

MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, December 12, 2006
Metro Council Chamber

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

Councilors Absent: David Bragdon (excused)

Deputy Council President Hosticka convened the Metro Council Work Session Meeting at 2:09 p.m.

1. **DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, DECEMBER 14, 2006/ADMINISTRATIVE/CHIEF OPERATING OFFICER AND CITIZEN COMMUNICATIONS**

Deputy Council President Hosticka reviewed the December 14, 2006 Metro Council agenda.

2. **HEADQUARTERS HOTEL BRIEFING**

Reed Wagner, Council Office, provided a history of where they were in the process of looking at whether a headquarters hotel was viable. He said this briefing represented a single step in the series of briefings on this project. This project was not new. It had resided in many different levels of progress since the decision to place the convention center on the east side of the river: In 1989 the Convention Center Urban Renewal Plan was approved by City Council with Goal 1 of the plan seeking to “maximize the regional job potential of the OCC through the development of a headquarters hotel.” In 2003 the Portland Development Commission (PDC) approved the Head Quarter’s (HQ) Hotel implementation strategy; which instructed staff to let a Release For Quotes (RFQ) in 2003 and a Release For Proposal (RFP) in 2004 to identify a developer for a headquarters hotel. While Metro staff was involved in this process as a stakeholder and invited to sit on advisory committees, this was a PDC project.

In the summer of 2006, PDC staff and the commission decided that a private model was not likely feasible, and that a public model should be analyzed. As Metro was identified as the likely agency for such a project to reside, Metro staff became more educated and involved in the process. In the past month Metro staff has accepted the lead in analysis and communications on this project in order to appropriately weigh the pros and cons of this proposed solution. The convention center hotel is a proposed solution to a growing operating gap in the newly expanded convention center; this proposed solution suggests that we should develop a stronger competitive position in the national convention market. He noted that if the Council did not adopt this solution, another solution would need to be identified to deal with the gap. Bill Stringer, Chief Financial Officer (CFO) would brief Council on some basic financial information about other convention markets. Then we will discuss the general building blocks of a potential convention center hotel in our market. We will also share some general input from stakeholders and basic concepts for future communications. Finally we will talk about next steps.

Mr. Stringer provided information on Construction and Operating Data of Convention Center hotels (a copy of which is included in the meeting record). Councilors asked clarifying questions about these different models and suggested looking at the four hotels that were already built. Dan Cooper, Metro Attorney, then provided an overview of next steps. They would be providing a

resolution to Council in January to concur with PDC's work thus far and to consider a public model. The Council would accept PDC's selection process as a developer, which would then allow negotiations of costs with the developer. Some councilors expressed concern about the resolution.

Mr. Wagner talked about next steps which would be to continue analysis and engage experts in a comprehensive financial report, continue working with our partners, stakeholders and other beneficiaries to determine an appropriate direction and begin discussions with the identified developers to ultimately determine a maximum cost of the project. Secondly their goal was to meet with Council in February with substantial information, so that they could receive direction to either move forward with this project or to begin pursuing other solutions. Council talked about other solutions and suggested presenting those solutions as well.

3. BOND MEASURE DEBRIEFING

Patricia McCaig and Tim Rafael talked about the upfront work that was done early. The three years of public opinion polling and the focus on water quality paid off in the long run. The measures that didn't pass were grass roots campaigns with a lack of upfront planning. It was important to do the work at the front end. Across the state the message that resonated the most had to do accountability. People were skeptical about government. People's perceptions of Metro influenced people's vote. Ms. McCaig said the two most successful negative comment was about Metro's managing tax dollars. Metro was not any different than other government entity. It was worth being concerned about this. Councilor Hosticka asked positives addressing government. Mr. Rafael said he thought people voted about things they were concerned about, not about government. Councilor Newman asked about voter turnout and impact on this measure.

Ms. McCaig commented on the campaign. They needed to give credit to the Audubon Society of Portland and the Trust for Public Lands. Second, she said because of the number of money measures on the ballot, the competition for volunteers was high. It had an impact on their ability to raise money. They had put only one piece of mail out and focused on television spots. Every contribution they got was less than they had planned or expected. There were a huge number of requests. She said the ballot title was good. The voter's pamphlet information was also done well. The campaign worked well, paid media was exactly on message. They spent resources early and that paid off.

Starting early was a good idea. Eliminating opposition was very important. Metro and particularly the Councilors did a good job on this part of the measure. Building the local broad-based support before referral to the ballot added to the success of the measure. Ms. McCaig said credibility was heightened because Don Morrisette brought a different perspective to the discussion. Councilor Hosticka asked why they didn't win east of Hwy 205. Ms. McCaig said the Multnomah County library had never won a precinct beyond Hwy 205. They were tax weary. Ms. McCaig said it was one of the hardest campaigns they had done because of the competition.

