



METROPOLITAN SERVICE DISTRICT
527 S.W. HALL ST., PORTLAND OR. 97201, 503/221-1646

A G E N D A

REGULAR COUNCIL MEETING

Date: July 10, 1980
Day: Thursday
Time: 2:00 p.m.
Place: Council Chamber

CALL TO ORDER

1. CITIZEN COMMUNICATIONS TO COUNCIL ON NON-AGENDA ITEMS

2. CONSENT AGENDA

2.1 A-95 Review, directly related to Metro

2.2 Minutes of Meetings of June 5 and 16, 1980

3. ORDINANCES

3.1 PUBLIC HEARING ON Ordinance No. 80-98, Adopting Housing Goals and Objectives and Providing for Implementation Thereof (First Reading) (2:05)

4. RESOLUTIONS

4.1 Resolution No. 80-164, For the Purpose of Approving Special Zoo Admission Days for Fiscal Year 1981 (2:25)

4.2 Resolution No. 80-165, For the Purpose of Advising Oregon's Congressional Delegation of the Need to Increase Appropriations for Assuring the Adequate Funding of the Portland Region Interstate Transfer Program (2:40)

4.3 Resolution No. 80-166, For the Purpose of Endorsing Tri-Met's Capital Grant Application for Construction of the Banfield Light Rail Transit Project and Amending the Transportation Improvement Program (2:55)

5. NEW BUSINESS

5.1 Adopting Rule to Allow Negotiated Bid for Proposed Resource Recovery Facility, Temporary Rule No. CRB 80-4 (3:10)

6. GENERAL DISCUSSION

6.1 Briefing on Air Quality Analysis by Air Quality Management Area Committee and Metro and DEQ Staff (3:25)

6.3 Five-Year Operational Plan and Financing Options (3:55)

7. EXECUTIVE SESSION ON LABOR NEGOTIATIONS (4:40)

ADJOURN to Franklin High School at 7:30 p.m.



METROPOLITAN SERVICE DISTRICT
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Date: July 10, 1980
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C O N S E N T A G E N D A

The following business items have been reviewed by the staff and an officer of the Council. In my opinion, these items meet the Consent List Criteria established by the Rules and Procedures of the Council.

Rick Gustafson

Rick Gustafson
Executive Officer

- 2.1 A-95 Review, directly related to Metro
Action Requested: Concur in staff findings
- 2.2 Minutes of Meetings of June 5 and 16, 1980
Action Requested: Approve minutes as circulated

DIRECTLY RELATED A-95 PROJECT APPLICATIONS UNDER REVIEW

PROJECT DESCRIPTION	FEDERAL \$	STATE \$	LOCAL \$	OTHER \$	TOTAL \$
<p>1. <u>Project Title:</u> Youthful Offender Employment (#806-1) <u>Applicant:</u> City of Portland <u>Project Summary:</u> This project will provide 100 youthful offenders (14-21 years of age) with continuous training and support services while they are institutionalized and after their release with the goal of placement in unsubsidized employment or return to school. The project will also establish a control group for the purpose of comparing recidivism rates between those receiving such services and those not. <u>Staff Recommendation:</u> Favorable Action</p>	<p>\$100,000 (CETA)</p>				<p>\$100,000</p>
<p>2. <u>Project Title:</u> National Heritage Plan (#806-4) <u>Applicant:</u> Oregon Dept. of Transportation <u>Project Summary:</u> Development of a National Heritage Plan to be included as an element of the Statewide Comprehensive Outdoor Recreation Plan. The plan will include criteria, priorities and goals for the preservation of natural areas in Oregon. <u>Staff Recommendation:</u> Favorable Action</p>	<p>\$30,000 (Dept. of Interior - HCRS)</p>	<p>\$45,000</p>			<p>\$75,000</p>
<p>3. <u>Project Title:</u> Technical Resource Program (#806-3) <u>Applicant:</u> Oregon Dept. of Transportation <u>Project Summary:</u> Provision of technical assistance to cities, counties and councils of governments in the development of public transit programs. Assistance includes service design planning, transit development programming and operational advice. <u>Staff Recommendation:</u> Favorable Action</p>	<p>\$75,000 (DOT)</p>	<p>\$18,750</p>			<p>\$93,750</p>

MINUTES OF AN ADJOURNED MEETING
OF THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

June 16, 1980

Councilors in Attendance

Presiding Officer Marge Kafoury
Coun. Donna Stuhr
Coun. Charles Williamson
Coun. Corky Kirkpatrick
Coun. Jane Rhodes
Coun. Betty Schedeen
Coun. Ernie Bonner
Coun. Cindy Banzer
Coun. Gene Peterson
Coun. Mike Burton
Coun. Jack Deines

In Attendance

Executive Officer Rick Gustafson

A special meeting of the Council of the Metropolitan Service District which was adjourned from the meeting of June 5, 1980, for the purpose of hearing public testimony on Ord. No. 80-91 (establishing a Local Improvement District for the Johnson Creek flood control project), was held at 7:00 p.m. in the auditorium at Marshall High School, 3905 S.E. 91st Avenue, Portland, Oregon.

After declaration of a quorum, the meeting was called to order by Presiding Officer Kafoury at 7:10 p.m.

It having been ascertained that it was the consensus of the Council to do so, the Clerk read Ordinance No. 80-91 the first time by title only.

Coun. Rhodes and Executive Officer Gustafson explained the history of the Johnson Creek problem and outlined the process that led to the formation of the L.I.D. Time lines for the project and costs of the various phases were discussed, and remonstrance procedures were explained. Mr. Gustafson presented the staff report.

Ms. Kafoury announced that the second reading and Council action on the ordinance would occur at a meeting to be held at 7:30 p.m. on June 26, 1980, at the Metro offices, 527 S.W. Hall St., Portland. The public hearing was then opened.

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Mr. John Lang, 621 S.W. Alder, Portland, spoke on behalf of City Commissioner Mike Lindberg and expressed the City of Portland's support of the Johnson Creek proposal and formation of the L.I.D.

Mr. George Muir, 9635 S.E. Glenwood, Portland, yielded the floor to the next speaker in order to participate in a group presentation by representatives of Oregon Fair Share.

Col. Terence Connel, Corps of Engineers, P.O. Box 2946, Portland, explained the Corps' involvement in the project and discussed its eligibility for federal funding.

Mr. George Muir, speaking for Oregon Fair Share, pointed out that a lot of people were confused by the notice and did not understand the remonstrance procedure.

Ms. Lettie Barrett, 4479 S.E. Logus Rd., Milwaukie, felt that notices should have been mailed out earlier, adding that Fair Share was in favor of the Johnson Creek project but protested the method in which it was being handled.

Laura McMahon, 6131 S.E. 87th, Portland, explained that Fair Share felt that a project such as that proposed for Johnson Creek should accommodate citizen input from the very beginning of the planning stage.

Ms. Sherry Winter, 10146 S.E. Long, Portland, conveyed Fair Share's request that the remonstrance date be delayed and that the entire Council attend a neighborhood-run meeting.

Presiding Officer Kafoury pointed out that the Council would not be making a decision on the formation of the L.I.D. at the public hearing and promised that an extension of the remonstrance deadline would be considered before the end of the meeting.

Mr. Rick Bauman, 5527 S.E. 54th, Portland, supported formation of the L.I.D. because it would represent a savings in the long run. He felt, however, that criticism of the remonstrance procedure was valid.

Ms. Winter again suggested that the meeting be adjourned to a Fair Share hearing on July 23.

A brief recess was called to permit the Council to confer on the suggestion.

Mr. Gustafson acknowledged overcrowding in the room and asked that the aisles be cleared, recommending that Council schedule an additional hearing as soon as possible to continue taking testimony.

Coun. Stuhr moved, seconded by Coun. Banzer, that another public hearing be conducted on June 23. Following discussion, a vote was taken on the motion. All Councilors present voting aye, the motion carried.

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In response to a question about the date, Mr. Gustafson explained that the purpose of the motion was to allow an opportunity to find an adequate place to hold the public hearing, and that there was no reason for a further delay. He then announced that the Fire Marshall had ordered that the aisles be cleared if the meeting was to continue. The Fire Marshall repeated the request.

Ms. Kafoury then reminded the participants of the June 23 meeting.

Mr. Donald H. Thom, 2317 S.E. 147th Ave., Portland, expressed his belief that inclusion of his property within the L.I.D. boundary violated ORS 268.310.

Ms. Debra Svatos, 14143 S.E. Steele, Portland, complained that the Council was dictating to citizens rather than involving them.

Mr. Marvin Harper, 17780 S. Anderson Rd., felt that his property was not affected by the flooding and should not be included in the L.I.D.

Mr. Sam Anderson, 1616 Federal Bldg., Portland, Administrative Assistant for Congressman Bob Duncan, reviewed historically the federal involvement in the Johnson Creek project, and warned that delay of the project at this point would mean the loss of federal funding.

Mr. Robert Hughes, 2987 S.E. 184th Pl., Gresham, felt that drainage from his property did not contribute to the problem and expressed dissatisfaction with the remonstrance procedure.

Mr. Henry C. Marty, 6421 S.E. 91st, Portland, felt that the Highway Department had contributed heavily to the problem and should help fund the project.

Ms. Margaret Horning, 13477 S.E. Bush, Portland, expressed strong support for the proposal.

Mr. Harold Westlund, 3252 S.E. 176th Pl., Portland, objected to the remonstrance procedure.

Mr. R. T. Howard, 9999 S.E. Frenchacres Dr., Portland, felt that the proposal should have appeared on the primary ballot and that a service district should have been formed.

Ms. Lillie Moore, 4001 S.E. Johnson Creek Blvd., Portland, felt that Eastmoreland should have been included in the L.I.D.

Mr. Leo Marsh, 2730 S.E. 159th, Portland, wondered about the relationship between the proposed Johnson Creek L.I.D. and the proposal to form a new city in East Multnomah County for the purpose of installing sewers. Presiding Officer Kafoury explained that that was a separate issue.

Mr. Robert F. Shepperd, 12730 N.E. Rose Pkwy., Portland, questioned the legality of assessing property at the higher rate contained in the second notice if that notice had not been received.

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Ms. Ruth Matheny, 6305 S.E. Clatsop, Portland, felt that runoff from her property did not go into Johnson Creek.

Mr. Dale Matheny, 6305 S.E. Clatsop, Portland, felt that the cost of the project should be borne by residents on Johnson Creek, and that the L.I.D. procedure was undemocratic.

Mr. Fred J. Hopp, 10355 S.E. Foster Road, Portland, supported the proposal, explaining that flooding of Johnson Creek forced closure of his business when the road was under water.

Mr. Ronald D. Porter, 8643 S.E. Orient Dr., Gresham, remarked that a lot of people wanted something done about Johnson Creek but objected to the L.I.D. procedure.

Ms. Charlotte Sanford, 4407 S.E. Howe St., Milwaukie, testified that they could not afford to pay additional taxes, and that their surface water did not contribute to the flooding.

Ms. Magdalen B. Fisher, 4229 S.E. 103rd, Portland, felt that people who chose to live on Johnson Creek should pay for the project.

Mr. Otto Knapp, 4402 S.E. Howe St., Milwaukie, believed the notification of property owners was inadequate.

Ms. Doris A. Barto, 4207 S.E. Corell, Milwaukie, felt that the issue should be put on the ballot. She suggested that notification be sent directly to property owners rather than mortgageholders, and be put in envelopes.

Mr. Harley J. Phelps, 9394 S.E. 42nd, Milwaukie, objected to the remonstrance process and felt that construction should never have been permitted on the floodplain.

Mr. John Vogl, 16410 S.E. Stephens Ct., Portland, felt the remonstrance procedure was unfair and objected to paying taxes to enhance property owned by someone else.

Mr. Glenn Sjodin, 15042 S.E. Grant, Portland, called for a special election to determine the issue.

Mr. George Kitzmiller, 5010 S.E. 113th, Portland, expressed opposition to Phase III of the proposal and wondered why people were permitted to build in a flood area.

Ms. Catherine Sohm, 7212 S.E. 17th Ave., Portland, spoke as President of the Sellwood/Moreland Improvement League. She suggested that people participate in or form neighborhood associations, remarking that her organization had been in touch with the proposal for over a year. While they took no formal action on the proposal because they were not directly involved, she felt the availability of federal funding for the project should not be overlooked.

Mr. Fred R. Fish, 7415 S.E. 86th Ave., Portland, opposed the project because he felt there was no future in it.

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Ms. Sylvia Zitek, 153 S.E. Roberts, Gresham, did not feel she should be taxed for someone else's benefit.

Ms. Neva Endicott, 10313 S.E. Reedway, Portland, commented that they had no knowledge of the flood area when they bought their property. She felt that people should be willing to give assistance to each other and remarked that it was more expensive to repeatedly clean up after the floods than it would be to fund the L.I.D.

Mr. Joseph J. Hartmann, 6235 S.E. Clatsop, Portland, felt that his drywells prevented his surface water from draining into the creek.

Mr. Jim Worthington, 640 N.E. 87th, Portland, felt that people should have taken advantage of previous opportunities to become involved in the Johnson Creek project, and urged participation in neighborhood associations.

Mr. Frank Fleck, 7507 S.E. 105th, Portland, believed that most of the properties within the L.I.D. boundary were not affected by the creek, and complained that the process was undemocratic.

Mr. Roger Fisher, 2020 S.W. Eastwood, Gresham, thought the project should be paid for by those who benefited from and contributed to the problem, and complained that citizen involvement had been inadequate.

Mr. Jim Heim, 13010 S.E. Salmon St., Portland, stated that the entire project had been bungled and should be put on the ballot.

Mr. Gomes, 9241 S.E. Boise, Portland, suggested that the taxation should be based on the amount of acreage owned rather than the assessed value, and spoke against the proposal.

Mr. John C. Freeman, 15010 S.E. McLoughlin, Milwaukie, read a letter he had delivered to Mr. Gustafson on behalf of the North Clackamas Chamber of Commerce, expressing their opposition to the program.

Mr. Howard Willits, 11848 S.E. Powell, Portland, said that if he was part of the problem he wanted and needed to be a part of the solution.

Mr. Chuck Knutson, 10344 S.E. Yukon, suggested that Council make a motion to hold another public hearing on July 23.

Presiding Officer Kafoury remarked that the meeting had gone past the time for adjournment and noted the necessity that the building be closed. She reminded those present that a motion to continue the meeting to June 23rd had been made and passed.

Coun. Banzer moved, seconded by Coun. Kirkpatrick, that the public hearing be continued to Thursday, June 26, at a place where a larger number of people could be accommodated; that the deadline for remonstrances be extended to June 23; and that persons in the district be notified of the time and place of the meeting both personally and through all available media.

Metro Council
Minutes of June 16, 1980

A vote was taken on the motion. All Councilors present voting aye, the motion carried. The meeting was thereupon adjourned until 7:00 p.m. on Thursday, June 26, 1980, at a place to be announced.

Respectfully submitted,

Cynthia M. Wichmann
Cynthia Wichmann
Clerk of the Council

A G E N D A M A N A G E M E N T S U M M A R Y

TO: Metro Council
 FROM: Executive Officer
 SUBJECT: Housing Goals and Objectives

I. RECOMMENDATIONS:

- A. ACTION REQUESTED: First reading of Ordinance No. 80-98 adopting Housing Goals and Objectives.
- B. POLICY IMPACT: Adoption of Housing Goals and Objectives would replace previous housing goals, objectives and policies developed by CRAG.
- C. BUDGET IMPACT: No budget impacts are anticipated for FY 1980. Budget impacts for FY 1981 are incorporated in the Metro budget as approved June 26, 1980. Adoption of the Housing Goals and Objectives will be followed by public discussion and subsequent Council determinations as to appropriate implementation options. The outcome of that process would begin to have budget impacts in FY 1982, but their exact nature or magnitude will depend upon the results of the pending discussions and determinations.

II. ANALYSIS:

- A. BACKGROUND: Metro's involvement in housing stems largely from the fact that housing issues are areawide in scope, i.e., consumers obtain housing in a market that is metropolitanwide. Realization of this has led to decisions such as LCDC's Seaman v. Durham case in which the need for areawide housing planning by an agency such as CRAG or Metro is stressed. In addition, the establishment by Metro of an Urban Growth Boundary has caused some concerns as to how the housing requirements of a growing population can be met within the confines of such a Boundary. Housing Policy Alternatives Committee (HPAC) conducted extensive deliberations on such issues before reaching the conclusions and proposals incorporated in the accompanying Goals and Objectives. An attached memorandum (Exhibit A) regarding Housing Goals and Objectives, Background and Public Involvement, provides more detailed information.

In response to comments of the Regional Planning Committee and Legal Counsel, the following changes have been made in the original Discussion Draft submitted by HPAC in April, 1980.

- 1. The term "Objectives" is used in place of "Policies."

2. All Goals have been renumbered consecutively.
3. Sections entitled "Clarification of Key Concepts" and "Implementation" have been added to the INTRODUCTION AND BACKGROUND.
4. Definitions have been added for the following terms: "ensure," "goal," "multiple family," "objective," "single family," "standard," "strategy," "tactic" and "target."
5. Clarifying language has been added to the INTRODUCTION AND BACKGROUND concerning "Relationship to Other Metro Goals and Objectives and LCDC Goal #10 (Housing)."
6. A new Goal and related Objectives addressing the issue of environmental quality in higher density housing has been added under NEW HOUSING. Supporting assumptions for this addition have also been added.
7. A Supplement (Exhibit B) has been prepared that explains "Possible Implementation Options" and "Use in the Review of Local Comprehensive Plan."

B. **ALTERNATIVES CONSIDERED:** A number of alternatives were considered by HPAC before making its recommendations. At the outset, CRAG's Initial Housing Policies, previous staff and Council reviews of housing issues, and staff papers on goals and objectives were available to HPAC. A Task Force of HPAC was created to draft entirely new goal statements and redraft previous policy statements to support the recommended goals. These all involved numerous alternative versions prior to final approval of the full document.

Review of the HPAC Discussion Draft document by the Regional Planning Committee on June 9, 1980, resulted in changes or alternatives that have been incorporated into an "Amended Discussion Draft" as noted above. Other changes or alternatives were presented in testimony received at the public hearing held jointly by the Regional Planning Committee and HPAC on June 17, 1980. These additional changes or alternatives are described in summaries of oral testimony and written comments (Exhibit C attached herewith), but no determination as to their incorporation into the document has been made.

C. **CONCLUSION:** HPAC completed preparation of Metro Housing Goals and Policies in Discussion Draft form. These have been reviewed by the Regional Planning Committee (June 9), presented to local jurisdiction representatives (June 12), and comments received in a public hearing (June 17). Legal Counsel has recommended the document be retitled,

First reading of Ordinance No. 80-98 adopting Metro Housing Goals and Objectives (Exhibit D) should proceed based on an Amended Discussion Draft, attached herewith, that incorporates changes requested by the Regional Planning Committee and Legal Counsel. (NOTE: Copies of Exhibit D may be obtained from the Clerk of the Council.)

HB:bk
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7/3/80



METROPOLITAN SERVICE DISTRICT
527 SW. HALL ST., PORTLAND, OR. 97201, 503/221-1646

EXHIBIT A

MEMORANDUM

Date: June 26, 1980
To: Council
From: Executive Officer
Regarding: Housing Goals and Objectives Background and Public Involvement

The following narrative explains the background and public involvement basis for adoption of the Metro Housing Goals and Objectives:

1. Metro has the statutory authority to adopt land use goals and objectives pursuant to ORS 268 provided they are "consistent" with Statewide Goals and Guidelines adopted by LCDC in accordance with ORS 197.005 to 197.430.
2. LCDC Opinion and Order No. 77-025 (Seaman v. City of Durham, April 18, 1978) indicates that Metro is expected by LCDC to coordinate and aid local jurisdictions in their efforts to define the meaning and application of Statewide Housing Goal #10 within the Portland metropolitan area.
3. Subsequent clarifying correspondence (W. J. Kvarsten to Denton U. Kent, November 21, 1978) indicates that LCDC further "expects the planning coordination body of the CRAG/MSD area to provide local jurisdictions with a fair-share housing allocation for both assisted and nonassisted (i.e., market-level) housing." Both LCDC Goal #2 and Goal #10 are cited as the reasons for this expectation.
4. The responsibilities specified in both the Seaman v. City of Durham case and subsequent clarifying correspondence can best be accomplished if Metro has adopted, under its Goals and Objectives authority: (a) statements of regional housing ideals, or desired ends or conditions; and (b) statements of specific aims or ends towards which Metro and Metro area local jurisdictions will direct their efforts in reaching the stated goals.
5. The substance of the Discussion Draft document recommended by the HPAC is intended to provide: (a) a basis for Metro to prepare and adopt (as further objectives or as a functional plan) a regional market-level housing allocation plan responsive to regional needs and LCDC expectations; (b) a basis for

the review by Metro of local comprehensive plans for compliance with Goal #10 in post-acknowledgment reviews or plans submitted for acknowledgment after June 30, 1981 (or another similar specific date); and (c) a basis for Metro to undertake other housing-related initiatives to accomplish the ends and aims set forth.

6. The major regional issues addressed in the document are: (a) the high cost of housing and what Metro and Metro area local jurisdictions can do to moderate its continued rise, including the provision of sufficient and appropriate land to avoid shortages within the Metro UGB; (b) the extent to which less expensive housing opportunities may be geographically restricted and what Metro and Metro area local jurisdictions can do to ensure that such opportunities (in market-level as well as publicly assisted housing) are more evenly or fairly distributed; and (c) the importance of achieving regional housing patterns that are environmentally of the highest possible quality, take maximum advantage of major capital investments (e.g., transit, sewers, parks, etc.) and are energy efficient.

7. Metro's Housing Policy Alternatives Committee (HPAC) has conducted extensive deliberations since October, 1979, concerning factual findings and assumptions appropriate for drafting such statements of desired ends and aims. Their deliberations began in December, 1979, culminating in the full HPAC's approval in April, 1980, of the document entitled "Discussion Draft, Metro Housing Goals and Policies."

8. The recommendations of HPAC were first reported to the Metro Council's Regional Planning Committee on May 5, 1980, and discussed by that Committee on June 9, 1980. Metro area local jurisdictions representatives were briefed on the Discussion Draft at a meeting at the Metro office on June 12, 1980; a public hearing, sponsored jointly by the Regional Planning Committee and HPAC was held on June 17, 1980, to receive testimony on the Discussion Draft. Notification concerning the public hearing was accomplished by notices to media, to local jurisdiction representatives and representatives of citizen involvement organizations.

9. Certain additions to the Discussion Draft were approved at the Regional Planning Committee's June 9 meeting which are described in a Memorandum ("Additions to the Discussion Draft, Metro Housing Goals and Policies") dated June 11. These have been incorporated into the document before the Metro Council for first reading.

Memorandum
June 26, 1980
Page 3

10. The above Memorandum also includes descriptions of various implementation options potentially available to Metro, which is provided only as general information and not as an indication of Metro commitment to do them (unless such a commitment already in fact exists). These have been incorporated into a Supplement to the Goals and Objectives document.

11. The above Memorandum also includes a description of how the Goals and Objectives would be used in the review of local jurisdiction plans. This material specifies what Metro must do before the Goals and Objectives become requirements for local plans to ensure a clear understanding as to how local plans will be affected by the adoption of the Housing Goals and Objectives. This material has also been incorporated into a Supplement to the Goals and Objectives document.

HB/gl
8629/D4

Attachments

EXHIBIT B

METRO HOUSING GOALS AND OBJECTIVES SUPPLEMENT

POSSIBLE IMPLEMENTATION OPTIONS

and

USE IN REVIEW OF LOCAL COMPREHENSIVE PLANS

July, 1980

POSSIBLE IMPLEMENTATION OPTIONS

Decisions regarding the most appropriate implementation methods for Metro to carry out the Housing Goals and Objectives remain to be made. This Supplement describes possible options available to Metro as a basis for discussion. In general, they involve three types of activities:

1. Adoption of further regional objectives, plans or programs that are or include specific standards, proposals or other measures that translate goals and objectives into action. Examples of this type are performance standards adopted as objectives and used in plan review; a market-level housing allocation plan; Metro's Areawide Housing Opportunity Plan; and a regional capital improvement program.
2. Involvement by Metro in services, projects or other direct actions that carry out objectives. Technical or financial assistance, legislative involvement, and demonstration projects are typical activities of this type.
3. Review, comment and changes required concerning local comprehensive plans, and programs or projects receiving federal assistance. LCDC acknowledgment reviews and A-95 Reviews are typical review and comment activities.

Brief descriptions of a number of such implementation options (not necessarily all-inclusive) are included below. Where marked by an asterisk (*) the activity is substantially or in part a Metro commitment already. In other cases, no decision has been made to commit Metro to undertake the activity.

1. Regional Objectives, Plans or Programs

- * Market-Level Housing Allocation Plan -- Preparation of a regional plan and strategies to achieve the expansion and dispersal of the market supply of rental, lower and least cost housing. In concept, the plan and its strategies will include the identification of problems by submarket areas, criteria for local plan evaluation, targets that quantify desired local and Metro aims, and incentives to attain them. The plan will consider existing and planned public services, transit facilities, job opportunities as well as vacant land, fiscal capacities, conservation of existing housing and low-income and minority concentrations. Analysis and adjustment of the relationships between housing goals and other Statewide Goals, particularly Goal #5 (Open Space), Goal #7 (Natural Hazards), Goal #8 (Recreation), Goal #9 (Economy), Goal #11 (Public Facilities) and Goal #12 (Transportation) will be of major importance.

- * Areawide Housing Opportunity Plan (AHOP) -- Adopted in March, 1979, the AHOP constitutes the Metro allocation plan for assisted (i.e., non-market) housing. Participation by local jurisdictions in the AHOP is considered equivalent to consistency with Metro policies on assisted and fair housing. Metro is monitoring housing proposals receiving federal housing assistance in relation to AHOP site location criteria (through the A-95 Review process); funding and production of assisted housing will also be monitored (beginning October, 1980) for consistency with the three-year goals set by the AHOP. Amending and updating the AHOP will be done as necessary.
- * Regional Capital Improvement Plan -- This activity is designed to prioritize capital improvement needs within the Metro area, and to develop the capability to assist local governments in the planning and finance of capital improvements. Areas within the UGB where infrastructure inadequacy is a major obstacle to the availability of residential land would be given special attention. The plan will include criteria for evaluating local plans, quantification of local and Metro aims, and incentives to attain them.

2. Direct Metro Services

Technical Assistance (Model Regulations) -- This activity includes establishing Metro criteria defining "excessive local administrative procedures, fees, regulations and growth management strategies." In the context of these criteria, technical assistance would be provided to cities and counties to help them improve and streamline their housing regulatory systems. This activity would include research of housing regulation methods as a basis for drafting model ordinances. Assistance to local governments in adopting model ordinances would be provided.

Technical Assistance (Urban Infill/Land Banking) -- Provide technical assistance to the private sector in locating, assembling and developing by-passed urban residential sites. This activity would provide information on the location and availability of such sites, as well as research necessary to maintain such a data file. A Metro-sponsored "land banking" program, implemented through a non-profit development corporation, would be a further extension of this activity.

Technical Assistance (Historic Designation) -- Provide technical assistance to the private sector or local jurisdictions to document and submit applications for historic landmark designations to the State of Oregon's Historic Preservation Office. Finding qualified persons familiar with landmark designation requirements and procedures, referring them to potential applicants and monitoring progress, would probably be the extent of Metro involvement.

- * Land Monitoring System -- Maintain data on the quantity and quality of urban vacant land, the rate of vacant land conversion, the price at which vacant land is being supplied to the market and the price effect of the Urban Growth Boundary (UGB) and other public policies. This activity includes the annual updating of the Metro land use inventory, highlighting in particular the changes in land use. The data and its analysis will be used to evaluate requests to change the UGB and other Metro land use ordinances and to evaluate continuously the need to amend the UGB.

Condominium Conversion Strategy -- Develop background analysis of condominium conversion activity in the Metro area, and prepare an areawide strategy to ensure that conversion of existing rentals meets minimum criteria. This activity could include preparation of a model implementing ordinance for use by local government, or if considered necessary and appropriate, direct adoption and enforcement by Metro.

- * AHOP Outreach Activities -- These activities encompass the preparation and dissemination of informational material helpful to potential recipients of housing assistance. Sponsorship by Metro of workshops in minority neighborhoods, or to assist developer/builders to undertake assisted projects, or involvement in housing counseling and referral through cooperative efforts with public and private agencies typify this implementation alternative.

Legislative Proposals -- Liaison with legislative committees and legislators may be necessary to achieve implementation of some policy commitments. An effective voice in the legislative process, under these circumstances, would be an important implementing tool. One such proposal could involve the investigation of property tax procedures that interfere with the availability of buildable land within the Urban Growth Boundary. Farm Tax Referrals, for example, are a questionable public policy when placed on lands that have been designated for urban use. The nature and extent of such problems would be surveyed and alternate legislative proposals drafted as appropriate.

