

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENTERING AN) RESOLUTION NO. 03-3299
ORDER RELATING TO COMPLIANCE)
WITH THE URBAN GROWTH) Introduced by Councilor Rod Park
MANAGEMENT FUNCTIONAL PLAN)

WHEREAS, Title 8 of the Urban Growth Management Functional Plan (“UGMFP”) requires the Metro staff to submit to the Metro Council a report on the status of compliance of each local government with each requirement of the UGMFP, and to provide public notice of the report; and

WHEREAS, the Executive Officer submitted two reports jointly entitled “2002 Urban Growth Management Functional Plan Compliance Reports”, one part on the status of compliance with UGMFP Titles 1 through 6 and a second part on the status of compliance with Title 7, to the Council on December 2, 2002, and provided public notice of the reports; and

WHEREAS, Title 8 requires the Council to hold a public hearing for the purpose of taking testimony on the question whether cities and counties have complied with the UGMFP; and

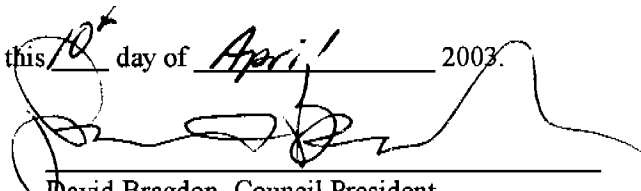
WHEREAS, the Council held a hearing for that purpose on January 30, 2003, and heard testimony from interested persons, and from the staff on actions to comply with the UGMFP taken by local governments after the December 2, 2002, reports; and

WHEREAS, Title 8 requires the Council to enter an order that determines the status of each city’s and county’s compliance with the requirements of the UGMFP, and to send a copy of the order to all cities and counties and all persons who participated at the hearing; now, therefore,

BE IT RESOLVED:

- 1. That the Council adopt Order No. 03-001, with its attachments, as the Council’s determination of the status of city and county compliance with the UGMFP, pursuant to subsection 3.07.880C.
- 2. That the Council direct the Metro staff to send a copy of Order No. 03-001 to all cities and counties and all persons who participated at the hearing, pursuant to subsection 3.07.880C.

ADOPTED by the Metro Council this 10th day of April 2003.

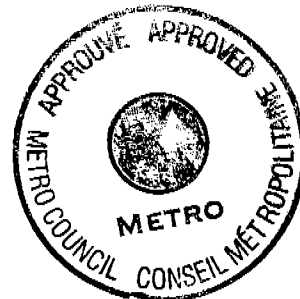


David Bragdon, Council President

Approved as to Form:



Daniel B. Cooper, Metro Attorney



Order No. 03-001

RELATING TO COMPLIANCE WITH THE
URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

IT IS ORDERED THAT:

1. The Council accepts the December 2, 2002, combined reports from the Executive Officer entitled "2002 Urban Growth Management Functional Plan Compliance Reports" and the January 24, 2003, hearing report presented by staff at the January 30, 2003, public hearing as fulfilling the requirement of Urban Growth Management Functional Plan (UGMFP) Title 8, section 3.07.880A. The reports are attached and incorporated into this order as Exhibits A and B, respectively.

2. Based upon the staff reports described in section 1 of this order and testimony received at the public hearing, the Council adopts Exhibit C, entitled "Status of Compliance by Jurisdiction – 2002", attached and incorporated into this order, as its determination of the status of city and county compliance with UGMFP requirements of Titles 1 through 7, as required by Title 8, section 3.07.880C.

