



## Metro | Agenda

MEETING: METRO COUNCIL WORK SESSION  
DATE: March 30, 2010  
DAY: Tuesday  
TIME: 2:00 PM  
PLACE: Metro Council Chamber

### CALL TO ORDER AND ROLL CALL

- |                |           |  |
|----------------|-----------|--|
| <b>2:00 PM</b> | <b>1.</b> | <b>DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING,<br/>[April 1, 2010]/ADMINISTRATIVE/CHIEF OPERATING OFFICER<br/>COMMUNICATIONS</b>                               |
| <b>2:15 PM</b> | <b>2.</b> | <b>CURRENT RATE SETTING PROCESS &amp; RATE REVIEW METHODOLOGY</b><br>Anderson/staff/consultants  |
| <b>2:45 PM</b> | <b>3.</b> | <b>BREAK</b>   |
| <b>2:50PM</b>  | <b>4.</b> | <b>MGP: IMPLEMENTING URBAN AND RURAL RESERVES</b><br>Benner/Oeser/Staff  |
| <b>3:20 PM</b> | <b>5.</b> | <b>RECOLOGY TRANSFER STATION CONTRACT: FORUM FOR<br/>QUESTION &amp; ANSWER DISCUSSION WITH RECOLOGY SENIOR<br/>MANAGMENT</b><br>Ehinger/Robinson/Recology management |
| <b>3:50PM</b>  | <b>6.</b> | <b>MTIP POLICY UPDATE &amp; DISCUSSION: PROCESS &amp; REGIONAL FLEXIBLE<br/>FUND ALLOCATION</b><br>Leybold/staff   |
| <b>4:20PM</b>  | <b>7.</b> | <b>COUNCIL BRIEFINGS/COMMUNICATION</b>   |

**ADJOURN**



Agenda Item Number 2.0

**CURRENT RATE SETTING  
PROCESS & RATE REVIEW  
METHODOLOGY**

PRESENTED BY DOUG ANDERSON,  
CONSULTANTS AND STAFF

Metro Council Work Session  
Tuesday, March 30, 2010  
Metro Council Chamber



# METRO COUNCIL

## Work Session Worksheet

Presentation Date: March 30, 2010 Time: 2:15 pm Length: 30 minutes

Presentation Title: Preview of FY 2010-11 Solid Waste Rates

Service, Office, or Center: Finance and Regulatory Services

Presenters: Douglas Anderson, Policy & Compliance Manager, Metro (503-797-1788)  
Angie Sanchez Virnoche, Principal, FCS Group  
Todd Chase, Senior Project Manager, FCS Group

### ISSUE & BACKGROUND

The provisional FY 2010-11 solid waste rates are shown in **boldface** type in the following table.

#### **Provisional Solid Waste Disposal Charges Effective August 1, 2010 through July 31, 2011**

<u>Solid Waste Rates</u>	<u>Current Rates</u>	<u>Provisional</u>	<u>Change</u>
Transaction Fees			
<b>Staffed scales</b>	\$10.00	<b>\$11.00</b>	\$1.00
<b>Automated scales</b>	\$3.00	<b>\$3.00</b>	– 0 –
Per-ton rates:			
<b>Tonnage Charge</b>	\$51.65	<b>\$56.45</b>	\$4.80
<b>Regional System Fee</b>	\$17.53	<b>\$16.72</b>	(\$0.81)
Excise tax	\$9.83	\$10.94	\$1.11
DEQ & host fees	\$1.74	\$1.74	– 0 –
Metro Tip Fee	\$80.75	\$85.85	\$5.10
Minimum load charge	\$28	<b>\$28</b>	– 0 –

Depending on feedback from this work session, the Chief Operating Officer would propose these rates to the Metro Council for adoption. The rates would be subject to public hearings in conjunction with the budget next month.

### **Why the Changes?**

Three types of changes since last year affect the rates:

- Policy
- Costs
- Process

## Policy

Last year, facing a potential \$10 increase in the tip fee, and considering the impact on ratepayers during the economic downturn, the Metro Council explicitly chose a *one-time* departure from its “pay as you go” policy on rates. In simple terms, “pay as you go” is a universally-recognized best business practice, and means that current costs are to be paid from current (*i.e.*, rate) revenue. To implement the departure from pay-as-you-go, Metro used over \$2.4 million of its solid waste fund balance to cover certain one-time costs, backfill various appropriations, and make the annual deposit into the Renewal & Replacement account.

In contrast, the proposed FY 2010-11 rates are based once again on the pay-as-you-go principle. This explains approximately half of the increase shown in the table. The balance of the increase is explained in the following section.

## Costs

Tonnage is expected to be virtually flat between now and next year (less than one-half of one percent increase), so costs and revenue drive all of the rate changes. The main changes are:

- New station operating contracts: cost up 17%. Effect on the tip fee: +\$2.52
- A full year of the new transport contract: cost up 10%. Effect on the tip fee: +\$1.45
- Investment income is down 42½%. The loss of offsetting revenue means: +\$0.63
- As mentioned above, the rates are full-cost pay-as-you-go. On the tip fee: +2.38
- Disposal costs are down 9 percent due to a negotiated settlement with Waste Management in 2007 (Change Order 9). On the tip fee: -\$0.88
- Larger trucks mean fewer trips, meaning fuel costs are down. On the tip fee: -\$0.50
- The budget recognizes over \$1.3 million in new revenue from the statewide Paint Smart product stewardship initiative. Effect on the tip fee: -\$1.13
- The proposed rates assume council approves the Excise Tax Simplification and Stabilization Ordinance to be considered in April. Effect on the tip fee: +\$0.62

A variety of other, smaller changes combine to round out the net increase to the tip fee. More information will be presented at the work session. All of this is documented in staff’s Rate Report that will accompany formal transmittal of the proposed rates, as required by the new process.

## Process

Last October, the council adopted a new approach toward solid waste rate setting. Among the key changes:

- **Align the budget and rate hearing cycles.** The main objectives were to provide more opportunities for the public to review and comment on both the budget and the rates, and to provide the council with immediate feedback on the cross-effects between budget amendments and rate changes.
- **Engage an independent expert to review the rates.**
- **Periodically review rate criteria and policies.** Such a review would be off the regular rate cycle to allow focus on the policy questions. Periodic reviews would

provide a forum for a broad range of stakeholders and interests, and thereby help ensure that rate criteria and policies remain complete and relevant.

