

A G E N D A

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METRO

Agenda

MEETING: METRO COUNCIL REGULAR MEETING – revised 2/26/2004
DATE: March 4, 2004
DAY: Thursday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS

3. CONSENT AGENDA

3.1 Consideration of Minutes for the February 26, 2004 Metro Council Regular Meeting.

4. ORDINANCES - SECOND READING

4.1 **Ordinance No. 04-1034**, For the Purpose of Annexing into the Metro District Boundary Approximately 202.9 Acres at Evergreen and Shute Roads in the City of Hillsboro and Declaring an Emergency. McLain

4.2 **Ordinance 04-1033A**, For the Purpose of Amending Metro Code Chapter 3.09 (Local Government Boundary Changes) to Allow Use of the Expedited Process for Changes to the Metro District Boundary and to Clarify Criteria for Boundary Changes, and Declaring an Emergency. McLain

5. RESOLUTIONS

5.1 **Resolution No. 04-3427**, For the Purpose of Responding to USDOT Concerns, Revising the Conformity Determination Report and Re-adopting the Portland Area Air Quality Conformity Determination for the 2004 Regional Transportation Plan and 2004-07 Metropolitan Transportation Improvement Program. Monroe

5.2 **Resolution No. 04-3428**, For the Purpose of Entering an Order Relating To Compliance with the Urban Growth Management Functional Plan. McLain

6. CHIEF OPERATING OFFICER COMMUNICATION

7. COUNCILOR COMMUNICATION

ADJOURN

Television schedule for March 4, 2004 Metro Council meeting

Clackamas, Multnomah and Washington counties, Vancouver, Wash. Channel 11 -- Community Access Network www.yourtv.org -- (503) 629-8534 Thursday, March 4 at 2 p.m. (live)	Portland Channel 30 (CityNet 30) -- Portland Community Media www.pcatv.org -- (503) 288-1515 Sunday, March 7 at 8:30 p.m. Monday, March 8 at 2 p.m.
Gresham Channel 30 -- MCTV www.mctv.org -- (503) 491-7636 Monday, March 8 at 2 p.m.	Washington County Channel 30 -- TVTV www.yourtv.org -- (503) 629-8534 Saturday, March 6 at 7 p.m. Sunday, March 7 at 7 p.m. Tuesday, March 9 at 6 a.m. Wednesday, March 10 at 4 p.m.
Oregon City, Gladstone Channel 28 -- Willamette Falls Television www.wftvaccess.com -- (503) 650-0275 Call or visit website for program times.	West Linn Channel 30 -- Willamette Falls Television www.wftvaccess.com -- (503) 650-0275 Call or visit website for program times.

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

Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, 797-1542. Public Hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by email, fax or mail or in person to the Clerk of the Council. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office)

Consideration of Minutes of the February 26, 2004 Regular Council meetings.

Metro Council Meeting
Thursday, March 4, 2004
Metro Council Chamber

**Ordinance No. 04-1034, For the purpose of Annexing into the Metro District
Boundary approximately 202.9 Acres at Evergreen and Shute Roads in the
City of Hillsboro and Declaring an Emergency.**

Second Reading

Metro Council Meeting
Thursday, March 4, 2004
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ANNEXING INTO THE) ORDINANCE NO. 04-1034
METRO DISTRICT BOUNDARY)
APPROXIMATELY 202.9 ACRES AT)
EVERGREEN AND SHUTE ROADS IN THE)
CITY OF HILLSBORO AND DECLARING AN) Introduced by Councilor McLain
EMERGENCY)

WHEREAS, Metro has received a petition from property owners and registered electors to annex approximately 202.9 acres of land in the vicinity of the intersection of Evergreen and Shute Roads in the City of Hillsboro to the Metro district boundary; and

WHEREAS, this annexation involves territory that was added to the urban growth boundary by Ordinance No. 02-983B ("For The Purpose Of Amending The Metro Urban Growth Boundary To Add Land For A Specific Type Of Industry Near Specialized Facilities North Of Hillsboro") on December 5, 2002, and acknowledged by the Land Conservation and Development Commission on June 2, 2003; and

WHEREAS, the annexation has been initiated by the owners of the property in the territory and involves territory contiguous to the district boundary; and

WHEREAS, notification of this proposed annexation was published on January 23, 2004, as required by Metro Code 3.09.030; and

WHEREAS, Metro has received written consent from a majority of the owners of the land and a majority of the electors in the territory; and

WHEREAS, no necessary party has contested the annexation; and

WHEREAS, the Metro Council held a hearing on the proposed annexation on March 4, 2004 to consider a report on the petition and to consider testimony; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The territory described in Exhibit A, attached and incorporated into this ordinance, is hereby annexed to the Metro district boundary.
2. Approval of this annexation is based upon the findings of fact and conclusions of law set forth in Exhibit B, attached and incorporated into this ordinance.
3. Pursuant to Metro Code 3.09.050(f), this annexation is effective immediately upon adoption of this ordinance.

4. This ordinance is necessary for the immediate preservation of public health, safety and welfare because annexation to the district is a pre-requisite to urbanization of this territory, added to the urban growth boundary to satisfy a short-term need for a particular type of industrial land. An emergency is therefore declared to exist, and this ordinance shall take effect immediately, pursuant to Metro Charter Section 39(1).

ADOPTED by the Metro Council this ____ day of _____ 2004.

David Bragdon, Council President

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, Metro Attorney

Exhibit A to Ordinance 04-1034
Annexation AN-1014
Legal description

A tract of land in Section 21 and Section 22, Township 1 North, Range 2 West, Willamette Meridian, Washington County, Oregon, being more particularly described as follows:

Commencing at the southeast corner of the Constable Donation Land Claim No. 71;

thence North 89° 31' West, along the south boundary of said claim, a distance of 290.0 feet;

thence North 0°29' East, a distance of 45.0 feet to a point on the north right-of-way line of NW Evergreen Road and the TRUE POINT OF BEGINNING;

thence North 89° 31' West, along said right-of-way line, a distance of 1030.09 feet to an angle point in said right-of-way being on the east boundary of Lot 17, Five Oaks, a duly recorded subdivision in said county

thence South 0°29'00" West, along said east boundary and right-of-way line, a distance of 25.0 feet to an angle point therein;

thence North 89°31'00" West, along said right-of-way line, a distance of 401.33 feet to a point on the east boundary of that tract of land conveyed to Robert A. Nicholas and Dona L. Garriott by deed recorded June 8, 1995 as Document No. 95039176 in Deed Records of said county;

thence North 89°31'00" West, continuing along said right-of-way line, a distance of 195.00 feet to the west boundary of said tract;

thence North 89°31'00" West, along said north right of way line, a distance of 778.74 feet;

thence North 0°29' East, a distance of 25.0 feet;

thence South 89°31'00" East, parallel with the centerline of Evergreen Road, a distance of 30.07 feet;

thence along a 25 foot radius curve, to the left, with a central angle 90° 09' 17", an arc distance of 39.34 to a point on the west right-of-way line of Northwest 253rd Avenue;

thence North 0°19'43" East, along said west right of way line, a distance of 1249.93 feet to an angle point in said right-of-way line, also being a point on the north boundary of Lot 15, Five Oaks;

thence South 89°40'17" East, along said boundary, a distance of 5.0 feet to a point on the west right of way line of said Northwest 253rd Avenue (C.R. 1054);

thence North $0^{\circ}19'43''$ East, along said west right of way line, a distance of 1413.26 feet to a point on the north right-of-way line of an unnamed road, abutting Lots 3 and 4 as shown on the plat of Five Oaks;

thence South $89^{\circ}29'20''$ East, along said right of way line, a distance of 319.10 feet to an angle point therein and a point on the west boundary of Lot 2, Five Oaks;

thence South $0^{\circ}30'40''$ West, along said right-of-way line, a distance of 20.0 feet to the southwest corner of Lot 2, Five Oaks;

thence South $89^{\circ}29'20''$ East, along the south boundary of said lot, a distance of 716.76 feet to the southeast corner thereof;

thence North $0^{\circ}43'$ East, along the east boundary of said lot, a distance of 1218.5 feet to the northwest corner of that tract of land described in deed to Keith A. and Rebecca Lee Berger, recorded 12/30/1992 as document number 92093488;

thence South $89^{\circ}32'00''$ East, along the north boundary of said tract, a distance of 1563.20 feet to a point on the west right-of-way line of Shute Road, being 45.0 feet from the centerline thereof;

thence South $0^{\circ}35'50''$ West, along said right-of-way line, a distance of 2568.16 feet to an angle point therein;

thence North $89^{\circ}24'10''$ West, along said right-of-way line, a distance of 25.0 feet to an angle point therein.

thence South $0^{\circ}35'50''$ West, along said right-of-way line, a distance of 1148.57 feet to a point of curvature therein;

thence along the arc of a 220.0 foot radius curve to the right, through a central angle of $90^{\circ}06'50''$, an arc distance of 346.01 feet more or less to the TRUE POINT OF BEGINNING.

Proposal No. AN-0104

1N2W21

Annexation to the Metro Jurisdictional Boundary

Washington Co.






R L I S
REGIONAL LAND INFORMATION SYSTEM



**600 NE Grand Ave.
Portland, OR 97232-2736
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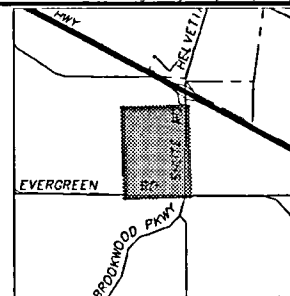
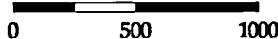
METRO

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-  Metro boundary
 Annexation boundary
 Area to be annexed

Proposal No. AN-0104
METRO JURISDICTIONAL BOUNDARY
Figure 1
Scale: 1" = 750'

Scale: 1" = 750'

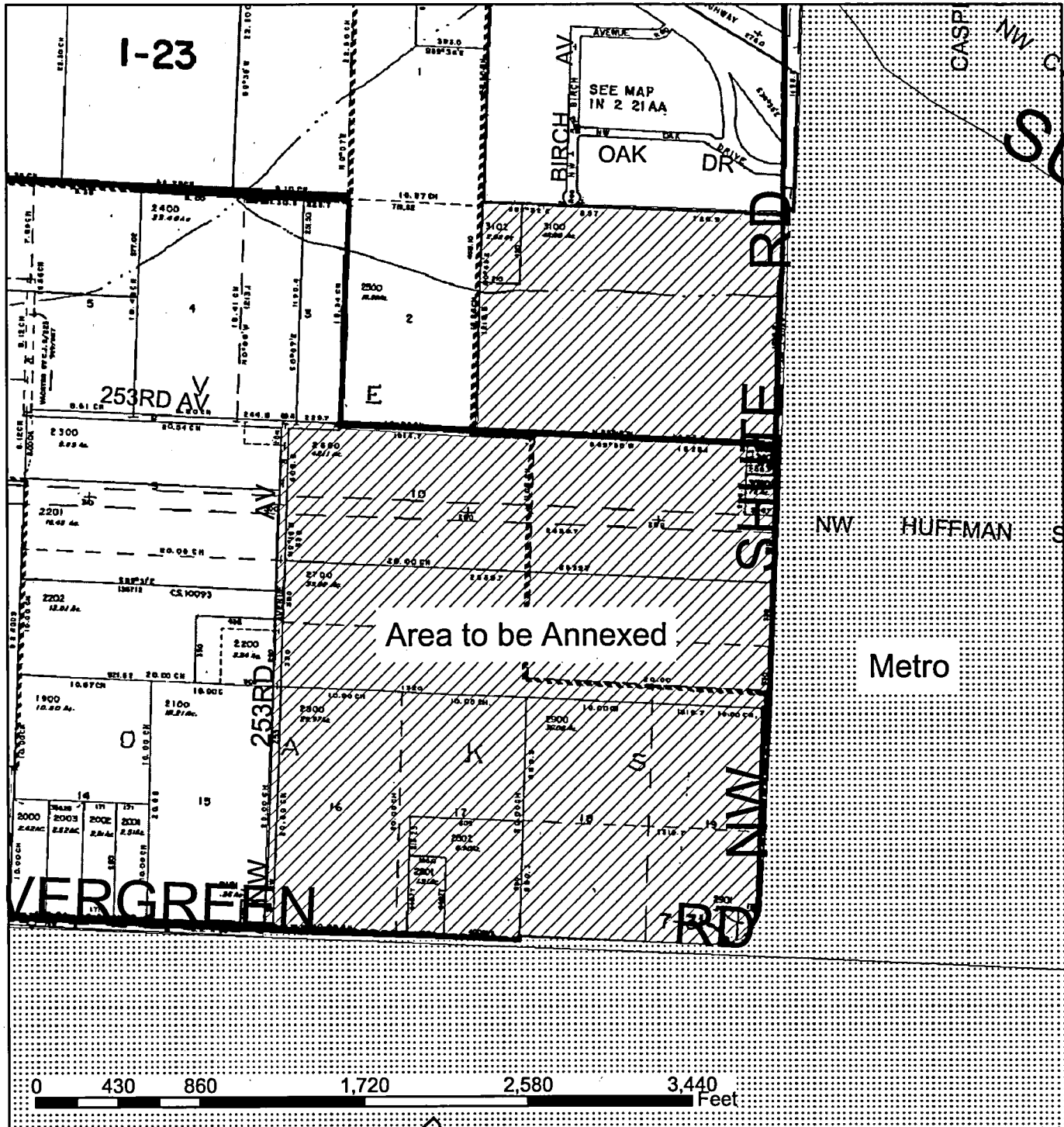


Annexation AN-0104

K M C

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Annexation to the Metro Jurisdictional Boundary
Washington Co.
1N2W21



Annexation AN-0104
Metro Jurisdictional Boundary
Figure 2

Exhibit B to Ordinance No. 04-1034

FINDINGS

Based on the study and the public hearing, the Council found:

1. The territory to be annexed contains 202.93 acres and 4 single family dwellings.
2. The annexation is being sought in order to meet the requirement of the City of Hillsboro's Concept Plan that this area be annexed to the District. The Metro Functional Plan requires that the entity responsible for the Concept Plan make annexation to the Metro jurisdictional boundary a requirement of the Plan. Hillsboro annexed the territory and therefore is the entity responsible for the Concept Plan which includes the requirement that the property be annexed to Metro.
3. The map and legal description submitted with this annexation proposal erroneously left out one property which had petitioned for inclusion. That property, Tax Lot 2801, should be included in this annexation. The Council has the authority to modify the proposal to include this property. A new map and legal description have been prepared and the proposed ordinance reflects this modification.
4. Oregon Revised Statute 198.850 (2) directs the Council to consider the local comprehensive plan for the area and any service agreement executed between a local government and the affected district.

A second set of criteria can be found in Chapter 3.09 of the Metro Code. That Code states that a final decision shall be based on substantial evidence in the record of the hearing and that the written decision must include findings of fact and conclusions from those findings. The findings and conclusions shall address seven minimum criteria:

1. Consistency with directly applicable provisions in an urban service provider agreement or annexation plan adopted pursuant to ORS 195 [ORS 195 agreements are agreements between various service providers about who will provide which services where. The agreements are mandated by ORS 195 but few are currently in place. Annexation plans are timelines for annexation which can only be done after all required 195 agreements are in place and which must have been voted on by the District residents and the residents of the area to be annexed.]
2. Consistency with directly applicable provisions of urban planning or other agreements, other than agreements adopted pursuant to ORS 195.065, between the affected entity and a necessary party. [A necessary party is governmental entity which is providing or might provide an urban service to the area to be annexed.]
3. Consistency with specific directly applicable standards or criteria for boundary changes contained in comprehensive land use plans and public facility plans.
4. Consistency with specific directly applicable standards or criteria for boundary changes contained in the Regional framework or any functional plan.
5. Whether the proposed boundary change will promote or not interfere with the timely, orderly and economic provision of public facilities and services.
6. The territory lies within the Urban Growth Boundary.
7. Consistency with other applicable criteria for the boundary change in question under state and local law.

The Metro Code also contains a second set of 10 factors which are to be considered where no ORS 195 agreements have been adopted and the boundary change is being contested by a necessary party. This boundary change is not being contested by a necessary party so these additional criteria need not be addressed.

The applicants, with the help of the City of Hillsboro, prepared a detailed response to each of the 7 criteria listed above. These responses are shown below.

Metro Code Section 3.09.050(d)

Metro Code Section 3.09.050(d) identifies seven (7) review criteria applicable to this Shute Road Site Annexation Petition. How the Petition satisfies each criterion is described in the following findings:

1. Consistency with directly applicable provisions in an urban service provider agreement or annexation plan adopted pursuant to ORS 195.065.

Finding: Approval of the Annexation Petition to annex the Site to the Metro District would be consistent with, and carry out the intent and stated purposes and objectives of the entire *Hillsboro Urban Service Agreement*. Specifically, it fulfills Sections IV.A and IV.B of the Agreement which generally declare that areas west of the Beaverton/Hillsboro Urban Service Boundary and shown on Map Exhibit C-1 to the Agreement (Map of the Shute Road Site) would become part of the City of Hillsboro Urban Service Area upon its addition to the UGB. Approval of this Annexation Petition will enable the City of Hillsboro to exercise full municipal governance of the Site consistent with the following relevant provisions in the *Hillsboro Urban Service Agreement*:

Section I.B. Hillsboro is “designated as the appropriate provider of services to the citizens residing within (its) boundaries as specified in this Agreement” (emphasis added)

Section I.D. Washington County recognizes the cities and special service districts as the ultimate municipal service providers as specified in this Agreement, and recognizes cities as the “ultimate local governance provider in urban areas. The County also recognizes cities as the ultimate governance provider to the urban area”.

Section I.G.1. Consistent with Sections I.C, I.D and I.E, the County, City and Special Districts agree to develop a program for “the eventual annexation of all urban unincorporated properties into the cities”.

Section I.I. Pursuant to ORS 195.205, the City of Hillsboro “reserve the right and may, subsequent to the enactment of this Agreement, develop an annexation plan or plans in reliance upon this Agreement in accordance with ORS 195.205 to 220”.

Currently, the Site is protected by the Tualatin Valley Fire & Rescue District (TVFR) and the Washington County Fire District No. 2 (Dist. No. 2) which have primary fire protection

responsibility for much of rural, unincorporated Washington County. Under the *Hillsboro Urban Services Agreement*, however, TVRF and Dist. No. 2 and the City of Hillsboro agreed that the City will ultimately be the sole provider of fire protection services to the Site. Under the Agreement, the transition of services from TVFR to the City shall be consistent with an existing Intergovernmental Agreement (*Intergovernmental Urban Services Agreement Relating to Fire and Emergency Services within Subject Territory*) between the parties. (See Exhibit "A" to the Agreement).

Approval of this annexation Petition would be consistent with Exhibit "A" of the *Hillsboro Urban Services Agreement* because it would expedite the transfer of fire protection services to the Site from TVFR and Dist. No. 2 to the City as contemplated by Exhibit "A". Pursuant to ORS 222.524 the City of Hillsboro determines that upon its annexation to the City withdrawal of the Site from the TVFR and Dist. No.2 service area and subsequent City provision of fire protection services to the Site would be in the best interest of the City.

Currently, the Site is unincorporated rural property within the jurisdiction of, and served by Washington County. Under the *Hillsboro Urban Services Agreement*, the County and City agreed that, before a City annexation plan has been formed, "any single or multiple annexations totaling twenty or more acres" of properties inside the Hillsboro Urban Service Area and west of Cornelius Pass Road do *not* need to identify and explain how County services for such properties would be transferred to the City pursuant to Exhibit "H" of the Agreement. The terms of Exhibit "H" expressly excludes the annexation of the Shute Road Site from its requirements.

Approval of this annexation Petition nevertheless would be consistent with Exhibit "H" of the *Hillsboro Urban Services Agreement* because it would expedite the transfer of law enforcement, road maintenance, engineering and construction, land use and transportation planning, land development and building services as contemplated by Exhibit "H". Pursuant to ORS 222.524 the City of Hillsboro determines that upon its annexation to the City assumption of law enforcement, road maintenance, engineering and construction, land use and transportation planning, land development and building services to the Site would be in the best interest of the City.

2. Consistency with directly applicable provisions of urban planning or other agreements, other than agreements adopted pursuant to ORS 195.065, between the affected entity and a necessary party.

Finding: Approval of this Annexation Petition would be consistent with the recent completion by Hillsboro of Concept Planning for the Site in accordance with requirements applicable to the Site in Title 11 of the Metro Code pursuant to a City-Washington County Memorandum of Understanding (MOU) which delegated that work to the City of Hillsboro. Annexation Petition approval by Metro, together with the recent annexation of the Site to Hillsboro, would bring the Site fully under Hillsboro's planning and land use regulatory jurisdiction. In turn, this would allow the City to implement explicit Hillsboro Comprehensive Plan and Zoning Ordinance provisions applicable to the Site that implement a UGB Shute Road Site Concept Plan approved

by Metro as in compliance with its Title 11 Concept Plan requirements. This Plan was jointly prepared by the City and the owners of the Site pursuant to the MOU.

3. Consistency with specific directly applicable standards or criteria for boundary changes contained in comprehensive land use plans and public facility plans.

Finding: Approval of this Annexation Petition to add the Site to the Metro District would be consistent with the execution by the City of the following Hillsboro Comprehensive Plan (HCP) policies and implementation measures:

Section 2: Urbanization Policy (IV)(I): Annexation of the Site will enable the City to adopt industrial land use plan and zoning designations with the knowledge that the Site can be adequately served by the public facilities needed to support its high tech industrial use. Therefore, Site annexation would be consistent with the intent and objective of this HCP policy that requires the City to assure that urban development of undeveloped or newly annexed areas will be adequately serviced the necessary public facilities.

Section 2. Urban Implementation Measure (IV)(F): All land in the Hillsboro Planning Area is assumed to be available for annexation and/or development, consistent with the Comprehensive Plan, zoning, subdivision regulations and the Urban Planning Area Agreement. Annexation of the Site will assure the its industrial development will occur subject to these City land use policies and regulations.

Section 10. Economy (III)(B): Annexation of the Site will enable the City to fulfill this HCP policy which directs the City to designate “sufficient industrial land” to provide for “different types of industrial development” and “develop a diverse industrial base”.

Section 12. Public Services Implementation Measures (V)(C)(2): The City shall require properties to annex to the City prior to the provision of sanitary sewer service.

Section 12. Public Services Implementation Measures (V)(I)(2): The City shall require properties in the urban area to annex to the City prior to the provision of water service.

4. Consistency with specific directly applicable standards and criteria for boundary changes contained in the Regional Framework Plan or any functional plan.

Finding: According to Policy 7.3, Chapter 7 of the Metro Regional Framework Plan (RFP), the Plan’s policies “shall not apply directly to site-specific land use actions, including amendments of the UGB”. The RFP policies do not apply to local government comprehensive plans, except as they may be incorporated or implemented by provisions in the *Metro Urban Growth Management Functional Plan* (Functional Plan). Chapters 1-6 of the RFP apply only to Metro functional plans and the management and periodic review of the Metro UGB. There are no

“specific, directly applicable standards and criteria for (annexation) boundary changes” in the RFP.

Only Title 11 of the Functional Plan expressly concerns “new urban areas”. Its stated purpose is “to require and guide planning for conversion from rural to urban use of areas brought into the UGB”. Its stated intent is that “development of areas brought into the UGB implement the Regional Framework Plan and 2040 Growth Concept”. It is expressly directed toward planning and guiding the *development* of newly added land to the UGB rather than the orderly transition of such land from rural jurisdictions and public services to urban/municipal jurisdictions and services.

The Functional Plan contains only one provision in its Title 11 component which speaks to annexations and prescribes a directly applicable standard or criterion for an annexation boundary change. Title 11, Section 3.07.1110.A, Interim Protection of Areas Brought into the Urban Growth Boundary, concerns “annexations” of land added to the UGB. It requires local comprehensive plan amendments for land added to the UGB to include “provisions for annexation to the (Metro) district and to a city or any necessary service district prior to urbanization of the territory . . . to provide all required urban services”. By its terms, this Title 11 provision requires local comprehensive plans to assure the provision of adequate public facilities and services to land added to the UGB through annexation of such lands to the Metro District, the affected city and/or any special service district responsible for providing such facilities and services to the land prior to its urban development.

Approval of this annexation Petition will assure, under the provisions of the *Hillsboro Urban Services Agreement*, that the Shute Road Site will be serviced by all the public facilities and services required for its industrial development. The Agreement identifies the public agencies that would be responsible for providing such facilities and services to the Site once it has been included in the UGB.

5. Whether the proposed (boundary) change will promote or not interfere with the timely, orderly and economic provisions of public facilities and services.

Finding: Currently, the Site is protected by the Tualatin Valley Fire & Rescue District (TVFR) and the Washington County Fire District No. 2 (Dist. No. 2) which have primary fire protection responsibility for much of rural, unincorporated Washington County. Under the *Hillsboro Urban Services Agreement*, however, TVFR and Dist. No. 2 and the City of Hillsboro agreed that the City will ultimately be the sole provider of fire protection services to the Site. Under the Agreement, the transition of services from TVFR to the City shall be consistent with an existing Intergovernmental Agreement (*Intergovernmental Urban Services Agreement Relating to Fire and Emergency Services within Subject Territory*) between the parties.

All other necessary public facilities and services needed to support high technology industrial development of the Site are readily available and accessible to the Site. This fact is documented

before the Metro Council in a Report entitled *Alternative Sites Analysis for the "Shute Road Site" Urban Growth Boundary Amendments* (Johnson Gardner & City of Hillsboro, October, 2002). The Report describes the Site's access to such facilities and services as follows:

- 6200 feet roadway frontage; 300 feet from Shute Road-Hwy 26 Interchange.
- Adjacent to 2 water supply lines including 66-inch water main within the Site.
- 660 feet from nearest sewer line stub outs; 3 in Shute Road and 2 at nearby Komatsu property line.
- Access to power: 2000 feet travel distance from PGE Sunset Substation.
- Access to special fire protection: 2400 feet from Hillsboro Fire Station No.
- Metro Water serviceability rating: easy to serve.
- Metro Sewer serviceability rating: easy to serve.
- Metro Storm water serviceability rating: moderately difficult to serve.

The necessary public services and facilities can be provided to the Site without interrupting or interfering with existing the provision of such services to other nearby industrial sites as confirmed by a *Shute Road Site Conceptual Public Facilities Plan* (Group MacKenzie, Inc, 2003) which is also incorporated by reference as a part of the Findings in support of this annexation Petition.

6. The Territory lies within the Urban Growth Boundary; and

Finding: On December 5, 2002, Metro approved Ordinance 02-983B which added approximately 203 acres to the Urban Growth Boundary to meet a special identified regional need to provide large lots (50+ acres) for high technology industrial uses.

7. Consistency with other applicable criteria for the boundary change in question under state law and local law.

Finding: Annexation Petitions to Metro and local governments are permitted by ORS 222.111(2) and governed generally by ORS 222.111 et seq. While ORS 222.111(5) generally requires annexations to be submitted to the electors, ORS 222.125 permits the Metro and the City:

"... not to call or hold an election in the city or in any contiguous territory proposed to be annexed or hold the hearing (on the annexation) otherwise required by ORS.222.120 when all of the owners of landing that territory and not less than 50 percent of the electors, if any, residing in the territory consent in writing to the annexation of the land in the territory and file a statement of their consent with the legislative body. Upon receiving written consent to annexation by owners and electors under this section, the legislative body of the city, by resolution or ordinance, may set the final boundaries of the area to be annexed by a legal description and proclaim the annexation".

Approval of this annexation Petition would be consistent with the applicable provisions in ORS 222.111. In accordance with Metro Code Section 3.09.045(a) and ORS 222.125, this Annexation Petition is supported by the written consent of 100% of the owners and electors residing on the properties to be annexed to the Metro District

5. The site is basically flat. Most of the large parcels within the site (totaling approximately 197.7 acres) have been in dry field crop cultivation and production for decades. Approximately 155 acres of the 197.7 acres are leased by the owners to a corporate farming operation while the remaining 42 acres are owned and farmed by the same farming operation. The smaller remaining parcels within the site average around 2 acres in size and are occupied by rural dwelling and related accessory structures.

The northwest portion of the site contains a forested area of approximately 13.5 acres. A BPA power line crosses the site east to west below the Waible Creek tributary which is located on the northern portion of the site. The site is adjacent to existing high tech companies, and business that supply materials or energy to these companies, across NW Shute Road to the east and NW Evergreen Road to the south.

NW Shute Road and NW Evergreen Road, adjacent to the site on the east and south, respectively, are both identified as Arterial Streets in the City of Hillsboro Transportation System Plan (TSP) and Washington County Transportation System Plan.

Because the site was outside the City Limits at the time it was adopted, the Hillsboro Goal 5 Natural Resource Program does not identify the Waible Creek Tributary and 13.5-acre forested area as "significant" Goal 5 resources. However, the adopted Concept Plan for the site (which was incorporated into the City's Comprehensive Plan by Ordinance No. 5330) commits the City to apply City "Level - 1" Goal 5 Program protections of the tributary and 13.5-acre forested area should development within the site affect or impact these natural resources.

A portion of the 29.97-acres parcel of land (Tax Map 1N-2-21, Lot 2800) situated at the intersection of NW Evergreen Road and NW 253rd Street contains evidence of once containing small wetlands areas. These areas are subject to wetland regulations of the Oregon Division of State Lands. The southern two-thirds of the Site is within the 250-foot area of potential impact on the Clean Water Services Sensitive Areas Pre-Screen Map.

The surrounding area is characterized in the table below.

Table 1. Surrounding Land Uses

Area	Plan	Zoning	Land Uses
North	County – Outside UGB	County EFU – Exclusive Farm Use District	SFR – Large Lot Farmland
East	IN – Industrial FP – Floodplain	M-P (PUD) M-P	Farmland Industrial Park
South	IN - Industrial	M-P (PUD) M-P	Farmland Industrial Buildings
West	County – Outside UGB	County EFU – Exclusive Farm Use District	Farmland

6. This territory abuts the Metro jurisdictional boundary on the east along NW Shute Road and on the south along NW Evergreen Road.

The law that dictates that Metro adopt criteria for boundary changes requires those criteria to include "... compliance with adopted regional urban growth goals and objectives, functional plans ... and the regional framework plan of the district [Metro]." The Framework Plan (which includes the regional urban growth goals and objectives and the 2040 Growth Concept) has been examined and found not to contain any directly applicable standards and criteria for boundary changes.

There are two adopted regional functional plans, the Urban Growth Management Plan and the Regional Transportation Plan.

The Urban Growth Management Functional Plan contains only one provision in it (Title 11 component) which speaks to annexations and prescribes a directly applicable standard or criterion for an annexation boundary change. Title 11, Section 3.07.1110.A, Interim Protection of Areas Brought into the Urban Growth Boundary, concerns "annexations" of land added to the UGB. It requires local comprehensive plan amendments for land added to the UGB to include "provisions for annexation to the (Metro) district and to a city or any necessary service district prior to urbanization of the territory ... to provide all required urban services". By its terms, this Title 11 provision requires local comprehensive plans to assure the provision of adequate public facilities and services to land added to the UGB through annexation of such lands to the Metro District, the affected city and/or any special service district responsible for providing such facilities and services to the land prior to its urban development.

The Regional Transportation Plan was examined and found not to contain any directly applicable standards and criteria for boundary changes.

This area was added to the UGB by the Metro Council in December, 2002 (Metro Ordinance No. 02-983B). The rationale for that addition was to meet a special identified need to provide large lots (50+ acres) for high technology industrial uses.

7. On November 18, 2003, approximately 201 acres within the site was annexed to the City of Hillsboro with full consent of all owners of the parcels annexed. (Hillsboro Ordinance No. 5325). Owners of tax lot 1N-2-21, Lot 2801 (1.91 acres) within the site elected not to annex to the City of Hillsboro although they have given their consent to annexing the 1.91 acres to the Metro District.

The territory was also added to the City's Comprehensive Plan as "Industrial" land (Hillsboro Ordinance No. 5330) and rezoned by the City from County exclusive farm use zone to City M-P, Industrial Park and SSID, Shute Road Site Special Industrial District (Hillsboro Ordinance No. 5331) on December 2, 2003.

8. ORS 195 requires agreements between providers of urban services. Urban services are defined as: sanitary sewers, water, fire protection, parks, open space, recreation and streets, roads and mass transit. These agreements are to specify which governmental entity will provide which service to which area in the long term. The counties are responsible for facilitating the creation of these agreements.

The Site is located within the Hillsboro Urban Service Area identified in the *Hillsboro Urban Service Agreement* (April, 2003) between and among the City of Hillsboro, Washington County, the City of Beaverton, Metro and several special service districts. Upon annexation to the City of Hillsboro, under the provisions of the *Hillsboro Urban Services Agreement*, the Shute Road Site will be serviced by all the public facilities and services required for its industrial development. The Agreement identifies the public agencies that would be responsible for providing such facilities and services to the Site once it has been included in the UGB and the City of Hillsboro.

Before its annexation to the City, the Site lay within the existing service areas of Washington County (for law enforcement, road maintenance, engineering and construction, land use and transportation planning, land development and building services), and the Tualatin Valley Fire & Rescue District (TVFD) and Washington County Fire District No. 2 (for fire protection and emergency services) and these parties to the Hillsboro Urban Service Agreement have agreed that these services would ultimately be provided by the City of Hillsboro. Under the *Hillsboro Urban Services Agreement*, however, TVFD and Dist. No. 2 and the City of Hillsboro agreed that the City will ultimately be the sole provider of fire protection services to the Site. Transition of services from TVFD to the City shall be consistent with an existing Intergovernmental Agreement (*Intergovernmental Urban Services Agreement Relating to Fire and Emergency Services within Subject Territory*) between the parties.

Water, sanitary sewer and storm drainage services are available as noted below.

Table 2. Available Public Facility Services

Service	Provider	Size	Location	Distance from Site
Water	City	16" to 18"	NW Shute Road	Adjacent
	CWS	66"	NW Evergreen Road	Adjacent
Sanitary	City	15"	Intersection Shute/Evergreen	Adjacent-Southeast
Sewer	City	24"	NW Huffman Street	Adjacent-East
Storm	City	12" to 30"	NW Shute Road	Adjacent
Drain	City	21"	NW Evergreen Road	Adjacent
	City	8" to 12"	NW Evergreen Road	Adjacent

All other necessary public facilities and services needed to support high technology industrial development of the site are readily available from the City and accessible and can be provided without interrupting or interfering with nearby service users.

ORS 195 also provides for a new method of annexation based on an annexation plan which has been voted on by the residents of a governmental entity and the residents of the area the entity intends to annex. No such plans cover this area.

9. Metro provides a number of services on the regional level. Primary among these is regional land use planning and maintenance of the regional Urban Growth Boundary. Metro has provided this service to this site through the process of reviewing and approving the inclusion of this area in the UGB.

Metro provides some direct park service at what are basically regional park facilities and has an extensive green spaces acquisition program funded by the region's voters. Metro is responsible for solid waste disposal including the regional transfer stations and contracting for the ultimate disposal at Arlington. The District runs the Oregon Zoo and other regional facilities such as the Convention Center and the Performing Arts Center. These are all basically regional services provided for the benefit of and paid for by the residents within the region. These facilities are funded through service charges, excise taxes and other revenues including a small tax base for operating expenses at the Zoo and tax levies for bonded debt.

Metro has no service agreements with local governments that would be relative to district annexation in general or to this particular site.

CONCLUSIONS AND REASONS FOR DECISION

Based on the Findings, the Council concluded:

1. Oregon Revised Statutes 198 requires the Council to consider the local comprehensive plan when deciding a boundary change. The Metro Code at 3.09.050 (d) (3) calls for consistency between the Council decision and any "specific directly applicable standards or criteria for boundary changes contained in comprehensive plans, public facilities plans . . ." The Council has reviewed the applicable comprehensive plan which is the Hillsboro Comprehensive Plan and finds that it contains no directly applicable criteria for making district boundary change decisions.
2. Oregon Revised Statutes 198 also requires consideration of "any service agreement executed between a local government and the affected district." As noted in Finding No. 9 Metro has no relevant service agreements.
3. Metro Code 3.09.050 (d) (1) requires the Council to address the consistency between its decision and any directly applicable provisions of any urban service agreement or annexation plan under ORS 195.065. The Council finds that approval of the proposal to annex the site to the Metro District would be consistent with, and carry out the intent and stated purposes and objectives of the entire *Hillsboro Urban Service Agreement*. Specifically, it fulfills Sections IV.A and IV.B of the Agreement which generally declare that areas west of the Beaverton/Hillsboro Urban Service Boundary and shown on Map Exhibit C-1 to the Agreement (Map of the Shute Road Site) would become part of the City of Hillsboro Urban Service Area upon its addition to the UGB.
4. The Metro Code calls for consideration of any directly applicable standards or criteria to be found in urban planning area agreements between the affected entity (Metro) and a necessary party. There are no urban planning area agreements between Metro and any necessary party.
5. The Metro Code at 3.09.050 (d) (4) calls for consistency between the Council decision and any "specific directly applicable standards or criteria for boundary changes contained in . . . regional framework and functional plans . . ." As noted in Finding No. 6 there are no directly applicable criteria in Metro's regional framework plan or in the adopted Regional Transportation Plan. Within the Urban Growth Management Functional Plan is found the requirement that the entity adopting comprehensive planning designations for lands brought into the urban growth boundary needs to also require annexation to the Metro jurisdictional boundary. The Council finds this annexation proposal consistent with that criteria.
6. Metro Code 3.09.050 (e) (5) states that another criteria to be addressed is "Whether the proposed change will promote or not interfere with the timely, orderly and economic provisions of public facilities and services." The Council finds that the provision of public facilities and services to this area has already been addressed within the Hillsboro Urban Services Agreement and by virtue of the fact that the City of Hillsboro either directly or through agreements can provide all necessary services.

7. Metro Code 3.09.050 (d) (6) establishes inclusion of the territory within the Urban Growth Boundary as one criteria for any annexation subject to the Metro rules. The Council has made such a determination as noted in Finding No. 6. Therefore the Council finds this proposed annexation to be consistent with that criteria.
8. The final criteria to be considered under the Metro Code 3.09.050 (d) (7) is consistency with other applicable criteria under state and local law. The applicable criteria under state law were covered in Reasons No. 1 & 2 above. No other local laws applying to this annexation were found to exist.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 04-1034 FOR THE PURPOSE OF ANNEXING INTO THE METRO DISTRICT BOUNDARY APPROXIMATELY 202.9 ACRES AT EVERGREEN AND SHUTE ROADS IN THE CITY OF HILLSBORO AND DECLARING AN EMERGENCY

Date: February 4, 2004

Prepared by: Ken Martin, Annexation Staff

SECTION I: APPLICATION SUMMARY

CASE: AN-0104, Annexation To Metro Jurisdictional Boundary

APPLICANT: 100% Owners/Voters of Eleven Properties

PROPOSAL: The petitioners are requesting annexation to the Metro boundary following the Metro Council's addition of the property to the Urban Growth Boundary in December, 2002 and the City of Hillsboro's annexation of the bulk of the property in November, 2003.

LOCATION: The territory is located on the northwest edge of the District on the west edge of NW Shute Road and the north edge of NW Evergreen Road. (See Figure 1).

PLAN/ZONING Industrial/M-P, Industrial Park and SSID, Shute Road Site Special Industrial District

APPLICABLE REVIEW CRITERIA: ORS Chapter 198, Metro Code 3.09

SECTION II: STAFF RECOMMENDATION

Staff recommends adoption of Ordinance No. 04-1034 approving Annexation Proposal No. AN-0104, annexation to the Metro district boundary.

SECTION III: BACKGROUND INFORMATION

Initiation: Proposal No. AN-0104 was initiated by a consent petition of the property owners and registered voters. The petition meets the requirement for initiation set forth in ORS 198.855 (3) (double majority annexation law), ORS 198.750 (section of statute which specifies contents of petition) and Metro Code 3.09.040 (a) (which lists minimum requirements for petition).

Site Information: The territory is located on the northwest edge of the District on the west edge of NW Shute Road and the north edge of NW Evergreen Road. The territory contains 202.93 acres and 4 single family dwellings.

REASON FOR ANNEXATION

The annexation is being sought in order to meet the requirement of the City of Hillsboro's Concept Plan that this area be annexed to the District. The Metro Functional Plan requires that the entity responsible for the Concept Plan make annexation to the Metro jurisdictional boundary a requirement of the Plan. Hillsboro annexed the territory and therefore is the entity responsible for the Concept Plan which includes the requirement that the property be annexed to Metro.

PROPOSED MODIFICATION

The map and legal description submitted with this annexation proposal erroneously left out one property which had petitioned for inclusion. That property, Tax Lot 2801, should be included in this annexation. The Council has the authority to modify the proposal to include this property. A new map and legal description have been prepared and the proposed ordinance reflects this modification.

CRITERIA

Oregon Revised Statute 198.850 (2) directs the Council to consider the local comprehensive plan for the area and any service agreement executed between a local government and the affected district.

A second set of criteria can be found in Chapter 3.09 of the Metro Code. That Code states that a final decision shall be based on substantial evidence in the record of the hearing and that the written decision must include findings of fact and conclusions from those findings. The findings and conclusions shall address seven minimum criteria:

1. Consistency with directly applicable provisions in an urban service provider agreement or annexation plan adopted pursuant to ORS 195 [ORS 195 agreements are agreements between various service providers about who will provide which services where. The agreements are mandated by ORS 195 but few are currently in place. Annexation plans are timelines for annexation which can only be done after all required 195 agreements are in place and which must have been voted on by the District residents and the residents of the area to be annexed.]
2. Consistency with directly applicable provisions of urban planning or other agreements, other than agreements adopted pursuant to ORS 195.065, between the affected entity and a necessary party. [A necessary party is governmental entity which is providing or might provide an urban service to the area to be annexed.]
3. Consistency with specific directly applicable standards or criteria for boundary changes contained in comprehensive land use plans and public facility plans.
4. Consistency with specific directly applicable standards or criteria for boundary changes contained in the Regional framework or any functional plan.
5. Whether the proposed boundary change will promote or not interfere with the timely, orderly and economic provision of public facilities and services.
6. The territory lies within the Urban Growth Boundary.
7. Consistency with other applicable criteria for the boundary change in question under state and local law.

