



Metro | Agenda

Meeting: Metro Council Work Session
Date: Thursday, March 17, 2011
Time: **2:30 p.m. *Immediately following the regular Council meeting**
Place: Council Annex

CALL TO ORDER AND ROLL CALL

- | | | | |
|---------|----|--|--------------------|
| 2:30 PM | 1. | ADMINISTRATIVE/CHIEF OPERATING OFFICER
COMMUNICATIONS/REDISTRICTING | |
| 2:45 PM | 2. | FLEET MANAGEMENT FOLLOW-UP AUDIT -
<u>INFORMATION</u> | Flynn
Evans |
| 3 PM | 3. | WASTE REDUCTION & OUTREACH FOLLOW-UP AUDIT -
<u>INFORMATION</u> | Flynn
Caballero |
| 3:15 PM | 4. | SMITH/BYBEE WETLANDS NATURAL AREA -TRAIL &
BRIDGE FEASIBILITY STUDY FINDINGS- <u>INFORMATION</u> | Hart
Cassin |
| 3:45 PM | 5. | 2010 COMPLIANCE REPORT: METRO CODE CHAPTER
3.07 URBAN GROWTH MANAGEMENT FUNCTIONAL
PLAN - <u>INFORMATION /DISCUSSION</u> | Oeser
Benner |
| 4:15 PM | 6. | COUNCIL BRIEFINGS/COMMUNICATION | |

ADJOURN

Agenda Item Number 2.0

**FLEET MANAGEMENT
FOLLOW-UP AUDIT**

Metro Council Work Session
Thursday, March 17, 2011
Metro Council Annex

METRO COUNCIL

Work Session Worksheet

Presentation Date: 3/17/11 Time: 2:45pm Length: 30 minutes

Presentation Title: 1) Fleet Management Follow-up Audit (information)
2) Waste Reduction & Outreach Follow-up Audit (information)

Service, Office, or Center: **Auditor Office**

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

Suzanne Flynn, Brian Evans and Mary Hull Caballero

ISSUE & BACKGROUND

A review of two follow-up audits recently performed. Auditors measured progress made on the audit recommendations.

1. Fleet Management audit, published in 2009
2. Waste Reduction and Outreach, published in 2008

OPTIONS AVAILABLE

n/a

IMPLICATIONS AND SUGGESTIONS

n/a

QUESTION(S) PRESENTED FOR CONSIDERATION

n/a

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



Office of the Auditor

FLEET MANAGEMENT AUDIT FOLLOW-UP

Brian Evans
Senior Management Auditor

February 16, 2011

SUMMARY

Metro's Office of the Auditor assessed the status of the five recommendations from the 2009 audit report *"Fleet Management: Implement Agency-Wide Management."* Two of the recommendations were implemented and three were in process. Metro reduced costs by ending its contract with Multnomah County for fleet services. Some work was done to standardize procedures, but more is needed to centralize management. High priority areas for further work include developing replacement and allocation policies and implementing systems to track fleet use across the agency.

SUZANNE FLYNN

Metro Auditor

600 NE Grand Avenue
Portland, OR 97232
tel: 503-797-1892
fax: 503-797-1831
www.oregonmetro.gov/auditor

BACKGROUND

Metro's fleet consists of vehicles and equipment located at nine different facilities in the region. The most recent inventory of fleet assets showed 103 vehicles and 167 pieces of equipment. The vehicles have a replacement value of just over \$2 million. In March 2009, Metro's Office of the Auditor released an audit report that contained five recommendations for improving the efficiency and effectiveness of fleet management. The purpose of this report is to gauge progress on each of the recommendations.

SCOPE AND METHODOLOGY

The objective of this audit was to determine the progress made on recommendations from the 2009 audit. We conducted interviews with management and staff. We reviewed policies and procedures, systems to monitor fleet utilization and best practices for fleet management. In addition, we collected and analyzed data about Metro's fleet to determine if there was accurate and complete data to make management decisions. Although Metro's fleet consisted of vehicles and equipment, this audit focused on fleet vehicles to be consistent with the scope of the first audit.

We conducted our follow-up audit work in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

RESULTS

In the time since the first audit, Metro laid the foundation for a consistent and automated fleet management system and moved from a manually tracked and loosely managed system. We found fleet management at Metro improved, but more work can be done to achieve additional cost savings. Metro ended its contract with Multnomah County for fleet services, saving the agency money. Without further centralization and implementing systems to monitor fleet utilization, additional cost savings may not be realized.

RECOMMENDATIONS IMPLEMENTED

Two recommendations from the 2009 audit were implemented. Metro ended its contract with Multnomah County for fleet services, effective July 1, 2010. A report from October 2010 stated that \$60,538 was saved during the final six months of the contract. Metro was also able to negotiate the return of \$540,000 in renewal and replacement funds paid to the County as part of the contract. Further, Metro estimated that ending the contract will save between \$120,000 and \$148,000 annually (excluding potential renewal and replacement cost savings) moving forward.

In addition, management and staff implemented another recommendation by researching other jurisdictions' fleet management practices. Models considered included rental cars from private companies, car sharing services (i.e. Zipcar) and the State of Oregon's rental program.

RECOMMENDATIONS IN PROCESS

Progress was made on three other recommendations. Systems to monitor fleet operations improved but more needs to be done to ensure management decisions are guided by complete and accurate data. Policies and procedures were drafted but have yet to be put into operation. Some elements of fleet management were centralized, but greater centralization is possible.

Systems to Review Efficiency and Effectiveness

Metro purchased AssetWorks, a software system intended to be the central repository of fleet data. At the time of this audit, the software was just beginning to be implemented, but it appeared to have the functionality to meet Metro's needs. Data collected in Assetworks will be derived from several sources.

We collected data about vehicle use and costs to determine if it was accurate and complete. The data sources we identified were:

- Monthly reports from fuel providers (Voyager and Petrovend), which contained odometer readings for tracking mileage and charges by vehicle.
- State of Oregon data, which included total costs and mileage by vehicle.
- Bills from 14 vendors for maintenance and repair costs by vehicle.
- Mechanic logs for fleet at the Zoo, which included maintenance costs and mileage by vehicle.
- An Access database used to track motor pool reservations, including hours of use, destination, vehicle occupancy and mileage by vehicle.

We concluded that data quality needed to be improved to support management decision-making because the data was neither accurate nor complete. For example, there were errors in the odometer readings and/or total miles driven for nine of the 39 vehicles (23%) included in the November 2010 Voyager report. In addition, there was no data reported for 14 vehicles that should have been covered in the November 2010 reports from Petrovend and Voyager. This may indicate that these vehicles were fueled outside the established vendors. Alternatively, it may indicate that these vehicles were not fueled in November, which suggests there could be potential costs savings by removing these vehicles from the fleet.

Exhibit 1: Vehicles by Physical Location and Data Source

Physical Location	State of Oregon	Petrovend	Voyager	Mechanic Logs	No Data	Total Vehicles
Metro Regional Center	11	0	16	0	2	29
Blue Lake Park	0	10	0	0	3	13
Oxbow Park	0	4	0	0	1	5
Borland Natural Area	0	0	11	0	2	13
Latex Paint Facility	0	0	1	0	2	3
Metro Central Transfer Station	0	0	6	0	0	6
Metro South Transfer Station	0	0	1	0	1	2
St. Johns Landfill	0	0	4	0	3	7
Oregon Zoo	0	0	0	25	0	25
TOTAL VEHICLES	11*	14	39	25	14	103

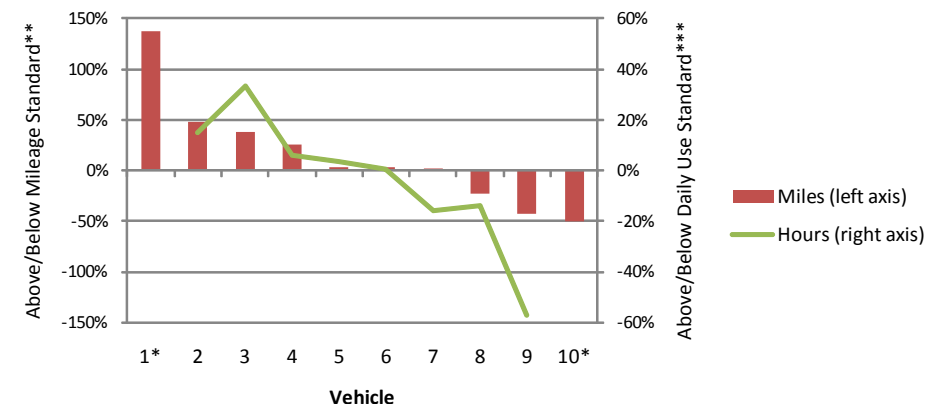
Source: Auditor's review of data source reports.

* The shared vehicles available for use by all Metro employees (motor pool) consists of 10 of the 11 vehicles rented through the State of Oregon. An Access database is used to track utilization of these vehicles.

Metro needs to establish performance measures for fleet operations as a whole. One performance measure for fleet operations was used, but only applied to the ten shared vehicles available for use by all Metro employees (motor pool). The Fleet Manager reported monthly motor pool costs as part of the quarterly Property Services management report. The performance measure, which was achieved, was to keep costs below \$3,500 per month.

Best practices indicate that performance measures should focus on vehicle utilization and costs to manage the fleet effectively. Fleet utilization measures typically focus on annual mileage and percent of time in use. Cost measures focus on the total cost of ownership, which includes fuel, maintenance and repairs, and rental or purchase costs. Motor pool vehicles, 10% of the total fleet, were the only ones where sufficient data was available to track these measures (see Exhibit 2).

Exhibit 2: Over and Under Utilization of Motor Pool Vehicles (FY 2010-11)



Source: Auditor's Office analysis of motor pool data.

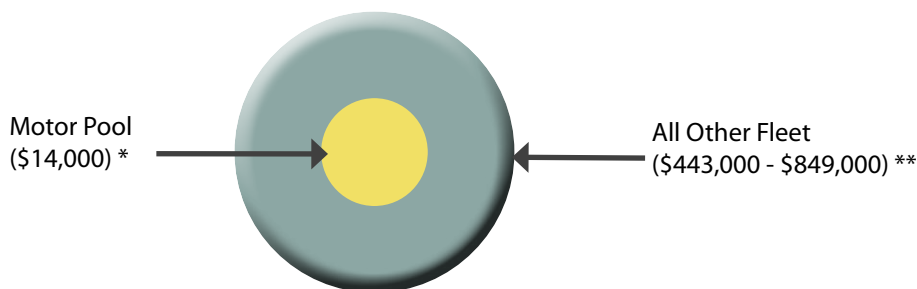
* Data about the daily use of these two vehicles was not available.

