

A G E N D A

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



**METRO**

**Agenda**

MEETING: METRO COUNCIL REGULAR MEETING  
DATE: January 30, 2003  
DAY: Thursday  
TIME: 2:00 PM  
PLACE: Metro Council Chamber

**CALL TO ORDER AND ROLL CALL**

**1. INTRODUCTIONS**

**2. CITIZEN COMMUNICATIONS**

**3. CONSENT AGENDA**

**3.1 Consideration of Minutes for the**

- January 23, 2003 Metro Council Regular Meeting,
- November 19, 2002 Community Planning Committee
- November 20, 2002 Community Planning Committee
- November 26, 2002 Community Planning Committee
- December 3, 2002 Community Planning Committee
- November 13, 2002 Budget and Finance Committee
- November 6, 2002 Solid Waste and Recycling Committee
- December 3, 2002 Governmental Affairs Committee
- December 4, 2002 Natural Resources Committee
- December 5, 2002 Transportation Committee

**3.2 Resolution No. 03-3270, For the Purpose of Confirming the Reappointment of Herbert Plep and Leroy Patton to the Investment Advisory Board.**

**4. PUBLIC HEARING - 2002 URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN COMPLIANCE REPORT**

**5. RESOLUTIONS**

**5.1 Resolution No. 03-3271, For the Purpose of Endorsing a Regional Position on Reauthorization of the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21).**

**6. COUNCILOR COMMUNICATION**

**ADJOURN**

**Cable Schedule for January 30, 2002 Meeting (PCA)**

	<b>Sunday (2/2)</b>	<b>Monday (2/3)</b>	<b>Tuesday (2/4)</b>	<b>Wednesday (2/5)</b>	<b>Thursday (1/30)</b>	<b>Friday (1/31)</b>	<b>Saturday (2/1)</b>
<b>CHANNEL 11 (Community Access Network) (most of Portland area)</b>							
<b>CHANNEL 30 (TNTV) (Washington County, Lake Oswego)</b>							
<b>CHANNEL 30 (CityNet 30) (most of City of Portland)</b>	8:00 AM		12:00 PM	7:00 PM			
<b>CHANNEL 30 Willamette Falls Television (West Linn, Rivergrove, Lake Oswego)</b>	4:00 PM						10:00 AM
<b>CHANNEL 23/18 Willamette Falls Television (23 -- Oregon City, West Linn, Gladstone; 18 -- Clear Creek)</b>	4:00 PM						10:00 AM
<b>CHANNEL 23 Milwaukie Public Television (Milwaukie)</b>							

**PLEASE NOTE THAT ALL SHOWING TIMES ARE TENTATIVE BASED ON THE INDIVIDUAL CABLE COMPANIES' SCHEDULES. PLEASE CALL THEM OR CHECK THEIR WEB SITES TO CONFIRM SHOWING TIMES.**

**Portland Cable Access**      [www.pcatv.org](http://www.pcatv.org)  
**Tualatin Valley Television**      [www.tvca.org](http://www.tvca.org)  
**Willamette Falls Television**      [www.wftvaccess.com](http://www.wftvaccess.com)  
**Milwaukie Public Television**

**(503) 288-1515**  
**(503) 629-8534**  
**(503) 650-0275**  
**(503) 652-4408**

Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, 797-1542. Public Hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by email, fax or mail or in person to the Clerk of the Council. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

**Agenda Item Number 3.1**

**Consideration of Minutes of the  
January 16, 2003 Regular Council meeting  
November 19, 2002 Community Planning Committee  
November 20, 2002 Community Planning Committee  
November 20, 2002 Community Planning Committee  
November 26, 2002 Community Planning Committee  
December 3, 2002 Community Planning Committee  
November 13, 2002 Budget and Finance Committee  
November 6, 2002 Solid Waste and Recycling Committee  
December 3, 2002 Governmental Affairs Committee  
December 4, 2002 Natural Resources Committee  
December 5, 2002 Transportation Committee**

**Metro Council Meeting  
Thursday, January 30, 2003  
Metro Council Chamber**

**MINUTES OF THE METRO COUNCIL  
COMMUNITY PLANNING COMMITTEE REGULAR MEETING**

Tuesday, November 19, 2002  
Metro Council Chamber

**Members Present:** Rod Park (Chair), Bill Atherton, David Bragdon, Rex Burkholder, Carl Hosticka, Susan McLain, and Rod Monroe

**Members Absent:** None.

**1. CALL TO ORDER AND ROLL CALL.** Chair Park called the meeting to order at 1:18 p.m.

**2. CONSIDERATION OF THE MINUTES OF THE NOVEMBER 5, 2002, COMMUNITY PLANNING COMMITTEE MEETING.** (The minutes were distributed and made a part of this record.)

**Approval:**

Chair Park, receiving no corrections from the committee, declared the minutes of the November 5, 2002, Community Planning Committee meeting approved, as submitted.
---------------------------------------------------------------------------------------------------------------------------------------------------------------------

**3. CONTINUATION OF AGENDA ITEMS FROM NOVEMBER 8, 2002 (reference Ordinance No. 02-969).**

**Motion #2:**

Councilor Burkholder, with a second from Councilor Monroe, moved to accept the vacancy rate factor in the Urban Growth Report (UGR) at 4%, with a study performed that analyzes the role of vacancy rate in the availability of affordable housing for our region (a copy of this motion was distributed and is made a part of this record).
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor Burkholder said the 4% figure was supported by data Metro had gathered to date showing a range of 4% - 6%. He requested the study be added to the work plan for 2003 that analyzes the role of vacancy rate in the availability of affordable housing for our region. (A copy of a memo to Councilor Burkholder from Kelly Ross of the Home Builders Association was also distributed and made a part of this record.) Councilor Burkholder recalled a discussion from the previous meeting about the Urban Growth Report, including land for parks, needed land for schools, and whether the vacancy rate was at the correct number, as well as whether it should be used at all. His concern, he said, was whether the vacancy rate was required by state law in meeting the need and what number would provide for the friction rate of people moving from one home to another. He offered this amendment because the decisions on schools and parks were made based on studies that laid out actual numbers, and he said he felt information should also be presented about how the vacancy rate affected housing need. He recommended the lower rate of the range the data showed to use for cautious decision making. He added that it was hard to take land out of the urban growth boundary once it was in, and that the 4% number could be defended. Councilor McLain questioned the 4%-6% vacancy rate, and said one of the reasons she had voted against having a vacancy rate was that there was no accuracy in the rate. She agreed with the need for a study and that it was reasonable to assume there would be some vacancy. She reminded the committee that they were making a 20-year forecast and that they could not possibly use up any vacancy rate that had been offered so far unless the entire forecast was completely off. She said after some discussion she would move to accept the lowest number they had heard, 2.5%.

Councilor Bragdon believed there was in fact a vacancy rate, and said he would support Councilor Burkholder's amendment. He believed it was a market rate and a functional reality that at any given time people have not moved in and out at the same time. His discomfort was what was the right number. He thought the 5% proposed was high and since reviewing the data, he felt 4% was a reasonable number.



He said the proposal to study this further and have some more insights from industry people would be very healthy. He summarized that a vacancy rate was a factor that really did exist in the real world and it ought to be included in the calculations and said he would support the amendment.

Councilor Hosticka said he was opposed to having a vacancy rate because the purpose of a vacancy rate (he quoted the bold type under Goal 10 in the Kelly Ross memo mentioned above) was to "allow for flexibility of housing location, type and density." He said he continued to believe that the 20-year land supply did allow for flexibility of housing location, type and density, and they did not need an additional factor added in order to give people the opportunity to have that flexibility. He said the absence of data made him even more cautious. He said there was no current policy, only a staff recommendation to use the vacancy rate. He felt they were making policy at this point and he was going to approach it from that point of view. Councilor Atherton said they were making policy on the fly without adequate data, and he was against this unless there was background information supporting it, that they were setting a dangerous precedent. He felt they would be much better served by having no vacancy factor as the 20-year supply was more than adequate. He urged a no vote.

**Motion #2 to Amend Motion #1:**

Councilor McLain, with a second from Councilor Hosticka, moved to amend the vacancy rate factor in the UGR to 2.5%

Councilor McLain agreed that a study should be done before the next Urban Growth Report on exactly how the vacancy rate fit in to the calculations. With this motion, she was trying to give credence to the fact that there should be a vacancy rate in the report. She noted that staff had given information that there were locations around the state that had used 2% - 2.5% as a vacancy rate with no comments from either commission or LCDC staff that it was an inappropriate number. She said they had every right to pick a conservative number today because it was not a state law that the vacancy rate should be part of the formula. She requested a vote for a 2.5% vacancy rate.

Councilor Monroe commented that Metro's planning staff was renowned as maybe the best planning staff in the nation and had spent a year working on this, and came up with a fairly conservative vacancy rate of 5% as a recommendation. Now, he said, the committee thinks they can pick a better number. The truth is, he said, the minimum vacancy rate for single family runs 2.5%, but for multi-family it runs at about 7%. The combined minimum vacancy rate of all the numbers they had seen was 4.1% to a maximum of around 9%. He said they should support staff's recommendation unless there was overwhelming evidence to the contrary. He said he would support 4%.

Councilor Hosticka responded that staff had submitted 3 or 4 different numbers in the Urban Growth Report and said they picked this number, not that this number was the most scientifically sound. They said, in fact, that there were a number of data points and considerations, and they picked that number. Nothing more. Councilor Bragdon said, having looked at what data was available and recognizing there were different ranges on different types of housing, that the ECONorthwest report talked about historical rates in this region between 4% and 6%. He said they had to base their decisions on the best data they had at any given time so he would not be supporting this amendment, but would support the 4%.

Chair Park said he would support the 4% rate because the data given to them in the report.

**Vote on Motion #2:**

Councilors Atherton, Hosticka, and McLain voted yes. Councilors Burkholder, Monroe, Bragdon and Chair Park voted no. The vote was 3 aye/4 nay/0 abstain and the motion to amend the main motion to a 2.5% vacancy rate factor failed.

**Vote on  
Motion #1:**

Councilors Monroe, Bragdon, Burkholder and Chair Park voted yes. Councilors Atherton, Hosticka, and McLain voted no. The vote was 4 aye/3 nay/0 abstain and the motion to amend the vacancy rate factor in the UGR to 4% passed.

Councilor Bragdon commented that he had previously asked for time to review the MPAC recommendation about park land, which was an aspirational number he shared. He noted that his discomfort during those discussions had been whether there was sufficient commitment behind that aspiration, both financially and in regard to other financing tools. He believed there was not, and said he could not subscribe to an unsubstantiated aspirational number. He said he was not proposing a different number and reiterated Councilor McLain's words that this conclusion should not be construed as not wanting parks. He said they had to be realistic so he was sticking where they were previously.

**Motion #3:**

Councilor Hosticka, with a second from Councilor Monroe, renewed his motion to adopt the Urban Growth Report, as amended with the 4% vacancy rate, above, and a thorough study and report of Accessory Dwelling Units (ADUs), the parks issue and dealing with the vacancy rate.

Councilor McLain said she could support this motion with a direction to staff to work with the jurisdictions to standardize a form for submission of data for the Urban Growth Report. Councilor Atherton asked how they could accept the UGR and calculate the number of units if they were not clear on the forecast. He recalled commenting at the previous meeting on recent conversations with Tom Potowski, a state economist, about an upcoming report on projected population growth for the three county metropolitan area using standard demographic techniques and looking at current unemployment migration patterns. He said this report would be available on Thursday.

Councilor Monroe commented that they needed to accept the UGR as amended many times today so staff could figure out where we are. He said that wasn't to say that it couldn't be amended further in the future. The committee system at Metro allowed amendments not only in committee, but on the floor at the main council meeting, so this wasn't being carved in stone, it was simply giving staff the necessary instruction so they work the numbers.

Councilor Hosticka agreed with Councilor Monroe. He said the reason he made this motion was so they could proceed with their work because they knew that on Thursday, they had a number of people who wanted to come talk to them about the work they had done up to then. He said as Councilor Monroe pointed out, if there was new information gained that threw their work up to then in serious doubt, they could go back and revisit it. He just wanted to keep the process moving with people feeling somewhat comfortable. He said they had all been on both sides of 4/3, votes but at some point they had to get together and move as a unit, which was the spirit in which he presented this motion.

**Vote #3:**

Councilors Monroe, Hosticka, McLain, Bragdon, Burkholder, Atherton and Chair Park voted yes. The vote was 7 aye/0 nay/0 abstain and the motion passed to accept the Urban Growth Report as amended with the 4% vacancy rate and the reports and studies as requested for Accessory Dwelling Units and the parks issue and dealing with the vacancy rate passed unanimously.

Chair Park asked staff to depart from the chamber and make their calculations on the 4% vacancy rate and bring them back. He called a 10-minute recess for that purpose at 1:46 p.m. The committee reconvened at 2:05 p.m.

Chair Park said he would explain the process when staff arrived with the new maps. In the meantime, he asked for an update from Mr. Donovan on the public comment process.

**3a. Public Comment Process, UGB.** John Donovan, Metro Council Communications Officer, distributed a large blue packet on the public comment process and summarized its contents, saying it was a final compilation of public comment materials that he wanted the councilors to be sure to have as they moved through the final stages of the committee process. He said they had seen a lot of the material at their meeting on November 5, after the close of the public comment period on November 1. He pointed out Appendix C, a region wide map of the notice areas from the 105,000 notices that went out to property owners in August and early September. He also noted news clips since June on Urban Growth Boundary discussions, and ad copy, which appeared in *The Oregonian* and community newspapers throughout the region, August through November. He said there was also a complete set of all of the public comments received August 1 through November 1 in the council office that councilors could direct people to if they wanted to see it. He introduced the new Elmo camera system that would allow the entire room to view the specific maps being referred to in discussion. Chair Park thanked Mr. Donovan and the communication staff for their work. He said this had been one of the largest Goal 1 public involvement efforts in the state.

**4. UGB AMENDMENT AREAS – COUNCILOR AMENDMENTS (reference Ordinance No. 02-969, Exhibit N).** [Please note that on site specific motions, the motion number is matched to a map with the same number, said maps included as part of this record.] Chair Park recapped: the current capacity within the boundary is 183,300 dwelling units; the current demand is 220,700 dwelling units; and the current need is 37,400. He said that was the amount of dwelling units they would need to look at expanding to outside the boundary. Councilor McLain reminded the committee they also had a Centers policy and others besides the 37,400 dwelling units. She said it would take a combination of amendments to the Urban Growth Boundary and Centers policies that are also part of that total. She added that they did not have to add new acreage for every dwelling unit. Chair Park said the most noteworthy thing to him was the fact that they had an increase in 2.7% that they were trying to accomplish within their centers that took care of approximately 6,000 dwelling units of need that will not have to be sought outside the boundary. He said the current number for need, through a combination of efforts, is 37,400.

Chair Park said they were getting to the end of a two-year process with the completion of the first Periodic Review, Task 1, and finalizing the prior need of 1997-2017. He said the current work was for 2002-2022 so it was a multi-year effort. He added that the committee had been working with the state through the Land Conservation and Development Commission (LCDC), trying to get clarity to this process. He said the goals of the committee had to be accomplished as outlined by the state, by the commission, and also as required by state law that there are certain areas they have to look at and urbanize for maximum efficiency, and they have to apply the 2040 Goals that Metro has of having a compact region with open spaces, access to nature, a good economy, all the issues that makes this area special that they are trying to keep that way. He said they have and are continuing to work on a Centers strategy. There was a study going on, a work program that would be part of the ongoing Task 3.

**Motion #4:**

Councilor Bragdon, with a second from Councilor Burkholder, moved portions of study areas 6 and 10, and areas 11 through 19 in the Damascus area plus the Springwater Industrial area identified by the City of Gresham.

Councilor Monroe expressed his concern that the pressing need for urban expansion was on the west side that had been growing most rapidly and had the greatest needs for housing and industrial lands. He was concerned that they were starting where the need was the least and where it would be the most difficult and take the longest to serve. Councilor Hosticka asked for clarification and updates on the changing numbers as they went through the process and what each amendment meant regarding land and the need.

Councilor Burkholder said it was the right starting place because their charge was orderly and efficient development of the urbanized area. He acknowledged that some thought they should be doing things differently, or not expanding at all, doing more in community centers. He said legal requirements and policies adopted and implemented by the Metro Council in the past, and implemented by the jurisdictions within the urban growth boundary, was the logical place. He said they need to look at large enough areas that make sense. As well, this area of the region is the area that does need more industrial capacity and employment capacity. Sixty some percent of residents of Gresham and of Clackamas County have to travel away from home and out of their county in order to find work. That is illogical from a regional perspective and it creates incredible transportation costs and in transportation forms that can't really provide viable options for people so they drive their cars. He said he heard over and over in the public hearings, "we don't want this to happen but we know it's going to and we want to be in control of it." He said he was very impressed by the public testimony received in the Damascus area about the future the people see making for themselves. Even though they would like to live a rural, idyllic lifestyle a little bit longer, people know traffic is getting worse and they realized they need to take control of that.

Chair Park, apologized that he had not mentioned that the committee would go through the sites, then allow staff the evening and the next morning to make the adjustments to the numbers. General Counsel Cooper agreed. At the request of Councilor Hosticka, Chair Park traced on the map with a laser pointer the areas in Councilor Bragdon's motion.

There was discussion on having an urban growth boundary expansion south of the county line which raised questions about the green corridor. Chair Park said they would have additional discussion about this.

Councilor Hosticka said he could support the motion under certain conditions. He said he had asked legal staff to prepare some conditions (distributed and included as part of this record). Councilor Hosticka said the major thrust of his conditions was that the planning process for this area be led by the people of the area and not planned for them by some outside force, and he outlined each of the nine conditions.

There was discussion on which jurisdiction had authority to do land use planning in that area, and also on the possible incorporation of a portion of the area into a new city. It was going to take some time and things would evolve, but without a legal existing entity out there or one that may be formed in the future, it was difficult to specify how one could have a condition that would require involvement by something that doesn't exist. Councilor Hosticka asked if they could also say that it would not be urbanized until such an entity does exist. Mr. Cooper expressed a concern that it may then put a condition, that if it doesn't fulfill, it means you have got a null set urban growth boundary. He said as a general matter, they advised the council before that having, in effect, a no plan means undoing a UGB amendment that has been adopted by the council and is probably not permitted under Oregon law. He said a strong indication, a timing, if something does get created, a transfer of authority to the new entity is certainly something you have the authority to, do and amend that condition if something does get incorporated.

Mr. Cooper continued that the Goal 5 Natural Resource Protection Issue stated that if and when Metro adopted a Goal 5 program, and it was subject to acknowledgement by LCDC, then it would go into effect and must be included. If the planning proceeded and there was no Metro Goal 5 program, the Metro Goal 5 inventory already adopted would be in effect, placed in the record and become the starting point for any Goal 5 work that would have to be done as part of the local process. State law requires a Goal 5 plan for the area as part of the comprehensive planning. He said he thought they had dealt with Goal 5 to the maximum that we can.

Councilor Hosticka, noted that these conditions would apply to study areas 11, 13, 14, 15, 16, 17, 18, and portions of 10 and 19, so they were not written to apply to the areas up near the existing Gresham city area. He said, in concept, he would like to make these part of the motion for including this area within the urban growth boundary.

Councilor Bragdon, as maker of the motion, felt the concept was sound and he was supportive of that, but felt there should be discussion. Councilor Burkholder, the seconder, was also supportive of the friendly amendment.

**Motion #5 to Amend #4:** Councilor Hosticka moved amend the previous motion to include the conditions as part of the main motion.

**Vote on Motion #5:** The maker and seconder of Motion #4 agreed to accept the motion #5 to amend their motion.

Councilor McLain said it was important to make distinctions about what is already required by our Functional Plan in the way of conditions and responsibilities and requirements. She said, of these conditions, that six of them appeared to come from Functional Plan responsibilities that are already passed and in the code. As for the other three, she had a great deal of support for. Regarding the other two elements of planning, dealing with areas that don't have elected bodies, she thought if they remembered Pleasant Valley as a model where we had FTE, Metro involvement, and funds that they tried, as partners, to put together, that they could make it work. She said it was important, as Mr. Cooper pointed out, that they don't go too far with that language. She was comfortable with Mr. Benner's language on the handout but said they needed to be careful that they don't make it impossible for anybody to plan. She also recognize that Councilor Hosticka was very careful to recognize Gresham's responsibility for some of that acreage and Clackamas County's and others. She said she supported this amendment.

**Motion #6 to Substitute:** Councilor Monroe, with a second from Councilor Atherton, moved to leave in area 6 to the east of Highway 26 and area 12 to the west of Highway 26, the Phase 1 Springwater Industrial Lands.

Councilor Monroe explained that this motion would keep the farmland out for now, and would separate Gresham from Damascus, and virtually insure that the Damascus core would be developed and planned by the people of Damascus in cooperation with Clackamas County. He said Councilor Bragdon's motion to take in the whole region would put 80% or more of the housing from the entire region into Damascus. He said that would make people drive further to work because it was going to take a long time before the Sunrise Highway and other infrastructures were built. In the meantime, those people would have to go to Portland or Washington County to work, increasing vehicle miles traveled, and it would also increase developmental pressure on Clark County where they are currently very concerned about controlling growth. By forcing the growth out into this area that is not served, there will be tremendous pressure for more and more people to move north of the Columbia River, thus increasing the difficulties on land use planning in Clark County as well as the difficulties of getting across the river. He said he thought this was a prudent way to do it. By taking this area in this year, they could continue, and it could be studied and planned. A new community of Damascus could be incorporated if that was the wish of those people, and then in another few years they could take a look at other areas and see whether or not it made sense. He said the idea of a complete community was held intact by this amendment but it did not take in all the massive area of farmland out to the east.

Chair Park clarified the motion: Councilor Monroe wanted to include the Springwater 2 portion in the motion and he asked to be shown on the map how far south Springwater 2 went. His question, he said,



was if the Johnson Creek water basin was included. He asked to have the southern end of Johnson Creek watershed pointed out. Councilor Monroe said he was basing his motion on discussions he had with the folks in Gresham and their need for industrial lands that he had agreed to and still agrees to. Councilor McLain asked for clarification of Councilor Monroe's motion. Councilor Monroe said area 14 is all within, and so are areas 15, 17, 18, 19 and portions of 13. He thought all of 12 was part of the Springwater Industrial Lands so it would be in. The areas were pointed out on the map.

Chair Park asked for clarification of whether Springwater 2 was still included in the motion. Councilor Monroe wants to include the Springwater Industrial Lands in his motion. Mr. Morrissey clarified that it was not part of the motion as reflected on the map, and then Councilor Monroe verbally added, when the map came up, those parts of area 6 and area 12 that were in the Springwater proposal. Councilor Monroe said that was correct.

Chair Park asked for the areas to be drawn onto the maps for committee review and clarification. Ms. Neill, Senior Regional Planner, spoke to the large map and explained that the double-hatched area was Phase 1, all in Multnomah County. She said Phase 2 was the rest of the hatched area down around, and up towards the existing UGB, so roughly double the size. Councilor Monroe then said the intent of his motion was only the Phase 1 lands in Multnomah County. Councilor Atherton, as seconder agreed.

Councilor McLain said this amendment did not fit the criteria of how to get EFU land in, which they would be discussing at another time with other EFU pieces. She did not think this amendment helped with bringing in the rest of it in an urban reserve process that was not developed yet, nor did it help make logical sense out of the Springwater Industrial land. She said it was a situation where they were not paying enough attention to the local jurisdiction that has this industrial proposal that is so important to this area and to the rest of Clackamas County to the south. She could not find merit in the amendment as it is drawn, although she did find merit in the reasoning for it and the focus on looking around the map to make sure all of the resources did not go into one area. She said as much as she would like to support that concept she could not with this particular drawing.

**Motion #7:**

**NOTE FOR CONTINUITY OF THE RECORD:** Motion #7 was a friendly amendment moved by Councilor Atherton to Motion #6, but was not accepted by the maker of the motion.

Councilor Monroe closed. He said the motion brought in Phase 1 Springwater Industrial lands. He said Gresham called it Phase 1, he didn't. He said that meant they want to do it first, and that it would be a while before they got to Phase 2. He said they do this at least every 5 years. He said it does keep the separation between Damascus. He recalled they heard testimony from citizen after citizen saying, "We are not Gresham, we don't want to be Gresham, leave us be our own community, if we have to urbanize, let us decided how it happens, maintain separation." He said the motion would also, for the time being, protect hundreds of acres of farmland currently in farming activity, in that middle greenbelt region that you see there. He said it would give Damascus time to organize and form a separate complete community, and it would give the transportation people, which he said he was very involved with, greater opportunity to figure out a way to pay for the Sunrise Highway to serve that area, and other highway infrastructure needs that would be critical. He said it didn't really delay development in any way and was a more rational and logical step toward developing this region. He urged support of his motion to substitute.

**Vote on  
Motion #6 to  
Substitute:**

Councilor Atherton and Monroe voted yes. Councilors Hosticka, McLain, Bragdon, Burkholder, and Chair Park voted no. The vote was 2 aye/5 nay/0 abstain and the motion failed.

Councilor Bragdon elaborated on this support to the sentiment behind Councilor Hosticka's concept. He felt it echoed a lot of what they had heard. Councilor Bragdon thought they were all asking for what Councilor Hosticka was driving for, a lot of local involvement in the planning, some that preserves the community character, either through physical, geographical separation or the visual sorts of clues. He said this also addressed the need for having jobs nearby. It also addressed developing the center from the center out. His question about the conditions was whether there was a possibility they could move forward on some of them with the understanding of the conditions being developed in written form between now and when it actually came to council.

Chair Park assumed that with regard to the concepts within that for the local planning purposes it would not preclude Metro's involvement or leadership in helping to plan these particular areas, especially in applications for grants, etc. Councilor Hosticka thought Metro's involvement was appropriate but did not know whether by leadership or support. He said he thought similar to how Metro was involved in the Pleasant Valley planning process would be the kind of thing he envisioned. To echo Councilor Bragdon, he said the essence of the proposed conditions was that the local citizens expressed a fairly strong preference for the kind of development that they would like to see out there. He said Metro could not impose that on them, or in fact could they sit here today and impose anything that would likely dictate development for 20 years. So what he was trying to suggest was a process that was locally led, but supported by Metro and other jurisdictions to help the citizens of that area achieve what their views of the kind of urban form they wanted. And with that, yes Metro would be involved and he thought they had models about the level of Metro involvement that seemed to work well for everybody. Chair Park understood the intent and supported local involvement.

Councilor McLain said her understanding was that Mr. Burton's November recommendation took into consideration the line they had looked at regarding the separation of community between Gresham and Sandy. Her understanding was that the map reflected that and she wanted to make sure it did. Chair Park asked for clarification from staff on that. He asked legal counsel if having it on, given the fact that they had the green corridors conditions in place, automatically meant that area would urbanize or would urbanize in the affected area, south of the county line. Mr. Cooper said as each amendment was voted on, he and Mr. Benner were going to go have to go back and double check them as there was an issue raised about the effect of the green corridor agreement on Highway 26, Clackamas County, ODOT, Sandy, and Metro. If they find a problem with the inclusion of that land, they would have to come back and advise the council to take it out. If they believe it is consistent with the agreement, they will let the council know. He suggested going back to it when the answers were found.

Councilor Hosticka said area 18 was part of the regionally significant industrial areas in future maps and that is probably the area being referenced by that. Chair Park said also regionally significant were areas in areas 6 and 12. Councilor Hosticka said that, conceptually, he liked Councilor Monroe's idea of a phased process, but it would only work in his mind if the rest of this area was in reserve status. He said it would have been his preference to deal with reserves at this time, but since they were not, it seemed to make more sense to include the entire area that Councilor Bragdon had proposed and then set up a planning process that would achieve the kind of results they hoped would be achieved in that area. Again, locally determined. Although the idea behind Councilor Monroe's suggestion was a good one, Metro did not have a mechanism to make it work right now so he said he supported Councilor Bragdon's motion.

Chair Park said Metro had the ability to bring in a large area and to plan it correctly and make things happen in terms of the economy, the environment and the quality of life issues. There are quite a few interesting uses in this particular area, but one thing that needs to be addressed is that the current pattern is not sustainable. There is a groundwater critical issue, partially brought on by the success of the area, in one respect, as the area is not currently restricted by state law on well drilling. Nursery businesses are dependent on five-year water rights which depend on the groundwater level. Chair Park mentioned other

issues regarding urbanization and concern over it, for the long-term benefit the regional partners in that area have done a ton of work on how that area could develop. This is a great opportunity. However, he echoed some of Councilor Hosticka's concern that it was only an opportunity. The conditions Councilor Hosticka suggested imposing, Chair Park said, were going to be very important, and not only in this area, to actually make that happen. He ended his comments with a plea for funding for the planning of this area.

**Vote on Main Motion #4:**

Councilors McLain, Bragdon, Burkholder, Atherton, Hosticka and Chair Park voted yes. Councilor Monroe voted no. The vote was 6 aye/1 nay/0 abstain and the motion passed.

There was a short discussion when Councilor Monroe asked to set over work on the Stafford area to the next day, and that the committee deal with things they could complete by 4 o'clock, i.e., Bethany or Forest Park or other less controversial parcels. He said he'd received a request by people who had an interest in Stafford that it be set over because there was a lot of discussion going on out there. He said he believed it would take longer than the 45 minutes they had left, and he respectfully requested that they go to another property first. Chair Park said the committee would take a break at 4 o'clock, and while he understood that Councilors Monroe and Hosticka wanted to go to a Transportation Investment Advisory Task Force meeting, this committee would continue their work after that break.

Councilor Burkholder respectfully asked that they continue as he had returned early from a very important and interesting out of state conference and he thought they had all agreed that they were here to make the decision, and if conflicts come up with individual councilor's time, those councilors needed to make that choice. He said he made the choice because this was very important. Chair Park asked for the will of the committee whether to delay Stafford at this meeting and go to Bethany. He saw no objections, so said they would work on the Bethany area at this time with the understanding that they may come back to Stafford before the end of day.

**Motion #8:**

Councilor McLain, with a second from Councilor Hosticka, moved to include into the UGB Bethany areas 84, 85, 86 and part of area 87.

Councilor McLain noted that this was a very interesting piece of property in that areas 84 and 86 were exception land, area 83 was EFU land, area 85 was high value EFU, and area 87 was EFU land. She said the council could bring in some EFU land if they could explain why that was necessary to do a better job of serving the exception land (84 and 86). She said hopefully it would not be a bad thing to the state if Metro could make some of the boundaries make sense. Also, she said, Metro had a responsibility to make sure they didn't create urbanization that would harm the compatibility of agricultural activities that still may be going on in the area. Looking at being honest and supportive of Goal 14 and Goal 12, she said they could also make sure they could serve the exception land in the best way possible. She said there were also the issues of Metro's promise that they would stay true to geographic and topographic issues, and also not to divide tax lots in half.

The other reason for doing this, Councilor McLain said, was the Bethany town center. She said this was not an edge community, it was a town center community and there was also a church on Springville Road and Kaiser Road so it is an urbanized area and they are trying to make a Center that has some sensibility to it, and it needed some other amenities if it was truly going to be a Center. She said this was not an easy area or an easy recommendation, and she recommended that the Bethany section as a separate ordinance because there were some issues to test. She made this motion trying to take out as much EFU land as was practical, paying particular attention to the state guidelines which state Metro has to demonstrate why this EFU land is needed to service this high value land and the exception land on both sides of it. Councilor McLain said sewers, transportation and a node for the Bethany Town Center were what this would deal with.

**Motion #9 to Separate:**

Councilor Bragdon, with a second from Councilor McLain, moved to separate the Bethany areas in Councilor McLain's Motion #8 from Ordinance No. 02-969

Councilor Bragdon said this proposal had some appeal to common sense. He said that sometimes when dealing with EFU, the state law is somewhat different than that, and, without making any pre-judgements about it, he thought it would be the more prudent course so as to not jeopardize 02-969.

There was discussion on the process of separating these areas from Ordinance No. 02-969, and Councilor Bragdon said it was not his intent to stop the conversation on this area. Discussion of the area continued.

**Vote on Motion #9 to Separate:**

Councilors Bragdon, Burkholder, Atherton, Monroe, Hosticka, McLain, and Chair Park voted yes. The vote was 7 aye/0 nay/0 abstain and the motion to separate the Bethany areas from Ordinance No. 02-969 passed.

Councilor McLain said they might as well do the same thing for the School District piece. Chair Park said that was already in a specific identified land need ordinance that would be first read at council November 21<sup>st</sup>.

Councilor Hosticka commented that he had been concerned about this area so he went out and spent considerable time looking at it and this proposal most fairly reflected his concerns. He said, unfortunately, the topographical features did not show up on a flat map. He noted that he had first been concerned that they have a large enough area to master plan, but that it seemed to him that this was an area with natural boundaries, minimizing conflict, and that it was large enough to actually plan for it, and it could be efficiently served.

Councilor Monroe said he supported this proposal as well as it was the logical thing to do. He said having Abbey Creek be a buffer between agricultural activity and urbanization made a lot of sense. He said the natural buffers made sense and this proposal did that so he supported it.

Councilor Bragdon said he had voted for similar variations in this area before, and thought there were some pitfalls. He said the appeal to common sense and the natural buffers and natural lines and existence of a town center nearby made a lot of sense and he would support it again, but not without some trepidation that they were not going to see it come back for similar reasons. He said the descriptions of the conditions here and the features of the site were once again compelling.

Councilor Burkholder said for similar reasons he wished to do a little more investigating, so he would abstain.

Chair Park said he voted no on the EFU portion a few years ago because it didn't include the exception lands. He said he could support this motion based on that criteria and he also said he thought it would meet state law. He did express concern that by extending beyond in area 87, they were pushing the envelope in serviceability and legal requirements. He said he understood that, but he did not believe that the way the law was interpreted would allow that to occur. He said the question would be, not necessarily on this piece, but on other areas that were flat, etc., where did you stop the concept that it made that piece of exception land more serviceable because it lowered the cost and therefore we would continue farther out. He said that was why he could not support this particular one, but might if one came back with a smaller amount.

Councilor Hosticka said he could not address the legal issues but wanted to address the practical issues of area 87. He said given the natural boundaries around area 87, it seemed to him that if it was not included in this proposal it would cause lots of problems for everyone because they would have farming

areas which were separated from other farming areas by natural features but are abutting heavily urbanized areas. This may be one where the law may not make sense, he said, and said it seemed to him that they should do what made sense from their perspective and see if the law could sort it out.

Councilor McLain said she had voted against this four times over the last 12 years, and now she was going to vote yes. She said if they were going to serve the west side any time soon, they had to make sense out of state law and maybe push a little on the interpretation that they were using of it, and that they had to make sure they looked at both legal and common sense aspects. She said they were looking to make sure there was a natural boundary that made sense, but areas 84, 85 and 86 were brought, there would be urbanization surrounding area 87 on one side, and a creek and ravine on the other. State law said they had to try to make sure that the boundaries assured that agricultural could be compatible with what they had done. She said leaving area 87 out did not take into consideration that agricultural compatibility. She said this also made some sense for transportation and other issues besides sewers.

Chair Park asked if Councilor McLain's motion included or excluded the Beaverton School District site. Mr. Cooper said it was included in this motion and would be included in a separate ordinance if the council adopted it, and it would also be included in its own separate ordinance. He said it was in for two different reasons in two different vehicles with alternative findings. Chair Park clarified that it would not create any handicap for the school district. Mr. Cooper clarified that the crosshatched area was not included in this motion.

**Vote on Main Motion #8:**

Councilors Atherton, Monroe, Hosticka, McLain, and Bragdon voted yes. Chair Park voted nay. Councilor Burkholder abstained. The vote was 5 aye/1 nay/1 abstain and the motion, as amended to occur in a separate ordinance, to include into the UGB the Bethany areas 84, 85, 86 and part of area 87, passed.

**Motion #10:**

Councilor Monroe, with a second from Councilor McLain, moved area 94 in the Forest Park area into the Urban Growth Boundary in its entirety.

Councilor Monroe said area 94 was exception land within the boundaries of the City of Portland but not in the Urban Growth Boundary. He said it was appropriate for high-end housing, which there was also an occasional need for. He said it made eminent sense to bring this in and it was also very near employment in downtown Portland and in Washington County. He said executive types that might buy homes up there would be able to get to work very quickly. Chair Park clarified that he was talking about all of area 94. Councilor Monroe said that was correct, and it was all exception land. Councilor Hosticka asked if local jurisdiction had commented on this area. Ms. Neill said she recalled that Portland had not chosen to serve this area because they would have to provide services through Forest Park. Councilor McLain understood they had water from the west and asked for clarification.

Councilor Burkholder opposed this motion because sewers would have to come up Balch Creek Canyon which was a key component of the Forest Park ecosystem. He said the Audubon Society had a sanctuary on Balch Creek as well which had some species of trout in it within the urban area that reproduce there. This area has a rating of least suitable in terms of urbanization, he added, and it has an incredible potential impact on Forest Park if it's developed at the densities for which it is zoned. He said the Audubon Society was against this specifically, and the City of Portland did not want to build a sewer line up Balch Creek canyon because of the environmental impacts of that as well as the cost to service a very small area.

Tim O'Brien, Associate Regional Planner, clarified for Councilor McLain that the alternatives analysis for servicing for water, sewer and stormwater to this area scored as being moderately difficult for all three due to the steep slopes throughout the area. He said he understood most of the sewer would have to come up through Washington County if this area were to be served in the future.



Councilor McLain said there had been comments during the testimony at the public hearing on sewer and water and serviceability issues. It was her understanding that there was water to this area now, and there are two very large subdivisions that do have water. She said they are inside the city limits and have been since 1970, and that there are issues with slopes and protection of nature, they have environmental zones that would not allow them to build to that type of density. She said as Mr. Monroe had pointed out, this was not the 10-to-the-acre type of spot because of those slopes. She said they needed housing of all types and she did not think this should be considered as the 10-unit-per-acre type of 2040 growth that they may need in certain areas. She said she would probably support this although she wished Councilor Monroe would be more specific about the differences between areas 94-1 and 94-2 on the large wall map because the small maps were different. She said she would support this and review them more specifically. She said there were services and the capacity was there.

Councilor Monroe said they needed to understand what was Metro job and what was the city's job. He said their's was to decide if it was appropriate to bring into the UGB; it had been inside the City of Portland for 30 years. They have the most restrictive rules in terms of developing fragile areas and they are not going to allow development on steep slopes and are going to make proper determination of lot size. They will decide when and if it can be served. He said it was not logical to have an area within the City of Portland that was outside the UGB. If this area ought to be a part of Forest Park, then the City of Portland should have bought it long ago and added it. He said it is unfair to landowners to have the area inside the City of Portland and not allow them to do anything with it.

Councilor Hosticka said his only evidence was a jurisdictional comment from Al Burns of the City of Portland Planning Department on October 31, 2002, that said study area 94 should not have been included. He did not know what that meant exactly, but interpreted it to mean that the City of Portland did not support it. He said he had seen a number of other areas where local jurisdictions had a different opinion than Metro, and regardless of who was right, bringing in an area that the local jurisdiction did not want to deal with created more conflict rather than less. He said he was more likely to defer to the local jurisdiction's wishes.

Councilor Burkholder reiterated that Metro had standards and policies to use to rate the most appropriate areas to bring in. He said staff reported that the analysis of Goal 14 factors rated this as least suitable, and it was also rated as least suitable as related to 2040 Fundamentals. The Metro Council did need to make the best decision for the region, and sometimes that was in conflict with the local jurisdiction's desires, but when staff actually told them this did not help achieve 2040, or was the least likely to help achieve 2040, they should listen.

Councilor McLain said Portland appeared willing to accept the study area within its service area. The relative size of the area seemed to be what made it difficult to serve with maximum efficiency. She said they were dealing with a multitude of conflicting values and making interpretations of what state law and maximum and moderate efficiency means. She thought this one deserved a look because there were maximum restrictions about what you could do in an environmentally sensitive area.

Councilor Bragdon commented that there were a few anomalies here, i.e., why would the City of Portland annex this and then not think it should be in an Urban Growth Boundary. He said the Metro Council could possibly rectify this historic anomaly of where lines were drawn 20-30 years ago with a positive vote.

Chair Park said this one troubled him greatly in the sense that, although it was in an environmentally sensitive area, it was within the City of Portland. He understood being within the City of Portland but outside the Urban Growth Boundary allowed it to be nothing but larger lots, and that if brought inside the boundary the potential existed for them to come up with a development plan that required septic systems rather than a sewer line. He said it may be that a low level development could still work with nature in

that particular area. He noted that water service appeared to be there, and said at a lower level of development, the traffic concerns that he had heard about Skyline Road, etc., might be addressed. He said the key issue was the fact that it did lie within the City of Portland.

**Vote #10:** Councilor Atherton, Monroe, McLain, Bragdon and Chair Park voted yes. Councilors Hosticka and Burkholder voted no. The vote was 5 aye/2 nay/0 abstain and the motion passed.

Chair Park said this was one of those areas he would like to look at later to see what the conditions should be on these particular pieces of property were to make sure that it does meet with what they were trying to accomplish. Maybe Portland already had it covered well enough, he said, but wasn't sure.

Councilor Monroe apologized and said his original motion should have included the little piece of area 89, northwest of the area 94, that it was exclusively exception land and it was very similar. There was conversation off microphone which is not in this record. Mr. Morrissey added that it was two acres, seven dwelling units and was part of the Executive Officer's recommendation that was appended to his original recommendation.

**Motion #11:** Councilor Monroe, with a second from Councilor Bragdon, moved to add the two-acre portion of site 89, northwest of area 94, in the Forest Park area.

Councilor Monroe indicated the area on the large wall map and said it was a little triangle of land that was landlocked and ought to be brought in. He urged approval.

**Vote #11:** Councilors Monroe, McLain, Bragdon, Burkholder and Atherton voted yes. Councilor Hosticka and Chair Park abstained. The vote was 5 aye/0 nay/2 abstain and the motion passed.

Chair Park called for a short break and reconvene. A short discussion followed regarding Councilors Monroe's and Hosticka's attendance at the Transportation Investment Advisory Task Force meeting. Councilor Bragdon said what this committee was currently doing was a big job, that it was the number one job they have, and they had made a lot of progress and they should keep pushing through. Other committee members had made special accommodations in order to do this work today. Councilor Hosticka said his presence may not be required for long at the other meeting, and would most likely be back. Councilor Monroe said he had no problem with the committee working in his absence, but urged that they continue the policy they had adopted that if a motion did not get four votes, they would set it over until the next day. Councilor Hosticka asked that areas 62, 63 and 64 not be considered without him.

Chair Park called a 15 minute break at 3:52 p.m. The committee reconvened at 4:30 p.m.

**Motion #12:** Councilor Burkholder moved, with a second from Councilor Bragdon, inclusion into the UGB of partial study area 93 (Bethany/Forest Park area).

Councilor Burkholder said he'd heard quite a bit of testimony from the public on this so he'd agreed to bring forward this amendment on their behalf. During the Alternatives Analysis, he said, it was found that study area 93 as a whole was considered least suitable for development because on the east side there were very steep slopes and it would be difficult to service. The west side of area 93, however, was fairly flat and serviceable. This seemed logical to bring in as Exception Land, he said. Chair Park commented that he'd heard testimony both in favor of this site and also against it as there was some question of serviceability. He said he hoped for clarification the following day.

**Vote #12:**

Councilors McLain, Bragdon, Burkholder, Atherton and Chair Park voted yes. Councilor Hosticka abstained. The vote was 5 yes/0 no/ 1 abstain, and the motion passed to recommend inclusion into the UGB of partial study area 93.

**Motion #13:**

Councilor Bragdon moved, with a second from Councilor Burkholder, inclusion into the UGB of study area 37 (West Linn area).

Councilor Bragdon said in the Executive Officer's August 1<sup>st</sup> recommendation there was only one part of the Stafford Basin area that he raised, and while it wasn't recommended he urged the committee to take a look at it during the public hearings, and they did. What came to characterize this site, he said, was that it helps the new Town Center in West Linn, which is on the edge rather than in the center as a Center should be, and which includes retail and a variety of housing, and their city hall, as well. This area is all exception land and is being developed in large lot configurations that are not at all supportive of the Town Center. Councilor Bragdon then said this would be a good inclusion into the UGB and he recommended a yes vote.

Councilor Atherton said one of the key principles was to listen to local jurisdictions who would have to provide service, and what the extent of their planning would be and whether the citizens would want it. That could be decided with an annexation vote, he said, but right now this area is not included in their comprehensive planning program, and the city has repeatedly communicated they did not want this area inside the UGB. This contribution to creating a town center is their decision, not Metro's, he added. The topography falls away from the eastern boundary of 37. West Linn wants to create a Town Center closer to the Willamette River, he said. There are opportunities to doing that. Adding this land creates uncertainty and moves away from that Centers proposal. Councilor Atherton said this would do a great disservice to City of West Linn, especially to their ability to build something exciting along the Willamette River. He said he thought this was very ill advised and urged a no vote.

Chair Park commented that one thing he was contemplating was if Forest Grove, West Linn or Gresham were entitites in and of themselves such as Prineville or Pendleton, they, like everyone else, would have to provide for their own urban growth boundary. No jurisdiction escapes that responsibility in Oregon, it's just part of the planning system in this state. One of the tools available to West Linn, he said, was voter annexation. Even though this area may be brought into the UGB, they still have the option of whether they want to incorporate within their boundary or not. He reiterated that no one escapes responsibility of urban growth boundaries.

Councilor Burkholder asked for clarification that Clackamas County had originally requested this site be included in the UGB but then reversed that position and is now opposed to bringing it in. Mary Weber, Community Planning Manager, said correspondence from the county stated they would like to see all of Stafford brought in at once and master planned as a whole. They had not commented specifically on area 37, however. Chair Park said he thought the amendment sheet on this prepared by staff was not correct in that regard. Councilor Hosticka referred to a recently received letter from the Clackamas County Commission that he thought was restating a position, but he couldn't say exactly, and asked that this letter be included in the record. Mr. Cooper told the committee that the comment record was closed for the purpose of work sessions in front of this committee, but the record would reopen Thursday, November 21, 2002. He cautioned the councilors to not attempt including new information until the record reopened. The letter Councilor Hosticka referred to is consequently not included in this record, but has been placed in the public comment file.

**Vote #13:**

Councilors McLain, Bragdon, Burkholder and Chair Park voted yes. Councilors Atherton and Hosticka voted no. The vote was 4 yes/2 no/0 abstain, and the motion passed to recommend inclusion into the UGB of study area 37.

Chair Park asked if there were any more proposed amendments for the Stafford/Wilsonville areas. Hearing none, the committee moved on to the Tualatin/Wilsonville sites.

**Motion #14:** Councilor Hosticka moved, with a second from Councilor Bragdon, a portion of study area 47 and a portion of study area 49, in the Tualatin/Wilsonville area.

Councilor Hosticka said this area was known as the Tonquin Industrial Group, and was all exception land, and, in fact most of it has already been dedicated to industrial uses except for one parcel. The land has been modified by gravelling, etc., he added, and was serviceable by transportation. His purpose in making the motion, he said, was to recognize its industrial character and add it to the industrial inventory if it's in the UGB. The uses of the land could be upgraded significantly, he concluded.

Councilor Bragdon said he supported the motion as he thought it helped the industrial needs for jobs creation in the region. Councilor McLain said she also supported the motion.

There was discussion on the fact that the lower bottom portion was actually study area 49, and the map for the record was marked as such.

**Vote #14:** Councilors Bragdon, Burkholder, Atherton, Hosticka, McLain and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and the motion passed to recommend inclusion into the UGB of study areas 47 partial and 49 partial.

Mr. Cooper said Planning Director Andy Cotugno had reminded him that staff may be coming back to the committee when they get to the conditions on this to deal with the proposed right-of-way for the Tualatin/Sherwood connector. Chair Park thanked him for the reminder, and asked that any right-of-way concerns or other conditions that may be applicable be brought up as they arose.

**Motion #15:** Councilor Bragdon moved, with a second from Councilor Hosticka, inclusion into the UGB of study area 45, in the Wilsonville area.

Councilor Bragdon said this area was recommended for inclusion by Executive Officer Burton. It is entirely exception land, he said, and is related on two sides to urbanized areas. It's also been requested for inclusion by the West Linn/Wilsonville School District for two school sites, as well as inner neighborhood residential development. Chair Park said, of all the sites, this is, as far as he knew, the least controversial.

**Vote #15:** Councilors Burkholder, Atherton, Hosticka, McLain, Bragdon and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and the motion passed to recommend inclusion into the UGB of study area 45.

**Motion #16:** Councilor Hosticka moved, with a second from Councilor Bragdon, inclusion into the UGB of study area 61, partial (both parcels, as shown on the map), in the Tualatin/Wilsonville area.

Speaking to his motion, Councilor Hosticka said he'd learned that 99W is a new level of service, which is what the 'W' on the map meant. These are exception lands that are next to the Tualatin industrial area, he said, and would be brought in for industrial use purposes. The area north of 99W was originally included in the Executive Officer's recommendation, but that area is contiguous to a wildlife refuge so he was not proposing to include that portion at this time.

Councilor Burkholder asked staff if the triangular piece of area 61 was not cutting property lines, and Mr. Tim O'Brien said it was part of a tax lot that was already within the UGB and this amendment would bring the entire tax lot into the UGB.

**Vote #16:**

Councilors Atherton, Hosticka, McLain, Bragdon, Burkholder and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and the motion passed to recommend inclusion into the UGB of study area 61, partial.

**Motion #17:**

Councilor Bragdon moved, with a second from Councilor Hosticka, inclusion into the UGB of study area 49, partial, in the Tualatin/Wilsonville area.

To his motion, Councilor Bragdon said this parcel was also recommended by Executive Officer Burton in August, that it rated suitable for development based on Goal 14 factors, it meets all the 2040 Fundamentals except for #2 relating to Natural Environment; the designation is industrial, it's adjacent to the Coffee Creek correctional facility, and would be suitable for Regionally Significant Industrial Area status. As this committee knew, he added, the region is short on industrial lands and this would serve part of that purpose.

Councilor Hosticka asked if another portion of this area had not been discussed and considered previously, a part that was close to the Clackamas County line and he asked if that had been recommended as an amendment by any councilor. Councilor McLain said that was the area marked on the black and white map entitled McLain #1, Study Area 49 (also included as part of this record as map McLain #1) as a possible Industrial Land Proposal. (The area in discussion was marked by the clerk on both maps, for the record.)

Councilor McLain said she would like to discuss this area as she thought it fit in and related to the area being considered. Staff chose the railroad line to mark the recommended area, she said, but the record includes testimony and correspondence that if this parcel isn't considered and included, it will be lost because Clackamas County is on one side and Washington County is on the other. If it were brought in, it would be done by county line versus a railroad line. Testimony also stated it was an industrial-type area and it was felt more could be done with industrial because they would be within the UGB. Washington County now has some strange regulations on it because of the fact that it's outside the UGB. That is in the record and she did ask staff to look at it, and she said it was an oversight on her part. Staff did produce a map which showed it was 6.4 acres of vacant buildable industrial land.

Chair Park asked legal counsel if they saw any issues on this piece. Mr. Cooper said, recognizing that Councilor McLain said it was exception land and not having the record memorized, he didn't see anything jumping out to say not to include it. To be fair, Councilor McLain said, it was in a Mineral Extraction zone, so she said she wasn't clear if it was resource or exception land. Chair Park said the map said it was exception land. Ms. Weber said staff had looked at these pieces, but the committee would decide how much of the jobs land they would recommend at this time. When jobs were looked at as a whole in subregional analysis, this area as well as pieces north and other areas would probably have the same values and characteristics as this site. She couldn't give the committee any reason not to bring it in, but said there were probably more parcels exactly like this one in this general area, and that in subregional analysis, a tighter look at job land had not been done yet.

Councilor Burkholder recommended keeping with the original motion at this time. Councilor McLain agreed, and said she would not move the McLain #1 parcel at this time. She asked to have on the record, however, that railroad lines have no more value than a Multnomah, Washington or Clackamas County line. She said they needed to look at the topography and the surrounding property.



**Vote #17:** Councilors Hosticka, McLain, Bragdon, Burkholder, Atherton and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and the motion passed to recommend inclusion into the UGB of study area 49, partial.

Chair Park asked if there were any more amendments in the Tualatin/Wilvonville area. Not hearing any, he moved asked for amendment in the Sherwood area.

**Motion #18:** Councilor Bragdon moved, with a second from Councilor McLain, inclusion into the UGB of study area 59, partial, in the Sherwood area.

To his motion, Councilor Bragdon said this was just west of Sherwood (and east of Ewert Road) and the portion in his motion related to a potential school site. At one time, he said, the City of Sherwood recommended this but subsequently found that at this time they aren't going to expand the school system so have gone to a neutral or negative position on it. His view, he said, was it would eventually be a school site.

Responding to a question from Councilor Hosticka, staff said it was exception land. Councilor Hosticka then said he would go with the City of Sherwood preference and would not vote for it.

Chair Park said if this was included, it would have the condition of a school site placed upon it, and he was supportive of that. Recognizing that there were 900 acres being set aside for school sites, and since this was originally conceived as that, if, in the future the school district or the City of Sherwood perceived a different use for the site, it could be done. He said he believed the agricultural operations on there now still wanted to continue their operations.

**Vote #18:** Councilors McLain, Bragdon, Burkholder and Chair Park voted yes. Councilors Atherton and Hosticka voted no. The vote was 4 aye/2 nay/0 abstain and the motion passed to recommend inclusion into the UGB of study area 59, partial.

**Motion #19:** Councilor McLain moved, with a second from Councilor Atherton, inclusion into the UGB of study areas 54, partial and 55, partial, in the Sherwood area.

Councilor McLain said this land is all exception land and next to the City of Sherwood boundary, with Brookman Road as the hard southern edge. She said she thought this should at least be discussed today because there is evidence for and against this recommendation in the record, and in her opinion that meant that the city council has, at any given times, had different opinions on this. She also said this had been studied at least two or three times by this agency, and that the uphill battle on this parcel was that it may not be developed right now, but just as was said on other parcels, if this wasn't embraced on the short-term, it could still be embraced and planned for as the community saw fit. Metro was not going over the heads of the local officials, but allowing them to take this at their own pace and use their own processes and goals. The other issue that she said she felt was very important, Councilor McLain said, was regarding the 99W connector, and that although she'd seen no forward movement on that, there would be some work done on it and on a right-of-way sited because of the proposed inclusion of industrial land in study area 49 and parts of study area 47.

Her motion was made with the understanding that, if it passed, the conditions would be that the right-of-way be planned for that road before any urbanization could take place.

Councilor Hosticka said he would oppose this because the City of Sherwood had spoken several times saying they were not prepared to serve this area and that they'd done as much expansion as they thought could do now, and they had to focus on digesting the growth they've had and developing their Town

Center. If this is brought in, it may be a futile gesture, he said, as it would be in the UGB but wouldn't get urbanized and, locally, there would be increasing conflict as people put pressure on the area and the city may or may not want to deal with it. Councilor Hosticka also noted that this body had received testimony from other landowners in that area who were not in favor of this area coming in, particularly a person who was doing an agricultural use on the south side of Brookman Road. Lastly, he said once the committee has looked at all the areas, they'll probably find they have enough and won't need this one. He said he may make another motion at that point to take this piece out.

Councilor Bragdon said he understood the city to have had a variety of positions on this particular proposal, so he said, like Councilor Hosticka, he would respect their wishes and not support this at this time.

Councilor Burkholder said he would support the motion because 1) Metro was supposed to be looking for a 20-year land supply and the fact that it may not urbanize for a while was really not Metro's concern; and 2) it makes sense in that it was easily urbanizable compared to a lot of land that had been included, such as study area 94, which the City of Portland also didn't want to include but this committee did.

Councilor Atherton said if this body wanted to be consistent with what the cities wanted or don't want, Metro would have to honor the wishes of the community of Sherwood and not bring this in.

Chair Park said he would support this based upon the road connection issue, talking with the property owners, and for the general overall need. He said he believed that at Thursday's council meeting they would hear testimony in support of those conditions. He also said he agreed with Councilor McLain on her conditions, and without those conditions he would not support it.

Councilor McLain, in closing, said the terrain on the south side of Brookman Road was very different from this piece, it was exception land, the city boundary bisects the field, it was a serviceable piece and contributed to the 20-year land supply.

**Vote #19:**

Councilors Burkholder, McLain and Chair Park voted yes. Councilors Bragdon, Atherton, Hosticka voted no. The vote was 3aye/3 nay/0 abstain and the motion to include study areas 54, partial and 55, partial into the UGB was tied.

Chair Park and Councilor Bragdon reminded the committee of the pledge to Councilor Monroe that they would revisit any vote that was not decisive. Chair Park said the committee would now consider Cornelius/Forest Grove amendments.

**Motion #20:**

Councilor McLain moved, with a second by Councilor Bragdon, inclusion into the UGB of areas 75 and 76 exception land only, in the Cornelius area.

Councilor McLain spoke to areas 75 and 76 with regard to providing vital town and regional centers, and said Cornelius was a community that needed more job land. She had suggested the exception land only, she said, as areas in which Cornelius could build job shops and industrial areas. They are included in the regional partners' list, and have met the City of Cornelius' approval, with letters received from their council. Testimony has been taken and a tour was conducted. The only controversial aspect of this area is Council Creek, of which Metro has purchased quite a bit of environmentally sensitive land, and the prospects of a regional trail being built. The City of Cornelius understands the sensitivity of this environmental land, including floodplains, creek and streamside riparian areas which have Title 3 and other conditions. Conditions will be placed on the land, she said. Councilor Atherton asked about area 77, and Councilor McLain said area 77 would be considered separately. Chair Park asked for additional comments; there were none.

**Vote #20:**

Councilors Burkholder, McLain, Bragdon, Atherton, Hosticka and Chair Park voted yes. The vote was 6aye/0 nay/0 abstain and the motion to include study areas 75 and 76 exception land only passed.

**Motion #21:**

Councilor Hosticka moved to defer area 77 in the Cornelius area to Task 3. Councilor McLain seconded the motion.

Councilor McLain said the City of Cornelius had asked that this area be included as industrial land and she wanted to honor that request. She also wanted the city to understand the greater potential for this land. Councilor Bragdon asked if this vote was to officially defer area 77 to Task 3. Chair Park replied that it was. It would still be alive, he said, but in the next task.

**Vote #21:**

Councilors Atherton, Hosticka, McLain, Bragdon, Burkholder and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and the motion to defer area 77 to Task 3 was approved.

**Motion #22:**

Councilor McLain, with a second from Councilor Hosticka, moved approval of the City of Forest Grove requested land swap, and that it be considered in a separate ordinance.