Finance Assistance -- This implementation alternative concerns the direct involvement of Metro in housing finance, much as the state of Oregon plays a significant role in securing housing mortgage money for the State's low income persons and veterans. Such an approach to implementing housing policies should be preceded by a careful investigation as to its feasibility and, if feasible, what form such a program might best take.

- * Joint Development -- Where major capital improvements are being installed, Metro could investigate and implement ways to take maximum advantage of such improvements by supportive joint land use patterns. Capital improvements such as transit stations or sewer facilities would be analyzed to determine how they affect

development, re-development or conservation of neighborhoods and proposals promoted to reinforce the link between the capital improvements and related development activity.

Demonstration Projects -- This activity involves projects to demonstrate the feasibility of innovative ways to reduce housing costs through site planning, construction techniques and/or changes in government regulatory approaches. A project to demonstrate the advantages of "optimum value engineering" through an exhibit, or demonstrations of how regulatory procedures can affect housing costs, exemplify this implementation alternative. Other demonstration projects would be oriented to demonstrations of how land use patterns can be modified to achieve energy conservation or air quality improvements.

3. Metro Review and Comment

- * A-95 Review -- Review of local government or private sector requests for federal grant assistance in housing or housing-related programs or projects. Proposals for such assistance are reviewed for consistency with adopted regional policies, plans, etc. This include activities necessary to resolve inconsistencies, but normally it does not involve an appeals process.
- * Plan Review -- Review of local comprehensive plans, ordinances and land use actions for consistency with regional housing policies. This implementation alternative includes activities necessary to resolve inconsistencies between local plans and regional policies, i.e., accomplishing changes in either, as well as making appeals to the State Land Use Board of Appeals. Local plan/regional policy consistency will be guided by: (1) local jurisdiction inclusion of policies paralleling regional policies in their plans; or (2) criteria adopted by Metro for plan review purposes.

TC:ss
7144/117

USE IN REVIEW OF LOCAL COMPREHENSIVE PLANS

How regional goals and objectives affect local jurisdictions is a matter of sufficient importance and interest to justify a separate and detailed discussion. This is particularly true because Metro has the statutory capacity to require changes in local comprehensive plans to achieve consistency with regional objectives. In the case of some housing objectives, consistency could be achieved relatively simply by local jurisdiction adoption of a policy paralleling the Metro objective. In other cases, standards are necessary to determine specifically what constitutes "consistency." The use of regional objectives for plan review purposes must also be conducted in the context of previous agreement between LCDC, Metro and local jurisdictions as to the scheduling of local plan "re-openings" i.e., the time subsequent to plan acknowledgment when local plans became reviewable and changes can be considered.

Where plan review is an important means of implementation, certain actions will be necessary to define consistency between local plans and Metro Goals and Objectives. These are:

1. Adoption by Metro of a requirement that objectives be incorporated directly into local comprehensive plans at "re-opening" or in plans submitted for acknowledgment after _____ 1981. Additionally, if performance standards are necessary to define consistency, one of the following actions will also be taken.
2. Adoption by Metro of a Market-Level Housing Allocation plan (in addition to the already-adopted-Areawide Housing Opportunity Plan) with performance standards sufficient to define local plan consistency with Metro objectives.
3. Adoption by Metro of a regional capital improvement plan with performance standards sufficient to define local plan consistency with Metro objectives.
4. Adoption by Metro of performance standards concerning "excessive local requirements" sufficient to define local plan consistency with Metro objectives.

Where objectives are implementable directly through incorporation in local plans, only action #1 above is necessary. In other cases, where regional criteria are needed, action #1 must be accompanied by actions #2, or #3, or #4.

The regional housing goals and objectives will not become requirements for local comprehensive plans unless and until the appropriate actions occur. The following tables summarize which of the above actions would be appropriate to establish local plan/regional policy consistency for the various housing objectives. Where other (i.e., non-plan review) implementation means are appropriate, they are so noted.

LAND SUPPLY
GOALS AND POLICIES

1. Local Adoption
2. Metro Allocation Plans
3. Metro Capital Improvement Plan(s)
4. Metro Standards defining "excessive requirements"
5. Other Implementation Measures

1. Buildable Land					
A. Adequate Supply			●		
B. Estimates of Need					● LM
C. Tax Measures					● LP
2. Distribution & Efficient Use					
A. Market-Level Allocation		●			● JD
B. Efficient Land Use		●			● JD/JA
3. Coordination					
A. Regional Agencies			●		● DP/A
B. Local Jurisdictions		●			

- LM -- Land Monitoring System
 LP -- Legislation Proposals
 DP -- Demonstration Projects
 JD -- Joint Development
 TA -- Technical Assistance (Urban Infill/Land Banking)
 A -- A-95 Review

**AFFORDABLE HOUSING
GOALS AND POLICIES**

- 1. Local Adoption
- 2. Metro Allocation Plans
- 3. Metro Capital Plan(s)
- 4. Metro Standards Improvement "excessive requirements"
- 5. Other Implementation Measures

<p>4. Distribution of Lower Cost Housing</p> <p>A. Location, Type & Density</p> <p>B. Eliminate Policies Violating Goal 10</p> <p>C. Equitable Allocation</p> <p>D. Owner/Renter Opportunities</p> <p>E. Location of Low Cost Housing</p>		<p>●</p> <p>●</p> <p>●</p> <p>●</p> <p>●</p>			
<p>5. Least Cost Approach</p> <p>A. Measures to Reduce Housing Cost</p>	<p>●</p>			<p>●</p>	<p>● TA/LP/DP</p>
<p>6. Supply of Rental Housing</p> <p>A. Diverse Rental Opportunities</p> <p>B. Retaining Existing Multi-Family Housing</p>	<p>●</p> <p>●</p>				<p>● CC/FA/LP</p> <p>● CC/FA/LP</p>
<p>7. Lower Cost Market Housing</p> <p>A. Innovation & Incentives to Reduce Costs</p> <p>B. Financing Innovations</p>	<p>●</p>		<p>●</p>		<p>● TA/DP</p> <p>● FA/LP</p>

TA -- Technical Assistance (Model Regulations)
 DP -- Demonstration Projects
 FA -- Finance Assistance
 CC -- Condominium Conversion Strategy
 LP -- Legislative Proposals

NEW HOUSING
GOALS AND POLICIES

- 1. Local Adoption
- 2. Metro Allocation Plans
- 3. Metro Capital Improvement Plan(s)
- 4. Metro Standards defining "excessive requirements"
- 5. Other Implementational Measures

8. Housing for New Households					
A. Supply Adequate to Avoid Adverse Impacts		●	●		● LM/FA
B. Excessive Administrative Requirements				●	● TA
9. Diversity & Distribution					
A. Equitable Allocation		●			
B. Owner/Renter Opportunities		●			
10. Coordination					
A. Timing of Public Services			●		● LP/JD
11. Energy Efficiency					
A. Local Governments to Encourage Innovation	●				
B. Cost-Effective Energy Codes					● TA/LP
C. Innovative Conservation Techniques					● DP/FA
12. Quality Living Environment in Higher Density Housing					
A. Standards to Minimize Noise					● TA
B. Encourage Housing with Privacy and Space					● TA/DP

- JD -- Joint Development
- LM -- Land Monitoring System
- TA -- Technical Assistance (Model Regulations)
- LP -- Legislative Proposals
- DP -- Demonstration Projects
- FA -- Financial Assistance

EXISTING HOUSING
GOALS AND POLICIES

- 1. Local Adoption
- 2. Metro Allocation Plans
- 3. Metro Capital Improvement Plan(s)
- 4. Metro Standards defining "excessive requirements"
- 5. Other Implementation Measures

13. Supply of Existing Housing					
A. Conserve & Maintain	●				● TA/LP
B. Retain Multi-Family Rentals	●				● TA/CC/FA
14. Maintenance of Existing Housing					
A. Cost-Effective Improvements In Sanitation and Weatherization	●				● TA
B. Emphasize Minor Repair	●				● TA
C. State & Federal Policies					● LP
15. Rehabilitation					
A. Local Rehab. Policies & Program	●				● TA
B. Metro Assistance					● FA
C. Innovative Financing					● FA
D. Coordination of Rehab. Agencies	●				
16. Historic Preservation					
A. Identification	●				● TA
B. Innovative Financing					● FA/LP

- LP -- Legislative Proposals
- FA -- Financial Assistance
- TA -- Technical Assistance (Model Regulations or Historic Designation)
- CC -- Condominium Conversion Strategy

ASSISTED HOUSING
GOALS AND POLICIES

- 1. Local Adoption
- 2. Metro Allocation Plans
- 3. Metro Capital Improve Plan(s)
- 4. Metro Standards defining "excessive requirements"
- 5. Other Implementation Measures

17. Maximize Assistance					
A. Monitor Needs		●			
B. Establish Goals		●			
C. Assist Housing Agencies					● OR/LP/JD
18. New Resources & Incentives					
A. Innovation & Incentives to Reduce Costs					● FA/DP/TA/LP
19. Equitable Distribution Among Jurisdictions					
A. Establish Distributional Goals		●			
B. Eliminate Policies Violating Goal 10		●			
20. Equitable Distribution Among Recipients					
A. Local Housing Assistance Plans		●			● A/OR
21. Dispersal vs. Accessibility					
A. Coordination of Housing Agencies		●			● A
B. Participation of Occupants					● A/OR
C. Location of Assisted Housing	●				● A

OR -- Outreach Activities of the Areawide Housing Opportunity Plan (AHOP)

FA -- Financial Assistance

DP -- Demonstration Projects

TA -- Technical Assistance (Model Regulations or Urban Infill/Land Banking)

A -- A-95 Review

JD -- Joint Development

FAIR HOUSING
GOALS AND POLICIES

- 1. Local Adoption
- 2. Metro Allocation Plans
- 3. Metro Capital Improvement Plan(s)
- 4. Metro Standards defining "excessive requirements"
- 5. Other Implementation Measures

	1.	2.	3.	4.	5.
22. Access to Housing					
A. Plans to Include Reasonable Opportunity for All		●			
B. Metro to Assist Agencies Engaged in Fair Housing Programs					● OR/TA
C. Increase Choice for Special Need Groups & Minorities	●				
D. Increase Awareness of Assistance Programs					● OR
E. Increase Awareness of Housing Needs					● OR
F. Improve Acceptance of Special Need Groups & Minorities	●				● TA
G. Location of Assisted Housing		●			
H. Dispersal of Family Assist. With Concentration of Elderly Assistance		●			

OR -- Outreach Activities of the Areawide Housing Opportunity Plan (AHOP)
TA -- Technical Assistance (Model Regulations)



METROPOLITAN SERVICE DISTRICT
527 SW. HALL ST., PORTLAND, OR. 97201, 503/221-1646

EXHIBIT C

MEMORANDUM

Date: June 26, 1980
To: Metro Council
From: Metro Housing Staff
Regarding: Housing Goals and Policies - Public Hearing
Testimony Summary - June 17, 1980

The public hearing was called to order by Housing Policy Alternatives Committee Chairman Burton Weast at 7:03 p.m.

Following are summaries of testimony given by persons testifying at the public hearing:

1. Sumner Sharp, 2352 NW Marshall, Chairman, Housing Committee, Metro Human Relations Commission (MHRC).

Housing goals and policies should deal with three key things: (1) production of housing; (2) conservation of existing housing stock; and (3) equitability. The Metro Goals and Policies as proposed, do address each of these and are thus steps in the right direction.

Fair Housing goals and policies are supported by Metropolitan Human Relations Commission (MHRC). Goals and policies regarding Fair Housing should stress involvement of the private sector and include a statement regarding discrimination against children in housing. Jurisdictions have the responsibility to accept their fair share of growth (housing) in the future. If this does not occur, sanctions should be used against them, such as the use of negative A-95 Reviews.

Energy issues are important, especially mandatory weatherization on a regional basis. To be effective, goals and policies must be implemented through strategies that include capital improvement programming and use of regional bonding for sewers.

Suggested looking into establishment of a Regional Housing Council for Fair-Share Housing.

2. Robert H. Glascock, 510 NW 23rd #5, Representing the Portland Gray Panthers, 1819 NW Everett, Portland. (Written submittal attached.)

The Gray Panthers believe that there should be housing available for all people, at prices they can afford, in locations that meet their needs and lifestyles.

Particular concern was expressed that affordable rental housing be available in the metropolitan area for low and moderate-income persons, the elderly, handicapped and families with children. The Housing Policy Alternatives Committee has done a good job in drafting the proposed Goals and Policies and has dealt with many of the issues that concern the Gray Panthers. Strong support was expressed for the Affordable Housing Goal #2. The Gray Panthers have advocated policies that ensure comprehensive plans contain opportunities for lower cost housing in a variety of locations, not limited to high traffic areas (e.g., Affordable Housing Goal #1, Policy e and Assisted Housing Goal #5, Policy c). Strong support was expressed for the policy to retain the existing multi-family rental housing stock (Affordable Housing Goal #3, Policy b). Existing multi-family rental housing is about the only housing that is affordable for low and moderate-income persons. New housing cannot be built without subsidies, or tax breaks, at rent levels that low and moderate-income people can afford.

The Gray Panthers ask that Metro maintain, and even strengthen, its commitment to lower-cost housing, especially rental housing in a variety of locations, by adopting the Metro Housing Goals and Policies.

3. Mr. Duncan Brown, Representing Multnomah County, Division of Planning and Development, Department of Environmental Services, 2115 SE Morrison, Portland. (Written submittal attached.)

Proposed Metro Housing Goals and Policies represent a major commitment to housing related issues on a regional basis. The proposed Goals and Policies appear to go far beyond LCDC Goal #10 requirements and will result in a potential reduction of local flexibility as to residential use and density control, while failing to ensure affordable housing.

Three main problems are summarized as:

- a. Use of the word "choice" was objected to -- substitute instead the word "flexibility." If enforced as written, the Goals and Policies will limit a local jurisdiction's ability to provide housing in a manner consistent with their desired character.

- b. Use of word "ensure" was objected to. Commits Metro and possibly local jurisdictions to a variety of actions which may be economically, politically or legally undesirable to implement.
- c. Reservations were expressed about some of the suggested implementation strategies of the Housing Goals and Policies. These mainly concerned:
 - (1) Market level allocation plan (need by housing type cannot be quantified and, therefore, an allocation by type is not feasible).
 - (2) Ownership/tenure controls (condominium conversion question has not been sufficiently researched to impose controls).

Mark Greenfield commented that in LCDC's document entitled, Housing Planning in Oregon, "flexibility" means choice. He also referred to the Section in the June 9, memorandum regarding additions to the draft Goals and Policies which explained their use in reviewing local comprehensive plans.

Mr. Brown indicated that an allocation plan based on need by housing type is unreasonable and that need by cost is more feasible.

Councilor Gene Peterson asked Mr. Brown for alternative language to the specific questions raised. Mr. Brown indicated he would attempt to get some alternative language drafted as soon as possible.

- 4. Tom Dennehy, 16421 NE Holladay St., Portland, 97230.
(Written submittal attached.)

Mr. Dennehy explained to the Committee that the Goals and Policies revealed the heavy hand of the government on citizens. He asked: Where do I go to lay blame if I don't like something in the Goals and Policies?

He raised questions about Existing Housing Goal #2, Policy a. and how it can be ensured. He recommended its deletion. In Fair Housing Goal #1, he indicated the words "sexual preference" ought to be deleted. He distributed an article entitled, "Political Economy," by Paul Craig Roberts, Wall Street Journal, Thursday 12, 1979 (Attached).

Mr. Dennehy read a quotation by Justice Brandeis:
"Experience should teach us to be most on our guard to

Memorandum
June 26, 1980
Page 4

protect liberty when the government's purposes are beneficent...." The government no longer has respect for private property. The free enterprise system should be left alone. Recommended that the word "ensure" be changed to "encourage."

Councilor Cindy Banzer suggested that a paragraph be placed in the forthcoming newsletter about the Goals and Policies and schedule for adoption.

5. Anita Gluck, 4420 SE 64th, Portland, Oregon.

Ms. Gluck believes Metro needs to move ahead on the Housing Goals and Policies now. She noted that the Goals and Policies are responsive to real housing problems in the region, e.g., access to and affordability of housing. In explaining the Goals and Policies, she thought it would be helpful to put more emphasis on the link between them and the problems they address.

The public hearing was closed at 9:05 p.m.

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To: METRO Regional Planning Committee
Housing Policy Alternatives Committee

June 17, 1980

From: Portland Gray Panthers Housing Task Force

We thank you for the opportunity to speak on the proposed METRO Housing Goals and Policies. Our comments will be brief, and consistent with our general positions on housing issues, since we have not had time to get specific comments from the Gray Panther membership.

The Gray Panthers believe that there should be housing available for all people, at prices they can afford, in locations that meet their needs, and in enough styles and types to meet today's diverse lifestyles. We are particularly concerned that affordable rental housing be available in the metropolitan area for persons with special housing needs--the low and moderate income, the elderly, handicapped persons, and families with children.

We believe that the Housing Policy Alternatives Committee has done a good job in drafting the proposed goals and policies. The Committee has dealt with many of the issues that concern the Gray Panthers. We are especially supportive of the section on Affordable Housing. We have consistently advocated policies that ensure that comprehensive plans contain opportunities for lower cost housing in a variety of locations, not limited to high traffic areas. (Affordable Housing, goal 1, policy e; Assisted Housing, goal 5, policy c) We also support the policy to retain the existing multiple family rental housing stock. (Affordable Housing, goal 3, policy b) Existing multifamily rental housing is just about the only housing that is still affordable by persons of low and moderate income. New housing can't be built without subsidies, or tax breaks, at rent levels that low and moderate income people can afford.

We ask that you maintain, and even strengthen, your commitment to lower cost housing, especially rental housing in a variety of locations, by adopting the METRO Housing Goals and Policies.



Portland Gray Panthers
1819 NW Everett, Portland, OR 97209
224-5190



MULTNOMAH COUNTY OREGON

DIVISION OF PLANNING AND DEVELOPMENT
2115 S.E. MORRISON
PORTLAND, OREGON 97214
(503) 248-3591

DONALD E. CLARK
COUNTY EXECUTIVE

June 17, 1980

Metropolitan Service District Council
527 S. W. Hall Street
Portland, Oregon 97201

Gentlemen:

The proposed METRO Housing Goals and Policies represent a major commitment to deal with housing related issues on a regional basis. This philosophy is a long awaited, logical step in regional planning which Multnomah County Division of Planning and Development strongly supports. However, it appears that the proposed goals and policies, which go far beyond LCDC Goal 10 requirements, will result in a potential reduction of local flexibility as to residential use and density control, while failing to ensure affordable housing. Additionally, proposed goals and policies point toward implementation measures which are quantifiable, but are based upon facts which are inaccurate, biased, and statistically incompatible with each other.

There is a distinct change of direction from LCDC Goal 10 in the substitution of "choice" for "flexibility", such as in the Land Supply "Goal 2" (p. 8), New Housing "Goal 2" (p. 24), and Fair Housing "Policy a" (p. 52). This wording, if enforced, will limit a local jurisdiction's ability to provide housing in a manner consistent with their desired character. It substitutes a performance oriented goal with a dictatorial one.

Use of the word "ensure" commits METRO, and possibly local jurisdictions, to a variety of actions which may be economically, politically, or legally undesirable to implement. Specifically, land supply policies tie METRO to "...ensure cities and counties...maintain an adequate supply of serviced land", "...ensure...increased density, urban infill...", and "...ensure coordination...". The first is the function of service districts, the second, local land use designation and private sector action, and the third is not possible; total coordination cannot be guaranteed, only encouraged.

Affordable housing policies also invite METRO to implement measures which are traditionally carried out by the private sector or local governmental jurisdictions, such as "...ensure the availability of adequate numbers of owned and rented housing units...", and "...allocation of market level housing which ensures equitable ownership and rental opportunities...".

New Housing also commits METRO to ensuring that "...public facilities planning provides for appropriate services...", but fails to recognize potential fiscal problems of local jurisdictions, or appears to transfer financial responsibilities to a regional level.

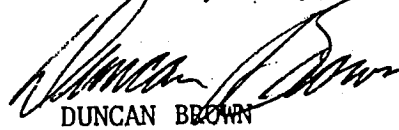
Suggested implementation measures cover a variety of activities. The two areas that Multnomah County is most concerned with are those of a Market Level Housing Allocation and ownership/tenure controls.

Market level housing allocation must be based upon a quantified need. The facts and assumptions point to trends and problems related to housing, but are biased, inaccurate, incompatible with each other, or not well enough defined. This data is not sufficient to develop a quantified need; in fact, need by structure type cannot be quantified, especially in long term planning, as was successfully argued by Multnomah County before LCDC in the recent goal compliance proceedings.

The ownership/tenure question is one briefly touched upon under the Affordable Housing policies relating to condominium conversion. However, this only refers to a symptom of housing affordability, and does not thoroughly address the issue of owner and renter status and trends. Much more research needs to be done in this area, especially related to potential impacts on all housing, before control measures are imposed.

In summary, it is felt that the goals and policies proposed for adoption by METRO must be more closely tied to implementation measures, and more solidly backed up by facts in order to be effective. The intent and direction must be more clearly stated for local jurisdictions to understand their responsibilities and alternative courses of action.

Yours very truly,



DUNCAN BROWN
Associate Planner

DB:im

REFLECTIONS ON GOVERNMENT INTERVENTION

Experience should teach us to be most on our guard to protect liberty when the Government's purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well-meaning but without understanding.

-Justice Brandeis in his dissent
in Olmstead v. United States,
277 US 438,479 (October term, 1927)

THE WALL STREET JOURNAL.
THURSDAY, JULY 12, 1979

Political Economy

— By Paul Craig Roberts —

The Swiss Constitution

For six years now an international group of scholars has been gathering in Interlaken, Switzerland, for a week of discussion and debate. The occasion is the Seminar on Analysis and Ideology organized by Professor Karl Brunner.

The participants represent different disciplines and diverse viewpoints, but over the years certain themes have emerged. One is that people in government do not behave differently from people in business firms and labor unions. Whether in public or private capacity, people act (mainly) in their own self-interest. The important difference is that the self-interested behavior of business firms and labor unions is clear to all concerned and thus subject to constraints, whereas the self-interested behavior of government operates behind the veil of "public interest" and thus is encumbered with fewer restraints.

The 20th Century has been a marvelous era for government and the "new class" that runs the enterprise. Everywhere except in Switzerland, that is. There government has been severely constrained by the Swiss constitution. Chafing at this constraint, the Swiss new class feels as left out as the child who is brought up strictly in today's permissive environment. Seeking fewer constraints, they have proposed a total revision of the Swiss constitution.

* * *

Martin Janssen of the University of Zurich told the Interlaken group last month that the proposed constitution creates new and vaguely defined responsibilities for the government, widens the discretionary authority of government, removes existing constitutional restraints on the power of government and strengthens the central government relative to the cantons (states). For the most part the scholars at Interlaken were not surprised by Dr. Janssen's report; they have grown accustomed to the fact that governments propose what is to their own advantage.

Three years earlier William Meckling of the University of Rochester explained to the group how governments grow by creating "social rights" that crowd out private property rights. As a result a broader range of activities move from the private to the government sphere.

The proposed new Swiss constitution is a perfect illustration of this tactic. It removes the present constitutional guarantee of private property rights, leaving them subject to whatever the state legislates. Social rights, however, are elevated to constitutional status. For example, the state guarantees "everyone" the "necessary means of sustenance," "convenient housing at acceptable conditions," and protection "from an unjustified loss of employment." The vagueness of these new social rights widens the discretionary authority of government, because their content will be ~~determined~~ **determined by federal legislators and bureaucrats.**

The proposed constitution even goes so far as to guarantee specific infringements of private property rights. For example, the state shall "prevent an excessive concentration of wealth, combat economically or socially damaging pursuits of profit, and provide for a just redistribution of the surplus value of land."

The present constitution has served the Swiss well. Politically and economically, Switzerland is the most stable country in the world. Since the early 1970s the Swiss franc has appreciated 265% against the dollar. As a result the Swiss have escaped the steep escalation in the prices of gold and oil. A sound economic policy and the integrity of its banking system have made Switzerland an international haven.

All in all Swiss stability makes the country an unexciting place both for left-wing intellectuals and the government class, which can find no levers with which to revolutionize the society. Bored and frustrated they have shown increasing impatience with the Swiss voter. An attempt to transfer income from the Swiss taxpayer to third world governments was voted down in a referendum. Not to be deterred, the government made the income transfer by cancelling Third World debts.

* * *

The proposed radical change in the Swiss constitution is an attempt on the part of political entrepreneurs to open opportunities for themselves by removing existing constraints on the federal government's power. Under the present constitution when a certain power is given to the federal government, the article conveying that power also limits it by defining its aims and instruments. The practical result is that the government cannot expand its discretionary power through legislation. Instead, constitutional amendments are required, and they are subject to a compulsory referendum requiring approval by a majority of citizens and cantons.

In contrast the proposed constitution reduces constitutional restrictions and expands legislative powers. Issues which currently are constitutional ones become legislative matters. In effect, the cantons lose their veto over the growth of central government power, and, as the constitutional commission says, "there will be due acceleration of the process of legislation."

Dr. Janssen observed that the proposed constitution allows "every degree of differential treatment of different groups of the population," thereby making the outcome of Swiss political institutions unpredictable. The change would introduce a big dose of uncertainty and adversely affect investment and the wealth-creating process.

But before you rush to close your Swiss banking account and liquidate your holdings in Swiss francs remember that the proposed constitution, being a constitutional change, is subject to a compulsory referendum. With sharp minds like Dr. Janssen's watching the process, the Swiss aren't likely to be flummoxed. Switzerland is too successful for the voters to see the need for massive constitutional change. The proposal is too obviously a special interest bill for the Swiss new class.



METROPOLITAN SERVICE DISTRICT
527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date: June 26, 1980
To: Metro Council
From: Metro Housing Staff
Regarding: Clackamas County Testimony on Metro Housing
Goals and Policies

On July 18, 1980, Metro received written testimony from Ardis Stevenson of Clackamas County, which is attached and summarized below:

The Goals and Policies should include a definition for multi-family housing units.

Concern is expressed over the use of the word "ensure."
Substitute "encourage" for "ensure."

Opposition is expressed to a "detailed" allocation plan.

Eliminate Affordable Housing, Goal #1, Policies c. and d.

in New Housing Goal #2, change "assure" to "encourage" and
delete Policies a. and b.

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7144/117

CLACKAMAS COUNTY COMMENTS

RECEIVED JUN 18 1980

RE: METRO Housing Goals & Policies

June 17, 1980

Paul Stevenson

Clackamas County supports METRO's effort to establish responsible housing goals and policies. We feel that major emphasis should be toward government responsibilities and not toward government interference in the private sector.

Some of the proposed policies appear to emphasize what housing will ultimately be built (generally a private-sector function) rather than what opportunities and encouragements cities, counties, and regional governments can provide.

The following specific recommendations reflect this general concern:

Definitions: page 4

Add a definition for multi-family units.

Suggestion: any attached dwelling unit including duplexes, row houses, walk-ups and high rises.

Goal 2: Policy b, page 8

Change to - "Metro will ensure that more efficient use of residential land is encouraged by provisions for increased density...."

Reason: Ensuring more efficient use of residential land depends in part on the private sector. What happens when the market doesn't comply with this Metro policy? The resulting law suits or regulations could be disastrous. This policy goes far beyond LCDC goals by requiring that increased density and urban infill be accomplished, not merely allowed or encouraged.

AFFORDABLE HOUSING

Goal 1: Policy a, page 14

Substitute "encourage" for "ensure".

Reason: Same as the previous comment. In addition, "ensuring availability" may require METRO to freeze rents, prohibit condo conversion, regulate usury rates, and require moderate income units in every new subdivision and apartment. Undertaking these responsibilities is probably impractical for a new regional body.

Goal 1: Policy c and d, page 14

Eliminate these policies.

Reason: A detailed allocation plan is opposed because:

1. It assumes that technicians can allocate units by type and price range throughout the region in a more efficient and equitable manner than the market without increasing the prices or cutting the supply of housing.
2. Such a plan, if implemented, ignores community differences and is likely to result in uniformity and sameness throughout the region.
3. Enforcement of an allocation plan could lead to quotas for building permits by type, cost and location; requirements that every new subdivision and apartment include a percentage of units for low and moderate income households, etc.
4. The proposed housing allocation plan assumes that a composite of the region's new comprehensive plans is deficient, even though METRO's review of local plans has not pointed this out.
5. An allocation plan which "provides geographic distribution" and "ensures equitable ownership" is probably unenforceable, unless METRO is actually going to build the units. Attempts to enforce an allocation plan will increase the prices and decrease the supply of all units.

NEW HOUSING

Goal 2: Policies a and b

In Goal 2 change "assure" to "encourage" and delete policies a and b.

Reason: same as preceding comment.

