City Council. TPAC meets once per month and their recommendation would be at the March 9, 2000 meeting.

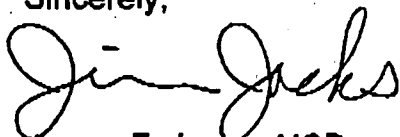
The City Council step would again include educational sessions, review of the proposed T-3 materials and a public hearing. It is expected the hearing would be continued at least one time based on a citizen request. The hearing on the proposed changes to the Tualatin Community Plan and its implementing ordinances would be concluded on June 12, 2000. The ordinance effectuating the proposed amendments would be presented to Council at their July 10, 2000 meeting.

Title 3 Time Extension
October 4, 1999
Page 2

The above schedule could proceed quicker if no opposition exists and if the educational and review sessions are efficient, clear and understandable.

Should you have questions, please call me at 692-2000 extension 510.

Sincerely,



James F. Jacks, AICP
Planning Director

c: City Manager

file: Regional Agencies, Metro, 2040, Title 3

wdocs\Metr2040\1999\Title3\Ltr 2 Bernards Clarify Deadline of Req 4 Ext to T-3 to 10-31-00

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 99-2876 GRANTING TIME EXTENSIONS TO WASHINGTON COUNTY AND THE CITIES OF BEAVERTON, CORNELIUS, DURHAM, FOREST GROVE, HILLSBORO, KING CITY, SHERWOOD, TIGARD AND TUALATIN FOR THE FUNCTIONAL PLAN COMPLIANCE DEADLINE FOR TITLE 3 REQUIREMENTS

Date: November 29, 1999

**Presented by: Mary Weber
Prepared by: Brenda Bernards**

PROPOSED ACTION

Adoption of Resolution No. 99-2876 granting timeline extensions to the Functional Plan compliance deadline for the Title 3: Water Quality, Flood Management and Fish and Wildlife Conservation requirements for Washington County and the Cities of Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Sherwood, Tigard and Tualatin.

BACKGROUND AND ANALYSIS

Metro Code 3.07.820.C (Title 8 of the Functional Plan) provides that Metro Council may grant time extensions to Functional Plan requirements if a jurisdiction can demonstrate "substantial progress or proof of good cause for failing to complete the requirements on time."

Washington County and the 9 cities within the urbanized portion of the County are working with the Unified Sewerage Agency (USA) to come into compliance with the requirements of Title 3. The county and the cities are in substantial compliance with floodplain requirements and in compliance with erosion control requirements but need to complete work on the protection of water quality resource areas. On June 18, 1999 the County and cities presented a joint report on their progress for compliance.

In September 1999, the Growth Management Committee considered a request by Washington County and the Cities of Beaverton and Hillsboro for a time extension to meet the requirements of Title 3. The Committee requested that the County and the cities provide additional information regarding the implementation of Title 3 through the USA design and construction standards. In the interim, the remaining cities in Washington County have also requested time extensions.

In response to the request for additional information, USA submitted a Substantial Compliance Report (the compliance report) on November 24, 1999 outlining how the Title 3 requirements are being addressed. USA has been working with the county and the cities through the entire process.

USA is proposing to revise its Design and Construction Standards (Draft 5) to be consistent with the vegetated corridor widths in Title 3. Currently, the USA standards require a vegetated buffer of 25 feet. The Draft 5 standards will require vegetated corridors ranging from 25 feet to 200 feet. In a number of instances, the USA standards exceed Metro's Title 3 requirements. The USA standards will protect intermittent streams draining between 10 and 50 acres. All intermittent streams with slopes less than 25% will have a 25-foot buffer. Title 3 offers no

protection for the streams draining less than 50 acres and requires only a 15-foot buffer for intermittent streams with slopes less than 25%. The standards will require restoration of the full vegetated corridor width for the 25 and 50-foot corridors.

The November 24, 1999, Draft 5 standards address Metro's concerns with the June 18, 1999 proposed approach. There is no longer a provision for encroachment into steeply sloped areas for up to 50 percent of the width of the vegetated corridor without first completing an alternative analysis. The standards, as proposed, would permit a limited amount of encroachment, with mitigation, only in degraded or marginal vegetated corridors. An alternative analysis would be required for encroachment in excess of that allowed in the standards or any encroachment into good condition corridors.

Draft 5 proposes a tiered approach to the alternative analysis. This includes three procedures to vary the width of the vegetated corridor standards. First, standards would permit a limited amount of buffer averaging or encroachment in certain cases. The encroachment would be limited to averaging of the vegetated corridor of 20 percent of the frontage length of the vegetated corridor by 20 percent of the required width. A Vegetated corridor reduction of 20 percent is allowed if the corridor is greater than 125 feet and vegetated corridor averaging is not practicable. In both instances, the encroachment could only occur in degraded or marginal corridors provided that full mitigation of the remaining corridor occurs to bring it into good condition. Second, Alternative Analysis A would allow for a limited amount of encroachment in marginal and degraded areas, greater than the encroachment standards that are allowed by right. There are clear and objective standards that would have to be met before encroachment is allowed. Third, Alternative Analysis B is for additional encroachment in degraded and marginal corridors and encroachment into good condition corridors. An analysis of the functions and values of the corridor and demonstration that no practicable alternative exists would be required.

At this time, USA, the county and the cities are discussing which agency will review and issue approval for encroachments that require an alternative analysis. USA and the local jurisdictions are refining the details of how the USA Water Quality permit process would interact with local land use decisions. If USA conducts the Alternative Analysis as part of an USA Water Quality permit, then local governments should assure that Comprehensive Plan policies reflect USA's regulatory role.

Staff have reviewed the proposed alternative analysis and support the proposed methodology. The alternative analysis, as proposed, would satisfy Title 3 whether USA or the cities and county were the implementing agency.

The compliance report correctly identifies the need for amendments to city and county comprehensive plan and zoning ordinances as a next step to reach substantial compliance with Title 3. The report discusses four options for integrating the USA Design and Construction Standards into local plans (see Attachment A). The Metro Office of General Council (OGC) generally agrees in concept with the four options, particularly Option 4. OGC cautions that other options may exist, and that not all approaches that the individual cities or the county may wish to pursue will provide the necessary integration between USA's standards and local plans and codes. However, OGC believes that it is feasible to complete this next step during the proposed extension periods.

