



METRO

Agenda

MEETING: METRO COUNCIL WORK SESSION
DATE: January 29, 2008
DAY: Tuesday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

- | | | | |
|----------------|-----------|---|-----------------|
| 2:00 PM | 1. | DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, JANUARY 31, 2008/ADMINISTRATIVE/CHIEF OPERATING OFFICER COMMUNICATIONS | |
| 2:05 PM | 2. | TITLE 4 MAP AMENDMENTS ANNUAL REPORT | Valone |
| 2:15 PM | 3. | BUDGET WORK SESSION | Jordan/Stringer |
| 3:50 PM | 4. | 2009 OREGON LEGISLATIVE SPECIAL SESSION | Tucker |
| 4:20 PM | 5. | COUNCIL BRIEFINGS/COMMUNICATION | |

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Agenda Item Number 2.0

**TITLE 4 MAP AMENDMENTS
ANNUAL REPORT**

Metro Council Work Session
Tuesday, January 29, 2008
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: January 29, 2009 Time: 2:00 pm Length: 10 min

Presentation Title: Annual Title 4 Map Change Report

Department: Planning

Presenters: Ray Valone

ISSUE & BACKGROUND

On February 22, 2007, the Metro Council adopted Ordinance No. 07-1137A to add section 3.07.450 to Title 4 of the Functional Plan. This section prescribes a process and criteria for amending the Employment and Industrial Areas map. This map identifies the locations of the three job design types – Regionally Significant Industrial Area (RSIA), Industrial Area and Employment Area. Two procedures for amending the map are spelled out. Smaller proposals (based upon the size of the subject property) are left for cities and counties to decide on their own, with Metro participation in the local land use process. Larger proposals are heard and decided by the Metro Council. In addition, the Council may consider changes to the map to make small adjustments or correct errors at any time. The criteria for making these changes are derived from the policies of the Regional Framework Plan and the preface to Title 4.

Section 3.07.450K directs the Chief Operating Officer to submit a written report to the Council and the Metropolitan Policy Advisory Committee on the cumulative effects on employment land in the region of the amendments from the preceding year. This worksheet serves to fulfill this requirement.

Map Changes and Effects

During 2007, four amendments to the Industrial Area and Employment Area map were processed and completed (see Attachment 1). Three amendments were small proposals (listed as ‘Minor Amendments’ on Title 4 Amendment Tracking table) and processed and adopted by the local governments. These total 19.63 gross acres, 4.76 acres of which are included in Metro’s industrial land inventory. The fourth amendment, known as the Brickworks site in Gresham, was processed and approved by the Metro Council. This amendment changed 42.8 acres from the Industrial Area design type to Inner Neighborhood. In part, it recognized the existence of two public schools on 15 acres of the site. Of the 42.8 acres, 26.9 acres are included in Metro’s industrial land inventory.

Based on the following facts, Metro staff concludes that the Title 4 map changes during 2007 do not significantly affect the ability of the region to accommodate industrial uses.

- The amount of land changed during 2007 from the Industrial Area design type to non-industrial types totaled 62.43 acres. Only 31.66 net acres, or 50%, of the land, however, was included in Metro’s industrial land inventory (31.66 acres divided by the identified need in 2002 of 5,685 net acres).
- The 31.66 acres represent approximately .05% of the designated industrial land to meet the region’s needs for the 2002 – 2022 time frame. Based on completed plans

and local zoning for new urban areas, the region has not 'lost'¹ net acres since the 2002 through 2005 UGB expansions to designate RSIA and Industrial Area land.

- Of the 31.66 net acres converted to non-industrial land, 26.9 of them were approved by the Metro Council as meeting the Title 4 criteria as well as recognizing the existence of two schools, consisting of 15 acres.
- The location of the 14.12 acres in Fairview is marginal, at best, for development of industrial uses. It is located between a corridor and I-84 to the south, with housing to the east and west.

OPTIONS AVAILABLE

1. Accept the report and direct staff to present the report to MPAC.
2. Do not accept the report and direct staff to complete further analysis.

IMPLICATIONS AND SUGGESTIONS

The first year of Title 4 map amendments resulted in very little acreage changing from Industrial Area to other design types. As stated above, staff concludes that the cumulative effect of these changes do not substantially impact the ability of the region to accommodate future industrial uses. For this reason, staff suggests that the Council take no further action.

QUESTION(S) PRESENTED FOR CONSIDERATION

Based on the first year's experience, does the Council want to suggest any modifications to Metro code 3.07.450?