The Metro Code also contains a second set of 10 factors which are to be considered where no ORS 195 agreements have been adopted and the boundary change is being contested by a necessary party. This boundary change is not being contested by a necessary party so these additional criteria need not be addressed.

The applicants, with the help of the City of Hillsboro, have prepared a detailed response to each of the 7 criteria listed above. These responses are attached as Attachment 1.

LAND USE PLANNING

SITE CHARACTERISTICS

The site is basically flat. Most of the large parcels within the Site (totaling approximately 197.7 acres) have been in dry field crop cultivation and production for decades. Approximately 155 acres of the 197.7 acres are leased by the owners to a corporate farming operation while the remaining 42 acres are owned and farmed by the same farming operation. The smaller remaining parcels within the Site average around 2 acres in size and are occupied by rural dwelling and related accessory structures.

The northwest portion of the Site contains a forested area of approximately 13.5 acres. A BPA power line crosses the Site east to west below the Waible Creek tributary which is located on the northern portion of the Site. The Site is adjacent to existing high tech companies, and business that supply materials or energy to these companies, across NW Shute Road to the east and NW Evergreen Road to the south.

NW Shute Road and NW Evergreen Road, adjacent to the Site on the east and south, respectively, are both identified as Arterial Streets in the City of Hillsboro Transportation System Plan (TSP) and Washington County Transportation System Plan.

Because the Site was outside the City Limits at the time it was adopted, the Hillsboro Goal 5 Natural Resource Program does not identify the Waible Creek Tributary and 13.5-acre forested area as “significant” Goal 5 resources. However, the adopted Concept Plan for the Site (which was incorporated into the City’s Comprehensive Plan by Ordinance No. 5330) commits the City to apply City “Level – 1” Goal 5 Program protections of the Tributary and 13.5-acre forested area should development within the Site affect or impact these natural resources.

A portion of the 29.97-acres parcel of land (Tax Map 1N-2-21, Lot 2800) situated at the intersection of NW Evergreen Road and NW 253rd Street contains evidence of once containing small wetlands areas. These areas are subject to wetland regulations of the Oregon Division of State Lands. The southern two-thirds of the Site is within the 250-foot area of potential impact on the Clean Water Services Sensitive Areas Pre-Screen Map.

The surrounding area is characterized in the table below.

Table 1. Surrounding Land Uses

Area	Plan	Zoning	Land Uses
North	County – Outside UGB	County EFU – Exclusive Farm Use District	SFR – Large Lot Farmland
East	IN – Industrial FP – Floodplain	M-P (PUD) M-P	Farmland Industrial Park
South	IN - Industrial	M-P (PUD) M-P	Farmland Industrial Buildings
West	County – Outside UGB	County EFU – Exclusive Farm Use District	Farmland

REGIONAL PLANNING

This territory abuts the Metro jurisdictional boundary on the east along NW Shute Road and on the south along NW Evergreen Road.

Regional Framework Plan

The law that dictates that Metro adopt criteria for boundary changes requires those criteria to include " . . . compliance with adopted regional urban growth goals and objectives, functional plans . . . and the regional framework plan of the district [Metro]." The Framework Plan (which includes the regional urban growth goals and objectives and the 2040 Growth Concept) has been examined and found not to contain any directly applicable standards and criteria for boundary changes.

There are two adopted regional functional plans, the Urban Growth Management Plan and the Regional Transportation Plan.

The Urban Growth Management Functional Plan contains only one provision in its Title 11 component which speaks to annexations and prescribes a directly applicable standard or criterion for an annexation boundary change. Title 11, Section 3.07.1110.A, Interim Protection of Areas Brought into the Urban Growth Boundary, concerns "annexations" of land added to the UGB. It requires local comprehensive plan amendments for land added to the UGB to include "provisions for annexation to the (Metro) district and to a city or any necessary service district prior to urbanization of the territory . . . to provide all required urban services". By its terms, this Title 11 provision requires local comprehensive plans to assure the provision of adequate public facilities and services to land added to the UGB through annexation of such lands to the Metro District, the affected city and/or any special service district responsible for providing such facilities and services to the land prior to its urban development.

The Regional Transportation Plan was examined and found not to contain any directly applicable standards and criteria for boundary changes.

Urban Growth Boundary Change

This area was added to the UGB by the Metro Council in December, 2002 (Metro Ordinance No. 02-983B). The rationale for that addition was to meet a special identified need to provide large lots (50+ acres) for high technology industrial uses.

CITY PLANNING

On November 18, 2003, approximately 201 acres within the site was annexed to the City of Hillsboro with full consent of all owners of the parcels annexed to the City via a City-initiated annexation. (Hillsboro Ordinance No. 5325). Owners of tax lot 1N-2-21, Lot 2801 (1.91 acres) within the site elected not to annex to the City of Hillsboro although they have given their consent to annexing the 1.91 acres to the Metro District.

The territory was also added to the City's Comprehensive Plan as "Industrial" land (Hillsboro Ordinance No. 5330) and rezoned by the City from County exclusive farm use zone to City M-P, Industrial Park and SSID, Shute Road Site Special Industrial District (Hillsboro Ordinance No. 5331) on December 2, 2003.

FACILITIES AND SERVICES

ORS 195 Agreements. This statute requires agreements between providers of urban services. Urban services are defined as: sanitary sewers, water, fire protection, parks, open space, recreation and streets, roads and mass transit. These agreements are to specify which governmental entity will provide which service to which area in the long term. The counties are responsible for facilitating the creation of these agreements.

The Site is located within the Hillsboro Urban Service Area identified in the *Hillsboro Urban Service Agreement* (April, 2003) between and among the City of Hillsboro, Washington County, the City of Beaverton, Metro and several special service districts. Upon annexation to the City of Hillsboro, under the provisions of the *Hillsboro Urban Services Agreement*, the Shute Road Site will be serviced by all the public facilities and services required for its industrial development. The Agreement identifies the public agencies that would be responsible for providing such facilities and services to the Site once it has been included in the UGB and the City of Hillsboro.

Before its annexation to the City, the Site lay within the existing service areas of Washington County (for law enforcement, road maintenance, engineering and construction, land use and transportation planning, land development and building services), and the Tualatin Valley Fire & Rescue District (TVFD) and Washington County Fire District No. 2 (for fire protection and emergency services) and these parties to the Hillsboro Urban Service Agreement have agreed that these services would ultimately be provided by the City of Hillsboro. Under the *Hillsboro Urban Services Agreement*, however, TVFD and Dist. No. 2 and the City of Hillsboro agreed that the City will ultimately be the sole provider of fire protection services to the Site. Transition of services from TVFD to the City shall be consistent with an existing Intergovernmental Agreement (*Intergovernmental Urban Services Agreement Relating to Fire and Emergency Services within Subject Territory*) between the parties.

Water, sanitary sewer and storm drainage services are available as noted below.

Table 2. Available Public Facility Services

Service	Provider	Size	Location	Distance from Site
Water	City	16" to 18"	NW Shute Road	Adjacent
	CWS	66"	NW Evergreen Road	Adjacent
Sanitary	City	15"	Intersection Shute/Evergreen	Adjacent-Southeast
Sewer	City	24"	NW Huffman Street	Adjacent-East
Storm	City	12" to 30"	NW Shute Road	Adjacent
Drain	City	21"	NW Evergreen Road	Adjacent
	City	8" to 12"	NW Evergreen Road	Adjacent

All other necessary public facilities and services needed to support high technology industrial development of the site are readily available from the City and accessible and can be provided without interrupting or interfering with nearby service users.

ORS 195 also provides for a new method of annexation based on an annexation plan which has been voted on by the residents of a governmental entity and the residents of the area the entity intends to annex. No such plans cover this area.

Metro Services. Metro provides a number of services on the regional level. Primary among these is regional land use planning and maintenance of the regional Urban Growth Boundary. Metro has provided this service to this site through the process of reviewing and approving the inclusion of this area in the UGB.

Metro provides some direct park service at what are basically regional park facilities and has an extensive green spaces acquisition program funded by the region's voters. Metro is responsible for solid waste disposal including the regional transfer stations and contracting for the ultimate disposal at Arlington. The District runs the Oregon Zoo and other regional facilities such as the Convention Center and the Performing Arts Center. These are all basically regional services provided for the benefit of and paid for by the residents within the region. These facilities are funded through service charges, excise taxes and other revenues including a small tax base for operating expenses at the Zoo and tax levies for bonded debt.

Metro has no service agreements with local governments that would be relative to district annexation in general or to this particular site.

SECTION IV: ANALYSIS/INFORMATION

1. **Known Opposition** - There is no known opposition to this annexation. No one has contacted staff on this matter despite extensive notification which included posting and publishing of notices and notices to surrounding property owners. There was no opposition to the UGB change.
2. **Legal Antecedents** - This annexation is a follow-up to the UGB change passed by the Council as Ordinance 02-983B. The annexation is being processed under provisions of ORS 198 and Metro Code 3.09.
3. **Anticipated Effects** - No significant effect is anticipated. The uses allowed on this site will be under the control of the City of Hillsboro and as anticipated by the Metro UGB expansion.
4. **Budget Impacts** - None

SECTION V: SUMMARY AND RECOMMENDATION

This petition seeks to annex approximately 202.93 acres of land into the Metro district boundary in order to meet the requirement of the City of Hillsboro's Concept Plan that this area be annexed to the District. Based on the study above and the proposed Findings and Reasons For Decision found in Exhibit B, the staff recommends that Ordinance No. 04-1034 be approved.

ATTACHMENT 1 TO STAFF REPORT FOR ORDINANCE 04-1034

APPLICANT'S PROPOSED FINDINGS

Metro Code Section 3.09.050(d)

Metro Code Section 3.09.050(d) identifies seven (7) review criteria applicable to this Shute Road Site Annexation Petition. How the Petition satisfies each criterion is described in the following findings:

1. Consistency with directly applicable provisions in an urban service provider agreement or annexation plan adopted pursuant to ORS 195.065.

Finding: Approval of the Annexation Petition to annex the Site to the Metro District would be consistent with, and carry out the intent and stated purposes and objectives of the entire *Hillsboro Urban Service Agreement*. Specifically, it fulfills Sections IV.A and IV.B of the Agreement which generally declare that areas west of the Beaverton/Hillsboro Urban Service Boundary and shown on Map Exhibit C-1 to the Agreement (Map of the Shute Road Site) would become part of the City of Hillsboro Urban Service Area upon its addition to the UGB. Approval of this Annexation Petition will enable the City of Hillsboro to exercise full municipal governance of the Site consistent with the following relevant provisions in the *Hillsboro Urban Service Agreement*:

Section I.B. Hillsboro is "designated as the appropriate provider of services to the citizens *residing within (its) boundaries as specified in this Agreement*" (emphasis added)

Section I.D. Washington County recognizes the cities and special service districts as the ultimate municipal service providers as specified in this Agreement, and recognizes cities as the "ultimate local governance provider in urban areas. The County also recognizes cities as the ultimate governance provider to the urban area".

Section I.G.1. Consistent with Sections I.C, I.D and I.E, the County, City and Special Districts agree to develop a program for "the eventual annexation of all urban unincorporated properties into the cities".

Section I.I. Pursuant to ORS 195.205, the City of Hillsboro "reserve the right and may, subsequent to the enactment of this Agreement, develop an annexation plan or plans in reliance upon this Agreement in accordance with ORS 195.205 to 220"

Currently, the Site is protected by the Tualatin Valley Fire & Rescue District (TVFR) and the Washington County Fire District No. 2 (Dist. No. 2) which have primary fire protection responsibility for much of rural, unincorporated Washington County. Under the *Hillsboro Urban Services Agreement*, however, TVFR and Dist. No. 2 and the City of Hillsboro agreed that the City will ultimately be the sole provider of fire protection services to the Site. Under the Agreement, the transition of services from TVFR to the City shall be consistent with an existing Intergovernmental Agreement (*Intergovernmental Urban Services Agreement Relating to Fire and Emergency Services within Subject Territory*) between the parties. (See Exhibit "A" to the Agreement).

Approval of this annexation Petition would be consistent with Exhibit "A" of the *Hillsboro Urban Services Agreement* because it would expedite the transfer of fire protection services to the Site from TVFR and Dist. No. 2 to the City as contemplated by Exhibit "A". Pursuant to ORS 222.524 the City of Hillsboro determines that upon its annexation to the City withdrawal of the Site from the TVFR and Dist. No.2 service area and subsequent City provision of fire protection services to the Site would be in the best interest of the City.

Currently, the Site is unincorporated rural property within the jurisdiction of, and served by Washington County. Under the *Hillsboro Urban Services Agreement*, the County and City agreed that, before a City annexation plan has been formed, "any single or multiple annexations totaling twenty or more acres" of properties inside the

Hillsboro Urban Service Area and west of Cornelius Pass Road do not need to identify and explain how County services¹ for such properties would be transferred to the City pursuant to Exhibit "H" of the Agreement. The terms of Exhibit "H" expressly excludes the annexation of the Shute Road Site from its requirements.

Approval of this annexation Petition nevertheless would be consistent with Exhibit "H" of the *Hillsboro Urban Services Agreement* because it would expedite the transfer of law enforcement, road maintenance, engineering and construction, land use and transportation planning, land development and building services as contemplated by Exhibit "H". Pursuant to ORS 222.524 the City of Hillsboro determines that upon its annexation to the City assumption of law enforcement, road maintenance, engineering and construction, land use and transportation planning, land development and building services to the Site would be in the best interest of the City.

2. Consistency with directly applicable provisions of urban planning or other agreements, other than agreements adopted pursuant to ORS 195.065, between the affected entity and a necessary party.

Finding: Approval of this Annexation Petition would be consistent with the recent completion by Hillsboro of Concept Planning for the Site in accordance with requirements applicable to the Site in Title 11 of the Metro Code pursuant to a City-Washington County Memorandum of Understanding (MOU) which delegated that work to the City of Hillsboro. Annexation Petition approval by Metro, together with the recent annexation of the Site to Hillsboro, would bring the Site fully under Hillsboro's planning and land use regulatory jurisdiction. In turn, this would allow the City to implement explicit Hillsboro Comprehensive Plan and Zoning Ordinance provisions applicable to the Site that implement a UGB Shute Road Site Concept Plan approved by Metro as in compliance with its Title 11 Concept Plan requirements. This Plan was jointly prepared by the City and the owners of the Site pursuant to the MOU.

3. Consistency with specific directly applicable standards or criteria for boundary changes contained in comprehensive land use plans and public facility plans.

Finding: Approval of this Annexation Petition to add the Site to the Metro District would be consistent with the execution by the City of the following Hillsboro Comprehensive Plan (HCP) policies and implementation measures:

Section 2: Urbanization Policy (IV)(J): Annexation of the Site will enable the City to adopt industrial land use plan and zoning designations with the knowledge that the Site can be adequately served by the public facilities needed to support its high tech industrial use. Therefore, Site annexation would be consistent with the intent and objective of this HCP policy that requires the City to assure that urban development of undeveloped or newly annexed areas will be adequately serviced the necessary public facilities.

Section 2. Urban Implementation Measure (IV)(F): All land in the Hillsboro Planning Area is assumed to be available for annexation and/or development, consistent with the Comprehensive Plan, zoning, subdivision regulations and the Urban Planning Area Agreement. Annexation of the Site will assure the its industrial development will occur subject to these City land use policies and regulations.

Section 10. Economy (III)(B): Annexation of the Site will enable the City to fulfill this HCP policy which directs the City to designate "sufficient industrial land" to provide for "different types of industrial development" and "develop a diverse industrial base".

¹ Exhibit "H" lists law enforcement, road maintenance, engineering and construction, land use and transportation planning, land development and building services as the County duties subject to its provisions.

Section 12. Public Services Implementation Measures (V)(C)(2): The City shall require properties to annex to the City prior to the provision of sanitary sewer service.

Section 12. Public Services Implementation Measures (V)(D)(2): The City shall require properties in the urban area to annex to the City prior to the provision of water service.

4. Consistency with specific directly applicable standards and criteria for boundary changes contained in the Regional Framework Plan or any functional plan.

Finding: According to Policy 7.3, Chapter 7 of the Metro Regional Framework Plan (RFP), the Plan's policies "shall not apply directly to site-specific land use actions, including amendments of the UGB". The RFP policies do not apply to local government comprehensive plans, except as they may be incorporated or implemented by provisions in the *Metro Urban Growth Management Functional Plan* (Functional Plan). Chapters 1-6 of the RFP apply only to Metro functional plans and the management and periodic review of the Metro UGB. There are no "specific, directly applicable standards and criteria for (annexation) boundary changes" in the RFP.

Only Title 11 of the Functional Plan expressly concerns "new urban areas". Its stated purpose is "to require and guide planning for conversion from rural to urban use of areas brought into the UGB". Its stated intent is that "development of areas brought into the UGB implement the Regional Framework Plan and 2040 Growth Concept". It is expressly directed toward planning and guiding the *development* of newly added land to the UGB rather than the orderly transition of such land from rural jurisdictions and public services to urban/municipal jurisdictions and services.

The Functional Plan contains only one provision in its Title 11 component which speaks to annexations and prescribes a directly applicable standard or criterion for an annexation boundary change. Title 11, Section 3.07.1110.A, Interim Protection of Areas Brought into the Urban Growth Boundary, concerns "annexations" of land added to the UGB. It requires local comprehensive plan amendments for land added to the UGB to include "provisions for annexation to the (Metro) district and to a city or any necessary service district prior to urbanization of the territory... to provide all required urban services". By its terms, this Title 11 provision requires local comprehensive plans to assure the provision of adequate public facilities and services to land added to the UGB through annexation of such lands to the Metro District, the affected city and/or any special service district responsible for providing such facilities and services to the land prior to its urban development.

Approval of this annexation Petition will assure, under the provisions of the *Hillsboro Urban Services Agreement*, that the Shute Road Site will be serviced by all the public facilities and services required for its industrial development. The Agreement identifies the public agencies that would be responsible for providing such facilities and services to the Site once it has been included in the UGB.

5. Whether the proposed (boundary) change will promote or not interfere with the timely, orderly and economic provisions of public facilities and services.

Finding: Currently, the Site is protected by the Tualatin Valley Fire & Rescue District (TVFR) and the Washington County Fire District No. 2 (Dist. No. 2) which have primary fire protection responsibility for much of rural, unincorporated Washington County. Under the *Hillsboro Urban Services Agreement*, however, TVFR and Dist. No. 2 and the City of Hillsboro agreed that the City will ultimately be the sole provider of fire protection services to the Site. Under the Agreement, the transition of services from TVFR to the City shall be consistent with an existing Intergovernmental Agreement (*Intergovernmental Urban Services Agreement Relating to Fire and Emergency Services within Subject Territory*) between the parties.

All other necessary public facilities and services needed to support high technology industrial development of the Site are readily available and accessible to the Site. This fact is documented before the Metro Council in a Report entitled *Alternative Sites Analysis for the "Shute Road Site" Urban Growth Boundary Amendments* (Johnson Gardner & City of Hillsboro, October, 2002) which is incorporated by reference as a part of the Findings in support of this annexation Petition. The Report describes the Site's access to such facilities and services as follows:

- 6200 feet roadway frontage; 300 feet from Shute Road-Hwy 26 Interchange.
- Adjacent to 2 water supply lines including 66-inch water main within the Site.
- 660 feet from nearest sewer line stub outs; 3 in Shute Road and 2 at nearby Komatsu property line.
- Access to power: 2000 feet travel distance from PGE Sunset Substation.
- Access to special fire protection: 2400 feet from Hillsboro Fire Station No.
- Metro Water serviceability rating: easy to serve.
- Metro Sewer serviceability rating: easy to serve.
- Metro Storm water serviceability rating: moderately difficult to serve.

The necessary public services and facilities can be provided to the Site without interrupting or interfering with existing the provision of such services to other nearby industrial sites as confirmed by a *Shute Road Site Conceptual Public Facilities Plan* (Group MacKenzie, Inc, 2003) which is also incorporated by reference as a part of the Findings in support of this annexation Petition.

6. The Territory lies within the Urban Growth Boundary; and

Finding: On December 5, 2002, Metro approved Ordinance 02-983B which added approximately 203 acres to the Urban Growth Boundary to meet a special identified regional need to provide large lots (50+ acres) for high technology industrial uses.

7. Consistency with other applicable criteria for the boundary change in question under state law and local law.

Finding: Annexation Petitions to Metro and local governments are permitted by ORS 222.111(2) and governed generally by ORS 222.111 et seq. While ORS 222.111(5) generally requires annexations to be submitted to the electors, ORS 222.125 permits the Metro and the City:

"... not to call or hold an election in the city or in any contiguous territory proposed to be annexed or hold the hearing (on the annexation) otherwise required by ORS 222.120 when all of the owners of landing that territory and not less than 50 percent of the electors, if any, residing in the territory consent in writing to the annexation of the land in the territory and file a statement of their consent with the legislative body. Upon receiving written consent to annexation by owners and electors under this section, the legislative body of the city, by resolution or ordinance, may set the final boundaries of the area to be annexed by a legal description and proclaim the annexation".

Approval of this annexation Petition would be consistent with the applicable provisions in ORS 222.111. In accordance with Metro Code Section 3.09.045(a) and ORS 222.125, this Annexation Petition is supported by the written consent of 100% of the owners and electors residing on the properties to be annexed to the Metro District. (See attached Annexation Consent Forms)

Resolution No. 04-1033A, For the Purpose of Amending Metro Code Chapter 3.09 (Local Government Boundary Changes) to Allow Use of the Expedited Process for Changes to the Metro District Boundary and to Clarify Criteria for Boundary Changes, and Declaring An Emergency

Metro Council Meeting
Thursday, March 4, 2004
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING)
METRO CODE CHAPTER 3.09 (LOCAL)
GOVERNMENT BOUNDARY CHANGES) ORDINANCE NO. 04-1033A
TO ALLOW USE OF THE EXPEDITED)
PROCESS FOR CHANGES TO THE METRO)
DISTRICT BOUNDARY AND TO CLARIFY) Introduced by Council President Bragdon
CRITERIA FOR BOUNDARY CHANGES,) and Councilor McLain
AND DECLARING AN EMERGENCY)

WHEREAS, the Metro Council intends that territory added to the urban growth boundary ("UGB") become available for urbanization, consistent with the Urban Growth Management Functional Plan ("UGMFP"), in a timely and orderly fashion; and

WHEREAS, the Council, pursuant to Metro Code Section 3.01.040, applies a design type from the 2040 Growth Concept to the territory at the time the Council adds it to the UGB; and

WHEREAS, Title 11 of the UGMFP (Planning for New Urban Areas) ensures that territory added to the UGB will not be urbanized until appropriate planning and zoning designations consistent with the Growth Concept design type are applied by the responsible city or county; and

WHEREAS, there are circumstances in which territory added to the UGB should be annexed to the Metro district quickly to facilitate the timely and orderly urbanization of the territory; and

WHEREAS, Metro Code Chapter 3.09 (Local Government Boundary Changes) does not currently authorize use of the expedited process, set forth in Section 3.09.045, for minor changes to the Metro District boundary; and

WHEREAS, the criteria for boundary changes in Chapter 3.09 are not clear, as required by state law; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. Chapter 3.09 of the Metro Code is hereby amended, as indicated in Exhibit A, attached and incorporated into this ordinance, in order to authorize annexation to the Metro District of territory in the UGB through the expedited process for minor boundary changes in Chapter 3.09 and to clarify the process criteria for boundary changes incorporation of new cities.

2. The Findings of Fact and Conclusions of Law in Exhibit B, attached and incorporated into this ordinance, demonstrate that these amendments to Chapter 3.09 comply with the Regional Framework Plan and statewide planning laws.

3. This ordinance is necessary for the immediate preservation of public health, safety and welfare because the time involved in processing applications for change to the Metro District boundary is delaying the replenishment of the supply of project-ready industrial sites in the region. An emergency is therefore declared to exist, and this ordinance shall take effect immediately, pursuant to Metro Charter section 39(1).

ADOPTED by the Metro Council this ____ day of _____ 2004.

David Bragdon, Council President

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, Metro Attorney

Exhibit A to Ordinance No. 04-1033A
Amendments To Chapter 3.09
Local Government Boundary Changes

3.09.120 Minor Boundary Changes to Metro's Boundary

(a) Minor boundary changes to the Metro Boundary may be initiated by Metro, the city or the county responsible for concept land use planning for the affected territory specified pursuant to Metro Code Section 3.01.040, property owners and electors in the territory to be annexed, or others as otherwise provided by law public agencies if allowed by ORS 198.850(3). Petitions shall meet the minimum requirements of Section 3.09.040 above. The Chief Operating Officer shall establish a filing fee schedule for petitions that shall reimburse Metro for the expense of processing and considering petitions. The fee schedule shall be filed with the Council.

(b) Notice of proposed minor boundary changes to the Metro Boundary shall be given as required pursuant to Section 3.09.030.

(c) Hearings will be conducted consistent with the requirements of Section 3.09.050. When it takes action on a minor boundary change, the Metro Council shall consider the requirements of Section 3.09.050 and all provisions of applicable law.

(d) Minor boundary changes to the Metro Boundary are not subject may be made pursuant to an the expedited process set forth in Section 3.09.045.

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

(1) The affected territory lies within the UGB; and

(2) Upon annexation to the district, the affected territory will become subject to the interim protection standards set forth in Metro Code section 3.07.1120 and any conditions imposed by the ordinance adding the territory to the UGB. The territory is subject to measures that prevent urbanization until the territory is annexed to a city or to service districts that will provide necessary urban services.

(ef) Contested case appeals of decisions regarding minor boundary changes to the Metro Boundary are subject to appeal as provided in Section 3.09.070.

3.09.130 Incorporation of a City that Includes Territory Within Metro's Boundary

(a) A petition to incorporate a city that includes territory within Metro's jurisdictional boundary shall comply with the minimum notice requirements in section 3.09.030, the minimum requirements for a petition in section 3.09.040, the hearing and decision requirements in subsections (a), (c), and (f) of section 3.09.050, and if the incorporation is contested by a necessary party, the contested case requirements and hearing provisions of 3.09.070, 3.09.080, 3.09.090, and 3.09.100, except that the legal description of the affected territory required by Section 3.09.040 (a) (1) need not be provided until after the Board of County Commissioners establishes the final boundary for the proposed city.

(b) A petition to incorporate a city that includes territory within Metro's jurisdictional boundary may include territory that lies outside Metro's UGB. However, incorporation of a city with

such territory shall not authorize urbanization of that territory until the Metro Council includes the territory in the UGB pursuant to Metro Code Chapter 3.01.

(c) The following criteria shall apply in lieu of the criteria set forth in Section 3.09.050(d) and (e). An approving entity shall demonstrate that incorporation of the new city complies with the following criteria:

(1) At least 150 people reside in the territory proposed for incorporation, as required by ORS 221.020;

(2) No part of the territory proposed for incorporation lies within the boundary of another incorporated city, as prohibited in ORS 221.020;

(3) The petition complies with the requirements of ORS 221.031;

(4) The petitioner's economic feasibility statement complies with the requirements of ORS 221.035;

(5) If some of the territory proposed for incorporation lies outside the Metro UGB, that portion of the territory conforms to the requirements of ORS 221.034;

(6) The petitioner's economic feasibility statement indicates that the city must plan for average residential density of at least 10 dwelling units per net developable residential acre or such other density specified in consistent with Title 1 (one) and Title 11 (eleven) (Requirements for Housing and Employment Accommodation) of the Urban Growth Management Functional Plan; and

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

**Exhibit B to Ordinance No. 04-1033A
Findings of Fact and Conclusions of Law**

I. Overview

Ordinance No.04-1033A revises the process and criteria for changing the boundary of Metro's district to make it easier and more efficient. It accomplishes that by simplifying the criteria and by making such boundary changes eligible for the "expedited" process already provided in Metro Code Chapter 3.09 on boundary changes. The ordinance also establishes criteria and procedures tailored to the incorporation of new cities that would include territory within the Metro district. These criteria and procedures will make incorporation easier and more efficient. In combination, these revisions will help accomplish the policies of the Regional Framework Plan (RFP) and the 2040 Growth Concept (part of the RFP), and will help accomplish the objectives of the statewide planning program, by making the transition from rural land to urban land more efficient and orderly.

II. Statewide Planning Laws

Statewide Planning Goal 1 – Citizen Involvement: The Council followed its customary procedure to enactment of ordinances, including public notification, consideration by advisory committees at public meetings that were preceded by public notification, and a public hearing before the Council on February 26, 2004. This process complies with Metro's public involvement policy and with Goal 1

Statewide Planning Goal 2 – Land Use Planning: The Council circulated a draft version of this ordinance to all local governments within Metro's jurisdiction. The Council received and responded to comment from local governments. The Council also accepted recommended changes to the draft ordinance from the Metropolitan Policy Advisory Committee, composed largely of local elected officials. This process fulfilled the coordination requirements of Goal 2.

Statewide Planning Goal 3 – Agricultural Lands: Because this ordinance applies only to territory within Metro's urban growth boundary, Goal 3 does not apply.

Statewide Planning Goal 4 – Forest Lands: Because this ordinance applies only to territory within Metro's urban growth boundary, Goal 4 does not apply.

Statewide Planning Goal 5 – Natural Resources, Scenic and Historic Areas, and Open Spaces: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not affect resources protected by Goal 5. Hence, Goal 5 does not apply to this ordinance.

Statewide Planning Goal 6 – Air, Land and Water Resources Quality: This ordinance simply revises the process and criteria for determining whether territory within an urban growth

boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not affect resources protected by Goal 6. Hence, Goal 6 does not apply to this ordinance.

Statewide Planning Goal 7 – Areas Subject to Natural Disasters and Hazards: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not involve uses of land subject to natural hazards. Hence, Goal 7 does not apply to this ordinance.

Statewide Planning Goal 8 – Recreational Needs: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not address or affect recreational needs. Hence, Goal 8 does not apply to this ordinance.

Statewide Planning Goal 9 – Economic Development: This ordinance will facilitate annexation of territory designated for employment uses to the Metro district, a prerequisite to urbanization and development. The ordinance also makes the process of incorporation of a new city faster and easier. Making these processes faster and easier will accelerate the provision of services to employment land in the region and improve the economic prospects for the region. The ordinance complies with Goal 9.

Statewide Planning Goal 10 – Housing: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not address or affect housing needs. Hence, Goal 10 does not apply to this ordinance.

Statewide Planning Goal 11 – Public Facilities and Services: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and it does not determine which local government will provide public facilities or services to the territory, a determination that will be made later, pursuant to the process and criteria that would change as a result of this ordinance. Goal 11 will apply to these later determinations, not to this ordinance.

Statewide Planning Goal 12 – Transportation: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and it does not determine which local government will provide transportation services to or within the territory. Those determinations will be made at the time comprehensive plans, transportation system plans and

land use regulations are revised prior to urbanization of the territory. Goal 12 will apply to these later determinations. Goal 12 does not apply to this ordinance.

Statewide Planning Goal 13 – Energy Conservation: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not address or affect energy conservation. Hence, Goal 13 does not apply to this ordinance.

Statewide Planning Goal 14 – Urbanization: This ordinance revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. The revisions will make both processes faster and more efficient. One effect will be a more efficient transition from rural to urban land use. The ordinance complies with Goal 14.

Statewide Planning Goal 15 – Willamette River Greenway: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not address or affect uses within the Willamette River Greenway. Hence, Goal 15 does not apply to this ordinance.

III. Regional Framework Plan

Policy 1.4 – Economic Opportunity: One objective of this ordinance is to make the process for addition to the Metro district boundary of territory designated for employment easier and faster. The ordinance will accomplish this objective (1) by simplifying the criteria and making the “expedited” process in Metro Code Chapter 3.09 available for changes to the Metro district boundary and (2) by tailoring a process and simplifying criteria for incorporation of new cities with territory within Metro. These revisions will enhance economic opportunities in the region, and comply with Policy 1.4.

Policy 1.5 – Economic Vitality: For the same reasons stated under Policy 1.4, these revisions will enhance economic vitality in the region, and comply with Policy 1.5.

Policy 1.6 – Growth Management: This policy calls for efficient management of urban land, among other things. For the same reasons stated under Statewide Planning Goal 14, these revisions will encourage the evolution of an efficient urban growth form, and comply with Policy 1.6.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 03-1033A, FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 3.09 (LOCAL GOVERNMENT BOUNDARY CHANGES) TO ALLOW USE OF THE EXPEDITED PROCESS FOR CHANGES TO THE METRO DISTRICT BOUNDARY AND TO CLARIFY CRITERIA FOR BOUNDARY CHANGES, AND DECLARING AN EMERGENCY

Date: February 27, 2004

Prepared by: Dick Benner
Presented by: Dick Benner

PROPOSED ACTION

Adoption of Ordinance No. 04-1033A amending Metro Code Chapter 3.09 (Local Government Boundary Changes) to allow use of the expedited process for changes to the Metro district boundary and to clarify the process and criteria for changes to the district boundary and incorporation of new cities, and declaring an emergency.

BACKGROUND

Attached to this memorandum is a draft ordinance amending the Metro Code on boundary changes. The Office of Metro Attorney ("OMA") drafted the changes to accomplish several objectives:

1. To make the process of annexing territory to the Metro district easier and faster.
2. To specify the process and criteria for incorporation of a new city within Metro's boundary.

This draft is revised from the first reading draft to respond to recommendations from MPAC. MPAC recommended that this ordinance revise only those sections of Chapter 3.09 having to do with changes to the district boundary and the incorporation of new cities. MPAC recommended that Metro take more time on other revisions to Chapter. 3.09 to all on further consideration by local governments

1. Ease the Process for Annexation to the Metro District

The Metro Code on annexations (Chapter 3.09) provides an expedited process for "consent" annexations to which no "necessary party" (defined) objects. The current code, however, expressly makes this expedited process unavailable for annexations to the Metro district. The draft ordinance would amend the code to make "consent" annexations to the district eligible for the faster process. [Note: the Council added a requirement to Title 11 (Planning for New Urban Areas) that territory added to the UGB be annexed to the district prior to urbanization.]

2. Specify Process and Criteria for Incorporation of New Cities

The Metro Code does not specify a process or criteria tailored to the incorporation of a new city within Metro's boundary. The draft ordinance adds a new section aimed particularly at such incorporations, such as the incorporation of Damascus. The proposed revisions also reflect recent changes in the statutes on incorporations in the Metro area.

ANALYSIS/INFORMATION

1. Known opposition

None at this time.

2. Legal antecedents

ORS chapters 198 and 268; Metro Code chapter 3.09 (Local Government Boundary Changes).

3. Anticipated effects

If the proposed revisions are made to the Metro Code on Metro district boundary changes, review of such changes will become faster and will require fewer public and private resources for processing the changes. If the Metro Council adopts the new provisions for incorporation of new cities, that process will become faster and more efficient.

4. Budget impacts

If the proposed revisions are made to the Metro Code on boundary changes, the staff anticipates that fewer resources (time, contract funds) will be required for the processing changes to the Metro district boundary and for review by Metro staff of proposed incorporations of new cities.

RECOMMENDED ACTION

OMA recommends that the Metro Council adopt these changes to Ordinance No. 04-1033A following public comments and the revisions that may follow from those comments.

Resolution No. 04-3427, For the Purpose of Responding to USDOT Concerns, Revising the Conformity Determination Report and Re-adopting the Portland Area Air Quality Conformity Determination for the 2004 Regional Transportation Plan and 2004-07 Metropolitan Transportation Improvement Program.

Metro Council Meeting
Thursday, March 4, 2004
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF RESPONDING TO)	RESOLUTION NO. 04-3427
USDOT CONCERNS, REVISING THE)	
CONFORMITY DETERMINATION REPORT)	Introduced by Councilor Rod Monroe
AND RE-ADOPTING THE PORTLAND AREA)	
AIR QUALITY CONFORMITY)	
DETERMINATION FOR THE 2004 REGIONAL)	
TRANSPORTATION PLAN AND 2004-07)	
METROPOLITAN TRANSPORTATION)	
IMPROVEMENT PROGRAM)	

WHEREAS, on January 15, 2004 the Metro Council adopted Resolution No. 03-3382A, For the Purpose of Adopting the Portland Area Air Quality Conformity Determination for the 2004 Regional Transportation Plan (RTP) and 2004-2007 Metropolitan Transportation Improvement Program (MTIP); and

WHEREAS, the United States Department of Transportation (USDOT), as represented by the Federal Highway Administration and the Federal Transit Administration, notified Metro by a letter dated February 5, 2004 that the USDOT had concerns with the opportunity for public comment, requested that emission credit information and transportation control measure progress information clarifications and amplifications be included within the body of the Conformity Determination and could not certify the document as submitted; and

WHEREAS, a revised Conformity Determination attached as Exhibit "A", has been completed addressing USDOT concerns and comments; and

WHEREAS, a fourteen day public comment period has been provided for public comment on the revised document as requested by the USDOT; now therefore

BE IT RESOLVED,

1. The Metro Council approves the Air Quality Conformity Determination dated February 12, 2004 for the 2004 RTP and 2004-2007 MTIP, attached as Exhibit A to this Resolution, as a determination that the 2004 RTP and the 2004-2007 MTIP, adopted by the Council by Resolution No. 03-3380A, For the Purpose of Designation of the 2004 Regional Transportation Plan as the Federal Metropolitan Transportation Plan to Meet Federal Planning Requirements, on December 11, 2003, are in conformity with all state and federal air quality requirements.

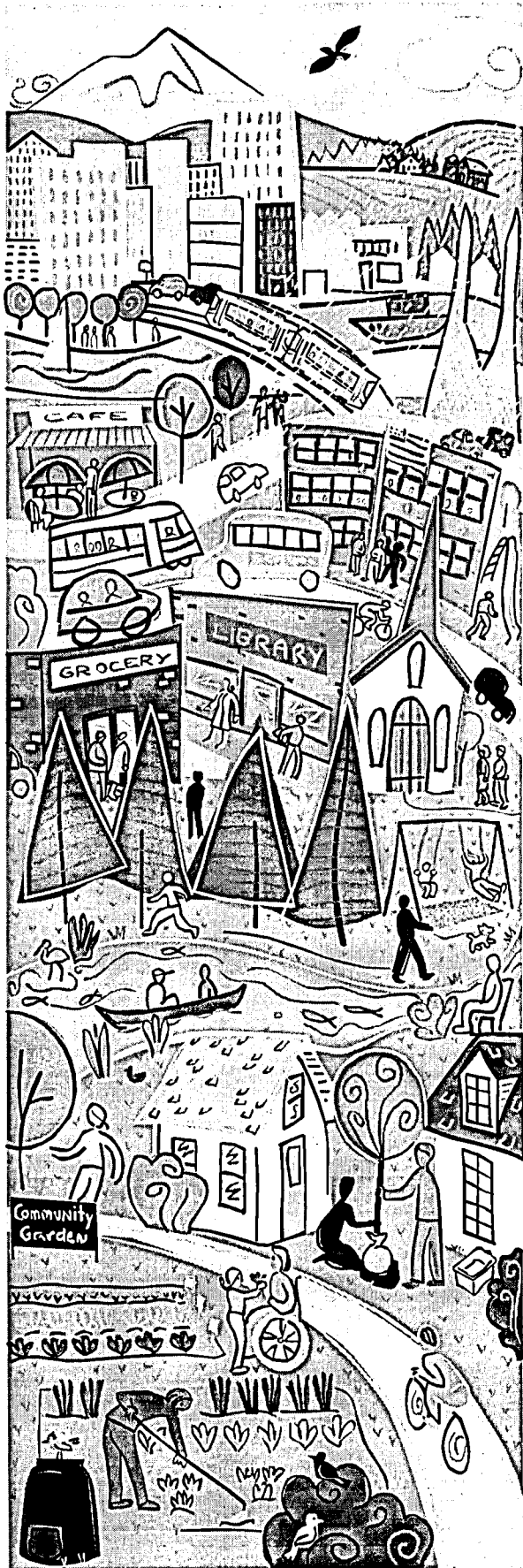
2. The Metro Council directs the Chief Operation Officer to request concurrence with this air quality conformity determination from the USDOT, in consultation with the Environmental Protection Agency (EPA), in order to confirm that the financially constrained system of the 2004 RTP and the 2004-2007 MTIP conforms to the State Implementation Plan for attainment and maintenance of National Ambient Air Quality Standards in the Portland area Carbon Monoxide and Ozone Maintenance Plans.

ADOPTED by the Metro Council this _____ day of March, 2004.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney



**2004 Federal Update to the
Regional Transportation Plan/
2004-07 Metropolitan
Transportation Improvement
Program**

Air Quality Conformity Determination

**February 12, 2004
Revised February 27,
2004**



METRO

PEOPLE PLACES
OPEN SPACES



METRO

2004 Regional Transportation Plan and 2004-07 Metropolitan Transportation Improvement Program

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Appendices

Appendix 1: Financially Constrained System Project List

Appendix 2: 2004 RTP Public Involvement

Appendix 3: 2004 RTP and 2004-07 Metropolitan Transportation Improvement Program Conformity Analysis Protocol

Appendix 4: Transportation Analysis Zone (TAZ) Assumptions

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Appendix 9: Summary of Public Comments and Responses (October 31, 2003 through January 13, 2004)



METRO

2004 Regional Transportation Plan and 2004-07 Metropolitan Transportation Improvement Program Conformity Determination

A. Introduction

Background

The federal Clean Air Act provides the main framework for national, state and local efforts to protect air quality. Under the Clean Air Act, the Environmental Protection Agency (EPA) is responsible for setting standards, known as national ambient air quality standards (NAAQS), for pollutants considered harmful to people and the environment. These standards are set at levels that are meant to protect the health of the most sensitive population groups, including the elderly, children and people with respiratory diseases. Air quality planning in this region is focused on meeting the NAAQS and deadlines set by the federal Environmental Protection Agency and state Department of Environmental Quality for meeting the standards. Further, the United States Department of Transportation has established regulations which make failure to conform with these standards result in a loss of transportation funding from state and federal sources.

