

MINUTES OF THE METRO COUNCIL MEETING

Thursday, December 13, 2007
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Kathryn Harrington, Robert Liberty, Rex Burkholder, Rod Park, Carlotta Collette

Councilors Absent: Carl Hosticka (excused)

Council President Bragdon convened the Regular Council Meeting at 2:01 p.m.

1. INTRODUCTIONS

There were none.

2. CITIZEN COMMUNICATIONS

Jon Putman, 1216 NW 25th Portland OR 97210, reminded Council that the Regional Transportation Plan (RTP) still needed to look at special needs. He urged that as the RTP moves forward on the State side they continued to hope that funding would be appropriated for elderly and disabled. Councilor Park noted an amendment on elderly and disabled. Mr. Putman added some additional comments about moving elderly and disabled around the region with existing facilities.

3. CONSENT AGENDA

3.1 Consideration of minutes of the December 6, 2007 Regular Council Meeting.

3.2 **Resolution No. 07-3870**, Authorizing the Chief Operating Officer to Execute an Amendment to Contract No. 926509 With PT3, Inc. For Provision of Additional Advertising For the Travel Options Marketing Campaign.

Motion:

Councilor Liberty moved to adopt the meeting minutes of the December 6, 2007 Regular Metro Council and Resolution No. 07-3870.
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Vote:

Councilors Harrington, Burkholder, Liberty, Park, Collette, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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4. RESOLUTIONS

4.1 **Resolution No. 07-3831B**, For the Purpose of Approving the Federal Component of the 2035 Regional Transportation Plan (RTP) Update, Pending Air Quality Conformity Analysis.

Motion:	Councilor Burkholder moved to adopt Resolution No. 07-3831B.
Seconded:	Councilor Park seconded the motion

Councilor Burkholder said this was a resolution to adopt the federal component of the RTP Update. He summarized the staff report (a copy of which is included in the meeting packet). This was a major effort to help direct federal transportation funding to regional projects. He explained the difference between the state and federal plans. He spoke to the constrained budget required by the federal government. He noted what had occurred to date on this issue. He highlighted the resolution's friendly amendment, Exhibit C, public comments, as well as several amendments made at Transportation Policy Alternative Committee (TPAC) and Joint Policy Advisory Committee on Transportation (JPACT) this morning, which included language on value pricing. He also said a definition of the regional transportation system was discussed. Councilor Harrington clarified that the resolution itself had not changed. She asked if there any changes to the "whereases"? Councilor Burkholder said there had been no changes in the resolution. He thanked all of the staff that had participated in the long and involved process including external stakeholders and internal staff. He also thanked the rest of the Council in helping him keep the vision. He urged adoption.

Councilor Liberty thanked staff and JPACT members for participating. He explained his yes vote. This document had come along way. He talked about the previous RTP and the current document which, included policies that would not have been seen previously. There had been tremendous progress. They wanted Metro to convene a group to talk about additional resources. He talked about projects in the federal RTP, some of which were not consistent with the goals. He explained what we were committing to do in this plan. Even though he had reservation about some projects, he would be supporting this resolution.

Councilor Park also thanked staff for all of the work they had done. He thanked our regional partners who had helped move policy questions along. He acknowledged Councilor Burkholder's work and the example he set. He also acknowledged the Freight Movement Task Force for their contribution. He spoke to policies and projects, some of which didn't match, but the system continued to evolve. He talked about the need for additional funding and without that funding the increase in congestion. He supported the resolution.

Councilor Collette talked about her experience in working on the RTP at the local and county level. It had been a very open process. She also shared some of Councilor Liberty's concerns. She supported the resolution.

Councilor Harrington said they had a lot of work ahead of them. The vision of how we evolve was shared in the 2040 Growth Concept including complete and healthy communities. With this plan the Metro Council chose to use a different approach. The 21st century of policy and goals strived to set a set of conditions. We were also trying to capture community values. She talked about project advocacy including the need for community building and the passion for improvement. She noted the principles they had been following, where we were now due to timing and the need to do additional work. The RTP was broken into two steps, the federal and the state component. They had also tried to tie transportation and land use. JPACT and Metro Policy Advisory Committee (MPAC) had had useful conversations about both components. She wanted to join her colleagues in complementing Metro staff and their engagement with stakeholders. She was supporting this action today. She recognized the JPACT members who had been engaged. She expressed her concerns, which included the amount of work that this plan involved, the need for continued leadership and engagement as well as the continued need for engagement with their regional partners.

