

 **Metro** | *Agenda*

MEETING: METRO COUNCIL WORK SESSION  
DATE: January 26, 2010  
DAY: Tuesday  
TIME: 2:00 PM  
PLACE: Metro Council Chamber

**CALL TO ORDER AND ROLL CALL**

- |                |           |   |            |
|----------------|-----------|---|------------|
| <b>2:00 PM</b> | <b>1.</b> | <b>DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, [JANUARY 28, 2010]/ADMINISTRATIVE/CHIEF OPERATING OFFICER COMMUNICATIONS</b>           |            |
| <b>2:15 PM</b> | <b>2.</b> | <b>LEGISLATIVE AGENDA FOR FEBRUARY 2010, INPUT AND DISCUSSION</b>   | Tucker     |
| <b>2:45 PM</b> | <b>3.</b> | <b>REGIONAL PERFORMANCE INDICATORS, INPUT AND DISCUSSION</b>  | Hoglund    |
| <b>3:30PM</b>  | <b>4.</b> | <b>BLUE LAKE NATURE AND GOLF LEARNING CENTER, QUESTIONS AND DISCUSSION</b>  | Neill      |
| <b>4:20 PM</b> | <b>5.</b> | <b>COUNCIL BRIEFINGS/COMMUNICATION</b>  |            |
|                | <b>6.</b> | <b>EXECUTIVE SESSION HELD PURSUANT TO ORS 192.660(1)(e). DELIBERATIONS WITH PERSONS DESIGNATED TO NEGOTIATE REAL PROPERTY TRANSACTIONS.</b> | Gibb/Staff |

**ADJOURN**



Agenda Item Number 2.0

**LEGISLATIVE AGENDA FOR  
FEBRUARY 2010, INPUT AND  
DISCUSSION**

PRESENTED BY RANDY TUCKER

Metro Council Work Session  
Tuesday, January 26, 2010  
Metro Council Chamber



## METRO COUNCIL

### Work Session Worksheet

Presentation Date: January 26, 2008 Time: \_\_\_\_\_ Length: 30 minutes

Presentation Title: 2010 Legislative Session

Department: Strategy Center

Presenters: Randy Tucker

### **ISSUE & BACKGROUND**

This work session will address issues expected to be addressed by the 2010 Legislative Assembly. Attached are a summary memo and an issue paper describing issues of potential interest to the Metro Council.

### **OPTIONS AVAILABLE**

Council may wish to discuss specific legislative concepts, direct staff to develop additional concepts, or provide guidance with respect to Metro's legislative agenda.

### **IMPLICATIONS AND SUGGESTIONS**

### **QUESTION(S) PRESENTED FOR CONSIDERATION**

Staff requests that Councilors provide feedback on the legislative issues presented. No specific Council actions are required. If Council requests, staff will prepare a resolution for formal adoption of a legislative agenda by the Council.

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION** \_\_Yes XNo  
**DRAFT IS ATTACHED** \_\_Yes XNo

**Date:** January 20, 2010  
**To:** Metro Council  
**From:** Randy Tucker, Legislative Affairs Manager  
**Re:** 2010 Legislative Session

Councilors:

As you know, the Legislature will meet in February for a supplemental session. As compared to the 2008 supplemental session, more information is available this year in advance of the session about the legislation that will be introduced; most bills have already been released (though the Senate bills have just been released as of the date of this memo). So far, I have identified a handful of issues in which Metro has an interest. In most of these cases, Metro is not a central player but might want to weigh in.

In the interest of efficiency, I thought I would discuss most of these issues in a single memo. Please note that some of these issues are continuing to develop and other issues may arise.

### **1. Reserves (LC 108)**

In 2009, the House passed HB 3299, which provides that after designating urban reserves under SB 1011, the region may not designate additional urban reserves until at least 50% of the urban reserves being designated in the current process have been brought into the UGB. Metro was neutral on this bill, which was subsequently amended to address an entirely different issue. The 50% concept has been revived for the 2010 session. I have testified twice in interim committee hearings, mainly to provide background information while remaining neutral on the concept.