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION __Yes xNo
DRAFT IS ATTACHED __Yes __No

¹ 'Lost' refers to the amount of net acreage realized through local government planning and zoning that might be short of Metro's original estimate for purposes of complying with LCDC acknowledgement of Metro's Urban Growth Report. Shortages may be the result of a more refined buildable lands assessment and/or re-designation of land uses by local planning agencies.

Title 4 Map Amendment Tracking

Name	Amendment Type (1)	Location	Jurisdiction	Gross Acres	Net Acres Included in Reg. Industrial Lands Inventory	Metro Order/ Ordinance No.	Metro Order / Ordinance Date	Previous 2040 Designation	Revised 2040 Designation	Previous Zoning	Revised Zoning	Notes
Townsend Farms	minor	NE Sandy at NE 230th	Fairview	14.12	2.29	07-039	05/08/2007	Industrial/Corridor	Corridor	Industrial	Corridor/Commercial	existing vacant land
22nd and Yew	minor	22nd and Yew	Forest Grove	3.85	2.47	07-042	06/21/2007	Industrial	Employment	General Industrial	Community Commercial	3 existing houses + vacant lot
Brickworks	major	242nd & Palmquist	Gresham	42.80	26.9	07-1148	07/12/2007	Industrial	Inner Neighborhood	Heavy Industry	Residential	2 existing schools on part of acreage
Maple and 5th	minor - correction	Maple and 5th	Beaverton	1.66	0	07-043	09/20/2007	Industrial	Inner Neighborhood	Industrial	Multi-family residential	existing apartment complex
			TOTALS	62.43	31.66							
Footnotes												
(1) 'Minor' refers to a proposal that falls under the threshold acreages in Section 3.07.450.C.6 of the Metro code, thus processed by the local city or county.												
Major' refers to a proposal that exceeds the threshold acreages in Section 3.07.450.C.6 of the Metro code, thus processed by the Metro Council.												

2009 OREGON LEGISLATIVE SPECIAL SESSION

Metro Council Work Session
Tuesday, January 29, 2008
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: January 29, 2008 **Time:** **Length:** 30 Minutes

Presentation Title: Priorities for 2008 Supplemental Legislative Session

Department: Public Affairs and Government Relations

Presenter: Randy Tucker

ISSUE & BACKGROUND

This work session includes the following items:

- A brief update on the nature of the 2008 legislative session.
- Discussion of issues of potential interest to Metro that may be considered during the 2008 session. As of January 23, these issues include: funding for the Regional Housing Choice Revolving Fund; urban renewal (issue sheet to follow); and the applicability of public records law to draft reports by Metro's auditor.
- Discussion of items that are likely to be considered in the 2009 session; there may be opportunities for preliminary discussions of these issues with legislators during the 2008 session. These issues include transportation funding and funding for the OCC headquarters hotel.

OPTIONS AVAILABLE

Council may wish to discuss specific legislative concepts and provide direction to staff as to how to represent Metro in the 2008 session.

IMPLICATIONS AND SUGGESTIONS

QUESTION(S) PRESENTED FOR CONSIDERATION

Staff requests that Councilors provide feedback on the legislative issues presented. Staff currently does not expect to request the adoption of a resolution detailing the Council's legislative priorities for the supplemental session unless the Council feels it is necessary.

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION __ Yes X No
DRAFT IS ATTACHED __ Yes X No

METRO
2008-2009 LEGISLATIVE ISSUE IDENTIFICATION

Department: Planning

Date: December 12, 2007

Person completing form: Randy Tucker

Phone: x1512

ISSUE: Regional Housing Choice Revolving Fund

BACKGROUND:

In March 2006, Metro's Housing Choice Task Force identified an acute need for increased housing choices for families and individuals of modest means. The Task Force recommended that Metro "direct efforts towards development of resources, and especially a new, permanent regional resource for affordable housing."

In response to this recommendation, and to help implement the region's 2040 Growth Concept, the Metro Council in September 2007 approved a \$1 million contribution as seed money for the creation of a \$10-\$20 million Regional Housing Choice Revolving Fund (RHCRF). The intent is to leverage \$9-\$19 million in matching contributions from public, private, and charitable partners to create the fund, which would be managed by an experienced nonprofit community-based fund administrator and governed by a regional board of directors.

Drawing on this \$10-\$20 million principal, the RHCRF would extend low-interest loans to catalyze the development and preservation of affordable housing in the Metro area. Non-profit and for-profit developers would utilize these low-interest loans for such purposes as site acquisition and holding, predevelopment costs for planning and design, and short-term debt financing for the acquisition of existing rental properties with expiring affordability requirements.

