

Metro | Agenda

Meeting: Metro Council
Date: Thursday, December 16, 2010
Time: 2 p.m.
Place: Metro Council Chambers

CALL TO ORDER AND ROLL CALL

1. **INTRODUCTIONS**
2. **CITIZEN COMMUNICATIONS**
3. **COMMUNICATION PROJECT PRESENTATION: GREEN HOLIDAYS PROMOTION** **Peck Hoover**
4. **CONSENT AGENDA**
 - 4.1 Consideration of the Minutes for December 9, 2010
 - 4.2 **Resolution No. 10-4217**, For the Purpose of Confirming the Council President's Reappointment of Chris Erickson to the Metropolitan Exposition Recreation Commission.
 - 4.3 **Resolution No. 10-4219**, For the Purpose of Approving Contract Amendments for the MRC Third Floor Conference Room Project.
 - 4.4 **Resolution No. 10-4220**, For the Purpose of Approving a Contract Amendment for the Veterinary Medical Center Project at the Oregon Zoo.
5. **ORDINANCES – SECOND READING**
 - 5.1 **Ordinance No. 10-1244**, For the Purpose of Making the Greatest Place and Providing Capacity for Housing and Employment to the Year 2030; Amending the Regional Framework Plan and the Metro Code; and Declaring an Emergency. **Hosticka**

Public Hearing
 - 5.2 **Ordinance No. 10-1250**, For the Purpose of Amending the FY 2010-11 Budget and Appropriations Schedule to Establish a Joint Limited Duration Associate Planner Position within the Research Center and Sustainability Center to Assist on Key Metro Climate Initiatives and Declaring an Emergency. **Burkholder**

Public Hearing
6. **CHIEF OPERATING OFFICER COMMUNICATION**
7. **COUNCILOR COMMUNICATION**

ADJOURN

Television schedule for December 16, Metro Council meeting

<p>Clackamas, Multnomah and Washington counties, and Vancouver, WA Channel 11 – Community Access Network <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> 2 p.m. Thursday, Dec. 16 (Live)</p>	<p>Portland Channel 11 – Portland Community Media <i>Web site:</i> www.pcmtv.org <i>Ph:</i> 503-288-1515 <i>Date:</i> 8:30 p.m. Sunday, Dec. 19 <i>Date:</i> 2 p.m. Monday, Dec. 20</p>
<p>Gresham Channel 30 - MCTV <i>Web site:</i> www.metroeast.org <i>Ph:</i> 503-491-7636 <i>Date:</i> 2 p.m. Monday, Dec. 20</p>	<p>Washington County Channel 30– TVC TV <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 <i>Date:</i> 11 p.m. Saturday, Dec. 18 <i>Date:</i> 11 p.m. Sunday, Dec. 19 <i>Date:</i> 6 a.m. Tuesday, Dec. 21 <i>Date:</i> 4 p.m. Wednesday, Dec. 22</p>
<p>Oregon City, Gladstone Channel 28 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site for program times.</p>	<p>West Linn Channel 30 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site for program times.</p>

PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.

Agenda items may not be considered in the exact order. For questions about the agenda, call the Metro Council Office at 503-797-1540. Public hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro web site www.oregonmetro.gov and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 503-797-1804 or 503-797-1540 (Council Office).

Agenda Item Number 3.0

**Communications Project Presentation:
Green Holidays Promotion**

Metro Council Meeting
Thursday, Dec. 16, 2010
Metro Council Chamber

Agenda Item Number 4.1

Consideration of the Minutes for December 9, 2010

Consent Agenda

Metro Council Meeting
Thursday, Dec. 16, 2010
Metro Council Chamber

Agenda Item Number 4.2

Resolution No. 10-4217, For the Purpose of Confirming the
Council President's Reappointment of Chris Erickson to the
Metropolitan Exposition Recreation Commission.

Consent Agenda

Metro Council Meeting
Thursday, Dec. 16, 2010
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE) RESOLUTION NO. 10-4217
COUNCIL PRESIDENT’S REAPPOINTMENT OF)
CHRIS ERICKSON TO THE METROPOLITAN) Introduced by Council President Carlotta
EXPOSITION RECREATION COMMISSION) Collette

WHEREAS, the Metro Code, Section 6.01.030(a) provides that the Metro Council President shall appoint all members to the Metropolitan Exposition Recreation Commission; and

WHEREAS, the Metro Code, Section 6.01.030(b) provides that the Metro Council President's appointments to the Commission are subject to confirmation by the Metro Council; and

WHEREAS, the Metro Code, Section 6.01.030(d)(2) allows the City of Portland to nominate a candidate for appointment for the Council President’s consideration; and

WHEREAS, the City of Portland has nominated Chris Erickson to be reappointed as a member of the Commission; and

WHEREAS, pursuant to Metro Code, Section 6.01.030(d)(3) and (g) the Metro Council President appointed Chris Erickson as a candidate to replace Janice Marquis as a member on the Commission due to her resignation from the Commission as of June 30, 2009, for the remainder of Ms. Marquis's term; and

WHEREAS, Chris Erickson’s term is ending on December 31, 2010; and

WHEREAS, the Metro Council President submitted her reappointment of Chris Erickson to the Metro Council for confirmation; and

WHEREAS, the Metro Code, Section 6.01.030(c) provides that all voting members shall serve four (4) year-terms and members may be reappointed; and

WHEREAS, the Council finds that Chris Erickson has shown the experience and expertise to make a substantial contribution to the Commission's work; now therefore,

BE IT RESOLVED that the Metro Council hereby confirms the Council President's reappointment of Chris Erickson as a member of the Metropolitan Exposition Recreation Commission beginning on January 1, 2011, and ending December 31, 2014.

ADOPTED by the Metro Council this ____ day of December , 2010.

Carlotta Collette, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 10-4217 FOR THE PURPOSE OF CONFIRMING THE COUNCIL PRESIDENT'S REAPPOINTMENT OF CHRIS ERICKSON TO THE METROPOLITAN EXPOSITION RECREATION COMMISSION

Date: December ____, 2010

Prepared by: Kimberly Brown
503-797-1853

BACKGROUND

The Metro Code, Section 6.01.030(a), gives Metro Council President sole authority to appoint all members of the Metropolitan Exposition Recreation Commission, subject to confirmation by the Council. Section 6.01.030(d)(2) of the Code allows the City of Portland to nominate a candidate for appointment for the Council President's consideration. Under Section 6.01.030(e)(1) of the Metro Code the Metro Council President has the authority to concur with the City of Portland's nomination and submit it to the Council to confirm or reject it.

Chris Erickson's term is ending on December 31, 2010 leaving a vacant spot. The City of Portland has reappointed Chris Erickson as a candidate to continue membership on the Commission. The Council President has concurred with this nomination and accordingly submitted her appointment of Mr. Erickson to the Council for confirmation. If confirmed, Mr. Erickson would, pursuant to Metro Code, Section 6.01.030(g) serve his first full term beginning January 2011 and ending December 2014.

Chris Erickson is the general manager of Portland's downtown four-star Heathman Hotel. His career in the hospitality and tourism industries spans over 25 years and he serves on numerous professional boards and commissions.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to this resolution.

2. Legal Antecedents

Metro Code Sections 6.01.030 provides that the Metro Council President shall appoint all members to the Metropolitan Exposition Recreation Commission, subject to confirmation by the Council. Section 6.01.030(d)(2) of the Code allows the City of Portland to nominate a candidate for appointment for the Council President's consideration. Under Section 6.01.030(e)(1) of the Metro Code the Metro Council President has the authority to concur with the City of Portland's nomination and submit it to the Council for confirmation or reject it.

3. Anticipated Effects

Appointment of Mr. Erickson in the manner provided by the Metro Code.

4. Budget Impacts

None known at this time.

RECOMMENDED ACTION

The Council President Carlotta Collette recommends approval of Resolution 10-4217 to confirm the reappointment of Chris Erickson to the Metropolitan Exposition Recreation Commission and to continue serving from January 2011 to December 2014.



CITY OF

PORTLAND, OREGON

Sam Adams, Mayor
Nick Fish, Commissioner
Amanda Fritz, Commissioner
Randy Leonard, Commissioner
Dan Saltzman, Commissioner

November 8, 2010

Interim President Carlotta Collette
Metro Council
600 NE Grand Avenue
Portland, OR 97232

Re: MERC Nomination, City of Portland

Dear President Collette,

Thank you for the opportunity to nominate a Metropolitan Exposition and Recreation Commission representative for the City of Portland.

Pursuant to Chapter 6 of the Metro Code, the City of Portland hereby nominates Chris Erickson as the City representative on the Metropolitan Exposition and Recreation Commission. Chris is nominated to fill the vacant seat after Janice Marquis' resignation.

Mr. Erickson has a long history in the hotel and hospitality industry and over the years has served the community through board leadership in the tourism and hotel industry as well as for several cultural organizations and policy-making committees. We are very pleased to nominate such a worthy candidate for MERC Commissioner.

Sincerely,

PORTLAND CITY COUNCIL

Sam Adams, Mayor
On behalf of the Portland City Council

Agenda Item Number 4.3

Resolution No. 10-4219, For the Purpose of Approving
Contract Amendments for the MRC Third Floor Conference
Room Project.

Consent Agenda

Metro Council Meeting
Thursday, Dec. 16, 2010
Metro Council Chamber

BEFORE THE METRO COUNCIL CONTRACT REVIEW BOARD

FOR THE PURPOSE OF APPROVING) RESOLUTION NO. 10-4219
CONTRACT AMENDMENTS FOR THE MRC)
THIRD FLOOR CONFERENCE ROOM) Introduced by Chief Operating Officer
PROJECT) Michael Jordan with the concurrence of
) Council President Carlotta Collette

WHEREAS, pursuant to ORS 279A.060 and Metro Code 2.04.058, the Metro Council is designated as the Public Contract Review Board for the agency; and

WHEREAS, Metro Code 2.04.058 requires Council approval for public improvement contract amendments that exceed five percent of the initial contract value or \$25,000.00; and

WHEREAS, the Metro Council approved 2010-2011 Capital Budget includes the construction of a third floor conference room for the Metro Regional Center (MRC) (the "Project"); and

WHEREAS, under the direction of Metro Parks and Environmental Services, contracts for the construction of said conference room have been awarded by informal competitive bidding in accord with ORS 279C.335(1)(d), and Metro Code Section 2.04.054(a); and

WHEREAS, the contract for the Project's electrical, audio-visual and HVAC work was awarded to Northwest Electrical Contractors in the amount of \$78,402.00, and the contract for construction and remodeling was awarded to Donkin Construction in the amount of \$24,950.00; and

WHEREAS, both Project contractors are certified by the State of Oregon's minority, women, and emerging small business (MWESB) program, providing contract opportunities to MWESB contractors in accordance with Metro Code 2.04.105; and

WHEREAS, during the course of construction, additional items have been deemed necessary to be added to the Project, including dimmable lighting, additional electrical outlets, and energy efficient lighting ballasts, the addition of which will not exceed the Project's existing capital budget; and

WHEREAS, the Metro Procurement Officer believes that amending the existing contracts with Northwest Electrical Contractors and Donkin Construction is appropriate and that such action is in the best interests of Metro; now therefore

BE IT RESOLVED that the Metro Council acting as the Public Contract Review Board authorizes the Procurement Officer to execute contract amendments in the amounts of \$4,000.00 and \$15,235.25 with Northwest Electrical Contractors and Donkin Construction, respectively.

ADOPTED by the Metro Council Contract Review Board this ____ day of _____ 2010.

Carlotta Collette, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 10-4219, FOR THE PURPOSE OF APPROVING CONTRACT CHANGE ORDERS FOR THE CONSTRUCTION OF THE MRC THIRD FLOOR CONFERENCE ROOM.

Date: December 5, 2010

Prepared by: Darin Matthews
Richard Thompson

BACKGROUND

This resolution is intended to adjust the amounts of two individual contracts. While the project is completed and under budget, Council authorization is needed according to Metro Code. No additional project funding is required, as the current capital project has the necessary funds to cover these change orders.

The Metro Regional Center has long had a need for a more sustainable conference room. In 2009 the Metro Council approved a capital funded project for remodeling the existing Gustafson Conference room and adjacent offices to make room for a more sustainable conference room. The sustainable features of the new conference room include building envelope blinds, energy efficient light fixtures, low VOC paint, 100% recycled chairs, eco ceiling tiles, eco back carpet, sustainable audio visual technologies and future video conferencing capabilities.

This work was competitively bid, as required by Metro Code 2.04, and two contracts were awarded. The electrical, audiovisual (AV) and heating, ventilation and cooling (HVAC) work went to Northwest Electrical Contractors, a state-certified women-owned business enterprise (WBE); and the construction and remodeling portion went to Donkin Construction, a state-certified emerging small business (ESB).

Under the direction of the Parks and Environmental Services property staff, the work has been performed in a quality manner and in a timely fashion. The construction work is completed and the project is in the final stages of training and commissioning. During the project, additional items were deemed necessary for both contracts as they were not identified in the original scope of work. These items included LED light fixtures throughout, USB drops to table and floor boxes, additional wall receptacles and network connections in walls, additional front wall framing and sheetrock for presentation, additional ceiling insulation and AV system modification. These additional features added to the sustainability of the conference room, and by adding them during construction, saved the time and money of having them performed later.

These contracts represent 100% utilization of MWESB contractors, which is consistent with Metro Code 2.04 encouraging the use of minority, women and emerging small contractors.

PROJECT SUMMARY

Project Name:	MRC Third Floor Conference Room
Project Manager:	Richard Thompson
Total Capital Project Budget:	\$160,000
Total Construction Project Cost:	\$122,584.25

Electrical/AV/HVAC

Contractor: Northwest Electrical Contractors (Contract 930112)
Original Contract Value: \$78,402
Change Order Value: \$15,232.25
Total Contract Value: \$93,634.25
Percent Increase: \$19.43
MWESB Utilization: 100%

Construction/Remodel

Contractor: Donkin Construction (Contract 930103)
Original Contract Value: \$24,950
Change Order Value: \$4,000
Total Contract Value: \$28,950
Percent Increase: 16%

MWESB Utilization: 100%

In accordance with Metro Code 2.04.058, contract amendments and change orders for construction contracts that represent an increase of \$25,000 or 5% of the contract value must be approved by the Metro Council. However, the increased contract costs are within industry standards, as well as contract amendment limitations set out by the Oregon Attorney General's Model Public Contracting Rules.

ANALYSIS/INFORMATION

1. **Known Opposition** None known.
2. **Legal Antecedents** Metro Code 2.04.058 (1) (3); 2.04.105; ORS 279B.070; ORS 279C.300
3. **Anticipated Effects** Availability of conference facility for agency use.
4. **Budget Impacts** No additional project funding is required, as the current capital project has the necessary funds to cover these change orders.

RECOMMENDED ACTION

Metro Council, acting as Public Contract Review Board, approves the requested change orders for Northwest Electrical Contractors and Donkin Construction.

Agenda Item Number 4.4

Resolution No. 10-4220, For the Purpose of Approving a
Contract Amendment for the Veterinary Medical Center Project
at the Oregon Zoo.

Consent Agenda

Metro Council Meeting
Thursday, Dec. 16, 2010
Metro Council Chamber

BEFORE THE METRO COUNCIL CONTRACT REVIEW BOARD

FOR THE PURPOSE OF APPROVING A) RESOLUTION NO. 10-4220
CONTRACT AMENDMENT FOR THE)
VETERINARY MEDICAL CENTER PROJECT) Introduced by Chief Operating Officer
AT THE OREGON ZOO) Michael Jordan with the concurrence of
) Council President Carlotta Collette

WHEREAS, pursuant to ORS 279A.060 and Metro Code 2.04.058, the Metro Council is designated as the Public Contract Review Board for the agency; and

WHEREAS, Metro Code 2.04.058 requires Council approval for public improvement contract amendments that exceed five percent of the initial contract value or \$25,000.00; and

WHEREAS, on August 13, 2010, Metro awarded the contract (the "Contract") to construct the Oregon Zoo Veterinary Medical Center (the "Project") to SKANSKA USA, Inc., after conducting an open competitive bid process in which SKANSKA, USA, Inc. was determined to be the lowest responsive and responsible bidder; and

WHEREAS, the original Contract amount is \$6,454,899, and two amendments increasing the Contract in the amount of \$17,603 and \$11,498, have been approved by the Chief Operating Officer; and

WHEREAS, an ancient landslide was discovered at the Project site during the course of excavation and construction. This unforeseen condition resulted in construction delays and the need for additional work to be performed under the Contract. Some of this work was immediately needed to avoid substantial risk to the Project, and has already been performed on an emergency basis under the "proceed while pricing" provisions of the Contract and in accord with Metro Code Section 2.04.058(6); and

WHEREAS, the Oregon Zoo now wishes to obtain Metro Council approval for an amendment to the Contract for additional work, in the amount of \$394,278. The additional work elements include the following: extra excavation, installation of soil nails and an underground drainage system to stabilize the slope; a sub slab drainage system required by the City of Portland; work to relocate existing underground campus utilities found to be inaccurately located on existing Zoo drawings; and

WHEREAS, the additional work has been reviewed by the Deputy Chief Operating Officer, the Oregon Zoo Bond Manager, the Oregon Zoo Construction Manager and the Project architect, and has been determined to be necessary, appropriately priced, and within the contingency budget for the project; and

WHEREAS, the sum of the prior approved contract amendments and the amendment proposed herein is \$423,379, amounting to four percent of the Project's total budget; and

WHEREAS, the Metro Procurement Officer believes that amending the existing contract with SKANSKA USA, Inc. is appropriate and that such action is in the best interests of Metro and will better ensure a timely Project delivery; now therefore

BE IT RESOLVED that the Metro Council acting as the Public Contract Review Board authorizes the Chief Operating Officer to execute a contract amendment with SKANSKA USA, Inc. in the amount of \$394,278 for the Oregon Zoo Veterinary Medical Center Project.

ADOPTED by the Metro Council Contract Review Board this ____ day of _____ 2010.

Carlotta Collette, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO 10-4220, METRO COUNCIL, ACTING AS THE METRO CONTRACT REVIEW BOARD, FOR THE PURPOSE OF APPROVING A CONTRACT AMENDMENT FOR THE VETERINARY MEDICAL CENTER PROJECT AT THE OREGON ZOO

Date: December 2, 2010

Prepared by:

Darin Matthews, 503 797-1626
Craig Stroud, 503 220-2451

BACKGROUND

An open, competitive Request for Bid (RFB) was issued for the Veterinary Medical Center project in 2010. In accordance with Metro Code, the lowest responsive, responsible bidder was selected, which was Skanska USA Building, Inc.

The project specifications and design drawings were prepared by Peck Smiley Ettlin Architects representing the scope of the project. The bond program team sought review of the drawings and specifications from multiple engineers and architects for constructability and completeness as a risk mitigating procedure. Those reviews concluded that the excavation and soil nail wall installation were the most inherently risky aspects of the entire project. Due to these risks, the project is carrying a substantial contingency.

- A. This contract was awarded on Aug. 13, in the amount of \$6,454,899 and work began on Aug. 16. Excavation and soil nail wall installation began according to schedule and realized significant progress until Oct. 25, the date an ancient land slide was discovered at the NE corner of the wall, requiring immediate work stoppage and investigation. In addition, significant amounts of ground water is weeping out through the soil nail wall excavated face, further reducing stability. Although professional geotechnical site test borings were drilled and analyzed, this landslide was not detected.

The excavated earth was very unstable and consisted of gray silt with high moisture content. The project geotechnical engineers analyzed and provided a solution to reinforce the wall and provide drainage. The solution has two major impacts: 1) increased project scope due to additional horizontal soil nails and the addition of vertical soil nails for stability, 2) the addition of drain lines drilled 50 feet into the hillside, and 3) the work sequencing was significantly slowed resulting in additional schedule days and associated labor and machinery costs.

In addition, to the scope and change order related to the ancient landslide, Skanska has submitted additional changes, detailed below.

- B. The construction documents did not include sub building slab drainage. This work is necessary to ensure the integrity of the building slab. The scope includes additional excavation and the installation of additional sub grade gravel and drainage piping.
- C. Eight of the animal den walls had been reduced in height by one of the design consultants, prior to bid, to facilitate ductwork routing. The shorter walls were not sufficient to contain animals. The ductwork was rerouted and the walls were restored to their originally designed height to close off the gap between the top of the wall and the underside of the roof deck.
- D. Site utility installation must change from construction documents due to inaccurate historical zoo archive information. A manhole requires relocation due to inaccurate historical zoo campus as-built drawings. These changes require additional work.

- E. The project team proposed changing two cast in place retaining walls to soil nail walls resulting in a credit to the contract.
- F. The city building permit required several project scope changes, including the addition of a fire hydrant, adding a fire department connection, and increasing the landscape mitigation area due to additional site disturbance.

Change Item	Brief Description	Amount
A	Landslide, Excavation and Soil Nail	\$272,648
B	Sub slab drainage	88,024
C	Den wall height increase	7,606
D	Manhole relocation	3,370
E	Change retaining wall types	(-1,895)
F	Permit changes	24,525
Change Order 3 Total		\$394,278

The Zoo Bond Program Director and Construction Manager reviewed these additional items and agreed the work is necessary and can be paid within the adopted project budget. The consulting architect for the projects also reviewed the requests and verified that the work is outside of the existing contract scope and reasonably priced, which the Metro Procurement Officer concurs with.

The Metro Deputy Chief Operating Officer and Office of Metro Attorney have approved previous change orders 1 and 2, in the amount of \$17,603 and \$11,498, respectively. This represented a contract clarification on letter of credit versus performance/payment bond and relocating an existing gas line which would have been situated under the new building had it not been relocated.

The total for change order 3 is \$394,278. The total amount for change orders 1 and 2 is \$29,101, for a grand total of \$423,379 of project change orders to date. This amount represents four percent of the project's total budget of \$9.5 million. Due to the risky nature of the soil nail wall and zoo site conditions, the project includes an adequate contingency to cover these change orders. As previously stated, the excavation and soil nail wall represent what is believed to be the riskiest aspect of the project. Remaining project contingency is believed adequate to complete the project within budget.

The bond project team asked Skanska for information about any possible issues remaining to complete the excavation or soil nail wall work. Skanska responded with a list of issues they have identified requiring resolution through the Request for Information process that could result in change orders. The range of magnitude estimates from Skanska should all these items result in change orders is \$48,000.

The only known additional site condition at this time is the extent of the ancient landslide under the VMC foundation, and whether additional reinforcing will be required to address the issue. The project architect, engineers, and contractor are all currently working to identify the complete scope of this issue, and will then proceed to price any necessary changes as quickly as possible.

Metro Code 2.04.058, Public Contract Amendments, requires Metro Council approval of contract amendment or change orders that exceed \$25,000 or five percent of the original contract value. The Metro Procurement Officer has deemed this amendment to be appropriate and reasonably related to the original scope of work, and therefore, believes the amendment is in Metro's best interest to approve.

The Zoo will continue to manage and administer this contract to ensure this project is constructed in accordance with the contract, including all plans and specifications. The Veterinary Medical Center Project is scheduled to be completed in fall 2011.

ANALYSIS/INFORMATION

1. **Known Opposition:** None known.
2. **Legal Antecedents:** Metro Code 2.04.058, ORS Chapter 279C.
3. **Anticipated Effects:** Construction will continue on the new Veterinary Medical Center under the direction of the Zoo Construction Manager and in accordance with contract documents and schedules. The project schedule will be extended 34 days.
4. **Budget Impacts:** These three change orders fall within budgeted contingency amounts. The total contract amount for Skanska USA Building, Inc will increase to \$6,878,278.

RECOMMENDED ACTION

Metro Council, acting as Public Contract Review Board, approves the attached contract amendment representing change orders 1, 2 and 3 with Skanska USA Building, Inc.

Agenda Item Number 5.1

Ordinance No. 10-1244, For the Purpose of Making the Greatest Place and Providing Capacity for Housing and Employment to the Year 2030; Amending the Regional Framework Plan and the Metro Code; and Declaring an Emergency.

Ordinances –Second Reading

Metro Council Meeting
Thursday, Dec. 16, 2010
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF MAKING THE GREATEST) Ordinance No. 10-1244
PLACE AND PROVIDING CAPACITY FOR)
HOUSING AND EMPLOYMENT TO THE YEAR) Introduced by Chief Operating Officer
2030; AMENDING THE REGIONAL FRAMEWORK) Michael Jordan with the Concurrence of
PLAN AND THE METRO CODE; AND DECLARING) Council President Carlotta Collette
AN EMERGENCY)

WHEREAS, Metro, the cities and counties of the region and many other public and private partners have been joining efforts to make our communities into “the Greatest Place”; and

WHEREAS, state law requires Metro to assess the capacity of the urban growth boundary (UGB) on a periodic basis and, if necessary, increase the region’s capacity for housing and employment for the next 20 years; and

WHEREAS, Metro forecasted the likely range of population and growth in the region to the year 2030; and

WHEREAS, Metro assessed the capacity of the UGB to accommodate the forecasted growth, assuming continuation of existing policies and investment strategies, and determined that the UGB did not provide sufficient and satisfactory capacity for the next 20 years; and

WHEREAS, the Metro Council, with the advice and support of the Metro Policy Advisory Committee (MPAC), established six desired outcomes to use as the basis for comparing optional amendments to policies and strategies to increase the region’s capacity; and

WHEREAS, the outcomes reflect the region’s desire to develop vibrant, prosperous and sustainable communities with reliable transportation choices that minimize carbon emissions and to distribute the benefits and burdens of development equitably in the region; and

WHEREAS, Metro undertook an extensive process to consult its partner local governments and the public on optional ways to increase the region’s capacity and achieve the desired outcomes; and

WHEREAS, joint efforts to make the region “the Greatest Place” not only improve our communities but also increase our capacity to accommodate growth and achieve the desired outcomes; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The Regional Framework Plan (RFP) is hereby amended, as indicated by Exhibit A, attached and incorporated into this ordinance, to adopt: desired outcomes toward which the Metro Council will direct its policies and efforts; new policies on performance measurement to measure progress toward achievement of the outcomes; new policies on efficient use of land, public works and other public services; and new policies on investment in Centers, Corridors, Station Communities, Main Streets and Employment Areas.

2. Title 1 (Housing) of the UGMFP is hereby amended, as indicated in Exhibit B, attached and incorporated into this ordinance, to help ensure sufficient capacity to meet housing needs to year 2030.
3. Title 4 (Industrial and Other Employment Areas) of the UGMFP is hereby amended, as indicated in Exhibit C, attached and incorporated into this ordinance, to help ensure sufficient capacity to meet employment needs to year 2030.
4. The Title 4 Industrial and Other Employment Areas Map is hereby amended, as indicated in Exhibit D, attached and incorporated into this ordinance, to show changes to design-type designations to conform to new comprehensive plan designations by cities and counties pursuant to Title 11 of the UGMFP, to respond to needs identified in the 2009 Urban Growth Report, and to make corrections requested by local governments to reflect development on the ground.
5. Title 6 (Centers, Corridors, Station Communities and Main Streets) of the UGMFP is hereby amended, as indicated in Exhibit E, attached and incorporated into this ordinance, to implement new policies and investment strategies in those places.
6. The Title 6 Centers, Corridors, Station Communities and Main Streets Map is hereby adopted, as shown on Exhibit F, attached and incorporated into this ordinance, to implement Title 6 and other functional plan requirements.
7. Title 8 (Compliance Procedures) of the UGMFP is hereby amended, as indicated in Exhibit G, attached and incorporated into this ordinance, to reduce procedural burdens on local governments and Metro.
8. Title 9 (Performance Measures) is hereby repealed, as indicated in Exhibit H, to be consistent with new policies on performance measurement.
9. Title 10 (Functional Plan Definitions) of the UGMFP is hereby amended, as indicated in Exhibit I, attached and incorporated into this ordinance, to conform to the definitions to the use of terms in the amended UGMFP.
10. Title 11 (Planning for New Urban Areas) of the UGMFP is hereby amended, as indicated in Exhibit J, attached and incorporated into this ordinance, to provide more specific guidance on planning for affordable housing in new urban areas.
11. Metro Code Chapter 3.01 (Urban Growth Boundary and Urban Reserves Procedures) is hereby repealed, as indicated in Exhibit K, to be replaced by new Title 14 adopted by section 11 of this ordinance.
12. Title 14 (Urban Growth Boundary) is hereby adopted and added to the UGMFP, as indicated in Exhibit L, attached and incorporated into this ordinance, with amendments from Metro Code Chapter 3.01 to provide a faster process to add large sites to the UGB for industrial use.
13. The urban growth boundary (UGB), as shown on the attached Exhibit M, is hereby adopted by this ordinance as the official depiction of the UGB and part of Title 14 of the Urban Growth Management Functional Plan (UGMFP). The Council intends to amend the UGB in 2011 to add approximately 310 acres of land suitable for industrial

development in order to accommodate the demand identified in the 2009 UGR for large sites.

14. Metro Code Chapter 3.09 (Local Government Boundary Changes) is hereby amended, as indicated in Exhibit N, attached and incorporated into this ordinance, to conform to revisions to ORS 268.390 and adoption of urban and rural reserves pursuant to ORS 195.141, and to ensure newly incorporated cities have the capability to become great communities.
15. The 2040 Growth Concept Map, the non-regulatory illustration of the 2040 Growth Concept in the RFP, is hereby amended, as shown on Exhibit O, attached and incorporated into this ordinance, to show new configurations of 2040 Growth Concept design-type designations and transportation improvements.
16. *The Urban Growth Report 2009-2030* and the *20 and 50 Year Regional Population and Employment Range Forecasts*, approved by the Metro Council by Resolution No. 09-4094 on December 17, 2009, are adopted to support the decisions made by this ordinance. The Council determines that, for the reasons set forth in the 2010 Growth Management Assessment, August, 2010, it will direct its capacity decisions to a point between the low end and the high end of the middle third of the forecast range.
17. The Findings of Fact and Conclusions of Law in Exhibit P, attached and incorporated into this ordinance, explain how the actions taken by the Council in this ordinance provide capacity to accommodate at least 50 percent of the housing and employment forecast to the year 2030 and how they comply with state law and the Regional Framework Plan.
18. This ordinance is necessary for the immediate preservation of public health, safety and welfare because it repeals and re-adopts provisions of the Metro Code that govern changes to local government boundaries that may be under consideration during the ordinary 90-day period prior to effectiveness. An emergency is therefore declared to exist, and this ordinance shall take effect immediately, pursuant to Metro Charter section 39(1).

ADOPTED by the Metro Council this 16th day of December, 2010.

Carlotta Collette, Council President

Attest:

Approved as to form:

Tony Andersen, Clerk of the Council

Daniel B. Cooper, Metro Attorney

Exhibit A to Ordinance No. 10-1244

AMENDMENTS TO THE REGIONAL FRAMEWORK PLAN

A. Add the following:

It is the policy of the Metro Council to exercise its powers to achieve the following six outcomes, characteristics of a successful region:

1. People live, work and play in vibrant communities where their everyday needs are easily accessible.
2. Current and future residents benefit from the region's sustained economic competitiveness and prosperity.
3. People have safe and reliable transportation choices that enhance their quality of life.
4. The region is a leader in minimizing contributions to global warming.
5. Current and future generations enjoy clean air, clean water and healthy ecosystems.
6. The benefits and burdens of growth and change are distributed equitably.

It is also the policy of the Metro Council to:

Use performance measures and performance targets to:

- a. Evaluate the effectiveness of proposed policies, strategies and actions to achieve the desired Outcomes
- b. Inform the people of the region about progress toward achieving the Outcomes
- c. Evaluate the effectiveness of adopted policies, strategies and actions and guide the consideration of revision or replacement of the policies, strategies and actions; and
- d. Publish a report on progress toward achieving the desired Outcomes on a periodic basis.

B. Amend Chapter 1 (Land Use) Policy 1.1 as follows:

1.1 Compact Urban Form

It is the policy of the Metro Council to:

- 1.1.1 Ensure and maintain a compact urban form within the UGB.
- 1.1.2 Adopt and implement a strategy of investments and incentives to use land within the UGB more efficiently and to create a compact urban form.
- 1.1.3 Facilitate infill and re-development, particularly within Centers, Corridors, Station Communities, Main Streets and Employment Areas, to use land and urban services efficiently, to support public transit, to promote successful, walkable communities and to create equitable and vibrant communities.
- 1.1.4 Encourage elimination of unnecessary barriers to compact, mixed-use, pedestrian-friendly and transit-supportive development within Centers, Corridors, Station Communities and Main Streets.
- 1.1.5 Promote the distinctiveness of the region's cities and the stability of its neighborhoods.
- 1.1.6 Enhance compact urban form by developing the Intertwine, an interconnected system of parks, greenspaces and trails readily accessible to people of the region.
- 1.1.7 Promote excellence in community design.
- 1.1.8 Promote a compact urban form as a key climate action strategy to reduce greenhouse gas emissions.

C. Amend Chapter 1 (Land Use) Policy 1.2 as follows:

1.2 Centers, Corridors, Station Communities and Main Streets

It is the policy of the Metro Council to:

- 1.2.1 Recognize that the success of the 2040 Growth Concept depends upon the success of the region's Centers, Corridors, Station Communities and Main Streets as the principal centers of urban life in the region. Recognize that each Center, Corridor, Station Community and Main Street has its own character and stage of development and its own aspirations; each needs its own strategy for success.
- 1.2.2 Work with local governments, community leaders and state and federal agencies to develop an investment strategy for Centers, Corridors, Station Communities and Main Streets with a

program of investments in public works, essential services and community assets, that will enhance their roles as the centers of urban life in the region. The strategy shall:

- a. Give priority in allocation of Metro's investment funds to Centers, Corridors, Station Communities and Main Streets;
- b. To the extent practicable, link Metro's investments so they reinforce one another and maximize contributions to Centers, Corridors, Station Communities and Main Streets;
- c. To the extent practicable, coordinate Metro's investments with complementary investments of local governments and with state and federal agencies so the investments reinforce one another, maximize contributions to Centers, Corridors, Station Communities and Main Streets and help achieve local aspirations; and
- d. Include an analysis of barriers to the success of investments in particular Centers, Corridors, Station Communities and Main Streets.

1.2.3 Encourage employment opportunities in Centers, Corridors, Station Communities and Main Streets by:

- a. Improving access within and between Centers, Corridors, Station Communities and Main Streets;
- b. Encouraging cities and counties to allow a wide range of employment uses and building types, a wide range of floor-to-area ratios and a mix of employment and residential uses; and
- c. Encourage investment by cities, counties and all private sectors by complementing their investments with investments by Metro.

1.2.4 Work with local governments, community leaders and state and federal agencies to employ financial incentives to enhance the roles of Centers, Corridors, Station Communities and Main Streets and maintain a catalogue of incentives and other tools that would complement and enhance investments in particular Centers, Corridors, Station Communities and Main Streets.

1.2.5 Measure the success of regional efforts to improve Centers and Centers, Corridors, Station Communities and Main Streets and report results to the region and the state and revise strategies, if performance so indicates, to improve the results of investments and incentives.

D. Amend Chapter 1 (Land Use) Policy 1.3 as follows:

1.3 Housing Choices and Opportunities

It is the policy of the Metro Council to:

1.3.1 Provide housing choices in the region, including single family, multi-family, ownership and rental housing, and housing offered by the private, public and nonprofit sectors, paying special attention to those households with fewest housing choices.

- 1.3.2 As part of the effort to provide housing choices, encourage local governments to ensure that their land use regulations:
 - a. Allow a diverse range of housing types;
 - b. Make housing choices available to households of all income levels; and
 - c. Allow affordable housing, particularly in Centers and Corridors and other areas well-served with public services.
- 1.3.3 Reduce the percentage of the region's households that are cost-burdened, meaning those households paying more than 50 percent of their incomes on housing and transportation.
- 1.3.4 Maintain voluntary affordable housing production goals for the region, to be revised over time as new information becomes available and displayed in Chapter 8 (Implementation), and encourage their adoption by the cities and counties of the region.
- 1.3.5 Encourage local governments to consider the following tools and strategies to achieve the affordable housing production goals:
 - a. Density bonuses for affordable housing;
 - b. A no-net-loss affordable housing policy to be applied to quasi-judicial amendments to the comprehensive plan;
 - c. A voluntary inclusionary zoning policy;
 - d. A transferable development credits program for affordable housing;
 - e. Policies to accommodate the housing needs of the elderly and disabled;
 - f. Removal of regulatory constraints on the provision of affordable housing; and
 - g. Policies to ensure that parking requirements do not discourage the provision of affordable housing.
- 1.3.6 Require local governments in the region to report progress towards increasing the supply of affordable housing and seek their assistance in periodic inventories of the supply of affordable housing.
- 1.3.7 Work in cooperation with local governments, state government, business groups, non-profit groups and citizens to create an affordable housing fund available region wide in order to leverage other affordable housing resources.
- 1.3.8 Provide technical assistance to local governments to help them do their part in achieving regional goals for the production and preservation of housing choice and affordable housing.

- 1.3.9 Integrate Metro efforts to expand housing choices with other Metro activities, including transportation planning, land use planning and planning for parks and greenspaces.
- 1.3.10 When expanding the Urban Growth Boundary, assigning or amending 2040 Growth Concept design type designations or making other discretionary decisions, seek agreements with local governments and others to improve the balance of housing choices with particular attention to affordable housing.
- 1.3.11 Consider incentives, such as priority for planning grants and transportation funding, to local governments that obtain agreements from landowners and others to devote a portion of new residential capacity to affordable housing.
- 1.3.12 Help ensure opportunities for low-income housing types throughout the region so that families of modest means are not obliged to live concentrated in a few neighborhoods, because concentrating poverty is not desirable for the residents or the region.
- 1.3.13 Consider investment in transit, pedestrian and bicycle facilities and multi-modal streets as an affordable housing tool to reduce household transportation costs to leave more household income available for housing.
- 1.3.14 For purposes of these policies, “affordable housing” means housing that families earning less than 50 percent of the median household income for the region can reasonably afford to rent and earn as much as or less than 100 percent of the median household income for the region can reasonably afford to buy.

E. Amend Chapter 1 (Land Use) Policy 1.4 as follows:

1.4 Employment Choices and Opportunities

It is the policy of the Metro Council to:

- 1.4.1 Locate expansions of the UGB for industrial or commercial purposes in locations consistent with this plan and where, consistent with state statutes and statewide goals, an assessment of the type, mix and wages of existing and anticipated jobs within subregions justifies such expansion.
- 1.4.2 Balance the number and wage level of jobs within each subregion with housing cost and availability within that subregion. Strategies are to be coordinated with the planning and implementation activities of this element with Policy 1.3, Housing Choices and Opportunities and Policy 1.8, Developed Urban Land.

- 1.4.3 Designate, with the aid of leaders in the business and development community and local governments in the region, as Regionally Significant Industrial Areas those areas with site characteristics that make them especially suitable for the particular requirements of industries that offer the best opportunities for family-wage jobs.
- 1.4.4 Require, through the Urban Growth Management Functional Plan, that local governments exercise their comprehensive planning and zoning authorities to protect Regionally Significant Industrial Areas from incompatible uses.
- 1.4.5 Facilitate investment in those areas of employment with characteristics that make them especially suitable and valuable for traded-sector goods and services, including brownfield sites and sites that are re-developable.
- 1.4.6 Consistent with policies promoting a compact urban form, ensure that the region maintains a sufficient supply of tracts 50 acres and larger to meet demand by traded-sector industries for large sites and protect those sites from conversion to non-industrial uses.

Repeal Chapter 1 (Land Use) Policy 1.6

Repeal Chapter 1 (Land Use) Policy 1.15

Exhibit B to Ordinance No. 10-1244

TITLE 1: HOUSING CAPACITY

3.07.110 Purpose and Intent

The Regional Framework Plan calls for a compact urban form and a “fair-share” approach to meeting regional housing needs. It is the purpose of Title 1 to accomplish these policies by requiring each city and county to maintain or increase its housing capacity except as provided in section 3.07.120.

3.07.120 Housing Capacity

- A. A city or county may reduce the minimum zoned capacity of the Central City or a Regional Center, Town Center, Corridor, Station Community or Main Street under subsection D or E. A city or county may reduce its minimum zoned capacity in other locations under subsections C, D or E.
- B. Each city and county shall adopt a minimum dwelling unit density for each zone in which dwelling units are authorized except for zones that authorize mixed-use as defined in section 3.07.1010(hh). If a city or county has not adopted a minimum density for such a zone prior to March 16, 2011, the city or county shall adopt a minimum density that is at least 80 percent of the maximum density.
- C. A city or county may reduce its minimum zoned capacity by one of the following actions if it increases minimum zoned capacity by an equal or greater amount in other places where the increase is reasonably likely to be realized within the 20-year planning period of Metro’s last capacity analysis under ORS 197.299:
 1. Reduce the minimum dwelling unit density, described in subsection B, for one or more zones;
 2. Revise the development criteria or standards for one or more zones; or
 3. Change its zoning map such that the city’s or county’s minimum zoned capacity would be reduced.Action to reduce minimum zoned capacity may be taken any time within two years after action to increase capacity.
- D. A city or county may reduce the minimum zoned capacity of a zone without increasing minimum zoned capacity in another zone for one or more of the following purposes:
 1. To re-zone the area to allow industrial use under Title 4 of this chapter or an educational or medical facility similar in scale to those listed in section 3.07.1340D(5)(i) of Title 13 of this chapter; or

2. To protect natural resources pursuant to Titles 3 or 13 of this chapter.
- E. A city or county may reduce the minimum zoned capacity of a single lot or parcel so long as the reduction has a negligible effect on the city's or county's overall minimum zoned residential capacity.
- F. A city or county may amend its comprehensive plan and land use regulations to transfer minimum zoned capacity to another city or county upon a demonstration that:
1. A transfer between designated Centers, Corridors or Station Communities does not result in a net reduction in the minimum zoned capacities of the Centers, Corridors or Station Communities involved in the transfer; and
 2. The increase in minimum zoned capacity is reasonably likely to be realized within the 20-year planning period of Metro's last capacity analysis under ORS 197.299
- G. A city or county shall authorize the establishment of at least one accessory dwelling unit for each detached single-family dwelling unit in each zone that authorizes detached single-family dwellings. The authorization may be subject to reasonable regulation for siting and design purposes.

Exhibit C to Ordinance No. 10-1244

TITLE 4: INDUSTRIAL AND OTHER EMPLOYMENT AREAS

3.07.410 Purpose and Intent

The Regional Framework Plan calls for a strong regional economy. To improve the economy, Title 4 seeks to provide and protect a supply of sites for employment by limiting the types and scale of non-industrial uses in Regionally Significant Industrial Areas (RSIAs), Industrial and Employment Areas. Title 4 also seeks to provide the benefits of "clustering" to those industries that operate more productively and efficiently in proximity to one another than in dispersed locations. Title 4 further seeks to protect the capacity and efficiency of the region's transportation system for the movement of goods and services and to encourage the location of other types of employment in Centers, Corridors, Main Streets and Station Communities. The Metro Council will evaluate the effectiveness of Title 4 in achieving these purposes as part of its periodic analysis of the capacity of the urban growth boundary.

3.07.420 Protection of Regionally Significant Industrial Areas

A. Regionally Significant Industrial Areas (RSIAs) are those areas near the region's most significant transportation facilities for the movement of freight and other areas most suitable for movement and storage of goods. Each city and county with land use planning authority over RSIAs shown on the Employment and Industrial Areas Map shall derive specific plan designation and zoning district boundaries of RSIAs within its jurisdiction from the Map, taking into account the location of existing uses that would not conform to the limitations on non-industrial uses in this section and the need to achieve a mix of employment uses.

B. Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit the size and location of new buildings for retail commercial uses - such as stores and restaurants - and retail and professional services that cater to daily customers - such as financial, insurance, real estate, legal, medical and dental offices - to ensure that they serve primarily the needs of workers in the area. One such measure shall be that new buildings for stores, branches, agencies or other outlets for these retail uses and services shall not occupy more than 3,000 square feet of sales or service area in a single outlet, or multiple outlets that occupy more than 20,000 square feet of sales or service area in a single building or in multiple buildings that are part of the same development project, with the following exceptions:

1. Within the boundaries of a public use airport subject to a facilities master plan, customary airport uses, uses that are accessory to the travel-related and freight movement activities of airports, hospitality uses, and retail uses appropriate to serve the needs of the traveling public; and
2. Training facilities whose primary purpose is to provide training to meet industrial needs.

C. Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit the siting and location of new buildings for the uses described in subsection B and for non-industrial uses that do not cater to daily customers—such as banks or insurance processing centers—to ensure that such uses do not reduce off-peak performance on Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the Regional Transportation Plan or require added road capacity to prevent falling below the standards.

D. Cities and counties shall review their land use regulations and revise them, if necessary, to prohibit the siting of schools, places of assembly larger than 20,000 square feet or parks intended to serve people other than those working or residing in the RSIA.

E. No city or county shall amend its land use regulations that apply to lands shown as RSIA on the Employment and Industrial Areas Map to authorize uses described in subsection B that were not authorized prior to July 1, 2004.

F. Cities and counties may allow division of lots or parcels into smaller lots or parcels as follows:

1. Lots or parcels smaller than 50 acres may be divided into any number of smaller lots or parcels.
2. Lots or parcels 50 acres or larger may be divided into smaller lots and parcels pursuant to a master plan approved by the city or county so long as the resulting division yields at least one lot or parcel of at least 50 acres in size.
3. Lots or parcels 50 acres or larger, including those created pursuant to paragraph 2 of this subsection, may be divided into any number of smaller lots or parcels pursuant to a master plan approved by the city or county so long as at least 40 percent of the area of the lot or parcel has been developed with industrial uses or uses accessory to industrial use, and no portion has been developed, or is proposed to be developed, with uses described in subsection B of this section.
4. Notwithstanding paragraphs 2 and 3 of this subsection, any lot or parcel may be divided into smaller lots or parcels or made subject to rights-of-way for the following purposes:
 - a. To provide public facilities and services;
 - b. To separate a portion of a lot or parcel in order to protect a natural resource, to provide a public amenity, or to implement a remediation plan for a site identified by the Oregon Department of Environmental Quality pursuant to ORS 465.225;

- c. To separate a portion of a lot or parcel containing a nonconforming use from the remainder of the lot or parcel in order to render the remainder more practical for a permitted use; or
- d. To allow the creation of a lot solely for financing purposes when the created lot is part of a master planned development.

G. Notwithstanding subsection B of this section, a city or county may allow the lawful use of any building, structure or land at the time of enactment of an ordinance adopted pursuant to this section to continue and to expand to add up to 20 percent more floor area and 10 percent more land area. Notwithstanding subsection E of this section, a city or county may allow division of lots or parcels pursuant to a master plan approved by the city or county prior to July 1, 2004.

3.07.430 Protection of Industrial Areas

A. Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit new buildings for retail commercial uses—such as stores and restaurants—and retail and professional services that cater to daily customers—such as financial, insurance, real estate, legal, medical and dental offices—in order to ensure that they serve primarily the needs of workers in the area. One such measure shall be that new buildings for stores, branches, agencies or other outlets for these retail uses and services shall not occupy more than 5,000 square feet of sales or service area in a single outlet, or multiple outlets that occupy more than 20,000 square feet of sales or service area in a single building or in multiple buildings that are part of the same development project, with the following exceptions:

1. Within the boundaries of a public use airport subject to a facilities master plan, customary airport uses, uses that are accessory to the travel-related and freight movement activities of airports, hospitality uses, and retail uses appropriate to serve the needs of the traveling public; and
2. Training facilities whose primary purpose is to provide training to meet industrial needs.

B. Cities and counties shall review their land use regulations and revise them, if necessary, to include measures to limit new buildings for the uses described in subsection A to ensure that they do not interfere with the efficient movement of freight along Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the Regional Transportation Plan. Such measures may include, but are not limited to, restrictions on access to freight routes and connectors, siting limitations and traffic thresholds. This subsection does not require cities and counties to include such measures to limit new other buildings or uses.

C. No city or county shall amend its land use regulations that apply to lands shown as Industrial Area on the Employment and Industrial Areas Map to authorize uses described in subsection A of this section that were not authorized prior to July 1, 2004.

D. Cities and counties may allow division of lots or parcels into smaller lots or parcels as follows:

1. Lots or parcels smaller than 50 acres may be divided into any number of smaller lots or parcels.
2. Lots or parcels 50 acres or larger may be divided into smaller lots and parcels pursuant to a master plan approved by the city or county so long as the resulting division yields at least one lot or parcel of at least 50 acres in size.
3. Lots or parcels 50 acres or larger, including those created pursuant to paragraph (2) of this subsection, may be divided into any number of smaller lots or parcels pursuant to a master plan approved by the city or county so long as at least 40 percent of the area of the lot or parcel has been developed with industrial uses or uses accessory to industrial use, and no portion has been developed, or is proposed to be developed with uses described in subsection A of this section.
4. Notwithstanding paragraphs 2 and 3 of this subsection, any lot or parcel may be divided into smaller lots or parcels or made subject to rights-of-way for the following purposes:
 - a. To provide public facilities and services;
 - b. To separate a portion of a lot or parcel in order to protect a natural resource, to provide a public amenity, or to implement a remediation plan for a site identified by the Oregon Department of Environmental Quality pursuant to ORS 465.225;
 - c. To separate a portion of a lot or parcel containing a nonconforming use from the remainder of the lot or parcel in order to render the remainder more practical for a permitted use; or
 - d. To allow the creation of a lot solely for financing purposes when the created lot is part of a master planned development.

E. Notwithstanding subsection B of this section, a city or county may allow the lawful use of any building, structure or land at the time of enactment of an ordinance adopted pursuant to this section to continue and to expand to add up to 20 percent more floorspace and 10 percent more land area.

3.07.440 Protection of Employment Areas

A. Except as provided in subsections C, D and E, in Employment Areas mapped pursuant to Metro Code section 3.07.130, cities and counties shall limit new and expanded commercial retail uses to those appropriate in type and size to serve the needs of businesses, employees and residents of the Employment Areas.

B. Except as provided in subsections C, D and E, a city or county shall not approve a commercial retail use in an Employment Area with more than 60,000 square feet of gross leasable area in a single building, or commercial retail uses with a total of more than 60,000 square feet of retail sales area on a single lot or parcel, or on contiguous lots or parcels, including those separated only by transportation right-of-way.

C. A city or county whose zoning ordinance applies to an Employment Area and is listed on Table 3.07-4 may continue to authorize commercial retail uses with more than 60,000 square feet of gross leasable area in that zone if the ordinance authorized those uses on January 1, 2003.

D. A city or county whose zoning ordinance applies to an Employment Area and is not listed on Table 3.07-4 may continue to authorize commercial retail uses with more than 60,000 square feet of gross leasable area in that zone if:

1. The ordinance authorized those uses on January 1, 2003;
2. Transportation facilities adequate to serve the commercial retail uses will be in place at the time the uses begin operation; and
3. The comprehensive plan provides for transportation facilities adequate to serve other uses planned for the Employment Area over the planning period.

E. A city or county may authorize new commercial retail uses with more than 60,000 square feet of gross leasable area in Employment Areas if the uses:

1. Generate no more than a 25 percent increase in site-generated vehicle trips above permitted non-industrial uses; and
2. Meet the Maximum Permitted Parking – Zone A requirements set forth in Table 3.08-3 of Title 4 of the Regional Transportation Functional Plan.

3.07.450 Employment and Industrial Areas Map

A. The Employment and Industrial Areas Map is the official depiction of the boundaries of Regionally Significant Industrial Areas, Industrial Areas and Employment Areas.

B. If the Metro Council adds territory to the UGB and designates all or part of the territory Regionally Significant Industrial Area, Industrial Area or Employment Area, after completion of Title 11 planning by the responsible city or county, the Chief Operating Officer (COO) shall issue an order to conform the map to the boundaries established by the responsible city or county. The order shall also make necessary amendments to the Habitat Conservation Areas Map, described in section 3.07.1320 of Title 13 of this chapter, to ensure implementation of Title 13.

C. A city or county may amend its comprehensive plan or zoning regulations to change its designation of land on the Employment and Industrial Areas Map in order to allow uses not allowed by this title upon a demonstration that:

1. The property is not surrounded by land designated on the map as Industrial Area, Regionally Significant Industrial Area or a combination of the two;
2. The amendment will not reduce the employment capacity of the city or county;
3. If the map designates the property as Regionally Significant Industrial Area, the subject property does not have access to specialized services, such as redundant electrical power or industrial gases, and is not proximate to freight loading and unloading facilities, such as trans-shipment facilities;
4. The amendment would not allow uses that would reduce off-peak performance on Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the Regional Transportation Plan below volume-to-capacity standards in the plan, unless mitigating action is taken that will restore performance to RTP standards within two years after approval of uses;
5. The amendment would not diminish the intended function of the Central City or Regional or Town Centers as the principal locations of retail, cultural and civic services in their market areas; and
6. If the map designates the property as Regionally Significant Industrial Area, the property subject to the amendment is ten acres or less; if designated Industrial Area, the property subject to the amendment is 20 acres or less; if designated Employment Area, the property subject to the amendment is 40 acres or less.

D. A city or county may also amend its comprehensive plan or zoning regulations to change its designation of land on the Employment and Industrial Areas Map in order to allow uses not allowed by this title upon a demonstration that:

1. The entire property is not buildable due to environmental constraints; or
2. The property borders land that is not designated on the map as Industrial Area or Regionally Significant Industrial Area; and
3. The assessed value of a building or buildings on the property, built prior to March 5, 2004, and historically occupied by uses not allowed by this title, exceeds the assessed value of the land by a ratio of 1.5 to 1.

E. The COO shall revise the Employment and Industrial Areas Map by order to conform to an amendment made by a city or county pursuant to subsection C or D of this section within 30 days after notification by the city or county that no appeal of the amendment was filed

pursuant to ORS 197.825 or, if an appeal was filed, that the amendment was upheld in the final appeal process.

F. After consultation with MPAC, the Council may issue an order suspending operation of subsection C in any calendar year in which the cumulative amount of land for which the Employment and Industrial Areas Map is changed during that year from Regionally Significant Industrial Area or Industrial Area to Employment Area or other 2040 Growth Concept design type designation exceeds the industrial land surplus. The industrial land surplus is the amount by which the current supply of vacant land designated Regionally Significant Industrial Area and Industrial Area exceeds the 20-year need for industrial land, as determined by the most recent "Urban Growth Report: An Employment Land Need Analysis", reduced by an equal annual increment for the number of years since the report.

G. The Metro Council may amend the Employment and Industrial Areas Map by ordinance at any time to make corrections in order to better achieve the policies of the Regional Framework Plan.

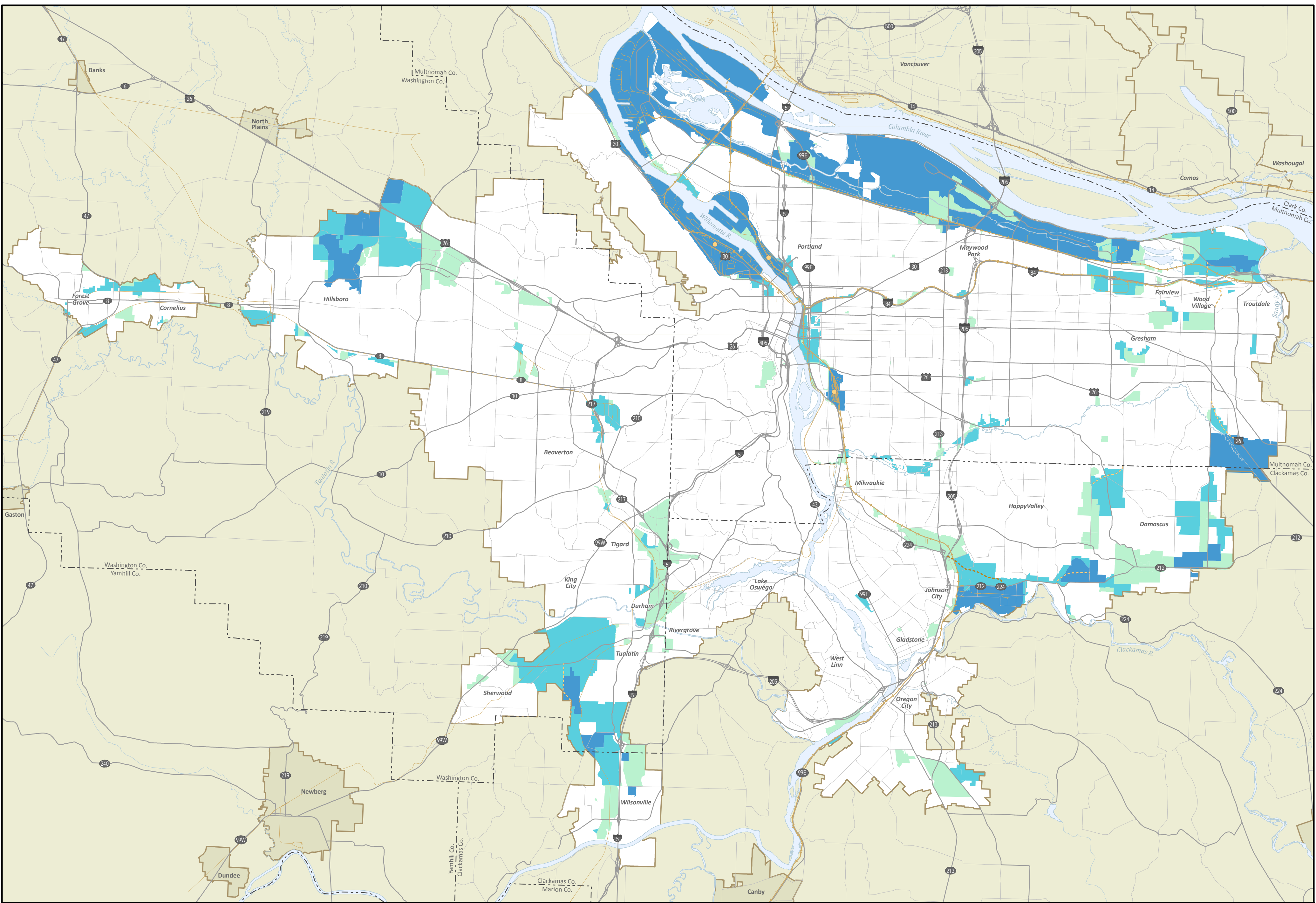
H. Upon request from a city or a county, the Metro Council may amend the Employment and Industrial Areas Map by ordinance to consider proposed amendments that exceed the size standards of paragraph 6 of subsection C of the section. To approve an amendment, the Council must conclude that the amendment:

1. Would not reduce the employment capacity of the city or county;
2. Would not allow uses that would reduce off-peak performance on Main Roadway Routes and Roadway Connectors shown on the Regional Freight Network Map in the Regional Transportation Plan below volume-to-capacity standards in the plan, unless mitigating action is taken that will restore performance to RTP standards within two years after approval of uses;
3. Would not diminish the intended function of the Central City or Regional or Town Centers as the principal locations of retail, cultural and civic services in their market areas;
4. Would not reduce the integrity or viability of a traded sector cluster of industries;
5. Would not create or worsen a significant imbalance between jobs and housing in a regional market area; and
6. If the subject property is designated Regionally Significant Industrial Area, would not remove from that designation land that is especially suitable for industrial use due to the availability of specialized services, such as redundant electrical power or industrial gases, or due to proximity to freight transport facilities, such as trans-shipment facilities.