To her motion, Councilor McLain explained the request from the City of Forest Grove to increase industrial land there. She said she also supported this trade because the parcel marked on the map as land to be added would go toward housing, and Forest Grove was willing to take the land marked as land to be removed from the UGB and turn it into industrial use. She said she thought there were transportation efficiencies in this trade, as well, and explained those. This was equal acreage coming in and going out, and was very different from any other proposal this committee was looking at, she said, and that was why she asked that it be considered in a separate ordinance.

Councilor Hosticka said he supported this as a certain (unidentified) piece outside the UGB was the only place he could see where beavers and ducks could coexist in peace.

Councilor Burkholder said this was a very innovative approach to a lot of problems, but he felt it wouldn't hold water. It was a very complicated way to deal with an issue Forest Grove has, and he thought perhaps it wasn't the most straightforward way to do it. Also, he said he thought it was contrary to land use law and probably wouldn't success, even if the council did adopt it. He wondered if the committee wanted to endorse this and send it on, knowing it would probably be rejected out of hand. He said he understood why it was being put into a separate ordinance, but asked if this committee felt that was appropriate.

Chair Park said he would support this because he thought it was one of those cases where the law and common sense diverged. He said he recognized that this wasn't as clean as some of the other parcels the committee had looked at and that there were concerns about this, but in this case he said he was willing to go out on a limb because it made too much sense not to. He said this was the type of thing LCDC or the legislature would look at changing to help fix areas like this. He'd wrestled with it, he said, knowing that EFU land was being given up, but he said he thought the gain was so much bigger regarding the integrity of the whole land use system.

On the west side, Councilor McLain said, there isn't anything the Metro Council does that doesn't push the envelope, or ask for interpretation from the state on what they want their rules to be to help the region produce full communities, town centers and regional centers. Nothing on the west side is easy, she said.

Another thing was that it was a trade; Forest Grove asked for nothing but trading land in and out land. It made sense, she concluded.

**Vote #22:** Councilors Hosticka, McLain, Bragdon, Burkholder, Atherton and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and the motion passed.

**Motion #23:** Councilor Hosticka, with a second from Councilor Bragdon, moved inclusion into the UGB of areas 63 and 64, and the piece of area 62 that is east of the Bonneville power line and north of the Tualatin River (see below Motion 23a) on the west side.

Councilor Hosticka said these were exception areas on the west side of Bull Mountain, contiguous to the City of Tigard. The areas will be annexed by the city, and there have been recent improvements in area 64. Area 63 is exception land that is contiguous to that boundary. The City of Tigard had indicated an interest in these being included so they can make a complete plan for their development in the Bull Mountain area. No opposition has been heard on the areas being included, he concluded, and this was the Executive Officer's recommendation, as well.

Councilor Burkholder asked about Title 11 requirements, and Mr. Cooper explained.

Councilor Hosticka asked, if Councilor Bragdon would accept as the seconder of his motion, to include in this. Councilor Hosticka explained that this area was contiguous to an area that had been annexed by the City of King City and was left off the map. It is in a flood plain and won't be developed, but King City wanted to have it as part of their area so they could designate it as a park and do some park improvements there. There was not intent to add housing here, he said. Councilor Bragdon accepted. Chair Park determined that this parcel was 17 acres, which left 1,083 acres yet to go.

**Motion #23a:** Councilor Hosticka asked to include in motion #23 the piece of area 62 that is east of the Bonneville power line and north of the Tualatin River. Councilor Bragdon accepted. Motion #23 was revised to include this addition.

**Vote #23:** Councilors Hosticka, McLain, Bragdon, Burkholder, Atherton and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and the motion passed to include areas 63 and 64, and the piece of area 62 that is east of the Bonneville power line and north of the Tualatin River.

Chair Park said the committee would now address potential industrial sites.

**Motion #24:** Councilor Bragdon, with a second from Councilor Hosticka, moved to include into the UGB the Shute Road/Evergreen Road site of 203 acres, with conditions.

Chair Park said this was before this committee for discussion purposes only as the ordinance on it was going to be first read at Metro Council on Thursday, November 21, 2002. Councilor Bragdon agreed, and said it was proposed under specified land need and that need was for high-tech manufacturing, large lot industrial. He said he supported this, with conditions placed on it that would preserve it for that specified land need, which he said he thought was important. Part of the reason there is a shortage of industrial land, Councilor Bragdon said, was the in the past industrial land was misused for commercial or retail purposes and the Metro Council needed to make sure that was stopped, and that this parcel be preserved for industrial purposes.

Chair Park asked if those conditions had been drafted yet. Mr. Benner distributed a copy of Exhibit B to Ordinance No. 02-983, Conditions on Addition of Shute/Evergreen Site to UGB (made a part of this

record). Chair Park then asked if staff knew whether or not Washington County or the City of Hillsboro would be testifying on or in favor of these conditions. Ms. Neill replied that staff had met with the City of Hillsboro that morning to discuss the conditions and work through them before they were brought to this committee. They had not, however, met with Washington County, but Hillsboro had indicated they were very favorable to the conditions proposed to this point. She said she was told they'd made some comments to Mr. Benner via e-mail, and that she thought they were aware that they would need to testify before the Metro Council on November 21<sup>st</sup>, although she said Hillsboro had indicated to Metro staff that they were in favor of the conditions and the purpose for those conditions being established.

Chair Park said he'd feel more comfortable if Metro's partners would signal their agreement, and that it would be nice to hear from the county. Ms. Neill said she would make a contact with Washington County and attempt to get feedback from them on this, and involve Hillsboro in that conversation, as well.

Councilor McLain said condition 9 was the only reason she would consider voting for this.

Councilor Burkholder said he thought condition 5 was the critical piece, and he would also like to see, instead of just the reference to additional dwelling units, that they be called out specifically as affordable affordable dwelling units.

**Vote #24:**

As this motion was made for discussion purposes only, there was no vote on the motion.

**Motion #25:**

Councilor Hosticka moved, with a second from Councilor Bragdon, moved to include into the UGB, in a separate ordinance, EFU land both east of Pacific Highway 99W, as shown on the map, in the Sherwood area.

To his motion, Councilor Hosticka explained that the eastern portion of this area is designated as EFU land but is in fact a substation. The purpose of bringing this parcel in would be to allow the City of Sherwood to build a connector, he said he thought between the Tualatin/Sherwood Road and Hwy. 99W, to alleviate some of the congestion on that corner. Inclusion would not alter any farm use into urban use, but would allow for a more rational transportation movement in that area, and the City of Sherwood has asked that this be considered. The parcel on the west, Councilor Hosticka said, was not included in his motion because it seemed the current UGB cut through some tax lot lines and the proposed area would rectify that but he was not familiar enough with it to propose it at this time.

Chair Park asked counsel if a substation is one of the permitted uses in an EFU zone, and Mr. Benner said it is.

**Vote #25:**

As this motion was made for discussion purposes only, there was no vote on the motion.

Councilor McLain asked the committee to look at area 82 (on Cornelius Pass/West Union Road) in the North Hillsboro area on a wall map, not included in this record. This piece was recommended by the Executive Officer, she said, because it is exception land and is located at a very busy intersection. She said the committee has received a great deal of testimony on this and that she has no doubt that they would receive a great deal more. She said she had concerns and issues about this, so was putting it out for discussion. She asked staff to let her know what they thought, and she said she wanted to have discussion with them on this. It was an unusual, established neighborhood, she added, outside the UGB. She was not making a motion on it at this time, but said she wanted to discuss it at the committee's meeting the following day.



Mr. Cooper said Measure 26-29 wasn't applicable to this parcel, however, the fact that it is exception land of low productivity and small parcels would be a reason for the council not to bring it in at this time in deference to other exception land and the council moves forward in trying to meet the identified need.

**Motion #26:** Councilor Bragdon, with a second from Councilor McLain, moved to include into the UGB area 24, parts of area 25, and areas 26, 28 and 32, in the Oregon City area.

**Note:** Motion #26 is also referenced on a black and white map, Hosticka #27, Areas 24, 25 and 26.

Mr. Cotugno explained changes that had occurred from the Executive Officer's original recommendation, using the wall map. The City of Oregon City asked to pull back to include just two areas in the interest in of having some commercial on one side of town (the west end) so people won't have to drive through town to get to the commercial services along Molalla Avenue or in the downtown area. That retraction was also supported by MPAC. Mr. Burton's original recommendation included a small section of area 24 to provide the location for a street connector between Redland Road and Holcomb Boulevard. That was requested by Oregon City and endorsed by MPAC. An expanded area 24, the expansion portion not being a part of the original Executive Officer's recommendation, but was part of the supplemental recommendation at the request of Oregon City and again endorsed by MPAC. The area of disagreement is south of Oregon City, Mr. Cotugno said, and he pointed to a line that came down to Henrici Road. The City of Oregon City said, no, if Henrick Road was going to be included, please include both sides of Henrici Road and come down, so if streets and sewers and water and other services were going to be put in the road, have them serve the south side of the road, not just the north side. Clackamas County requested including neither of the two areas south of Oregon City, and that's what MPAC endorsed. All the black areas on the map he spoke to were requested by Oregon City and endorsed by MPAC. Mr. Cotugno also indicated on the map the one area south requested by Oregon City but that Clackamas County and MPAC did not support.

Councilor Bragdon asked to clarify what he thought he heard, that not everything requested by the City of Oregon City was included in this motion. Mr. Cotugno said that was correct. Councilor McLain said it seemed to her, at the MPAC meetings when this was presented by Oregon City, that there was a mixed message being given both from the public hearings as well as in the MPAC discussion about the differences between above and below Henrici Road. She said she didn't think that was clear at all. She said she heard much more support for the area above Henrici Road.

Ms. Neill said Oregon City had gone through a couple of iterations discussing which land would be most advantageous for them. She said she thought they realized there were advantages and disadvantages to a number of these areas. The MPAC discussion, she said, she thought reflected somewhat of a divided vote of the City Council and Mr. Doug Neeley was trying to relay the flavor of that vote and the decision to MPAC when he made his presentation.

Councilor Hosticka asked about pieces of resource land which seemed to be contiguous to other resource land (which he indicated on the wall map). Mr. Benner replied on the piece in the east end of area 26 which was in a forest zone, saying it was his understanding that Oregon City didn't believe it needed to include that land in order to provide services to the exception land, and would not have a problem if it were deleted from the motion. He said he could not answer the question regarding the farm land to the north. Chair Park said it was difficult to tell on the map.

Councilor Hosticka said possibly staff could provide an answer if this were postponed until the following day. Mr. O'Brien said Oregon City was looking at the area on the top (unidentified) and exploring the need for services. The area was not completely surrounded, he said.

**Motion #27:** Councilor Atherton moved, with a second from Councilor McLain, to postpone consideration of Motion #26 to the following day.

**Vote #27:** Chair Park received agreement from the committee to postpone, and the motion to postpone passed.

**Vote #26:** As this motion was postponed (in Motion #27), there was no vote on Motion #26.

**Motion #28:** Councilor Bragdon moved, with a second from Councilor Atherton, to include into the UGB area 65 (Cooper Mountain area, SW 175<sup>th</sup> Avenue/Weir Road).

Councilor Bragdon said this was an urbanized area, that it was included in the Executive Officer's recommendation because of that, and it should be in the UGB.

**Motion #29 to Amend Motion #28:** Councilor Hosticka moved, with a second from Councilor McLain, to amend Motion #28 to only include the areas east and north, taking out the settled areas (as marked on the black and white map, McLain #4, Study Area 65).

To his motion, Councilor Hosticka said he wanted to reserve the right to refine the map, and the reason for his motion was he thought very little productivity could be gotten from these areas given the terrain and parcel size. The larger sized parcels he thought better suited for productivity.

Chair Park said he would entertain a motion to postpone this until the next day's meeting as well.

**Motion #30 to Postpone:** Councilor Hosticka moved, to postpone the above motions until the following day.

Councilor Hosticka said it was time for the committee to step back to see what they'd done. Today they'd amended the need number, they'd proposed to bring in some areas that were in excess of the recommendation, they'd not brought in some areas that were recommended by the Executive Officer, so he said it was a good idea to tally where they were and then revisit these areas to see if they were even needed.

**Vote #30:** Hearing no objection to this motion, Chair Park declared Motions #28 and #29 postponed.

Chair Park asked staff to do their calculations and bring back the numbers and verify the areas recommended for inclusion so the committee will have a need number and know where they stood. Some of the legal issue would need to be addressed, as well, he said.

Councilor Bragdon said he hoped the intent was to complete the work the following day so that it could go to the Metro Council on November 21<sup>st</sup> and the committee could say their job was done and the record could be reopened.

Chair Park replied that that was his intent. He thanked the committee and staff for their effort in this long meeting. He mentioned Executive Officer Burton's absence today was due to illness.

**5. COUNCILOR COMMUNICATIONS.** There were none.

There being no further business before the committee, the meeting was adjourned at 6:15 p.m.

Respectfully submitted,

Rooney Barker  
Council Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF NOVEMBER 19, 2002**

The following have been included as part of the official public record:

Agenda Item No.	Topic	Doc. Date	Document Description	Doc. Number
2.	Minutes of November 5, 2002	11/5/02	Minutes of the Metro Council Community Planning Committee Regular Meeting	111902cp-01
3.	Vacancy Rate Factor	11/19/02	Motion by Councilor Burkholder to amend vacancy rate factor (4%)	111902cp-02
3.	Vacancy Rate	11/15/02	Memo to Councilor Rex Burkholder from Kelly Ross, Home Builders Association, re Vacancy Rates and Other Urban Issues	111902cp-03
	2002 Housing UGR	11-8-02 (revised 11-13-02)	Memo to Mike Burton from Andy Cotugno re Metro Council Version of the 2002 Housing UGR	111902cp-04
	Residential Land Need	11-19-02	Updated 2000-2022 Urban Growth Report, Dwelling Unit Capacity Estimate & Need	111902cp-05
	Residential Vacancy Rate	6-3-02	Copy of p. 2 of UGR Primer, referencing Residential Vacancy Rate	111902cp-06
	Ordinance No. 02-968, Exhibit A	11-19-02	Exhibit A to Ordinance No. 02-969, Dwelling Units Capacity and Job Capacity by Jurisdiction	111902cp-07
	Ordinance No. 02-968, Exhibit E	Undated	Exhibit E to Ordinance No. 02-969, map of Potential Regionally Significant Industrial Areas	111902cp-08
	Ordinance No. 02-968, Exhibit K		Exhibit K to Ordinance No. 02-969, Chapter 3:01: Urban Growth Boundary and Urban Reserve Procedures	111902cp-09
	Ordinance No. 02-968, Exhibit L		Ordinance No. 02-968, Exhibit L, Title 11: Planning For New Urban Areas	111902cp-10
	Alternatives Analysis	6-5-02	Alternatives Analysis Study Areas map	111902cp-11

Metro Council Community Planning Committee Meeting Minutes

November 19, 2002

Page 25 of 27

Agenda Item No.	Topic	Doc. Date	Document Description	Doc. Number
3a.	Public Comment Process	11/19/02	Urban Growth Boundary Periodic Review Public Involvement Report, August 1 – November 1, 2002	111902cp-12
4.	Maps relating to site-specific motions		Colored maps numbered to match number of motion to recommend inclusion in the UGB	111902cp-13
	Maps relating to site-specific motions		Black and white maps numbered to match number of motion to recommend inclusion in the UGB	111902cp-14
	Ordinance No. 02-983, Exhibit M	Undated	Exhibit M to Ordinance No. 02-983, Conditions on Addition of Land to UGB	111902cp-15
4.	Ordinance No. 02-983, Exhibit B	Undated	Exhibit B to Ordinance No. 02-983, Conditions on Addition of Shute/Evergreen Site to UGB	111902cp-16
	Site-specific revuew	11-13-02	Community Planning Worksheet for UGB Expansion	111902cp-17

TESTIMONY CARDS. None.

**MINUTES OF THE METRO COUNCIL  
COMMUNITY PLANNING COMMITTEE SPECIAL WORK SESSION MEETING**

Tuesday, November 20, 2002  
Metro Council Chamber

Members Present: Rod Park (Chair), Bill Atherton, David Bragdon, Rex Burkholder, Carl Hosticka, Susan McLain, and Rod Monroe

Members Absent: None.

**1. CALL TO ORDER AND ROLL CALL.** Chair Park called the meeting to order at 1:28 p.m. and called the audience's attention to the spreadsheet in the back of room explaining what had been done so far, *Community Planning Worksheet for UGB Expansion*, undated, but based on the actions at the November 19<sup>th</sup> committee meeting (a copy of which is included as part of this record).

He then announced that at 2:00 p.m. the next day (November 21, 2002) the public hearing process and public record would reopen, this time at the council level and that Carl Hosticka, Metro Council Presiding Officer, would chair that meeting.

**2. CONSIDERATION OF THE MINUTES OF THE NOVEMBER 7 AND 8, 2002, COMMUNITY PLANNING COMMITTEE MEETINGS.** The minutes were not available for approval.

**3. CONTINUATION OF AGENDA ITEMS FROM NOVEMBER 19, 2002 (reference Ordinance No. 02-969).** [Please note that on site-specific motions, the motion letter (A, B, etc.) is matched to a map with the same number, said maps included as part of this record.]

Councilor Monroe said he understood that the previous day there was a 3/3 vote on south Sherwood areas 54 and 55.

**Motion A:**

Councilor Monroe, with a second from Councilor McLain, moved that areas 54 and 55 in the Sherwood area be included in the urban growth boundary (UGB).
--------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor McLain explained that the area was bordered by Brookman Road on the south, the current UGB on the north, with resource lands on the west and east. One of the conditions for this area was that the Highway 99W connector must be discussed before any of the land could be urbanized. The area was all exception land. Over the last five or six years, Metro received a total of six letters from the City of Sherwood stating different opinions on this property. The latest letter indicated that Sherwood did not believe it needed this property at this time; however, it was exception land in Washington County. She clarified that the local jurisdictions would have the opportunity to do the development and the comprehensive plan when they were ready, but at least the land would be available for the 20-year land supply.

Councilor Monroe agreed. Just because the Metro Council brought this area into the UGB did not mean that Sherwood had to plot it and provide for development immediately. The timeframe would be at the city's discretion. It was important to protect the right-of-way for the connector highway that was included in Metro's Regional Transportation Plan. With those concerns, and the fact that the region was very short on exception land in Washington County, he felt it was important that areas 54 and 55 come into the UGB.

Chair Park said that bringing areas 54 and 55 into the UGB would help further the alignment of the connector for Highway 99. Philosophically, he believed that if the land for the connector would be used for urban purposes, the landowners should be compensated at urban prices. Bringing this land into the UGB would help make that possible and help avoid the problem of the government devaluing or taking

property rights. He said he had similar feelings about another piece of property with a power substation that might come before the committee.

**Vote A:**

Councilors Burkholder, Monroe, McLain, Bragdon and Chair Park voted yes. Councilors Atherton and Hosticka voted no. The vote was 5 aye/2 nay/0 abstain in favor and the motion passed.

**Motion B:**

Councilor Hosticka, with a second from Councilor Bragdon, moved for inclusion in the UGB areas 66, 67 and 69, in the Cooper Mountain area.

**Friendly  
Amendment #1 to  
Motion B:**

Councilor McLain said areas 67 and 68 had different qualities than area 69, so she asked that the motion be broken into two motions.

Councilor Hosticka said he did not have a problem with voting on the areas separately. However conceptually, the areas were basically the same as each other and as the motion just passed, with one difference. They were all exception lands in Washington County. They had been analyzed and recommended at various times in this process. The difference between these areas and areas 54 and 55, on which he voted no, was that the local government in Sherwood had indicated that it did not want that area in the UGB. In the case as areas 66, 67 and 69, the local government took a neutral position. Areas 66, 67 and 69 were recommended by the Executive Officer in his first recommendation.

Councilors Hosticka and Bragdon agreed to the friendly amendment. Upon reflection, Councilor Hosticka withdrew Motion B and restated it.

**Motion B as  
Restated as  
Motion C:**

Councilor Hosticka, with a second from Councilor Bragdon, moved for inclusion into the UGB of area 67, in the Cooper Mountain area.

To his motion, Councilor Hosticka said area 67 was exception land contiguous to the existing UGB. The local jurisdiction indicated neutrality on its inclusion; however, it had been previously recommended by the Executive Officer. (As an aside, Councilor Hosticka noted that on the map he saw, area 66 was not shown as resource land but that it was shown as resource land on the map currently before the committee, and he asked for clarification before the committee proceeded.)

Michael Morrissey, Senior Council Analyst, said he believed that on Executive Officer Burton's final recommendation, area 66 was recommended for inclusion. The summary Mr. Morrissey provided said that the land was recommendation in order to provide services. He said he'd copied the information from other staff documents and thought perhaps some of the Planning staff could contribute information to this discussion.

Councilor Burkholder added his question if the recommendation to serve exception land was to service area 65 or 67. Lydia Neill, Principal Regional Planner, said she did not know the elevation of the water tank proposed for area 66. The City of Beaverton asked Metro to include area 66 for water storage. She said she was fairly certain that the purpose of installing the tank was also to serve some areas inside the UGB. Area 66 was exclusive farm use land.

Councilor Hosticka asked if water storage services could be provided to areas 67 and 69, if area 66 was not in the UGB. Ms. Neill said she did not know specifically, but she guessed that the city needed to develop a certain amount of pressure in the water system, and it needed to be at a certain elevation. She guessed that the city chose that area because it provided the correct elevation for that service.

**Vote on Motion C:**

Councilors Atherton, Monroe, Hosticka, McLain, Bragdon, Burkholder and Chair Park voted yes. The vote was 7 aye/0 nay/0 abstain in favor and the motion passed unanimously.

**Motion D:**

Councilor Hosticka, with a second from Councilor Monroe, moved for inclusion into the UGB of area 69 (area 69-1 partial).

Councilor Hosticka said he moved area 69-1 based on the Executive Officer's recommendation, and he asked staff to explain why that particular piece of property was recommended for inclusion.

Ms. Neill said she believed Mr. Burton was trying to make a point about the absurdity of the configuration of some of the exception lands from which Metro had to choose, and relating that back to the larger issue of the Goal 14 process. She said she did not believe there was any operational reason for including those two parcels within that area.

Councilor Monroe said when he seconded the motion, he thought the motion was to include the entire area 69-1, as outlined by the bold line on the map. The inclusion of this area made sense because the Metro Council had brought in a piece of land for a school along 209<sup>th</sup> Avenue. As the other side of 209<sup>th</sup> Avenue was already urbanized, it would clearly be simple to serve that linear area along 209<sup>th</sup> Avenue. It was not a large parcel, but it made more sense to bring in all of area 69-1, rather than follow the Executive Officer's recommendation to include only the peninsula at the south. The wall map was different from the maps the councilors were looking at, so staff outlined the area on the wall map (and that area is marked on the map included in this record).

Councilor Hosticka accepted Councilor Monroe's argument as a friendly amendment.

**Motion D as Amended by Motion E Friendly Amendment:**

Councilor Hosticka, with a second from Councilor Monroe, moved for inclusion into the UGB the entire area 69-1, as described above.

For clarity, Chair Park said the area proposed for inclusion was listed on the Community Planning Worksheet for UGB Expansion as "Area 69p, Beaverton 2 parcels."

Councilor Burkholder said he would vote against this motion, mainly because areas 65 and 66, which were in this general area, would provide a lot of housing. Areas 65 and 66 would better support a town center than area 69-1. While Area 69-1 was very suitable in terms of Goal 14 and the need for housing, it was least suitable based on Metro's 2040 fundamentals. Both areas 65 and 66, on the other hand, rated very high on 2040 fundamentals and Goal 14. He did not support bringing in area 69-1 at this time; it should be the next tier down.

Councilor McLain said she would also vote no on the motion for reasons similar to those of Councilor Burkholder. The report did not include any Centers language. Bringing in this piece of land, without the other surrounding acreage, would not be productive and would isolate agricultural activities and/or related services. She did not find this area appropriate for inclusion at this time.

Chair Park said he would also vote no on the motion.

Councilor Monroe said the whole area ought to be studied, but state law restricted Metro's actions. The resource land to the west of area 69-1 was not really farmland, and was not being efficiently farm at this time. There area to the east between 198<sup>th</sup> Avenue and 209<sup>th</sup> Avenue was heavily urbanized. Inclusion of

area 69-1 would simply add a little urban strip on other side of 209<sup>th</sup> where there were already sewer, water, and other urban services. The area would be very easy to serve and meet immediate housing needs in Washington County. Eighty percent of the land the committee had brought into the UGB was located far out in eastern Clackamas County, and could not be served. It made sense to bring in area 69-1.

**Vote on Motion D as Amended by Friendly Amendment E:**

Councilors Monroe, Hosticka, Atherton and Bragdon voted yes. Councilors McLain, Burkholder, and Chair Park voted no. The vote was 4 aye/3 nay/0 abstain in favor and the motion passed.

Chair Park asked staff for a summary of how much land had been recommended for inclusion in the UGB.

Councilor Monroe asked staff about the separate ordinance approved at yesterday's meeting where the committee approved for inclusion into the UGB major portions of land in the Bethany area but specifically deleted area 83 (see Motion #8 and #9, November 19, 2002, Community Planning Committee meeting). In the original recommendation, he thought staff had said area 83 was necessary to serve the rest of Bethany by sewer, and he asked if that was the case, or did the committee need to address area 83 again.

Ms. Neill said there were a number of ways that a portion of the territory in Bethany could be served. The hatched area, which included area 83 and the square above it – the bigger piece of that was included in Mr. Burton's proposal because gravity sewer could be provided to area 84, which was exception land. Area 84 was north of the college. Clean Water Services submitted a couple of proposals. Their main concern was minimizing the cost of providing services to that area. Clean Water Services would prefer to provide sewer through gravity, and eliminate pump stations, as much as possible. There were three ridgelines: one along Springville Road, another that diagonally bisected the site between areas 84 and 86, and one slightly north of that area. In order to provide gravity sewer service, Clean Water Services suggested including area 83 to would allow gravity feed service to those two areas and a portion of area 85. Councilor McLain's motion proposed including the area a little further north in order to use the creek as a natural barrier between urban and agricultural uses.

Councilor Monroe asked staff to show on the map the area to which the creek continued. He thought the creek cut down across area 83. Ms. Neill did so on the wall map. She said the blue areas were exception areas and areas that could be served with gravity sewer. The stippled area between area 85 was a portion of the site that could be served with gravity sewer. The red lines were the ridge lines. In order to serve the back half of exception areas 84 and 86 (hatched on the map), a pump station would be required. Pump stations included maintenance costs in addition to installation costs.

Councilor Hosticka said this area would be considered as a separate ordinance. He asked to delay this conversation until the ordinance was in front of the committee. At that time, they could look at the topographical maps and aerial photographs.

Councilor McLain clarified that the hatch marked areas on top of the blue area and on the other side were both exception lands. When Ms. Neill was talking about ease of service, she said she was talking about the blue area, which left out half of the exception land. It was important to understand that there were at least five different ways to serve this property so far. The EFU land on the corner of 185<sup>th</sup> and West Union, and the square of farmland labeled "Area 83 partial" were also EFU. When people talked about cheaper ways to serve, it depended on what areas were being served: all of the exception land, part of the exception land, or the EFU land between the two pieces of exception land.

Councilor Monroe said he had a number of concerns, one of which was that the area could be served efficiently. He also believed in planning entire areas, which was why he supported Councilor McLain's



motion on Bethany yesterday. But he said he was also looking for buffers between agricultural activity and urbanization. Abbey Creek, which ran through area 83, would essentially make the corner of West Union and 185<sup>th</sup> an agricultural island and render it useless as agricultural land. He wondered if the committee should look at the area again in terms of sewer service, not creating agricultural islands that could not be appropriately farmed, creating appropriate buffers between agriculture land and urbanization, and whether that riparian corridor would create an appropriate buffer. This piece would be included in a separate ordinance, so maybe it ought to include the entire area, including the little corner of upper area 83 and a major part of lower area 83.

Chair Park reminded the committee that it would be taking up this item next Tuesday at the Community Planning Committee meeting.

Councilor Hosticka said he thought the committee needed to discuss the entire topography and geography in that area. The real question was whether the proposed area could be efficiently served given the topography. Locating the sewer up Abbey Creek would serve a much larger area, which the committee had not discussed. That discussion needed to occur at another point in time.

Councilor Monroe said that was fine. He asked staff and any interested individuals to give the committee additional information tomorrow or next Tuesday. He just wanted to raise the issue to ensure that the committee was doing this the best way it could. Ms. Neill said next Tuesday staff would bring maps of the larger area and show some of the uses adjacent to area under discussion.

Councilor McLain said staff and Mr. Burton had already given the committee four maps and four different scenarios for how to serve the area. The committee needed to be very specific about what information it was requesting. There was not direct proposal from the Executive Officer; he threw out four different maps and the committee was trying to determine what those four different maps meant. Adding more maps would not help unless staff first clarified the questions with her, Councilor Hosticka, and Councilor Monroe.

Councilor Monroe said he wanted to know the most efficient way to serve the area with sewer. He also wanted maps that showed Abbey Creek and how much of a riparian zone would be on either side of the creek. The committee may need to also look at an elevation map throughout the area. The committee also needed to provide an opportunity for people familiar with the area, such as landowners and Beaverton service providers, to comment. He said he wanted to make the right decision.

Councilor Hosticka asked that the committee return to the Oregon City discussion, which was not completed at the last meeting.

Chair Park said they needed to first address a motion that had been postponed. He asked staff to comment on the EFU lands that needed to be included in the UGB in order to provide urban services to parts of areas 24, 26, and 28 (motions #26 and #27 of November 19, 2002, committee meeting).

Tim O'Brien, Associate Regional Planner, said Oregon City staff told him that the two lower parcels (colored green on the map) in area 26 were designated as timberland. Presently there was a golf course on part of the land, and part of it was a wooded slope. The City of Oregon City did not feel it could legally make the case that those lands were needed to provide services to that area. At least half of the area was currently considered developed. Oregon City expressed no concern about dropping the parcels from the study area. The other EFU portion (area 25) was also timber designation. The city was currently looking at that area to see if a case could be made that the land was needed to serve adjacent exception land. Oregon City staff had not completed that work, but they did plan to attend tomorrow's hearing and would like to present information at that time.

Chair Park asked about the effect of the dwelling unit capacity. Mr. O'Brien said the effect would be very minimal. Some of the property was owned by the Oregon City School District, Metro owned a couple pieces of property, and there were steep slopes. Out of 72 total acres, about 13 acres were developable land.

Councilor Hosticka asked if this was the Newell Creek Canyon area, and Mr. O'Brien said it was.

Chair Park said the motion on the table was to recommend these areas for inclusion in the UGB. The proper motion would be to amend the main motion in order to remove the resource land. The motion on the table was carried over from yesterday. It was postponed for more information.

**Motion F, to Amend Motion #26 of 11-19-02:**

Councilor Bragdon's Motion #26 of November 19, 2002, was to include into the UGB area 24, parts of area 25, and areas 26, 28 and 32, in the Oregon City area. Councilor Monroe moved, with a second from Councilor Atherton, to amend the motion on the floor (Motion #26) to take out the resource land.

Councilor Burkholder said the intent of bringing in a large part of this was to provide a connector and he asked if the connector was just to Redland Road, or all the way to Highway 213. Mr. O'Brien said the connector would go between Holcomb and Redland, not go all the way to Highway 213.

Councilor Atherton noted a primary reason Oregon City asked for this land to be brought inside the UGB was to provide a connector road, rather than for dwelling unit capacity. He asked counsel if it was possible to build that connector road without bringing this area inside the UGB. Dick Benner, Senior Assistant Counsel, said it was possible. It would depend on the particular facts, but there was authorization for some roads outside of urban growth boundaries for urban purposes. The legal case would be much stronger if it could be demonstrated that the road was needed to relieve traffic on a state highway. Without knowing more about this particular road, he could not say whether it fit the criteria in the transportation planning rule, but it might.

Councilor Atherton said he did not think that the issue of relieving congestion on a state highway was ever raised in committee. The basic issue was that the land did not need to be brought inside the UGB in order to provide the connectivity desired by Oregon City. He noted that yesterday, the council received a letter from the Oregon City School District recommending against this area's inclusion because of the impact on schools and traffic on Holcomb.

Councilor Monroe called a point of order. He believed Councilor Atherton was speaking to the main motion, not to the amendment to excise the agricultural land.

Chair Park called for further discussion on the motion to amend. There was none.

**Vote on Motion F to Amend Motion #26:**

Councilors Hosticka, McLain, Bragdon, Burkholder, Atherton, Monroe and Chair Park voted yes. The vote was 7 aye/0 nay/0 abstain in favor and the motion passed unanimously.

Councilor Hosticka asked if area 32 was included in the main motion. Rooney Barker, Council Assistant, said her notes showed area 24, parts of area 26, and areas 28 and 32. John Donovan, Communications Officer, asked for clarification on area 24, if it was the intent of the amendment to keep that land outside or inside the UGB, that the land was one tax lot.

Chair Park received committee agreement that the EFU portion of the school district's tax lot should be included in the original motion.

Councilor Hosticka said he also recalled that Mr. Burton's original recommendation had originally included area 32. Subsequently, that recommendation was modified to include only those areas indicated for employment purposes. He asked for clarification on why the recommendation was changed.

Ms. Neill said Mr. Burton's original recommendation included a portion of area 32 for commercial purposes, to serve the area inside the existing UGB. The remainder was for housing. The Oregon City Commission and their staff reviewed the recommendation and felt the area was too large. Their main purpose in asking for a portion of area 32 to come into the UGB was to provide commercial uses to serve land inside the existing UGB. A portion of the small area would be commercial with a few dwelling units.

Councilor Bragdon asked whether, with the exception of the land the committee just voted to remove, this motion was what MPAC and Oregon City recommended to the council. Ms. Neill said yes.

Councilor Hosticka said he was prepared to support the motion as it stood. However, he hoped that if the committee was looking for additional dwelling units, they could revisit this area. If the main reason for the current motion was simply that the City of Oregon City thought area 32 was too large, then he would recommend looking at other areas where the cities had expressed their intent and the committee had decided otherwise. If they needed additional areas for housing, he wanted to keep area 32 as a possibility.

**Motion G to Amend  
Motion #26:**

Councilor Atherton, with a second by Councilor Hosticka, moved to separate the original motion to consider all four parcels separately.

To his amendment, Councilor Atherton said the committee received extensive testimony on area 32 from people who live in that neighborhood who do not want this expansion. The City of Oregon City wanted it. It was not fully vetted, according to the citizens, with the city, and it was not something they wanted. It did not provide the dwelling unit capacity for which the committee was looking. What Oregon City and its citizens really wanted was jobs lands in area 26.

Chair Park asked for discussion on the motion to separate. There was none.

**Vote on Motion G to  
Amend #26:**

Councilors Bragdon, Atherton, Monroe, Hosticka, McLain, and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain in favor and the motion passed. Councilor Burkholder was not present for this vote.

Ms. Neill said the committee had discussed this discussed yesterday was to delete the Henrici Road area in area 28p. The reason for that was that the Metro Policy Advisory Committee (MPAC) did not recommend that particular area. According to Doug Neeley, Oregon City Commissioner, who came to MPAC and relayed the conversation held by the Oregon City Commission, the Commission was more divided on this area.

Chair Park asked for clarification. He said he understood that area 24p held 51 acres of employment land, and he thought that the eastern portion of area 28 held the industrial lands.

Ms. Neill said she believed the committee deleted area 28 from its discussions yesterday. There was a small amount of industrial land in area 28, but the bulk of the employment land in which the City of Oregon City was most interested was in area 26.

**Motion H:**

Councilor Hosticka moved, with a second by Councilor Atherton, to include into the UGB area 26, in the Oregon City area.

Councilor Hosticka said there was general agreement that area 26 was useful for employment and industrial purposes, and was fairly non-controversial. Councilor Atherton agreed.

**Vote on Motion H:**

Councilors Burkholder, Atherton, Monroe, Hosticka, McLain, Bragdon, and Chair Park voted yes. The vote was 7 aye/0 nay/0 abstain in favor and the motion passed unanimously.

**Motion I:**

Councilor Bragdon moved, with a second by Councilor Burkholder, to include into the UGB area 24 as amended, in the Oregon City area.

As Councilor Burkholder seconded, he said this did include a bit of study area 25. When the committee referred to the map, that was accurate.

Councilor Bragdon said staff had explained that area 24 was recommended by the City of Oregon City and dealt with a road connection.

Councilor Atherton said it was not necessary to bring this land inside the UGB to make this road connection. If the city needed that road connection, it could do it with significantly less intrusion into this neighborhood. This was an area with very steep slopes; it was highly parcelized and extremely difficult to urbanize. In his discussions with the Oregon City Commissioners, their main concern was the ability to build the connecting road. Area 24 was not necessary for the road and would provide very low productivity in terms of housing units.

Chair Park asked for clarification from Mr. Benner on whether area 24 was necessary for the road connection.

Mr. Benner said it was possible to make the road connection without bringing area 24 into the UGB. There was no absolute prohibition on urban roads outside an urban growth boundary. It was disfavored, but there was no absolute prohibition. There was a provision in the Transportation Planning Rule that allowed two-lane roads outside an urban growth boundary that served urban purposes, under certain circumstances. One of those circumstances was if the effect of the road would be to relieve traffic on a state highway. He could not say whether this was one of those roads and would meet those criteria, but it was possible that it would.

Ms. Neill added that Oregon City had spoken about the need for a transportation connection between Redland and Holcomb Roads. The city was also very interested in bringing in area 24 for employment purposes as well as some housing, she said.

Councilor Atherton said it was premature to bring this area into the UGB now, without further clarification in that community of just what their needs were. Area 26 already adequately addressed the concerns of Oregon City regarding jobs lands.

Councilor McLain said according to her information, there were at least 32 employment acres in area 24, and Oregon City was interested in the site as a partial employment or jobs shop. She felt the committee should move forward on area 24 at this time. If they received additional information at the council meeting on Thursday, they could amend it then.

**Vote on Motion I:**

Councilors Monroe, McLain, Bragdon, Burkholder, and Chair Park voted yes. Councilor Atherton voted no. Councilor Hosticka abstained. The vote was 5 aye/1 nay/1 abstain in favor and the motion passed.

**Motion J:**

Councilor Bragdon, with a second by Councilor McLain, moved for inclusion into the UGB area 32p, in the Oregon City area.

Councilor Bragdon said staff presented information on area 32 earlier, and that the City of Oregon City had requested area 32.

Councilor Hosticka asked for a report on the need relative to housing at this point in the committee's deliberations, saying that would indicate what he would like to do with this motion. Basically, he said he was concerned about having a commercial area sitting on the outside of a city. It did not seem to make a lot of sense. Since the original proposal was to bring in this area for residential purposes, if they still needed to include more residential land in the UGB, he would propose that the committee include some of area 32 for residential, as originally proposed by the Executive Officer.

Councilor Burkholder said it made sense to bring area 32 into the UGB. Area 32 would add 400 units of housing and 20 acres for employment lands. The committee has adopted changes in Metro's Functional Plan to encourage the development of neighborhood Centers. The purpose of adding this land was that in on this side of Oregon City, there were no services available to neighborhood residents who lived in Oregon City or in the exception lands to the south. It also helped from the transportation perspective because people could meet their basic service needs without driving to the Molalla Avenue/Highway 213 area. Councilor Hosticka's proposal to bring in more than 400 housing units was valid. But as it stood, this motion had validity in terms of helping complete Oregon City's urban form.

Councilor Atherton said the committee received extensive testimony from people who lived in the area that they traveled to their jobs and schools and made many trips throughout the community, and they did not feel they needed those types of services developed in their neighborhood. Movement of the UGB at this time in that area was premature, until longer-range plans for the community could be completed.

Chair Park said he would call for the vote first and then ask for the final number. The committee could then make an adjustment as need be. He did not think it would be appropriate to base the vote upon the housing need number.

Councilor Hosticka asked whether, if he voted in favor of the motion, he could request reconsideration of the vote for purposes of amending the proposal if the committee later found that it needed more housing capacity.

Dan Cooper, General Counsel, said regardless of whether the committee reconsidered this motion, another motion to add more land was already in order.

**Vote on Motion J:**

Councilors Monroe, Hosticka, McLain, Bragdon, Burkholder, and Chair Park voted yes. Councilor Atherton voted no. The vote was 6 aye/1 nay/0 abstain in favor and the motion passed.

Chair Park recessed the meeting at 2:36 p.m. to allow staff to determine the housing need number. He reconvened the committee at 2:51 p.m.

Chair Park then asked Councilor McLain to address two items that had come up regarding areas 94 and 66.

Councilor McLain said before the committee looked at the final housing need number, it was important to make sure the environmental-protection zones in area 94 had been taken into consideration, because Portland had a definite zone that it placed on that type of property. She did not think the number received from staff reflected the environmental zone, and she asked staff to recalculate area 94. She

thought it was actually one unit per two acres, or something similar. Ms. Neill said staff would be happy to look at the City of Portland's existing zoning, determine a dwelling unit per acre calculation, and apply it to the developable acres in area 94 to give a more accurate number. (A copy of the area 94 map is included with the other maps in this record, marked Discussion 1.)

Councilor McLain said she understood that area 66 had a water tower that had been requested by City of Beaverton. Ms. Neill said that was true. (A copy of the area 94 map is included with the other maps in this record, marked Discussion 2.) Mr. O'Brien said there was a parcel in study area 66 owned by the City of Beaverton. The city presently had a water tank on the property along with the Tualatin Valley Water District. It was a combined facility, and both of their future constructions plans called for upgrading the water tank. The water from that tank used by Beaverton would be to service an area inside the UGB.

Councilor Hosticka asked if that use was still allowed if that area were outside the UGB, and if Metro was required to bring the land into the UGB in order for the City of Beaverton to do that. Mr. Cooper said it was not required to be brought into the boundary to be a water tower. Mr. O'Brien added that one issue raised by the city was that it would be easier for any future permitting actions if the land was inside the UGB.

Councilor McLain noted that with regard to the map, the white area signified already-urbanized land and the two pink areas were exception lands that could be brought into the UGB in this decision. If the Metro Council did bring in the pink areas, three-plus sides of area 66 would be urbanized, creating an isolated acreage of EFU. She said she wanted to make sure the committee recognized that fact.

Chair Park said the committee had postponed action was on area 65 yesterday, and he asked that the committee take action now, saying Councilor Bragdon made the motion yesterday. (The motion is listed below.)

<b>Motion #28 (of 11-19-02):</b>	Councilor Bragdon moved, with a second from Councilor Atherton, to include into the UGB area 65 (Cooper Mountain area, SW 175 <sup>th</sup> Avenue/Weir Road).
--------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor Bragdon said the committee briefly discussed the motion yesterday and then held over the item in order to receive information about the water tower. This was partially urbanized exception land on the West Side. In his view, it was appropriate that an urbanized area be within the UGB.

Councilor Hosticka said he had made an amendment on this motion (to only include the areas east and north, taking out the settled areas (as marked on the black and white map, McLain #4, Study Area 65), and if there was interest he would continue to make the amendment (the motion is listed below.)

<b>Motion #29 to Amend Motion #28 (of 11-19-02):</b>	Councilor Hosticka moved, with a second from Councilor McLain, to amend Motion #28 to only include the areas east and north, taking out the settled areas (as marked on the black and white map, McLain #4, Study Area 65).
----------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor Hosticka said he felt this area would be very difficult to actually urbanize because it would first need to be annexed into the City of Beaverton. He said he understood that there was significant local opposition to urbanization and annexation. He said he was not willing to predict that there would be an immediate annexation, but if Metro were to bring in area 65, the areas that were shaded on the map were more appropriate because they were likely to be annexed and urbanized. He did not know why the committee was considering area 65 again, whether they needed to consider it, or whether by doing so it would increase the actual number of dwelling units even more than the need. But if the committee did feel it needed to consider area 65, he would prefer to consider only the shaded areas.

Councilor McLain said Councilor Hosticka was probably correct that only the shaded areas would provide any productivity, she felt the committee needed to bite the bullet. Either this was a good exception area to bring into the UGB or it was not. Splitting the area up and creating isolated islands within the gray area would create a more convoluted boundary. She understood and respected his reasoning, but it was very important for the committee to decide whether area 65 met the test or not.

Ms. Neill said when islands of EFU land were left within an area, there were two issues the committee might wish to consider. First, the facilities to serve those areas would have to be routed around the islands of EFU land, which might make urbanization more expensive and difficult. Second, when areas like that were left out, it created boundary problems, particularly with police and fire services. Areas outside of the city limits were patrolled by the county police. With regard to area 66 and the water tank, the City of Beaverton knew that it could upgrade the water tank facility if needed, but would like to have the permitting authority to do it within the city's boundaries. Beaverton also stated that there were security concerns with some of those facilities following the terrorist attacks on September 11, 2001. The city felt the Beaverton Police were much better able to police the area and prevent vandalism, because the county police were stretched pretty thin.

Councilor McLain said she knew the numbers were really close. In her view, areas 65 and 82 were on a reserve list because the productivity in those areas was questionable. Those areas were available if the committee found anything to give it pause during its review of the amendments made already. Therefore, she hoped to keep areas 65 and 82 on a reserve list that could be brought back to the council after they heard more discussion.

Chair Park asked if Councilor McLain included area 66 on her reserve list also. Councilor McLain said she had. If the committee took action on area 65, it had to reconsider area 66 because it would have urbanized around three sides of area 66. To her, areas 65, 66 and 82 were still on the reserve list for further discussion at the council level, where they will receive more input and testimony.

Councilor Burkholder asked if Councilor Bragdon moved the entire site yesterday or a portion.

Michael Morrissey, Senior Council Analyst, said he believed Councilor Bragdon moved the entire site. Rooney Barker, Council Assistant, confirmed that Councilor Bragdon moved the entire site, that Councilor Hosticka had made a motion to amend Councilor Bragdon's motion to include only the shaded areas. There had been no vote on either motion.

Councilor Burkholder said if the committee chose to include area 65, it made more sense to use the existing street boundaries and bring in the whole piece. As Councilor McLain said, the committee may not need to bring in that area, but if they did it, they should do it in a logical manner.

Councilor Hosticka agreed with Councilor McLain that areas 65, 66 and 82 should be considered as reserve candidates for additions if the committee finds that it needs them at some future time. He asked if Chair Park would like a motion on that. Chair Park said a motion was not necessary, it would just be understood.

**Withdrawal of Motion  
#28 (of 11-19-02):**

Councilor Bragdon withdrew his motion, made on November 19, 2002, to include area 65. Councilor Atherton, as the seconder of the motion, agreed.

Chair Park asked for the current dwelling unit count. Ms. Neill said they were currently 841 dwelling units over. The total dwelling units, with the lands included by motion, came to 38,241 dwelling units, and 18,073 acres. Chair Park asked if that total included the reduction of dwelling unit capacity in area 94. Ms. Neill said no, staff had not yet made that calculation.

**Motion K:**

Councilor Atherton moved, with a second by Councilor Monroe, moved for inclusion into the UGB area 71.

Councilor McLain said she understood that area 71 was right next to area 55 West which the Metro Council brought in the last time they did a UGB amendment, below the Tualatin Valley Highway. The City of Hillsboro was currently planning area 55 West and there had been substantial participation by local residents and others. In her opinion, if they were going to look at something in that area, that this was an appropriate time to look at area 71 because nothing had been built yet, and the area could be added to the city's current planning process.

Councilor Atherton said it was appropriate to add this area to the UGB because the City of Hillsboro was already doing the planning for this area. It would about 1,700 dwelling units, the people in the area wanted the development, and the land was needed for jobs.

Councilor Burkholder asked about the small pink areas outlined on the map of area 71. Mr. O'Brien said the small pink area closest to the area labeled 71 had always been considered part of study area 71. It was one small parcel of exception land. In the Alternatives Analysis, they were labeled areas 71a and 71b. The other section farther west was part of a tax lot that had been sliced in half by the urban growth boundary. The section in pink was exception land; the other part was resource land.

Councilor Burkholder offered a friendly amendment that the parcels shown on the map, in addition to the parcel marked 71, be included in the motion.

Mr. O'Brien said the parcel on the far west was not part of area 71, but was in the technical amendment ordinance presented earlier by Brenda Bernards, Senior Regional Planner.

**Motion K as Amended  
by Friendly  
Amendment:**

Councilor Burkholder proposed a friendly amendment to include the two smaller portions of area 71 (as marked on the map) in the motion. Councilors Atherton and Monroe accepted the friendly amendment.

Councilor McLain said area 71 had more productivity and a higher ranking in the staff report than some of the areas already added. The committee had just set aside areas 65 and 82. She wondered whether the committee would prefer to add area 71 to the reserve list, even though it had higher productivity and the larger surrounding area was currently being planned.

Chair Park asked if the maker and seconder of the motion would consider withdrawing the motion and placing area 71 on the reserve list.

Councilor Monroe said no, he did not wish to withdraw the motion. As he said yesterday, he thought the committee did this process backwards. The real pressing need for housing and industrial lands was in Washington County. They ought to be looking for and bringing in every piece of logical exception land in Washington County first. If the committee was above its target number, maybe they ought to look at reducing the lands added in Clackamas County. He said he would support adding both areas 71, and would also support bringing in areas 65 and 82 to the UGB.

Chair Park said he would vote no on the motion at this time.

**Vote on Motion K as  
Amended by Friendly  
Amendment:**

Councilors Hosticka, McLain, Burkholder, Atherton and Monroe voted yes. Councilors Bragdon and Chair Park voted no. The vote was 5 aye/2 nay/0 abstain in favor and the motion passed.



Hearing no more councilor amendments, Chair Park then directed legal counsel to prepare the findings necessary to support this decision and the conditions to go with these various pieces of property. He also directed the Planning staff to prepare the corrected maps and provide the final calculations for productivity. He also suggested that the areas placed on a reserve list be cleaned up and ready to go just in case. He asked if the committee would like to discuss the specific identified land need ordinances that would be first read on Thursday.

Councilor Hosticka said he had raised the question of conditions about Damascus. He asked what the circumstances were about conditions on some of the other areas that the committee had considered. If there were specific conditions the Councilors wanted to highlight, they should do so now.

Mr. Benner said so far he had established general conditions that would apply to all lands that would come inside the boundary. There were lands that the committee had tentatively brought into the UGB over the last few days that had design type designations, particularly Regionally Significant Industrial areas. He said he would be talking with the Planning Department and, if time allowed, with some of the jurisdictions to determine whether staff would recommend to the council conditions on the creation of new parcels, etc., that would apply to those areas. But if Councilors already knew specific conditions that they would like to attach to the regionally significant industrial areas, such as areas 47 and 49, he asked that they please give staff that direction now because he was currently drafting those conditions.

Councilor Monroe said there should be some protection for Significant Industrial Lands so that they would be protected for their intended uses. The region had a shortage of industrial land and it was important to send a loud and clear message that if Metro was going to bring in Significant Industrial lands, they should be protected for that use.

Chair Park asked what the committee still needed to do, procedurally. There was a motion on the floor on the entire Ordinance No. 02-969.

Mr. Cooper said Chair Park had directed legal counsel to start writing the findings, and had given staff direction on the conditions. The findings would not be written by Thursday, but they were not necessary for first reading. He said he hoped to have a first-cut on the conditions in front of the council by the time the ordinance was first read on Thursday. Once Planning staff completed its calculations, the new numbers would be added to the "Whereas" clauses. The separate ordinances were being first read. The committee could either add pieces to those before first reading or amend them later at committee. Either approach would work for a December 5<sup>th</sup> adoption schedule.

Chair Park suggested that the committee amend the ordinances at committee after first reading, and do a substitution at the council level.

Councilor Monroe wondered why it was advisable today to move the primary ordinance out of committee. Since everything interrelated, he asked if it would not be advisable to save that motion for next Tuesday. Chair Park said, in his opinion the committee needed to move the ordinance out so that people testifying at the council meeting the next day would know exactly what was before the council.

Councilor Hosticka said if the ordinance did not move out of committee today, the committee's action would be written and placed on the agenda for first reading. So one way or the other, it would be before the council tomorrow. It would be preferable to have the ordinance come out of committee with some support, so that when people testified the next day, they would have some idea of the Metro Council's intentions.

Councilor Atherton said currently, the committee was 1,257 dwelling units over the target. Chair Park said the committee was approximately 800 units over the target, minus the recalculation in area 94. Councilor Atherton said he disagreed. Councilor McLain said the point was they tried to hit the target as

close as possible, and they understood that they might need to make adjustments after the final calculations have been done. Back to the discussion on moving Ordinance No. 02-969 out of committee today, she said acting on that main motion would give the public the opportunity to know what they were speaking to. She said she would like to move the main motion out of committee today so that it was before the council the following day.

Councilor Atherton asked how they were going address the issue of areas 65 and 68. Chair Park said he assumed they would be addressed at council during normal council activity.

Councilor Hosticka he believed that in terms of timing, the council would hold a hearing the next day if there was an ordinance in front of them, which they would have one way or another. The council would then meet on December 5<sup>th</sup> to consider that ordinance. If there were amendments to that ordinance on December 5<sup>th</sup>, the final vote would be taken on December 12<sup>th</sup>. If there were no amendments on December 5<sup>th</sup>, the council could take a final vote on that date.

Councilor Bragdon urged that the committee move the ordinance out of committee today.

**4. ORDINANCE NO. 02-969 – For the Purpose of Amending the Metro Urban Growth Boundary, the Regional Framework Plan and the Metro Code in Order to Increase the Capacity of the Boundary to Accommodate Population Growth to the Year 2022; and Declaring an Emergency.**

**Vote on Main Motion  
(L) as Amended:**

Councilors McLain, Bragdon, Burkholder, Atherton, Monroe, Hosticka, and Park voted yes. The vote was 7 aye/0 nay/o abstain in favor and the motion passed unanimously and Ordinance No. 02-969 was approved, as amended, and forwarded to the Metro Council.
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Chair Park said there were two potential items for further committee discussion. They had already talked about the Shute/Evergreen site and the specific identified land need for that particular purpose. It may be appropriate to discuss the Beaverton School District site in concept at this time, and he asked for a brief outline.

Councilor McLain said the proposal was to include the Beaverton School District site, which the committee discussed. The site sat next to Portland Community Committee, within area 84 exception land. At the school district's request, the committee would have a separate ordinance so that it would not be colored by the discussions on the Bethany area, which was also on a separate ordinance. The committee was honoring the request of the school district.

Councilor Hosticka said he had raised an issue for a separate ordinance about a couple of road alignments in the Tualatin area. He said Mr. Cotugno had shown him a conceptual drawing of how those would work, and he said he would ask next Tuesday that those be turned into a separate ordinance for consideration.

Chair Park asked if there were any other ordinances that the committee needed to have in place for first reading at council the next day. There were none.

**5. COUNCILOR COMMUNICATIONS.** Councilor Hosticka reviewed the anticipated schedule for council the next day. After the council convened and finished its usual announcements and introductions, he would have Ordinance No. 02-969 first read as the first order of business. He said he would take testimony at that point. Once testimony was completed, the council would go through the remaining items on the agenda. He said he understood there may be some people planning to arrive later in the day. Those people could either wait until the rest of the agenda was completed, or if council had

already adjourned, he said he was willing to remain with any other interested Councilors as a subcommittee to take testimony.

Mr. Cooper said that was a perfectly fine process. Councilor Hosticka said he would be asking for volunteers, but he had volunteered to stay as long as necessary to hear all the testimony.

Councilor Bragdon gave his compliments to the chair and all of their colleagues for the conduct at these meetings. There had been long hours, a lot of hearings out in the field, and a lot of good discussions. He thought it was civil all the way through and the discussions about different policy elements was very good. He acknowledged all the good staff work that went into this, and all the exhibits and papers and maps. The hearings were very well run.

Councilor Monroe apologized for missing part of yesterday's meeting. He announced that the Transportation Investment Advisory Task Force meeting that he attended the previous day was moving along in its work. They received a report on a Davis, Hibbits and McCaig survey that gave them some very important information. The task force's work was absolutely critical, he added. The council could make its choices on the urban growth boundary, but if there was no transportation infrastructure available and no money to provide such infrastructure, some of these urban expansions would be meaningless. Land use planning and transportation planning were two sides of the same coin.

Councilor Burkholder echoed Councilor Bragdon's appreciation for how smoothly the process went. He said he hoped this set a good precedent for future decisions that were based on facts, lots of information, and lots of discussion with the citizens out in the community. It was very difficult to understand the issues before the council and the implications of those decisions, but this process made it clean and clear. He thanked the chair and the people who worked under the chair's guidance to make this happen.

Councilor McLain thanked the public, the business people, and the special advocates who assisted the councilors in this conversation. They had to take time off from their days to come to Metro. She thought that even though the committee needed occasional light moments, she wanted the public to understand that the Councilors understood how serious this subject was and how it affected their daily lives, their livelihoods, and their families' quality of life.

Chair Park thanked the committee for its hard work. Legal, Planning, the Data Resource Center, and Communications staff had all been fantastic; it was very much a group effort. In retrospect the process was not perfect. It was possible to make a series of right decisions and come up with a wrong policy at the end. The process needed to be reexamined, in terms of what tools the council was allowed to use in making its decision. He said he would have more on this issue later.

There being no further business before the committee, the meeting adjourned at 3:25 p.m.

Respectfully submitted,

Rooney Barker  
Council Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF NOVEMBER 20, 2002**

The following have been included as part of the official public record:

<b>Agenda Item No.</b>	<b>Topic</b>	<b>Doc. Date</b>	<b>Document Description</b>	<b>Doc. Number</b>
3.	Amendments to Proposed UGB Expansion	Undated (11-19-02)	Community Planning Worksheet for UGB Expansion	112002cp-01
	Maps relating to site-specific motions	Various	Colored maps numbered to match number of motion to recommend inclusion in the UGB (some of the colored maps are included in 11-19-02 file)	112002cp-02
	Maps relating to site-specific motions	Various	Black and white maps numbered to match number of motion to recommend inclusion in the UGB	112002cp-03

**TESTIMONY CARDS.** None.

**MINUTES OF THE METRO COUNCIL  
COMMUNITY PLANNING COMMITTEE MEETING**

Tuesday, November 26, 2002  
Metro Council Chamber

**Members Present:** Rod Park (Chair), Bill Atherton, Rex Burkholder, Carl Hosticka, Susan McLain, and Rod Monroe (Councilor Bragdon was not present, but attended by phone)

**Members Absent:** None.

1. **CALL TO ORDER AND ROLL CALL.** Chair Park called the meeting to order at 1:19 p.m.
2. **CONSIDERATION OF THE MINUTES OF THE NOVEMBER 7, 8 and 12, 2002, COMMUNITY PLANNING COMMITTEE MEETINGS.**

<b>Motion #1:</b> Councilor McLain moved approval of the minutes of November 7, 8 and 12, 2002, Community Planning Committee meetings. Hearing no objection, Chair Park said the minutes were approved as submitted.
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

3. **ORDINANCE NO. 02-983, For the Purpose of Amending the Metro Urban Growth Boundary to Add Land for a Specific Type of Industry Near Specialized Facilities North of Hillsboro; and Declaring an Emergency.** Chair Park asked if a letter from Washington County had been received, and set this ordinance aside until that letter could be retrieved.