**Status report: alignment.** Staff has cooperated closely with the budget process this year in order to deliver rates at the same time as the budget. During the next month the council will have the opportunity to hear interested parties speak to both the budget and the rates, and the council will have the ability to assess the impact of budget amendments on the rates, and vice versa.

**Status report: independent review.** Finance & Regulatory Services has engaged FCS Group of Redmond, Washington for the independent review. FCS was charged with reviewing Metro's rate methodology and the key data underlying the rates. FCS has also undertaken a review of current practices in other agencies for comparison with Metro's approach. FCS project staff will present key findings at this work session and answer questions from councilors. Under the new rate process, FCS will deliver its full report directly to councilors at the same time as the formal transmittal of the proposed rates.

**Periodic review.** The provisional rates addressed in this work sheet have been developed to meet existing policies of the council, including a return to full cost recovery ("pay as you go"). Staff will work with the council on scheduling the first round of policy review later this year, targeting a start date after Labor Day 2010.

### **OPTIONS AVAILABLE**

Council may direct changes to the rates beginning with this work session, and continue through the next month when it is scheduled to take final action on the rate ordinance.

### **IMPLICATIONS AND SUGGESTIONS**

During the budget and rate hearings next month, the council may wish to begin identifying the policies it would like to consider during the policy review later this year.

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

Would councilors want staff or FCS Group to research any specific questions, concerns or interests as we move into the joint budget-rate hearings in April?

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION** ☒ Yes ☐ No  
**DRAFT IS ATTACHED** ☒ Yes ☐ No





ATTACHMENT "A"  
MARCH 30, 2010 COUNCIL WORK SESSION  
PREVIEW OF FY 2010-11 SOLID WASTE RATES  
DRAFT RATE ORDINANCE

FOR THE PURPOSE OF AMENDING	)	ORDINANCE NO. 10-1237
METRO CODE CHAPTER 5.02	)	
TO ESTABLISH METRO'S SOLID WASTE	)	Introduced by Chief Operating Officer
DISPOSAL CHARGES AND SYSTEM FEES FOR	)	Michael J. Jordan with the concurrence of
FISCAL YEAR 2010-11	)	Metro President David Bragdon

WHEREAS, Metro Code Chapter 5.02 establishes charges for disposal of solid waste at Metro South and Metro Central transfer stations; and,

WHEREAS, Metro Code Chapter 5.02 establishes fees assessed on solid waste generated within the District or delivered to solid waste facilities regulated by or contracting with Metro; and,

WHEREAS, Metro's costs for solid waste services and programs have changed; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

- Section 1.     Metro Code Amendment. Metro Code section 5.02.025 is amended in the form attached hereto as Exhibit "A."
- Section 2.     Metro Code Amendment. Metro Code section 5.02.045 is amended in the form attached hereto as Exhibit "B."
- Section 3.     Metro Code Amendment. Metro Code section 5.02.047 is amended in the form attached hereto as Exhibit "C."
- Section 4.     Effective Date. Pursuant to Metro Code section 7.01.020(e)(1), the provisions of this ordinance shall become effective on August 1, 2010, or 90 days after adoption by Metro Council, whichever is later.

ADOPTED by the Metro Council this 29<sup>th</sup> day of April, 2010.

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David Bragdon, Council President

Attest:

Approved as to Form:

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Anthony Andersen, Recording Secretary

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Daniel B. Cooper, Metro Attorney



**Exhibit "A" to Ordinance No. 10-xxxx**

METRO CODE - TITLE V SOLID WASTE  
CHAPTER 5.02 EXCISE TAX

5.02.025 Disposal Charges at Metro South & Metro Central Station

(a) The fee for disposal of solid waste at the Metro South Station and at the Metro Central Station shall consist of:

(1) The following charges for each ton of solid waste delivered for disposal:

(A) A tonnage charge of ~~\$51.65~~\$56.45 per ton,

(B) The Regional System Fee as provided in Section 5.02.045,

(C) An enhancement fee of \$.50 per ton, and

(D) DEQ fees totaling \$1.24 per ton;

(2) All applicable solid waste taxes as established in Metro Code Chapter 7.01, which excise taxes shall be stated separately; and

(3) The following Transaction Charge for each Solid Waste Disposal Transaction:

(A) For each Solid Waste Disposal Transaction completed at staffed scales, the Transaction Charge shall be ~~\$10.00~~\$11.00.

(B) For each Solid Waste Disposal Transaction that is completed at the automated scales, the Transaction Charge shall be \$3.00.

(C) Notwithstanding the provisions of subsection (A), the Solid Waste Disposal Transaction Charge shall be \$3.00 in the event that a transaction that is otherwise capable of being completed at the automated scales must be completed at the staffed scales due to a physical site limitation, a limit or restriction of the computer operating system for the automated scales, or due to a malfunction of the automated scales.

(b) Notwithstanding subsection (a) of this section,

- (1) There shall be a minimum solid waste disposal charge at the Metro South Station and at the Metro Central Station for loads of solid waste weighing ~~440-400~~ pounds or less of \$28, which shall consist of a minimum Tonnage Charge of ~~\$18.00~~17.00 plus a Transaction Charge of ~~\$10.00~~11.00 per Transaction.
- (2) The Chief Operating Officer may waive collection of the Regional System Fee on solid waste that is generated outside the District, and collected by a hauler that is regulated by a local government unit, and accepted at Metro South Station or Metro Central Station.

(c) Total fees assessed in cash at the Metro South Station and at the Metro Central Station shall be rounded to the nearest whole dollar amount, with any \$0.50 charge rounded down.

(d) The Director of Parks and Environmental Services ~~the Solid Waste & Recycling Department~~ may waive disposal fees created in this section for Non-commercial Customers of the Metro Central Station and of the Metro South Station under extraordinary, emergency conditions or circumstances.

**Exhibit "B" to Ordinance No. 10-xxxx**

METRO CODE - TITLE V SOLID WASTE  
CHAPTER 5.02 EXCISE TAX

5.02.045 Regional System Fees

(a) The Regional System Fee shall be \$~~17.53~~16.72 per ton of solid waste, prorated based on the actual weight of solid waste at issue rounded to the nearest one-hundredth of a ton.