COMPLIANCE PROGRESS

Although these jurisdictions have requested time extensions to complete the requirements of Title 3, each substantially complies with the floodplain management requirements and complies with the erosion and sediment control requirements. There is also a 25-foot vegetated buffer required by USA. The jurisdictions included in Resolution No. 99-2876 have met the Metro Code criterion for "substantial progress or proof of good cause for failing to complete" Functional Plan compliance (Metro Code 3.07.820.C).

The USA Board of Commissioners anticipates adopting the proposed revisions to the Design and Construction Standards at its December 14, 1999. The revised standards will become effective December 18, 1999. Staff has determined that that proposed revisions are in substantial compliance with the requirements of Title 3.

The county and cities have requested the time extensions in order to accommodate their Comprehensive Plan and Development Code amendment processes. The county and the cities have differing needs in regard to time requirements for adopting amendments to their plans and/or codes.

The county and the cities have requested the time extensions, summarized in the table below, to meet the requirements of Title 3 in order to provide time for amendments to comprehensive plans or land use regulations to implement the new USA standards:

Jurisdiction	Time Extension Request
Washington County	October 2000
Beaverton	July 2000
Cornelius	October 2000
Durham	June 2000
Forest Grove	May 2000
Hillsboro	October 2000
King City	June 2000
Sherwood	June 2000
Tigard	July 2000
Tualatin	October 2000

BUDGET IMPACT

Adoption of this resolution has no budget impact.

EXECUTIVE OFFICER'S RECOMMENDATION

The Functional Plan implementation time extension requests for the requirements of Title 3 for Washington County and the Cities of Beaverton, Cornelius, Durham, Forest Grove, Hillsboro, King City, Sherwood, Tigard and Tualatin are recommended for approval. Any further requests for time extensions or requests for Functional Plan exceptions made by these jurisdictions would be determined as delineated in Metro Code 3.07.820, Sections B and C.

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Future Implementation Options and Timing of Local Actions

For Integrating USA Design and Construction Standards

This report poses the following choices for local jurisdictions regarding compliance with Title 3 in accordance with Title 8 of the Metro Urban Growth Management Functional Plan. These are choices for each local government to make, subject to resolution of the alternatives analysis process, and in consultation with Metro concerning substantial compliance. The jurisdiction may choose a combination of these options, or another form of implementation not described here. Local jurisdiction choices are summarized in Table C.

Option 1: Make no changes to local ordinances or rules. In accordance with existing plan and code provisions and the IGA with USA, enforce and apply USA standards through the land use application review process. This option may be viable for substantial compliance if existing code and plan provisions are sufficient to require implementation of new USA standards through the land use review process. The Washington County code requiring a drainage service provider letter is an example.

Option 2: Amend IGA between local government and USA. Amendments might include language to reference USA's role as a local water quality authority and the new 1999 Design and Construction Manual. Other changes could reflect more current operational relationships between the local jurisdiction and USA. The IGA amendments envisioned by this Option are not meant to involve changes to the financial relationships established in the IGAs. IGAs are generally adopted by resolution of local officials. This option may be viable for substantial compliance with Title 3 if the existing IGA is identified in the comprehensive plan as a basis for Goal 6 compliance, and existing code and plan provisions are sufficient to require implementation of USA standards through the land use review process under Option 1.

Option 3: Amend local Municipal Ordinances and/or Development Ordinances to update or add reference(s) either specifically to USA's 2000 Design and Construction Manual or more generally to USA's role as a service provider whose storm/surface water management service is required as part of the land use review process. These would be adopted by Ordinance, with varying timeframes for each jurisdiction depending on their charters and other rules regulating notice and timing of Ordinance adoption.

Option 4: Complete other conforming amendments to local Ordinances to codify portions of the 2000 USA Standards and/or make other conforming amendments to clarify contradictory rules (e.g. conflicting buffer widths). All jurisdictions should consider amending comprehensive plan policies to clarify the role USA plays in water quality management, and to emphasize that implementation of USA's regulations is required by Goal 6.

Summary of Potential Local Actions and Estimated Timeframes

Jurisdiction	Local Option Choices 1,2,3,4	Estimated Timing of Amendments	Notes
Beaverton	3, 4	July 2000	Consistent with extension request
Cornelius	2, 3, 4	October 2000	Consistent with extension request
Durham	1, 2	June 2000	Consistent with extension request
Forest Grove	2, 3	May 2000	IGA Amendments after USA adoption, consistent with extension request
Hillsboro	2, 3	August 2000	Consistent with extension request
King City	3	May 2000	Planning amendments concurrent with UR Master Plan, consistent with extension request
Sherwood	3, 4	June 2000	Consistent with extension request
Tigard	3, 4	July 2000	Consistent with extension request
Tualatin	2, 3, 4	July 2000	Consistent with extension request
Washington County (unincorporated)	4	October 2000	Consistent with extension request

Option 1: Make no changes and implement the existing IGA

Option 2: Amend IGA

Option 3: Amend local ordinances to update references to 2000 USA Standards

Option 4: Make other conforming amendments to local ordinances

Agenda Item Number 8.2

Resolution No. 99-2878, For the purpose of approving 1999 Update to the Regional Transportation Plan.

Public Hearing

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING THE)
1999 UPDATE TO THE REGIONAL)
TRANSPORTATION PLAN AND)
REFINEMENT PROCESS)

RESOLUTION NO. 99-2878

Introduced by Jon Kvistad

WHEREAS, Metro's 1989 Regional Transportation Plan ("RTP"), the 1992 Update and this 1999 RTP Update are the regional functional plan for transportation under ORS 268.390 and the regional transportation plan required by federal law as the basis for coordinating federal transportation expenditures; and

WHEREAS, new federal requirements under ISTEA resulted in a separate federal plan entitled "Interim Federal Regional Transportation Plan," July, 1995, which is now updated and incorporated into this RTP 1999 Update; and

WHEREAS, the current federal Transportation Equity Act for the 21st century ("TEA-21") requires an updated federal plan every three years that demonstrates continued compliance with the fifteen federal planning factors, a "financially constrained" plan and compliance with the Clean Air Act; and

WHEREAS, this 1999 Update, also, serves as the regional Transportation Systems Plan required by the state Transportation Planning Rule which must be consistent with the state Transportation Systems Plan, including the 1992 Oregon Transportation Plan and the 1999 Oregon Highway Plan; and