** Based on United States Department of Agriculture vehicle utilization standards. Analysis of daily use assumes vehicle was available five days a week for 10 hours a day (2,600 available hours per year).

Based on our analysis of motor pool data, we found potential opportunities to consolidate Metro's fleet. Utilization standards state that passenger vehicles should be driven at least 10,000 miles a year (7,000 for trucks, vans and SUVs) and be in use at least 80% of the time. Three vehicles did not meet the mileage standard and three vehicles did not meet the daily use standard. Two of those did not meet either standard. If the size of motor pool was reduced based on these standards, Metro could save almost \$14,000 in annual costs. We were unable to conduct this analysis for all 103 vehicles because data wasn't available.

Based on the mileage readings of some vehicles, it appeared further savings could be achieved by analyzing costs and utilization of the entire fleet. For example, if the potential savings we identified for the motor pool were consistent with utilization of the entire fleet, Metro could realize costs savings of between \$56,000 and \$75,000 annually. It could also save between \$387,000 and \$774,000 in renewal and replacement costs. Decisions about consolidating Metro's fleet should take into account the geographic and seasonal needs of some vehicles, which may reduce opportunities for cost savings.

Exhibit 3: Potential Cost Savings of Implementing a Vehicle Utilization Policy



Source: Auditor's Office analysis of Metro fleet data.

* This figure includes rental, fuel and maintenance costs.

** Based on motor pool data extrapolated to the entire Metro fleet. This figure includes \$56,000-\$75,000 per year in fuel and maintenance costs and \$387,000-\$774,000 in renewal and replacement costs.

Policies and Procedures

Three draft procedures were developed for fleet purchasing, internal maintenance and driving and vehicle use. These documents were not in effect at the time of the audit, but were anticipated to be presented to Metro's Senior Leadership Team in the first quarter of 2011. Several other policies and procedures were in the planning phase, but no timeline was available for their development.

Many of the existing and draft policies were intended to be applicable to all departments. However, in practice, we found that some departments were treated as separate entities with their own management structures and standards for operations. Consistent application of policies and procedures is important to establish clear expectations, realize costs savings and reduce the risks associated with fleet operations.

The most pressing need is the development of policies and procedures to guide fleet replacement and allocation decisions. Metro has developed renewal and replacement schedules but not a vehicle replacement policy or an allocation policy. A policy is needed to clarify whether the Fleet Manager or the Finance and Administrative Services department will make these decisions. Management and staff expressed frustration about the renewal and replacement process and were concerned about the lack of clarity about how decisions were made.

Best practices indicate that clear standards for vehicle utilization are the key to “right sizing” fleet. Two interrelated policies help implement a cost-effective fleet:

- *Replacement policies* specify who has the authority to make replacement decisions and what standards about the useful life of each asset will be used.
- *Allocation policies* detail who has the authority to make allocation decisions and provides standards for determining whether a dedicated vehicle is needed for an individual/program, or whether a pooled/shared vehicle will meet the business need.

Centralized Responsibility

After the first audit, Metro undertook a “Fleet Modernization Project” that began the process of centralizing fleet management. The project made considerable progress and went beyond the scope of the original audit recommendations by developing systems for monitoring Metro’s entire “rolling stock” of vehicles and equipment. During the project, work was done to inventory all assets over \$500, which resulted in old equipment being scrapped and surplus. However, responsibilities for on-going operations were very similar to what we observed in the first audit.

Several aspects of fleet management remained decentralized. MERC vehicles and equipment were not included in the Fleet Modernization Project and it was not clear if those assets were to be included in the fleet monitoring software. Fleet assets at the Zoo were managed separately from Metro’s other fleet vehicles. Data about the Zoo’s fleet was planned to be included in the software, but will be managed by the Operations Manager at the Zoo, not the Fleet Manager or Fleet Analyst. Data for other vehicles in Metro’s fleet will be tracked in the software, but it is unclear who has management authority.

Budgets for fleet also remained decentralized. Each department maintained its own budget for fleet, which reduced the ability of the Fleet Manager to achieve costs savings from managing the fleet as a whole. The vehicles in the motor pool were the only ones funded through internal service charges based on each department’s usage. Three separate renewal and replacement schedules were each managed by a different person. One schedule was for assets purchased using the general fund, another was for assets purchased using the solid waste fund and a third was being developed for assets associated with MERC operations. None of these schedules was managed or coordinated through the Fleet Manager.

AREAS NEEDING FURTHER ATTENTION

The three recommendations that remain in process are interdependent. They are the keys to effective and efficient management of fleet assets. When one of them is underdeveloped, the effectiveness of the others is reduced. Without them, it will be difficult for Metro to “right size” its fleet and realize any additional cost savings.

- Policies and procedures are needed to provide guidance for replacement and allocation decisions.
- Roles and responsibilities need to be clarified to centralize authority for fleet management.
- Systems to monitor operations and ensure data quality are needed to review the efficiency and effectiveness of fleet operations.

STATUS OF METRO AUDITOR RECOMMENDATIONS

2009 Recommendations	Status
To improve the efficient and effective management of fleet, Metro should:	
1. Develop policies and procedures to govern fleet management and apply them consistently across departments.	<i>IN PROCESS</i>
2. Assign clear centralized responsibility for managing fleet.	<i>IN PROCESS</i>
3. Develop systems to review the efficiency and effectiveness of operations.	<i>IN PROCESS</i>
4. Review other management models, such as centralization and operating fleet as an internal service, for cost effectiveness	<i>IMPLEMENTED</i>
5. Complete the transfer of fleet from Multnomah County to Metro	<i>IMPLEMENTED</i>

MANAGEMENT RESPONSE

600 NE Grand Ave.
Portland, OR 97232-2736
503-797-1700
503-797-1804 TDD
503-797-1797 fax

www.oregonmetro.gov



Metro | Memo

Date: February 11, 2011

To: Suzanne Flynn, Metro Auditor

From: Michael Jordan, Chief Operating Officer
Scott Robinson, Deputy Chief Operating Officer
Paul Slyman, Parks and Environmental Services Director

Subject: Fleet Audit Follow-up Report

Thank you for the opportunity to respond to your "Fleet Audit Follow-up Report." We appreciate your thorough input and analysis of work that Metro's Parks and Environmental Services (PES) has done to address issues related to the management of Metro's fleet of vehicles and equipment. Metro has made tremendous strides in internalizing fleet operations, terminating a costly contract with Multnomah County and laying a foundation for automating many systems.

Overall Comments

Overall the report was accurate and well researched, and has pointed out that additional work is needed to fully address the recommendations made in the 2009 Audit. The report notes that development of policies and procedures, centralization efforts and systems development are in process. After severing the contract with Multnomah County, the process of establishing internal systems and a network of private contractors to address fleet needs in various parts of the organization remains our biggest challenge.

Centralization of Services

A key finding from the report was that centralization and standardization of fleet policies, budgeting, and replacement present continued opportunities for improved decision-making and cost savings. Staff agrees with this assessment, as well as the need to adopt agency-wide policies and procedures to guide purchase, replacement and allocation of resources. Centralizing budget responsibility for this program and treating this function as a true central service would provide better utilization of resources and an opportunity to meet agency-wide sustainability goals.

Performance Measures

Performance measures need to be developed to evaluate the success of centralization efforts, implementation of the Assetworks Software system, and continued improvement in the collection of data. As the Assetworks system is fully implemented, we expect the quality and breadth of data to improve, which will provide a foundation for robust analysis and strategic decision-making. We agree that specific measures need to be developed and should be part of an annual evaluation process that reviews resource allocation, sustainability goals, cost of services and consistent application of policies and procedures.

Honorable Suzanne Flynn
February 11, 2011
Page two

Conclusion

We look forward to implementing the recommendations contained in this report and appreciate additional review as this program is fully implemented.

MJ:PS:LN:gbc

cc: Scott Robinson, Deputy Chief Operating Officer

Paul Slyman, Director, Metro Parks & Environmental Services

M:\rpg\parks\projects\Fleet\Fleet Project Files\Policy_Fleet_report_docs\Flynn management response ltr 020811.doc

Agenda Item Number 3.0

**WASTE REDUCTION & OUTREACH
FOLLOW-UP AUDIT**

Metro Council Work Session
Thursday, March 17, 2011
Metro Council Annex



Office of the Auditor

WASTE REDUCTION AND OUTREACH AUDIT FOLLOW-UP

Mary Hull Caballero
Senior Management Auditor

March 2, 2011

SUMMARY

Of the 12 recommendations in the 2008 audit, *Waste Reduction and Outreach: Shift in strategy recommended*, the Resource Conservation and Recycling Division implemented seven, and four were in process. The Metro Council did not act on one recommendation. The Division made progress by developing a strategic plan that prioritized waste prevention activities, but faces challenges in executing the strategies and measuring their effectiveness.

BACKGROUND

At the time of the 2008 audit, the Waste Reduction and Outreach Division promoted recycling, taught conservation concepts, and demonstrated waste prevention ideas around the region. Organizationally, it was part of the Solid Waste and Recycling Department. Its programs included the Recycling Information Center, Recycling at Work, and Fork It Over, all of which were aimed at diverting waste from area landfills.

The initial audit found that while residents were committed to recycling, they also were producing an increasing amount of waste. It concluded that greater environmental benefits could be gained by focusing resources on preventing waste in the first place. The audit recommended that the Division better align its activities with the Metro Council's focus on sustainability, reposition its priorities and resources on waste prevention, and strengthen its capacity to evaluate the effectiveness of its activities.

In October 2008, the Division moved to a new department, changed its name, and assumed new responsibilities. Known now as Resource Conservation and Recycling, this Sustainability Center division oversees activities to reduce greenhouse gas emissions, conserve natural resources, and protect the environment and human health. It continues to oversee Metro's recycling and toxics reduction programs and other activities related to statutory requirements. In addition, it manages Metro's internal sustainability and regional climate change initiatives.

SCOPE AND METHODOLOGY

The objective of this audit was to determine the status of the recommendations made in the original 2008 audit. We interviewed management and staff and reviewed long- and short-range plans, budget materials, reports and other documents to assess progress made on 12 recommendations.