(b) Any waste hauler or other person transporting solid waste generated, originating, or collected from inside the Metro region shall pay Regional System Fees to Metro for the disposal of such solid waste. Payment of applicable system fees to the operator of a Designated Facility shall satisfy the obligation to pay system fees, provided that, if such solid waste is transported to a Designated Facility outside of the Metro region, then such waste hauler or other person must have informed the operator of the Designated Facility that the solid waste was generated, originated or collected inside the Metro region. In any dispute regarding whether such waste hauler or other person informed such operator that the solid waste was generated, originated, or collected inside the Metro region, such waste hauler or other person shall have the burden of proving that such information was communicated.

(c) Designated Facility operators shall collect and pay to Metro the Regional System Fee for the disposal of solid waste generated, originating, collected, or disposed of within Metro boundaries, in accordance with Metro Code Section 5.01.150.

(d) When solid waste generated from within the Metro boundary is mixed in the same vehicle or container with solid waste generated from outside the Metro boundary, the load in its entirety shall be reported at the disposal site by the generator or hauler as having been generated within the Metro boundary, and the Regional System Fee shall be paid on the entire load unless the generator or hauler provides the disposal site operator with documentation regarding the total weight of the solid waste in the vehicle or container that was generated within the Metro boundary and the disposal site operator forwards such documentation to Metro, or unless Metro has agreed in writing to another method of reporting.

(e) System fees described in this Section 5.02.045 shall not apply to exemptions listed in Section 5.01.150(b) of this Code.

**Exhibit “C” to Ordinance No. 10-xxxx**

METRO CODE - TITLE V SOLID WASTE  
CHAPTER 5.02 EXCISE TAX

5.02.047 Regional System Fee Credits

Any person delivering Cleanup Material Contaminated by Hazardous Substances that is derived from an environmental cleanup of a nonrecurring event, and delivered to any Solid Waste System Facility authorized to accept such substances shall be allowed a credit in the amount of \$~~15.03~~14.22 against the Regional System Fee otherwise due under Section 5.02.045(a) of this Chapter.

Agenda Item Number 4.0

**MGP: IMPLEMENTING URBAN AND RURAL  
RESERVES**

PRESIDENTED BY DICK BENNER, SHERRY OESER,  
AND STAFF

Metro Council Work Session  
Tuesday, March 30, 2010  
Metro Council Chamber





# METRO COUNCIL

## Work Session Worksheet

Presentation Date: March 30, 2010 Time: 2:15 Length: 30 min

Presentation Title: Reserves Ordinance No. 10-1238

Service, Office, or Center:

Planning and Development Department

Presenters (include phone number/extension and alternative contact information):

Dick Benner (ext 1532) and Sherry Oeser (ext 1721)

### ISSUE & BACKGROUND

On February 25, 2010, the Council adopted Resolution 10-4126 approving three Intergovernmental Agreements (IGAs) between Metro and Clackamas, Multnomah and Washington counties to designate urban and rural reserves. The next step in the reserves process is for Metro to formally designate urban reserves and for the counties to adopt rural reserves pursuant to the adopted IGAs. Formal designation of reserves by Metro and the counties will include adoption of policy language agreed to in the IGAs.

Ordinance 10-1238 changes the Regional Framework Plan policies on urban and rural reserves, amends Title 11 of the Urban Growth Management Functional Plan (UGMFP) on Planning for New Urban Areas, repeals UGMFP Title 5 on Neighbor Cities and Rural Reserves, changes the 2040 Growth Concept map to show urban and rural reserves, and adopts Findings of Fact that have been agreed to by Metro and the three counties.

The changes to the Regional Framework Plan contain provisions agreed to and included in the IGAs. The major change to the Urban Growth Management Functional Plan, which implements the Framework Plan policies, is the requirement for concept planning prior to an area being added to the Urban Growth Boundary (UGB). Currently, the Council adds land to the UGB and then concept planning occurs.

During April and May, the Metro Technical Advisory Committee (MTAC) and the Metro Policy Advisory Committee (MPAC) will discuss Ordinance 10-1238. The Council is scheduled to hold a hearing on the ordinance on May 20 and take action on June 3. Council action will follow actions by each of the three counties which conclude with Washington County's scheduled adoption on June 1. Staff has been in contact with the Oregon Department of Land Conservation and Development staff who have indicated that this schedule can lead to acknowledgement by the Land Conservation and Development Commission this fall in time for the Council's growth management decision in December 2010.

### OPTIONS AVAILABLE

The reserves IGAs, adopted by Council by Resolution 10-4126, establish the general policy framework for Ordinance 10-1238. This work session will ensure the Council is familiar with how the IGAs will be implemented in the Framework and Functional Plans.

MTAC and MPAC will provide additional review and advice prior to the Council's hearing on this matter in May.

**IMPLICATIONS AND SUGGESTIONS**

**QUESTION(S) PRESENTED FOR CONSIDERATION**

Does Council want to review any changes to the ordinance or exhibits proposed by MPAC prior to the first reading and public hearing of the ordinance at Council?

What questions, if any, does Council have on the proposed policies in the Regional Framework Plan (Exhibit B)?

What questions, if any, does Council have on the proposed amendments to Title 11 of the Urban Growth Management Functional Plan (Exhibit D)?

