

A G E N D A

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TEL 503 797 1542 | FAX 503 797 1793



**METRO**

**Agenda**

MEETING: METRO COUNCIL REGULAR MEETING  
DATE: January 20, 2005  
DAY: Thursday  
TIME: 2:00 PM  
PLACE: Metro Council Chamber

**CALL TO ORDER AND ROLL CALL**

1. **INTRODUCTIONS**
2. **CITIZEN COMMUNICATIONS**
3. **STATUS OF AUDIT RECOMMENDATIONS – 2004** Dow/DeShais
4. **BI-STATE ANNUAL REPORT** Burkholder/Turpel
5. **DEPARTMENT OF ENVIRONMENTAL QUALITY'S  
TOTAL MAXIMUM DAILY LOAD SUBWILLAMETTE  
BASIN PRESENTATION** Deffebach/  
Peterson
6. **BROWNSFIELD BRIEFING** Neill
7. **PORTLAND INDUSTRIAL ATLAS** City of  
Portland
8. **CONSENT AGENDA**
- 8.1 Consideration of Minutes for the January 13, 2005 Metro Council  
Regular Meeting.
- 8.2 **Resolution No. 05-3535**, For the Purpose of Confirming the Re-appointment  
Of Sheryl Manning to Complete her Original Four-Year Term Appointment  
With the Metropolitan Exposition-Recreation Commission.
- 8.3 **Resolution No. 05-3537**, For the Purpose of Confirming the Appointment  
Of Councilors Carl Hosticka and Robert Liberty as Liaison Councilors  
To the Ballot Measure 37 Work Group

**9. ORDINANCES - SECOND READING**

- 9.1 **Ordinance No. 05-1069**, For the Purpose of Amending the FY 2004-05 Budget and Appropriations Schedule, Transferring \$18,000 from the Support Services Fund Contingency to Capital Outlay in the Property Services Division of the Finance and Administrative Services Department, Amending the FY 2004-05 through 2008-09 Capital Improvement Plan For the Purchase of a Copier; and Declaring an Emergency. Newman

**10. RESOLUTIONS**

- 10.1 **Resolution No. 05-3523**, For the Purpose of Amending the 2004-07 Metropolitan Transportation Improvement Program to include ODOT Public Transit Division Funding Allocation for 2005. Park

**11. CHIEF OPERATING OFFICER COMMUNICATION**

**12. COUNCILOR COMMUNICATION**

**ADJOURN**

Television schedule for January 20, 2005 Metro Council meeting

<p><b>Clackamas, Multnomah and Washington counties, and Vancouver, Wash.</b>          Channel 11 -- Community Access Network  <a href="http://www.yourtv.org">www.yourtv.org</a> -- (503) 629-8534          Thursday, January 20 at 2 p.m. (live)</p>	<p><b>Washington County</b>          Channel 30 -- TVTV  <a href="http://www.yourtv.org">www.yourtv.org</a> -- (503) 629-8534          Saturday, January 22 at 11 p.m.          Sunday, January 23 at 11 p.m.          Tuesday, January 25 at 6 a.m.          Wednesday, January 26 at 4 p.m.</p>
<p><b>Oregon City, Gladstone</b>          Channel 28 -- Willamette Falls Television  <a href="http://www.wftvaccess.com">www.wftvaccess.com</a> -- (503) 650-0275          Call or visit website for program times.</p>	<p><b>West Linn</b>          Channel 30 -- Willamette Falls Television  <a href="http://www.wftvaccess.com">www.wftvaccess.com</a> -- (503) 650-0275          Call or visit website for program times.</p>
<p><b>Portland</b>          Channel 30 (CityNet 30) -- Portland Community Media  <a href="http://www.pcatv.org">www.pcatv.org</a> -- (503) 288-1515          Sunday, January 23 at 8:30 p.m.          Monday, January 24 at 2 p.m.</p>	

**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](http://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).

**METRO**

**TO:** Andy Cotugno, Planning Director  
**FROM:** Lydia Neill, Principal Regional Planner  
**DATE:** January 8, 2005  
**SUBJECT:** Briefing on Results from the Greenfield/Brownfield Development Cost Study

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**ISSUE**

The Greenfield/Brownfield Development Cost Study was completed in December 2004. The purpose of the study was to evaluate and contrast the costs of industrial development on brownfield and greenfield sites. This memorandum provides a summary of the study and an opportunity to discuss policy issues that may arise from this research.

**BACKGROUND**

The impact of brownfields on the industrial land supply was considered in the Regional Industrial Land Supply Study that was completed in 1999. This study categorized the region's industrial land supply into four tiers of land based on how available the land was for development. Tier A land was ready for immediate development, Tier B land contained some constraints to development, Tier C contained land that was heavily parcelized (under 1 acre) and Tier D included redevelopable industrial sites and brownfields. This study did not quantify the magnitude of the costs for clean-up on individual brownfield sites or the likelihood that development would occur. However, the study contained an estimate of 622 acres of brownfield sites located in the region. This same classification system was used in the 2002 Employment Urban Growth Boundary (Employment UGR) to determine the supply of land available for industrial purposes. The Employment UGR also includes brownfield sites in Tier D land and assumes that all of these sites are available for development within the 20 year time period. The City of Portland has recently completed an Industrial District Atlas that identifies key industries, job densities and an estimate of the number of brownfield acres located in the City. This study estimates that there are over 1,100 acres of brownfield sites located within the City of Portland and this points to a need to provide an accurate brownfield inventory.

As part of an ongoing regional discussion on the availability, quality and cost of servicing industrial land, a consortium of public agencies (the Port of Portland, Portland Development Commission, Metro and the Portland Bureau of Planning) sponsored a Brownfield/Greenfield Development Cost Comparison Study. The study analyzed how the costs of new industrial development potentially differ on brownfield as compared to greenfield sites for high tech manufacturing, warehouse/distribution, general industrial and industrial park uses. In the context of this study a brownfield is defined as, "an abandoned, idle, or under-used industrial site where expansion or redevelopment is complicated by real or perceived environmental contamination."

**STUDY SUMMARY**

Sites were chosen for the study based on size, zoning/location, extent of contamination, adjacency to the urban growth boundary (UGB), level of existing infrastructure and their ability to accommodate the development types. While the overall inventory of brownfield sites in the region is significant, with over 1,100 acres of vacant land listed in just the City of Portland's Brownfield Site Inventory, the availability of large industrial brownfield sites (over 25 acres) in the region are limited. As a result two of the

development concepts were sited on one of the brownfield sites. Alternatively, greenfield sites ranged from 70 to 350 acres (only portions of each of the greenfield sites were used) and were selected from sites that were recently brought into the UGB.

**Industrial Use Case Studies:**

- *High Tech Manufacturing*- included high technology industries that are primarily related to manufacturing and processing.
- *Industrial Park*- included a series of larger individual buildings that typically contain uses like light industrial manufacturing, distribution or industrial services.
- *Warehouse / Distribution*- included industries primarily engaged in the warehousing, storage and distribution of goods.
- *General Manufacturing*- includes industries specializing in manufacturing processes. For this project, three single-user general manufacturing facilities are tested on each site.

**FINANCIAL ANALYSIS**

The quantifiable costs were classified into four major categories:

- *On-Site Construction Costs*: all building costs, on-site infrastructure site and parking costs.
- *System Development Charges and Credits*: system development charges and credits (SDC's) for sanitary sewer, water, storm drainage, street improvements and parks.
- *Off-Site Construction Costs*: costs to provide public utilities to the site, include sanitary sewer, water and storm services. Private utility (electric, natural gas, telecommunications) costs were assumed as part of the estimated street costs. Major utility upgrades, such as water reservoirs and treatment facility expansions were not included.<sup>1</sup>
- *Environmental Remediation Costs*: based on publicly available information and consultant team's experience. The estimated costs represent the minimum effort required to obtain a "No Further Action (NFA) letter" from the Oregon Department of Environmental Quality (DEQ). Environmental remediation costs can be divided into two categories: Hard Costs and Other Costs. Hard Costs include remediation costs; compliance with state and local stormwater regulations; ongoing operation and maintenance; and costs associated with the coordination and processing of the remediation plan with DEQ. Other Costs include soft costs for insurance, environmental studies, planning and legal expenses, figured at 20 percent of total hard costs. Of these soft costs, 20 percent is insurance, carrying cost interest, for the interest expense accrued during remediation and a risk premium of 0.5 percent of total development costs.<sup>2</sup>

**Pro forma Analysis**

Individual development concepts were evaluated, with a focus on determining the residual property value. The residual value represented the maximum value that the development concept yields for the property (land and improvements), and equates to the maximum price that a developer would be willing to pay for the property based on the study's assumptions. If the residual value is below the market value of the property, or what the owner perceives to be market value, then the development is not considered to be viable. In some cases in this analysis, the residual land value was negative, implying that the development program yields a property value of less than zero under the assumptions used (i.e., upside-down).

**Site Development Overviews and Development Value**

*(shown in the following chart – Calculated Residual Land Value)*

- *Industrial Park* – the brownfield site has a positive residual land value of \$0.63 per square foot. The greenfield site has a positive residual land value of \$1.33 per square foot.
- *General Manufacturing* – the brownfield site has a negative residual land value of (\$6.47) per square foot. The greenfield site has a positive residual land value of \$6.96 per square foot. The brownfield site would be considered "upside down" under these assumptions, with a value well below zero.

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<sup>1</sup> It is presumed that SDC fees would to finance construction of major public facility projects.

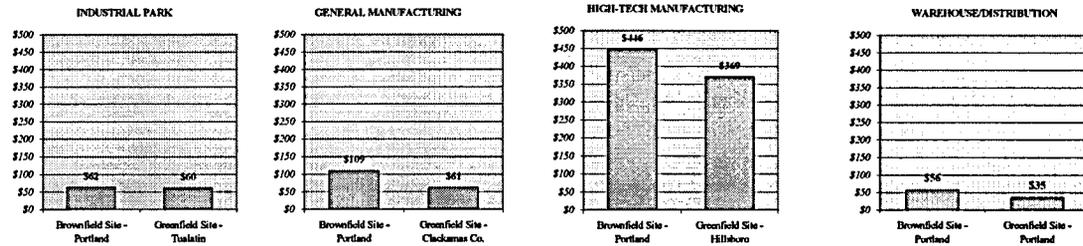
<sup>2</sup> Carrying cost interest is at 30 percent of the cost of equity and 8.50 percent for debt.

- *High Tech Manufacturing* – the brownfield site has an estimated negative residual land value of (\$7.80) per square foot. The brownfield site would be considered “upside-down” under these assumptions, with a value well below zero. In contrast, the greenfield site has a positive residual land value of \$6.42 per square foot.
- *Warehouse / Distribution* – the brownfield site has a negative residual land value of (\$0.85) per square foot, while the greenfield site has a positive residual land value of \$6.88 per square foot.

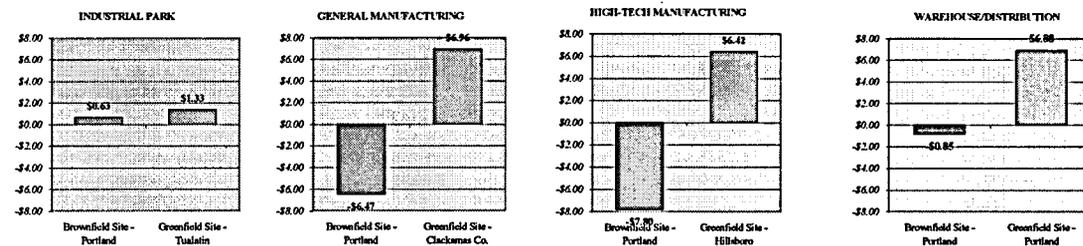
**SUMMARY OF SCENARIOS EVALUATED**

Site/Concept	Net Site Size/Acres	Building S.F.	Environmental Remediation 1/	Construction Cost		Calculated	SDCs		Infrastructure Costs	Total Cost/Less Land	
				Hard	Soft		Credits	Net		Total	PSF
<b>Industrial Park</b>											
Brownfield Site - Portland	45.50	630,000	\$8,748,887	\$23,086,500	\$4,617,300	\$1,846,243	(\$25,368)	\$1,820,875	\$558,000	\$38,831,562	\$61.64
Greenfield Site - Tualatin	44.50	630,000	\$0	\$25,050,000	\$5,010,000	\$1,713,209	\$0	\$1,713,209	\$5,739,167	\$37,512,376	\$59.54
<b>General Manufacturing</b>											
Brownfield Site - Portland	35.75	450,000	\$22,980,475	\$20,857,500	\$4,171,500	\$1,212,343	(\$249,062)	\$963,281	\$24,000	\$48,996,756	\$108.88
Greenfield Site - Clackamas Co.	37.95	450,000	\$0	\$21,000,000	\$4,200,000	\$868,675	\$0	\$868,675	\$1,347,000	\$27,415,675	\$60.92
<b>High-Tech Manufacturing</b>											
Brownfield Site - Portland	35.75	350,000	\$28,027,465	\$105,900,000	\$21,180,000	\$1,383,121	(\$249,062)	\$1,134,059	\$24,000	\$156,265,524	\$446.47
Greenfield Site - Hillsboro	53.20	350,000	\$0	\$105,000,000	\$21,000,000	\$1,782,663	\$0	\$1,782,663	\$1,452,500	\$129,235,163	\$369.24
<b>Warehouse/Distribution</b>											
Brownfield Site - Portland	37.90	400,000	\$7,821,799	\$11,154,000	\$2,230,800	\$715,907	(\$75,858)	\$640,049	\$735,000	\$22,581,648	\$56.45
Greenfield Site - Portland	23.85	400,000	\$0	\$10,840,000	\$2,168,000	\$730,069	\$0	\$730,069	\$290,500	\$14,028,569	\$35.07

**TOTAL DEVELOPMENT COST/LESS LAND**



**CALCULATED RESIDUAL LAND VALUES**



1/ Includes direct hard and soft costs associated with remediation, as well as additional carrying costs, developer risk premium and lender risk premium

**Key Financial Findings:**

The general findings of this study do not support the hypothesis that the costs associated with the remediation and redevelopment of brownfield sites are on par with the costs of new infrastructure to develop new greenfield sites; however, it would be unreasonable to draw any final conclusions based on the limited number of sites examined. A summary of the key findings are as follows:

- Under each of the scenarios, the greenfield site delivers the lowest development cost per square foot, as well as the highest residual land value.
- The differential is least in the Industrial Park scenarios; with the \$8.7 million cost of environmental remediation on the brownfield site partially offset by a \$3.0 million cut and fill requirement on the greenfield site resulting in a \$5.2 million differential in infrastructure costs.
- Infrastructure costs were substantially higher on three of the greenfield sites.
- The brownfield site used in the General and High-Tech Manufacturing scenarios has extremely high clean-up costs (\$11.1 million) and also results in higher insurance costs (\$1.9 million). As a result, the overall environmental remediation cost under these scenarios is estimated at \$22.0 million for the General Manufacturing program and \$28.0 million for the high-tech program. Higher remediation costs increase the risk premium.

## CONCLUSIONS

### *Site Development Costs*

Under each of the scenarios, the greenfield site delivers the lowest development cost per square foot, as well as the highest residual land value. And while infrastructure costs are generally higher on the greenfield sites, they do not exceed the remediation costs on brownfield sites, therefore resulting in an overall cost advantage for the greenfield sites.

Major off-site infrastructure and utility system upgrades are not required as a result of the development programs placed on greenfield sites. While these types of major system upgrades may, and often would, be required as part of large acreage expansions of the Urban Growth Boundary, this is not the case for these sites. Even though these larger system costs have not been internalized as development costs they still represent challenges and cost to the public at large.

**Table 1. Comparison of Brownfield Remediation Costs and Greenfield Infrastructure Costs**

Case Study Use	Brownfield Remediation Costs		Greenfield Infrastructure Costs		Overall Cost Differential	
	Total	Price/ Square Foot-Bldg.	Total	Price/ Square Foot-Bldg.	Total	Price/ Square Foot-Bldg.
Industrial Park	\$8,471,756	\$13.45	\$5,181,167	\$8.22	\$982,055	\$1.56
General Manufacturing	\$22,980,475	\$51.07	\$1,323,000	\$2.94	\$21,581,081	\$47.96
High-Tech Manufacturing	\$28,027,465	\$80.08	\$1,428,500	\$4.08	\$27,030,361	\$77.23
Warehouse/Distribution	\$7,821,799	\$19.55	\$444,500	\$1.11	\$8,553,079	\$21.38

### *Brownfield Remediation Costs*

Methodologically, the analysis in this study approaches the development scenarios from the perspective of a private sector developer doing a speculative development. This assumption limits the direct applicability of the findings to this type of development. Remediation by a public sector entity could substantially decrease costs.

### *No Two Sites Are the Same – The Difficulty of Generalizations*

Generalization is difficult because each site, whether brownfield or greenfield, has its own unique characteristics. Each has unique opportunities and challenges that affect costs and profitability in developing; e.g. the types of contamination, adjacency to a body of water, location relative to existing infrastructure and/or specialized infrastructure, size of the site, etc.

### *Public Sector Costs and Benefits*

The size of the case study sites are not sufficient to trigger public costs for larger system improvements that may be incurred when a 500 or 1,000 acre area develops. Individual sites, as opposed to entire industrial districts, pose insignificant marginal cost impacts. In the particular case of brownfields, a greater degree of existing public services investment already exists and may be underutilized.

Benefits to the public sector, particularly in terms of revenue enhancement, are substantially greater for brownfield redevelopment sites as compared to greenfield development because of the location of the sites selected. The revenue differential is largely due to the greater array of revenue streams within Multnomah County and the City of Portland where the brownfield sites are predominantly located compared to suburban jurisdictions. Both brownfield and greenfield sites generate state business tax revenue, local property tax revenue, state and local income tax revenue, utility tax revenues and achievement of economic development goals. Additional public benefits realized by the redevelopment of the brownfield sites include efficiencies realized through the utilization of existing infrastructure and the enhancement of surrounding property values.

Brownfield redevelopment poses the following public benefits not accrued by greenfield development:

- Increase local income tax revenues;
- Land conservation and environmental policy goals;
- Social benefits of contaminated site remediation and economic revitalization; and
- Enhancement of surrounding property values.

#### ***It is a Challenge to Keep Brownfield Sites Industrial***

There is pressure to convert brownfield sites to other uses (commercial or residential) to recover the costs of remediation. The remediation costs of bringing an “upside down” brownfield site “right side up” often cannot be recovered when the site can be developed for industrial land values. Industrial land values in the Portland metropolitan area tend to range from \$3.50 to \$6.50 per square foot, the lowest value of any major land use. In contrast, office and residential land ranges from \$7.50 to \$10.00 per square foot, while commercially-zoned land is valued at significantly higher levels.

#### ***It's “Easier” to Develop Greenfield Sites***

Brownfield sites come with stigmas. For many developers, the unknowns and the difficulties of developing a brownfield site are too great. It is perceived that suburban greenfield sites are faster and less constrained than urban brownfields. Issues of liability, cost and risk are all part of this challenge for developers and industrial site selectors. This dilemma can make it difficult for brownfield sites to get full exposure in the market and for these sites to be fully considered for redevelopment. Most difficult brownfield redevelopment sites require specialized developers who have extensive knowledge regarding these types of sites.

#### ***Study Limitations***

The case study approach used assumes each site is being developed for speculative development rather than an owner build to suit development that may affect the overall costs and specifically the risk premium. The study used a risk premium that was tied to total costs which unrealistically results in uses towards the lower end of the dollar per square foot cost range as being more favorable. This is counter-intuitive and does not reflect real market behavior. The study shows that the model developed can be replicated with other uses on different sites although the limited number of case studies examined may not necessarily be representative of the total supply of industrial land. While the study found that it was more costly to remediate a brownfield site, than provide infrastructure to a greenfield site the results should serve as a construct for future studies that may explore conversion of these types of sites to other uses and to stimulate policy discussion on approaches to bridge regulatory and funding gaps.

