

A G E N D A

600 NORTHEAST GRAND AVENUE PORTLAND, OREGON 97232-2736



METRO

TEL 503-797-1540 FAX 503-797-1793

MEETING: METRO POLICY ADVISORY COMMITTEE

DATE: January 10, 2006

DAY: Wednesday, 5:00-7:00 p.m.

PLACE: Metro Council Chamber/Annex

NO	AGENDA ITEM	PRESENTER	ACTION	TIME
	CALL TO ORDER	Kidd		
1	SELF INTRODUCTIONS & COMMUNICATIONS	All		5 min.
2	CITIZEN COMMUNICATIONS FOR NON-AGENDA ITEMS			5 min.
3	CONSENT AGENDA <ul style="list-style-type: none"> • October 11, 2006, November 8, 2006, November 15, 2006, December 13, 2006 • MTAC Appointments 	Kidd	Decision	5 min.
4	COUNCIL UPDATE	Harrington	Update	5 min.
5	JPACT UPDATE	McArthur	Update	5 min.
6	ELECTION OF OFFICERS	Kidd	Decision	5 min.
7	CLARIFY EXPECTATIONS/ROLE OF MPAC	Fuller/Liberty	Discussion	30 min.
8	RESOLUTION ENDORSING 2007 LEGISLATIVE AGENDA	Tucker	Presentation Discussion Decision	10 min. 20 min.
9	ORDINANCE 07-1136 MEASURE 37 METRO CLAIMS PROCESS	Benner	Presentation Discussion Decision	5 min. 5 min.
10	ORDINANCE 07-1137 TITLE 4 CHANGES	Benner	Presentation Discussion Decision	5 min. 15 min.

UPCOMING MEETINGS:

MPAC: January 24, 2007 & February 14, 2007

MPAC Coordinating Committee, Room 270: February 14, 2007

For agenda and schedule information, call Kim Bardes at 503-797-1537. e-mail: bardes@metro.dst.or.us

MPAC normally meets the second and fourth Wednesday of the month.

To receive assistance per the Americans with Disabilities Act, call the number above, or Metro teletype 503-797-1804.

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Metro Policy Advisory Committee

January 10, 2007

Item 3 – Consent Agenda Meeting Summaries for
October 11, 2006; November 8 & 15, 2006; December 13, 2006

METRO POLICY ADVISORY COMMITTEE MEETING RECORD

October 11, 2006 – 5:00 p.m.

Metro Regional Center, Council Chambers

Committee Members Present: Chuck Becker, Rob Drake, Andy Duyck, Dave Fuller, Jack Hoffman, Tom Hughes, Alice Norris, Tom Potter, Chris Smith

Committee Members Absent: Ken Allen, Richard Burke, Larry Cooper, Nathalie Darcy, Bernie Giusto, Richard Kidd, Charlotte Lehan, Diane Linn, Larry Smith, Erik Sten, Steve Stuart, (Governing Body of School District –vacant; Multnomah Co. 2nd Largest City –vacant)

Alternates Present: Ed Gronke, Judie Hammerstad, Martha Schrader, Paul Savas

Also Present: Dan Bates, City of Portland; Hal Bergsma, City of Beaverton; Martha Cellegrino, City of Portland; Carol Chesarek, Citizen; Bob Clay, City of Portland; Corky Collier, Columbia Corridor Association; Gary Cook, Clackamas County Development Agency; Shirley Craddick, City of Gresham; Sara Culp, City of Portland; Brent Curtis, Washington County; Kay Durtschi, MTAC; Mike Duyck, Tualatin Valley Fire & Rescue; Paul Edgar, Citizen; Kathy Everett, Gresham Downtown Development Assoc.; Ed Gallagher, City of Gresham; Gary Hartill, Orangewall Studios; Jon Holan, City of Forest Grove; Carolyn Jones, Glenmorrie Neighborhood Assn.; John Kehm, Metropolitan Group; Nancy Kraushaar, City of Oregon City; Barb Ledbury, City of Damascus; Jane Leo, Portland Metropolitan Association of Realtors; Irene Marvich, League of Women Voters; Annette Mattson, PGE; C Plaza, Beaverton; Kristin Retherford, City of Wilsonville; Pat Ribellia, City of Hillsboro; Ross Schultz, City of Sherwood; Karen Shilling, Multnomah County; Andy Smith, Multnomah County; Peter Traux, City of Forest Grove; Dee Wescott, City of Damascus; Dick Winn, City of King City; Daryl Winand, Portland Metropolitan Association of Realtors; Keith Witcosky, Portland Development Commission; Jim Wright, City of Damascus; David Zagel, TriMet Planner

Metro Elected Officials Present: Liaisons –Robert Liberty, Council District 6; Brian Newman – Council District 2

Metro Staff Present: Paul Anthony, Kim Bardes, Miranda Bateschell, Dick Benner, Andy Cotugno, Kim Ellis, Robin McArthur, Ken Ray, Randy Tucker

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

Interim Chair Dave Fuller called the meeting to order at 5:02 p.m. Interim Chair Fuller asked those present to introduce themselves.

2. CITIZEN COMMUNICATIONS FOR NON-AGENDA ITEMS

Mr. Paul Edger, 211 5th Ave, Oregon City, said that tax increment financing had many sides to it. He said that decision makers needed to look at the net impacts of taxes. He said that the State of Pennsylvania had many tax exempt properties and a good sample program on how to tax fairly. He said that Oregon representatives should not place an undue burden on all other people paying taxes. He said that 90% of taxpayers were only homeowners on a fixed income. He suggested that elected folks should look at Pennsylvania State and their system of taxation. His comments are attached and form part of the record.

4. COUNCIL UPDATE

Councilor Robert Liberty reviewed recent Council activities. He said that the consultant who would be working with Metro/Oregon Zoo had been selected, Schultz & Williams, to work on the Zoo Master Plan. He said that there had been a second conversation with the Columbia River Crossing group. He said that there would be a resolution on the Disposal System Management plan coming up at a future MPAC meeting and then to the Council.

Councilor Brian Newman distributed two handouts: "New Look Regional Roundtable," and "New Look Regional Choices." Those handouts are attached and form part of the record. He reviewed both of those handouts and urged members to participate in the roundtable.

3. CONSENT AGENDA

Meeting Summary for September 13 & 27, 2006 and approval of MTAC Appointments:

Motion:	Mayor Rob Drake, City of Beaverton, with a second from Alice Norris, City of Oregon City, moved to adopt the consent agendas with one revision to John Hartsock's title in the minutes for September 13, 2006 and to approve the MTAC appointments.
Vote:	The motion passed unanimously.

5. NEW LOOK

5.1 Regional Transportation Plan

Kim Ellis, Senior Transportation Planner, gave an overview of the exercise that she wanted to take the members through and what the staff hoped to glean from the exercise. She introduced John Rehm, Metropolitan Group. Mr. Rehm directed the members through the exercise. He distributed a handout, New Look: Desired Outcomes for Transportation, this handout is attached and forms part of the record. This handout was used to guide the discussion and the exercise.

5.2 Investing in our Communities

Miranda Bateschell, Assistant Regional Planner, said that there were several folks from local cities that would be giving presentations.

Mayor Alice Norris, City of Oregon City, introduced two folks from her city: Dan Drentlaw, Community Development Director and Nancy Kraushaar, City Engineer & Public Works Director. They presented PowerPoint slides on "Oregon City Urban Renewal Plan." Copies of those slides are attached and form part of the record.

Ross Schultz, City of Sherwood, also gave a PowerPoint presentation. A copy of that presentation is attached and forms part of the record.

Ms. Bateschell deferred the rest of her presentation to a November MPAC meeting.

Chris Smith asked to have a presentation on this topic from Wilsonville.

Mayor Norris said that adding MPAC members' voices together could have an impact with the legislature.

There being no further business, Interim Chair Fuller adjourned the meeting at 7:01 p.m.

Respectfully submitted,



Kim Bardes
MPAC Coordinator

ATTACHMENTS TO THE RECORD FOR OCTOBER 11, 2006

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

AGENDA ITEM	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
#2 Citizen Communication	10/11/06	Testimony Card and testimony submitted for the record from Paul Edgar, citizen	101106-MPAC-01
#4 Council Update	October 2006	New Look Regional Roundtable flyer and New Look at Regional Choices: Integrated Policy Framework sheet	101106-MPAC-02
#5 New Look	October 2006	New Look Desired Outcomes for Transportation exercise worksheet	101106-MPAC-03
#5 New Look	October 2006	Copies of slides from a PowerPoint presentation from Dan Drentlaw and Nancy Kraushaar, both with the City of Oregon City. Slide presentation titled Oregon City Urban Renewal Plan	101106-MPAC-04
#5 New Look	October 2006	Copies of slides from PowerPoint presentation from Ross Schultz with the City of Sherwood. Presentation title: City of Sherwood Urban Renewal – Presentation for Metro, October 11 th , 2006, Ross Schultz – City Manager	101106-MPAC-05

METRO POLICY ADVISORY COMMITTEE MEETING RECORD

November 8, 2006 – 5:00 p.m.

Metro Regional Center, Council Chambers

Committee Members Present: Chuck Becker, Nathalie Darcy, Dave Fuller, John Hartsock, Richard Kidd, Alice Norris, Wilda Parks, Chris Smith, Erik Sten

Committee Members Absent: Ken Allen, Richard Burke, Larry Cooper, Rob Drake, Andy Duyck, Bernie Giusto, Jack Hoffman, Tom Hughes, Charlotte Lehan, Diane Linn, Tom Potter, Larry Smith, Steve Stuart, (Governing Body of School District –vacant; Multnomah Co. 2nd Largest City –vacant)

Alternates Present: Lane Shetterly

Also Present: Bob Austin, City of Estacada; Hal Bergsma, City of Beaverton; Carol Chesarek, Citizen; Bob Clay, City of Portland; Gary Cook, Clackamas County Development Agency; Valerie Counts, City of Hillsboro; Danielle Cowan, City of Wilsonville; Shirley Craddick, City of Gresham; Kay Durtschi, MTAC; Mike Duyck, Tualatin Valley Fire & Rescue; Jonathan Harker, City of Gresham; Carolyn Jones, Glenmorrie Neighborhood Assn.; Gil Kelley, City of Portland; Christine Kidd, Forest Grove; Irene Marvich, League of Women Voters; Leanne MacColl, League of Women Voters; Doug McClain, Clackamas County; Greg Miller, AGC; Pat Ribellia, City of Hillsboro; Paul Savas, Clackamas County Special Districts; Jonathan Schlueter, Westside Economic Alliance; Karen Shilling, Multnomah County

Metro Elected Officials Present: Liaisons – Carl Hosticka, Council District 3; Susan McLain, Council District 4; Robert Liberty, Council District 6

Metro Staff Present: Kim Bardes, Miranda Bateschell, Chris Deffebach, Robin McArthur, Randy Tucker, Gerry Uba, Rob Wolcheski

1. SELF-INTRODUCTIONS & COMMUNICATIONS

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

2. REGIONAL ROUNDTABLE & CONSTRUCTION EXCISE TAX UPDATES

This agenda item was combined with the Council Update as Brian Newman could not make the meeting.

3. CITIZEN COMMUNICATIONS FOR NON-AGENDA ITEMS

There was none.

4. CONSENT AGENDA

Deferred to the next meeting due to lack of quorum.

5. COUNCIL UPDATE

Councilor Carl Hosticka mentioned that the Metro bond measure had passed in all three counties. He briefly outlined the process that Metro would follow now that the bond measure had passed.

Dan Cooper discussed some of the acquisition process.

Chair Kidd asked if Metro knew what properties it would purchase.

Councilor Hosticka said that there were target areas for study/review but that they did not yet know which properties would be purchased. He said that a new Metro councilor, Kathryn Harrington, had been elected and she would take office in January. He gave an update on the Regional Roundtable event. He said that there would be a more in-depth debriefing on this at the next MPAC meeting on November 15, 2006. He said that Metro was trying to pursue a metropolitan agenda, and that MPAC would be heavily involved and a vehicle in creating and instituting this legislative agenda. He said that the Ag/Urban group had been meeting and that there would be more information on that at a later meeting. He said that a key question for that discussion was what were possible and reasonable expectations for growth over the years.

6. JPACT UPDATE

Robin McArthur, Regional Planning Director, reviewed the agenda for the JPACT meeting scheduled for the next morning.

Councilor Liberty said that most people were predicting that the transportation trust fund would be out of money in 2008. He said that there were new folks in legislature so it might make a difference.

8. HOUSING AMENDMENTS TO FRAMEWORK PLAN & FUNCTIONAL PLAN

Councilor Liberty introduced the housing amendment and the work and reasoning behind its development and outcome. He quickly took the members through the meeting packet material and then introduced Gerry Uba, Principal Regional Planner, and Robert Wolcheski, Housing Development Specialist.

Mr. Uba said that staff would like MPAC to make a decision on this at the December 13, 2006 meeting.

Chair Kidd explained the timeline and asked members to take this information back to their councils for discussion so that the MPAC members would be prepared to make a decision on the night of December 13th.

Erik Sten, City of Portland, said that he feared they were sweeping under the table an important issue, which was to see whether or not jurisdictions were adopting known tools within their ability to make affordable housing happen. He said he thought that discussion had passed them by and now they needed to determine whether Metro should try to mandate things. The committee made the consensus recommendation that there shouldn't be any mandates as long as jurisdictions were making progress. That was the point of checking. He said that the material before them now made it seem like it was giving up on the goal of actually getting the tools adopted.

Councilor Liberty said that was a good point. He said there had been a discussion at MPAC on whether this was a tool that could be used and whether Metro and MPAC were committed to the issue. The answer had been yes. He referred to the clean copy of Exhibit B (provided in the packet material) to partially answer Councilor Sten's question. He said that the need had been identified for staff and money and Metro would propose a way to have staff and then would work on getting money.

Councilor Sten said that infrastructure and affordable housing money could possibly come from the same package.

Nathalie Darcy said there wasn't an elected champion for gaining funds – she wondered how those officials could be included in the process.

Chair Kidd said that the non-profits would partner well with jurisdictions and Metro in order to make progress.

Mr. Wolcheski introduced himself to the members and gave a summary of his background. He distributed a handout titled “Draft Scope of Housing Choice Technical Assistance Services,” and then reviewed the handout. That handout is attached and forms part of the record.

7. URBAN RENEWAL/TIF

Miranda Bateschell, Assistant Regional Planner, reviewed some comments from the panel presenters who spoke on investing in our communities at the October 11, 2006 meeting. She then gave a PowerPoint presentation. A copy of that presentation is attached and forms part of the record.

There was discussion about using capacity for urban renewal and TIF, and if the region would benefit from separating the use of urban renewal and TIF.

Bob Austin, City of Estacada, said that they were trying to look at long-term benefits over short-term losses by utilizing urban renewal in primarily the town center area.

There was discussion about the long-term benefits of urban renewal versus the initial outlay of money and effort.

There being no further business, Interim Chair Fuller adjourned the meeting at 6:16 p.m.

Respectfully submitted,



Kim Bardes
MPAC Coordinator

ATTACHMENTS TO THE RECORD FOR NOVEMBER 8, 2006

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

AGENDA ITEM	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
#6 JPACT	11/8/06	JPACT agenda for November 9, 2006	110806-MPAC-01
#8 Housing	11/8/06	Draft Scope of Housing Choice Technical Assistance Services handout	110806-MPAC-02
#7 Urban Renewal/TIF	11/8/06	PowerPoint presentation: Urban Renewal and Tax Increment Financing – copies of those slides attached.	110806-MPAC-03

METRO POLICY ADVISORY COMMITTEE MEETING RECORD

November 15, 2006 – 5:00 p.m.