AMENDED
DISCUSSION DRAFT
METRO HOUSING
GOALS AND OBJECTIVES

Land Supply
Affordable Housing
New Housing
Existing Housing
Assisted Housing
Fair Housing

July, 1980

HOUSING POLICY ALTERNATIVES COMMITTEE

Norm Scott and
Gary DiCenzo
Clackamas County

Duncan Brown
Multnomah County

Lucy Cable
Washington County

Bruce Martin
City of Portland

Gil Mallery
Clark County

Harvey Rice
Minority Citizens
Representative

Neil Kelly
Housing Rehabilitation

Burton Weast
Home Builders
Association

Rex Pruitt
Home Builder

Edward Borst
Land Developer

James Sitzman, Director
Metropolitan Development
Department

Gail Chandler
Real Estate Broker

Jon Moore
Savings and Loan
Industry

Melbourne Smith
Commercial Banking

Don Miner
Mobile Home Industry

Lyndon Musolf
Public/Quasi-Public
Agency

Mark Greenfield
Consumer Advocate

Gary Gillespie
Department of Housing and
Urban Development

Fred Weber
Public or Private
Utility

Robert Clay
State of Oregon
Housing Division

Sister Marjorie Ille
Multnomah County Citizen
(urban)

Gail Brown-Arend
Washington County Citizen
(suburban)

METRO HOUSING DIVISION

Herbert Beals, Project Manager
Tim Cauller, Housing Planner
Mike Saba, Housing Planner

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and Objectives, therefore, may be subject to review and modification to attain consistency with such other aspects of metropolitan development as they are adopted by Metro.

Metro Housing Goals and Objectives are to be consistent with LCDC Goal #10 (Housing) and they specify how the Statewide Housing Goal is to be interpreted within the Metro area. Although consistent with Goal #10, the Metro Goals and Objectives may enlarge upon or go beyond Statewide requirements.

Clarification of Key Concepts

Certain concepts figure significantly in the goals and objectives of this document. Some confusion and misunderstanding about terms used in describing them requires clarification as to what is intended in the goals and objectives of this document. These are:

1. Demand vs. Need: Some potential for confusion exists in the use of the terms "demand" and "need." Although often used interchangeably, these terms have fairly definite and distinct usages in the economic and planning disciplines. Demand is a measurement of the consumer's willingness and ability to purchase or rent various quantities of housing units at various prices in the housing market. Need is a measurement of the consumer's inability to secure housing in the market within minimum cost-to-income and quality standards. Demand, therefore, may be seen as a demonstrated economic fact reflected in actual purchases during any specified time. Need, on the other hand, is a value adopted by policy makers based on a socially determined conception of the public good.
2. Lower Cost vs. Least Cost: The concepts of "lower cost" and "least cost" housing are apt to be confusing unless a clear distinction is drawn between them. In the context of this document lower cost means housing priced so as to be affordable (within defined standards) by consumers with incomes in the low or moderate income range (defined as under 80 percent of the median). Least cost means housing priced at the lowest possible cost, given the particular type, density, location and quality of housing.
3. Land Use Efficiency vs. Equity: Some potential for misunderstanding in this area also exists. Efficiency, as used in this document with respect to land use, means both minimizing waste of land per se and reduction of wasteful costs related to residential support services. In balancing "efficiency" against "equity," distribution of housing among Metro cities and counties is reflected significantly in several of the goals and objectives. "Equity" is intended to mean "fair" or "just," not "equal."

INTRODUCTION AND BACKGROUND

Purpose

The housing goals and objectives contained in this report offer an areawide basis for addressing statewide Housing Goal 10 in the Portland metropolitan area. The wording of Goal #10 is:

To provide for the housing needs of citizens of the state. Buildable lands for residential use shall be inventoried and plans shall encourage the availability of adequate numbers of housing units at price ranges and rent levels which are commensurate with the financial capabilities of Oregon households and allow for flexibility of housing location, type and density.

The draft goal statements, their related objectives, and supporting assumptions and factual findings also have the purpose of partially fulfilling (in the area of housing) Metro's Phase I Goals and Objectives purposes, as articulated in August, 1979. These are to:

- A. Meet requirements of ORS 268.
- B. Revise and update existing goals and objectives to reflect Council perspective.
- C. Provide general direction to agency programs and regional policy development with minimum disruption to local planning efforts.
- D. Accomplish needed coordination between regional policy and local plans.
- E. Lay the groundwork for the Phase II long-term goals and objectives effort.

Relationship to Previous Goals, Objectives and Policies

Metro's predecessor, CRAG, adopted goals, objectives and initial policies concerning housing which were used as the starting point for this work.

The goals, objectives, assumptions and facts of this document are a refinement and updating of previous housing planning by CRAG and all such previous work is superceded by them.

Relationship to Other Metro Goals and Objectives and LCDC Goal #10 (Housing)

It is anticipated that Metro will prepare and adopt goals and objectives concerning other aspects of metropolitan development (e.g., transportation, economic development, public facilities, air and water quality, park and open space, etc.). The Housing Goals

Implementation

The Metro Housing Goals and Objectives will be implemented by the following means:

1. The Areawide Housing Opportunity Plan (AHOP) adopted by Metro Council on March 22, 1979, and made effective April 22, 1979, (Ordinance No. 79-68).
2. The preparation and adoption of a Market-Level Housing Allocation Plan for the Metro area, scheduled for completion by December 31, 1981.
3. The review of city and county comprehensive plans within the Metro area pursuant to Metro's authority under ORS 268 to:
 - a. "Recommend or require cities and counties...to make changes in any plan to assume that the plan conforms to the district's metropolitan area goals and objectives and the Statewide goals"; and
 - b. Coordinate the acknowledgment and post-acknowledgment review of city and county comprehensive plans in the Metro area in relation to Statewide goals.
4. Other options the Metro Council may choose to adopt in the future. (See Supplement, POSSIBLE IMPLEMENTATION OPTIONS for discussion of other such implementation means.)

Where plan review is an important means of implementation, certain actions will be necessary to define consistency between local plans and Metro Goals and Objectives. These are:

1. Adoption by Metro of a requirement that objectives be incorporated directly into local comprehensive plans at "re-opening" or in plans submitted for acknowledgment after _____, 1981. Additionally, if performance standards are necessary to define consistency, one of the following actions must also be taken:
2. Adoption by Metro of a Market-Level Housing Allocation Plan (in addition to the already-adopted Areawide Housing Opportunity Plan) with performance standards sufficient to define local plan consistency with Metro objectives.
3. Adoption by Metro of a Regional Capital Improvement Plan with performance standards sufficient to define local plan consistency with Metro objectives.
4. Adoption by Metro of performance standards concerning "excessive local requirements" sufficient to define local plan consistency with Metro objectives.

The Metro Housing Goals and Objectives will not become requirements for local comprehensive plans unless and until the appropriate actions occur. (See Supplement, USE IN REVIEW OF LOCAL COMPREHENSIVE PLANS for discussion of which actions would be appropriate for the various goals and objectives.)

Definitions

ASSISTED HOUSING: Public housing or needy households receiving public assistance, from federal, state or local sources to help such households obtain housing meeting minimum standards.

BUILDABLE LAND: Lands in urban and urbanizable areas that are suitable, available and necessary for residential use.

DEMAND: A measurement of the consumer's willingness and ability to purchase or rent various quantities of housing units at various prices in the housing market.

ENSURE: Signifies Metro's total commitment within the limits of its financial and legal capacity to achieve the state goal or objective.

EQUITABLE: Intended to mean "fair" or "just," not "equal."

GOAL: An ideal expressed as a desired end or condition toward which a long-term effort is directed. It is usually not expressed in measurable terms. (Based on Metro Policy Catalogue)

GROSS RENT: Contract rent plus estimated average monthly cost of utilities.

HOUSEHOLD: One or more persons occupying a group of rooms or a single room constituting a housing unit.

HOUSING UNIT: A house, an apartment, a group of rooms, or a single room occupied or intended for occupancy by a household as separate living quarters.

LOW AND MODERATE-INCOME: Household income 80 percent or less than the Portland Standard Metropolitan Statistical Area (SMSA) median family income.

LOWER COST HOUSING: Housing priced so as to be affordable (within defined standards) by households with low and moderate incomes.

LEAST COST HOUSING: Housing priced at the lowest possible cost, given the particular type, density, location and quality of housing.

MEDIAN: The amount that divides a statistical distribution into two equal groups, one above and one below the middle value. "Median income" is the middle income value in a distribution of incomes.

MULTIPLE FAMILY: Means a housing unit in a structure containing two or more attached units.

NEED: A measurement of the consumer's inability to secure housing in the market within minimum cost-to-income and quality standards.

NO FRILLS HOME: A "minimum" buildable home - valued at \$47,000 (1979), built on minimum sized lot (smallest allowable), with minimum amenities (no garage or fireplace, three bedroom - one bath, single-level, no family or dining rooms) and meets minimum building codes.

OBJECTIVE: A specific aim or end, toward which an effort is directed in reaching a goal. It can be expressed in measurable terms. (Based on Metro Policy Catalogue)

SINGLE FAMILY: Means a housing unit in a structure containing one unit only, and includes mobile homes and houseboats, if occupied.

STANDARD: A formal rule serving as a guide in setting targets and measuring the status of a situation or progress toward a goal, objective or target, usually stated as a minimum acceptable level of performance, capability or condition. (Based on Metro Policy Catalogue)

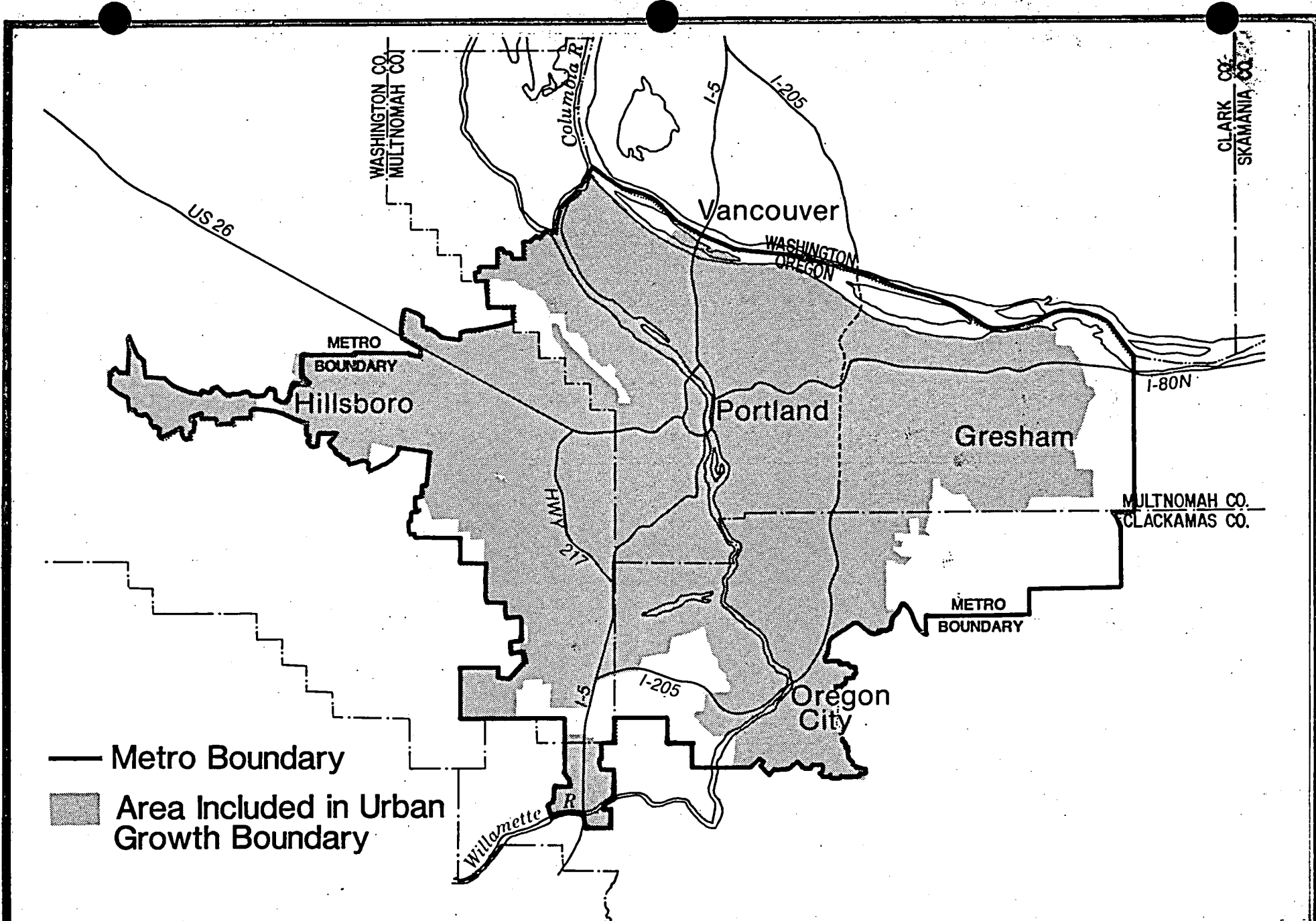
STRATEGY: A scheme or overall plan for achieving a goal or objective for integrating policies. (Based on Metro Policy Catalogue)

TACTIC: A component of a strategy comprising the specific manner, technique, or method by which a strategy will be implemented. (Based on Metro Policy Catalogue)

TARGET: A specific statement of something to be done to accomplish a goal or objective, described in quantified terms within a fixed time period. (Based on Metro Policy Catalogue)

URBAN GROWTH BOUNDARY (UGB): The boundary that identifies urban and urbanizable lands in the Metropolitan Service District, acknowledged by the Land Conservation and Development Commission January 15, 1980.

URBAN INFILL: The practice of building residential units on isolated vacant lots or parcels which had been bypassed by earlier development or considered unbuildable or substandard by local regulation.



- Metro Boundary
- Area Included in Urban Growth Boundary

LAND SUPPLY



LAND SUPPLY

GOALS AND OBJECTIVES

GOAL 1: BUILDABLE LAND

- ADEQUATE BUILDABLE LAND DESIGNATED FOR RESIDENTIAL USE WITHIN THE URBAN GROWTH BOUNDARY TO PERMIT CONSTRUCTION OF NEW OR REPLACEMENT HOUSING UNITS TO MEET THE REGION'S HOUSING GOALS.

Objectives

- a. Metro will ensure that cities and counties within the Urban Growth Boundary maintain an adequate supply of serviced land for new urban residential development.
- b. Metro will establish numerical estimates of land area necessary to meet the region's single family and multiple family housing requirements so that the actual land supply can be monitored for adequacy.
- c. Metro will support tax revision measures aimed at increasing the availability of land for urban uses within the Urban Growth Boundary.

GOAL 2: DISTRIBUTION AND EFFICIENT USE

- A CHOICE OF HOUSING TYPES, DENSITIES AND LOCATIONS WHICH IS DISTRIBUTED EQUITABLY AMONG ALL METRO CITIES AND COUNTIES, IN A MANNER THAT EFFICIENTLY UTILIZES LANDS DESIGNATED FOR RESIDENTIAL USE WITHIN THE URBAN GROWTH BOUNDARY.

Objectives

- a. Metro will prepare and adopt an areawide plan establishing objectives, targets and implementation strategies among cities and counties within the Urban Growth Boundary.
- b. Metro will ensure more efficient use of residential land through increased density, urban infill and other innovative means.

GOAL 3: COORDINATION

- COORDINATION OF THE PLANNING OF RESIDENTIAL LAND USE WITH PLANNING FOR ECONOMIC DEVELOPMENT, PUBLIC FACILITIES, TRANSPORTATION, ENERGY, ENVIRONMENTAL CONSTRAINTS AND OPEN SPACE.

Objectives

- a. Metro will ensure coordination of regional residential land use planning with regional plans for economic development,

public facilities, transportation, air and water quality and open space through liaison between Metro policy alternatives committees and/or with other regional agencies such as Tri-Met, Port of Portland and Clark County Regional Planning Council.

- b. Metro will ensure coordination of regional and local residential land use planning through the process of reviewing the comprehensive plans of cities and counties within the Metropolitan Service District boundaries.

LAND SUPPLY ASSUMPTIONS

1. Four factors are essential in estimating future land requirements for new urban-density housing.
 - a. Proportion of forecasted population anticipated to reside within the Urban Growth Boundary.
 - b. Proportion of new housing anticipated to be single family as compared to multiple family within the Urban Growth Boundary.
 - c. Anticipated average household size within the Urban Growth Boundary.
 - d. Anticipated density (units per land area occupied) of new housing developments within the Urban Growth Boundary.
2. Forecasts prepared by Metro in the "208" Areawide Waste Treatment Management Study indicate the Portland SMSA's population will reach 1,612,050 by the year 2000 (equivalent to a 1.53 percent annual compound growth rate). More recent population forecasts prepared by Metro in cooperation with the Portland State University (PSU) Center for Population Research and Census (Technical Memorandum #23) reach essentially the same conclusion in a forecast identified as "Series 2." The Series 2 forecast projects a year 2000 population of 1,589,200, which is sufficiently close to the earlier "208" projection to assume that the SMSA population will be approximately 1.6 million by the year 2000.
3. Population growth within Clackamas, Multnomah, and Washington Counties will occur primarily within the Metro Urban Growth Boundary up to the year 2000 and will reflect a shift in the urban-to-rural ratio from 93:7 to 95:5. Using "208" projections, of a forecasted 1,361,850 three-county year 2000 population, 1,265,410 will live within the Urban Growth Boundary (UGB) in the year 2000.
4. Of all new housing constructed by the year 2000, an unprecedented 50.8 percent is expected to be multiple family, based on Metro's Urban Growth Boundary Findings.
5. The housing mix ratio for the entire Metro Urban Growth Boundary area is expected to be 35 percent multiple family and 65 percent single family in the year 2000 based on Metro's Urban Growth Boundary Findings.
6. Households residing within the Urban Growth Boundary are expected to increase to 506,164 households by the year 2000, according to Metro's Urban Growth Boundary Findings. Household size is expected to be 2.5 persons per households in the year 2000.

7. Because single family units will continue to represent a substantial share of the new housing produced, increases in the density at which single family housing is constructed will have an important influence on how much new land will be required for housing.
8. Economical and orderly provision of public facilities and services is necessary to permit compact development of urban residential lands as called for in Statewide Goals #10, #11 and #14.
9. If adequate areas of residential land with appropriate density guidelines are not provided in relation to demand, the result will be increased land costs that will translate into higher housing prices or rents.
10. Metro and local governments have the responsibility to plan for short and long term supplies of residential land consistent with anticipated housing demands and needs, transportation accessibility and other support services, location of employment and consistent with statewide goals to achieve orderly growth of urban communities.
11. Land required to replace single family units lost to demolition is difficult to estimate, but it is likely to be negligible due to the fact that whenever single family sites are converted to multiple family use the net need for residential land is diminished.
12. While replacement of demolished multiple family units may require some new sites, the probable effect on total multiple family land requirements is small enough (less than 2.4 percent in 1977) to omit from estimates of land requirements.
13. The limited amount of land available for multiple family housing and single family housing on lots less than 7,000 square feet stems in part from the way cities and counties in the Metropolitan Service District have regulated land partitioning and land use.

LAND SUPPLY FACTS

Population and Land

1. According to Metro's Urban Growth Boundary Findings, in 1977, seven percent (66,419) of the three county population (968,200) was estimated to live outside of Metro Service District's Urban Growth Boundary in scattered locations not requiring urban type homesites or in small outlying cities.
2. According to the UGB Findings, the remaining 93 percent of the three county population inside Metro's Urban Growth Boundary (882,417 in 1977), occupied a total of about 61,767 acres of urban residential land for building sites as of 1977.

3. According to the UGB Findings, the Urban Growth Boundary population (882,417) of the three county area in 1977 lived in single family housing (including mobile homes) occupying about 56,839 net acres for building sites, or in multiple family housing occupying approximately 4,928 net acres for building sites.

Density

1. According to the UGB Findings the overall density of single family housing in 1977 within the Urban Growth Boundary area was 4.53 units per net acre (building sites exclusive of streets).
2. According to the UGB Findings the overall density of developed multiple family housing in 1977 within the Urban Growth Boundary area was 21.72 units per net acre.

Land Designations

1. Metro's 1977 Land Use Inventory indicates that within Metro's Urban Growth Boundary, 45,821.6 acres of "unconstrained" land (i.e., exclusive of floodplains and slopes over 25 percent), were planned and/or zoned for urban residential purposes (i.e., designated for site sizes below one acre and including 200.8 acres designated "planned unit development").
2. Metro's 1977 Land Use Inventory indicates that only 5.89 percent of the vacant, "unconstrained," urban land planned and/or zoned in 1977 for urban residential use was designated for multiple family units. The inventory also showed that only five cities in the Portland SMSA have zoning ordinances that provide for single family building sites less than 7,000 square feet. A summary of vacant residential land designations follows:

<u>Area Within Metro UGB*</u>	<u>Vacant "Unconstrained"** Acres Planned and/or Zoned Residential</u>			
	<u>SF</u>	<u>MF</u>	<u>PUD</u>	<u>Total</u>
Clackamas County	9,817.1	1,185.6	83.6	11,086.3
Multnomah County	9,301.9	668.4	79.2	10,049.5
Washington County	23,804.4	843.4	38.0	24,685.8
Three-County Area	42,923.4	2,697.4	200.8	45,821.6
	93.68%	5.89%	0.43%	100%

*Excluding outlying cities or other "urban" areas outside of the Metro Service District boundary.

**Excluding floodplains and slopes over 25 percent.

Demolition Replacement

1. No information is available to indicate what proportion of units built to replace demolitions, conversions or move-outs require new building sites.

**AFFORDABLE
HOUSING**



AFFORDABLE HOUSING
GOALS AND OBJECTIVES

GOAL 4: DISTRIBUTION OF LOWER COST HOUSING

A DISTRIBUTION OF LOWER COST MARKET HOUSING UNITS THAT PERMITS A CHOICE IN LOCATION FOR LOW AND MODERATE INCOME HOUSEHOLDS, AND WHICH IS EQUITABLE TO ALL METRO CITIES AND COUNTIES.

Objectives

- a. Metro will ensure the availability of adequate numbers of owned and rented housing units at different price ranges and rent levels affordable to households in Metro and will provide for flexibility of housing location, type and density as called for in Statewide Goal 10.
- b. Metro will declare housing policies of cities and counties which fail to provide adequate opportunities for low and moderate-income housing to be in violation of Statewide Goal #10.
- c. Metro will adopt an allocation of market level housing which provides an equitable geographic distribution of housing affordable by households of differing income.
- d. Metro will adopt an allocation of market level housing which ensures equitable ownership and rental opportunities.
- e. Metro will ensure that city and county comprehensive plans contain opportunities for lower cost housing in a variety of locations, considering accessibility to jobs, shopping, parks, public transit and other public services. Such opportunities should not be limited to areas along arterials or adjacent to commercial or industrial areas, but should be provided in diverse residential settings.

GOAL 5: LEAST COST APPROACH

A LEAST-COST APPROACH BY METRO CITIES AND COUNTIES TO THE MAINTENANCE OF EXISTING HOUSING AND THE PROVISION OF NEW HOUSING UNITS WHICH PROMOTES HOUSING AT THE LOWEST PRICE POSSIBLE, GIVEN THE TYPE, DENSITY, LOCATION AND QUALITY OF THE HOUSING.

Objectives

- a. Metro will support measures designed to reduce housing costs and adverse effects on the production of new housing and maintenance of existing housing resulting from excessive local administrative procedures, fees, regulations and growth management strategies.

GOAL 6: SUPPLY OF RENTAL HOUSING

- A SUPPLY OF RENTAL HOUSING UNITS ADEQUATE TO MEET THE HOUSING REQUIREMENTS OF HOUSEHOLDS WHO CANNOT OR CHOOSE NOT TO PURCHASE A HOUSING UNIT.

Objectives

- a. Metro will support the provision of rental opportunities of diverse types and in all cost ranges sufficient to meet the region's needs and demands.
- b. Metro will support policies, programs and efforts directed towards retaining the existing multiple family rental housing stock.

GOAL 7: LOWER COST MARKET HOUSING

- LOWER COST NEW, REPLACEMENT AND EXISTING HOUSING UNITS TO PERMIT LOW AND MODERATE-INCOME HOUSEHOLDS TO ENTER THE HOUSING MARKET WITHOUT RELIANCE ON PUBLIC ASSISTANCE.

Objectives

- a. Metro will assist cities and counties in developing innovative approaches and incentives to reduce housing costs so that new housing opportunities for low and moderate-income groups will be created.
- b. Metro will support measures to achieve more lower cost housing opportunities through innovative approaches to financing.

AFFORDABLE HOUSING ASSUMPTIONS

1. Investment and income tax advantages motivate people to purchase single family housing for purposes other than shelter. This contributes to the increasing cost of housing.
2. If conventional single family housing prices continue to rise at a rate greater than income, more households will seek lower cost housing ownership alternatives (e.g., attached housing, condominiums or mobile homes).
3. If households seek lower cost ownership opportunities in attached housing types, there will be a corresponding increase in multiple family housing demand, including the conversion of renter-occupied apartments to owner-occupied condominiums.
4. Restrictions by local jurisdictions on the placement of mobile homes on single lots and in mobile home parks and subdivisions have limited the availability of mobile homes as an affordable housing alternative.
5. Even though home ownership will continue to have certain financial advantages (e.g., tax shelter, investment potential, etc.), the growing proportion of households with incomes below the home buying threshold indicates a continuing and increasing demand for rental units, both single family as well as multiple family.
6. Additional cost mandated on new housing has the effect of increasing the cost of existing housing.
7. Local government can encourage more affordable housing by eliminating approval procedures involving unnecessary delays and by avoiding standards that increase costs without clear public benefits.
8. The limited amount of land available for multiple family housing and single family housing on lots of less than 7,000 square feet stems, in a large part, from the way cities and counties in the Metro Service District have regulated land partitioning and land use.
9. Single room occupancy (SRO) rental units are the lowest priced housing in the region, and if lost, are essentially irreplaceable in the market at their original rent levels.

AFFORDABLE HOUSING FACTS

Income

1. According to the HUD Portland Area Office, during the period July, 1969-July, 1979, estimated median family income for the Portland SMSA rose from \$10,541 to \$18,200. While this is an increase of 73 percent, it is still not as great as the increase in the average price of new or used housing purchased during the period December 1972-March, 1979.

2. According to the HUD Portland Area Office, between 1972 and 1979 the percent of households which had sufficient income to purchase the average priced new home, considering income alone, and a 2.5 income-to-value ratio, decreased from approximately 48 percent to 19 percent. (See Figures 1 and 2).
3. According to the HUD Portland Area Office, between 1972 and 1979, the percent of households with sufficient income to purchase an average priced used home decreased from about 63 percent to 29 percent, considering income alone, and a 2.5 income-to-value ratio. (See Figures 1 and 2).
4. According to HUD Portland Area Office, as of July, 1979, only 47.5 percent of households have sufficient income to purchase a new "no frills" home (\$47,000), considering income alone, and a 2.5 income-to-value ratio. (See Figures 1 and 2).
5. According to the Mobile Home Dealers Association and Real Estate Trends, as of July, 1979, only 54 percent of households have sufficient income to purchase a manufactured home including a lot, considering income alone, and a 2.5 income-to-value ratio. (See Figure 2).
6. According to the 1970 U.S. Census, 41.03 percent of all renter occupied households in the Portland SMSA spent 25 percent or more of their income for gross rent. In 1975, according to the Annual Housing Survey, 45.05 percent of all renter households spent 25 percent or more of their income for gross rent.

Ownership

1. According to the 1970 Census, owner occupied housing units comprised 65.0 percent of total housing. In 1975, the Annual Housing Survey, estimated home ownership to be 63.6 percent. In July, 1979, HUD estimated owner occupied housing units to comprise 65 percent of total housing.