#### **POSSIBLE ROLES FOR THE PUBLIC SECTOR**

- ***Risk Reduction:*** First, the data provided in this study shows clearly that the cost of high risk capital to conduct site analysis and clean-up is a significant factor. The rate of return required by equity investors and the lack of available debt capital are factors to which many states and municipalities have turned their attention. The creation of state revolving loan funds, tax-free bonds, private debt funds and participating grant money are all mechanisms that are being used to reduce the cost of capital. One of the major issues associated with brownfield sites is the uncertainty created by unknown liability (“inflated risk assumptions”). Environmental insurance is a way to mitigate this risk. The cost and quality of environmental insurance is not only a direct cost factor but also an indirect cost. Comprehensive environmental insurance policies for these projects eliminate or lessen reduction in residual land value associated with stigma (the risk factor). Several states have created pooled, state-subsidized environmental insurance to write down the cost of reducing the uncertainty with these projects. These programs reduce the direct cost of insurance policies and can provide a broader coverage and longer terms than typically available for individual projects.
- ***Site Characterization Assistance:*** Another potential area for public involvement is in site characterization. The cost for preliminary, investigative studies to characterize contamination

conditions at a site are not only a significant project expense, but frequently become an entry barrier. Few private entities are willing to make a substantial investment to characterize a site that may or may not turn out to be suitable for redevelopment due to contamination costs. Direct subsidy of characterization costs will create an expanded market of brownfield sites. State and municipal brownfield initiatives can provide forgivable loans for characterization. If the investigative results support development then the loan is repayable; if not then the loan becomes a forgivable grant.

#### **FOLLOW-UP ISSUES FOR DISCUSSION**

- Create a standardized mapping and database inventory of brownfield sites to fully understand the magnitude and geographic location of the problem.
- Results may change if conversion to other uses were modeled. A follow-up study could examine conversion to commercial or residential uses in appropriate areas.
- Public intervention is most likely needed to turn a site from an upside down to a right side up position. Intervention by a government entity may be less expensive than forcing the private market to undertake this task. Public entities may also have access to funds that private developers do not. Consider exploring funding at the State or Federal level to develop a region-wide fund to address this problem.
- Discuss the overall public benefits to local communities and the region as a whole where and how should resources be applied.
- Consider changing the methodology used in the Employment UGR to remove some brownfield sites from the supply and adjust the number of acres that are classified as Tier D lands when a more accurate inventory has been completed.
- Pursue regulatory solutions to impediments dealing with property liability and remediation process management. Although not directly addressed in the study, anecdotal evidence from property developer discussions suggests that addressing these two challenges would greatly facilitate industrial brownfield redevelopment.

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Agenda Item Number 8.1

Consideration of Minutes of the January 13, 2005 Regular Council meeting.

Metro Council Meeting  
Thursday, January 20, 2005  
Metro Council Chamber

**Resolution No. 05-3535, For the Purpose of Confirming the Re-appointment of Sheryl Manning to Complete her original four-year term appointment with the Metropolitan Exposition-Recreation Commission..**

*Consent Agenda*

Metro Council Meeting  
Thursday, January 20, 2005  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE RE- ) RESOLUTION NO. 05-3535  
APPOINTMENT OF SHERYL MANNING TO )  
COMPLETE HER ORIGINAL FOUR-YEAR TERM )  
APPOINTMENT WITH THE METROPOLITAN ) Introduced by Council President David  
EXPOSITION-RECREATION COMMISSION ) Bragdon

WHEREAS, the Metro Code, Section 6.01.030, provides that the Council confirms members to the Metropolitan Exposition-Recreation Commission; and

WHEREAS, Metro Ordinance No. 01-0888B provides for four year terms beginning January 1, 2002; and

WHEREAS, Metro Resolution No. 01-3130 appointed Sheryl Manning as a member of the Metropolitan Exposition-Recreation Commission for a four-year term beginning January 1, 2002; and

WHEREAS, Manning resigned from the Metropolitan Exposition-Recreation Commission in order to serve as the Commission's Interim General Manager from October 11, 2004 through January 31, 2005; and

WHEREAS, the Council President has re-appointed Sheryl Manning to serve as a member of the Metropolitan Exposition-Recreation Commission for the remainder of her original four-year term effective February 1, 2005; and

WHEREAS, the Council finds that Sheryl Manning has the experience and expertise to make a substantial contribution to the critical work ahead before the Metropolitan Exposition-Recreation Commission; now, therefore,

BE IT RESOLVED that the Metro Council hereby confirms Sheryl Manning for re-appointment to her original four-year term as a member of the Metropolitan Exposition-Recreation Commission effective February 1, 2005.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_ 2005.

\_\_\_\_\_  
David Bragdon, Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

Agenda Item Number 8.3

**Resolution No. 05-3537, For the Purpose of Confirming the Appointment of  
Councilors Carl Hosticka and Robert Liberty as liaison Councilors  
to the Ballot Measure 37 Work Group.**

*Consent Agenda*

Metro Council Meeting  
Thursday, January 20, 2005  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE ) RESOLUTION NO. 05-3537  
APPOINTMENT OF COUNCILORS CARL )  
HOSTICKA AND ROBERT LIBERTY AS )  
LIAISON COUNCILORS TO THE BALLOT ) Introduced by Council President David  
MEASURE 37 WORK GROUP ) Bragdon

WHEREAS, the Metro Council approved Resolution No. 04-3520 on December 16, 2004 (For the Purpose of Directing the Chief Operating Officer to Formulate Regional Policy Options Relating to Ballot Measure 37);

WHEREAS, Resolution No. 04-3520 directed the Chief Operating Officer to convene a Ballot Measure 37 Work Group; and

WHEREAS, the Metro Council President has appointed Councilors Carl Hosticka and Robert Liberty as liaison Councilors to the Ballot Measure 37 Work Group subject to Metro Council confirmation; now therefore

BE IT RESOLVED that the Metro Council confirms the appointment of Councilors Carl Hosticka and Robert Liberty as liaison Councilors to the Ballot Measure 37 Work Group created pursuant to Resolution No. 04-3520.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
David Bragdon, Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

Agenda Item Number 9.1

**Ordinance No. 05-1069, For the Purpose of Authorizing the FY 2004-05 Budget and Appropriations schedule, transferring \$18,000 from Support Services Fund Contingency to Capital Outlay in the Property Services Division of the Finance and Administrative Services Department, Amending the FY 2004-05 through 2008-09 Capital Improvement Plan for the Purchase of a copier; and Declaring an Emergency.**

***Second Reading***

Metro Council Meeting  
Thursday, January 20, 2005  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY )  
2004-05 BUDGET AND APPROPRIATIONS )  
SCHEDULE, TRANSFERING \$18,000 FROM )  
THE SUPPORT SERVICES FUND )  
CONTINGENCY TO CAPITAL OUTLAY IN )  
THE PROPERTY SERVICES DIVISION OF THE )  
FINANCE AND ADMINISTRATIVE SERVICES )  
DEPARTMENT, AMENDING THE FY 2004-05 )  
THROUGH FY 2008-09 CAPITAL )  
IMPROVEMENT PLAN FOR THE PURCHASE )  
OF A COPIER; AND DECLARING AN )  
EMERGENCY )

ORDINANCE NO. 05-1069

Introduced by Mike Jordan, Chief Operating  
Officer, with the concurrence of the Council  
President

WHEREAS, the Metro Council has reviewed and considered the need to transfer appropriations within the FY 2004-05 Budget; and

WHEREAS, Oregon Budget Law ORS 294.450(1) provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction; and

WHEREAS, the need for the transfer of appropriation has been justified; and

WHEREAS, adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2004-05 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of purpose of transferring \$18,000 from the Metro's Support Service Fund Contingency to Capital Outlay in the Property Services division of the Finance & Administrative Services department.
2. That the FY 2004-05 through FY 2008-09 Capital Improvement Plan is hereby amended to include the projects shown in Exhibit C to this Ordinance.
3. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
David Bragdon, Council President

Attest:

Approved as to Form:

\_\_\_\_\_  
Christina Billington, Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

Exhibit A  
Ordinance No. 05-1069

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>Support Services Fund - Finance &amp; Administrative Services (Property Services)</b>							
<b>Total Personal Services</b>		<b>3.85</b>	<b>\$236,307</b>	<b>0.00</b>	<b>\$0</b>	<b>3.85</b>	<b>\$236,307</b>
<b>Total Materials &amp; Services</b>			<b>\$269,480</b>		<b>\$0</b>		<b>\$269,480</b>
<b><i>Capital Outlay</i></b>							
<i>CAPNOI Capital Outlay (Non-CIP Projects)</i>							
5740	Equipment & Vehicles (non-CIP)		0		0		0
5750	Office Furn & Equip (non-CIP)		0		0		0
<i>CAPCIP Capital Outlay (CIP Projects)</i>							
5755	Office Furniture & Equip (CIP)		36,000		18,000		54,000
<b>Total Capital Outlay</b>			<b>\$36,000</b>		<b>\$18,000</b>		<b>\$54,000</b>
<b>TOTAL REQUIREMENTS</b>		<b>3.85</b>	<b>\$541,787</b>	<b>0.00</b>	<b>\$18,000</b>	<b>3.85</b>	<b>\$559,787</b>
<b>Support Services Fund - General Expenses</b>							
<b>Total Interfund Transfers</b>			<b>\$705,540</b>		<b>0</b>		<b>\$705,540</b>
<b><i>Contingency and Ending Balance</i></b>							
<i>CONT Contingency</i>							
5999	Contingency						
	* General contingency		356,241		(18,000)		338,241
	* Prior Year PERS Reserve		330,873		0		330,873
	* Current Year PERS Reserve		356,760		0		356,760
	* Contractor's License		8,387		0		8,387
<i>UNAPP Unappropriated Fund Balance</i>							
5990	Unappropriated Fund Balance						
	* IT Renewal & Replacement Reserve		239,500		0		239,500
<b>Total Contingency and Ending Balance</b>			<b>\$1,291,761</b>		<b>(18,000)</b>		<b>\$1,273,761</b>

**Exhibit B**  
**Ordinance No. 05-1069**  
**FY 2004-05 SCHEDULE OF APPROPRIATIONS**

	<u>Current Appropriation</u>	<u>Revision</u>	<u>Amended Appropriation</u>
<b>SUPPORT SERVICES FUND</b>			
Human Resources			
Operating Expenses (PS & M&S)	\$1,077,057	\$0	\$1,077,057
Subtotal	1,077,057	0	1,077,057
Finance & Administrative Services			
Operating Expenses (PS & M&S)	5,628,184	0	5,628,184
Capital Outlay	180,000	18,000	198,000
Subtotal	5,808,184	18,000	5,826,184
Public Affairs - Creative Services			
Operating Expenses (PS & M&S)	541,122	0	541,122
Subtotal	541,122	0	541,122
Office of the Auditor			
Operating Expenses (PS & M&S)	645,956	0	645,956
Subtotal	645,956	0	645,956
Office of Metro Attorney			
Operating Expenses (PS & M&S)	1,083,292	0	1,083,292
Subtotal	1,083,292	0	1,083,292
General Expenses			
Interfund Transfers	705,540	0	705,540
Contingency	1,052,261	(18,000)	1,034,261
Subtotal	1,757,801	(18,000)	1,739,801
Unappropriated Balance	239,500	0	239,500
<b>Total Fund Requirements</b>	<b>\$11,152,912</b>	<b>\$0</b>	<b>\$11,152,912</b>

*All Other Appropriations Remain as Previously Adopted*

## Capital Project Request - Project Detail

**Project Title:**  **Fund:**   
**Project Status:**  **Funding Status:**  **FY First Authorized:**  **Department:**   
**Project Number:**  **Active:**  **Dept. Priority:**  **Facility:**  **Division:**   
**Source Of Estimate:**  **Source:**  **Start Date:**  **Date:**   
**Type of Project:**  **Request Type:**  **Completion Date:**  **Prepared By:**

Project Estimates	Actual	Budget/Est	Prior						
Capital Cost:	Expend	2003-2004	Years	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	Total
Equipment/Furnishings	\$0	\$0	\$0	\$54,000	\$18,000	\$36,000	\$36,000	\$36,000	\$180,000
<b>Total:</b>	\$0	\$0	\$0	\$54,000	\$18,000	\$36,000	\$36,000	\$36,000	\$180,000
<b>Funding Source:</b>									
Other - Cost Allocation Plan	\$0	\$0	\$0	\$54,000	\$18,000	\$36,000	\$36,000	\$36,000	\$180,000
<b>Total:</b>	\$0	\$0	\$0	\$54,000	\$18,000	\$36,000	\$36,000	\$36,000	\$180,000

**Annual Operating Budget Impact:**

**Project Description / Justification:**  **Estimated Useful Life (yrs)**  **First Full Fiscal Year of Operation:**

Ongoing replacement of copy machines in Metro Regional Center - As the machines are replaced due to age and usage, the copy center is replacing them with digital networked devices that copy, print, fax, and scan. By the introduction of the new technology we are able to save money on the cost of printing, copying and faxing. This type of equipment will eventually replace almost all of the small, high cost computer printers being used. These machines print at a cost of approximately three cents per page versus eleven cents per page with the laser printers found in most departments throughout Metro. Since the cost of the printing with the old printers is being carried by each department in their operating budget for office supplies, the savings will be directly reflected in their departments. While scheduled to replace two copiers each year (at \$18k/each) a third copier was purchased in '04-'05, via amendment, due to a replacement need in the Planning department. Due to this amendment, only one copier is needed in '05-'06 to stay on schedule.

## STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 05-1069, FOR THE PURPOSE OF AMENDING THE FY 2004-05 BUDGET AND APPROPRIATIONS SCHEDULE, TRANSFERRING \$18,000 FROM THE SUPPORT SERVICES FUND CONTINGENCY TO CAPITAL OUTLAY IN THE PROPERTY SERVICES DIVISION OF THE FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT, AMENDING THE FY 2004-05 THROUGH FY 2008-09 CAPITAL IMPROVEMENT PLAN FOR THE PURCHASE OF A COPIER; AND DECLARING AN EMERGENCY

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Date: January 13 2005

Prepared by: Brad Stevens and David Biedermann

## BACKGROUND

As the older copiers are retired due to age and usage, the Property Services division replaces them with digital networked devices that copy, print, fax and scan. This type of equipment will eventually replace almost all the small, high cost computer printers being used throughout Metro, as well as many of the fax machines. These machines print at a cost of approximately three cents per page versus eleven cents per page with standard laser printers found in most departments.

Currently, these satellite copiers are replaced at a rate of two per year. The two copiers included in the FY 2004-05 budget have already been purchased and installed. One of the units scheduled for replacement in FY 2005-06 is in the Planning department. In addition to replacing a satellite copier, this unit will replace one of the large laser printers in the department. The laser printer it will replace is currently at the end of its useful life and is no longer functioning correctly. Replacing this copier one year early prevents the Planning department from having to purchase a laser printer to use in the interim.

## ANALYSIS/INFORMATION

1. **Known Opposition** None known
2. **Legal Antecedents.** ORS 294.450(1) provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction.
3. **Anticipated Effects** This action would allow the Property Services division to purchase a new network satellite copier one year early.
4. **Budget Impacts** This action would reduce contingency in the Support Services fund by \$18,000, with a corresponding increase in capital outlay. Detailed information on the budget impacts of this amendment can be found in Exhibits A and B of the ordinance.

## RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of this Ordinance.

Agenda Item Number 10.1

**Resolution No. 05-3523, For the Purpose of Amending the 2004-07 Metropolitan Transportation Improvement Program to include Oregon Department of Transportation (ODOT) Public Transit Division Funding Allocation for 2005.**

Metro Council Meeting  
Thursday, January 20, 2005  
Metro Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE 2004- ) RESOLUTION NO. 05-3523  
07 METROPOLITAN TRANSPORTATION )  
IMPROVEMENT PROGRAM TO INCLUDE ) Introduced by Councilor Rod Park  
ODOT PUBLIC TRANSIT DIVISION FUNDING )  
ALLOCATIONS FOR 2005. )

WHEREAS, projects selected to receive federal transportation funding must be included in the Portland Metro area Metropolitan Transportation Improvement Program (MTIP), which reports on the programming of all federal transportation funds to be spent in the region, and

WHEREAS, the Federal Transit Administration (FTA) requires all federally funded transit projects located within the Metro boundary be listed in the MTIP, and

WHEREAS, FTA recently requested all statewide allocations of transit capital projects located within MPO boundaries be recognized as individual projects in an MTIP, these projects were previously "bucketed" in the State Transportation Improvement Program (STIP), and

WHEREAS, the Oregon Department of Transportation (ODOT) Public Transit Division in Salem conducts a biennial statewide competitive process to disburse discretionary grant program funds to transportation providers and transit districts, and

WHEREAS, the funding for ODOT's discretionary grant program come through the Surface Transportation Program (STP) and are transferred to FTA Grant Sections 5310 and 5307, and

WHEREAS, preventative maintenance, the purchase of vehicles and contracted services for seniors and people with disabilities are all eligible transit capital expenses under this program, and

WHEREAS, TriMet, the City of Wilsonville (SMART), and Ride Connection were awarded projects by ODOT's Public Transit Division for federal fiscal year 2005, and

WHEREAS, these projects are consistent with Metro's Regional Transportation Plan, and

WHEREAS, these projects are determined to be exempt from findings of compliance with the Oregon state implementation plan for air quality or have already been found in compliance and the funding of these projects as defined in the federal appropriation are consistent with the time frame of the air quality analysis; now therefore

BE IT RESOLVED that the Metro Council amends the 2004-07 Metropolitan Transportation Improvement Program to include funding for the following projects in federal fiscal year 2005:

- \$ 583,245 TriMet - Replace 2 Large Buses (FTA Section 5307)
- \$4,536,526 TriMet - Maintain Lift Fleet & Lift Purchased Services (FTA Section 5310)
- \$ 314,056 SMART - Replace 2 Large Buses (FTA Section 5307)
- \$ 475,168 SMART - Preventive Maintenance, Replace 5 Vehicles, Bus Shelter & Purchased Services (FTA Section 5310)
- \$1,100,165 Ride Connection, Inc. - Computer Software, Replace 8 Vehicles, Purchase 7 Vehicles & Portland Impact Service (FTA Section 5310)

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

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David Bragdon, Council President

Approved as to Form:

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Daniel B. Cooper, Metro Attorney

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 05-3523, FOR THE PURPOSE OF AMENDING THE 2004-07 METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM TO INCLUDE ODOT PUBLIC TRANSIT DIVISION FUNDING ALLOCATIONS FOR 2005.

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Date: December 8, 2004

Prepared by: Ted Leybold

## BACKGROUND

The Metropolitan Transportation Improvement Program (MTIP) is a report that summarizes all programming of federal transportation funding in the Metro area and demonstrates that the use of these funds will comply with all relevant federal laws and administrative rules. To qualify to receive federal transportation funds, projects must be approved in the MTIP. The MTIP is updated every two years and amended as necessary to reflect current programming of federal transportation funds.

Every two years, the Oregon Department of Transportation (ODOT) Public Transit Division conducts a statewide competitive process to disburse discretionary capital grant funds to transportation providers and transit districts. The funding for this program comes through the Surface Transportation Program (STP) and gets transferred to the Federal Transit Administration (FTA) as Section 5307 and Section 5310. These funds are available to purchase capital items such as preventive maintenance, purchased services, as well as buses and vans.

Application packets are disbursed by ODOT to all known transportation providers and transit districts in the state of Oregon. Completed applications are reviewed and ranked by local governing bodies' transportation advisory committees. Applications are then forwarded to ODOT Public Transit Division where staff perform an eligibility review. Following staff review, a state committee made up of Public Transportation Advisory Committee (PTAC) members and chaired by an OTC commissioner reviews the recommended projects. The project list is distributed to all Metropolitan Planning Organizations (MPOs), Area Commissions on Transportation (ACTs) and governing bodies for comment. The final list of recommended projects is then presented to the Oregon Transportation Commission (OTC) for approval.

FTA requires all federally funded projects be included in the MTIP and STIP. Traditionally, ODOT's Public Transit Division has "bucketed" all discretionary funds in the state portion of the STIP. FTA has recently requested all of these transit projects located within an MPO boundary be broken out of the bucket and listed individually in an MTIP and the STIP.

Therefore, these transit capital projects need to be amended into the current MTIP to make the projects eligible to receive the funds.

Following are the transit capital projects located within the Metro region that need to be amended into the 2004-07 MTIP:

- \$ 583,245 TriMet - Replace 2 Large Buses (FTA Section 5307)
- \$4,536,526 TriMet – Maintain Lift Fleet & Lift Purchased Services (FTA Section 5310)
- \$ 314,056 SMART - Replace 2 Large Buses (FTA Section 5307)

- \$ 475,168 SMART – Preventive Maintenance, Replace 5 Vehicles, Bus Shelter & Purchased Services (FTA Section 5310)
- \$1,100,165 Ride Connection, Inc. – Computer Software, Replace 8 Vehicles, Purchase 7 Vehicles & Portland Impact Service (FTA Section 5310)

These projects have already been determined in compliance or are exempt from a determination of conformity with the Oregon State Implementation Plan for air quality.