I. Amendments to the Employment and Industrial Areas Map made in compliance with the process and criteria in this section shall be deemed to comply with the Regional Framework Plan.

J. The Council may establish conditions upon approval of an amendment to the Employment and Industrial Areas Map under subsection F to ensure that the amendment complies with the Regional Framework Plan and state land use planning laws.

K. By January 31 of each year, the COO (COO) shall submit a written report to the Council and MPAC on the cumulative effects on employment land in the region of the amendments to the Employment and Industrial Areas Map made pursuant to this section during the preceding year. The report shall include any recommendations the COO deems appropriate on measures the Council might take to address the effects.



Title 4, Industrial and Other Employment Areas

ORDINANCE 10-1244, EXHIBIT D
November 18, 2010



- Employment areas
- Industrial areas
- Regionally significant industrial areas
- Proposed main roadway routes
- Proposed road connectors
- Mainline freight
- Branch line freight
- Rail yards
- County boundaries
- Urban growth boundaries
- Neighbor cities



Exhibit E of Ordinance No. 10-1244

TITLE 6: CENTERS, CORRIDORS, STATION COMMUNITIES AND MAIN STREETS

3.07.610 Purpose

The Regional Framework Plan (RFP) identifies Centers, Corridors, Main Streets and Station Communities throughout the region and recognizes them as the principal centers of urban life in the region. Title 6 calls for actions and investments by cities and counties, complemented by regional investments, to enhance this role. A regional investment is an investment in a new high-capacity transit line or designated a regional investment in a grant or funding program administered by Metro or subject to Metro's approval.

3.07.620 Actions and Investments in Centers, Corridors, Station Communities and Main Streets

- A. In order to be eligible for a regional investment in a Center, Corridor, Station Community or Main Street, or a portion thereof, a city or county shall take the following actions:
1. Establish a boundary for the Center, Corridor, Station Community or Main Street, or portion thereof, pursuant to subsection B;
 2. Perform an assessment of the Center, Corridor, Station Community or Main Street, or portion thereof, pursuant to subsection C; and
 3. Adopt a plan of actions and investments to enhance the Center, Corridor, Station Community or Main Street, or portion thereof, pursuant to subsection D.
- B. The boundary of a Center, Corridor, Station Community or Main Street, or portion thereof, shall:
1. Be consistent with the general location shown in the RFP except, for a proposed new Station Community, be consistent with Metro's land use final order for a light rail transit project;
 2. For a Corridor with existing high-capacity transit service, include at least those segments of the Corridor that pass through a Regional Center or Town Center;
 3. For a Corridor designated for future high-capacity transit in the Regional Transportation Plan (RTP), include the area identified during the system expansion planning process in the RTP; and
 4. Be adopted and may be revised by the city council or county board following notice of the proposed boundary action to the Oregon Department of Transportation and Metro in the manner set forth in subsection A of section 3.07.820 of this chapter.

- C. An assessment of a Center, Corridor, Station Community or Main Street, or portion thereof, shall analyze the following:
 - 1. Physical and market conditions in the area;
 - 2. Physical and regulatory barriers to mixed-use, pedestrian-friendly and transit-supportive development in the area;
 - 3. The city or county development code that applies to the area to determine how the code might be revised to encourage mixed-use, pedestrian-friendly and transit-supportive development;
 - 4. Existing and potential incentives to encourage mixed-use pedestrian-friendly and transit-supportive development in the area; and
 - 5. For Corridors and Station Communities in areas shown as Industrial Area or Regionally Significant Industrial Area under Title 4 of this chapter, barriers to a mix and intensity of uses sufficient to support public transportation at the level prescribed in the RTP.

- D. A plan of actions and investments to enhance the Center, Corridor, Station Community or Main Street shall consider the assessment completed under subsection C and include at least the following elements:
 - 1. Actions to eliminate, overcome or reduce regulatory and other barriers to mixed-use, pedestrian-friendly and transit-supportive development;
 - 2. Revisions to its comprehensive plan and land use regulations, if necessary, to allow:
 - a. In Regional Centers, Town Centers, Station Communities and Main Streets, the mix and intensity of uses specified in section 3.07.640; and
 - b. In Corridors and those Station Communities in areas shown as Industrial Area or Regionally Significant Industrial Area in Title 4 of this chapter, a mix and intensity of uses sufficient to support public transportation at the level prescribed in the RTP;
 - 3. Public investments and incentives to support mixed-use pedestrian-friendly and transit-supportive development; and
 - 4. A plan to achieve the non-SOV mode share targets, adopted by the city or county pursuant to subsections 3.08.230A and B of the Regional Transportation Functional Plan (RTFP), that includes:
 - a. The transportation system designs for streets, transit, bicycles and pedestrians consistent with Title 1 of the RTFP;

- b. A transportation system or demand management plan consistent with section 3.08.160 of the RTFP; and
 - c. A parking management program for the Center, Corridor, Station Community or Main Street, or portion thereof, consistent with section 3.08.410 of the RTFP.
- E. A city or county that has completed all or some of the requirements of subsections B, C and D may seek recognition of that compliance from Metro by written request to the Chief Operating Officer (COO).
- F. Compliance with the requirements of this section is not a prerequisite to:
- 1. Investments in Centers, Corridors, Station Communities or Main Streets that are not regional investments; or
 - 2. Investments in areas other than Centers, Corridors, Station Communities and Main Streets.

3.07.630 Eligibility Actions for Lower Mobility Standards and Trip Generation Rates

- A. A city or county is eligible to use the higher volume-to-capacity standards in Table 7 of the 1999 Oregon Highway Plan when considering an amendment to its comprehensive plan or land use regulations in a Center, Corridor, Station Community or Main Street, or portion thereof, if it has taken the following actions:
- 1. Established a boundary pursuant to subsection B of section 3.07.620; and
 - 2. Adopted land use regulations to allow the mix and intensity of uses specified in section 3.07.640.
- B. A city or county is eligible for an automatic reduction of 30 percent below the vehicular trip generation rates reported by the Institute of Traffic Engineers when analyzing the traffic impacts, pursuant to OAR 660-012-0060, of a plan amendment in a Center, Corridor, Main Street or Station Community, or portion thereof, if it has taken the following actions:
- 1. Established a boundary pursuant to subsection B of section 3.07.620;
 - 2. Revised its comprehensive plan and land use regulations, if necessary, to allow the mix and intensity of uses specified in section 3.07.640 and to prohibit new auto-dependent uses that rely principally on auto trips, such as gas stations, car washes and auto sales lots; and
 - 3. Adopted a plan to achieve the non-SOV mode share targets adopted by the city or county pursuant to subsections 3.08.230A and B of the Regional Transportation Functional Plan (RTFP), that includes:

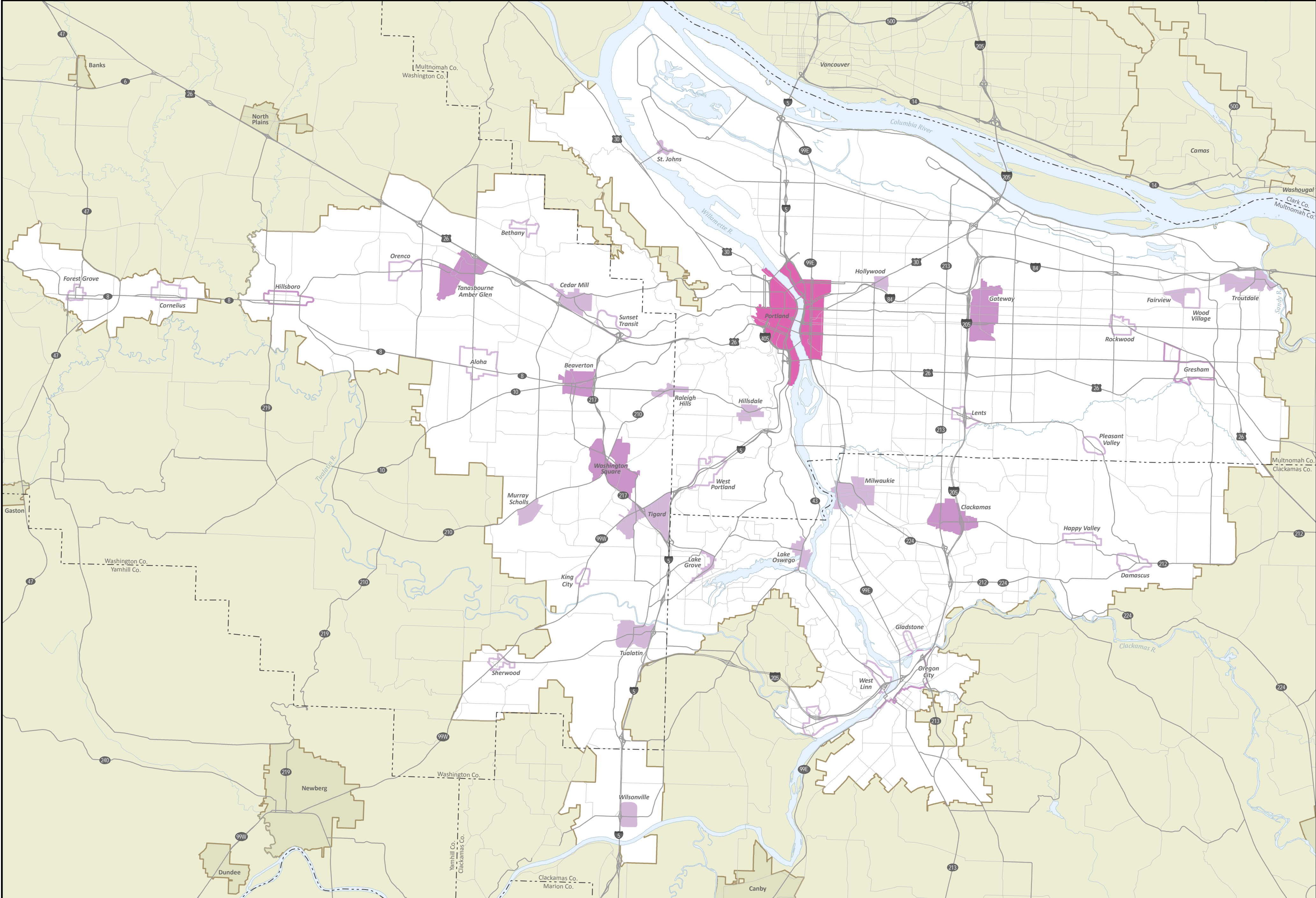
- a. Transportation system designs for streets, transit, bicycles and pedestrians consistent with Title 1 of the RTFP;
- b. A transportation system or demand management plan consistent with section 3.08.160 of the RTFP; and
- c. A parking management program for the Center, Corridor, Station Community or Main Street, or portion thereof, consistent with section 3.08.410 of the RTFP.

3.07.640 Activity Levels for Centers, Corridors, Station Communities and Main Streets

- A. Centers, Corridors, Station Communities and Main Streets need a critical number of residents and workers to be vibrant and successful. The following average number of residents and workers per acre is recommended for each:
 1. Central City - 250 persons
 2. Regional Centers - 60 persons
 3. Station Communities - 45 persons
 4. Corridors - 45 persons
 5. Town Centers - 40 persons
 6. Main Streets - 39 persons
- B. Centers, Corridors, Station Communities and Main Streets need a mix of uses to be vibrant and walkable. The following mix of uses is recommended for each:
 1. The land uses listed in *State of the Centers: Investing in Our Communities*, January, 2009, such as grocery stores and restaurants;
 2. Institutional uses, including schools, colleges, universities, hospitals, medical offices and facilities;
 3. Civic uses, including government offices open to and serving the general public, libraries, city halls and public spaces.
- C. Centers, Corridors, Station Communities and Main Streets need a mix of housings types to be vibrant and successful. The following mix of housing types is recommended for each:
 1. The types of housing listed in the “needed housing” statute, ORS 197.303(1);
 2. The types of housing identified in the city’s or county’s housing need analysis done pursuant to ORS 197.296 or statewide planning Goal 10 (Housing); and
 3. Accessory dwellings pursuant to section 3.07.120 of this chapter.

3.07.650 Centers, Corridors, Station Communities and Main Streets Map

- A. The Centers, Corridors, Station Communities and Main Streets Map is incorporated in this title and is Metro's official depiction of their boundaries. The map shows the boundaries established pursuant to this title.
- B. A city or county may revise the boundary of a Center, Corridor, Station Community or Main Street so long as the boundary is consistent with the general location on the 2040 Growth Concept Map in the RFP. The city or county shall provide notice of its proposed revision as prescribed in subsection B of section 3.07.620.
- C. The COO shall revise the Centers, Corridors, Station Communities and Main Streets Map by order to conform the map to establishment or revision of a boundary under this title.



Title 6, Centers, Corridors, Station Communities and Main Streets, Adopted Boundaries

ORDINANCE 10-1244, EXHIBIT F
November 18, 2010



- Central city, adopted boundary
- Regional center, adopted boundary
- Regional center, conceptual boundary
- Town center, adopted boundary
- Town center, conceptual boundary
- County boundaries
- Urban growth boundaries
- Neighbor cities



TITLE 8: COMPLIANCE PROCEDURES

3.07.810 Compliance with the Functional Plan

A. The purposes of this chapter are to establish a process for ensuring city or county compliance with requirements of the Urban Growth Management Functional Plan and for evaluating and informing the region about the effectiveness of those requirements. Where the terms "compliance" and "comply" appear in this title, the terms shall have the meaning given to "substantial compliance" in section 3.07.1010.

B. Cities and counties shall amend their comprehensive plans and land use regulations to comply with the functional plan, or an amendment to the functional plan, within two years after acknowledgement of the functional plan or amendment, or after any later date specified by the Metro Council in the ordinance adopting or amending the functional plan. The Chief Operating Officer (COO) shall notify cities and counties of the acknowledgment date and compliance dates described in subsections C and D.

C. After one year following acknowledgment of a functional plan requirement, cities and counties that amend their comprehensive plans and land use regulations shall make such amendments in compliance with the new functional plan requirement.

D. Cities and counties whose comprehensive plans and land use regulations do not yet comply with the new functional plan requirement shall, after one year following acknowledgment of the requirement, make land use decisions consistent with the requirement. The COO shall notify cities and counties of the date upon which functional plan requirements become applicable to land use decisions at least 120 days before that date. For the purposes of this subsection, "land use decision" shall have the meaning of that term as defined in ORS 197.015(10).

E. An amendment to a city or county comprehensive plan or land use regulation shall be deemed to comply with the functional plan upon the expiration of the appropriate appeal period specified in ORS 197.830 or 197.650 or, if an appeal is made, upon the final decision on appeal. Once the amendment is deemed to comply, the functional plan requirement shall no longer apply to land use decisions made in conformance with the amendment.

F. An amendment to a city or county comprehensive plan or land use regulation shall be deemed to comply with the functional plan as provided in subsection E only if the city or county provided notice to the COO as required by subsection A of section 3.07.820.

3.07.820 Review by the Chief Operating Officer

A. A city or county proposing an amendment to a comprehensive plan or land use regulation shall submit the proposed amendment to the COO at least 45 days prior to the first evidentiary hearing on the amendment. The COO may request, and if so the city or county shall submit, an analysis of compliance of the amendment with the functional plan. If the COO submits

comments on the proposed amendment to the city or county, the comment shall include analysis and conclusions on compliance and a recommendation with specific revisions to the proposed amendment, if any, that would bring it into compliance with the functional plan. The COO shall send a copy of comment to those persons who have requested a copy.

B. If the COO concludes that the proposed amendment does not comply with the functional plan, the COO shall advise the city or county that it may:

1. Revise the proposed amendment as recommended in the COO's analysis;
2. Seek an extension of time, pursuant to section 3.07.830, to bring the proposed amendment into compliance with the functional plan; or
3. Seek an exception pursuant to section 3.07.840.

3.07.830 Extension of Compliance Deadline

A. A city or county may seek an extension of time for compliance with a functional plan requirement. The city or county shall file an application for an extension on a form provided by the COO. Upon receipt of an application, the COO shall notify the city or county and those persons who request notification of applications for extensions. Any person may file a written comment in support of or opposition to the extension.

B. The COO may grant an extension if the city or county is making progress toward compliance or there is good cause for failure to meet the deadline for compliance. Within 30 days after the filing of a complete application for an extension, the COO shall issue an order granting or denying the extension. The COO shall not grant more than two extensions of time to a city or county and shall grant no extension of more than one year. The COO shall send the order to the city or county and any person who filed a written comment.

C. The COO may establish terms and conditions for the extension in order to ensure that compliance is achieved in a timely and orderly fashion and that land use decisions made by the city or county during the extension do not undermine the ability of the city or county to achieve the purposes of the functional plan requirement. A term or condition must relate to the requirement of the functional plan to which the COO has granted the extension.

D. The city or county applicant or any person who filed written comment on the extension may appeal the COO's order to the Metro Council within 15 days after receipt of the order. If an appeal is filed, the Council shall hold a hearing to consider the appeal. After the hearing, the Council shall issue an order granting or denying the extension and shall send copies to the applicant and any person who participated in the hearing. The city or county or a person who participated in the proceeding may seek review of the Council's order as a land use decision described in ORS 197.015(10)(a)(A).

3.07.840 Exception from Compliance

A. A city or county may seek an exception from compliance with a functional plan requirement by filing an application on a form provided by the COO. Upon receipt of an application, the COO shall notify the city or county and those persons who request notification of requests for exceptions. Any person may file a written comment in support of or opposition to the exception.

B. Except as provided in subsection C, the COO may grant an exception if:

1. it is not possible to achieve the requirement due to topographic or other physical constraints or an existing development pattern;
2. this exception and likely similar exceptions will not render the objective of the requirement unachievable region-wide;
3. the exception will not reduce the ability of another city or county to comply with the requirement; and
4. the city or county has adopted other measures more appropriate for the city or county to achieve the intended result of the requirement.

C. The COO may grant an exception to the housing capacity requirements in section 3.07.120 if:

1. the city or county has completed the analysis of capacity for dwelling units required by section 3.07.120;
2. it is not possible to comply with the requirements due to topographic or other physical constraints, an existing development pattern, or protection of natural resources pursuant to Titles 3 or 13 of this chapter; and
3. this exception and other similar exceptions will not render the targets unachievable region-wide.

D. The COO may establish terms and conditions for the exception in order to ensure that it does not undermine the ability of the region to achieve the purposes of the requirement. A term or condition must relate to the requirement of the functional plan to which the COO grants the exception. The COO shall incorporate the terms and conditions into the order on the exception.

E. The city or county applicant or a person who filed a written comment on the exception may appeal the COO's order to the Metro Council within 15 days after receipt of the order. If an appeal is filed, the Council shall hold a hearing to consider the appeal. After the hearing, the Council shall issue an order granting or denying the exception and send copies to the applicant and any person who participated in the hearing. The city or county or a person who participated in the proceeding may seek review of the Council's order as a land use decision described in ORS 197.015(10)(a)(A).

3.07.850 Enforcement of Functional Plan

A. The Metro Council may initiate enforcement if a city or county has failed to meet a deadline for compliance with a functional plan requirement or if the Council has good cause to believe that a city or county is engaged in a pattern or a practice of decision-making that is inconsistent with the functional plan, ordinances adopted by the city or county to implement the plan, or the terms or conditions in an extension or an exception granted pursuant to section 3.07.830 or 3.07.840, respectively. The Council may consider whether to initiate enforcement proceedings upon the request of the COO or a Councilor. The Council shall consult with the city or county before it determines there is good cause to proceed to a hearing under subsection B.

B. If the Council decides there is good cause, the Council President shall set the matter for a public hearing before the Council within 90 days of its decision. The COO shall publish notice of the hearing in a newspaper of general circulation in the city or county and send notice to the city or county, MPAC and any person who requests a copy of such notices.

C. The COO shall prepare a report and recommendation on the pattern or practice, with a proposed order, for consideration by the Council. The COO shall publish the report at least 14 days prior to the public hearing and send a copy to the city or county and any person who requests a copy.

D. At the conclusion of the hearing, the Council shall adopt an order that dismisses the matter if it decides the city or county complies with the requirement. If the Council decides the city or county has failed to meet a deadline for compliance with a functional plan requirement or has engaged in a pattern or a practice of decision-making that is inconsistent with the functional plan, ordinances adopted by the city or county to implement the plan, or terms or conditions of an extension or an exception granted pursuant to section 3.07.830 or 3.07.840, respectively, the Council may adopt an order that:

1. Directs changes in the city or county ordinances necessary to remedy the pattern or practice; or
2. Includes a remedy authorized in ORS 268.390(7).

E. The Council shall issue its order not later than 30 days following the hearing and send copies to the city or county, MPAC and any person who requests a copy.

3.07.860 Citizen Involvement in Compliance Review

A. Any person may contact Metro staff or the COO or appear before the Metro Council to raise issues regarding local functional plan compliance, to request Metro participation in the local process, or to request the COO to appeal a local enactment for which notice is required pursuant to subsection A of section 3.07.820. Such contact may be oral or in writing and may be made at any time.

B. In addition to considering requests as described in A above, the Council shall at every regularly scheduled meeting provide an opportunity for people to address the Council on any matter related to this functional plan. The COO shall maintain a list of persons who request notice in writing of COO reviews, reports and orders and proposed actions under this chapter and shall send requested documents as provided in this chapter.

C. Cities, counties and the Council shall comply with their own adopted and acknowledged Citizen Involvement Requirements (Citizen Involvement) in all decisions, determinations and actions taken to implement and comply with this functional plan. The COO shall publish a citizen involvement fact sheet, after consultation with the Metro Committee for Citizen Involvement, that describes opportunities for citizen involvement in Metro's growth management procedures as well as the implementation and enforcement of this functional plan.

3.07.870 Compliance Report

A. The COO shall submit a report to the Metro Council by March 1 of each calendar year on the status of compliance by cities and counties with the requirements of the Urban Growth Management Function Plan. The COO shall send a copy of the report to MPAC, JPACT, MCCI and each city and county within Metro.

B. A city, county or person who disagrees with a determination in the compliance report may seek review of the determination by the Council by written request to the COO. The Council shall notify the requestor, all cities and counties, MPAC, JPACT, MCCI, the Department of Land Conservation and Development and any person who requests notification of the review. The notification shall state that the Council does not have jurisdiction to:

1. 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 E and F of section 3.07.810; or
2. Reconsider a determination in a prior order issued under this section that a city or county complies with a requirement of the functional plan.

C. Following its review at a public hearing, the Council shall adopt an order that determines whether the city or county complies with the functional plan requirement raised in the request. The order shall be based upon the COO's report and testimony received at the public hearing. The COO shall send a copy of the order to cities and counties and any person who testifies, orally or in writing, at the public hearing.

D. A city or county or a person who participated, orally or in writing, at the public hearing, may seek review of the Council's order as a land use decision described in ORS 197.015(10)(a)(A).

Exhibit H to Ordinance No. 10-1244

TITLE 9: PERFORMANCE MEASURES

Title 9 is repealed.

Exhibit I to Ordinance No. 10-1244

TITLE 10: FUNCTIONAL PLAN DEFINITIONS

3.07.1010 Definitions

For the purpose of this functional plan, the following definitions shall apply:

- (a) "Balanced cut and fill" means no net increase in fill within the floodplain.
- (b) "COO" means Metro's Chief Operating Officer.
- (c) "Comprehensive plan" means the all inclusive, generalized, coordinated land use map and policy statement of cities and counties defined in ORS 197.015(5).
- (d) "DBH" means the diameter of a tree measured at breast height.
- (e) "Design flood elevation" means the elevation of the 100-year storm as defined in FEMA Flood Insurance Studies or, in areas without FEMA floodplains, the elevation of the 25-year storm, or the edge of mapped flood prone soils or similar methodologies.
- (f) "Design type" means the conceptual areas described in the Metro 2040 Growth Concept text and map in Metro's regional goals and objectives, including central city, regional centers, town centers, station communities, corridors, main streets, inner and outer neighborhoods, industrial areas, and employment areas.
- (g) "Designated beneficial water uses" means the same as the term as defined by the Oregon Department of Water Resources, which is: an instream public use of water for the benefit of an appropriator for a purpose consistent with the laws and the economic and general welfare of the people of the state and includes, but is not limited to, domestic, fish life, industrial, irrigation, mining, municipal, pollution abatement, power development, recreation, stockwater and wildlife uses.
- (h) "Development" means any man-made change defined as buildings or other structures, mining, dredging, paving, filling, or grading in amounts greater than ten (10) cubic yards on any lot or excavation. In addition, any other activity that results in the removal of more than 10 percent of the vegetation in the Water Quality Resource Area on the lot is defined as development, for the purpose of Title 3 except that less than 10 percent removal of vegetation on a lot must comply with section 3.07.340(C) - Erosion and Sediment Control. In addition, any other activity that results in the removal of more than either 10 percent or 20,000 square feet of the vegetation in the Habitat Conservation Areas on the lot is defined as development, for the purpose of Title 13. Development does not include the following: (1) Stream enhancement or restoration projects approved by cities and counties; (2) Farming practices as defined in ORS 30.930 and farm use as defined in ORS 215.203, except that buildings associated with farm practices and farm

uses are subject to the requirements of Titles 3 and 13 of this functional plan; and (3) Construction on lots in subdivisions meeting the criteria of ORS 92.040(2).

- (i) "Development application" means an application for a land use decision, limited land decision including expedited land divisions, but excluding partitions as defined in ORS 92.010(7) and ministerial decisions such as a building permit.
- (j) "Division" means a partition or a subdivision as those terms are defined in ORS chapter 92.
- (k) "Ecological functions" means the biological and hydrologic characteristics of healthy fish and wildlife habitat. Riparian ecological functions include microclimate and shade, streamflow moderation and water storage, bank stabilization and sediment/pollution control, sources of large woody debris and natural channel dynamics, and organic material sources. Upland wildlife ecological functions include size of habitat area, amount of habitat with interior conditions, connectivity of habitat to water resources, connectivity to other habitat areas, and presence of unique habitat types.
- (l) "Emergency" means any man-made or natural event or circumstance causing or threatening loss of life, injury to person or property, and includes, but is not limited to, fire, explosion, flood, severe weather, drought earthquake, volcanic activity, spills or releases of oil or hazardous material, contamination, utility or transportation disruptions, and disease.
- (m) "Enhancement" means the process of improving upon the natural functions and/or values of an area or feature which has been degraded by human activity. Enhancement activities may or may not return the site to a pre-disturbance condition, but create/recreate processes and features that occur naturally.
- (n) "Fill" means any material such as, but not limited to, sand, gravel, soil, rock or gravel that is placed in a wetland or floodplain for the purposes of development or redevelopment.
- (o) "Flood Areas" means those areas contained within the 100-year floodplain and floodway as shown on the Federal Emergency Management Agency Flood Insurance Maps and all lands that were inundated in the February 1996 flood.
- (p) "Flood Management Areas" means all lands contained within the 100-year floodplain, flood area and floodway as shown on the Federal Emergency Management Agency Flood Insurance Maps and the area of inundation for the February 1996 flood. In addition, all lands which have documented evidence of flooding.
- (q) "Floodplain" means land subject to periodic flooding, including the 100-year floodplain as mapped by FEMA Flood Insurance Studies or other substantial evidence of actual flood events.

- (r) "Growth Concept Map" means the conceptual map demonstrating the 2040 Growth Concept design types attached to this plan¹.
- (s) "Habitat Conservation Area" or "HCA" means an area identified on the Habitat Conservation Areas Map and subject to the performance standards and best management practices described in Metro Code section 3.07.1340.
- (t) "Habitat-friendly development" means a method of developing property that has less detrimental impact on fish and wildlife habitat than does traditional development methods. Examples include clustering development to avoid habitat, using alternative materials and designs such as pier, post, or piling foundations designed to minimize tree root disturbance, managing storm water on-site to help filter rainwater and recharge groundwater sources, collecting rooftop water in rain barrels for reuse in site landscaping and gardening, and reducing the amount of effective impervious surface created by development.
- (u) "Habitats of Concern" means the following unique or unusually important wildlife habitat areas as identified based on cite specific information provided by local wildlife or habitat experts: Oregon white oak woodlands, bottomland hardwood forests, wetlands, native grasslands, riverine islands or deltas, and important wildlife migration corridors.
- (v) "Hazardous materials" means materials described as hazardous by Oregon Department of Environmental Quality.
- (w) "Implementing ordinances or regulations" means any city or county land use regulation as defined by ORS 197.015(11) which includes zoning, land division or other ordinances which establish standards for implementing a comprehensive plan.
- (x) "Invasive non-native or noxious vegetation" means plants listed as nuisance plants or prohibited plants on the Metro Native Plant List as adopted by Metro Council resolution because they are plant species that have been introduced and, due to aggressive growth patterns and lack of natural enemies in the area where introduced, spread rapidly into native plant communities.
- (y) "Land Conservation and Development Commission" or "LCDC" means the Oregon Land Conservation and Development Commission.
- (z) "Land use regulation" means any local government zoning ordinance, land division ordinance adopted under ORS 92.044 or 92.046 or similar general ordinance establishing standards for implementing a comprehensive plan, as defined in ORS 197.015.
- (aa) "Large-format retail commercial buildings" means a building intended for retail commercial use with more than 60,000 square feet of gross leasable area, or that amount or more of retail sales area on a single lot or parcel, or that amount or more on contiguous lots or parcels including lots or parcels separated only by a transportation right-of-way.

¹ On file in the Metro Council office.

- (bb) "Local program effective date" means the effective date of a city's or county's new or amended comprehensive plan and implementing ordinances adopted to comply with Title 13 of the Urban Growth Management Functional Plan, Metro Code sections 3.07.1310 to 3.07.1370. If a city or county is found to be in substantial compliance with Title 13 without making any amendments to its comprehensive plan or land use regulations, then the local program effective date shall be December 28, 2005. If a city or county amends its comprehensive plan or land use regulations to comply with Title 13, then the local program effective date shall be the effective date of the city's or county's amendments to its comprehensive plan or land use regulations, but in no event shall the local program effective date be later than two years after Title 13 is acknowledged by LCDC. For territory brought within the Metro UGB after December 28, 2005, the local program effective date shall be the effective date of the ordinance adopted by the Metro Council to bring such territory within the Metro UGB.
- (cc) "Metro" means the regional government of the metropolitan area, the elected Metro Council as the policy setting body of the government.
- (dd) "Metro boundary" means the jurisdictional boundary of Metro, the elected regional government of the metropolitan area.
- (ee) "MCCI" means the Metro Committee for Citizen Involvement.
- (ff) "MPAC" means the Metropolitan Advisory Committee established pursuant to Metro Charter, Chapter V, Section 27.
- (gg) "Mitigation" means the reduction of adverse effects of a proposed project by considering, in the following order: (1) avoiding the impact altogether by not taking a certain action or parts of an action; (2) minimizing impacts by limiting the degree or magnitude of the action and its implementation; (3) rectifying the impact by repairing, rehabilitating or restoring the affected environment; (4) reducing or eliminating the impact over time by preservation and maintenance operations during the life of the action by monitoring and taking appropriate measures; and (5) compensating for the impact by replacing or providing comparable substitute water quality resource areas or habitat conservation areas.
- (hh) "Mixed use" means comprehensive plan or implementing regulations that permit a mixture of commercial and residential development.
- (ii) "Mixed-use development" includes areas of a mix of at least two of the following land uses and includes multiple tenants or ownerships: residential, retail and office. This definition excludes large, single-use land uses such as colleges, hospitals, and business campuses. Minor incidental land uses that are accessory to the primary land use should not result in a development being designated as "mixed-use development." The size and definition of minor incidental, accessory land uses allowed within large, single-use

developments should be determined by cities and counties through their comprehensive plans and implementing ordinances.

- (jj) "Native vegetation" or "native plant" means any vegetation listed as a native plant on the Metro Native Plant List as adopted by Metro Council resolution and any other vegetation native to the Portland metropolitan area provided that it is not listed as a nuisance plant or a prohibited plant on the Metro Native Plant List.
- (kk) "Net acre" means an area measuring 43,560 square feet which excludes:
- Any developed road rights-of-way through or on the edge of the land; and
 - Environmentally constrained areas, including any open water areas, floodplains, natural resource areas protected under statewide planning Goal 5 in the comprehensive plans of cities and counties in the region, slopes in excess of 25 percent and wetlands requiring a Federal fill and removal permit under Section 404 of the Clean Water Act. These excluded areas do not include lands for which the local zoning code provides a density bonus or other mechanism which allows the transfer of the allowable density or use to another area or to development elsewhere on the same site; and
 - All publicly-owned land designated for park and open spaces uses.
- (ll) "Net developed acre" consists of 43,560 square feet of land, after excluding present and future rights-of-way, school lands and other public uses.
- (mm) "Net vacant buildable land" means all vacant land less all land that is: (1) within Water Quality Resource Areas; (2) within Habitat Conservation Areas; (3) publicly owned by a local, state or federal government; (4) burdened by major utility easements; and (5) necessary for the provision of roads, schools, parks, churches, and other public facilities.
- (nn) "Perennial streams" means all primary and secondary perennial waterways as mapped by the U.S. Geological Survey.
- (oo) "Performance measure" means a measurement derived from technical analysis aimed at determining whether a planning policy is achieving the expected outcome or intent associated with the policy.
- (pp) "Person-trips" means the total number of discrete trips by individuals using any mode of travel.
- (qq) "Persons per acre" means the intensity of building development by combining residents per acre and employees per acre.

- (rr) "Practicable" means available and capable of being done after taking into consideration cost, existing technology, and logistics in light of overall project purpose. As used in Title 13 of this functional plan, "practicable" means available and capable of being done after taking into consideration cost, existing technology, and logistics in light of overall project purpose and probable impact on ecological functions.
- (ss) "Primarily developed" means areas where less than 10% of parcels are either vacant or underdeveloped.
- (tt) "Property owner" means a person who owns the primary legal or equitable interest in the property.
- (uu) "Protected Water Features"

Primary Protected Water Features shall include:

- Title 3 wetlands; and
- Rivers, streams, and drainages downstream from the point at which 100 acres or more are drained to that water feature (regardless of whether it carries year-round flow); and
- Streams carrying year-round flow; and
- Springs which feed streams and wetlands and have year-round flow; and
- Natural lakes.

Secondary Protected Water Features shall include intermittent streams and seeps downstream of the point at which 50 acres are drained and upstream of the point at which 100 acres are drained to that water feature.

- (vv) "Public facilities and services" means sewers, water service, stormwater services and transportation.
- (ww) "Redevelopable land" means land on which development has already occurred, which due to present or expected market forces, there exists the strong likelihood that existing development will be converted to more intensive uses during the planning period.
- (xx) "Regionally significant fish and wildlife habitat" means those areas identified on the Regionally Significant Fish and Wildlife Habitat Inventory Map, adopted in Metro Code section 3.07.1320, as significant natural resource sites.
- (yy) "Restoration" means the process of returning a disturbed or altered area or feature to a previously existing natural condition. Restoration activities reestablish the structure,

function, and/or diversity to that which occurred prior to impacts caused by human activity.

- (zz) "Retail" means activities which include the sale, lease or rent of new or used products to the general public or the provision of product repair or services for consumer and business goods.
- (aaa) "Riparian area" means the water influenced area adjacent to a river, lake or stream consisting of the area of transition from a hydric ecosystem to a terrestrial ecosystem where the presence of water directly influences the soil-vegetation complex and the soil-vegetation complex directly influences the water body. It can be identified primarily by a combination of geomorphologic and ecologic characteristics.
- (bbb) "Rural reserve" means an area designated rural reserve by Clackamas, Multnomah or Washington County pursuant to OAR 660-027.
- (ccc) "Significant negative impact" means an impact that affects the natural environment, considered individually or cumulatively with other impacts on the Water Quality Resource Area, to the point where existing water quality functions and values are degraded.
- (ddd) "Straight-line distance" means the shortest distance measured between two points.
- (eee) "Stream" means a body of running water moving over the earth's surface in a channel or bed, such as a creek, rivulet or river. It flows at least part of the year, including perennial and intermittent streams. Streams are dynamic in nature and their structure is maintained through build-up and loss of sediment.
- (fff) "Substantial compliance" means city and county comprehensive plans and implementing ordinances, on the whole, conforms with the purposes of the performance standards in the functional plan and any failure to meet individual performance standard requirements is technical or minor in nature.
- (ggg) "Title 3 Wetlands" means wetlands of metropolitan concern as shown on the Metro Water Quality and Flood Management Area Map and other wetlands added to city or county adopted Water Quality and Flood Management Area maps consistent with the criteria in Title 3, section 3.07.340(E)(3). Title 3 wetlands do not include artificially constructed and managed stormwater and water quality treatment facilities.
- (hhh) "Top of bank" means the same as "bankfull stage" defined in OAR 141-085-0010(2).
- (iii) "Urban development value" means the economic value of a property lot or parcel as determined by analyzing three separate variables: assessed land value, value as a property that could generate jobs ("employment value"), and the Metro 2040 design type designation of property. The urban development value of all properties containing

regionally significant fish and wildlife habitat is depicted on the Metro Habitat Urban Development Value Map referenced in Metro Code section 3.07.1340(E).

- (jjj) "UGB" means an urban growth boundary adopted pursuant to ORS chapter 197.
- (kkk) "Underdeveloped parcels" means those parcels of land with less than 10% of the net acreage developed with permanent structures.
- (lll) "Urban reserve" means an area designated urban reserve by the Metro Council pursuant to OAR 660 Division 27.
- (mmm) "Utility facilities" means buildings, structures or any constructed portion of a system which provides for the production, transmission, conveyance, delivery or furnishing of services including, but not limited to, heat, light, water, power, natural gas, sanitary sewer, stormwater, telephone and cable television.
- (nnn) "Vacant land" means land identified in the Metro or local government inventory as undeveloped land.
- (ooo) "Variance" means a discretionary decision to permit modification of the terms of an implementing ordinance based on a demonstration of unusual hardship or exceptional circumstance unique to a specific property.
- (ppp) "Visible or measurable erosion" includes, but is not limited to:
- Deposits of mud, dirt sediment or similar material exceeding one-half cubic foot in volume on public or private streets, adjacent property, or onto the storm and surface water system, either by direct deposit, dropping discharge, or as a result of the action of erosion.
 - Evidence of concentrated flows of water over bare soils; turbid or sediment laden flows; or evidence of on-site erosion such as rivulets on bare soil slopes, where the flow of water is not filtered or captured on the site.
 - Earth slides, mudflows, earth sloughing, or other earth movement that leaves the property.
- (qqq) "Water feature" means all rivers, streams (regardless of whether they carry year-round flow, i.e., including intermittent streams), springs which feed streams and wetlands and have year-round flow, Flood Management Areas, wetlands, and all other bodies of open water.
- (rrr) "Water Quality and Flood Management Area" means an area defined on the Metro Water Quality and Flood Management Area Map, to be attached hereto². These are areas that require regulation in order to mitigate flood hazards and to preserve and enhance water

² On file in Metro Council office.

quality. This area has been mapped to generally include the following: stream or river channels, known and mapped wetlands, areas with flood-prone soils adjacent to the stream, floodplains, and sensitive water areas. The sensitive areas are generally defined as 50 feet from top of bank of streams for areas of less than 25% slope, and 200 feet from top of bank on either side of the stream for areas greater than 25% slope, and 50 feet from the edge of a mapped wetland.

- (sss) "Water Quality Resource Areas" means vegetated corridors and the adjacent water feature as established in Title 3.
- (ttt) "Wetlands." Wetlands are those areas inundated or saturated by surface or ground water at a frequency and duration sufficient to support and under normal circumstances do support a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs and similar areas. Wetlands are those areas identified and delineated by a qualified wetland specialist as set forth in the 1987 Corps of Engineers Wetland Delineation Manual.
- (uuu) "Zoned capacity" means the highest number of dwelling units or jobs that are allowed to be contained in an area by zoning and other city or county jurisdiction regulations.

Exhibit J to Ordinance No. 10-1244

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 or contribute to mixed-use, walkable, transit-friendly communities. It is the purpose of Title 11 to guide such long-range planning for 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 sections 3.07.1420, 3.07.1430 or 3.07.1435 of this chapter. The date for completion of a concept plan and the area of urban reserves to be planned will be jointly determined by Metro and the county and city or cities.
- B. A concept plan shall achieve, or contribute to the achievement of, the following outcomes:
 1. If the plan proposes a mix of residential and employment uses:
 - a. A mix and intensity of uses that will make efficient use of the public systems and facilities described in subsection C;
 - b. A development pattern that supports pedestrian and bicycle travel to retail, professional and civic services;
 - c. A range of housing needed in the prospective UGB expansion area, the prospective governing city, and the region, - including ownership and rental housing; single-family and multi-family housing; and a mix of public, nonprofit and private market housing – with an option for households with incomes at or below 80, 50 and 30 percent of median family incomes for the region;
 - d. Sufficient employment opportunities to support a healthy economy, including, for proposed employment areas, lands with characteristics, such as proximity to transportation facilities, needed by employers;
 - e. Well-connected systems of streets, bikeways, parks, recreation trails and public transit that link to needed housing so as to reduce the combined cost of housing and transportation;
 - f. A well-connected system of parks, natural areas and other public open spaces;

- g. Protection of natural ecological systems and important natural landscape features; and
 - h. Avoidance or minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands.
2. If the plan involves fewer than 100 acres or proposes to accommodate only residential or employment needs, depending on the need to be accommodated:
- a. A range of housing needed in the prospective UGB expansion area, the prospective governing city, and the region, - including ownership and rental housing; single-family and multi-family housing; and a mix of public, nonprofit and private market housing – with an option for households with incomes at or below 80, 50 and 30 percent of median family incomes for the region;
 - b. Sufficient employment opportunities to support a healthy economy, including, for proposed employment areas, lands with characteristics, such as proximity to transportation facilities, needed by employers;
 - c. Well-connected systems of streets, bikeways, pedestrian ways, parks, natural areas, recreation trails;
 - d. Protection of natural ecological systems and important natural landscape features; and
 - e. Avoidance or minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands.
- 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, park and trail, water and storm-water systems and transportation facilities, provide the following:
 - a. The general locations of proposed sewer, park and trail, water and storm-water systems;
 - b. The mode, function and general location of any proposed state transportation facilities, arterial facilities, regional transit and trail facilities and freight intermodal facilities;
 - c. The proposed connections of these systems and facilities, if any, to existing systems;

- d. Preliminary estimates of the costs of the systems and facilities in sufficient detail to determine feasibility and allow cost comparisons with other areas;
 - e. Proposed methods to finance the systems and facilities; and
 - f. Consideration for protection of the capacity, function and safe operation of state highway interchanges, including existing and planned interchanges and planned improvements to interchanges.
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 parcels 50 acres or larger and to cluster uses that benefit from proximity to one another;
 4. If the area subject to the concept plan calls for designation of land for residential use, include strategies, such as partnerships and incentives, that increase the likelihood that needed housing types described in subsection B of this section will be market-feasible or provided by non-market housing developers within the 20-year UGB planning period;
 5. Show water quality resource areas, flood management areas and habitat conservation areas that will be subject to performance standards under Titles 3 and 13 of the Urban Growth Management Functional Plan;
 6. Be coordinated with the comprehensive plans and land use regulations that apply to nearby lands already within the UGB;
 7. 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;
 8. 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;
 9. 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
 10. Be coordinated with schools districts, including coordination of demographic assumptions.

D. Concept plans shall guide, but not bind:

1. The designation of 2040 Growth Concept design types by the Metro Council;
2. Conditions in the Metro ordinance that adds the area to the UGB; or

3. Amendments to city or county comprehensive plans or land use regulations following addition of the area to the UGB.

E. If the local governments responsible for completion of a concept plan under this section are unable to reach agreement on a concept plan by the date set under subsection A, then the Metro Council may nonetheless add the area to the UGB if necessary to fulfill its responsibility under ORS 197.299 to ensure the UGB has sufficient capacity to accommodate forecasted growth.

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 section 3.07.1110C(8) 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 section 3.07.1455B(4) of this chapter.

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 section 3.07.1455B(2) of this chapter;
4. If the comprehensive plan authorizes housing in any part of the area, provision for a range of housing needed in the prospective UGB expansion area, the prospective governing city, and the region, - including ownership and rental housing; single-family and multi-family housing; and a mix of public, nonprofit and private market housing – with an option for households with incomes at or below 80, 50 and 30 percent of median family incomes for the region and implementing strategies that increase the likelihood that needed housing types will be market-feasible or provided by non-market housing developers within the 20-year UGB planning period;
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. This requirement includes consideration of any school facility plan prepared in accordance with ORS 195.110;

6. Provision for the amount of land and improvements needed, if any, for public park facilities sufficient to serve the area added to the UGB in coordination with affected park providers.
 7. 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;
 8. Provision for the financing of local and state public facilities and services; and
 9. A strategy for protection of the capacity and function of state highway interchanges, including existing and planned interchanges and planned improvements to interchanges.
- D. The county or city responsible for comprehensive planning of an area shall submit to Metro a determination of the residential capacity of any area zoned to allow dwelling units, using the method in section 3.07.120, 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 section 3.07.1010(w) of this chapter, 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.

3.07.1140 Applicability

Section 3.07.1110 becomes applicable on December 31, 2011.

Exhibit K to Ordinance No. 10-1244

Metro Code Chapter 3.01 is repealed.

~~3.01.005 Purpose~~

~~This chapter prescribes criteria and procedures to be used by Metro in establishing urban reserves and making amendments to the Metro Urban Growth Boundary (UGB). The chapter prescribes three processes for amendment of the UGB:~~

- ~~—— (a) —— Legislative amendments following periodic analysis of the capacity of the UGB and the need to amend it to accommodate long range growth in population and employment;~~
- ~~—— (b) —— Major amendments to address short term needs that were not anticipated at the time of legislative amendments; and~~
- ~~—— (c) —— Minor adjustments to make small changes to make the UGB function more efficiently and effectively.~~

~~3.01.010 Definitions~~

- ~~—— (a) —— "Council" has the same meaning as in Chapter 1.01 of the Metro Code.~~
- ~~—— (b) —— "Compatible," as used in this chapter, is not intended as an absolute term meaning no interference or adverse impacts of any type with adjacent uses. Any such interference or adverse impacts must be balanced with the other criteria and considerations cited.~~
- ~~—— (c) —— "Goals" means the statewide planning goals adopted by the Oregon Land Conservation and Development Commission at OAR 660-015-0000.~~
- ~~—— (d) —— "Legislative amendment" means an amendment to the UGB initiated by Metro, which is not directed at a particular site-specific situation or relatively small number of properties.~~
- ~~—— (e) —— "Property owner" means a person who owns the primary legal or equitable interest in the property.~~
- ~~—— (f) —— "Public facilities and services" means sewers, water service, stormwater services and transportation.~~
- ~~—— (g) —— "UGB" means the Urban Growth Boundary for Metro.~~
- ~~—— (h) —— "Urban reserve" means an area designated as an urban reserve pursuant to Section 3.01.012 of this Code and applicable statutes and administrative rules.~~

3.01.012 Urban Reserve Areas

~~(a) Purpose. This section establishes the process and criteria for designation of urban reserve areas pursuant to ORS 195.145 and Oregon Administrative Rules Chapter 660, Division 021.~~

~~(b) Designation of Urban Reserve Areas:~~

~~(1) The Council shall designate the amount of urban reserves estimated to accommodate the forecast need for a period from 10 to 30 years beyond the planning period for the most recent amendment of the UGB pursuant to ORS 197.299.~~

~~(2) The Council shall estimate the capacity of urban reserve areas consistent with the estimate of the capacity of land within the UGB.~~

~~(3) The Council may allocate urban reserve areas to different planning periods in order to phase addition of the areas to the UGB.~~

~~(4) The Council shall establish a 2040 Growth Concept design type applicable to each urban reserve area designated.~~

~~(c) Plans For Urban Reserve Areas. Cities and counties may plan for urban reserve areas, consistent with the Regional Framework Plan and OAR 660-021-0040, prior to the inclusion of the areas within the UGB.~~

3.01.015 Legislative Amendment Procedures

~~(a) The Council shall initiate a legislative amendment to the UGB when required by state law and may initiate a legislative amendment when it determines there is a need to add land to the UGB.~~

~~(b) Except as otherwise provided in this chapter, the Council shall make a legislative amendment to the UGB by ordinance in the manner prescribed for ordinances in Chapter VII of the Metro Charter. For each legislative amendment, the Council shall establish a schedule of public hearings that allows for consideration of the proposed amendment by MPAC and other advisory committees and the general public.~~

~~(c) Notice to the public of a proposed legislative amendment of the UGB shall be provided as prescribed in Section 3.01.050 of this chapter.~~

~~(d) Prior to the final hearing on a proposed legislative amendment of the UGB in excess of 100 acres, the Chief Operating Officer shall prepare a report on the effect of the proposed amendment on existing residential neighborhoods. The Chief Operating Office shall provide copies of the report to all households located within one mile of the proposed~~

~~amendment area and to all cities and counties within the district at least 20 days prior to the hearing. The report shall address:~~

~~————— (1) ——— Traffic patterns and any resulting increase in traffic congestion, commute times and air quality;~~

~~————— (2) ——— 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; and~~

~~————— (3) ——— The cost impacts on existing residents of providing needed public facilities and services, police and fire services, public schools, emergency services and parks and open spaces.~~

~~(e) ——— The Council shall base its final decision on information received by the Council during the legislative process.~~

~~————— (f) ——— The Council may amend the UGB to include land outside the district only upon a written agreement with the local government that exercises land use planning authority over the land that the local government will apply the interim protection requirements set forth in Section 3.07.1110 of the Metro Code to the land until the effective date of annexation of the land to the Metro district. A city or county may adopt an amendment to its comprehensive plan pursuant to Section 3.07.1120 of the Metro Code prior to annexation of the land to the district so long as the amendment does not become applicable to the land until it is annexed to the district.~~

~~3.01.020 Legislative Amendment – Criteria~~

~~————— (a) ——— The purpose of this section is to identify and guide the application of the factors and criteria for UGB expansion in state law and the Regional Framework Plan. Compliance with this section shall constitute compliance with statewide planning Goal 14 and the Regional Framework Plan.~~

~~————— (b) ——— The Council shall determine whether there is a need to amend the UGB. In determining whether a need exists, the Council may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need. The Council's determination shall be based upon:~~

~~————— (1) ——— Demonstrated need to accommodate long-range urban population, consistent with a 20-year population forecast coordinated with affected local governments; and~~

~~————— (2) ——— Demonstrated need for land suitable to accommodate housing, employment opportunities, livability or uses such as public facilities and services, schools, parks, open space, or any combination of the foregoing in this paragraph; and~~

~~(3) A demonstration that any need shown under paragraphs (1) and (2) of this subsection cannot reasonably be accommodated on land already inside the UGB.~~

~~(c) If the Council determines there is a need to amend the UGB, the Council shall evaluate areas for possible addition to the UGB, and, consistent with ORS 197.298, shall determine which areas are better considering the following factors:~~

~~(1) Efficient accommodation of identified land needs;~~

~~(2) Orderly and economic provision of public facilities and services;~~

~~(3) Comparative environmental, energy, economic and social consequences;
and~~

~~(4) Compatibility of proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.~~

~~(d) If the Council determines there is a need to amend the UGB, the Council shall also evaluate areas for possible addition to the UGB and, consistent with ORS 197.298 and statewide planning Goal 14, shall determine which areas are better, considering the following factors:~~

~~(1) Equitable and efficient distribution of housing and employment opportunities throughout the region;~~

~~(2) Contribution to the purposes of Centers;~~

~~(3) Protection of farmland that is most important for the continuation of commercial agriculture in the region;~~

~~(4) Avoidance of conflict with regionally significant fish and wildlife habitat;
and~~

~~(5) Clear transition between urban and rural lands, using natural and built features to mark the transition.~~

~~3.01.025 Major Amendments – Procedures~~

~~(a) A city, a county, a special district or a property owner may initiate a major amendment to the UGB by filing an application on a form provided by Metro. The Chief Operating Officer will accept applications for major amendments between February 1 and March 15 of each calendar year except that calendar year in which the Council is completing its analysis of buildable land supply under ORS 197.299(1).~~

~~(b) Except for that calendar year in which the Council is completing its analysis of buildable land supply, the Chief Operating Officer shall give notice of the March 15 deadline for applications for major amendments not less than 120 days before the deadline and again 90 days~~

~~before the deadline in a newspaper of general circulation in Metro and in writing to each city and county in Metro and anyone who has requested notification. The notice shall explain the consequences of failure to file before the deadline and shall specify the Metro representative from whom additional information may be obtained. Upon a request by a Metro Councilor and a finding of good cause, the Metro Council may waive the deadline by a vote of five members of the full Council.~~

~~————(c)—— With the application, the applicant shall provide the names and addresses of property owners for notification purposes, consistent with Section 3.01.050(b). The list shall be certified as true and accurate as of the specified date by a title company, a county assessor or designate of the assessor or the applicant.~~

~~————(d)—— The applicant shall provide a written statement from the governing body of each city or county with land use jurisdiction over the area and any special district that has an agreement with that city or county to provide an urban service to the area that it recommends approval or denial of the application. The Council may waive this requirement if the city, county or special district has a policy not to comment on major amendments, or has not adopted a position within 120 days after the applicant's request for the statement. The governing body of a local government may delegate the decision to its staff.~~

~~————(e)—— The Chief Operating Officer will determine whether an application is complete and will notify the applicant of the determination within seven working days after the filing of the application. The Chief Operating Officer will dismiss an application and return application fees if a complete application is not received within the 14 days after the notice of incompleteness.~~

~~————(f)—— Within 14 days after receipt of a complete application, the Chief Operating Officer will:~~

~~————(1)—— Set the matter for a public hearing before a hearings officer for a date no later than 55 days following receipt of a complete application; and~~

~~————(2)—— Notify the public of the public hearing as prescribed in Section 3.01.050 of this chapter.~~

~~————(g)—— The Chief Operating Officer shall submit a report and recommendation on the application to the hearings officer not less than 15 days before the hearing and send copies to the applicant and others who have requested copies. Any subsequent report by the Chief Operating Officer to be used at the hearing shall be available to the public at least seven days prior to the hearing.~~

~~————(h)—— If the proposed major amendment would add more than 100 acres to the UGB, then the Chief Operating Officer shall prepare a report on the effect of the proposed amendment on existing residential neighborhoods in the manner prescribed in Section 3.01.015(d).~~

~~(i) An applicant may request postponement of the hearing within 20 days after filing a complete application. The Chief Operating Officer may postpone the hearing for no more than 60 days. If the applicant fails to request rescheduling within 90 days after the request for postponement, the application shall be considered withdrawn and the Chief Operating Officer will return the unneeded portion of the fee deposit assessed pursuant to Section 3.01.045.~~

~~(j) Participants at a hearing before a hearings officer need not be represented by an attorney. If a person wishes to represent an organization orally or in writing, the person must indicate the date of the meeting at which the organization adopted the position presented.~~

~~(k) Failure of the applicant to appear at the hearing shall be grounds for dismissal of the application unless the applicant requests a continuance. The applicant the burden of demonstrating that the proposed amendment complies with the criteria.~~

~~(l) The hearings officer will provide the following information to participants at the beginning of the hearing:~~

~~(1) The criteria applicable to major amendments and the procedures for the hearing;~~

~~(2) A statement that testimony and evidence must be directed toward the applicable criteria or other criteria the person believes apply to the proposal; and~~

~~(3) A statement that failure to raise an issue in a manner sufficient to afford the hearings officer and participants an opportunity to respond to the issue precludes appeal of that issue.~~

~~(m) The hearing shall be conducted in the following order:~~

~~(1) Presentation of the report and recommendation of the Chief Operating Officer;~~

~~(2) Presentation of evidence and argument by the applicant;~~

~~(3) Presentation of evidence and argument in support of or opposition to the application by other participants; and~~

