

MINUTES OF THE METRO COUNCIL MEETING

Thursday, March 28, 2002
Metro Council Chamber

Councilors Present: Carl Hosticka (Presiding Officer), Susan McLain (by phone), Rod Park, Bill Atherton, David Bragdon, Rod Monroe, Rex Burkholder

Councilors Absent: None.

Presiding Officer Hosticka convened the Regular Council Meeting at 2:06 p.m.

1. INTRODUCTIONS

There were none.

2. CITIZEN COMMUNICATIONS

There were none.

3. MPAC COMMUNICATIONS

Presiding Officer Hosticka reported that MPAC did not have a quorum last night. Most of discussion was around Resolution No. 02-3179 but they reached no conclusions. They also talked about the 1-5 Corridor Study and economic projections. Councilor Monroe said one of the issue discussed, the I-5 Corridor, was also discussed at the Bi-State Committee this morning. He explained further the specifics of that discussion around transportation and land use planning.

4. CONSENT AGENDA

4.1 Consideration of minutes of the March 21, 2002 Regular Council Meeting.

Motion:

Councilor Bragdon moved to adopt the meeting minutes of the March 21, 2002, Regular Metro Council meeting. Councilor Atherton seconded the motion.
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Vote:

Councilors Bragdon, Park, Atherton, Burkholder, McLain, Monroe, and Presiding Officer Hosticka voted in support of the motion. The vote was 7 aye, the motion passed.

5. ORDINANCES - SECOND READING

5.1 **Ordinance No. 02-939A**, For the Purpose of Amending Metro Code Chapter 7.01 to Amend the Metro Excise Tax to Provide Revenues for Metro's Regional Parks and Greenspaces Programs.

Motion:

Councilor Atherton moved adoption of Ordinance No. 02-939A.

Seconded:

Councilor McLain seconded the motion.

Councilor Atherton overviewed the Ordinance. This ordinance would address taking care of the maintenance and operational needs in the Parks and Openspaces program for the short term. He noted what the departmental actions had been to both save money and increase revenues. This measure would raise 1.23 million dollars for FY 02-03. He noted the sunset was in two years.

Presiding Officer Hosticka opened a public hearing on Ordinance No. 02-939A. No one came forward. Presiding Officer Hosticka closed the public hearing and noted the review this ordinance had already had at both the advisory and council committee levels.

Councilor Bragdon said there were several points raised at the joint committee meetings that included the sunset requirement as well as the message of the Green Ribbon Committee.

Councilor Park raised his concerns about using the excise tax to fund the parks department. They could also be utilizing these revenues for other agency needs. His greatest concern was that the eastern part of the region was still subsidizing the rest of the region.

Councilor Monroe thanked the Executive Officer for bringing this proposal to the council. He spoke to the history of the parks. He said much of the solid waste community was supportive of this ordinance. The sunset forced the council to continue looking for long term funding sources.

Councilor McLain agreed with Councilors Monroe and Bragdon concerning funding of the parks. She noted solid waste issues that they would need to address this fall. This was an important first step in taking care of the parks.

Councilor Atherton closed by saying they already had a precedent at Metro for the solid waste fees supporting parks. This measure was appropriate at this time. He urged support.

Vote:

Councilors Bragdon, Park, Atherton, Burkholder, McLain, Monroe, and Presiding Officer Hosticka voted in support of the motion. The vote was 7 aye, the motion passed.

6. RESOLUTIONS

6.1 **Resolution No. 02-3160**, For the Purpose of Confirming Michael S. McFarland as a Citizen Member Alternate to the Metro Policy Advisory Committee (MPAC).

Motion:	Councilor Atherton moved to adopt Resolution No. 02-3160.
Seconded:	Councilor Bragdon seconded the motion.

Councilor Atherton said this measure confirmed Michael S. McFarland as a citizen member alternate to MPAC. He urged support.

Vote:

Councilors Bragdon, Park, Atherton, Burkholder, McLain, Monroe, and Presiding Officer Hosticka voted in support of the motion. The vote was 7 aye, the motion passed.

6.2 **Resolution No. 02-3167**, For the Purpose of Approving the FY 2003 Unified Work Program.

Motion:	Councilor Burkholder moved to adopt Resolution No. 02-3167.
Seconded:	Councilor Bragdon seconded the motion.

Councilor Burkholder reviewed the resolution. This would approve the Unified Work Program for 2003. Adoption was required to receive funding from federal transportation agencies. TPAC and JPACT had reviewed this. He urged an aye vote.