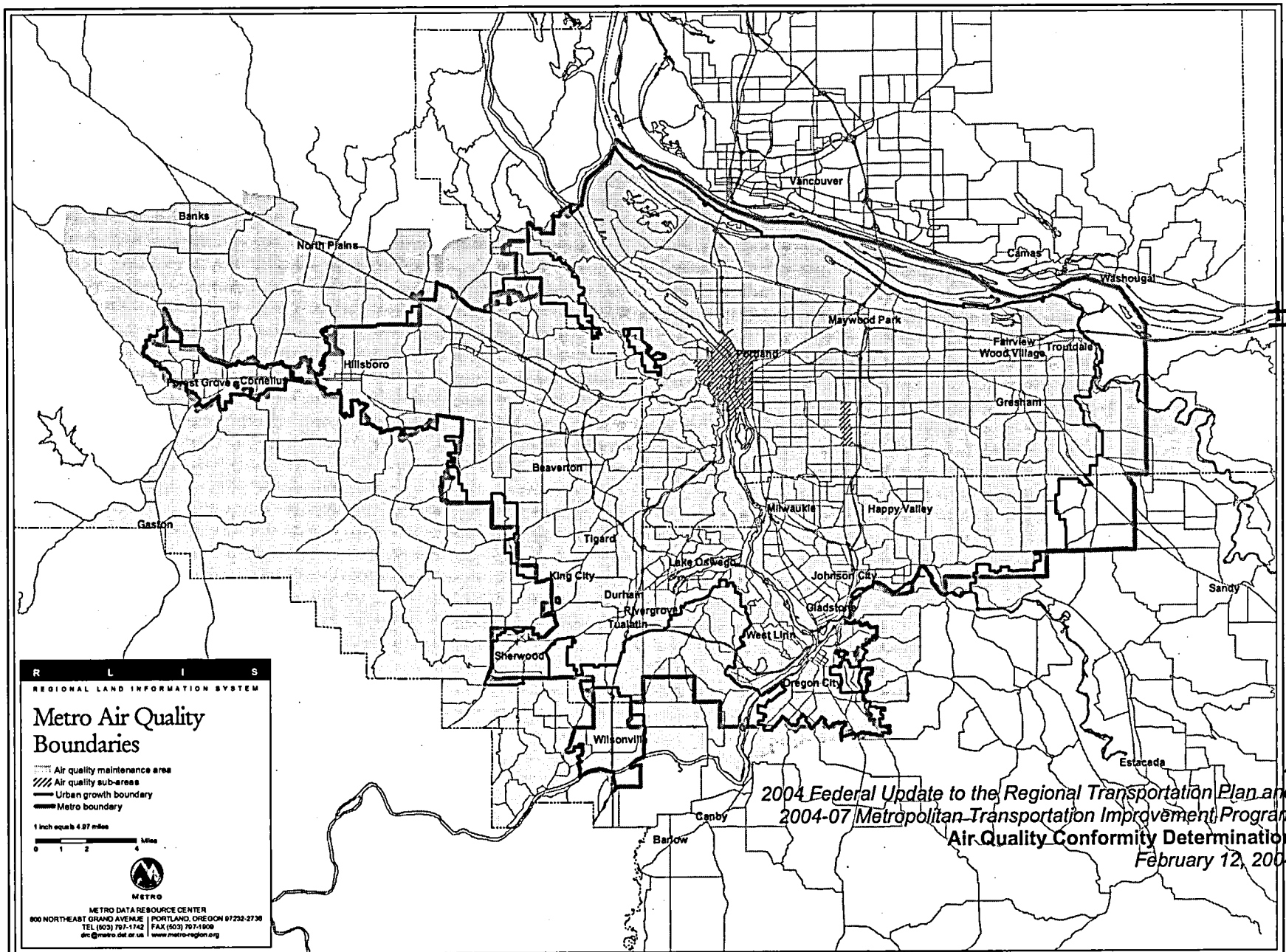
The 2004 Regional Transportation Plan (RTP) and 2004-07 Metropolitan Transportation Improvement Program are subject to an air quality conformity determination under federal regulation (40 CFR Parts 51 and 93) and state rule (OAR 340 Division 252). Metro, as the federally designated Metropolitan Planning Organization (MPO) for the Oregon portion of the Portland-Vancouver air shed, is the lead agency for the conformity determination. In addition, the Transportation Policy Alternatives Committee (TPAC) is called out under the state rule as the standing committee designated for "interagency consultation" as required by the rule. In order to demonstrate that the 2004 Regional Transportation Plan (RTP) and the 2004-07 MTIP meet federal and state air quality planning requirements, Metro must complete a technical analysis, consult with relevant agencies and provide for public comment that, in total, is known as air quality conformity. The need for this analysis came from the integration of requirements in the Clean Air Act Amendments of 1990 and the Intermodal Surface Transportation Efficiency Act (ISTEA) of 1991. These requirements were also included in the Transportation Equity Act for the 21st Century (TEA21) in 1998. Conformity is a regulation requiring that all transportation plans and programs in air quality non-attainment or maintenance areas conform to the State's air quality plan, known as the State Implementation Plan (SIP). Transportation plans and programs such as the 2004 RTP and the 2004-07 MTIP must be found consistent with the SIP.

The Portland/Vancouver area has one interconnected airshed. However, given the State boundary along the Columbia River and the differing jurisdictions and state laws, the Federal government approved each side of the airshed taking responsibility for its area. For the Oregon side a Portland Area Airshed was established. However, as there are several types of pollutants of concern in the Portland Area, several geographic areas were established for differing air pollutants.

For Carbon monoxide, the Metro jurisdictional boundary was established as the geographic extent of concern for which emission budgets (maximum pollutant levels) were created. Within that area, there were sub-areas established with their own emission budgets. These sub-areas were the Portland Central City sub-area and the 82nd Avenue subarea.

For precursors of ozone, commonly called smog, geographic boundaries were set that pertained to the level of hydrocarbons (also known as volatile organic compounds) and nitrogen oxide. The Portland Air Quality Maintenance Area was established for addressing ozone and the emission budgets for this area.

The following map shows these boundaries.



Reason for Determination

Metro is the Portland area's designated Metropolitan Planning Organization (MPO). As the MPO, Metro is the lead agency for development of regional transportation plans and the scheduling of federal transportation funds in the Portland urban area. Regulations of the United States Department of Transportation (USDOT) require the MPO to develop a 20-year Regional Transportation Plan (RTP). The Plan must identify revenue that can be reasonably anticipated over a 20-year period for transportation purposes. It must also state the region's transportation goals and policies and identify the range of multi-modal transportation projects that are needed to implement them. Just as Metro is required to develop an RTP, it is also mandated to develop a Metropolitan Transportation Improvement Program (MTIP) for the Portland urban area. The MTIP "program" process is used to determine which projects included in the Plan will be given funding priority year by year.

The U.S. DOT, after consultation with the U.S. Environmental Protection Agency (EPA), approved and acknowledged the 2000 RTP air quality conformity determination on January 26, 2001. Under federal regulations, the RTP must be updated every three years to ensure that the plan adequately addresses future travel needs and is consistent with the federal Clean Air Act. As a result, an update to the 2000 RTP began in September 2003.

On June 19, 2003, the Joint Policy Advisory Committee on Transportation (JPACT) and the Metro Council approved Resolution No. 03-3335, approving a regional allocation of federal funds for the years 2006 and 2007, pending an air quality conformity analysis for the 2004-07 MTIP. The 2004-07 Metropolitan Transportation Improvement Program (MTIP) schedules spending of federal transportation funds in coordination with significant state and local funds in the Portland metropolitan region for the federal fiscal years 2004 through 2007. It also demonstrates how these projects relate to federal regulations regarding project eligibility, air quality impacts, environmental justice and public involvement.

On August 11, 2003 the U.S. DOT recommended that the 2004 RTP air quality conformity analysis and determination be completed jointly with the conformity analysis for the 2004-07 Metropolitan Transportation Improvement Program (MTIP).

On December 11, 2003, the Metro Council approved the 2004 Regional Transportation Plan (RTP) and the 2004-07 MTIP. In order to ensure that the 2004 RTP is in compliance with air quality requirements, this Conformity Determination has been prepared for the financially constrained system of the 2004 Regional Transportation Plan (RTP) which also includes projects identified in the 2004-07 MTIP.¹ It has been

¹ Defined in Appendix 1 to this document, the financially constrained system responds to federal planning requirements. This system of projects and programs is limited to current funding sources, and those new sources that can be reasonably expected to be available during the 20-year plan period. As the federally recognized system, the financially constrained system is also the source of transportation projects that may be funded through the Metropolitan Transportation Improvement Program (MTIP). The MTIP allocates federal funds in the region. The 2004 RTP not only provides an updated set of financially constrained projects and programs for future MTIP allocations, but also establishes more formal procedures and objectives for implementing long-range regional transportation policies through incremental funding decisions. These new MTIP provisions are set forth in Chapter 6 of the 2004 RTP.

prepared because the RTP and the MTIP must be conformed every three years, as described in OAR Chapter 340, Division 252, section 50. A new plan and MTIP demonstrating conformity with the Clean Air Act must approved and acknowledged by US DOT and US EPA in a formal conformity determination.

Section B of this conformity determination provides an overview of the 2004 RTP and major changes to road and transit network assumptions. The State Transportation Conformity Rule requires that the air quality conformity determination comply with several subsections of OAR Chapter 340, Division 252, including:

1. OAR 340-252-0110 – Use of the Latest Planning Assumptions
2. OAR 340-252-0120 – Use of Latest Emissions Model
3. OAR 340-252-0130 – Consultation
4. OAR 340-252-0140 – Timely Implementation of Transportation Control Measures (TCMs)
5. OAR 340-252-0190 – Motor Vehicle Emissions Budget

Section C discusses the relevant conformity determination requirements and demonstrates that this Determination complies with each requirement. Metro's technical analysis indicates that regional emissions will remain within established budgets in all analysis and budget years (i.e., 2006, 2007, 2010, 2015, 2020 and 2025). The following analysis demonstrates how the conformity determination for the 2004 Regional Transportation Plan complies with applicable requirements of OAR Chapter 340, Division 252. Inapplicable subsections of Division 252 are not cited in this conformity determination.

B. OVERVIEW OF THE 2004 RTP AND MAJOR CHANGES IN NETWORK ASSUMPTIONS

The 2004 RTP Update represents a minor update to the 2000 RTP that focuses on meeting state and federal requirements, and incorporated new policy direction set by JPACT and the Metro Council as part of various corridor and special studies conducted since 2000. The update also incorporates a number of "friendly amendments" proposed as part of local transportation plans being adopted over the past three years. This update builds on the extensive planning work and analysis that was completed for the 2000 RTP. The 2004 RTP continues to implement the 2040 Growth Concept, the region's long-range plan for addressing expected growth while preserving the region's livability. The 2004 RTP represents a nearly 20-year evolution from a mostly road-oriented plan to a more balanced multi-modal plan that is closely tied to land use and the 2040 Growth Concept. The 2004 plan remains relatively unchanged in terms of the mix of projects, and continues to rely on greater emphasis on a multi-modal transportation system that enhances opportunities for walking, bicycling and use of transit, transportation demand management, street connectivity, and a 2040-based level of service policy that tolerates some congestion, particularly during two-hour peak period in select locations based on availability of other modes of travel such as walking, biking and transit.

The total reasonably expected revenue base assumed in the 2004 RTP for the road system is about \$ 4.3 Billion with about \$2.16 Billion for freeways, highways and roads, \$1.67 Billion for transit and the balance for planning, bike, pedestrian, TDM and other similar programs.

The following section summarizes some of the more important similarities and distinctions between the two networks.

1. Network Assumptions Carried Over the from 2000 RTP:

- ❖ Annual average transit service increase of 1.5 percent through 2006;
- ❖ LRT extended along Interstate Avenue LRT alignment from the Rose Quarter to the Expo Center (though the opening day for Interstate MAX has changed from September 2004 to May 2004);
- ❖ LRT extended from Gateway Regional Center to Clackamas Regional Center and LRT extended along the Portland Transit Mall from the Steel Bridge to PSU along 5th and 6th Avenues.
- ❖ Early implementation of an interim "Rapid Bus" system in the 99E corridor on McLoughlin from downtown Portland to Milwaukie.
- ❖ Wilsonville/Beaverton Commuter Rail;
- ❖ Added freeway lanes:
 - I-5 from Greeley to Interstate Bridge;
 - US 26 from Highway 217 to Murray Boulevard;
 - Highway 217 from Tualatin Valley Highway to 72nd Avenue Interchange.
- ❖ Signal system interconnection on significant regional arterial streets.
- ❖ Implementation of the central city streetcar from NW Portland to the Macadam district in two phases.
- ❖ Improved bus headways and occupancy on numerous priority routes due to implementation of amenities and structural improvements (e.g., "coach-style" buses, dedicated transit lanes, queue jump lanes, signal priority systems, "real-time" on-street bus arrival information displays, etc.)
- ❖ Slightly reduced geographic coverage of bus service to emphasize service on the most productive routes;
- ❖ Phase 1 construction of the Sunrise Highway from I-205 to Rock Creek;
- ❖ Hogan Interchange construction at I-84 to Stark Street.
- ❖ Construction of 34 additional arterial lane miles and 108 more freeway lane miles than assumed in the 1995 RTP (which froze road construction at 2015 levels).

2. New 2004 RTP Network Assumptions:

The 2004 RTP Network Assumptions for roads and transit may be found in Appendix 1 of this Determination.

The 2004 RTP builds on the policy direction established in the 2000 RTP, which was to use transportation investment as a means to implement and reinforce the region's land use goals, and more fully defines the methods and projects that will effect this purpose. Extensive interagency consultation was conducted to develop and refine the current financially constrained system project list. The resultant network continues to rely extensively on auto trip making 61.3 percent of daily trips are single-occupant auto trips in 2025 and therefore continues to reflect significant investment in maintenance and expansion of the region's freeway and street facilities.

However, a more refined multi-modal approach is also exhibited in the 2004 RTP's specification of precise pedestrian and bike system improvements, and the identification of "boulevard-design" locations where the intent is to retrofit designated streets for walking, biking and transit. The retrofits of major streets include wider sidewalks, safer street crossings, bike lanes and improved bus stops and shelters along streets that serve the central city, regional centers, town centers and other areas. The 2004 RTP congestion level of service standards reflect a policy that the associated impacts of wider, faster streets and freeways needed to achieve the traditional service level are too often accompanied by unacceptable impacts on costs, surrounding neighborhoods and alternative travel modes. Some funds previously dedicated to attempts to meet the traditional level of service standard have been freed up to pursue more balanced system investment that is more reliant on system and demand management, walking, bicycling and transit to meet regional trip demand. And as the comparative data above, and in Section C.1(b), below, suggest, this approach yields meaningful reductions of auto trip dependency.

C. Relevant Conformity Requirements and Findings of Compliance

1. Consistency with the Latest Planning Assumptions (OAR 340-252-0110).

a. Requirement: *The State Rule requires that Conformity Determinations be based "on the most recent planning assumptions" derived from Metro's approved "estimates of current and future population, employment, travel and congestion."*

Finding of compliance: The *quantitative* analysis (see Section C.6) employs the transportation system planning assumptions completed for the 2004 RTP, and population, employment and development assumptions that reflect Metro adoption of the Regional Framework Plan and its implementing ordinances. The 2000 base year reflects Metro's official estimates of population and employment calibrated to 2000 Census data. Metro has completed a population/employment projection for 2025. The 2025 population/employment projection, along with the 2000 base year using 2000 Census data are the foundation for all analysis years used in this Conformity Determination.

Travel and congestion forecasts in the analysis years of 2000, 2010 and 2025 are derived from the population/employment data using Metro's regional travel demand model and the EMME/2 transportation planning software. Within subroutines of the regional travel demand model, Metro calculates the transit/bike/walk mode split for calculated travel

demand based on a variety of factors, including trip distance, car per worker relationship, transit headways, total employment within one mile, intersection density and a zone-based mixed-use index of the ratio of total employment to total population (see Appendix 4). Both the population and employment estimates and the methodology employed by the EMME/2 model have been the subject of extensive interagency consultation and agreement (discussed further in Section C.3).

The resulting estimates of future year travel and motor vehicle congestion are then used with the outputs of the EPA approved MOBILE 5a-h emissions model to determine regional emissions. In all respects, the model outputs reflect input of the latest approved planning assumptions and estimates of population, employment, travel and congestion.

- b. **Requirement:** *The State Rule requires that changes in transit policies and ridership estimates assumed in the previous conformity determination must be discussed.*

Finding of compliance: Changes in transit policies and ridership estimates are discussed below for each type of transit service assumed in the 2004 RTP transit network: light rail, commuter rail, rapid bus, frequent bus, regional bus and community bus.

LRT Extension. The transit policies which guide modeled implementation of light rail transit (LRT) service in the South/North corridor are consistent with previous Conformity modeling of the Westside and Hillsboro LRT service starts. Bus resources providing downtown radial service are replaced with LRT service. Previous short-haul service between former radial trunk routes is reconfigured to support new LRT stations and surrounding neighborhoods. This represents continuation of *existing transit policy* and its extension to the expanded LRT system. The same principles are further extended to implementation of planned commuter rail in South Washington County.

Previous conformity determinations have reflected policy changes that call for the construction of the South Corridor LRT Project in two phases. The first phase to include I-205 LRT from Gateway Regional Center to Clackamas Regional Center and LRT on the downtown Portland Transit Mall by 2008. A second phase is assumed that would include LRT from downtown Portland to Milwaukie town center. A new assumption is more rapid implementation of the Interstate MAX from downtown Portland to the Expo Center to the Expo Center. LRT service extension from Expo Center to Vancouver, Washington continues to be assumed to be part of the Preferred System, but is now not included in the Financially Constrained RTP and is therefore not included in this conformity analysis although it was included in previous conformity determinations.

Commuter Rail. A previous Determination has assessed introduction of commuter rail into the regional transit service strategy. The 2004 RTP makes no changes to the assumptions previously modeled. Only one alignment and service parameter is identified: Wilsonville to

Beaverton in Washington County during the a.m. and p.m. peak periods with supporting park and ride facilities and a slight increase and realignment of supporting feeder bus service. If other alignments should be determined to be feasible, amendment of the regionally defined system would be needed.

Bus Transit. The 2004 RTP carries forward a hierarchy of regional bus transit service described in the 2000 RTP. From a modeling perspective, one of the most significant factors effecting transit ridership is transit service headways. The 2000 RTP identified four gradations of bus service: Rapid bus, Frequent bus, Regional bus and Community bus which are continued in the 2004 RTP. Rapid bus service would most closely emulate LRT in speed, frequency and comfort serving major transit routes with limited stops. Rapid bus service is characterized by some dedicated rights-of-way, signal preemption capability, 15-minute headways and high quality station and passenger amenities. Passenger amenities are concentrated at transit centers such as schedule information, ticket machines, bicycle parking and covered shelters. The 2004 RTP continues with an approach of deploying a limited number of Rapid bus lines in high demand commuter corridors.

Frequent bus service is characterized by 10-minute headways, wider geographic coverage, utilization of some dedicated right-of-way (e.g., queue jumps, dedicated turn lanes, etc.), signal preemption capabilities, and enhanced passenger amenities that include covered bus shelters, special lighting. Some overlap of Rapid and Frequent bus service is conceivable. However, bus stops (rather than stations) would characterize the frequent bus system and much more frequent stops would occur. The vehicles would be typical transit buses.

Regional bus service would represent the majority of planned regional bus service. Radial trunk service would be provided on major arterials. Stops would be located every two to three blocks, and amenities would be prioritized to high ridership locations. Headways would not be more than 15-minutes during regular operating hours. The 2004 RTP continues the 2000 RTP approach which assumed expansion of the system to provide not only central city radial service but also to interconnect emerging regional and town centers, main streets and corridors with the central city and with one another.

The Community transit network is an innovation of the 2000 RTP that grew from Tri-Met's Transit Choices for Livability program. In addition to local bus service to neighborhoods and employment areas, community bus service includes decentralization of some transit services to a multitude of community-based transit providers dedicated to providing localized, "shuttle-like" service to destinations within a very limited geography. Vehicle types are expected to vary from traditional buses to van-type shuttles and taxi and car-share programs. The service is focused on more accessibility, frequency along the route and coverage to a wide range of land use options rather than on speed between two points. Community bus service generally is designed to serve travel with one trip end occurring within the 2040 Growth Concept town centers, main streets, station communities and corridors.

Transit Ridership. The broadest measure of ridership assumptions is revenue hours. The previous network, used to conform the 2000 RTP, as amended, reflected changes to the

South/North alignment and timing. Also, it included introduction of Commuter Rail in Washington County.

The following data points highlight the practical effect of changed system configuration and funding assumed in the 2004 RTP relative to previous assumptions used in the 2000 RTP:

- ❖ Total projected revenue hours projected for the 2004 RTP is 6,639.
 - ❖ The 2004 RTP projects Average Weekday (AWD) transit trips in 2025 is 520,248.
 - ❖ The 2004 RTP projects that the percent of regional daily trips that are transit is 6.28 percent
 - ❖ The 2004 RTP projects that, the percent of households and employment within 1/4-mile of transit service in 2025 to be 70.99 and 83.15 percent respectively
 - ❖ AWD originating riders per revenue hour are 76.94.
- c. **Requirement:** *The State Conformity Regulations require that reasonable assumptions be used regarding transit service, and increases in fares and road and bridge tolls over time.*

Finding of compliance: There are no road or bridge tolls in place in the Portland metropolitan area, and none are assumed in the 2004 RTP or proposed in the MTIP. No decision to deploy such a project has been made and this Determination does not model evaluation of such a program. However, in the future some of the projects included in the Financially Constrained System Project List may include value pricing considered during individual project evaluation and alternative selection.

Auto operating costs are factored into the mode choice subroutines of the regional travel model. These costs are held constant to 1985 dollars. Parking costs for the Central City and for Tier 1 regional centers are based on the South/North DEIS parking costs developed from survey data to reflect parking control strategies. Parking factors for the remaining regional centers, station communities, town centers and mainstreets are scaled back by 50 percent from these costs. No parking factors are assumed for corridors, neighborhoods, employment areas, industrial areas, greenspaces and areas outside the urban growth boundary. The three-zone transit fare structure adopted in 1992 is held constant through 2025. User costs (for both automobile and transit) are assumed to keep pace with inflation and are calculated in 1985 dollars. Free transit areas are assumed for the central business and Lloyd districts and Tier 1 regional centers and within Wilsonville town center.

Service assumptions (i.e., transit vehicle headways) also affect trip assignment to transit.

The South Corridor LRT Project Locally Preferred Alternative has selected the I-205 LRT segment and the downtown Portland Transit Mall LRT segment as a first phase recommended for completion by 2007 and a downtown Portland to Milwaukie LRT segment as a second phase.

LRT along Interstate Avenue from the Rose Quarter to the Expo Center is ahead of schedule with startup now planned for May 2004. These service assumptions were previously modeled in the FY 02-05 Metropolitan Transportation Improvement Program (MTIP) Conformity Determination, approved January 20, 2000 and as amended August 14, 2003.

The 2000 RTP assumed a 1.5 percent annual service hour increase for regional bus service through 2006. The bulk of the increase was allocated to building a service base along the Interstate Avenue corridor. At 2007, these bus resources were assumed to be reallocated throughout the region and feeder service within the LRT Corridor was reinforced.

The 2004 RTP continues these early program assumptions. However, with added regional support in the FY 2002 – 2005 MTIP, earlier attention has been focused on building service in two of four newly identified priority rapid bus corridors: the Barbur/99W and McLoughlin corridors, which link downtown with southeast Washington County and west Clackamas County, respectively. Rather than general reallocation of the Interstate LRT service hours, service in these corridors will be expanded. In addition, the 2004 RTP (as did the 2000 RTP) extends the 1.5 percent increase through 2025. Finally, rapid bus service is extended to the McLoughlin Boulevard/Highway 224 corridor and on Division Street to Gresham regional center in east Multnomah County.

- d. **Requirement:** The State Conformity Regulations require that the latest existing information be used regarding the effectiveness of TCMs that have already been implemented. It must also be demonstrated that the Plan does not delay or impede the implementation of TCMs

The Portland area maintenance plans for ozone and carbon monoxide include TCMS that are identical, except as otherwise noted for section 2 of the non-funding based TCMs. Following are the TCM quoted verbatim (shown in italics) from the air quality maintenance plans and unless noted, are the same in each maintenance plan. Each section of the maintenance plan TCMs is followed by a description of actions taken by the region to comply:

"Non-funding based Transportation Control Measures

1. Metro 2040 Growth Concept

Metro's 2040 Growth Concept is included because it changes typical growth patterns to be less reliant on motor vehicle travel, thereby reducing motor vehicle emissions. Two elements of the land use plan (the Interim Measures and the Urban Growth Boundary) provide appropriate implementation mechanisms to meet FCAA enforceability requirements for control strategies."

Compliance Actions - Metro 2040 Growth Concept

Since its adoption in 1995, the Metro Growth Concept has continued to serve as a means of coordinating land use and transportation, emphasizing a compact urban form, mixed uses where high quality transit service is provided or planned, a balanced transportation system that serves the Growth Concept and providing for transportation choices. Both the Metro 2000 RTP and 2004 RTP use the transportation system to implement the 2040 Growth Concept. This includes using a 2040 land use hierarchy to guide transportation plans and MTIP criteria that direct transportation investment decisions with 2040 Growth Concept implementation in mind. The MTIP includes incentives for serving 2040 centers (mixed use areas) and reducing vehicle miles traveled. As a result, during the period 1990 to 2000, while total vehicle miles increased by 35 percent, TriMet ridership increased 49 percent. Further, from the local adoption of the air quality maintenance plan requirements (1996) to the year 2000 (the latest data available), vehicle miles per capita (vmt/c) decreased from 21.7 vmt/c (vmt/c) to 20 vmt/c - an 8% decrease.

"a. Metro Interim Land Use Measures relating to:

- *Requirements for Accommodation of Growth;*
- *Regional Parking Policy; and*
- *Retail in Employment and Industrial Areas.*

The text of the interim land-use measures is included in Appendix D1-17 (for Ozone, Appendix D2-10 for CO)."

Compliance Actions - Metro Interim Land Use Measures

In 1996, the Metro Council adopted the Urban Growth Management Functional Plan, which was a set of recommendations and requirements for the twenty-four cities and the urban portions of three counties for implementing the 2040 Growth Concept. These regulations are not interim measures, rather, they provide lasting measures to address land use/transportation coordination. The Functional Plan set targets for cities and counties within the region for new jobs and housing as a means of encouraging land use patterns that are supportive of transit, walking and biking as well as setting standards for street connectivity and reducing the amount of land devoted to surface parking. As of January 2003, the Metro Council concluded (See appendix 8, which includes Metro Resolution No. 03-3299, compliance tables and the Functional Plan recommendations and requirements) that 25 of the 27 jurisdictions complied with the minimum density

standards, all jurisdictions complied with land partitioning standards, all but one complied with accessory dwelling unit standards. The total residential capacity demonstrated by the local jurisdictions was 94 percent of the total envisioned by the targets, without counting the capacity of the City of Wilsonville or unincorporated Multnomah County. With Wilsonville, unincorporated Multnomah County targets met and including the total capacity of the City of Portland using its Comprehensive Plan, the total would be 99 percent of the total envisioned by the targets. The regional total for accommodating jobs was 107percent of the regional targets.

With regard to parking, all but one jurisdiction (the City of Durham with a population in the 2000 Census of 1,382 people, 1 percent of the 1,305,574 people within the Metro jurisdictional boundary and with very little non-residential land uses or vacant buildable land for non single family use) , had complied with reviewing parking space sizes and ratios and lowering the total amount of land devoted to surface parking.

Finally, for Title 4, Retail in Employment and Industrial Areas, every city or county with employment or industrially zoned lands complied. In addition, Metro is currently looking at further protection of encroachment on employment and industrial lands with additional regulations now being discussed by the Metro Council.

All of these land use measures were intended to encourage land use patterns which , in part, promoted a more balanced transportation system. In addition, Metro adopted a Title 6, which pertained to transportation accessibility and connectivity. While not included as a land use measure in the air quality maintenance plans, these regional requirements for local government implementation encouraged street systems that connected more frequently which, in turn, encourages walking, biking and transit use - all contributing to better air quality. All 27 jurisdictions complied with connectivity standards.

"b Urban Growth Boundary.

The Urban Growth Boundary (UGB) as currently adopted or amended before EPA approval of the maintenance plan, assuming an amendment does not significantly affect the air quality plan's transportation emission projections."

Compliance Actions - Urban Growth Boundary

As noted above, the 2040 Growth Concept was envisioned to encourage a more compact urban form and to provide for land use patterns that encourage transportation choice. The urban growth boundary was not intended to be static. Since the late 1970s, the boundary has been moved about three dozen times. Most of those moves were small - 20 acres or less. There were two times that Metro authorized more substantial additions:

- in 1998 about 3,500 acres were added to make room for approximately 23,000 housing units and 14,000 jobs. Acreage included areas around the Dammasch state

- hospital site near Wilsonville, the Pleasant Valley area in east Multnomah, the Sunnyside Road area in Clackamas County, and a parcel of land south of Tualatin.
- in 1999 another 380 acres were added based on the concept of "subregional need." An example of "subregional need" would occur when a community needed land to balance the number of homes with the number of jobs available in that area.

These expansions represented an increase of only about 2 percent, even though the Metro region's population has increased by about 17 percent since 1990.

In early 2002, the voters of the region approved Ballot Measure 26-29, which prohibits Metro from requiring higher densities within existing neighborhoods. Metro's goal is to locate higher density housing, such as townhouses and apartments, within "centers" such as the downtowns of Portland, Beaverton and Gresham, or along transportation corridors, particularly where there is a light-rail line.

Further, in 2002, the Metro Council completed a two-year process reviewing the region's capacity for housing and jobs by expanding the UGB by an additional 18,638 acres, with 2,851 acres dedicated to employment purposes. This expansion amounts to an 8 percent increase in the Metro urban growth boundary. However, the UGB expansion is sized to accommodate the next twenty years of growth. The new UGB, including the expansion will accommodate a 40 percent increase over the forecast period ².

As part of the 2002 UGB decision, the Metro Council adopted new policies that address the protection of existing neighborhoods and additional job land, and the improvement of downtown commercial centers and main streets. Accordingly, transportation and air quality modeling have assumed urban land use consistent with population, housing and job forecasts. In turn, transportation system improvements have also been assumed to serve the area. The air quality conformity determination results, demonstrate that even with these changes in land use and transportation system, the estimated future air quality results still meet state and federal air quality standards.

"2. Central City Parking Requirements (Carbon Monoxide only)

The Portland City Council adopted the Central City Transportation Management Plan, Plan and Policy, and other supporting documents on December 6, 1995. The Central City Transportation Management Plan (CCTMP) was adopted by Ordinance No. 169535, Resolution 35472. The Ordinance became effective January 8, 1996. A key supporting document was the Zoning Code Amendments, containing the maximum parking ratios for new development, the requirements for providing structured parking to serve older historic buildings and other regulations on parking. Key elements of the Zoning Code Amendments related to CO air quality projections are incorporated into this document as given below.

² Sources: Metro Urban Growth Report, Table 1, line 1a and Metro Council Regional Forecast, September, 2002 and 2000 US Census.

The CCTMP replaced the former Downtown Parking and Circulation Policy, first adopted in 1975 and updated in 1980 and 1985. The 1980 update of the parking policy served as a foundation for the 1982 Portland area CO attainment plan. The CCTMP is designed to minimize new vehicle traffic in the Central City and encourage alternative travel modes by extending the downtown maximum parking ratio concept to the entire Central City area.

The CCTMP provided for the lifting of the downtown parking lid upon EPA approval of the maintenance plan and the request for attainment redesignation. However, until EPA approval, the CCTMP retains the parking lid.

The parking offset program (OAR 340-020-0400 through OAR 340-020-0430), designed to allow the city to increase the parking lid by up to a maximum of 1,370 spaces, was also retained until after EPA approval of the maintenance plan. The DEQ's emission projection figures for the CCTMP emissions inventory area include an estimate for the emissions associated with 827 parking spaces, as documented in Appendix D2-4-4. These are the parking spaces yet to be developed, but which were authorized by the parking offset program.

The following is a list of zoning code amendments that were incorporated directly into the Portland Carbon Monoxide Maintenance Plan. The text of critical code provisions (such as maximum parking ratios for new development and parking provisions for existing buildings) is contained in Appendix D2-8. A list of other zoning code amendments used as supporting documents for the maintenance plan is contained in Appendix D2-13 of Volume 3 of the Oregon State Implementation Plan.

Items in Volume 3 of the SIP are federally enforceable. With regard to Volume 3 items, EPA has allowed DEQ to make changes which are merely administrative, without requiring public process. DEQ and EPA make a determination as to whether a proposed change by the City of Portland is merely administrative rather than substantive.

Section 1: Incorporated Amendments to Chapter 33.510, Central City Plan District

<u>Code Number</u>	<u>Code Title</u>
33.510.261 - 33.510.261.E (33.510.261.E.1.a(1)-(2),b,E.2.a(1)-(2),b)	Parking Site split by subdistrict or parking sector boundaries
33.510.263 - 33.510.263.A (33.510.263.A.1.a-c(1)-(4),A.2-4.a-b(1)-(3),A.5-7.a-d)	Parking in the Core Area Growth Parking
33.510.263.B - (33.510.263.B.1.a-c(1)-(2),B.2-4.a)	Preservation Parking
33.510.263.E - (33.510.263.E.1.a-b,E.3.a-c)	Residential/Hotel Parking
33.510.263.G -	All Parking
33.510.263.G.4 - (33.510.263. G.4.a. (1)-(2), G.4.d(1)-(3»)	Surface parking lots.

33.510.264	Parking in Lloyd District
33.510.264.A (33.510.264.A.1.a-c(1)-(4),A.2.a,A.4.a)	Growth Parking
33.510.264.B 33.510.264.B.1.a-c(1)-(2),B.2.a-c,B.4.a-c)	Preservation Parking
33.510.264.F	All Parking
33.510.264.F.4 (33.510.264.F.4.e.(1)-(3)	Surface parking lots
33.510.265	Parking in the Goose Hollow Subdistrict and Central Eastside Sectors 2 and 3
33.510.265.A (33.510.265.A.1.a-c,A.2.a,A.4.a)	Growth Parking
33.510.265.B (33.510.265.B.1.a-c(1)-(4),B.2.a,b) (33.510.265.B.4.a-c)	Preservation Parking

Section 2: *Incorporated Portion of New Chapter 33.808, Central City Parking Review*

<u>Code Number</u>	<u>Code Title</u>
33.808.050	Loss of Central City Parking Review Status
	33.808.100 <i>General</i>
	Approval Criteria for Central City Parking Review
33.808.100.G	
33.808.100.J 33.808.100.J.2.a	<i>If the site is in the Core Area:</i>
33.808.100.M	

Section 3: *Incorporated Maps*

<u>Map Number</u>	<u>Map Title</u>
510-8	Core and Parking Sectors - EPA

Section 4: Incorporated Portion of CCTMP Administration Section

VI.D.1.a.(1)-(5)

*Administration Section:
Preservation Parking*

Unless it is a substitution of a Transportation Control Measure producing equivalent emission reduction, any change in the Portland Metro Area CO Maintenance Plan language will require adoption of a formal amendment by the EQC and approval by EPA. The City of Portland may make changes to City policies and regulations which are included in the Portland Metro Area CO Maintenance Plan provided they do not relax the stringency of the air quality control strategies. DEQ will work with the City to notify EPA of such changes. These changes will be incorporated into the Portland Metro Area CO Maintenance Plan at a future convenient time.

Changes to documents supporting the Portland Metro Area CO Maintenance Plan' (zoning code amendments not directly incorporated into the Portland Metro Area CO Maintenance Plan, but listed in Appendix D2-13 of Volume 3 of the Oregon State Implementation Plan) which do not affect the stringency of the air quality control strategies will not require adoption of a formal amendment by the EQC and approval by EPA. DEQ and the City of Portland will review potential changes to the supporting documents to determine whether they affect the stringency of the air quality strategies. If it is determined that stringency will not be affected, DEQ will submit those changes to EPA for concurrence and administrative incorporation into the Portland Metro Area CO Maintenance Plan."

Compliance Actions - Central City Parking Requirements

As noted in the State Conformity Regulations, these regulations were adopted by the City of Portland in 1995 and became effective January 8, 1996. These parking regulations are still in force and remain a part of City regulations pertaining to the Central City.

2. "DEQ Employee Commute Options Program (ozone only)

A 10% trip reduction target is required for employers who employ more than 50 employees at the same work site. See discussion above and Appendix D1-13."

Compliance Actions - DEQ Employee Commute Options Program

The ECO rule (OAR 340-242-0100 through 0290), applies to employers in the Portland area with more than 50 employees reporting to a single work site. Affected employers must provide incentives for employee use of alternative commute options. The incentives must have the potential to reduce commute trips to the work site by ten percent within three years. Annual employee surveys measure progress toward this goal.

Popular programs include transit subsidies, carpool matching and preferential parking for carpools, compressed work weeks (4/10's for example), telecommuting, and bike/walk programs. Most companies offer a guaranteed ride home for personal emergencies for commuters.

Failure to comply with the ECO rule is a Class II environmental violation and carries penalties that typically range from \$500 - \$2,000 for each day of violation.

According to the 2002 ECO Rule Information Clearinghouse, the following ECO Rule facts were found:

Total number of ECO-affected employers in the Portland metro region = 1142

Total number of ECO-affected employers with baseline surveys = 936

Total number of ECO-affected employers with Trip Reduction Plans ~ 400

Total number ECO-affected employers performing Annual Follow-up Surveys ~ 704

Total number of ECO-affected employers who have met the 10 percent trip reduction target or other compliance option = 585

ECO is getting 86 percent of its trip reduction from its 319 largest employers (those with more than 150 employees).

Total annual VMT reduction: 49,542,360

Annual VMT reduction from employers with more than 200 employees: 42,548,613

According to the *2002 Regional Transportation Demand Management Program Evaluation Report*, the auto-trip reduction number translates to a reduction of 852,014 vehicle-miles traveled per workweek, which, in turn, leads to reduction in the following air pollutants:

Hydrocarbons 6,276 lbs.

Nitrogen oxides 3,233 lbs.

Carbon monoxide 48,496 lbs.

Carbon dioxide 852,014 lbs.

This DEQ required program is implemented by 1.7 FTE DEQ staff members and progress has been documented for the latest year for data (2002) as follows:

- Fielded approximately 750 phone calls with questions about all facets of the ECO program.
- Initiated approximately 250 phone calls and letters to employers informing them that they were subject to the rules or helping them catch up if they were behind in complying.
- Identified businesses that were unaware of the ECO requirements, but were subject to the ECO rules through informal and formal methods. Accomplished this by purchasing mailing lists, browsing periodicals like Oregon Business magazine and The Oregonian, contacting chambers of commerce, getting lists from TriMet, or identifying employers while in the field.
- Compiled approximately 200 ECO employee survey reports.

when

- Developed and implemented postcard system to remind employers annual ECO survey was due.

- Developed and maintained ECO website and posted new information including DEQ's Variable Work Hours Handbook, Parking Management Handbook, End-of-trip Facilities case studies and low cost promotional ideas.

- Provided technical assistance to employers using DEQ's survey software.

- Maintained and updated the ECO employer database.

- Directed employers to organizations that could provide more in-depth help with alternate commute modes like TriMet, C-TRAN, SMART, Flexcar, CarpoolMatchNW and area TMAs.

- Developed materials that assist employers in complying with ECO requirements. Specific to 2002 were:

- A pollution spreadsheet to show employers the environmental impact of employee transportation choices. This spreadsheet shows pollution reductions (or increases) from one survey period to the next.
- A new form to collect more in-depth information from worksites.
- Purchased promotional, "give-away" items advertising ECO related messages to distribute at transportation fairs, environmental events and one-on-one meetings with employers.

Further, TriMet has an Employer Outreach Program that also targets the region's ECO affected workers (those with 50 or more employees) as well as providing assistance to employers with fewer than 50 employees. The December 2003 Three-Year Work Plan outlines methods how tools such as educational programs and training materials, individual consultations, presentations and employer/employee training sessions to promote use of public transportation, carpooling, telecommuting, bicycling, walking, vanpools, flexcar, compressed work week and flexible work hour options. As the work plan states: "During the 2001-2003 fiscal years, TriMet helped Portland area employers set up, or maintain, TDM programs that impacted 190,520 workers."

The TriMet Employer Outreach Three Year Work Plan demonstrates how a local agency is working to reach new employers and further raise the number of employers that meet the ECO rule.

The above documentation of results shows that 51 percent of all ECO-affected employers in the Portland Metro region in the year 2002 have complied with a 10 percent trip reduction target, while 82 percent of all ECO rule affected employers have taken the first step - completed a baseline survey and both DEQ and TriMet have programs to increase participation. This 82 percent of employers represents a higher percentage of total employees, as the participating employers tend to be firms with 150 employees or more. Further, the air quality credit claimed for this TCM is that based on actual program

performance as noted in tables 7 through 9, below. Accordingly, this TCM has been substantially implemented.

3. ***"DEQ Voluntary Parking Ratio Program (ozone only)"***

Implement a voluntary parking ratio program providing incentives to solicit participation, including exemption from the Employee Commute Options program. See discussion above and Appendix D1-14."

Compliance Actions - DEQ Voluntary Parking Ratio Program

In 1999, the DEQ eliminated this program. (In 1996, Metro adopted mandatory parking requirements, see Appendix 8)

"Funding based Transportation Control Measures"

1. ***Increased Transit Service***

a. *Regional increase in transit service hours averaging 1.5% annually."*

Compliance Actions - Regional Transit Service

Table 2 below displays the total region-wide annual service hours for light rail and bus vehicles by year since the adoption of the region's transportation control measures (1996).