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

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING URBAN	) Ordinance No. 10-1238
RESERVES AND CONFORMING AMENDMENTS	)
TO THE REGIONAL FRAMEWORK PLAN AND	) Introduced by Chief Operating Officer
THE URBAN GROWTH MANAGEMENT	) Michael Jordan with the Concurrence of
FUNCTIONAL PLAN	Council President David Bragdon

WHEREAS, Metro and Multnomah, Washington and Clackamas Counties (“the four governments”) have declared their mutual interest in long-term planning for three-county area for which they share land use planning authority in order to ensure the development of great communities within the urban growth boundary surrounded by prosperous farms, ranches, woodlots, forests, and natural resources and landscapes; and

WHEREAS, the 2007 Oregon Legislature enacted Senate Bill 1011, codified at ORS 195.137 to 195.145 (“the statute”), at the request of the four governments and many other local governments and organizations in the region and state agencies, to establish a new method to accomplish the goals of the four governments through long-term planning; and

WHEREAS, the statute authorizes the four local governments to designate Urban Reserves and Rural Reserves to accomplish the purposes of the statute, which are consistent with the goals of the four governments; and

WHEREAS, the Land Conservation and Development Commission (“LCDC”) adopted rules to implement the statute on January 25, 2008, as directed by the statute; and

WHEREAS, the statute and rules require the four governments to work together in their joint effort to designate reserves and to enter into formal agreements among them to designate reserves in a coordinated and concurrent process prior to adoption of ordinances adopting reserves; and

WHEREAS, the statute and the rules set forth certain factors to be considered in the designation of reserves, and elements to be included in ordinances adopting reserves; and

WHEREAS, the Metro Council has entered into an intergovernmental agreement with each of the Boards of Commissioners of Clackamas, Multnomah and Washington Counties to designate certain lands in each of the counties as Urban Reserves and other lands as Rural Reserves; and

WHEREAS, Metro conducted workshops and hearings across the region and sought the advice of the Metro Policy Advisory Committee (“MPAC”) prior to entering into intergovernmental agreements with the three counties; and

WHEREAS, MPAC recommended adoption by the Metro Council of the Urban Reserves; and

WHEREAS, Metro held a public hearing on the Urban Reserves and Rural Reserves recommended in the intergovernmental agreements on May 20, 2010; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The areas shown as “Urban Reserves” on Map Exhibit A, attached and incorporated into this ordinance, are hereby designated Urban Reserves under ORS 195.141 and OAR 660 Division 27.
2. The areas shown as “Rural Reserves” on Exhibit A are the Rural Reserves adopted by Clackamas, Multnomah and Washington Counties and are hereby made subject to the policies added to the Regional Framework Plan by Exhibit B of this ordinance.
3. The Regional Framework Plan is hereby amended, as indicated in Exhibit B, attached and incorporated into this ordinance, to adopt policies to implement Urban Reserves and Rural Reserves pursuant to the intergovernmental agreements between Metro and Clackamas, Multnomah and Washington Counties and ORS 195.141 to 195.143.
4. Title 5 (Neighbor Cities and Rural Reserves) of the Urban Growth Management Functional Plan (UGMFP) is hereby repealed as indicated in Exhibit C, attached to this ordinance.
5. Title 11 (Planning for New Urban Areas) of the UGMFP is hereby amended, as indicated in Exhibit D, attached and incorporated into this ordinance, to implement provisions of the intergovernmental agreements between Metro and Clackamas, Multnomah and Washington Counties and ORS 195.141 to 195.143.
6. The Findings of Fact and Conclusions of Law in Exhibit E, attached and incorporated into this ordinance, explain how the actions taken by the Council in this ordinance comply with the Regional Framework Plan and state law.

ADOPTED by the Metro Council this 3rd day of June, 2010.

\_\_\_\_\_  
David Bragdon, Council President

Attest:

Approved as to form:

\_\_\_\_\_, Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

**DRAFT**

**3/19/10**

**Exhibit B to Ordinance No. 10-1238**

**REGIONAL FRAMEWORK PLAN**

**Policy 1.7      Urban and Rural Reserves**

It is the policy of the Metro Council to:

- 1.7.1 Establish a system of urban reserves, sufficient to accommodate long-term growth, that identifies land outside the UGB suitable for urbanization in a manner consistent with this Regional Framework Plan.
- 1.7.2 Collaborate with Multnomah, Clackamas and Washington Counties and Neighbor Cities to establish a system of rural reserves to protect agricultural land, forest land and natural landscape features that help define appropriate natural boundaries of urbanization, and to keep a separation from Neighbor Cities to protect their identities.
- 1.7.3 Designate as urban reserves, with a supply of land to accommodate population and employment growth to the year 2060, those lands identified as urban reserves on the Urban and Rural Reserves Map in Title 14 of the Urban Growth Management Functional Plan.
- 1.7.4 Protect those lands designated as rural reserves on the Urban and Rural Reserves Map in Title 14 of the Urban Growth Management Functional Plan from addition to the UGB and from re-designation as urban reserves at least until the year 2060.
- 1.7.5 In conjunction with the appropriate county and cities, service districts, develop concept plans for urban reserves prior to their addition to the UGB to
  - a. Help achieve livable communities.
  - b. Identify the city or cities that will likely annex the area after it is added to the UGB.
  - c. Identify the city or cities or the service districts that will likely provide services to the area after it is added to the UGB.
  - d. Determine the general urban land uses for the land and prospective components of the Regional System of Parks, Natural Areas, Open Spaces, Fish and Wildlife Habitats, Trails and Greenways.
- 1.7.6 In conjunction with Clackamas, Multnomah and Washington Counties, review the designated urban and rural reserves for effectiveness, sufficiency and appropriateness 20 years after the initial designation of the reserves.

**Policy 1.9      Urban Growth Boundary**

It is the policy of the Metro Council to:

- 1.9.1 Establish and maintain an urban growth boundary to limit urbanization of rural land and facilitate the development of a compact urban form.
- 1.9.2 Consider expansion of the UGB only after having taken all reasonable measures to use land within the UGB efficiently.
- 1.9.3 Expand the UGB, when necessary, from land designated Urban Reserves unless they cannot reasonably accommodate the demonstrated need to expand.
- 1.9.4 Not to expand the UGB onto lands designated Rural Reserves at least until the year 2060.
- 1.9.5 Consult appropriate Neighbor Cities prior to addition of land to the UGB in their vicinity.
- 1.9.6 Add land to the UGB only after concept planning has been completed for the land by the responsible local governments in collaboration with Metro unless participants cannot agree on the plan.
- 1.9.7 Provide the following procedures for expansion of the UGB:
  - a. A process for minor revisions
  - b. A complete and comprehensive process associated with the analysis of the capacity of the UGB required periodically of Metro by state planning laws
  - c. A process available for expansion to accommodate non-residential needs between the state-required capacity analyses
  - d. An accelerated process for addition of land to accommodate an immediate need for industrial capacity.
- 1.9.8 Use natural or built features, whenever practical, to ensure a clear transition from rural to urban land use.
- 1.9.9 Ensure that expansion of the UGB enhances the roles of Centers, Corridors and Main Streets.
- 1.9.10 Determine whether the types, mix and wages of existing and potential jobs within subareas justifies an expansion in a particular area.
- 1.9.11 Conduct an inventory of significant fish and wildlife habitat that would be affected by addition of land, and consider the effects of urbanization of the land on the habitat and measures to reduce adverse effects, prior to a decision on the proposed addition.
- 1.9.12 Use the choice of land to include within the UGB as an opportunity to seek agreement with landowners to devote a portion of residential capacity to needed workforce housing as determined by the Urban Growth Report adopted as part of the UGB expansion process.