Councilor Atherton expressed his support. He explained further the need for funding of Clackamas County projects. Councilor Monroe said this had been through JPACT, he fully supported the resolution.

Vote:

Councilors Bragdon, Park, Atherton, Burkholder, McLain, Monroe, and Presiding Officer Hosticka voted in support of the motion. The vote was 7 aye, the motion passed.

6.3 **Resolution No. 02-3168**, For the Purpose of Certifying that the Portland Metropolitan Area is in Compliance with Federal Transportation Planning Requirements.

Motion:	Councilor Burkholder moved to adopt Resolution No. 02-3168.
Seconded:	Councilor Bragdon seconded the motion.

Councilor Burkholder explained the certifying process and the specific requirements. Every three years the federal government conducted an audit, the other years it was necessary to do a self-certification.

Presiding Officer Hosticka noted a letter from Dick Jones, MCCI Transportation sub-committee. He spoke to the specifics of the letter.

Councilor Monroe spoke to self-certification requirements. He urged support.

Councilor Atherton asked Andy Cotugno about self-certification. He asked about system preservation and what happened if we were unable to provide the funds to adequately maintain our transportation system. Mr. Cotugno, Planning Director, responded the Councilor Atherton's question. The federal government did not set any minimum standards. Councilor Atherton asked about extraordinary expenditures such as the bridge issue. How was this handled in this process? Mr. Cotugno said if the renewed data showed a worsening condition than anticipated there might be a change in the priorities.

Councilor Burkholder urged an aye vote. He addressed Mr. Jones concerns about the public involvement process and plan. He thought it was a good idea in the future when the federal government conducted their audit that they invite MCCI to be interviewed.

Vote:

Councilors Bragdon, Park, Atherton, Burkholder, McLain, Monroe, and Presiding Officer Hosticka voted in support of the motion. The vote was 7 aye, the motion passed.

6.4 **Resolution No. 02-3179**, For the Purpose of Directing the Executive Officer to Submit a Petition to Adopt a Rule to the Land Conservation and Development Commission Under 183.390 on the Application of Goals 14 and 2 and ORS 197.298 to the Expansion of the Urban Growth Boundary.

Motion:	Councilor Park moved to adopt Resolution No. 02-3179 with the amended Exhibit A.
Seconded:	Councilor McLain seconded the motion.

Councilor Park passed out the draft rule (a copy of which is found in the meeting record), explained the history of the resolution and why this was before Council today. The resolution requested that LCDC adopt a rule concerning criteria based around centers. He explained further the petition and Item 2.

Presiding Officer Hosticka asked Dan Cooper, General Counsel, about the new Exhibit A and the motion on the table. Mr. Cooper said he assumed the motion that Councilor Park made included the new exhibit. He further clarified the change in the exhibit concerning the sub-regional issue.

Presiding Officer Hosticka opened a public hearing.

Kirstin Greene, Senior Associate with Cogan Owens Cogan, 813 SW Alder, #320, Portland OR 97205 read her letter into the record (a copy of which may be found in the meeting record).

Councilor Park clarified the discussion at the Let's Talk Conference. Ms. Greene responded that sub-regional need should have been part of the conversation at the conference. Councilor Park said the public might not have been interested in the methodology but rather the outcome. Presiding Officer Hosticka acknowledged Ms. Green's comments. He noted MPAC discussion about sub-regional issues, timelines, and the need for a policy discussion.

Jon Holan, Community Development Director, City of Forest Grove, PO Box 326, Forest Grove, OR 97116 read his letter into the record (a copy of which may be found in the meeting record). He expressed support for the council to move forward on this issue.

Councilor Park asked if Forest Grove was pursuing the question of special needs? Mr. Holan responded that they were waiting to see what happened with regards to the Periodic Review issue and then dependent upon the outcome the issue of exchange of lands. If so, they would pursue this through the amendment process. Councilor Park suggested that it might be fruitful to continue both conversations at the same time.

Councilor Atherton asked Mr. Holan about tax considerations in their area. He noted Mr. Holan's statement about tax revenues, suggesting an industrial tax base. Mr. Holan said they needed to have an added tax base that included industrial but needed a balance community in order to achieve that. The issue was not only the composition of the land use but, there was also a degree of growth that allowed for reassessment of vacant land to higher uses which would provide a higher level of revenue to the city rather than redevelopment or simply a continuation of existing developed lands. Because of the current taxing structure within the state there is a component that a growth issue was intertwined with it, particularly for smaller communities in order to sustain its revenue source. There needed to be an adequate revenue source to cover costs in the long term. He spoke to providing basic services such as fire and police which was about 70% to 80% of local jurisdiction's budget.