My main concern is that the bill has a very broad relating clause (“relating to land reserves,” the same relating clause as SB 1011), which opens the door to more sweeping changes to the reserves process just as that process is at a particularly sensitive juncture. However, my conversations as recently as last week suggest that the only thing that is really under consideration is the 50% concept, and even that only has lukewarm support.

**Recommendation:** Remain neutral on the 50% concept while closely monitoring any possible amendments that might disrupt the current process in the region.

### **2. Business Energy Tax Credit (BETC)**

See separate issue paper.

### **3. Recreational Immunity (LC 207)**

The Oregon Supreme Court recently issued a ruling in *Coleman v. OPRD* that potentially increases Metro’s exposure to liability based on injuries sustained in parks. The question raised by *Coleman* is whether the fact that a park visitor has paid for a particular service (e.g., camping) means that the park provider is liable for an injury sustained in an activity that is unrelated to the service that was paid for and that can be engaged in without payment (e.g., mountain biking).

**Recommendation:** Support LC 207, which provides in its relevant passage:

“If the owner charges for permission to enter the owner's land for a specific recreational purpose, the immunities provided by ORS 105.682 apply to any use of the land other than the activity for which the charge is imposed. If the owner charges for permission to enter a specific part of the owner's land for recreational purposes, the immunities provided by ORS 105.682 apply to the remainder of the owner's land.”

LC 207 also exempts from the definition of “charge” a parking fee that does not exceed an amount that has yet to be specified. I am consulting with Mike Brown and others as to what this ceiling should be.

#### **4. Tax Exemption on Transit-Supportive Multiple Unit Housing (SB 1015)**

In 2005, Metro supported SB 839, which extended the sunset on this tax exemption, based on the understanding that tax incentives are often necessary to support transit-oriented development. In 2009, Multnomah County began to question the way this tax exemption has been used (by the City of Portland, among others), arguing that it should not apply to the commercial elements of mixed-use projects. Late last year, Oregon’s Attorney General issued an opinion supporting Multnomah County’s position, which is inconsistent with the way this exemption has been implemented to date.

LC 61 represents an agreement between Multnomah County and the City of Portland to “grandfather” in the non-residential portions of projects approved for the tax exemption before August 26, 2009. The City and County plan to enter into a process after the supplemental session to work out a long-term solution. The overall program is set to sunset on January 1, 2012, though projects grandfathered under SB 1015 can continue to receive the exemption until 2020.

**Recommendation:** Support SB 1015; work with the City and County to develop a long-term solution that supports mixed-use, transit oriented development; support extension of the sunset on this program in either the 2010 or 2011 session.

#### **5. Prevailing Wage on Solar Installations (LC 117)**

Legislation has been introduced that would require the payment of prevailing wage for privately owned solar projects installed on public buildings. The bill as drafted would not apply to the solar project that is soon to be installed on the Oregon Convention Center (amendments are forthcoming). In the bill’s current form, however, it would apply only to future projects. Meanwhile, the Sustainability Center is developing a sustainability plan that envisions the elimination of GHG emissions from Metro properties, in part through installation of renewable energy projects using third-party investments; the proposed legislation could affect these plans.

**Recommendation:** Pending Council discussion. On the one hand, subjecting these privately owned projects to prevailing wage might prove to be a barrier to installation of the projects; moreover, imposing prevailing wage on private projects creates a questionable precedent. On the other hand, an argument can also be made in favor of

prevailing these projects. The bottom line is that this is a Council policy decision. Other parties (e.g., the solar industry) seem likeliest to take the lead in opposing the legislation.

#### **6. Inclusionary zoning (LC 152)**

Legislation has been introduced through the House Committee on Agriculture, Natural Resources, and Rural Policy to repeal the pre-emption on inclusionary zoning. Housing advocates who have long supported the repeal of this pre-emption were surprised when this bill appeared. (Speculation is that it has been introduced for political reasons related to the Homebuilders' opposition to Measures 66 and 67.) During the 2009 session the Housing Alliance agreed not to support similar legislation in exchange for the Homebuilders' support for the document recording fee, but that agreement has lapsed. Nevertheless, this issue will be controversial and is unlikely to move during the supplemental session. (Jon Chandler of the Homebuilders testified strongly in opposition at an interim hearing last week; no one testified in support.)