WHEREAS, all functional plans, including this 1999 RTP Update, must implement applicable regional goals and objectives, including Metro's acknowledged 2040 Growth Concept; and

WHEREAS, the 1999 RTP Update will be adopted as a component of the 1997 Regional Framework Plan; and

WHEREAS, development of this 1999 RTP Update has included adoption of regional transportation policies to begin implementation of the 2040 Growth Concept in Resolution 96-2327, Title 6 requirements for changes to local transportation plans in the 1996 Urban Growth Management Functional Plan, and the 1997 Regional Framework Plan; and

WHEREAS, a final public comment draft of the 1999 RTP Update was distributed in October, 1999 with 7 subregional area summaries of policies and projects affecting local areas; and

WHEREAS, preliminary evaluation of the draft RTP indicates that it does comply with regional, state and federal planning requirements; and

WHEREAS, the Metro Council has received the considered advice of a 21-member Citizens Advisory Committee, its Metro Policy Advisory Committee, and Joint Policy Advisory Committee on Transportation, and all the policies and projects have been the subject of extensive public review; and

WHEREAS, this Resolution accepts the final November 5, 1999 draft of the 1999 Regional Transportation Plan as amended, to be adopted by ordinance as the regional transportation plan for federal, state, and regional functional plan purposes by May, 2000 and states the process for its refinement and implementation; now, therefore be it

RESOLVED,

1. That the final November 5, 1999 draft of the 1999 Regional Transportation Plan, as amended, is hereby approved as the 1999 RTP Update proposal which shall be scheduled for adoption by ordinance as Metro's regional transportation functional plan to comply with applicable federal and state transportation planning requirements by implementing Metro's acknowledged 2040 Growth Concept as follows:

- a. The final (date), 1999 draft of the 1999 RTP Update in Exhibit "A."
- b. The amendments approved by JPACT and the Metro Council in Exhibit "B."
- c. The amendments approved by the Metro Council subject to JPACT ratification in Exhibit "C."

2. That a refinement process of additional technical analysis, public review and staff evaluation of compliance with federal and state planning requirements shall be carried out between December 1999 and May 2000 to determine the required plan provisions necessary to assure compliance with all planning requirements and implementation of the 2040 Growth Concept.

3. That the refinement process of this 1999 RTP Update shall include development of the following by TPAC and JPACT for inclusion as technical appendices and plan amendments, as necessary:

- a. A "financially constrained" network of transportation facilities required for federal transportation plans.
- b. Air quality conformity findings of compliance with the federal Clean Air Act.
- c. An off-peak traffic congestion analysis.
- d. Demonstration of compliance with the state Transportation Planning Rule.

- e. Demonstration of compliance with federal TEA-21 planning requirements.
- f. Any draft revisions to the Regional Framework Plan to maintain consistency among Regional Framework Plan policies.

ADOPTED by the Metro Council this ____ day of _____ 1999.

Rod Monroe, Presiding Officer

APPROVED AS TO FORM:

Daniel B. Cooper, General Counsel

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OGC/LSS/kvw 11/30/1999

Rmb/Transportation 12-1-99
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METRO

Exhibit 'A'

November 5 Draft of the 1999 RTP

(under separate cover)



METRO

Exhibit 'B'

**JPACT and MPAC Recommendations
for Amendments to the
1999 RTP Draft**

(to be provided after December 8 MPAC and December 9 JPACT meetings)



METRO

Exhibit 'C'

Additional Comments Received on the 1999 RTP Draft

(this exhibit will include public comments received after the JPACT and MPAC recommendations have been forwarded to Council; the proposed resolution will refer these comments to TPAC and JPACT for affirmation in January, and recommend possible amendments responding to these comments for inclusion in the upcoming RTP ordinance)

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 99-2878 FOR THE PURPOSE OF APPROVING THE 1999 UPDATE TO THE REGIONAL TRANSPORTATION PLAN AND REFINEMENT PROCESS

Date: December 16, 1999

Presented by: Andrew C. Cotugno

PROPOSED ACTION

This resolution would tentatively recognize the completion of the 1999 RTP, including updated RTP policies, system analysis, recommended projects and financial analysis, as follows:

- RTP Policies - Chapter 1 of the RTP was initially approved by Council Resolution in July 1996. It has since been updated for consistency with the Regional Framework Plan and the functional plan, and edited for readability and brevity.
- RTP Projects and Systems Analysis - Chapters 2 through 5 of the RTP identify the 20-year transportation needs for the region, detail the scope and nature of proposed improvements that address the 20-year needs and a financial plan for implementing the recommended projects.
- RTP Implementation - Chapter 6 of the RTP establishes regional compliance with state and federal planning requirements, and sets requirements for city and county compliance with the RTP. Chapter 6 also identifies future studies needed to refine the RTP as part of future updates.

FACTUAL BACKGROUND AND ANALYSIS

The RTP update has been conducted in three stages over the past four years. The first stage involved an update to the RTP policies that focused on implementing the 2040 Growth Concept, and reflected new state and federal planning requirements. The policy document was approved by Council resolution in July 1996, and has served as the guiding vision for later steps in the update process.

The second stage of the RTP update, known as the RTP alternatives analysis, examined the region's level of service policy for motor vehicles and transit. This stage led to the 2040-based congestion policy that has since been adopted as part of Title 6 of the Urban Growth Management Functional Plan.

The lessons learned from RTP alternatives analysis helped guide the final, project development stage of the RTP update. The project development phase included a system analysis, proposed 20-year transportation solutions, and financial strategies for implementing the plan. This element of the plan Together with the RTP policies approved by resolution in July 1996 and

transportation elements of the Regional Framework Plan and the Urban Growth Management Functional Plan (UGMFP) in 1998, these recommendations complete the effort to update the RTP to implement the 2040 growth concept.

The RTP update featured a greatly expanded public outreach effort. The update was guided by a 21-member Citizen Advisory Committee, and included several public outreach efforts, special newsletters, and a number of joint JPACT, MPAC and Council workshops held at key decision points. The update also reflects the efforts of local officials, citizens and staff to develop transportation proposals that reflect the policy direction developed by the CAC and regional growth management policies. Of the nearly 700 projects proposed through the year 2020 to address expected growth, and to implement the 2040 growth concept, more than half are new to the regional plan, and many were generated by citizen input. These projects range from relatively modest bicycle and pedestrian improvements, to major transit and highway projects, each developed with an eye toward promoting safety, responding to growth or leveraging the 2040 growth concept.