#### **ANALYSIS/INFORMATION**

1. **Known Opposition** None known at this time.
2. **Legal Antecedents** Action would amend the 2004-07 Metropolitan Transportation Improvement Program, adopted by Metro Resolution No. 03-3381 (FOR THE PURPOSE OF APROVING THE 2004-07 METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM FOR THE PORTLAND METROPOLITAN AREA). This resolution programs transportation funds in accordance with the federal transportation authorizing legislation (currently known as the Transportation Equity Act for the 21<sup>st</sup> Century or TEA-21) and the federal Clean Air Act. This resolution is consistent with the Metro 2004 Regional Transportation Plan.
3. **Anticipated Effects** Adoption of this resolution is a necessary step to make these projects eligible to receive federal funds to reimburse project costs.
4. **Budget Impacts** Adoption of this resolution has no anticipated impacts to the Metro budget.

#### **RECOMMENDED ACTION**

Approve Resolution No. 05-3523 to amend the 2004-07 Metropolitan Transportation Improvement Program as recommended.



**METRO**

**TO:** Council President David Bragdon, Councilor Rex Burkholder, Bi-State Coordination Committee Chair  
**FROM:** *AC* Andy Cotugno, Planning Director  
**DATE:** January 12, 2005  
**SUBJECT:** Bi-State Coordination Committee - Annual Report

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The Bi-State Coordination Committee Bylaws call for the submission of an Annual Report to JPAC and the RTC to highlight the Committee's major accomplishments and progress over the last year. Accordingly, a Bi-State Coordination Committee 2004 Annual Report has been prepared.

This coming year will likely include major decisions about several issues of Bi-State significance, including land use and transportation issues relating to the I-5 corridor on both sides of the Columbia River. Accordingly, Councilor Burkholder has asked that the 2004 Annual Report be provided to the Metro Council and that an opportunity be given for the Metro Council to discuss the coming Bi-State challenges and opportunities.

Thank you.

cc: Dean Lookingbill, RTC

**Bi-State Coordination Committee**  
**2004 Annual Report**  
**Summary**

During 2004, the Bi-State Coordination Committee accomplished the following:

- Transitioned from the Bi-State Transportation Committee to the Bi-State Coordination Committee. This change was approved through consideration of a Bi-State Coordination Committee Charter by member agencies including the cities of Vancouver, Washington and Portland, Oregon, Clark County Washington and Multnomah County Oregon, the Port of Vancouver, the Port of Portland, the Oregon Transportation Commission and the Washington State Department of Transportation, CTRAN and TriMet. This change marked a wider portfolio for the committee that includes land use as well as transportation issues of bi-state significance as well as economic development and environmental justice issues of bi-state significance as they may relate to land use or transportation.
- Approved Bi-State Coordination Committee by-laws;
- Elected Metro Council Rex Burkholder, Chair, Clark County Commissioner Craig Pridemore, Vice-Chair
- Coordinated Bi-State review of the I-5/Delta Park/Lombard Project;
- Reviewed and discussed and made recommendations concerning:
  - Federal funding reauthorization;
  - I-5 Columbia River Crossing;
  - WSDOT Congestion Relief Project;
  - freight rail update and ORULE coordination;
  - CTRAN 20 Year Strategic Plan;
  - Cascade Station Comprehensive Plan Amendment;

## **January**

During the January reporting period, further progress was made on local adoption of the Bi-State Coordination Committee Charter. The City of Portland and Multnomah and Clark counties approved the Charter in January, as did the Oregon Transportation Commission and the Washington State Department of Transportation.

On January 22, 2003 the Bi-State Transportation Committee met. The agenda included discussion and consideration of Federal transportation funding reauthorization, further discussion of the WSDOT Congestion Relief Study and the I-5 Transportation and Trade Partnership Study Process. The discussion of the Federal funding issue led to a Committee consensus that the "mega-project" approach should be pursued and that the I-5 Corridor was a project that should be advanced. The discussion of the I-5 Transportation and Trade Partnership Study was concerned with how ODOT and WSDOT would conduct the work, and members voiced their strong interest in having the Bi-State Committee serve as a forum for vetting the process and project approach as well as other policy decisions.

## **February**

During the February reporting period, further progress was made on local adoption of the Bi-State Coordination Committee Charter. The TriMet Board approved the charter, leaving only the Port of Portland and the City of Vancouver to consider the Charter.

The February 26, 2004 Bi-State Transportation Committee was cancelled in order to provide additional time to develop materials concerning the I-5 Transportation and Trade partnership and to review draft bylaws for the new Bi-State Coordination Committee

## **March**

The March 25, 2004 Bi-State Transportation Committee was organized to include the following items: 1) an update on the implementation of the I-5 Transportation and Trade Partnership Strategic Plan and discussion of the decision-making process to be used with the upcoming work on an Alternatives Analysis and environmental impact statement leading to new transportation investments in the corridor; 2) and update on the I-5 Delta Park to Lombard Project; 3) a presentation of the CTRAN 20 year Strategic Plan and upcoming decisions about alternatives; and 4) transition from a Bi-State Transportation Committee to a Bi-State Coordination Committee including bylaws.

## **April**

The April 22, 2004 Bi-State Transportation Committee was held and the following agenda items were included: 1) an update on the I-5 Delta Park to Lombard Project, 2) Bi-State role in the I-5 Columbia River Crossing Project and 3)

consideration of Bi-State Coordination Committee By-Laws and initiation of the Bi-State Coordination Committee.

For the I-5/Delta Park-Lombard update, materials were distributed that included matrices that compared a No-Build alternative with various build alternatives. Staff recommendations included assessments that while adding a lane would result in some reductions in congestion, at least in the short term, such an addition would not provide long-term relief. Staff suggested that improvements in this segment should be thought of as only a portion of other investments which would need to be coordinated with I-5 Delta Park/Lombard improvements. Completion of the environmental analysis was estimated to begin fall 2005.

The April meeting also included a recommendation to the Washington State Transportation Commission and the Oregon Transportation Commission concerning the role of the Bi-State Coordination Committee in the I-5 Columbia River Crossing Project. Discussion of a staff proposal and draft communication and decision making process chart was concluded with the Bi-State Committee approving a motion that a letter should be sent from the Committee that articulated Committee interest in serving as a coordinating body, recognizing that there was a need to have business and citizen representation in formulating recommendations about this project and that interests from an area greater than the bi-state area should also be included.

The final April meeting agenda item was the transition from the Bi-State Transportation Committee to the Bi-State Coordination Committee. This change reflected the approval by member agencies of the Bi-State Charter that added coordination of land use issues of bi-state significance to the charge of making recommendations on transportation issues of bi-state significance.

Revised draft bylaws for the Bi-State Coordination Committee reflecting comments and questions raised in the March meeting were also reviewed and approved by unanimous voice vote of the Committee.

The Committee then took action on selecting officers. Metro Council Rex Burkholder was elected chairman of the new Bi-State Coordination Committee and Clark County Commissioner Craig Pridemore was elected Vice-Chairman. These actions resulted in the dissolving of the Bi-State Transportation Committee and the creation of the Bi-State Coordination Committee. The first meeting of the Bi-State Coordination Committee was scheduled for May 27.

## **May**

Following up on the April 22, 2004 Bi-State Committee meeting, staff prepared a letter that stated the Bi-State Coordination Committee interest in serving as the coordinating body for local jurisdictions on both sides of the Columbia River concerning the I-5/Columbia River Crossing project, recognizing that there was a need to have business and citizen representation in formulating

recommendations about this project and that interests from an area greater than the bi-state area also may be included.

The May 27 Bi-State Coordination Committee agenda, included discussion of Committee goals, a Washington State Congestion Relief update and a presentation about freight rail and bi-state efforts could be coordinated with work being done by the Oregon Rail Users League (ORULE) .

### **June**

Following up on the May 27, 2004 Bi-State Committee meeting and discussion of Committee goals, staff worked with the Chair and Vice-Chair to develop the next steps. In addition, work continued to pursue the Bi-State Coordination Committee stated interest in serving as the coordinating body for local jurisdictions on both sides of the Columbia River concerning the I-5/Columbia River Crossing project. The June 24 Bi-State Coordination meeting was cancelled.

### **July**

As the summer progressed, one of the most important issues with regard to the Bi-State Coordination Committee became the upcoming I-5/Columbia River Crossing Project. The Project is intended to take the next steps, as outlined in the I-5 Transportation and Trade Partnership Strategic Plan, including the completion of an environmental impact statement for the river crossing. As the Project spans two states, the Project is being lead on the state level by ODOT and WSDOT. The Bi-State Coordination Committee continued to express its keen interest in coordinating the MPO and local government review and comment for this Project and working with the states. A proposal and draft review and organization chart was prepared by the Bi-State Coordination Committee and presented by Chair Burkholder to the two transportation commissions in joint session.

As additional time was needed for the transportation departments to discuss alternative organization proposals, the July 22 Bi-State meeting was rescheduled for August 10. This provided time for the transportation department proposal to be reviewed and commented on by the Bi-State and to be forwarded in a timely manner to the joint meeting of the transportation commissions in early September.

### **August**

At the August 10 special meeting, ODOT and WSDOT presented a draft proposal to the Bi-State Coordination Committee. The proposal, later presented to a joint meeting of the Oregon Transportation Commission and the Washington State Transportation Commission on September 2, recommended that a I-5 Columbia River Crossing Task Force be formed that would have co-chairs from the business community appointed by the transportation commissions and membership representing public agencies, trucking, neighborhoods, businesses,

community organizations, statewide organizations and environmental organizations serving on the Task Force. The Task Force would meet quarterly during a multi-year period and would respond to and advise the Joint Project Team on technical data leading to an Environmental Impact Statement (EIS) and provide advice to the Joint Commission Subcommittee throughout the EIS process until the issuance of the Record of Decision. There was substantial concern about the proposal voiced by Bi-State Committee members concerning how the Task Force would coordinate with the metropolitan planning organizations (the Regional Transportation Council of Southwest Washington and JPACT and Metro) as well as apprehension about the Task Force providing technical advice, not policy recommendations. The Chair proposed that the proposal be revised to include the Bi-State Coordination Committee and that the Task Force be chartered to provide policy recommendations. .

Kate Dean, ODOT, provided an update about the I-5/Delta Park to Lombard Project, noting that there were four alternatives that would be going into the next phase of the project - Denver Connection - South Side; Denver Connection - North Side; Full Columbia Ramp and a citizen generated alternative - Columbia Connector.

Further, the Bi-State heard a briefing about ORULE, the Oregon Rail Users League, and had a short discussion about how the I-5 Trade and Transportation Partnership Strategic Plan's recommendation for a Rail Forum may be advanced by coordination with the ORULE.

### **September**

The Bi-State Coordination Committee Chair, Rex Burkholder presented a proposal for Bi-State role in the upcoming I-5/Columbia River Crossing Project to the joint meeting of the Oregon Transportation Commission and the Washington State Transportation Commission on September 2. The I-5/Columbia River Crossing Project, as outlined in the I-5 Transportation and Trade Partnership Strategic Plan, will include the completion of an environmental impact statement so that transportation improvements across the River can be built. Based on the commission's discussion and the Bi-State proposal, changes were made in the project review body, called the Columbia River Crossing Task Force, which explicitly includes the full membership of the Bi-State Coordination Committee.

The September 23 Bi-State Coordination Committee included a presentation of the findings of the Washington State DOT's Congestion Relief Study and an update and discussion of the I-5/Columbia River Crossing Project. The meeting was immediately followed by a special meeting with Jenna Dorn, FTA Administrator on transportation progress made in the region and plans for additional improvements in the future.

**October**

The October 28, 2004 Bi-State Coordination Committee meeting was cancelled and a special meeting was proposed for December 2. A proposal has been made to WSDOT and ODOT to invite the Co-Chairs of the I-5 Crossing Task Force to the December 2 Bi-State Coordination Meeting in order to acquaint the Co-Chairs with the Coordination Committee and to discuss local hopes and concerns with regard to the I-5 Crossing. In addition, initial, informal discussions have been held concerning methods of better coordinating between southwest Washington and the Metro region.

**November**

Because of scheduling conflicts with Thanksgiving and Christmas holidays and the regular Bi-State meeting on the fourth Thursday of the month, the November meeting was cancelled and a special meeting was scheduled for December 2.

**December**

A special Bi-State Coordination Committee meeting was held December 2. An update on the I-5 Columbia River Crossing was given by Rob DeGraff, Project Co-Director, providing information about the technical reports being completed to prepare for project scoping and notice of intent. Mr. DeGraff talked about several technical issues being studied including tolling of the interstate bridge. In addition, other agenda items included: a view of the 4 alternatives of the Delta Park/Lombard Project; a discussion of bi-state transit service given CTRAN ballot results, a review of the Airport Way Cascade Station Plan (proposed land use and transportation amendments adjacent to I-205) and discussion of next year's meeting schedule. Recommendations were made for further coordination with the Port of Portland and ODOT concerning the Cascade Station amendments to the City of Portland Comprehensive Plan.

10-3500210

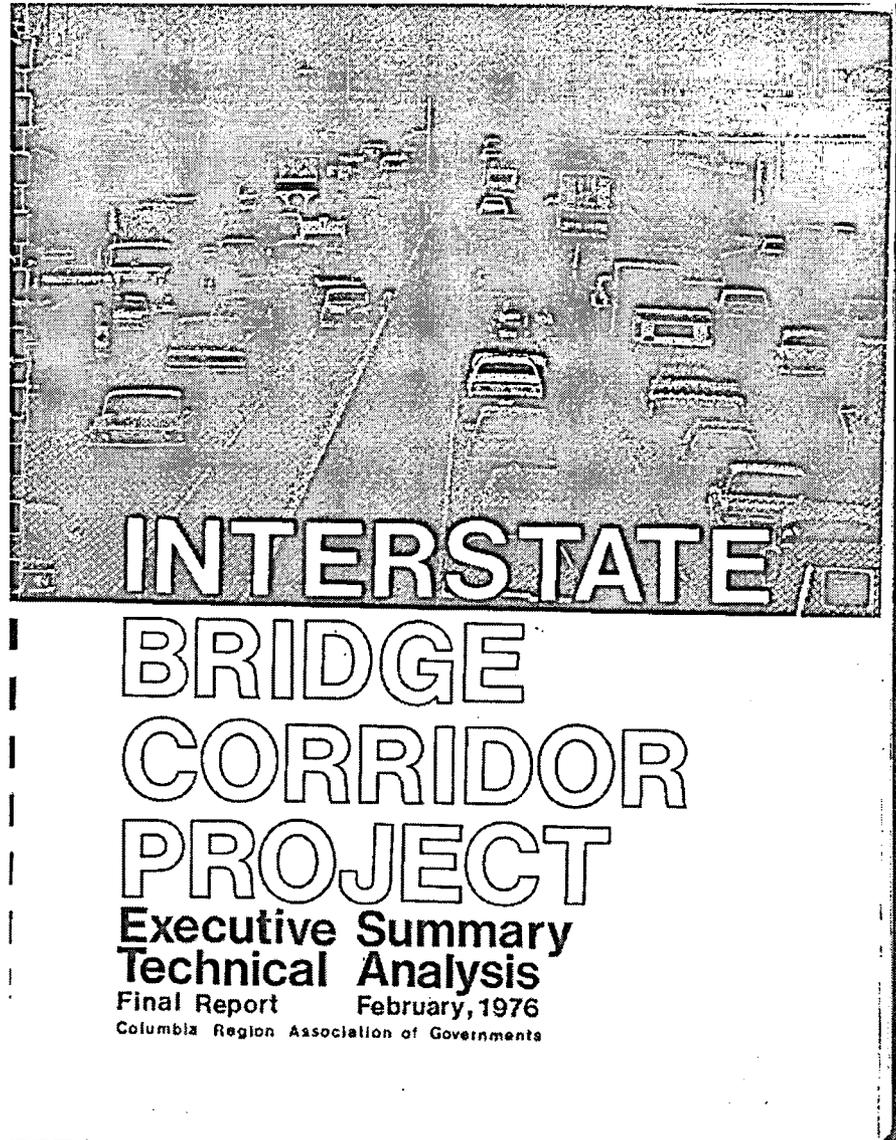
# **Bi-State Coordination Committee**

## **Annual Report 2004**



**This bi-state region  
has a long history of  
coordination.**

**The Columbia River  
Association of  
Governments, a  
voluntary council of  
governments,  
included  
representatives from  
both sides of the river  
during the late 1960s.**



## **There are several reasons for Bi-State coordination:**

- 1) MPOs are greatly encouraged by the Federal government to coordinate transportation planning and;**
- 2) a growing recognition by the MPOs on both sides of the Columbia River of the need to coordinate transportation decisions to improve the overall transportation system and the economy.**

**Accordingly, in 1999, the Southwest Washington Regional Transportation Council (RTC) and Metro created the Bi-State Transportation Committee to discuss and coordinate transportation issues that affect the bi-state area.**



## **Examples of Issues of Bi-state Significance cited in 1999 included:**

- I-5 Trade Corridor Study**
- HOV Policies**
- I-5 Bridge Painting and Maintenance Plan**
- I-205 Corridor**
- Bi-State Bus Transit Service**
- Freight Rail Capacity Issues and Possible Solutions**
- Commuter Rail and Light Rail Transit**
- Population and Employment Growth Trends and Implications for Transportation Needs**
- Policies Affecting Transportation Demand**
- Funding Mechanisms for Bi-State Projects**
- Columbia River Channel Dredging**

**In 2002, the I-5 Transportation and Trade Partnership *Strategic Plan* called for the Bi-State Transportation Committee:**

to "... expand its role to review and advise JPACT, RTC, other councils, commissions and boards on:

- 1. Management plans, interchange plans and agreements and transit station plans for the I-5 Corridor , and**
- 2. Other transportation, land use and economic development issues of bi-state significance."**

**Other recommendations:**

- protect transportation investments;**
- coordinate heavy rail capacity needs;**
- investigate transportation demand management coordination.**

**Accordingly, in 2004, a Bi-State Coordination Charter was approved by all member organizations during late 2003 and early 2004 and the Bi-State Coordination Committee was created.**

**The Charter includes:**

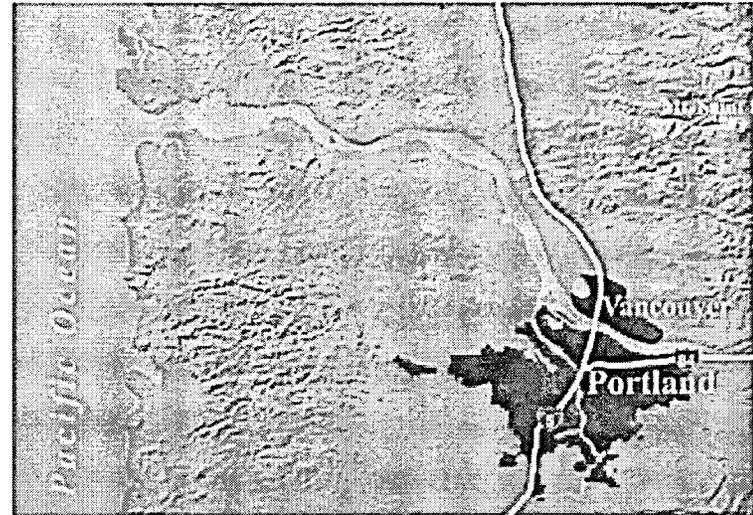
- a wider ranging forum for discussion of bi-state issues;**
- a focus on transportation and land use of bi-state significance;**
- recognition that economic development, environmental and environmental justice issues - that are related to bi-state transportation and land use issues could also be addressed.**
- an agreement that jurisdictions would create their own strategies and plans that contribute to managing land uses and economic development to protect transportation investments throughout the corridor.**

**The Bi-State Coordination Committee recognized that while the scope of the committee should be expanded, that there were also important limitations:**

