

# Metro | Agenda

**Meeting:** Metro Council Work Session  
**Date:** Thursday, January 8, 2015  
**Time:** 2 p.m.  
**Place:** Metro Regional Center, Council Chamber

---

## CALL TO ORDER AND ROLL CALL

**2 PM**      **1. CHIEF OPERATING OFFICER COMMUNICATION**

**2:10 PM**    **2. Resolution No. 15-4596**, For the Purpose of Accepting the November 4, 2014 General Election Abstract of Votes for Measure 26-160

**2:15 PM**    **3. Resolution No. 15-4598**, For the Purpose of Organizing the Metro Council and Confirming Committee Members

**2:20 PM**    **4. REVISED ADMINISTRATIVE RULES FOR CONSTRUCTION EXCISE TAX AND COMMUNITY PLANNING AND DEVELOPMENT GRANTS IMPLEMENTATION**

**Martha Bennett, Metro**  
**John Williams, Metro**  
**Gerry Uba, Metro**

**3:00 PM**    **5. STATE LEGISLATIVE AGENDA**

**Randy Tucker, Metro**

**4:00 PM**    **6. COUNCIL LIAISON UPDATES AND COUNCIL COMMUNICATION**

**ADJOURN**

# Metro respects civil rights

Metro fully complies with Title VI of the Civil Rights Act of 1964 and related statutes that ban discrimination. If any person believes they have been discriminated against regarding the receipt of benefits or services because of race, color, national origin, sex, age or disability, they have the right to file a complaint with Metro. For information on Metro's civil rights program, or to obtain a discrimination complaint form, visit [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights) or call 503-797-1536. Metro provides services or accommodations upon request to persons with disabilities and people who need an interpreter at public meetings. If you need a sign language interpreter, communication aid or language assistance, call 503-797-1890 or TDD/TTY 503-797-1804 (8 a.m. to 5 p.m. weekdays) 5 business days before the meeting. All Metro meetings are wheelchair accessible. For up-to-date public transportation information, visit TriMet's website at [www.trimet.org](http://www.trimet.org).

## Thông báo về sự Metro không kỳ thị của

Metro tôn trọng dân quyền. Muốn biết thêm thông tin về chương trình dân quyền của Metro, hoặc muốn lấy đơn khiếu nại về sự kỳ thị, xin xem trong [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Nếu quý vị cần thông dịch viên ra dấu bằng tay, trợ giúp về tiếp xúc hay ngôn ngữ, xin gọi số 503-797-1890 (từ 8 giờ sáng đến 5 giờ chiều vào những ngày thường) trước buổi họp 5 ngày làm việc.

## Повідомлення Metro про заборону дискримінації

Metro з повагою ставиться до громадянських прав. Для отримання інформації про програму Metro із захисту громадянських прав або форми скарги про дискримінацію відвідайте сайт [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights) або Якщо вам потрібен перекладач на зборах, для задоволення вашого запиту зателефонуйте за номером 503-797-1890 з 8.00 до 17.00 у робочі дні за п'ять робочих днів до зборів.

## Metro 的不歧视公告

尊重民權。欲瞭解Metro民權計畫的詳情，或獲取歧視投訴表，請瀏覽網站 [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)。如果您需要口譯方可參加公共會議，請在會議召開前5個營業日撥打503-797-1890（工作日上午8點至下午5點），以便我們滿足您的要求。

## Ogeysiiska takooris la'aanta ee Metro

Metro waxay ixtiraamtaa xuquuqda madaniga. Si aad u heshid macluumaad ku saabsan barnaamijka xuquuqda madaniga ee Metro, ama aad u heshid warqadda ka cabashada takoorista, booqo [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Haddii aad u baahan tahay turjubaan si aad uga qaybqaadatid kullamada dadweyne, wac 503-797-1890 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqa ka hor kullanka si loo tixgaliyo codsashadaada.

## Metro의 차별 금지 관련 통지서

Metro의 시민권 프로그램에 대한 정보 또는 차별 항의서 양식을 얻으려면, 또는 차별에 대한 불만을 신고 할 수 [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). 당신의 언어 지원이 필요한 경우, 회의에 앞서 5 영업일 (오후 5시 주중에 오전 8시) 503-797-1890를 호출합니다.

## Metroの差別禁止通知

Metroでは公民権を尊重しています。Metroの公民権プログラムに関する情報について、または差別苦情フォームを入手するには、[www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)。までお電話ください公開会議で言語通訳を必要とされる方は、Metroがご要請に対応できるよう、公開会議の5営業日前までに503-797-1890（平日午前8時～午後5時）までお電話ください。

## សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានក្បួនលំអររើសអើងសូមចូលទស្សនាការប្រកាស [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)។  
បើលោកអ្នកត្រូវការការបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1890 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

## إشعار بعدم التمييز من Metro

تحتزم Metro الحقوق المدنية. للمزيد من المعلومات حول برنامج Metro للحقوق المدنية أو لإبداء شكوى ضد التمييز، يرجى زيارة الموقع الإلكتروني [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). إن كنت بحاجة إلى مساعدة في اللغة، يجب عليك الاتصال مقدماً برقم الهاتف 503-797-1890 (من الساعة 8 صباحاً حتى الساعة 5 مساءً، أيام الاثنين إلى الجمعة) قبل خمسة (5) أيام عمل من موعد الاجتماع.

## Paunawa ng Metro sa kawalan ng diskriminasyon

Iginagalang ng Metro ang mga karapatang sibil. Para sa impormasyon tungkol sa programa ng Metro sa mga karapatang sibil, o upang makakuha ng porma ng reklamo sa diskriminasyon, bisitahin ang [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Kung kailangan ninyo ng interpreter ng wika sa isang pampublikong pulong, tumawag sa 503-797-1890 (8 a.m. hanggang 5 p.m. Lunes hanggang Biyernes) lima araw ng trabaho bago ang pulong upang mapagbigyan ang inyong kahilingan. Notificación de no discriminación de Metro.

## Notificación de no discriminación de Metro

Metro respeta los derechos civiles. Para obtener información sobre el programa de derechos civiles de Metro o para obtener un formulario de reclamo por discriminación, ingrese a [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Si necesita asistencia con el idioma, llame al 503-797-1890 (de 8:00 a. m. a 5:00 p. m. los días de semana) 5 días laborales antes de la asamblea.

## Уведомление о недопущении дискриминации от Metro

Metro уважает гражданские права. Узнать о программе Metro по соблюдению гражданских прав и получить форму жалобы о дискриминации можно на веб-сайте [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Если вам нужен переводчик на общественном собрании, оставьте свой запрос, позвонив по номеру 503-797-1890 в рабочие дни с 8:00 до 17:00 и за пять рабочих дней до даты собрания.

## Avizul Metro privind nediscriminarea

Metro respectă drepturile civile. Pentru informații cu privire la programul Metro pentru drepturi civile sau pentru a obține un formular de reclamație împotriva discriminării, vizitați [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Dacă aveți nevoie de un interpret de limbă la o ședință publică, sunați la 503-797-1890 (între orele 8 și 5, în timpul zilelor lucrătoare) cu cinci zile lucrătoare înainte de ședință, pentru a putea să vă răspunde în mod favorabil la cerere.

## Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1890 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnub ua hauj lw m ua ntej ntawm lub rooj sib tham.



Agenda Item No. 2.0

**Resolution No. 15-4596**, For the Purpose of Accepting the  
November 4, 2014 General Election Abstract of Votes for  
Measure 26-160

Metro Council Work Session  
Thursday, January 8, 2015  
Metro Regional Center, Council Chambers

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ACCEPTING THE	)	RESOLUTION NO. 15-4596
NOVEMBER 4, 2014 GENERAL ELECTION	)	
ABSTRACT OF VOTES FOR MEASURE 26-160	)	Introduced by Chief Operating Officer Martha
FOR METRO	)	Bennett in concurrence with Council
	)	President Tom Hughes

WHEREAS, the Metro Council adopted Resolution 14-4545 on August 14, 2014 (“For the Purpose of Submitting to the Voters on November 4, 2014, the Question of Whether or Not to Retain Metro Charter Provision Chapter II, Section 5(4)(b)”): and

WHEREAS, a General Election was held in the State of Oregon on November 4, 2014 (General Election); and

WHEREAS, ORS 255.295 requires that the Multnomah County Director of Elections Division prepare an abstract of votes cast for acceptance for Multnomah, Clackamas and Washington Counties (Metro Area), and deliver the official Abstract of Votes to Metro; and

WHEREAS, Metro Code Title IX Elections, Chapter 9.02.080 requires the Metro Council after certification of the election results from the Director of Elections to "canvass the vote and enter its proclamation of the results in the Council records"; and

WHEREAS, the Abstract of Votes of the General Election for the Metro Area certifying the election results were received by the Metro Council, attached hereto and made a part hereof as Exhibit A, and the Metro Council has canvassed the vote, and the Abstract of Votes indicates that Ballot Measure 26-160 passed by a majority of voters in the Metro region; now therefore

BE IT RESOLVED:

1. That the Metro Council hereby accepts the results of the November 4, 2014 General Election Abstract of Votes for Metro Ballot Measure 26-160; and
2. That the voters of the Metro Area have approved of Ballot Measure 26-160; and
3. The Metro Charter will be amended accordingly.

ADOPTED by the Metro Council this 8th day of January 2015.

\_\_\_\_\_  
Tom Hughes, Council President

Approved as to Form:

\_\_\_\_\_  
Alison R. Kean, Metro Attorney

NUMBERED KEY CANVASS

Multnomah County, Oregon  
 General Election  
 November 4, 2014

REPORT-EL52 PAGE 0098

RUN OATE:11/21/14 10:25 AM

VOTES PERCENT

VOTES PERCENT

26-160 Metro  
 Vote for 1  
 01 = Yes  
 02 = No

191,720 76.28 03 = OVER VOTES  
 59,620 23.72 04 = UNOER VOTES

128  
 47,058

	01	02	03	04
2701	329	92	0	70
2702	445	103	0	99
3101	593	191	0	133
3102	206	58	0	41
3301	2120	616	1	593
3302	1946	716	2	564
3303	1683	478	1	367
3304	312	90	0	55
3501	451	141	0	105
3502	2560	662	0	558
3601	755	235	0	201
3602	1462	521	0	535
3603	1094	559	2	387
3604	2016	692	2	569
3605	1439	558	0	528
3606	2532	651	0	554
3607	1273	402	0	287
3608	1843	593	0	500
3609	293	74	0	64
3610	2131	560	2	499
3611	2520	592	2	557
3612	1790	691	2	510
3801	2237	589	1	450
3802	1812	451	0	390
3803	2055	598	3	554
3804	1460	395	0	303
3805	1040	311	1	247
3806	919	268	1	272
3807	544	168	0	126
3808	100	46	0	57
4101	2068	514	1	441
4102	2179	621	3	521
4103	2202	364	2	391
4104	2446	563	2	484
4201	1996	518	1	527
4203	1766	538	2	519
4204	2426	578	3	561
4205	2607	631	1	573
4206	2279	628	1	611
4207	2207	521	1	577
4208	2047	534	0	471
4209	2107	589	2	550
4210	2255	609	3	567
4211	2440	603	1	512
4301	2141	683	4	485
4302	1861	614	0	506
4303	1957	585	3	571
4304	2120	626	4	572
4305	2354	575	5	547
4306	2106	661	0	570
4307	2041	633	0	519
4308	2454	561	1	495
4310	2059	601	4	516
4311	1646	419	3	391
4401	1655	694	0	390