3. Based upon the determinations in Exhibit C, the Council concludes that the cities of Beaverton, Durham, Johnson City, King City, Lake Oswego, Maywood Park, Milwaukie, Troutdale and Wilsonville and Clackamas and Washington Counties have not achieved the target housing capacities required by Title 1 (Requirements for Housing and Employment Accommodation). The Council further concludes that the cities of Beaverton, Happy Valley, Johnson City, Maywood Park, Milwaukie, Oregon City, Rivergrove and Wilsonville and Clackamas County have not achieved the target employment capacities required by Title 1. However, in 1998 and 1999, the Council expanded the urban growth boundary (UGB) to add housing and employment capacity, in part because it was not possible for some cities to achieve their targets. As a result of UGB expansion and actions taken by local governments after the expansion, the region as a whole has achieved and exceeded the housing and employment targets set in Title 1. Given this achievement, on December 5, 2002, the Council adopted Ordinance No. 02-969B, amending Title 1 to replace the housing and employment targets of Table 3.07-1 with zoned capacity. Revised Table 3.07-1 displays actual zoned capacities for housing and employment achieved by city and county actions taken to comply with Title 1. Revised Title 1 accepts these capacities and prohibits net reductions. Having considered these past actions by the Council, the Council concludes that no further action need be taken by cities or counties or the Council to achieve the housing or employment targets specified in the now-repealed version of Table 3.07-1.

4. The staff reports do not indicate whether cities and counties have complied with the requirement in Title 1, section 3.07.140A, to report on density of residential development between 1990 and 1995, and to take action if actual density fell below 80 percent of maximum zoned density. The Council assumes, therefore, that cities and counties have not complied with the reporting requirement. However, all cities and counties except the cities of Durham and Oregon City have now adopted minimum densities that prevent development below 80 percent of maximum zoned density (both Durham and Oregon City reported to Metro that residential development in their cities is taking place at least at 80 percent of maximum zoned densities).

These minimum densities are the basis for the zoned capacity for each city and county displayed on Table 3.07-1. Accordingly, Ordinance No. 02-969B amended Title 1 to revise the requirements of section 3.07.140A. Hence, the Council concludes that no further action need be taken by cities or counties or the Council to achieve compliance with the reporting requirement of section 3.07.140 as it read prior to revision by Ordinance No. 02-969B.

5. The staff reports do not indicate whether cities and counties reported on actions to achieve the target housing or employment capacities in mixed-use areas, or whether they achieved the target capacities, as required by Title 1, section 3.07.160B. The Council assumes, therefore, that cities and counties have not complied with the reporting requirement. The Council notes, however, that the target capacities for mixed-use areas are subsumed by each city's and county's overall targets for housing and employment. Ordinance No. 02-969B amended Title 1 to replace the housing and employment targets of Table 3.07-1 with zoned capacity and to remove from that table separate targets or capacities for mixed-use areas. In place of targets or capacities for mixed-use areas, the Council adopted a new Title 6 for Centers (Central City, Regional and Town Centers, Station Communities) and a program to facilitate increased housing and employment capacities in Centers. For these reasons, the Council concludes that no further action need be taken by cities or counties or the Council to achieve compliance with the requirements of section 3.07.160B as it read prior to revision by Ordinance No. 02-969B.

6. The staff reports ask the Council to interpret language in subsection 3.07.730B of Title 7 that requires cities and counties to consider amendment of their comprehensive plans to adopt affordable housing strategies. The Council interprets the subsection to mean that the governing body of the city or county must consider each strategy listed in the subsection and either amend its land use regulations to adopt the strategy or explain why it has decided not to adopt the strategy.

ENTERED this 10th day of April, 2003

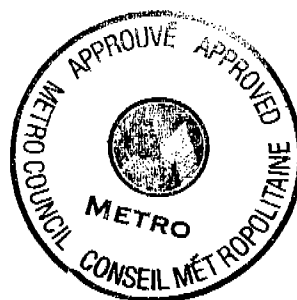


David Bragdon, Council President

Approved as to Form:



Daniel B. Cooper, Metro Attorney



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,

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 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.

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 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.

Milwaukie

- 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.