1.9.13 Prepare a report on the effect of the proposed amendment on existing residential neighborhoods prior to approving any amendment or amendments of the urban growth boundary in excess of 100 acres and send the report to all households within one mile of the proposed UGB amendment area and to all cities and counties within the district. The report shall address:

- a. Traffic patterns and any resulting increase in traffic congestion, commute times and air quality.
- b. Whether parks and open space protection in the area to be added will benefit existing residents of the district as well as future residents of the added territory.
- c. The cost impacts on existing residents of providing needed public services and public infrastructure to the area to be added.

**Policy 1.11 Neighbor Cities**

It is the policy of the Metro Council to:

- 1.11.1 Coordinate concept planning of Urban Reserves with Neighbor Cities Sandy, Canby, Estacada, Barlow, North Plains and Banks to minimize the generation of new automobile trips between Neighbor Cities and the Metro UGB by seeking appropriate ratios of dwelling units and jobs within the Metro UGB and in Neighbor Cities.
- 1.11.2 Pursue agreements with Neighbor Cities, Clackamas and Washington Counties and the Oregon Department of Transportation to establish “green corridors” along state highways that link Neighbor Cities with cities inside the Metro UGB in order to maintain a rural separation between cities, to protect the civic identities of Neighbor Cities, and to protect the capacity of those highways to move people and freight between the cities.

**Policy 1.12 Protection of Agriculture and Forest Resource Lands**

Repeal

Exhibit C to Ordinance No. 10-1238

**TITLE 5: NEIGHBOR CITIES is repealed.**

~~3.07.510 Intent and Purpose~~

~~Title 5 implements Policy 1.11 of the Regional Framework Plan on Neighbor Cities and "green corridors." A green corridor is an area along and on either side of a state highway that links a Neighbor City with cities inside the UGB. The purposes of green corridors are to help maintain the civic identity of Neighbor Cities and a rural landscape separating Neighbor Cities from the Metro UGB. NO PORTION OF THIS TITLE CAN REQUIRE ANY ACTIONS BY NEIGHBORING CITIES.~~

~~3.07.520 Establishment of Green Corridors~~

~~Metro will work in collaboration with Neighbor Cities Sandy, Canby, Estacada and North Plains, Clackamas and Washington Counties and the Oregon Department of Transportation (ODOT) to designate and protect green corridors. Metro will invite Neighbor Cities, the counties and ODOT to sign Intergovernmental Agreements to achieve the purposes of this title.~~

~~3.07.530 Implementation of Green Corridor Agreements~~

~~Within six months after signing a Green Corridor Agreement under this title, a county with territory subject to the agreement inside the Metro boundary shall amend its comprehensive plan and land use regulations, if necessary, to carry out the agreement. New commercial and industrial uses shall be limited, to the extent allowed by law, in order to maintain the rural character of the landscape in the corridor. New residential use shall be limited, to the extent allowed by law, to one unit for five acres.~~



**DRAFT 8**

**3/22/10**

**Exhibit D to Ordinance No. 10-1238**

**TITLE 11: PLANNING FOR NEW URBAN AREAS**

3.07.1105 Purpose and Intent

The Regional Framework Plan calls for long-range planning to ensure that areas brought into the UGB are urbanized efficiently and become great communities. It is the purpose of Title 11 to guide such long-range planning for areas designated urban reserves and areas added to the UGB. It is also the purpose of Title 11 to provide interim protection for areas added to the UGB until city or county amendments to land use regulations to allow urbanization become applicable to the areas.

3.07.1110 Planning for Areas Designated Urban Reserve

A. The county responsible for land use planning for an urban reserve and any city likely to provide governance or an urban service for the area, shall, in conjunction with Metro and appropriate service districts, develop a concept plan for the urban reserve prior to its addition to the UGB pursuant to Metro Code 3.01.015 or 3.01.02. The concept plan is intended to guide the designation of 2040 Growth Concept design types by the Metro ordinance that adds the urban reserve to the UGB and amendments to city and county comprehensive plans or land use regulations for the urban reserve following its addition to the UGB. The date for completion of the concept plan for the urban reserve or portion of it to be planned will be jointly determined by Metro and the county and city or cities.

B. A concept plan shall achieve the following outcomes:

1. A mix and intensity of uses that will make efficient use of the public systems and facilities described in subsection C;
2. A development pattern conducive to pedestrian and bicycle travel to retail, professional and civic services and, in areas intended to allow a range of needed housing types;
3. Sufficient employment opportunities to support a healthy economy;

4. Well-connected systems of streets, bikeways, parks, natural areas, recreation trails and public transit;
5. Protection of natural ecological systems and important natural landscape features; and
6. Avoidance or minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands.
7. A strategy for protection of the function and safe and efficient operation of state highway interchanges to avoid the need for major improvements.
8. For proposed employment areas:
  - a. Sites with characteristics, such as proximity to transportation facilities, that are preferred by certain businesses; and
  - b. Large parcels to accommodate businesses that prefer large sites and clustering suppliers and other supporting businesses.

C. A concept plan shall:

1. Show the general locations of any residential, commercial, industrial, institutional and public uses proposed for the area with sufficient detail to allow estimates of the cost of the public systems and facilities described in paragraph 2;

2. For proposed sewer, water and storm-water systems and transportation facilities, provide the following:

- a. The general locations of proposed sewer, water and storm-water systems;
- b. The mode, function and general location of proposed transportation facilities;
- c. The proposed connections of these systems and facilities to existing systems within the UGB and to nearby urban reserves;
- d. Preliminary estimates of the costs of the systems and facilities in sufficient detail to determine feasibility and allow cost comparisons with other areas; and
- e. Proposed methods to finance the systems and facilities.

