



METRO POLICY ADVISORY COMMITTEE

February 8, 2012

Metro Regional Center, Council Chambers

MEMBERS PRESENT

Sam Adams
Matt Berkow
Jody Carson, 2nd Vice Chair
Steve Clark
Dennis Doyle
Amanda Fritz
Carl Hosticka
Charlotte Lehan
Annette Mattson
Keith Mays
Marilyn McWilliams
Doug Neeley
Barbara Roberts
Loretta Smith, Vice Chair
Bill Turlay
Jerry Willey, Chair

MEMBERS EXCUSED

Shane Bemis
Nathalie Darcy
Michael Demagalski
Andy Duyck
Kathryn Harrington
Jack Hoffman
Wilda Parks
Jim Rue
Steve Stuart
Norm Thomas
William Wild

ALTERNATES PRESENT

Jennifer Donnelly
Josh Fuhrer
Ed Gronke
John Hartsock

AFFILIATION

City of Portland Council
Multnomah County Citizen
City of West Linn, representing Clackamas Co. Other Cities
TriMet Board of Directors
City of Beaverton, representing Washington Co. 2nd Largest City
City of Portland Council
Metro Council
Clackamas County Commission
Governing Body of School Districts
City of Sherwood, representing Washington Co. Other Cities
Washington County Special Districts
City of Oregon City, representing Clackamas Co. 2nd Largest City
Metro Council
Multnomah County Commission
City of Vancouver
City of Hillsboro, representing Washington County Largest City

AFFILIATION

City of Gresham, representing Multnomah Co. 2nd Largest City
Washington County Citizen
City of North Plains, representing Washington Co. outside UGB
Washington County Commission
Metro Council
City of Lake Oswego, representing Clackamas Co. Largest City
Clackamas County Citizen
Oregon Dept. of Land Conservation & Development
Clark County, Washington Commission
City of Troutdale, representing other cities in Multnomah Co.
Clackamas County Special Districts

AFFILIATION

Oregon Dept. of Land Conservation & Development
City of Gresham, representing Multnomah Co. 2nd Largest City
Clackamas County Citizen
Clackamas County Special Districts

STAFF:

Jessica Atwater, Richard Benner, Nick Christensen, Andy Cotugno, Councilor Shirley Craddick, Andy Cotugno, Chris Deffebach, Kim Ellis, Mike Hoglund, Alison Kean-Campbell, Kelsey Newell, Ken Ray, Sherry Oeser, Gerry Uba.

1. CALL TO ORDER AND DECLARATION OF A QUORUM

Chair Jerry Willey declared a quorum and called the meeting to order at 5:05 p.m.

2. SELF INTRODUCTIONS AND COMMUNICATIONS

All attendees introduced themselves.

3. CITIZEN COMMUNICATIONS ON NON-AGENDA ITEMS

There were none.

4. COUNCIL UPDATE

Councilor Hosticka updated the group on the following points:

- Individual Councilors have been visiting their districts to brief elected officials on the Climate Smart Communities Scenarios (CSCS) Projects Phase 1 Findings Report.
 - The Council will bring the CSCS Project back to MPAC to discuss how to move forward with the next choices the Project will face.
- The Intertwine Alliance Summit on Friday, February 3, 2012 was highly successful.
 - Metro has received a grant to work with The Intertwine to provide trail signs.
 - The Intertwine launched their new, interactive website.

5. CONSIDERATION OF THE CONSENT AGENDA

- **The January 25, 2012 MPAC Minutes**
- **2012 MTAC Membership Nominations**

MOTION: Mayor Doug Neeley moved, Amanda Fritz seconded to adopt the consent agenda.

ACTION TAKEN: With all in favor, the motion passed.

6.0 INFORMATION/DISCUSSION ITEMS

6.1 POPULATION AND EMPLOYMENT FORECAST AND GROWTH DISTRIBUTION

Mayor Willey highlighted the interconnectivity of all Metro projects with the population and employment forecast and growth distribution projects. Mr. Mike Hoglund introduced the project, emphasizing its importance as the foundation for all planning in the Metro region. Mr. Hoglund and Mr. Gerry Uba of Metro then gave a PowerPoint presentation on the project.

