600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1542 | FAX 503 797 1793

METRO

Agenda

MEETING: METRO COUNCIL
DATE: November 1, 2007
DAY: Thursday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS

3. VOTE ON DISTRICT 2 CANDIDATES

3.1 **Resolution No. 07-3865,** For the Purpose of Appointing a Replacement Councilor to Fill the Office of Metro Councilor for Council District 2.
(Materials will be available at the meeting)

4. OATH OF OFFICE FOR DISTRICT 2 Norby

5. METROLITAN EXPOSITION RECREATION COMMISSION PERFORMANCE MEASUREMENT SYSTEMS Flynn

6. CONSENT AGENDA

6.1 Consideration of Minutes for the October 25, 2007 Metro Council Regular Meeting.

6.2 **Resolution No. 07-3866**, For the Purpose of Authorizing the Chief Operating Officer to Execute License Amendments to Extend the Term of Certain Non-System Licenses to December 31, 2008.

7. ORDINANCES – FIRST READING

7.1 **Ordinance No. 07-1162,** For the Purpose of Adopting the Regional Solid Waste Management Plan, 2007-2017 Update.

7.2 **Ordinance No. 07-1166,** For the Purpose of Amending Metro Code Chapter 10.02 Regional Park Fees to Provide Free Admission to U.S. Veterans With Service-Connected Disabilities.

8. ORDINANCES - SECOND READING

8.1	**Ordinance No. 07-1161,** For the Purpose of Amending Metro Code Chapter 5.01 and 5.05 to Extend Moratoria on Applications for New Solid Waste Transfer Stations and Putrescible Waste Non-System Licenses Until December 31, 2008; and Declaring an Emergency.	Harrington
8.2	**Ordinance No. 07-1163,** Amending Metro Code Chapter 2.19 to Establish the Nature in Neighborhoods Capital Grants Review Committee; and Declaring an Emergency.	Liberty
8.3	**Ordinance No. 07-1164,** Amending Metro Code Sections 2.01.010 and 2.20.030 and Repealing Metro Code Section 2.01.200 to Require Metro's Chief Operating Officer to Prepare and Submit the Metro Budget**.**	Hosticka

9. RESOLUTIONS

9.1	**Resolution No. 07-3831**, For the Purpose of Approving the Federal Component of the 2035 Regional Transportation Plan (Public Hearing).	Park
9.2	**Resolution No. 07-3861**, For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Designate Focus Centers, Establish the Urban Living Infrastructure Program, and Make Technical Changes.	Liberty
9.3	**Resolution No. 07-3879,** Confirming the Appointment of Members to the Nature in Neighborhoods Capital Grants Review Committee.	Liberty

10. CHIEF OPERATING OFFICER COMMUNICATION

11. COUNCILOR COMMUNICATION

ADJOURN

Television schedule for November 1, 2007 Metro Council meeting

Clackamas, Multnomah and Washington counties, and Vancouver, Wash. Channel 11 -- Community Access Network www.tvctv.org -- (503) 629-8534 2 p.m. Thursday, Nov. 1 (Live)	**Portland** Channel 30 (CityNet 30) -- Portland Community Media www.pcmtv.org -- (503) 288-1515 8:30 p.m. Sunday, Nov. 4 2 p.m. Monday, Nov. 5
Gresham Channel 30 -- MCTV www.mctv.org -- (503) 491-7636 2 p.m. Monday, Nov. 5	**Washington County** Channel 30 -- TVC-TV www.tvctv.org -- (503) 629-8534 11 p.m. Saturday, Nov. 3 11 p.m. Sunday, Nov. 4 6 a.m. Tuesday, Nov. 6 4 p.m. Wednesday, Nov. 7
Oregon City, Gladstone Channel 28 -- Willamette Falls Television www.wftvaccess.com -- (503) 650-0275 Call or visit website for program times.	**West Linn** Channel 30 -- Willamette Falls Television www.wftvaccess.com -- (503) 650-0275 Call or visit website for program times.

PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.

Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, (503) 797-1542. Public hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro website www.metro-region.org and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

Agenda Item Number 3.1

Resolution No. 07-3865, For the Purpose of Appointing a Replacement Councilor to Fill the Office of Metro Councilor for Council District 2.

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

Agenda Item Number 5

METROPOLITAN EXPOSITION RECREATION COMMISSION PERFORMANCE MEASUREMENT SYSTEMS

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

METRO

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MERC Performance Measurement System:

Strong Foundation, More Strategic Approach Needed

September 2007

A Report by the Office of the Auditor

Suzanne Flynn
Metro Auditor

Audit Team: Debbie DeShais, Principal Management Auditor
Kristin Lieser, Senior Management Auditor

METRO

Suzanne Flynn
Metro Auditor
600 NE Grand Ave
Portland, OR 97232-2736
TEL 503 797 1540
FAX 503 797 1793

M E M O R A N D U M

September 24, 2007

To: David Bragdon, Council President
Rod Park, Councilor, District 1
Brian Newman, Councilor, District 2
Carl Hosticka, Councilor, District 3
Kathryn Harrington, Councilor, District 4
Rex Burkholder, Councilor, District 5
Robert Liberty, Councilor, District 6

From: Suzanne Flynn, Metro Auditor

Re: Audit of MERC Performance Measurement System

The attached report covers our audit of the capacity of the Metropolitan Exposition Recreation Commission (MERC) to measure and report on performance. This audit was included in our FY07-08 Audit Schedule.

We found that MERC has a solid foundation for building a performance measurement system and make recommendations to guide its next steps. As part of our report we also included a demonstration of how potential measures might be reported.

We have discussed our findings and recommendations with David Woolson, the Chief Executive Officer, and Kathy Taylor, the Chief Operating Officer, of MERC as well as the MERC liaison to our office. A formal follow-up to this audit will be scheduled within 1-2 years. We would like to acknowledge and thank the management and staff throughout MERC and Metro who assisted us in completing this audit.

TABLE OF CONTENTS

Summary 1

Background 3

New software system 5

Scope and methodology 5

Results 7

MERC capable of tracking most industry measures 7

A strengthened system could track progress better 8

More work needed on strategic plan 9

Map personnel practices to strategy 10

Balanced set of measures needed 10

Data used effectively can increase knowledge 12

Data could be presented more clearly 13

Risks could be identified more effectively 14

Some key data missing or not tracked 19

Management reports need to be developed 22

Recommendations 23

Response to Audit 25

Appendix A - Industry Standard Performance Measures 31

Appendix B - Performance Measurement Models 37

Summary

The Metropolitan Exposition Recreation Commission (MERC) is a unit of Metro that oversees three of the region's main public assembly facilities - the Oregon Convention Center (OCC), the Portland Metropolitan Exposition Center (EXPO) and the Portland Center for the Performing Arts (PCPA). MERC was established in 1989 through a consolidation agreement with Multnomah County and the City of Portland to manage public assembly facilities in the region.

The purpose of this audit was to assess the adequacy of MERC's performance measurement system and whether it could provide management with the information needed to operate effectively. Auditors performed extensive review of related industry measures and the measures currently available within MERC's data collection systems.

We found that MERC has taken several steps towards developing a good performance measurement system. MERC recently finished a strategic plan, installed new business management software that will allow it to track measures and is revising personnel programs to support the plan. Based on our review of the industry we identified 162 potential performance measures, of which, MERC has the ability to track 75%. Although we would not recommend that MERC track so many measures, this means that MERC is well situated to design a reporting system.

However, we did find areas that could be strengthened. An improved system could allow MERC to gauge progress towards meeting strategic goals and improve the quality of information in making decisions. The strategic plan should include more measures so that progress can be compared over time and problems identified in advance. MERC also needs to develop a more comprehensive set of measures that will look at more than financial targets, as well as design reports that are easier to understand.

In the audit, we illustrated a measurement system that MERC might consider using. We showed how, by looking at data over time, management can identify risks and make informed decisions. We cautioned, however, that the data in the report has not been audited for accuracy and should only be used to demonstrate a possible course for MERC.

We did note a few areas where data was missing or not tracked. MERC has not developed a standard costing methodology that will allow it to determine the profitability of an event. It also needs to implement an overall facility maintenance system that will alow staff to manage activities to ensure these public assets are maintained. MERC could also track the results of its hiring and

competitive purchasing processes to determine if objectives in regards to minorities, women, and emerging small businesses are being met. We also noted that MERC has not updated contract reporting requirements with the Portland Oregon Visitors Association.

We recommend that MERC define its data collection and performance reporting process to clarify responsibilities, what will be reported, and how often. We also recommend that MERC link personnel goals to strategic goals, develop a methodology that allows measurement of profitability and improve its facilities maintenance, hiring, purchasing, and contract tracking.

Background

MERC (Metropolitan Exposition Recreation Commission) is a unit of Metro that oversees three of the region's main public assembly facilities – the Oregon Convention Center (OCC), the Portland Metropolitan Exposition Center (EXPO), and the Portland Center for the Performing Arts (PCPA). OCC is the largest convention center in the Pacific Northwest and is used for conventions, industry trade shows, meetings and banquets. EXPO is the West Coast's largest exhibition facility and is used for consumer public shows, trade shows and public events. PCPA is comprised of three separate buildings and is nationally recognized as one of the top 10 performing arts centers in the nation.

The Commission was established to renovate, maintain and operate these facilities. The Commission has management autonomy subject to budget restraints. It can acquire real or personal property in the name of Metro, enter into contracts appropriate for the management of the facilities and recommend long-term revenue measures for Metro Council consideration.

The MERC Commission consists of seven members nominated as follows: One each from Multnomah, Clackamas and Washington counties, two from the City of Portland and two at the discretion of the Metro Council President. All nominees must reside in the area from where they are nominated. The Council President appoints all nominees confirmed by the Metro Council.

The idea for the MERC Commission came from an Exposition and Recreation Commission (ERC) of the City of Portland that managed PCPA, the Civic Stadium and the Memorial Coliseum. In 1989, a consolidation agreement between the City of Portland, Multnomah County and Metro transferred management of these public facilities to Metro. Metro then established MERC to be responsible for management of these facilities along with the Oregon Convention Center that was under construction. Management of the Stadium and Coliseum were transferred back to the City in 1992 and ownership of EXPO was transferred from Multnomah County to Metro in the mid 1990's.

Management of these facilities puts MERC in a unique position. While Metro holds title to OCC and EXPO and the City of Portland holds title to PCPA facilities, the public is the ultimate owner of these facilities. MERC strives to operate all of the facilities in a business-like manner that serves the public interest.

MERC expenditures have increased in the last five years (Exhibit 1). OCC had the largest increase (27%) most likely due to the expansion in 2003 which almost doubled the size of the facility.

EXHIBIT 1 **MERC Five Year Expenditure Data**

Fiscal Year Adjusted for Inflation

Year	Administration	OCC	PCPA	EXPO
FY02	$1,062,624	$15,849,506	$7,730,527	$5,326,479
FY03	$1,203,526	$21,055,259	$7,357,896	$5,746,010
FY04	$1,159,065	$21,238,724	$7,595,423	$5,759,084
FY05	$1,296,006	$20,856,598	$7,570,360	$5,230,157
FY06	$1,473,234	$20,101,845	$8,072,771	$5,595,034

SOURCE: Annual Metro Budget Books, Volume 2 = (Total requirements) - (Contingency and ending fund balance). Audited amounts adjusted for inflation.

Budgeted staffing levels at MERC (Exhibit 2) over the last five years have remained fairly constant. OCC staff increased significantly in 2003 after the expansion but has dropped back to near 2002 level in 2006. Staffing decreased slightly at PCPA and EXPO in the last five years.

EXHIBIT 2 **MERC Five Year Staffing Data**

Full-time equivalent employees (excludes seasonal and temporary employees)

Year	Administration	OCC	PCPA	EXPO
FY02	10	96.05	26.55	14.1
FY03	10.5	131.8	23.96	15.65
FY04	10	120.62	25.59	14.84
FY05	11	102.62	23.59	14.84
FY06	11	103.62	23.19	12.84

SOURCE: Annual Metro Budget Books, Volume 2 - Amended Amounts.

New software system

In FY05, MERC purchased a new accounting and operations software system entitled Event Business Management Software (EBMS). MERC purchased this new system to better manage its event service business and assist in gauging progress towards achieving strategic goals.

For many years, MERC had used Metro's accounting package and in-house spreadsheets. The EBMS system is designed for "event" oriented businesses. It contains integrated modules for event sales and marketing, contract administration, event management and coordination, facility booking, and facility maintenance, as well as a full accounting package. It includes many functions not generally found in a typical governmental software system. Implementation of the new system began July 1, 2005, and continued with all of the accounting modules up and running as of July 1, 2006.

Since the system became operational, MERC has added resources to support implementation. System specialists have been assisting users with "how to" questions, developing reports for users, working with the supplier on software fixes and updates, and providing training on the system.

Scope and methodology

The objective of this audit was to review MERC's performance measurement system and determine if performance measurement data was attainable through MERC's new EBMS system (or other sub-systems). We did not test the accuracy of data obtained from the system(s). The focus was on the process, not the data itself. Management controls as they relate to performance measurement processes were reviewed and deficiencies noted. We also attempted to determine:

- The appropriateness of MERC performance measures based on industry standards by researching industry standard measures for "event" related venues and operations, reviewing measures currently tracked by MERC, and comparing the two.
- If MERC performance measures were adequate and appropriate to provide management with the type of information needed to meet MERC and facility goals and objectives.
- If MERC performance measures were measurable and appropriately measured.
- If performance measures were attainable and available in a cost-effective manner.

- If key MERC contracts (Aramark and POVA) contained adequate and appropriate measures that allow MERC to assess the performance of the contractors.

At the request of MERC Commissioners, we also reviewed performance measures related to products and services provided MERC by minorities, women and emerging small businesses (MWESB). Additionally, we reviewed measures relating to MERC's Affirmative Action and First Opportunity Target Area practices.

We performed extensive research of industry related performance measures and performance measurement systems. Interviews were conducted with key MERC personnel as well as outside experts and related parties. We developed a survey for managers regarding the ability to track industry standard measures and whether they found each measure useful. Numerous management reports were also reviewed and analyzed for their ability to instill knowledge necessary for management to make informed decisions regarding its strategies and practices.

This audit was included in the FY06-07 audit schedule and was conducted in accordance with generally accepted government auditing standards.

Results

Performance measurement is a critical element of accountability for public organizations. The purpose of performance measurement systems is to collect data upon which to make critical business decisions that will, in turn, drive business improvement. Before it can identify its key performance measures, an organization must first know what it needs to measure. A good performance measurement system begins by developing a mission statement, establishing goals, setting objectives and developing an action plan. A good system concludes with a process to measure progress towards achieving the mission, goals and objectives, compare actual performance with expected results and reevaluate goals, objectives and actions plans based on progress results.

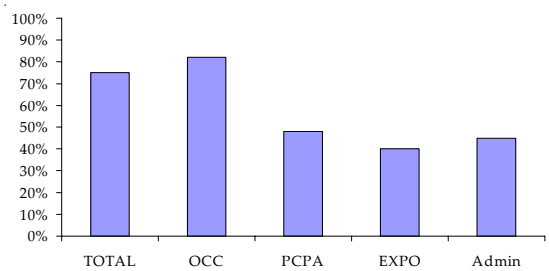
MERC has taken several steps towards developing a good performance measurement system, including:

- Developing a new strategic plan
- Revising personnel programs and practices to support its strategic plan
- Implementing new business management software that will enable it to track industry standard performance measures.

MERC capable of tracking most industry measures

MERC's new EBMS system can track almost all industry standard performance measurement data. We identified a total of 162 potential performance measures during our research. A complete list can be found in Appendix A. Although we would not recommend it do so, we found that MERC's system can track 121 (75%) of these measures. Of the remaining 41 measures, MERC managers found 18 measures (11%) useful and would consider tracking them also. The remaining 23 measures (14%) were not considered appropriate or useful for MERC's particular businesses. There is little difference between information accessed and at what management level. Line and mid-level managers reported being able to track almost as many measures as executive management.

EXHIBIT 3 **Percentage of "Industry Standard" Measures Tracked by Facility**



SOURCE: Metro Auditor's Office analysis of agency survey responses

However, there is a difference among the components of MERC. The chart on the previous page shows that OCC uses and tracks (or has the capability to track) 82% of industry standard measures while PCPA, EXPO and MERC administration track 48%, 40% and 45%, respectively. This range in results is understandable given that OCC is much larger and holds a much broader spectrum of events. Consequently, many more of the standard industry measures we identified apply to OCC's business.

Based on the preceeding data, we conclude that MERC is moving in the right direction regarding performance measurement. It has purchased useful tools and is collecting extensive performance data.

A strengthened system could track progress better

MERC's mission is to enhance the cultural and economic vitality of Oregon and the Portland region. It works to generate significant economic return for the region by hosting conventions and events that draw visitors and tourism dollars into the region. A good performance measurement system can provide measurable results to demonstrate progress towards achieving those goals. A good system should allow MERC to:

- Gauge progress towards achieving strategic goals and strategies
- Compare actual to expected results
- Link operational activities to strategy
- Provide a holistic view of organizational progress and results
- Illustrate gaps in the measurement process
- Improve performance by improving information used in decision making

While MERC has the foundation for a performance measurement system, it still needs to define and document the measurement process - the process it will use to collect and report performance data. This includes determining:

- Who is responsible for collecting and reporting performance information?
- What information is reported?
- Where will the data come from?
- When and how often is the performance measure reported?
- How is the information reported?
- To whom is the performance measure reported?

Further, MERC reports detailed data and information, but it does not have actual performance reports – such as reports that show performance trends over time or compare actual to expected results on an organizational (not just financial) basis. In addition, until a performance measurement process and system is established, MERC might be limited in its ability to achieve its goals.

More work needed on Strategic Plan

MERC has just completed its five year strategic plan. The plan establishes five primary goals and identifies between three to seven relevant strategies for each goal. MERC has taken the first steps in identifying measures in its new strategic plan. However, our review of performance measures noted in MERC's strategic plan revealed that some would be difficult, if not impossible, to measure (e.g. MERC's expertise is recognized and valued, state-of-the-art venues, staff and Commissioners represent MERC effectively, graphic identity goals and standards, etc.). Of the 62 "measures" noted in the plan, only 11 are written as actual measures. The other 51 are action steps or objectives rather than performance measures.

More work must be done to refine and develop performance measures for MERC's strategic plan. It is our understanding from top management that they recently began work in this area. We encourage this effort and suggest that MERC review existing performance data and assess the quality of information derived from that data. It should take its most useful performance data and map it to its strategy.

The chart below shows some of the performance data already collected that MERC might consider for its strategic plan.

EXHIBIT 4 **Strategic Plan Goals and Potential Measures**

GOAL 1 Maximize positive impact of MERC	**GOAL 2** Construction of Convention HQ hotel	**GOAL 3** Expertly manage world - class venues	**GOAL 4** Effectively communicate role & values	**GOAL 5** Engage employees in creat - ing exceptional workplace
• $ of economic impact to community (KPMG study) • Convention & tourism taxes generated • Venue revenue	• Lost leads due to hotel package and availability	• Operating profit/loss • Customer satisfaction rate (service, set-up, cleanliness, appearance) • Attendance • Total weeks of Broadway	• Number of site visits • Number of media placements • Website hits	• Sick leave hours used • Injury rate • % overtime to total hours worked • Training costs per employee

SOURCE: MERC Strategic Business Plan, 2007-2012

By changing or refining strategic measures so that they are clear, understandable and quantifiable, and comparing trends or actual versus expected results, MERC will set the stage for gauging progress towards its new strategic plan.

Map personnel practices to strategy

In conjunction with formalizing strategic direction, MERC has begun reviewing its personnel programs and practices. Staff performance measures currently focus on quantitative measures rather than qualitative and are not necessarily tied to organizational strategy.

As MERC develops these new programs and practices it will be important for it to ensure high level strategic goals and measures are translated into goals and measures appropriate for each individual employee. MERC should dedicate adequate resources to ensure staff performance measures encourage staff to work towards achieving current objectives and that those current objectives support the organization's long-term strategic plan.

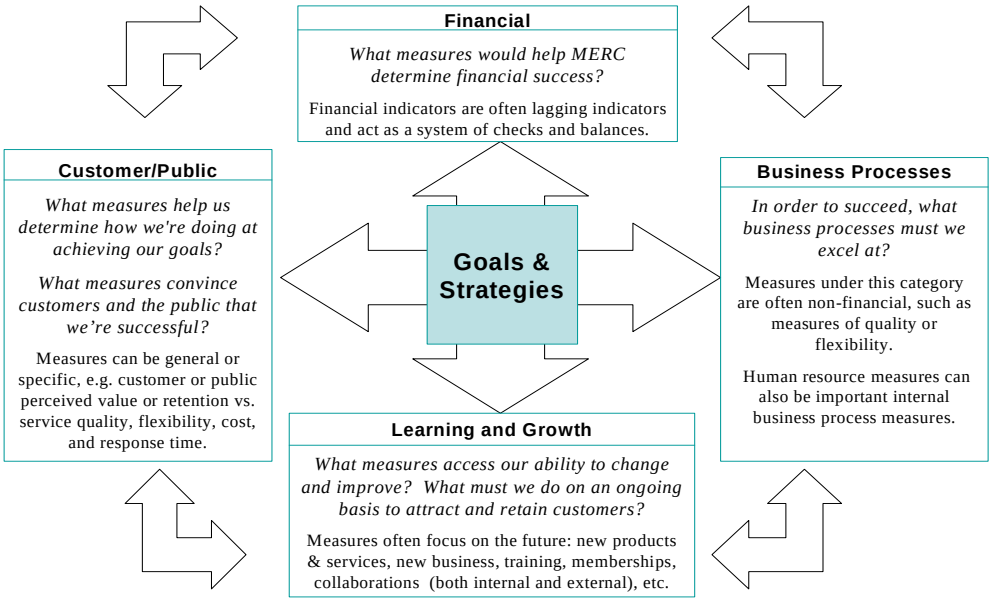
Balanced set of measures needed

MERC, like most organizations, has management controls and measurement systems built primarily around financial measures and targets. These often bear little relation to an organization's progress in achieving long-term strategic objectives. In fact, placing emphasis on short-term financial measures can leave a gap between the development of a strategy and its implementation. While financial objectives and measures are important, other key business perspectives are just as important and should be considered in conjunction with financial measures.

A balanced set of measures enables management to monitor all business processes and look at progress organization-wide. A balanced set of measures would allow MERC to focus on long term strategies while highlighting interactions and interdependencies between business processes and performance results.

Our review of the literature found several balanced measurement systems that incorporate key business processes, such as the "Critical Few" performance model, the Malcom Baldridge Quality Award model, and the Balanced Scorecard approach. Further information about each of these models can be found in Appendix B. To illustrate a potential system that MERC could design with its currently available data, we used the Balanced Scorecard (BSC) model. The illustration below shows how MERC's operational activities could be linked to strategy through the BSC.

EXHIBIT 5 **The Balanced Scorecard Approach**

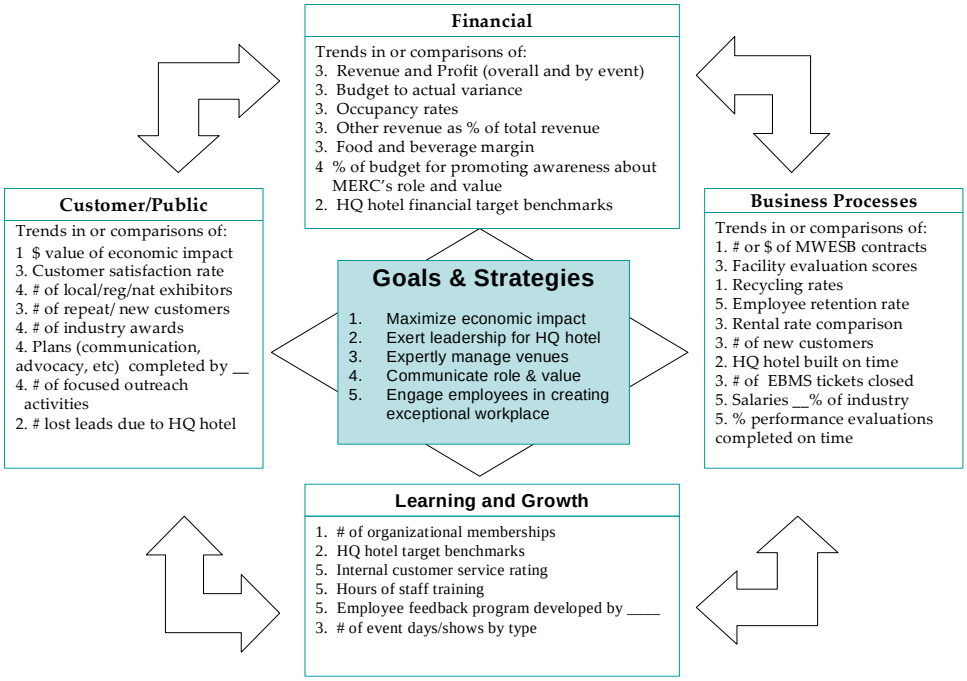


SOURCE: Metro Auditor's Office based on a publication by Kaplan and Norton (1996).

The BSC model allows management to look at the condition of the organization from four identified business processes: financial, business, growth and customer. Each process is directly tied to organizational goals and strategies and performance objectives and measures flow from each process. This provides management with an integrated performance measurement system that provides a more complete view of the organization.

We placed MERC's five strategic goals in the center of the model and added measures from MERC's strategic plan and performance data currently available in the four business processes. The number before each measure ties it to the strategic goal. While MERC management may have a different idea of what are the most important measures in determining progress, this illustration provides a good mix of measures that it could use. Additionally, each business process has measures attributable to most, if not all, goals. Finally, key business processes are balanced and no one measure or dimension of measures is stressed to the detriment of others. This approach would enable MERC to align its management processes and focus the entire organization on implementing long-term strategy.

EXHIBIT 6 **MERC BSC Model**



SOURCE: Metro Auditor's Office from MERC's Strategic Plan and Staff Surveys.

Data used effectively can increase knowledge

While MERC has the ability to and does track considerable performance data, it is not reported in a way that highlights important issues. In order to use data, MERC must be able to interpret the data it receives. A single data point generally will not provide sufficient information. MERC performance data that is currently tracked and reported could be made stronger by reporting trends or comparing actual to expected or targeted results.

Staff, management and the Commission frequently use the monthly *Oregon Convention Center Event Analysis Report* (see next page). This report contains useful data and information but it is difficult to read. Also, it doesn't necessarily highlight what is important. The report gives the reader information about individual events but does not put the data into a context either in relation to other events or similar organizations or over time. This report is similar to many financial and other reports utilized by MERC. They provide a great deal of raw data but are difficult to interpret.

EXHIBIT 7 **OCC Detailed Event Analysis Report**

August 2006 Event	N R		Date	Occupied Sq. Ftg	# of Evt Day	Attend.	Type	Advert.	Cater.	Concess/ CashBars	Parking	Equip Rent	AV Equip	Utilities	Phone	Booth/ Carpet Clean	Box Office
							Oregon Convention Center Event Analysis	Event Related Revenue									
ENACT Meeting	R	X	8/3/06	1,200	1	0	in-house meeting	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
OCC CSI Lunch & Tour	N	X	8/4/06	3,500	1	5	in-house meeting	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Ptld Center for Spiritual Awareness	R	L	8/6/06	3,033	1	80	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
HR leadership Team	N	X	8/7/06	n/a	1	6	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
ODE Superintendent's Summer Institute	R	S	8/7-8/9/06	90,000	3	840	Convention	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
AANP 21st Annual Conference	**R**	**N**	**8/10-8/12/06**	**336,916**	**3**	**700**	**Conv w/trade**	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
US Fish & Wildlife-Owl Recovery	N	L	8/9/06	3,750	1	145	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
OR Convenience Store Trade Show	R	S	8/10/06	60,000	1	150	Tradeshow	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Say Hey NW-Partners in Diversity	N	L	8/10/06	14,346	1	350	F&B	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Circle K Franchise	R	S	8/10/06	1,010	1	15	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Independent Electrical Contractors	R	S	8/11-8/12/06	3,750	2	25	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Michoacan Promociones Dance	N	L	8/11/06	93,272	1	1,182	Cons/Public	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
2006 IEEE EMC Symposium	**N**	**N**	**8/15-8/17/06**	**1,186,996**	**3**	**2,200**	**Conv w/trade**	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Ptld Center for Spiritual Awareness	R	L	8/13/06	3,033	1	50	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Knowledge Learning Corp	R	L	8/15/06	6,300	1	450	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Nat'l Christmas Tree Association	**N**	**N**	**8/16-8/18**	**308,184**	**3**	**900**	**Conv/Conf**	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
OCC Meet w/Learning Annex	N	X	8/17/16	n/a	1	7	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
ARAMARK Tasting - Doernbecher	R	X	8/17/06	n/a	1	8	F&B	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
IEEE Int'l Test Conf Tour & Lunch	N	X	8/18/06	n/a	1	20	F&B	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Ptld Int'l Church of Christ Jubilee	R	L	8/18-8/20/06	62,784	3	1,750	Conv/Conf	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Glaceau Meet & Greet	N	L	8/19/06	621	1	15	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Ptld Center for Spiritual Awareness	R	L	8/20/06	3,033	1	65	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
"Aun es Tiempo de Restauracion"	N	L	8/20/06	8,900	1	650	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
ARAMARK Tasting - Spectrum	R	X	8/21/06	n/a	1	8	F&B	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Farwest Nursery Show	**R**	**N**	**8/24-8/26/06**	**2,381,120**	**3**	**13,331**	**Conv w/trade**	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
OCC A/V Setup for Pandemic Flu	R	X	8/22/06	34,200	1	n/a	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Next Step in Pandemic Influenza	N	S	8/23/06	49,372	1	660	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Sprint Meeting	R	L	8/23/06	1,158	1	16	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
House Values Marketing Seminar	N	R	8/23/06	3,750	1	60	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Japanese Antique Sale	R	L	8/25-8/27/06	2,238	3	300	Cons/Public	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Pacific Plug & Liner	N	L	8/25/06	647	1	15	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Lara Family Reception	N	L	8/25/06	12,400	1	300	F&B	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Ptld Center for Spiritual Awareness	R	L	8/27/06	3,033	1	50	Mtg/Seminar	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

SOURCE: OCC Detailed Event Analysis Report, August 2006

Data could be presented more clearly

How data is presented can greatly impact an audience's ability to interpret it. For example, the Event Analysis summary report below is used by OCC and MERC management regularly. It offers summary information from OCC's detailed reports (above) presented by month and on an annual basis. We used it and other financial and non-financial data as the basis for illustrating how to group data and increase knowledge by adding context.

EXHIBIT 8 **OCC Summary Event Analysis Report**

Fiscal Year Month	N	R	In-H	L	S	R	N	I	CV CF	CV TS	CS PS	TS	Mt	FB	P	Occupied Sq. Ftg.	No. In/ O	# of Evts	Attend.	No. Evt Days	* Advert.	* Cater.	* Conces	Star- Bucks	* Parking	Equip * Rent	AV * Equip	Ship * Storge	* Utilities	* Phone	Booth Clean	* Box Ofc.	*Keys/ Damge Water	* Rent	Reimb. Labor	Total
																			Oregon Convention Center Event Analysis		Event Related Revenue															
FY 04-05																																				
July	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
August	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Sept.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Oct.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Nov.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Dec.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Jan.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Feb.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
March	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
April	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
May	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
June	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Totals	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX		XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
FY 05 06																																				
July	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
August	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Sept.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Oct.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Nov.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Dec.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Jan.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Feb.	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
March	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
April	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
May	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
June	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Totals	XX	XX		XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
FY 06 07			**In-H**																																	
July	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
August	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Sept.	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Oct.	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Nov.	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Dec.	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Jan.	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
Feb.	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
March	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
April	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
May	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
June																																				
Totals	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XXXXX	XX	XX	XXX	XX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX

SOURCE: OCC Detailed Event Analysis Report, Three Years FY04-07

While reviewing data by month or year is a first step to increasing understanding, placing several years of information together provides even more information. By grouping some of the data found on the right hand side of the above report, the same information becomes even more meaningful.

The next step is to develop a report that collects several groupings of information, for example by business processes, so that there is context. Grouping information by key business process can reveal not only progress towards goals, potential causal relationships between activities can also become more evident. Without grouping, problems might not be identified or corrective action might be taken too late.

On the following page, we use the BSC model to illustrate how information obtained from OCC actual reports and records might be used. This data was not audited for accuracy, the purpose of this is to illustrate a process, not verify results. The model allows analysis of trends; comparisons between actual and expected results; and provides information regarding unusual results and/or causal relationships. By taking this next step and presenting performance information in this way, it can be understood more easily and acted on.

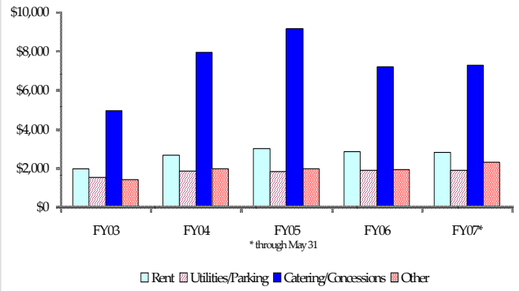
Models or systems such as the BSC provide three key elements essential to learning and knowledge: they link efforts to accomplishments, facilitate strategy review and provide a strategic feedback system. Rather than focusing on one indicator to mark progress, it allows multiple indicators to be examined in concert. One measure may be trending in the right direction while others may not. Knowing about both trends increases an organization's ability to adjust and correct actions.

Risks could be identified more effectively

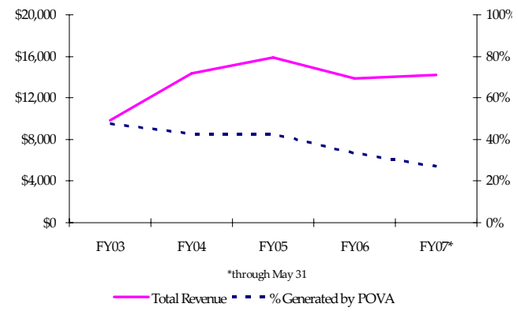
A good performance measurement and reporting system will allow MERC management to identify strategies that are not having the desired effect. It can also illustrate unusual trends and results that might suggest significant issues for MERC. Using the same MERC data that was placed in the BSC model on the following page, we were able to identify trends that might represent areas that should be studied further. As an example of how such a report could be used to identify risks, we list questions raised by the data on page 17.

Financial

OCC Revenue by Source

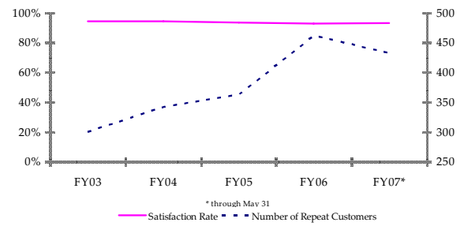


OCC Revenue Generated

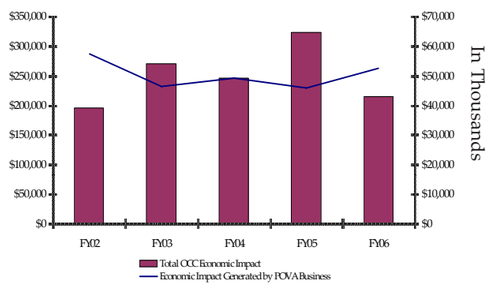


Customer Satisfaction

Comparison of Satisfaction Rates to Number of Repeat Customers



OCC Economic Impact



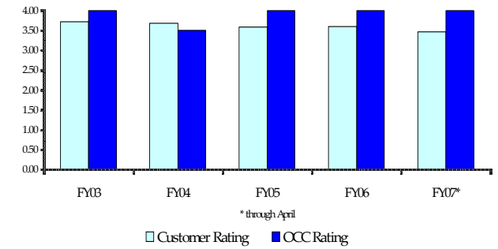
GOALS & STRATEGIES:

- Maximize economic impact
- Exert leadership for HQ hotel
- Expertly manage venues
- Communicate roll & value
- Engage employees in creating exceptional workplace

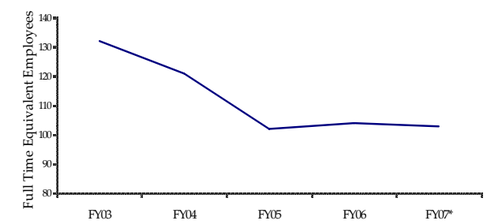
Internal Business

OCC Bathroom Cleanliness

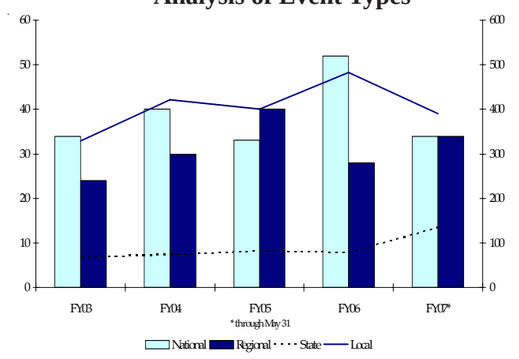
(Four Point Scale)



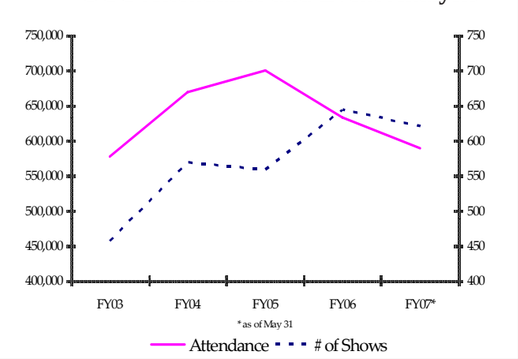
OCC Staff



Analysis of Event Types



OCC Attendance and Event Analysis



Growth

SOURCE: Metro Auditor's Office using OCC management reports. Data not audited for accuracy

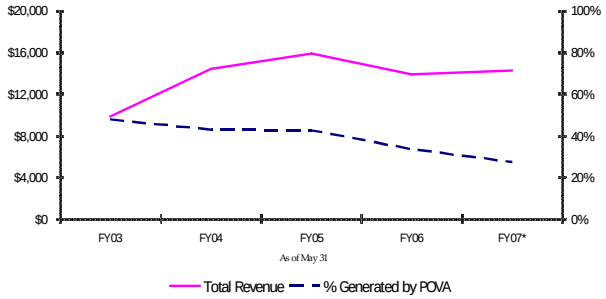
EXHIBIT 10 **OCC Bathroom Cleanliness**

(Four point scale)

SOURCE: Metro Auditor's Office analysis of customer satisfaction questionnaires and MERC facility evaluations

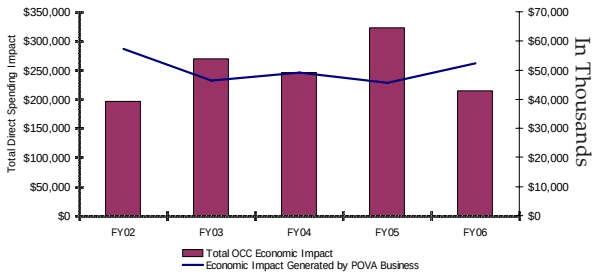
MERC rated OCC a perfect "4" in bathroom cleanliness for the past three years yet customers have rated OCC restroom cleanliness at about 3.5 for those years and customer ratings have been declining. This might signify that MERC should be more objective in its rating process or that the reviews should be completed during busier event times.

EXHIBIT 11 **Total Revenue and Percent Generated by POVA**



SOURCE: Metro Auditor's Office, using OCC Event Analysis and management reports

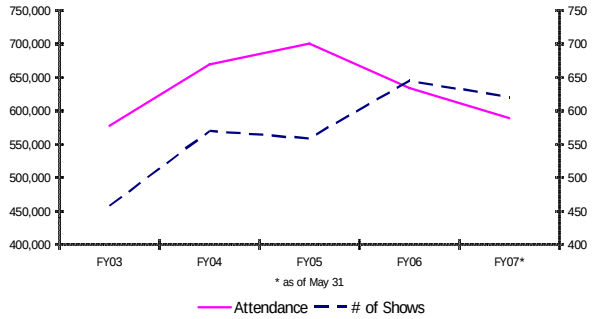
EXHIBIT 12 **OCC Economic Impact**



SOURCE: Metro Auditor's Office, using OCC Event Analysis reports

Although OCC revenue generated by POVA is trending down, economic impact relating to revenue generated by POVA and as reported by POVA has remained fairly constant. This might merit further investigation into why reported economic impact is constant despite falling revenue. One factor might be event mix.

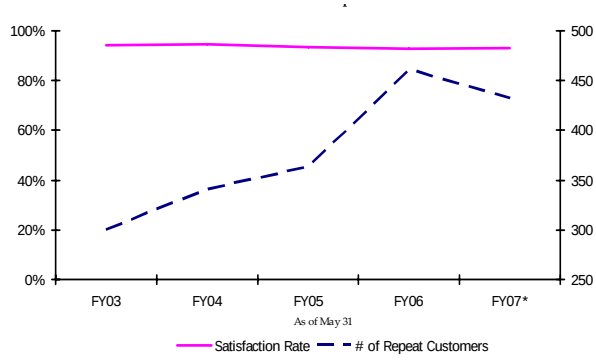
EXHIBIT 13 **OCC Attendance and Event Analysis**



SOURCE: Metro Auditor's Office, using OCC Event Analysis reports

Attendance does not necessarily follow the number of events. In the analysis above, a year with a lower number of events, FY05, shows the greatest amount of attendance and revenues. This suggests event mix is critical to OCC business.

EXHIBIT 14 **Comparison of Satisfaction Rates to Number of Repeat Customers**



SOURCE: Metro Auditor's Office, using OCC Event Analysis reports and Customer Satisfaction questionnaires

While customer satisfaction ratings have been down slightly the last few years, the number of repeat customers has risen dramatically. The number of repeat customers could be a result of the expansion of the facility and space availability. However, management may want to investigate further the drop in satisfaction ratings.

The measures noted in MERC's strategic plan do not show progress over time or compare actual to expected results and desired outcomes. That is not to say that MERC doesn't track a lot of data and review progress, they do. However, MERC could significantly improve its performance measurement system by incorporating more meaningful measures and presenting and reporting them in a more informative way.

Some key data missing or not tracked

Although MERC has available most of the measures used in the industry, we found a few areas that were not covered. MERC is not tracking indirect cost by event, overall facility maintenance and diversity results. Further, MERC has not updated data requirements from one of its primary contractors, Portland Oregon Visitors Association. As a result, MERC is unable to assess internal and contractor performance.

Indirect costs. Goal 3, Strategy 4, of MERC's new strategic plan suggests that MERC use profitability by event as a measure of its goal to expertly manage world class public assembly venues by optimizing operational efficiencies and effectiveness. Profitability measures will assist MERC in developing operational strategies meant to ensure some level of profitability. The ability to look at profitability on an event-basis will allow MERC to make more informed decisions on its event mix and help improve overall profitability.

MERC has not developed an indirect cost allocation method that can be used to determine profit by event more accurately. Revenues and direct costs are readily available to venues, but indirect costs associated with an event are not available. This is most likely because MERC has always focused on event revenues rather than event profitability. While MERC public venues provide a service to the region and not all activities associated with serving the public will be profitable, MERC's objective is to operate at its breakeven point, at a minimum. Knowing how much it costs to put on any given event is the primary tool for determining the optimal event mix.

Facility maintenance. In our 2006 audit of the maintenance of MERC facilities, we recommended that MERC establish and utilize an overall maintenance management system such as would be available to them in their EBMS system. MERC purchased a facility maintenance module along with several other EBMS system modules in 2005, but has not yet dedicated the resources to implement the maintenance module. OCC has never had an overall maintenance system for managing and tracking maintenance. OCC previously had a system that allowed most maintenance activities to be tracked, however, the vendor stopped supporting that system in 2003. Since that time, maintenance activities are tracked through several distinct and separate systems.

PCPA quit using its overall maintenance system about a year ago in anticipation of the EBMS facility maintenance module being implemented. However, since the new EBMS maintenance module is still to be implemented, PCPA recently began using their old system again to assist them in managing and tracking maintenance. And, while EXPO still tracks overall maintenance, it is in an antiquated pen and pencil, schedule board and calendar system.

As a result, some maintenance history has been lost. In addition, it is highly probable that some required and necessary preventive maintenance may be missed. This could result in more expensive corrective maintenance activities. One facility is even looking at purchasing an over-the-counter system as it "has just been too long since they had a system to track overall facility maintenance."

There are many benefits of a computerized, overall maintenance management system. They enable facility managers to track the status of maintenance work on their assets and the associated costs of that work. Systems can record work requirements, track the status of work, analyze the recorded data for managing the work, produce reports and help control costs. Facility maintenance systems can help optimize the use of scarce resources (manpower, equipment, material and funds). They can also assist maintenance managers with work planning, control, performance, evaluation and reporting as well as maintain historical information.

Using a computerized system to track such measures and compare them to industry standards would provide MERC with additional information regarding its competitiveness as well as relevant performance information for staff evaluation purposes. Automated systems can also help improve profitability.

Diversity results. MERC has an Affirmative Action Program, a program to ensure jobs are offered in the vicinity of the convention center, and rules regarding the use of minorities, women and emerging small businesses when purchasing products and services.

Although MERC (through Metro Human Resources Department) tracks and reports hiring results, it has not been tracking and reporting specifically on products and services purchased from minorities, women and emerging small businesses. In addition, the reports that MERC management does receive regarding hiring do not necessarily allow performance measurement. More often, they merely report actual results. For instance, affirmative action reports list whether MERC is currently over or under-utilized and by what percentage for specific job groups throughout MERC. However, they do not report trend data that would show progress towards eliminating any underutilization.

MERC has been without a purchasing manager for several years. As a result, MWESB data has not been tracked or progress reported. MERC recently hired a purchasing analyst to devote full time to purchasing and contracting.

MERC has also created fields in EBMS to identify vendor attributes such as minority, women, or emerging small business as well as hiring information. These efforts should assist MERC management in tracking diversity data. However, more effort will be needed to provide management with the knowledge they need to ensure a diverse operation.

Contractor performance information. Not only can performance measures be used by an organization to measure its own progress, but they can also be used to hold contractors accountable for work that is completed. MERC has two primary contractors: Aramark, who provides food services and Portland Oregon Visitors Association (POVA) who provides national marketing services. While we believe MERC is able to adequately monitor performance in the case of Aramark, MERC may not be receiving all of the information required by its contract with POVA.

MERC has had a contract with POVA for marketing and securing national business for the convention center for many years. POVA is to report on measures for sales, lead conversions, customer satisfaction, marketing/media return on investment and economic impact, all of which include a separate and distinct section for reporting minority marketing activities and measures. These measures provide a mechanism for MERC to evaluate POVA performance under the contract.

MERC and POVA entered into the current contract in October 2005. After reviewing POVA quarterly reports, we determined that MERC was not receiving all of the information required in its contract with POVA, specifically, data relating to lead conversions and revenues generated by POVA's subcontractor for minority services. POVA reported on the subcontractor results in prior contracts, as well as in FY05-FY06 and in the year-end June 2007 report, but did not report for two other quarters in 2007. As a result, MERC could not be sure it was receiving an adequate level of benefit from this contract. This could be a significant area of concern because a large portion, averaging $227,000 since 2000, of MERC's $2 million annual contract with POVA has gone to this subcontractor.

According to MERC and POVA representatives, in 2007 POVA and MERC informally agreed to change the contract requirements that, in effect, rendered the return-on-investment measure relating to revenue generated by the subcontractor for minority services unnecessary. According to POVA, the informal agreement eliminated the requirement that the subcontractor generate convention business for OCC and required that the contractor focus primarily on media placement activities. The agreement also resulted in a reduction in compensation by over $100,000 to $125,000 per year.

A formal change in work plan or a separate memorandum of understanding was not issued in relation to this change in scope of activities nor was the contract amended to allow POVA to delete reporting of the measures required by the contract from its quarterly report to MERC. We urge MERC to clarify the contract language and requirements.

Management reports need to be developed

While the EBMS implementation process has gone quite well for most everyday data processing activities, the ability to generate management reports has not been as successful. Sufficient resources have not been dedicated to the report development and facility maintenance module implementation processes, despite the fact that MERC has recently hired a report writing specialist.

EBMS reporting tools allow staff to produce management reports quickly, adding to staff efficiency, consistency of reported data, and individual access to reports. This efficiency, however, requires that the reports are built and available within the system. As of April 2007, MERC IT had 46 open EBMS related service tickets to develop reports and other items, of which 35 are identified as high or urgent priority. Some tickets date back to April of 2005.

There are three IT staff at MERC to provide IT support, including support for EBMS implementation. The IT supervisor does not believe the backlog can ever be fully cleared by him and his staff alone. In addition, EBMS utilizes a rather complicated reporting package called Crystal Reports. MERC upper management and IT specialists purport that this reporting system is too complicated for normal users to understand and that reports for management use must be developed by specialists. The consequence of this is that staff and management are manually generating and processing reports by exporting or retyping data into Excel or other processing software they do know how to use. These reports could be produced automatically through EBMS; thereby reducing staff time required to generate reports and reducing the risk of data-entry errors.

The backlog has also affected the implementation of the facility maintenance module. Currently, there is no estimated implementation date, assigned staff to lead or estimated number of hours to complete the task. As previously mentioned, not having an overall facility maintenance tracking and management system has become so problematic for one facility (with already four years of maintenance history lost), it is considering buying its own facility maintenance system. This is an ineffective use of resources considering MERC has already purchased the EBMS facility maintenance module.

RECOMMENDATIONS

1. **MERC should define and document the measurement process, including:**

   a) Responsibility for collecting and reporting performance information
   b) Information that should be reported
   c) Source of the data
   d) Reporting schedule
   e) Report format
   f) Audiences or recipients of the performance measurement information

2. **MERC should improve its performance measurement system by:**

   a) defining performance measures in its existing strategic plan to ensure measurability

   b) reviewing measures currently tracked and incorporate those considered most effective into its strategic plan

   c) developing additional effective performance measures as necessary for its new strategic plan

   d) adopting a set of measures that enables management to monitor all key business processes and look at progress organization-wide

   e) linking efforts to accomplishments so as to facilitate strategy review and provide a strategic feedback system

   f) developing an effective reporting format for key performance measures that will allow management to identify strategies that are not having the desired effect and illustrate unusual trends and results that might suggest significant issues for MERC

3. **As MERC develops its new personnel programs and practices, it should dedicate adequate resources to ensure high level strategic goals and strategies are translated into goals and measures appropriate to each individual employee.**

4. **In accordance with Goal 3, Strategy 4 of MERC's new strategic plan, MERC should develop an indirect cost allocation method that can be used to allocate indirect costs to events so that it can determine profit by event more accurately.**

5. **MERC should implement the EBMS facilities maintenance module.**
6. **MERC should begin tracking data regarding the use of minorities, women and emerging small businesses in its purchasing and contracting practices and require effective reports that show progress towards ensuring a diverse operation.**
7. **MERC should dedicate additional resources to report writing so that the EBMS system can be used more efficiently and effectively.**
8. **We recommend that MERC review the current performance measures and reporting requirements under the existing POVA contract for appropriateness and, if necessary, amend the contract or issue a formal memorandum of understanding regarding the scope of work to be provided by the subcontractor for minority services. MERC should also require that POVA supply all required performance information in its quarterly progress reports to MERC.**

Response to Audit

777 NE MLK JR BLVD PORTLAND, OREGON 97232 ? PO BOX 2746 PORTLAND, OREGON 97208
TEL 503 731 7800 ? FAX 503 731 7870
www.mercvenues.org

METROPOLITAN EXPOSITION RECREATION COMMISSION

RECOMMENDATIONS

1. **MERC should define and document the measurement process, including:**

   Who is responsible for collecting and reporting performance information.
   What information should be reported.
   Where the data should come from.
   When and how often performance measurement data should be reported.
   How measurement information is to be reported.
   To whom the performance measurement information should be reported.

MERC agrees wholeheartedly. In fact, MERC launched a project last year to collect a comprehensive list of performance measures and to research 'industry best practices'. We very much appreciate the extensive list of measures provided in this audit's appendix. Our challenge will be to select the best, most appropriate measures to implement from that list.

Over the last two years, MERC has invested substantial resources to acquire and implement Event Business Management Systems (EBMS), a fully integrated Enterprise Resource Planning system. EBMS collects and stores considerable data about our customers, facilities, events, and transactions including full accounting modules. Our first year was devoted to designing, configuring and implementing basic facility, calendar and event structure. Last year we focused on implementing and documenting transactions processing for accounts receivable, accounts payable, general ledger, basic financial reports and over 300 custom reports.

Now that our EBMS foundation is established, attention is shifting to business process refinement, elimination of older manual systems and output, including reports and performance measures.

2. **MERC should improve its performance measurement system by:**

   a) defining performance measures in its existing strategic plan to ensure measurability.
   b) reviewing measures currently tracked and incorporate those considered most effective into its strategic plan.
   c) developing additional effective performance measures as necessary for its new strategic plan.
   d) adopting a set of measures that enables management to monitor all key business processes and look at progress organization-wide

e) linking efforts to accomplishments so as to facilitate strategy review and provide a strategic feedback system.

f) developing an effective reporting format for key performance measures that will allow management to identify strategies that are not having the desired effect and illustrate unusual trends and results that might suggest significant issues for MERC.

January 2007 the Commission adopted a 5 year strategic plan with a suggested implementation plan including some performance goals. This process was condensed at that time in anticipation of the pending arrival of a new Chief Executive Officer in April. Efforts to date have strongly focused on Goal 2 for a Headquarter Hotel and Goal 1 for Commission development. In the next quarter of 2007, the strategic plan implementation will be reviewed and refined consistent with the expectations of the current leadership. Measures will be re-established and/or appropriately identified.

We are confident that EBMS is an excellent tool for generating useful performance measures. Other sources, of course, will be used for non-event and non-financial measures. In any case, MERC will evaluate the usefulness and quality of each measure so that we can focus attention on key measures that will help us run a better business. Measures will change behavior and results, so we will be vigilant to measures that may be mutually exclusive. For example, an event may not generate a profit for us but does provide high economic impact for the community or strong support for the arts. Anticipating those unexpected results will be critical to establishing effective performance measures.

3 As MERC develops its new personnel programs and practices, it should dedicate adequate resources to ensure high level strategic goals and strategies are translated into goals and measures appropriate to each individual employee.

Our objective is to encourage all employees to recognize how they contribute to achieving MERC's strategies. Last July, MERC adopted a new Merit Matrix compensation system. One aspect of the new system is to link job duties to the MERC strategic plan. Next June, one part of annual evaluations will compare employee's job performance to the MERC goals. Compliance with MERC's Values will be another component of each employee's overall performance evaluation.

4 In accordance with Goal 3, Strategy 4 of MERC's new strategic plan, MERC should develop an indirect cost allocation method that can be used to allocate indirect costs to events so that it can determine profit by event more accurately.

Our goal is to improve the profitability of events while continuing to meet our economic development goal. Therefore, our performance measure for events will be balanced by our performance measure for economic benefit generated for the community.

EBMS is capable of recording estimated direct costs for services provided to customers. In fact, this was an important consideration when this application was selected. Establishing and maintaining a direct cost system is a major effort. Prior to implementation, a cost-benefit analysis will be prepared. At this time, resources have not been identified for this project. Because of the impact on EBMS, this project will be submitted for consideration by the MERC Information Technology Steering (MITS) Committee. MITS allocates resource based on the benefits, cost and priority of all competing projects. This project has not yet been selected for implementation.

3 MERC should implement the facilities maintenance module as soon as possible.

EBMS has a module for facility maintenance. We will evaluate this module to determine whether it is a good solution to replace our numerous manual and excel spreadsheets. Prior to implementation, a full needs assessment will be conducted and the module compared to these requirements. This project was submitted for consideration by the MITS Committee. MITS allocates resources based on the benefits, cost and priority of all competing projects. This project has not yet been selected for implementation.

6. MERC should begin tracking data regarding the use of minorities, women and emerging small business in its purchasing and contracting practices and require effective reports that show progress towards ensuring a diverse operation.

MERC strongly supports this recommendation. EBMS does not lend itself to collecting or tracking data for tracking MWESB activity. Last year a 'work-around' method was devised. It has proven to be awkward to use and has not been an effective tool to meet this need. In May, MERC hired our first employee solely dedicated to purchasing and contracting. Tackling diverse purchasing, including reporting, is one project that she is addressing. If the best solution requires technology resources, this project will be submitted for consideration to the MITS.

7. MERC should dedicate additional resources to its report writing backlog so that the EBMS system can be used more efficiently and effectively.

MERC agrees in principle. We did add an information technology staff in January 2007. She has been able to make substantial progress on working down the backlog. Each quarter the MITS committee assesses our position. Before the next budget cycle we will consider the additional resources for technology based on a MITS recommendation.

8. We recommend that MERC review the current performance measures and reporting requirements under the existing POVA contract for appropriateness and, if necessary, amend the contract or issue a formal memorandum of understanding regarding the scope of work to be provided by the subcontractor for minority services. MERC should also require that POVA supply all required performance information in its quarterly progress reports to MERC.

MERC agrees with this recommendation. POVA will be presenting annual results for last year at the October commission meeting as well as revised goals for the current year including minority services.

Sincerely,

Kathy Taylor

Digitally signed by Kathy Taylor
DN: cn=Kathy Taylor, c=US, o=MERC, email=kathytaylor@mercvenues.org
Reason: I am the author of this document

Kathleen A Taylor
Chief Operating Officer
MERC

Date: 2007.09.21 12:04:01 -07'00'

Appendix A

Appendix A:

Industry Standard Performance Measures

Provided as a comprehensive list of potential measures

Activity	Performance Measure	Description
Marketing, Booking and Contracting		**Market the facility, manage reservation book and provide accurate contracts.**
1	Average marketing cost per performance	Average marketing, booking and contracting cost per performance.
2	% performances booked/actual performances held	Measure of ability to market, book and retain quality performances.
3	# of performances/possible # of performances	Output measure of possible performances and an outcome measure of actual/possible bookings.
4	Number of events booked	Output measure of events booked. Also used as a measure of workload.
5	Number of executed contracts	Output measure of executed contracts. Also used as a measure of workload.
6	% of contracts executed / events booked	Measure of ability to market, book and retain event customers.
7	Convention/exhibition hall occupancy	% of days during the year at least one room/hall is occupied. Also measures the success in marketing, booking and contracting events to maximize utilization.
8	Number of event days & events	Output measure of the possible number of event days.
9	Number of resident delegates	Measure of the ability to draw local residents to planned events & potential workload for staff.
10	Number of out-of-town delegates	Measure of the ability to draw out-of-area guests to planned events & potential workload.
11	Number of future tradeshows/conventions	Measure of coming workload for staff.
12	Marketing, booking & contracting cost/contract event	Measure of the average cost per event.
13	Average revenue generated per contract	Measure of average revenues per contract - useful for planning purposes.
14	Number of double bookings	Same space booked by more than one event concurrently.
15	Average marketing cost per delegate	Average marketing, booking and contracting cost per delegate for all events.
16	(Marketing, Booking and Contracting) Satisfaction rating	Measure of client satisfaction with marketing materials & booking and contract services.
17	Number of new revenue generating ideas	Measure used to generate creativity in marketing events.
18	Number of new classes of contacts or events	Measure of staff as drivers of innovation.
19	Number of new networking relationships	Measure of staff ability to develop cross-sector relationships.
20	Number of memberships in trade/professional orgs.	Measure of staff willingness to "know the industry" of potential conventions/shows.
21	Number of follow-up calls to potential customers	Measure of willingness to "stay close to the customer".
22	Salesman strike-rate	Measure of sales force ability to turn inquiries into customers.
23	Benchmarking analyses completed	Measure of competitiveness.
24	Advertising cost/ticket sales	Measure of effectiveness of advertising.
25	Patron renewal rates	Measure of how effective the program is in retaining the interest of patrons.
26	New patron acquisition	Measure of the Center's ability to attract new patrons based on the program.
27	Telemarketing conversion rate	Measure of effectiveness of telemarketing activities.
28	Direct mail response rate	Measure of the effectiveness of a direct mail campaign.
29	Website hits	Measure of interest in PCPA performances and usefulness of website.
30	Marketing and public relations cost/ticket sales	Measure of the effectiveness of the Center's branding ability (provider of top notch events).
31	Performer satisfaction rating	Measure of performers satisfaction with public relations, marketing materials & booking services.
32	Audience satisfaction rating	Measure of audience satisfaction with individual performance or performance program.
33	Number of future theatrical, concert or other arts performances	Measure of coming workload for staff.
POVA Contract		
34	Revenue generated by POVA sales	3 year (current plus 2 most recent) avg OCC Revenue (excluding hotel/motel tax) / Current year POVA contract.
35	Revenue generated by POVA Chicago	OCC rev generated by POVA Chicago / Chicago direct operating costs.
36	Revenue generated by POVA Minority Contractor	OCC rev generated by POVA Minority Subcontractor / Minority subcontractor direct operating costs.
37	Revenue generated by POVA DC	OCC rev generated by POVA DC / DC direct operating costs.
38	Future convention revenue generated by POVA sales	Est. future OCC rev generated by POVA / annual POVA Contract
39	Lead conversion of qualified convention leads	Leads converted to bookings for period / OCC leads as of prior FYE less lost leads due to OCC space or hotel pkg.
40	Leads during the quarter and year-to-date	Number of leads.
41	Lost leads due to space and availability	Number of lost leads during the quarter and year-to-date.
42	Lost leads due to hotel package and availability	Number of lost leads during the quarter and year-to-date.