NUMBERED KEY CANVASS

Multnomah County, Oregon  
 General Election  
 November 4, 2014

FINAL OFFICIAL RESULTS

RUN DATE:11/21/14 10:25 AM

REPORT-EL52 PAGE 0099

	VOTES	PERCENT		VOTES	PERCENT
26-160 Metro					
Vote for 1					
01 = Yes	191,720	76.28	03 = OVER VOTES	128	
02 = No	59,620	23.72	04 = UNDER VOTES	47,058	

(CONTINUED FROM PREVIOUS PAGE)

	01	02	03	04
4402	2042	726	0	533
4403	1929	551	0	422
4404	1827	657	2	453
4405	2171	726	2	485
4406	2191	641	2	509
4407	1654	514	0	381
4408	1887	689	3	480
4409	747	281	1	217
4501	2659	535	1	496
4502	2229	598	1	485
4503	2213	562	0	511
4504	2734	489	0	495
4505	1535	356	0	330
4506	1330	487	1	336
4507	2261	513	0	552
4508	1682	604	3	474
4509	1005	356	1	253
4510	963	348	0	231
4511	927	355	1	247
4512	296	60	0	70
4601	2357	611	1	575
4602	2144	411	0	387
4603	2670	521	4	574
4604	1652	579	1	462
4605	2290	671	1	610
4606	2119	643	0	552
4607	1405	469	0	372
4608	866	407	0	220
4609	2227	651	3	551
4701	1012	359	0	274
4702	332	102	0	65
4703	965	310	0	251
4704	1619	651	1	390
4705	1737	636	1	477
4706	1213	554	0	254
4707	642	231	0	179
4708	1396	497	1	314
4709	735	302	0	182
4710	1498	672	0	390
4801	537	215	1	103
4802	1474	631	2	385
4803	802	391	0	171
4804	484	256	0	119
4805	267	123	0	68
4806	667	212	0	136
4807	920	414	0	251
4901	21	10	0	4
4902	7	7	0	9
4903	1625	688	1	475
4904	1457	595	2	398
4905	1909	638	0	444
4906	434	204	1	108
4907	148	48	0	30
4908	849	325	1	227
4909	1564	624	3	477

NUMBERED KEY CANVASS

RUN DATE: 11/21/14 10:25 AM

Multnomah County, Oregon  
 General Election  
 November 4, 2014

FINAL OFFICIAL RESULTS

REPORT-EL52 PAGE 0100

	VOTES	PERCENT		VOTES	PERCENT
26-160 Metro					
Vote for 1					
01 = Yes	191,720	76.28	03 = OVER VOTES	128	
02 = No	59,620	23.72	04 = UNDER VOTES	47,058	

(CONTINUED FROM PREVIOUS PAGE)

	01	02	03	04
4910	1249	484	0	341
4911	1432	656	1	376
5001	1317	545	0	330
5002	1714	690	1	460
5003	1667	569	1	478
5004	1507	465	1	358
5005	853	376	1	227
5006	1477	491	1	371
5007	1476	520	0	364
5008	1534	486	1	380
5009	314	176	2	82
5101	285	123	2	70
5102	1698	678	2	365
5103	941	344	0	191
5104	1433	550	1	346
5105	160	73	0	40
5106	616	257	2	202
5107	270	92	0	81
5202	175	61	1	42
5203	612	255	2	146
5204	1285	459	0	322

Certificate

I certify that the votes recorded on this abstract correctly summarize the tally of votes cast at the election indicated.



Tim Scott, Director of Elections  
 Multnomah County, Oregon

**Canvass Report — Election Voters — Official**  
**Clackamas County, Oregon — General Election — November 04, 2014**

Page 128 of 141

11/24/2014 08:30 AM

Total Number of Voters : 161,652 of 229,859 = 70.33

Precincts Reporting 118 of 118 = 100.00%

**Measure 26-160 Retain prohibition on Metro-required single-family neighborhood density increases**

Precinct	Election Ballots Cast	Total Ballots Cast	Registered Voters	Percent Turnout	YES	NO	Totals
001	2646	2646	3799	69.65%	1611	579	2190
002	2141	2141	3251	65.86%	1362	468	1830
003	1664	1864	2405	69.19%	1061	344	1405
004	25	25	39	64.10%	17	5	22
005	2584	2584	4043	63.91%	1589	549	2138
006	1839	1839	2498	73.62%	1216	366	1582
007	1848	1848	2757	67.03%	1152	373	1525
010	20	20	25	80.00%	13	6	19
031	1460	1480	2244	65.06%	858	332	1190
032	1553	1553	2275	88.26%	924	337	1281
033	1618	1618	2239	72.26%	1014	349	1383
051	1808	1808	2597	69.82%	1111	384	1495
052	1918	1918	2745	69.87%	1183	408	1589
053	1492	1492	2333	63.95%	864	347	1211
054	1802	1602	2224	72.03%	1000	314	1314
055	1679	1679	2476	67.81%	1009	383	1392
070	4	4	5	80.00%	4	0	4
071	126	126	156	80.77%	99	16	115
072	68	68	111	61.26%	47	9	56
073	121	121	183	66.12%	80	27	107
074	43	43	54	79.63%	33	8	39
100	263	263	406	64.78%	159	58	215
101	2745	2745	4199	65.37%	1746	570	2316
102	206	206	381	54.07%	120	37	157
103	2096	2096	3039	68.97%	1329	420	1749
104	2	2	4	50.00%	2	0	2
105	709	709	1009	70.27%	468	121	589
130	1958	1958	2665	73.47%	1269	326	1595
131	2088	2088	2888	72.30%	1367	342	1709
132	1630	1630	2338	69.72%	1071	273	1344
133	2786	2786	3641	76.52%	1916	410	2326
134	1935	1935	2484	77.90%	1349	282	1611
135	2063	2063	2676	77.09%	1424	278	1700
151	2002	2002	2587	77.39%	1403	283	1686
152	2181	2181	2816	77.45%	1394	360	1754
153	1833	1833	2610	70.23%	1218	270	1488
154	564	564	741	76.11%	343	89	432
155	2314	2314	3143	73.62%	1548	362	1910
156	2424	2424	3185	76.11%	1640	340	1980
157	1858	1856	2441	76.03%	1332	270	1602



Canvass Report — Election Voters — Official  
 Clackamas County, Oregon — General Election — November 04, 2014

Total Number of Voters : 161,652 of 229,859 = 70.33

Precincts Reporting 118 of 118 = 100.00%

Measure 26-160 Retain prohibition on Metro-required single-family neighborhood density increases

Precinct	Election Ballots Cast	Total Ballots Cast	Registered Voters	Percent Turnout	YES	NO	Totals
158	1376	1376	1934	71.15%	928	219	1147
159	2690	2890	3695	72.80%	1768	423	2191
160	303	303	401	75.56%	198	54	252
201	2534	2534	3593	70.53%	1631	471	2102
202	3220	3220	4873	66.08%	1941	686	2627
203	1770	1770	2140	82.71%	1161	297	1458
251	1	1	5	20.00%	1	0	1
252	1360	1360	1884	72.19%	947	178	1125
280	989	989	1373	72.03%	685	156	821
281	1115	1115	1508	73.94%	782	161	943
282	339	339	503	67.40%	218	56	274
283	394	394	499	78.96%	285	55	340
320	984	984	1257	78.28%	665	180	845
321	1278	1278	1668	76.62%	803	292	1095
323	3	3	5	60.00%	2	1	3
400	1119	1119	1493	74.95%	743	231	974
401	784	784	1048	74.81%	549	140	689
402	1112	1112	1482	75.03%	801	177	978
403	974	974	1309	74.41%	635	191	826
404	330	330	473	69.77%	204	78	282
405	501	501	721	69.49%	297	134	431
406	201	201	284	70.77%	128	50	178
410	1083	1063	1590	68.86%	671	204	875
411	2012	2012	3004	66.98%	1213	447	1660
412	1093	1093	1731	63.14%	682	222	904
413	1170	1170	2101	55.69%	663	286	949
414	621	621	858	72.55%	372	152	524
415	177	177	235	75.32%	117	39	156
416	2184	2184	3344	65.31%	1367	437	1804
417	12	12	19	63.16%	7	3	10
418	2477	2477	4223	58.65%	1431	592	2023
419	565	565	807	70.01%	349	106	455
420	381	381	630	60.48%	224	101	325
421	1862	1862	2889	64.25%	1158	396	1554
422	2337	2337	3955	59.09%	1333	809	1942
423	15	15	26	57.69%	9	3	12
500	2472	2472	3443	71.80%	1551	488	2039
501	2052	2052	3025	67.83%	1279	414	1693
502	2645	2645	3780	69.97%	1673	517	2190
503	2842	2842	3569	74.03%	1724	488	2212

Canvass Report — Election Voters — Official  
 Clackamas County, Oregon — General Election — November 04, 2014

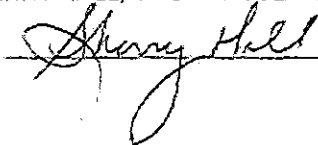
Total Number of Voters : 161,652 of 229,859 = 70.33

Precincts Reporting 118 of 118 = 100.00%

Measure 26-160 Retain prohibition on Metro-required single-family neighborhood density increases

Precinct	Election Ballots Cast	Total Ballots Cast	Registered Voters	Percent Turnout	YES	NO	Totals
504	1524	1524	2374	64.20%	907	356	1263
505	1298	1298	1818	71.40%	855	228	1083
506	1706	1706	2583	66.05%	987	404	1391
510	566	566	721	78.50%	382	109	491
511	3	3	3	100.00%	2	1	3
512	697	697	984	70.83%	440	171	611
515	323	323	489	66.05%	176	88	264
519	152	152	208	73.08%	80	50	130
<b>Totals</b>	<b>118340</b>	<b>118340</b>	<b>162067</b>		<b>72346</b>	<b>21806</b>	<b>94152</b>

CERTIFIED COPY OF THE ORIGINAL  
 SHERRY HALL, COUNTY CLERK

BY: 