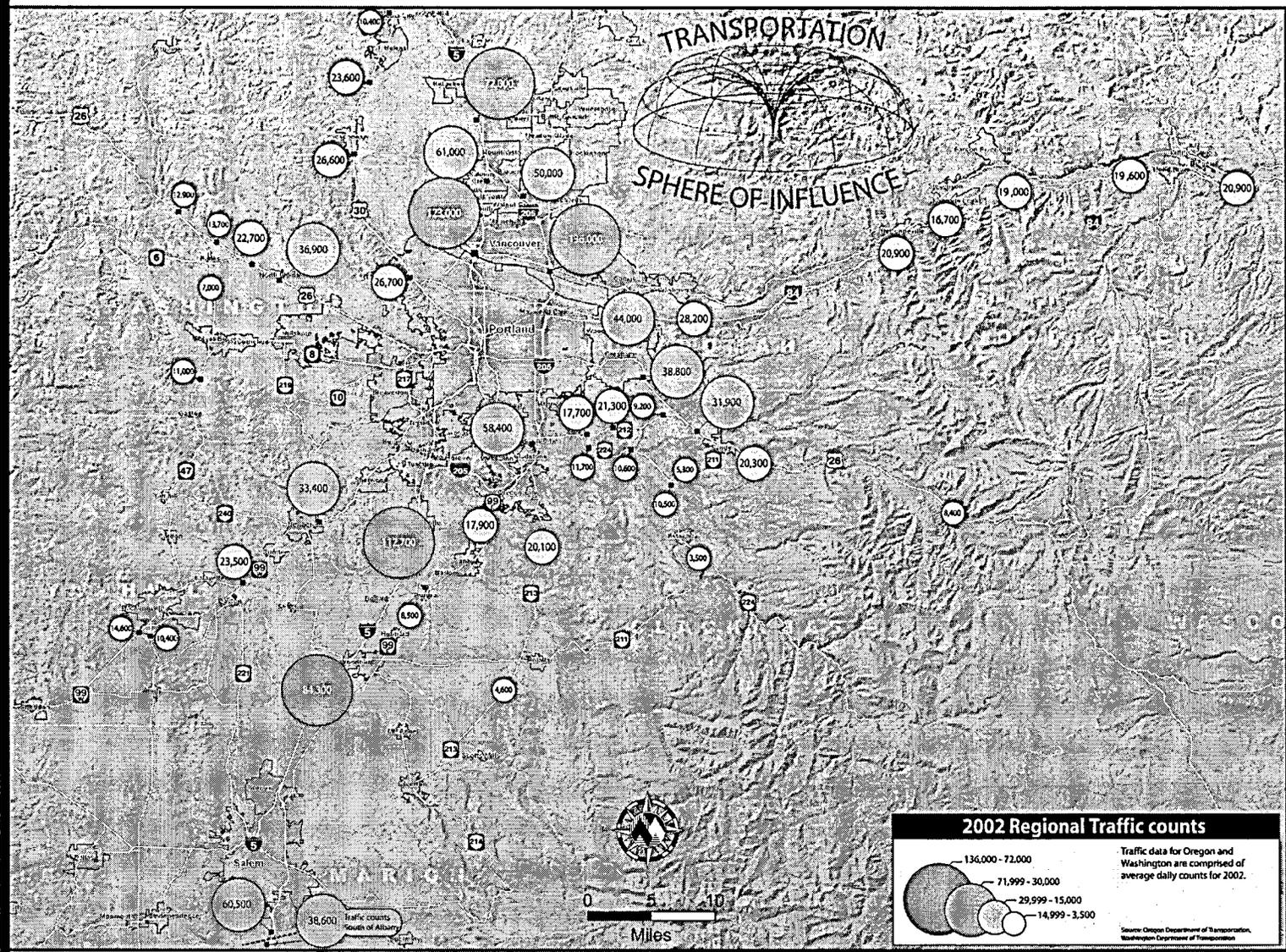
- focus on I-5 and I-205 from I-405 north to 179th street;**
- focus on policies and does not address quasi-judicial applications;**
- recommending body only, no regulatory authority.**

**Despite the Columbia River, State boundary and differing state laws, southwest Washington and Northwest Oregon share:**

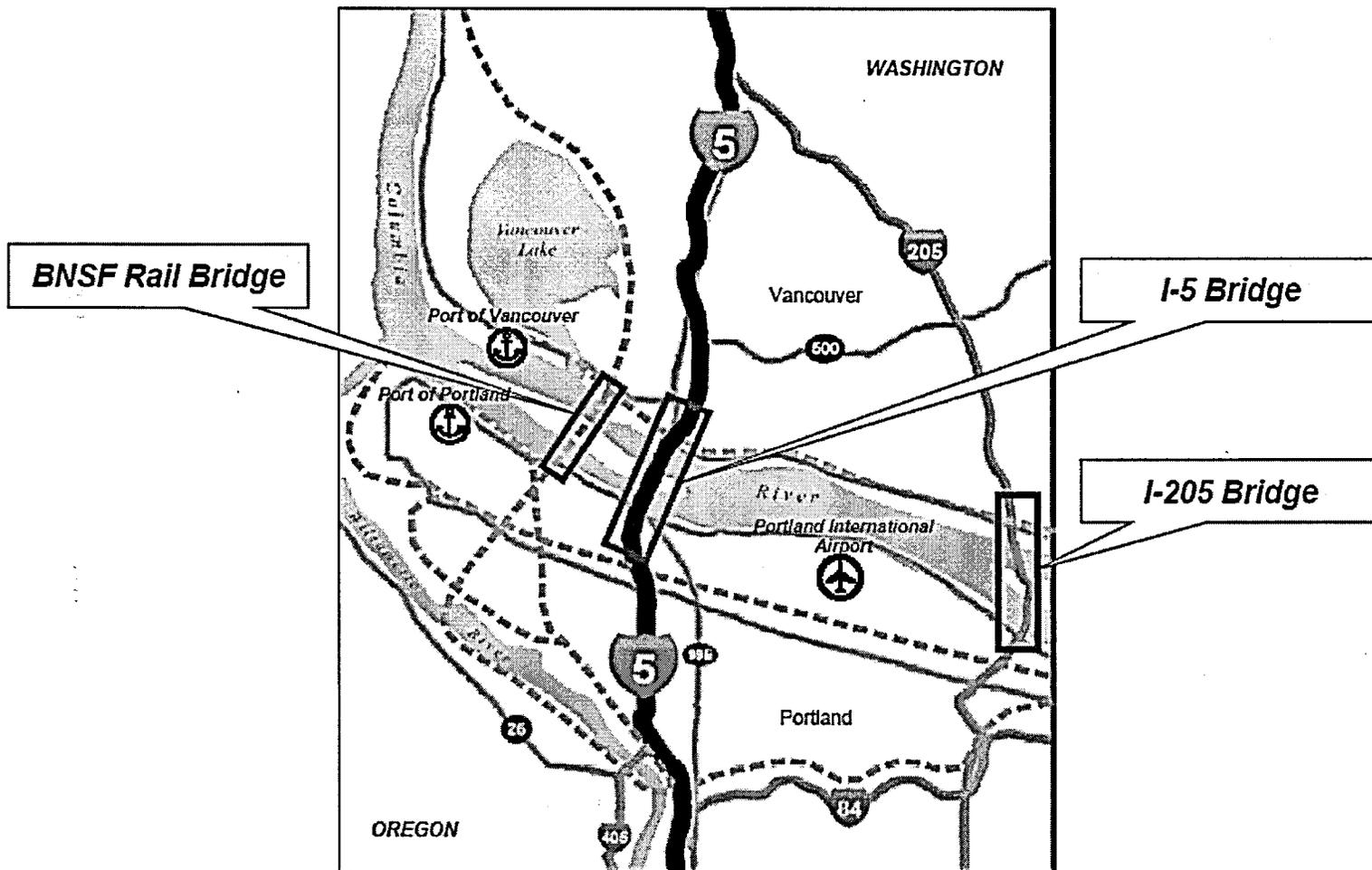
- **one economy**
- **one air shed**
- **one watershed**
- **one international airport**
- **shared marine port facilities**
- **one radio and television market**
- **one history - Lewis & Clark, Oregon territory**
- **one Bonneville electrical power system**
- **cultural attractions on both sides of the river**



# Transportation Travel Demand



## Columbia River Crossings at Portland-Vancouver



## **2004 Bi-State accomplishments:**

- **Transitioned to the Bi-State Coordination Committee.**
- **Approved Bi-State Coordination Committee by-laws;**
- **Coordinated Bi-State review of the I-5/Delta Park Lombard Project;**
- **Reviewed and discussed and made recommendations concerning:**
  - **Federal funding reauthorization;**
  - **I-5 Columbia River Crossing;**
  - **WSDOT Congestion Relief Project;**
  - **freight rail update and ORULE coordination;**
  - **CTRAN 20 Year Strategic Plan;**
  - **Cascade Station Comprehensive Plan Amendment**

## **Upcoming 2005 Bi-State Coordination Committee issues could include:**

- I-5 Columbia River Crossing Project**
- Freight Rail Forum**
- I-5/Delta Park/Lombard Project**
- TDM Forum**
- Coordination of population and job forecasts**
- Protection of transportation investments**
- Environmental Justice Mitigation Measures**
- Other issues of bi-state transportation or land use significance.**

012005c-02

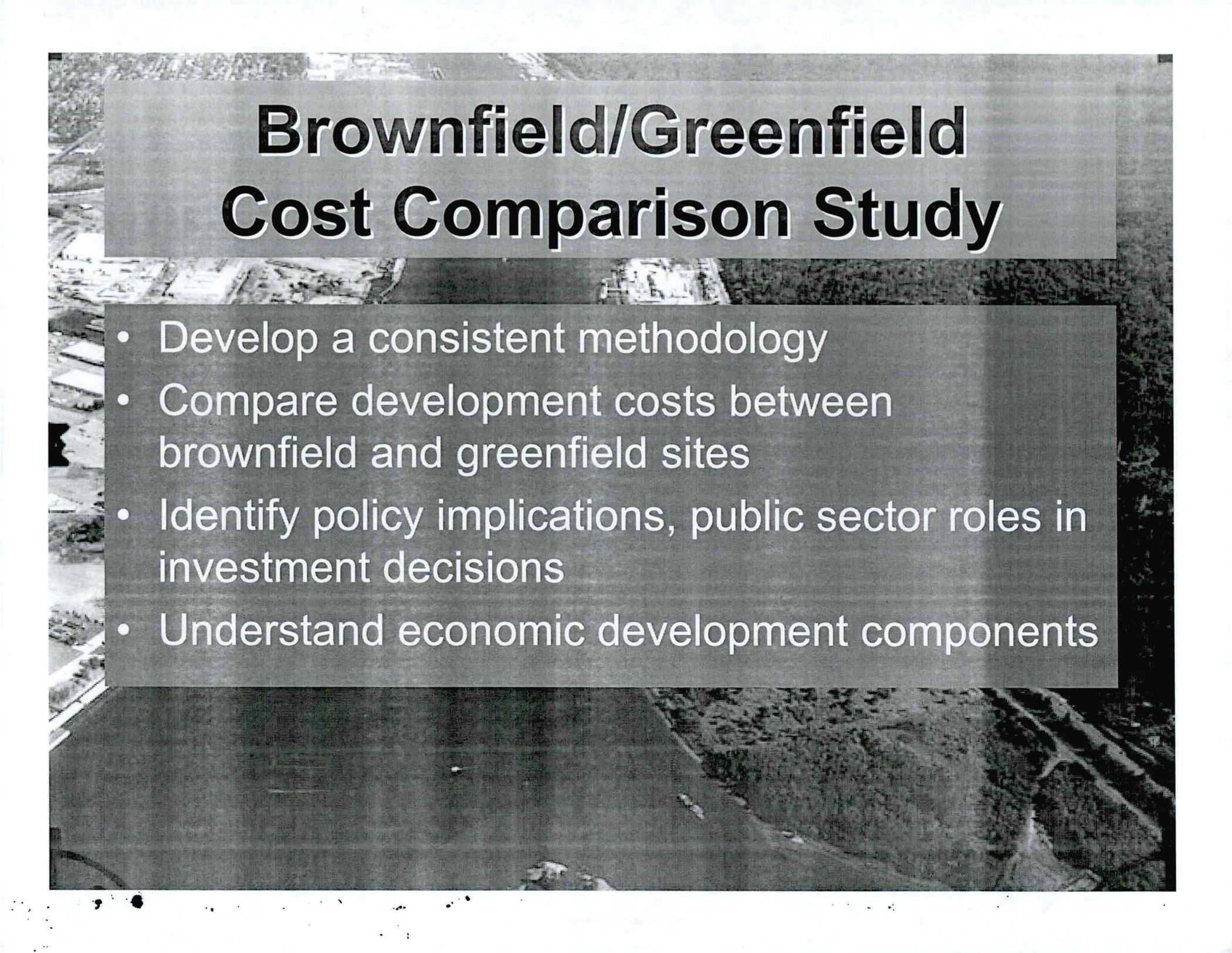
# Brownfield/Greenfield Development Cost Comparison Study



**METRO**  
PEOPLE PLACES  
OPEN SPACES

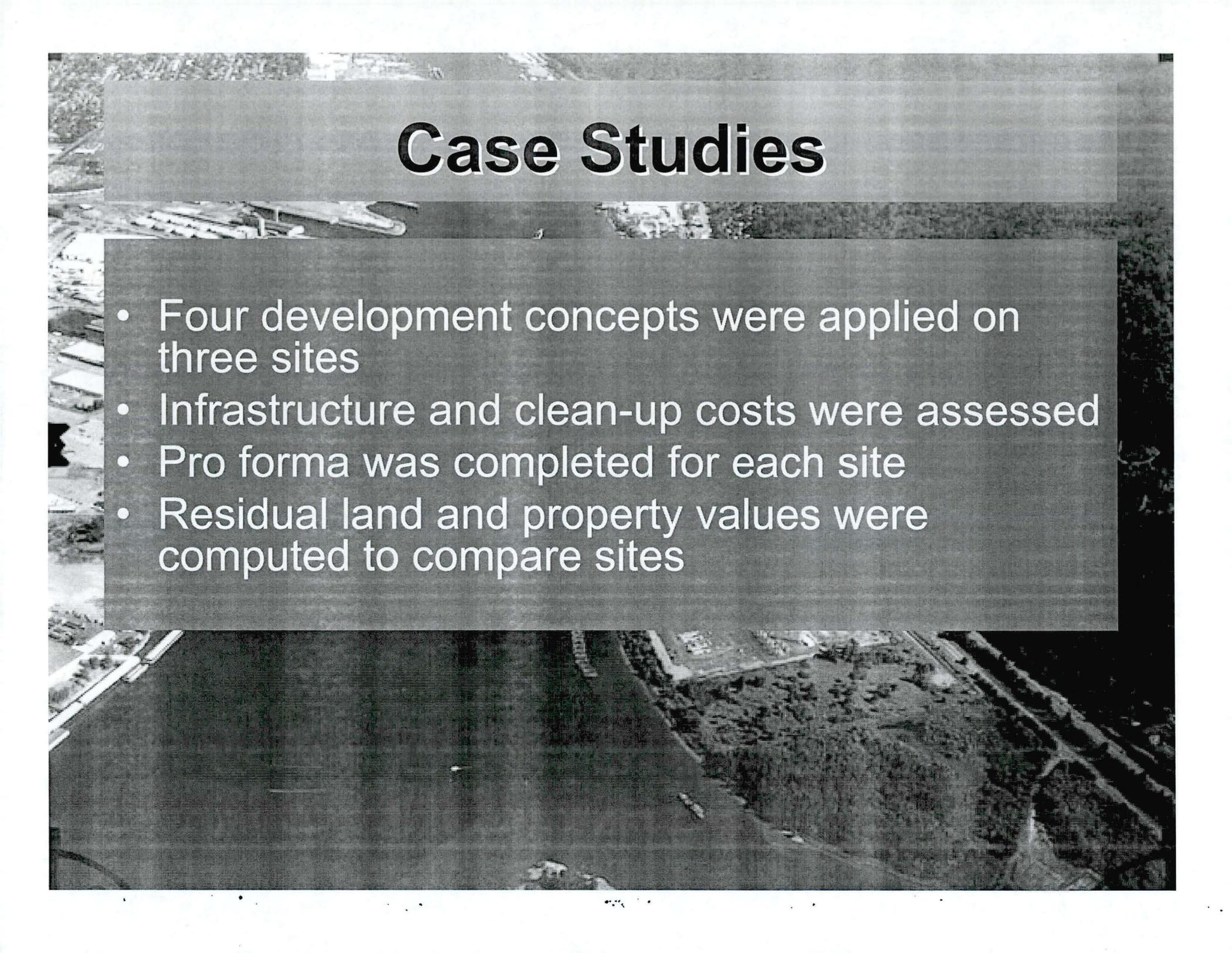


## Challenges to Economic Development

An aerial photograph of a landscape, likely a river valley. The river flows through the center, with industrial or developed areas on the left bank and a more natural, wooded area on the right bank. The image is in black and white and serves as a background for the text.

# **Brownfield/Greenfield Cost Comparison Study**

- Develop a consistent methodology
- Compare development costs between brownfield and greenfield sites
- Identify policy implications, public sector roles in investment decisions
- Understand economic development components

An aerial photograph showing a wide river in the foreground, with a forested area and some industrial or construction sites on the banks. The image is in black and white and serves as the background for the slide.

# Case Studies

- Four development concepts were applied on three sites
- Infrastructure and clean-up costs were assessed
- Pro forma was completed for each site
- Residual land and property values were computed to compare sites

# Financial Analysis

SUPPORTABLE LAND VALUE  
UNDER USE CONCEPT

LESS

ENVIRONMENTAL &  
INFRASTRUCTURE COSTS



**RESIDUAL PROPERTY VALUE**

High Tech Brownfield Site  
Total Land Value - \$15 million  
(\$10 psf)

LESS

Costs - \$28 million  
(\$18 psf)



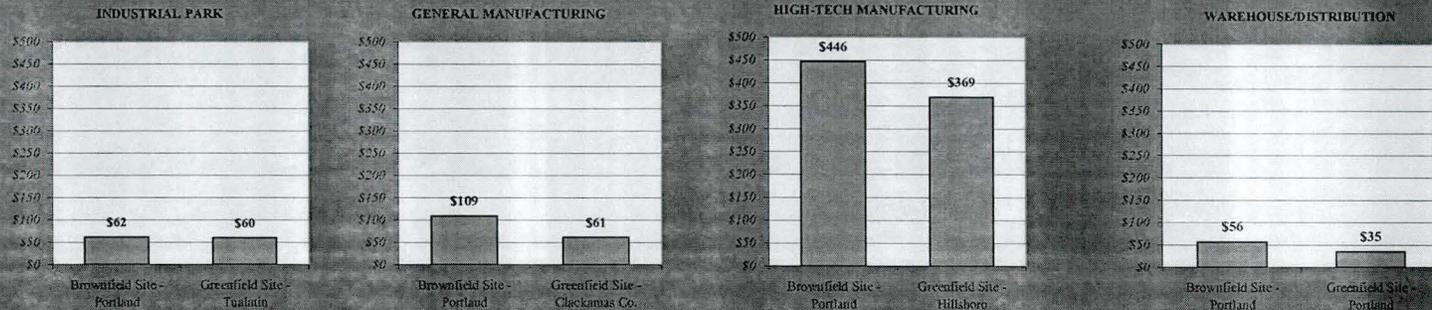
**RPV: (\$13 million)**  
**RPV PSF/net: (\$8)**

# Summary of Scenarios

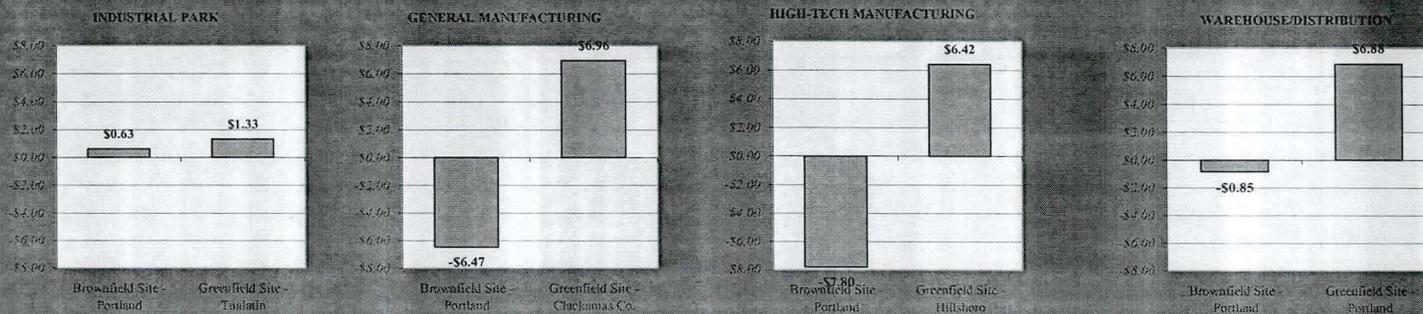
## SUMMARY OF SCENARIOS EVALUATED

Site/ Concept	Net Site Size/Acres	Building S.F.	Environmental Remediation 1/	Construction Cost		SDCs			Infrastructure Costs	Total Cost/Less Land	
				Hard	Soft	Calculated	Credits	Net		Total	PSF
<b>Industrial Park</b>											
Brownfield Site - Portland	45.50	630,000	\$8,748,887	\$23,086,500	\$4,617,300	\$1,846,243		\$1,820,875	\$558,000	\$38,831,562	\$61.64
Greenfield Site - Tualatin	44.50	630,000	\$0	\$25,050,000	\$5,010,000	\$1,713,209	\$0	\$1,713,209	\$5,739,167	\$37,512,376	\$59.54
<b>General Manufacturing</b>											
Brownfield Site - Portland	35.75	450,000	\$22,980,475	\$20,857,500	\$4,171,500	\$1,212,343		\$963,281	\$24,000	\$48,996,756	\$108.88
Greenfield Site - Clackamas Co.	37.95	450,000	\$0	\$21,000,000	\$4,200,000	\$868,675	\$0	\$868,675	\$1,347,000	\$27,415,675	\$60.92
<b>High-Tech Manufacturing</b>											
Brownfield Site - Portland	35.75	350,000	\$28,027,465	\$105,900,000	\$21,180,000	\$1,383,121		\$1,134,059	\$24,000	\$156,265,524	\$446.47
Greenfield Site - Hillsboro	53.20	350,000	\$0	\$105,000,000	\$21,000,000	\$1,782,663	\$0	\$1,782,663	\$1,452,500	\$129,235,163	\$369.24
<b>Warehouse/Distribution</b>											
Brownfield Site - Portland	37.90	400,000	\$7,821,799	\$11,154,000	\$2,230,800	\$715,907		\$640,049	\$735,000	\$22,581,648	\$56.45
Greenfield Site - Portland	23.85	400,000	\$0	\$10,840,000	\$2,168,000	\$730,069	\$0	\$730,069	\$290,500	\$14,028,569	\$35.07

### TOTAL DEVELOPMENT COST/LESS LAND



### CALCULATED RESIDUAL LAND VALUES



1/ Includes direct hard and soft costs associated with remediation, as well as additional carrying costs, developer risk, premium and lender risk premium.