**Recommendation:** While the Council has policy supporting the repeal of this pre-emption, we have not been a lead player. Monitor and support if opportunity arises.

#### **7. MPO Greenhouse Gas Emissions Reduction (SB 1059)**

HB 2186 created a task force to develop recommendations for MPOs other than Metro to adopt and implement plans to reduce transportation-related GHG emissions. Mike Hoglund served as a member of this task force, which had three consensus recommendations:

- Develop a statewide greenhouse gas strategy that addresses issues such as inter-city travel, technological assumptions, and other key issues
- Develop a GHG emission reduction "toolkit" to allow MPOs to consider immediate transportation and land use actions to reduce GHG emissions
- Require the other Oregon MPOs to conduct transportation/land use/GHG scenario planning during their next RTP update cycles

SB 1059 has been introduced to implement the consensus recommendations of this task force.

**Recommendation:** Support the recommendations of the task force. While Metro's GHG modeling is mandated under HB 2001 rather than HB 2186, the first two items have the potential to offer direct benefits to Metro, while the third item raises the profile of this work to the statewide level and might help to attract funding and expertise to assist our efforts. (Note: SB 1059 just appeared online on the date of this memo and staff has not yet analyzed it.)



**METRO**  
**2010 LEGISLATIVE ISSUE IDENTIFICATION**

---

**Department:** Planning and Development, Regional Travel Options

**Date:** January 20, 2010

**Person completing form:** Randy Tucker, Daniel Kaempff

**Phone:** 7559

**ISSUE:** Business Energy Tax Credit

**BACKGROUND:** Created in 1979, the State of Oregon Department of Energy's (ODOE) Business Energy Tax Credit (BETC) program is aimed at businesses or entities that conduct projects to reduce energy consumption or increase energy efficiency. In 1985, ODOE added the Pass-Through Option Program to BETC, whereby businesses or non-profit entities (such as governments) that do not have a tax liability, and therefore have no need for a tax credit, can sell their tax credit to a partner that does have a tax liability.

The BETC currently affect at least two Metro activities:

- Oregon Convention Center solar project: The private contractors preparing to install a solar facility on the roof of the OCC have factored the BETC into their business plan; installation will not proceed without the tax credit.
- Regional Travel Options program: The RTO program receives BETC funding generated by its vanpool program, which is listed as an eligible transportation project under ODOE's administrative rules, and uses this funding as local match to leverage federal funds. Transportation projects must reduce employee commute trips/mileage in order to qualify for a BETC.

As State tax revenues continue to drop, pressure has been mounting to rein in the BETC program, despite the program's benefits. The BETC cost the state \$168 million in FY 2009 and is projected to cost \$240 million in FY 2010. (For context, the corporate tax increase being voted on this month in Measure 67 would raise between \$118 million and \$138 million a year over the next few years.)

In response, Governor Kulongoski directed ODOE to make recommendations to curb program costs, and the Legislature is considering changes beyond those proposed by ODOE. (See legislative history, below.) While many of the proposed changes are aimed at curbing the runaway costs of the BETC associated with wind energy projects, they could have an impact on current and future Metro projects. The range of issues in play is fluid but includes the following:

- Pass-through funding: Earlier this month, ODOE adopted administrative rules reducing the amount of the tax credit that can be passed through to partners with tax liabilities. For public entities, the pass-through rate has declined from 9.85% to 7.16%; for private entities, the new rate is 4.29%. While this allows the project owner (e.g., Metro) to retain more of the benefit of the tax credit, it makes it harder to find partners willing to purchase the credit, especially for private entities like the developers of the OCC solar project. There remains a possibility that the pass-through option will be eliminated altogether.