4. **ORDINANCE NO. 02-984, For the Purpose of Amending the Metro Urban Growth Boundary to add Land for a Public School in Study Area 85; and Declaring an Emergency.** Chair Park asked staff to speak to both this ordinance and Ordinance No. 02-987, as they were related. Lydia Neill, Senior Regional Planner, spoke to the staff reports to these ordinances and the map on the wall, saying 02-984 addressed the proposed Beaverton School District site in a portion of study area 85W, which she reviewed first. (A copy of a memo to Chair Park from Ms. Neill regarding Servicing Information for the Bethany Area: Areas 83, 84, 85, 86 and 87, as well as Attachment 2 to Ordinance No. 02-984 were distributed and made a part of this record). Ms. Neill also spoke to the conditions in Exhibit B to the ordinance, and told the committee of the Beaverton School District's desire for this parcel to be incorporated into the urban growth boundary (UGB). The staff report addressed the school district's request, and the applicable review criteria. The Executive Officer recommended this site be included in the UGB for school purposes.

6. **ORDINANCE NO. 02-987, For the Purpose of Amending the Metro Urban Growth Boundary to add land in the Bethany area; and Declaring an Emergency.**

<b>Motion #2:</b> Councilor Monroe moved, with a second from Councilor Hosticka, approval of Ordinance No. 02-987 (Bethany areas 84, 85, 86 and part of area 87).
-------------------------------------------------------------------------------------------------------------------------------------------------------------------

Ms. Neill spoke to Exhibits A and Exhibit B, and the staff report and Attachment 1 to Ordinance No. 02-987 (distributed and made a part of this record). This area (areas 84, 85, 86 and part of area 87, north of Springville Road, as shown in Attachment 1) was all EFU land and was contiguous to current school sites. Ms. Neill said it was the most efficient land to provide both a buffer from agricultural land on the north to Abbey Creek, and west to the BPA power line easement.

Councilor Monroe asked question about map, which Ms. Neill responded to. In a black and white version provided the committee, she pointed out that below or above red line one would need a pump station for sewers, which increased the difficulty and expense of providing them. She also pointed out

that transportation was a key factor in proposing this area, we well, as there were congestion problems at that intersection.

Chair Park informed the audience that the committee would be taking testimony on these ordinances today, and asked those who wanted to testify to please fill out the testimony cards.

Chair Park went on to speak of the school district and the potential effect this would have on that area. He said he was trying to use his own judgment and not refer back to what the committee had discussed in Ordinance No. 02-969. He asked if Councilor Bragdon, on the telephone, if he had any comments at this time. Councilor Bragdon did not.

Chair Park opened a public hearing.

1. Hal Bergsma, Principal Planner, City of Beaverton, PO Box 4755, Beaverton, OR 97076-4755, testified on Ordinance No. 02-983, and submitted for the record a letter from Joe Grillo, Community Development Director, City of Beaverton (a copy of which was distributed and is made a part of this record). Mr. Bergsma said that the City of Beaverton's position was that adding some land in the Bethany area makes sense, but said they did not support any particular addition in that area other than the previously planned part of Study Area 85 know as the Ryland property.

In a discussion of Exhibit B (the proposed conditions) Councilor Hosticka noted that they should not be speaking about the City of Hillsboro, and Mr. Bergsma agreed that it should be the city of Beaverton. Mr. Cooper said it was a scribner's error on Metro's part, and he apologized. Mr. Bergsma said he was not representing the Beaverton School District, but that he believed they wanted this in a separate ordinance because they want to bring a school site in as a specific need.

Councilor Hosticka asked counsel what the effect or possible actions would be once this ordinance left Metro's jurisdiction, if the council recommends it, and whether or not higher authorities could deal with pieces of the ordinance. Mr. Cooper said Metro is in Periodic Review and these ordinances amending the UGB are all going to be sent to the Land Conservation and Development Commission (LCDC) for their review and acknowledgement, as was consistent with state law and goals. LCDC can approve all, none or parts of them and decide how to proceed. While it is possible to adopt everything in one ordinance, the commission might find it easier to separate controversial stuff out. This was a judgment call on Metro's part, Mr. Cooper said.

There was more discussion on this, on whether or not the school site could develop if the rest of this property was not brought in, and on having the site in both this ordinance and the main ordinance, No. 02-969.

Councilor Hosticka asked what difference it made if this area were in or out of the UGB, if it was only the school. Mr. Cooper replied that a school cannot be outside the UGB to serve urban purposes. If it serves students inside the UGB, it has to be inside the UGB.

2. Don Guthrie 3300 NW 211<sup>th</sup> Terrace, Beaverton, OR, testified on area 85. Mr. Guthrie said he had been a consultant for Ryland Homes for five years and had worked to bring that master plan together. He said he had a good working relationship with CPO 7, the Beaverton School District and others, and he gave a brief update on the progress of the site. He said the Beaverton School District had closed on their 10-acre portion and have title to the property, and that he will continue to be a consultant for West Hills if they move forward. Mr. Guthrie then introduced engineer Fred Holz to explain some of the questions the committee had asked. He concluded by saying he hoped the committee would follow the recommendations.

3. Fred Holtz, Vice President and Director of Development Services for LDC Design Group, 3300 NW 211<sup>th</sup> Terrace, Beaverton, OR, submitted a set of colored maps of his slides on the site which showed the existing and proposed schools, lift stations, environmental resources areas, unserviceable areas, transportation alternatives, and sanitary/water services alternatives. In addition, Mr. Holtz referred to the testimony the previous week on the Bethany areas relative to sewers and transportation.

Councilor Monroe reiterated that if the school district sought to develop that site without other property in area 85 coming in, the cost to the school district for the infrastructure would be in the millions of dollars, and Mr. Holtz agreed that that was true.

4. Mary Kyle McCurdy, 1000 Friends of Oregon, 534 SW 3<sup>rd</sup> Avenue, Portland, OR 97204, spoke briefly on Ordinance No. 02-983. Ms. McCurdy said she had already testified on Shute Road, and just wanted to reiterate that it would be difficult to legally justify bringing this area in when other areas were passed over.

Councilor Monroe asked her to name some of the other areas she meant. Ms. McCurdy said at least one was area 65. Councilor Monroe said area 65 was on the committee's reserve list, and they would probably revisit it the following week. Councilor Hosticka engaged Ms. McCurdy in a discussion of whether or not these areas were comparable.

5. Mark Dane, 13005 SW Foothill, Portland, OR 97225, speaking to area 83 and using Mr. Holtz's map, spoke to the contour line and the proposed pump station. He said an engineer had provided material the previous Thursday showing how gravity could be used to provide sewer service for the entire area. Mr. Dane stated information previously presented to the council, and Chair Park asked if he had new information to give the committee. Mr. Dane did not. Chair Park said he had made his point.

6. Dirk Knudsen, 5517 NW Skycrest Parkway, Portland, OR 97229, testifying on Ordinance No. 02-987, said he was providing some new information that was somewhat relevant. Mr. Knudsen read a letter from Alan Roodhouse of RPS Development Company regarding the development of West Union Village and Town Center (distributed and made a part of this record). He also asked if the councilors had received an e-mail from Greg Malinowski prior to this meeting, and he reviewed that for them as well. He said he was concerned the council may ignore this as they worked on their decision. Mr. Knudsen also spoke about the owner of area 83 getting an offer from the Beaverton School District. He said he was not questioning the need for schools, but wondered where and how many were needed.

In discussion with Councilor Monroe regarding the Washington County Farm Bureau, Mr. Knudsen said he and Mr. Peters, as well as Mr. Malinowski wanted to preserve farmland at all cost. Chair Park echoed that and said he had spoken with Mr. Peters that morning and that the Farm Bureau still stood by their letter of a few weeks ago, no farm land in Washington County should be taken. They'd held that position since the beginning of this process. Councilor McLain said Chair Park had just summarized her understanding of their position, as well.

7. Jin Park, 13555 NW Laidlaw Rd., Portland, OR 97229, on Ordinance No. 02-987, testified that the sewer and transportation were the most important issues. The worst intersection outside the UGB was 185<sup>th</sup> and West Union. Mr. Park also said the only way that any farmland should be included was if it were, nothing else. He said another farmer had sent letter a letter with him that he would submit for the record.

Councilor Monroe asked Mr. Park if area 83 came into the UGB what the plans would be for that portion. Mr. Park, on a map on the wall, pointed to the portion owned by Metro and said he may donate the northern portion of the property to Metro for use as a natural boundary.

8. Darrell Smith, 8835 SW Canyon, Portland, OR 97225, to area 83, talked about an in-depth sanitary study and the gravity flow line from Clean Water Services. A green line represented sewer services up to corner of area 84. Chair Park said Mr. Smith had given this testimony before, on Ordinance No. 02-969. Mr. Smith said he had done a little bit. Chair Park said it looked like the same presentation, and asked if it was any different. Mr. Smith said he wanted to show how the area could be served by sewer and did not require pump station. Chair Park said he had already done this in previous testimony.

Chair Park closed the public hearing.

<b>Motion #3:</b> Councilor McLain moved, with a second from Councilor Monroe, approval of Ordinance No. 02-984 (Bethany, area 85).
-------------------------------------------------------------------------------------------------------------------------------------

To her motion, Councilor McLain said she hoped to make this more complete community effort like Damascus. What they tried to do here was to make sense of an area that Metro was asked to include because of the need assessment.

Councilor Monroe said he understood the Washington Farm Bureau's official position and applauded the fact that they wanted to protect farmland. On the other hand, he had talked to a number of farmers, he said, including members of the Washington Farm Bureau who said it was really hard to farm right up next to urbanization and couldn't Metro find some logical buffers between urbanization and agricultural activity. He was also troubled by the fact that if they took in the Bethany area and left off area 87 they would create an island of poor quality farmland and have an isolated piece of farmland that doesn't produce anything significant. He said the same thing could be said for the southern part of area 83, at the intersection, that it would be surrounded by urbanization and a wetland, and would be an isolated chunk of poor quality farmland of about 70 acres. He said he was looking for logical buffers and bringing in pieces of land that were necessary to meet the legal requirements and that made sense and could be planned as whole units for whole complete communities. It seemed to him, Councilor Monroe said, that the logical thing to do would be to bring in all of those properties to the south of Abbey Creek and to the east of Abbey Creek up to the power line. He said if there was not additional interest on the part of the council, he was obviously just one vote. If there were additional interest he would be happy to make a motion.

Councilor Burkholder said he abstained on this piece last week and needed more information. The more he heard, the more he thought this area was wrong to bring in. It needed a planning strategy that answered some of the questions such as the best way to service the area and the best boundary, and how to you deal with the farm land issue. He said he felt that linking a school district without a neighborhood didn't make sense either. He said he didn't support the ordinance to put a school district in without actually bringing in some land that it would serve. He said he felt this was not ripe, and therefore, he would be changing his vote from abstaining to opposing this parcel.

Chair Park asked if Councilor Bragdon had any comment, and Councilor Bragdon said he did not.

Councilor Hosticka said he agreed with Councilor Burkholder concerning the school site. He didn't see the point of bringing it in if there was no neighborhood to serve. With regard to the rest of the discussion, it seemed if it were not right now, when would it be right, he asked. They had been discussing this for a number of years before he came on the council. By bringing it in, the council would signal that they thought it should be planned and urbanized. He agreed with Councilor McLain that we should be as inclusive as possible because if LCDC felt otherwise, they could take parts out and the council could revisit this. If we were not as inclusive as possible, we could lose the opportunity to have the whole area brought in and planned. We have conditions that have to be master planned and annexed. He said he felt that the motion as it stood was a good motion. He had no objection to area 83, he said. He



felt it would round out the whole area. He felt that they had established a precedent to try to look at large enough areas to do complete communities. He said they also wanted to test the limits of the law and see how far they could go in the direction of a complete community.

Chair Park said he opposed this the last time, based on the inclusion of area 87, and he still opposed it on that basis. Given Councilor Hosticka was correct in that we are trying to do a complete community as much as we can, but within the limits that we have of current state law. Understanding the need to go into certain areas yet understanding the limitations, he said he believed past history had shown Metro where some of those boundaries were. This was one of the clear lines that we do have. He would not support this motion as it stood. If it were amended to exclude area 87, he could support it, but at this time he couldn't support area 83 based upon the on the information they had. If you were to follow the logic of area 83 and Abbey Creek, the extension of lines would be right outside the study area beyond areas 87 and 84 out in EFU. He said he didn't think they had determined they were going as far as Germantown Road or any farther than that at this particular time. He said he thought area 83 was a Task 3 issue.

Councilor McLain commented that they had heard testimony from Mary Kyle McCurdy that sometimes the boundary stops at illogical places, sometimes in the middle of a field. Councilor McLain said the committee has to look at specific areas. There is general law, she said, but there are exceptions to the general law that apply at times if you're trying to improve or to build something like a complete community. There were ridges in this area and utility lines on one side, and other parts that make this area unique. Looking at the motion now on the table, we tried to put together what fits the law. They were trying to add exclusive farmland that would fill out the services needed for that exception land, and she said she thought the more compact form of areas 84, 86, 85, 87 allowed for the type of support for the Center. They were talking about service of the complete community. She thought they had to address area 83, but she said she didn't think they could address it at this time. You can't do both. You were choosing to look at the information and figuring out how to serve one part of that area.

<b>Motion #4 to Amend:</b>	Councilor Monroe moved, with a second from Councilor Hosticka, to amend Ordinance 02-987 to add area 83 (Bethany areas 84, 85, 86 and part of area 87).
----------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor Monroe said, on advice of counsel, they put the Bethany area in a separate ordinance because we were not sure what state law will allow in making logical decisions about managing the UGB. This was a test to see what was appropriate. He said he'd heard many times that they needed to have rational buffers between urbanization and agricultural activity. The whole Abbey Creek stream and riparian corridor was such a buffer. To take in the rest of areas 84, 85, 86 and 87 without area 83 would leave a piece of EFU land, right across from a shopping center and urbanization to the south and east, and cut off from other farming activity by riparian corridor of Abbey Creek to the north and west. Councilor Monroe said he was suggesting doing it logically to see if it floats. The same argument can be made against area 87 as were made against area 83. We have decided to bring in area 87, and should bring in area 83 as well.

Councilor Hosticka spoke to the amendment. If we were going to test the limits, he said, we might as well go as far as we can. He was persuaded that areas 83 and 87 were comparable areas in the sense that the same arguments applied. Including area 83 would create a more logical piece all together in terms of the natural boundaries of this area. He said was happy to second the amendment.

Councilor Bragdon said this amendment was not without its pitfalls, and would probably make the pitfalls a lot deeper and he would not support it. He said this had been discussed previously and he had not heard anything new to make him reconsider.

Chair Park commented that he would not support this amendment. He felt that the timing was incorrect and the argument for area 83 had not been made strongly enough. He reminded people that they were talking about this ordinance within the context of land for housing. If they were talking about this particular piece of property for industrial use perhaps the discussion would be different. Area 83 didn't appear to help us in that direction.

Councilor Monroe closed by saying he wasn't sure where the votes were. He still thought the logical thing to do was to allow the City of Beaverton the opportunity to plan this entire region with its effective natural boundaries.

<b>Vote #4:</b>	Councilors Atherton, Monroe, Hosticka voted yes, and Councilors Burkholder, McLain, Bragdon and Chair Park voted no. The vote was 3 aye/4 nay/0 abstain and the motion to amend Ordinance No. 02-987 to add area 83 failed.
-----------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<b>Motion #5 to Amend:</b>	Councilor Burkholder moved, with a second from Councilor Bragdon, to amend Exhibit B of Ordinance 02-987 to include the 6 <sup>th</sup> condition stated in Exhibit B of Ordinance No. 02-984 regarding bicycle and pedestrian access.
----------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor Burkholder said it was self evident that if they had a school site, they needed to provide safe access for children who don't drive. He said he wanted to state strong that schools should be expected to have good pedestrian bicycle access for the children that attend that school.

Councilor Bragdon said he heard a lot with regard to this site and being able to plan it comprehensively so it was a good community for people to live in and included a trail networks, riparian areas, transportation and road connections. This amendment was consistent with that idea so the school wasn't isolated. The proposed developers had said that they wanted to do this, too, to be consistent with their vision. Councilor Bragdon said he was supportive of this amendment.

Councilor Monroe said, on behalf of the Metro Council, he had been given the privilege of dedicating the Oaks Bottom bikeway this morning and was very happy to support this amendment.

Councilor Atherton had a question on the area the amendment addressed, and Councilor Burkholder explained the regional Street Design Guidelines in the Regional Transportation Plan (RTP). Chair Park asked if this condition would be included in all of the other ordinances as a blanket condition, and Councilor Burkholder said this condition was referenced in Exhibit B of Ordinance No. 02-984, and he was still discussing with counsel the possibility of bringing it forward as a general condition. He said he'd wanted to include this one in case they decided against a blanket condition.

Councilor Atherton said he could not support this unless it applied to the entire planning area, as that was the whole purpose of master planning. Councilor Burkholder asked counsel to further explain Title 11 conditions to all sites and how they had to comply with Street Design Guidelines of the RTP, etc.

Mr. Benner said one of the requirements of Title 11 was to do a transportation plan. That plan and the following plan amendments that Washington County or Beaverton would have to do would have to comply with the Regional Transportation Plan. To the extent that the RTP called for a street network, bike lanes, etc. the transportation plan that Title 11 requires would have to include those things. That planning requirement did not necessarily result in bike paths or lanes or footpaths to the school site. You would hope that they would but it doesn't require that specifically. If the committee wanted to require that specifically in relation to a school site, adding a condition was a good idea. The transportation planning does have to address bicycle and pedestrian modes.

Councilor Burkholder said the question Councilor Atherton was raising was whether bicycle and pedestrian modes were part of requirements of the conceptual plan.

Councilor Bragdon said this particular condition of Title 11 was completely appropriate because they were being asked to bring in a school site partly on the basis that the site would be one of the centerpieces of the community. Calling out specifically that it was important for the kids to be able to get there safely was important and went beyond the boilerplate regarding the transportation system planning.

Chair Park reiterated that the committee was working on Ordinance Nos. 02-984 and 02-987, and that this amendment had to do with 02-987.

<b>Vote #5:</b> Councilors Atherton, Monroe, Hosticka, McLain, Bragdon, Burkholder and Chair Park voted yes. The vote was 7 aye/0 nay/0 abstain and the motion to amend Ordinance No. 02-987, Exhibit B, regarding pedestrian and bicycle access passed.
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor Hosticka said he wanted to state a few issues about questions he had raised with Ms. McCurdy about the impact of doing this versus doing other things. He said this committee had heard considerable testimony about the effects of increasing the UGB in different areas. He said he'd like to talk about the ecological footprint which talked about how much land they had to take in and what effect they had on the environment for housing units and how areas compare to each other along that dimension. It seemed this area compared very favorably with some of the exception areas and some of the others areas in terms of housing large number of people in a compact area and less transportation impacts and less land consumption than other areas. He said the committee had also looked at the effect on natural resources in areas 37, 65, 67, south of Sherwood and in the Damascus area, and it seemed to him that the impact on natural resources in this area was much less per equivalent housing unit.

Lastly, he said, they looked at the desires of the local communities. If the committee compared this area where there is strong support from the local community to other areas where there was strong opposition from the local community, it would seem that this was a natural thing to do and made sense. Even though there may be some legal problems with this ordinance, from a policy perspective it met more of the objectives that they had put on themselves and expressed for consideration as they expand the UGB than a number of the areas that they had already brought in. He said he thought this was a very good thing to do.

Councilor McLain said she had listened and read all the reports. She said she didn't think there was any way to please everyone, that this committee had to do what they thought was the best public policy. She said they may be pushing the state when they said they wanted efficiency of service, to see if they really meant it when they said they want compact urban form that can help centers and regions. They acknowledged Metro's Urban Growth Concept. Did the state support it or was that just an acknowledgement, she wondered. She thought that was what they were asking the state. Councilor McLain said she wanted to protect farmland and forest land at all costs, but she understood that Washington County was surrounded by EFU land. She said the Metro Council has to prioritize which of those EFU lands help with other responsibilities and concerns and which should be protected at all costs. These choices had to be made, between all the good land. There was no bad land in Washington County, even 185th and West Union. She said she would support this ordinance.

Councilor Burkholder said they were making lots of choice here, and none were easy. He said he felt they were bound to look at rankings in terms of how does this help the 2040 Concept get realized. We do have areas that were all exception land that they had chosen not to bring into the UGB, using area 65 as an example, that was rated as well or higher than this area was for achieving our Goal 14 as well as our 2040 values. He said taking farmland when they had exception land that was available was not a good

precedent to take, and he didn't think it would stand up. He said they should be looking at area 65 before they looked at this area; therefore, he said he would not be supporting this ordinance.

Councilor Bragdon said he had nothing to add.

Councilor Monroe said since they didn't have the main ordinance (02-969) before them, that it had been passed out of committee and, after it was passed out, they had heard testimony from Beaverton that they were interested in area 65, so he said he would be moving to add area 65 on December 5th. He said he believed it was rational to bring that area in and that would take away one of the concerns for not doing Bethany.

<b>Vote #2:</b> Councilors Monroe, Hosticka, McLain, Bragdon and Atherton voted yes, and Councilor Burkholder and Chair Park voted no. The vote was 5 aye/2 nay/0 abstain and Ordinance No. 02-987, as amended, was approved.
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Chair Park said they would now consider Ordinance No. 02-984, the specific identified land need for the school site. Mr. Cooper reminded the committee that the conditions had the same error in that they referred to the City of Hillsboro, and that reference should be the City of Beaverton.

<b>Vote #3:</b> Councilors McLain, Bragdon and Chair Park voted yes, and Councilors Hosticka, Burkholder, Atherton and Monroe voted no. The vote was 3 aye/4 nay/0 abstain and the motion failed. Ordinance No. 02-984 was not approved.
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor McLain asked for clarification from Mr. Cooper. Her understanding was that the school district was making a case for this school serving both that area and population inside the UGB. Mr. Cooper said they had made that case based on evidence from the school district that they needed the site for students already inside the UGB. Councilor McLain asked if this ordinance did not pass and Ordinance No. 02-987 had some factors that would cause it to be put at the end of a list of things to do because it needed more work, if the school district could build until this was cleared up. Mr. Cooper said they could not build on the site unless all appeals were exhausted.

Chair Park called for a short break. The committee reconvened after 10 minutes.

Councilor Hosticka served notice of possible reconsideration of Ordinance No. 02-984. He said he thought there were many questions about the plans of the Beaverton School District as well as the legal limitations, and that he had not heard that discussion. If the Beaverton School District were to come in to address those issues at the next committee meeting, he said he would be happy to reconsider his vote and possibly move the ordinance forward.

Chair Park said for the record that there would be a Community Planning meeting on December 3rd. Councilor McLain said she would be responsible for asking the Beaverton School District to speak to the committee at that meeting, and that there were letters on file from the school district about why they wanted to have this separated out for opportunity to test the law on specific dedicated land use need.

Councilor Monroe said the Beaverton School District knew they were voting on this today and they didn't chose to send anyone. He agreed with Councilor Hosticka that if they wanted to come next week and give good reasons why the committee should reconsider this ordinance, then he would be joining Councilor Hosticka in reconsideration.

Councilor Bragdon said there had been intensive discussions about this issue at the legislature. It might be useful at the December 3rd meeting to have Mr. Cotugno help round out the picture.

Councilor Hosticka said a major question was timing in that they had voted favorably on an ordinance that included bringing the site that the school district wanted into the boundary. This was a backup ordinance in case that ordinance encountered difficulty. He wanted to know what the timing was in terms of how long it would take to resolve difficulties on Ordinance No. 02-987, when they planned to build the school, and would there be time to reconsider. He said he would like those questions answered and to have the school district tell the committee their plans.

Chair Park said the December 3<sup>rd</sup> meeting would begin at 2:00 p.m. (A copy of the amended ordinance, 02-983A, with Exhibit B, and a black and white map of the area, was distributed and is made a part of this record).

**6. ORDINANCE NO. 02-983, For the Purpose of Amending the Metro Urban Growth Boundary to add land for specific types of identified land need; and declaring an emergency.**

<b>Motion #6:</b> Councilor Bragdon moved, with a second from Councilor Burkholder, approval of Ordinance No. 02-983A (Shute/Evergreen site).
-----------------------------------------------------------------------------------------------------------------------------------------------

Mr. Benner reviewed the revised ordinance as to the new numbers (a copy of the revised ordinance, Exhibit B, and a black and white map of the area, were distributed and made a part of this record). The ordinance itself was unchanged in substance from first read last week, he said. The additions were to reflect the numbers from Urban Growth Report (UGR) as it stands following the last changes to the UGR. Exhibit A, which the committee did not have, he said, was a map of the property to show where it lies, and Exhibit C, which they also didn't have, will be the findings of fact to support the decision. Exhibit B was something the committee had looked at before, the conditions that would apply to the property. They were discussed at the meeting last week, Mr. Benner said, and these were the conditions that representatives from the City of Hillsboro and Washington County said they would accept and implement.

Councilor Bragdon said he had not seen the letter from the Washington County Commission on this site, but wanted to verify that it had been received.

Chair Park said it had, and he read the pertinent part of the letter for the record from Washington County Commission Chair Tom Brian stating their support of Ordinance No. 02-983 and that they will fully implement the conditions (this letter is included in this record).

Councilor Bragdon said this was discussed this last week and the case had been made, at least for him, that for a particular high-tech industry to thrive, this site with its particular characteristics was needed. This was being done at the expense of another important industry, so the bar had been set very high and was the reason for the conditions. If the case has been made for a specified land use, then the conditions are part and parcel of this, and with that, he said he would support this ordinance.

Chair Park opened public hearing on Ordinance No. 02-983A.

1. Al Burns, City of Portland, Bureau of Planning, 1900 SW 4<sup>th</sup>, Portland, OR 97214, said the City of Portland strongly supported the inclusion of this area under the specific type of land need provisions. The City of Hillsboro and Washington County made the case, he said, and there was no alternative site that could meet the identified need, within the UGB or around the perimeter. Portland congratulated the City of Hillsboro, it was a tough case but they made it, and the conditions will ensure that this site will be used to supplement this very important industry.

Councilor McLain said she had heard and seen support from Hillsboro City Council and staff, and asked Mr. Burns if there was competition for this. He said technical clusters require selective viewing, and in

Northwest Portland they had a silicone fabrication facility, but within the city of Portland they couldn't meet these specific site conditions. Hillsboro was the only provider.

2. Cindy Catto, Associated General Contractors, 9450 SW Commerce Circle, Wilsonville, OR 97070, said the committee had heard her say many times that AGC was in favor of adding this parcel. She submitted a letter from Commercial Real Estate Economic Coalition (CREEC) also voicing support for this recommendation (this letter is included as part of this record).

3. Mary Kyle McCurdy 1000 Friends of Oregon, 534 SW 3<sup>rd</sup> Avenue, Portland, OR 97204, said she was concerned with jumping Shute Road into the heart of the Tualatin Valley agricultural land. There were no natural boundaries here. Metro's proposed Conditions did not contain a concept of forming a permanent boundary in this area to protect Tualatin Valley agricultural land. She said she was alarmed at the speed with which Hillsboro and some council members last week were already discussing modifying the proposed Conditions in the future. If this area was included in the UGB, she said, the Conditions had to be tight and not modifiable, and she suggested talking about forming a permanent boundary in this area. There were ways to do that, she said, and that had not been addressed. The cart was ahead of the horse in that the discussion about agricultural/industry in Washington County, and the committee was looking at clearly taking land from one industry for another.

Regarding the conversation Ms. McCurdy said hadn't taken place, Councilor McLain said she, Chair Park and Ms. McCurdy had tried to have conversation about an edge at different times and different places. She asked Ms. McCurdy what she saw in the way of an opportunity in Periodic Review Task 3 where that conversation.

Ms. McCurdy said there may be an opportunity to have that conversation and to come up with some tools. Her concern was that they were going ahead here before that discussion occurred. There are a variety of tools that could be looked at that would be appropriate, she added. She gave an example of the City of Gresham's and Multnomah County's discussions taking place now on the Springwater proposal.

Councilor McLain commented to the three people who testified that this committee had talked about an economic strategy for region and how important it was to make sure there was both a regional strategy and industry strategy. She asked them to reflect on why it wouldn't be appropriate to have that dialogue on strategy first before getting into something with so many firm conditions. Ms. Catto said she was not an economic development expert and could only convey messages she had heard from conversation in which she'd taken part. Part of the concern she'd heard was this region had sent a very strong message to potential employers that we were not open for business. The more we send that message, the farther down the list we get as people plan out into the future. We must have an economic development strategy and we have to look at the region as an economic whole. We already have an existing economic cluster in Washington County that requires that we keep a level of visibility nationwide. We believe, she said, that by adding this in at this time, it keeps our foot in water in the bigger picture. We know that there are problems with it, we know that there are restrictions, and we know that we also need to have that broader economic development strategy. But that's coming, she said, and it's not five years away, it's being worked on now by a lot of very smart people. As we move forward, she said she thought we would have an economic strategy that augments the fact that this land is now available.

Mr. Burns said, following up on what Ms. Catto said, when we looked at these areas, we looked at areas that could come in under existing state law that could come on line quickly, particularly within the one to two-year time frame. Yes, he said, we probably would have a better understanding of how land needs need an economic strategy if we'd done the strategy first. This area popped to the top of the priority list as a specific type of land need.

Again, Ms. McCurdy said they had not had the economic strategy discussion so she said she couldn't say whether we need more small parcels or more large parcels or what, except based on past development trends, and they clearly know the high-tech industry in particular will look very different in five or ten years than it does now. She said again she thought this was premature, and since the hi-tech industry was not building anything anywhere now, there was time for that discussion.

Councilor Burkholder had a question regarding the City of Hillsboro letter and, in terms trying to identify the specified land use need, he asked for a definition of "flex" as they used it in the phrase, high tech/flex land needs." Ms. Catto deferred to the planners, saying terminology was not always same. She thought it was planning jargon. Ms. McCurdy said it was part of what raised alarms for her. Last week was first time it was read and there was already discussion then about modifying the Conditions and being flexible. If we need this land for large lot high-tech, she said, then we should stick to it and keep it for that. Mr. Burns said part of the answer was defined by specialty fire codes, and he referred to Condition 9, saying it described a high-tech facility and not a flex facility.

Councilor Monroe asked Ms. McCurdy if she knew the soil classification of this EFU property. She replied that she believed it was Class 1 and 2, but said Metro Planning staff probably knew for certain. Councilor Monroe said that's what he had been told. He then asked if she knew if it was currently being farmed profitably. Ms. McCurdy said she didn't know. She said she'd never known a farmer to claim making a profit. Councilor Monroe then asked, assuming that Hillsboro area did need large tracts of land for future industrial need, if she could think of any other properties in the Hillsboro area that would be preferable to this piece of prime farmland. Ms. McCurdy said she had not thought about it. Councilor Monroe said he had.

Councilor Atherton asked Mr. Benner if it was possible to put a condition that if this was brought in now, and there was no need or burning prospect to build on this within certain period of time, that it could be taken out in order to be consistent with the regional economic strategy. It said it sounded to him that this was more of a public relations UGB amendment than anything else.

Mr. Benner said if there was no need for this kind of development that complies with the conditions, he said he presumed then that the property would lie unused for an extensive period of time. When the Metro Council does Task 3, if nothing has happened on this property for a few years, they could look at the land once again to see if they want to change the designation of it. It was conceivable they could take this land outside the UGB. If Councilor Atherton was asking whether the council could put a condition on it that takes it into the boundary but only for a period of time and then it would automatically go out, Mr. Benner said he thought not, because that would not respond to the legal requirements that they would have to demonstrate in order to bring it in, in the first place.

Ms. Catto asked to respond. She said if her comments were interpreted as this land being only available as a PR strategy, that was not what she intended. She said AGC had evidence on the ground of a large employer leaving the area because there was no land available for them to expand in Washington County in close proximity to the high-tech cluster. She said AGC doesn't want that to happen again. For folks in Washington County to be active in the marketplace, seeking out employers to augment that high-tech cluster, they have to have land. There was plenty of evidence through the RLS and Metro's Urban Growth Report (UGR) that this kind of land is not available in Washington County that they needed. This proposal was an available land need to support that economic cluster.

Councilor Burkholder said Ms. McCurdy and 1000 Friends of Oregon raised some credible issues, and he said he thought the same issues would apply to bringing in area 87. It was the question of what was legally defensible as well as what was the right urban form, and they had not had those discussions. He said that was an important issue to recognize. Another issue he said he wanted to recognize was, as a regional body, they were not there to meet the needs, perceived or real, of any single jurisdiction within

their boundary, but to try to provide for the economic health and well being of the whole region. He said he thought this council supported that through expanding the Mt. Hood employment industrial lands in Clackamas County, because there was an even greater need there for employment opportunities for people who live here. He said last week that his concern was that these conditions were strong and actually achieved goals they wanted to achieve, and secondly, Washington County actually committed on a commission level to following those conditions. There was letter submitted to this council that stated unequivocally Washington County Board of Commissioners position that they will adhere to these conditions. Councilor Burkholder said his opinion was that these conditions would not change – they were very specific, for a specific purpose and any change would nullify the need for this piece of property. He said he felt these pieces were critical for this committee to move forward on this property.

Chair Park closed the public hearing.

Councilor Monroe said he had some serious concerns about the proposal for the following reasons: we need additional large industrial land and we need them in Washington County. That need may not be as immediate as last year because of what was happening in the economy, but it was a need that they ought to be addressing. Was there any other land in the Hillsboro area that was more appropriate that was not prime farmland for industrial uses, he asked. He said he thought there was. He believed that taking prime farmland out of production and putting it into urban use ought to be last resort as prime farmland was a non-renewable resource. Once it was gone, it was gone forever. He said the committee ought to be very cautious. Not all EFU land was prime farmland, some had already been lost because it was surrounded by urbanization, he said, referring to the St. Mary's property. Once it was prime farmland; it was surrounded by urbanization today, it was no longer under profitable farming use. He said he thought that Hillsboro ought to take a serious look at this property and the property just south of it as a potential for industrial use before they start moving that boundary into class 1 and 2 soils. Until these questions were answered and he could be assured that this was the only option available to continue the economic engine, he said he would be a no vote on this proposal.

Chair Park commented that this has been very difficult for him. There were a lot of sites available for residential lands that were non-EFU and that still could be used. He said he looked at RILS and the alternative sites available that were still exception land. The only other area that came to his mind that would have any potential, that hadn't been addressed, were those sites along I-5 by Wilsonville and Tualatin. The suitability for this type of need did not seem to work there. The fact was, he said, this was jumping the road and that concerned him. Washington County was not asking the same hard questions of Hillsboro as Gresham was of Multnomah County as to when enough was enough. He said he'd been looking at alternatives to this particular site or this particular action. One of his concerns, he said, as he did this was that the general mood of the governor-elect and others was to move more in this direction. He expressed concern that their cure may be worse than the condition now. As long as the strong Conditions were in place, he said he would support this, and said he hoped everyone remembered that this was done under a very specific circumstance and that the Conditions were designed especially for a high-tech use – if this use didn't materialize in 5 to 10 years, he hoped not to see big-box development put there because that was not what it was designed for.

Councilor McLain said Ms. McCurdy made an important comment about the conditions in Exhibit B. If Hillsboro had made the case for these 200 acres, would they then make the case for next 200 or 400-acre parcel with no edge? There would be no farming industry left in Washington County and she said that was criminal. Another point Councilor McLain addressed was that she didn't believe these were negotiable conditions, and she thought she heard Mr. Hughes say he hoped they were. She said she'd heard three or four committee members say that they would not be voting for this unless the Conditions were on it. She stated, for the record, that when they said those nine Conditions were the only way they'd start to consider it, the Conditions are not negotiable. They are there because they are supposed to be getting this site through a specific, designated land need. If these Conditions aren't on it, she said, she



didn't think the findings would stand up. If the findings do stand up with the Conditions, the council will not removed them because the site would have been brought in under a false pretense. She said she was leaning toward Chair Park's position in that she was worried that if the Metro Council did not recognize that this needed to be taken to the state to see what they say about it, that something would come back from the legislature or review by the governor that could possibly be worse.

Councilor Atherton asked if the EFU parcels south and west of the St. Mary's property were suitable for this type of industrial use, as a comparison. Mr. Cotugno said if the need was in general for large lot industrial that there was a variety of places to look, but this need was based upon access to the specific triple redundant electrical power and exotic gasses which were not available elsewhere. This was a more particular, specialized land need that unique from other locations.

Councilor Monroe reminded the committee that what the council decided December 5<sup>th</sup> was irrevocable, and that the buck stops here. It was the Metro Council's decision to make and this was most important reason they were elected, to manage the urban growth boundary. He stressed that the councilors needed to take that decision very seriously. To take the tack that if they don't do this, the legislature may later change the land use rules in a worse way and further damage prime farmland was, he thought, a fallow argument. The legislature can do what they want, but if they try to undo Oregon's land use law, they will come under huge, tremendous public pressure. He said he believed this committee needed to make the best decision, based upon the information they have today.

Chair Park commented that the buck stopped in Salem.

In closing, Councilor Bragdon said there was work to be done on a regional economic strategy but the fact was, the industrial large lot sector had been studied very, very carefully over the last 2 - 3 years, the Regional Industrial Land Survey already had established a generalized need for large lot industrial land. This was also about a specified land need relative to utilities. If this were land coming in for more one-story office buildings, on speculation, or for strip malls or big box retail, he said he would vote no, but the way this has been crafted, it's about high-quality jobs, and he urged his colleagues to vote for it.

<b>Vote #6:</b>	Councilors McLain, Bragdon, Burkholder, Hosticka and Chair Park voted yes, and Councilors Atherton and Monroe voted no. The vote was 5 aye/2 nay/0 abstain and Ordinance No. 02-983A was approved.
-----------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**5. ORDINANCE NO. 02-985, For the Purpose of Amending the Metro Urban Growth Boundary in the Vicinity of the City of Forest Grove by Adding and Deleting an Equivalent Amount of Land; and Declaring an Emergency.**

<b>Motion #7:</b>	Councilor McLain moved, with a second from Councilor Hosticka, approval of Ordinance No. 02-985 (Forest Grove trade).
-------------------	-----------------------------------------------------------------------------------------------------------------------

Councilor McLain, to the motion, reminded the committee of the lengthy discussion at their last meeting, and said she's placed in the record all the information she'd received from staff and from the City of Forest Grove. This ordinance would remove some wetland area that cannot be developed and trade it for 48-52 acres inside the UGB that would be used for residential. In doing this, transportation systems will be improved for both residential and industrial use, and also the industrial land will be better utilized.

There was discussion on the specifics of each parcel involved in the land trade. (A copy of a packet was distributed and included in this record that included a more clearly defined Exhibit A (the map) to the ordinance as well as Exhibit B (the Conditions), the Staff Report, Attachment 1 (the UGB Land Swap Proposal), and Attachment 2 (Design Type Map).

Chair Park said Councilor Bragdon had dropped off-line and wasn't sure if the connection could be remade.

One other Condition proposed by Councilor McLain, Chair Park said, was that this would not be complete until the road alignment was settled. Alignment would have to be in Forest Grove's adopted Transportation Service Plan. He asked Mr. Cotugno if that was written out, and Mr. Cotugno nodded yes. Chair Park said he also thought this was something he didn't believe was legally anticipated, that it may be something that was done once. There was no clear path, legally, of what they were trying to do, that it would create policy. He said he would support it, however, because it made sense.

<b>Vote #7:</b> Councilors Burkholder, Atherton, Monroe, Hosticka, McLain and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and Ordinance No. 02-985 was approved. Councilor Bragdon was not available for this vote.
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**6. ORDINANCE NO. 02-986, For the Purpose of Amending the Metro Urban Growth Boundary to Add Land for a Road Improvement in the Sherwood Area, East of the Pacific Highway and North of the Tualatin-Sherwood Road; and Declaring an Emergency.**

<b>Motion #8:</b> Councilor Hosticka moved, with a second from Councilor Burkholder, approval of Ordinance No. 02-986 (Sherwood area).
----------------------------------------------------------------------------------------------------------------------------------------

Councilor Hosticka said the purpose of this ordinance was to add some land to the UGB so the City of Sherwood could complete a transportation circulation system in what's called the Six Corners area, where Hwy. 99W and SW Tualatin Sherwood Road intersect. (A packet was distributed and is included in this record that included Exhibit A (a map), Exhibit B (Conditions), the Staff Report, and Attachment 1 (Design Type map). Councilor Hosticka said the almost exclusive farm use land was almost completely surrounded by the existing UGB and was actually in use primarily as an electric substation. Including this site in the UGB would not be affecting the farming community but improving transportation circulation in an area that has already reached severe limits. He asked Mr. Cotugno to explain the proposed road alignment in more detail, and added that this was inclusion was requested by the city of Sherwood. Mr. Cotugno spoke to the projected map, the borders of the site and the transportation factors, and discussion followed on the topography, current use and projected future of the site.

Mr. Cotugno said this proposal dealt with the property to the east of Hwy. 99W only. Councilor Hosticka said there had been previous discussion to bring in the area west of the highway, as well, as said he would add that to his motion unless someone wanted to look at it separately.

Councilor Burkholder, as seconder of the main motion, expressed concern about splitting tax lots and said he would like to look at it separately. Chair Park said discussion would remain on the substation property only.

Councilor Hosticka said this was a small amendment to the UGB and had the effect of straightening out the boundary line as well as allowing transportation improvement. It would not affect the agricultural community in any significant way because the vast majority of the land being considered was not currently in agricultural use.

Parliamentarian Councilor Monroe said if the committee wanted to consider the other side of Hwy. 99W, they would need amendment to the ordinance before them, that there was no other vehicle to consider the other piece of property. Councilor Hosticka asked Mr. Benner if Task 3 would provide that opportunity if more information and the general case was developed to a higher level in the future. Mr. Benner said Task 3 talked about filling the unmet need for industrial land, so if Sherwood proposed to add this tract

for industrial use, yes, it probably could be considered in Task 3. If it were somehow implicated by a decision that the council made in Task 3, then they might be able to address it.

<b>Motion #9 to Amend Motion #8:</b>	Councilor McLain moved, with a second from Councilor Monroe, to amend Ordinance No. 02-986 to include the EFU land to the northwest of the proposed addition, as outlined on the map (Hosticka #2, Highway 99W, included as part of this record).
--------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor Burkholder asked if this would split the two tax lots and Mr. Cotugno replied that one property owner had asked for them to be split for farming use on the bottom half and development on the top, and that the other lot was the same topographical configuration. Any land division would have to be initiated by the land owner, Mr. Benner said.

<b>Vote #9 to Amend Motion #8:</b>	Councilors Monroe, Hosticka, McLain, Atherton and Chair Park voted yes. Councilor Burkholder voted no. The vote was 5 aye/1 nay/0 abstain and Ordinance No. 02-986 was amended to include the EFU land as stated above. Councilor Bragdon was not available for this vote.
------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

To main motion, Chair Park said if the power substation were not currently on this land, this wouldn't be an option, and if the land was needed for a power substation, the council would have made the decision to bring it into the UGB first. Councilor Burkholder again expressed his concern about splitting the two tax lots in the approved amendment. Councilor Hosticka said looking at the entire scope of the area and looking at the natural boundaries defined it for him. Mr. Cooper, responding to a request for definition from Councilor Atherton, said there were no hard and fast rules about property lines within the UGB.

<b>Vote #8:</b>	Councilors Atherton, Monroe, Hosticka, McLain, Burkholder and Chair Park voted yes. The vote was 6 aye/1 nay/0 abstain and Ordinance No. 02-986, as amended, was approved. Councilor Bragdon was not available for this vote.
-----------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**6a. DRAFT ORDINANCE NO. 02-XXX, for the Purpose of Amending the Urban Growth Boundary to Add Land in the Cornelius Area; and Declaring an Emergency.** (A copy of the ordinance was distributed and is included as part of this record. There were no Exhibits, Staff Report or Attachments included at this time.) Councilor McLain explained that two pieces of exception land were considered in the main UGB ordinance (02-969), and the reason for that was because it was exception land and didn't need to be in a separate ordinance. After hearing testimony last week, and meeting with the City of Cornelius this past Monday, she suggested the following changes and asked that it be considered at the December 3<sup>rd</sup> committee meeting. Councilor McLain then explained her request using the projected map (a copy of which is included in this record).

Councilor McLain said the pieces in the main ordinance were the two exception lands, marked A and B, which were areas 75 and 76. The piece of property she wanted to add by means of this ordinance was marked Y and was between A and B. The City of Cornelius indicated in their original request as well as in a letter they'd sent to the council, and in their review of staff work, that they believe they have made the case for why they need to bring in the EFU land (Y) between areas 75 and 76 (A and B), and that they feel without that land, areas A and B could not be serviced nor useful to them. Councilor McLain said there were also sewer considerations, which was one of the reasons why Cornelius said they needed the Y parcel. The Conditions, Councilor McLain said, would read that this use was for only industrial.

This would also add to the limited supply of industrial land, Councilor McLain said. Cornelius did ask for another piece of industrial land west of the parcel marked A, but they don't believe they can make the case as strongly as with A and B, so that's why they have not requested it at this time.

There was discussion on the topographical features of the area. Councilor McLain said, quite frankly, that if this weren't Cornelius requesting it, she would have hard time voting for it but they were asking for industrial land. She said Cornelius believed they had adequately explained why and that their findings were solid.

Councilor McLain then spoke of the parcel marked D on the map, and said it was 16 acres of exception land along TV Highway. Cornelius had asked for that piece to be brought in along with the other parcel. She said she'd tried to convince this committee that maybe they would wait until next year when industrial land was looked at, but Cornelius said they didn't believe that was a good reason to wait because their analysis was that they'd rather have D now than wait for the Industrial Land Study.

Councilor Burkholder asked if the committee would act on this today, and Councilor McLain said she'd asked that it be presented today and then, at the will of the committee, it could be discussed today or on December 3<sup>rd</sup>. Chair Park reminded her that it hadn't been first read at the council level, so if it that were done on December 5<sup>th</sup>, the first opportunity this committee would have to act on it would be on December 12<sup>th</sup>. Mr. Cooper said it could possibly be acted upon by council on December 10<sup>th</sup>, but he'd need to check the timing in the charter.

Councilor McLain commented that she'd had many calls from people who said they couldn't believe the Metro Council was going to hear public testimony on December 5<sup>th</sup> and then act on the UGB on the same night.

Councilor Burkholder said he just wanted to know if they were going to talk about this ordinance now or if it was presented for information purposes and would move forward through the process. Councilor McLain said it was up to the committee. Councilor Burkholder said he was asking the chair.

Chair Park asked the committee their interest. Councilor Monroe asked if they needed to vote to have this introduced as committee bill. He noted that Councilor McLain nodded yes, so he said that would be an appropriate thing to do, and he said he would make such a motion. Councilor Monroe also said if December 5<sup>th</sup> was the committee's last meeting, that by a suspension of the rules, they could act on it then, but that would take five votes.

<b>Motion #10:</b> Councilor Monroe moved, with a second by Councilor McLain, to introduce for discussion Ordinance No. 02-XXX (City of Cornelius request, area Y between areas 75 and 76).
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<b>Vote #10:</b> Councilors Hosticka, McLain, Atherton, Monroe voted yes. Councilor Burkholder voted no, and Chair Park abstained. The vote was 4 aye/1 nay/1 abstain and Ordinance No. 02-986, as amended, was introduced for discussion. Councilor Bragdon was not available for this vote.
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Chair Park said the basic outline of this had been distributed, and now he assumed she would work out the details with staff before December 3<sup>rd</sup>. She agreed, and mentioned again that the council at least consider not having the final vote on the main ordinance not be until December 10<sup>th</sup> or the 12<sup>th</sup>, if necessary, because of the comments she'd heard.

Chair Park said this was Presiding Officer's call. Councilor Burkholder, as a point of order, said this was not a committee decision and was a discussion for outside this meeting. Chair Park agreed.

**8. ORDINANCE NO. 02-988, For the Purpose of Establishing Regional Fiscal Policies Regarding Land Added to the Metro Urban Growth Boundary and Implementation of the 2040 Growth Concept; and Declaring an Emergency. (A copy of this ordinance was distributed and made a part of this record.)**

**Motion #11:** Councilor Burkholder moved, with a second by Councilor McLain, to substitute Resolution No. 02-3255 (Regional Fiscal Policy).

(A copy of the substitute resolution and a copy of the staff report was distributed and made a part of this record.) Councilor Burkholder, to his motion, said the first reading of the ordinance had taken place the previous week, and he would like to substitute the resolution for two major reasons. One of the points the resolution addressed was to look at the issue of capturing for various regional public purposes some of the value that is created through the action of the Metro Council bringing land into the UGB. The other point addressed looking at the inequities that were so apparent in the City of Cornelius' and Forest Grove's petitions to Metro to bring land into the UGB to provide them with more fiscal capacity. Because this was a major step so late in the process, Councilor Burkholder said he was asking for the resolution to be approved that stated that these were issues of concern and that would direct next year's Chief Operating Officer to study and propose options on both of these issues for the council's consideration. He said an ordinance proposing a new chapter and title in the Metro Code was too large of a step to take at this time, but said he would like to maintain some momentum and direction for the agency on these were two critical issues.

Councilor Hosticka spoke in favor of the general idea, and said he thought it important that this get started as soon as possible. He said he hoped Metro would begin working with the state legislature to see if they could make progress on this, as well, and said he hoped the resolution was written in a way that didn't preclude that option but actually states that intent. On both issues, he said, some fundamental changes would probably be needed in the way the current local government finance system is structured, and those changes could possibly be achieved by having a vote of the people in the region, as this anticipated, or by actions of the legislative body. He'd like to keep the latter avenue open, he said, and state the Metro is trying to work through that process as well as considering some action on our own.

Chair Park said his interpretation of the way the Resolves in the resolution were written was that it was wide open, and asked Mr. Cooper for verification. Mr. Cooper said the council was going to separately establish its legislative agenda, and this resolution, as written, would not conflict be inconsistent or conflict with any direction the council would give to the Chief Operating Officer, lobbying team, etc.

Councilor Hosticka said his question arose out of the fourth Whereas, and he said he thought the possibility was there.

Councilor McLain said she could support this if three words were added in the Resolves, specifically amending the language to read, "Directs the Chief Operating Officer working with the Council to study and propose . . ." in each Resolve. Councilor Burkholder said he would accept those as a friendly amendment, and he suggested perhaps also adding other jurisdictions in the region to that, and said he and staff work on this before it went before the council. It would take a long discussion, he added, and would take some work before it was finished. Councilor Atherton added that this was important enough that they all needed to give it more thought.

**Vote #11:** Councilors McLain, Burkholder, Atherton, Monroe, Hosticka and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and Resolution No. 02-3255 was substituted for Ordinance No. 02-988. Councilor Bragdon was not available for this vote.

Chair Park said if there were no objection, the resolution would be back before the committee on December 3<sup>rd</sup>.

**9. RESOLUTION NO. 02-3254, For the Purpose of Direction to the Executive Officer to Establish a Centers Team within the Planning Department and to Commence Implementation of the Centers Strategy.**

<b>Motion #12:</b> Councilor Burkholder moved, with a second by Councilor Monroe, approval of Resolution No. 02-3254 (Centers Strategy).
------------------------------------------------------------------------------------------------------------------------------------------

(A copy of the Staff Report to this resolution, which includes the Proposed 2040 Centers Work Program, was distributed and is included as part of this record.)

Chair Park told the committee that this was an important part of creating the Centers Policy, and would be a commitment of resources to actually make Centers work. Ms. Bernards, Senior Regional Planner, spoke to the resolution and staff report, saying the resolution gave direction to staff to set up the internal team for the 2040 Centers Program, and she called the committee's attention to the Work Program. She asked them to note in the Staff Report that it listed under the Budget Impact section that this was an Add Package for dollars and additional full-time employees (FTE).

Councilor Hosticka said he had not reviewed this, that there were substantial issues on priorities to Planning staff as well as budgeting issues. He suggested they take more time to consider it in the full context in which it was being proposed before taking action.

Chair Park said this was part of what was put forward as part of the Centers strategy to try to obtain the 29%. He said the committee had given a partial nod to this as part of the new Title 6, and there was also a piece that dealt with performance measures, and a requirement dealing with the state issue.

Ms. Bernards said this program would partially implement the new Title 6 as one of the Exhibits to Ordinance No. 02-969. In addition, she said, she mentioned the new reporting requirements as set forth in that ordinance.

Councilor Monroe said he supported setting this over to the following week. Councilors Monroe and Burkholder both suggested some typographical and language corrections, for clarity. Mr. Cotugno said the timing of this was intended to show action to LCDC that Metro has called for a more aggressive Centers strategy and are taking the initial steps to get started on implementing those steps. There are clearly more steps to take.

Councilor McLain said that, in concept, she agreed but said she hoped this would be postponed until December 3<sup>rd</sup> or even later because it was important, there were a lot of policy comments in it, and she wanted time to discuss it more and can concentrate on doing it right.

Councilor Hosticka clarified his issues of concern in that the Planning Department and this council had a number of items on their agenda for the future which included completion of the fish and wildlife habitat program, what role Metro will have in the planning for Damascus, and this was to set up a team to do Centers. He said he'd like to see all of those laid out so they can consider this proposal in the context with all the other tasks for the near future, Task 3 included, so they can see just where they're allocating our resources and which take priority. In and of itself, he said, it was a good idea, and he supported the idea, but he wanted to see how it stacked up against the other ideas.

Chair Park asked counsel if this needed to be included in the legislation that would go to LCDC on December 20<sup>th</sup>. Mr. Benner said he thought it needed to be part of that package, but he said he didn't

think it had to be adopted at the same time they adopted 02-969 or the other ordinances. Mr. Cooper added that the advice they were dispensing was that the council needed to have something that said they had started the process, that they were serious. As Mr. Cotugno had said, Mr. Cooper reminded him, this doesn't call for the council to make the budget decision, but simply said one would be proposed that they would have under consideration.

Councilor Burkholder said earlier Councilor Monroe mentioned that the most important job this council does is the urban growth boundary. He said he differed in that he believed their most important job was creating urban spaces and urbanization. This resolution was it, he said, and he felt it critical that they move on it before they adjourn for the year. This was why he ran for his council seat. He asked them to look at it carefully, make sure they were comfortable with the direction it gives.

Councilor McLain said they should also be prepared to make amendments to it if it was going to go down to LCDC. Another element, she said, saying Councilors Hosticka and Burkholder made good points, that they all agreed they wanted to do this, it was just when, how much and how it related to everything else.

Chair Park said on this resolution would be on the agenda on December 3, 2002. He then told the committee there were a few clean-up items that needed to be addressed.

**9a. Study Area 25, Oregon City.** Tim O'Brien, Associate Regional Planner, said last week this committee included some resource land next to the school. The City of Oregon City was now looking at the analysis for water and sanitary sewer to include the other resource land (Mr. O'Brien was indicating these parcels on a projected wall map). He said Oregon City would probably present this the following week to the committee.

**9b. Study Area 61 (Tualatin/Wilsonville area).** Mr. O'Brien, again speaking to a map, said the committee had asked him last week when this was discussed whether or not parcels were being cut off. He said then that they were not, but he now said he was wrong. He explained on the map which parcel was being cut off. Discussion followed on the property ownership, the acreage, and the use of the parcels. Chair Park asked the committee to think about this for potential changes in Ordinance No. 02-969.

**9c. Study Area 94 (Forest Park).** Mr. O'Brien distributed a memo from him to Chair Park re Study Area 94 (included as part of this record), which he spoke to. This report on area 94 was in response to a request from the committee at their November 19<sup>th</sup> meeting.

1. Al Burns, City of Portland Planning Bureau, spoke to his own maps regarding Forest Park. He said Portland has acknowledged the Goal 5 program in this area, that most of it is identified as an environmentally sensitive area, and most of it drains to the Willamette River through Forest Park. Mr. Burns then spoke to some specific parcels, which he did not identify, and said the average lot size was 20 acres. [Mr. Burns' comments on the maps were either barely discernible as he was not speaking properly into the microphone or were simply not identifiable.] Portland's strategy and their position on this site, he said, was not that they didn't want it inside the UGB, but later, and it rates the lowest on the priority scheme. They are the proud provider of every municipal service they can; however, he said, they can't be the sewer provider because they cannot change the law of gravity. The logical development pattern is to come up with the sewers from Washington County/Clean Water Services through area 93 to get to this area, eventually. He said he hadn't done exact calculation, but he said he imagined that without sewers there was a potential of perhaps 20 more residences in a 500-acre area. Bringing 500 acres into the UGB for 20 units was not an urbanization decision, he said. It was not a matter of metropolitan concern. Portland's strategy was to hold the site in 20-acre lots until they could get sewers, and then, in the unconstrained spots along Skyline, do some pockets of more dense development to provide some

residential opportunities up there. He said they anticipated an urban reserve strategy, and anticipated Metro's own Title 11 regulations that would require 20-acre lot sizes until they could serve it. Mr. Burns said he also had Metro's own Goal 5 Inventory that indicates 94 was the highest value of category of value for wildlife and riparian habitat and also Metro's Greenspaces Program has it identified as a high value greenspace

Councilor Monroe said to Mr. Burns that bringing area 94 into the UGB would not tie the city's hands. Mr. Burns replied that, other than the fact that we're supposed to bring land in for urbanization – over 20 years, Councilor Monroe added – as long as they can wait and Metro wasn't directing Portland to run a sewer through Forest Park or repeal their overlay zone, he said Portland didn't have a problem with it. He said it just seemed the area was a natural for an urban reserves designation rather than including it in the UGB at this time. Councilor Monroe said the concept of urban reserves was thrown out by the courts, so that's not an option. He said he had trust that the City of Portland will allow inappropriate development in this area, but make its decisions thoughtfully and carefully, and that the development would happen appropriately over the next 20 years.

Mr. Burns again spoke to specific [unidentified] areas, and said Portland may in the future ask that part of Forest Park be taken out of the UGB.