Metro Regional Center, Council Chambers

Committee Members Present: Charles Becker, Nathalie Darcy, Rob Drake, John Hartsock, Tom Hughes, Richard Kidd, Chris Smith

Committee Members Absent: Ken Allen, Richard Burke, Larry Cooper, Andy Duyck, Dave Fuller, Bernie Giusto, Jack Hoffman, Margaret Kirkpatrick, Charlotte Lehan, Diane Linn, Alice Norris, Wilda Parks, Tom Potter, Erik Sten, Steve Stuart, Larry Sowa, Larry Smith, (Governing Body of School District –vacant)

Alternates Present: none

Also Present: Hal Bergsma, City of Beaverton; Scott Bricker, Bicycle Transportation Alliance; Ron Bunch, City of Tigard; Al Burns, City of Portland; Carol Chesarek, Citizen; Bob Clay, City of Portland; Gary Cook, Clark County Development Agency; Valerie Counts, City of Hillsboro; Kay Durtschi, MTAC; John Gessner, City of Fairview; Lincoln Herman, Stoel Rives; Jack Isselmann, City of Hillsboro; Irene Marvich, League of Women Voters; Leanne MacColl, League of Women Voters; Pat Ribellia, City of Hillsboro; Karen Schilling, Multnomah County

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

Metro Staff Present: Dick Benner, Dan Cooper, Chris Deffebach, Robin McArthur, Amelia Porterfield, Ken Ray, Randy Tucker, Reed Wagner

1. SELF-INTRODUCTIONS & COMMUNICATIONS

Chair Richard Kidd, called the meeting to order at 5:03 p.m. Chair Kidd asked those present to introduce themselves.

2. CITIZEN COMMUNICATIONS FOR NON-AGENDA ITEMS

There was none.

3. CONSENT AGENDA

Meeting Summaries for October 11 and November 8, 2006:

There was no quorum, so this item was deferred to a future meeting.

4. APPOINTMENT OF COMMITTEE FOR NOMINATIONS OF 2007 OFFICERS

Chair Kidd said the committee would most likely consist of himself, Jack Hoffman and Dave Fuller. He said the committee usually consisted of the past chair, the current chair and the future chair.

5. COUNCIL UPDATE

Councilor Carl Hosticka said Metro would be meeting tomorrow morning at 10:00 a.m. with a panel of economic advisors to talk about urban growth. The meeting would cover the methods Metro used to forecast growth.

Councilor Robert Liberty recapped items discussed at the most recent Council work session such as growth, infrastructure and land use in the Metro region.

Councilor Brian Newman updated members on the construction excise tax. All eligible jurisdictions have submitted their requests, however the amounts of those requests (\$8.9 million) came in higher than previously estimated (\$6.3 million). Metro staff would be working to scale back the requests to only \$6.3 million.

Chair Kidd was concerned that jurisdictions whose costs had risen might be the first to the trough, possibly taking away money from jurisdictions that had estimated their costs correctly the first time. Councilor Newman and Reed Wagner, Policy Advisor, assured Mayor Kidd that emphasis would be given to the initial estimate.

6. 2007 LEGISLATIVE STRATEGY DISCUSSION

Councilor Hosticka asked the MPAC members to reaffirm that they would like to have a comprehensive regional legislative agenda.

Randy Tucker, Legislative Affairs Manager, passed around a legislative roster, highlighting the names of legislators from the Metro region. A copy of this document is attached and is included as part of the official record. He said that lobbyists from the region would like to see themselves represent the entire region, not just individual jurisdictions. He said the regional platform should support the region 2040 plan and should include goals that could be achieved in the upcoming legislative session.

Councilor Newman introduced the New Look at Regional Choices: Integrated Policy Framework handout. A copy of this document is attached and is part of the official record. Councilor Newman and Councilor Liberty explained the document.

Mayor Rob Drake and Mayor Tom Hughes were concerned about the short-term future supply of industrial land. They said there might be a shortage of shovel ready sites for industrial and employment development. They said this was causing the Metro region to lose business to other parts of the country. Mayor Hughes said that a performance based urban growth boundary (UGB) expansion strategy with urban reserves would help the situation. He asked if Metro planned on switching to a seven-year cycle for UGB expansion.

Councilor Newman and Councilor Liberty said Metro was tired of bringing more land into the UGB for industrial use, only to have local governments rezone the land for other uses.

Councilor Liberty said that at previous meetings, other issues were also identified as possible issues for a regional legislative agenda, including funding for affordable housing, schools and transportation infrastructure. On the topic of industrial land, he said that there were costs associated with developing land on the edge of the region. He said Metro should look at how well we were utilizing land within the UGB, before starting the process of bringing more land into the UGB.

Mayor Chuck Becker agreed with Councilor Liberty. He said that they were having difficulties developing land in Pleasant Valley and Springwater. He said financing infrastructure was the biggest hurdle they had.

Nathalie Darcy, Washington County Citizen representative, Mayor Becker, and John Hartsock, Clackamas County Special Districts, stated they were concerned about schools and other infrastructure and whether or not SDC's were the appropriate tool to pay for them.

Councilor Newman wanted to remind everyone that there was an unofficial group including many individuals from MPAC that would continue meeting to discuss these issues.

Mayor Hughes brought up the Freight Mobility Task Force and said Metro should identify what the different transportation needs were and how those needs could be addressed.

Chris Smith, Multnomah County Citizen representative, asked how long MPAC had to establish their legislative agenda, and Councilor Hosticka said that MPAC had until March to hone in on a particular agenda.

7. TITLE 4

Dick Benner, Metro Senior Attorney, introduced a proposed amendment to the title 4 process that would provide more authority to local governments to make minor adjustments to the title 4 map.

Councilor John Hartsock suggested that there were not enough jurisdictions present to discuss the issue. He said there could be a lot of kick back from the jurisdictions that were absent.

Councilor Liberty stated that Metro shouldn't reschedule important topics simply because individuals choose not to attend the meeting. He referred to Council President David Bragdon's memorandum to MPAC, which stated that he would like the issue resolved by the end of January. Chair Kidd suggested the members could consider the item in December and vote in January.

Chair Kidd said that he would issue a memorandum to MPAC members informing them that the issue was discussed at the November 15th meeting, and that there would be a presentation followed by a vote at the next meeting.

Mr. Benner said the cumulative impacts provision was the only new idea in this draft.

Mayor Hughes stated that he believed MTAC had reached a consensus not to move forward according to Council President Bragdon's timetable.

Councilor Liberty stated that it was very unpleasant for the Metro Council to go through the industrial land UGB expansion process last time. He said that jurisdictions lobby for industrial land to be included in the UGB then they make decisions that whittle that land supply away for other uses.

Mayor Hughes did not agree that this was the case. He said the region needed to look for a strategy that allowed the region to create the greatest number of jobs, whether they're industrial or otherwise.

Mr. Benner stated that this conversation demonstrated the lack of understanding on the topic of amendment of the Title 4 map. He said the current situation gave Metro all the power to change the title 4 map. He said this was exactly the situation that Mayor Hughes was opposed to. He said that Council President David Bragdon's proposed change would give local governments more power to amend the title 4 map and would avoid duplicate appeals to LUBA. He said he would recommend to President Bragdon to give 45 days notice to DLCD, so the Metro Council would be able to vote on the proposed title 4 changes in January.

There being no further business, Chair Kidd adjourned the meeting at 6:49 p.m.

Respectfully submitted,

Nick Popenuk
Policy Associate

ATTACHMENTS TO THE RECORD FOR NOVEMBER 15, 2006

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

AGENDA ITEM	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
2007 Legislative Strategy Discussion	November, 2006	Roster of Oregon Legislature.	111506-MPAC-01

METRO POLICY ADVISORY COMMITTEE MEETING RECORD

December 13, 2006 – 5:00 p.m.

Metro Regional Center, Council Chambers

Committee Members Present: Charles Becker, Dave Fuller, John Hartsock, Jack Hoffman, Tom Hughes, Richard Kidd, Charlotte Lehan, Wilda Parks, Tom Potter, Chris Smith

Committee Members Absent: Ken Allen, Richard Burke, Larry Cooper, Rob Drake, Bernie Giusto, Margaret Kirkpatrick, Diane Linn, Alice Norris, Erik Sten, Steve Stuart, Larry Sowa, Larry Smith, (Governing Body of School District –vacant)

Alternates Present: John Leeper, Dresden Gregory-Skees

Also Present: Robert Austin, City of Estacada; Al Burns, City of Portland; Carol Chesarek, Citizen; Bob Clay, City of Portland; Shirley Craddick, City of Gresham; Sara Culp, City of Portland; Kay Durtschi, MTAC; Meg Fernekees, DLCD; Ed Gallagher, City of Gresham; Lincoln Herman, Stoel Rives; Caroline Jones, Glenmorrie NHA – LO; Doug McClain, Clackamas County; John O’Neil, TriCity Investments; Staci L. Paley, Citizen; Pat Ribellia, City of Hillsboro; Andy Smith, Multnomah County; Derrick Tokos, Multnomah County

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

Metro Staff Present: Dick Benner, Dan Cooper, Andy Cotugno, Kim Ellis

1. SELF-INTRODUCTIONS & COMMUNICATIONS

Chair Richard Kidd, called the meeting to order at 5:06 p.m. Chair Kidd asked those present to introduce themselves. Chris Smith, Multnomah County Citizen Representative, commented on streetcars and what really makes a center happen.

2. CITIZEN COMMUNICATIONS FOR NON-AGENDA ITEMS

Caroline Jones, Glenmorrie NHA – LO, said that with the deadline for Measure 37 on December 2nd past, the land grab by Metro was over. She said that she had attended a meeting of Lake Oswego to Portland Transit Alternatives Analysis Project Advisory Committee the previous evening and it had been announced that they would attempt to drop the environmental regulations on the streetcar proposal, so the table had been turned. She promised to be there every step of the way.

3. CONSENT AGENDA

Meeting Summaries for October 11 and November 8 & 15, 2006:

Deferred to next meeting due to lack of quorum.

4. COUNCIL UPDATE

Council President David Bragdon reviewed a few pending calendar items. He said that the Metro Council would receive a briefing from the State Department of Agriculture, which would lead to an in-depth session on January 19th at the Hillsboro Civic Center. He said that it would not just be a presentation of

the information but also an in-depth discussion. He said that there had been questions about the sequence of the Title 4 work. He said that Metro had given a required 45-day notice to the DLCD for a hearing at Metro. That hearing was scheduled for January 18th. He said that the Council would not necessarily be taking action that day, but there would be a hearing. He thanked and acknowledged Mayor Kidd for his service to MPAC and Metro over the last year, and he bid adieu to those MPAC members who would be leaving their seats this year.

Councilor Robert Liberty added that the Council had been working on the Vision for the Oregon Zoo Master Plan, the Headquarters Hotel, and transportation planning investments at recent meetings.

5. JPACT UPDATE

Andy Cotugno, Planning Director, distributed the agenda for the JPACT meeting scheduled for the following morning. He explained that the finance part of the RTP discussion would not be discussed tonight, but tonight's discussion, led by Kim Ellis under agenda item number 7, would center around the land use portion of that body of work. He said that the finance portion would be discussed in-depth at the Joint Policy Advisory Committee on Transportation (JPACT).

6. NOMINATIONS COMMITTEE REPORT FOR 2007 OFFICERS

Chair Kidd reported that David Fuller, City of Wood Village, was nominated as Chair for 2007, Alice Norris, City of Oregon City, was nominated as 1st Vice Chair, and the nomination for 2nd Vice Chair was still being discussed and would be announced at the first MPAC meeting in January before a vote. He explained that all three nominees would be included in the packet material and on the Metro MPAC webpage a week prior to the January 10, 2007 meeting so that folks would be aware ahead of time as to who the Washington County nominee would be.

7. REGIONAL TRANSPORTATION PLAN RESEARCH RESULTS

Kim Ellis, Senior Transportation Planner, distributed colored copies of the PowerPoint slide presentation, A New Look at Transportation, Linking Transportation to Land Use, the Economy and the Environment. Those copies are attached and form part of the record. She reviewed the slides for the members.

Councilor Liberty emphasized the importance of this effort and the great effect it would have on the community in the future.

There was discussion about when there could be a joint JPACT/MPAC meeting and it was decided that January 24, 2007 or close to that date would be a good time.

Mr. Cotugno explained that the intent was to have different scenarios for discussion. He asked Ms. Ellis to distribute the draft Chapter 1 policy to the members at the January 10th meeting. It would not be on the agenda that evening, but the members would be able to review it before the January 24th meeting. Since it was decided that January 24th would be the evening to have the joint MPAC/JPACT meeting, Mr. Cotugno said that he would propose this date to JPACT at the meeting the following day.

There was discussion about projects and where focus for a strategic plan should be placed. There was also discussion about determining the desired outcomes before investing or making decisions regarding the Regional Transportation Plan (RTP). Jurisdictions needed to have strategic plans, which not all did. The centers planning needed to be integrated with transportation planning accounting for future growth to

attain best outcomes. The region was contained by an urban growth boundary specifically in order to try to contain growth. How could the region contain growth through density and where was the capacity and desire to grow **within** the boundary?

Councilor Liberty remembered when he had asked the members at a previous meeting “how many of you believe that the projects in the RTP would result in the 2040 Growth Concept,” and with 13 members present 11 had said no, 1 said partly, and 1 said that they didn’t know. He said that was pretty significant. He also mentioned that the conversation began by pointing out individual projects and ended up with them talking about infrastructure investment, community desires, and what they would or could do to achieve their goals.

Mr. Cotugno said that Metro staff felt that the 2040 plan was the plan that everyone agreed to, and what they wanted to determine now was how to attain that plan accounting for future growth and desires of the jurisdictions. He said that Metro was working on growth scenarios and the work would effectively put the questions and concerns discussed tonight back on the table.

Chair Kidd said it was time to get back to the table and discuss how much growth different jurisdictions wanted, and how they had met their targets in the past, and what they projected for the future.

Mayor Tom Hughes, City of Hillsboro, said that it wasn’t just how much they expanded the urban growth boundary (UGB), but also where they expanded it. He said that a lot of projects were designed to make usable the UGB expansions that have already been made.

8. ORDINANCE 06-1124 TITLE 4 INDUSTRIAL & EMPLOYMENT AREAS AMENDMENTS

Chair Kidd announced that there would not be a decision on this item at this meeting; that decision would be held over to the January 10th meeting.

Councilor Jack Hoffman, City of Lake Oswego, recused himself from the discussion and the upcoming vote as he had a client who would create a conflict.

Councilor John Hartsock, Clackamas County Special Districts, also recused himself as he also represented a client on this topic.

Dick Benner, Senior Attorney, gave an overview of the ordinance and reviewed the material included in the packet.

There was discussion about possible amendments to the ordinance and the timeframe for a decision. Two jurisdictions already had a letter submitted to the Metro Council and two more jurisdictions planed to submit as well. Metro hoped to have a process in place quickly in order to equitably deal with these requests.

9. ORDINANCE 07-1136 MEASURE 37 METRO CLAIMS PROCESS CLARIFICATION

Mr. Benner reviewed the material included in the packet and emphasized the changes in the document.

There being no further business, Chair Kidd adjourned the meeting at 7:02 p.m.

Respectfully submitted,

Kim Bardes
MPAC Coordinator

ATTACHMENTS TO THE RECORD FOR DECEMBER 13, 2006

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

AGENDA ITEM	DOCUMENT DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
#5 JPACT Update	December 2006	JPACT agenda for December 14, 2006	121306-MPAC-01
#7 RTP results	December 2006	Copies of slides from PowerPoint presentation: A New Look at Transportation, Linking Transportation to Land Use, the Economy and the Environment	121306-MPAC-02
#8 Ord. 06-1124	12/11/06	Letter from Mayor Rob Drake, City of Beaverton, re: Proposed Ordinance 06-1124 relating to Title 4 Industrial & Employment Areas Amendments and spreadsheet with "Potential Beaverton Changes to Metro's Title 4 Industrial and Employment Land Map	121306-MPAC-03

Metro Policy Advisory Committee

January 10, 2007

Item 7 – Clarify Expectations/Role of MPAC

Objective: To discuss the role of MPAC and expectations of MPAC by MPAC members and by the Metro Council

Outcome: An agreement on MPAC's role and recommendations, if any, to the MPAC Chair and Metro Council



METRO

January 2, 2007

Dear MPAC Members:

January is once again a time of new beginnings. The Metro Council has a full agenda this year with growth management decisions, an agenda for the 2007 legislature, and a Regional Transportation Plan update, and infrastructure finance. All these are issues that are important to individual cities as well as being issues that we all have in common. Working on these issues collaboratively is in everyone's interest.

Our thanks to Mayor Richard Kidd of Forest Grove for his leadership of MPAC in 2006. Due partly to election-year distractions and vacancies in several jurisdictional seats, a quorum was present at less than 50% of the meetings in 2006. In 2007 we hope everyone including several newly elected members will make the effort to attend frequently or designate alternates who are sure to attend as needed. We will be dealing with many important issues that would benefit from the participation of cities from across the region:

- For the first time, a regional agenda for the state legislature to address the common concerns of the cities and the Metro Council.
- Framing the trade-offs of the "New Look," such as choices of where and how to grow.
- Depending on state law, the first steps toward yet another UGB expansion.
- Finalization of a new Regional Transportation Plan, which will channel the expenditure of hundreds of millions of dollars.
- Follow-up on the October 25 round table with Mike Gleason about infrastructure finance: who will pay for growth, where, and how?