4. BREAK

5. 2035 REGIONAL TRANSPORTATION PLAN UPDATE

Kim Ellis, Planning Department, provided an update on the Regional Transportation Plan (RTP) (a copy of the PowerPoint presentation is included in the meeting record). She spoke of preliminary research findings (a copy of those findings is included in the record). She provided

next steps. She noted the nine background papers, which were a summary of the different areas they had researched. The finance paper would be completed next week. She spoke of key findings in the environmental justice analysis. The low-income level was two times the poverty level. The Latino population was growing rapidly in the region. 11% of the population reported some kind of disability. They would be looking at impact of transportation investment on these different populations such as Latinos. Councilor Liberty talked about equity issues, which were broader than environmental justice. Ms. Ellis said they would analyze the broader equity issues in Phase III. They also looked at regional security. It was difficult to document, multiple efforts including emergency management. Oregon Department of Transportation (ODOT), TriMet and Metro were all addressing emergency management in different ways. There wasn't clear guidance as to what the Metropolitan Planning Organization's (MPOs) role should be. They were still defining this issue in the RTP. Councilor Park talked about design of the system and looking at such things as hazardous sites and where housing was put in place. Ms. Ellis clarified that this had to do with critical infrastructure location such as bridges. Councilor Burkholder said this might also be a New Look discussion. Do you want to publish vulnerable areas? Ms. Ellis said Metro could choose the role it wanted to play in regional security. She hoped that there would be a more clearly defined role for MPOs.

Ms. Ellis then addressed trends affecting the transportation system overall. They were facing rapid growth, changes in demographics (aging population), greater growing suburban presence, commute times were growing, and significant growth in travel from the edges which impacted outside regional impacts on state highways. Councilor Liberty asked about counter trends. Councilor Park suggested some distinctions about edge impacts. Tom Kloster, Planning Department, said Ms. Ellis was stating two trends over time. He said there were two overlapping issues. There was still some sorting that had to be done.

Ms. Ellis said there was a strong connection between the economy and the labor market. There was also declining public investment in transportation. She also noted that there was continued oil uncertainty. She also noted growing transportation costs.

Ms. Ellis provided an overview of the regional bicycle system and pedestrian system. There was a significant lack of data being collected on these two systems. Councilor Liberty talked about understanding the data. Ms. Ellis said the RTP needed to be more performance based to track at a regional level. The City of Portland was gathering data on these areas and could provide information on these issues. She noted the need to have more education. The last key finding, which remained silent were on arterial crossings and gaps in connection to centers. She noted there were similarities between pedestrian and bicycle systems. Councilor Burkholder commented on the local streets versus regional streets. Mr. Kloster talked about the policy recommendations that they were working on and would be bringing to Council at their next work session. Councilors talked about not separating the local from the regional system.

Ms. Ellis briefed them on the research about the transit system. She noted the different elements that needed to be considered. There was more coordination needed as well as with land use. The Regional Transit System slide provided additional information on the growing issues in this area. She said they also looked at the Regional Transit Options (RTO) and Parking Management. They were looking at Regional Freight system. Councilors commented on the freight movement. She then noted findings of the Regional Transportation Finance. She spoke to key findings and the significant gap. They were anticipating a gap on the capital side. Councilors made some suggestions about this slide and how you showed private financing. Councilor Park suggested assessing maintenance costs of what we have already built.

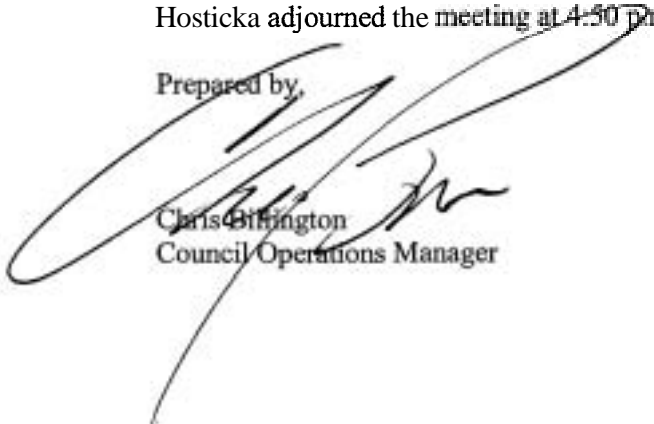
Ms. Ellis then talked about the common outcome themes: vision. These were some of the foundation goals for the RTP. She noted the remaining RTP research that needed to be done. She provided an overview of the project timeline, process next steps, and Council next steps.

6. COUNCIL BRIEFINGS/COMMUNICATIONS

There were none.

There being no further business to come before the Metro Council, Deputy Council President Hosticka adjourned the meeting at 4:50 pm.

Prepared by,



Chris Birtington
Council Operations Manager

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
DECEMBER 12, 2006**

Item	Topic	Doc Date	Document Description	Doc. Number
1	Agenda	12/14/06	Agenda: Metro Council regular meeting, December 14, 2006	121206c-01
2	Hotel data	12/12/06	To: Metro Council From: Bill Stringer, CFO Re: Construction and Operating Data of Convention Center Hotels	121206c-02
5	PowerPoint Presentation	12/12/06	To: Metro Council From: Kim Ellis, Planning Department Re: Briefing on Preliminary Research Findings on 2035 RTP Update	121206c-03
5	Phase 2 RTP research	12/11/06	To: Metro Council From: Kim Ellis, Planning Department Re: Phase 2 RTP Research and Analysis – Preliminary Research Results	121206c-04