Activity	Performance Measure	Description
43	(POVA Contract) Performance survey results	Quarterly survey results including the name of the group and performance rating.
44	Number of active OCC clients	Measure of convention sales productivity.
45	Number of site visits during the quarter and YTD	Measure of marketing activity.
46	List of pre-convention activities during the quarter	Of POVA convention service team.
47	# of attendance building material provided - Q & YTD	Measure of marketing activity.
48	Room nights booked by convention clients - Q & YTD	Measure of convention sales productivity.
49	Actual room nights purchased - Q & YTD	Measure of economic impact.
50	Media placement	Media placement value / Direct cost.
51	Media placement - Minority Subcontractor	Media placement value by minority subcontractor/ Minority Subcontractor Direct cost.
52	List of media placements for the quarter	Measure of marketing activity.
53	List of media placements for the quarter - Min Subcont	Measure of marketing activity.
54	Economic impact to the community	Est economic impact of future bookings recorded during the year / Annual POVA contract.
55	Economic impact to the community - Min Subcontractor	Est economic impact of future bookings recorded during the year / Minority subcontractor direct cost.
56	Narrative of economic impact results for the quarter	Including the name of the group and methodology.
57	Narrative of economic impact - Min subcontractor Q	Including the name of the group and methodology.
Event Planning		**Provide accurate and timely event pre-plan documents to support services and coordinate event-related services.**
58	Number of event pre-plans produced	Pre-plans represent client parameters for events - measure of staff efficiency & workload.
59	Facility revenue	Output measure to track revenues.
60	Revenue / dollar of event planning	Measure of the efficiency of organizational skills to keep planning, coordination and modification costs down. Costs should be lower than revenues from event.
61	(Event Planning) Satisfaction rate	Measure of how well the event was planned in accordance with client's specifications.
62	Process improvement initiatives	Measure of staff as drivers of innovation.
63	Number of positive reviews	Measure of quality of programs, caliber of artists.
64	Number of articles/letters regarding performances	Measure of community recognition & the Center's ability to expand the artistic discipline.
65	Program diversity (# of different types of programs)	Measure of Center's ability to educate the community through cultural programs
66	Number of communities served	Measure of Center's ability to educate and provide entertainment to a wide region of patrons.
67	Demographics of audience served	Provides information useful in planning types of performances to hold.
68	# of cross-discipline partnerships/collaborations	Measure of the Center's ability have a social impact on students, other artists, organizations, etc.
69	Total weeks of Broadway	Measure of ability to attract Broadway and provide quality programming.
70	Total commercial shows	Measure of ability to provide regular, diverse entertainment and education options to the public.
Parking Management		**Manage parking requirements (including security and traffic control) for events.**
71	Number of security incidents in convention center parking areas	Number of incidents reported.
72	Number of vehicles served	How many vehicles can be served by facility parking garages.
73	Parking cost/vehicle served	Measure of efficiency relating to parking costs per vehicle served.
74	Number of security incidents/vehicle served	Measure of effectiveness of security services.
75	Facility service satisfaction rating	Measure of satisfaction with facility, security at facility, and service of facility personnel.
76	Parking revenue	Output measure to track parking facility revenue.
77	Number of stalls maintained	Output measure to track parking structure facility workload.
Event Security		**Provide facility security, medical and event safety assistance.**
78	Number of security responses	Sum of all types of security responses.
79	Number of lost and found response incidents	Objective is to have all owners/parties reunited with personal belongings/other parties.
80	Number of medical response incidents	Measure helps management plan to staff events appropriately.
81	Number of criminal act response incidents	Measure helps management plan to staff events appropriately.
82	Number of other security response incidents	Measure helps management plan to staff events appropriately.
83	Event security direct labor costs/response	Measure of efficiency with which security staff handle responses.
84	Security services satisfaction rating	Measure of how satisfied clients are with security staff response and handling of the issue.

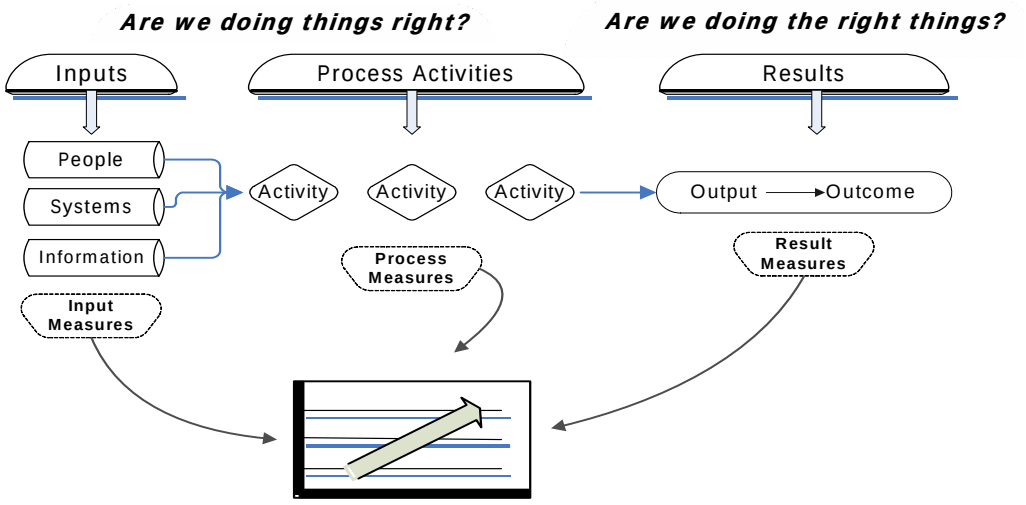
Activity	Performance Measure	Description
Facility Operations and Maintenance		**Provide preventive/emergency facility infrastructure maintenance and assist in utility service installation for customers.**
85	% of work orders completed	Measure of efficiency and effectiveness of staff in performing maintenance requests.
86	Facility square footage	Could be total, by room type (hall, ballroom, meeting room etc), or rentable space.
87	Operations and maintenance cost/sq. ft.	Measure of efficiency of maintenance staff.
88	Functionality of facility satisfaction rating	How well satisfied the client is with the facility space (halls rooms, A/C, audio, etc.)
89	Facility cleanliness rating	Measure of how satisfied client is with cleanliness of all areas of facility - not just event space.
90	Facility appearance rating	Measure of how satisfied client is with appearance of all areas of facility-not just event space.
91	Capital renovations	Measure of ability to upgrade facilities to make them competitive with other top-ranked facilities.
Event Set-Up/Cleaning		**Set-up (based on pre-plans), takedown and clean up each event.**
92	(Event Set-Up/Cleaning)Number of event pre-plans implemented	Output measure to track workload.
93	Event set-up and cleaning costs per dollar of revenue	Measure of how efficient and effective staff are in set-up, takedown, and clean-up activities.
94	Degree of flexibility	Measure of volume, specification and speed of delivery flexibility.
95	Room set-up and cleanliness satisfaction rating	Measure of how satisfied client is with set-up and cleanliness for their event.
96	(Event Set-up/Cleaning)Additional services sold	Measure used to generate creativity in marketing and reporting additional services performed.
97	Response time	
Exhibit Services		**Provide technical, telecommunication and utility services.**
98	Number of service order items provided	Measures the amount of demand for technical and utility services
99	Exhibit service revenue per dollar of cost	Measure of appropriateness of revenues received for services - ideally costs < revenues.
100	Exhibit service revenue	Total revenue generated by services.
101	Exhibit services refunds as a % of revenue	Measure of adequacy of services performed.
102	(Exhibit Services)Additional services sold	Measure used to generate creativity in marketing and reporting additional services performed.
103	Exhibit services satisfaction rating	Measure of client satisfaction with exhibit services performed by staff.
104	Budget for audio/visual improvements	Measure of the Center's commitment to providing top-notch, innovative audio/visual equipment.
Management		**Provide managerial support to departments**
105	Employee turnover rate	Measures the rate of employee separations during the reporting period.
106	Number of grievances/100 employees	Measure provides the ratio of grievances per 100 employees.
107	Sick leave hours used/1000 hours	Measure compares sick leave hours used for every 1000 hours scheduled (excludes vacant positions and overtime hours).
108	Management to staff ratio	Measure management workload and ability.
109	Number of memberships in community organizations	Measure of managements networking practices & they're impact as community ambassadors.
110	% attainment of goals and objectives	Measure of ability to set roles and responsibilities and develop strategies to attain goals.
Human Resources and Risk Management		**To provide assistance to the department in recruiting, hiring, compensating, and retaining as skilled, diversified and safe workforce.**
111	Lost time injury rate/100 fte employees	Measures the amount of time lost due to injury divided by the amount of time which could be worked by 100 employees (formula created by the National Safety Council - an industry norm).
112	Number of employee injuries	Measure provides management with information that can be used to develop safety measures to minimize on-the-job injuries.
113	Cost of personnel activity per budgeted fte	Measure compares cost of personnel on a per employee basis.
114	% overtime to total hours worked	Measure productiveness, efficiency, workload.
115	Total cost of personnel administration	Measure to track administrative services.
Information Technology Support		**Provide interconnectivity, hardware and software maintenance and support, and system planning, design, development and implementation for departments to produce and communicate information.**

Activity	Performance Measure	Description
116	Total number of workstations supported	Output measure to track workstations supported.
117	Support costs per workstation	Measures the cost per computer for upgrades and technical support.
118	% of problems resolved at time of call	Measure of the timely problem-solving capability of IT support staff.
Purchasing		**Technical and administrative services to ensure accurate, compliant contracts.**
119	Number of transactions	Measure provides management with the workload of the purchasing function.
120	Total dollar purchases (<$10k)	Measure tracks purchasing activity for small purchases.
121	Cost per transaction	Measures the cost of the purchasing workload.
122	% of purchases awarded to preferred vendors	Measures the use of preferred vendors.
123	Amount of unused food/beverage	Measure of inventory control.
124	Quality food (inventory) received on time	Measure of suppliers performance - quality and timely delivery.
Administration and Finance		
125	Total department budget	Total approved or amended budget - including all funding sources.
126	Annual operating expenses	Actual and trends in actual annual expenses.
127	Annual earned revenues	Actual and trends in actual annual revenues.
128	Economic impact of convention activity	Estimated economic impact - based on regional/national spending averages per attendee.
129	Average economic impact per event day	Measures the economic impact by event day - useful for planning future event impact.
130	Convention and tourism taxes generated	Measures revenues through hotel/motel taxes - potentially both area wide and OCC share.
131	Total delegate spending projections	Projects economic impact of event.
132	% of year-end delegate spending goals achieved	Measures effectiveness of event at generating positive economic impact.
133	Operating profit or loss	Measures ability to improve profit position.
134	Overall client evaluation rating	Measures overall satisfaction with facility and services received.
135	% of clients indicating they would book again	Measures client willingness to return + explanation as to why they would or would not return.
136	Center's ending fund balance	Measures the difference between revenues plus prior ending balance and expenses.
137	% of square foot utilized	Percentage of square foot utilized per square foot available.
138	Attendance at events	Measures actual and trends in actual attendance at events.
139	Average cost / event day (or event)	Measures overall and trends in avg cost per event day or event in total.
140	Additional services sold	Measure used to generate creativity in marketing and reporting additional services performed.
141	Gross profit by event	
142	Ticket sales	Measures interest in events, quality of events and sales trends.
143	Average revenue generated per performance	Measure of average revenues per contract - useful for planning purposes.
Food and Beverage Service		
144	Regularity of health inspections	Measure provides information on food service and personal hygiene.
145	Number of injury related accidents	Measure of the safety of the working environment.
146	Training costs/employee	Measure of the core competence of staff and the consistency of service.
147	% of purchases from approved vendors	Measure of quality of raw materials.
148	% of waste recycled	Measure of the effectiveness of the energy conservation and recycling program.
149	Commission due MERC (or fees due caterer)	Measure of profitability of caterer.
150	Food services satisfaction rating+D224	Measure of client satisfaction with food and services performed by staff.
151	Qualitative Incentive Rating	Measure of facilities assessment of services provided by Aramark.
152	Amount of unused food/beverage	Measure of inventory control.
153	Quality food (inventory) received on time	Measure of suppliers performance - quality and timely delivery.
154	% of purchases awarded to preferred vendors	Measures the use of preferred vendors.
Development and Advancement		**Provide adequate funding.**
155	Number of donors	Measure of trends in donor numbers.
156	Size of donations	Measure of Center's ability to fund programs/activities.
157	% of donors increasing donation levels	Measure of Center's ability to cultivate higher levels of donations & trend analyses.
158	Types of donors (corporate, individual, gov't, etc)	Measure of the breadth of donors.
159	Average donation per type of donor	Measure of the trend and effectiveness of marketing each donor type.
160	Donations received from special project fundraising	Measure of the effectiveness of the fundraising campaign.
161	Donations received from telefundraising	Measure of the trend and effectiveness of telefundraising activities.
162	Donations received through direct mail fundraising	Measure of the trend and effectiveness of direct-mail fundraising campaigns.

Appendix B

Appendix B:
Performance Measurement Models

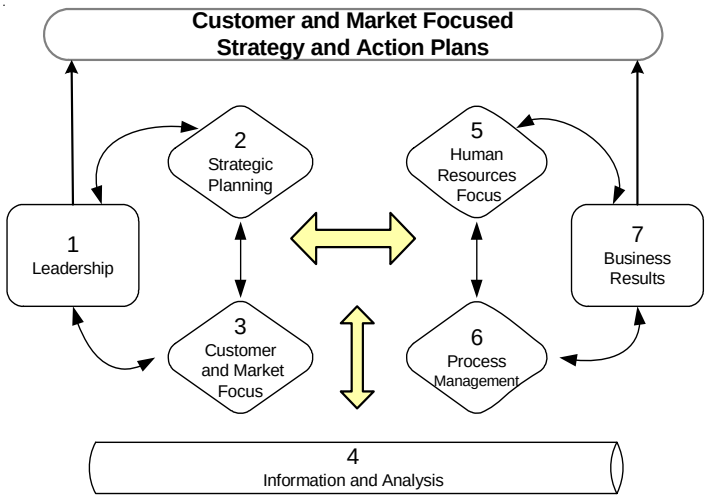
Critical Few Performance Measurement Model



SOURCE: Metro Auditor's Office adapted from The Performance-Based Management Handbook, September 2001.

The "Critical Few" model simplifies and distills a large number of performance measures across the organization into a few that drive strategic success. Monitoring too many measures, it is thought, can distract management from the measures most critical to the agency's success.

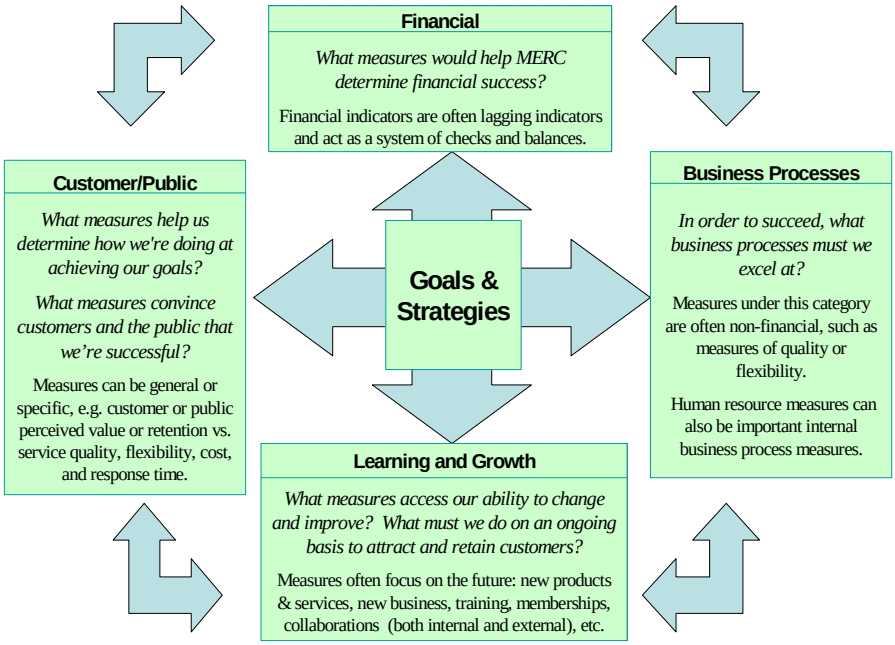
Malcolm Baldridge Quality Award Model



SOURCE: Metro Auditor's Office adapted from The Performance-Based Management Handbook, September 2001.

The Malcolm Baldrige model calls for a balance among customer satisfaction, employee satisfaction, and business results. It is designed to provide both a framework for developing an integrated performance measurement system and a roadmap for improved operations.

The Balanced Scorecard Approach To Performance Measurement



SOURCE: Metro Auditor's Office adapted from 'The Performanced-Based Management Handbook, September 2001

In a Harvard Business Review article by Robert S. Kaplan and David P. Norton, entitled *Using the Balanced Scorecard as a Strategic Management System,* the authors say that the balanced scorecard enables a company to align its management processes and focuses the entire organization on implementing long-term strategy. The article also suggests organizations are using the scorecard to:

- Clarify and update strategy
- Communicate strategy throughout the organization
- Align organizational and individual goals with strategy
- Link strategic objectives to long-term targets and annual budgets
- Identify and align strategic initiatives
- Conduct periodic performance reviews to learn about and improve strategy

Office of the Auditor
600 NE Grand Avenue
Portland, OR 97232
(503) 797-1892

Agenda Item Number 6.1

Consideration of Minutes for the October 25, 2007 Metro Council Regular Meeting.

Consent Agenda

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

Agenda Item Number 6.2

Resolution No. 07-3866, For the Purpose of Authorizing the Chief Operating Officer to Execute License Amendments to Extend the Term of Certain Non-System Licenses to December 31, 2008.

Consent Agenda

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO EXECUTE LICENSE AMENDMENTS TO EXTEND THE TERM OF CERTAIN NON-SYSTEM LICENSES TO DECEMBER 31, 2008	)))))	RESOLUTION NO. 07-3866 Introduced by Chief Operating Officer Michael J. Jordan, with the concurrence of Council President David Bragdon

WHEREAS, the Metro Council authorized the issuance of certain non-system licenses and thereby authorized the Licensees to deliver solid waste, including putrescible waste, to non-system facilities as set forth below; and

WHEREAS, the initial term of the non-system licenses was two years; and

WHEREAS, the current expiration date of the non-system licenses is December 31, 2007; and

WHEREAS, the Metro Council has authorized the issuance of four solid waste transfer station franchises that have expiration dates of December 31, 2008, and Metro Code Section 5.01.087 requires these four franchisees to submit renewal applications for Metro Council consideration and action no later than September 1, 2008; and

WHEREAS, approximately twice as much solid waste transfer capacity exists as is needed for the disposal of the region's solid waste; and

WHEREAS, the Metro Council is concerned with maintaining sufficient levels of tonnage to ensure efficient operations at all transfer stations, including publicly owned facilities; and

WHEREAS, it is in the public interest to ensure that the regional solid waste system operates efficiently; and

WHEREAS, the Solid Waste and Recycling Department is conducting the System Improvement Planning project, which will assess the future of putrescible waste allocation and which is scheduled for completion in early 2008; and

WHEREAS, amending the non-system licenses to extend them one year to December 31, 2008, will allow the Department to complete the System Improvement Planning project before the Metro Council considers renewal of certain non-system licenses and also will provide the Metro Council the opportunity to consider all four transfer station franchise renewal applications and certain non-system license applications concurrently in 2008; now therefore

BE IT RESOLVED that the Metro Council directs the Chief Operating Officer to execute license amendments to amend the following non-system licenses to extend the term of these licenses to December 31, 2008:

Name of Licensee	NSL Number	Tons Authorized in 2007	Non-System Facility Destination
1. American Sanitary Service	N-020-05	6,613	West Van Material Recovery Center and Central Transfer & Recycling Center.
2. Arrow Sanitary Service, Inc.	N-029-05	35,367	West Van Material Recovery Center and Central Transfer & Recycling Center.
3. B&J Garbage Company	N-118-05	5,000	Canby Transfer & Recycling Inc.
4. Crown Point Refuse & Recycling Inc.	N-108-05	324	Wasco County Landfill.
5. Epson Portland, Inc.	N-028-05	125	Covanta Waste to Energy Facility.
6. Forest Grove Transfer Station	N-010-05	160,000	Riverbend Landfill.
7. Gray & Company	N-011-06	1,000	Riverbend Landfill.
8. Pride Recycling Company	N-002-05	45,000	Riverbend Landfill.
9. West Linn Refuse & Recycling	N-119-05	9,000	Canby Transfer & Recycling Inc.
10. Willamette Resources, Inc.	N-005-05(3)	45,000	Coffin Butte Landfill.
Total putrescible waste tons allocated to NSLs for delivery to out of region facilities in 2007.		**307,429**	

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

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 07-3866 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO EXECUTE LICENSE AMENDMENTS TO EXTEND THE TERM OF CERTAIN NON-SYSTEM LICENSES TO DECEMBER 31, 2008

Date: October 9, 2007 Prepared by: Bill Metzler

SUMMARY

This report recommends that the Metro Council authorize the Chief Operating Officer to amend all putrescible waste non-system licenses that are set to expire on December 31, 2007 to extend them by one year to expire on December 31, 2008. This one-year extension is intended to assure completion of major projects regarding the future of Metro's solid waste system and is a companion to the moratorium on new transfer stations and new putrescible waste Non-System Licenses (NSLs) as set forth in Ordinance No. 07-1161 for the purpose of amending Metro Code Chapter 5.01 and 5.05 to extend moratoria on applications for new solid waste transfer stations and putrescible waste non-system licenses until December 31, 2008; and declaring an emergency.

The Metro Code Section 5.05.035 provides that applications for NSLs for putrescible waste shall be reviewed by the Chief Operating Officer and are subject to approval or denial by the Metro Council. The proposed term extensions for the NSLs will only change the expiration dates from December 31, 2007 to December 31, 2008.

There are 10 putrescible waste NSLs set to expire on December 31, 2007. They are as follows:

Name of Licensee	NSL Number	Tons Authorized in 2007	Destination
1. American Sanitary Service	N-020-05	6,613	West Van Material Recovery Center and Central Transfer & Recycling Center
2. Arrow Sanitary Service, Inc.	N-029-05	35,367	West Van Material Recovery Center and Central Transfer & Recycling Center
3. B&J Garbage Company	N-118-05	5,000	Canby Transfer & Recycling Inc.
4. Crown Point Refuse & Recycling Inc.	N-108-05	324	Wasco County Landfill
5. Epson Portland, Inc.	N-028-05	125	Covanta Waste to Energy Facility
6. Forest Grove Transfer Station	N-010-05	160,000	Riverbend Landfill
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8. Pride Recycling Company	N-002-05	45,000	Riverbend Landfill
9. West Linn Refuse & Recycling	N-119-05	9,000	Canby Transfer & Recycling Inc.
10. Willamette Resources, Inc.	N-005-05(3)	45,000	Coffin Butte Landfill
Total putrescible waste tons allocated to NSLs for delivery to out of region facilities in 2007.		**307,429**	

Metro is currently undertaking a new phase of the solid waste system improvement planning project that will re-examine the current methodology for allocating putrescible waste among solid waste facilities (public and private) that serve the region ("wet waste allocation project").

The Metro Council has requested a review of system issues, including: (a) allocating wet waste to facilities and haulers; (b) tonnage caps at all private transfer stations; and (c) authorizing new transfer facilities. The magnitude of this planning effort necessitates deferring consideration of new transfer station capacity and new putrescible waste NSLs until discussions with Metro Council on the wet waste allocation project have concluded.

Consequently, the Metro Council has expressed its desire to line up the transfer station franchises and putrescible waste non-system licenses to expire on December 31, 2008 allowing the Department to complete the system improvement planning project and providing the Metro Council with the opportunity to consider all transfer station application renewals and certain putrescible waste non-system license applications concurrently in 2008.

ANALYSIS/INFORMATION

In April 2004, Metro issued its *Regional Transfer Capacity Analysis* report that addressed the question of how much capacity the region's solid waste facilities have to accept and load waste for transport to disposal sites service the region. The analysis concluded that (a) the region's transfer capacity for wet waste currently exceeds the needed capacity by approximately 1.1 million tons per year; and (b) by 2015, the transfer stations that service the region will still have 841,000 tons of unused capacity.

1. **Known Opposition**. There is no known opposition.

2. **Legal Antecedents**. The Metro Code Chapter 5.05, Solid Waste Flow Control.

3. **Anticipated Effects**. Resolution No. 07-3866 will authorize the Chief Operating Officer to amend the terms of certain putrescible waste non-system licenses by one-year until December 31, 2008, when the associated wet-waste system issues are resolved during the wet waste allocation project.

4. **Budget Impacts**. There are no budget impacts.

RECOMMENDED ACTION

The Chief Operating Officer recommends approval of Resolution No. 07-3866.

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Agenda Item Number 7.1

Ordinance No. 07-1162, For the Purpose of Adopting the Regional Solid Waste Management Plan, 2007-2017 Update.

First Reading

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE REGIONAL SOLID WASTE MANAGEMENT PLAN, 2007-2017 UPDATE	))))))	ORDINANCE NO. 07-1162 Introduced by Chief Operating Officer Michael J. Jordan, with the concurrence of Council President David Bragdon

WHEREAS, the Regional Solid Waste Management Plan (RSWMP or Plan) is a ten-year plan for the region that Metro administers; and

WHEREAS, the 2007-2017 RSWMP replaces the 1995-2005 RSWMP; and

WHEREAS, the 2007-2017 RSWMP text retains parts of the 1995-2005 Plan, including many regional policies; and

WHEREAS, Metro Council approved the policies and program areas for waste reduction through its adoption of the 2006 Interim Waste Reduction Plan, which has now been incorporated into the RSWMP; and

WHEREAS, the Metro Council affirmed Metro's continued role in facility ownership in 2006 through the transfer station ownership study, and the RSWMP now reflects Metro Council's rationale for retaining the public facilities; and

WHEREAS, the public has indicated strong support for a more "green" solid waste system, and the RSWMP now has a chapter on increasing sustainable practices in solid waste operations; and

WHEREAS, the ordinance was submitted to the Chief Operating Officer for consideration and was forwarded to the Metro Council for approval; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The Regional Solid Waste Management Plan Update 2007-2017 as show in Exhibit A to this ordinance is adopted as the Waste Reduction Program required under ORS 459.055.

2. Metro Ordinance No. 95-624 adopting a Regional Solid Waste Management Plan and the following amendments 97-673 (Disaster Debris), 97-676 (Illegal Dumping), 97-700 (Housekeeping changes 1997), 98-761 (Housekeeping changes 1998), 00-851B (HHW Chapter), 00-865 (Disposal Facilities), 03-1004 (Waste Reduction) are hereby rescinded. (See attached Exhibit B).

The provisions of this ordinance shall become effective ninety (90) days after adoption by Metro Council.

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

Regional Solid Waste Management Plan

2007 - 2017 Update







METRO

Final Draft
October 2007

Metro

People places • open spaces

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region's economy.

Your Metro representatives
Metro Council President – David Bragdon
Metro Councilors
District 1, Rod Park
District 2, vacant
District 3, Carl Hosticka
District 4, Kathryn Harrington
District 5, Rex Burkholder
District 6, Robert Liberty
Auditor – Suzanne Flynn

Metro's web site
www.metro-region.org

Contents

Executive Summary 1

Chapter I, Introduction 3
A. Why a Regional Plan?
B. Plan Context
C. Scope of Plan
D. The Planning Process
E. Public Involvement

Chapter II, Current System 7
A. Introduction
B. The Regional Solid Waste System
C. Roles and Responsibilities in Solid Waste
D. Current Services, Practices and Programs
E. Current Facilities
F. Material Recovery and Disposal Trends
G. Current and Future Goals

Chapter III, Future Direction and Regional Policies 24
A. Introduction
B. RSWMP Vision
C. Regional Values
D. Regional Policies

Chapter IV, Program Areas 27
A. Introduction
B. Waste Reduction
C. Education Services
D. Hazardous Waste Management
E. Product Stewardship

Chapter V, Sustainable Operations 42
A. Introduction
B. Sustainability and the Solid Waste System

Chapter VI, Plan Implementation.....45
A. Overview
B. Roles
C. Annual Waste Reduction Work Plans
D. Sustainable Operations Workgroup
E. Plan Performance
F. Alternative Programs
G. Plan Compliance and Enforcement
H. Plan Revisions

Table 1. 2005 Recovery by generator source 10
Table 2. Top five haulers 12
Table 3. Transfer station throughput and estimated capacity. 14
Table 4. Landfill ownership and approximate reserve capacity. 17
Table 5. Composition of disposed waste. 21
Table 6. Recovery growth scenarios 22

Figure 1. Tons received at facilities.....14
Figure 2. Disposed and recycled amounts.....19
Figure 3. Historical disposal tonnages.....20
Figure 4. Waste disposed by generator source.....20
Figure 5. Amounts recovered by generator source.....20
Figure 6. Aggregate composition of disposed waste including residential, commercial, industrial and construction demolition.....21
Figure 7. Aggregate composition of disposed waste, in tons.....21

Map 1. Solid Waste Facilities Performing Material Recovery.....15
Map 2. In-Region Solid Waste Facilities 16
Map 3. Regional Landfills 18

Appendix A. Key Solid Waste Laws 48
Appendix B. Disaster Debris Management Plan.....50
Appendix C. Disposal System Planning.....62
Appendix D. System Improvements Workplan.....71
Appendix E. System and Non-System Facilities.....72
Appendix F. Process and Schedule for the Annual Work Plan.....74
Appendix G. Waste Reduction Programs Timetable 75
Appendix H. Local government compliance with state recycling requirements and the regional service standard.....76
Appendix I. Alternative programs - review and approval process 77
Appendix J. Guiding Direction 78
Appendix K. Glossary of terms.....82

Executive summary

This updated Regional Solid Waste Management Plan (RSWMP) provides the Portland metropolitan area with policy and program direction for the next decade (2007-2017). Implementation of the 13 goals and 68 objectives outlined in this Plan will enable the region to continue progress in reducing the amount and toxicity of waste generated and disposed, and will blaze new trails in advancing sustainable operations in the facilities and services of the solid waste system.

Key issues addressed in this updated Plan include:

- Reducing the amount and toxicity of waste generated and disposed
- Advancing sustainable practices throughout the region's solid waste operations
- Ensuring the disposal system continues to serve the best interests of the region.

Issues addressed in the plan

Resource conservation

This region is a national leader in successful waste reduction programs. Over the past 20 years, the waste reduction rate increased from 26% to 59%. Despite this achievement, many resources that can easily be recycled are still disposed. Enough waste from this region is landfilled each year to fill a football field 100 stories high. One-half of that disposed material is paper, wood, metal, glass, plastic and organics (food and yard waste) that could be recovered through existing programs. This Plan identifies more aggressive programs needed to achieve greater progress in material recovery.

Preventing waste from being generated in the first place is perhaps an even bigger challenge: The sum total of waste generated for recycling as well as disposal continues to increase. Between 1995 and 2005, regional population grew about 18%, or 239,000 new residents. Waste generation, however, grew by over 50%. With significant population growth and good economic times, the generation rate historically trends up due to increased commercial activity. The challenge is to instill greater awareness and implementation of effective waste prevention activities in the residential, commercial, and industrial sectors. This Plan continues many strategies intended to slow the rate of waste generation in the region and anticipates the implementation of new strategies, growing out of state recommendations, over the next 10 years.

Toxicity reduction

As with overall waste generation trends, volumes of household hazardous waste continue to climb, and only a portion of the total generated by households each year is separated and collected for recycling or safe disposal. This Plan will continue to guide sound management of household hazardous waste collected at facilities and events around the region. It also contains strategies to make more people aware of alternatives to hazardous products for homes and gardens, and to give them good reasons to use those alternatives.

Awareness that hazardous products are tossed into the waste stream have, in part, led to regional support for a more upstream-oriented approach to managing waste. Over the past decade, Europe and Canada have enacted "product stewardship" policies that require manufacturers to share responsibility for managing certain products at their end-of-life. The RSWMP update emphasizes the importance of making that policy shift here. Results from the region's advocacy for product stewardship policies could have significant payoff in reducing the waste handling burden on local governments, and arguably lead to reduced toxicity and increased recyclability in products manufactured for market.

Sustainable operations

Great strides in awareness and implementation of sustainability principles and practices have been made in the past decade, particularly in the Portland region.

This updated Plan provides groundbreaking sustainability guideposts for solid waste system operations. The solid waste system's operations are comprised of facilities, vehicles and people that collect, receive, process, transport, and recover or dispose of the region's waste stream.

At Metro's request, public and private sector stakeholders examined how sustainability principles could be applied to solid waste operations. Their recommended definition of sustainability, sustainability framework, and goals and objectives for sustainable operations are included in this Plan. These goals and objectives address air and water emissions, energy use, employee work life, and institutionalizing sustainability in solid waste system operations.

Disposal system decisions

A year-long analysis of transfer station ownership options was undertaken in conjunction with the development of this Plan. The main question addressed was whether the current system of public and private transfer station ownership should change.

After examining three different ownership models (all public, all private, public/private hybrid), Metro Council concluded that continuing the hybrid model, i.e., publicly-owned Metro Central and Metro South transfer stations and strategically placed private transfer facilities, is in the region's best interests.

This Plan's policies reflect that determination. Plan appendices indicate further areas of disposal system examination ahead for Metro, including waste allocation, public and private pricing, self-haul services and facility entry standards.

Metro's role in regional solid waste planning

Metro has the responsibility to conduct solid waste planning for the region through RSWMP, which serves as a regional framework for the coordination of solid waste programs and practices. Metro is accountable for state-mandated waste reduction goals in the tri-county region, and works with its local government and private sector partners to accomplish these goals. Local governments' solid waste and land use regulations are required to conform with the Plan (see Appendix A, Key Solid Waste Laws).

Plan performance

Historically, the regional waste reduction rate has been the primary benchmark of regional progress. This Plan continues an emphasis on that measure, but other means of assessing the solid waste system's performance (i.e., goals and objectives for sustainable operations) will be implemented and reported. In addition, the Plan is likely to be amended to incorporate a new set of numerical goals beyond the last benchmark year of 2009.

Annual work plans are the means by which Metro and local governments plan for the programs, projects and activities that implement the waste reduction elements of the Plan.

Regional work groups involving Metro, local governments, DEQ and the private sector will include a standing group engaged in implementation and reporting on sustainable operations goals, as well as short-term groups that meet to study regional problems and recommend policy or program options or changes. These work groups play an important role in ensuring realization of Plan goals. They may also assist in evaluating programs or recommending Plan revisions.

Moving forward

Twenty-five cities, three counties, Metro, the Oregon Department of Environmental Quality, private waste haulers, and private facility owners are all part of the solid waste system. The complex mix of public and private involvement in solid waste in our region makes cooperative planning essential. RSWMP provides a unified blueprint to ensure that the efforts of all parties are coordinated as key issues are addressed.

Hundreds of stakeholders participated in developing and shaping this RSWMP update through various venues and numerous discussions. Many of these stakeholders will also play valued roles in the Plan's implementation over the next 10 years. Collaborative efforts define the development and implementation of such plans for the region.

By implementing the direction in this updated Plan, the region will continue to provide national leadership in waste reduction, advance sustainable practices in system operations, ensure future changes in the solid waste system that serve the public interest, and move closer to achieving the Plan's vision of a system in which producers are an additional link in the responsibility chain, and all contribute to the sustainable use of natural resources.

Chapter I
Introduction

A. Why a regional plan?

The residents, businesses and institutions in the Metro region currently produce thousands of tons of solid waste every day. The question about what to do with this waste, now and in the future, creates the need for a plan such as this one. Furthermore, the daily movement of solid waste in the Metro area results in issues extending beyond individual jurisdictional boundaries, creating a need for coordination and cooperation in the development of a Regional Solid Waste Management Plan.

This Regional Solid Waste Management Plan (RSWMP, or the Plan) is a document that:

- Serves as a regional framework for the coordination of solid waste practices.
- Provides the region with a program of solid waste system improvements.
- Establishes regional solid waste goals and objectives, including an overall waste reduction goal and a plan to monitor progress toward the goals.
- Satisfies state law requiring the development of a waste reduction plan for the metropolitan area (ORS 459).

This updated Plan provides the metropolitan area with policy and program direction for the next decade. Twenty-five cities, three counties, Metro, the Oregon Department of Environmental Quality, private waste haulers and private facility owners are all part of the solid waste system. The complex mix of public and private involvement in solid waste in our region makes cooperative planning essential. RSWMP provides a unified blueprint to ensure that the efforts of all parties are coordinated as key issues are addressed.

B. Plan context

The imperative to conserve resources for future generations -- reducing the amount and toxicity of waste generated and disposed -- drives much of the Plan's direction. Growing awareness and implementation of sustainability principles and practices provides the impetus for advancing sustainable practices in operations throughout the region's solid waste system. Finally, the Plan update process was an opportune vehicle to examine potential improvements to the region's disposal system. It reflects Metro Council's decision, after extensive analysis and outreach, that the region's transfer system will remain a public/private hybrid.

C. Scope of the Plan

This Plan addresses municipal solid waste (MSW), including hazardous wastes from households and small businesses. It does not address hazardous wastes from large-quantity generators, biosolids (sewage sludge), nor special industrial wastes.

The region addressed by this Plan consists of the tri-county metropolitan region (Clackamas, Multnomah and Washington counties), including the cities, residents, businesses and operations therein. This Plan also includes programs and facilities that in some cases are located outside of the tri-county boundaries, that may impact activities inside of the tri-county area.

All of the programs, services and facilities related to solid waste management and disposal are addressed by this Plan, including waste reduction, transfer, disposal, and collection. Although Metro has no specific authority over collection activities, the other government participants (i.e., cities and, to a lesser extent, counties) do have such authority. Furthermore, collection services are a critically important part of the solid waste management system and cannot be ignored.

This Plan also incorporates the most recent Disaster Debris Plan (see Appendix B). Due to its unique needs and constraints, disaster debris was addressed through a supplemental planning effort. Disaster debris management will make use of the existing recycling and disposal systems in the Metro region as much as possible, hence the need to recognize it as part of RSWMP. A priority will be placed on using waste reduction methods (in particular, recycling and composting) for handling any disaster debris.

D. The planning process

The RSWMP Update Project officially began in October 2003 with assembly of the 13-member project team comprised of Metro staff. The consulting firms Green Solutions and Environmental Practices were hired a few months later to assist with the development of the updated Plan. Cogan Owens Cogan, LLC, was hired to assist with the project's public involvement activities.

Project staff conducted an assessment of the 1995-2005 RSWMP and identified research items to support the update of the Plan. Several work groups contributed to the goals and objectives in waste reduction program areas. Sustainability and its application to solid waste operations was addressed through a special committee. In addition, Metro led an effort to examine future ownership options for the regional transfer and disposal system.

The interim waste reduction plan

The RSWMP update was delayed until the questions about transfer station ownership options could be resolved. In the meantime, Metro Council approved an Interim Waste Reduction Plan (IWRP) to provide updated program direction for the region until the entire RSWMP document could be completed. Staff and stakeholder work on the IWRP concluded in April 2006. A 45-day public comment period began at that time. The revised IWRP was presented to the Metro Council for its approval in August 2006. That document has now been incorporated into this Plan (see Chapter 4).

Disposal system planning study

To ensure that adequate public services will be provided through the regional transfer station system in the next 10 years, Metro conducted a Disposal System Planning (DSP) Study (see Appendix C for more details). The primary purpose of the DSP Study was to answer the question: What is the best way to deliver safe, environmentally sound and cost-effective waste transfer and disposal services to the public and private users in this region? Of particular interest was determining whether the system could be improved by changing the current mix of public and private ownership of the region's transfer facilities.

Consultants CH2M Hill and EcoData were retained to conduct a detailed analysis of the region's solid waste disposal system and to assess how changing the ownership structure of system facilities would impact system function. The study consisted of five major elements, including: 1) documentation and consideration of stakeholder input; 2) analysis of the economics of the Metro solid waste system; 3) definition of system alternatives and identification of system objectives; 4) evaluation of the system alternatives for cost, risk, and meeting system objectives; and 5) legal analysis of system issues.

After a year-long analysis, Metro Council concluded that continued public ownership of Metro Central and Metro South transfer stations is in the region's best interests. The Plans' policies reflect that determination.

The appendices contain the executive summary of the transfer station ownership analysis. Also appended is a System Improvements Workplan, which details further areas to be examined in years ahead, including waste allocation, public and private pricing, self-haul services and facility entry standards (see Appendix D).

E. Public involvement

Public involvement activities

Metro staff prepared a multi-phase public involvement plan for the RSWMP. In the first phase, between February and April 2004, seven two-hour meetings were held with approximately 40 stakeholders to identify and narrow a list of regional issues. The purpose of the meetings was to give a cross-section of stakeholders (from the regional solid waste community and the general public) the opportunity to express particular interests and perceptions of the regional solid waste system, and help identify key planning issues to address in the updated RSWMP. The results of the meetings were presented in a report titled "Summary Report of Stakeholder Meetings, Phase One, April 2004."

Four key planning issues were identified for further discussion (below). The first three planning issues were a part of the broader public involvement process targeting the public at large (service users). The fourth evolved into the Disposal System Planning project, a

review of the future public role in the region's transfer and disposal system. These issues were:

- Garbage and Recycling Services. Is the public satisfied with current service levels? Will these services be adequate in the future?
- The Regional Waste Reduction Goal. The next waste reduction goal in state law is 64% in target year 2009. As of 2004, a 57% waste reduction rate has been achieved. How much more can we recover?
- Sustainability and the Solid Waste System. Regional solid waste system operations (e.g., transport and facilities) create environmental impacts through fuel, water and energy usage. Should we adopt sustainability principles that can guide solid waste practices? Should we go further and adopt zero-waste strategies?
- Disposal System Planning. The regional solid waste system consists of public and private service providers with government regulating collection and private facilities. What are the overall goals for the disposal system over the next 10 years? What services are needed, and who should provide the services?

"Let's Talk Trash"

The key planning issues led to Metro's second phase of public involvement activities, which took place between August and December 2004. During this phase, Metro hosted and facilitated "Let's Talk Trash" discussions with the public, made numerous presentations at neighborhood meetings, an area high school, and gathered input from the Metro Council and the Metro Solid Waste Advisory Committee (SWAC).

Project staff developed a discussion guide and questionnaire to help people understand the issues, examine alternative approaches, and discuss the implications and tradeoffs.

Overall, 88 people attended Metro's hosted or facilitated discussions and 151 people submitted comments using the online or printed questionnaire. During this period, Metro also recorded more than 1,300 visits to Metro's "Let's Talk Trash" web pages.

The results of the initial "Let's Talk Trash" activities were presented in a report to SWAC and Metro Council in December 2004. Key findings included:

- Garbage and Recycling Service. The current garbage and recycling system is adequate, but many participants felt that recycling rates could be increased and services should be expanded.
- Regional Waste Reduction Goal. Participants roundly agreed that businesses could do more to recycle; however, many felt the approach should first emphasize more education and incentives over regulation.
- Sustainability and the Solid Waste System. Many participants felt that home and business sustainability practices should be improved, and government agencies should lead by example.

The general conclusion of the public feedback was that the current system is good, but improvements in services and recycling are desired, with resource conservation as the guiding principle.

This phase of public involvement is documented in the report "Summary Report of Public Outreach, Phase Two December 2004."

"Let's Talk Trash" II: The interim waste reduction plan

A 45-day public comment period, "Let's Talk Trash II," began when staff and stakeholder work on the Interim Waste Reduction Plan (IWRP) concluded in April 2006. More than 400 individuals responded to an online survey about the IWRP and/or sent in written comments. In addition, respondents were asked to provide written comments describing if and how they would change the proposed strategies. Following are the major themes that emerged from the written comments:

- The focus should be on waste prevention.
- Access to recycling services should be improved.
- Awareness, education and outreach should be emphasized.
- Responsibility for the recycling of hazardous and difficult-to-recycle products should be shared by manufacturers, distributors and consumers.

Cogan Owens Cogan, Metro's public involvement consultant on the project, produced a report, "Waste Reduction Survey Results," which summarizes the major themes from comments received. Metro staff prepared a summary responding to the major themes identified and detailing revisions to be made to the IWRP based on public input. This phase of public involvement is documented in the report, "Interim Waste Reduction Plan Public Involvement Report, June 2006."

Final plan public involvement

In the summer of 2007 Metro conducted a final public comment period on the updated RSWMP. The Plan incorporated the Interim Waste Reduction Plan, which received extensive public comment before being approved by the Oregon Department of Environmental Quality and the Metro Council in 2006.

Opportunities to comment on the complete RSWMP were publicized through emails to an interested parties list, through advertisements placed in The Oregonian and in all newspapers within the Community Newspaper network. In addition, the public comment opportunity was noticed on Metro's website and in several Metro Councilor newsletters.

Prior to the Plan's release for the official public comment period, members of the Metro Solid Waste Advisory Committee (SWAC) were invited to provide final comments on the Plan.

During this final phase of public and stakeholder involvement, a total of 22 people (public and SWAC) commented on the Plan. Many comments supported a variety of changes to the Portland collection system rather than dealing specifically with RSWMP contents. Comments specific to the Plan did not present any majority views for changes.

Comments from the public and SWAC included:

- a desire to have more materials added to curbside recycling, especially plastics
- concerns about excessive and non-recyclable packaging
- support for changes to the curbside collection system
- suggestions that the Plan include other numerical goals beyond the 2009 waste reduction goal of 64%.
- questions about enforcement of the Plan
- suggestions that the sustainability focus of the Plan be strengthened
- support for the Plan's direction and focus on sustainability
- recognition of the Plan's importance in meeting state goals and statutes

Metro staff reviewed all comments and provided responses to those that had the most direct connection to the Plan. The staff responsiveness report and a link to the final draft of RSWMP were posted on Metro's website.

This phase of public involvement is summarized in the "Regional Solid Waste Management Plan Update: Final Phase of Public Involvement, September 2007."

All reports documenting public involvement activities are available by contacting Metro.

Chapter II
Current system

A. Introduction

This chapter provides an overview of current services, programs and system facilities, a summary of the results of waste reduction programs, an assessment of what more can be recovered from the waste stream, a projection of the region's likely performance in achieving the 64% waste reduction goal by 2009 and a look ahead to the development of long-term goals.

B. The regional solid waste system

The region's solid waste system can be viewed as a network of interrelated elements: collection, recycling and processing, transfer, transportation, disposal, and waste prevention activities. Each facility and service that handles waste generated in the Metro district is part of the solid waste system.

As the regional solid waste authority, Metro has the responsibility to ensure that all solid waste generated in the region is managed in a manner that protects public health and safety and safeguards the environment. To meet this responsibility, Metro has been granted broad authority under state law and its home-rule charter to regulate or operate solid waste disposal and recovery facilities. By state statute, the regulation of collection services is limited to cities and counties.

Metro has the responsibility to conduct solid waste planning for the region through the RSWMP. Local governments' solid waste regulations are required to conform with the Plan.

C. Roles and responsibilities in solid waste

Federal level

The Environmental Protection Agency sets design standards for landfills and establishes regulations for hazardous waste generated on a commercial level. The agency has excluded household hazardous waste and exempted some businesses that generate small quantities of hazardous waste from regulation.

State level

The Oregon Department of Environmental Quality (DEQ) has several roles in the solid waste system. The DEQ enforces solid waste statutes, including the mandated recovery goals, and measures recovery rates. The DEQ prepares and adopts a state solid waste management plan, approves local waste reduction plans, and also provides technical assistance and offers grants for waste reduction and other activities.

Regional level

Metro is responsible for solid waste planning and disposal in the region. As a part of these responsibilities, Metro develops and administers the RSWMP. Metro is accountable for state-mandated waste reduction goals in the tri-county region, and works with its local government and private sector partners to accomplish these goals. Metro provides funding assistance to local governments for waste reduction programs, and operates household hazardous waste prevention and collection programs in the region.

Metro oversees the operation of two Metro-owned regional transfer stations and administers contracts for the transport and disposal of that waste. Metro also oversees a system of franchises and licenses to regulate privately owned and operated solid waste facilities that accept waste from the region. Finally, Metro plays a role in closure and monitoring of several inactive landfills located in the region.

Local level

Cities and counties are responsible for designing and administering waste reduction programs for their jurisdictions. These activities must comply with state laws, including the Opportunity to Recycle Act, the Oregon Recycling Act and the RSWMP.

Local governments are also responsible for regulating and managing solid waste and recycling collection services within their jurisdictional boundaries (including setting franchise boundaries), and reviewing collection rates and service standards. Within the Metro region, private haulers that are permitted or franchised by their respective jurisdictions provide garbage and recycling collection services.

Private sector

The private sector has a wide variety of responsibilities that it has undertaken through its own efforts or through contracts and other agreements. Private

service providers are primarily involved in collection and facility operation, especially for waste collection and disposal, but are also critically important to the success of waste reduction programs. The implementation of waste reduction and other programs in the region relies heavily on collaboration between the public and private sector participants in the system. Private sector service providers are expected to continue to play a central role in helping the region progress toward a more sustainable future.

D. Current services, practices and programs

The solid waste system in the Metro region consists of a large integrated system of facilities, services, and programs. This section describes the regional services and programs for solid waste management. The public and private facilities involved in recycling and disposal of solid waste are described in Chapter II, E.

1. Waste prevention

Waste prevention is defined as actions taken or choices made to either reduce or prevent the generation of waste or toxic substances through the combined efforts of prevention, reuse, commercial and home onsite composting practices. Waste prevention is highest on the solid waste hierarchy because it has the greatest positive impact on natural resource and energy conservation. It also has the smallest burden on the solid waste management system, since preventing waste in the first place eliminates the need to manage it. Metro and the region's local governments have consistently emphasized waste prevention practices. Examples of the efforts currently underway are described below:

- Reuse and thrift organizations include Goodwill, Salvation Army and St. Vincent de Paul.
- Reuse businesses include A Teacher's Space, Cracked Pots, The School and Community Reuse Action Project (SCRAP), and Supply Our Schools in Clackamas County.
- Building material reuse stores include Hippo Hardware, Rejuvenation Inc., Habitat for Humanity ReStore, and The ReBuilding Center.

SCRAP
school & community reuse action project

Metro area businesses and residents may also utilize waste exchange opportunities on the IMEX network, Craig's List, Freecycle Portland and programs such as Free Geek, where used computers are reconditioned for reuse. Visitors to Metro's "Find a Recycler" web page are referred to thrift organizations and other reuse opportunities if it is determined that the materials they wish to recycle are reusable. The Metro website also features a charitable organizations reference page. During the holiday season, the region promotes waste prevention by distributing tips and by encouraging people to give an experience (such as museum membership or sports/ballet tickets) as a gift rather than a product. In 2005, the Metro recycling information center provided over 12,500 referrals to callers regarding waste prevention, reuse and composting practices and services.

Local governments augment ongoing regional outreach efforts by promoting waste prevention in local newspaper ads, city and county newsletters, cable access programs, and presentations to service clubs, the general public and the business community. Since 1996, all local government public outreach materials have emphasized waste prevention as well as recycling.

Home composting and grasscycling are promoted through workshops offered by Metro's Natural Gardening program and also through home and garden centers, local newspapers, and at neighborhood cleanups. Some local jurisdictions conduct composting workshops and augment those workshops with their own outreach and through independent presentations on composting with worms. Metro encourages home composting by offering reduced-cost bins to the region's residents. Discounted bins have been offered since 1994; as of 2006 over 94,000 bins have been sold.

A survey conducted in 2004 found that:

- 52% of all single-family households in the Metro region engaged in home composting.
- 68% of the respondents that purchased bins from 1994 through 2004 were still using them for composting.
- Residents that bought Metro compost bins diverted more than 10,000 tons of organics in 2003.

All businesses have access to in-depth waste prevention evaluations via Recycle at Work, a technical assistance program that examines waste prevention, buy-recycled and recycling practices for businesses upon request. These evaluations may include:

- An onsite walk-through of the business.
- Review of current waste management and recycling practices.
- Education on waste prevention and buying recycled.
- Literature and information on recycling and waste prevention resources, including information on services such as laser toner cartridge refilling, computer equipment salvage and reuse, and techniques including choosing reusable coffee mugs and renting over purchasing.
- Follow-up technical assistance.

Metro and local government youth education programs emphasize waste prevention. Free presentations

Recycle at Work
from Metro and your local governments
www.RecycleAtWork.com

and materials are offered to students and teachers throughout the wasteshed. Programs include classroom presentations and assemblies, summer day camp programs, curriculum resources for teachers, waste reduction education grants, and assistance with the Oregon Green Schools program. Metro also provides assistance for the annual Earth Day billboard contest promoting composting, recycling, natural gardening and waste prevention messages that target adult audiences throughout the Metro region through the use of children's artwork.

Metro provides annual matching grant funds and disposal vouchers to neighborhoods to offset the costs of annual cleanups, and waste prevention activities are strongly encouraged. Waste prevention activities include participation in the cleanup event by a thrift or reuse organization, promoting neighborhood "garage sales," junk mail reduction education, reusable canvas shopping bag distribution, backyard composting, grasscycling, wood chipping and local mulching, waste prevention workshops, natural gardening workshops, and other activities.

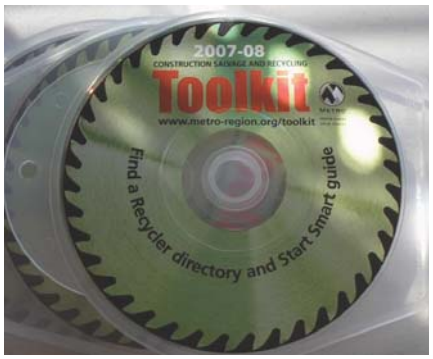
In 2004, Metro launched "Fork it Over!," a food donation outreach campaign targeted at food-generating businesses in the region. The goal of this program is to encourage businesses to donate surplus food that has not been served to their customers. Local government Recycle at Work staff provide technical assistance linking food businesses with food rescue agencies. An interactive web tool on Metro's website assists donors in finding the closest food rescue organization.

FORK it OVER!
TO REDUCE HUNGER & WASTE

Metro's transfer stations have implemented a reuse program that enables customers to drop off reusable materials for collection by The ReBuilding Center and St. Vincent de Paul. In addition, Metro's household hazardous waste facilities offer free reusable household cleaning materials and chemicals to non-profit organizations for reuse through the Pass It On program. In 2006, this program diverted 154,620 pounds of materials from entering the disposal system.

Metro has provided waste reduction grants that support reuse organizations such as The ReBuilding Center, Habitat for Humanity, School and Community Reuse Action Project (SCRAP), North Portland Tool Library, and various food rescue agencies. Metro and three local jurisdictions also provide funding to support the Master Recycler waste prevention, reuse and recycling training program. Master Recycler volunteers are utilized at a variety of public outreach opportunities.

Private reuse efforts include the building industry's support for increasing the capacity of local firms to handle used building materials. A survey of regional activity in deconstruction and used building material retailers reported that more than 10,000 tons of materials were salvaged for reuse in 2005. Metro's work in this area has emphasized partnerships with building industry associations to increase awareness of waste prevention practices within the industry. Metro has distributed 25,000 copies of the construction industry recycling Toolkit, which lists facilities accepting construction and demolition (C&D) materials for reuse.



2. Residential recycling

Residential garbage and recycling service is franchised in most jurisdictions in the region. Each city is responsible for its own franchising system, while the counties administer franchises in unincorporated areas.

Within the Metro region, weekly curbside collection of recyclables occurs on the same day as garbage service. This approach has been shown to help increase participation in curbside recycling. Curbside collection is responsible for a significant amount of the regional tons recovered. In 2005, residential curbside systems in the region recovered 217,047 tons of materials. This is about 16% of the total materials recovered from all sources in the region (see Table 1).

Recycling services for residents living in multi-family apartments contributed another 13,897 tons of recovered materials in 2005 (see Table 1).

A number of activities within the region support and promote residential curbside programs. Local governments regularly inform residents about proper preparation of recyclable materials and other collection issues through newsletters, mailers and other methods. Residents can also receive the most current information regarding services by calling their haulers, local government and Metro's Recycling Information Center.

The success of the region's curbside (residential) programs is due to many factors: collecting recycling the same day as garbage, providing recycling containers to all residents, frequent education messages, and volume-based pricing for garbage.

On the market side, the region is fortunate to have extensive local markets for most of the collected materials. Local markets make recycling more cost-effective because transportation costs are kept low.

The combination of comprehensive curbside collection programs and good markets have combined to allow residents to recycle nearly 50% of their waste stream.

3. Commercial recycling

Commercial garbage and recycling service is franchised in all jurisdictions in the Metro region except for the City of Portland. Within the region, there are also independent recyclers that specialize in collecting various materials.

Under state recycling opportunity requirements, haulers are required to provide recycling services to businesses that want to recycle, but businesses are not required to recycle except in the City of Portland, which requires businesses to recycle at least 50% of their waste.

The commercial sector is the largest source of recovered material in the region. In 2005, 865,562 tons of source-separated recyclables were collected from businesses, which was 62% of the total materials recovered throughout the region (see Table 1).

Commercial recycling is promoted through business recognition programs, an online interactive recycled product database, and a regional campaign to provide deskside paper recycling collection boxes. There is also a regional business assistance program designed to provide onsite personalized technical assistance for waste reduction practices, including waste prevention, recycling and buying recycled products.

Table 1
2005 Recovery by generator source

Program	2005 Tons	Percent
Commercial organics	4,821	0.3%
C&D onsite	167,675	12.0%
C&D post-collection	98,591	7.0%
Commercial, paper and containers	296,667	21.2%
Commercial, other	568,895	40.6%
Multi-family	13,897	1.0%
Residential	217,047	15.5%
Other[1]	33,816	2.4%
Total recovery	**1,401,409**	**100.0%**

[1]Bottle bill and depot/dropoff.

