

A G E N D A

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METRO

Agenda

MEETING: METRO COUNCIL WORK SESSION MEETING
DATE: November 2, 2004
DAY: Tuesday
TIME: 1:30 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

- | | | | |
|---------|----|--|-------------------------|
| 1:30 PM | 1. | PERFORMANCE EVALUATION PROCESS DESIGN | Scott |
| 2:00 PM | 2. | GOVERNOR KITZHABER NATURAL RESOURCE PRESENTATION | Kitzhaber |
| 3:00 PM | 3. | DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, NOVEMBER 4, 2004/
ADMINISTRATIVE/CHIEF OPERATING OFFICER AND CITIZEN COMMUNICATIONS | |
| 3:15 PM | 4. | LEGISLATIVE AGENDA | Tucker |
| 4:00 PM | 5. | BREAK | |
| 4:05 PM | 6. | HOUSING TECHNICAL ADVISORY COMMITTEE FOLLOW-UP | Uba/Deffebach |
| 4:20 PM | 7. | METROPOLITAN PLANNING ORGANIZATION (MPO) SUMMIT DEBRIEF | Burkholder/
Brandman |
| 4:30 PM | 8. | COUNCIL BRIEFINGS AND COMMUNICATIONS | |

ADJOURN

Agenda Item Number 1.0

PERFORMANCE EVALUATION PROCESS DESIGN

Metro Council Work Session
Tuesday, November 2, 2004
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: November 2, 2004 Time: 1:30 – 2 pm Length: 30 minutes

Presentation Title Metro-Wide Performance Evaluation Project

Department Human Resources

Presenters Ruth Scott, HR Director / Bruce Lawson, Fox Lawson & Associates

ISSUE & BACKGROUND

In July 2003, Metro Council asked Human Resources to develop a consistent, Metro-wide Performance Evaluation process for all staff, both represented and non-represented. Based on employee focus groups, HR developed the Scope of Work to hire a consultant to develop performance evaluation tools for Metro. An Advisory Committee of employees representing all departments, both bargaining groups, and non-represented staff has been assembled to guide the process. The purpose of today's session is to provide a project update to the Council, introduce the Advisory Committee and the consultant, and respond to questions from the Council.

OPTIONS AVAILABLE

This work session is an informational briefing. No Council action is required at this time.

IMPLICATIONS AND SUGGESTIONS

This work session is an informational briefing. HR recommends that the Metro-wide Performance Evaluation Project continue per Metro Council directive.

QUESTION(S) PRESENTED FOR CONSIDERATION

This work session is an informational briefing. No Council action is required at this time.

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION _Yes XX No
DRAFT IS ATTACHED ___Yes ___No

SCHEDULE FOR WORK SESSION (Please initial as appropriate indicating that the material for presentation has been reviewed and is ready for consideration by the Council).

Department Director/Head Approval _____

Chief Operating Officer Approval _____

Agenda Item Number 4.0

LEGISLATIVE AGENDA

Metro Council Work Session
Tuesday, November 2, 2004
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: November 2, 2004 Time: Length: 60 Minutes

Presentation Title: State Legislative Agenda

Department: Public Affairs and Government Relations

Presenters: Randy Tucker

ISSUE & BACKGROUND

This work session includes two discussion items:

- This is the final work session scheduled for development of Metro's agenda for the 2005 Legislative Assembly. Councilors have received binders that include all legislative concepts that have been drafted by staff and have been asked to evaluate and prioritize these concepts. During the work session it is anticipated that some conclusions will be reached about which items should be pursued. A draft list of legislative principles will also be discussed. Staff will distribute a draft resolution for adoption of the agenda, with exhibits describing concepts and principles to be developed following this discussion. Staff will then address the next steps in the pursuit of the adopted agenda, including development of presentation materials, briefings for incoming legislators and meetings between Councilors and legislators.
- Discussion and possible decision on whether to join the Housing Alliance.

OPTIONS AVAILABLE

Council may select specific legislative concepts to pursue in 2005 as well as broad principles to guide legislative activity, and may decide whether Metro will join the Housing Alliance.

IMPLICATIONS AND SUGGESTIONS

QUESTION(S) PRESENTED FOR CONSIDERATION

Staff requests that Councilors provide specific direction on Metro's legislative agenda and on any next steps with respect to the Housing Alliance.

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

SCHEDULE FOR WORK SESSION

Department Director/Head Approval IC Murr
Chief Operating Officer Approval _____

METRO

Work sessions on 2005 legislative agenda

DEPARTMENT	August 10	September 21	October 19	November 2 <i>(included in today's work session packet)</i>
Finance			Land Value Taxation	Revenue Sharing
Human Resources	[no concepts forthcoming]			
MERC		Headquarters Hotel Funding		
Oregon Zoo	Parking Lot Debt Repayment			
Parks and Greenspaces	SDCs for Parks M66 Local Share Allocation Forest Legacy Funding			
Planning	Suitability of Land for Inclusion in UGBs Commercial/Industrial Development Outside UGBs	Suitability of Land for Inclusion in UGBs— <i>second presentation</i> UGB Treadmill Overlapping Jurisdiction in UGB Appeals Regional Problem Solving Funding Rural Reserves	Industrial Facility Siting Council Tax Assessments for Land Subject to Conservation Easements Watershed Council and SWCD Funding	LUBA Structure 20-Year Land Supply 30-Year Land Use Review Annexation—general Annexation—Technical Fix for Metro-Area Cities Performance Measures
Solid Waste	E-waste Management Bottle Bill Expansion Pesticide Use Reporting			
Transportation	MTBE	Transportation Funding Package Transportation Planning Rule	TDM Funding	Transportation Funding Package—updated MTBE—updated

November 2, 2004

METRO
2005 LEGISLATIVE ISSUE IDENTIFICATION

Department: Finance and Administrative Services

Date: October 21, 2004

Person completing form: Reed Wagner

Phone: 797-1584

ISSUE: Regional Revenue Sharing

BACKGROUND:

Fiscal zoning, as defined by the American Planning Association, is *the practice of using zoning power to achieve fiscal objectives rather than purely land-use objectives*. In other words, fiscal zoning occurs when local officials attempt to provide fiscal stability and maximize revenue potential by making land use and zoning decisions intended to stabilize or increase their local tax base and minimize the cost of services.

However, land use decisions made with fiscal ends in mind may have undesirable land use outcomes. When municipalities practice zoning or advocate for land uses that maximize fiscal benefits without regard to the overall impact on the Metro region, it can lead to outcomes like:

- *Competition between jurisdictions for new property tax revenues.* This manifests itself through competition to attract new businesses as well as through Metro's urban growth boundary expansion process.
- *Mismatch of tax revenues with social needs.* In practice, businesses frequently choose to locate in prosperous suburbs with lower needs for human services, while communities with higher needs lag behind in tax revenues.
- *Promotion of urban sprawl and exclusion of lower-income residents* when communities pursue the conversion of rural land to urban use and choose to focus on commercial/industrial or large-lot, high-end residential development, as opposed to high-density or more affordable housing that may provide lower tax revenues.
- *An inability to maximize the benefits of regional planning* due to the competing or conflicting goals of individual municipalities.

The recent debate about including farmland adjacent to Cornelius in the UGB offered an example of fiscal considerations playing a role in land use decisions.

Regional revenue sharing (also known as tax base sharing), in which a portion of the increased tax revenues from new development are distributed throughout a metropolitan region, can both increase social and geographic equity and support sound regional land use policies. Moreover, it is essentially a tax distribution plan that recognizes the role, and the value, of the region as an economic unit in addition to the value of individual municipalities. As individual municipalities realize regional responsibilities and services, such as transportation and land use planning, a portion of the increased value is shared among the municipalities in the region.

RECOMMENDATION:

While Metro requested legislation on regional revenue sharing in 2003 (see below), staff recommends that more work be done on a regional level before pursuing legislation again. Revenue sharing should be part

of Metro's policy and research agenda. The Council might want to convene a regional conversation (possibly in the form of a task force or advisory committee) on the relationship between land use and fiscal policy; legal questions need to be answered as to whether a revenue sharing system would require legislation or even a constitutional change; policy development work is also needed. Depending on the progress of these efforts, legislation could be pursued similar to the 2003 legislation described below.

LEGISLATIVE HISTORY:

2003 Senate Bill 626, submitted at the request of Metro, would have convened a task force "for the purpose of studying revenue sharing by jurisdictions that share an urban growth boundary." Referred to the Senate Revenue Committee, the bill had one hearing but died primarily due to opposition by leaders from Washington County.

OTHER INTERESTED PARTIES:

Generally, the positions of various communities can be expected to differ according to whether they would gain or lose tax base under a revenue sharing system. Supporters of further study on Revenue Sharing include the mayors of Tualatin, Milwaukie, and Gresham; 1000 Friends of Oregon; the Coalition for a Livable Future; and Clackamas County. Skeptics include Washington County, Beaverton, and Hillsboro.

IMPACT IF PROPOSED ACTION OCCURS:

In the event that a regional revenue sharing law passes, Metro would be a logical administrator. This could include unifying assessment practices, collecting revenues and distributing revenues throughout the region.

METRO
2005 LEGISLATIVE ISSUE IDENTIFICATION

Department: Planning

Date: October 21, 2004

Person completing form: Randy Tucker

Phone: 1512

ISSUE: 20-year supply requirement for residential land

BACKGROUND:

Under ORS 197.296, Metro and cities with populations greater than 25,000 are required to provide "sufficient buildable lands within the urban growth boundary established pursuant to statewide planning goals to accommodate estimated housing needs for 20 years."