To shape our discussions, a sub-group of past, present and future MPAC chairs met with Metro Councilors recently to propose potential roles for MPAC to play. A draft of some options is enclosed for our discussion at the first meeting of the new year on January 10. We look forward to that discussion and to working with you throughout the year.

Sincerely

Mayor Dave Fuller, Wood Village
MPAC Chair 2007

David Bragdon
Metro Council President

January 3, 2007

TO: MPAC

FROM: Richard Kidd, 2006 MPAC Chair
Dave Fuller, 2007 MPAC Chair
David Bragdon, Metro Council President
Robert Liberty, Metro Councilor

RE: Discussion of MPAC Role and Process

Background

In an attempt to clarify the role of MPAC in the local/regional government decision-making process and to improve the quality of MPAC deliberations, a group of elected officials including former, current, and future MPAC chairs met in late November. There was universal agreement that improvements are needed. This memo suggests operational and substantive changes that we would like to discuss with you at your January 10th MPAC meeting.

MPAC was established by the Metro Charter to advise the Metro Council on issues of metropolitan concern and performs "any other duties the Council prescribes."

Purpose and Action Requested

Please think about the appropriate role you believe MPAC should have and what changes could be made that would make MPAC meetings a dynamic place to debate the issues that affect all of our constituents. Come to the January 10 meeting prepared to discuss these ideas with Metro Councilors and other MPAC members.

A Range of Options for MPAC's Role:

1. Metro Legislative Oversight

MPAC advises the Metro Council regarding proposed Metro legislation. This role for MPAC is reactive and limited.

Examples include action on ordinances to amend Title 4 of the Urban Growth Management Functional Plan or adopt the Regional Transportation Plan

2. A Forum for Regional Education and Research

MPAC can be the place for educational activities and the commissioning of research regarding regional issues. Education activities include both peer presentations and outside speakers. The purpose of the educational activities would be to provide information and ideas that may be helpful for future local and regional actions.

Examples might include forums or research on demographic changes and understanding their effects, assessing the cost of housing vs. the cost of transportation in how neighborhoods get

built, measure 37 responses by local governments, local government coordination during periodic review, age-related shifts in housing and transportation demand, cost of congestion study, or big box retail study.

3. Regional Issue Identification, Exploration and Policy Development

MPAC could work collaboratively with Metro to identify regional issues and conceive and evaluate alternatives for their solution. This role would be based on a recognition that many levels of government must work together to implement regional solutions.

A primary example is the New Look for Regional Choices program.

4. Regional Partnership Formation

Moving beyond defining issues and discussing possible solutions, MPAC could take an active role with Metro in forming regional partnerships to implement solutions. These partnerships can include organizations in the private and nonprofit sectors.

An illustration would be the creation of a regional legislative agenda and having MPAC members and other groups participate with Metro Councilors and staff in seeking support for this agenda in the Oregon Legislature.

Meeting Management:

To make meetings as productive and efficient as possible, consider specific changes:

1. Provide more context for agenda item and issue by:
 - Including the purpose or objective for each agenda item and what is expected from MPAC on the agenda
 - Presenting a verbal executive summary of an issue
 - Assigning MTAC members to present a summary of MTAC discussions and recommendations on specific agenda items to MPAC
2. Eliminate the quorum requirement or change some MPAC positions to be non-voting
3. Create new position(s) on MPAC for representatives of communities outside Metro boundaries
4. Invite others interested in agenda topics to attend meeting and participate
5. Communicate with MTAC on what MPAC needs and wants from MTAC
6. Provide coffee and food for meetings
7. Establish MPAC/MTAC subcommittees to analyze specific issues (e.g., design standards, parking)
8. Improve information flow between MPAC and MTAC

We look forward to hearing your views.

Metro Policy Advisory Committee

January 10, 2007

Item 8 – Resolution Endorsing 2007 Legislative Agenda (Decision January 24th)

Objective: To review the 2007 legislative agenda

Outcome: Adopt a resolution endorsing the 2007 legislative agenda

Date: January 10, 2007
To: Mayor David Fuller, MPAC Chair
Members of MPAC
From: Randy Tucker, Legislative Affairs Manager, Metro
Re: Regional Legislative Agenda

Proposed action:

Endorse the following three-part regional legislative agenda:

1. Extend the region's urban growth boundary evaluation cycle by two years;
2. Increase transportation funding by:
 - a) Increasing revenues for roads and bridges (by increasing the gas tax and/or other revenue sources, indexing the gas tax to inflation, and distributing any increased revenues to the state, counties, and cities based on the current 50%-30%-20% allocation formula),
 - b) Providing lottery dollars to support the next leg of the region's high-capacity transit system, and
 - c) Passing an improved "Connect Oregon II" bill to provide additional lottery dollars to support multi-modal transportation investments; and
3. Facilitate the designation of both urban reserves (to accommodate future urbanization) and rural reserves (to identify areas that shall not be urbanized).

Background:

There is growing support among regional leaders for the adoption of a regional legislative agenda. This idea has been discussed at two MPAC meetings and also at the Regional Roundtable that took place on October 25.

The benefits of pursuing a collaborative regional legislative agenda are clear. The most obvious reason to join together as a region is that we share common problems and can accomplish more together than we can as 29 separate local and regional entities. Moreover, demonstrating legislative success *as a region* can both increase the region's long-term capacity to pursue its interests at the state level and also enhance cooperation at the regional level.

At the October 25 Regional Roundtable, participants delegated a subcommittee to draft a regional agenda. Members of that informal group include Mayors Hammerstad, Drake, Hughes, Fuller, Kidd, and Norris; County Chairs Brian and Schrader; City of Portland Planning Director Gil Kelley; John Hartsock (representing special districts); Metro Council President David Bragdon; and Metro Councilors Carl Hosticka and (at separate meetings) Rod Park and Brian Newman.

The subcommittee met on December 1 and December 18. It proceeded under the principle that a regional agenda for the 2007 session should include a limited number of items that:

- support the Region 2040 Growth Concept;
- have broad agreement;
- advance the region's collective interest; and
- can be achieved in 2007.

Proposed regional legislative agenda items:

On December 18, the subcommittee agreed to recommend the following three items to MPAC and JPACT, as appropriate, for endorsement:

1. Extend Metro's UGB cycle from five years to seven years

Metro is the only jurisdiction in the state required to reevaluate its UGB (i.e., produce an Urban Growth Report, and then act to ensure a 20-year land supply) every five years. This requirement wastes money, undercuts redevelopment efforts, diverts attention from efforts to facilitate development on the region's current land supply, and creates uncertainty for farmers and landowners.

Under current law, the next UGR is due to be completed by end of 2007. Meanwhile, none of the land brought into boundary in 2002, 2004, 2005 has been developed. There is little appetite in the region for entering into another contentious UGB evaluation at this time. Moreover, the ongoing Big Look process could result in major changes to the rules governing UGB expansions. Under these circumstances, launching a costly UGB process at this time seems especially ill-advised.

Status: Bill changing the cycle from five to seven years has been introduced by interim House Land Use Committee.

2. Transportation funding

Local government officials in the Portland region are virtually unanimous in their belief that current transportation funding from all sources is inadequate to support a strong economy and maintain the region's quality of life. Numerous discussions over the interim have highlighted the need for additional funding for a range of purposes. The subcommittee has endorsed a three-part transportation agenda. This agenda has also been informally endorsed by the JPACT Finance Committee and will be considered by JPACT on January 18.

The three elements of this agenda are:

- **New revenues for roads and bridges:** After increasing virtually every year from 1981 until 1993, Oregon's gas tax has remained flat since 1993. In that time, the gas tax has lost about one-third of its purchasing power to inflation, even as gas prices, adjusted for inflation, have increased by two-thirds. It is expected that fuel taxes will lose another 40% of their purchasing power by 2030.

The subcommittee recommends that the region:

- o Support an increase in the gas tax and/or another funding source (e.g., registration fee or title fee);
 - o Support indexing the gas tax to keep pace with inflation;
 - o Support a continuation of the 50%-30%-20% apportionment to the state, counties, and cities for any new revenues generated.
- **Transit funding:** Since the construction of the Westside light rail line, which was partially funded with \$120 million in lottery bonds, the region has built or begun three new light rail lines (Airport, Interstate, I-205/Mall) without any lottery dollars. The Westside bonds will be paid off in 2010. The subcommittee recommends that the region secure a new round of lottery funding to support the development of the next leg of the regional high-capacity transit system (Portland-to-Milwaukie light rail).
 - **Connect Oregon II:** On the heels of the passage of the “Connect Oregon” multimodal transportation package in 2005, the Governor has submitted a bill for another round of funding. The Governor’s initial proposal is identical to the bill that passed in 2005, which authorized the allocation of \$100 million in lottery dollars to air, rail, marine, and public transit projects. 15% of the \$100 million was allocated to each of five regions roughly corresponding to the ODOT regions, leaving 25% of the total for statewide allocation.

The subcommittee recommends that the region support this package, assuming

- o it continues to include public transit as an eligible category of expenditure;
- o the portion of overall funding allocated by region is reduced or linked more closely to statewide economic benefits; and
- o there is also a road funding package to provide a more comprehensive solution to the state’s transportation challenges (see first bullet).

Status: Connect Oregon II has been introduced on behalf of Governor Kulongoski. The Governor’s budget also recommends using lottery dollars for the next leg of the regional light rail system. Many parties from both the public and private sectors continue to discuss increased revenue for roads; legislation is expected to surface soon.

3. Authorize rural reserves, facilitate creation of urban reserves

There are many reasons the region should consider placing certain lands off-limits for UGB expansion, including providing certainty for farmers and other landowners, protecting especially valuable farmland or natural areas, or maintaining separate identities for neighboring cities. However, under current law, there are no ultimate limits to the expansion of the Metro region; over time, urbanization could cover the entire three-county region, and more. Moreover, even if this region were to choose not to expand in certain places, nothing prevents neighboring communities from growing toward the region and urbanizing those areas.

Meanwhile, state administrative rules authorize Metro (and other local governments) to designate “urban reserves” (URs) to identify land that would be urbanized, if needed, beyond the normal 20-year planning period. The purpose is to guide long-range public facility decisions and to

protect areas targeted for urbanization so they do not develop in a land use pattern that is difficult or impossible to develop at urban densities later. Another benefit of designating URs is that they provide long-term predictability for many landowners. Moreover, the existence of urban reserves has the potential to make the UGB expansion process less contentious; expansions could conceivably become almost administrative in nature as land that has already been designated as UR is “metered” into the boundary based on need.

However, the designation of URs is governed by the same hierarchy of lands as UGB expansions. Metro’s most recent effort to designate URs was overturned on appeal in the late 1990s.

The so-called “ag-urban” project currently under way is premised on the notion that certain areas should be protected from urbanization based on their agricultural importance or natural values, while other areas should logically be considered for eventual integration into the region’s urban fabric, irrespective of whether they are currently zoned for exclusive farm use. Participants in that effort and in the subcommittee that considered these legislative recommendations agree on these broad objectives (authorize rural reserves, provide more flexibility in the designation of urban reserves) but have not yet recommended specific mechanisms or policies to achieve them.

Because of the timing of the legislative session, the recommendation of the regional agenda subcommittee is to submit a piece of “placeholder” legislation that addresses both rural reserves and urban reserves and applies in the Portland metropolitan region. This will give the region a vehicle to tell its story to the Legislature at the appropriate time and the ability to move legislation in 2007 if the opportunity arises, while still allowing the ag-urban group to continue to refine its recommendations.

The subcommittee further recommends that the region coordinate with the state’s Big Look task force on any legislation addressing these issues.

Status: Placeholder legislation being drafted while policy development continues.

BEFORE THE METRO POLICY ADVISORY COMMITTEE

FOR THE PURPOSE OF ENDORSING THE) RESOLUTION NO. 2007-01
ELEMENTS OF A REGIONAL LEGISLATIVE)
AGENDA)

WHEREAS, the region faces major challenges related to growth management that will require legislative action to facilitate regional solutions; and

WHEREAS, the members of the Metro Policy Advisory Committee (MPAC) agree that the region can accomplish more to address these common challenges by working collaboratively than by working separately as 29 local and regional governments; and

WHEREAS, a subcommittee of MPAC members and other regional officials has endorsed a set of legislative priorities that should be forwarded to MPAC and the Joint Policy Advisory Committee on Transportation (JPACT) for those committees' endorsements; now, therefore,

BE IT RESOLVED that MPAC endorses the following three-part regional legislative agenda:

1. Extend the region's urban growth boundary evaluation cycle by two years;
2. Increase transportation funding by:
 - a) Increasing revenues for roads and bridges (by increasing the gas tax and/or other revenue sources, indexing the gas tax to inflation, and distributing any increased revenues to the state, counties, and cities based on the current 50%-30%-20% allocation formula),
 - b) Providing lottery dollars to support the next leg of the region's high-capacity transit system, and
 - c) Passing an improved "Connect Oregon II" bill to provide additional lottery dollars to support multi-modal transportation investments; and
3. Facilitate the designation of both urban reserves (to accommodate future urbanization) and rural reserves (to identify areas that shall not be urbanized).

ADOPTED by the Metro Policy Advisory Committee (MPAC) this 10th day of January, 2007

Approved as to Form:

Daniel B. Cooper, Metro Attorney

Metro Policy Advisory Committee

January 10, 2007

Item 9 – Ordinance 07-1136 Measure 37 Metro Claims Process

Objective: To discuss the proposed changes to Metro's claims process.

Outcome: To make a recommendation on the ordinance to the Metro Council.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING) Ordinance No. 07-1136
METRO CODE CHAPTER 2.21 (CLAIMS)
UNDER BALLOT MEASURE 37) FOR)
TREATMENT OF CLAIMS AGAINST)
METRO AND DECLARING AN)
EMERGENCY) Introduced by

WHEREAS, the Metro Council adopted Metro Code Chapter 2.21 by Ordinance No. 05-1087A [For the Purpose of Adopting a Process for Treatment of Claims Against Metro Under Ballot Measure 37 by Adding Chapter 2.21 to Title II of the Metro Code (Administration and Procedure)], effective December 21, 2005; and

WHEREAS, the Metro Council has heard and entered final orders disposing of seven claims for compensation brought under Metro Code Chapter 2.21, the experience from which leads the Council to clarify its basis for determining whether a land use regulation has had the effect of reducing the fair market value of a claimant’s property; and

WHEREAS, the Metropolitan Policy Advisory Committee has reviewed the proposed amendments and recommends that the Metro Council adopt them; and

WHEREAS, the Metro Council held a public hearing on the proposed amendments on January __, 2007, and has considered the testimony; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS AS FOLLOWS:

1. Chapter 2.21 of Title II of the Metro Code, Claims Under ORS 197.352 (Ballot Measure 37), is hereby amended as indicated in Exhibit A, attached and incorporated into this ordinance.
2. The Findings of Fact and Conclusions of Law, attached and incorporated into this ordinance as Exhibit B, explain how the amendments comply with the Regional Framework Plan and state law.
3. This ordinance is necessary for the immediate preservation of the welfare of the people of the region because a large number of claims under Chapter 2.21 of Title III of the Metro Code had been filed recently to meet a deadline in ORS 197.352. The ordinance makes

significant changes to the way Metro evaluates claims. It is essential that claimants and the people of the region know about these changes as soon as possible. An emergency is therefore declared to exist. This ordinance shall take effect immediately upon adoption, pursuant to Metro Charter section 39(1).

ADOPTED by the Metro Council this __ day of January, 2007.

David Bragdon, Council President

Attest:

Approved as to form:

Christina Billington, Recording Secretary

Daniel B. Cooper, Metro Attorney

Exhibit A to Ordinance No. 07-1136

CHAPTER 2.21

CLAIMS UNDER ORS 197.352 (BALLOT MEASURE 37)

SECTIONS	TITLE
2.21.010	Purpose
2.21.020	Definitions
2.21.030	Filing a Claim
2.21.040	Review of Claim by Chief Operating Officer and Recommendation
2.21.050	Hearing on Claim before Metro Council
2.21.060	Action on Claim by Metro Council
2.21.070	Conditions on Compensation or Waiver
2.21.080	Fee for Processing Claim

2.21.010 Purpose

This chapter establishes a process for treatment of claims for compensation submitted to Metro under ORS 197.352 (Ballot Measure 37). Metro adopts this chapter in order to afford property owners the relief guaranteed them by ~~Ballot Measure 37~~ ORS 197.352 and to establish a process that is fair, informative and efficient for claimants, other affected property owners and taxpayers. It is the intention of Metro to implement ~~Measure 37~~ the statute faithfully and in concert with its other responsibilities, including its Charter mandate to protect the environment and livability of the region for current and future generations.