Table 2

Region-wide Annual Transit Service Hours

Fiscal Year	Service Hours			Percent Change	
	Rail	Bus	Total	cumulative from 1996	year-to-year
1996	59,544	1,821,120	1,880,664	0.0%	
1997	59,748	1,819,320	1,879,068	-0.1%	-0.0%
1998	66,708	1,869,324	1,936,032	2.9%	3.0%
1999	130,236	1,938,048	2,068,284	9.9%	6.8%
2000	143,100	2,009,148	2,152,248	14.4%	4.0%
2001	144,672	2,032,944	2,177,616	15.7%	1.1%
2002	183,648	2,048,484	2,232,132	18.6%	2.5%
2003	192,500	2,049,100	2,241,600	19.1%	0.4%
Average					2.6%

TriMet has actually increased transit service by an average of 2.6 percent since adoption of this transportation control measure. This is more than 1 percent greater than the 1.5 percent average transit service increase required annually. Furthermore, a large percentage of the increase in vehicle service hours have been provided on light rail vehicles which have three to six times the passenger carrying capacity of a bus, depending on whether a one or two car train is operating.

This level of transit service increase was made possible by large increases in payroll tax revenues within the TriMet district due to a favorable economic climate. It is unlikely TriMet will be able to sustain this level of growth over a long period of time. Service and financial planners at TriMet have forecast modest growth in service hours through the MTIP years, however, that will easily exceed the commitment to averaging 1.5 percent annual growth. Recently acquired authority from the 2003 State Legislature to increase the payroll tax rate once the recession has ended will further enable TriMet to meet this goal.

"This commitment includes an average annual capacity increase in the Central City area equal to the regional capacity increase. The level of transit capacity increase is based on the regional employment growth projections adopted by Metro Council on Dec. 21, 1995. These projections assume that the Central City will maintain its current share of the regional employment. Should less employment growth occur in the Region and/or the Central City, transit service increase may be reduced proportionately."

Compliance Action - Central City Transit Service

The following table illustrates the transit service increase for those transit services that serve the downtown.

**Table 3
Central City Annual Transit Hours**

1996			2003			Average Annual Increase 1996-2003
Bus	LRT	Total	Bus	LRT	Total	
1,340,508	59,544	1,400,052	1,424,592	192,516	1,608,220	2%

Note: Service hours are totals for all bus and light rail lines that serve the downtown Portland Central City area. The Portland Streetcar is not included.

It should be noted that the TCM is expressed in the percentage change in total transit service hours. However, there is a very large difference between the amount of bus service increase and LRT service increase in the Central City. Between 1996 and 2003, bus service

in the Central City increased by 6 percent. However, LRT service in the Central City increased by 320 percent. This is significant because the additional capacity provided by LRT service is much greater than that provided by buses. For example, a standard 40-foot bus has a capacity of (seated and standing) of 65 people, while a two-car light rail train can carry 266 people (133 people per car.) What the data also do not reflect is the elimination of buslines in favor of LRT service.

A more accurate way to consider how transit service has improved in the Central City is to look at capacity as illustrated in Table 4.

Table 4
Transit Capacity in the Portland Central City

Mode	Seated Capacity			Total Capacity (seated and standing)		
	Fall 1996	Fall 2003	Annual Average % Increase	Fall 1996	Fall 2003	Annual Average % Increase
Bus	1,172,354	1,214,256		1,830,016	1,895,494	
Rail	163,328	486,524		423,632	1,261,922	
Total	1,335,682	1,700,780	3.9%	2,253,648	3,157,346	5.7%

Accordingly, viewed from both a transit service hour and total capacity standpoint, the increase in transit in the Central City more than exceeded the TCM of 1.5 percent increase for the Central City. Based on these data and the transit service hours increases, it is concluded that the region has complied with the Central City transit service TCM.

b. Completion of the Westside Light Rail Transit facility.

Compliance Action - Westside Light Rail Transit

Westside Light Rail was opened on September 12, 1998. Since the Westside MAX Blue Line opened five years ago, 43.4 million rides have been taken along the 18-mile segment. Ridership on Westside MAX now averages 28,400 weekday boardings. In 2000, ridership on the line had already exceeded 2008 projections.

c. Completion of Light Rail Transit (LRT) in the South/North corridor by the year 2007.

Compliance Actions - South/North LRT

Interstate MAX, the 5.8 mile northern segment of this project is under construction and is scheduled to be in operation May 1, 2004. The southern portion of this project is planned in two phases - Phase 1 is an extension from Gateway regional center to the Clackamas regional Center, Phase 2 an extension from downtown Portland to Milwaukie. Phase 1 is tentatively scheduled for completion by 2008. Phase 2 would follow thereafter.

2. Bicycle and Pedestrian Facilities

a. *Multimodal facilities.*

Consistent with ORS 366.514³, all major roadway expansion or reconstruction projects on an arterial or major collector shall include pedestrian and bicycle improvements where such facilities do not currently exist. Pedestrian improvements are defined as sidewalks on both sides of the street. Bicycle improvements are defined as bikeways within the Metro boundary and shoulders outside the Metro boundary but within the Air Quality Maintenance Area.

Compliance Actions - Multi-Modal Facilities

As noted in the TCM, it is State law that all major roadway expansion or reconstruction projects on an arterial or major collector shall include pedestrian and bicycle improvements where such facilities do not currently exist. Accordingly, agencies seeking funding of transportation projects have designed and built projects to comply with this requirement.

b. *RTP Constrained Bicycle System.*

In addition to the multimodal facilities commitment, the region will add at least a total of 28 miles of bicycle lanes, shoulder bikeways or multi-use trails to the Regional Bicycle System as defined in the Financially Constrained Network of Metro's Interim Federal RTP (adopted July 1995) by the year 2006. Reasonable progress toward implementation means a minimum of five miles of new bike lanes, shoulder bikeways or multi-use trails shall be funded in each two-year Transportation Improvement Program (TIP) funding cycle.

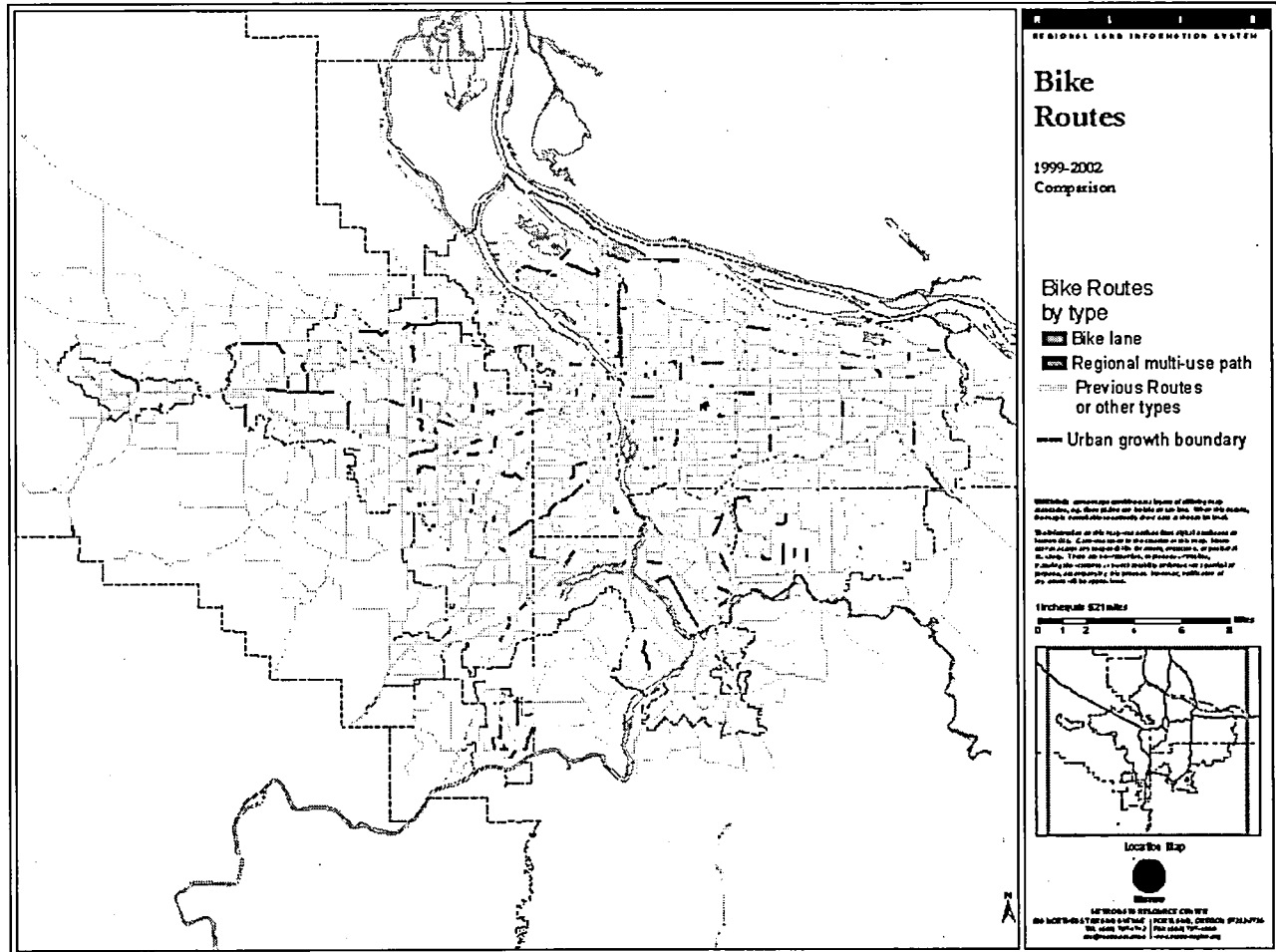
Bike lanes are striped lanes dedicated for bicycle travel on curbed streets, a width of five to six feet is preferred; four feet is acceptable in rare circumstances. Use by autos is prohibited. Shoulder bikeways are five to six foot shoulders for bicycle travel and emergency parking. Multi-use trails are eight to 12 foot paths separate from the roadway and open to non-motorized users.

Compliance Actions - Bicycle System

A data base of constructed bike lanes and related facilities should be completed for future conformity determinations. As a surrogate, a map comparing the bike system in 1999 and 2002 was prepared from the Metro *Bike There!* maps. The below map shows the 103 miles of new bike lanes and multi-purpose paths added during the period 1999 to 2002. That is, from a 1999 total of 519 miles, 103 miles of bikeway were added for a 2002 total of 622 miles. Of the current 622 miles of bikeways, 512 are bike lanes, defined as "striped portions of the roadway designated as a bicycle travel lane". The balance, 110 miles are regional multi-use paths defined as "physically separated from motor vehicle traffic, used by bicyclists, pedestrians, skaters and other non-motorized travelers." Accordingly, the region has achieved this TCM adopted in 1996 that "...the region will add at least a total of 28 miles of

³ This provides for the following exceptions:

- absence of any need;
- contrary to public safety; and
- excessively disproportionate cost.



bicycle lanes, shoulder bikeways or multi-use paths to the Regional Bicycle System as defined in the Financially Constrained Network of Metro Interim Federal RTP (adopted July 1995) by the year 2006."

In addition to bike lanes constructed as part of associated road improvements, this Transportation Priorities process allocated funding for approximately 3.8 miles of new off-street multi-use paths for bicycle and pedestrian use in the 2006-07 biennium. Funding for the design of an additional 4.5 miles of multi-use path was also provided as a part of these projects. Therefore, the total of bike lanes and multi-use trails in the 2006-2007 MTIP is 8.3 miles, exceeding the five-mile minimum by 66 percent.

c. Pedestrian facilities.

In addition to the multimodal facilities commitment, the region will add at least a total of nine miles of major pedestrian upgrades in the following areas, as defined by Metro's Region 2040 Growth Concept: Central City/Regional Centers, Town Centers, Corridors & Station Communities, and Main Streets. Reasonable progress toward implementation means a minimum of one and a half miles of major pedestrian upgrades in these areas shall be funded in each two-year TIP funding cycle."

Compliance Finding - Pedestrian Facilities

New pedestrian projects awarded funding in the most recent Transportation Priorities process focused on improving the safety of pedestrian crossings at intersections. This includes the Central Eastside bridge heads project (which also includes access from Water Avenue to the Morrison Bridge) and the St. John's town center pedestrian improvements. The length of the improvements across intersections and the new Morrison Bridge access are approximately .4 miles in length. The Forest Grove town center pedestrian improvement project will be providing approximately 1.2 miles of new sidewalks in the 2006-07 biennium. This totals 1.6 miles, or about 7 percent over the 1.5 mile target for new pedestrian improvements. In addition, in the past over 9 miles of pedestrian facilities have been constructed. Accordingly, it is concluded that this TCM has been met.

- a. **Requirement:** *The State Conformity Regulations require that the conformity determination must be based on the most current emission estimation model available.*

Finding of compliance: Metro employed EPA's recommended Mobile 5a-h emissions estimation model in preparation of this conformity determination. Additionally, Metro uses EPA's recommended EMME/2 transportation planning software to estimate vehicle flows of individual roadway segments. These model elements are fully consistent with the methodologies specified in OAR 340-252-0120.

In addition, Metro has begun running the MOBILE6 model in order to begin familiarization with this new model in anticipation of its use in future conformity determinations.

3. Consultation (OAR 340-252-0130)

- a. **Requirement:** *The State Conformity Regulations require the MPO to consult with the state air quality agency, local transportation agencies, DOT and EPA regarding enumerated items. TPAC is specifically identified as the standing consultative body in OAR 340-225-0060(1)(b).*

Finding of compliance: Specific topics are identified in the Regulations that require consultation. TPAC is identified as the Standing Committee for Interagency Consultation. Most of the agencies defined as eligible to participate during interagency consultation for the Determination were participants in development of the 2004 RTP and the MTIP, (EPA and the Federal Transit Administration, whose closest offices are located in Seattle have not been able to participate at TPAC) including development of the financially constrained system, at both the region's technical and policy committee levels (TPAC and JPACT) during the development of the 2004 RTP. However, a special interagency meeting was convened on October 2, 2003, with all affected agencies, including EPA, FTA and FHWA as well as representatives of DEQ, TriMet and Metro participating in order to review an early draft of this document and discuss the conformity determination approach, schedule and assumptions prior to TPAC review..

- i. *Determination of which Minor Arterial and other transportation projects should be deemed "regionally significant."*

Metro models virtually all proposed enhancements of the regional transportation network proposed in the MTIP, the 2004 RTP and by local and state transportation agencies. This level of detail far exceeds the minimum criteria specified in both the State Rule and the

Metropolitan Planning Regulations for determination of a regionally significant facility. This detail is provided to ensure the greatest possible accuracy of the region's transportation system predictive capability. The model captures improvements to all principal, major and minor arterial and most major collectors. Left turn pocket and continuous protection projects are also represented. Professional judgment is used to identify and exclude from the model those proposed intersection and signal modifications, and other miscellaneous proposed system modifications, (including bicycle system improvements) whose effects cannot be meaningfully represented in the model. The results of this consultation were used to construct the analysis year networks identified in Appendix 1 of this Determination.

- ii. *Determine which projects have undergone significant changes in design concept and scope since the regional emissions analysis was performed.*

All agencies defined as eligible to participate during interagency consultation for the Determination were participants in development of the 2004 RTP and 2004-07 MTIP and commented extensively on the Plan's preparation, including development of the 2004 RTP financially constrained system, at both the region's technical and policy committee levels (TPAC and JPACT).

- iii. *Analysis of projects otherwise exempt from regional analysis.*

All projects capable of being modeled have been included in the Conformity Analysis quantitative networks, regardless of funding source or "degree of significance", as reviewed by TPAC.

- iv. *Advancement of TCMs.*

All past and present TCMs have been implemented on schedule. There exist no obstacles to implementation to overcome. See C1(d) in this section., above.

- v. *PM10 Issues.*

The region is in attainment status for PM10 pollutants.

- vi. *forecasting vehicle miles traveled and any amendments thereto.*

The forecast of vehicle miles is the product of the modeled road and transit network defined in the financially constrained system, which was approved during extensive consultation with all concerned agencies including DEQ as part of TPAC and JPACT.

- vii. *determining whether projects not strictly "included" in the TIP have been included in the regional emission analysis and that their design concept and scope remain unchanged.*

All projects capable of being modeled have been included in the Conformity Analysis quantitative networks, regardless of funding source or "degree of significance".

viii. *project sponsor satisfaction of CO and PM₁₀ "hot-spot" analyses.*

The MPO defers to ODOT staff expertise regarding project-level compliance with localized CO conformity requirements and potential mitigation measures which are considered on a project-by-project basis as a part of the environmental assessment. There exist no known PM₁₀ hot spot locations of concern.

ix. *evaluation of events that will trigger new conformity determinations other than those specifically enumerated in the rule.*

This section is not applicable to the 2004 RTP or MTIP conformity determination.

x. *evaluation of emissions analysis for transportation activities which cross borders of MPOs or nonattainment or maintenance areas or basins.*

The Portland-Vancouver Interstate Maintenance Area (ozone) boundaries are geographically isolated from all other MPO and nonattainment and maintenance areas and basins. Emissions assumed to originate within the Portland-area (versus the Washington State) component of the Maintenance Area are independently calculated by Metro. The Clark County Regional Transportation Commission (RTC) is the designated MPO for the Washington State portion of the Maintenance area. Metro and RTC coordinate in development of the population, employment and VMT assumptions prepared by Metro for the entire Maintenance Area. RTC is the lead agency for conformity determinations for plans and projects in the Washington State portion of the Maintenance Area.

Conformity of projects occurring outside the Metro boundary but within the Portland-area portion of the Interstate Maintenance Area were assessed by Metro as provided in State regulations. A request was made of each county to forward projects within the Maintenance Area boundary. While several projects were forwarded to Metro from Multnomah County for analysis, none of these projects was considered a regionally significant project. (see Appendix 7) No regionally significant projects outside the urban boundary have been declared to Metro for analysis.

xi. *disclosure to the MPO of regionally significant projects, or changes to design scope and concept of such projects that are not FHWA/FTA projects.*

In the process of updating the 2000 RTP and the 2004 RTP, local jurisdictions and regional and state agencies made changes to the projects. These changes will be reflected in the air quality modeling and considered in the conformity determination.

xii. the design schedule and funding of research and data collection efforts and regional transportation model development by the MPO.

This consultation occurs in the course of MPO development and adoption of the annual Unified Planning Work Program.

xiii. development of the TIP.

Development of the MTIP included review by TPAC, which is the designated body for interagency consultation.

xiv. development of RTPs.

Development of the 2004 RTP was directly reviewed by TPAC, which is the standing body for interagency consultation.

xv. establishing appropriate public participation opportunities for project level conformity determinations.

In line with other project-level aspects of conformity determinations, it is most appropriate that project management staff of the state and local operating agencies be responsible for any public involvement activities that may be deemed necessary in making project-level conformity determinations.

- b. **Requirement:** *The State Conformity Regulations require a proactive public involvement process that provides opportunity for public review and comment by providing reasonable public access to technical and policy information considered by the agency at the beginning of the public comment period and prior to taking formal action on the conformity determination for all transportation plans.*

Finding: Appendix 2 contains a timeline that describes key products and opportunities for public comment as part of the 2004 RTP. In addition, development of the MTIP included extensive public review and comment opportunities. Appendix 9 includes comments received from the earlier public comment period from October 31, 2003 through January 13, 2004. Comments received during the February 13, 2004 through February 27, 2004 period will be included in a separate document.

On September 29, 2003 a notice of Metro's intent to update the 2000 RTP and conduct an air quality conformity analysis of the 2004 RTP and 2004-07 MTIP was sent to affected governments and interested residents, businesses and community groups. This notice summarized the public process and a timeline for adoption of the 2004 RTP, the 2004-07 MTIP and a conformity determination for both plans. On October 31, 2003, a 30-day public comment period began on the draft 2004 RTP air quality conformity analysis procedures and methodologies. Metro's website and transportation hotline also supplied

information on the plan update and conformity determination process, including opportunities for public comment. Appendix 6 contains copies of the 45-day kickoff notice and Oregonian notice. In addition, a post card was mailed to approximately 2,500 persons who had asked to be placed on either the RTP or MTIP interested persons mailing list. The post cards were also mailed to representatives of neighborhood organizations and community planning organizations. An email newsletter was also sent out to elected officials and representatives of local, regional and state officials.

Further, on February 13, 2004 a new 14 day public review and comment period was advertised in the Oregonian including notification of a February 26, 2004 public hearing before the Metro Council and a deadline for written comments of February 27, 2004. Table 5 describes the 2004 RTP and 2004-07 MTIP conformity process.

Table 5
2004 Regional Transportation Plan /2004-07 MTIP Conformity Analysis Timeline

September 29, 2003	Notification of 2004 RTP and joint 2004 RTP/2004-07 MTIP air quality conformity process to affected governments, interested citizens, community groups
October 31, 2003	Begin 30-day public comment period on draft 2004 RTP and draft conformity determination document for the 2004 RTP and 2004-07 MTIP
December 4, 2003	Metro Council Public hearing on 2004 RTP, 2004-07 MTIP and draft conformity determination; close of public comment period
December 5, 2003	Review of 2004 RTP and air quality conformity analysis results and tentative action by TPAC
December 11, 2003	Action on 2004 RTP and 2004-2007 MTIP
January 9, 2004	2025 Air quality conformity results completed and announced on web site.
January 13, 2004	Close of public comment period.
January 15, 2004	Air quality conformity approvals by JPACT and Metro Council & transmittal to USDOT on January 16, 2004
February 5, 2004	USDOT requests Report changes and reopening public comment period
February 13, 2004	Revised Report completed and public notice published for additional 14 day public comment period
February 26, 2004	Metro Council public hearing
February 27, 2004	Close of public comment, distribution of all public comments to JPACT and Metro Council
March 1, 2004	JPACT action on revised conformity determination
March 4, 2004	Metro Council action on revised conformity determination

4. Timely Implementation of TCMs (OAR 340-252-0140).

a. Requirement: *The State Conformity Regulations require MPO assurance that "the transportation plan, [and] TIP... must provide for the timely implementation of TCMs from the applicable implementation plan."*

Finding: See C.1(d), above. Based on this information, it is found that the TCMs are being implemented in a timely fashion.

5. Support Achievement of NAAQS

a. Requirement: The State Implementation Plan (SIP) requires the 2004 RTP and 2004-07 MTIP to support achievement of NAAQS.

Finding:

Several policies and objectives in Section 1.3.4 of the 2004 RTP directly support achievement of National Ambient Air Quality Standards (NAAQS). These objectives are achieved through a variety of measures affecting transportation system design and operation, also described in Chapter 1 of the 2004 RTP. The plan sets forth goals and objectives for road, transit, freight, bicycle, and pedestrian improvements as well as for implementation of system and demand management strategies.

The highway system is functionally classified to ensure a consistent, integrated, regional highway system of principal routes, arterial and collectors. Acceptable level-of-service standards are set for maintaining an efficient flow of traffic. The RTP also identifies regional bicycle and pedestrian systems for accommodation and encouragement of non-vehicular travel. System performance is emphasized in the RTP and priority is established for implementation of transportation system management (TSM) measures.

The transit system is similarly designed in a hierarchical form of regional transitways, radial trunk routes and feeder bus lines. Standards for service accessibility and system performance are set. Park-and-ride lots are emphasized to increase transit use in suburban areas. The RTP also sets forth an aggressive demand management program to reduce the number of automobile and person trips being made during peak travel periods and to help achieve the region's goals of reducing air pollution and conserving energy.

In conclusion, 2004 RTP and the 2004-07 MTIP is in conformance with the SIP in its support for achieving the NAAQS. Moreover, the RTP provides adequate statements of guiding policies and goals with which to determine whether projects not specifically included in the RTP at this time may be found consistent with the RTP in the future. Section 1.3.7 in Chapter 1 of the 2004 RTP identifies key policies that guide the selection of projects and programs to implement the RTP. Conformity of such projects with the SIP would require interagency consultation.

6. Quantitative Analysis (OAR 340-252-0190)

1. Conduct a Quantitative Analysis

Requirement: OAR 340-252-0190 requires that a quantitative analysis be conducted as part of the 2004 RTP conformity determination. The analysis must demonstrate that emissions resulting from the entire transportation system, including all regionally significant projects expected within the time frame of the plan, must fall within budgets established in the maintenance plan for criteria pollutants. In the Portland-Vancouver Air Quality Maintenance Area these include ozone precursors (HC and NO_x) and carbon monoxide (CO). A specified methodology must be used to calculate travel demand, distribution and consequent emissions as required by OAR 340-20-1010. The Portland metropolitan area has the capability to perform such a quantitative analysis.

Finding: For the Oregon portion of the Portland-Vancouver airshed, emission budgets have been set for various sources of pollutants (mobile, point, area) and are included in the SIP and in the region's Ozone and Carbon Monoxide Maintenance Plans. The 2004 RTP and 2004-07 MTIP must conform to the SIP mandated mobile emission budgets. Mobile emission budgets are set for winter carbon monoxide (CO) and for two summer ozone precursors: nitrogen oxides (NO_x), and hydrocarbons (HC).

The region's approved Maintenance Plans identify two sets of analysis years, one set for winter CO and one set for summer ozone precursors (NO_x and HC). The CO budget years are 2007, 2010, 2015 and 2020. The ozone analysis years are 2006, 2010, 2015 and 2020. In addition, a plan horizon year must also be evaluated. For the 2004 RTP, the horizon year is 2025. Table 6 shows the budget years and associated emissions budgets. The 2004-07 MTIP is a subset of the financially constrained system described in the 2004 RTP.

Table 6

Table 6**2004 RTP/2004-07 MTIP Mobile Emissions Budgets¹**

	Winter CO (thousand pounds/day)	Summer HC (tons/day)	Summer NOx (tons/day)
2006	<i>n/a</i>	41	51
2007	775	<i>n/a</i>	<i>n/a</i>
2010	772*	40	52
2015	801*	40	55
2020	856*	40	59
2025	856*	40	59

¹ Budgets are from the Maintenance Plan adopted in 1996 except as noted. Year 2025 budget based on Ozone Maintenance Plan emission budget "for years 2020 and beyond".

*Previous air quality conformity determinations have used Carbon Monoxide budgets based on a draft, July 12, 1996 copy of the Maintenance Plan. However, the correct budgets are those in the approved State Implementation Plan published in the September 2, 1997 Federal Register (FR), as cited in the FR in Section 52.1970 (c) (122)(i)(B), which revises the 2010, 2020 and years thereafter as listed in Table 5, above.

Source: Metro

The network that was analyzed is summarized in Appendix 1. The protocol for definition of the Determination's analysis and budget years is summarized in Appendix 3, including discussion of why each analysis year was selected. Appendix 4 contains a summary of the principle model assumptions, including a discussion of assumed transit costs, parking factors, and intersection density and the impact of these factors on travel mode selection by 2040 design type (e.g., central city, regional centers, town centers, station communities, mainstreets, employment areas, corridors, etc.). A detailed description of the network assumptions coded into Metro's regional model is contained in a 2004 RTP Financially Constrained System Atlas, available for review at Metro located at 600 NE Grand Avenue, Portland, OR 97232. The Atlas includes information about system and individual link capacities in the 2000 base year and capacities assumed after planned improvements as well as the year of expected operation of each planned improvement. The results of the quantitative analysis are shown in Table 7 and Figures 1 through 5. In summary, Metro's analysis indicates that, with regard to the established budgets in all budget years (i.e., 2006, 2007, 2010, 2015, 2020 and 2025), that regional emissions meets Federal and State requirements.

2. Determine Analysis Years.

- a. **Requirement:** *The State Conformity Regulations) require the first analysis year to be no later than 10 years from the base year used to validate the transportation demand planning model (340-252-0070), that subsequent analysis years be no greater than 10 years apart and that the last year of the 2004 RTP must be an analysis year (340-252-0070).*

Finding: See Appendix 3 regarding selection of analysis and budget years, including discussion of why each analysis year was selected.

3. Perform the Emissions Impact Analysis.

- a. **Requirement:** *The State Conformity Regulations) require Metro to conduct the emissions impact analysis.*

Finding: Calculations were prepared, pursuant to the methods specified at OAR 340-20-1010, of CO and Ozone precursor pollutant emissions assuming travel in each analysis year on networks that have been previously described. A technical summary of the regional travel demand model, the EMME/2 planning software and the Mobile 5a-h methodologies is available from Metro upon request. The methodologies were reviewed by TPAC.

4. Determine Conformity.

- a. **Requirement:** *Emissions in each analysis year must be consistent with (i.e., must not exceed) the budgets established in the maintenance plan for the appropriate criteria pollutants (OAR 340-252-0190).*

Finding: Metro's analysis indicates that regional emissions will remain within established budgets in all budget years

- | | |
|-------------------|-----------------------------------|
| - Carbon Monoxide | - 2007, 2010, 2015, 2020 and 2025 |
| - Ozone | - 2006, 2010, 2015, 2020 and 2025 |
| - Nitrogen Oxides | - 2006, 2010, 2015, 2020 and 2025 |

Table 7 provides a summary of these emissions and shows that the 2004 RTP and 2004-07 MTIP, conform with the SIP.

Table 7
2004 RTP/2004-07 MTIP Conformity Results¹

	Winter CO (thousand pounds/day)		Summer HC (tons/day)		Summer NOx (tons/day)	
	<i>Budget</i>	<i>Model Result</i>	<i>Budget</i>	<i>Model Result</i>	<i>Budget</i>	<i>Model Result</i>
2006	<i>n/a</i>	<i>n/a</i>	41	39.4	51	46.1
2007	775	769.0	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>
2010	772*	752.6	40	36.4	52	42.2
2015	801*	774.5	40	34.7	55	38.0
2020	856*	822.2	40	37.3	59	37.1
2025	856	854.4	40	37.2	59	41.3

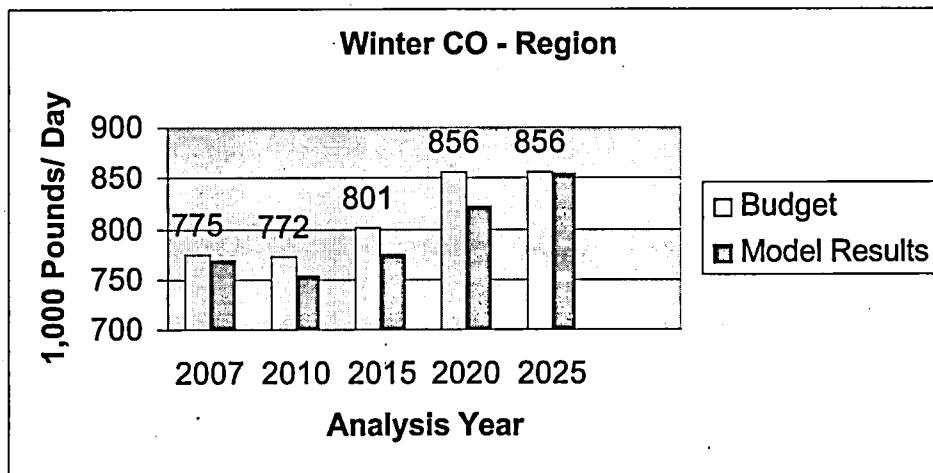
¹ Budgets are from the Maintenance Plan adopted in 1996. Year 2025 budget should be adjusted based on emission budget input factors.

*Previous air quality conformity determinations have used Carbon Monoxide budgets based on a draft, July 12, 1996 copy of the Maintenance Plan. However, the correct budgets are those in the approved State Implementation Plan published in the September 2, 1997 Federal Register (FR), as cited in the FR in Section 52.1970 (c) (122)(i)(B), which revises the 2010, 2020 and years thereafter as listed in Table 7, above.

Source: Metro

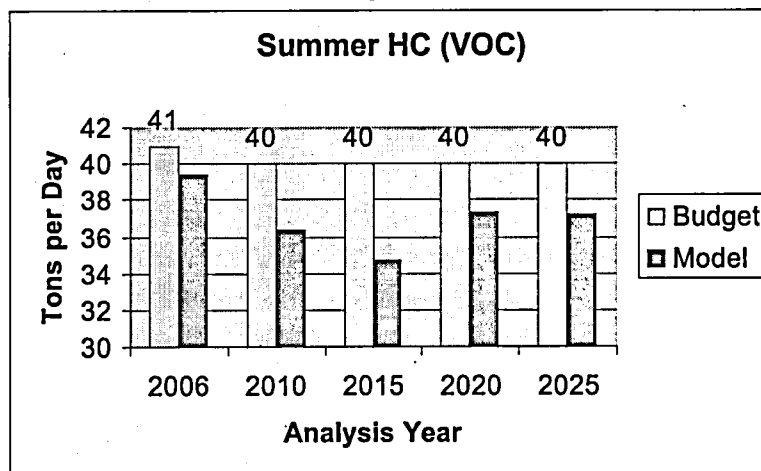
Figures 1, 2 and 3 show graphs of the conformity results that compare the emissions budgets with the modeled results for each analysis year for winter carbon monoxide (CO) and for two summer ozone precursors: nitrogen oxides (NOx), and hydrocarbons (HC) respectively. Figures 4 and 5 show graphs of the conformity results that compare the emissions budgets with the modeled results for each analysis year for winter carbon monoxide (CO) in the Portland central city subarea and 82nd Avenue subarea.

Figure 1



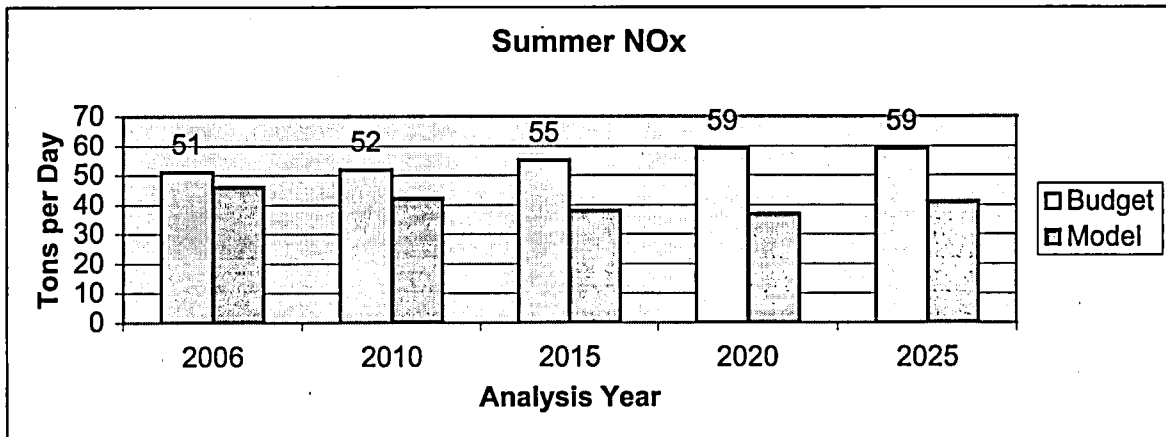
Based on RTP Financially Constrained System and 2004-07 MTIP
Source: Metro

Figure 2



Based on RTP Financially Constrained System and 2004-07 MTIP
Source: Metro

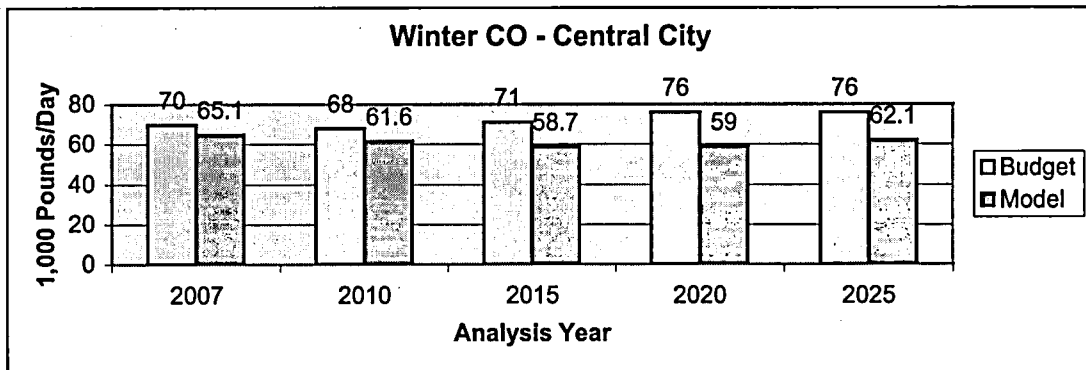
Figure 3



Based on RTP Financially Constrained System and 2004-07 MTIP

Source: Metro

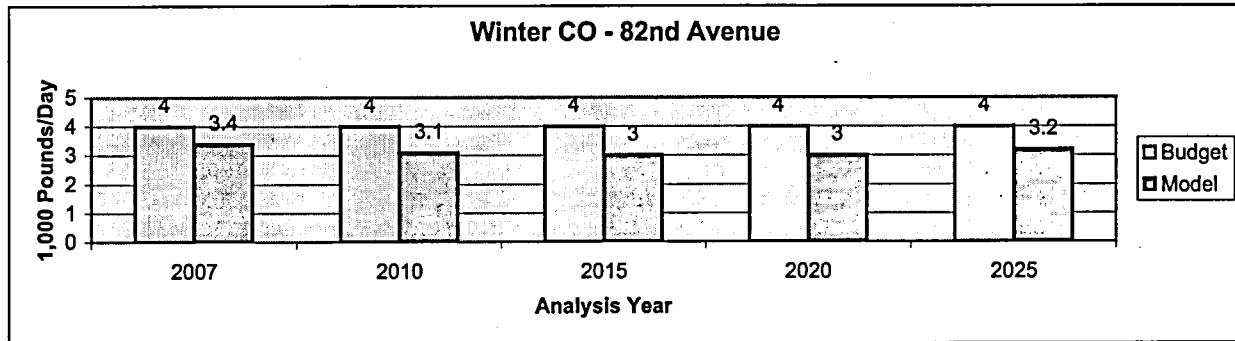
Figure 4



Based on RTP Financially Constrained System and 2004-07 MTIP.

Source: Metro

Figure 5



Based on RTP Financially Constrained System and 2004-07 MTIP
Source: Metro

Seasonal Adjustments

The emission results that are compared with the budgets are computed with the use of MOBILE5a-h. After the raw emission totals are calculated several revisions are made to arrive at a final result reported above. The raw emission total comes from a number derived from the Metro Transportation Model that is set for transportation conditions in May of the desired year. However, the Carbon Monoxide emissions are of most concern in the winter. The precursors of ozone pollution, HC and NOx, are of most concern in the summer. Accordingly, adjustments are made to the raw numbers to account for transportation conditions for the needed season. That is, a seasonal adjustment is made for the CO emissions to reflect fewer trips in winter as compared with May and for HC and NOx for more trips in summer than occur in May. The seasonal adjustment also changes the travel model output from emissions per Average Weekday (a 5 day average) to emissions per Average Day (a 7 day average that includes weekends). These adjustments are illustrated for the years 2010, 2015 and 2025 in tables 8, 9 and 10, below.

Emission Credits

The above results also include the use of credits. That is, there are some measures that are being implemented or which will be implemented in the future which are expected to decrease air quality emissions from mobile sources. As specified in OAR 340-252-0230, credits may be used to reduce the estimated amount of pollution from mobile sources. The following tables show the unadjusted MOBILE5a-h results as well as the adjustments made for each credit and the final adjusted numbers for the years 2010, 2015 and 2025. Metro is using two credits, one for Tier 2 emission controls and a second for ECO rule benefits. As can be seen, the largest credit is the Tier 2 credit, especially in later years.

Table 7
Metro RTP 2010 Financially Constrained System
Forecast Conformity Emissions, Credits and Adjustments

	Metro Winter CO	Credit as % of Raw Total	Central City Winter CO	82nd Avenue Winter CO	HC	Credit as % of Raw Total	AQMA Nox	Credit as % of Raw Total
Raw Total	878.7		71.9	3.7	41.1		58.6	
Seasonal Adjustment	-114.8	n/a	-9.3	-0.5	1.1	n/a	1.3	n/a
Adjusted Total	764.5		62.6	3.2	39.2		57.3	
Credits								
Tier 2	0	0%	0	0	-2.8	-7%	-14.7	-25%
ECO	-11.9	-1%	-0.9	-0.0	-0.8	-2%	-0.4	-1%
Emissions with Credits	752.5		61.7	3.2	36.4		44.5	
Budget	772		68	4	40		52	

Includes: Seasonal Adjustments, ECO Rule Credits, and Tier 2 Adjustments to NOx and VOC.

Seasonal adjustments provide appropriate time of year calibration to forecast emission forecasts and are not a credit.

Table 8
Metro RTP 2015 Financially Constrained System
Forecast Conformity Emissions, Credits and Adjustments

	Metro Winter CO	Credit as % of Raw Total	Central City CO	82nd Avenue CO	HC	Credit as % of Raw Total	AQMA Nox	Credit as % of Raw Total
Raw Total	905.3		68.6	3.5	40.4		60.3	
Seasonal Adjustments	-117.7	n/a	- 8.9	-0.5	1.1	n/a	1.2	n/a
Adjusted Total	787.6		59.7	3.0	39.3		59.1	
Credits								
Tier 2	0		0	0	-3.8	-9%	-20.7	-34%
ECO	-13.1	-5%	-1.0	-0.0	-0.8	-2%	-0.4	-1%
Adjusted Model	774.5		58.7	3.0	34.7		38.0	
Budget	772		71	4	40		55	

Includes: Seasonal Adjustments, ECO Rule Credits, and Tier 2 Adjustments to NOx and VOC. Seasonal adjustments provide appropriate time of year calibration to forecast emission forecasts and are not a credit.

Table 9

**Metro RTP 2025 Financially Constrained System
Forecast Conformity Emissions, Credits and Adjustments**

	Metro CO	Credit as % of Raw Total	Central City CO	82nd Avenue CO	HC	Credit as % of Raw Total	AQMA Nox	Credit as % of Raw Total
Raw Total	1000.5		72.7	3.7	44.3		66.8	
Seasonal Adjustments	-150.1	n/a	-10.9	-0.6	2.0	n/a	2.2	n/a
Adjusted Total	850.4		61.8	3.1	46.3		69.0	
Credits								
Tier 2	0		0	0	-4.9	-11%	-23.7	-35%
ECO	-48.5	-5%	-3.5	-0.2	-3.1	-7%	-1.6	-2%
Adjusted Model	801.9		58.3	2.9	38.3		43.7	
Budget	856		76	4	40		59	

Includes: Seasonal Adjustments, ECO Rule Credits, and Tier 2 Adjustments to NOx and VOC. Seasonal adjustments provide appropriate time of year calibration to forecast emission forecasts and are not a credit.