3. If the area subject to the concept plan calls for designation of land for industrial use, include an assessment of opportunities to create and protect large parcels;

4. Show water quality resource areas and habitat conservation areas that will be subject to performance standards under Titles 3 and 13 of the Urban Growth Management Functional Plan;

5. Be coordinated with the comprehensive plans and land use regulations that apply to nearby lands already within the UGB;

6. Include an agreement between or among the county and the city or cities and service districts that preliminarily identifies which city, cities or districts will likely be the providers of urban services, as defined at ORS 195.065(4), when the area is urbanized;

7. Include an agreement between or among the county and the city or cities that preliminarily identifies the local government responsible for comprehensive planning of the area, and the city or cities that will have authority to annex the area, or portions of it, following addition to the UGB;

8. Provide that an area added to the UGB must be annexed to a city prior to, or simultaneously with, application of city land use regulations to the area intended to comply with subsection C of section 3.07.1120; and

9. Be coordinated with service districts and schools districts.

E. Concept plans shall guide, but not bind, the designation of 2040 Growth Concept design types by the Metro Council, conditions in the Metro ordinance that adds the area to the UGB and amendments to city or county comprehensive plans or land use regulations following addition of the area to the UGB.

F. If the local governments responsible for completion of a concept plan under this section fail to reach agreement on a concept plan by the date set under subsection A, then Metro shall complete the concept plan in consultation with the local governments in order to fulfill its responsibility under ORS 197.299 to ensure the UGB has sufficient capacity to accommodate forecasted growth. Failure of the Metro concept plan to comply fully with subsection C does not preclude addition of the area to the UGB by the Metro Council.

### 3.07.1120 Planning for Areas Added to the UGB

A. The county or city responsible for comprehensive planning of an area, as specified by the intergovernmental agreement

adopted pursuant to 3.07.1110C(7) or the ordinance that added the area to the UGB, shall adopt comprehensive plan provisions and land use regulations for the area to address the requirements of subsection C by the date specified by the ordinance or by Metro Code 3.01.040(b)(4).

B. If the concept plan developed for the area pursuant to Section 3.07.1110 assigns planning responsibility to more than one city or county, the responsible local governments shall provide for concurrent consideration and adoption of proposed comprehensive plan provisions unless the ordinance adding the area to the UGB provides otherwise.

C. Comprehensive plan provisions for the area shall include:

1. Specific plan designation boundaries derived from and generally consistent with the boundaries of design type designations assigned by the Metro Council in the ordinance adding the area to the UGB;
2. Provision for annexation to a city and to any necessary service districts prior to, or simultaneously with, application of city land use regulations intended to comply with this subsection;
3. Provisions that ensure zoned capacity for the number and types of housing units, if any, specified by the Metro Council pursuant to Metro Code 3.01.040(b)(2);
4. Provision for affordable housing consistent with Title 7 of the Urban Growth Management Functional Plan if the comprehensive plan authorizes housing in any part of the area;
5. Provision for the amount of land and improvements needed, if any, for public school facilities sufficient to serve the area added to the UGB in coordination with affected school districts;
6. A conceptual street plan that identifies internal street connections and connections to adjacent urban areas to improve local access and improve the integrity of the regional street system. For areas that allow residential or mixed-use development, the plan shall meet the standards for street connections in the Regional Transportation Functional Plan; and
7. Provision for the financing of local and state public facilities and services.

D. The county or city responsible for comprehensive planning of an area shall submit a determination of the residential capacity of any area zoned to allow dwelling units, using the method in Section 3.07.120, to Metro within 30 days after adoption of new land use regulations for the area.

### 3.07.1130 Interim Protection of Areas Added to the UGB

Until land use regulations that comply with section 3.07.1120 become applicable to the area, the city or county responsible for planning the area added to the UGB shall not adopt or approve:

- A. A land use regulation or zoning map amendment that allows higher residential density in the area than allowed by regulations in effect at the time of addition of the area to the UGB;
- B. A land use regulation or zoning map amendment that allows commercial or industrial uses not allowed under regulations in effect at the time of addition of the area to the UGB;
- C. A land division or partition that would result in creation of a lot or parcel less than 20 acres in size, except for public facilities and services as defined in Metro Code section 3.01.010, or for a new public school;
- D. In an area designated by the Metro Council in the ordinance adding the area to the UGB as Regionally Significant Industrial Area:
  - 1. A commercial use that is not accessory to industrial uses in the area; and
  - 2. A school, a church, a park or any other institutional or community service use intended to serve people who do not work or reside in the area.

## **Metro Implementation of IGAs: Reserves Ordinance No. 10-1238**

<u>Requirement</u>	<u>Where Implemented</u>
1. Designate urban reserves	Exhibit B (RFP Policy 1.7.1)
2. Establish period for reserves	Exhibit B (RFP Policy 1.7.3: 50 years)
3. Make urban reserves first UGB expansion priority	Exhibit B (RFP Policy 1.9.3)
4. A map depicting urban and rural reserves	Exhibit A (map)
5. No addition of rural reserve to UGB	Exhibit B (RFP Policy 1.9.4)
6. No conversion of rural reserve to urban reserve	Exhibit B (RFP Policy 1.7.4)
7. Concept Plans for Urban Reserves	Exhibit B (RFP Policy 1.7.5) Exhibit D (Title 11)
8. Review reserves 20 years after designation	Exhibit B (RFP Policy 1.7.6)

**MGP: Changes to the Urban Growth Management Functional Plan (UGMFP)**  
**3/23/10**

Title 1 (Housing and Employment Accommodation)

The Capacity Ordinance will revise Title 1 to apply only to housing capacity. The table with numbers of units for each local government will be removed. Instead, we will rely upon the current “no net loss of capacity” requirements in the title today.

Title 2 (Regional Parking)

The RTP Ordinance will repeal this title from the UGMFP and insert it in the overhauled transportation functional plan.