This requirement has been controversial since shortly after its adoption in 1995. Supporters say it provides for orderly growth and ensures a competitive market for residential land, thereby helping to keep housing affordable. Critics say it requires cities to make predictions about future growth beyond what can be adequately substantiated; that past projections of 20-year population trends have been wildly inflated, resulting in excessively large UGBs; and that the 20-year requirement mandates perpetual sprawl and reduces the incentive for efficient development.

RECOMMENDATION:

While Metro is committed to providing adequate land to accommodate future housing needs, the 20-year supply requirement is inflexible and possibly excessive. Metro supports the removal or relaxation of this requirement; at a minimum, it would be helpful to allow jurisdictions some leeway as to how precisely they meet an exact 20-year need. However, given the political dynamics surrounding this issue and the likelihood that the 2005 Legislature will launch a more comprehensive review of the land use program, the best approach will probably be to discuss this issue in the context of a broader set of UGB-related issues.

LEGISLATIVE HISTORY:

The 20-year supply requirement was established in HB 2709 in 1995. Legislation has been introduced to repeal this requirement in each of the last several sessions but has not advanced. Legislation to extend the statutory 20-year requirement to include commercial and industrial land (SB 87) passed the Senate in 1999 but failed on the House floor.

OTHER INTERESTED PARTIES:

The primary advocate for the 20-year residential land supply requirement is the home building industry, specifically the Oregon Building Industry Association. Opponents include 1000 Friends of Oregon and Oregon Communities for a Voice in Annexation. About a dozen cities around the state have adopted resolutions calling for the repeal of this requirement (see www.ocva.org).

IMPACT IF PROPOSED ACTION OCCURS:

If the 20-year supply requirement were repealed, Metro would still be required to include an adequate supply of land for housing in its UGB, but would gain significant flexibility in exactly how to do so, and in exactly how much land would need to be included.

METRO
2005 LEGISLATIVE ISSUE IDENTIFICATION

Department: Planning

Date: October 20, 2004

Person completing form: Randy Tucker

Phone: 1512

ISSUE: 30-year review of land use planning program

BACKGROUND:

Last year was the 30th anniversary of the passage of Senate Bill 100, which created Oregon's land use planning program. By most measures, this pathbreaking approach to managing growth has succeeded in protecting our state's farm and forest industries, controlling urban sprawl, encouraging the development of compact cities with thriving downtowns and vibrant neighborhoods, promoting efficient economic development, and providing opportunities for citizens to participate in decisions that affect their communities.

Yet while our land use laws are nationally celebrated, they are increasingly controversial at home. During the 1990s there were vigorous efforts both in the Legislature and through the initiative process to eliminate or significantly scale back substantial portions of the program. Moreover, the Department of Land Conservation and Development (DLCD) has suffered from inadequate funding for some time.

Meanwhile, conditions on the ground have changed dramatically in the last three decades. Urban growth boundaries, once viewed as expansive, have filled after a decade of rapid population growth. Once-blighted neighborhoods have traded the problem of decay for the problem of gentrification. New industries have arisen to rival agriculture and forestry as the primary drivers of the Oregon economy, creating winners and losers among the state's communities. Transit investments have provided significant benefits to the Portland region, but a decade of inadequate investment in the state's overall transportation system threatens Oregon's economy and the livability of its communities, and inter-city commuting patterns confound the ability of any single community to respond effectively. Finally, many participants in land use decision-making complain that the system has become too complex, process-oriented and litigious and that it may not be structured correctly to respond to current and future realities.

Given these changes, many parties are calling for a re-evaluation of the tools available to communities for managing growth under the land use program. DLCD and the Land Conservation and Development Commission (LCDC) are assembling a legislative concept and funding request to undertake an in-depth, multi-year review of the successes and failures of the program and to consider reforms to address 21st-century needs.

RECOMMENDATION:

Metro is embarking on its own review of its long-range planning assumptions and processes in light of new challenges. A similar effort at the state level is sensible and necessary. Metro should support a multi-year review of the land use program that is comprehensive, balanced, fact-based, and solution-oriented. Metro should actively participate in the development of legislation initiating such a process and in the effort to secure adequate funding for an important effort of this magnitude.

LEGISLATIVE HISTORY:

The 2003 Legislature considered HB 2912, which would have created a Task Force on Land Use Review. While this bill had broad support, it died due to a lack of funding in an extremely challenging fiscal climate.

OTHER INTERESTED PARTIES:

Interested parties include the full range of interests concerned about land use planning: the Governor's office, DLCD, cities, counties, development interests, land use advocacy organizations, and others.

IMPACT IF PROPOSED ACTION OCCURS:

The outcome of such a process is unknown, but a comprehensive review of the program provides an opportunity to address issues that are especially controversial, complex and interrelated, like the hierarchy of lands for UGB expansions, the 20-year residential land supply requirement, annexation, funding for planning and service delivery in newly urbanizing areas, etc. It also can provide a setting for the floating of new "outside the box" ideas that is much "safer" than the heat of a legislative session. Separating this process from the legislative setting can also foster a more deliberative, research-oriented and fact-based approach.

METRO
2005 LEGISLATIVE ISSUE IDENTIFICATION

Department: Planning

Date: 21 October 2004

Person completing form: Randy Tucker

Phone: 1512

ISSUE: Annexation and issues related to the presence of unincorporated areas in the UGB

BACKGROUND:

Many vexing issues fall under the broad heading of "annexation." A substantial amount of the urbanized area within the Metro UGB remains unincorporated. This creates significant challenges in terms of service delivery, finances, and equity. One common theme is the difficulty of providing urban services and creating a consistent urban fabric in the absence of city government, or in a landscape that is jurisdictionally fragmented. Another theme is fairness, epitomized by the "free rider" problem, where people who live in unincorporated areas use city services that they don't pay for. A third theme is the difficulty of actually annexing or incorporating unincorporated areas.

There is a basic disconnect between our land use laws and our laws on governance. On the one hand, under Oregon's land use laws we decide what land may be urbanized, then expect urbanization to occur there, including the provision of public services. On the other hand, our laws on governance say that no one should have to be in a city or pay taxes unless they vote for it. The result is that in too many cases we end up with people either not getting the services they need, or not paying for the services they get.

Metro's stake in these issues is heightened by recent UGB expansions that have brought into the boundary large new areas that are, by definition, unincorporated. The region's success in integrating these areas into the region's fabric depends critically on that territory being efficiently urbanizable. [Note: a separate issue sheet addresses the need for a technical fix to allow Metro-area cities to use the annexation plan provisions of ORS 195.]

RECOMMENDATION:

Cities are the best means of providing public services to urban areas. Metro has a strong interest in encouraging the orderly incorporation of urban and urbanizing areas. Because this issue involves several problems, the solutions to which are far from clear, Metro should oppose legislative efforts to create procedural obstacles to annexation, monitor other annexation-related legislation, and promote continued conversations with other interested parties about how to create the conditions for rational urbanization.

LEGISLATIVE HISTORY:

The basic framework of incorporation and annexation law appears in ORS 195, 198, 221 and 222. Much of the recent legislative activity on annexation issues has related to the conditions under which voter approval may or may not be required prior to annexation. In 1997, an attempt to prohibit voting on annexations failed. More recently, efforts to amend ORS 195 to require "double majority" annexation votes (majorities from within both the existing urbanized area and the area proposed for annexation) have also failed.

OTHER INTERESTED PARTIES:

Most local governments in the region, League of Oregon Cities, Oregon Building Industry Association, Oregon Communities for a Voice in Annexation, 1000 Friends of Oregon, others.

IMPACT IF PROPOSED ACTION OCCURS:

Depends on what the action is.

METRO
2005 LEGISLATIVE ISSUE IDENTIFICATION

Department: Planning/Office of the Metro Attorney

Date: October 25, 2004

Person completing form: Dick Benner

Phone: 1532

ISSUE: Correct Metro's Statute to Allow Metro-Area Cities to Use Annexation Plan Provisions of ORS 195

BACKGROUND:

The 1993 Legislature established a new technique for annexation of territory to cities that emphasized long-range planning. ORS 195.205 et seq. The new law allows a city to establish a long-range "annexation plan." If the plan meets the specifications in the statute, the city can place the plan on the ballot to be voted upon by the electors of the city and the territory subject to the plan. If the plan receives a majority of the consolidated vote, the plan goes into effect. Individual annexations of territory covered by the plan can happen over time without a separate vote.

Metro's statute - ORS chapter 268 - was amended in 1997 to revise the process for boundary changes to local governments and service districts in the Metro boundary. The amended statute says annexations to cities must be conducted as provided in ORS chapter 222, the general law on municipal annexations and incorporations. Through an apparent drafting error, however, no reference to ORS 195 was included. Because the amendment made no reference to the annexation plan statute, that process is, arguably, not available to Metro cities, even though it is available to all other cities in the state.

This error came to light last summer when Tigard had planned to annex the unincorporated area of Bull Mountain using ORS 195. Tigard is going forward with an annexation vote in the general election, but under ORS 222, which requires separate majorities in both the current city and the unincorporated area.

RECOMMENDATION:

Propose an amendment to ORS 268.354(3)(a) to make the annexation plan process available to Metro cities. The amendment would read:

"(a) Proceedings for annexation of territory to a city and for all other changes in city boundaries shall be conducted as provided in ORS chapter 222 or chapter 195."

LEGISLATIVE HISTORY:

See above.

OTHER INTERESTED PARTIES:

Most local governments in the region, League of Oregon Cities, Oregon Building Industry Association, Oregon Communities for a Voice in Annexation, 1000 Friends of Oregon, others.