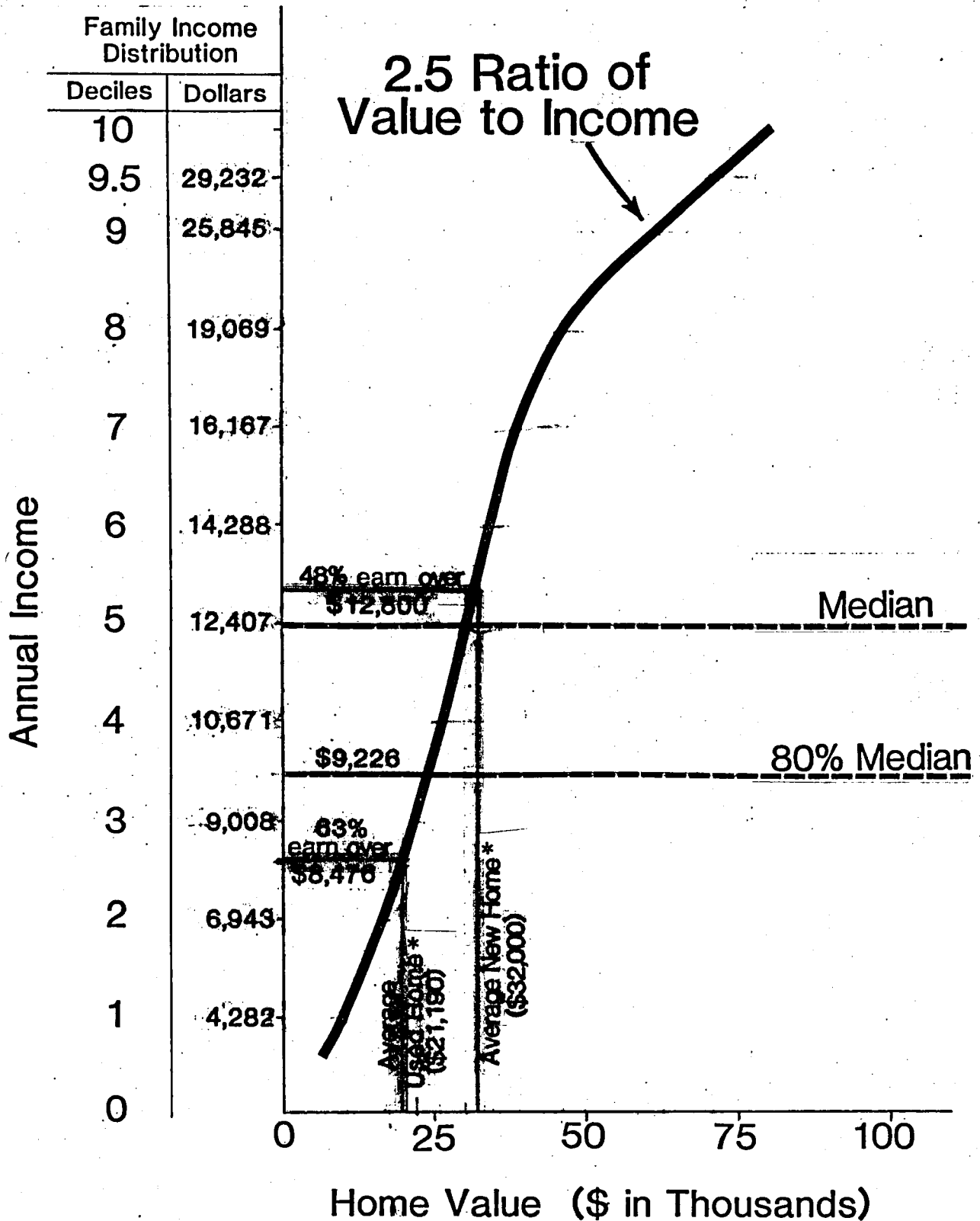
Sales and Prices

1. According to Real Estate Trends, during the period December 1972-March, 1979, the price of used homes increased faster than the price of new homes. The average sales price of used homes is up 187 percent from \$21,190 to \$60,900 compared with a 130 percent increase in the average price of new homes (from \$32,000 to \$73,600).
2. According to Real Estate Trends, during the period 1972-1978, an annual average of 15,894 used homes and 9,158 new homes were sold in the Portland SMSA. The largest number of used homes sold occurred in 1978, (21,397) and the lowest in 1972, (10,251). The largest number of new homes sold occurred in 1977, (12,348) and the lowest in 1974, (6,122).

Figure 1

ABILITY TO PURCHASE A HOME 1972

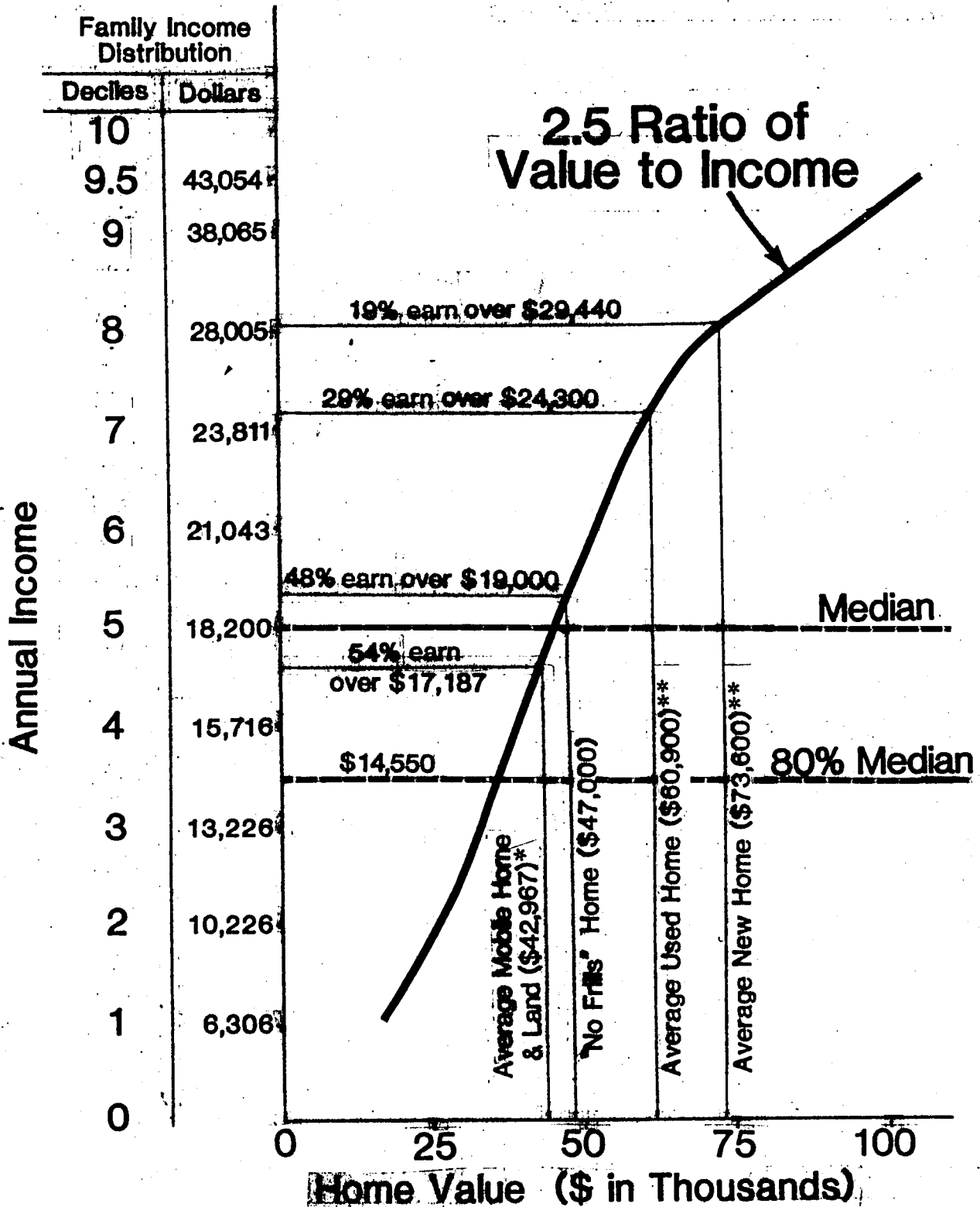
Portland OR.-WA. SMSA



* HOMES SOLD THROUGH MULTIPLE LISTING SYSTEM

SOURCES: REAL ESTATE TRENDS; MOBILE HOME DEALERS ASSOCIATION, HUD PORTLAND AREA OFFICE

Figure 2 ABILITY TO PURCHASE A HOME 1979 Portland OR.-WA. SMSA



* THE AVERAGE COST MOBILE HOME EXCLUSIVE OF LAND OR SPACE RENTAL WAS \$22,000 IN 1979
 ** HOMES SOLD THROUGH MULTIPLE LISTING SYSTEM
 SOURCES: REAL ESTATE TRENDS; MOBILE HOME DEALERS ASSOCIATION,
 HUD PORTLAND AREA OFFICE

3. The cash outlay required to purchase an average priced new home (\$73,600 - March, 1979) with 80 percent financing, an 11½ percent interest rate and a 30 year mortgage was \$16,564 (including closing costs and excluding tax prorates and reserves). The monthly payments would be approximately \$724 including property taxes, assuming a property tax rate of \$25 per \$1,000 and a 20 percent rebate. (Source: Real Estate Trends and Equitable Savings and Loan)
4. The cash outlay required to purchase an average priced used home (\$60,900 - March, 1979), with 80 percent financing an 11½ percent interest rate and 30 year mortgage was \$13,735 (including closing costs and excluding tax prorates and reserves. The monthly payment would be approximately \$600 including property taxes, assuming a property tax rate of \$25 per \$1,000, and a 20 percent rebate. (Source: Real Estate Trends and Equitable Savings and Loan)
5. The cash outlay required to purchase an average priced new mobile home (\$22,000 - June, 1978) with 85 percent financing, a 14½ percent interest rate and 15 year mortgage is \$3,000. The monthly payment would be approximately \$255 excluding mobile home park rent or land payments. (Land must be owned before loan approved.) (Source: Oregon Mobile Home Dealers Association and Benjamin Franklin Saving & Loans Association)
6. The cash outlay required to purchase an average priced used mobile home would be 20 percent of the appraised value of the mobile home. Eighty percent would be financed at 15 percent interest rate and a term of 7-15 years depending upon the age and condition of the mobile home. Used mobile homes are usually financed and sited in a mobile home park. (Source: Oregon Mobile Home Dealers Association and Benjamin Franklin Saving & Loans Association)
7. The cash outlay required to purchase a mobile home under the State of Oregon's Veteran's Affairs Farm and Home Loan Program is 15 percent down payment of the appraised value for mobile home in mobile home parks and 5 percent down payment of the appraised value for a mobile home on owned land. Term of the loan is 20 years for a new double wide and 15 years for a new single wide. There is a loan restriction of \$58,000 on the first loan and \$50,000 on the second loan. (Source: State of Oregon - Veterans Affairs - Farm and Loan Division)
8. According to Real Estate Trends (September 30, 1979), during the period 1970 to 1979, the cost of improved lots paid by home owner or builder for a contract house (7,000 square feet with streets and services available) increased nearly 393 percent from an average of \$4,253 per lot in 1970 to \$20,967 in 1979. The price per acre paid by builders for land for subdivisions for speculative houses increased 372 percent between 1970 and 1979 from an average cost per acre of \$4,630 in 1970 to \$21,867 in 1979."

9. According to information provided by the Oregon Mobile Home Dealers Association, the average price of a new mobile home (exclusive of land sales or rent) purchased in Oregon increased 149 percent during the period 1972 - 1978 (from \$8,824 to \$22,000).
10. Based on information provided by the Oregon Mobile Home Dealers Association and land cost data in Real Estate Trends, the average price of a new mobile home (including land) purchased in Oregon increased 210 percent during the period 1972 - 1979 (from \$13,874 to \$42,967). The median monthly rent for a mobile home court space in the Portland SMSA, based on data provided by the Oregon Mobile Home Dealers Association to HUD, is \$110 for a single-wide and \$122 for a double-wide.

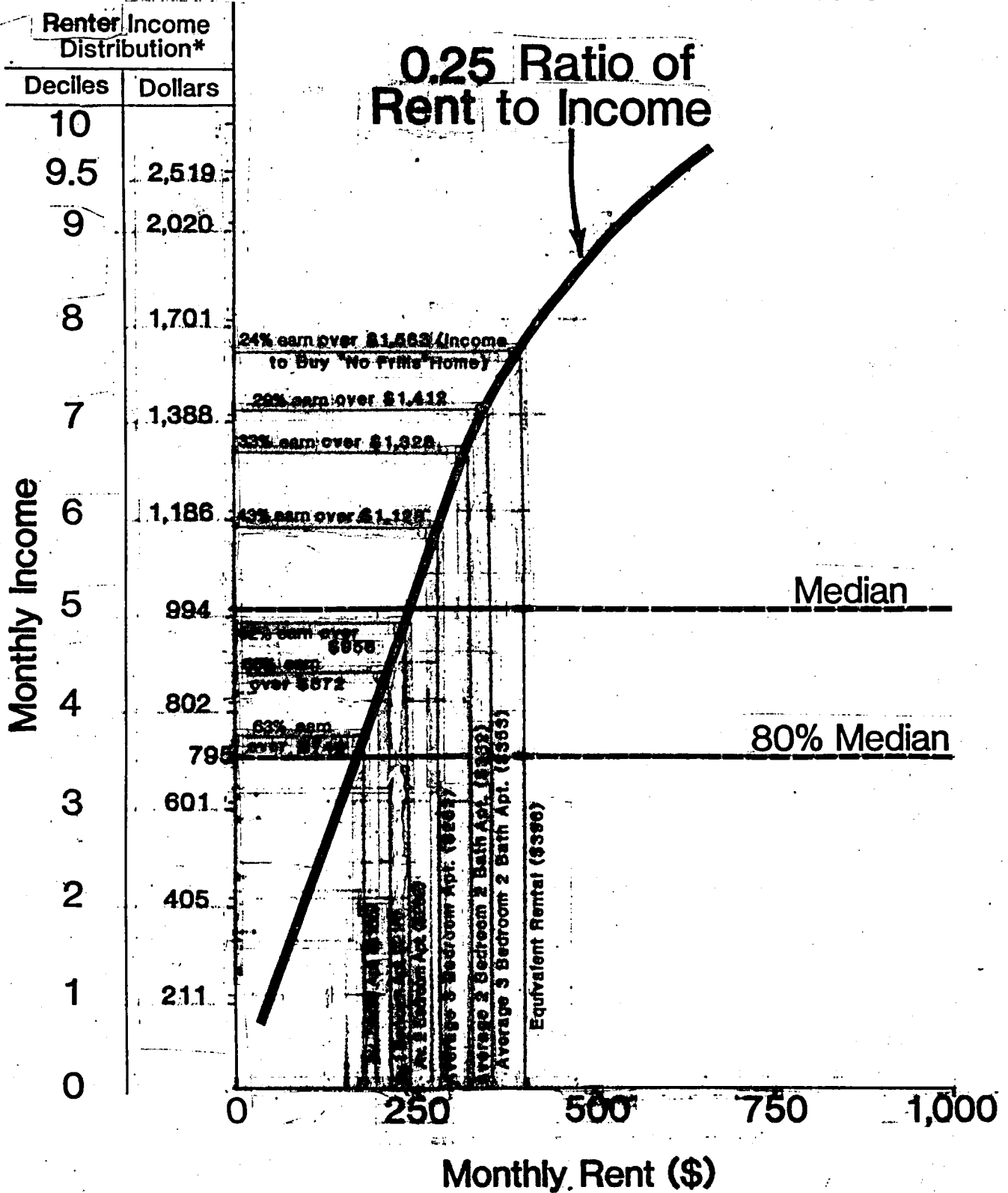
Rental Costs

1. According to the HUD Portland Area Office, the average monthly contract rent increased 46 percent (from \$150 to \$219) during the period 1973 to 1978 based on HUD's survey of conventional non-subsidized units. (Units surveyed are one to three stories in height and are generally less than eight years old).
2. Based on a July, 1979, rent survey from the Apartment Data Center, the average monthly contract for a studio apartment was: \$185; one bedroom - \$218; two bedroom - \$239; two bedroom, two bath - \$332; three bedroom - \$282; and three bedroom, two bath - \$353. The overall weighted monthly rent was \$237. (See Figure 3).
3. According to the Portland Development Commission, during 1979, the rent for a single room occupancy (SRO) unit ranged from \$65 to \$145 per month. The average monthly SRO rent was approximately \$85.

Figure 3

ABILITY TO RENT A HOME 1979

Portland OR.-WA. SMSA



* INCLUDES ONE PERSON HOUSEHOLDS
 SOURCES: APARTMENT DATA CENTER RENT SURVEY;
 HUD PORTLAND AREA OFFICE

NEW HOUSING



NEW HOUSING

GOALS AND OBJECTIVES

GOAL 8: HOUSING FOR NEW HOUSEHOLDS

• AN ADEQUATE NUMBER OF NEW OR REPLACEMENT HOUSING UNITS TO SHELTER A GROWING POPULATION AND NEW HOUSEHOLDS.

Objectives

- a. Metro will assist the private sector in maintaining an adequate supply of new housing to avoid housing shortages and adverse impacts on prices, rents, and choice in housing.
- b. Metro will ensure that measures are adopted to reduce housing costs and adverse effects on the production of new housing resulting from excessive local administrative procedures, fees, regulations and growth management strategies.

GOAL 9: DIVERSITY AND DISTRIBUTION

• A DIVERSIFIED SUPPLY OF NEW HOUSING UNITS THAT PERMITS CHOICE BY HOUSING TYPE, DENSITY, TENURE AND LOCATION, AND WHICH IS DISTRIBUTED EQUITABLY AMONG ALL METRO CITIES AND COUNTIES.

Objectives

- a. Metro will adopt an allocation of market level housing which provides an equitable geographic distribution of housing affordable by households of differing incomes.
- b. Metro will adopt an allocation of market-level housing which provides equitable ownership and rental opportunities and provides choice of housing types.

GOAL 10: COORDINATION

• COORDINATION OF THE CONSTRUCTION OF NEW HOUSING UNITS WITH THE PROVISION OF SUPPORT SERVICES AND THE LOCATION OF JOBS.

Objectives

- a. Metro will ensure that public facilities planning provides for appropriate services at necessary times to areas designated for future residential development.

GOAL 11: ENERGY EFFICIENCY

• CONSTRUCTION OF COST-EFFECTIVE ENERGY EFFICIENT NEW HOUSING UNITS.

Objectives

- a. Metro will ensure that local government plans and regulations allow for and encourage innovation in the development of energy efficient homes.
- b. Metro will monitor the State Uniform Building Code and support the adoption of cost-effective energy conservation code requirements.
- c. Metro will participate with the public and private sector in the development and application of innovative energy conservation techniques.

GOAL 12: QUALITY LIVING ENVIRONMENT IN HIGHER DENSITY HOUSING

- MULTIPLE FAMILY OR OTHER HIGHER DENSITY HOUSING THAT OFFERS A QUALITY RESIDENTIAL ENVIRONMENT WITHIN THE FINANCIAL CAPACITY OF THE HOUSEHOLDS OF THE REGION.

Objectives

- a. Metro will encourage local jurisdictions to develop cost-effective standards which minimize noise within common-wall residential structures.
- b. Metro will encourage multiple family or other higher density housing that preserves a sense of privacy and living space, but not by mandating local jurisdiction design review standards that undermine the cost advantages of such housing or its market availability.

NEW HOUSING ASSUMPTIONS

1. Forecasts prepared by Metro in the "208" Areawide Waste Treatment Management Study indicate that the Portland SMSA's population will reach 1,612,050 by the year 2000, largely as a result of in-migration. This would be equivalent to a compounded growth rate of 1.53 percent per annum. More recent population forecasts prepared in cooperation with the PSU Center for Population Research and Census (published as Metro Technical Memorandum #23) reach essentially the same conclusion in a forecast identified as "Series 2." The Series 2 forecast projects a year 2000 population of 1,589,200, which is sufficiently close to the earlier "208" projection to assume that the SMSA population will be approximately 1.6 million by the year 2000.
2. Growth in the number of households, changes in household size, vacancy rates and loss of housing units are the main factors in estimating the requirements for new housing.
3. Approximately the same proportion (98 percent) of forecasted population will continue to live in households requiring housing units.
4. Overall household size may vary by jurisdiction but regionally it will hold at about 2.50 persons per occupied unit (up to year 2000). Households occupying single family housing will drop in size from 2.96 persons per unit (1975) to 2.86 persons (year 2000); households in multiple family (including all attached) dwellings will increase in size from 1.79 to approximately 2.00 persons per unit (year 2000).
5. An overall vacancy rate of 4.0 percent, a single family rate of 2.5 percent (including mobile homes), and a multiple family rate of 7.0 percent would provide a minimum vacancy margin to maintain balanced market conditions. Actual vacancy rates will fluctuate according to seasonal or other cyclical patterns. The assumed equilibrium rates are consistent with Portland General Electric (PGE) vacancy surveys which include units under construction. The Housing Vacancy Survey (published annually by the Federal Home Loan Bank of Seattle) is based on a postal survey which excludes units under construction or newly completed. Hence, postal survey results tend to indicate a lower vacancy rate than the PGE survey.
6. If adequate numbers of new housing units are not produced in relation to need and demand, the result will be tightened market conditions in which prices and rents go up and opportunities to improve one's housing situation diminish.
7. Where local governments have used vague and discretionary approval criteria and procedures governing development proposals the effect has been to deny or discourage housing to meet regional housing requirements, particularly in lower price ranges and rent levels.

8. The private sector will continue to be the principal source of supply for new housing.
9. Restrictions by local jurisdictions on the placement of mobile homes on single lots and in mobile home parks and subdivisions have limited the availability of mobile homes as a housing alternative.
10. Many households favor detached low density single family housing for reasons of privacy, but a majority no longer can afford such housing (see Affordable Housing Facts #1 through #4).
11. Where multiple family or other higher density housing is newly constructed, considerations such as minimizing noise or providing open space can help to create a residential environment with many of the qualities that make low density detached housing attractive.
12. While design review procedures sometimes used by local jurisdictions can help to accomplish environmental amenities in new residential developments, they can also result in higher costs or a restricted supply of needed housing because of extensive delays or standards that nullify the cost advantages of higher density housing.

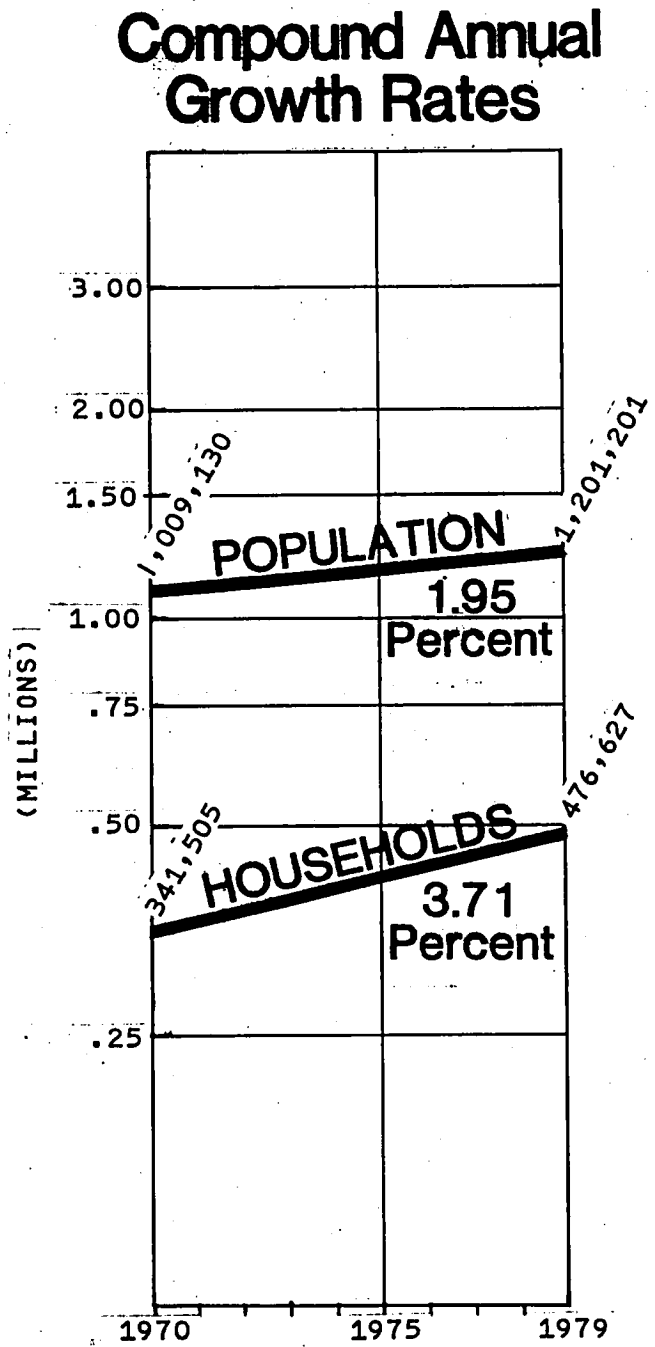
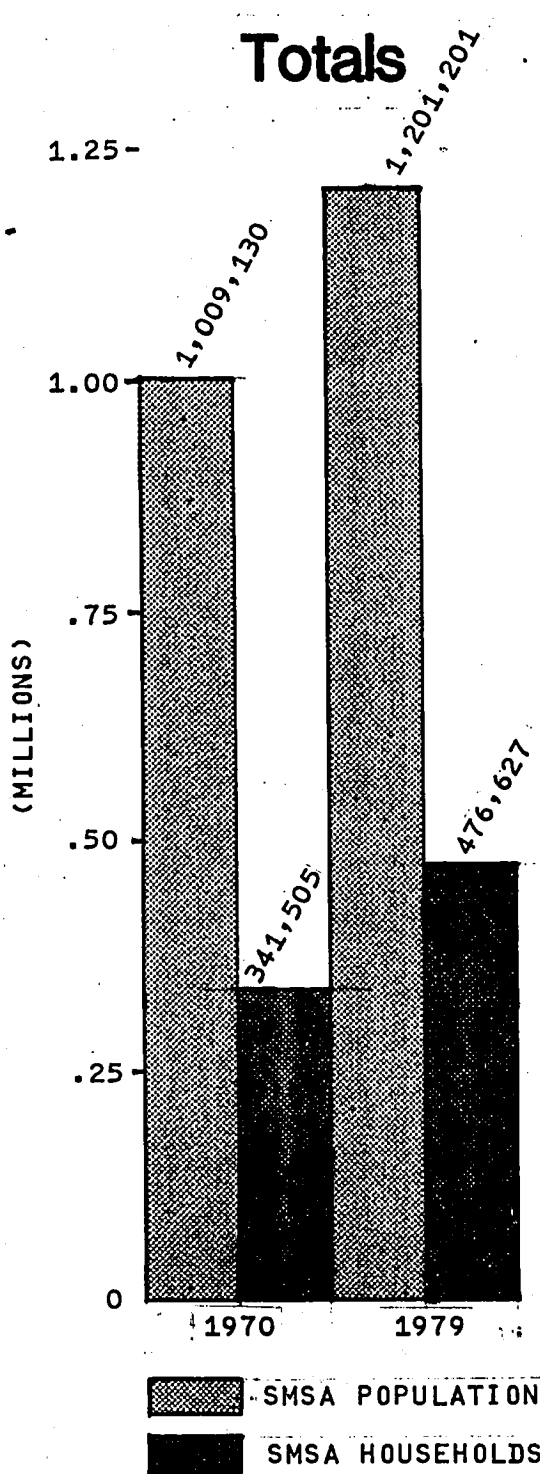
NEW HOUSING FACTS

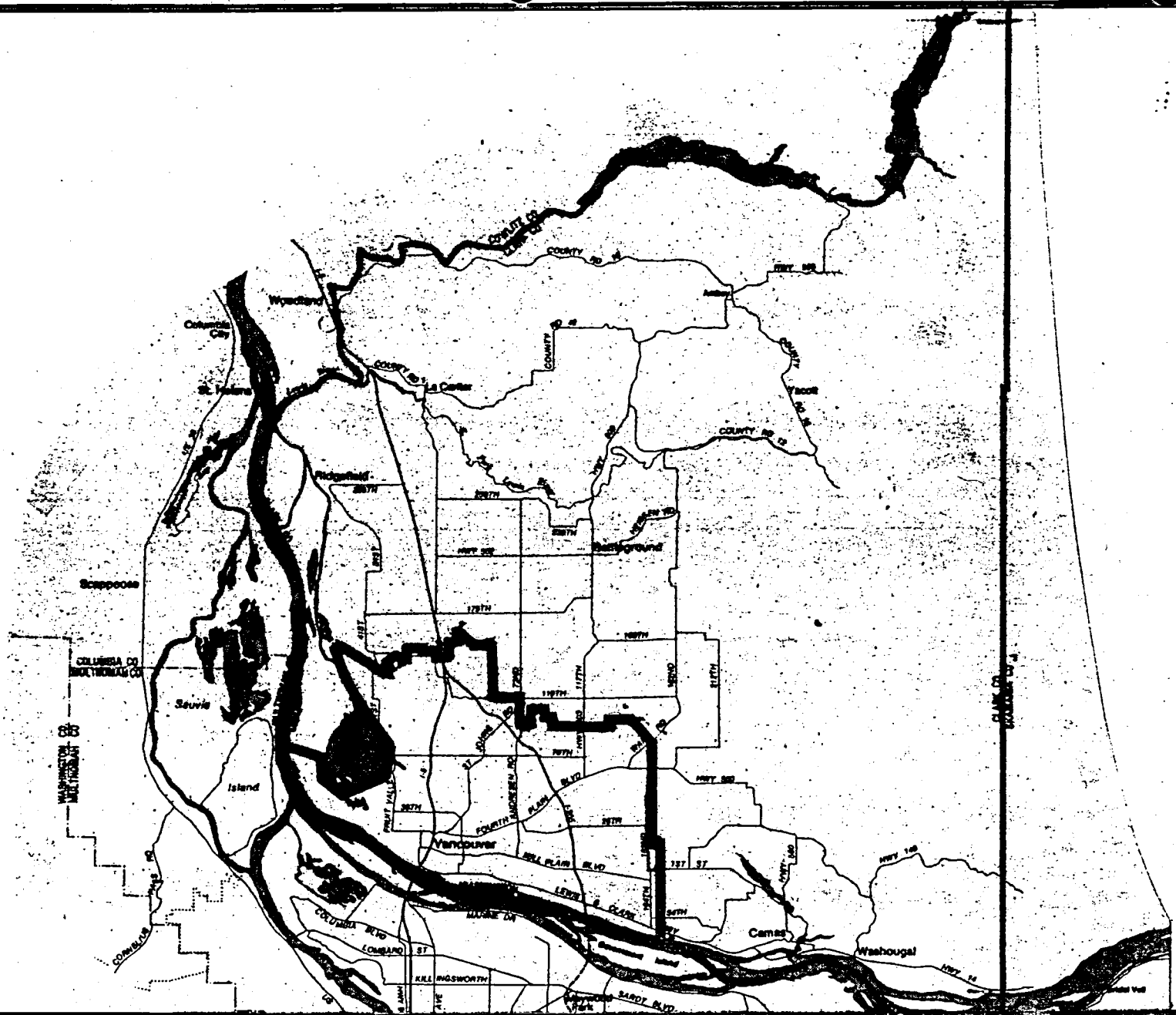
Population

1. Estimates by the Center for Population Research and Census (CPRC), Portland State University, and Office of Financial Management (Forecasting and Support Division), State of Washington, indicate the population of the Portland, OR-WA Standard Metropolitan Statistical Area (SMSA) to have reached 1,201,201 between July and November, 1979.
2. Based on data available from CPRC and the Office of Financial Management, State of Washington, the SMSA population increased at a compound growth rate between 1970 and 1979 of 1.95 percent per annum (from 1,009,130 to 1,201,201). (See Figure 4).
3. According to estimates by the CPRC the population of the three county (Clackamas, Multnomah and Washington) area as of July 1, 1977 was 968,200, as of July 1, 1978, 984,000; and as of July 1, 1979, 1,011,700.
4. Metro's Urban Growth Boundary Findings (Revised November, 1978) estimated the population inside the Metro Urban Growth Boundary (UGB) to be 882,417 as of July 1, 1977.
5. The Office of Financial Management, State of Washington, estimated the population for Clark County as of November 1, 1979, to be 189,501.