~~(4) Presentation of rebuttal evidence and argument by the applicant.~~

~~(n) The hearings officer may grant a request to continue the hearing or to leave the record open for presentation of additional evidence upon a demonstration that the evidence could not have been presented during the hearing. If the hearings officer grants a continuance, the hearing shall be continued to a date, time and place certain at least seven days from the date of the initial evidentiary hearing. A reasonable opportunity shall be provided at the continued hearing for persons to present and rebut new evidence.~~

~~——(o)—— If new evidence is submitted at the continued hearing, the hearings officer may grant a request, made prior to the conclusion of the continued hearing, to leave the record open to respond to the new evidence. If the hearings officer grants the request, the record shall be left open for at least seven days. Any participant may respond to new evidence during the period the record is left open.~~

~~——(p)—— Cross examination by parties shall be by submission of written questions to the hearings officer. The hearings officer shall give participants an opportunity to submit such questions prior to closing the hearing. The hearings officer may set reasonable time limits for oral testimony and may exclude or limit cumulative, repetitive, or immaterial testimony.~~

~~——(q)—— A verbatim record shall be made of the hearing, but need not be transcribed unless necessary for appeal.~~

~~——(r)—— The hearings officer may consolidate applications for hearing after consultation with Metro staff and applicants. If the applications are consolidated, the hearings officer shall prescribe rules to avoid duplication or inconsistent findings, protect the rights of all participant, and allocate the charges on the basis of cost incurred by each applicant.~~

~~——(s)—— Within 15 days following the close of the record, the hearings officer shall submit a proposed order, with findings of fact and conclusions of law and the record of the hearing, to the Chief Operating Officer, who shall make it available for review by participants.~~

~~——(t)—— Within seven days after receipt of the proposed order from the hearings officer, the Chief Operating Officer shall set the date and time for consideration of the proposed order by the Council, which date shall be no later than 40 days after receipt of the proposed order. The Chief Operating Officer shall provide written notice of the Council meeting to the hearings officer and participants at the hearing before the hearings officer, and shall post notice of the hearing at Metro's website, at least 10 days prior to the meeting.~~

~~——(u)—— The Council shall consider the hearings officer's report and recommendation at the meeting set by the Chief Operating Officer. The Council will allow oral and written argument by participants in the proceedings before the hearings officer. The argument must be based upon the record of those proceedings. Final Council action shall be as provided in Section 2.05.045 of the Metro Code. The Council shall adopt the order, or ordinance if the Council decides to expand the UGB, within 15 days after the Council's consideration of the hearings officer's proposed order.~~

~~——(v)—— The Council may approve expansion of the UGB to include land outside the Metro jurisdictional boundary only upon a written agreement with the local government that exercises land use planning authority over the subject land that the local government will apply the interim protection requirements set forth in Section 3.07.1110 of the Metro Code until Metro annexes the subject land to Metro. A city or county may approve an amendment to its comprehensive plan, pursuant to Section 3.07.1120 of the Metro Code so long as the amendment does not become effective until Metro annexes the subject land to Metro.~~

3.01.030 Major Amendments—Criteria

~~—(a)— The purpose of the major amendment process is to provide a mechanism to address needs for land that were not anticipated in the last analysis of buildable land supply under ORS 197.299(1) and cannot wait until the next analysis. Land may be added to the UGB under this section only for the following purposes: public facilities and services, public schools, natural areas, land trades and other non-housing needs.~~

~~—(b)— The applicant shall demonstrate that the proposed amendment to the UGB will provide for an orderly and efficient transition from rural to urban land use and complies with the criteria and factors in subsections (b), (c) and (d) of Section 3.01.020 of this chapter. The applicant shall also demonstrate that:~~

~~—(1)— The proposed uses of the subject land would be compatible, or through measures can be made compatible, with uses of adjacent land;~~

~~—(2)— The amendment will not result in the creation of an island of urban land outside the UGB or an island of rural land inside the UGB; and~~

~~—(3)— If the amendment would add land for public school facilities, a conceptual school plan as described in Section 3.07.1120(f) has been completed.~~

~~—(c)— If the Council incidentally adds land to the UGB for housing in order to facilitate a trade, the Council shall designate the land to allow an average density of at least 10 units per net developable acre or such other density that is consistent with the 2040 Growth Concept plan designation for the area.~~

3.01.033 Minor Adjustments—Procedures

~~—(a)— A city, a county, a special district, Metro or a property owner may initiate a minor adjustment to the UGB by filing an application on a form provided by Metro. The application shall include a list of the names and addresses of owners of property within 100 feet of the land involved in the application. The application shall also include the positions on the application of appropriate local governments and special districts, in the manner required by Section 3.01.025(d).~~

~~—(b)— The Chief Operating Officer will determine whether an application is complete and shall notify the applicant of the determination within ten working days after the filing of the application. If the application is not complete, the applicant shall complete it within 14 days of notice of incompleteness. The Chief Operating Officer will dismiss an application and return application fees if a complete application is not received within 14 days of the notice of incompleteness.~~

~~—(c)— Notice to the public of a proposed minor adjustment of the UGB shall be provided as prescribed in Section 3.01.050 of this chapter.~~

~~———— (d) ——— The Chief Operating Officer shall review the application for compliance with the criteria in Section 3.01.035 of this chapter and shall issue an order with analysis and conclusions within 90 days of receipt of a complete application. The Chief Operating Officer shall send a copy of the order to the applicant, the city or county with jurisdiction over the land that is the subject of the application, to each member of the Council and any person who requests a copy.~~

~~———— (e) ——— The applicant or any person who commented on the application may appeal the Chief Operating Officer's order to the Metro Council by filing an appeal on a form provided by Metro within 14 days after receipt of the order. A member of the Council may request in writing within 14 days of receipt of the order that the decision be reviewed by the Council. The Council shall consider the appeal or Councilor referral at a public hearing held not more than 60 days following receipt of a timely appeal or referral.~~

~~———— (f) ——— Notice to the public of a Council hearing on a proposed minor adjustment to the UGB shall be provided as prescribed in Section 3.01.050 of this chapter.~~

~~———— (g) ——— Following the hearing, the Council shall uphold, deny or modify the Chief Operating Officer's order. The Council shall issue an order with its analysis and conclusions and send a copy to the appellant, the city or county with jurisdiction over the land that is the subject of the application and any person who requests a copy.~~

~~3.01.035 Minor Adjustments – Criteria~~

~~———— (a) ——— The purpose of this section is to provide a mechanism to make small changes to the UGB in order to make it function more efficiently and effectively. It is not the purpose of this section to add land to the UGB to satisfy a need for housing or employment. This section establishes criteria that embody state law and Regional Framework Plan policies applicable to minor adjustments.~~

~~———— (b) ——— Metro may adjust the UGB under this section only for the following reasons: (1) to site roads and lines for public facilities and services; (2) to trade land outside the UGB for land inside the UGB; or (3) to make the UGB coterminous with nearby property lines or natural or built features.~~

~~———— (c) ——— To make a minor adjustment to site a public facility line or road, or to facilitate a trade, Metro shall find that:~~

~~———— (1) ——— The adjustment will result in the addition to the UGB of no more than two net acres for a public facility line or road and no more than 20 net acres in a trade;~~

~~———— (2) ——— Adjustment of the UGB will make the provision of public facilities and services more efficient or less costly;~~

~~———— (3) ——— Urbanization of the land added by the adjustment would have no more adverse environmental, energy, economic or social consequences than urbanization of land within the existing UGB;~~

~~(4) Urbanization of the land added by the adjustment would have no more adverse effect upon agriculture or forestry than urbanization of land within the existing UGB;~~

~~(5) The adjustment will help achieve the 2040 Growth Concept;~~

~~(6) The adjustment will not result in an island of urban land outside the UGB or an island of rural land inside the UGB; and~~

~~(7) If the adjustment is to facilitate a trade, the adjustment would not add land to the UGB that is currently designated for agriculture or forestry pursuant to a statewide planning goal.~~

~~(d) To approve a minor adjustment to make the UGB coterminous with property lines, natural or built features, Metro shall find that:~~

~~(1) The adjustment will result in the addition of no more than two net acres to the UGB;~~

~~(2) Urbanization of the land added by the adjustment would have no more adverse environmental, energy, economic or social consequences than urbanization of land within the existing UGB;~~

~~(3) Urbanization of the land added by the adjustment would have no more adverse effect upon agriculture or forestry than urbanization of land within the existing UGB;~~

~~(4) The adjustment will help achieve the 2040 Growth Concept; and~~

~~(5) The adjustment will not result in an island of urban land outside the UGB or an island of rural land inside the UGB.~~

~~(e) Where the UGB is intended to be coterminous with the 100-year floodplain, as indicated on the map of the UGB maintained by Metro's Data Resource Center, Metro may adjust the UGB in order to conform it to a more recent delineation of the floodplain. To approve such an adjustment, Metro shall find that:~~

~~(1) The delineation was done by a professional engineer registered by the State of Oregon;~~

~~(2) The adjustment will result in the addition of no more than 20 net acres to the UGB;~~

~~(3) The adjustment will help achieve the 2040 Growth Concept; and~~

~~(4) The adjustment will not result in an island of urban land outside the UGB or an island of rural land inside the UGB.~~

~~(f) If a minor adjustment adds more than two acres of land available for housing to the UGB, Metro shall designate the land to allow an average density of at least 10 units per net developable acre or such other density that is consistent with the 2040 Growth Concept designation for the area.~~

~~(g) The Chief Operating Officer shall submit a report to the Council at the end of each calendar year with an analysis of all minor adjustments made during the year. The report shall demonstrate how the adjustments, when considered cumulatively, are consistent with and help achieve the 2040 Growth Concept.~~

3.01.040 Conditions of Approval

~~(a) Land added to the UGB by legislative amendment pursuant to Section 3.01.015 or by major amendment pursuant to Section 3.01.025 shall be subject to the requirements of Title 11, Planning for New Urban Areas, of the Urban Growth Management Functional Plan (Metro Code Chapter 3.07.1105, et seq.).~~

~~(b) Unless a comprehensive plan amendment has been previously approved for the land pursuant to Section 3.01.012(c), when the Council adopts a legislative or major amendment to the UGB, the Council shall:~~

~~(1) In consultation with affected local governments, designate the city or county responsible for adoption of amendments to comprehensive plans and land use regulations to allow urbanization of each area added to the UGB, pursuant to Title 11. If local governments have an adopted agreement that establishes responsibility for adoption of amendments to comprehensive plans and land use regulations for the area, the Council shall assign responsibility according to the agreement.~~

~~(2) Establish the 2040 Growth Concept design type designations applicable to the land added to the UGB, including the specific land need, if any, that is the basis for the amendment. If the design type designation authorizes housing, the Council shall designate the land to allow an average density of at least 10 units per net developable acre or such other density that is consistent with the design type.~~

~~(3) Establish the boundaries of the area that shall be included in the planning required by Title 11. The boundary of the planning area may include all or part of one or more designated urban reserves.~~

~~(4) Establish the time period for city or county compliance with the requirements of Title 11, which shall not be less than two years following the effective date of the ordinance adding the area to the UGB.~~

~~———— (c) ——— When it adopts a legislative or major amendment to the UGB, the Council may establish conditions that it deems necessary to ensure that the addition of land complies with state planning laws and the Regional Framework Plan. If a city or county fails to satisfy a condition, the Council may enforce the condition after following the notice and hearing process set forth in Section 3.07.870 of the Urban Growth Management Functional Plan.~~

~~3.01.045 Fees~~

~~———— (a) ——— Each application submitted by a property owner or group of property owners pursuant to this chapter shall be accompanied by a filing fee in an amount to be established by resolution of the Council. Such fees shall not exceed the actual costs of Metro to process an application. The filing fee shall include administrative costs and the cost of hearings officer and of public notice.~~

~~———— (b) ——— The fees for costs shall be charged from the time an application is filed through mailing of the notice of adoption or denial to the Department of Land Conservation and Development and other interested persons.~~

~~———— (c) ——— Before a hearing is scheduled, an applicant shall submit a fee deposit.~~

~~———— (d) ——— The unexpended portion of an applicant's deposit, if any, shall be returned to the applicant at the time of final disposition of the application. If hearings costs exceed the amount of the deposit, the applicant shall pay to Metro an amount equal to the costs in excess of the deposit prior to final action by the Council.~~

~~———— (e) ——— The Council may, by resolution, reduce, refund or waive the fee, or portion thereof, if it finds that the fee would create an undue hardship for the applicant.~~

~~3.01.050 Notice Requirements~~

~~———— (a) ——— For a proposed legislative amendment under Section 3.01.015, the Chief Operating Officer shall provide notice of the hearings in the following manner:~~

~~———— (1) ——— In writing to the director of the Department of Land Conservation and Development at least 45 days before the first public hearing on the proposal;~~

~~———— (2) ——— In writing to the local governments of the Metro area at least 30 days before the first public hearing on the proposal; and~~

~~———— (3) ——— To the general public by an advertisement no smaller than 1/8 page in a newspaper of general circulation in the Metro area and by posting notice on the Metro website.~~

~~———— (b) ——— For a proposed major amendment under Section 3.01.025, the Chief Operating Officer shall provide notice of the hearing in the following manner:~~

- ~~(1) In writing at least 45 days before the first public hearing on the proposal to:
 - ~~(A) The applicant;~~
 - ~~(B) The director of the Department of Land Conservation and Development;~~
 - ~~(C) The owners of property that is being considered for addition to the UGB; and~~
 - ~~(D) The owners of property within 250 feet of property that is being considered for addition to the UGB, or within 500 feet of the property if it is designated for agriculture or forestry pursuant to a statewide planning goal;~~~~
- ~~(2) In writing at least 30 days before the first public hearing on the proposal to:
 - ~~(A) The local governments of the Metro area;~~
 - ~~(B) A neighborhood association, community planning organization, or other organization for citizen involvement whose geographic area of interest includes or is adjacent to the subject property and which is officially recognized as entitled to participate in land use decisions by the cities and counties whose jurisdictional boundaries include or are adjacent to the site, and to any other person who requests notice of amendments to the UGB; and~~~~
- ~~(3) To the general public by posting notice on the Metro website at least 30 days before the first public hearing on the proposal.~~
- ~~(c) The notice required by subsections (a) and (b) of this section shall include:
 - ~~(1) A map showing the location of the area subject to the proposed amendment;~~
 - ~~(2) The time, date and place of the hearing;~~
 - ~~(3) A description of the property reasonably calculated to give notice as to its actual location, with street address or other easily understood geographical reference if available;~~
 - ~~(4) A statement that interested persons may testify and submit written comments at the hearing;~~~~

- ~~(5) The name of the Metro staff to contact and telephone number for more information;~~
- ~~(6) A statement that a copy of the written report and recommendation of the Chief Operating Officer on the proposed amendment will be available at reasonable cost 20 days prior to the hearing; and~~
- ~~(7) A general explanation of the criteria for the amendment, the requirements for submission of testimony and the procedure for conduct of hearings;~~
- ~~(8) For proposed major amendments only:
 - ~~(A) An explanation of the proposed boundary change;~~
 - ~~(B) A list of the applicable criteria for the proposal; and~~
 - ~~(C) A statement that failure to raise an issue at the hearing, orally or in writing, or failure to provide sufficient specificity to afford the decision maker an opportunity to respond to the issue precludes an appeal based on the issue.~~~~
- ~~(9) For the owners of property described in paragraph (b)(1)(C) of this section, the information required by ORS 268.393(3).~~
- ~~(d) For a proposed minor adjustment under Section 3.01.033, the Chief Operating Officer shall provide notice in the following manner:
 - ~~(1) In writing to the director of the Department of Land Conservation and Development at least 45 days before the issuance of an order on the proposal;~~
 - ~~(2) In writing at least 20 days before the issuance of an order on the proposal to:
 - ~~(A) The applicant and the owners of property subject to the proposed adjustment;~~
 - ~~(B) The owners of property within 500 feet of the property subject to the proposed adjustment;~~
 - ~~(C) The local governments in whose planning jurisdiction the subject property lies or whose planning jurisdiction lies adjacent to the subject property;~~
 - ~~(D) Any neighborhood association, community planning organization, or other organization for citizen involvement whose geographic~~~~~~

~~area of interest includes the area subject to the proposed amendment and which is officially recognized as entitled to participate in land use decisions by the city or county whose jurisdictional boundary includes the subject property; and~~

~~(E) Any other person requesting notification of UGB changes.~~

~~(e) The notice required by subsection (d) of this section shall include:~~

~~(1) A map showing the location of the area subject to the proposed amendment;~~

~~(2) A description of the property reasonably calculated to give notice as to its actual location, with street address or other easily understood geographical reference if available;~~

~~(3) A statement that interested persons may submit written comments and the deadline for the comments;~~

~~(4) The name of the Metro staff to contact and telephone number for more information; and~~

~~(5) A list of the applicable criteria for the proposal.~~

~~(f) The Chief Operating Officer shall notify each county and city in the district of each amendment of the UGB.~~

~~3.01.055 Regular Review of Chapter~~

~~The procedures in this chapter shall be reviewed by Metro every five years, and can be modified by the Council at any time to correct any deficiencies which may arise.~~

~~3.01.060 Severability~~

~~Should a section, or portion of any section of this chapter, be held to be invalid or unconstitutional, the remainder of this chapter shall continue in full force and effect.~~

Exhibit L to Ordinance No. 10-1244

Title 14 is added to the Urban Growth Management Functional Plan

TITLE 14: URBAN GROWTH BOUNDARY

3.07.1405 Purpose

The Regional Framework Plan (RFP) calls for a clear transition from rural to urban development, an adequate supply of urban land to accommodate long-term population and employment, and a compact urban form. Title 14 prescribes criteria and procedures for amendments to the urban growth boundary (UGB) to achieve these objectives.

3.07.1410 Urban Growth Boundary

A. The UGB for the metropolitan area is incorporated into this title and is depicted on the Urban Growth Boundary and Urban and Rural Reserves Map. Cities and counties within the Metro boundary shall depict the portion of the UGB, if any, that lies within their boundaries on their comprehensive plan maps. Within 21 days after an amendment to the UGB under this title, the COO shall submit the amended UGB to the city and county in which the amended UGB lies. The city and county shall amend their comprehensive plan maps to depict the amended UGB within one year following receipt of the amendment from the COO.

B. Urban and Rural Reserves are depicted on the Urban Growth Boundary and Urban and Rural Reserves Map. Amendments to the UGB made pursuant to this title shall be based upon this map.

3.04.1420 Legislative Amendment to UGB - Procedures

A. Legislative amendments follow periodic analysis of the capacity of the UGB and the need to amend it to accommodate long-range growth in population and employment. The Metro Council shall initiate a legislative amendment to the UGB when required by state law and may initiate a legislative amendment when it determines there is a need to add land to the UGB.

B. Except as otherwise provided in this title, the Council shall make legislative amendments to the UGB by ordinance in the manner prescribed for ordinances in Chapter VII of the Metro Charter. For each legislative amendment, the Council shall establish a schedule of public hearings that allows for consideration of the proposed amendment by MPAC, other advisory committees and the general public.

C. Notice to the public of a proposed legislative amendment of the UGB shall be provided as prescribed in section 3.07.1465.

D. Prior to the final hearing on a proposed legislative amendment of the UGB in excess of 100 acres, the COO shall prepare a report on the effect of the proposed amendment on existing residential neighborhoods. The COO shall provide copies of the report to all households located

within one mile of the proposed amendment area and to all cities and counties within the district at least 20 days prior to the hearing. The report shall address:

1. Traffic patterns and any resulting increase in traffic congestion, commute times and air quality;
2. 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; and
3. The cost impacts on existing residents of providing needed public facilities and services, police and fire services, public schools, emergency services and parks and open spaces.

3.07.1425 Legislative Amendment to the UGB - Criteria

A. This section sets forth the factors and criteria for amendment of the UGB from state law and the Regional Framework Plan. Compliance with this section shall constitute compliance with statewide planning Goal 14 (Urbanization) and the Regional Framework Plan.

B. The Council shall determine whether there is a need to amend the UGB. In determining whether a need exists, the Council may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need. The Council's determination shall be based upon:

1. Demonstrated need to accommodate future urban population, consistent with a 20-year population range forecast coordinated with affected local governments; and
2. Demonstrated need for land suitable to accommodate housing, employment opportunities, livability or uses such as public facilities and services, schools, parks, open space, or any combination of the foregoing in this paragraph; and
3. A demonstration that any need shown under paragraphs 1 and 2 of this subsection cannot reasonably be accommodated on land already inside the UGB.

C. If the Council determines there is a need to amend the UGB, the Council shall evaluate areas designated urban reserve for possible addition to the UGB and shall determine which areas better meet the need considering the following factors:

1. Efficient accommodation of identified land needs;
2. Orderly and economic provision of public facilities and services;
3. Comparative environmental, energy, economic and social consequences; and
4. Compatibility of proposed urban uses with nearby agricultural and forest activities occurring on land outside the UGB designated for agriculture or forestry pursuant to a statewide planning goal.

5. Equitable and efficient distribution of housing and employment opportunities throughout the region;
6. Contribution to the purposes of Centers and Corridors;
7. Protection of farmland that is most important for the continuation of commercial agriculture in the region;
8. Avoidance of conflict with regionally significant fish and wildlife habitat; and
9. Clear transition between urban and rural lands, using natural and built features to mark the transition.

D. The Council may consider land not designated urban or rural reserve for possible addition to the UGB only if it determines that:

1. Land designated urban reserve cannot reasonably accommodate the need established pursuant to subsection B of this section; or
2. The land is subject to a concept plan approved pursuant to section 3.07.1110 of this chapter, involves no more than 50 acres not designated urban or rural reserve and will help the concept plan area urbanize more efficiently and effectively.

E. The Council may not add land designated rural reserve to the UGB.

F. The Council may not amend the UGB in such a way that would create an island of urban land outside the UGB or an island of rural land inside the UGB.

3.07.1430 Major Amendments - Procedures

A. A city, a county, a special district or a property owner may initiate a major amendment to the UGB by filing an application on a form provided by Metro. The COO will accept applications for major amendments between February 1 and March 15 of each calendar year except that calendar year in which the Council is completing its analysis of buildable land supply under ORS 197.299. Upon a request by a Metro Councilor and a finding of good cause, the Metro Council may accept an application at other times by a vote of five members of the Council.

B. Except for that calendar year in which the Council is completing its analysis of buildable land supply, the COO shall give notice of the March 15 deadline for applications for major amendments not less than 120 days before the deadline and again 90 days before the deadline in a newspaper of general circulation in Metro and in writing to each city and county in Metro and anyone who has requested notification. The notice shall explain the consequences of failure to file before the deadline and shall specify the Metro representative from whom additional information may be obtained.

C. With the application, the applicant shall provide the names and addresses of property owners for notification purposes, consistent with section 3.07.1465. The list shall be certified as true and accurate as of the specified date by a title company, a county assessor or designate of the assessor or the applicant.

D. The applicant shall provide a written statement from the governing body of each city or county with land use jurisdiction over the area and any special district that has an agreement with that city or county to provide an urban service to the area that it recommends approval or denial of the application. The Council may waive this requirement if the city, county or special district has a policy not to comment on major amendments, or has not adopted a position within 120 days after the applicant's request for the statement. The governing body of a local government may delegate the decision to its staff.

E. The COO will determine whether an application is complete and will notify the applicant of the determination within seven working days after the filing of the application. The COO will dismiss an application and return application fees if a complete application is not received within the 14 days after the notice of incompleteness.

F. Within 14 days after receipt of a complete application, the COO will:

1. Set the matter for a public hearing before a hearings officer for a date no later than 55 days following receipt of a complete application; and
2. Notify the public of the public hearing as prescribed in section 3.07.1465 of this title.

G. The COO shall submit a report and recommendation on the application to the hearings officer not less than 15 days before the hearing and send copies to the applicant and others who have requested copies. Any subsequent report by the COO to be used at the hearing shall be available to the public at least seven days prior to the hearing.

H. If the proposed major amendment would add more than 100 acres to the UGB, the COO shall prepare a report on the effect of the proposed amendment on existing residential neighborhoods in the manner prescribed in subsection D of section 3.07.1420.

I. An applicant may request postponement of the hearing within 20 days after filing a complete application. The COO may postpone the hearing for no more than 60 days. If the applicant fails to request rescheduling within 90 days after the request for postponement, the application shall be considered withdrawn and the COO will return the unneeded portion of the fee deposit assessed pursuant to section 3.07.1460.

J. Participants at a hearing before a hearings officer need not be represented by an attorney. If a person wishes to represent an organization orally or in writing, the person must show the date of the meeting at which the organization adopted the position presented and authorized the person to represent it.

K. Failure of the applicant to appear at the hearing shall be grounds for dismissal of the application unless the applicant requests a continuance prior to the hearing. The applicant has the burden of demonstrating that the proposed amendment complies with the criteria.

L. The hearings officer shall provide the following information to participants at the beginning of the hearing:

1. The criteria applicable to major amendments and the procedures for the hearing;
2. A statement that testimony and evidence must be directed toward the applicable criteria or other criteria the person believes apply to the proposal; and
3. A statement that failure to raise an issue in a manner sufficient to afford the hearings officer and participants an opportunity to respond to the issue precludes appeal of that issue.

M. The hearing shall be conducted in the following order:

1. Presentation of the report and recommendation of the COO;
2. Presentation of evidence and argument by the applicant;
3. Presentation of evidence and argument in support of or opposition to the application by other participants; and
4. Presentation of rebuttal evidence and argument by the applicant.

N. The hearings officer may grant a request to continue the hearing or to leave the record open for presentation of additional evidence upon a demonstration that the evidence could not have been presented during the hearing. If the hearings officer grants a continuance, the hearing shall be continued to a date, time and place certain at least seven days from the date of the initial evidentiary hearing. A reasonable opportunity shall be provided at the continued hearing for persons to present and rebut new evidence.

O. If new evidence is submitted at the continued hearing, the hearings officer may grant a request, made prior to the conclusion of the continued hearing, to leave the record open to respond to the new evidence. If the hearings officer grants the request, the record shall be left open for at least seven days. Any participant may respond to new evidence during the period the record is left open.

P. Cross-examination by parties shall be by submission of written questions to the hearings officer, who shall give participants an opportunity to submit such questions prior to closing the hearing. The hearings officer may set reasonable time limits for oral testimony and may exclude or limit cumulative, repetitive, or immaterial testimony.

Q. A verbatim record shall be made of the hearing, but need not be transcribed unless necessary for appeal.

R. The hearings officer may consolidate applications for hearing after consultation with Metro staff and applicants. If the applications are consolidated, the hearings officer shall prescribe rules to avoid duplication or inconsistent findings, protect the rights of all participants, and allocate the charges on the basis of cost incurred by each applicant.

S. Within 15 days following the close of the record, the hearings officer shall submit a proposed order, with findings of fact and conclusions of law and the record of the hearing, to the COO, who shall make it available for review by participants.

T. Within seven days after receipt of the proposed order from the hearings officer, the COO shall set the date and time for consideration of the proposed order by the Council, which date shall be no later than 40 days after receipt of the proposed order. The COO shall provide written notice of the Council meeting to the hearings officer and participants at the hearing before the hearings officer, and shall post notice of the hearing at Metro's website, at least 10 days prior to the meeting.

U. The Council shall consider the hearings officer's report and recommendation at the meeting set by the COO. The Council will allow oral and written argument by those who participated in the hearing before the hearings officer. Argument must be based upon the record of those proceedings. Final Council action shall be as provided in section 2.05.045 of the Metro Code. The Council shall adopt the order, or ordinance if the Council decides to expand the UGB, within 15 days after the Council's consideration of the hearings officer's proposed order.

3.07.1435 Major Amendments – Expedited Procedures

A. The COO may file an application at any time to add land to the UGB for industrial use, pursuant to section 3.07.460, by major amendment following the expedited procedures in this section. The application under this section remains subject to subsections C, D, H, M and Q of section 3.07.1430.

B. Within 10 days after receipt of a complete application, the Council President will:

1. Set the matter for a public hearing before the Council for a date no later than 55 days following receipt of a complete application; and
2. Notify the public of the public hearing as prescribed in section 3.07.1465.

C. The COO shall submit a report and recommendation on the application to the Council not less than 15 days before the hearing and send copies to those who have requested copies. Any subsequent report by the COO to be used at the hearing shall be available to the public at least seven days prior to the hearing.

D. Participants at the hearing need not be represented by an attorney. If a person wishes to represent an organization orally or in writing, the person must show the date of the meeting at which the organization adopted the position presented and authorized the person to represent it.

E. The Council President shall provide the following information to participants at the beginning of the hearing:

1. The criteria applicable to major amendments and the procedures for the hearing;
2. A statement that testimony and evidence must be directed toward the applicable criteria or other criteria the person believes apply to the proposal.

F. The Council President may grant a request to continue the hearing or to leave the record open for presentation of additional evidence upon a demonstration that the evidence could not have been presented during the hearing. If the Council President grants a continuance, the hearing shall be continued to a date, time and place certain at least seven days from the date of the initial evidentiary hearing. A reasonable opportunity shall be provided at the continued hearing for persons to present and rebut new evidence.

G. If new evidence is submitted at the continued hearing, the Council President may grant a request, made prior to the conclusion of the continued hearing, to leave the record open to respond to the new evidence. If the Council President grants the request, the record shall be left open for at least seven days. Any participant may respond to new evidence during the period the record is left open.

H. The Council President may set reasonable time limits for oral testimony and may exclude or limit cumulative, repetitive, or immaterial testimony.

I. Within 15 days following the close of the record, the Council shall adopt:

1. An ordinance, with findings of fact and conclusions of law, that amends the UGB to add all or a portion of the territory described in the application; or
2. A resolution adopting an order, with findings of fact and conclusions of law, that denies the application.

3.07.1440 Major Amendments - Criteria

A. The purpose of the major amendment process is to provide a mechanism to address needs for land that cannot wait until the next analysis of buildable land supply under ORS 197.299. Land may be added to the UGB under sections 3.07.1430 and 3.07.1440 only for public facilities and services, public schools, natural areas and other non-housing needs and as part of a land trade under subsection D. An applicant under section 3.07.1430 must demonstrate compliance with this purpose and these limitations.

B. The applicant shall demonstrate that the proposed amendment to the UGB will provide for an orderly and efficient transition from rural to urban land use and complies with the criteria

and factors in subsections B, C, D, E, F and G of section 3.07.1425. The applicant shall also demonstrate that:

1. The proposed uses of the subject land would be compatible, or through measures can be made compatible, with uses of adjacent land;
2. If the amendment would add land for public school facilities, the coordination required by subsection C(5) of section 3.07.1120 of this chapter has been completed; and
3. If the amendment would add land for industrial use pursuant to section 3.07.1435, a large site or sites cannot reasonably be created by land assembly or reclamation of a brownfield site.

C. If the application was filed under section 3.07.1435, the applicant shall demonstrate that the amendment is consistent with any concept plan for the area developed pursuant to section 3.07.1110 of this chapter.

D. To facilitate implementation of the Metropolitan Greenspaces Master Plan of 1992, the Council may add land to the UGB in a trade that removes a nearly equal amount of land from the UGB. If the Council designates the land to be added for housing, it shall designate an appropriate average density per net developable acre.

3.07.1445 Minor Adjustments - Procedures

A. Minor adjustments make small changes to the UGB so that land within the UGB functions more efficiently and effectively. A city, a county, a special district, Metro or a property owner may initiate a minor adjustment to the UGB by filing an application on a form provided by Metro. The application shall include a list of the names and addresses of owners of property within 100 feet of the land involved in the application. The application shall also include the positions on the application of appropriate local governments and special districts, in the manner required by subsection D of section 3.07.1430.

B. The COO will determine whether an application is complete and shall notify the applicant of the determination within ten working days after the filing of the application. If the application is not complete, the applicant shall complete it within 14 days of notice of incompleteness. The COO will dismiss an application and return application fees if a complete application is not received within 14 days of the notice of incompleteness.

C. Notice to the public of a proposed minor adjustment of the UGB shall be provided as prescribed in section 3.07.1465.

D. The COO shall review the application for compliance with the criteria in section 3.07.1450 and shall issue an order with analysis and conclusions within 90 days of receipt of a complete application. The COO shall send a copy of the order to the applicant, the city or county with jurisdiction over the land that is the subject of the application, to each member of the Council and any person who requests a copy.

E. The applicant or any person who commented on the application may appeal the COO's order to the Council by filing an appeal on a form provided by Metro within 14 days after receipt of the order. A member of the Council may request in writing within 14 days of receipt of the order that the decision be reviewed by the Council. The Council shall consider the appeal or Councilor referral at a public hearing held not more than 60 days following receipt of a timely appeal or referral.

F. Notice to the public of a Council hearing on a proposed minor adjustment to the UGB shall be provided as prescribed in section 3.07.1465.

G. Following the hearing, the Council shall uphold, deny or modify the COO's order. The Council shall issue an order with its analysis and conclusions and send a copy to the appellant, the city or county with jurisdiction over the land that is the subject of the application and any person who requests a copy.

3.07.1450 Minor Adjustments - Criteria

A. The purpose of this section is to provide a mechanism to make small changes to the UGB in order to make land within it function more efficiently and effectively. It is not the purpose of this section to add land to the UGB to satisfy a need for housing or employment. This section establishes criteria that embody state law and Regional Framework Plan policies applicable to minor adjustments.

B. Metro may adjust the UGB under this section only for the following reasons: (1) to site roads and lines for public facilities and services; (2) to trade land outside the UGB for land inside the UGB; or (3) to make the UGB coterminous with nearby property lines or natural or built features.

C. To make a minor adjustment to site a public facility line or road, or to facilitate a trade, Metro shall find that:

1. The adjustment will result in the addition to the UGB of no more than two net acres for a public facility line or road and no more than 20 net acres in a trade;
2. Adjustment of the UGB will make the provision of public facilities and services easier or more efficient;
3. Urbanization of the land added by the adjustment would have no more adverse environmental, energy, economic or social consequences than urbanization of land within the existing UGB;
4. Urbanization of the land added by the adjustment would have no more adverse effect upon agriculture or forestry than urbanization of land within the existing UGB;
5. The adjustment will help achieve the 2040 Growth Concept;

6. The adjustment will not result in an island of urban land outside the UGB or an island of rural land inside the UGB; and
7. If the adjustment is to facilitate a trade, the adjustment would not add land to the UGB that is designated rural reserve or for agriculture or forestry pursuant to a statewide planning goal.

D. To approve a minor adjustment to make the UGB coterminous with property lines, natural or built features, Metro shall find that:

1. The adjustment will result in the addition of no more than two net acres to the UGB;
2. Urbanization of the land added by the adjustment would have no more adverse environmental, energy, economic or social consequences than urbanization of land within the existing UGB;
3. Urbanization of the land added by the adjustment would have no more adverse effect upon agriculture or forestry than urbanization of land within the existing UGB;
4. The adjustment will help achieve the 2040 Growth Concept; and
5. The adjustment will not result in an island of urban land outside the UGB or an island of rural land inside the UGB.

E. Where the UGB is intended to be coterminous with the 100-year floodplain, as indicated on the map of the UGB maintained by Metro's Data Resource Center, Metro may adjust the UGB in order to conform it to a more recent delineation of the floodplain. To approve such an adjustment, Metro shall find that:

1. The delineation was done by a professional engineer registered by the State of Oregon;
2. The adjustment will result in the addition of no more than 20 net acres to the UGB;
3. The adjustment will help achieve the 2040 Growth Concept; and
4. The adjustment will not result in an island of urban land outside the UGB or an island of rural land inside the UGB.

F. If a minor adjustment adds more than two acres of land available for housing to the UGB, Metro shall designate an appropriate average density per net developable acre for the area.

G. The COO shall submit a report to the Council at the end of each calendar year with an analysis of all minor adjustments made during the year. The report shall demonstrate how the adjustments, when considered cumulatively, are consistent with and help achieve the 2040 Growth Concept.

3.07.1455 Conditions of Approval

A. Land added to the UGB pursuant to sections 3.07.1420, 3.07.1430 and 3.07.1435 shall be subject to the requirements of sections 3.07.1120 and 3.07.1130 of this chapter.

B. If the Council amends the UGB pursuant to sections 3.07.1420, 3.07.1430 or 3.07.1435, it shall:

1. In consultation with affected local governments, designate the city or county responsible for adoption of amendments to comprehensive plans and land use regulations to allow urbanization of each area added to the UGB, pursuant to Title 11 of this chapter. If local governments have an agreement in a concept plan developed pursuant to Title 11 that establishes responsibility for adoption of amendments to comprehensive plans and land use regulations for the area, the Council shall assign responsibility according to the agreement.
2. Establish the 2040 Growth Concept design type designations applicable to the land added to the UGB, including the specific land need, if any, that is the basis for the amendment. If the design type designation authorizes housing, the Council shall designate an appropriate average density per net developable acre consistent with the need for which the UGB is expanded.
3. Establish the boundaries of the area that shall be included in the planning required by Title 11. A planning area boundary may include territory designated urban reserve, outside the UGB.
4. Establish the time period for city or county compliance with the requirements of Title 11, which shall be two years following the effective date of the ordinance adding the area to the UGB unless otherwise specified.

C. If the Council amends the UGB pursuant to sections 3.07.1420, 3.07.1430 or 3.07.1435, it may establish other conditions it deems necessary to ensure the addition of land complies with state planning laws and the Regional Framework Plan. If a city or county fails to satisfy a condition, the Council may enforce the condition after following the notice and hearing process set forth in section 3.07.850 of this chapter.

3.07.1460 Fees

A. Each application submitted by a property owner or group of property owners pursuant to this title shall be accompanied by a filing fee in an amount to be established by the Council. Such fee shall not exceed Metro's actual cost to process an application. The fee may include administrative costs, the cost of a hearings officer and of public notice.

B. The fee for costs shall be charged from the time an application is filed through mailing of the notice of adoption or denial to the Department of Land Conservation and Development and other interested persons.

C. Before a hearing is scheduled, an applicant shall submit a fee deposit. In the case of an application for a minor adjustment pursuant to section 3.07.1445, the applicant shall submit the fee deposit with the application.

D. The unexpended portion of an applicant's deposit, if any, shall be returned to the applicant at the time of final disposition of the application. If hearings costs exceed the amount of the deposit, the applicant shall pay to Metro an amount equal to the costs in excess of the deposit prior to final action by the Council.

E. The Council may, by resolution, reduce, refund or waive the fee, or portion thereof, if it finds that the fee would create an undue hardship for the applicant.

3.07.1465 Notice Requirements

A. For a proposed legislative amendment under section 3.07.1420, the COO shall provide notice of the public hearing in the following manner:

1. In writing to the Department of Land Conservation and Development and local governments of the Metro region at least 45 days before the first public hearing on the proposal; and
2. To the general public at least 45 days before the first public hearing by an advertisement no smaller than 1/8-page in a newspaper of general circulation in the Metro area and by posting notice on the Metro website.

B. For a proposed major amendment under sections 3.07.1430 or 3.07.1435, the COO shall provide notice of the hearing in the following manner:

1. In writing at least 45 days before the first public hearing on the proposal to:
 - a. The applicant;
 - b. The director of the Department of Land Conservation and Development;
 - c. The owners of property that is being considered for addition to the UGB; and
 - d. The owners of property within 250 feet of property that is being considered for addition to the UGB, or within 500 feet of the property if it is designated for agriculture or forestry pursuant to a statewide planning goal;
2. In writing at least 30 days before the first public hearing on the proposal to:
 - a. The local governments of the Metro area;
 - b. A neighborhood association, community planning organization, or other organization for citizen involvement whose geographic area of interest includes or

is adjacent to the subject property and which is officially recognized as entitled to participate in land use decisions by the cities and counties whose jurisdictional boundaries include or are adjacent to the site, and to any other person who requests notice of amendments to the UGB; and

3. To the general public by posting notice on the Metro website at least 30 days before the first public hearing on the proposal.

C. The notice required by subsections A and B of this section shall include:

1. A map showing the location of the area subject to the proposed amendment;
2. The time, date and place of the hearing;
3. A description of the property reasonably calculated to give notice as to its actual location, with street address or other easily understood geographical reference if available;
4. A statement that interested persons may testify and submit written comments at the hearing;
5. The name of the Metro staff to contact and telephone number for more information;
6. A statement that a copy of the written report and recommendation of the COO on the proposed amendment will be available at reasonable cost 20 days prior to the hearing; and
7. A general explanation of the criteria for the amendment, the requirements for submission of testimony and the procedure for conduct of hearings;
8. For proposed major amendments only:
 - a. An explanation of the proposed boundary change;
 - b. A list of the applicable criteria for the proposal; and
 - c. A statement that failure to raise an issue at the hearing, orally or in writing, or failure to provide sufficient specificity to afford the decision maker an opportunity to respond to the issue precludes an appeal based on the issue.
9. For the owners of property described in subsection B(1)(c) of this section, the information required by ORS 268.393(3).

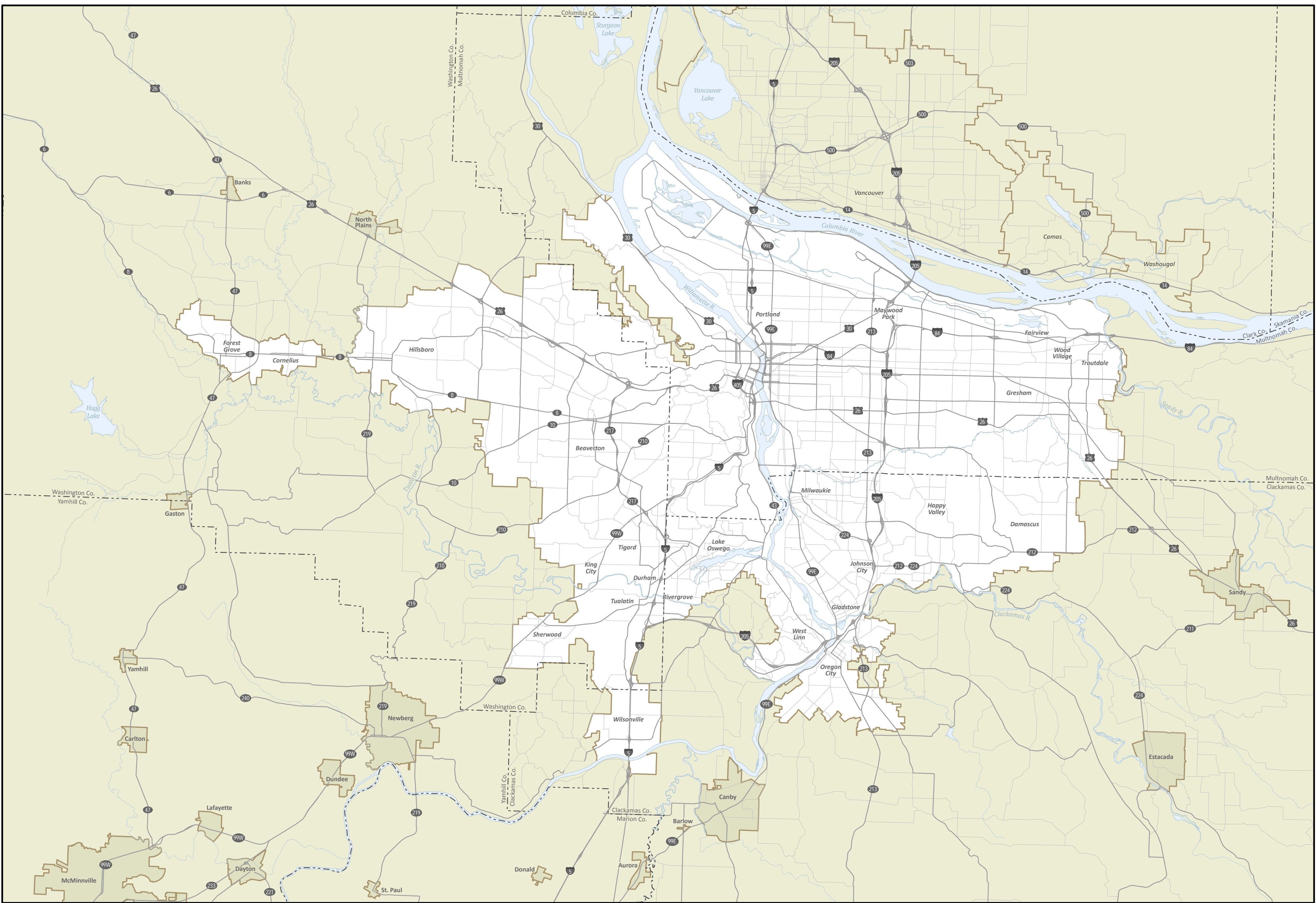
D. For a proposed minor adjustment under section 3.07.1445, the COO shall provide notice in the following manner:

1. In writing to the director of the Department of Land Conservation and Development at least 45 days before the issuance of an order on the proposal;
2. In writing at least 20 days before the issuance of an order on the proposal to:
 - a. The applicant and the owners of property subject to the proposed adjustment;
 - b. The owners of property within 500 feet of the property subject to the proposed adjustment;
 - c. The local governments in whose planning jurisdiction the subject property lies or whose planning jurisdiction lies adjacent to the subject property;
 - d. Any neighborhood association, community planning organization, or other organization for citizen involvement whose geographic area of interest includes the area subject to the proposed amendment and which is officially recognized as entitled to participate in land use decisions by the city or county whose jurisdictional boundary includes the subject property; and
 - e. Any other person requesting notification of UGB changes.

E. The notice required by subsection D of this section shall include:

1. A map showing the location of the area subject to the proposed amendment;
2. A description of the property reasonably calculated to give notice as to its actual location, with street address or other easily understood geographical reference if available;
3. A statement that interested persons may submit written comments and the deadline for the comments;
4. The name of the Metro staff to contact and telephone number for more information; and
5. A list of the applicable criteria for the proposal.

F. The COO shall notify each county and city in the district of each amendment of the UGB.



Title 14, Urban Growth Boundary

ORDINANCE 10-1244, EXHIBIT M
November 18, 2010






-  County boundaries
-  Urban growth boundaries
-  Neighbor cities



Exhibit N to Ordinance No. 10-1244

CHAPTER 3.09 LOCAL GOVERNMENT BOUNDARY CHANGES

3.09.010 Purpose and Applicability

The purpose of this chapter is to carry out the provisions of ORS 268.354. This chapter applies to all boundary changes within the boundaries of Metro or of urban reserves designated by Metro and any annexation of territory to the Metro boundary. Nothing in this chapter affects the jurisdiction of the Metro Council to amend the region's Urban Growth Boundary (UGB).

3.09.020 Definitions

As used in this chapter, unless the context requires otherwise:

A. "Adequate level of urban services" means a level of urban services adequate to support the higher number of dwelling units and jobs specified for the appropriate design type in section 3.07.640A of Title 6 of the Urban Growth Management Functional Plan, or in the ordinance adopted by the Metro Council that added the area to be incorporated, or any portion of it, to the UGB.

B. "Affected entity" means a county, city or district for which a boundary change is proposed or is ordered.

C. "Affected territory" means territory described in a petition.

D. "Boundary change" means a major or minor boundary change involving affected territory lying within the jurisdictional boundaries of Metro or the boundaries of urban reserves designated.

E. "Deliberations" means discussion among members of a reviewing entity leading to a decision on a proposed boundary change at a public meeting for which notice was given under this chapter.

F. "District" means a district defined by ORS 199.420 or any district subject to Metro boundary procedure act under state law.

G. "Final decision" means the action by a reviewing entity whether adopted by ordinance, resolution or other means which is the determination of compliance of the proposed boundary change with applicable criteria and which requires no further discretionary decision or action by the reviewing entity other than any required referral to electors. "Final decision" does not include resolutions, ordinances or other actions whose sole purpose is to refer the boundary change to electors or to declare the results of an election, or any action to defer or continue deliberations on a proposed boundary change.

H. "Major boundary change" means the formation, merger, consolidation or dissolution of a city or district.

I. "Minor boundary change" means an annexation or withdrawal of territory to or from a city or district or from a city-county to a city. "Minor boundary change" also means an extra-territorial extension of water or sewer service by a city or district. "Minor boundary change" does not mean withdrawal of territory from a district under ORS 222.520.

J. "Necessary party" means any county; city; district whose jurisdictional boundary or adopted urban service area includes any part of the affected territory or who provides any urban service to any portion of the affected territory; Metro; or any other unit of local government, as defined in ORS 190.003, that is a party to any agreement for provision of an urban service to the affected territory.

K. "Petition" means any form of action that initiates a boundary change.

L. "Reviewing entity" means the governing body of a city, county or Metro, or its designee.

M. "Urban reserve" means land designated by Metro pursuant to ORS 195.137 et seq. for possible addition to the UGB.

N. "Urban services" means sanitary sewers, water, fire protection, parks, open space, recreation and streets, roads and mass transit.

3.09.30 Notice Requirements

A. The notice requirements in this section apply to all boundary change decisions by a reviewing entity except expedited decisions made pursuant to section 3.09.045. These requirements apply in addition to, and do not supersede, applicable requirements of ORS Chapters 197, 198, 221 and 222 and any city or county charter provision on boundary changes.

B. Within 45 days after a reviewing entity determines that a petition is complete, the entity shall set a time for deliberations on a boundary change. The reviewing entity shall give notice of its proposed deliberations by mailing notice to all necessary parties, by weatherproof posting of the notice in the general vicinity of the affected territory, and by publishing notice in a newspaper of general circulation in the affected territory. Notice shall be mailed and posted at least 20 days prior to the date of deliberations. Notice shall be published as required by state law.

C. The notice required by subsection (b) shall:

1. Describe the affected territory in a manner that allows certainty;
2. State the date, time and place where the reviewing entity will consider the boundary change; and

3. State the means by which any person may obtain a copy of the reviewing entity's report on the proposal.
4. A reviewing entity may adjourn or continue its final deliberations on a proposed boundary change to another time. For a continuance later than 28 days after the time stated in the original notice, notice shall be reissued in the form required by subsection (b) of this section at least five days prior to the continued date of decision.
5. A reviewing entity's final decision shall be written and authenticated as its official act within 30 days following the decision and mailed or delivered to Metro and to all necessary parties. The mailing or delivery to Metro shall include payment to Metro of the filing fee required pursuant to section 3.09.060.

3.09.040 Requirements for Petitions

A. A petition for a boundary change must contain the following information:

1. The jurisdiction of the reviewing entity to act on the petition;
2. A map and a legal description of the affected territory in the form prescribed by the reviewing entity;
3. For minor boundary changes, the names and mailing addresses of all persons owning property and all electors within the affected territory as shown in the records of the tax assessor and county clerk; and
4. For boundary changes under ORS 198.855(3), 198.857, 222.125 or 222.170, statements of consent to the annexation signed by the requisite number of owners or electors.
5. A city, county and Metro may charge a fee to recover its reasonable costs to carry out its duties and responsibilities under this chapter.

3.09.045 Expedited Decisions

A. The governing body of a city or Metro may use the process set forth in this section for minor boundary changes for which the petition is accompanied by the written consents of one hundred percent of property owners and at least fifty percent of the electors, if any, within the affected territory. No public hearing is required.

B. The expedited process must provide for a minimum of 20 days' notice prior to the date set for decision to all necessary parties and other persons entitled to notice by the laws of the city or Metro. The notice shall state that the petition is subject to the expedited process unless a necessary party gives written notice of its objection to the boundary change.

C. At least seven days prior to the date of decision the city or Metro shall make available to the public a report that includes the following information:

1. The extent to which urban services are available to serve the affected territory, including any extra-territorial extensions of service;
2. Whether the proposed boundary change will result in the withdrawal of the affected territory from the legal boundary of any necessary party; and
3. The proposed effective date of the boundary change.

D. To approve a boundary change through an expedited process, the city shall:

1. Find that the change is consistent with expressly applicable provisions in:
 - a. Any applicable urban service agreement adopted pursuant to ORS 195.065;
 - b. Any applicable annexation plan adopted pursuant to ORS 195.205;
 - c. Any applicable cooperative planning agreement adopted pursuant to ORS 195.020(2) between the affected entity and a necessary party;
 - d. Any applicable public facility plan adopted pursuant to a statewide planning goal on public facilities and services;
 - e. Any applicable comprehensive plan; and
 - f. Any applicable concept plan; and
2. Consider whether the boundary change would:
 - a. Promote the timely, orderly and economic provision of public facilities and services;
 - b. Affect the quality and quantity of urban services; and
 - c. Eliminate or avoid unnecessary duplication of facilities or services.

E. A city may not annex territory that lies outside the UGB, except it may annex a lot or parcel that lies partially within and partially outside the UGB.

3.09.050 Hearing and Decision Requirements for Decisions Other Than Expedited Decisions

A. The following requirements for hearings on petitions operate in addition to requirements for boundary changes in ORS Chapters 198, 221 and 222 and the reviewing entity's charter, ordinances or resolutions.

B. Not later than 15 days prior to the date set for a hearing the reviewing entity shall make available to the public a report that addresses the criteria in subsection (d) and includes the following information:

1. The extent to which urban services are available to serve the affected territory, including any extra territorial extensions of service;
2. Whether the proposed boundary change will result in the withdrawal of the affected territory from the legal boundary of any necessary party; and
3. The proposed effective date of the boundary change.

C. The person or entity proposing the boundary change has the burden to demonstrate that the proposed boundary change meets the applicable criteria.

D. To approve a boundary change, the reviewing entity shall apply the criteria and consider the factors set forth in subsections (d) and (e) of section 3.09.045.

3.09.060 Ministerial Functions of Metro

A. Metro shall create and keep current maps of all service provider service areas and the jurisdictional boundaries of all cities, counties and special districts within Metro. The maps shall be made available to the public at a price that reimburses Metro for its costs. Additional information requested of Metro related to boundary changes shall be provided subject to applicable fees.

B. The Metro Chief Operating Officer (COO) shall cause notice of all final boundary change decisions to be sent to the appropriate county assessor and elections officer, the Oregon Secretary of State and the Oregon Department of Revenue. Notification of public utilities shall be accomplished as provided in ORS 222.005(1).

C. The COO shall establish a fee structure establishing the amounts to be paid upon filing notice of city or county adoption of boundary changes, and for related services. The fee schedule shall be filed with the Council Clerk and distributed to all cities, counties and special districts within the Metro region.

3.09.070 Changes to Metro's Boundary

A. Changes to Metro's boundary may be initiated by Metro or the county responsible for land use planning for the affected territory, property owners and electors in the territory to be annexed, or other public agencies if allowed by ORS 198.850(3). Petitions shall meet the requirements of section 3.09.040 above. The COO shall establish a filing fee schedule for petitions that shall reimburse Metro for the expense of processing and considering petitions. The fee schedule shall be filed with the Council.

B. Notice of proposed changes to the Metro boundary shall be given as required pursuant to section 3.09.030.

C. Hearings shall be conducted consistent with the requirements of section 3.09.050.

D. Changes to the Metro boundary may be made pursuant to the expedited process set forth in section 3.09.045.

E. The following criteria shall apply in lieu of the criteria set forth in subsection (d) of section 3.09.050. The Metro Council's final decision on a boundary change shall include findings and conclusions to demonstrate that:

1. The affected territory lies within the UGB;
2. The territory is subject to measures that prevent urbanization until the territory is annexed to a city or to service districts that will provide necessary urban services; and
3. The proposed change is consistent with any applicable cooperative or urban service agreements adopted pursuant to ORS Chapter 195 and any concept plan.

F. Changes to the Metro boundary that occur by operation of law pursuant to ORS 268.390(3)(b) are not subject to the procedures or criteria set forth in this section.

3.09.080 Incorporation of a City that Includes Territory within Metro's Boundary

A. A petition to incorporate a city that includes territory within Metro's boundary shall comply with the minimum notice requirements in section 3.09.030, the minimum requirements for a petition in section 3.09.040, and the hearing and decision requirements in subsections (a), (c), and (e) of section 3.09.050, except that the legal description of the affected territory required by section 3.09.040(a)(1) need not be provided until after the Board of County Commissioners establishes the final boundary for the proposed city.

B. A petition to incorporate a city that includes territory within Metro's jurisdictional boundary may include territory that lies outside Metro's UGB. However, incorporation of a city with such territory shall not authorize urbanization of that territory until the Metro Council includes the territory in the UGB pursuant to Metro Code Chapter 3.07.