Council President Bragdon thanked the staff for their innovation as well as the hours they had put into the plan. He noted that this was not only a technical matter. He thanked Councilor Park, former Councilor Newman and Councilor Burkholder. He talked about their specific roles such as in the arena of freight and the overall effort. He noted Councilor Burkholder's leadership style and how everyone had learned through the process. This was one of the most important expenditures that we make. Those who were spending more but spending smarter and more strategically were making strides. Quality trumped quantity. This new way of thinking was about the connection between how and what we did to create a good place to live. The connection between outcomes was essential to success. We needed to get on with the implementation of these ideas. He talked about the process and the content of the plan. He noted clause 3, there will be changes to this document. We needed to look at the geographic needs of the region. We would be looking for solutions to achieve the outcomes. The analysis needed to lead to action. Second, we needed to continue to engage with local government and understand that they were the implementers. He urged support.

Councilor Burkholder said that was a wonderful expression of this Council. He noted that there was that same passion at JPACT. He thanked his colleagues and the staff.

Vote:

Councilors Park, Burkholder, Collette, Harrington, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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4.2 **Resolution No. 07-3883**, Authorizing the Reimbursement of Expenditures With Reimbursement Obligation Proceeds For the Oregon Convention Center Headquarters Hotel Project.

Motion:	Councilor Park moved to adopt Resolution No. 07-3883.
Seconded:	Councilor Harrington seconded the motion

Council Park said the Metro Council had taken several formal steps towards development of Oregon Convention Center Headquarters Hotel, including most recently (Nov. 8, 2007) passing Resolution No. 07-3882A, authorizing the execution of a Development Agreement with the project developer.

Once the Development Agreement was signed, Metro/Metropolitan Exposition Recreation Commission (MERC) would incur significant expenses associated with Project development before bonds would be issued to finance the Project, which would occur approximately 18-24 months after the Development Agreement was signed.

Many more steps and hurdles must be overcome, as well as Council decisions made, before Metro was obliged to develop the hotel, including:

- obtaining funding agreements with other public entities and Project beneficiaries to assist in funding the pre-construction and development costs;
- Metro Council approval of the Project budget and guaranteed maximum price;
- Metro Council authorization to issue bonds to finance the Project

However, federal tax law provided that bond issuers may seek reimbursement for pre-bond project expenditures only if it passed an "official intent" resolution such as this Resolution No. 07-3883. The federal tax law rules required that the resolution be passed no later than 60 days

after payment of the first expenditure for which it sought reimbursement; and the resolution must state the maximum principal amount of debt expected to be issued (or incurred) for the project;

Although the actual bond amount was not yet known, because the Project developers would not present a preliminary Project budget until the preliminary architectural drawings were completed, in approximately 5 months; based on project estimated budgets made by the Portland Development Commission (PDC), it was reasonably anticipated that the bonded amount would not exceed \$255 million; reimbursable expenditures included (1) capital expenditures, (2) bond issuance costs and (3) extraordinary working capital items.

- The definition of “capital expenditure” was a tax accountant issue, and was generally any cost of a type that was properly chargeable to a capital account under general Federal income tax principles.

The official intent declaration requirement and the timing of issuance of the reimbursement bonds did not apply to the first \$100,000 in project expenditures, which may be reimbursed with bond proceeds without following the reimbursement bond rules.

Council President Bragdon asked clarifying questions. Dan Cooper, Metro Attorney, said they had not spent any money yet.

Vote:

Councilors Park, Burkholder, Collette, Harrington, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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4.3 **Resolution No. 07-3887A**, For the Purpose of Identifying Alternatives to Advance Into a Draft Environmental Impact Statement For the Portland to Lake Oswego Corridor Transit Project.