2.21.020 Definitions

(a) "Appraisal" means a written statement prepared by an appraiser licensed by the Appraiser Certification and Licensure Board of the State of Oregon pursuant to ORS Chapter 674. In the case of commercial or industrial property, "appraisal" additionally means a written statement prepared by an appraiser holding the MAI qualification, as demonstrated by a written certificate.

(b) "Family member" means the wife, husband, son, daughter, father, brother, brother-in-law, sister, sister-in-law, mother-in-law, father-in-law, aunt, uncle, niece, nephew, stepparent, stepchild, grandparent or grandchild of the owner of the real property, an estate of any of the foregoing family members, or a legal entity owned by any one or combination of these family members or the owner of the real property.

(c) "Land use regulation" means a provision of a Metro functional plan or a land use regulation adopted by a city or county to comply with a Metro functional plan.

(d) "Owner" means the owner of the property, or any interest therein. "Owner" includes all persons or entities who share ownership of a property.

(e) "Reduction in value" means a reduction in the fair market value of real property, or any interest therein, resulting from enactment or enforcement of a land use regulation ~~as of the date the owner makes a written claim for compensation.~~

(f) "Waiver" means action by the Metro Council to modify, remove or not apply the land use regulation resulting in a reduction in value.

2.21.030 Filing a Claim

(a) A person may file a claim with Metro for compensation under Measure 37 without following the process set forth in this chapter. Metro will give priority to a claim filed under this chapter over claims filed without compliance with this chapter.

(b) A person filing a claim under this chapter must be the owner of the property that is the subject of the claim at the time the claim is submitted to Metro. The person must simultaneously file with Metro all claims against Metro under Measure 37 that involve the property. The person shall submit the claim or claims to the Chief Operating Officer (COO) and shall include, at a minimum, the following information:

- (1) The name, street address and telephone number of the claimant and all other persons and entities with an interest in the property;
- (2) A title report issued no more than 30 days prior to submission of the claim that shows the claimant's current real property interest in the property, the deed registry of the instrument by which the claimant acquired the property, the location and street address and township, range, section and tax lot(s) of the property, and the date on which the owner acquired the property interest;
- (3) A written statement signed by all owners of the property, or any interest in the property, consenting to the filing of the claim;

- (4) ~~A copy of reference to~~ any and all specific, existing land use regulations the claimant believes reduced the value of the property and a description of the manner in which the regulation restricts the use of the property;
- (5) A copy of the city or county land use regulations that applied to the property at the time ~~the claimant acquired the property~~ the challenged Metro land use regulations became applicable to the property;
- (6) ~~An appraisal that shows the reduction in value of the property that the claimant believes resulted from the land use regulation that restricts the use of the property and the methodology used in the appraisal, such as comparable sales data~~ The claimant's purchase price for the property;
- (7) Evidence of the fair market value of the property prior to the application or enforcement of the challenged Metro land use regulations to the property and the fair market value after application or enforcement of the regulations;
- (78) A description of the claimant's proposed use of the property if the Council chooses to waive a land use regulation instead of paying compensation; and
- (89) A statement whether the claimant is filing claims with other public entities involving the same property and a copy of any decision made by the entity on the claim.

(c) In addition to the information required by subsection (b) of this section, a person filing a claim under this chapter after December 4, 2006, shall also submit the following information with the claim:

- (1) A copy of the land use application the claimant has filed with the city or county in which the property lies; and
- (2) A copy of the final decision made by the city or county on the claimant's land use application indicating that the city or county applied the challenged Metro land use regulation as a criterion as part of its final decision.

(d) A claim shall not be considered complete for purposes of subsections (4) and (6) of ~~Ballet Measure 37~~ ORS 197.352 until the claimant has submitted the information required by this section.

2.21.040 Review of Claim by Chief Operating Officer and Recommendation

(a) The COO shall review the claim to ensure that it provides the information required by Section 2.21.030. If the COO determines that the claim is incomplete, the COO shall, within 15 business days after the filing of the claim, provide written notice of the incompleteness to the claimant. If the COO does not notify the owner that the claim is incomplete within the prescribed 15 days, the claim shall be considered complete on the date it was filed with the COO.

(b) If the COO receives a completed claim, the COO shall conduct a preliminary review to determine whether the claim satisfies all of the following prerequisites for full evaluation of the claim:

- (1) The property lies within Metro's jurisdictional boundary;
- (2) The Metro land use regulation that is the basis for the claim is a provision of a functional plan or was adopted by a city or county to comply with a functional plan; and
- (3) The claimant acquired an interest in the property before the effective date of the land use regulation and has continued to have an interest in the property since the effective date.

(c) If the claim fails to satisfy one or more of the prerequisites in subsection (b) of this section, the COO shall prepare a report to that effect and recommend to the Metro Council that it dismiss the claim as provided in Section 2.21.060(a)(1).

(d) If the claim satisfies each of the prerequisites in subsection (b) of this section, the COO shall complete the review of the claim to determine whether:

- (1) The claimant owns an interest in the property and has owned an interest in the property without interruption since the ~~claimant acquired the interest and prior to the~~ effective date of the land use regulation that is the basis for the claim;
- (2) The land use regulations that applied to the property at the time ~~the claimant acquired the property the~~ challenged Metro land use regulation became applicable to, or enforced against, the property allowed the claimant's proposed use and, if so, what criteria or conditions applied to the proposed use under the regulations;

- (3) The specific, existing Metro land use regulation that allegedly reduced the value of the property allows the proposed use and, if so, what criteria or conditions apply to the proposed use under the regulation;
- (4) The specific, existing Metro land use regulation that allegedly reduced the value of the property is exempt from ~~Ballot Measure 37 under subsection 3 of the measure claims under ORS 197.352(3)~~; and
- (5) If the specific, existing Metro land use regulation that allegedly reduced the value of the property is not exempt ~~from Ballot Measure 37 under ORS 197.352(3)~~, the regulation restricts the proposed use and the restriction has reduced the fair market value of the property. In making this determination, the COO will compare the value of the property before application or enforcement of the challenged Metro land use regulation to the property and after the application or enforcement.

(e) The COO may commission an appraisal or direct other research in aid of the determination whether a claim meets the requirements of ~~Ballot Measure 37~~ ORS 197.352, and to assist in the development of a recommendation regarding appropriate relief if the claim is found to be valid.

(f) The COO shall prepare a written report, to be posted at Metro's website, with the determinations required by subsection (b) and (d) of this section and the reasoning to support the determinations. The report shall include a recommendation to the Metro Council on the validity of the claim and, if valid, whether Metro should compensate the claimant for the reduction of value or waive the regulation. If the COO recommends compensation or waiver, the report shall recommend any conditions that should be placed upon the compensation or waiver to help achieve the purpose of this chapter and the policies of the Regional Framework Plan.

(g) The COO shall provide the report to the Council, the ~~owner claimant, the local government with land use responsibility for the property,~~ and other persons who request a copy. ~~If the COO determines that~~ the Council adopted the regulation in order to comply with state law, the COO shall send a copy of the report to the Oregon Department of Administrative Services.

2.21.050 Hearing on Claim before Metro Council

(a) The Metro Council shall hold a public hearing on the claim before taking final action. The COO shall schedule the hearing for a date prior to the expiration of 180 days after the filing of a completed claim under Section 2.21.030.

(b) The COO shall provide notification of the date, time and location of the public hearing at least 25 days before the hearing to the claimant, owners and occupants of property within 500 feet of the subject property, the local government with land use planning responsibility for the property and any person who requests notification. The notification shall indicate that a copy of the COO's recommendation under Section 2.21.040 is available upon request.

2.21.060 Action on Claim by Metro Council

(a) After the public hearing, but not later than 180 days after the filing of a claim under Section 2.21.030, the Metro Council shall consider the COO's recommendation and:

- (1) Determine that the claim does not qualify for compensation;
- (2) Determine that the claim qualifies for compensation and provide relief in the form of compensation or enhancement of the value of the property or decide not to apply the land use regulation; or
- (3) Determine that the claim qualifies for compensation and resolve to modify or remove the land use regulation.

(b) The Council shall take the action that is most consistent with the purpose of this chapter and the Regional Framework Plan.

(c) The Council shall issue an order with its decision and direct the COO to send the order to the claimant, the local government with land use responsibility for the property, persons who participated at the hearing held under Section 2.21.050, other persons who request a copy, and the Oregon Department of Administrative Services if the Council adopted the land use regulation to comply with state law.

2.21.070 Conditions on Compensation or Waiver

(a) The Metro Council may place any conditions on its action under Section 2.21.060, including conservation easements and deed restrictions, that are appropriate to achieve the purposes of this chapter. The Council shall place a condition on a decision under Section 2.21.060(a)(2) or (3) that the decision constitutes a waiver by the claimant of any further claims against Metro under Measure 37 involving the subject property.

(b) Failure by a claimant to comply with a condition provides a basis for action to recover any compensation made or revoke any action by the Council under Section 2.21.060(a)(2) or (3).

2.21.080 Fee for Processing Claim

(a) The COO may establish a fee to be paid by a person filing a claim at the time the person files the claim. The fee shall be based upon an estimate of the actual cost incurred by Metro in reviewing and processing claims. The COO may waive the fee if the claimant demonstrates that the fee would impose an undue hardship.

(b) The COO shall maintain a record of Metro's costs in reviewing and processing the claim. After final action by the Council under Section 2.21.060, the COO shall determine Metro's total cost and issue a refund to the claimant if the estimated fee exceeded the total cost or a bill for the amount by which the total cost exceeded the estimated fee.

Metro Policy Advisory Committee

January 10, 2007

Item 10 – Ordinance 07-1137 Title 4 Changes

Objective: To discuss the proposed process and criteria for amendments to the Title 4 map.

Outcome: To make a recommendation on the ordinance to the Metro Council

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING METRO CODE)
SECTIONS 3.07.120, 3.07.130 AND 3.07.1120;) Ordinance No. 07-1137
ADDING METRO CODE SECTION 3.07.450 TO)
ESTABLISH A PROCESS AND CRITERIA FOR) Introduced by Chief Operating Officer
CHANGES TO THE EMPLOYMENT AND) Michael J. Jordan, with the concurrence of
INDUSTRIAL AREAS MAP; AND DECLARING AN) Council President David Bragdon
EMERGENCY)

WHEREAS, Title 4 (Industrial and Other Employment Areas) of the Urban Growth Management Functional Plan (“UGMFP”) prescribes limitations on certain uses in Industrial Areas, Regionally Significant Industrial Areas and Employment Areas and makes reference to an “Employment and Industrial Areas Map,” which depicts the boundaries of these areas for regulatory purposes; and

WHEREAS, the Metro Council wishes to provide a process and criteria for making changes to the designations of Regionally Significant Industrial Areas, Industrial Areas and Employment Areas on the Title 4 Employment and Industrial Areas Map; and

WHEREAS, the Metropolitan Policy Advisory Committee has reviewed the proposed amendments and recommends their approval; and

WHEREAS, the Council held a public hearing on the proposed amendments on January 18, 2007, and considered public comment on the amendments; now, therefore,

THE METRO COUNCIL ORDAINS as follows:

SECTION 1. Metro Code Sections 3.07.120 and 3.07.130 are amended to read as follows: Sections 3.07.120 and 3.07.130 of Title 1 (Requirements for Housing and Employment Accommodation) of the UGMFP are hereby amended as shown in Exhibit A, attached and incorporated into this ordinance, to clarify mapping procedures for territory added to the UGB.

SECTION 2. Metro Code Section 3.07.450 is amended to read as follows: Section 3.07.450 is hereby added to Title 4 (Industrial and Other Employment Areas) of the UGMFP as shown in Exhibit B, attached and incorporated into this ordinance, to prescribe a process and criteria for amendments to the Employment and Industrial Areas Map.

SECTION 3. Metro Code Section 3.07.1120 is amended to read as follows: Section 3.07.1120 of Title 11 (Planning for New Urban Areas) of the UGMFP is hereby amended as shown in Exhibit C, attached and incorporated into this ordinance, to clarify mapping procedures for territory added to the UGB.

SECTION 4. The Findings of Fact and Conclusions of Law in Exhibit D, attached and incorporated into this ordinance, explain how these amendments comply with Metro’s Regional Framework Plan and state land use planning laws.

SECTION 5. This ordinance is necessary for the immediate preservation of public health, safety and welfare because, without this ordinance, there is no clear process for amending the Employment and Industrial Areas Map in Title 4 of the UGMFP and no specific criteria for such amendments. Metro has received a number of requests from local governments for amendments that involve economic development and need immediate attention. This ordinance provides a process and criteria for amendments to the map. Therefore, a emergency is declared to exist. This ordinance shall take effect immediately, pursuant to section 39(1) of the Metro Charter.

ADOPTED by the Metro Council this ___ day of _____, 2007.

David Bragdon, Council President

Attest:

Approved as to form:

Christina Billington, Recording Secretary

Daniel B. Cooper, Metro Attorney

Exhibit A to Ordinance No. 07-1137
Amendments to Title 1 of the Urban Growth Management Functional Plan

TITLE 1: REQUIREMENTS FOR HOUSING AND EMPLOYMENT ACCOMMODATION

3.07.120 Housing and Employment Capacity

- A. Each city and county shall determine its capacity for housing and employment in order to ensure that it provides and continues to provide at least the capacity for the city or county specified in Table ~~3.01-7~~ 3.07-1, supplemented by capacity resulting from addition of territory to the UGB. Local governments shall use data provided by Metro unless the Metro Council or the Chief Operating Officer determines that data preferred by a city or county is more accurate.
- B. A city or county shall determine its capacity for dwelling units by cumulating the minimum number of dwelling units authorized in each zoning district in which dwelling units are authorized. A city or county may use a higher number of dwellings than the minimum density for a zoning district if development in the five years prior to the determination has actually occurred at the higher number.
- C. If a city annexes county territory, the city shall ensure that there is no net loss in regional housing or employment capacity, as shown on Table 3.07-1, as a result of amendments of comprehensive plan or land use regulations that apply to the annexed territory.
- D. After completion of its initial determination of capacity, each city or county shall report changes in its capacity by April 15 of the first calendar year following completion of its initial determination and by April 15 of every following year.

3.07.130 Design Type Boundaries Requirement

For each of the following 2040 Growth Concept design types, city and county comprehensive plans shall be amended to include the boundaries of each area, determined by the city or county consistent with the general locations shown on the 2040 Growth Concept Map or on maps adopted by ordinances adding territory to the UGB:

Central City--Downtown Portland is the Central City which serves as the major regional center, an employment and cultural center for the metropolitan area.

Regional Centers--Seven regional centers will become the focus of compact development, redevelopment and high-quality transit service and multimodal street networks.

Station Communities--Nodes of development centered approximately one-half mile around a light rail or high capacity transit station that feature a high-quality pedestrian environment.

Town Centers--Local retail and services will be provided in town centers with compact development and transit service.

Main Streets--Neighborhoods will be served by main streets with retail and service developments served by transit.

Corridors--Along good quality transit lines, corridors feature a high-quality pedestrian environment, convenient access to transit, and somewhat higher than current densities.

Employment Areas--Various types of employment and some residential development are encouraged in employment areas with limited commercial uses.

Industrial Areas--Industrial areas are set aside primarily for industrial activities with limited supporting uses.

Regionally Significant Industrial Areas--Industrial areas with site characteristics that are relatively rare in the region that render them especially suitable for industrial use.

Inner Neighborhoods--Residential areas accessible to jobs and neighborhood businesses with smaller lot sizes are inner neighborhoods.

Outer Neighborhoods--Residential neighborhoods farther away from large employment centers with larger lot sizes and lower densities are outer neighborhoods.