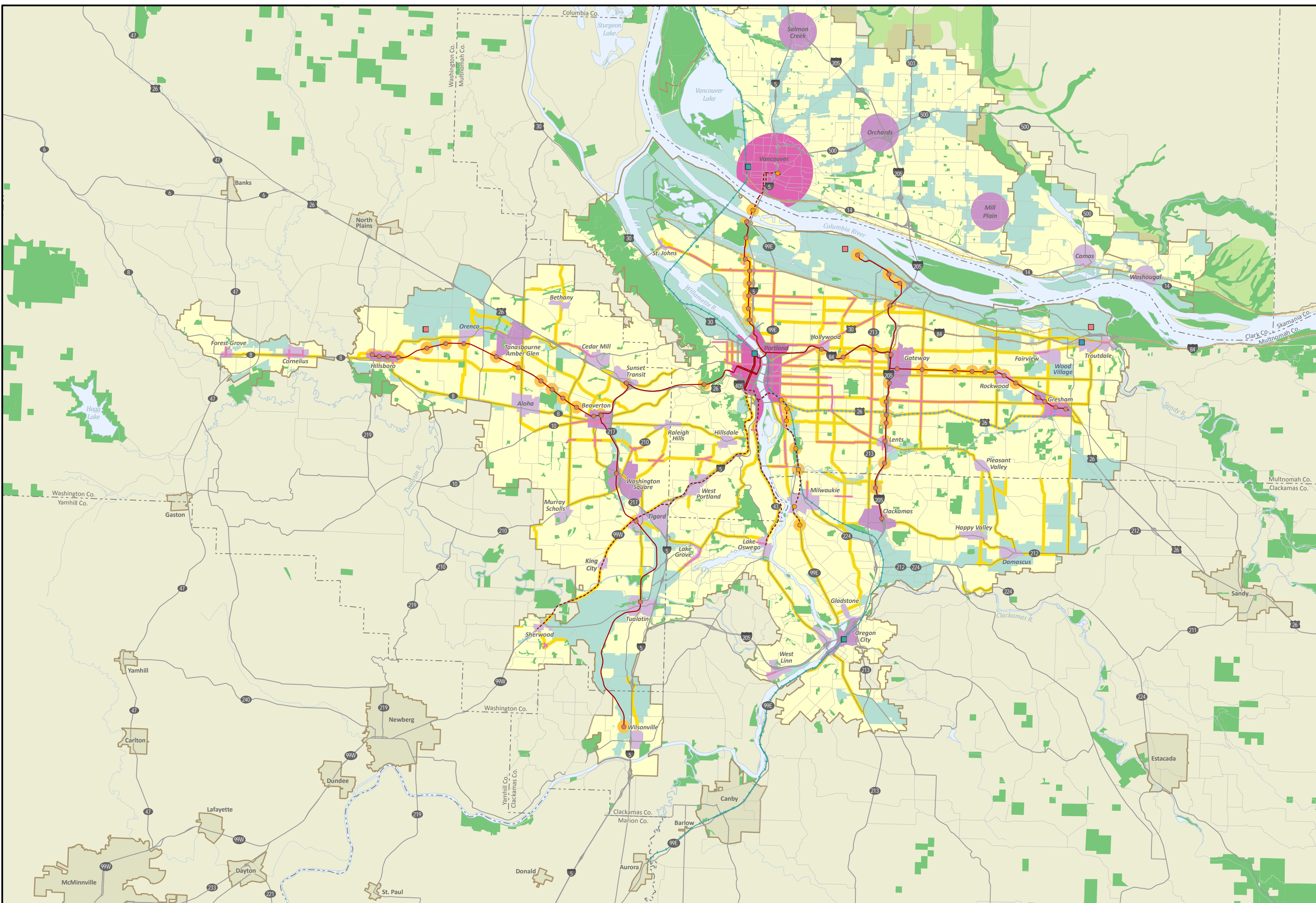
C. The following criteria shall apply in lieu of the criteria set forth in section 3.09.050(d). An approving entity shall demonstrate that:

1. Incorporation of the new city complies with applicable requirements of ORS 221.020, 221.031, 221.034 and 221.035;
2. The petitioner's economic feasibility statement must demonstrate that the city's proposed permanent rate limit would generate sufficient operating tax revenues to support an adequate level of urban services, as defined in this chapter and required by ORS 221.031; and

3. Any city whose approval of the incorporation is required by ORS 221.031(4) has given its approval or has failed to act within the time specified in that statute.

3.09.090 Extension of Services Outside UGB

Neither a city nor a district may extend water or sewer service from inside a UGB to territory that lies outside the UGB.



2040 Growth Concept Map

ORDINANCE 10-1244, EXHIBIT O
November 18, 2010



Overview: the Metro 2040 Growth Concept defines the form of regional growth and development for the Portland metropolitan region. The Growth Concept was adopted in December 1995 through the Region 2040 planning and public involvement process. This concept is intended to provide long-term growth management of the region.

The map highlights elements of parallel planning

efforts including: the 2035 Regional Transportation Plan that outlines investments in multiple modes of transportation, and a commitment to local policies and investments that will help the region better accommodate growth within its centers, corridors and employment areas.

For more information on these initiatives, visit <http://www.oregonmetro.gov/2040>

- | | | | |
|---------------------|-------------------------|---------------------------------------|-------------------------|
| Central city | Employment land | Existing high capacity transit | County boundaries |
| Regional center | Parks and natural areas | Planned high capacity transit | Urban growth boundaries |
| Town center | Neighborhood | Proposed high capacity transit tier 1 | Neighbor cities |
| Station communities | Main streets | Mainline freight | Airports |
| | Corridors | High speed rail | Intercity rail terminal |



STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 10-1244, FOR THE PURPOSE OF MAKING A GREAT PLACE AND PROVIDING CAPACITY FOR HOUSING AND EMPLOYMENT TO THE YEAR 2030; AMENDING THE REGIONAL FRAMEWORK PLAN AND THE METRO CODE; AND DECLARING AN EMERGENCY

Date: November 19, 2010

Prepared by: John Williams (503) 797-1635
Richard Benner
Chris Deffebach
Sherry Oeser
Ted Reid
Gerry Uba

Introduction

Purposes of the proposed legislation

Proposed Ordinance No. 10-1244 and its exhibits are intended to fulfill five primary purposes that are described in more detail in this report (section numbers refer to sections of this report, not the ordinance).

Section 1: Recommendations for residential capacity (to narrow the household forecast range and identify the actions that will address at least half the capacity gap identified in the 2009 UGR);

Section 2: Recommendations for employment capacity (to narrow the employment forecast range and to state an intent to add large-lot industrial capacity in 2011);

Section 3: Recommended amendments to the Regional Framework Plan, which articulates Metro Council policies;

Section 4: Recommended amendments to the Metro Code, which is intended to implement the regional vision, and;

Section 5: Recommended amendments to maps, including the 2040 Growth Concept map, the Title 4 map (Industrial and Other Employment Areas), the Title 6 map (Centers, Corridors, Station Communities and Main Streets), and the Title 14 map (Urban Growth Boundary).

Refinement of August 2010 Chief Operating Officer recommendation

In August 2010, Metro's Chief Operating Officer (COO) made a preliminary recommendation to the Metro Council on the contents of Ordinance No. 10-1244. Additional technical details on the topics summarized in this memo can be found in the August 2010 Growth Management Assessment. Since that recommendation was released, there have been a number of discussions at MPAC, MTAC, the Metro Council, amongst stakeholders, and with the general public. The version of Ordinance 10-1244 that is included in this legislative packet reflects staff's synthesis of input received to date. Its main components and staff's reasoning are described in this staff report.

MPAC recommendation

On November 17, 2010, MPAC unanimously recommended that the Council adopt Ordinance 10-1244. MPAC comments on specific portions of the proposed ordinance are noted throughout this staff report.

Public comment period and public hearings

On Aug. 10, 2010, Metro's COO released a set of recommendations in a report entitled, "Community Investment Strategy: Building a sustainable, prosperous and equitable region." A public comment period ran until Oct. 1, 2010.¹

A wide range of views were submitted from across the region in response to the COO recommendations. During the comment period, Metro staff engaged in a coordinated outreach and engagement strategy that included more than 30 stakeholder meetings, website and e-mail information distribution, media releases, newsfeeds and Twitter feeds, seven open houses, a non-scientific online survey, and compilation of letter and e-mail correspondence relating to the Community Investment Strategy and urban growth boundary expansion options. In all, Metro received more than 600 survey entries, 55 e-mails, 16 letters and 10 other public comments.

In advance of the Metro Council's December 16, 2010 decision on Ordinance No. 10-1244, the Council will hold four public hearings:

November 29: Oregon City
December 2: Hillsboro
December 9: Metro Regional Center
December 16: Metro Regional Center

¹ A report on public comments received is available on Metro's website at:
http://library.oregonmetro.gov/files//11173_cis-ugb_comment_report_final.pdf

Background on the regional capacity assessment

Statutory requirements

Oregon land use law requires that, every five years, Metro assess the region's capacity to accommodate the numbers of people anticipated to live or work inside the Metro urban growth boundary (UGB) over the next 20 years. To make this determination, Metro forecasts population and employment growth over a 20-year timeframe; conducts an inventory of vacant, buildable land inside the UGB; assesses the capacity of the current UGB to accommodate population and employment growth either on vacant land or through redevelopment and infill; determines whether additional capacity is needed; and documents the results of these analyses in an urban growth report (UGR). The UGR is the basis for subsequent consideration of the actions to be taken to close any identified capacity gap.

Metro Council intent to take an outcomes-based approach

In addition to addressing statutory obligations, on the advice of the Metro Policy Advisory Committee (MPAC), the Metro Council has indicated its desire to take an outcomes-based approach when it makes decisions. It is intended that the proposed legislation will help to foster the creation of a region where:

1. People live and work in vibrant communities where they can choose to walk for pleasure and to meet their everyday needs.²
2. Current and future residents benefit from the region's sustained economic competitiveness and prosperity.
3. People have safe and reliable transportation choices that enhance their quality of life.
4. The region is a leader in minimizing contributions to global warming.
5. Current and future generations enjoy clean air, clean water and healthy ecosystems.
6. The benefits and burdens of growth and change are distributed equitably.

2009 forecast and urban growth report

In 2009, Metro completed range forecasts of population, household and employment growth through the year 2030.³ The use of a range forecast acknowledges uncertainty and allows for growth management decisions to focus on desired outcomes rather than a specific number. These range forecasts are incorporated into the UGR's analysis. The forecasts are for the seven-county primary metropolitan statistical area, which includes Clackamas, Multnomah, Washington, Yamhill, Columbia, Clark, and Skamania counties. These forecasts and the macroeconomic model that produces them have been peer reviewed by economists and demographers.

The 20-year forecast indicates that, by the year 2030, there will be a total of 1,181,300 to 1,301,800 households and a total of 1,252,200 to 1,695,300 jobs in the larger seven-county area. There is a 90 percent probability that growth will occur in the ranges identified in the forecast.

In addition to the 20-year range forecasts, the UGR determines how much of the 7-county growth may occur inside the Metro UGB and includes an analysis of the share of the UGB's zoned capacity that is likely to be developed by the year 2030. The UGR's analysis assumed a continuation of policies and investment trends in place at the time of the analysis. No changes to existing zoning were assumed, although it is likely that up-zoning will take place in the future as communities develop and implement their aspirations. The UGR's assessment of the likelihood of development was based on historic data,

² Note: these are the desired outcomes as adopted by the Metro Council in 2008. One effect of proposed Ordinance No. 10-1244 is to incorporate these desired outcomes into the Regional Framework Plan. MPAC has recommended that this desired outcome be modified to be more inclusive. Staff has proposed alternative language to satisfy MPAC concerns. Please see Exhibit A, section A for the proposed language.

³ A range forecast was also completed for the year 2060 in order to inform the urban and rural reserves process.

scenario modeling, and the professional expertise of Metro staff, local city and county staff, economic consultants, and business representatives. UGR results are portrayed for four different categories: residential, general industrial employment, general non-industrial employment, and large-lot employment.

Timeline for addressing regional capacity needs

On December 10, 2009, the Metro council, on the advice of MPAC, adopted Resolution No. 09-4094, which accepted the 2009 UGR and 20-year forecast as a basis for making growth management decisions.⁴ According to state law, the Metro Council must, by the end of 2010, address at least half of the residential capacity needs identified in the UGR. If any capacity needs are to be accommodated through efficiency measures⁵ inside the existing UGB, they must be accounted for by the end of 2010. If, after accounting for efficiency measures, there are any remaining capacity needs, the Council must address them with UGB expansions by the end of 2011.

On October 29, 2010, the state Land Conservation and Development Commission (LCDC) reached an oral decision on urban and rural reserves. LCDC remanded two of the urban reserves and all of the rural reserves in Washington County. As a consequence, the Council has directed that any needed UGB expansions will be made in 2011, which would allow time to finalize urban and rural reserves.

The 2009 UGR assessed regional capacity needs using a range demand forecast. Oregon Department of Land Conservation and Development (DLCD) staff has indicated that the Metro Council may carry a range through the decision that it makes in December 2010, but that the forecast range needs to be narrowed in order to demonstrate that at least half of the residential gap has been addressed. In order to finalize its growth management decision, the Council must, by the end of 2011, choose the point in the range forecast for which it wishes to plan. Depending on the point chosen, UGB expansions may be needed.

Under state statute, Metro can wait until 2011 to address all employment capacity needs identified in the UGR. For employment capacity, there is no requirement that at least half of the need be addressed by the end of 2010.

⁴ As indicated in the text of Ordinance No. 10-1244, the Council would, by adopting the ordinance, formally adopt the forecast and UGR as the basis for its growth management decisions.

⁵ Oregon Revised Statute 197.296 instructs Metro to expand the UGB and/or amend plans in ways that increase the likelihood of higher density development inside the existing UGB. "Efficiency measures" refer to the latter option.

Section 1: recommendations for residential capacity

Residential capacity gap identified in 2009 UGR

The 2009 UGR indicates that there will be demand for between 224,000 to 301,500 new dwelling units inside the Metro UGB from 2007 to 2030. While there is ample zoned capacity within the current UGB to accommodate the next 20 years of residential growth, the UGR's analysis indicates that, without additional infrastructure investments or other policy changes, a portion of the zoned capacity will not be market feasible. As a result, there is unmet demand for 27,400 to 79,300 dwelling units.⁶

Residential efficiency measures

Because a residential capacity gap is identified in the 2009 UGR, Oregon Revised Statute 197.296 instructs Metro to expand the UGB and/or amend plans in ways that increase the likelihood of higher density development inside the existing UGB. These latter actions are referred to as "efficiency measures." Reasonable efforts to implement efficiency measures must be undertaken before expanding the UGB. The statute states that efficiency measures may include, but are not limited to:

- Increases in the permitted density on existing residential land
- Financial incentives for higher density housing
- Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer
- Removal or easing of approval standards or procedures
- Minimum density ranges
- Redevelopment and infill strategies
- Authorization of housing types not previously allowed by the plan or regulations
- Adoption of an average residential density standard
- Rezoning or re-designation of nonresidential land

The August 2010 Growth Management Assessment⁷ includes staff's preliminary assessment of a variety of efficiency measures that have been adopted since the completion of the 2009 UGR. Staff's preliminary analysis indicates that efficiency measures contribute an additional 30,300 dwelling units of capacity beyond what was counted in the 2009 UGR⁸.

⁶ Refill is a share of total growth. The high end of the gap (79,300 units) reported here is different than what was identified in the 2009 UGR (104,900), which, for illustrative purposes, held constant the dwelling unit capacity generated through refill (rather than expressing it as a share of the high demand forecast). When the Council makes its growth management decision, they will identify the point in the forecast for which they are planning. Refill capacity will be calculated as a share of that number. As discussed more thoroughly in the August 2010 Growth Management Assessment, a 38 percent refill rate is a reasonable assumption with the policies and investments that have been adopted since the 2009 UGR.

⁷ Available at Metro's website:

http://library.oregonmetro.gov/files//2010_growth_management_assessment.pdf

⁸ The August 2010 Growth Management Assessment attributed 32,050 dwelling units of capacity to efficiency measures with 38% refill capacity tied to an assumption of medium growth (demand). Because capacity from redevelopment and infill (refill) is expressed as a share of total growth, staff cannot determine a final capacity number until the Council chooses the point in the forecast range for which to plan. The 30,300 units cited here is an

Recommendations for narrowing the residential forecast range

Background

Oregon statutes require that the Council, by the end of 2010, determine that it has addressed at least half of the residential capacity gap identified in the 2009 UGR. However, the Metro Council has indicated that it would like to maintain a range through its December 2010 decision. To accommodate the Council's request and to meet statutory obligations, staff proposes that the Council determine that the efficiency measures described in the August 2010 Growth Management Assessment have addressed at least half of the residential capacity gap identified in the 2009 UGR. To make that determination, the Council will need to narrow the forecast range for which it intends to plan.

In August 2010, Metro's Chief Operating Officer (COO) recommended planning for a point in the middle third of the forecast range. Since that recommendation was issued, the Council, MPAC, and others have had the opportunity to discuss the risks and opportunities of planning for different points in the range. Some of the topics considered include:

- Statistical likelihood of growth occurring at different points in the range
- Need for consistency between the urban and rural reserves decision and this growth management decision
- Need for consistency in expectations for residential and employment growth
- Implications for meeting carbon reduction goals
- Implications of changing demographics and housing preferences
- Adaptability if we aim too high or too low

MPAC recommendation

On October 27, 2010, MPAC discussed the question of where the Council should plan in the residential range forecast.⁹ MPAC recommends (13 in favor, 4 opposed) that the Council plan for at least the low end of the middle third of the forecast range. To provide more guidance to the Council, MPAC also discussed, through an informal show of hands, several portions of the range, with the following results:

- 3 committee members showed support, through a show of hands, for recommending that the Metro Council target the upper part of the middle third of the range.
- 6 committee members showed support, through a show of hands, for recommending that the Metro Council target below the middle third of the range.
- 4 committee members showed support, through a show of hands, for recommending that the Metro Council target the middle part of the middle third of the range.

Staff recommendation

With MPAC's recommendation, statutory requirements, and Council preferences in mind, staff proposes that the Council cap the range that it is considering at the high end of the middle third of the forecast range. This would entail planning for a marginal increase of 224,000 to 271,400 dwelling units inside the Metro UGB from the year 2007 through the year 2030. This proposed range can be in section 16 of Ordinance 10-1244.

adjusted figure that assumes 38% refill tied to low demand. See Table 1 for more details on how supply may change with different demand assumptions.

⁹ Minutes from the October 27, 2010 MPAC meeting are available on Metro's website.

Capacity for 196,600 dwelling units was accounted for in the 2009 UGR. As noted, an additional 30,300 dwelling units of capacity attributable to efficiency measures have been identified. Table 1 summarizes the potential capacity gaps (or surpluses) at different points in the forecast range after having accounted for efficiency measures identified in the August 2010 Growth Management Assessment.¹⁰ Additional detail on these gap calculations is available in Attachment 1 to this staff report. Under the scenarios depicted in Table 1, UGB expansions made in 2011 would need to provide from zero to 26,600 dwelling units of additional capacity, depending on the point in the demand forecast that is chosen. In all cases, the remaining potential gap is less than the 30,300 dwelling units of capacity already attributed to efficiency measures. Consequently, as required by statute, less than half the capacity gap identified in the UGR would remain for the Council to address in 2011.

Table 1: Dwelling unit gap or surplus at different points in the range forecast after accounting for efficiency measures (Metro UGB 2007 - 2030)

Point in demand forecast range	Remaining gap or surplus (dwelling units)
Low	2,900
Low end of middle 1/3 rd	(15,400)
Middle	(21,000)
High end of middle 1/3 rd	(26,600)

¹⁰ Because refill is a share of demand, using different points in the demand forecast will produce different capacity numbers. For this reason, determining the remaining gap at a particular point in the forecast range is not as straight forward as simply adding 30,300 dwelling units to the capacity identified in the 2009 UGR and deducting a demand number. Additional detail on these calculations is available in Attachment 1.

Section 2: recommendations for employment capacity

Employment range forecast

Background

The 2009 UGR indicates that there will be a total of 1.0 to 1.3 million total jobs inside the metro region UGB by the year 2030.

MPAC recommendation

On November 17, 2010, MPAC discussed the contents of Ordinance No. 10-1244. Metro staff proposed that the point chosen in the employment forecast range should be consistent with the point chosen in the residential range forecast.¹¹ MPAC had no comments on the employment range forecast.

Staff recommendation

Though there is no statutory obligation compelling the Council to do so, staff recommends that the Metro Council narrow this range to provide consistency with the recommendation on the residential range. As with the residential range, staff proposes capping the employment forecast range at the high end of the middle third of the forecast range. This would entail planning for between 1,083,200 and 1,211,600 total jobs inside the UGB by the year 2030.¹² When the Council ultimately picks a point in the residential and employment range forecasts, staff strongly recommends that the two points be consistent with one another.

Potential implications for non-industrial employment capacity

A portion of the UGR assesses the current UGB's capacity to accommodate non-industrial (e.g. office, retail, institutional) job growth on vacant land or through refill. The UGR finds that at the low end of the forecast range there is no need for additional non-industrial employment capacity inside the UGB. At the high end of the forecast range there is a need for 1,168 acres of additional capacity. At the high end of the middle third of the range, there is a need for 30 acres of additional capacity for non-industrial employment.¹³

Implications for general industrial employment capacity

A section of the UGR assesses the current UGB's capacity to accommodate industrial job growth on vacant land or through redevelopment and infill (refill). The assessment of demand for large, vacant lots is handled separately and recommendations can be found below. The UGR finds that, at or below the high end of the employment range forecast, there is adequate capacity inside the current UGB to accommodate the next 20 years of general industrial job growth. Consequently, within the narrowed employment forecast range proposed by staff, there is also no need for additional capacity for general industrial employment.

¹¹ As noted in this report, on October 27, 2010, MPAC voted in favor of recommending that the Council plan for at the least the low end of the middle third of the residential range forecast.

¹² Section 16 of Ordinance No. 10-1244 refers to this proposed range.

¹³ Many of the residential efficiency measures identified in the August 2010 Growth Management Assessment are also likely to increase non-industrial employment capacity inside the existing UGB. This is because many non-industrial jobs are in population-serving fields such as education, health care, and retail and these employers need to be close to population centers. Consequently, actions that encourage more residential growth in centers and corridors will likely have the same effect on non-industrial employment. Staff has not, however, performed a quantitative assessment of those effects.

Large lot industrial employment capacity

Background

The “large lot” portion of the UGR’s analysis was completed in recognition of the fact that some firms in traded-sector industries require large, vacant lots.¹⁴ The UGR defines a large lot as a single tax lot with at least 25 vacant, buildable acres. The UGR’s forecast-based assessment determined that, over the 20-year period, there is demand for 200 to 800 acres of additional capacity for large-lot employment uses. This range depends on the amount of employment growth realized as well as whether assembly of adjacent lots of 25 acres or more was assumed.

MPAC recommendation

For several reasons listed below, at its November 18, 2009 meeting, the Metro Policy Advisory Committee (MPAC) recommended that the UGR identify a wider range of potential large lot demand:

- Large traded-sector firms are crucial to the region’s economy since they sell goods and services outside the region, thereby bringing wealth to the region.
- Large traded-sector firms create spinoff employment.
- Large lot demand will be the result of the decisions of individual firms, so it is inherently difficult to forecast.
- The use of an employment forecast may be an inadequate means of estimating large lot demand for freight, rail, and marine terminal uses, which are space-intensive uses with relatively few employees, which play a crucial economic role.

The final 2009 UGR reflects MPAC’s recommendation that the Metro Council consider demand for 200 to 1,500 acres of additional capacity for large-lot industrial uses.

Since the completion of the 2009 UGR, no cities or counties in the region have adopted strategies that will make additional large-lot capacity available. In August 2010, Metro’s COO recommended that the Council address this need by expanding the UGB by 310 acres north of Hillsboro. MPAC endorsed this recommendation on October 13, 2010 with a vote of 9 in favor and 8 opposed. Committee discussion included:

- Reasons why the Metro COO has recommended incorporating 310 acres when the need for 200-1500 has been identified;
- The fact that Metro will have to demonstrate a need for more large-lot parcels in the region when justifying UGB expansion to the State;
- Whether it is more prudent to be conservative in expanding the UGB for large-lot industrial land, due to the continuing recession and other factors;
- Whether incorporating more land than the recommended 310 acres makes the region more economically competitive;
- Whether parcels can be consolidated to create large-lot sites within the UGB;
- The importance of thinking regionally when making this policy decision and not only considering individual jurisdictions;
- How we can learn from past experiences with UGB expansion and subsequent use of large-lot sites; and

¹⁴ Existing sites with significant acres of vacant land may give the initial impression that large-lot need is overestimated. However, firms seeking large sites often construct their facilities in phases. Recent examples of this phased approach can be found in the Metro region, including facility expansions completed or planned by large industrial firms such as Genentech, SolarWorld and Intel. This legitimate business practice factors into the UGR’s calculations of need for large lots.

- The decision of how many acres to incorporate into the UGB for large-lot industrial purposes is intertwined with the concept of a replenishment mechanism for parcels that get used up.

At the October 27, 2010 MPAC meeting, Mayor Lou Ogden of Tualatin requested that the Council also consider a UGB expansion, which would add 177 acres outside of Tualatin for large-lot industrial uses. MPAC did not make a recommendation on this request, but will discuss it in 2011.

Staff recommendation

Because urban and rural reserves in Washington County have been remanded by LCDC, the Council has directed that UGB expansions will be postponed until 2011. Staff recommends that, in 2011, the Council address regional needs for large lots for industrial uses by expanding the UGB to include at least the 310-acre area north of Hillsboro (assuming that urban and rural reserves are adopted and acknowledged).

Section 3: recommended amendments to the regional framework plan

Background

The Regional Framework Plan, originally adopted in 1997, is a statement of the Metro Council's policies concerning land use, transportation, and other planning matters that relate to implementing the 2040 Growth Concept. While the Regional Framework Plan has helped guide efforts to implement the 2040 Growth Concept, it has become clear that these implementing plans need to be updated to better support community and regional goals. Based on Council and advisory committee discussion and experience during the past few years, staff proposes a number of updates to the policies in the Land Use chapter of the Framework Plan to more clearly articulate Metro Council policy positions. The changes are summarized below.

MPAC recommendation

MPAC discussed the Regional Framework Plan on September 8 and 22, 2010, including several proposed amendments. MPAC indicated preliminary support for staff's proposed changes to the Regional Framework Plan. The Council discussed MPAC's comments on the Regional Framework Plan at a work session in October and provided staff with direction. MPAC had a final discussion of proposed changes to the Regional Framework Plan on November 17, 2010. MPAC's recommendations are summarized below for each topic.

Staff recommendation

The proposed Regional Framework Plan is included as Exhibit A to the ordinance. Following is a summary of the proposed language, organized by topic.

Use the defined six desired outcomes for a successful region to guide growth management decisions (Exhibit A, section A)

Background

In June 2008, the Metro Council, with the endorsement of MPAC, adopted Resolution No. 08-3940 which defined six desired outcomes for a successful region. The six desired outcomes are intended to guide decisions.

MPAC recommendation

MPAC recommended that the first desired outcome be changed to be more inclusive of those unable to walk and to reflect other non-motorized forms of transportation. MPAC also discussed adding "equitably" to the second outcome but did not make a recommendation.

Staff recommendation

Staff proposes incorporating the six desired outcomes into the Framework Plan to give them more official status as Metro Council policy. These would replace the fundamentals currently in the Framework Plan. Staff also proposes amending the wording of the first desired outcome in order to address concerns expressed by MPAC. The proposed six desired outcomes are:

- People live, work and play in vibrant communities where their everyday needs are easily accessible.
- Current and future residents benefit from the region's sustained economic competitiveness and prosperity.
- People have safe and reliable transportation choices that enhance their quality of life.
- The region is a leader in minimizing contributions to global warming.

- Current and future generations enjoy clean air, clean water and healthy ecosystems.
- The benefits and burdens of growth and change are distributed equitably.

Measure performance to guide growth management decisions (Exhibit A, policy 1.2.5)

Background

The Metro Council has expressed its desire to take an outcomes-based approach to growth management. Reporting the region's historic and forecasted performance is an important element of implementing that type of decision-making model.

MPAC recommendation

MPAC did not comment on this recommendation.

Staff recommendation

Staff proposes that the Framework Plan should express the intent to provide performance information to help guide growth management decisions.

Prioritize public investments in Centers, Corridors, Station Communities, Main Streets, Employment and Industrial Areas (Exhibit A, policy 1.2)

Background

The region intends to focus population and employment growth in centers, corridors, station communities, main streets and employment areas, but has not yet expressly stated its intent to strategically invest scarce public dollars in these specific 2040 design types.

MPAC recommendation

MPAC discussed an amendment to Policy section 1.2.2 through 1.2.5 that would add “developing residential areas” and “other industrial areas” as priorities for investments as part of the investment strategy for Centers, Corridors, Station Communities, and Main Streets. MPAC did not support this amendment because it would dilute the effectiveness of investing in those four design types.

Staff recommendation

Staff proposes that the Council should make explicit its policy intent to prioritize investments in centers, corridors, station communities, main streets, and employment areas.

Encourage elimination of barriers to compact, mixed-use, pedestrian-friendly and transit supportive development in centers, corridors, station communities, and main streets (Exhibit A, policy 1.1)

Background

Since the adoption of the 2040 Growth Concept, some of the barriers to compact development have become more apparent (such as some parking requirements).

MPAC recommendation

MPAC did not comment on this recommendation.

Staff recommendation

Staff proposes that the Framework Plan should be amended to expressly state that it is the policy of the Metro Council to encourage the elimination of such barriers in targeted 2040 design types. Staff also proposes that the Framework Plan should underline the importance of creating the conditions for infill and redevelopment to occur in targeted 2040 design types.

Address housing affordability through a combination of actions, including investments in transportation facilities and transit services that make transportation more affordable, which in turn makes more household income available for housing and other needs (Exhibit A, policy 1.3)

Background

Second to housing costs, many households spend a substantial portion of their income on transportation expenses.

MPAC Recommendation

MPAC discussed changes to this policy, including adding an investment in affordable housing as a strategy to reduce household transportation costs leaving more household income for other expenses. MPAC did not come to a consensus on a policy change.

MPAC also discussed Policy 1.3.1 (provide housing choices). Although staff had previously not recommended any changes to this policy, MPAC recommended that this policy be changed to focus on households with incomes at or below 80 percent of median family income. The language MPAC recommended is as follows:

“1.3.1 That housing choices in the region include single family, multi-family, ownership and rental housing; and housing offered by the private, public and nonprofit sectors for households with incomes at or below 80, 50, and 30 percent of median family income.”

Staff recommendation

Metro staff proposes that it be the policy of the Metro Council to take a holistic approach to ensuring an affordable cost-of-living that acknowledges both housing and transportation costs. This would be an addition to existing housing affordability policies. In response to MPAC suggestions and a discussion with the Metro Council, staff is recommending a slightly modified version of policy 1.3.1:

“1.3.1 Provide housing choices in the region, including single family, multi-family, ownership and rental housing, and housing offered by the private, public and nonprofit sectors, paying special attention to those households with fewest housing choices.”

Provide affordable housing in UGB expansion areas (Exhibit A, policy 1.3.10)

Background

Planning for new urban areas offers a unique opportunity to ensure that development forwards community and regional goals. A commonly-held goal is that households of a variety of incomes have choices of where to live.

MPAC recommendation

MPAC did not comment on this recommendation.

Staff recommendation

Metro staff proposes that it should be the policy of the Metro Council to ensure that affordable housing is addressed in planning for new urban areas.

Provide urban areas with access to parks, trails and natural areas (Exhibit A, policy 1.1.6)

Background

Currently, the Land Use chapter of the Framework Plan addresses access to parks, trails and natural areas in several sections. Staff believes that the Framework Plan should take a stronger position on an integrated system.

MPAC recommendation

MPAC did not comment on this recommendation.

Staff recommendation

Staff proposes that an integrated system of parks, trails and natural areas is essential for fostering vibrant communities and that it should be a clearly stated Metro Council policy to provide urban areas with access to these amenities. The proposed change would add a section to the Land Use chapter that would specifically address this policy.

Strengthen employment in the region's traded-sector industries (Exhibit A, policies 1.4.3 to 1.4.7)

Background

Attracting and retaining traded-sector industrial firms is important to the region's economic prosperity. Traded-sector industrial firms sell products to consumers elsewhere in the country and world, bringing wealth into the Metro region.

MPAC recommendation

MPAC and its 2010 employment subcommittee proposed that the Metro Council adopt a policy to maintain a supply of large sites for traded-sector industrial uses inside the UGB. MPAC discussed two amendments to Policy 1.4.6 (maintain supply of large industrial sites). MPAC suggested amending the proposed language for Policy 1.4.6 to read:

"1.4.6 Consistent with policies promoting a compact urban form, ensure that the region maintains a sufficient and geographically diverse supply of tracts 50 acres and larger to meet marketplace demand of traded sector industry clusters and that the region protects those sites from conversion to non-industrial uses and conversion into smaller lot sizes."

MPAC also discussed adding to policy 1.4.6 the following clause:

"transit availability shall be a critical factor in determining which sites are included"

MPAC ultimately opposed including this clause because transit is unlikely to serve the area when a site is undeveloped and demand for transit does not yet exist.

Staff recommendation

The Council discussed MPAC's suggestions at a work session. Based on Council direction, staff proposes several policy statements that seek to strengthen employment in traded-sector industries. These proposals include establishing programs to clean up brownfields and consolidate smaller parcels, creating an

inventory of large tracts of land that may be suitable for traded-sector industrial uses, and protecting large sites from conversion to non-industrial uses.

Section 4: recommended amendments to the Metro Code

Background

The Urban Growth Management Functional Plan (UGMFP) is part of Metro Code (Chapter 3.07) and implements the policies contained in the Regional Framework Plan. City and county comprehensive plans and implementing ordinances must be consistent with the Functional Plan and have two years from any amendments to the Code to conform. MPAC reviewed proposed changes in October and November 2010. Changes to the Functional Plan included in Ordinance No. 10-1244 are summarized below.

Each of the titles of the UGMFP that is proposed for amendment is included as a separate exhibit to the ordinance. The contents of the proposed titles and MPAC's recommendations are summarized below.

Title 1: Housing Capacity (Exhibit B)

Background

Currently, Title 1 specifies minimum zoned capacity for jobs and housing for each city and unincorporated area with the UGB. Metro staff has heard a number of concerns from local government staff about the existing Title 1 Requirements for Housing and Employment Accommodation – that it was time-consuming and staff intensive to produce an annual report on changes to housing and employment capacity as well as a biennial report on actual density of new residential density per net developed acre, that it was impossible to calculate an accurate employment number, that there was no consistency in how each local government calculated their zoned capacity, and that Table 1 was out-of-date because it did not include additions to the urban growth boundary or zone changes.

MPAC recommendation

On November 10, MPAC recommended approval of the revised Title 1 to the Metro Council, with several recommended changes:

- MPAC recommends clarifying that small property-specific zoning changes are not subject to the “no-net-loss” provision to reduce the regulatory burden of this requirement. Staff has added subsection 3.07.120(E) to address this recommendation.
- MPAC recommends clarifying that the “no-net-loss” policy focuses on changes to minimum zoned density rather than other actions such as revisions to design standards. Staff has revised the wording of section 3.07.120(C) in response.
- MPAC recommends re-instating the provision allowing transfers of capacity between jurisdictions, which is in the existing Title 1 but was proposed for deletion by staff due to lack of use. Staff has re-instated this language as section 3.07.120(F).
- MPAC recommends giving credit to jurisdictions for their recent actions to increase zoned capacity, allowing for future downzonings in those jurisdictions based on that work. MPAC noted that establishing a new minimum zoned capacity could be seen as “penalizing” jurisdictions that had recently upzoned and were considering downzones. Staff has not proposed any changes to Title 1 on this topic because of uncertainty about how to pick a point in time, whether the backdating would only include upzonings (some jurisdictions have recently completed downzonings), and related implementation concerns.
- MPAC recommends allowing more flexibility in both the timing and sequencing of allowing downzones in exchange for upzones. In the proposed Title 1, upzoning must occur before downzoning and jurisdictions have two years to downzone following upzones. MPAC recommends allowing more than two years and allowing downzones to occur first, to give more flexibility to local jurisdictions. Staff understands MPAC's desire for flexibility and agrees that

the vast majority of local government actions will not cause concern under this section. However, staff believes that two years is an adequate period and is concerned that allowing downzoning first could occasionally create difficult enforcement situations. It's also not clear what Metro's recourse would be if a jurisdiction reduces zoning, builds at that reduced density and then takes no action to replace that lost capacity.

Staff recommendation

Staff proposes that the Council revise Title 1 while continuing to implement the Regional Framework Plan policies of a compact urban form, efficient use of land, and a "fair-share" approach to meeting regional housing needs. The proposed Title 1 Housing Capacity moves to a "no-net-loss" approach for housing based on a project amendment basis, eliminates Table 1 and the need to calculate capacity city-wide, and eliminates the requirements for calculating and tracking job capacity.

Title 4: Industrial and Other Employment Areas (Exhibit C)

Background

Title 4 seeks to protect a regional supply of sites for industrial uses. In recent years, several industrial-designated sites have been developed for non-industrial uses.

MPAC recommendation

On October 13, 2010 MPAC recommended that the Council amend Title 4 to prohibit new schools, places of assembly, recreational facilities and parks (with exceptions for habitat protection) in Regionally Significant Industrial Areas.

During fall, 2010, MPAC requested that Metro staff develop a proposal for a system that would maintain an inventory of large sites for industrial uses. MPAC also indicated that the site inventory should be organized in tiers to identify any obstacles to development readiness of sites inside the UGB. Metro staff has convened a small group of MTAC members to sort out the details of the proposal. Having met twice, it appears that, while there is considerable interest in the concept, additional time and expertise are needed to refine the proposal. The Metro Council also recently discussed the concept and indicated a desire to spend the time to get it right. Consequently, staff does not propose changes to Title 4 that would implement this concept at this time. Instead, staff proposes changes to the Framework Plan that would state the Council's policies on the topic (see above discussion of Framework Plan). Staff also proposes additional work on the concept and its details in 2011.

Several MPAC members indicated that they regarded industrial land protections, the proposed UGB expansion, and the inventory maintenance concept as a package. Dedicating additional time to refining the concept would allow for integration of the concept with the more comprehensive overhaul of the Title 4 map that was proposed by the MPAC employment subcommittee (following the recommendations of the Greater Metropolitan Employment Lands Study). It would also allow the Metro Council to consider those proposals concurrently with a UGB expansion for large-lot industrial capacity, which is now delayed in light of LCDC's decision on urban and rural reserves.

Staff recommendation

Staff proposes that Title 4 be amended to prohibit new schools, places of assembly, recreational facilities and parks (with exceptions for habitat protection) in Regionally Significant Industrial Areas. As described under MPAC's recommendations, staff does not, at this time, recommend that the Council adopt the previously-contemplated system for maintaining a supply of large sites for industrial uses. A summary of proposed changes to the Title 4 map (Industrial and Other Employment Areas) is included later in this report. In response to MPAC recommendations, staff also proposes a new Title 14 (see Exhibit L), which includes an expedited process for adding large industrial sites to the UGB.

Title 6: Centers, Corridors, Station Communities and Main Streets (Exhibit E)

Background

The existing version of Title 6 requires local governments to develop a strategy to enhance all centers by December 2007 and to submit progress reports to Metro every two years. Only one local government developed a strategy for one of its centers. This approach has not been effective in encouraging center development and development in centers has not achieved the results originally anticipated.

An MTAC subcommittee spent considerable time earlier this year discussing possible revisions to Title 6. The subcommittee included staff from local governments, Department of Land Conservation and Development, Oregon Department of Transportation (ODOT) and TriMet. Metro staff worked extensively with ODOT to find mutually acceptable language concerning the 30% trip reduction credit and new auto dependent uses in centers, corridors, station communities, and main streets (3.07.630(B)(2)).

MPAC recommendation

MPAC discussed the amount of work that a local government might have to undertake to be eligible for the incentives listed in Title 6 and agreed that the incentive approach was appropriate. Some members of MPAC also expressed some concern that limiting the definition of regional investment to new High Capacity Transit lines may be too narrow. MPAC recommended that the Metro Council adopt the proposed Title 6.

Staff recommendation

Staff recommends changing Title 6 to an incentive approach to encourage cities and counties to develop centers and recommends expanding Title 6 to include corridors and main streets. The changes to Title 6 are intended to:

- Add corridors to Title 6 because of their potential for redevelopment and infill. Title 6 would link strategies for centers and corridors to a community investment strategy.
- Align local and regional investments to support local aspirations in centers, corridors, station communities, and main streets and make progress toward achieving the region's six desired outcomes
- Reflect a desire to focus development in all centers (central city, regional and town centers, and station communities) as well as along corridors and main streets
- Better link land use and transportation to support mixed-use, pedestrian-friendly, and transit-supportive development
- Provide incentives to local governments that adopt a plan of actions and investments to enhance their center, corridor, station community, or main street. These incentives include:

- Eligibility for a regional investment,¹⁵
- Ability to use a higher volume-to-capacity standard under the Oregon Highway Plan when considering amendments to comprehensive plans or land use regulations, and
- Eligibility for an automatic 30 percent trip reduction credit under the Transportation Planning Rule when analyzing traffic impacts of new development in plan amendments for a center, corridor, station community, or main street
- Address the problems that transportation impacts have on achieving mixed-use, pedestrian-friendly, and transit-supportive development

Title 8: Compliance Procedures (Exhibit G)

Background

Title 8 sets up a process for determining whether a city or county complies with requirements of the Urban Growth Management Functional Plan. Experience has demonstrated that the compliance process and annual compliance reporting place burdens on local governments who have limited staff resources and Metro. The Metro Council has indicated its desire to emphasize a more collaborative, outcomes-based approach to implementing the 2040 Growth Concept.

MPAC recommendation

MPAC suggested that “citizen” should be changed to “person” in section 3.07.860 and that JPACT and MPAC receive the annual compliance report. MPAC generally supported the changes to Title 8 but expressed concern about how citizen involvement in the compliance process would be affected by the recommended changes.

Staff recommendation

Staff proposes two primary changes for Title 8 to streamline the process. First, the current version of Title 8 requires the Metro Council to hold a public hearing to consider requests from local governments for extensions of compliance deadlines or exceptions from compliance. The Council may grant an extension or exception based on certain criteria (3.07.850 and 3.07.860). This process can be time-consuming for the Council and the local government involved. To streamline the process, proposed changes to Title 8 make these functions administrative but still allow an appeal to the Metro Council. The criteria for determining whether an extension or exception is granted would remain the same.

Second, Title 8 currently allows a local government to seek review by MPAC of noncompliance (3.07.830). This section is proposed to be removed. The Metro Council would be the final authority for determining noncompliance and it can seek MPAC advice without this provision. The Metro Council could request MPAC advice when an action raises policy issues.

Title 9: Performance Measures (Exhibit H)

Background

The Urban Growth Management Functional Plan contains requirements that are binding on cities and counties. Title 9 does not fit that category and is more appropriate as a regional policy statement.

¹⁵ Regional investments are currently limited to new high-capacity transit lines. In the future, the Council, in consultation with MPAC and JPACT, could add other major investments to this definition.

MPAC recommendation

MPAC did not comment on this title.

Staff recommendation

Staff proposes that the Council repeal Title 9 and include a performance measurement in the Regional Framework Plan (see Exhibit A, policy 1.2.5).

Title 10: Functional Plan Definitions (Exhibit I)

Background

Title 10 defines terms found in the Urban Growth Management Functional Plan.

MPAC recommendation

MPAC did not comment on this title.

Staff recommendation

Staff recommends that the Council update existing definitions to conform to the UGMFP revisions contemplated in Ordinance No. 10-1244.

Title 11: Planning for New Urban Areas (Exhibit J)

Background

An MPAC subcommittee chaired by Metro Councilor Liberty has met on several occasions to propose changes to Title 11. The committee was charged with making recommendations to MPAC and the Metro Council about adding specificity to the housing planning requirements for both concept planning of urban reserves and comprehensive planning for UGB expansion areas. Revisions discussed by the committee would emphasize affordable housing in the planning for urban reserve areas both before and they are added to the UGB. The revisions would also provide greater detail for planning by requiring attention to affordable types of housing and to strategies and incentive programs to facilitate the development of affordable housing once urban reserves are added to the UGB.

MPAC recommendation

MPAC discussed this topic in detail on November 17. All but one MPAC member supported three guiding principles proposed by the committee:

1. Plans should describe the variety of different housing types that are intended for the area;
2. Plans should describe how they would address housing needs in the prospective UGB expansion area, in the prospective governing city, and the region; and
3. Plans should identify the types of housing that are likely to be built in the 20-year planning period and describe additional strategies to encourage the development of needed housing types that would otherwise not be built.

Similarly, all but one MPAC member supported the general proposition that the planning process should require local governments to consider and describe which income groups would be expected to live in the areas when added to the UGB and describe strategies that would be used to make those housing opportunities possible.

MPAC and the subcommittee did not come to consensus on how best to implement these principles, and did not recommend language to the Council.

Staff recommendation

Councilor Liberty has proposed working with staff and subcommittee members in coming days to develop alternate language, hopefully in time for Council public hearings and decision-making. The current version of the capacity ordinance includes the proposed language for reference, but should not be interpreted as an MPAC recommendation, MPAC subcommittee recommendation, or staff recommendation.

Metro Code Chapter 3.01: Urban Growth Boundary and Urban Reserves Procedures (Exhibit K)

Background

Metro Code chapter 3.01 contains UGB and reserves procedures and criteria. Though part of the Metro Code, this chapter is not part of the Urban Growth Management Functional Plan.

MPAC recommendation

MPAC did not comment.

Staff recommendation

Metro staff proposes repealing Code Chapter 3.01 and moving the Urban Growth Boundary and reserves procedures and criteria Urban Growth Management Functional Plan (new Title 14) to join other growth management tools and strategies.

Title 14: Urban Growth Boundary (Exhibit L)

Background

Exhibit K would repeal Metro Code Chapter 3.01, but some portions of that Code chapter must be moved.

MPAC recommendation

MPAC did not comment on this title.

Staff recommendation

Staff proposes that the Council move the Urban Growth Boundary and reserves procedures and criteria currently found in Metro Code Chapter 3.01 to the Urban Growth Management Functional Plan (new Title 14) to join other growth management tools and strategies. In addition, Title 14 would include an expedited process for adding large industrial sites to the UGB.

Metro Code Chapter 3.09: Local Government Boundary Changes (Exhibit N)

Background

The Oregon Legislature recently made amendments to the law concerning local boundary changes. Those legislative changes necessitate amendments to the Metro Code for conformity.

MPAC recommendation

MPAC did not comment on this proposed change.

Staff recommendation

Staff proposes revisions to Metro Code Chapter 3.09 (Local Government Boundary Changes). The revisions conform Metro's criteria and procedures for city and service district boundary changes with changes to the law recently made by the Oregon Legislature. The revisions would also require petitioners to incorporate a new city to demonstrate that the city will have the fiscal capability to provide adequate urban services.

Section 5: recommended map amendments

Staff recommends that the Metro Council make several map amendments as part of Ordinance No. 10-1244. Summaries of the proposed changes follow. The maps that would be affected by the proposed legislation include:

- 2040 Growth Concept map
- Title 4 Industrial and Other Employment Areas map
- Title 6 Central City, Regional Centers, Town Centers, and Station Communities map
- Title 14 Urban Growth Boundary map (new Functional Plan Title and map)

2040 growth concept map (Exhibit O)

Background

Initially adopted in 1995, the 2040 Growth Concept presents a vision that guides development in the region. The 2040 Growth Concept Map illustrates this regional vision through the designation of centers, corridors, employment and industrial areas and other regional transportation, parks, trails and natural area features. Though local jurisdictions determine the boundaries of their centers and corridors, changes to the location or type of Center on the map require Metro Council action. In making their determination, Council must consider consistency between the changes and adopted center and corridor policies. The August 2010 Growth Management Assessment describes how the proposed changes are consistent with existing policies.

MPAC recommendation

MPAC discussed the COO recommendation to change these centers designations at their meeting on October 13, 2010 and voted to support the changes. During the discussion, MPAC members supported a motion to have a deeper policy discussion next year about the 2040 Growth Concept that would address questions such as:

- How many centers are too many?
- Does an area that is predominately shopping/retail function as a center
- How are we doing in achieving our vision for centers?

During MPAC's final discussion of Ordinance No. 10-1244, Tri-Met's representative requested two changes to staff's proposed map:

- Retain the distinction between inner and outer neighborhoods
- Depict fixed high-capacity transit along the southwest corridor

Staff recommendation

Metro staff recommends that the Metro Council approve the center designation changes illustrated in a revised 2040 Growth Concept Map (Exhibit O to the Capacity Ordinance). These requests are to:

- Relocate the existing Town Center in Happy Valley from King Road to Sunnyside and SE 172nd Avenue, about two miles to the east.
- Change the Main Street designation in downtown Cornelius to a Town Center designation.
- Expand the existing Tanasbourne Town Center to include the adjacent AmberGlen area and change the designation from a Town Center to Regional Center.

Staff suggests that the region should have high expectations for all centers, not just those that are proposed for new designations as part of Ordinance No. 10-1244.

The revised 2040 Growth Concept Map in Exhibit O also includes some changes to the depiction of the major highways and arterials, high capacity transit lines, parks, trails, and open space in order to reflect the new Regional Transportation Plan investments, changes to Vancouver and Clark County Plans and other updates. In addition to identifying the urban growth boundary location, the 2040 Map will depict urban and rural reserves once they are adopted and acknowledged by LCDC. These changes also follow the direction given by the Council at their November 4, 2010 work session, in which the Council expressed its desire for the map to depict center boundaries more realistically.

Recommended Title 4 map amendments (Exhibit D)

Background

The Regional Framework Plan calls for a strong regional economy. To improve the regional economy, Title 4 of the Urban Growth Management Functional Plan (“Industrial and Other Employment Areas”) seeks to provide and protect a supply of sites for employment by limiting the types and scale of non-industrial uses in Regionally Significant Industrial Areas (RSIAs), Industrial and Employment Areas. These areas are depicted on the Industrial and Other Employment Areas Map. Title 4 also seeks to provide the benefits of "clustering" to those industries that operate more productively and efficiently in proximity to one another than in dispersed locations. Title 4 further seeks to protect the capacity and efficiency of the region’s transportation system for the movement of goods and services and to encourage the location of other types of employment in Centers, Employment Areas, Corridors, Main Streets and Station Communities. Title 4 is implemented through city and county comprehensive plans and zoning.

MPAC recommendation

In keeping with past practice regarding Title 4 map amendment requests, MPAC was not consulted on the proposed Title 4 map amendments that are found in Ordinance No. 10-1244.

Staff recommendation

Staff proposes changes to Title 4 map designations in two locations – Washington Square Regional Center and the Beaver Creek concept plan area – described below:

Washington Square Regional Center

The City of Tigard has submitted a request for an amendment to the Title 4 map. Metro staff recommends that the Council amend the Title 4 map as requested by the City of Tigard. The petition is assessed in detail in Attachment 2 following the criteria found in the Metro Code. The petitioner requests that the Council amend the Employment and Industrial Areas Map to authorize changing portion of the Washington Square Regional Center from “Industrial Area” to “Employment Area” so that the Title 4 Map will be consistent with the mixed use zoning that has been in place on the properties since 2002.

The proposed amendment would apply to 39-acre site consisting of 15 properties roughly bounded by Highway 217, North Dakota Street, and the Portland & Western Railroad/WES Commuter Rail tracks. Most of the site is zoned Mixed Use Commercial (MUC) with a 5.77 acre area zoned Mixed Use Employment-2 (MUE-2.) This mixed-use zoning was adopted to implement the Washington Square Regional Center Plan in 2002. The site is almost completely developed with retail and office park uses.

Beaver Creek concept plan area

Metro staff proposes that the Council amend the Employment and Industrial Areas Map to authorize a mix of uses in the city of Oregon City’s Beaver Creek concept Plan area. Staff reasoning for the proposal is described in detail in Attachment 3. The proposed amendment would apply to the 308 gross acres of land

(245 acres in 2002 and 63 acres in 2004) that the urban growth boundary (UGB) was expanded into (Ordinance No. 02-969B and Ordinance No. 04-1040B) and an additional 151 gross acres already in the UGB before these expansions. The expansion and additional areas are part of the Beaver Creek Concept Plan area completed and adopted by the City of Oregon City Council on September 17, 2008.

The applicable criteria for this proposed amendment to the Employment and Industrial Areas Map are contained in Metro Urban Growth Management Functional Plan, section 3.07.450 G, which states that: *“The Metro Council may amend the Employment and Industrial Areas Map by ordinance at any time to make corrections in order to better achieve the policies of the Regional Framework Plan.”* Metro staff proposes that the basis of the proposed change is two-fold: a) the community’s proposal for how the area should be developed in order to achieve the local and regional goals; and b) the findings of the 2009 Urban Growth Report, which determined that the UGB has a surplus of general industrial capacity and a deficit of residential capacity.

Recommended Title 6 map (Exhibit F)

Background

In order for the incentive-based approach described in Title 6 to work properly, center, corridor, station community, and main street boundaries would need to be identified. Currently, several cities and counties have not officially adopted boundaries for these areas.

MPAC recommendation:

MPAC did not comment on this proposal.

Staff recommendation

To identify investment priorities and to provide local jurisdictions with a means to address Transportation Planning Rule requirements, staff proposes that the Metro Council adopt a Title 6 map, which would depict center boundaries and indicate instances where a city had officially adopted center boundaries. The proposed map also depicts centers without adopted boundaries as “conceptual centers.” Proposed revisions to Title 6 would make eligible for regional investments those cities that have adopted official boundaries for their centers, corridors, station communities and main streets. Regional investments include high capacity transit lines and could in the future include other major investments designated as such in the future by the Metro Council. Designation of other investments in the future would be subject to further discussion and recommendation by MPAC (and approval by JPACT, if a transportation investment). Adopted boundaries would also help to determine eligibility for alternative mobility standards and the 30 percent trip reduction credit described in proposed Title 6.

Recommendations on Title 14 map (Exhibit M)

Background

Currently, urban growth boundary and urban reserves procedures are located in Metro Code Chapter 3.01. Staff proposes repealing Chapter 3.01 and moving its contents to a new Title 14 (Exhibit L) of the Urban Growth Management Functional Plan. This change will make it easier for local government staff and the public to find the requirements associated with the UGB and reserves. The proposed Title 14 refers to a Title 14 map, which depicts the current urban growth boundary. If the Council chooses to adopt the new Title 14, it is also necessary to adopt the map. The map would be amended in 2001 if the Council chooses to expand the UGB.

MPAC recommendation

MPAC did not comment on this proposal. MPAC will be consulted further in 2011 if UGB expansions are contemplated.

Staff recommendation

Staff proposes that the Council adopt a new Title 14 map to depict the UGB.

ATTACHMENTS

- Attachment 1: Summary of residential supply and demand scenarios within the proposed narrowed forecast range
- Attachment 2: Staff report on a proposed Title 4 map amendment in the Washington Square Regional Center
- Attachment 3: Staff report on a proposed Title 4 map amendment in the Beaver Creek concept plan area

ANALYSIS/INFORMATION

1. Known Opposition

This ordinance covers a variety of topics, including Framework Plan, Functional Plan, map amendments, and growth management determinations. As such, it cannot be expected to inspire universal support. Several components of the proposed legislation have strong advocates and critics with valid concerns. Staff believes that the proposed legislation strikes a good balance that is in keeping with the region's agreed-upon vision.

2. Legal Antecedents

- Statewide Planning Goals 2 (Land Use Planning), 9 (Economic Development), 10 (Housing) and 14 (Urbanization)
- Oregon Revised Statutes 197.296, 197.299, and 197.303 (Needed Housing in Urban Growth Areas)
- Oregon Administrative Rules, Division 24 (Urban Growth Boundaries)
- Metro Regional Framework Plan, Chapter 1 (Land Use)
- Metro Urban Growth Management Functional Plan

3. Anticipated Effects

Adoption of the proposed legislation would:

- Satisfy Metro's statutory requirements related to growth management;
- Narrow the forecast range that the Council will consider as it completes its growth management decisions in 2011;
- Amend the Regional Framework Plan;
- Amend Titles 1, 4, 6, 8, 10, and 11 of the Urban Growth Management Functional Plan;
- Repeal Title 9 of the Urban Growth Management Functional Plan;
- Repeal Metro Code section 3.01;
- Add Title 14 to the Urban Growth Management Functional Plan;
- Add a Title 14 map;
- Amend Metro Code section 3.09;
- Amend the Titles 4 and 6 maps;
- Amend the 2040 Growth Concept Map, and;
- Make a great place.

4. Budget Impacts

If the UGB is ultimately expanded in 2011, Metro would incur expenses associated with staff time working on concept planning for new urban areas. The level of expense would depend on which, if any, UGB expansion areas are chosen by the Council. The level of expense would also depend on whether any concept planning has already been completed for an area as well as any complications that may arise in the course of concept planning.

Metro would also incur expenses associated with the implementation of proposed changes to the Urban Growth Management Functional Plan. These expenses are expected to be primarily associated with staff time. In some cases, these expenses are not expected to be substantially different from the costs of implementing the current version of the Functional Plan. However, in other cases, the proposed changes would require additional staff time.

RECOMMENDED ACTION

Staff recommends that the Council adopt Ordinance No. 10-1244.

Attachment 1:

Summary of residential supply and demand scenarios within the proposed narrowed forecast range

Staff analysis indicates that that policies and investment plans currently in place (including efficiency measures) will result in a 38% refill (redevelopment and infill) rate. Since refill is expressed as a share of total demand, higher points in the demand forecast range will result in additional capacity. The table below summarizes the potential gap that the Metro Council would need to address if it chooses to plan for different points in the range forecast.

Dwelling unit supply and demand scenarios at different points in the range forecast after accounting for efficiency measures (Metro UGB 2007 - 2030)

		Supply			
		MID 1/3 rd HIGH	MEDIUM	MID 1/3 rd LOW	LOW
		244,800	241,400	238,000	226,900
Demand (marginal increase)					
MID 1/3 rd HIGH	271,400	(26,600)			
MEDIUM	262,400		(21,000)		
MID 1/3 rd LOW	253,400			(15,400)	
LOW	224,000				2,900

Staff Report for the Washington Square Regional Center Title 4 Map Change

Prepared by Gerry Uba (503) 797-1737

BACKGROUND INFORMATION

Petitioner: City of Tigard

Proposal: The petitioner requests that Metro amend the Employment and Industrial Areas Map to authorize changing portion of the Washington Square Regional Center from “Industrial Area” to “Employment Area” so that the Title 4 Map will be consistent with the mixed use zoning that has been in place on the properties since 2002. The proposed change is depicted in Attachment 2a.

The proposed amendment would apply to 39-acre site consisting of 15 properties roughly bounded by Highway 217, North Dakota Street, and the Portland & Western Railroad/WES Commuter Rail tracks. Most of the site is zoned Mixed Use Commercial (MUC) with a 5.77 acre area zoned Mixed Use Employment-2 (MUE-2.) This mixed use zoning was adopted to implement the Washington Square Regional Center Plan in 2002. The site is almost completely developed with retail and office park uses.