Tier 2 Emission Credit

The EPA final rule on Tier 2 Motor Vehicle Emissions Standards and Gasoline Sulfur Control Requirements ("Tier 2 standards") for passenger cars, light trucks, and larger passenger vehicles was published on February 10, 2000 (65 FR 6698). The program is designed to focus on reducing the emissions most responsible for the ozone and particulate matter (PM) impact from these vehicles – nitrogen oxides (NOx) and non-methane organic gases (NMOG), consisting primarily of hydrocarbons (HC) and contributing to ambient volatile organic compounds (VOC).

The program also applies the same set of federal standards to all passenger cars, light trucks, and medium-duty passenger vehicles. Light trucks include "light light-duty trucks" (or LLDTs), rated at less than 6000 pounds gross vehicle weight and "heavy light-duty trucks" (or HLDTs), rated at more than 6000 pounds gross vehicle weight). "Medium-duty passenger vehicles" (or MDPVs) form a new class of vehicles introduced by this rule that includes SUVs and passenger vans rated at between 8,500 and 10,000 GVWR. The program thus ensures that essentially all vehicles designed for passenger use in the future will be clean vehicles.

The air quality modeling software, MOBILE5a and MOBILE5b were released in 1993 and 1996, respectively, before the Tier 2 rules were proposed. As a result, MOBILE5a and MOBILE5b did not address the effects of Tier 2 exhaust and evaporative emission certification requirements on emissions for motor vehicles starting in 2004. These effects will be addressed in the MOBILE6 on-road emissions model, planned to be used for the Metro area in the future and being tested for use in the Metro area currently. However, for this air quality conformity determination, MOBILE5 is being used and as noted, does not account for these changes in emissions.

EPA has approved a method of including Tier 2 effects in calculating air quality impacts while using MOBILE5. This air quality conformity determination uses the MOBILE5a-h emission model and applies Tier 2 emission rate adjustments consistent with the *MOBILE5 Information Sheet #2, Tier 2 Benefits Using MOBILE5*, as published by the EPA April 2000. The Tier 2 adjustments were provided for emission rates

at 24.6 miles per hour. Metro determined the percentage change the Tier 2 adjustments made to the original emission at 24.6 miles per hour. The resulting percentage change was then applied to all emission rates for other speeds. The results of this credit are shown on the tables above.

ECO Rule Credit

One of the Transportation Control Measures included in the Ozone Maintenance Plan is the ECO, or Employee Commute Option rule. This rule states that a 10 percent trip reduction is required for employers who employ more than 50 employees at the same work site. As noted in section C 1. d. of this report, the ECO rule is being implemented in the region by DEQ as well as TriMet. As noted in the findings of the *2002 Regional Transportation Demand Management Program Evaluation Report, Metro, April 2003*) which calculates the air quality benefits of the ECO rule (see page 17 of the report), the ECO Rule has direct air quality benefits and these have been calculated on the basis of actual progress on this TCM. According to the *2002 Regional Transportation Demand Management Program Evaluation Report*, the auto-trip reduction number translates to a reduction of 852,014 vehicle-miles traveled per workweek, which, in turn, leads to reduction in the following air pollutants:

Hydrocarbons 6,276 lbs.

Nitrogen oxides 3,233 lbs.

Carbon monoxide 48,496 lbs.

Carbon dioxide 852,014 lbs.

These air quality benefits were directly credited against the forecasts of air quality emissions of the air quality model.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 04-3427, FOR THE PURPOSE OF RESPONDING TO USDOT CONCERNS, REVISING THE CONFORMITY DETERMINATION REPORT AND RE-ADOPTING THE PORTLAND AREA AIR QUALITY CONFORMITY DETERMINATION FOR THE 2004 REGIONAL TRANSPORTATION PLAN AND 2004-07 METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM

Date: February 11, 2004

Prepared by: Mark Turpel

BACKGROUND

Federal regulations require that Metro's financially constrained system of the Regional Transportation Plan (RTP) and its Transportation Improvement Program (MTIP), which is drawn from the financially constrained RTP, be updated every three years. Federal approval of the updates can't occur until the region demonstrates that the updates meet Clean Air Act (CAA) requirements (a conformity determination). A conformity lapse is to be avoided as it could result in delay of most new transportation construction projects in the region.

The last full analysis conformity determination was approved January 26, 2000. Accordingly, the deadline for demonstrating conformity for the 2004 RTP and 2004-2007 MTIP was January 26, 2004.

On October 2, 2003 Metro facilitated an Interagency Consultation Committee meeting where a first draft Air Quality Conformity Determination was discussed and recommendations made by members (including representatives from the Federal Highway Administration, Federal Transit Administration, Environmental Protection Agency, Oregon Department of Environmental Quality, Oregon Department of Transportation, and TriMet).

On October 31, 2003, a draft Conformity Determination incorporating all changes requested at the Interagency Consultation Committee meeting was published and made available to the public, opening a public comment period. This draft did not include air quality modeling results, though it described the overall process and assumptions.

On December 18, 2003, a further revised and updated report was published and distributed based on Federal Highway Administration comments. On January 9, 2004 the air quality modeling results were completed and made available on Metro's web site. On January 13, 2004, the public comment period was closed.

On January 15 2004, Joint Policy Advisory Committee on Transportation (JPACT) recommended that the Conformity Determination be approved and later that afternoon, the Metro Council approved Resolution No. 03-3382A, For the Purpose of Adopting the Portland Area Air Quality Conformity Determination For the 2004 Regional Transportation Plan and 2004-07 Metropolitan Transportation Improvement Program, approving the January 15, 2004 Conformity Determination and directing the Chief Operating Officer to request concurrence.

Also on January 15, 2004, Metro submitted a conformity determination for United States Department of Transportation (USDOT), (Federal Highway Administration and Federal Transit Administration) consideration. On February 5, 2004, the USDOT stated in a letter that they had concerns with the length

of time that had been made available for public comment on the final document, that emission credit information had not been included in the document and that there was a need to clarify and amplify progress with transportation control measures (TCM).

Accordingly, in order to address USDOT concerns, a new Conformity Determination Report has been prepared responding to USDOT concerns and a new public comment period has been opened. Report changes include the following:

- adding information about the emission credits applied to the emission computer model results;
- clarifying and amplifying information about some of the transportation control measures;
- updating references so that the document is a February 12, 2004 document.

ANALYSIS/INFORMATION

1. Known Opposition None known. The region is and has been in compliance with the Clean Air Act since 1996. The proposed transportation investments included in the 2004 RTP and the 2004-07 MTIP when added to the present transportation systems, have been demonstrated to result in future air quality conditions which continue to meet the Clean Air Act to the year 2025.

2. Legal Antecedents There are a wide variety of past Federal, State and regional legal actions that apply to this action.

Federal regulations include:

- the Clean Air Act, as amended [42 U.S. C. 7401, especially section 176(c)]; and
- Federal statutes concerning air quality conformity [23 U.S.C. 109(j)];
- US EPA transportation conformity rules (40 CFR, parts 51 and 93)
- USDOT rules that require Metro to update RTPs on a three-year cycle [23 CFR 450.322(a)].

State regulations include:

- Oregon Administrative Rules for Transportation Conformity, (OAR Chapter 340, Division 252);
- Portland Area Carbon Monoxide Maintenance Plan and Portland Area Ozone Maintenance Plan each prepared in 1996 and which received Federal approvals on September 2, 1997 and May 19, 1997 respectively.

Previous related Metro Council actions include:

- Metro Resolution No. 00-2999, For the Purpose of Adopting the Portland Area Air Quality Conformity Determination For the 2000 Regional Transportation Plan, adopting the air quality conformity for the 2000 RTP;
- Metro Resolution No. 02-3186B, For the Purpose of Amending the Metropolitan Transportation Improvement Program (MTIP) to Include State Bond Funds; Programming Preliminary Engineering Funds For US 26 Widening, amending the 2000 RTP and 2002 MTIP to incorporate OTIA bond projects (using a estimate of additional air quality impacts from the projects added to the RTP and MTIP);
- Metro Resolution 03-3351, For the Purpose of Amending the Metropolitan Transportation Improvement Program to Include the Revised South Corridor Light Rail Transit Project, amending the 2000 RTP and MTIP to incorporate the South Corridor LRT Project (again, using a less than full analysis method to assess air quality impacts from the project when added to the RTP and MTIP).

- Metro Resolution For the Purpose of Adopting the Portland Area Air Quality Conformity Determination For the 2004 Regional Transportation Plan and 2004-07 Metropolitan Transportation Improvement Program, which adopted the January 15, 2004 Conformity Determination. The January 15, 2004 Conformity Determination was not approved by the USDOT, making revisions to the Report and re-opening the public comment period, the subject of Metro resolution 04-3427.

3. Anticipated Effects Approval of this Resolution will allow submittal of the revised air quality conformity determination contained in Exhibit A to the US Department of Transportation, Federal Highway Administration and Federal Transit Administration as well as the US Environmental Protection Agency for their review and approval. This approval will allow Metro and local, regional and state agencies to proceed with transportation investments within the region.

4. Budget Impacts None. The subject transportation investments are allocations of Federal and State transportation funds.

RECOMMENDED ACTION

Adopt Resolution 04-3427.

Agenda Item Number 5.2

**Resolution No. 04-3428, For the Purpose of Entering an Order Relating
To Compliance with the Urban Growth Management Functional Plan.**

Metro Council Meeting
Thursday, March 4, 2004
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENTERING AN) RESOLUTION NO. 04-3428
ORDER RELATING TO COMPLIANCE WITH)
THE URBAN GROWTH MANAGEMENT)
FUNCTIONAL PLAN) Introduced by Council President David Bragdon

WHEREAS, Title 8 of Metro Code Chapter 3.07, the Urban Growth Management Functional Plan ("UGMFP"), requires the Chief Operating Officer to submit a report to the Metro Council on the status of compliance of local governments with each requirement of the UGMFP, and to provide public notice of the report; and

WHEREAS, the Chief Operating Officer submitted a report to the Metro Council, entitled "2003 Urban Growth Management Functional Plan Compliance Report," on December 10, 2003, and provided public notice of the report; and

WHEREAS, the Metro Council held hearings for the purpose of taking testimony on the question whether cities and counties have complied with the UGMFP on January 29, 2004, and February 12, 2004, and heard testimony from interested persons, local governments and the staff on the question; and

WHEREAS, Title 8 of the UGMFP requires the Metro Council to enter an order that determines the status of each city's and county's compliance with the requirements of the UGMFP, and to send a copy of the order to all cities and counties and all persons who participated at the hearing; now, therefore,

BE IT RESOLVED:

1. That the Metro Council adopt Order No. 04-001, attached hereto as Attachment A, which accepts the "Urban Growth Management Functional Plan Annual Compliance Report, Revised February 5, 2004," as the Metro Council's determination of the status of city and county compliance with the UGMFP, pursuant to Subsection 3.07.880C of the Metro Code.

2. That the Metro Council direct the Chief Operating Officer to send a copy of Order 04-001, with the attached compliance report, to all cities and counties and all persons who participated at the hearing, pursuant to Subsection 3.07.880C of the Metro Code.

ADOPTED by the Metro Council this _____ day of March, 2004.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

Attachment A to Resolution No. 04-3428

Order No. 04-001

**RELATING TO COMPLIANCE WITH THE
URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN**

IT IS ORDERED THAT:

1. The Metro Council accepts the report from the Chief Operating Officer entitled "Urban Growth Management Functional Plan Annual Compliance Report, Revised February 5, 2004," attached to this order as Exhibit A, as fulfilling the requirement of Urban Growth Management Functional Plan (UGMFP) Title 8 (Compliance Procedures), Metro Code Subsection 3.07.880A.
2. Based upon the December 10, 2003, report from the Chief Operating Officer and staff reports and testimony received at public hearings on January 29, 2003, and February 12, 2004, the Metro Council adopts Table A of the Compliance Report, entitled "Status of Compliance with the Functional Plan – February 4, 2004," as its determination of the status of city and county compliance with the UGMFP requirements of Titles 1 through 12, as required by Title 8 (Compliance Procedures), Metro Code Subsection 3.07.880C.

ENTERED this _____ day of March, 2004.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

**Exhibit A to Order No. 04-001 – Part 1
Resolution No. 04-3428**

**URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN
ANNUAL COMPLIANCE REPORT
Revised February 5, 2004**

INTRODUCTION

The Urban Growth Management Functional Plan (Functional Plan) came into effect in February 1997. Jurisdictions had two years to comply with the requirements contained in Title 1: Requirements for Housing and Employment Accommodation, Title 2: Regional Parking Policy, Title 4: Industrial and Employment Areas, Title 5: Neighbor Cities and Rural Reserves and Title 6: Regional Connectivity. Title 3: Water Quality, Flood Management came into effect in June 1998 and compliance was required by January 2000. Not all jurisdictions were able to amend their comprehensive plans and implementing ordinances by these dates. Time extensions were granted by the Metro Council to a number of jurisdictions to complete their compliance efforts.

Title 7: Affordable Housing came into effect in January 2001 and jurisdictions are required to submit three separate Progress Reports due on January 31, 2002, December 31, 2003 and June 30, 2004.

Title 11: Planning for New Urban Areas applies to areas added to the Urban Growth Boundary as major or legislative amendments. Compliance with this title is on an area-by-area basis as new land is added to the boundary.

With the adoption of Ordinance 02-969B in December 2002, the Metro Council adopted a number of revisions to the Functional Plan, including a new Title 6: Central City, Regional Centers, Town Centers and Station Communities. These revisions are identified in this 2003 Annual Report.

This report, required by Metro Code 3.07.880, outlines the status of each jurisdiction in their compliance efforts with Titles 1 through 7 and Title 11 of the Functional Plan.

CONTENTS OF THE REPORT

Metro Code 3.07.880.A requires that this report include the following:

- An accounting of compliance with each requirement of the functional plan by each city and county in the district.
- A recommendation for action that would bring a city or county into compliance with the functional plan requirement and advise to the city or county whether it may seek an extension pursuant to section 3.07.850 or an exception pursuant to section 3.07.860.
- An evaluation of the implementation of the Functional Plan and its effectiveness in helping achieve the 2040 Growth Concept.

The accounting of compliance for Titles 1 through 7 is presented in two ways. First, the compliance of each jurisdiction is discussed individually. Second, a compliance matrix, Table A, has been prepared which contains a summary of compliance by Functional Plan Title. The matrix includes the summary of compliance for pre-2002 Functional Plan amendments to Titles 1, 4 and 6 and post-2002 Functional Plan amendments to Titles 1, 4, 6, and 7. Title 11 reporting is presented as a whole rather than by jurisdiction in a separate section of the report.

The 2003 Compliance Report is the second completed under Metro Code 3.07.880. This report does not repeat the details of the elements of the Functional Plan already deemed to be in compliance identified in the 2002 Compliance Order. This report notes the compliance since the adoption of the 2002 Compliance Order and any outstanding items.

GENERAL COMPLIANCE NOTES

This report details the compliance status of the jurisdictions from January 2003 through December 2003.

Ordinance No. 02-969B, adopted by the Metro Council in December 2002, contained amendments to Title 1, 4 and 6 of the Functional Plan. A number of these amendments require the jurisdictions to undertake actions to adopt regulations to comply by July 7, 2005. In addition, amendments were made to the reporting requirements of Title 7 in June 2003.

Title 1: Requirements for Housing and Employment Accommodation

Two reporting requirements were added to Title 1. Jurisdictions are required to report annually on changes in capacity and biennially on the actual density of new residential development.

Title 4: Industrial and Employment Areas

Title 4 was rewritten and a new design type, Regionally Significant Industrial Areas (RSIAs) was added. The amendments to protections of Employment Areas were minor and did not change the status of compliance. Retail limitations in Industrial Areas were amended to exclude new uses greater than 20,000 square feet and occupying more than 10 percent of the net developable portion of the Industrial Area. In the RSIAs retail and other non-industrial uses are restricted and there are limits on the division of larger industrial parcels.

Title 6: Central City, Regional Centers, Town Centers and Station Communities

Under the old Title 6: Regional Accessibility, the jurisdictions were required to meet Metro Code Sections 3.07.620 (Regional Street Design Guidelines) and 3.07.630 (Design Standards for Street Connectivity) under Title 6. With the adoption of the Regional Transportation Plan (RTP) in August 2000, the requirements of Title 6 were moved to the RTP. All jurisdictions have complied with these two sections and all future references will be to the new Title 6.

The new Title 6 requires the jurisdictions to work with Metro to develop a strategy to enhance the Centers, encourage the siting of government offices in Centers and discourage them outside of Centers and biannually report on progress of the Centers.

Title 7: Affordable Housing

The 2002 Annual Compliance Report dealt with Title 7 compliance separate from Titles 1 through 6. This was due to a number of issues unique to Title 7 including:

- Clarification was needed on who at the local level should approve the progress report required by Title 7.
- Clarification was needed concerning the evaluation of the reported related policies in a comprehensive plan.
- Clarification was needed on what was meant to "consider" amendments of comprehensive plan and implementing ordinances to include strategies such as land use tools.

Staff was directed to propose amendments to Title 7 to clarify these points. At its meeting of May 28, 2003, the Metro Policy Advisory Committee recommended amendments to provide clarification and at its meeting of June 26, 2003, the Metro Council adopted Ordinance No. 03-1005 amending Title 7. Staff is currently re-evaluating the first year (2002) and second year (2003) reports that had been submitted by local governments based on the guideline provided in the amended Title 7.

The amendment also changed the deadlines contained in Metro Code 3.07.740 for local governments to submit their annual reports. The reporting dates have been amended as follows:

- The first year (2002) reporting deadline to January 31, 2002 so as to keep the changes to second (2003) and third (2004) reporting deadlines uniform.
- The second year (2003) reporting deadline to December 31, 2003, and specified that local jurisdictions should explain the tools and strategies adopted and implemented or not adopted and not implemented.
- The third year (2004) reporting deadline to June 30, 2004, and specified that jurisdictions should explain the remaining actions they have taken since submittal of the previous reports.

The first Progress Report required the jurisdictions to consider 15 strategies of adoption into local plans and codes. Although 17 jurisdictions have submitted the first Progress Report, no one jurisdiction has considered all 15 strategies. The amendments to Title 7 clarified that "consider" means consideration by the elected body of the jurisdiction. In eight of the Progress Reports received, the strategies considered to date were done so by the elected body of the jurisdiction.

As the 2003 Annual Compliance Report includes Functional Plan compliance to November 2003, the status of second year Progress Report due on December 31, 2003 is not included in this report.

Title 8: Compliance Deadlines

With the adoption of Ordinance 02-925E, Metro is required to provide the local jurisdictions with the deadlines for compliance with the requirements of the Functional Plan. The schedule of compliance dates is attached to this report as Table B.

Title 11: Planning for New Urban Areas

The purpose of Title 11 is to require and guide planning for conversion from rural to urban use for the land that is brought into the UGB through major or legislative amendments. The interim protections and planning requirements are placed as condition of approval on the ordinances that add the land. The conditions include a timeline for compliance that can vary in length.

Outstanding Compliance Elements by Title

Title 1: Oregon City has not adopted minimum densities or accessory dwelling units. Wilsonville has not provided a capacity analysis.

Title 3: Lake Oswego, West Linn, Clackamas County have not fully complied with the Water Quality Performance Standards.

Title 5: Oregon City has not adopted a policy relating to Green Corridors.

Title 7: At this time there are ten jurisdictions that have not submitted their First Progress Report: Cornelius, Gladstone, Johnson City, King City, Lake Oswego, Milwaukie, Oregon City, Rivergrove, Sherwood and Wilsonville. No jurisdiction has considered all fifteen strategies for adoption and in only seven jurisdictions; the strategies considered were done so by the elected body.

Fourteen jurisdictions have not submitted their Second Progress Report: Cornelius, Durham, Forest Grove, Gladstone, Happy Valley, Hillsboro, Johnson City, Milwaukie, Oregon City, Rivergrove, Sherwood, Tualatin, Wilsonville and Clackamas County.

A report, "Updated Metro Evaluation of Local Government Title 7 (Affordable Housing) Compliance Report" has been prepared in response to the June 2003 amendments to Title 7. It provides details of the requirements of the amended Title 7 and provides a status report of local compliance.

SUMMARY OF COMPLIANCE BY JURISDICTION

The jurisdictions were required to amend their Comprehensive Plans and implementing ordinances to comply with many of the requirements of the Functional Plan.

The City of Beaverton: The City is up-to-date on its compliance for Titles 1 through 6.
Outstanding Items: Title 7: consideration of 15 strategies by City Council.

The City of Cornelius: The City is up-to-date on its compliance for Titles 1 through 6. Cornelius has not submitted the First or Second Progress Report required by Title 7.
Outstanding Items: Title 7: First Progress Report, consideration of 15 strategies by the City Council, Second Progress Report.

The City of Durham: The City is up-to-date on its compliance for Titles 1 through 6. Durham adopted the Title 2 parking standards in February 2003 and Title 1 minimum densities in December 2003. Durham has not submitted the Second Progress Report required by Title 7.
Outstanding Items: Title 7: consideration of 15 strategies by City Council, Second Progress Report.

The City of Fairview: The City is up-to-date on its compliance for Titles 1 through 6.
Outstanding Items: Title 7: consideration of remaining strategies.

The City of Forest Grove: The City is up-to-date on its compliance for Titles 1 through 6. Forest Grove has not submitted the Second Progress Report required by Title 7.
Outstanding Items: Title 7: consideration of remaining strategies, Second Progress Report.

The City of Gladstone: The City is up-to-date on its compliance for Titles 1 through 6. Gladstone has not submitted the First or Second Progress Report required by Title 7.
Outstanding Items: Title 7, First Progress Report, consideration of 15 strategies by the City Council, Second Progress Report.

The City of Gresham: The City is up-to-date on its compliance for Titles 1 through 6.
Outstanding Items: Title 7: consideration of remaining strategies.

The City of Happy Valley: The City is up-to-date on its compliance for Titles 1 through 6. Happy Valley has not submitted the Second Progress Report required by Title 7.
Outstanding Items: Title 7: consideration of 15 strategies, Second Progress Report.

The City of Hillsboro: The City is up-to-date on its compliance for Titles 1 through 6. Hillsboro has not submitted the Second Progress Report required by Title 7.
Outstanding Items: Title 7: consideration of remaining strategies by City Council, Second Progress Report.

The City of Johnson City: The City is up-to-date on its compliance for Titles 1 through 6. Johnson City has not submitted the First or Second Progress Report required by Title 7.
Outstanding Items: Title 7, First Progress Report, consideration of 15 strategies by the City Council, Second Progress Report.

King City: The City is up-to-date on its compliance. King City has sent the second Progress Report required by Title 7 but not the first.
Outstanding Items: Title 7, First Progress Report, consideration of 15 strategies by the City Council.

City of Lake Oswego: The City is up-to-date with its compliance for compliance with Titles 1 through 6 apart from meeting the requirements of the Water Quality Resource Area performance standards. City staff is drafting code to meet the Title 3 requirements at this time and anticipates bringing it to the Planning Commission in February 2004. Lake Oswego has not submitted the first Progress Report required by Title 7.
Outstanding Items: Water Quality Resource Areas Performance Standards, Title 7: First Progress Report, consideration of 15 strategies by the City Council.

City of Maywood Park: The City is up-to-date on its compliance for Titles 1 through 6. Maywood Park has submitted the First and Second Progress Reports required by Title 7 but it has not been reviewed for compliance.

Outstanding Items: Title 7: consideration of 15 strategies by the City Council.

The City of Milwaukie: The City is up-to-date on its compliance for Titles 1 through 6. Milwaukie has not submitted the First or Second Progress Report required by Title 7.

Outstanding Items: Title 7: First Progress Report: consideration of 15 strategies by the City Council, Second Progress Report.

City of Oregon City: The City is up-to-date with its compliance for Titles 1 through 6 apart from adopting minimum densities, accessory dwelling units and the Title 5 Green Corridor Policy. The Code and Policy to come into compliance with Titles 1 and 5 have been written and recommended for approval by the Planning Commission. The amendments are before the City Commission. Oregon City has not submitted the First or Second Progress Report required by Title 7.

Outstanding Items: Minimum Densities, Accessory Dwelling Units, Title 5 Green Corridor policy, Title 7: First Progress Report, consideration of 15 strategies by the City Commission, Second Progress Report.

City of Portland: The City is up-to-date on its compliance for Titles 1 through 6.

Outstanding Items: Title 7: consideration of 15 strategies by City Council.

City of Rivergrove: The City is up-to-date on its compliance for Titles 1 through 6.

Rivergrove has not submitted the First or Second Progress Report required by Title 7.

Outstanding Items: Title 7: First Progress Report consideration of 15 strategies by the City Council, Second Progress Report.

City of Sherwood: The City is up-to-date on its compliance for Titles 1 through 6.

Sherwood has not submitted the First or Second Progress Report required by Title 7.

Outstanding Items: Title 7: First Progress Report, consideration of 15 strategies by the City Council, Second Progress Report.

City of Tigard: The City is up-to-date on its compliance for Titles 1 through 6.

Outstanding Items: Title 7: consideration of remaining strategies.

City of Troutdale: The City is up-to-date on its compliance for Titles 1 through 6.

Outstanding Items: Title 7: consideration of remaining strategies.

City of Tualatin: The City is up-to-date on its compliance. Tualatin has not submitted the Second Progress Report required by Title 7.

Outstanding Items: Title 7: consideration of 15 strategies by City Council.

City of West Linn: The City is up-to-date on its compliance for Titles 1 through 6 apart from meeting the requirements of the Water Quality Resource Area performance standards. The City is in the process of drafting code amendments and anticipates holding public hearings in February 2004. West Linn experienced delays with the Division of State Lands approval of its wetlands maps.

Outstanding Items: Water Quality Resource Areas Performance Standards, Title 7: consideration of remaining strategies by City Council.

City of Wilsonville: The City is up-to-date with its compliance apart from providing a capacity analysis. Wilsonville adopted the Regional Street designs standards in June 2003. The City is currently working with Metro staff on its capacity analysis. Wilsonville has not submitted the First or Second Progress Report required by Title 7.

Outstanding Items: Capacity Analysis, Title 7: First Progress report, consideration of 15 strategies by the City Council, Second Progress Report.

City of Wood Village: The City is up-to-date on its compliance for Titles 1 through 6.

Outstanding Items: Title 7: consideration of 15 strategies by the City Council.

Clackamas County: The County is up-to-date with its compliance apart from the meeting the requirements of the Water Quality Resource Area performance standards for the Oak Lodge Sanitary District portion of the County. The County Commission did not amend the standards for this area and took the position that the County was in substantial compliance. Metro staff does not agree with this position and have informed the County that it would need to seek an exception. The County's decision was made in March 2003 but the County Board has not adopted the ordinance, the County Legal Department has not prepared it, so Metro has not been able to formally respond to the County's position. In a letter dated January 27, 2004 the County indicated that formal findings and decision for adoption by the Commission is expected in February. Clackamas has not submitted the Second Progress Report required by Title 7.

Outstanding Items: Water Quality Resource Areas Performance Standards for the Lake Grove portion of the County, Title 7: consideration of 15 strategies by the County Board.

Multnomah County: The County is up-to-date on its compliance for Titles 1 through 6.

Outstanding Items: Title 7: consideration of 15 strategies by the County Board.

Washington County: The County is up-to-date on its compliance for Titles 1 through 6.

Outstanding Items: Title 7: consideration of the remaining strategies.

RECOMMENDATIONS FOR ACTION TO BRING JURISDICTIONS INTO COMPLIANCE

Titles 1 through 6

There are six jurisdictions that have not yet met all of the requirements of Titles 1 through 6. These include the cities of Durham, Lake Oswego, Oregon City, West Linn, Wilsonville and Clackamas County. The five cities are working on their compliance requirements and all anticipate to have completed their work or be in final hearings early in the new year. Metro staff will continue to work with these jurisdictions as the compliance work is completed.

Clackamas County took the position in March 2003 that it was in substantial compliance with the Water Quality Resource performance measures of Title 3. The Metro staff did not concur with this position. The County has not formally taken this position, as the necessary ordinances have not been prepared and Metro has not been able to formally respond. The County has not requested an exception to Title 3.

Title 7

Sixteen jurisdictions have submitted their first Progress Report. A second report, "Updated Metro Evaluation of Local Government Title 7 (Affordable Housing) Compliance Report" is being prepared in response to the June 2003 amendments to Title 7. It will provide details of the requirements of the amended Title 7 and provide a status report of local compliance. This report will be distributed to the jurisdictions with the 2003 Annual Compliance Report.

TITLE 11: PLANNING FOR NEW URBAN AREAS

The purpose of Title 11 is to require and guide planning for the conversion land brought into the UGB through a major or legislative amendment from rural urban uses. Title 11 has interim protection measures (Metro Code Section 3.07.1110) and planning requirements (3.07.1120). When land is brought into the boundary, meeting the requirements of Title 11 is one of the conditions of approval. Title 11 does not require the interim protection measures to be codified in local comprehensive plans and implementing ordinances.

Since land added to the UGB by area, not all jurisdictions are required to comply with Title 11 at the same time. In addition, a jurisdiction may have more than one area added at one time or over a series of expansions to the boundary and all must meet the requirements of Title 11. As a result, compliance is reported on an area basis rather than on a jurisdiction basis.

3.07.1110: Interim Protection of Areas Brought into the Urban Growth Boundary

Unlike most requirements of the Functional Plan, this section requires no affirmative actions by local governments. Instead, it includes four provisions for preserving the condition of the land until the planning requirements Metro Code Section 3.07.1120 are completed. As the interim protection measures are for areas prior to annexation to a city, the local governments responsible for the protection measures are the counties. An exception to this is Area 94 brought into the boundary by Ordinance No. 02-969B which is largely within the City of Portland.

Under this section, a county shall not approve of the following four actions:

1. Land use regulations or zoning map amendments that increase residential density
2. Land use regulations or zoning map amendments that allow commercial and industrial uses not previously allowed to occur prior to the completion of the concept planning process.
3. Any land division or partition that would result in the creation of any new parcel that would be less than 20 acres in total size.
4. A commercial use that is not accessory to an industrial use or a school, church or other institutional or community service intended to serve people who do not work or reside in areas identified as a Regionally Significant Industrial Area.

As noted above, compliance with these measures does not require any codification of the requirements by the local jurisdiction. The counties, under Title 8 Section 3.07.820, are currently required to report to Metro land use regulations or zoning map amendments such as items 1 and 2 described above. During this reporting period, Metro has not received notification of any such action by Clackamas, Multnomah or Washington County. The Metro Code does not require counties to notify Metro of "land use decisions", such as land divisions or conditional use permits in a specific zone, as these actions are the authority of local jurisdictions under the Oregon Statewide Planning Program. Metro has no information to report on measures 3 and 4.

By not approving the above-mentioned land use regulations or zoning map amendments, or land use decisions that result in parcels less than 20 acres or prohibited uses in Regionally Significant Industrial Areas, Clackamas, Multnomah and Washington Counties are in compliance with the interim protection measures of Title 11 for all areas. It should be noted that Clackamas County does have a provision in their code to prohibit land divisions less than 20 acres in size within the UGB and Washington County is currently in the process of implementing a zone change for the areas included in the UGB in 2002 that would prohibit land divisions less than 20 acres in size within the UGB. Multnomah County does not have such a provision in their development code but have not permitted increased residential densities or allowed new uses prior to the completion of the concept planning process.

3.07.1120 Urban Growth Boundary Amendment Urban Reserve Plan Requirements

This section states that all land added to the UGB as a major amendment or legislative amendment shall be subject to adopted comprehensive plan amendments consistent with all applicable titles of the Functional Plan, in particular, the requirements of Title 11 planning. Either a county or city can complete the planning. As a condition of approval for all land added to the UGB in 2002, a timeframe varying from 2 years to 6 years from the effective date of the ordinance was placed on the individual areas for completion of the Title 11 planning. The ordinances bringing land into the UGB became effective on March 5, or March 12, 2003. At this time, there are no local jurisdictions out of compliance with the Title 11 planning requirements for the areas included in the UGB in 2002.

The conceptual planning component of Title 11 has been completed for the Pleasant Valley expansion area. The Cities of Gresham and Portland are scheduled to amend their comprehensive plans to include the Pleasant Valley area in the Fall of 2004. The Pleasant Valley expansion area did not have a time limit for compliance with Title 11. The City of Hillsboro recently completed the comprehensive plan amendments for the Witch Hazel expansion area, formerly 55 West, and the Shute Road expansion area and is in compliance with the requirements of Title 11 for these two areas.

EVALUATION OF THE IMPLEMENTATION OF THE FUNCTIONAL PLAN

This is the second Compliance Report required by Metro Code 3.07.880. To date, the region has reached a compliance rate of 98 percent for the elements due December 2002.

Compliance with the Functional Plan contributes toward achievement of the 2040 Growth Concept and efficient use of land within the region. Evaluation of compliance is

a prerequisite to the region's response to the mandates of state law in ORS 197.296 and 197.299. Those statutes require Metro to determine the capacity of the urban growth boundary to accommodate housing and employment every five years and to take measures to ensure that they can be accommodated. Metro recently completed this capacity analysis as part of its periodic review program.

Part of the capacity analysis is to gauge actual development patterns in the years since the last periodic review. If the patterns (density, housing mix, etc.) of the past, when projected into the future, are not sufficient to satisfy housing needs of the future, then ORS 197.296(5) requires the region to take new measures to increase capacity in the region. Measures to increase capacity can include expansion of the urban growth boundary, actions to increase the yield from land within the boundary, or a combination of measures. The Functional Plan contains measures that increase the yield from land within the boundary. These measures include setting minimum densities, increasing zoned capacities for dwelling units and jobs, permitting accessory dwelling units, permitting portioning of lots at least twice the size of the minimum lot size and limiting the amount of land dedicated to parking.

If the jurisdictions in the region do not implement the efficiency measures in the Functional Plan, not only will the region use land less efficiently, but also the region will also not know whether Functional Plan measures would be successful. As a result, the region would lose much of its flexibility to respond to the requirements of ORS 197.296. The region would have to undertake new measures. New measures would likely include significant expansion of the urban growth boundary and others more daunting than the measures in the Functional Plan.

As the jurisdictions are implementing the measures of the Functional Plan, and the region wide capacity targets have been met, the region retains the flexibility under state law to continue its course toward achievement of the 2040 Growth Concept.

NEXT STEPS

- As required by Metro Code Section 3.07.880.B, the Metro Council set a public hearing date for the purpose of receiving testimony on the 2003 Annual Compliance Report, December 1, 2003.
- Metro staff distributed the 2003 Annual Compliance Report, December 1, 2003 to the local jurisdictions and those who had requested to be on a mailing list to receive the report.
- Presentations were made to MTAC and MPAC.
- Metro staff will continue to work with the jurisdictional staff as compliance efforts are completed.
- A second report, "Updated Metro Evaluation of Local Government Title 7 (Affordable Housing) Compliance Report" providing details of the requirements of the amended Title 7 and a status report of local compliance was distributed to the jurisdictions with the 2003 Annual Compliance Report, December 1, 2003.

- Based on testimony received at the January 29, 2004 public hearing, revisions were made to the 2003 Annual Compliance Report. The hearing is continued February 12, 2004.
- Once the public hearing has been closed, a Resolution and Order will be presented for Council adoption.

Table A: Status of Compliance with the Functional Plan – February 17, 2004

Functional Plan Title	No. of Applicable Jurisdictions	No. of Jurisdictions in Compliance	Percentage Complete
Title 1 – capacity analysis	27	26 (analysis completed)	
Title 1 – map of design types	27	27	
Title 1 – minimum densities	27	26	
Title 1 – partitioning standards	27	27	
Title 1 – accessory dwelling units	27	26	
Title 1 – accessory dwelling units in centers	21		
Title 1 – reporting	27	0	
Total Title 1	162		
Title 2 – minimum/maximum standards	27	27	100%
Title 2 – variance process	27	27	100%
Title 2 – blended ratios	27	27	100%
Total Title 2	81	81	100%
Title 3 – floodplain standards	25	25	100%
Title 3 – water quality standards	26	23	88%
Title 4 – erosion control standards	27	27	100%
Total Title 3	78	75	96%
Title 4 – protection of RSIs	unknown		
Title 4 – protection of Industrial Areas	20		
Title 4 – protection of Employment Areas	22	22	100%
Total Title 4			
Title 5 – rural reserves	2	2	100%
Title 5 – green corridors	10	9	90%
Title 5 - Total	12	11	92%
Title 6 – Develop a Strategy to Enhance Centers	21		
Title 6 – Special Transportation Areas	21		
Title 6 – Siting Government Offices	21		
Title 6 – Reporting on Centers Progress	21		
Total Title 6	84		
Title 7 – 1st progress report	27	17 (received)	
Title 7 – 2nd progress report	27 – due December 31, 2003	13 (received)	
Title 7 – 3rd progress report	27 – due June 30, 2004	0	
Total Title 7	81	(not available)	(not available)
Total			

Status of Compliance with the Functional Plan – December 31, 2003

Percentage of Completeness by Title 1-6

Functional Plan Title	No. of Applicable Jurisdictions	No. of Jurisdictions in Compliance	Percentage Complete
Title 1 – minimum densities	27	26	96%
Title 1 – partitioning standards	27	27	100%
Title 1 – accessory dwelling units	27	26	96%
Title 1 – map of design types	27	27	100%
Title 1 – capacity analysis	27	26 (analysis completed)	96%
Total Title 1	135	132	98%
Title 2 – minimum/maximum standards	27	27	100%
Title 2 – variance process	27	27	100%
Title 2 – blended ratios	27	27	100%
Total Title 2	81	81	100%
Title 3 – floodplain standards	25	25	100%
Title 3 – water quality standards	26	23	88%
Title 4 – erosion control standards	27	27	100%
Total Title 3	78	75	96%
Title 4 – retail in Industrial Areas	20	20	100%
Title 4 – retail in Employment Areas	22	22	100%
Total Title 4	42	42	100%
Title 5 – rural reserves	2	2	100%
Title 5 – green corridors	10	9	90%
Title 5 - Total	12	11	92%
Title 6 – street design	27	27	100%
Title 6 – street connectivity	27	27	100%
Total Title 6	54	54	100%
Total: Completeness Titles 1-6	402	395	98%

This table shows compliance for Titles 1 through 6, pre-2002 amendments to the Functional Plan.

Outstanding Compliance Elements							
	Title 1	Title 2	Title 3	Title 4	Title 5	Title 6	Title 7 ¹
Beaverton							
Cornelius							1 st and 2 nd progress report
Durham							2 nd progress report
Fairview							
Forest Grove							2 nd progress report
Gladstone							1 st and 2 nd progress report
Gresham							
Happy Valley							2 nd progress report
Hillsboro							2 nd progress report
Johnson City							1 st and 2 nd progress report
King City							1 st progress report
Lake Oswego			Water quality				1 st progress report
Maywood Park							
Milwaukie							1 st and 2 nd progress report
Oregon City	Minimum densities, ADU				Green corridors		1 st and 2 nd progress report
Portland							
Rivergrove							1 st and 2 nd progress report
Sherwood							1 st and 2 nd progress report
Tigard							
Troutdale							
Tualatin							2 nd progress report
West Linn			Water quality				
Wilsonville	Capacity Analysis						1 st and 2 nd progress report
Wood Village							
Clackamas C.			Water quality				2 nd progress report
Multnomah C.							
Washington C.							

¹ No jurisdiction has fully considered the 15 strategies required by Title 7.