A \$10 million fund could support the creation or preservation of 250-350 affordable homes in the region every 2 years, and would leverage an estimated \$40 million in public and private investments in housing. A \$20 million fund would double the impact.

The Fund would also help implement the 2040 Growth Concept by promoting mixed-use, mixed-income patterns of development in regional centers and town centers, in light rail station communities, and along main streets and corridors. In keeping with the 2040 Growth Concept, the RHCRF would also promote best practices in green and sustainable design.

Metro's contribution of \$1 million is contingent upon several conditions being met: (1) The establishment of a fund with at least \$10 million in capital that fulfills Metro's regional development and housing objectives; (2) Metro representation on the governing board; and (3) Council satisfaction that the fund's management will comply with professional standards. These conditions must be fulfilled within two years of the Metro Council's approval of the budget amendment.

As of this date, there are tentative commitments of \$1 to \$2 million in additional contributions to the fund's permanent capital.

RECOMMENDATION:

Seek a direct appropriation to the Department of Housing and Community Services for \$1 million or the region's proportional share of a statewide fund for a project that meets this description.

The Housing Alliance, of which Metro is a member, is pursuing an appropriation of \$2 million or more in the 2008 supplemental session for the Oregon Housing Acquisition Fund (OHAF). The RHCRF is a regionally advised fund within the OHAF. The region's share of a \$2 million appropriation would fall short of the \$1 million target.

LEGISLATIVE HISTORY:

None. This is a new item.

OTHER INTERESTED PARTIES:

Housing Alliance, Network for Oregon Affordable Housing (NOAH), Community Development Network, Department of Housing and Community Services

IMPACT IF PROPOSED ACTION OCCURS:

Because the fund does not become operative until its capitalization goal of \$10 million has been reached, a significant contribution from the state is critical to the overall success of this effort.

METRO
2008-2009 LEGISLATIVE ISSUE IDENTIFICATION

Department: Auditor's Office

Date: January 22, 2008

Person completing form: Suzanne Flynn

Phone: 503-797-1891

ISSUE: Public Disclosure of Draft Audits Prior to Final Audit Report Release

BACKGROUND:

Auditors follow standards that require them to determine the overall sufficiency and appropriateness of evidence to provide a reasonable basis for the findings and conclusions within an audit. Evidence is not sufficient or not appropriate when using it carries an unacceptably high risk that it could lead to an incorrect or improper conclusion. The quality of the evidence is directly related to the credibility of the auditor's work. There are several ways during the course of audit work that the evidence sufficiency and appropriateness is reviewed. Among these are planning, supervision, and an internal quality control process where independent audit staff review the evidence and the conclusions reached. Once internal quality control procedures are completed a final step in quality control is the review of a draft audit by management. After reviewing the draft management may provide additional information or audit staff may develop additional information based upon a question from management that changes a conclusion. As a result, draft reports may change. Release of a draft report that may contain incorrect or misleading information to a member of the public or media prior to the release of the final audit report could undermine the credibility of the auditors and lead to erroneous decisions.

RECOMMENDATION:

Amend ORS 192.501 (19) by adding a new subparagraph (c) providing that, while "final audit reports" are public, "draft audit reports" (still subject to change) are not releasable until the final audit report is issued.

"192.501. The following public records are exempt from disclosure under ORS 192.410 to 192.505 unless the public interest requires disclosure in the particular instance:

"...(c) Draft audit reports for audits conducted by a city, a county, a metropolitan service district or the executive department, as defined in ORS 174.112. This exemption applies during the internal audit review process and does not apply after release of the final audit report;"

Another modification under consideration would limit the applicability of this provision to auditors operating according to national standards or generally accepted government accounting standards.

LEGISLATIVE HISTORY:

The City of Portland proposed this change (without the reference to metropolitan service districts) late in the 2007 legislative session and it apparently had significant support but was not moved forward due to the politics of the legislative endgame.

OTHER INTERESTED PARTIES:

The primary proponent of this change is the City of Portland (who is perfectly happy to expand its applicability to include Metro). Many other elected or appointed auditors also support this proposal. The Oregon Newspaper Publishers Association is likely to oppose it.

IMPACT IF PROPOSED ACTION OCCURS:

The persuasiveness of audit findings is critical to improving government operations. Providing this clarification to public records law would increase the likelihood that findings will be strong enough to effect the needed change.