The Forecast is updated every 5 to 7 years. The goals for this update were to be more accurate, be more time efficient, enhance collaboration, utilize updated data and tools, increase usefulness of the

distribution information, and identify areas for future research. There are two steps to complete the project process: 1) produce a population and employment forecast along with a capacity analysis and 2) to distribute the forecast to address local capacity needs in coordination with cities and counties. A population and employment range forecast was developed in 2009 and included the 7-county Metro area. This allocation focuses on the three Oregon Metro counties and the Metro region.

The first step in the growth distribution process was completed in October 2011 with the development of the “supply” side of the distribution. Despite the recession and low employment growth, the region is still growing overall. However, the region’s rate of growth has slowed since 2007. This is why the Council chose to adopt the lowest of the lower third of the range forecast for the capacity ordinance in October 2011’s Growth Management Decision.

Step two is currently underway and will allocate forecasted growth to available supply. This presentation focused more on dwelling unit capacities rather than employment lands, as capacity in employment lands has essentially been met, and industrial lands are reviewed as part of separate analysis. These capacities constitute what is available to meet future growth, and will not necessarily be built out.

A main difference between the Urban Growth Report and the Growth Distribution is that the latter uses Transportation Analysis Zones (TAZ) as units of measurement. There are about 300 households per TAZ, and there are 2,162 Transportation Analysis Zones (TAZ) in the region. The TAZ boundaries are particularly important for projects like Climate Smart Communities Scenarios because it allows for more precision in analysis and implementation.

The estimated land supply and dwelling unit capacity estimates include vacant land, re-developable land, new urban areas, urban reserves, and urban renewal areas. Estimates of capacity were based on the available supply factored by zoning. (Metro staff developed a “regional equivalency” zoning map by consolidating over 700 local zones into 48 regional zones). 52% of the dwelling unit capacities will be met with redevelopment of multi-family housing. Adopted community plans have been taken into consideration in this forecast. Mr. Hoglund clarified that a single-family ‘re-development’ property would be defined by purchasing a piece of property with a dwelling or building already on it, tearing down that dwelling or building, and building a new dwelling. He also clarified that expiration dates on urban renewal areas had been taken into account, as well as jurisdictional opinions as to whether or not end-dates will be extended. That was done through conversations with the local planning staff in each Metro area jurisdiction.

National trends indicate that there is a growing demand for multi-family housing. The challenge with this trend is figuring out how much multi-family housing will be demanded in our region; there is contradicting research throughout the country, which makes it difficult to accurately estimate the future mix of single vs. multi-family development. Redevelopment supply assumptions in our current forecast may be somewhat ambitious, there will be opportunities for future discussion.

Mr. Hoglund noted that funding for additional research would be necessary to look at some of the key redevelopment assumptions in more detail.

Currently, jurisdictional review of the current version of the MetroScope Forecast ("Gamma") is being performed through the year 2025. Metro staff will take review comments on this subset, then submit forecasts from 2030 through 2045 in 5 year increments for review. Metro staff will be collaborating with regional planning directors, local governments inside and outside of the UGB to complete the TAZ Forecast. Metro will also review methodology and procedures with county coordination meetings, hold one-on-one meetings with local governments inside the UGB, and one-on-one meetings with neighboring cities and Clark County. The Metro Council will vote on the official TAZ forecast in the summer of 2012, after the final review of the MetroScope Gamma TAZ Forecast in late spring and summer. This report will return to MPAC as review is completed and the TAZ Forecast is prepared to go to vote at Council.

Group Discussion Included

Some members expressed that they have serious concern with the assumptions of the supply of dwelling units estimated by this forecast.

Staff clarified that the margin of error on the Forecast is probably 10%, plus or minus, through 2025, and increases as the years go farther out. These numbers will be re-visited each time we perform a periodic review.

Chair Willey highlighted that this forecast will be critical in the upcoming Urban Growth Boundary decision, jurisdictions will need to know what the forecast is in considering whether or not to lobby for expansion.

Some members raised concerns with the housing assumptions for Damascus, saying that they seem more aspirational than realistic, although they are for 2045.

Some members inquired if the population analysis and capacity analysis match up well Staff clarified that it must be broken down by geography and job accessibility as well, but that it appears the region will experience problems with population and capacity in 2045.

Mr. Steve Clark of TriMet expressed that TriMet would hope to encourage this housing and population increase to occur along major corridors.

Some members felt that more scenario work needs to occur with this project.

Some members expressed concern that demands may be greater than this capacity analysis has indicated.