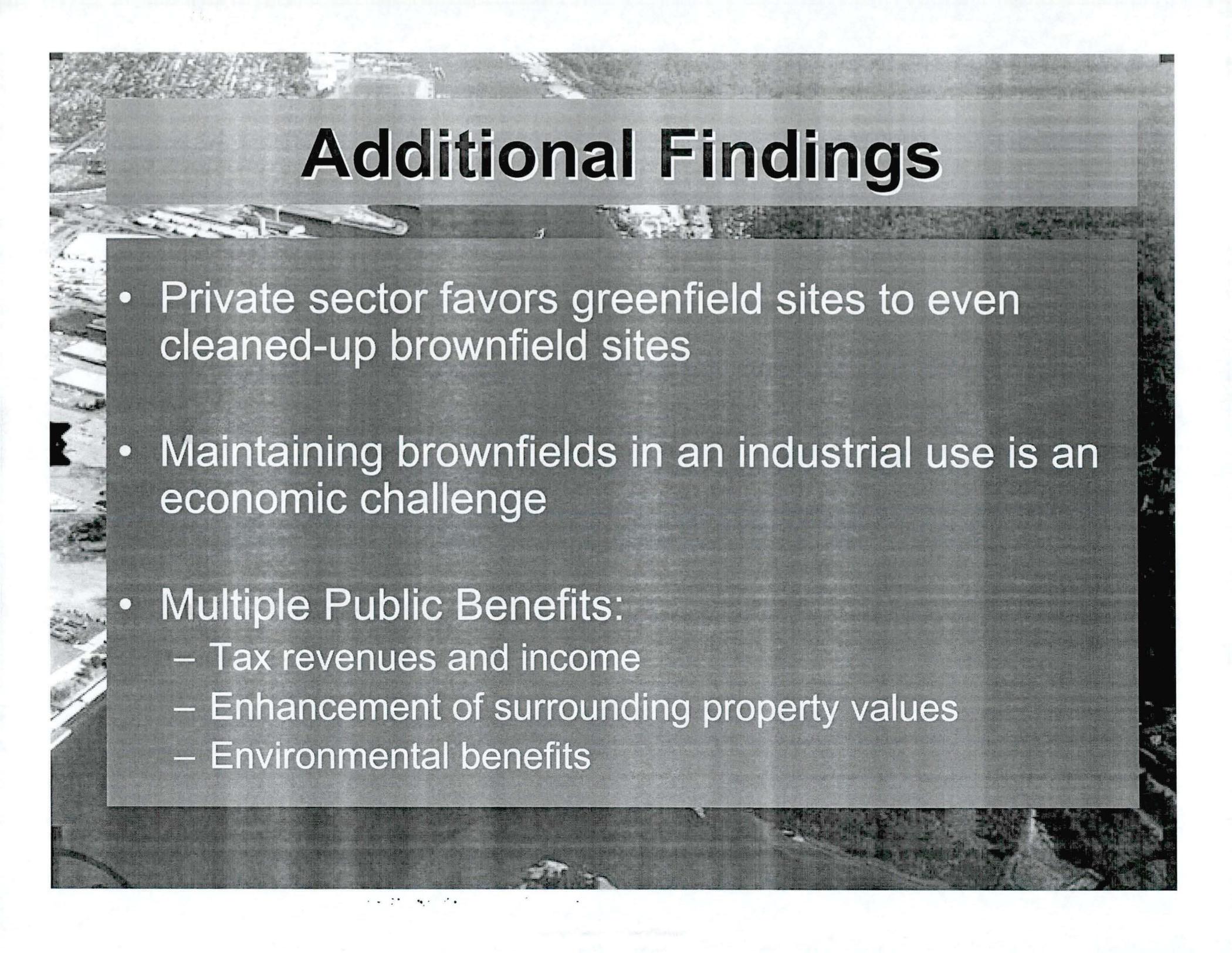
# Key Finding

**BROWNFIELD  
REMEDICATION  
COSTS**

**≠**

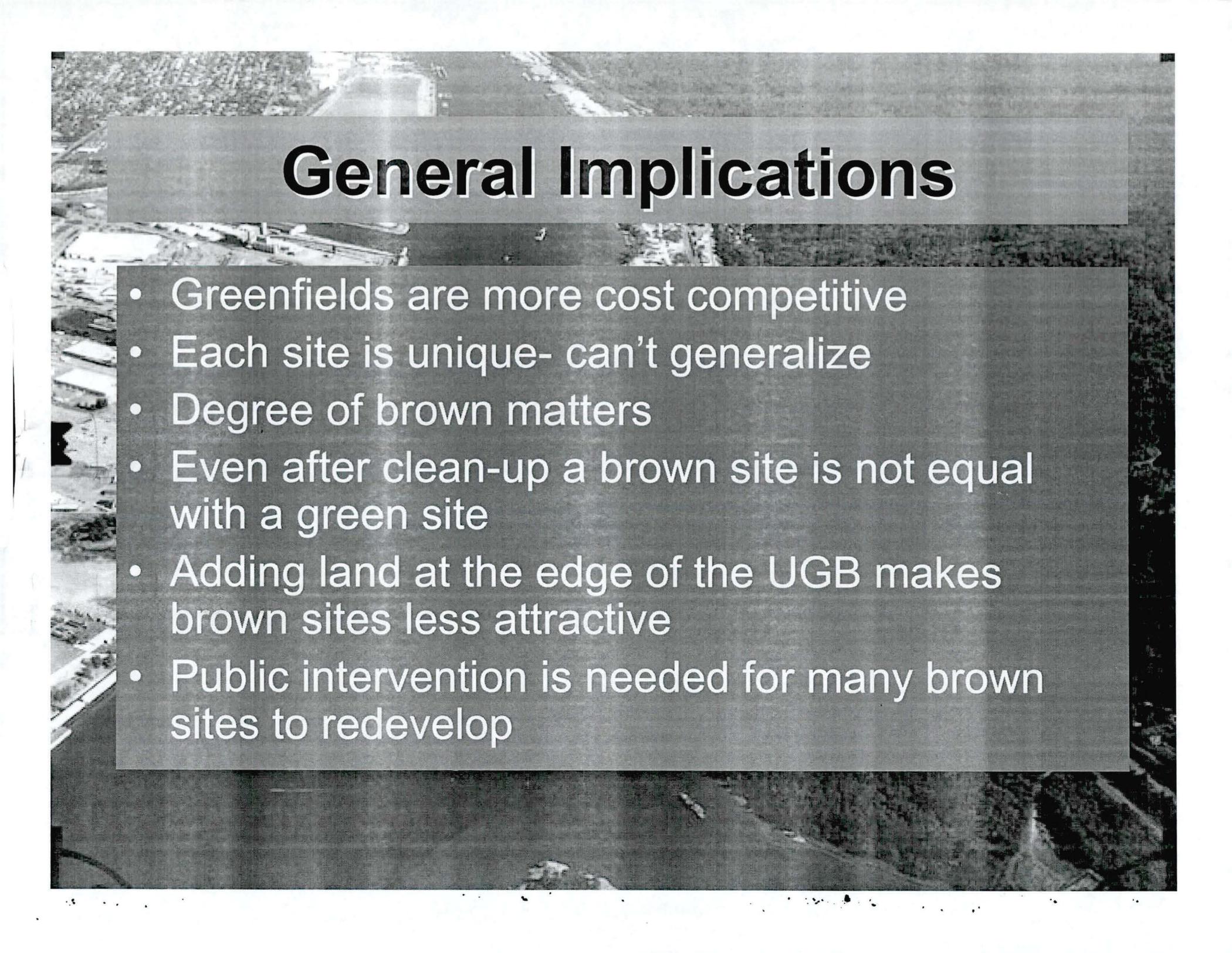
**GREENFIELD  
INFRASTRUCTURE  
COSTS**

**Remediation costs  
are greater than  
new infrastructure costs**



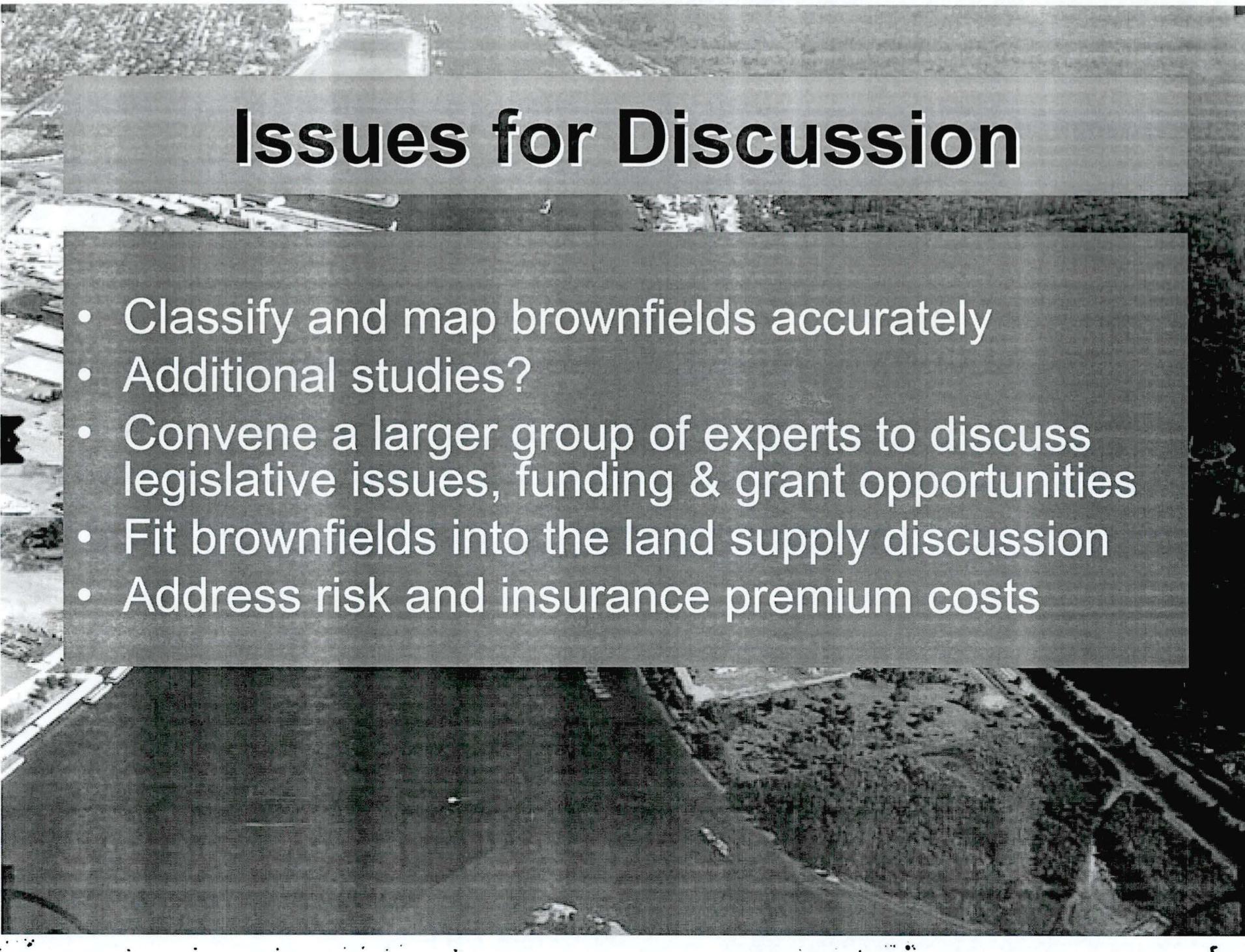
# Additional Findings

- Private sector favors greenfield sites to even cleaned-up brownfield sites
- Maintaining brownfields in an industrial use is an economic challenge
- Multiple Public Benefits:
  - Tax revenues and income
  - Enhancement of surrounding property values
  - Environmental benefits



# General Implications

- Greenfields are more cost competitive
- Each site is unique- can't generalize
- Degree of brown matters
- Even after clean-up a brown site is not equal with a green site
- Adding land at the edge of the UGB makes brown sites less attractive
- Public intervention is needed for many brown sites to redevelop



# Issues for Discussion

- Classify and map brownfields accurately
- Additional studies?
- Convene a larger group of experts to discuss legislative issues, funding & grant opportunities
- Fit brownfields into the land supply discussion
- Address risk and insurance premium costs



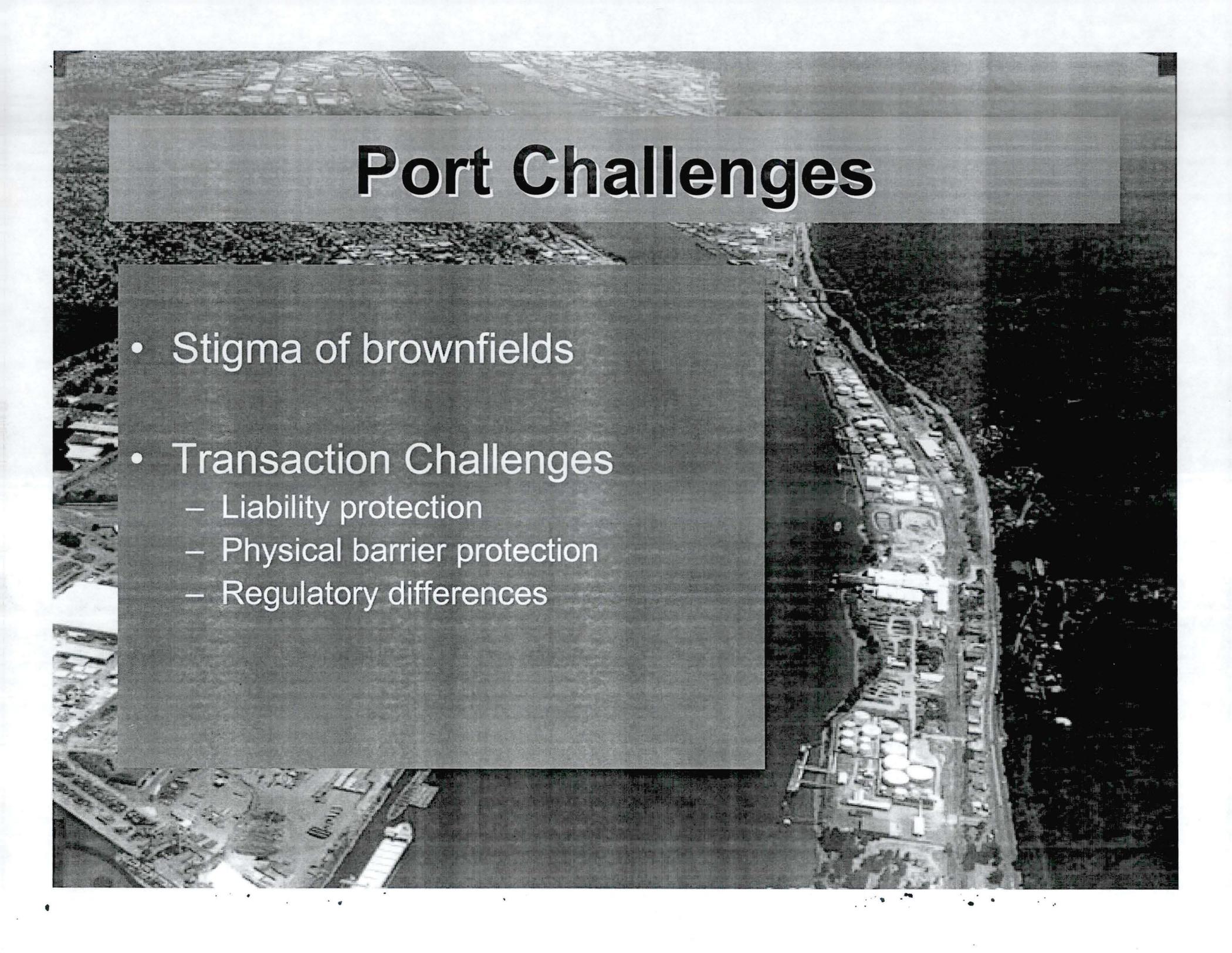
SRC-PHA-23

4000'

SF

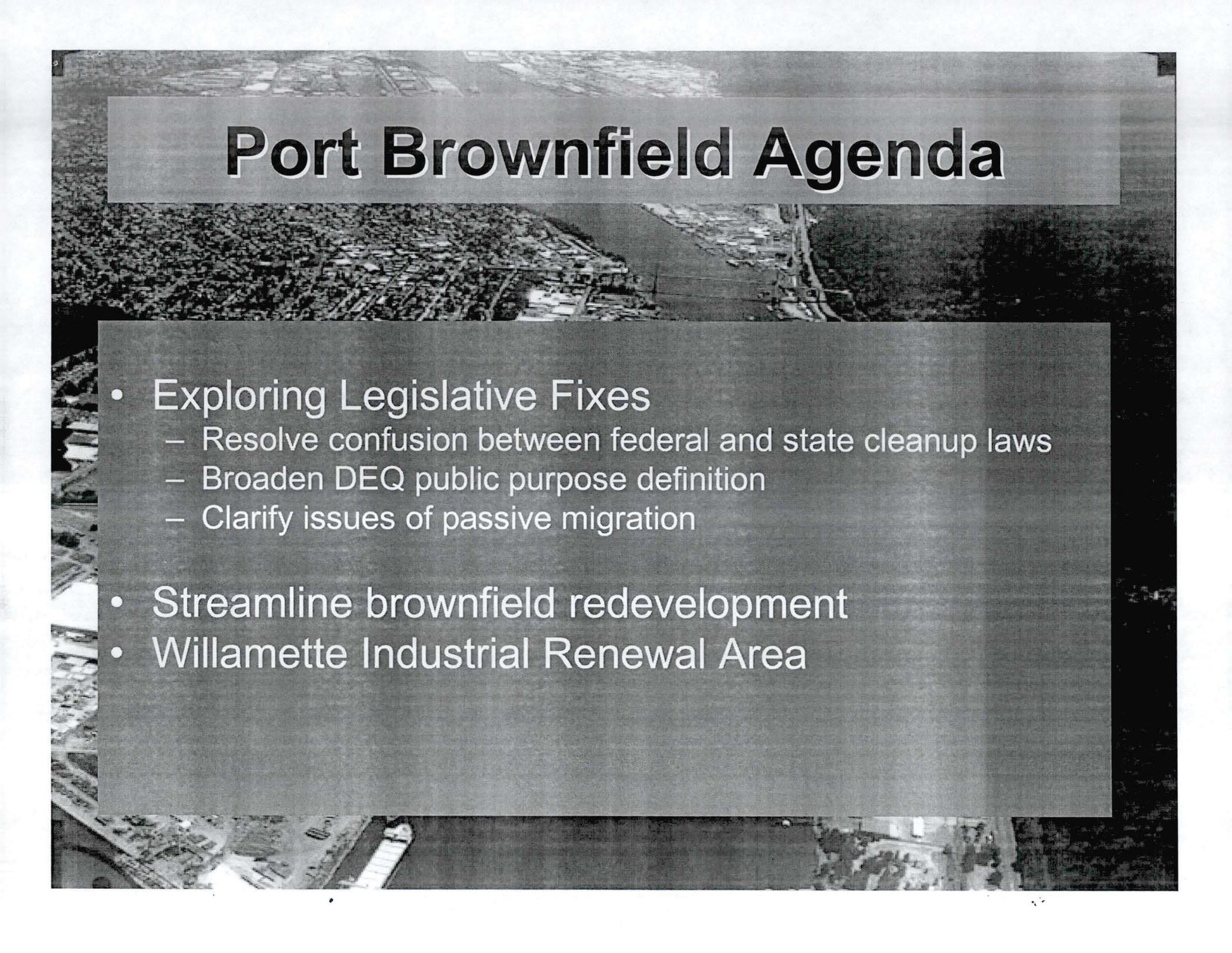
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086