IMPACT IF PROPOSED ACTION OCCURS:

Metro-area cities would theoretically be able to more easily annex territory over time, thus providing for the orderly urbanization of land within the urban growth boundary.

METRO
2005 LEGISLATIVE ISSUE IDENTIFICATION

Department: Planning

Date: 22 October 2004

Person completing form: Randy Tucker

Phone: 1512

ISSUE: Performance measures—schedule for corrective action

BACKGROUND:

Under ORS 197.301, Metro is required to “compile and report to the Department of Land Conservation and Development on performance measures as described in this section at least once every two years.” Under ORS 197.302 (1), if actions Metro has taken to use land more efficiently are not working, as evidenced by measurement of performance, Metro must submit to DLCD a corrective action plan along with the report on performance measures. Under ORS 197.302 (2), within two years of submitting a corrective action plan, Metro must “demonstrate by reference to the performance measures described in ORS 197.301 that implementation of the plan has resulted in the buildable land supply and housing density within the urban growth boundary necessary to accommodate the estimated housing needs for each housing type as determined under ORS 197.296 (3).”

This schedule is unrealistic for a couple of reasons. First, two years may not be enough time for the impact of a given decision to be felt on the ground. Development patterns often take much longer than two years to shift in response to land use actions taken by Metro or local governments. Second, corrective action should not be taken in isolation, but rather, ideally, in the context of periodic review.

RECOMMENDATION:

Amend ORS 197.302 to establish a more realistic timeline than every two years.

LEGISLATIVE HISTORY:

[more research needed, but I think the existing statutory language was actually provided by Metro.]

OTHER INTERESTED PARTIES:

Unknown. I suspect the likeliest parties to object to this change would be home building and economic development interests.

IMPACT IF PROPOSED ACTION OCCURS:

The likely impact for Metro would be cost savings and elimination of duplication due to the reduced frequency of required reporting and corrective action and the coordination of these actions with similar work in periodic review.

METRO
2005 LEGISLATIVE ISSUE IDENTIFICATION

Department: Planning

Date: October 21, 2004

Person completing form: Randy Tucker and Richard Brandman

Phone: 1512 or 1749

ISSUE: Transportation Funding Package

BACKGROUND:

Among the most important achievements of the last two legislative sessions was the passage of successive transportation funding packages. An efficient and adequately funded transportation system is critical to ensuring a healthy economy and livable communities throughout our state, and the investments that have been made possible by Oregon Transportation Investment Acts (OTIA) I, II and III will help Oregon respond to both population growth and important economic opportunities.

However, years of stagnation in transportation funding prior to 2001 mean that a significant backlog of important projects remains unfunded. This is certainly true in the Portland metropolitan region, where rapid growth in population and vehicle miles traveled has outstripped the capacity of the region to respond.

The total requirement to achieve the region's goals is \$7.6 billion over 20 years, or more than \$380 million per year. Revenue sources identified to date will generate less than half that amount.

New investments in roads, transit, and freight facilities will create thousands of jobs. Without these investments, increasing congestion will cost Oregon businesses and motorists tens of millions of dollars each year. In addition, the region's transportation system must be able to respond to the development of new and existing residential and industrial areas if we are going to grow the Oregon economy.

RECOMMENDATION:

On September 9, JPACT unanimously agreed to pursue a multi-modal transportation finance legislative package that includes the following elements:

- Road Infrastructure Package—Funding for operations, maintenance, and modernization of the state and local road system to address congestion and foster business expansion and economic development.
- Non-road Infrastructure Package—Funding for improvements to alternative modes of passenger and freight transportation, including light rail and transit, passenger and freight rail improvements, and improvements to marine terminals and airports. Likely sources include lottery dollars. A key (but probably difficult) objective is to commit the \$10 million/year currently devoted to retiring the Westside light rail bonds to light rail expansion when it becomes available after 2010.
- Continued funding within the ODOT budget for elderly and disabled transit service, bus replacement and transportation demand management.

Metro should support this recommendation and work with JPACT, the five other Oregon MPOs, and other interested parties to secure passage of a package that includes as many of these elements as possible.

LEGISLATIVE HISTORY:

After several years of failing to increase transportation funding, the 1999 Legislature passed a funding package that was referred to the voters and overwhelmingly rejected. However, the 2001 and 2003 Legislatures enacted three packages known as OTIA I, II and III, which generate a total of nearly \$3 billion in funding for road modernization, bridge repair and replacement, and some maintenance and preservation.

Because of the Constitutional amendment that prohibits the use for transit of funding from any source connected to the use of a motor vehicle, there has been a much smaller investment in transit from recent sessions of the Legislature. The 2003 Legislature allocated \$1.2 million for the biennium to elderly and disabled transportation funding, \$2 million per biennium for bus replacement, and \$1.5 million per biennium for TDM, and authorized an increase in the payroll tax for TriMet. The 2001 Legislature allocated \$35 million for construction of the Wilsonville to Beaverton Commuter Rail Project.

OTHER INTERESTED PARTIES:

JPACT, other MPOs, local governments within and outside the region, LOC, AOC, Associated General Contractors, AFSCME and other unions, Oregon Trucking Association, AAA, Port of Portland, Portland Business Alliance, POVA, other businesses and business associations, Tri-Met, more. In other words, everyone on earth.

IMPACT IF PROPOSED ACTION OCCURS:

- Increased mobility and accessibility and progress toward building the region's planned transportation system
- Possible increase in political viability of regional ballot measure to raise additional transportation funds
- Funding to match federal funds for large regional projects like Milwaukie light rail
- Creation of thousands of construction and other jobs and a positive impact on the economic climate in the region
- Improved livability as a result of more transportation options and related land-use changes

METRO
2005 LEGISLATIVE ISSUE IDENTIFICATION

Department: Transportation

Date: October 20, 2004

Person completing form: Mark Turpel

Phone: 503.797.1734

ISSUE: Oxygenated fuel and MTBE (methyl tertiary butyl ether)

BACKGROUND:

The Oregon Environmental Quality Commission has a draft Carbon Monoxide Maintenance Plan before it in which the DEQ proposes discontinuing a long-term requirement in the Metro area (and only in the Metro area) to add oxygenated compounds (oxy fuels) to gasoline each winter to lower carbon monoxide emissions from gasoline-powered vehicles. The EQC is scheduled to make a decision on the Plan, including the oxygenated fuel requirement, by January 2005. If the EQC approves discontinuing the oxy fuel mandate, and EPA concurs (perhaps by September, 2005), oxy fuels may still be used from time to time by the petroleum industry depending on gasoline and oxygenated compound prices.

There are two oxygenated compounds used: ethanol and methyl tertiary butyl ether, MTBE. To date, ethanol has been the primary oxygenate used in Oregon. MTBE is used elsewhere in the country, but with MTBE bans in both California and Washington, MTBE has not been used in Oregon. California and Washington have banned the use of MBTE because it has been considered a potential carcinogen and it is very difficult (costly) to remove from water if it leaks into a water supply. It is also very easily detectable (it tastes and smells bad) even when greatly diluted (parts per billion), so people readily sense it and complain about it.

MTBE is used in Idaho, so it could come into Oregon via Idaho, though most fuel does come to the state via California or Washington. With the loss of markets in California and Washington, MTBE producers may be looking for new markets. MTBE can be added by local wholesale fuel dealers. Accordingly, it is not impossible that in the future, MTBE could be brought to the Metro area via tanker trucks or even marine shipping.

Accordingly, JPACT and the Metro Council approved a letter to the EQC on October 19, 2004 recommending that the EQC and Metro work together to provide information about MTBE to the State Legislature so that they may consider banning MTBE in Oregon as well.

RECOMMENDATION:

Metro should support a ban on MTBE as an oxygenated fuel additive.

LEGISLATIVE HISTORY:

The Legislature, perhaps in the 1999 or 2001 sessions, may have discussed banning MTBE, but there is no adopted legislation concerning MTBE in Oregon statute.

OTHER INTERESTED PARTIES:

Potential supporters include environmental and health interests as well as ethanol suppliers. The Western Petroleum Association is opposed to extending the oxygenated fuel requirement, but likely would not

oppose a MTBE ban. There is a trade organization, the Oxygenated Fuel Association, which has advocated the use of MTBE, but it is not known if they are interested in opposing a MTBE ban in Oregon given that it is already banned in California and Washington.

IMPACT IF PROPOSED ACTION OCCURS:

There could be health benefits to the public in terms of avoiding a potential carcinogen, as well as cost savings in the form of avoided costs to public and private water systems that rely on groundwater. In the Metro area, this would include all water users not using Bull Run water. (However, even the City of Portland Water Bureau uses groundwater in low water conditions, mixing Bull Run water with ground water.)

Housing Alliance

Opening Doors to Opportunity

Our Goal

We must take significant steps towards meeting housing needs in the State of Oregon. To begin addressing these needs, the Legislature can act in two ways.

1. **Substantially Increase Funding for Housing Development and Support Programs:** Increase Development Grants from Housing Trust Fund; Renew the Oregon Affordable Housing Tax Credits; Expand the Low-Income Renter's Tax Credit

Possible Funding Sources: OAHTC ; Utility Public Purpose Funds; Lottery; General Fund; Real Estate Transfer Fee

2. **Policy Tools to increase housing availability or stability:** Lift the preemption on Inclusionary Zoning; enable property tax abatements by local governments; require objective standards for insurance

Housing Committees are a first step

The Legislature should begin to demonstrate its concern about housing needs by designating a committee in each chamber to hear housing policy issues and to begin to explore long term viable solutions.

