

MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, October 7, 2003
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Susan McLain, Brian Newman, Carl Hosticka, Rod Park, Rod Monroe, Rex Burkholder

Councilors Absent:

Council President Bragdon convened the Metro Council Work Session Meeting at 1:02 p.m.

1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, OCTOBER 9, 2003.

Council President Bragdon reviewed the agenda for this week.

2. PROGRAM OPTION CHOICES FOR THE FISH AND WILDLIFE HABITAT PROTECTION

Chris Deffebach, Planning Department, suggested that the one area that Council needed prep work on was in the economic analysis area. She felt this might come up during public testimony. She reviewed the economic methodology, property value based on tax assessments, employment density, and 2040 designation.

Councilor Burkholder asked about parcel square footage. Councilor Park asked how they accounted for the EFU lands within the Urban Growth Boundary (UGB). Councilor Park mentioned farm deferral impacts. He wanted to make sure this land was accounted for properly. Councilor McLain asked if this was not being captured on another map. Councilor Park said this map reflected a dollar value per square foot. Ms. Deffebach commented that no one had pointed that out.

Ms. Deffebach spoke to the employment density issue. She said it was an average density. The map showed where the conflicts were in the regional significant areas. Councilor McLain spoke to number of employees as well as types of businesses that they wanted to have in a certain area. Ms. Deffebach said the map showed the job generating areas. Andy Cotugno, Planning Director, talked about rating higher income jobs. Ms. Deffebach said the map showed what was there today. The third policy assessed 2040 Design Type Policy Priorities. Councilor Burkholder asked how they were treating the UGB expansion and Damascus areas. Ms. Deffebach said they didn't have a design type yet for the Damascus area. They haven't planned it yet. Mr. Cotugno said they discussed applying the zoning in the regional center. He talked about rural zoning and economic value. If we were using the zoning that raised the issue about land within the UGB as well as the new expansion areas. Councilor Park said the question was what reflected the true economic value. Michael Jordan, Chief Operating Officer (COO), talked about Springwater which was brought into the boundary by Council decision last December. He suggested using the employment capacity. He asked why it would show up on the map as included. Ms. Deffebach said when they were ready to be treated as town centers they would be able to add that information. Councilor Newman asked if there were employment areas not covered by the second map. Ms. Deffebach talked about high versus medium areas. She then addressed the final map, Component Summary Highest Overall Value. She said this related to Option 2. Councilor Newman asked what would be the policy justification for including the high value land. Ms.

Deffebach said Economic Technical Advisory Committee (ETAC) would be looking at the high value residential land and how this would apply to the options. Councilor Hosticka pointed out that some of the high value lands had to do with the fact that they were close to natural resource areas such as rivers and lakes. Mr. Cotugno talked about treating single-family residents differently. Councilor Park talked about Springwater and the compliance with Goal 5 protection. Mr. Jordan said with the new lands, we had made a policy statement that would have a certain economic value. They would have to make estimates because they didn't have values assessed or zoning in place.

Councilor Hosticka said there was opportunity to minimize the two; the conflicts may not be as great. Mr. Jordan noted that in the new areas there was no economic listing. Councilor McLain said there should be some recognition of what we know about the land that has just been brought in. Ms. Deffebach said she didn't think they had the answer. The biggest issues were how did we assess value when the expansion areas had not been planned. Ms. Deffebach said they had a few minor points. They were still looking at assumptions and criteria. She asked Council for additions. Councilor McLain talked about the materials provided. We have to be very careful with materials that were handed out or there could be mass confusion. She suggested talking to staff that had been out to the workshops to be prepared for the kinds of questions, comments and concerns people had. Ms. Deffebach said they had a power point presentation to summarize the key points (a copy of which is included in the meeting record). Councilor Park returned to the Springwater issue. If we add the town center designation and raise the economic value it might potentially change the level of regulation. He asked about future design type designation and how these options would be applied. Dick Benner talked about concept planning. Once they had concept planning, they would be responsible to apply Metro's Environmental Social Economic Energy (ESEE) consequences. He spoke to new land conditions. If they were completing the concept planning before Council adopted a Goal 5 program they had to use that construct and apply it. Councilor Park talked about land speculation, which might be impacted by a Goal 5 program. Councilor Burkholder asked how was this information shared. Councilor Hosticka said they could talk to real estate associations.

Council President Bragdon suggested touching on institutional developments. Ms. Deffebach said neither economic nor social picked up on institutional developments. She suggested several ways to assess these developments. These developments did have similar long term planning issues. Ms. Deffebach detailed the upcoming calendars including Metro Policy Advisory Committee (MPAC) and Metro Technical Advisory Committee (MTAC). Councilor McLain said they had asked for a one-sheet summary to explain the issues.