Exhibit B to Ordinance No. 07-1137
Amendments to Title 4 Of the Urban Growth Management Functional Plan

TITLE 4: INDUSTRIAL AND OTHER EMPLOYMENT AREAS

Add the following section:

3.07.450 Employment and Industrial Areas Map

- A. The Employment and Industrial Areas Map is the official depiction of the boundaries of Regionally Significant Industrial Areas, Industrial Areas and Employment Areas.
- B. If the Metro Council adds territory to the UGB and designates all or part of the territory Regionally Significant Industrial Area, Industrial Area or Employment Area, after completion of Title 11 planning by the responsible city or county, the Chief Operating Officer shall issue an order to conform the map to the boundaries established by the responsible city or county. The order shall also make necessary amendments to the Habitat Conservation Areas Map, described in section 3.07.1320 of Title 13 of this chapter, to ensure implementation of Title 13.
- C. A city or county may amend its comprehensive plan or zoning regulations to change its designation of land on the Employment and Industrial Areas Map in order to allow uses not allowed by Title 4 upon a demonstration that:
 - 1. The property is not surrounded by land designated on the map as Industrial Area, Regionally Significant Industrial Area or a combination of the two;
 - 2. The amendment will not reduce the jobs capacity of the city or county below the number shown on Table 3.07-1 of Title 1 of the Urban Growth Management Functional Plan, or the amount of the reduction is replaced by separate and concurrent action by the city or county;
 - 3. If the map designates the property as Regionally Significant Industrial Area, the subject property does not have access to specialized services, such as redundant electrical power or industrial gases, and is not proximate to freight loading and unloading facilities, such as trans-shipment facilities;
 - 4. The amendment would not allow uses that would reduce off-peak performance on Major Roadway Routes and Roadway Connectors shown on Metro's 2004 Regional Freight System Map below standards in the Regional Transportation Plan, or

exceed volume-to-capacity ratios on Table 7 of the 1999 Oregon Highway Plan for state highways, and would not require added road capacity to stay within the standards or ratios;

5. The amendment would not diminish the intended function of the Central City or Regional or Town Centers as the principal locations of retail, cultural and civic services in their market areas; and
 6. If the map designates the property as Regionally Significant Industrial Area, the property subject to the amendment is ten acres or less; if designated Industrial Area, the property subject to the amendment is 20 acres or less; if designated Employment Area, the property subject to the amendment is 40 acres or less.
- D. The Chief Operating Officer shall revise the Employment and Industrial Areas Map by order to conform to an amendment made by a city or county pursuant to subsection C of this section within 30 days after notification by the city or county that no appeal of the amendment was filed pursuant to ORS 197.825 or, if an appeal was filed, that the amendment was upheld in the final appeal process.
- E. After consultation with Metropolitan Policy Advisory Committee, the Council may issue an order suspending operation of subsection C in any calendar year in which the cumulative amount of land for which the Employment and Industrial Areas Map is changed during that year from Regionally Significant Industrial Area or Industrial Area to Employment Area or other 2040 Growth Concept design type designation exceeds the industrial land surplus. The industrial land surplus is the amount by which the current supply of vacant land designated Regionally Significant Industrial Area and Industrial Area exceeds the 20-year need for industrial land, as determined by the most recent "Urban Growth Report: An Employment Land Need Analysis", reduced by an equal annual increment for the number of years since the report.
- F. The Metro Council may amend the Employment and Industrial Areas Map by ordinance at any time to better achieve the policies of the Regional Framework Plan. To approve an amendment, the Council must conclude that the amendment:
1. Would not reduce the jobs capacity of the city or county below the number shown on Table 3.07-1 of Title 1 of the Urban Growth Management Functional Plan;
 2. Would not allow uses that would reduce off-peak performance on Major Roadway Routes and Roadway Connectors shown on Metro's 2004 Regional Freight System Map below standards in

the Regional Transportation Plan, or exceed volume-to-capacity ratios on Table 7 of the 1999 Oregon Highway Plan for state highways, and would not require added road capacity to stay within the standards or ratios;

3. Would not diminish the intended function of the Central City or Regional or Town Centers as the principal locations of retail, cultural and civic services in their market areas;
 4. Would not reduce the integrity or viability of a traded sector cluster of industries;
 5. Would not create or worsen a significant imbalance between jobs and housing in a regional market area; and
 6. If the subject property is designated Regionally Significant Industrial Area, would not remove from that designation land that is especially suitable for industrial use due to the availability of specialized services, such as redundant electrical power or industrial gases, or due to proximity to freight transport facilities, such as trans-shipment facilities.
- G. Amendments to the Employment and Industrial Areas Map made in compliance with the process and criteria in this section shall be deemed to comply with the Regional Framework Plan.
- H. The Council may establish conditions upon approval of an amendment to the Employment and Industrial Areas Map under subsection F to ensure that the amendment complies with the Regional Framework Plan and state land use planning laws.
- I. By January 31 of each year, the Chief Operating Officer (COO) shall submit a written report to the Council and the Metropolitan Policy Advisory Committee on the cumulative effects on employment land in the region of the amendments to the Employment and Industrial Areas Map made pursuant to this section during the preceding year. The report shall include any recommendations the COO deems appropriate on measures the Council might take to address the effects.

Exhibit C to Ordinance No. 07-1137
Amendments to Title 11 of the Urban Growth Management Functional Plan

TITLE 11: PLANNING FOR NEW URBAN AREAS

~~3.07.1120 Urban Growth Boundary Amendment Urban Reserve Plan Requirements~~ Planning for Territory Added to the UGB

All territory added to the ~~Urban Growth Boundary~~ UGB as either a major amendment or a legislative amendment pursuant to Metro Code chapter 3.01 shall be subject to adopted comprehensive plan provisions consistent with the requirements of all applicable titles of the Metro Urban Growth Management Functional Plan and in particular this Title 11. The comprehensive plan provisions shall be fully coordinated with all other applicable plans. The comprehensive plan provisions shall contain an urban growth plan diagram and policies that demonstrate compliance with the RUGGO, including the Metro Council adopted 2040 Growth Concept design types. Comprehensive plan amendments shall include:

- A. Specific plan designation boundaries derived from the general boundaries of design type designations assigned by the Council in the ordinance adding the territory to the UGB.
- ~~AB.~~ Provision for annexation to the district and to a city or any necessary service districts prior to urbanization of the territory or incorporation of a city or necessary service districts to provide all required urban services.
- ~~BC.~~ Provision for average residential densities of at least 10 dwelling units per net developable residential acre or such other densities that the Council specifies pursuant to section 3.01.040 of the Urban Growth Management Functional Plan.
- ~~CD.~~ Demonstrable measures that will provide a diversity of housing stock that will fulfill needed housing requirements as defined by ORS 197.303. Measures may include, but are not limited to, implementation of recommendations in Title 7 of the Urban Growth Management Functional Plan.
- ~~DE.~~ Demonstration of how residential developments will include, without public subsidy, housing affordable to households with incomes at or below area median incomes for home ownership and at or below 80 percent of area median incomes for rental as defined by U.S. Department of Housing and Urban Development for the adjacent urban jurisdiction. Public subsidies shall not be interpreted to mean the following: density bonuses, streamlined

permitting processes, extensions to the time at which systems development charges (SDCs) and other fees are collected, and other exercises of the regulatory and zoning powers.

- EF. Provision for sufficient commercial and industrial development for the needs of the area to be developed consistent with 2040 Growth Concept design types. Commercial and industrial designations in nearby areas inside the Urban Growth Boundary shall be considered in comprehensive plans to maintain design type consistency.
- FG. A conceptual transportation plan consistent with the applicable provision of the Regional Transportation Plan, Title 6 of the Urban Growth Management Functional Plan, and that is also consistent with the protection of natural resources either identified in acknowledged comprehensive plan inventories or as required by Title 3 of the Urban Growth Management Functional Plan. The plan shall, consistent with OAR Chapter 660, Division 11, include preliminary cost estimates and funding strategies, including likely financing approaches.
- GH. Identification and mapping of areas to be protected from development due to fish and wildlife habitat protection, water quality enhancement and mitigation, and natural hazards mitigation, including, without limitation, all Habitat Conservation Areas, Water Quality Resource Areas, and Flood Management Areas. A natural resource protection plan to protect fish and wildlife habitat, water quality enhancement areas, and natural hazard areas shall be completed as part of the comprehensive plan and zoning for lands added to the Urban Growth Boundary prior to urban development. The plan shall include zoning strategies to avoid and minimize the conflicts between planned future development and the protection of Habitat Conservation Areas, Water Quality Resource Areas, Flood Management Areas, and other natural hazard areas. The plan shall also include a preliminary cost estimate and funding strategy, including likely financing approaches, for options such as mitigation, site acquisition, restoration, enhancement, and easement dedication to ensure that all significant natural resources are protected.
- HI. A conceptual public facilities and services plan for the provision of sanitary sewer, water, storm drainage, transportation, parks and police and fire protection. The plan shall, consistent with OAR Chapter 660, Division 11, include preliminary cost estimates and funding strategies, including likely financing approaches.

~~H~~J. A conceptual school plan that provides for the amount of land and improvements needed, if any, for school facilities on new or existing sites that will serve the territory added to the UGB. The estimate of need shall be coordinated with affected local governments and special districts.

~~J~~K. An urban growth diagram for the designated planning area showing, at least, the following, when applicable:

1. General locations of arterial, collector and essential local streets and connections and necessary public facilities such as sanitary sewer, storm sewer and water to demonstrate that the area can be served;
2. Location of steep slopes and unbuildable lands including but not limited to wetlands, floodplains and riparian areas;
3. Location of Habitat Conservation Areas;
4. General locations for mixed use areas, commercial and industrial lands;
5. General locations for single and multi-family housing;
6. General locations for public open space, plazas and neighborhood centers; and
7. General locations or alternative locations for any needed school, park or fire hall sites.

L. A determination of the zoned dwelling unit capacity of zoning districts that allow housing.

~~K~~M. The plan amendments shall be coordinated among the city, county, school district and other service districts.

Metro Policy Advisory Committee

January 10, 2007
Miscellaneous

Please review the following Housing Policy amendments prior to the January 24 MPAC meeting. The Metro Council is holding a hearing and may take action on this ordinance on January 25.

M E M O R A N D U M

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
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METRO

DATE: January 4, 2007
TO: MPAC
FROM: Gerry Uba and Dick Benner
RE: *Housing Choices: Ordinance No. 06-1129A*

At your November 8, 2006 meeting, you discussed proposed amendments (Ordinance No. 06-1129A) to the Regional Framework Plan (Exhibit A) and Title 7 (Exhibit B) of the Urban Growth Management Functional Plan. The amendments are intended to implement the recommendations of the Housing Choice Task Force. At the November meeting, MPAC members' impression is that the proposed amendments in the Metro Code are in the right direction, and that future progress reporting by local governments should include local resources and staff devoted to the provision of affordable housing.

MTAC Comment

MTAC discussed the proposed amendments to the Regional Framework Plan and Title 7 of the Urban Growth Management Functional Plan Exhibit A and B of Ordinance 1129A respectively at its meetings on November 15 and December 6, 2006. Below are MTAC recommendations.

A. Metro's Regional Housing Choice Implementation:

MTAC recommended that Metro should communicate to stakeholders how it is implementing the recommendations of the Housing Choice Task Force (HCTF) accepted by the Metro Council in April 2006. Please refer to Gerry's separate memo for how Metro is implementing the recommendations of the task force.

B. Proposed Amendments in the Regional Framework Plan:

Recommendation 1 – New Policy 1.3.1:

A key Metro broad housing choice policy should be stated upfront, indicating the type of housing included in housing choice. In addition, some of the terms in the policies should be more precise.

A new Policy 1.3.1 was the result of this recommendation:

1.3.1 **Provide housing choices in the region, including single family, multi-family, ownership and rental housing, and housing offered by the private, public and nonprofit sectors.**

Minor word changes were made in the policies to make the terms in the policies to be more precise.

Comment on old Policy 1.3.1.c (new Policy 1.3.2.c):

Some MTAC members expressed concern about the deletion of this policy – “Providing an appropriate balance of jobs and housing of all types within subregions.” We continue to think jobs/housing balance is more appropriately addressed in the parts of Chapter 1, Land Use, of the RFP that influence or are directed toward the allocation of land to design types and subregions [see Urban Form 1.1.1, Economic Opportunity 1.4.2, Economic Vitality 1.5.4(b), Neighbor Cities 1.11(c)].”

Recommendation 2 – old Policy 1.3.2 (new Policy 1.3.3):

Adding a clarification to the policy that the affordable housing production goals will be revised overtime as new information become available.

A revised/new Policy 1.3.3 was the result of this recommendation:

- 1.3.3 **Maintain** voluntary affordable housing production goals **for the region, to be revised over time as new information becomes available and displayed in Chapter 8 (Implementation), and encourage their adoption by the cities and counties of the region.**

Recommendation 3 – New Policy 1.3.4:

The voluntary land use strategies recommended to local governments – proposed to be removed from Title 7 – should be retained in the Regional Framework Plan. The strategies remain voluntary. Placing them in the RFP’s Housing Choice policies indicates that Metro continues to recommend these strategies, and will offer technical assistance to local governments that want to adopt them.

A new Policy 1.3.4 was the result of this recommendation:

- 1.3.4 Encourage local governments to consider the following tools and strategies to achieve the affordable housing production goals:
- a. Density bonuses for affordable housing;
 - b. A no-net-loss affordable housing policy;
 - c. A voluntary inclusionary zoning policy;
 - d. A transferable development credits program for affordable housing;
 - e. Policies to accommodate the housing needs of the elderly and disabled;
 - f. Removal of regulatory constraints on the provision of affordable housing; and
 - g. Policies to ensure that parking requirements do not discourage the provision of affordable housing.

Comment on old Policy 1.3.3 (new Policy 1.3.5): Proposed amendment is in the right direction.

Comment on old Policy 1.3.4 (new Policy 1.3.6): Proposed amendment is in the right direction. Minor word changes were made in the policy to make the terms in the policies to be more precise.

Comment on proposed Policy 1.3.5 (new Policy 1.3.7): Proposed amendment is in the right direction. The word “Technical” was added to make the terms in the policy to be more precise.

Comment on proposed Policy 1.3.6 (new Policy 1.3.8): Proposed amendment is in the right direction.

Recommendation 4 – Proposed Policy 1.3.7 (new Policy 1.3.9): The proposed policy should consider the importance of improving the balance of housing choice locally, with particular attention to ensuring adequate affordable housing.

A revised/new Policy 1.3.9 was the result of this recommendation:

- 1.3.9 When expanding the Urban Growth Boundary, assigning or amending 2040 Growth Concept design type designations or making other discretionary decisions, **seek agreements** with local governments and others to **improve the balance of housing choices with particular attention to affordable housing.**

Comment on proposed Policy 1.3.8 (new Policy 1.3.10): Proposed amendment is in the right direction.

Comment on proposed Policy 1.3.9 (new Policy 1.3.11): Proposed amendment is in the right direction. Minor word changes were made in the policy to make the terms in the policies to be more precise.

Recommendation 5 – Proposed Policy 1.3.10 (new Policy 1.3.12): The proposed definition of affordable housing takes away the emphasis on the core low income group and is counter to the recommendations of the 2000 Affordable Housing Technical Advisory Committee and the 2006 Housing Choice Task Force. In addition, the proposed definition of affordable housing did not consider affordable homeownership as stated above in the new Policy 1.3.1.

A revised/new Policy 1.3.12 was the result of this recommendation:

- 1.3.12 For purposes of these policies, “affordable housing” means housing that families earning less than **50 percent of the median household income for the region can reasonably afford to rent and earning as much as or less than 100 percent of the median household income for the region can reasonably afford to buy.**

Comment on the linkage between policies in the Regional Framework Plan and policies in the Functional Plan:

Some MTAC members stated that affordable housing is a major component of the region’s housing supply, hence the Regional Framework Plan should have a policy, implemented in Title 1 of the Functional Plan, that calls for allocation of affordable housing to cities and counties in the region. In addition, these members expressed concern that the policies of the Regional Framework Plan are weak and should be strengthened through Metro’s New Look process. These members suggest that Metro Council to direct a review of the titles of the Functional Plan, including Title 1, and direct amendments in some instances. For the time being, these suggestions are at odds with the overall direction being taken by the Council on affordable housing, which is to devote time, technical assistance and financial resources to building affordable housing rather than requiring it through regulation.

C. Proposed Amendments in Title 7 of the Urban Growth Management Functional Plan:

Comment on Policy 3.07.710: Proposed amendment is in the right direction.

Comment on Policy 3.07.720: Proposed amendment is in the right direction.