Councilor Atherton summarized that the property tax couldn't go up fast enough to accommodate the costs of providing basic services. Mr. Holan explained the limitations of property tax in Oregon. Councilor Atherton said he had recently had discussed Forest Grove in a meeting with American Farmland Trust and their concern over the agricultural economy. At some point would

that economy begin to erode? Traditionally, agriculture was an important part of the Forest Grove economy. Mr. Holan said agriculture was an important part of their economy. At this point in time they were not sure there was a need to expand but knew in the future this issue would have to be dealt with.

Councilor Bragdon said he thought they had not paid enough attention to the fiscal system as it relates to the land use planning system. He asked Mr. Holan what the proportion between industrial and residential and the different services levels required versus new assessed valuation brought in? To what extent was it new and old and to what extent was it the matter of the mix between industrial and residential? He thought it would be a little of both. Mr. Holan responded that they needed to have a balance between residential and non-residential lands because of the demands for services by residential lands of local services and the relative lack there of by industrial lands. A significant amount of services were focused on the residential component. In Forest Grove it was particularly heightened because of the number of senior facilities they had in the area.

Councilor Park said the question that was being asked was could you fix fiscal problems of cities with land use system? He asked what percent they were covering with property tax for fire and police services? What tax rate per thousand did Ballot Measure 50 lock them in at? Different cities have a very low tax rate such as Happy Valley versus Cornelius that had a high tax rate. Are we using the right tool to address the problem? Mr. Holan said he didn't know what the exact tax break for Forest Grove but currently their property tax did not cover the fire and police services currently. The issue was not just an immediate issue but a long term one. The question was where they would be in 10 to 15 years down the line if there weren't an allowance for growth under the current tax system.

Councilor McLain reminded that Mr. Holan had spoken in favor the resolution. She explained that this request would help further discussion on this issue.

Cindy Catto, Public Affairs Director, Associated General Contractors, 9450 SW Commerce Circle, Suite 200, Wilsonville, OR 97070 encouraged a yes vote on this resolution. She explained further the agency supported policy level discussion on sub-regional analysis but they needed to find out first whether or not this could be done.

Al Burns, Portland Bureau of Planning, 1900 SW 4th Ave Suite 4100, Portland OR said the matter before Council today was not how much time they spend this year on sub-regions but where they spent the time. These issues may have benefited with more review time at Metro and amongst the regional partners. He made some technical recommendations on the exhibit.

Councilor Park spoke to the other part of Exhibit A that addressed some of Mr. Burns' concerns. Councilor Monroe asked about Mr. Burns' testimony. Mr. Burns said they would like Council to hold off one month on the resolution to have further discussion with MPAC. He thought Metro could send a better product down to LCDC with this discussion and explained why. Councilor Monroe said they had already had testimony that they were already behind the timeline. He asked Mr. Burns if he supported the use of sub-regional analysis in the Council decisions on the Urban Growth Boundary? Mr. Burns said they had not built a common language yet, sub-regional was being defined differently by some partners. The city of Portland had never opposed sub-regional analysis for identifying planning problems or proposing solutions. The concept of looking at equities not for the regional as a whole but for particular parts of the region was a good thing. There were some steps that the region had not gone through. They needed to identify the

problems and then determine which ones can be solved by allocating jobs or housing land and then determine which of these problems should be solved that way.

Councilor Atherton appreciated Mr. Burns testimony. One of the key issues was how they dealt with farmland. Did this resolution allow bringing in farmland to create a complete community? Dick Benner, Senior Assistant Counsel, explained subsection 1, that subsection limited the scope of what Metro could do. It did not use the words complete communities, which was not clearly defined. He explained further the results of it being undefined.

Councilor Atherton said that was what sub-regional analysis was. Mr. Burns responded this his question.

Councilor McLain clarified her understanding of version 3.

Presiding Officer Hosticka said the essence of Mr. Burns' testimony was to spend some time perfecting this discussion before a request was sent to LCDC.

Bob Durgan, Anderson Construction, 6712 N. Cutter Circle, Portland OR 97228 supported the resolution. The time was now to ask LCDC how they balanced the 19 goals and objectives, to make some decisions and give guidance. He felt taxes had nothing to do with this, there was another way to address those issues in community development.

Aleta Woodruff, 2143 NE 95th Place, Portland, OR 97220 read into the record the results of a national poll concerning planning and growth (a copy of which may be found in this meeting record).