NUMBERED KEY CANVASS

Washington County, Oregon  
 General Election  
 November 4, 2014

FINAL

RUN DATE: 11/21/14 04:09 PM

REPORT-EL52 PAGE 0128

VOTES PERCENT

VOTES PERCENT

26-160 Metro  
 Charter Amendment

Vote for 1

01 = Yes

02 = No

112,374 74.45

38,574 25.55

03 = OVER VOTES

04 = UNDER VOTES

40

32,377

-----  
 01 02 03 04  
 -----

0302	302	818	362	1	222
0303	303	262	125	0	68
0304	304	1118	474	0	277
0306	306	235	102	0	83
0307	307	681	295	0	186
0309	309	1792	619	2	559
0312	312	2	0	0	1
0313	313	4	0	0	1
0314	314	6	4	0	0
0317	317	6	0	0	0
0318	318	1031	437	1	248
0319	319	404	168	0	103
0320	320	1030	404	0	301
0322	322	27	15	0	6
0323	323	1165	446	1	314
0325	325	0	0	0	0
0327	327	1329	521	0	366
0328	328	4	8	0	2
0329	329	1412	544	0	391
0331	331	841	304	0	254
0332	332	908	289	0	262
0333	333	948	471	1	426
0335	335	1611	514	0	423
0336	336	1138	444	1	314
0337	337	1482	642	2	440
0338	338	1404	854	2	442
0339	339	684	407	2	279
0340	340	1282	548	0	394
0341	341	23	17	0	7
0342	342	11	4	0	5
0343	343	1898	694	0	509
0344	344	1567	680	0	451
0346	346	89	22	0	8
0348	348	11	7	0	4
0349	349	926	373	0	266
0350	350	1156	511	1	386
0351	351	870	364	1	248
0352	352	246	141	0	102
0353	353	815	301	0	261
0354	354	1793	569	1	458
0355	355	1263	501	2	378
0356	356	708	253	0	188
0357	357	560	254	0	170
0358	358	833	303	0	226
0359	359	845	279	2	225
0360	360	1026	362	1	260
0361	361	523	230	0	210
0362	362	1679	525	2	475
0363	363	1450	464	0	433
0364	364	2076	536	1	493
0365	365	1510	401	0	333
0366	366	813	248	0	272
0367	367	1673	440	2	426
0368	368	1593	483	0	443

NUMBERED KEY CANVASS

Washington County, Oregon  
 General Election  
 November 4, 2014

FINAL

RUN DATE:11/21/14 04:09 PM

REPORT-EL52 PAGE 0129

VOTES PERCENT

VOTES PERCENT

26-160 Metro  
 Charter Amendment

Vote for 1

01 = Yes

02 = No

112,374 74.45

38,574 25.55

03 = OVER VOTES

04 = UNDER VOTES

40

32,377

(CONTINUED FROM PREVIOUS PAGE)

	01	02	03	04
0369 369	831	225	0	206
0370 370	1024	304	1	282
0371 371	1057	292	0	278
0372 372	854	245	0	226
0374 374	7	3	0	0
0375 375	111	37	0	40
0376 376	911	243	1	222
0377 377	1123	260	1	295
0378 378	739	232	0	252
0379 379	1416	512	0	440
0380 380	1116	348	0	259
0381 381	298	125	0	92
0382 382	1236	422	2	358
0383 383	660	179	0	207
0384 384	1103	345	0	288
0385 385	1314	423	0	458
0386 386	1404	372	0	425
0387 387	372	127	0	127
0388 388	99	30	0	27
0389 389	1034	289	0	236
0390 390	1677	532	0	401
0391 391	101	46	0	46
0392 392	81	24	0	23
0393 393	336	82	0	83
0394 394	71	40	0	32
0395 395	1097	327	1	305
0396 396	367	123	0	94
0397 397	1125	350	0	261
0398 398	442	128	0	65
0399 399	978	339	0	242
0400 400	1189	466	1	366
0401 401	858	218	0	231
0402 402	473	111	0	127
0403 403	1769	557	0	434
0404 404	1129	389	0	382
0405 405	2001	635	0	598
0406 406	1213	465	0	392
0407 407	847	219	0	215
0408 408	1999	606	0	683
0409 409	1166	345	0	327
0410 410	1131	358	1	303
0411 411	926	341	0	338
0412 412	840	249	0	230
0413 413	345	116	0	114
0414 414	260	82	0	66
0415 415	268	71	0	65
0416 416	732	230	0	208
0417 417	467	179	0	162
0418 418	874	260	0	209
0419 419	861	278	0	263
0420 420	1475	418	1	410
0421 421	138	33	0	21
0422 422	7	4	0	2
0423 423	1156	402	0	395

NUMBERED KEY CANVASS

Washington County, Oregon  
 General Election  
 November 4, 2014

FINAL

RUN DATE:11/21/14 04:09 PM

REPORT-EL52 PAGE 0130

VOTES PERCENT

VOTES PERCENT

26-160 Metro  
 Charter Amendment

Vote for 1

01 = Yes

02 = No

112,374 74.45

38,574 25.55

03 = OVER VOTES

04 = UNDER VOTES

40

32,377

(CONTINUED FROM PREVIOUS PAGE)

	01	02	03	04
0424 424	1833	494	0	640
0425 425	144	70	0	41
0426 426	40	20	0	3
0427 427	12	5	0	2
0428 428	546	191	0	191
0429 429	727	283	0	211
0432 432	86	25	0	51
0433 433	914	311	0	290
0434 434	1574	488	0	407
0435 435	1658	493	0	559
0436 436	966	264	0	317
0437 437	24	9	0	10
0438 438	86	54	0	22
0439 439	5	3	0	2
0440 440	502	218	0	144
0441 441	40	6	0	7
0442 442	381	112	2	82
0443 443	9	0	0	5
0444 444	612	161	0	172
0445 445	302	81	0	79
0446 446	1619	540	2	461
0447 447	951	253	1	233
0448 448	118	65	0	49
0449 449	22	16	0	18
0450 450	2	2	0	1
0451 451	290	106	0	74
0452 452	729	322	0	212
0453 453	10	6	0	5
0454 454	327	115	0	95
0455 455	48	16	0	7
0456 456	12	5	0	3
0457 457	889	252	0	329
0458 458	1264	408	0	363
0459 459	1057	592	0	347
0460 460	716	286	0	264
0461 461	1170	307	0	271



## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 15-4596, FOR THE PURPOSE OF ACCEPTING THE NOVEMBER 4, 2014 GENERAL ELECTION ABSTRACT OF VOTES FOR MEASURE 26-160 FOR METRO

---

Date: January 8, 2015

Prepared by: Alison R. Kean, ext. 1511

## BACKGROUND

The Metro Charter was amended in 2002 to add the following provision to Charter Chapter II Section 5, subsection (4) (b):

(4) Protection of Livability of Existing Neighborhoods.

...

(b) Density Increase Prohibited. Neither the Regional Framework Plan nor any Metro ordinance adopted to implement the plan shall require an increase in the density of single-family neighborhoods within the existing urban growth boundary identified in the plan solely as Inner or Outer Neighborhoods.<sup>1</sup>

- 1 (a) Subsection 4(b) of Section 5 of the Metro Charter is repealed on June 30, 2015 unless at the general election held in 2014, a majority of the electors voting on the question of whether or not to retain Subsection 4(b) of Section 5 of the Metro Charter as part of the Metro Charter vote to retain the subsection. If the electors vote to retain the subsection, Subsection 4(b) of Section 5 of the Metro Charter of this measure shall remain in effect. If a majority of the electors do not vote to retain Subsection 4(b) of Section 5 of the Metro Charter, then that subsection is repealed on June 30, 2015.
- (b) By appropriate action of the Metro Council, the question described in subsection (a) of this section shall be submitted to the people for their decision at the general election held in 2014.
- (c) This section is repealed on January 1, 2016.

As required, the Metro Council submitted to the Metro area voters at the November 2014 general election the question of whether or not to retain the provision of the Metro Charter. The submission appeared as Ballot Measure 26-160 on the November 4, 2014.

Oregon law requires that the Multnomah County Director of Elections Division canvass the official abstract of votes cast, determine the results and deliver the official Abstract of Votes to Metro for acceptance. On November 25, 2014 Metro received the official Certified Results of that election, and the canvass of the official Abstract of Votes, from the Multnomah County Elections Division.

## ANALYSIS/INFORMATION

1. **Known Opposition**                      None.

- 2. Legal Antecedents**                   ORS 268, ORS 255.295; Metro Council Resolutions 00-2988; 02-3163, and 14-4545; Metro Charter Chapter II, Section 5, subsection (4)(b); Metro Code Section 9.02.080.
  
- 3. Anticipated Effects**               The Metro Charter will be updated to reflect passage to retain subsection 4(b) of Chapter II, Section 5.
  
- 4. Budget Impacts**                   None.

**RECOMMENDED ACTION**

The adoption of Resolution No. 15-4596 is recommended.

Agenda Item No. 3.0

**Resolution No. 15-4598, For the Purpose of Organizing the  
Metro Council and Confirming Committee Members**

Metro Council Work Session  
Thursday, January 8, 2015  
Metro Regional Center, Council Chambers



BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ORGANIZING THE	)	RESOLUTION NO. 15-4598
METRO COUNCIL AND CONFIRMING	)	
COMMITTEE MEMBERS	)	Introduced by Council President
	)	Tom Hughes

WHEREAS, the Metro Charter, Chapter IV, Section 16 (5) directs the Council to adopt an annual organizing resolution for the orderly conduct of Council business;

WHEREAS, Chapter 2.01 of the Metro Code directs the Metro Council at its first meeting after the first Monday in January each year to elect a Deputy Council President for the ensuing year; directs the Metro Council to establish such committees as the Council deems necessary for the orderly conduct of Council business; and provides that the Council President shall appoint certain committee members and committee chairs subject to confirmation by the Council by Resolution; and

WHEREAS, the Council President has nominated Councilor Bob Stacey to serve as the Deputy Council President for 2015; and

WHEREAS, the Council President has appointed Councilor Craig Dirksen as Chair of the Joint Policy Advisory Committee on Transportation (JPACT), Councilors Shirley Craddick and Kathryn Harrington as members of JPACT, and Councilor Sam Chase as an alternate member of JPACT; and

WHEREAS, the Council President has appointed Councilors Sam Chase, Carlotta Collette, and Bob Stacey as members the Metropolitan Policy Advisory Committee (MPAC); now therefore

BE IT RESOLVED:

1. That the Metro Council elects Councilor Bob Stacey as Deputy Council President for 2015.
2. That the Metro Council confirms the Council President’s appointments of Councilors to JPACT and MPAC.

ADOPTED by the Metro Council this 8th day of January 2015.

\_\_\_\_\_  
Tom Hughes, Council President

Approved as to Form:

\_\_\_\_\_  
Alison Kean, Metro Attorney

Agenda Item No. 4.0

**REVISED ADMINISTRATIVE RULES FOR CONSTRUCTION  
EXCISE TAX AND COMMUNITY PLANNING AND  
DEVELOPMENT GRANTS IMPLEMENTATION**

Metro Council Work Session  
Thursday, January 8, 2015  
Metro Regional Center, Council Chambers

# METRO COUNCIL

## Work Session Worksheet

**PRESENTATION DATE:** January 8, 2015

**LENGTH:** 30 minutes

**PRESENTATION TITLE:** Revised Administrative Rules for Construction Excise Tax and Community Planning and Development Grants Implementation

**DEPARTMENT:** Planning and Development

**PRESENTER(s):**  
-Martha Bennett, Metro COO, 503-797-1541  
-John Williams, Deputy Director, Planning and Development, 503-797-1635  
-Gerry Uba, Community Planning and Development Grants project manager, 503-797-1737

### WORK SESSION PURPOSE & DESIRED OUTCOMES

- Purpose:

Provide the recommendations of the Metro Technical Advisory Committee (MTAC) to the Metro Policy Advisory Committee (MPAC) and Chief Operating Officer (COO), on the revisions to the Administrative Rules for Construction Excise Tax (CET) and Community Planning and Development Grants (CPDG).