Motion:	Councilor Burkholder moved to adopt Resolution No. 07-3887A.
Seconded:	Councilor Collette seconded the motion

Councilor Burkholder explained the changes to the “A” version. He noted substantive changes that were put forward including relative priority. He talked about the resolution itself, which was to take action on alternatives into a draft Environmental Impact Statement (EIS). It was a narrowing down of potential alternatives that could be considered for the project. He talked about the Steering Committee’s recommendation and some additional concerns expressed by jurisdictions. He provided further details of the changes in the “A” version. He also noted the need for a trail to help with bicycle and pedestrian movement.

Council President Bragdon opened a public hearing on Resolution No. 07-3887A.

Judy Hammerstad, Mayor of Lake Oswego, PO Box 369, Lake Oswego, OR 97034 talked about the amended resolution and her recommendation. She felt this was a viable project and the advantages of streetcar. She encouraged Council to support the use of the entire right-of-way. Councilor Liberty asked about Lake Oswego’s work to create a town center. He asked for an update on development. Mayor Hammerstad said the property owners were interested in redevelopment. They had worked with a variety of consultants and they were contemplating additional forward movement on this issue. Council President Bragdon noted the Nevada

terminus issue and that the staff could amend their report if there had been an error. Major Hammerstad provided detail on the vote.

Lynn Petersen, Clackamas County Commissioner, 2051 Kaen Rd, Oregon City, OR 9704 thanked Councilor Burkholder for his leadership. This was the type of project JPACT talked about this morning, which needed funding. This was a quality project because it met every 2040 growth concept. It would provide a higher level of mobility for people. She supported the resolution except for the Nevada terminus. They represented people who lived adjacent to the line as well as all of the potential users. There was potential to get to West Linn and Oregon City in the future. This could be the next project in the region after the Milwaukie Light Rail. There was no more cost effective project in the region. She encouraged the Council to put the wording back in the resolution that this was the next project. She also encouraged them to include the bike pedestrian connection. She appreciated including words to finish that important component. Councilor Liberty asked how this would be part of an expanded system in the future. Commissioner Petersen talked about high capacity rail. They were making the connections that they needed to make. If they looked to the future system, there would be no way to link other parts of Clackamas County to the downtown area. She also talked about the commuter rail and the desires of Washington County to connect the Westside of the region.

Councilor Park talked about the wordage “would” versus “could”. Since they hadn’t consulted with their partners at the JPACT table, it wasn’t appropriate for the Metro Council to make that decision. Commissioner Petersen noted that other partners had supported the project such as Washington County and Multnomah County. She thought most supported this as the next project. Council President Bragdon said they would be looking at needs throughout the region.

Bruce Wood Foundation Real Estate Development 1000 SW Broadway Suite 960 Portland OR 97205 said he was a developer. He talked about foothills east of downtown where he had been engaged with the property owners. It was about 20 acres. He talked about the challenges. There were plans for a vibrant mixed-use community. It was a significant opportunity since South Water Front. A key component of that was the streetcar. He was concerned about the addition of the terminus. From a private section, it added an element of concern. It may have merit but it had a significant impact on moving the project forward. He suggested taking the Nevada terminus out of the study. It had significant impact on moving their project forward.

Councilor Liberty asked about the proposed development and that they assumed the investment of the streetcar. Mr. Wood said the demographics of that area were the highest in the State. He saw this was a place where there would be families as well as single individuals who wanted to live in that area. He hoped for an affordable housing component of the project. This was a significant opportunity.

Susan Hartnett, Oregon Health Science University (OHSU) 3181 SW Sam Jackson Park Rd Portland OR 97212 clarified OHSU’s support of the alignment. She read a letter into the record from Dr. Robertson (a copy of which is included the record).

Roger Martin, Executive Director Oregon Transit Association, 900 Atwater Rd Lake Oswego, OR 97034 said he had also served in the Oregon Legislature. He was here to support Mayor Hammerstad’s and Commissioner Petersen’s position. This project was a long time solution. He said opposition was from those who did not want this alignment through their property. Every person along that right-of-way signed their deed knowing full well they had a right-of-way on their property. He encouraged the Council to stick to their belief that this alignment was

important. Councilor Harrington asked about the Willamette Shoreline and clarified that this shoreline was not their property. It was beside their property. Mr. Martin talked about the right-of-way origins. Councilor Liberty thought some of this was about easements. Ross Roberts, Planning Department, said the Willamette Shoreline right-of-way had a variety of ownerships. He explained what the public purchased in 1985. There were some easements but the net effect was that the right-of-way could be used for rail purposes. Councilor Park thanked OHSU for their work.