We conducted our follow-up audit work in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

SUZANNE FLYNN

Metro Auditor

600 NE Grand Avenue
Portland, OR 97232
tel: 503-797-1892
fax: 503-797-1831
www.oregonmetro.gov/auditor

RESULTS

This follow-up audit occurred six months after the Division adopted a strategic plan. The plan starts to move the Division from daily program activities to developing policies and influencing manufacturing decisions that could bring larger returns. Some strategies in the plan had been initiated, but many still were undeveloped. Employees were in the process of figuring out how to fit their work to the new strategies.

The original recommendations were organized into four areas: 1) aligning Division activities with the Metro Council's focus on sustainability, 2) improving the effectiveness of waste prevention activities, 3) measuring program effectiveness, and 4) promoting efficient and effective operations. We found the Division had implemented seven recommendations. It addressed recommendations to align activities and make operational improvements. It made progress on increasing the effectiveness of waste prevention activities and measuring program effectiveness, but more work was needed in these two areas. A list of the 12 recommendations and their status is on page 6.

ALIGNING SUSTAINABILITY ACTIVITIES

The intent of these three recommendations was to make sure program activities and Council direction were aligned. Two of the three were implemented.

The Council adopted sustainability as a guiding principle for internal operations in 2003 and for all policies and programs in 2008. Council used the state's definition of sustainability, which says current generations should conserve resources so that future generations can meet their environmental, economic and community needs.

Council did not take formal action to adopt a specific sustainability framework to guide how programs and policies should be changed. In the absence of such a framework, management relied on the "prevent, reduce, reuse, recycle, landfill" hierarchy to prioritize waste prevention activities, which was recommended by the audit as an alternative. By moving up the hierarchy to focus on prevention activities, the Division has begun prioritizing waste prevention activities over recycling. We recommend that management keep Council informed about its strategic direction, the tradeoffs involved, and implementation activities.

IMPROVING THE EFFECTIVENESS OF WASTE PREVENTION ACTIVITIES

Management implemented the recommendation to develop a waste prevention strategy but still needed to target additional resources to prevention activities.

The strategic plan contains four goals. Three of them focus on reducing environmental and human health effects of waste generation, toxic chemicals in consumer goods, and greenhouse gas emissions associated with the consumption of goods and food. The fourth goal is to invest in equitable community involvement and benefits.

Individual strategies to achieve the goals, captured in both the strategic plan and staff work plans, represent the Division's integrated waste prevention strategy. The plan refocuses the work of the Division to developing policies and taking actions to limit the harmful effects of products from production to disposal. By intervening at various points along the product lifecycle, the Division predicts the region can reduce harmful health and environmental effects.

The plan divides manufactured products into three sectors: consumer goods, food, and construction and landscaping materials. Within those sectors, the work plans associated with the strategies identify specific products, such as light bulbs that contain mercury. The work plans spell out the steps staff and other participants will take on that product.

While the prevention strategy is completed, management has not been as effective in shifting additional resources to prevention activities. It added a few prevention activities to its intergovernmental agreements with local governments to provide recycling services. It also switched one employee from recycling activities to reuse activities.

The prior staffing configuration of one employee being assigned to manage one program was insufficient to carry out the work in the strategic plan. To leverage existing resources and expertise, management organized staff into four teams to implement the plan. The teams and their cross-functional responsibilities are:

FY 2010-2011 Teams	Scope of Responsibility
Infrastructure	Programs to make food and built environment systems more sustainable and strengthen the region's materials reuse and recovery capacity.
Education	Targeted programs to influence consumer behavior and build support for policy initiatives.
Legislation	Development of legislative proposals for the 2011 Legislative session.
Research and Measurement	Measurement of the Division's progress toward meeting its goals and development of evaluation methods and tools to be used across projects.

Source: Strategic Action Plan, July 2010

During the follow-up audit, employees still were managing individual programs while taking on new duties related to prevention. Day-to-day operations had not been relinquished to others, such as local government partners. Without additional resources or a reconfigured workload, the Division may not be able to accomplish its new goals.

While potentially significant, these implementation risks are mitigated somewhat by the willingness of Metro staff to meet the expectations set out in the plan. Employees we interviewed said there was some hesitation in the Division about letting go of their hands-on roles in familiar and successful programs. However, they endorsed the broad-based strategies they believe will have a greater effect.

MEASURING EFFECTIVENESS

Five recommendations in the 2008 audit addressed measuring program effectiveness, and two of them have been implemented. Management adopted reducing waste generation as a key performance measure. It also increased its capacity to analyze the environmental and fiscal effects of its programs with new methodologies.

The three incomplete recommendations are inter-related and will be critical to the successful implementation of the strategic plan. Although some progress was made, the Division had not:

- consolidated its data into a Division-wide system
- developed performance measures, or
- standardized its program evaluation tools.

Consolidating data

Management decided against a single data system after reviewing its program needs. The Division took steps to improve the efficiency of its three individual data systems and has plans to do more. However, these actions fall short of addressing the risks identified in the 2008 audit and could impede the Division's ability to measure its effectiveness.

In the past six years, data management or information systems issues made up 18% of the recommendations made by the Metro Auditor's Office. This indicates an agency-wide solution may be needed, which is beyond the authority of mid-level managers.

Developing performance measures

The next phase of the Division's strategic planning process is to develop performance measures for its four strategic goals. Management estimated they would be finished by the end of this fiscal year. The task is difficult because of the complexity of the systems involved and the large number of variables that could drive negative health and environmental outcomes. Even so, management will have to measure how the Division's strategies influence results and to what degree. That will involve selecting the appropriate proxy indicators to monitor progress.

Standardizing program evaluation

Management took some steps to increase its internal evaluation capacity, but more work is needed. The benefit of standardizing program evaluation methods is that it allows comparisons of benefits and costs across programs. This would help the agency make decisions about what programs are worth investing in, which could address some of the Division's concerns about workload.

OPERATING EFFICIENTLY AND EFFECTIVELY

Both operational recommendations were implemented. Management reduced the number of managers between its lowest level employees and the Chief Operating Officer before the COO added a deputy position over the Sustainability Center. It also provided training for local government staff in Community-Based Social Marketing, and Metro staff participated in procurement and contract administration training.

AREAS NEEDING FURTHER ATTENTION

The strategic plan responded to several weaknesses identified in the original audit. We reviewed the document and found some areas where the plan could be improved. According to the plan, there should be a direct link between goals, strategies and actions. We found that all of the goals had associated strategies and actions, but not all strategies and actions had associated goals. These unlinked items were operational or process activities rather than those intended to achieve the four strategic goals.

For example, there is a “targets and measurement” category of strategies and actions that is not linked to a goal. Measuring progress is an important element in strategic planning, and we recommend adding a goal related to evaluation or accountability to capture those strategies and actions. Another category called “solid waste system sustainability” lists actions to “address the system’s long-term services, financing, and participant roles and responsibilities.” There is no related goal to improve the solid waste system or an obvious connection to the four strategic goals. The unconnected actions could lead to time and resources being invested in activities that don’t lead to the achievement of a strategic goal, which is how the Division’s program effectiveness will be judged.

To strengthen the clarity and transparency of the plan, management should link all strategies and actions to specific goals. Those that do not align with one of the four goals should be removed from the document and managed separately. Alternatively, goals can be added that capture the unconnected strategies and actions.

Additionally, management should continue making progress on:

- targeting resources to waste prevention activities
- establishing performance measures
- working with upper management to develop a Division-wide data system, and
- standardizing program evaluation tools, processes, and procedures.

STATUS OF METRO AUDITOR RECOMMENDATIONS

2008 Recommendations	Status
1. To align Division activities with the Metro Council's focus on sustainability:	
a. Metro Council should adopt a sustainability framework that will guide how programs and policies should be changed to make sustainability the guiding principle.	<i>NOT IMPLEMENTED</i>
b. Management should work with the Metro Council to clarify and prioritize recycling and waste prevention activities.	<i>IMPLEMENTED</i>
c. In the absence of a sustainability framework, the Division should use the waste management hierarchy to prioritize activities with the greatest environmental impact.	<i>IMPLEMENTED</i>
2. To improve the effectiveness of waste prevention activities:	
a. The Division should prepare a waste prevention strategy outlining priority materials and/or sectors and integrating separate prevention and reuse activities.	<i>IMPLEMENTED</i>
b. If the Metro Council prioritizes waste prevention, the Division should target additional resources to waste prevention activities and build waste prevention elements into its grants.	<i>IN PROCESS</i>
3. To measure program effectiveness more consistently and completely:	
a. The Division should adopt a waste generation goal as a key performance measure.	<i>IMPLEMENTED</i>
b. The Division should establish performance measures for the Waste Reduction and Education and Outreach Sections that are better aligned with the objectives in the Regional Solid Waste Management Plan.	<i>IN PROCESS</i>
c. The Division should develop a Division-wide data management system that will provide standardized data management and timely reporting.	<i>IN PROCESS</i>
d. The Division should standardize program evaluation tools (e.g. cost-benefit analyses, white papers, pro forma), processes, and procedures to facilitate regular evaluation of fiscal and environmental impacts and inform strategic decision-making.	<i>IN PROCESS</i>
e. The Division should increase its capacity to analyze costs and environmental impacts of its programs through staff training or establishing Memorandums of Understanding with departments that have this technical expertise.	<i>IMPLEMENTED</i>
4. To promote efficient and effective operations:	
a. Metro management should review Division positions with 5-6 layers of management to identify opportunities to reduce layers of management.	<i>IMPLEMENTED</i>
b. The Division should evaluate staff expertise and training in contract management and applying community-based social marketing techniques.	<i>IMPLEMENTED</i>



Metro | Memo

Date: February 28, 2011

To: Suzanne Flynn, Metro Auditor

From: Michael Jordan, COO *MJ*
Scott Robinson, Deputy COO *SR*
Jim Desmond, Director, Sustainability Center *JD*
Matt Korot, Program Director, Resource Conservation & Recycling *MK*

Subject: Management Response to Waste Reduction and Outreach Audit Follow-up

This memorandum is management's response to the final draft of the Waste Reduction and Outreach Audit Follow-up report issued by your office on February 11, 2011. We appreciate your thoughtful input. The draft report is useful to us by both confirming the progress that the division (now known as Resource Conservation & Recycling) has made since the original audit findings and noting the areas in which further steps should be taken.

Management concurs with your characterization of the status of the 2009 Metro Auditor recommendations. We have a few specific comments below that are intended to elaborate or provide our perspective on your findings.