6. The Regional Planning Council (Clark County) estimated the population of the area inside the Vancouver Urban Service Boundary to be 132,200 as of July 1, 1979. (See Map 3).

Figure 4
**COMPARISON OF POPULATION
 & HOUSEHOLDS**
 1970-1979





Draft Housing Goals &
Objectives: July 1980

VANCOUVER URBAN SERVICE AREA

Map 3

Households

1. Metro's Urban Growth Boundary Findings (revised November, 1978) conclude that about 98 percent of the Portland SMSA population in 1978 lived in households that require housing units, i.e., not in group quarters such as dormitories, boarding houses, rest homes, etc.
2. According to estimates by the HUD Portland Area Office between April, 1970, and July, 1979, the number of households in the Portland SMSA increased by 39.6 percent from 341,505 to 476,627. This equivalent to a compound growth rate of 3.71 percent per annum. (See Figure 4).
3. The HUD Portland Area Office estimated that the average size of households in the Portland SMSA decreased from 2.89 to 2.49 persons per household between April, 1970, and July, 1979.

Housing Units

1. As of April 1, 1979, there were an estimated 481,128 housing units in the Portland SMSA based on data available from the U.S. Census and Portland General Electric (PGE). Approximately 354,263 (73.6 percent) were single family units (including mobile homes units) and 126,865 (26.4 percent) multiple family units.
2. As of April 1, 1979, there were an estimated 417,558 housing units in the three-county (Clackamas, Multnomah, and Washington) area based on data available from the U.S. Census, PGE and the Regional Planning Council (Clark County). Approximately 303,743 (72.7 percent) were single family units (including mobile home units) and 113,815 (27.3 percent) multiple family units.
3. According to estimates by PGE, the Forest Grove Planning Department, Canby Public Works Department and the Public Utility District (PUD) of Clark County, as of December 31, 1979, there were 15,985 mobile homes in mobile home parks in the Portland SMSA.
4. According to estimates by PGE, the Forest Grove Planning Department and Canby Public Works Department, as of December 31, 1979, there were 13,190 mobile homes in mobile home parks in the three county area.
5. According to estimates by Clark County PUD, as of December 31, 1979, there were 2,795 mobile homes in mobile home parks in Clark County.
6. According to Metro's Urban Growth Boundary Findings (revised November, 1978), as of December 31, 1977, an estimated 364,291 housing units were inside the Metro Urban Growth Boundary. Of those 364,291 housing units, 257,246 (70.6 percent) units were single family and 107,045 (29.4 percent) multiple family.

7. Between April 1, 1970 and December 31, 1979, a total of 156,300 building permits were issued in the Portland SMSA according to Columbia Region Association of Governments, Building Permit Statistics By Census Tract, Annual Reports 1961-1975; Building Department of Clark County and Municipalities, 1972, 1973, 1976, 1977, and 1978, and the State of Oregon Housing Division Building Permit Reports. Of the 156,300 permits issued 96,673 (62 percent) were for single family units and 59,627 (38 percent) were for multiple family units. (See Figure 5).
8. Between April, 1970 and December 31, 1979, a total of 124,662 building permits were issued in the three-county (Clackamas, Multnomah, Washington) area according to State of Oregon Housing Division Building Permit Statistics. Of these permits 73,839 (59 percent) were for single family homes and 50,823 (41 percent) were for multiple family units. (See Figure 5).
9. Based on data available from PGE, between April 1, 1970 and December 31, 1979, an estimated 144,422 new housing units were constructed in the Portland SMSA -- 64 percent single family units (including mobile homes) and 36 percent multiple family units (including duplexes). Projections for 1980 indicate a continuing decrease in housing completions. (See Figure 6).
10. Based on data available from PGE between January 1, 1975 and December 31, 1979, an estimated 62,778 new housing units were constructed in the three county (Clackamas, Multnomah, Washington) area -- 66 percent single family units (including mobile homes) and 34 percent multiple family units (including duplexes). Projections for 1980 indicate a continuing decrease in housing completions. (See Figure 6).
11. Based on data available from CRAG Building Permit Statistics, Building Department of Clark County and Municipalities, and State of Oregon Housing Division, permits for new units in the Portland SMSA have averaged about 14,835 units each year since January, 1970. Permits peaked in 1977 at 19,861 units and have been as low as 9,181 units (in 1974). Recent figures indicate permits were issued for 19,365 units in 1978 and 14,835 units in 1979. (See Figure 5).
12. Based on data available from PGE, production of new units in the Portland SMSA have averaged about 14,500 units each year since January, 1970. Actual annual production peaked in 1972 at 20,552 units but has since gone as low as 9,859 units (in 1975). Recent figures indicate 18,838 units constructed in 1977 and 19,525 in 1978, and 13,567 units in 1979. (See Figure 6).

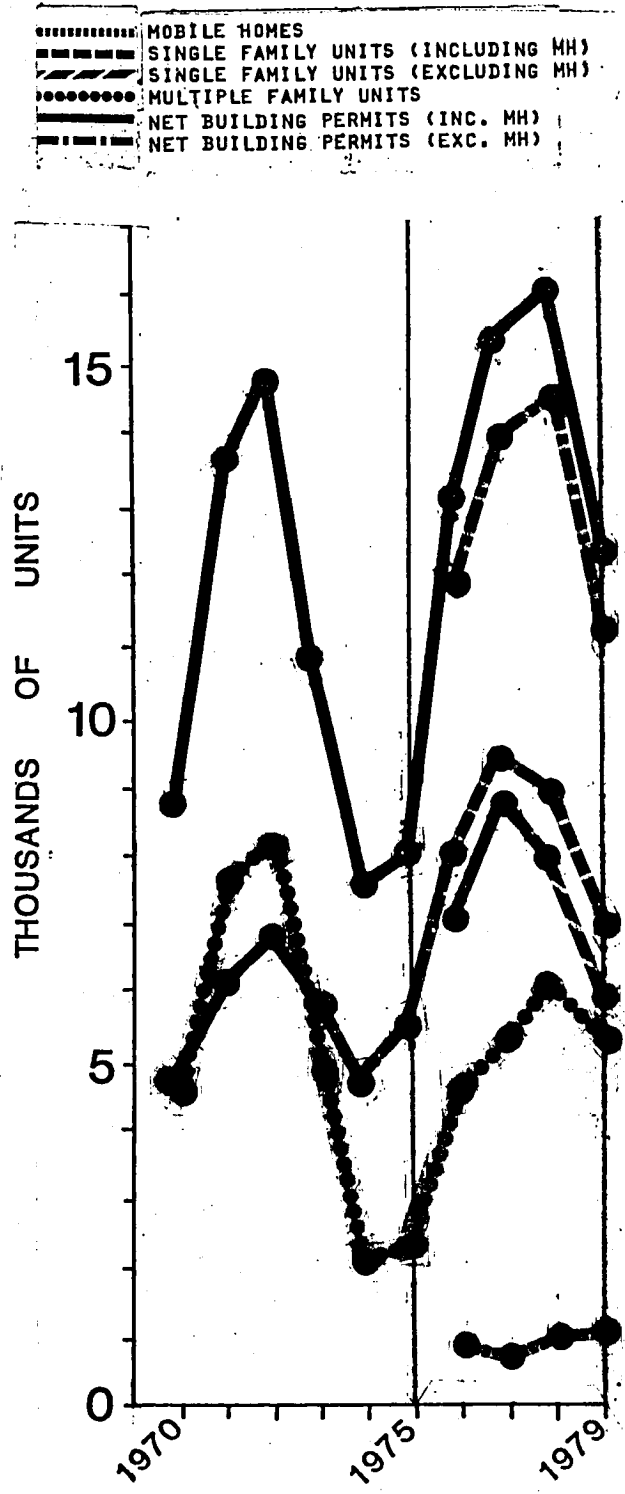
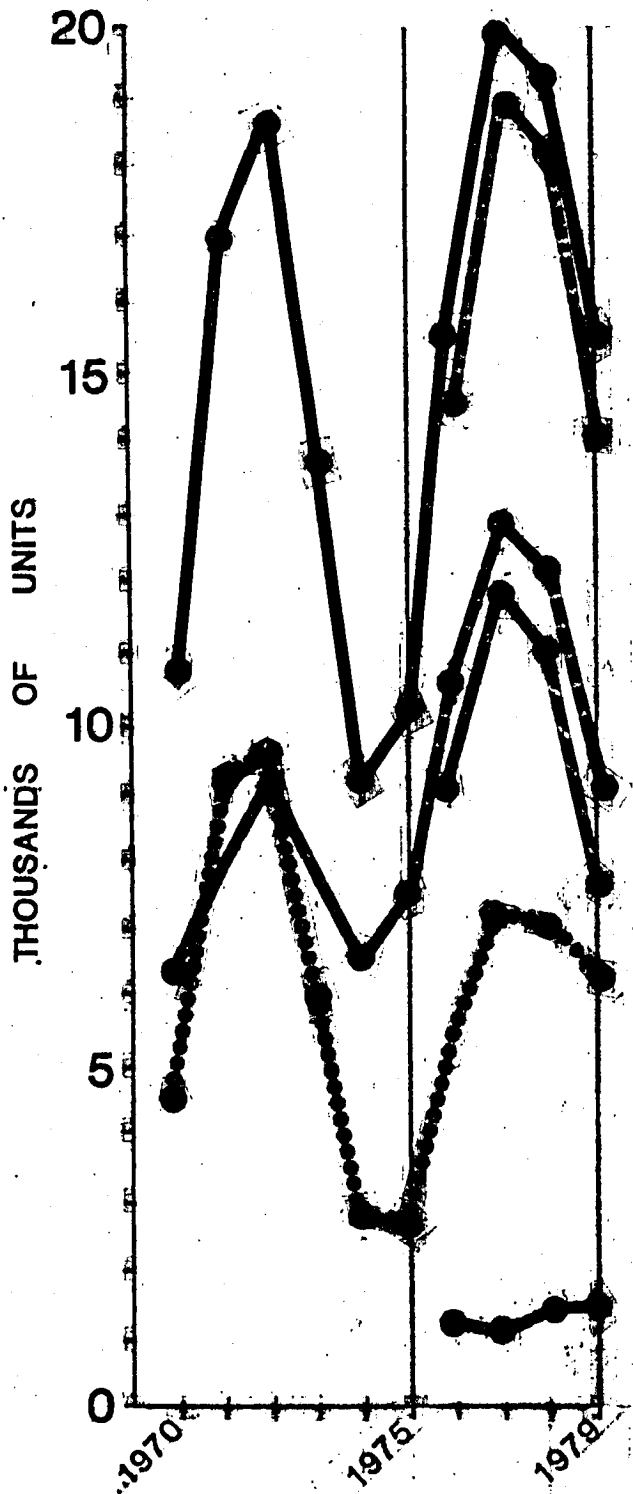
Production Costs

1. During the period 1970 to 1979, the cost of improved lots for contract houses (7,000 square feet with streets and services available) increased at a compound annual rate of 19.39 percent from an average of \$4,253 per lot in 1970 to \$20,967 in 1979. The cost per acre for land to subdivide for speculative home

Figure 5
BUILDING PERMITS BY TYPE 1970-1979

SMSA

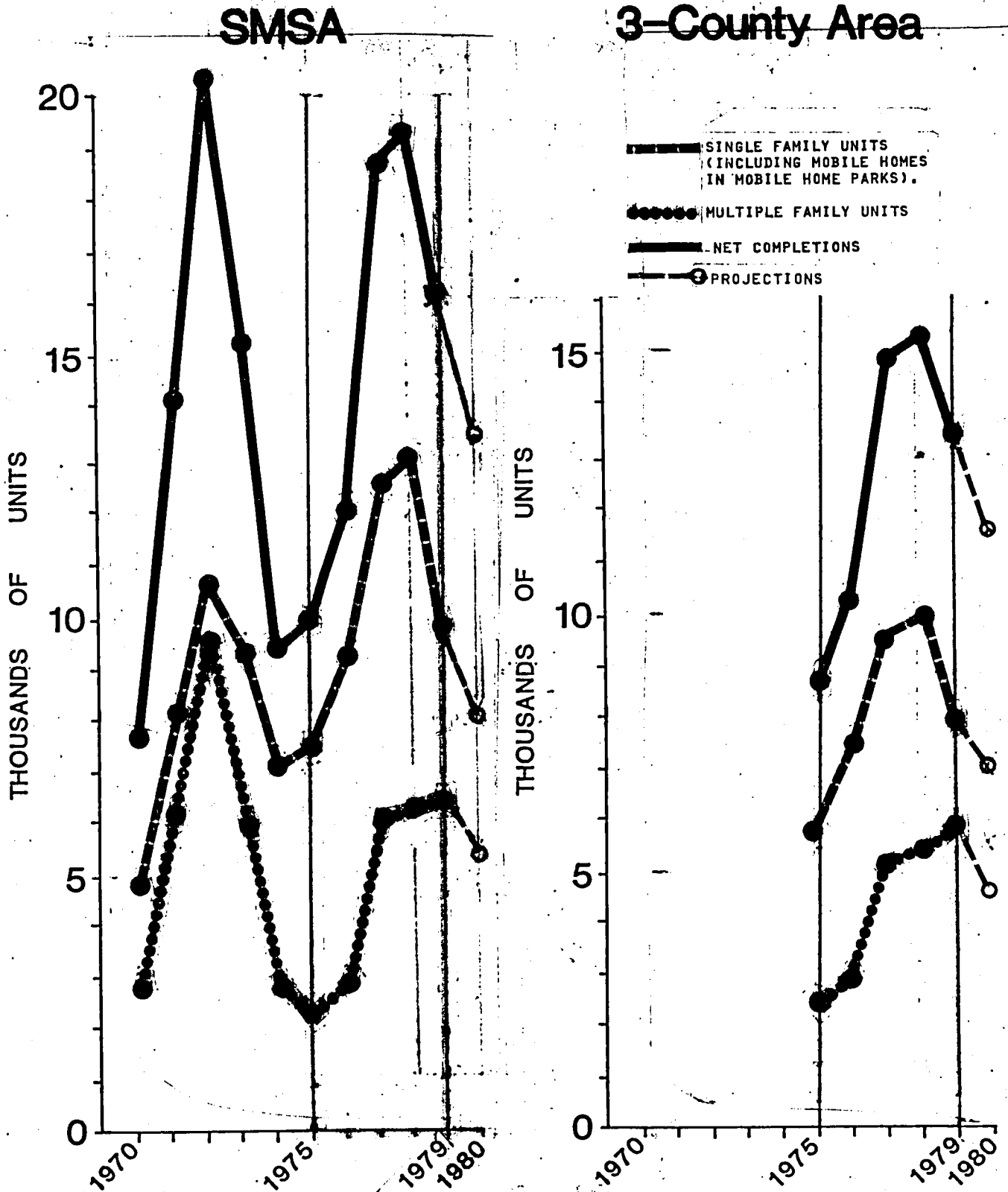
3-County Area



SOURCES: CLACKAMAS, MULTONOMAH & WASHINGTON COUNTIES; STATE OF OREGON HOUSING DIVISION BUILDING PERMIT REPORTS, 1970-1979. CLARK COUNTY; COLUMBIA REGION ASSOCIATION OF GOVERNMENTS, BUILDING PERMIT STATISTICS BY CENSUS TRACT ANNUAL REPORTS 1961-1975; and BUILDING DEPARTMENT OF CLARK COUNTY AND MUNICIPALITIES, 1972, 1973, 1976, 1977, & 1978.

Figure 6

HOUSING COMPLETIONS BY TYPE 1970-1979



SOURCES: PORTLAND GENERAL ELECTRIC AND PUBLIC UTILITY DISTRICT OF CLARK COUNTY (CLARK COUNTY P.U.D.)

construction increased at a compound annual rate of 18.83 percent between 1970 and 1979 from an average cost per acre of \$4,630 in 1970 to \$21,867 in 1979. Unimproved land costs increased at a compound annual rate of 32.81 percent between 1973 and 1977 from an average cost per acre of \$4,500 in 1973 to \$14,000 in 1977. (Real Estate Trends, September 30, 1979)

2. All levels of government substantially affect the production and cost of new housing through the regulation of construction standards, subdivision design reviews, building codes, land use (zoning) approvals, and the provision of support facilities and services. A Home Builders Association survey of increased housing costs in one city in the region estimated, for example, that during the period 1972 to 1977 new government regulations added approximately \$5,500 to the cost of an average priced new home (exclusive of inflation).

Vacancy Rates

1. The Housing Vacancy Survey (published by the Federal Home Loan Bank of Seattle) for the Portland SMSA between 1976 and 1979 indicates that vacancies grew scarcer among apartments and mobile homes. In October, 1979, the postal vacancy rate for multiple family units was 2.4 percent, compared to 3.0 in November, 1978, 2.6 in November, 1977, and 3.7 in October, 1976. Mobile home vacancy rates were similar: October, 1979 - 1.4 percent; November, 1978 - 1.8 percent; November, 1977 - 1.3 percent; and October, 1976 - 2.4 percent. Single family vacancy trends were more stable: October, 1979 - 1.6 percent; November 1978 - 1.7 percent; November, 1977 - 1.4 percent; and October 1976 - 1.6 percent.
2. PGE vacancy surveys, covering approximately 75 percent of the Portland SMSA, indicate a recent trend toward higher vacancy rates seemingly contradicting the postal vacancy surveys. Since the PGE surveys, however, include units under construction and newly completed units, the trend toward higher vacancy rates probably is attributable to the relatively higher construction activity of 1977 and 1978. Vacancy data is summarized and compared below:

Portland SMSA Vacancy Surveys

<u>Year</u>	<u>Over- all</u>	<u>Postal Survey</u> October/November			<u>PGE Survey</u> (Average of 12 months)			
		<u>SF</u>	<u>MF</u>	<u>Mobile Home</u>	<u>Over- all</u>	<u>SF</u>	<u>MF</u>	<u>Mobile Home</u>
1979	1.6	1.3	2.4	1.4	4.4	3.6	7.3	4.4
1978	1.7	1.2	3.0	1.8	4.3	3.5	6.4	5.1
1977	1.4	1.0	2.6	1.3	4.3	3.5	6.4	6.1
1976	1.6	1.0	3.7	2.4	3.9	3.1	6.0	7.2

3. Vacancy rates of areas within the Portland SMSA exhibit substantial variations depending on local circumstances. Vacancy data by postal ZIP codes, summarized and compared below, illustrates this:

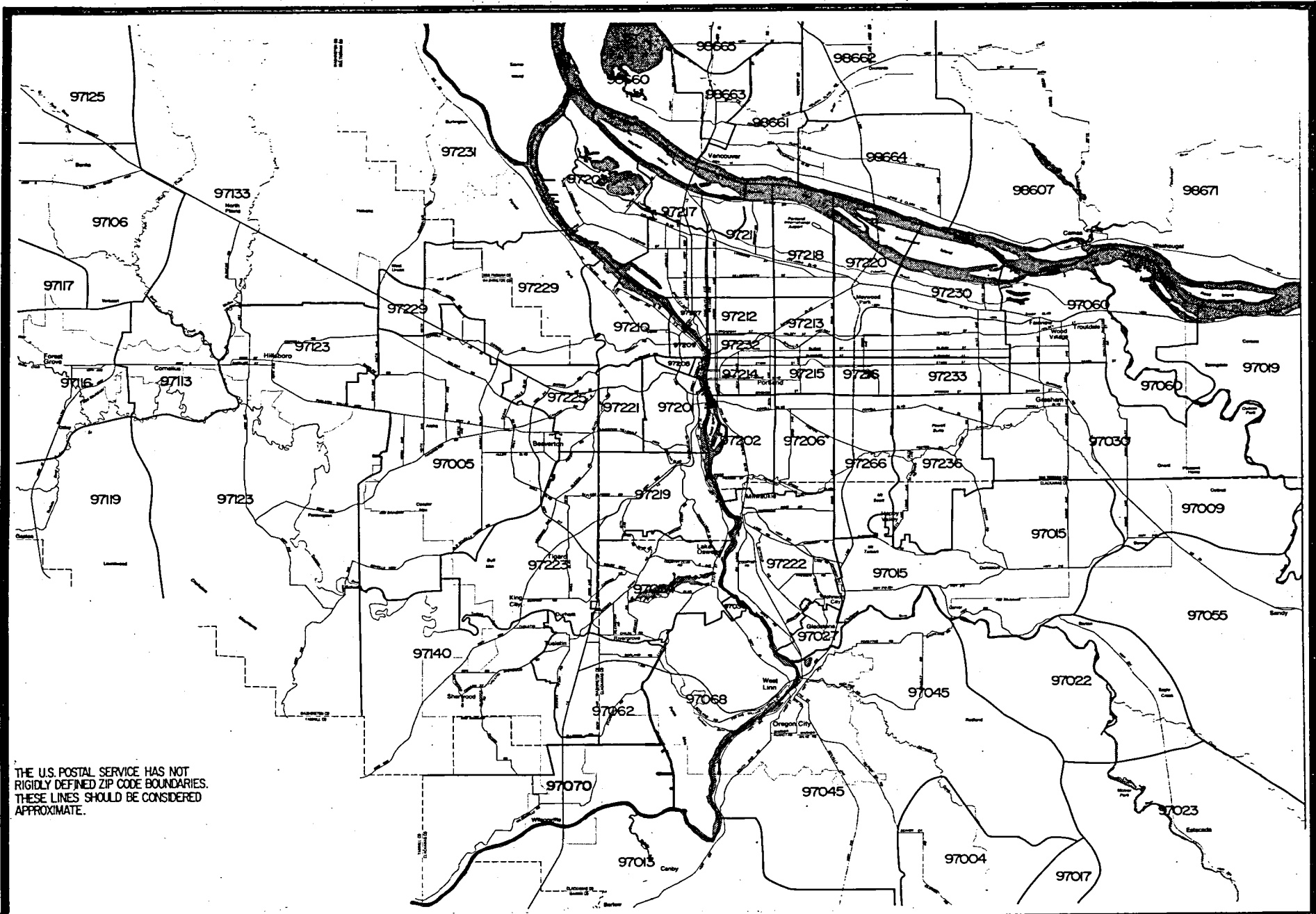
Portland SMSA Vacancy Surveys
By Postal ZIP Codes

<u>Portland Zip Codes</u>	<u>Postal Survey October, 1979</u>			<u>PGE Survey October, 1979</u>		
	<u>SF</u>	<u>MF</u>	<u>Mobile Home</u>	<u>SF</u>	<u>MF</u>	<u>Mobile Home</u>
97201	1.5	0.4	0.0	2.8	6.5	0.0
97202	1.2	3.2	0.0	1.4	6.7	3.7
97203	1.5	3.4	0.0	1.9	5.9	0.0
97204	0.0	0.0	0.0	0.0	1.0	0.0
97205	0.0	2.4	1.1	1.6	4.4	1.4
97206	2.0	2.2	1.0	2.0	4.2	4.5
97209	0.2	3.6	0.0	6.3	11.7	0.0
97210	1.4	1.7	0.0	1.8	7.5	0.0
97211	3.3	6.2	0.0	0.0	0.0	0.0
97212	1.9	1.4	0.0	0.0	0.0	0.0
97213	0.8	1.1	0.0	1.5	4.4	0.0
97214	1.8	2.4	0.0	1.8	4.9	0.0
97215	1.2	2.5	0.0	1.1	5.0	0.0
97217	1.6	4.7	0.0	1.5	6.4	2.8
97218	0.6	2.2	2.1	0.0	0.0	0.0
97219	1.0	3.6	0.0	3.4	6.3	0.0
97221	1.0	4.5	0.0	2.5	5.9	0.0
97227	2.3	0.5	0.0	1.0	2.6	0.0
97232	2.0	3.8	0.0	1.6	5.3	0.0

<u>Suburban Zip Code</u>	<u>Postal Survey October, 1979</u>			<u>PGE Survey October, 1979</u>		
	<u>SF</u>	<u>MF</u>	<u>Mobile Home</u>	<u>SF</u>	<u>MF</u>	<u>Mobile Home</u>

Multnomah County

97216	1.2	1.0	1.7	1.4	2.8	0.0
97220	1.4	4.5	0.0	0.0	5.9	0.0
97230	1.0	0.0	0.0	1.8	3.8	0.0
97231	0.7	0.0	0.0	6.6	3.4	7.0
97233	1.1	0.3	1.8	2.1	3.7	4.9
97236	0.9	3.1	0.6	2.2	4.3	2.0
97266	1.1	1.4	1.5	3.6	5.6	3.3
97030	0.9	2.4	1.1	4.0	4.4	1.4
97060	0.5	12.0	2.0	6.2	0.0	1.3



THE U.S. POSTAL SERVICE HAS NOT RIGIDLY DEFINED ZIP CODE BOUNDARIES. THESE LINES SHOULD BE CONSIDERED APPROXIMATE.



Draft Housing Goals & Objectives: July 1980

ZIP CODES

Map 4

Suburban <u>Zip Code</u>	<u>Postal Survey</u> October, 1979			<u>PGE Survey</u> October, 1979		
	<u>SF</u>	<u>MF</u>	<u>Mobile Home</u>	<u>SF</u>	<u>MF</u>	<u>Mobile Home</u>
<u>Clackamas County</u>						
97222	0.9	2.2	0.5	2.4	4.7	3.1
97013	0.5	0.4	1.1	3.4	0.0	2.6
97027	0.6	1.8	1.2	2.8	5.6	2.8
97034	1.5	2.2	0.0	3.7	11.5	3.4
97045	1.2	1.5	0.0	3.7	6.2	1.7
97068	0.9	7.9	14.3	6.4	11.1	0.0
<u>Washington County</u>						
97223	1.9	3.2	0.8	3.5	10.5	2.4
97225	0.8	2.2	0.0	1.3	7.0	0.0
97229	1.3	3.2	0.0	3.7	13.0	0.0
97005	1.1	1.6	1.1	4.0	8.9	2.3
97116	0.9	2.5	0.2	3.3	0.0	6.8
97123	1.0	2.0	2.2	3.9	5.6	4.4

Demolitions

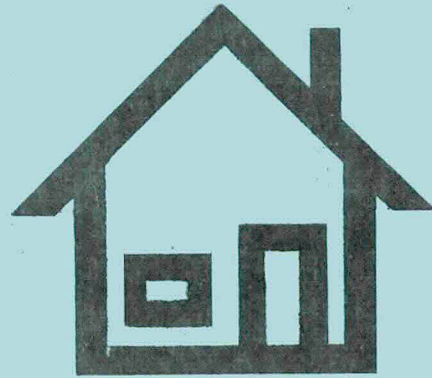
1. In the 17-year period between 1961 and 1977, estimates based on permit applications indicate that 16,908 housing units were demolished, converted or moved out of the Portland SMSA. These demolitions, conversions or moves averaged 995 units per year. If only the last eight years (1970 to 1977) are considered, the average is 879 units per year. In the most recent three year period (1975-1977) for which data is available, the annual average demolitions, conversions or moves of units was 573.