Status of Compliance by Jurisdiction - November 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	exception requested	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	extension to 12/02	in compliance	extension to 12/02	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	due 12/00	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	extension to 09/02	extension to 09/02
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.	see Note 2	see Note 2	see Note 2	see Note 2	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	see note
Washington County	in compliance	in compliance	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.

	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	extension to 12/02	extension to 12/02	in compliance
Maywood Park	N/A	N/A	in compliance
Milwaukie	in compliance (see Note 1.)	extension to 10/02	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	extension to 12/02	in compliance
Wilsonville	in compliance	in compliance	in compliance
Wood Village	N/A	in compliance	in compliance
Clackamas County	in compliance	extension to 12/02	in compliance
Multnomah County	see note 2	see note 2	see note 2
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.

	Title 4: Retail in Employment and Industrial Areas		<i>Title 5: Neighbor Cities and Rural Reserves</i>	
	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	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.

	<i>Title 6: Regional Accessibility</i>	
	2. Regional Street Designs	3. Design Standards for Connectivity
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	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

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	
			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)			Metro list (five)	Local initiative
						Existing	Discussed	Considered		
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

Date: January 24, 2003

To: David Bragdon, Metro President

From: Brenda Bernards, Senior Regional Planner

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
Cornelius	in compliance	in compliance	in compliance	in compliance	in compliance
Durham	exception requested	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	extension to 12/02	in compliance	extension to 12/02	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	extension to 09/02	extension to 09/02
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

	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	scheduled for February 2003 adoption	scheduled for February 2003 adoption	scheduled for February 2003 adoption
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	extension to 12/02	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	extension to 12/02	in compliance
Wilsonville	in compliance	in compliance	in compliance
Wood Village	N/A	in compliance	in compliance
Clackamas County	in compliance	extension to 12/02	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	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	in compliance	in compliance	N/A	in compliance
Washington County	in compliance	in compliance	in compliance	in compliance

	Title 6: Regional Accessibility	
	2. Regional Street Designs	3. Design Standards for Connectivity
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	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

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	
			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)			Metro list (five)	Local initiative
						Existing	Discussed	Considered		
Beaverton	Yes	Discussed	NAR	NAR	NAR	NAR	NAR	NAR	2	1
Cornelius										
Durham	Yes	NAR	NAR	NAR	NAR	NAR	NAR	NAR	NAR	NAR
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	Yes									
Lake Oswego										
Maywood Park										
Milwaukie	Requested Extension									
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	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

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 03-3299 FOR THE PURPOSE OF ENTERING AN ORDER RELATING TO COMPLIANCE WITH THE URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

Date: March 27, 2003

Prepared by: Brenda Bernards
Gerry Uba

BACKGROUND

Metro Code Section 3.07.880 requires the Metro staff to submit to the Metro Council a report on the status of compliance with the Urban Growth Management Functional Plan. The Report was submitted on December 10, 2002. The Metro Council held 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 on January 30, 2003.

By entering the attached Order No. 03-001, the Metro Council is making a determination of which Functional Plan requirements each city and county are in compliance with. Once this 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.

Attached to Resolution No. 03-3299 are Order No. 03-001 and three Exhibits. The December 2, 2002, report entitled "2002 Urban Growth Management Functional Plan Compliance Reports" and the January 24, 2003, hearing report presented by the staff at the January 30, 2003, public hearing are Exhibits A and B respectively. Exhibit C is a matrix entitled "Status of Compliance by Jurisdiction."

ANALYSIS/INFORMATION

1. **Known Opposition** There is no known opposition to this Order.
2. **Legal Antecedents** This is the first Order prepared under Metro Code 3.07.880
3. **Anticipated Effects** The entering of this Order will determine which requirements of the Urban Growth Management Functional Plan each city and county is in compliance with.
4. **Budget Impacts** There are no known budget impacts.

RECOMMENDED ACTION

It is recommended that the Metro Council enter Order No. 03-001 relating to compliance with the Urban Growth Management Functional Plan.