Legislative Agenda – 2005 Legislative Session

As approved by the Legislative Agenda Caucus, Oct 6, 2004

Our Action Agenda:

- Proposal 1. Increase Grants from the Housing Trust Fund by \$5 million – Target Development serving very low income households**

Currently, the housing trust fund receives between \$5 and \$6 million a year from the public from a dedicated source. We should add an additional \$5 million for immediate granting for development. Twenty percent of the Trust Fund immediate development grants should target very low income populations.

Proposal 2. Expand low-income renters' tax credit

Expand Oregon's Elderly Rental Assistance (ERA) Program to include more low-income households. Currently the program is open to taxpayers 58 years of age or older with a household income less than \$10,000 and gross rent in excess of 20 percent of their household income.

Proposal 3. Renew the Oregon Affordable Housing Tax Credit

The Oregon Affordable Housing Tax Credit is a program which provides tax credits to lenders in return for rent reductions in new affordable housing units. There is a need to increase the yearly cap on the amount of tax credits from \$6 million to \$8.2 million.

Proposal 4. Repeal ORS 197.309, which prohibits local jurisdictions from requiring affordable housing (described as "inclusionary zoning" or "inclusionary housing") as a condition of development approval.

This statute removes a "tool" from the affordable housing toolbox that has been successful in other states and cities, but has never been used in Oregon. It prohibits a city, county, or metropolitan jurisdiction from requiring that a certain number or percentage of residential units be affordable as a condition of approving development of any kind. While the statute does provide for a narrow exception, it is not practically available to many jurisdictions.

Proposals sponsored by other organizations which we support

Proposal 1. Maintain the Oregon Health Plan

Proposal 2. Renew tax exemption authorizing legislation for single family housing in 'distressed areas' -- City of Portland lead sponsor

Proposal 3. Extend legislative authorization for the New Multiple Unit Housing tax exemption program and the Transit Supportive Residential and Mixed Use tax exemption programs. – City of Portland lead sponsor

Proposal 4. Resolve insurance availability issues. Prohibit insurance companies from denying insurance coverage to housing because it has government subsidy in its financing, and, require insurance companies to provide objective reasons for dropping, denying or charging higher premiums for housing that is supported under government programs for people with lower income. -- Association of Oregon Community Development Organizations lead sponsor

Date: October 5, 2004—UPDATED OCTOBER 27, 2004
To: Metro Council
From: Randy Tucker
Re: Invitation to join Housing Alliance

On September 21 I discussed with you a set of generic criteria Metro might apply in responding to invitations to join coalitions. Specifically, Metro has been invited to join the Housing Alliance. You asked me to return with information applying the criteria described in my earlier memo to this specific invitation.

I have attached a few documents describing the Housing Alliance (THESE ITEMS ARE NOT INCLUDED IN 11/2 PACKET):

- “Goals and Vision,” which also includes information about organizational structure
- Agenda Process, which outlines procedures for the adoption and prioritization of policies
- Items proposed for adoption as part of the Alliance’s legislative agenda
- Membership application

As of last week, Housing Alliance members include (governments in **bold**):

Association of Oregon Community Development Organizations; Association of Oregon Housing Authorities; **City of Ashland**; **City of Eugene**; **City of Portland**; Clackamas Housing Action Network; Community Action Directors of Oregon; Community Alliance of Tenants; Community Development Network; Enterprise Foundation; Homeless Families Coalition; Housing Advocates Group of Washington County; Housing Development Center; Jackson County Housing Coalition; **Multnomah County**; Neighborhood Partnership Fund; Network for Oregon Affordable Housing; Northwest Housing Alternatives; 1000 Friends of Oregon; Oregon Action, and Oregon Food Bank. ADDED SINCE 10/5: **CITY OF BEAVERTON, OREGON COALITION ON HOUSING AND HOMELESSNESS**

Here are the criteria I proposed to you on September 21, along with some responses.

Policy consistency and priority:

Is the mission and program of the coalition consistent with the Metro policy? Yes, generally.

Title 7 of the Functional Plan addresses affordable housing. Metro has also adopted the Regional Affordable Housing Strategy, which acknowledges the need for additional funding and calls for “a funding source that can be managed locally to meet local and regional affordable housing priorities” (from Metro’s website).

Is the coalition’s mission clear enough to ascertain the answer to this question? Yes—see “Goals and Vision” document, attached

Has the Metro policy in question been formally adopted by resolution or otherwise? Yes—see above

Even if the coalition’s mission is consistent with Metro policy, is it enough of a priority to expend staff time, money, or goodwill on it? This is a question for the Council to answer.

Benefits and risks of membership:

Does the coalition provide a service that Metro needs, or do something that Metro would otherwise have to do itself? Metro seems unlikely to independently spend the amount of time on legislation related to affordable housing that would be necessary to be effective in the Legislature without being part of a coalition.

Does membership create, deepen, or undermine important relationships? Unknown.

Does membership help Metro to achieve its objectives more easily than if it were not a member?

Yes, to the extent that gaining state funding for affordable housing is a Metro objective.

Does membership conflict with Metro's responsibilities as unbiased decisionmaker for the region? In my opinion, no. Pursuing an adopted policy by joining a coalition that shares that policy objective seems unproblematic. However, there may be a variety of opinions on this matter.

Does membership create conflict or the appearance of conflict when coalition partners engage in advocacy before Metro? Again, there may be a variety of opinions. However, I do not believe that membership in a coalition formed for a particular purpose is likely to create conflict when coalition partners appear before Metro for other purposes. Since the goal of this particular coalition is seeking funding from the state, it seems unlikely that directly related issues would be the subject of advocacy before the Metro.

Governance:

How does the coalition make decisions about policy and activities? Majority vote? Consensus?

The Housing Alliance will operate on a modified consensus basis, where items are included in the agenda by consensus, while items that do not achieve consensus may be referred to working groups in order to see whether consensus can be reached. See attached "agenda process" document (NOT INCLUDED IN 11/2 PACKET) AND SUMMARY OF 10/6 CAUCUS.

Is there a possibility or likelihood that such a decision could result in Metro being associated with policies or practices inconsistent with its own policy or political objectives? It seems doubtful that Metro would be associated with policies that conflict with its own policies. However, the Housing Alliance is considering legislative proposals that seem to fall outside Metro's usual policy areas. (The Alliance is meeting on October 6 to adopt its legislative agenda, after which more information will be available.) It is also conceivable, though unlikely, that the Housing Alliance could seek funding from a source that competes with a Metro effort to secure the same funds for other purposes. See attached LEGISLATIVE AGENDA AS ADOPTED ON 10/6, SUMMARY OF 10/6 CAUCUS.

Activities:

Does the coalition function primarily as a forum for the sharing of information (e.g., OHUA), or does it lobby on behalf of objectives consistent with Metro's mission and policy (e.g., the Housing Alliance)? The purpose of the Housing Alliance is to lobby the Legislature.

Staff resources:

Does membership require a significant commitment of staff time? Theoretically, joining a coalition like the Housing Alliance gives you more impact for a given amount of effort: membership means that a paid lobbyist, plus a number of coalition partners, will all be pulling in the same direction. However, if Metro does not join, it is less likely that we would

spend much time at all on affordable housing issues at the Legislature, while as members of a coalition we would have to spend at least some time in coalition meetings (probably in Salem) and, depending on whether the issues gain traction, some time lobbying.

Cost:

Does membership require dues? Yes. Dues for “large political jurisdictions” are \$2,500 to \$20,000. METRO IS INVITED TO JOIN AT THE \$2,500 LEVEL.

If so, are the dues proportionate to the benefits? The answer to this question depends on the level of priority you assign to affordable housing.

Housing Alliance

Opening Doors to Opportunity

Summary of Legislative Agenda Caucus

held October 6, 2004

Members present:

Assoc. of Oregon Comm Devt Orgs

Assoc. of OR Housing Auth

City Club of Portland

City of Ashland

City of Eugene

City of Portland

Clackamas Housing Action Network
Community Alliance of Tenants

Community Development Network

Enterprise Foundation
Homeless Families Coalition
Housing Development Center
Jackson County Housing Coalition
Lane County Law and Advocacy Ctr
Multnomah County
Neighborhood Partnership Fund
Network for OR Affordable Housing
Northwest Housing Alternatives
1000 Friends of Oregon
Oregon Action

Oregon Food Bank

Wa Cty Housing Advocates Group

John Blatt, ED

Jim Tierney, Board Chair

Gary DiCenzo, Clackamas County HA

Phil Donovan, Gov't relations

Paul Rainey, Gov't Relations

Steve Rudman, HAP

Susan Wilson, Wa Cty HA

Clyde Doctor

Brandon Goldman, Housing Prog Specialist

Richie Weinman, Comm Dev't

Margaret Bax, City Housing Policy Manager

Jane Ediger, PDC Housing Policy Manager

Beth Kaye, Bureau of Housing & Comm Dev

Mark Landauer, Lobbyist

(represented by Martha McLennan)

Sarah Buckley, Organizer

Ian Slingerland, ED

Michael Anderson, Comm Coordinator

Sam Chase, ED

Kate Allen, ED, Portland Office

Jean DeMaster

Andree Tremoulet, ED

(represented by Brandon Goldman)

John Van Landingham

Diane Luther, Housing Director

Janet Byrd, Interim ED

(represented by John Van Landingham, bd)

Martha McLennan

Mary Kyle McCurdy, Staff Attorney

JoAnn Bowman, Political Director

Kate Titus, ED

Ellen Lowe, Lobbyist

Angela Martin, Public Policy Advocate

Bob Oleson

Ramsay Weit

Observers:

Ecumenical Ministries of Oregon

Homestead Capital

Oregon Law Center

Phillip Kennedy-Wong

Robin Doussard, Dir. of Communications

Sybil Hebb

Action on Proposed Legislative Agenda Items:

After brief presentations on each legislative proposal, the group asked clarifying questions and discussed proposals in light of the five criteria suggested by the Steering Committee. Those five criteria were:

- Winnable this session (consider resources, political reality)
- Move us towards a long term agenda
- Build organization – bring in grassroots, allies
- Is this worthwhile – will it make a difference?
- Do we care about this a lot? Do many of us care? (I will travel to Salem for this!)