Public Assistance

1. According to the Metro's Areawide Housing Opportunity Plan, of an estimated 472,691 Portland SMSA housing units (October, 1978), 3,164 units (0.7 percent) were publicly owned. Another 16,026 units received direct low-income public subsidy assistance and Community Development Block Grant (Rehabilitation) program assistance. Hence, only about 4.1 percent (19,190) of The Portland SMSA's households benefited directly from low income housing assistance. Metro's Areawide Housing Opportunity Plan data indicate that 39 percent (3,370 of 8,547 units) of public housing assistance is currently targeted for new construction.



EXISTING HOUSING



EXISTING HOUSING
GOALS AND OBJECTIVES

GOAL 13: SUPPLY OF EXISTING HOUSING

- ADEQUATE NUMBERS OF EXISTING HOUSING UNITS TO PERMIT HOUSEHOLDS WHO NEED OR DESIRE SUCH HOUSING TO PURCHASE OR RENT SUITABLE SHELTER.

Objectives

- a. Metro will support and encourage local and State policies and efforts to conserve and maintain the existing housing stock.
- b. Metro will support and encourage policies, programs and efforts directed towards retaining the existing multiple family rental housing stock.

GOAL 14: MAINTENANCE OF EXISTING HOUSING

- MAINTENANCE OF THE REGION'S EXISTING HOUSING SUPPLY IN A MANNER THAT IS SAFE, SANITARY, SOUND, AND ENERGY EFFICIENT.

Objectives

- a. Metro will ensure that cities and counties adopt cost effective policies and program that improve sanitation, weatherization or energy conservation of deficient existing housing.
- b. Metro will ensure that local plans and regulations emphasize maintenance or minor repair as a means of preventing declines in housing conditions.
- c. Metro will encourage State and federal agencies to adopt innovative, cost effective programs which promote the maintenance of the region's housing supply in a safe, sanitary, sound and energy efficient manner.

GOAL 15: REHABILITATION

- REHABILITATION OF EXISTING HOUSING UNITS TO MEET MINIMUM HEALTH, SAFETY, SOUNDNESS, AND ENERGY CONSERVATION STANDARDS.

Objectives

- a. Metro will ensure that cities and counties develop policies and programs aimed at conserving those existing low-cost housing units which are suitable for rehabilitation.

- b. Metro will assist public or private agencies to develop maintenance or rehabilitation programs to reduce the number of structurally deficient housing units.
- c. Metro will identify and develop innovative financing or other provisions designed to alleviate impacts on lower or fixed income households where major rehabilitation programs are necessary.
- d. Metro will ensure coordination between agencies engaged in housing maintenance or rehabilitation programs and Metro area cities and counties.

GOAL 16: HISTORIC PRESERVATION

- . IDENTIFICATION AND PRESERVATION OF HISTORIC STRUCTURES AND AREAS THROUGHOUT THE REGION.

Objectives

- a. Metro will ensure that cities and counties identify and designate historic residential structures and areas consistent with Statewide Goal #5, Open Spaces, Scenic and Historic Areas and Natural Resources.
- b. Metro will identify and develop innovative financing and other provisions to preserve designated historic residential structures or areas.

EXISTING HOUSING ASSUMPTIONS

1. The existing Portland SMSA housing stock is generally well-maintained and represents a major resource.
2. Proportionately, the largest deficiencies in existing housing are related to weatherization, or energy conservation, and lack of public sewers.
3. Less than one-third of the housing stock appears old enough to have serious deficiencies resulting from obsolescence.
4. As the price of investment capital for new housing increases the price of existing housing will also increase.
5. Conservation of the existing housing stock through support and encouragement of good maintenance practices and minor repair is generally preferable to major rehabilitation programs.
6. Where major rehabilitation is more economical it is generally preferable to new construction.
7. Existing very low cost housing, such as single room occupancy housing, if destroyed can not be replaced at similar price or rent levels by new housing unless heavily subsidized.
8. Major rehabilitation tends to drive up prices of used housing and displaces lower or fixed income households (primarily renters), unless heavily subsidized.
9. Single room occupancy (SRO) rental units are the lowest priced housing in the region, and if lost, are essentially irreplaceable in the market at their original rent levels.

EXISTING HOUSING FACTS

Total Existing Units

1. Based on U.S. Census Bureau, building permit and PGE data, as of April 1, 1979, there were approximately 482,000 housing units in the Portland SMSA. An estimated 354,000 (73.6 percent) units were single family (including mobile home units) and 127,000 (26.4 percent) units were multiple family.

Price and Value

1. According to Real Estate Trends, during the period December, 1972 - March, 1979 the price of used homes increased faster than the price of new homes. The average sales prices of used homes is up 187 percent from \$21,900 to \$60,900 compared with a 130 percent increase in the average price of new homes (from \$32,000 to \$73,600).

Deficiencies

1. Based on the Census Bureau's Annual Housing Survey (1975), of 421,100 year-round Portland SMSA housing units estimated to exist in October, 1975, 31 percent were over 35 years old, 43 percent over 25 years old; and 30 percent relied on septic tanks, cess-pools, etc. for sewage disposal.
2. Based on the Census Bureau's Annual Housing Survey (1975), of 296,400 occupied single family and mobile homes estimated to exist in October, 1975 in the Portland (SMSA), 57 percent had no storm windows or protective window covers; 53 percent had no storm doors; 21 percent either had no attic or roof insulation or the occupants did not know.
3. Metro's AHOP estimates that, as of April 1, 1978, at least 44,148 housing units (10.4 percent of SMSA total occupied units) were "substandard" by definitions contained in the AHOP.
4. Metro's AHOP estimates that, as of April 1, 1978, 25,134 of the Portland SMSA's substandard housing units were located in Portland. Thus, about 56.9 percent of all SMSA substandard units were in Portland compared with only about 36.3 percent of the total SMSA occupied housing units.

Rehabilitation

1. Metro's AHOP estimated that, as of April 1, 1978, of the 44,148 substandard units about 38,851 units were considered suitable for rehabilitation.
2. The Census Bureau's Annual Housing Survey (1975) estimated that during the 12 months preceding October, 1975, about 64 percent of owner households had made repairs or alterations. Roughly 54 percent of all alterations or repairs reported cost more than \$100.
3. According to the Portland Development Commission during 1979, the average monthly rent or payment for rehabilitated units increased between 15 and 18 percent. Such increases, however, cannot be attributed entirely to rehabilitation, since other contributing factors exist such as location, taxes, utilities and general inflation of maintenance costs.
4. According to the Portland Development Commission, during 1979, the rent for a single room occupancy (SRO) unit ranged from \$65 to \$145 per month. The average SRO rented in 1979, at approximately \$85 per month, which if increased by 15 to 18 percent, would rent at between \$98 and \$100.

ASSISTED HOUSING



ASSISTED HOUSING
GOALS AND OBJECTIVES

GOAL 17: MAXIMIZE ASSISTANCE

- MAXIMIZATION OF FEDERAL, STATE OR LOCAL RESOURCES TO PROVIDE PUBLIC ASSISTANCE FOR HOUSEHOLDS UNABLE TO MEET THEIR HOUSING NEEDS IN THE MARKET.

Objectives

- a. Metro will maintain a consistent, areawide information base and methodology for monitoring changes in housing needs unmet in the market.
- b. Metro will establish numerical goals to reduce unmet regional housing needs.
- c. Metro will assist public agencies engaged in the delivery of housing assistance to reduce the number of households with unmet housing needs.

GOAL 18: NEW RESOURCES AND INCENTIVES

- DEVELOPMENT OF NEW RESOURCES AND INCENTIVES TO PROVIDE HOUSING UNITS FOR HOUSEHOLDS REQUIRING PUBLIC ASSISTANCE.

Objectives

- a. Metro will assist cities and counties in developing innovative approaches to reduce the overall cost of assisted housing so that new housing opportunities for low and moderate-income groups will be created.

GOAL 19: EQUITABLE DISTRIBUTION AMONG JURISDICTIONS

- AN EQUITABLE DISTRIBUTION OF PUBLIC HOUSING ASSISTANCE AMONG ALL METRO CITIES AND COUNTIES.

Objectives

- a. Metro will establish numerical goals for achieving expanded assisted housing opportunities in areas which traditionally have limited assisted housing.
- b. Metro will declare housing policies of cities and counties which fail to provide adequate opportunity for assisted housing to be in violation of Statewide Goal 10.

GOAL 20: EQUITABLE DISTRIBUTION AMONG RECIPIENTS

- AN EQUITABLE DISTRIBUTION OF PUBLIC HOUSING ASSISTANCE AMONG:
(1) ELDERLY AND FAMILY UNITS; (2) OWNER AND RENTER UNITS; AND
(3) NEWLY CONSTRUCTED, EXISTING AND REHABILITATED UNITS.

Objectives

- a. Metro will ensure that city and county housing assistance plans provide for equitable distribution of housing assistance among elderly, family, owner and renter households and newly constructed, existing and rehabilitated housing units.

GOAL 21: DISPERSAL VS. ACCESSIBILITY

- DISPERSAL OF PUBLICLY ASSISTED HOUSING UNITS WITHIN EACH JURISDICTION WHILE PROMOTING ACCESSIBILITY TO JOBS, SHOPPING, PUBLIC TRANSIT AND OTHER PUBLIC SERVICES.

Objectives

- a. Metro will improve coordination between agencies engaged in the delivery of housing assistance and Metro area cities and counties.
- b. Metro will encourage Public Housing Authorities constructing housing to afford an opportunity for occupants (current and potential) to participate in site selection and project design.
- c. Metro will ensure that city and county housing assistance plans distribute assisted housing in a manner that considers accessibility to jobs, shopping, parks, public transit and other public services. The placement of assisted housing should not be limited to areas along arterials or adjacent to industrial or commercial areas but should be provided in diverse residential settings.

ASSISTED HOUSING ASSUMPTIONS

1. An income of 80 percent or less than the median family income is an acceptable guideline for defining "low and moderate income."
2. A renter household is considered in need if either: (1) its income is 80 percent (or less) of the SMSA median family income and paying more than 25 percent of its gross income for rent; or (2) overcrowded (over one person per room); or (3) living in housing lacking some or all plumbing.
3. An owner household is considered in need if either: (1) its income is 80 percent (or less) of the SMSA median family income and occupying housing which is valued at less than \$30,000 (the 1978 inflated equivalent of \$10,000 in 1970), and which is over 25 years old; or (2) overcrowded (over one person per room); or (3) living in housing lacking some or all plumbing.
4. Substandard renter units are those for which gross rents were less than \$150 (the 1978 inflated equivalent of \$80 in 1970). Substandard owner units are those valued at less than \$30,000 (the 1978 inflated equivalent of \$10,000 in 1970).
5. Eighty-eight percent of total substandard housing units are considered suitable for rehabilitation.
6. Not all households in the Portland SMSA with housing needs are eligible for housing assistance programs encompassed by Metro's Areawide Housing Opportunity Plan (AHOP).
7. An increasing percentage of households in the Portland SMSA are paying more than 25 percent of their income for housing.

ASSISTED HOUSING FACTS

Needy Households

1. Metro's AHOP estimates that, as of April, 1978, 47,153 low and moderate income households in the SMSA were in need of some form of public housing assistance by reason of disproportionate costs, overcrowding or substandard conditions. This is equivalent to 26.0 percent of all low and moderate-income households (181,479) and 11.1 percent of households of all incomes (426,281) in the SMSA.
2. Metro's AHOP estimated that, as of April 1, 1978, the region's housing assistance needs were distributed in relation to total population as follows:

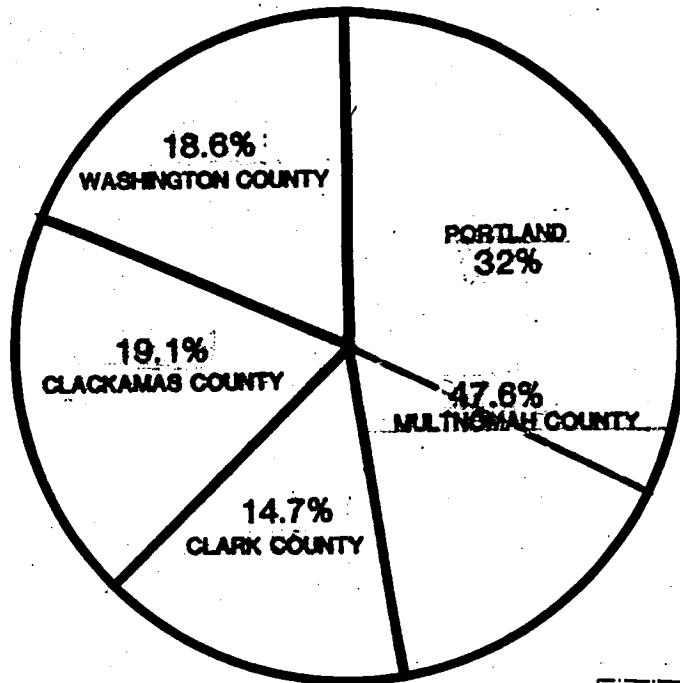
	1978 <u>Population</u>		1978 <u>Needy Households</u>	
Clackamas County	220,000	19.1%	4,569	9.7%
Clark County	169,900	14.7%	5,857	12.4%
Multnomah County	549,000	47.6%	31,480	66.8%
Washington County	<u>215,000</u>	<u>18.6%</u>	<u>5,247</u>	<u>11.1%</u>
SMSA Total	1,153,900	100.0%	47,153	100.0%

The City of Portland, with 32 percent of the SMSA population alone, accounts for 57 percent of the SMSA housing assistance needs. (See Figure 7)

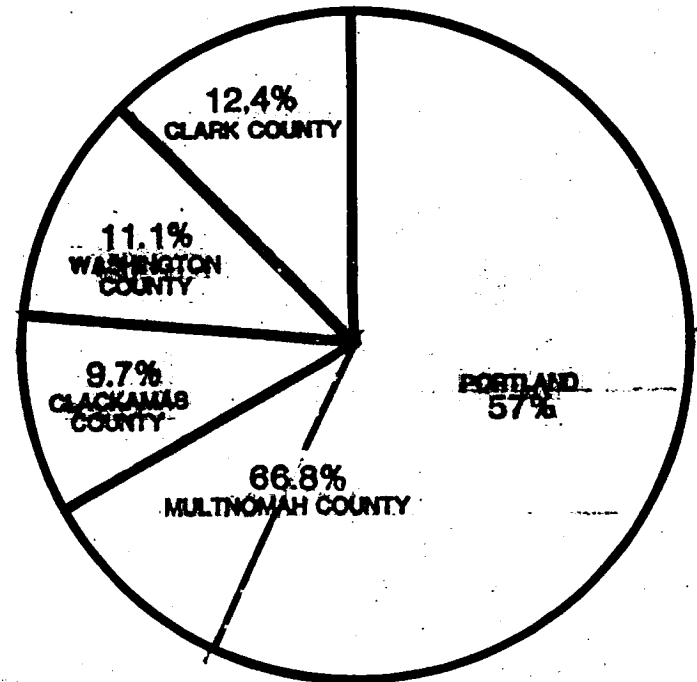
3. Metro's AHOP estimates that, as of April 1, 1978, 11,328 owner households in the Portland SMSA had incomes 80 percent or less than the SMSA median family income and occupied housing valued at less than \$30,000 (the 1978 inflated equivalent of \$10,000 in 1970), and was over 25 years old, and/or overcrowded (over one person per room), and/or living in housing lacking some or all plumbing. This represents 4.24 percent of the total owner households
4. Metro's AHOP estimates that, as of April 1, 1978, 35,825 renter households in the Portland SMSA had incomes 80 percent or less than the SMSA median family income and were paying more than 25 percent of their gross income for rent, and/or were overcrowded (over one person per room), and/or were living in housing lacking some or all plumbing. This represents 22.5 percent of the total renter households.
5. According to the HUD Portland Area Office, as of September, 1979, estimates indicate that of about 33,900 households that are eligible for rent subsidies (under HUD's Section 8 Rent Subsidy Program), more than 19,500 (57.5 percent) cannot be assisted now due to insufficient funding for rent supplements. Approximately 15,900 (47 percent) of all eligible households are estimated to be elderly.
6. According to the HUD Portland Area Office, as of September, 1979, estimates of rent subsidy eligibility indicate that the highest proportion of eligibility exists in Multnomah County (19,700 or 58 percent), followed by Clark (5,100 or 15 percent), and Washington (4,700 or 14 percent), and Clackamas Counties (4,400 or 13 percent).

Figure 7

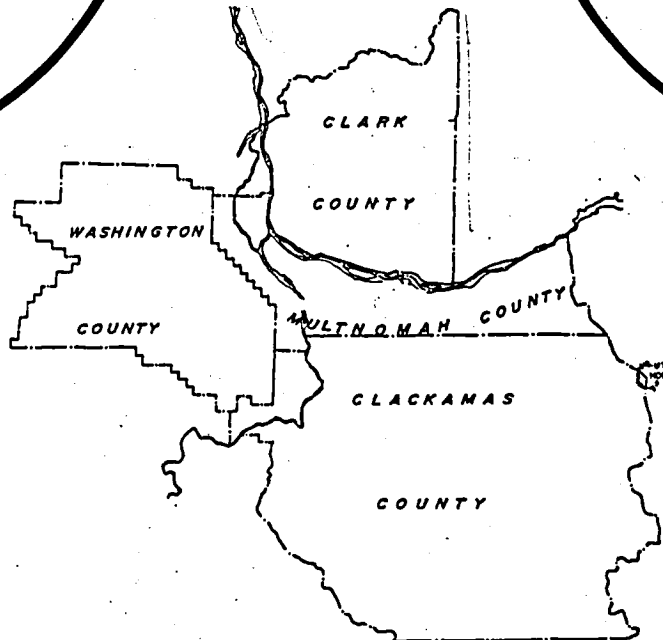
PERCENTAGES OF POPULATION & NEEDY HOUSEHOLDS 1978



Population



Needy
Households



Proportionality of Need

1. Metro's AHOP estimated that as of April 1, 1978, about 76 percent of households needing housing assistance were renters (35,825 of 47,153). Elderly and/or handicapped made up 46 percent (22,122 of 47,153) of the households with assistance needs.
2. The U.S. Department of Housing and Urban Development (HUD) Portland Area Office estimates that of the 476,629 households in the Portland SMSA (July 1, 1979), 65 percent were owners and 35 percent were renters.

Income

1. The HUD Portland Area Office estimates that during the period July, 1969 to July, 1979, the median family income (families do not include one person households) rose from \$10,541 to \$18,200.
2. The HUD Portland Area Office estimates that, as of July 1, 1979, the median income of SMSA renter households (including one person households) was \$11,499.
3. The Census Bureau's Annual Housing Survey (1975) estimated the median income of SMSA owner households in 1975 to be \$15,300.
4. The Census Bureau's Annual Housing Survey (1975) estimated the median income of SMSA renter household in 1975 to be \$8,600.
5. Actual income eligibility for specific housing assistance programs will include income levels above the median, primarily to account for the needs of large families.

Disproportionate Costs

1. The 1970 U.S. Census did not record the number of owner households with monthly housing-related costs over 25 percent of income; but the Census Bureau's Annual Housing Survey (1975) estimated that about 20 percent (30,000 households) of all households purchasing a home with a mortgage or secured loan were paying over 25 percent of their incomes for housing (including payments for mortgage, taxes, insurance and utilities). The Survey also indicated that approximately 13 percent (9,700 households) of all households owning a home free and clear were paying in excess of 25 percent of their incomes for housing.
2. The Annual Housing Survey (1975) estimated that of 54,000 owner households (purchasing with a mortgage), with incomes below \$15,000, 24,400 (45 percent) were paying over 25 percent of their incomes for mortgage payments, taxes, insurance and utilities. Of 51,000 households owning their home free and clear with incomes below \$15,000, 9,700 (19 percent) were estimated to be paying over 25 percent for housing costs (taxes, insurance and utilities).

Assisted Housing

1. Metro's AHOP estimates that, as of October, 1978, 19,190 households received low-income housing assistance in the Portland SMSA. Hence, only about 4.1 percent of the SMSA's households received low-income public housing assistance.
2. According to the HUD Portland Area Office estimates from January, 1970 to September, 1979, 7,780 households received assistance from programs other than Section 8. This figure includes various programs such as Section 235; Multi-Family Rental Housing for Low - and Moderate - Income Families (Section 221 (d) (3); Direct Loans for Housing for the Elderly or Handicapped (Section 202); Low Rent Public Housing; and Rental and Cooperative Housing Assistance for Lower-Income Families (Section 236).
3. Metro's AHOP estimates that, as of October, 1978, of the SMSA's housing stock of 426,281 units, 3,164 are conventional public housing units (0.74 percent) and an additional 6,572 units (1.54 percent) receive rent subsidies (through HUD's section 8 or 23 Programs). Of the total 19,190 assisted units, 12,847 units (66.5 percent) were in Multnomah County, 2,242 (11.68 percent) in Clackamas County, 2,316 (12.07 percent) in Clark County, and 1,785 (9.30 percent) in Washington County.

FAIR HOUSING



FAIR HOUSING

GOALS AND OBJECTIVES

GOAL 22: ACCESS TO HOUSING

- FAIR AND EQUITABLE ACCESS TO HOUSING FOR ALL SEGMENTS OF SOCIETY, INCLUDING BUT NOT LIMITED TO PEOPLE OF ALL RACES, COLOR, AGE, SEX, RELIGION, NATIONAL ORIGIN, MENTAL OR PHYSICAL HANDICAP, INCOME, MARITAL STATUS, FAMILY SIZE, SEXUAL PREFERENCE OR HOUSEHOLD COMPOSITION.

Objectives

- a. Metro will ensure that cities and counties affirmatively plan and provide reasonable opportunity for an appropriate variety and choice of housing, including low and moderate-income housing, to meet the needs, desires and resources of all categories of people who may desire to live within their boundaries. Cities and counties may not adopt regulations or policies which thwart or preclude that opportunity.
- b. Metro will assist public or private agencies engaged in programs to secure fair and equitable access to housing so that all segments of society, including but not limited to people of all races, color, age, sex, religion, national origin, mental or physical handicap, income, marital status, family size, sexual preference or household composition have fair opportunity to secure needed housing.
- c. Metro will support measures to increase the housing choices (both geographic and by housing type) of special need groups and minority households.
- d. Metro will undertake measures to increase the awareness of eligible households concerning available housing assistance programs.
- e. Metro will undertake measures to increase the awareness of member jurisdictions concerning the housing needs of their residents and available housing assistance programs.
- f. Metro will support measures to improve the acceptance in all communities of special need groups and minority households.
- g. Metro will encourage the placement of publicly assisted housing and non-assisted lower cost housing within easy access of appropriate services and activities which may include jobs, shopping, public transit, schools, parks, medical facilities, and other public facilities and services. The placement of such housing should not be limited to areas along arterials or adjacent to commercial

or industrial areas, but should be provided in diverse residential settings.

- h. Metro will encourage a generally dispersed approach in locating publicly assisted housing intended primarily for families, while recognizing that publicly assisted housing targeted for the elderly may best be located in more concentrated groupings.

FAIR HOUSING ASSUMPTIONS

1. Geographic concentration of minority and special need households is due to a combination of factors, including economics, discrimination and choice.
2. Proportionately, minority households are more apt to be ill-housed than non-minority households.
3. Where minority concentration is the result of choice, policies which eliminate choice by requiring dispersal of minority households should be considered discriminatory.
4. Metro's AHOP is intended to expand housing opportunities for low-income households outside of areas with undue concentrations of low-income households.
5. To the extent that special need groups and minorities are unable to secure adequate housing for economic reasons, the primary remedies are: jobs; sufficient incomes; low cost market housing; or housing assistance.
6. A wider geographic choice of housing for special need groups and minorities should improve their educational and job opportunities, thus helping to reduce the need for costly or controversial programs to deal with the social consequences of segregation.
7. An affirmative areawide commitment to fair housing opportunity for low and moderate income, minority, elderly, handicapped, large-family and female-headed households will strengthen the eligibility of Metro and local jurisdictions for a variety of housing and community development projects involving federal funding.
8. Active leadership by Metro should result in the reduction of land use and housing policies of local jurisdictions that adversely affect special need group and minority households.
9. The problems of the handicapped in finding housing are not limited to considerations of income alone, but also include architectural barriers, the cost of overcoming them in existing housing, locational factors and community acceptance of housing for the developmentally disabled.

FAIR HOUSING FACTS

Needy Households

1. Metro's AHOP estimates that, as of April, 1978, 47,153 low and moderate income households in the Portland SMSA were in need of some form of public housing assistance by reason of disproportionate costs, over-crowding or substandard condition. This is equivalent to 26.0 percent of all low and moderate-income households (181,479) and 11.1 percent of households of all incomes (426,281) in the SMSA.

2. Metro's AHOP estimated that, as of April 1, 1978, the region's housing assistance needs were distributed in relation to total population as follows:

	<u>1978 Population</u>		<u>1978 Needy Households</u>	
Clackamas County	220,000	19.1%	4,569	9.7%
Clark County	169,900	14.7%	5,857	12.4%
Multnomah County	549,000	47.6%	31,480	66.8%
Washington County	<u>215,000</u>	<u>18.6%</u>	<u>5,247</u>	<u>11.1%</u>
SMSA Total	1,153,900	100.0%	47,153	100.0%

The City of Portland, with 32 percent of the SMSA population, alone accounts for 57 percent of the SMSA housing assistance needs.

3. Metro's AHOP estimates that, as of April 1, 1978, housing assistance needs were distributed among household types and tenure as follows:

	<u>Total</u>	<u>Owner</u>	<u>Renter</u>	<u>Elderly/ Handi.</u>	<u>Family</u>	<u>Female Headed</u>	<u>Minority</u>
Clack. Co.	4,569	1,108	3,461	2,452	2,117	2,022	462
% of County	100	24.25	75.75	53.67	46.33	44.25	10.11
% of SMSA	9.69	9.78	9.66	11.08	8.46	9.68	7.08
Clark Co.	5,856	1,805	4,051	2,557	3,299	2,534	285
% of County	100	30.82	69.18	43.66	56.34	43.27	4.87
% of SMSA	12.42	15.93	11.31	11.56	13.18	12.13	4.37
Mult. Co.	31,480	7,772	23,708	15,216	16,264	13,913	5,309
% of County	100	24.69	75.31	48.34	51.66	44.20	16.86
% SMSA	66.76	68.61	66.18	68.78	64.98	66.62	81.35
Wash. Co.	5,247	643	4,604	1,897	3,350	2,416	470
% of County	100	12.25	87.75	36.15	63.85	46.05	8.96
% of SMSA	11.13	5.68	12.85	8.58	13.38	11.57	7.20
SMSA	47,152	11,328	35,825	22,122	25,030	20,885	6,526
% of SMSA	100	100	100	100	100	100	100
Portland	26,901	5,748	21,153	12,637	14,264	12,019	4,778
% of City	100	21.37	78.63	46.98	53.02	44.68	17.76
% of SMSA	57.05	50.74	59.05	57.12	56.99	57.55	73.21

4. The 1970, U.S. Census recorded 89 percent of the Portland SMSA's elderly renter households and 68 percent of elderly homeowners with incomes under \$5,000 and living in housing with

some inadequacy (lacking plumbing and/or with more than 1.25 persons per room and/or built in 1939 or earlier and valued at less than \$10,000).

Special Needs

1. Metro's AHOP estimates that, as of April 1, 1978, housing assistance needs for female-headed households were as follows:

Clackamas County

Total Households	71,678
Female-Headed Households	4,860
Percent Female-Headed Households	6.78%
Female-Headed Needed Households	2,022
Percent Female-Headed Needy Households	41.60%

Clark County

Total Households	57,430
Female-Headed Households	4,681
Percent Female-Headed Households	8.15%
Female-Headed Needy Households	2,534
Percent Female-Headed Needy Households	54.13%

Multnomah County (including Portland)

Total Households	224,889
Female-Headed Households	26,111
Percent Female-Headed Households	11.61%
Female-Headed Needy Households	13,913
Percent Female-Headed Needy Households	53.28%

Washington County

Total Households	72,284
Female-Headed Households	4,894
Percent Female-Headed Households	6.77%
Female-Headed Needy Households	2,416
Percent Female-Headed Needy Households	49.37%

SMSA

Total Housholds	426,281
Female-Headed Households	40,546
Percent Female-Headed Households	9.51%
Female-Headed Needy Households	20,885
Percent Female-Headed Needy Households	51.51%

Portland

Total Households	154,724
Female-Headed Households	20,300
Percent Female-Heded Households	13.12%

Female-Headed Needy Households
Percent Female-Headed Needy Households

12,019
59.21%

2. The Census Bureau's Annual Housing Survey (1975) estimated that 13 percent (52,200) of the SMSA's households have five or more persons.
3. Metro's AHOP estimated (April, 1978) that 11 percent (5,206) of the households in need of housing assistance were large families (five or more persons).
4. According to the State of Oregon Vocational Rehabilitation Division it estimated that there were nearly 86,000 (9 percent of total population age 18-64) physically handicapped adults and 16,700 (two percent) developmentally disabled adults in the three-county area as of July, 1979.