- Outcome:

Consider adoption of the revised Administrative Rules for the CET and CPDG. Provide direction on how to update the Metro Policy Advisory Committee about the proposed revisions in the Administrative Rules.

### TOPIC BACKGROUND & FRAMING THE WORK SESSION DISCUSSION

Ordinance No. 14-1328 directed the Chief Operating Officer (COO) to seek direction from the Metro Council prior to developing revised CET Administrative Rules for Metro Council consideration and approval. At the October 7, 2014 Metro Council work session, the COO presented her recommendations on how to revise the Administrative Rules and improve the CPDG program. The COO also informed the Council that she will seek the input of the Metro Technical Advisory Committee (MTAC) in the revision of the Administrative Rules.

The Metro Council directed that the MTAC should propose revisions to the Administrative Rules and forward them to MPAC for a recommendation to the Metro Council and COO. The Metro Council also directed consideration of regional policy objectives, support for maximum breath of planning and development opportunities, capacity of local staff to take advantage of the number of future grant cycles, likelihood of grant project implementation, how social equity concerns could be fully addressed, effective ways of sharing best practices, and how to encourage small jurisdictions to partner with larger jurisdictions, in proposing revisions to the Administrative Rules. Upon approval by the Metro Council, the COO will promulgate the revised rules and the evaluation criteria in the rules will be utilized in the Cycle 4 grants, which will start immediately after adoption.

### **COO's recommended revisions to the Administrative Rules**

The COO's recommendations below are mostly based on the recommendations of the spring 2014 Stakeholder Advisory Group and MTAC.

1. Clarification of the linkage between the CET and CPDG in the rules -- the CET is the source of fund for the CPDG
  - 1) Three new grant cycles between 2015 and 2020, depending on CFO's revenue projection
  - 2) Endorsement of MTAC recommendations

### **MTAC's recommended revisions to the "revenue distribution" section of the Administrative Rules**

At its October 15, November 5, November 19 and December 3, 2014 meetings, MTAC reviewed and discussed revisions to the proposal evaluation criteria, screening committee appointment, and intergovernmental agreement between Metro and grantees sections of the Administrative Rules. The discussions were partly informed by the ECONorthwest Logic Model for CPDG report. The following is summary of the clarifications and additions recommended:

1. The goal of the grant program for projects proposed inside the UGB is to reduce barriers to developing complete communities.
2. Changes to criteria for proposed projects inside the UGB:
  - a) Expected development outcome:
    - i. Clearer articulation of program goals – seeking projects that increase community readiness for development and reduce the barriers to creating complete communities
    - ii. Describe applicant's track record of successful implementation of community development projects and previous CPDG projects
  - b) Regionally Significant (six desired outcomes)
    - i. Benefits and burdens of growth and change are distributed equitably sub-criteria: MTAC recommends using the Application Handbook to explain how applicants can use information in the Regional Equity Atlas to address the social equity sub-criteria. This recommendation followed extensive discussion of other ways to create criteria regarding social equity.
    - ii. Climate change sub-criteria: Again, MTAC recommends using the Application Handbook to connect this grant source to possible projects from the Climate Smart Communities Toolbox.
  - c) Location: Add "areas with concentration of underserved or underrepresented groups" as one of the location sub-criteria.
  - d) Best practices model: Ask applicants to explain how lessons learned from the planning project will be shared.
  - e) Matching fund: Add 10% local match requirement, either direct financial or in-kind.
  - f) Growth absorption: Clarify the intent of this criterion is for applicants to discuss how the project will create opportunities to accommodate expected population and employment growth.
  - g) Public involvement: Add explanation of the type of action the governing body will likely take to implement the final product.
  - h) Governing body: Clarify the discussion of the role of the governing body in approving grant applications and final products.
  - i) Capacity of applicant: Request applicants describe the skill set needed to manage the project and how that will match their proposed project team's skill set.
3. Criteria for proposed projects within new urban areas and Urban Reserve Areas
  - a) Regional Significant (six desired outcomes): Replicate the criteria for proposed projects within the UGB.

*(note: b-g below mirror those described in section 1 above)*

- b) Best practices model: Ask applicants to explain how lessons learned from the planning project will be shared.
  - c) Matching fund: Add 10% local match requirement, either direct financial or in-kind.
  - d) Growth absorption: Clarify the intent of this criterion is for applicants to discuss how the project will create opportunities to accommodate expected population and employment growth.
  - e) Public involvement: Add explanation of the type of action the governing body will likely take to implement the final product.
  - f) Governing body: Clarify the discussion of the role of the governing body in approving grant applications and final products.
  - g) Capacity of applicant: Request applicants describe the skill set needed to manage the project and how that will match their proposed project team's skill set.
4. Other issues and sections of the Administrative Rules
- a) Screening Committee membership: Allow the Metro COO to appoint 6-9 members who together represent the skills sets listed.
  - b) Deadline for signing IGA: Incorporate a deadline for projects to start into the grant intergovernmental agreement section.
  - c) Matching Fund: Require applicants to submit information about the allocation of matching fund and/or staff resources for the project. Require also stating the matching fund in the IGA.
  - d) Outcome measures: Grant requests should identify outcome measures specific to each project to allow tracking and evaluation in the future.

#### **MTAC's recommended changes to the Application Handbook**

1. Best practices model criteria: Add information on social equity goals and Climate Smart Communities toolbox actions to encourage applicants to connect with these criteria.
2. Growth absorption criteria: Explain the background and intent of this criteria
3. Letter of intent: Add page limit.

#### **QUESTIONS FOR COUNCIL CONSIDERATION**

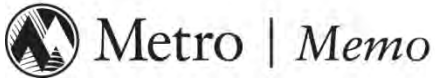
- 1) Does Council have questions on the recommendations of the Chief Operating Officer?
- 2) Does Council have questions on the recommendations of the Metro Technical Advisory Committee?
- 3) How should staff update the MPAC about the proposed revisions in the Administrative Rules?

#### **PACKET MATERIALS**

- Would legislation be required for Council action Yes No
- If yes, is draft legislation attached? Yes No
- Resolution and Staff Report

#### **ATTACHMENTS**

1. MTAC Chair, John Williams, memo to MPAC on MTAC recommendations on revised Administrative Rules for CET and CPDG
2. Draft Resolution No. 15-4595 for the purpose of revising the Administrative Rules
3. Draft Staff Report to the Resolution
4. Revised Administrative Rules for CET and CPDG – redlined version
5. Revised Administrative Rules for CET and CPDG – clean version
6. Schedule of Cycle 4 CPDG



Date: December 19, 2014  
To: Metropolitan Policy Advisory Committee (MPAC)  
Martha Bennett, Metro Chief Operating Officer  
From: John Williams, Planning and Development Deputy Director and MTAC Chair  
Subject: Recommendation on Revised Administrative Rules for Construction Excise Tax and Community Planning and Development Grants program

---

In August 2014, after working with an advisory group of regional stakeholders, the Metro Council extended the regional construction excise tax (CET), which funds Metro's Community Planning and Development Grants (CPDG), for another six years. The Community Planning and Development Grants are a key source of funds for local planning and development projects region-wide (see attached Planning and Development Grants brochure and Cycle 3 Award for background on previous projects funded by this program since 2006).

The Council directed that revisions be made to the program's administrative rules and grant criteria to ensure that the grants continue to meet the needs of the region and local communities. The Council directed that the Metro Technical Advisory Committee (MTAC) propose these revisions and forward them on to MPAC for a recommendation to the Metro Council and Chief Operating Officer. Upon approval from the Metro Council and Chief Operating Officer, the revised rules and criteria will be utilized in the next round of grants, which will get underway immediately after adoption.

MTAC discussed the administrative rules and grant criteria on October 15, November 5, November 19, and December 3, 2014. On December 3 MTAC voted unanimously to recommend the revisions in the attached Administrative Rules (titled Administrative Rules: Metro Code Chapter 7.04) in addition to the strikethrough version is a clean version also attached. MTAC's work was focused on making the rules clearer for applicants and the Grant Screening Committee as well as implementing policy direction from the Metro Council and recommendations of the stakeholder advisory group. There are many text changes and staff does not intend to go through all of these in detail with MPAC (although we of course can answer any questions raised); rather this memo and staff's presentation will focus on a high-level overview of the proposed changes to the grant rules and criteria.

I would like to thank MTAC for their time, effort and creative thinking in conducting their thorough review.

#### Summary of MTAC's recommendations to the COO on changes to the Administrative Rules

MTAC focused its discussion on the revenue distribution section of the Administrative Rules. Their discussions were partly informed by a "Logic Model" for the CPDG program which Metro contracted with ECONorthwest to produce. The attached Logic Model (titled A Draft logic Model for Metro Community Planning and Development Grants) serves to clearly state the desired outcomes of the CPDG program.

Below is an overview of the changes recommended by MTAC. Please see the attachments for detail. Note that there are two major sections of grant criteria: one for projects within Urban Reserves and for areas added to the urban growth boundary (UGB) since 2009, and one for all other projects within the UGB.

1. The goal of the grant program for projects proposed inside the UGB is to reduce barriers to developing complete communities.
2. Changes to criteria for proposed projects inside the UGB:
  - a) Expected development outcome:
    - i. Clearer articulation of program goals – seeking projects that increase community readiness for development and reduce the barriers to creating complete communities
    - ii. Describe applicant’s track record of successful implementation of community development projects and previous CPDG projects
  - b) Regionally Significant (six desired outcomes)
    - i. Benefits and burdens of growth and change are distributed equitably sub-criteria: MTAC recommends using the Application Handbook to explain how applicants can use information in the Regional Equity Atlas to address the social equity sub-criteria. This recommendation followed extensive discussion of other ways to create criteria regarding social equity.
    - ii. Climate change sub-criteria: Again, MTAC recommends using the Application Handbook to connect this grant source to possible projects from the Climate Smart Communities Toolbox.
  - c) Location: Add “areas with concentration of underserved or underrepresented groups” as one of the location sub-criteria.
  - d) Best practices model: Ask applicants to explain how lessons learned from the planning project will be shared.
  - e) Matching fund: Add 10% local match requirement, either direct financial or in-kind.
  - f) Growth absorption: Clarify the intent of this criterion is for applicants to discuss how the project will create opportunities to accommodate expected population and employment growth.
  - g) Public involvement: Add explanation of the type of action the governing body will likely take to implement the final product.
  - h) Governing body: Clarify the discussion of the role of the governing body in approving grant applications and final products.
  - i) Capacity of applicant: Request applicants describe the skill set needed to manage the project and how that will match their proposed project team’s skill set.
3. Criteria for proposed projects within new urban areas and Urban Reserve Areas
  - a) Regional Significant (six desired outcomes): Replicate the criteria for proposed projects within the UGB.  
*(Note: b-g below mirror those described in section 1 above)*
  - b) Best practices model: Ask applicants to explain how lessons learned from the planning project will be shared.
  - c) Matching fund: Add 10% local match requirement, either direct financial or in-kind.
  - d) Growth absorption: Clarify the intent of this criterion is for applicants to discuss how the project will create opportunities to accommodate expected population and employment growth.