During the past year, staff tested these projects through three separate rounds of transportation modeling. Each project proposed in the draft plan was reflected in the modeling assumptions, and projects were further refined after each round of modeling to better respond to projected travel needs during the 20-year plan period. This phase of the RTP update was also based on a collaborative approach, with local jurisdictions overseeing the modeling process at every step, and modeling analysis completed in a series of workshops with the regional partners. As a result, the draft project list is a consensus-based product, with project recommendations that are based on detailed analysis.

During the next four months, staff proposes the following activities necessary to demonstrate compliance with regional, state and federal planning requirements:

- a financially constrained network
- air quality conformity findings
- complete an off-peak congestion analysis
- meet state TPR requirements
- meet federal TEA-21 planning requirements
- draft revisions to the Regional Framework Plan to maintain consistency between RTP and RFP policies

Upon completion of these tasks, staff will work with TPAC to develop refinements to the final draft RTP, and present them for JPACT and Council review. Council adoption of the final draft RTP is proposed for May 2000.

TK:rmb

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Agenda Item Number 8.3

Resolution No. 99-2880, For the Purpose of Authorizing an Amendment to the Intergovernmental Agreement with the City of Portland concerning the Civic Stadium and Portland Center for the Performing Arts.

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING AN) RESOLUTION NO. 99-2880
AMENDMENT TO THE INTERGOVERNMENTAL)
AGREEMENT WITH THE CITY OF PORTLAND.) Introduced by Presiding Officer Rod
REGARDING THE CIVIC STADIUM AND THE) Monroe
PORTLAND CENTER FOR THE PERFORMING)
ARTS)

WHEREAS, pursuant to an Intergovernmental Agreement with the City of Portland (City), Metro operates the City's Civic Stadium and the Portland Center for the Performing Arts; and

WHEREAS, the City has entered into a process seeking to find a private partner to operate the Civic Stadium; and

WHEREAS, Metro and the City desire to negotiate a mutually acceptable transition agreement in order to return the Civic Stadium to the City in the event the City enters into a binding agreement with a private partner; and

WHEREAS, the existing Intergovernmental Agreement contains a deadline for unilateral termination of the agreement of December 31 of each calendar year; and

WHEREAS, Metro and the City desire to extend that deadline in order to facilitate good faith negotiations; now, therefore,

BE IT RESOLVED:

That the Metro Council authorizes the Metro Executive Officer to execute an amendment to the existing Intergovernmental Agreement with the City regarding the Civic Stadium and the Portland Center for the Performing Arts to authorize an additional mutual right of termination on or before April 15, 2000, effective July 1, 2000.

ADOPTED by the Metro Council this _____ day of _____ 1999.

Rod Monroe, Presiding Officer

APPROVED AS TO FORM:

Daniel B. Cooper, General Counsel

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OGC/DBC/am 12/09/1999

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 99-2880, FOR THE PURPOSE OF AUTHORIZING A ONE TIME ONLY ADDITIONAL UNILATERAL RIGHT OF TERMINATION FOR BOTH THE CITY OF PORTLAND AND METRO ON OR BEFORE APRIL 15, 2000.

Date: December 9, 1999

Prepared by: Daniel B. Cooper

BACKGROUND

The purpose of this amendment is to eliminate the possibility that either the City of Portland (City) or Metro would need to make a decision prior to December 31, 1999, to unilaterally terminate the existing agreement for operation of the Civic Stadium and the Portland Center for the Performing Arts in anticipation of not being able to reach a mutually acceptable agreement with the other party for the transition of the Civic Stadium. At this time the negotiations for this transition agreement have been delayed because of the uncertainty regarding the City's ability to reach a final agreement with Portland Family Entertainment (PFE). There is no reason to believe that once these negotiations commence they will not result in a mutually acceptable agreement. However, the existence of the artificial deadline of December 31, 1999, creates an unnecessary impediment to successfully completing these negotiations during the course of the next few months. By authorizing this amendment, the Metro Council will remove the artificial deadline and leave both the City and Metro on a level playing field during the conduct of these negotiations. In the unlikely event that the negotiations are not successful then both Metro and the City will be in no worse shape regarding their unilateral rights under the existing agreement and either may exercise the right to terminate the current agreement effective July 1, 2000.

RECOMMENDED ACTION

The Presiding Officer and Executive Officer recommend approval of Resolution No. 99-2880.

Agenda Item Number 9.1

Resolution No. 99-2872, For the purpose of providing an exemption from competitive bidding requirements for a request for proposals for construction management/general contractor services for the Oregon Convention Expansion Project.

Public Hearing

**Metro Council Meeting
Thursday, December 16, 1999
Council Chamber**

BEFORE THE METRO CONTRACT REVIEW BOARD

FOR THE PURPOSE OF PROVIDING AN) RESOLUTION NO 99-2872
EXEMPTION FROM COMPETITIVE BIDDING)
REQUIREMENTS FOR A REQUEST FOR) Introduced by Mike Burton, Executive
PROPOSALS FOR CONSTRUCTION) Officer
MANAGEMENT/GENERAL CONTRACTOR)
SERVICES FOR THE OREGON CONVENTION)
CENTER EXPANSION PROJECT)

WHEREAS, Metropolitan Exposition-Recreation Commission (MERC) and Metro staff have prepared the Request for Proposals (RFP) for Construction Manager/General Contracting (CM/GC) Services for the Oregon Convention Center Expansion Construction Project, which RFP is attached as Exhibit 1; and

WHEREAS, Metro Code requires that the procedures for competitive public bidding of Metro contracts shall comply with all requirements that are generally applicable to local governments; and

WHEREAS, ORS 279.015 requires that public contracts shall be based upon competitive bids or proposal except when exempted upon approval of certain findings; and

WHEREAS, Metro Code Section 2.04.054 provides that all Metro and MERC public contracts shall be based upon competitive bid with the exception that specific contracts may be exempted by resolution of the Metro Contract Review Board, subject to the requirements of ORS 279.015, including certain findings; and

WHEREAS, the RFP is designed to select the most qualified contractor to perform the required pre-construction and construction services for the project; and