Minorities

1. The 1970, U.S. Census recorded statistics for minority groups identified as: Black; (American) Indian; Spanish-American; Japanese; Chinese; Filipino; and Others. A total of nearly 53,000 persons or 5.25 percent of the SMSA population was recorded in these categories.
2. As of October, 1978, based on data from the State of Oregon's Employment Division, and the Indo-Chinese Cultural and Service Center, the population of minority groups are estimated to be 66,201 or 5.74 percent of the total SMSA population.
3. Between 1970 and 1978 the region's population increased by an annual compounded rate of 1.69 percent which is lower than the region's overall minority growth rate of 3.06 percent annually.
4. Based on data from the Indo-Chinese Cultural and Service Center, as of October, 1978, a significant change in the region's minority population has resulted from the arrival of an estimated 5,100 Vietnamese, Cambodian and Laotian refugees. Special housing problems have been encountered by these people due to relatively large family sizes, emphasis on extended family ties, language difficulties, the problem of finding adequate jobs and otherwise adjusting to a different culture.
5. According to the Indo-Chinese Cultural and Service Center, the total Metro Indo-Chinese population is anticipated to reach approximately 12,000 persons by the end of 1981.
6. According to estimates from the State of Oregon's Employment Division and the Indo-Chinese Cultural and Service Center, as of October, 1978, minority persons were distributed by counties and by group as follows:

	Total Minority Population	Black	Hispanic, American Indian or Alaskan Native	Asian or Pacific Islander
<u>Clackamas County</u>				
County Minority Population by Group	5,104	436	3,128	1,540
Percent of SMSA Minority Population in County	7.71%	1.60%	14.91%	8.58%
<u>Clark County</u>				
County Minority Population by Group	3,168	665	1,648	855
Percent of SMSA Minority Population in County	4.79%	2.44%	7.85%	4.76%
<u>Multnomah County</u>				
County Minority Population by Group	52,461	25,942	12,914	13,605
Percent of SMSA Minority Population in County	79.24%	95.15%	61.55%	75.77%
<u>Washington County</u>				
County Minority Population by Group	5,468	221	3,292	1,955
Percent of SMSA Minority Population in County	8.26%	0.81%	15.69%	10.89%
<u>SMSA Total</u>				
SMSA Minority Population, by Group	66,201	27,264	20,982	17,955
Percent of Total SMSA Minority Population by Group	100%	41.18%	31.70%	27.12%

Portland

City Minority Population by Group	38,105	17,716	9,846	10,543
Percent of SMSA Minority Population in City	57.56%	64.98%	46.93%	58.72%

- Based on the above estimates, Portland's minority population, as of October, 1978, was about 10 percent of the City's total population (366,650).
- The 1970 U.S. Census recorded that approximately 73 percent of Portland's Black population lived in ten of the City's 124 census tracts. These ten census tracts are contiguous and in the northeast section of Portland.
- According to Metro's AHOP it was estimated, as of April 1, 1978, that of the region's minority households and minority needy households requiring housing assistance (by reason of disproportionate costs, overcrowding or substandard conditions) were distributed as follows:

	Total Minorities	Black	Hispanic, American Indian or Alaskan Native	Asian or Pacific Islander
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Clackamas County

All Households	71,678	-	-	-
Minority Households	1,385	97	848	440
Percent Minority Households	1.93%	-	-	-
Minority Households in Need	462	32	283	147
Percent Minority Households in Need	33.36%	32.99%	33.37%	33.41%

Clark County

All Households	57,430	-	-	-
Minority Households	856	171	441	244
Percent Minority Households	1.49%	-	-	-
Minority Households in Need	285	57	147	81
Percent Minority Households in Need	33.29%	33.33%	33.33%	33.20%

Multnomah County

All Households	224,889	-	-	-
Minority Households	15,915	8,132	3,896	3,887
Percent Minority Households	7.08%	-	-	-
Minority Households in Need	5,309	2,713	1,299	1,297
Percent Minority in Need Households	33.36	33.36	33.34	33.37

Washington County

All Households	72,284	-	-	-
Minority Households	1,408	67	782	559
Percent Minority Households	1.95%	-	-	-
Minority Needy Households	470	22	261	187
Percent Minority Needy Households	33.38%	32.84%	33.38%	33.45%

SMSA

All Households	426,281	-	-	-
Minority Households	19,564	8,467	5,967	5,130
Percent Minority Households	4.59%	-	-	-
Minority Households in Need	6,526	2,824	1,990	1,712
Percent Minority In Need Households	33.36%	33.35%	33.35%	33.37%

Portland

All Households	154,724	-	-	-
Minority Households	11,535	5,553	2,970	3,012
Percent Minority Households	7.46%	-	-	-
Minority Households in Need	4,778	2,442	1,169	1,167
Percent Minority In Need Households	41.42%	43.98%	39.36%	38.75%

9. The Census Bureau's Annual Housing Survey (1975) indicated that home ownership is low for Black households (49 percent) compared with the overall population (64 percent). Nearly 70 percent of black households live in dwellings built before 1940. For all households, only 31 percent of the units occupied were built prior to 1940.

10. The 1970 U.S. Census recorded 99 percent of the SMSA's Black elderly renter households with incomes under \$5,000 and in housing with some inadequacy. Every household in this group resided in Multnomah County.

Fair Housing Laws

1. In Title VIII of the Civil Rights Act of 1968* (the Fair Housing Law), Congress declared a national policy of providing fair housing throughout the United States. This law makes discrimination based on race, color, religion, sex, or national origin illegal in connection with the sale or rental of most housing and any vacant land offered for residential construction or use.

*42USC ss 3601 as amended by 42USC ss 5308(b) Housing and Community Development Act of 1974

2. The State of Oregon (ORS 659.033) prohibits discrimination in selling, renting or leasing real property on the basis of race, color, sex, marital status, religion or national origin.

TC:ss:bk
7144/117

A G E N D A M A N A G E M E N T S U M M A R Y

TO: Regional Services Committee
FROM: Executive Officer
SUBJECT: Approving Special Zoo Admission Days for Fiscal Year 1981

I. RECOMMENDATIONS:

- A. ACTION REQUESTED: Approval of Resolution No. _____ authorizing special admission days for Fiscal Year 1981 as required by Section VII, Ordinance No. 59.
- B. POLICY IMPACT: The Ordinance allows for reduced or no admission charges on special days approved by the Council.
- C. BUDGET IMPACT: Because these days are scheduled during slower seasons and primarily mid-week, and because concession and gift shop revenues increase as a result of increased attendance, Zoo staff feels there is no negative budget impact.

II. ANALYSIS:

- A. BACKGROUND: For many years, prior to the creation of Metro, the Zoo issued free passes to a great variety of attendees. This practice became very difficult to monitor and control.

Consequently, in July of 1978, the MSD Board passed Ordinance No. 59 that stated specifically who could receive free passes and provided for Policy Board authorized special admission days.
- B. ALTERNATIVES CONSIDERED: No alternatives were considered. The present practice is working well and if additional special admission days are needed, the Council can authorize them.
- C. CONCLUSION: Continue the practice of special admission days by approving the Resolution.

MR:bk
8352/118

FOR THE PURPOSE OF APPROVING) RESOLUTION NO. 80-164
SPECIAL ZOO ADMISSION DAYS FOR)
FISCAL YEAR 1981)

WHEREAS, Ordinance No. 59 provides for Council authorization for special admission days; and

WHEREAS, The Zoo benefits from the attendance generated by providing these days; now, therefore,

BE IT RESOLVED,

That the Metro Council authorizes one day in each of the following time periods to be special admission days at the Washington Park Zoo during Fiscal Year 1981:

Zoo Parents Evening (September)
Senior Citizens' Day (September)
Children's Holiday (December vacation)
Dental Day (Spring)
Easter Egg Hunt (for children in care facilities and institutions) (Easter weekend Saturday)
Handicapped Citizens Day (May)
Campfire Day (March)

ADOPTED by the Council of the Metropolitan Service District
this day of July, 1980.

Presiding Officer

A G E N D A M A N A G E M E N T S U M M A R Y

TO: Metro Council
 FROM: Executive Officer
 SUBJECT: Advising Oregon's Congressional Delegation of the Need to Increase Federal Appropriations for Assuring the Adequate Funding of the Portland Region Interstate Transfer Program

I. RECOMMENDATIONS:

- A. ACTION REQUESTED: Council adoption of the attached Resolution No. directing the Executive Officer to
 - 1) request of the Oregon Congressional Delegation an annual appropriation for the next six years adequate to fund Metro's Interstate Withdrawal Program; 2) coordinate with local jurisdictions and the Oregon Department of Transportation (ODOT) to establish a unified approach in making this request; 3) work with ODOT and other agencies in coordinating with other states and regions to develop nationwide support by withdrawal participants for adequate funding of the Interstate Transfer Program.

- B. POLICY IMPACT: This action will bring to the attention of Oregon's Congressional Delegation Metro's concerns over current and insufficient appropriations to carry out the Portland Region's Interstate Withdrawal Program:
 1. Little can be done to alleviate the funding shortfall for the remainder of FY 1980 and it is recommended that the region, local jurisdictions and the State emphasize increasing the funding for FY 1981 and future years for both transit and highways.
 2. It is further recommended that the effort to increase the funding be coordinated and include not only the participation of the Metropolitan Service District, but the policy bodies of local jurisdictions, Tri-Met and the State. The emphasis should be on increasing the congressional appropriations and achieving equity between the transit and highway transfer funding and other programs such as the standard federal highway funding.

- C. BUDGET IMPACT: The Metro budget funds staff planning activities in preparing systems documentation for projects funded by Interstate Transfer funds.

II. ANALYSIS:

- A. BACKGROUND: In the Portland region, certain sections of the planned Interstate system (Mt. Hood and I-505 free-ways) were deemed not needed. Under federal statutes,

these sections could be "withdrawn" for an equivalent amount of estimated funds to be used for other transit or highway "transfer" projects in the region.

Originally, the value of the two freeways withdrawn were about \$244 million federal. This amount, by statute, has escalated, according to the National Average Construction Cost Index. This has resulted in about \$490 million being available in the Portland region on December 31, 1979. About \$30 million have been obligated on projects, leaving some \$460 million remaining to be obligated.

While "unobligated" funds continue to escalate (or de-escalate) according to the National Construction Cost Index, construction costs in Oregon have risen faster than the national average. Therefore, even though there may be more federal dollars available since the withdrawal of the two freeways, it is likely that they will buy fewer projects than was the case when the withdrawals were first made. Nearly every major Interstate Transfer project being planned is experiencing cost increases exceeding the average national escalation rate. Lack of an adequate federal allocation of funds for project implementation will significantly worsen this situation resulting in some projects not continuing to be financially viable.

Projects on the Federal Interstate Highway System are financed from the Federal Highway Trust fund which is supported by federal gas tax and other revenues. However, once an Interstate Withdrawal is made, financing for the resulting "transfer" projects comes from the Federal General fund. This fund is replenished only by annual appropriations from Congress.

As of December 31, 1979, there were 15 states and the Washington, D.C., region with Interstate Transfer programs. The dollar amounts that could be spent for transfer projects (either transit or highway) were over \$8.2 billion. About \$2.5 billion have been obligated by various states resulting in a need for \$5.7 billion to complete the program.

Congress, in the last three years, has appropriated only \$700 million per year, nationally, to cover the funding for the Interstate Transfer program. At this rate of appropriation over the next six years, (to the 1986 cut-off date of the program) \$4.2 billion will be made available to cover the existing program demands. With the \$5.7 billion in needs, this would leave \$1.5 billion of projects unfunded by 1986, in today's dollars. This shortfall will likely be significantly increased by additional Interstate Withdrawals in other states and continued escalation. Additional withdrawals are possible until September 30, 1983.

Compounding the problem is that the \$700 million annual appropriation has been divided into \$600 million for "transit transfer projects" and \$100 million for "highway transfer projects." "Transit projects" are narrowly defined as rolling stock, fixed guideway facilities, etc., while "highway transfer projects" include park and rides, high occupancy vehicle lanes, rideshare programs, as well as traditional highway projects. The division of funds between transit and highways reflects large transit programs currently underway in specific urban areas.

In the Portland region, well over 50 percent of the projects being developed are defined as highway transfer projects.

The impact of these funding problems can be summarized as follows:

1. Nationally forecasted interstate highway and transit transfer fund needs exceed anticipated funds for the remainder of FY 1980 and FY 1981.
 2. The Portland region Interstate Transfer Program is well advanced and funding needs for the remainder of FY 1980 funding will not be sufficient, however, some additional funding approvals are anticipated. More importantly, the anticipated shortfall for FY 1981 (and future years) will be severe for both transit and highway funding. The region's top priority project (Banfield) alone, will require a large portion of available transfer funds over the next few years.
 3. The anticipated shortfall in federal funding will create delays causing further inflation in project costs including additional local match requirements.
- B. ALTERNATIVES CONSIDERED: This action will document Metro's concerns over appropriations to the Interstate Withdrawal Program. At the same time, it will support local, State and national attempts to address funding problems of the Interstate Transfer Program. The other alternative is to do nothing.
- C. CONCLUSION: Metro staff recommends approval of the attached Resolution.

BP:bk
8671/33
7/3/80

BEFORE THE COUNCIL
OF THE METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ADVISING)	RESOLUTION NO. 80-165
OREGON'S CONGRESSIONAL DELEGA-)	
TION OF THE NEED TO INCREASE)	Introduced by the Joint Policy
APPROPRIATIONS FOR ASSURING THE)	Advisory Committee on
ADEQUATE FUNDING OF THE PORTLAND)	Transportation
REGION INTERSTATE TRANSFER)	
PROGRAM)	

WHEREAS, The Portland metropolitan region and State of Oregon withdrew the Mt. Hood and I-505 Freeways from the Interstate Highway System; and

WHEREAS, Under federal statutes these freeway sections were withdrawn for an equivalent amount of estimated transfer funds to be used for priority transit and highway projects in the Portland metropolitan region; and

WHEREAS, By federal statute these funds have escalated according to the National Average Construction Index to some \$460 million of unobligated funds; and

WHEREAS, The Metro Transportation Improvement Program identifies priority projects to be funded with these Interstate Transfer funds; and

WHEREAS, The Portland Interstate Transfer Program is well advanced with over 90 transfer projects with federal authorization to proceed with some phase of project work using Federal Interstate Transfer funds; and

WHEREAS, It is estimated that nationally and in the Portland region, Interstate Transfer Project funding requirements greatly exceed anticipated appropriations for FY 1981; and

WHEREAS, The anticipated shortfall in federal funding will cause project delays causing further inflation in costs including additional local match requirements; and

WHEREAS, The financing of Interstate Transfer projects is by annual appropriations and by Congress; now, therefore,

BE IT RESOLVED,

1. That the Executive Officer communicate a request to the Oregon Congressional Delegation for an annual appropriation each year for the next six years (through the 1986 program termination date) adequate to fund the Interstate Withdrawal Program.

2. That the Executive Officer request appropriate local jurisdictions and the Oregon Department of Transportation establish a coordinate approach to Oregon's Congressional Delegation for action to address the Interstate funding needs.

3. That the Executive Officer work with the Oregon Department of Transportation and other agencies to coordinate with the other states and regions participating in the Interstate Withdrawal Program to develop nationwide support for the adequate funding of the withdrawal program.

ADOPTED by the Council of the Metropolitan Service District
this ____ day of July, 1980.

Presiding Officer

BP:bk
8675/33

A G E N D A M A N A G E M E N T S U M M A R Y

TO: Metro Council
FROM: Executive Officer
SUBJECT: Endorsing Tri-Met's Capital Grant Application for
Construction of the Banfield Light Rail Transit Project
and Amending the Transportation Improvement Program

I. RECOMMENDATIONS:

- A. ACTION REQUESTED: Council adoption of the attached Resolution No. _____ endorsing Tri-Met's capital grant application for construction of the Banfield Light Rail Transit (LRT) Project and amending the Transportation Improvement Program (TIP) to include the necessary Urban Mass Transportation Administration (UMTA) funds.
- B. POLICY IMPACT: This action is consistent with previous Council actions to develop a Transitway Corridor Project in the Banfield Corridor. It acknowledges Tri-Met's compliance with the Urban Mass Transportation Administration (UMTA) procedures which require a grant application and public hearing process. It affirms that the project is appropriate to identified transportation objectives in the Banfield Corridor and is consistent with local and regional land use policies.
- C. BUDGET IMPACT: The approved Metro budget funds staff involvement in establishing project priorities and monitoring project implementation.

II. ANALYSIS:

- A. BACKGROUND: With the adoption of the Interim Transportation Plan (ITP) in June, 1975, Regional Policies and Objectives were established for transitway corridors. Following this action, the Oregon Department of Transportation (ODOT) was authorized to proceed with preliminary engineering and preparation of a Draft Environmental Impact Statement on the Banfield Corridor Transitway Project.

In November, 1976, Interstate Transfer funds were reserved by CRAG for the Banfield Corridor and have over the elapsed time escalated to some \$125.9 million (federal) in December, 1979 dollars.

Subsequent Metro (CRAG) actions, supported by staff analyses by ODOT, Tri-Met, Metro and other jurisdictions, concluded that:

the Portland area. The line will consist of two sets of tracks serving principal destinations between the system's western terminus at 11th Avenue and Yamhill/Morrison in downtown Portland, and its eastern terminus east of the intersection of 8th Street and Cleveland Avenue in Gresham. The line will be served by a total of 27 transit stations (in a one-way direction). Up to seven of these stations will feature park and ride facilities. An LRT system maintenance and storage facility will be constructed in Gresham.

To obtain federal funds for the overall project the ODOT is submitting a Final Environmental Impact Statement to the U. S. Department of Transportation.

To finance building the light rail line, Tri-Met must follow UMTA procedures which require the grant application and public hearing process. The UMTA grant application, addressed in the attached Resolution No. _____, essentially describes the Banfield Light Rail Transit Project, provides supporting documentation as to the budget, the planning and local approval process and Tri-Met's compliance with federal requirements, and requests federal funds to construct the light rail line. Principal costs covered by the grant include construction of the LRT facility, acquisition of property and procurement of rail vehicles.

Once final federal approval is received on both the Final Environmental Impact Statement and UMTA grant application, construction can begin.

B. ALTERNATIVES CONSIDERED:

1. No build
- 2.a Low-cost improvements
- 2.b Low-cost improvements plus minimum 6-lane Banfield
- 3.a HOV lanes plus 6/4 (east of Hollywood)-lane Banfield
- 3.b HOV lanes plus 6-lane Banfield
- 3.c HOV lanes plus 6-lane Banfield with shoulders
- 4.a Northside busway plus 6-lane Banfield with shoulders
- 4.b Median busway plus 6-lane Banfield with shoulders
- 5.1a LRT plus minimum width 6-lane Banfield
- 5.1b LRT plus standard width 6-lane Banfield with shoulders

Alternative 5.1b was selected as the preferred alternative based on:

- . Greatest cost-effectiveness;
- . Greatest long-term operating cost savings
- . Greatly improved transit service to the east side of Portland and East Multnomah County
- . Minimum community disruption
- . Support to economic vitality of the jurisdictions served.

1. The Banfield Corridor was the priority corridor among the three regional corridors;
2. LRT was to be included as an alternative in the analysis of the Banfield Corridor;
3. After extensive study of alternatives, the Banfield/Burnside LRT - Six Lane Standard Width Freeway Alternative was the preferred alignment and mode;
4. The preferred alternative was consistent with the Regional Policies and Objectives established for the Banfield Corridor in the ITP;
5. ODOT and Tri-Met were to take appropriate steps to secure additional funding beyond the Interstate Transfer funds allocated in order to assure implementation of the project.

In September, 1979, Metro Council authorized funding right-of-way acquisition and construction using Interstate Transfer funds. These funds account for the major portion of the project and will jointly be used by ODOT and Tri-Met. In general, Tri-Met plans to use \$60.2 million to partially finance the LRT system while ODOT will use \$65.7 million to fund the freeway improvements and other construction necessary to complement the LRT system (amounts in December, 1979 dollars). These estimates are subject to changes brought about by changes in the National Construction Cost Index and the actual cost experienced.

Additional federal funds in the amount of \$77.7 million are needed by Tri-Met to supplement its share of the Interstate Transfer Fund. This additional amount is being applied for under Section 3 of the Urban Mass Transportation Act of 1964, as amended, and is in the form of a grant application to UMTA. Costs in the grant application are updated from earlier 1978 dollar estimates to April 1, 1980, with inflation estimates added in at 8½ percent per year to the time of expenditure.

The overall Banfield Transitway Project entails the development of a multi-modal transportation system along the Banfield/Burnside Corridor capable of transporting high volumes of passengers. This transportation system will consist of: (1) an LRT system connecting downtown Portland with Gresham; and (2) improvements to the existing Banfield Freeway between NE 33rd Ave. and the I-205 Corridor.

The LRT line will be 15 miles long and will provide a high quality trunk line transit service for the east side of

C. CONCLUSION: Metro staff recommends approval of the attached Resolution.

BP:bk
8693/33

FOR THE PURPOSE OF ENDORSING
TRI-MET'S CAPITAL GRANT
APPLICATION FOR CONSTRUCTION
OF THE BANFIELD LIGHT RAIL
TRANSIT PROJECT AND AMENDING
THE TRANSPORTATION IMPROVEMENT
PROGRAM

) RESOLUTION NO. 80-166
)
) Introduced by the Joint Policy
) Advisory Committee on Transporta-
) tion
)
)

WHEREAS, The Banfield transitway project is nearing the point when right-of-way acquisition and construction will begin; and

WHEREAS, Interstate Transfer funds have been reserved for joint use of the Oregon Department of Transportation (ODOT) and Tri-Met in implementing the Banfield Project; and

WHEREAS, ODOT and Tri-Met have taken appropriate steps to secure needed funding beyond the allocated Interstate Transfer funds; and

WHEREAS, To obtain federal funds for the overall project, ODOT is submitting a Final Environmental Impact Statement to the U.S. Department of Transportation; and

WHEREAS, To finance building the light rail line, Tri-Met is applying to the Urban Mass Transportation Administration (UMTA) for a capital grant under Section 3 of the Urban Mass Transportation Act of 1964, as amended; and

WHEREAS, This grant application calls for some \$77.7 million dollars (federal) escalated over a five-year period; and

WHEREAS, The principal costs covered by the grant application include construction of the light rail transit facility, acquisition of property, and procurement of rail vehicles; and

WHEREAS, When federal approval is received on both the Final Environmental Impact Statement and the UMTA grant application, construction can begin; now, therefore,

BE IT RESOLVED,

1. That the Metro Council endorses the grant application for the Banfield Light Rail Project as submitted to UMTA by Tri-Met.

2. That Tri-Met's compliance with UMTA procedures requiring a grant application and public hearing process is acknowledged.

3. That the Transportation Improvement Program (TIP) be amended to reflect the Section 3 funds set forth in the grant application.

4. That the Metro Council affirms that the project is appropriate to identified transportation objectives in the Banfield Corridor and is in accordance with the region's continuing, cooperative and comprehensive planning process and, hereby, gives affirmative A-95 Review approval.

ADOPTED by the Council of the Metropolitan Service District
this day of July, 1980.

Presiding Officer

A G E N D A M A N A G E M E N T S U M M A R Y

TO: Council Coordinating Committee
FROM: Executive Officer
SUBJECT: Adopting a Rule to Allow Negotiated Bid for Resource Recovery Facility

I. RECOMMENDATIONS:

- A. ACTION REQUESTED: Adoption of a rule exempting the resource recovery facility from competitive bidding procedures and requiring mandatory prequalification.
- B. POLICY IMPACT: The action will allow continued progress on the resource recovery facility in line with the adopted Solid Waste Management Plan.
- C. BUDGET IMPACT: The action should have no budgetary impact. The current resource recovery budget assumes competitive negotiation of contracts rather than competitive bidding.

II. ANALYSIS:

- A. BACKGROUND: State law provides a contracting procedure which must be followed by local government jurisdictions. Under the law, the lowest cost bidder must be selected in awarding contracts. State law recognizes that the lowest bidder system only works when the contract is for standardized products and the bids are capable of comparison. Therefore, the statute provides two methods for exempting a contract award from the lowest bidder format. The first method is a long list of exemptions stated in the statute. For example, the list includes insurance and personal service contracts. The second method is for the local jurisdiction, acting as its own contracts review board, to exempt the contract. The proposed action incorporates this second method.

The reason the contracts associated with the resource recovery facility should be exempted is because they cannot be judged on the basis of costs alone. The project has several important variables, including the choice of reliable technology, the selection of an acceptable financial structure, and the choice of a procurement approach (turnkey or full service), which prevent effective use of a lowest bidder process. The process will be a competitive negotiation which takes into account factors in addition to direct, short-term cost. This competitive negotiation method is the only process that EPA feels is workable for the Resource Recovery type facility. Both Union County and Lane County have used the competitive negotiation method for their recovery facilities.

- B. ALTERNATIVES CONSIDERED: Using the lowest bidder method was considered and rejected based upon paragraph II.A. above.
- C. CONCLUSION: Given the variables in the project, competitive negotiation is the only acceptable method for selecting the contract.

CJ/gl
8319/92

Note: The Regional Services Committee, at their meeting of June 10, unanimously recommended approval of the attached Resolution.

STATEMENT IN SUPPORT OF ADOPTION OF
TEMPORARY RULE NO. CRB 80-4

1. This Statement is required by ORS 183.335 (5).
2. Authority for Temporary Rule No. CRB 80-4 is ORS 279.055.
3. This rule is needed because bids for contracts related to the proposed resource recovery facility cannot be judged on the basis of cost alone, but rather must be judged on the basis of several variables including choice of technology, financial structure and procurement approach. By exempting such contracts from competitive bidding, such variables may be considered along with cost.
4. Failure to adopt this temporary rule promptly will result in serious prejudice to the public interest and the interests of prospective bidders because receipt of proposals for such contracts is imminent and requests for such proposals include a negotiated bid process and mandatory prequalification.
5. This statement is based upon the Agenda Management Summary for Agenda Item 5.1 included in the July 10, 1980 Council Agenda, which is available for public inspection at Metro offices.
6. Adoption of Temporary Rule No. CRB 80-4 constitutes Council approval of this Statement.

BEFORE THE METROPOLITAN SERVICE DISTRICT

CONTRACT REVIEW BOARD

FOR THE PURPOSE OF ADOPTING A) TEMPORARY RULE NO. CRB 80-4
RULE TO ALLOW NEGOTIATED BID FOR)
RESOURCE RECOVERY FACILITY) Introduced by Regional
) Services Committee

THE METROPOLITAN SERVICE DISTRICT CONTRACT REVIEW BOARD
ADOPTS THE FOLLOWING RULE:

SECTION 1: The Board finds that the design, construction, operation and maintenance of the Resource Recovery Facility, including the sale of energy and other recovered products produced by the Facility, is a project that has several important variables, including the choice of technology, the selection of an acceptable financial structure, and the choice of a procurement approach (turnkey or full service) which prevent effective use of competitive bidding procedures.

SECTION 2: The Board finds that for the reasons stated in Exhibit 1, which is attached and hereby made a part of this rule, a negotiated contract procedure may be substituted for competitive bidding procedures without encouraging favoritism or substantially diminishing competition for the contract.

SECTION 3: For the reasons stated in Exhibit 1, the Board finds that the negotiated contract procedure will result in substantial cost savings to the District.

SECTION 4: The Board, therefore, exempts all of the contracts related to the Resource Recovery Facility from competitive bidding requirements and directs that the District utilize the procedures contained in Exhibit 1.

SECTION 5: The Board further authorizes the use of the mandatory prequalifications procedures (RFQ) set forth in Exhibit 1, including the date by which the RFQ responses must be submitted.

ADOPTED by the Metropolitan Service District Contract Review Board this _____ day of June, 1980.

Presiding Officer

ATTEST:

Clerk of the Council

CJ:bk
8348/118

APPLICATION OF METROPOLITAN SERVICE DISTRICT FOR
EXEMPTION OF CONTRACTS FOR RESOURCE RECOVERY FACILITY

The Metropolitan Service District (Metro) hereby requests an exemption from the public bidding requirements for the design, construction, operation, and maintenance of a Resource Recovery Facility (Facility) capable of burning solid waste, for the sale of steam produced by the Facility, for the sale of other products recovered by the Facility, and for related technical and financial assistance. This request is based on ORS 279.015.