- e) Public involvement: Add explanation of the type of action the governing body will likely take to implement the final product.
  - f) Governing body: Clarify the discussion of the role of the governing body in approving grant applications and final products.
  - g) Capacity of applicant: Request applicants describe the skill set needed to manage the project and how that will match their proposed project team's skill set.
4. Other issues and sections of the Administrative Rules
- a) Screening Committee membership: Allow the Metro COO to appoint 6-9 members who together represent the skills sets listed.
  - b) Deadline for signing IGA: Incorporate a deadline for projects to start into the grant intergovernmental agreement section.
  - c) Matching Fund: Require applicants to submit information about the allocation of matching fund and/or staff resources for the project. Require also stating the matching fund in the IGA.
  - d) Outcome measures: Grant requests should identify outcome measures specific to each project to allow tracking and evaluation in the future.

Summary of MTAC's recommendations to the COO on changes to the Application Handbook

1. Best practices model criteria: Add information on social equity goals and Climate Smart Communities toolbox actions to encourage applicants to connect with these criteria.
2. Growth absorption criteria: Explain the background and intent of this criteria
3. Letter of intent: Add page limit.



BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING	)	RESOLUTION NO. 15-4595
AMENDED CONSTRUCTION EXCISE TAX	)	
ADMINISTRATIVE RULES PROPOSED BY	)	Introduced by Chief Operating Officer Martha
THE METRO CHIEF OPERATING OFFICER	)	Bennett in concurrence with Council
	)	President Tom Hughes

WHEREAS, in 2006 the Metro Council adopted Ordinance 06-1115, titled “An Ordinance Creating a New Metro Code Chapter 7.04 Establishing a Construction Excise Tax,” which ordinance created a construction excise tax (“CET”) to generate revenue for providing grants to local governments for regional and local planning (“2006 CET Ordinance”); and

WHEREAS, the 2006 CET Ordinance contained a sunset provision based on a maximum amount collected of \$6.3 million, which amount was reached in 2009; and

WHEREAS, on recommendation of an advisory group and the Metro Chief Operating Officer (“COO”) regarding the continuing need for funding regional and local planning, on June 11, 2009 the Metro Council adopted Ordinance 09-1220, extending the CET for an additional five year period, with a sunset date of September 30, 2014; and

WHEREAS, the CET has successfully raised approximately \$14 million in revenue that has been distributed by Metro to local governments through the Community Planning and Development Grant (“CPDG”) program for planning work across the region that otherwise could not have been funded; and

WHEREAS, on recommendation of an advisory group and the Metro COO, on June 19, 2014 the Metro Council adopted Ordinance 14-1328, extending the Metro CET for an additional five year period (“2014 CET Ordinance”), with a new sunset date of December 31, 2020; and

WHEREAS, the 2014 CET Ordinance directed the Metro COO to propose amendments to the existing administrative rules implementing the CET and CPDG programs under Metro Code Chapter 7.04 (“Administrative Rules”) and to return to the Metro Council for its approval of the revised Administrative Rules prior to promulgating them; and

WHEREAS, the Metro COO presented her proposed Administrative Rule amendments to the Metro Policy Advisory Committee (“MPAC”) on January \_\_\_\_, 2014 and MPAC voted to \_\_\_\_\_; and

WHEREAS, the Metro Council finds that the amendments to the Administrative Rules proposed by the Metro COO [and recommended for approval by MPAC] are consistent with the 2014 CET Ordinance and Metro Code Chapter 7.04, and will improve the process for implementing the CET and CPDG programs; now therefore

THE METRO COUNCIL RESOLVES AS FOLLOWS:

1. The amendments to the Administrative Rules proposed by Metro COO Martha Bennett attached hereto as Exhibit A are hereby approved; and

2. The Metro COO is directed to promulgate the amended Administrative Rules consistent with Chapter 7.04 of the Metro Code.

ADOPTED by the Metro Council this \_\_\_\_\_ day of February 2015.

---

Tom Hughes, Council President

Approved as to form:

---

Alison R. Kean, Metro Attorney

DRAFT

**DRAFT**

**STAFF REPORT**

IN CONSIDERATION OF RESOLUTION NO. 15-4595, FOR THE PURPOSE OF REVISING THE ADMINISTRATIVE RULES FOR IMPLEMENTATION OF CONSTRUCTION EXCISE TAX FOR COMMUNITY PLANNING AND DEVELOPMENT GRANTS

---

Date: December 16, 2014

Prepared by: Gerry Uba  
503-797-1737

[gerry.uba@oregonmetro.gov](mailto:gerry.uba@oregonmetro.gov)

**BACKGROUND**

In June 2014, Metro Council adopted Ordinance No. 14-1328 which extended the Construction Excise Tax (CET) through December 2020 and directed the Chief Operating Officer to seek direction from the Metro Council prior to revising the Administrative Rules for implementation of the CET. The COO and Stakeholder Advisory Group for CET extension and Community Planning and Development Grants (CPDG) program evaluation had recommended revision of the Administrative Rules to ensure that the purpose of the CET is achieved.

Metro Council took two additional actions in June (Ordinance No. 14-1328). It increased Metro's administrative reimbursement from 2.5 percent to 5 percent of the revenues collected to help cover part of Metro's expenses. It also directed the COO to return to the Metro Council for approval/adoption of the revised Administrative Rules prior to promulgating them.

On October 7, 2014, The COO sought directions from the Metro Council on revisions to the Administrative Rules. The COO explained how the revision will be conducted:

- A. Gathering stakeholder input on the revision through Metro Technical Advisory Committee (MTAC) instead of creating another stakeholder advisory group for this project
- B. Review and discussion of the amendments to the Administrative Rules recommended by the Stakeholder Advisory Group
  - 1) Allocation of projected revenue between projects within existing UGB and projects within urban reserves and new urban areas
  - 2) Core criteria recommended for refinement:
    - Likelihood of project implementation
    - Capacity of applicant
    - Social equity
    - Growth absorption
    - Best practices
- C. Additional amendments to the Administrative Rules to be addressed by MTAC
  - 1) Future grant cycles

- 2) Types of planning activities that should be eligible
  - 3) Refinement of remaining criteria for evaluating project proposals
  - 4) Weighting of criteria
- D. MTAC discussion will be informed with the result of ECONorthwest “Logic Model” for the CPDG program -- clarifying types of planning activities which should be encouraged, the desired outcomes, how the program should be evaluated in the future.

Metro Council direction:

The Metro Council directed that the COO and MTAC should propose revisions and forward them to MPAC for a recommendation to the Metro Council and Chief Operating Officer. The Metro Council also directed MTAC consider:

- Regional policy objectives in proposing revisions to the criteria
- Support for maximum breath of planning and development opportunities
- Capacity of local staff to take advantage of the number of future grant cycles
- Likelihood of grant project implementation
- How social equity concerns could be fully addressed
- Effective ways of sharing best practices
- How to encourage small jurisdictions to partner with larger jurisdictions
- How to be more direct about Metro’s expectation of grant recipients.

MPAC’s recommendation to the Metro Council [TO BE ADDED]

COO’s recommendations to the Metro Council

The following recommendations of the COO are based on the recommendations of the Stakeholder Advisory Group and MTAC.

1. Clarification of the linkage between the CET and CPDG in the rules -- the CET is the source of fund for the CPDG
2. Three new grant cycles between 2015 and 2020, depending on CFO’s revenue projection
3. Endorsement of MTAC recommendations

MTAC’s recommendations to the MPAC and COO

MTAC focused its discussion on the revenue distribution section of the Administrative Rules. Their discussions were partly informed by a “Logic Model” for the CPDG program which Metro contracted with ECONorthwest to produce. Below is an overview of the changes in the Administrative Rules recommended by MTAC.

1. The goal of the grant program for projects proposed inside the UGB is to reduce barriers to developing complete communities.
2. Changes to criteria for proposed projects inside the UGB:
  - a) Expected development outcome:

- i. Clearer articulation of program goals – seeking projects that increase community readiness for development and reduce the barriers to creating complete communities
    - ii. Describe applicant’s track record of successful implementation of community development projects and previous CPDG projects
  - b) Regionally Significant (six desired outcomes)
    - i. Benefits and burdens of growth and change are distributed equitably sub-criteria: MTAC recommends using the Application Handbook to explain how applicants can use information in the Regional Equity Atlas to address the social equity sub-criteria. This recommendation followed extensive discussion of other ways to create criteria regarding social equity.
    - ii. Climate change sub-criteria: Again, MTAC recommends using the Application Handbook to connect this grant source to possible projects from the Climate Smart Communities Toolbox.
  - c) Location: Add “areas with concentration of underserved or underrepresented groups” as one of the location sub-criteria.
  - d) Best practices model: Ask applicants to explain how lessons learned from the planning project will be shared.
  - e) Matching fund: Add 10% local match requirement, either direct financial or in-kind.
  - f) Growth absorption: Clarify the intent of this criterion is for applicants to discuss how the project will create opportunities to accommodate expected population and employment growth.
  - g) Public involvement: Add explanation of the type of action the governing body will likely take to implement the final product.
  - h) Governing body: Clarify the discussion of the role of the governing body in approving grant applications and final products.
  - i) Capacity of applicant: Request applicants describe the skill set needed to manage the project and how that will match their proposed project team’s skill set.
- 3. Criteria for proposed projects within new urban areas and Urban Reserve Areas
  - a) Regional Significant (six desired outcomes): Replicate the criteria for proposed projects within the UGB.  
*(note: b-g below mirror those described in section 1 above)*
  - b) Best practices model: Ask applicants to explain how lessons learned from the planning project will be shared.
  - c) Matching fund: Add 10% local match requirement, either direct financial or in-kind.
  - d) Growth absorption: Clarify the intent of this criterion is for applicants to discuss how the project will create opportunities to accommodate expected population and employment growth.
  - e) Public involvement: Add explanation of the type of action the governing body will likely take to implement the final product.
  - f) Governing body: Clarify the discussion of the role of the governing body in approving grant applications and final products.
  - g) Capacity of applicant: Request applicants describe the skill set needed to manage the project and how that will match their proposed project team’s skill set.
- 4. Other issues and sections of the Administrative Rules

- a) Screening Committee membership: Allow the Metro COO to appoint 6-9 members who together represent the skills sets listed.
- b) Deadline for signing IGA: Incorporate a deadline for projects to start into the grant intergovernmental agreement section.
- c) Matching Fund: Require applicants to submit information about the allocation of matching fund and/or staff resources for the project. Require also stating the matching fund in the IGA.
- d) Outcome measures: Grant requests should identify outcome measures specific to each project to allow tracking and evaluation in the future.

## **ANALYSIS/INFORMATION**

### **1. Known Opposition**

There is no known opposition to the proposed legislation. The process of revising the Administrative Rules involved two stakeholder advisory groups which reviewed the CPDG program and the administrative Rules and recommended improvement in the CPDG program and the revisions to the attached Administrative Rules.