Councilor McLain said she thought this committee understood the uniqueness of this area and the biggest problem with it was, why didn't Portland just take it out of the city limits. Mr. Burns replied that it was in the city of limits before SB 100 or Metro. Councilor McLain again asked why Portland didn't just deannex it. Mr. Burns said that requires a double or triple consensus to deannex, and Portland was the proud provider of many urban services including a very expensive water system, a new fire station, a transportation system, and the one service they can't provide was sewer. Councilor McLain said they'd been told that Clean Water Services can provide that, and said Mr. Burns had repeated that.

Chair Park said he didn't want the committee to get into this now, this was supposed to be information for capacity. Mr. Burns said he would send a letter for argument.

9d. Councilor Burkholder said he had two small amendments to Ordinance No. 02-969 (distributed and made a part of this record). The first was beefing up direction to the council about how they use the 2040 Concept in determining future UGB decisions, and the other was to put a little more teeth in the direction to school districts to prioritize school sites within the UGB in existing neighborhoods. He said he would be bringing these forward as part of the amendment process.

10. **COUNCILOR COMMUNICATIONS.** There were none.

There being no further business before the committee, the meeting adjourned at 5:09 p.m.

Respectfully submitted,

Rooney Barker  
Council Assistant



**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF NOVEMBER 26, 2002**

The following have been included as part of the official public record:

Agenda Item No.	Topic	Doc. Date	Document Description	Doc. Number
2.	Consideration of Minutes	11-7-02	Minutes of the Metro Council Community Planning Committee Regular Meeting	112602cp-01
		11-22-02	Minutes of the Metro Council Community Planning Committee Regular Meeting	112602cp-02
3.	Ordinance No. 02-983	11-26-02	Ordinance No. 02-983A	112602cp-03
		11-26-02	Exhibit B to Ordinance No. 02-982A, Conditions on Addition of Shute Road Site to UGB	112602cp-04
		Undated	Attachment 2 to Ordinance No. 02-983, 2040 Growth Concept Map Design Types	112602cp-05
		11-26-02	Letter to Rod Park from Tom Brian, Chair, Washington County Board of Commissioners, re Metro Ordinance No. 02-983	112602cp-06
		11-26-02	Letter to Carl Hosticka from Mike Tharp, Chair, Commercial Real Estate Economic Coalition (CREEC) re Ordinances #02-983 and #02-985	112602cp-07
4.	Ordinance No. 02-984	Undated	Attachment 2 to Ordinance No. 02-984, 2040 Growth Concept Map Design Types	112602cp-08
5.	Ordinance No. 02-985	11-25-02	Packet including Exhibit A, Exhibit B, Staff Report, Attachment 1 to Staff Report, Attachment 2 to Ordinance No. 02-985	112602cp-09
6.	Ordinance No. 02-986	11-21-02	Packet including Exhibit A, Exhibit B, Staff Report, Attachment 1 to Staff Report	112602cp-10
		Undated	Marked map of Exception Land to be included in amended Ordinance No. 02-986 (see Motion #9 to Amend Motion #8)	112602cp-11
7.	Ordinance No. 02-987	11-21-02	Packet including Exhibit A, Exhibit B, Staff Report, Attachment 1 to Staff Report	112602cp-12
		Undated	Map (Metro UGB Study -- Scenario 3) with marked areas	112602cp-13
		11-25-02	Memo to Rod Park from Lydia Neill re Servicing Information for the Bethany Area: Areas 83, 84, 85, 86 and 87	112602cp-14

Metro Council Community Planning Committee Meeting Minutes

November 26, 2002

Page 22 of 23

Agenda Item No.	Topic	Doc. Date	Document Description	Doc. Number
7.		11-25-02	Letter to Tim O'Brien from Nora M. Curtis, Clean Water Services re Sanitary Sewer Service, UGB Study Areas 83-87	112602cp-15
4.	Ordinance No. 02-984	Undated (received 11-26-02)	Metro UGB Study Area 85W, Chronology of Land Use Decisions (and 2 maps), submitted by Cheryl Perrin for the record	112602cp-16
4.		Undated	Colored maps presented by Don Guthrie and Fred Holz, to their testimony	112602cp-17
6a.	Ordinance No. 02-xxx	Undated	Ordinance No. 02-xxx, for the Purpose of Amending the Urban Growth Boundary to Add Land in the Cornelius Area; and Declaring an Emergency	112602cp-18
		Undated	Map, City of Cornelius Requests 2002 UGB Expansion to Include: Exception Areas A, B & D; and EFU Areas X & Y	112602cp-19
8.	Ordinance No. 02-988	11-26-02	Ordinance No. 02-988, For the Purpose of Establishing Regional Fiscal Policies Regarding Land Added to the Metro Urban Growth Boundary and Implementation of the 2040 Growth Concept; and Declaring an Emergency	112602cp-20
	Resolution No. 02-3255 (substituted for Ordinance No. 02-988)	11-25-02	Resolution No. 02-3255, For the Purpose of Directing the Chief Operating Officer to Prepare Recommendations and a Report Addressing Options on a Regional Fiscal Policy Regarding Land Added to the Metro Urban Growth Boundary, and Staff Report	112602cp-21
9.	Resolution No. 02-3254	11-02	Staff Report to Resolution No. 02-3254 (includes Proposed 2040 Centers Work Program)	112602cp-22
9b.	Study area 61	11-21-02	Black and white maps (2) of Study Area 61 (Tualatin/Wilsonville area)	112602cp-23
9c.	Study Area 94, Forest Park.	11-26-02	Memo to Rod Park from Tim O'Brien re Study Area 94.	112602cp-24
9d.	Ordinance No. 02-969, amendments	Undated	Burkholder Amendment #2, Ordinance No. 02-969	112602cp-25
3.	Study Area 83	11-25-02	Letter to Metro Council from Alan M. Roodhouse, President, RPS Development Company, re West Union Village; Inclusion of Area E-3 in Expanded UGB, submitted by Dirk Knudsen	112602cp-26

**TESTIMONY CARDS.**

Hal Bergsma, Principal Planner City of Beaverton PO Box 4755 Beaverton, OR 97076-4755	Don Guthrie 3300 NW 211 <sup>th</sup> Terrace Beaverton, OR	Fred Holtz, Vice President and Director of Development Services LDC Design Group 3300 NW 211 <sup>th</sup> Terrace Beaverton, OR
Mary Kyle McCurdy 1000 Friends of Oregon 534 SW 3 <sup>rd</sup> Avenue Portland, OR 97204	Mark Dane 13005 SW Foothill Portland, OR 97225	Dirk Knudsen 5517 NW Skycrest Parkway Portland, OR 97229
Jin Park 13555 NW Laidlaw Rd. Portland, OR 97229	Darrell Smith 8835 SW Canyon Portland, OR 97225	Al Burns Bureau of Planning City of Portland 1900 SW 4 <sup>th</sup> Portland, OR 97214
Cindy Catto Associated General Contractors 9450 SW Commerce Circle Wilsonville, OR 97070	(Did not testify) Ryan Jeffries 8835 SW Canyon Lane Portland, OR 97116	(Did not testify) Kathryn Beaumont City of Portland 1221 SW 4 <sup>th</sup> Ave., #430 Portland, OR 97204

**MINUTES OF THE METRO COUNCIL  
COMMUNITY PLANNING COMMITTEE MEETING**

Tuesday, December 3, 2002  
Metro Council Chamber

**Members Present:** Rod Park (Chair), Bill Atherton, David Bragdon, Rex Burkholder, Carl Hosticka, Susan McLain, and Rod Monroe

**Members Absent:** None.

**1. CALL TO ORDER AND ROLL CALL.** Chair Park called the meeting to order at 2:17 p.m.

**2. CONSIDERATION OF THE MINUTES OF THE NOVEMBER 19, 20 and 26, 2002, COMMUNITY PLANNING COMMITTEE MEETINGS.** There were no minutes available to approve.

**3. CONTINUATION OF AGENDA ITEMS FROM NOVEMBER 26, 2002**

- **Specific Land Need Ordinances.** Chair Park said 02-969 was not in front of this committee today and explained to the audience why. Any person who had signed up to testify to that ordinance, he said, would need to save their testimony for Thursday at the Metro Council hearing.

- **Ordinance No. 02-984, For the Purpose of Amending the Metro Urban Growth Boundary to add Land for a Public School in Study Area 85; and Declaring an Emergency.** (Bethany, area 85).

**Motion #1:**

Councilor Hosticka moved, with a second from Councilor McLain, moved reconsideration of Ordinance No. 02-984.
---------------------------------------------------------------------------------------------------------------

Councilor Hosticka said information received during the week on prompted him to request this reconsideration.

**Vote #1:**

Councilors Burkholder, Atherton, Monroe, Hosticka, McLain, Bragdon and Chair Park voted yes. The vote was 7 aye/0 nay/0 abstain and the motion to reconsider Ordinance No. 02-984 passed unanimously.
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Chair Park opened a public hearing on Ordinance No. 02-984.

1. Robert Fisher, Beaverton School District, 5633 Yorkshire Ct., Lake Oswego, OR 97035, said he was the Assistant Superintendent of the School District and thanked the committee for the opportunity to make comment and for reconsidering. He apologized for not being at last meeting but said he was under impression that the committee would not be taking testimony then, and he had planned on coming today. Mr. Fisher spoke of the district and what, in the district's judgment, met the special needs criteria of their application. His main point was that the school district enrollment had grown, was projected to continue growing, and that this site was needed for a school and why they needed the 10 acres for it. The school district's desire was, because of the special needs, their request be addressed on a separate ordinance because of their immediate need. They did not want to become entangled with the other issues or possible controversies of Ordinance No. 92-969 because they felt those may take years to solve, and their need was now.

Councilor Monroe asked if the district would be immediately developing the site, were it to coming into the urban growth boundary (UGB), because if none of the Bethany land came in it would seem unusual for the district to build a school there, not even adjacent to the current UGB. Mr. Fisher responded that Springville Road, just south of this site, is in the UGB. Jacob Wismer School is already full, he said.

The school district has the funds right now to build a school, and if Metro approves the site going into the UGB, then they'll look at where the next school will come. The need is now, Mr. Fisher said.

Councilor Monroe asked about infrastructure costs, and Mr. Fisher introduced Mr. Mike Maloney.

2. Mike Maloney, Beaverton School District, Executive Administrator for Facilities, 16650 SW Merlo Rd., Beaverton, OR 97006, replied to Councilor Monroe's questions, saying the development cost would be significantly higher than if they had to bear it alone, by several hundred thousand dollars.

Further discussion centered on the school district's reason for wanting the property addressed in a separate ordinance. Responding to a question from Councilor Hosticka on Metro's legal position if they approved this in an adopted second ordinance and had essentially two ordinances forwarded to the Land Conservation and Development Commission (LCDC), both bringing the site in, one alone and one in conjunction with a number of other areas. Dan Cooper, General Counsel, said if a separate ordinance for the school district was justified simply on the grounds that they'd established a need, and there is no other available ground within the UGB, it could stand alone. The fact that services might be cheaper if the entire area were brought in was not a reason not to do it. Mr. Cooper also said they all recognized that no one has done anything like this before, so this is uncharted legal precedence, he said. He said it was not inconsistent that a school site was needed; they've established a specific identified land need for that type of land, this is a site they control, and it works for the school. This passes the first ordinance. The second ordinance is a much bigger area where the findings are going to be justified not on the school site, but on the fact that you're bringing in exception land and other land to provide services to it.

Mr. Cooper, responding to a question from Councilor Park, said there was a statute that said if you have a school district that has an adopted school facility plan that's been incorporated into the comprehensive plan of the local jurisdiction and it identifies the need for a site and none are available within the UGB, there are many measures that can be taken, including requesting an urban growth boundary amendment. That is an unnecessary for the Metro Council to adopt a specific identified land need ordinance to add land to the UGB for a school, but it's a separate path. Mr. Cooper said he understood from Mr. Cotugno's Planning staff that the School District had developed a factual case for the fact that they need an additional site for an elementary school somewhere in the northern part of the district near Bethany, and there are no available sites inside the UGB for a school, so that test was met. He did say he did not think they had their school facilities plan all the way through the procedural steps of having it adopted into the comprehensive plans of the City of Beaverton and Washington County for the unincorporated area, but that's not a necessary requirement. Under the statute, if they'd gotten that far, then they'd be in a more formal step of actually requesting it. The fact that Metro's timing is such that the council is considering UGB amendments in general, Mr. Cooper told the councilors, and their willingness or unwillingness to do this is what has put this in front of them.

Mr. Fisher asked to share that if the School District didn't feel they needed to outside the UGB, they wouldn't do it. This was an issue of how to meet the need of such a fast growing enrollment when there was no land to build schools.

Councilor McLain, speaking to Mr. Cooper, said it was her understanding from a previous meeting in the governor's office that if the school district could actually show the specific designated land use need that it was more than appropriate for them to do that while Metro was in the middle of Periodic Review, that this would be the time for them to make their request. She also asked about the order of where they take it first. Mr. Cooper replied that it Councilor McLain was asking if it was legally necessary for them to have gone thru every single step in that statute to be in front of them to request Metro to include this land, the answer was no.

Chair Park asked Mr. Fisher if the district was interested in other sites outside the UGB, now or in the future. Mr. Fisher said that would depend on where the enrollment growth goes. Right now, he said, they don't have the funds to purchase anything. This one is their focus and is a test case, he added, and gives them an idea if it's feasible, which they anticipated that it was.

Councilor Bragdon, regarding the proposed school being the centerpiece of the community and accessible instead of being on the edge, said schools already within the UGB have to accommodate growth. He asked, if the surrounding area were not brought into the UGB, how far the children would be coming from if there were no neighborhood around the school and also how they would get to school. Mr. Fisher replied that some would come from across the street, because south of Springfield Road is developed. Council Bragdon said he understood the legal imperative of having this in a separate ordinance and he supported it, but he said he doesn't think this was a good planning product if the school was isolated without a neighborhood around it.

Mr. Fisher said they were not working under ideal conditions, that there isn't land to purchase in the Beaverton School District and the kids keep coming. This is not an ideal site, he agreed, but it will serve the need at this time.

Councilors Atherton and Hosticka questioned Mr. Fisher about the school district's available funds, as well as the construction of the facility. The discussion came back to the separate ordinance once more.

Mr. Fisher thanked the committee for their reconsideration.

• **Ordinance No. 02-987, For the Purpose of Amending the Metro Urban Growth Boundary to add land in the Bethany area; and Declaring an Emergency (as amended 11-26-02).** (Bethany areas 84, 85, 86 and part of area 87). Chair Park said he would hear testimony on Ordinance No. 02-987 at this time. As parliamentarian, Councilor Monroe reminded him that Ordinance No. 02-984 had only been approved for reconsideration, but had not yet been approved to send to the Metro Council. If that was not done, it would not move forward. Chair Park said he understood that, but he wanted to allow testimony on Ordinance No. 02-987 as well since it addressed the sites surrounding the school site in Ordinance No. 02-984.

1. Judith Emerson, ONRA, Friends of Forest Park, 13900 NW Old Germantown Road, Portland, OR 97231, read her written testimony (a copy of which is included in this record) opposing Ordinance No. 02-987. She said she felt the entire process had been rushed, and that oral testimony seemed to be given more weight by the council than written testimony, and she questioned the assertions that more housing was needed near Intel or PCC Rock Creek to accommodate what she said was the so-called demand.

2. Jim Emerson, ONRA, Forest Park Neighborhood Association, 13900 NW Old Germantown Road, Portland, OR 97231, also spoke in opposition to Ordinance No. 02-987 from his written testimony (a copy of which is included in this record, together with a wildlife habitat map). Mr. Emerson said he was particularly opposed to inclusion of area 87 and said he didn't understand how the council could rationalize the destruction of so much EFU land. He challenged the council to establish conditions mitigating any harm their decision would cause.

3. Benjamin Emerson, 13900 NW Old Germantown Road, Portland, OR 97231, said he was addressing areas 84, 85, 86 and 87, the Bethany addition. Many of the residents in those areas have taken great steps to make sure they're included in the UGB, which was their right. Despite their louder voice, he said he still believed they were in the minority as evidenced by all the nearly 200 signatures collected on a petition and the other letters and e-mail sent in to Metro. Some people would stand to receive large financial benefits from inclusion, but it would have potentially negative consequences for others. Mr.

Emerson said it was the role of local governments, particularly a body like Metro who has repeatedly stated its genuine commitment to a sustainable community, to mitigating the negative effects to the broader social and ecological environment and not to facilitate them. Mr. Emerson urged the committee to not include those areas in their recommendation.

4. Jerry Grossnickle, Forest Park Neighborhood Association, ONRA, 13510 NW Old Germantown Road, Portland OR 97231, testified on his written testimony (a copy of which is included in this record) on the exceptions cited to the general rule for priorities. He said, for this particular expansion, these EFU lands being taken into the UGB is entirely without merit because there is a lot of exception land all around the boundary that have priority under the statute to be brought in before EFU land. If this goes to court, he said, he thinks Metro will lose. Mr. Grossnickle also spoke to environmental concerns in Forest Park.

5. Allove DeVito, Outer Northwest Rural Advocates, 3560 NW 180<sup>th</sup> Place, Portland, OR 97229, said she lives in the Sunset West area, and read her written testimony to the committee (a copy of which is included in this record) in opposition to opposing the expansion of the UGB. She spoke of her child's home being demolished for development, and that while she praised the contributions of urban density, light rail, mass transit, public parks and green space, sprawl should be kept out of the hills and the country where others prefer a different lifestyle.

6. Mary Manseau, 5230 NW 137<sup>th</sup> Avenue, Portland, OR 97229, said she had been told this decision was made two weeks ago. She said she wasn't sure whom Metro had been talking to in the Bethany, but it certainly wasn't the community members who want to make Bethany a long-term home. Beaverton does not speak for Bethany, she said. Fifteen years of intense, unrelenting growth has left their roads and transportation system in shambles. The Beaverton School District is scrambling to provide for its existing school population, and the remaining growth could not be accommodated. Ms. Manseau said the Bethany area doesn't have any industry, it only provides homes. Transportation problems have forced urban levels of traffic onto narrow, unimproved rural roads. Beaverton stepped forward and said they would provide services, Mr. Manseau said, but she asked who would provide planning. She urged that this area not be brought into the UGB. Ms. Manseau submitted written testimony (a copy of which is included in this record).

7. Steve Young, 13333 NW Old Germantown Road, Portland, OR 97231, spoke to study areas 84 and 87. Mr. Young spoke to his written testimony (a copy of which is included in this record). Mr. Young was born and raised in New York City and his testimony compared Forest Park to New York City's Central Park. Central Park, he said, is sterile. There is no chance for it to regain life because no ecosystem can survive within its boundaries. No one could ever confuse it to Forest Park because wildlife needs and has room to roam. The greenbelt surrounding the park is essential, he said, and invited any committee member to come to his house and look out his windows just to see the wildlife. They would not see anything like it in Beaverton, he added. When the UGB continues to expand for development, the habitat of Forest Park will slowly be choked off. It's alive, vital and natural, but the ecosystem extends far beyond the formal boundary of that park. Portland doesn't need or want a Central Park, he said, and he said we have to understand the diversity and protect it at all costs.

8. Andy Chenoweth, 13118 NW Old Germantown Road, Portland, OR 97231, said he always talks about traffic, but after Mr. Young's testimony, he related a story of working at home when he saw three bobcats, a mother and two cubs. We're going to lose that, he said. The Mr. Chenoweth spoke of the traffic and how it backs up at least one-half mile on Germantown Road. Adding seven condominiums would only exacerbate things, he said. Bringing this area into the UGB will make what is now a bad situation only worse.

9. Lori Waldo, CPO 7, 14603 NW Dawnwood Drive, Portland, OR 97229, said she was here as a mediator. She attended a CPO 7 meeting last night, found out about this meeting at 9:30 p.m., and was nominated to testify here today. She brought a letter that was addressed to Councilors McLain, Park and Burkholder (a copy is included in this record). (Ms. Waldo also submitted written testimony, included as part of this record.) She said the CPO said they wanted to make sure the councilors saw their letter. There were quite a few people at that meeting who were not happy about the proposed expansion, and she gave a quick summary of why: funds to provide public services for the area do not exist (or we have been told they don't), the county has said they don't have funds for transportation master planning, the City of Beaverton has not stepped up to do transportation planning or master planning, and the transportation infrastructure is not there and is without funds. The people who live there now are not so much against having the area opened up, Ms. Waldo said, but opening it up and leaving it out there without support is highly frustrating and is causing anger. It was also reported that part of the reason for inclusion of this was to support the Bethany Town Center. The Center makes good use of mixed-use planning and provides office space, but it's not seen out there as being a community center. It doesn't have that feeling, or a sense of community. There's something lacking in the Bethany area and more homes won't provide for that.

10. Ava Chapman, 13816 NW Old Germantown Road, Portland, OR 97231, spoke out against inclusion of the Bethany site at this point. She said one reason was she challenged the growth statistics and projections that would occur. She encouraged the councilors to look at the foundation on which they base their decision. Another point Ms. Chapman said was that people will move to Oregon if they have a job, but the household-name companies are not employing as they used to. She again referred to the projected statistics for employment and challenged those, because she said people are moving out, not in. The high-tech industries are moving overseas. Home values was another area Ms. Chapman asked the committee to consider. Homes have always been a safe place to put one's money, she said, but people are also expecting their value to increase. More homes will be built that won't hold their value.

11. Hal Bergsma, Planning Services Manager, City of Beaverton, 4755 SW Griffith Drive, PO Box 4755, Beaverton, OR 97076, spoke to a letter from Joe Grillo, Community Development Director (distributed and made a part of this record) regarding Beaverton's position on the proposed UGB expansions in the Bethany and Cooper Mountain areas. Mr. Bergsma said this letter reiterated and expanded on points Mr. Grill and he made in their oral testimony to the Metro Council on November 21<sup>st</sup> regarding the City of Beaverton's position on additions to the UGB, as recommended by this committee. Mr. Bergsma said Beaverton endorsed the Metro Council's preliminary decision to include areas 84, 85 and 86, and the city stood ready to provide governance to those areas. He said Beaverton asked that further consideration be given to area 87 at this time; Beaverton would provide governance if the council chose to include it, but they believed adding this area could jeopardize the addition of areas 84, 85 and 86. As with area 83, they suggested Metro defer adding area 87 at least five years.

Beaverton also had comment on Ordinance No. 02-987, and Mr. Bergsma reminded the committee of his previous testimony on this, and he reviewed the additional language Mr. Grillo suggested on the conditions. The Cooper Mountain area (areas 65, 66, 67 and 69) was addressed in Mr. Grillo's letter, but Mr. Bergsma did not give oral testimony on it.

12. Fred Bacher, 7547 NW Skyline Blvd., Portland, OR 97229, testified as a third generation Tualatin Valley resident. Testified. Mr. Bacher's testimony was in opposition to Ordinance No. 02-987. He said he had an organic tree farm on the slopes of Bethany, and just because there was a nearby mini-mall it didn't mean the farms should be destroyed forest. He said he was sympathetic to the landowners who wanted to profit from their land, but he asked the committee to please not take this land out of agricultural use, that it was a use that transcended many generations.



13. Corrinne Bacher, 7547 NW Skyline Blvd., Portland, OR 97229, also testified in opposition to Ordinance No. 02-987, saying she was very concerned and troubled that only one group was notified last week that testimony was accepted. Metro's own Website did not contain that information, she said. She said she thought this was a disturbing violation of an ostensible public process. Ms. Backer said she opposed inclusion of areas 84, 85, 86 and 87 into the UGB. She told the committee of her college days in California and how all the orange groves and the fields beyond are today gone, how the useful, productive farmland is now paved over, and downtown LA is a crime-ridden wasteland at night and commutes are typically one hour. The model of development that has failed so dramatically in Los Angeles and elsewhere is not magically going to succeed in the Portland metropolitan area. She told the committee that their job was to control sprawl and to protect farm and forest lands. Areas 84, 85, 86 and 87 represent just that kind of land, she said, and as such deserve their protection. Ms. Backer urged them to reconsider their decision of a week ago.

14. Milly Skach, 1360 NW Springville Lane, Portland, OR 97229, said she lived on the Portland /Multnomah County side of the line. She said she had not planned to testify today, but thought of several things that are of concern to her. She drives on Springville Road and Kaiser/Bethany every single day, and yesterday, while driving on Kaiser, she paused and watched a herd of elk pass in front of her. It was a majestic site, she said, and asked where these will elk go. Their habitat crosses into the area you've spoken of today. It's a very wonderful thing that Forest Park and Portland has that one doesn't find elsewhere, she added. Beyond the wildlife, the traffic was of great concern to Ms. Skach. She said she hears the councilors addressing the needs and wishes of Beaverton and Washington County, but this land borders on Portland and Multnomah County, and the residents are the ones who face the traffic every single day. Many of the residents in this room receive their fire department service from the St. Johns area on the other side of the river. When you hear a man talking of a half-mile back-up on Old Germantown Road in traffic time, that half-mile could block a fire truck from coming to our homes. You say widen the road, but you can't. It's a one-lane road in each direction that is covered with ice in the winter, it crosses Forest Park. How easy would that be to widen, she asked. The traffic there is horrendous, unsafe, and will only get worse. Ms. Skach encouraged the committee to consider not just the wonderful wildlife but also the impact of the traffic on everyone in this area.

Chair Park said he had no further requests to testify on Ordinance 02-987, and he thanked those who had testified. He again explained why he could not entertain testimony on 02-969. He asked the committee how they would like to handle the specific land need in the Bethany area.

Councilor McLain asked, since they were in public testimony, if Ordinance No. 02-989 could now be presented (a copy of this ordinance and a descriptive map are included in this record). The committee agreed, and Councilor Hosticka said he had a draft ordinance to present, as well, being No. 02-990.

• **DRAFT ORDINANCE NO. 02-989, For the Purpose of Amending the Urban Growth Boundary to Add Land in the Cornelius Area; and Declaring an Emergency.** Chair Park invited testimony on Ordinance No. 02-989, Cornelius. Councilor McLain reminded the committee that this was to amend the UGB to add land to the Cornelius area for industrial use, and that she had introduced it at the committee's last meeting, but that it now had a number.

1. M. R. "Dick" Kline, City of Cornelius, 1355 N. Barlow, Cornelius, OR 97113, spoke on why Cornelius wanted resource land brought into the UGB. Mr. Kline specifically addressed the efficient provision of urban services in this area, and he explained the area and how the utilities could be brought in. He said he thought they had a logical argument and would provide utility maps if necessary.

2. Richard Meyer, Community Development Director, City of Cornelius, 1353 N. Barlow, Cornelius, OR 97113, said he was here to help answer any questions the committee may have.

Chair Park asked for specifics on the areas. Councilor McLain spoke to a map on the wall, and said she had discussed this with Cornelius, and that they would support the three areas but it would not be practical without the saddle of resource land in between (the area marked Y). She also spoke of an e-mail from Cornelius with those same comments (that had been distributed to the councilors previously) and a letter from them sent in support, as well. Cornelius requested that if Metro was not going to approve this, that we take the two darker areas out of the main ordinance (02-969).

Councilor Bragdon asked if there were a natural boundary, and discussion followed with Mr. Meyer and Mr. Kline regarding this. Councilor Bragdon also pointed out an error in the last sentence of Section 1 of the ordinance; Councilor McLain said it was an error, that it should read, "... furthermore determined to support the Cornelius industrial lands." In response to Councilor Bragdon's question of how much of a fiscal this was to the city, Mr. Kline mentioned that Cornelius was severely strapped in providing services to the community, and it was very unlikely they could provide utility services unless they were able to use the saddle parcel for connectors. He said they were trying to develop an efficient tax base to solve some of their fiscal issues, and Mr. Meyer added that this would help Cornelius economic problem although he said he knew this wasn't the most compelling issue or reason for this UGB expansion.

Chair Park asked Metro staff if this had been studied in the Alternatives Analysis (AA) and what information they had. Tim O'Brien, Associate Regional Planner, said the Y parcel was not studied in the AA, and, to his knowledge, Metro had not received any map regarding service in that area. Mr. O'Brien said they had received text from the city indicating they would like the area in, and that they would help develop the whole area, but no graphic representation of where it would go.

Chair Park then asked counsel about having sufficient findings on this in order to make a decision. Dick Benner, Senior Assistant Counsel, said he'd heard from Mr. O'Brien that Planning had not received evidence to support the argument that the agricultural land needs to come in in order to provide services the two adjacent parcels (areas 75 and 76). The argument, Mr. Benner said, has been made and if there were evidence in the record, it may well support that argument. Unless there's evidence in the record to support it, it would be difficult to support the decision to include it.

Mr. Meyer said he had utility maps with him and could provide the mapping evidence that showed the public service efficiency. Chair Park told him the record was open until December 5<sup>th</sup>, and said the process would be to give the Planning staff the material for planning review and by legal counsel for findings, so he asked Mr. Meyer to submit it to Mr. O'Brien. Councilor McLain thanked Mr. Kline and Mr. Meyer for answering the committee's question and said she would keep her comments until the committee discussion.

• **Draft Ordinance No. 02-990, For the Purpose of Amending the Urban Growth Boundary to Add Land in the Site #48, Tualatin Quarry Area; and Declaring an Emergency.** Councilor Hosticka distributed draft resolution 02-990 (a copy is included in this record) and spoke to a map on the wall regarding study area 48, explaining which areas were included. Chair Park invited public testimony on Ordinance No. 02-990.

1. Jim Jacks, Special Projects Manager, City of Tualatin, 18880 SW Martinazzi Avenue, Tualatin, OR 97062, reiterated Councilor Hosticka's point that this was not all of area 48 but the portion in the Regional Partners proposal [and here Mr. Jacks outlined the area on the wall map], and said this proposal was favorably passed by the Metro Technical Advisory Committee (MTAC) and the Metro Policy Advisory Committee (MPAC), and that the Tualatin City Council supported the proposal. The area included in this was shown in previous material submitted for the record, he said. Mr. Jacks said the Morse Bros. property owners have indicated they do not want to be included in this amendment. A misunderstanding, he said, was that someone indicated Tigard Sand & Gravel didn't want to be included, but he had a letter to Councilor Hosticka from Roger Metcalf, Vice President, of Tigard Sand & Gravel

(a copy is included in this record) indicating that they supported the Regional Partners proposal and want to be in the UGB. The issue with portions of areas 47 and 49 being added without a portion of area 48, Mr. Jacks said, was that areas 47 and 49 cannot get sewer, water or streets unless they come through area 48 from the north, where Tualatin Sherwood Road is, down to the south. In Tualatin's Transportation System Plan they call for 120<sup>th</sup> Avenue and 115<sup>th</sup> Avenue to be extended south from Tualatin Sherwood Road into area 48, Mr. Jacks said, and they've already shown planning for public facilities into areas currently within the UGB and those would logically be extended into area 48.

Councilor Bragdon said he was confused by the different quarry operations. He said he remembered that he though Morse Bros. had opposed this, and asked if they opposed their parcel coming in or their neighbors' parcel coming in. Mr. Jacks he was not present at the meeting Councilor Bragdon referred to, but said he had spoken with Tualatin's Community Development Director earlier today and he said he'd talked with the Morse Bros. People and the attorneys who represent them, and said they prefer that the Morse Bros. property not be included. Right now, Morse Bros. has an approval from Washington County that included a buffer area around them where dissimilar uses cannot encroach and then complain about the noise, hours of operation, etc. But Mr. Jacks said his understanding was that Morse Bros. did not have a position about anyone else's property.

Councilor Hosticka noted a letter in the record from Parisi and Parisi, who represents the Morse Bros. indicating that they did not want to be in the UGB and do not want to have restrictions put upon their use.

Discussion followed on the underlining current zoning of the areas requested. Chair Park then asked Mr. O'Brien if he had information in the record regarding service. Mr. O'Brien said Metro has, as Mr. Jacks said, the information from the Regional Partners and a few different documents from the City of Tualatin indicating their desire for the land to come in as well as the transportation connection to go through it. He said he would have to check if any of this addressed the sanitary sewer or water connections, as he didn't remember. Mr. Jacks said he thought it had been submitted. Mr. Benner said he had not had an opportunity to review this. (Mr. Jacks submitted a letter to Councilor Hosticka from Mayor Lou Ogden on Study Area 48, and that letter is made a part of this record.)

Hearing no further testimony on any item before the committee, Chair Park closed the public hearing.

**Motion #2:**

Councilor McLain moved, with a second from Councilor Bragdon, to approval of Ordinance No. 02-984 (Bethany, area 85) as a stand-alone ordinance.

To her motion, Councilor McLain said she wanted it to move forward as a specific designated land use need for a number of reasons, and she outlined them. There was discussion on this and Ordinance No. 02-987, and what would happen if one was adopted and the other wasn't.

**Vote #2:**

Councilors Atherton, McLain, Bragdon and Chair Park voted yes. Councilors Hosticka and Burkholder voted no. The vote was 4 aye/2 nay/0 abstain and Ordinance No. 02-984 was approved. Councilor Monroe was excused earlier and was not present.

Mr. Cooper took this opportunity to suggest the committee move to remove the emergency clauses from the UGB ordinances, as, in the context of Periodic Review, they were probably superfluous as the ordinances could not go into effect until long after the 90 days required, which is when they would go before LCDC. Procedurally, he said, a 4/3 vote would pass an ordinance without the clause (which could be addressed, should the council choose); with the clause, the Metro charter requires a 5 yes vote. He said there was no practical significance to having the emergency clause on these ordinances.

**Motion #3:** Councilor McLain moved, with a second from Councilor Bragdon, to direct staff and legal counsel to prepare revisions to the urban growth boundary ordinances in front of this committee to remove the emergency clauses.

There was discussion on the possibility of appeal, and Mr. Cooper said since Metro was in Periodic Review and this was required by statute, a referendum may not be possible anyway.

**Vote #3:** Councilors Hosticka, McLain, Bragdon, Burkholder, Atherton and Chair Park voted yes. The vote was 6 aye/0 nay/0 abstain and the motion passed.

**Motion #4:** Councilor Hosticka moved, with a second from Councilor Bragdon, approval of Ordinance No. 02-990.

Councilor Hosticka clarified on the wall map (and as marked on this map included in this record) the portion he included in his motion, being the center eastern portion only. He said the reclaimed suit would be suitable for large lot development, and not farming.

Councilor Bragdon and Chair Park asked for clarification from staff on the underlying zoning, if it was exclusive farm use with a Goal 5 overlay for mineral extraction. Mr. O'Brien said that was his recollection, and that Washington County had identified the area as a Goal 5 aggregate site, and the buffer area which Mr. Jacks spoke of, level B. Councilor Bragdon asked if the EFU actively farmed portion had been excluded from this ordinance, and Mr. O'Brien said he believed that was true. He projected an aerial map on the wall, which clearly showed the area, and he and Councilor Hosticka pointed out the area under consideration.

Councilor Burkholder said this raised issues, that the Industrial Land need was on the council table for next year, and this area could come up then. Bringing this into the UGB now, he said, made it difficult for him to say this was "the" piece needed to meet a Specified Land Need, unlike the Shute Road site. He knew this was an ex-quarry, but he said it was still EFU and he'd rather wait.

Councilor Bragdon said this ordinance did not read that this was a Specified Land Need, and asked if it were. Mr. Benner said if they weren't following the priorities in the statute, then they had to find one of the exceptions for not following the priorities. A Specified Land Need was one of those, but there was no assertion in this ordinance that this site would satisfy any kind of specific need. The argument he heard, he said, was that it needed to be brought in in order to provide services to study areas 47 and 49. That was one of the exceptions to the priority statute.

Councilor Hosticka said he was leaving the upper area off to possibly consider in Task 3, but the area he moved was not under farm use nor was it likely to be used as farming. If the language needed to be fixed for clarification, he said that should be done.

Cooper reminded the committee that this was a draft ordinance, that Councilor Hosticka had outlined his concept of where he wanted the boundary to be, that the committee could direct that it be approved for first reading and a correct map could be provided for that reading. Mr. Morrissey said the specific land need reference would also need to be replaced by needed to serve.

**Friendly Amend to Motion #4:** Councilor Hosticka then moved, as a friendly amendment, recommendation to council with the map drawn for clarity on areas to be included, and the specific land need reference replaced with needed to serve language. Councilor Bragdon, as seconder of the motion, agreed.

**Vote #4:** Councilors Bragdon, Burkholder, Atherton, Hosticka, McLain and Chair Park voted yes. The vote was 6 yes/0 no/0 abstain, and the motion passed. Ordinance No. 02-990, as amended, was approved to council.

- **DRAFT ORDINANCE 02-989, For the Purpose of Amending the Urban Growth Boundary to Add Land in the Cornelius Area; and Declaring an Emergency.** (Cornelius Industrial Land) On the wall map, Councilor McLain outlined the area proposed for inclusion, and reiterated her comments of November 26, 2002, to this committee. Chair Park asked for a motion.

**Motion #5:** Councilor McLain moved, with a second from Councilor Bragdon, approval of Ordinance No. 02-989.

Councilor McLain said this ordinance would bring in (from the map, included with this record) areas A, Y and B and D, the exception land below TV Highway.

Councilor Burkholder asked that a letter received December 2<sup>nd</sup> from the Washington County Farm Bureau, be placed in the record, which specifically mentioned their opposition to inclusion of area Y. Councilor Bragdon said, while he recognized the need for industrial land and the fiscal challenges of the City of Cornelius, he could not support this as he was concerned with using the land use system to address disparities and addressing the need for industrial land in a case where there were not clear limits or boundaries regarding the encroachment on agricultural areas. He said he had not seen assurances of this as it had been presented so far.

Chair Park said he couldn't support this at this time given that Metro does not have in the record the findings, nor had Metro studied this particular area of EFU. It said he thought this would be an issue to discuss in Task 3.

Councilor Atherton asked staff about the employment acreage and the use of the remaining acreage. Mr. O'Brien said both of them were purchased by Metro's Regional Parks and Greenspaces Open Spaces Program, and another portion was in a flood plain and was taken out of their analysis.

Councilor McLain said she understood that the saddle of resource land had not been studied, that Cornelius requested she bring this forward, which she did out of courtesy. If this motion failed, Chair Park said, it was his understanding that Cornelius would like areas A and B be removed, and Councilor McLain concurred and said Cornelius said if that occurred, they would be back to discuss the area during the Industrial Land Study.

**Vote #5:** Councilors McLain voted yes. Councilors Bragdon, Burkholder, Atherton and Chair Park voted no. Councilor Hosticka abstained. The vote was 1 yes/4 no/1 abstain, and the motion failed.

- **UGB Site Specific Clean-up and Corrections.**

- **Grahams Ferry Road Area – Industrial Land Study.** Councilor McLain asked for recognition of the residents on Grahams Ferry Road who have come in to testify before about their acreage which they consider industrial land but which is zoned EFU. She said she'd received a telephone call from them and they were worried about being lost in the Industrial Land Study next year, and she said she wanted to make sure it's in the record that that acreage is included the Industrial Land Study and that Metro makes sure they get pertinent information on that land from the property owners.

- **Peterson and Rush Property (Study Area 39).** Councilor McLain said she also wanted to recognize that she'd heard again from Bob Van Brocklin and Adelle Jenike and that their concerns of the Peterson and Rush property are addressed by the Metro Council. She said they wanted some acknowledgement that that land is different, and they have a desire to bring that in for urbanization. She said she wanted that acknowledged and addressed in 2003.

Mr. Cotugno, Planning Director, said so far, in the resolution for Task 3, the council had identified the need to address the unmet industrial land need, and the tally clearly still showed an unmet industrial land need. He said he did not believe those two areas were proposed for industrial purposes, so they would not be considered for industrial purposes. Also in the resolution, he said, there is an intent to evaluate subregional need, and there was a lot of work to be done on what evaluating subregional need meant, where do those subregions end up being, what subregions have a shortage, and is there a housing need to be met on a subregional basis. He said he didn't really know what was going to happen on this front, and if the area Councilor McLain was talking about was a residential expansion area, it would have to fall within that subregional analysis if it was going to be part of Task 3. It would only fit as part of the subregional assessment in Task 3, he said.

Councilor McLain said, to clear up her request, that's exactly where she assumed it would be discussed.

- **UGB Site Specific Conditions.**

- **Teal Road (Sherwood area).** Mr. O'Brien outlined the property on the wall map and said it was designated EFU and would most likely be designated as employment on the 2040 Map if it were brought in, and the other side would be industrial land.

- **Study Area 94.** Chair Park said the committee had asked for the productivity based upon the surrounding zoning, and said he believed it was 55 dwelling units. Mr. O'Brien said he was correct. Councilor McLain asked for conditions to be written, strong ones dealing with the environmental zones and making sure that any development in that area follow Portland's environmental zoning and protection. The Friends of Forest Park had sent an e-mail with suggested language, and she said she would get that language to Mr. Benner who would have those conditions available on December 5<sup>th</sup>.

Chair Park asked Mr. Benner if the conditions proposed and accepted in the Damascus area regarding Title 11 would not apply to all areas being brought within the UGB, and if not, that that issue be addressed. Mr. Benner said he thought Chair Park was referring to Exhibit M, as it existed that day, to Ordinance No. 02-969, and Chair Park said that was the one. The committee then discussed the conditions and the difference between Damascus and Area 94. Councilor McLain said she would need to read all conditions for all the ordinances before she voted at council.

- **King City, Adjacent Land.** Councilor Hosticka spoke to a memo dated December 3<sup>rd</sup> from Tim O'Brien regarding land to King City (included in this record), and the projected wall map. He spoke of an area moved to include in the UGB based upon a requested from the City of King City. As part of the motion to include this, Councilor Hosticka said, they also included residential parcels in the flood plain, and the residents of those areas have indicated that they don't want to be in the UGB. He said he couldn't see how including this area would change the use of that land, and asked Mr. O'Brien to address that. Mr. O'Brien said one letter had been received from a property owner stating they did not wish to be included. He explained the property owner's request in more detail, and specifically that they did not want their property taxes to go up. Councilor Hosticka said if it were excluded, it would create an island, but that he saw no need to change it. Mr. Cooper said when land is brought into the UGB it does not qualify for a property tax increase, the assessed value stays the same until the land is rezoned or developed or partitioned. Councilor Hosticka asked if a letter to the property owner could be drafted that

explained this, and Mr. Cooper said he would do that. Chair Park asked about the underlying zoning of another (unidentified) area. Mr. O'Brien said it is in the flood plain, it is Rural Residential 5 in Washington County, and was not studied in the AA. His understanding was that King City wanted to annex it as an open space designation (a park facility). Replying to Chair Park's question on this piece, Mr. Cooper said as it was not resource land, it is exception land being brought in for a park, he said he thought it extremely unlikely LCDC would have a problem with it.

- **Study Area 19 (Carver/Barton area).** Chair Park asked about the separated parcels piece in the Carver/Barton area. Mr. O'Brien said this was exception land in the Carver area, adjacent to the Clackamas River. Five parcels were split by the floodplain. The proposal was to bring the floodplain area into the UGB, as well. (Mr. O'Brien submitted a memo with map on this proposal, which is included in this record.) Chair Park said he wanted the committee to be aware of this.

- **Study Area 24 (Oregon City area).** Mr. O'Brien said this area between Redland Road and Holcomb Boulevard were requested by Oregon City to come into the UGB. He outlined the proposal for the three parcels on the wall map, and said unbeknownst to Metro (and he thought Oregon City, as well), the property owner of the parcels was in the process of consolidating the parcels through Clackamas County. If that consolidation came through, Metro's action would be splitting one large tax lot. The proposal now was to bring in the other two tax lots, approximately ten acres. The Oregon City Commission has reviewed this, he said, and they support bringing in the two parcels, which are exception land.

- **RESOLUTION NO. 02-3254, For the Purpose of Direction to the Executive Officer to Establish a Centers Team within the Planning Department and to Commence Implementation of the Centers Strategy** (now an A version, 02-3254A, included as part of this record).

**Motion #6:**

Councilor Burkholder moved, with a second from Councilor McLain, approval of Resolution No. 02-3254A.

Chair Park said the committee had looked at this before, that there were concerns about the cost, and that this resolution was to give direction to start down the way and was part of the requirements of showing LCDC that Metro was making an affirmative move in trying to push the refill rate up to the 29%.

Mr. Cotugno said this had been presented at the last meeting, and he briefly explained the need for the Centers Team, that quite of bit of specificity needed to be developed, but this would get Metro started on working on the Centers Strategy now rather than waiting until the first of the fiscal year next July.

Councilor McLain said he concern was making sure policy decisions and conversations were still available. She mentioned Resolves 2 through 6, and said quite of bit of that had to do with policy level discussions and not just staff level discussions. She said she would like to add a footnote or comment that the President of the Council as well as other councilors would be involved in these discussions.

**Motion #7 to Amend  
Motion #6:**

Councilor McLain moved a friendly amendment to include in Resolution No. 02-3254A to add language that the Council President and councilors or council will be involved in these discussions. Councilor Burkholder agreed to the friendly amendment.

Councilor McLain said she would leave the wordsmithing to staff. Councilor Bragdon asked about the Whereas 1. and the December 31, 2002, date. Mr. Cotugno said that was just forming the team.

Councilor Hosticka spoke to the resources of the agency and the priorities for their use. He said they may or may not compete for resources, but the council needed to examine how they would be done with existing resources or what resources would be needed. He said he hoped to discuss this during the budget process for the following year. Chair Park agreed. Councilor Burkholder added that, as it was timely given the upcoming governor's emphasis on economic development, this kind of information was critical to assure that economic development occurred that supported the desires of the region. Councilor McLain told staff she thought language be added that connected transportation to land use in the Centers. Mr. Cotugno agreed, saying the MTIP connection was included already, but the why of that connection was the transportation/land use link.

**Vote #7:**

Councilors Atherton, Hosticka, McLain, Bragdon, Burkholder and Chair Park voted yes. The vote was 6 yes/0 no/0 abstain, and the motion passed. Resolution No. 02-3254A, as amended, was approved to council.

- **RESOLUTION NO. 02-3255A, For the Purpose of Directing the Chief Operating Officer to Prepare Recommendations and a Report Addressing Options on a Regional Fiscal Policy Regarding Land Added to the Metro Urban Growth Boundary.**

**Motion #8:**

Councilor Burkholder moved, with a second from Councilor Hosticka, approval of Resolution No. 02-3255A.

Councilor Burkholder said this had been seen last week as the substitution for the ordinance, and after that he and staff took the comments from the council about coordinating with the various regional partners as well as the state agencies, and added in seeking potential legislative action as well. Basically, he said, opening up all the options for looking at these two issues. The slight changes in the staff report reflected those, as well, he said.

Chair Park said this was one of those great ideas whose time had come and that it would be very interesting to work on it.

**Vote # 8:**

Councilors Atherton, Hosticka, McLain, Bragdon, Burkholder and Chair Park voted yes. The vote was 6 yes/0 no/0 abstain, and the motion passed. Resolution No. 02-3255A was approved to council.

**3a. ANNUAL URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN COMPLIANCE REPORT.** Brenda Bernards, Senior Regional Planner, spoke to her report *2002 Urban Growth Management Functional Plan Compliance Reports* (distributed and made a part of this record) which she said would be presented at the December 10<sup>th</sup> Metro Council meeting, and would be distributed to the local governments and anyone who indicated interest. Ms. Bernards said the report was in two parts: Titles 1 through 6 compliance, which she would address, and Title 7, which Mr. Uba would address. Ms. Bernards then explained what was in the report and how she structured the section on Titles 1 through 6.

Mr. Benner explained that, as Title 8 stated, this report complied with annual reporting to the council, and that if the council approved it, they accepted staff's notice of compliance for the jurisdictions.

**9. (sic) PERFORMANCE MEASURES: SCHEDULE OF ROLLOUT OF DRAFT FINAL REPORT AND CORRESPONDING LEGISLATION.** Gerry Uba, Program Supervisor, said he wished his report could be as definitive as Ms. Bernards', but as this was the first report on affordable housing performance measures, he didn't think it could be. Mr. Uba then spoke to Title 7 and a memo regarding the schedule for the rollout of performance measure reports (distributed and made a part of this record). Of the 27 jurisdictions in the region, Mr. Uba said he had received nine reports (from



Beaverton, Gresham, Hillsboro, Portland, Tigard, Tualatin, Wood Village, Clackamas County and Washington County). He said it wasn't clear to staff how to determine the effectiveness of what the jurisdictions were reporting in terms of achieving the goals that Metro set in Title 7, and staff needed to determine how to respond to them. Regarding the goals, Mr. Uba said, eight of the jurisdictions did not adopt the voluntary affordable housing production goals, as stated in their reports. Gresham said they had, however, and it was in their consolidated plan which is a plan required of all cities receiving federal funding. Did that mean staff could conclude that Gresham has actually complied, he asked.

Title 7 also requires the cities to amend their comprehensive plans by addressing some strategies and tools for affordable housing. Using Gresham as an example, Mr. Uba said they said they had completed consideration of some of those strategies listed in Title 7 and they concluded that they were not going to adopt some of them, some they had already adopted. Did that mean they have complied, Mr. Uba asked. He also mentioned the first report sent in by Washington County that had been prepared and submitted by staff, and not reviewed nor approved by the Washington County Commission. Did that mean Washington County passed the test for the first report, he asked.

Mr. Uba then called the committee's attention to and reviewed from the report, p. 18, Next Steps – Title 7. He specifically addressed the Future Action portion and said he was looking for direction from the committee.

Councilor McLain suggested, to make at least the third the report in January a little meatier, saying the number one criteria of all reports presented by the jurisdictions have to be reviewed by the elected officials/board to be considered.

Councilor Bragdon expressed his disappointment, saying it was too bad this was not a shared responsibility. He said Metro needed to try to raise the profile on it, perhaps making it an MPAC agenda item early in the year. He said it was obvious that Major Drake of Beaverton was very active, and Mayor Becker of Gresham – those two cities have filed reports. He suggested the council work with those two influential MPAC members to inspire their peers to share the responsibility.

Chair Park said he recalled, from the lengthy discussion on this at MPAC a few years ago, that the elected body had to consider it, not just staff, with no disrespect to staff. The jurisdictions needed some type of official action.

Councilor Bragdon said all of these types of things need a champion at the council level, regardless of the council structure, and this is one that needs a "champion" or maybe a group of two or three.

Councilor Burkholder said this was a difficult issue, and he wondered if it was lack of staff or lack of knowledge of the steps that caused so many jurisdictions to not report. This was only the first report, he said, but down the road there will be some teeth in it and he suggested the councilors spend some time to find out what's going on. He said he was amazed how it fell through the cracks.

There was more discussion on how to achieve reporting, and Chair Park said it looked as if Mr. Uba had sparked their interest. Mr. Uba said there were more informational reports on the program that he planned to distribute to MTAC and MPAC.

Chair Park asked Mr. Uba to then explain the Performance Measures Reports. Mr. Uba reviewed the schedule, and requested approval of that schedule.

**Motion #9:**

Councilor Burkholder moved, with a second from Councilor McLain, approval of the schedule for the rollout of Performance Measure reports.

Vote #9:

Councilors Hosticka, McLain, Bragdon, Burkholder and Chair Park voted yes. The vote was 5 yes/0 no/0 abstain, and the motion passed to approve the schedule. (Councilor Atherton was not present for this vote.)

9b. **UPDATED EXHIBITS TO ORDINANCE NO. 02-969A.** Chair Park asked Mr. Morrissey to explain and distribute the most recent amended exhibits and associated findings to Ordinance No. 02-969A (which are made a part of this record), which he did, reminding them that these were still in draft form but were the most recent.

10. **COUNCILOR COMMUNICATIONS.** Councilor McLain said she remembered this council functioning under a no committee structure, and that was very difficult. She said if the council wanted the public to understand the schedule and not have staff doing duplicative work for each councilor, she hoped the new council working structure would make sense. She said she also hoped there would be an informal opportunity to speak with Councilor Bragdon on this issue.

There being no further business before the committee, the meeting adjourned at 6:10 p.m.

Respectfully submitted,

Rooney Barker  
 Council Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF DECEMBER 3, 2002**

The following have been included as part of the official public record:

Agenda Item No.	Topic	Doc. Date	Document Description	Doc. Number
3.	Ordinance No. 02-987	12-1-02	Written testimony (given orally) of Judith Emerson regarding Ordinance No. 02-987 (study areas 84 through 87)	120302cp-01
		12-3-02	Written testimony (given orally) of Jim Emerson regarding Ordinance No. 02-987 (study areas 84 through 87)	120302cp-02
		12-3-02	Written testimony (given orally) of Jerry Grossnickle regarding Ordinance No. 02-987 (study Areas 83 - 87)	120302cp-03
		12-3-02	Written testimony (given orally) of Allove DeVito regarding Opposing the expansion of the Urban Growth Boundary, from Oregonia	120302cp-04
		Undated	Written testimony (given orally) of Mary Manseau regarding in opposition for inclusion in the UGB	120302cp-05
		Undated	Written testimony (given orally) of Steve Young regarding protecting Forest Park	120302cp-06

Metro Council Community Planning Committee Meeting Minutes

December 3, 2002

Page 16 of 19

Agenda Item No.	Topic	Doc. Date	Document Description	Doc. Number
		Undated	Written testimony (given orally) of Lori Waldo in opposition to Ordinance No. 02-987	120302cp-07
		12-2-02	Letter submitted by Lori Waldo from CPO-7 secretary, Maurine A. Warneking, regarding Expansion of the Urban Growth Boundary	120302cp-08
		12-2-02	Letter submitted from John Breiling, CPO-7 chair, regarding opposition to UGB expansion.	120302cp-09
		12-3-02	Written testimony (given orally) of Hal Bergsma of Joe Grillo, Community Development Director, City of Beaverton, re Beaverton Position on Proposed UGB Expansions in the Bethany and Cooper Mountain Areas	120302cp-10
	Ordinance No. 02-989	Undated	Draft Ordinance No. 02-989, For the Purpose of Amending the Urban Growth Boundary to Add Land in the Cornelius Area; and Declaring an Emergency	120302cp-11
	Ordinance No. 02-990	Undated	Draft Ordinance No. 02-990, For the Purpose of Amending the Urban Growth Boundary to Add Land in the Site #48, Tualatin Quarry Area; and Declaring an Emergency	120302cp-12
		9-11-02	Letter to Carl Hosticka from Roger L. Metcalf, Vice President, Tigard Sand & Gravel Co., Inc., re Urban Growth Boundary, Study Area 48	120302cp-13
		12-2-02	Letter to Carl Hosticka from Mayor Lou Ogden regarding Study Area 48	120302cp-14
	Three Basin Rule	12-3-02	Letter submitted to Rod Park from Holly Iburg, Project Manager, Newland Communities, re Public Comment on the Urban Growth Boundary Decision, Consideration of the "Three Basin Rule" in the Analysis of Alternative Study Areas	120302cp-15
	Ordinance No. 02-989		Letter from the Washington County Farm Bureau regarding industrial land	120302cp-16
	UGB Site-Specific Clean-Up and Corrections	12-3-02	Memo to Rod Park from Tim O'Brien regarding Parcels Adjacent to Study Area 62 (King City)	120302cp-17
		12-3-02	Memo to Rod Park from Tim O'Brien regarding Review of Proposed UGB Area Maps (Area 24)	120302cp-18

Metro Council Community Planning Committee Meeting Minutes

December 3, 2002

Page 17 of 19

Agenda Item No.	Topic	Doc. Date	Document Description	Doc. Number
	Resolution No. 02-3254A	11-27-02	Resolution No. 02-3254A, For the Purpose of Establishment of a Centers Team within the Planning Department and to Commence Implementation of the Centers Strategy	120302cp-19
	Resolution No. 02-3255A	11-27-02	Resolution No. 02-3255A, For the Purpose of Directing the Chief Operating Officer to Prepare Recommendations and a Report Addressing Options on a Regional Fiscal Policy Regarding Land Added to the Metro Urban Growth Boundary.	120302cp-20
N/A	Ordinance No.02-983	12-2-02	Letter to Carl Hosticka from Mayor Tom Hughes, City of Hillsboro, regarding Supplemental Testimony: Metro Ord. 02-983 (Specific Land Need for Shute Road Site UGB Amendment)	120302cp-21
3.		11-26-02	Community Planning Committee Action Worksheet for UGB Expansion (with totals based on 11-20-02 action)	120302cp-22
3a.	Function Plan Compliance	12-2-02	Letter to Carl Hosticka from Mike Burton regarding 2002 Urban Growth Management Functional Plan Compliance Reports	120302cp-23
9. (sic)	Performance Measures	12-2-02	Memo to Rod Park from Gerry Uba, Program Supervisor, regarding Approval of the Schedule for the Rollout of PM [Performance Measures] Reports	120302cp-24
9b.	Updated Exhibits to Ordinance No. 02-969	11-25-02	Draft Exhibits A to Ordinance No. 02-969	120302cp-25
		11-25-02	Draft Exhibits C to Ordinance No. 02-969	120302cp-26
		11-25-02	Draft Exhibits H to Ordinance No. 02-969	120302cp-27
		12-2-02	Draft Exhibits M to Ordinance No. 02-969	120302cp-28
		12-2-02	Draft Exhibit P to Ordinance No. 02-969	120302cp-29
	Updated Exhibit to Ordinance No. 02-983A	Undated	Draft Exhibit B to Ordinance No. 02-983A	120302cp-30

Agenda Item No.	Topic	Doc. Date	Document Description	Doc. Number
N/A	Ordinance No. 02-969, Study Area 94	12-3-02	Letter to Rod Park from Kathryn Beaumont, Senior Deputy City Attorney, City of Portland, regarding Study Area 94 (Ms. Beaumont did not testify)	120302cp-31

**TESTIMONY CARDS.**

Robert Fisher Beaverton School District 16550 Merlo Beaverton, OR	Judith Emerson 13900 NW Old Germantown Rd. Portland, OR 97231 503-283-4096	Jim Emerson 13900 NW Old Germantown Rd. Portland, OR 97231 503-283-4096
Benjamin Emerson 13900 NW Old Germantown Rd. Portland, OR 97231	Jerry Grossnickle Forest Park Neighborhood Assn. 13510 NW Old Germantown Rd. Portland, OR 97231	Allove DeVito Outer Northwest Rural Advocates 3560 NW 180 <sup>th</sup> Pl. Portland, OR 97229
Mary Manseau 5230 NW 137 <sup>th</sup> Ave. Portland, OR 97229	Steve Young 13333 NW Old Germantown Rd. Portland, OR 97231	Andy Chenoweth 13118 NW Old Germantown Rd. Portland, OR 97231
Lori Waldo CPO 7 14603 NW Downwood Dr. Portland, OR 97229	Ava Chapman 13816 NW Old Germantown Rd. Portland, OR 97231	Hal Bergsma, Principal Planner City of Beaverton PO Box 4755 Beaverton, OR 97076-4755
Fred Bacher 7547 NW Skyline Blvd. Portland, OR 97229	Corinne Bacher 7547 NW Skyline Blvd. Portland, OR 97229	Milly Skach 13640 NW Springville Portland, OR 97229
M. R. Dick Kline City of Cornelius 1355 N. Barlow Cornelius, OR 97113	Richard Meyer City of Cornelius 1353 N. Barlow Cornelius, OR 97113	Jim Jacks City of Tualatin 18880 SW Martinazzi Ave. Tualatin, OR 97062

**MINUTES OF THE METRO COUNCIL  
BUDGET AND FINANCE COMMITTEE REGULAR MEETING**

Wednesday, November 13, 2002  
Metro Council Chamber

Members Present: Rex Burkholder (Chair), Susan McLain, and Bill Atherton

Members Absent: David Bragdon and Rod Monroe

Chair Burkholder called the meeting to order at 1:45 p.m.