WHEREAS, for the justifications set forth in the attached Exhibit 2, the Metro Contract Review Board finds that exempting the award of a contract resulting from the RFP for CM/GC Services for the Oregon Convention Center Expansion Construction Project from the

competitive bidding requirements of ORS 279.015 and Metro Code Section 2.04.052 is unlikely to encourage favoritism in the award of such contract or substantially diminish competition for such contract; and

WHEREAS, for the reasons set forth in Exhibit 2, exempting the award of the contract resulting from the RFP for CM/GC Services for the Oregon Convention Center Expansion Construction Project pursuant from competitive bidding will result in substantial cost savings to Metro; and

WHEREAS, ORS 279.015(6)(a) and Metro Code Section 2.04.054 require Metro to direct the use of alternative contracting and purchasing practices that take account of market realities and modern innovative contracting and purchasing methods, which are consistent with the public policy of encouraging competition; and

WHEREAS, the RFP for CM/GC Services contemplates utilizing an alternative contracting method and selecting a qualified contractor based upon certain qualifications; and

WHEREAS, the CM/GC method is recognized as a modern and innovative contracting method which has been successfully utilized by Metro and by numerous public agencies including the State of Oregon, the Port of Portland, the Tri-County Metropolitan Mass Transit District (Tri-Met), Washington County and the City of Portland; and

WHEREAS, the criteria which will be evaluated during the selection process include review of proposers' project approach and management plan; the qualifications of proposers' key personnel; organization of project staff and resources; fixed fee/guaranteed maximum price proposal; proposed project management related to methods of project cost, schedule and quality control; and the proposers' past utilization of minority and women-owned business enterprise subcontractors; now, therefore,

BE IT RESOLVED:

1. That the Metro Contract Review Board adopts as its findings the justifications, information and reasoning set forth in Exhibit 2 and incorporated by reference into this Resolution as if set forth in full; and
2. That based upon such findings, the Metro Contract Review Board exempts from competitive bidding requirements the contracts to be solicited through the attached Request for Proposals; and
3. That the Metro Contract Review Board authorizes and directs the Metropolitan Exposition-Recreation Commission to use Construction Manager/General Contractor services contracting methods for the Oregon Convention Center Expansion Construction Project; and
4. That the Metro Council authorizes the Metropolitan Exposition-Recreation Commission by majority vote of the current membership, to issue a Request for Proposals and enter into contracts for Construction Manager/General Contractor services for the Oregon Convention Center Expansion Construction Project.

ADOPTED by the Metro Council this ____ day of _____ 1999.

Rod Monroe, Presiding Officer

APPROVED AS TO FORM:

Daniel B. Cooper, General Counsel

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EXHIBIT " 1 "

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ext.1722 for a copy

Draft

REQUEST FOR PROPOSALS

For

**CONSTRUCTION MANAGER/GENERAL CONTRACTOR
SERVICES**

For The

OREGON CONVENTION CENTER EXPANSION PROJECT

Metropolitan Exposition Recreation Commission and Metro

600 Northeast Grand Avenue
Portland, Oregon 97232

Issued January 10, 2000

EXHIBIT " 2 "

FINDINGS SUPPORTING AN EXEMPTION FROM COMPETITIVE BIDDING PROCESS FOR A REQUEST FOR PROPOSALS AND SUPPORTING THE DIRECTION TO USE THE CONSTRUCTION MANAGER/GENERAL CONTRACTOR CONTRACTING METHOD FOR THE OREGON CONVENTION CENTER EXPANSION CONSTRUCTION PROJECT

I. BACKGROUND

Metro owns and operates the Oregon Convention Center located in northeast Portland. The original plan for the Oregon Convention Center ("OCC") called for utilization of the entire site. Phase I of the OCC was built on approximately one-half of the site and has approximately 500,000 square feet of total building space. Phase II was planned to occupy the other one-half of the site that is currently used for parking would add approximately 330,000 square feet of exhibit, ballroom, meeting and related space and approximately 1,200 below-grade parking space. Phase I was completed in September, 1990 and has exceeded projections for attendance and the generation of regional revenue and employment. The facility has been operating at practical capacity for four years and is turning away potential business and losing existing business.

A financing package was been developed by several private and public regional partners, including Metro, the City of Portland, Multnomah County, and the lodging and the auto-rental industries. In general, the funding package relies on revenue bonds issued by the City of Portland and secured by lodging and auto-rental taxes. The total cost of Phase II expansion is estimated at approximately \$106,000,000 with approximately \$86,000,000 of that amount for construction of the facility.

The OCC operation must continue within the current building during the construction period, which will occur adjacent to, and joining the existing building. The connection to the existing building and the displacement and disruption of the parking lot will require complex phasing and coordination with the OCC staff. It will be necessary to relocate parking operations for an undetermined amount of time during construction. The revenue loss from parking is estimated at approximately \$700,000 per year. Close coordination of on-going parking requirements will be required between OCC staff and the general contractor during construction. It will also be paramount to OCC operations and revenue generation that construction of the underground parking garage be completed as soon as possible. The CM/GC method of construction allows for a "fast track" construction of the garage for turnover to operations approximately one year earlier than the traditional design-bid-build method.

II. FINDINGS

A. FINDINGS SUPPORTING EXEMPTION FROM COMPETITIVE BID PROCESS REGARDING FAVORITISM AND COMPETITION

The Metro Contract Review Board finds that exempting the Oregon Convention Center expansion construction contract RFP from competitive bidding requirements and selecting the Construction Manager/General Contractor through a competitive selection process in accordance with the qualifications-based selection process is unlikely to encourage favoritism in the award of such construction contract or to substantially diminish competition for such construction contract. This finding is supported by the following:

- A) Solicitation Advertisement: Pursuant to ORS 279.025, the solicitation will be advertised at least twice in the Daily Journal of Commerce. In addition, solicitation documents will be available both through Metro's website page highlighted contracting opportunities, as well as at Plan and Procurement Centers throughout the State. Accordingly, this solicitation process is designed to encourage competition and to discourage favoritism.
- B) Full Disclosure: To avoid favoritism, and ensure full disclosure of all project requirements, the Request for Proposals (RFP) solicitation package will include:
- 1) Detailed Description of the Project
 - 2) Contractual Terms and Conditions
 - 3) Selection Process Description
 - 4) Evaluation Criteria
 - 5) Complaint Process and Remedies
- C) Selection Process: To avoid favoritism the Selection Process will include the following elements:
- 1) A pre-proposal conference, open to all interested parties, will be held at least ten days prior to the close of the solicitation and will offer the opportunity for potential proposers to ask questions, request clarifications, and suggest changes to the solicitation documents.
 - 2) The evaluation process will include the following steps:
 - a) Proposals will be evaluated for completeness and compliance with the requirements listed in the RFP.
 - b) Proposals considered complete and responsive will be evaluated under the criteria of the RFP.
 - c) Proposals will be independently scored by the voting members of the Selection Committee.