Location: The 39 acre site consists of 15 properties roughly bounded by Highway 217, North Dakota Street, and the Portland & Western Railroad/WES Commuter Rail tracks.

Application Review Criteria: Metro Code section 3.07.450.H

The petitioner’s application for the proposed Title 4 Map amendment is included as Attachment 2b of this staff report.

APPLICATION REVIEW CRITERIA

The criteria for amendments to the Employment and Industrial Areas Map are contained in Metro Urban Growth Management Functional Plan, section 3.07.450 H. It states that the Metro Council may amend the Employment and Industrial Areas Map by ordinance if the Council concludes the proposed amendment meets certain criteria. Below are the criteria (**in bold**), petitioner responses to the criteria (*in italics*), and staff analysis.

Criterion 1: Would not reduce the jobs capacity of the city or county below the number shown on Table 3.07-1 of Title 1 of the Urban Growth Management Functional Plan;

Petitioner Response

The proposed amendment to the Title 4 Employment and Industrial Areas Map is unlikely to reduce Tigard's jobs capacity below the number (17,801) shown on Table 3.07-1 of Title 1 of the Urban Growth Management Functional Plan. The Washington Square Regional Center Plan was intended to ensure a mix of housing, retail, and employment. The Plan estimated that new development would provide 7,443 new jobs for the portion of the Regional Center within Tigard and the unincorporated Metzger area.

Specifically, the Plan's Development and Redevelopment Opportunities Report allocated 1455 jobs to an area that roughly corresponds to Area 1. A mix of office, retail, and lodging jobs were specified. Industrial jobs were not included, likely because of their lower job per acre density.

Comprehensive Plan and Development Code amendments were adopted in 2002 to implement the Washington Square Regional Center Plan. The area in question was rezoned from Industrial Park (I-P) to Mixed Use Commercial (MUC) and Mixed Use Employment 2 (MUE-2). These zones, specifically created for the Center, allow a mix of denser employment and housing, as well as retail (subject to some restrictions.)

The job projections of the Washington Square Regional Plan were developed to help meet Tigard's target growth allocations and the job capacity of Table 3.07-1 of the Urban Growth Management Functional Plan. The City believes that the proposed amendment would not reduce job capacity, but would bring the Title 4 Map into accord with zoning that has already been implemented.

Metro Staff Analysis

The 39-acre site is part of the Washington Square Regional Center that is envisioned to increase capacity for more jobs in the City of Tigard. Metro staff concurs with the petitioner's assessment that keeping the Title 4 Industrial Area designation for the area, with the required restrictions on retail and professional services could hamper development and job creation in the Regional Center as envisioned. The proposed change to the Title 4 map would not reduce the jobs capacity for the city below the number shown on Table 3.07-1 of Title 1 of the Urban Growth Management Functional Plan.

In conclusion, Metro staff believes that the proposed change to the Title 4 map would not have the effect of reducing the jobs capacity of the City of Tigard below the number shown on Table 3.07-1 of Title 1 of the Urban Growth Management Functional Plan. This criterion is met.

Criterion 2: Would not allow uses that would reduce off-peak performance on Major Roadway Routes and Roadway Connectors shown on Metro's 2004 Regional Freight System Map below standards in the Regional Transportation Plan ("RTP"), or exceed volume-to capacity ratios on Table 7 of the 1999 Oregon Highway Plan ("OHP") for state highways, unless mitigating action is taken that will restore performance to RTP and OHP standards within two years after approval of uses;

Tigard Staff Response

The Metro 2004 Regional Freight System Map facilities that are located within or border Area 1 include Highway 217 (Main Roadway Route), Scholls Ferry Road (Roadway Connector), and the Portland & Western Railway (Branch Railroad Line and Spur Track.)

The 2004 Regional Transportation Plan presumably reflected the land uses and zoning of the Washington Square Regional Center that were in place as of 2002. The Washington Square Regional Center Plan included suggested transportation upgrades, some of which appear on the on the RTP's Financially Constrained System. The Plan also called for multi-modal transportation improvements, including the recently started Westside Express Service peak-hour commuter rail.

The proposed map amendment is necessary to resolve an inconsistency between the local zone adopted through the implementation of the Washington Square Regional Center Plan and the Title 4 map. This proposed map amendment will not change the uses that are allowed on the site, thus adoption of this map amendment will not allow new uses that would reduce off-peak performance on Major Roadway Routes and Roadway Connectors shown on Metro's 2004 Regional Freight System Map below standards in the Regional Transportation Plan ("RTP"), or exceed volume-to capacity ratios on Table 7 of the 1999 Oregon Highway Plan ("OHP") for state highways.

Metro Staff Analysis

The petitioner explained that the land uses and zoning (Mixed Use Commercial and Mixed Use Employment) that was in place in 2002 when the Washington Square Regional Center Plan was adopted has not changed and that the city do not have any intention of changing the zoning as the current zoning is adequate for implementing the Washington Square Regional Center Plan. Metro staff concurs with the petitioner that since the proposed change in Title 4 designation will not allow new uses on the site, the approval of the change of the Industrial Area designation to Employment Area will not reduce off-peak performance on Major Roadway Routes and Roadway Connectors shown on Metro's 2004 Regional Freight System Map below standards in the Regional Transportation Plan, or exceed volume-to-capacity ratios on Table 7 of the 1999 State Highway Plan for state highways.

In conclusion, Metro staff believes that this criterion is met.

Criterion 3: Would not diminish the intended function of the Central City or Regional or Town Centers as the principal locations of retail, cultural and civic services in their market areas;

Tigard Staff Response

The area in question is within the boundaries of the Washington Square Regional Center, one of three designated regional centers in Washington County and one of eight in the region in Metro's 2040 Growth Concept.

After completing the Washington Square Regional Center Plan, in 2002 the City rezoned the area from industrial zoning to Mixed Use Commercial (MUC) and Mixed Use Employment-2 (MUE-2). This zoning permits a wide range of uses and was designed to reinforce and encourage the Washington Square Regional Center’s development of concentrated retail, cultural, and civic services to serve its market area. Keeping the Title 4 Industrial Area designation for the area, with its restrictions on retail and professional service uses, could diminish the intended function of the Regional Center. For this reason the City believes that the Title 4 Map should be amended to change the area’s designation to Employment Area, which is more compatible with a Regional Center.

Metro Staff Analysis

Washington Square Regional Center has a clear boundary and development in the area will be guided by the plan adopted in 2002, recently adopted economic development policy in the updated city’s Comprehensive Plan, and new development strategies the city and region may consider for the area in the future. The proposed change in the Title 4 designation for the area will assist the city to capture and retain the regional vision intended for the area, and encourage more retail, civic activities and services, and cultural services in the market area.

In conclusion, Metro staff believes that the proposed change to the Title 4 map would not have the effect of diminishing the intended function of the Washington Square Regional Center as the principal location of retail, cultural and civic services in this market area.

Criterion 4: Would not reduce the integrity or viability of a traded sector cluster of industries;

Tigard Staff Response

The 2006 Regional Business Plan identified seven traded sector clusters: (1) high-tech, (2) metals, machinery, and transportation equipment, (3) forest products, (4) food processing, (5) creative services, (6) nursery products, and (7) sporting goods and apparel.

A review of the Tigard Business License data for Area 1 revealed that traded sector clusters are minimally represented in this area. The chart below summarized the types of businesses located in Area 1.

Type of Business	# of businesses
<i>Motor vehicle sales</i>	<i>2</i>
<i>Motor vehicle repair</i>	<i>1</i>
<i>Communications (cable provider)</i>	<i>1</i>
<i>Storage facility</i>	<i>1</i>
<i>Bakery (non retail)</i>	<i>1</i>
<i>Building Supplies</i>	<i>1</i>
<i>Other retail</i>	<i>3</i>
<i>Medical Technology Manufacturer</i>	<i>1</i>
<i>Electrical Goods Manufacturer</i>	<i>1</i>
<i>Church</i>	<i>1</i>
<i>State Government Offices</i>	<i>1</i>

ATTACHMENT 2

While the seven traded sector clusters are currently minimally represented in the area, the Mixed Use Employment-2 (MUE-2) and Mixed Use Commercial (MUC) zoning classifications would permit many of these kinds of businesses, subject to some restrictions. (See Appendix B for more information on zoning.)

The area south of North Dakota Street (Area 2 on Map A) is zoned Industrial Park (I-P). According to Tigard Business License data there appears to be at least one identified traded sector company located in Area 2. The City believes that the "Industrial Area" designation is appropriate for these properties, which are outside the Washington Square Regional Center boundaries.

Traded sector clusters appear to be minimally represented in the area in question. As stated previously the proposal is unlikely to affect the freight routes that serve traded sector clusters in the region. Staff believes the proposed amendment will not reduce the integrity or viability of a traded sector cluster of industries.

Metro Staff Analysis

Traded-sector industries are those in which member firms sell their goods or services into markets for which national or international competition exists. Firms in these sectors are important to the regional economy since they bring wealth into the region by exporting goods or services. The petitioner indicated that the traded sector cluster of industries is minimally represented in this area. The petitioner also indicated that its research shows that they appear to be at least one identified traded sector company in the area. Metro staff agrees with the petitioner that the current zoning presents an opportunity for increasing traded sector clusters in the area.

In conclusion, Metro staff believes that the proposed change in Title 4 area in the Washington Square Regional Center would not reduce the integrity or viability of a traded sector cluster of industries.

Criterion 5: Would not create or worsen a significant imbalance between jobs and housing in a regional market area.

Tigard Staff Response

The City of Tigard as a whole has a job/household ratio of 2.03 (about 2 jobs for every household) compared to a ratio of 1.22 for Washington County as a whole (2004 data.)

While this is a healthy jobs/household ratio, the City recognizes that many employees must commute into Tigard and many residents must commute to jobs outside of the City.

One intention of the Washington Square Regional Center Plan was to improve the balance between jobs and housing in the South Washington County market. The Plan estimated 7,443 new jobs and 1,871 residential units for the portion of the Regional Center within Tigard (and a section of the unincorporated Metzger area.) The mixed use zoning allows high density housing in proximity to the major regional retail center of Washington Square Mall, and office complexes at Lincoln Center and the Nimbus area. The MUC zone has a minimum density of 50 units/acre and no maximum density, and MUE-2 has a minimum density of 25 units/acre and a maximum of 50 units/acre. While only a limited number of housing units have been built to date in the Regional Center, the capacity for

housing exists. The zoning provides the Center the potential to develop into a place where people can “live, work, and play.”

Metro Staff Analysis

The general location of the site in the Washington Square Regional Center and the current city zoning makes it one of the most suitable places in the region to transform suburban type of development into a vibrant community with jobs, housing, and urban amenities such as shopping, entertainment and services. Staff believes that the promising job-housing balance of the city will get better as the right partnerships and policies are created to improve the area’s transportation infrastructure, build mixed use development that includes housing, and create more jobs.

In conclusion, Metro staff believes that the proposed change to the Title 4 map would not create or worsen a significant imbalance between jobs and housing in the City of Tigard area sub-regional market.

Criterion 6: If the subject property is designated Regionally Significant Industrial Area, would not remove from that designation land that is especially suitable for industrial use due to the availability of specialized services, such as redundant electrical power or industrial gases, or due to proximity to freight transport facilities, such as trans-shipment facilities.

Tigard Staff Response

This is not applicable; the subject properties are designated Industrial Area, not Regionally Significant Industrial Area.

Metro Staff Analysis

No portion of the 39-acre site is designated as Regionally Significant Industrial Area.

In conclusion, this criterion does not apply to the proposed Title 4 Map amendment.

ANALYSIS/INFORMATION

Known Opposition [identify known opposition to the proposed legislation]

There is no known opposition.

Legal Antecedents [identify legislation related to the proposed legislation, including federal, state, or local law and Metro Code, using appropriate resolution or ordinance numbers, ballot measure numbers, etc.]

Statewide Planning Goals 2 (Land Use Planning) and 9 (Economic Development); Metro Code section 3.07.450 (Employment and Industrial Areas Map).

ATTACHMENT 2

Anticipated Effects [identify what is expected to occur if the legislation is adopted]

Proposed changes to the City of Tigard zoning map and comprehensive plan map would become effective, allowing additional commercial uses in the Washington Square Regional Center.

Budget Impacts [identify the cost to implement the legislation]

There is no significant budget impact. Implementation would consist of updating the Employment and Industrial Areas Map.

RECOMMENDED ACTION

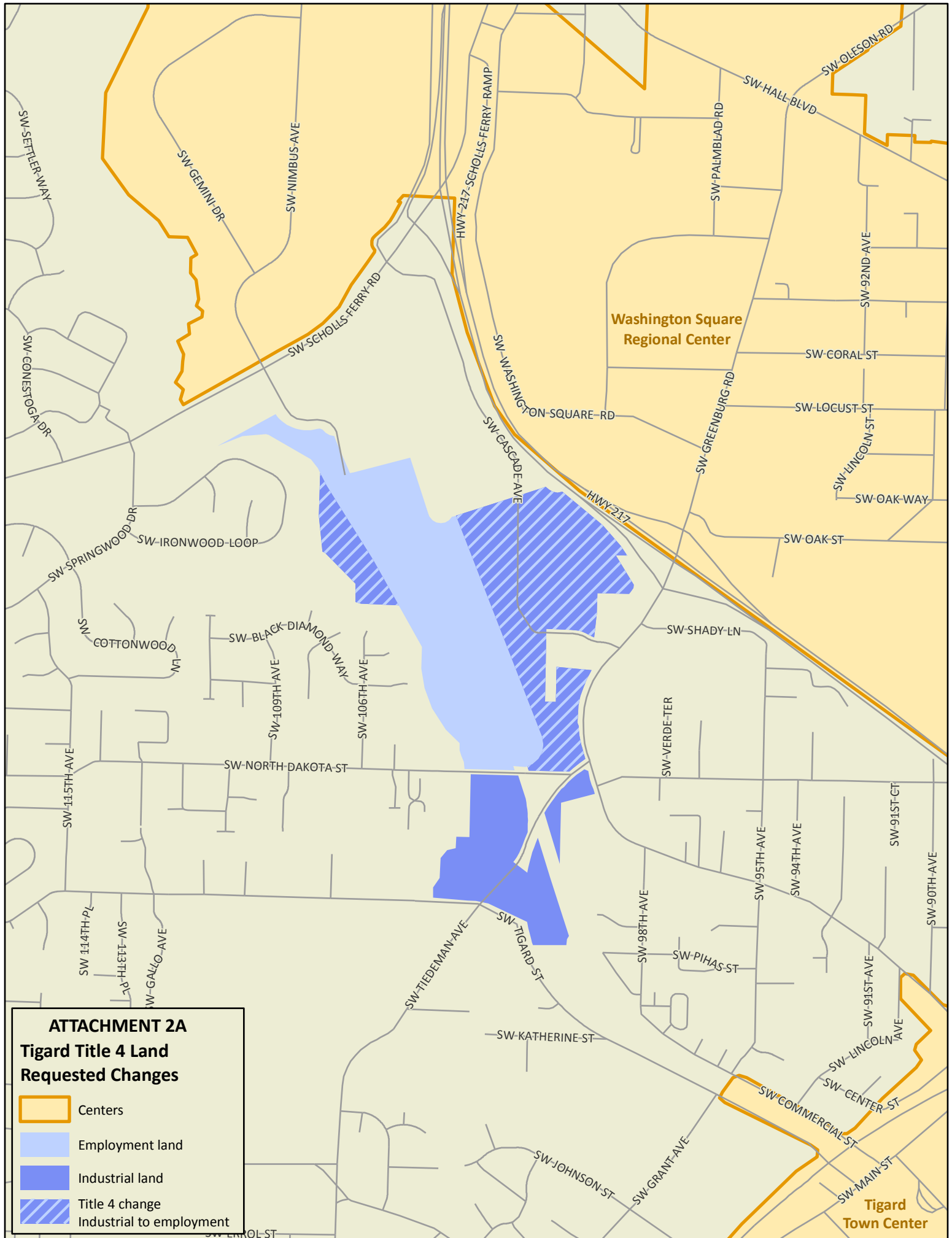
The petitioner requests the amendment of the Title 4 Employment and Industrial Areas Map. Metro Staff believes that the petitioner has provided sufficient evidence to demonstrate that the criteria are satisfied.

Staff recommends, therefore, that the Metro Council approve this ordinance.





ATTACHMENTS

Attachment 2a (map of the proposed Title 4 map amendment)

Attachment 2b (city's application)



ATTACHMENT 2A
Tigard Title 4 Land Requested Changes

-  Centers
-  Employment land
-  Industrial land
-  Title 4 change Industrial to employment

City of Tigard, Oregon • 13125 SW Hall Blvd. • Tigard, OR 97223



February 20, 2009

Christina Deffebach, Manager, Long Range Planning
Metro
600 NE Grand Avenue
Portland, OR 97232

Dear Ms. Deffebach,

This letter is in regard to the City of Tigard's compliance with Title 4 (Industrial and Other Employment Areas) of Metro's Urban Growth Management Functional Plan. The City has taken a number of steps to comply with Title 4, including adopting two Economic Development policies in its updated Comprehensive Plan stating its intention to implement the Title 4 map designations. However, there is an outstanding issue that the City would like resolved prior to incorporating the Title 4 map and associated restrictions into its Development Code.

We are requesting an Amendment to the Title 4 Employment and Industrial Areas Map under Metro Urban Growth Management Functional Plan section 3.07.450 H. The City is requesting that the designation for a 39-acre area of the Washington Square Regional Center ("Area 1" on Map A) be changed from "Industrial Area" to "Employment Area." City staff believes that this proposed amendment will remove an existing inconsistency that will make the Title 4 Map more accurate. Applying the Industrial Area restrictions to this area would not be in accordance with the envisioned character detailed in the Washington Square Regional Center Plan and implemented in the zoning which has been in place for the past six years.

Please see the attached memo, dated February 18, 2009, for the City's detailed response to the criteria of 3.07.450 H.

Thank you for your attention to this matter. If you have any other questions please call me at 503-718-2443.

Sincerely,

A handwritten signature in black ink that reads "Ron Bunch". The signature is written in a cursive, flowing style.

Ron Bunch
Community Development Director



MEMORANDUM

TO: Ron Bunch, Community Development Director

FROM: Sean Farrelly, Associate Planner

RE: Proposed Amendment to the Title 4 Employment and Industrial Areas Map

DATE: February 18, 2009

Background:

The City of Tigard is requesting an amendment to the Employment and Industrial Areas Map in Title 4 (“Industrial and Other Employment Areas”) of Metro’s Urban Growth Management Functional Plan. The City is requesting that the designation for a 39-acre area of the Washington Square Regional Center (“Area 1” on Map A) be changed from “Industrial Area” to “Employment Area.” Making this change would make the Title 4 Map consistent with the mixed use zoning that has been in place on the properties since 2002.

The 39-acre area in question consists of 15 properties roughly bounded by Highway 217, North Dakota Street, and the Portland & Western Railroad/WES Commuter Rail tracks. The area is almost completely developed with retail and office park uses. One 1.34 acre property and another small portion of a developed property are on the Tigard Buildable Lands Inventory. The 5.77 acre property that lies to the west of the other properties is vacant, however it does not appear on the Tigard Buildable Lands Inventory, because of its wetland status.

Most of the area is zoned Mixed Use Commercial (MUC) with a 5.77 acre area zoned Mixed Use Employment-2 (MUE-2.) This mixed use zoning was adopted to implement the Washington Square Regional Center Plan in 2002.

The zone description of the Mixed Use Commercial (MUC) District in the Tigard Development Code is:

The MUC zoning district includes land around the Washington Square Mall and land immediately west of Highway 217. Primary uses permitted include office buildings, retail, and service uses. Also permitted are mixed-use developments and housing at densities of 50 units per

acre. Larger buildings are encouraged in this area with parking under, behind or to the sides of buildings.

The MUC zone, permits some General Retail uses. Sales Oriented and Personal Services are permitted outright, other retail uses are limited to under 60,000 gross leasable area per building.

The zone description of the Mixed Employment Districts in Tigard Development Code is:

The MUE-1 and 2 zoning district is designed to apply to areas where employment uses such as office, research and development and light manufacturing are concentrated. Commercial and retail support uses are allowed but are limited, and residential uses are permitted which are compatible with employment character of the area. Lincoln Center is an example of an area designated MUE-1, the high density mixed use employment district. The Nimbus area is an example of an area designated MUE-2 requiring more moderate densities.

The MUE-2 zone restricts retail uses to under 60,000 gross leasable area per building. Light Industrial, Research and Development, Warehouse/Freight Movement, and Wholesale Sales are permitted as long as all activities associated with these uses, except employee and customer parking, are contained within buildings.

Proposed Title 4 Map Amendment

Section 3.07.430.A of the Urban Growth Management Functional Plan states that for properties designated as Industrial Areas, jurisdictions take measures-

“to limit new buildings for retail commercial uses—such as stores and restaurants—and retail and professional services that cater to daily customers—such as financial, insurance, real estate, legal, medical and dental offices—in order to ensure that they serve primarily the needs of workers in the area. One such measure shall be that new buildings for stores, branches, agencies or other outlets for these retail uses and services shall not occupy more than 5,000 square feet of sales or service area in a single outlet, or multiple outlets that occupy more than 20,000 square feet of sales or service area in a single building or in multiple buildings that are part of the same development project...”

The City believes that applying such restrictions to this section of the Washington Square Regional Center would not be in accordance with the area’s envisioned character, which is detailed in the Washington Square Regional Center Plan (Attachment A) and not in keeping with the present zoning (adopted in 2002.) “Employment Area” is a more appropriate designation.

Once the Map is amended by designating the properties “Employment Area”, the City will be able to make the Comprehensive Plan and Development Code amendments necessary to adopt the Employment and Industrial Areas Map and its requirements. Tigard’s recently updated Comprehensive Plan contains an Economic Development Policy which signals its intent to do this. Economic Development Policy 9.1.7 states “The City shall limit the development of retail and service land

uses in Metro-designated industrial areas to preserve the potential of these lands for industrial jobs.”

Amendment Review Criteria:

The criteria for an amendment to the Employment and Industrial Areas Map are found in Metro Urban Growth Management Functional Plan section 3.07.450 H. It states that the Metro Council may amend the Employment and Industrial Areas Map by ordinance if the Council concludes the proposed amendment meets certain criteria.

The following is the criteria (in *italics*) from Metro Code 3.07.450.H followed by Tigard staff response.

- 1. Would not reduce the jobs capacity of the city or county below the number shown on Table 3.07-1 of Title 1 of the Urban Growth Management Functional Plan;*

Tigard Staff Response

The proposed amendment to the Title 4 Employment and Industrial Areas Map is unlikely to reduce Tigard’s jobs capacity below the number (17,801) shown on Table 3.07-1 of Title 1 of the Urban Growth Management Functional Plan. The Washington Square Regional Center Plan was intended to ensure a mix of housing, retail, and employment. The Plan estimated that new development would provide 7,443 new jobs for the portion of the Regional Center within Tigard and the unincorporated Metzger area.

Specifically, the Plan’s Development and Redevelopment Opportunities Report allocated 1455 jobs to an area that roughly corresponds to Area 1. A mix of office, retail, and lodging jobs were specified. Industrial jobs were not included, likely because of their lower job per acre density.

Comprehensive Plan and Development Code amendments were adopted in 2002 to implement the Washington Square Regional Center Plan. The area in question was rezoned from Industrial Park (I-P) to Mixed Use Commercial (MUC) and Mixed Use Employment 2 (MUE-2). These zones, specifically created for the Center, allow a mix of denser employment and housing, as well as retail (subject to some restrictions.)

The job projections of the Washington Square Regional Plan were developed to help meet Tigard’s target growth allocations and the job capacity of Table 3.07-1 of the Urban Growth Management Functional Plan. The City believes that the proposed amendment would not reduce job capacity, but would bring the Title 4 Map into accord with zoning that has already been implemented.

2. Would not allow uses that would reduce off-peak performance on Major Roadway Routes and Roadway Connectors shown on Metro's 2004 Regional Freight System Map below standards in the Regional Transportation Plan ("RTP"), or exceed volume-to capacity ratios on Table 7 of the 1999 Oregon Highway Plan ("OHP") for state highways, unless mitigating action is taken that will restore performance to RTP and OHP standards within two years after approval of uses;

Tigard Staff Response

The Metro 2004 Regional Freight System Map facilities that are located within or border Area 1 include Highway 217 (Main Roadway Route), Scholls Ferry Road (Roadway Connector), and the Portland & Western Railway (Branch Railroad Line and Spur Track.)

The 2004 Regional Transportation Plan presumably reflected the land uses and zoning of the Washington Square Regional Center that were in place as of 2002. The Washington Square Regional Center Plan included suggested transportation upgrades, some of which appear on the on the RTP's Financially Constrained System. The Plan also called for multi-modal transportation improvements, including the recently started Westside Express Service peak-hour commuter rail.

The proposed map amendment is necessary to resolve an inconsistency between the local zone adopted through the implementation of the Washington Square Regional Center Plan and the Title 4 map. This proposed map amendment will not change the uses that are allowed on the site, thus adoption of this map amendment will not allow new uses that would reduce off-peak performance on Major Roadway Routes and Roadway Connectors shown on Metro's 2004 Regional Freight System Map below standards in the Regional Transportation Plan ("RTP"), or exceed volume-to capacity ratios on Table 7 of the 1999 Oregon Highway Plan ("OHP") for state highways.

3. Would not diminish the intended function of the Central City or Regional or Town Centers as the principal locations of retail, cultural and civic services in their market areas;

Tigard Staff Response

The area in question is within the boundaries of the Washington Square Regional Center, one of three designated regional centers in Washington County and one of eight in the region in Metro's 2040 Growth Concept.

After completing the Washington Square Regional Center Plan, in 2002 the City rezoned the area from industrial zoning to Mixed Use Commercial (MUC) and Mixed Use Employment-2 (MUE-2). This zoning permits a wide range of uses and was designed to reinforce and encourage the Washington Square Regional Center's development of concentrated retail, cultural, and civic services to serve its market area. Keeping the Title 4 Industrial Area designation for the area, with its restrictions on retail and professional service uses, could diminish the intended function of the

Regional Center. For this reason the City believes that the Title 4 Map should be amended to change the area’s designation to Employment Area, which is more compatible with a Regional Center.

4. Would not reduce the integrity or viability of a traded sector cluster of industries;

Tigard Staff Response

The 2006 Regional Business Plan identified seven traded sector clusters: (1) high-tech, (2) metals, machinery, and transportation equipment, (3) forest products, (4) food processing, (5) creative services, (6) nursery products, and (7) sporting goods and apparel.

A review of the Tigard Business License data for Area 1 revealed that traded sector clusters are minimally represented in this area. The chart below summarized the types of businesses located in Area 1.

Type of Business	# of businesses
Motor vehicle sales	2
Motor vehicle repair	1
Communications (cable provider)	1
Storage facility	1
Bakery (non retail)	1
Building Supplies	1
Other retail	3
Medical Technology Manufacturer	1
Electrical Goods Manufacturer	1
Church	1
State Government Offices	1

While the seven traded sector clusters are currently minimally represented in the area, the Mixed Use Employment-2 (MUE-2) and Mixed Use Commercial (MUC) zoning classifications would permit many of these kinds of businesses, subject to some restrictions (See Appendix B for more information on zoning.)

The area south of North Dakota Street (Area 2 on Map A) is zoned Industrial Park (I-P). According to Tigard Business License data there appears to be at least one identified traded sector company located in Area 2. The City believes that the “Industrial Area” designation is appropriate for these properties, which are outside the Washington Square Regional Center boundaries.

Traded sector clusters appear to be minimally represented in the area in question. As stated previously the proposal is unlikely to affect the freight routes that serve traded

sector clusters in the region. Staff believes the proposed amendment will not reduce the integrity or viability of a traded sector cluster of industries.

5. Would not create or worsen a significant imbalance between jobs and housing in a regional market area.

Tigard Staff Response

The City of Tigard as a whole has a job/household ratio of 2.03 (about 2 jobs for every household) compared to a ratio of 1.22 for Washington County as a whole (2004 data.)

While this is a healthy jobs/household ratio, the City recognizes that many employees must commute into Tigard and many residents must commute to jobs outside of the City.

One intention of the Washington Square Regional Center Plan was to improve the balance between jobs and housing in the South Washington County market. The Plan estimated 7,443 new jobs and 1,871 residential units for the portion of the Regional Center within Tigard (and a section of the unincorporated Metzger area.) The mixed use zoning allows high density housing in proximity to the major regional retail center of Washington Square Mall, and office complexes at Lincoln Center and the Nimbus area. The MUC zone has a minimum density of 50 units/acre and no maximum density, and MUE-2 has a minimum density of 25 units/acre and a maximum of 50 units/acre. While only a limited number of housing units have been built to date in the Regional Center, the capacity for housing exists. The zoning provides the Center the potential to develop into a place where people can “live, work, and play.”

6. If the subject property is designated Regionally Significant Industrial Area, would not remove from that designation land that is especially suitable for industrial use due to the availability of specialized services, such as redundant electrical power or industrial gases, or due to proximity to freight transport facilities, such as trans-shipment facilities.

Tigard Staff Response

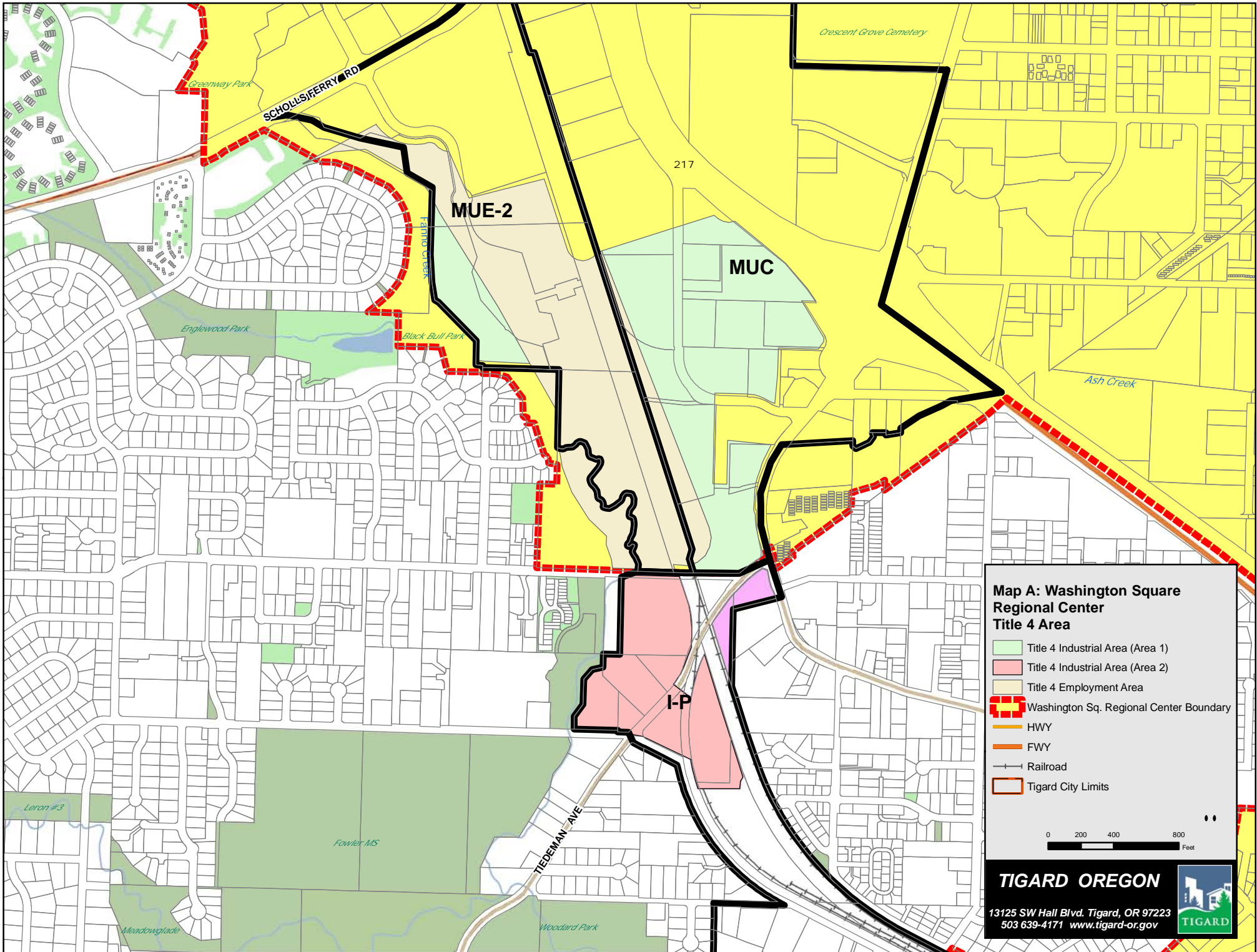
This is not applicable; the subject properties are designated Industrial Area, not Regionally Significant Industrial Area.

Conclusion:

City staff believes that this proposed amendment will remove an existing inconsistency that will make the Title 4 Map more accurate. Applying the Industrial Area restrictions to this area would not be in accordance with the envisioned character detailed in the Washington Square Regional Center Plan and implemented in the zoning which has been in place for the past six years.

Attachment 2b

Employment Area is a more appropriate designation for the 39-acre area in question (Area 1). The area directly borders a 21.4 acre designated Employment Area (Area 3 on Map A.) The designation as part of a Regional Center, its current zoning, and the existing development in Area 1 is more in line with an Employment Area than an Industrial Area.



Attachment 3

Staff Report for the Beavercreek concept plan area Title 4 Map change

Prepared by: Gerry Uba (503) 797-1737

BACKGROUND INFORMATION

Petitioner: Metro

Proposal: Metro intends to amend the Employment and Industrial Areas Map to authorize a mix of uses in the city of Oregon City's Beavercreek concept Plan area.

The proposed amendment would apply to the 308 gross acres of land (245 acres in 2002 and 63 acres in 2004) that the urban growth boundary (UGB) was expanded into (Ordinance No. 02-969B and Ordinance No. 04-1040B) and an additional 151 gross acres already in the UGB before these expansions. The expansion and additional areas are part of the Beavercreek Concept Plan area completed and adopted by the City of Oregon City Council on September 17, 2008.

Location: The 459 gross acres site consists of 57 tax lots or properties (based on Metro's 2010 Regional Land Information System).

Application Review Criteria

The criteria for amendments to the Employment and Industrial Areas Map is contained in Metro Urban Growth Management Functional Plan, section 3.07.450 G. It states that:

"The Metro Council may amend the Employment and Industrial Areas Map by ordinance at any time to make corrections in order to better achieve the policies of the Regional Framework Plan."

Metro Staff Analysis

As a background, Metro's 2002-2022 Urban Growth Report: Employment Land Need Analysis identified a demand for 4,285 net acres of industrial land, and Metro Council's December 2002 regional capacity decision included roughly half of the industrial land need (818 net acres of industrial land and 1,499 net acres of Regionally Significant Industrial Land). Thus, within the 2002 UGB expansion there was 1,968 net acres of industrial land need. In 2004, adjustments were made on the commercial refill rate, Cities of Wilsonville and Oregon City industrial zones, and City of Gresham's Springwater industrial land, and the result was the reduction of industrial land need to 1,180 net acres. The Metro Council expanded the UGB in 2004 by adding 1,047 gross acres of land to satisfy the need for industrial land over the next 20 years. The Council completed the fulfillment of employment capacity by adding 876 gross acres of industrial land by Ordinance No. 05-1070A in 2005.

Metro's broad expectation for urbanization of these areas was set in Title 11 of the Urban Growth Management Functional Plan. The purpose of this title is to ensure that areas brought into the UGB are urbanized efficiently and become or contribute to mixed-use, walkable, transit-friendly communities, and to provide interim protection of the new areas until the city and county likely to provide governance or urban service for the area amends their land use regulations to allow urbanization become applicable to the areas. Title 11 requires city and county, in conjunction with Metro and appropriate service districts,

Attachment 3

to develop and adopt a concept plan for the area. The concept planning process created an opportunity for the city to provide governance or urban service for the area and comply with the requirements of Metro's Title 11.

Beavercreek Concept Plan

Oregon City initiated the Beavercreek Concept Plan process in spring of 2006 to ensure that the 308 gross acres brought into the UGB (245 acres in 2002 and 63 acres in 2004) provide needed employment capacity, are urbanized efficiently in a way that reasonably provides public facilities and services, offers transportation and housing choices, supports economic development and protects natural resources. The total land area included in the concept plan area was 459 gross acres. Attachment 3a shows the Title 4 map of the area before the Beavercreek Concept Plan process was started.

The Concept Plan was developed by a Citizen Advisory Committee and Technical Advisory Committee that met between June 2006 and July 2007. Metro participated in the concept planning process, including membership on the Technical Advisory Committee. In addition, the city conducted study area tours, market focus group, sustainability focus group, public open houses, and community design workshop.

The concept plan provided explanation of the existing condition of the area, including the detailed natural resources, infrastructure, transportation system, buildable land, demographics, market, employment and industrial land analysis that formed the factual basis for determining trends in the area and developing future land use policies and strategies for the area. In addition, the concept plan provided land for the need identified with the various rigorous analyses conducted for the area, including the need to provide for mix of uses that will contribute to family-wage jobs and general economic welfare of the city and improve the region's economic conditions. The city's planning commission report stated that the final product "is a reflection of the needs, desires, attitudes and conditions of the community and represents the vision, direction and improvements that are necessary to accommodate the changing demographics and economics of the community."

Metro staff reviewed the proposed Beavercreek Concept Plan comprehensive plan amendment and Metro compliance findings, and sent comment to Mayor Alice Norris on March 19, 2008 (Attachment 3b), after concluding that the proposal, if adopted by the city council, would comply with the requirements of Title 11 of the Urban Growth Management Functional Plan. On September 17, 2008, the Oregon City Council adopted the Beavercreek Concept Plan as an ancillary document to the city's Comprehensive Plan with the provision that the ancillary document would become effective until February 1, 2009 or upon adoption of zoning regulations implementing the plan amendments, whichever comes first. Attachment 3c shows the Title 4 map of the area after the Beavercreek Concept Plan was adopted.

Changes to Employment and Industrial land inside the Beavercreek Concept Plan Area

Proposed changes to the employment and industrial area inside the Beavercreek Concept Plan area is regulated by Title 4 of the Urban Growth Management Functional Plan, under section 3.07.450 G, which states that the Council may amend the Employment and Industrial Areas Map "...at any time to make corrections in order to better achieve the policies of the Regional Framework Plan."

The basis of the proposed change is two-fold: a) the community's proposal for how the area should be developed in order to achieve the local and regional goals; and b) the findings of the 2009 Urban Growth Report (Employment).

Attachment 3

During the Beavercreek concept planning process, the city addressed economic opportunities and activities vital for the city and the region, and worked with consultant EcoNorthwest to inventory and analyze local and regional market conditions within and adjacent to the area. The inventory included profile of industrial, commercial and office land supply and local employment, and the potential for industrial and commercial development within the area. The consultant analysis concluded “that under the right conditions it is not unreasonable to expect 150 net acres of industrial and business park development to build out on the site over a 20-year period. Thus, the Beavercreek Concept Plan provided 53% (156 net acres) of total net acreage of the area (292 net acres) for employment and industrial land. Attachment 3d shows the proposed changes to the Title 4 map, indicating that 151 gross acres of industrial land is still available in the concept plan area. The 151 gross acres will supply approximately 121 net acres which was Metro’s expectation, as stated in a letter that Metro Council President sent to the Board of Directors for the Hamlet of Beavercreek and the City on May 14, 2007 (Attachment 3e).

Reflecting changes in employment needs and demands between the 2002 UGR (Employment) and the 2009 UGR (Employment, Metro’s 2009 assessment found there is adequate capacity inside the current UGB to accommodate the next 20 years of general employment and general industrial job growth even at the high end of the employment forecast range. This proposed change to the Title 4 Employment and Industrial Areas map will conform the map to the updated information about employment needs in the 2009 UGR (Employment). The change will also respond to the identification of a need for residential capacity in the 2009 UGR (Residential) by increasing the residential capacity of the Beavercreek planning area by 36 dwelling units above the level expected at the time the Metro Council added the areas to the UGB.

ANALYSIS/INFORMATION

Known Opposition

There is no known opposition. However, it is important to state here that a city resident, Elizabeth Grazer-Lindsey, challenged the consistency of the Beavercreek Concept Plan with Metro’s regional planning goals for the area that the Metro Council included in the UGB in 2002 and 2004, and appealed to the Oregon Land Use Board of Appeals.

Legal Antecedents

Statewide Planning Goal 2 (Land Use Planning); Metro Code section 3.07.450 (Employment and Industrial Areas Map).

Anticipated Effects

Proposed changes to the Title 4 map area in the City of Oregon City will make it possible for the area to be urbanized efficiently and contribute the livability in the city, county and the region, consistent with local

Attachment 3

aspirations. The change will also increase residential capacity by shifting some unneeded employment capacity to needed residential capacity, as determined by the 2009 UGR.

Budget Impacts

There is no significant budget impact. Implementation would consist of updating the Employment and Industrial Areas Map.

RECOMMENDED ACTION

Metro Staff believes that the changes to the Title 4 map area will not have any impact on the supply of industrial land. Staff recommends, therefore, that the Metro Council approve this ordinance.

ATTACHMENTS

Attachment 3a (map of the area before the Beaver creek Concept Plan was started)

Attachment 3b (Metro staff (Ray Valone) letter to Mayor Alice Norris and City Commissioners)

Attachment 3c (map of the Beaver creek Concept Plan area)

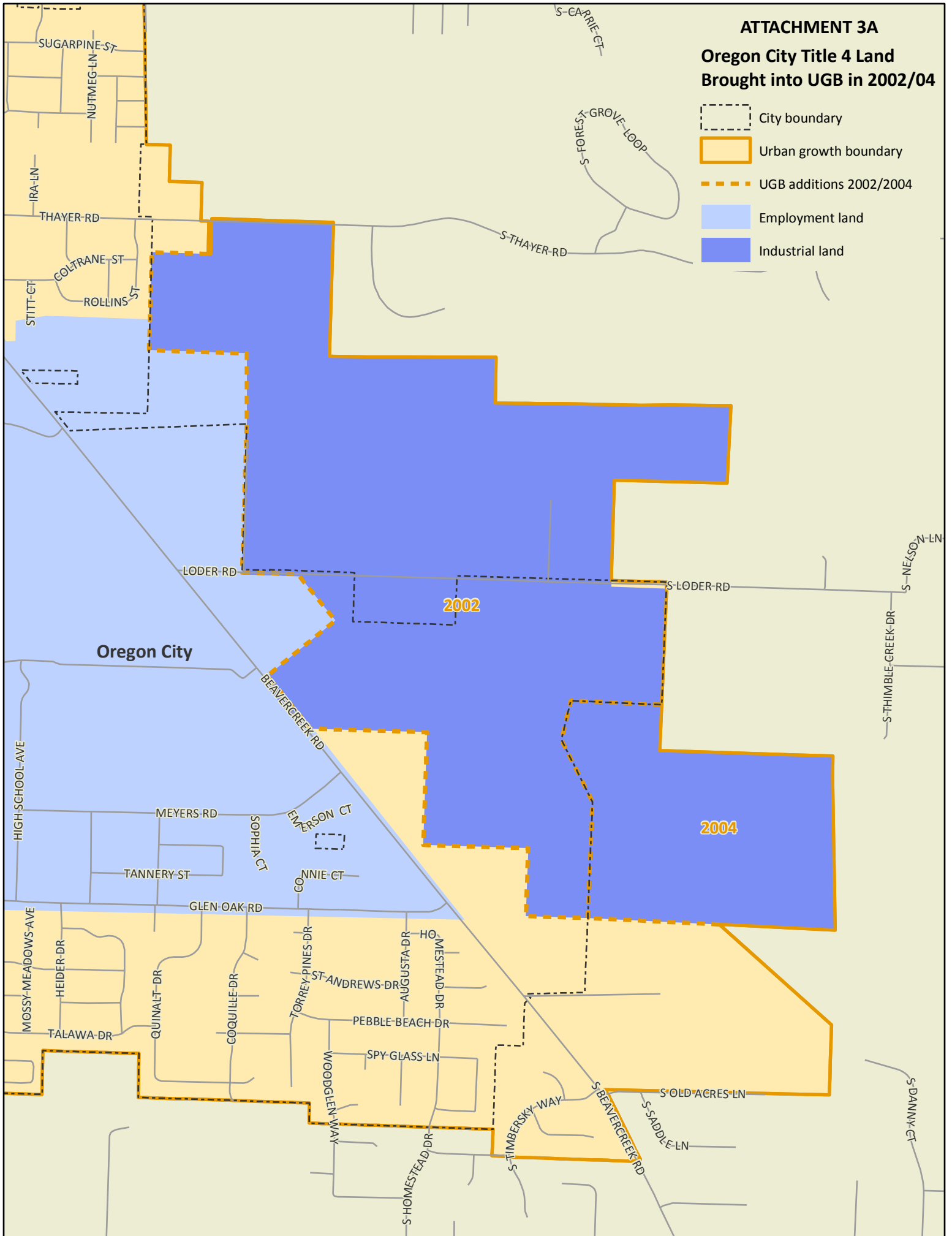
Attachment 3d (map of the area after the Beaver creek Concept Plan was completed)

Attachment 3e (Metro Council President (David Bragdon) letter to the Board of Directors for the Hamlet of Beaver creek and the City)

ATTACHMENT 3A

**Oregon City Title 4 Land
Brought into UGB in 2002/04**

-  City boundary
-  Urban growth boundary
-  UGB additions 2002/2004
-  Employment land
-  Industrial land



ATTACHMENT 3B



METRO

March 19, 2008

Mayor Alice Norris and City Commissioners
City of Oregon City
320 Warner-Milne Road
Oregon City, OR 97045

RE: File L 07-02, Beaver Creek Road Concept Plan

Dear Mayor Norris and Commissioners:

Thank you for the opportunity to review and comment on the proposed Beaver Creek Road Concept Plan comprehensive plan amendment that will begin the process leading to urbanization of the expansion area brought into the UGB in 2002 and 2004. Please enter this letter into the hearing record.

After review of the final recommended concept plan and Metro compliance findings, as detailed by Tony Konkol in his March 8, 2008, memo to the Commission, Metro staff concludes that the proposal, if adopted, would comply with the intent of Metro Ordinance No. 02-969B, Ordinance No. 04-1040B and the Urban Growth Management Functional Plan. As you know, the two Metro ordinances brought the Beaver Creek Road site into the UGB in December 2002 and June 2004, respectively. Title 11 of the Functional Plan requires the City to consider and adopt certain provisions to guide urbanization of new urban areas.

The adoption of the recommended concept plan by the City at this time sets the context for urbanizing the Beaver Creek Road site. The plan and accompanying language seem consistent with Metro policies and regulations. Metro reserves the right, however, to review the future implementation measures, as they come before the Commission, before determining compliance with the two ordinances and Title 11.

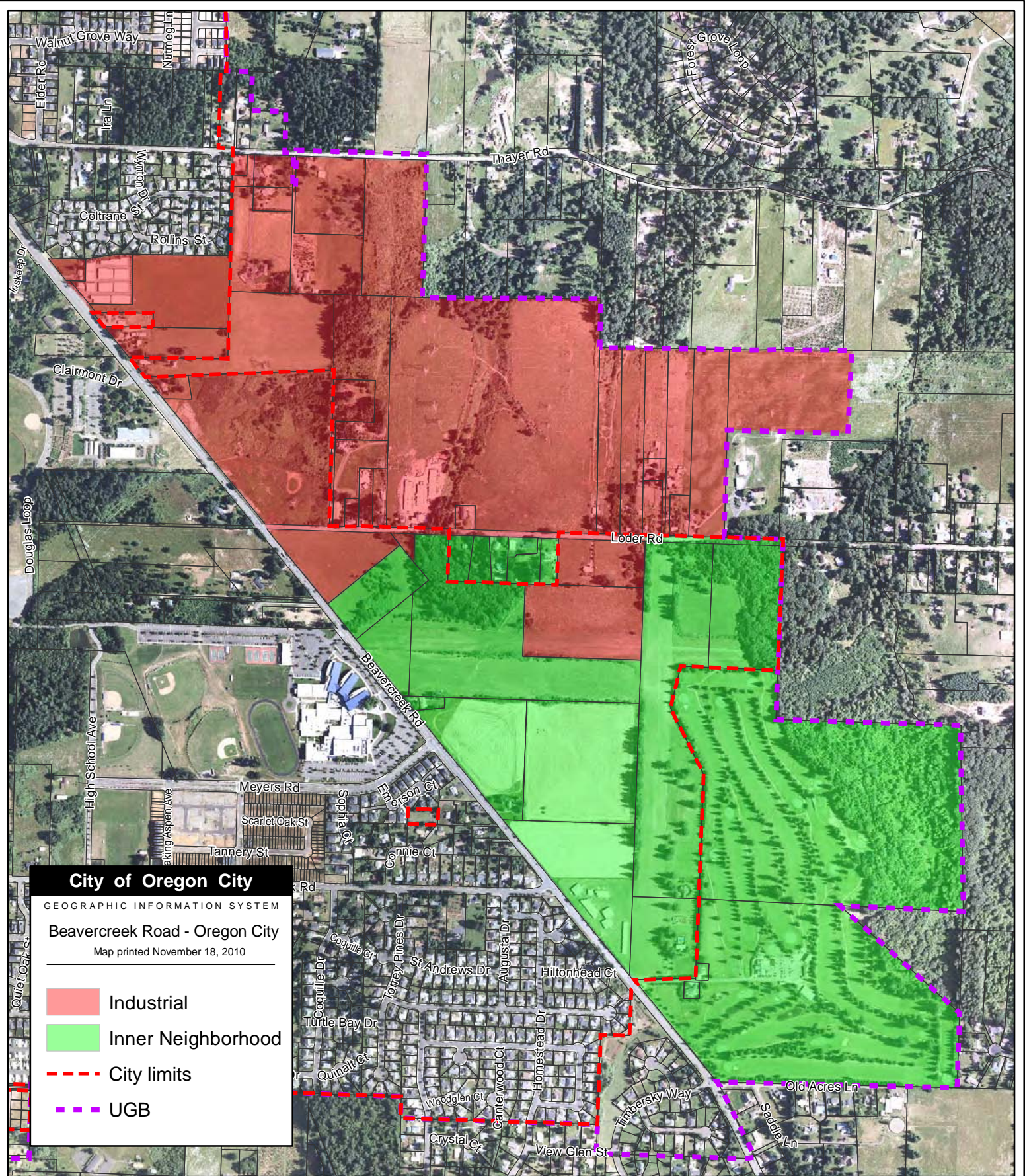
As a participant on the Beaver Creek Road Technical Advisory Committee and attendee of the public open houses during the development of the concept plan, I commend City staff and the consultant team for conducting a thorough process in working with the Citizen Advisory Committee and other stakeholders. While the 2002 and 2004 UGB area was originally designated for job use to support the City's needs, Metro realizes that modifications during local government planning are part of the refinement process. We also appreciate the flexibility shown by all parties in achieving a compromise plan that includes housing and retail services along with a substantial job base.

Sincerely,

A handwritten signature in black ink that reads "Ray Valone".

Ray Valone
Principal Planner

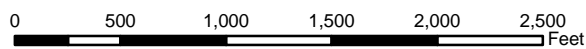
cc: Dan Drentlaw
Tony Konkol
Darren Nichols, DLCD
David Bragdon, Metro Council President
Carlotta Collette, Metro Council District #2
Michael Jordan, Metro COO



City of Oregon City
 GEOGRAPHIC INFORMATION SYSTEM
Beaver Creek Road - Oregon City
 Map printed November 18, 2010

- Industrial
- Inner Neighborhood
- City limits
- UGB

The City of Oregon City makes no representations, express or implied, as to the accuracy, completeness and timeliness of the information displayed. This map is not suitable for legal, engineering, or surveying purposes. Notification of any errors is appreciated.



ATTACHMENT 3C

City of Oregon City
 P.O. Box 3040
 625 Center St
 Oregon City, OR 97045
 503-657-0891 phone
 503-657-6629 fax
 www.orcity.org









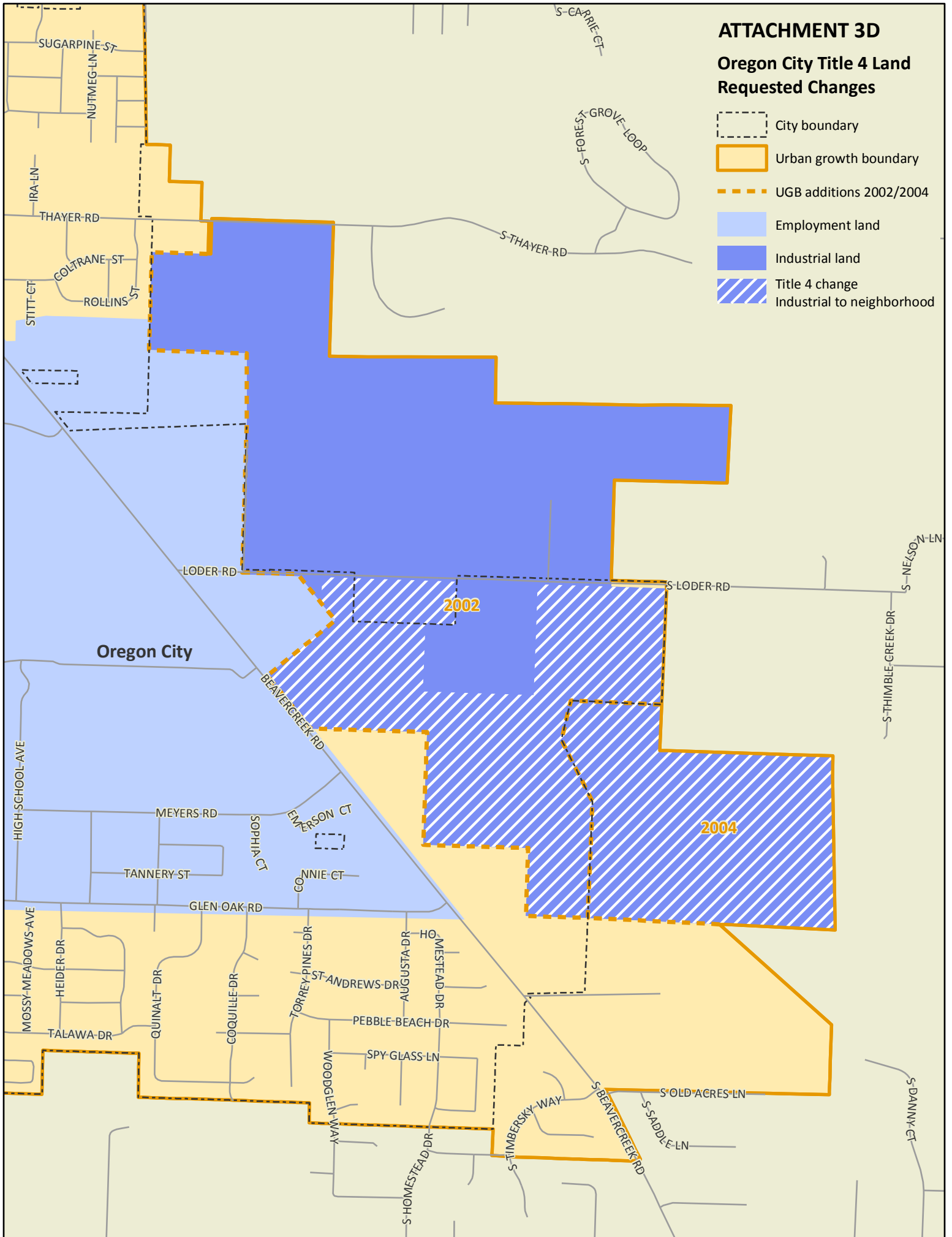
Please recycle with colored office grade paper.

Plot date: November 18, 2010
 Plot name: Proposed 2040 Growth Concept Map - Scenario 1 - 8_5x11PJ - 20101118.pdf
 Map name: Proposed 2040 Growth Concept Map - Scenario 1 - 8_5x11PJ.mxd

ATTACHMENT 3D

Oregon City Title 4 Land Requested Changes

-  City boundary
-  Urban growth boundary
-  UGB additions 2002/2004
-  Employment land
-  Industrial land
-  Title 4 change Industrial to neighborhood





METRO

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1889 | FAX 503 797 1793

COUNCIL PRESIDENT DAVID BRAGDON

May 14, 2007

Bill Merchant
Chair, Board of Directors for the Hamlet of Beaver Creek

Elizabeth Graser-Lindsey
Speaker and Corresponding Secretary, Board of Directors for the Hamlet of Beaver Creek
The Hamlet of Beaver Creek
PO BOX 587
Beaver Creek, OR 97004

Dear Mr. Merchant and Ms. Graser-Lindsey:

Thank you for your recent letter outlining your concerns about the planning and future development of the 300 acres of property along Beaver Creek Road that were included in the 2002 and 2004 urban growth boundary expansions. The Metro Council had targeted 120 net acres of industrial job land for the 300 acres. It is my understanding that the latest proposed plan meets this requirement.

I have forwarded a courtesy copy of your letter to the City of Oregon City, and it is my understanding that Dan Drentlaw, Director of Community Development has also responded to your letter.

Metro staff Ray Valone serves as Metro's representative on the technical advisory committee for this project and can be reached at 503-797-1808 or valoner@metro.dst.or.us if you have further questions regarding the Metro Council's industrial land targets and the concept and comprehensive planning process.