Staff noted that there are some assumptions in this capacity about the future. The Forecast does include some projected zoning in new urban areas and urban reserves. Upon further discussion, Mr. Uba clarified that the basis for the forecast is existing City/County zoning and comprehensive plan designations and that no assumptions were made about future rezoning.

Some members expressed concern that the multi-family housing capacity for multi-family housing is higher than the region will need; while Portland may support the amenities needed to prefer multi-family housing, other areas in the region may not. Some inquired as to whether or not the model included the probability of re-development. Staff clarified that those lands that are re-

developable but are not re-developed due to personal choice is a percentage at the margin. With generational shift, this will most likely change.

Some members encouraged Mr. Hoglund and his team to consider the difference between “housing preference” and “living preference” and to consider more quality-of-life factors when considering what influences a person’s preference for single- or multi-family housing.

Some members shared that they had recently learned that Generation Ys expectations for living situations are currently, radically different from older generations. 12% desire to live in single family homes, a much lower percentage than the previous generation. This could change over time, but seems to be a dramatic shift from past trends. Staff agreed to make an effort to track and potentially incorporate this trend into future Forecasts.

Some members were concerned that trends of people leaving the City of Portland for other parts of the region due to costs concerns may not be incorporated into the Forecast. Staff clarified that each household that is forecasted for the future is broken down by age, income, and other demographics; and housing demand is market driven based on these demographics. MetroScope does include housing cost considerations.

Mayor Adams clarified that upon completion of the Portland Plan, it was confirmed that the City of Portland does not have to up-zone any areas to maintain a 20 year housing supply. He is concerned though about the affordability of the housing supply, and that there are certain areas of Portland that are underperforming in housing supply, for example the Gateway neighborhood.

Some members expressed concern as to the margin of error of single-family housing capacity in Clackamas and Washington Counties. It is expected that 56% of single-family housing capacity will be met in these counties. If this is incorrect, it would be negative for the region.

Staff clarified that the MetroScope model is dynamic. It takes into account the land use forecast data, which is financially constrained, to allocate jobs and household type based on these factors. The maps show jobs and household type and how they will change in each area.

Some members discussed that not all communities should follow the ‘central city’ model that Portland follows. The ‘village’ and ‘crossings’ models are already occurring around the region. Staff clarified that MetroScope does allow for these types of variations.

Staff did look at existing light rail lines and whether or not to expect development along these areas. They did not make any assumptions about re-zoning in the future as it is not in Metro’s jurisdiction.

6.2 2012 MPAC WORK PROGRAM

Members discussed their preferences for the 2012 MPAC work program.

Group Discussion Included

Priorities and Funding

Members recalled some of the projects in the first tier of the results for the 2012 MPAC work program survey: the Climate Smart Communities Scenarios Project, housing affordability and equity. Members noted that the equity portion of this topic needs regional discussion.

It was highlighted that some of these topics have no funding through Metro, housing affordability and equity are two of those topics. If the committee would only like a forum for discussion, MPAC can certainly pursue this topic, but taking action will be complicated due to a lack of finances.

Some members made the point that the topics MPAC works on will only be successful in the region's ability to invest in these areas. Mr. Steve Clark, who also serves on the Community Investment Initiative's Leadership Council, recalled that former Metro Chief Operating Officer, Michael Jordan, estimated that the region can only invest in about one third of the necessary infrastructure, which represents a \$27 billion gap. Mr. Clark suggested inviting a presentation from the Community Investment Initiative. He highlighted that all projects are deeply interconnected through infrastructure, and that it is important that the region can generate the resources to invest in our infrastructure.

Tours

In regards to MPAC tours, staff suggested this format: first, submit a tour topic for the particular tour area; second take the tour; third, utilize the next scheduled MPAC meeting to discuss the tour.

Members agreed that a 5 to 7 p.m. time period is much easier to negotiate for schedules, and that traffic may be worse during rush-hour times or on Fridays. Some members liked the idea of meeting at the site, though others said it may depend on the tour site. A few members would like tours to be a separate item from MPAC meetings, a supplemental item. The group agreed that not all members may be able to attend the meeting. Staff will try to relate all tours to pertinent MPAC topics.

Mr. Ed Gronke emphasized that members Ms. Wilda Parks and Mr. William Wild's organizations are interested in working together to host MPAC for a tour of the unincorporated area of Clackamas County.

Some members agreed that discussing the unincorporated areas of the region from a historical perspective would be beneficial.