Lisa Volpel, 5655 SW Kenny Street Lake Oswego OR 97035 said her concern with this study was that it didn't look at the bigger picture. She urged looking at the alignment and connection to the Milwaukie Light Rail. Some cross connections would be useful. Councilor Burkholder said as part of this study there was a look at the use of high capacity transit and the cross connection. They were looking at how they made those connections. These issues had been brought up and were in the hopper. Ms. Volpel said the bike route was also very important.

Elizabeth English, 11639 SW Riverwood Rd Portland OR 97219 said she had hosted a public forum regarding this issue. She thanked the Steering Committee for moving both terminuses forward. She felt a Lake Oswego circulator was a good idea.

David Jording, Lake Oswego Policy Advisory Committee (LOPAC), 684 9th St. Lake Oswego, OR 97034 expressed his appreciation for the work that was provided to the committee from the jurisdictions particularly Metro. This committee was then able to do its work. He talked about the committee's recommendation to have the Nevada and Lake Oswego terminuses moved forward. This was made with compromise. The vote was 17 to 2. 17 members voted to have both terminuses studied. He expressed concern in section 5 because these issues weren't addressed by the Steering Committee. He clarified further the concerns he had with the changes.

Charles Ormsby, 170 SW Birdsill Rd Portland OR 97229 said he was representing himself and some of his neighbors in the Birdsill area. They had no opportunity to be included in the process. He had been in favor of the corridor study and inclusion of West Linn. He asked what was the definition of City of Portland. He shared his definition. The other issue was the pedestrian bike trail. He was concerned about the tunnel. He felt security issues had not been addressed. Councilor Liberty said he had testified about representation previously. He wanted to know if he supported the project. Mr. Ormsby responded to his question.

Vern Rifer, LOPAC Vice Chair, 5916 SW Riveridge Lane Portland OR 97209 talked about the purpose of refinement to reduce the number of alternatives in Johns Landing. The refinement study was put in to allow City of Portland to do its work on planning transportation and economic development. It was a study of Portland alignment working with TriMet and other impacted jurisdictions. He talked about Item F.

Councilor Liberty said the different alignments affected ridership speeds. Mr. Rifer said the City was not the final decision maker but was to recommend impacts on their neighborhoods and businesses in the Portland area. They were suggesting that the City be given authority to put forward their alternatives. Councilor Collette asked if the City of Portland was paying for that study.

Council President Bragdon closed the public hearing.

Councilor Burkholder asked about West Linn and communities south and their public involvement. Ross Roberts, Planning Department, said they did involve West Linn in the process. The issue that was raised was that there was no representation on the committee from West Linn. They reached out to the neighborhoods as well as briefing the West Linn City Council twice. They reached out to the further south area even though they were not a voting member of the committee.

Councilor Burkholder asked about timing of the refinement study before the Draft Environmental Impact Statement (DEIS) could be started. Mr. Roberts said the refinement study could begin soon. They had a one year gap between the time the Metro staff could fully engaged on a DEIS on this study. They would be conducting the refinement study over the next year. They wanted to talk to their other partners about what that work would be.

Councilor Liberty asked about Mr. Rifer's comments. Mr. Brandman said his reaction was the real issue was who would participate in the refinement study. The study had been initiated by the City of Portland but needed to include project partners in addition to the city. Oregon Department of Transportation (ODOT) would want to be a part of the study. The City of Lake Oswego had a desire to be part of the study. Dropping the words Project Management Group was fine. A refinement study needed to be undertaken. There would be many participants involved in the study and wishing to comment on the refinement study. Councilor Liberty asked clarifying questions about additional alignment options. Mr. Brandman responded to his question. He thought staff was supportive of the efforts that would be undertaken. There were more than three options. The goal would be to work with the partners as well as the neighbors.

Councilor Collette asked who was paying for this. Would everyone share the cost of the study or would Portland pay the cost of the study. Mr. Roberts said in their budget, they had some money planned for the study. There was the matter of local match dollars. They needed to discuss this with their partners and find out who would share the cost.