The committee heard agenda item # 2 first.

**2. Report from the Chief Financial Officer**

Jennifer Sims, Administrative Services Director, reported that the closing on the open spaces refunding was completed on November 12, 2002. The refunding resulted in a \$6.1 million savings through the year 2015 to the taxpayers of the region, which will be reflected in lower property taxes. She then gave a brief overview of the budget process. The budget manual was issued in September and department requests are due on November 18. At that point, the financial planning and council analysts will meet with the departments to review their submittals and identify anything needing further attention. Those meetings will be followed by meetings with department directors and then with the Council President and Acting Chief Operating Officer (COO) to prepare a proposed budget for the Council by March 6.

Councilor Atherton asked about the status of Metro's classification study. Ms. Sims responded that they have initiated a non-represented employee compensation study, and the results might or might not be completed in time to be included in the FY 2003-04 budget. In addition, they have been working on developing a total compensation strategy. Those results would be brought forward in early 2003 for Council consideration. The intent is to look at the package of ways that Metro compensates employees, such as benefits, salary and other kinds of rewards.

**6. First Quarter Financial Report**

Agenda item #6 was heard second. Casey Short, Financial Planning Division Manager, reviewed the First Quarter, FY 2002-03 Quarterly Report, a copy of which is included in the meeting minutes. He said that an executive summary had been included in the CFO's transmittal letter. Overall, revenues are at 19% of budget, which is the same percentage as the first quarter last year. Expenditures are at 19% of budget, down from 23% in last year's budget due to changes in the debt service schedule. Mr. Short gave a brief overview of each of the operating and capital funds and made the following points about specific funds:

*Regional Parks Fund:* Parks revenues are slightly higher than budgeted.

*Solid Waste Revenue Fund:* There continues to be a shift of tonnage and revenue from Metro facilities to non-Metro facilities.

*MERC Operating Fund:* Revenues are up significantly from the first quarter of last year, mostly at the Oregon Convention Center. However, revenues are still below projections for the current year.

*Zoo Operating Fund:* Enterprise revenue is slightly higher than last year but lower than what was projected in the budget. Attendance is up but revenues from concessions and retail shops are down.

*Support Services, Risk Management and Building Management Funds:* All are within appropriation. The Information Technology Department expenditures are high for the first quarter due to costs (licensing fees, etc.) that are paid in full in the first quarter.

Mr. Short said that there were no over-expenditures in the capital funds. He referenced a note in the transmittal letter that addressed some of the anomalies in these funds.

*MERC Pooled Capital Fund:* Expenditures are significantly lower than expected, primarily due to a lack of time to accomplish the projects at the Portland Center for the Performing Arts (PCPA).

Mr. Short said that the amount of excise tax received was lower than projected. Although an additional \$137,000 was projected above budget for solid waste excise tax revenues, that amount goes into the General Fund Rate Stabilization Reserve Account and is not available for discretionary spending until the following fiscal year. He added that the general fund had a beginning fund balance of about \$250,000 above budget, which offset the decrease.

Chair Burkholder asked if the Oregon Convention Center's revised annual forecast included funds from the Visitor Development Initiative (VDI) to assist during construction. Bryant Enge, Director of Administration at MERC, said that \$5.7 million out of \$8.4 million had already been received from VDI, with the remainder due between now and FY 2005-06.

In response to a question from Councilor Atherton, Mr. Short said that the county collects a small fee for administering the program that collects hotel lodging taxes and he would inform Councilor Atherton of the exact amount.

##### **5. Resolution 02-3240, For the Purpose of Adopting the Capital Improvement Plan for Fiscal Years 2003-04 Through 2007-08.**

Mike Burton, Executive Officer, introduced Metro's seventh annual Capital Improvement Plan (CIP), a copy of which is included in the meeting record. He explained that the CIP was implemented in 1996 to provide a sound basis for forecasting and planning capital needs and mentioned some of the diverse projects that had been accomplished through the process. He said that he had recently signed an executive order that established mandatory uniform guidelines for managing capital projects and would soon release a detailed project management manual and select a contractor to train project managers in best management practices.

Mr. Burton went on to summarize the CIP. He reported that the total number of projects in the 2003-04 through 2007-08 CIP dropped from 103 to 83 and the dollar amount decreased by \$34.6 million. There were nine projects over \$1 million, none of them new. Twenty-five projects were new and nine were scheduled to begin in FY 2003-04. He said that Regional Environmental Management would account for 39% of total CIP expenditures, followed by the Zoo at 29% and Regional Parks and Greenspaces at 19%. For the first time since the implementation of the CIP, the Zoo had no new major projects, with the largest single ongoing project being the completion of the Great Northwest Project. He added that the completion of the Oregon Convention Center would have a large impact on the CIP.

He went on to say that with the implementation of the capital asset management policies, a clearer picture of the agency's total funding needs was becoming apparent. Several departments do not have adequate funding to meet basic renewal and replacement needs nor proposed new projects. Long-term

unmet funding issues must be resolved and long-range funding issues must continue to be an important part of Metro's financial planning agenda over the next few years. He encouraged the Council to use the plan as a means to evaluate how well Metro had met its mandates and what course was needed to provide a foundation for the agency to continue its mission.

John Houser, Council Analyst, thanked Karen Feher, CIP Coordinator, for her work on the preparation of the CIP. He said that this was the first year in which the council analysts and financial planning analysts worked as a team to analyze each department's submittal. They then met with department representatives to identify issues related to their submittals. He flagged the possibility that some departments might not have adequate revenue streams to finance requested renewal and replacement and capital improvement projects or to establish renewal and replacement reserves as recommended by capital asset management policies. He said the Council would need to recognize the need to pay for these projects on a one-time basis as they occurred or begin to rebuild the renewal and replacement reserve through some kind of annual contribution process.

Mike Burton and David Biedermann, Information Technology (IT) Director, reviewed the list of unfunded projects in the IT area, listed in the Proposed CIP Report included in the meeting record. Most of the IT unfunded projects were at the Zoo or dealt with PeopleSoft connections and were meant to help Metro get a better handle on the accounting systems and the fund management systems at the Zoo. Mr. Burton also flagged the larger unfunded projects in other Metro departments.

**Motion:** Councilor McLain moved to recommend Council adoption of Resolution 02-3240.

**Vote:** Chair Burkholder and Councilors McLain and Atherton voted aye. The vote was 3/0, and the motion passed.

Councilor Atherton agreed to carry the resolution to the full Council.

**6. Ordinance No. 02-971, For the Purpose of Amending the FY 2002-03 Budget and Appropriations Schedule Recognizing \$411,051 in Grant Funds from Various State, Federal and Private Sources; and Increasing the Regional Parks Fund Operating Expenses by \$411,051**

Jim Morgan, Natural Resources Program Supervisor with Regional Parks and Greenspaces, explained that this ordinance recognized grant funds totaling \$411,051 from a variety of sources to remove invasive plant species and plant native vegetation at Gotter Bottom on the Tualatin River. He said that the ordinance would allow the restoration of 110 acres of flood plain wetland to the condition of the land prior to European settlement.



Councilor Burkholder asked if any funds were available to preserve the area by keeping out non-native species after the initial work was accomplished. Mr. Morgan responded that once native vegetation was established during the first five years of the project, future maintenance costs would be minimal.

**Motion:** Councilor Atherton moved to recommend Council adoption of Ordinance 02-971.

**Vote:** Chair Burkholder and Councilors McLain and Atherton voted aye. The vote was 3/0, and the motion passed.

Councilor McLain agreed to carry the resolution to the full Council.

- 7. Ordinance No. 02-982, For the Purpose of Amending the FY 2002-03 Budget and Appropriations Schedule to Recognize \$104,570 in Grant Funds and Government Contributions from Various State and Local Sources; Transfer \$25,430 from Contingency to Operating Expenses; Increase the Regional Parks Fund Operating Expenses by \$130,000; Amend the FY 2002-03 Capital Improvement Plan; and Declaring an Emergency**

Dan Kromer, Parks and Visitor Services Manager, explained that an unanticipated problem occurred when water levels dropped at the Gleason Boat Ramp during the summer of 2002, necessitating emergency dredging. Funds were obtained from the Oregon State Marine Board, the Port of Portland, and the Multnomah County Sheriff's Office River Patrol to help pay for the dredging. He said that Metro's share of the expense would come from the Parks Department contingency fund.

**Motion:** Councilor Atherton moved to recommend Council adoption of Ordinance 02-982.

**Vote:** Chair Burkholder and Councilors McLain and Atherton voted aye. The vote was 3/0, and the motion passed.

Chair Burkholder agreed to carry the ordinance to the full Council.

- 1. Consideration of the Minutes of the October 9, 2002 Budget and Finance Committee Meeting**

**Vote:** Chair Burkholder and Councilors Atherton and McLain voted to adopt the minutes of the Budget and Finance Committee meeting of October 9, 2002 as presented. The vote was 3/0, and the motion passed.

## **8. Councilor Communications**

There were no councilor communications.

There being no further business before the committee, Chair Burkholder adjourned the meeting at 2:55 p.m.

Prepared by,

*Claudia Wilton*

Claudia Wilton  
Council Assistant

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF NOVEMBER 13, 2002**

<b>Agenda Item No.</b>	<b>Topic</b>	<b>Doc. Date</b>	<b>Document Description</b>	<b>Doc. Number</b>
6	Metro Quarterly Report	Undated	Quarterly Report – First Quarter, FY 2002-03	111302bd-01
5	Transmittal of FY 2003-04 CIP	11/4/02	TO: Metro Budget and Finance Committee FROM: Casey Short SUBJECT: FY 2003-04 Capital Improvement Plan	111302bd-02
5	CIP	11/7/02	CIP – Department Issues	111302bd-03
5	CIP	Undated	Proposed Capital Improvement Plan Report	111302bd-04
5	CIP	11/6/02	TO: Metro Budget and Finance Committee FROM: Karen Feher SUBJECT: Regional environmental Management revisions to the FY 2003-04 Capital Improvement Plan	111302bd-05

**MINUTES OF THE METRO COUNCIL  
SOLID WASTE & RECYCLING COMMITTEE MEETING**

Wednesday, November 6, 2002  
Council Chamber

Present: Bill Atherton (Chair), Susan McLain (Vice Chair), Rod Monroe,

Absent: David Bragdon (excused), Rod Park (excused)

Chair Atherton called the meeting to order at 3:38 p.m.

**1. CONSIDERATION OF THE MINUTES OF THE OCTOBER 16, 2002 SOLID WASTE & RECYCLING COMMITTEE MEETING.**

**Motion:**

Councilor McLain moved to adopt the minutes of the October 16, 2002 Solid Waste & Recycling Committee Meeting.
----------------------------------------------------------------------------------------------------------------

**Vote:**

Councilors Monroe, McLain and Atherton voted to adopt the minutes as presented. The vote was 3 aye/ 0 no/ 0 abstain, and the motion passed. Councilors Park and Bragdon were absent from the vote.
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**2. REGIONAL ENVIRONMENTAL MANAGEMENT DIRECTOR'S BRIEFING**

Terry Petersen, Manager, Regional Environmental Management, reported that a Solid Waste Advisory Committee Subcommittee has been formed to identify and recommend strategies and practices to reduce contamination and loss of material collected for recycling in the Metro region. As a financial technical update, he explained why REM did not meet a requirement of the solid waste bonds in FY 2001-02 and why it is in no way an indication of a financial problem and would not reflect negatively on our credit rating. He talked about the three successful natural garden tours and how tour attendees had incorporated natural gardening practices in their own gardens. (For more detail, see the copy of the *Regional Environmental Management Director's Updates* attached to the permanent record of this meeting).

Councilor McLain asked Mr. Barrett to try and adjust the SWAC Subcommittee meeting times to allow councilors to attend.

**3. RESOLUTION NO. 02-3232, FOR THE PURPOSE OF AUTHORIZING METRO TO ENTER INTO AGREEMENTS TO PURCHASE AND DELIVER EQUIPMENT ON BEHALF OF FOOD DONATION INFRASTRUCTURE GRANT RECIPIENTS IN LIEU OF DIRECT CASH GRANTS**

Lee Barrett, Waste Reduction and Outreach Manager, explained that a technical adjustment was needed to the grant program in order to take advantage of an opportunity for bulk savings that Jennifer Erickson had discovered. He commented that this is the fourth and final year of the program, which grants money to food organizations so they can better accept and handle food donations from restaurants, food processors and grocery stores. Jennifer Erickson, Waste Reduction and Outreach, explained that the Organics team had enhanced their efforts to do outreach for applicants for the grant money, and the majority of the 17 applications they received this year were for funds for refrigerators and freezers. She said the Organics team put together a package and sent inquiries to several supply companies in the Metro region and were surprised to learn that they could save significantly and have a surplus in the fund for other things. She asked for approval to change their mode of action in the program.

**METRO COUNCIL SOLID WASTE & RECYCLING COMMITTEE**

June 5, 2002

Page 2 of 6

Councilor McLain said she was obviously in favor of saving money and allowing more equipment to be purchased. She asked about liability issues. Ms. Erickson said there had been discussions with Risk Management and legal counsel who recommended bringing the question to the committee. She said since Metro would never take possession of the equipment, there would be no ownership or liability for the equipment. Mr. Fjordbeck concurred that there would be minimal risk, if any. Councilor McLain asked about the review process for reassigning the money that was saved to other programs. Ms. Erickson said they had not looked at that yet as they would not ask for final bids until the committee decided on this request. She expected the savings would stay within the Organics Program. Councilor McLain hoped there would be two or three more recipients because of the savings. Ms. Erickson said they would reexamine the applications.

**Motion:**

Councilor McLain moved to take Resolution No. 02-3232 to the full council for consideration.

**Vote:**

Councilors Monroe, McLain and Atherton voted to take Resolution No. 02-3232 to the full council for consideration. The vote was 3 aye/ 0 no/ 0 abstain and the motion passed. Councilors Atherton and Park were absent from the vote.

Chair Atherton assigned Councilor McLain to carry the ordinance to the full council.

**4. RESOLUTION NO. 02-3238, FOR THE PURPOSE OF CONSIDERING A DESIGNATED FACILITY AGREEMENT WITH VALLEY LANDFILLS, INC., FOR THE COFFIN BUTTE LANDFILL**

Dr. Petersen explained the resolution and its companion Draft Ordinance No. 02-979, which he said would be first read at the next Council meeting. Roy Brower, REM Regulatory Affairs, said the resolution would formally establish the Coffin Butte Landfill as a Designated Facility and authorize the Executive Officer to enter into an agreement between the Landfill and Metro, and the Draft Ordinance would list the landfill as a Designated Facility Agreement (DFA) in Chapter 5.05 of the Metro Code. He said they had been working on the request since it was received about a year ago. He noted that Metro's Flow Control Code, Chapter 5.05, provides that the Council may designate facilities, including those outside the Metro region, to become part of the Metro Solid Waste System. Current designated facilities are the two Metro transfer stations and all the facilities inside the Metro region that have a certificate license or franchise. He said in addition to those, there are five specifically listed facilities outside the region, including Lakeside and Hillsboro Landfills in Washington County, Columbia Ridge in Gilliam County, Finley Buttes Landfill in Morrow County, and Roosevelt Landfill in Klickitat County, Washington. He said this would be the first new facility designated outside of the region in nearly 10 years and would not authorize Coffin Butte to take hazardous waste or other waste prohibited by DEQ, or material that had not gone through a Material Recovery Facility (MRF). He noted that Coffin Butte is in Benton County, north of Corvallis. He added that the REM staff recommends approval. In response to a question from Councilor McLain, he said Coffin Butte is different from the Hillsboro and Lakeside landfills because those are both considered limited purpose landfills and only take special dry waste and specific waste authorized by the DEQ while Coffin Butte, like Columbia Ridge and Roosevelt, would be a full scale landfill and would take putrescible waste, certain contaminated soils, and other special waste. There was committee discussion regarding enforcement issues.

Chair Atherton opened a public hearing on Resolution No. 02-3238 and Draft Ordinance No. 02-979.

**METRO COUNCIL SOLID WASTE & RECYCLING COMMITTEE**

June 5, 2002

Page 3 of 6

Ray Phelps, Willamette Resources, Inc., said they had made some changes in their business activities and had been aggressively marketing some of the services of Coffin Butte. He said it would facilitate that process not to have to continually get non-system licenses. He appreciated REM's work on these measures and requested an emergency clause be added to the provisions so they could begin operations as soon as the paper work had been settled and the Executive Officer had signed the DFA, since it was of an administrative nature. He observed one difference that would present them with a cash flow problem was the way they would be reimbursed for their credits, both the user fee and the excise tax. Currently they deduct the credit from their payment to Metro, but these measures would extend the reimbursement period anywhere from 40 to 70 days, as they would have to pay the landfill, and the landfill would pay Metro and then they would have to request a check from Metro. He felt there could be administrative remedies within the department so the wait for their payment would not be so long. There was discussion regarding the emergency clause and it was decided to ask staff to add it to the draft ordinance before it is first read at Council. Mr. Phelps added that this was for the good of all of the haulers, not just WRI.

**Motion:**

Councilor Monroe moved to take Resolution No. 02-3238 to the full council for consideration.

**Vote:**

Councilors McLain, Monroe and Atherton voted to take Resolution No. 02-3238 to the full council for consideration. The vote was 3 aye/ 0 no/ 0 abstain and the motion passed. Councilors Bragdon and Park were absent from the vote.

Chair Atherton assigned Councilor McLain to carry the ordinance to the full council.

**5. DRAFT ORDINANCE NO. 02-979, FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 5.05 TO INCLUDE THE COFFIN BUTTE LANDFILL ON THE LIST OF DESIGNATED FACILITIES**

**Motion:**

Councilor Monroe moved that the committee ask staff to insert the emergency clause appropriately into Draft Ordinance No. 02-979 prior to its first reading at council the next afternoon.

**Vote:**

Councilors Monroe, McLain and Atherton voted to take Draft Ordinance No. 02-979A to the full council for first reading with the requested additions. The vote was 3 aye/ 0 no/ 0 abstain and the motion passed. Councilors Bragdon and Park were absent from the vote.

**6. RESOLUTION NO. 02-3239, FOR THE PURPOSE OF AUTHORIZING RELEASE OF RFB #03-1032-REM FOR THE PROVISION OF DIESEL FUEL AND AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE THE RESULTING CONTRACT**

Dr. Petersen reviewed the purpose of the resolution. Chuck Geyer, REM Engineering/Environmental Services, presented background and noted basic parameters of the service levels including branded low sulfur diesel fuel at a cardlock between Arlington and the Columbia Ridge landfill on Highway 19. He noted that the recommendation for a longer initial term of 4 years and 10 months and a 2 year extension option were different than the last RFB. He said there was little risk with the longer term as Metro has the option of terminating the contract within 7 days at our sole discretion. Councilor McLain was concerned about the length of the contract. She understood they could get out of it quickly, but felt seven years was a

**METRO COUNCIL SOLID WASTE & RECYCLING COMMITTEE**

June 5, 2002

Page 4 of 6

long time to lock things up without someone else having a chance to enter into the system. Mr. Geyer responded that the longer term afforded bidders the opportunity to invest in their business's infrastructure to comply with Metro's specs and then have a shot at the bid.

**Motion:**

Councilor Monroe moved to take Resolution No. 02-3239 to the full council for consideration.

Mark Fitz, Star-OilCo, 232 NE Middlefield Rd., Portland, OR, spoke to the committee as a huge advocate of bio-diesel fuel for the Portland market. He explained that biodiesel fuel acts in combustion similarly to diesel fuel and comes from agricultural products, specifically from recycled fryer oils. He reported that Oregon's biodiesel industry is in its infancy right now, with several people beginning to refine in small quantities. He reviewed the advantages of biodiesel. He asked the committee to consider adding biodiesel fuel into the resolution. Dr. Petersen said the research is promising and he is optimistic the some form of biodiesel fuel can be used eventually, but there are a number of technical and operational issues that need to be addressed before biodiesel could be incorporated into the resolution. Councilor McLain commented that it would make good sense to consider it at a future time, when they knew more about it. She did not want to preclude future technology. Mr. Fjordbeck said there was nothing in the current contract that would preclude a later amendment with regard to the specs of the fuel. In response to a question from Chair Atherton, Mr. Fitz said biodiesel is currently available in the Metro region, but not as yet produced here. Councilor Monroe commented that the appropriate thing to do with me to give instructions to Dr. Petersen and his staff to investigate whether or not the use of biodiesel or a blend would be possible and advantageous in our system because he concurred they needed to look at all kinds of opportunities to recycle. Chair Atherton agreed, and said markets for recycling products was already in the plan.

**Vote:**

Councilors McLain, Monroe and Atherton voted to take Resolution No. 02-3239 to the full council for consideration. The vote was 3 aye/ 0 no/ 0 abstain and the motion passed. Councilors Bragdon and Park were absent from the vote.

Chair Atherton will carry the resolution to the full council.

**7. RESOLUTION NO. 02-3242, FOR THE PURPOSE OF CONFIRMING THE APPOINTMENT OF ERIC MERRILL TO THE METRO SOLID WASTE ADVISORY COMMITTEE (SWAC)**

Dr. Petersen explained Resolutions No. 02-3242 and 02-3243, which both make appointments to the Solid Waste Advisory Committee. No. 02-3242 is a new position, a representative from Clark County and the first time an industry representative from Clark County has had a seat on the committee. The second, 02-3243, was a reappointment of current members whose terms had expired and they would be serving another term.

**Motion:**

Councilor Monroe moved to take Resolution No. 02-3242 to the full council for consideration.

**Vote:**

Councilors Monroe, McLain and Atherton voted to take Resolution No. 02-3242 to the full council for consideration. The vote was 3 aye/ 0 no/ 0 abstain and the motion passed. Councilors Bragdon and Park were absent from the vote.

**METRO COUNCIL SOLID WASTE & RECYCLING COMMITTEE**

June 5, 2002

Page 5 of 6

Chair Atherton assigned Councilor Monroe to carry the resolution to the full council.

**8. RESOLUTION NO. 02-3243, FOR THE PURPOSE OF REAPPOINTING METRO SOLID WASTE ADVISORY COMMITTEE (SWAC) MEMBERS AND ALTERNATIVE MEMBERS**

**Motion:**

Councilor McLain moved to take Resolution No. 02-3243 to the full council for consideration with a do pass recommendation.

**Vote:**

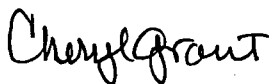
Councilors McLain, Monroe and Atherton voted to take Resolution No. 02-3243 to the full council for consideration. The vote was 3 aye/ 0 no/ 0 abstain and the motion passed. Councilors Bragdon and Park were absent from the vote.

Chair Atherton assigned Councilor Monroe to carry the resolution to the full council.

**ADJOURN**

There being no further business to come before the Solid Waste & Recycling Committee, Chair Atherton adjourned the meeting at 4:53 p.m.

Prepared by



Cheryl Grant  
Council Assistant

**METRO COUNCIL SOLID WASTE & RECYCLING COMMITTEE**

June 5, 2002

Page 6 of 6

**Attachments to the Public Record for the  
Solid Waste & Recycling Committees Meeting of November 6, 2002:**

<b>Agenda Item No.</b>	<b>Topic</b>	<b>Doc Date</b>	<b>Document Description</b>	<b>Doc Number</b>
2	REM Update	6/19/02	Regional Environmental Management Director's Updates	110602swr-01

**Testimony Cards:**

Ray Phelps, WRI, Wilsonville, OR 97070



**MINUTES OF THE METRO COUNCIL  
GOVERNMENTAL AFFAIRS COMMITTEE**

Tuesday, December 3, 2002  
Metro Council Chamber

**Members Present:** Chair Bragdon and Councilors Rex Burkholder and Rod Monroe

Chair Bragdon called the meeting to order at 11:00 a.m.

**1. Consideration of the Minutes**

**Vote:** Chair Bragdon and Councilors Burkholder and Monroe voted to adopt the minutes of the November 19, 2002, Governmental Affairs Committee as presented. The vote was 3/0, and the motion passed.

**2. Ordinance 02-965, For the Purpose of Amending Chapter 2.02 Personnel Rules of the Metro Code to Conform to the Metro Charter Amendments Adopted on November 7, 2000, and Declaring an Emergency**

Dan Cooper, General Counsel, noted that Draft Ordinance 02-965 was considered by the Governmental Affairs Committee on November 19, 2002, and sent to the Council for first reading. Subsequently, the ordinance was revised to reflect a technical correction. Mr. Cooper explained that under the current personnel ordinances, positions within the Council Office are considered unclassified because they are entirely exempt from Metro's personnel rules. Ordinance 02-965 erroneously did not provide for exemptions of any positions other than those in the Office of the Auditor. Mr. Cooper prepared language that would allow the Chief Operating Officer (COO) to designate positions that served the Council as exempt provided that the Council President approved the exemption in writing and provided 10 days' notice to the full Council.

Councilor Monroe said that it was critical to add this provision to ensure confidentiality. Mr. Cooper clarified that under state law, a position is deemed confidential only as it relates to labor relations matters.

Councilor Burkholder asked how the Council could ensure that employees were treated fairly if they were exempt from the personnel policies. Mr. Cooper responded that exempting staff did not remove them from the protection of other personnel laws and that, in addition, it allowed the Council to reward staff for working in a demanding environment.

Councilor Burkholder asked how a Council recess of longer than 10 days would affect 10-day notice requirements. Mr. Cooper said that it would be possible to request a moratorium on 10-day notices during the August Council recess, and he suggested that the Council consider this question when it worked on its operating procedures in 2003. Chair Bragdon suggested discussing the 10-day notice issue further at the Council retreat in January, as well as the topic of basic safeguards for Council employees.

**Motion:** Councilor Monroe moved to recommend Ordinance 02-965, as amended, to the Council for adoption.

**Vote:** Chair Bragdon and Councilors Burkholder and Monroe voted aye. The vote was 3/0, and the motion passed.

Councilor Monroe agreed to carry Ordinance 02-965 to the full Council.

**3. Councilor Communications**

There were no councilor Communications.

There being no further business before the committee, Chair Bragdon adjourned the meeting at 11:15 a.m.

Prepared by,

*Claudia Wilton*

Claudia Wilton  
Council Assistant

**ATTACHMENT TO THE PUBLIC RECORD FOR THE MEETING OF DECEMBER 3, 2002**

<b>Agenda Item No.</b>	<b>Topic</b>	<b>Doc. Date</b>	<b>Document Description</b>	<b>Doc. Number</b>
1	Minutes	11/19/02	Minutes of the November 19, 2002 meeting of the Governmental Affairs Committee	120302ga-01

## NATURAL RESOURCES COMMITTEE MINUTES

December 4, 2002  
Council Chambers

Present: Susan McLain, Chair, Carl Hosticka, Vice Chair, Bill Atherton and David Bragdon (arrived late)

Absent: Rod Park (excused)

Chair Susan McLain called the meeting to order at 1:11 p.m.

### 1. Consideration of the Minutes

#### November 6, 2002 Natural Resources Committee Meetings

Councilor Atherton made a motion to approve the minutes. Without changes or additions, the minutes of November 6, 2002 were unanimously approved.
---------------------------------------------------------------------------------------------------------------------------------------------------

### 2. Ordinance No. 02-970, For the Purpose of Amending a Carrying Capacity Policy into the Future Vision and the Regional Framework Plan

Councilor Atherton explained that this measure addresses a critical concern of the region about investing in the region in a manner that would pay dividends. Carrying capacity is an on-going conversation, and is not a fixed number. It is the interaction of things in a constant decision-making mode. He identified three important factors: the cost factor, the monitoring of subsidies to prevent them from exceeding the carrying capacity of the region, and communities knowing when their limits have been exceeded.

Chair McLain reviewed the document and commented that the bullets under "1.2 Carrying Capacity Process" would be very difficult to implement. Michael Morrissey, Council Analyst, suggested the legal staff review the bullet which addressed public taxpayer funds. Councilor Bragdon said that some portions are self-explanatory, but many are subject to broad interpretation and questionable implementation. Councilor Hosticka said he could support the basic concept, however, the wording needed more refinement. Chair McLain summarized that she felt the Committee was split, with regard to the wording of the document. She expressed her appreciation for all of Councilor Atherton's work on this issue and said further independent conversations with the Councilors could continue through the end of December. She did suggest to Councilor Bragdon that this item be listed on next year's work plan for MPAC to discuss and review, as it relates to performance measures - primarily growth paying its own way, the subsidies issues, and how the communities communicate with the regional body and how those decisions are reached. Councilor Atherton urged this discussion to go forth as the region's citizens were very interested in it and the possibility of citizen initiatives were very real.

No action was taken regarding Ordinance No. 02-970.

### 3. Resolution No. 02-3251, For the Purpose of Approving an Exclusive Personal Services Agreement with the Buel Group to Serve as the Sole Agent of Metro to Develop Hospitality and Other Compatible Facilities at the Glendoveer Golf Course

Councilor Hosticka introduced this legislation expressing that this was an opportunity to give the Buel Group the exclusive right to try to change the types of facilities at the Glendoveer Golf Course. Metro could realize a financial benefit without taking a risk. The incentives were present for an effective result.

Chair McLain chose to publicly discuss the general concept. She asked Mr. Buel to provide the general theme.

Ron Buel, representing the Buel Group, 2817 NE 19<sup>th</sup> Portland, introduced his partner, Ed Wagner. He first began working on this plan as the outcome of a conversation with Executive Officer Burton regarding golf course work, and proposed to the Executive Officer the idea of a hospitality facility at Glendoveer Golf Course, producing revenue for Metro, enhancing the athletic facilities, with condominiums built on top of the hotel. Freeway access and a great neighborhood make for a great setting. The condos could sell for about \$350,000 each with the revenue being invested. Metro would not pay anything for the development. At the beginning, Mr. Buell obtained Mr. Hickey's permission to proceed with the development. Any Metro vote would be taken at the time that Mr. Buell presents a formal plan. Since the Committee was not in executive session, Chair McLain asked Mr. Cieccko to address the situation in a general manner. Charlie Cieccko, Parks and Greenspaces Department, said that Mr. Burton requested that he and Mr. Cooper, Legal Counsel, investigate Mr. Buell's proposal, and they found the proposal unfavorable, and upon hearing that, the Executive Office took no further action. Councilor Hosticka asked if the general situation was favorable or unfavorable. Mr. Cieccko said there were a number of issues that would be very difficult to characterize in a general sense. Chair McLain said that Washington County had done something similar to this, and in this revenue climate might it be a good idea or not. Mr. Cieccko said the idea had merit, but the details were problematic. Mr. Buell was not familiar with the Washington County situation. He said his 33 year track record of public interest matters could assure the Committee his proposal was of public interest. Councilor Atherton stated that there may be something structural to this proposal of benefit to Metro. He asked if the Glendoveer golfing revenue were increased, wouldn't that be a significant benefit. Mr. Cieccko said that the golf revenues could be increased, and they have been, but because of the increase in green fees rather than more players. Chair McLain said she was impressed enough with the idea but had not completely investigated it. She wanted to take a quick survey of the Committee. Councilor Hosticka said there wasn't enough time at this meeting, but that this agreement was to give exclusive agent rights to Mr. Buell's company, and he was willing to do that. He said he believed the details could be worked out. Chair McLain asked that it be placed on a future Council agenda if Councilor Hosticka could find additional support, or pass it out of Committee without recommendation.

<b>Motion:</b> Councilor Atherton moved to pass Resolution No. 02-3251 out of Committee without a recommendation.
-------------------------------------------------------------------------------------------------------------------

<b>Vote:</b> The vote was 3aye/ 0 nay/ 0 abstain and it was unanimously approved that Resolution No. 02-3251 would pass out of Committee without a recommendation. Councilor Bragdon was not present for this vote.
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**4. Resolution No. 02-3253, For the Purpose of Adopting an Updated Regional Greenspaces System Concept Map**

Charlie Cieccko, said that this legislation proposes to adopt the first update of the Metropolitan Greenspaces Concept Map since 1992. The original map included a variety of strategies, and in 1997 those strategies were included in the Regional Framework Plan but did not include a map. Earlier this year, the first amendment to the Regional Trails and Greenways Map was adopted. The map before this Committee incorporates those amendments. This map is not regulatory in nature and imposes no restriction or obligation on any landowner. Ron Klein, Parks and Greenspaces Department, introduced a powerpoint presentation which is attached to and included in the permanent record of this meeting. Twenty-nine letters of support have been received from local jurisdictions and agencies and Mr. Cieccko

briefly reviewed the qualifying status of the letters. If the Council should approve this legislation, it would then be taken out for public review of future work. Mr. Cieccko acknowledged staff who worked so diligently in accomplishing this work.

Wendie Kellington, representing Mike Warn/Warn Farm, PO Box 1930, Lake Oswego, OR 97035 presented written material and an oversized map. Mr. Warn's farm shows up as a natural area and he has not had the benefit of participation in the process of making this area a public area. Mr. Warn opposes this map because of its impact on his farm and asked that his property which is outside of the jurisdictional boundary, as well as the Urban Growth Boundary, be removed from the map.

Chair McLain said that there was nothing in the legislation or map that put Mr. Warn or his property at risk. Mr. Helm, Legal Counsel, said that agencies like Metro show their mapping in a conceptual manner. He offered an explanatory letter to Mr. Warn to codify the Committee's statements about what the map represents. Councilor Bragdon commented that natural features, although privately owned, do not imply regulation. And, future development of publicly owned property undergo an extensive land use process within the local jurisdiction.

<b>Motion:</b> Councilor Hosticka moved approval of Resolution No. 02-3253.
-----------------------------------------------------------------------------

<b>Vote:</b> The vote was 4aye/ 0 nay/ 0 abstain and was unanimously approved. Chair McLain will carry the legislation to Council.
------------------------------------------------------------------------------------------------------------------------------------

#### 5. ESEE Element

Mark Turpel, Planning Department, presented and briefly reviewed a document regarding the ESEE Element Overall Timeline, which is attached to and included in the permanent record of this meeting. Chair McLain said the Committee was ready to live with this timeline, its priorities and that a general policy discussion would follow as this work moves forward.

Mr. Turpel and Justin Houk introduced a powerpoint presentation which was earlier presented to the Economic Technical Advisory Committee (ETAC) on November 25<sup>th</sup>, and will be shown on December 6, to the Independent Economic Assessment Board which will serve as Metro's Peer Review Panel. The powerpoint presentation is attached to and incorporated into the permanent record of this meeting. Councilor Hosticka asked that when the external review panel meet for its first official meeting, that an Executive Officer representative be present and available.

#### 6. Goal 5 Impact Areas

Paul Ketcham, Goal 5 Project Leader and Lori Hennings, Staff Ecologist, made the Goal 5 Impact Areas presentation. Mr. Ketcham said the inventory work is 90% completed, while map corrections continue. Next to be identified are impact areas – the areas either within the resource or adjacent to the resource which could adversely affect the ecological function of the fish and wildlife habitat. He explained reference material which was distributed to the Committee: "Impact Areas Draft Discussion Paper, dated November 6, 2002" and "Impact Areas Overview December 4, 2002" which are both attached to and incorporated into the permanent record of this meeting. The six options identified by staff have varying levels of ecological performance. The Goal 5 Technical Advisory Committee and the Water Resources Policy Advisory Committee have made recommendations to staff and Council advising the best course of action on impact area designation. They both have recommended Option 4.

Minutes of the Natural Resources Committee Meeting

December 4, 2002

Page 4

Lori Hennings reviewed oversized maps which were present on the Council Chamber wall. (Due to audio problems, the microphone did not pick up Ms. Henning's voice.) Impact area designation allows the Council to take a broader view of existing development patterns within the region, how the areas are contributing to the ecological function to the resource, and devising appropriate strategies toward improving ecological health over time.

This presentation is discussion only, seeking feedback and direction from the Committee, not necessarily a recommendation at this meeting. Councilor Hosticka asked what kinds of complications this added to the ESEE analysis. Mr. Ketcham replied that it was not making the ESEE analysis any easier by adding these impact areas, so it is a question of judging whether it is worth the extra effort to include these areas, whether in the long term it will have been worth it. In the short term, the costs of increased ownerships, the public concern that will be raised will have to be faced by the Council. Impact areas will add acreages and a considerable number of ownerships. Ms. Hennings added that although the ESEE analysis may be more complicated, in a certain way, it will be especially beneficial to the program aspects. Mr. Helm said impact areas do not need to be identified before the inventory is completed, but they need to be identified while working through the ESEE process because the next step is identification of the conflicting uses. Mr. Ketcham said staff has received recommendations from Water Resources Policy Advisory Committee and Goal 5 Technical Advisory Committee in support of Option 4. It has not yet been presented to MPAC or MTAC. Chair McLain directed staff to have this information placed on the agendas of both MPAC and MTAC. Councilor Hosticka asked if all of the landowners needed notification if they were affected? Mr. Helm replied no, because Metro has already exceeded the notification rule. Opportunities did need to be provided for public input. Chair McLain said notification needed to be provided at the program stage. Mr. Ketcham said the value of impact areas lies in their potential for use to increase ecological functions to impaired systems. Chair McLain said this discussion needed to be continued into the next year. Mr. Ketcham added a further recommendation for Option 4, that for developed floodplains impact areas not be attached.

**Councilor Communications**

None.

Chair McLain adjourned the meeting at 4:42 p.m.

Respectfully submitted,



Patricia Mannhalter  
Committee Clerk

Testimony Cards: 1

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE NATURAL RESOURCES COMMITTEE  
MEETING OF DECEMBER 4, 2002**

AGENDA ITEM NUMBER	DOCUMENT DATE	DOCUMENT DESCRIPTION	TO/FROM	DOCUMENT NUMBER
3	09/20/2002	Letter of agreement between Glisan Street Recreation, Inc. and Buel Group	TO: Joseph G. Hickey FROM: Ronald Buel and Edward Wagner	120402.01
4	12/04/2002	Letter opposing Weber Dairy conversion to	TO: Natural Resource Committee	120402.02

Minutes of the Natural Resources Committee Meeting

December 4, 2002

Page 5

		public regional park using a portion of Warn Farm	FROM: Wendie Kellington, representing Mike Warn/Warn Farm	
4	9/24/2002	Regional Greenspaces System Concept Update Map	TO: Natural Resources Committee FROM: Wendie Kellington, representing Mike Warn/Warn Farm	120402.03
4		Regional Greenspaces System Concept Map-- Letters of Support	TO: Natural Resources Committee FROM: Regional Parks and Greenspaces Dept.	120402.04
4	12/02/2002	Regional Greenspaces System Concept Update-- Final Draft, Exhibit A to Resolution 02-3253		120402.05
5	1203/2002	Memorandum re: ESEE Element Overall Timeline	TO: Susan McLain, Chair FROM: Mark Turpel	120402.06
6	12/04/2002	Impact Areas Overview		120402.07
6	11/06/2002	Impact Areas Draft Discussion Paper		120402.08
6		Metro's Fish and Wildlife Program: A regional Approach to a Goal 5 Economic Analysis Powerpoint Presentation		120402.09
4		Building a Metropolitan Greenspaces Legacy Powerpoint Presentation		120402.10

**MINUTES OF THE METRO COUNCIL  
TRANSPORTATION COMMITTEE MEETING**

Wednesday, December 5 2002  
Council Chamber

Present: Rex Burkholder (Chair) and Rod Monroe

Absent: Bill Atherton

Chair Burkholder called the meeting to order at 10:13 a.m.

**1. CITIZEN COMMUNICATIONS ON NON-AGENDA ITEMS**

None.

**2. CONSIDERATION OF THE MINUTES OF THE NOVEMBER 7, 2002  
TRANSPORTATION COMMITTEE MEETING.**

**Motion:**

Councilor Monroe moved to adopt the minutes of the November 7, 2002 Transportation Committee Meeting.
-------------------------------------------------------------------------------------------------------

**Vote:**

Councilors Monroe and Burkholder voted to adopt the minutes as presented. The vote was 2 aye/ 0 no/ 0 abstain and the motion passed. Councilor Atherton was absent from the vote.
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**3. RELATED COMMITTEE UPDATES**

• Bi-State Transportation Committee

Councilor Monroe provided an update on the Bi-State Transportation Committee. He noted conversations were continuing about the conversion of the committee into the Bi-State Coordinating Committee where land use issues would be considered. He thought the transition would be complete early next year. He said there was one Clark County Commissioner who was concerned about the conversion. He reported there had been a long discussion about HOV lanes. Councilor Burkholder asked what would prevent the continuation of the HOV lane across the Interstate Bridge. Andy Cotugno, Director of the Planning Department, said the Clark County HOV study had looked into that about two years ago, and there were a lot of operational problems. He said the bridge bore a lot heavier traffic demand than either of the approaches, and it would be difficult to remove a lane on the bridge. Councilor Monroe believed having an HOV lane, which terminated just short of the bridge and continued at the other end, would be effective.

• JPACT

None.

• Southwest Washington RTC Board

None.

• South Corridor Policy Advisory Group

None.



**METRO COUNCIL TRANSPORTATION COMMITTEE**

December 5, 2002

Page 2 of 4

**4. RESOLUTION NO. 02-3256, FOR THE PURPOSE OF AUTHORIZING THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR PERSONAL SERVICES FOR THE HIGHWAY 217 CORRIDOR STUDY.**

Richard Brandman reviewed the resolution. He said the funding has now been secured. Bridget Wiegart said the study would look at alternative approaches to adding capacity and how it would interact with regional centers. It would also look at how transit and other modes could play a role in that corridor in alleviating the projected congestion problems. She said the total potential contracts were estimated to be \$405,000. Chair Burkholder asked what role FHWA would play. Ms. Wiegart said the scope of work on the Intergovernmental Agreement with FHWA and ODOT was a multi-modal scope of work and included consideration of general purpose, HOV, High Occupancy Toll (HOT) and other value pricing options. She said the only string that had been attached was that as long as they were receiving the value pricing funds, at least one value pricing option needed to be under consideration.

**Motion:**

Councilor Monroe moved to take Resolution No. 02-3256 to the full council for consideration.

**Vote:**

Councilors Burkholder and Monroe voted to take Resolution No. 02-3256 to the full council for consideration. The vote was 2 aye/ 0 no/ 0 abstain and the motion passed. Councilor Atherton was absent from the vote.

Chair Burkholder assigned Councilor Monroe to carry the resolution to the full council.

**5. MTIP PROCESS UPDATE**

- Status Report

Mr. Cotugno reviewed the status of the MTIP process. He said a preliminary set of applications were under development by the jurisdictions who were going through their selection and endorsement processes locally. He noted that the deadline was December 20<sup>th</sup>.

- Metro applications

Mr. Cotugno described the list of projects and programs that Metro staff was considering for application of funding, which have the same December 20<sup>th</sup> deadline as the jurisdictions. He said they anticipated seeking a resolution of endorsement from the Metro in January and asked for comments or applications they may have missed before then. He added that they anticipated 2-3 times the number of applications than dollars available. In response to a question from Chair Burkholder, Mr. Cotugno said there were resources intended to implement activities in centers not along the light rail, which would deal with the more traditional transportation projects. Chair Burkholder thought it would be critical for Metro to provide some support to the smaller jurisdictions regarding centers issues. Mr. Cotugno agreed (for more detail, see copies of the memos to the Transportation Committee, from Tom Kloster re: Tentative Local MTIP Requests, and from Ted Leybold re: Metro applications for funding; Transportation Priorities 2004-07 included with the permanent record of this meeting). There was committee discussion of various projects that could be funded. Mr. Cotugno added that they still had to check on whether or not Greenspaces intended to apply for any trail projects.

**6. TEA-21/REAUTHORIZATION POLICY PAPER UPDATE**

Chair Burkholder asked which of the projects on the agenda needed comment from the committee as Councilor Monroe had to leave due to prior obligations. Mr. Cotugno responded that Agenda Items #6 and #9 would need some conversation prior to the next JPACT meeting. Mr. Brandman wanted to be

**METRO COUNCIL TRANSPORTATION COMMITTEE**

December 5, 2002

Page 3 of 4

sure the committee was aware of what was happening with RUFTF. He said they had a draft recommendation to share.

Mr. Cotugno said he had been through the TEA-21 issues with Councilors Burkholder and Monroe separately, and asked for input. Councilor Monroe thought it would be helpful to find out from key staff people whether or not an expanded project list would be helpful. He felt the critical regional projects should be priority. Chair Burkholder un-prioritized local projects would be helpful. (See copy of a memo to JPACT/Metro Council from Andy Cotugno re: TEA-21 Reauthorization Priorities included with the permanent record of this meeting). Mr. Brandman explained how the process would work in Washington D.C. He said further conversations were needed on the projects.

[NOTE: The committee lost its quorum and adjourned at 11:36 a.m.].

**7. TRANSPORTATION INVESTMENT TASK FORCE UPDATE**

None.

**8. SOUTH CORRIDOR UPDATE**

None.

**9. ROAD USER FEE TASK FORCE (RUFTF) UPDATE**

None.

**ADJOURN**

There being no further business to come before the Transportation Committee, Chair Burkholder adjourned the meeting at 11:36 p.m.

Respectfully Submitted,



Cheryl Grant  
Council Assistant

**Attachments to the Public Record for the  
Transportation Committees Meeting of December 5, 2002**

<b>Agenda Item #</b>	<b>Topic</b>	<b>Doc Date</b>	<b>Document Description</b>	<b>Doc Number</b>
5.	MTIP	12/4/2002	Memo to Transportation Committee from Tom Kloster re: Tentative Local MTIP Requests	120502tc-01

**METRO COUNCIL TRANSPORTATION COMMITTEE**

December 5, 2002

Page 4 of 4

5.	MTIP	10/2/2002	Memo to Transportation Subcommittee from Ted Leybold re: Metro applications for funding; Transportation Priorities 2004-07	120502tc-02
6.	TEA-21 Reauthorization	11/27/2002	Memo to JPACT/Metro Council from Andy Cotugno re: TEA-21 Reauthorization Priorities	120502tc-03
7.	Transportation Investment TF	12/2/2002	Memo to Transportation Investment TF from Henry Hewitt re: Freeway and Highway Projects: Proposed Approach	120502tc-04
8.	South Corridor	12/5/2002	Copy of PowerPoint presentation "South Corridor Project Update"	120502tc-05
9.	Road User Fee Task Force	9/30/2002	RUFTF Preliminary Report to Legislative Assembly Executive Summary	120502tc-06
	TOD	12/5/2002	TOD Steering Committee Meeting Packet	120502tc-07

**Testimony Cards:**

None.

Agenda Item Number 3.2

**Resolution No. 03-3270, For the purpose of Confirming the Reappointment of Herbert Plep and Leroy Patton to the Investment Advisory Board.**

Metro Council Meeting  
Thursday, January 30, 2003  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE ) RESOLUTION NO. 03- 3270  
REAPPOINTMENT OF HERBERT PLEP AND )  
LEROY PATTON TO THE INVESTMENT ) Introduced by David Bragdon  
ADVISORY BOARD

WHEREAS, Metro Code, Section 2.06.030, provides that Council confirms members to the Investment Advisory Board: and,

WHEREAS, Herbert Plep and LeRoy Patton come recommended by their background and by their previous experience on the Investment Advisory Board, and,

WHEREAS, Herbert Plep and LeRoy Patton as prior members of the Investment Advisory Board, are qualified to perform these duties; now therefore,

BE IT RESOLVED that the Metro Council confirm the reappointment of Herbert Plep and LeRoy Patton as members of the Investment Advisory Board for terms ending October 31, 2005.

ADOPTED by the Metro Council this \_\_\_\_\_ day of January, 2003.

\_\_\_\_\_  
David Bragdon, Metro Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

## **STAFF REPORT**

### **IN CONSIDERATION OF RESOLUTION NO. 03-3270 FOR THE PURPOSE OF CONFIRMING THE REAPPOINTMENT OF HERBERT PLEP AND LEROY PATTON TO THE INVESTMENT ADVISORY BOARD.**

---

Date: January 17, 2003

Prepared by: Brian Williams

#### **BACKGROUND**

Metro Code, Section 2.06.030, includes the creation of the Investment Advisory Board. One provision of this Code requires the Investment Officer to recommend to the Council for confirmation those persons who shall serve on the Board to discuss and advise on investment strategies, banking relationships, the legality and probity of investment activities, and the establishment of written investment procedures.

LeRoy Patton, a retired administrator of Portland Public Schools, is an active participant in Portland civic affairs. Currently, Mr. Patton is Vice President of Multnomah County's Poverty Advisory Commission and is President of the Fair Housing Council of Oregon. In addition, LeRoy is a board member of both the American Cancer Society, and the Community Music Center which is administered by the City of Portland's Park Bureau. Mr. Patton has served on the Investment Advisory Board since May, 2001.

Herbert Plep recently retired as the Assistant Treasurer of ESCO Corporation. Mr. Plep's many years of experience at ESCO have provided him with wide exposure to banking relationships and cash management activities. Mr. Plep has been a member of the Investment Advisory Board since 1998. This experience has given Mr. Plep extensive knowledge about investing public funds within the state of Oregon.

Both Mr. Plep and Mr. Patton are valued for their past voluntary contributions to the Investment Advisory Board and both have indicated their willingness to serve additional terms.

#### **ANALYSIS/INFORMATION**

- 1. Known Opposition** None.
- 2. Legal Antecedents** None.
- 3. Anticipated Effects** The reappointment of Mr. Plep and Mr. Patton will aid the Investment Advisory Board by providing continuity of experience.
- 4. Budget Impacts** None.

#### **RECOMMENDED ACTION**

The Chief Operating Officer recommends approval of Resolution No. 03-3270.

Agenda Item Number 4.0

**Public Hearing - 2002 Urban Growth Management Functional Plan Compliance Report**

Metro Council Meeting  
Thursday, January 30, 2003  
Metro Council Chamber



**METRO**

December 2, 2002

The Honorable Carl Hosticka  
Presiding Officer  
Metro Council  
600 N.E. Grand Avenue  
Portland, OR 97232

Dear Councilor Hosticka:

***Re: 2002 Urban Growth Management Functional Plan Compliance Reports***

I am pleased to submit two Reports on Compliance with the Urban Growth Management Functional Plan (Functional Plan). The first report includes the status of the local jurisdictions' compliance with Titles 1 through 6.

Title 1: Requirements for Housing and Employment Accommodation  
Title 2: Regional Parking Policy  
Title 3: Water Quality, Flood Management and Fish and Wildlife Conservation  
Title 4: Retail in Employment and Industrial Areas  
Title 5: Neighbor Cities and Rural Reserves  
Title 6: Regional Accessibility

The second report includes the status of the local jurisdiction's compliance with Title 7.

Title 7: Affordable Housing

The requirements for the Reports on Compliance are found in Metro Code Section 3.07.880. A copy of this section of the Metro Code is attached to this memo.

**PROCESS FOR THE COMPLIANCE REPORT AND ORDER**

As outlined in Metro Code Section 3.07.880.B, upon receipt of the compliance report, the Metro Council shall set a date for a public hearing in order to receive testimony on the report and to determine whether a city or county has complied with the requirements of the Functional Plan. A notice of the hearing will be sent to the cities and counties, the Department of Land Conservation and Development and to anyone who has requested notification of the hearing. Included in the notification will be a statement that the Metro Council does not have jurisdiction to determine that actions taken by a city or county that were deemed to comply, no longer comply with a requirement of the Functional Plan.



The Honorable Carl Hosticka  
Presiding Officer  
Metro Council  
December 2, 2002  
Page 2

Following the hearing, the Metro Council will enter an order that determines with which Functional Plan requirements each city and county complies. Once an order has been issued, and there has been no successful appeal to the Land Use Board of Appeals, the Metro Council's decision is final. As part of the notice of the hearing, a statement that prior orders cannot be reconsidered will be included.

Best regards,

A handwritten signature in black ink, appearing to read "Mike Burton". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Mike Burton  
Executive Officer

MB/BB/srb  
I:\gm\community\_development\share\Annual Compliance Cover Memo.doc

Enclosure

## **TITLE 8 COMPLIANCE PROCEDURES**

### **3.07.880 Compliance Report and Order**

- A. The Executive Officer shall submit a report to the Metro Council by December 31 of each calendar year on compliance by cities and counties with the Urban Growth Management Functional Plan. The report shall include an accounting of compliance with each requirement of the Functional Plan by each city and county in the district. The report shall recommend action that would bring a city or county into compliance with the Functional Plan requirement and shall advise the city or county whether it may seek an extension pursuant to section 3.07.850 or an exception pursuant to section 3.07.860. The report shall also include an evaluation of the implementation of this chapter and its effectiveness in helping achieve the 2040 Growth Concept.
- B. Upon receipt of the compliance report, the Metro Council shall set a public hearing for the purpose of receiving testimony on the report and determining whether a city or county has complied with the requirements of the Functional Plan. The Executive Officer shall notify all cities and counties, the Department of Land Conservation and Development and any person who request notification of the hearing of the date, time and place of the hearing. The notification shall state that the Metro Council does not have jurisdiction (1) to determine whether previous amendments of comprehensive plans or land use regulations made by a city or county comply with Functional Plan requirements if those amendments already comply pursuant to subsections F and G of Section 3.07.810 or (2) to reconsider a determination in a prior order issued pursuant to subsection C that a city or county complies with a requirement of the Functional Plan. Any person may testify, orally or in writing, at the public hearing.
- C. Following the public hearing, the Metro Council shall enter an order that determines with which Functional Plan requirements each city and county complies. The order shall be based upon the Executive Officer's report submitted pursuant to subsection A and upon testimony at the public hearing pursuant to subsection B, with which Functional Plan requirements each city and county complies. The order may rely upon the report for its findings of fact and conclusions of compliance with a Functional Plan requirement. If the Metro Council receives testimony during its public hearing that takes exception to the report on the question of compliance, the order shall include supplemental findings and conclusions to address the testimony. The Executive Officer shall send a copy of its order to cities and counties and any person who testifies, orally or in writing, at the public hearing.

**URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN  
ANNUAL COMPLIANCE REPORT  
December 2002  
Titles 1 through 6**

## **INTRODUCTION**

The Urban Growth Management Functional Plan (Functional Plan) came into effect in February 1997. Jurisdictions had two years to comply with the requirements contained in Titles 1, 2, 4, 5 and 6. Title 3 came into effect in June 1998 and compliance was required by January 2000. Not all jurisdictions were able to amend their comprehensive plans and implementing ordinances by these dates. Time extensions were granted by the Metro Council to a number of jurisdictions to complete their compliance efforts. This report, required by Metro Code 3.07.880, outlines the status of each jurisdiction in their compliance efforts with Titles 1 through 6 of the Functional Plan.

## **CONTENTS OF THE REPORT**

Metro Code 3.07.880.A requires that this report include the following:

- An accounting of compliance with each requirement of the functional plan by each city and county in the district.
- A recommendation for action that would bring a city or county into compliance with the functional plan requirement and shall advise the city or county whether it may seek an extension pursuant to section 3.07.850 or an exception pursuant to section 3.07.860.
- An evaluation of the implementation of the Functional Plan and its effectiveness in helping achieve the 2040 Growth Concept.

The accounting of compliance is presented in two ways. First, the compliance of each jurisdiction is discussed individually. Second, a compliance matrix has been prepared which contains a summary of compliance by Functional Plan Titles 1 through 6.

For those jurisdictions that will not meet the requirements of Titles 1 through 6 by December 31, 2002, an additional time extension is not possible. In the Council's deliberations on time extensions in November 2001, it was agreed that there would be no additional time extensions beyond December 2002 to comply with Titles 1, 2, 3 (Floodplain Management, Water Quality and Erosion Control) 4, 5 and 6. Further, the Council determined that any such requests would be considered as a request for an exception to the requirements of the Title. In the staff report accompanying Resolution No. 01-3123A, the Executive Officer concurred with this position. The discussion of actions to bring the jurisdictions into compliance is included with accounting of compliance. Following the individual jurisdiction discussion, there is an evaluation of the implementation of Titles 1 through 6 of the Functional Plan to date, their effectiveness in helping achieve the 2040 Growth Concept and series of next steps.

## **GENERAL COMPLIANCE NOTES**

This report details the compliance status of the jurisdictions through November 2002. A number of jurisdictions have extensions to complete their work to December 2002. While these jurisdictions are required to report on their status by December 31, 2002, a

number indicated that they would not be able to meet their deadline. These are discussed in the next section.

Ordinance No. 02-969, currently before the Council, proposes a series of amendments to the Functional Plan. A number of these amendments, if adopted, will require the jurisdictions to undertake additional actions to remain in compliance. This report deals with compliance with the Functional Plan currently in effect. However, there are two elements of the current compliance requirements, Table 3.07-1 of Title 1 and Sections 3.07.620 and 3.07.630 of Title 6 that should be noted.

**Table 3.07-1: Target Capacity for Housing and Employment Units – Year 1994 to 2017**

Table 3.07-1 set out target capacities for housing and employment from 1994 to 2017 that the jurisdictions were to meet. Section 3.07.150 required the jurisdictions to determine their capacity and, if the capacity fell short of the targets in Table 3.07-1, a jurisdiction was required to increase its capacity. Most of the jurisdictions found it necessary to increase their capacity to some degree. For some jurisdictions, even with extensive efforts to increase capacity they were unable to meet the target capacities set out in Table 3.07-1.

Beaverton, Durham, Johnson City, King City, Lake Oswego, Maywood Park, Milwaukie Troutdale, Clackamas County and Washington County fell short of their target capacity for dwelling units. Beaverton, Happy Valley, Johnson City, Maywood Park, Milwaukie, Oregon City, Rivergrove and Clackamas County fell short to target capacity for employment. Details of the efforts these jurisdictions made to reach their targets are included below.