C&D = Construction and demolition debris.

Regional efforts to recover commercially generated organics (food waste) have targeted edible food for donation to local agencies, and the diversion of non-edible food to composting operations. For edible food, the program aims to increase the levels of donations

as well as increase the capacity of the agencies to take donations. In 2004, local agencies recovered 16,000 tons of edible food, an increase of 1,800 tons from the previous year. For non-edible food, the program aims to increase the organics processing infrastructure available to businesses within the region. Metro, the City of Portland and the private sector have worked on a number of projects that have expanded food waste recovery from 4,400 tons in 2000 to 9,587 tons in 2006.

4. Residential and commercial waste collection

Garbage and recycling collection services in the Metro region are provided solely by private companies. Local jurisdictions handle collection differently; however, no jurisdiction in the region requires residents to subscribe to collection services (although some require landlords to provide refuse collection for residential rental units).

Washington County: Garbage service for both residential and commercial customers is franchised throughout Washington County, except in the City of Banks. There are currently 14 haulers that serve Washington County. Ten of the cities in Washington County are responsible for their hauler franchising, while the county administers franchises in unincorporated areas.

Clackamas County: Garbage service for both residential and commercial customers is franchised throughout Clackamas County. There are currently 15 haulers that serve Clackamas County. The 12 cities of the county that are within the Metro boundary are responsible for their own hauler franchising, while the county administers the franchises in unincorporated areas.

Multnomah County: Residential garbage service in Multnomah County is franchised; there are currently 47 haulers that provide residential and commercial garbage collection services in the county. Unlike the other two counties in the region, Multnomah County does not regulate waste haulers in unincorporated areas. Except in the areas that fall into the service boundary of an adjoining city, collection in rural Multnomah County is unregulated.

Portland's commercial system is not franchised. It allows commercial customers to choose among haulers permitted by the city and negotiate rates for service. In addition to those haulers, there are six entities in the City of Portland that haul their own waste and are licensed as commercial haulers, e.g., the Housing Authority of Portland and American Property Management. These firms do not provide services to others.

The solid waste collection industry has undergone significant changes since 1995. At the beginning of 1995, approximately 107 licensed or franchised haulers served the region and most were locally owned. The only nationally owned hauling company controlled slightly less than 6% of the market. The five largest regional haulers controlled about one-third of the market.

In 2006, there were only 62 hauling companies serving the region. This reduction in the number of haulers is the result of more national waste companies entering the market and a wave of acquisitions by these companies. The five largest hauling companies now control over 60% of the market (twice as much as 11 years ago), with the largest nationally owned hauler controlling almost one-third of the market.

The five largest regional haulers and their tonnage are shown in Table 2. (Although one of the names remains the same, a new firm actually purchased that corporation and assumed its name.)

In addition to the consolidation of smaller haulers into larger firms, the hauling industry has changed significantly in terms of the range of activities. In 1995, none of the region's haulers were fully vertically integrated (i.e., owned all of the components necessary to collect, transfer, and dispose of waste). Most of the haulers in the region depended on two publicly owned transfer stations and one privately owned facility to handle the waste they collected.

Table 2
Top Five Haulers

Calendar Year 1995	Tons	Share
MDC	137,239	15.60%
Waste Management	62,082	7.00%
Keller Drop Box Inc.	36,298	4.10%
Oregon City Garbage Co.	33,050	3.70%
Hillsboro Garbage Co.	30,261	3.40%
Total	298,930	33.90%
All Other Haulers	583,144	66.10%
Total Delivered by Haulers	**882,074**	**100%**
Calendar Year 2006		
Waste Management	295,870	28.90%
Allied	145,673	14.20%
AGG Enterprises	61,141	6.00%
Waste Connections	55,661	5.40%
Pride Disposal	49,944	4.90%
Total	608,289	59.40%
All Other Haulers	416,149	40.60%
Total Delivered by Haulers	**1,024,438**	**100%**

Today, three of the region's largest hauling companies are fully vertically integrated, providing collection, transfer, processing, and disposal services. One of the two locally owned haulers in the top five is partially vertically integrated in that both collection and transfer services are provided. Full vertical integration of waste companies is a more recent occurrence in this region and has resulted in significant changes in how waste is handled.

5. Self-haul

Although most of the solid waste in the region is taken to disposal facilities by licensed or franchised commercial haulers, there is a substantial amount of waste hauled by individual residents or businesses. Approximately 20% of solid waste disposed in the region is hauled to a solid waste facility by the generator of that waste ("self-haul"). Self-haul loads are typically smaller in volume and weight than loads disposed by garbage haulers. It is estimated that 70% of loads taken to solid waste facilities in the region are self-haul loads. An estimated 50% of the waste generated by the building and renovation industry is self-hauled by building contractors to disposal or processing facilities. As a result, the number of vehicles and the amount of infrastructure required to serve self-haul customers is disproportionately large relative to the tonnage handled.

6. Hazardous waste management

Collection services for household hazardous waste have been offered by Metro since the mid-1980s. Services began with occasional collection events and have grown to include permanent facilities at Metro's two transfer stations and community-based collection events around the region. In 2006, 44,188 customers used the permanent facilities and 12,265 attended the community events.

The collection events are held nearly every weekend between mid-March and mid-November. These events are distributed throughout the region to provide a convenient disposal option for residents who are more distant from the permanent sites.

Many small and large business generators contract with private companies that provide hazardous waste management services in the region. Metro (in partnership with DEQ) also collects hazardous waste

from businesses, known as conditionally exempt generators (CEGs), that generate small amounts. In 2006, Metro served more than 625 CEGs.

7. Education

Adult and school education programs play an important role instilling waste reduction practices within the region. School districts, local governments, Metro, the State of Oregon, waste hauling and recycling companies cooperate in efforts to provide education services for waste prevention, recycling, composting and household hazardous waste. The Oregon Green Schools program is a good example of this cooperative effort. Metro also provides a number of services to local schools including curriculum materials, classroom presentations and technical assistance.

Education on reducing the toxicity of the waste stream has become a central concern for the region in the last several years. As households learn about the need to reduce the quantity of hazardous products put into the trash, Metro's household hazardous waste program continues to grow. Finding techniques to get residents of the region to change their habits when it comes to buying, using and disposing of hazardous products has become a priority. Programs within the region (such as Natural Gardening) provide residents with practical alternatives to the use of hazardous products.

Focusing on health and local environmental impacts is an additional technique for motivating behavior change. Within the region, partnerships between local governments, Metro, the State of Oregon and other agencies (such as the Regional Coalition for Clean Rivers and Streams) have engaged in education efforts to reduce the use of lawn chemicals.

8. Illegal dumping

Metro coordinates the investigation and cleanup of illegal dump sites in the region. As part of this process, Metro investigates potential major violators and, when necessary, takes enforcement action including assessment of monetary penalties.

If a dump site is on public property, a corrections crew is dispatched to clean up the site. A corrections crew consists of a team of low-risk inmates supervised by a Multnomah County corrections officer (on contract to Metro). As sites are cleaned up, an investigation is initiated to attempt to identify the generators of the waste.

Depending on the amount of waste dumped and the history of the offender, Multnomah County detectives may issue civil citations for fines ranging from $150 to $500. Citations may be contested to the Metro contract hearings officer in a formal hearing. Anyone who fails to respond to a citation, either by paying the citation or by requesting a hearing, automatically receives a case review by the hearings officer, who renders a decision in the case and issues a formal order, a copy of which is mailed to the person cited. If the citation is upheld and the fine remains unpaid, the judgment goes to collections.

E. Current facilities

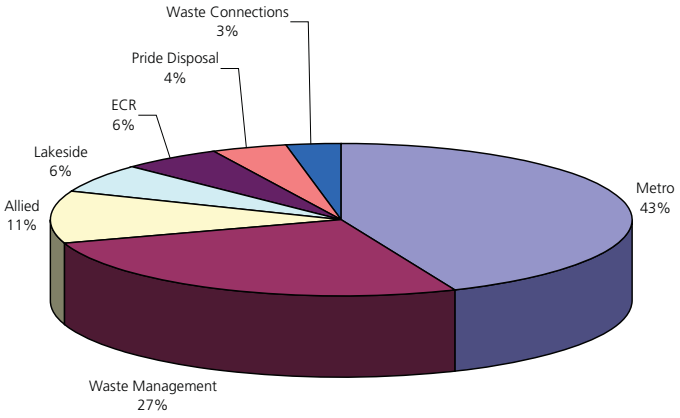
1. Facilities overview

A number of facilities make up the region's solid waste system. Some handle mixed waste, while the others act as processors for specific kinds of materials that can be recycled or composted. The purpose of this system is to process, recover and dispose of all the waste that the region produces in the most efficient, economical and environmentally sound manner possible.

Most solid waste facilities are privately owned, but Metro South and Metro Central transfer stations are both publicly owned. The opportunity for private entry and innovation in the system has helped to create a diverse array of facilities that can respond to rapidly changing technologies, fluctuating market conditions, and local conditions and needs.

The volume of waste handled by private facilities has increased significantly during the past 10 years. In 1995, the region's two publicly owned facilities handled slightly over 70% of the waste delivered to facilities in the region. By 2005, the share of the waste stream delivered to publicly owned facilities had declined to 43% (see Figure 1).

Figure 1
Tons Received at Facilities



2. Recycling/Recovery

The Metro region is currently served by 15 facilities conducting material recovery from dry waste of varying types (see Map 1). Eleven of these facilities are permitted to take nonputrescible ("dry") waste; the other four are licensed to accept a more limited range of materials. Two of those four facilities are limited to accepting wood, yard debris, and roofing; the other two facilities handle tires exclusively. Six of the facilities are hybrid facilities that also perform other functions, including four that are local transfer stations and two that are publicly owned/privately-operated regional transfer stations.

There are also eight "clean" MRFs in or near the region that exclusively receive and process source-separated residential curbside and business recyclable materials.

3. Composting

There are seven yard debris composting facilities located within the region. All but one of these facilities are privately owned and operated. The publicly owned facility handles only leaf debris collected by City of Portland maintenance crews. The region is also served by a composting facility located in Washington State that is authorized to accept post-consumer food waste.

4. Waste transfer

The seven transfer stations located within Metro's boundaries (see Map 2) consolidate loads of solid waste for transfer to landfills. Three of these facilities, Metro Central, Metro South and the Forest Grove Transfer Station, are regional transfer stations that can accept unlimited amounts of putrescible (or "wet ") waste and dry waste. Metro's two transfer stations are publicly owned; the Forest Grove facility is privately owned.

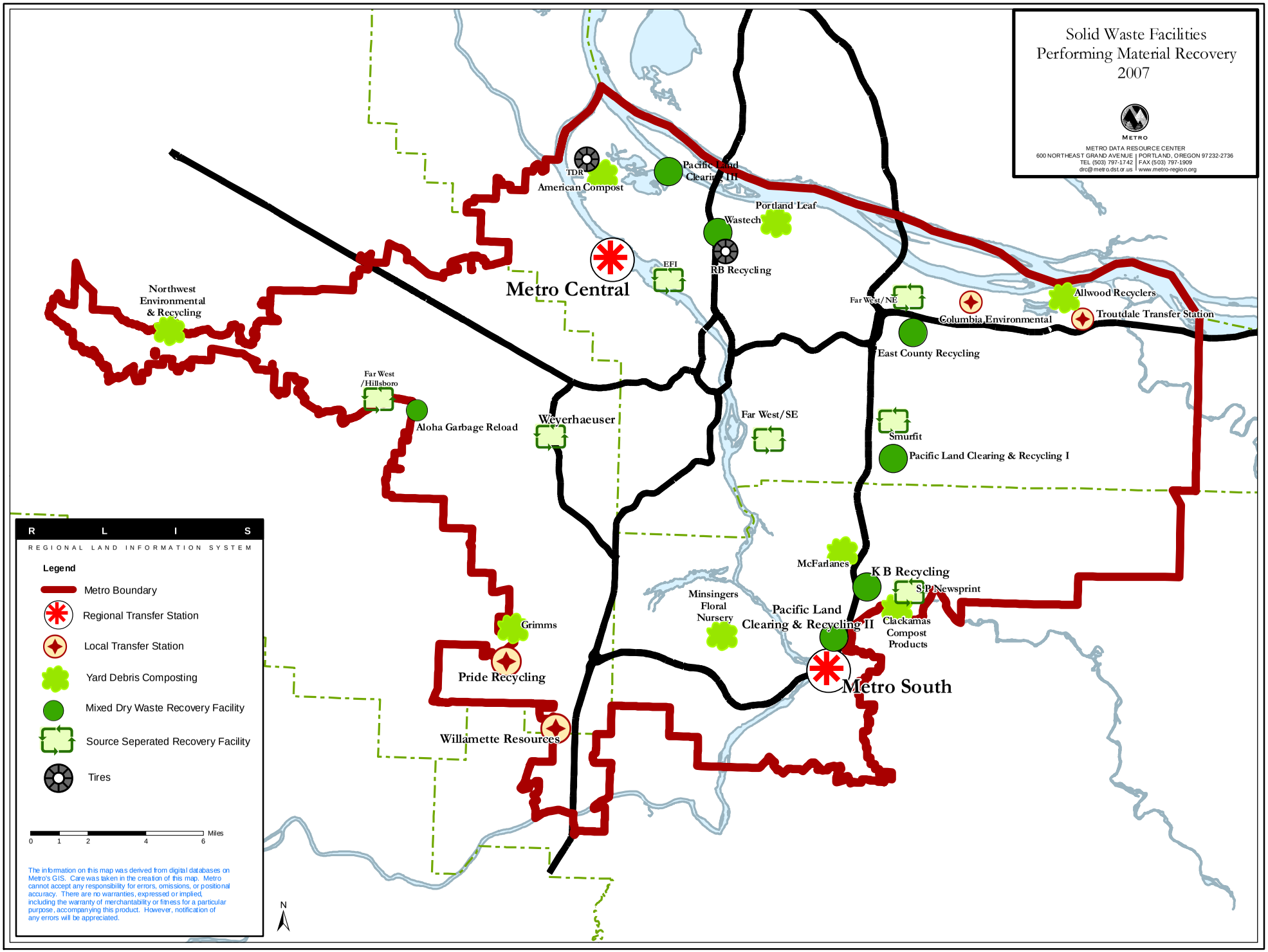
The four other transfer facilities, Columbia Environmental, Pride Recycling, Troutdale Transfer Station and Willamette Resources, are franchised to serve localized needs, and as such are authorized by Metro to accept only limited amounts of "wet" waste per year (but are allowed to accept unlimited amounts of "dry" waste). These local transfer stations are privately owned by companies that also provide collection services.

The region's seven transfer stations have an estimated transfer capacity of approximately 2.06 million tons/year. During 2006, these facilities accepted 1.05 million tons of waste. The estimated capacity of each facility and the tonnage received during 2006 is shown in Table 3.

Table 3
Transfer station throughput and estimated capacity, 1,000s tons/year

	2005 Throughput	Transfer Capacity
Public facilities		
Metro Central	324	624
Metro South	280	560
Private facilities		
Forest Grove*	170	135
Pride Disposal	56	234
Troutdale	82	312
Willamette Resources	140	196
Columbia Environmental**	0	unknown
Total	**1,052**	**2,061**

*Approximately 26,500 tons of solid waste are delivered to the Forest Grove transfer station in transfer vehicles and do not utilize transfer station capacity. The capacity shown is a nominal capacity based on the average load size in the region.
**Columbia Environmental is not yet operational.



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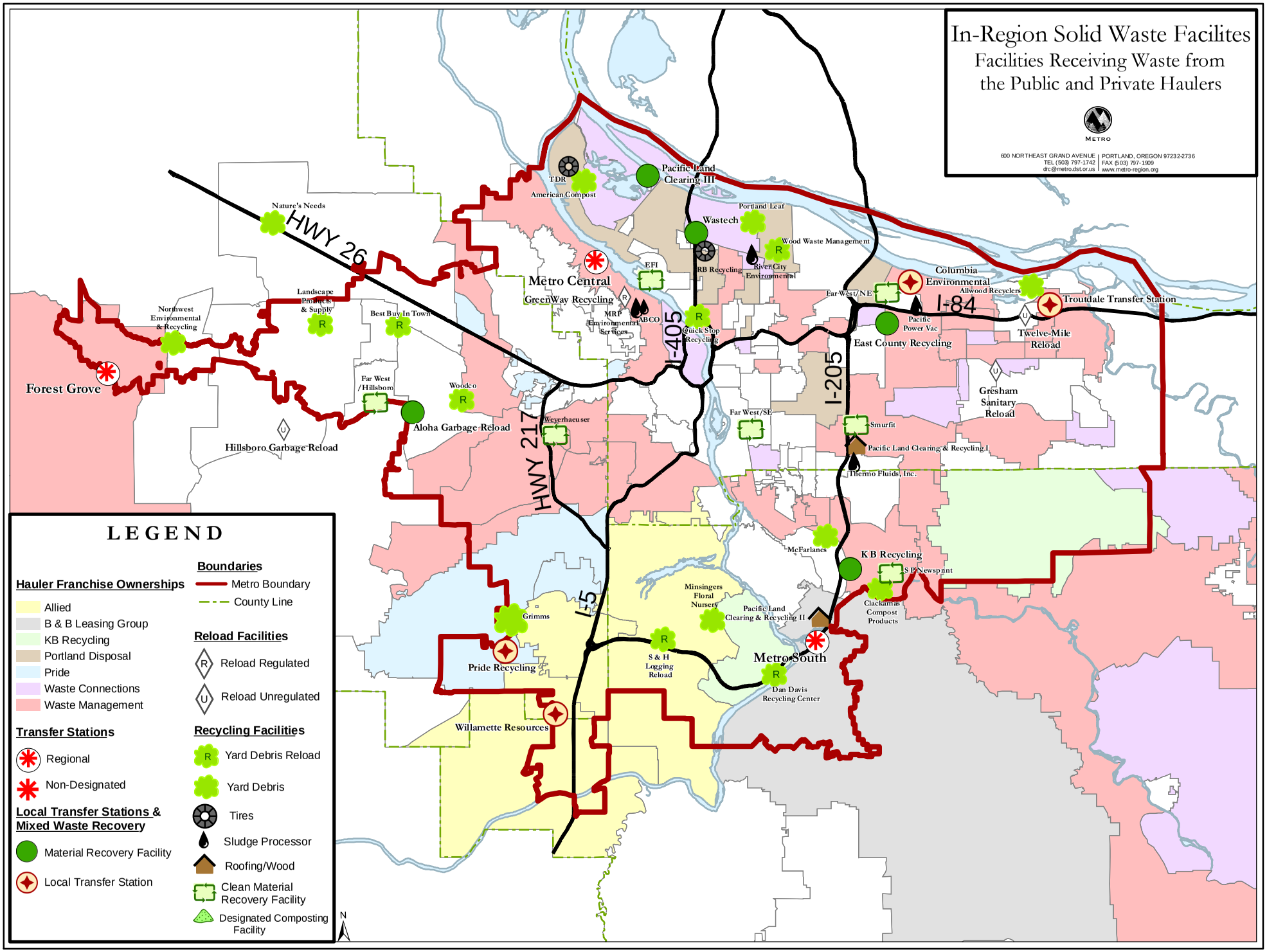
Please recycle with mixed paper



A small portion of the region's waste is delivered to non-system transfer facilities located outside the region's boundary. Haulers are permitted to use these facilities under the terms of non-system licenses issued by Metro. Although there are five transfer facilities in the areas adjacent to the region, only two facilities, the West Van Material Recovery Center and Central Transfer and Recycling Center in Vancouver, Washington, receive appreciable amounts of waste from the region. A vertically integrated company providing collection services within the region owns both of these facilities.

5. Waste disposal

The region's system of transfer stations was developed to meet the need to consolidate smaller loads from collection routes into significantly larger loads that could be economically hauled the relatively long distances to general-purpose landfills serving the region.

During 2006, about 1.08 million tons of solid waste were transported to one of these far-off facilities. Approximately 1.04 million tons were hauled by truck; the other 41,000 tons were hauled to Vancouver, Washington in collection vehicles and then transported by barge to a landfill in eastern Oregon. The Metro region is unique in that it has access to three modes of transportation: truck, rail and barge – for transporting waste to disposal. None of the region's putrescible waste is currently transported by rail.

Eight landfills serving the region have entered into Designated Facility Agreements (DFA) with Metro and are considered a part of the region's solid waste system. Riverbend Landfill has not entered into a DFA, and therefore, customers from the region need a non-system license to use the facility. It is also the nearest landfill authorized to accept municipal solid waste containing putrescible matter (about 40 miles from the center of the region). The shortest "long hauls" are about 30 miles from transfer facilities near the southern boundary of the region; other waste is hauled in excess of 150 miles to a disposal site (see Map 3).

The Hillsboro and Lakeside landfills are located immediately outside the Metro boundary. These are limited-purpose landfills that are permitted by DEQ to only take dry waste and some special wastes.

6. Facility regulation

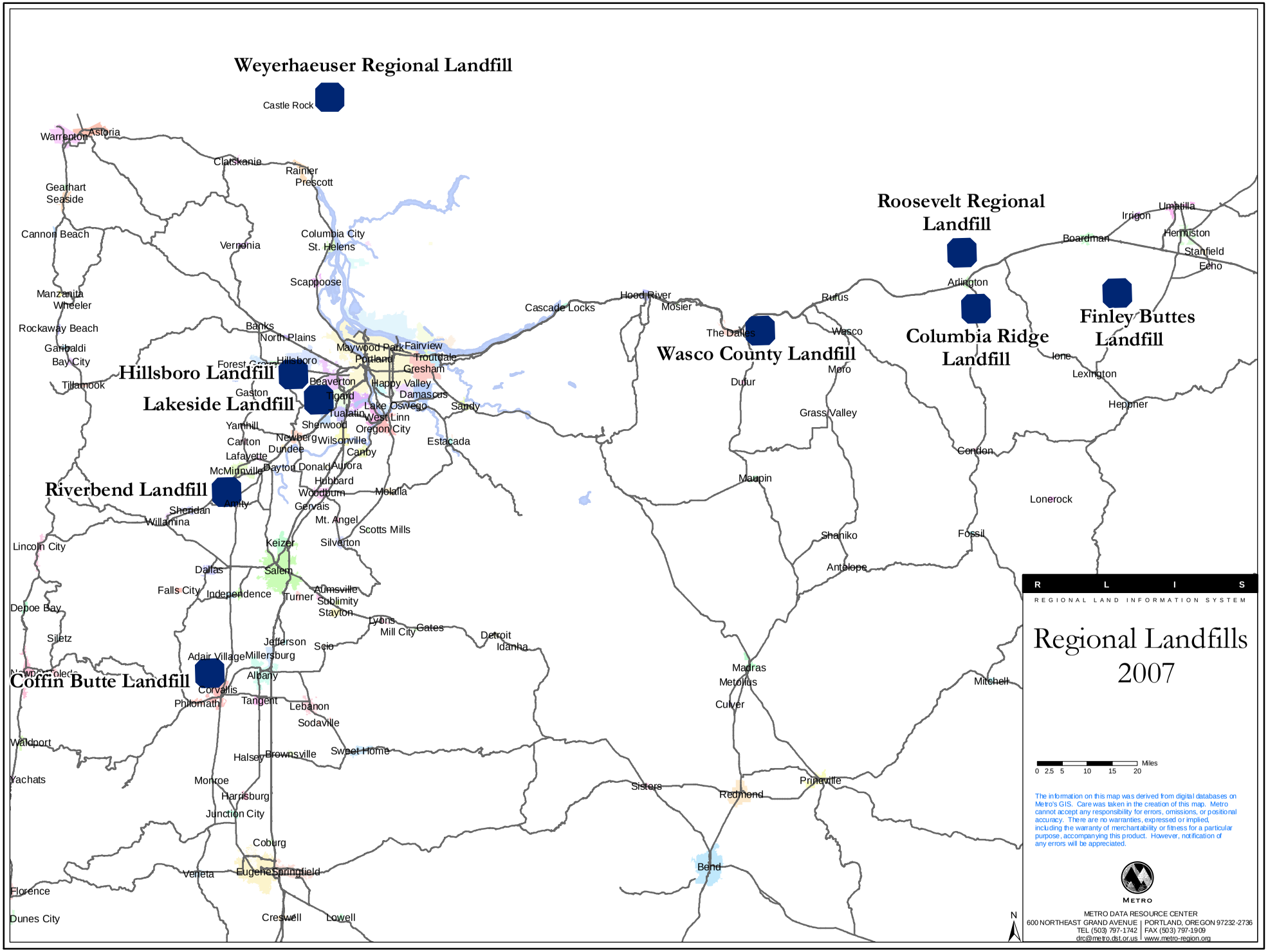
Metro is responsible for licensing, franchising, inspecting and monitoring activities conducted by the private solid waste industry in receiving, managing and disposing solid waste. Metro works closely with other governments to assure an appropriate level of regulatory oversight at facilities without redundancy. For instance, local governments are charged with zoning, land use, and local traffic impacts; Oregon DEQ focuses on reducing environmental and human health risk from the waste management activities of both public and private facilities.

Table 4
Landfill ownership and approximate reserve capacity

	Ownership	Remaining Capacity (millions of tons)
Designated facilities		
Columbia Ridge	Waste Management	263
Roosevelt Regional	Allied Waste	135
Finley Buttes	Waste Connections	120
Hillsboro	Waste Management	6
Lakeside Reclamation	Grabhorn	1
Coffin Butte	Allied Waste	20
Northern Wasco	Waste Connections	15
Weyerhaeuser	Weyerhaeuser	25
Non-System facilities		
Riverbend	Waste Management	6
Total		**591**

Metro uses its regulatory authority to:

- Protect public health, safety and the environment.
- Collect user charges on all applicable waste generated within the region.
- Establish operating standards.
- Monitor facility performance.



Project date: May 2007 J:/lowthian/proj/06290

Please recycle with mixed paper

For facilities located inside the Metro boundary, Metro issues one of two operational permits:

- A franchise to transfer stations and any facility managing wet waste.
- A license to compost, dry waste reload, and recovery facilities.

Certain facilities, such as those exclusively handling inert wastes or source-separated recyclable materials, are not required to obtain authorization from Metro to operate. However, Metro retains the authority to inspect and audit these operations to periodically confirm compliance with Metro Code.

For facilities located outside the Metro boundary that accept waste generated inside the boundary, Metro enters into one of the following voluntary agreements:

- Designated facility agreements for disposal sites willing to collect user fees and excise taxes on behalf of Metro, or
- Non-system licenses for generators, transporters or other persons wanting to use a facility outside the regional boundary that does not have an agreement with Metro.

Metro implements its regulatory authority through formal and informal facility compliance monitoring and through formal enforcement, including civil penalty authority (see Appendix E, System and Non-System Facilities).

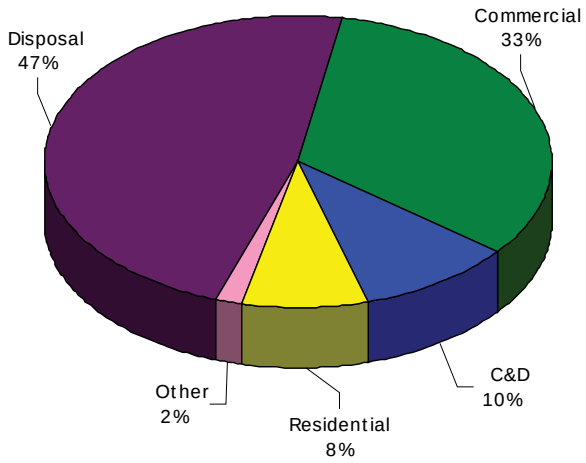
F. Material recovery and disposal trends

Current waste recovery rate

The current percentages recycled and disposed are illustrated in Figure 2. The data used for Figure 2 do not include the waste prevention credits (6%) or other waste prevention activities.

As shown in Figure 2, over half of the waste generated is being recovered through recycling and composting programs. This is a significant accomplishment and represents a substantial improvement over historical recycling levels. In 1986, the regional recovery rate (including recycling and composting) was estimated at about 25%. Over the next 10 years, spurred by higher goals and by public and private investments, the rate grew to more than 40%, thus achieving the 1995 target set by the state legislature.

Figure 2
Disposed and recycled amounts



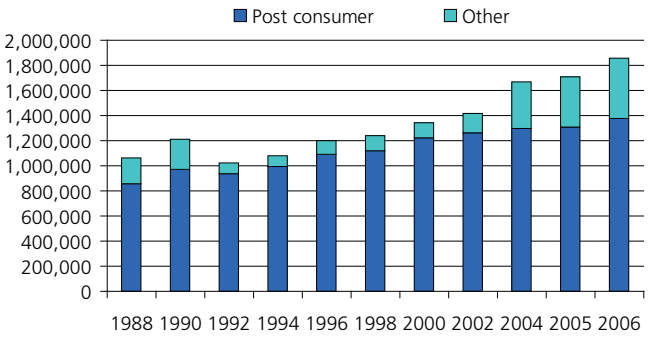
The 1995-2005 RSWMP followed on this accomplishment by setting recovery goals of 52% by 2000 and 56% by 2005. In 1997, the state legislature recognized the importance of encouraging waste prevention and passed a statute that allowed wastesheds to receive "credits" for waste prevention efforts. As a result of the 1997 legislation, a wasteshed that implements programs in waste prevention, reuse and home composting could receive a 2% credit for each of those programs. The Metro region has received the credits since they have become available. By 2005, the region had achieved a 59% waste reduction rate (53% recovery, plus 6% for waste prevention credits), about 90,000 tons shy of the statutory goal of 62%.

Waste disposal amounts

At the same time the waste reduction rate has increased, the amount of waste landfilled each year has also increased. Since 1994, the total amount of waste landfilled annually has grown from about 1.1 million tons to almost 1.8 million tons (see Figure 3). A significant part of this increase has been in the "other waste" category, which includes environmental cleanup wastes and other special wastes that generally originate from development activities. These wastes made up only 15% of the disposal tonnage in 1994, but now account for 30% of solid waste disposed.

The "post-consumer" waste shown in Figure 3 includes residential and commercial solid waste, plus construction and demolition debris. The post-consumer waste tonnages are used by DEQ in computing recovery rates.

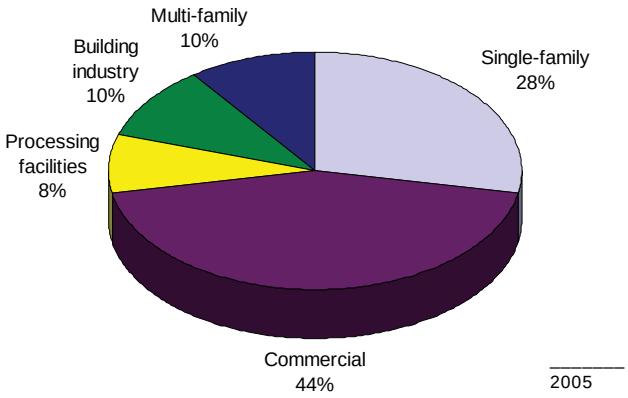
Figure 3
Historical disposal tonnages



Amount of waste disposed by sector

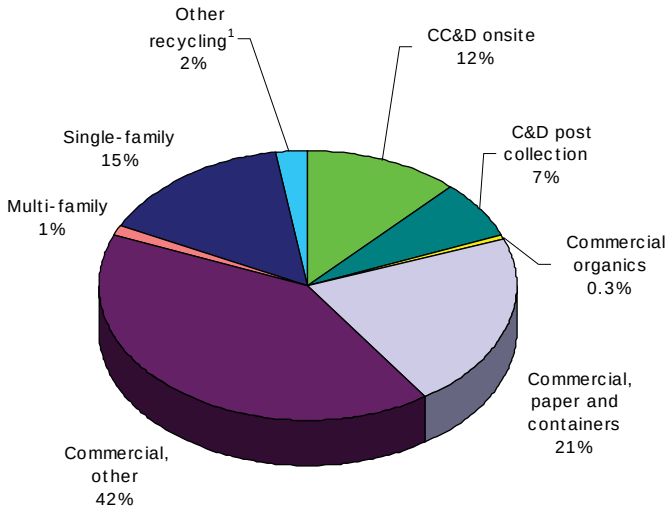
The amount of waste disposed and recovered by each generator is shown in Figures 4 and 5. Commercial sources (including industrial and institutional waste generators) account for almost half of the waste disposed from the Metro region (44%). Single-family homes are next at 28% (this figure includes the amount of residential self-haul received at the Metro-owned transfer stations, since most of that waste is from single-family homes).

Figure 4
Waste disposed by generator source



The proportions of these sources (and their contributions to the region's waste stream) varies locally depending on the amount of commercial and industrial generators in a given area. The amount of C&D waste generated in a specific area, for example, is related to the amount of construction activity. In the outer suburban areas of the Metro region, where much of the new construction of residences and businesses is currently taking place, C&D may account for half or more of the waste generated there.

Figure 5
Amounts recovered by generator source



2005.
[1]Multi-family, bottle bill and depot/dropoff.

In the long term, the relative proportions of waste from each sector will shift due to changes in the amount recycled or composted. Implementation of the goals and objectives in this RSWMP should further decrease the amount of waste disposed from commercial and residential sources.

Composition of the waste disposed

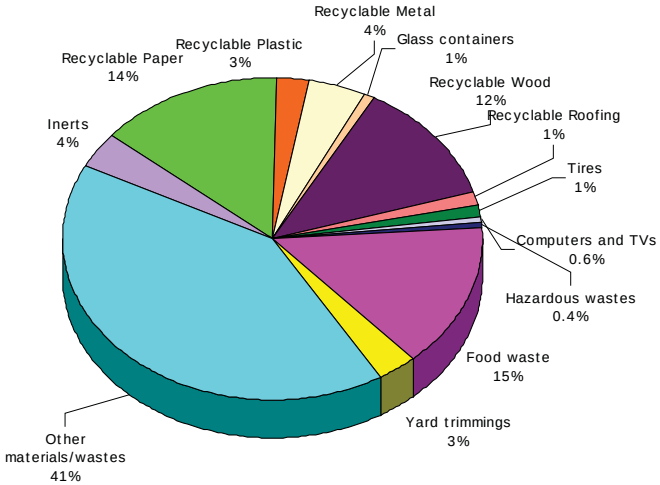
The composition of waste generated by each sector (residential, business and building industry) is different. The building industry generates many recyclable materials such as wood, concrete, cardboard, metal, and land-clearing debris. Some types of businesses generate large quantities of waste paper, most of which is recyclable when it is separated from the smaller amounts of putrescible and nonrecyclable waste generated at most locations. Industries generate diverse wastes, such as grits and screenings, scrap from product manufacturing, specialized packaging and other substances that typically require case-by-case evaluation for recycling or reuse.

Residential sources generate a waste stream that contains a wide variety of materials. Among the recyclable residential materials are paper, metal, glass, plastic bottles, motor oil, and yard debris. The largest single material remaining in the residential waste stream is food waste (26% of the waste disposed). Infrastructure development in food waste collection may make it possible to recover that material, and soiled paper, for composting.

The amount of recovery possible for many materials may be constrained for various reasons, including lack of market infrastructure, collection services, poor generator awareness and certain government regulations. Variations in these factors among the generators give rise to variations in recovery performance. For example, because the residential collection and processing infrastructure is well developed, and homeowners tend to be highly aware and motivated recyclers, the recovery rate for some residential materials is relatively high. Typically, about 50% of the waste generated in a single-family residence gets recycled or composted. On the other hand, businesses tend to be more focused on bottom-line financials than on the environmental impacts of their consumption. Despite a highly recoverable waste stream (mostly paper), businesses as a whole separate their recyclables less thoroughly than households, and so send a higher proportion of recyclables to the landfill.

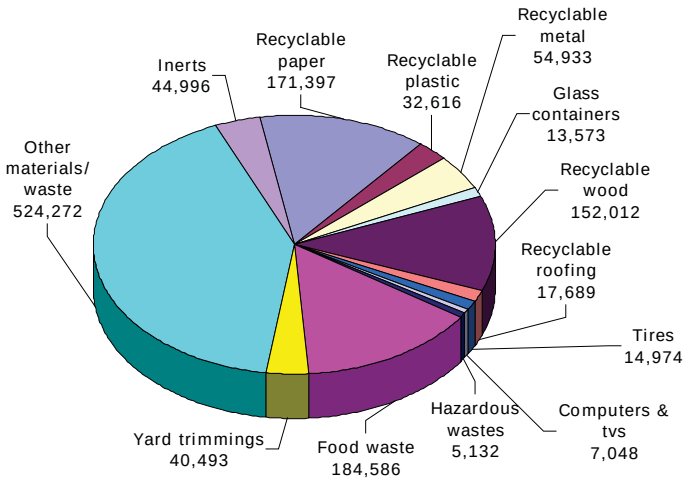
The results of the most recent waste composition study show that an additional 739,449 additional tons of material (59% of the waste currently disposed) could be recycled through existing programs or facilities. Recovery programs for the remaining wastes (41%) are either small and local (e.g., gypsum) or non-existent (see Figure 6, Figure 7 and Table 5).

Figure 6
Aggregate composition of disposed waste, including residential, commercial, industrial and construction/demolition



2005 DEQ waste composition data.

Figure 7
Aggregate composition of disposed waste, in tons



2005 DEQ waste composition data.

The quantities, composition and recovery potential for recyclable materials being disposed by various sources within the region have been analyzed and used in setting target goals for different programs and sources, as discussed in the section below on waste reduction goals.

Table 5
Composition of disposed waste

Paper		**Rubber**	
*Recyclable	171,397	*Tires	14,974
Nonrecyclable	87,032	Nonrecyclable	7,734
Plastic		**Electronics & elec. equip.**	
*Recyclable	32,616	*Computers and TVs	7,048
Nonrecyclable	126,388	Nonrecyclable	14,271
Metals		**Organics**	
*Recyclable	54,933	*Yard trimmings	40,493
Nonrecyclable	11,878	*Food waste	184,586
Glass		**Other materials/wastes**	
*Glass containers	13,573	Textiles & furnishing	112,766
Nonrecyclable	7,179	Gypsum wallboard	39,560
Wood		Other C&D	26,321
*Recyclable	152,012	Noncompostable	
Nonrecyclable	17,185	organics	69,100
Inerts		*Hazardous wastes	5,132
*Rock, concrete, dirt	44,996		
Roofing			
*Recyclable	17,689		
Nonrecyclable	4,859		
	Total	**1,263,721**	

*Materials with additional recovery potential.
2005 DEQ waste composition data.

G. Current and future goals

Historically, the waste reduction rate has been the Plan's primary measure of resource conservation progress. Emphasis on this measure continues in the near term and this Plan identifies policies and programs needed to achieve a 64% waste reduction goal. The Plan also anticipates that other measures of performance in resource conservation will be established in the years ahead and that the RSWMP will be amended to include those measures.

The first part of this section delineates the tons needed from each of the Plan's primary program areas to reach the 64% goal. The discussion includes consideration of whether the targets are likely to be reached in each area. The second part addresses increased waste generation rates and the implications for how we measure resource conservation. The third part addresses the development of new long-term goals.

Plan programs for achieving the 64% goal

The Plan is designed to reach the 64% waste reduction goal through targeted efforts in the single-family residential ("curbside"), multi-family residential, business, building industry and commercial organics sectors. Regional work groups, SWAC and Metro Council have worked to develop implementation strategies for each of these sectors. In particular, regional discussions have focused on strategies for the business and building industry sectors.

Table 6 illustrates two recovery growth scenarios for the region: a "High Recovery" scenario (the Plan programs) where the region would reach the 64% recovery goal, and a "Likely Recovery" scenario, where efforts fall short of the goal by over 100,000 tons, or 3.4% percentage points. The table also shows the expected recovery by program sector for each scenario. The following describes the major factors affecting the ability of each program to achieve its targeted recovery tonnage.

Table 6
Recovery growth scenarios

	Actual Recovery 2005	Potential Growth Scenarios for Recovery from New Programs: High Recovery	Likely Recovery
Organics	5,000	34,000	15,000 (shortfall 19,000)
C&D	266,000	42,000	21,000 (shortfall 21,000)
Business	297,000	80,000	35,000 (shortfall 45,000)
Multi-family	14,000	5,000	5,000
Single family	217,000	18,000	10,000 (shortfall 8,000)
Other (scrap metal, pallets, bottle bill, containers, etc.)	603,000	8,000	6,000 (shortfall 2,000)
Subtotal new recovery		187,000	92,000 (shortfall 96,000)
Recovery	**1,402,000**	**1,779,000**	**1,684,000**
Disposal	**1,264,000**	**1,288,000**	**1,383,000**
Generation	**2,666,000**	**3,067,000**	**3,067,000**
Recovery Rate	**52.6%**	**58.0%**	**54.9%**
Waste Prevention Credits	**6.0%**	**6.0%**	**6.0%**
Total Metro WR Rate	**58.6%**	**64.0%**	**60.9%**

Organics

The estimate for the "High Recovery" scenario is predicated on expanded participation of large food waste generators in the City of Portland, implementation of food waste collection programs in other jurisdictions in the region, and on residential organics collected with yard debris in the City of Portland. The scenario also requires the siting and operation of a food waste composting facility in or near the region. The "Likely Recovery" scenario anticipates no local processing facility, limited collection programs and consequently much lower tonnage.

Under the "High Recovery" scenario, the processor establishing a local facility needs to be confident there will be a sufficient flow of organics to the facility to ensure its economic feasibility. There must be enough revenue from tip fees to cover operating costs and the initial capital investment. However, ensuring a potential processor that a sufficient amount of organics would flow to their local facility is difficult. The organics will flow only if efficient collection routes can be established and generators are provided an organics collection rate that gives an incentive to participate. Several local governments are currently addressing these issues.

Businesses
The estimate for increased recovery under the "High Recovery" scenario in the business sector is based on results from other areas of the country where mandatory recycling or disposal bans have been implemented. This scenario assumes that the region will take a mandatory approach.

The "Likely Recovery" scenario anticipates that implementation will follow a different approach, wherein local governments would have targets to meet (the same level of recovery as a mandatory program), but be able to choose how to achieve it. The tonnage for this scenario is estimated to be lower, at least in the near term.

Building industries
The estimates for increased recovery under the "High Recovery" scenario in the building industry sector is based on results from other areas of the country where mandatory recycling or disposal bans have been implemented. Both scenarios assume that the region will take an approach that requires that all construction and demolition waste be processed before being disposed. Under the "High Recovery" scenario all such wastes will be processed.

Under the "Likely Recovery" scenario, implementation takes longer.

Multi-family residential
Increased recovery from the multi-family sector is anticipated to result from regionwide implementation of a uniform collection system (a two-sort approach) that will allow for more effective regional outreach. Large amounts of resources on an ongoing basis will be necessary to ensure that outreach is effective in this sector, as multi-family housing is characterized by very high turnover rates among residents. Both recovery scenarios anticipate that the program can be successfully implemented and achieve the targeted recovery amounts.

Single-family residential
The estimate for increased recovery under the "High Recovery" scenario in the single-family residential sector is based on expanding use of weekly roll carts for recycling throughout the region. Experience locally and elsewhere in the country provides a clear indication of tonnage to be gained in switching from bins to roll carts.

The "Likely Recovery" scenario anticipates that the gains will not be as great due to delays in implementing the switch to carts, and a rise in levels of contamination.

Conclusion
In sum, the Plan anticipates that the "Likely Recovery" scenario will occur in most cases and the region will not reach the 64% goal by the statutory benchmark year of 2009. The vast majority of this anticipated shortfall will be in the commercial organics, business and building industries sectors. The Plan remains committed to achieving the 64% goal in the near term.

Waste generation trends
Between 1995 and 2005, regional population grew about 18%, or 239,000 new residents. By contrast, waste generation grew by over 50%. The per capita waste generation rate (total waste divided by population) increased on average 2.6% each year from 1992 to 2005.

Looking ahead, assuming regional population growth at 1.44% per year and waste generation rising at 80% of the historic average, the region will have an additional 237,000 residents by 2015, and an increase of over 40% or 1,100,000 tons of new waste to manage through the recycling and disposal system. These increases will occur regardless of whether the region achieves the 64% waste reduction goal.

These increases in waste generation will have both upstream impacts on resources and the environment (from the manufacture of products) and downstream impacts (from the need to invest in more recycling and disposal infrastructure). However, our primary measuring tool – the number of tons recycled and disposed – is limited in its ability to measure the benefits from strategies to reduce waste generation.

Long-term goals development
To address this deficiency, Metro will be undertaking a project to develop an approach to long-terms goals that meet the Plan's vision of sustainable resource use. These goals could include reducing green house gases, product toxicity and waste generation. The project will also look at the feasibility of measuring materials and energy use based on their renewable or nonrenewable character.

DEQ, with Metro's participation, recently completed a study of the complex factors behind the increase in waste generation. Metro will continue this collaboration and incorporate this work into the development of long-term goals for the region.

These goals will be determined after a regional discussion, and added to RSWMP by amendment.

Chapter III
Future direction and regional policies

A. Introduction

This chapter establishes the RSWMP framework: a long-term vision for the regional solid waste management system as well as the values and policies that provide direction in years ahead.

As used in this Plan:

- The **vision** is the ultimate ideal;
- The **values** represent a set of principles held by the region that will guide and shape policies; and
- The **policies** are statements that guide programs and inform future decisions.

B. RSWMP vision

The Plan envisions a significant evolution in today's comprehensive solid waste management practices, to a future where waste is viewed as an inefficient use of resources. Through cooperation and shared responsibility among producers, consumers and government, the region will contribute to the sustainable use of natural resources to enhance our community, economy and environment for current and future generations.

C. Regional values

1. Resource conservation

Protecting the environmental quality of the region by conserving resources and reducing toxic and solid waste to ensure adequate resources for future generations.

2. Public health and safety

Ensuring sound waste management operations, eradicating illegal dumps and reducing toxic substances to maintain quality of life for the region's residents.

3. Shared responsibility

Promoting a shift away from managing products after they have become waste to instead include manufacturers and users in bearing or avoiding the costs associated with product management and disposal.

4. Life-long learning

Raising awareness among all age groups of ways to conserve resources and reduce impacts on the environment.

5. Coordination and cooperation

Addressing regional issues and developing regional programs in partnership with local government, the private sector, citizens and other key parties.

6. Performance

Emphasizing outcomes in programs and services to maximize efficiency and effectiveness.

7. Access

Providing residential and commercial customers with access to information and a range of collection and facility service options.

D. Regional policies

1.0 System performance

The regional solid waste system will perform in a manner that is:

- Environmentally sound.
- Regionally balanced.
- Cost-effective.
- Adaptable to change.
- Technologically feasible.
- Acceptable to the public.

2.0 Preferred practices

Solid waste management practices will be guided by the following hierarchy:

- First, reduce the amount of solid waste generated.
- Second, reuse material for its originally intended purpose.
- Third, recycle or compost material that cannot be reduced or reused.
- Fourth, recover energy from material that cannot be reduced, reused, recycled or composted so long as the energy recovery facility preserves the quality of air, water and land resources.
- Fifth, landfill solid waste that cannot be reduced, reused, recycled, composted or from which energy cannot be recovered.

3.0 Evaluating opportunities for sustainability

Opportunities for increasing the sustainability of business practices or programs will be evaluated based on: a) technological feasibility; b) economic comparison to current practice or conditions; and c) net environmental benefits.

4.0 Recycling services provision

Recycling services will be offered as a component of residential and commercial waste collection in the region.

Recycling services will be standardized in the region to the extent possible, to minimize confusion on the part of residents and businesses and to construct cooperative promotion campaigns that cross jurisdictional boundaries.

5.0 Source separation

Source separation is the preferred approach in the region for ensuring quality secondary materials for recycling markets, but other forms of material recovery, such as post-collection separation, will not be precluded.

6.0 Market development

Enterprises that can significantly expand end-use opportunities for reuse or recycling will be fostered by the region.

7.0 New facilities

The current system of transfer stations provides reasonable access for haulers and sufficient capacity for the consolidation and transfer of solid waste to disposal facilities. New transfer stations may be considered if they provide a net benefit to the public. Factors in evaluating net benefit include capacity and access, whether the facility will be publicly or privately owned, and the impacts on material recovery and ratepayers.

Other types of new solid waste facilities shall be considered if they significantly support and are consistent with the policies of this Plan.

8.0 Facility ownership

Transfer facilities in the regional solid waste system may be publicly or privately owned. The public interest is best served by continued public sector facility ownership in the system. Public ownership ensures a comprehensive range of services are accessible to regional customers at equitable and affordable rates.

9.0 Facility siting

Appropriate zoning in each city or county will utilize clear and objective standards that do not effectively prohibit solid waste facilities.

10.0 System regulation

Solid waste facilities accepting waste generated within the region will be regulated to ensure they are operated in an acceptable manner and are consistent with the policies of this Plan. All facilities performing post-collection material recovery shall meet minimum recovery requirements. Regulatory control will be implemented through a system of franchises, contracts, public ownership, and licenses.

Government regulation will ensure protection of the environment and the public interest, but not unnecessarily restrict the operation of private solid waste businesses.

11.0 Host community enhancement

Any community hosting a solid waste "disposal site" as defined by ORS 459.280 shall be entitled to a Metro-collected fee to be used for the purpose of community enhancement.

12.0 Disposal pricing

Charges for disposal services shall be sufficiently transparent to allow regulators to judge whether such charges are fair, acceptable, and reasonably related to the costs of services received.

The establishment of charges for disposal services at publicly owned facilities shall balance cost recovery, revenue adequacy, and adopted regulations and policies, including the policies and objectives of this Plan. In addition, such charges shall be structured to ensure that the public sector is able to meet its long-term obligations such as investments, debt, contracts, and fixed costs undertaken by the public sector on behalf of the public.

Charges to residents of the Metro district who may not be direct users of the disposal system should be related to other benefits received.

To the extent possible, rate adjustments will be predictable and orderly to allow affected parties to perform effective planning.

High level vs. ground level direction

The vision, values, and policies presented in this Chapter provide the framework for guiding solid waste management decisions, programs, practices, and system performance in the region. The goals and objectives that follow in the next two chapters constitute much of the "work plan" for the decade ahead, and are consistent with this framework.

Chapter IV
Program areas

A. Introduction

This chapter outlines goals and objectives that will guide the direction of key program areas to reduce the amount and toxicity of solid waste for the next 10 years. It is organized into four sections: waste reduction, education services, hazardous waste management and product stewardship. The objectives in these four sections are designed to achieve the region's goals, and will be used to guide the annual work plans produced by Metro and local governments.

Many of the programs will continue to focus on sectors where the most recoverable tonnage remains, as these will provide the greatest opportunity for achieving the waste reduction goal. These programs will be designed in the direction of recovery, while adhering to the solid waste hierarchy of reduce, reuse, recycle/compost, recover energy and disposal. Other programs will look beyond generator-based strategies and will focus on the toxicity or recyclability of products by addressing their design and manufacture (i.e., product stewardship).

These waste reduction efforts will require coordination and collaboration among Metro, local governments, service providers, the Oregon Department of Environmental Quality and the public. The coordination of efforts between those providing education and outreach services, for example, is important to avoid duplication of services and to reach the largest audiences. Collaboration can also assist in addressing complex environmental problems that cannot be solved by one agency, such as partnerships between hazardous waste and water quality programs to achieve the goals of protecting and restoring streams and critical habitat.

B. Waste reduction

Goal: Increase the sustainable use of natural resources by achieving the waste reduction goal of 64%.

Specific objectives describing how each sector (single-family residential, multi-family residential, business, building industry and commercial organics) will contribute to this goal are described in the pages that follow.* The creation of regionally coordinated plans with services accessible to all is the foundation of each set of objectives.

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*The Plan programs related to many of these objectives are described in the "High Recovery Scenario" in Chapter II, Plan programs for achieving the 64% goal.

Single-family residential

Following a boost to curbside recycling rates when commingled collection was introduced, increases to the recycling rate have tapered off recently. In 2005, about 46% of residential waste was recycled through curbside services. To stimulate additional participation and to ensure steady progress toward the waste reduction goal, the region has identified the objectives shown below.

1.0	**Conduct annual outreach campaigns that focus on preventing waste, reducing toxicity and/or increasing the quantity and quality of recycling setouts.**	To increase the quantity and quality of materials set out for recycling in regional recycling programs, regular campaigns will be undertaken. Regional campaigns will be cooperative in nature and will use a clear and consistent message across the region.
2.0	**Identify and implement service provision changes and incentives to maximize recycling, and identify and evaluate new collection technologies.**	Incentives in the form of monetary savings or convenience can encourage residents to participate in waste reduction programs. Currently, collection rates are structured to provide some degree of savings with increased recycling and reduced solid waste (e.g., mini-can rates, monthly collection, etc.). With emerging solid waste collection technologies, it is important to evaluate new collection techniques and options that may increase efficiencies and recycling rates. Research will be conducted on a cooperative regionwide basis to identify potential new collection options and opportunities for additional incentives through the residential rate structure, service options or other means.
3.0	**Expand curbside service by adding new materials as markets and systems allow.**	The region's residents continue to seek more opportunities to recycle additional materials at the curb. Markets for recycled materials can be volatile, and it is vital to ensure that it is technically and economically feasible to collect and process any new materials before they are added to curbside collection.
4.0	**Promote home composting and appropriate onsite management of yard debris and food waste.**	Composting and other onsite management is the least expensive and most environmentally sound option for handling yard debris and food scraps. Half of the region's residents participate in this activity and divert more than 50,000 tons of organics annually. Future activities in this area will include providing technical support for current onsite composters and developing more cost-effective home compost bin promotions that target interested residents.
5.0	**Develop residential organics collection programs when economically and technically feasible.**	Although home composting of vegetative food waste and yard debris is the preferred method of managing yard debris and food scraps, the region will also examine the economic and technical feasibility of implementing curbside collection of residential food wastes to further increase organics recovery.

Monitoring and implementation methods

Detailed program planning and implementation of these objectives will be coordinated through the Local Government Recycling Coordinators group, which includes local governments, Metro and Oregon DEQ staff. Implementation plans will be presented for review to the Regional Solid Waste Advisory Committee and Metro Council annually. The plans will detail annual programs, costs, and roles and responsibilities. Local governments and Metro will be jointly responsible for the implementation of these plans.

Multi-family residential

Recycling services for residents living in dwellings of five or more units ("multi-family" buildings) currently contribute to regional recovery levels, but could be collecting more material. These households, which range from suburban garden apartments to high-rise buildings in dense urban areas, present a number of challenges and opportunities for recycling. Although technically these are defined as residential dwellings, most multi-family units share common garbage and recycling areas and are serviced as commercial accounts by garbage haulers. Turnover in multi-family dwellings is much higher than in single-family housing, making more frequent education and outreach especially important. According to the 2002 American Housing Survey, people who rent (either apartments or houses) typically stay in the same location for less than two years while homeowners stay at the same location for about seven years.

The following objectives are designed to increase the efficiency and effectiveness of multi-family residential recycling programs.

1.0	**Implement a program suited to the needs of multi-family housing that is uniform and consistent throughout the region.**	The region will cooperatively develop a program tailored to the needs of multi-family housing.
2.0	**Provide annual regional education and outreach targeting multi-family housing.**	Outreach materials will be designed to address the barriers and benefits of recycling in a multi-family setting and will be adapted to a variety of conditions and collection systems.
3.0	**Identify and evaluate new collection technologies for implementation on a cooperative regionwide basis.**	Multi-family recycling presents many unique challenges. Emerging collection technologies will be evaluated on a cooperative regionwide basis to identify potential opportunities to enhance and improve collection.

Monitoring and implementation methods

Implementation of these objectives will be coordinated through the intergovernmental multi-family waste reduction work group. This work group will present its implementation plans for review to the Regional Solid Waste Advisory Committee and Metro Council annually. The plans will detail annual programs, costs, and roles and responsibilities. Local governments and Metro will be jointly responsible for the implementation of these plans.

Business

Businesses hold the greatest potential for increasing material recovery in the region, as they generate nearly half the region's waste. For example, 26% of the garbage businesses throw away (more than 107,000 tons annually) is paper that is fully recyclable. An additional 80,000 tons of paper and containers are needed to meet the 2009 waste reduction goal. To help achieve this goal, programs for this sector focus on providing direct assistance to businesses and regulatory and service provision options to increase recovery.

The following objectives are intended to help non-residential waste generators improve their recycling programs, initiate waste prevention practices, increase their purchases of recycled-content products and incorporate sustainable practices into their operations.

1.0 Provide businesses with annual education and technical assistance programs focused on waste reduction and sustainable practices.

The business community has indicated in a variety of forums that tailored one-on-one education and assistance is a preferred approach to increase recycling rates. By offering a comprehensive education and technical assistance program to businesses, the region addresses the needs of businesses that want to start or improve their waste reduction programs. It also focuses attention on a waste stream that generates a large percentage of the region's waste.

2.0 Develop information and resource materials that demonstrate the benefits of waste reduction and sustainable practices to support the business assistance program.

Information and resources, such as fact sheets, recycling containers, decals and Internet tools, provide additional tools to help businesses participate in the assistance program and improve their waste reduction practices.

3.0 Conduct annual regional outreach campaigns to increase participation in the business assistance program and to promote recycling opportunities and other sustainable practices.

Outreach campaigns stimulate individual business interest and broadly promote waste reduction ideas to a large portion of the business sector.

4.0 Implement waste reduction and sustainable practices at government facilities.

Government facilities make up a large portion of the business waste stream in the region. Improving practices at government facilities shows a commitment to serve as a model for the business community.

5.0	**Identify and implement opportunities for increasing recovery in the business sector, including service provision options, incentives for recycling and regulation.**	Incentives in the form of monetary savings, increased convenience and a variety of service options can encourage businesses to participate in waste reduction programs. Currently, collection rates and service standards are set by some, but not all, jurisdictions in the region. Research will be conducted on a cooperative regionwide basis to identify potential opportunities for additional incentives through commercial rate structures, service standards or other means. In addition, many municipalities around the country (including Portland and Seattle) have passed laws that either require items to be recycled or that ban them from landfill disposal. These regulatory approaches will be pursued if regional implementation is feasible.
6.0	**Periodically review end-use markets to assess cost-effectiveness, material quality and capacity.**	Conducting periodic market studies and reviewing end-use markets to ascertain the viability of recycling various materials can help provide businesses with up-to-date information on recycling opportunities and preparation guidelines. Many businesses generate materials that have historically had little opportunity for recycling, and need to be informed in a timely fashion when new materials become recyclable.

Monitoring and implementation methods

Implementation of these objectives will be coordinated by Metro through the intergovernmental business recovery work group. The work group will present its implementation plans for review to the Regional Solid Waste Advisory Committee and Metro Council annually. The plans will detail annual programs, costs, and roles and responsibilities. Local governments and Metro will be jointly responsible for the implementation of these plans.

Building industry

Regional efforts to manage construction and demolition debris follow a three-pronged approach:

- Preventing waste through salvage, deconstruction and reuse;
- Developing effective construction and demolition debris recovery programs for debris that is not suitable for deconstruction and salvage; and
- Maintaining and supporting viable and diverse markets for recyclable and reusable building materials.

The primary targets for increased recovery of construction and demolition debris include new commercial construction under $3 million, commercial remodel/tenant improvement, complete and selective building demolition, and residential remodeling performed by licensed contractors.

The following objectives are designed to support the building industry in its efforts to develop sustainable practices promoting environmental protection and resource conservation.

1.0 Develop a regionwide system to ensure that recoverable construction and demolition debris is salvaged for reuse or is recycled.