Members were then asked to indicate whether they had concerns about an issue significant enough to block the item being placed on the consensus agenda. For those items not blocked, members voted with dots to set priorities for action and attention.

Items Blocked from Current Legislative Agenda

Items blocked from the current legislative agenda fall into two categories: items blocked for strategic reasons and items blocked for substantive reasons.

The Real Estate Transfer Fee raised strategic concerns. It was referred to the Steering Committee to be brought back to the table when the legislative climate changes or an opportunity presents itself for action. The overall feeling is that the RETF is the best long-term source of funding because it would be stable, provides flexible funding, and does not compete with other funding streams. However, given the difficult budget climate and anti-tax mentality, the makeup of the House, and the stubborn opposition of the real estate industry, it was agreed that the RETF is not a lead agenda item at this time.

Two items were blocked because of concerns with the policy underlying the proposal. These proposals were referred to working groups. As outlined in the agenda caucus process, working groups are to be composed of organizations supporting the proposal and organizations who blocked consensus.

The elimination of 30 day no cause evictions was proposed by the Community Alliance of Tenants, because of the instability that this practice creates for tenants and because of the use of 30 day evictions in retaliation against tenants who complain about living conditions. Concerns were expressed by the Association of Oregon Housing Authorities and the Association of Oregon Community Development Organizations. The Oregon Food Bank and Ecumenical Ministries also want to be part of a working group on this issue.

Working group on 30 day no-cause evictions:
CAT, AOHA, AOCDO, Food Bank, EMO

The proposal to set aside 20% of Tax Increment Funds in Urban Renewal Districts for affordable housing also drew objections. The City of Eugene raised the issue of URAs created just for industrial purposes. The City of Portland also expressed concerns.

Working group members on a Set aside for housing in URAS are:
Eugene, Portland, AOHA, CDN, AOCDO, City Club

Items not prioritized for action this session (but not blocked)

Restore Trust Fund principal (received 3 votes)

Private Activity Bond Allocation set-aside (received no votes)

Consensus Legislative Agenda

Items which are on the consensus legislative agenda and the votes they received are:

Our agenda items:

- ◆ \$5 million of new funding for development grants, with at least 20% of this dedicated to housing for households at 30% AMI or below (22 votes)
- ◆ Expand the low income renter's tax credit program (15 votes)
- ◆ Renew the Oregon Affordable Housing Tax Credit (12 votes)
- ◆ Lift the ban on inclusionary zoning (8 votes)

Proposals we actively support

- ◆ Maintain the Oregon Health Plan (22 votes)
- ◆ Require objective standards for denial of property insurance (Assoc of OR Comm Development Organizations lead proponent) (15 votes)
- ◆ Renew authorizing legislation for single family housing in distressed areas tax abatement program (City of Portland lead proponent) (11 votes)
- ◆ Renew authorizing legislation for new multiple unit housing and transit oriented development tax abatement program (City of Portland lead proponent) (11 votes)

Policy and Procedural Issues

A number of questions were raised and referred to the Steering Committee for discussion.

The Steering Committee was asked to:

- ◆ develop language about how working group issues re-emerge. We agreed that steering committee, on its own or upon the recommendation of a working group, can forward an issue to the membership for consensus approval for inclusion on the Housing Alliance agenda.
- ◆ develop a plan for deciding support for issues during session. We agreed that the Steering Committee can make adjustments to our agenda during session and act to support issues, with polling of the membership.

HOUSING TECHNICAL ADVISORY COMMITTEE FOLLOW-UP

Metro Council Work Session
Tuesday, November 2, 2004
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: November 2, 2004 Time: 2:00 pm Length: 15 minutes

Presentation Title: Charge for the new Housing Technical Advisory Committee (HTAC)

Department: Planning

Presenters: Gerry Uba and Chris Deffebach

ISSUE & BACKGROUND

On September 21, 2004, staff presented the requirements in Title 7 that Metro creates, with the consultation of MPAC, an ad hoc affordable housing task force by December 2004. In addition, staff provided a short history of Metro's housing and affordable housing policy, including the work of HTAC (September 1999 to June 2000), Metro accomplishments, and matters that deserve further discussion such as the limited actions by many jurisdictions to adopt the Title 7 tools and strategies.

During the Councilors discussion, Councilor Burkholder stated that he would prefer to have some time with the Council to talk about the charge of the new HTAC before staff is given some directives on any task. The outcome of his effort would be the focus of discussion at the November 2, 2004 meeting.

OPTIONS AVAILABLE

Attached memo by Councilor Burkholder clearly states some of the major trends that could worsen the extent of housing supply and affordability in the region, and suggest ways to tackle these problems. Councilors may use Councilor Burkholder's proposal to discuss and frame the role of the new HTAC in reassessing housing supply and affordability in the region, and in making changes to the roles of Metro and local jurisdictions.

IMPLICATIONS AND SUGGESTIONS

Clarifications and answers to the questions posed by Councilor Burkholder and other Councilors could be addressed in the "regional assessment report" to be prepared by staff with the help of a consulting firm (to be procured later this year). The clarifications and conclusions in the "regional assessment report" may also help the Council to decide the role of Metro and local jurisdictions in housing supply and affordability.

QUESTION(S) PRESENTED FOR CONSIDERATION

It is recommended that the Council direct staff on:

- A. How to develop an appropriate charge for the new HTAC; and
- B. How to identify appropriate representatives to the task force.

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION __Yes _X_No
DRAFT IS ATTACHED ____Yes _X_No

SCHEDULE FOR WORK SESSION

Department Director/Head Approval _____
Chief Operating Officer Approval _____

DRAFT October 20, 2004

Date: October 14, 2004
To: Metro Councilors
From: Councilor Rex Burkolder
Re: Housing supply: regional role: charge for HTAC

First of all, thanks to each of you for your input on this issue. Housing in general, and its affordability in particular, is a big issue to tackle: ascertaining the proper role for Metro is not easy. The following is a suggestion for how to frame the issue and how to ask for advice from a re-formed HTAC.

What is the problem:

There are several trends that appear to call for a concerted, regional approach to housing supply and affordability.

1. **rising cost of housing in areas with good access to jobs and services:** we are already experiencing “bidding wars” in conveniently located neighborhoods that price out even middle income buyers and renters.
2. **demographic shifts:** currently 60% of households are made up of one or two people. Over 65 share of population is increasing as baby boomers age. This will affect demand for type and location of housing (smaller units, located near services and transit).
3. **End of cheap fossil fuels:** the cost of motor vehicle transportation will rise significantly in the next couple of decades as global demand for oil exceeds supply, reducing the cost advantage of less convenient locations and increasing the demand for housing in areas with good transportation options and mixed use.
4. **Real incomes of lower quintiles are dropping, middle quintile wages are stagnant.** The other half of the affordability question is the income of potential renters and buyers. Over the past ten years, middle and lower income households have seen their incomes fail to keep up with inflation of housing prices.

Clearly, in the near future there will be a greatly increased need for housing that is affordable¹ in the Central City and other 2040 centers that the private market is failing to provide.² Except for isolated instances such as the Pearl District in Portland, very little new housing is being built in these areas, despite radical regulatory change directed at facilitating this, including; higher allowed densities, provision of high capacity transit, lower parking requirements, SDC discounts, etc.

¹ This language intends to broaden the discussion from its focus on housing the poor to include those with incomes in the 80-120% of median who can't afford the average house today (\$215,000 in Portland)

² In *Hidden in Plain Sight: Capturing the Demand for Housing Near Transit*, the Center for Transit Oriented Development estimates that almost 200,000 new households will *want* to locate near light rail stations in the Portland region.

DRAFT October 20, 2004

Meanwhile, the predominant focus of the housing industry has been on increasing the land supply available for larger, single family units built on separate lots. These types of developments are hard to service with utilities as well as public transport and don't achieve the densities necessary to support conveniently located services, essentially requiring auto use of their residents. In addition, for the first time since the 1940's housing production isn't keeping up with household growth.

Outside of the question of how to provide decent shelter for the very low income households, there is a bigger question of ensuring that our cities will meet the needs of residents in the future as the trends noted above converge. How do we get more housing built where it is needed—of the appropriate size, cost and configuration—when the private real estate market doesn't seem to be interested or able?

The Big Question: How do we ensure that the “right” type of housing is built in the “right” places?³

To answer these questions we would need of advice from people with different perspectives and skills than those who served on the original HTAC and are listed in Title 7 of the Regional Framework Plan. In addition, we may want to have staffing for the committee to be based in our Centers program. Certainly we'd want any of this work to coordinate closely with our Centers work.

Here are some specific questions that would need to be addressed by a new HTAC:

1. What barriers prevent greater housing production in 2040 centers?
 - a. (some ideas: federal tax law favoring new construction and single family housing; focus of housing industry on the “SUV's” of housing—very large, single family houses—rather than smaller, multi-family, mixed use buildings; zoning and building code restrictions on multi-story buildings; negative impact of traffic on main streets and corridors; tax structure that favors speculation and under development; oversupply of cheap land at edge; SDC's that fail to account for true cost of development; lack of interest, fear of risk in financial and building community.)
2. What barriers exist to production of smaller housing units (e.g., 1 and 2 bedroom apartments and condominiums)?
3. What are some strategies to increase housing production in centers?
 - a. (some ideas: regional revolving loan fund; public/private mixed use development company; traffic calming on main streets; lowering of parking requirements; significant SDC discounts; transfer of development rights, loosening of fire and building regulations; technical assistance to local jurisdictions and potential developers; etc)

³ “Right type” means housing that matches needs (income, household size, age).