Consolidating Data

We agree that effective and efficient data management is critical to success at both the agency-wide and divisional levels. Resource Conservation & Recycling has made refinements to its data tracking, management and evaluation systems and has additional improvements planned. Challenges include managing both the variety of data (recycled tonnage, recommendations made to businesses through the Recycle at Work program, adults and children reached through education, reported behavioral change) and the multiple providers and users of the data (local governments, Oregon Department of Environmental Quality, schools, partnering organizations).

Developing Performance Measures and Standardizing Program Evaluation

These recommendations go hand-in-hand with each other and are supported by management, with work on meeting them well underway. The division's effort to develop outcomes-based performance measures to supplement statutorily determined waste generation and recovery ones is driven by both a need for more meaningful measures and a desire for greater standardization in evaluation across projects.

Targets and Measurement Goal

The audit follow-up recommends that the division specifically establish a targets and measurements goal. The absence of such a goal in no way reflects a diminution of the importance of this area. In fact, Resource Conservation & Recycling has an internal team charged with developing and overseeing the implementation of the targets and measurements that will guide the division's work in meeting its strategic goals. Management will consider establishing a distinct goal in order to explicitly acknowledge and guide the allocation of resources in this area.

MANAGEMENT RESPONSE, CONT'D

WASTE REDUCTION AND OUTREACH AUDIT FOLLOW-UP

FEBRUARY 28, 2011

The audit follow-up also notes that the division has a category of strategies and actions called “solid waste system sustainability” that are not explicitly tied to its four strategic goals. In practice, these are tied to the goals, but management acknowledges that this may not be evident to those outside of the division and that rigor in connecting actions to goals is critical to managing our time and resources.

Thank you for your work and that of Mary Hull Caballero on this audit follow-up.

Agenda Item Number 4.0

**SMITH/BYBEE WETLANDS NATURAL
AREA -TRAIL & BRIDGE FEASIBILITY
STUDY FINDINGS**

Metro Council Work Session
Thursday, March 17, 2011
Metro Council Annex

METRO COUNCIL

Work Session Worksheet

Presentation Date: March 17, 2011

Time: 3:15pm

Length: 30 minutes

Presentation Title: Smith and Bybee Wetlands Natural Area – Trail and Bridge Feasibility Study findings – Information

Service, Office or Center: Sustainability Center

Presenters: Jane Hart (x1585); Mary Anne Cassin (x1854)

Other department personnel invited: Jim Desmond, Jonathan Soll, Paul Vandenberg

ISSUE & BACKGROUND

In December 2005 Metro Council adopted Resolution No. 05-3592B (attached) approving the Smith and Bybee Wetlands Natural Area Trail Feasibility Study and recommending a preferred trail alignment (South Slough alignment) shown in Figure 1. The purpose of the feasibility study was to identify a trail alignment to connect the St. Johns neighborhood with the Smith and Bybee Natural Area and other existing local and regional trails, closing a 5-mile gap in the 40-Mile Loop trail system.

Upon selecting the preferred alignment, Metro Council directed staff to:

- 1) Immediately pursue funding for the segment connecting the neighborhoods to the St. Johns landfill perimeter trails.
- 2) Conduct additional feasibility analysis for the preferred alignment including:
 - Determine feasibility of constructing a bike/pedestrian bridge over the North Slough.
 - Determine the “on the ground location” of the trail where it is shown crossing other publicly owned and privately owned lands, and explore landowner willingness to negotiate easements.
 - Identify the cost to implement the overall trail alignment.

Metro applied for and was awarded a \$1.5 million grant from Oregon Department of Transportation to design and build a bike/pedestrian bridge over the railroad tracks between Pier and Chimney Parks, satisfying the Metro Council’s direction to begin to build the neighborhood connection to the natural area. The bridge is currently under contract for the design phase and is scheduled to be built next year.

Metro and our partners are poised to take the next steps for trail implementation and staff is seeking Metro Council’s advice on these next steps now that the additional feasibility is complete.

OPTIONS AVAILABLE

North Slough Bridge Study Options

- 1) Approve the North Slough Bridge Feasibility Study and direct staff to seek funding to build the bike/pedestrian bridge at the cost of \$2.7 million. This will complete the northernmost

part of the trail gap and connect to the existing 40-MileLoop trail system that travels along Marine Drive to Troutdale.

OR

- 2) If the Metro Council determines that the North Slough bridge is not feasible, the 2005 resolution directs staff to determine feasibility of using the Ash Grove (north side of the north slough) for the trail connection. Cost to build a boardwalk through the Ash Grove would be approximately \$2 million.

South Slough Trail Alignment Options

- 3) Approve the South Slough Trail Alignment Feasibility Study and proposed refinements to the preferred alignment. Direct staff to begin implementation of the phases as prioritized in the study. This will include negotiations with public and private landowners in areas where the alignment crosses those properties. The cost to build the entire trail alignment shown in Figure 2 is \$21 million (including the North Slough Bridge). Funds provided by the 2006 Open Spaces bond measure to purchase easements for the trail are not included in the cost estimate.

IMPLICATIONS AND SUGGESTIONS

North Slough Bridge

- 1) Metro Sustainability Center recommends that the Metro Council approve the North Slough Bridge Feasibility Study and direct staff to seek funding to design and build the bridge as Phase I of the project. This is consistent with the Metro Council's 2005 directive to complete the neighborhood connection to the natural area as soon as possible. The north south connection ensures that the St. Johns neighborhoods connect with the natural area and other employment and recreational destinations. Some stakeholders will be concerned and would prefer that the Metro Council prioritize the South Slough Segment (segment 4).
- 2) If the North Slough bridge is not built, then the Metro Council could direct staff to conduct a feasibility study to use the Ash Grove on the north side of the slough for the trail. The Ash Grove segment was not chosen in 2005 due to its unique and valuable habitat within the natural area and the region. An Ash Grove trail is not recommended in the ongoing update of the Smith and Bybee Natural Area Resource Management Plan. Various stakeholder groups including Audubon would be opposed to the trail in that location due to the environmental impacts.
- 3) If neither the North Slough bridge nor the Ash Grove alignment were determined to be feasible, there would be no thru connection to existing trails north of the landfill or to the Rivergate Industrial employment area and the trail route would be a closed loop using the St. Johns landfill perimeter roads.

South Slough Trail Alignment

- 4) Metro Sustainability Center recommends that the Metro Council approve the preferred alignment (see Figure 2) and direct staff to seek funds to design and build segments 1, 2 and 3 as Phase I of trail development. This will allow Metro staff to begin negotiations with public and private landowners where the alignment is shown crossing those lands. Segments 1, 2 and 3 involve working with willing public sector partners and completing the neighborhood connection. Completing these segments is consistent with Metro Council's 2005 directive to complete the neighborhood connection to the natural area.
- 5) Metro Sustainability Center recommends that segment 4 (South Slough segment) be pursued as Phase II of trail development. It will require working with two private property owners and one willing public landowner. Given the uncertainty of timing related to private property negotiations, this segment will likely take longer to finalize and longer to obtain the funding.

- 6) Metro has collaborated closely with partner agencies and trail advocate groups to implement the neighborhood connection to the natural area. A lot of progress has been made over the last few years to plan, fund and build local and regional trails.

QUESTION(S) PRESENTED FOR CONSIDERATION

- 1) Does Metro Council need any further information from staff to answer the questions below?
- 2) When would Metro Council like staff to return for their decision on the following questions?
 - a) Does Metro Council approve the North Slough Feasibility Study?
 - b) Does Metro Council approve the South Slough Trail Alignment Feasibility study?
 - c) Does Metro Council recommend that Metro staff pursue implementation of segments 1, 2 and 3 of the preferred alignment (see Figure 2) immediately as Phase 1 of trail development?
 - d) Does Metro Council recommend that Metro staff begin negotiations with the landowners along segment (the South Slough segment)?
 - e) Assuming we have willing sellers, does Metro Council recommend that staff pursue development of the South Slough segment as Phase 2 of trail development?

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION (No)

DRAFT IS ATTACHED (No)

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF COUNCIL APPROVAL)	RESOLUTION NO. 05-3592B
OF THE SMITH AND BYBEE WETLANDS)	
NATURAL AREA TRAIL FEASIBILITY STUDY)	Introduced by Council
AND RECOMMENDATION OF A PREFERRED)	President David Bragdon and
TRAIL ALIGNMENT)	Councilor Rex Burkholder

WHEREAS, in the spring of 1983 the 40-Mile Loop Master Plan was completed and identifies a desired trail network in the vicinity of the Smith and Bybee Wetlands Natural Area; and

WHEREAS, on July 23, 1992, the Metro Council adopted Resolution No. 92-1637 (“For the Purpose of Considering Adoption of the Metropolitan Greenspaces Master Plan”), including the Regional Trails and Greenways Map (amended December 1993 and July 2002); and

WHEREAS, the Regional Trails and Greenways Map identifies a desired trail network in the vicinity of the Smith and Bybee Wetlands Natural Area; and

WHEREAS, in November 1990, the City of Portland adopted by Ordinance 163610 the Smith and Bybee Lakes Natural Resources Management Plan (NRMP); which guides natural resource management and development within the Smith and Bybee Wetlands Natural Area (Natural Area); and

WHEREAS, on November 8, 1990, the Metro Council adopted Ordinance No. 90-367 (“Approval of Natural Resources Management Plan for Smith and Bybee Lakes”) the NRMP; and

WHEREAS, the NRMP required the establishment of the Smith and Bybee Wetlands Management Committee (Management Committee) to implement the NRMP and provide ongoing policy guidance; and

WHEREAS, the NRMP identified a conceptual trail alignment through the Natural Area, and

WHEREAS, since the NRMP alignment was identified, several changes have occurred in and around the alignment to cause great concern and opposing views amongst members of the Management Committee as to the best location for a trail alignment; and

WHEREAS, on April 11, 2003, the Management Committee sent a letter (Exhibit A) to David Bragdon, Metro Council President, recommending that Metro Council and the City of Portland conduct a trail feasibility study; and

WHEREAS, on September 29, 2005, Metro Council and the City of Portland entered into an Intergovernmental Agreement (No. 925992) (Exhibit B) where by Metro Council agreed to 1) jointly fund and solely manage a contract with independent consultants to perform a trail feasibility study, 2) pay for design, permitting and construction of trails recommended for development on the St. Johns landfill and within the Natural Area boundary, 3) collaborate with City of Portland to implement recommended alignments outside the Natural Area boundary; and

WHEREAS, Metro Council retained MacLeod Reckord consultants in June 2004, to perform trail feasibility study services in the vicinity of the Natural Area; and

WHEREAS, the components of the trail feasibility study were presented to the Metro Council in April 2005 in a work session, and again in October 2005 in an informal briefing, and Councilors have been given guided technical tours; and

WHEREAS, the trail feasibility study has been successfully completed and meets the intent of the IGA between Metro Council and the City of Portland; and

WHEREAS, in July 2005, the Technical Working Group for the study reached consensus that the content and analysis presented in the trail feasibility study fairly represented the study data; and

WHEREAS, none of the comment letters received during the public comment period for the trail feasibility study took issue with the accuracy of the content of the trail feasibility study; and

WHEREAS, the purpose of the feasibility study was to present the facts and an objective analysis of the trail alignments, and to leave the decision for a preferred alignment to the Metro Council; now therefore

BE IT RESOLVED that the Metro Council hereby accepts the Smith and Bybee Wetlands Trail Feasibility Study and appended hereto as Exhibit C; and directs staff to implement the following recommendation:

- A. Remove the South Lake Shore segment from further study at this time.
- B. The South Slough Alignment is the preferred alignment, but further analysis is required for the Metro Council to determine feasibility. Staff will conduct the following feasibility analysis and report back to the Metro Council:
 - Perform feasibility study for a slough bridge.
 - If a slough bridge is infeasible, determine impact to developing Ash Grove segment.
 - If Ash Grove segment infeasible, consider no build option.
 - Explore extending South Slough segment beneath the North Portland Road Bridge, and continuing the trail through the Columbia Blvd. Waste Water Treatment Plant (WWTP) to cross the Columbia Slough at the existing pedestrian bridge within the WWTP.