During the development of the target capacities, a 5,000-acre expansion to the boundary was initially assumed. Through discussions at the Metro Technical Advisory Committee and the Metro Policy Advisory Committee, it was determined that a no expansion position would be taken and the targets were adjusted accordingly. In 1998 the Metro Council did expand the boundary approximately 3,000 acres.

When adding the reported capacities of the jurisdictions and accounting for the capacity included in the 3,000 additional acres, the region as a whole met and exceeded the capacity targets. Table 3.07-1 had a dwelling unit capacity target of 243,995 and the reported capacity is 246,053 dwelling units. The employment capacity target was 499,218 and the reported employment capacity is 516,873 jobs. The substantial increase in the employment capacity is primarily a result of the City of Portland, which reported a capacity of approximately 50,000 jobs above the target capacity.

As the region as a whole reached the target capacities, it was determined that the region as a whole had reached compliance with Table 3.07-1. At its meeting on November 19, 2001, the Community Planning Committee recommended that Table 3.07-01 be replaced with a new Table that identified the zoned capacity of each jurisdiction based on the capacities reported through efforts to comply with the requirements of the Functional Plan. The proposed amendments to Title 1 contained in Exhibit A of Ordinance No. 02-969 would ensure that there would be no backsliding from these zoned capacities.

### Title 6: Regional Accessibility

The jurisdictions were required to meet Metro Code Sections 3.07.620 (Regional Street Design Guidelines) and 3.07.630 (Design Standards for Street Connectivity) under Title 6. With the adoption of the Regional Transportation Plan (RTP) in August 2000, the requirements of Title 6: Regional Accessibility were moved to the RTP. As the timeline to meet the above two requirements did not change, compliance efforts with these are included below. The proposed amendments to the Functional Plan delete the Regional Accessibility language and add a new Title 6 dealing with Centers. The 2003 Compliance Report will not include references to Regional Accessibility as part of the Functional Plan compliance.

### **SUMMARY OF COMPLIANCE BY JURISDICTION**

The jurisdictions were required to amend their Comprehensive Plans and implementing ordinances to comply with many of the requirements of the Functional Plan. The requirements that the cities and counties complied with before the adoption of the Functional Plan, therefore no amendments were necessary to comply, are noted in the bulleted text.

#### **The City of Beaverton:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Beaverton needed to take actions to complete all requirements of the Functional Plan apart from the following:

- Partitioning standards required by Metro Code 3.07.120.B.

**Target Capacities:** Beaverton reached 91 percent of its dwelling unit target and 85 percent of its job target capacity. The City undertook Regional Center, Town Center and Station Community Planning and increased the zoned capacity in these areas. The City is continuing with its Regional Center planning with its current SW 114th Avenue study. In addition, Beaverton committed significant time and resources to the Round at Beaverton Central project.

**Outstanding Items: None**

#### **The City of Cornelius:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Cornelius needed to take actions to complete all requirements of the Functional Plan.

**Target Capacities:** Cornelius has met its target capacities.

**Outstanding Items: None**

#### **The City of Durham:**

The City has requested an exception to the minimum density standards and to the requirements of Title 2. Staff is working with the City. The City has complied with the remaining requirements of the Functional Plan. Durham needed to take actions to complete these requirements apart from the following:

- Restricting large-scale retail uses as required by Metro Code 3.07.420.

**Target Capacities:** Durham reached 93 percent of its dwelling unit target capacity. The City has Inner Neighborhood and Employment Area design types.

**Outstanding Items: Minimum Density, Parking Standards.**

Action: Staff is working with Durham staff to resolve these outstanding items.

**The City of Fairview:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Fairview needed to take actions to complete these requirements apart from the following:

- Minimum densities in Fairview Village as required by Metro Code 3.07.120.A.
- Partitioning standards as required by Metro Code 3.07.120.B.
- Accessory dwelling units in Fairview Village as required by Metro Code 3.07.120.C.
- Blended parking ratios in Fairview Village as required by Metro Code 3.07.220.A.
- Parking maximums in Fairview Village as required by Metro Code 3.07.220.A.

Target Capacities: Fairview has met its target capacities.

**Outstanding Items: None**

**The City of Forest Grove:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Fairview needed to take actions to complete these requirements apart from the following:

- Partitioning standards required by Metro Code 3.07.120.B.

Target Capacities: Forest Grove has met its target capacities.

**Outstanding Items: None**

**The City of Gladstone:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Gladstone needed to take actions to complete all requirements of the Functional Plan.

Target Capacities: Gladstone has met its target capacities.

**Outstanding Items: None**

**The City of Gresham:**

The City is in compliance with all requirements of the Functional Plan. The City has demonstrated substantial compliance with the minimum parking standards for single family dwelling units. Gresham needed to take actions to complete these requirements apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.
- Accessory dwelling units as required by Metro Code 3.07.120.C.
- Minimum parking requirements for single family dwelling units as described in Table 3.07-2.

Target Capacities: Gresham has met its target capacities. The City accepted a portion of Multnomah County's target and a portion of the target for the Pleasant Valley area.

**Outstanding Items: None**

**The City of Happy Valley:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Happy Valley needed to take actions to complete these requirements apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.
- Accessory dwelling units as required by Metro Code 3.07.120.C.

**Target Capacities:** Happy Valley has reached 29 percent of its job target capacity. With no commercially zoned lands within the 1996 City boundary, Happy Valley's primary source of jobs was home based occupations and civic employment. In order to increase employment opportunities, voters were asked if the City should permit commercial uses in the area adjacent to the City Hall or annex lands for commercial purposes. The voters choose annexation of the Rock Creek area and portions of Sunnyside Road. While these areas came with job capacity targets, Happy Valley increased the zoning capacity and established a mixed-use area. In addition, Happy Valley has taken the target capacity for former Urban Reserves Nos. 14 and 15.

**Outstanding Items: None**

**Hillsboro:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Hillsboro needed to take actions to complete these requirements apart from the following:

- Minimum densities in Station Communities as required by Metro Code 3.07.120.A.
- Partitioning standards as required by Metro Code 3.07.120.B.
- Accessory dwelling units in Station Communities as required by Metro Code 3.07.120.C.
- Blended parking ratios in Station Communities as required by Metro Code 3.07.220.A.
- Parking maximums in Station Communities as required by Metro Code 3.07.220.A.

**Target Capacities:** Hillsboro has met its target capacities. In addition, Hillsboro has taken the target capacity for former Urban Reserve No. 55W.

**Outstanding Items: None**

**Johnson City:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Johnson City needed to take actions to complete all requirements of the Functional Plan.

**Target Capacities:** Johnson City has reached 23 percent of its dwelling unit target capacity and 45 percent of its job target capacity. The target capacities were based on an assumption that the City's 47 acres were primarily vacant. In fact, Johnson City is a fully developed mobile home and trailer park with limited opportunities for adding additional dwelling units or jobs.

**Outstanding Items: None**

**King City:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. King City needed to take actions to complete all requirements of the Functional Plan.

**Target Capacities:** King City has reached 55 percent of its dwelling unit target capacity. The City has taken the target capacity of former Urban Reserve No. 47.

**Outstanding Items: None**

**City of Lake Oswego:**

The City is in compliance with all requirements of Title 1 through 6 of the Functional Plan apart from the Floodplain Management and the Water Quality Resource Area performance standards of Title 3. Lake Oswego needed to take actions to complete all requirements of the Functional Plan apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.
- Variances for parking standards as allowed by Metro Code 3.07.220.A.

**Target Capacities:** Lake Oswego reached 96 percent of its dwelling unit target capacity. The City accepted a portion of Clackamas County's target capacities. Lake Oswego increased zoned capacity in its downtown and in the Lake Grove Town Center. The City is planning to expand the downtown to an underutilized industrial site along the Willamette River.

**Outstanding Items: Floodplain Management and Water Quality Resource Areas Performance Standards**

Action: The City Council is scheduled to hear the Floodplain Management Performance Standards in January 2003. The City has expressed the intent to seek an extension to complete the Water Quality Resource Area Performance Standards. As no further extensions will be granted, Metro staff will work with City staff to begin work on a possible exception request.

**City of Maywood Park:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Maywood Park needed to take actions to complete all requirements of the Functional Plan that were applicable to the City. The City has no floodplains, streams or wetlands (Title 3), no Industrial or Employment Areas (Title 4) and no streets designated as "Regional" (Title 6) within its boundaries.

**Target Capacities:** Maywood Park has reached 44 percent of dwelling unit target capacity. The City has an Inner Neighborhood designation and almost fully built out in the 1950's with limited opportunity to increase its capacity.

**Outstanding Items: None**

**The City of Milwaukie:**

The City is in compliance with Titles 1 through 6 of the Functional Plan apart from the Title 3, Water Quality Resource Areas Performance Standards. Milwaukie needed to take actions to complete all requirements of the Functional Plan apart from the following:

- a number of the parking maximums as required by Metro Code 3.07.220
- consideration of Regional Street Design Guidelines as required by Metro Code 3.07.620

**Target Capacities:** Milwaukie reached 91 percent of its dwelling unit target capacity and 49 percent of its jobs target capacity. The City increased densities in its downtown and



planned for a main street along King Rd. Milwaukie is currently undergoing a study of its north industrial area to look for additional employment capacity.

**Outstanding Items: Water Quality Resource Areas Performance Standards**

Action: The City Council is schedule to hear this matter on December 17, 2002. If it the standards are adopted at this time, no further action is needed. As no further extensions will be granted, if the City Council does not adopt the performance measures, Metro staff will work with City staff to begin work on a possible exception request.

**City of Oregon City:**

The City is in compliance with Titles 2, 3, 4 and 6 of the Functional Plan. The City needs to adopt minimum density standards for developments other than Planned Unit Developments, to permit accessory dwelling units and adopt a policy regarding Green Corridors. Oregon City needed to take action, or is taking action, to complete all requirements of the Functional Plan apart from the following:

- Planned Unit Developments are required to be developed to at least 80% of the maximum density.
- Large-scale retail uses are not permitted in areas designated as Industrial or Employment Areas on the Title 4 map.

**Target Capacities:** Oregon City reached 75 percent of jobs target capacity. The City accepted some of Clackamas County's target capacity. Oregon City has increased its zoning in its downtown and throughout the City, certain areas have been up-zoned from single family to multi-family designations.

**Outstanding Items: Minimum Densities, Accessory Dwelling Units, Title 5 Green Corridor policy**

Action: The Planning Commission has begun hearing on these matters. The hearings are scheduled to continue into 2003. There has not been a City Commission hearing scheduled. As no further extensions will be granted, Metro staff will work with City staff to begin work on a possible exception request.

**City of Portland:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Portland needed to take actions to complete all requirements of the Functional Plan apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.
- Accessory dwelling units as required by Metro Code 3.07.120.C.
- Water Quality Resource Area performance standards on the tributaries of the Willamette River as required by Metro Code 3.07.340.B.

The City was found to be in substantial compliance the Metro Code 3.07.130 requirement to delineate design type boundaries. Portland has many mixed-use design types including the Central City, Gateway Regional Center, Hillsdale, West Portland, St. Johns, Hollywood, and Lents Town Centers, Station Communities along the east and west light rail line, the Interstate light rail line and the Airport light rail line and over 100 miles of main streets.

Planning for the Central City, Gateway, Hollywood, Lents and Hillsdale Town Centers have been completed as well as the planning for the station communities on all light rail

lines. Many of the main streets are included in the planning work undertaken for various districts within the City. The transit street classification and street design decisions of the City's current Transportation System Plan update will inform a final determination of the remaining main street boundaries and any corridors not already defined. The City has mapped its Employment and Industrial Areas as well as its neighborhood designations.

The remaining tasks are to identify boundaries for the St. Johns and West Portland Town Center. The City is undertaking the planning for the St. Johns Town Center. Based on the amount of work completed and currently underway to address this requirement of the Functional Plan and the City's clear intention to meet this requirement, Metro staff agreed that the City is in substantial compliance with Metro Code 3.07.130. In addition, the City has provided data to map the design types for Metro's modeling purposes, including generalized study areas for the St. Johns and West Portland Town Centers.

**Target Capacities:** Portland has met its target capacities. The City accepted a portion of Multnomah County's target and a portion of the target for the Pleasant Valley area.

**Outstanding Items: None**

**City of Rivergrove:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. The City has no Industrial or Employment Areas (Title 4) and no streets designated as "Regional" (Title 6) within its boundaries. Rivergrove needed to take actions to complete all requirements of the Functional Plan apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.
- Accessory dwelling units as required by Metro Code 3.07.120.C.

**Target Capacities:** Rivergrove reached 0 percent of its job capacity. The City is entirely zoned for residential uses.

**Outstanding Items: None**

**City of Sherwood:**

The City is in compliance with Titles 1 through 6 of the Functional Plan apart from submitting its final design type map as required by Metro Code 3.07.130. Sherwood needed to take actions to complete all requirements of the Functional Plan.

**Target Capacities:** Sherwood has met its target capacities.

**Outstanding Items: final elements of the design type map**

**Action:** Metro staff is working with City staff to complete this map by December 2002.

**City of Tigard:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Tigard needed to take actions to complete all requirements of the Functional Plan apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.
- Accessory dwelling units as required by Metro Code 3.07.120.C.

**Target Capacities:** Tigard has met its target capacities.

**Outstanding Items:** None

**City of Troutdale:**

The City is in compliance with Titles 1 through 6 of the Functional Plan. Troutdale needed to take actions to complete all requirements of the Functional Plan apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.
- Variances for parking standards as allowed by Metro Code 3.07.220.A.

**Target Capacities:** Troutdale reached 86 percent of its housing target capacity. The City increased its zoned capacity in its historic downtown and invested in efforts to enhance the main street.

**Outstanding Items:** None

**City of Tualatin:**

The City is in compliance with Titles 1 through 6. Tualatin needed to take actions to complete all requirements of the Functional Plan apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.

**Target Capacities:** Tualatin has met its target capacities.

**Outstanding Items:** None

**City of West Linn:**

The City is in Compliance with Titles 1, 2, 4, 5 and 6. The City is completing compliance with Title 3. West Linn needed to take actions to complete all requirements of the Functional Plan apart from the following:

- minimum densities as required by Metro Code 3.07.120.A
- Partitioning standards as required by Metro Code 3.07.120.B.
- Blended parking ratios as required by Metro Code 3.07.220.A.
- Variances for parking standards as allowed by Metro Code 3.07.220.A.

**Target Capacities:** West Linn has met its target capacities. The City accepted a portion of Clackamas County's target capacity.

**Outstanding Items: Water Quality Resource Areas Performance Standards**

**Action:** West Linn has indicated that this work will not be completed by December 2002. As no further extensions will be granted, Metro staff will work with City staff to begin work on a possible exception request.

**City of Wilsonville:**

The City is in compliance with Titles 1 through 6 apart from undertaking a capacity analysis as required by Metro Code 3.07.150 and consideration of Regional Street Design Guidelines as required by Metro Code 3.07.620. Wilsonville needed to take actions to complete all requirements of the Functional Plan.

**Target Capacities:** Wilsonville has not completed its capacity analysis. The target capacities in the 1996 Table 3.07-1 were carried forward to the revised Table included as Exhibit A of Ordinance No. 02-969.

**Outstanding Items: Capacity Analysis, Regional Street Design Guidelines**

Action: The City is continuing to work on these two items but final hearing dates have not been set. If it the City is able to complete these requirements by December 2002, no further action is needed. As no further extensions will be granted, if the City Council does not meet this timeframe, Metro staff will work with City staff to begin work on a possible exception request.

**City of Wood Village:**

The City is in compliance with Titles 1 through 6. Wood Village needed to take actions to complete all requirements of the Functional Plan apart from the following:

- minimum densities in the Town Center as required by Metro Code 3.07.120.A
- Partitioning standards as required by Metro Code 3.07.120.B.
- Parking maximums and minimums in the Town Center Village as required by Metro Code 3.07.220.A.

**Target Capacities:** Wood Village has met its target capacities.

**Outstanding Items: None**

**Clackamas County:**

The County is in compliance with Titles 1 through 6 apart from the requirements of the Water Quality Resources Area performance measures in one area of the County. Clackamas County needed to take actions to complete all requirements of the Functional apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.
- Variances for parking standards as allowed by Metro Code 3.07.220.A.

**Target Capacities:** Clackamas County reached 93 percent of its dwelling unit target capacity and 84 percent of its jobs target capacity. Clackamas County has apportioned a part of its target capacities to the Cities of Lake Oswego, Oregon City and West Linn. In its planning for the Clackamas Regional Center, the County increased zoning in the Regional Center.

**Outstanding Items: Water Quality Resource Areas Performance Standards for wetlands In Lake Grove portion of the County.**

Action: The hearing for this final piece of Title 3 compliance has been scheduled for Planning Commission in January and the Board of Commissioners in March. Metro staff will monitor the progress, if necessary Metro staff will work with City staff to begin work on a possible exception request.

**Multnomah County:**

The County is in compliance with Title 6 and is in final hearings for Title 3 outside of the UGB but inside of the Metro jurisdictional boundary. Multnomah County has signed IGA's with Portland and Troutdale and is in the process of signing an IGA with Gresham. The Cities will be providing urban services to the unincorporated county within the UGB.

As the three cities are in compliance with the requirements of Titles 1 through 5 of the Functional Plan, the signing of the IGA's will bring the County into compliance as well.

**Target Capacities:** Multnomah County has apportioned its target capacities to the Cities of Portland, Gresham and Troutdale. The County is moving away from the provision of urban services.

**Outstanding Items – Title 3 for the area inside the Metro Jurisdictional boundary but outside of the Urban Growth Boundary, east of the Sandy River.**

**Action:** The Third Reading is scheduled for December 5, 2002 and the provisions will come into effect on January 1, 2003. Finalization of the IGA's with the Cities of Troutdale, Gresham and Portland is ongoing and will bring the County into compliance with the remaining elements of the Functional Plan.

**Washington County:**

The County is in compliance with Titles 1 through 6 of the Functional Plan. Washington County needed to take actions to complete all requirements of the Functional Plan apart from the following:

- Partitioning standards as required by Metro Code 3.07.120.B.
- Accessory dwelling units as required by Metro Code 3.07.120.C.
- Large-scale retail uses are not permitted in areas designated as Industrial or Employment Areas on the Title 4 map.

**Target Capacities:** Washington County reached 94 percent of its dwelling unit capacity target. The County increased the zoned capacities in the town centers and station communities within the unincorporated areas.

**Outstanding Items: None**

## **EVALUATION OF THE IMPLEMENTATION OF THE FUNCTIONAL PLAN**

This is the first Compliance Report required by Metro Code 3.07.880. To date, the region has reached a compliance rate of 93 percent.

Compliance with the Functional Plan contributes toward achievement of the 2040 Growth Concept and efficient use of land within the region. Evaluation of compliance is a prerequisite to the region's response to the mandates of state law in ORS 197.296 and 197.299. Those statutes require Metro to determine the capacity of the urban growth boundary to accommodate housing and employment every five years and to take measures to ensure that they can be accommodated. Metro has recently completed this capacity analysis as part of its periodic review program.

Part of the capacity analysis is to gauge actual development patterns in the years since the last periodic review. If the patterns (density, housing mix, etc.) of the past, when projected into the future, are not sufficient to satisfy housing needs of the future, then ORS 197.296(5) requires the region to take new measures to increase capacity in the region. Measures to increase capacity can include expansion of the urban growth boundary, actions to increase the yield from land within the boundary, or a combination of measures. The Functional Plan contains measures that increase the yield from land within the boundary. These measures include setting minimum densities, increasing zoned capacities for dwelling units and jobs, permitting accessory dwelling units,

permitting portioning of lots at least twice the size of the minimum lot size and limiting the amount of land dedicated to parking.

If the jurisdictions in the region do not implement the efficiency measures in the Functional Plan, not only will the region use land less efficiently, but also the region will also not know whether Functional Plan measures would be successful. As a result, the region would lose much of its flexibility to respond to the requirements of ORS 197.296. The region would have to undertake new measures. New measures would likely include significant expansion of the urban growth boundary and others more daunting than the measures in the Functional Plan.

As the jurisdictions are implementing the measures of the Functional Plan, and the region wide capacity targets have been met; the region retains the flexibility under state law to continue its course toward achievement of the 2040 Growth Concept.

### **NEXT STEPS**

Metro staff will continue to work with the jurisdictional staff as compliance efforts are completed. The Cities of Durham, Lake Oswego, Milwaukie, Oregon City, Sherwood, West Linn and Wilsonville and Clackamas and Multnomah Counties have outstanding compliance issues. Apart from Durham, these jurisdictions were granted time extensions to complete the remaining compliance work. As a condition of these extensions, the jurisdictions are required to submit quarterly status reports. The final status report is due on December 31, 2002. Once these have been reviewed, staff will have a better understanding of which jurisdictions will need to request exceptions.

## Status of Compliance by Jurisdiction - 2002

Title 1: Housing and Employment Accommodation					
	2.A minimum density	2.B partitioning standards	2.C accessory dwelling units	3.A map of design types	5.A capacity analysis
Beaverton	in compliance	in compliance	in compliance	in compliance	housing, employment low
Cornelius	in compliance	in compliance	in compliance	in compliance	in compliance
Durham	<b>exception requested</b>	in compliance	in compliance	in compliance	housing low
Fairview	in compliance	in compliance	in compliance	in compliance	in compliance
Forest Grove	in compliance	in compliance	in compliance	in compliance	in compliance
Gladstone	in compliance	in compliance	in compliance	in compliance	in compliance
Gresham	in compliance	in compliance	in compliance	in compliance	in compliance
Happy Valley	in compliance	in compliance	in compliance	in compliance	employment low
Hillsboro	in compliance	in compliance	in compliance	in compliance	in compliance
Johnson City	in compliance	in compliance	in compliance	in compliance	housing low employment low
King City	in compliance	in compliance	in compliance	in compliance	housing low
Lake Oswego	in compliance	in compliance	in compliance	in compliance	in compliance
Maywood Park	in compliance	in compliance	in compliance	in compliance	housing low, employment low
Milwaukie	in compliance	in compliance	in compliance	in compliance	housing low, employment low
Oregon City	<b>extension to 12/02</b>	in compliance	<b>extension to 12/02</b>	in compliance	employment low
Portland	in compliance	in compliance	in compliance	in compliance	in compliance
Rivergrove	in compliance	in compliance	in compliance	in compliance	employment low
Sherwood	in compliance	in compliance	in compliance	<b>due 12/00</b>	in compliance
Tigard	in compliance	in compliance	in compliance	in compliance	in compliance
Troutdale	in compliance	in compliance	in compliance	in compliance	housing low
Tualatin	in compliance	in compliance	in compliance	in compliance	in compliance
West Linn	in compliance	in compliance	in compliance	in compliance	in compliance
Wilsonville	in compliance	in compliance	in compliance	<b>extension to 09/02</b>	<b>extension to 09/02</b>
Wood Village	in compliance	in compliance	in compliance	in compliance	in compliance
Clackamas C.	in compliance	in compliance	in compliance	in compliance	housing low, employment low
Multnomah C.	<b>see Note 2</b>	<b>see Note 2</b>	<b>see Note 2</b>	<b>see Note 2</b>	targets to Portland Gresham, Troutdale
Washington C.	in compliance	in compliance	in compliance	in compliance	housing low

**NOTE 2:** Multnomah County is signing IGA's with Gresham, Portland and Troutdale and will come into compliance with Title 1 once these are in place.

	Title 2: Regional Parking Policy		
	2.A.1&2 Minimum/Maximum standards	2.A.3 Variance Process	2.B Blended Ratios
Beaverton	In compliance	In compliance	In compliance
Cornelius	In compliance	In compliance	In compliance
Durham	exception requested to minimum need exception to maximum standards	need exception	need exception
Fairview	In compliance	In compliance	In compliance
Forest Grove	In compliance	In compliance	In compliance
Gladstone	In compliance	In compliance	In compliance
Gresham	In compliance	In compliance	In compliance
Happy Valley	In compliance	In compliance	In compliance
Hillsboro	In compliance	In compliance	In compliance
Johnson City	In compliance	In compliance	In compliance
King City	In compliance	In compliance	In compliance
Lake Oswego	In compliance	In compliance	In compliance
Maywood Park	In compliance	In compliance	In compliance
Milwaukie	In compliance	In compliance	In compliance
Oregon City	In compliance	In compliance	In compliance
Portland	In compliance	In compliance	In compliance
Rivergrove	In compliance	In compliance	In compliance
Sherwood	In compliance	In compliance	In compliance
Tigard	In compliance	In compliance	In compliance
Troutdale	In compliance	In compliance	In compliance
Tualatin	In compliance	In compliance	In compliance
West Linn	In compliance	In compliance	In compliance
Wilsonville	In compliance	In compliance	In compliance
Wood Village	In compliance	In compliance	In compliance
Clackamas County	In compliance	In compliance	In compliance
Multnomah County	see note	see note	In compliance
Washington County	In compliance	In compliance	see note
			In compliance

NOTE: Multnomah County is signing IGA's with Gresham, Portland and Troutdale and will come into compliance with Title 2 once these are in place.



<b>Title 3: Water Quality, Flood Mgmt and Fish and Wildlife Conservation</b>			
	<b>4.A Flood Mgmt Performance Standards</b>	<b>4.B Water Quality Performance</b>	<b>4.C Erosion and Sediment Control</b>
Beaverton	In compliance	In compliance	In compliance
Cornellus	In compliance	In compliance	In compliance
Durham	In compliance	In compliance	In compliance
Fairview	In compliance	In compliance	In compliance
Forest Grove	In compliance	In compliance	In compliance
Gladstone	In compliance	In compliance	In compliance
Gresham	In compliance	In compliance	In compliance
Happy Valley	In compliance	In compliance	In compliance
Hillsboro	In compliance	In compliance	In compliance
Johnson City	In compliance	In compliance	In compliance
King City	In compliance	In compliance	In compliance
Lake Oswego	<b>extension to 12/02</b>	<b>extension to 12/02</b>	In compliance
Maywood Park	N/A	N/A	In compliance
Milwaukie	In compliance (see Note 1.)	<b>extension to 10/02</b>	In compliance
Oregon City	In compliance	In compliance	In compliance
Portland	In compliance	In compliance	In compliance
Rivergrove	In compliance	In compliance	In compliance
Sherwood	In compliance	In compliance	In compliance
Tigard	In compliance	In compliance	In compliance
Troutdale	In compliance	In compliance	In compliance
Tualatin	In compliance	In compliance	In compliance
West Linn	In compliance	<b>extension to 12/02</b>	In compliance
Wilsonville	In compliance	In compliance	In compliance
Wood Village	N/A	In compliance	In compliance
Clackamas County	In compliance	<b>extension to 12/02</b>	In compliance
Multnomah County	<b>see note 2</b>	<b>see note 2</b>	<b>see note 2</b>
Washington County	In compliance	In compliance	In compliance

**Note:** 1. Milwaukie will address prohibition of uncontained hazardous matter in WQRA compliance.

2. The County will be in compliance for the urban area once IGA's have been signed with Gresham, Portland and Troutdale and Gresham and Portland have completed their Title 3 work; the County has requested a time extension to June 2002 to complete the work for the rural areas inside the Metro Boundary.

	<b>Title 4: Retail in Employment and Industrial Areas</b>		<b>Title 5: Neighbor Cities and Rural Reserves</b>	
	2.A Retail Restrictions - Industrial Areas	2.B Retail Restrictions - Employment Areas	2. Rural Reserves	2. Green Corridors
Beaverton	In compliance	In compliance	N/A	N/A
Cornellus	In compliance	In compliance	N/A	N/A
Durham	In compliance	In compliance	N/A	N/A
Fairview	In compliance	In compliance	N/A	N/A
Forest Grove	In compliance	In compliance	N/A	N/A
Gladstone	N/A	In compliance	N/A	N/A
Gresham	In compliance	In compliance	N/A	In compliance
Happy Valley	N/A	N/A	N/A	N/A
Hillsboro	In compliance	In compliance	N/A	In compliance
Johnson City	N/A	N/A	N/A	N/A
King City	N/A	N/A	N/A	N/A
Lake Oswego	In compliance	In compliance	N/A	N/A
Maywood Park	N/A	N/A	N/A	N/A
Milwaukie	In compliance	In compliance	N/A	N/A
Oregon City	In compliance	In compliance	N/A	extension to 12/02
Portland	In compliance	In compliance	N/A	N/A
Rivergrove	N/A	N/A	N/A	N/A
Sherwood	In compliance	In compliance	N/A	In compliance
Tigard	In compliance	In compliance	N/A	N/A
Troutdale	In compliance	In compliance	N/A	N/A
Tualatin	In compliance	In compliance	N/A	In compliance
West Linn	N/A	In compliance	N/A	In compliance
Wilsonville	In compliance	In compliance	N/A	In compliance
Wood Village	In compliance	In compliance	N/A	N/A
Clackamas County	In compliance	In compliance	In compliance	In compliance
Multnomah County	see note	see note	N/A	see note
Washington County	In compliance	In compliance	In compliance	In compliance

**NOTE:** Multnomah County is signing IGA's with Gresham, Portland and Troutdale and will come into compliance with Green Corridor provisions of Title 5 once these are in place and Gresham has completed its work.

	<b>Title 6: Regional Accessibility</b>	
	<b>2. Regional Street Designs</b>	<b>3. Design Standards for Connectivity</b>
Beaverton	In compliance	In compliance
Cornellus	In compliance	In compliance
Durham	In compliance	In compliance
Fairview	In compliance	In compliance
Forest Grove	In compliance	In compliance
Gladstone	In compliance	In compliance
Gresham	In compliance	In compliance
Happy Valley	In compliance	In compliance
Hillsboro	In compliance	In compliance
Johnson City	In compliance	In compliance
King City	In compliance	In compliance
Lake Oswego	In compliance	In compliance
Maywood Park	In compliance	In compliance
Milwaukie	In compliance	In compliance
Oregon City	In compliance	In compliance
Portland	In compliance	In compliance
Rivergrove	In compliance	In compliance
Sherwood	In compliance	In compliance
Tigard	In compliance	In compliance
Troutdale	In compliance	In compliance
Tualatin	In compliance	In compliance
West Linn	In compliance	In compliance
Wilsonville	extension to 09/02	In compliance
Wood Village	In compliance	In compliance
Clackamas County	In compliance	In compliance
Multnomah County	In compliance	In compliance
Washington County	In compliance	In compliance

I:\gm\community\_development\projects\COMPLIANCE\Compliance Status\compliance status by title .doc

**ANNUAL URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN COMPLIANCE REPORT**  
**December 2002**  
**Title 7 (Affordable Housing)**

**INTRODUCTION**

This compliance report is for the first Title 7 reporting period, January 19, 2001 to January 18, 2002. Nine of the twenty-seven jurisdictions submitted their reports between January and November 2002.

**REPORT REQUIREMENTS AND CONTENTS OF THE REPORT**

Metro Code Section 3.07.880.A requires that this report include the following:

- An accounting of compliance with each requirement of the functional plan by each city and county in the district.
- A recommendation for action that would bring a city or county into compliance with the functional plan requirement and shall advise the city or county whether it may seek an extension pursuant to section 3.07.850 or an exception pursuant to section 3.07.860.
- An evaluation of the implementation of the Functional Plan and its effectiveness in helping achieve the 2040 Growth Concept.

This report includes four elements:

- 1) An Overall Compliance Summary (a brief overview of requirements and compliance);
- 2) Evaluation Issues (a discussion of code interpretation and evaluation issues);
- 3) Compliance Report Details (an in-depth description of individual city or county reports)
- 4) Compliance Matrix (a one page table that summarizes compliance for each city or county)

**OVERALL COMPLIANCE SUMMARY – Title 7**

Following is a summary of Title 7 requirements and an overall summary of compliance:

**A. Metro Code 3.07.720: Adoption of voluntary affordable housing production goals.**

The City of Gresham adopted a city affordable housing goal in 2000 as part of its Consolidated Plan required by the US Department of Housing and Urban Development (HUD). The goal is lower than Metro's, it is for a different time period (2000-2005 instead of 2001-2006), and a portion of their goal is not targeted to the income segment (50 percent of median household income or less) that the Metro Council adopted in Title 7

The eight remaining jurisdictions that submitted reports did not adopt the voluntary affordable housing production goals. Beaverton's comprehensive plan was updated to generally acknowledge Metro's affordable housing goals for the city, but the numerical target was not added. The Tigard City Council has twice debated the efficacy of setting a voluntary goal but have not taken action. Clackamas County will consider adoption of the goal in 2003. Washington County staff recommended that the Board of County Commissioners consider inclusion of the voluntary goal as a target. However, to date, no action was taken by the Board.

- B. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.**

Portland, Tigard, Tualatin, Clackamas and Washington Counties reported having existing strategies in their comprehensive plans and implementing ordinances addressing diversity and the measures in the Code above. However, no new initiatives since January 2001 were reported by these cities or counties. Below is a discussion of whether the Metro Council should count existing strategies as meeting compliance.

- C. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

Gresham reported that it has completed consideration of all of the six strategies, adopting four and declining two. The other eight jurisdictions that submitted reports did not indicate new strategies and/or complete consideration of any of the strategies. Beaverton, Hillsboro, Portland, Tigard, Tualatin, Clackamas and Washington County did include listing existing strategies already implemented that address density bonus and the other strategies listed above. As noted above, staff have requested Metro Council determination of whether existing regulations should be counted as compliance.

- D. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

All the jurisdictions reported having some other affordable housing strategies, including the five listed in the Functional Plan.

## **EVALUATION ISSUES – Titles 7**

As mentioned earlier, this is the first affordable housing compliance report required by Title 7.

Compliance with the Title 7 of the Functional Plan contributes to the overall livability of the region. The positive affects of affordable housing include lowering or holding steady the cost of doing business, increased employee productivity, household stability, and complete communities while accommodating people of all ages, physical conditions and income. Although evaluation of compliance is necessary for determining the region's commitment to continue to improve livability of the region, the exercise of evaluating local government compliance reports revealed how challenging it is for Metro to judge the efforts of local governments affordable housing efforts.

Title 7 requires local governments to ensure that their comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply as well as increase the opportunities for new dispersed affordable housing within their boundaries, and measures aimed at increasing opportunities for household of all income levels to live within their

jurisdiction. Metro staff are unclear how to evaluate the related policies in the comprehensive plan that is reported.

Another area that needs clarification is the requirement of jurisdictions to "consider" amendment of their comprehensive plan and implementing ordinances with strategies such as density bonus, replacement housing inclusionary housing, and elderly and people with disabilities housing. The Functional Plan also stated that "compliance with this subsection is achieved when a city or county undertakes and completes its consideration of the plan or ordinance amendment". The Functional Plan further states that the "requirement to consider" means that local government shall report what actions were taken or not taken in order to carry out comprehensive plan policies, and also report on tools considered but not adopted, and why these tools were not adopted. The time frame for this consideration is not completely clear. Metro staff have assumed that the spirit and intent of this language was to have cities and counties in the region complete this consideration after the adoption of Title 7. That is, that current efforts had not proved to be sufficient and that Metro was looking for additional, new local affordable housing efforts, not recitation of existing local policies or regulations,

In addition, it was not clear who at the local jurisdiction would be sufficient to comply with the requirement to consider. For example, some reports indicated that the local elected body discussed and reviewed the reports while other reports indicated that the local elected body did not review nor discuss the local staff report before sending it to Metro. It is therefore unclear how to evaluate the completeness of a jurisdiction consideration or the action taken.

Accordingly, Metro staff recommends that the Metro Council determine the appropriate interpretation of section 3.07.730 C (the definition of "requirement to consider") and that the following be used:

**"Metro will conclude that a jurisdiction has completed consideration of a Title 7 element requiring consideration when after January, 2001, the elected body of the jurisdiction has adopted an ordinance that changes the jurisdiction's comprehensive plan and implementing ordinance(s) in a manner that addresses affordable housing in the jurisdiction, and/or the elected body of the jurisdiction has adopted a resolution or has approved a letter from the chief elected official from that jurisdiction to the Metro Council stating a reason or reasons why they considered a specific affordable housing strategy but did not adopt the strategy into the comprehensive plan and implementing ordinance."**

The 2001 to 2006 affordable housing production goals are probably one of the clearest measure of local efforts. Of the nine reporting jurisdictions, eight did not adopt any voluntary affordable housing goals. The ninth, the City of Gresham, indicated that there were formidable obstacles to local achievement of affordable housing and therefore declined to adopt the regional recommended goal. However, they did adopt in 2000 a lesser goal as part of the City's Consolidated Plan required by HUD. The goal provide assistance to fewer numbers of affordable housing units and is not designed to meet the income levels of those judged by Metro to be most in need. Title 7 only recommends adoption of affordable housing goals. Hence, there is no direct compliance issue with regard to these targets. Metro staff have simply noted that a lesser goal was set. Is this an interpretation acceptable to the Metro Council?

## **SUMMARY OF COMPLIANCE – Title 7**

Following is a summary of compliance for each jurisdiction in alphabetical order organized by the requirements shown in *italic*.

### **Beaverton**

**A. *Metro Code 3.07.720: Adoption of voluntary affordable housing production goals.***

The City report stated that a new housing element in its comprehensive plan amended in 2001 discussed and acknowledged Metro affordable housing production goals for the city. However, the city has not adopted a specific goal or Metro's recommended voluntary affordable housing production goals.

**B. *Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.***

The City did not report any existing or new strategies in its comprehensive plan and implementing ordinances addressing diversity of affordable housing, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels.

**C. *Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.***

The city reported the following:

**Existing Strategies:** The City report did not indicate that any of the above seven strategies was implemented through its comprehensive plan and implementing ordinances prior to the adoption of Title 7 of the Functional Plan in January 2001.

**Discussed Strategies:** The City report discussed how it intends to consider these strategies for implementation. For example: 1) the report stated questions that the City intends to answer about application of the density bonus strategy; 2) for the elderly and people with disabilities housing strategy, the report stated that the City "has structured its zoning in order to place high density residential development near transit amenities in areas appropriate for these population"; 3) in regards to local regulatory constraints strategy, it stated that reviewing the Code for the impacts of regulatory constraints on affordable housing will be a major task.

**Considered Strategies:** The report did not indicate that the City has completed its consideration of the comprehensive plan and implementing ordinance amendment with regards to the implementation of the seven strategies.

**D. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of***

*affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

Several tools and strategies currently in use or that are formally being considered by the City's comprehensive plan are: 1) use of federal funds to assist community housing development organizations; 2) housing rehabilitation with federal funds; 3) supporting infrastructure development for existing affordable housing with federal funds; 4) permit fee waiver; 5) provision that permit accessory dwelling unit (required by Title 1 of the Functional Plan) that typically consist smaller affordable housing units; 6) provision of manufactured housing in all zones that allow single family housing; 7) public education strategy for affordable housing; 8) land banking for affordable housing; 9) discretionary fund to pay various fee and system development charges for affordable housing.

***Other Information Provided:***

The City reported its intention to conduct sufficient research of the cost/benefit aspects of the affordable housing tools. These results will be provided in the second report to Metro in June 2003 and the third report in April 2004.

**Outstanding Items:**

1. Adoption of the voluntary affordable housing production goals
2. Including diversity strategies, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinance.
3. Consideration of the amendment of comprehensive plan and implementing ordinance amendment with the seven land use strategies.
4. Consideration of other affordable housing strategies, including the five listed in Title 7 of the Functional Plan.

**Cornelius**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Durham**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Fairview**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).



**Outstanding Items:** All requirements yet to be addressed.

**Forest Grove**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Gladstone**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Gresham**

The City's report stated that the report was reviewed and unanimously approved by its Planning Commission (January 14, 2002), Community Development and Housing Committee (December 13, 2001), and City Council (January 22, 2002).

**A. *Metro Code 3.07.720: Adoption of voluntary affordable housing production goals.***

The City reported adoption of housing production goals in its Consolidated Plan for the period, 2000-2005, lower than those in the Functional Plan, Table 3.07-7, and serving population other than those stated in the Functional Plan (with incomes at and below 50 percent of the region's median family income). The City report stated several issues that would have to be addressed for the affordable housing production goals in the functional Plan to be realistic. The report did not, however, indicate who would be responsible for addressing these issues. Some of the issues are the cost of building the units and the impact of adding considerable inventory of below 50% of below the region median family income.

**B. *Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.***

The City did not report any existing or new strategies in its comprehensive plan and implementing ordinances addressing diversity of affordable housing, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels.

**C. *Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development***

*rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.*

The city reported the following:

**Existing Strategies:** Two of the seven strategies adopted by the City prior to the adoption of Title 7 of the Functional Plan (January 2001) are: 1) use of Community Development Block Grant and HOME funds to help implement voluntary inclusionary housing; and 2) revision of its permitting process over the course of the last two years that reduces building review time, thus reducing development costs.

**Discussed Strategies:** The report stated how the seven strategies were discussed by the City, including how it has not yet considered the possible application of some strategies and how it has considered some tools but did not adopt them.

**Considered Strategies:**

- The City has considered and adopted four of the seven strategies (inclusionary housing, elderly and people with disabilities, local regulatory constraints, and parking).
- The City has considered but not adopted two of the seven strategies (density bonus and replacement housing).
- Three of the six strategies considered and adopted or not adopted by the City were considered after the adoption of Functional Plan Title 7. These strategies are: 1) elderly and people with disabilities; 2) component of regulatory constraints; and 3) parking.

**D. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the region median household income, joint coordination or action to meet the affordable housing production goals.**

The City has considered eight other strategies and adopted five of them. Two of the strategies adopted are in the Functional Plan (transit oriented tax exemption and joint coordination or regional cooperation).

In addition, the City has invested \$1 million federal funds to support the construction of 77 units of affordable special needs housing.

The City has completed consideration of replacement housing and inclusionary housing strategies as stated earlier, and indicated its intention to promote housing affordable to households with incomes of 50% to 120% of the region median family income.

**Outstanding Items:**

1. Adoption of the voluntary affordable housing production goals.
2. Including diversity strategies, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinance.
3. Consideration of the amendment of comprehensive plan and implementing ordinance amendment with the "transfer of development rights" strategy.

**Happy Valley**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

### **Hillsboro**

The City's report included a cover letter summarizing the key findings its Hillsboro 2020 Housing Needs Study (November 2000), status of affordable housing in the City and related policies and initiatives, and a timeline for updating its Comprehensive Plan with Functional Plan Title 7 affordable housing policies. Below is an explanation of the City's report as it relates to Title 7 requirements.

**A. Metro Code 3.07.720: Adoption of voluntary affordable housing production goals.**

The City has not adopted the voluntary affordable housing production goals. The City's housing needs study indicated a need for 2,707 affordable housing units for households earning less than 40% of Hillsboro median family income. The Functional Plan voluntary affordable housing production goals for the City is 513 units for the period 2001-2006 for households earning 50% and less of the region median family income.

**B. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.**

The City did not report any existing or new strategies in its comprehensive plan and implementing ordinances addressing diversity of affordable housing, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels.

**C. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

The city reported the following:

**Existing Strategies:** One of the seven strategies, local regulatory constraints is partially implemented in the City through technical assistance provided to non-profits groups to facilitate and streamline the approval process for affordable housing projects.

**Discussed Strategies:** The report stated that it "will further analyze the feasibility of the seven land use tools" and that within the next two years it "foresees adoption of an updated comprehensive plan which will likely include a number of affordable housing policies."

**Considered Strategies:** The City has not considered adoption of the seven strategies.

**D. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal**

*districts, non-land use tools such as fee-waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

The report indicated that the City has other affordable housing tools and strategies but did not explain them. One of the strategies was adopted in the Functional Plan (joint coordination or action to meet its affordable housing production goal). In addition, the City has implemented three affordable housing tools and projects.

**Outstanding Items:**

1. Adoption of the voluntary affordable housing production goals
2. Including diversity strategies, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinance.
3. Consideration of the amendment of comprehensive plan and implementing ordinance amendment with the seven land use strategies.
4. Consideration of other affordable housing strategies, including the five listed in Title 7 of the Functional Plan.

**Johnson City**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**King City**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Lake Oswego**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Maywood Park**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items: All requirements yet to be addressed.**

**Milwaukle**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items: All requirements yet to be addressed.**

**Oregon City**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items: All requirements yet to be addressed.**

**Portland**

- A. Metro Code 3.07.720: Adoption of voluntary affordable housing production goals.*

As stated in its report, the City "intends to document to the best of (its) ability (its) performance relative to the affordable housing production goals and to direct federal and other public funds to those with the highest needs as established in the Portland-Gresham-Multnomah County Consolidated Plan."

- B. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.*

The City reported existing strategies in its comprehensive plan addressing diversity of affordable housing, maintaining existing supply, dispersed affordable housing, and affordable housing opportunities for household of all income levels. No new strategies were adopted during the reporting period.

- C. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.*

The city reported the following:

*Existing Strategies:* Six of the seven strategies were adopted by the City prior to the adoption of Title 7 of the Functional Plan (January 2001) are: 1) density bonus; and 2) transfer of development rights for exiting SROs in Central City; 3) replacement housing; 4) inclusionary housing; 5) residential parking regulations; and 6) review of regulatory impacts.

**Discussed Strategies:** No new strategies considered.

**Considered Strategies:** There was indication that the City Council considered the Functional Plan requirements and its existing strategies in light of the need for additional or new strategies.

- D. Metro Code 3.07.760:** *Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

The City has adopted 16 other strategies. Five of the strategies adopted are listed in the Functional Plan (replacement housing in urban renewal areas, inclusionary housing in urban renewal districts, fee waivers or funding incentives, promotion of housing for other households with incomes 50% to 120% of the region median family income). The City has considered but not adopted two additional strategies.

**Other Information Provided:**

The City reported that its Auditor report documented that \$100 million of City resources have assisted over 11,700 housing units during the four period FY1996/97 to FY 1999/00.

**Outstanding Items:**

1. Adoption of the voluntary affordable housing production goals
2. Consideration and adoption of "elderly and people with disabilities" strategy in the comprehensive plan and implementing ordinance.

**Rivergrove**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Sherwood**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Tigard**

- A. Metro Code 3.07.720:** *Adoption of voluntary affordable housing production goals.*

As stated in its report, the City "has twice debated the efficacy of setting a voluntary affordable housing goal" but have not taken any formal action regarding adoption.

- B. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.**

The City reported existing strategies in its comprehensive plan addressing diversity of affordable housing, maintaining existing supply, dispersed affordable housing, and affordable housing opportunities for household of all income levels. However, the report did not state the inclusion of these strategies in its implementing ordinances. No new strategies were adopted during the reporting period.

- C. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

The city reported the following:

**Existing Strategies:** The report indicates that three of the seven strategies were adopted by the City prior to the adoption of Title 7 of the Functional Plan (January 2001) are: 1) elderly and people with disabilities strategy (accessory dwellings that is required also by Functional Plan Title 1 is the core element of this strategy); 2) components of local regulatory constraints; and 3) parking.

**Discussed Strategies:** The report discussed the strategies under consideration, those considered and adopted or not adopted.

**Considered Strategies:** The City considered but did not adopt four of the seven strategies (density bonus, transfer of development rights, replacement housing, and inclusionary housing).

- D. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

- The City is continuing its consideration of a component of one of the strategies adopted in the Functional Plan (fee waivers or funding incentives: system development charges). The City considered and did not adopt another component of the same strategy (fee waivers or funding incentives: permit fees).
- Other affordable housing strategies currently implemented by the City are property tax exemption, and donation of foreclosed properties to non-profit organizations.
- In addition, the City has implemented four other strategies, including use of use of CBDG money to improve roads and sidewalks bordering affordable housing built by non-profit organizations.

**Outstanding Items:**

1. Adoption of the voluntary affordable housing production goals
2. Including diversity strategies, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing

opportunities for household of all income levels in the comprehensive plan and implementing ordinance.

3. Consideration of the amendment of comprehensive plan and implementing ordinance amendment with four of the seven land use strategies (density bonus, transfer of development rights, replacement housing, and inclusionary housing).
4. Consideration of other affordable housing strategies, including the two of the five listed in Title 7 of the Functional Plan (fee waivers or funding incentives, promoting housing affordable to other households with incomes 50% to 120% of the region median income).

### **Troutdale**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

### **Tualatin**

**A. Metro Code 3.07.720: Adoption of voluntary affordable housing production goals.**

The City's report did not include references to any action of the City Council on the voluntary affordable housing production goals.

**B. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.**

The City reported existing strategies in its comprehensive plan and implementing ordinances addressing diversity of affordable housing, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels. No new strategies were adopted during the reporting period.

**C. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

The city reported the following:

**Existing Strategies:** Two of the seven strategies were adopted by the City prior to the adoption of Title 7 of the Functional Plan (parking standards and a component of local regulatory constraints).



**Discussed Strategies:** The report discussed the strategies under consideration; those considered and adopted or not adopted. Metro staff believes that some of the strategies implemented in the City were not really designed for affordable housing purposes.

**Considered Strategies:** The City considered and implemented measures to encourage elderly and people with disabilities housing, and measures to implement a component of local regulatory constraints (review of development and design standards).

- D. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

The City has adopted nine other affordable housing strategies. The information in the report seems to show that most or all of these strategies were not developed specifically for affordable housing, and in most cases are not implemented City-wide.

**Outstanding Items:**

1. Adoption of the voluntary affordable housing production goals
2. Consideration of the amendment of comprehensive plan and implementing ordinance amendment of four of the seven land use strategies (density bonus, replacement housing, inclusionary housing, and transfer of development rights).
3. Consideration of other affordable housing strategies, including the five listed in Title 7 of the Functional Plan.

**West Linn**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Wilsonville**

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

**Wood Village**

The City report claims that it is currently carrying much greater burden of affordable housing than any other community in the region.

- A. Metro Code 3.07.720: Adoption of voluntary affordable housing production goals.**

The City's report did not reference any action of the City on the voluntary affordable housing production goals.

- B. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.**

The City did not report any existing or new strategies in its comprehensive plan and implementing ordinances addressing diversity of affordable housing, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels.

- C. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

The city reported the following:

**Existing Strategies:** One of the seven strategies is currently implemented in the City (components of regulatory constraints).

**Discussed Strategies:** There was no discussion of tools and strategies considered and implemented by the City.

**Considered Strategies:** None.

- D. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

The City has not implemented or considered to implement other affordable housing strategies, including those in the Functional Plan.

**Outstanding Items:**

1. Adoption of the voluntary affordable housing production goals
2. Including diversity strategies, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinance.
3. Consideration of the amendment of comprehensive plan and implementing ordinance amendment with the seven land use strategies.
4. Consideration of other affordable housing strategies, including the five listed in Title 7 of the Functional Plan.

**Clackamas County**

- A. Metro Code 3.07.720: Adoption of voluntary affordable housing production goals.**

The County reported that it will consider adoption of the voluntary affordable housing goal next year (2003).

- B. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.**

The County reported several existing strategies in its comprehensive plan and implementing ordinances addressing diversity of affordable housing, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels. No new strategies were adopted during this reporting period.

- C. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

The city reported the following:

**Existing Strategies:** Six of the seven strategies were adopted by the County prior to the adoption of Title 7 of the Functional Plan (density bonus, replacement housing, transfer of development rights, local regulatory constraints, elderly and disabled people housing, and parking). There is no mention of affordable housing in the parking standards. The report cited its density bonus strategy as meeting the provision of inclusionary housing. Although both strategies can be linked and implemented as a single affordable housing tool, the County report did not indicate any linkage of the two strategies.

**Discussed Strategies:** (not applicable)

**Considered Strategies:** There was no indication that the City Council considered the Functional Plan requirements and its existing strategies in light of the need for additional or new strategies.

- D. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

The County has adopted 11 other strategies. Four of the other strategies adopted are in the Functional Plan (replacement housing in urban renewal areas, fee waivers or funding incentives, joint coordination or action, and promotion of housing for other households with incomes 50% to 120% of the region median family income).

**Outstanding Items:**

1. Adoption of the voluntary affordable housing production goals
2. Consideration of the amendment of comprehensive plan and implementing ordinance amendment with one of the seven land use strategies (inclusionary housing).

3. Consideration of other affordable housing strategies, including one of the five included in Title 7 of the Functional Plan (inclusionary housing in urban renewal districts).

### Multnomah County

- The County has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

**Outstanding Items:** All requirements yet to be addressed.

### Washington County

The Board of County Commissioners considered and accepted an affordable housing report prepared by staff, however, the report did not report on actions taken or not taken by the Board.

*A. Metro Code 3.07.720: Adoption of voluntary affordable housing production goals.*

The report stated that the County staff recommended that the Board of County Commissioners consider inclusion of the voluntary affordable housing production goal as a target for the county.

*B. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.*

The County reported several existing comprehensive plan provisions addressing diversity of affordable housing, maintaining existing supply, dispersed affordable housing, and affordable housing opportunities for household of all income levels. The report did not state the existence of the same provisions in its implementing ordinances. No new strategies were adopted during the reporting period.

*C. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.*

The city reported the following:

*Existing Strategies:* One of the seven strategies (elderly and people with disabilities housing) and a component of another strategy (reviewing of development and design standards to reduce impact on affordable housing) has been adopted by the County.

**Discussed Strategies:** The report discussed staff recommendations to the Board to direct staff to further explore four of the seven strategies (density bonus, inclusionary housing, "corridor overlay districts" for ... and parking).

**Considered Strategies:** The report stated that staff recommended that no action be taken on two of seven strategies (replacement housing, and transfer of development rights). As explained earlier, the actions of the Board on these recommendations was not reported.

- D. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

One of the other affordable housing strategies adopted in the Functional Plan (promotion of affordable housing for incomes 50% to 120% of the regional median household income) is currently implemented. The County staff recommended that no additional action be taken on four of the strategies adopted in the Functional Plan (replacement housing in urban renewal areas, inclusionary housing in urban renewal districts, fee waivers, and joint coordination of action to meet affordable housing need of the County).

**Outstanding Items:**

1. Action of the County Board on the voluntary affordable housing production goals
2. Addition of diversity strategies, measures to maintain the existing supply, measures to increase new dispersed affordable housing, and measures to increase affordable housing opportunities for household of all income levels in the County's implementing ordinances.
3. Action of the County Board on the seven land use strategies.
4. Action of the County Board on the other affordable housing strategies, including the five listed in Title 7 of the Functional Plan.

**NEXT STEPS – Title 7**

**Recent Action:**

In November 2002, Metro Executive Officer, Mike Burton, sent a letter to those local governments that have not submitted their first report reminding them of the requirement and that the second report is due by January, 2003. A different letter was also sent to those local governments that submitted their first report, thanking them for doing so and looking forward to future results in the 2003 report.

**Future Action:**

1. Staff intends to work with local governments by providing them with a copy of this compliance report to ensure understanding of Title 7, accuracy of Metro staff compliance report and to identify any obstacles that local governments may have in completing the reports in a timely manner.
2. Staff intends to work with the Metro Council to clarify how best to interpret some provisions within Title 7 and improve compliance reports for Council consideration. As mentioned earlier in this report, it is unclear how to evaluate the related policies in the comprehensive plans that are reported, including "completeness of a jurisdiction consideration" or the action taken.

3. It is also unclear how to determine the effectiveness of a particular policy in a local government comprehensive plan or implementing ordinance. Although it may seem that the affordable housing production goals for 2001-2006 is the measure of the effectiveness of local actions or the progress made, this goal is voluntary and it is not clear whether all jurisdictions will adopt such a goal. In addition, outside factors (interest rates, unemployment rates, etc.) may have as much or more influence on short-term progress. Clear direction would be helpful on how to evaluate the strategies so that Metro would be able to provide local governments an objective evaluation of their affordable housing efforts.

## Annual Functional Plan Compliance Report - 2002

### Title 7: Affordable Housing

Jurisdiction	Progress Reports  (Title 7: 3.07.740)	Voluntary Goals  (Title 7: 3.07.720)	Comprehensive Plan and Implementing Ordinances						Other strategies  (Title 7: 3.07.760)	
			Diversity Strategy  (Title 7: 3.07.730.A.1)	Maintain Supply and Increase Dispersion (Title 7: 3.07.730.A.2)	Supply for All Income Levels  (Title 7: 3.07.730.A.3)	Land Use Strategies (Seven)  (Title 7: 3.07.730.B)				
						Existing	Discussed	Considered	Metro list (five)	Local initiative
Beaverton	Yes	Discussed	NAR	NAR	NAR	NAR	NAR	NAR	2	1
Cornelius										
Durham										
Fairview										
Forest Grove										
Gladstone										
Gresham	Yes	Discussed	NAR	NAR	NAR	2	7	6	2	NAR
Happy Valley										
Hillsboro	Yes	NAR	NAR	NAR	NAR	1	NAR	NAR	1	NAR
Johnson City										
King City										
Lake Oswego										
Maywood Park										
Milwaukie										
Oregon City										
Portland	Yes	NAR	NAR	NAR	NAR	6	7	NAR	5	16
Rivergrove										
Sherwood										
Tigard	Yes	Discussed	NAR	NAR	NAR	2	2	1	2	5
Troutdale										
Tualatin	Yes	NAR	NAR	NAR	NAR	2	NAR	NAR	NAR	
West Linn										
Wilsonville										
Wood Village	Yes	NAR	NAR	NAR	NAR	NAR	NAR	NAR	NAR	1
Clackamas County	Yes	Will consider in 2003	NAR	NAR	NAR	5	NAR	NAR	3	3
Multnomah County										
Washington County	Yes		NAR	NAR	NAR	2	0	NAR	1	NAR

**Definitions:**

*Discussed* = Discussed after January 2001

*Existing* = Adopted prior to January 2001.

*Considered* = Discussed at a local elected officials public meeting after January 2001, and adoption of an ordinance which amends the comprehensive plan and implementing ordinances to include new tools and strategies or tools and strategies which were considered but not adopted and the revision(s) not adopted.

*NAR* = No action reported

**Agenda Item Number 5.1**

**Resolution No. 03-3271, For the Purpose of Endorsing a Regional Position on Reauthorization of the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21).**

**Metro Council Meeting  
Thursday, January 30, 2003  
Metro Council Chamber**



BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING A ) RESOLUTION NO. 03-3271  
REGIONAL POSITION ON )  
REAUTHORIZATION OF THE ) Introduced by Councilor Rod Park  
TRANSPORTATION EQUITY ACT FOR THE  
21ST CENTURY (TEA-21)

WHEREAS, the Transportation Equity Act for the 21st Century (TEA-21) was adopted by Congress in 1998; and

WHEREAS, TEA-21 is scheduled to expire at the end of federal Fiscal Year 2003 (September 30, 2003); and

WHEREAS, Congress will be considering reauthorization of TEA-21 during 2003; and

WHEREAS, TEA-21 has a significant policy effect on transportation planning and decision-making and funding in the Portland region; and

WHEREAS, reauthorization results in the "earmarking" or identification of specific projects and establishes the amount of federal funding eligible to be appropriated to those projects; and

WHEREAS, further review of proposed legislation will lead to possible amendment and refinement to this policy position; now therefore

BE IT RESOLVED that the Metro Council:

1. Endorses the summary of regional priority policy issues on reauthorization of TEA-21 as reflected in Exhibit A.
2. Endorses the regional position paper on reauthorization of TEA-21 as reflected in Exhibit B.
3. Endorses the projects identified in Exhibit C as the region's priority projects for TEA-21 reauthorization earmarking.