“Right place” means those areas in the region with good access to jobs, services, education, etc., including most centers and corridors.

DRAFT October 20, 2004

4. What is the appropriate role for government in general and Metro in particular in affecting housing supply?
5. Address issues raised in the RAHS and whether the suggested code changes should be required of local governments.

Proposed Timeline:

November 2004	Identify and recruit HTAC
December	Give charge to HTAC: 1 st meeting
March 2005	HTAC reports to Council on strategies
July 2005	Implement Housing Supply program at Metro

Agenda Item Number 7.0

METROPOLITAN PLANNING ORGANIZATION SUMMIT BRIEFING

Metro Council Work Session
Tuesday, November 2, 2004
Metro Council Chamber

1102042-01

A G E N D A

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1542 | FAX 503 797 1793



METRO

Agenda

MEETING: METRO COUNCIL REGULAR MEETING – revised 10/28/04
DATE: November 4, 2004
DAY: Thursday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS

3. EXTERNAL QUALITY CONTROL REVIEW

Dow

4. FIRST QUARTER FINANCIAL REPORT

Short

5. CONSENT AGENDA

5.1 Consideration of Minutes for the October 28, 2004 Metro Council Regular Meeting.

6. ORDINANCES – FIRST READING

6.1 **Ordinance No. 04-1062**, For the Purpose of Amending the FY 2004-05 Budget and Appropriations Schedule Recognizing \$1,586,918 in Grant Funds and Private Contributions for a Series of Specific Projects in the Regional Parks Operating Fund; Transferring \$19,765 from Contingency to Operating Expenses in the Regional Parks Operating Fund; Amending the FY 2004-05 Through FY 2008-09 Capital Improvement Plan; and Declaring an Emergency.

7. RESOLUTIONS

7.1 **Resolution No. 04-3506**, For the Purpose of Directing the Chief Operating Officer to Develop a Fish and Wildlife Habitat Program that Relies on a Non-regulatory effort to improve habitat prior to any implementation of new regional, performance-based regulations.

Park

8. CONTRACT REVIEW BOARD

- 8.1 **Resolution No. 04-3502**, For the Purpose of Authorizing the Chief Operating Officer to Execute Change Order No. 6 to the Contract For Operation of the Metro South and Metro Central Transfer Stations. Monroe
- 8.2 **Resolution No. 04-3503**, For the Purpose of Authorizing the Chief Operating Officer to Execute Contract No. 926063 for Operation of the Metro South and Metro Central Transfer Stations. Monroe

9. CHIEF OPERATING OFFICER COMMUNICATION

10. COUNCILOR COMMUNICATION

ADJOURN

Television schedule for November 4, 2004 Metro Council meeting

Clackamas, Multnomah and Washington counties, and Vancouver, Wash. Channel 11 -- Community Access Network www.yourtvvtv.org -- (503) 629-8534 Thursday, November 4 at 2 p.m. (live)	Washington County Channel 30 -- TVTV www.yourtvvtv.org -- (503) 629-8534 Saturday, November 6 at 11 p.m. Sunday, November 7 at 11 p.m. Tuesday, November 9 at 6 a.m. Wednesday, November 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.
Portland Channel 30 (CityNet 30) -- Portland Community Media www.pcatv.org -- (503) 288-1515 Sunday, November 7 at 8:30 p.m. Monday, November 8 at 2 p.m.	

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, (503) 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 e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro website www.metro-region.org and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

110204-02

Metro-Wide Performance Evaluation Project

Ruth Scott, HR Director

Bruce Lawson, Fox Lawson & Associates, LLC

Metro Council Work Session

November 2, 2004

Introductions

- The Compensation Systems Manager
- The Advisory Committee to this process
- The Consultant

Performance Evaluation Process Advisory Committee (PEPAC)

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Scalehouse Supervisor
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The Three Tracks of a Merit-based Performance Program

1. **Position Management – Position descriptions, Organizational Structure, and Reporting relationships**
 - Assess whether some descriptions are too broad
 - Analyze descriptions for duplication
 - Assess the current number of supervisory classifications
 - Analyze reporting relationships and “span of control”
 - Link reclassification process to strategic budgeting
 - Redesign the current procedures for reclassifying positions
2. **Compensation Management — Pay relative to the market, Salary Plan design, Value of total compensation, Design of Merit pay**
 - Analyze the current non-represented salary plan relative to the market
 - Design total compensation information tool
 - Design merit pay structure for non-represented employees
3. **Performance Management – Design of the performance evaluation process**

Brief History of Performance Evaluation Process

- In May & June we held focus group sessions with about 15% of the Metro employee population to get their opinions and advice
- Selected the Advisory Committee representing each department and Councilor Newman as liaison to Council
- Advisory Committee interviewed five consulting firms and unanimously selected the Fox Lawson group

Guiding Principles to the Design Process

- Communicating with employees is key to success
- The process and the program must be transparent
- This is an evolving process – it will take time
- Build the process around “best practice”
- Be flexible and responsive to business needs
- Initial and on-going training for both managers & employees is essential
- Build performance measures and monitor the process on an on-going basis

Transition to Bruce Lawson's presentation

Agenda

- Related work done in public sector
- Success factors
- Performance Evaluation programs in the public sector
- Pay for Performance programs in the public sector
- The Metro Auditor's report and how it relates to this work
- General outline and timeline of project plan



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Related Experience

- Baltimore county, MD - developed pilot Gainsharing program that has now been expanded to cover entire county and has received considerable recognition including major grant from the Ford Foundation
- Metro Parks District, Tacoma, WA - developed compensation plan for all positions, including Tacoma Zoo
- City of Scottsdale, AZ - review of pay for performance program
- Ben Franklin transit, WA - going through process similar to Metro



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Success Factors

Program should have a defined purpose

- To align individual jobs with agency strategies
- To align merit pay with programmatic budget process
- To motivate strong performance from all Metro employees by providing consistent communication of goals and expectations
- To link merit pay to job performance for Non-Represented employees
- To identify opportunities to develop the existing workforce
- To identify future workforce needs



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Success Factors

The most important factor for success is this...

- *The organization must be committed to the success of the plan*



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Employee Motivation

- Employees are motivated by a variety of environmental factors, including
 - Understanding what is expected of them at work
 - Having the tools and equipment to do their jobs
 - Receiving recognition and constructive feedback on a regular, on-going basis
 - Feeling valued and appreciated at work
 - Believing that their employer distinguishes between weak and strong performers
 - Agreeing with the mission of their employer
 - Working with others who are motivated to succeed



Performance Evaluation

- Performance Evaluation is an opportunity to motivate strong employee performance by communicating with employees about expectations and formally recognizing the quality of their performance and contribution to achievement of organizational goals
- Performance Evaluation is successful when
 - Evaluation criteria are job-related
 - Evaluation standards are relevant and understandable to the stakeholders
 - Supervisors and employees understand their roles and responsibilities in the program



Attributes for a Sound Plan

- Align employee performance expectations with well-defined organizational goals
- Connect performance expectations to outcomes
- Involve the stakeholders
- Create valid performance measures
- Make meaningful distinctions in performance
- Provide and use information
- Require follow-up actions
- Maintain continuity
- For Non-Represented staff, link pay to both individual and organizational performance



Pay for Performance

- Pay for Performance is an established, effective tool in both public and private sector
- Using pay to reward strong performance is the final step in encouraging employees to perform at their best
- 5% - 25% of employee pay is needed to provide incentive for very strong performance
- Financial rewards are not the only incentives (shares values of the organization, enjoys work challenges, has a constructive relationship with supervisor, etc.)



Auditor's Report

- Need for Executive Leadership
- Strategic planning is critical
- Organizational goals are essential since they are the foundation for the plan
- The process must be sound
- Define the purpose for the plan



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Project Plan

1. Develop Performance Criteria
2. Design Rating System
3. For Non-Represented Employees, Link Performance to Pay
4. Conduct Training



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Compensation and Human Resources Specialists

1. Develop Criteria

- Define occupational groups
- Determine performance criteria (quality of work, quantity of work, customer satisfaction, competencies, management, etc.)
- Develop performance standards for each group
- Develop forms and procedures
- Develop process for ensuring consistency across the organization



2. Design Rating System

- Determine number of performance levels (developing, solid performer, role model or others)
- Definition of performance levels
- Identification of available performance data
- Determine if performance is individual and/or group based (organizational, departmental, individual)
- Determine if criteria should be weighted (based on level of difficulty)
- Determine if changes in goals allowed mid-year



Reminder!