Recommendation 1 – Policy 3.07.730:

The proposed deletion of the entire Policy 3.07.730, including the land use strategies, should be reconsidered in light of ensuring that local governments continue to make effort to find opportunities for providing affordable housing in their jurisdictions. Recognizing that the deleted land use strategies in subsection “B” of this policy were inserted in the Regional Framework Plan, the requirements in subsection “A” of this policy should not be deleted to ensure local efforts towards providing affordable housing.

Policy 3.07.740*: Members did not comment on this policy.

* Staff Recommendation: The date proposed initially for local governments to submit their first progress report, April 15, 2007, was based on the adoption of Ordinance 06-1129A by December 2006. It is therefore recommended that the proposed date for local governments to submit their first progress report should be July 15, 2007,

Recommendation 2 – Policy 3.07.750:

The proposed technical assistance that cities and counties are encouraged to take advantage of should include assistance on affordable housing data for reporting local progress on housing supply.

Comment on the Table 3.07-7, Five Year Affordable Housing Production Goals: Metro should note that the table will be updated in 2007.

Request

Discuss and review the attached Ordinance 06-1129A with proposed text changes in the exhibits (Regional Framework Plan and Functional Plan Title 7), and provide recommendations to the Metro Council at the January 24, 2007 meeting.

M E M O R A N D U M

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1700 | FAX 503 797 1794



DATE: January 5, 2007
TO: MPAC
FROM: Gerry Uba, Housing Program Manager
RE: **Regional Housing Choice Implementation**

The purpose of this memo is to explain how Metro will be implementing the recommendations of the Housing Choice Task Force (HCTF) accepted by the Metro Council in April 2006. The information in this memo also sheds light into how policies in the Regional Framework Plan and Functional Plan Title 7 fit into the overall implementation of HCTF recommendations.

Implementation of HCTF Recommendations

Metro is developing a Housing Choice Work Plan containing a variety of techniques that will be employed to implement recommendations of the HCTF, as current budget would allow. The techniques includes:

- Establishment of housing choice technical assistant services (described below);
- Housing Choice Policy Advisory Committee to be created by the Metro Council;
- Ad-hoc Housing Finance Study Committee to be created by the Metro Council to develop political and fiscal mechanisms for implementing one-time \$10 million housing fund;
- Metro's membership on the Housing Alliance (The Housing Alliance is proposing a \$100 million Housing Opportunity Fund proposal for the 2007 Oregon legislative session);
- An informal communication network between Metro programs to facilitate the implementation of housing choice solutions and tools; and
- Formation of a Regional Housing Supply Inventory Team to develop base information for determining current affordable housing supply and need.

Technical Assistance and Other Housing Choice Strategies

Metro's Housing Choice program staff will offer technical assistance to local governments to help identify and implement appropriate housing strategies and tools. Technical assistance activities of the Housing Choice program will be guided by existing policies adopted by the Metro Council, the solutions and tools recommended by the Housing Choice Task Force and accepted by the Metro Council, and additional tools developed by the New Look.

Technical assistance services and intended outcomes are grouped in the following tiers:

Tier I: Local Housing Choice Action Agenda

Tier I technical assistance has been structured to inform a Local Housing Choice Action Agenda, a strategic framework for developing and implementing local policies in support of diverse housing

options. The Local Housing Choice Action Agenda is based on several analyses of current market and regulatory conditions, including:

- Baseline Housing Needs Assessment
- Available Land Survey
- “At-risk” Housing Assessment
- Review of Existing and Potential Incentives, including but not limited to those identified in the RFP
- Review of Messaging and Community Outreach Guidelines

Current program funding dictates that Housing Choice staff primarily focus on providing Tier I technical assistance in the first year of the program.

Tier II: Implementation Tools & Policy Economics

Tier II technical assistance builds off of the Local Housing Choice Action Agenda, and is designed to help jurisdictions understand the economic implications of alternative housing development approaches and equip them with tools to implement achievable plans for the production of affordable and workforce housing. Tier II technical assistance is especially valuable for local governments that seek the necessary tools to effectively engage and form partnerships with the regional development community.

Specific services include:

- Cost-Benefit Analysis of Potential Housing Incentives
- Model Affordable Housing Approval and Development Conditions
- Review Housing Choice Financing Tools
- Develop Negotiation Strategies for Public-Private Partnerships

Tier III: Public-Private Partnerships

Tier III technical assistance is designed to help jurisdictions form lasting partnerships with private and non-profit developers to share the risks and rewards, and make informed investments in the local community. A long-term objective of the Housing Choice program is to assist local governments in the preparation and review of developer RFPs. Additional technical assistance can be developed upon formation of the public-private partnership.

cc: Andy Cotugno, Director, Planning Department
Robin McArthur, Regional Planning Director
Chris Deffebach, Long Range Planning Manager

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE) Ordinance No. 06-1129^A
REGIONAL FRAMEWORK PLAN TO REVISE)
METRO POLICIES ON HOUSING CHOICE)
AND AFFORDABLE HOUSING AND)
AMENDING METRO CODE SECTIONS)
3.07.710 THROUGH 3.07.760 TO IMPLEMENT) Introduced by Councilors Rex Burkholder and
THE NEW POLICIES) Robert Liberty

WHEREAS, the provision of housing choice for all families and individuals across the region is a matter of regional concern because of its impact on regional economic competitiveness, access to jobs, transportation investments, environmental quality and issues of fairness to people and among communities; and

WHEREAS, Metro established the Housing Choice Task Force (“HCTF”) to make recommendations to the Metro Council on strategies to increase the supply of affordable housing and housing choices in the region; and

WHEREAS, the HCTF submitted its Regional Housing Choice Implementation Strategy (“RHCIS”) to the Metro Council in March, 2006, with a comprehensive set of recommendations for policies and mechanisms to increase housing choice and the production and preservation of affordable housing; and

WHEREAS, the Metro Council accepted the recommendations of the HFTF contained in the RHCIS by Resolution No. 06-3677B (For the Purpose of Accepting the Regional Housing Choice Task Force Strategy Recommended by the Housing Choice Task Force Appointed by the Metro Council) on April 20, 2006; and

WHEREAS, the Metro Council, by the same Resolution No. 06-3677B, directed the Chief Operating Officer to prepare an ordinance for consideration by the Council to make appropriate amendments to the Regional Framework Plan and the Urban Growth Management Functional Plan to implement the recommendations of the RHCIS; and

WHEREAS, the Metropolitan Policy Advisory Council reviewed the proposed amendments and recommended that the Metro Council adopt the amendments; and

WHEREAS, the Metro Council held a public hearing on the proposed amendments on ~~December __, 2006~~ January 25, 2007, and considered public comments in their decision-making; now, therefore,

BE IT RESOLVED that:

1. Policy 1.3 of the Regional Framework Plan is amended as indicated in Exhibit A, attached and incorporated into this ordinance.
2. Metro Code sections 3.07.710 through 3.07.760 (Title 7 of the Urban Growth Management Functional Plan) are amended as indicated in Exhibit B, attached and incorporated into this ordinance.
3. The amendments to the Regional Framework Plan and the Urban Growth Management Functional Plan comply with the statewide planning goals as indicated in Exhibit C, the Findings of Fact and Conclusions of Law, attached and incorporated into this ordinance.

ADOPTED by the Metro Council this __ day of _____, 2007.

David Bragdon, Council President

Attest:

Approved as to form:

Christina Billington, Recording Secretary

Daniel B. Cooper, Metro Attorney

Exhibit A to Ordinance No. 06-1129^A
Amendments to the Regional Framework Plan Policy 1.3

1.3 ~~Housing and Affordable Housing~~ Housing Choice

It is the policy of the Metro Council to:

1.3.1 Provide housing choices in the region, including single family, multi-family, ownership and rental housing, and housing offered by the private, public and nonprofit sectors.

~~1.3.12~~ E~~As part of the effort to provide housing choices, encourage affordable housing opportunities in the region by~~ local governments to ensure that their land use regulations:

a. ~~Offering~~ Allow a diverse range of housing types, ~~available within the region, and within cities and counties inside Metro's Urban Growth Boundary.;~~

b. ~~Being~~ Make housing choices available to households of all income levels ~~that live or have a member working in each jurisdiction and subregion.;~~ and

c. ~~Providing an appropriate balance of jobs and housing of all types within subregions.~~

~~d.~~ Addressing current and future need for and supply of affordable housing production goals. Allow affordable housing, particularly in Centers and Corridors and other areas well-served with public services.

~~e.~~ Minimizing any concentration of poverty.

~~1.3.23~~ I~~nclude in the Urban Growth Management Functional Plan~~ Maintain voluntary affordable housing production goals for the region, to be revised over time as new information becomes available and displayed in Chapter 8 (Implementation), and encourage their adoption by the cities and counties of the region, to be adopted by local jurisdictions in the region as well as land use and non-land use affordable housing tools and strategies

1.3.4 Encourage local governments to consider the following tools and strategies to achieve the affordable housing production goals:

a. Density bonuses for affordable housing;

b. A no-net-loss affordable housing policy to be applied to quasi-judicial amendments to the comprehensive plan;

c. A voluntary inclusionary zoning policy;

d. A transferable development credits program for affordable housing;

e. Policies to accommodate the housing needs of the elderly and disabled;

f. Removal of regulatory constraints on the provision of affordable housing; and

- g. Policies to ensure that parking requirements do not discourage the provision of affordable housing.
- 1.3.35 Require local governments in the region to report progress towards increasing the supply of affordable housing and seek their assistance in periodic inventories of the supply of affordable housing.
- 1.3.46 ~~Acknowledge that there is a need to~~ Work in cooperation with local governments, state government, business groups, non-profit groups and citizens to create an affordable housing fund available region wide in order to leverage other affordable housing resources, and that, if the region is to be successful in increasing the amount of affordable housing, such a housing fund would need the support of a wide range of interests including local government, state and business groups.
- 1.3.7 Provide assistance to local governments to help them do their part in achieving regional goals for the production and preservation of housing choice and affordable housing.
- 1.3.8 Integrate Metro efforts to expand housing choices with other Metro activities, including transportation planning, land use planning and planning for parks and greenspaces.
- 1.3.9 When expanding the Urban Growth Boundary, assigning or amending 2040 Growth Concept design type designations or making other discretionary decisions, seek agreements with local governments and others to improve the balance of housing choices with particular attention to affordable housing.
- 1.3.10 Consider incentives, such as priority for planning grants and transportation funding, to local governments that obtain agreements from landowners and others to devote a portion of new residential capacity to affordable housing.
- 1.3.11 Help ensure opportunities for low-income housing types throughout the region so that families of modest means are not obliged to live concentrated in a few neighborhoods, because concentrating poverty is not desirable for the residents or the region.
- 1.3.12 For purposes of these policies, “affordable housing” means housing that families earning less than 50 percent of the median household income for the region can reasonably afford to rent and earn as much as or less than 100 percent of the median household income for the region can reasonably afford to buy. ~~without spending more than 30 percent of their after-tax income~~

Exhibit A to Ordinance No. 06-1129A
Amendments to the Regional Framework Plan Policy 1.3

1.3 Housing Choice

It is the policy of the Metro Council to:

- 1.3.1 Provide housing choices in the region, including single family, multi-family, ownership and rental housing, and housing offered by the private, public and nonprofit sectors.
- 1.3.2 As part of the effort to provide housing choices, encourage local governments to ensure that their land use regulations:
 - a. Allow a diverse range of housing types;
 - b. Make housing choices available to households of all income levels; and
 - c. Allow affordable housing, particularly in Centers and Corridors and other areas well-served with public services.
- 1.3.3 Maintain voluntary affordable housing production goals for the region, to be revised over time as new information becomes available and displayed in Chapter 8 (Implementation), and encourage their adoption by the cities and counties of the region.
- 1.3.4 Encourage local governments to consider the following tools and strategies to achieve the affordable housing production goals:
 - a. Density bonuses for affordable housing;
 - b. A no-net-loss affordable housing policy to be applied to quasi-judicial amendments to the comprehensive plan;
 - c. A voluntary inclusionary zoning policy;
 - d. A transferable development credits program for affordable housing;
 - e. Policies to accommodate the housing needs of the elderly and disabled;
 - f. Removal of regulatory constraints on the provision of affordable housing; and
 - g. Policies to ensure that parking requirements do not discourage the provision of affordable housing.
- 1.3.5 Require local governments in the region to report progress towards increasing the supply of affordable housing and seek their assistance in periodic inventories of the supply of affordable housing.
- 1.3.6 Work in cooperation with local governments, state government, business groups, non-profit groups and citizens to create an affordable housing fund available region wide in order to leverage other affordable housing resources.

- 1.3.7 Provide assistance to local governments to help them do their part in achieving regional goals for the production and preservation of housing choice and affordable housing.
- 1.3.8 Integrate Metro efforts to expand housing choices with other Metro activities, including transportation planning, land use planning and planning for parks and greenspaces.
- 1.3.9 When expanding the Urban Growth Boundary, assigning or amending 2040 Growth Concept design type designations or making other discretionary decisions, seek agreements with local governments and others to improve the balance of housing choices with particular attention to affordable housing.
- 1.3.10 Consider incentives, such as priority for planning grants and transportation funding, to local governments that obtain agreements from landowners and others to devote a portion of new residential capacity to affordable housing.
- 1.3.11 Help ensure opportunities for low-income housing types throughout the region so that families of modest means are not obliged to live concentrated in a few neighborhoods, because concentrating poverty is not desirable for the residents or the region.
- 1.3.12 For purposes of these policies, “affordable housing” means housing that families earning less than 50 percent of the median household income for the region can reasonably afford to rent and earn as much as or less than 100 percent of the median household income for the region can reasonably afford to buy.

Exhibit B to Ordinance No. 06-1129A
Amendments to Metro Code Sections 3.07.720 through 3.07.760

TITLE 7: ~~AFFORDABLE~~ HOUSING CHOICE

3.07.710 Intent

The Regional Framework Plan ~~stated the need to provide affordable housing opportunities through: a) a diverse range of housing types, available within the region, and within cities and counties inside Metro's Urban Growth Boundary; b) sufficient and affordable housing opportunities available to households of all income levels that live or have a member working in each jurisdiction and subregion; c) an appropriate balance of jobs and housing of all types within subregions; d) addressing current and future need for and supply of affordable housing in the process used to determine affordable housing production goals; and e) minimizing any concentration of poverty.~~ The Regional Framework Plan directs that Metro's Urban Growth Management Functional Plan include calls for establishment of voluntary affordable housing production goals to be adopted by local jurisdictions in the region as well as land use and non-land use affordable housing tools and strategies governments and assistance from local governments on reports on. ~~The Regional Framework Plan also directs that Metro's Urban Growth Management Functional Plan include local governments' reporting progress towards increasing the supply of affordable housing.~~ It is the intent of Title 7 to implement these policies of the Regional Framework Plan.

~~Title 1 of this functional plan requires cities and counties to change their zoning to accommodate development at higher densities in locations supportive of the transportation system. Increasing allowable densities and requiring minimum densities encourage compact communities, more efficient use of land and should result in additional affordable housing opportunities. These Title 1 requirements are parts of the regional affordable housing strategy.~~

3.07.720 Voluntary Affordable Housing Production Goals

Each city and county within the Metro region should adopt the Affordable Housing Production Goal indicated in Table 3.07-7, ~~for their city or county~~ as amended over time, as a guide to measure progress toward increasing housing choices and meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.

3.07.730 Requirements for Comprehensive Plan and Implementing Ordinance Changes

A. Cities and counties within the Metro region shall ensure that their comprehensive plans and implementing ordinances:

1. Include strategies to ensure a diverse range of housing types within their jurisdictional boundaries.
2. Include in their plans actions and implementation measures designed to maintain the existing supply of affordable housing as well as increase the opportunities for new dispersed affordable housing within their boundaries.
3. Include plan policies, actions, and implementation measures aimed at increasing opportunities for households of all income levels to live within their individual jurisdictions in affordable housing.