- d) A group of the highest scoring proposers will be selected as finalists.
 - e) The Selection Committee will conduct interviews of the finalists.
 - f) Upon completion of the interviews, the Selection Committee will rank the finalists and make an award recommendation to Metro and MERC staff.
 - g) Final selection will be made by the Metropolitan Exposition Recreation Commission.
 - h) Metro and MERC staff will attempt to negotiate a contract with the selected firm. If negotiations are not successful, MERC may direct that negotiations will be conducted with the next ranked firm.
- 3) Competing proposers will be notified in writing of the selection and be given an evaluation report of the selection process.
 - 4) The contract achieved through this process will require the CM/GC to use an open competitive selection process to bid the majority of the components of the job.
- D) Subcontractor Selection Process: To avoid favoritism, Metro and MERC staff will monitor the competitive bid process which the CM/GC uses to award subcontracts and shall require the CM/GC to follow Metro's Public Contract rules. The following specific minimum requirements shall apply:
- 1) Solicitations will be advertised at least ten (10) days prior to opening in the Daily Journal of Commerce and at least one other newspaper specifically targeted to reach the minority, women and emerging small business audiences.
 - 2) All bids will be written and submitted to a specific location at a specific time unless specific other prior arrangements have been made with Metro and MERC project management staff. Bidders must be registered with the Construction Contractors Board.
 - 3) Bids will be publicly read and the subcontract awarded to the lowest responsive and responsible bidder (unless this requirement is specifically waived by Metro/MERC project management staff for a specific contract).
 - 4) All bids in excess of \$75,000 shall be approved by Metro/MERC project management.
 - 5) Prevailing wage rates and all other standard terms and conditions of Oregon Public Work Contracts apply.
 - 6) The CM/GC may provide normal layout, clean-up, and other "pick-up" work required to complete the project with its own forces, without needing to employ bidding/quoting.

- 7) For those items for which the CM/GC or any of its subsidiaries, other affiliates or businesses in which it has a financial interest intends to bid, such intention must be publicly announced in an approved manner at least 21 days prior to bid. Sealed bids will be delivered to the Metro/MERC project management staff and opened at an announced time, date, and place.
- E) Growing Pool of Contractors: Exemption of the construction contract from competitive bidding requirements is unlikely to substantially diminish competition for the contracts because of the growing pool of CM/GC contracts. While a limited number of contractors were initially successful in procuring CM/GC contracts, a growing group of contractors have now been successful in obtaining contract awards. In past Metro projects, five to nine proposers responded to the Oregon Zoo and Expo Additions CM/GC RFPs.
- F) Competition: In the projects Metro has administered, an equal or greater number of contractors have participated than with traditional design-bid-build projects. These projects have had between five and nine proposers, which is well recognized to be more than adequate competition.

B. FINDINGS SUPPORTING EXEMPTION FROM COMPETITIVE BID PROCESS REGARDING COST SAVINGS

The Metro Contract Review Board finds that exempting the Oregon Convention Center expansion construction contract RFP from competitive bidding requirements and selecting the Construction Manager/General Contractor through a competitive selection process in accordance with the qualifications-based selection will result in substantial cost savings to Metro. This finding is supported by the following:

- A) Fewer Changes at Less Cost: Exemption from competitive bid requirements to employ the CM/GC process will result in fewer changes at less cost. This is so because when the CM/GC participates in the design process, fewer change orders occur during construction that affect the Guaranteed Maximum Price, because there is better understanding of the owner's needs and the architect's design intent. Those changes also typically cost less. Additionally, use of the CM/GC methods should reduce the mark up of costs. In reviewing the files of past projects completed by Metro, most low-bid contractors charged the maximum 20% mark-up allowed under the General Conditions for change order work. With CM/GC contracts, this amount has been the fee stipulated in the contract, which has generally been within the 3%-5% range. Staff anticipates cost savings of \$600,000 which will accrue to the project.

- B) Better Informed Decisions: Early selection of the CM/GC allow the project construction team to make more informed and better quality decision making by the project construction team. Cost options for materials, construction sequences, and packaging of bids, bid timing, and other factors affecting the production of bid documents can be viewed with greater certainty and knowledge.
- C) Value Engineering: Exemption from competitive bid requirements to employ the CM/GC process will allow a unique opportunity for value engineering. Under the CM/GC contract, the contractor is required to develop value engineering proposals and a report for review by the owner. As a result of this process, individual components are reviewed to assure that the project incorporates the best life cycle cost options, resulting in significant long-term savings. Additionally, this review often results in initial savings as well. For each of the CM/GC projects Metro has administered, several hundred thousand dollars of savings have been identified. Consequently, the project final design was uniquely different than if the contractor had not been involved during the design process. Staff anticipates cost savings of \$1,000,000 based on the \$86,000,000 construction budget. These savings will accrue to the project.
- D) Matching Budget and Scope: Exemption from competitive bid requirements to employ the CM/GC process will assure Metro as the owner that the project scope and budget will be congruent thereby increasing the efficiency of completing the documents and assuring that time and money is not wasted on revising documents that produced an over-budgeted bid.
- E) Full Savings: Exemption from competitive bid requirements to employ the CM/GC process allows the Project to enjoy the full savings if actual costs are below the GMP. When the CM/GC completes bidding all the subcontracts and has performed the work, at the conclusion of the job, any savings between the GMP and actual project costs will accrue to Metro.
- F) Unique Project: Exemption from competitive bid requirements to employ the CM/GC process allows early contractor involvement and value engineering to examine the life-cycle cost of components creates a unique project, different from a project developed using the traditional design-bid-build approach. Through this input and analysis, better value is obtained.
- G) Agency Capacity: Exemption from competitive bid requirements to employ the CM/GC process allows Metro/MERC staff to take advantage of experience with this contracting method. Metro/MERC staff are experienced in the use of this contracting method. Their experience will ensure that the contract is administered appropriately, and that the potential savings and benefits possible through use of this process will accrue to Metro

- H) Accelerated Schedule: Due to the efficiencies of over lapping design and construction activities, staff expect to reduce the project schedule (both design/construction) by 6 months. This reduction will result in cost savings related to project management of both Owner and Contractor of approximately \$400,000.