Councilor Park asked about particular wordage on current and full value. Mr. Brandman said they could wordsmith the document for clarity. Councilor Harrington said she wanted to revisit the issue of current and full value. She talked about capturing the true value of the right-of-way. Mr. Brandman said the \$74 million estimate was its current value, which would likely escalate over time. At the time the financing plan was put together, in reality at that time you would be capturing the future value of the right-of-way. With respect to full value, he wanted to assure the Council and the public which was there was different way to capture the right-of-way value.

Motion to amend:	Councilor Burkholder moved to entertain a friendly amendment to strike the work "current"..
Seconded:	Councilor Collette accepted the friendly amendment.

Vote to amend:	Councilors Park, Burkholder, Collette, Harrington, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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Councilor Burkholder talked about the input processes, which included a Steering Committee, public hearings, and a lot of ideas coming from a lot of different entities. This was a Metro Council decision to represent the needs of the region. This was not solely a local matter. This decision would have impact on how the system functioned. This Council looked at the regional need and regional impact on our Centers. They would be doing a local preferred alternative. The

action they were taking today was an appropriate way to collect data to make a future decision. Councilor Collette talked about why she didn't support a Nevada terminus. She would be supportive of the whole process moving forward. This was a quality project. It had tremendous local match and would be an important link in the regional system. Councilor Liberty said he was happy about the range of alternatives that were kept for future study. He felt the purchase of the right-of-way was a bargain and that we were the beneficiaries of past planning on the right-of-way. He fully supported the recommendation.

Councilor Park felt it had been an effective debate. Councilor Burkholder had been consistent in looking at alternatives and allowing the discussion to move forward. He felt it was important to have the full project management team look at the full range of alternatives. He felt the balance was important. He supported the resolution.

Councilor Burkholder thanked the individuals who had worked on this, Ross Roberts, Richard Brandman and other Metro planners as well as the Steering Committee. They had more work to do.

Vote on the Main
Motion:

Councilors Park, Burkholder, Collette, Harrington, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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5. CHIEF OPERATING OFFICER (COO) COMMUNICATION

Michael Jordan, COO, thanked the Council. At the holiday party at the Zoo they had 550 individuals participate. Council President Bragdon mentioned the Metro video.

6. COUNCILOR COMMUNICATION

Councilor Harrington reported on MPAC activities. The main topic was the Greatest Place Reserves Program. She also talked about the neighboring communities program on Saturday January 12, 2008. There would be an event brief provided to Council. She also talked about an item discussed at the August 14, 2007 work session about Regional Business and Trade Association membership strategy. Mr. Jordan said he would bring this back to Council on January 8, 2008 for further discussion. Council President Bragdon said he thought this was a good idea.

Councilor Burkholder said he was glad Councilor Harrington had raised the issue and thought it might be useful that they review every six months what still needed to be done.

Council President Bragdon talked about using January 3, 2008 meeting as a community service activity.

Councilor Collette said she became a member of the Clackamas County Business Association (CCBA).

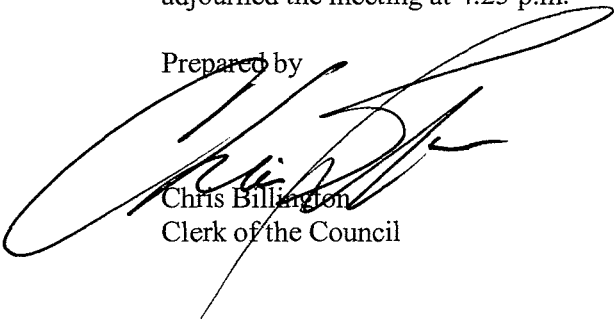
Councilor Liberty said he attended the Holiday Party but encountered the \$2 Tuesday crowd. He said Oliver Jones who had done a study on effective investment to promote key freight investment would be here February 22nd.

Council President Bragdon announced that they had gotten the first entry for the Design Competition today, which came from Japan.

7. ADJOURN

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:25 p.m.

Prepared by

A large, stylized handwritten signature in black ink, appearing to read 'Chris Billington', is written over the printed name and title.