The region's building industry currently enjoys a full range of waste reduction options and choices, including salvage and reuse, source-separated recycling and post-collection recovery. The existence of low-cost disposal at two regional landfills severely constrains the growth of salvage, recycling and recovery. The region will work with stakeholders to develop a program that ensures construction and demolition debris in the region is processed before disposal and recovered to the maximum extent possible.

2.0 Provide the building industry with annual outreach, education and technical assistance programs that demonstrate the benefits of green building, including building material reuse and recycling.

The building industry generally supports reuse and recycling, but often lacks information on these opportunities. Maintaining an ongoing outreach, education and technical assistance program helps builders make more informed decisions about managing their waste. Green building is a growing enterprise and it is important to work cooperatively with local green building programs to promote reuse and recycling.

3.0 Include sustainable practices and products in the development, construction, renovation and operation of government buildings, facilities and lands.

Construction, renovation and maintenance of government buildings and facilities represents a large portion of the construction activity in the region. These projects result in significant quantities of construction and demolition debris and present an opportunity to serve as models and demonstration projects for businesses in the region.

4.0	**Support the development of and access to viable end-use markets for construction and demolition materials.**	Periodic market studies will be conducted to assess the viability and diversity of local salvage markets or markets for materials typically found in construction and demolition waste. If markets appear weakened, then technical, monetary or research assistance may be provided to strengthen, maintain and diversify markets for construction and demolition materials.

Monitoring and implementation methods
Implementation of these objectives will be coordinated through the intergovernmental construction and demolition recovery work group. The work group will present its implementation plans for review to the Regional Solid Waste Advisory Committee and Metro Council annually. The plans will detail annual programs, costs, and roles and responsibilities. Local governments and Metro will be jointly responsible for the implementation of these plans.

Commercial organics

The region follows a two-track approach to organic waste management. The first track emphasizes preventing waste by donating usable food to food banks, and other uses such as animal feed (when appropriate). The second track focuses on implementing a collection and processing system to recover (i.e., compost) organic waste that cannot be diverted to those higher end uses. Regional efforts currently target large organics-rich businesses and industries, such as large retail grocery stores, restaurants, hotels, institutional cafeterias, wholesale produce warehouses and food processors.

The following objectives are designed to support the use of sustainable practices by businesses generating organic wastes.

1.0	**Provide outreach and education programs for targeted businesses to support and increase organic waste prevention and diversion practices.**	Donation is the highest end use for surplus food, and an established system to collect and redistribute donated food exists in the region. Emphasizing food donation also helps to address the problems of hunger in the region and the state.
2.0	**Enhance access to organics recovery services throughout the region.**	Organic waste that cannot be diverted to higher end uses may be collected for composting. The region will focus on increasing the composting opportunities that are available to businesses; every effort will be made to use existing infrastructure and to tailor generator and collection programs to fit within existing operations and regulatory systems.
3.0	**Implement organic waste recovery programs at government facilities where feasible.**	Government facilities that generate significant quantities of organic waste will serve as models for businesses in the region by adopting organics recovery programs.

4.0	**Work to ensure that compost products are specified for use in government projects.**	Metro and local governments will coordinate with other government agencies to incorporate the standard use of compost products for landscaping, soil conditioning and erosion control on publicly funded projects.
5.0	**Periodically review the viability of end-use markets and assist with market development efforts.**	Conducting periodic market studies to assess the viability of local compost markets is an important activity. If market trends indicate a weakening in demand, Metro and others can assist regional compost facilities with market development as needed to strengthen and maintain the marketability of compost and soil amendment products made from organic materials.

Monitoring and implementation methods

Implementation of these objectives will be coordinated through the intergovernmental organics recovery work group. The work group will present its implementation plans for review to the Regional Solid Waste Advisory Committee and Metro Council annually. The plans will detail annual programs, costs, and roles and responsibilities. Local governments and Metro will be jointly responsible for the implementation of these plans.

C. Education services

Goal: Increase the adoption of sustainable practices by households and businesses through increased knowledge, motivation and commitment.

Achieving the region's goals will require strong public support. Regional education and outreach efforts help build this support by supplying the information that residents and businesses need to make environmentally responsible choices in their daily lives. Metro and local governments provide a wide range of information through a variety of media. The Metro Recycling Information hotline responds to nearly 100,000 calls per year and the companion website has a host of tools and resources available. Local governments provide ongoing outreach and education through mailed materials and events.

Education and outreach efforts also build and reinforce resource conservation and environmental protection ethics that are essential to increasing sustainable practices. Regional education efforts start in the schools. Targeted education in schools, including elementary and secondary programs, provide age-appropriate information and concepts about resource conservation and environmental awareness, as well as programs designed to help teachers incorporate resource conservation concepts into their teaching. There are free classroom presentations and educational materials on waste prevention, recycling, composting and household hazardous waste reduction for elementary and secondary schools. In addition, technical assistance is available to help schools set up a waste reduction and recycling program or expand existing programs.

Metro and local governments also provide a wide variety of adult education programs. In particular, local governments and Metro have been promoting household hazardous waste (HHW) prevention and proper disposal education and outreach to the region for many years. Education targeted to adults about household hazardous chemical use and less toxic alternatives are ongoing through efforts such as the natural gardening program.

Information services and adult education

Numerous organizations within the region (including local governments, private businesses and non-profit agencies) provide disposal, recycling and other waste reduction services. Offering residents and businesses easily accessible and accurate referrals to these services is critical to reaching regional waste reduction goals.

The objectives for information services and adult education are shown below.

1.0	**Provide a regional information clearinghouse and referral service.**	Maintaining communication with and providing education to residents and businesses about waste reduction programs and services offered within the region is essential to help them make environmentally responsible choices.
2.0	**Provide education and information services for residents and businesses that are targeted to specific waste streams, materials or generators.**	Information services are more effective when they address specific needs and use methods that match how generators receive and respond to information on waste reduction opportunities. Education services are a critical part of each waste reduction program area (single-family, multi-family, business, building industry and commercial organics) targeted in the Plan.

Monitoring and implementation methods

Metro and local governments will work cooperatively to develop and distribute education materials for households and businesses. Metro will research and provide technical assistance on the most effective methods to educate households and businesses on waste reduction options. Local governments, haulers and Metro will cooperate and communicate on the implementation of these education programs. Implementation of these objectives will be coordinated through the intergovernmental work groups.

School education

Life-long learning about the value of resource conservation and the importance of protecting the environment begins with children in elementary and secondary schools. The guiding approach is to develop curriculums and programs that are appropriate for each age group and that cumulatively help build an environmental stewardship ethic.

The objectives for school education are shown below.

1.0	**Provide education programs that help teachers incorporate resource conservation concepts, including waste prevention and toxicity reduction, into their teaching.**	Today's teachers have a multitude of demands on their time and resources. Providing teachers with assistance on curriculums and programs helps teachers meet their needs, while simultaneously assisting the region in meeting its waste reduction goals.
1.1	**Provide programs at the elementary level that establish fundamental concepts of resource conservation and environmental awareness through active learning experiences.**	Elementary students are often eager to learn about ways to help make the world a better place. Providing age-appropriate information and concepts about resource conservation that encourage awareness and participation will build a strong foundation for life-long sustainable behaviors.
1.2	**Provide programs at the secondary level (middle and high school) that will extend concepts established at the elementary level and prepare students for making responsible environmental choices in everyday adult life.**	By middle and high school, students can begin to make connections between their daily choices and behaviors and how they impact the environment. By providing opportunities to encourage their critical thinking skills, students can gain an appreciation and a sense of stewardship for the environment that will carry over into adulthood.
2.0	**Work with schools and teachers to increase support for regional solid waste programs and create opportunities for partnerships.**	Schools are vital institutions within our community. Working and partnering with schools provides an opportunity to educate the next generation about resource conservation programs. Schools are also large resource users and waste generators and need to be active participants in waste reduction programs.

Monitoring and implementation methods

Metro and local governments will continue to provide school waste reduction education programs. Metro and local governments will provide technical assistance to school recycling programs and will collaborate on the development and distribution of education materials to meet local needs. Implementation of these objectives will be coordinated with various waste reduction work groups and the Regional Solid Waste Advisory Committee.

D. Hazardous waste management

Goal: Reduce the use and improper disposal of products generating hazardous waste in order to protect the environment and human health.

Homeowners use a variety of products in their daily lives, some of which pose risks to human health and the environment during use, storage and disposal. Examples of these risks include fires or child poisonings due to improper storage; injuries to disposal system workers (haulers, transfer station or landfill workers); contamination of streams from runoff of lawn and garden care products; and pollution of streams or groundwater from improper disposal of auto products such as used oil or antifreeze.

Historically, the region's approach to dealing with the problem has been to provide disposal alternatives for the public through collection facilities and events. Collection programs are costly to operate, however, and waste volumes continue to increase, while only a portion of the total waste generated each year comes into the collection program. As a result, there has been growing interest in preventing the generation of household hazardous waste through increased education and outreach. In addition, the region is looking toward product stewardship to transfer responsibility from local governments back to manufacturers and retailers (see the section on product stewardship).

Hazardous waste reduction

Changing the way people use products in their home is a very challenging undertaking. Traditional education techniques such as informational brochures can be ineffective in getting people to change long-standing behavior. The large number of households in the region, wide array of products, and competing messages from manufacturers and retailers all pose barriers to encouraging residents to change their behavior. Given these challenges, regional education and outreach efforts are paying increased attention to new methods to get residents to engage in more environmentally sustainable behavior.

The objectives for achieving hazardous waste reduction are shown below.

1.0 Provide hazardous waste education programs that focus on behavior change.

The region will pursue methods to tailor education messages to more effectively bring about behavioral changes in ways that can benefit public health and the environment. Programs will include learning about and targeting specific audiences that use hazardous products, identifying barriers to changing these behaviors, and overcoming these barriers. Education on hazardous products in the home will also be a part of Metro's school age education programs.

1.1 Provide hazardous waste education programs that focus on those products whose toxic and hazardous characteristics pose the greatest risks to human health and the environment, or that are very costly to properly dispose or recycle.

With limited resources available for hazardous waste reduction efforts, it is important to focus on the types of waste that have the greatest health, environmental, and financial impacts. Focusing on pesticides, mercury and other persistent bioaccumulative toxins (PBTs), for instance, is consistent with these priorities. As more understanding is gained on the health and environmental impacts of hazardous wastes, education programs will focus on those wastes that are the most detrimental to human and environmental health.

1.2	**Provide hazardous waste reduction messages and information to all customers bringing waste to household hazardous waste collection sites.**	A large number of the region's residents are already taking one step by bringing their leftover hazardous products to collection sites. This audience is likely to be receptive to information about the hazards of those products and the use of less toxic alternatives.
1.3	**Coordinate hazardous waste education efforts with related efforts conducted by government agencies and community groups in the region and in other areas.**	Along with the hazardous waste reduction efforts conducted by Metro, a number of other organizations in the region, such as water and air quality agencies, are involved in similar efforts. Coordination can eliminate duplication of efforts and can help solve problems that are too complex for any one group to address. Coordinating with hazardous waste education efforts in other areas can help keep local educators informed of the latest research and the success of approaches that others have tried.
2.0	**Research and develop tools to measure the generation, impacts and reduction of hazardous waste, when this can be accomplished at a reasonable cost.**	To reduce the environmental and health impacts of hazardous products, it is important to fully characterize their effect, but data are limited on many important aspects of household hazardous waste use and disposal. When it can be done at a reasonable cost, the region will acquire quantitative information on aspects such as purchasing, generation and disposal practices, repeat users, specific environmental and health impacts, consumer attitudes and behaviors, and the effectiveness of behavioral change programs.

Monitoring and implementation methods
Metro will continue to provide annual reports as required by permits. Implementation of these objectives will be coordinated with various waste reduction work groups and reported to Metro Council and the Regional Solid Waste Advisory Committee.

Hazardous waste collection

Even with significant efforts invested in preventing the generation of hazardous wastes, substantial volumes of hazardous wastes will still need to be managed and properly disposed. The region should provide convenient, safe, efficient and environmentally sound collection and disposal services for hazardous waste that cannot be eliminated through prevention and education.

The objectives for providing hazardous waste collection services are shown below.

1.0	**Manage collected waste in accordance with the hazardous waste hierarchy: reduce, reuse, recycle, energy recovery, treatment, incineration and landfill.**	The hazardous waste hierarchy differs from the solid waste hierarchy in that composting is not an option. In addition, treatment and incineration (without energy recovery) are acceptable for hazardous waste. For certain types of waste, treatment and incineration are the most environmentally sound options. To maximize the environmental soundness of the disposal methods selected, this hierarchy will be used when procuring contractors for ultimate disposal of collected household hazardous waste.

2.0	**Coordinate collection programs with waste reduction and product stewardship efforts.**	When waste reduction efforts target particular wastes due to toxicity or cost concerns, collection programs will be available for disposal of the targeted waste. In some cases, however, Metro will not undertake collection but instead will pursue waste prevention or product stewardship solutions. In other cases, the convenience of Metro's collection efforts may need to be increased when this is consistent with waste reduction goals and can be done in a cost-effective manner.
3.0	**Conduct waste screening programs at solid waste facilities to minimize the amount of hazardous waste disposed with solid waste.**	In spite of the availability of collection programs, some hazardous waste is still put into the trash. Effective screening programs will be used at solid waste facilities to keep this hazardous waste from the landfill.
4.0	**Use solid waste facilities efficiently and effectively for the delivery of collection services.**	Existing solid waste facilities that serve the public will be used as collection points for household hazardous waste. In some cases, these facilities may serve as the site of permanent collection depots; in others, they may serve only as occasional sites as a part of a schedule of temporary events.
5.0	**Maximize the efficiency of public collection operations, search for the most cost-effective methods and place a high priority on worker health and safety.**	To maximize the amount of waste properly managed with limited financial resources, collection programs must operate in an efficient manner. Program operators will continue to identify ways to reduce expenditures for materials, labor and disposal contractors, while maintaining high standards for environmental protection, worker health and safety, and customer service. Wastes brought to household hazardous waste collection centers can pose a wide variety of risks to the workers handling them. It is important to have a comprehensive health and safety program in place to properly protect these workers.
6.0	**Offer a Conditionally Exempt Generator (CEG) program to manage waste from small businesses.**	While federal and state laws allow small businesses that are classified as Conditionally Exempt Generators (CEGs) to dispose of their hazardous waste in the trash, Metro discourages this practice. As part of the effort to keep this waste out of the solid waste system, Metro operates a disposal program that provides a convenient and economical way for these generators to properly dispose of their hazardous waste.
7.0	**Implement bans on disposal of specific hazardous products as needed to address public health and environmental concerns.**	Some localities around the country have passed laws to ban the disposal of some or all hazardous products. When disposal of specific products poses a known risk to public health or the environment in the region, and there are convenient collection services available for such products, disposal bans will be implemented.

Monitoring and implementation methods

Metro will continue to provide annual reports as required by permits for hazardous waste collection methods. Implementation of these objectives will also be coordinated with various waste reduction work groups and reported to Metro Council and the Regional Solid Waste Advisory Committee.

E. Product stewardship

Goal: Shift responsibility to manufacturers, distributors and retailers for ensuring that products are designed to be nontoxic and recyclable, and incorporate the cost of the product's end-of-life management in the purchase price.

Over the past decade, state and local governments have been faced with finding solutions to rising waste quantities, strong competition for limited fiscal resources, and a growing amount of expensive and difficult-to-recycle products. These problems resist traditional solid waste management methods, which focus primarily on improving end-of-life management through better recycling and disposal programs. Product stewardship has emerged as a way to help deal with these problems.

Product stewardship is defined as an approach to managing the lifecycle costs of a product in which a product's designer, producer, seller and user share the responsibility for minimizing the product's environmental impact throughout all stages of the product's life cycle. The greatest responsibility lies with whomever has the greatest ability to affect the overall environmental impacts of the product.

This concept aspires to recast the system of product responsibility from resting primarily on governments to having others – consumers, retailers and manufacturers – share in reducing the product's life cycle impacts. "Products" in this sense are defined to include durable goods, nondurable goods and packaging.

The burden on government resources will be eased when manufacturers design, businesses distribute and sell, and consumers purchase products that are less toxic and more durable, reusable and recyclable. Product stewardship shifts responsibilities "upstream" from government to a product's users, retailers, distributors and manufacturers. These parties then take greater responsibility for ensuring that products are collected and recycled, and that markets exist for the recovered materials. If there are costs to recycle or dispose of a product, those costs should be part of the product's original price. This could be achieved by including a visible fee (i.e., an advance recycling fee) or by the manufacturer internalizing the costs of recovering, reusing and recycling. These "front-end" fee approaches are much preferable to "drop-off" or "end-of-life" fees which may increase illegal or improper disposal. Both "front-end" approaches are likely to increase the cost of a product in the near term, but could reduce the growth in solid waste management costs for ratepayers.

Objectives to achieve the product stewardship goal are shown below.

1.0 Prioritize product stewardship activities by evaluating products based on the significance of environmental impact (e.g., resource value, toxicity), current barriers to recycling, and financial burdens on governments for recovery programs.

The region will focus its resources on product stewardship activities that will have the greatest impact on decreasing local burdens, such as the need for government to provide special and costly collection programs. The region will coordinate with others at state, regional and national levels that are also seeking to set product stewardship priorities.

2.0	**Implement industry-wide product stewardship agreements or individual company stewardship programs in the region.**	Product stewardship agreements require the support of local and state governments to ensure that programs are effectively implemented. A number of national industry stewardship programs are currently in place and progress is being made in others (e.g., household batteries, carpet, paint, cell phones, and office products such as recycled content paper, ink cartridges, and computers). Local efforts can assist these programs by promoting product take-back opportunities and other activities.
3.0	**Educate public and private sector consumers about product stewardship and, in particular, their role in purchasing environmentally preferable products.**	Product stewardship encourages changes in thinking and behavior from a consumption and use perspective toward waste minimization and sustainable production. Such changes are enhanced by educating public and private consumers about the environmental impacts of their purchases and encouraging them to consider those impacts when making purchasing and disposal decisions. When businesses, institutions and governments adopt policies and purchase products that are part of product stewardship programs, they provide direct and visible support to stewardship programs. The electronic product environmental assessment tool (EPEAT) for electronic products is a good example.
4.0	**Work at the local, regional, state and national level to develop and implement policies, such as recycled-content requirements, deposits, disposal bans and advance recycling fees, that encourage product stewardship programs.**	Local, regional, state and national policies can provide the necessary incentives or legislative foundation required to make stewardship programs efficient, effective and sustainable. Because local governments are responsible for ensuring an environmentally sound and efficient solid waste disposal and recycling system, they directly benefit when product stewardship solutions result in manufacturers and others sharing that responsibility. Local governments are encouraged to support the product stewardship approach and to adopt product-specific policies. For example, a jurisdiction could include a provision in computer procurements that requires the sellers to take them back for recycling at the end of their useful life.

Monitoring and implementation methods

Implementation of these objectives will be coordinated with various waste reduction work groups and reports will be provided to Metro Council and the Regional Solid Waste Advisory Committee.

Chapter V
Sustainable operations

A. Introduction

As part of the RSWMP outreach in 2004, public input indicated a desire to see the solid waste system become more 'green' by engaging in broader environmental protection and resource conservation. In 2005, Metro facilitated a team of solid waste system stakeholders to develop goals for the RSWMP update that would guide system activities to become more sustainable. This chapter of the Plan reflects their work: a definition of sustainability, a framework through which potential improvements can be examined, and goals and objectives to guide progress. The goals and objectives that follow are intended to apply to any solid waste facilities and services in the region that are regulated by government.

B. Sustainability and the solid waste system

Sustainability efforts are becoming widespread among governments and businesses in Oregon. Metro adopted its own resolution to make agency operations more sustainable in May 2003, and has since taken a leadership role in implementing sustainability practices for contracted solid waste operations. These have included the use of ultra-low-sulfur and biodiesel fuel in facility rolling stock and long-haul trucks, as well as requiring purchase of rolling stock with the latest emission control devices.

Achieving sustainable operations throughout the system will involve engaging all participants in thinking about values, behavior and business decisions over the long run. This chapter of the Plan as well as the next (Plan implementation) will enable the regional solid waste system to achieve sustainability progress in a more coordinated fashion. It will also provide a model for sustainable operations in solid waste management for other jurisdictions around the nation.

To guide the evaluation and incorporation of sustainable practices, the following definition of sustainability, consistent with that of the State of Oregon, will apply:

> "Sustainability" means using, developing and protecting resources in a manner that enables people to meet current needs and provides that future generations can also meet future needs, from the joint perspective of environmental, economic and community objectives [ORS 184.421 (4)].

Application of this definition to solid waste management practices requires a framework through which to examine, develop and deploy improvements. The framework that was chosen is based on "The Natural Step" as defined below.

"The sustainable operation of the solid waste system considers economic, environmental and societal resources and is consistent with the Natural Step system conditions so that nature is not subject to systematically increasing:

1. Concentrations of substances from the Earth's crust;
2. Concentrations of substances produced by society, or
3. Degradation by physical means;

   and in that system

4. Human needs are met worldwide."

The following nine goals and 23 related objectives were approved by the Regional Solid Waste Advisory Committee in 2005. These goals and objectives are intended to guide evaluation and implementation of sustainable operations practices over the next 10 years.

Goal 1.0 Reduce greenhouse gas and diesel particulate air emissions

Objective 1.1: Implement plans for greater energy efficiency.

Objective 1.2: Utilize renewable energy sources.

Objective 1.3: Reduce direct emissions of greenhouse gases from landfills and other facilities.

Objective 1.4: Reduce diesel particulate emissions in existing trucks, barges and rolling stock through best available control technology.

Objective 1.5: Implement long-haul transportation and collection alternatives where feasible.

Options for realizing these objectives may include: choosing renewable energy options (both in daily operations and in the procurement of new contracts); implementing new energy audit and efficiency programs to ensure incorporation of the most energy-efficient practices available; and converting facility rolling stock, collection vehicles and transport equipment to ultra-low-sulfur fuels and incorporating the cleanest exhaust technology available.

Goal 2.0 Reduce stormwater run-off

Objective 2.1: Implement stormwater run-off mitigation plans.

Options for realizing this objective may include: employing best bio-swale systems; new oil/water separation technologies; active and passive filtration systems; and best management practices for wash-down and water usage procedures.

Goal 3.0 Reduce natural resource use

Objective 3.1: Implement resource efficiency audit recommendations.

Objective 3.2: Implement sustainable purchasing policies.

Objective 3.3: Reduce disposed waste.

Options for realizing these objectives may include: achieving higher-than-minimum recovery requirements; and implementing bid and procurement procedures that allow for maximum sustainability options

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Goal 4.0 Reduce use and discharge of toxic materials

Objective 4.1: Implement toxics reduction and management plans.

Options for realizing this objective may include: using non-toxic cleaning and industrial supplies; and developing education programs regarding proper product usage.

Goal 5.0 Implement sustainability standards for facility construction and operation

Objective 5.1: Implement sustainability standards for site selection.

Objective 5.2: Require new construction to meet the Leadership in Energy and Environmental Design (LEED) or equivalent program standards.

Objective 5.3: Provide incentives for existing facilities to meet LEED or equivalent program standards.

Options for realizing these objectives may include: basing new facility site acquisition on the lowest environmental and social impacts associated with site selection and facility development; providing an information source for LEED or LEED equivalent program and product research for workshops and other practical purposes; and underwriting the cost of Green/ Sustainable Building program certification through system fees.

Goal 6.0 Adopt best practices for customer and employee health and safety

Objective 6.1: Reduce injuries by automating operations where effective.

Objective 6.2: Implement health and safety plans that meet or exceed current minimum legal standards.

Options for realizing these objectives include: reducing task redundancy associated with moderate to high employee injury and/or toxic exposure risk; and setting safety standards above minimum requirements in the industry.

Goal 7.0 Provide training and education on implementing sustainability practices

Objective 7.1: Train key regional waste industry employees, government waste reduction staff and political officials in adopted sustainability practices.

Objective 7.2: Inform suppliers, contractors and customers of the adoption of sustainability goals and practices.

Options for realizing these objectives include: participating in training programs focused on sustainability that are designed to address business model concerns; learning peer-to-peer from businesses that have already adopted and successfully implemented sustainability practices; and developing and employing proposal and procurement standards to encourage standard evaluation criteria based on sustainability practices and programs adopted by others.

Goal 8.0 Support a quality work life

Objective 8.1: Pay a living wage and benefits to all workers.

Objective 8.2: Promote community service.

Objective 8.3: Strive to employ a diverse work force.

Options for realizing these objectives include: determining and implementing living wage compensation levels for workers; encouraging employee involvement in charitable giving and other community service projects; developing programs to "give back" to the communities in which the facility or services operates; and employing affirmative action principles in recruiting, hiring, training and promoting.

Goal 9.0 Employ sustainability values in seeking vendors and contractors

Objective 9.1: Request sustainability plans from potential vendors and contractors.

Objective 9.2: Assist vendors and contractors in achieving sustainable practices.

Objective 9.3: Support local vendors when feasible.

Options for realizing these objectives include: providing guidance and criteria standards for vendor sustainability plans or practices; promoting training and education programs to assist vendors in employing sustainable practices; and establishing affirmative purchasing policies for local companies that are able to provide needed services.

Monitoring and implementation methods

Metro will establish and coordinate a sustainable operations work group of policy and technical participants. The work group will develop priorities and strategies for achieving the objectives, and will report on progress annually to the Regional Solid Waste Advisory Committee and Metro Council.

Chapter VI
Plan implementation

This chapter describes the processes for Plan implementation, performance measurement and revision.

A. Overview

The RSWMP will enable the region to meet its waste reduction and sustainable operations goals and objectives, thereby conserving resources and improving solid waste management practices.

Key factors guiding implementation and performance include:

- Ensuring coordination and cooperation among governments and the private sector.
- Allowing flexibility in developing solutions.
- Monitoring and evaluation of implementation strategies and programs.
- Using benchmarks and targets to measure performance.
- Implementing a process for corrective action and Plan revision.

B. Roles

The implementation program will ensure that recommended strategies and programs are put in place effectively. The following roles will be important to coordinated implementation efforts:

Metro/Local government annual work plans

Annual work plans are the means by which Metro and local governments plan for the programs, projects and activities that implement the waste reduction elements of the Plan (see Appendix F for the process and schedule for the annual work plans). The implementation process will allow the development of alternative programs where required by local conditions, if the alternative will perform at the same level as the recommended programs.

Regional work groups

Work groups involving Metro, local governments, DEQ and the private sector will include a standing group engaged in implementation and reporting on sustainable operations goals, as well as short-term groups that meet to study regional problems and recommend policy or program options or changes. These work groups play an important role in ensuring realization of Plan goals. They may also assist in evaluating programs or recommending Plan revisions.

Local government implementation efforts

To fulfill the goals and objectives of the annual work plans, local government staff will manage collection franchises and set service rates, working together with elected officials, citizen advisory groups and waste haulers.

Private sector effort

The private sector will continue to develop and expand recycling and recovery services, as well as engaging in efforts to achieve sustainable operations.

Metro implementation efforts

Metro is responsible for coordinating and participating in various implementation efforts and ensuring that all such efforts:

- Maintain consistency with the Plan's vision, direction and recommended strategies, as well as with the State of Oregon's Integrated Resource and Solid Waste Management Plan.
- Demonstrate how Metro, local governments and the private sector each contribute to achieving the Plan's waste reduction efforts.
- Implement effective regional programs adapted to local conditions.

Metro will conduct demonstration projects, special studies and other research designed to remove barriers to implementing specific recommended or alternative strategies and programs. Metro is also responsible for assessing Plan performance.

C. Annual waste reduction work plans

Annual work plans developed by Metro and local governments are the primary means for ensuring that basic waste reduction services are provided, and for developing the specific programs and activities necessary to reach regional waste reduction goals. Annual work plans are developed in cooperation with regional work groups and the Regional Solid Waste Advisory Committee.

Basic services

Local governments and Metro currently provide basic recycling collection and education services that generally exceed minimum state requirements. During the development of the annual work plan, Metro and local governments will review the status of these basic programs, and evaluate methods to improve services, ensuring continued compliance with minimum state requirements. Metro will continue to assist local governments in maintaining such programs.

Regional program areas

Within the annual work plan, regional work groups will develop programs and activities designed to achieve the waste reduction goals and objectives as specified in Chapter IV. Each year, the annual work plan will identify which sector or sectors to focus on: single-family residential, multi-family residential, business, building industry, commercial organics or perhaps other areas.

These work plans will address the individual needs, barriers and particular circumstances affecting each sector and provide specific action steps, staffing and budgets for achieving the objectives of the Plan. This annual planning process allows for a flexible and rapid response to changing conditions. The process also enables the region to quickly phase out those programs or activities that prove less effective, and allows for shifting efforts and resources between areas as the need arises.

Implementation schedule

Appendix G provides a timetable for the annual work plans. The table displays time periods in which each of the programs will be implemented.

D. Sustainable operations workgroup

Implementation of goals and objectives

The committee charged with development of the sustainable operations goals and objectives envisioned a collaborative implementation strategy. Following adoption of the RSWMP, Metro will convene a standing work group of policy and technical participants to develop priorities and strategies for implementing the sustainable operations goals and objectives. Research will identify actions or options that could be employed to achieve those targets, as well as their costs and benefits.

Metro will establish and staff the work group and prepare an annual report on the region's progress toward these goals.

E. Plan performance

This section describes how regional waste reduction progress will be monitored and measured, as well as the methods for assessing programs and activities implemented under the Plan. The following approaches will guide these efforts:

- Use indicators that allow early identification of potential problems.
- Support continued development of simple, timely and consistent reporting systems.
- Require appropriate levels of information from local governments and the private sector.

Measuring progress

Historically, the regional waste reduction rate has been the primary benchmark of regional progress. This Plan continues an emphasis on that measure, but other means of assessing the solid waste system's performance (i.e., goals and objectives for sustainable operations) will be implemented and reported. In addition, the Plan is likely to be amended to incorporate a new set of numerical goals beyond the last benchmark year of 2009.

Table 6 in Chapter II shows the Plan's design to reach the 64% waste reduction goal through targeting efforts in the single-, multi-family, business, building industry and commercial organics sectors. The Plan will also monitor performance through per capita measures (for generation, disposal and recycling) and in terms of the waste reduction hierarchy (i.e., prevention, recycling, composting, energy recovery and disposal).

Program monitoring and evaluation

The programs and activities developed and implemented as part of the Metro and local government annual work plan are critical to reaching regional goals and objectives. In recognition of that fact, implementation schedules and monitoring and evaluation components are incorporated within the annual work plan. Using qualitative and quantitative measures, performance on the annual work plan is evaluated for both accountability and effectiveness. These performance measures, combined with the annual DEQ material recovery survey report, are used to assess progress and are reported to the Regional Solid Waste Advisory Committee and Metro Council annually.

For the basic services provided under the annual work plan, local governments' annual reports document efforts completed each year. The report details each

task's implementation date, as well as relevant status reports and results. These annual reports serve as the basis for monitoring the status of existing programs and progress with regard to the Plan, as well as required annual reporting to the Oregon DEQ.

Additional program evaluations

When more information is required regarding the efficiency and effectiveness of the programs designed to implement Plan recommendations, additional program evaluations will be conducted. Evaluations may also be performed when alternative policies or programs are proposed, or to examine how the regional system may operate better as a whole. (Studies of contamination issues at material recovery facilities are an example of such evaluations.)

F. Alternative programs

An alternative program is a solid waste management program or service proposed by a local government, which differs from that referenced by and implemented under the RSWMP. Alternative programs allow for flexibility in meeting Plan goals and objectives.

An alternative program process will be employed when a local government proposes programs or services that would depart from:

(a) The state Opportunity to Recycle requirements as specified under state law and requiring an approved alternative program from the DEQ; or

(b) The regional service standard as described in Appendix H, Local government compliance with state recycling requirements and the regional service standard.

Appendix I, Alternative programs - review and approval process - describes the process to be followed for evaluating and approving alternative programs.

G. Plan compliance and enforcement

The success of the Plan depends on maintaining cooperative working relationships among Metro, DEQ, local governments and the private sector. There may be occasions, however, when reviews or assessments reveal a lack of compliance or inadequate contribution to achieving regional goals.

Local government compliance with the Plan is primarily ensured through the annual work plan developed with Metro. Funding for local governments under this Plan is contingent upon receipt of satisfactory plans and reports from the local jurisdictions.

All local jurisdictions are also required to comply with the provisions set forth in state law (OAR 340-090-0040 and ORS 459A). Metro has been designated by the state as the agency to report on compliance for the region's three-county area. Local jurisdictions provide data to Metro to assist with this annual responsibility. As part of the annual work plan, local jurisdictions must provide documentation indicating they are continuing full implementation of the program elements required as part of the Opportunity to Recycle Act (OAR 340-090-0040 and ORS 459A).

Metro will review annual reports for compliance with state law. Programs appearing to be out of compliance will be reviewed with the local jurisdiction. If not resolved satisfactorily, Metro will work to resolve the matter in conjunction with DEQ. In addition, Metro may amend Metro Code to include additional Plan enforcement provisions to deal with non-compliance issues as they may arise.

H. Plan revisions

The RSWMP is intended to allow sufficient flexibility for its implementation to adjust programs without needing to amend or revise the Plan itself. Measurements of regional progress, program monitoring and evaluation, and special evaluation studies will help determine if the Plan may require a mid-course correction. If it is uncertain whether a change requires an amendment, the issue will be discussed with the SWAC and/or Metro Council, and a consensus developed.

Because the RSWMP includes policies and plans that affect diverse interests, amendments will be written through a cooperative process between Metro, cities, counties, solid waste industry representatives, citizens and other affected parties. As described above, the Plan will be monitored on an ongoing basis to determine if additional assessment is required. In addition, a five-year review will determine whether major revisions are needed. Revisions could include policy changes, major additions or changes to programs or amendments to ensure Plan uniformity and consistency.

Proposed revisions can be initiated by any interested party and will undergo review by Metro's Solid Waste & Recycling Department Director. If the Director determines a revision should be considered, it will be referred to the SWAC for review and recommendation. A SWAC recommendation will then be forwarded to the Metro Council.

Appendix A
Key solid waste laws

There are several state laws that help give perspective and direction to the activities in this Plan.

The Oregon Bottle Bill. The Oregon legislature passed the Oregon Bottle Bill in 1971 and it took effect on October 1, 1972. This bottle bill was the fi rst of its kind in the nation. Its purpose was to reduce litter and divert all beer and carbonated beverage containers from the waste stream so that they could be reused or recycled. The bill requires that a refund be paid to any person who returns empty soft drink or beer bottles or cans to a retail store.

1983 Opportunity to Recycle Act. The Opportunity to Recycle Act, passed by the Oregon legislature in 1983, was ground-breaking legislation that required:

- Residential on-route (curbside) recycling collection in cities of 4,000 or more people.
- Recycling at solid waste disposal sites.
- Education and promotion programs designed to make all Oregonians aware of opportunities to recycle and the reasons for recycling.

Although Oregon already had an extensive recycling infrastructure, both private and public, before the passage of the act, the system was enhanced through this legislation. The recycling programs called for have been implemented throughout the state.

1991 Oregon Recycling Act. In 1991, the Oregon legislature took recycling legislation a step further and passed the Oregon Recycling Act. Among other things, the Oregon Recycling Act established a recovery level goal of 50% by the year 2000. The Metro region was required to achieve a recovery level of 40% by 1995.

The Oregon Recycling Act also mandated the development of a statewide solid waste plan by 1994 and the performance of waste composition studies and required cities with a population greater than 10,000 population and the Metro area to implement certain waste reduction practices. Certain materials, such as whole tires and leadacid batteries, were banned from landfi lls. The act also specifi ed purchasing preferences by government agencies for materials with high percentages of recycled content and high degrees of reusability/recyclability.

Finally, the act established minimum recycled-content requirements for newsprint, telephone directories, glass containers and rigid plastic containers sold in Oregon.

1997 2% Credits for Waste Prevention. The session produced a bill that provided a means of enabling local governments to obtain credit for more than just their recycling programs. The program allows 2% credits for wastesheds such as Metro that establish and maintain programs in waste prevention, reuse and backyard composting. DEQ has established guidelines and evaluation criteria for wastesheds that allow them to earn up to 6% total credits toward their recovery goals for qualifying programs.

2001 State and Wasteshed Goals. In 2001, although most of the wastesheds in the state were meeting their individual required recovery goals, DEQ confi rmed to the legislature that these accomplishments were nevertheless not going to produce a statewide recovery goal of 50%. The legislature responded with HB 3744 (amending ORS 459.010) that set a statewide recovery goal of 45% for 2005 and 50% for 2009 and adjusted individual wasteshed goals. Metro's goal became 62% by 2005 and 64% by 2009 (these rates can include any credits received under the "2% waste prevention credits" program).

The bill set out review procedures regarding the goal:

If a wasteshed does not achieve its 2005 or 2009 waste recovery goal, the wasteshed shall conduct a technical review of existing policies or programs and determine revisions to meet the recovery goal. The department shall, upon the request of the wasteshed, assist in the technical review. The wasteshed may request, and may assist the department in conducting, a technical review to determine whether the wasteshed goal is valid (ORS 450.010(6)(e)).

In addition, HB 3744 established statewide waste generation goals:

- By 2005, there will be no annual increase in per capita municipal solid waste generation;
- By 2009, there will be no annual increase in total municipal solid waste generation.

Metro's Solid Waste Obligations and Authorizations under State Law. In addition to the key solid waste laws noted above, Metro has additional obligations and authorizations related to solid waste management for the wasteshed. Oregon Revised Statutes (ORS) Chapter 459 covers solid waste management administration roles, disposal sites, hazardous waste management, enforcement and penalties.

ORS 459A covers reuse and recycling program requirements in the state. Oregon Administrative Rules (OAR) Chapter 340 sets out implementation standards, reporting requirements, recovery rate requirements, recovery rate calculation methods, etc. The following state law chapters and sections specifically pertain to the region's waste and toxicity reduction plans, policies and programs:

ORS 459.055
Prepare and adopt a waste reduction program.

ORS 459.250
Provide recycling collection at transfer stations.

ORS 459.340
Implement the program required by 459.055.

ORS 459.413(1)
Establish permanent HHW depots.

ORS 459.413(2)
Encourage use of HHW collection.

ORS 459A.010
Require waste reduction program elements and reporting.

ORS 459A.750
School curriculum and teachers' guide components.

OAR Chapter 340, Division 90
Implementation standards & reporting requirements.

ORS 268.317(5)-(7) & 268.318
Solid waste regulatory authority.

ORS 268.390
Functional planning authority.

ORS 459.095
Local government compliance with RSWMP.

Appendix B

Regional Disaster Debris Management Plan

The Regional Disaster Debris Management Plan (RDDMP) is intended to enhance the preparedness of the Portland metropolitan area to deal with the removal and disposition of debris generated by a natural or human-caused disaster. The RDDMP specifies goals and objectives for disaster debris removal and disposal, describing potential implementation strategies to ensure that disaster debris efforts are coordinated, efficient, effective, and environmentally sound.

The RDDMP is based on seven principles:

1. Ensure debris management efforts are coordinated and cooperative throughout the region.
2. Manage disaster debris according to the federal and state-mandated hierarchy describing solid waste practices:
   - Reduce
   - Reuse
   - Recycle
   - Recover
   - Landfill
3. Use local resources for collection, recycling, and disposal before seeking outside assistance.
4. Restore normal garbage collection and disposal as quickly as possible.
5. Ensure accurate and organized debris and expense tracking systems.
6. Manage disaster debris in a fiscally responsible manner that minimizes the economic impact of debris processing.
7. Ensure the health and safety of the public and all parties involved in debris management.

Plan background

The RDDMP is a component of the Regional Emergency Management Plan being developed by the Regional Emergency Management Group (REMG). The REMG was formed in 1994 through an Intergovernmental Agreement among agencies in the five-county, bi-state Portland/Vancouver metropolitan area. The purpose of REMG is to: 1) recommend policy and procedures on regional emergency management issues; 2) develop an ongoing, inter-jurisdictional training and exercise program; 3) establish mutual aid agreements to ensure effective management of resources during an emergency; 4) coordinate efforts in the region to obtain funding for emergency management matters; and 5) develop a regional emergency management plan.

The REMG has two committees – a technical committee (REMTEC) comprises emergency management professionals and a policy advisory committee (REMPAC) that includes an elected or appointed official from each of the signatory agencies.

The RDDMP is also part of the Regional Solid Waste Management Plan (RSWMP). The RSWMP is the document that gives the Portland metropolitan region (encompassing Washington, Multnomah and Clackamas counties) direction for meeting solid waste objectives through 2017.

Plan development process

In 1995, the disaster debris removal subcommittee of REMTEC created a disaster debris management goal and five objectives. The goal and objectives were adopted by the Metro Council and included in the 1995-2005 RSWMP, serving as the guide for development of the RDDMP.

In January 1996, a task force of local government officials and private sector interests was formed. The task force met monthly over a nine-month period to develop the RDDMP. The resulting plan provided guidelines and recommendations for management of disaster debris. However, the Plan did not define the actions or details that need to occur in a debris management program, nor did it outline the responsibilities of Metro and other local governments in the disaster debris management process. Metro Council adopted the plan in May 1997.

In 2004, the disaster debris advisory group of local government officials and private sector interests was reconvened for the purpose of updating the 1997 RDDMP. The Regional Disaster Debris Management Advisory Group met several times over a three-month period, completing its work in July 2004. The result of the group's effort was a policy document that created a framework for preparing a separate operational plan to define the actions and responsibilities of the various parties involved in debris management.

Throughout both the 1995 and 2004 planning processes, REMTEC, the Solid Waste Advisory Committee (SWAC), the Metro Council, local governments, Oregon's Office of Emergency Management (OEM), and the U.S. Army Corps of Engineers (USACE) were kept apprised of the Plan's contents and progress, and were asked to comment on the drafts of the task force's work. A final draft of the RDDMP was also sent for review and comment to neighborhood associations, haulers, and other interested parties.

Next steps: The RDDMP sets policy direction, but doesn't define the actions or details that need to occur within a debris management program. Instead, the RDDMP calls for the development and maintenance of a separate operational plan to define the actions of the different parties involved in debris management. Without the operations plan, the RDDMP by itself provides little actual guidance to the region's emergency managers to ensure that the debris is managed in accordance with the principles and objectives described in this document and the RSWMP.

Metro's role in disaster debris planning

Metro is responsible for solid waste planning within the tri-county region of Washington, Multnomah, and Clackamas counties.

Metro's authority to develop the RSWMP derives in part from ORS 459.017(b), which states that "local government units have primary responsibility for planning for solid waste management." Metro was designated as the local government unit responsible for solid waste planning for the local area under State of Oregon Executive Order 78-16. The RSWMP was also created, in part, to address a requirement under ORS 459.055 and ORS 459.340 that Metro develop and implement a waste reduction program.

The RDDMP was developed and is included within the RSWMP to ensure that debris management activities after a disaster are effectively coordinated and address the waste management hierarchy. Consistent with ORS 401.015 to 401.105, 401.260 to 401.325, and ORS 401.355 to 401.580. The RDDMP plans for the management of disaster debris at the local level, requesting state and/or federal assistance when the appropriate response to an event is beyond the capability of the local governments to manage the event. The operational plan being developed under the policy guidance of the RDDMP will include appropriate intergovernmental agreements between Metro and cities and counties within the region to help ensure that debris activities are coordinated and effective.

Consistency with other plans

The RDDMP is consistent with disaster debris management plans adopted by counties within the tri-county metropolitan area and with the State of Oregon's Emergency Operations Plan. The RDDMP is also consistent with and embraces the incident management principles outlined in the National Response Plan (NRP) and the National Incident Management System (NIMS).

The NRP was adopted by the Federal Government in 2004 to "integrate Federal Government domestic prevention, preparedness, response, and recovery plans into one all-discipline, all-hazards plan" under the authority of the Secretary of Homeland Security. The NIMS provides a consistent nationwide framework to standardize incident management practices and procedures. It integrates existing best practices into a nationwide approach that is applicable at all jurisdictional levels and across functional disciplines in an all-hazards context. A key aspect of the NIMS is its adoption of the Incident Command System (ICS) as the standard model for incident management.

Acknowledgements

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Definition of terms and acronyms used in this plan

Acronyms

CBRNE	Chemical, biological, radiological, nuclear or explosive
CEG	Conditionally Exempt Generator
DEQ	Oregon Department of Environmental Quality
EOC	Emergency Operations Center
EPA	U.S. Environmental Protection Agency
ESF3	Essential Support Function #3, Public Works and Engineering
ESFLG	Essential Support Function Leaders Group
ETR	Emergency Transportation Routes
FEMA	Federal Emergency Management Agency
ICS	Incident Command System
JFO	Joint Field Office
JIC	Joint Information Center
MRF	Materials Recovery Facility
NIMS	National Incident Management System
ODOT	Oregon Department of Transportation
OEM	Oregon Emergency Management
RDCC	Regional Debris Coordination Center
RDDMAG	Regional Disaster Debris Management Advisory Group
REIC	Regional Information Coordinator
REMG	Regional Emergency Management Group
USACE	U.S. Army Corps of Engineers
WDES	Washington Department of Emergency Services

Terms

Stafford Act

Provides the federal authority for FEMA's role in managing federal disaster assistance including Coordinating the Presidential declaration process; helping assess damage after a disaster; evaluating a governor's request for assistance; working with state and local governments in a joint partnership to implement the various assistance programs; coordinating the activities of federal agencies and volunteer organizations; and managing the President's disaster relief fund.

Emergency

Any natural or human-caused situation that results in or may result in substantial injury or harm to the population, or substantial damage to or loss of property. As defined by the Stafford Act, an emergency is any occasion or instance for which, in the determination of the President, Federal assistance is needed to supplement state and local efforts and capabilities to save lives and to protect property, public health and safety.

Major disaster

As defined under the Stafford Act, "any natural catastrophe or, regardless of cause, any fire, flood or explosion in any part of the United States, which in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance under the Act to supplement the efforts and available resources of states, local governments and disaster relief organizations in alleviating the damage, loss, hardship or suffering caused thereby."

Life cycle of an incident

Emergency response phase

The period following the onset of disaster, which is dominated by immediate reactions to eminent threats. Response activities include the immediate and short-term actions to preserve life, property, environment, and the social, economic and political structure of the community.

Emergency recovery phase

The period in which a community restores services and rebuilds facilities after a disaster. Recovery involves actions needed to help individuals and communities return to normal. Recovery programs are designed to assist victims and their families, restore institutions to sustain economic growth and confidence, rebuild destroyed property and reconstitute government operations and services. These actions often extend long after the incident itself. Recovery programs include mitigation components designed to avoid damage from future incidents.

Preparedness

Under the NEMS, preparedness encompasses the full range of deliberate, critical tasks and activities necessary to build, sustain and improve the operational capability to prevent, protect against, respond to and recover from domestic incidents. Preparedness involves actions to enhance readiness

and the ability to quickly and effectively respond to a potential incident. Preparedness also includes procedures to share information and disseminate timely notifications, warnings and alerts.

Prevention and mitigation
Actions taken to interdict, disrupt, preempt, avert or minimize a potential incident. This includes Homeland Security and law enforcement efforts to prevent terrorist attacks and hazard mitigation measures to save lives and protect property from the impacts of natural disasters and other events. Includes long-term activities to minimize the potentially adverse effects of future disasters in affected areas.

Joint information center (JIC)
Established to coordinate the federal public information activities on-scene, the JIC is the central point for all news media at the scene of the incident. Public information officials from all participating federal agencies should collocate at the JIC. Public information officials from participating state and local agencies also may collocate at the JIC.

Regional debris coordination center (RDCC)
A center established to coordinate the flow of information among emergency managers and the public about debris management. The RDCC will provide a pre-planned method of determining regional debris needs and priorities as each event develops, communicating with responding agencies and ensuring that regional recovery efforts are in line with established solid waste recycling and disposal goals, public safety needs, financial assistance to communities, and in accordance with FEMA disaster debris public assistance reimbursement requirements.

Conditionally exempt generator (CEG)
Any non-household generator of hazardous waste, including businesses, government agencies, nonprofit organizations, etc. that generates less than 220 pounds of hazardous waste per month and complies with other federal and state requirements to maintain CEG status.

Exempt hazardous waste
Any unwanted hazardous products not subject to full regulation under Oregon and federal hazardous waste laws.

U.S. waste management hierarchy
The Environmental Protection Agency (EPA) and Oregon solid waste management hierarchy: Reduce, Reuse, Recycle, Recover, Landfill.

Putrescibles
Matter that rots or decays, such as food waste.

Putrescible surge
Occurs after a disaster, when people throw away food and other putrescible material stored in freezers and refrigerators after electrical power has been interrupted for an extended period.

Universal waste
A relatively new category of hazardous waste, formerly fully regulated, but now subject to less stringent disposal regulations promulgated by the U.S. EPA in May 1995. Includes batteries, mercury-containing thermostats pesticides, and (in Oregon) fluorescent light tubes.

Local government debris removal coordinator
Person designated by each city or county to coordinate that jurisdiction's management of disaster debris.

National response plan
A consistent, nationwide framework to standardize incident management practices and procedures.

Types of disasters
Although this plan is written for both large and small disasters (whether natural or human-caused), for the purposes of this plan, three types of emergencies require different levels of debris management programs and inter-agency coordination. The following descriptions are used to illustrate the general differences among normal day-to-day garbage flows and these three levels. (Please see the Disaster Debris Management Operations Plan for more information on trigger points, chain of command, individual roles and responsibilities and methods used to deliver programs and information.)

Normal operations
Examples
Households or businesses set out waste and recycling in containers ranging from 20 gallons to 40 cubic yards. Additionally, a lesser quantity of waste and recycling is self-hauled by generators to recycling, composting, and solid waste facilities, as well as landfills. Over 100 recycling and composting facilities operate in the Metro region.

Flow of debris
Waste and recycling is collected by a commercial garbage hauler or independent recycler. Depending on what part of the Metro region the customer is in, the haulers are either "free market" or franchised by a city or county. Collected waste may be hauled to the closest MRF, garbage transfer station or a local dry waste

landfill. Recycling is delivered to a source-separated recycler or a MRF, where the recyclables are sorted. The customer pays for the full cost of collection, recycling or disposal services.

Command and control
State law lays out some of the required recycling opportunities. Cities and counties administer the franchise agreements with private haulers in franchised areas. Metro operates two waste transfer stations, and transports waste to the Columbia Ridge Landfill in Eastern Oregon. Landfills and MRFs are regulated by DEQ and Metro. Metro also licenses certain types of recycling and composting facilities.

Level 1

Trigger Point
Declaration or anticipation of a declaration of a disaster by an authorized official of a city or county within the Metro boundary, without a governor-declared state of emergency or a residentially declared disaster.

Examples
Minor earthquake, silver thaw event, trees downed by microburst type of windstorm.

Examples of possible debris programs
Limited- or short-term special city- or county-sponsored collections or special drop sites, information given to affected citizens. Debris collection and management handled by local staff with local resources.

Flow of debris
Other than a small increase in volume, the flow of debris will be little different than normal operations.

Command and control
Management of disaster response and recovery actions is under the control and direction of individual affected cities, districts, and counties, exercised either through individual agencies acting in their areas of responsibility and/or through local EOCs operated under the incident command system. Only limited regional coordination is required.

Level 2

Trigger point
Gubernatorial declaration or anticipation of a declaration of a state of emergency in one or more of the region's three counties (Washington, Multnomah, Clackamas).

Examples
Moderate earthquake, 100-year flood.

Examples of possible debris programs
Longer-term special city- or county-sponsored collections, or special drop sites and information to affected citizens. Debris collection and processing costs could overwhelm local resources. Metro may provide monetary assistance and/or reduce disaster debris recycling or disposal fees, and may open temporary debris sorting or reload facilities.

Flow of debris
Other than volume increases, no significant difference from normal day-to-day operations. Debris is likely to go to the same solid waste facilities and landfills, or be stored for short periods of time before recycling or disposal.

Command and control
Management of disaster response and recovery actions is still primarily under the control and direction of individual affected cities, districts and counties, generally exercised through on-scene incident commanders and local EOCs operated under the incident command system. State agencies may be responding to their own incidents while supporting local government missions. A greater degree of regional coordination is required, and coordination of resource and mission requests from local jurisdictions will take place at both state and regional levels. In extraordinary circumstances, the Governor may choose to assert direct control of certain local resources and assume command of certain normally local activities.

Level 3

Trigger point
Presidential declaration or anticipation of a declaration of a disaster area in one or more of the region's three counties.

Examples
Extensive flooding, Cascadia subduction zone earthquake. (Note: The Cascadia subduction zone is a very long, sloping fault stretching from mid-Vancouver Island to Northern California. Because of the extensive fault area, the Cascadia Subduction Zone could produce a large earthquake, magnitude 9.0 or greater, if rupture occurred over its whole area.)

Examples of possible debris programs
Special, longer-term city-county- or USACE may establish a mission to work with the local jurisdiction in charge to run collections or special drop sites. Extensive information to affected citizens. Possible Metro monetary assistance coordinated with FEMA assistance and reduced disaster debris recycling or disposal fees at collection centers. Debris collection and processing costs very likely to overwhelm local and regional resources.

Flow of Debris
Likely to be drastically different than normal operations. Debris is likely to go to different solid waste facilities and landfills or be stored for long periods of time before being recycled or disposed.

Command and Control
Although local jurisdictions retain responsibility for directing disaster response and recovery actions within their boundaries, coordination demands are greatly increased due both to the overwhelming nature of the event and to the influx of federal and state resources requiring management. The typical national model calls for local resources (county/city/district) to be supplemented by state resources and federal resources acting generally to perform missions requested by the local jurisdiction or the state. In the Metro region, an additional level of government exists, with jurisdiction over regional aspects of disaster debris management. In a Level 3 event, Metro and the Regional Debris Coordination Center might be expected to provide coordination between city/county activities and state/federal activities, including establishing debris management missions to be performed by USACE, and ensuring effective and efficient use of regional resources including local hauling, and disposal resources.

Roles of participants involved in disaster debris management

The detailed roles, responsibilities, authorities and reporting requirements of all of the public and private parties involved in managing disaster debris vary based on the type and severity of the disaster. Elaboration on this kind of information will be available through the companion document to the RDDMP, the Disaster Debris Management Operations Plan, in late 2007.

Disaster debris management goal

In the event of a major natural or human-caused disaster such as an earthquake, windstorm, flood or homeland security incident, the regional solid waste system is prepared to quickly restore delivery of normal refuse services. The system has the capability of removing, sorting, reusing, recycling, and disposing of potentially enormous amounts of debris.

Objective 1.0. Ensure the coordination, communication and commitment of local, state and federal governments and the private sector.

Objective 2.0. Develop and provide both accurate and reliable information to use to predict the types and quantities of debris from a disaster event and information about the resources available for responding to and recovering from disasters.

Objective 3.0. Develop an emergency response phase plan that coordinates emergency debris management services and maximizes public health and safety.

Objective 4.0. Develop a recovery phase plan that maximizes the amounts of materials recovered and recycled, and minimizes potential environmental impacts.

Objective 5.0. Provide for flexible fiscal and financial arrangements that promote efficient and effective implementation of response and recovery plans.

Objective 64.0. Ensure that disaster debris resulting from a homeland security incident is managed in such a way to identify and preserve potential crime scene evidence.

Objective 1.0 – Ensure that debris management efforts are coordinated

Develop and maintain a working group of emergency managers, local government solid waste staff, solid waste haulers and other parties to coordinate the activities of the public and private entities involved in disaster debris management.

Key concept and approach

Properly coordinated disaster debris management efforts will be critical to ensure that those efforts are orderly, efficient and effective.

Key elements

a) Create a Disaster Debris Operations Plan in cooperation with all of the public and private entities involved in regional disaster debris management. This Operations Plan describes the roles and responsibilities for the parties involved and the timing for delivery of the key components listed. The Operations Plan is a companion document to the RDDMP and is being created by the Regional Disaster Debris Management Task Force.

b) Create a process and schedule by which the Regional Disaster Debris Management Advisory Group will meet, for the purpose of creating and maintaining the Disaster Debris Management Operations Plan. (The advisory group contains members of REMG, solid waste and recycling local government, and hauling industry representatives.)

c) Develop standard operating procedures and job descriptions for the staff who will operate the RDCC.

d) Prepare mutual aid agreements among local governments as necessary.

Roles and responsibilities

The Disaster Debris Management Operations Plan, a companion document to the Regional Disaster Debris Management Plan, will describe the roles and responsibilities for the parties involved and the timing for delivery of the key elements listed.

Objective 2.0 – Develop strategies for sharing and disseminating information

Ensure that current and usable information is available to plan and implement disaster debris removal.

Key concept and approach

To plan for and implement disaster debris removal activities, certain information must be available to those involved in these activities. It is also important that this information is updated regularly.

Confusion is the common denominator of disasters. The havoc and destruction caused by a major disaster creates conditions that make confusion inevitable. Basic necessities of life – water, food, and shelter – may be difficult or impossible to obtain; utility services may be disrupted or destroyed; streets may be filled with debris, making travel slow and hazardous; and the emotions of citizens and officials may be taxed to the breaking point.

Among the many demands created by disaster conditions, government agencies should be prepared to tell the community when, where, and how garbage collection will resume, as well as to provide special instructions for collecting, sorting, reporting and processing disaster debris.

Key elements

a) Inventory regional solid waste disposal, recycling and processing facilities, including location, storage, processing, and market capacities, and material specifications.

b) Assess capacity of regional markets to absorb recyclables produced by recovery activities, including market specifications.

c) Predict debris tonnage, by geographical area and type of debris.

d) Inventory potential temporary debris disposal sites around the region.

e) Predict the need for Metro hazardous waste management services.

f) Develop real-time assessment of system capacity for debris removal.

g) Create a process for updating contact information for city, county, state, and federal emergency management and debris removal staff.

Roles and responsibilities

The Disaster Debris Management Operations Plan, a companion document to the Regional Disaster Debris Management Plan, will describe the roles and responsibilities for the parties involved and the timing for delivery of the key elements listed.

Objective 3.0 – Develop emergency response phase strategies

The emergency response phase coordinates and mobilizes resources and efforts, with the priority on immediate services that will preserve life, safety and public health.

Key concept and approach

In order for disaster debris management programs to be ready to rollout following a disaster, the majority of the planning and interagency coordination, including drills and exercises, should occur during peacetime, well in advance of any actual emergency situation. During the time period when responders' efforts are focused on life, safety, and health issues, the parties responsible for planning debris removal have a limited window of opportunity to gather data and fine-tune how debris management programs will be implemented. The response phase can last anywhere from two hours for small emergencies, to two weeks or more in major disasters. During this time period, a response strategy should be finalized that would mobilize resources, including executing contracts for debris removal. Priorities established for the removal of putrescible surge and debris in critical areas of the community, such as emergency transportation corridors.

Key elements

a) Designate Metro and local government debris removal coordinators.

b) Develop a regionally coordinated plan for the gathering and dissemination of information.

c) Define the activities of and activate and staff the Regional Debris Coordination Center.

d) Develop criteria to determine the extent of need and the degree to which regional or local response is required.

e) Execute contracts with haulers and contractors responsible for initial work, until local resources are exhausted.

f) Execute intergovernmental agreements and mutual aid agreements as required, e.g., between haulers and/or governments.

g) Recommend that franchise agreements include a description of the triggers and the process for the suspension of the standard franchise agreement in a disaster situation.

h) Develop criteria for the prioritization of cleanup areas.

i) Develop criteria for the selection of properties that may be appropriate places to stage debris collection, recycling, processing, reload or disposal. Identify potential debris sites and make financial arrangements with owners of potential sites.

j) Work with local, state and federal agencies to identify and find mutually agreeable solutions to potential conflicts between proposed disaster debris management programs and existing solid waste and environmental protection system conditions. (Examples include hauler franchise agreements/boundaries; Metro Designated Facility Agreements; Metro Non-System License Agreements; Metro solid waste facility licenses or franchises; the need to collect Metro, city, county or state fees/taxes on disaster debris tons disposed; DEQ landfill permitting; air or water quality discharge permitting; open burning regulations; Federal Endangered Species Act requirements; and the Marine Protection. Research and Sanctuaries Act.)

k) Update and track the real-time operational status of the designated emergency transportation routes throughout the region in order to manage resources during the disaster recovery process.