- Begin negotiations with private property owners along South Slough, on a “willing-seller” basis.
- C. Evaluate the South Slough alignment as a regional project for the 2006 bond measure.
- D. Take immediate action to implement the neighborhood connection between the landfill and Peninsula Crossing trail, including improvements to the landfill perimeter roads.

ADOPTED by the Metro Council this 1st day of December, 2005


David Lincoln Bragdon, Council President

Approved as to Form:


Daniel B. Cooper, Metro Attorney

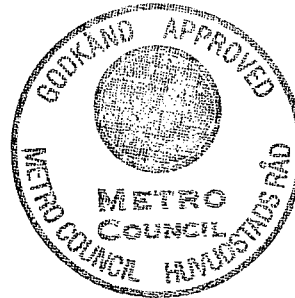


Figure 1 – Metro Council Approved South Slough Alignment

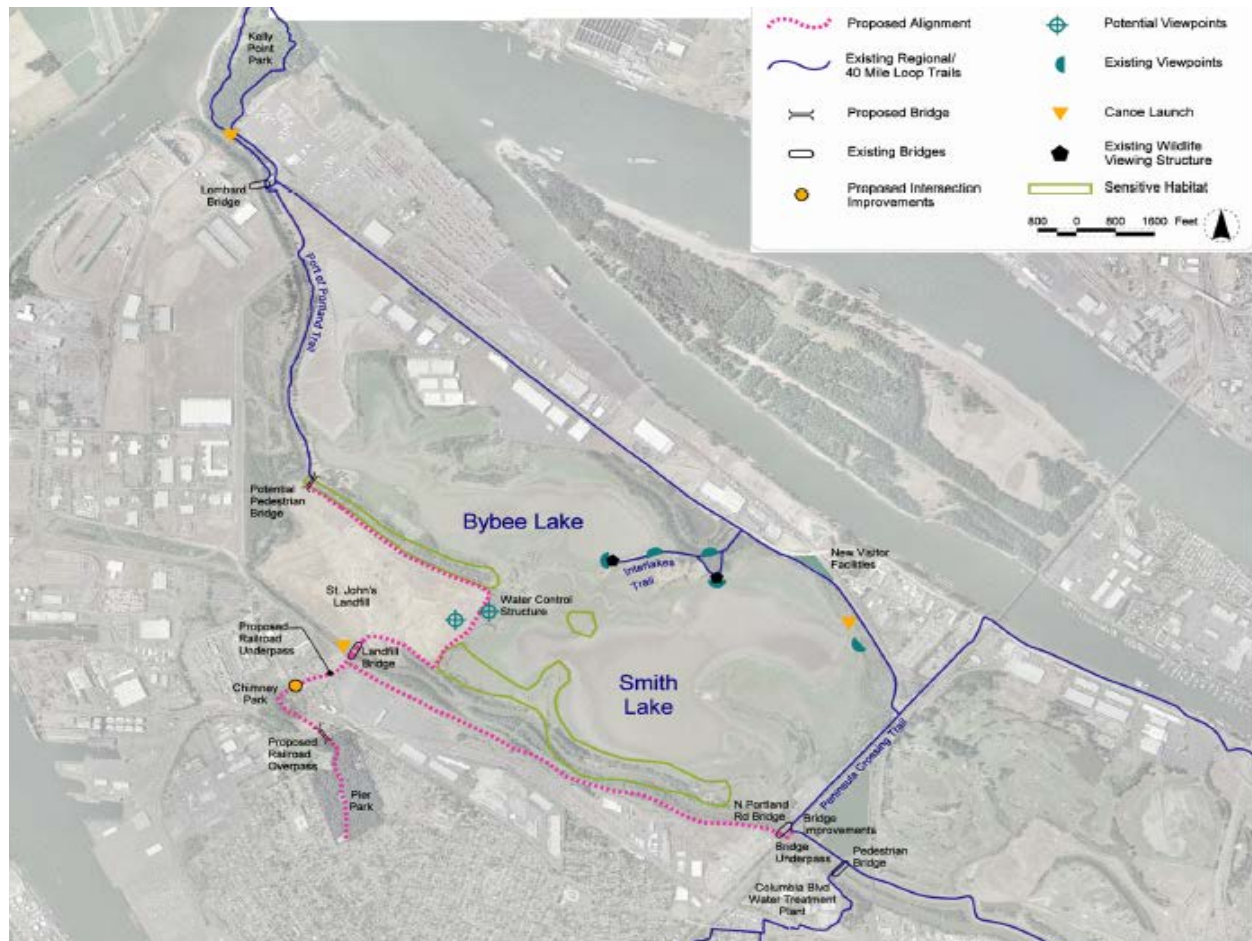


Figure 2 - Preferred South Slough Alignment – 2010 Study



Agenda Item Number 5.0

**2010 COMPLIANCE REPORT: METRO
CODE CHAPTER 3.07 URBAN GROWTH
MANAGEMENT FUNCTIONAL PLAN**

Metro Council Work Session
Thursday, March 17, 2011
Metro Council Annex

METRO COUNCIL

Work Session Worksheet

Presentation Date: March 17, 2011 Time: 3:45 pm Length: 30 min

Presentation Title: 2010 Compliance Report: Metro Code Chapter 3.07 Urban Growth Management Functional Plan

Service, Office, or Center:

Planning and Development Department

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

Sherry Oeser, ext. 1721; Dick Benner, ext 1532

BACKGROUND

Metro Code 3.07.870 requires the Chief Operating Officer to submit annually to the Metro Council the status of compliance by cities and counties with the requirements of the Metro Code Chapter 3.07 (Urban Growth Management Functional Plan). The purpose of Title 8 (Compliance Procedures) and the compliance report is to establish a process for ensuring city or county compliance with requirements of Metro Code Chapter 3.07 and for evaluating and informing the region about the effectiveness of those requirements.

During the past three years of the Making a Great Place initiative, certain Metro Code reporting requirements were suspended while changes to Metro Code were being refined and finalized. Other compliance requirements remained in effect, however, including maintaining housing capacity (Title 1), protecting industrial land (Title 4), continuing concept planning in areas added to the Urban Growth Boundary (UGB) (Title 11), and protecting and enhancing fish and wildlife habitat (Title 13).

On December 16, 2010, the Metro Council adopted Ordinance 10-1244B which amended several Functional Plan titles. The status of compliance contained in the attached 2010 Compliance Report summarizes the compliance status of each jurisdiction for Functional Plan requirements in effect on December 15, 2010, prior to adoption of Ordinance 10-1244B. At this work session, staff will review the status of local compliance with the Council and obtain direction from the Council on options to ensure that local governments achieve compliance.

OPTIONS AVAILABLE TO LOCAL GOVERNMENTS

Several local governments are out of compliance with some Code requirements; however, most are making progress towards meeting compliance requirements during 2011. Those out of compliance with Nature in Neighborhoods (Title 13) requirements include Damascus, Fairview, Milwaukie, Portland, and Troutdale. Lake Oswego is out of compliance with Industrial and other Employment Areas requirements (Title 4). The new city of Damascus is not in compliance with any compliance requirements, although it has recently adopted its comprehensive plan. Several cities and counties have not completed planning for new urban areas (Title 11). (See the Status of Compliance by Jurisdiction and Appendix A Outstanding Compliance Elements in the 2010 Compliance Report).

The deadline to come into compliance with Nature in Neighborhood requirements of Title 13 was January 2009. The deadline to come into compliance with Industrial and Other Employment Area protections in Title 4 was July 2007. Deadlines for planning for areas added to the urban growth boundary vary based on when an area was added to the UGB and what conditions were placed on the area. Many local governments requested and received extensions of compliance deadlines and all extension deadlines have expired for these requirements.

Metro Code allows a city or county to seek an extension of a compliance deadline or an exception from compliance with a functional plan requirement. Most of the local governments who are not in compliance have already received an extension of compliance deadlines. Extensions for Nature in Neighborhoods (Title 13) expired at the end of 2010. Metro Code allows a second extension of time if a local government is making progress toward compliance or there is good cause for failure to meet the deadline for compliance. Without either an extension of time or an exception, these cities remain out of compliance.

OPTIONS AVAILABLE TO THE METRO COUNCIL

There are several ways the Council can address these instances of non-compliance. The Council could notify the local governments that are not in compliance that they have the options described above and suggest the local governments apply for an extension or an exception within a specified period of time (e.g., 30 days). The Metro Code provides an enforcement process “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 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.” The Council is required to consult with the city or county before it determines there is good cause to proceed with an enforcement process. The council could proceed to enforcement if a city or county chooses not to take advantage of the extension or exception process.

IMPLICATIONS AND SUGGESTIONS

The compliance process is established in Metro Code and this compliance report is required each year. Part of the compliance report is an evaluation of effectiveness of functional plan requirements. However, given that development changes and implementation are incremental and generally occur over several years, evaluating the effectiveness of functional plan requirements annually is difficult and other evaluation reports could be used more effectively. Staff recommends that the Council move the evaluation of effectiveness of functional plan requirements to a longer time period such as every five years. The evaluation could then use other periodic evaluation and reporting efforts such as the Urban Growth Report, Employment Forecast, State of the Centers reports, State of the Watersheds reports, Regional Transportation Plan, and the biennial Performance Measures report to more fully evaluate the effectiveness of compliance requirements.