ADOPTED by the Metro Council this \_\_\_\_\_ day of January, 2003

\_\_\_\_\_  
David Bragdon, Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

## Exhibit A

### **Portland Regional Position on the Reauthorization of the Transportation Equity Act for the 21<sup>st</sup> Century Priority Policy Issues**

#### 1. Funding levels

The paramount issue is to increase the funding levels available for transportation. This is particularly important in light of the growing national budget pressures, the increasing federal deficit, the added costs placed on the transportation system due to national security and the growing needs generally. Without increasing the overall program, any debate about changes in any particular program direction is moot. In addition, current provisions for maintaining the firewalls between the transportation trust fund and the rest of the federal budget, minimum appropriation level guarantees and provisions for increasing spending levels if trust fund receipts are higher than estimated (RABA) should continue. Revenue options under discussion to increase the program include:

- Indexing the gas tax (potentially retroactive to 1992);
- Changing the ethanol tax credit to provided lost funding to the transportation trust fund from the general fund;
- Recapturing interest on the trust fund from the general fund;
- Bonding against increased resources;
- Ensuring the state maintains at least a 95% return on transportation taxes paid to the federal government; and
- Maintaining firewall provisions that ensure collections to the Trust Fund and provide to the states and localities through annual appropriations.

2. The most important policy area to pursue is to preserve the basic policy structure established by ISTEA and TEA-21, including flexible funding provisions, the role of the MPO in policy setting, funding allocation and project selection and, the sub-allocation to MPOs of STP funds. . In addition, continued allocation of funds to transit districts (through Section 5309 funds) is essential to the goals of the region. As the overall size of the transportation program is increased, it is in these funding sources - STP, CMAQ and Section 5309 - that are the highest priorities to increase. The region and the delegation should monitor and participate in national discussions to address urban congestion problems, especially in large metro areas

3. The discretionary funding categories that are likely to have the greatest financial impact on the region are the transit "New Starts" program and the highway "Borders and Corridors" program. Funding levels should be increased in both programs to provide a mechanism to provide discretionary funding to large projects through a rigorous, merit-based approach. Specific issues associated with these programs include:

- Separation of the "Trade Corridors" program from the "International Borders" program with a significant funding increase and establishment of rigorous criteria focused on movement of freight;
- Increased funding for the "New Starts" program in recognition of the growing support for creation of a streamlined "Small Starts" category for lower cost Bus Rapid Transit, Commuter Rail and Streetcar projects: support creation of such a "Small Starts program" if additional resources are made available to fund such projects;

- Inclusion of project selection criteria for Streetcar “Small Starts” projects that emphasize commitment to transit supportive development to generate transit ridership in lieu of regional mobility; and
  - Refinement of the TIFIA program to make it more attractive through low cost loans and the addition of a partial grant component.
4. Various programs are under consideration to increase the emphasis on all forms of freight transportation, including research, data collection and funding flexibility, including provisions for selected improvements to the freight rail system. Because of the strong freight character to the Portland area economy, these should be a priority area for the region. Associated with this is consideration of an added Title to the Act that integrates a freight rail program, Amtrak and High-Speed Passenger Rail, including dedication of the 4.3 cent fuel tax now being paid by the railroads to the federal general fund to this Trust Fund.

## EXHIBIT B

### Regional Position on Reauthorization of the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21)

#### 1) Major Funding & Policy Issues

##### a) Transportation Funding.

##### i) Setting the Baseline for TEA-21 Reauthorization.

The Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) authorized the Revenue Aligned Budget Authority (RABA) to create a more direct linkage between the revenues coming into the highway Trust Fund and the revenues being appropriated to highway and transit construction. Over the first four years of TEA-21, RABA generated significant increases in federal transportation funding. However, the Administration has proposed a significant cut in RABA funding for FY 2003. Unless funding is restored, the baseline spending level for the reauthorization of TEA-21, and the overall level of funding for the five-year authorization period, could be significantly reduced.

**Background:** The Administration has proposed a RABA formula allocation in its fiscal 2003 budget to Congress that represented an \$8.6 billion or 27 percent cut from FY 2002 levels. Congress has indicated that it will likely restore a portion of these highway funds, enough to bring FY 2003 highway spending up to the TEA-21 authorized level of \$27.7 billion but well short of the \$31.8 billion FY 2002 level. Restoration is important not only for FY03 programs but because the FY03 funding level could establish the baseline for the TEA-21 reauthorization spending levels.

Oregon receives, on average, 1.2 percent of federal aid highway allocations so the impact on the state of setting the reauthorization baseline at the RABA level versus the authorized level is approximately an additional 14 % or approximately \$50 million per year in additional funds. Over the course of the six-year authorization the difference would amount to more than \$300 million in additional funds if the higher authorization level is achieved.

If the Administration's FY03 budget proposal were to become the new authorization baseline, Oregon could stand to lose approximately \$100 million per year over the FY02 RABA levels or \$600 million over the life of the new authorization.

**Policy Proposal:** Support restoration of the highway program spending cuts proposed by the Administration. The "baseline" spending levels in the new TEA-21 should not be influenced by the lower levels proposed in the Administration's FY 03 budget. Restoring the baseline to the TEA-21 authorized level would increase spending by \$4 billion in the first year of the new bill. Restoring funding to the FY02 spending level would increase spending by \$8 billion in the first year of the new bill.

**Consistency:** *this is essential to the implementation of the RTP.*

**ii) Increase Overall Funding Levels: Additional funding is the most critical issue for the reauthorization of TEA-21.**

**Background:** The overall level of funding for the highway trust fund largely determines the level of funds available for all federally funded transportation programs including highways, bridges, light rail, bus, bike, pedestrian and planning.

TEA-21 Improvements. Federal highway and transit funding increased dramatically under TEA-21. Guaranteed highway funding levels increased 42 percent over the Intermodal Surface Transportation Efficiency Act (ISTEA) levels to \$27 billion. Transit guaranteed levels increased 31 percent. Congress also RABA for the highway program, linking highway spending to trust fund receipts. RABA in particular has generated significantly higher highway funding levels at the national level than would have been available under a fixed authorization formula.

Revenue Aligned Budget Authority. Despite increased funding in TEA-21, needs have continued to outstrip resources because of the aging of the system, increased growth and congestion, growing interest in rail new start projects around the country and the additional cost of responding to new requirements such as the endangered species act. And, although RABA has generated significant additional resources for the highway formula program, recently the appropriations process has varied from the original formula allocation of RABA funds with a few key states receiving earmarks of the full RABA amount. In addition, the interest on the Trust Fund was diverted to the general fund in TEA-21, reducing the available funds significantly.

Inflation. The federal gas tax is a fixed \$18.3 cents per gallon. Because it is not indexed to inflation, each year the federal Highway Trust Fund loses purchasing power in real terms. The national inflation rate for heavy highway construction has averaged (%%) per year over the life of TEA-21.

Ethanol Tax Credit. The federal government supports the ethanol industry with a 5.3 cents per gallon tax credit for "gasohol" which consists of 90 percent gasoline and 10 percent ethanol. With the federal tax incentive, companies that blend ethanol pay a 13 cents per gallon federal excise tax, compared with the standard 18.3 cents per gallon tax on motor fuels.

Additionally, 2.5 cents per gallon of the excise tax on ethanol-blended fuels is diverted to the Treasury's general fund. The highway trust fund receives only 10.5 cents per gallon for each gallon of ethanol-blended gasoline, 7.8 cents less than gasoline. Between fiscal 2000 and 2010 approximately \$15.3 billion will be lost to the highway trust fund due to the ethanol tax credit and diversion to the general fund.

The American Association of State Highway and Transportation Officials (AASHTO) has set a goal of increasing the federal highway program from \$34 billion in fiscal year 2004 to \$41 billion in fiscal year 2009 - an increase of 34 percent. The goal for transit is to see an increase from \$7.5 billion to \$10 billion over six years. In part, AASHTO has proposed funding the increased size of the program through a Federal Transportation Finance Corporation through the use of debt. The goal of the American Public Transportation Association (APTA) is to increase the transit program to \$14 billion per year.

**Policy Proposal:** Additional funding is necessary to meet the federal and local objectives of the transportation program. There are a number of approaches that could be taken to increase funding. They include:

- (a) Spend the accumulated balances in the Trust Fund.
- (b) Return RABA generated funds to the state formula allocation. Eliminating earmarking would have resulted in an additional \$1 billion in formula highway funds in FY 02 distributed to the states by formula.
- (c) Use general fund dollars to compensate the Trust Fund for the lower tax rate on ethanol (\$.053 lower tax rate) and the portion of the ethanol tax now going to the general fund is \$.025). These ethanol tax credits cost the Trust Fund approximately \$1.5 billion per year.
- (d) Rededicate interest payments currently going to the general fund to the Highway Trust Fund.
- (e) Index the federal gas tax to reflect inflation.
- (f) Support the Federal Transportation Finance Corporation if tied to new revenues.

**Consistency:** *increased funding is the single most important issue, not only to better fund on-going programs but to allow creation of new programs outlined in this paper.*

- iii) **Oregon Highway Formula Allocation:** Oregon won a significant victory in TEA-21, changing the national formula to return more federal tax dollars to Oregon.

**Background:** Oregon won a major victory in TEA-21 with the passage of a highway allocation formula that boosted the state's allocation from \$0.89 returned to the state for each \$1.00 of tax paid to \$0.94 cents returned for each \$1.00 paid. The highway allocation formula is critical to the state, local governments, transit districts, and the region because it dictates the amount of funding that is available for planning, air quality improvement, bicycle and pedestrian facilities as well as highway and bridge repair and construction.

**Analysis:** Next to the overall level of highway trust fund revenues, the allocation formula is the most important factor in determining the amount of federal highway, STP, CMAQ and other transportation funding received by the state. A small change in the formula translates into tens of millions in additional funds allocated to the state. Allocations are based in part on Census data. In past years, the most recent Census data has not always been used, even when available. This has disadvantaged high population growth states and geographic regions.

**Policy Proposal:**

- (a) Support the state's efforts to secure its fair share of federal Highway Trust Fund allocations and improve its position even further in the upcoming reauthorization.
- (b) Oppose further suballocations of the trust fund. Suballocations actually reduce the flexibility of federal transportation dollars, rather than increasing flexibility as envisioned in ISTEA and TEA-21.
- (c) Congress should require use of the 2000 census wherever the law calls for population in its federal formula programs. If the 2000 census is not available, under no circumstances should data acquired before the 1990 census is used.

**Consistency:** *at least maintaining the formulas that result in Oregon receiving 94%, return is consistent with the RTP.*

**iv) Maintain firewalls and funding guarantees.**

**Background:** Prior to TEA-21, Highway Trust Fund dollars were counted as part of the overall federal budget. Transportation was forced to compete against other federal programs for funding. This resulted in years of under-investment in transportation while at the same time unspent Trust Fund balances ballooned. TEA-21 restored the integrity of the Trust Fund and guarantees that all of its revenues will be spent on transportation.

TEA-21's Revenue Aligned Budget Authority (RABA) provisions have generated significant resources for the highway program. RABA funds are allocated to states based on TEA-21's highway allocation formula. Recently, however, the appropriations process has earmarked funds rather than follow the formula approach.

**Analysis:** Guaranteed funding for highway and transit programs has provided much needed stability of funding levels, allowing for longer range planning and investment strategies and multi-year federal commitments.

**Policy Proposal:**

- (a) Support maintaining firewalls that separate the Trust Fund from the unified budget.
- (b) Support continuation of guaranteed funding for highway and transit programs.
- (c) Work to sustain RABA and its formula allocation approach in the next bill, ensuring that Trust Fund balances do not accumulate.
- (d) Support the current ratio between the highway and transit accounts of the Trust Fund.

*Consistency: this is essential to the implementation of the RTP by shielding transportation appropriations from unexpected budget cuts.*

**v) Additional funding for New Starts.**

**Background:** Since the construction of the original eastside MAX light rail project, the Portland region has received more than \$1 billion in New Starts funding. The region has become a national model for using the development of light rail projects to respond to growth, congestion and regional land use and development goals.

Our success has spurred other communities to pursue light rail initiatives of their own. Currently there are 11 projects in Final Design and 39 in Preliminary Engineering. The projects will likely seek a total of \$21.1 billion in TEA-21 authority.

The national growth in proposed New Starts projects has raised congressional attention and support for the program. TEA-21 increased the authorized funding available for the New Starts program from \$760 million in FY1998 to \$1.2 billion in FY2003.

**Analysis:** While funding has increased, the New Starts program is under intense pressure to respond to a growing number of candidate projects across the country. The most optimistic assumptions for the program call for spending approximately \$10 billion over the next authorization period.

It is a very high priority for the region that the New Starts program remains and increases in funding level.

Current regional priorities for funding from the New Starts Program are:

- to complete appropriations toward the FFGA for Interstate MAX;
- execute an FFGA for Wilsonville to Beaverton Commuter Rail and complete appropriations;
- obtain authorization for the South Corridor project; execute an FFGA and complete appropriations.

Taking a longer-term view, future priorities for New Start funding need to be sorted out. Based upon past funding actions of JPACT, consideration should be given to:

- beginning the Clark County loop connecting Interstate MAX and airport MAX;
- the downtown Portland Transit Mall alignment for MAX;
- extension of the Portland Streetcar into North Macadam and along the Willamette Shore route to Lake Oswego.

**Policy Proposal:** Support a significant increase in federal New Starts funding to respond to the national demand for New Starts projects and to enable the region to pursue its anticipated fixed guideway initiatives. Any increase in funding for the transit program should concentrate on the New Starts program. Increased funding could come from sources noted above. Maintain current non-federal match requirements in statute and FTA flexibility in applying match requirements.

**Consistency:** *this is essential to the implementation of the light rail portion of the RTP since this is the major source of funding and national competition continues to increase.*

## b) Major Policy Issues

### i) Maintain or expand flexible and progressive policies in ISTEA and TEA-21.

**Background:** ISTEA's groundbreaking achievement was increasing the flexibility of federal transportation funds with the implementation of the STP, CMAQ and Enhancements programs. In addition ISTEA allowed states and local governments greater ability to tailor their transportation programs to reflect their individual goals and needs, while contributing to the development of a national intermodal transportation system.

TEA-21 maintained the flexible transportation funding structures and implemented new programs such as TCSP that allowed even greater flexibility.

**Analysis:** The Portland region has used the flexibility of the federal transportation funding programs authorized in TEA-21 to shape transportation solutions that work for our cities and neighborhoods. The region has succeeded in increasing transit use at a rate faster than population or VMT growth. The result is one of the most livable communities in the country.

**Policy Proposal:** Urge Congress to maintain the flexible funding structure of TEA-21 and improve programs such as TCSP so they can fulfill their original intent.

**Consistency:** *this is essential to the implementation of the RTP since these are sources of funds allocated through the MTIP process.*



**ii) Intermodal connectors and freight facilities:**

**Background:** One of the greatest achievements of ISTEA was its emphasis on intermodalism. TEA-21 continued the ISTEA focus on intermodalism and the result has been a more flexible, efficient and integrated transportation system. In particular, ISTEA and TEA-21 allowed greater flexibility in addressing freight mobility issues, an area that had received relatively little attention in federal funding programs previously.

The NHS Intermodal Freight Connectors report sent to Congress documents the fact that NHS freight road segments are in worse condition and receive less funding than other NHS routes. Targeted investment in these "last mile" segments would reap significant economic benefits relative to the costs.

**Analysis:** TEA-21's focus on intermodalism was a move in the right direction. However, the region's experience over the past six years has indicated areas of potential improvement. For example, there remain a number of limitations on the kinds of freight projects that can receive federal dollars that limit the region's ability to respond to regional priorities.

**Policy Proposal:**

- (a) The Borders and Corridors program should be amended to focus greater resources on a few strategic freight corridors, like Interstate 5, which connect the United States, Mexico and Canada. An emphasis should be placed on projects that improve the movement of freight. The program's authorization level should be increased.
- (b) Congress should clarify the eligibility of freight rail and road projects for CMAQ funding.
- (c) Congress should consider transferring the 4.3-cent tax on railroad diesel fuel from the General Fund to the Highway Trust Fund to provide resources for expanded freight railroad project eligibility.
- (d) Congress should encourage the creation of a Freight Advisory Group -- a mechanism for communicating with one voice to "one DOT" on freight transportation issues.
- (e) A Freight Transportation Cooperative Research Program should be created.
- (f) Congress should enhance the use of Transportation Infrastructure Financing Innovation Authority (TIFIA) (a credit enhancement program) by lowering the project dollar threshold from \$100 million, changing the debt mechanisms from taxable to tax-free, expanding eligibility for freight projects and relaxing repayment requirements; allow pooling of modal funds; expand the State infrastructure Bank program to all states; create tax incentives for freight rail and intermodal infrastructure investment.

*Consistency: this is essential to the implementation of the RTP because these recommendations would assist in implementing I-5 Trade Corridor improvements and because this region has a significant freight function.*

**iii) Oppose devolution or formularizing of transit discretionary grant program.**

**Background:** During the TEA-21 authorization debate a proposal was surfaced in Congress to eliminate the discretionary transit program that allocates funds to a select group of project based on merit (including New Starts), in favor of a formula program that allocates funds based on population.

**Analysis:** The region opposed devolution or formularizing of the New Starts program during TEA-21 because the current discretionary grant process ensures high quality projects of a scale sufficient to address major transportation corridors. Formularizing funding would mean each state would receive only a relatively small stream of funds, making the construction of large rail projects with federal funds nearly impossible. Regions with superior projects, such as Portland, would receive no additional funding relative to region's pursuing less meritorious projects.

**Policy Proposal:** Continue to vigorously oppose devolution or formularization proposals.

**Consistency:** *this is essential to the implementation of the RTP because shifting FTA funding to formula would ensure that light rail projects would not be implemented.*

## 2) New Initiatives and Concepts

A number of new initiatives are being debated and analyzed at the national level. Pending the outcome of national developments, the region has not taken a firm position on a number of these concepts. These initiatives and concepts are outlined here in order for the region to be fully informed on the national level debate on TEA-21 policy.

### a) Key Transit Policy Issues

#### i) Balancing Additional New Starts funding.

The region recognizes that attention needs to be given to the needs of existing rail systems to add to their core system capacity. Projects that will make better use of existing infrastructure can offer a cost-effective approach to build transit ridership. This region expects to be able to benefit from such investment in future years. We believe that, consistent with the priority we place on the New Starts program, some of the growth in transit spending above current levels could be devoted to addressing "core capacity" needs.

The top priority of the region is to increase funding for the New Starts program. At the same time, the region continues to support the existing balance at the federal level between New Starts, Rail Modernization and Bus Facilities programs. It will be important to monitor proposals for an added "core capacity" program to determine whether to support it.

**Consistency:** *increased funding for New Starts is essential to the implementation of the RTP. Creation of a "Core Capacity" funding category, may be useful since it could provide an alternative source for capacity expansion of the existing LRT corridors. Similarly, a "Small Streets" program under discussion could provide an alternative source for streetcar and commuter rail projects.*

#### ii) Full Funding Grant Agreements for BRT.

**Background:** There are a set of important regional BRT projects that are often times too small to merit a FFGA for tens of millions in federal participation and too big to be funded in one or two years of the typical one to three-million dollar federal bus discretionary earmark. Transit agencies do not have the capability to carry the financing or the risk of advancing local funds to these projects in anticipation of future federal appropriations.

**Analysis:** There are some BRT or TSM projects in the new start pipeline, but none have actually received an FFGA. Many TSM projects leverage additional ridership, leverage positive land use patterns around transit stations and generally add value to fixed guideway improvements. At the same time, they do not generally lend themselves to the typical measures used by the FTA in evaluating FFGAs.

Over the course of TEA-21, Congress has moved increasingly to earmarking the FTA bus and bus facilities funds. Unlike the New Starts program, these earmarked projects receive no FTA evaluation or rating prior to congressional funding decisions.

**Policy Proposal:** To facilitate the development of these projects, which are generally cheaper options, they should be made eligible for FFGAs out of the existing bus program. The FFGAs should undergo FTA review for technical and financial feasibility and transportation benefit but the review should not be as resource demanding as the New Starts program. This would have the effect of returning at least a part of the bus program to a merit-based allocation.

*Consistency: this would be useful for implementation of transit elements in the RTP through provision of a multi-year funding agreement.*

### iii) Streamline Project Delivery.

**Background:** The design build project delivery method has several advantages over the traditional design-bid-build method. Design build projects bring the architect/engineer and the general contractor together into a single contract entity. The resulting partnership enhances communication between the parties and neutralizes their competing and sometimes adversarial business roles. Further, the owner is relieved of its “go-between” role for design/construction coordination matters since this risk is shifted to the design build contractor.

Design build often results in time savings for overall project delivery compared to the traditional method. Time savings are possible due to the ability of the design build team to begin early phases of construction while design is being completed for later phases.

Design build can sometimes yield significant cost savings, particularly in situations where flexibility in the finished product is possible. In such cases, collaboration between the designer and contractor can achieve the most efficient balance of design choices and construction methods.

Tri-Met Experience. Tri-Met has had several positive experiences with design build project delivery. Of particular note is the Portland Airport Light Rail Extension. That project used a single design build contractor for the entire project. The design build contractor was brought into the project very early in the project life, participating in Preliminary Engineering (PE) work prior to final contract negotiations and final design & construction. In fact, the design build contractor was also an equity partner in the project, providing capital funding in exchange for development rights in publicly owned property surrounding a portion of the alignment. By using the design build method, Tri-Met acquired an excellent system extension and experienced the remarkably low change order percentage of 1.5 percent.

Design build in TEA-21. Design build was introduced to the transit industry in the ISTEA Act of 1991. Several demonstration projects were established to explore this delivery method

in actual transit practice, and the demonstrations were carried through into TEA-21. Results of the demonstration projects were published in a report to Congress in 1998.

In 2000, FTA released interim guidance on how the existing FFGA process steps should be applied to projects using the design build delivery method. Although the guidance was a beneficial step forward in integrating design build into the New Starts environment, additional changes in the FFGA process could render even greater benefits from design build. Reauthorization of TEA-21 may provide an excellent opportunity to do this.

**Analysis.** The FFGA process for design build outlined in the current guidance is very similar to the process for the traditional delivery method. It is structured to bring the design build contractor into the project at the time a traditional final design would begin. This sequence allows the existing legal and administrative requirements to be applied to design build. However, introduction of the design build contractor at the time of final design is too late to leverage much of the potential benefit of the design build method.

To gain the maximum benefit of design build for transit projects, it is desirable to bring the design build team into the process very early in the project life. It is beneficial for the design build team to participate in PE, prior to development of documents for NEPA approval. This early involvement allows the design build team to influence the alignment layout and station area development to optimize cost, constructibility, ridership, and joint development opportunities. Early participation in joint development opportunities is especially important in order to promote equity partnership from the design build team.

**Policy Proposal:** Utilizing such early involvement, a revised FFGA process could be as follows:

- (a) *Alternatives Analysis*, including selection of the Locally Preferred Alternative, would be conducted in the usual manner by the sponsor Agency and MPO.
- (b) The Agency would submit to FTA a *Request to Enter Design Development*. This would be similar to a Request to Enter PE and would contain the same information and criteria evaluation/requirements. It would differ, however, in that Design Development authority would encompass both PE and a pre-determined portion of Final Design (perhaps to the 30% level). Combined PE/partial FD recognizes the lack of hard edges between PE and FD in design build and thus eliminates the separate steps of PE/Final Design approval.
- (c) *Upon approval to enter Design Development*, the Agency would execute a two-phase contract with a design-builder. Phase 1 would be for Design Development/NEPA support and Phase 2 would encompass Design Completion/Construction. Solicitations for interested proposers could be initiated concurrently with Step 2 above. Even at this early stage, real financial competition can be generated from proposers through their commitments on:
  - equity investment for property development rights
  - fee percentage on final design & construction
  - incentives for "beating the budget"
  - sharing of unused construction contingency
  - tax incentive rebate from vehicle leasing mechanisms.
- (d) *During Design Development*, the design build would assess the LPA, influence the concept where appropriate, provide support for NEPA documentation, conduct detail design on key issues/areas, and develop a cost estimate for final (production) design and construction. Meanwhile, the agency would lead the NEPA approval effort, solidify local funding (including design build equity partnership, if included) and prepare PMP, Fleet

- Plans, and other documents. The Agency and the design build would negotiate a firm price for the second phase (design/construction) based on the results of Phase 1 efforts.
- (e) Design Development would conclude with *submission of a request for an FFGA*. During the 120-day review process, the design build could proceed with detail design, ROW acquisition and even early construction activities under LONP authority.
  - (f) Once the *FFGA is approved*, the design build contract's Phase 2 work would be authorized, and final design/construction completed.

The alternate scenario provides for an extremely effective alliance between the Agency, designer, and builder. It recognizes that in the design build process, lines between PE and FD are blurred. PE resources are devoted to issues that harbor the greatest risks and rewards. Further, it is the builder itself who decides where the pressure points are, leading to fewer surprises, lower contingencies, and quantifiable risks. Those risks that remain can be discussed and apportioned between Agency and design build and addressed in the terms of the negotiated price.

**Conclusion:** The current guidance on use of design build contractors for transit construction is a good first step. In cases where there is little possibility for alignment deviation or Joint Development, PE and Final Design can remain separated and the guidance can be followed.

The alternate process described above facilitates even greater benefit from design build by bringing the builder into the process early, thus gaining the benefit of engineering, construction and commercial knowledge before alignment decisions are fixed. The preferences revealed reflect the unique approach of the specific design build team. Further, their vested interest in the construction and operational phases ensures that their ideas are realistic and pragmatic, and endows the design build team with a fiduciary interest in making them work.

**Consistency:** *this would be useful for delivery of the RTP through more efficient, expedited procedures.*

#### b) Environmental stewardship and streamlining.

**Background:** The National Environmental Policy Act (NEPA) process for large, complex projects has become increasingly lengthy and complex. Listings under the Endangered Species Act (ESA) are impacting not only large construction projects, but also routine preservation and maintenance activities. Previous efforts to streamline the environmental review of transportation projects, including those in TEA-21, have yielded some results, but significant issues remain.

**Analysis:** In response to Section 1309 of TEA-21, ODOT has developed and implemented a coordinated review process for highway construction projects. This improved method for state and federal permitting agencies to review highway projects is up and running in Oregon. Known as "CETAS" (Collaborative Environmental and Transportation Agreement on Streamlining), it establishes a working relationship between ODOT and ten state and federal transportation, natural and cultural resource and land use planning agencies. The CETAS partnership has defined how to streamline (in six tasks):

Implement an Environmental Management System to achieve performance based permitting:

- Employ Habitat Mitigation Programs;
- Enlarge GIS Mapping Systems of Natural and Cultural Resources;
- Additional Programmatic Biological Opinions (PBOs);

- Seamless Performance of contractors and local governments;
- Expand Partnerships.

**Policy Proposal:** Congress should support state-led efforts to both protect the environment and streamline the review process for transportation projects by:

- Providing increased funding to state departments of transportation and resource agencies to develop new programmatic approaches.
- Funding a pilot project for ODOT to demonstrate the benefits of implementing an Environmental Management System culminating in ISO 14001 certification.
- Providing resources for Global Information Systems (GIS) mapping of natural and cultural resources.
- Sanctioning advanced wetland and conservation banking for transportation projects.

*Consistency: this would be useful for delivery of the RTP through more efficient, expedited procedures.*

**c) Key Highway Policy Issues**

**i) Additional resources for the I-5 Trade Corridor.**

**Background:** Interstate 5 (I-5) in Oregon, Washington and California is one of 12 high priority corridors identified in TEA-21. One-fourth of the nation's exports and imports pass through the I-5 corridor.

The area between the I-84 interchange in Oregon and the I-205 interchange in Washington has been identified as having significant bottlenecks that threaten the economic vitality and livability of the region.

The Governors of Oregon and Washington have appointed a 28-member Task Force to develop a bi-state strategic plan to manage and improve transportation and freight mobility in the corridor.

The strategic plan will address freeway, transit, heavy rail, and arterial street needs. The public planning process started in January 2001 and the strategic plan is expected to be complete by the fall of 2002. Partners in this effort include Oregon and Washington Departments of Transportation, Metro, Southwest Washington Regional Transportation Council, the ports of Portland and Vancouver, the cities of Portland and Vancouver, and Multnomah and Clark counties.

Work by the Task Force in the spring of 2002 will include development of recommendations on finance and implementation, bi-state land use agreements, transportation demand management, community enhancements and environmental justice, and freight and passenger rail.

**Analysis:** The bi-state strategic plan will address freeway, transit, heavy rail, and arterial needs. The public planning process started in January 2001 and the strategic plan is expected to be complete by the fall of 2002.

Draft Recommendations recently adopted by the Task Force call for:

- Upgrade existing bridges from 6 to 10 lanes across the Columbia River.

- A phased extension of the two existing light rail lines in Portland north to connect as a loop in Clark County
- Implementation of aggressive measures to reduce single auto trip demand, increase transit service and encourage use of alternatives to auto commuting
- Agreement to control land uses to avoid inducing more sprawl in response to a bigger freeway to simply result in a bigger traffic jam in the future.
- Three through-lanes, including Delta Park; and
- Interchange improvements between Columbia Blvd. in Portland and SR 500 in Vancouver.

The Task Force draft recommendations also call for a post-Task Force study of an arterial road west of I-5 in the vicinity of the railroad bridge.

**Policy Proposal:**

- (a) Supports the state's efforts to eliminate bottlenecks in the I-5 Trade Corridor, especially between Portland and Vancouver, Washington.
- (b) Support separation of TEA-21's Borders and Corridors program with a greater focus of funding in the Corridors program to key international and interstate freight corridors, like the I-5 Trade Corridor.
- (c) Support to a least \$1 billion increase of funds for the Border and Corridor program, expand the concept to include projects that support gateways to national and international markets and focus the emphasis on freight and bi-state cooperation.

*Consistency: this would provide an expanded funding category for a significant RTP priority.*

**ii) Additional Railroad Resources in the I-5 Corridor**

**(1) Track Capacity**

**Background:** Today the federal investment in passenger rail is a fraction of what is spent on other modes of transportation, and is limited primarily to providing Amtrak with annual operating and capital funds, the vast majority of which go to the Northeast Corridor.

In the Pacific Northwest Corridor, the states are paying the full operating cost to Amtrak. Since 1992, Oregon has spent over \$24 million for operating costs alone. The state, local governments and railroads have invested another \$25 million for track and station improvements in the corridor.

Over \$100 million of track and signal improvements is needed in Oregon's portion of the corridor, without counting the cost of upgrading the rail bridge across the Columbia River. Federal funds are also needed to purchase train equipment, which would help lower operating costs.

The joint UP/BN crossing of the Columbia River is one of the busiest and most important rail links in the region. ODOT and WSDOT, in cooperation with Amtrak, the Ports of Portland and Vancouver, and the railroads, are undertaking a track capacity analysis of the joint UP/BN line across the Columbia River. Previous analyses suggest significant

capacity problems on this line segment in the near future, which could impact economic development opportunities; passenger train expansion and through freight operations.

**Analysis:** States should not have to shoulder these costs alone. Federal highway and transit programs provide capital funding for roads, bridges and transit improvements, and likewise federal funds are needed for passenger rail development. Congress could increase the amount of funding available for passenger rail development if legislation pending this year is enacted. Some versions, however, would create a new complicated loan program rather than a grant program.

Loan programs alone will not provide the federal investment needed for states to develop successful passenger rail corridors. The reauthorization of TEA-21 is an opportunity for Congress to establish a federal rail program that adequately supports passenger rail development.

**Policy Proposal:** Support federal legislation to increase capital funding for freight and passenger rail facilities. Opposes moves to dissolve Amtrak. However, in the event that Amtrak is dissolved or dramatically restructured to eliminate West Coast services, track rights should revert to the state to allow passenger service to continue.

*Consistency: this would provide funding for elements of the RTP dealing with the high-speed rail, the I-5 Trade Corridor and freight movement in general.*

## (2) Truman Hobbs

**Background:** The joint UP/BN crossing of the Columbia River is one of the busiest and most important rail links on the West Coast. ODOT and WSDOT, in cooperation with Amtrak, the Ports of Portland and Vancouver, and the railroads, are undertaking a track capacity analysis of the joint UP/BN line across the Columbia River. Previous analyses indicate significant capacity problems on this line segment which would impact economic development opportunities, passenger train expansion and through freight operations.

The Coast Guard is currently undertaking an examination of the eligibility of the UP/BN railroad bridge over the Columbia River for Truman-Hobbs (navigational hazard) funding. The rail bridge swing-span is lined up with the lift span on the I-5 bridges, making it very difficult and hazardous for ships to use the I-5 "high" fixed span section. Using the fixed span section avoids the need for opening the bridge and the resulting delay on I-5.

**Analysis:** Truman Hobbs is a federal program that funds projects to address rail hazards to navigation. Projects are selected based on the cost benefit of a given investment to the marine and freight rail facilities.

**Policy Proposal:** The analysis of the cost delay of the UP/BN rail crossing of the Columbia River should be expanded to include the impacts on truck and auto commerce on the I-5 bridge due to lift span operations caused by the RR bridge.

This can be done under existing statutes, but the law should also be changed to allow car/truck delay as part of the consideration. Truman-Hobbs funds are intended for "in-kind" replacement of navigational hazards but can be contributed toward larger facility upgrading projects such as adding capacity to the UP/BN bridge.



*Consistency: this would increase the likelihood of funding to replace the railroad bridge swing span.*

**d) Oppose federal preemption of state law regarding weight-mile fees.**

**Background:** Oregon maintains the cost-responsibility of paying for maintenance, preservation and modernization of the road and highway system through the weight-mile fee on commercial trucks. The weight-mile fee is based on the weight of the vehicle, the number of axels and the distance the vehicle travels on Oregon roads. The weight-mile tax is structured to most closely reflect the cost responsibility of trucks relative to the taxes paid by auto users.

**Analysis:** The national trucking industry has sought to eliminate the weight-mile system at the state and federal level. In the debate leading up to ISTEPA and TEA-21 there were efforts to introduce amendments preempting weight-mile taxes on the state level.

**Policy Proposal:** The federal government should not preempt state authority to establish the most equitable method of assigning and implementing cost responsibility.

*Consistency: this would protect a source of funding for the state highway fund that provides about 35% of the funding.*

**e) Multi-State Vehicle Miles Traveled tax demo program.**

**Background:** As the prevalence of electric and hybrid fueled vehicles increases, there is a growing recognition in Oregon and other states that the gasoline tax is becoming a progressively less adequate financial source for surface transportation programs. In the 2001 legislative session Governor Kitzhaber asked for and received legislative approval of a task force to address the future of the gas tax as a source of Oregon highway funding. The Road User Fee Task Force (RUFTF) is preparing findings and recommendations regarding the viability and applicability of alternatives to the gas tax.

**Analysis:** Higher fuel efficiency and greater use of alternative fuels for autos erodes the ability of the gas tax to meet growing system demand. Although these vehicles continue to contribute to congestion and road damage, they do not contribute to the transportation trust fund in a proportional fashion.

**Policy Proposal:** Support a federal effort to examine ways a VMT tax or other road user fee system could be implemented at the state or federal level.

*Consistency: this is similar to the Road User Fee Task Force established by the '01 Oregon Legislature to investigate alternative sources to the gas tax.*

**f) Highway Bridge Replacement and Repair (HBRR) issues.**

**Background:** Current federal rules to determine the allocation of HBRR formula funds to states are based principally on the square footage of bridges. The TEA-21 formula does not recognize the additional cost in preserving and rehabilitating movable (lift span) bridges. The movable Willamette River bridges in Portland and elsewhere in Oregon receive the same funding per square foot as more easily maintained fixed span bridges.

**Analysis:** Under current formula, Oregon received approximately \$40.2 million in HBRR funds over the first four years of TEA-21, representing approximately 2.7 % of total HBRR funds allocated.

Oregon has 27 heavy movable bridges or approximately 2.3 percent of a national total of approximately 1171 heavy movable bridges. By contrast, Oregon has approximately 7,300 total bridges, about 1.2 percent of the national total for all NHS and non-NHS bridges. Oregon's share of structurally deficient and functionally obsolete bridges is 1 percent of the national total.

It is estimated that the cost to replace or rehabilitate movable bridges is 1.7 times the cost of fixed span bridges.

**Policy Proposal:** Reauthorization should incorporate a 1.7 times factor in the HBRR formula for lift span bridges.

**Consistency:** *this would provide an expanded source of funds for Multnomah County's Willamette River Bridge project.*

**g) Orphan Highways.**

**Background:** An orphan highway is any aging US designated state highway that's role as a regional highway has been supplanted by the construction of the Interstate Freeway system. These highway links were predominantly built in the 1930's, '40's and 50's. During their primary service years, land uses that located along their lengths were auto oriented in type and function. Many were constructed as rural areas evolved into the first tier of suburban communities, making the leap from farm to market roads to urban highways. Much of the older commercial strips and nodes that were served by these state roads have been deteriorating and the roadways are likewise underutilized.

**Analysis:** A program of new reconstruction funds for state and local jurisdictions would make rehabilitation of these roadways viable as multi-modal main streets and boulevards. Application of these funds should be on routes where more intensive comprehensive plan land use designations are already in place. So doing will allow these facilities to not only provide an improved transportation asset but also change the face of the community from a land use perspective.

**Examples of Candidate Routes:** In Portland, many of the state highway routes that traverse the city have auto oriented commercial uses along their length with intermittent commercial nodes. Sandy Boulevard, as an example, serves several miles of northeast and southeast Portland as a four-lane arterial with sidewalks, intermittent on-street parking, left turn bays and good transit service. The street, which is a state highway, serves both local and non-local transportation trips. The Hollywood and Parkrose Districts serve as commercial centers along its length. Both regional and local land use and transportation policy focus on returning this street to its historic character by reconstructing the street with boulevard type standards that serve all modes and encourage property owners to reinvest in urban density land uses.

The state, in partnership with the city, designed and reconstructed a 12-block length of Sandy Boulevard using the more progressive regional boulevard design guidelines. The amenities included rehabilitation of the entire street cross section; addition of bike lanes, planted medians, pedestrian curb extensions, wider sidewalks and left turn refuges. Existing engineering standards were a difficult stumbling block, requiring design exceptions for some of the design's elements.

Providing for more flexible design standards in this proposed program would save considerable time, money and negotiation.

Since its completion private property owners have invested in their storefronts or in some cases completely rebuilt on the sites using the more urban land use development regulations. These new developments have changed the character of the street and added vitality to the community. Now folks actually walk across the street rather than drive. The project is the region's showcase of how these once forgotten highway segments can become the jewel of the community. Other state highway segments that could be candidates include; Powell Boulevard, Lombard Street and Barbur Boulevard in Portland.

**Policy Proposal:** Create a pilot program of not more than \$25 million to be funded out of new federal funds, rather than off the top of the formula program. Candidate projects would be judged based on the following criteria:

- (a) 100% federal funding when the local government agrees to take over maintenance.
- (b) Local government must commit to supportive comprehensive plan and zoning designations that support more intensive, mixed-use development along part or all of the route.
- (c) FHWA should provide for more flexible design standards to achieve the program's design goals.
- (d) The program should be limited to a small number of pilot projects to curb wholesale earmarking and provide financing to the truly worthy projects.

***Consistency: this would provide a source of funds to implement community-based improvements on state highways ODOT would prefer to transfer to local governments. Consistent with the function called for in the RTP.***

#### **h) Freeway Removal and Reuse**

**Background:** There is some interest in more flexibility for federal highway dollars to remove and reuse highways and interstate freeways if that is the desire of the local community.

This would continue the tradition of ISTEA and TEA-21 in giving greater flexibility to local jurisdictions in deciding the best local solution to their transportation and land use needs. It would allow the use of federal funds in major, community defining decisions such as the removal of the waterfront freeway and construction of Tom McCall Park.

However, given the tremendous unmet needs for maintenance and preservation of the existing highway and freeway network and the perhaps even greater unmet need for modernization, there is some concern for how one can justify using federal funds for the removal of functioning highway and freeway segments.

***Consistency: this would be useful if the RTP is amended to reconfigure or relocate the Eastbank Freeway (I-5). Federal support is more likely for an approach that replaces the current function than completely removes a freeway with no attention to replacement.***

#### **i) Improved Transportation Security.**

**Background:** Following the terrorist attacks of September 11, Congress created a new Transportation Security Administration and Office of Homeland Security to develop and

coordinate a comprehensive national strategy to strengthen against terrorist attacks and protect the Nation's transportation systems to ensure freedom of movement for people and commerce.

**Analysis:** Among the activities that will be worked on in the coming months with state and local agencies are: Incident management, prevention, and response and recovery. For all of these activities, good communications is critical. Transportation agencies play an important role in responding to incidents and ensuring the free movement of people and goods. In the Portland region, an interagency group has identified a series of Intelligent Transportation System (ITS) improvements that will enhance the capability of different government agencies to communicate with one another and share information.

**Policy Proposal:** Federal funding dedicated to improving security should include transportation improvements in Oregon:

- Fully fund the state's ITS initiative, which includes the Portland region's ITS plan providing greater ability for surveillance and response to emergencies.
- Pay for "hardening" and other improvements to bridges or other potentially vulnerable points in the transportation system.

**Consistency:** *although security is not directly addressed in the RTP, increased attention will no doubt lead to higher costs.*

### 3) Multi-Modal Policy Issues

#### a) Expanded funding to address endangered species issues.

**Background:** New restrictions and capital requirements resulting from Endangered Species Act (ESA) designations and other federal natural resource protection requirements are substantially increasing the cost of transportation infrastructure construction and maintenance particularly for bridges. Ditches and culverts are no longer viewed simply as a means of conveying water; they are also water quality facilities and either barriers or facilitators of fish migratory movements. Any improvements made within our public rights-of-way must enhance habitat and water quality. The ESA and Clean Water Act (CWA) provide no funding for the required system improvements.

For example, Clackamas County estimated that there are 975 culverts that are barriers to fish migration and salmon-recovery efforts. Many of these culverts have to be replaced or retrofitted with baffles to slow water flow allowing for passage of all life stages of salmonids. Using an average cost estimated of \$93,000 per culvert replacement, retrofitting all the culverts in the county would cost \$80-90 million.

**Analysis:** Over 20 federal statutes impose a variety of environmental mandates on the construction, repair, and maintenance activities undertaken within the federal highway system. A 1995 analysis estimated that added costs due to environmental regulation could be 8 to 10 percent of construction expenditures for federal-aid highway projects. While restrictions are less on state and local roads they are nonetheless considerable.

Multiple environmental benefits can be achieved from conforming road and other transportation projects with ESA requirements. These benefits accrue to the community beyond the transportation benefit in the form of cleaner water, reduced flooding, reduced pollution from urban run off, etc. The cost of providing these additional benefits should be shared beyond the transportation resources.

**Policy Proposal:** TEA-21 reauthorization could provide a new program significantly expand the existing bridge replacement program to address culverts, blocking fish passage or create an add-on to the Public Lands Highway Program for culverts.

*Consistency: the RTP was recently amended to include provisions for "Green Streets" including retrofitting culverts to allow better fish passage. This would provide funding for this purpose.*

**b) Funding Allocation Issues.**

**Background:** With the 2000 Census, there will be a significant increase in the urbanized areas of the country receiving formula allocation of federal transportation planning funds. As many as one hundred new MPOs will be designated in the new bill. In Oregon, two additional MPOs are being formed in Medford and Corvallis. The new MPOs will receive allocations of federal STP and CMAQ funds without reducing the allocations to the existing MPOs regardless of overall federal funding levels. However, unless federal funding increases in the reauthorization, transportation planning fund distributions to the new MPOs will reduce the funding available for existing MPOs.

**Policy Proposal:**

- (a) FHWA Planning funds should be increased from 1-percent take-down to a 2 percent take-down on the categorical programs to reflect the increasing responsibility of MPOs, the increased number of MPOs as a result of population growth and the increased population inside existing MPOs.
- (b) FTA planning funds should be increased commensurate with population growth inside MPOs.

*Consistency: this would allow funding to address transportation planning issues consistent with annual approval of the United Work Program.*

**c) Refocusing of TCSP program.**

**Background:** The Transportation and Community and Systems Preservation Program (TCSP) began as a targeted \$25 million program in TEA-21. It has since been expanded through the earmarking process into \$250 million program that has drifted significantly from its original purpose. TCSP was established to investigate and address the relationships between transportation and community and system preservation and to identify private sector-based initiatives.

Although any project authorized under Title 23 or chapter 53 of Title 49 U.S.C. was made eligible, it was expected that the program would focus on corridor preservation activities necessary to implement transit oriented development plans, traffic calming measures, or other coordinated preservation practices.

**Policy Proposal:** Recommended changes include:

- (a) FHWA and FTA should continue to develop guidance for projects to be funded through the program.
- (b) Publish "best practices" from funded projects. Congress should increase the authorized level of the program to \$250 million, comparable to the FY 2003 appropriations.

- (c) Tighten up statutory language to ensure grants cannot be awarded unless they demonstrate a supportive land use benefit.
- (d) Require an evaluation of the merits of the proposed projects by the Federal Highway Administration and approve funding based upon an evaluation of "Highly Recommended," "Recommended" or "Not Recommended." This should be designed to ensure good projects are recommended for funding, although in a more streamlined manner than the large multi-year contracts under the New Starts and National Trade Corridor Programs.

*Consistency: the TCSP program was designed to recognize efforts like ours to link transportation and land use. However, due to congressional earmarking, we have been unable to access these funds since the first year grant to Pleasant Valley planning.*

**d) CMAQ funding apportionment to states.**

**Background:** ISTEA, adopted in 1991, created the Congestion Mitigation/Air Quality Program to provide a better link between federal transportation spending and the Clean Air Act. Specifically, it provided funds to reduce vehicle emissions through federally funded transportation improvements. Apportionment to the states of the total annual appropriation is based upon the population of the metropolitan area weighted by the severity of the air quality problem, as follows:

- 1.4 for "extreme" ozone non-attainment areas
- 1.3 for "severe" ozone non-attainment areas
- 1.2 for "serious" ozone non-attainment areas
- 1.1 for "moderate ozone non-attainment areas
- 1.0 for "marginal" ozone non-attainment areas
- 0.8 for "maintenance" in area that have attained ozone standards

Furthermore, if the metropolitan area is classified a carbon-monoxide non-attainment area, the population is further weighted by a factor of 1.2 and if the area has reached carbon monoxide attainment status, the population is further weighted by a factor of 1.1.

This weighted factor for funding apportionment to states fundamentally creates the wrong incentive. If the area is successful in implementing programs to meet federal air quality standards, it is penalized by a progressively lower funding apportionment. To add insult to injury, when the area succeeds in meeting air quality standards, its apportionment drops to an 80% share. The disincentive is compounded by the added factor for carbon monoxide.

**Policy Proposal:**

The disincentive to meeting federal air quality standards should be removed from the apportionment formula. In fact, it would be more appropriate to reverse the weighting factor and reward the metropolitan area with a progressively higher factor as they reach a better attainment status. At a minimum, the final adjustment factor, upon reaching attainment status should be adjusted to 1.1 or 1.2 to create a financial incentive to achieve and then maintain attainment status.

*Consistency: This would increase the level of funding allocated through the MTIP process.*

e) **Advanced right-of-way preservation.**

**Background:** Under current federal regulations, right-of-way acquisition for a federally funded project cannot occur until environmental documents have been prepared and approved and plans and specifications have been approved. Under this approach, right-of-way acquisition happens immediately before construction is to commence. These controls are to ensure that right-of-way acquisition does not happen before the environmental review process determines the best alignment and design for the proposed project and, as a result of early right-of-way acquisition, the environmental review process is prejudiced. As a result of this strict process, right-of-way can be effectively lost in fast growth areas or result in right-of-way that is prohibitively expensive due to development.

**Policy Proposal:**

Various methods should be sought to allow state and local protection and early acquisition of right-of-way, including:

- Allowing the local government to adopt development regulations identifying a proposed transportation corridor in their comprehensive plans and requiring new development to setback from the proposed corridor. This is commonplace for a setback from an existing road but is more difficult in locations that a new alignment is proposed.
- Allowing the local government to proceed with a protective acquisition of right-of-way when encroachment by a proposed development is imminent with the intent to use the right-of-way for project identified in a local comprehensive plan or sell the proposed right-of-way to the state transportation department upon completion of required environmental review. Under this approach, it would have to be recognized that the environmental review process might result in a different alignment being selected or a decision to not build the project.
- Allowing the state transportation department to proceed with a protective acquisition of right-of-way when encroachment by a proposed development is imminent for any project that is reflected in a federally approved Regional Transportation Plan prepared and adopted by a metropolitan planning organization under federal guidelines.

Further research on these and other methods will be researched with other interest groups.

*Consistency: This would facilitate right-of-way protection for large projects in the RTP.*

f) **Statewide and MPO bicycle program that addresses bicycle travel planning, operations and safety.**

**Background:** Enact a required statewide and MPO bicycle program that addresses bicycle travel planning, operations, safety, and capital construction. The program would also require of the highway, transit, rail, and air programs that bicycle plans resulting from this initiative be included in an intermodal connection investment strategy required of all modes. The safety program would address a range of issues from integration of auto and bicycle travel to in-school safety training and identification of safe routes to schools for all grade levels. Funding for this requirement would come, in part, from the highway trust fund and could require coordination between school and transportation authorities.

*Consistency: this would affect planning requirements and expand the scope of bicycle-related planning.*

- g) **Renew federal support to capitalize State Infrastructure Banks (SIBs), expand flexibility of second-generation funds.**

**Background:** State Infrastructure Banks were authorized in ISTEA as a revolving source of funds for both highway and transit capital improvements. As an original pilot State Infrastructure Bank, Oregon was allowed to capitalize its SIB with federal apportionments. At that time, it was thought that loan funds repaid to the SIB, regardless of source – federal or state – could be reloaned without federal conditions, such as Buy America or Davis-Bacon. TEA-21 altered this. Only four named states are now allowed to capitalize their SIB's with federal funds.

**Analysis:** The limitations included in TEA-21 have a limiting effect on the size of Oregon's SIB and, by extension, the size of projects the bank can finance at low interest rates.

**Policy Proposal:** Lift the limitation on SIB capitalization. Consider changes that allow greater flexibility of reloaned funds.

*Consistency: this would expand this borrowing option for implementation of RTP projects. All projects have a prerequisite that they be reflected in the RTP.*

- h) **Columbia River channel deepening project**

**Background:** The Port of Portland is pursuing a project sponsored by the Corps of Engineers and six Oregon and Washington ports to deepen the Columbia River navigation channel from 40 to 43 feet, subject to the necessary environmental approvals. A deeper navigation channel will enable cargo ships to carry larger, more cost-effective loads, yielding significant transportation savings to thousands of shippers in the Pacific Northwest and elsewhere in the United States. The project also includes several environmental features that will improve the Columbia River's habitat and environmental quality.

**Analysis:** Although it is not been addressed in the TEA-21 reauthorization bill, the channel-deepening project continues to be an important transportation priority for the region.

**Policy Position:** Support the channel-deepening project, subject to the necessary environmental approvals.

*Consistency: this reaffirms past positions.*

- i) **Railroad shared use requirements**

**Background:** Current federal regulations regarding shared use of tracks between freight and passenger rail operations are intended to address safety concerns. However, as currently structured, the regulations pose a significant obstacle to the efficient use of these valuable resources. The Federal Railroad Administration (FRA) model emphasizes train crash standards and prohibitions against operating freight and passenger trains together. Other models for preserving safety while allowing shared use are used in Europe where technology is emphasized.

**Analysis:** The European approach to track sharing regulations emphasizes improved signaling and braking systems to avoid crashes in the first place. European standards deflect the energy of a crash away from passengers, and emphasize braking systems, block signaling systems, speed limits where appropriate, and crumple zones to allow passenger vehicles to absorb the brunt of an impact while protecting passengers and drivers. In comparison, FRA's vehicle safety standards



do not speak to locomotive braking, train signaling systems, or speed limits. New authority is needed to facilitate the rules and procedures for permitting shared use of freight rail tracks by Amtrak and commuter rail projects.

**Policy Proposal:** Support increased funding for the Section 130 grade separation program to enhance public safety at grade crossings on public highways. Encourage FRA to examine European models of freight/passenger train control and approve pilot projects to demonstrate the technology-based approach.

**Consistency:** *this would facilitate the Washington County commuter rail project and any future similar projects.*

#### j) Streetcar Initiatives

**Background:** Many communities are expressing an interest in small scale rail based transit lines to serve redeveloping central city areas and connect neighborhoods in a way that is very different from regional rail systems. The existing federal assistance program, Federal Transit Section 5309 "New Starts," is oversubscribed and is governed by an extensive review and approval process that is not necessary or appropriate for low cost and non-intrusive urban streetcar lines.

Until the 1950's, many communities had extensive streetcar systems which served to connect neighborhoods to central city employment, shopping and cultural opportunities. As heavy industry migrates from the central city, major opportunities are created to foster the development of new, high-density urban neighborhoods. The creation of additional housing in the central city is a key transportation and economic strategy. By absorbing population growth in the central city, valuable farm and forest lands are preserved, the distances that people must travel for employment and other daily needs are greatly shortened, and the environmentally and fiscally costly expansion of the urban interstate highway system can be avoided.

**Streetcar Characteristics:** By definition, streetcars operate in existing public rights of way, often co-mingled with other traffic. Unlike regional light rail projects that connect major centers over long distances, streetcars connect redeveloping neighborhoods and major attractions over relatively short distances. Streetcars typically operate at lower speeds with more frequent stops to serve a dense mixed-use environment. For this reason the vehicles rely more heavily on operator control than complex technological systems. The vehicles' size and scale are respectful of the neighborhood settings in which they operate. Installation of a streetcar line is accomplished with minimal reconstruction within existing streets or rights of way.

If the Portland region is successful in attaining this new resource program, the region would need to respond by identifying projects that would qualify for financing. The next targeted extension by the City of Portland of the existing streetcar system would be to the connection of the Pearl District, West End, PSU, South Auditorium Area on the west side of the Willamette River with planned high density development in Portland's Central City on the east side of the river including the Lloyd and Central Eastside Industrial Districts and OMSI. This loop system would intercept Downtown bound bus and light rail transit service to facilitate transfers and improve transit access, particularly from the South Corridor to employment concentrations in the Lloyd District.

**Analysis:** New resources are needed to aid communities in building modern streetcar lines that provide residents and visitors of the central city with a choice in how they move about. For example, a new Portland streetcar line opened in July 2001, demonstrating the ability to capitalize

on lower project cost, a minimally disruptive construction process and the opportunity to attract complimentary, mixed-use urban development. The purpose of this proposal is to set forth the context for a new funding program that would assist communities in developing streetcar lines and systems without competing with larger scale, more costly regional fixed guideway projects.

**Policy Proposal:**

- (a) **New Funding Program:** The region supports the creation of a new streetcar-funding category with added funds. Legislative action to limit the propagation of regulations from the executive branch, limit to the degree possible and responsible NEPA requirements through an umbrella categorical exclusion, authorization for the Secretary to execute full funding grant agreements and such other changes in existing code and regulation as may be required to implement this program.
- (b) **Project Evaluation Criteria:** A new set of project evaluation criteria should be established that is more appropriate to streetcar projects.

Projects should be reviewed solely against the following standards:

- Streetcar projects are intended to be economical and the maximum federal participation should be limited to \$50 million.
- Project sponsors may be transit properties or other units of local general-purpose government.
- The maximum federal share should be limited fifty percent of total project cost. In addition, streetcar projects should require the financial participation in project construction of the owners of real property abutting the alignment excluding owner occupied residential properties. Property owner participation should be required to ensure that the project recovers a portion of enhanced property values. Property owner participation should have a floor of 10% of construction cost.
- Streetcar projects should demonstrate the development / redevelopment opportunities and in close proximity to the alignment. Projects must demonstrate that property zoning and comprehensive planning designations enabling complimentary mixed-use land uses should also be in place adjacent to the alignment.
- Streetcar projects should demonstrate how redeveloping or new neighborhoods on vacant or underutilized land will be connected to each other or major attractors in the central city and with major regional transit services.
- Project sponsors must provide a detailed operating plan including frequency of service, hours of operation, and stop locations and demonstrate the financial capacity to operate the line.
- Create under the Federal Housing Act authority for the Department of Housing and Urban Development to contract with urban communities to fund the construction of urban fixed guideways that support the development of housing and the re-development of housing in urban areas by the use of streetcar technology.
- The projects approved for funding would be ranked according to their support of mixed-use, higher density land uses. They would not be expected to meet traditional ridership thresholds suggested by USDOT-FTA standards. These projects would be eligible to receive up to \$25 million in FTA Sec. 5309 New Start construction funds regardless of the level of HUD support. They would not be required to meet DOT New Start criteria, and would be exempt from DOT ranking.

***Consistency: expansion of the streetcar system is reflected to a limited extent in the RTP but not with federal funds. In addition, MTIP funding has been allocated to define the transit and***

*bike improvement strategy in the Willamette Shore Corridor to Lake Oswego where a streetcar option would be examined. Creation of a "small starts" federal funding category would facilitate. However, it is not clear that the region should support a "Small Starts" program unless there is significant increases to the "New Starts" program.*

**k) Support Continuation of the Value Pricing Pilot Program**

**Background:** ISTEA created the Congestion Pricing Pilot Program to support jurisdictions in the implementation of congestion pricing or peak period pricing projects. The program was expanded to include pre-project studies. In TEA-21 the program was continued and renamed the Value Pricing Pilot Program. This relatively small program, with funding of about \$11 million a year, has supported a number of successful projects and studies around the country. There are on the ground implementation projects in San Diego and Orange County California, Lee County Florida, Houston Texas and New York and New Jersey.

Locally, this program provided \$1 million towards the Traffic Relief Options (TRO) study. The TRO citizen's task force recommended that the region consider value pricing whenever major new highway capacity is added. This recommendation was incorporated as a policy requirement in the 2000 RTP. In 2002, Metro obtained an additional \$400,000 grant to fund the value pricing portion of an overall alternatives analysis for the Highway 217 corridor. At the State level, the Road User Fee Task Force, which is looking at alternatives to the fuel tax, is funded out of this program.