- **Eligibility:** Use of the BETC for conservation projects (as opposed to the other two main categories, renewables and manufacturing) seems relatively uncontroversial but everything is on the table, including transportation-related conservation projects.
- **Certainty:** Projects approved after a certain date in 2009 fall into a gray area where ODOE has retained the option of withdrawing a decision of precertification after the project is completed. The resulting uncertainty has stalled the OCC solar project.
- **Sunset:** ODOE is recommending that the conservation and manufacturing BETC programs be extended to 2016.

**RECOMMENDATION:** This issue is multifaceted, with many interested parties and many moving pieces. Metro should provide clear information to legislators about the current and potential benefits of the BETC for our programs and projects and should work to protect our ability to utilize the BETC to the benefit of the region.

**LEGISLATIVE HISTORY:** The 2009 Oregon Legislature passed HB 2068, which placed limits on the pass-through option, and HB 2472, which substantially scaled back the BETC for large wind projects but left other provisions in place. HB 2472 would have resulted in substantial savings to the state, but was vetoed by Gov. Kulongoski. Subsequent news stories have questioned whether the BETC is necessary to stimulate wind investments, highlighted the way the pass-through option benefits companies like Wal-Mart, and generally made the BETC a political football.

**OTHER INTERESTED PARTIES:** Many.

**IMPACT IF PROPOSED ACTION OCCURS:** Metro's RTO budget for FY 2011 includes \$50,000 in anticipated BETC revenue. This is used to match federal transportation funds that comprise the bulk of the RTO program funding. Loss of BETC funds would create a budget shortfall for the RTO program and put Federal funds at risk due to a lack of local matching funds.

The OCC solar project will not proceed unless and until the issues described above are resolved.

Finally, Metro is developing a sustainability plan that envisions other BETC-eligible projects. Changes to the program could affect the viability of these investments.



Agenda Item Number 3.0

**REGIONAL PERFORMANCE INDICATORS,  
INPUT AND DISCUSSION**

PRESENTED BY MIKE HOGLUND

Metro Council Work Session  
Tuesday, January 26, 2010  
Metro Council Chamber



# METRO COUNCIL

## Work Session Worksheet

Presentation Date: January 26, 2010

Time: 3:15 P.M.

Length: 45m total – about half presentation, half Q&A and discussion

Presentation Title: Regional Indicators Project

Service, Office, or Center: Research Center

Presenters: Mike Hoglund, 503-797-1743; Sheila Martin (PSU) 503-725-5170;  
Rita Conrad, 503-813-7572

### ISSUE AND BACKGROUND

Metro Research Center staff has begun a collaborative process with Institute of Metropolitan Studies at Portland State and other regional local government partners to develop a set of regional performance indicators. The two main goals of the effort are:

- *To deepen our collective understanding* of the Metro area's environmental, social and economic progress through interactive, online data displays, printed publications, and other outreach materials.
- *To improve the region's environmental, social and economic well-being* through partner collaboration and the use of sound data for problem solving, policy debate, resource allocations, public discourse, planning and development, grant writing, education and research.

The indicators will provide a consistent level of data and information for Metro and its partners in order to evaluate progress towards regional objectives and outcomes, such as those associated with Making the Greatest Place. A sub-set of the indicators will meet Metro's statutory requirements for performance measures. The indicators will also be useful for other local governments, agencies, and non-governmental organizations.

Indicators will be used to show progress toward desired outcomes and to suggest how the region might improve performance around a particular outcome or indicator. Indicators will be developed so they are adaptable to various users, but are consistent in appearance and in application.