Beverly Bookin, Commercial Real Estate Economic Coalition (CREEC) 1020 SW Taylor St #760 Portland, OR 97205 urged adoption of the resolution. She spoke to the need to balance growth. She thought sub-regional issues needed to be resolved. This was a good way to proceed.

Presiding Officer Hosticka closed the public hearing.

Councilor Burkholder said they were not actually going to get an answer about sub-region within the timeframe of making decisions about expansion this year. They would be getting permission to start the sub-regional conversation. He supported this being put forward. He wasn't sure how you would define sub-region.

Presiding Officer Hosticka said this would not resolve the question. The Council was at a point where the issues of what policy objectives the Council was trying to achieve in the land use planning system were coming into conflict with each other to the extent that they might not be able to achieve all of the policy objectives simultaneously. Policy objectives included accommodate growth, allowing for more jobs and more people, protect fish and wildlife, protect livability of neighborhoods, have vital urban core and vital centers, equity within and between communities, efficient transportation, and at the same time protect farmland. He wasn't sure if they could do it all. The policy question was what was going to give which objectives would they emphasize? He felt they needed to have an explicit discussion within the region. He clarified that today's action was to find out what the council action boundaries were.

Councilor McLain stated that they had plenty of time to talk with their regional partners. She clarified what the Council was asking LDCD to respond to. They needed the answers for a number of projects that Metro was working on.

Councilor Park closed by saying that this was going to be a long discussion once they got the ruling back for the Commission. He summarized the testimony they had heard today. This was the first step in a long journey. He spoke to the burdens of the region. He explained the possibilities of the different results. This was a tool to shape the question to begin the discussion.

Vote:

Councilors Bragdon, Park, Atherton, Burkholder, McLain, Monroe, and Presiding Officer Hosticka voted in support of the motion. The vote was 7 aye, the motion passed.

7. COUNCILOR COMMUNICATION

Councilor Burkholder reminded the Council about budget amendments that were due tomorrow. Councilor McLain said she had asked staff to provide those to the Chair.

8. ADJOURN

There being no further business to come before the Metro Council, Presiding Officer Hosticka adjourned the meeting at 3:40 p.m.

Prepared by

Chris Billington
Clerk of the Council

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MARCH 28,
2002

ITEM #	TOPIC	DOC DATE	DOCUMENT DESCRIPTION	DOC. NUMBER
4.1	MINUTES	3/14/02	METRO COUNCIL MINUTES OF 3/14/02 SUBMITTED FOR APPROVAL	032802C-01
6.4	PROPOSED RULE	3/26/02	PROPOSED OAR 660.DIVISION 024 URBAN GROWTH BOUNDARY DRAFT 3 RULE TO BE SENT TO LCDC FROM METRO	032802C-02
6.4	LETTER	3/28/02	LETTER FROM JON HOLAN, CITY OF FOREST GROVE TO COUNCIL RE: RES. No. 02-3179	032802C-03
6.4	WRITTEN TESTIMONY	3/28/02	TESTIMONY FROM KIRSTIN GREENE, COGAN, OWENS, COGAN TO METRO COUNCIL RE: RES. No. 02-3179	032802C-04
6.4	LETTER	3/28/02	LETTER FROM MIKE BURTON TO LCDC RE: PETITION ON RULEMAKING ON SUB-REGIONAL ALLOCATION OF HOUSING AND EMPLOYMENT RELATED TO RES. No. 02-3179	032802C-05
6.4	MAGAZINE ARTICLE	OCT/NOV 2001	ARTICLE READ INTO THE RECORD BY ALETA WOODRUFF FROM NATIONAL WILDLIFE MAGAZINE "AMERICANS WANT SMART GROWTH"	032802C-06
5.1	LETTER	2/12/02	LETTER FROM RON WILLOUGHBY TUALATIN HILLS PARKS & RECREATION DISTRICT TO MIKE BURTON RE: ORD. No. 02-939A	032802C-07
6.3	LETTER	3/28/02	LETTER TO METRO COUNCIL FROM DICK JONES, MCCI RE: RESOLUTION No. 02-3168	032802C-08
6.4	EXHIBIT A TO RES. No. 02- 3179	MARCH 2002	AMENDED EXHIBIT A TO RES. No. 02- 3179 SUBMITTED TO COUNCIL FROM DICK BENNER	032802C-09

Testimony Cards:

Kirstin Greene, Senior Associate with Cogan Owens Cogan, 813 SW Alder, #320, Portland OR 97205

Jon Holan, Community Development Director, City of Forest Grove, PO Box 326, Forest Grove, OR 97116

Metro Council Meeting

03/28/02

Page 9

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