Title 3 (Water Quality and Flood Management) – No change

Title 4 (Industrial and Other Employment Areas)

The Capacity Ordinance will revise Title 4 to limit schools and churches in RSAs and to conform the title to other UGMFP and transportation functional plan changes.

Title 5 (Neighbor Cities and Rural Reserves)

The Reserves Ordinance will repeal Title 5 and move rural reserves provisions into new Title 14 (Urban Growth Boundary and Urban Reserves)

Title 6 (Central City, Regional Centers, Town Centers and Station Communities)

The Capacity Ordinance will revise Title 6 to include Corridors. It will revise provisions on center strategies to link them to Metro’s investment strategies.

Title 7 (Housing Choice) – No change

Title 8 (Compliance Procedures)

The Capacity Ordinance will eliminate the annual compliance report and process.

Title 9 (Performance Measures)

The Capacity Ordinance will repeal the title and replace it with policies on performance measures in the Regional Framework Plan.

Title 10 (Functional Plan Definitions)

The Capacity Ordinance will revise the definitions to conform to the changes to other titles and to the transportation functional plan.

Title 11 (Planning for New Urban Areas)

The Reserves Ordinance will revise Title 11 to require concept plans for urban reserves before they are added to the UGB, and to specify the contents of concept plans.

Title 12 (Protection of Residential Neighborhoods) – No change

Title 13 (Nature in Neighborhoods) – No change

Title 14 (Urban Growth Boundary and Urban Reserves)

The Capacity Ordinance will add a new Title 14 to the UGMFP to bring the current code on UGB expansion into the UGMFP and to implement the new policies on urban and rural reserves.

**Reserves Ordinance (early June, 2010)**

- Title 5

- Title 11

**Regional Transportation Ordinance (late June, 2010)**

- Title 2

**Capacity Ordinance (December, 2010)**

- Title 1
- Title 4
- Title 6
- Title 8
- Title 9
- Title 10
- Title 14



Agenda Item Number 5.0

**RECOLOGY TRANSFER STATION CONTRACT: FORUM  
FOR QUESTION & ANSWER DISCUSSION WITH  
RECOLOGY SENIOR MANAGEMENT**

PRESENTED BY PAUL EHINGER, SCOTT ROBINSON &  
RECOLOGY MANAGEMENT

Metro Council Work Session  
Tuesday, March 30, 2010  
Metro Council Chamber



Agenda Item Number 6.0

**MTIP POLICY UPDATE & DISCUSSION: PROCESS &  
REGIONAL FLEXIBLE FUND ALLOCATION**

PRESENTED BY TED LEYBOLD AND STAFF

Metro Council Work Session  
Tuesday, March 30, 2010  
Metro Council Chamber



# METRO COUNCIL

## Work Session Worksheet

Presentation Date: March 30, 2010 Time: 3:20 pm Length: 30 minutes

Presentation Title: 2012-15 MTIP Policy update and allocation of 2014-15 Regional Flexible Funds process

Service, Office, or Center:  
Planning & Development

Presenters (include phone number/extension and alternative contact information):

Ted Leybold x1759

Amy Rose x1776

### ISSUE & BACKGROUND

As the federally designated Metropolitan Planning Organization, Metro and the Joint Policy Advisory Committee on Transportation (JPACT) are responsible for developing the Metropolitan Transportation Improvement Program (MTIP) in cooperation with the Oregon State Department of Transportation and transit service providers TriMet and SMART. The MTIP coordinates the prioritization of projects from the Regional Transportation Plan to receive federal funding. Coordination is important as the individual federal funding programs are administered by different agencies (ODOT, Metro, TriMet or SMART) that generally provide the function or service associated with the individual funding program purpose.

The 2012-15 MTIP process is beginning with the development of a policy report to define the objectives of the prioritization process. This will be followed by a process to nominate projects in the regional transportation plan for potential funding, a public review and comment period, and selection of projects to include in the MTIP.

Development of the policy report will begin with a JPACT retreat on April 2<sup>nd</sup>. Based on feedback at the retreat, staff will draft a proposed policy report for consideration and adoption by JPACT and the Metro Council.

The purpose of this work session will be to provide the opportunity for Council input to JPACT members on framing the development of the 2012-15 MTIP policy report at the JPACT retreat.

### OPTIONS AVAILABLE

JPACT and Council will have the opportunity to direct policy for the investment of regional flexible transportation funds available in 2014-15 and to direct policy coordination of ODOT and Transit administered federal transportation spending. The options available for direction of 2014-15 regional flexible transportation funds are attached in Exhibit A. Council may also wish to identify additional or alternative options for future JPACT and Council deliberation and direction.

## **IMPLICATIONS AND SUGGESTIONS**

Policy direction will impact the delivery of transportation projects and their impacts on implementation of the region's growth management vision. Staff has identified policy options for JPACT and Council consideration but is not suggesting any priority option.

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

1. What are the Council members responses to the policy questions posed in Exhibit A?

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

**Policy Questions for JPACT Consideration and Direction  
2012-15 MTIP and allocation of 2014-15 Regional Flexible Funds (RFF)**

Should the MTIP Policy Report:

1. Replace the competitive application process with a collaborative process that utilizes regional stakeholder groups and committees working with local agencies to identify and prioritize local agency projects?
2. Propose to fund the TOD program (\$5.950 m), Metro planning (\$2.244 m), and RTO program (\$4.539 m) at historical levels plus nominal inflation given forecasted revenues, the performance of our transportation system, and the needs and opportunities presented by these regional programs or are changes to funding levels warranted (explain any suggested changes)?
3. Propose adequate funding to complete:
  - Southwest Metro and East Multnomah Corridor plan work
  - Barbur corridor High Capacity Transit AA/DEIS
4.
  - a. Create an Active Transportation and Complete Streets local agency funding category, evaluation measures, and process to identify priority projects?
  - b. Establish funding target for this category based on recent historical allocations?
  - c. Direct funding to the development and/or preliminary design of a group of active transportation projects to attempt to leverage new federal funding?
5.
  - a. Create a Vehicle Capacity local agency funding category, evaluation measures, and process to identify priority projects?
  - b. Establish funding target for this category based on recent historical allocations?
  - c. Direct funding to the development and/or preliminary design of a group of active transportation projects to attempt to leverage new federal funding?
6. Direct Transport to identify priority projects from the TSMO master plan and make recent historical allocation a target for any regional program elements and for local project allocations within the Active Transportation and/or Vehicle Capacity categories?
7. How should freight mobility be incorporated into priority projects and programs - as a priority for a Vehicle Capacity, TSMO or corridor planning activity?
8. Investigate and propose priority project areas for Diesel Emission reduction and Culvert Retrofits and a process to identify projects?