~~B. Cities and counties within the Metro region shall consider amendment of their comprehensive plans and implementing ordinances with the following affordable housing land use tools and strategies identified below. Compliance with this subsection is achieved when the governing body of a city or county considers each tool or strategy in this subsection and either amends its comprehensive plan and implementing ordinances to adopt the tool or strategy or explains in writing why it has decided not to adopt it.~~

~~1. Density Bonus. A density bonus is an incentive to facilitate the development of affordable housing. Local jurisdictions could consider tying the amount of bonus to the targeted income group to encourage the development of affordable units to meet affordable housing production goals.~~

~~2. Replacement Housing. No Net Loss housing policies for local jurisdictional review of requested quasi-judicial Comprehensive Plan Map amendments with approval criteria that would require the replacement of existing housing that would be lost through the Plan Map amendment.~~

~~3. Inclusionary Housing.~~

- ~~a. Implement voluntary inclusionary housing programs tied to the provision of incentives such as Density Bonus incentives to facilitate the development of affordable housing.~~
- ~~b. Develop housing design requirements for housing components such as single-car garages and maximum square footage that tend to result in affordable housing.~~
- ~~e. Consider impacts on affordable housing as a criterion for any legislative or quasi-judicial zone change.~~

~~4. Transfer of Development Rights.~~

- ~~a. Implement TDR programs tailored to the specific conditions of a local jurisdiction.~~
- ~~b. Implement TDR programs in Main Street or Town Center areas that involve upzoning.~~

~~5. Elderly and People with Disabilities. Examine zoning codes for conflicts in meeting locational needs of these populations.~~

~~6. Local Regulatory Constraints; Discrepancies in Planning and Zoning Codes; Local Permitting or Approval Process.~~

- ~~a. Revise the permitting process (conditional use permits, etc.).~~
- ~~b. Review development and design standards for impact on affordable housing.~~
- ~~c. Consider using a cost/benefit analysis to determine impact of new regulations on housing production.~~
- ~~d. Regularly review existing codes for usefulness and conflicts.~~
- ~~e. Reduce number of land use appeal opportunities.~~

~~f. Allow fast tracking of affordable housing.~~

~~7. Parking.~~

~~a. Review parking requirements to ensure they meet the needs of residents of all types of housing.~~

~~b. Coordinate strategies with developers, transportation planners and other regional efforts so as to reduce the cost of providing parking in affordable housing developments.~~

~~3.07.740 Requirements for Inventory and Progress Reports on Housing Supply~~

~~Progress made by local jurisdictions in amending comprehensive plans and implementing ordinances and consideration of land use related affordable housing tools and strategies to meet the voluntary affordable housing production goals shall be reported according to the following schedule:~~

~~A. By January 31, 2002, cities and counties within the Metro region shall submit a brief status report to Metro as to what items they have considered and which items remain to be considered. This analysis could include identification of affordable housing land use tools currently in use as well as consideration of the land use tools in Section 3.07.730(B).~~

~~B. By December 31, 2003, each city and county within the Metro region shall provide a report to Metro on the status of its comprehensive plan and implementing ordinances explaining how each tool and strategy in subsection 3.07.730B was considered by its governing body. The report shall describe comprehensive plan and implementing ordinance amendments pending or adopted to implement each tool and strategy, or shall explain why the city or county decided not to adopt it.~~

~~C. By June 30, 2004, each city and county within the Metro region shall report to Metro on the outcome of the amendments to its comprehensive plan and implementing ordinances pending at the time of submittal of the report described in subsection B of this section and on the public response, if any, to any implementation adopted by the city or county to increase the community's stock of affordable~~

~~housing, including but not limited to the tools and strategies in subsection 3.07.730B.~~

~~3.07.750 Metro Assessment of Progress~~

~~A. Metro Council and MPAC shall review progress reports submitted by cities and counties and may provide comments to the jurisdictions.~~

~~B. Metro Council shall:~~

~~1. In 2003, estimate 2000 baseline affordable housing units affordable to defined income groups (less than 30 percent, 31-50 percent, 51-80 percent of the region's median family income) using 2000 U.S. Census data;~~

~~2. By December 2004, formally assess the region's progress made in 2001-2003 to achieve the affordable housing production goals in Table 3.07-7;~~

~~3. By December 2004, review and assess affordable housing tools and strategies implemented by local governments and other public and private entities;~~

~~4. By December 2004, examine federal and state legislative changes;~~

~~5. By December 2004, review the availability of a regional funding source;~~

~~6. By December 2004, update the estimate of the region's affordable housing need; and~~

~~7. By December 2004, in consultation with MPAC, create an ad hoc affordable housing task force with representatives of MPAC, MTAC, homebuilders, affordable housing providers, advocate groups, financial institutions, citizens, local governments, state government, and U.S. Housing and Urban Development Department to use the assessment reports and census data to recommend by December 2005 any studies or any changes that are warranted to the existing process, tools and strategies, funding plans or goals to ensure that significant progress is made toward providing affordable housing for those most in need.~~

A. Local governments shall assist Metro in the preparation of a biennial affordable housing inventory by fulfilling the reporting requirements in subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation) and subsection B of this section.

B. Local governments shall report their progress on increasing the supply of affordable housing to Metro on a form provided by Metro, to be included as part of the biennial housing inventory described in subsection A. Local governments shall submit their first progress reports on April 15, 2007, and by April 15 every two years following that date. Local governments may report their progress as part of the capacity reports required by subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation). Progress reports shall include, at least, the following information:

1. The number and types of units of affordable housing preserved and income groups served during the reporting period, as defined in Metro's form;

2. The number and types of units of affordable housing built and income groups served during the reporting period;

3. Affordable housing built and preserved in Centers and Corridors; and

4. City or county resources committed to the development of affordable housing, such as fee waivers and property tax exemptions.

~~3.07.760~~ 3.07.750 Recommendations to Implement Other Affordable Housing Strategies Technical Assistance

~~A. Local jurisdictions are encouraged to consider implementation of the following affordable housing land use tools to increase the inventory of affordable housing throughout the region. Additional information on these strategies and other land use strategies that could be considered by local jurisdictions are described in Chapter Four of the Regional Affordable Housing Strategy and its Appendixes.~~

~~1. Replacement Housing. Consider policies to prevent the loss of affordable housing through demolition in urban renewal areas by implementing a replacement housing ordinance specific to urban renewal zones.~~

~~2. Inclusionary Housing. When creating urban renewal districts that include housing, include voluntary inclusionary housing requirements where appropriate.~~

~~B. Local jurisdictions are encouraged to analyze, adopt and apply locally appropriate non land use tools, including fee waivers or funding incentives as a means to make progress toward the Affordable Housing Production Goal. Non land use tools and strategies that could be considered by local jurisdictions are described in Chapter Four of the Regional Affordable Housing Strategy and its Appendixes. Cities and Counties are also encouraged to report on the analysis, adoption and application of non land use tools at the same intervals that they are reporting on land use tools (in Section 3.07.740).~~

~~C. Local jurisdictions are also encouraged to continue their efforts to promote housing affordable to other households with incomes 50% to 80% and 80% to 120% of the regional median household income.~~

~~D. Local jurisdictions are encouraged to consider joint coordination or action to meet their combined affordable housing production goals.~~

Cities and counties are encouraged to take advantage of the programs of technical and financial assistance provided by Metro to help achieve the goal of increased production and preservation of housing choices and affordable housing and to help fulfill the monitoring and reporting requirements of this title.

Table 3.07-7
Five-Year Voluntary Affordable Housing Production Goals
 (Section 3.07.720)

Jurisdiction	2001-2006 Affordable Housing Production Goals		
	<i>Needed new housing units for households earning less than 30% of median household income</i>	<i>Needed new housing units for households earning 30-50% of median household income</i>	<i>Total</i>
Beaverton	427	229	656
Cornelius	40	10	50
Durham	6	4	10
Fairview	42	31	73
Forest Grove	55	10	65
Gladstone	43	10	53
Gresham	454	102	556
Happy Valley	29	28	57
Hillsboro	302	211	513
Johnson City	0	0	0
King City	5	0	5
Lake Oswego	185	154	339
Maywood Park	0	0	0
Milwaukie	102	0	102
Oregon City	123	35	158
Portland	1,791	0	1,791
Rivergrove	1	1	2
Sherwood	67	56	123
Tigard	216	103	319
Troutdale	75	56	131
Tualatin	120	69	189
West Linn	98	71	169
Wilsonville	100	80	180
Wood Village	16	1	17
Clackamas County, Urban, Unincorporated	729	374	1,103
Multnomah County, Urban, Unincorporated*	81	53	134
Washington County, Urban Unincorporated	1,312	940	2,252
Total	6,419	2,628	9,047

* Strategies and implementation measures addressing these housing goals are in the Progress Reports of the Cities of Portland, Gresham and Troutdale.

Exhibit B to Ordinance No. 06-1129A
Amendments to Metro Code Sections 3.07.720 through 3.07.760

TITLE 7: HOUSING CHOICE

3.07.710 Intent

The Regional Framework Plan calls for establishment of voluntary affordable housing production goals to be adopted by local governments and assistance from local governments on reports on progress towards increasing the supply of affordable housing. It is the intent of Title 7 to implement these policies of the Regional Framework Plan.

3.07.720 Voluntary Affordable Housing Production Goals

Each city and county within the Metro region should adopt the Affordable Housing Production Goal indicated in Table 3.07-7, as amended over time, as a guide to measure progress toward increasing housing choices and meeting the affordable housing needs of households with incomes between 0% and 50% of the regional median family income.

3.07.730 Requirements for Comprehensive Plan and Implementing Ordinance Changes

A. Cities and counties within the Metro region shall ensure that their comprehensive plans and implementing ordinances:

1. Include strategies to ensure a diverse range of housing types within their jurisdictional boundaries.
2. Include in their plans actions and implementation measures designed to maintain the existing supply of affordable housing as well as increase the opportunities for new dispersed affordable housing within their boundaries.
3. Include plan policies, actions, and implementation measures aimed at increasing opportunities for households of all income levels to live within their individual jurisdictions in affordable housing.

3.07.740 Inventory and Progress Reports on Housing Supply

- A. Local governments shall assist Metro in the preparation of a biennial affordable housing inventory by fulfilling the reporting requirements in subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation) and subsection B of this section.

- B. Local governments shall report their progress on increasing the supply of affordable housing to Metro on a form provided by Metro, to be included as part of the biennial housing inventory described in subsection A. Local governments shall submit their first progress reports on April 15, 2007, and by April 15 every two years following that date. Local governments may report their progress as part of the capacity reports required by subsection 3.07.120D of Title 1 (Requirements for Housing and Employment Accommodation). Progress reports shall include, at least, the following information:
 - 1. The number and types of units of affordable housing preserved and income groups served during the reporting period, as defined in Metro's form;
 - 2. The number and types of units of affordable housing built and income groups served during the reporting period;
 - 3. Affordable housing built and preserved in Centers and Corridors; and
 - 4. City or county resources committed to the development of affordable housing, such as fee waivers and property tax exemptions.

3.07.750 Technical Assistance

Cities and counties are encouraged to take advantage of the programs of technical and financial assistance provided by Metro to help achieve the goal of increased production and preservation of housing choices and affordable housing and to help fulfill the monitoring and reporting requirements of this title.

Table 3.07-7
Five-Year Voluntary Affordable Housing Production Goals
 (Section 3.07.720)

Jurisdiction	2001-2006 Affordable Housing Production Goals		
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Beaverton	427	229	656
Cornelius	40	10	50
Durham	6	4	10
Fairview	42	31	73
Forest Grove	55	10	65
Gladstone	43	10	53
Gresham	454	102	556
Happy Valley	29	28	57
Hillsboro	302	211	513
Johnson City	0	0	0
King City	5	0	5
Lake Oswego	185	154	339
Maywood Park	0	0	0
Milwaukie	102	0	102
Oregon City	123	35	158
Portland	1,791	0	1,791
Rivergrove	1	1	2
Sherwood	67	56	123
Tigard	216	103	319
Troutdale	75	56	131
Tualatin	120	69	189
West Linn	98	71	169
Wilsonville	100	80	180
Wood Village	16	1	17
Clackamas County, Urban, Unincorporated	729	374	1,103
Multnomah County, Urban, Unincorporated*	81	53	134
Washington County, Urban Unincorporated	1,312	940	2,252
Total	6,419	2,628	9,047

* Strategies and implementation measures addressing these housing goals are in the Progress Reports of the Cities of Portland, Gresham and Troutdale.

Exhibit C to Ordinance No. 06-1129A
Findings of Fact and Conclusions of Law

Ordinance No. 06-1129A amends Metro's Regional Framework Plan (RFP) and Title 7 (Affordable Housing) of the Urban Growth Management Functional Plan (UGMFP) in order to enhance local and regional efforts to provide housing choices and affordable housing to people of the region. The practical effects of these changes are as follows:

- By elevating the voluntary affordable housing production goals from Title 7 to Regional Framework Plan policies, Metro makes the production goals the guide for all regional efforts to provide affordable housing, not just the efforts of cities and counties under Title 7.
- By moving specified strategies and tools recommended by Metro to cities and counties from Title 7 to the Regional Framework Plan, Metro makes the strategies and tools the focus of its efforts to assist cities and counties.
- New policy moves the region from a recognition that it needs to a regional fund for affordable housing fund to a commitment to create such a fund.
- New policy commits Metro to seek agreements with cities, counties and private and public providers of affordable housing - when expanding the UGB and changing 2040 Growth Concept design-type designations - to devote a portion of new residential capacity to affordable housing.
- Clarifies city and county affordable housing reporting requirements in Title 7 by linking them to the reporting requirements in Title 1 (Requirements for Housing and Employment Accommodation).

These amendments to the Regional Framework Plan and Title 7 are a culmination of long efforts by affordable housing leaders in the region, as members of Metro's Housing Choice Task Force, to enhance the work of the region to provide housing choices and affordable housing. These efforts, and the reflection of them in this ordinance, continue the region's understanding that concerted, voluntary efforts by all sectors, public, private and non-profit, to provide affordable housing remain the best way to accomplish the region's affordable housing goals. The amendments to the RFP and Title 7 are consistent with state and regional planning goals, as explained below.

I. STATEWIDE PLANNING GOALS

Statewide Planning Goal 1 – Citizen Involvement: Metro provided notice of the proposed amendments to stakeholders and the general public by following the notification requirements in its acknowledged code. Metro provided notice to the Oregon Department of Land Conservation and Development Commission as provided in ORS 197.610 and OAR 660-018-0020. Metro sought and received comment from its Metropolitan Policy Advisory Committee (MPAC), which sought the advice of its Metropolitan Technical Advisory Committee (MTAC), both of which recommended approval of the amendments. The Metro Council held a public hearing on the proposed ordinance on January 25, 2007. The Council concludes that these activities conform to Metro's code and policies on citizen involvement and comply with Goal 1.

Statewide Planning Goal 2 – Land Use Planning: Metro sought and received comment from the local governments that comprise the metropolitan region and from the general public. The Metro Charter establishes MPAC, composed principally of representatives of local governments in the region, and requires the Metro Council to seek its advice on amendments to the Regional Framework Plan and its components, such as the UGMFP. MPAC reviewed the ordinance and recommended revisions to the draft, which the Metro Council adopted. The Council concludes that the ordinance complies with Goal 2.

Statewide Planning Goal 3 – Agricultural Lands: Ordinance No. 06-1129A does not apply to land outside the UGB. Goal 3 does not apply to the ordinance.

Statewide Planning Goal 4 – Forest Lands: Ordinance No. 06-1129A does not apply to land outside the UGB. Goal 4 does not apply to the ordinance.

Statewide Planning Goal 5 – Natural Resources, Scenic and Historic Areas, and Open Spaces: Ordinance No. 06-1129A does not revise acknowledged land use regulations that protect Goal 5 resources. The amendments made by the ordinance do not change the boundaries on any regulatory map that applies to resources protected by Goal 5. The Council concludes that the ordinance is consistent with Goal 5.

Statewide Planning Goal 6 – Air, Land and Water Resources Quality: Ordinance No. 06-1129A does not affect resources protected by Goal 6 or revise land use regulations that protect those resources. The Council concludes that the amendments are consistent with Goal 6.

Statewide Planning Goal 7 – Areas Subject to Natural Disasters and Hazards: Ordinance No. 06-1129A does not affect areas subject to natural disasters and hazards or revise land use regulations that protect those resources. The Council concludes that the amendments are consistent with Goal 7.

Statewide Planning Goal 8 – Recreational Needs: Ordinance No. 06-1129A does not affect resources protected by Goal 8 or revise land use regulations that provide for recreation needs. The Council concludes that the amendments comply with Goal 8.

Statewide Planning Goal 9 – Economic Development: Ordinance No. 06-1129A calls for the creation of a regional affordable housing fund. Goal 9 does not apply to Metro. Nonetheless, if such a fund is created and funded, it will result in construction of new housing units. The Council concludes that the amendments are consistent with Goal 9.