Sincerely,

A handwritten signature in cursive script, appearing to read 'David Bragdon'.

David L. Bragdon
Metro Council President

Cc: Mayor Alice Norris, City of Oregon City
Dan Drentlaw, Director of Community Development, City of Oregon City
Michael Jordan, Chief Operating Officer, Metro
Ray Valone, Principal Planner, Metro

Agenda Item Number 5.2

Ordinance No. 10-1250, For the Purpose of Amending the FY 2010-11 Budget and Appropriations Schedule to Establish a Joint Limited Duration Associate Planner Position within the Research Center and Sustainability Center to Assist on Key Metro Climate Initiatives and Declaring an Emergency.

Ordinances – Second Reading

Metro Council Meeting
Thursday, Dec. 16, 2010
Metro Council Chamber

BEFORE THE METRO COUNCIL

AMENDING THE FY 2010-11 BUDGET AND)	ORDINANCE NO. 10-1250
APPROPRIATIONS SCHEDULE TO ESTABLISH)	
A JOINT LIMITED DURATION ASSOCIATE)	Introduced by Michael Jordan, Chief
PLANNER POSITION WITHIN THE RESEARCH)	Operating Officer, with the concurrence of
CENTER AND SUSTAINABILITY CENTER TO)	Council President David Bragdon
ASSIST ON KEY METRO CLIMATE)	
INITIATIVES AND DECLARING AN)	
EMERGENCY)	

WHEREAS, the Metro Council has reviewed and considered the need to modify appropriations within the FY 2010-11 Budget; and

WHEREAS, Metro Code chapter 2.02.040 requires Metro Council approval to add any new position to the budget; and

WHEREAS, the Metro Council has reviewed and considered the need to add FTE within the FY 2010-11 Budget; and

WHEREAS, the need for the additional FTE has been justified; and

WHEREAS, adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2010-11 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of adding a full-time limited duration associate planner position shared jointly by the Research Center and Sustainability Center.
2. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____ 2010.

Carlotta Collette, Council President

Attest:

Approved as to Form:

Kelsey Newell, Recording Secretary

Daniel B. Cooper, Metro Attorney

**Exhibit A
Ordinance No. 10-1250**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
General Fund							
Research Center							
<i>Personal Services</i>							
<i>SALWGE</i>	<i>Salaries & Wages</i>						
5010	Reg Employees-Full Time-Exempt						
	Assistant GIS Specialist	1.00	49,329	-	0	1.00	49,329
	Administrative Specialist IV	1.00	47,021	-	0	1.00	47,021
	Assistant Regional Planner	1.00	54,419	-	0	1.00	54,419
	Associate GIS Specialist	1.00	72,800	-	0	1.00	72,800
	Associate Regional Planner	-	0	0.43	25,329	0.43	25,329
	Associate Transportation Modeler	5.00	306,867	-	0	5.00	306,867
	Manager I	1.00	90,593	-	0	1.00	90,593
	Manager II	2.00	180,333	-	0	2.00	180,333
	Principal GIS Specialist	2.00	176,838	-	0	2.00	176,838
	Principal Regional Planner	1.00	88,419	-	0	1.00	88,419
	Principal Transportation Modeler	3.00	265,257	-	0	3.00	265,257
	Program Director II	1.00	131,785	-	0	1.00	131,785
	Program Supervisor II	2.00	180,511	-	0	2.00	180,511
	Senior GIS Specialist	6.00	435,957	-	0	6.00	435,957
	Senior Transportation Modeler	2.00	168,450	-	0	2.00	168,450
5020	Reg Emp-Part Time-Exempt						
	Assistant GIS Specialist	0.60	35,397	-	0	0.60	35,397
	Associate GIS Specialist	0.50	36,400	-	0	0.50	36,400
	Principal Regional Planner	0.80	71,173	-	0	0.80	71,173
5025	Reg Employees-Part Time-Non-Exempt						
	GIS Technician	1.34	54,420	-	0	1.34	54,420
5030	Temporary Employees	-	30,224		0	-	30,224
5089	Salary Adjustments						
	Merit Adjustment Pool (non-represented)		17,497		0		17,497
	Step Increases (AFSCME)		20,107		0		20,107
	COLA (represented employees)		27,419		0		27,419
	Other Adjustments (non-represented)		2,916		0		2,916
	Other Adjustments (AFSCME)		9,140		0		9,140
<i>FRINGE</i>	<i>Fringe Benefits</i>						
5100	Fringe Benefits						
	Base Fringe (variable & fixed)		837,071		9,898		846,969
5190	PERS Bond Recovery		75,536		760		76,296
Total Personal Services		32.24	\$3,465,879	0.43	\$35,987	32.67	\$3,501,866
<i>Materials & Services</i>							
<i>GOODS</i>	<i>Goods</i>						
5201	Office Supplies		146,028		0		146,028
5205	Operating Supplies		16,900		0		16,900
5210	Subscriptions and Dues		4,095		0		4,095
<i>SVCS</i>	<i>Services</i>						
5240	Contracted Professional Svcs		905,500		(35,987)		869,513
5260	Maintenance & Repair Services		84,663		0		84,663
5280	Other Purchased Services		2,500		0		2,500
<i>OTHEXP</i>	<i>Other Expenditures</i>						
5450	Travel		23,287		0		23,287
5455	Staff Development		23,200		0		23,200
Total Materials & Services			\$1,206,173		(\$35,987)		\$1,170,186
TOTAL REQUIREMENTS		32.24	\$4,672,052	0.43	\$0	32.67	\$4,672,052

**Exhibit A
Ordinance No. 10-1250**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
Solid Waste Revenue Fund							
Operating Account - Sustainability Center							
<i>Personal Services</i>							
SALWGE	<i>Salaries & Wages</i>						
5010	Reg Employees-Full Time-Exempt						
	Program Director	1.00	102,294	-	0	1.00	102,294
	Manager I	2.00	174,509	-	0	2.00	174,509
	Program Supervisor I	1.00	70,209	-	0	1.00	70,209
	Program Supervisor II	0.50	35,855	-	0	0.50	35,855
	Assoc. Solid Waste Planner	1.00	69,360	-	0	1.00	69,360
	Assoc. Regional Planner	-	0	0.15	8,443	0.15	8,443
	Education Coordinator II	1.00	49,371	-	0	1.00	49,371
	Principal Solid Waste Planner	1.00	80,262	-	0	1.00	80,262
	Senior Public Affairs Specialist	1.00	76,440	-	0	1.00	76,440
	Sr. Regional Planner	1.00	69,360	-	0	1.00	69,360
	Sr. Solid Waste Planner	6.00	464,992	-	0	6.00	464,992
5015	Reg Empl-Full Time-Non-Exempt						
	Program Assistant 2	5.00	209,265	-	0	5.00	209,265
5020	Reg Employees-Part Time-Exempt						
	Senior Solid Waste Planner	1.00	71,093	-	0	1.00	71,093
5025	Reg Empl-Part Time-Non-Exempt						
	Program Assistant 2	1.00	46,862	-	0	1.00	46,862
5030	Temporary Employees		150,000		0		150,000
5080	Overtime		4,600		0		4,600
5089	Salary Adjustment						
	Merit Adjustment Pool (non-represented)		11,486		0		11,486
	Step Increases (AFSCME)		14,208		0		14,208
	COLA (represented employees)		19,372		0		19,372
	Other Adjustments (non-represented)		2,617		0		2,617
	Other Adjustments (AFSCME)		6,454		0		6,454
FRINGE	<i>Fringe Benefits</i>						
5100	Fringe Benefits						
	Base Fringe (variable & fixed)		572,240		3,299		575,539
5190	PERS Bond Recovery		51,860		253		52,113
Total Personal Services		22.50	\$2,352,709	0.15	\$11,995	22.65	\$2,364,704
<i>Materials & Services</i>							
GOODS	<i>Goods</i>						
5201	Office Supplies		11,800		0		11,800
5205	Operating Supplies		46,500		0		46,500
5210	Subscriptions and Dues		22,675		0		22,675
5214	Fuels and Lubricants		2,500		0		2,500
5215	Maintenance & Repairs Supplies		1,500		0		1,500
SVCS	<i>Services</i>						
5240	Contracted Professional Svcs		3,049,641		(11,995)		3,037,646
5246	Sponsorship Expenditures		71,500		0		71,500
5251	Utility Services		3,200		0		3,200
5260	Maintenance & Repair Services		10,300		0		10,300
5265	Rentals		14,700		0		14,700
5280	Other Purchased Services		300,500		0		300,500
IGEXP	<i>Intergov't Expenditures</i>						
5315	Grants to Other Governments		2,095,727		0		2,095,727
OTHEXP	<i>Other Expenditures</i>						
5445	Grants & Loans		80,000		0		80,000
5450	Travel		12,500		0		12,500
5455	Staff Development		23,500		0		23,500
Total Materials & Services			\$5,746,543		(\$11,995)		\$5,734,548
TOTAL REQUIREMENTS		22.50	\$8,099,252	0.15	\$0	22.65	\$8,099,252

Exhibit B
Ordinance 10-1250
Schedule of Appropriations

	<u>Current Appropriation</u>	<u>Revision</u>	<u>Revised Appropriation</u>
GENERAL FUND			
Communications	2,515,796	0	2,515,796
Council Office	3,701,124	0	3,701,124
Finance & Regulatory Services	3,364,337	0	3,364,337
Human Resources	1,842,888	0	1,842,888
Information Services	3,058,594	0	3,058,594
Metro Auditor	672,078	0	672,078
Office of Metro Attorney	2,013,825	0	2,013,825
Oregon Zoo	27,224,181	0	27,224,181
Parks & Environmental Services	6,799,414	0	6,799,414
Planning and Development	15,562,488	0	15,562,488
Research Center	4,672,052	0	4,672,052
Sustainability Center	5,409,248	0	5,409,248
Former ORS 197.352 Claims & Judgments	100	0	100
Special Appropriations	5,201,637	0	5,201,637
Non-Departmental			
Debt Service	1,529,472	0	1,529,472
Interfund Transfers	4,313,554	0	4,313,554
Contingency	3,441,260	0	3,441,260
Unappropriated Balance	13,191,950	0	13,191,950
Total Fund Requirements	\$104,513,998	\$0	\$104,513,998
SOLID WASTE REVENUE FUND			
Operating Account			
Finance & Administrative Services	2,181,465	0	2,181,465
Sustainability Center	8,099,252	0	8,099,252
Parks & Environmental Services	39,691,715	0	39,691,715
Subtotal	49,972,432	0	49,972,432
Landfill Closure Account			
Parks & Environmental Services	3,003,783	0	3,003,783
Subtotal	3,003,783	0	3,003,783
Renewal and Replacement Account			
Parks & Environmental Services	980,000	0	980,000
Subtotal	980,000	0	980,000
General Account			
Parks & Environmental Services	1,542,500	0	1,542,500
Subtotal	1,542,500	0	1,542,500
General Expenses			
Interfund Transfers	6,995,233	0	6,995,233
Contingency	14,540,763	0	14,540,763
Subtotal	21,535,996	0	21,535,996
Unappropriated Balance	22,807,126	0	22,807,126
Total Fund Requirements	\$99,841,837	\$0	\$99,841,837

*NOTE : No change in the appropriation schedule is necessary as a result of this amendment.
All appropriations remain as previously adopted*

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 10-1250, AMENDING THE FY 2010-11 BUDGET AND APPROPRIATIONS SCHEDULE TO ESTABLISH A JOINT LIMITED DURATION ASSOCIATE PLANNER POSITION WITHIN THE RESEARCH CENTER AND SUSTAINABILITY CENTER TO ASSIST ON KEY METRO CLIMATE INITIATIVES AND DECLARING AN EMERGENCY

Date: December 1, 2010

Presented by: Mike Hoglund
503-797-1743

BACKGROUND

This ordinance authorizes a full-time, limited duration Associate Planner position (0.583 FTE) through June 30, 2011. The position will assist programmatic efforts related to the Climate Smart Communities Scenarios Project (Research Center/Planning & Development) and Resource Conservation and Recycling Division (RCRD) materials and food waste performance measures (Sustainability Center). Funds for the position are contained within the FY 2010-11 Budget as part of the HB 2001 ODOT/Metro IGA and within RCRD budget.

There are both internal and external expectations that Metro serve as a leader in regional climate mitigation and adaptation planning. The Metro Council adopted Resolutions No. 08-3931 and No. 08-3971 recognizing the need to incorporate climate change considerations into regional planning and across waste reduction programs; and HB 2001 requires Metro to conduct scenario planning to reduce greenhouse gas emissions to meet State targets.

An extensive scope of work to address HB 2001, entitled Climate Smart Communities, has been developed and work is underway. The scope of work addresses a process for scenario planning, analysis, and outreach. Included in the analytical methods is an evaluation framework that moves beyond greenhouse gas impacts and other standard transportation/land use measures. The Metro Council's six regional outcomes provide a framework for evaluation. Measures related to ensuring the benefits and burdens of growth and change in the region are distributed equitably and the impact climate decisions have on the economy and on the health of our residents and communities will be key considerations. A critical aspect of Metro's leadership role is to provide technical guidance and decision support tools to help policy makers and regional partners develop policies and programs that effectively and efficiently address climate change, health, and equity. However, Metro does not currently have the staff capacity or the technical framework to comprehensively address these needs.

Early work on Climate Smart Communities, as well as on Making the Greatest Place/Community Investment Strategy has identified needs in three areas:

- Establish a long-term decision-support framework,
- Establish the tools needed to integrate climate change, health, and equity impact assessments into Metro's portfolio of technical client services and decision-making processes,
- Build staff capacity to implement such a framework.

This ordinance builds programmatic staff capacity to support the need identified above. The Regional GHG Emissions Inventory and the GHG Emissions Analysis Toolkit provide building blocks for this framework, through training have enhanced Metro staff's understanding of evaluating Metro activities for greenhouse gas effects. However, there is a need to develop the staff capacity to carry this work forward using a cross-departmental approach to ensure that greenhouse gas analysis is used to inform decision-making within Metro across all departments and across a full spectrum of sustainability.

Finally, Metro's Resource Conservation and Recycling Division recently set goals to reduce greenhouse gas emissions associated with the region's consumption of materials and food and to invest in equitable involvement and benefits for all members of the community in implementing the program's strategies and actions. These goals require new performance measurement systems, including data on regional consumption patterns to input into greenhouse gas, equity, and health impact assessments. This position will also help in development of those systems.

The limited duration will work through the end of the fiscal year to ensure technical products and systems related to Climate Smart Communities and Resource Conservation and Recycling division performance measures are delivered. The position will be assigned to the Research Center, but will provide technical services for both Planning & Development and for the Sustainability Center. The need for continuation of the position will be further reviewed through the FY 2011-12 budget process, and will be contingent upon available funds.

The approximate cost (salary and fringe) of a full-time Associate Planner position for up to a seven-month period (0.583 FTE) would be \$47,892. Resources for the position are provided through unallocated HB 2001 revenue (75 percent) and solid waste and recycling funds (25 percent).

Specifically, this position will help the Climate Smart Communities Scenario Project to develop, document, and apply sketch-planning tools and develop and apply appropriate sustainability evaluation methods and criteria (including equity and health implications). The position will also develop a new module or tool to measure materials consumption and food waste greenhouse gas program effectiveness.

ANALYSIS/INFORMATION

- 1. Known Opposition:** None known.
- 2. Legal Antecedents:** ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction.
- 3. Anticipated Effects:** This action would authorize a full-time limited duration associate planner position for the period December 16, 2010 through June 30, 2011 to provide climate and sustainability technical services for both Planning & Development and for the Sustainability Center.
- 4. Budget Impacts:** There is no additional new cost for this position. The ordinance will transfer existing appropriation from materials and services to personal services within the Research Center and the Solid Waste Resource Conservation and Recycling division to fund the cost of the position.

RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of this Ordinance.

Materials following this page were distributed at the meeting.



METRO COUNCIL MEETING

Dec. 9, 2010

Metro Council Chambers

Councilors Present: Council President Carlotta Collette and Councilors Rod Park, Kathryn Harrington, Robert Liberty, Rex Burkholder, and Carl Hosticka

Councilors Excused: None

Council President Carlotta Collette convened the regular Council meeting at 5:02 p.m.

1. INTRODUCTIONS

Council welcomed City of Portland Commissioner Amanda Fritz and Washington County Commissioner-elect Greg Malinowski.

2. CITIZEN COMMUNICATIONS

Carol Chesarek, 13300 NW Germantown Rd., Portland: Ms. Chesarek encouraged the Council to leave the urban reserve areas remanded by the Land Conservation and Development Commission as undesignated; stating that the region would be well above the midpoint of the middle third of the Chief Operating Officer's 50-year forecasted range. (Written testimony included as part of the meeting record.)

Greg Malinowski, 13450 NW Springville Lane, Portland: Commissioner-elect Malinowski emphasized the need for a transparent and open public process for the urban and rural reserves and stated that the public want to be informed and to participate in deliberations. He was in favor of having continued discussions about the reserves in Washington County into the new year.

Linda Peters, 25440 NW Dairy Creek Road, North Plains: Ms. Peters stated that the past year has been full of ups and downs and is happy to end the year on a note of accord regarding the rural reserves process – specifically as it relates to potential solutions for the remanded areas in Washington County.

3. CONSTRUCTION CLASS PRESENTATION

Mr. Britt Tucker of Oregon City High School and his students provided a brief presentation on a series of Wesley Lynn Park enhancement projects. The high school's construction class has received four of Metro's community enhancement grants since 2008. Grant funds have been used to design and build a pergola and covered area for the park; next project on the list is construction of a restroom.

Council discussion included the class mission, student participation and the possibility of replicating the program in other schools across the region.

4. CONSENT AGENDA

Motion:	Councilor Rex Burkholder Park moved to adopt the consent agenda: <ul style="list-style-type: none">• The regular Council meeting minutes for November 29, 2010• The regular Council meeting minutes for December 2, 2010• The Council public hearing Ordinance No. 10-1244 minutes for December 2, 2010• Resolution No. 10-4218, For the Purpose of Entering Metro Council's Proclamation of the Results of the November 2, 2010 General Election into the Metro Council Records.
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Vote:	Council President Collette and Councilors Burkholder, Harrington, Park, Liberty and Hosticka voted in support of the motion. The vote was 6 aye, the motion passed.
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5. ORDINANCES – PUBLIC HEARING READING

5.1 **Ordinance No. 10-1244**, For the Purpose of Making the Greatest Place and Providing Capacity for Housing and Employment to the Year 2030; Amending the Regional Framework Plan and the Metro Code; and Declaring an Emergency.

Mr. John Williams of Metro provided a brief overview of Ordinance No. 10-1244 which addresses five main components:

- Recommendations for residential capacity;
- Recommendations for employment capacity;
- Recommendations for the Regional Framework Plan;
- Recommendations for the Urban Growth Management Functional Plan; and
- Recommendations for a series of maps including the 2040 Growth Concept, Title 4: *Industrial and Other Employment Areas*, and Title 6: *Centers, Corridors, Station Communities, and Main Streets, Adopted Boundaries*.

Motion:	Councilor Carl Hosticka moved to adopt Ordinance No. 10-1244.
Second:	Councilor Kathryn Harrington seconded the motion.

Councilor Hosticka expanded on Mr. Williams opening comments, stating that the ordinance has been reviewed by many advisory committees including the Metro Policy Advisory Committee (MPAC) who formally recommended the ordinance to Council.

5.1.1 Councilor Proposed Amendments

Councilor Liberty overviewed the 3 principles identified by the MPAC Housing Planning subcommittee: (1) plans should describe the different housing types for the area that are intended for the area; (2) plans should describe house they would address housing needs in the prospective UGB expansion area, in perspective governing city, and the region; and (3) Plans should address the types of housing that are likely to be built in the 20-year planning period and described additional strategies to encourage the development of needed housing types that would otherwise not be built. MPAC had extensive discussion on this topic and while the committee could not agree on exact language for the recommendations, it did endorse the principles. Councilor Liberty's amendment proposed revised language in response to concerns raised by the Cities of Hillsboro

and Beaverton. The proposed amendment, although in a different form, remained true to the principles identified by the subcommittee.

Motion:	<p>Councilor Robert Liberty moved to amend Ordinance No. 10-1244, Exhibit J, <i>Title 11</i> to:</p> <ul style="list-style-type: none">• Amend 3.07.1110, <i>Planning for Areas Designated Urban Reserve</i>, Section B. 1(c) to read: “A range of housing needed of different types, tenure and costs <u>addressing the housing needs</u> in the prospective UGB expansion area, the prospective governing city, the county and the region, if data on regional housing needs are available, including ownership and rental housing; single family and multi-family housing; and a mix of public, nonprofit and private market housing— with an option for households with incomes at or below 80, 50 and 30 percent of median family incomes for the region in order to create economically and socially vital and complete neighborhoods and cities and avoiding the concentration of poverty and the isolation of families and people of modest means”• Amend 3.07.1110, <i>Planning for Areas Designated Urban Reserve</i>, Section B.2 (a) to read: “A range of housing needed of different types, tenure and costs <u>addressing the housing needs</u> in the prospective UGB expansion area, the prospective governing city <u>the county</u> and the region, <u>if data are on regional housing needs available including ownership and rental housing; single family and multi-family housing; and a mix of public, nonprofit and private market housing with an option for households with incomes at or below 80, 50 and 30 percent of median family incomes for the region in order to create economically and socially vital and complete neighborhoods and cities and avoiding the concentration of poverty and the isolation of families and people of modest means”</u>• Amend 3.07.1110, <i>Planning for Areas Designated Urban Reserve</i>, Section C.4 to read: “If the area subject to the concept plan calls for designation of land for residential use, <u>the concept plan will describe the goals for meeting the housing needs for the concept planning area, the governing city, the county and the region if data are available. include strategies, such as partnerships and incentives, that increase the likelihood that needed housing types described in subsection B of this section will be market feasible or provided by non-market housing developers within the 20-year UGB planning period. As part of this statement of objectives, the concept plan shall identify the general number, cost and type of market and nonmarket-provided housing and the range of incomes of the families and individuals who will live in that housing. The concept plan shall also identify preliminary strategies, including fee waivers, subsidies, zoning incentives and private and nonprofit partnerships, that will support the likelihood of achieving the outcomes described in subsection B of this section”</u>
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	<ul style="list-style-type: none"> • Add to 3.07.1120, <i>Planning for Areas Designated Urban Reserve</i>, Section C.4 to read: “If the comprehensive plan authorizes housing in any part of the area; <u>a. p</u>rovision for a range of housing needed in the prospective UGB expansion area, the prospective governing city, and the region, - including ownership and rental housing; single-family and multi-family housing; and a mix of public, nonprofit and private market housing - needed in the prospective UGB expansion area, the governing city, the county and the region if data are available; and <u>b. with an option for households with incomes at or below 80, 50, and 30 percent of median family income s for the region and</u> implementing strategies that increase the likelihood that needed housing types - which may include housing options for households with incomes at or below 80, 50 and 30 percent of median family incomes - will be market-feasible or provided by non-market housing developers within the 20-year UGB planning period; <u>This subsection is intended to encourage local governments to consider a range of policies and incentives that could facilitate development of a broader range of housing types and affordability than might otherwise occur. The comprehensive plan may include such provisions and requirements as the city or county deems necessary to ensure the provision of needed housing types and to implement the strategies indentified in the plan.</u>
Second:	Councilor Rod Park seconded the motion.

5.1.2 Public Hearing on Ordinance No. 10-1244

Council President Collette opened a public hearing for Ordinance No. 10-1244:

- Amanda Fritz, City of Portland: Commissioner Fritz expressed the City’s support for the recommendation to narrowed the residential forecast and maintain flexibly of the UGB decision, MPAC’s recommendation to expand UGB to include the 310 acres north of Hillsboro, the replenishment policy, and general title amendments with the exception of the proposed Title 11 changes. The City supports the underlying principle of including a more explicit consideration of affordable housing in the concept planning process and the code language developed by the MPAC Subcommittee that specifies looking at housing for households with incomes at and/or below 80, 50, and 30 percent of the median family income. She supported Councilor Liberty’s proposed amendment. Commissioner Fritz also expressed her appreciation to the changes to the desired outcomes regarding accessibility of neighborhoods. (Written testimony included as part of the meeting record.)

Council discussion included the MFI percentages.

- Lou Ogden, City of Tualatin: Mayor Ogden referred to a letter from the City to the Metro Council regarding concern that the 38 percent infill rate is too high for communities and recommended that this percentage act as an aspiration not a standard. He encouraged the

Council to consider larger lots, closer to 1000 acres, for industrial lands. Mayor Ogden stated that reserves area F5, 117 acres, should be added to UGB as it is an important transportation link for the City.

Council discussion included the refill rate as a target to forecast capacity, and the inclusion of 124th Avenue project in the federally constrained Regional Transportation Plan.

- Jeff Stone, Oregon Association of Nurseries: Mr. Stone discussed issues about carrying capacity. He expressed that the public has already invested in infrastructure in the current UGB. The nursery industry is both urban and rural and he encouraged the Council to view agriculture as an economic engine. He discussed issues with getting products to market and their relation to transportation needs.
- Trey Chanter, South Business Alliance: Mr. Chanter addressed the capacity of the south metro area; specifically in regards to traffic congestion in the Boone Bridge to Highway 217 and I-5/99W areas. He emphasized the need to distribute the region's resources more equitably. Mr. Chanter supported the 124th street project. (Written testimony included as part of the meeting record.)
- Cheryl Dorman, Tualatin Chamber of Commerce: Ms. Dorman supported the six desired outcomes identified in the UGR. She expressed concern with restricting land supply for affordable housing citing increase value caused by supply and demand; and concern with traffic congestion on the Tualatin-Sherwood road, I-5 and 124th street corridors.
- Jim Haynes, Sherwood Chamber of Commerce: Mr. Haynes emphasized the importance of addressing transportation capacity in the region, specifically along the Tualatin-Sherwood and Highway 99W corridors. He cited the need for safe and reliable transportation corridors and decreased travel times as reasoning. He supported the 124th street south project.
- Beverly Bookin, Coalition for a Prosperous Region: Ms. Bookin commented that the ordinance is based on aggressive economic, employment and housing assumptions and that the region needs to ground planning decisions in historical performance. She cited issues related readiness and timing as important factors. Ms. Bookin recommended that the Council consider the higher-end of the 200 to 1500 acres for industrial land and was in favor of the replenishment system. She recommended modest expansion at the fringe of the UGB where employment growth is anticipated. (Written testimony included as part of the meeting record.)

Council discussion included partnership opportunities with the CPR on developing performance measures.

- Dick Stenson, Tuality Healthcare: Mr. Stenson provided a brief overview of healthcare-related programs and organizations that assist residents in Washington County and emphasized the collaboration between the programs.

Council discussing included the new intermodal transit center in Hillsboro.

- Lisa Brown, Community Action: Ms. Brown addressed the employment and housing challenges in Washington County. The Washington County poverty population is growing twice the rate of the general population – Community Action has received nearly 200,000

requests for emergency rent and energy assistance since January 1. Ms. Brown credited the current job market as reasoning. She supported Councilor Liberty's proposed amendment.

- Jim Irvine, Expert Advisory Group: Mr. Irvine stated that the land inside the existing UGB is significantly constrained and that region must remove the barriers in order to achieve its aspirations within the boundary. He discussed the Expert Advisory Group's discussion on market interest and demographic preferences for centers and corridors. Mr. Irvine identified areas around the region (e.g. Beaverton Round or the Pearl District) where development has or has not developed organically to meet these needs. He emphasized a need for congruency between practices (e.g. brownfield conversion or state tax policy and land policy).
- Doug Barrett, CascadeTek: Mr. Barrett discussed how his company has been able to grow and succeed in Hillsboro; he cited cluster development as reasoning. He stated that industry anchors provide great jobs and can also provide opportunities to smaller businesses located throughout the region that can potentially provide services to support the anchors. (Written testimony included as part of the meeting record.)
- Tony Konkol, City of Oregon City: Mr. Konkol provided brief historical information and the City's rationale for their request to amend the Title 4 map to be consistent with the Beavercreek Concept Plan. He encouraged Council to consider two issues when making their decision: (1) the difference between the 2002 and 2009 UGR showed that the City does have sufficient employment lands for the 2030 capacity; and (2) the City identified substantial community support during the public involvement process.

Council discussion included 2002 decision and UGR, and discussion about requiring plans prior to bringing land into the UGB.

- John Southgate, City of Hillsboro: Mr. Southgate spoke to the City's participation in small business assistance initiatives, including the Hillsboro Economic Development Partnership and Oregon Entrepreneurs' Network. He emphasized the need for large lot industrial land, stating that large lot businesses are purchasers of small businesses' products and services. He also spoke to the City's interest in contributing venture funds. (Written testimony included as part of the meeting record.)
- Mara Gross, Coalition for a Livable Future: Ms. Gross provided recommended changes on Metro's six desired outcomes for the region. She was concerned with the proposed center designation change for the Tanasbourne area; she cited already limited resources for existing centers and the importance of integrating land use and transportation planning (e.g. with specific concern with the center's priority High Capacity Transit service) as reasoning. She supported the latest proposed amendments for Title 11, but believed listing MFI numbers was important. Ms. Gross thanked the Council for waiting to make the UGB decision. (Written testimony included as part of the meeting record.)

Council discussion included criteria for centers designations and welcomed CLF's input.

- Mary Kyle McCurdy, 1000 Friends of Oregon: Ms. McCurdy thanked the Council for their decision to wait on expanding the UGB in 2010 and was in favor of not expanding the UGB in 2011 either; she cited local aspirations (e.g. land use plans and zoning) and lack of funding for current infrastructure as reasoning. She discussed the UGR findings on

residential and employment capacity –specifically focused on industrial land and zoned capacity. (Written testimony included as part of the meeting record.)

Council discussion included Exhibit N and urban services, and assumptions about infrastructure.

- Elizabeth Graser-Lindsey, 21341 S Ferguson Rd., Beavercreek: Ms. Lindsey provided comments on Mr. Konkol’s testimony. She addressed LUBA’s comments related to the market feasibility study and acreage for zoned industrial lands. Ms. Lindsey stated that the majority of citizens are opposed to the change citing impacts to roads and schools as reasoning. She was concerned that there is not sufficient land in employment areas and sees regional and local consequences to changing the land designation from industrial to residential. Ms. Lindsey believes the area could supply 50 acre industrial parcels for the region.

5.1.3 Council Consideration of Proposed Amendments

Councilor Liberty recommended the Council adopt the amendment before them. Council may consider additional amendments on Dec. 16 or, if needed, send Title 11 back to the subcommittee for further work. He welcomed the MPAC subcommittee’s comments.

Vote:

Council President Collette and Councilors Burkholder, Harrington, Liberty, Park and Hosticka voted in support of the motion. The vote was 6 aye, the motion passed.

Second read, final public hearing and Council consideration of Ordinance No. 10-1244A is scheduled for Dec. 16 at 2 p.m. at the Metro Council Chambers.

6 ORDINANCES – FIRST READING

- 6.1 **Ordinance No. 10-1250**, For the Purpose of Amending the FY 2010-11 Budget and Appropriations Schedule to Establish a Joint Limited Duration Associate Planner Position Within the Research Center and Sustainability Center to Assist on Key Metro Climate Change Initiatives and Declaring an Emergency.

Second read, public hearing and Council consideration of Ordinance No. 10-1250 are scheduled for next Thursday, Dec. 16.

7 ORDINANCES – SECOND READING

- 7.1 **Ordinance No. 10-1248**, For the Purpose of Approving a Solid Waste Facility Franchise Application Submitted by Columbia Biogas, LLC to Operate an Anaerobic Digestion Facility and Authorizing the Chief Operating Officer to Issue a Franchise.

Motion:	Councilor Burkholder moved to adopt Ordinance No. 10-1248.
Second:	Councilor Park seconded the motion.

Councilor Burkholder, with assistance from Mr. Scott Robinson of Metro, introduced Ordinance No. 10-1248 which would authorize the Metro Chief Operating Officer to issue a franchise to Columbia

Biogas. Metro has the authority to franchise private solid waste facilities that intend to process, dispose or recover energy from putrescible solid waste.

The Metro COO is responsible for conducting an investigation of franchise applications received using the evaluation criteria listed in the Metro Code that addresses the applicant's qualifications, compliance with state and local regulations, consistency with the Regional SW Management Plan, and the facility's affect on the existing neighborhood and local businesses.

Mr. John McKinney of Columbia Biogas provided a presentation on the proposed facility's anaerobic process, Hydrogen Sulfide (H₂S) removal system, noise measurement and traffic analysis, facility grounds, odor control system and local and environmental benefits

7.1.2 Public Hearing on Ordinance No. 10-1248

Council President Collette opened a public hearing for Ordinance No. 10-1248:

- Bruce Walker and Tom Armstrong, City of Portland: Mr. Walker and Mr. Armstrong expressed the City's approval of the CBG application citing the facility's ability to assist in achieving the City Council's *Portland Recycles* plan that addresses waste management goals for food scrap diversion for businesses. (Written testimony has been included as part of the meeting record.)

Council discussion included how the facility will help meet regional solid waste goals and compliance with City codes (e.g. stormwater, traffic and noise impacts).

- Ervin Bergman, 5330 NE Holman, Portland: Mr. Bergman stated while the idea of the facility is good, he was concern with the lack of DEQ requirements to regulate odor, health conditions and high noise levels during neighborhood quiet hours.
- Kathy Fuerstenan, 4930 NE 73, Portland: Ms. Fuerstenan stated that while the concept of the facility is good, she had concerns with odor, noise and traffic and site configuration. Ms. Fuerstenan encouraged the Council to delay action on the CBG application until a final construction plan and noise data have been submitted and reviewed. (Written testimony included as part of the meeting record.)

Council discussion included the ability to reduce H₂S emissions from 25 ppm to be at or below DEQ's H₂S threshold of 22 ppm.

- Mike Moran, Oregon Food Bank: Mr. Moran supported the CBG application citing the facility's ability to help reduce waste in the food industry by diverting safe and nutritious food to families in need. CBG has made a goal to ensure that no food that is safe to distribute through the OFB network for emergency food agencies will be used for fuel production. OFB looks forward to CBG success and continued partnership. (Written testimony included as part of the meeting record.)
- Dan Blue, City of Gresham: Mr. Blue was in support of the CBG application citing the facility's ability to facilitate the diversion of organic material from landfills, produce clean renewable energy locally, reduce greenhouse gas emissions, and generate other useable byproducts (e.g. soil amendments and liquid fertilizer). (Written testimony included as part of the meeting record.)

- Stan Jones, Port of Portland: Mr. Jones expressed the Port's support of the CBG application; stating that the facility will provide a much-needed local option for managing food and other organic wastes that are currently trucked to a facility in the Seattle area. Other benefits include job creation, water and heat production, reduced greenhouse gas emissions, and reduced costs associated with material transportation. (Written testimony included as part of the meeting record.)
- Ben Vitale, The Climate Trust: Mr. Vitale was in support of the CBG application; citing the facility's greenhouse gas emissions savings and renewable energy opportunities. The Climate Trust has financially supported biogas facilities – most within rural areas – and it interested in supporting CBG.

Council discussion included odor reduction on similar facilities – e.g. dairy farms.

- Corky Collier, Columbia Corridor Association: Mr. Collier expressed support for the CBG application; stating that it the facility is a good concept in an appropriate location. He cited the facility's ability to reduce greenhouse gas emissions, increase density in industrial lands, and eco-district benefits as reasoning. While Mr. Collier was still concerned with possible odor, he was confident that the issue would be resolved through the good neighbor agreement.
- Barb Fritz, 47205 NE Ainsworth, Portland: While she was supportive of the project idea and believed that the facility could be a good neighbor, Ms. Fritz was concerned with health impacts caused by H₂S emissions and chemicals (e.g. phosphates) used to control odor.

Council discussion included the proximity of the facility to neighborhoods.

- Ken Forcier, 6107 32nd Place, Portland: Mr. Forcier was not in support of the CBG application; citing concerns with heat associated with conversion of the biogas to electricity, disposal facility byproducts (e.g. purified water) into sewer and/or Columbia Slough, and the generation of harmful exhaust gases and particulate. He stated that this facility's placement would be better suited for a rural area. (Written testimony included as part of the meeting record.)
- Rey Espana, NAYA Family Center: Mr. Espana expressed NAYA's support for the CBG application; stating that this project provides triple bottom-line benefits. He looks forward to continue discussion with CBG regarding contract opportunities. Mr. Espana was optimistic that odor and/or health concerns would be addressed.

Council discussion included engagement and education opportunities with the local community.

Seeing no further public comment, Council President Collette closed the public hearing.

Council discussion included potential for an air quality monitoring system, freight truck travel patterns and schedule, good neighborhood agreement, H₂S standards, neighborhood quiet hours, and processes for facility byproducts. The Council expressed their seriousness in overseeing CBG operations and look forward to resolve the issues identified by the public. The Council requested a staff briefing on the good neighborhood agreement when available.

Vote:

Council President Collette and Councilors Burkholder, Harrington, Liberty, Park and Hosticka voted in support of the motion. The vote was 6 aye, the motion passed.

8 RESOLUTIONS

8.1 **Resolution No. 10-4200**, For the Purpose of Authorizing the Chief Operating Officer to Enter into an Intergovernmental Agreement with the North Clackamas Parks and Recreation District and the City of Happy Valley for the Acquisition, Construction of Capital Improvements, and Management of Certain Property in the East Buttes Target Area.

Motion:	Councilor Park moved to adopt Resolution No. 10-4200.
Second:	Councilor Hosticka seconded the motion.

Councilor Park introduced Resolution No. 10-4200 which requests authorization for Metro to enter into an intergovernmental agreement with North Clackamas Parks and Recreation District and the City of Happy Valley to acquire of 70 acres on Scouter Mountain from the Boy Scouts' Cascade Pacific Council. This acquisition was identified as a priority in the East Buttes – one of 27 “target areas” where Metro invests funds from the voter-approved 2006 natural areas bond measure.

Metro is purchasing the property with funds from the voter-approved natural areas bond measure. Metro will oversee restoration and improvements. The City of Happy Valley will contribute the remainder of its local allocation from the bond – approximately \$370,000 – to improve the property. The North Clackamas Parks and Recreation District will manage the new natural area, which could open as early as summer 2012.

Vote:

Council President Collette and Councilors Burkholder, Harrington, Liberty, Park and Hosticka voted in support of the motion. The vote was 6 aye, the motion passed.

7. CHIEF OPERATING OFFICER COMMUNICATION

There was none.

8. COUNCILOR COMMUNICATION

There were none.

9. **ADJOURN**

There being no further business, Council President Collette adjourned the meeting at 9:33 p.m. The Metro Council will reconvene for the next regular council meeting is scheduled for Thursday, Dec. 16 at 2 p.m. at the Metro Council Chambers.

Prepared by,

A handwritten signature in black ink, appearing to read "K. Newell", written in a cursive style.

Kelsey Newell, Regional Engagement Coordinator

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF DECEMBER 9, 2010

Item	Topic	Doc. Date	Document Description	Doc. Number
2.0	Testimony	12/9/10	Written testimony submitted by Carol Chesarek	120910c-01
3.0	Packet/Report	N/A	Oregon City High School Construction Class packet	120910c-02
4.0	Minutes	11/29/10	Council minutes for the 11/29 public hearing on Ordinance No. 10-1244	120910-03
4.0	Minutes	12/2/10	Council minutes for 12/2.	120910-04
4.0	Minutes	12/2/10	Council minutes for 12/2 public hearing on Ordinance No. 10-1244	120910c-05
5.1.1	Exhibit	12/9/10	Revised Ordinance No. 10-1244, Exhibit J, Title 11	120910c-06
5.1.2	Testimony	12/9/10	Written testimony submitted by Amanda Fritz	120910c-07
5.1.2	Testimony	12/9/10	Written testimony submitted by Trey Chanter	120910c-08
5.1.2	Testimony	12/9/10	Written testimony submitted by Beverly Bookin	120910c-09
5.1.2	Testimony	12/9/10	Written testimony submitted by Dick Stenson	120910c-10
5.1.2	Testimony	12/9/10	Written testimony submitted by Lisa Brown	120910c-11
5.1.2	Testimony	12/9/10	Written testimony submitted by Doug Barrett	120910c-12
5.1.2	Testimony	12/9/10	Written testimony submitted by John Southgate	120910c-13
5.1.2	Testimony	12/9/10	Written testimony submitted by Mara Gross	120910c-14
5.1.2	Testimony	12/9/10	Written testimony submitted by Mary Kyle McCurdy	120910c-15
5.1.2	Testimony	12/9/10	Written testimony submitted by Barbara McLean	120910c-16

5.1.2	Testimony	12/9/10	Written testimony submitted by Greg Malinowski	120910c-17
5.1.2	Testimony	12/9/10	Written testimony submitted by Sumner Sharpe	120910c-18
5.1.2	Testimony	12/9/10	Written testimony submitted by Tom Cusack	120910c-19
5.1.2	Testimony	12/9/10	Written testimony submitted by Denny Doyle	120910c-20
5.1.2	Testimony	12/9/10	Written testimony submitted by Bill Wyatt	120910c-21
7.1	PowerPoint	12/2010	PowerPoint presentation provided by John McKinney	120910c-22
7.1.1	Testimony	12/9/10	Written testimony submitted by Bruce Walker and Tom Armstrong	120910c-23
7.1.1	Testimony	12/9/10	Written testimony submitted by Kathy Fuestenau	120910c-24
7.1.1	Testimony	12/9/10	Written testimony submitted by Mike Morgan	120910c-25
7.1.1	Testimony	12/9/10	Written testimony submitted by Paul Riggs	120910c-26
7.1.1	Testimony	12/9/10	Written testimony submitted by Dan Blue	120910c-27
7.1.1	Testimony	12/9/10	Written testimony submitted by Stan Jones	120910c-28
7.1.1	Testimony	12/9/10	Written testimony submitted by Ben Vitale	120910c-29
7.1.1	Testimony	12/9/10	Written testimony submitted by Ken Forcier	120910c-30
7.1.1	Testimony	12/9/10	Written testimony submitted by Evans Martin	120910c-31

Exhibit P to Ordinance No. 10-1244A

Findings of Fact and Conclusions of Law

I. General Findings for Capacity Decision

A. Need for Capacity

Metro began its analysis of the capacity of the UGB with a population and employment forecast. The Council adopted a resolution on December 10, 2009, that accepted the forecast as the basis for its analysis of UGB capacity pursuant to ORS 197.299 and 197.296. Rec. ___. (Resolution No. 09-4094). The forecast was “vetted” by an independent panel of economic and demographic experts from across the U.S., as well as by local economists and demographers. Rec. ___. (UGR3; Resolution No. 09-4094, Exhibit B, Staff Report, p. 1, 3-4 and Attachment 3, pp. 47-52). The forecast predicts population in the Portland Metropolitan Statistical Area (PMSA) (seven counties around the metropolitan area) will grow to approximately 2.9 to 3.2 million people by 2030, the end of the 20-year planning period. *20 and 60 Year Regional Population and Employment Range Forecasts*, September, 2009, p. 5. Rec. ___. (COO5; UGR4). The forecast predicts that employment in the PMSA will grow to approximately 1.3 to 1.7 million jobs by 2030. Rec. ___. (Forecast; Staff Report, November 19, 2010, p. 3).

1. Need for Residential Capacity

From the forecast, Metro estimated that the total number of households in the PMSA in 2030 will range from 1,181,300 to 1,301,800. Rec. ___. (Staff Report, November 19, 2010, p. 3; UGR99). By subtracting existing households from this total, Metro determined that the PMSA would need to accommodate from 728,200 to 1,024,400 households. Rec. ___. (UGR101, A-6, 2, 3) Relying upon historical settlement patterns since 2000, Metro assumed 61.8 percent of these dwelling units will be built inside the regional UGB. Rec. ___. (UGR101; A-6, 3). Metro applied a vacancy rate of four percent to account for relocating households. Rec. ___. (UGR101; A-6, 4). This calculation led to a determination that the UGB would have to accommodate between 224,000 and 301,500 new dwelling units through 2030. Rec. ___. (UGR102; A-6, 2-4; Staff Report, November 19, 2010, p. 5).

Metro’s 2009 Urban Growth Report (UGR) found ample zoned capacity within the current UGB to accommodate these new dwelling units. Rec. ___. (UGR9; 103-130; COO12). Maximum residential zoned capacity is calculated from local zoning and comprehensive plan designations. Rec. ___. (UGR119-123). The capacity comes not only from vacant land. It comes also from infill and re-development on land that is considered “developed” under the region’s inventory methodology (Regional Land Information System, RLIS). Rec. ___. (UGR113). However, Metro’s econometric and economic analyses of this maximum zoned capacity (MetroScope) indicates that much of it will not be absorbed in the next 20 years because infrastructure and land values will not support residential development. Rec. ___. (UGR125; Staff Report, November 19, 2010, p. 5; “Assessment of Residential Efficiency Measures”, Johnson Reid LLC, July 21, 2010, p. 27-29; “The Impact of Public Amenities on Development Feasibility”, Overview, December,

2010, Fregonese Associates). Relying upon the zoned capacity of vacant, buildable land and historic infill and re-development (“refill”) rates, Metro determined that the region has capacity for 196,600 new dwelling units without taking actions to use more of the maximum zoned capacity by “leading” the market. Rec. ___. (UGR126-127). This determination leaves a need to accommodate between 27,400 and 79,300 new dwellings units. Rec. ___. (Staff Report, November 19, 2010, p. 5-7). Metro’s assumptions that underlie this determination are more fully discussed in UGR, Appendix 6, pp. 6-2 to 6-17 and the Staff Report of November 19, 2010. Rec. ___.

2. Need for Employment Capacity

The *20 and 60 Year Regional Population and Employment Range Forecasts*, September, 2009, predicts employment in the PMSA will grow to approximately 1.3 to 1.7 million jobs by 2030. Rec. ___. (UGR27) Aggregating projected industry sector “capture rates” (percentage of PMSA jobs likely to land in the UGB) indicates that the region can expect to capture between 73 and 75 percent of the seven-county PMSA jobs over the next 20 years: from 1.0 to 1.3 million jobs. Rec. ___. (UGR32-34; Staff Report, November 19, 2010, p. 8). Metro used the various building types that accommodate jobs to convert the number of jobs into need for land. Rec. ___. (UGR40-47). This analysis (after accounting for demand addressed through refill) yielded a demand for 274 to 4,930 acres of industrial land and 1,944 to 3,832 acres of non-industrial land. Rec. ___. (UGR48-55). The methodology for the employment demand analysis, used consistently for all employment sectors, is described in the UGR. Rec. ___. (UGR40).

Metro undertook a parallel analysis of demand for large industrial sites (25 acres and above) (historic preferences and use of large sites by building type) using the same general methodology. The analysis began with the employment forecast (tied to the population forecast through Metro’s macroeconomic modeling). Metro sorted the region’s industrial sectors into six general building types. Metro estimated the average number of employees associated with each building type. Metro assumed the current distribution of employees by firm size and building type would continue through the planning period. From this Metro derived its employees/acre assumptions. Rec. ___. (UGR pp. 59-60). Metro inventoried large employers in the region and those large employers that use large parcels. From this Metro derived employees/acre for large parcel users. (UGR, Appendix 4, pp. A4-2 to A4-6). Metro also estimated high growth rates and low growth rates for the sectors in which these firms fall in the NAICS codes. Rec. ___. (UGR, Appendix 4, pp. A4-7 to A4-9). The sectors are sorted by building type and firm size. Rec. ___. (UGR, Appendix 4, pp. A4-10). Finally, the analysis determined the number of new firms expected through 2030 by firm size and building type. Rec. ___. (UGR, Appendix 4, pp. A4-11). The full analysis yielded a demand for 33 to 48 large sites. Rec. ___. (UGR58-62; A4-1-23; Staff Report, November 19, 2010, p. 8).

The region is using its supply of employment land more efficiently over time. Development density for non-industrial buildings has increased substantially since 2000. Rec. ___. (UGR 69). Analysis of market readiness and infrastructure adequacy, and assumptions of rates of infill and re-development, yields a range of available capacity from 6,469 to 11,493 acres of industrial land and from 5,575 and 7,872 acres of non-industrial employment land. Rec. ___. (UGR70-79).

Current vacancy rates indicate that there is considerable existing capacity to be absorbed before there is a need for vacant land. Rec. ___. (COO49). From this analysis, Metro concluded that the UGB has sufficient capacity to accommodate industrial and non-industrial jobs through the 2030 planning period except at the high end of the middle third of the range forecast (at that point on the range, 30 acres of non-industrial employment capacity are needed). Rec. ___. (UGR 83-85; Staff Report, November 19, 2010, p. 8).

Testimony at public hearings expressed concern that industrial areas within the UGB have been and are being converted to non-industrial use, thereby reducing capacity for industrial use. An examples offered was possible designation of 500 acres of the 826 acres on West Hayden Island, identified in the Portland comprehensive plan for future marine terminal development and other industrial use, for habitat protection. The UGR, however, included only 400 of the 826 acres in the inventory of industrial land. Rec. ___. (UGR; Memorandum from John Williams to Council, December 3, 2010, p. 2). At the time of adoption of Ordinance No. 10-1244A, the city had taken no action to limit industrial use on the area. A second example was the Colwood Golf Course, recently proposed by the owner for rezoning to industrial. The Portland City Council denied the zone change. The UGR did not include this tract in the inventory of industrial land due to its current open space zoning. Rec. ___. (UGR; Memorandum from John Williams to Council, December 3, 2010, p. 2).

Unmet demand remains for large industrial sites. The UGB has an inventory (38) of large industrial parcels, but the inventory falls short of demand. Rec. ___. (UGR82). The region has a surplus of parcels between 25 and 50 acres, but a deficit of parcels over 50 acres. Rec. ___. (UGR86; Staff Report, November 19, 2010, p. 9).

Testimony at public hearings identified other possible large parcels within the UGB: in the Beavercreek Concept Plan area southeast of Oregon City; in Damascus; Freeway Lands near I-205 in Lents. Metro did not include the Beavercreek property in the inventory because it is not zoned for industrial use; the Damascus property is still zoned for rural use until the city adopts its comprehensive plan; the Freeway Lands property is developed. Rec. ___. (Memorandum from Ted Reid to Metro Council, December 14, 2010). Testimony also proposed that the inventory include parcels smaller than 50 acres if they are adjacent to other parcels in the same ownership that, if combined, would create parcels larger than 50 acres. Metro did not include these parcels in the inventory because Metro does not regulate the sales of private property and cannot know about and cannot prevent the sale of one of the contiguous parcels. Rec. ___. (Memorandum from Ted Reid to Metro Council, December 14, 2010). As noted in B(2), below, neither Metro nor any city or county has yet developed an assembly program, largely due to lack of funds to acquire smaller parcels. Rec. ___. (COOA7-7).

B. Providing Capacity

1. Residential Capacity

First Recourse: Increase Residential Capacity within the UGB

As noted in section IA1, communities within the UGB have sufficient zoned capacity to accommodate the dwelling units needed through the planning period. Analysis (MetroScope and

experience) shows, however, that the market will not absorb all of the maximum zoned residential capacity because development is not market feasible, infrastructure is not available and is not expected to be available during the planning period, or both. Rec. ___. (Staff Report, November 19, 2010, p. 5). But the same analysis also indicates that certain actions and combinations of actions can increase the feasibility and likelihood of residential development in places that would remain undeveloped or under-developed in 2030 without such actions. The Metro Council's strategy is to take the actions described below to "lead" the market to use more of the zoned capacity of the region in order to use those lands more efficiently and to minimize expansion of the UGB.

By this ordinance, the Metro Council adopted new policies in the Regional Framework Plan (RFP) to focus investments in those places in the region intended to accommodate higher residential densities: the Central City, seven Regional Centers, 30 Town Centers, light rail Station Communities, and hundreds of miles of designated Corridors and Main Streets.¹ The Council also adopted a new approach to housing affordability: transportation investments in transit and other modes in order to make transportation more affordable. These investments will focus on parts of the region where households spend more than 50 percent of monthly income on housing and transportation. Rec. ___. (Exhibit A²; 2035 Regional Transportation Plan; the High-Capacity Transit System Plan).

This ordinance revised Title 1 (Housing Capacity) of the Urban Growth Management Functional Plan (UGMFP) to ensure "no net loss" of new residential capacity provided as the result of investments and other actions that generate the capacity. Rec. ___. (Exhibit B; Staff Report, November 19, 2010, p. 16-17). The ordinance also revised Title 6 (Centers, Corridors, Station Communities and Main Streets) of the UGMFP to use investments and other incentives to induce cities and counties to revise their comprehensive plans and land use regulations to eliminate barriers to the types and densities of residential development and commercial and civic services that make higher-density residential development market-feasible. Rec. ___. (Exhibit E; Staff Report, November 19, 2010, p. 18-19). The community "assessment", "plan of actions" and "investments" requirements of Title 6 were derived from the recommendations of a group of developers, development consultants, real estate economists, bankers and community development planners in a report prepared for Metro to facilitate development in centers and corridors. Rec. ___. ("Policy Report: Achieving Sustainable, Compact Development in the Portland Metropolitan Area", November, 2009).

ORS 197.296(9) lists a range of actions Metro and local governments can take to use land inside the UGB more efficiently. Ordinance No. 10-1244A implements actions from that list. These

¹ Ordinance No. 10-1244 adds one Regional Center (Tanasbourne/AmberGlen) and one Town Center (Cornelius); there are now eight Regional Centers and 31 Town Centers.

² RFP Chapter 1 (Land Use) Policies 1.1 (Compact Urban Form); 1.2 (Centers, Corridors, Station Communities and Main Streets); 1.3 (Housing Choices and Opportunities); Chapter 2 (Transportation) Goal 1.

findings will explain how these actions demonstrably increase the likelihood that the region will absorb more of its maximum zoned residential capacity than the market would absorb without these actions. Through these actions the region will be able to provide at least one-half of the unmet need for residential capacity recognized in the 2009 UGR, without expanding the UGB.

a. Actions to Use More Zoned Residential Capacity Investments:

Investing to encourage the housing market to use more of the region's maximum zoned capacity is a major component of the region's strategy to use land inside the UGB more efficiently and effectively. A summary of the investment strategy is set forth in the "Community Investment Strategy: Building a Sustainable, Prosperous and Equitable Region", August 10, 2010. Rec. ___. (COO8-20).

Investment in a multi-modal transportation system is the most significant investment, by dollar value and effect on development patterns. Transportation investments can stimulate private investment in housing and employment in places that are the focus of such investment. The recently-adopted 2035 Regional Transportation Plan contains a program of investments that are "new", meaning the investments were not assumed as part of the capacity analysis in the 2009 UGR. Rec. ___. (COOA1, 32-33).

Metro has characterized two kinds of transportation investments: "mobility" projects and "community-building" projects. Mobility projects connect locations in the region to allow greater choice where to live and work. Projects include new high-capacity transit lines in the Highway 99 corridor to Sherwood and on-street bus rapid transit on SE Division Street and SE Powell Boulevard. Rec. ___. (COO18-19; 32-33). Community-building projects foster compact, mixed-use, pedestrian-friendly and transit-support development patterns. Projects include transit-oriented developments ("TODs") new streetcar lines, streetscaping and pedestrian and bicycle improvements. Rec. ___. (COO19-20; TOD Annual Report; Harper memo in MTAC packet of 10/6/10).

The region's investment strategy includes local investments to complement and enhance the effects of state and regional transportation investments on development patterns. These local investments derive from the aspirations of cities and counties of the region to improve their communities. Rec. ___. ("State of the Centers: Investing in our Communities", January, 2009, p. 3). A full discussion of local actions aimed to achieve community aspirations is set forth in Appendix 3 to "Community Investment Strategy: Building a Sustainable, Prosperous and Equitable Region", August 10, 2010. Rec. ___. These actions are "new" - not assumed as part of the capacity analysis in the 2009 UGR. Rec. ___. Illustrations of the types of local actions - parts of coordinated local investment strategies - are provided for Gresham, Wood Village, Hillsboro Downtown and AmberGlen, Tigard, Oregon City and Lake Oswego. Rec. ___. (COOA3, 7-17; Adams letter 10/15/09 in Harper memo in MTAC packet of 10/6/10). A more comprehensive list shows investments in community and regional trails, pedestrian facilities, civic centers and parks, street treatments, bicycle facilities and parking structures. Rec. ___. (COOA3, 18-30).

Incentives:

Metro's scenario testing shows that incentives can "lead" the housing market to build at higher densities. Experience in the region confirms the MetroScope scenario results. For example, use of tax-increment financing, a New Multiple-Unit Housing tax exemption program and transit-oriented development has had dramatic effects in centers and corridors in the city of Portland. In the past five years the city has accounted for 42 percent of the region's new housing units (compared with three to five percent of new dwellings in the 1960-1980 period). (See section *b*, below.) Rec. ___. ("Portland's Residential Permit Activity, Land Utilization Trends and Redevelopment Incentives", June 10, 2010). Combined with transportation and other investments described above, incentives can exert significant influence on the market. Metro's strategy to increase residential capacity includes a broad program of state, regional and local incentives to use more of the region's zoned capacity.

Tax-increment financing in association with urban renewal plans is one of the most effective incentives to create compact, mixed-use development. The 2009 UGR assumed the continuation of existing urban renewal programs in the region. Metro relies upon new programs (Hillsboro; Beaverton; Milwaukie; Wood Village; Tigard) not in effect at the time of the UGR to stimulate the housing market to use more zoned capacity than would occur without the new programs. (Beaverton has set a vote on an urban renewal plan in 2011.) Rec. ___. (COO20; A3, 8, 10; Harper memo in MTAC packet of 10/6/10). For example, the Downtown Hillsboro Urban Renewal Plan calls for investment through tax-increment financing of \$101,400,000 in a 1100-acre area, 35 percent of which lies within Station Communities along the Westside MAX line. The city estimates that the urban renewal investments will add \$1 billion dollars of assessed value by year 2046 more than would occur without the investments. Rec. ___. (COOA3, 10-11; Downtown Hillsboro Urban Renewal Report, February, 2010, pp. 29; 35).