### **2. Legal Antecedents**

Upon establishment of the CET in 2006 by Metro Council, Metro Code 7.04(Administrative Rules) was established for implementation of the tax. In 2009, the Metro Council extended the CET (ordinance 09-1220) and directed the COO to promulgate Administrative Rules to govern the extension grant program with input from stakeholders. These Administrative Rules build upon the 2006 Ordinance 06-1115 and Metro Code Chapter 7.04 for the purpose of funding regional and local planning that is required to make land ready for development.

In June 2014, the Metro Council extended the CET to December 2020. As stated earlier, the Metro Council directed the COO to revise the Administrative Rules, and to return to the Metro Council for adoption of the Administrative Rules prior to promulgating them.

### **3. Anticipated Effects**

The revision of the Administrative Rules will improve the overall quality of grant program. The revisions will also encourage grant applicants to propose strong projects which demonstrate understanding of the development market and stated desired outcomes. Outcome measures specific to projects proposed by grant applicants and performance measures for periodic evaluation of the grant program will established.

#### 4. **Budget Impacts**

As a result of the Metro Council action during extension of the CET and adoption of the revised Administrative Rules, Metro's administrative reimbursement will increase from 2.5 percent of the revenues collected (about \$50,000 per year) to 5 percent (about \$100,000 per year). The increase will help cover those Metro's expenses but still short of direct costs for the grant program (which is over \$150,000 per year).

#### 5. **Attachments**

- Attachment A: MTAC Membership
- Attachment B: MPAC recommendations **[TO BE ADDED]**
- Attachment C: COO recommendations to Council President and Metro Council
- Attachment D: Final draft of CET-CPDG Administrative Rules – strikethrough version
- Attachment E: Final draft of CET-CPDG Administrative Rules – clean version

#### **RECOMMENDED ACTION**

The Chief Operating Officer recommends adoption of the revised Administrative Rules for Construction Excise tax and Community Planning and Development Grants program.

**ATTACHMENT A**

**MTAC: 2014 Membership**

	<b>Position</b>	<b>Member</b>	<b>Alternate</b>
	<b>Citizens:</b>		
1.	Clackamas County Citizen	Jerry Andersen	Susan Nielsen
2.	Multnomah County Citizen	Kay Durtschi	Carol Chesarek
3.	Washington County Citizen	Bruce Bartlett	Dresden Skees-Gregory
	<b>Cities</b>		
4.	City of Portland	Susan Anderson	Joe Zehnder Tom Armstrong
5.	Largest City in Clackamas County: Lake Oswego	Scot Siegel	Debra Andreades
6.	Largest City in Multnomah County: Gresham	Stacy Humphrey	Ann Pytynia
7.	Largest City in Washington County: Hillsboro	Colin Cooper	Jeanine Rustad
8.	2 <sup>nd</sup> Largest City in Clackamas County: Oregon City	Tony Konkol	Pete Walter
9.	2 <sup>nd</sup> Largest City in Washington County: Beaverton	Todd Juhasz	Steve Sparks
10.	Clackamas County: Other Cities	Denny Egner Milwaukie	Michael Walter Happy Valley
11.	Multnomah County: Other Cities	Bill Peterson Wood Village	Erika Fitzgerald Fairview
12.	Washington County: Other Cities	Jon Holan, Forest Grove	Julia Hajduk, Sherwood Chris Neamtzu, Wilsonville Aquilla Hurd-Ravich, Tualatin
13.	City of Vancouver	Chad Eiken	Vacant
	<b>Counties</b>		
14.	Clackamas County	Dan Chandler	Jennifer Hughes
15.	Multnomah County	Adam Barber	Karen Schilling
16.	Washington County	Chris Deffebach	Theresa Cherniak
17.	Clark County	Matt Hermen	Oliver Orjiako
	<b>State Agencies</b>		
18.	ODOT	Kirsten Pennington	Lidwien Rahman Lainie Smith
19.	DLCD	Jennifer Donnelly	Anne Debbaut
	<b>Service Providers</b>		
20.	Service Providers: Water and Sewer	Kevin Hanway, Hillsboro Water Dept.	Vacant
21.	Service Providers: Parks	Aisha Willits, THPRD	Vacant



22.	Service Providers: School Districts	Ron Stewart, North Clackamas School District	Vacant
23.	Service Providers: Private Utilities	Annette Mattson, PGE	Shanna Brownstein, NW Natural
24.	Service Providers: Port of Portland	Susie Lahsene	Tom Bouillion
25.	Service Providers: TriMet	Eric Hesse	Alan Lehto Steve Kautz
	<b>Private Economic Development Association</b>		
26.	Private Economic Development Organizations	Darci Rudzinski, EMEA, CCBA, WEA & CCBA	Vacant
	<b>Public Economic Development Association</b>		
27.	Public Economic Development Organizations	Eric Underwood, Oregon City	Jamie Johnk, Clackamas County
	<b>Other Organizations</b>		
28.	Land Use	Mary Kyle McCurdy, 1000 Friends of Oregon	Vacant
29.	Environmental	Vacant	Vacant
30.	Housing Affordability	Ramsay Weit, Community Housing Fund	Vacant
31.	Residential	Justin Wood, HBA	Dave Nielsen, HBA
32.	Redevelopment/Urban Design	Joseph Readdy, Architect	Vacant
33.	Commercial/Industrial	Vacant	Vacant
34.	Green Infrastructure, Design & Sustainability	Mike O'Brien AAI Engineering	Kurt Lango Lango Hansen
35.	Public Health & Urban Form	Paul Lewis, Clackamas County	Multnomah County - Vacant Jennifer Vines, Washington County
36.	Non-voting Chair	John Williams Planning & Development, Metro	Various

**ATTACHMENT B**

**MPAC Recommendations**

**[TBD]**

**ATTACHMENT C**

**Chief Operating Officer Recommendations**

**[TBD]**

**ATTACHMENT D**

**Final draft of CET-CPDG Administrative Rules – strikethrough version**

**[TBD]**

**ATTACHMENT E**

**Final draft of CET-CPDG Administrative Rules – clean version**

**[TBD]**

**ADMINISTRATIVE RULES: METRO CODE CHAPTER 7.04**  
**[Revised December                      20124]**  
**(MTAC RECOMMENDATIONS -- NOVEMBER – DECEMBER 2014)**

Effective July 1, 2006, and extended through ~~September 30, 2014~~ December 31, 2020, Metro has established as Metro Code Chapter 7.04 a Construction Excise Tax (“CET”) to fund Community Planning and Development Grants (“CPDG”). These Administrative Rules establish the procedures for administering this tax as mandated in Metro Code Section 7.04.050 and Metro Code Section 7.04.060. For ease of reference a copy of Metro Code Chapter 7.04 is attached to these administrative rules.

**I. Metro Administrative Matters.**

- A. Definitions. These administrative rules incorporate the definitions as set forth in Metro Code Section 7.04.030 of Chapter 7.04, Construction Excise Tax, and Chapter 3.07, the Urban Growth Management Functional Plan.
- B. Designated Representatives (Metro Code Section 7.04.060). The Metro Chief Operating Officer (“COO”) is responsible for the administration and enforcement of the Metro Code Chapter 7.04 and these administrative rules.
1. The COO may delegate his authority in administration and enforcement of the Code chapter and these administrative rules as he determines and as set forth herein.
  2. The COO shall appoint a Hearings Officer(s), which appointment shall be confirmed by the Metro Council. The Hearings Officer(s) shall have the authority to order refunds or rebates of the Construction Excise Tax or waive penalties as a result of the hearings process. Upon appointing a Hearings Officer, the Chief Operating Officer shall delegate authority to the Hearings Officer to administer oaths, certify to all official acts, to subpoena and require attendance of witnesses at hearings to determine compliance with this chapter, rules and regulations, to require production of relevant documents at public hearings, to swear witnesses, to take testimony of any Person by deposition, and perform all other acts necessary to adjudicate appeals of Construction Excise Tax matters.
- C. Internal Flow of Funds. Funds will be accounted for in a Construction Excise Tax account that will be created by the effective date of Metro Code Chapter 7.04.
- D. Rate Stabilization Reserves. Metro Code Chapter 7.04.200 states that the Council will, each year, as part of the Budget process, create reserves from revenues generated by the CET. These reserves are to even out collections thereby stabilizing the funds needed to support the applicable programs despite industry building activity fluctuation. These reserves can only be drawn on to support the specific budgeted activities as discussed in Section I.E. of these administrative rules. Due to their restricted nature, these reserves shall be reported as designations of fund balance in Metro’s General Fund.
- E. Dedication of Revenues. Revenues derived from the imposition of this tax, netted after deduction of authorized local jurisdiction costs of collection and administration will be solely dedicated to grant funding of the regional and local planning that is required to make land ready for development after inclusion in the Urban Growth Boundary.
- F. Rule Amendment. The Chief Operating Officer retains the authority to amend these administrative rules as necessary for the administration of the Construction Excise Tax, after consultation with Metro Council.

## II. Construction Excise Tax Administration.

### A. Imposition of Tax (Metro Code Section 7.04.070).

1. The CET is imposed on every Person who engages in Construction within the Metro jurisdiction, unless an Exemption applies as set forth herein.
2. The tax shall be due and payable at the time of the issuance of any building permit, or installation permit in the case of a manufactured dwelling, by any building authority, unless an Exemption applies as set forth herein.
3. The CET shall be calculated and assessed as of the application date for the building permit. Persons obtaining building permits based on applications that were submitted prior to July 1, 2006 shall not be required to pay the CET, unless the building permit issuer normally imposes fees based on the date the building permit is issued.
4. If no permit is issued, then the CET is due at the time the first activity occurs that would require issuance of a building permit under the State of Oregon Building Code.

### B. Calculation of Tax (Metro Code Section 7.04.080). The CET is calculated by multiplying the Value of New Construction by the tax rate of 0.12%

(0.0012 x Value of New Construction)

- a. In the case of a Manufactured Dwelling for which no Exemption is applicable, and for which there is no building code determination of valuation of the Manufactured Dwelling, the applicant's good faith estimate of the Value of New Construction for the Manufactured Dwelling shall be used.

### C. Exemptions (Metro Code Section 7.04.040).

1. Eligibility for Exemption. No obligation to pay the CET is imposed upon any Person who establishes, as set forth below, that one or more of the following Exemptions apply:
  - a. The Value of New Construction is less than or equal to One Hundred Thousand Dollars (\$100,000); or
  - b. The Person who would be liable for the tax is a corporation exempt from federal income taxation pursuant to 42 U.S.C. 501(c)(3), or a limited partnership the sole general partner of which is a corporation exempt from federal income taxation pursuant to 42 U.S.C. 501(c)(3), the Construction is used for residential purposes AND the property is restricted to being occupied by Persons with incomes less than fifty percent (50%) of the median income for a period of 30 years or longer; or
  - c. The Person who would be liable for the tax is exempt from federal income taxation pursuant to 42 U.S.C. 501(c)(3) AND the Construction is dedicated for use for the purpose of providing charitable services to Persons with income less than fifty

percent (50%) of the median income.