The Performance Evaluation process outlined above will be the same for represented and non-represented employees

A separate stage, in which pay is linked to performance, will be applicable to non-represented employees only



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Compensation and Human Resources Specialists

3. Link Performance to Pay

Variety of Options regarding Non-Rep staff:

- Combination of steps up to the midpoint (job rate) and open range thereafter
- Place control point above midpoint
- Combination of COLA and merit budgets based on merit matrix
- Forced ranking (pool of available funds)
- Performance rewards as base pay increases or lump sum payments
- Target competitive pay at 50th percentile of market, all performance pay is base building
- Range of incentive targets (5%-25% of base pay)



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Compensation and Human Resources Specialists

4. Conduct Training

- Fox Lawson will initiate training by:
 - Developing training materials
 - Providing “Train the Trainer” training to Metro staff

- Metro will maintain training by:
 - Training Employees
 - Training Supervisors and Managers
 - Implementing Program with Employees



Project Schedule

Project Initiation	X				
Develop Criteria and Rating Systems		X	X		
Link Pay			X	X	
Conduct Training				X	X



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Compensation and Human Resources Specialists

METRO LEGISLATIVE AGENDA—DRAFT

November 2, 2004

TOP PRIORITIES

- 30-year review of land use planning program
- 5-year UGB treadmill
- Multi-modal funding package
- HQ hotel funding (requires development)

OTHER CONCEPTS METRO SHOULD DRAFT

- Overlapping jurisdiction in UGB appeals
- Annexation—correction to Metro's statute
- MTBE
- Performance measures

PRIORITY ISSUES FOR MONITORING OR COLLABORATION

- Transportation planning rule
- SDCs for parks
- Industrial Facility Siting Council
- eWaste management
- TDM funding
- Commercial/Industrial development outside UGBs
- Forest Legacy funding
- Zoo debt repayment

LOWER PRIORITY ISSUES

- LUBA structure
- Pesticide use reporting—funding
- Watershed council and SWCD funding
- Funding for planning (RPS or other grants)
- M66 local share allocation
- Conservation easement property tax assessments
- Zoo parking lot—defense only

ISSUES FOR 30-YEAR LAND USE REVIEW (unless opportunities arise)

- Rural reserves
- 20-year supply
- Suitability of land for inclusion in UGBs
- Annexation and related issues

ISSUES THAT ARE PROBABLY NOT RIPE FOR LEGISLATION

- Bottle bill expansion
- Land value taxation
- Regional revenue sharing

Legislative Issue Prioritization—Summary of Responses

RANKED BY AVERAGE	Avg	Total
• 30-year review of land use planning program	3	21
• 5-year UGB treadmill	2.86	20
• Multi-modal funding package	2.83	17
• HQ hotel funding	2.67	16
• Rural reserves	2.4	12
• Transportation planning rule	2.4	12
• Debt repayment	2.4	12
• Industrial Facility Siting Council	2.33	14
• SDCs for parks	2.33	14
• eWaste management	2.33	14
• Bottle bill expansion	2.33	14
• TDM funding	2.33	14
• MTBE	2.33	14
• Performance measures	2.2	11
• Overlapping jurisdiction in UGB appeals	2.17	13
• Annexation—correction to Metro's statute	2.17	13
• 20-year supply	2.17	13
• Suitability of land for inclusion in UGBs	2.17	13
• Forest Legacy funding	2	14
• Annexation and related issues	2	12
• Commercial/Industrial development outside UGBs	2	12
• LUBA structure	2	12
• Pesticide use reporting	2	12
• Land value taxation	1.86	13
• Watershed council and SWCD funding	1.83	11
• Funding for planning (RPS or other grants)	1.83	11
• M66 local share allocation	1.8	9
• Regional revenue sharing	1.79	12.5
• Conservation easement property tax assessments	1.67	10
• Parking lot	1.6	8

Avg	Total	RANKED BY TOTAL
3	21	• 30-year review of land use planning program
2.86	20	• 5-year UGB treadmill
2.83	17	• Multi-modal funding package
2.67	16	• HQ hotel funding
2.33	14	• Industrial Facility Siting Council
2.33	14	• SDCs for parks
2	14	• Forest Legacy funding
2.33	14	• eWaste management
2.33	14	• Bottle bill expansion
2.33	14	• TDM funding
2.33	14	• MTBE
1.86	13	• Land value taxation
2.17	13	• Overlapping jurisdiction in UGB appeals
2.17	13	• Annexation—correction to Metro's statute
2.17	13	• 20-year supply
2.17	13	• Suitability of land for inclusion in UGBs
1.79	12.5	• Regional revenue sharing
2.4	12	• Rural reserves
2	12	• Annexation and related issues
2	12	• Commercial/Industrial development outside UGBs
2	12	• LUBA structure
2	12	• Pesticide use reporting
2.4	12	• Transportation planning rule
2.4	12	• Debt repayment
1.83	11	• Watershed council and SWCD funding
1.83	11	• Funding for planning (RPS or other grants)
2.2	11	• Performance measures
1.67	10	• Conservation easement property tax assessments
1.8	9	• M66 local share allocation
1.6	8	• Parking lot

	DB	RB	CH	SM	RM	BN	RP	Total	Avg
Environment									
• Conservation easement property tax assessments	*	1	2	2	1	1	3	10	1.67
• Watershed council and SWCD funding	*	2	2	2	2	1	2	11	1.83

Finance									
• Land value taxation	3	3*	2	2	1	1	1	13	1.86
• Regional revenue sharing	3	2.5*	1*	3	0	1	2	12.5	1.79

Land Use									
• 5-year UGB treadmill	3	3	3	3	2	3	3	20	2.86
• 30-year review of land use planning program	3	3	3	3	3	3	3	21	3
• Rural reserves	*	2	3	3	3		1	12	2.4
• Overlapping jurisdiction in UGB appeals	*	2	2	2	3	2	2	13	2.17
• Annexation and related issues	*	2	1	2	3	2	2	12	2
• Annexation—correction to Metro's statute	*	2	0	3	2	3	3	13	2.17
• Commercial/Industrial development outside UGBs	*	1	2	3*	2	1	3	12	2
• 20-year supply	3		3	2	2	1	2	13	2.17
• Industrial Facility Siting Council	?	2	3	3*	3	1	2	14	2.33
• Funding for planning (RPS or other grants)	*	1	2	2	2	1	3	11	1.83
• Suitability of land for inclusion in UGBs	*	1	3	2*	3	1	3	13	2.17
• LUBA structure	*	2	2	2	2	1	3	12	2
• Performance measures	2	*	2	2		2	3	11	2.2

MERC									
• HQ hotel funding	*	3	2	3	3	2	3	16	2.67

Parks and Greenspaces									
• SDCs for parks	3	2*	*	2	3	2	2	14	2.33
• M66 local share allocation	*	2	?	2	2	1	2	9	1.8
• Forest Legacy funding	3	2	2	2	1	1	3	14	2

Solid Waste									
• eWaste management	*	3	2	3	3	1	2	14	2.33
• Bottle bill expansion	*	2	3	3	3	1	2	14	2.33
• Pesticide use reporting	*	1	2	2	3	1	3	12	2

Transportation									
• Multi-modal funding package	*	3	2	3	3	3	3	17	2.83
• Transportation planning rule	*	3	?	2	2	2	3	12	2.4
• TDM funding	*	2	2	3	2	2	3	14	2.33
• MTBE	*	1	3	2	3	2	3	14	2.33

Zoo									
• Parking lot	*	1*	*	2	3	0	2	8	1.6
• Debt repayment	*	2*		2	3	2	3	12	2.4

DRAFT 11/2/04

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF PROVIDING)	RESOLUTION NO. 04-3512
DIRECTION TO METRO CONCERNING BILLS)	
BEFORE THE 2005 OREGON LEGISLATURE)	Introduced by Chief Operating Officer
)	Michael J. Jordan, with the concurrence of
)	Council President David Bragdon

WHEREAS, Metro has an interest in bills before the 2005 Oregon Legislature;

WHEREAS, the Metro Councilors and Metro staff will represent Metro's interest during the upcoming legislative session;

WHEREAS, the Metro Council wishes to establish a united position on important legislative proposals and provide direction to Metro staff in order to represent the will of the agency; and

WHEREAS, the attached Exhibit A of this resolution lists specific proposals that are of concern to Metro and the Metro Area and gives guidance to Metro staff on Metro's position on these proposals; and

WHEREAS, the attached Exhibit B is a statement of principles regarding categories of legislation that gives guidance to Metro staff in representing Metro; now therefore

BE IT RESOLVED that the Metro Council hereby directs the Metro Chief Operating Officer, the Metro Attorney and Metro staff to make the agency's position on a variety of legislative proposals clear with the 2005 Oregon Legislature consistent with Exhibits A and B attached hereto.

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

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

Land Use Legislative Principles—DRAFT

- **Efficiency:** Land within UGBs should be used efficiently before UGBs are expanded.
- **Need:** The requirement to demonstrate need for UGB expansions should not be evaded or diluted.
- **Transportation:** Land use and transportation planning should be coordinated so land uses do not undermine the transportation system and transportation investments do not lead to inappropriate land uses.
- **Pre-emption:** Within the context of our current land use system, Metro's authority should not be pre-empted (or some variant on local control/autonomy, recognizing the statewide framework of the land use system; a related idea would be to oppose substantive or procedural requirements that apply only to Metro, like the 5-year UGB cycle).
- **Annexation:** As cities are the preferred governing structure for providing public services to urban areas, Metro supports reforms that will facilitate, or reduce barriers to, orderly annexation and incorporation.
- **Rules/Statutes:** Administrative rules should not be adopted into statute.
- **Complete Communities:** Metro supports legislation that facilitates development of complete communities (including employment, choices of housing types affordable to all incomes, transportation choices, parks and greenspaces accessible to all).
- **Non-Regulatory Tools:** State efforts at regulatory streamlining should include funding to support development of non-regulatory tools for achieving desired land use outcomes (incentives, education, technical assistance, acquisition, TDRs, BMPs, etc.).
- **Funding:** State mandates to expand UGBs should be accompanied by funding for planning.
- **Funding:** Funding to support urban development should be generated at least in part by fees on those who benefit from that development.
- **Measure 37:** If Measure 37 passes [these are just a few ideas]:
 - Gains from government regulation/investment should be accounted for in any calculation of value reduction.
 - The state should provide funding/process claims when a state requirement is the basis for the claim.
 - Landowners should provide compensation to neighbors or the public when their actions after waiver of regulations reduce neighbors' property values or reduce the value of publicly owned resources, including but not limited to the air and waters of the state.