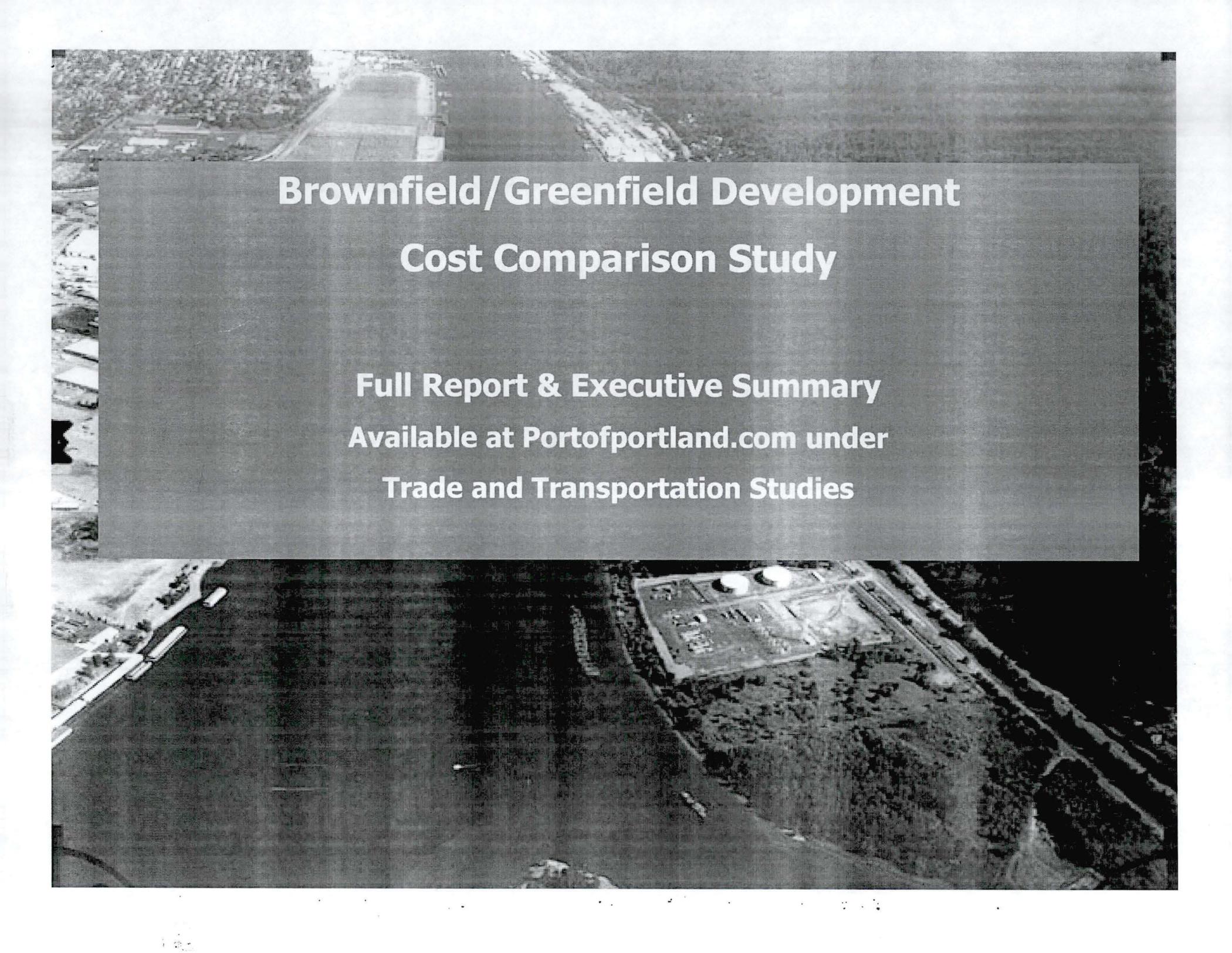
# Port Challenges

- Stigma of brownfields
- Transaction Challenges
  - Liability protection
  - Physical barrier protection
  - Regulatory differences



# Port Brownfield Agenda

- Exploring Legislative Fixes
  - Resolve confusion between federal and state cleanup laws
  - Broaden DEQ public purpose definition
  - Clarify issues of passive migration
- Streamline brownfield redevelopment
- Willamette Industrial Renewal Area



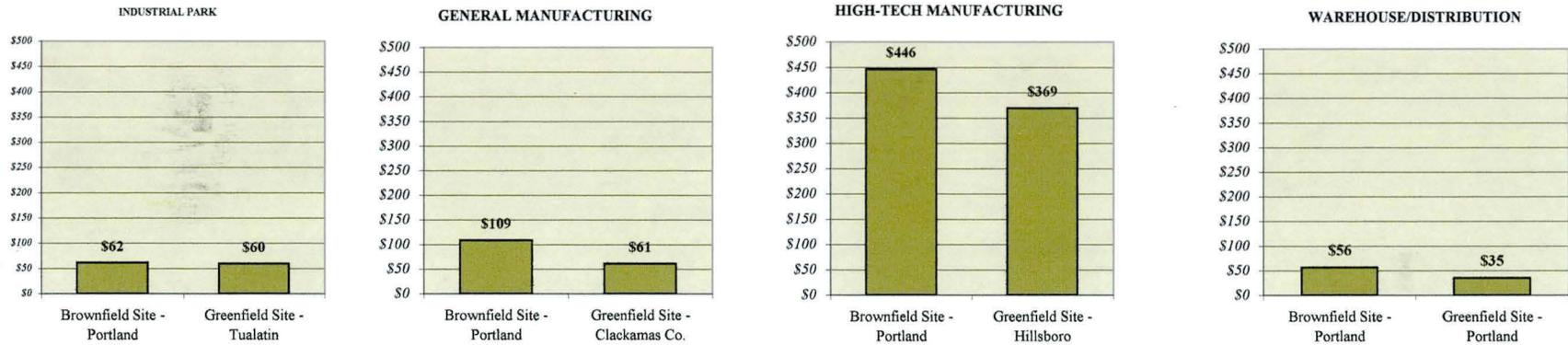
**Brownfield/Greenfield Development  
Cost Comparison Study**

**Full Report & Executive Summary  
Available at [Portofportland.com](http://Portofportland.com) under  
Trade and Transportation Studies**

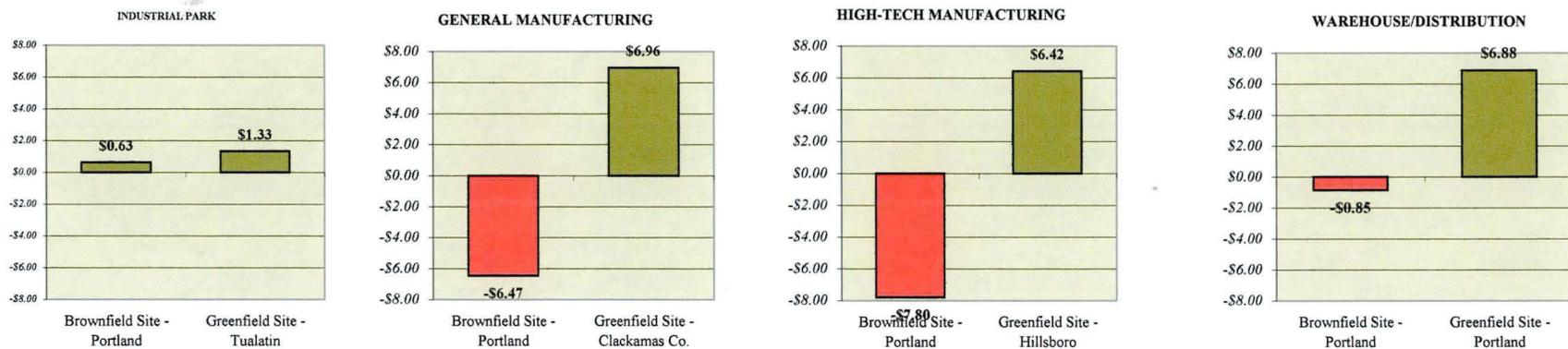
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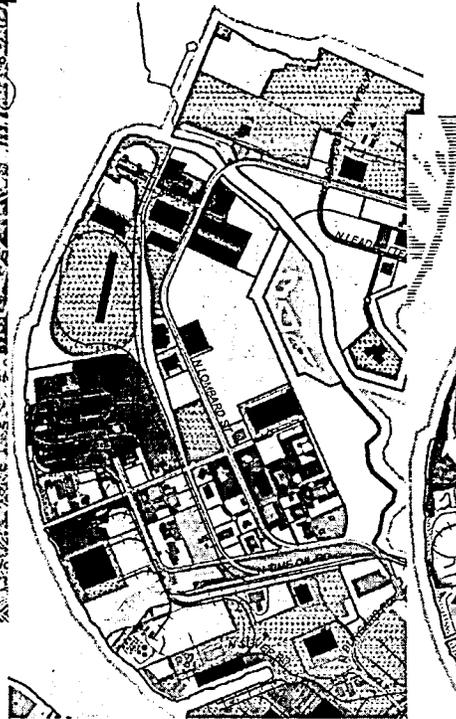
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# A Focus on Districts & 2004

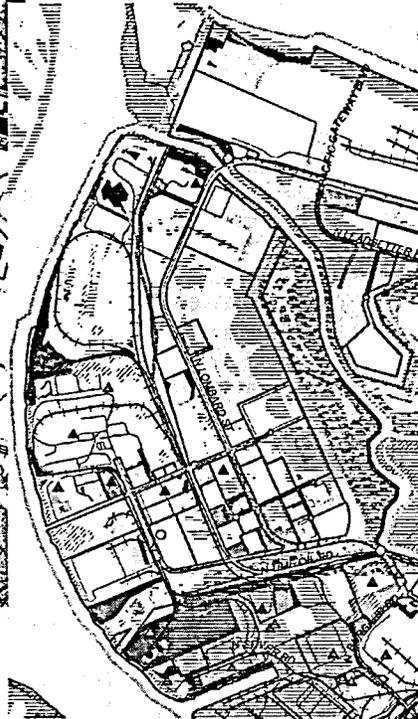
**METHODOLOGY**



Largest employers



Facility types



Growth Capacity

15,500 acres of industrial land in 8 districts

Data definitions matter

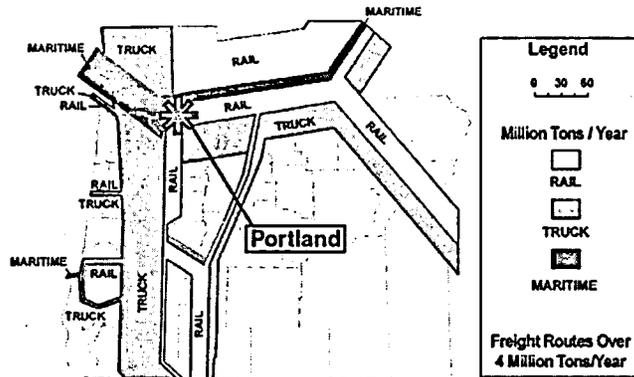
Potential future research:

- Regional context
- Trends analysis

# Freight Hub Districts

## Portland is Oregon's Freight Hub

Volume (Millions of Tons) of Freight Moved on Major Corridors in Oregon, 1996



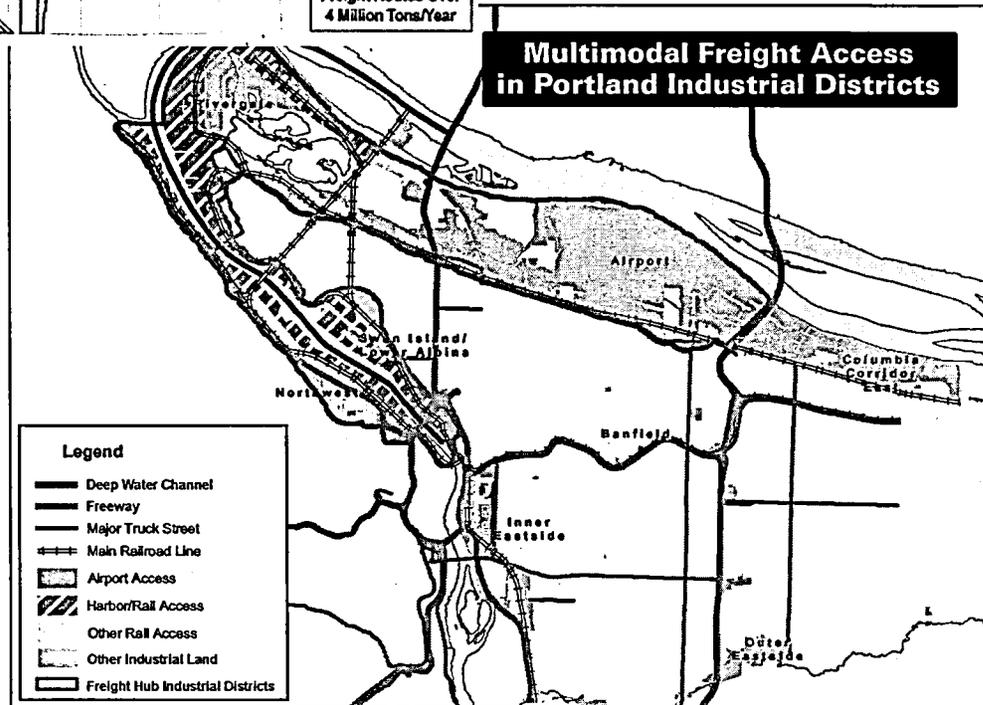
A West Coast freight hub concentrated in 4 districts

57% of land has harbor, rail, or runway access

56% of occupied land in heavy industrial use

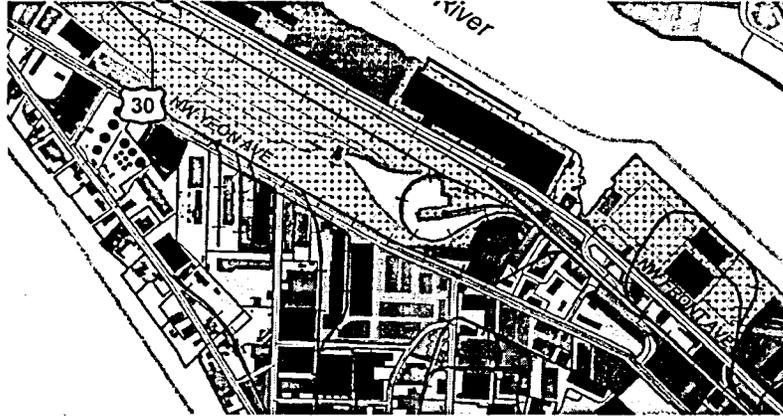
Leading sectors: transportation, manufacturing

**A TYPOLOGY OF DISTRICTS**

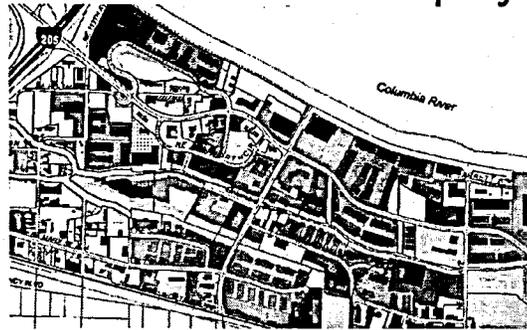


# How Districts Differ

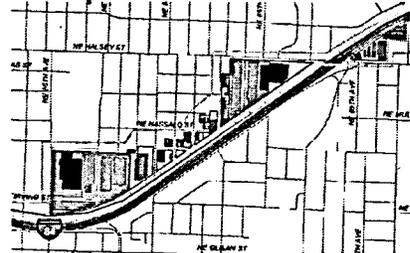
Freight hub districts



Mixed Industrial/Employment districts



Dispersed areas



## District types:

- Freight hub districts
- Mixed industrial/employment districts
- Dispersed areas
- [Tech centers]

## Implications:

- Industry mix, built form, & infrastructure are interrelated
- Districts matter

# Mixed Industrial/Employment Districts

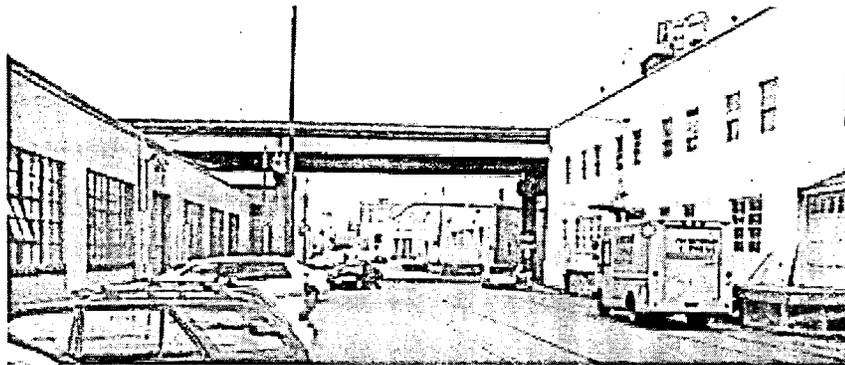
Services are leading sector: 45% of area jobs

High job density: 25 jobs per occupied acre

Juxtaposition of Inner Eastside and Columbia Corridor East



Flex space in Columbia Corridor East



Urban street in Inner Eastside

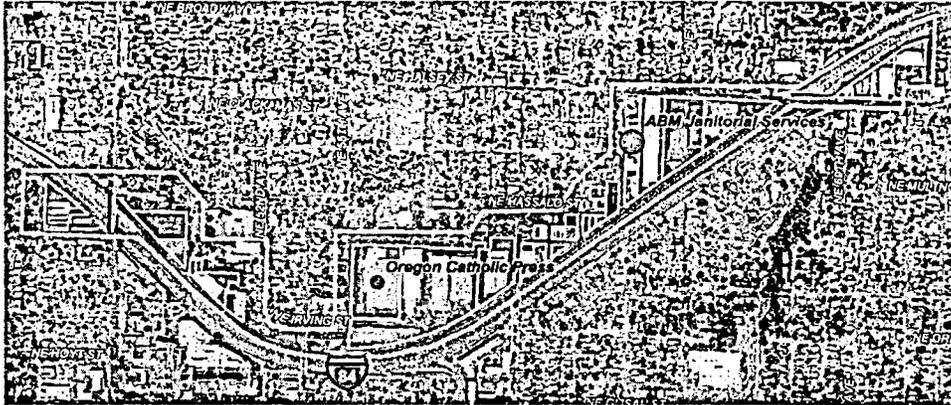
**A TYPOLOGY OF DISTRICTS**

# Dispersed Areas

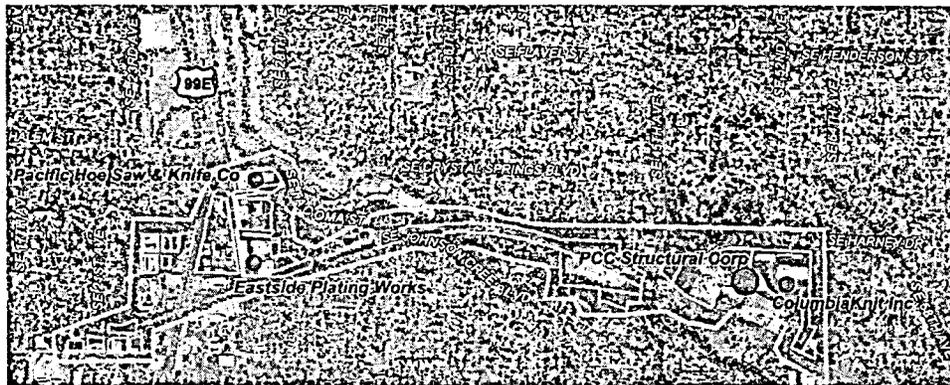
Small areas along I-84,  
I-205, & Johnson  
Creek

Fit into larger  
neighborhoods

Grouping of metals  
manufacturers



Part of Banfield District



Part of Outer Southeast District

**A TYPOLOGY OF DISTRICTS**

# Industry Mix by Employment

101,000 jobs

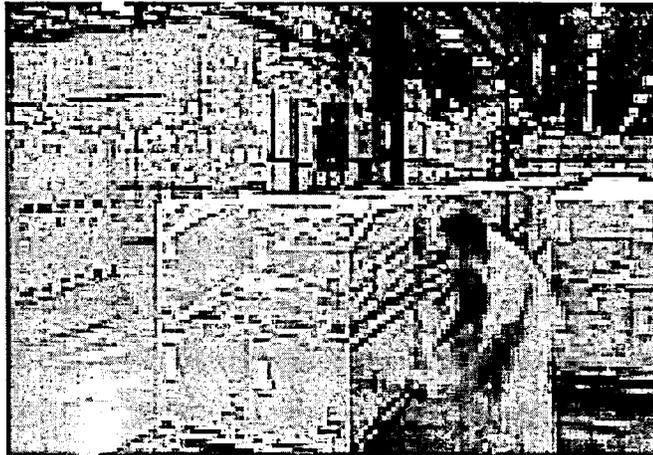
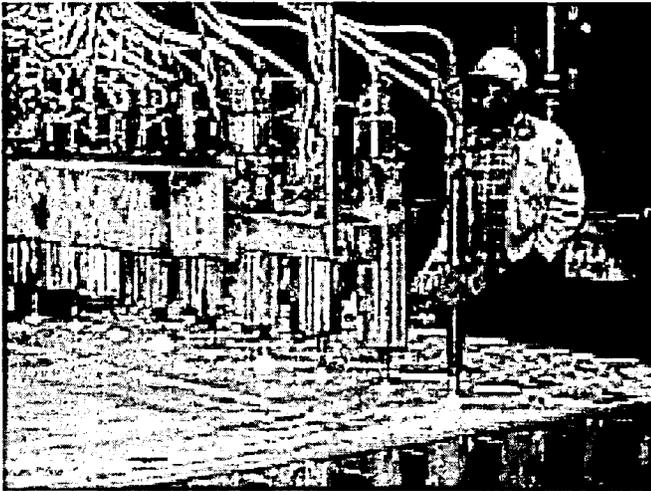
- 1/3 in production
- 1/3 in distribution
- 1/3 in services

Which sectors need industrial land?