Roles and responsibilities

The Disaster Debris Management Operations Plan, a companion document to the Regional Disaster Debris Management Plan, will describe the roles and responsibilities for the parties involved and the timing for delivery of the key elements listed.

Objective 4.0 – Develop emergency recovery phase strategies

The emergency recovery phase is generally defined as the period in which a community restores services and rebuilds after a disaster. Disaster debris management efforts in the recovery phase should minimize environmental impacts to the greatest extent possible and be handled according to the solid waste management hierarchy (reduce, reuse, recycle, recover, landfill). The duration of the recovery phase varies depending on the disaster; it may take weeks, months or years.

During the early part of the recovery phase, the importance of disaster debris management activities moves to the forefront. People are concerned with getting rid of the debris material that resulted from the disaster, and getting on with the process of rebuilding. Recovery phase strategies are designed to help jurisdictions make the process of managing disaster debris more efficient and effective, and to give them the information and the tools they may need to make better decisions.

Key concept and approach

Debris disposition should be handled in an efficient, orderly and cost-effective manner that minimizes adverse environmental impacts, respects the solid waste management hierarchy and supports overall health and safety efforts. To ensure that equipment, labor and services are supplied efficiently and cost effectively, existing local resources used to manage disaster debris should be used in accordance with the solid waste hierarchy. State and federal resources will only be utilized once local resources are exhausted.

Key elements

a) Develop guidelines for removal of debris from residential, commercial and government properties consistent with the solid waste management hierarchy - reduce, reuse, recycle, recover, landfill - while balancing the preservation of health and safety and the environment.

b) Coordinate multi-jurisdictional debris clearing efforts.

c) Continue efforts to mobilize local resources by executing contracts with haulers and contractors.

d) Create disaster debris removal contracts that include language requiring recycling and prescribing recycling methods and locations.

e) Develop guidelines to manage and operate temporary drop-off, reload, recycling, processing, or disposal sites.

f) Develop strategies to mitigate the surge of putrescible.

g) Develop guidelines to properly collect and process or dispose exempt hazardous waste.

h) Develop a process for business and household cleanup efforts including a plan that defines the process, time limits, requirements and restrictions.

i) Develop contingency procedures to collect, sort, recycle and dispose of debris in the event that usual options are unavailable.

j) Develop guidelines to prevent and control illegal dumping.

k) Develop guidelines for the use of burning or ocean dumping as a disposal option.

Roles and responsibilities

The Disaster Debris Management Operations Plan, a companion document to the Regional Disaster Debris Management Plan, will describe the roles and responsibilities for the parties involved and the timing for delivery of the key elements listed.

Objective 5.0 – Develop fiscal/financial arrangements

Ensure that disaster debris management activities will be properly and efficiently funded, through coordination among public agencies and the private sector. Ensure compliance with all applicable federal, state and local disaster assistance requirements and proper accounting procedures.

Key concept and approach

The communication and coordination of disaster debris management efforts between and among jurisdictions and pertinent agencies is important to ensure that efforts are not duplicated and that recordkeeping is accurate. These and similar types of problems can strain resources, impair the ability to be reimbursed by FEMA, and potentially jeopardize other sources of funding.

Key elements

Develop regionally coordinated systems and procedures for the following:

- Tracking system for disaster debris management expenses, including collection, hauling and processing and/or disposal costs incurred.
- Tracking system for disaster debris tons recycled, processed, and/or disposed at each facility in the region.
- Contingency procedures for fee collection at public and private solid waste facilities.
- Fraud control procedures.
- Contract language that protects Metro and local governments from legal liability resulting from illegally dumped or uncollected disaster debris.
- Mitigation plan to minimize future costs for disaster debris collection and disposal.
- Standard form contracts for facilities, contractors and haulers that establish scope and schedule of work, contract price and payment methods, obligations, etc.

Roles and responsibilities

The Disaster Debris Management Operations Plan, a companion document to the Regional Disaster Debris Management Plan, will describe the roles and responsibilities for the parties involved and the timing for delivery of the key elements listed.

Objective 6.0 – Ensure preservation of crime scene evidence

The events of September 11, 2001 changed the way in which emergency managers view and manage solid waste resulting from a terrorist attack or suspected terrorist attack. Preserving the integrity of and documenting the chain of custody for several thousand tons of debris/evidence requires that solid waste and recycling staff, haulers, and anyone else who touches the debris have a plan and coordinate their activities much more closely with emergency managers and law enforcement officials.

Key concept and approach

The communication and coordination of disaster debris handling from a chemical, biological, radiological, nuclear or explosive incident needs to be well-coordinated among all parties who will come in contact with the debris. The management strategy for this type of event will likely require larger staging and sorting areas, with less emphasis on volume, speed and material recovery, and more space for law enforcement staff to sort, collect, warehouse and take possession of potential evidence.

Key elements

a) Invite law enforcement officials to participate in the Disaster Debris Management Advisory Group to share with the task force the requirements for preserving crime scene evidence.

b) Coordinate debris removal activities with local, state and federal law enforcement agencies to get their recommendations on the sections of the Disaster Debris Management Operations Plan that relate to crime scene evidence.

c) Create standard operating procedures for tracking and handling debris from several different scenarios of CBRNE incidents.

d) Create procedures to ensure that the information on crime scene preservation in the Disaster Debris Management Operations Plan remains current.

Roles and responsibilities

The Disaster Debris Management Operations Plan, a companion document to the Regional Disaster Debris Management Plan, will describe the roles and responsibilities for the parties involved and the timing for delivery of the key elements listed.

Appendix A – Conditions for Metro Regional Disaster Debris Disposal Assistance

EXECUTIVE ORDER NO. 67

EFFECTIVE DATE: March 28, 1997

SUBJECT: CONDITIONS FOR METRO REGIONAL DISASTER DEBRIS DISPOSAL ASSISTANCE

PURPOSE:

The purpose of this Executive Order is to identify the conditions under which Metro will provide regional disaster debris disposal assistance. No formal criteria currently exist to guide Metro on the level of response to events that generate substantial amounts of debris in short periods of time. In the past, this has hindered the timely coordination of response among local governments, haulers, and residents in the region. It has also caused delays in Metro's ability to provide assistance.

The criteria in this Executive Order will be followed by Metro in the event of a disaster or other emergency that produces a substantial amount of debris. These criteria are to be incorporated into a set of standard operating procedures for managing emergencies by Regional Solid Waste and Recycling (SW&R) as those procedures are developed.

CONDITIONS FOR METRO REGIONAL DISASTER DEBRIS DISPOSAL ASSISTANCE

Metro desires to provide assistance for disaster debris disposal to citizens and local governments in the region in order to help protect public safety, health, and welfare and to minimize the hardships created by natural or man made disasters that produce substantial amounts of debris. To enable Metro to provide this kind of assistance in a consistent and orderly manner, SW&R will be developing a set of standard operating procedures for emergency and disaster situations. These procedures will be used in conjunction with the Regional Disaster Debris Management Plan to guide and direct the decisions and actions of SW&R personnel during an emergency or disaster. When completed, the SW&R standard operating procedures will be incorporated into the Metro Emergency Operations Plan.

Until these standard operating procedures have been developed, at least one of the following conditions must occur before Metro may initiate disaster debris assistance. Different conditions will trigger the different levels of response that are described below. If one or more of these conditions have been met, SW&R may immediately mobilize an appropriate response, as described below. Unless one or more of these conditions have been met, no Metro disaster debris assistance may be initiated without prior recommendation of the Executive Officer and approval of Metro Council. The conditions and appropriate responses are:

I . Declaration of a disaster by an authorized official of a city or county within the Metro boundary. Without a governor declared state of emergency or presidential declared disaster, upon request by the official declaring the disaster, Metro response will be limited to non monetary assistance, such as provision of volunteers and information dissemination through Metro Recycling Information. The response may involve re allocation or prioritization of work to address specific needs.

2. Governor declaration of a state of emergency in one or more of the three counties in the Metro region (Washington, Multnomah, Clackamas). Metro response may include monetary assistance. The exact nature and level of the response is to be assessed at the time of the event and each event will be assessed individually. Assistance efforts under a governor declared state of emergency may be less restrictive than #1, above, but will be more restrictive than under #3, below.

3. Presidential declaration of a disaster area in one or more of the three counties in the Metro region Washington, Multnomah. Clackamas). Metro response may include monetary assistance. The exact nature and level of the response is to be assessed at the time of the event and each event will be assessed individually. Assistance efforts under a presidential declaration may be more aggressive than #1 or #2 above, due to the potential of federal disaster relief.

When one or more of the above conditions have triggered a response, the SW&R Director or his designee will meet to determine the exact and immediate course of action SW&R should take. The intent is to allow SW&R to be able to respond quickly and decisively in these events. SW&R management will take the first possible opportunity to brief the

Metro Executive Officer and Council on the specifics of the response. The Council must approve, and the Executive Officer must be consulted on commitments by Metro to long term responsibilities or major expenditures, or that conflict with the above criteria for Metro disaster debris assistance.

Possible Services / Assistance Metro May Provide

The particular services or assistance Metro may choose to provide if one or more of the above conditions are met should always be determined at the time of the event. Each disaster event will be different. The needs particular to that disaster will become apparent at that time, and solutions appropriate to those needs are to be explored. However, any assistance implemented by Metro should recognize and be consistent with the implications of the following:

- Services and assistance to the region's residents should be provided through a partnership between local governments and Metro. As outlined in the Regional Disaster Debris Management Plan (RDDMP), local governments have primary responsibility for the collection and hauling of waste in their jurisdictions and ensuring that that collection is appropriate and adequate. Metro has primary responsibility for ensuring safe and adequate disposal options. Metro and local governments should strive to provide collection, hauling, and disposal services for disaster debris that are cooperative, efficient, and work well as a system.
- Controlling fraud is an important element in any kind of assistance or service provision. Fraud is best controlled when all of the service providers Metro, local governments, haulers, and private disposal facilities work together to ensure that the guidelines established for assistance or services are abided by. Control of fraud is also aided by the existence of clear guidelines for the allocation of any government assistance funds.

- The Federal Emergency Management Agency (FEMA) has issued guidelines that it uses to reimburse local and state government agencies for debris removal. If a disaster is presidential-declared, thereby making FEMA assistance available, services and assistance offered by local and state governments for disaster debris must follow these guidelines if FEMA reimbursement is expected. In general, FEMA views debris removal from private property as the responsibility of the individual property owner aided by insurance settlements and assistance from volunteer agencies. FEMA assistance is not available to private property owners for this purpose. However, local or state governments may pick up and dispose of disaster related debris placed at the curb by those private individuals, as long as the service is carefully controlled with regard to extent and duration. Also, if the debris on private business and residential property is so widespread that public health, safety, or the economic recovery of the community is threatened, the actual removal of debris may be eligible.

ORDERED by the Executive Officer this ____ day of___ 1997.

Mike Burton, Executive Officer

Appendix C
Disposal System Planning

Final Report

Metro Transfer System Ownership Study

Prepared for

METRO
PEOPLE PLACES • OPEN SPACES

June 2006

Prepared by

CH2MHILL
CH2M HILL
P.O. Box 91500
Bellevue, WA 98004

In association with ECODATA, Inc.

Executive Summary

Background

The Disposal System Planning Project (DSP) is a component of the Regional Solid Waste Management Plan update. The project will be completed in two phases. Phase 1 began in 2005. Phase 2 is expected to begin in FY 2006-07. The primary purpose of Phase 1 is to answer the question: *What is the best way to deliver safe, environmentally sound and cost-effective disposal services to this region?* An important component of this question is Metro's role in the disposal system. The primary purpose of Phase 2 will be to implement the decisions of Phase 1.

Over time, the private solid waste industry has become more concentrated, both nationally and locally. Since 1998, Metro has recognized the public and political interests in relaxing its role as the primary provider of services, and has begun to franchise limited private transfer operations throughout the region for commercial haulers. Given growing pressure from transfer station interests within the industry to accelerate the pace of private facility authorizations, this project will take a step back and take a comprehensive look at what is the best course for the region as a whole for the long-run.

Project Purpose

The purpose of this transfer system ownership study is *to analyze different transfer station ownership options to provide information for the Metro Council to decide what Metro's role should be in the disposal system*. The analysis has four essential elements:

1. The project team worked with the Council and various stakeholders to identify the criteria to be used for evaluating the quality of the disposal system—cost, material recovery, equity, flexibility, etc.
2. The project team worked with stakeholders to construct different ownership options that address the transfer component of the regional solid waste system. Options investigated include public ownership of all transfer facilities, mixed public and private ownership, and a totally privately owned system.
3. The ownership options were analyzed against the performance criteria listed above.
4. Finally, the Metro Council will make a decision. A choice, for example, of a totally private system implies that Metro should ultimately exit the disposal business. The choice of a mixed public-private system, on the other hand, implies that Metro should remain in the business. The choice of a public system implies an increased role for Metro in the provision of transfer system services.

Approach

The choice of system ownership option is dependent upon a number of factors that relate to the ultimate objectives and values of the region's residents, businesses, and industry stakeholders. The Metro Council is responsible for making decisions about the transfer system that best meet these objectives and values. It is important to consider the environmental, social, and financial aspects of different system ownership options, and to be aware of risks that may need to be managed should changes to the current system be implemented. Thus, the analysis of different system ownership options was conducted from the following perspectives:

- Documentation and consideration of stakeholder input
- Analysis of Metro solid waste system economics
- Definition of system options
- Value Modeling of non-monetary aspects of system options
- Economic analysis of system options
- Risk Assessment of system options

Results and Conclusions

Competition in the Metro Disposal System

The Metro disposal system can be viewed as a series of inter-related elements: collection, transfer/processing, transportation, and disposal (waste reduction, recycling, and source-separated processing are not typically considered to be part of the disposal system). Economic theory and the results of the analysis of the system suggest the following conclusions about competition in the Metro disposal system:

- Collection: Commercial collection in the City of Portland is arranged by subscription i.e., multiple firms compete for business in a competitive market. Residential collection, and commercial collection outside the City of Portland, is provided under a system of exclusive franchises. Thus, there is no competition for the majority of collection services in the Metro region.

  It is estimated that collection accounts for 81 percent of the total cost of residential disposal, and a very high percentage of the total cost of commercial disposal. As a result, the greatest opportunity to inject competition into the Metro disposal system is in collection, which is the responsibility of local government and outside the control of Metro.

- Transfer/processing: A fundamental fact about transfer stations is that there is little competition in the provision of transfer/processing services regardless of whether these services are provided by the public or private sector. This occurs for a number of reasons. First, it is only economic to deliver waste to a facility relatively close to the collection route resulting in a type of "natural geographic monopoly". Second, collection firms that are vertically integrated (i.e., they own transfer stations and/or landfills) gain an additional margin of profit by delivering waste to a station they own: it often makes economic sense for such firms to drive past a transfer station they don't own and

continue on to deliver waste at a station they do own. Finally, transfer and processing per-ton costs decline as more tons are received; this results in a seeming paradox in which prices paid for transfer can ***increase*** as more transfer stations are put in place.

Metro injects one important element of competition into the transfer/processing market in the region by bidding out the operation of their stations. This helps lower the total cost of disposal for local governments that use the Metro transfer rate as a benchmark for establishing the disposal component of the collection rates charged by the franchised collection firms they regulate.

- Transportation: Transportation of waste from a transfer/processing facility to a disposal facility is generally done at competitive market prices. There are few barriers to entry and many trucking firms willing to compete for this business. Barge and rail transport also have the potential to be competitive with trucking for transportation of waste from Metro to distant landfills.
- Disposal: At least 90 percent of the wet waste in the region is disposed of at a Waste Management landfill under the terms of a contract that was procured years ago using a competitive process in a market with few options for disposal. The price paid by Metro is equal to or lower than that paid by other jurisdictions in the Pacific Northwest that have long-term contracts for disposal at regional landfills. Today, however, there are multiple firms with regional landfills that would be interested in providing disposal services to Metro. It is possible that the disposal price paid by Metro is higher than the price it would pay in a competitive market for disposal, or if its disposal contract were re-bid. Metro is legally bound to this contract through 2014, and the contractor can extend the contract until 2019. After this contract expires, it is possible that Metro would realize a reduction in the price paid for disposal.

Metro as Regulator and Competitor

During the conversations with stakeholders conducted as part of this project, one concern expressed by private transfer station operators is that Metro is both their regulator and a competitor. This concern exists for a couple of reasons. First, as tons flow to private facilities rather than a Metro-owned facility, Metro's per-ton cost of transfer increases. The transfer station operators believe that this provides an incentive for Metro to limit the amount of wet waste delivered to the private stations thus limiting private sector growth and revenue-generating potential. Second, Metro establishes fees and taxes that must be paid by private facility owners: some private facility owners feel that those fees and taxes are too high. They particularly dislike paying for Metro general government and paying for certain services and costs associated with the Metro transfer stations.

A very different perspective is held by the independent collection firms that were interviewed. They were of the unanimous opinion that there should be no private wet waste transfer stations in the region: their interests would be best served by a system in which Metro owns all transfer stations ***and*** disposal facilities. This is mainly because vertically integrated firms that provide collection and transfer and/or disposal services have a competitive advantage over firms that provide only collection services. The vertically integrated firms are both competitors and service providers to smaller independent firms. It is safe to conclude that continued Metro ownership of transfer stations will result in a

collection market that includes more small independent collection companies than would be the case if Metro did not own any transfer stations.

The independent dry waste processing facility owners interviewed felt the Metro should continue to both own and regulate facilities.

Surveys of both commercial and self-haul customers (households and businesses) indicated a high degree of satisfaction with the level of service provided by Metro. When asked where they would take waste should the Metro station they were using close, the majority of self-haul customers said they would use the other Metro facility or had no idea where they would go.

Metro Disposal System Economics

The analysis of the economics of the Metro solid waste system results in the following conclusions and recommendations:

- The greatest potential for cost savings is in collection; which is outside Metro's control.
- Metro rates are used in setting collection fees, which is good, particularly when Metro competitively procures transfer station operation services. This injects an important element of competition in a market that otherwise would not have many characteristics of a competitive market. Therefore, Metro should try to maximize competition in contracting for each of these services. For example, it could consider evaluating price as a function of distance in its disposal contract, or perhaps jointly procuring transfer, transport, and disposal or transport and disposal.
- In recent years, national solid waste firms have increased market share in the local solid waste industry. These firms seek to achieve vertical integration to maximize profits. Without measured steps by Metro and/or local government to preserve competition, vertical integration, profitability, and prices are likely to increase in the Metro region.
- Economies of scale are significant in transfer, thus, adding transfer stations increases per-ton costs. Also, handling small loads increase per-ton costs compared to handling large loads. Therefore, Metro should be careful to not allow too much excess capacity in the region's transfer system: adding stations reduces throughput at existing facilities and thereby, other things equal, increases the cost of transfer.
- Significant unused transfer capacity exists in the region.
- Transfer is the smallest cost component of the transport, transfer, and disposal system.
- On average, Metro transports waste to landfills a greater distances than does the private sector.
- The private sector typically earns its highest profit margins on disposal.

Evaluation of Different Ownership Options

The advantages and disadvantages of private, public, or a hybrid public-private ownership of the Metro region transfer system were analyzed from a variety of perspectives, including:

- An analysis of how well each option met the Metro Council's stated values
- The estimated cost of each option
- The risk associated with each option

A variety of methods including in-person interviews, surveys, and focus groups were used to elicit the opinions of key stakeholders such as private facility owners, independent waste collection firms, independent dry waste facility owners, local government representatives, Metro staff members, and Metro transfer station users. The opinions of stakeholders were used to help define the system options and analyze the performance of the options in meeting Council objectives.

A brief summary of the results of the value modeling, economic analysis, and risk assessment follow.

Value Modeling

The Metro Council outlined the following values associated with the disposal system:

1. Protect public investment in solid waste system
2. "Pay to Play"- Ensure participants pay fees/taxes
3. Environmental Sustainability- ensures system performs in an sustainable manner
4. Preserve public access to disposal options (location/hours)
5. Ensure regional equity- equitable distribution of disposal options
6. Maintain funding source for Metro general government
7. Ensure reasonable/affordable rates

These values were reworded slightly to facilitate analysis. One value (ensure reasonable/affordable rates) was captured in the economic analysis, and one additional value was added: Ensuring support from system participants.

The results of the value modeling analysis indicate that the public system is clearly preferred to the other ownership options. The results of a sensitivity analysis of the relative importance of each Council value indicate that this result is not sensitive to the relative importance assigned to each value.

One additional sensitivity analysis was performed that incorporated challenges associated with implementation. That analysis showed that as more importance is placed on the difficulties associated with acquiring existing private transfer stations, the hybrid system eventually becomes preferred to the public system.

Economic Analysis

The cost of the three systems is not likely to have a large impact on the cost of the Metro solid waste system. Regardless of the option selected, costs are not expected to increase or decrease by more than about two percent. Other findings of the economic analysis include:

- The hybrid is the only option with the potential to reduce system costs.
- Both the public and the private options are projected to increase system costs (i.e., collection, transfer, transportation and disposal). The cost increase for the public option is estimated at 0.1% to 0.7% and the increase for the private option is estimated at 1.4% to 2.2%.

- The largest cost impacts occur in the collection market; although Metro does not control collection, collection costs can be affected by Metro's actions.
- Increasing the number of transfer stations tends to increase the cost of transfer, but these increases can be more than offset by decreases in collection costs.
- These cost estimates depend on a series of assumptions that are of course subject to variance; while different assumptions would result in different cost estimates, it is not likely that the relative ranking of the options would change.
- The key impact of the Private option is the likely further concentration of the collection industry, increased vertical integration, a probable reduction in the number of small independent collection firms, and probable cost-plus price creep.

Risk Assessment

There is considerable uncertainty at this time about exactly how any of the system options would be implemented and exactly how aspects of the system would develop through time. When considering major new programs or system changes, it is important that organizations such as Metro evaluate the risk associated with such changes by identifying, assessing, and develop strategies to manage those risks.

Risks were identified by the project team during a brainstorming exercise during which 10 risks and 6 related uncertainties were identified that may be relevant to the choice of ownership option. Once identified, a qualitative assessment of these risks was performed. The assessment was done using a qualitative risk signature approach in which the signature for each risk was determined by first assessing the likelihood and impact for each risk, then using a risk matrix to determine if the risk is low, medium, high, or critical.

The assessment of risks is shown in Exhibit E-1. The results of the assessment indicate that there is more risk associated with implementing the private system than the public or hybrid system. However, the only risk scored as critical is challenges associated with implementation in the public system. The hybrid system has relatively low risk.

EXHIBIT E-1
Risk Assessment

Risk	Risk Signature		
	Private	Public	Hybrid
1. More difficult politically to collect regional system fee and excise taxes	High	Low	Low
2. Metro's credit rating could worsen if it is perceived to be less able to collect taxes	High	Low	Low
3. It could be more costly and more difficult administratively for Metro to respond to future changes in state-mandated Waste Reduction requirements	High	Low	Low
4. It could be more costly and more difficult administratively for Metro to deliver new WR/R initiatives	High	Low	Low
5. Potential increase in vertical integration and potential resulting increases in transfer station tip fees	High	Low	Low
6. Reduced ability to meet dry waste recovery targets	Medium	Low	Low
7. Additional cost to Metro of fulfilling Disposal contract	Medium	Low	Low
8. Inability or added cost to maintain current level of self-haul and HHW service	Medium	Low	Low
9. Likelihood of successful flow control challenge	High	Low	Low
10. Political challenges or protracted legal proceedings resulting from condemning private transfer stations or allowing wet waste franchises to expire	Medium	Critical	Low

Summary of Results

A summary of the results of the value modeling, economic analysis, and risk assessment are shown in Exhibit E-2. The results for each option are as follows:

- The private option has the lowest value score, has the highest projected cost increase, and the most risks that would need to be managed.
- The public option has the highest value score, small projected cost increases, and one critical risk that would need to be managed.
- The hybrid system has a value score between the two other options, neutral or possibly decreased cost, and no significant risk.

EXHIBIT E-2
Summary of Results

	Private	Public	Hybrid
Values – Results of value modeling analysis. Normalized scores where the best score =1, worst score =0.	0.35	0.62	0.49
Cost – Estimated long-run percent change in system cost (i.e., collection, transfer, transport, disposal).	Low: 1.4% High: 2.2%	Low: 0.1% High: 0.7%	Low: -0.5% High: 0.1%
Risk – 10 measured risk signatures that incorporate likelihood and criticality. Each risk rated low, medium, high, or critical.	6 High 4 Medium	1 Critical 9 Low	10 Low

Appendix D
System Improvements Work Plan

Following the transfer system analysis, several other system issues need further analysis and policymaker review. The end result desired is a set of System Management Principles to guide future Metro decisions. A summary of these key system issues, a system improvements work plan, follows:

(1) Wet waste allocation – Metro allocates wet waste in the system through tonnage authorization limits on local transfer stations and by granting non-system licenses for the 10% of wet waste not committed to our disposal contract. (These tonnage limits are a form of economic regulation.) The issue of policy drivers for determining future wet waste allocations in the region has been raised as part of the Disposal System Planning process. The primary desired outcome in waste allocation is that the ratepayer should benefit.

(2) Public/private pricing – The Rate Policy Subcommittee's report, presented to SWAC in March 2006, identified several areas to address in regional tip fees. These included the sensitivity of the public facilities to tonnage shifts and the private facility economics that improve with an increase in the tonnage charge and transaction fee and/or a drop in the Regional System Fee (RSF) and excise tax, even in the absence of any other change in cost or service to the private facility. Local government regulators have expressed concern that changes in fees for transfer and disposal services may not be directly related to costs or service. The desired outcome of addressing system finance issues at the heart of this matter is that the ratepayer should benefit.

(3) Self-haul services at the region's solid waste facilities - Approximately one-fourth of the region's solid waste is delivered to facilities by other than licensed or franchised haulers. These self-haul loads at the region's facilities contain about 30 to 40% recoverable material, but achieving high levels of material recovery from self-haul loads is hampered by insufficient space, small load sizes and a demand for services that sometimes exceeds the capacity of the facilities receiving the waste. A balance between demand and capacity is needed, with the desired outcome being the efficient provision of service to these customers and higher recovery of self-hauled loads. Whether this should be more generator-focused (in reducing or managing demand) or more facility focused (increasing capacity to serve self-haul in the region) or a combination is a key question.

(4) Facility regulation – Metro controls the entry of new facilities into the solid waste system. The highest barriers to entry are for transfer stations or any other facilities handling wet or putrescible waste. Metro authorizes new transfer facilities from time to time after conducting cost/benefit and/or impact analysis. Previous cost/benefit studies have relied on measures of system cost, tip fee impacts, access, or travel time reductions. A recent local transfer station authorization was granted (Columbia Environmental) after consideration of these criteria, as well as an ad hoc criterion of supporting smaller, independent haulers in the region. Applicants and decisionmakers alike might benefit from clear guidance on the circumstances under which new transfer applications might be granted. Another issue in facility regulation that has been raised at the Metro Council is whether Metro should rate-regulate private transfer facilities as part of approved entry into the marketplace. The desired outcome on this issue is a determination of clear entry standards and regulatory controls on transfer facilities.

Appendix E
System and Non-System Facilities

<table>
<tr><td colspan="2">DISPOSAL FACILITIES</td></tr>
<tr><td>Designated system facilities
(outside the region, need a Metro designated facility agreement)

Coffin Butte Landfill
Columbia Ridge Landfill
Finley Buttes Landfill
Lakeside Reclamation Landfill
Hillsboro Landfill
Roosevelt Regional Landfill
Wasco County Landfill
Weyerhauser Landfill</td><td>Non-system facilities
(outside the region, haulers need a Metro non-system license)

Riverbend Landfill
Covanta Waste to Energy (WTE) Facility</td></tr>
<tr><td colspan="2">TRANSFER STATIONS</td></tr>
<tr><td>System transfer stations
(inside the region, franchised or owned by Metro)

<u>Public</u>:
Metro Central Transfer Station (transfer & recovery)
Metro South Transfer Station (transfer & recovery)

<u>Private</u>:
Forest Grove Transfer Station (transfer only)
Pride Recycling Company (transfer & recovery)
Troutdale Transfer Station (transfer & recovery)
Willamette Resources, Inc. (transfer & recovery)
Columbia Environmental (transfer & recovery)</td><td>Non-system transfer stations
(outside the region, haulers need a Metro non-system license)

<u>Public</u>:
Sandy Transfer Station (transfer only)

<u>Private</u>:
Canby Transfer Station (transfer only)
Newberg Transfer Station (transfer only)
West Van Material Recovery Center (transfer & recovery)
Central Transfer & Recovery Center (transfer & recovery)</td></tr>
<tr><td colspan="2">MATERIAL RECOVERY FACILITIES</td></tr>
<tr><td>System facilities
(inside the region, licensed by Metro)

Aloha Garbage Company
East County Recycling
K.B. Recycling, Inc.
Pacific Land Clearing & Recycling I (specialized)
Pacific Land Clearing & Recycling II (specialized)
Pacific Land Clearing & Recycling III
RB Recycling (specialized)
Tire Disposal & Recycling, Inc. (specialized)</td><td>Non-system facilities
(outside the region, haulers need a Metro non-system license)

None</td></tr>
</table>

COMPOSTING FACILITIES	
System facilities (licensed or designated by Metro) Allwood Recyclers, Inc. American Compost & Recycling, LLC City of Portland Leaf Composting Facility Clackamas Compost Products, LLC Grimm's Fuel Company, Inc. McFarlane's Bark, Inc. Northwest Environmental & Recycling Cedar Grove (Everett & Maple Valley, Washington)	**Non-system facilities** (outside the region, haulers need a Metro non-system license) Nature's Needs
RELOAD FACILITIES	
System facilities (licensed or designated by Metro) Dry Waste: Greenway Recycling Thermofluids (specialized) Wastech Yard Debris: Best-Buy-In-Town, Inc. Greenway Recycling, LLC Landscape Products & Supply QuickStop (Cloudburst) Dan Davis Recycling, (City of West Linn) S & H Logging, LLC WoodCox Wood Waste Management	**Non-system facilities** (outside the region, haulers need a Metro non-system license) None

Appendix F

Process and schedule for the annual work plan

Metro and local government - annual waste reduction plan schedule

Plan development August/September

Metro and local government program area work groups (Organics, Building industry, Business, Multi-family) and local government recycling coordinators work group review and amend plans and associated budgets

November/December

Draft overall framework of the annual plan developed by Metro and local government staff

March

Regional public involvement - regional SWAC review of drafts

March-April

Council approval process Metro Council consideration and adoption

April-May

Local and regional public involvement

Local SWAC and other public involvement

Metro budget hearings

Local government budget hearings

June-July

June 1 - Annual Plans due from local governments

Intergovernmental agreements drafted

Plan implementation

July

Start of fiscal year - Implementation begins

November

Intergovernmental agreements for grant funding approved and funds distributed to local governments to support the maintenance of existing programs

Reporting

April-May

Interim reports from jurisdictions receiving over $100,000 in funding allocations

August 1

Final program progress reports on previous fiscal year's activities due from local governments

February 28

Metro, with local government assistance, produces annual report to DEQ

Appendix G

Waste Reduction Programs Timetable

Program Areas	Ongoing	Near term (2007-09)	Middle term (2009-12)	Long term (2012-17)
Residential	1.0 Outreach campaign; improve the quantity and quality of residential setouts. OP (see key below)			
		2.0 Identify service provision changes and incentives to increase recycling; evaluate new collection technologies. NP		
	3.0 New materials as markets allow. OP			
	4.0 Educate residents about management of yard debris and food waste. OP			
			5.0 Develop residential organics collection. NP	
Multi-family			1.0 Program assessment. NP	
	2.0 Education & outreach program. OP	2.0 Continue	2.0 Program assessment	
			3.0 Evaluate new collection technologies. RP	
Business	1.0 "Recycle at Work" outreach program. OP	1.0 Program assessment		
	2.0 Develop information and resource materials. OP			
	3.0 Outreach campaign. OP			
		4.0 Implement waste reduction & sustainable practices at government facilities. RP		
		5.0 Identify opportunities for increasing recovery. RP	5.0 Program assessment	
	6.0 Review end markets. OP			
Building industry		1.0 Develop regionwide construction & demolition system. NP	1.0 program assessment	
	2.0 Outreach program. OP	2.0 Program assessment		
			3.0 Include sustainable practices and products at government facilities. NP	3.0 Program assessment
	4.0 Review end markets. OP			
Commercial organics		1.0 Outreach & education programs. RP		
			2.0 Enhance access to organics recovery services. NP	
		3.0 Organic waste recovery at government facilities plan. NP	3.0 Organic waste recovery at government facilities implementation. NP	
		4.0 Compost product specified for use in government projects.		
	5.0 Review end markets. OP			

Numbered programs correspond to those in Chapter IV.

OP = Ongoing Program, RP = Revised Program, NP = New Program

Appendix H

Local government compliance with state recycling requirements and the regional service standard

Under state law, local jurisdictions in the Metro region must select and comply with the program elements set forth in Oregon Administrative Rules (OAR) chapter 340-090-0040. All local jurisdictions with populations over 4,000 residents have chosen to implement program elements (3) a, b, c and e, with the exception of unincorporated Washington County and the cities within the Washington County Cooperative (Cornelius, Forest Grove, Hillsboro, Sherwood, Tigard and Tualatin), which have chosen program elements (3) a, b, c and d.

In addition to meeting these state requirements, all jurisdictions in the Metro wasteshed with populations over 4,000 residents have implemented additional elements in sub-section (3), such that these jurisdictions are now providing program elements (a), (b), (c), (d), (e), and (f). All of these elements, summarized below, constitute the regional service standard under this Plan.

a) Provide at least one recycling container to residential customers.

b) Provide weekly collection of source-separated principal recyclable materials[1] to residential customers.

c) Provide expanded recycling education and promotion to residential customers.

d) Provide multi-family dwelling recycling collection.

e) Provide a weekly or equivalent residential yard debris program (collection and composting of residential yard debris).[2]

f) Provide on-site collection of source-separated principal recyclable materials from commercial entities.

[1]Principal recyclable materials include: newspaper, ferrous scrap metal, non-ferrous scrap metal, used motor oil, corrugated cardboard and kraft paper, aluminum, container glass, high-grade office paper, tin cans, and yard debris. All local jurisdictions provide curbside collection of all principal recyclable materials and in addition also collect mixed scrap paper, milk cartons, plastic bottles, phonebooks, magazines, and empty aerosol cans.

[2] In addition, jurisdictions within the Metro wasteshed (Clackamas, Multnomah and Washington counties in aggregate) must comply with OAR 340-090-0070 (4), (13)(a), and (14) which states that the opportunity to recycle must be provided for each of the principal recyclable materials as designated by the state. Because yard debris is a principal recyclable material in the Metro wasteshed, all jurisdictions must establish and implement an effective residential yard debris program that meets the requirements of 340-090-0040(3)(e) whether or not they have chosen it as a program element.

Appendix I

Alternative programs - review and approval process

An alternative program is a solid waste management program or service that is proposed by a local government and differs from those referenced by and being implemented under this Plan. Alternative programs allow for flexibility in meeting the Plan goals and objectives.

Because the Plan's waste reduction program and activities are developed through a collaborative approach, this approach should be maintained when a local government is considering undertaking an alternative program. The local government should consult with Metro, DEQ and other local government partners in early planning stages. These consultations may provide information or generate options that would eliminate consideration of an alternative program. If an alternative program is still sought after this recommended informal process, however, the local government must follow the alternative program process outlined below, which is intended to ensure that proposed programs are consistent with Plan direction, and at a minimum, demonstrate the same level of expected performance as the Plan program.

Use of alternative program process

An alternative program process needs to be employed when a local government proposes programs or services that would depart from:

- The state Opportunity to Recycle requirements as specified under state law and requiring an approved alternative program from DEQ; or
- The regional service standard as described in Appendix H.

Process for application and review of an alternative program

1. **Departures from state requirements**
   For proposals involving a departure from state requirements, local governments may contact either DEQ or Metro. DEQ and Metro will work together and coordinate review. State requirements are part of the regional standard; therefore, all programs that receive approval by the DEQ must also be reviewed and approved by Metro using the process detailed below.

2. **Departures from the regional service standard**
   Any local government seeking alternative program approval will submit an application to the Metro solid waste and recycling director that demonstrates how the alternative program will perform at the same level or better than the Plan program. This performance standard will be based on criteria that will include, as appropriate, the following:
   - Estimated participation levels;
   - Estimated amounts of waste prevented, recycled, recovered or disposed;
   - Consistency with the waste reduction hierarchy and the source separation priority;
   - Economic and technical feasibility;
   - Estimated impact on other waste reduction activities.

   The application will contain a description of the existing program, the Plan program (if applicable) and the proposed alternative program. (Metro may require a pilot program to evaluate the performance of a proposed alternative.) The applicant will provide information comparing the existing and proposed alternatives for:
   - Types of materials collected;
   - Frequency of collection for each material;
   - Levels of recovery (by material, if applicable).

   Metro's solid waste and recycling director must determine whether to approve the proposal. Metro will include DEQ in the review. If the approval is accompanied by a revision to the Plan, such an amendment will be submitted to DEQ.

Appendix J

Guiding Direction: Policies, Goals and Objectives*

Regional Policies

1.0 System performance	The regional solid waste system will perform in a manner that is: • Environmentally sound. • Regionally balanced. • Cost-effective. • Adaptable to change. • Technologically feasible. • Acceptable to the public.
2.0 Preferred practices	Solid waste management practices will be guided by the following hierarchy: • First, reduce the amount of solid waste generated. • Second, reuse material for its originally intended purpose. • Third, recycle or compost material that cannot be reduced or reused. • Fourth, recover energy from material that cannot be reduced, reused, recycled or composted so long as the energy recovery facility preserves the quality of air, water and land resources. • Fifth, landfill solid waste that cannot be reduced, reused, recycled, composted or from which energy cannot be recovered.
3.0 Evaluating opportunities for sustainability	Opportunities for increasing the sustainability of business practices or programs will be evaluated based on: a) technological feasibility; b) economic comparison to current practice or conditions; and c) net environmental benefits.
4.0 Recycling services provision	Recycling services will be offered as a component of residential and commercial waste collection in the region. Recycling services will be standardized in the region to the extent possible, to minimize confusion on the part of residents and businesses and to construct cooperative promotion campaigns that cross jurisdictional boundaries.
5.0 Source separation	Source separation is the preferred approach in the region for ensuring quality secondary materials for recycling markets, but other forms of material recovery, such as post-collection separation, will not be precluded.
6.0 Market development	Enterprises that can significantly expand end-use opportunities for reuse or recycling will be fostered by the region.
7.0 New facilities	The current system of transfer stations provides reasonable access for haulers and sufficient capacity for the consolidation and transfer of solid waste to disposal facilities. New transfer stations may be considered if they provide a net benefit to the public. Factors in evaluating net benefit include capacity and access, whether the facility will be publicly or privately owned, and the impacts on material recovery and ratepayers. Other types of new solid waste facilities shall be considered if they significantly support and are consistent with the policies of this plan.
8.0 Facility ownership	Transfer facilities in the regional solid waste system may be publicly or privately owned. The public interest is best served by continued public sector facility ownership in the system. Public ownership ensures a comprehensive range of services are accessible to regional customers at equitable and affordable rates.
9.0 Facility siting	Appropriate zoning in each city or county will utilize clear and objective standards that do not effectively prohibit solid waste facilities.
10.0 System regulation	Solid waste facilities accepting waste generated within the region will be regulated to ensure they are operated in an acceptable manner and are consistent with the policies of this Plan. All facilities performing post-collection material recovery shall meet minimum recovery requirements. Regulatory control will be implemented through a system of franchises, contracts, public ownership, and licenses. Government regulation will ensure protection of the environment and the public interest, but not unnecessarily restrict the operation of private solid waste businesses.
11.0 Host community enhancement	Any community hosting a solid waste "disposal site" as defined by ORS 459.280 shall be entitled to a Metro-collected fee to be used for the purpose of community enhancement.
12.0 Disposal pricing	Charges for disposal services shall be sufficiently transparent to allow regulators to judge whether such charges are fair, acceptable, and reasonably related to the costs of services received. The establishment of charges for disposal services at publicly owned facilities shall balance cost recovery, revenue adequacy, and adopted regulations and policies, including the policies and objectives of this Plan. In addition, such charges shall be structured to ensure that the public sector is able to meet its long-term obligations such as investments, debt, contracts, and fixed costs undertaken by the public sector on behalf of the public. Charges to residents of the Metro district who may not be direct users of the disposal system should be related to other benefits received. To the extent possible, rate adjustments will be predictable and orderly to allow affected parties to perform effective planning.

*Contained in Chapters III, IV and V.

Goals	Objectives
Waste Reduction Goal: Increase the sustainable use of natural resources by achieving the waste reduction goal of 64%.	
Single-family residential	• Conduct annual outreach campaigns that focus on preventing waste, reducing toxicity and/or increasing the quantity and quality of recycling setouts. • Identify and implement service provision changes and incentives to maximize recycling, and identify and evaluate new collection technologies. • Expand curbside service by adding new materials as markets and systems allow. • Promote home composting and appropriate onsite management of yard debris and food waste. • Develop residential organics collection programs when economically and technically feasible.
Multi-family residential	• Implement a program suited to the needs of multi-family housing that is uniform and consistent throughout the region. • Provide annual regional education and outreach targeting multi-family housing. • Identify and evaluate new collection technologies for implementation on a cooperative regionwide basis.
Business	• Provide businesses with annual education and technical assistance programs focused on waste reduction and sustainable practices. • Develop information and resource materials that demonstrate the benefits of waste reduction and sustainable practices to support the business assistance program. • Conduct annual regional outreach campaigns to increase participation in the business assistance program and to promote recycling opportunities and other sustainable practices. • Implement waste reduction and sustainable practices at government facilities. • Identify and implement opportunities for increasing recovery in the business sector, including service provision options, incentives for recycling and regulation. • Periodically review end-use markets to assess cost-effectiveness, material quality and capacity.
Building industry	• Develop a regionwide system to ensure that recoverable construction and demolition debris is salvaged for reuse or is recycled. • Provide the building industry with annual outreach, education and technical assistance programs that demonstrate the benefits of green building, including building material reuse and recycling. • Include sustainable practices and products in the development, construction, renovation and operation of government buildings, facilities and lands. • Support the development of and access to viable end-use markets for construction and demolition materials.
Commercial organics	• Provide outreach and education programs for targeted businesses to support and increase organic waste prevention and diversion practices. • Enhance access to organics recovery services throughout the region. • Implement organic waste recovery programs at government facilities where feasible. • Work to ensure that compost products are specified for use in government projects. • Periodically review the viability of end-use markets and assist with market development efforts.

Goals	Objectives
Education services Goal: Increase the adoption of sustainable practices through increased knowledge, motivation and commitment.	• Provide a regional information clearinghouse and referral service. • Provide education and information services for residents and businesses that are targeted to specific waste streams, materials or generators. • Provide education programs that help teachers incorporate resource conservation concepts, including waste prevention and toxicity reduction, into their teaching. • Provide programs at the elementary level that establish fundamental concepts of resource conservation and environmental awareness through active learning experiences. • Provide programs at the secondary level (middle and high school) that will extend concepts established at the elementary level and prepare students for making responsible environmental choices in everyday adult life. • Work with schools and teachers to increase support for regional solid waste programs and create opportunities for partnerships.
Hazardous waste management Goal: Reduce the use and improper disposal of products generating hazardous waste in order to protect the environment and human health.	• Provide hazardous waste education programs that focus on behavior change. • Provide hazardous waste education programs that focus on those products whose toxic and hazardous characteristics pose the greatest risks to human health and the environment, or that are very costly to properly dispose or recycle. • Provide hazardous waste reduction messages and information to all customers bringing waste to household hazardous waste collection sites. • Coordinate hazardous waste education efforts with related efforts conducted by government agencies and community groups in the region and in other areas. • Research and develop tools to measure the generation, impacts and reduction of hazardous waste, when this can be accomplished at a reasonable cost. • Manage collected waste in accordance with the hazardous waste hierarchy: reduce, reuse, recycle, energy recovery, treatment, incineration and landfill. • Coordinate collection programs with waste reduction and product stewardship efforts. • Conduct waste screening programs at solid waste facilities to minimize the amount of hazardous waste disposed with solid waste. • Use solid waste facilities efficiently and effectively for the delivery of collection services. • Maximize the efficiency of public collection operations, search for the most cost-effective methods and place a high priority on worker health and safety. • Offer a Conditionally Exempt Generator (CEG) program to manage waste from small businesses. • Implement bans on disposal of specific hazardous products as needed to address public health and environmental concerns.
Product stewardship Goal: Shift responsibility to manufacturers, distributors and retailers for ensuring that products are designed to be nontoxic and recyclable, and incorporate the cost of the product's end-of-life management in the purchase price.	• Prioritize product stewardship activities by evaluating products based on the significance of environmental impact (e.g., resource value, toxicity), current barriers to recycling, and financial burdens on governments for recovery programs. • Implement industry-wide product stewardship agreements or individual company stewardship programs in the region. • Educate public and private sector consumers about product stewardship and, in particular, their role in purchasing environmentally preferable products. • Work at the local, regional, state and national level to develop and implement policies, such as recycled-content requirements, deposits, disposal bans and advance recycling fees, that encourage product stewardship programs.

Goals	Objectives
Sustainable Operations Goal: Reduce greenhouse gas and diesel particulate air emissions	• Implement plans for greater energy efficiency. • Utilize renewable energy sources. • Reduce direct emissions of greenhouse gases from landfills and other facilities. • Reduce diesel particulate emissions in existing trucks, barges and rolling stock through best available control technology. • Implement long-haul transportation and collection alternatives where feasible.
Goal: Reduce stormwater run-off	• Implement stormwater run-off mitigation plans.
Goal: Reduce natural resource use	• Implement resource efficiency audit recommendations. • Implement sustainable purchasing policies. • Reduce disposed waste.
Goal: Reduce use and discharge of toxic materials	• Implement toxics reduction and management plans.
Goal: Implement sustainability standards for facility construction and operation	• Implement sustainability standards for site selection. • Require new construction to meet the Leadership in Energy and Environmental Design (LEED) or equivalent program standards. • Provide incentives for existing facilities to meet LEED or equivalent program standards.
Goal: Adopt best practices for customer and employee health and safety	• Reduce injuries by automating operations where effective. • Implement health and safety plans that meet or exceed current minimum legal standards.
Goal: Provide training and education on implementing sustainability practices	• Train key regional waste industry employees, government waste reduction staff and political officials in adopted sustainability practices. • Inform suppliers, contractors and customers of the adoption of sustainability goals and practices.
Goal: Support a quality work life	• Pay a living wage and benefits to all workers. • Promote community service. • Strive to employ a diverse work force.
Goal: Employ sustainability values in seeking vendors and contractors	• Request sustainability plans from potential vendors and contractors. • Assist vendors and contractors in achieving sustainable practices. • Support local vendors when feasible.

Appendix K
Glossary of terms

These definitions are provided to assist the reader and should not be construed as policies, goals or practices of the Plan, or as amendments to the Metro Code.

Alternative program – A solid waste management program or service that is proposed by a local government and differs from those referenced by and being implemented under this Plan. At a minimum, an alternative program must demonstrate the same level of expected performance as the plan program. Alternative programs allow for local government flexibility in meeting the plan goals and objectives.

Collection service – A service that provides for collection of solid waste or recyclable material or both. (OAR 340-90-010)

Commercial organics – Waste generated by food processing operations, restaurants and institutions.

Commingled recyclables – A source-separated mixture of several recyclable materials into one collection container.

Compost – The controlled biological decomposition of organic material or the product resulting from such a process. (OAR 340-90-010)

Conditionally exempt generator (CEG) – Small businesses that generate small amounts of hazardous waste, as defined by state and federal law.

Construction and demolition waste – Solid waste resulting from the construction, repair, or demolition of buildings, roads and other structures, and debris from the clearing of land, but not including clean fill when separated from other construction and demolition wastes and used as fill materials or otherwise land-disposed. Such waste typically consists of materials such as concrete, bricks, bituminous concrete, asphalt paving, untreated or chemically treated wood, glass, masonry, roofing, siding, and plaster; and soils, rock, stumps, boulders, brush, and other similar material. (OAR 340-93-030)

Curbside collection – Programs where recyclable materials are collected at the curb for single-family units and at onsite depots for multi-family units.

End-use markets – Outlets for materials such as post-consumer paper, which are manufactured into a finished product or materials such as scrap tires that are incinerated to recover energy.

Energy recovery – The process in which all or part of the solid waste materials are processed to use the heat content or other forms of energy of or from the material. (ORS 459.005)

Franchise –The authority given by a local government (including Metro) to operate a solid waste and recycling collection service, disposal site, processing facility, transfer station or resource recovery facility. Often includes the establishment of rates by the local government.

Garbage – A general term for all products and materials discarded and intended for disposal.

Generator – A person who last uses a material and makes it available for disposal or recycling. (OAR 340-90-010)

Grits and screenings – Solids derived from primary, secondary or advanced treatment of domestic wastewater that have been treated through one or more controlled processes that significantly reduce pathogens and reduce or chemically stabilize volatile solids to the extent that they do not attract vectors.

Hauler – The person who provides collection services.

Hog fuel – Biomass fuel, usually consisting of wood waste that has been prepared by processing through a "hog" (a mechanical shredder or grinder). It typically consists of a mixture of bark, wood, sawdust, shavings or secondary materials such as pallets and construction or demolition wood.

Household hazardous waste (HHW) or hazardous waste – Any discarded, useless or unwanted chemical materials or products that are or may be hazardous or toxic to the public or the environment and are commonly used in or around households. Residential waste that is ignitable, corrosive, reactive, or toxic. Examples include solvents, pesticides, cleaners, and paints.

Local governments – For the purposes of this document, a local government is defined as a city or county within the Metro boundaries.

Materials recovery or recovery – Any process of obtaining from solid waste, by presegregation or otherwise, materials that still have useful physical or chemical properties after serving a specific purpose and can, therefore, be reused or recycled for the same or other purpose. (OAR 340-90-010, ORS 459.005)

Material recovery facility (MRF) – A solid waste management facility that separates materials for the purposes of recycling from an incoming source-separated or mixed solid waste stream.

Mixed waste – Solid waste containing a variety of recyclable and nonrecyclable material.

Multi-family – Residential dwellings of five or more units.

Non-putrescible – Commercial, residential or industrial solid waste, that does not contain food wastes or other putrescible wastes. Non-putrescible mixed solid waste (also called dry waste) includes only waste that does not require disposal at a municipal solid waste landfill (also referred to as a general purpose landfill), as that term is defined by the Oregon Administrative Rules. This category of waste excludes source-separated recyclables.

Organics – Yard debris, land clearing and food waste material.

Plan programs - The programs and services as described in Chapter II of the Plan that will enable the region to reach its 64% waste reduction goal.

Principal recyclable materials – In the Metro wasteshed these are newspaper, ferrous scrap metal, non-ferrous scrap metal, motor oil, corrugated cardboard and kraft paper, aluminum, glass containers, high-grade office paper, tin cans, and yard debris.

Product stewardship – An approach to managing the lifecycle costs of a product in which a product's designer, producer, seller and user share the responsibility for minimizing the product's environmental impact throughout all stages of the product's lifecycle.

Putrescible waste – Solid waste (other than uncontaminated or only slightly contaminated cardboard and paper products) containing organic material that can be rapidly decomposed by microorganisms, and which may give rise to foul-smelling, offensive products during such decomposition or which is capable of attracting or providing food for birds and potential disease vectors such as rodents and flies.

Recovered – Material diverted from disposal to recycling, composting or energy recovery systems.

Recovery – See material recovery.

Recovery rate – The percent of total solid waste generated that is recovered from the municipal solid waste stream.

Recyclable material – Any material or group of materials that can be collected and sold for recycling at a net cost equal to or less than the cost of collection and disposal of the same material. (OAR 340-90-010, ORS 459.005)

Recycling – Any process by which solid waste materials are transformed into new products in such a manner that the original products may lose their identity. (OAR 340-90-010, ORS 459.005)

Reuse – The return of a commodity into the economic stream for use in the same kind of application as before without change in its identity. (OAR 340-90-010, ORS 459.005)

Solid waste – All putrescible and non-putrescible wastes, including but not limited to garbage, rubbish, refuse, ashes, waste paper, and cardboard; sewage sludge, septic tank and cesspool pumpings or other sludge; commercial, industrial, demolition and construction wastes; discarded or abandoned vehicles or parts thereof; discarded home and industrial appliances; manure; vegetable or animal solid and semi-solid wastes, dead animals, infectious waste and other wastes. The term does not include: (a) hazardous wastes as defined in ORS 466.005; (b) materials used for fertilizer, or for other productive purposes or that are salvageable for these purposes and are used on land in agricultural operations and the growing or harvesting of crops and the raising of fowls or animals, provided the materials are used at or below agronomic application rates. (OAR 340-90-010, ORS 459.005, Metro Code 5.01.101)

Solid waste management – Prevention or reduction of solid waste; management of the storage, collection, transportation, treatment, utilization, processing and final disposal of solid waste; resource recovery from solid waste; and facilities necessary or convenient to such activities. Also see "State hierarchy."

Source-separated material – Material that has been kept from being mixed with solid waste by the generator in order to reuse or recycle that material.

State hierarchy – An established state priority for managing solid waste in order to conserve energy and natural resources. The priority methods are as follows: reduce, reuse, recycle, compost, recover (energy), landfill (ORS 459.015).

Subtitle C – The hazardous waste section of the Resource Conservation and Recovery Act (RCRA).

Subtitle D – Solid, non-hazardous waste section of the federal Resource Conservation and Recovery Act (RCRA).

Sustainable, sustainability, sustainable practices – Using, developing and protecting resources in a manner that enables people to meet current needs and provides that future generations can also meet future needs, from the joint perspective of environmental, economic, and community objectives. [ORS 184.421(4)]

Sustainability principles – Considers use of all economic, environmental and societal resources and is consistent with the Natural Step system conditions so that nature is not subject to systematically increasing:

1. Concentrations of substances from the Earth's crust,
2. Concentrations of substances produced by society, or
3. Degradation by physical means; and in that system
4. Human needs are met worldwide.

Waste generator types are defined as follows:

- Commercially-hauled residential waste – generated from single- and multi-family housing units and hauled to disposal facilities in rear, side or front loaders, drop boxes or self-dumping trucks.
- Self-hauled residential waste – generated from single- and multi-family housing units and hauled to disposal facilities in autos, vans, pickup trucks and trailers attached to small vehicles.
- Business waste – generated from retail and wholesale businesses, offices, food and lodging businesses, food stores, education institutions, and service-related businesses.
- Industrial waste – generated from manufacturing businesses, the construction and demolition industry (but not loads containing construction waste materials), agriculture and other industrial businesses.
- Construction and demolition waste – generated from residential, business, and industrial sources containing mostly bricks, concrete, gypsum wallboard, land clearing debris, roofing and tarpaper, wood, insulation, and other building materials.

Waste prevention – Prevention or elimination of waste prior to generation, including where the product is manufactured, purchased or utilized (consumed). The design, manufacture, acquisition, and reuse of materials so as to reduce the quantity and toxicity of waste produced at the place of origin. Also used to describe practices that reduce the amount of materials that need to be managed by either recycling or disposal methods. Home composting of yard debris is generally termed waste prevention, since the material is kept out of both yard debris processing or disposal facilities. Examples also include reducing office paper use through double-sided copying and buying in bulk to reduce packaging waste.

Waste prevention credits – Provision in state law that allows wastesheds to receive up to 6% on the recovery rate for programs in waste prevention, reuse and backyard composting.

Waste reduction – A term used to encompass waste prevention, reuse, and recovery; all practices that either prevent the generation of waste or divert it from landfill disposal.

Waste stream – A term describing the total flow of solid waste from homes, businesses, institutions and manufacturing plants that must be recycled, burned, or disposed of in landfills; or any segment thereof, such as the "residential waste stream" or the "recyclable waste stream."

Yard debris – Vegetative and woody material generated from residential property or from commercial landscaping activities. Includes grass clippings, leaves, hedge trimmings, stumps, and similar vegetative waste. (OAR 340-90-010)

Zero waste - Designing and managing products and processes to reduce the volume and toxicity of waste and materials, conserve and recover all resources, and not burn or bury them. Zero waste is intended to eliminate all discharges to land, water or air that may be a threat to planetary, human, animal or plant health.

EXHIBIT B

Ordinance No.	Title	Adoption Date
95-624	For the Purpose of Adopting the Regional Solid Waste Management Plan	November 30, 1995
97-673	For the Purpose of Adopting the Regional Disaster Debris Management Plan and Incorporating Part 2 Into the Regional Solid Waste Management Plan	May 1, 1997
97-676	For the Purpose of Adopting the Regional Illegal Dumping Plan and Incorporating it Into the Regional Solid Waste Management Plan	February 13, 1997
97-700	For the Purpose of Amending the Regional Solid Waste Plan	August 7, 1997
98-761	For the Purpose of Amending the Regional Solid Waste Management Plan	July 16, 1998
00-851B	For the Purpose of Amending the Regional Solid Waste Management Plan Regarding Goals, Objectives and Recommended Strategies For the Management of Household Hazardous Wastes	May 25, 2000
00-865	For the Purpose of Amending the Regional Solid Waste Management Plan Related to Disposal Facilities	June 15, 2000
03-1004	For the Purpose of Amending the Regional Solid Waste Management Plan Regarding Recovery Goals and Recommended Waste Reduction Strategies For the Management of Business, Building Industries and Commercially Generated Organic Wastes	May 1, 2003

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 07- 1162 FOR THE PURPOSE OF ADOPTING THE REGIONAL SOLID WASTE MANGEMENT PLAN 2007-2017 UPDATE

Date: October 12, 2007 Prepared by: Janet Matthews

EXECUTIVE SUMMARY

Adoption of the updated Regional Solid Waste Management Plan (RSWMP or Plan) will provide policy and program direction to the region's solid waste system for ten years and satisfy state requirements for a waste reduction program.

The issues and direction identified in the Plan update were shaped by four phases of public involvement, five regional workgroups, Metro's Solid Waste Advisory Committee, local government staff, DEQ, and Metro staff and Council.

Issues addressed by the Plan are resource conservation, toxicity reduction, sustainable operations, and disposal system decisions. Plan direction on these issues is concentrated in four chapters:

- Chapter II identifies key programs ("Plan Programs") that will achieve the state-mandated 64% waste reduction goal.
- Chapter III establishes Regional Policies in areas such as System Performance, Disposal Pricing and Facility Ownership.
- Chapter IV fulfills the state requirement for a waste reduction program under ORS 459.055. Sections within this chapter identify strategies for achieving further reductions in the amount and toxicity of waste from residential, commercial, and product manufacturing sources.
- Chapter V provides direction for implementing sustainable practices in solid waste system operations (facilities and collection services).