Other Legislative Principles—DRAFT

- **Toxicity and waste reduction:** Metro supports efforts to minimize the impact of the waste stream on the environment.
- **Transportation Funding:** Metro supports an increase in overall transportation funding and supports flexibility in the system to provide for local solutions to transportation problems. [modified from 3/03 principles]
- **Parks and Greenspaces:** Metro supports measures to increase the level of funding distributed to local governments for acquisition, capital improvements, and park operations.

Res Transit
Resolution
11/18/04

Tri-County Area – identity piece**October 27, 2004****Introduction**

- Oregon's "Tri-County Area" is comprised of Clackamas, Multnomah and Washington Counties, 28 cities – Hillsboro, Portland and Oregon City among them – and more than 60 special service districts
- The area is ringed by Mt. Hood to the east, Willamette Valley farms to the south, Coast Range forests to the west and the confluence of the Willamette and Columbia Rivers to the north.
- Though encompassing a diversity of people and places, the Tri-County Area has a shared identity, functions as a single zone for commerce, communication and transportation, and is characterized by social, economic and environmental interdependence.
- As of 2002, the Tri-County Area contributes about 58% of State revenues, and receives about 40% of State spending. The net outflow of dollars for K-12 alone is about \$250 million annually. (3)

Demographics

- Approximately 1.5 million people, or 42% of Oregonians, call the Tri-County Area home. Between 1990 and 2000, area population increased by 22%, while overall U.S. population grew by 13%. (1)
- The area's minority population constitutes about 20% of the total. Hispanics, whose numbers more than doubled in the 1990s, are the largest of the area's minority groups, at 8%. (5) Asian Americans/Pacific Islanders comprise 6% of area population, African Americans 3% and American Indians 1%.
- About three-quarters of the area's population increase from 1990 – 2000 was attributable to net migration. Most of this net migration was made up of people from elsewhere in the U.S., but about one-quarter was attributable to immigration. (4)
- The Tri-County Area has 37,000 more 25 to 34 year-olds than in 1990, an increase of 12%, in sharp contrast to a national decline of 8%. (7) Economists consider attracting and retaining this "creative class" to be critical for the future economic health of metropolitan areas in the knowledge-based economy.
- The Tri-County population is forecast to grow by 450,000 over the next 20 years, about the same increase as in the last 20 years.

Land Use and Planning

- The Tri-County Area is known for effective growth management and a compact urban environment. Significant population gains during the 1990s were accommodated on a relatively small percentage (15-20%?) of our land mass.
- Metro is responsible for managing the area's urban growth boundary (UGB) and is required by state law to have a 20-year supply of land for future residential development inside the boundary. The area's UGB encompasses approximately 370 square miles (about 236,000 acres).
- The "2040 Growth Concept" is the Tri-County's growth management policy; it defines development in the area through the year 2040.
- The 2040 Concept encourages efficient land use, directing most development to existing urban centers and along existing major transportation corridors. It promotes a balanced transportation system and supports the area's goal of building complete communities by providing jobs and shopping close to where people live.

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Livability

- The Tri-County area offers comfortable neighborhoods, bustling city and town centers, fine K-12 schools and world-class higher education, an array of economic opportunities and a vibrant social mix.
- The area is well integrated into its incredible natural setting. Water and air quality are carefully guarded and ongoing efforts are aimed at balancing the needs for buildings and infrastructure with those for wildlife habitat. A network of greenspaces and nature trails extends through the area, while some of the world's most productive farmlands and majestic forests are minutes away.
- Area growth rates and density levels demand much of our transportation and utility infrastructure. Even with the ongoing commitment of significant resources to operation, maintenance and expansion of infrastructure, the area is challenged to keep pace. The challenge will be heightened by the upcoming urban expansion into Clackamas County's Damascus area, which is unprecedented in its scale and pace. Currently rural, the 12,000 new acres in Damascus are projected to provide about 25,000 housing units and 2,000 acres for additional businesses.
- Informed and engaged citizens, exceptional public-private partnerships and effective, efficient local and regional governments characterize area governance.

Economy

- The Tri-County Area has 50,000 businesses, which employ 770,000 individuals for a total annual payroll of \$30 billion. These numbers represent 43% of Oregon's businesses, 49% of its employees and 56% of its total annual payroll. (13)
- Many of Oregon's "traded-sector" industry clusters, which the Oregon Business Plan identifies as vital to the state's economy, are concentrated in the Tri-County Area. Traded-sector clusters are important because they consist primarily of businesses that sell their goods and products outside the state. Such sales bring in new income, which is then re-spent in other sectors and spurs overall economic growth.
- Tri-County Area industry clusters include High Tech; Creative Services; Sports Apparel and Equipment; Metals/Machinery/Transportation Equipment; Lumber and Wood Products; Nursery Products.

▪ Major Tri-County Area Private Sector Employers

Employer	# Employees	Employer	# Employees
Intel Corp	15,000	Volt Services Group	2,500
Fred Meyer, Inc.	13,325	Tektronix, Inc.	2,478
Providence Health System	12,800	Pope & Talbot	2,229
Legacy Health System	7,158	Oregon Steel Mills	2,000
Kaiser Permanente	7,093	Blue Cross-Blue Shield of OR	2,176
Safeway, Inc.	6,000	Precision Castparts Corp.	2,110
U.S. Bancorp	4,242	Hewlett-Packard Co.	1,900
United Parcel Service (UPS)	3,100	Hollywood Entertainment	1,869
Freightliner Corp.	2,800	Nordstrom, Inc.	1,700
Nike, Inc.	2,850	Qwest Communications Int'l	1,598
Portland General Electric	2,787	TriQuint Semiconductor	1,500
Albertson's, Inc.	2,700	McMenamin's Pubs/Breweries	1,500
Meier & Frank Company	2,650	Siltronic	1,300
Wells Fargo Bank	2,588	SEH America	1,260

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Transportation

- Transportation networks converge in the Tri-County area, making it a major West Coast transportation and freight distribution hub. The area's transportation system provides integrated highway, railroad, airport and port facilities. Freight tonnage moving through the area is forecast to double between 2000 and 2030. (9)
- Two major interstate highways (I-5 and I-84) intersect here, with service from 100 national, regional and local truck lines. The area's local roadways are a critical link in the regional freight system, representing the "last mile" in the connection between highways and rail, air and marine distribution facilities. (12) Efforts are underway in the area to refine the truck street system and prioritize freight mobility improvements.
- The area is served by two transcontinental railroads: Burlington Northern Santa Fe, and Union Pacific.
- The Tri-County area is home to the Port of Portland, which operates five marine terminals on the Willamette and Columbia Rivers. The Port, which handled 11 million tons of export cargo in 2003, is the West Coast's leading port for autos and wheat, and is the third-ranked West Coast port in terms of export tonnage.
- Portland International Airport serves over 12 million passengers annually. Fifteen domestic and international airlines operate at PDX, as well as 14 air cargo carriers. There is direct cargo service twice-a-week to Beijing and three-times-a-week to Seoul.
- The Tri-County Metropolitan Transportation District (TriMet) provides transit service to 600 square miles of the area, with ridership at 88.9 million rides per year. TriMet operates the 38-mile MAX light rail line, along with bus routes and services for seniors and people with disabilities. Of the area's 95 bus routes, 82 connect with MAX at stops including the downtown transit mall and the area's 17 transit centers. Portland is one of only five major metro areas to have a public transportation rail line from city center to the airport.
- Transit, biking, walking, carpools, telecommuting and transportation demand management are vigorously supported as part of the area's mix of transportation options.

Education/Workforce Training

Post-Secondary

- There are about 20 colleges and universities in the Tri-County Area, which offers professional schools in law, medicine, dentistry and business, as well as institutions for advanced science and engineering studies.
- The three community colleges – Clackamas Community College in Oregon City, Mt. Hood Community College in Gresham and Portland Community College, which enrolls more than 100,000 students – are the center of workforce development activities in the area. Programs include both technical education and specialized training programs designed to meet specific company needs.
- The area's largest institution of higher education is Portland State University, which offers 60 masters and eight doctoral degrees. Oregon Health and Science University, in southwest Portland, is recognized worldwide for its education, patient care and research programs. Over 3,500 people per year receive health care and academic training at OHSU, whose campus includes the area's two most comprehensive and state-of-the-art hospitals: OHSU Hospital and Doernbecher Children's Hospital.

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Data Sources

- 1 2003 Portland Metro Briefing book, p 10
- 2 Oregon Employment Dept
- 3 Cortright, Regional Economic Profile, 12/02
- 4 2003 Portland Metro Briefing book, p 45
- 5 2003 Portland Metro Briefing book, p 45
- 6 2003 Portland Metro Briefing book, p 44
- 7 Young and Restless Report, WEA, p 4
- 8 Ec Dev Efforts in Portland, Gill Kelley, p 1
- 9 Ec Dev Efforts in Portland, Gill Kelley, p 6
- 10 Ec Dev Efforts in Portland, Gill Kelley, p 2
- 11 Ec Dev Efforts in Portland, Gill Kelley, p 3
- 12 Ec Dev Efforts in Portland, Gill Kelley, p 7
- 13 Oregon Employment Dept
- 14 Ec Dev Efforts in Portland, Gill Kelley, p 2
- 15 RP Fact Book, p3