Status of Compliance by Jurisdiction

Title 1: Housing and Employment Accommodation

	2. capacity analysis	3. map of design types	4.A minimum density	4.B partitioning standards	4.C accessory dwelling units	4.C accessory dwelling units in centers	2 & 4.D Reporting
Beaverton	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Cornelius	in compliance	in compliance	in compliance	in compliance	in compliance	N/A	07/07/05
Durham	in compliance	in compliance	in compliance	in compliance	in compliance	N/A	07/07/05
Fairview	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Forest Grove	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Gladstone	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Gresham	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Happy Valley	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Hillsboro	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Johnson City	in compliance	in compliance	in compliance	in compliance	in compliance	N/A	07/07/05
King City	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Lake Oswego	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Maywood Park	in compliance	in compliance	in compliance	in compliance	in compliance	N/A	07/07/05
Milwaukie	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Oregon City	in compliance	in compliance	City Comm.	in compliance	City Comm.	07/07/05	07/07/05
Portland	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Rivergrove	in compliance	in compliance	in compliance	in compliance	in compliance	N/A	07/07/05
Sherwood	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Tigard	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Troutdale	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Tualatin	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
West Linn	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Wilsonville	In progress	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Wood Village	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Clackamas C.	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05
Multnomah C.	in compliance	in compliance	in compliance	in compliance	in compliance	N/A	07/07/05
Washington C.	in compliance	in compliance	in compliance	in compliance	in compliance	07/07/05	07/07/05

	Title 2: Regional Parking Policy		
	2.A.1&2 Minimum/Maximum standards	2.A.3 Variance Process	2.B Blended Ratios
Beaverton	in compliance	in compliance	in compliance
Cornelius	in compliance	in compliance	in compliance
Durham	In compliance	In compliance	In compliance
Fairview	in compliance	in compliance	in compliance
Forest Grove	in compliance	in compliance	in compliance
Gladstone	in compliance	in compliance	in compliance
Gresham	in compliance	in compliance	in compliance
Happy Valley	in compliance	in compliance	in compliance
Hillsboro	in compliance	in compliance	in compliance
Johnson City	in compliance	in compliance	in compliance
King City	in compliance	in compliance	in compliance
Lake Oswego	in compliance	in compliance	in compliance
Maywood Park	in compliance	in compliance	in compliance
Milwaukie	in compliance	in compliance	in compliance
Oregon City	in compliance	in compliance	in compliance
Portland	in compliance	in compliance	in compliance
Rivergrove	in compliance	in compliance	in compliance
Sherwood	in compliance	in compliance	in compliance
Tigard	in compliance	in compliance	in compliance
Troutdale	in compliance	in compliance	in compliance
Tualatin	in compliance	in compliance	in compliance
West Linn	in compliance	in compliance	in compliance
Wilsonville	in compliance	in compliance	in compliance
Wood Village	in compliance	in compliance	in compliance
Clackamas County	in compliance	in compliance	in compliance
Multnomah County	in compliance	in compliance	in compliance
Washington County	in compliance	in compliance	in compliance

	Title 3: Water Quality, Flood Mgmt and Fish and Wildlife Conservation		
	4.A Flood Mgmt Performance Standards	4.B Water Quality Performance	4.C Erosion and Sediment Control
Beaverton	in compliance	in compliance	in compliance
Cornelius	in compliance	in compliance	in compliance
Durham	in compliance	in compliance	in compliance
Fairview	in compliance	in compliance	in compliance
Forest Grove	in compliance	in compliance	in compliance
Gladstone	in compliance	in compliance	in compliance
Gresham	in compliance	in compliance	in compliance
Happy Valley	in compliance	in compliance	in compliance
Hillsboro	in compliance	in compliance	in compliance
Johnson City	in compliance	in compliance	in compliance
King City	in compliance	in compliance	in compliance
Lake Oswego	in compliance	In progress	in compliance
Maywood Park	N/A	N/A	in compliance
Milwaukie	in compliance	in compliance	in compliance
Oregon City	in compliance	in compliance	in compliance
Portland	in compliance	in compliance	in compliance
Rivergrove	in compliance	in compliance	in compliance
Sherwood	in compliance	in compliance	in compliance
Tigard	in compliance	in compliance	in compliance
Troutdale	in compliance	in compliance	in compliance
Tualatin	in compliance	in compliance	in compliance
West Linn	in compliance	In progress	in compliance
Wilsonville	in compliance	in compliance	in compliance
Wood Village	N/A	in compliance	in compliance
Clackamas County	in compliance	Awaiting Ordinance	in compliance
Multnomah County	in compliance	in compliance	in compliance
Washington County	in compliance	in compliance	in compliance

Title 4: Retail in Employment and Industrial Areas			
	2. Protection of Regionally Significant Industrial Areas	3. Protection of Industrial Areas	4. Protection of Employment Areas
Beaverton		07/07/05	in compliance
Cornelius		07/07/05	in compliance
Durham		07/07/05	in compliance
Fairview		07/07/05	in compliance
Forest Grove		07/07/05	in compliance
Gladstone		N/A	in compliance
Gresham		07/07/05	in compliance
Happy Valley		N/A	N/A
Hillsboro		07/07/05	in compliance
Johnson City		N/A	N/A
King City		N/A	N/A
Lake Oswego		07/07/05	in compliance
Maywood Park		N/A	N/A
Milwaukie		07/07/05	in compliance
Oregon City		07/07/05	in compliance
Portland		07/07/05	in compliance
Rivergrove		N/A	N/A
Sherwood		07/07/05	in compliance
Tigard		07/07/05	in compliance
Troutdale		07/07/05	in compliance
Tualatin		07/07/05	in compliance
West Linn		N/A	in compliance
Wilsonville		07/07/05	in compliance
Wood Village		07/07/05	in compliance
Clackamas County		07/07/05	in compliance
Multnomah County		07/07/05	in compliance
Washington County		07/07/05	in compliance

Title 5: Neighbor Cities and Rural Reserves		
	2. Rural Reserves	2. Green Corridors
Beaverton	N/A	N/A
Cornelius	N/A	N/A
Durham	N/A	N/A
Fairview	N/A	N/A
Forest Grove	N/A	N/A
Gladstone	N/A	N/A
Gresham	N/A	in compliance
Happy Valley	N/A	N/A
Hillsboro	N/A	in compliance
Johnson City	N/A	N/A
King City	N/A	N/A
Lake Oswego	N/A	N/A
Maywood Park	N/A	N/A
Milwaukie	N/A	N/A
Oregon City	N/A	City Commission
Portland	N/A	N/A
Rivergrove	N/A	N/A
Sherwood	N/A	in compliance
Tigard	N/A	N/A
Troutdale	N/A	N/A
Tualatin	N/A	in compliance
West Linn	N/A	in compliance
Wilsonville	N/A	in compliance
Wood Village	N/A	N/A
Clackamas County	In compliance	in compliance
Multnomah County	N/A	in compliance
Washington County	In compliance	in compliance

Title 6: Central City, Regional Centers, Town Centers and Station Communities				
	2.A Develop a Strategy to Enhance Centers	3. Special Transportation Areas	4. Siting Government Offices	5. Reporting on Centers Progress
Beaverton	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Cornelius	N/A	N/A	N/A	N/A
Durham	N/A	N/A	N/A	N/A
Fairview	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Forest Grove	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Gladstone	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Gresham	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Happy Valley	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Hillsboro	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Johnson City	N/A	N/A	N/A	N/A
King City	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Lake Oswego	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Maywood Park	N/A	N/A	N/A	N/A
Milwaukie	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Oregon City	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Portland	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Rivergrove	N/A	N/A	N/A	N/A
Sherwood	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Tigard	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Troutdale	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Tualatin	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
West Linn	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Wilsonville	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Wood Village	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Clackamas County	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05
Multnomah County	N/A	N/A	N/A	N/A
Washington County	Mutually agreed timeframe	07/07/05	07/07/05	07/07/05

Title 7: Affordable Housing							
	15 Strategies Addressed	First Progress Report – 2002 ¹		Second Progress Report – 2003 ²		Third Progress Report – 2004	
		Report Received	Consideration by Elected Body	Report Received	Consideration by Elected Body	Report Received	Consideration by Elected Body
Beaverton	Partial	Received	No	Received ³	Yes		
Cornelius							
Durham	Partial	Received	No				
Fairview	Partial	Received	Yes	Received	Yes		
Forest Grove	Partial	Received	Yes				
Gladstone							
Gresham	Partial	Received	Yes	Received	Yes		
Happy Valley	Partial	Received	Yes				
Hillsboro	Partial	Received	No				
Johnson City							
King City				Received	Yes		
Lake Oswego				Received ³	Yes		
Maywood Park		Received ³		Received ³	Yes		
Milwaukie							
Oregon City							
Portland	Partial	Received	No	Received ³	Yes		
Rivergrove							
Sherwood							
Tigard	Partial	Received	Yes	Received	Yes		
Troutdale	Partial	Received	Yes	Received	Yes		
Tualatin	Partial	Received	No				
West Linn	Partial	Received	Yes	Received	No		
Wilsonville							
Wood Village	Partial	Received	No	Received	Yes		
Clackamas County.	Partial	Received	No				
Multnomah County.	Partial	Received	No	Received	No		
Washington County	Partial	Received	Yes	Received	Yes		

¹ – January 31, 2002 is the deadline for the first year progress report of Title 7 (Affordable Housing) of the Urban Growth Management Functional Plan amended by the Metro Council in June 2003 (Ordinance No. 03-1005A).

² – December 31, 2003 is the deadline for the second year progress report of Title 7 (Affordable Housing) of the Urban Growth Management Functional Plan amended by the Metro Council in June 2003 (Ordinance No. 03-1005A).

³ – Report received December 2003, has not been evaluated for compliance

Table B: COMPLIANCE DATES FOR THE URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN
July 29, 2003

Functional Plan Requirement	When Local Decisions Must Comply		
	Plan/Code Amendment	Land Use Decision	Adoption
Title 1: Determine capacity for housing and jobs (3.07.120.A)			12/08/02
Title 1: Report changes to jobs/housing capacity annually (3.07.120.D)			07/07/05
Title 1: Map design types (3.07.130)	12/08/00	12/08/01	12/08/02
Title 1: adopt minimum density (3.07.140.A)	12/08/00	12/08/01	12/08/02
Title 1: , no prohibition to partition lots twice the minimum size (3.07.140.B)	12/08/00	12/08/01	12/08/02
Title 1: allow accessory dwelling unit in SFD (3.07.140.C)	12/08/00	12/08/01	12/08/02
Title 1: allow accessory dwelling unit in attached SFD in Centers and Stations (3.07.140.C)	07/07/03	07/07/04	07/07/05
Title 1: report density of residential development (3.07.140.D)			07/07/05
Title 2: parking minimum and maximum standards (3.07.220.A.1)	01/07/98	01/07/99	01/07/00
Title 2: Adopt maximum parking standards (3.07.220.A.2)	01/07/98	01/07/99	01/07/00
Title 2: adopt blended parking ratios in mixed-use areas (3.07.220.B)	01/07/98	01/07/99	01/07/00
Title 2: Establish a variance process (3.07.220.A.3)	01/07/98		01/07/00
Title 2: monitor and report parking data annually (3.07.220.D)	01/07/98		01/07/00
Title 3: Adopt model or equivalent and map or equivalent (3.07.330.A)	12/08/00)	12/08/01	12/08/02
Title 3: floodplain management performance standards (3.07.340.A)	12/08/00	12/08/01	12/08/02
Title 3: water quality performance standards (3.07.340.B)	12/08/00	12/08/01	12/08/02
Title 3: erosion control performance standards (3.07.340.C)	12/08/00	12/08/01	12/08/02
Title 3: fish and wildlife habitat Conservation (3.07.350)			
Title 4: map RSIAs in new UGB additions (3.07.420.A)	07/07/03	07/07/04	07/07/05
Title 4: Map RSIAs in pre-expansion UGB (3.07.430.B)	07/07/03	07/07/04	07/07/05
Title 4: limit uses in Regionally Significant Industrial Areas (3.07.420)	07/07/03	07/07/04	07/07/05

Functional Plan Requirement	When Local Decisions Must Comply		
	Plan/Code Amendment	Land Use Decision	Adoption
Title 4: limit retail uses in Industrial Areas (60,000 sq ft) (3.07.430)	01/07/98	01/07/99	01/07/00
Title 4: limit retail uses in Industrial Areas (20,000 sq ft) (3.07.430)	07/07/03	07/07/04	07/07/05
Title 4: limit retail uses in Employment Areas (60,000 sq ft) (3.07.440)	1/07/98	01/07/99	01/07/00
Title 4: limit retail uses in Employment Areas (3.07.440)	07/07/03	07/07/04	07/07/05
Title 5: rural reserves (3.07.520)	01/07/98		01/07/00
Title 5: green corridors (3.07.520)	01/07/98		01/07/00
Title 6: develop a strategy for each Center (3.07.620)			Mutually agreed timeframe
Title 6: address barriers to siting government offices in centers (3.07.640)			
Title 6: require demonstration that government offices cannot be located in Centers (3.07.640.B)	07/07/03	07/07/04	07/07/05
Title 6: reporting on progress (3.07.650)			07/07/05
Title 7: adopt strategies and measures to increase housing opportunities (3.07.730.A)			
Title 7: consider specific tools and strategies (3.07.730.B, 3.07.760)			
Title 7: report progress at specified times (3.07.740)			
Title 8: compliance procedures	02/14/03		
Title 9: Performance Measures			
Title 10: definitions	12/08/00	12/08/01	12/08/02
Title 11: set interim protection for areas brought into the UGB (3.07.1110)	12/08/00	12/08/01	12/08/02
Title 11: prepare a comprehensive plan and zoning provisions for territory added to the UGB (3.07.1120)	12/08/00		Metro sets date
Title 12: establish level of service standards for parks 3.07.1240.A)			2 years after Parks Functional Plan Adopted
Title 12: provide access to parks by walking, bicycling, transit (3.07.1240B)			07/07/05

**Exhibit A to Order No. 04-001 – Part 2
Resolution No. 04-3428**

(REVISED)

**UPDATED METRO EVALUATION OF LOCAL GOVERNMENT
TITLE 7 (AFFORDABLE HOUSING) COMPLIANCE REPORTS**



February 5, 2004

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INTRODUCTION

The Metro Council adopted Title 7 of the Urban Growth Management Functional Plan in January of 2001 to address the issue of affordable housing in the Metro region. Title 7 requires the twenty-seven local governments in the Metro boundary to consider adopting a voluntary affordable housing production goal and a list of specific affordable housing strategies and tools. Title 7 requires local governments to submit reports to Metro in 2002, 2003, and 2004 that detail their progress in complying with these Functional Plan requirements. Although adopting the goals and strategies and tolls is not mandatory, submitting the report and indicating that the jurisdiction considered them is.

The Title 7 compliance reports are required to report progress in the jurisdiction consideration of:

- 1) Adoption of voluntary affordable housing production goals as a guide to measure progress toward meeting the affordable housing needs of the region.
- 2) Amendment of comprehensive plans and implementing ordinances to include diversity strategies and measures to maintain the existing supply of affordable housing and to increase opportunities for new dispersed affordable housing within their boundaries. Also, measures aimed at increasing opportunities for household of all income levels to live within their jurisdiction.
- 3) Amendment of comprehensive plan and implementing ordinances to incorporate strategies such as density bonus, replacement housing, inclusionary housing, and strategies for providing affordable housing to the elderly and to people with disabilities.
- 4) Consideration of the implementation of other affordable housing tools such as replacement housing (through demolition in urban renewal areas), inclusionary housing (when creating urban renewal districts), fee waivers or funding incentives, efforts targeted at households 50% to 80% and 80% to 120% of the region median household income, and joint coordination with other agencies and non-profit groups in order to provide affordable housing.

2002 Progress Reports and the Amendment of Title 7

Metro staff received nine first-year progress reports from local governments in 2002 and prepared an analysis of this information that was presented to the Metro Council in November and December 2002 and later to MPAC and MTAC. In analyzing the 2002 reports, Metro staff experienced difficulty uniformly assessing local government progress. Specifically, Metro staff identified the need to address the following issues:

- Clarification of the meaning of the requirement that jurisdictions "consider" amendment of their comprehensive plan and implementing ordinances with strategies such as land use tools.
- Clarification of the person or persons at each local jurisdiction who are sufficient to comply with the requirement to consider. (Planning director, City Council)
- Clarification of how to evaluate Title 7 related policies adopted in the comprehensive plans and implementing ordinances reported by local jurisdictions.

After MPAC review and recommendations, the Metro Council adopted Ordinance No. 03-1005A amending Title 7 on June 26, 2003. This amendment clarified the aforementioned issues. Title 7 now defines "consider" to mean, when the elected body of a city or county considers each tool strategy or tool and either mends its comprehensive plan and implementing ordinance to adopt the strategy or tool or explains in writing why it has decided not to adopt it.

Highlights of the amendment are:

- A. *Title 7, Section 3.07.720 - Voluntary Affordable Housing Production Goals:*
Clarification that the targeted household income groups as households earning between 0% and 50% of the regional median family income.
- B. *Title 7, Table 3.07-7: Five-Year Voluntary Affordable Housing Production Goals:*
Addition of a footnote to Table 3.07-7 to clarify that Multnomah County has contracted with the Cities of Portland, Gresham and Troutdale under intergovernmental agreement to provide urban planning services to the urban unincorporated areas of Multnomah County.
- C. *Title 7, Sections 3.07.730.B and 3.07.730.C - Requirements for Comprehensive Plan and Implementation Ordinance Changes:*
 - Clarification that compliance is achieved when the governing body of a city or county considers each tool or strategy and either amends its comprehensive plan and implementing ordinance to adopt the tool or strategy or explains in writing why it has decided not to adopt it.
 - Reconciliation of the clarification of the requirement of local governments to consider amendment of their comprehensive plan and implementing ordinances in Section 3.07.730.B with the meaning of "requirement to consider" in Section 3.07.730.C.
- D. *Title 7, Section 7, 3.07.740 - Requirements for Progress Reports:*
 - Changing the first year (2002) reporting deadline to January 31, 2002 so as to keep the changes to second (2003) and third (2004) reporting deadlines uniform.
 - Changing the second year (2003) reporting deadline to December 31, 2003, and specified that local jurisdictions should explain the tools and strategies adopted and implemented or not adopted and not implemented.
 - Changing the third year (2004) reporting deadline to June 30, 2004, and specify that jurisdictions should explain the remaining actions they have taken since submittal of the previous reports.
- E. *Title 7, Section 3.07.750 - Metro Assessment of Progress:*
Amending Metro requirements and creating an ad hoc affordable housing task force.
 - Adding the use of the 2000 Census data to estimate 2000 baseline housing units affordable to defined income groups. (Complete by end of 2003)
 - Changing the deadline for the evaluation of progress made by the region in 2001-2003 to achieve the affordable housing production goals. (Complete by end of 2004)
 - Changing the deadline for the assessment of tools and strategies implemented by local governments and other public and private entities. (Complete by end of 2004)
 - Changing the deadline for examining federal and state legislative changes, and reviewing the availability of regional funding source. (Complete by end of 2004)
 - Creating an ad hoc affordable housing task force in consultation with MPAC. (The task force recommendations forward to the Metro Council by December 2005)

Re-evaluation of Local Governments' Progress Reports

With the clarification and amendment of Title 7, staff has been able to re-assess the progress reports submitted by local governments in 2002 and 2003 and more clearly determine the extent of local jurisdiction compliance. This report presents the re-evaluation of the 2002 progress reports along with the 2003 progress reports and a summary of each jurisdiction report that identify outstanding issues.

(REVISED)

**OVERALL SUMMARY OF RE-EVALUATED LOCAL GOVERNMENTS' FIRST YEAR (2002)
AND SECOND YEAR (2003) PROGRESS REPORTS**

The evaluation of compliance is necessary for determining the region's commitment to continuing to improve the livability of the region. Although the amendment of Title 7 helped staff in the evaluation of local government reports, there are still some elements of local governments' progress reports that Metro staff are unclear how to evaluate. Below is the summary of the first year (2002) and second year (2003) progress reports submitted by jurisdictions organized by the requirements shown in italics. [The deadline for the second year (2003) progress report is December 31, 2003]

Metro Code 3.07.730: Compliance Requirements

Eight out of the fifteen first year (2002) progress reports submitted by local governments to Metro were reviewed and approved by their governing bodies (city council or county commission). These jurisdictions include Fairview, Forest Grove, Gresham, Happy Valley, Maywood Park, Tigard, Troutdale and Washington County.

Eleven of the nine progress reports submitted for the second year (2003) were reviewed and approved by their governing bodies. These jurisdictions include Beaverton, Fairview, Gresham, King City, Lake Oswego, Maywood Park, Portland, Tigard, Troutdale, Wood Village and Washington County.

A. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The 2001 to 2006 affordable housing production goals in Title 7 are one of the clearest measures of local effort. Title 7 only recommends adoption of affordable housing goals. Hence, there is no direct compliance issue with regard to these targets. Six jurisdictions have completed consideration of the goals, as shown below.

Jurisdiction	Adoption of Affordable Housing Production Goals
Beaverton	Accepted/Adopted
Fairview	Declined
Gresham	Declined
Portland	Accepted/Adopted
Tigard	Declined
Troutdale	Declined

- B. Metro Code 3.07.730.A: Amendment of comprehensive plan and implementing ordinances with strategies to ensure: 1) diversity; 2) maintaining the existing supply and increasing new dispersed affordable housing; and 3) increasing affordable housing opportunities for household of all income levels.**

Four local governments (Gresham, Portland, Troutdale and Clackamas County) now have adopted the three strategies in their comprehensive plans to ensure diversity, maintaining the existing supply and increasing new dispersed affordable housing and increasing affordable housing opportunities for household of all income levels. Another three local governments (Fairview, Forest Grove and Washington County) now have adopted two of the three. It is unclear that these jurisdictions have also adopted these measures in their implementing ordinances (as stated in the first year and second year reports).

City/County	Complete Consideration of Strategies to Ensure the following (Title 7: 3.07.730.B)		
	Diversity Strategy (3.07.730.A.1)	Maintain Supply and Increase Dispersion (3.07.730.A.2)	Supply for All Income Levels (3.07.730.A.3)
Fairview	Existing	Existing	
Forest Grove	Existing		Existing
Gresham	Existing	Existing	Existing
Portland	Existing	Existing	Existing
Troutdale	Existing	Existing	Existing
Clackamas County	Existing	Existing	Existing
Washington County	Existing		Existing

- C. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with measures for: 1) density bonus; 2) replacement housing; 3) inclusionary housing; 4) transfer of development rights; 5) elderly and people with disabilities; 6) local regulatory constraints; and 7) parking tools and strategies.**

The first year (2002) and second year (2003) reports show that none of the local governments had adopted all of the seven land use strategies.

Twelve jurisdictions have completed consideration of one or more of the strategies by demonstrating that the strategy was in place prior to the adoption of Title 7, or by declining to adopt the strategy. The following table shows the jurisdictions completing consideration of one or more of the seven land use strategies in Title 7: 3.07.730.B.

City/County	Complete Consideration of Land Use Strategies Comprehensive Plan and Implementing Ordinances ¹ (Title 7: 3.07.730.B)						
	Density Bonus 3.07.730.B.1	Replacement Housing 3.07.730.B.2	Inclusionary Housing 3.07.730.B.3	Transfer Development Rights 3.07.730.B.4	Elderly & Disabled People 3.07.730.B.5	Local Regulatory Constraints 3.07.730.B.6	Parking 3.07.730.B.7
Fairview	Existing		Declined	Declined	Existing		
Gresham	Declined	Declined	Existing	Declined	Existing		Existing
Forest Grove					Existing		
Happy Valley	Declined		Declined				
King City	Declined	Declined	Declined	Declined	Existing	Existing	
Portland ²	Existing	Existing	Existing	Existing			

City/County	Complete Consideration of Land Use Strategies Comprehensive Plan and Implementing Ordinances ¹ (Title 7: 3.07.730.B)						
	Density Bonus 3.07.730.B.1	Replacement Housing 3.07.730.B.2	Inclusionary Housing 3.07.730.B.3	Transfer Development Rights 3.07.730.B.4	Elderly & Disabled People 3.07.730.B.5	Local Regulatory Constraints 3.07.730.B.6	Parking 3.07.730.B.7
Tigard		Declined	Declined		Existing		Existing
Troutdale	Declined	Declined	Declined	Declined	Existing		Existing
West Linn	Existing		Declined				Existing
Wood Village	Declined		Declined	Declined			
Clackamas County	Existing	Existing			Existing		Existing
Washington County					Existing		

¹ Most of the local jurisdiction reports are unclear about the adoption of these strategies in the implementing ordinances.

² The Portland Information is based on its 2002 report. The City's 2003 report will be included in the spring update.

Two jurisdictions (Portland and Clackamas County) had adopted four of the strategies prior to the Metro Council adoption of Title 7 in January 2001. Gresham had adopted three strategies prior to the adoption of Title 7. Six local governments (Fairview, Forest Grove, King City, Tigard, Troutdale, West Linn, and Washington County) had adopted between one and two of the strategies prior to Title 7's adoption.

- D. Metro Code 3.07.760.B: Recommendations to implement Other Affordable Housing strategies, including: 1) replacement housing resulting from urban renewal; 2) inclusionary housing in urban renewal districts; 3) fee waivers or funding incentives; 4) promotion of affordable housing for incomes 50% to 120% of the regional median household income; and 5) joint coordination or action to meet the affordable housing production goals.**

The first year (2002) and second year (2003) reports show that none of the local governments have adopted all of the other affordable housing strategies. The table below shows the jurisdictions that have completed consideration to implement some these strategies.

City/County	Complete Consideration of other Affordable Housing Strategies (Title 7: 3.07.760.A)				
	Replacement Housing resulting from Urban Renewal 3.07.760.A.1	Inclusionary Housing in Urban Renewal districts 3.07.760.A.2	Fee Waivers or Funding Incentives 3.07.760.A.3	Promotion of Affordable Housing for Incomes 50% to 120% of the Regional Median Household Income 3.07.760.A.4	Joint Coordination or Action to Meet the Affordable Housing Production Goals 3.07.760.A.5
Beaverton ¹			Existing	Existing	Existing
Forest Grove				Existing	Existing
Gresham				Existing	Existing
Hillsboro					Existing
Portland ¹		Existing	Existing	Existing	Existing
Tigard			Existing	Existing	Existing
Troutdale	Declined	Declined	Declined	Existing	
Tualatin				Existing	
West Linn				Existing	
Clackamas Co.	Existing			Existing	Existing
Washington Co.				Existing	Existing

² The Beaverton and Portland Information are based on their 2002 reports. Their 2003 reports will be included in the spring update.

Summary Table of 2002 Annual Functional Plan - Title 7 – Compliance Report

Jurisdiction	Progress Reports Submitted per Title 7: 3.07.740	Adopted Voluntary Goals in Title 7: 3.07.720	Ensure including strategies to address <u>Three</u> requirements in Title 7: 7:3.07.730.A	Considered <u>Seven</u> Strategies in Title 7: 3.07.730.B	Considered <u>Five</u> Other Strategies in Title 7: 3.07.760	Full Compliance
Beaverton	Yes (2002) & ✓ 2003	YES				NO
Cornelius						NO
Durham	Yes (2002)					NO
Fairview	Yes ✓ (2002 & 2003)					NO
Forest Grove	Yes ✓ (2002)					NO
Gladstone						NO
Gresham	Yes ✓ (2002 & 2003)		YES			NO
Happy Valley	Yes ✓ (2002)					NO
Hillsboro	Yes (2002)					NO
Johnson City						NO
King City						NO
Lake Oswego	Yes ✓ (2003)					NO
Maywood Park	Yes ✓ (2002 & 2003)					NO
Milwaukie						NO
Oregon City						NO
Portland	Yes ✓ (2002 & 2003)	YES	YES			NO
Rivergrove						NO
Sherwood						NO
Tigard	Yes ✓ (2002 & 2003)					NO
Troutdale	Yes ✓ (2002 & 2003)		YES			NO
Tualatin	Yes (2002)					NO
West Linn	Yes ✓ (2002 & 2003)					NO
Wilsonville						NO
Wood Village	Yes (2002 & 2003)					NO
Clackamas County	Yes (2002)		YES			NO
Multnomah County	Yes (2002 & 2003)	*	*	*	*	*
Washington County	Yes ✓ (2002 & 2003)					NO

Definitions: ✓ Report approved by an elected body
 * Multnomah County signed an IGA with the cities of Portland and Troutdale to carry out land use planning responsibilities in unincorporated county areas. The cities of Portland and Troutdale are expected to detail the matter in which affordable housing strategies in the unincorporated areas have been addressed.

(REVISED)
SUMMARY OF FIRST YEAR (2002) COMPLIANCE BY JURISDICTION

The following is a summary of compliance for each jurisdiction in alphabetical order organized by the requirements shown in *italics*.

BEAVERTON

City report was received by Metro in November 2002.

E. *Metro Code 3.07.730. –Compliance Requirements*

The report was sent to Metro with a cover letter signed by the mayor. However, the cover letter and the report did not indicate that the report was reviewed and approved by the City Council.

F. *Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.*

The City adopted the affordable housing production goal (656 units) in its Comprehensive Plan in 2001. The city report also stated that it used the goal in developing its Housing Needs Analysis (required for jurisdictions under periodic review).

G. *Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.*

The City did not address the above three strategies in its report.

H. *Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.*

The report states that Section 4.2.3.3 of the City's comprehensive plan contains policy "e" that clarifies the City's intention to consider adoption of affordable housing land use tools and strategies, and to annually monitor progress of its efforts to increase the supply of affordable housing and report the findings to Metro.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed but no action taken
Replacement housing	Discussed but no action taken
Inclusionary housing	Discussed but no action taken
Transfer development rights	Discussed but no action taken
Elderly and people with disabilities	Discussed but no action taken. The report stated that "the City has structured its zoning in order to place high density development near transit amenities in areas appropriate for these populations."
Local regulatory constraints	Discussed but no action taken. Although the City has an on-going Code update process, the resulting changes were not made specifically with impacts on affordable housing in mind
Parking	Discussed but no action taken

- I. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	In use prior to January 2001 (Title 7)
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	In use prior to January 2001 (Title 7)

J. *Local initiatives.*

Several tools and strategies currently in use or existing in the form of action statements within the City's comprehensive plan are: 1) use of federal funds to assist community housing development organizations; 2) housing rehabilitation with federal funds; 3) supporting infrastructure development for existing affordable housing with federal funds; 4) provision that permits accessory dwelling units (required by Title 1 of the Functional Plan) that typically consist of smaller affordable housing units; 5) provision of manufactured housing in all zones that allow single family housing; 6) public education strategy for affordable housing; 7) land banking for affordable housing.

K. *Other information provided.*

The City reported its intention to conduct research on the cost/benefit aspects of the affordable housing tools. These results will be provided in the second report to Metro in June 2003 and the third report in April 2004.

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels. (Metro Code 3.07.730.A)
3. Consideration of the amendment of comprehensive plan and implementing ordinances with the seven land use strategies in Metro Code 3.07.730.B.
4. Consideration of the implementation of two of the other affordable housing strategies in Metro Code Section 3.07.760 (inclusionary housing, in urban renewal areas, and replacement housing in urban renewal areas).

CORNELIUS

- The City has not submitted the first progress report due on January 31, 2002 (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

DURHAM

City report was received by Metro in January 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report was sent to Metro with a cover letter signed by the mayor. However, the cover letter and the report did not indicate that the report was reviewed and approved by the City Council.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

Discussed and no formal action taken.

C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.

The City anticipates discussion will begin in February 2003 of potential changes to its comprehensive plan and implementing code to ensure inclusion of the above three strategies.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

The City anticipates beginning in February 2003 to consider amending its comprehensive plan and implementing code with the above seven land use strategies.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Not addressed in the report
Replacement housing	Not addressed in the report
Inclusionary housing	Not addressed in the report
Transfer development rights	Not addressed in the report
Elderly and people with disabilities	Not addressed in the report
Local regulatory constraints	Not addressed in the report
Parking	Not addressed in the report

- E. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	Not addressed in the report

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the voluntary affordable housing production goals
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels.
4. Consideration of the amendment of comprehensive plan and implementing ordinances with the seven land use strategies in Metro Code 3.07.730.B..
5. Consideration of the implementation of other affordable housing strategies in Metro Code Section 3.07.760.

FAIRVIEW

Addendum:

Per letter signed by the City's Mayor, the report that Metro received in July 2003 was intended to serve as the City's first (2002) and second (2003) year reports. The evaluation of the reports is in the Summary of Second Year (2003) Compliance section.

Outstanding Items:

See the Summary of Second Year (2003) Compliance section.

FOREST GROVE

City report was received by Metro in March 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report was reviewed and approved by the City Council via resolution.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The City supports the regional goal of providing affordable housing but declined to adopt the voluntary affordable housing production goal in Title 7. The report stated the reasons for this decision are as follows: a) lack of control over land cost, funding sources, tax credit and development impact fees; b) City does not build affordable housing; c) City is not a Community Development Block Grant (CBDG) entitlement community; and d) City is concerned that the "voluntary" goal could turn into a requirement in the near future, similar to affordable housing requirements in California.

C. Metro Code 3.07.730.A: *Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.*

The City currently implements most elements of the three strategies. The report stated that the City comprehensive plan and zoning ordinances contain goals, policies and standards that encourage and ensure diverse range of housing, avoid shortages and adverse impact on price, rent and choice of housing, encourage rehabilitation of substandard housing, provision of good quality housing for all segments of the City's population, including but not limited to people of all incomes, race, family size, etc. The report did not address the City's efforts related to dispersal of affordable housing.

D. Metro Code 3.07.730.B: *Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.*

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed but no action taken
Replacement housing	Declined to adopt
Inclusionary housing	Discussed but no action taken
Transfer development rights	Declined to adopt
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	Discussed but no action taken. The report stated that the City has a streamlined permitting process, which results in a quick turn-around for residential projects, and that a special process for affordable housing is not needed.
Parking	Not addressed in the report

- E. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to 2001 (Title 7)
Joint coordination or action*	In use prior to 2001 (Title 7)

*Although the report stated the City has expanded the existing affordable housing capacity in Forest Grove, it did not clearly state what role the City played in the development of the Jose Arciga Apartments (94 units), Covey Run (40 units), or in the Habitat for Humanity project (one unit).

F. *Local initiatives.*

Leveraging CBGD funds for public improvements in low income neighborhoods that help maintain the supply of affordable housing.

G. *Other information provided.*

The report states that Forest Grove has the most affordable housing in the Portland metropolitan area. Based on the 2000 Census, median rent was \$614 compared to \$720 in Washington County, and the median rent in Forest Grove rent is affordable to a four person household with an income of \$26,200 (50% of median family income). Also, based on the 200 Census, a median home value of \$155,000 in Forest Grove is well below the median home value of \$172,800 for the Portland-Vancouver MSA.

Outstanding Items:

1. Ensuring that the comprehensive plan and implementing ordinances include measures to increase dispersion of affordable housing.
2. Consideration of the amendment of comprehensive plan and implementing ordinances to include four of the land use strategies in Metro Code Section 3.07.730.B (density bonus, inclusionary housing, local regulatory constraints, and parking).
3. Consideration of the implementation of three other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, and fee waivers).

GLADSTONE

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

Exhibit A to Order No. 04-001 – Part 2

Metro Resolution No. 04-3428

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GRESHAM

The City report was received by Metro in January 2002.

A. Metro Code 3.07.730. –Compliance Requirements

The City's report stated that the report was reviewed and unanimously approved by its Planning Commission (January 14, 2002), Community Development and Housing Committee (December 13, 2001), and City Council (January 22, 2002).

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The City reported having already adopted their own housing production goals in the City's Consolidated Plan for the period, 2000-2005. The adopted goals are lower than those in the Metro Functional Plan Title 7 (Table 3.07-7) and serve populations other than which focuses on those stated in the Functional Plan (on incomes at and below 50 percent of the region's median family income). The City's report highlighted several issues that would have to be addressed for the affordable housing production goals in the Functional Plan to be "realistic." Some of the issues are the cost of building the units and the impact of adding considerable inventory at below 50% of the regional median family income. The report did not, however, indicate who would be responsible for addressing these issues.

C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.

The City did not address the above three strategies in its report.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

The city has considered and decided not to adopt two of the above land use tools (density bonus and replacement housing). The City's action on other tools is as follows:

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt
Replacement housing	Declined to adopt
Inclusionary housing	In use prior to January 2001 (Title 7) Instead of offering zoning incentives, the City is using CBDG and HOME funds to offer financial incentives for mixed income projects with at least 10% of the units affordable to households with incomes at or below 30% MFI and another 10% of the units affordable to households with incomes at 50% to 80% MFI.
Transfer development rights	Discussed but no action taken
Elderly and people with	Adopted after January 2001

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
disabilities	The report stated that its "code simplification" in May 2001 addressed the locational needs of the elderly and persons with disabilities.
Local regulatory constraints	In use prior to January 2001 (Title 7) The City's "code simplification" in May 2001 addressed five of the six components of this requirement. The City noted that instead of considering using a formal cost-benefit analysis to determine the impact of new regulations it has begun an informal process. The City's "code simplification" process includes regular review of the existing code and revision of its permitting process that reduces building review time, development costs and appeal opportunities.
Parking	In use prior to January 2001 (Title 7) The "code simplification" process also addressed the parking needs of residents in all types of housing.

- E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Replacement housing was declined as a land use strategy. No mention of its use in urban renewal areas.
Inclusionary housing in urban renewal districts	Inclusionary housing exists as a land use strategy. No mention of its use in urban renewal areas.
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7) Use of CBDG money to support development of affordable housing for other income groups
Joint coordination or action	In use prior to 2001 January (Title 7) Coordinating with other agencies to increase affordable housing production

F. Local initiatives

According to the City report, several tools and strategies currently in use or being considered by the City are: 1) Transit oriented tax exemption development that is "financially accessible" to a broad range of the general public; 2) housing mix plan (provision of

homeownership opportunities to address the imbalance of multifamily development; 3) teacher and police officers next door program that offers HUD-reposessed homes in Neighborhood Revitalization Areas for a 50% discount.

G. Other information provided.

The City reported its intention to conduct sufficient research of the cost/benefit aspects of the affordable housing tools. These results will be provided in the second report to Metro in June 2003 and the third report in April 2004.

Outstanding Items:

1. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinance.
2. Consideration of the amendment of comprehensive plan and implementing ordinances to incorporate the "transfer of development rights" strategy and some of the six components of the local regulatory constraints strategy (Metro Code Section 3.07.730.B).
3. Consideration of the amendment of comprehensive plan and implementing ordinances to include replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, and fee waivers and funding incentives.

HAPPY VALLEY

The City report was received by Metro in April 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report stated that the City Council approved the report.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report stated that the City accepts and is prepared to adopt the voluntary affordable housing production goals. The City Council has directed staff to "produce a workable program to accomplish this end."

C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.

The report stated that the Housing Element of the City comprehensive plan includes policies to "provide a variety of lot sizes, diversity of housing types and a range of prices in all future residential development which will preserve and promote the character of the Happy Valley area." Future work will focus on the affordability aspect of the diversity of housing types.

The City did not address the remaining two strategies in this section (measures to maintain the existing supply, and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels.

- D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

The City has considered and decided not to adopt two of the above land use tools (density bonus and inclusionary housing). The City's efforts on the other tools is as follows:

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt
Replacement housing	Discussed but no action taken
Inclusionary housing	Declined to adopt
Transfer development rights	Discussed but no action taken
Elderly and people with disabilities	Mentioned without an explanation of action being taken
Local regulatory constraints	Discussed but no action taken
Parking	Unclear explanation of City action

- E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

The report indicated that the City does not qualify for urban renewal development. The report did not state how the City intends to address the two related tools in Title 7, replacement housing in urban renewal areas and inclusionary housing in urban renewal areas.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Report stated that the City does not qualify for urban renewal development
Inclusionary housing in urban renewal districts	Not addressed in the report, however, the report states that the City does not qualify for urban renewal development.
Fee waivers or funding incentives	Discussed, however, "as development of units progresses the City will monitor unit rentals for affordability to determine if fee waivers will reduce rental rates.
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	In use prior to January 2001 (Title 7)

Outstanding Items:

1. Consideration of the voluntary affordable housing production goals.
2. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.
3. Consideration of the amendment of comprehensive plan and implementing ordinances to include five land use strategies (replacement housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking).
4. Consideration of the amendment of comprehensive plan and implementing ordinances to include two of the other affordable housing strategies in Metro Code Section 3.07.760 (fee waivers or funding incentives, and promotion of affordable housing for incomes 50% to 120% of the regional median household income).

HILLSBORO

The City report was received by Metro in February 2002.

A. Metro Code 3.07.730. –Compliance Requirements

The report was sent to Metro under a cover letter signed by the Planning Director. The cover letter and the report did not indicate that the report was reviewed and approved by the City Council.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report stated that the City discussed their affordable housing production goal in November 2000, when the Metro Affordable Housing Technical Advisory Committee was still developing the regional affordable housing production goals (i.e., prior to the adoption of Title 7 by the Metro Council in January 2001).

C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.

The City did not address the above three strategies in its report.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

The City has not considered adoption of the seven strategies. The report stated that the City "will further analyze the feasibility of the seven land use tools" and that within the next two years it "foresees adoption of an updated comprehensive plan which will likely include a number of affordable housing policies."

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Not addressed in the report
Replacement housing	Not addressed in the report
Inclusionary housing	Not addressed in the report
Transfer development rights	Not addressed in the report
Elderly and people with disabilities	Not addressed in the report
Local regulatory constraints	Not addressed in the report
Parking	Not addressed in the report

- E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

One of the other affordable housing strategies in use in the City prior to adoption of Title 7 is the "joint coordination or action" strategy.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	In use prior to January 2001 (Title 7) The City coordinates with other agencies to increase affordable housing production

F. Local initiatives.

The report indicated that the City has other affordable housing tools and strategies such as the light rail zoning in the six Station Community Planning Areas that offers a diversity of affordable housing. Government rental assistance through the Washington County Section 8 program, and first time home-buyer program are additional local initiatives the City report mentioned.

G. Other information provided.

The City's report included a summary of the key findings of its 2020 Housing Needs Study (November 2000), the status of affordable housing in the City and related policies and initiatives, and a timeline for updating its Comprehensive Plan with Functional Plan Title 7 affordable housing policies. The City's housing needs study indicated a need for 2,707

affordable housing units for households earning less than 40% of Hillsboro median family income.

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the voluntary affordable housing production goals.
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels (Metro Code 3.07.730.A).
4. Consideration of the amendment of comprehensive plan and implementing ordinance with the seven land use strategies in Metro Code 3.07.730.B.
5. Consideration of the implementation of four of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, fee waivers and funding incentives, and the promotion of affordable housing for incomes 50% to 120% of the regional median household income).

JOHNSON CITY

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

KING CITY

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

LAKE OSWEGO

Requested Extension

The Mayor's letter to Metro dated June 19, 2003 requested a 90-day time extension to September 30, 2003 to submit its report. Attached to the letter is a copy of the Draft Affordable Housing report of the City. Neither the letter nor the attached draft report indicates which year's report the City will be submitting. As of December 15, 2003, the City has not submitted the first year report (due January 31, 2002) and second year report (due December 31, 2003).

Outstanding Items

All requirements are yet to be addressed.

MAYWOOD PARK

Addendum:

Metro received the City of Maywood Park first year and second year reports at the time this document was being mailed to local jurisdictions. The deadline for the first year report was January 31, 2002 and the deadline for the second year report was December 31, 2003.

All of some of the following "Outstanding Items" carried over from 2002 may have been addressed in the 2003 report:

- o All requirements are yet to be addressed.

MILWAUKIE

Requested Extension

The City's letter (signed by the Planning Director) to Metro dated January 8, 2002 stated that "Milwaukie will be able to complete the 2000 report within five months, and that its staff will seek the City Council's direction on February 18, 2002 to proceed with an affordable housing work program.

A second letter dated March 11, 2003, stated that the City Council authorized the staff to commence work to prepare a report in accordance with title 7. The letter also stated that staff intends to submit the report to the City Council for review and approval in August 2003.

Outstanding Items

All requirements are yet to be addressed.

OREGON CITY

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

PORTLAND

The City report was received by Metro in July 2002.