Chris Billington
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
 DECEMBER 13, 2007**

Item	Topic	Doc. Date	Document Description	Doc. Number
3.1	Minutes	12/6/07	Metro Council Meeting Minutes for December 6, 2007	121307c-01
4.3	Letter	11/10/07	To: Metro Council From: John Caldwell Re: Resolution No. 07-3887	121307c-02
4.3	Letter	8/30/07	To: Jamie Snook, Planning Department From: Jeff Miller President and CEO and Chris Erickson Chair POVA Re: Resolution No. 07-3887	121307c-03
4.3	Email	12/10/07	To: Jennifer Tuerk, Planning Department From: David Walters Re: Resolution No. 07-3887	121307c-04
4.3	Email	12/11/07	To: Jennifer Tuerk, Planning Department From: Bari Thompson Re: Resolution No. 07-3887	121307c-05
4.3	Email	10/29/07	To: Metro Council From: Gerry Langelier Re: Articles about Resolution No. 07-3887	121307c-06
4.3	Letter	11/26/07	To: Metro Council From: Ted Wheeler, Multnomah County Chair Re: Resolution No. 07-3887	121307c-07
4.3	Email	12/11/07	To: Jennifer Tuerk, Planning Department From: Kate Miller, Sustainable Interiors Re: Resolution No. 07-3887	121307c-08
4.3	Email	12/11/07	To: Metro Council From: Michael Earp Re: Resolution No. 07-3887	121307c-09
4.3	Email	12/12/07	To: Metro Council From: Gregory Taylor Re: Resolution No. 07-3887	121307c-10
4.3	Email	12/12/07	To: Karen Withrow, Public Affairs Department From: Nicole Merino Re: Resolution No. 07-3887	121307c-11
4.3	Letter	12/11/07	To: Metro Council From: Fred Hansen General Manager of TriMet Re: Resolution No. 07-3887	121307c-12

Item	Topic	Doc. Date	Document Description	Doc. Number
4.3	Letter	12/7/07	To: Metro Council From: Martha Schrader, Lynn Peterson and Bill Kennemer, Clackamas County Commission Re: Resolution No. 07-3887	121307c-13
4.3	Email and attachments	12/12/07	To: Councilors Collette and Liberty From: Mark Turpel, Planning Department Re: Resolution No. 07-3887A redline version	121307c-14
4.3	Email	12/12/07	To: Metro Council From: Diane and John Howieson Re: Resolution No. 07-3887	121307c-15
4.3	Email	12/12/07	To: Metro Council From: Eric T Rick Saito Re: Resolution No. 07-3887	121307c-16
4.3	Letter	12/12/07	To: Metro Council From: Jerry L Wheeler CEO Lake Oswego Chamber of Commerce Re: Resolution No. 07-3887	121307c-17
4.3	"A" version	12/12/07	Resolution No. 07-3887A , For the Purpose of Identifying Alternatives to Advance Into a Draft Environmental Impact Statement For the Portland to Lake Oswego Corridor Transit Project.	121307c-18
4.3	Letter	12/6/07	To: Metro Council From: Ken Love, President South Portland Neighborhood Association Re: Resolution No. 07-3887	121307c-19
4.3	Fax	12/12/07	To: Metro Council From: Chris Schetky, Real Estate Broker Re: Resolution No. 07-3887	121307c-20
4.3	Letter	12/11/07	To: Metro Council From: Dr. Joseph Robertson, President of OHSU Re: Resolution No. 07-3887	121307c-21
4.1	"B" version	12/13/07	Resolution No. 07-3831B , For the Purpose of Approving the Federal Component of the 2035 Regional Transportation Plan (RTP) Update, Pending Air Quality Conformity Analysis.	121307c-22

Item	Topic	Doc. Date	Document Description	Doc. Number
4.3	Letter	12/13/07	To: Metro Council From: Commission Sam Adams, City of Portland Re: Resolution No. 07-3887	121307c-23
4.3	Letter	12/13/07	To: Metro Council From: Emily Gardner, Bicycle Transportation Alliance Re: Resolution No. 07-3887	121307c-24
6.0	Memo and verbatim transcription	7/24/07	To: Metro Council and Kate Marx From: Michael Jordan, COO Re: Regional Business and Trade Association Membership Strategy	121307c-25