- Manufacturing
- Distribution

Advantages of industrial land

- 1/4 of city jobs
- Pathways into the middle class
- Core location for “traded sectors”



**THE MIX OF INDUSTRIES**

# Industry Mix by Land Use

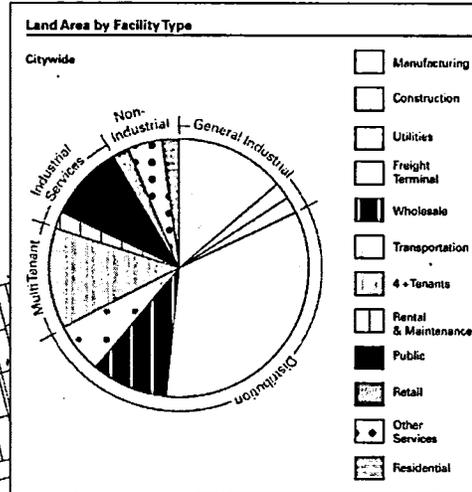
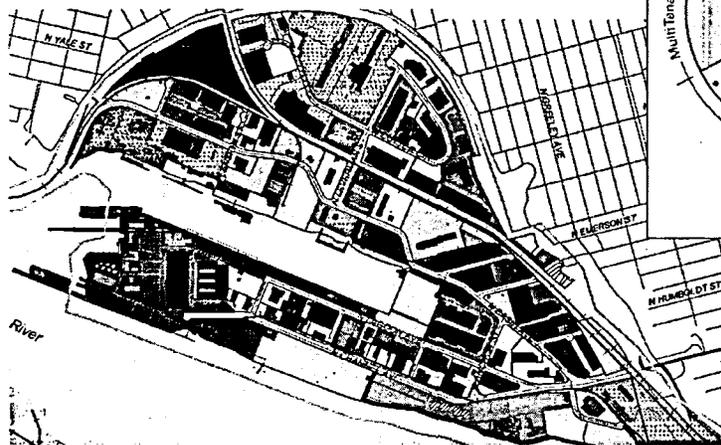
47% of occupied land is in distribution use, mostly freight terminals

48% in heavy industrial use

10-13 jobs/acre in transportation, wholesale, & manufacturing

Tenant mix in multi-tenant facilities resembles overall mix in districts

THE MIX OF INDUSTRIES



**Swan Island Facilities**

**Heavy Industrial**

Heavy Industrial (overlay)

**General Industrial**

Manufacturing  
Utilities  
Construction

**Distribution**

Freight  
Transportation  
Wholesale

**Multi-Tenant**

4+ Employers  
2-3 Employers

**Industrial Services**

Public  
Rental & Maintenance

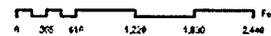
**Non-Industrial**

Retail  
Services  
Residential

Open Space  
Vacant Land  
3+ Story (overlay)  
Structures >100,000 Sq Ft  
Other Structures  
Site Boundary  
Inventory Area Boundary

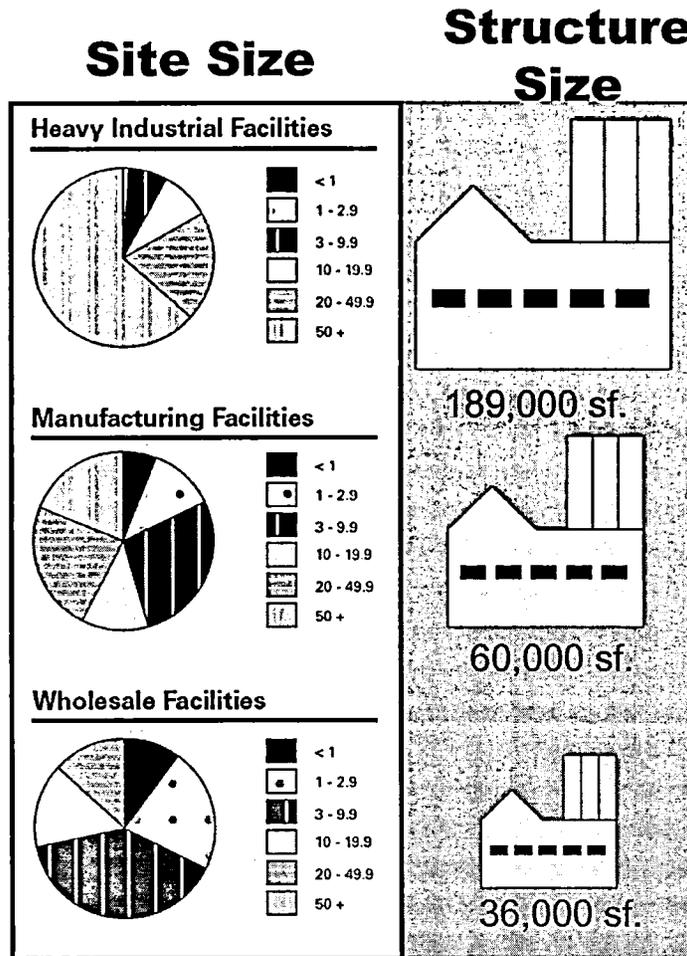
**Transportation Infrastructure**

Railroads  
Freeways  
At-Grade Truck Streets  
Streets



# Site & Structure Size

**SITE CONDITIONS**

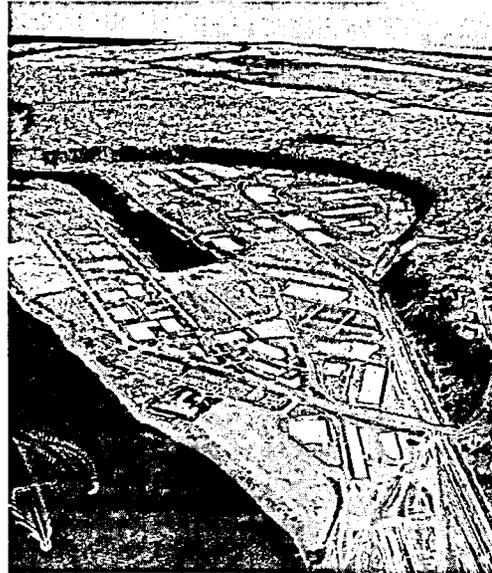


**Built form varies by sector**

**Outdoor use is not under-use:**

- Average site coverage is 25%
- Average outdoor area in heavy industrial sites is 20 acres

# What Makes a Healthy District?



## Measurable indicators:

### Industrial land supply

- Compatibility – 8% of land in non-industrial use
- \$4.70 per square foot average land value

### Freight access

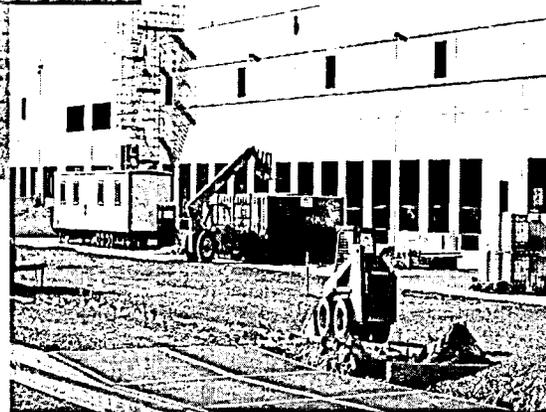
- 46% of land is within 1 mile of freeway ramp
- 33% has rail access
- 22% has harbor access

### Labor access

- Central access to 1 million metro workers
- 93% of industrial land is within 1/2 mile of a bus stop

**SITE CONDITIONS**

# How Much Vacant Land?



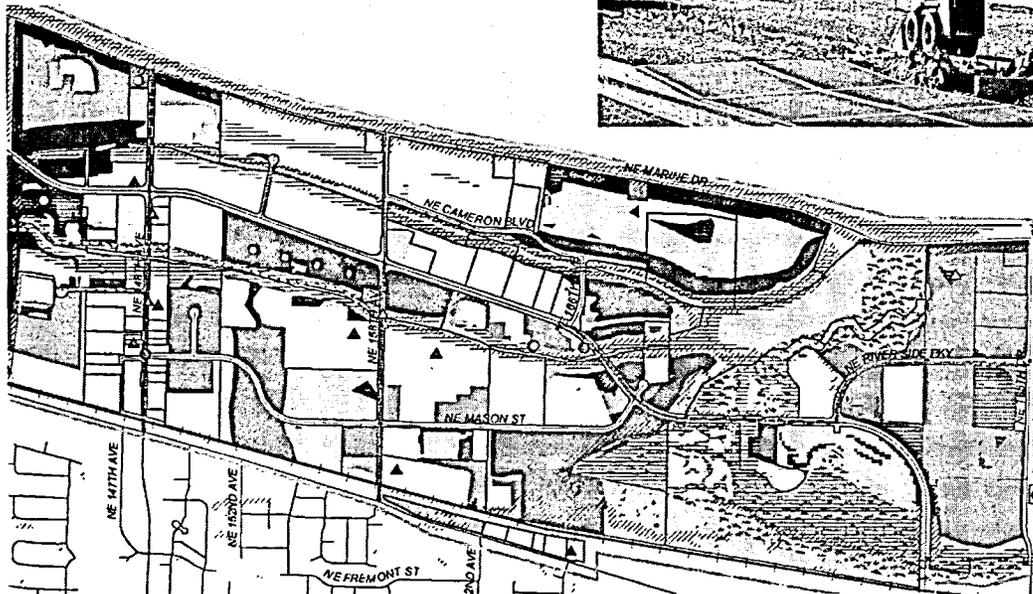
Meeting demand will depend on overcoming site constraints

3,900 vacant acres  
- open space  
- public/utility sites  
= 2,900 acre supply

Policy challenges:

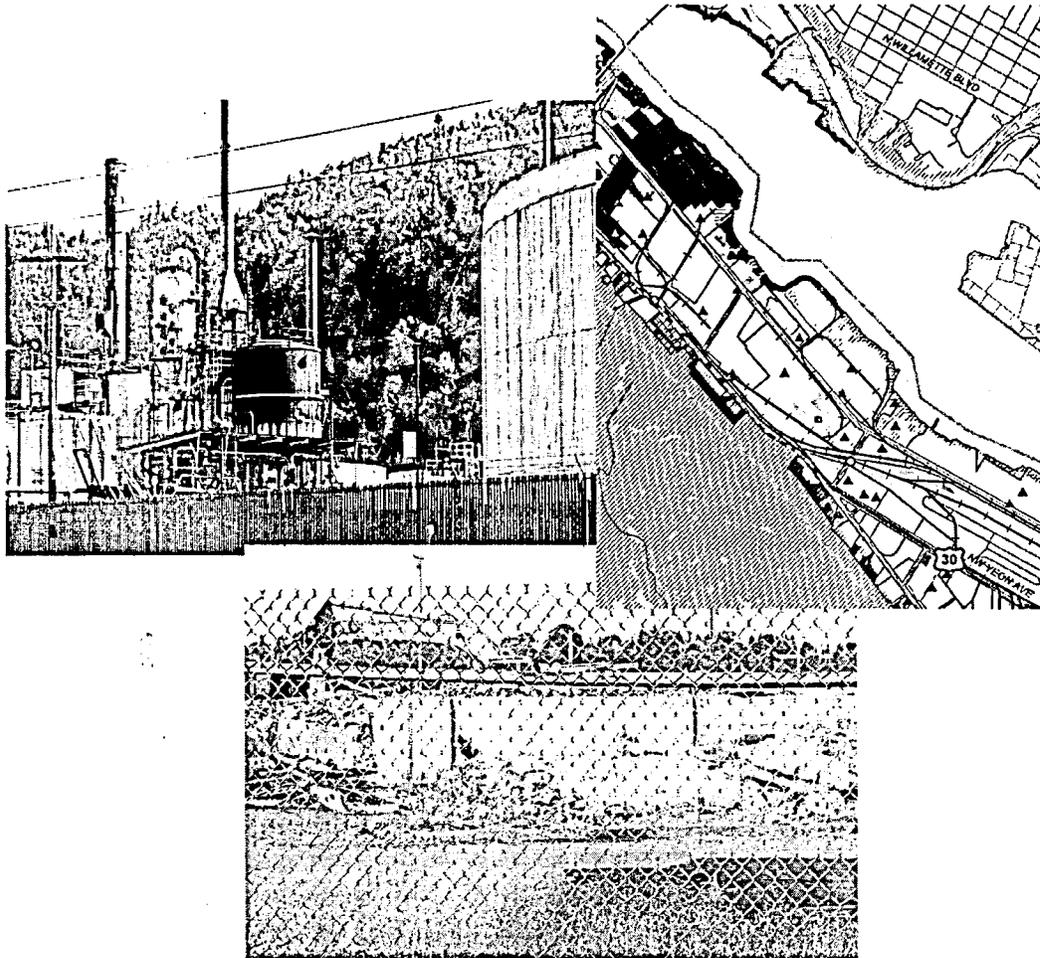
- 1,100 of 2,900 acres is "partly buildable" (e.g., floodplain, habitat)
- 900 of 2,900 acres is brownfield

**GROWTH CAPACITY**



# How Much Land in Brownfields?

**GROWTH CAPACITY**



**Potentially 8% of industrial land:**

- 320 acres on unoccupied sites
- 920 acres of vacant land (unimproved)

**Financial feasibility depends on degree of brownness**

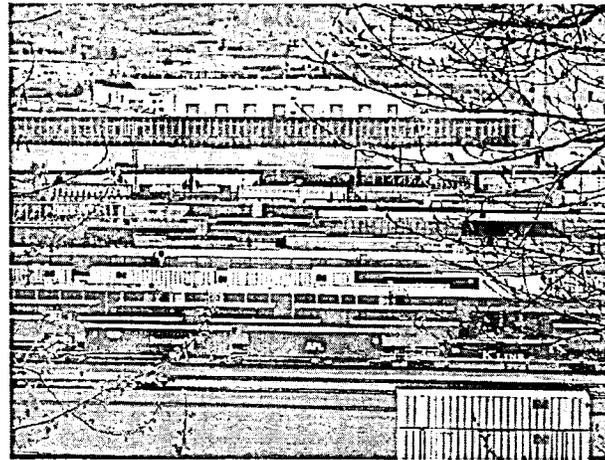
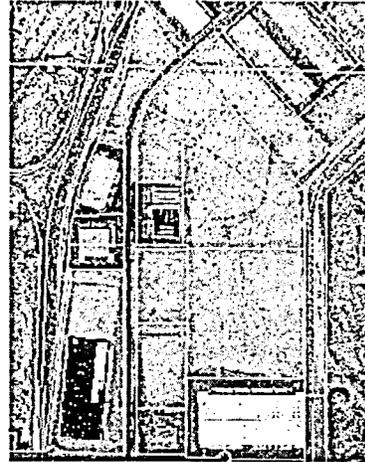
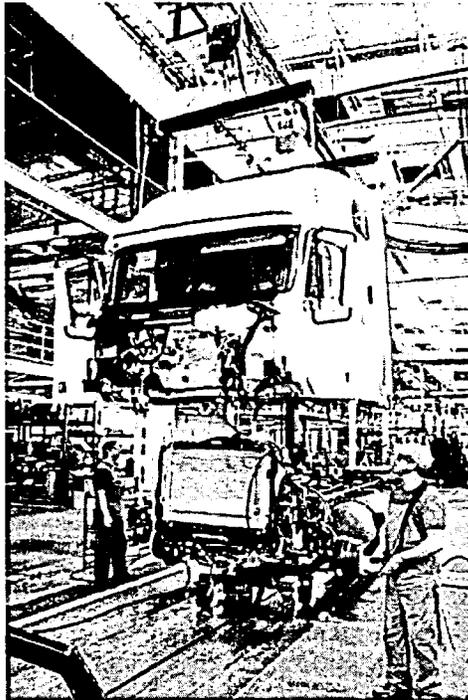
**More research and incentives are needed**

# Land, Labor, & Infrastructure

Public role in  
competitive local  
inputs

Data as economic  
development

An opportunity:  
integrated land,  
infrastructure, &  
economic  
planning



**NEXT STEPS**

The Industrial Districts Atlas is available at  
[www.portlandonline.com/planning](http://www.portlandonline.com/planning)



**QUESTIONS**

660-009-0030Coordination of Goal 9 Responsibilities in Employment Areas

(1) Cities and counties within an employment area<sup>1</sup> should coordinate their economic opportunity analyses under section 660-009-0015, their economic development policies under section 660-009-0020, and their land designations under section 660-009-0025 with one another. Cities and counties may conduct a single, coordinated economic opportunity analysis and may designate land for employment uses in any mutually agreed ratio. Within a regional UGB<sup>2</sup>, the district<sup>3</sup> shall coordinate the work of cities and counties under this division.

(2) To facilitate coordination within a regional UGB, the district shall provide the following information and analysis to local governments in the region:

(a) Review national and regional economic trends;

(b) Assess regional economic development potential;

(c) Determine the site requirements of regionally significant employment uses; and

(d) Inventory vacant land suitable for employment use.

(3) To facilitate coordination within a regional UGB, the district shall review the economic development plans of local governments in the region. In coordination with those local governments, the district shall adopt economic development objectives for the region and economic development policies to accomplish those objectives. The district's objectives and policies shall accommodate the objectives and policies in local government economic development plans as much as possible consistent with analysis conducted under subsection (2) of this section, with Goal 14, and with the regional objectives and policies adopted under this subsection.

(4) Within a regional UGB, the district shall, in coordination with local governments of the region, designate a long-term supply of land for employment uses consistent with Goal 14 and with the analysis, objectives and policies required by this section. The district shall designate a long-term supply each time it evaluates the capacity of its UGB pursuant to ORS 197.299.

---

<sup>1</sup> Defined in proposed rule as an area containing more than one city/county where employees are likely to commute from one to another.

<sup>2</sup> Defined in the sub-regional rule as Metro's UGB. This definition should be added to the Goal 9 rule.

<sup>3</sup> Defined in the sub-regional rule as Metro. This definition should be added to the Goal 9 rule.

~~Richard Benner~~  
012005c-05

*Proposed Amendments to Statewide Planning Goal 14*  
*January 7, 2005*

**GOAL 14: URBANIZATION**

*To provide for an orderly and efficient transition from rural to urban land use, to accommodate urban population and urban employment inside urban growth boundaries, to ensure efficient use of land, and to provide for livable communities.*

**Part 1: Urban Growth Boundaries**

Urban growth boundaries shall be established and maintained by cities, counties and regional governments to provide land for urban development needs and to identify and separate urban and urbanizable land from rural land. Establishment and change of urban growth boundaries shall be a cooperative process among cities, counties and, where applicable, regional governments. An urban growth boundary and amendments to the boundary shall be adopted by all cities within the boundary and by the county or counties within which the boundary is located, except for the Metro regional urban growth boundary established pursuant to ORS Chapter 268, which shall be adopted or amended by the Metropolitan Service District.