Tax credit and abatement programs have also proven effective to increase density. Portland has had great success with its transit-oriented development tax abatement program. Rec. ___. (COO20). The program assisted 25 projects between 1999 and 2009, providing a total of 2,596 units. Rec. ___. ("Portland's Residential Permit Activity, Land Utilization Trends and Redevelopment Incentives", June 10, 2010). Wood Village received approval from the Oregon Department of Housing and Community Services in late 2009 for a Vertical Housing Tax Credit Program in a portion of its Town Center. Rec. ___. (COOA3, 8; Harper memo in MTAC packet of 10/6/10).

Several cities in the region have adopted variable systems development charges (SDCs) to align their SDCs with the types of developments in central locations. These variable SDC programs reduce the cost of housing development. Rec. ___. (COOA3-5, 14; Harper memo in MTAC packet of 10/6/10; Metro Executive summary by Galardi, Nelson, Parametrix, Beery/Elsner, Hammond, July, 2007).

Metro has provided cities and counties with a series of "community investment tools", such as development-friendly designs and development codes. These tools represent investments that

will increase the likelihood that developers will use more of the maximum zoned density in centers and corridors. Rec. ___. (“Innovative Design and Development Codes”, July, 2008; “Financial Incentives”, June, 2007; “Systems Development Charges”, July, 2007).

Increases in density:

Since adoption of the 2009 UGR, two cities have revised their comprehensive plans and land use regulations to increase the residential capacities of centers. Hillsboro adopted a new plan for Tanasbourne/AmberGlen. The plan designates areas of high density residential and mixed-use, pedestrian-friendly, transit-supportive development that will add capacity for 5,000 new dwelling units not recognized in the 2009 UGR. Rec. ___. (COOA3, 9). Ordinance No. 10-1244A designated Tanasbourne/AmberGlen a Regional Center, making it a focus area for investment under new policies in Metro’s Regional Framework Plan. Exhibit O, Rec. ___. (Staff Report 11/4/10, attached Hillsboro letter, 1-2; COO66-67; COOA6; Harper memo attached to MTAC materials for October 6, 2010).

Tigard adopted a new plan and new zoning for its downtown (a designated Town Center), matched by an investment strategy to support the plan. The strategy includes the existing urban renewal plan and an Affordable Housing Tax Abatement Program. The new plan expands the Town Center to include the “Tigard Triangle” (bounded by I-5 and Highways 217 and 99). The Highway 99 Corridor is identified in the 2035 Regional Transportation Plan as the region’s next priority for expansion of the high-capacity transit system. The plan and zoning amendments authorized 1,900 additional dwelling units not recognized in the 2009 UGR. Rec. ___. (COOA3, 12-14).

Wood Village recently authorized “cottage housing” in its Town Center. Cottage housing is a new, higher-density housing type that will add capacity to the area. Rec. ___. (Harper memo in MTAC packet of 10/6/10).

These local and regional actions will increase residential capacity by 6,900 dwelling units. Rec. ___. (COO28).

Minimum densities:

Ordinance No. 10-1244A revised Title 1 (Housing Capacity) of the Urban Growth Management Functional Plan. Rec. ___. (Exhibit B; Staff Report, November 19, 2010, pp. 16-17). The revisions establish a “no net loss of capacity” rule that has the effect of ensuring minimum zoned residential capacity gains from “upzoning” since the last revision of Title 1 in 2002 are not lost to future “downzonings.” The minimum zoned capacities of zones throughout the region become the floor of residential capacity determined pursuant to ORS 197.296(3) through MetroScope modeling (minimum zoned capacities are also the floor of market feasibility in the model).

Re-designation of Non-Residential Land

The 2009 UGR found that the region has excess capacity for general industrial and non-industrial employment for the 20-year planning period (at the high end of the middle third of the range

forecast there is need for 30 acres of non-industrial employment capacity). Rec. ___. (COO13-14; UGR 83-85; Staff Report, November 19, 2010, p. 8). Metro's Ordinance No. 10-1244A, and a series of amendments to plans and zoning ordinances by local governments, increased the residential capacity of the UGB by allowing housing in zones previously limited to employment. Exhibit D depicts the amendments by the Metro Council to the Employment and Industrial Areas Map in Title 4 (Industrial and Other Employment Areas) of the Urban Growth Management Functional Plan, pursuant to section 3.07.450. Rec. ___. Some of the local amendments were made prior to adoption of the 2009 UGR (the Brickworks area in Gresham and the Conway site in Portland, for example). The UGR counted the increased residential capacity from these amendments.

Some of the amendments were adopted after preparation of the UGR and are counted here to reduce the need for capacity determined by the UGR. The Metro Council expanded the UGB to add land to Oregon City in the Beaver Creek area in 2002 and 2004. Upon completion of planning under Title 11 of the Urban Growth Management Functional Plan, the city reduced the amount of land designated for industrial use with Metro's agreement and designated more land to mixed-use and residential use (adding 34 units of new capacity). Ordinance 10-1244A revised the Title 4 Employment and Industrial Areas Map to conform to the city's Title 11 plan, in part to reflect the determination of the 2009 UGR that the region had more employment capacity than it needed for the next 20 years. Rec. ___. (Staff Report, November 19, 2010, pp. 24-25).

At the request of the city of Tigard, Ordinance 10-1244A revised the Title 4 Employment and Industrial Areas Map to re-designate 39 acres south of the Washington Square Regional Center from Industrial Area to Employment Area to conform the map to the city's mixed-use commercial and mixed-use employment zoning. The change to the Title 4 map removed Title 4 limitations on nonindustrial uses and allows residential use. Rec. ___. (Staff Report, November 19, 2010, p. 24).

At the request of the city of Portland, Metro Ordinance No. 10-1246 revised the Title 4 Employment and Industrial Areas Map to re-designate from Industrial Area two tracts comprising 53.4 acres in the Northwest District, 16.9 acres to Employment Area and 36.5 acres to Inner Neighborhood. Both tracts are developed, but the map changes will allow infill and redevelopment for residential use. Rec. ___. (Ordinance No. 10-1246).

The Council made these map amendments because they better achieve the policies of the Regional Framework Plan (RFP). The Council designated substantial portions of both areas (Tigard and Portland amendments) for industrial use to provide employment capacity to meet needs identified in the 2002 Urban Growth Report and to help meet policies in the RFP calling for jobs and economic opportunity.³ The Council finds that the changes better achieve the policies of the RFP because the resulting plan and zone designations provide a better mix of

³ Policies 1.2.1c; 1.4; and 1.5.1

residential, employment and other uses (Corridor and Main Street designations, e.g.).⁴ The Council also finds that the resulting shift in employment and residential capacity – the increase in residential capacity - accords with the more recent determinations of housing and employment needs identified in the 2009 UGR.

Ordinance No. 10-1244A re-located the Happy Valley Town Center several miles east, from King Road, where there are civic services but no commercial zoning, to SE Sunnyside Road and SE 72nd Avenue, an emerging commercial and multi-family development area near the new city hall. The city has received a grant to upzone parts of the area. Rec. ___. (COOA6, 6-10; Happy Valley materials in MPAC packet; Metro Council Work Session Worksheet, November 4, 2010). The ordinance re-designated the Cornelius Main Street to a Town Center. One effect is to broaden the area at the center of the city that is eligible for investments under new RFP policies and revisions to Title 6 of the UGMFP that will focus public investments. Rec. ___. (COOA, 10-13: Cornelius; Metro Council Work Session Worksheet, November 4, 2010). The ordinance also re-designated the Tanasbourne Town Center in Hillsboro to a Regional Center, making it the region's eighth. The new Regional Center includes the AmberGlen area, one of the region's largest re-development sites. Hillsboro estimates the Regional Center will house over 30,000 people and employ 23,000 people. Rec. ___. (COOA, 13-16; Hillsboro materials in MPAC packet; Metro Council Work Session Worksheet, November 4, 2010). These changes to the locations and designation of centers will add significant residential capacity to the region.

b. *Actions Increase Likelihood that Market Will Absorb More Zoned Residential Capacity*

The actions described in section *a*, above, are intended to stimulate the housing market to develop more of the residential capacity allowed by maximum zoned capacities available in zones through the region. These actions will generate higher levels of infill and redevelopment in already-developed areas and higher levels of new development on vacant lands. Section *b* demonstrates that these actions will increase the likelihood that the region will experience a higher level of use of maximum zoned residential capacity than assumed in the 2009 UGR.

“Refill” Land

Actions to encourage the housing market to build on already-developed properties in the region are a major component of the region's investment strategy. In the Metro approach, “infill” occurs when more units are built on an already-developed site. “Redevelopment” occurs when a structure is removed and another built in its place. For ease of reference, Metro uses the term “refill” to cover both types of building on developed land. Rec. ___. (UGR, A2-3; COOA1, 9).

Metro has measured the percentage of all new residential development that takes place on developed land for many years, expressed as a “refill rate.” The rate shows us how much

⁴ Chapter 1 (Land Use) Policies 1.2.1c; 1.4.1; 1.4.2; and 1.5.4 and Chapter 2 (Transportation) Objectives 6.2; 6.4; and 6.5.

development is occurring on developed land. It also measures the effectiveness of actions aimed to encourage such development. Rec. ___. (COO22). The 2009 UGR assumed that 33 percent of new dwellings over the 20-year planning period would develop through refill. Metro based this assumption upon measured past experience under existing policies (through RLIS) and a MetroScope run, based upon current policies. Rec. ___ (UGR105-106; COO17; UGR, A9). Metro subsequently used MetroScope to test the effects of four different “new policy” scenarios, each compared to the “reference” case (and to each other): tight UGB; infrastructure funding delays; corridor amenity investments; and center amenity investments. Each scenario yielded a different distribution of housing units and jobs, housing and transportation costs, commute distances, infrastructure costs, greenhouse gas emissions and acres developed in UGB expansion areas. The scenarios showed that investments in centers and corridors make centers and corridors more desirable locations for housing and employment. Rec. ___. (Cotugno PowerPoint at MPAC/JPACT, October 22, 2008: “Cause and Effect” scenarios: preliminary results). The scenarios informed the development of the set of actions adopted by Ordinance No. 10-1244A and described in section *a*. A MetroScope run with these new actions and new requirements in the UGMFP indicates that the region will achieve an overall refill rate of 41 percent rate during the 2010-2030 planning period. Experience, however, caused Metro to assume a more conservative rate of 38 percent. Rec. ___. (COO22-24; 34; UGR, A6-14 and 16). These local and regional actions will increase residential capacity of refill land by 11,300 dwelling units. Rec. ___. (Staff Report, November 19, 2010, p. 5). See *LCDC Partial Approval and Remand Order 03-WKTASK-001524*, pp. 20-23.

Vacant Land

The actions described in section *a* will also yield higher densities on vacant land. The 2009 UGR assumed that, by year 2030, only half of the maximum zoned capacity of vacant land zoned to allow multi-family dwellings would be absorbed due to lagging market demand and lack of public investment in some centers and corridors. Rec. ___. (UGR, A6-13-14; COO17). A MetroScope run with the new actions described in section *a*, and new requirements in the UGMFP, indicates the region will use 60 percent of this vacant land capacity during the 2010-2030 planning period. Rec. ___. (COO24-25; 34; UGR, A6-14 and 16). These local and regional actions will increase residential capacity by 3,700 dwelling units. Rec. ___. (COO25; Staff Report, November 19, 2010, p. 5).

The UGR also assumed that only 50 percent of residential capacity in areas added to the UGB from 1998 to 2005 would be market-feasible during the planning period, for the same reasons. Rec. ___. (UGR, A6-16-17; COO17). A MetroScope run with the new actions described in section *a* and the new UGMFP requirements indicates that the region will use considerably more of this vacant land capacity during the 2010-2030 planning period. Rec. ___. (COO25-27; 34; UGR, A6-14 and 16). These local and regional actions will increase residential capacity by 8,350 dwelling units. Rec. ___. (COO33; Staff Report, November 19, 2010, p. 5).

The sum of capacity gains on vacant and developed lands is 30,300. Rec. ___. (Staff Report, November 19, 2010, p. 5).

Metro does not rely solely on runs of the econometric MetroScope model to demonstrate the likelihood of these capacity gains. The region has years of experience with the types of actions described in section *a*, which provides real-world confirmation of model results. E.D. Hovee & Company estimated that more than \$6 billion of development has occurred at light rail stations along TriMet's MAX system since the first line opened in 1986. Focusing on the Blue Line from Gresham to Hillsboro (33 miles long; 56 stations), Hovee found average development density (floor-to-area ratio) was 0.65 more than the average experienced for development outside the station areas. Low and moderate-value properties near the stations redeveloped at twice the rate reported for similar properties along the corridor but away from the stations. Hovee estimated that development near the eleven stations along the planned and authorized 7.5-mile light rail line to Milwaukie would generate \$930 million more in development value over 20 years following completion than the \$2.93 billion otherwise anticipated. Rec. ___. ("Portland Light Rail Transit Land Development Experience and Application" memo from E.D. Hovee & Co. to David Unsworth, July 28, 2008).

The city of Portland also offers compelling evidence of the effect of investments and incentives on development intensities. In the 1960s, 1970s and 1980s, the city accounted for three to five percent of new dwelling units in the region annually. With sustained investment using urban renewal, tax-increment financing, local improvement districts, business improvement districts, tax abatements and other techniques, the city now captures 30 to 50 percent of the region's new dwelling units annually. For the past 15 years, the city has accounted for 36 percent of the region's new units. Rec. ___. ("Portland's Residential Permit Activity, Land Utilization Trends and Redevelopment Incentives", June 10, 2010; "Request for Preliminary Information and Key Assumptions for Community Development and Growth Capacity", Portland Bureau of Planning and Sustainability, March 17, 2009, p. 3; 12; Mayor Sam Adams letter on housing unit capture in MTAC packet 10/6/10, with "Household Demand and Supply Projections", Fall, 09). Approximately 80 percent of this development is occurring through redevelopment, not only in the central city, but also along corridors, light rail station communities and main streets east of the Willamette River. Rec. ___. (Portland analysis of Metro permit data).

The region also relied upon an innovative methodology developed by Johnson Reid LLC and Fregonese Associates to assess the effects of public investments on property value and development. Hedonic regression analysis using the "walkscore" algorithm shows that "walkability" translates directly into increases in property values. Investment in public amenities, such as those public investments listed in section *a*, above, can influence the private housing market, as illustrated in the "pro forma" analysis undertaken for Metro by Fregonese Associates. Small shifts in the market can greatly increase density. Rec. ___. ("The Impact of Public Amenities on Development Feasibility", Overview, December, 2010, Fregonese Associates). Houses with above-average levels of walkability command a premium of \$4,000 to \$34,000 over houses with average walkability in typical metropolitan areas. Rec. ___. (COOA1, 35). Multi-family development achieves a 20-25% price premium within walking distance or convenient

transit ride to work, recreation and commercial services. Rec. ___. (COOA2, "Assessment of Residential Efficiency Measures", Johnson Reid LLC, July 21, 2010, p. 27-29). An independent analysis, also using a hedonic regression analysis using the walkscore algorithm, in fifteen metropolitan markets in the U.S. and nearly 100,000 home sales, found a statistically significant, positive relationship between walkability and home values in 13 of the 15 markets. Rec. ___. (Joe Cortright, "Walking the Walk: How Walkability Raises Home Values in U.S. Cities", CEOs for Cities, August, 2009, in MTAC packet 10/6/10).

Changing demographics reinforce the relationship between public investments and other actions and higher-density residential development. Over the 20-year planning period, the market will see many more households that prefer active urban settings with non-auto travel options. Rec. ___. (Leinberger, 2010; Leinberger 2008; Nelson, 2006; EPA, 2010; Urban Land Institute/PriceWaterhouseCoopers, 2010; COO40). These demographic trends increase the likelihood that the actions described in section *a* will yield the results predicted by Metro.

One further factor will contribute to the success of Metro's strategy to use more of the region's maximum zoned residential capacity: adoption by Metro and Clackamas, Multnomah and Washington counties of urban and rural reserves. The 2009 UGR, completed prior to the adoption of reserves, assumed that Metro would expand the UGB to meet its population and employment land needs every five years, as required by ORS 197.299 and 197.296(3), for the next 20 years. Rec. ___. (UGR, A2-5). The UGR assumed that Metro would follow the statutory priorities for adding needed land to the UGB [ORS 197.298(1)]. Given the higher priority given to exception lands, which are generally on steeper slopes and divided into smaller parcels than agricultural land, land added to the UGB under the priority statute would yield lower densities than adding flat land with larger parcels. Adoption of urban reserves by Ordinance No. 10-1238A in June, 2010, will make relatively flat land in larger parcels available for inclusion in the UGB, if needed over the next 20 years. As a result, Metro assumed that housing would achieve 15 units/net developable acre in urban reserves, higher than averages achieved in the recent past. Rec. ___. (COO 21-22).

Second Recourse: Add Residential Capacity to the UGB

Pursuant to ORS 197.299(2), the Metro Council has decided to provide at least one-half (30,300 dwelling units) of the need for residential capacity - up to the high end of the middle third of the range forecast - by the actions adopted by this Ordinance No. 10-1244A. Rec. ___. (Staff Report, November 19, 2010, p. 5-6). The Council will take action to meet the remainder of the need, if any, in 2011.

2. Employment Capacity

First Recourse: Increase Employment Capacity within the UGB

As noted in section A2, above, Metro's 2009 UGR determined that the UGB has sufficient capacity to accommodate industrial and non-industrial jobs through the 2030 planning period, but for the demand for large industrial sites. Rec. ___. (UGR 83-85). The UGB has an inventory of large industrial parcels (38), but the inventory falls short of demand. Rec. ___. (UGR82). The

region has a surplus of parcels between 25 and 50 acres, but a deficit of parcels over 50 acres. Rec. ___. (UGR86; Staff Report, November 19, 2010, p. 9).

Metro and the local governments of the region have looked to two mechanisms to provide more large parcels within the existing UGB: reclamation of brownfield sites and assembly of smaller parcels. Neither Metro nor any city or county has yet developed an assembly program, largely due to lack of funds to acquire smaller parcels. Several local governments have funds from the U.S. Environmental Protection Agency to study brownfields for reclamation potential. But none has the funding to reclaim brownfield sites. Rec. ___. (COOA7-7; MPAC Subcommittee Final Report; Staff Report, November 19, 2010, p. 9);. Nonetheless, Ordinance No. 10-1244A revised two titles of the UGMFP to conserve the existing supply of large parcels and to require exhaustion of reasonable consolidation and reclamation opportunities prior to expanding the UGB to add large sites for industrial use. To improve implementation of RFP Policy 1.4.4⁵, the Metro Council revised Title 4 to prohibit schools, parks and places of assembly above a certain size from areas designated Regionally Significant Industrial Area on the Title 4 map. Rec. ___. (Exhibit C, Title 4; Exhibit D, Employment and Industrial Areas Map; Staff Report, November 19, 2010, p. 17-18). The Council revised its code provisions on expansion of the UGB to require applicants for expansion for industrial uses to demonstrate that “a large site or sites cannot reasonably be created by land assembly or reclamation of a brownfield site.” Rec. ___. [Exhibit L, Title 14, section 3.07.1440B(3)]. These actions, however, will not ensure the availability of enough large industrial sites to meet the demand identified in the UGR.

Second Recourse: Add Employment Capacity to the UGB

As noted above, pursuant to ORS 197.299(2), the Metro Council has decided to fulfill at least one-half of the need for residential capacity to accommodate the forecast population in the middle third of the range forecast by the actions adopted by this Ordinance No. 10-1244A. The Council will take action to meet the remainder of the need in 2011. At the same time, the Council will add land to the UGB to meet the unmet demand for large sites for industrial use.

II. Compliance with the Regional Framework Plan

Several policies in chapters 1 and 2 of the Regional Framework Plan (RFP) call for a compact urban form.⁶ Others focus growth in centers, corridors, station communities and main streets and emphasize infill and redevelopment.⁷ The actions described in section IB(1)(a) aim to

⁵ “Require, through the Urban Growth Management Functional Plan, that local governments exercise their comprehensive planning and zoning authorities to protect Regionally Significant Industrial Areas from incompatible uses.”

⁶Chapter 1: Policy 1.1, Urban Form; Policy 1.6, Growth Management; Policy 1.9, Urban Growth Boundary; Policy 1.15, Centers; Chapter 2: Goal 1, Objective 1.1, Compact Urban Form and Design.

⁷ Chapter 1: Policy 1.1, Urban Form; Policy 1.3, Housing Choice; Policy 1.5, Economic Vitality; Policy 1.8, Developed Urban Land; Policy 1.15, Centers; Chapter 2: Goal 1, Objective 1.1, Compact Urban Form and Design.

accomplish these policies. Section IB(1)(b) demonstrates that the actions will increase the likelihood that these policies will be achieved. Based on the analysis in section IB(1), the Council concludes that the actions taken or adopted in Ordinance No. 10-1244A comply with these policies.

Ordinance No. 10-1244A adopted new policies and revises others in the RFP. Rec. ___. (Exhibit A). These new policies increase the emphasis on infill and redevelopment of centers, corridors, station communities and main streets.⁸ The actions described in section IB(1)(a) aim to accomplish these policies. Section IB(1)(b) demonstrates that the actions increase the likelihood that these policies will be achieved. Based on the analysis in section IB(1), the Council concludes that the actions taken or adopted in Ordinance No. 10-1244A comply with these policies.

Policy 1.3.8 calls upon Metro to integrate its efforts to expand housing choices and make housing more affordable with its transportation planning and its land use planning authorities. Ordinance No. 10-1244A adopted new Policy 1.3.3⁹ to use its transportation planning authority to reduce combined housing and transportation cost burdens on the region's households. The actions described in section IB(1)(a) aim to accomplish these policies. Section IB(1)(b) demonstrates that the actions will increase the likelihood that these policies will be achieved. Based on the analysis in section IB(1), the Council concludes that the actions taken or adopted in Ordinance No. 10-1244A comply with these policies.

III. Compliance with the Statewide Planning Goals

Goal 1 - Citizen Involvement

Over three years' worth of effort went into the development of the actions taken or adopted by Ordinance No. 10-1244A. Metro involved citizens in this effort at every stage: development of the population and employment forecasts; the determination of the capacity of the UGB; review of the recommendations of the Chief Operating Officer; and review of the elements of Ordinance No. 10-1244A. Rec. ___. ("Community Investment Strategy: Building a Sustainable, Prosperous and Equitable Region; Engagement Strategies and Community Response", October, 2010; Summaries). As the recommendations culminated into final proposals, the Metro Council held four public hearings around the region. Rec. ___. (Summaries). The Council concludes that these efforts to involve citizens in the planning process leading to adoption of Ordinance No. 10-1244A comply with Goal 1.

⁸ Chapter 1: Policy 1.1, Compact Urban Form; Policy 1.2, Centers, Corridors, Station Communities and Main Streets.

⁹ "Reduce the percentage of the region's households that are cost-burdened, meaning those households paying more than 50 percent of their incomes on housing and transportation."

Goal 2 - Land Use Planning

There are two principal requirements in Goal 2: (1) provide an adequate factual base for planning Decisions, and (2) ensure coordination with those affected by the planning decisions. The record accumulated through this effort and the materials from that record submitted to LCDC contain an enormous body of information. The information in the record cited in sections IB(1)(a) and (b) of these findings provides an ample factual basis for the growth management decisions in Ordinance No. 10-1244A. The Council concludes that its record provides an adequate factual basis for its decisions.

Metro coordinated its planning efforts with all affected general and limited purpose governments and districts and many profit and non-profit organizations in the region. As a result, Metro received a large number of comments from these governments and organizations. Metro responded in writing to these comments at several stages in the two and one-half year effort, which responses are contained in the record submitted to LCDC. Responses indicate efforts made to accommodate the requests and proposals. Rec. ___. (Resolution No. 09-4094, Exhibit B, Staff Report, Attachment 3, pp. 12-28; John Williams memoranda on revisions to exhibits).

Metro also worked closely with local governments and agencies through its advisory committees. These committees – Metro Policy Advisory Committee, Metro Technical Advisory Committee, Joint Policy Advisory Committee on Transportation and Technical Advisory Committee on Transportation - worked tirelessly for several years to review information, policies and functional plan requirements under consideration by the Metro Council. The Council made many modifications to the exhibits to Ordinance No. 10-1244A recommended by these committees.

The Council concludes that these efforts to notify, receive comment, accommodate and respond to comment fulfill Metro's responsibility under Goal 2.

Goal 3 - Agricultural Lands

The actions taken or adopted by Ordinance No. 10-1244A affect agricultural lands indirectly because they require more efficient use of land inside the UGB. However, the actions do not change or affect comprehensive plan designations or land regulations for lands subject to Goal 3. The Council concludes that, although the actions are consistent with Goal 3, the goal itself does not apply to the actions, all of which will happen within the UGB.

Goal 4 - Forest Lands

The actions taken or adopted by Ordinance No. 10-1244A affect forest lands indirectly because they require more efficient use of land inside the UGB. However, the actions do not change or affect comprehensive plan designations or land regulations for lands subject to Goal 4. The Council concludes that, although the actions are consistent with Goal 4, the goal itself does not apply to the actions, all of which will happen within the UGB.

Goal 5 - Natural Resources, Scenic and Historic Areas and Open Spaces

All of the actions taken or adopted by Ordinance No. 10-1244A to use land inside the UGB more efficiently will be subject to Titles 3 and 13 of Metro's Urban Growth Management Functional Plan (UGMFP) and to the Goal 5 programs of cities and counties in the region. These titles and local land use regulations are "acknowledged" under the statewide planning program, including Goal 5. The Council concludes that the actions taken or adopted by Ordinance No. 10-1244A comply with Goal 5.

Goal 6 - Air, Water and Land Resources Quality

All of the actions taken or adopted by Ordinance No. 10-1244A to use land inside the UGB more efficiently will be subject to Metro's UGMFP, the Regional Transportation Functional Plan and to the plans and land use regulations of cities and counties in the region. The UGMFP and local plans and land use regulations are "acknowledged" under the statewide planning program, including Goal 6. More efficient use of land will reduce air pollutants, vehicle miles traveled and greenhouse gas emissions. Rec. __. ("Portland Metropolitan Region Turns a Climate Change Corner", Richard Benner, ISOCARP, Review 05, 2009; 2035 Regional Transportation Plan, App 5.2, "Phase 1 Motor Vehicle Trip Generation Rates Adjustment Research and Findings", pp. 1, 4-8, 11, 15, 17). The Council concludes that the actions taken or adopted by Ordinance No. 10-1244A comply with Goal 6.

Goal 7 - Areas Subject to Natural Hazards

The analysis of regional capacity accounts for areas subject to natural hazards by discounting known hazards. Rec. ___. (UGR, App 2; App 6, pp. 2, 4, 15). All of the actions taken or adopted by Ordinance No. 10-1244A to use land inside the UGB more efficiently will be subject to Metro's UGMFP and to the plans and land use regulations of cities and counties in the region. The UGMFP and local plans and land use regulations are "acknowledged" under the statewide planning program, including Goal 7. The Council concludes that the actions taken or adopted by Ordinance No. 10-1244A comply with Goal 7.

Goal 8 - Recreational Needs

Metro's analysis of regional capacity accounts for the recreational needs of the region. The UGR derives its estimate of needs (1,300 acres) from estimated local systems development charges for parks and greenspaces over the 20-year planning period. The existing UGB has sufficient capacity to provide for these needs. Rec. ___. (UGR, App 6, pp. 2, 11-12). The Council concludes that the actions taken or adopted by Ordinance No. 10-1244A comply with Goal 8.

Goal 9 - Economic Development

Goal 9 applies to cities and counties in the region, but not to Metro. Metro facilitates local efforts to meet Goal 9 and provide employment opportunities by providing land needed for employment over the next 20 years. Nonetheless, Metro consulted with cities and counties about their economic development plans and priorities. The "cluster" forecast and the analysis of demand for large sites for industrial use in the 2009 UGR were responses to local Goal 9 plans and consultation with local governments. Rec. ___. (UGR, Appendices 3, 4). Sections IA(2) and IB(2) of these findings refer to the information that supports the Council's conclusion that the existing UGB has capacity for employment needs, with the exception of the demand of traded-sector industries for sites 50 acres and larger.

Goal 10 - Housing

Metro's 2009 UGR determines that the region lacks sufficient capacity to accommodate the need for housing through 2030. Rec. ___. (UGR102; A-6, 2-4; Staff Report, November 19, 2010, pp. 5-7). Sections IB(1) and IB(2) of these findings describe the actions taken or adopted by Ordinance No. 10-1244A and demonstrate that the actions increase the likelihood that the UGB will provide at least 50 percent of housing needs over the next 20 years by using zoned residential capacity more efficiently.

The UGR shows that, without changes to regional and local policy, an increasing number and percentage of the region's households will spend more of their monthly incomes on housing over the next 20 years. Rec. ___. (UGR, Apps 7 and 8; 2010 Growth Management Assessment, August, 2010, p. 12 and App 1, pp. 17-25). This finding led the Council to develop a new strategy to reduce combined housing and transportation costs by integrating the planning for transit investments with land use planning and with other types of investment. Rec. ___. (Exhibit A; 2035 Regional Transportation Plan; Staff Report, November 19, 2010, p. 13).

The Council developed three other strategies to address the housing issues identified in the UGR. First, the Council revised Title 6 (Centers, Corridors, Station Communities and Main Streets) to condition city and county access to regional investments and other incentives upon amendments to their land use regulations to allow higher-density residential development and a mix of uses that will allow residents to choose lower-cost travel options. Rec. ___. (Exhibit E). Second, the Council revised Title 1 (Housing Capacity) of the UGMFP to adopt a “no-net-loss” approach. Rec. ___. (Exhibit B). Title 1 ensures the region will not lose gains in zoned residential capacity that follow implementation of Title 6 and local aspirations. Third, the Council revised Title 11 (New Urban Areas) to require planning and strategies to address housing needs of households with incomes at or below 80, 50 and 30 percent of median family incomes for the region. Rec. ___. (Exhibit J).

The Council concludes that these actions will reduce the percentage of households in the region that are “cost-burdened”¹⁰ and comply with Goal 10. See *LCDC Partial Approval and Remand Order 03-WKTASK-001524*, pp. 11-12, 48.

Metro completed a housing needs analysis to inform the UGR and housing affordability policy. Rec. ___. (UGR, Appendix 8). It sets out the region’s recent performance and the performance forecast for the next 20 years for housing mix, density, cost and affordability. Figures and tables in the analysis show the total number of dwelling units within the UGB and projections to 2030, by rent and price range, type and tenure. Rec. ___. (UGR, Appendix 8, pp. A8-23 to A8-27). The projections show a significant shift from single-family to multi-family demand, reflecting changing demographics through 2030. The historic ratio – 60 percent single-family, 40 percent multi-family – will reverse: 60 percent multi-family, 40 percent single-family. The absolute increase in multi-family demand will outpace the increase in demand for single-family dwelling units. Rec. ___. (UGR, Appendix 8, pp. A8-24-25). The housing needs analysis is an assessment of performance, not a capacity assessment (contained in the UGR). The analysis complies with the “needed housing” statute (ORS 197.296) and the applicable provisions of the Metropolitan Housing Rule (OAR 660-007).

Goal 11 - Public Facilities and Services

Metro does not provide the urban services for which planning is required by Goal 11. Metro is responsible, however, under ORS chapter 195 for coordination of public facility plans in the region, and under Goal 14 for providing capacity for urban services within the UGB. Metro consulted cities and counties to determine the capacities and adequacies of their public facilities and services as part of the overall capacity assessment. That assessment was a fundamental determinant of the market feasibility of maximum zoned capacities around the region. Rec. ___. (UGR, pp. 113-125). Metro’s analysis of regional capacity accounts for urban service land needs of the region. The UGR derives its estimate of the needs (4,900 acres) from local public facilities plans. The existing UGB has sufficient capacity to provide for these needs. Rec. ___. (UGR, App 6, pp. 2, 5, 11). Council concludes that these actions comply with Goal 11.

¹⁰ Households that spend more than 50 percent of their monthly incomes on housing and transportation.

Goal 12 - Transportation

Metro also does not provide transportation services. But Metro is responsible under Goal 12 and ORS chapter 195 for coordination of transportation plans in the region, and under Goal 14 for providing capacity for streets, roads and other transportation facilities within the UGB. The Metro Council adopted the 2035 Regional Transportation Plan in June, 2010. The Department of Land Conservation and Development acknowledged the plan on November 24, 2010. Rec. ___. (DLCD Order No. 001797, November 24, 2010). As with other urban services, Metro consulted cities and counties to determine the capacities and adequacies of their transportation facilities as part of the overall capacity assessment. That assessment was a fundamental determinant of the market feasibility of maximum zoned capacities around the region. Rec. ___. (UGR, pp. 113-125). Metro's analysis of regional capacity accounts for transportation needs of the region. The UGR derives its estimate of the needs from local plans. The existing UGB has sufficient capacity to provide for these needs. Rec. ___. (UGR, App 6, pp. 2, 5, 11). Metro's emphasis on infill and redevelopment and mixed-use, pedestrian-friendly and transit-supportive development will also reduce vehicle miles traveled. Rec. ___. (2035 Regional Transportation Plan, App 5.2, "Phase 1 Motor Vehicle Trip Generation Rates Adjustment Research and Findings", pp. 1, 4-8, 11, 15, 17). Council concludes that these actions comply with Goal 12.

Goal 13 - Energy Conservation

The actions taken or adopted by Ordinance No. 10-1244A to use land inside the UGB more efficiently will have the effect of conserving energy. Rec. ___. ("Portland Metropolitan Region Turns a Climate Change Corner", Richard Benner, ISOCARP, Review 05, 2009; 2035 Regional Transportation Plan, App 5.2, "Phase 1 Motor Vehicle Trip Generation Rates Adjustment Research and Findings", pp. 1, 4-8, 11, 15, 17). The Council concludes that the actions taken or adopted by Ordinance No. 10-1244A comply with Goal 13.

Goal 14 - Urbanization

To address the unmet need for residential and employment capacity identified in the 2009 UGR, Goal 14 requires Metro to turn first to actions that would use land inside the UGB more efficiently. Sections IB(1) and IB(2) of these findings describe the actions taken or adopted by Ordinance No. 10-1244A and demonstrate that the actions increase the likelihood that the existing UGB will provide at least 50 percent of housing needs by using land more efficiently. Additional investments, beyond those identified in section IB(1)(a), would likely use more of the region's zoned capacity. But the governments of the region do not have the resources to commit to additional investments. In the absence of additional resources, extensive "upzoning" would yield no significant additional capacity, due to infrastructure constraints and market infeasibility. The Council concludes that the actions taken or adopted by Ordinance No. 10-1244A comply with Goal 14. See *LCDC Partial Approval and Remand Order 03-WKTASK-001524*, pp. 20-23.

Goal 15 - Willamette River Greenway

All of the actions taken or adopted by Ordinance No. 10-1244A to use land inside the UGB more efficiently will be subject to Titles 3 and 13 of Metro's Urban Growth Management Functional Plan (UGMFP) and to the Goal 15 programs of cities and counties in the region. These titles and local land use regulations are "acknowledged" under the statewide planning program, including Goal 15. The Council concludes that the actions taken or adopted by Ordinance No. 10-1244A comply with Goal 15.

Exhibit J to Ordinance No. 10-1244A

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 or contribute to mixed-use, walkable, transit-friendly communities. It is the purpose of Title 11 to guide such long-range planning for 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 sections 3.07.1420, 3.07.1430 or 3.07.1435 of this chapter. The date for completion of a concept plan and the area of urban reserves to be planned will be jointly determined by Metro and the county and city or cities.
- B. A concept plan shall achieve, or contribute to the achievement of, the following outcomes:
 1. If the plan proposes a mix of residential and employment uses:
 - a. A mix and intensity of uses that will make efficient use of the public systems and facilities described in subsection C;
 - b. A development pattern that supports pedestrian and bicycle travel to retail, professional and civic services;
 - c. ~~A range of housing of different types, tenure and costs addressing the housing needs in the prospective UGB expansion area, the governing city the county and the region, if data on regional housing needs are available, in order to create economically and socially vital and complete neighborhoods and cities and avoiding the concentration of poverty and the isolation of families and people of modest means~~Opportunities for a range of needed housing types;
 - d. Sufficient employment opportunities to support a healthy economy, including, for proposed employment areas, lands with characteristics, such as proximity to transportation facilities, needed by employers;
 - e. Well-connected systems of streets, bikeways, parks, recreation trails and public transit that link to needed housing so as to reduce the combined cost of housing and transportation;

- f. A well-connected system of parks, natural areas and other public open spaces;
 - g. Protection of natural ecological systems and important natural landscape features; and
 - h. Avoidance or minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands.
2. If the plan involves fewer than 100 acres or proposes to accommodate only residential or employment needs, depending on the need to be accommodated:
- a. ~~A range of housing of different types, tenure and costs addressing the housing needs in the prospective UGB expansion area, the prospective city, the county and the region, if data are on regional housing needs available, in order to create economically and socially vital and complete neighborhoods and cities and avoiding the concentration of poverty and the isolation of families and people of modest means~~Opportunities for a range of housing types;
 - b. Sufficient employment opportunities to support a healthy economy, including, for proposed employment areas, lands with characteristics, such as proximity to transportation facilities, needed by employers;
 - c. Well-connected systems of streets, bikeways, pedestrian ways, parks, natural areas, recreation trails;
 - d. Protection of natural ecological systems and important natural landscape features; and
 - e. Avoidance or minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands.

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, park and trail, water and storm-water systems and transportation facilities, provide the following:
 - a. The general locations of proposed sewer, park and trail, water and storm-water systems;
 - b. The mode, function and general location of any proposed state transportation facilities, arterial facilities, regional transit and trail facilities and freight intermodal facilities;

- c. The proposed connections of these systems and facilities, if any, to existing systems;
 - d. Preliminary estimates of the costs of the systems and facilities in sufficient detail to determine feasibility and allow cost comparisons with other areas;
 - e. Proposed methods to finance the systems and facilities; and
 - f. Consideration for protection of the capacity, function and safe operation of state highway interchanges, including existing and planned interchanges and planned improvements to interchanges.
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 parcels 50 acres or larger and to cluster uses that benefit from proximity to one another;
- ~~4. If the area subject to the concept plan calls for designation of land for residential use, the concept plan will describe the goals for meeting the housing needs for the concept planning area, the governing city, the county and the region if data are available. As part of this statement of objectives, the concept plan shall identify the general number, cost and type of market and nonmarket provided housing and the range of incomes of the families and individuals who will live in that housing. The concept plan shall also identify preliminary strategies, including fee waivers, subsidies, zoning incentives and private and nonprofit partnerships, that will support the likelihood of achieving the outcomes described in subsection B of this section;~~
- 5.4. Show water quality resource areas, flood management areas and habitat conservation areas that will be subject to performance standards under Titles 3 and 13 of the Urban Growth Management Functional Plan;
- 6.5. Be coordinated with the comprehensive plans and land use regulations that apply to nearby lands already within the UGB;
- 7.6. 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;
- 8.7. 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;
- 9.8. 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

10.9. Be coordinated with schools districts, including coordination of demographic assumptions.

D. Concept plans shall guide, but not bind:

1. The designation of 2040 Growth Concept design types by the Metro Council;
2. Conditions in the Metro ordinance that adds the area to the UGB; or
3. Amendments to city or county comprehensive plans or land use regulations following addition of the area to the UGB.

E. If the local governments responsible for completion of a concept plan under this section are unable to reach agreement on a concept plan by the date set under subsection A, then the Metro Council may nonetheless add the area to the UGB if necessary to fulfill its responsibility under ORS 197.299 to ensure the UGB has sufficient capacity to accommodate forecasted growth.

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 section 3.07.1110C(8) 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 section 3.07.1455B(4) of this chapter.

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 section 3.07.1455B(2) of this chapter;

~~4. If the comprehensive plan authorizes housing in any part of the area:~~

~~a. Provision for a range of housing— including ownership and rental housing; single-family and multi-family housing; and a mix of public, nonprofit and private market housing— needed in the prospective UGB expansion area, the governing city, the county and the region if data are available; and~~

~~b. Implementing strategies that increase the likelihood that needed housing types— which may include housing options for households with incomes at or below 80, 50 and 30 percent of median family incomes— will be market-feasible or provided by non-market housing developers within the 20-year UGB planning period.~~

~~This subsection is intended to encourage local governments to consider a range of policies and incentives that could facilitate development of a broader range of housing types and affordability than might otherwise occur. The comprehensive plan may include such provisions and requirements as the city or county deems necessary to ensure the provision of needed housing types and to implement the strategies identified in the plan. Provision for affordable housing consistent with Title 7 of this chapter if the comprehensive plan authorizes housing in any part of the area.~~

~~5.4. 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. This requirement includes consideration of any school facility plan prepared in accordance with ORS 195.110;~~

~~6.5. Provision for the amount of land and improvements needed, if any, for public park facilities sufficient to serve the area added to the UGB in coordination with affected park providers.~~

~~7.6. 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;~~

~~8.7. Provision for the financing of local and state public facilities and services; and~~

~~9.8. A strategy for protection of the capacity and function of state highway interchanges, including existing and planned interchanges and planned improvements to interchanges.~~

D. The county or city responsible for comprehensive planning of an area shall submit to Metro a determination of the residential capacity of any area zoned to allow dwelling units, using the method in section 3.07.120, 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 section 3.07.1010(ww) of this chapter, 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.

3.07.1140 Applicability

Section 3.07.1110 becomes applicable on December 31, 2011.

Exhibit J to Ordinance No. 10-1244B

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 or contribute to mixed-use, walkable, transit-friendly communities. It is the purpose of Title 11 to guide such long-range planning for 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 sections 3.07.1420, 3.07.1430 or 3.07.1435 of this chapter. The date for completion of a concept plan and the area of urban reserves to be planned will be jointly determined by Metro and the county and city or cities.
- B. A concept plan shall achieve, or contribute to the achievement of, the following outcomes:
 1. If the plan proposes a mix of residential and employment uses:
 - a. A mix and intensity of uses that will make efficient use of the public systems and facilities described in subsection C;
 - b. A development pattern that supports pedestrian and bicycle travel to retail, professional and civic services;
 - c. Opportunities for a range of needed housing types;
 - d. Sufficient employment opportunities to support a healthy economy, including, for proposed employment areas, lands with characteristics, such as proximity to transportation facilities, needed by employers;
 - e. Well-connected systems of streets, bikeways, parks and other public open spaces, natural areas, recreational trails and public transit;
 - f. Protection of natural ecological systems and important natural landscape features; and
 - g. Avoidance or minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands.

2. If the plan involves fewer than 100 acres or proposes to accommodate only residential or employment needs, depending on the need to be accommodated:
 - a. Opportunities for a range of housing types;
 - b. Sufficient employment opportunities to support a healthy economy, including, for proposed employment areas, lands with characteristics, such as proximity to transportation facilities, needed by employers;
 - c. Well-connected systems of streets, bikeways, pedestrian ways, parks, natural areas, recreation trails;
 - d. Protection of natural ecological systems and important natural landscape features; and
 - e. Avoidance or minimization of adverse effects on farm and forest practices and important natural landscape features on nearby rural lands.

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, park and trail, water and storm-water systems and transportation facilities, provide the following:
 - a. The general locations of proposed sewer, park and trail, water and storm-water systems;
 - b. The mode, function and general location of any proposed state transportation facilities, arterial facilities, regional transit and trail facilities and freight intermodal facilities;
 - c. The proposed connections of these systems and facilities, if any, to existing systems;
 - d. Preliminary estimates of the costs of the systems and facilities in sufficient detail to determine feasibility and allow cost comparisons with other areas;
 - e. Proposed methods to finance the systems and facilities; and
 - f. Consideration for protection of the capacity, function and safe operation of state highway interchanges, including existing and planned interchanges and planned improvements to interchanges.

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 parcels 50 acres or larger and to cluster uses that benefit from proximity to one another;
4. Show water quality resource areas, flood management 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 schools districts, including coordination of demographic assumptions.

D. Concept plans shall guide, but not bind:

1. The designation of 2040 Growth Concept design types by the Metro Council;
2. Conditions in the Metro ordinance that adds the area to the UGB; or
3. Amendments to city or county comprehensive plans or land use regulations following addition of the area to the UGB.

E. If the local governments responsible for completion of a concept plan under this section are unable to reach agreement on a concept plan by the date set under subsection A, then the Metro Council may nonetheless add the area to the UGB if necessary to fulfill its responsibility under ORS 197.299 to ensure the UGB has sufficient capacity to accommodate forecasted growth.

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 section 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 section 3.07.1455B(4) of this chapter.

- 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 section 3.07.1455B(2) of this chapter;
 - 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. This requirement includes consideration of any school facility plan prepared in accordance with ORS 195.110;
 - 6. Provision for the amount of land and improvements needed, if any, for public park facilities sufficient to serve the area added to the UGB in coordination with affected park providers.
 - 7. 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;
 - 8. Provision for the financing of local and state public facilities and services; and
 - 9. A strategy for protection of the capacity and function of state highway interchanges, including existing and planned interchanges and planned improvements to interchanges.

- D. The county or city responsible for comprehensive planning of an area shall submit to Metro a determination of the residential capacity of any area zoned to allow dwelling units, using the method in section 3.07.120, 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 section 3.07.1010(ww) of this chapter, 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.

3.07.1140 Applicability

Section 3.07.1110 becomes applicable on December 31, 2011.



Home Builders Association
of Metropolitan Portland

Testimony to Metro Council
December 16, 2010
Regarding Metro's proposed changes to Title XI as part of its Capacity Ordinance approval
Provided by David Nielsen, CEO
Home Builders Association of Metro Portland

President Collette and Members of the Council:

Our membership supports housing affordability, including housing that meets the needs of all types of people, income ranges, family types and locations. In anticipation that there might be someone who isn't aware of this, I could spend a lot of time describing support we and our members in the private sector have given to HOST Development, Habitat for Humanity and Homes for our Troops. I could describe our association's and members' leadership and work on affordable housing projects, such as New Columbia. I could also provide details on projects we have coordinated and built or remodeled for those who need basic shelter, such as Janus Youth Programs, Raphael House, Catholic Charities and others, as well as general maintenance, paint and improvement work on dozens of shelter facilities across the region. These were not projects done 30 years ago, but ones done currently and within the last several years. If anyone does question our commitment or support, I would welcome a conversation about it at another time.

I appreciate the work done to revise the language so that its intentions to show our region's aspirations and encourage housing for a wide range of incomes are better stated, as opposed to some of the mandates the previous language included.

We also understand that policies like this can't include all of the details and methods by which we achieve the goals – they need to be somewhat aspirational.

My concerns are two:

- While language has been changed to soften the "mandate" feel of the earlier versions, new language has been added that hasn't received input from the private housing market to determine its impact. Some of the language isn't very clear as to what its intentions are at all, including statements like "a range of housing tenure", or what happens if "data on regional housing needs isn't available" (does a jurisdiction have to provide it, or are they not accountable for it?). The bottom line is that the private sector housing industry should be included in discussions on this new language, and we have not.
- The ramifications of a policy like this are huge. While I appreciate that several have reviewed this policy, I don't believe it's been done in the context of the significant financial investments



Home Builders Association
of Metropolitan Portland

that need to come into play to provide some of the housing ranges suggested. As a point of reference, the City of Portland just announced today that they are providing \$30 million in funding for a 209 unit affordable housing project in South Waterfront. What does that mean? That means that each apartment unit will receive almost \$150,000 in government subsidies in order to provide them to people making 50 percent of median incomes. Those kind of federal, state and local subsidies are extremely difficult to obtain, even for a city as large as Portland. And the new Title XI changes want housing provided at even greater subsidized levels than this in order to achieve housing for those at 30% or less of median income.

I'm sure there are ways we can help meet the needs for those with less means to obtain housing. But rushing the approval of a policy that has huge ramifications for growth in our region, as well as new language changed within the last week that the private market sector has not been invited to nor able to provide our input on, is not the collaborative or best approach to get there. We urge the Metro Council to delay a vote on the Title XI changes and ask for our assistance in crafting changes that show our region's support for housing for all people without making the development of these areas even more difficult and costly.

**Testimony Before the Metro Council
Ordinance 10-1244
Capacity for Housing and Employment to the Year 2030
Amending the Regional Framework Plan
And Metro Code**

December 16, 2010

Council President Collette and members of the Metro Council, for the record, I am Jane Leo, Governmental Affairs Director for the Portland Metropolitan Association of Realtors® (PMAR). Our offices are located at 825 NE Multnomah Street, Suite 1145, Portland 97232.

On behalf of PMAR's 6400 members, the following comments to proposed Ordinance 10-1244 are offered for your consideration.

We request the Council not adopt revisions to Title XI as part of Ordinance 10-1244. While it is acknowledged that language referencing "housing...or households with incomes at or below 80, 50 and 30 percent median family income" has—for the most part—been deleted or revised, concern remains that adoption of the ordinance puts Metro and the municipalities within the Region in violation of Oregon State Law prohibiting a city, county, or metropolitan service district from establishing housing sale prices or designating the class of buyer (ORS 197.309(1)). Section 3.07.1110(B)(1)(c) specifically reads "a concept plan **shall** (emphasis added) achieve..." Use of the word "shall" denotes that it must be done; it is not a voluntary action on the part of the municipality therefore it violates State Law.

Violation of State Statute is also found in Section 3.07.1110(C)(4) that gives a directive to what a concept plan "**shall**" include. Specifically, the mandate to "identify the general number, cost and type of market and nonmarket-provided housing and the range of incomes of the families and the individuals who will live in that housing..."

Metro should not adopt language within Title XI that contradicts other language found within the Ordinance. Specifically, within Exhibit A, Amendments to the Regional Framework Plan, Section 1.3, it states that it is the "policy of the Metro Council to...Encourage local governments" (Exhibit A, Section 1.3.5) and "maintain voluntary affordable housing production goals for the region" (Sec 1.3.4). The repeated use of the word "shall" within the Title XI amendments makes the planning for housing—as outlined within Title XI—a mandate; not something that is voluntary.

Finally, the Metro Council is asked to take into consideration the unintended consequence of creating inequity in housing. The requirement for Urban Reserves' concept plans to "identify the general number, cost and type of housing" focuses the diversity of housing stock in the outer areas of the Region. Metro should be incentivizing—encouraging—all municipalities to consider and find collaborative means to create housing—including homeownership—throughout the region for all residents.

To conclude, on behalf of the Portland Metropolitan Association of Realtors®, we request the Metro Council not adopt the Title XI amendments as presented.

Thank you.

**CITY OF OREGON CITY
CITY COMMISSION
MEETING MINUTES**

September 15, 2010

1. **Convene Regular Meeting of September 15, 2010, and Roll Call**

Roll Call: Mayor Alice Norris; Commissioner Doug Neeley; Commissioner Rocky Smith, Jr.; Commissioner James Nicita; and Commissioner Daphne Wuest.

Staff Present: David Frasher, City Manager; Ed Sullivan, City Attorney; Nancy Ide, City Recorder; Scott Archer, Community Services Director; Mike Conrad, Police Chief and Public Safety Director; Maureen Cole, Library Director; Teri Bankhead, Assistant to the City Manager; Tony Konkol, Community Development Director; Dan Drentlaw, Economic Development Manager; and Pete Walter, Associate Planner.

Mayor Norris called the meeting to order at 7:15 p.m.

2. **Flag Salute**

3. **Ceremonies, Proclamations, Presentations**

a. **Proclamation Declaring October 3-10, 2010 as Mental Illness Awareness Week**

Mayor Norris read the proclamation proclaiming October 3-10, 2010 as Mental Illness Awareness Week.

4. **Citizen Comments**

Tom Geil of Oregon City did not think \$10,000 should be spent on a poll at this time. He also questioned having the former City Manager as a resource person for the City.

William Gifford of Oregon City said the Barclay Hills Neighborhood Association had a facebook page. He thanked Public Works for the completion of the Molalla/Warner Milne alignment. He received a community survey and verified the City was not responsible for it.

Paul Edgar of Oregon City said the Ordinary High Water Mark at the Cove was adjudicated in a manner that was inappropriate and inaccurate.

David Frasher, City Manager, discussed the ethics of hiring a City Manager to be a resource person following a City Manager's retirement.

5. **Adoption of the Agenda**

The agenda was adopted as presented.

6. **Public Hearings**

a. **Comprehensive Plan Amendment from Future Urban designation to MUC - Mixed Use Corridor Designation, and a Zone Change from "County - FU-10" to "MUC-1" Mixed Use Corridor District, for a 9.6-acre parcel of land located at 19896 Beaver Creek Road. PZ 10-01 / ZC 10-01.**

Pete Walter, Associate Planner, said the property was located at 19896 Beaver Creek Road and was 9.6 acres. The property was currently vacant with one house on it and he described its location and the Comprehensive Plan designations for the surrounding area. The property was brought into the Urban Growth Boundary in 1979. The Comprehensive Plan Designation was changed to Future Urban in 2004 and the property was annexed in 2008. This property was part of the Beaver Creek Road Concept Plan and portions of the property were planned as a mixed employment village. The Concept Plan was subject to an appeal that was remanded back to the City and Metro. The property could be considered for re-zoning irrespective of the status of the Concept Plan. No development was being proposed at this time. Mr. Walter explained the approval criteria for a re-zoning and Comprehensive Plan amendment. He also discussed the Transportation Planning Rule for zone changes and Comprehensive Plan amendments. The Planning Commission, ODOT, the City, and applicant agreed to for compliance with the Transportation Planning Rule was 2027. There was currently failure on ODOT intersections along Beaver Creek Road and if the re-zoning caused a volume to capacity ratio of these existing failures to increase by a factor of more than .01 ODOT would consider that a significant effect which required mitigation. The construction of the Meyers Road extension between High School Avenue and OR 213 was in the City's Capital Improvement Program and SDCs were being collected. The applicant also proposed the addition of a west bound right turn lane at the time of development. Also the addition of a north bound through lane on OR 213 to complete a five lane section was being done incrementally and that improvement would meet ODOT mobility standards with or without this proposed re-zoning. The Planning Commission recommended approval and agreed with staff that it was reasonably likely that the Meyers Road extension would be built by 2027. ODOT supported the re-zoning with the conditions of approval.

Ed Sullivan, City Attorney, read the hearing statement describing the hearing format and correct process for participation. He asked if there were any declarations of ex parte contact, conflict of interest, bias, or statements.

Commissioner Neeley said he was a member of the citizen group that was involved in the Concept Plan.

Commissioner Nicita was retained as a paid attorney by one of the opponents of various Beaver Creek annexations and concept plans. He provided legal research and advice.

Commissioner Smith worked for Oregon City High School across the street from the property.

Mayor Norris opened the public hearing.

Phil Gentemann of West Linn was the applicant. He purchased the property four and a half years ago. He participated on the task force for the Beaver Creek Road Concept Plan and supported it. The zoning he was proposing was compatible with the Concept Plan. He was seeking zoning in order to keep the financing on the property in place and to find partners to develop the property.

Christine Kosinski of Clackamas County wanted to know why the hamlet of Beaver Creek did not get notice of this hearing. Mr. Sullivan said the hamlet was not entitled to notice in the Code. A notice had been sent to the contact of the hamlet as a courtesy.

Ms. Kosinski was concerned about the transportation plan as it was already a congested area and this was a potential huge traffic impact. She wanted to know the amount of SDCs earmarked for this project to date and the total SDCs that would be necessary for the plan. She also wanted to know if the mixed use zoning was consistent with what had been approved in the Concept Plan.

Tony Konkol, Community Development Director, affirmed the MUC-1 zone was consistent with the mixed employment village identified for this property in the Beaver Creek Concept Plan. The needed infrastructure improvements were identified in the Concept Plan and were incorporated in the SDCs. He said SDCs could not be earmarked. He explained how the improvements were made through the Capital Improvement Plan.

Elizabeth Graser-Lindsey of the Beaver Creek area thought the project would create a strip mall and would not be integrated with the existing neighborhoods. She thought it was a mistake to change the zoning on this isolated parcel without planning it as part of the larger community. There were a lot of commercial and residential vacancies and additional development would lower the values of all existing properties in the City. She thought this was in violation of Goal 1 as the Beaver Creek area was not notified of this application until after the Planning Commission hearing.

Mr. Konkol said the applicant's transportation plan was also reviewed by Replinger and Associates and the applicant had worked with ODOT to look at the key intersections issues along that corridor.

Bruce Goldson, engineer for the project, said the MUC-1 zone was broad and would be a community type use, not a destination point, and was consistent with the Beaver Creek Concept Plan. Mr. Gentemann listed the types of inquiries he had received for future use of the property.

Phillip Worth of Kittelson and Associates explained the Transportation Planning Rule for zone changes and the findings of the traffic analysis that was done for this application. Currently the transportation plan was not adequate but it could be made adequate.

Mayor Norris closed the public hearing.

Commissioner Nicita asked where they were in the Concept Plan remand process. Mr. Konkol gave a brief history of the remand. The outcome was the City would change the 2040 design type to reflect the Beaver Creek Concept Plan. There would be a decision from Metro in December.

Commissioner Nicita said there was uncertainty as to what eventually an adopted, unchallenged, and accepted Beaver Creek Concept Plan would look like. If this was approved as proposed and the Concept Plan evolved through the process, the application could become a pre-existing development and be out of place in the area. Mr. Konkol explained how staff had tried to address this issue.