### PROJECT BACKGROUND

- History/overview of the project from Metro's perspective. Metro has developed indicators periodically in an attempt to better understand the performance of Region 2040, the Future Vision, and the Urban Growth Management Functional Plan. The RTP has recently included a set of performance measures and six outcomes have been adopted by the Metro Council. However, linkages between Metro indicators, outcomes, and program/project evaluation criteria can still be enhanced. This project will better align Metro performance to Metro objectives and to regionally shared goals for environmental, social and economic well-being. It will allow more consistent reporting.
- History/overview of the project from PSU's perspective. Dr. Sheila Martin, Director of PSU's Institute of Metropolitan Studies will describe PSU's involvement in this effort at the

work session. In sum, PSU has a mutual interest in triple-bottom line sustainability indicators for the region. While they are interested in many of the same outcome as Metro, they are also looking to broaden the set of indicators in the area of social equity. PSU also sees the indicators as the basis for focusing academic research around improving performance related to specific outcomes.

- Work to Date. PSU and Metro have organized a project partner team (still expanding) of local governments, agencies, and NGO's and identified resources and an 18 month work plan to complete a set of indicators and recommend a process for maintaining/reporting over time. A kick-off event was held January 14 at PSU with over 65 local officials, business representatives, and NGO's participating. The results of that event will be summarized at the work session, including next steps.

### **OPTIONS AVAILABLE**

The following components make up a broader work program for the project. Each component will have a number of options for further work. These steps include:

- Developing success factors: shared vision, shared data and collaboration
- Define project principles: holistic approach - people, place and prosperity
- Phases of indicator development: choosing, measuring, using
- Teams: architecture and process (with focus on high-level Advisory/Steering Team)
- Timeline: developmental milestones vs. sustaining the effort long term; what to expect by July 2011

### **QUESTION(S) FOR COUNCIL CONSIDERATION**

- What does success of this project look like in your minds?
- Who would you like to serve on the high-level Steering/Advisory Team? Do you have recommendations for other teams? Should it include elected officials?
- Are you comfortable with expanding Metro's normal radar screen to things like education, teen pregnancy, and crime and poverty indicators?
- Are you comfortable viewing this indicator work as the "tail that wags the dog" of a region-wide conversation about shared goals (not just indicators and data)?

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION** \_\_Yes      **XNo**  
**DRAFT IS ATTACHED** \_\_Yes \_\_No      **N/A**

WE WILL USE A POWERPOINT PRSENTATION, TO BE COMPLETED AND SENT ASAP.  
HANDOUTS: 1) Brochure; 2) Regional Indicators – Mockup of a Conceptual Framework

# Regional Indicators Project

*Transforming Regional Data into Action*

## Why a Regional Indicators Project?

Cities and counties in the Portland area are bound together by the air we breathe; the land we build and play on; the water we drink; the roads we travel; businesses, goods and services that drive prosperity; and most importantly, by people who live, work and play throughout the region. Because of this connectedness, when something good or bad happens in one part of the region, it almost always impacts the wellbeing of other parts and the region as a whole.

We believe that regional indicators can provide a shared lens to track these ups and downs of the whole region - socially, economically and environmentally - and a common language to help communities collaborate across boundaries to conserve and expand their strengths, diagnose and overcome their challenges and as a result, build a stronger and more vital metropolitan area overall.

This project is about more than creating a collection of cool indicators, great data and a slick, interactive website. It is about:

- **Choosing indicators**, a political and strategic process. What are the goals of communities and organizations across the region? How are they measuring progress? How can we leverage these efforts to form a collective vision, goals and regional indicators of progress?
- **Measuring indicators**, a technical process. How can we gather and report the data with clarity, accuracy, reliability and validity - without having to spend a lot of extra money?
- **Using indicators**, a communications and results management process. How can we best share the data, learn from each other the meaning *behind* the data and co-create the most effective paths forward? How can we use the data to drive better results and accountability?

## Co-create this project with us!

We want this 12-18 month project to yield products and services that leaders, partners and communities will use *every day* for public dialogue, planning, continuous learning and policy making at all levels. This means that the design process will require the input and active participation of partners and potential users from throughout the region. We invite you to join us.