3. REGIONAL ECONOMIC DEVELOPMENT PARTNERS UPDATE

Lydia Neill, Planning Department, said there were a number of members of the Regional Economic Partners in the audience. She said they had met with the State to talk about the 2611 legislation passed recently. They were looking for 50 acres or larger industrial sites that were shovel ready as State sites. They would like to prepare a letter from Council to the Governor suggesting some of the sites. Ms. Neill said they would have to be in the UGB and be development ready. There could be a tie in with RSIA. Councilor Newman asked about areas that did not have concept planning done yet, would those sites be considered. Ms. Neill said Shute Road and Springwater were two sites mentioned by the Governor. Larry Pederson, Regional Economic Development Partners, thanked Metro for its partnership and provided a power point presentation on the group's work (a copy of which is included in the meeting record). He reviewed who was involved in the Partners group. He talked about the history of the group. There were over twenty-five organizations involved in the Partnership. There was a great diversification

in the membership. He detailed some of the members and what areas were covered by this partnership. He spoke to what was a regional economic development strategy. He spoke to the need for a collegial environment. Councilor Burkholder said he felt there was a difference between achieving economic activity versus economic strategy. What was the end point? Council was looking long range at the goals of the region. Mr. Pederson said there had been a divergence in the discussion, short term versus long term.

He said Metro policy impacted economic development simultaneously economic development and the economy impacted Metro. He detailed some of the impacts. He talked about what companies looked for in the larger Metro region. They wanted choices of sites and employees. He talked about lack of choices didn't make the region less competitive but not considered at all. Range of adequate choice was important to the decision-making. He talked about quality of life was the tiebreaker at the end of the process. He talked about the region's reputation among site selectors. He noted positives and negatives. Council President Bragdon asked if this had to do with industrial sites only. Mr. Pederson said yes. Councilor McLain asked about the process. Mr. Pederson said they had site selectors come to Portland to review the area and asked for their feedback. Councilor McLain asked about education. Mr. Pederson said K through 12 would become a problem if we don't deal with the current issues. Education played a role and could become an issue sooner rather than later. Councilor Hosticka asked about the tax policy and why it was not on the negatives for site selectors. Mr. Pederson said we were not situated as badly as local perception might make out. Council President Bragdon said this depended upon how you were focused. Mr. Pederson talked about including Clark County in the mix. Council President Bragdon asked who was this about. Mr. Pederson said these groups were big operations. He reviewed the site selector suggestions for what the Portland region could do to draw business: an inventory, marketing, encouraging existing manufacturers to adopt new technologies, broader community of careers, improved highways and transportation linkages, and also businesses fleeing California. He talked about industry cluster evolution. Councilor Burkholder spoke to a talented labor pool and congestion issue. He said they needed to talk about the myths or perceptions that were not valid.

He talked about UGB expansion, Center development, transportation investments, regional collaboration, and regional economic success. Councilor Newman said we tended to obsess about locational decisions. Were there studies of healthy regional economies in other parts of the county and local home grown companies that were here versus bringing in new companies? Mr. Pederson said there was benefit to both. The most successful and recession proof regional economy were the ones that had the greatest amount of home grown companies. A fertile cultural of innovation will grow the local businesses. Councilor Park talked about options for site selection and keeping large companies once they were here. Site selectors were looking at supply no matter what the acreage. Council President Bragdon asked about preserving sites versus creating sites. Councilor McLain noted regional collaborative economic goals. She appreciated the connection. She spoke to the ethic of recycling and conservation. How did you balance flexibility with reality? Mr. Pederson said their first desire was to look at the existing facilities. This was their base line in terms of the request.

Councilor Monroe spoke to smart decisions but he felt that the tax structure was a deterrent as long as we rely on property and income taxes. How big of a problem was the tax structure of the State? Mr. Pederson said yes and no. Where we really got into a bind on the tax structure but the volatility of the way we collected taxes. It was not about how much taxes but how big the roll-a-coaster. They talked about the need for dollars for the educational system. Councilor Park asked how the regional economy dovetailed with the State economy. Mr. Pederson said he did not think they were in conflict. There were many similarities and they were trying to get to the same end.

Council President Bragdon spoke to next steps, which was the development of the economic policy. Economic development and real estate development was not the same thing. We needed to create the demand.

4. PILOT CENTER REPORT

Councilor Newman introduced Centers discussion. He talked about the pilot center program. They had asked jurisdictions to nominate their Centers. City of Portland decided not to compete. The struggle was in the suburban markets. They would be working with Metro and doing their own development strategy following Metro's strategy. The Request For Proposal had generated a lot of enthusiasm. They had received six applications, Hillsboro, Beaverton, Rockwood in Gresham, Oregon City, Lake Oswego and Milwaukie. Brenda Bernards and Sherry Oeser, Planning Department, said anyone of these entities would make a good partner. They were all good proposals. They were pleased with the quality of the applications. They were planning to have a recommendation by this coming Monday. She spoke to the strengths and weaknesses of each proposal. She spoke to financial and in-kind contributions. Councilor McLain talked about the need for a 'need' criteria. There were some jurisdictions that could not afford to do their town center where others could. Councilor Burkholder talked about factors and some factors should be in place to be a successful center. He thought there were two different emphases. Councilor Newman spoke to being able to succeed on their own versus those who had done very little work may not be ready to become a success center.