QUESTION(S) PRESENTED FOR CONSIDERATION

- Does the Council want to invite local governments that are not in compliance to apply for extensions or exceptions?
- Does the Council want to initiate enforcement action?
- Does the Council want to consider a resolution directing staff to proceed with compliance enforcement?
- Does the Council want to change the evaluation of effectiveness of the Metro Code functional plan requirements to a longer period (e.g., every five years)?

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION ___Yes ___X___No
DRAFT IS ATTACHED ___Yes ___X___No

www.oregonmetro.gov

2010 Compliance Report

Metro Code Chapter 3.07 Urban Growth
Management Functional Plan

March 2011



Metro | *Making a great place*

About Metro

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy, and sustainable transportation and living choices for people and businesses in the region. Voters have asked Metro to help with the challenges and opportunities that affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to making decisions about how the region grows. Metro works with communities to support a resilient economy, keep nature close by and respond to a changing climate. Together we're making a great place, now and for generations to come.

Stay in touch with news, stories and things to do.

www.oregonmetro.gov/connect

Metro Council President

Tom Hughes

Metro Councilors

Shirley Craddick, District 1

Carlotta Collette, District 2

Carl Hosticka, District 3

Kathryn Harrington, District 4

Rex Burkholder, District 5

Barbara Roberts, District 6

Auditor

Suzanne Flynn

TABLE OF CONTENTS

Executive Summary	i
Introduction	1
Accomplishments	1
Status of Compliance by Jurisdiction	1
Evaluation of Effectiveness	4
Areas for Monitoring	6
Summary of Functional Plan Changes.....	7
Appendices.....	A-1

Executive Summary

This 2010 Compliance Report includes a summary of the status of compliance of each city and county in the region with Metro Code requirements. Those requirements are intended to implement regional policies and achieve the goals set out in the 2040 Growth Concept. Each city and county in the region are required, if necessary, to change their comprehensive plans or land use regulations to come into compliance with Metro Code requirements within two years of acknowledgement by the Oregon Land Conservation and Development Commission and to remain in the compliance.

Most local governments in the region have complied with most of the code requirements. However, several cities and counties have not completed planning for new urban areas (Title 11). Many of the local governments that have not completed concept planning are making progress in planning for new urban areas. Some cities have not adopted natural resource protection programs (Title 13); however, most of these cities are working toward adoption in 2011.

This compliance report also evaluates the effectiveness of Metro Code requirements. In 2010, the Metro Council changed regional policy and implementation strategies and a summary of those changes is included in the report.

2010 Compliance Report

Metro Code Chapter 3.07 Urban Growth Management Functional Plan

Introduction

Metro Code 3.07.870 requires the Chief Operating Officer to submit to the Metro Council by March 1 of each year the status of compliance by cities and counties with the requirements of the Metro Code Chapter 3.07 (Urban Growth Management Functional Plan). The purpose of Title 8 (Compliance Procedures) and this compliance report is to establish a process for ensuring city or county compliance with requirements of Metro Code 3.07 and for evaluating and informing the region about the effectiveness of those requirements.

During the past three years of the Making a Great Place initiative, certain Metro Code reporting requirements were suspended while changes to Metro Code were being refined and finalized. Other compliance requirements remained in effect, however, including maintaining housing capacity (Title 1), protecting industrial land (Title 4), continuing concept planning in areas added to the Urban Growth Boundary (UGB) (Title 11), and protecting and enhancing fish and wildlife habitat (Title 13).

On December 16, 2010, the Metro Council adopted Ordinance 10-1244B which amended several Functional Plan titles. A summary of those changes is included in this report. The status of compliance contained in this compliance report summarizes the compliance status of each jurisdiction for Functional Plan requirements in effect on December 15, 2010, prior to adoption of Ordinance 10-1244B.

Accomplishments

- From 2002 through 2010, 12 local governments completed planning for new urban areas. Of these, ten used grant funding from Metro's Construction Excise Tax to complete planning efforts.
- In 2005, the Metro Council adopted Title 13 Nature in Neighborhoods. Since then, 23 local governments have completed Title 13 evaluations and adopted plans.
- Though not required by Metro Code, 18 cities and one county submitted their aspirations for growth in 2009. These aspirations reflect the values of the region for vibrant communities that have a balance of jobs and housing, economic prosperity, transportation choices, and clear air and water. To achieve these aspirations, communities identified a series of investments that need to be made to serve as catalysts of growth including investments in transit, infrastructure, and parks among others.

Status of Compliance by Jurisdiction (as of December 15, 2010)

Beaverton: The City of Beaverton is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Cornelius: The City of Cornelius is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 11 planning for the North Holladay Concept Plan. It is Metro's understanding that the plan will be completed by the city in early 2011.

Damascus: The City of Damascus is not in compliance with Functional Plan requirements. The city recently adopted its comprehensive plan. It is Metro's understanding that the city is working on implementation measures during 2011 that will be the basis for assessing Functional Plan compliance.

Durham: The City of Durham is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Fairview: The City of Fairview is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 13 Nature in Neighborhood. It is Metro's understanding that the city has a Title 13 work plan that calls for city council action in August 2011.

Forest Grove: The City of Forest Grove is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Gladstone: The City of Gladstone is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Gresham: The City of Gresham is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Happy Valley: The City of Happy Valley is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Hillsboro: The City of Hillsboro is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 11 planning for UGB expansion areas 69 and 71.

Johnson City: The City of Johnson City is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

King City: The City of King City is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Lake Oswego: The City of Lake Oswego is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 4 protection of Industrial and Other Employment Areas. For Title 4, the city needs to submit documentation to Metro staff detailing what actions the city has taken to come into compliance.

Maywood Park: The City of Maywood Park is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Milwaukie: The City of Milwaukie is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 13 Nature in Neighborhoods. It is Metro's understanding that the city has submitted a draft plan of action for adoption of code amendments by the Milwaukie City Council in April 2011.

Oregon City: The City of Oregon City is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 11 planning for the South End area and the implementation measures for the Beavercreek Road concept plan area. It is Metro's understanding that while the city has updated its code for industrial uses, it must still apply the protection requirements of Title 4 when the industrial land is annexed into the city.

Portland: The City of Portland is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 13 Nature in Neighborhoods. It is Metro's understanding that the City is continuing to work on a number of fronts to come into compliance with Title 13 and that Metro and City staff need to assess the existing natural resource protection programs and develop a new schedule and plan for meeting compliance. The city is working with Metro to revise the Title 4 Industrial and other Employment Areas map.

Rivergrove: The City of Rivergrove is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Sherwood: The City of Sherwood is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010. It should be noted that the ordinance that brought Study Area 61 Cipole Road into the urban growth boundary makes Washington County or City of Tualatin responsible for Title 11 planning. The cities of Tualatin and Sherwood believe, however, that the city of Sherwood should have Title 11 planning responsibility for Study Area 61. It is Metro's understanding that the City of Sherwood has no plans at this time to begin concept planning. The area in question is less than five acres with one acre being developable.

Tigard: The City of Tigard is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Troutdale: The City of Troutdale is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 13 Nature in Neighborhoods. It is Metro's understanding that the City Council tabled the adoption of the necessary code amendments in October 2009 and to date, the City has not supplied Metro with a revised estimated timeline for adoption of Title 13 protection measures.

Tualatin: The City of Tualatin is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 11 planning requirements for the Basalt Creek/West Railroad Area in collaboration with the City of Wilsonville, the Southwest Tualatin industrial area, and Study Area 61 Cipole Road. It is Metro's understanding that the cities of Tualatin and Wilsonville have embarked on a joint planning effort for the Basalt Creek Concept Plan. The city council has accepted a concept plan for the Southwest Tualatin area and the city is now working on implementation measures which are anticipated to be completed in spring 2011. For Study Area 61 Cipole Road, it should be noted that the ordinance that brought that study area into the UGB makes Washington County or the City of Tualatin responsible for Title 11 planning. However, the cities of Tualatin and Sherwood believe that the City of Sherwood should have Title 11 planning responsibility for Study Area 61. The City of Sherwood has no plans at this time to begin concept planning. The area in question is less than five acres with one acre being developable.

Metro appealed to the Land Use Board of Appeals a Tualatin ordinance that reduced zoned residential capacity below the minimum capacity in Table 3.07-1 of Title 1, taking the city out of compliance with Title 1. Metro and the city have agreed to a delay in the appeal to December 31, 2011 to allow the city time to increase minimum zoned capacity in another part of the city.

West Linn: The City of West Linn is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Wilsonville: The City of Wilsonville is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 11 planning for East Wilsonville (Frog Pond area) and for the Basalt Creek/West Railroad Area in collaboration with the City of Tualatin. It is Metro's understanding that the city is evaluating and budgeting for a major sewer upgrade that must be completed before planning and developing the East Wilsonville/Frog Pond area. It is also Metro's understanding that the cities of Wilsonville and Tualatin have embarked on a joint planning effort for the Basalt Creek Concept Plan.

Wood Village: The City of Wood Village is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010.

Clackamas County: Clackamas County is in compliance for all Urban Growth Management Functional Plan requirements in effect on December 15, 2010. It is Metro's understanding that the County is continuing to review land use and development code changes to eliminate barriers to habitat friendly development practices.

Multnomah County: Multnomah County is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 11 planning for Bonny Slope West (Area 93). It is Metro's understanding that a concept plan has been completed but that it has not yet been adopted by the County Board of Commissioners. The county and Metro are in discussions about a process to complete the planning for this area.

Washington County: Washington County is in compliance with all Urban Growth Management Functional Plan requirements in effect on December 15, 2010, except for Title 11 planning for the West Bull Mountain and Cooper Mountain areas. It is Metro's understanding that a West Bull Mountain concept plan has been adopted and that implementation measures are scheduled for completion in fall 2011. For the Cooper Mountain area, it is Metro's understanding that the county will begin Title 11 planning in 2011.

Evaluation of the Effectiveness of Metro Code Chapter 3.07 (Urban Growth Management Functional Plan) in achieving the 2040 Growth Concept

The 2040 Growth Concept is this region's blueprint for the future, guiding growth and development based on a shared vision to create vibrant communities while protecting what we love about this place – safe and stable neighborhoods for families; compact development which uses both land and money more efficiently; a healthy economy that generates jobs and business opportunities; protection of farms, forests, rivers, streams, and natural areas; a balanced transportation system to move people and goods; and housing for people of all incomes in every community. This section briefly evaluates the effectiveness of compliance in helping achieve the 2040 Growth Concept.