ADDITIONAL INFORMATION JUSTIFYING EXEMPTION FROM COMPETITIVE BIDDING REQUIREMENTS AND SUPPORTING USE OF GM/CG CONTRACTING METHOD

The Metro Contract Review Board finds the following justifications support an exemption from competitive bidding and the conclusion of using the CM/GC contracting method:

- A) Operational, Budget and Financial Data: Continued operation of the Oregon Convention Center during the course of construction of the expansion project will require extensive coordination with the contractor and advanced planning during design that can best be achieved through early involvement of the contractor. Metro budgets do not permit temporary cessation of the Convention Center operations. An accelerated construction schedule has been established in order to minimize loss of revenues which will occur during the course of construction. The great majority of the work under the contact, which represents 85% to 90% of the cost, will be executed by sub-contractors who are selected by the low bid method. Project staff expect that additional revenue (parking, room rental, food and various other concessions) earned due to use of CM/GC is in excess of \$3,000,000
- B) Public Benefits: Maintaining on-going operations of the Convention Center during the project and minimizing disruptions and costs will benefit the general public.
- C) Value Engineering: The unique process and involvement of the contractor under the CM/GC process will result in better reliability and quality due to value engineering proposals produced for the project.
- D) Specialized Expertise Required: The Convention Center expansion project involves the need for skills at conceptual estimating, detailed scheduling, working around users of an occupied facility, and skill and knowledge of working on long-span or column free structures.
- E) Public Safety: The CM/GC contractor will be required to make arrangements and take special precautions to ensure public safety during the execution of the work on a site that will continue to be open for public access. Additionally, the competitive selection process will allow consideration of safety records and other factors that would not be possible as a part of a competitive bid process.

- F) Market Conditions: The strong economy in Oregon and numerous construction projects of various sizes has placed a high demand on subcontractors and skilled trades people. As a consequence, contractor knowledge of local conditions is especially important in creating appropriate bid packages and in timing the release of bid packages in the current volatile construction market.
- G) Technical Complexity: The major technical complexity of the project is coordination and scheduling to allow on-going Convention Center functions to continue during construction that involves a major expansion to the facility which will eliminate parking and cause significant disruption to the existing exhibit halls located immediately north of the expansion site.
- H) Funding Sources: The project is being funded primarily from Revenue Bonds. The funding has no impact on the choice of contracting methods.
- I) Post-contract Evaluation: Upon completion of the project, Metro will perform a post-contract evaluation and will summarize the evaluation in a report.

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Staff Report

CONSIDERATION OF RESOLUTION NO. 99-2872 FOR THE PURPOSE OF PROVIDING AN EXEMPTION FROM THE COMPETITIVE BIDDING REQUIREMENT FOR A REQUEST FOR PROPOSALS FOR THE CONSTRUCTION MANAGER/GENERAL CONTRACTOR FOR THE OREGON CONVENTION CENTER EXPANSION PROJECT

Meeting Date: December 8, 1999

Presented by Scott Moss
Berit Stevenson

PROPOSED ACTION

Resolution No. 99-2872 seeks authorization to issue an RFP for Construction Manager/General Contractor Services for the Oregon Convention Center Expansion Project. Metro Council, acting as the Metro Contract Review Board, is required to approve the use of the alternative contracting procedures such as the CM/GC process which is being proposed for the project.

BACKGROUND

Metro and MERC have worked towards a major expansion of the Oregon Convention Center for several years. The expansion generally provides an additional 320,000 to 330,000 square feet of new exhibit hall, ballroom, meeting room and related support space. In 1998, the project was the subject of a Bond Measure which was placed on the November ballot. This measure, which was unsuccessful, provided valuable public insight. They supported the project but were not supportive of the proposed financing mechanism i.e. property taxes.

Since the failed 1998 bond measure, representatives from Metro, MERC, Multnomah County and the City of Portland have worked together to prepare a financing package for the project which does not rely upon property taxes. In the Spring of 1999, a plan was put forth by these agencies and private industry which depends upon an increase in the Multnomah County lodging tax and car-rental tax. This financing package, once finalized will provide \$106 million for the project.

Metro and MERC staff have prepared a draft RFP for CM/GC services for the project which is attached hereto. The proposed CM/GC process is an alternative approach to the standard design-bid-build approach (sometimes referred to as "low-bid") which is utilized for construction contracts. This alternative requires an exemption from the sealed bidding process inherent in the design-bid-build approach. This exemption must be supported by findings which indicate that use of the CM/GC method will not encourage favoritism or substantially diminish competition and will result in substantial cost savings.

Analysis – CM/GC Services

The CM/GC method results in two separate contracts with the CM/GC- one for pre-construction services and one for the construction services. The pre-construction services include project planning and scheduling, cost estimating, value engineering, constructability review and other related services. These services occur in a collaborative fashion with both the Architect and the Owner participating fully. The construction services contract follows the pre-construction phase and is characterized by a Guaranteed Maximum Price (GMP) which is developed by the CM/GC and approved by the Owner usually during the design development phase of project. The GMP phase is a critical milestone when the project's construction costs are established. The GMP is typically negotiated between the CM/GC and the Owner. Upon project completion, project savings (actual project costs are less than GMP) benefit the Owner. The subject RFP meets the standards and practices described above.

The procurement process used to select the CM/GC is a competitive RFP process. This process is qualifications based whereby evaluators consider pre-established criteria to rank the proposers. Criteria typically include cost, experience with similar types of projects, proposed team members and past successes related to utilization of MBE, WBE and ESB firms. The selection committee, which will be utilized for this RFP process. Is made up of non-Metro experts with extensive knowledge of complex construction projects.