Statewide Planning Goal 10 – Housing: Goals 10 calls for an inventory of buildable lands for residential use and encouragement for the availability of adequate numbers of needed housing units at price ranges and rent levels commensurate with the financial capabilities of Oregon households. The Metropolitan Housing Rule (OAR 660 Division 007) sets housing density and housing type mix standards for the Portland metropolitan region. The rule requires cities and counties to establish specific comprehensive plan designations and clear and objective review standards for review of proposed residential development. The rule expressly charges Metro with “regional coordination”:

“(1) At each periodic review of the Metro UGB, Metro shall review the findings for the UGB. They shall determine whether the buildable land within the UGB satisfies housing needs by type and density for the region's long-range population and housing projections.

(2) Metro shall ensure that needed housing is provided for on a regional basis through coordinated comprehensive plans. “

LCDC acknowledged Title 1 (Requirements for Housing and Employment Accommodation) of Metro's Urban Growth Management Functional Plan (UGMFP), which requires each city and county to provide a specified capacity for housing and to allow accessory dwelling units in zones that authorize dwelling units, for compliance with the statewide planning goals on December 8, 2000. The Commission acknowledged amendments to Title 1 made by Ordinance No. 02-969B on December 5, 2002, for compliance with the goals on July 7, 2003.

LCDC acknowledged the policies of the Regional Framework Plan, including Policy 1.3 (Housing and Affordable Housing), on December 8, 2000. Amendments to Policy 1.3 by Ordinance No. 05-1086 on August 18, 2005, were acknowledged by operation of law on September 9, 2005.

Title 7 of the UGMFP and a series of amendments to it were acknowledged by operation of law by Ordinances 98-769 on September 10, 1998, 00-882C on January 18, 2001, and 03-1005A on June 29, 2003.

Metro fulfilled its periodic review “regional coordination” requirements under section 660-007-0050 of the Metropolitan Housing Rule (set forth above) by adoption of Ordinance No. 02-969B. LCDC acknowledged Ordinance No. 02-969B, including the Housing Needs Analysis (HNA) (Periodic Review Subtask 12b) and the 2002-2022 Urban Growth Report: A Residential Land Needs Analysis (Periodic Review Subtask 14a), on July 7, 2003. The Council incorporates its findings on Goal 10 from Ordinance No. 02-969B (Exhibit P, Section IC, page 2) here. In its order acknowledging Metro Ordinance No. 02-969B, LCDC discussed the HNA and Title 7:

“Although the HNA reflects and increase in rental households paying more than 30 percent of household income on housing in the next 20 years, Metro expects its Title 7 affordable housing programs, adopted as part of the Urban Growth Management Functional Plan (UGMFP), to offset much of the increase....Ultimately, through the combination of adequate land supply within the UGB and other measures, Metro has ‘encourage[d] the availability of adequate numbers of needed housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households[.]’”

Ordinance No. 06-1129A makes no changes to the housing requirements of Title 1. It also makes no changes to the acknowledged HNA or the Urban Growth Report. The ordinance adds new sub-policies to Policy 1.3 (Housing Choice) that strengthen Metro's commitment to

affordable housing, as described in the first paragraph of these findings. The ordinance clarifies city and county reporting requirements and deletes provisions from Title 7 that were voluntary only for cities and counties of the region. Based upon the work and recommendations to Metro of the Housing Choice Task Force, the Council expects that regional housing programs under the amended Regional Framework Plan and Title 7, especially the call in Policy 1.3.6 for a regional affordable housing fund and in Policy 1.3.7 for technical assistance to local governments, will improve the region's prospects for meeting the need for affordable housing identified in the HNA. The Council concludes that Ordinance No. 06-1129A makes complies with Goal 10.

Statewide Planning Goal 11 – Public Facilities and Services: Ordinance No. 06-1129A does not affect acknowledged public facility plans or revise land use regulations affecting those plans. The Council concludes that the amendments are consistent with Goal 11.

Statewide Planning Goal 12 – Transportation: Ordinance No. 06-1129A does not directly affect transportation or revise the acknowledged Regional Transportation Plan or acknowledged city or county transportation system plans. Nor does it require changes to those plans. The Council concludes that the amendments are consistent with Goal 12.

Statewide Planning Goal 13 – Energy Conservation: Ordinance No. 06-1129A does not affect resources protected by Goal 13 or revise land use regulations that protect those resources. The Council concludes that the amendments are consistent with Goal 13.

Statewide Planning Goal 14 – Urbanization: Ordinance No. 06-1129A does not amend or involve the UGB. Nor does the ordinance affect urbanizable land or revise Metro regulations to protect the urban potential of urbanizable land. Goal 14 governs the establishment and change of UGBs. For these reasons, the Council concludes that the amendments are consistent with Goal 14.

Statewide Planning Goal 15 – Willamette River Greenway: Ordinance No. 06-1129A does not affect the Willamette River Greenway. The Council concludes that Goal 15 does not apply to the amendments.

III. REGIONAL FRAMEWORK PLAN

Policy 1.1 – Urban Form: This policy calls for a compact urban form and affordable housing choices. New policies in the RFP adopted by Ordinance No. 06-1129A (1.3.2; 1.3.6 and 1.3.8) will increase the likelihood that affordable housing will be built in Centers and Corridors, leading to a more compact urban form in the region. The Council concludes that the amendments are consistent with Policy 1.1.

Policy 1.2 – Built Environment: This policy seeks fair-share and equitable growth. New policies in the RFP adopted by Ordinance No. 06-1129A (1.3.1; 1.3.3; 1.3.9 and 1.3.11) will increase the likelihood that housing choices and affordable housing will be more equitably distributed around the region. The Council concludes that the amendments are consistent with Policy 1.2.

Policy 1.3 – Affordable Housing: This policy seeks opportunities for a wide range of housing opportunities. New policies in the RFP adopted by Ordinance No. 06-1129A (1.3.1; 1.3.6; 1.3.7; 1.3.9 and 1.3.10) will increase housing choice and affordable housing. The Council concludes that the amendments are consistent with Policy 1.3.

Policy 1.4 – Economic Opportunity: For the reasons set forth in the findings under Statewide Planning Goal 14, the Council concludes that Ordinance No. 06-1129A is consistent with Policy 1.4.

Policy 1.6 – Growth Management: This policy calls for efficient management of urban land, among other things. For the reasons set forth in the discussion of the application of Policy 1.1 to the amendments, the Council concludes that the amendments are consistent with Policy 1.6.

Policy 1.9 – Urban Growth Boundary: For the reasons set forth in the findings under Statewide Planning Goal 14, the Council concludes that the amendments are consistent with Policy 1.9.

Policy 1.13 – Participation of Citizens: The public involvement actions described above under Statewide Planning Goal 1 comply with Metro’s code and Policy 1.13.

Policy 2.1 - Public Involvement: The public involvement actions described above under Statewide Planning Goal 1 comply with Metro’s code and Policy 2.1

Policy 2.2 – Intergovernmental Coordination: For the reasons set forth in the findings under Statewide Planning Goal 2, the Council concludes that the amendments are consistent with Policy 2.1.

Policy 2.3 – Urban Form: For the reasons set forth in the findings under Policy 1.1, the Council concludes that the amendments are consistent with Policy 2.3.

Policy 2.4 – Consistency between Land Use and Transportation Planning: New policies in the RFP adopted by Ordinance No. 06-1129A (1.3.2; 1.3.6 and 1.3.8) will increase the likelihood that affordable housing will be built in Centers and Corridors, leading to a more compact urban form in the region. The region’s transportation system is based upon the development of a compact urban form. The Council concludes that the amendments are consistent with Policy 2.2.

Policy 2.5 – Barrier-Free Transportation: For reasons set forth in the findings under Policy 1.1, Ordinance No. 06-1129A will improve transportation choices.

Policy 2.6 – Interim Job Access and Reverse Commute Policy: For reasons set forth in the findings under Policy 1.2, Ordinance No. 06-1129A will better meet the transportation needs of the economically disadvantaged.

Policy 2.7 – Transportation Safety and Education: This policy does not apply to Ordinance No. 06-1129A.

Policy 2.8 – The Natural Environment: For the reasons set forth in the findings under Statewide Planning Goal 5, the Council concludes that the amendments are consistent with Policy 2.8.

Policy 2.9 – Water Quality: For the reasons set forth in the findings under Statewide Planning Goal 6, the Council concludes that the amendments are consistent with Policy 2.9.

Policy 2.10 – Clean Air: For the reasons set forth in the findings under Statewide Planning Goal 6, the Council concludes that the amendments are consistent with Policy 2.10.

Policy 2.11 – Energy Efficiency: For the reasons set forth in the findings under Statewide Planning Goal 13 and Policy 1.1, the Council concludes that the amendments are consistent with Policy 2.11.

Policies 2.12 through 2.43: These policies do not apply to Ordinance No. 06-1129A.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 06-1129 FOR THE PURPOSE OF AMENDING THE REGIONAL FRAMEWORK PLAN TO REVISE METRO POLICIES ON HOUSING CHOICE AND AFFORDABLE HOUSING AND AMENDING METRO CODE SECTIONS 3.07.710 THROUGH 3.07.760 TO IMPLEMENT THE NEW POLICIES

Date: [January 3, 2006](#)

Prepared by: Gerry Uba

BACKGROUND

On January 18, 2001, the Metro Council adopted Ordinance No. 00-882C, amending the affordable housing policy in the Regional Framework Plan and amending the Urban Growth Management Functional Plan Title 7, entitled "Affordable Housing." Title 7 required local governments to adopt voluntary local affordable housing production goals, amend their comprehensive plans and implementing ordinances by adopting land use tools and strategies, and submit progress reports in 2002, 2003 and 2004.

Reviews of local government's progress reports in the Annual Compliance Report for the Urban Growth Management Functional Plan by MPAC, MTAC and the Metro Council in 2004 and 2005 concluded that it was important to determine the reasons for very limited actions by local governments. On February 15, 2005, MPAC chair, Jack Hoffman and Metro Council President, David Bragdon sent a letter to local governments to assess: 1) local interest in exploring the possibility of implementing an affordable housing plan developed by local and regional housing experts to meet their share of regional affordable housing production goals; 2) housing units built in the communities and sold for \$120,000 or less; and 3) rents for apartment units that have been built or rehabilitated since 2000. The assessment revealed the following categories of barriers and interest to local governments' adoption of Title 7 strategies and tools:

- "We're already in compliance through implementation of State housing requirements"
- "One size doesn't fit all due to unique local conditions"
- "It costs too much – no funding/not enough staff"
- "Little vacant land exist or land is too expensive"
- "Political barriers due to local charter provisions that limit local actions"
- "We will welcome assistance to explore opportunities available for affordable housing development and redevelopment"

Following the requirements in Title 7 and the result of the MPAC and Metro Council assessment, the Metro Council created the Housing Choice Task Force (HCTF) on February 10, 2005 by action of Resolution No. 05-3536. The HCTF was charged to meet for one year (March 2005 to March 2006), and was charged to:

1. Offer recommendations for policies and programs to facilitate housing production in 2040 mixed-use areas and to meet the Five-Year Affordable Housing Production Goals in the Urban Growth Management Functional Plan
2. Help build support for regional housing supply solutions by working closely with those individuals and organizations that are in a position to help implement them.
3. Recommend to the Metro Council actions that they should take as part of the broader strategy for implementing regional housing supply solutions.
4. Recommend how Metro could move beyond current requirements for local government reporting on their implementation of specific land use and non-land use strategies in Functional Plan Title 7.

The goal of the Task Force was to refocus the efforts of the region's policy makers and housing providers on the task of overcoming obstacles to bolstering the region's supply of a broad range of housing, particularly in the 2040 Centers and corridors.

HCTF Report and Recommendations:

The HCTF built on the lessons learned from the 1998 Affordable Housing Technical Advisory Committee and local governments implementation of Title 7 to develop an implementation strategy for increasing the supply of housing choice, and specifically affordable housing in the locations with services, so as to reduce expenditures for low income households. In March 2006, the HCTF submitted its recommendations in the report entitled the "Regional Housing Choice Implementation Strategy" to the Metro Council. Following is the summary of the key recommendations for Metro:

- a) Integrate housing supply concerns, and specifically affordable housing, into all policy making and funding allocations
- b) Create a permanent Housing Choice Advisory Committee to advise the Metro Council
- c) Work toward development of a new, permanent regional resource
- d) Seek increased funding at the federal, state and regional levels
- e) Work to remove regulatory barriers for affordable housing supply
- f) Work to reduce the cost of developing housing, and specifically affordable housing in the 2040 centers and corridors
- g) Provide technical assistance to local governments
- h) Current policy directing local jurisdictions to adopt land use and non-land use affordable housing tools and strategies should be amended to remove the reporting requirement
- i) Current policy directing local governments to adopt the voluntary affordable housing production goals for the assessment of their progress should be retained, while focusing on results oriented reporting process.
- j) Conduct biennial housing survey for the assessment of the progress toward achieving the region's housing choices implementation strategy.
- k) Require local governments to assist Metro in a biennial housing survey.

Metro Council Action on the HCTF Recommendations:

On April 20, 2006, the Metro Council directed staff to:

1. Prepare an ordinance for appropriate amendments to the Regional Framework Plan and the Urban Growth Management Functional Plan to implement the recommendations in the Regional Housing Choice Implementation Strategy, and to establish a process for reporting by local governments on their progress in meeting affordable housing and a diversity of housing options goals and objectives;
2. Prepare a resolution for the creation of a Housing Choice Policy Advisory Committee with representatives of MPAC, MTAC, and other stakeholders.
3. Prepare a resolution for the creation of an ad hoc housing financing study committee with representatives of elected officials, housing developers, major employers, realtors, affordable housing advocates, and federal and state housing officials to assist Metro and other entities involved in providing affordable housing to develop a politically feasible mechanism for implementing the funding solutions recommended by the Housing Choice Task Force.
4. Work cooperatively with local governments in the region to provide technical assistance to preserve and develop affordable housing, including inventorying of publicly owned land that could be potential sites for establishing housing choice.

Proposed Changes in the Regional Framework Plan and Functional Plan:

Regional Framework Plan: The summary of changes is as follows:

A. Metro's policies on how it will work with local governments to implement housing choices:

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- Local governments will be encouraged to implement land use regulations (allowing diverse range of housing types and affordable housing especially in the 2040 Centers and Corridors, making housing choices available for all income levels), adopt affordable housing production goals, and assist Metro to conduct affordable housing inventory.
 - Local governments will be required to report on their progress.
- B. Metro's policies on how it will implement housing choices:
- Work with stakeholders to create a regional fund to leverage other affordable housing resources
 - Integrate housing issues and solutions with other Metro programs, including consideration of affordable housing in the prioritization of grants
 - During UGB expansion process, see opportunities to devote a portion of residential capacity to affordable housing
 - Create opportunities that will discourage concentration of poverty

Functional Plan Title 7: The summary of changes is as follows:

- A. Local governments are encouraged to adopt affordable housing production goals as a guide to measure progress
- B. Local governments are required to assist Metro to conduct affordable housing inventory
- C. Local governments are required to report on their progress, with first report due on April 15, 2007, and by April 15 every other two years
- D. Local governments are encouraged to use Metro's technical and financial assistance services

Other Metro Actions:

Metro staff is developing a "Regional Housing Choice Work Plan" and have started collaborating with local governments' staff to establish a regional housing inventory team and develop a regional affordable housing database. Local programs currently participating in the inventory are the Housing Authorities of Clackamas County, Portland, Washington County and Clark County, Washington, and the Portland Development Commission and the City of Beaverton.

ANALYSIS/INFORMATION

1. Known Opposition

Staff is not aware of any opposition to the proposed legislation

2. Legal Antecedents

Metro Regional Framework Plan established a policy to encourage local governments to ensure diversity of housing types available to households of all income level. Metro Code 3.07.710 established course of actions for affordable housing for local governments and Metro to comply.

3. Anticipated Effects

Ordinance No. 06-1129 would amend Title 7 of the Urban Growth Management Functional Plan to help focus local efforts on results oriented progress reporting and Metro technical assistance.

4. Budget Impacts

The provision and expansion of technical assistance services to local governments will require additional resources in the future.

RECOMMENDED ACTION

Staff recommends the adoption of Ordinance No. 06-1129 to encourage local governments to assist Metro to assess the region's effort to increase affordable housing supply, and take advantage of Metro's technical assistance services to increase the supply of housing choices in the centers, corridors and other areas of their jurisdictions.