BACKGROUND

The "Regional Solid Waste Management Plan 2007-2017 Update" (2007 RSWMP) replaces the 1995-2005 RSWMP (1995 RSWMP) and its amendments. The 2007 RSWMP provides regional policy and program direction for the next ten years. The waste reduction elements in the Plan, previously adopted as the "Interim Waste Reduction Plan" (IWRP) by Metro Council as Resolution No. 06-3722[1], satisfy state law requirements for a waste reduction program.

Development of the updated RSWMP covered a four-year period characterized by extensive public outreach and stakeholder reviews, as well as significant companion projects (the Council's Disposal System Planning and the SWAC subcommittee on Sustainable Operations) that ultimately provided key elements of the Plan's direction.

[1] For the Purpose of Approving the Interim Waste Reduction Plan to provide direction for regional waste reduction programs pending the completion of the updated Regional Solid Waste Management Plan (RSWMP), Adopted August 17, 2006.

Plan Organization
Plan and System Background – Chapter I provides a description of the Plan's purpose, scope, and update process. Chapter II provides key information about roles and responsibilities in the regional solid waste system, solid waste facilities and services within the region, and the amounts and types of regionally-generated wastes that are disposed and recycled. This Chapter also identifies the programs (in residential and commercial sectors) necessary to achieve the state-mandated 64% waste reduction goal.

Plan Vision, Values and Policies – Chapter III covers the vision, values and regional policies that provide higher level guidance. The policies in the 2007 RSWMP are largely consistent with regional policy direction in the 2005 Plan.

Plan Programs – Chapters IV and V contain the goals and objectives that will drive regional programs. New to the Plan are sections on product stewardship, education services, and sustainable operations. Chapter VI addresses how the Plan's programs will be implemented and how the Plan will be reviewed and revised.

Appendices – The Plan's appendices address areas such as regional disaster debris management; workplan schedules for waste reduction; the Transfer Station System Ownership Study; the System Improvements Workplan (Disposal System Planning II); and a Regional Service Standard to ensure recycling progress is maintained.

Key Issue Areas
RSWMP policies, programs, goals and objectives were developed in order to address the following key issue areas:

- Reducing the amount and toxicity of waste generated and disposed
  Waste generation – The Plan recognizes that preventing waste from being generated in the first place is critical to resource conservation efforts. The Plan details current waste prevention activities and anticipates new strategies to evolve in cooperation with the Department of Environmental Quality's on-going studies in waste prevention.

  64% waste reduction goal – The Plan reaffirms the commitment to achieve the 64% waste reduction goal established by state statute and identifies programs for targeted generator sectors (e.g., residential, business, commercial organics, C&D) that, when successfully implemented, will enable the region to reach this goal. While the Plan maintains the 64% goal is achievable, it acknowledges that achieving the goal by the statutory benchmark year of 2009 is unlikely.

  Product stewardship – The Plan supports shifting more responsibility for managing products at their end-of-life to the producers and consumers of those products. (The recent Metro-supported Oregon e-waste legislation is an example of a significant step in this direction.)

  Toxics reduction – The Plan addresses toxics reduction through a three-pronged strategy: offering school and adult education programs that seek to change behaviors and offer non-toxic alternatives; providing safe disposal and recycling of household-hazardous waste through permanent collection sites and community events; and supporting product-stewardship initiatives for products containing hazardous substances.

- Sustainable operations
  The Plan provides direction for applying sustainability principles to solid waste operations. Developed by solid waste system stakeholders (solid waste and recycling facility operators, haulers,

and local governments), the sustainable operations goals and objectives are a new addition to the 2007 RSWMP. Areas addressed include diesel emissions, greenhouse gases, green building standards, purchasing policies, employee and customer safety, and quality work life.

- Disposal system planning
  The Plan incorporates the analysis of transfer station ownership options undertaken in conjunction with this Plan. Plan policies reflect the determination by Metro Council that the current mix of publicly-owned (Metro Central and Metro South transfer stations) and privately-owned facilities is in the region's best interest. The Plan also identifies a number of additional system issues to address in the near future, including: the allocation of wet waste; regional pricing and rate polices; self-haul services; and facility entry and rate regulation issues.

Plan Guidance Related to Future Metro Decisions
The RSWMP is intended to guide all jurisdictions in the region, but some Plan contents directly relate to decisions that will or may be made by Metro policy makers and staff.

1) Regulatory vs. voluntary program approaches – Over the past several years, Metro Council and regional stakeholders have been weighing the effectiveness of regulatory vs. voluntary approaches to divert more highly-recyclable materials from disposal in an effort to reach the region's waste reduction goal. A region-wide program to require the recovery of dry waste, called for in the Plan, was adopted by Metro Council in August 2007. Program options for increasing recycling in the business sector are still under consideration by Metro Council, but Chapter II of the updated Plan identifies mandatory business recycling as a program necessary to reach the 64% goal.

2) Addressing Goals beyond 2009 – During the Plan update process, several stakeholders suggested that the Plan include additional numerical targets beyond the 64% waste reduction goal. The Plan commits to developing new goals and preliminary work is already underway. It is expected that proposed goals will go beyond recycling and recovery rates and may incorporate a broader sustainability framework. A regional discussion on potential new goals for RSWMP will likely result in amendments to the Plan for Council to consider by 2009.

3) Maintaining Progress in Recycling Collection – Appendices H&I of the Plan contain regional recycling collection standards and an alternative program process established in the 1995 Plan. Metro does not regulate collection, but it administers the Plan's regional service standard to ensure state recycling requirements are being met and regional recycling progress is maintained. Local governments who wish to pursue a collection alternative to a regional service standard program are directed to the Plan's Alternative Program Review process. The director of Metro's Solid Waste and Recycling Department approves alternative approaches that demonstrate the same or a higher level of recycling as the service standard program.

4) Implementing Disposal bans The hazardous waste collection section in Chapter IV notes that some local governments have banned disposal of some or all hazardous household products. It recommends that if specific products pose a known risk to public health or the environment of the region – and convenient collection services for such products are available – there should be a regional disposal ban implemented on those products.

5) Requiring New Solid Waste Facilities to be "Green" – The objectives for the Sustainable Operations (Chapter V) include a directive that new solid waste facilities be constructed to meet high environmental standards (i.e., meet a "LEED" certified or equivalent standard).

INFORMATION/ANALYSIS

1. **Known Opposition.** Several stakeholders have expressed reservations about particular parts of the Plan but no known opposition expressed on the Plan as a whole. Members of the Solid Waste Advisory Committee voted to recommend approval of the updated Plan to Metro Council, with two members abstaining.
2. **Legal Antecedents.** This updated RSWMP replaces the regional plan adopted in 1994 and satisfies state requirements for a waste reduction program (ORS 459.055 and 459.340).
3. **Anticipated Effects:** Adoption of the ordinance will provide guidance for the region's solid waste system for the next ten years.
4. **Budget Impacts.** The Plan specifically calls for annual outreach programs targeting residential, business, and building industry generators, so outreach costs may increase beginning in 2008/09. In addition, a .5 FTE increase in business recycling is anticipated as a direct result of this Plan. Other areas of the Plan, e.g., sustainable operations objectives in Chapter V, and further disposal system analysis, may lead to new personal services and operational expenditures in out years, but those will be established in real time as part of the annual budget process.

RECOMMENDATION

The Chief Operating Officer recommends adoption of Ordinance No. 07-1162.

Agenda Item Number 7.2

Ordinance No. 07-1166, For the Purpose of Amending Metro Code Chapter 10.02 Regional Park Fees to Provide Free Admission to U.S. Veterans With Service-Connected Disabilities.

First Reading

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 10.02 REGIONAL PARK FEES TO PROVIDE FREE ADMISSION TO U.S. VETERANS WITH SERVICE-CONNECTED DISABILITIES	)))))	ORDINANCE NO. 07-1166 Introduced by Councilor Rod Park

WHEREAS, many Veterans of the United States of America's armed forces (U.S. Veterans) suffer from disabilities inflicted upon them as result of their military service to the nation ("service-connected disabilities");

WHEREAS, the State of Oregon has a program that provides U.S. Veterans with military service-connected disabilities with free admission to any park in the Oregon State Parks system;

WHEREAS, Metro wishes to amend Metro Code Section 10.02 to provide U.S. Veterans with service-connected disabilities with free admission and camping at Metro Regional Parks, on the same terms and using the same identification as the state program; now therefore

THE METRO COUNCIL ORDAINS AS FOLLOWS:

Metro Code Chapter 10.02 Regional Park Fees shall be amended as follows:

10.02.020 Park Fees

"The following fees shall be charged and collected by Metro for and prior to the following park uses and activities:

(a) Reservation fees for shelters and reservable picnic areas at Blue Lake Park shall be set forth in Appendix "A" to Chapter 10.02. However, reservation fees for weekday events (except holidays) shall be reduced by 20 percent. Off-season reservation fees (November 1 through May 14) shall be reduced by 50 percent.

(b) Fees for alcohol permits at Blue Lake Park shall be $225.00 for all areas.

(c) Overnight camping fees at Oxbow Park shall be $15.00 per site per night. Permit must be displayed. The fee for each additional vehicle shall be $4.00 per night. Each vehicle must pay entry fee on initial day of entry.

(d) Entry fees at Blue Lake Park and Oxbow Park shall be $4.00 per motorized vehicle on all days and $7.00 per bus on all days.

(e) Boat launching and/or parking fees at the M. James Gleason Boat Ramp shall be $5.00 and fees at the Chinook Landing Marine Park shall be $5.00 per motorized vehicle on all days.

(f) Fees for special events shall be set by the Director of the Regional Parks and Greenspaces Department.

(g) Fees for nightly use of overnight group camps at Oxbow Park by nonprofit and youth organizations shall be as follows:

(1) $25.00 minimum for the first 10 people for Group Camp #2 and then $2.50 per person up to a $87.50 maximum (this does not include the vehicle entry fee). 35 people per night maximum per site.

(2) $50.00 minimum for the first 20 people for Group Camp #1 and then $2.50 per person up to a $325.00 maximum (this does not include the vehicle entry fee). 150 people maximum per night.

(3) A reservation fee of $10.00 will be charged to all groups.

(h) Picnic area reservation fees at Oxbow Park shall be as follows (does not include vehicle entry fees):

Area A - $280.00
Area B - $170.00
Area C - $215.00
Area D - $260.00

However, reservation fees for weekday events (except holidays) shall be reduced by 20 percent. Off-season reservation fees (November 1 through May 14) shall be reduced by 50 percent.

(i) The fee for annual passes in lieu of daily entrance fees, launching and/or parking fees at Blue Lake Park, Oxbow Park, Chinook Landing, and M. James Gleason Boat Ramp shall be as follows:

(1) Regular: $40.00 per year (January 1 through December 31)

(2) Seniors: $30.00 per year (January 1 through December 31)

(3) Low-Income/Disabled: $10.00 per year (January 1 through December 31)

(j) Entrance fees at Blue Lake Park and Oxbow Regional Park shall be waived for any police officer (officers' fees are waived also at Chinook Landing Marine Park and the Gleason Boat Ramp) or Metro employee who presents valid current identification at the park entrance. Fee waivers shall not apply to any special events or other facilities.

(k) Entrance fees at Blue Lake Park, Oxbow Park, Chinook Landing, and M. James Gleason Boat Ramp, and camping fees at Oxbow Park, shall be waived for any disabled veteran who presents valid current photo identification and an Oregon State Parks Special Access Pass for Veterans with Service Connected Disablilities ID Card at the park entrance, and displays the Oregon State Parks Special Access Pass for Veterans with Service Connected Disablilities ID Card and green placard issued by Oregon State Parks in said veteran's vehicle in full view on the dashboard or hanging from the rear-view mirror.

Fee waivers shall not apply to fees for the use of other facilities.

(l~~k~~) Except for use by Metro, rental fees, along with $300.00 refundable deposit, for "The Lake House" at Blue Lake Park shall be:

(1) April 1 to October 31 (Friday after 5:00 p.m. and Sundays):

10:00 a.m. to 4:00 p.m.	$1,000.00
6:00 p.m. to 11:00 p.m.	$1,000.00
10:00 a.m. to 10:00 p.m.	$1,500.00

(2) April 1 to October 31 (Saturday):

10:00 a.m. to 4:00 p.m.	$1,100.00
6:00 p.m. to 11:00 p.m.	$1,100.00
10:00 a.m. to 10:00 p.m.	$1,600.00

(3) November 1 to March 30 (Friday after 5:00 p.m. and Sundays):

10:00 a.m. to 4:00 p.m.	$ 700.00
6:00 p.m. to 11:00 p.m.	$ 700.00
10:00 a.m. to 10:00 p.m.	$1,050.00

(4) November 1 to March 30 (Saturday)

10:00 a.m. to 4:00 p.m.	$ 800.00
6:00 p.m. to 11:00 p.m.	$ 800.00
10:00 a.m. to 10:00 p.m.	$1,150.00

(5) Weekdays (Monday through Thursday and Friday until 5:00 p.m.):
$40.00 per hour (10:00 a.m. - 5:00 p.m.) with a three-hour minimum charge
$60.00 per hour (5:00 p.m. – 11:00 p.m.) with a three-hour minimum charge"

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

_____
David Bragdon, Council President

Attest:

_____
Christina Billington, Recording Secretary

Approved as to Form:

_____
Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 07-1166, FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 10.02 REGIONAL PARK FEES TO PROVIDE FREE ADMISSION TO U.S. VETERANS WITH SERVICE-CONNECTED DISABILITIES

Date: October 16, 2007 Prepared by: Kathryn Sofich

BACKGROUND

The Metro region is home to a number of disabled veterans who have served our country. The State of Oregon currently has a program that provides U.S. Veterans with military service connected disabilities with free admission to any park in the Oregon State Parks system.

Currently, disabled veterans are offered a discounted admission fee to Metro Regional Parks. This ordinance would amend Metro Code Section 10.02.020 Park Fees to provide U.S. Veterans with service-connected disabilities with free admission and camping at Metro Regional Parks, on the same terms and using the same identification as the state program. Disabled veterans will be able to present a valid current photo identification and an Oregon State Parks Special Access Pass for Veterans with Service Connected Disabilities ID Card at the park entrance, and display the Oregon State Parks Special Access Pass for Veterans with Service Connected Disabilities ID Card and green placard issued by Oregon State Parks in their vehicle.

ANALYSIS/INFORMATION

1. **Known Opposition** None known.

2. **Legal Antecedents**. Metro Code Section 10.02.020 Park Fees.

3. **Anticipated Effects** Disabled veterans will be granted free admission to Metro Regional Parks.

4. **Budget Impacts** There will be a slight decrease in revenue collected.

RECOMMENDED ACTION

Councilor Rod Park recommends approval of Ordinance 07-1166.

Agenda Item Number 8.2

Ordinance No. 07-1161, For the Purpose of Amending Metro Code Chapter 5.01 and 5.05 to Extend Moratoria on Applications for New Solid Waste Transfer Stations and Putrescible Waste Non-System Licenses Until December 31, 2008; and Declaring an Emergency.

Second Reading

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 5.01 AND 5.05 TO EXTEND MORATORIA ON APPLICATIONS FOR NEW SOLID WASTE TRANSFER STATIONS AND PUTRESCIBLE WASTE NON-SYSTEM LICENSES UNTIL DECEMBER 31, 2008; AND DECLARING AN EMERGENCY	)))))))	ORDINANCE NO. 07-1161 Introduced by Chief Operating Officer Michael J. Jordan, with the concurrence of Council President David Bragdon

WHEREAS, today approximately twice as much solid waste transfer capacity exists as is needed for the disposal of the region's municipal solid waste; and

WHEREAS, the Metro Council is concerned with maintaining sufficient levels of tonnage to ensure efficient operations at all transfer stations, including publicly owned facilities; and

WHEREAS, on August 19, 2004, the Metro Council adopted Ordinance No. 04-1056 for the purpose of amending Metro Code Chapter 5.01 to impose a moratorium until December 31, 2005, on applications for and authorizations of new solid waste transfer stations within the Metro region; and declaring an emergency; and

WHEREAS, on September 22, 2005, the Metro Council adopted Ordinance No. 05-1093 for the purpose of amending Metro Code Chapter 5.01 to extend a moratorium until December 31, 2007, on applications for and authorizations of new solid waste transfer stations within the Metro region; and

WHEREAS, on February 2, 2006, the Metro Council adopted Ordinance No. 06-1098B amending Metro Code Chapters 5.01 and 5.05 and the Regional Solid Waste Management Plan to impose a temporary moratorium until December 31, 2007 on certain new non-putrescible, mixed solid waste material recovery or reload facilities, and certain non-system licenses; and declaring an emergency; and

WHEREAS, on February 22, 2007, the Metro Council adopted Ordinance No. 07-1139 for the purpose of amending Metro Code Chapters 5.01 and 5.05 and the Regional Solid Waste Management Plan to lift a temporary moratorium on certain new non-putrescible mixed waste material recovery or reload facilities and certain non-system licenses; and

WHEREAS, Ordinance No. 07-1139 maintained the temporary moratorium provisions adopted in Ordinance No. 06-1098B on applications for and issuance of non-system licenses for mixed putrescible solid waste until December 31, 2007; and

WHEREAS, the Solid Waste and Recycling Department is conducting the System Improvement Planning project, which will assess the future of putrescible waste allocation and which is scheduled for completion in early 2008; and

WHEREAS, extending the moratoria on applications for new transfer stations and new putrescible waste non-system licenses will allow the Department to complete the System Improvement Planning project and also will provide the Metro Council the opportunity to consider these applications concurrently in 2008 after the project is completed; now therefore:

THE METRO COUNCIL ORDAINS AS FOLLOWS:

SECTION 1. Metro Code Section 5.01.060 is amended to read as follows:

5.01.060 Applications for Licenses or Franchises

(a) Applications for a Franchise or License or for renewal of an existing Franchise or License shall be filed on forms or in the format provided by the Chief Operating Officer.

(b) In addition to any information required on the forms or in the format provided by the Chief Operating Officer, all applications shall include a description of the Activities proposed to be conducted and a description of Wastes sought to be accepted.

(c) In addition to the information required on the forms or in the format provided by the Chief Operating Officer, applications for a License or Franchise shall include the following information to the Chief Operating Officer:

(1) Proof that the applicant can obtain the types of insurance specified by the Chief Operating Officer during the term of the Franchise or License;

(2) A duplicate copy of all applications for necessary DEQ permits and any other information required by or submitted to DEQ;

(3) A duplicate copy of any Closure plan required to be submitted to DEQ, or if DEQ does not require a Closure plan, a Closure document describing Closure protocol for the Solid Waste Facility at any point in its active life;

(4) A duplicate copy of any documents required to be submitted to DEQ demonstrating financial assurance for the costs of Closure, or if DEQ does not require such documents or does not intend to issue a permit to such facility, the applicant must demonstrate financial assurance or submit a proposal for providing financial assurance prior to the commencement of Metro-regulated activities for the costs of Closure of the facility. The proposal shall include an estimate of the cost to implement the Closure plan required in Section 5.01.060(c)(3). If an application is approved, the license or franchise shall require that financial assurance is in place prior to beginning any activities authorized by the license or franchise. However, regarding applications for licenses, if DEQ does not issue a permit or require such financial assurance documents, then the Chief Operating Officer may waive this requirement if the applicant provides written documentation demonstrating that the cost to implement the Closure plan required in Section 5.01.060(e)(3) will be less than $10,000.

(5) Signed consent by the owner(s) of the property to the proposed use of the property. The consent shall disclose the property interest held by the Licensee or Franchisee, the duration of that interest and shall include a statement that the property owner(s) have read and agree to be bound by the provisions of Section 5.01.180(e) of this chapter if the License or Franchise is revoked or any License or Franchise renewal is refused;

(6) Proof that the applicant has received proper land use approval; or, if land use approval has not been obtained, a written recommendation of the planning director of the local governmental unit having land use jurisdiction regarding new or existing disposal sites, or alterations, expansions, improvements or changes in the method or type of disposal at new or existing disposal sites. Such recommendation may include, but is not limited to a statement of compatibility of the site, the Solid Waste Disposal Facility located thereon and the proposed operation with the acknowledged local comprehensive plan and zoning requirements or with the Statewide Planning Goals of the Land Conservation and Development Commission; and

(7) Identify any other known or anticipated permits required from any other governmental agency. If application for such other permits has been previously made, a copy of such permit application and any permit that has been granted shall be provided.

(d) An application for a Franchise shall be accompanied by an analysis of the factors described in Section 5.01.070(f) of this chapter.

(e) Notwithstanding any other provision in this section, the Chief Operating Officer shall not accept for filing any application for authority to operate a new Transfer Station ~~during the period commencing August 19, 2004, and continuing~~ until December 31, 200~~7~~8.

SECTION 2. Metro Code Section 5.05.035 is amended to read as follows:

5.05.035 License to Use Non-System Facility

A waste hauler or other person may transport solid waste generated within Metro to, or to utilize or cause to be utilized for the disposal or other processing of any solid waste generated within Metro, any non-system facility only by obtaining a non-system license in the manner provided for in this Section 5.05.035. Applications for non-system licenses for Non-putrescible waste, Special waste and Cleanup Material Contaminated By Hazardous Substances shall be subject to approval or denial by the Chief Operating Officer. Applications for non-system licenses for Putrescible waste shall be reviewed by the Chief Operating Officer and are subject to approval or denial by the Metro Council.

(a) Application for License. Any waste hauler or other person desiring to obtain a non-system license shall make application to the Chief Operating Officer, which application shall be filed on forms or in the format provided by the Chief Operating Officer. Applicants may apply for a limited-duration non-system license which has a term of not more than 120 days and is not renewable. An application for any non-system license shall set forth the following information:

(1) The name and address of the waste hauler or person making such application;

(2) The location of the site or sites at which the solid waste proposed to be covered by the non-system license is to be generated;

(3) The nature of the solid waste proposed to be covered by the non-system license;

(4) The expected tonnage of the solid waste proposed to be covered by the non-system license:

(A) The total tonnage if the application is for a limited duration non-system license; or

(B) The annual tonnage if the application is for any other non-system license;

(5) A statement of the facts and circumstances which, in the opinion of the applicant, warrant the issuance of the proposed non-system license;

(6) The non-system facility at which the solid waste proposed to be covered by the non-system license is proposed to be transported, disposed of or otherwise processed; and

(7) The date the non-system license is to commence; and, for limited duration non-system licenses, the period of time the license is to remain valid not to exceed 120 days.

In addition, the Chief Operating Officer may require the applicant to provide, in writing, such additional information concerning the proposed non-system license as the Chief Operating Officer deems necessary or appropriate in order to determine whether or not to issue the proposed non-system license.

An applicant for a non-system license that authorizes the licensee to transport non-putrescible waste that has not yet undergone material recovery, is not processing residual, and originated or was generated within Metro boundaries shall provide documentation that the non-system facility is in substantial compliance with the facility performance standards, design requirements and operating requirements adopted pursuant to Metro Code Chapter 5.01.132 for non-putrescible waste material recovery facilities.

(b) Every application shall be accompanied by payment of an application fee, part of which may be refunded to the applicant in the event that the application is denied, as provided in this section. The following application fees shall apply:

(1) For an application for a limited duration non-system license, the application fee shall be two hundred fifty dollars ($250), no part of which shall be refunded to the applicant in the event that the application is denied.

(2) For an application for a non-system license seeking authority to deliver no more than 500 tons of solid waste per year to a non-system facility, the application fee shall be five hundred dollars ($500), two hundred fifty dollars ($250) of which shall be refunded to the applicant in the event the application is denied. For an application for a change in authorization to an existing non-system license authorizing the delivery of no more than 500 tons of solid waste per year to a non-system facility, the application fee shall be two hundred fifty dollars ($250); provided, however, that if the result of granting the application would be to give the applicant the authority to deliver more than 500 tons of solid waste per year to a non-system facility, the application fee shall be $500, two hundred fifty dollars ($250) of which shall be refunded to the applicant in the event the application is denied. An application for renewal of a non-system license authorizing the delivery of no more than 500 tons of solid waste per year to a non-system facility shall be one hundred dollars ($100).

(3) For all applications for a non-system license seeking authority to deliver more than 500 tons of solid waste per year to a non-system facility, whether they be new applications or applications for the renewal of existing licenses, the application fee shall be one thousand dollars ($1,000), five hundred dollars ($500) of which shall be refunded to the applicant in the event the application is denied. For an application for a change in authorization to an existing non-system license authorizing the delivery of more than 500 tons of solid waste per year to a non-system facility, the application fee shall be two hundred fifty dollars ($250).

(4) For an application for a non-system license seeking to deliver solid waste that is exempt from paying the Metro fees described in Section 5.01.150, the application fee shall be one hundred dollars ($100) as well as a fifty dollar ($50) fee to either renew or amend such licenses.

(c) Factors to Consider To Determine Whether to Issue Non-System License. The Chief Operating Officer or Metro Council, as applicable, shall consider the following factors to the extent relevant to determine whether or not to issue a non-system license:

(1) The degree to which prior users of the non-system facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;

(2) The record of regulatory compliance of the non-system facility's owner and operator with federal, state and local requirements, including but not limited to public health, safety and environmental rules and regulations;

(3) The adequacy of operational practices and management controls at the non-system facility;

(4) The expected impact on the region's recycling and waste reduction efforts;

(5) The consistency of the designation with Metro's existing contractual arrangements;

(6) The record of the applicant regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements, including but not limited to public health, safety and environmental rules and regulations; and

(7) Such other factors as the Chief Operating Officer deems appropriate for purposes of making such determination.

(d) Timetables To Determine Whether to Issue a Non-System License.

(1) Non-system licenses for Non-putrescible waste, Special waste, Cleanup Material Contaminated By Hazardous Substances, or any other solid waste other than Putrescible waste.

(A) New licenses. The Chief Operating Officer shall determine whether or not to issue the non-system license and shall inform the applicant in

writing of such determination within 60 days after receipt of a new completed application, including receipt of any additional information required by the Chief Operating Officer in connection therewith.

(B) License renewals. An application for renewal of an existing non-system license shall be substantially similar to the existing non-system license with regard to waste type, quantity and destination. A holder of a non-system license shall submit a completed application to renew the license at least 60 days prior to the expiration of the existing non-system license, including receipt of any additional information required by the Chief Operating Officer in connection therewith. The Chief Operating Officer shall determine whether or not to renew the non-system license and shall inform the applicant in writing of such determination prior to the expiration of the existing non-system license. The Chief Operating Officer is not obligated to make a determination earlier than the expiration date of the existing license even if the renewal request is filed more than 60 days before the existing license expires.

(2) Non-system licenses for Putrescible waste. The Chief Operating Officer shall formulate and provide to the Council recommendations regarding whether or not to issue or renew a non-system license for Putrescible waste. If the Chief Operating Officer recommends that the non-system license be issued or renewed, the Chief Operating Officer shall recommend to the council specific conditions of the non-system license.

(A) New licenses. The Council shall determine whether or not to issue the non-system license and shall direct the Chief Operating Officer to inform the applicant in writing of such determination within 120 days after receipt of a completed application for a non-system license for Putrescible waste, including receipt of any additional information required by the Chief Operating Officer in connection therewith.

(B) License renewals. An application for renewal of an existing non-system license shall be substantially similar to the existing non-system license with regard to waste type, quantity and destination. A holder of a non-system license shall submit a completed application to renew the license at least 120 days prior to the expiration of the existing non-system license, including receipt of any additional information required by the Chief Operating Officer in connection therewith. The Council shall determine whether or not to renew the non-system license and shall inform the applicant in writing of such determination prior to the expiration of the existing non-system license. The Council is not obligated to make a determination earlier than the expiration date of the existing license even if the renewal request is filed more than 120 days before the existing license expires.

(3) At the discretion of the Chief Operating Officer or the Council, the Chief Operating Officer or Council may impose such conditions on the issuance of a new or renewed non-system license as deemed necessary or appropriate under the circumstances.

(e) Issuance of Non-System License; Contents. Each non-system license shall be in writing and shall set forth the following:

(1) The name and address of the waste hauler or other person to whom such non-system license is issued;

(2) The nature of the solid waste to be covered by the non-system license;

(3) The maximum total, weekly, monthly or annual quantity of solid waste to be covered by the non-system license;

(4) The non-system facility or facilities at which or to which the solid waste covered by the non-system license is to be transported or otherwise processed;

(5) The expiration date of the non-system license, which date shall be not more than:

(A) 120 days from the date of issuance for a limited-duration non-system license;

(B) Three years from the date of issuance for a new full-term license; and

(C) Two years from the date of issuance of a renewed full-term non-system license.

(6) Any conditions imposed by the Chief Operating Officer as provided above which must be complied with by the licensee during the term of such non-system license, including but not limited to conditions that address the factors in Section 5.05.035(c).

(f) Requirements to be met by License Holder. Each waste hauler or other person to whom a non-system license is issued shall be required to:

(1) Maintain complete and accurate records regarding all solid waste transported, disposed of or otherwise processed pursuant to the non-system license, and make such records available to Metro or its duly designated agents for inspection, auditing and copying upon not less than three days written notice from Metro;

(2) Report in writing to Metro, not later than the 15th day of each month, commencing the 15th day of the month following the month in which the non-system license is issued and continuing through the 15th day of the month next following the month in which the non-system license expires, the number of tons of solid waste transported, disposed or otherwise processed pursuant to such non-system license during the preceding month; and

(3) Pay to Metro, not later than the 15th day of each month, commencing the 15th day of the month following the month in which the non-system license is issued and continuing through the 15th day of the month next following the month in which the non-system license expires, a fee equal to the Regional System Fee multiplied by the number of tons (or fractions thereof) of solid waste transported, disposed or otherwise processed pursuant to such non-system license during the preceding month.

(4) When solid waste generated from within the Metro boundary is mixed in the same vehicle or container with solid waste generated outside the Metro boundary, the load in its entirety shall be reported to Metro by the non-system licensee as having been generated within the Metro boundary and the Regional System Fee and Excise Tax shall be paid on the entire load unless the licensee provides Metro with documentation regarding the total weight of the solid waste in the vehicle or container that was generated within the Metro boundary, or unless Metro has agreed in writing to another method of reporting.

(g) Failure to Comply with Non-System License. In the event that any waste hauler or other person to whom a non-system license is issued fails to fully and promptly comply with the requirements set forth in Section 5.05.035(e) above or any conditions of such non-system license imposed pursuant to Section 5.05.035(c), then, upon discovery of such non-compliance, the Chief Operating Officer shall issue to such licensee a written notice of non-compliance briefly describing such failure. If, within 20 days following the date of such notice of non-compliance or such longer period as the Chief Operating Officer may determine to grant as provided below, the licensee fails to:

(1) Demonstrate to the satisfaction of the Chief Operating Officer either that the licensee has at all times fully and promptly complied with the foregoing requirements and the conditions of such non-system license or that the licensee has fully corrected such non-compliance; and

(2) Paid in full, or made arrangements satisfactory to the Chief Operating Officer for the payment in full of, all fines owing as a result of such non-compliance;

Then, and in such event such non-system license shall automatically terminate, effective as of 5:00 p.m. (local time) on such 20th day or on the last day of such longer period as the Chief Operating Officer may determine to grant as provided below. If, in the judgment of the Chief Operating Officer, such non-compliance cannot be corrected within such 20-day period but the licensee is capable of correcting it and within such 20-day period diligently commences such appropriate corrective action as shall be approved by the Chief Operating Officer, then and in such event such 20-day period shall be extended for such additional number of days as shall be specified by the Chief Operating Officer in writing, but in no event shall such the local period as so extended be more than 60 days from the date of the notice of non-compliance.

(h) Notwithstanding any other provision in this section, and unless contrary to any other applicable law, the Chief Operating Officer shall not accept any application for a new non-system license for mixed putrescible solid waste until September 2, 2008. N~~, and n~~either the Chief Operating Officer nor the Metro Council shall issue a new non-system license for mixed putrescible solid waste ~~during the period commencing February 2, 2006, and continuing until December 31, 2007; provided, however, that a licensee may request, and the Chief Operating Officer or Metro Council may issue, a replacement license with an effective date beginning the day after an existing license expires if the replacement license is to authorize the licensee to deliver the same type and quantity of solid waste to the same non-system facility as the existing license.~~whose term commences before January 1, 2009.

SECTION 3. This Ordinance is necessary for the health, safety, and welfare of the Metro area to ensure that the regional solid waste disposal system is operated efficiently. An emergency therefore is declared to exist, and this Ordinance shall take effect immediately, pursuant to Metro Charter Section 38(1).

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

_____
David Bragdon, Council President

Attest:

_____
Christina Billington, Recording Secretary

Approved as to Form:

_____
Daniel B. Cooper, Metro Attorney

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STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 07-1161 FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 5.01 AND 5.05 TO EXTEND MORATORIA ON APPLICATIONS FOR NEW SOLID WASTE TRANSFER STATIONS AND PUTRESCIBLE WASTE NON-SYSTEM LICENSES UNTIL DECEMBER 31, 2008; AND DECLARING AN EMERGENCY

Date: October 3, 2007 Prepared by: Bill Metzler

SUMMARY

This report recommends that Chapter 5.01 and Chapter 5.05 of the Metro Code be amended to extend the current moratoria on new solid waste transfer stations in the Metro region and new putrescible waste Non-System Licenses (NSLs) until December 31, 2008. This one-year extension is intended to maintain the status quo while assuring completion of major projects regarding the future of Metro's solid waste system. The proposed moratorium extension will not impact renewals of existing transfer station franchises or solid waste NSLs.

Metro is currently undertaking a new phase of the solid waste system improvement planning project that will re-examine the current methodology for allocating putrescible waste among solid waste facilities (public and private) that serve the region ("wet waste allocation project"). The Metro Council has requested a review of system issues, including: (a) allocating wet waste to facilities and haulers; (b) tonnage caps at all private transfer stations; and (c) authorizing new transfer facilities. The magnitude of this planning effort necessitates deferring consideration of new transfer station capacity and new putrescible waste NSLs until discussions with Metro Council on the wet waste allocation project have concluded.

Consequently, the Metro Council has expressed its desire to line up the transfer station franchises and putrescible waste non-system licenses to expire on December 31, 2008 allowing the Department to complete the system improvement planning project and providing the Metro Council with the opportunity to consider all transfer station application renewals and certain putrescible waste non-system license applications concurrently in 2008.

An extension of the moratorium on new transfer capacity will not negatively impact the region's solid waste system. The region's transfer and disposal needs are well served by six Metro authorized transfer stations, and transfer capacity for wet waste exceeds current need by approximately 1.1 million tons.

ANALYSIS/INFORMATION

With a total of six solid waste transfer stations located in the Metro region, and a seventh transfer station under construction,[1] an extension of the current moratorium on new transfer stations will not have adverse system impacts. The region's transfer stations provide sufficient access and more than enough capacity. In April 2004, Metro issued its *Regional Transfer Capacity Analysis* report that addressed the question of how much capacity the region's solid waste facilities have to accept and load waste for transport to disposal sites service the region. The analysis concluded that (a) the region's transfer capacity for wet waste currently exceeds the needed capacity by approximately 1.1 million tons per year; and (b) by 2015, the transfer stations that service the region will still have 841,000 tons of unused capacity.

[1] The Columbia Environmental transfer station was approved by the Metro Council in 2005.

An extension of the moratorium on new transfer capacity and new putrescible waste NSLs will not negatively impact the region's solid waste system. Moreover, the proposed moratorium extension will not impact renewals of existing transfer station franchises or solid waste NSLs.

1. **Known Opposition**. There is no known opposition.

2. **Legal Antecedents**. The Metro Code Chapter 5.01, Solid Waste Facility Regulation and Chapter 5.05, Solid Waste Flow Control.

3. **Anticipated Effects**. Ordinance No. 07-1161 will amend Chapter 5.01 and Chapter 5.05 of the Metro Code to extend a moratorium on new transfer stations in the Metro region and new putrescible waste NSLs until December 31, 2008, when the associated wet-waste system issues are resolved during the wet waste allocation project. Ordinance No. 07-1161 is necessary for the immediate preservation of public health, safety and welfare by providing for the effective and comprehensive management of the regional solid waste system. An emergency is therefore declared to exist, and this ordinance shall take effect immediately, pursuant to Metro Charter section 39(1).

4. **Budget Impacts**. There are no budget impacts.

RECOMMENDED ACTION

The Chief Operating Officer recommends approval of Ordinance No. 07-1161.

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Agenda Item Number 8.2

Ordinance No. 07-1163, Amending Metro Code Chapter 2.19 to Establish the Nature in Neighborhoods Capital Grants Review Committee; and Declaring an Emergency.

Second Reading

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

BEFORE THE METRO COUNCIL

AMENDING METRO CODE CHAPTER 2.19 TO ESTABLISH THE NATURE IN NEIGHBORHOODS CAPITAL GRANTS REVIEW COMMITTEE, AND DECLARING AN EMERGENCY	)))))	ORDINANCE NO. 07-1163 Introduced by Chief Operating Officer Michael J. Jordan, with the concurrence of Council President David Bragdon

WHEREAS, Metro Resolution No. 06-3672B, "For the Purpose of Submitting to the Voters of the Metro Area A General Obligation Bond Indebtedness in the Amount of $227.4 Million to Fund Natural Area Acquisition and Water Quality Protection," was approved by the Metro Council on March 9, 2006.

WHEREAS, at the election held on November 7, 2006, the voters approved Measure 26-80, the Natural Areas Bond Measure; and

WHEREAS, the Measure, in addition to providing funds for regional and local share programs dedicated to the acquisition of natural areas from willing sellers, provided for $15 million to fund a Nature in Neighborhoods Capital Grants Program (the "Capital Grants Program"), intended to increase natural features and the ecological function and water quality of public lands in neighborhoods; and

WHEREAS, the Measure provided for the creation of a grant review committee composed of no fewer than seven members to review grant applications and make grant award recommendations to the Metro Council; now therefore

THE METRO COUNCIL ORDAINS AS FOLLOWS:

Section 1. Metro Code Chapter 2.19 shall be amended to add the following text as new Code Section 2.19.230:

2.19.230 Nature in Neighborhoods Capital Grants Review Committee

(a) Purpose and Authority. The purpose and authority of the Nature in Neighborhoods Capital Grants Review Committee (the "Grants Review Committee" or "Committee") is to review all grant applications provided to the Committee by Metro staff, to make site visits, when appropriate, to the locations where prospective projects will occur, to score applications according to specific criteria, and to make grant award recommendations to the Metro Council. The Committee may also make recommendations to the Metro Council and Metro staff regarding the grant application, review, and award process in order to achieve the grant program's goals in the most effective and efficient manner reasonably possible.

(b) Membership. The Grants Review Committee shall be composed of no fewer than seven and no more than 11 members, all appointed by the Metro Council President subject to Council confirmation. The Council President shall designate one (1) member of the Committee to serve as Chair. Except for Committee members whose positions are not term-limited, as indicated below, Committee members initially appointed to serve one (1) year terms may each be reappointed for up to two (2) additional terms as provided in Metro Code Section 2.19.020. The Committee shall be comprised as follows, with initial terms as indicated:

Background	Number of Members	Initial Terms
Metro Councilor(s)	1 to 3	Two years, not subject to term limits
Metro Natural Resource Staff	1	Two years, not subject to term limits
Water Quality Specialists	2	One for one year term; one for two year term
Fish and Wildlife Specialist	1	One year term
Community Representatives	2 to 4	Half or 2/3 for two year terms; others for one year terms.

(c) Meetings. The Grants Review Committee shall meet no fewer than two times per year.

Section 2. This Ordinance being necessary to better serve the public and to work more effectively and efficiently with communities of interest of the Metro Area to implement the Nature in Neighborhoods Capital Grants Program, an emergency is declared to exist, and this Ordinance shall take effect immediately, pursuant to Metro Charter Section 39(1).

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

_____
David Bragdon, Council President

ATTEST:

_____
Christina Billington, Recording Secretary

Approved as to Form:

_____
Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 07-1163, AMENDING METRO CODE CHAPTER 2.19 TO ESTABLISH THE NATURE IN NEIGHBORHOODS CAPITAL GRANTS REVIEW COMMITTEE, AND DECLARING AN EMERGENCY

Date: October 4, 2007 Prepared by: Jim Desmond
Kathleen Brennan-Hunter

BACKGROUND

The Natural Areas Bond Measure provides $15 million for a Nature in Neighborhoods Capital Grants Program to provide local organizations and public entities with additional funds for land acquisition and projects that protect and enhance natural resources in the urban environment.

Resolution 06-3672B, "For the Purpose of Submitting to the Voters of the Metro Area A General Obligation Bond Indebtedness in the Amount of $227.4 Million to Fund Natural Area Acquisition and Water Quality Protection," states that a grant review committee will review applications that Metro staff has screened and will make a recommendation for funding to the Metro Council. The Metro Council will award all grants under this program.

This Ordinance establishes the committee, its terms of service and its members, and describes the purpose and authority of the committee.

ANALYSIS/INFORMATION

1. **Known Opposition**: None.

2. **Legal Antecedents:**

Metro Resolution No. 06-3672B, approved by the Metro Council on March 9, 2006.

Metro Code Chapter 2.19, "Metro Advisory Committees," providing generally applicable rules for the creation of committees providing advice to the Metro Council and appointment of members to such committees.

This Ordinance shall take effect immediately, pursuant to Metro Charter Section 39(1).

3. **Anticipated Effects:**

By approving Ordinance No. 07-1163, the Metro Council will meet the requirements of the Natural Areas Bond Measure as directed by the region's voters in November 2006. This Committee is required by the Resolution 06-3672B and will be most effective if it begins work immediately, and for that reason an emergency is declared to exist and this Ordinance will become effective immediately upon adoption.

4. Budget Impacts:
Budget impacts should be limited to staffing of the committee meetings (estimated to be held 1-2 times annually) and producing project summary reports on each full grant proposal received. Metro Parks and Greenspaces staff will assist the Committee on administrative and technical matters as needed.

5. Outstanding Questions*:* None

RECOMMENDED ACTION

Staff recommends adoption of Ordinance No. 07-1163.

Agenda Item Number 8.3

Ordinance No. 07-1164, Amending Metro Code Sections 2.01.010 and 2.20.030 and Repealing Metro Code Section 2.01.200 to Require Metro's Chief Operating Officer to Prepare and Submit the Metro Budget.

Second Reading

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

BEFORE THE METRO COUNCIL

AMENDING METRO CODE SECTIONS 2.01.010 AND 2.20.030 AND REPEALING METRO CODE SECTION 2.01.200 TO REQUIRE METRO'S CHIEF OPERATING OFFICER TO PREPARE AND SUBMIT THE METRO BUDGET	Ordinance No. 07-1164 Introduced by Michael Jordan, Chief Operating Officer, with the concurrence of David Bragdon, Council President

WHEREAS, Metro Code Section 2.01.010 requires the Metro Council President to serve as the district budget officer and to submit the budget to the Council; and

WHEREAS, Metro Code Section 2.01.200 requires the Metro Council President to submit the proposed budget not later than April 15th of each year; and

WHEREAS, pursuant to Metro Code 2.20.030, the Chief Operating Officer is responsible for the proper administration of all affairs of Metro, including the administration of financial matters; and

WHEREAS, it is appropriate to delegate to the Chief Operating Officer the full authority to carry out his duties as Metro's chief administrative officer; and

WHEREAS, the Metro Council desires to delegate to the Chief Operating Office the authority to develop and submit the proposed budget to the Metro Council, together with a message describing its features; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

SECTION 1. Metro Code section 2.01.010 is amended as follows:

(a) Council President. The Council President is elected by the voters of the region as provided for in the Charter. The Council President has the power and duties described in the Charter.

(b) The Council shall, at its first meeting after the first Monday in January of each year, elect one Councilor to serve as its Deputy for the ensuing year. The affirmative vote of the majority of the Council is required to elect the Deputy. The Council may also adopt a resolution establishing such committees as the Council deems necessary for the orderly conduct of Council business. Committee members and committee chairs shall be appointed by the Council President subject to confirmation by the Council by resolution.

(c) The Council President will preside at all meetings of the Council and will preserve order and decorum. The Council President is authorized to sign all documents memorializing Council's action on behalf of the Council. The Council President will have a vote on each matter before the Council, but will not make motions unless first relinquishing the position of Council President for the purpose of making such motion.

(d) The Deputy shall be the acting Council President in the temporary absence or incapacity of the Council President, and will have the authority and perform the duties of the Council President but shall not receive the salary of the Council President. In the event a vacancy exists in the office of the Council President, the Deputy shall serve as the Acting Council President until a new Council President is elected or appointed pursuant to Metro Code Chapter 9.01. The Acting Council President shall not receive the salary of the Council President.

(e) In the absence or incapacity of the Council President and the Deputy, the Council President may designate a Councilor to act as the Temporary Council President.

~~(f) The Council President shall serve as the district budget officer and shall submit the budget to the Council, together with a message describing the important features of the proposed budget.~~

SECTION 2. Metro Code section 2.01.200 is repealed.

SECTION 3. Metro Code section 2.20.030 is amended as follows:

2.20.030 Power and Duties of the Chief Operating Officer

The Chief Operating Officer shall be the chief administrative officer of Metro, may head one or more departments, and shall be responsible to the Metro Council for the proper administration of all affairs of Metro. To that end, except as otherwise provided by Charter or ordinance, the Chief Operating Officer shall have the power and shall be required to:

(a) Appoint, supervise, discipline, or remove all officers and employees of Metro. The Chief Operating Officer may authorize the head of a department or office to appoint, supervise, discipline, or remove subordinates in such department or office.

~~(b) On behalf of the Council President, prepare the budget annually under the direction of the Council and be responsible for its administration after adoption.~~

(b) Serve as the district budget officer and accordingly prepare and submit to the Council a proposed annual budget, together with a message describing the important features of the proposed budget, and be responsible for the administration of the budget after its adoption by the Council.

(c) Prepare and submit to the Council as of the end of the fiscal year a complete report on the finances and administrative activities of Metro for the preceding year.

(d) Keep the Metro Council advised of the financial condition and future needs of Metro, and make such recommendations as may be deemed desirable.

(e) Consolidate or combine offices, positions, departments, or units under the Chief Operating Officer's jurisdiction, with the approval of the Metro Council. The Chief Operating Officer may be the head of one or more departments.

(f) Devote full time to the discharge of all official duties.

(g) Perform such other duties as may be required by the Council, not inconsistent with Metro Charter, law, or Ordinances.

ADOPTED by the Metro Council this __ day of_____, 2007.

_____
David Bragdon, Council President

Attest:

_____
Christina Billington, Recording Secretary

Approved as to form:

_____
Daniel B. Cooper, Metro Attorney

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OMA/MDF/kvw (09/19/07)

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO.07-1164, AMENDING METRO CODE SECTIONS 2.01.010 AND 2.20.030 AND REPEALING METRO CODE SECTION 2.01.200 TO REQUIRE METRO'S CHIEF OPERATING OFFICER TO PREPARE AND SUBMIT THE METRO BUDGET

Date: September 24, 2007 Prepared by: Williams Stringer, Chief Financial Officer

BACKGROUND

Oregon budget law requires:

> **294.331 Budget officer**. The governing body of each municipal corporation shall, unless otherwise provided by county or city charter, designate one person to serve as budget officer. The budget officer, or the person or department designated by charter and acting as budget officer, shall prepare or supervise the preparation of the budget document. The budget officer shall act under the direction of the executive officer of the municipal corporation, or where no executive officer exists, under the direction of the governing body. [1963 c.576 §5]

Metro Code 2.01.010 currently assigns the duty of budget officer to the President of the Metro Council.

ANALYSIS/INFORMATION

In discussions with the Council about the effectiveness of the budget process, the budget calendar, and the respective roles of the President and the Councilors, the Council has indicated its interest in assigning the legal function of budget officer to the Chief Administrative Officer. The proposed ordinance amends Metro Code to implement this directive. Further, it removes any reference to a specific date by which the proposed budget is issued. This date may vary from year to year, depending on what changes to the budget process and budget calendar are desired by the Council, but state and local deadlines are relatively prescriptive.

The Chief Operating Officer discussed a conceptual budget process with Council on September 17, 2007, that provides a series of discussions with the Council about program priorities prior to the issuing of a proposed budget.

1. **Known Opposition:** None known.

2. **Legal Antecedents:** ORS 294.331 (state budget law, designation of budget officer); Metro Code 1.01.003 (Code Revisions);

3. **Anticipated Effects:** The proposed Code amendment meets the legal requirements for designation of budget officer. The conceptual budget process allows more opportunities for the Council to discuss its priorities and provide direction prior to the completion of a proposed budget.

4. **Budget Impacts:** There is no financial impact to changing the designation of budget officer.

RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of this Ordinance.

Agenda Item Number 9.1

Resolution No. 07-3831, For the Purpose of Approving the Federal Component of the 2035 Regional Transportation Plan (Public Hearing).

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING THE FEDERAL COMPONENT OF THE 2035 REGIONAL TRANSPORTATION PLAN (RTP) UPDATE	))))	RESOLUTION NO. 07-3831 Introduced by Councilors Rex Burkholder and Rod Park

WHEREAS, the Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT) approved Resolution No. 06-3661 (For the Purpose of Approving A Work Program For the 2035 Regional Transportation Plan (RTP) Update and Authorizing the Chief Operating Officer to Amend Contract No. 926975), on June 15, 2006; and

WHEREAS, Metro was awarded a Transportation & Growth Management Grant for the 2005 – 2007 Biennium to prepare a regional plan for freight and goods movement and recommendations from this planning effort will be forwarded for consideration as part of the 2035 RTP update; and

WHEREAS, the RTP is the federally recognized metropolitan transportation plan for the Portland metropolitan region that must be updated every four years and serves as the threshold for all federal transportation funding in the region; and

WHEREAS, the RTP fulfills statewide planning requirements to implement Goal 12 Transportation, as implemented through the Oregon Transportation Planning Rule (TPR); and

WHEREAS, the RTP is a central tool for implementing the Region 2040 Growth Concept, and constitutes a policy component of the Regional Framework Plan; and

WHEREAS, it is Metro's intent to integrate this update to the RTP with the New Look regional planning process and consolidate periodic updates to the RTP to meet applicable federal, state and regional planning purposes; and

WHEREAS, the most recent update to the RTP was completed in March 2004 and the next federal update must be approved by the United States Department of Transportation in consultation with the Environmental Protection Agency by March 2008 to provide continued compliance with federal planning regulations and ensure continued funding eligibility of projects and programs using federal transportation funds; and

WHEREAS, the 2035 RTP update timeline and process was expanded by the Metro Council, at the recommendation of JPACT, to allow for completion of the federal component of the 2035 RTP before the current plan expires on March 5, 2008 and provide for additional technical analysis and policy development to address state and regional planning requirements by Fall 2008; and

WHEREAS, the Metro Council approved Resolution No. 07-3793 (For the Purpose of Accepting the Chapter 1 Regional Transportation Policy Framework as the Provisional Draft For the Purpose Of Completing Phase 3 of the 2035 Regional Transportation Plan (RTP) Update), on March 15, 2007; and

WHEREAS, the federal update requires the development of a "financially constrained" system of investments that address regional travel demand, yet are constrained to reasonably anticipated funding levels during the plan period; and

WHEREAS, the Collaborative Environmental Transportation Agreement for Streamlining (CETAS) work group, consisting of the Oregon Department of Transportation and ten state and federal transportation, natural resource, cultural resource and land-use planning agencies, was consulted on

potential environmental impacts and mitigation strategies on October 16, 2007, and were provided an opportunity to comment on the federal component of the 2035 RTP; and

WHEREAS, the state component of the 2035 RTP will continue in 2008 to address outstanding issues identified during the federal component of the 2035 RTP, including amendments to both the Oregon TPR and Oregon Transportation Plan, and development of a transportation finance strategy to funded needed investments that exceed revenues anticipated to be available during the plan period; and

WHEREAS, the federal component of the 2035 RTP is set forth in "Exhibit A," attached hereto, and will be updated to reflect key findings and recommendations from additional technical and policy analysis to be conducted during the state component of the RTP update in 2008; and

WHEREAS, a 30-day public comment period was held on the federal component of the 2035 RTP from October 15 to November 15, 2007; and

WHEREAS, the Metro Council, JPACT, the Metro Policy Advisory Committee (MPAC), Metro Technical Advisory Committee (MTAC), Transportation Policy Advisory Committee (TPAC), the Regional Travel Options (RTO) Subcommittee of TPAC, the Regional Freight and Goods Movement Technical Advisory Committee, the Bi-State Transportation Committee, the Regional Freight and Goods Movement Task Force and other elected officials, city and county staff, and representatives from the business, environmental, and transportation organizations from the Portland-Vancouver metropolitan region assisted in the development of and were provided an opportunity to comment on the federal component of the 2035 RTP; and

WHEREAS, JPACT and MPAC have recommended that the federal component be approved by the Metro Council; now, therefore

BE IT RESOLVED BY THE METRO COUNCIL THAT:

1. The Metro Council approves the federal component of the 2035 Regional Transportation Plan update, attached and incorporated into this resolution as Exhibit "A."

2. Staff shall conduct the federally-required air quality conformity analysis, hold a 30-day public comment period on the results of the analysis and develop findings demonstrating compliance with federal planning requirements.

ADOPTED by the Metro Council this ____day of December 2007.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

EXHIBIT A to Resolution No. 07-3831
Full document available to download from Metro's website at www.metro-region.org/rtp

New Look
The Regional Transportation Plan

Public Review Draft

2035 Regional Transportation Plan
Federal Component

October 15, 2007

METRO
PEOPLE PLACES
OPEN SPACES

Metro
People places • open spaces

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region's economy.

Your Metro representatives

Metro Council President – David Bragdon
Metro Councilors – Rod Park, District 1; Brian Newman, District 2; Carl Hosticka, District 3; Kathryn Harrington, District 4; Rex Burkholder, District 5; Robert Liberty, District 6.
Auditor – Suzanne Flynn

Metro's web site: www.metro-region.org

Project web site: www.metro-region.org/rtp

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Metro
600 NE Grand Ave.
Portland, OR 97232-2736
(503) 797-1700

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2035 Regional Transportation Plan

Thank you for taking the time to review the federal component of the 2035 Regional Transportation Plan (RTP).

Metro is required to complete an update to the federal component of the RTP by December 2007 in order to maintain continued compliance with the federal Clean Air Act and address new federal (SAFETEA-LU) planning requirements. The current plan expires on March 5, 2008, under federal planning regulations.

The new federal transportation law—SAFETEA-LU—made changes to requirements for transportation planning, including amending the formal update cycle to four years and making specific changes to requirements affecting planning for special needs, security, safety, system management and operations and environmental mitigation. The changes are addressed in the 2007 update to the plan.

In addition, the federal component of the update focused on:

1. updating regional policies that guide planning and investments in the regional transportation system to respond to key trends and issues facing the region and meet federal planning requirements;
2. incorporating projects and programs that have been adopted in local and regional plans, and corridor studies through a public process since the last RTP update in 2004;
3. updating the transportation revenue forecast and regional investment priorities to match current funding sources and historic funding trends;
4. identifying additional issues to be addressed during the state component of the RTP update in 2008.

After the federal component of the 2035 RTP is submitted to federal agencies for review, the focus will shift to the state component of the RTP update. Additional opportunities for public comment on the state component will be provided in Fall 2008.

Timeline and Process for Development of Federal Component of 2035 RTP

The following section describes the RTP timeline and process for developing the federal component of the 2035 RTP.

June 2006-January 2007 – Research and Policy Development – Metro staff conducted background research on trends and issues affecting travel in the region, convened five stakeholder workshops on desired outcomes and needs for the region's transportation system and conducted scientific public opinion research on transportation needs and priorities. This information is available to download on Metro's website at www.metro-region.org/rtp.

January-March 2007 - Provisional Policy Framework Development – The background research in the previous phase guided development of a provisional draft policy framework that established goals and objectives for the regional transportation system. At the recommendation of the Metro Policy Advisory Committee (MPAC) and the Joint Policy Advisory Committee on Transportation (JPACT), the provisional draft policy framework (Chapter 1) was accepted by the Metro Council to guide identification of transportation needs and investment priorities.

April 2007 – Identification of Regional Mobility Corridor Priorities – In March and April 2007, the Regional Freight and Goods Movement Task Force, MPAC and JPACT participated in separate workshops to identify mobility issues and priorities for investments in the RTP. In April, Metro, TriMet and the Oregon Department of Transportation (ODOT) convened a technical workshop to build on the direction provided in the previous policy-level discussions. Nearly 60 participants attended this workshop, including Transportation Policy Alternatives Committee (TPAC) and Metro Technical Advisory Committee (MTAC) members and other local government staff.

Summer 2007 - RTP Project Solicitation and System Analysis - In June 2007, agencies submitted projects and programs that came from local and regional plans or studies that had been previously adopted through a public process. The investments submitted responded to the provisional policy framework. ODOT and TriMet collaborated with Metro and local agencies to identify investments that respond to mobility corridor priorities identified by the Freight Task Force, JPACT and MPAC in April. In addition, local agency TPAC representatives for each of the three counties worked with the cities within their respective county to identify other community-building investments to complement the regional mobility corridor investments. The result of this effort was the development of the 2035 RTP Investment Pool. Proposed investments were submitted in one of two complementary investment strategy tracks:

- **Track 1: State and Regional Mobility Corridor Investment Strategy** focuses on regional mobility corridor investments that leverage the 2040 Growth Concept and improve interstate, intrastate and cross-regional people and goods movement.

- **Track 2: Community-Building Investment Strategy** focuses on community-building investments that leverage 2040 Growth Concept through street and transit system improvements that provide for community access and mobility.

Metro conducted a technical analysis of the performance of the system projects and programs submitted. The results of the analysis are included in the draft document.

August – October 2007 – Development of RTP Financially Constrained System and Draft 2035 - Metro staff worked with local governments, ODOT, SMART and TriMet to narrow the 2035 RTP Investment Pool to match expected revenue that can "reasonably be expected to be available" during the plan period. This set of investments is also called the financially constrained system. In addition, staff further refined the policy framework to respond to key findings of the technical analysis, policy discussions at the Freight Regional and Goods Movement Task Force, MPAC, JPACT and the Metro Council and informal comments provided by local governments and interested stakeholders over the summer.

Public Comment Opportunities

The public comment period is scheduled to begin on October 15 and end on November 15, 2007 at the close of the final Metro Council public hearing. The public comment period will focus on a discussion draft "2035 Regional Transportation Plan Federal Component" that will serve as the public review document.

The public review document will be available for review on Metro's web site (http://www.metro-region.org/rtp), and as a printed document during the 30-day public comment period.

You may submit comments in the following ways:

- on-line from Metro's website: **www.metro-region.org/rtp**
- e-mail to rtp@metro-region.org
- mail to Metro Planning, 600 NE Grand Avenue, Portland, Oregon 97232 (attention: Pat Emmerson)
- fax to (503) 797-1911
- testify at a Metro Council public hearing.

During the comment period, a series of four open houses and public hearings will be held around the region in conjunction with Metro Council meetings:

Open house and public hearing	Date/Time	Location
#1	**Thursday, October 25** • Open house begins at 4 p.m. • Public hearing begins at 5 p.m.	Clackamas County Public Services Building 2051 Kaen Road Oregon City, OR 97045
#2	**Thursday, November 1** • Open house begins at 1 p.m. • Public hearing begins at 2 p.m.	Metro Regional Center Council Chambers 600 NE Grand Avenue Portland, OR 97232
#3	**Thursday, November 8** • Open house begins at 4 p.m. • Public hearing begins at 5 p.m.	Hillsboro Civic Center Auditorium 150 E. Main Street Hillsboro, OR 97123
#4	**Thursday, November 15** • Open house begins at 1 p.m. • Public hearing begins at 2 p.m.	Metro Regional Center Council Chambers 600 NE Grand Avenue Portland, OR 97232

Comments received will be entered into the public record and will be provided to staff and elected officials prior to final consideration and action on the federal component of the 2035 RTP. Final consideration by JPACT and the Metro Council is scheduled for December 13, 2007. This action is pending completion of the federally-required air quality conformity analysis.