2. Procedures for Establishing and Obtaining an Exemption; Exemption Certificates:

- a. For exemption (a) above, the exemption will be established at the building permit counter where the Value of New Construction as determined in the building permit is less than or equal to One Hundred Thousand Dollars (\$100,000).
- b. For exemptions (b) and (c) above, prior to applying for a building permit a Person claiming an exemption may apply to Metro for a Metro CET Exemption Certificate, by presenting the appropriate documentation for the exemption as set forth herein, and upon receiving a Metro CET Exemption Certificate the Person may present the certificate to the building permit issuer to receive an exemption from paying the CET; or
- c. For exemptions (b) and (c) above, instead of going to Metro to obtain a Metro CET Exemption Certificate, a Person claiming an exemption from the CET when applying for a building permit may submit to the building permit issuer Metro's CET Exemption Certificate application form. Upon receiving a Person's Metro CET Exemption Certificate application, the building permit issuer shall preliminarily authorize the exemption and shall not collect the CET. The building permit issuer shall forward the Person's Metro CET Exemption Certificate application to Metro along with the quarterly CET report. It shall be Metro's responsibility to determine the validity of the exemption and to institute collection procedures to obtain payment of the CET, as well as any other remedy Metro may have under law, if the Person was not entitled to the exemption;
- d. To receive a Metro CET Exemption Certificate from Metro, or to substantiate to Metro the validity of an exemption received from a local building permit issuer, an applicant must provide the following:
  - i. IRS tax status determination letter evidencing that the Person seeking the building permit is exempt from federal income taxation pursuant to 42 U.S.C. 501(c)(3); and
  - ii. In the case of residential property, proof that the property is to be restricted to low income persons, as defined, for at least 30 years. Proof can be in the form of loan covenants; rental agreements or grant restrictions; a certification from the entity's corporate officer attesting that the exemption is applicable; or any other information that may allow the exemption determination to be made; and
  - iii. In the case of a qualified tax-exempt entity providing services to Persons with incomes less than 50 percent of the median income, the applicant must provide information that will allow such tax exempt status to be verified, and proof that the property will be restricted to such uses. Proof can be in the form of loan covenants; rental agreements or grant restrictions; certification from the entity's corporate officer attesting that the exemption is applicable; or any other information that may allow the exemption determination to be made; and



- iv. In the case of a limited partnership with a tax-exempt sole general partner corporation, verification from the partnership's attorney of that status is required; and
  - v. Authorization to audit the records to verify the legal status and compliance with Metro qualifications of all entities claiming exempt status.
- e. Partial Applicability of Exemption. If an exemption is applicable to only part of the Construction, then only that portion shall be exempt from the CET, and CET shall be payable for the remainder of the Construction that is not eligible for an exemption, on a pro-rata basis. It shall be the responsibility of the Person seeking the partial exemption to fill out a Metro CET Exemption Certificate application for the partial exemption, declaring on that application the proportion of the Construction qualifies for the exemption. Upon receiving a Person's Metro CET Exemption Certificate application claiming a partial exemption, the building permit issuer shall preliminarily authorize the partial exemption and shall only collect the pro-rata CET as declared by the applicant. The building permit issuer shall forward the Person's Metro CET Exemption Certificate application to Metro along with the quarterly CET report. It shall be Metro's responsibility to determine the validity of the partial exemption and to institute collection procedures to obtain payment of the remainder of the CET, as well as any other remedy Metro may have under law, if the Person was not entitled to the partial exemption.

D. Ceiling (Metro Code Section 7.04.045).

1. If the CET imposed would be greater than \$12,000.00 (Twelve Thousand Dollars) as measured by the Value of New Construction that would generate that amount of tax, then the CET imposed for that Construction is capped at a Ceiling of \$12,000.00 (Twelve Thousand Dollars).
2. The Ceiling applies on a single structure basis, and not necessarily on a single building permit basis. For example:
  - a. If a single building permit is issued where the Value of New Construction is greater than or equal to Ten Million Dollars (\$10,000,000), then the CET for that building permit is capped at Twelve Thousand Dollars (\$12,000.00).
  - b. If Construction in a single structure will require multiple building permits during the pendency of the CET program, and the total CET that would be imposed for those building permits would add up to more than Twelve Thousand Dollars (\$12,000.00), then the total CET for those building permits within the same structure during the pendency of the CET program is capped at Twelve Thousand Dollars (\$12,000.00). Once a total of \$12,000.00 has been paid in CET for a particular structure, then no additional CET will be collected for that structure during the pendency of the CET program.

E. Rebates (Metro Code Section 7.04.120). If a CET has been collected and a CET Exemption or the CET Ceiling was applicable, a rebate for the CET may be obtained from Metro.

1. Procedures for obtaining rebate are:

- a. Within thirty (30) days of paying the CET, the Person who believes that the CET was not applicable due to a CET exemption or CET Ceiling, shall apply for a rebate in writing to Metro and provide verification that the exemption eligibility provisions of Metro Code Section 7.04.040, or that the CET Ceiling provisions of Metro Code Section 7.04.045, have been met. Failure to seek a rebate within the thirty (30) day time limit will terminate a Person's right to seek a rebate.
- b. Applicant shall provide proof that the CET was paid, in the form of a paid receipt from the building permit issuer showing the tax was paid. All supporting documentation for the exemption or ceiling shall be submitted at the time of the rebate claim. The rebate will only be made to the name that is listed on the receipt unless the applicant has a written assignment of rebate.
- c. A rebate or a letter of denial shall be issued by Metro within thirty (30) days of receipt of a written request for rebate provided that the request includes all required information. The rebate will be calculated based upon the paid receipt, less the five percent (5%) administrative fee already retained by the building permit issuer and the ~~two and a half five~~ percent (2.5%) Metro administration fee.

F. Refunds (Metro Code Section 7.04.150). If a CET has been collected and the Construction was not commenced and the building permit was cancelled, a refund for the CET may be obtained from Metro.

1. Eligibility is determined by the absence of Construction and cancellation of the building permit.

2. Procedures for obtaining refund:

- a. Apply in writing to Metro within thirty (30) days of permit cancellation.
- b. Provide copy of canceled permit.
- c. Provide proof of payment of the tax in the form of the paid receipt.
- d. A refund or a letter of denial shall be issued by Metro within thirty (30) days of receipt of the written request for refund provided that the request includes all required information. The refund will be calculated based upon the paid receipt, less the five percent (5%) administrative fee already retained by the building permit issuer and the ~~two and a half five~~ percent (2.5%) Metro administration fee.
- e. Failure to seek a rebate within the thirty (30) day time limit will terminate a Person's right to receive a refund.

G. Appeals. The Hearings Officer shall conduct hearings related to enforcement or appeals of the CET. The appeal to the Hearings Officer must be:

1. In writing;
2. Made within ten (10) calendar days of denial of a refund, rebate, or exemption request. Notice of denial to the party denied, is deemed to have occurred three days after the mailing of the certified denial letter from Metro;
3. Tax must be paid prior to appeal;
4. Directed to the Office of Metro Attorney, who will contact the Hearings Officer to schedule a hearing upon receipt of a written appeal. The Hearings Officer will at that time provide further information as to what documentation to bring to the hearing.

H. Review. Review of any action of the Chief Operating Officer or Hearings Officer, taken pursuant to the Construction Excise Tax Ordinance, or the rules and regulations adopted by the Chief Operating Officer, shall be taken solely and exclusively by writ of review in the manner set forth in ORS 34.010 through 34.100, provided, however, that any aggrieved Person may demand such relief by writ of review.

I. CET Sunset (Metro Code Section 7.04.230).

1. The CET shall not be imposed on and no person shall be liable to pay any tax for any Construction activity that is commenced pursuant to a building permit issued on or after ~~September 30, 2014~~ December 31, 2020.
2. Local governments collecting CETs shall remit the CETs to Metro on a quarterly or monthly basis, based on the jurisdiction's CET Collection IGAs with Metro. Each quarter, within thirty days of receiving CET remittances from all collecting local jurisdictions, Metro will issue a written statement of the total CET that Metro has received that quarter and cumulatively.
3. CET remittance to Metro shall be net of the local government's administrative expenses in collecting the CET, up to five percent (5%) of the CET collected by the local government as set forth in the Metro CET Collection IGA. This net amount of CET remitted to Metro shall be the basis for Metro's calculations of CET cumulative totals ~~and for the calculation of when the \$6.3 million CET has been reached~~.
4. The CET shall cease to be imposed by local governments on ~~September 30, 2014~~ December 31, 2020, and shall be remitted by the local governments to Metro as soon thereafter as possible.

### **III. CET Collection Procedures.**

A. Local Government CET Collection and Remittance Via Intergovernmental Agreements (Metro Code Section 7.04.110). For those local governments collecting the CET pursuant to Intergovernmental Agreements with Metro, the following procedures shall apply:

1. CET Report; Information Required. Each quarter (unless a local government prefers to report monthly), along with its CET remittance to Metro, the local government shall prepare

and submit to the Metro Chief Operating Officer a report of the CETs and building permits issued for the previous quarter's construction activities. The report shall include: the number of building permits issued that quarter; the aggregate value of construction; the number of building permits for which CET exemptions were given; the aggregate value of construction for the exempted construction; the aggregate amount of CET paid; and the amount of CET administrative fee retained by the local government pursuant to this CET Collection IGA.

2. CET Remittance to Metro. Local governments collecting CET via IGAs with Metro shall remit the collected CET to Metro. Remittance shall be quarterly, unless a jurisdiction prefers to remit the CET monthly, by the 30<sup>th</sup> of the month following the quarter (or month) ending. Quarters end on September 30, December 31, March 31 and June 30 of each year. CET remittance and the CET Report shall be sent to Metro, attn Construction Excise Tax Accounting Specialist, 600 NE Grand, Portland, Oregon 97232.
  3. Remuneration to Local Government for Collecting CET. As consideration for collecting the CET, each local government collecting the CET shall retain no more than five percent (5%) of the tax collected by that local government. This payment is intended to be a reimbursement of costs incurred. Prior to submitting the CET to Metro, the local government shall deduct the remuneration agreed upon directly from the collected tax, and the amounts deducted and retained shall be identified on the report submitted to Metro.
  4. Metro Administrative Fee. To partially reimburse Metro for its costs in implementing and administering the CET program, Metro will retain ~~two and a half~~ five percent (~~2.5~~5%) of the net CET funds remitted by local governments to Metro.
  5. Audit and Control Features. Each local government shall allow the Chief Operating Officer, or any person authorized in writing by the Chief Operating Officer, to examine the books, papers, building permits, and accounting records relating to any collection and payment of the tax, during normal business hours, and may investigate the accuracy of reporting to ascertain and determine the amount of CET required to be paid.
  6. Failure to Pay. Upon a Person's refusal to or failure to pay the CET when due, the local government administering that Person's building permit shall notify Metro in writing within five (5) business days of such failure, with information adequate for Metro to begin collection procedures against that Person, including the Person's name, address, phone numbers, Value of New Construction, Construction Project, and building permit number. Upon a Person's refusal or failure to pay the CET, it shall be Metro's responsibility to institute collection procedures to obtain payment of the CET as well as any other remedy Metro may have under law.
- B. Metro Collection Procedures in Event of Non-payment. The CET is due and payable upon issuance of a building permit. It is unlawful for any Person to whom the CET is applicable to fail to pay all or any portion of the CET. If the tax is not paid when due, Metro will send a letter notifying the non-payer of his obligation to pay the CET along with the following information:
1. Penalty. In addition to any other fine or penalty provided by Chapter 7.04 of the Metro Code, penalty for non- payment will be added to the original tax outstanding. That penalty is equal to fifty dollars (\$50.00) or the amount of the tax owed, whichever is greater.
  2. Misdemeanor. In addition to any other civil enforcement, non- payment of the CET is a misdemeanor and shall be punishable, upon conviction, by a fine of not more than five hundred dollars (\$500.00). This fine shall be charged to any officer, director, partner or

other Person having direction or control over any Person not paying the tax as due.