Ms. Oeser spoke to the composite of the Centers Committee. Ms. Bernards said they wanted to choose a center to give them the most information to help other centers. Councilor McLain said there were issues both political as well as money. She gave an example of this situation. They were going to have to explain why one center was chosen over the others. Councilor Newman asked Council if they preferred a regional center versus town center. Council President Bragdon said success was the key but he had not preference. Councilor Park asked about ranking. Ms. Oeser said in the resolution the one center would be called out but they could rank the others in the resolution. Councilor Park said if for some reason Number 1 couldn't do the program, we might want Number 2. Councilor Newman talked about the fact that cities might want to argue their case. Councilor Hosticka spoke to readiness. He thought this might be a consideration in the recommendation. They would want to show some results. Mr. Jordan said he might be asked, "How did we do". Did Council have a vision of success? These needed to be articulated. Council President Bragdon said there had to be an element of leverage. He liked the market factors in the criteria. Had there been private investment that followed this. Mr. Cotugno said he felt they wanted to see something on the ground in the next three years. Mr. Jordan said the system needed to be transparent. Councilor Monroe said \$100,000 wasn't very much money. He wanted to see it used to make a difference. He talked about success or failure of regional centers versus town centers. He spoke to the importance of transit. He thought that was an important criterion. There had to be strong private involvement and strong committed local government.

Councilor Burkholder asked about evaluation criteria. Mr. Jordan said they were going to run into a problem with trying to determine cause and effect and how to prove success. The philosophical question of need and time was a difficult one. Ms. Bernards talked about the Leland Report and what was needed to make a successful center. Leadership, private investment, and planning needed to be in place. Repeatableness was also important so they can apply lessons learned. Councilor Newman talked about the applications and the opportunity to conceive the vision. Councilor Hosticka suggested going with the one they thought would be the most successful. Councilor McLain questioned repeatableness. Ms. Bernards spoke to next steps.

5. INDEX OF BIOLOGICAL INTEGRITY RESEARCH RESULTS

Lori Hennings, Planning Department, talked about field studies to support the Goal 5 work in progress. She spoke to the results of these studies (a copy of the power point presentation is included in the meeting record). The studies provided a local scientific foundation for Goal 5. These studies could prevent litigation. It also laid the foundation for changes over time. She provided examples of the field studies. She spoke to the riparian study where they looked at the relationship between environment and stream quality. She talked about the results. Many streams were in fairly poor quality. Even though 88% were severely impaired, they did find 16 intermediate sites. She updated Council on the Damascus project. Council President Bragdon talked about the results and how that would help with upcoming development. Councilor McLain said she felt these field studies were essential. She talked about the need for storm water work. Councilor Newman observed that many of the streams were already degraded but restoration was key to improving the health of the stream corridors. Councilor Burkholder asked about the impact of storm water. Was there research on if those streams that were restored? Ms. Hennings said there had been research. Planting trees was a good strategy. What you do in urban stream for restoration was very different from what you do in a rural area. She talked about the Tryon Creek watershed and the impact of the storm water. Councilors commented on the research. Councilor McLain spoke to the vision agreement and improvement to the streams and sites. Councilor Newman asked about the storm water article. Ms. Hennings concluded that if we didn't deal with storm water and tree canopy conditions will go down hill.

6. CITIZEN COMMUNICATION

Elizabeth Tucker, Acting MCCI Chair, introduced herself. She asked about normal communication with the Council. Councilors responded to her question.

7. CHIEF OPERATING OFFICER COMMUNICATION

Mr. Jordan talked about the Council retreat and the agenda.

8. COUNCILOR COMMUNICATION

Councilor McLain reported on the Agricultural symposium. She had talked to the Westside Economic Alliance. Councilor Newman reminded that tomorrow was Walk Your Children to School Today. He also reminded the Council about Salmon Festival.

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:05p.m.

Prepared by,

Chris Billington
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF OCTOBER 7,
2003**

Item	Topic	Doc Date	Document Description	Doc. Number
1	Agenda	10/09/03	Metro Council Agenda for 10/09/03	100703c-01
2	Power Point Presentation	10/07/03	To: Metro Council From: Chris Deffebach Re: Metro Fish and Wildlife Habitat Program Protection Update Fall 2003 Power Point	100703c-02
3	Power Point Presentation	10/7/03	To: Metro Council From: Larry Pederson, Regional Economic Development Partners Re: Power Point Presentation on Partners group	1007093c-03
5	Power Point Presentation	10/7/03	To: Metro Council From: Lori Hennings, Planning Dept. Re: Index of Biological Integrity Research Results Report to Council Fall 2003 Power Point on Goal 5 scientific research	100703c-04