## PROJECT PARTNERS

*We welcome additional partners!*

- Clark County
- Clackamas County
- Greenlight Greater Portland
- Metro
- Multnomah County
- The City of Portland
- Portland State University
- United Way of the Columbia-Willamette
- POSI (Portland + Oregon Sustainability Institute)
- Portland Development Commission

## CONTACT US

Rita Conrad

Regional Indicators Project Director  
503-813-7572

[rita.conrad@oregonmetro.gov](mailto:rita.conrad@oregonmetro.gov)

Sheila Martin

Director, Institute of Portland  
Metropolitan Studies, PSU  
503-725-5170

[sheilam@pdx.edu](mailto:sheilam@pdx.edu)

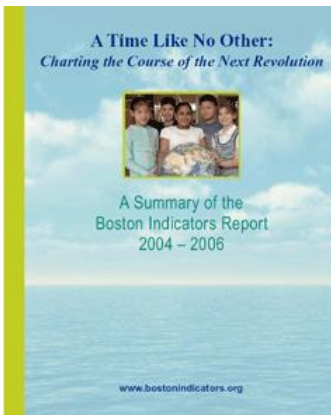
Mike Hogle

Director, Metro Research Center  
503-797-1743

[mike.hogle@oregonmetro.gov](mailto:mike.hogle@oregonmetro.gov)



# Four Examples of Regional Indicator Projects



**The Boston Indicators Project** reports on indicators for **civic vitality, cultural life and the arts, economy, education, environment and energy, health, housing, public safety, technology and transportation**. Supported by the Boston Community Foundation, it includes sector crosscuts for neighborhoods, children and youth, competitive edge, fiscal health, race and ethnicity and sustainable development. <http://www.bostonindicators.org/IndicatorsProject/>

**Cascadia Scorecard** offers basic scorecard trends for **health, population, economy, sprawl, wildlife and energy and pollution**. The scorecard is a product of Sightline Institute with support from the Boeing Company. <http://scorecard.sightline.org/summary.html>



**Silicon Valley Index** is the principal analytical tool of the Joint Venture Silicon Valley Network. Supported by the Silicon Valley Community Foundation, this project holds an annual State of the Valley Conference where they release the *Index* every February. The index is a composite of 40 indicators for **people, economy, society, place and governance**.

<http://www.jointventure.org/publicatons/siliconvalleyindex.html>



**Twin Cities Compass** promotes the region's well-being by measuring progress, reporting findings and providing strategies for action. It is led by Wilder Research in partnership with community-serving organizations, funders and volunteers. The project reports data for indicators in **civic engagement, early childhood, economy and workforce, education, environment, health, housing, public safety and transportation**.

<http://www.tccompass.org/>

## Possible Indicator Categories for the Project

### Education,

*learning that leads to opportunities and benefits for both individuals and the broader community*

### Quality Housing and Communities,

*the home foundation from which we thrive*

### Economic Opportunity,

*assets and opportunities that foster economic well-being*

### Healthy People,

*our physical, mental, emotional and spiritual well-being*

### Healthy, Natural Environment,

*care of the resource base upon which all life depends*

### Arts, Culture and Creativity,

*enjoying and interpreting the human experience*

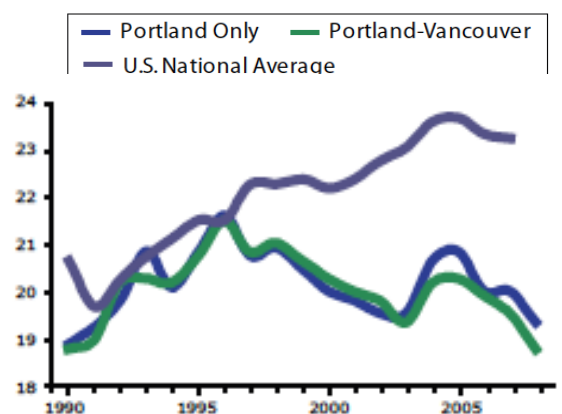
### Access and Mobility,

*real and virtual connections that help us succeed*

### Civic Engagement and Connections,

*the social infrastructure that makes a community work and residents feel safe*

### Daily VMT Per Capita, Portland MSA



Source: Metro

Agenda Item Number 4.0

**BLUE LAKE NATURE AND GOLF LEARNING CENTER,  
QUESTIONS AND DISCUSSION**

PRESENTED BY LYDIA NEILL AND STAFF

Metro Council Work Session  
Tuesday, January 26, 2010  
Metro Council Chamber



## METRO COUNCIL

### Work Session Worksheet

Presentation Date: 1/26/10 Time: 3:30 Length: 30 min.