Construction projects with certain characteristics are generally known as good candidates for the CM/GC process. These characteristics are:

- Accelerated schedule – critical deadlines or significant schedule ramifications require concurrent design and construction phasing
- Technical program complexity – operational, public safety, and complex project phasing that require a cooperative team approach particularly during the pre-construction phase
- Construction complexity – difficult remodel, historic preservation or unique and complex construction components require a cooperative team approach

A group known as the Public Contracting Coalition (government agencies, contractors and industry groups such as the Associated General Contractors of Oregon) formed a task force and issued a CM/GC White Paper which includes recommendations for use of the CM/GC process. The White Paper recognizes the advantages of the CM/GC process for certain projects and lists a set of criteria which should be used to judge the appropriateness of the CM/GC process for proposed projects. In addition to the above listed criteria, the White Paper includes cost savings and the lack of diminished competition or encouraging favoritism which mirror the findings required by ORS.

Metro and MERC staff feel that the Oregon Convention Center Expansion project is well suited for the CM/GC process given the above listed evaluation criteria. Specifically,

project success is dependent on meeting an **accelerated schedule** whereby design and construction activities are completed within a two year period. This compressed project schedule is due to the significant disruption the expansion project will have on the Center's ongoing operations and the desire to complete the expansion in the shortest possible time in order to minimize disruption.

The project is also burdened with **technical program complexity**. Operational issues such as "connecting" original and new building systems, early turn-over of the sub-surface parking garage and scheduling construction activities during non-event times will provide the entire project team, including the CM/GC, with significant challenges which are best addressed cooperatively.

The project includes **construction complexity** due to the long span or column free space requirements of the building's exhibit space. Bringing the construction contractor on board in the early phases of the project's design will provide valuable and practical advice regarding these long-span requirements as well as a myriad of other construction-related details.

Cost savings will accrue to the project in a number of ways. The accelerated schedule, which cuts approximately six (6) months from the project schedule, will result in approximately \$180,000 – 200,000 in direct project management savings. The contractor will experience similar savings for their project management, which will accrue to the Owner. In addition the CM/GC process is generally known to result in less claims and change order activity. Project staff have estimated that savings related to these two items would be \$500,000 and \$600,000 respectively, based on a construction cost of \$86,000,000. Lastly, significant cost savings are expected to result from a rigorous value engineering phase, which is a key element of the process. Project staff expect that cost savings due to value engineering will be \$1,000,000. This estimate is based on experience of the Expo project. The total of these cost savings, which are estimated at \$2,500,000, will be spent within the project based on the project goal of building "the best building for the set budget".

In addition these cost savings, the CM/GC method is expected to result in additional revenue earned by the newly expanded OCC. This revenue is derived from the accelerated schedule and result in two manners. First, the accelerated schedule has been designed to delivery the sub-surface parking area prior to completion of the building. It is anticipated that use of CM/CG process will result in turnover of the parking garage in approximately one year from commencement of construction. This early turn over will result in additional revenue of approximately \$100,000¹. It is highly unlikely that early turn over of the parking garage could occur with a low bid contractor. In addition to the parking revenue the turn over of the building 6 months earlier than under the design-bid-build scenario is expected to add \$2,000,000 in revenue from room rental and various concessions (food, and utilities).

Competition is expected to be keen among qualified general contractors interested in the CM/GC contract. Metro and MERC staff have received inquiries regarding the project

from several firms, including some from out-of-state. In prior CM/GC proposal processes (Expo additions and the zoo's Great Northwest), five to nine proposals were received thereby providing ample competition. In addition, the CM/GC contract continues to maintain competition at the subcontract level where virtually 70-80% of the construction work is competitively bid.

As noted by the White Paper, a critically important aspect of alternative contracting is a fair and open selection process that allows all qualified firms to compete on a level playing field. To ensure such a process and to **avoid favoritism**, Metro and MERC staff have prepared an RFP which conforms to guidelines contained in the White Paper. This process includes advertising in major trade newspapers, an interview phase with a selected short list of proposers and a selection committee made up of outside experts in the field of construction.

A final comment in the White Paper relates to the ability of the Owner to manage the CM/GC effectively. In addition to justifying the appropriateness of a particular project utilizing the above listed criteria, the White Paper stresses that a public agency considering CM/GC should have either in-house or contracted expertise to administer the project. A project manager with extensive CM/GC experience is expected to be employed for this project. In addition to this new employee, several current key staff members with extensive CM/GC expertise will be included on the project team.

The CM/GC method has been widely used by several state and local governments in the past several years. Its use appears to be increasing as government agencies and contractors alike gain experience with the method. Metro has successfully utilized the CM/GC method in one past project, the Expo building completed in 1996, and is currently employing the method for the Great Northwest Project which is being built at the Oregon Zoo and the Expo's Hall "D" project. Metro's CM/GC experience related to these projects has been positive to date. The Expo project, in particular, is an example of a CM/GC success. The building was delivered within an accelerated project schedule of 14 months (design and construction) and within the project's GMP of \$12.1 million. Actual construction costs were \$11.8 million. It is unlikely that a traditional contracting approach could have been successful given the extremely tight schedule.

Metro and MERC staff have met with Associated General Contractor (AGC) representatives and selected members to discuss potential project delivery methods. At this meeting, the proposed project's unique schedule, operational and construction challenges were discussed at length. At the conclusion of the meeting, the group agreed that given these issues, the CM/GC method was best suited for the project.

There are two items which are currently being considered as additions to the RFP. They are 1) the City of Portland's Workforce Training Program and 2) Owner Controlled Insurance Program (OCIP). The Workforce Training Program, which is a requirement on major City of Portland construction contracts, encourages the use of woman and minority apprentices among the various construction trades. The program does involve a

significant level of effort on the Owners part in order to monitor and encourage participation by subcontractors. Metro and MERC staff are currently evaluating the best method of performing these Owner responsibilities and the costs associated with them prior to inclusion in the RFP.

The OCIP would require MERC to purchase and manage a comprehensive insurance program which would include worker's compensation, general liability and property insurance (builder's risk) for the project. This approach can result in significant cost savings and a better safety program on large construction contracts. A consultant will be retained shortly to determine if such an approach is feasible. If feasibility is established, the RFP would be modified appropriately. Both of these issues are expected to be finalized prior to the MERC meeting in January at which time the final RFP will be considered.

FISCAL IMPACT

Funding for the project will be from several sources that are detailed below. The bonds will be issued by the City of Portland. They will be backed by revenues generated from the increases in the Multnomah County lodging and car-rental taxes.

Bond Proceeds	\$96,000,000
OCC Fund Balance	\$5,000,000
PDC	<u>\$5,000,000</u>
Total Sources	\$106,000,000

RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 99-2872.