A primary goal of regional policy contained in the Regional Framework Plan is efficient use of land within the urban growth boundary. Local governments have complied with Functional Plan requirements relating to maintain or increasing zoned capacity for housing, encouraging a balanced transportation system, enhancing the role of centers and protecting natural resources, is the region achieving the desired results?

Efficient use of land

Metro measures the region's progress toward achieving the objectives of the 2040 Growth Concept biennially in a report to the state. According to the 2009 Performance Measures Report and the 2009 Urban Growth Report, the collective actions of the cities and counties of the region to use urban land more efficiently are moving the region toward meeting some of the objectives of the 2040 Growth Concept. For example, the density of residential development has increased since the 2040 Growth Concept was first developed in 1995 reflecting how land is being used more efficiently. The number of residential units built per net acre increased from 5.5 units in 1995 to 10.7 units in 2006. Median residential lot size decreased from 6,738 square feet in 1995 to 4,300 square feet in 2006.

Healthy economy

In 2002 and 2004, the Metro Council adopted changes to Title 4 Industrial and Other Employment Areas 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. All local governments in the region have adopted protections required by Title 4. It is also the region's policy to encourage employment opportunities in Centers, Corridors, Station Communities and Main Streets by encouraging cities and counties to allow a wide range of employment uses and building types in those design types.

The following information shows the net employment change from 2000 to 2006 by 2040 design type according to the 2009 Performance Measures report:

Central City:	1.5%
Regional Centers:	0%
Town Centers:	2.8%
Corridors:	1.4%
RSIAs	(5.3%)
Industrial:	28.5%
Employment:	2%
Other	1.7%

In 2010, the Metro Council adopted a Community Investment Strategy to fulfill the vision of the 2040 Growth Concept to focus public investments in areas that will stimulate private investment. As a result, development in the above design types is expected to increase over time.

Protection of farms, forest and natural areas

It is regional policy to protect farm and forest land as well as other natural areas. In 2005, the Council adopted Title 13 Nature in Neighborhoods to protect and restore a viable streamside corridor system. Metro required local jurisdictions to protect more than 39,000 acres of the highest value riparian areas.

During 2009-2010, Clackamas, Multnomah, and Washington counties and Metro worked to designate urban and rural reserves. Urban reserves are areas outside of the urban growth boundary where future urban development could occur. Rural reserves are areas outside the

UGB reserved for long-term protection of agriculture, forestry or important natural landscape features that limit urban development. Clackamas County designated more than 68,000 acres of rural reserves and Multnomah County designated more than 46,000. The decision on reserves in Washington County is under further review and consideration by the county, Metro and the state Land Conservation and Development Commission.

Balanced transportation system

According to the 2009 Performance Measure Report which reviewed Federal Highway Administration and State Highway Performance Monitoring System data, between 1998 and 2008, vehicle miles traveled (VMT) per capita in this region declined 8 percent while VMT increased nationally by more than 4 percent. Average annual growth for the overall transit system was about 4 percent in the TriMet service district between FY1998 and FY2008. Bicycles play an important and growing role in the regional transportation system. Between 1991 and 2004, the City of Portland developed a bikeway network that increased the mileage on bike lanes and bike boulevards from 78 to 256, according to the 2035 Regional Transportation Plan. Bicycle count data is currently limited to Portland, but anecdotal evidence suggests that bicycle ridership has increased throughout the region.

Housing choice

According to the 2009 Performance Measures report which used data from the Regional Multiple Listing Service and the U.S. Department of Housing and Urban Development, between 1993 to 2008, the median price of owner-occupied single family dwellings in the Portland-Vancouver metropolitan region rose by 160%, reaching a peak in 2005 of almost \$300,000. During 2000-2009, rent increases reached their peak for efficiency units in 2006 at \$545 per month, for one-bedroom units in 2009 at \$645, for two-bedroom units in 2009 at \$842, for three-bedroom units in 2004 at \$1,107. Several local government mayors who sit on the Metro Policy Advisory Committee (MPAC) have expressed an interest in reviewing efforts to provide housing choice in the region.

Areas for Monitoring

Development of new urban areas

While significant progress has been made over the past five years in concept planning for new urban areas, several areas that were added to the urban growth boundary in 2002-2004 remain unplanned. In most cases, concept planning for those areas will begin or be completed in 2011. The progress that has been made is primarily a result of the establishment of the grant program funded by the Construction Excise Tax that funded concept planning efforts. See Appendix B for a summary of the status of new urban area planning.

Center Development

The previous version of Title 6 covered only Centers and Station Communities and required local governments to develop a strategy to enhance all centers by December 2007. It also required jurisdictions to submit progress reports to Metro every two years. This approach was not effective in encouraging center development and development in centers has not achieved the results originally anticipated.

The version of Title 6 adopted by the Metro Council in December 2010 as part of the Community Investment Strategy legislation moves away from reporting requirements to an incentive approach to encourage cities and counties to develop centers including incentives to local governments that adopt a plan of actions and investments to enhance their center, corridor, station community, or main street. Focusing development in centers, corridors, station communities, and main streets is a key strategy to use land more efficiently.

Housing Choice

As previously mentioned, several local government mayors have expressed an interest in reviewing efforts to provide housing choice in the region. Metro and its advisory committee, the Metro Policy Advisory Committee (MPAC), may consider reviewing Title 7 (Housing Choice) of the Metro Code to ensure that local governments in the region are continuing to take steps to implement its provisions.

Looking ahead

As previously noted, certain functional plan reporting requirements were suspended while the plan was under review and revision. In amending the functional plan in 2010, those reporting requirements were removed and the focus of functional plan compliance in the future will be implementing regional policy to achieve the 2040 Growth Concept and the recently adopted six desired outcomes and 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.

Summary of Functional Plan Changes

The Metro Council adopted several ordinances in 2010 that amended the Urban Growth Management Functional Plan (Metro Code Chapter 3.07). Below is a summary of those changes.

Title 1 Housing Capacity (Metro Code 3.07.110-120)

The new Title 1 moves to a "no-net-loss" approach for housing based on plan amendments or zone changes, eliminates Table 1 and the need to calculate capacity city-wide, and eliminates the requirement for calculating and tracking job capacity. The new Title 1 requires that an increase in capacity must be adopted before a decrease in capacity is adopted. Title 1 also allows a local government to reduce capacity to allow an industrial use, a major educational or medical facility, or to protect natural resources without violating the no-net-loss policy.

Title 2 Regional Parking Policy (see Regional Transportation Functional Plan Title 4 Regional Parking Management, Metro Code 3.08.410)

Although Title 2 of the Urban Growth Management Functional Plan was repealed in 2010 by Ordinance 10-1241B, it was added to Metro Code Chapter 3.08 (Regional Transportation Functional

Plan) in the same ordinance. Title 4 of the Regional Transportation Functional Plan provides parking requirements for cities and counties in the region.

Title 4 Industrial and Other Employment Areas (Metro Code 3.07.410-450)

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. The new version of Title 4 limits new schools, places of assembly, recreational facilities and parks (with exceptions for habitat protection) in Regionally Significant Industrial Areas. A new Title 14 (Urban Growth Boundary), discussed below, includes an expedited process for adding large industrial sites to the UGB. The process to amend the Title 4 map does not change. Title 4 sets guidelines for map changes. When considering a map change, local governments should contact Metro staff.

Title 6 Centers, Corridors, Station Communities and Main Streets (Metro Code 3.07.610-650)

The new version of Title 6 moves away from reporting requirements to an incentive approach to encourage cities and counties to develop centers. Title 6 provides 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 (currently defined as new high capacity transit lines).
- 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

Title 6 is no longer a compliance requirement and affects only those local governments who want to be eligible for one of the incentives listed above. A new Title 6 map will be Metro's official depiction of adopted boundaries for centers, corridors, station communities and main streets and will be revised as local governments adopt revised boundaries.

Title 8 Compliance Procedures (Metro Code 3.07.810-870)

Title 8 establishes a process for determining whether a jurisdiction complies with requirements of the Urban Growth Management Functional Plan. To streamline the process, Title 8 was changed to make requests from local governments for extensions of compliance deadlines or exceptions from compliance administrative functions but still allow for an appeal to the Metro Council. The criteria for determining whether an extension or exception is granted remain the same.

Title 9 Performance Measures

Title 9 set out a process for Metro to measure and report on the progress of achieving implementation of the Functional Plan. Title 9 was repealed but the policy of measuring performance is now included in the Regional Framework Plan.

Title 10 Functional Plan Definitions (Metro Code 3.07.1010)

Title 10 defines terms found in Metro Code Chapter 3.07. Changes to Title 10 reflect updated definitions.

Title 11 Planning for New Urban Areas (Metro Code 3.07.1105-1140)

Title 11 was amended during the urban and rural reserves process in spring 2010 and with the more recent adoption of Ordinances 10-1244B and 11-1252A. The new Title 11 requires concept planning for urban reserve areas prior to their coming into the UGB. Previously, concept planning occurred after an area was brought into the UGB. Title 11 also contains outcomes that must be achieved by the concept plan. The concept planning provisions of Title 11 do not apply until December 31, 2011.

Title 14 Urban Growth Boundary (Metro Code 3.07.1405-1465)

The Urban Growth Boundary and reserves procedures and criteria that were in Metro Code Chapter 3.01 were moved to this new Title 14 to join other growth management tools and strategies. In addition, Title 14 includes an expedited process for adding large industrial sites to the UGB (3.07.1435).

Appendices

APPENDIX A

Outstanding Compliance Elements

	Title 1 Housing Capacity	Title 2 ¹ Parking Management	Title 3 Water Quality & Flood Management	Title 4 Industrial and other Employment Areas	Title 5 ² Neighbor Cities & Rural Reserves	Title 6 Centers, Corridors, Station Communities & Main Streets	Title 7 Housing Choice	Title 11 Planning for New Urban Areas	Title 13 Nature in Neighborhoods
Beaverton								See Appendix B	
Cornelius								See Appendix B	
Damascus	Not in compliance	Not in compliance	Not in compliance	Not in compliance			Not in compliance	See Appendix B	Not in compliance
Durham									
Fairview									Not in compliance
Forest Grove								See Appendix B	
Gladstone									
Gresham								See Appendix B	
Happy Valley								See Appendix B	
Hillsboro								See Appendix B	
Johnson City									
King City								See Appendix B	
Lake Oswego				Not in compliance					

¹ While Title 2 was removed from the Urban Growth Management Functional Plan through Ordinance 10-1244B, the requirements of Title 2 were added to the Regional Transportation Functional Plan in the same ordinance.