**Land Need**

Establishment and change of the urban growth boundaries shall be based on the following:

- (1) Demonstrated need to accommodate long range urban population, consistent with a 20-year population forecast coordinated with affected local governments; and,
- (2) Demonstrated need for land suitable to accommodate housing, employment opportunities or other urban uses such as public facilities, streets and roads, schools, parks or open space.

In determining need, local government may specify characteristics, such as parcel size, topography or proximity, necessary for land to be suitable for an identified need.

Prior to expanding an urban growth boundary, local governments shall demonstrate that needs cannot reasonably be accommodated on land already inside the urban growth boundary.

## **Boundary Location**

The location of the urban growth boundary and changes to the boundary shall be determined by evaluating alternative boundary locations consistent with ORS 197.298 and with consideration of the following factors:

- (1) Efficient accommodation of identified land needs
- (2) Livability and efficient urban form
- (3) Orderly and economic provision of public facilities and services;
- (4) Comparative environmental, energy, economic and social consequences;

and,

(5) Compatibility of the proposed urban uses with nearby agricultural and forest activities occurring on farm and forest land outside the UGB.

## **Part 2: Urban Area Planning**

### **Urbanizable Land**

Land within the boundaries shall be considered available over time for urban uses. Comprehensive plans and implementing measures shall manage the use and division of urbanizable land to maintain its potential for planned urban development until appropriate public facilities and services are available or planned.

*OPTION A: Include the following in the revised goal:*

### **Efficient Land Use and Livable Communities**

Comprehensive plans and implementing measures for land inside urban growth boundaries shall encourage the efficient use of land and the development of livable communities.

*OPTION B: Don't include this in the goal. Rather, include it as a guideline.*

## **Part 3: Unincorporated Communities** *(No change to this part of the goal)*

In unincorporated communities outside urban growth boundaries counties may approve uses, public facilities and services more intensive than allowed on

rural lands by Goal 11 and 14, either by exception to those goals, or as provided by commission rules which ensure such uses do not adversely affect agricultural and forest operations and interfere with the efficient functioning of urban growth boundaries.

Notwithstanding the other provisions of this goal, the commission may by rule provide that this goal does not prohibit the development and use of one single-family dwelling on a lot or parcel that:

- (a) Was lawfully created;
- (b) Lies outside any acknowledged urban growth boundary or unincorporated community boundary;
- (c) Is within an area for which an exception to Statewide Planning Goal 3 or 4 has been acknowledged; and
- (d) Is planned and zoned primarily for residential use.

*Note, "Guidelines" currently included under Goal 14 would be unchanged except under Option B, above.*

### ***Goal Definitions\****

**URBAN LAND.** Land inside an urban growth boundary.

**URBANIZABLE LAND.** Urban land that, due to the present unavailability of urban facilities and services, or for other reasons, either:

- (a) Retains the zone designations assigned prior to inclusion in the boundary; or
- (b) Is subject to interim zone designations intended to maintain the land's potential for planned urban development until appropriate public facilities and services are available or planned.

**RURAL LAND.** Land outside urban growth boundaries that is:

- (a) Non-urban agricultural, forest or open space;
- (b) Suitable for sparse settlement, small farms or acreage homesites with no or minimal public services, and not suitable, necessary or intended for urban use; or,
- (c) In unincorporated communities.

*\* Note: The Goal Definitions are adopted as part of the statewide planning goals and provide definitions for terms used in the goals. The definitions in the goals apply to all the goals and are*

**MINUTES OF THE METRO COUNCIL MEETING**

Thursday, January 13, 2005  
Metro Council Chamber

Councilors Present: David Bragdon (Council President), Susan McLain, Robert Liberty, Rex Burkholder, Carl Hosticka, Brian Newman

Councilors Absent: Rod Park (excused)

Council President Bragdon convened the Regular Council Meeting at 2:01 p.m.

**1. INTRODUCTIONS**

There were none.

**2. CITIZEN COMMUNICATIONS**

There were none.

**3. GRANT THORNTON FINANCIAL STATEMENT AUDIT**

Alexis Dow, Metro Auditor, introduced Grant Thornton's auditors, Gary Homsley and Ray Barlow. They would be presenting the annual financial statement audit. She spoke to requirements of the audit. She talked about the Comprehensive Annual Financial Report (CAFR). It presented an element of accountability. This audit was a joint venture between herself, the Accounting Department and Grant Thornton. She recognized Don Cox and Karla Lenox, Accounting Department. Don Cox, Accounting Manager, acknowledged the efforts of all of the accounting staff, particularly Karla Lenox. He highlighted the CAFR. He noted required changes such as an overview of Metro's long term financial planning. He noted Metro's excellence award for financial reporting.

Mr. Homsley said this year marked the third year of reporting for Metro. They had presented the reports to the auditor and management. Mr. Barlow, Senior Audit Manager gave an overview of the audit process, their opinion on financial statements and their opinion on recommendations. He noted the standards that they were required to follow. He said they had a clean opinion. He noted necessary compliance reports. They noticed three items that they were required to report, instances where expenditures exceeded appropriations, collateral issues with one account and increased expenditures in a particular fund more than 10%. This expenditure was subsequently adjusted. Councilor Newman asked about Metropolitan Exposition-Recreation Commission (MERC) Metro issues from last year's report. Mr. Barlow said the financial controls were in place and there were very few issues that had to be addressed. There were significant improvements. Councilor McLain asked if there was anything that had jumped out at them? Mr. Barlow said nothing came to mind. Ms. Dow commented that Don Cox and Karla Lenox did an excellent job. Council President Bragdon talked about transitions in the industry and how accounting was done. How had the transition progressed? Mr. Barlow responded to his question. Michael Jordan, Chief Operating Officer (COO), complimented Ms. Lenox, Mr. Cox and Ms. Kathy Taylor at MERC. Councilor Liberty asked about liability. Mr. Cox responded to his question.

**4. URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN 2004 ANNUAL COMPLIANCE REPORT PRESENTATION**

Sherry Oeser, Planning Department, said she would be covering most of the compliance report. Council had received the report last month. She spoke to the process including a public hearing and an order to be considered by Council after the public hearing. She talked about Title 1 through 6 (details on compliance were included in the report). She spoke to the impact of Ballot Measure 37 and some of the changes cities were looking at. She noted that cities and counties would be invited to the public hearing to respond to compliance issues.

Councilor McLain asked about Clackamas County's request for an exception. Ms. Oeser talked about Title 11 and what areas were considered in this compliance report. No jurisdiction was out of compliance at this time. There were several jurisdictions that may not meet their March 31, 2005 deadline. She noted the map (a copy of which is included in the record). She suggested a discussion on Title 11 at a future agenda. She said there were several issues that would be coming up this year on Title 1.

Councilor McLain asked about Title 11. She asked how many jurisdictions were they talking about. Ms. Oeser said there were several. Councilor McLain recommended a discussion on non-compliance and establishing a process for planning deadlines. Ms. Oeser said there were 11 jurisdictions that they didn't think would meet the March deadline for varying reasons. Council President Bragdon talked about capacity. Had there been discussion with the jurisdictions about methodology? Ms. Oeser said they were still considering what to do.

Gerry Uba, Planning Department, presented the compliance of the housing title, Title 7. He said three jurisdictions had complied with this title, Beaverton, Portland, and Multnomah County. He noted who had not complied. There were also some jurisdictions that had interim reports. He spoke to the various components of Title 7. He also noted some of the reasons why jurisdictions were not in compliance including lack of resources, no regional funding supporting affordable housing, no desire to comply, and an inability to implement strategies. Finally, the COO had sent out a letter to the jurisdictions reminding them of the final report responsibilities and the public responses they had received. Three jurisdictions had responded to the letter, Beaverton, Portland and Multnomah County. Generally the public was in support of adopting an affordable housing strategy. He pointed out other things that were currently happening. There was a greater awareness of the need to produce affordable housing. There were jurisdictions that were making a greater effort to increase affordable housing such as Gresham, Beaverton and Lake Oswego. He spoke to next steps. There would be a new housing committee. He felt it would add improvements to what we were achieving in the housing arena.

Councilor Liberty asked what progress was being made toward achieving the regional affordable housing goals, specifically the targets for families earning 30% and 50% of median household income that are part of the framework plan. Mr. Uba said the jurisdictions were required to consider strategies but not necessarily adopt them. Councilor Liberty asked how many had made a report in terms of numbers of affordable housing? Mr. Uba said no jurisdictions had reported. Councilor Liberty expressed concern about the progress of the reporting and wondered whether in the absence of any information we shouldn't assume we were moving backwards in terms of the actual supply of affordable housing. Mr. Uba said the progress that had been made would be considered in the next several months. They would be coming back to Council. Councilor Liberty asked about asking for outcomes on the ground. Mr. Uba said they would be asking for these outcomes. Councilor Liberty said the outcomes were what they were interested in. Mr. Uba said

there were many cities that did not have resources to identify the number of units produced in their area. He was hopeful Metro could work with the local governments to get more data. Councilor McLain thanked Mr. Uba for his hard work in fulfilling our responsibilities. She did agree with Councilor Liberty's remarks. She felt the Metro Council needed to take on some added leadership and responsibility to figure out what this task force should focus on. She felt we hadn't done a thing after nine years. It was time to step up to the plate to figure out what we could ask of the jurisdictions. Mr. Uba said they would be inviting them to come to the public hearing. Ms. Oeser said the notice would be sent out tomorrow. Councilor McLain suggested a positive letter thanking those who had complied.

Council President Bragdon concurred with Councilor McLain's comments. He said both Councilors Burkholder and Liberty were working on this issue. Councilor Liberty echoed Council President Bragdon's comments and concerns. He emphasized that he was interested in getting housing choices built on the ground not in imposing more paperwork on local governments.

**5. CONSENT AGENDA**

- 5.1 Consideration of Minutes for the January 6, 2005 Metro Council Regular Meeting.
- 5.2 Removed from the consent agenda.
- 5.3 **Resolution No. 05-3522**, For the Purpose of Authorizing the Chief Operating Officer to Execute Change Order No. 2 to the Contract With Philip Services Corporation for Disposal of Wastewater and Waste Paint Generated at Metro's Latex Paint Recycling Facility.
- 5.4 **Resolution No. 05-3530**, For the Purpose of Confirming Appointments to the Greenspaces Policy Advisory Committee (GPAC).

Motion:

Councilor McLain moved to adopt the meeting minutes of the January 6, 2005 Regular Metro Council and Resolution Nos. 05-3522, and 05-3530.

Vote:

Councilors Burkholder, McLain, Liberty, Newman, Hosticka and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.

**6. ORDINANCES – FIRST READING**

- 6.1 **Ordinance No. 05-1069**, For the Purpose of Amending the FY 2004-05 Budget and Appropriations Schedule, Transferring \$18,000 from the Support Services Fund Contingency to Capital Outlay in the Property Services Division of the Finance and Administrative Services Department, Amending the FY 2004-05 through 2008-09 Capital Improvement Plan For the Purchase of a Copier; and Declaring an Emergency.

Council President Bragdon assigned Ordinance No. 05-1069 to the Council.

**7. ORDINANCES – SECOND READING**

- 7.1 Ordinance No. 04-1067, For the Purpose of Amending the FY 2004-05 Budget and Appropriations Schedule for the Purpose of Transferring \$97,902 From Contingency to Personal Services in the Planning Fund to Add 1.0 FTE Regional Planning Director (Program Director II); and Declaring an Emergency.**

Motion:	Councilor Burkholder moved to adopt Ordinance No. 04-1067.
Seconded:	Councilor Newman seconded the motion

Councilor Burkholder explained the budget amendment and the need to restore that position and the responsibilities of the position. Council President Bragdon talked about his budget for this fiscal year. He had put funds aside for this position. He felt this money would be well spent. He was happy to support this today.

Council President Bragdon opened a public hearing on Ordinance No. 04-1067. No one came forward to testify. Council President Bragdon closed the public hearing.

Vote:

Councilors Hosticka, Burkholder, McLain, Newman, Liberty and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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**8. CONTRACT REVIEW BOARD**

- 8.1 Resolution No. 05-3525, For the Purpose of Authorizing the Exemption From Competitive Bidding Requirements and Authorizing the Chief Operating Officer to Issue a Design/Build Request for Proposals (RFP), for the Design, Engineering and Construction of Innovative Stormwater Improvements at the Oregon Zoo.**

Motion:	Councilor Newman moved to adopt Resolution No. 05-3525.
Seconded:	Councilor Hosticka seconded the motion

Councilor Newman spoke to the resolution. He said Metro and the City of Portland had entered into an Intergovernmental Agreement (IGA) for stormwater improvements at the Oregon Zoo. He noted budget issues and the reason for the need for a design/build approach. He talked about the exemption process. The Oregon Zoo would use a competitive process in the RFP. He urged support.

Vote:

Councilors Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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- 8.2 Resolution No. 05-3526, For the Purpose of Approving the Release of a Request for Proposals and Award of Contract for Design and Engineering Services for Public Access Facilities at the Mt. Talbert Natural Area**

Motion:	Councilor Newman moved to adopt Resolution No. 05-3526.
Seconded:	Councilor McLain seconded the motion

Councilor Newman said this resolution allowed for a release of a Request For Proposal for design and engineering services at Mt. Talbert. This was the very first effort in our Parks Department's effort to develop new open space properties. He noted the four properties, which would be developed. Mt. Talbert was the first choice to open because of what was already in place. Heather Nelson, Parks and Greenspaces, said she would be happy to walk the Council through the Master Plan. She shared a map of the facility. She noted the access points into the park's facility. She talked about the design and engineering processes and plans. She said the site provided opportunities for educational and restoration opportunities. They would be providing the public entrance point. She detailed some of the project goals. Councilor Burkholder asked what the RFP covered? He understood that this RFP was for design and other services. Ms. Kent said yes. They anticipated this phase would take 12 to 18 months before they could break ground on the project.

Councilor Burkholder asked about the public involvement. Ms. Kent said typically they didn't have public involvement unless there were concerns. They would be working with the retirement center near by, the county and the city. Council President Bragdon said they had the public testify when the master plan was adopted. Ms. Kent explained when they did have public involvement. Council President Bragdon said there was a lot of regional support for this site. He said they would be utilizing project managers from the Solid Waste and Recycling Department. He asked Ms. Kent to provide more details. Ms. Kent said they had great experts on staff. They typically would be the project manager that worked with the consultant team. She said they had a number of experts that would be providing services. Councilor Newman said this area had had explosive growth over the last decade. This was a great public service for Metro to provide this service. He thanked the Parks Department and Don Trotter, Chair of the Advisory Board for the North Clackamas Parks and Recreation Board, and Charlie Ciecko, Director of the North Clackamas Parks and Recreation District.

Vote:

Councilors Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.

**9. EXECUTIVE SESSION HELD PURSUANT TO ORS 192.660(1)(e).  
DELIBERATIONS WITH PERSONS DESIGNATED TO NEGOTIATE  
REAL PROPERTY TRANSACTIONS.**

Time began: 3:23 pm

Members present: Jim Desmond, Michael Jordan, Dan Cooper, Nancy Chase

Time Ended: 3:40pm

**9.1 Resolution No. 05-3528, For the Purpose of Authorizing the Chief Operating Officer to Contribute towards the Purchase of Property by the City of Portland in the Forest Park Target Area.**

Motion:	Councilor Liberty moved to adopt Resolution No. 05-3528.
Seconded:	Councilor McLain seconded the motion

Councilor Liberty said there were three special circumstances that obliged the Council act on the expenditure of open space bond funds for this property, which otherwise would be done by the Chief Operating Officer. This had been a property that was targeted for purchase for many years for use as a trailhead, parking area and toilet for Forest Park. Its purchase had been complicated by concern over contamination on the site by PCBs during its ownership by PGE, which had

spent substantial sums cleaning up the property. Metro funds would be used to purchase the property for the City of Portland, rather than for ownership by Metro. Through this arrangement, the City would be liable for any additional clean up if there was additional contamination. In addition to these two circumstances, the purchase was in excess of the amount for the Forest Park target area.

Councilor Burkholder supported this purchase to improve access to Forest Park. It was important that they were helping out the City of Portland as well as the citizens on the region. Council President Bragdon spoke to the regional significance of the purchase. Councilor Liberty thanked Jim Desmond and Nancy Chase for their eight years of effort on this purchase.

Vote:

Councilors Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.

**9.2 Resolution No. 05-3521, For the Purpose of Authorizing the Chief Operating Officer to Issue a Non-System license to Safeway, Inc. For Delivery of Source Separated Pre-Consumer Food Waste to the Nature’s Needs Facility for Composting.**

Motion:	Councilor McLain moved to adopt Resolution No. 05-3521.
Seconded:	Councilor Newman seconded the motion

Councilor McLain introduced the resolution. She had asked that it be pulled off the consent agenda. She said they had made a change in their Code for Council to consider facilities that take in wet or putrescible waste instead of having the COO approve the license. She spoke to the safety and public health criteria. She said it was important that the public hear that there were no concerns about this operation. She asked Roy Brower, Solid Waste and Recycling Department, to provide an update to the Council.

Roy Brower said the resolution would authorize Safeway to take source separated pre-consumer food waste to the Nature’s Need facility. He explained the need for the non-system license (NSL). Safeway applied for an NSL in 2003. Safeway consolidated their food waste at the Clackamas Distribution facility and then would take the waste to Nature’s Need. Staff had no issues with what they were proposing to do. Department of Environmental Quality (DEQ) authorized nature’s Needs. They recommended approval.

Councilor McLain suggested how to use the consent agenda and when the Council should consider a resolution for the benefit of the public. Mr. Brower said Nature Needs only took vegetative food waste. Councilor Liberty asked about bakery waste and why it was vegetative waste? Mr. Brower said that was currently being considered by DEQ. Councilor Liberty asked about the odor complaints for Nature Needs. Councilor McLain said Nature’s Needs had addressed those concerns. She was trying to make sure that the public understood their concerns about the criteria for safety and health, like odor. The Council took these issues seriously and reviewed these carefully before granting a non-system license.

Vote:

Councilors Hosticka, Burkholder, Newman, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.

**10. CHIEF OPERATING OFFICER COMMUNICATION**

Michael Jordan, Chief Operating Officer (COO), asked about the compliance report and the public hearing. He wondered if they wanted a work session on this issue. Council President Bragdon said there were two issues, housing and development of new areas. Councilor Newman thought they would bring this to Metro Policy Advisory Committee (MPAC). Mr. Jordan asked if MPAC should have a meeting before the public hearing. Councilor McLain felt they should have a work session and then send a letter from MPAC. Councilor Burkholder said it raised issues for Joint Policy Advisory Committee on Transportation (JPACT) as well because Metropolitan Transportation Improvement Program (MTIP) funding required compliance. He felt a work session was useful.

**11. COUNCILOR COMMUNICATION**

Council President Bragdon said Monday was Martin Luther King holiday and Metro Regional Center will be closed. He talked about the Metropolitan Exposition-Recreation Commission General Manager's search.

Councilor Newman said he had gone to a meeting with Clackamas County and Happy Valley to discuss school overcrowding and growth in that area. They would like to have a discussion with Metro and have Metro use them as a case study. He felt it would be informative to Council. Councilor McLain said they had asked schools to analyze the facilities needs over a five-year plan. She talked about their conversations with the schools. She felt it was time for an update. She spoke to infrastructure issues and concerns. She had attended public forums over the past month. They had brought up the issue of concurrency. They were aware that we don't have the money for infrastructure for land that had been added to the Urban Growth Boundary (UGB). They were also concerned about Measure 37. They were concerned about Goal 14. They were asking about public involvement. She hoped that Metro would get something out to the public that would alert Land Conservation and Development Commission (LCDC) to the need for public comment.

**12. ADJOURN**

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:00p.m.

Prepared by

Chris Billington  
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JANUARY 13,  
2005**

Item	Topic	Doc Date	Document Description	Doc. Number
5.1	Minutes	1/6/05	Minutes of the Metro Council Meeting of January 6, 2005	011305c-01
4	Compliance Report	12/23/04	To: Metro Council From: Sherry Oeser and Gerry Uba, Planning Department Re: Urban Growth Management Functional Plan Annual Compliance Report 2004	011305c-02
3	Financial Statement Audit	June 30, 2004	To: Metro Council From: Grant Thornton Re: Schedule of Expenditures of Federal Awards and Reports of Independent Certified Public Accountants Metro Year ended June 30, 2004	011305c-03
3	CAFR	June 30, 2004	To: Metro Council From: Don Cox, Accounting Department Re: Comprehensive Annual Financial Report for the year ended June 30, 2004	011305c-04