Commissioner Neeley gave the background for how the Beaver Creek Concept Plan was created.

Motion by Commissioner Doug Neeley, second by Commissioner James Nicita to continue the public hearing for PZ 10-01 / ZC 10-01 to the next Commission meeting on October 6 and re-open the public testimony portion to allow the representatives of the Beaver Creek area an opportunity to speak on this issue.

A roll call was taken and the motion passed with Mayor Alice Norris, Commissioner Doug Neeley, Commissioner Rocky Smith, Jr., Commissioner James Nicita, and Commissioner Daphne Wuest voting aye. [5:0:0]

Mr. Sullivan said the testimony at the hearing would be limited to those issues that were raised before the Planning Commission and no new evidence was allowed.

General Business

a. **Canemah Park Easement with Metro**

Scott Archer, Community Services Director, said the easement was a requirement for the City to be able to build Canemah Park. It would be an acre of property adjacent to the Canemah Bluffs and would become a piece of the neighborhood park.

Paul Edgar of Oregon City said the Canemah Neighborhood Association established a park committee to coordinate with the City and architect on this project. The Association fully supported the agreement with Metro. However, the Association was not currently in favor of the design that was presented as it did not reflect a park that would be found in a historic district. They were asking for Commission direction to allow the Association to be more involved to create something that was sustainable and met the needs of Canemah.

June 56:50
Tony 57:15
work session
1:00:45
9 new 2000
shitty
file

1:46:22
resumer.

Motion by Commissioner Daphne Wuest, second by Commissioner Doug Neeley to approve the Canemah Park Easement Agreement with Metro.

A roll call was taken and the motion passed with Mayor Alice Norris, Commissioner Doug Neeley, Commissioner Rocky Smith, Jr., Commissioner James Nicita, and Commissioner Daphne Wuest voting aye. [5:0:0]

8. **Consent Agenda**

- a. **Extend Engineering Services Consultant Contract, Personal Services Agreement 05-205**
- b. **Glen Oak Road Storm Channel Repair Project Construction Contract Award, Canby Excavating, Inc., \$54,895**
- c. **2010 Annual Waterline Replacement Project Construction Contract Award, \$230,595.50, Canby Excavating, Inc.**
- d. **Minutes of the September 1, 2010 Regular Meeting**

Motion by Commissioner Daphne Wuest, second by Commissioner Rocky Smith, Jr. to approve the Consent Agenda.

A roll call was taken and the motion passed with Mayor Alice Norris, Commissioner Doug Neeley, Commissioner Rocky Smith, Jr., Commissioner James Nicita, and Commissioner Daphne Wuest voting aye. [5:0:0]

9. **Communications**

a. **City Manager**

Mr. Frasher had been a guest speaker at the Oregon City Rotary Club and he was now a member of the Club. The League of Oregon Cities Conference would be held next week.

Maureen Cole, Library Director, explained the new reading program at the Library called Story time to the Rescue.

Mr. Frasher said the City audit had been done for this fiscal year. The Citizens Police Academy had started and the monthly Meet Your Police program at the Pioneer Center would begin soon. The City received a League of Oregon Cities Safety and Wellness Award. Mr. Frasher also announced the new Google Sketch program that would digitally map downtown.

Ms. Cole reminded everyone about the Poet Laureate event at the Library on September 16.

Nancy Ide, City Recorder, said the CIC meetings would soon be web streamed.

The Commission designated Commissioner Wuest as the voting representative at the League of Oregon Cities Conference.

b. **Mayor**

Mayor Norris announced the local hearing regarding urban and rural reserves was September 20. She reported on the properties that were added to the urban reserves in other jurisdictions. She also encouraged the Commission to attend the Revolution Conference on October 18-21. She then summarized the Transit Oriented Development Program and Intertwine Alliance.

c. **Commissioners**

Commissioner Wuest reported on the Cruise to Downtown Car Show and Main Street Board Meeting. The Main Street Annual Meeting would be held on October 12. Willamette Falls T.V. was having an open house on September 18. The C-4 Retreat was September 16. She also reported on the last Tourism Development Council meeting.

Commissioner Neeley requested a report that showed the total ridership of the elevator for each year over the last 20 years. He also asked for more garbage cans on the McLoughlin Street walkway.

Commissioner Smith announced the Safety Fair on September 18.

Mike Conrad, Police Chief and Public Safety Director, said there would be a National Day of Remembrance for parents of murdered children on September 24 at Mt. View Cemetery.

10. **Adjournment**

Mayor Norris adjourned the meeting at 9:06 p.m.

Respectfully submitted,

Nancy Ide, City Recorder

City Commission Work Session

November 9, 2010

http://oregon-city.granicus.com/MediaPlayer.php?view_id=6&clip_id=519

Doug Neeley, City Commission President 00:00: 17And with that we will go ahead and convene the work session. And have the roll call.

[Roll Call: Wuest, Smith, Nicita, Neeley]

Neeley: Does anyone have any future agenda items for the current commission?

Jim Nicita, City Commissioner (00:00:39): Uhm, I do. Uhm I'd like to uhm There has been some discussion recently. And I have just caught glimpses of it being mentioned and I'd like to have a fuller discussion and what it relates to is the effort of City to work with Metro on having uhm whatever its standards are regarding what they have set up for the Beaver creek Concept Plan area to be reconfigured and rezoned to conform to with the Beaver creek Concept Plan. I have never been completely sure what that is all about uhm but I think I would like to have a deeper discussion of that.

Neeley: I think that's fine. And I think we'll have our attorney here to participate in that study session

Nicita: What's the timeline on that?

[City Administrator] (00:01:40): So just so I am clear you want a work session perhaps on the Metro plans and how they mess with our Beaver creek concept plan.

Neeley (00:01:4): Yah, in terms of the appeal, right?.

Nicita: Yah, there is a land use appeal that got remanded to us regarding Beaver creek and we have to address that some how. And the discussion that I think I have heard from you Tony was that part of one of the options and there are actually going to be some Metro hearings on this in the not too distant future about whether we are going to conform to Metro's prototypes or we're going to have to ask Metro to change theirs to conform to ours. I am not sure what all that is

about and I would like to have a deeper discussion about that uhm and I was wondering if you know the time lines are for the Metro hearings on that.

Konkel (00:02:29): So, so, right now we have these design types from Metro and one of the main findings on the remand from LUBA was that the concept plan didn't conform to the design types on the Metro urban design type map. So right now Metro is going through their hearing process and they're going to change the employment designation on their 2040 map that we need to comply with to match the Beavercreek concept plan so that's what they are going through right now. They're going to start their hearings in uhm mid December, it's probably, most likely in January I imagine uhm in order to get through all the information so that would be then Metro would make that decision to amend their 2040 design type map and then obviously their decision is appealable through that process. Once that decision is final, we would come back through the city commission to make new findings demonstrating compliance with the 2040 map as newly adopted.

Nicita (00:03:35): I think the issue that I am confronting that I want to discuss either during a work session in December or before hand and if that is what Metro's hearing schedule is on is I don't know that uhm the commission ever, ever requested... I can't remember during my tenure. Or whether it might have happened before hand. I am not sure how this city arrived at the decision to ask Metro to change its design type to conform to the Beavercreek [microphone dimmed] concept plan rather than us reconfirming the concept plan according to the LUBA remand to conform with their design type. I don't know what is preferable I am just I am just completely unaware of what the processes have been what the considerations have been. Uhm And I think that is a commission decision, uhm but I don't know when or how that decision was made. And that is why I want to go into it in some detail.

[City Administrator]: Well let me let me suggest that we can do a little research on that and get back to the council with something in writing for you first. And then if you get the information you need from that in the meantime it looks like Metro they're going to be getting closer to making some decisions on that too. So why don't we produce that first and then if you still want if there is a need for more discussion at a workshop or another decision we can accommodate that too.

Neeley (00:05:05): I just have one question of follow up that I will address to Mr. Koninkl. Did the remand go back to Metro though and not to us? Or do you know? If you don't know that off hand.

Koncl: I don't know that off hand. It was a Metro requirement but it was our decision so we were remanded.

Neeley: It's just that Metro is the one that is addressing it and not us.

Konkol: It was a Metro code criteria that was very vague.

Neeley: Alright, well, is that alright for you?

Nicita (00:05:36): Yes, I have another item.



OREGON CITY

Community Development - Planning

1721 Molalla Ave., Suite 200 | Oregon City, OR 97045
Ph (503) 722-3789 | Fax (503) 722-3880

Notice of Decision November 9, 2010

FILE NO.: PZ 10-01: Comprehensive Plan Map Amendment
ZC 10-01: Zone Change

FILE TYPE: Type IV - Quasi-Judicial Land Use Decision

OWNER: Marylwood, LLC
Att: Phil Gentemann
7128 SW Gonzaga St
Portland, OR 97223

APPLICANT: Theta, LLC, Attn. Bruce Goldson
PO Box 1345
Lake Oswego, OR 97035

REQUEST: Approval of a Comprehensive Plan Map Amendment from County FU - Future Urban to MUC - Mixed Use Corridor and a Zoning Map Change from County - FU-10 To MUC-1 - Mixed Use Corridor District for the Property identified as Clackamas County Map 3-2E-10C, Tax Lot 800.

LOCATION: 19896 Beaver Creek Road
Clackamas County Map 3-2E-10C, Tax Lot 800

IN-HOUSE DISTRIBUTION

- Building Official
- Development Services Manager
- Public Works
- City Engineer / Public Works Director
- Geotechnical Services (GIS)
- Parks Manager
- Addressing

MAIL-OUT DISTRIBUTION

- Citizen Involvement Council (CIC)
- County CPOs: *Deborah Lee, Rose...*
- Neighborhood Association Chair
- Neighborhood Association Land Use Chair
- Fire Marshal
- Clackamas County - Joe March
- Clackamas County - Ken Ellis
- School District
- Tri-MET
- Oregon Dept. of Transportation - Corvallis Office
- Oregon Dept. of Transportation - Astoria Office
- Metro
- Other

Public Testimony:
Christine Kosinski
Elisabeth Graser-Lindsay

Tom O'Brien

City of Oregon City
Planning Commission Meeting Minutes
August 30, 2010

PZ 10-01: Comprehensive Plan Amendment and ZC 10-01: Zone Change

Bill Kabeiseman, City Attorney, read the hearing statement describing the hearing format and correct process for participation. He asked if there were any declarations of ex parte contact, conflict of interest, bias, or statements. Commissioner Stein knew of the site and drove by it. Commissioner LaJoie knew of the site and participated in the Beaver Creek Concept Plan.

Pete Walter, Associate Planner, said the Comprehensive Plan Amendment was a change from future Urban to Mixed Use Corridor with a zone change from County FU-10 to City MUC-1. The address was 19896 Beaver Creek Road and the parcel was 9.6 acres. He described the site and surrounding area and gave a background on the piece of property. This site had been planned to be a mixed employment village in the Beaver Creek Road Concept Plan. The concept plan was appealed to LUBA and had been remanded to the City and Metro. The applicant was proposing no development at this time, but was requesting a zone change to MUC-1. He explained the approval criteria and the transportation planning rule for this application. ODOT determined that if the rezoning caused the volume capacity ratio to increase by more than a factor of .01, they would consider that to be a significant impact and would require mitigation. If the Meyers Road extension was not built, there would be two locations where this would exacerbate the existing traffic failures, Highway 213 and Molalla and Highway 213 and Meyers Road. If the Meyers Road extension was built, the only intersection which potentially exceeded the .01 factor was Highway 213 and Meyers Road. If the City could make a written determination that certain improvements which would alleviate the situation were reasonably likely to be constructed by 2027, it would have the support of ODOT. The City was already collecting SDC charges for Highway 213 improvements and the Meyers Road extension. There were also plans for an additional west bound right turn lane at Highway 213 and Meyers Road at the time of development which would bring the volume capacity ratio to a reasonable range. He reviewed the conditions of approval and discussed the difficulties the Beaver Creek Concept Plan remand posed on this property.

Tony Konkol, Community Development Director, said the City was in the process of having the Concept Plan that was approved by the Commission comply with and address the reason for the remand. There was discussion regarding how this application fit in with the Beaver Creek Concept Plan.

Mr. Walter said based on the consistency with the Comprehensive Plan and the ability to serve the area with public facilities and transportation infrastructure, staff recommended approval with conditions.

Ord 10-1008

re: Beaver Creek Road

600 NE Grand Ave.
Portland, OR 97232-2736

www.oregonmetro.gov



Metro | *People places. Open spaces.*

August 30, 2010

Mr. Pete Walter, AICP, Associate Planner
City of Oregon City
Community Development Department
Planning Division
221 Molalla Avenue, Ste. 200
Oregon City, Oregon 97045

Re: PZ 10-01 / ZC 10-1

Dear Pete,

Thank you for the opportunity for Metro to comment on the proposed rezoning of the 9.59 acres property in the Beavercreek Road Concept Plan area from Future Urban designation to Mixed Use Corridor designation. The purpose of this letter is to request that you and Mr. Tony Konkol let me know if the subject property is within the Metro Urban Growth Management Functional Plan Title 4 (Industrial and Employment) area that has been slated for rezoning out of Title 4 land. If it is, please let me know why the City did not wait for the Title 4 map change to be completed before the City proceeds with this zoning change. Include this letter in the City's Planning Commission record on this matter.

I am looking forward to your reply.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gerry Uba'.

Gerry Uba, Principal Regional Planner
Planning and Development Department

cc: Tony Konkol, City of Oregon City, Community Development Director

ECONorthwest

ECONOMICS • FINANCE • PLANNING

Phone • (541) 687-0051
FAX • (541) 344-0562
info@eugene.econw.com

Suite 400
99 W. 10th Avenue
Eugene, Oregon 97401-3001

Other Offices
Portland • (503) 222-8060
Seattle • (206) 622-2403

10 June 2007

TO: Joe Dills, OTAK
FROM: Anne Fifield and Radcliffe Dacanay
SUBJECT: FISCAL IMPACT ANALYSIS FOR THE BEAVER CREEK CONCEPT PLAN

Oregon City is developing a concept plan for the Beaver Creek Road urban growth expansion study area. Two concept plan alternatives have been identified. ECONorthwest (ECO) is to provide an analysis of the fiscal impacts of the two alternatives to the City of Oregon City. This memorandum summarizes and describes ECO's analysis.

SUMMARY

Oregon City is preparing a concept plan to help guide future growth in the Beaver Creek Road study area. ECONorthwest, as part of the Otak consultant team, was hired to assist the City of Oregon City with the concept planning process. This memorandum is part of that process. It provides a description of the costs, revenues, and possible financing options associated with Alternatives A and D for the Beaver Creek Road Concept Plan site.

Table S-1 shows the estimated costs of new infrastructure in the Beaver Creek site and revenues from Systems Development Charges (SDCs). The table shows a funding gap for water, sanitary sewer, and storm water infrastructure. This is not surprising, as SDCs are not expected to cover 100% of costs to build new infrastructure. The gap is slightly smaller for Alternative D. Costs for parks and open space have not been calculated, so it is not known if the SDC generates adequate revenue to fund these improvements.

Table S-1. Estimated costs of new infrastructure and SDC revenue for Beaver Creek Road Concept Plan, Alternatives A and D (Millions of 2007 Dollars)

	A			D		
	Costs	Revenues	Funding Gap	Costs	Revenues	Funding Gap
Roads	66.3	5.3	-61.0	66.5	5.1	-61.4
Water	15.9	9.5	-6.4	14.8	8.7	-6.1
Sanitary Sewer	8.5	4.0	-4.5	7.8	3.4	-4.4
Storm Water	25.2	1.2	-24.0	17.8	1.1	-16.7
Parks and Open Space	not calculated	4.4	not calculated	not calculated	4.0	not calculated
Total	115.9	20.0	-95.9	106.9	18.3	-88.6

Source: Costs provided by OTAK, revenues calculated by ECONorthwest.

The two alternatives will increase the assessed value of the project area, and will generate more property tax revenue for the City of Oregon City. We estimate that, at full build-out, the alternatives will generate the following in annual property tax revenues (in 2007 dollars):

- Alternative A \$1,117,600
- Alternative D \$842,600

Alternative A is expected to generate about \$275,000 more each year than Alternative D. The larger amount of industrial land in Alternative A, and the higher value of industrial land, is the primary factor driving the assessed value and tax revenue.

Organization of this Memorandum

The remainder of this technical memorandum is organized into six sections:

- **Background** provides a basic description of the two alternatives for the Beaver Creek Road Concept Plan area and a discussion of fiscal impacts.
- **Cost of Infrastructure** summarizes the costs associated with providing major service connections to the site. The analysis does not include individual connections for new development; that is typically the responsibility of the developer.
- **Revenues-System Development Charges** describes estimated City income generated from SDCs for the two alternatives.
- **Revenues-Property Taxes** describes the estimated assessed value and potential property tax revenues associated with the two alternatives.
- **Revenues-State Shared** describes the estimated revenue the City receives from the State of Oregon.
- **Potential Revenue Sources** describes some alternative funding sources that could be used to pay for the expected funding gap.

BACKGROUND

This memorandum provides a summary of ECO's analysis of fiscal impacts of the Beaver Creek Road Concept Plan alternatives.

The Beaver Creek Road study area is just outside of Oregon City (with a small portion of it within the city limits), but within the City's urban growth boundary. The site is going through a concept planning process that will form the basis for future development of the area. ECONorthwest, as part of the Otak consultant team, was hired to assist the City of Oregon City with the concept planning process.

The concept planning process has narrowed the alternatives from four down to two concepts: Alternative A and Alternative D. More detailed descriptions of these alternatives have already been produced and will not be retold here. For the purposes of this analysis, it is only necessary to restate the land use assumptions for each alternative that will be used in this analysis. Table 1 summarizes the number of housing units by type, the total square feet of commercial and industrial property and the estimated number of commercial and industrial properties.

Table 1. Land Use Assumptions for Beavercreek Development Alternatives A and D

	A	D
Residential		
Total Housing Units	1,479	1,186
Single Family Residential (low/med density)	459	952
Multi-family/ Condo/ Townhome Residential (med/high density)	1,020	234
Commercial (office/retail)		
Square feet	788,997	838,120
Potential number of properties	49	52
Industrial		
Square feet	1,224,433	748,871
Potential number of properties	27	16

Source: Housing units and square feet from Otak. Housing units from Beavercreek Land Use Assumptions memo, December 11, 2006. Commercial and industrial square footage from "Acreage by Zoning and TAZ, Alt A and D.xls" analysis by Otak. Potential number of properties derived by ECONorthwest, based on an analysis of Metro GIS data of size characteristics of commercial and industrial properties in Oregon City. Typical size of commercial properties, 16,000 square feet; industrial properties, about 46,000 square feet when excluding outlier data.

What is fiscal impact analysis?

Fiscal impacts are the public costs and revenues associated with some policy or action (in this case a mixed-use development project). For cities, fiscal impacts include the costs of building new infrastructure to serve a new development and the revenues (e.g., from System Development Charges and property taxes) that the development will generate. A fiscal impact analysis compares the costs and revenues of new development on a local government.

A fiscal impact analysis considers only *direct* impacts. Direct impacts are the costs incurred by the city and the immediate revenues generated by the development to the City. Direct impacts do *not* include indirect consequences of growth, for example, a new mixed-use development may spur more intense development in neighboring properties raising the total value of those properties, which would generate increased property tax revenues. A fiscal impact analysis tallies only the costs and revenues immediately associated with the development.

A fiscal impact analysis does not consider broader impacts of development, such as jobs and income, environmental impacts, or others. These impacts are important and should be considered before developing a large project, but it is beyond the scope of a fiscal analysis to consider these broader impacts.

Fiscal impact analysis is concerned with public costs, not private costs. Fiscal impact analysis typically focuses on local jurisdictions. This analysis considers only the impacts to Oregon City.

As identified in the scope of work, this analysis will describe costs of infrastructure and revenues, but will *not* discuss the cost of operations and maintenance.

COST OF INFRASTRUCTURE

This section identifies the cost to the City of building infrastructure for Alternatives A and D. The text briefly describes the expected infrastructure for each infrastructure type, and then summarizes the estimated costs in Table 2. All costs for infrastructure were calculated by Otak and members of their consulting team, and provided to ECO.

- **Roads.** Road costs include the cost of building new roads and widening existing roads. The costs shown in Table 2 do *not* include costs of right-of-way acquisition. The costs for the two alternatives is almost equal.¹
- **Water and Sanitary Sewer.** Water and sanitary sewer costs consists of various size pipes connecting the site to City services, other related features (catch basins, water detention facilities, manhole structures, etc.), base construction costs, and engineering, actual construction, and program administration costs. Table 2 shows construction cost for Alternatives A and D. The costs shown in Table include costs to extend service to the Concept Plan area.² These costs do not include piping needed for development of individual parcels. Those costs are typically borne by the developer of those properties.
- **Stormwater.** Stormwater costs are the costs of constructing the infrastructure (pipes, conveyance channels, excavation, landscaping), 'soft' costs (engineering, permitting, construction management, and land acquisition). The costs of *construction* for the two alternatives is roughly equivalent: \$10.0 million for Alternative A and \$9.4million for Alternative D. Land acquisition costs for Alternative A are significantly higher—\$11.6 million compare to \$5.1 million for Alternative D. Table 2 shows construction costs, soft costs, and land acquisition costs.³ The figure in Table 2 does not include piping needed for development of individual parcels. Those costs are typically borne by the developer of those properties.
- **Parks and open space.** The costs associated with the parks and open space have not been calculated. Most of the open space shown on the alternatives will be "undeveloped" park land and green space, and will not have specific development costs. It has not been determined if the City will incur any acquisition costs. It is possible that the designated lands for parks and open space could be donated by the property owner or owners and/or the developer. Once these areas, however, are acquired by the City, the jurisdiction is expected to be responsible for the maintenance of these parks and open space areas.

¹ Otak provided ECO an Excel spreadsheet with road costs. The dollar year was not explicitly identified, but accompanying documentation reported the costs on based on recent improvement made in the Oregon City area. ECO assumed the costs are in 2007 dollars.

² Otak provided water and sanitary sewer costs in 2003 dollars. ECO converted the costs to 2007 dollars using the Engineering News Record (ENR) construction cost index.

³ Otak provided stormwater costs in 2006 dollars. ECO converted the costs to 2007 dollars using the Engineering News Record (ENR) construction cost index.

- **Fire and EMS, Public Safety/Police, and Schools.** There are no direct costs for fire and EMS, public safety and police, and public school services associated with new growth in the Beaver Creek Road Concept Plan area.

Table 2 summarizes the infrastructure costs for each alternative. Water, sanitary sewer, and storm water connections generate the main costs, a total of about \$116 million for Alternative A and over \$107 million for Alternative D..

Table 2. Summary of Infrastructure Costs for Beaver Creek Development Concepts, Alternatives A and D (in millions of 2007 dollars)

	Alternative	
	A	D
Roads	\$66.3	\$66.5
Water	\$15.9	\$14.8
Sanitary Sewer	\$8.5	\$7.8
Storm Water	\$25.2	\$17.8
Parks and Open Space	n/a	n/a
Fire and EMS	\$0	\$0
Public Safety and Police	\$0	\$0
Schools	\$0	\$0
Total	\$115.9	\$106.9

Source: Estimates calculated by the Otak consulting team and converted to 2007 dollars by ECONorthwest.

REVENUES-SYSTEM DEVELOPMENT CHARGES

Oregon City requires developers to pay system development charges (SDCs) for new development. Developers pay these charges up front based on the predicted impact of the new development on the existing infrastructure and the requirements it creates for any new improvements. Although the charges are paid by the developer, the developer may pass on some of these costs to buyers of newly developed property. Thus, SDCs allocate costs of development to the developer and buyers of the new homes or new commercial or industrial buildings.

This section describes the estimated revenue from SDCs for the two development alternatives. All dollar figures are in 2007 dollars.

Roads / Transportation

Roads/Transportation SDCs are typically based on the number of trips particular land uses generate. In this analysis, the SDC fees are already calculated and provided. The fees then are based on a per unit measure for residential uses and per thousand gross square feet (TGSF) for non-residential uses.

Oregon City's adopted 2007 Transportation SDCs are:

- Single-family residential: \$1,864 per dwelling unit
- Multi-family residential: \$1,268 per unit
- General office building: \$1,593 to \$2,228 per TGSF, depending on building size

- Retail: varies by specific use. General retail is \$5,254 per TGSF. Average of all retail is \$16,412 per TGSF.
- Industrial: \$1,000 per TGLSF (thousand gross leaseable space)

ECO estimated a range of expected SDC revenue. The range is based on low and high estimates for retail space. Given the base assumptions on number of housing units and square feet of commercial/office, retail, and industrial space, for each alternative, the Transportation SDC is estimated to yield the following:

- Alternative A \$5.3 to \$6.0 million
- Alternative D \$5.1 to \$5.3 million

Water

Oregon City's Water Service Connection SDC is based on the size of the water meter. The 2007 SDC for a 5/8-inch x 3/4-inch meter (typical size for a single-family residence) is \$4,965. Water SDCs increase as water meter sizes grow, with a maximum SDC of \$536,323 for a 10-inch connection.

At this time, no data are available regarding the typical size or likely size of the water service connection for non-single-family residential land uses within the concept plans.

The single-family units for the two alternatives will generate:

- Alternative A \$2.3 million
- Alternative D \$4.7 million

The above figures provide only a portion of the overall Water Service Connection SDCs that would be generated from the development of the study area. A more complete picture includes equivalent residential units on non-single-family residential land uses. As a proxy, we use the equivalent number of housing units that could be built on the other non-single-family residential land uses. The estimated revenue based on the proxy method for each alternative is:

- Alternative A \$9.5 million
- Alternative D \$8.7 million

Sanitary Sewer

Oregon City's Sanitary Sewer SDC is based on the equivalent dwelling unit (EDU) for different types of development or land uses. For example, a single-family residence is 1.0 EDU; multi-family residential units have a 0.8 EDU per each dwelling unit.

The equivalent measures are somewhat more complex for commercial and industrial uses. EDUs for commercial uses vary by specific types of uses. For example, two rooms in a hotel is 1.0 EDU; every 18 seats in a bar/tavern establishment is 1.0 EDU; every 10 seats in a quality restaurant is 1.0 EDU.

For industrial uses, one EDU is derived based on the various amounts of waste generated by the site. Given that these particular equivalent measures for commercial and industrial uses are still

unknown, a simpler equivalent measure common to both types of uses is used in the analysis. For commercial and industrial uses, 1,900 square feet of interior space is equal to 1.0 EDU.

Oregon City's wastewater (sanitary sewer) SDC for a single-family residential unit or one EDU is \$1,600 per unit (in 2004 dollars). For analysis and estimate purposes only, this SDC figure is adjusted to 2007 dollars using the construction cost index (CCI) for Seattle, Washington. The adjusted base sanitary sewer SDC—used in this analysis—for a single-family residential unit or one EDU is \$1,722.

Given the base assumptions on number of housing units and square feet of commercial/office, retail, and industrial space, for each alternative, the Sanitary Sewer SDC is estimated to yield the following:

- Alternative A \$4.0 million (2007 dollars)
- Alternative D \$3.4 million (2007 dollars)

Stormwater

The Storm Drainage SDC, like the sanitary sewer SDC, is based on the single-family dwelling unit or equivalent residential units (ERU) for different types of development or land uses.

To determine the SDC for non-single-family residential properties, the representative number of ERU for the property must be determined. This is done by multiplying the area range number (ARN) by development intensity factors (DIF) for different types of uses.

For example, the multi-family residential units have a DIF of 0.65; for general commercial uses, 0.9; for general industrial, 0.75; and a DIF of 0.8 for mixed use employment.

The ARN for a parcel is derived by dividing the size of the parcel by 5,000 square feet. For example a 10,000 square foot lot would have an ARN of 2.

Given only gross overall areas for the different land uses, the overall gross area of non-single-family residential land uses was divided by 5,000 square feet to obtain the ARN for that land use. The calculated ARNs were multiplied by corresponding DIFs to obtain the ERU (or EDU).

Oregon City's adopted Storm Drainage SDC for a single-family residential unit or one ERU was \$494.24 per unit in 1997. For analysis and estimate purposes only, this SDC figure is adjusted to 2007 dollars using the construction cost index (CCI) for Seattle, Washington. The adjusted base Storm Drainage SDC—used in this analysis—for a single-family residential unit or one ERU is \$642.

To obtain the estimated SDC revenue, the ERU for each land use is multiplied by the SDC rate. The combined totals result in the estimate of the Storm Drainage SDC revenue. Given the base assumptions on number of housing units and gross square feet of multi-family land uses, commercial/office, retail, and industrial space, for each alternative, the Storm Drainage SDC is estimated to yield the following:

- Alternative A \$1.2 million (2007 dollars)
- Alternative D \$1.1 million (2007 dollars)

Parks

The Parks and Recreation SDC is based on type of dwelling units for residential uses and number of employees from non-residential uses. The City's Parks and Recreation SDC Update Methodology Report, in October 2000, showed the calculated SDCs for residential and non-residential uses. For single-family residences, the Parks and Recreation SDC was \$2,353 per unit. For multi-family residences, \$1,861 per unit. For non-residential units, it was \$154 per employee.

For analysis and estimate purposes only, the SDC figures from 2000 are adjusted to 2007 dollars using the construction cost index (CCI) for Seattle, Washington. Thus, the adjusted Parks and Recreation SDC—used in this analysis—for a single-family residential unit is \$2,755; for each multi-family residential unit, \$2,179; and for each employee in non-residential uses, \$154.

Given the base assumptions on number of various types of housing units and jobs generated from non-residential units, the Parks and Recreation SDC is estimated to yield the following:

- Alternative A \$4.4 million (2007 dollars)
- Alternative D \$4.0 million (2007 dollars)

REVENUES-PROPERTY TAXES

This section estimates assessed value and property tax revenue for both alternatives at full build-out.

To estimate potential tax revenue for the two Beaver Creek Road Concept Plan alternatives three main variables are taken into account: the property tax rate in Oregon City, the average assessed value for residential, commercial and industrial land uses in the area (Oregon City), and the number of future taxable properties in the study area.

Oregon City's permanent property tax rate is \$5.0571 per \$1,000 of assessed value. At this time, there are no local-option levies. The City's general levy supports its general fund.

Average assessed value (AV) specific to Oregon City properties are summarized in Table 3. These assessed value figures were used to calculate estimated property taxes generated in each land use alternative.

Table 3. Average Assessed Value for Property Types in Oregon City, 2006

	Vacant	Improved
Residential (single-family)	\$27,238	\$175,583
Residential (condominium)	n/a	\$85,641
Commercial	\$90,116	\$546,996
Industrial	\$400,495	\$972,192

Source: Clackamas County Assessment & Taxation. Data provided by Cindy Sims, February 16, 2007.

Based on the current average assessed values in Oregon City and the number of housing units and commercial and industrial properties projected for each development concept alternative, an

estimate of potential assessed values, and, subsequently, property taxes generated can be calculated.

Table 4 shows the estimated assessed value for each property class in Alternatives A and D.

Table 4. Estimated Total Assessed Value in Alternatives A & D, by Property Type and Improvement Status, 2006

	A		D	
	Vacant	Improved	Vacant	Improved
Residential (single-family)	\$40,284,973	\$80,592,417	\$32,304,245	\$41,086,330
Residential (condominium)	n/a	\$87,353,647	n/a	\$81,530,071
Commercial	\$4,415,708	\$26,802,814	\$4,686,057	\$28,443,803
Industrial	\$10,813,352	\$26,249,174	\$6,407,912	\$15,555,066

Source: Calculated by ECONorthwest.

The property tax rate in Oregon City of \$5.0571 per \$1000 of assessed value is applied to these figures to estimate the potential tax revenue in each alternative. Table 5 summarizes the potential tax revenue generated in Alternatives A and D.

Table 5. Estimated Annual Tax Revenue Generated by Alternatives A & D, by Property Type and Improvement Status, Based on 2006 Assessed Values.

	A		D	
	Vacant	Improved	Vacant	Improved
Residential (single-family)	\$203,725	\$407,564	\$163,366	\$207,778
Residential (condominium)	n/a	\$441,756	n/a	\$412,306
Commercial	\$22,331	\$135,545	\$23,698	\$143,843
Industrial	\$54,684	\$132,745	\$32,405	\$78,664
Total	\$280,740	\$1,117,609	\$219,469	\$842,590

Source: Calculated by ECONorthwest.

Note, these figures are for analysis purposes only. These figures are intended for general comparison of the estimated tax revenue generated by each development concept. Overall, the Alternative A concept would likely have higher assessed value and would generate more property tax revenue, by about \$275,000 per year. The larger amount of industrial land in Alternative A, and the higher value of industrial land, is the primary factor driving the assessed value and tax revenue.

REVENUES-STATE SHARED

Oregon City receives some revenues from the State of Oregon. We estimate the revenue the City would receive from the state revenue sharing from the liquor tax, the cigarette tax, and the state gas tax. These taxes are levied by the State, and a portion of the total revenue is distributed to local governments. The amount distributed depends on how much revenue the State generates from each tax, and then each tax has its own particular formula that is generally based on

population. We do not calculate the figure based on the State's formula. Instead, we provide a rough estimate of revenue based on the per capita distributions in 2006.⁴

We assume that new housing units in the Beaver Creek area will have 2.6 persons per household, the average household size in Oregon City in 2000.⁵ Table 6 summarizes estimated State-shared revenues to the City of Oregon City for both alternatives.

Table 6. Estimated Annual State-Shared Revenue Generated by Alternatives A & D (2007 dollars)

	A	B
Total Housing Units	1,479	1,186
Per Capita Revenue		
Liquor Tax	\$9.85	\$11,682
Cigarette Tax	\$1.52	\$2,248
State Gas Tax	\$47.20	\$69,809
Total Revenue	\$86,625	\$69,464

Source: Calculated by ECONorthwest.

Note: Gas Tax revenue supports the City's Street Fund. Liquor and Cigarette Tax revenue support the General Fund.

POTENTIAL REVENUE SOURCES

We estimate that the revenue generated by SDCs will *not* cover the expected costs of infrastructure. This section provides a brief discussion of some alternative funding sources.

This section makes a distinction between funding sources and financing mechanisms. There is an important difference between funding (who, ultimately, will pay for the parks project—someone has to) and financing (how the payments might get spread out over time). A bond issuance, for example, is a financing mechanism. But the bond requires payments to be made—the payments are made from a funding source.

- **Expanded System Development Charges.** SDCs are discussed above. One option available to the City of Oregon City is to increase the existing SDCs. Some of the City's SDCs have not been updated for many years, and it would be reasonable to conduct a new analysis that could lead to a larger charge.
- **Urban Renewal/Tax Increment Financing.** Urban Renewal Districts are formed to collect tax increment revenue, which is additional property tax revenue generated by increased property values in the District. Tax increment revenue can be used to fund capital improvements projects or to back bond issuances. The City may only use urban renewal funds on projects that lie within the urban renewal area from which the funds are collected.

Tax increment financing is the primary funding vehicle used within urban renewal areas

⁴ Per capita figures provided to ECONorthwest by David Wimmer, City of Oregon City Finance Director, February 12, 2007.

⁵ Persons per household, as reported by the US Census Bureau (<http://quickfacts.census.gov/qfd/states/41/4155200.html>).

(URA). The tax increment revenue is generated within a URA when a designated area is established and the normal property taxes within that area are 'frozen' (often called the *frozen base*). Any new taxes generated within that area through either property appreciation or new investment becomes the *increment*. Taxing jurisdictions continue to collect income from the frozen base but agree to release assessed value above the base to the URA. The URA then can issue bonds to pay for identified public improvements. The tax increment is used to pay off the bonds.

Oregon City has the authority to establish an URA. The Beaver Creek Road Concept Plan Area would have to meet the definition of 'blight' as defined in ORS 457. It is likely to meet 'blight' standards because its existing ratios of improvement-to-land values are likely low enough to meet that standard.

- **Local Improvement Districts.** Local Improvement Districts (LIDs) are formed for the purpose of assessing local property owners an amount sufficient to pay for a project deemed to be of local benefit. LIDs are a specific type of special assessment district, which more broadly includes any district that is formed within an existing taxing district to assess specific property owners for some service that is not available throughout the larger district. The revenues from the LID assessments are used to pay the debt payments on a special assessment bond or a note payable issued for the capital improvements.

LID assessments increase costs for property owners. Under a LID the improvements must increase the value of the taxed properties by more than the properties are taxed. LIDs are typically used to fund improvements that primarily benefit residents and property owners within the LID.

- **Bonds.** Bonds provide a financing mechanism for local governments to raise millions of dollars for parks and other capital projects. The City could back a bond with revenue from a LID, the Urban Renewal Districts, or property taxes citywide. General obligation (GO) bonds issued by local governments are secured by a pledge of the issuer's power to levy real and personal property taxes. Property taxes necessary to repay GO bonds are not subject to limitation imposed by recent property tax initiatives. Oregon law requires GO bonds to be authorized by popular vote.

Bond levies are used to pay principal and interest for voter-approved bonded debt for capital improvements. Bond levies typically are approved in terms of dollars, and the tax rate is calculated as the total levy divided by the assessed value in the district.

CONCEPTUAL PLAN CONSTRUCTION COST ESTIMATE					
Beavercreek Road Concept Plan - Alternative A					CITY
KEY NUMBER	TYPE OF WORK	AREA	DATE	Drainage System Designer	
	Storm System	446.7 AC	3/14/2007	Quinn Donnelly	
ITEM	ITEM DESCRIPTION	UNIT	AMOUNT	UNIT COST	TOTAL
	Base Construction Items (Mobilization, Traffic Control, Erosion Control, etc.)			20%	\$1,939,809
	Tier 2 - Green Street Stormwater Management Facilities				
	15 INCH STORM CONDUIT, CP	LF	528	\$65	\$34,320
	18 INCH STORM CONDUIT, CP	LF	1,679	\$70	\$117,530
	21 INCH STORM CONDUIT, CP	LF	371	\$90	\$33,390
	24 INCH STORM CONDUIT, CP	LF	1,087	\$105	\$114,135
	30 INCH STORM CONDUIT, CP	LF	3,651	\$150	\$547,650
	36 INCH STORM CONDUIT, CP	LF	5,338	\$180	\$960,840
	48 INCH STORM CONDUIT, CP	LF	1,245	\$200	\$249,000
	CONC INLET STRUCTURE, CATCH BASIN	EA	80	\$1,800	\$144,000
	MANHOLE STRUCTURE	EA	40	\$3,000	\$120,000
	OPEN CHANNEL CONVEYANCE DITCH	LF	31,143	\$5	\$155,715
	VEGETATED SWALE	LF	2,625	\$100	\$262,500
	Tier 3 - Regional Stormwater Management Facilities				
	EXCAVATION & GRADING	CY	102,000	\$12	\$1,224,000
	FLOW CONTROL STRUCTURES	EA	10	\$25,000	\$250,000
	LANDSCAPING	AC	15.5	\$50,000	\$775,000
SUBTOTAL, Construction					\$6,927,889
	CONSTRUCTION CONTINGENCIES			40%	\$2,771,156
SUBTOTAL, Total Construction Cost					\$9,699,044
	ENGINEERING			20%	\$1,939,809
	PERMITTING			5%	\$484,952
	CONSTRUCTION ADMINISTRATION AND MANAGEMENT			10%	\$969,904
SUBTOTAL, Implementation					\$13,093,710
	LAND ACQUISITION for Tier 3 - Regional Stormwater Facilities	SF	750000	\$15	\$11,250,000
GRAND TOTAL					\$24,343,710

Assumptions: 1) Unit Costs are presented in 2006 U.S. Dollars

2) Infrastructure quantities do not include Tier 1 - Site Specific Stormwater Management or internal Tier 2 - Green Streets Stormwater Management Facilities that might be built outside of the right-of-ways depicted in the Beavercreek Road Concept Plan

3) Tier 2 facilities included in this estimate will be on land acquired through right-of-way for roads and open space purchases

The estimated total capital cost will be in the vicinity of \$4,400,000. This estimate is based on the cost analysis for Alternative D, which is comparable. This is in addition to the \$2.3 million in sanitary sewer master plan capital costs that needed to bring the sanitary sewers to the concept plan area. These estimates are based on year 2003 dollars. The estimates will need to be adjusted for the programmed year of construction.

For additional information, please see Technical Appendix, Sections C6 and H2.

Funding strategies

For water, sewer, storm water and parks, there are five primary funding sources and strategies that can be used:

- *System development charges (SDCs)*— Oregon City requires developers to pay SDCs for new development. Developers pay these charges up front based on the predicted impact of the new development on the existing infrastructure and the requirements it creates for new improvements. Although the charges are paid by the developer, the developer may pass on some of these costs to buyers of newly developed property. Thus, SDCs allocate costs of development to the developer and buyers of the new homes or new commercial or industrial buildings.
- *Urban renewal/ tax increment financing* - Tax increment financing is the primary funding vehicle used within urban renewal areas (URA). The tax increment revenue is generated within a URA when a designated area is established and the normal property taxes within that area are 'frozen' (often called the frozen base). Any new taxes generated within that area through either property appreciation or new investment becomes the increment. Taxing jurisdictions continue to collect income from the frozen base but agree to release assessed value above the base to the URA. The URA then can issue bonds to pay for identified public improvements. The tax increment is used to pay off the bonds.

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LID assessments increase costs for property owners. Under a LID the improvements must increase the value of the taxed properties by more than the properties are taxed. LIDs are typically used to fund improvements that primarily benefit residents and property owners within the LID.

- *Bonds* - Bonds provide a financing mechanism for local governments to raise millions of dollars for parks and other capital projects. The City could back a bond with revenue from a LID, the Urban Renewal Districts, or property taxes citywide. General obligation (GO) bonds issued by local governments are secured by a pledge of the issuer's power to levy real and personal property taxes. Property taxes necessary to repay GO bonds are not subject to limitation imposed by recent property tax initiatives. Oregon law requires GO bonds to be authorized by popular vote.

Bond levies are used to pay principal and interest for voter-approved bonded debt for capital improvements. Bond levies typically are approved in terms of dollars, and the tax rate is calculated as the total levy divided by the assessed value in the district.

- *Developer funded infrastructure* — The City conditions land use approvals and permits to include required infrastructure. Beyond



the sources cited above, developers cover the remaining costs for the infrastructure required for their development.

Additional funding tools that could be investigated and implemented within the Concept Plan area include a Road District, a County Service District, Intergovernmental Agreements, an Advance Finance District, a Certificate of Participation, and a Utility Fee. There are benefits and limitations associated with each of the funding options that should be reviewed carefully before implementing.

For transportation infrastructure, the same sources as cited above are available. For larger facilities, such as Beaver Creek Road, additional funds may be available. They include Metro-administered federal STP and CMAQ funding, and, regional Metro Transportation Improvement Plan funding. These sources are limited and extremely competitive. County funding via County SCSs should also be considered a potential source for Beaver Creek Road. Facilities like Beaver Creek Road are often funded with a combination of sources, where one source leverages the availability of another.

Sustainability

One of the adopted goals is: The Beaver Creek Road Concept Plan Area will be a model of sustainable design, development practices, planning, and innovative thinking.

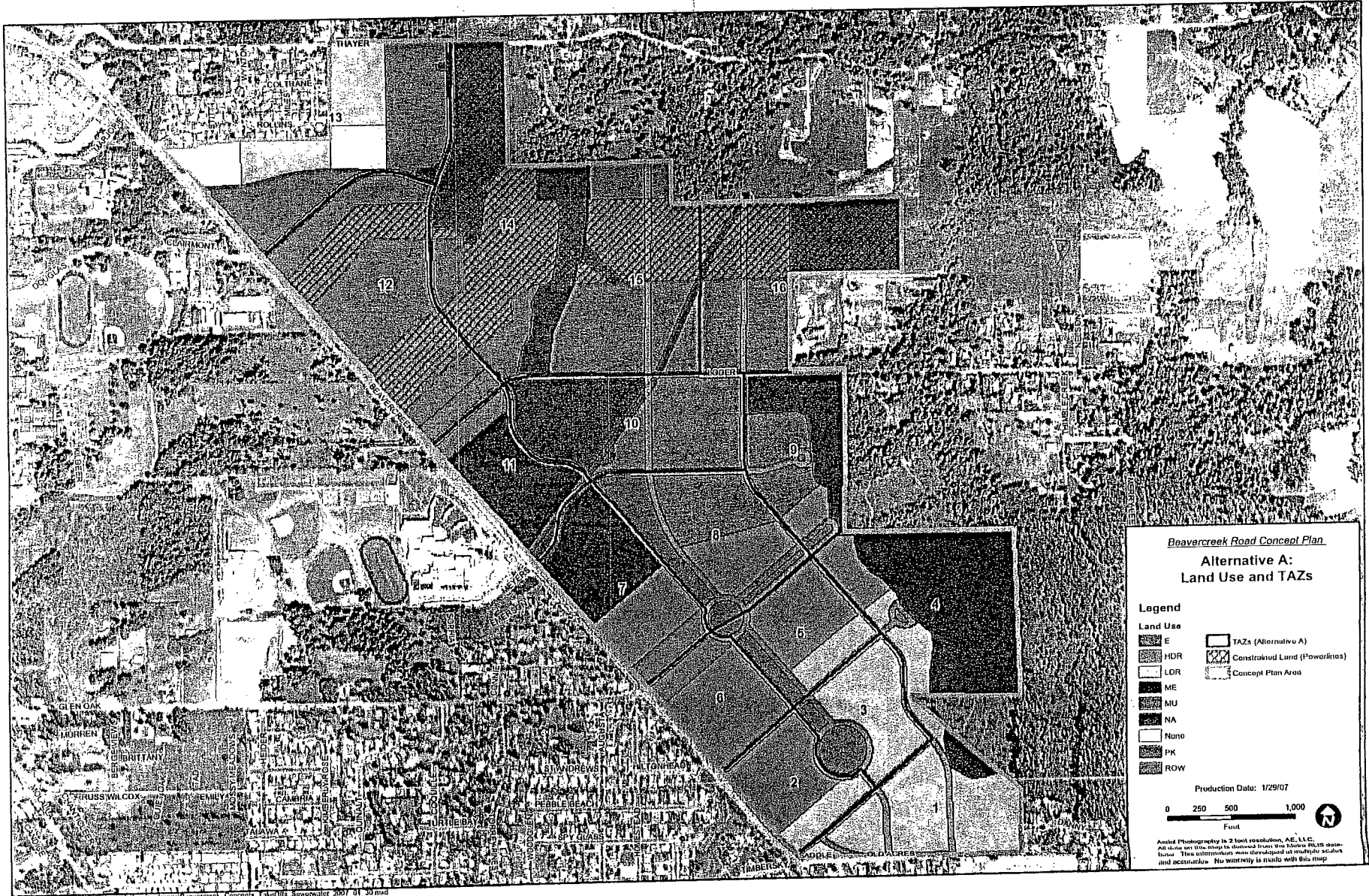
Throughout the development of the concept plan, sustainability has been paramount in guiding the CAC, the City, and the consultant team. The final plan assumes that sustainable practices will be a combination of private initiatives (such as LEED certified buildings), public requirements (green streets and low impact development policies), and public-private partnerships. It is recommended that City use incentives, education and policy support as much as possible for promoting sustainability at Beaver Creek Road. Some initiatives will require regulation and City mandates, but caution and balance should be used. At the end of the

day, it is up to the private sector to invest in sustainable development. The Beaver Creek Road's site's legacy as a model of sustainable design will depend, in large part on the built projects that are successful in the marketplace and help generate the type of reputation that the community desires and deserves.

The key to fulfilling the above-listed goal will be in the implementation. For the City's part, implementation strategies that support sustainable design will be included within the Oregon City Comprehensive Plan policies and Code provisions. They will be applied during master plan and design review permitting. Some of these strategies will be "required" while other are appropriate to "encourage." These sustainability strategies include:

- Energy efficiency
- Water conservation
- Compact development
- Solar orientation
- Green streets/infrastructure
- Adaptive reuse of existing buildings/infrastructure
- Alternative transportation
- Pedestrian/Cyclist friendly developments
- Natural drainage systems
- Tree preservation and planting to "re-establish" a tree canopy
- Minimizing impervious surfaces
- Sustainability education (builder, residents, businesses and visitors)
- Collaboration with "local" institutional and economic partners, particularly Clackamas Community College and Oregon City High School
- Community-based sustainable programs and activities

Additional
to be considered
in the plan
Vision 2020



Project:131001135991015concept drawing\map\alt1\beaver_creek_Concepts_TAZs01a_Beaver_creek_2007_01_30.mxd

4/23/2007

Technical Document Review				
Project Name: Beaver Creek Concept Plan				
Document: Future Conditions Analysis Transportation Memorandum prepared by Kittelson & Associates dated March 27, 2007				
Project Manager: Gail Curtis				
Reviewer: Simon Eng, P.E.				
Date: 4-23-07				
Comment #	Page No.	Paragraph	Line #	Comments
1	1	3rd	1	Analysis of year 2027 transportation conditions was performed for one no-build scenario and two build scenarios. It seems like year 2030 would have been more appropriate for analysis of all future conditions, especially since the Clackamas County Sunrise model was used for year 2030.
2	3	5th	4	The City's 2030 jobs-housing ratio of 1.52 is only about 10% higher than the 2005 jobs-housing ratio of 1.38. It would still be quite a bit lower than the regional jobs-housing ratio of 1.69. Was this 1.52 ratio established by the City as a goal for year 2030? How was it established or determined?
3	3	6th	1	It indicates that the areas south and east of Oregon City are highlighted in blue in Figure 2. Figure 2 does not appear to have these areas highlighted.
4	5	6th	1	"A model forecast produced from the 2005 "base year" model was subtracted from the 2030 Sunrise model and then multiplied by 80% to produce an estimate of the traffic growth that would occur on each link of the transportation system over the next 20 years." How was the 80% determined or derived?

2205

Comment #	Page No.	Paragraph	Line #	Comments
5	7	4	7	All signalized intersections along the OR 213 corridor were analyzed using the Synchro software. The last sentence in the 4th paragraph states, "It should be noted that the signalized intersections along the Hwy 213 corridor were analyzed using Synchro files provided by ODOT." These Synchro files were mainly for signal timing purposes. In order to use these Synchro files for a planning level analysis, some adjustment to the files have to be made. For instance, a PHF of 1.00 was used for evaluating all signalized intersections in the OR 213 Corridor for the future 2027 scenarios. A PHF of 0.95 should have been used for the OR213 approaches as ODOT standard analysis procedures call for using a PHF of 0.95 for the major street approaches. As a result, all calculated signalized intersection v/c ratios are lower than what they should be.
6	10 & 11	Table 2 & Figure 5	OR213/ Henrici Road	The "Needed Improvement" for the intersection of OR213 and Henrici Road was identified as "Construct one SB through lane and install a traffic signal". This recommendation was made based on the analysis of the 2027 No-Build PM peak hour conditions. This intersection would need a second northbound through lane for a.m. peak hour operations. An additional NB through lane should be shown in Figure 5 with a footnote indicating that although analysis of the future a.m. peak hour conditions were not performed, a 2nd NB through lane would be needed for a.m. peak hour operations at this intersection.
7	12	Figure 6	OR 213 at I-205 SB and NB Ramps - "Needed Improvement"	Please show the forecast 2027 No-Build volumes for the ramp-to-ramp connections at the I-205/OR213 interchange in Figure 6 based on Alternative 3 of the 2000 Highway 213 Urban Corridor Design Study.
8	Various	Figures 15, 17, 18 & 20	OR 213 at I-205 SB and NB Ramps - "Needed Improvement"	Please show the forecast 2027 Build volumes for the ramp-to-ramp connections at the I-205/OR213 interchange in Figures 15, 17, 18 and 20 based on Alternative 3 of the 2000 Highway 213 Urban Corridor Design Study.

Comment #	Page No.	Paragraph	Line #	Comments
9	10 & 12	Table 2 & Figure 6	OR 213 at I-205 SB and NB Ramps - "Needed Improvement"	Table 2 states, "Construct Alternative 3 of the Hwy 213 Urban Corridor Design Study (See Figure 7)", and Figure 6 states, "Interchange configuration provides adequate capacity and eliminates conflicting movements" for the I-205 SB and NB ramp terminals, which were labeled as Intersection # 1a, 1b and 2. Please note that Alternative 3 was determined based on Future 2020 Conditions when the study was completed in 2000 rather than based on 2027 or 2030 conditions. As such, Alternative 3 may not be able to accommodate the 2027 forecast demand. It would need to be re-evaluated, perhaps through a future Highway 213 Urban Corridor Design Study Update. Need to add this note in the memo.
10	16	3rd	1	What does "the preferred alternative" refer to?
11	17	5th	7	"As a result, 37% of the total trips expected to be generated by either Alternative A or Alternative D are trips that will be rerouted from their existing paths to the Beaver Creek Concept Plan site." How was the "37%" derived? Should a different rerouting percentage be used for each type of land use due to the different trip generation characteristics? e.g. 37% of rerouting the trips generated by "General Office" seems high.
12	22	1st	5	It is rather difficult to perceive that either Alternative A or Alternative D would place less than half of their total trip generation on the roadway system as net new trips due to the "highly efficient land use strategies".
13	28	Figure 13	Int. # 3 - OR213/ Washington St.	It is not clear as to how the "-105" for the SB OR213 through movement at the Washington St. intersection (int. # 3) was determined. Int. #2 (at the I-205 NB Ramps) shows a volume decrease of "-360" for the SB OR213 through movement and a volume decrease of "-150" for the I-205 NB exit-ramp right turn movement. Please explain.

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Comment #	Page No.	Paragraph	Line #	Comments
14	29	Figure 14	Int. # 3 - OR213/ Washington St.	It is not clear as to how the "-95" for the SB OR213 through movement at the Washington St. intersection (int. # 3) was determined. Int. #2 (at the I-205 NB Ramps) shows a volume decrease of "-310" for the SB OR213 through movement and a volume decrease of "-130" for the I-205 NB exit-ramp right turn movement. Please explain.
15	30	1st	3	The second sentence in the first paragraph states, "The final site-generated trips for each alternative (shown in Figures 13 and 14) are added to the 2027 No-Build traffic volumes for the weekday PM peak hour (shown in Figure 3) to arrive at the total Alternative A and D traffic volumes (shown in Figures 15 and 18, respectively). "Figure 3" should be corrected to "Figure 6".
16	32	Figure 16	Int. #9 - OR213/ Henrici Road	Add a second northbound through lane. (See comment #6 above.)
17	36	Figure 19	Int. #9 - OR213/ Henrici Road	Add a second northbound through lane. (See comment #6 above.)
18	38	1st	1	The first sentence indicates that no improvements are needed at HWY 213/Beavercreek Road under Alternative D. A second westbound right turn lane would be needed for a.m. peak hour operations.
19	39	Table 9	OR213/ Beavercreek Road	"Alternative D" indicates no improvements are needed at the Beavercreek Road intersection. A second westbound right turn lane would be needed for a.m. peak hour operations.

Comment #	Page No.	Paragraph	Line #	Comments
20	38 & 39	Tables 8 & 9	OR213/ Beavercreek Road	The existing intersection of OR213 at Beavercreek Road is rather sizable and presents a challenge for pedestrians to cross. The addition of the proposed second WB right turn lane and a separate EB right turn lane would increase the size of the intersection and would make pedestrian crossing more challenging. The calculated intersection v/c of 0.98 would have been higher if proper adjustment factors had been applied to the Synchro models. The intersection would likely operate at over capacity with a v/c ratio of higher than 1.0. In addition, the volumes at the intersection assumed a significant number of reduced trips on OR 213 compared to the No-Build scenario. A grade separated interchange would seem to be the most appropriate long-term improvement in order to accommodate the forecast traffic demand.
21	28 & 29	Figures 13 & 14	Int. # 6, OR213/ Molalla Ave	Figures 13 and 14 show a significant increase in traffic volumes accessing to/from Molalla Avenue due to the assumed trip rerouting. Can Molalla Ave, which is currently a 2-lane arterial in the study area, actually handle the additional volumes? Does the Oregon City TSP call for a future widening of Molalla Avenue from 2 to 3 or 5 lanes? If not, the projected rerouted traffic to Molalla Avenue may seem impractical.
22		General comment:		Should this Beavercreek Concept Plan account for the potential trip generations associated with the Park Place Concept Plan?
23		General comment:		As indicated by Figures 13 and 14 and the analysis findings, either Build Alternative would result in fewer trips in the OR213 Corridor (especially between the I-205 interchange and Molalla Avenue) and on I-205 than the No-Build Alternative would as, a result of developing the 434-acre Beavercreek area. This does not seem reasonable or probable, even considering some changes in traffic pattern as a result of either Build Alternative.
24		General comment:		Providing a "Table of Contents" that lists the sections, subsections, Tables, Figures and Appendices would be helpful to the readers and reviewers. It should be considered as a standard Technical Memo or Report format.

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Sheena VanLeuven

From: Jim Emerson [jopecheelake@hotmail.com]
Sent: Wednesday, December 15, 2010 1:00 PM
To: Metro Council
Subject: Dec. 16 Agenda Item 5.1, Ordinance #10-1244 A

Dear Metro President and Councilors,

I have read the proposed Ordinance dealing with land capacity to 2030 and Metro's proposed Code changes to continue the Greatest Place efforts, and I support your passage of Ordinance #10-1244A. You and Metro staff have developed a very comprehensive code which appears to be set to serve the region well, and takes into account the strengths and history of the diverse land uses in this region, while providing ample opportunity for economic success. The recognition of coming changes in demography, climate, and energy is particularly welcome. Thank you.

Jim Emerson
13900 NW Old Germantown Road
Portland, Oregon 97231