The Value Pricing Pilot Program is a small program with a limited number of states (15) that are allowed to participate. Further, due to the difficulty of implementing this relatively new and controversial concept, the program has not always obligated all of its funds. Because of these factors, it is a possible candidate for elimination in renewal discussions. We believe that the program has played a valuable role in forwarding research and implementation at a national level of an important new management and financing tool. In addition, it has provided funding in this region and state and could be a small but important potential source for future studies or projects.

**Analysis:** Value Pricing, while growing in national and international prominence as a demand management and highway financing tool, still remains in its infancy in terms of actual projects. The federal pilot program continues to provide an important source of funding to support project studies and implementations.

**Policy Position:** Support the continuation of the Value Pricing Pilot Program at similar funding levels. Support the elimination of the limitation on the number of interstate tolling exemption slots so that more states can participate in the program.

**Consistency:** *This is consistent with the Congestion Pricing Policy adopted in the RTP.*

**l) Technical Issues.**

**a) Shift PMO funding to FTA wide rather than on project-by-project basis.**

Currently Project Management Oversight, FTAs mandated outside project review consultant, is paid out of project appropriations. Often this means that projects receive less funding than expected based on the congressional appropriation for a given year. This can cause troubling adjustments in budget, expenditure and borrowing. PMO work supports the oversight

function of and mandate of the FTA and should be funded out of the agency's budget rather than project-by-project.

*Consistency: this would increase the efficiency of delivering certain RTP projects.*

**b) Buy America.**

Instead of having the Transit Agencies certify that the products that they meet Buy America, the Bus/Rail manufacturers could certify that the product that they sell meets Buy America. Each manufacturer does the initial work any way, so having the Transit Agency be responsible for certification makes little sense and costs the federal government a lot of money as each transit agency buying vehicles must audit and do the work for the certification. It is mostly the pre-award audit that is costly to the Transit Agencies - the post award, including buy inspections, makes sense for the transit agency to perform from a quality control perspective.

*Consistency: this would increase the efficiency of delivering certain RTP projects.*

**c) Review of 12-year life for buses.**

Currently, FTA prohibits using federal funds to replace buses less than 12 years old. This requirement does not recognize evolving technology nor does it take into consideration the use of the bus during the 12 years.

When a transit agency tries to participate in forwarding new technology, often the first generation of that technology does not produce the results necessary to maintain operations. TriMet's LNG fleet is a good example. These are 1st Generation LNG buses, which after 8-9 years do not run and we have been unable to get replacement parts as the technology has evolved. They are still listed as 12-year buses and unless we get a waiver from the FTA for both the 12-year life and the pay back for short life, we are on the line for a lot of money to go back to the FTA. This discourages transit agencies from participating in new technology.

Different operating environments age buses in different ways. A small transit agency may only run a bus 25,000 miles per year, 8 hours per day, 5 days per week. We run buses 50,000 miles per year, 20 hours a day, 7 days per week. A more accurate bus life measure would be miles, or hours - or any measure that took in account actual use.

*Consistency: this would increase the efficiency of delivering certain RTP projects.*

**d) Excess property.**

On projects, other than Westside Light Rail, for which Tri-Met was given a blanket permission to sell excess property, agencies usually have to go through a lengthy Federal process to dispose of unneeded property acquired with federal funds. FTA requires that property be posted for acquisition first by other federal agencies, then by other public agencies. The process can take up to a year.

*Consistency: this would increase the efficiency of delivering certain RTP projects.*

e) **FTA concurrence.**

Transit agencies are required to get FTA concurrence on the purchase of property over \$250,000; that which is \$50,000 more than appraisal and anytime condemnation is used. All of this takes a great deal of time. FTA will sometimes allow larger transit districts to purchase property without agency concurrence, however the decision is optional and the threshold uncertain. FTA should allow those properties with FFGAs to exercise this discretion on their own since these properties are already under considerable scrutiny by FTA and PMO.

*Consistency: this would increase the efficiency of delivering certain RTP projects.*

f) **FTA oversight.**

Oversight could be streamlined. Now we have:

- PMO - project management oversight
- FMO - financial management oversight
- PMO - procurement management oversight
- Rail State Safety (and Security) Oversight
- Triennial Reviews

All the above derive out of the same basic 22 or so FTA certification requirements, but transit agencies are subjected to different audits and different audit teams at different times. So it would be less onerous if FTA consolidated the oversight audits, audit teams, and rationalized the schedule/periodicity and relationship among the oversight reviews. At a minimum there could be 3 teams: PMO (project), State Rail Safety, and Triennial. The first two would be continuing and the latter every 3 years.

*Consistency: this would increase the efficiency of delivering certain RTP projects.*

g) **OMB leveling the playing field.**

Many of the differences between FTA and FHWA are rooted in the OMB circulars regarding the differences in the clients served. FHWA primarily deals with states that are considered to have their own constitutional authority and established procedures regarding financial and legal accountability. Transit agencies, cities, and metropolitan areas have lesser status in the view of OMB, largely deriving their authority from states.

OMB requires more scrutiny by the federal departments administering funds to subdivisions of a state. Reducing oversight where it is not needed, such as where jurisdictions can show a consistent record of sound management of federal funds, would reduce costs and unnecessary delay in project implementation.

*Consistency: this would increase the efficiency of delivering certain RTP projects.*

m) **University Transportation Research Centers**

**Request:** Support enhancement of the Federal University Transportation Centers as part of the reauthorization of the transportation bill.

**Background:** Congress first authorized the creation of University Transportation Centers as part of the Surface Transportation and Uniform Relocation Act of 1987. This initial legislation authorized 10 centers to coincide with the Federal regions. The University Transportation Centers were again reauthorized in ISTEA and TEA-21. Currently TEA-21 authorizes \$158.8 million for grants to 33 centers (regionally designated centers and congressionally specified centers). Research funded through the Centers requires a 50-50 match and is required to meet peer-review standards; in other words, the research done is not opinion or advocacy research.

The Centers designated as "regional centers" are also called Category A centers in the TEA-21 and receive \$1 million per year for research. The level of annual funding for Regional Centers has not changed since 1987, and a variable obligation limit ceiling has reduced current funding to \$870,000. The Congressionally mandated centers fall into three categories:

**Category B:** Received \$300,000 in 1998 & 1999 and \$500,000 for 2000 & 2001 \*There is authorized a limited competition with Category C for the fifth and sixth years  
Assumption College, Purdue University, Rutgers University, South Carolina State University, University of Central Florida, University of Denver and Mississippi State University, and University of Southern California and Cal State University Long Beach

**Category C:** Received \$750,000 for years of 1998 through 2001 \*There is authorized a limited competition with Category B for the fifth and sixth years  
Morgan State University, New Jersey Institute of Technology, North Carolina A & T State University, North Carolina State University, San Jose State University, University of Alabama, University of Arkansas, University of Idaho, and University of South Florida

**Category D:** Received \$2 million per year from 1998 through 2003  
George Mason University with University of Virginia and Virginia Polytechnic Institute and State University, Marshall University, Montana State University, Bozeman, Northwestern University, University of Minnesota, and the University of Rhode Island

**Justification and Application to Oregon:** Making University Transportation Centers a priority in Oregon's recommendations for policies in the reauthorization of the transportation bill will benefit the state's transportation and planning programs. Other organizations are calling for increased funding for research. For example, the American Road and Transport Builders Association is recommending increasing the regional center authorization from \$10 million per year to \$30 million per year. Currently PSU receives about \$100,000 a year in funding for transportation research through an affiliation with the Region X Center located at the University of Washington. Support for the program, including increased funding, would provide additional research capacity through one of two ways: 1) Funding could be increased for the Regional Centers; or 2) PSU could be authorized as one of the Congressionally mandated centers and receive money directly.

Each Center is required to have a theme that organizes the research done by faculty. PSU's theme would be Advanced Information Technology, Urban Transit, and Livability, Health, and Transportation.

**Consistency:** *as proposed, the Portland State University Transportation Research Center would ensure research is independent and peer reviewed. In addition, an oversight committee, which includes representatives from outside PSU, is proposed. With these provisions, an expanded research capability at PSU would help advance innovative policy directions called for in the RTP.*

**EXHIBIT C**

**Portland Region**  
**Priority Projects for**  
**TEA-21 Reauthorization Earmarking**

The projects identified below are consistent with the following principles:

1. The region should have a relatively short list of priorities.
2. As a target, the region should seek authorization for projects under the New Start category that could reach the funding stage at some point during the 6-year authorization period (2004-2009).
3. As a target, the region should seek \$100 million in various highway earmark categories.
4. All projects must be consistent with the RTP Priority System.
5. Project requests should support and reinforce the land use plans of the region.
6. All project requests must be able to use earmarked funds within the six-year timeframe of the reauthorization bill.
7. The jurisdiction requesting a project earmark must be prepared to deliver an appropriate project within the earmarked funding amount regardless of the level of funding earmarked. Partial earmarks must be supplemented with alternate funding sources or scaled to an appropriate sized project.
8. There must be a strong base of support for the projects from governments, community and business organizations.
9. Members of the delegation must be willing to pursue the project earmark.
10. The overall regional list must be regionally balanced.
11. The adopted regional list will be described as the priorities of the region. Local requests outside of the adopted regional list will be strictly the priority of that jurisdiction.

**A. Regional Highway Priorities - the following have been identified as regional highway priorities:**

- I-5/Delta Park to Lombard .....\$32.8 million - Borders & Corridors/Interstate 4R/Highway Demo
- Highway 217-TV Hwy-Sunset Hwy  
(Westside Corridor Final Phase) .....\$26.4 million – Highway Demo
- Sunrise Corridor - Phase 1  
Preliminary Engineering & Right-of-Way acquisition..\$32.0 million – Highway Demo  
(Interstate 4R Discretionary can also be considered for funding earmarked)
- Columbia Blvd. Intermodal Corridor  
Ramsay Railroad Yard.....\$11.0 million – Freight Rail/Highway Demo  
Air Cargo access) .....\$ 9.0 million – Highway Demo

**B. Regional Transit Priorities – The following have been identified as regional transit priorities:**

1. Projects to be reauthorized – Section 530 – New Starts:
  - Continue authorization for preliminary engineering and construction for the entire South/North project from Clackamas County to Clark County: 1. To complete Interstate MAX; 2.The Region’s #1 priority for “New Start’ authorization and funding is the South Corridor Project; 3. To continue authorization and funding for Wilsonville to Beaverton Commuter Rail; 4. To allow for future extension of Interstate MAX: Expo-Clark College.
2. Projects requiring new authorization – Section 5309– New Starts:
  - Provide new authority for Willamette Shoreline Streetcar Extension: PSU Lake Oswego – authorization for preliminary engineering and construction.

3. New transit project funding earmarks – Section 5309 – Bus:

- Earmark funds for TriMet bus expansion and replacement.

4. State of Washington – Section 5309 – New Starts:

- Support RTC and C-TRAN request for new preliminary engineering authority for I-5 to I-205 Clark County LRT “Loop”.

C. Regional Livability Priorities: The following have been identified as community livability projects:

1. Boeckman Road (Wilsonville).....	\$8.00 Million – Highway Demo
2. Lake Road (Milwaukie) .....	\$5.60 Million – TCSP/Highway Demo
3. Gresham Civic Neighborhood LRT Station.....	\$2.70 Million – TCSP/New Starts
4. Kenton Feed-and-Seed .....	\$2.00 Million – TCSP/New Starts
5. Rockwood Town Center.....	\$2.00 Million – TCSP/Highway Demo
6. Bancroft/North Macadam Access .....	\$8.00 Million – TCSP/Highway Demo
7. Sauvie Island Bridge .....	\$25.0 Million – Bridge/Highway Demo
8. Regional Culvert Retrofit – Phase 1.....	\$5.00 Million – Highway Demo
9. Regional Trail Program – Next Phase.....	\$5.00 Million – Highway Demo
10. Beaverton Hillsdale/Scholls Ferry/Oleson Rd.....	\$14.4 Million - Highway Demo

D. The region also supports Portland State University’s request for designation as a Federal University Transportation Research Center.

Note: It is not clear at this time how project earmarking will be implemented. As such, the categories noted above are preliminary and other funding categories may be more appropriate.



## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 03-3271, FOR THE PURPOSE OF ENDORSING A REGIONAL POSITION ON THE REAUTHORIZATION OF THE TRANSPORTATION EQUITY ACT OF THE 21ST CENTURY (TEA-21)

---

Date: December 27, 2002

Prepared by: Andy Cotugno

#### BACKGROUND

The Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21), adopted by Congress in 1997, is scheduled to expire September 30, 2003. TEA-21 is the federal authorization bill for transportation projects and funding. The authorization bill establishes federal programs, identifies or "earmarks" some specific projects and sets the upper limits on the amount of federal funds the programs and projects are eligible to receive. The act also establishes rules for the distribution of federal transportation funds including apportionment formulas for those programs whose funds are distributed by such methods.

The reauthorization bill will have a direct effect on Metro and the region's jurisdictions in terms of how planning for transportation is performed and how much federal assistance to perform this planning function is made available. There is also a direct impact on which transportation projects are identified as eligible to receive federal funding.

The next reauthorization of a federal transportation bill will be considered in the upcoming Congressional session and is scheduled for completion prior to adjournment in Fall 2003. To favorably influence the federal legislation, it is important to clearly articulate the region's positions during their consideration of the reauthorization bill language.

#### ANALYSIS/INFORMATION

1. **Known Opposition** None known at this time. Local jurisdictions that have not successfully identified their local transportation priority projects as regional priority projects for federal reauthorization may oppose the regional priority project list.
2. **Legal Antecedents** TEA-21 is the current federal transportation authorization authority providing Metro the authority to function as a federally designated Metropolitan Planning Organization (MPO). TEA-21 is scheduled to expire September 30, 2003 and Congress will be considering reauthorization of transportation legislation during its 2003 session.
3. **Anticipated Effects** This resolution will communicate the regional policy position for reauthorization of TEA-21. The policy paper will be used in the regions federal reauthorization activities in Congress.
4. **Budget Impacts** Reauthorization is a significant issue affecting Metro and the Portland region and, as such, this paper and efforts to influence its outcome are a significant work effort for the department. In addition, one of the issues directly affects funding to MPOs including Metro.

## **RECOMMENDED ACTION**

Adopt Resolution No. 03-3271 as recommended to be amended by TPAC (TPAC amendments are denoted in strike-through and underscore format). The TPAC recommendation to delete reference to suballocation of CMAQ funds to MPOs in Section 2 of Exhibit A is predicated on the understanding from comments from ODOT that it is more appropriate to decide how to best allocate CMAQ funds within Oregon. Under current practices, CMAQ funds are suballocated to current and former air quality non-attainment areas (including to Metro to allocate through the MTIP process). TPAC recommended that there be a letter sent to ODOT from JPACT indicating that this provision was removed because the current practice is to suballocate CMAQ funds and this practice should continue.

## MINUTES OF THE METRO COUNCIL MEETING

Thursday, January 23, 2003  
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Susan McLain, Brian Newman, Carl Hosticka, Rod Monroe, Rex Burkholder, Rod Park

Councilors Absent:

Council President Bragdon convened the Regular Council Meeting at 2:04 p.m.

### 1. INTRODUCTIONS

Council President Bragdon introduced Bob Woodell, former President of Nike, former executive director of the Port of Portland and current President of Rogue Brewing.

### 2. CITIZEN COMMUNICATIONS

There were none.

### 3. CONSENT AGENDA

#### 3.1 Consideration of minutes of the January 16, 2003 Regular Council Meetings.

Motion:

Councilor Park moved to adopt the meeting minutes of the January 16, 2003, Regular Metro Council meeting.
-----------------------------------------------------------------------------------------------------------

Vote:

Councilors Park, Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.
--------------------------------------------------------------------------------------------------------------------------------------------------------------------

#### 3.2 Consideration of Letter to Oregon Transportation Commission.

Motion:

Councilor Park moved to forward the letter to the Oregon Transportation Commission concerning Metro Council and Joint Policy Advisory Committee in Transportation comments on the 2004-07 Draft State Transportation Improvement Program (STIP).
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Vote:

Councilors Park, Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.
--------------------------------------------------------------------------------------------------------------------------------------------------------------------

### 4. RESOLUTIONS

4.1 **Resolution No. 03-3269**, For the Purpose of Authorizing Metro to Issue a Call for Grants and Award Grant Funding in Partnership with the City of Portland for the Development of Sufficient Organic Waste Processing Capacity to Serve the Region.

Motion:	Councilor Park moved to adopt Resolution No. 03-3269.
Seconded:	Councilor Burkholder seconded the motion

Councilor McLain said this resolution would authorize issuance for grants for organic waste processing. This was one of Metro's most difficulty recycling areas. It was also one of the areas where they had the most work to do in the 21<sup>st</sup> century to make sure we were not land filling food that could either be consumed or utilized in a different type of product. They were trying to make sure that they had a sufficient organic waste processing capacity to serve the region. This would be an opportunity for Metro to go out and find business partners to help with processing organic waste. Council had reviewed the criteria.

Lee Barrett, Manager of the Waste Reduction Outreach Division, spoke to the importance of reducing organic waste out of the landfill. This would allow Metro to have some funds available to develop the infrastructure for accepting food and food contaminated paper for processing. We needed to get 90,000 more tons of organic material to get to the 62% goal by the end of 2005. This grant would go a long way towards establishing the infrastructure so that we would have a system in place to accept this material. We wouldn't reach the 62% goal without addressing this portion of the waste stream.

Council President Bragdon opened a public hearing.

Bruce Walker, City of Portland, Office of Sustainable Development, urged support of this resolution. This was a partnership, very forward looking and important to the region in taking the next step in recycling. He spoke to what was currently going on and the challenges they faced in the future. They had looked at the recovery of edible food, next came the more challenging portion, which would allow for processing food waste. They had taken the next step to set the groundwork to achieve these goals. They believed the partnership could move this ahead. He urged support.

Vince Gilbert, Nature Needs and Melissa Finn, Facility General Manager, spoke in favor of the program. Mr. Gilbert applauded the accomplishments of the prior grant program, including training businesses on how to handle food waste and helping facilities with grant money. He spoke to the awarding of grants and how they were awarded. He suggested awarding grants to companies, which were already established because they have a better chance for success. He also suggested using some of this money for marketing. He felt that infrastructure paid for itself if there was a market for this material.

Councilor Monroe said Mr. Gilbert's facility was in North Plains and asked about the capacity of the facility. Mr. Gilbert detailed the organic waste they currently processed. Councilor Monroe asked about meat processing. Mr. Gilbert said they currently did not process meat but he would be applying for a Metro grant to upgrade his facility to do this type of processing. Councilor Monroe asked if 16,000 tons was the maximum for Mr. Gilbert's facility. Mr. Gilbert responded that they were at 30% capacity. Councilor Monroe asked if then the total capacity for the facility would be 50,000 tons? Mr. Gilbert responded, it would be 50,000 to 60,000 tons. Councilor Monroe asked about market development and use of the product for nursery crop. Ms. Finn responded that it was already being used in nursery crop.

Councilor Newman asked about organic waste and the high acid content. Ms. Finn said their end product was neutral with a pH of 7. Councilor Newman asked about acid content when it arrived. Ms. Finn said when they received it; it was not tested for pH. There was a little acidity when it came to fruits and vegetables. Councilor Newman asked how long the product took to be market

ready. Ms. Finn said approximately 16 weeks. They preferred to let it sit for two to three months more before they sold it because the buyer was getting a better product.

Council President Bragdon closed the public hearing.

Councilor McLain spoke to the scoring process and established businesses scoring credit. She also talked about the health and safety scoring points. They had a very large need so they must look at the short-term ability to accept waste as well as the long-term vision of businesses.

Councilor Newman thanked Mr. Barrett and Ms. Jennifer Erickson for their orientation to this issue. He asked Mr. Barrett about the 62% target waste stream recovery. What was the fundamental public good from removing organic waste from the waste stream? Mr. Barrett responded that, from a greenhouse gas emission point of view, organics that went into a landfill ultimately decomposed and formed methane gas. Unless that was taken care of, it could contribute to greenhouse gases. Councilor Newman asked if this would happen if the food waste was composted. Mr. Barrett responded, not to the extent that it would at the landfill. Second, they were looking for two different programs, first, using the food to feed human beings, and second, this was a valuable resource and if we landfill it, it would be a waste of resources. Society would ultimately pay for that waste of resources. Councilor Newman said he wanted to talk about resources. It was his understanding that organics were generally benign, had high acid content, broke down fairly quickly and might help break down the rest of the waste. His concern was Metro's sustainability goals including energy consumption and carbon contribution into the atmosphere. He was concerned that these parallel systems of picking up, distributing and disposing of or recycling of materials were creating more waste. With these parallel systems, were we creating bigger problems, were we hurting the environment more because we were so focused on achieving that 62% recycle goal that we weren't internalizing all of these external costs. Mr. Barrett responded no. He further explained that the volume of material would not change whether they used one truck or three trucks. One truck would serve fewer households than it would currently serve because it would fill up faster. He didn't think that the number of emissions would significantly decrease if you decided to put everything in the garbage can. Councilor Newman added that there were two trucks that they were sending out to eastern Oregon. Mr. Barrett said there was nothing to say that they would be trucking waste forever or that all of this organic material had to go to eastern Oregon. Councilor Newman said his point was that sometimes they focus so much on numbers, they lose sight of what they were trying to achieve. If the public good was that we were trying to reduce waste and reuse resources, then it was incumbent on Metro to internalize all of the energy that was consumed as far as separating out these resources. Mr. Barrett said organics were benign. If this material was marketed properly, this could be used as a substitute for pesticides use. In the big picture, you could argue by collecting this material separately, you could replace some pesticide use and that was a good thing. Councilor Newman asked about the acid content of the material, if it was taken out of the waste stream, would it take longer for regular waste to degrade? Mr. Barrett responded that even today in modern landfills with municipal solid waste, you could dig down in the landfill, find a newspaper that was thirty years old and read that newspaper. In a good landfill that dealt with the water properly, it would not be a concern.

Councilor Park asked about the cost of disposal through the sewer system. He thought the cost was \$600 per ton. Mr. Barrett explained further the sewer charges. The amount of water you would have to use to flush a ton of food through the system would result in \$800 to \$900 per ton cost.

Councilor Hosticka asked about market development. Was this included in the resolution? Mr. Barrett said no.

Councilor Monroe asked about the sources of organics that they were trying to recover. His understanding was that initially the primary sources would be large sources such as grocery stores, restaurants and food processing plants. Mr. Barrett said in the first few years they would be looking at large sources but they would anticipate household collection a few years out. Councilor Monroe talked about garbage disposals. Mr. Barrett said a number of jurisdictions realize that garbage disposals encouraged people put a higher organic load on the sewage treatment system and it costs a lot more to treat that organic material in a sewage treatment plant than it did to compost it.

Council President Bragdon asked what were the foregone revenue projections if we diverted this waste from the waste stream? Mr. Barrett said he didn't know what the fiscal impact would be but the projections were reflected in the proposed budget. Council President Bragdon asked about the timeline for this grant process. He suggested that one of the councilors might wish to be involved with the panel. Mr. Barrett said the Release for Grants (RFG) would be released within the next week. This would give applicants 4 to 5 weeks to respond. They hadn't put the selection committee together yet because they needed to know who would be applying for the grants. He encouraged having a member of the council on the committee. Council President Bragdon asked if Councilor McLain would participate. Councilor McLain said she would be happy to serve. Mr. Barrett said they would hope to bring this back to Council in March.

Councilor Newman said Portland had a good track record concerning collectors' fines when there was spillage of waste. Was this the case regionally? Mr. Barrett said he thought other areas of the region had similar regulations. David White, Oregon Refuse Recycling Association, represented the haulers regionally. He said in most of the franchise agreements there were requirements regarding the equipment that was used but they were concerned as there was no truck built that could ensure no leakage. Councilor Newman said he wanted to make sure that, local governments were prepared for businesses maintaining containers of organics. Mr. White said they were aware of the problem and they were prepared to address it.

Councilor Park asked about the regional system fee and was this part of the reason for the reduction from the normal rate to the lower rate? Would that be forgiven on this particular material? Mr. Barrett said the regional system fee was not attached to any source separated recyclable material and this would be considered a source separated recyclable material. Councilor Park asked if this was taken into account in the budget. Mr. Barrett said yes.

Councilor Monroe said they were back to the original reason why this agency was originally created, to handle solid waste for the region. He felt this resolution was a slam-dunk. He said anytime we can reduce the amount of material that we have to haul 100 miles in a truck and produce a product that reduces the amount of pesticides in the streams, that was a positive. He urged support.

Councilor McLain reminded all that they were talking about 90,000 tons of waste. This was not the only solution to the organics problem. She talked about the success of the composting bin program. She talked about the collection of waste. Finally, liners were a part of dealing with many kinds of solid waste and there may be a new type of liner they would have to use for organic waste.

Vote:

Councilors Park, Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

4.2 Resolution No. 03-3272, For the Purpose of Adopting the Metro 2003 Oregon State and Federal Legislative Priorities.

Motion:	Councilor Park moved to adopt Resolution No. 03-3272.
Seconded:	Councilor Hosticka seconded the motion

Council President Bragdon introduced the resolution. They were attempting to provide Dan Cooper, Metro Attorney with some conceptual direction about what Council felt was important. He talked about the layout, the process and the procedures for supporting, opposing, issues of interest and some of the specifics in each area. He asked Mr. Cooper to report to Council weekly.

Metro Attorney Cooper reviewed Exhibit A to the resolution (a copy of which is in the meeting packet). He detailed some the priority bills being proposed in the 72<sup>nd</sup> Oregon Legislative Assembly (a copy of these bills were included in the meeting record) including transportation funding, infrastructure financing, Urban Growth Boundary (UGB) Amendment over 50 acres, tire recycling, pool chlorine, self-insurance for health benefits, and revenue sharing task force creation. He noted that Councilor Hosticka was preparing a concept outline. Councilor Hosticka distributed a sheet introducing the bill proposing the creation of a task force on revenue sharing.

Mr. Cooper continued with issues of interest, which included legislation to permit enforcement of Metro's civil orders. He explained that his staff had prepared a recommendation that suggests it might be useful to have legislation to make it easier to take the enforcement orders we have from the Metro Hearings Officer and turn them into civil judgements that we can collect on in the court system rather than simply ending up with an order that we then have to initiate a law suit on in order to collect.

The second issue of interest had to do with a statutory amendment concerning lengthening the timeline for UGB from 5 years to 7 years. They didn't think there was serious opposition. Councilor Hosticka said he would rather do it more often rather than less often by setting up urban reserves and then reviewing the boundary on a more regular basis. He suggested discussing this further before they went forward. Councilor McLain agreed with Councilor Hosticka in that the issue was controversial. She suggested having further conversation about this issue. Mr. Cooper explained the deadlines for initiating bills. Council needed to make some decisions soon. Councilor Burkholder asked about the definition of support and explained further his concern. Council President Bragdon echoed Councilor Burkholder's concern. Mr. Cooper said the statements of support meant that the Council philosophically would support the idea. They would have to determine support, as bills went through the process. He talked about how they would update Council weekly. Councilor Burkholder made some suggestions on oppositions and issues of interest. Council President Bragdon suggested Councilor Burkholder amend the exhibit to include his suggestions. Councilors discussed the pros and cons of each amendment as proposed.

Motion to Amend:	Councilor Burkholder moved to amend Exhibit A to replace Son of Seven with the term takings legislation.
Seconded:	Councilor Newman seconded the motion
Vote:	Councilors Park, Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 7 aye,

the motion passed.

Motion to Amend:	Councilor Burkholder moved to amend Exhibit A to delete Starr from Transportation funding package.
Seconded:	Councilor Newman seconded the motion.
Vote:	Councilors Park, Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to Amend:	Councilor Burkholder moved to amend Exhibit A to monitor additional uses of parks outside of the Urban Growth Boundary .
Seconded:	Councilor Newman seconded the motion.
Vote:	Councilors Park, Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Motion to Amend:	Councilor Burkholder moved to amend Exhibit A to oppose pre-emption of local revenue sources.
Seconded:	Councilor Newman seconded the motion
Vote:	Councilors Park, Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.

Vote on the Main Motion as amended:	Councilors Park, Hosticka, Burkholder, McLain, Monroe, Newman and Council President Bragdon voted in support of the motion. The vote was 7 aye, the motion passed.
-------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------

Councilor McLain said the emergency process they had used in the past seemed to work well. She asked what the Council President could do to be proactive if they were time limited? Council President Bragdon made several suggestions on how Council could weigh in on bills where there was a short turn around time. Mr. Cooper gave an example of how they had handled this in the past. Councilor McLain suggested Council be available to testify and network as necessary. Councilor Burkholder suggested having floor papers on issues. Mr. Cooper said they would be preparing and sharing these with Council.

**5. EXECUTIVE SESSION HELD PURSUANT TO ORS 192.660 (1) (d)  
FOR THE PURPOSE OF DELIBERATING WITH PERSONS  
DESIGNATED TO CONDUCT LABOR NEGOTIATIONS.**

Time Began: 3:38 p.m.

Members present: Council, council staff, Lilly Aguilar Director of Human Resources, Ed Ruttledge Labor Relations Manager, Mark Williams Chief Operating Officer, Casey Short Chief Financial Officer, Roy Soards Business Services Director and Joseph Gibbons Senior Auditor

Time Ended: 4:43 p.m.

**6. COUNCILOR COMMUNICATION**



Councilor Newman said there were two events in District 2 that the public might be interested in, both on January 29<sup>th</sup>. There was going to be an open house on the Trolley Trail from 5 to 8 p.m. at Oak Grove Elementary School. The second event was a public hearing on the South Corridor project beginning at 6 p.m. at Lentz Masonic Lodge in southeast Portland.

He was the new liaison to Metro Committee on Citizen Involvement (MCCI). There were three questions that MCCI had about the operating procedures of this Council. First, there was a general concern around the table that without committees, citizens would not have an opportunity for early public participation or public comment as proposals progressed through the process. They wanted to know if Council would be taking testimony at the Council Informal sessions and if not, and the only opportunity for public testimony was at adoption, was it then too late for citizens to provide constructive input. Second, they wanted to know if there was going to be public involvement in the Chief Operating Officer (COO) search and if so what was that public involvement? Finally, they wanted to know if the Council Informals would be broadcast on cable access.

Councilor McLain said she was a supporter in making the Informals work and streamlining the processes. Solid waste industry individuals had contacted her about how businesses and customers that were in public private relationships with Metro followed what they were doing. She felt they needed to get back to industry and the public about these concerns.

Council President Bragdon said in response to those concerns, the recommendation about streamlining the committee structure was from an advisory group on the basis that it would improve opportunities for public involvement. The pre-existing system was confusing and duplicative because people weren't clear about where decisions were being made and they often had to testify several times. The new system was designed to improve the public involvement. Councilor McLain explained further that they wanted an opportunity to weigh in at the front end and not at the time of adoption. She thought it was important to address these issues. Council President Bragdon said the Metro Council Informal system was the same system that every city council in the region uses as well as the county commissions. They would work on a response to those questions.

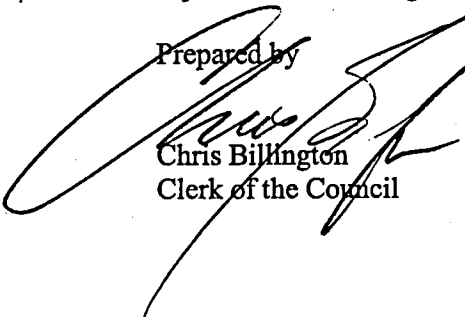
Council President Bragdon said he had met with Peggy Coats, Council Operating Officer, and they would be coming up with a legislative flow procedure and a rolling calendar of issues and legislation. Metropolitan Policy Advisory Committee (MPAC) met last night for their retreat. They had a goal setting session, which included emphasis on centers, Goal 5 and related package of economic issues.

Councilor Burkholder said he had been asked to serve on the advisory committee for the Eastside Streetcar Expansion to the Lloyd District. He would also be out of town January 30<sup>th</sup>.

## 7. ADJOURN

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:50 p.m.

Prepared by

  
Chris Billington  
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JANUARY 23,  
2003**

ITEM #	TOPIC	DOC DATE	DOCUMENT DESCRIPTION	DOC. NUMBER
3.1	MINUTES	1/16/03	METRO COUNCIL MINUTES OF JANUARY 16, 2003 SUBMITTED FOR APPROVAL	012303C-01
3.1	LETTER	1/16/03	LETTER TO OREGON TRANSPORTATION COMMISSION FROM: METRO COUNCIL AND JPACT RE: COMMENTS ON THE 2004-07 DRAFT STIP	012303C-02
4.2	SENATE AND HOUSE BILLS	1/23/03	72 <sup>ND</sup> OREGON LEGISLATIVE ASSEMBLY – REGULAR SESSION PROPOSED BILLS AND SB 906 & 964	012303C-03
4.2	RESOLUTION No. 03-3272A	1/23/03	AMENDED RESOLUTION No. 03-3272A, FOR THE PURPOSE OF ADOPTING THE METRO 2003 LEGISLATIVE OREGON STATE AND FEDERAL LEGISLATIVE PRIORITIES	012303C-04



METRO

To: David Bragdon, Council President  
 From: Andy Cotugno  
 Date: January 28, 2003  
 Subject: Title 7 (Affordable Housing) Compliance Reports: Issues and Compliance Procedure

Title 7 (Affordable Housing) is mandated by Metro Ordinance No. 00-882C. However, unlike Title 1 to 6, this is the first report on compliance to go to Metro Council. As noted below and in the earlier staff report of December 2, 2002 (see attached), there are general issues that could be clarified by the Metro Council. Some of these issues were discussed at the Metro Technical Advisory Committee (MTAC) on December 18, 2002 as follows:

MTAC comments included the following:

- Metro could be more ambitious about affordable housing compliance than they had been to-date.
- Reporting timelines should be quicker because otherwise Metro will never achieve desired levels.
- Because much of the need is for households making 50 percent of the median income or less, the market is unable to provide this kind of housing. Accordingly, public financing is crucial. What has the region done about financing?
- The overall level of local government reporting response is disappointing. Metro should keep the pressure on cities and counties in the region to get reports and achieve results.
- Adequate documentation should be provided by local governments - copies of findings, minutes of public meetings when the issue was discussed and written analysis should be provided to Metro.
- Metro staff could help by providing a model for reporting. They should also make available copies of each reporting jurisdiction's work for others to see, if requested.

Concern was also raised by Metro staff about how to properly evaluate the local government compliance reports. That is, what constitutes an adequate level of compliance? Knowing this would also help cities and counties in the region as they prepare the next round of affordable housing compliance reports.

Local compliance could be thought of as having several levels - levels from which the Council could determine what was adequate. These levels of ascending compliance could be:

1. Reporting. That is, jurisdictions would simply need to provide a report to Metro.
2. Degree of Evaluation. This level would consider how much evaluation of Title 7 elements was completed by the city or county.
3. Elected Official Review. This level would include documentation of public discussion and elected official review and conclusions.
4. Actual Change. This level would be local adoption of actions beyond policies and regulations a city or county already had as of January 2001.

I look forward to direction on how to proceed to evaluate and present local government compliance reports in the future.

# M E M O R A N D U M

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736  
TEL 503 797 1700 | FAX 503 797 1797

013003c-03



**METRO**

Date: January 24, 2003  
To: David Bragdon, Metro President  
From: Brenda Bernards, Senior Regional Planner *BS*  
Re: ***Public Hearing for the 2002 Urban Growth Management Functional Plan Compliance Report***

Item 4 of the Metro Council January 30, 2003 is the Public Hearing for the 2002 Urban Growth Management Functional Plan (Functional Plan) Compliance Report. The report, submitted to you at your December 10, 2002 meeting, is included in the agenda packet. The report provided the status of compliance to November 2002. Since that time, a number of jurisdictions have completed additional work to meet the requirements of Titles 1 through 6:

- The City of Lake Oswego adopted the Title 3 Floodplain Management Performance Standards.
- The City of Milwaukie adopted the Title 3 Water Quality Resource Area Performance Standards. Milwaukie is in compliance with Titles 1 through 6 of the Functional Plan.
- The City of Sherwood has provided a map of its Design Type boundaries. Sherwood is in compliance with Titles 1 through 6 of the Functional Plan.
- Multnomah County adopted the Floodplain Management Standards, Water Quality Resource Area Performance Standards and Erosion Control Performance Standards for the areas outside of the Urban Growth Boundary but inside the Metro jurisdictional boundary. The County has inter-governmental agreements with the cities of Portland and Troutdale for the cities to provide urban services to urban unincorporated areas of the county. The areas that the City of Gresham is responsible cannot be developed without annexation into the City and future development would be in compliance with the Functional Plan. Multnomah County is in compliance with Titles 1 through 6 of the Functional Plan.

For your information, I have attached the updated Compliance Status Matrix for Titles 1 through 6.

To meet Title 7 requirements, the cities of Durham and King City have submitted their first reports and the cities of Wood Village and Gresham have submitted their second report. The City of Milwaukie has requested an extension to May 2003 to submit its first report. Details of the submittals received after November 2002 will be presented at the public hearing.

The report and a notice of the January 30, 2003 public hearing was sent to the Planning Directors of the local jurisdictions and to the citizens who requested a copy. The notice outlined the following:

- Metro Code Section 3.07.880 requirement for the Metro staff to submit to the Metro Council a report on the status of compliance with the Functional Plan.
- The requirement for the Metro Council to set a date for a public hearing in order to receive testimony on the report and to determine whether cities and counties have completed their work to comply with the requirements of the Functional Plan.

Memorandum  
January 24, 2003  
Page 2

- Following the hearing, the Metro Council will determine the status of each city's and county's effort to meet each Functional Plan requirement.
- Once an order has been issued, and there has been no successful appeal to the Land Use Board of Appeals, the Metro Council's decision is final.

It was noted that the Metro Council does not have jurisdiction in this proceeding to determine whether past actions taken by a city or county comply with the Functional Plan and that the Metro Council will determine only whether a city or county has finished its work to comply with the Functional Plan.

BB/srb  
I:\gm\community\_development\share\2002 Annual Compliance public hearing.doc

Attachment

cc: Metro Council

## Status of Compliance by Jurisdiction - January 2003

### Title 1: Housing and Employment Accommodation

	2.A minimum density	2.B partitioning standards	2.C accessory dwelling units	3.A map of design types	5.A capacity analysis
Beaverton	in compliance	In compliance	in compliance	in compliance	housing, employment low
Cornellius	in compliance	In compliance	in compliance	in compliance	In compliance
Durham	<b>exception requested</b>	in compliance	In compliance	in compliance	housing low
Fairview	in compliance	in compliance	in compliance	in compliance	in compliance
Forest Grove	in compliance	in compliance	in compliance	in compliance	In compliance
Gladstone	in compliance	in compliance	in compliance	in compliance	In compliance
Gresham	in compliance	in compliance	in compliance	in compliance	in compliance
Happy Valley	in compliance	in compliance	in compliance	in compliance	employment low
Hillsboro	In compliance	in compliance	in compliance	in compliance	in compliance
Johnson City	in compliance	in compliance	in compliance	in compliance	housing low employment low
King City	in compliance	in compliance	in compliance	in compliance	housing low
Lake Oswego	in compliance	in compliance	in compliance	in compliance	in compliance
Maywood Park	in compliance	in compliance	in compliance	in compliance	housing low, employment low
Milwaukie	in compliance	in compliance	in compliance	in compliance	housing low, employment low
Oregon City	<b>extension to 12/02</b>	in compliance	<b>extension to 12/02</b>	in compliance	employment low
Portland	In compliance	in compliance	in compliance	in compliance	in compliance
Rivergrove	in compliance	in compliance	in compliance	in compliance	employment low
Sherwood	in compliance	in compliance	in compliance	in compliance	in compliance
Tigard	in compliance	in compliance	in compliance	in compliance	in compliance
Troutdale	in compliance	in compliance	in compliance	in compliance	housing low
Tualatin	in compliance	in compliance	in compliance	in compliance	in compliance
West Linn	in compliance	in compliance	in compliance	in compliance	in compliance
Wilsonville	in compliance	in compliance	in compliance	<b>extension to 09/02</b>	<b>extension to 09/02</b>
Wood Village	in compliance	in compliance	in compliance	in compliance	in compliance
Clackamas C.	In compliance	In compliance	in compliance	in compliance	housing low, employment low
Multnomah C.	in compliance	in compliance	in compliance	in compliance	targets to Portland Gresham, Troutdale
Washington C.	in compliance	In compliance	in compliance	in compliance	housing low

	<b>Title 2: Regional Parking Policy</b>		
	2.A.1&2 Minimum/Maximum standards	2.A.3 Variance Process	2.B Blended Ratios
Beaverton	in compliance	in compliance	in compliance
Cornelius	in compliance	in compliance	in compliance
Durham	<b>scheduled for February 2003 adoption</b>	<b>scheduled for February 2003 adoption</b>	<b>scheduled for February 2003 adoption</b>
Fairview	in compliance	in compliance	in compliance
Forest Grove	in compliance	in compliance	in compliance
Gladstone	in compliance	in compliance	in compliance
Gresham	in compliance	in compliance	in compliance
Happy Valley	in compliance	in compliance	in compliance
Hillsboro	in compliance	in compliance	in compliance
Johnson City	in compliance	in compliance	in compliance
King City	in compliance	in compliance	in compliance
Lake Oswego	in compliance	in compliance	in compliance
Maywood Park	in compliance	in compliance	in compliance
Milwaukie	in compliance	in compliance	in compliance
Oregon City	in compliance	in compliance	in compliance
Portland	in compliance	in compliance	in compliance
Rivergrove	in compliance	in compliance	in compliance
Sherwood	in compliance	in compliance	in compliance
Tigard	in compliance	in compliance	in compliance
Troutdale	in compliance	in compliance	in compliance
Tualatin	in compliance	in compliance	in compliance
West Linn	in compliance	in compliance	in compliance
Wilsonville	in compliance	in compliance	in compliance
Wood Village	in compliance	in compliance	in compliance
Clackamas County	in compliance	in compliance	in compliance
Multnomah County	in compliance	in compliance	in compliance
Washington County	in compliance	in compliance	in compliance

**Title 3: Water Quality, Flood Mgmt and Fish and Wildlife Conservation**

	4.A Flood Mgmt Performance Standards	4.B Water Quality Performance	4.C Erosion and Sediment Control
Beaverton	In compliance	In compliance	In compliance
Cornelius	In compliance	In compliance	In compliance
Durham	In compliance	In compliance	In compliance
Fairview	In compliance	In compliance	In compliance
Forest Grove	In compliance	In compliance	In compliance
Gladstone	In compliance	In compliance	In compliance
Gresham	In compliance	In compliance	In compliance
Happy Valley	In compliance	In compliance	In compliance
Hillsboro	In compliance	In compliance	In compliance
Johnson City	In compliance	In compliance	In compliance
King City	In compliance	In compliance	In compliance
Lake Oswego	In compliance	<b>extension to 12/02</b>	In compliance
Maywood Park	N/A	N/A	In compliance
Milwaukie	In compliance	In compliance	In compliance
Oregon City	In compliance	In compliance	In compliance
Portland	In compliance	In compliance	In compliance
Rivergrove	In compliance	In compliance	In compliance
Sherwood	In compliance	In compliance	In compliance
Tigard	In compliance	In compliance	In compliance
Troutdale	In compliance	In compliance	In compliance
Tualatin	In compliance	In compliance	In compliance
West Linn	In compliance	<b>extension to 12/02</b>	In compliance
Wilsonville	In compliance	In compliance	In compliance
Wood Village	N/A	In compliance	In compliance
Clackamas County	In compliance	<b>extension to 12/02</b>	In compliance
Multnomah County	In compliance	In compliance	In compliance
Washington County	In compliance	In compliance	In compliance



	Title 4: Retail in Employment and Industrial Areas		Title 5: Neighbor Cities and Rural Reserves	
	2.A Retail Restrictions - Industrial Areas	2.B Retail Restrictions - Employment Areas	2. Rural Reserves	2. Green Corridors
Beaverton	in compliance	in compliance	N/A	N/A
Cornelius	in compliance	in compliance	N/A	N/A
Durham	in compliance	in compliance	N/A	N/A
Fairview	in compliance	in compliance	N/A	N/A
Forest Grove	in compliance	in compliance	N/A	N/A
Gladstone	N/A	in compliance	N/A	N/A
Gresham	in compliance	in compliance	N/A	in compliance
Happy Valley	N/A	N/A	N/A	N/A
Hillsboro	in compliance	in compliance	N/A	in compliance
Johnson City	N/A	N/A	N/A	N/A
King City	N/A	N/A	N/A	N/A
Lake Oswego	in compliance	in compliance	N/A	N/A
Maywood Park	N/A	N/A	N/A	N/A
Milwaukie	in compliance	in compliance	N/A	N/A
Oregon City	in compliance	in compliance	N/A	in compliance
Portland	in compliance	in compliance	N/A	N/A
Rivergrove	N/A	N/A	N/A	N/A
Sherwood	in compliance	in compliance	N/A	in compliance
Tigard	in compliance	in compliance	N/A	N/A
Troutdale	in compliance	in compliance	N/A	N/A
Tualatin	in compliance	in compliance	N/A	in compliance
West Linn	N/A	in compliance	N/A	in compliance
Wilsonville	in compliance	in compliance	N/A	in compliance
Wood Village	in compliance	in compliance	N/A	N/A
Clackamas County	in compliance	in compliance	in compliance	in compliance
Multnomah County	in compliance	in compliance	N/A	in compliance
Washington County	in compliance	in compliance	in compliance	in compliance

<b>Title 6: Regional Accessibility</b>		
	<b>2. Regional Street Designs</b>	<b>3. Design Standards for Connectivity</b>
Beaverton	In compliance	in compliance
Cornelius	In compliance	in compliance
Durham	In compliance	in compliance
Fairview	In compliance	in compliance
Forest Grove	In compliance	in compliance
Gladstone	in compliance	in compliance
Gresham	in compliance	in compliance
Happy Valley	in compliance	in compliance
Hillsboro	in compliance	in compliance
Johnson City	in compliance	in compliance
King City	in compliance	in compliance
Lake Oswego	In compliance	in compliance
Maywood Park	in compliance	in compliance
Milwaukie	In compliance	in compliance
Oregon City	In compliance	in compliance
Portland	In compliance	in compliance
Rivergrove	In compliance	in compliance
Sherwood	in compliance	in compliance
Tigard	In compliance	in compliance
Troutdale	in compliance	in compliance
Tualatin	In compliance	in compliance
West Linn	in compliance	in compliance
Wilsonville	<b>extension to 09/02</b>	in compliance
Wood Village	in compliance	in compliance
Clackamas County	in compliance	in compliance
Multnomah County	In compliance	in compliance
Washington County	in compliance	in compliance

I:\gm\community\_development\projects\COMPLIANCE\Compliance Status\2002 annual compliance status chart.titles 1-6 update.doc



534 SW Third Avenue, Suite 300 • Portland, OR 97204 • (503) 497-1000 • fax (503) 223-0073 • www.friends.org

Southern Oregon Office • P.O. Box 2442 • Grants Pass, OR 97528 • (541) 474-1155 phone/fax

Willamette Valley Office • 388 State Street, Suite 604 • Salem, OR 97301 • (503) 371-7261 • fax (503) 371-7596

Lane County Office • 120 West Broadway • Eugene, OR 97401 • (541) 431-7059 • fax (541) 431-7078

Central Oregon Office • P.O. Box 8813 • Bend, OR 97708 • (541) 382-7557 • fax (541) 382-7552

013003c-04

January 30, 2003

Metro Council  
600 NE Grand Avenue  
Portland, OR 97232

Re: Urban Growth Management Functional Plan Annual Compliance Report

Dear Metro Councilors:

We are pleased to be able to finally spend time reviewing local government compliance with the Urban Growth Management Functional Plan, rather than dealing with where to expand the urban growth boundary (UGB), because the Functional Plan represents the core of how the region manages land uses *inside* the UGB. Our comments focus on Title 1 and 7.

#### Title 1

The Urban Growth Management Functional Plan Compliance Report presented to you is, in our opinion, incomplete and draws some incorrect conclusions, as follows:

- It is not an accurate description that the capacity targets in Table 3.07-1 assumed a UGB expansion of 5000 acres. It is inconsistent with the language of the Functional Plan, which states (emphasis added):

“The purpose of this section [3.07.150] is to require each city and county within the Metro region to determine the housing and employment capacity of its *existing* comprehensive plan and implementing ordinances...and increase calculated capacity, if necessary, to achieve the functional plan capacities in Table 3.07-1.”

It is also inconsistent with court decisions regarding the role of Table 3.07-1. The Court of Appeals, in *1000 Friends of Oregon v. Metro (Ryland Homes)*, 174 Or App 406, 424 (2001) (emphasis added), quite clearly states:

"[T]he functional plan requires cities and counties to achieve the 'target capacities' listed in Table 3.07. The text quite clearly states that these 'target capacities' are not directory goals, but mandates to Metro's local governments....[t]hese target capacities are mandatory densities.... Metro requires a local government with capacities less than those in the table to amend the comprehensive plans and implementing ordinances 'to increase calculated capacities, as needed to comply with the calculated capacities required in Table 3.07-1.' Based on the text and context of the functional plan...the target capacities represent Metro's assessment of the capacity of the UGB *at the time of enactment of the functional plan.*"

Metro's Functional Plan does not state, nor does the Court of Appeals recognize, an ability to consider a theoretical addition of 5000 acres to the UGB in order to make up any one jurisdiction's shortfall in meeting its target capacities. To the contrary, the Metro Code and the Court are quite clear that additional planning steps, inside the UGB, are to be taken to meet the capacities.

- The report finds that some jurisdictions that did not meet their housing and/or employment targets nevertheless complied with Title 1 of the Functional Plan. Unless those jurisdictions requested an exception (a November 25, 2002 letter from Beaverton stating that an exception for its employment target would be sought, but there is no indication in this report whether that occurred) or extension (which very few did), or have been found to be in "substantial compliance," such a finding is contrary to Metro's Code. Very few of those cities that did not meet their Table 3.07-1 targets could be found to be in "substantial compliance" with the Table. Your Code defines "substantial compliance" as follows:

"[C]ity and county comprehensive plans and implementing ordinances, on the whole, conform with the purpose of the performance standards in the functional plan and any failure to meet individual performance requirements is *technical or minor in nature.*"

Following is the percentage of the jurisdictional target met for housing and/or employment by each jurisdiction that did not meet its target(s) and did not ask for an exception.

<i>Jurisdiction</i>	<i>% of Dwelling Unit Met</i>	<i>% of Employment Met</i>
Beaverton	91%	85%
Fairview	89%	
Happy Valley		29%
King City	55%	
Lake Oswego	96%	
Maywood Park	44%	
Milwaukie	90%	45%
Oregon City	75%	68%
Troutdale	86%	
Clackamas Co.	93%	84%
Washington Co.	94%	

Shortfalls of 15%, 9%, 51%, 25%, 71%, etc... do not seem to be “technical or minor in nature.”

- The report does not state whether those cities that failed to meet their residential or employment targets took the steps required by Title 1, 3.07.150(D) to “amend[] its comprehensive plans and implementing ordinances to increase calculated capacities ...to comply with the calculated capacities *required* in Table 3.07-1.” (Emphasis added.) This is reinforced by section 3.07.160, requiring that cities and counties demonstrate that they “will achieve” the employment and housing targets, including in mixed-use areas.
- The report does not contain any information about whether jurisdictions are in compliance with the mixed-use area targets, yet they are required to report that to you by Title 1, section 3.07.160. If the local jurisdictions have not provided this information on mixed-use areas, then none of them is in compliance with Title 1 and you do not have a basis for finding them in compliance.
- The report does not contain any information about whether cities and counties complied with the underbuild requirements of Title 1. Section 3.07.140 requires all cities and counties to determine their actual built densities for housing from 1990-95. If any city concludes that its built densities were less than 80% of the maximum zoned densities, then it is required to show that it has adopted at least two of five measures listed in your code. However, there is no information in this report concerning underbuild, so there is no basis for concluding that any of these jurisdictions is in compliance with the minimum density requirement.

In a staff memo of June 21, 2002, titled "Reported Under-build Factor 1990 to 1995," the staff reported that at least 6 jurisdictions were not meeting the 80% minimum: Beaverton, Cornelius, Gresham, Hillsboro, Sherwood, Tigard, and Washington County.

- We recommend that the Council, and this report, recognize that the region met the aggregate targets for residential and employment (we do not have information about the mixed-use targets), thanks to the fact that many jurisdictions exceeded their targets for residential and/or employment, and some by quite a bit, thereby making up for those who fell short. These exemplary jurisdictions include Cornelius (both), Durham (employment), Fairview (employment), Forest Grove (both), Gladstone (both), Gresham (both), Happy Valley (housing), Hillsboro (both), King City (employment), Portland (employment), Rivergrove (housing), Sherwood (both), Tigard (both), Tualatin (both), Troutdale (employment), West Linn (both), Wood Village (both), and Washington County (employment).

We have several recommendations for next steps:

- Direct your staff to revise this compliance report and its conclusions consistent with the Functional Plan requirements. We believe the Council must find that at least some (and perhaps all, due to the lack of reporting on mixed-use centers), jurisdictions are not, in fact, in compliance with Title 1, and you must recommend actions that would bring them into compliance. For a very few jurisdictions, an exception may be appropriate, and for others, a findings of "substantial compliance" may be appropriate. But clearly, there are several jurisdictions that do not fall into either of those categories. The Regional Framework Plan's emphasis on the various mixed-use centers is not going to succeed if the lack of compliance of some jurisdictions is found to be acceptable.
- Direct your staff to establish a methodology for local jurisdictions to use in reporting underbuild, accessory dwelling units, and mixed-use centers.

### Title 7

The minimal requirement of Title 7 is for each jurisdiction to report on what items in the Title it has considered and which items remain to be considered. Only 9 of 27 jurisdictions even filed a report, so the other 18 jurisdictions are not in compliance with Title 7.

The "requirement to consider" provision of 3.07.730 seems fairly clear to us: the local government must report what actions were taken or not taken, including but not limited to 7 listed affordable housing tools. The report must

describe which tools were not adopted, and explain why. Since the only local governmental entity capable of adopting, or not adopting, comprehensive plan affordable housing tools would be the city council or county commission, it seems clear that it is those bodies that must actually “consider.”

The Title 7 requirements go beyond mere reporting and consideration. Regardless of whether a city or county adopts any of the 7 suggested tools or any other affordable housing requirements, each has an obligation under 3.07.730 to “ensure” that their comprehensive plans and implementing ordinances:

- (1) “ensure a diverse range of housing types,”
- (2) maintain and increase the existing supply of affordable housing, and
- (3) “include plan policies, actions, and implementation measures aimed at increasing opportunities” for all income levels to live in their jurisdiction.


It is less clear when each jurisdiction must make this showing, though it seems it could be no later than 3 years from the adoption of Title 7, under 3.07.740’s reporting requirements. Nonetheless, each interim report must show progress towards these requirements. It is not clear from the staff report whether it concludes that any of the reporting jurisdictions demonstrated progress towards meeting 3.07.730. Those jurisdictions that did report indicate varying levels of effort towards meeting Title 7.

In addition to the Metro Code, each jurisdiction has an independent obligation to meet statewide Goal 10, the Housing goal, and ORS 197.303, the “needed housing” statute. Those requirements are quite similar to Metro Code 3.07.730. and jurisdictions must show they are in compliance during their individual periodic reviews. Therefore, each jurisdiction must already have adopted some findings regarding compliance with Goal 10 and related statutes, that could be used as a starting point for determining its level of compliance with Title 7.

In addition to the “Next Steps” recommend by the staff, we urge the Council to:

- Clarify that the “requirement to consider” is an obligation for each elected body to evaluate and adopt or not adopt the 7 listed affordable housing strategies and any other strategies, along with an explanation of their actions.
- Direct staff to recommend which jurisdictions are making progress towards meeting the requirements of Title 7.
- Find that the 18 jurisdictions that did not report are not in compliance with Title 7 and take appropriate enforcement action.

Sincerely,

A handwritten signature in blue ink that reads "Mary Kyle McCurdy". The signature is written in a cursive, flowing style.

Mary Kyle McCurdy  
Staff Attorney



# M E M O R A N D U M

013003C-05

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736  
TEL 503 797 1700 | FAX 503 797 1797



**METRO**

DATE: January 30, 2003  
TO: David Bragdon, Metro Council President  
Metro Councilors  
FROM: Marvin D. Fjordbeck, Senior Attorney *MDF*  
RE: Metro Civil Penalty Enforcement Legislation

The Office of the Metro Attorney has recommended proposed legislation to streamline the process of enforcing final orders of the Metro Council that impose civil penalties. This memorandum provides an overview of the issue.

Over the last three years, Metro has expanded its efforts to enforce its solid waste regulatory code and related code provisions. Such enforcement efforts ultimately can result in the Metro Council issuing final orders imposing civil penalties, following a complete hearings process. To date, such final orders have resulted in payment without further need of enforcement. However, if further enforcement were required, the mechanism that would allow Metro to enforce orders imposing civil penalties requires both an update and repair to avoid duplicative proceedings.

Metro Code Section 2.03.080(e) allows the Council's final order to constitute a judgment that could be filed in accordance with two statutes, ORS 18.320 and ORS 18.370. However, these referenced statutes have been amended at least nine times since Section 2.03.080(e) was adopted in 1977. Those statutes have been narrowed and now refer only to "actions in circuit court" as the type of proceedings that give rise to a judgment that could be filed with a county clerk and thereafter enforced. Other final enforcement orders, like those of state agencies, were moved elsewhere in Oregon's statutes. The result of these many amendments is that county clerks are not required now to file the Metro final order, the first step in enforcing the financial penalty. If Metro desires to enforce a civil penalty in the Council's final order, it must pursue a second action in circuit court, as provided in Metro Code Section 5.01.200(g). Moreover, it appears that before the state circuit court could act to convert the Metro final order into a judgment, it must deal completely anew with the matter.

Therefore, an amendment to Oregon statutes is recommend so that final orders of the Metro Council imposing civil penalties will be allowed to be recorded in the county clerk lien record and thereafter enforced in the accordance with the lien record statute. Such an amendment would allow Metro to enforce its final orders in a way similar to that now used by state agencies.

MDF/kvw/kaj

cc: Mark Williams  
Jeff Stone  
Sara Carlin Ames  
Dan Cooper