A. Metro Code 3.07.730: Compliance Requirements

The report was sent to Metro with a cover letter signed by a City Council member. The cover letter and the report did not indicate that the report was reviewed and approved by the entire City Council.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report stated that the City intends to document "to the best of its ability" its performance relative to the affordable housing production goals and to direct federal and other public funds to those with the highest needs as established in the Portland-Gresham-Multnomah County Consolidated Plan."

C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.

The City currently implements most elements of the three strategies. The City reported existing strategies in its comprehensive plan addressing diversity of affordable housing, maintaining the existing supply and dispersal of affordable housing, and providing affordable housing opportunities for households of all income levels. No new strategies were adopted during the reporting period. The report did not state the City's efforts and actions related to dispersal of affordable housing.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	In use prior to January 2001 (Title 7)
Replacement housing	In use prior to January 2001 (Title 7)
Inclusionary housing	In use prior to January 2001 (Title 7)
Transfer development rights	In use prior to January 2001 (Title 7)
Elderly and people with disabilities	This tool was described with insufficient details to evaluate the City's effort in addressing the locational needs of these populations.
Local regulatory constraints	This tool was described with insufficient detail to evaluate the City's compliance with reducing building review time, development costs and appeal opportunities.
Parking	This tool was described with insufficient detail to evaluate the City's efforts to ensure the needs of residents of all income level.

- E. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	In use prior to January 2001 (Title 7)
Fee waivers or funding incentives	In use prior to January 2001 (Title 7)
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	In use prior to January 2001 (Title 7) The City coordinates with numerous agencies to increase affordable housing production

F. *Local initiatives.*

Over 15 other tools and strategies are currently in use or exist in the form of housing policy in the City's comprehensive plan, strategies and incentives in the City's Zoning Code (Title 33), and in the City's various housing programs. These tools include: 1) a housing preservation program (guaranteeing 60 years of continued affordability for units assisted with public funds); 2) a program to ensure no net loss of housing for the central city; 3) fair housing program for minorities and low income people in protected classes; 4) homebuyer opportunity areas; 5) Portland Community Land Trust; 6) the permitting of accessory dwelling units (required by Title 1 of the Functional Plan) that typically consist smaller affordable housing units; 6) floor area ratio (FAR) bonuses; 7) single room occupancy (SRO) housing; 8) property tax exemption; 9) staffing and funding a region-wide web-based Housing Connections site to provide information on low income housing and service availability; 10) funding support for the Portland Housing Center; 11) funding support for African-American, Latino, and Asian-American Homebuyer Fairs; 12) funding assistance for the HOPE VI project undertaken by the Housing Authority of Portland; 13) leadership for the HOME consortium; 14) leadership for the Housing for Persons with AIDS consortium; 15) extensive use of Community Development Block Grant funds for direct and indirect housing activities; 16) continued support for the creation of a Regional Housing Trust Fund.

G. *Other Information Provided:*

The City reported that its Auditor report documented that \$100 million of City resources have assisted over 11,700 housing units during the four-year period from FY1996/97 to FY 1999/00.

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.

2. Consideration of the voluntary affordable housing production goals. Also, consideration of the portion of Multnomah County affordable housing production goal that Portland will assume through agreements with the County.
3. Ensuring that the comprehensive plan and implementing ordinances include measures to increase dispersion of affordable housing.
4. Clarification of how three land use strategies contained in Metro Code Section 3.07.730.B are addressed in the City's comprehensive plan and implementing ordinances. These strategies are: a) elderly and people with disabilities; b) local regulatory constraints; and c) parking.
5. Consideration of the amendment of comprehensive plan and implementing ordinances to include implementation of "replacement housing in urban renewal areas." This tool is one of the other affordable housing strategies in Metro Code Section 3.07.760

RIVERGROVE

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

SHERWOOD

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

TIGARD

The City's report was received by Metro in May 2002.

A. Metro Code 3.07.730. –Compliance Requirements

The report stated that the City Council approved the report.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

As stated in its report, the City "has twice debated the efficacy of setting a voluntary affordable housing goal" but has not taken any formal action regarding adoption.

- #### ***C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.***

The City reported having two of the existing strategies existing in its comprehensive plan addressing diversity of affordable housing and affordable housing opportunities for household of all income levels prior to the adoption of Title 7 in January 2001. No new related strategies have been adopted since Title 7 became effective.

- D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

The report indicates that three of the seven strategies were in use by the City prior to the adoption of Title 7 of the Functional Plan (see the table below). Three other strategies were considered and not adopted since Title 7 was adopted while one strategy was not addressed in the report.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed but no action taken
Replacement housing	Discussed but no action taken
Inclusionary housing	Not addressed in the report
Transfer development rights	Discussed but no action taken
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	In use prior to January 2001 (Title 7) – (partial)
Parking	In use prior to January 2001 (Title 7)

- E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	In use prior to January 2001 (Title 7)
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	In use prior to January 2001 (Title 7)

- F. Local initiatives.**

Other tools implemented in the City to encourage the production of affordable housing include donation of tax foreclosed property, leveraging Community Development Block

Grant funds, and providing free office space to a non-profit affordable housing provider (CPAH).

G. Other Information Provided

The City reported that it is continuing its consideration of the appropriateness of a policy of waiving fees such as system development charges to encourage affordable housing.

Outstanding Items:

1. Consideration of adoption of the voluntary affordable housing production goals
2. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing supply and to increase new dispersed affordable housing.
3. Consideration of the amendment of comprehensive plan and implementing ordinances with four of the seven land use strategies (density bonus, replacement housing, inclusionary housing and transfer of development rights), and also addressing fully local regulatory constraints. (Metro Code 3.07.730.B)
4. Consideration of other affordable housing strategies, including two of the five listed in Title 7 of the Functional Plan (replacement housing in urban renewal areas and inclusionary zoning in urban renewal areas). (Metro Code 3.07.760)

TROUTDALE

City report was received by Metro in June 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report stated that the City Council had approved the report.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The City discussed the regional goal of providing affordable housing, but declined to adopt the voluntary affordable housing production goal in Title 7. The report stated that "it appears that the free market is working to meet the affordable housing needs of low income in this area" because "a 228-unit low income apartment complex was constructed...and all of the units are being rented to households making 60% or less of Multnomah County' median household income."

C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.

The City highlighted some existing policies in its comprehensive plan and implementing ordinances addressing diversity of affordable housing as well as measures aimed at increasing affordable housing opportunities for household of all income levels. The report did not state which existing policies address the maintenance of the existing supply of affordable housing in the City or the encouragement of opportunities for new dispersed affordable housing within its boundaries.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

As stated in the report, the City discussed the seven strategies but declined to adopt the four shown in the table below. There are measures in place for meeting the locational needs for elderly and people with disabilities, measures addressing some portions of local regulatory constraints, and parking requirements that ensure the production of affordable housing.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt
Replacement housing	Declined to adopt
Inclusionary housing	Declined to adopt
Transfer development rights	Declined to adopt
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	In use prior to January 2001 (Title 7) – (partial)
Parking	In use prior to January 2001 (Title 7)

E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.

The City's report states that fee waivers or funding incentives (through waiving of transportation SDC associated with use change, including change to affordable housing) have been implemented by the city to some extent. The report also stated that the City "has also demonstrated willingness to be flexible in how it applies SDCs to special needs housing projects, thereby making them affordable." However, the report stated that because it is not aware of any housing project proposed for construction that was rendered financially infeasible due to it permit fees, the City does not believe that waiving fees will necessarily attract more affordable housing projects.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Declined to adopt. (The City attempted to establish an urban renewal district that was overturned by voters in 2002)
Inclusionary housing in urban renewal districts	Declined to adopt. (The City attempted to establish an urban renewal district that was overturned by voters in 2002)
Fee waivers or funding incentives	Declined to adopt.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	Not addressed in the report

F. Local initiatives.

Allowed an RV park originally intended as overnight campground for traveling public to become a de facto affordable housing project when the facility became popular among retired persons and lower income residents who reside in motor homes and other types of recreational vehicles.

G. Other information provided.

One of the new uses being considered by the City for its former sewage treatment plant site located in downtown includes a housing component. The report stated that "the City could specify in the sales agreement for the property that the development must include a certain number of affordable housing units."

Outstanding Items:

1. Although the City has declined to adopt its own voluntary affordable housing production goal, the City's report does not address Troutdale's portion of unincorporated Multnomah County's affordable housing goal. (See Multnomah County 2002 compliance section for further details.)
2. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing supply and increase dispersion of affordable housing.
3. Consideration of the amendment of comprehensive plan and implementing ordinances to address fully the impact of all components of local regulatory constraints on affordable housing. (No measures are in place to address review design and development review standards for impact on affordable housing or the use of cost-benefit analysis to determine impact of new regulations.)
4. Consideration of the implementation of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, and joint coordination activities).

TUALATIN

City report was received by Metro in May 2002.

A. Metro Code 3.07.730. –Compliance Requirements

The report was sent to Metro with a cover letter signed by Tualatin staff, with no indication whether the report had been reviewed and approved by the City Council.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report did not address affordable housing production goals.

- C. *Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.*

The City did not address the above three strategies in its report.

- D. *Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.*

The report stated that density bonus, replacement housing, and inclusionary housing strategies are not currently implemented. The transfer of development rights (TDR) provision adopted in the City code is not tailored to encourage the production of affordable housing. In addition, the report did not state that the strategy is addressed in the comprehensive plan. Local regulatory constraints have been partially addressed as explained in the table below.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Not addressed in the report
Replacement housing	Not addressed in the report
Inclusionary housing	Not addressed in the report
Transfer development rights	Unclear. Addressed in the report, but is not tailored to the production of affordable housing. Related zoning strategy is designed to concentrate development in a developable area of the parcel, and does not involve transfer between separate sites. There is also no indication that TDR is implemented in the town center and main streets.
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	In use prior to January 2001 (Title 7) – (partial)
Parking	Unclear. This tool was described with insufficient detail to evaluate the City's effort to adjust parking regulations to increase affordable housing opportunities.

- E. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	Not addressed in the report

F. Local initiatives.

Some tools and strategies the City has used include: 1) changing the density of a trailer park; 2) townhouses allowed outright in certain zones; and 3) changes to the central urban renewal district to accommodate affordable housing.

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the voluntary affordable housing production goals.
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels.
4. Consideration of the amendment of comprehensive plan and implementing ordinances with four land use strategies (density bonus, replacement housing, inclusionary housing, transfer of development rights, and parking).
5. Consideration of the amendment of comprehensive plan and implementing ordinances to addresses fully the impact of all components of local regulatory constraints on affordable housing. Measures are in place addressing two components of the strategy (examine development and design standards for impact on affordable housing; consider using cost benefit analysis to determine impact of new regulation on housing production). The other four components of the strategy are not addressed by the existing measures.
6. Consideration of the implementation of other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, fee waivers or funding incentives and joint coordination efforts to increase affordable housing production).

WEST LINN

City report was received by Metro in February 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report was sent to Metro with a cover letter signed by the interim planning director. There is no indication that the report was reviewed and approved by the City Council.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report stated that the City took no formal action regarding the adoption of their affordable housing production goal.

C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.

The report included excerpts from the City's comprehensive plan that address providing a supply of housing for all income levels. However, the City's report did not outline the City's specific comprehensive plan strategies for maintaining housing diversity and maintaining the City's existing housing supply or increasing the dispersion of affordable housing.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

The report stated clearly that two strategies (density bonus and parking requirements to ensure affordable housing) are being implemented in the City.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	In use prior to January 2001 (Title 7)
Replacement housing	Unclear explanation of City action
Inclusionary housing	Declined to adopt
Transfer development rights	Unclear explanation of City action
Elderly and people with disabilities	Unclear explanation of City action
Local regulatory constraints	Unclear explanation of City action
Parking	In use prior to January 2001 (Title 7)

E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.

One of these five other strategies in 3.07.760 (promotion of affordable housing for incomes 50% to 120% of the regional median household income) is currently implemented in the City.

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	Not addressed in the report

F. Local initiatives.

The City has employed in the past and continues to utilize several local tools to contribute to housing affordability. These include a Community Development Block Grant that improved streets in the Willamette Neighborhood, a qualifying low-income area of the City. The City also established 1- to 20- unit per acre residential land use districts that provide development opportunities ranging from detached single-family to high density multi-family units. The City also allows manufactured homes in all residential zoning districts.

G. Other information provided.

The City's report states that the City will be addressing a list of recommended actions on affordable housing in early to mid 2003. This list includes:

- a. Evaluate how West Linn can meet its share of the regional need for housing
- b. Identify constitutionally justifiable measures to encourage the provision of affordable housing.
- c. Determine the costs of providing or subsidizing affordable housing.

The report also states that amendments to the Community Development Code and/or the introduction of programs to assist in the provision of affordable housing may follow in 2003 or 2004.

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the adoption of the voluntary affordable housing production goal.
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply and to increase dispersion of affordable housing.
4. Consideration of the amendment of comprehensive plan and implementing ordinances to include four of the land use strategies (replacement housing, transfer of development rights, elderly and people with disabilities and local regulatory constraints).
5. Consideration of the implementation of some of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, and joint coordination or action to increase affordable housing production).

WILSONVILLE

- The City has not submitted the first progress report due on January 18, 2001 (Metro Code 3.07.740).

Outstanding Items:

All requirements have yet to be addressed.

WOOD VILLAGE

City report was received by Metro in March 2002.

A. Metro Code 3.07.730. –Compliance Requirements

The report was sent to Metro with a cover letter signed by a staff, and there was no indication that the report was reviewed and approved by the City Council.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The City's report did not address the affordable housing production goal.

C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.

The City did not address the above three strategies in its report.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

The City did not address the seven land use strategies in its report. However, the report stated that the City has been actively reviewing and updating its zoning, design and building standards in order to increase the development of mixed-use buildings and increase appropriate densities of housing."

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Not addressed in the report
Replacement housing	Not addressed in the report
Inclusionary housing	Not addressed in the report
Transfer development rights	Not addressed in the report
Elderly and people with disabilities	Not addressed in the report
Local regulatory constraints	Not addressed in the report
Parking	Not addressed in the report

- E. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Not addressed in the report
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	Not addressed in the report

F. *Local initiatives.*

Allow zoning for trailer homes.

G. *Other information provided.*

The report stated that the City is "committed to the idea of providing affordable housing for the citizens of Multnomah County and the greater metro area." The report also stated "we feel we are currently carrying a much greater burden of affordable housing than any other community in metro."

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the adoption of the voluntary affordable housing production goal.
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels.
4. Consideration of the amendment of comprehensive plan and implementing ordinance to include the seven land use strategies in 3.07.730.B.
5. Consideration of the implementation of the other non-land use affordable housing strategies in Metro Code Section 3.07.760.

CLACKAMAS COUNTY

County report was received by Metro in March 2002.

A. *Metro Code 3.07.730. –Compliance Requirements*

The report was sent to Metro with a cover letter signed by a staff, and there was no indication that the report was reviewed and approved by the County Commission.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The County reported that it will consider adoption of the voluntary affordable housing goal in 2003.

C. Metro Code 3.07.730.A: Ensure that comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels.

The County currently implements most elements of the three strategies. The report stated that the housing chapter of its comprehensive plan contains policies that encourage a diverse range of housing, including a diverse range of housing prices and rent ranges, measures to maintain existing supply of affordable housing through the preservation of housing as an important element of neighborhood quality, and the provision of housing for all income groups of the County's population. The report did not outline the efforts the County has made to address the dispersal of affordable housing.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

The county has adopted four of the strategies (density bonus, replacement housing, elderly and people with disabilities, parking) in its comprehensive plan. The county action on other tools is as follows:

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	In use prior to January 2001 (Title 7)
Replacement housing	In use prior to January 2001 (Title 7)
Inclusionary housing	Not addressed in the report
Transfer development rights	Unclear explanation of County action. Although the County zoning and development ordinances contain provisions for transfer development rights, the report did not state how the provisions apply to affordable housing.
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	Unclear. Measures are in place addressing two components of the strategy (revise permitting approval process; regularly review existing codes). The impact of having a hearing officer on a number of land use appeals is unclear. The other four components of the strategy are not currently implemented.
Parking	In use prior to January 2001 (Title 7)

- E. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	In use prior to January 2001 (Title 7)
Inclusionary housing in urban renewal districts	Not addressed in the report
Fee waivers or funding incentives	Unclear explanation of County action
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	In use prior to January 2001 (Title 7)

F. *Local initiatives*

Other tools and strategies currently in use or being considered by the County are: 1) Clackamas County Community Land Trust; 2) home buyer assistance programs; 3) County Home Repair Loan Program; and 4) cooperation with Metro's data collection process.

Outstanding Items:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of adoption of the voluntary affordable housing production goals.
3. Ensuring that the comprehensive plan and implementing ordinances include measures to increase the dispersion of affordable housing.
4. Consideration of the amendment of comprehensive plan and implementing ordinances to include three strategies in *Metro Code 3.07.730.B*: inclusionary housing, transfer development rights, and local regulatory constraints.
5. Consideration of the amendment of comprehensive plan and implementing ordinances with two other affordable housing strategies in *Metro Code 3.07.760*: inclusionary housing in urban renewal districts, and fee waivers and funding incentives.

MULTNOMAH COUNTY

County report was received by Metro in April 2003.

A. *Metro Code 3.07.730: Compliance Requirements*

The report was signed by the County Chair and a County Commissioner.

The report stated that the County has transferred urban land use planning responsibilities to the cities of Portland and Troutdale for those unincorporated urban areas within its

jurisdiction. Hence, the report states that compliance with the requirements for the unincorporated County areas is the same as those addressed in the reports submitted by the cities of Portland and Troutdale.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The Multnomah County report states that the County fully supports and promotes the affordable housing production goals, however, based on the agreement that exists between the County and the Cities of Portland and Troutdale, it is expected that these two cities will assume responsibility for considering the adoption of Multnomah County's affordable housing production goal of 134 units.

The City of Portland 2002 report did not fully address Portland's progress in considering their own voluntary affordable housing production goal, and the report made no mention of how Portland would address its share of Multnomah County's 134 unit goal. The 2002 City of Troutdale report indicated that Troutdale had declined to adopt their voluntary affordable housing production goal. It is unclear if this means that Troutdale is also declining Multnomah County's portion of the goal.

The following table shows the voluntary affordable housing goals for Portland, Troutdale, and for the unincorporated urban portions of Multnomah County. According to the County's report, the agreement that is in place will require the County's share of affordable housing goals to be apportioned to either the City of Troutdale or Multnomah County.

Affordable Housing Production Goals: City of Portland, Troutdale, and Urban Unincorporated Multnomah County Title 7			
<i>Jurisdiction</i>	<i>New housing units needed for households earning less than 30% of median household income</i>	<i>New housing units needed for households earning less than 30- 50% of median household income</i>	<i>Total</i>
City of Portland	1,791	0	17,91
City of Troutdale	75	56	131
Multnomah County Unincorporated Urban Portion	81	53	134

C. Compliance with:

- ☐ Metro Code 3.07.730.A (Consider comprehensive plan and implementing ordinances changes);
- ☐ Metro Code 3.07.730.B (Consider amendment of comprehensive plan and implementing ordinances with land use strategies); and
- ☐ Metro Code 3.07.760 (Recommendations to implement other affordable housing strategies)

Due to the transfer of planning responsibilities for the urban unincorporated portions of Multnomah County to Portland and Troutdale, the County has adopted the comprehensive plans, zoning map designations, and zoning codes of these two jurisdictions. Therefore, it is

Portland and Troutdale that have assumed the responsibility for considering the range of Title 7 affordable housing tools to be employed in the unincorporated portions of Multnomah County.

Please reference the Portland and Troutdale 2002 and 2003 analysis in this report for a detailed analysis of these jurisdiction's progress in considering and adopting these tools.

D. Local initiatives

Other tools and strategies currently in use or being considered by the County are: 1) Donating tax foreclosed property to nonprofits affordable housing production organizations; 2) Strategic investment program community housing fund; 3) New housing opportunities for the community corrections population; 4) Library mixed use housing; 5) Emergency rental assistance to homeless disabled singles and families, and those at risk of eviction; 6) Leveraging federal HOME and CBDG funds for affordable housing; and 7) Federal weatherization program for low-income households.

Outstanding Items:

The County's report indicated support for the voluntary affordable housing production goal of 134 units but stated that an agreement between the City of Portland and the City of Troutdale meant these two cities would be responsible for planning the area where the units would be located.

- It is important to note that the City of Troutdale has declined to adopt their affordable housing production goal.
- Also, the City of Portland has not formerly considered their affordable housing production goal.

WASHINGTON COUNTY

The Washington County report was received by Metro in April 2002.

A. Metro Code 3.07.730: Compliance Requirements

The report stated that the County Board of Commissioners directed, reviewed and approved the report.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report stated that staff recommended that the Board consider inclusion of the Metro voluntary affordable housing production goal as a target for the County.

C. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the Comprehensive Plan and Implementing Ordinances.

The County reported two strategies existing in its comprehensive plan addressing diversity of affordable housing and affordable housing opportunities for household of all income levels. The report did not state the County's efforts and actions to maintain the existing supply and dispersal of affordable housing.

- D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

The report stated the existence of policies in the County comprehensive plan to implement affordable housing strategies for the elderly and people with disabilities. The report also stated that staff recommended additional affordable housing strategies for the elderly and people with disabilities through development of "corridor overlay districts." There are some measures in place to minimize the impact of local regulatory constraints on housing development. However, these measures do not take into account other elements of the strategy that the County is required to consider such as review development and design standards for impact on affordable housing, the use of cost-benefit analysis, and a reduction in the number of land use appeal opportunities.

The County's report stated that the staff had recommended the Board further explore three of the seven strategies (density bonus, inclusionary housing and parking) in Metro Code 3.07.730.B. The report also stated that County staff had recommended that no action be taken on one of the seven strategies (replacement housing). Other than adopting the staff report, there is no indication of the progress the Board has made in considering the staff recommendations in the report.

Although staff recommendations to the Board on transfer development rights are unclear, the report also includes a proposed amendment to the County Comprehensive Plan Policy #21 to review the feasibility of this strategy. The Board's action on this proposed amendment is unknown.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed but no action taken
Replacement housing	Discussed but no action taken
Inclusionary housing	Discussed but no action taken
Transfer development rights	Discussed but no action taken
Elderly and people with disabilities	In use prior to January 2001 (Title 7)
Local regulatory constraints	In use prior to January 2001 (Title 7) - partial
Parking	Discussed but no action taken

- E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Discussed but no action taken

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Inclusionary housing in urban renewal districts	Discussed with no action taken
Fee waivers or funding incentives	Discussed with no action taken
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001 (Title 7)
Joint coordination or action	In use prior to January 2001 (Title 7)

The County's report recommended to the Board that no action be taken regarding urban renewal inclusionary or replacement housing, or to consider waving or deferring fees. Similarly, County staff recommended the board take no action to promote housing affordable to households with incomes 50% to 80% and 80% to 120% of the regional median household income. However, the County currently has sufficient strategies in place to satisfy this requirement and also the requirement related to joint coordination.

F. Local initiatives.

Another tool/strategy currently in use is zoning that allows mobile homes and manufactured home parks.

G. Other information provided.

As stated earlier, the report includes the proposed amendment to the County Comprehensive Plan Policy #21 with two additional affordable housing policies (encouraging the housing industry and both public and private housing agencies to build a sufficient number of new affordable housing; periodically assess the feasibility of establishing a voluntary inclusionary housing program and a transfer development right program). However, the County has not updated Metro on the action of the Board of County Commission on these two policies.

Outstanding Items:

The County's report contains a number of staff recommendations and states that the Board approved the staff report. It is unclear if by adopting this report the Board has agreed with each and every staff recommendation. Clarification of this point is needed in order to evaluate the County's compliance with Title 7. Additional items include:

1. Clarification of the action of the County Board on staff recommendation (stated in the report) that the voluntary affordable housing production goals be considered as a target for the County.
2. Ensuring that the comprehensive plan and implementing ordinances include strategies to maintain the existing supply and increase dispersion of affordable housing.
3. Clarification from the County Board on whether they accept staff recommendations to end consideration of replacement housing and to continue consideration of density bonus, inclusionary housing, transfer of development rights and parking.
4. Clarification from the County Board on whether they accept staff recommendations to end consideration of replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, and fee waivers or funding incentives. (Metro Code Section 3.07.760).

Summary Table of 2002 Title 7 Annual Compliance: Goals and Strategies

Jurisdiction	Progress Reports Completed (3.07.740)	Voluntary Goals Adopted (3.07.720)	Ensure including strategies for the following in the Comprehensive Plan and Implementing Ordinances (Title 7:3.07.730.A)			Consider including in the Comprehensive Plan and Implementing Ordinances Land Use Strategies (Seven) – (Title 7: 3.07.730.B)						
			Diversity (3.07.730.A.1)	Maintain Supply and Increase Dispersion (3.07.730.A.2)	Supply for All Income Levels (3.07.730.A.3)	Density Bonus (3.07.730.B.1)	Replacement Housing (3.07.730.B.2)	Inclusionary Housing (3.07.730.B.3)	Transfer Development Rights (3.07.730.B.4)	Elderly & Disabled People (3.07.730.B.5)	Local Regulatory Constraints (3.07.730.B.6)	Parking (3.07.730.B.7)
Beaverton	Yes	New	NM	NM	NM	Discussed	Discussed	Discussed	Discussed	Discussed	Discussed	Discussed
Cornelius												
Durham	Yes	Discussed	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Fairview	Yes ✓	Declined	Existing	Existing (p)	NM							
Forest Grove	Yes ✓	Declined	Existing	Existing (p)	Existing	Discussed	Declined	Discussed	Declined	Existing	Discussed	NM
Gladstone												
Gresham	Yes ✓	Declined	NM	NM	NM	Declined	Declined	Existing	Discussed	New	Existing (p)	Existing
Happy Valley	Yes ✓	Discussed	Existing	NM	NM	Declined	Discussed	Declined	Discussed	NM	Discussed	Unclear
Hillsboro	Yes	Discussed*	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Johnson City												
King City												
Lake Oswego												
Maywood Park	• Yes ✓											
Milwaukie	Requested Extension 08/03											
Oregon City												
Portland	Yes	NM	Existing	Existing (p)	Existing	Existing	Existing	Existing	Existing	Unclear	Unclear	Unclear
Rivergrove												
Sherwood												
Tigard	Yes ✓	Discussed	Existing	NM	Existing	Discussed	Discussed	NM	Discussed	Existing	Existing (p)	Existing
Troutdale	Yes ✓	Declined	Existing	NM	Existing	Declined	Declined	Declined	Declined	Existing	Existing (p)	Existing
Tualatin	Yes	NM	NM	NM	NM	NM	NM	NM	Unclear	Existing	Existing (p)	Unclear
West Linn	Yes	Discussed	NM	NM	Existing	Existing	Unclear	Declined	Unclear	Unclear	Unclear	Existing
Wilsonville												
Wood Village	Yes	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
Clackamas County	Yes	Consider	Existing	Existing (p)	Existing	Existing	Existing	NM	Unclear	Existing	Unclear	Existing
Multnomah County	Yes	**	**	**	**	**	**	**	**	**	**	**
Washington County	Yes ✓	Discussed	Existing	NM	Existing	Discussed	Discussed	Discussed	Discussed	Existing	Existing (p)	Discussed

✓ Report approved by an elected body

• Addendum: Report was submitted before the December 31, 2003 deadline for jurisdiction to submit report, but after staff completed and submitted the this report to the Metro Council.

NM = Not mentioned in compliance report or mentioned without an explanation of any action being taken

Existing = Adopted prior to January 2001.

Unclear = Policy/tools are noted with insufficient details to evaluate

Discussed = Addressed at a local elected officials meeting after January 2001 with the jurisdiction taking no action.

(P) = Partial implementation of the strategy.

Declined = Addressed at a local elected officials meeting after January 2001, with the jurisdiction declining to adopt the affordable housing tool or strategy.

New = Adopted after January 2001

* Hillsboro discussed the goals prior to January 2001 (i.e., in November 2000, when HTAC was still developing the regional affordable housing production goals)

** Multnomah County signed an IGA with the cities of Portland and Troutdale to carry out land use planning responsibilities in unincorporated county areas. The cities of Portland and Troutdale are expected to detail the matter in which affordable housing strategies in the unincorporated areas have been addressed.

Definitions:

After Jan. 2001:

Summary Table of 2002 Title 7 Annual Compliance: Strategies – (continued)

Consider implementation of the following tools and strategies – (Title 7: 3.07.760)						
	Replacement housing in urban renewal areas (3.07.760.A.1)	Inclusionary housing in urban renewal areas (3.07.760.A.2)	Fee waivers or funding incentives (3.07.760.B)	Efforts promoting affordable housing for other income groups (50% to 80% and 80%-120% of RMHI) ¹ (3.07.760.C)	Joint coordination (3.07.760.D)	Local Initiative
Beaverton	NM	NM	Existing	Existing	Existing	Housing rehabilitation program, assistance to community housing organizations, etc.
Cornelius						
Durham	NM	NM	NM	NM	NM	
Fairview	NM	NM	Unclear	NM	NM	
Forest Grove	NM	NM	NM	Existing	Existing	Affordable housing friendly zoning, leveraging CDBG funds.
Gladstone						
Gresham	NM	NM	NM	Existing	Existing	"Housing Mix Plan", leveraging CDBG funds, neighborhood revitalization
Happy Valley	DNQ	NM	Discussed	NM	Existing	
Hillsboro	NM	NM	NM	NM	Existing	Light rail zones (SCPA), first time homebuyer program
Johnson City						
King City						
Lake Oswego						
Maywood Park						
Milwaukie						
Oregon City						
Portland	NM	Existing	Existing	Existing	Existing	Housing preservation program, homebuyer opp. areas, Portland Community Land Trust, etc.
Rivergrove						
Sherwood						
Tigard	NM	NM	Existing	Existing	Existing	Donation of tax foreclosed property, leveraging CDBG funds, free office space to (CPAH), etc
Troutdale	Declined	Declined	Declined	Existing	NM	Zoning code allows manufactured homes and congregate care facilities, transportation SDC exemption for building built prior to 1995 converted to affordable housing.
Tualatin	NM	NM	NM	Existing	NM	Zoning code allows trailer park and townhouses; Urban renewal district
West Linn	NM	NM	NM	Existing	NM	Leveraging CDBG funds, provide high-density multi family zoning opportunities
Wilsonville						
Wood Village	NM	NM	NM	NM	NM	Allow zoning for trailer homes
Clackamas County	Existing	NM	Unclear	Existing	Existing	Clackamas County Community Land Trust, home buyer assistance programs, etc.
Multnomah County	**	**	**	**	**	Donating tax foreclosed property, strategic investment program housing fund, etc.
Washington County	Discussed	Discussed	Discussed	Existing	Existing	Zoning allows mobile home parks, design review cuts down on unnecessary housing cost.

Definitions:

NM = Not mentioned in compliance report or mentioned without an explanation of any action being taken

Existing = Adopted prior to January 2001.

Unclear = Policy/tools are noted with insufficient details to evaluate

Discussed = Addressed at a local elected officials meeting after January 2001 with the jurisdiction taking no action.

(P) = Partial Implementation of the strategy.

Declined = Addressed at a local elected officials meeting after January 2001, with the jurisdiction declining to adopt the affordable housing tool or strategy.

New = Adopted after January 2001

DNQ = Jurisdiction does not qualify for urban renewal.

****** Multnomah County signed an IGA with the cities of Portland and Troutdale to carry out land use planning responsibilities in unincorporated county areas.

¹ Regional median household income

(REVISED)

SUMMARY OF SECOND YEAR (2003) COMPLIANCE BY JURISDICTIONS

Following is a summary of compliance for each jurisdiction in alphabetical order organized by the requirements shown in *italic*. The deadline for the second year progress report is December 31, 2003.

BEAVERTON

Addendum:

Metro received the City of Beaverton second year report at the time this document was being mailed to local jurisdictions. The report was received before the December 31, 2003 deadline.

All or some of the following "Outstanding Items" carried over from 2002 may have been addressed in the 2003 report:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels. (Metro Code 3.07.730.A)
3. Consideration of the amendment of comprehensive plan and implementing ordinances with the seven land use strategies in Metro Code 3.07.730.B.
4. Consideration of the implementation of two of the other affordable housing strategies in Metro Code Section 3.07.760 (inclusionary housing, in urban renewal areas, and replacement housing in urban renewal areas).

CORNELIUS

The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

DURHAM

The City's 2002 report was received by Metro in January 2003. A 2003 report was not received. The evaluation of the information submitted is located in the Summary of First Year (2002) compliance section.

Outstanding Items (carried over from 2002 report):

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the voluntary affordable housing production goals
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable

housing, and measures to increase affordable housing opportunities for household of all income levels.

4. Consideration of the amendment of comprehensive plan and implementing ordinances with the seven land use strategies in Metro Code 3.07.730.B..
5. Consideration of the implementation of other affordable housing strategies in Metro Code Section 3.07.760.

FAIRVIEW

Addendum:

Per letter signed by the City Mayor, the report that Metro received in July 2003 was intended to serve as the City's first (2002) and second (2003) year reports. The report was received in July of 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report was sent to Metro with a cover letter signed by the mayor and stated that the attached report reflects the views of the Fairview City Council.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The City states that their current affordable housing stock is adequate to address their community's affordable housing needs. The report states, "the City does not believe additional incentives to attract more affordable housing is necessary or appropriate."

C. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the Comprehensive Plan and Implementing Ordinances.

The report includes excerpts from the City's comprehensive plan which address maintaining the City's existing housing supply, increasing dispersion of housing, and maintaining housing diversity. The City's report did not mention the existence of a dispersion of housing policy or a policy for providing a housing supply for all income levels.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	In use prior to January 2001
Replacement housing	Unclear what action the City has taken
Inclusionary housing	Declined to adopt
Transfer development rights	Declined to adopt
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	Streamlining the local permitting process with the

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
	intent of encouraging more affordable housing was not specifically mentioned
Parking	Unclear what action the City has taken

- E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Not addressed in the report
Inclusionary housing in urban renewal districts	Declined as a land use strategy (see previous section), no mention of its use in urban renewal districts
Fee waivers or funding incentives	Declined to implement
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	Not addressed in the report
Joint coordination or action	Not addressed in the report

F. Local initiatives.

The City has several local tools that contribute to housing affordability. These include encouraging multi-family housing development along Sandy Blvd., Halsey St, 201st Ave., and Fairview Ave., south of Halsey St. The City also participates in the Housing Opportunities Plan (HOP) for the Portland region and permits manufactured homes on individual lots in designated residential zones subject to site development standards. Manufactured homes are also a permitted use in designated residential zones.

G. Other information provided.

The City reports that 59% of their current housing stock consists of manufactured homes, apartments, duplexes and townhouses. Their report states, "The City Council believes it is counterproductive and unnecessary to modify current housing policies that already provide for a wide range of housing types and tenures."

Outstanding Items:

1. Ensuring that the comprehensive plan and implementing ordinances include measures to increase affordable housing opportunities for households of all income levels and dispersion of housing policy.
2. Consideration of the amendment of comprehensive plan and implementing ordinances to address replacement housing, streamlining the local regulatory process to encourage affordable housing, and to enact changes to parking requirements that encourage affordable housing opportunities.

3. Consideration of the implementation of the other affordable housing strategies in Metro Code Section 3.07.760. Consideration of the feasibility of the City of Fairview to working with the City of Troutdale to implement fee waivers for affordable housing dwellings

FOREST GROVE

The City's 2002 report was received by Metro in March 2003. A 2003 report was not received. The evaluation of the information submitted is located in the Summary of First Year (2002) compliance section.

Outstanding items (carried over from 2002 report)

1. Ensuring that the comprehensive plan and implementing ordinances include measures to increase dispersion of affordable housing.
2. Consideration of the amendment of comprehensive plan and implementing ordinances to include four of the land use strategies in Metro Code Section 3.07.730.B (density bonus, inclusionary housing, local regulatory constraints, and parking).
3. Consideration of the implementation of three other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, and fee waivers).

GLADSTONE

The City submitted a progress letter to Metro in May 2003 stating that work on affordable housing had not yet begun due to the efforts of the City to meet the requirements of Metro's Title 5. The letter also stated that City staff will analyze its comprehensive plan and zoning ordinance provisions, and prepare affordable housing strategies for the City Council consideration. It expects the work to conclude by January 15, 2004.

GRESHAM

The City's report was received in February of 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report was sent to Metro with a cover letter signed by the mayor that states that the housing report was recommended by the City of Gresham Community Development and Housing Committee, reviewed by the City of Gresham Planning Commission, and approved by the Gresham City Council on January 21, 2003.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report states that Gresham considered but declined to adopt Metro voluntary affordable housing production goals. The reason given is that "regional funding was not put in place to assist with affordable housing production."

C. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing

opportunities for household of all income levels in the Comprehensive Plan and Implementing Ordinances.

The report includes excerpts from the City's comprehensive plan that adequately address maintaining the City's existing housing supply, increasing the dispersion of housing and maintaining housing diversity, and providing a housing supply for all income levels.

- D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined in 2002 report
Replacement housing	Declined in 2002 report
Inclusionary housing	In use prior to January 2001
Transfer development rights	Declined in 2003 report
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	In use prior to January 2001
Parking	In use prior to January 2001

- E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	The City declined replacement housing as a land use strategy (see previous section), no mention of its use in urban renewal districts
Inclusionary housing in urban renewal districts	Inclusionary housing exists as a land use strategy. There is no mention of its use in urban renewal districts.
Fee waivers or funding incentives	No mention of these tools
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001
Joint coordination or action	In use prior to January 2001

F. Local initiatives.

The City has several local tools that contribute to housing affordability. These include newly developed Infill Development Standards to "facilitate infill development while promoting

neighborhood compatibility and to reduce the overall cost of housing while meeting community objectives." The City also adopted the West Gresham Housing Mix Plan which "focuses on preserving affordable single family detached housing in West Gresham while permitting the development of new attached housing on single parcels in areas zoned for that purpose."

G. Other information provided.

The City's report states that "Gresham has one of the region's largest inventories of lower-cost non-subsidized rental housing." According to the City, "in Spring 2001, the average cost of this Gresham housing was affordable to households earning about 52%-57% MFI." In developing a methodology for estimating the supply and expected demand for affordable units in the region, the Metro Housing Technical Advisory Committee emphasized the importance of housing affordable to populations below 50% of MFI. Gresham is interested in adjusting this emphasis in order to receive credit for their existing housing stock.

Additionally, the Gresham report also states, "the formula used to generate the Regional Affordable Housing Production Goals does not take into account the difficulties faced by communities that have a jobs/housing ratio that is atypical. Gresham's jobs/housing ratio of 1 to 1.17 is the lowest in the region, and is significantly worse than the regional average of 1 to 1.7." Gresham states, "the jobs/housing balance issue is one of great significance for lower-income residents and jurisdictions. It is not addressed adequately in the formula used to set the regional affordable housing production goals."

The Gresham report states that additional regional resources are needed to increase the region's supply of affordable housing.

Outstanding Items:

- Consideration of the amendment of the comprehensive plan and implementing ordinances to include implementation of fee waivers or funding incentives as a strategy for creating affordable housing as outlined in Metro Code Section 3.07.760. Also, the City declined replacement housing but did not mention its potential use in urban renewal areas. Also, inclusionary housing is an adopted tool in place in Gresham and it was not mentioned if this policy is used in urban renewal areas.

HAPPY VALLEY

The City's 2002 report was received by Metro in April 2003. A 2003 report was not received. The evaluation of the information submitted is located in the Summary of First Year (2002) compliance section.

Outstanding items (carried over from 2002 report)

1. Consideration of the voluntary affordable housing production goals.
2. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels in the comprehensive plan and implementing ordinances.

3. Consideration of the amendment of comprehensive plan and implementing ordinances to include five land use strategies (replacement housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking).
4. Consideration of the amendment of comprehensive plan and implementing ordinances to include two of the other affordable housing strategies in Metro Code Section 3.07.760 (fee waivers or funding incentives, and promotion of affordable housing for incomes 50% to 120% of the regional median household income).

HILLSBORO

The City's 2002 report was received by Metro in February 2002. A 2003 report was not received. The evaluation of the information submitted is located in the Summary of First Year (2002) compliance section.

Outstanding items (carried over from 2002 report)

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the voluntary affordable housing production goals.
3. Consideration of the amendment of comprehensive plan and implementing ordinances to include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels (Metro Code 3.07.730.A).
4. Consideration of the amendment of comprehensive plan and implementing ordinance with the seven land use strategies in Metro Code 3.07.730.B.
5. Consideration of the implementation of four of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, fee waivers and funding incentives, and the promotion of affordable housing for incomes 50% to 120% of the regional median household income).

JOHNSON CITY

- The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

KING CITY

The City's report was received in January 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report states that the content of the report was "reviewed and discussed" by the King City Council in January, 2003. The City did not submit a 2002 report.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report stated "the City Council has determined that setting an affordable housing goal is unnecessary". The report states that the voluntary goal of 5 units is declined "due to the small size of the City, the wide selection of affordable housing in the city and adjacent unincorporated area, and residential zoning that is conducive to provide additional affordable housing."

- C. *Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the Comprehensive Plan and Implementing Ordinances.*

The report includes excerpts from the City's comprehensive plan that address maintaining housing diversity. However, there is no mention of comprehensive plan language that outlines the City's approach to maintaining the existing housing supply, increasing dispersion of housing, and providing a housing supply for all income levels.

- D. *Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.*

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt
Replacement housing	Declined to adopt
Inclusionary housing	Declined to adopt
Transfer development rights	Declined to adopt
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	In use prior to January 2001
Parking	Not addressed in the report

- E. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	No mention of this tool
Inclusionary housing in urban renewal districts	No mention of this tool
Fee waivers or funding incentives	No mention of this tool
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	No mention of this tool
Joint coordination or action	No mention of this tool

persons on fixed incomes. Despite this, the report notes that the City's housing supply has diversified to include "affordable single family, duplex, and multi family residences".