Economic Development

Some members agreed that, with the current economy, every government organization should be talking about economic development. They expressed interest in having a vertical discussion with Metro, the Port of Portland, cities, and other agencies as to and how respective economic development policies can work together to achieve greater effect. Chair Willey would like to include this item with the Greater Portland Inc. discussion. Some members clarified that they would like for this discussion to go beyond how to attract large industrial employers but also how to grow small business as well on the small industrial lots already available.

Members discussed inviting the new TriMet board director, Mr. Bruce Warner, to MPAC. Members also expressed a desire to have a joint MPAC, JPACT, TriMet discussion. Some members hoped specifically to be able to discuss rail at this meeting.

Members were receptive to Metro staff's suggestion to exchange one regular MPAC meeting in April for an opportunity to hear a presentation from and have a question and answer session with Mr. Michael Freidman, a prominent designer from the bay area. He will be in Portland on April 19th for an international conference, and Metro is helping to fund him. He is an expert in the area of redeveloping business ports and corridors, which is pertinent to MPAC. The presentation will be on a Thursday night instead of a Wednesday night, and could be opened to a broader audience.

Chair Willey and Ms. Robin McArthur of Metro agreed to connect with some members to further define topics for the 2012 work program and gather feedback as to whether that item should be a discussion/information item or action item.

7.0 MPAC MEMBER COMMUNICATIONS

Mr. Steve Clark of TriMet shared information and circulated handouts regarding TriMet and the \$17 million budget short fall it faces for the 2012-2013 fiscal year. These current budget problems exist in part because of poor board decisions, employee healthcare and retirement plans, and reliance on payroll taxes. TriMet director, Mr. Neil McFarland, and a citizen advisory committee have recommended some changes, focusing on reduced services:

1. Eliminate the free rail zone
2. Changing the fare structure (one flat fare)
3. Ad space online
4. Streetcar clarify
5. Bus re-routes
6. Internal efficiencies
7. Increasing MAX headways during non-peak hours

Ultimately, TriMet's goal is to cut service as a last resort. The total of these adjustments is \$17.7 million, closing the budget gap for next year. TriMet anticipates making these decisions in May or June of 2012, to take effect in September 2012, and will be asking the community to give their input at public hearings. What is done beyond the above decisions is a community decision. TriMet needs input from everyone. MPAC members were encouraged to give input. Mr. Clark encouraged members to contact him personally.

Group Discussion Included

TriMet board members will be taking testimony in person at the public hearings.

Realignment of LIFT service will occur to be more efficient, changing rates to be more in line with MAX and bus fares in order to encourage only those most in need of the service to utilize it. This would help to decrease the cost of LIFT while still serving those most in need. A passenger's decision, whether they feel comfortable on fixed route service, is very emotional, very difficult.

Members expressed concern that while ridership is rising, TriMet will be decreasing service. Mr. Clark reiterated that TriMet is trying to preserve service at all cost, service reduction tolerance is very low with the public; tolerance for fare increases is slightly higher. If TriMet weren't facing the issue of providing benefits and retirement as the current contract provides, this budget issue would not be so difficult. TriMet values its union, its operators, but the current model is not sustainable. If members have serious interest in this issue, communication with the American Transportation Union, and the Governor is appropriate.

TriMet is not considering new, local transit service models at this time. TriMet has looked at variable forms of community transit in the past, but also has a very strong American Transportation Union. TriMet has not evaluated taking apart TriMet in areas, or changing contractual obligations.

8. ADJOURN

Vice Chair Willey adjourned the meeting at 7:00 p.m.

Respectfully submitted,



Jessica Atwater
Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR 02/08/12:

The following have been included as part of the official public record:

| ITEM | DOCUMENT TYPE | DOC DATE | DOCUMENT DESCRIPTION | DOCUMENT NO. |
|------|---------------|---------------|---|--------------|
| 6.1 | PowerPoint | 2/8/2012 | Population and Employment Forecast Growth and Distribution Updated Presentation | 020812m-01 |
| 6.2 | Document | 1/11/2012 | MPAC 2012 Work Program Potential Topics | 020812m-02 |
| 7.0 | Letter | 2/8/2012 | MPAC Member Ms. Nathalie Darcy letter to MPAC | 020812m-03 |
| 7.0 | Document | February 2012 | TriMet: Challenges & Choices Initial Proposal | 020812m-04 |
| 7.0 | Document | February 2012 | TriMet: Challenges & Choices Proposal | 020812m-05 |