For more information

For more information, call Regional Transportation Planning at (503) 797-1839, or send e-mail to rtp@metro-region.org. The hearing impaired can call (503) 797-1804.

Overview

Transportation shapes our communities and daily lives in profound and lasting ways. Transportation enables residents of the region to reach jobs and recreation, access goods and services, and meet daily needs. What we plan for and invest in today will affect the health of our economy, residents, communities and environment for generations to come.

Over the past 15 years growth has brought significant opportunity and prosperity to the Portland-Vancouver region. Growth, however, has also brought growing pains. Like many other metropolitan areas across the U.S., the region faces powerful trends that require new ways of thinking about our future. Globalization of the economy, limited funding, increasing transportation costs, aging baby boomers, climate change and other powerful trends must be addressed as we work to keep this region a great place to live and work for everyone.

By 2035, the region will grow by more than 1 million people and add more than 500,000 jobs, doubling trips on the transportation system each day. By 2035, freight transportation needs are expected to more than double the freight, goods and services that will travel to this region by air and over bridges, roads, water and rails.

New Look
The Regional Transportation Plan

The 2035 Regional Transportation Plan (RTP) provides an updated blueprint to guide transportation planning and investments in the tri-county Portland metropolitan region. This discussion draft document extends the planning horizon of the current plan through the year 2035 and was developed to meet new federal (SAFETEA-LU) planning requirements by the end of 2007.

The focus of this update is on Federal compliance elements, not the Oregon Transportation Planning Rule (TPR) or other regional requirements. The TPR and regional requirements will be the focus of the state component of the update in 2008. Additional opportunities for public comment on the state component will be provided in 2008.

To address current transportation needs and prepare for future growth, the region must invest in expanding the transportation system, improving safety and completing key missing links. The Regional Transportation Plan (RTP) must be bolder, smarter and more strategic with transportation investments, and better integrate the region's land use, economic, environmental and transportation objectives in its decision-making process.

This document represents the first major update to the RTP since 2000. The updated plan provides a blueprint for building a sustainable transportation future that allows the region to compete in the global economy and preserve the unique qualities and natural beauty that define our region. An overarching aim of the RTP is to move the region closer to the vision of the 2040 Growth Concept.

The plan expands personal choices for travel, providing safer and more reliable travel between home and school, work, shopping and recreation destinations. The updated RTP emphasizes reliability of the system, particularly for commuting and moving freight. Reliability and other performance measures will be evaluated and monitored through an integrated multi-modal corridor strategy and performance monitoring system. The performance monitoring system will be finalized during the state component of the RTP update in 2008.

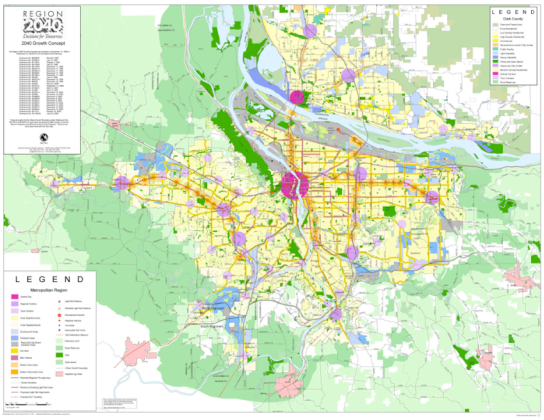
Implementation of the plan will be both challenging and exciting, demanding new levels of collaboration among the Metro Council, public and private sector leaders, community groups, businesses and the residents of the region. Our success in addressing the challenges will be measured in many ways and by many people, including future generations who will live and work in the region.

Executive Summary

Linking Transportation to Land Use, the Economy and the Environment

2040 Growth Concept
In the 1990s, the residents of the Portland metropolitan region developed Metro's 2040 Growth Concept through an extensive public process. Adopted in 1995, the concept represents a vision of shared community values and desired outcomes that continue to resonate throughout the region:

- Safe and stable neighborhoods for families
- Compact development that uses land, transportation infrastructure and money more efficiently
- A healthy economy that generates jobs and business opportunities
- Protection of farms, forests, rivers, streams and natural areas
- A balanced transportation system to move people and goods
- Housing for people of all incomes in every community



The Regional Transportation Plan
Metro's transportation planning activities are guided by a federally mandated decision-making framework, called the metropolitan transportation planning process. The Regional Transportation Plan (RTP), first adopted by the Metro Council in 1983, is a long-range blueprint for transportation in the Portland metropolitan region. The RTP is updated every four years to reflect changing conditions in the Portland metropolitan region. The purpose of the RTP is to:

- implement the Region 2040 vision ;
- identify transportation-related actions that respond most effectively to the trends and challenges facing the metropolitan region; and
- comply with federal, state and regional planning requirements.

As the federally designated Metropolitan Planning Organization (MPO), Metro is responsible for coordinating development of the RTP with the region's transportation providers— the 25 cities and three counties in the Metro boundary, the Oregon Department of Transportation, Oregon Department of Environmental Quality, Port of Portland, TriMet, South Metro Area Rapid Transit (SMART), Washington Regional Transportation Council, Washington Department of Transportation and other Clark County governments. Metro facilitates this consultation, coordination and decision-making through four advisory committee bodies –the Joint Policy Advisory Committee on Transportation (JPACT), the Metro Policy Advisory Committee (MPAC), the Transportation Policy Alternatives Committee (TPAC) and the Metro Technical Advisory Committee (MTAC). In addition, the Metro Committee for Citizen Involvement (MCCI) provides advice to the Metro Council on how to best engage residents in regional planning activities.

State law establishes a hierarchy of consistency of plans at the state, regional and local levels. The RTP must be consistent with the Oregon Transportation Plan and the Transportation Planning Rule (TPR). Local plans must be consistent with the RTP. The RTP also serves as the threshold for all federal

transportation funding in the Portland metropolitan region. Projects and programs must be included in the RTP financially constrained system to be eligible for federal and state funding.

Challenges and Opportunities Ahead – Five Things You Should Know

The Portland metropolitan region is at an important crossroads.

- **About a million more people are expected to live here in the next 25.** They will all need to get to work, school and stores on the region's transportation system. Growing congestion is expected to accompany this growth, affecting the economic competitiveness of our region and the State of Oregon, our environment and our quality of life.
- **The Portland-Vancouver metropolitan region is a global transportation gateway and West Coast domestic hub for commerce and tourism.** An international airport, river ports, rail connections and an interstate highway system make this region both a global transportation gateway and West Coast domestic hub for freight and goods movement and tourism-related activities. The 2005 study, *Cost of Congestion to the Economy of the Portland Region,* estimated potential losses in the region of $844 million annually in 2025 from increased freight costs and lost worker productivity due to increases in travel time if our investments do not keep pace with growth. Freight transportation needs are expected to more than double the amount of freight, goods and services that will travel to this region by air and over bridges, roads, water and rails. The economy of our region and state depends on our ability to support the transportation needs of these industries and provide reliable access to gateway facilities. The economic health of the region also depends on industries that are attracted to the region by our well-trained labor pool, relatively low cost of living and high quality of life.
- **Geopolitical instability and other trends will continue to drive up transportation costs, affecting project costs and household expenditures.** Rising prices for all petroleum products—not just fuel—are here to stay. For example, the price of liquid asphalt jumped 61 percent in Oregon during the first seven months of 2006—from $207 a ton to $333 a ton—doubling project costs in some cases. Due to the rising cost of gas and greater driving distances between destinations, transportation costs per household in the region are also increasing. Transportation is the second highest household expense after housing, with lower-income households spending a higher percentage of their income on transportation costs.
- **Federal and state transportation sources are not keeping up with growing needs.** At current spending levels and without new sources of funding, the federal highway trust fund will expend all available revenues projected to be collected by 2009. State and local government purchasing power is steadily declining because the gas tax has not increased since 1993. Reduced purchasing power of current revenues leads to increasing competition for transportation funds, and less capability to expand, improve and maintain the transportation infrastructure we currently have. Meanwhile, the region's transportation infrastructure continues to age, requiring increasing maintenance. Over the next two decades, the gap will grow between the revenues we have and the investments we need to make just to keep our throughway, street and transit systems in their current condition.
- **Climate change poses a serious and growing threat to Oregon's economy, natural resources, forests, rivers, agricultural lands, and coastline**. Transportation activities are the second largest source of greenhouse gas emissions in Oregon. Transportation accounts for and estimated 38 percent of the state's carbon dioxide emissions, and vehicle emissions are predicted to increase by 33 percent by 2025 because of increased driving. New regulations to reduce emissions associated with climate change are likely in the RTP's planning horizon, which would put more emphasis on less polluting transportation modes.

A Proposed Blueprint to Guide the Region's Response

The draft plan RTP updates the region's transportation blueprint through the year 2035, responding to the challenges and opportunities ahead. The plan includes:

1. **A renewed focus on protecting livability.** The RTP has a responsibility to serve the needs of residents in the region, protect our unique setting and landscape and leave a better place for future generations. The goals and objectives in Chapter 3 establish a vision of what we want the regional transportation system to look like and achieve in the future, shaping the actions the region will take to achieve that vision. The RTP emphasizes linking transportation planning to the region's long-range vision for vibrant communities, a healthy economy and environmental protection.

2. **A systems approach that emphasizes completing gaps in the regional transportation network and protecting regional mobility corridors to address safety and congestion deficiencies**. The plan views the transportation system as an integrated and interconnected whole that supports land use and all modes of travel for people and goods movement. This approach relies on a broader, multi-modal definition of transportation need, recognizing that the region's ability to physically expand right-of-way to increase capacity is limited by fiscal, environmental and land use constraints. This approach responds in part to recent policy direction from the federal and state levels to better link system management with planning for the region's transportation system and direction from the residents of the region to provide a balanced transportation system that expands transportation choices for everyone. Reliability of the system, particularly for commuting and freight, is emphasized and will be evaluated and monitored through an integrated multi-modal mobility corridor strategy. Completing gaps in pedestrian, bicycle and transit systems is also a critical part of this strategy.

   This approach requires more aggressive management of the transportation system and consideration of strategies such as value pricing to better manage capacity and peak use on the throughways in the region. To date, this tool has not been applied in the Portland metropolitan region despite successful application of this tool in other parts of the U.S. and internationally. Value pricing may generate revenues to help with needed transportation investments, however, more work is needed to gain public support for this tool.

3. **A new focus on stewardship and sustainability to preserve our existing transportation assets and achieve the best return on public investments.** Government must be a responsible steward of public

Regional Transportation System Goals

- **Goal 1: Foster Vibrant Communities and Efficient Urban Form**
- **Goal 2: Sustain Economic Competitiveness and Prosperity**
- **Goal 3: Expand Transportation Choices**
- **Goal 4: Emphasize Effective and Efficient Management of the Transportation System**
- **Goal 5: Enhance Safety and Security**
- **Goal 6: Promote Environmental Stewardship**
- **Goal 7: Enhance Human Health**
- **Goal 8: Ensure Equity**
- **Goal 9: Ensure Sustainability**
- **Goal 10: Deliver Accountability**

Regional Transportation System Components

Regional multi-modal transportation facilities and services include the following eight components:

1. Regional Throughway and Street System, which includes the National Highway System (NHS) and State highways
2. Regional Transit System
3. Regional Bicycle System
4. Regional Pedestrian System
5. Regional Freight System
6. Regional Systems Design
7. System Management Strategies
8. Demand Management Strategies

investment and the social, built and natural environments that shape our communities. Planning and investment decisions must consider the land use, economic, environmental and public impacts and benefits of actions as well as dollar costs. We must also prioritize maintaining and optimizing the infrastructure we have, because dollars are too limited to do everything we want. To maximize return on public dollars, the plan places the highest priority on cost-effective transportation investments that achieve multiple goals. The plan also directs future actions to stabilize transportation funding in this region. This includes raising new revenue for needed infrastructure, a crucial step to achieving the Region 2040 vision and specific goals described in Chapter 3.

The RTP recognizes the diversity of transportation needs throughout the Portland-Vancouver metropolitan region, and attempts to balance needs that often compete. While advocating for a transportation system that adequately serves all modes of travel, the plan recognizes that the automobile will likely continue to be chosen by people for most trips over the life of the plan. However, the RTP also recognizes the need for expanded transportation options for traveling to everyday destinations, and to provide access and mobility for those unable to travel by automobile. Even the occasional use of transit, walking, bicycling or sharing a ride can help the region maintain its clean air, conserve energy and efficiently accommodate more people within a compact urban form.

Finally, the RTP recognizes that the transportation system plays a crucial role in sustaining the economic health of the region and the state of Oregon. Many sectors of the regional economy heavily depend on the safe and efficient movement of goods and services by truck, rail, air and water. Additionally, the economic health of the region also depends on industries that have been attracted to the region because of our well-trained labor pool, relatively low cost of living and high quality of life.

Plan Organization

- **Chapter 1 – Regional Decision-Making and Regulatory Context:** This chapter describes Metro's role in transportation planning, the regional transportation decision-making process and the federal, state and regional regulatory context of the RTP.
- **Chapter 2 – Challenges and Opportunities**: This chapter describes key trends and issues affecting travel in the region and expected growth in population, the economy and travel for the year 2035.
- **Chapter 3 – Regional Policy:** This chapter presents the policy framework of goals, objectives and actions for the regional transportation system that best support the Region 2040 vision.
- **Chapter 4 – Investment Pool:** This chapter describes the projects and programs submitted by local, state and regional agencies responsible for providing transportation infrastructure and services.
- **Chapter 5 – Financial Plan:** This chapter documents a financial analysis of current funding sources and historic funding trends that serve as the basis for the financially constrained system of investments
- **Chapter 6 – Investment Priorities:** This chapter presents the proposed Financially Constrained System, which represents a statement of the highest priority need, given current transportation funding constraints.
- **Chapter 7 – Implementation:** This chapter describes the processes of plan implementation and issues that remain unresolved at the time the federal component of the RTP is adopted.
- **Glossary**: Definitions of transportation-related planning and engineering terms used throughout the document.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 07-3831, FOR THE PURPOSE OF APPROVING THE FEDERAL COMPONENT OF THE 2035 REGIONAL TRANSPORTATION PLAN (RTP) UPDATE

Date: October 9, 2007 Prepared by: Kim Ellis

BACKGROUND

Metro is the regional government responsible for regional land use and transportation planning under state law and the federally designated metropolitan planning organization (MPO) for the Portland metropolitan region. As the federally designated MPO, Metro is responsible for updating the metropolitan transportation plan, also referred to as the Regional Transportation Plan (RTP), every four years in coordination with the agencies that own and operate the region's transportation system. Metro is also responsible for developing a regional transportation system plan (TSP), consistent with Oregon Transportation Planning Rule (TPR) requirements.

Metro's jurisdictional boundary encompasses the urban portions of Multnomah, Washington and Clackamas counties. Metro's planning partners include the 25 cities, three counties and affected special districts of the region, ODOT, Oregon Department of Environmental Quality (DEQ), Port of Portland, South Metro Area Rapid Transit (SMART), TriMet and other interested community, business and advocacy groups as well as state and federal regulatory agencies such as the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA). Metro also coordinates with the City of Vancouver, Clark County Washington, the Port of Vancouver, the Southwest Washington Regional Transportation Council (RTC), C-Tran, the Washington Department of Transportation, the Southwest Washington Air Pollution Control Authority and other Clark County governments on bi-state issues. The Southwest Washington Regional Transportation Council is the federally designated MPO for the Clark County portion of the Portland-Vancouver metropolitan region.

2035 REGIONAL TRANSPORTATION PLAN UPDATE

The 2035 RTP update represents the first significant update to the plan since 2000. The region is experiencing unprecedented growth and increasing competition for limited funds. The current RTP includes projects that would cost more than twice the anticipated funding. This update involved a new approach to address these issues and federal requirements. The Metro Council initiated the 2035 RTP Update on September 22, 2005 with approval of Resolution #05-3610A (for the Purpose of Issuing a Request for Proposals to Develop a Work Scope for an Expanded 2005-08 Regional Transportation Plan Update that Incorporates the "Budgeting for Outcomes" Approach to Establishing Regional Transportation Priorities).

The new approach (1) included a strong education component to increase community and stakeholder awareness of the issues, (2) used an outcomes-based approach to assess 2040 implementation and to evaluate and prioritize the most critical transportation investments, (3) emphasized collaboration with regional partners and key stakeholders to resolve the complex issues inherent in realizing the region's 2040 Growth Concept, and (4) integrated land use, economic, environmental and transportation objectives that are part of the 2040 Growth Concept. The process considered information learned from the 2005 *Cost of Congestion Study*, 2006 New Look public opinion research and the *Regional Freight and Goods Movement Plan*.

In January 2007, the 2035 RTP update timeline and process was expanded by the Metro Council, at the recommendation of JPACT, to allow for completion of the federal component of the 2035 RTP before the

current plan expires on March 5, 2008 and provide for additional technical analysis and policy development to address state and regional planning requirements by Fall 2008.

The federal component of the update is anticipated to be complete by December 2007 to allow adequate time to complete air quality conformity analysis and federal consultation before the current plan expires on March 8, 2008.

SUMMARY OF DECISION-MAKING FRAMEWORK

Metro's transportation planning activities are guided by a federally mandated decision-making framework, called the metropolitan transportation planning process. Metro leads this process in consultation and coordination with federal, state, regional and local governments, and engagement of other stakeholders with an interest in or who are affected by this planning effort. Metro facilitates this consultation and coordination through four advisory committee bodies—the Joint Policy Advisory Committee on Transportation (JPACT), the Metro Policy Advisory Committee (MPAC), the Transportation Policy Alternatives Committee (TPAC) and the Metro Technical Advisory Committee (MTAC).

The 2035 RTP update process relied on this existing decision-making structure for development, review and adoption of the plan. MPAC, JPACT and the Metro Council made recommendations at key decision points based on input from TPAC, MTAC, the Council-appointed Regional Freight Plan Task Force and the public participation process. SAFETEA-LU provisions for additional consultation with state and federal resource agencies, and tribal groups not represented on Metro's existing committee structure were met through a consultation meeting with the Collaborative Environmental Transportation Agreement for Streamlining (CETAS) work group, consisting of the Oregon Department of Transportation and ten state and federal transportation, natural resource, cultural resource and land-use planning agencies, on October 16.

Finally, the *Regional Freight and Goods Movement Plan* element of the RTP update was guided by a Council-appointed 33-member Task Force and a Technical Advisory Committee (TAC).[1] Recommendations from the Regional Freight TAC were forwarded to the Regional Freight and Goods Movement Plan Task Force. The Task Force recommendations to date have been forwarded to the 2035 Regional Transportation Plan process for adoption into the region's long-range transportation system plan.

APPROACH AND TIMELINE DEVELOPMENT OF FEDERAL COMPONENT OF 2035 RTP

The process addressed new federal planning requirements, including SAFETEA-LU legislation. The new federal transportation law—SAFETEA-LU—made changes to requirements for transportation planning, including amending the formal update cycle to four years and making specific changes to requirements affecting planning for special needs, security, safety, system management and operations and environmental mitigation. The changes are addressed in this update to the plan.

Consistent with SAFETEA-LU, the federal component of the update focused on:

1. updating regional policies that guide planning and investments in the regional transportation system to respond to key trends and issues facing the region and meet federal planning requirements;

[1] The Regional Freight and Goods Movement Task Force was comprised of 33 members from the community, private and public sectors, representing the many elements of the multimodal freight transportation system and community perspectives on freight. The Freight Technical Advisory Committee (TAC) was comprised of public sector staff from the local, regional, and state agencies operating within Metro's jurisdictional boundaries. The TAC will provide input and review of technical work products.

2. incorporating projects and programs that have been adopted in local and regional plans, and corridor studies through a public process since the last RTP update in 2004;
3. updating the transportation revenue forecast and regional investment priorities to match current funding sources and historic funding trends that are "reasonably anticipated to be available;"
4. identifying additional issues to be addressed during the state component of the RTP update in 2008.

The following section describes the RTP timeline and process for developing the federal component of the 2035 RTP.

June 2006-January 2007 – Research and Policy Development – Metro staff conducted background research on trends and issues affecting travel in the region, convened five stakeholder workshops on desired outcomes and needs for the region's transportation system and conducted scientific public opinion research on transportation needs and priorities. This information is available to download on Metro's website at www.metro-region.org/rtp.

January-March 2007 - Provisional Policy Framework Development – The background research in the previous phase guided development of a provisional draft policy framework that established goals and objectives for the regional transportation system. At the recommendation of the Metro Policy Advisory Committee (MPAC) and the Joint Policy Advisory Committee on Transportation (JPACT), the provisional draft policy framework (Chapter 1) was accepted by the Metro Council to guide identification of transportation needs and investment priorities.

April 2007 – Identification of Regional Mobility Corridor Priorities – In March and April 2007, the Regional Freight and Goods Movement Task Force, MPAC and JPACT participated in separate workshops to identify mobility issues and priorities for investments in the RTP. In April, Metro, TriMet and the Oregon Department of Transportation (ODOT) convened a technical workshop to build on the direction provided in the previous policy-level discussions. Nearly 60 participants attended this workshop, including Transportation Policy Alternatives Committee (TPAC) and Metro Technical Advisory Committee (MTAC) members and other local government staff.

Summer 2007 - RTP Project Solicitation and System Analysis - In June 2007, agencies submitted projects and programs that came from local and regional plans or studies that had been previously adopted through a public process. The investments submitted responded to the provisional policy framework. ODOT and TriMet collaborated with Metro and local agencies to identify investments that respond to mobility corridor priorities identified by the Freight Task Force, JPACT and MPAC in April. In addition, local agency TPAC representatives for each of the three counties worked with the cities within their respective county to identify other community-building investments to complement the regional mobility corridor investments. The result of this effort was the development of the 2035 RTP Investment Pool. Proposed investments were submitted in one of two complementary investment strategy tracks:

- **Track 1: State and Regional Mobility Corridor Investment Strategy** focuses on regional mobility corridor investments that leverage the 2040 Growth Concept and improve interstate, intrastate and cross-regional people and goods movement.
- **Track 2: Community-Building Investment Strategy** focuses on community-building investments that leverage 2040 Growth Concept through street and transit system improvements that provide for community access and mobility.

Metro conducted a technical analysis of the performance of the system projects and programs submitted. The results of the analysis are included in the federal component of the 2035 RTP.

August – October 2007 – Development of RTP Financially Constrained System and Draft 2035 - Metro staff worked with local governments, ODOT, SMART and TriMet to narrow the 2035 RTP Investment Pool to match expected revenue that can "reasonably be expected to be available" during the

plan period. This set of investments is also called the financially constrained system. In addition, staff further refined the policy framework to respond to key findings of the technical analysis, policy discussions at the Freight Regional and Goods Movement Task Force, MPAC, JPACT and the Metro Council and informal comments provided by local governments and interested stakeholders over the summer.

SUMMARY OF STAKEHOLDER ENGAGEMENT AND PUBLIC PARTICIPATION PLAN FOR THE FEDERAL COMPONENT OF THE 2035 RTP UPDATE

The public participation plan was designed to meet regional and federal requirements for public participation and respond to the key issues raised during the scoping phase in 2006. This section describes the *stakeholder engagement and outreach* components that will inform development of an updated 2035 RTP plan, and support the decision-making role of the Metro Council, JPACT and MPAC and the participatory role of public agencies, targeted stakeholder groups and the general public.

Metro's targeted stakeholders and planning partners include the 25 cities, three counties and affected special districts of the region, Oregon Department of Transportation (ODOT), Oregon Department of Environmental Quality, Port of Portland, SMART, TriMet and other interested community, business and advocacy groups as well as state and federal regulatory officials and resource agencies. Metro also coordinates with the City of Vancouver, Clark County Washington, the Port of Vancouver, the Southwest Washington Regional Transportation Council (RTC), C-Tran, the Washington Department of Transportation, the Southwest Washington Air Pollution Control Authority and other Clark County governments on bi-state issues.

This broad spectrum of stakeholders was the primary focus of the public participation plan. A variety of methods for engaging public agencies and targeted public and private sector stakeholder groups were used, including focused discussions at Regional Forums, Mayors'/Chair's Forums, stakeholder workshops, Metro Advisory Committees and established County Coordinating Committee's meetings, technical workshops and other methods of communication and engagement as described below. In September and October of 2006, Metro staff also met with several groups of citizens and planners to solicit input on the bicycle and pedestrian needs and issues background reports. The groups included local citizen bicycle and/ pedestrian citizen advisory groups, local bicycle and pedestrian planners/advocates and the Regional Trails working group. Metro held a separate bike and pedestrian workshop with local pedestrian and bike planners from local and state government, advocacy groups and the private sector. The participants provided information about trends and current research underway, barriers to developing the pedestrian and bicycle systems, and policy gaps at the regional level.

A second priority for outreach is the general public. The general public was engaged and provided opportunities to give input throughout the planning process. A significant element of this portion of the work program was a scientific public opinion survey that was conducted to solicit a statistically valid measure of public values and needs. In addition, Metro's website hosted an interactive project website that included an on-line survey during the research phase of the update. The project website was also to provide information about the update process, timeline with key decision points identified, fact sheets, newsletters and other pertinent information about the process. The transportation hotline included a 2035 RTP update message program that includes timely information about key decision points and provided an option for requesting additional information. In addition, feedback was solicited on a discussion draft 2035 RTP during the public comment period that was held from October 15 to November 15, 2007, through four Metro Council public hearings, Metro's website and four open houses held during the comment period.

Media outreach was also a significant element of the participation plan with the intent of using earned mass media to provide information to the general public and key stakeholders throughout the process. This included briefings of reporters and editorial boards, press releases, media packets and civic journalism. Several electronic-newsletters and fact sheets were developed throughout the process and at

key decisions points. The newsletters and fact sheets were distributed through Metro's website, at events and upon request. Summary reports documenting the results and findings of major tasks were also developed and made available on Metro's website and through presentations at Metro's advisory committees.

Notices of key decisions were distributed through community newspapers, electronic newsletters, the transportation hotline and the Metro website. A formal 30-day public comment period was held to coincide with release of a discussion draft RTP in September 2007. Comments were collected through Metro's website, US mail, fax, email and testimony provided at four Metro Council public hearings during this period. Comments received were entered into the public record and provided to staff and elected officials prior to final consideration and action on the federal component of the 2035 RTP. Finally, the RTP and its attendant Air Quality Conformity Analysis will be made available for a formal 30-day public review period before final adoption in February 2008.

OUTSTANDING ISSUES TO BE ADDRESSED DURING STATE COMPONENT OF THE 2035 RTP UPDATE

The system the region can afford with "expected revenue" is not expected to be sufficient to achieve the region's vision for the future. The state component of the RTP update will, as a result, focus on identifying those investments that the region truly needs to achieve the 2040 Growth Concept and RTP goals, and developing a funding strategy that supports implementation of those investments over time.

After the federal component of the 2035 RTP is submitted to federal agencies for review, the focus will shift to the state component of the RTP update. The state component of the 2035 RTP will continue in 2008 to address outstanding issues identified during the federal component of the 2035 RTP, including amendments to both the Oregon TPR and Oregon Transportation Plan, and development of a transportation finance strategy to funded needed investments that exceed revenues anticipated to be available during the plan period.

Staff recommends these areas to be the focus of policy discussion and additional technical analysis during the state component of the RTP update in 2008:

1. **Performance measures and evaluation framework**
   Background: The first round of technical analysis (which included the RTP investment pool of projects) demonstrated that system-level measures are no longer sufficient to determine whether investments lead to a safe, efficient and reliable transportation system or meet other RTP goals for land use, the economy and the environment.

   What does an outcomes-based evaluation and monitoring framework look like? What measures and benchmarks are most important?

2. **Congestion management and regional mobility corridors**
   Background: How to address increasing demand on our multimodal transportation system is a critical issue for the region, particularly the *Regional Mobility Corridors* – transportation corridors centered on the region's network of interstate and state highways that include parallel networks of arterial roadways, high capacity and regional transit routes and multi-purpose paths. The network of corridors is intended to move people and freight between different parts of the region and connect the region with the rest of the state and beyond. Despite significant investments assumed in the region's transit and roadway systems, the region appears to lose ground on congestion and system reliability. When the pool of investments is narrowed to match available revenue to develop the Financially Constrained RTP, additional congestion and reductions in system reliability are expected.

   How should the region measure success for these corridors and what is the mix of strategies and investments that will help us get there?

3. **Oregon Transportation Planning Rule (TPR) implications for land use**
   Background: Recent amendments to the TPR may affect the region's ability to manage growth consistent with the 2040 Growth Concept.

   What are the implications of recent TPR amendments on the ability of the RTP and local TSPs to comply with OAR 660-012-0060, which requires land use and transportation plans to be balanced?

4. **Transportation finance**
   Background: The region's funding gap is so significant, the region must use every tool at our disposal to address current and future transportation needs in support of the Region 2040 Growth Concept. The region needs a strategy that effective links land use and transportation investment decisions. Community building investments are tied primarily to locally generated growth-related revenues. In addition, new growth areas need seed money before system development charges can begin to be collected. Both short-term and long-term strategies are needed to raise new revenues to fund needed investments.

   How do we know what level of investment we need to achieve Region 2040? Who should have primary responsibility for addressing needs on ODOT's state and district highways? Who should have primary responsibility for addressing operations, maintenance and other needs of regional bridges? What funding sources should be used to address all of the different regional mobility and community building needs?

Additional opportunities for public comment on the state component will be provided in Fall 2008.

ANALYSIS/INFORMATION

1. **Known Opposition**: None known.

2. **Legal Antecedents**: There are a wide variety of past Federal, State and regional legal actions that apply to this action.

   Federal regulations include:
   - Clean Air Act, as amended [42 U.S. C. 7401, especially section 176(c)];
   - Federal statutes concerning air quality conformity [23 U.S.C. 109(j)];
   - US EPA transportation conformity rules (40 CFR, parts 51 and 93); and
   - USDOT rules that require Metro to update RTPs on a four-year cycle [23 CFR 450.322(a)].

   State regulations include:
   - Oregon Administrative Rules for Transportation Conformity, (OAR Chapter 340, Division 252); and
   - Portland Area Carbon Monoxide Maintenance Plan and Portland Area Ozone Maintenance Plan.

   Metro legislation includes:
   - Resolution 05-3610A (For the Purpose of Issuing a Request for Proposals to Develop a Work Scope for an Expanded 2005-08 Regional Transportation Plan Update that Incorporates the "Budgeting for Outcomes" Approach to Establishing Regional Transportation Priorities), on September 22, 2005.

- Resolution No. 06-3661 (For the Purpose of Approving A Work Program For the 2035 Regional Transportation Plan (RTP) Update and Authorizing the Chief Operating Officer to Amend Contract No. 926975), on June 15, 2006; and
- Resolution No. 07-3793 (For the Purpose of Accepting the Chapter 1 Regional Transportation Policy Framework as the Provisional Draft For the Purpose Of Completing Phase 3 of the 2035 Regional Transportation Plan (RTP) Update), on March 15, 2007.

3. **Anticipated Effects**: The proposed federal component of the 2035 Regional Transportation Plan meets federal requirements for metropolitan transportation planning. With approval, staff will proceed with the federally-required air quality conformity analysis and development of federal findings of compliance.

4. Budget Impacts: There is no financial impact to approval of this resolution.

RECOMMENDED ACTION

Approve Resolution No. 07-3831.

Agenda Item Number 9.2

Resolution No. 07-3861, For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Designate Focus Centers, Establish the Urban Living Infrastructure Program, and Make Technical Changes.

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE TRANSIT-ORIENTED DEVELOPMENT (TOD) AND URBAN CENTERS IMPLEMENTATION PROGRAM TO DESIGNATE FOCUS CENTERS, ESTABLISH AN URBAN LIVING INFRASTRUCTURE PROGRAM, AND MAKE TECHNICAL CHANGES	))))))))	RESOLUTION NO. 07-3861 Introduced by Metro Councilor Robert Liberty with the concurrence of Metro Council President David Bragdon

WHEREAS, on April 9, 1998, the Metro Council adopted Resolution No. 98-2619 (For the Purpose of Authorizing Start-Up Activities for the Transit-Oriented Development (TOD) Implementation Program at Metro), which authorized start-up activities and set forth the operating parameters of the TOD Program in a Work Plan providing for selection criteria for TOD projects; and

WHEREAS, the TOD Work Plan was amended: (1) to include provision for a site improvements category by Resolution 00-2906 (For the Purpose of Amending the TOD Program Procedures to Facilitate TOD Projects Including the Round at Beaverton Central,) adopted March 9, 2000; (2) to include additional light rail corridors, streetcar, frequent bus, urban centers and green buildings by Resolution No. 04-3479 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Expand the TOD Program Area and Initiate An Urban Centers Program,) adopted July 15, 2004; (3) to add selection criteria for frequent bus line projects by Resolution No. 05-3563 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Apply Additional Selection Criteria to TOD Program Frequent Bus Line Projects), adopted May 19,2005; and (4) to allow a process for unsolicited proposals by Resolution No. 05-3617 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Allow a Process for Consideration of Unsolicited Development Proposals for Metro TOD & Centers Program Owned Land), adopted September 13, 2005; and

WHEREAS, the TOD & Urban Centers Implementation Program provides Metro with a set of development tools that help implement Metro's Region 2040 Growth Concept by being a public partner in higher density, mixed use development projects in

regional and town centers, in light rail station communities and along frequent bus corridors; and

WHEREAS, Metro's TOD & Urban Centers Program sponsored new research into the dynamics of urban real estate markets which provides empirical evidence that mixed use housing development is more economically feasible where there is an urban living infrastructure consisting of elements such as specialty grocery stores, cinemas, cafes, restaurants, bookstores, or other specialized retail; and

WHEREAS, in order to advance Metro's 2040 vision the "Focus Centers" concept was proposed to effectively coordinate and strategically invest Metro's resources in selected locations in order to achieve faster results;

WHEREAS, the TOD Steering Committee has reviewed the performance of the TOD & Urban Centers Implementation Program and recommends approval of the TOD Work Plan amendments to set forth herein as Exhibit A in order to set priorities, implement new strategies and make technical changes; now therefore

BE IT RESOLVED, that the Metro Council amends the Transit-Oriented Development (TOD) & Urban Centers Implementation Program to designate focus centers, establish an urban living infrastructure program, and make technical changes as set forth in Exhibit A.

ADOPTED by the Metro Council this 1st day of November 2007.

_____

David Bragdon, Council President

Approved as to Form:

_____

Daniel B. Cooper, Metro Attorney

EXHIBIT A
TO RESOLUTION 07-3861

TRANSIT-ORIENTED DEVELOPMENT AND URBAN CENTERS IMPLEMENTATION PROGRAM

WORK PLAN

Planning Department
Metro
March 1998
Revised July 2004
Revised May 2005
Revised September 2005
Revised November 2007

Table of Contents

1. Introduction 2
2. Program Objectives, Strategies & Activities 2
   2.1. Program Objectives 2
   2.2. Program Strategies 2
   2.3. Program Activities 2
3. Governance 4
   TOD Steering Committee 4
4. Operating Parameters for Program 5
   4.1. Project Selection Criteria 5
      4.1.1. System-wide RFP Criteria 5
      4.1.2. Opportunity Site Criteria 5
      4.1.3. Site Improvements Criteria 5
      4.1.4. Frequent Bus Line Criteria 5
   4.2. Property Acquisition and Disposition Policies 6
   4.3. Federal Transit Administration Policies 6
   4.4. Termination of Program Funding Authorizations 7
5. Program Operation 7
   5.1. System-wide RFP 7
   5.2. Opportunity Sites 7
   5.3. Site Improvements and Purchase of TOD/Centers Easements 7
   5.4. Unsolicited Proposals 8
   5.5. Professional services 8
6. Other Program Activities 8
   6.1. Urban Centers Implementation Program 8
      6.1.1. Urban Centers Project Criteria 9
      6.1.2. Urban Centers Program Operation 9
   6.2. Urban Living Infrastructure 9
      6.2.1. Urban Living Infrastructure Project Selection Criteria 10
      6.2.2. Urban Living Infrastructure Program Operation 11
   6.3. Focus Centers 11
      6.3.1. Focus Center Selection Considerations 11
      6.3.2. Focus Centers Program Operation 12
   6.4. Education, Advocacy and Technical Assistance 13
   6.5. TOD Program Loan or Limited Partner 13
   6.6. Green Buildings Program 13
   6.7. Small Projects Category For TOD/Centers Projects 13
   6.8. Oregon Transportation Infrastructure Bank 13

1. INTRODUCTION

This document describes the objectives, activities, and governance of the Metro Planning Department's Transit-Oriented Development Implementation Program (TOD Program). The Program seeks to increase transit ridership and lessen the risk and costs associated with the construction of TOD projects. Projects considered for the Program will exhibit a mix of moderate- to high-intensity land uses, a physical or functional connection to the transit system, and design features that reinforce pedestrian relationships and scale. TOD Program utilizes joint development tools such as land acquisition and Development Agreements to implement projects located in close proximity to rail transit stations and "Frequent Bus" stops throughout the region. These locations are shown on Figure 1.

2. PROGRAM OBJECTIVES, STRATEGIES & ACTIVITIES

2.1. PROGRAM OBJECTIVES

Specific objectives of the Program include:

- Causing construction of higher density housing, mixed-use projects (i.e. apartments over retail, office over retail), and destination uses that have a physical and functional connection to transit, through partnerships with the private sector;
- Developing urban building types with the lowest reasonable parking ratios and highest reasonable floor area ratios (FAR's);
- Increasing the modal share of transit and pedestrian trips within station areas while decreasing reliance on personal automobiles;
- Leveraging and focusing public expenditures within station areas to support Metro's 2040 Growth Concept.

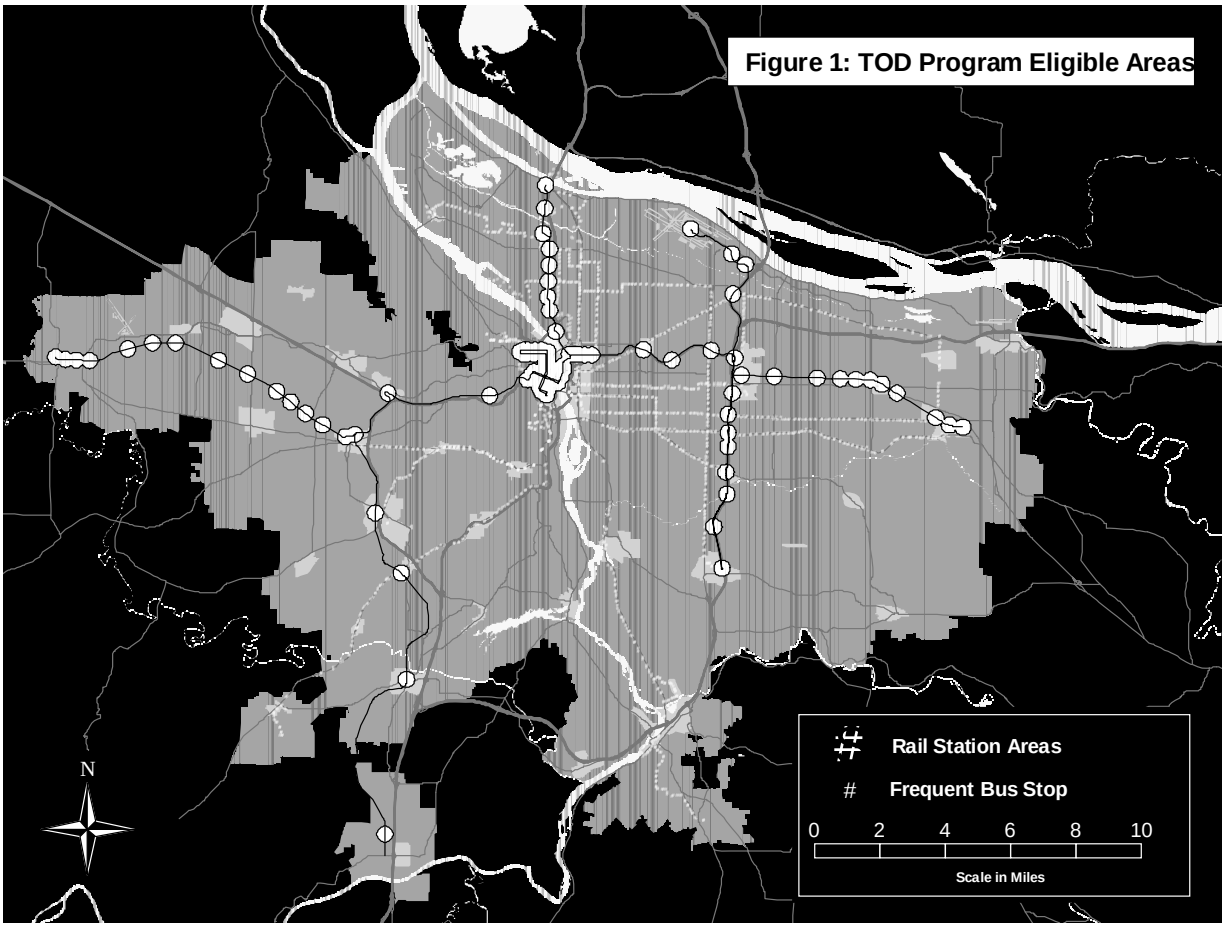
2.2. PROGRAM STRATEGIES

- **Carry out place making** with repeated investments in catalyst projects and place-making elements that contribute to local identity;
- **Create market comparables** for higher-density mixed-use development near transit and in centers;
- **Develop developers** with expertise in higher-density and mixed-use development in suburban settings; and
- **Build community acceptance** of urban style building types in suburban communities.

2.3. PROGRAM ACTIVITIES

The TOD Implementation Program is a joint development program focusing on site-specific project implementation. Joint Development refers to a collection of public and private sector partnership techniques, strategies, and development "tools" that can be used to link development to transit stations to increase the efficiency of a mass transit system. The increase can take the form of new ridership (caused by the construction of TODs), new revenue to a transit agency, or a combination of both. The Federal Transit Administration (FTA) approved a grant for Metro to start the TOD Program in 1997. Authority to use FTA funds for joint development are included in the Intermodal Surface Transportation Act of 1991 (ISTEA) and codified under 49 USC 5309, 49 USC 5307, 23 USC 133 (STP) and 23 USC 149 (CMAQ). According to these laws, TOD Program activities are

defined as transportation projects provided there is (1) a physical or functional relationship to the transit project; and (2) an enhanced effectiveness of the existing transit system.[1]



Specific joint development tools that may be used by the Program include:

- Site Control (land acquisition and sale) to ensure design and density of a TOD can be determined before the land is developed.
- Pre-development activities to assist in making environmental and programmatic determinations including financial analysis, conceptual design and permit acquisition; these activities do not include the preparation of architectural construction documents;
- Request for Proposals (RFP) to ensure the competitive offering of development opportunities;
- Development Agreements to establish a set of performances by both parties and to protect public interests in the development of the TOD sites;
- Public and Private Co-use of transit station structures, site improvements, or land to reinforce the connection of a TOD to the transit system;
- Air or Subterranean Rights to increase the density, urban character and/or feasibility of a TOD.
- Site preparation and site improvement activities funded directly or by the acquisition of TOD Easements.

[1]For a full discussion see the memo from FTA Chief Counsel Berle M. Schiller to FTA Administrator Gordon Linton entitled "Statutory Authority in Support of FTA Funding of Joint Development Projects," March 15, 1995.

3. GOVERNANCE

The activities of the TOD Program will be overseen by a number of local, regional, state, and Federal officials and public-private partnership specialists. These include:

- The TOD Steering Committee
- The Federal Transit Administration (when the use Federal Funds are involved)
- The Metro Council

The role of the Steering Committee is described in the following text. A more detailed history of the TOD Steering Committee is provided under the "Other Program Activities" section of this document.

TOD STEERING COMMITTEE

Prior to awarding the grant, FTA indicated that Metro was to include Tri-Met and others in the TOD Program. FTA accepted the proposal that the existing Congestion Mitigation Air Quality/Transit-Oriented Development (CMAQ/TOD) Steering Committee be used for this purpose. The CMAQ/TOD Committee was created to allocate $3.48M of ISTEA funds to projects that could demonstrate innovative ways to address traffic congestion and air quality through TOD projects Successful projects such as Belmont Dairy, Fairview Village, Steele Meadows, Gresham Central, and The Round at Beaverton all include CMAQ/TOD funding.

Under the TOD Implementation Program, the Steering Committee became the TOD Steering Committee with responsibility to approve projects within criteria established by the Metro Council.

The Steering Committee added a Metro Councilor to provide a strong liaison between the Committee and Council. The membership of the Steering Committee is listed below. Metro provides staff support for the Steering Committee.

<u>TOD Steering Committee</u>
Governor's Office (Chair)
Department of Environmental Quality (DEQ)
Oregon Department of Energy (ODOE)
Department of Land Conservation & Development (DLCD)
Oregon Housing & Community Services Department
Tri-Met
Metro Council
Oregon Department of Transportation (ODOT)
Oregon Economic Development Department (OEDD)
Portland Development Commission (PDC)

Staff: Metro Planning Department

4. OPERATING PARAMETERS FOR PROGRAM

4.1. PROJECT SELECTION CRITERIA

4.1.1. System-wide RFP Criteria

The competitive evaluation criteria of Request For Proposals to solicit development proposals includes a point based evaluation of:

1) Quality and experience of developer team,
2) Proposed program;
3) Connectivity of TOD to light rail;
4) Business plan;
5) Timeliness of performances, and certain other minimum qualifications of the proposal;

In the event two or more proposals are equal, the project(s) located in Regional and Town Centers will be given priority.

These criteria are the "TOD Proposal Criteria."

4.1.2. Opportunity Site Criteria

The criteria to acquire sites from property owners include:

1) The potential for a physical or functional connection to transit.
2) The ability to enhance the existing transit system when developed with a TOD.
3) The extent to which the site represents an opportunity to demonstrate TOD Program objectives.
4) The location relative to Regional and Town Centers.

These criteria are the "TOD Site Criteria."

4.1.3. Site Improvements Criteria

The criteria to evaluate proposed site improvements include:

1) The potential of the improvements to create or strengthen a physical or functional connection to the transit station;
2) The extent to which the improvements cause construction of higher density housing, mixed use projects and destination uses;
3) The extent to which the improvement develop building types with the lowest reasonable parking ratios and highest reasonable floor area ratios;
4) The extent to which the improvements increase the modal share of transit within station areas while decreasing reliance on personal automobiles; and
5) The potential of the improvements to focus and leverage other expenditures within a station area to support Metro's 2040 Growth Concept,
6) Project location relative to Regional and Town Centers.

These criteria are the "TOD Site Improvements Criteria."

4.1.4. Frequent Bus Line Criteria

Proposed projects located on frequent bus lines will be evaluated against three sets of the criteria: base, mandatory and additional. Base criteria depend upon the nature of the project and will consist of the TOD Proposal Criteria (section 4.1.1), TOD Site Criteria (section 4.1.2) or TOD Site Improvements Criteria (section 4.1.3).

Mandatory Frequent Bus Criteria include:

1) Project is in an area that will help spur additional development and help create a node around the transit stop;
2) The project represents an attempt to build the base of developers that can be used in other centers
3) There are not adequate local government funds available to close the financing gap;
4) The project will be within 800 ft. from a high frequency bus line;
5) The project demonstrates a market concept applicable to high frequency bus line or the project will test the market for new product types for high frequency bus routes.

Additional Project Criteria for Frequent Bus Projects:

- The project uses new building materials or building systems that result in lower construction costs and/or tests new markets for a building type.
- The project provides market rate and affordable housing, including rental or for sale, in a project that would otherwise be a single use building such as retail or office.
- The project spurs job creation.
- The project uses a high level of sustainable practices including building materials and energy conservation.
- The project is located in or near a center.
- The project has a favorable ratio of TOD dollars to total development costs.
- There are not similar projects in the area done without public funding.
- The project improves the quality of the environment for the transit patron.

Frequent bus project should attempt to respond to as many of the additional criteria as possible.

Collectively, these three sets of criteria are the "Frequent Bus Criteria."

4.2. PROPERTY ACQUISITION AND DISPOSITION POLICIES

Property will be acquired at Fair Market Value in accordance Metro, State and Federal requirements where appropriate using independent certified appraisals. Property will be sold at a value that takes into consideration the plans, conditions and restrictions imposed by Metro at the time of the sale. This disposition value will take into consideration extraordinary costs of the TOD/Centers project(s) such as building over parking, or structuring parking, fire and seismic building codes for mid-rise buildings, and others.

4.3. FEDERAL TRANSIT ADMINISTRATION POLICIES

The Federal Transit Administration's grant conditions and Federal funding regulations require the TOD Implementation Program to ensure public participation, identify and mitigate any adverse environmental impacts cause by the Program, and pursue environmental justice. These requirements are to be addressed through the following activities:

- Completion of a programmatic Environmental Assessment (EA)
- Public and agency review of the EA
- Site specific environmental analysis and a Memorandum on Response to Criteria
- Creation of the TOD Steering Committee

4.4. TERMINATION OF PROGRAM FUNDING AUTHORIZATIONS

Previously approved TOD Program funding commitments can be terminated by Steering Committee action to cancel the commitment followed by a 7-Day Notice to Metro Council. Projects will be deemed eligible for termination if the developer has failed to make progress or the property owner and/or developer for the project has changed.

5.

5. PROGRAM OPERATION

5.1. SYSTEM-WIDE RFP

RFPs for development projects will be authorized for release by the Metro Council. Metro staff will conduct the technical evaluation of RFP submissions according to the TOD Proposal Criteria, and submit the proposals to the Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of TOD proposals and the Council will have seven (7) days to notify the COO of a request to review a proposal in executive session. Subsequently, proposals will have appraisals completed, site specific environmental work done (including traffic, wetlands, cultural and historic, and hazardous materials), a Memorandum on Response to Criteria prepared (when required by the grant), and be forwarded to the FTA (when Federal funds are proposed for use). Upon approval by the Steering Committee and FTA (when appropriate), the Chief Operating Officer is to execute Development Agreements with developers of successful proposals.

5.2. OPPORTUNITY SITES

To acquire a site without a developer, Metro staff will evaluate the site using the TOD Site Criteria, and the Frequent Bus Criteria, if appropriate, then forward recommendations to the Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of potential TOD projects and the Council will have seven (7) days to notify the COO of a request to review a potential project in executive session. Subsequently, the Chief Operating Officer is to execute a Purchase and Sale Agreement with the property owners of TOD project sites. Projects will have appraisals completed, site specific environmental work done, and any other necessary due diligence performed in accord with all Metro, State, and Federal Transit Administration requirements, when appropriate. The sites will then be planned and parceled, if necessary, and sold for private development with specific conditions at a value taking into consideration the effect of plans, conditions and restrictions on the use of the property at the time of sale.

5.3. SITE IMPROVEMENTS AND PURCHASE OF TOD/CENTERS EASEMENTS

To fund site improvements and the purchase of TOD/Centers easements, Metro staff will evaluate the proposed projects using the TOD Site Improvements Criteria, Urban Centers Project Criteria, and the Frequent Bus Criteria, if appropriate, then forward a recommendation to the TOD Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of the proposed improvements and the Council will have seven (7) days to notify the COO of a request to review the proposed improvements in executive session. Following this authorization process, the Executive Officer may execute a Development Agreement, with the principle developer of the project in which the

TOD site improvements are located. A TOD/Centers Easement is a set of covenants, conditions and restrictions the Program may impose upon the developer and project for purposes of ensuring that higher density, mixed-use, green building, and urban living infrastructure elements are incorporated in a project. The easements will be recorded on the property to ensure the project remains in use consistent with program objectives.

5.4. UNSOLICITED PROPOSALS

Metro will accept unsolicited proposals on development sites owned by Metro's TOD/Centers Program. A prospective developer may offer in writing to develop a parcel indicating the proposed parcel, the development program, track record of the development team, timelines for development and financial consideration. Metro staff will evaluate the proposal according to project type criteria in Section 4.1.2, 4.1.3 and 4.1.4 as appropriate and, if deemed acceptable, prepare a written analysis and recommendation. Contact with Metro staff is permissible and should be encouraged with the limited objective of conveying to the prospective offeror an understanding of Metro's needs relative to the type of development contemplated. If staff makes a recommendation to accept the proposal, it will then be advertised for a period of 2 weeks in a publication of general circulation. Any additional proposals for that specific development site will be evaluated and a recommendation forwarded to the Steering Committee for action to approve the most beneficial acceptable proposal. As soon as practical, upon the approval of a proposal by the TOD Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council and the council will have seven (7) days to notify the COO of a request to review the unsolicited proposal in executive session. Metro may execute an Exclusive Negotiating Agreement with the developer for up to 120 days to determine if agreement can be reached by both parties to develop the site. Within the 120-day period, the parties may enter into a Development Agreement if consistent with the granted approval.

5.5. PROFESSIONAL SERVICES

Consultants on a "task order" basis will provide technical assistance to Metro staff and the Steering Committee. The disciplines covered by consultant services include:

- Planning & Urban Design
- Environmental
- Development Services
- Real Property Appraisal
- Market Analysis
- Technical Studies
- Land Acquisition, Relocation, Disposition & Escrow Services
- Legal Services
- Architectural & Engineering Services
- Public Process Facilitation

6. OTHER PROGRAM ACTIVITIES

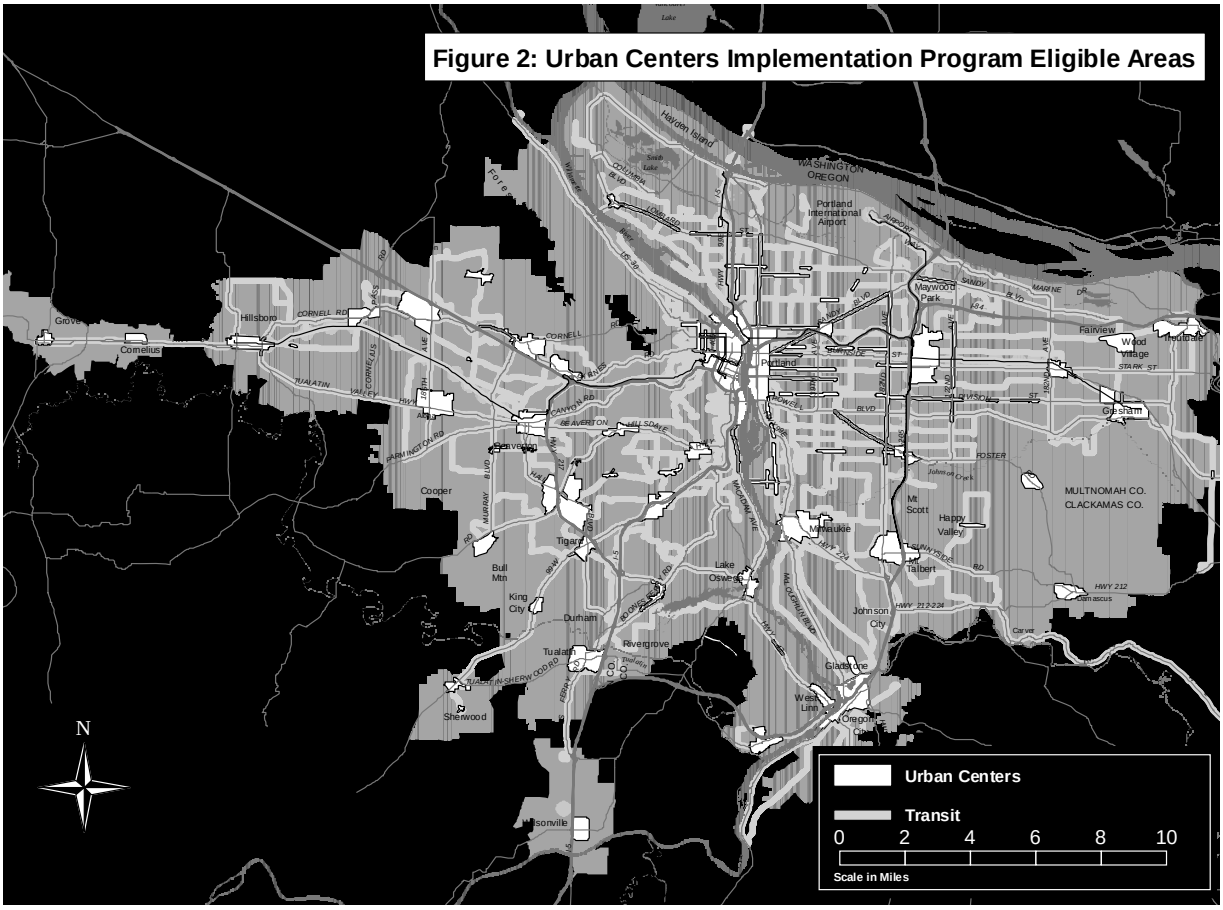
6.1. URBAN CENTERS IMPLEMENTATION PROGRAM

The 2040 Growth Concept looks to the Central City, Regional and Town Centers, Station Communities and Main Streets as the centers of urban life in the region and depends for its success upon the maintenance and enhancements of the Urban Centers.

Metro Council Resolution 03-3381A allocated one million dollars to create a site specific, project based implementation program to operate in designated Urban Centers (Regional and Town Centers), even if they are not currently served by rail or Frequent Bus transit. These Urban Centers are shown in Figure 2.

6.1.1. Urban Centers Project Criteria

Criteria for selecting potential Urban Centers implementation projects are as follows: 1) provision for mixed-use and higher density development; 2) project creates a sense of place in the Center; 3) site control by public entity or willing and capable private developer; 4) project participation by other public partners; 5) potential reduction in regional VMT or of home to work trip length; 6) increase in walk, bike and transit trips; 7) floor area ratio as close to or exceeding 1:1 as possible. These criteria will be called the Centers Implementation Selection Criteria



6.1.2. Urban Centers Program Operation

To fund a Centers project, Metro staff will evaluate the proposed project using the Centers Implementation Selection Criteria and forward a recommendation to the TOD Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of the proposed project and the Council will have seven (7) days to notify the COO of a request to review the proposed funding in executive session. Following this authorization process, the COO will execute a Development Agreement, with the principle developer of the project.

6.2. URBAN LIVING INFRASTRUCTURE

The Region's 2040 Vision and Metro's long-range plan encourage development in compact regional and town centers – higher density areas that combine housing, employment, retail, cultural, and recreational activities in a walkable environment that is well served by transit. The

regional benefits of developing in centers include: increased transit, walk and bike trips; reduction of VMT; better air quality; protection of farm and forest land; and more efficient provision of public services. Mixed-use centers also maintain property values, create a sense of community, and attract new businesses. In spite of these longer term benefits, however, development of mixed use, higher density centers often has higher initial costs than traditional suburban development.

The ability of 2040 centers in Portland to transition to higher density development patterns over time is a function of their ability to provide an "urban experience" that delivers sought-after services and amenities within a comfortable walking distance. Traditionally, governments assist placemaking through investment in sidewalks, parks and other public area improvements. Anecdotal evidence indicates that private development of high-density mixed use housing occurs more rapidly where thriving restaurants, specialty grocery stores, cafes, bookstores, and other services have clustered. These commercial services are defined as "urban living infrastructure" [ULI] because it is believed to be essential to support living in a higher density urban environment.