Presentation Title: Blue Lake Nature and Golf Learning Center Project

Department: Regional Parks and Greenspaces

Presenters: Teri Dresler, Reed Wagner, Tim Collier, Lydia Neill

### ISSUE & BACKGROUND

Blue Lake was acquired from Multnomah County in 1994 and currently operates at over \$666,000 annual deficit (2009). A master plan and Economic Feasibility Study were conducted in 2001 to determine which type of improvements to the park would provide the best revenue potential while maintaining the nature of the park. This study indicated that golf was the most suitable alternative for the site. As a result conceptual designs for a nine-hole golf leaning center, a golf/operation center and a new Lake House event center were completed based on “Integrating Habitats” design objectives.

Based on Council direction in 2009 staff proceeded with the Design and Engineering for the Lake House, Park improvements, golf course/driving range and Park/operations building. Schematic Design has been completed for all of the mentioned project components for an approximate cost of \$885,000. To proceed to the next step in the design process and to obtain land use and environmental permit approvals would require an investment of an additional \$150,000 and approximately six months of in-house staff work. Both the land use and environmental permits have a limited shelf life before they must be re-submitted with new information that would require consultant services.

In addition to determining the financial feasibility of the project and applying sustainable construction design and construction practices to the project a thorough environmental assessment was completed to ensure that the existing natural resources can be enhanced and drinking water supply is safeguarded. These studies included: Phase I Environmental study, Pesticide Fate and Transport Study, Environmental Monitoring Protocol Assessment, Environmental Risk Assessment and a Wetland Delineation.

A series of financial feasibility and market assessments were completed from 2004 through December 2009. The original pro forma and debt service financing plan were revised to reflect current market conditions. Projections in the pro forma and debt service scenarios were re-reviewed after Schematic Design was completed in the fall of 2009. Assumptions were re-examined and adjusted to reflect a more conservative utilization of the driving range and profit margins consistent with conservative operation of a medium size event center. Based on these changes the pro forma does not provide positive cash flow projections to offset the operating deficit at Blue Lake Park until the debt service for the overall project has been retired in 2027.

Based on the revised pro forma, debt service options and less than optimistic overall agency budget staff is recommending putting the project on hold indefinitely.

### **OPTIONS AVAILABLE**

1. Instruct staff to put the design effort on hold indefinitely.
2. Proceed with land use and environmental permitting which requires an additional \$150,000 investment and FTE commitment.
3. Terminate the project and continue current operations at Blue Lake Park while looking for efficiencies in operations to reduce the annual deficit. Proposals may include changes in service levels at the park.

### **IMPLICATIONS AND SUGGESTIONS**

1. A significant investment has been made in staff, design and engineering fees and technical studies to move this project toward construction. The contract for design and engineering services is valid until December 2012 and work could be re-started without a significant loss in productivity or additional fees within a calendar year.
2. The construction market is very favorable at this time but this situation will not continue indefinitely as the economy improves.
3. The Energy Trust Net Zero Pilot program is a limited program and will not be available help to offset costs for the Lake House design and commissioning (post construction) unless the design moves forward within the next 6-9 months.
4. During preliminary discussions with the City of Fairview several issues were discussed relating to fire protection for current and future structures and waste water monitoring. To meet these code requirements some capital investments may be required even if the project does not move forward. Costs for these improvements have not been determined at this time.

### **QUESTION(S) PRESENTED FOR CONSIDERATION**

1. Given the investment in this project should this project be put on hold?
2. Does the risk to the general fund outweigh the community, sustainability, educational and environmental benefits of the project?

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION X Yes \_\_\_ No**  
**DRAFT IS ATTACHED \_\_\_ Yes X No**