FACILITY DESCRIPTION

The Facility, as currently envisioned, would be capable of recovering energy from burning between 400,000 to 500,000 tons per year of municipal solid waste (MSW). At this time both mass burning and processed waste (RDF) burning systems are being considered. The Facility will contain adequate redundancy to meet steam delivery requirements. Boilers would be capable of burning alternative fuels during start-up and for improved reliability in steam delivery. The Facility will also include scales and refuse receiving areas; processing equipment; fuel storage capability; all auxiliary boiler equipment including the boiler feedwater makeup system, air pollution control and ash handling equipment; the steam pipeline and other support operations.

FINANCING

The current financing plan calls for a loan from the State of Oregon Pollution Control Fund, an equity contribution by a private investor (who could be the same person as the contractor or operator) and the issuance of revenue bonds by Metro. The sale of the Facility to a private party with an equity contribution from that party is preferred because of the potential gains to the project from State and federal tax credits. If a suitable arrangement cannot be worked out with a private investor, then Metro would consider public ownership of the facility.

ADVANTAGES OF NEGOTIATED CONTRACT PROCEDURE

A negotiated contract procedure will result in substantial cost savings without favoritism for the following reasons:

1. Considering different technologies does not lend itself to competitive bidding. It is to Metro's benefit to leave open the question of technology in order to obtain the best system for this area. Each technology involves patented processes, as well as many variations in design. To maximize the efficiency and quality of the Facility, it is desirable to receive proposals for different types of technology and design which will satisfy Metro's performance criteria. However, the proposals submitted will not be sufficiently similar to permit across-the-board comparison. Costs, reliability and air quality are three important factors that will vary for each proposal.

2. To obtain the most beneficial financing arrangement, Metro needs the flexibility to consider different proposals which may not lend themselves to across-the-board comparisons. For example, some proposals will include an equity participation in the Project, while others will not.
3. Warranties and other guarantees of successful operation of the facility will be maximized if Metro does not write the design specifications but merely specifies performance and other major criteria.
4. To reduce the risk to bond holders and the energy purchaser, Metro requires a reliable and financially strong operator which can best be determined through negotiation.
5. The Project rests on the marketing of the energy produced by the Facility. A prospective energy purchaser must meet certain criteria, some of which do not lend themselves to across-the-board comparisons. The purchaser must be financially strong, capable of providing solid support for the Metro revenue bond issue. The purchaser must be able to use the energy in the quantities and quality Metro intends to produce. The purchaser must be physically located within a specific distance from the Facility to insure adequate steam deliveries. The price the purchaser is

willing to pay must exceed minimum revenue requirements and be competitive with other energy purchasers.

6. Metro intends to retain flexibility in the design, construction and operation of the Facility by seeking proposals for design and construction only (a turnkey situation) and for design, construction and operation (a modified full service arrangement). Depending on the type of technology selected and the financing structure, it may be beneficial to Metro to separate the design and construction from the operation.
7. Both Union County and Land County previously have been granted exemptions for their resource recovery facilities by the Public Contract Review Board for the State of Oregon. See OAR 127-60-002 and 127-60-005. Both of these projects used the request for proposal method as an alternative to public bidding for many of the same reasons.

SELECTION PROCESS

To insure an objective selection of contractors interested in the design, construction, operation, and maintenance of the resource recovery facility, Metro proposes to do the following:

1. Issue a Request for Qualifications (RFQ) on June 5, 1980, and brief interested firms on June 12, 1980. Establish July 10, 1980, as the deadline for receipt of RFQ responses.

2. Have a working group of key project participants with technical and financial expertise evaluate the RFQ responses on the following criteria;

A. Solid Waste and Resource Recovery Experience -

Firms will be evaluated on the basis of their demonstrated expertise in the design and construction of solid waste management/resource recovery systems, through actual field work experience or through relevant development and project construction experience. Firms will also be evaluated on the basis of their involvement in the operation of facilities and the marketing of recovered resources.

B. General Management and Technical Experience -

Firms will be evaluated on the basis of their demonstrated overall management and technical expertise and experience as reflected in the success of significant and complex projects undertaken in the past. Special emphasis will be placed on the firm's track record in working with the public sector and building and operating facilities similar to that proposed.

C. Financial Stability and Strength -

Firms will be evaluated on the basis of their financial capability, solvency and net worth as an indication of their ability to absorb

possible overruns or losses. In the case of joint ventures the nature of the agreement between firms will be evaluated with emphasis on how financial obligations would be assigned.

D. Corporate Commitment - Firms will be evaluated on what is and has been their corporate commitment to resource recovery as a business area as evidenced by staffing, past projects, levels of research and developments and past financial commitments.

E. Technical Approach - Firms will be evaluated on the appropriateness of their technical approach to meeting local needs and the experience of the approach in meeting reliability requirements similar to those proposed in the energy sales agreement. Commitments to using specific equipment and subcontractors will be included in this evaluation.

3. Interview and select the qualified firms.
4. Submit a Request for Proposals (RFP) to the qualified firms which shall contain a general project description, background information, system performance requirements, minimum equipment and construction requirements, proposal procedure, and the evaluation and contracting process. The RFP will also attach a draft design-construction contract, a draft operating contract, energy contract, and a proposal bond form.

5. Evaluate the RFP responses in the same manner as the RFQ responses. Accept the proposal which Metro deems the most advantageous for the public and Metro, or reject all proposals and issue subsequent Request for Proposals, if desired.
6. Negotiate with the successful proposer to amend, modify, refine, and delineate the proposal. This may include, but is not limited to, the right to alter the specifications and production requirements or consider alternatives within the framework of the proposal. This will include any aspect of the proposal relating to financing, construction, operation, disposal of recovered and nonrecovered material, and the marketing of recovered products.
7. Negotiate and accept without readvertising, the proposal of any other proposer in the event of default within the bid bond period of a selected proposer or the refusal of a selected proposer to enter into a contract with Metro.

SALE OF RECOVERED PRODUCTS

Metro proposes that Metro negotiate the contracts for the sale of steam produced by the Facility and for the sale of other recovered products produced by the Facility. Depending on the final financial structure of the Project, Metro may assign its interests in the contracts for the sale of steam and other recovered products to the owner or "beneficial owner" of the Facility.

TECHNICAL AND FINANCIAL ASSISTANCE

Because of the timing and sequence of the preliminary technical and financial work that must be done in connection with this Project, Metro may not be able to follow required contracting procedures. Metro proposes that required contracting procedures be followed for technical and financial assistance related to the Project unless the Executive Officer determines that it is in the public interest to negotiate contracts directly with persons or firms that can supply technical and financial work to the Project.

Metro believes that its proposals herein are consistent with the criteria contained in ORS 279.015 and will lead to an objective selection of qualified and interested contractors.



METROPOLITAN SERVICE DISTRICT
 527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date: June 26, 1980
 To: Metro Council
 From: Executive Officer
 Regarding: Financing Options for Five-Year Plan

The following is a summary of policy issues previously discussed with the Council and the decisions to be made in arriving at a final tax proposal to be placed on the November ballot.

1. Revenue Sources

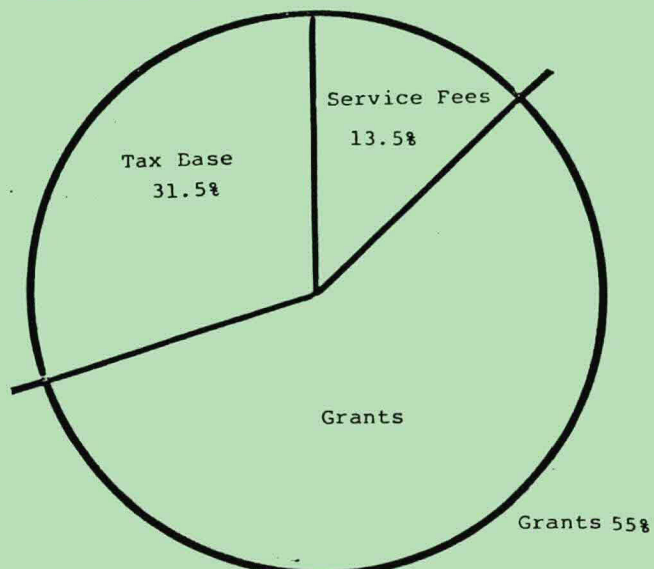
The overall policy previously discussed with the Council on the proportion of revenue funding Planning and Development activities is summarized as follows:

Grants	55%
Local Revenue	
Tax Base	31.5%
Service Fees	13.5%*
	<u>100%</u>

*Represents 30% of total local funds.
 (Transfers and Fund Balance are also available.)

Over half of the service fees would come from the Planning and Development Program area. The remainder of the fees would come from the General Government and Support Services Program area which would charge for A-95 Reviews and grant assistance.

Local Revenues: 45%



2. Tax Base Options

A decision on the tax base amount involves consideration of two points. First, how much of the Zoo capital amount to include in a tax base and the amount to be included for general Metro funding. Decisions on these two points together will determine how much tax savings will be passed on to the voters.

a. Zoo capital project funds

Two options are currently being discussed, first converting \$800,000 to a tax base and leaving \$1,500,000 in the serial levy, and second, converting the full \$2.3 million to a tax base. Legally, any amount for capital may be included in a tax base.

The impact of tax savings derived from converting from a serial levy to a tax base is analyzed in a following section.

b. General Metro funding

Three options for general Metro funding amounts are displayed. Each option indicates the amount of the levy for each of five years less the requirements estimated to be needed to fund a base level of operations. The balance remaining represents the amount available to be allocated for new programs. These amounts may be compared with the attached program priorities chart which lists the net amount of tax revenues needed to fund the new or increased programs and investigative work included in the five-year plan.

The program priorities take into account previous Council discussions, but are certainly subject to further review.

TAX REQUIREMENT
 (Net Amount After Service Fees)

	82	83	84	85	86
Option #1					
Dues at 51¢ per capita (Growth based on population increase)					
Dues	570,600	582,000	594,000	605,500	617,600
Less Base	<u>355,000</u>	<u>484,600</u>	<u>544,000</u>	<u>611,000</u>	<u>686,000</u>
Available for new programs	215,600	97,400	50,000	(5,500)	(68,400)
Option #1A					
Start at Dues Level Project as Tax Base (Growth based on 6% per year)					
Tax Base	570,600	604,800	641,126	679,600	720,400
Less Base	<u>355,000</u>	<u>484,600</u>	<u>644,000</u>	<u>611,000</u>	<u>686,000</u>
Available for new programs	215,600	120,200	97,126	68,600	34,400
Option #2					
700,000 Tax Base					
Tax Base	700,000	742,000	786,500	833,700	883,700
Less Base	<u>355,000</u>	<u>484,600</u>	<u>655,000</u>	<u>611,000</u>	<u>686,000</u>
Available for new programs	345,000	257,400	242,500	222,700	197,700
Option #3					
\$1,050,000 Tax Base					
Tax Base	1,050,000	1,113,000	1,180,000	1,250,000	1,326,000
Less Base	<u>355,000</u>	<u>484,600</u>	<u>544,000</u>	<u>611,000</u>	<u>686,000</u>
Available for new programs	695,000	628,400	636,000	639,000	640,000

METROPOLITAN SERVICE DISTRICT
PRIORITIES FOR NEW AND INCREASED PROGRAMS

(Net Tax Amount After Service Fees)

<u>PRIORITIES</u>	<u>82</u>	<u>83</u>	<u>84</u>	<u>85</u>	<u>86</u>
1. Tri-Met Study	100,000	75,000			
2. Goals & Objectives	50,000	50,000			0
3. Boundary Commission	75,000	84,000	94,000	105,000	118,000
4. Housing Planning	30,000	25,000	35,000	35,000	20,000
5. Economic Development	100,000	100,000	50,000	50,000	50,000
6. Land Use	10,000	15,000	25,000	25,000	30,000
7. Drainage	131,000	117,000	98,000	79,000	60,000
8. Sewers		50,000	56,000	63,000	70,000
9. Energy	50,000	56,000	63,000	70,000	79,000
10. Plan Reivew	25,000	25,000	25,000	25,000	25,000
11. 911	10,000	11,000	12,000	13,000	14,000
12. Housing Finan.	25,000				
13. Disaster Preparedness		11,000	12,000	13,000	14,000
14. Parks & Recreation		25,000			
15. Criminal Justice			10,000	12,000	14,000
16. Housing Finan.		55,000	55,000	50,000	50,000
17. Investigate Work			100,000	50,000	50,000
TOTAL TAX REQUIREMENTS	606,000	699,000	635,000	590,000	594,000

CS:ss

8648/105

3. Tax Savings

The tax savings which could be passed on to the voters depends on the amount of the Zoo capital amount to be included in a tax base and the amount to be included for general Metro funding.

The tax savings is computed from the \$4,562,924 of the total \$5 million yearly Zoo serial levy which would be paid by home owners.

Tax Savings First Year

	.8 Million Capital in Tax Base	2.3 Million Capital in Tax Base
Option #1 Dues at \$560,573	\$330,000	\$776,000
Option #2 Tax Base at \$700,000	\$262,000	\$678,000
Option #3 Tax Base at \$1,050,000	\$0	\$433,000

CS:bk
8665/D4

6/26/80

SCHEDULE FOR ADOPTION
OF OPERATIONAL PLAN AND FINANCE STRATEGY

June 26	Presentation of finance options
July 10	Council selects preferred option
July 18	Council receives full draft plan
July 24	Council releases plan for public hearing
	First reading of November ballot title
August 7	Public hearing and first reading on draft Operational Plan
	Second reading of November ballot title
August 28	Second reading of Operational Plan adoption ordinance

CS:bk
8665/D4

METROPOLITAN SERVICE DISTRICT

527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

Letter read by Anita
Sluck re Housing at
7/10 Council meeting



DON CLARK, COUNTY EXECUTIVE
COUNTY COMMISSIONERS
EARL BLUMENAUER
DENNIS BUCHANAN
GLADYS McCOY
DAN MOSEE
GORDON E. SHADBURNE



Multnomah
County
Community
Action
Agency

4420 S.E. 64th • PORTLAND, OREGON 97206
PHONE (503) 777-4761

DEPARTMENT OF HUMAN SERVICES

July 10, 1980

Metropolitan Service District Council
527 S. W. Hall
Portland, OR 97201

Dear Council Members:

The Housing Policy Committee of Multnomah County Community Action Agency (MCCAA) generally supports the Housing Policy Advisory Committee draft of the METRO Housing Goals and Policies. We have similar concerns as those of the Council, in that we are interested in ensuring that there are adequate housing opportunities in our community.

We are especially interested in passage of goals and policies that provide the framework for jurisdictions to create affordable housing opportunities. There is no doubt that additional housing opportunities, especially for those who have the fewest options to exercise, need to be provided. Assisted housing meets but a small fraction of the need within each community. Our greatest resource for affordable housing is our existing stock. However, existing housing stock is under dual pressure; it not only represents affordable rental housing opportunities, but affordable owner-occupied housing opportunities. Passage of goals and policies that encourage the retention and increase of affordable housing and existing rental housing stock will create the opportunity to respond to the housing needs in our communities. It is important that these goals are implemented on a regional level so that all jurisdictions equitably share in meeting our housing needs.

We urge adoption of these goals in a timely manner so that implementation strategies and integration into plan review can be completed at the earliest possible date.

Sincerely,

Lea Wikman

Lea Wikman, Chairperson
Housing Policy Committee



METROPOLITAN SERVICE DISTRICT
527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date: July 10, 1980
To: Metro Council
From: Executive Officer
Regarding: Addition to Directly Related A-95 Project
Applications Under Review

Project Title: St. Mary's Woods Park (No. 806-12)

Applicant: Tualatin Hills Park and Recreation District (THPRD)

Project Summary: Acquisition of 222 acres of undeveloped land for development of a park. The natural state of the land will be maintained. The development will be minimal consisting of on-site parking, an Interpretive Center, pathways and rest rooms. A number of pathways will be paved for handicapped access.

Funding Sources:

<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Other</u>	<u>Total</u>
\$1,000,000	\$500,000	\$500,000	\$5,500,000	\$7,500,000
Dept. of Interior - HCRS	State Parks Branch	THPRD	Bond Sale	

Additional Comments: Meetings have been held between Metro, the city of Beaverton, Washington County, Oregon Department of Transportation, Tri-Met and the Tualatin Hills Park and Recreation District to discuss the impact of the proposed park development on regional and local transportation and land-use planning activities. It was determined that the proposed park development is not in violation of regional and local plans or policies. In addition, the aforementioned jurisdictions and agencies will continue to work closely together to coordinate transportation and land-use issues in relationship to the proposed park development.

Staff Recommendation: Favorable Action

RG:MCH:ds



METROPOLITAN SERVICE DISTRICT
527 S.W. HALL ST., PORTLAND OR. 97201, 503/221-1646

A G E N D A

ADJOURNED COUNCIL MEETING

Date: July 10, 1980

Day: Thursday

Time: 7:30 p.m.

Place: Franklin High School, 5405 S.E. Woodward, Portland,
Oregon

CALL TO ORDER (7:30)

PUBLIC HEARING ON Ordinance No. 80-92, For the Purpose of Levying,
Apportioning and Specifying Collection of Assessments for
Phase I of the Johnson Creek Basin Flood Control and Pollution
Abatement Project Local Improvement District (First Reading)

ADJOURN

A G E N D A M A N A G E M E N T S U M M A R Y

TO: Metro Council
FROM: Executive Officer
SUBJECT: Levying, Apportioning and Specifying Collection of Assessments for Phase I of the Johnson Creek Basin Flood Control and Pollution Abatement Project Local Improvement District.

I. RECOMMENDATIONS:

- A. ACTION REQUESTED: Adopt Ordinance No. 80-92 apportioning the Phase I assessment for the Johnson Creek Basin Flood Control and Pollution Abatement Project according to the following formula:

$$\frac{\text{Total cost of Phase I}}{\text{Total Current Assessed Value of the District}} \times \text{Current assessed value of each lot or part thereof}$$

- B. POLICY IMPACT: Local Improvement District (LID) Assessments by law, must reflect the benefit to be received by the property assessed. In apportioning the Phase I assessment according to this formula, the Council is determining that all property in the District will benefit equally. This is consistent with the Scope of Work for Phase I which includes the preparation of detailed plans and preliminary engineering for Phase II along with remedial cleaning and snagging of the lower five miles of stream channel. As a part of Phase I, the apportionment formula for Phases II and III will be developed reflecting the specific benefits to be realized in those Phases.
- C. BUDGET IMPACT: Assessment of the local share of project cost against the property within the LID will allow Metro to sponsor the Corps of Engineers Flood Control Project on Johnson Creek. A special account has been established in the FY 81 Metro budget for this project. There is no impact on General fund revenues.

II. ANALYSIS:

- A. BACKGROUND: The Johnson Creek Task Force explored several alternatives for apportioning the Johnson Creek LID assessment. The major determining factor in selecting an assessment formula was the method of notification and collection to be used. Because of the size of the district and the number of accounts involved the best method for both notification and collection was through the County Assessor. The method of assessments, therefore, must be based either on area, assessed value or

a flat rate per lot.

B. ALTERNATIVES CONSIDERED:

Option A - Flat Rate:

1. Single Rate - Basinwide

Advantages: -Costs per lot relatively low.

Disadvantages: -Does not distinguish between basin and floodplain lot.
-Does not differentiate between residential, commercial or industrial properties or lot size.
-Does not reflect benefit.

2. Double Rate - Basin and Floodplain:

Advantages: -Differentiates between basin and floodplain properties.

Disadvantages: -Does not differentiate between residential, commercial or industrial property or lot size.
-Does not reflect benefit.

Option B - Based on Total Assessed Value

1. Single Rate - Basinwide

Advantages: -Rate relatively low.
-Differentiates between property types.
-Differentiates between lot size.
-Reflects benefit as a function of assessed value.

Disadvantages: -Does not differentiate between basin and floodplain property.

2. Double Rate - Basin and Floodplain

Advantages: -All the advantages of B-1 plus
-differentiates between basin and floodplain property.

Disadvantages: -Undeveloped properties which are later developed could reap the benefits of the project at a much lower rate.

Option C - Based on Land Value Assessment Only

1. Single Rate - Basinwide

Advantages: -Same as B-1 plus
 -treats developed and developable
 land equally.

Disadvantages: -Same as B-1 plus
 -does not consider contribution
 to present problem.

2. Double Rate - Basin and Floodplain

Advantages: -Same as C-1 plus
 -differentiates between basin and
 floodplain property.

Disadvantages: -Same as C-1.

C. CONCLUSION: The Council Coordinating Committee on Solid Waste and Public Facilities concluded that Option B-1 was the most reasonable method of apportioning Phase I assessments for the following reasons:

- Phase I is substantially one of planning and remedial channel maintenance and its benefits are basinwide.
- Undeveloped property is required to comply with the development guidelines for the Johnson Creek Basin (Ordinance No. 79-81).
- This option is easily administered in relationship to other possible methods and, therefore, lowers the total cost of Phase I.

JL:ss
8303/118
6/26/80

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF LEVYING,)
APPORTIONING AND SPECIFYING)
COLLECTION OF ASSESSMENTS FOR)
PHASE I OF THE JOHNSON CREEK)
BASIN FLOOD CONTROL AND)
POLLUTION ABATEMENT PROJECT)
LOCAL IMPROVEMENT DISTRICT.)

ORDINANCE NO. 80-92
Introduced by the Regional
Service Districts

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

Section 1. Purpose

The purposes of this ordinance are to apportion and levy assessments, and specify the method of collection of assessments for Phase I of the Johnson Creek Basin Flood Control and Pollution Abatement Project Local Improvement District.

Section 2.

In accordance with the Preliminary Engineering Report as approved by Metropolitan Service District, Resolution No. 80-149, the total costs to be assessed against the benefitted properties for Phase I of the project are \$770,000. The cost shall be apportioned among the lots, parts thereof, and parcels within the district according to the following formula:

Total cost of Phase I

Total Current Assessed
Value of the District

X Current assessed value of
each lot or part thereof

Section 3.

The costs as specified and apportioned in Section 2 of this ordinance are hereby levied against the lots, parts thereof, and parcels within the Johnson Creek Basin Flood Control and Pollution Abatement Local Improvement District, as specified in the

Preliminary Engineering Report Exhibits I and II for the Johnson Creek Basin Flood Control and Pollution Abatement Project.

Section 4.

In accordance with Metropolitan Service District Ordinance No. 79-78 and Ordinance No. 80-93, the method of collection for assessments, apportioned in Section 2 and levied in Section 3 above, shall be by certification of assessments to the appropriate County Tax Assessor. The Executive Officer is directed to certify the assessments by written contract, agreement, or other lawful means with the County Assessors of the counties in which the assessed lands are located. Any agreement shall provide for deferred payment of assessments in 10 equal semi-annual installments, not exceeding five (5) years, and elderly homestead deferral under Ordinance No. 79-78, as amended by Ordinance No. 80-93.

Section 5.

In accordance with Metropolitan Service District Ordinance No. 79-78 and Ordinance No. 80-93, the Executive Officer is directed to publish notice of this ordinance as required by Section 14 (a) of Ordinance No. 79-78.

ADOPTED by the Council of the Metropolitan Service District

this _____ day of _____, 1980.

Presiding Officer

ATTEST:

Clerk of the Council

TM/gl
8279/118

Ord. No. 80-92
Page 2 of 2

MEETING TITLE Regular Council Mtg
 DATE 7/10/80

NAME	AFFILIATION/ADDRESS
Charles & Shil	Metro
Joanne Russell	Metro
Jim Sabin	"
Bob Weil	
DON POTTER	FHWA
Elton Chang	FHWA - Ore. Div.
John Price	" " "
Amita Gluck	Mult Co CAA - 4420 SE 64 th
Connie Pickett	Commissioner Shadburne - Mult. Co. Courthouse
Jan Adams	Lewis & Clark College
Sheila Greenlaw	Lewis & Clark
Dick Kuczek	Metro Human Relations Comm
Lugh Zimmerman	Metro
MW Buller	BULLIER + BULLIER INC.
Duncan Brown	Multnomah County
Norman Scott	Clackamas Co.
Mike Saba	Metro
Andrew Cofugno	Metro
Ted Stroll	Portland Town Council
Bruce Etlinger	
DICK SMELSER	CLACK CO. CHAMBER COMMERC
BURTON Weast	Home Builders Assoc
Mikay Rul	Metro



METROPOLITAN SERVICE DISTRICT
527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

MEMORANDUM

Date: July 10, 1980
To: Metro Council
From: John LaRiviere
Regarding: Johnson Creek Local Improvement District
(LID) Assessment Remonstrances -- Status
Report as of 12 p.m., July 10, 1980

The remonstrance process for the assessment phase differs from the process for forming the LID in that it has no binding affect on the Council decision. Remonstrances at this point are primarily a means of providing input from property owners as to the method of distributing the cost of the project among the property within the District.

Because of this fact, we have followed a different method of processing remonstrances. No attempt was made to verify whether the remonstrance represented property within the LID or to determine whether duplicate remonstrances were submitted. All remonstrances were read and classified and tallied in the General Categories listed below. Unique remonstrances which deserved some response have been filed separately and are available for Council review.

Also included in the summary is a total of notices which could not be delivered because of incorrect addresses.

Summary

<u>Category</u>	<u>Total</u>	<u>% of Properties</u>	<u>% of Remon- stances Received</u>
I. Elderly	56	1%	2.5%
II. Special Requests	60	1%	2.7%
III. Feel Outside District	288	1%	12.9%
IV. No Benefit Perceived	85	1%	3.8%
V. General Remonstrance	577	1.6%	26%
VI. Others	296	1%	13.5%
VII. Unclassified	<u>855</u>	<u>2.4%</u>	<u>38.5%</u>
Total	2,217	6.2%	--
Undeliverable	542	1.5%	--

Category Definitions

- I. Elderly -- remonstrances from people on fixed incomes indicating financial hardship.
- II. Special Requests -- pertinent or informative letters requiring some response.
- III. Outside of District -- remonstrances from people who feel they are outside of the Basin or have no drainage to Johnson Creek.
- IV. No Benefit Perceived -- self-explanatory.
- V. General -- remonstrances which state LID is illegal, unfair, unconstitutional or simply opposing assessment.
- VI. Others -- short comments such as; "put LID to a vote" or "do not like project."
- VII. Unclassified -- those received too late to categorize for this report.

JRL:bk
8889/D2

Thom -

ORS 451.495

assessment shall - peculiar benefit

268.310

authority to control flow, surface water

268.510

assessments against prop directly benefiting



MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM

MEETING DATE

Roll Call

7/10/80

	<u>AYE</u>	<u>NAY</u>
<u>DISTRICT 1</u> Donna Stuhr	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DISTRICT 2</u> Charles Williamson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DISTRICT 3</u> Craig Berkman	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DISTRICT 4</u> Corky Kirkpatrick	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DISTRICT 5</u> Jack Deines	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DISTRICT 6</u> Jane Rhodes	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DISTRICT 7</u> Betty Schedeen	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DISTRICT 8</u> Ernie Bonner	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<u>DISTRICT 9</u> Cindy Banzer	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<u>DISTRICT 10</u> Gene Peterson	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DISTRICT 12</u> Mike Burton	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>DISTRICT 11</u> Marge Kafoury	<input type="checkbox"/>	<input checked="" type="checkbox"/>
TOTAL	<input type="checkbox"/>	<input type="checkbox"/>

MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM

MEETING DATE

* 1 p. 9

DISTRICT 2

Charles Williamson

AYE

NAY

DISTRICT 3

Craig Berkman

DISTRICT 4

Corky Kirkpatrick

DISTRICT 5

Jack Deines

DISTRICT 6

Jane Rhodes

DISTRICT 7

Betty Schedeen

DISTRICT 8

Ernie Bonner

DISTRICT 9

Cindy Banzer

DISTRICT 10

Gene Peterson

DISTRICT 12

Mike Burton

DISTRICT 1

Donna Stuhr

DISTRICT 11

Marge Kafoury

TOTAL

_____ ✓

_____ ✓

MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM

MEETING DATE

* 2 p-10

DISTRICT 3

Craig Berkman

AYE

NAY

MB

cew

DISTRICT 4

Corky Kirkpatrick

DISTRICT 5

Jack Deines

DISTRICT 6

Jane Rhodes

DISTRICT 7

Betty Schedeen

DISTRICT 8

Ernie Bonner

DISTRICT 9

Cindy Banzer

DISTRICT 10

Gene Peterson

DISTRICT 12

Mike Burton

DISTRICT 1

Donna Stuhr

DISTRICT 2

Charles Williamson

DISTRICT 11

Marge Kafoury

TOTAL

MSD COUNCIL
ROLL CALL ROSTER

AGENDA ITEM

MEETING DATE

* 3 p. 10 4.1

AYE

NAY

DISTRICT 4

Corky Kirkpatrick

no

DISTRICT 5

Jack Deines

DISTRICT 6

Jane Rhodes

DISTRICT 7

Betty Schedeen

DISTRICT 8

Ernie Bonner

DISTRICT 9

Cindy Banzer

DISTRICT 10

Gene Peterson

DISTRICT 12

Mike Burton

DISTRICT 1

Donna Stuhr

DISTRICT 2

Charles Williamson

DISTRICT 3

Craig Berkman

DISTRICT 11

Marge Kafoury

TOTAL