2012-15 MTIP and allocation of 2014-15 Regional Flexible Funds (RFF)  
JPACT development of RFF allocation framework

Funding Category	Modes & Activities	Directly Related Performance Outcomes	Opportunities (examples)	Historical 2-year average Funding Level (2010-13)	Policy Questions for JPACT direction on 12-15 allocation
Land Use & Transit Oriented Development	TOD Program & Site specific projects	<ul style="list-style-type: none"><li>• Reduce CO</li><li>• Triple Walk/Bike/Transit mode share</li><li>• Reduce VMT</li><li>• Increase access to essential destinations</li></ul>	<ul style="list-style-type: none"><li>• Establish market comparables to lead desired development in 2040 mixed-use areas, increase utilization of existing transportation infrastructure.</li><li>• Fund additional projects</li></ul>	\$5.385 m	(2)
Project Development	Metro Planning	<ul style="list-style-type: none"><li>• All goals addressed</li></ul>	Replaced local dues based support for MPO activities – ensure compliance with federal regulations and support implementation of growth management policies.	\$2.055 m	(2)
	Corridor-Systems Planning		Identify and refine sub-area project priorities that best address needs and implement growth management policies.	\$ .400 m	(3)
System and Demand Management	Regional Travel Options program (demand mgmt.)	<ul style="list-style-type: none"><li>• Reduce CO</li><li>• Triple Walk/Bike/Transit mode share</li><li>• Reduce VMT</li></ul>	<ul style="list-style-type: none"><li>• Reduce need for capacity projects through marketing, employee programs and small capital grant projects.</li><li>• Fund additional marketing programs recommended by RTO Strategic Plan.</li></ul>	\$4.343 m	(2)
	Multi-modal traffic management	<ul style="list-style-type: none"><li>• Improve safety</li><li>• Reduce VHD</li><li>• Reduce CO</li></ul>	Increase capacity, safety and the ability to analyze the performance of the existing network. TSMO master plan identifies policy and project priorities.	\$3.000 m	(4)
	Traveler Information				
	Traffic incident management				
Active Transportation and Complete Streets	Main Street Retrofits	<ul style="list-style-type: none"><li>• Improve safety</li><li>• Triple Walk/Bike/Transit mode share</li><li>• Reduce VMT</li><li>• Increase access to essential destinations</li></ul>	<ul style="list-style-type: none"><li>• Increase project effectiveness and achieve cost efficiencies by integrating these projects at a sub-regional scale. Build on cooperative planning of complete and seamless routes for bike, walk and transit trips.</li><li>• Leverage potential new federal funding program by developing competitive application.</li></ul>	\$8.037 m	(5)
	Transit access			\$2.082 m	
	Bike Lanes & Boulevards			\$8.449 m	
	Trails				
	Sidewalks & pedestrian crossings				



Funding Category	Modes & Activities	Directly Related Performance Outcomes	Opportunities (examples)	Historical 2-year average Funding Level (2010-13)	Policy Questions for JPACT direction on 12-15 allocation
Vehicle Capacity	New Arterial Connections (System Gaps)	<ul style="list-style-type: none"><li>• Reduce VHD</li><li>• Triple Walk/Bike/Transit mode share</li><li>• Reduce VMT</li></ul>	<ul style="list-style-type: none"><li>• New regional freight plan identifies priority policies and projects.</li><li>• Leverage potential new federal or state fund programs by developing competitive applications.</li></ul>	\$1.379 m	(6)
	Arterial Widening	<ul style="list-style-type: none"><li>• Reduce VHD</li></ul>		\$1.721 m	
	Freight Access	<ul style="list-style-type: none"><li>• Reduce VHD</li></ul>		\$1.229 m	
Rail Transit	Light rail & Streetcar construction and project development	<ul style="list-style-type: none"><li>• Triple Walk/Bike/Transit mode share</li><li>• Reduce VMT</li><li>• Increase access to essential destinations</li></ul>	<ul style="list-style-type: none"><li>• Existing commitment - no new construction projects ready at this time.</li><li>• Project development: Barbur HCT AA/DEIS</li></ul>	<div>\$26.000 m</div> <div>\$3.000 m</div>	
Innovative Practices & Special Projects	Diesel emission reduction	<ul style="list-style-type: none"><li>• Ensure low exposure to air pollution</li></ul>	Potential for immediate air quality improvements and identified as a national policy priority for use of CMAQ funds.	\$1.307 m	(7)
	Culvert retrofit		Listing of threatened and endangered species whose habitat is impacted by the region’s transportation system proscribes need for an active mitigation program. Storm water management activities have been integrated into existing projects. Project development begun on 4 top priority culverts of approximately 150 in region.	\$ .503 m	(7)

Existing Policy Summary

1. Benefits and burdens of the transportation investments should be distributed equitably.
2. Select projects from throughout the region, however, consistent with federal rules, there is no sub-allocation formula or commitment to a particular distribution of funds to any sub-area of the region.
- 3 Honor previous funding commitments made by JPACT and the Metro Council.
4. Address air quality requirements by ensuring air quality Transportation Control Measures for pedestrian and bicycle improvements are met and that an adequate pool of CMAQ eligible projects are available for funding.
5. Allow use of regional flexible funds for project development and local match of large-scale projects (greater than \$10 million) that compete well in addressing MTIP Policy objectives when there is a strong potential to leverage other sources of discretionary funding.
6. Encourage the application of projects that efficiently and cost-effectively make use of federal funds.
7. Recognize the difference in transportation infrastructure investment needs relative to an areas stage of development (developed, developing, undeveloped) consistent with RTP Table 3.2.

Existing Eligibility and Screening Criteria

8. All road projects will be designed consistent with the guidelines in the Livable Streets, Green Streets, and Trees for Green Streets guidebooks.
9. Project design shall address safety concerns of all transportation modes.