Outstanding Items:

1. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing housing supply, increase dispersion of housing, and provide a supply of housing for all income levels.
2. Consideration of the amendment of comprehensive plan and implementing ordinance amendments to enact changes to parking requirements that encourage affordable housing opportunities.
3. Consideration of the implementation of the five other affordable housing strategies in Metro Code Section 3.07.760.

LAKE OSWEGO

Addendum:

Metro received the City of Lake Oswego second year report at the time this document was being mailed to local jurisdictions. The report was received before the December 31, 2003 deadline.

All or some of the following "Outstanding Items" carried over from 2002 may have been addressed in the 2003 report:

- o All requirements are yet to be addressed.

MAYWOOD PARK

Addendum:

Metro received the City of Maywood Park first year and second year reports at the time this document was being mailed to local jurisdictions. The deadline for the first year report was January 31, 2002 and the deadline for the second year report was December 31, 2003.

All or some of the following "Outstanding Items" carried over from 2002 may have been addressed in the 2003 report:

- o All requirements are yet to be addressed.

MILWAUKIE

Requested Extension

The City's letter (signed by the Planning Director) to Metro dated January 8, 2002 stated that "Milwaukie will be able to complete the 2000 report within five months, and that its staff will seek the City Council's direction on February 18, 2002 to proceed with an affordable housing work program.

A second letter dated March 11, 2003, stated that the City Council authorized the staff to commence work to prepare a report in accordance with title 7. The letter also stated that staff intends to submit the report to the City Council for review and approval in August 2003. To date, this work has not been received.

Outstanding Items

All requirements are yet to be addressed.

OREGON CITY

- The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

PORTLAND

Addendum:

Metro received the City of Portland second year report at the time this document was being mailed to local jurisdictions. The report was received before the December 31, 2003 deadline.

All or some of the following "Outstanding Items" carried over from 2002 may have been addressed in the 2003 report:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the voluntary affordable housing production goals. Also, consideration of the portion of Multnomah County affordable housing production goal that Portland will assume through agreements with the County.
3. Ensuring that the comprehensive plan and implementing ordinances include measures to increase dispersion of affordable housing.
4. Clarification of how three land use strategies contained in Metro Code Section 3.07.730.B are addressed in the City's comprehensive plan and implementing ordinances. These strategies are: a) elderly and people with disabilities; b) local regulatory constraints; and c) parking.
5. Consideration of the amendment of comprehensive plan and implementing ordinances to include implementation of "replacement housing in urban renewal areas." This tool is one of the other affordable housing strategies in Metro Code Section 3.07.760

RIVERGROVE

- The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

RIVERGROVE

- The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

SHERWOOD

- The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

TIGARD

The City's report was received in February of 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report indicated that the Tigard City Council had adopted the report in September 2002, "as a complete and official statement of the City of Tigard's Affordable Housing Program."

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report states that the City Council has considered adopting the voluntary affordable housing goal but has taken no formal action. The Council feels that the adoption of the goal might "help highlight the need for more affordable housing", but "would not in and of itself result in the production of additional units."

C. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the Comprehensive Plan and Implementing Ordinances.

The report includes excerpts from the City's comprehensive plan that address maintaining housing diversity and a housing supply for all income levels. However, the City's report did not outline specific comprehensive plan strategies for maintaining the City's existing housing supply and increasing the dispersion of affordable housing.

- D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.**

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed but no action taken
Replacement housing	Declined to adopt
Inclusionary housing	Declined to adopt
Transfer development rights	Discussed but no action taken
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	In use prior to January 2001 (partial)
Parking	In use prior to January 2001

- E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.**

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Declined replacement housing as a land use strategy (see previous section), no mention of its use in urban renewal districts
Inclusionary housing in urban renewal districts	Declined inclusionary housing as a land use strategy (see previous section), no mention of its use in urban renewal districts
Fee waivers or funding incentives	In use prior to January 2001
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001
Joint coordination or action	In use prior to January 2001

F. Local initiatives.

The City has several local tools that contribute to housing affordability. These include providing rent-free space to Community Partners for Affordable Housing from 1997 to 2002 and supporting the Good Neighbor (homeless) Center. Other initiatives include establishing a Housing Emergency Fund to assist occupants of housing declared to be unsafe or uninhabitable and supporting the sale or donation of tax foreclosed and surplus County and City-owned properties to non-profit housing providers.

G. Other information provided.

The City of Tigard adopted their Affordable Housing Program in September 2002. This program outlines the City's approach to supporting affordable housing in their community. The City has also adopted a community-visioning document called Tigard Beyond Tomorrow that defines the City's long-term goals. Included among these goals are strategies to educate citizens about the importance of affordable housing, to make incentive programs available to providers of affordable housing units, and to review the City's zoning code and comprehensive plan policies to provide maximum opportunities for affordable housing.

Outstanding Items:

1. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the City's existing housing supply and increase the dispersion of affordable housing.
2. Consideration of the amendment of comprehensive plan and implementing ordinance amendments to include density bonus and the transfer of development rights in Metro Code 3.07.730.B.
3. Consideration of the amendment of comprehensive plan and implementing ordinance amendments to include the implementation of replacement housing and inclusionary housing in urban renewal areas as outlined in Metro Code Section 3.07.760.

TROUTDALE

The City's report was received by Metro in June 2003 and was intended to serve as the first (2002) and second (2003) year reports. The evaluation of the information submitted is in the Summary of First Year (2002) compliance section.

Outstanding Items (carried over from 2002):

1. Although the City has declined to adopt its own voluntary affordable housing production goal, the City's report does not address Troutdale's portion of unincorporated Multnomah County's affordable housing goal. (See Multnomah County 2002 compliance section for further details.)
2. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing supply and increase dispersion of affordable housing.
3. Consideration of the amendment of the comprehensive plan and implementing ordinances to address fully the impact of all components of local regulatory constraints on affordable housing. (No measures are in place to address review design and development review standards for impact on affordable housing or the use of cost-benefit analysis to determine impact of new regulations.)
4. Consideration of the implementation of three of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, and joint coordination activities).

TUALATIN

The City's 2002 report was received by Metro in May 2002. A 2003 report was not received. The evaluation of the information submitted is located in the Summary of First Year (2002) compliance section.

Outstanding items (carried over from 2002 report)

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the voluntary affordable housing production goals.
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels.
4. Consideration of the amendment of comprehensive plan and implementing ordinances with four land use strategies (density bonus, replacement housing, inclusionary housing, transfer of development rights, and parking).
5. Consideration of the amendment of comprehensive plan and implementing ordinances to addresses fully the impact of all components of local regulatory constraints on affordable housing. Measures are in place addressing two components of the strategy (examine development and design standards for impact on affordable housing; consider using cost benefit analysis to determine impact of new regulation on housing production). The other four components of the strategy are not addressed by the existing measures.
6. Consideration of the implementation of other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, fee waivers or funding incentives and joint coordination efforts to increase affordable housing production).

WEST LINN

The City's report was received by Metro in February 2003 and was intended to serve as the first (2002) and second (2003) year reports. The evaluation of the information submitted is in the Summary of First Year (2002) compliance section.

Outstanding Items (carried over from 2002):

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the adoption of the voluntary affordable housing production goal.
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, and measures to maintain the existing supply and to increase dispersion of affordable housing.
4. Consideration of the amendment of comprehensive plan and implementing ordinances to include four of the land use strategies (replacement housing, transfer of development rights, elderly and people with disabilities and local regulatory constraints).

5. Consideration of the implementation of some of the other affordable housing strategies in Metro Code Section 3.07.760 (replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, and joint coordination or action to increase affordable housing production).

WILSONVILLE

- The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

WOOD VILLAGE

The City's report was received in January 2003.

A. Metro Code 3.07.730. –Compliance Requirements

The report contains a copy of Resolution 2-2003, which acknowledges the adoption of the affordable housing report by the Wood Village City Council.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report states that Wood Village has considered adopting the voluntary affordable housing goal but has taken no formal action.

C. Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the Comprehensive Plan and Implementing Ordinances.

The report includes excerpts from the City's comprehensive plan that address maintaining housing diversity. However, there is no mention of comprehensive plan language that outlines the City's approach to maintaining the existing housing supply, increasing dispersion of housing, or providing a housing supply for all income levels.

D. Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Declined to adopt
Replacement housing	Discussed but no action taken
Inclusionary housing	Declined to adopt

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Transfer development rights	Declined to adopt
Elderly and people with disabilities	Unclear what action has been taken
Local regulatory constraints	Unclear what action has been taken
Parking	Unclear what action has been taken

- E. Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Discussed replacement housing as a land use strategy (see previous section), no mention of its use in urban renewal districts
Inclusionary housing in urban renewal districts	Declined inclusionary housing as a land use tool (see previous section), no mention of its use in urban renewal districts
Fee waivers or funding incentives	Unclear. Mentioned in the City's discussion of inclusionary housing as a difficult tool for the City to implement.
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	No mention of this tool.
Joint coordination or action	No mention of this tool.

F. Local initiatives.

The report has several local tools that contribute to housing affordability. These include exploring the possibility of a public-private partnership with Mt. Hood Habitat for Humanity to develop more affordable housing in the City.

G. Other information provided.

The report states that Wood Village already carries an "excessive burden of affordable housing" and that 48% of the City's housing stock is composed of manufactured homes, apartments or duplexes. The cover letter attached to the City's report indicated that the City has modified existing zoning codes and adopted design standards for the Neighborhood Commercial (NC) zone. The City states that the mix of uses that this zone promotes will encourage affordable housing and a diverse range of housing types.

Outstanding Items:

1. Consideration of the adoption of the voluntary affordable housing production goal
2. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing housing supply, increase dispersion of housing, and provide a supply of housing for all income levels.
3. Consideration of the amendment to comprehensive plan and implementing ordinances to include replacement housing, and to address the removal of regulatory constraints acting as impediments to affordable housing. Also, further information is needed to explain how the City's current policies provide housing for the elderly and for people with disabilities and whether the City's innovations in parking requirements are increasing opportunities for affordable housing.
4. Consideration of the amendment to comprehensive plan and implementing ordinances to include the five other affordable housing strategies outlined in Metro Code Section 3.07.760.

CLACKAMAS COUNTY

The County's first year report was received by Metro in March 2002. A 2003 report was not received. The evaluation of the information submitted is in the Summary of First Year (2002) compliance section.

Outstanding Items (carried over from 2002):

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of adoption of the voluntary affordable housing production goals.
3. Ensuring that the comprehensive plan and implementing ordinances include measures to increase the dispersion of affordable housing.
4. Consideration of the amendment of comprehensive plan and implementing ordinances to include three strategies in *Metro Code 3.07.730.B*: inclusionary housing, transfer development rights, and local regulatory constraints.
5. Consideration of the amendment of comprehensive plan and implementing ordinances with two other affordable housing strategies in *Metro Code 3.07.760*: inclusionary housing in urban renewal districts, and fee waivers and funding incentives.

MULTNOMAH COUNTY

Please see refer to the analysis of Multnomah County's 2002 Title 7 compliance report in the previous section.

Outstanding Items (carried over from 2002):

The County's report indicated support for the voluntary affordable housing production goal of 134 units but stated that an agreement between the City of Portland and the City of Troutdale meant these two cities would be responsible for planning the area where the units would be located.

- It is important to note that the City of Troutdale has declined to adopt their affordable housing production goal.

- Also, the City of Portland has not formerly considered their affordable housing production goal.

WASHINGTON COUNTY

The County report was received in January 2003.

A. Metro Code 3.07.730. –Compliance Requirements

A cover letter attached to the report, as well as attached ordinances adopted by the Board, indicated that the Board of County Commissioners had considered and adopted the 2003 report.

B. Metro Code 3.07.720: Adoption of Voluntary Affordable Housing Production Goals.

The report states that on April 2, 2002, the Washington County Board authorized the Planning and Land Development Work Program for the 2002 season and made amendments related to affordable housing. The County amended Policy 21, Housing Affordability (A-Engrossed Ordinance No. 590) to include a new strategy: "Encourage the housing industry and both public and private housing agencies to build a sufficient number of new affordable housing units within unincorporated Washington County to meet Metro's voluntary affordable housing production goal."

- C. *Metro Code 3.07.730.A: Including diversity strategies, and measures to maintain the existing supply, increase new dispersed affordable housing and increase affordable housing opportunities for household of all income levels in the Comprehensive Plan and Implementing Ordinances.*

The report includes excerpts from the City's comprehensive plan that adequately address maintaining the City's existing housing supply and increasing the dispersion of housing. These strategies had not been addressed in the 2002 report.

- D. *Metro Code 3.07.730.B: Amendment of comprehensive plan and implementing ordinances with density bonus, replacement housing, inclusionary housing, transfer of development rights, elderly and people with disabilities, local regulatory constraints, and parking tools and strategies.*

The County's 2002 compliance report states that the staff recommended to the Board to consider the feasibility of establishing an inclusionary housing program and a transfer of development rights program. The County's 2003 report states that the County has adopted a new implementing strategy its new affordable housing policy 21.i. that calls for the periodic assessment of the feasibility of establishing these programs.

The 2002 report also states that the staff recommended to the Board to consider implementing density bonus in the future. However, this strategy was not addressed in the County's 2003 report.

The 2002 report states that there are some measures in place to minimize the impact of local regulatory constraints on housing development. However, these measures do not take into account all of the elements of this strategy (Metro Code 3.07.730.B.6.) that the County is required to consider. The elements include review of development and design standards for impact on affordable housing, the use of cost-benefit analysis, and a reduction in the number of land use appeal opportunities.

In addition, the 2002 report states that the staff recommendation is that "no action be taken" on Replacement Housing. It is unclear if this strategy would be considered further by the Board.

<i>Land use strategy (Metro Code)</i>	<i>Jurisdiction Action</i>
Density bonus	Discussed but no action taken (2002)
Replacement housing	Discussed but no action taken (2002)
Inclusionary housing	Discussed with no action taken
Transfer development rights	Discussed with no action taken
Elderly and people with disabilities	In use prior to January 2001
Local regulatory constraints	In use prior to January 2001 (Title 7) – partial (2002)
Parking	Discussed but no action taken (2002)

- E. *Metro Code 3.07.760: Implementation of other affordable housing strategies, including replacement housing resulting from urban renewal, inclusionary housing in urban renewal districts, non-land use tools such as fee waivers or funding incentives, promotion of affordable housing for incomes 50% to 120% of the regional median household income, joint coordination or action to meet the affordable housing production goals.*

<i>Other affordable housing strategies (Metro Code)</i>	<i>Jurisdiction Action</i>
Replacement housing in urban renewal areas	Discussed but no action taken (2002)
Inclusionary housing in urban renewal districts	Discussed but no action taken (2002)
Fee waivers or funding incentives	Discussed but no action taken (2002).
Efforts promoting affordable housing for other income groups (50% to 120% of the regional median household income)	In use prior to January 2001
Joint coordination or action	In use prior to January 2001

F. *Local initiatives.*

The County's report states that they have recently completed a community visioning process known as Vision West. A result of this process is an issue paper addressing affordable housing in unincorporated Washington County. This issue paper contains strategies and recommendations, including a recommendation that an affordable housing trust fund be established to support the production of affordable housing.

Outstanding Items:

1. Ensuring that the comprehensive plan and implementing ordinances include strategies to maintain the existing supply and increase dispersion of affordable housing.
2. Clarification from the County Board on whether they accept staff recommendations to end consideration of replacement housing
3. Consideration of the amendment to comprehensive plan and implementing ordinances to include density bonus, inclusionary housing, transfer of development rights and parking.
4. Clarification from the County Board on whether they accept staff recommendations to end consideration of replacement housing in urban renewal areas, inclusionary housing in urban renewal areas, and fee waivers or funding incentives. (Metro Code Section 3.07.760)

Summary Table of 2003 Title 7 Annual Compliance: Goals and Strategies

Title 7: Affordable Housing												
Jurisdiction	Progress Reports Completed (3.07.740)	Voluntary Goals Adopted (3.07.720)	Ensure including strategies for the following in the Comprehensive Plan and Implementing Ordinances (Title 7:3.07.730.A)			Consider including in the Comprehensive Plan and Implementing Ordinances Land Use Strategies (Seven) – (Title 7: 3.07.730.B)						
			Diversity Strategy (3.07.730.A.1)	Maintain Supply and Increase Dispersion (3.07.730.A.2)	Supply for All Income Levels (3.07.730.A.3)	Density Bonus (3.07.730.B.1)	Replacement Housing (3.07.730.B.2)	Inclusionary Housing (3.07.730.B.3)	Transfer Development Rights (3.07.730.B.4)	Elderly & Disabled People (3.07.730.B.5)	Local Regulatory Constraints (3.07.730.B.6)	Parking (3.07.730.B.7)
Beaverton	• Yes ✓	New (02)										
Cornelius												
Durham												
Fairview	Yes ✓	Declined (03)	Existing	Existing (p)	NM	Existing	Unclear (03)	Declined (03)	Declined (03)	Existing	NM	Unclear (03)
Forest Grove			Existing	Existing	Existing	Discussed (02)	Discussed (02)	Discussed (02)	Discussed (02)	Existing	Discussed (02)	
Gladstone												
Gresham	Yes ✓	Declined (02/03)	Existing	Existing	Existing	Declined (02)	Declined (02)	Existing	Declined (03)	Existing	Existing (p)	Existing
Happy Valley		Discussed (02)	Existing			Declined (02)	Discussed (02)	Declined (02)	Discussed (02)		Discussed (02)	
Hillsboro												
Johnson City												
King City	Yes ✓	Declined (03)	Existing	NM	NM	Declined (03)	Declined (03)	Declined (03)	Declined (03)	Existing	Existing	NM
Lake Oswego	• Yes ✓											
Maywood Park	• Yes ✓											
Milwaukie												
Oregon City												
Portland	• Yes ✓		Existing	Existing	Existing	Existing	Existing	Existing	Existing			
Rivergrove												
Sherwood												
Tigard	Yes ✓	Discussed (02/03)	Existing	NM	Existing	Discussed (02/03)	Declined (02/03)	Declined (02/03)	Discussed (02/03)	Existing	Existing (p)	Existing
Troutdale	Yes ✓	Declined (03)	Existing	Existing	Existing	Declined (02/03)	Declined (02/03)	Declined (02/03)	Declined (02/03)	Existing	Existing (p)	Existing
Tualatin										Existing	Existing (p)	
West Linn	Yes	Discussed (02)	NM	NM	Existing	Existing	NM	Declined (02)	NM	NM	NM	Existing
Wilsonville												
Wood Village	Yes ✓	Discussed (03)	Existing	NM	NM	Declined (03)	Discussed (03)	Declined (03)	Declined (03)	NM	NM	NM
Clackamas County			Existing	Existing	Existing	Existing	Existing			Existing		Existing
Multnomah County	Yes	NM	*	*	*	*	*	*	*	*	*	*
Washington County	Yes ✓	Discussed (02/03)	Existing	NM	Existing	Discussed (02)	Discussed (02)	Discussed (02/03)	Discussed (02/03)	Existing	Existing (p)	Discussed (02)

✓ Report approved by an elected body; • Addendum: see related addendum in page 43.

Definitions:

NM = Not mentioned in compliance report or mentioned without an explanation of any action being taken

Existing = Adopted prior to January 2001.

Unclear = Policy/tools are noted with insufficient details to evaluate

Discussed (year) = Addressed at a local elected officials meeting with the jurisdiction taking no action.

(P) = Partial Implementation of the strategy.

Declined (year) = Addressed at a local elected officials meeting with the jurisdiction declining to adopt the affordable housing tool or strategy.

New (year) = Adopted

* Multnomah County signed an IGA with the cities of Portland and Troutdale to carry out land use planning responsibilities in unincorporated county areas. The cities of Portland and Troutdale are expected to detail the matter in which affordable housing strategies in the unincorporated areas have been addressed

Summary Table of 2003 Title 7 Annual Compliance: Strategies – (Continued)

Consider implementation of the following tools and strategies – (Title 7: 3.07.760)						
	Replacement housing in urban renewal areas (3.07.760.A.1)	Inclusionary housing in urban renewal areas (3.07.760.A.2)	Fee waivers or funding incentives (3.07.760.B)	Efforts targeted at households 50% to 80% and 80%-120% of RMHI ² (3.07.760.C)	Joint coordination (3.07.760.D)	Local Initiative
Beaverton			Existing	Existing	Existing	(02) Housing rehabilitation program, assistance to community housing organizations, etc.
Cornelius						
Durham						
Fairview	NM	NM	Unclear	NM	NM	Participate in Housing Opportunities Plan (HOP), Permit man. homes on individual lots in designated res. zones
Forest Grove				Existing	Existing	(02) Affordable housing friendly zoning, leveraging CDBG funds.
Gladstone						
Gresham	NM	NM	NM	Existing	Existing	* New infill development standards, West Gresham Housing Mix Plan.
Happy Valley						
Hillsboro					Existing	
Johnson City						
King City	NM	NM	NM	NM	NM	
Lake Oswego						
Maywood Park						
Milwaukie						
Oregon City						
Portland		Existing	Existing	Existing	Existing	Housing preservation program, homebuyer opportunity areas, Portland Community Land Trust, etc.
Rivergrove						
Sherwood						
Tigard	NM	NM	Existing	Existing	Existing	* Initiatives included in 2002 matrix
Troutdale	Declined (02)	Declined (02)	Declined (02)	Existing	NM	* City-approved urban renewal district inc. \$300K of low-interest rehab. loans (voters rejected), 112-unit RV park allowed to accommodate long-term affordable housing
Tualatin				Existing		
West Linn	NM	NM	NM	Existing	NM	* Initiatives included in 2002 matrix
Wilsonville						
Wood Village	NM	NM	Unclear (03)	NM	NM	* The city allows manufactured homes in all residential zones, began discussions with Habitat for Humanity
Clackamas County	Existing			Existing	Existing	
Multnomah County	**	**	**	**	**	* Initiatives included in 2002 matrix
Washington County	Discussed (02)	Discussed (02)	Discussed (02)	Existing	Existing	* Vision West Program developed key recommendations on affordable housing

Definitions:

* See the 2002 report for additional local initiatives

NM = Not mentioned in compliance report or mentioned without an explanation of any action being taken

Existing = Adopted prior to January 2001.

Unclear (year)= Policy/tools are noted with insufficient details to evaluate

Discussed (year)= Addressed at a local elected officials meeting with the jurisdiction taking no action.

(P) = Partial implementation of the strategy.

Declined (year)= Addressed at a local elected officials meeting with the jurisdiction declining to adopt the affordable housing tool or strategy.

New (year)= Adopted

** Multnomah County signed an IGA with the cities of Portland and Troutdale to carry out land use planning responsibilities in unincorporated county areas. The cities of Portland and Troutdale are expected to detail the matter in which affordable housing strategies in the unincorporated areas have been addressed.

² Regional median household income

NEXT STEPS

Current Action:

1. Send this report, with a separate cover letter, along with the 2003 Urban Growth Management Functional Plan Reports to local jurisdictions.

Future Action:

1. Staff continues to evaluate annual progress reports submitted by local governments, including the final (2004) report.
2. In July 2004, staff will initiate the assessment of the region's progress as stated in Title 7. The assessment will include estimation of the 2000 baseline affordable housing units using the 2002 Census data, estimation of the region's affordable housing need, assessment of the region's effort to achieve the region's affordable housing production goals through the implementation of affordable housing tools and strategies by public and private entities, review of federal and state legislative changes and review of the availability of a regional affordable housing funding source.
3. In the fall of 2004, Metro Council will create an affordable housing advisory committee that will use the aforementioned products to recommend appropriate changes to existing process and strategies to provide more affordable housing units.
4. By December 2005, the affordable housing advisory committee will submit its recommendations to the Metro Council.

..gm/long range planning/projects/housing/FP 2003 Annual Compliance Report-Title 7 Component-Final #2-020504.doc

Agenda Item Number 4.2

~~Ordinance~~

Resolution No. 04-1033A, For the Purpose of Amending Metro Code Chapter 3.09 (Local Government Boundary Changes) to Allow Use of the Expedited Process for Changes to the Metro District Boundary and to Clarify Criteria for Boundary Changes, and Declaring An Emergency

Metro Council Meeting
Thursday, March 4, 2004
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING)
METRO CODE CHAPTER 3.09 (LOCAL)
GOVERNMENT BOUNDARY CHANGES)) ORDINANCE NO. 04-1033A
TO ALLOW USE OF THE EXPEDITED)
PROCESS FOR CHANGES TO THE METRO)
DISTRICT BOUNDARY AND TO CLARIFY) Introduced by Council President Bragdon
CRITERIA FOR BOUNDARY CHANGES,) and Councilor McLain
AND DECLARING AN EMERGENCY)

WHEREAS, the Metro Council intends that territory added to the urban growth boundary ("UGB") become available for urbanization, consistent with the Urban Growth Management Functional Plan ("UGMFP"), in a timely and orderly fashion; and

WHEREAS, the Council, pursuant to Metro Code Section 3.01.040, applies a design type from the 2040 Growth Concept to the territory at the time the Council adds it to the UGB; and

WHEREAS, Title 11 of the UGMFP (Planning for New Urban Areas) ensures that territory added to the UGB will not be urbanized until appropriate planning and zoning designations consistent with the Growth Concept design type are applied by the responsible city or county; and

WHEREAS, there are circumstances in which territory added to the UGB should be annexed to the Metro district quickly to facilitate the timely and orderly urbanization of the territory; and

WHEREAS, Metro Code Chapter 3.09 (Local Government Boundary Changes) does not currently authorize use of the expedited process, set forth in Section 3.09.045, for minor changes to the Metro District boundary; and

WHEREAS, the criteria for boundary changes in Chapter 3.09 are not clear, as required by state law; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. Chapter 3.09 of the Metro Code is hereby amended, as indicated in Exhibit A, attached and incorporated into this ordinance, in order to authorize annexation to the Metro District of territory in the UGB through the expedited process for minor boundary changes in Chapter 3.09 and to clarify the process criteria for boundary changes incorporation of new cities.

2. The Findings of Fact and Conclusions of Law in Exhibit B, attached and incorporated into this ordinance, demonstrate that these amendments to Chapter 3.09 comply with the Regional Framework Plan and statewide planning laws.

3. This ordinance is necessary for the immediate preservation of public health, safety and welfare because the time involved in processing applications for change to the Metro District boundary is delaying the replenishment of the supply of project-ready industrial sites in the region. An emergency is therefore declared to exist, and this ordinance shall take effect immediately, pursuant to Metro Charter section 39(1).

ADOPTED by the Metro Council this ____ day of _____ 2004.

David Bragdon, Council President

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, Metro Attorney

Exhibit A to Ordinance No. 04-1033A
Amendments To Chapter 3.09
Local Government Boundary Changes

3.09.120 Minor Boundary Changes to Metro's Boundary

(a) Minor boundary changes to the Metro Boundary may be initiated by Metro, the city or the county responsible for concept land use planning for the affected territory specified pursuant to Metro Code Section 3.01.040, property owners and electors in the territory to be annexed, or others as otherwise provided by law public agencies if allowed by ORS 198.850(3). Petitions shall meet the minimum requirements of Section 3.09.040 above. The Chief Operating Officer shall establish a filing fee schedule for petitions that shall reimburse Metro for the expense of processing and considering petitions. The fee schedule shall be filed with the Council.

(b) Notice of proposed minor boundary changes to the Metro Boundary shall be given as required pursuant to Section 3.09.030.

(c) Hearings will be conducted consistent with the requirements of Section 3.09.050. When it takes action on a minor boundary change, the Metro Council shall consider the requirements of Section 3.09.050 and all provisions of applicable law.

(d) Minor boundary changes to the Metro Boundary ~~are not subject~~ may be made pursuant to an expedited process set forth in Section 3.09.045.

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

(1) The affected territory lies within the UGB; and

(2) Upon annexation to the district, the affected territory will become subject to the interim protection standards set forth in Metro Code section 3.07.1120 and any conditions imposed by the ordinance adding the territory to the UGB. The territory is subject to measures that prevent urbanization until the territory is annexed to a city or to service districts that will provide necessary urban services.

(ef) Contested case appeals of decisions regarding minor boundary changes to the Metro Boundary are subject to appeal as provided in Section 3.09.070.

3.09.130 Incorporation of a City that Includes Territory Within Metro's Boundary

(a) A petition to incorporate a city that includes territory within Metro's jurisdictional boundary shall comply with the minimum notice requirements in section 3.09.030, the minimum requirements for a petition in section 3.09.040, the hearing and decision requirements in subsections (a), (c), and (f) of section 3.09.050, and if the incorporation is contested by a necessary party, the contested case requirements and hearing provisions of 3.09.070, 3.09.080, 3.09.090, and 3.09.100, except that the legal description of the affected territory required by Section 3.09.040 (a) (1) need not be provided until after the Board of County Commissioners establishes the final boundary for the proposed city.

(b) A petition to incorporate a city that includes territory within Metro's jurisdictional boundary may include territory that lies outside Metro's UGB. However, incorporation of a city with

such territory shall not authorize urbanization of that territory until the Metro Council includes the territory in the UGB pursuant to Metro Code Chapter 3.01.

(c) The following criteria shall apply in lieu of the criteria set forth in Section 3.09.050(d) and (e). An approving entity shall demonstrate that incorporation of the new city complies with the following criteria:

(1) At least 150 people reside in the territory proposed for incorporation, as required by ORS 221.020;

(2) No part of the territory proposed for incorporation lies within the boundary of another incorporated city, as prohibited in ORS 221.020;

(3) The petition complies with the requirements of ORS 221.031;

(4) The petitioner's economic feasibility statement complies with the requirements of ORS 221.035;

(5) If some of the territory proposed for incorporation lies outside the Metro UGB, that portion of the territory conforms to the requirements of ORS 221.034;

(6) The petitioner's economic feasibility statement indicates that the city must plan for average residential density of at least 10 dwelling units per net developable residential acre or such other density specified in consistent with Title 1 (one) and Title 11 (eleven) (Requirements for Housing and Employment Accommodation) of the Urban Growth Management Functional Plan; and

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

**Exhibit B to Ordinance No. 04-1033A
Findings of Fact and Conclusions of Law**

I. Overview

Ordinance No.04-1033A revises the process and criteria for changing the boundary of Metro's district to make it easier and more efficient. It accomplishes that by simplifying the criteria and by making such boundary changes eligible for the "expedited" process already provided in Metro Code Chapter 3.09 on boundary changes. The ordinance also establishes criteria and procedures tailored to the incorporation of new cities that would include territory within the Metro district. These criteria and procedures will make incorporation easier and more efficient. In combination, these revisions will help accomplish the policies of the Regional Framework Plan (RFP) and the 2040 Growth Concept (part of the RFP), and will help accomplish the objectives of the statewide planning program, by making the transition from rural land to urban land more efficient and orderly.

II. Statewide Planning Laws

Statewide Planning Goal 1 – Citizen Involvement: The Council followed its customary procedure to enactment of ordinances, including public notification, consideration by advisory committees at public meetings that were preceded by public notification, and a public hearing before the Council on February 26, 2004. This process complies with Metro's public involvement policy and with Goal 1

Statewide Planning Goal 2 – Land Use Planning: The Council circulated a draft version of this ordinance to all local governments within Metro's jurisdiction. The Council received and responded to comment from local governments. The Council also accepted recommended changes to the draft ordinance from the Metropolitan Policy Advisory Committee, composed largely of local elected officials. This process fulfilled the coordination requirements of Goal 2.

Statewide Planning Goal 3 – Agricultural Lands: Because this ordinance applies only to territory within Metro's urban growth boundary, Goal 3 does not apply.

Statewide Planning Goal 4 – Forest Lands: Because this ordinance applies only to territory within Metro's urban growth boundary, Goal 4 does not apply.

Statewide Planning Goal 5 – Natural Resources, Scenic and Historic Areas, and Open Spaces: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not affect resources protected by Goal 5. Hence, Goal 5 does not apply to this ordinance.

Statewide Planning Goal 6 – Air, Land and Water Resources Quality: This ordinance simply revises the process and criteria for determining whether territory within an urban growth

boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not affect resources protected by Goal 6. Hence, Goal 6 does not apply to this ordinance.

Statewide Planning Goal 7 – Areas Subject to Natural Disasters and Hazards: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not involve uses of land subject to natural hazards. Hence, Goal 7 does not apply to this ordinance.

Statewide Planning Goal 8 – Recreational Needs: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not address or affect recreational needs. Hence, Goal 8 does not apply to this ordinance.

Statewide Planning Goal 9 – Economic Development: This ordinance will facilitate annexation of territory designated for employment uses to the Metro district, a prerequisite to urbanization and development. The ordinance also makes the process of incorporation of a new city faster and easier. Making these processes faster and easier will accelerate the provision of services to employment land in the region and improve the economic prospects for the region. The ordinance complies with Goal 9.

Statewide Planning Goal 10 – Housing: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not address or affect housing needs. Hence, Goal 10 does not apply to this ordinance.

Statewide Planning Goal 11 – Public Facilities and Services: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and it does not determine which local government will provide public facilities or services to the territory, a determination that will be made later, pursuant to the process and criteria that would change as a result of this ordinance. Goal 11 will apply to these later determinations, not to this ordinance.

Statewide Planning Goal 12 – Transportation: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and it does not determine which local government will provide transportation services to or within the territory. Those determinations will be made at the time comprehensive plans, transportation system plans and

land use regulations are revised prior to urbanization of the territory. Goal 12 will apply to these later determinations. Goal 12 does not apply to this ordinance.

Statewide Planning Goal 13 – Energy Conservation: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not address or affect energy conservation. Hence, Goal 13 does not apply to this ordinance.

Statewide Planning Goal 14 – Urbanization: This ordinance revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. The revisions will make both processes faster and more efficient. One effect will be a more efficient transition from rural to urban land use. The ordinance complies with Goal 14.

Statewide Planning Goal 15 – Willamette River Greenway: This ordinance simply revises the process and criteria for determining whether territory within an urban growth boundary should fall within the jurisdiction of Metro, and whether it is appropriate that the territory lie within the boundaries of a new city. It does not affect the allowable uses of the territory and, hence, does not address or affect uses within the Willamette River Greenway. Hence, Goal 15 does not apply to this ordinance.

III. Regional Framework Plan

Policy 1.4 – Economic Opportunity: One objective of this ordinance is to make the process for addition to the Metro district boundary of territory designated for employment easier and faster. The ordinance will accomplish this objective (1) by simplifying the criteria and making the “expedited” process in Metro Code Chapter 3.09 available for changes to the Metro district boundary and (2) by tailoring a process and simplifying criteria for incorporation of new cities with territory within Metro. These revisions will enhance economic opportunities in the region, and comply with Policy 1.4.

Policy 1.5 – Economic Vitality: For the same reasons stated under Policy 1.4, these revisions will enhance economic vitality in the region, and comply with Policy 1.5.

Policy 1.6 – Growth Management: This policy calls for efficient management of urban land, among other things. For the same reasons stated under Statewide Planning Goal 14, these revisions will encourage the evolution of an efficient urban growth form, and comply with Policy 1.6.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 03-1033A, FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 3.09 (LOCAL GOVERNMENT BOUNDARY CHANGES) TO ALLOW USE OF THE EXPEDITED PROCESS FOR CHANGES TO THE METRO DISTRICT BOUNDARY AND TO CLARIFY CRITERIA FOR BOUNDARY CHANGES, AND DECLARING AN EMERGENCY

Date: February 27, 2004

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Presented by: Dick Benner

PROPOSED ACTION

Adoption of Ordinance No. 04-1033A amending Metro Code Chapter 3.09 (Local Government Boundary Changes) to allow use of the expedited process for changes to the Metro district boundary and to clarify the process and criteria for changes to the district boundary and incorporation of new cities, and declaring an emergency.

BACKGROUND

Attached to this memorandum is a draft ordinance amending the Metro Code on boundary changes. The Office of Metro Attorney ("OMA") drafted the changes to accomplish several objectives:

1. To make the process of annexing territory to the Metro district easier and faster.
2. To specify the process and criteria for incorporation of a new city within Metro's boundary.

This draft is revised from the first reading draft to respond to recommendations from MPAC. MPAC recommended that this ordinance revise only those sections of Chapter 3.09 having to do with changes to the district boundary and the incorporation of new cities. MPAC recommended that Metro take more time on other revisions to Chapter. 3.09 to all on further consideration by local governments

1. Ease the Process for Annexation to the Metro District

The Metro Code on annexations (Chapter 3.09) provides an expedited process for "consent" annexations to which no "necessary party" (defined) objects. The current code, however, expressly makes this expedited process unavailable for annexations to the Metro district. The draft ordinance would amend the code to make "consent" annexations to the district eligible for the faster process. [Note: the Council added a requirement to Title 11 (Planning for New Urban Areas) that territory added to the UGB be annexed to the district prior to urbanization.]

2. Specify Process and Criteria for Incorporation of New Cities

The Metro Code does not specify a process or criteria tailored to the incorporation of a new city within Metro's boundary. The draft ordinance adds a new section aimed particularly at such incorporations, such as the incorporation of Damascus. The proposed revisions also reflect recent changes in the statutes on incorporations in the Metro area.

ANALYSIS/INFORMATION

1. Known opposition

None at this time.

2. Legal antecedents

ORS chapters 198 and 268; Metro Code chapter 3.09 (Local Government Boundary Changes).

3. Anticipated effects

If the proposed revisions are made to the Metro Code on Metro district boundary changes, review of such changes will become faster and will require fewer public and private resources for processing the changes. If the Metro Council adopts the new provisions for incorporation of new cities, that process will become faster and more efficient.

4. Budget impacts

If the proposed revisions are made to the Metro Code on boundary changes, the staff anticipates that fewer resources (time, contract funds) will be required for the processing changes to the Metro district boundary and for review by Metro staff of proposed incorporations of new cities.

RECOMMENDED ACTION

OMA recommends that the Metro Council adopt these changes to Ordinance No. 04-1033A following public comments and the revisions that may follow from those comments.

(REVISED)

SUMMARY OF SECOND YEAR (2003) COMPLIANCE BY JURISDICTIONS

Following is a summary of compliance for each jurisdiction in alphabetical order organized by the requirements shown in *italic*. The deadline for the second year progress report is December 31, 2003.

BEAVERTON***Addendum:***

Metro received the City of Beaverton second year report at the time this document was being mailed to local jurisdictions. The report was received before the December 31, 2003 deadline.

All or some of the following "Outstanding Items" carried over from 2002 may have been addressed in the 2003 report:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable housing, and measures to increase affordable housing opportunities for household of all income levels. (Metro Code 3.07.730.A)
3. Consideration of the amendment of comprehensive plan and implementing ordinances with the seven land use strategies in Metro Code 3.07.730.B.
4. Consideration of the implementation of two of the other affordable housing strategies in Metro Code Section 3.07.760 (inclusionary housing, in urban renewal areas, and replacement housing in urban renewal areas).

CORNELIUS

The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

DURHAM

The City's 2002 report was received by Metro in January 2003. A 2003 report was not received. The evaluation of the information submitted is located in the Summary of First Year (2002) compliance section.

Outstanding Items (carried over from 2002 report):

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the voluntary affordable housing production goals
3. Ensuring that the comprehensive plan and implementing ordinances include diversity strategies, measures to maintain the existing supply and increase dispersion of affordable

persons on fixed incomes. Despite this, the report notes that the City's housing supply has diversified to include "affordable single family, duplex, and multi family residences".

Outstanding Items:

1. Ensuring that the comprehensive plan and implementing ordinances include measures to maintain the existing housing supply, increase dispersion of housing, and provide a supply of housing for all income levels.
2. Consideration of the amendment of comprehensive plan and implementing ordinance amendments to enact changes to parking requirements that encourage affordable housing opportunities.
3. Consideration of the implementation of the five other affordable housing strategies in Metro Code Section 3.07.760.

LAKE OSWEGO

Addendum:

Metro received the City of Lake Oswego second year report at the time this document was being mailed to local jurisdictions. The report was received before the December 31, 2003 deadline.

All or some of the following "Outstanding Items" carried over from 2002 may have been addressed in the 2003 report:

- o All requirements are yet to be addressed.

MAYWOOD PARK

Addendum:

Metro received the City of Maywood Park first year and second year reports at the time this document was being mailed to local jurisdictions. The deadline for the first year report was January 31, 2002 and the deadline for the second year report was December 31, 2003.

All or some of the following "Outstanding Items" carried over from 2002 may have been addressed in the 2003 report:

- o All requirements are yet to be addressed.

MILWAUKIE

Requested Extension

The City's letter (signed by the Planning Director) to Metro dated January 8, 2002 stated that "Milwaukie will be able to complete the 2000 report within five months, and that its staff will seek the City Council's direction on February 18, 2002 to proceed with an affordable housing work program.

A second letter dated March 11, 2003, stated that the City Council authorized the staff to commence work to prepare a report in accordance with title 7. The letter also stated that staff intends to submit the report to the City Council for review and approval in August 2003. To date, this work has not been received.

Outstanding Items

All requirements are yet to be addressed.

OREGON CITY

- The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.

PORTLAND

Addendum:

Metro received the City of Portland second year report at the time this document was being mailed to local jurisdictions. The report was received before the December 31, 2003 deadline.

All or some of the following "Outstanding Items" carried over from 2002 may have been addressed in the 2003 report:

1. Clarification if the elected body had reviewed and approved the annual compliance report prior to submitting it to Metro.
2. Consideration of the voluntary affordable housing production goals. Also, consideration of the portion of Multnomah County affordable housing production goal that Portland will assume through agreements with the County.
3. Ensuring that the comprehensive plan and implementing ordinances include measures to increase dispersion of affordable housing.
4. Clarification of how three land use strategies contained in Metro Code Section 3.07.730.B are addressed in the City's comprehensive plan and implementing ordinances. These strategies are: a) elderly and people with disabilities; b) local regulatory constraints; and c) parking.
5. Consideration of the amendment of comprehensive plan and implementing ordinances to include implementation of "replacement housing in urban renewal areas." This tool is one of the other affordable housing strategies in Metro Code Section 3.07.760

RIVERGROVE

- The City has not submitted the 2002 or 2003 reports (Metro Code 3.07.740).

Outstanding Items:

All requirements are yet to be addressed.