² Title 5 was repealed in Ordinance 10-1238A

APPENDIX A

Outstanding Compliance Elements

	Title 1 Housing Capacity	Title 2 Parking Management	Title 3 Water Quality & Flood Management	Title 4 Industrial and other Employment Areas	Title 5 Neighbor Cities & Rural Reserves	Title 6 Centers, Corridors, Station Communities & Main Streets	Title 7 Housing Choice	Title 11 Planning for New Urban Areas	Title 13 Nature in Neighborhoods
Maywood Park									
Milwaukie									Not in compliance
Oregon City								See Appendix B	
Portland								See Appendix B	Not in compliance
Rivergrove									
Sherwood								See Appendix B	
Tigard									
Troutdale									Not in compliance
Tualatin								See Appendix B	
West Linn									
Wilsonville								See Appendix B	
Wood Village									
Clackamas County									
Multnomah County								See Appendix B	
Washington County								See Appendix B	

APPENDIX B
TITLE 11 NEW AREA PLANNING COMPLIANCE
(As of December 31, 2010)

Project	Lead Government(s)	Compliance¹	Status
1998 UGB Expansion			
Rock Creek Concept Plan	Happy Valley	yes	Concept plan and implementation measures completed; development on-going.
Pleasant Valley Concept Plan	Gresham and Portland	yes	Concept plan and implementation measures completed; city annexed 524 acres and development to begin in eastern section.
1999 UGB Expansion			
Wich Hazel Community Plan	Hillsboro	yes	Concept plan and implementation measures completed; development on-going.
2000 UGB Expansion			
Villebois Village	Wilsonville	yes	Concept plan and implementation measures completed; development on-going.
2002 UGB Expansion			
Springwater Community Plan	Gresham	yes	Concept plan and implementation measures completed for this mostly industrial area; waiting annexation & development.
Damascus/Boring Concept Plan	Happy Valley	yes	HV portion: Concept plan and implementation measures completed; waiting annexation and development.
	Damascus	no	Damascus portion: Comprehensive plan map approved, implementation measures due late 2011.
Park Place Master Plan	Oregon City	yes	Concept plan and implementation measures completed; waiting annexation & development
Beavercreek Road	Oregon City	no	Concept plan is completed and accepted by Metro; City has put on hold adoption of the final implementing ordinances pending LUBA appeal and work load.
South End Road	Oregon City	no	City working on scope of work & intends to start in spring.
East Wilsonville (Frog Pond area)	Wilsonville	no	City initially completed site analysis w/private builders in 2008; currently City is evaluating and budgeting for major sewer upgrade for eastern portion of City which must be completed before planning and development of site.
Coffee Creek 1 (NW Wilsonville)	Wilsonville	yes	Concept plan and implementation measures completed, including master plan for area adopted, for this industrial area; waiting development.
NW Tualatin Concept Plan (Cipole Rd & 99W)	Tualatin	yes	Concept plan and implementation measures completed for this small industrial area.
SW Tualatin Concept Plan	Tualatin	no	Concept plan has been accepted by City Council, and City now working on code (early 2011).
Brookman Concept Plan	Sherwood	yes	Concept Plan and implementation measures completed; waiting development.
Study Area 59	Sherwood	yes	Concept plan and implementation measures completed; school constructed.
Adams Avenue	Sherwood	yes	Concept plan and implementation measures completed.

¹ The compliance responses are limited to 'yes' or 'no', however, many projects are partially or mostly completed.

APPENDIX B
TITLE 11 NEW AREA PLANNING COMPLIANCE
(As of December 31, 2010)

Project	Lead Government(s)	Compliance	Status
Study Area 61 (Cipole Rd King City)	Tualatin/Sherwood ² King City	no yes	City of Sherwood has no plans for this area yet. Concept plan and implementation measures completed; annexed to city with portion developed as park and rest in floodplain.
West Bull Mountain Concept Plan	Washington County	no	Concept plan adopted; implementation measures scheduled for completion fall 2011.
Cooper Mountain area	Washington County	no	Pending staff confirmation, Wash County to start planning in 2011.
Study Area 64 (14 acres north of Scholls Ferry Rd)	Beaverton	yes	Concept plan and implementation measures completed; annexed to City.
Study Area 69 & 71	Hillsboro	no	Areas are included in South Hillsboro Area Plan.
Study Area 77	Cornelius	yes	Concept plan and implementation measures completed; annexed to City.
Forest Grove Swap	Forest Grove	yes	Concept plan and implementation measures completed; annexed to City.
Shute Road Concept Plan	Hillsboro	yes	Concept plan and implementation measures completed; annexed to City and portion developed with Genentech.
North Bethany Subarea Plan	Washington County	yes	Concept plan and implementation measures completed with final code modifications and finance plan to be completed in 2011.
Bonny Slope West Concept Plan (Area 93)	Multnomah County	no	Concept plan map developed though not yet adopted by Board of Commissioners; completion of process under discussion between Metro and County.
2004/2005 UGB Expansion			
Damascus area	Damascus	no	Included with Damascus comp plan (see above)
Tonquin Employment Area	Sherwood	yes	Concept plan and implementation measures completed.
Basalt Creek/West RR Area Concept Plan	Tualatin and Wilsonville	no	Cities scheduled to begin planning in early 2011.
N. Holladay Concept Plan	Cornelius	no	City due to complete planning in early 2011.
Evergreen Concept Plan	Hillsboro	yes	Concept plan and implementation measures completed.
Helvetia Concept Plan	Hillsboro	yes	Concept plan and implementation measures completed.

² The Metro ordinance conditions designate Tualatin or Washington County as responsible for completing Title 11 planning. City of Sherwood and City of Tualatin indicate that it makes more sense for Sherwood to complete planning since the property is west of Cipole Road.

Appendix C:

COMPLIANCE DATES FOR THE URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

Functional Plan Requirement	When Local Decisions Must Comply		
	Plan/Code Amendment 3.07.810(C) ¹	Land Use Decision 3.07.810(D) ²	Adoption 3.07.810(B) ³
Title 1: Adopt minimum dwelling unit density (3.07.120.B)	12/16/2010		2 years after acknowledgement by LCDC
Title 1: Allow accessory dwelling unit in SFD zones (3.07.120.G) <i>(provision included in previous version of Metro Code as 3.07.140.C)</i>	12/8/2000		12/8/2002
Title 3: Adopt model or equivalent and map or equivalent (3.07.330.A)	12/8/2000		12/08/2002
Title 3: Floodplain management performance standards (3.007.340.A)	12/8/2000	12/08/2001	12/08/2002
Title 3: Water quality performance standards (3.07.340.B)	12/08/2000	12/08/2001	12/08/2002
Title 3: Erosion control performance standards (3.07.340.C)	12/08/2000	12/08/2001	12/08/2002

¹ A city or county that amends its plan to deal with the subject of a Functional Plan requirement any time after the effective date of the requirement (the date noted) must ensure that the amendment complies with the Functional Plan

² A city or county that has not yet amended its plan to comply with a Functional Plan requirement must, following one year after acknowledgement of the requirement (the date noted), apply the requirement directly to land use decisions

³ Cities and counties must amend their plans to comply with a new Functional Plan requirement within two years after acknowledgement of the requirement (the date noted)

Appendix C:
COMPLIANCE DATES FOR THE
URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

Functional Plan Requirement	When Local Decisions Must Comply		
	Plan/Code Amendment 3.07.810(C)¹	Land Use Decision 3.07.810(D)²	Adoption 3.07.810(B)³
Title 4: Limit uses in Regionally Significant Industrial Areas (3.07.420)	7/22/2005	7/22/2006	7/22/2007
Title 4: Prohibit schools, places of assembly larger than 20,000 square feet, or parks intended to serve people other than those working or residing in the area in Regionally Significant Industrial Areas (3.07.420D)	12/16/2010	1 year after acknowledgement by LCDC	2 years after acknowledgement by LCDC
Title 4: Limit uses in Industrial Areas (3.07.430)	7/22/2005	7/22/2006	7/22/2007
Title 4: Limit uses in Employment Areas (3.07.440)	7/22/2005	7/22/2006	7/22/2007
Title 6: (Title 6 applies only to those local governments seeking a regional investment or seeking eligibility for lower mobility standards and trip generation rates)			
Title 7: Adopt strategies and measures to increase housing opportunities (3.07.730)			6/30/04
Title 8: Compliance Procedures (45 day notice to Metro for amendments to a comprehensive plan or land use regulation) (3.07.820)	2/14/03		

Appendix C:
COMPLIANCE DATES FOR THE
URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

Functional Plan Requirement	When Local Decisions Must Comply		
	Plan/Code Amendment 3.07.810(C) ¹	Land Use Decision 3.07.810(D) ²	Adoption 3.07.810(B) ³
Title 11: Develop a concept plan for urban reserve prior to its addition to the UGB (3.07.1110)			2 years after acknowledgement by LCDC
Title 11: Prepare a comprehensive plan and zoning provisions for territory added to the UGB (3.07.1120)	12/08/2000	12/08/2001	2 years after the effective date of the ordinance adding land to the UGB unless the ordinance provides a later date.
Title 11: Interim protection of areas added to the UGB (3.07.1130) <i>(provision included in previous version of Metro Code as 3.07.1110)</i>	12/8/2000	12/08/2001	12/08/2002
Title 12: Provide access to parks by walking, bicycling, and transit (3.07.1240B)			7/7/2005
Title 13: Adopt local maps of Habitat Conservation Areas consistent with Metro-identified HCAs (3.07.1330.B)	12/28/2005	1/5/2008	1/5/2009
Title 13: Develop a two-step review process (Clear & Objective and Discretionary) for development proposals in protected HCAs (3.07.1330.C & D)	12/28/2005	1/5/2008	1/5/2009

Appendix C:
COMPLIANCE DATES FOR THE
URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

Functional Plan Requirement	When Local Decisions Must Comply		
	Plan/Code Amendment 3.07.810(C) ¹	Land Use Decision 3.07.810(D) ²	Adoption 3.07.810(B) ³
Title 13: Adopt provisions to remove barriers to, and encourage the use of, habitat-friendly development practices (3.07.1330.E)	12/28/2005	1/5/2008	1/5/2009