Research commissioned by Metro provides empirical evidence that when urban living infrastructure is present, high-density mixed-use housing development becomes financially feasible, more quickly. Buyers are willing to pay more for housing in vibrant places with distinctive character and urban living infrastructure because services are within walking distance and there is a quality urban environment. When more people are willing to live and invest in the area, a virtuous economic cycle is created wherein additional housing units support more retail services, which in turn increase housing demand, and so on. Together, residential population growth and urban living infrastructure can influence the market so that mid-rise mixed use housing projects become financially feasible without other public investment.

The Urban Living Infrastructure program is a site specific, project-based implementation program that makes targeted public investments to foster the creation of ULI by private individuals or entities in areas that have been explicitly designated for concentrated centers implementation efforts ("Focus Centers"). The Urban Living Infrastructure program will be initiated as a $600,000 pilot program through the use of interest income on TOD/Centers revenue.

6.2.1. Urban Living Infrastructure Project Selection Criteria

a. Project is located in a designated Focus Center on a site controlled by a public entity or a willing and capable private developer, and will be privately owned and operated.

b. Project will have a direct impact on the achievable pricing of one or more specifically identified mixed use, higher density housing projects to be developed in the near future.

c. Project funding supports capital expenses for real property acquisition and write-down, commercial condominium purchase and write-down, commercial lease write-down (prepaid rent), construction costs, or renovation costs, but does not support inventory and operating costs. For example, building renovations and purchase of permanent fixtures such as a restaurant kitchen ventilation system would be eligible, but purchase of restaurant appliances and furnishings would not be eligible.

d. Project design supports placemaking and is pedestrian, bike, and transit friendly.

e. Uses such as cinema-cafes, farmers' markets, grocery stores, bookstores, restaurants and cafes, bakeries, bike shops, garden/flower shops, and specialty retail will be eligible for program funding. Priority will be given to projects that support local or regional business. Ineligible

uses include bars, liquor stores, tanning salons, beauty shops, adult-only businesses, and offices.

6.2.2. Urban Living Infrastructure Program Operation

To fund an Urban Living Infrastructure project, Metro staff will evaluate the project using the ULI Site Selection Criteria set forth above, and perform an analysis of the requested investment, evaluating its cost-effectiveness against the documented effects of particular ULI investments set forth in Johnson and Gardner's "Assessment of the Marginal Impact of Urban Amenities on Residential Pricing" dated June 2007 ("Metro's Urban Amenities Assessment") or other research, and comparing its cost-effectiveness to other potential ULI Program project funding requests. If staff recommends project approval, the proposed project will be forwarded to the TOD Steering Committee with a staff report including, at a minimum, the following: an evaluation of the project demonstrating: 1) that the project meets the selection criteria and any related Metro or program policies; 2) that the project investment will be cost-effective, based on Metro's Urban Amenities Assessment; and 3) that the project is commercially reasonable. As soon as practical following approval by the Steering Committee, the Chief Operating Officer (COO) will provide written notification to the Metro Council of the proposed project and the Council will have seven (7) days to notify the COO of a request to review the proposed funding in executive session. Following this authorization process, the COO may enter into an agreement with the project developer or property owner and execute any instruments deemed necessary and prudent by the Metro Attorney.

The project financing structure may take the form of a real property acquisition and write-down, commercial condominium purchase and write-down, commercial lease write-down (prepaid rent), or reimbursement for construction or renovation costs. Funding may be in the form of a grant, loan or purchase of ULI easement or restrictive covenant. All funding will be provided through a contractual relationship with the building developer/owner and, whenever possible, project investments will be secured via recorded ULI easement or restrictive covenant.

6.3. FOCUS CENTERS

A variety and critical mass of new investment or redevelopment needs to occur in a center before new market momentum catalyzes other real estate and business investments, creating the condition referred to as "market lift off." A broader set of implementation support services and strategies will be provided in Focus Centers by collaborating with other Metro programs, including New Look and Nature in Neighborhoods.

6.3.1. Focus Center Selection Considerations

a. Metro TOD & Centers Implementation Program owns property in the center.

b. Local jurisdiction actively supports the intensification of development, through entitlements (zoning), infrastructure investments, site acquisition and/or other forms of encouragement.

c. Developers are actively interested in an area.

d. The local community supports the vision of a compact, walkable center.

e. Developable parcels are available and property owners are willing to sell or participate in redevelopment.

f. Existing commercial structures, providing for affordable commercial space, or sites exist at sufficient scale to generate a critical mass of activity.

g. Residential and employment densities in the area could support services in the center.

h. Good transportation infrastructure provides convenient commutes and the ability to draw from a wider trade area.

i. TOD & Centers project, urban living amenity, plaza and other public amenity investments would move the real estate market towards lift-off as the achievable pricing of mixed use, higher density housing is increased when new market comparables and more attractive, dynamic urban places are created.

6.3.2. Focus Centers Program Operation

The TOD Program currently owns property in the Beaverton Regional Center; the Gresham Regional Center; the Hillsboro Regional Center; and the Milwaukie Town Center and is actively partnering with the local jurisdictions to redevelop those properties. The Program's immediate emphasis will be on these areas. As local market conditions improve and investment activity levels increase, these areas will be reviewed to decide if the program focus should be shifted to other centers.

Additions or deletions of Focus Centers shall be made upon the recommendation of the TOD Steering Committee. The Steering Committee's recommendation becomes effective if the recommendation is introduced by the COO at a Metro Council Worksession and the Metro Council elects not to vote on the recommendation at a regularly scheduled Metro Council Meeting, or if the recommendation is introduced by the COO and adopted by the Metro Council as part of the annual budget process or as a revision to the TOD Workplan approved by the Metro Council.

Focus Center activities may include:

a. Identify special features and assets of the Focus Center to support placemaking;
b. Carry out place-making by repeated investments in catalyst projects;
c. Assist in the creation of urban living infrastructure;
d. Invest in public amenities such as parks, plazas, public art and streetscapes to leverage private investment;
e. Acquire property for development or to land-bank at key locations;
f. Help local jurisdictions to identify and create financial tools including local resources [residual land, CDBG/HOME funds, and fund balances], tax abatement programs, enterprise zones, and innovative System Development Charges [SDCs];
g. Review development codes with local government to remove barriers, increase building height, increase permitted density, and lower parking ratios;
h. Build community acceptance of urban style building types by convening development 101 "courses," design charettes/workshops, and tours for local officials, citizen leaders and business owners;
i. Increase developer and public official awareness of and expertise in promising practices for mixed use development, and assist in connecting developers and other "do-ers" from various centers; and
j. Periodically develop a "report card" on progress in implementing the 2040 Centers vision.

6.4. EDUCATION, ADVOCACY AND TECHNICAL ASSISTANCE

Recognizing that the TOD and Centers Implementation Program are complex strategies to help manage regional growth, Program staff will undertake an education, advocacy and technical assistance effort to jurisdictions and agencies (local, national and international) working to implement TOD and/or urban center programs, plans and projects; to academicians studying TOD and public/private partnerships and to members of the private real-estate development community.

6.5. TOD PROGRAM LOAN OR LIMITED PARTNER

The federal guidelines for Transit Oriented Development state that TODs "can be accomplished through a sale or lease of federally funded property, or through direct participation of the funded property, or through direct participation of the transit agency in the development as a (limited) partner." (Federal Register, Vol. 62, No. 50, Friday, March 14, 1997). In instances where the land value write-down is insufficient to close the financing gap, as a result of cost premiums, additional funding may be provided as a loan or as an equity position in the project to be structured to compliment the developers' equity capital and mortgage financing.

6.6. GREEN BUILDINGS PROGRAM

TOD and Urban Centers projects will submit applications to the Oregon Department of Energy Business Energy Tax Credits (BETC) Program when they are eligible. Revenues from these tax credits will be used to initiate a "sustainable development" program to integrate green building practices (such as energy and water conservation, the reuse of salvaged building materials and other sustainable practices) into TOD Program funded projects.

6.7. SMALL PROJECTS CATEGORY FOR TOD/CENTERS PROJECTS

A Small Projects category is established for projects with a total development cost of $1.0million per project. These small projects should not exceed $100,000 of TOD funding per year. In addition to meeting the TOD/Centers funding criteria outlined in the Work Plan, additional criteria will apply to small projects: 1) funding should not benefit the developer personally for either housing or a business; 2) a developer fee will not be considered as part of the proforma.

6.8. OREGON TRANSPORTATION INFRASTRUCTURE BANK

Upon execution of an agreement with the Oregon Transportation Infrastructure Bank (OTIB) a $2.0M reservation of transit account funds for up to five years will be available for use by the TOD Program. Funds for individual TOD projects will be drawn down in specific amounts with specific payback schedules for each project. Generally, these individual project payback schedules would be for 6-18 months with deferred interest; however, a project might borrow OTIB funds for up to the life of the OTIB fund reservation—five years.

This use of both OTIB and TOD grant funds will allow the purchase of larger parcels of vacant or redevelopable land than possible using only TOD grant funds. As outlined in the "Grant Funded Program Activities" section above, after Metro acquires land, plans and designs a TOD, parcels the land (if appropriate), and executes Development Agreements with qualified developers, it will then sell the land at a price established by independent appraisals.

Upon sale, the OTIB will be returned the full amount of money it loaned for the initial acquisition. If the land sale(s) included a land value write down, this would be absorbed by the TOD Implementation Program grant, not the OTIB transit account.

The advantages of OTIB participation include:

- Increasing Metro's ability to affect a greater proportion of development surrounding light rail stations;
- Increasing the opportunity to purchase large tracts at wholesale prices, then parceling it to individual developers, which will further leverage TOD grant funds;
- Increasing the incentive for private developers to participate in public-private partnerships by allowing Metro to the carry the land during planning and predevelopment activities;
- Financial participation by OTIB in the building of transit projects with minimal financial risk;
- A short turnaround time for OTIB loans.

EXHIBIT A
TO RESOLUTION ~~05-3617~~07-3861

TRANSIT-ORIENTED DEVELOPMENT AND URBAN CENTERS IMPLEMENTATION PROGRAM

WORK PLAN

Planning Department
Metro
March 1998
Revised July 2004
Revised May 2005
Revised September 2005
Revised November 2007

Table of Contents

1. Introduction 2

2. Program Objectives, Strategies & Activities 2

2.1. Program Objectives 2
2.2. Program Strategies 2
2.3. Program Activities 2
3. Governance 3 4
TOD Steering Committee 4
4. Operating Parameters for Program 4 5
4.1. Project Selection Criteria 4 5
4.1.1. System-wide RFP Criteria 4 5
4.1.2. Opportunity Site Criteria 5
4.1.3. Site Improvements Criteria 5
4.1.4. Frequent Bus Line Criteria 5
4.2. Property Acquisition and Disposition Policies 6
4.3. Federal Transit Administration Policies 6
4.4. Termination of Program Funding Authorizations 7
5. Program Operation 6 7
5.1. System-wide RFP 6 7
5.2. Opportunity Sites 6 7
5.3. Site Improvements and Purchase of TOD/Centers Easements 7
5.4. Unsolicited Proposals 7 8
5.5. Professional services 7 8
6. Other Program Activities 8
6.1. Urban Centers Implementation Program 8
6.1.1. Urban Centers Project Criteria 8 9
6.1.2. Urban Centers Program Operation 9
6.2. Urban Living Infrastructure 9
6.2.1. Urban Living Infrastructure Project Selection Criteria 10
6.2.2. Urban Living Infrastructure Program Operation 11
6.3. Focus Centers 11
6.3.1. Focus Center Selection Considerations 11
6.3.2. Focus Centers Program Operation 12
6.4. Education, Advocacy and Technical Assistance 9 13
6.3. 6.5. ..... TOD Program Loan or Limited Partner 9 13
6.4. 6.6. ..... Green Buildings Program 9 13
6.5. SMALL PROJECTS CATEGORY FOR TOD/CENTERS PROJECTS 9
6.7. Small Projects Category For TOD/Centers Projects 13
6.6. 6.8. ..... Oregon Transportation Infrastructure Bank 9 13
6.7. CMAQ/TOD Program Administration 10

1. INTRODUCTION

This document describes the objectives, activities, and governance of the Metro Planning Department's Transit-Oriented Development Implementation Program (TOD Program). The Program seeks to increase transit ridership and lessen the risk and costs associated with the construction of TOD projects. Projects considered for the Program will exhibit a mix of moderate- to high-intensity land uses, a physical or functional connection to the transit system, and design features that reinforce pedestrian relationships and scale. TOD Program utilizes joint development tools such as land acquisition and Development Agreements to implement projects located in close proximity to rail transit stations and "Frequent Bus" stops throughout the region. These locations are shown on Figure 1.

2. PROGRAM OBJECTIVES , STRATEGIES & ACTIVITIES

2.1. PROGRAM OBJECTIVES

Specific objectives of the Program include:

- Causing construction of higher density housing, mixed-use projects (i.e. apartments over retail, office over retail), and destination uses that have a physical and functional connection to transit, through partnerships with the private sector;
- Developing ~~suburban~~urban building types with the lowest reasonable parking ratios and highest reasonable floor area ratios (FAR's);
- Increasing the modal share of transit and pedestrian trips within station areas while decreasing reliance on personal automobiles;
- Leveraging and focusing public expenditures within station areas to support Metro's 2040 Growth Concept.

2.2. PROGRAM STRATEGIES

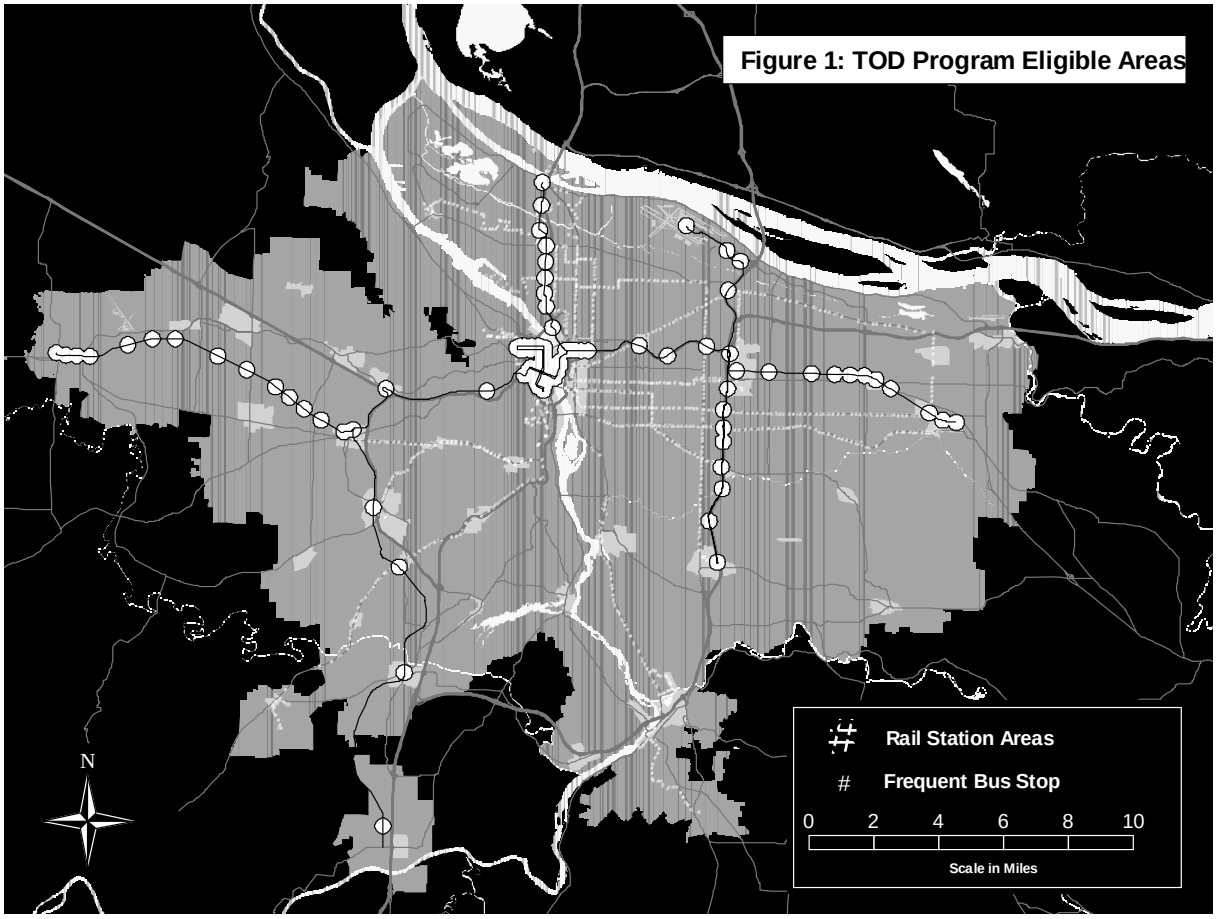
- **Carry out place making** with repeated investments in catalyst projects and place-making elements that contribute to local identity;
- **Create market comparables** for higher-density mixed-use development near transit and in centers;
- **Develop developers** with expertise in higher-density and mixed-use development in suburban settings; and
- **Build community acceptance** of urban style building types in suburban communities.

2.3. ~~2.2.~~ PROGRAM ACTIVITIES

The TOD Implementation Program is a joint development program focusing on site-specific project implementation. Joint Development refers to a collection of public and private sector partnership techniques, strategies, and development "tools" that can be used to link development to transit stations to increase the efficiency of a mass transit system. The increase can take the form of new ridership (caused by the construction of TODs), new revenue to a transit agency, or a combination of both. The Federal Transit Administration (FTA) approved a grant for Metro to start the TOD Program in 1997. Authority to use FTA funds for joint development are included in the Intermodal Surface Transportation Act of 1991 (ISTEA) and codified under 49 USC 5309, 49 USC 5307, 23

USC 133 (STP) and 23 USC 149 (CMAQ). According to these laws, TOD Program activities are defined as transportation projects provided there is (1) a physical or functional relationship to the transit project; and (2) an enhanced effectiveness of the existing transit system.[1]

[1]For a full discussion see the memo from FTA Chief Counsel Berle M. Schiller to FTA Administrator Gordon Linton entitled "Statutory Authority in Support of FTA Funding of Joint Development Projects," March 15, 1995.



Specific joint development tools that may be used by the Program include:

- Site Control (land acquisition and sale) to ensure design and density of a TOD can be determined before the land is developed.
- Pre-development activities to assist in making environmental and programmatic determinations including financial analysis, conceptual design and permit acquisition; these activities do not include the preparation of architectural construction documents;
- Request for Proposals (RFP) to ensure the competitive offering of development opportunities;
- Development Agreements to establish a set of performances by both parties and to protect public interests in the development of the TOD sites;
- Public and Private Co-use of transit station structures, site improvements, or land to reinforce the connection of a TOD to the transit system;
- Air or Subterranean Rights to increase the density, urban character and/or feasibility of a TOD.
- Site preparation and site improvement activities funded directly or by the acquisition of TOD Easements.

3. GOVERNANCE

The activities of the TOD Program will be overseen by a number of local, regional, state, and Federal officials and public-private partnership specialists. These include:

- The TOD Steering Committee
- The Federal Transit Administration (when the use Federal Funds are involved)
- The Metro Council

The role of the Steering Committee is described in the following text. A more detailed history of the TOD Steering Committee is provided under the "Other Program Activities" section of this document.

TOD STEERING COMMITTEE

Prior to awarding the grant, FTA indicated that Metro was to include Tri-Met and others in the TOD Program. FTA accepted the proposal that the existing Congestion Mitigation Air Quality/Transit-Oriented Development (CMAQ/TOD) Steering Committee be used for this purpose. The CMAQ/TOD Committee was created to allocate $3.48~~Mof~~M of ISTEA funds to projects that could demonstrate innovative ways to address traffic congestion and air quality through TOD projects Successful projects such as Belmont Dairy, Fairview Village, Steele Meadows, Gresham Central, and The Round at Beaverton all include CMAQ/TOD funding.

Under the TOD Implementation Program, the Steering Committee became the TOD Steering Committee with responsibility to approve projects within criteria established by the Metro Council.

The Steering Committee added a Metro Councilor to provide a strong liaison between the Committee and Council. The membership of the Steering Committee is listed below. Metro provides staff support for the Steering Committee.

TOD Steering Committee
Governor's Office (Chair)
Department of Environmental Quality (DEQ)
Oregon Department of Energy (ODOE)
Department of Land Conservation & Development (DLCD)
Oregon Housing & Community Services Department
Tri-Met
Metro Council
Oregon Department of Transportation (ODOT)
Oregon Economic Development Department (OEDD)
Portland Development Commission (PDC)

Staff: Metro Planning Department

4. OPERATING PARAMETERS FOR PROGRAM

4.1. PROJECT SELECTION CRITERIA

4.1.1. System-wide RFP Criteria

The competitive evaluation criteria of Request For Proposals to solicit development proposals includes a point based evaluation of:

1) Quality and experience of developer team,
2) Proposed program;
3) Connectivity of TOD to light rail;

4) Business plan;
5) Timeliness of performances, and certain other minimum qualifications of the proposal;

In the event two or more proposals are equal, the project(s) located in Regional and Town Centers will be given priority.

These criteria are the "TOD Proposal Criteria."

4.1.2. Opportunity Site Criteria

The criteria to acquire sites from property owners include:

1) The potential for a physical or functional connection to transit.
2) The ability to enhance the existing transit system when developed with a TOD.
3) The extent to which the site represents an opportunity to demonstrate TOD Program objectives.
4) The location relative to Regional and Town Centers.

These criteria are the "TOD Site Criteria."

4.1.3. Site Improvements Criteria

The criteria to evaluate proposed site improvements include:

1) The potential of the improvements to create or strengthen a physical or functional connection to the transit station;
2) The extent to which the improvements cause construction of higher density housing, mixed use projects and destination uses;
3) The extent to which the improvement develop building types with the lowest reasonable parking ratios and highest reasonable floor area ratios;
4) The extent to which the improvements increase the modal share of transit within station areas while decreasing reliance on personal automobiles; and
5) The potential of the improvements to focus and leverage other expenditures within a station area to support Metro's 2040 Growth Concept,
6) Project location relative to Regional and Town Centers.

These criteria are the "TOD Site Improvements Criteria."

4.1.4. Frequent Bus Line Criteria

Proposed projects located on frequent bus lines will be evaluated against three sets of the criteria: base, mandatory and ~~addtional~~additional. Base criteria depend upon the nature of the project and will consist of the TOD Proposal Criteria (section 4.1.1), TOD Site Criteria (section 4.1.2) or TOD Site Improvements Criteria (section 4.1.3).

~~Manadatory~~Mandatory Frequent Bus Criteria include:

1) Project is in an area that will help spur additional development and help create a node around the transit stop;
2) The project represents an attempt to build the base of developers that can be used in other centers
3) There are not adequate local government funds available to close the financing gap;
4) The project will be within 800 ft. from a high frequency bus line;
5) The project demonstrates a market concept applicable to high frequency bus line or the project will test the market for new product types for high frequency bus routes.

Additional Project Criteria for Frequent Bus Projects:

- The project uses new building materials or building systems that result in lower construction costs and/or tests new markets for a building type.
- The project provides market rate and affordable housing, including rental or for sale, in a project that would otherwise be a single use building such as retail or office.
- The project spurs job creation.
- The project uses a high level of sustainable practices including building materials and energy conservation.
- The project is located in or near a center.
- The project has a favorable ratio of TOD dollars to total development costs.
- There are not similar projects in the area done without public funding.
- The project improves the quality of the environment for the transit patron.

Frequent bus project should attempt to respond to as many of the additional criteria as possible.

Collectively, these three sets of criteria are the "Frequent Bus Criteria."

4.2. PROPERTY ACQUISITION AND DISPOSITION POLICIES

Property will be acquired at Fair Market Value ~~as established by the Federal Transit Administration in accordance with policies and regulations under 49 CFR Part 24 (the Uniform Act)~~in accordance Metro, State and Federal requirements where appropriate using independent certified appraisals ~~and will be sold at the "highest and best transit use" value determined by an independent economic analysis or appraisal approved by the FTA. The highest and best transit use value uses a "residual value approach" in which~~. Property will be sold at a value that takes into consideration the plans, conditions and restrictions imposed by Metro at the time of the sale. This disposition value will take into consideration extraordinary costs of the TOD/Centers project(s) such as building over parking, or structuring parking, fire and seismic building codes for mid-rise buildings, ~~building over parking or structuring parking, and pedestrian improvements including plazas and promenades, are absorbed by the land value.~~and others.

4.3. FEDERAL TRANSIT ADMINISTRATION POLICIES

The Federal Transit Administration's grant conditions and Federal funding regulations require the TOD Implementation Program to ensure public participation, identify and mitigate any adverse environmental impacts cause by the Program, and pursue environmental justice. These requirements are to be addressed through the following activities:

- Completion of a programmatic Environmental Assessment (EA)
- Public and agency review of the EA
- Site specific environmental analysis and a Memorandum on Response to Criteria
- Creation of the TOD Steering Committee

4.4. TERMINATION OF PROGRAM FUNDING AUTHORIZATIONS

Previously approved TOD Program funding commitments can be terminated by Steering Committee action to cancel the commitment followed by a 7-Day Notice to Metro Council. Projects will be deemed eligible for termination if the developer has failed to make progress or the property owner and/or developer for the project has changed.

5.

5. PROGRAM OPERATION

~~Operation of the TOD Program will include three broad categories of projects: a) system-wide RFPs, b) opportunity sites, and c) site improvements.~~

5.1. SYSTEM-WIDE RFP

RFPs for development projects will be authorized for release by the Metro Council. Metro staff will conduct the technical evaluation of RFP submissions according to the TOD Proposal Criteria, and submit the proposals to the Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of TOD proposals and the Council will have seven (7) days to notify the COO of a request to review a proposal in executive session. Subsequently, proposals will have appraisals completed, site specific environmental work done (including traffic, wetlands, cultural and historic, and hazardous materials), a Memorandum on Response to Criteria prepared (when required by the grant), and be forwarded to the FTA (when Federal funds are proposed for use). Upon approval by the Steering Committee and FTA (when appropriate), the Chief Operating Officer is to execute Development Agreements with developers of successful proposals.

5.2. OPPORTUNITY SITES

To acquire a site without a developer, Metro staff will evaluate the site using the TOD Site Criteria, and the Frequent Bus Criteria, if appropriate, then forward recommendations to the Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of potential TOD projects and the Council will have seven (7) days to notify the COO of a request to review a potential project in executive session. Subsequently, ~~projects will have appraisals completed, site specific environmental work done (including traffic, wetlands, cultural and historic, and hazardous materials), a Memorandum on Response to Criteria prepared, and then be forwarded to the FTA (when FTA funds are being used). Upon approval by the Steering Committee and the FTA (as appropriate),~~ the Chief Operating Officer is to execute a Purchase and Sale Agreement with the property owners of TOD project sites. Projects will have appraisals completed, site specific environmental work done, and any other necessary due diligence performed in accord with all Metro, State, and Federal Transit Administration requirements, when appropriate. The sites will then be planned and parceled, if necessary, and sold for private development with specific conditions at a value ~~determined by an independent economic analysis or appraisal at the "highest and best transit use" method in accordance with guidance by the FTA, as published in the Federal Register, March 14, 1997, or subsequent formal guidance from FTA, as appropriate~~taking into consideration the effect of plans, conditions and restrictions on the use of the property at the time of sale.

5.3. SITE IMPROVEMENTS AND PURCHASE OF TOD/CENTERS EASEMENTS

To fund site improvements and the purchase of TOD/Centers easements, Metro staff will evaluate the proposed ~~improvements~~projects using the TOD Site Improvements Criteria, Urban Centers Project Criteria, and the Frequent Bus Criteria, if appropriate, then forward a recommendation to the TOD Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of the proposed

improvements and the Council will have seven (7) days to notify the COO of a request to review the proposed improvements in executive session. Following this authorization process, the Executive Officer may execute a Development Agreement, with the principle developer of the project in which the TOD site improvements are located. A TOD ~~Easement~~/Centers Easement is a set of covenants, conditions and restrictions the Program may impose upon the developer and project for purposes of ensuring that higher density, mixed-use, green building, and urban living infrastructure elements are incorporated in a project. The easements will be recorded on the property to ensure the project remains in ~~transit supportive~~ use consistent with program objectives.

5.4. UNSOLICITED PROPOSALS

Metro will accept unsolicited proposals on development sites owned by Metro's TOD/Centers Program. A prospective developer may offer in writing to develop a parcel indicating the proposed parcel, the development program, track record of the development team, timelines for development and financial consideration. Metro staff will evaluate the proposal according to project type criteria in Section 4.1.2, 4.1.3 and 4.1.4 as appropriate and, if deemed acceptable, prepare a written analysis and recommendation. Contact with Metro staff is permissible and should be encouraged with the limited objective of conveying to the prospective offeror an understanding of Metro's needs relative to the type of development contemplated. If staff makes a recommendation to accept the proposal, it will then be advertised for a period of 2 weeks in a publication of general circulation. Any additional proposals for that specific development site will be evaluated and a recommendation forwarded to the Steering Committee for action to approve the most beneficial acceptable proposal. As soon as practical, upon the approval of a proposal by the TOD Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council and the council will have seven (7) days to notify the COO of a request to review the unsolicited proposal in executive session. Metro may execute an Exclusive Negotiating Agreement with the developer for up to 120 days to determine if agreement can be reached by both parties to develop the site. Within the 120 -day period, the parties may enter into a Development Agreement if consistent with the granted approval.

5.5. PROFESSIONAL SERVICES

Consultants on a "task order" basis will provide technical assistance to Metro staff and the Steering Committee. The disciplines covered by consultant services include:

- Planning & Urban Design
- Environmental
- Development Services
- Real Property Appraisal
- Market Analysis
- Technical Studies
- Land Acquisition, Relocation, Disposition & Escrow Services
- Legal Services
- Architectural & Engineering Services
- Public Process Facilitation

6. OTHER PROGRAM ACTIVITIES

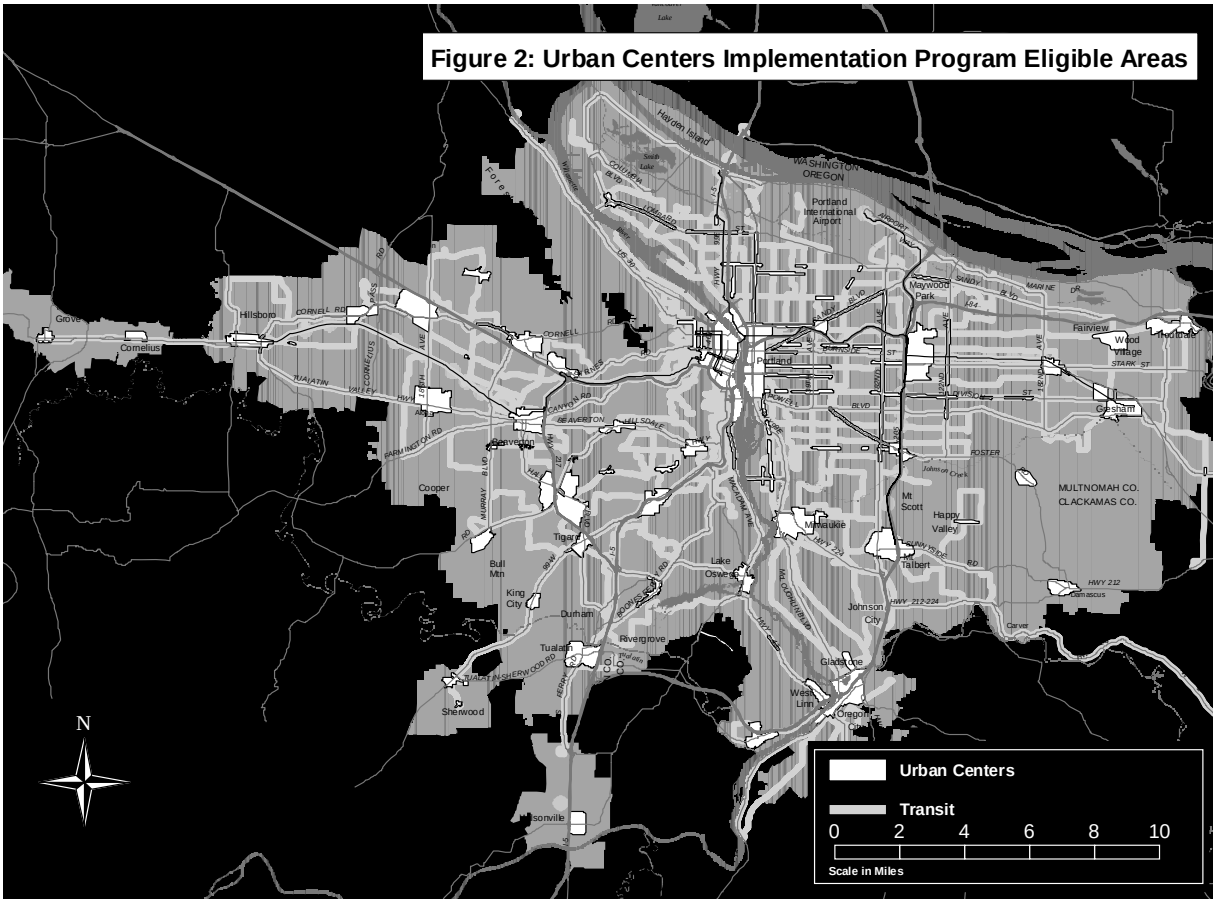
6.1. URBAN CENTERS IMPLEMENTATION PROGRAM

The 2040 Growth Concept looks to the Central City, Regional and Town Centers, Station Communities and Main Streets as the centers of urban life in the region and depends for its success upon the maintenance and enhancements of the Urban Centers.

Metro Council Resolution 03-3381A allocated one million dollars to create a site specific, project based implementation program to operate in designated Urban Centers (Regional and Town Centers), even if they are not currently served by rail or Frequent Bus transit. These Urban Centers are shown in Figure 2.

6.1.1. Urban Centers Project Criteria

Criteria for selecting potential Urban Centers implementation projects are as follows: 1) provision for mixed-use and higher density development; 2) project creates a sense of place in the Center; 3) site control by public entity or willing and capable private developer; 4) project participation by other public partners; 5) potential reduction in regional VMT or of home to work trip length; 6) increase in walk, bike and transit trips; 7) floor area ratio as close to or exceeding 1:1 as possible. These criteria will be called the Centers Implementation Selection Criteria



6.1.2. Urban Centers Program Operation

To fund a Centers project, Metro staff will evaluate the proposed project using the Centers Implementation Selection Criteria and forward a recommendation to the TOD Steering Committee. As soon as practical upon approval by the Steering Committee, the Chief Operating Officer will provide written notification to the Metro Council of the proposed project and the Council will have seven (7) days to notify the COO of a request to review the proposed funding in executive session. Following this authorization process, the COO will execute a Development Agreement, with the principle developer of the project.

6.2. URBAN LIVING INFRASTRUCTURE

The Region's 2040 Vision and Metro's long-range plan encourage development in compact regional and town centers – higher density areas that combine housing, employment, retail, cultural, and recreational activities in a walkable environment that is well served by transit. The regional benefits of developing in centers include: increased transit, walk and bike trips; reduction of VMT; better air quality; protection of farm and forest land; and more efficient provision of public services. Mixed-use centers also maintain property values, create a sense of community, and attract new businesses. In spite of these longer term benefits, however, development of mixed use, higher density centers often has higher initial costs than traditional suburban development.

The ability of 2040 centers in Portland to transition to higher density development patterns over time is a function of their ability to provide an "urban experience" that delivers sought-after services and amenities within a comfortable walking distance. Traditionally, governments assist placemaking through investment in sidewalks, parks and other public area improvements. Anecdotal evidence indicates that private development of high-density mixed use housing occurs more rapidly where thriving restaurants, specialty grocery stores, cafes, bookstores, and other services have clustered. These commercial services are defined as "urban living infrastructure" [ULI] because it is believed to be essential to support living in a higher density urban environment.

Research commissioned by Metro provides empirical evidence that when urban living infrastructure is present, high-density mixed-use housing development becomes financially feasible, more quickly. Buyers are willing to pay more for housing in vibrant places with distinctive character and urban living infrastructure because services are within walking distance and there is a quality urban environment. When more people are willing to live and invest in the area, a virtuous economic cycle is created wherein additional housing units support more retail services, which in turn increase housing demand, and so on. Together, residential population growth and urban living infrastructure can influence the market so that mid-rise mixed use housing projects become financially feasible without other public investment.

The Urban Living Infrastructure program is a site specific, project-based implementation program that makes targeted public investments to foster the creation of ULI by private individuals or entities in areas that have been explicitly designated for concentrated centers implementation efforts ("Focus Centers"). The Urban Living Infrastructure program will be initiated as a $600,000 pilot program through the use of interest income on TOD/Centers revenue.

6.2.1. Urban Living Infrastructure Project Selection Criteria

a. Project is located in a designated Focus Center on a site controlled by a public entity or a willing and capable private developer, and will be privately owned and operated.

b. Project will have a direct impact on the achievable pricing of one or more specifically identified mixed use, higher density housing projects to be developed in the near future.

c. Project funding supports capital expenses for real property acquisition and write-down, commercial condominium purchase and write-down, commercial lease write-down (prepaid rent), construction costs, or renovation costs, but does not support inventory and operating costs. For example, building renovations and purchase of permanent fixtures such as a restaurant kitchen ventilation system would be eligible, but purchase of restaurant appliances and furnishings would not be eligible.

d. Project design supports placemaking and is pedestrian, bike, and transit friendly.

e. Uses such as cinema-cafes, farmers' markets, grocery stores, bookstores, restaurants and cafes, bakeries, bike shops, garden/flower shops, and specialty retail will be eligible for program funding. Priority will be given to projects that support local or regional business. Ineligible uses include bars, liquor stores, tanning salons, beauty shops, adult-only businesses, and offices.

6.2.2. Urban Living Infrastructure Program Operation

To fund an Urban Living Infrastructure project, Metro staff will evaluate the project using the ULI Site Selection Criteria set forth above, and perform an analysis of the requested investment, evaluating its cost-effectiveness against the documented effects of particular ULI investments set forth in Johnson and Gardner's "Assessment of the Marginal Impact of Urban Amenities on Residential Pricing" dated June 2007 ("Metro's Urban Amenities Assessment") or other research, and comparing its cost-effectiveness to other potential ULI Program project funding requests. If staff recommends project approval, the proposed project will be forwarded to the TOD Steering Committee with a staff report including, at a minimum, the following: an evaluation of the project demonstrating: 1) that the project meets the selection criteria and any related Metro or program policies; 2) that the project investment will be cost-effective, based on Metro's Urban Amenities Assessment; and 3) that the project is commercially reasonable. As soon as practical following approval by the Steering Committee, the Chief Operating Officer (COO) will provide written notification to the Metro Council of the proposed project and the Council will have seven (7) days to notify the COO of a request to review the proposed funding in executive session. Following this authorization process, the COO may enter into an agreement with the project developer or property owner and execute any instruments deemed necessary and prudent by the Metro Attorney.

The project financing structure may take the form of a real property acquisition and write-down, commercial condominium purchase and write-down, commercial lease write-down (prepaid rent), or reimbursement for construction or renovation costs. Funding may be in the form of a grant, loan or purchase of ULI easement or restrictive covenant. All funding will be provided through a contractual relationship with the building developer/owner and, whenever possible, project investments will be secured via recorded ULI easement or restrictive covenant.

6.3. FOCUS CENTERS

A variety and critical mass of new investment or redevelopment needs to occur in a center before new market momentum catalyzes other real estate and business investments, creating the condition referred to as "market lift off." A broader set of implementation support services and strategies will be provided in Focus Centers by collaborating with other Metro programs, including New Look and Nature in Neighborhoods.

6.3.1. Focus Center Selection Considerations

a. Metro TOD & Centers Implementation Program owns property in the center.

b. Local jurisdiction actively supports the intensification of development, through entitlements (zoning), infrastructure investments, site acquisition and/or other forms of encouragement.

c. Developers are actively interested in an area.

d. The local community supports the vision of a compact, walkable center.

e. Developable parcels are available and property owners are willing to sell or participate in redevelopment.

f. Existing commercial structures, providing for affordable commercial space, or sites exist at sufficient scale to generate a critical mass of activity.

g. Residential and employment densities in the area could support services in the center.

h. Good transportation infrastructure provides convenient commutes and the ability to draw from a wider trade area.

i. TOD & Centers project, urban living amenity, plaza and other public amenity investments would move the real estate market towards lift-off as the achievable pricing of mixed use, higher density housing is increased when new market comparables and more attractive, dynamic urban places are created.

6.3.2. Focus Centers Program Operation

The TOD Program currently owns property in the Beaverton Regional Center; the Gresham Regional Center; the Hillsboro Regional Center; and the Milwaukie Town Center and is actively partnering with the local jurisdictions to redevelop those properties. The Program's immediate emphasis will be on these areas. As local market conditions improve and investment activity levels increase, these areas will be reviewed to decide if the program focus should be shifted to other centers.

Additions or deletions of Focus Centers shall be made upon the recommendation of the TOD Steering Committee. The Steering Committee's recommendation becomes effective if the recommendation is introduced by the COO at a Metro Council Worksession and the Metro Council elects not to vote on the recommendation at a regularly scheduled Metro Council Meeting, or if the recommendation is introduced by the COO and adopted by the Metro Council as part of the annual budget process or as a revision to the TOD Workplan approved by the Metro Council.

Focus Center activities may include:

a. Identify special features and assets of the Focus Center to support placemaking;
b. Carry out place-making by repeated investments in catalyst projects;
c. Assist in the creation of urban living infrastructure;
d. Invest in public amenities such as parks, plazas, public art and streetscapes to leverage private investment;
e. Acquire property for development or to land-bank at key locations;
f. Help local jurisdictions to identify and create financial tools including local resources [residual land, CDBG/HOME funds, and fund balances], tax abatement programs, enterprise zones, and innovative System Development Charges [SDCs];
g. Review development codes with local government to remove barriers, increase building height, increase permitted density, and lower parking ratios;
h. Build community acceptance of urban style building types by convening development 101 "courses," design charettes/workshops, and tours for local officials, citizen leaders and business owners;
i. Increase developer and public official awareness of and expertise in promising practices for mixed use development, and assist in connecting developers and other "do-ers" from various centers; and
j. Periodically develop a "report card" on progress in implementing the 2040 Centers vision.

6.4. ~~6.2.~~ EDUCATION, ADVOCACY AND TECHNICAL ASSISTANCE

Recognizing that the TOD and Centers Implementation Program are complex strategies to help manage regional growth, Program staff will undertake an education, advocacy and technical assistance effort to jurisdictions and agencies (local, national and international) working to implement TOD and/or urban center programs, plans and projects; to academicians studying TOD and public/private partnerships and to members of the private real-estate development community.

6.5. ~~6.3.~~ TOD PROGRAM LOAN OR LIMITED PARTNER

The federal guidelines for Transit Oriented Development state that TODs "can be accomplished through a sale or lease of federally funded property, or through direct participation of the funded property, or through direct participation of the transit agency in the development as a (limited) partner." (Federal Register, Vol. 62, No. 50, Friday, March 14, 1997). In instances where the land value write-down is insufficient to close the financing gap, as a result of cost premiums, additional funding may be provided as a loan or as an equity position in the project to be structured to compliment the developers' equity capital and mortgage financing.

6.6. ~~6.4.~~ GREEN BUILDINGS PROGRAM

TOD and Urban Centers projects will submit applications to the Oregon Department of Energy Business Energy Tax Credits (BETC) Program when they are eligible. Revenues from these tax credits will be used to initiate a "sustainable development" program to integrate green building practices (such as energy and water conservation, the reuse of salvaged building materials and other sustainable practices) into TOD Program funded projects.

6.7. ~~6.5.~~ SMALL PROJECTS CATEGORY FOR TOD/CENTERS PROJECTS

A Small Projects category is established for projects with a total development cost of $1.0million per project. These small projects should not exceed $100,000 of TOD funding per year. In addition to meeting the TOD/Centers funding criteria outlined in the Work Plan, additional criteria will apply to small projects: 1) funding should not benefit the developer personally for either housing or a business; 2) a developer fee will not be considered as part of the proforma.

6.8. ~~6.6.~~ OREGON TRANSPORTATION INFRASTRUCTURE BANK

Upon execution of an agreement with the Oregon Transportation Infrastructure Bank (OTIB) a $2.0M reservation of transit account funds for up to five years will be available for use by the TOD Program. Funds for individual TOD projects will be drawn down in specific amounts with specific payback schedules for each project. Generally, these individual project payback schedules would be for 6-18 months with deferred interest; however, a project might borrow OTIB funds for up to the life of the OTIB fund reservation—five years.

This use of both OTIB and TOD grant funds will allow the purchase of larger parcels of vacant or redevelopable land than possible using only TOD grant funds. As outlined in the "Grant Funded Program Activities" section above, after Metro acquires land, plans and designs a TOD, parcels the land (if appropriate), and executes Development Agreements with qualified developers, it will then sell the land at a price established by independent appraisals.

Upon sale, the OTIB will be returned the full amount of money it loaned for the initial acquisition. If the land sale(s) included a land value write down, this would be absorbed by the TOD Implementation Program grant, not the OTIB transit account.

The advantages of OTIB participation include:

- Increasing Metro's ability to affect a greater proportion of development surrounding light rail stations;
- Increasing the opportunity to purchase large tracts at wholesale prices, then parceling it to individual developers, which will further leverage TOD grant funds;
- Increasing the incentive for private developers to participate in public-private partnerships by allowing Metro to the carry the land during planning and predevelopment activities;
- Financial participation by OTIB in the building of transit projects with minimal financial risk;
- A short turnaround time for OTIB loans.

~~6.7. *CMAQ/TOD PROGRAM ADMINISTRATION*~~

~~The CMAQ/TOD Program was sponsored by the Department of Environmental Quality (DEQ) and was proposed for CMAQ funding under ISTEA. The germination of the program came from a series of strategies recommended by the Governor of Oregon's Task Force on Motor Vehicle Emissions Reduction. The strategies revolved around demonstrating pedestrian, bike and transit friendly land use options for new construction that reduced auto emissions and traffic congestion. The CMAQ-TOD Program was the region's first effort to directly influence TOD projects with the use of Congestion Mitigation/Air Quality funds. Initiated in 1994-95 with $3.48 million in federal funds, it has resulted in a number of successful projects including Belmont Dairy, Fairview Village, Steele Park, Orenco Station, Gresham Central, 172nd and East Burnside, Buckman Heights, the Round at Beaverton, and Gresham Civic Neighborhood. Six of the above projects have executed Agreements and are completed or underway, with the funding for the last three, Buckman, the Round, and Gresham Civic committed but still pending execution of Financial Agreements. Uncommitted funds as of January 1998, total less than $100,000.~~

~~Funding for the program was from Federal Highway Administration (FHWA) to ODOT, with DEQ the program sponsor. Project solicitation was by RFP with selection determined by the CMAQ/TOD Steering Committee discussed earlier. Staff for the program was by contract with the PDC because of its background and expertise in public-private development projects.~~

~~Due to cutbacks in staff, PDC can no longer manage the program and has recommended that Metro assume administrative responsibility for this existing CMAQ/TOD Program, since Metro has expertise in TOD Program issues and Federal funding requirements. This is acceptable to ODOT and DEQ and the proposal is currently being circulated among the other members of the Steering Committee.~~

~~Work remaining includes successfully implementing the remaining projects of the Round and Gresham Civic (Buckman is underway), meeting federal requirements for the grant, resolving issues of eligibility as they arise, meeting reporting requirements and producing a summary and analysis of the CMAQ/TOD Program to date.~~

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 07-3861, FOR THE PURPOSE OF AMENDING THE TRANSIT-ORIENTED DEVELOPMENT (TOD) & URBAN CENTERS IMPLEMENTATION PROGRAM TO DESIGNATE FOCUS CENTERS, ESTABLISH AN URBAN LIVING INFRASTRUCTURE PROGRAM, AND MAKE TECHNICAL CHANGES

Date: November 1, 2007 Prepared by: Meganne Steele, Megan Gibb, Phil Whitmore

BACKGROUND

The TOD & Urban Centers Implementation Program Work Plan sets forth the approved policy framework and operating practices for the Program; it has been amended four times since it was initially adopted by Metro Council resolution in 1998. Amendments are initiated by the TOD Steering Committee and transmitted to the Metro Council. This proposed amendment initiates an "urban living infrastructure" program; designates "Focus Centers"; and makes technical changes to clarify current operating practices.

The TOD Steering Committee and staff have engaged key stakeholders in reviewing the performance of the TOD & Urban Centers Implementation Program, prepared an annual report, conducted research, and met with the Metro Council several times during the past two years to discuss program direction and strategic priorities. Approval of the currently proposed TOD Work Plan amendments would authorize a new program strategy to focus limited program resources in a smaller number of urban centers, and to initiate a new program activity to create urban living infrastructure in those high priority areas.

Metro Region 2040 Vision and Metro's long-range plan encourage development in compact regional and town centers – higher density areas that combine housing, employment, retail, cultural, and recreational activities in a walkable environment that is well served by transit. The regional benefits of developing in centers include: increased transit, walk and bike trips; reduction of VMT; better air quality; protection of farm and forest land; and more efficient provision of public services. Mixed-use centers also maintain property values, create a sense of community, and attract new businesses. In spite of these longer term benefits, however, development of mixed use, higher density centers often has higher initial costs than traditional suburban development.

Urban Living Infrastructure

The ability of 2040 centers in Portland to transition to higher density development patterns over time is a function of their ability to provide an "urban experience" that delivers sought-after services and amenities ("urban living infrastructure") within a comfortable walking distance. Traditionally, governments assist placemaking through investment in sidewalks, parks and other public area improvements. Anecdotal evidence has revealed that where emerging restaurants, specialty grocery stores, cafes, bookstores, and other services have clustered, mixed use housing projects occur more quickly. These commercial services are defined as "urban living infrastructure" because they are seen as essential services to support living in a higher density urban environment.

Research commissioned by Metro provides empirical evidence that when urban living infrastructure is present, mixed-use housing development becomes financially feasible, more quickly. Buyers are willing

to pay more for housing in vibrant places with distinctive character and urban living infrastructure because services are within walking distance and there is a quality urban environment. When more people are willing to live and invest in the area, a virtuous economic cycle is created wherein additional housing units support more retail services, which in turn increase housing demand, and so on. Together, residential population growth and urban living infrastructure can influence the market so that mid-rise mixed use housing projects become financially feasible without other public investment.

The Urban Living Infrastructure (ULI) program is a site specific, project-based implementation program that makes targeted public investments to foster the creation of ULI by private individuals or entities in areas that have been explicitly designated for concentrated centers implementation efforts ("Focus Centers"). Investment in ULI will be subject to the same 7-day notice process to the Metro Council.

Focus Centers

Designation of "Focus Centers" is a new strategy to concentrate limited program resources in a smaller number of urban centers. A variety and critical mass of new investment or redevelopment needs to occur in a center before that new market momentum is visible enough to catalyze other real estate and business investments, creating the condition referred to as "market lift off." A broader set of implementation support services and strategies will be provided in Focus Centers by collaborating with other Metro programs, including New Look and Nature in Neighborhoods.

The TOD Program currently owns property in the Beaverton Regional Center; the Gresham Regional Center; the Hillsboro Regional Center; and the Milwaukie Town Center and is actively partnering with the local jurisdictions to redevelop those properties. Our immediate emphasis for "Focus Centers" will be on these areas in which we already own property. As local market conditions improve and investment activity levels increase, we will review to decide if the program focus should be shifted to other centers.

Additions or deletions of Focus Centers shall be made upon the recommendation of the TOD Steering Committee. The Steering Committee's recommendation becomes effective if the recommendation is introduced by the COO at a Metro Council Worksession and the Metro Council elects not to vote on the recommendation at a regularly scheduled Metro Council Meeting, or if the recommendation is introduced by the COO and adopted by the Metro Council as part of the annual budget process or as a revision to the TOD Workplan approved by the Metro Council.

Technical Changes

The Work Plan amendments also clarify language for purchase of TOD easements, which the program regularly does. The current Work Plan includes it as a tool, but does not provide much information. There are technical amendments regarding the process for dealing with the Federal Transit Administration (something the Program rarely does). Finally, the amendments also provide for a method of formally terminating projects that are no longer active.

ANALYSIS/INFORMATION

1. Known Opposition
There is no known opposition.

2. Legal Antecedents
The Federal Transit Administration (FTA) approved a grant for Metro to start the TOD Program in 1998. Authority to use FTA funds for joint development are included in the Intermodal Surface Transportation

Act of 1991 (ISTEA) and codified under 49 USC 5309, 49 USC 5307, 23 USC 133 (STP) and 23 USC 149 (CMAQ). According to these laws, TOD Program activities are defined as transportation projects provided there is (1) a physical or functional relationship to the transit project; and (2) an enhanced effectiveness of the existing transit system.

The TOD program was originally transferred from TriMet to Metro by Intergovernmental Agreement (IGA) adopted by Resolution No. 96-2279, For the Purpose of Authorizing an Intergovernmental Agreement With Tri-Met to Assist in Establishing a Transit-Oriented Development and Implementation Program at Metro on May 16, 1996. The Metro Council authorized start-up activities on April 9, 1998, by Resolution No. 98-2619, For the Purpose of Authorizing Start-Up Activities For the Transit-Oriented Development (TOD) Implementation Program at Metro (the "Work Plan").

The Work Plan was amended: (1) to include provision for a "site improvements" category by Resolution No. 00-2906 (For the Purpose of Amending the TOD Program Procedures to Facilitate TOD Projects Including the Round at Beaverton Central), adopted March 9, 2000; (2) to include additional light rail corridors, streetcar, frequent bus, urban centers and green buildings by Resolution No. 04-3479 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Expand the TOD Program Area and Initiate an Urban Centers Program,) adopted July 15, 2004; (3) to add selection criteria for frequent bus line projects by Resolution No. 05-3563 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Apply Additional Selection Criteria to TOD Program Frequent Bus Line Projects), adopted May 19, 2005; and (4) to allow a process for unsolicited proposals by Resolution No. 05-3617 (For the Purpose of Amending the Transit Oriented Development (TOD) Program Work Plan to Allow a Process for Consideration of Unsolicited Development Proposals for Metro TOD & Centers Program Owned Land), adopted September 13, 2005.

3. Anticipated Effects

These Work Plan changes will: 1) focus program efforts in order to more effectively catalyze other private investment in centers development; and 2) permit investment in urban living infrastructure projects which research indicates will cause mixed use higher density housing development to occur sooner.

4. Budget Impacts

No budget action is required at this time. The source of funds for the Urban Living Infrastructure program is TOD Program interest earnings in fund balance; budget amendments will be proposed as needed to fund specific project allocations.

RECOMMENDED ACTION

It is recommended that the Metro Council approve the TOD Work Plan as amended and presented in Exhibit A.

Agenda Item Number 9.3

Resolution No. 07-3879, Confirming the Appointment of Members to the Nature in Neighborhoods Capital Grants Review Committee.

Metro Council Meeting
Thursday, November 1, 2007
Metro Council Chamber

BEFORE THE METRO COUNCIL

CONFIRMING THE APPOINTMENT OF MEMBERS TO THE NATURE IN NEIGHBORHOODS CAPITAL GRANTS REVIEW COMMITTEE	)))	RESOLUTION NO. 07-3879 Introduced by Council President Bragdon

WHEREAS, the Metro Council has adopted Ordinance No. 07-1163, "Amending Metro Code Chapter 2.19 To Establish The Nature in Neighborhoods Capital Grants Review Committee, And Declaring An Emergency"; and

WHEREAS, Ordinance No. 07-1163 creates a new Nature in Neighborhoods Capital Grants Review Committee consisting of no fewer than seven and no more than 11 members, to be appointed by the Council President subject to confirmation by the Metro Council; and

WHEREAS, the Council President has appointed nine members and designated a chair person as set forth in Exhibit "A" attached hereto; and

WHEREAS, the Council desires to confirm the appointments; now, therefore,

BE IT RESOLVED, that the Metro Council confirms the appointments to the Nature in Neighborhoods Capital Grants Review Committee as set forth in Exhibit "A" attached hereto.

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

_____
David Bragdon, Council President

Approved as to Form:

_____
Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 07-3879, CONFIRMING THE APPOINTMENT OF MEMBERS TO THE NATURE IN NEIGHBORHOODS CAPITAL GRANTS REVIEW COMMITTEE

Date: November 1, 2007 Prepared by: Jim Desmond
Kathleen Brennan-Hunter

BACKGROUND

The Natural Areas Bond Measure provides $15 million for a Nature in Neighborhoods Capital Grants Program to provide local organizations and public entities with additional funds for land acquisition and projects that protect and enhance natural resources in the urban environment.

Metro Council adopted Ordinance No. 07-1163, "Amending Metro Code Chapter 2.19 To Establish The Nature in Neighborhoods Capital Grants Review Committee, And Declaring An Emergency"; and therefore created a new Nature in Neighborhoods Capital Grants Review Committee. The grant review committee will review applications that Metro staff has screened and will make a recommendation for funding to the Metro Council. The Metro Council will award all grants under this program.

The Capital Grants Review Committee is to consist of no fewer than seven and no more than 11 members. Members are to be appointed by the Council President subject to confirmation by the Metro Council. Members of the committee are drawn from all areas of the region and from a variety of technical and professional disciplines, including water quality specialists, a fish biologist, and a landscape architect.

This Resolution appoints committee members, assigns a Chair of the committee, and assigns terms of service to each committee position.

ANALYSIS/INFORMATION

1. **Known Opposition**

   None.

2. **Legal Antecedents**

   Metro Ordinance No. 07-1163, "Amending Metro Code Chapter 2.19 To Establish The Nature in Neighborhoods Capital Grants Review Committee, And Declaring An Emergency."

   Metro Resolution No. 06-3672B, "For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of $227.4 Million to Fund Natural Area Acquisition and Water Quality Protection," approved by the Metro Council on March 9, 2006.

   Metro Code Chapter 2.19, "Metro Advisory Committees," providing generally applicable rules for the creation of committees providing advice to the Metro Council and appointment of members to such committees.

   This Ordinance shall take effect immediately, pursuant to Metro Charter Section 39(1).

3. **Anticipated Effects**

   By approving resolution 07-3879, the Metro Council will appoint a committee as direct by the region's voters in November 2006. The expertise of the Committee will help ensure that grant

funds are awarded to projects that will best meet the goals and objective of the Natural Areas Bond Measure.

4. **Budget Impacts**

Budget impacts should be limited to staffing of the committee meetings (estimated to be held 1-2 times annually) and producing project summary reports on each full grant proposal received. Metro Parks and Greenspaces staff will assist the Committee on administrative and technical matters as needed.

RECOMMENDED ACTION

Staff recommends adoption of Resolution No. 07-3879.

Exhibit A to Resolution No. 07-3879

Nature in Neighborhoods
Capital Grants Review Committee

Committee Member Appointments

The chairperson of the committee shall be:

The following persons shall fill positions that are not term-limited:

Robert Liberty	Metro Councilor, District 6
Carl Hosticka	Metro Councilor, District 3
Jim Morgan	Science and Stewardship Manager, Metro Parks & Greenspaces

The following persons shall serve two-year terms, and shall be eligible thereafter to serve one additional two-year term:

Kendra Smith	Water Resources Program Manager, Clean Water Services
Jeri Sundvall Williams	Program Manager for Diversity Leadership Programs, City of Portland, Office of Neighborhood Involvement
Helena Huang	Independent Consultant, member of the Natural Areas Program Performance Oversight Committee

The following persons shall serve one-year terms, and be eligible thereafter to serve two additional two-year terms:

Todd Alsbury	Fish Biologist, Oregon Department of Fish and Wildlife
Sue Marshall	Independent Consultant, Former Executive Director of Tualatin Riverkeepers
Mike Faha	Founding Principal of Greenworks P.C.