3. Enforcement by Civil Action. If the tax is not paid, Metro will proceed with collection procedures allowable by law to collect the unpaid tax, penalties assessed and fines due, including attorney fees.

**IV. Revenue Distribution (Metro Code Section 7.04.220).**

- A. Grant Cycles. CET funds collected pursuant to the ~~2009~~<sup>14</sup> extension of the CET shall be allocated in ~~two~~<sup>three</sup> new application assessment cycles (Cycle ~~42~~<sup>35</sup> and Cycle ~~6~~<sup>6</sup>).

1. The Cycle 1 fund distribution took place in March 2006, which allocated up to \$6.3 million in grants. Grant requests in this cycle were made for planning only in new areas that were brought into the Urban Growth Boundary (UGB) between 2002 and 2005.

~~42.~~ The Cycle 2 grant allocation through the Community Planning and Development Grant program (CPDG) took place in ~~FY June 2010-2009-2010~~, which allocated up to \$3.57 million in CET Grants revenue. Grant Requests in this cycle may be were made for planning in all areas that are in the Urban Growth Boundary (UGB) as of December 2009.

~~23.~~ The Cycle 3 grant allocation ~~shall take took~~ place in ~~FY 2012-August~~ 2013, ~~which allocated \$4.2 million in grants. Grant requests in this cycle were made and shall allocate the remainder of the expected CET collections for this cycle. Grant Requests in this cycle may be made~~ for planning in all areas that are in the UGB as of December 2009, plus areas added to the UGB since 2009 and Urban Reserves. This cycle earmarked fifty percent (50%) of projected CET revenues for planning in areas added to the UGB since 2009 and Urban Reserves, and required that if the amount of qualified Grant Requests for New Urban Areas and Urban Reserves does not equal or exceed the earmarked amounts, the remainder of funds may be allocated to Grant Requests for planning in other areas.

~~3. The Cycle 3 grant allocation shall earmark fifty percent (50%) of projected CET revenues for planning in areas added to the UGB since 2009 and Urban Reserves. If the amount of qualified Grant Requests for New Urban Areas and Urban Reserves does not equal or exceed the earmarked amounts, the remainder of funds shall be allocated to Grant Requests for planning in other areas.~~

4. The Cycle 4 grant allocation shall take place in 2015-2016 for planning in all areas that are in the UGB and Urban Reserves. This grant allocation shall earmark seventy percent to seventy five percent (70% to 75%) of projected revenue for planning within the existing UGB, and earmark twenty five percent to thirty percent (25% to 30%) of projected revenue for concept planning and comprehensive planning for urban reserves and new urban areas, and require that if the amount of qualified Grant Requests for New Urban Areas and Urban Reserves does not equal or exceed the earmarked amounts, the remainder of funds may be allocated to Grant Requests for planning in other areas.

5. The Cycle 5 grant allocation shall take place in 2017-2018 for planning in all areas that are in the UGB and Urban Reserves. This grant allocation shall earmark seventy percent to seventy five percent (70% to 75%) of projected revenue for planning within the existing UGB, and earmark twenty five percent to thirty percent (25% to 30%) of projected revenue for concept planning and comprehensive planning for urban reserves and new urban areas, and require that if the amount of qualified Grant Requests for New Urban Areas and Urban Reserves does not equal or exceed the earmarked amounts, the remainder of funds may be allocated to Grant Requests for planning in other areas.

6. The Cycle 6 grant allocation shall take place in 2019-2020 for planning in all areas that are in the UGB and Urban Reserves. This grant allocation shall earmark seventy percent to seventy five percent (70% to 75%) of projected revenue for planning within the existing UGB, and earmark twenty five percent to thirty percent (25% to 30%) of projected revenue for concept planning and comprehensive planning for urban reserves and new urban areas, and require that if the amount of qualified Grant Requests for New Urban Areas and Urban Reserves does not equal or exceed the earmarked amounts, the remainder of funds may be allocated to Grant Requests for planning in other areas.

7. These cycles may be delayed or amounts reduced if the actual CET receipts remitted by the local governments are not as high as projected, or if CET revenue projections are modified due to market conditions, or if required by Metro's spending cap limitations.

58. Metro may conduct additional allocation cycles if the Metro Chief Operating Officer finds that CET receipts are projected to exceed the grant amounts awarded in Cycle 24 and Cycle 35 and Cycle 6?

B. CET CPDG Grant Screening Committee ("Committee").

1. Role. A CET-Grant CPDG Screening Committee ("the Committee") shall be created, which Committee shall review Grant Requests submitted by local governments. The Committee shall advise and recommend to the Metro Chief Operating Officer ("COO") the ranking and recommended grant amounts, and whether to grant full, partial, or no awards, in accordance with the CET-Ggrant Evaluation Criteria set forth below. The COO shall review the Committee's recommendations and shall forward her/his own grant recommendations, along with the recommendations of the CET-Grant CPDG Screening Committee, to the Metro Council. The Metro Council shall make final grant decisions in a public hearing. A new Grant CPDG Screening Committee shall be established for Cycle 34, Cycle 5 and Cycle 6 grants, but may include members from the Cycle 2 previous Committees.

2. CET CPDG Grant Screening Committee Members. The COO shall appoint six to nine members to the Committee, including the Committee Chair, will be selected by the Metro COO. Skill sets to be represented will be composed of the following expertise: In appointing Committee members, the Metro COO shall make every effort so that no one jurisdiction or geographic location is disproportionately represented on the Committee. The Committee will be composed of nine individuals representing a variety of expertise from public and private interests as set forth below, plus one non-voting Metro Councilor to serve as a Metro Council liaison. A committee member may have more than one expertise. The nine member Committee shall include:

- ~~One member with expertise in e~~Economic development;
- ~~One member with expertise in u~~Urban planning;
- ~~At least one member with expertise in r~~RReal estate and finance;
- ~~One member with expertise in i~~IInfrastructure finance relating to development or redevelopment;
- ~~One member with expertise in l~~Llocal government;
- ~~One member with expertise in u~~Urban renewal and redevelopment;
- ~~One member with expertise in b~~BBusiness and commerce;
- ~~One member from a~~Neighborhood Association or Community Planning Commission with an understanding of community livability issues; and

- ~~One member with expertise in e~~Environmental sustainability relating to development or redevelopment.

C. Grant CPDG Screening Committee Review of Grant Requests.

1. Metro staff shall forward the letters of intent and Grant Requests to the members of the ~~Grant~~ Screening Committee, and will provide staff assistance to the Committee.
2. The ~~CET Grant~~ Screening Committee shall then review the Grant Requests and evaluate them based on the ~~CET Grant CPDG Requests~~ Evaluation Criteria set forth below. The Screening Committee shall use the criteria as guidelines for evaluating applications. The Committee may consult with the proponent of the Grant Request or any others in reviewing the request.
3. After analyzing the Grant Requests, the Committee shall forward to the Metro COO the Committee's recommended ranking and grant amounts for each of the Grant Requests.
4. The Metro COO shall review the Committee's recommendations and shall forward her/his own grant recommendations, based on the ~~CET Grant CPDG Requests~~ Evaluation Criteria set forth above, along with the recommendations of the ~~CET Grant~~-Screening Committee, to the Metro Council. The Metro Council shall decide, in a public hearing, whether or not to approve funding of any grants, and the amount of each grant.

D. Metro Council Grant Approval. The Metro Chief Operating Officer ("Metro COO") shall review the Committee's recommendations and shall forward her/his own grant recommendations, along with the recommendations of the ~~CET Grant~~-Screening Committee, to the Metro Council. The Metro Council shall make final grant decisions in a public hearing.

E. Procedures for Distribution.

1. **Step One: Pre-Grant-Letter of Intent.** Prior to making a ~~written~~ request to Metro for ~~CET CPDG grant~~ funds, each Grant Applicant that anticipates requesting ~~CET grant CPDG~~ funds in Cycle ~~42~~, Cycle 5 and Cycle ~~36~~ shall submit ~~a written and~~ electronic Letter of Intent to the Metro Chief Operating Officer.

a. Grant Applicant. ~~CET Grant CPDG~~ applicants shall be cities or counties within the Metro boundary. Other local governments, as defined in ORS 174.116, may apply for a ~~CET Grant CPDG~~ only in partnership with a city or county within the Metro boundary.

~~b. Letter of Intent Submission Date. For Grant Requests in Cycle 2, Letters of Intent shall be submitted to Metro within three (3) months of the effective date of the extension to the CET program, i.e., by December 9th, 2009, unless a different date is mutually agreed upon by Metro and the local government. For Grant Requests in Cycle 3, Letters of Intent shall be submitted to Metro by within three (3) months of the update to this administrative rule.~~

~~eb. Letter of Intent Content. The Letter of Intent shall set forth the local government's proposed planning project, the requested grant amount, how the project will address the CET Grant CPDG Request Evaluation Criteria, and proposed milestones for grant payments. Metro staff and the grant applications Screening Committee shall review the Letter of Intent and work with the proposer, if necessary, to revise the proposal if additional information is needed for the Grant Request. Metro staff will send comments to the local governments.~~

2. **Step Two: Grant Request.** After submitting the Letter of Intent, and after working with Metro staff and ~~Grant~~-Screening Committee if necessary, to revise the proposal, Grant Applicants

~~seeking distribution of CET expected revenues~~ shall submit ~~a written and an~~ electronic Grant Request to the Metro Chief Operating Officer. The grant request shall include support of the governing body and matching fund commitment with allocation of fund and/or staff resources for the proposed project.

**A. Grant Request Evaluation Criteria for Proposed Projects within the current UGB.**

**For proposed projects within the UGB, the Grant Request shall specifically address how the proposed grant achieves, does not achieve, or is not relevant to, the following criteria (“~~CPDG~~CET Grant Evaluation Criteria”), drawn from the Urban Growth Management Functional Plan.**

- 1) Expected Development Outcomes: Explain ~~what planning activities are~~ how the proposed to be undertaken with the planning and development grant, and how those will increase ability to achieve on-the-ground development/redevelopment outcomes ~~activities will identify and reduce the barriers to developing complete communities.~~

Address:

- a) Identification of opportunity site/s within the boundary of the proposed project area with catalyst potential that focus on jobs growth and/or housing. Explain the characteristics of the site/s and how the proposed project will lead to a catalytic investment strategy with private and public sector support.

b) Clearly articulated and realistic desired outcomes from the planning grant that increase community readiness for development.

~~b)c) The expected probability that due to this planning and development grant, development permits will be issued within two years;~~

~~d) e) — The expected probability that due to this planning and development grant, development permits will be issued within five years;~~

- e) The level of community readiness and local commitment to the predicted development outcomes; considerations include:

1. Track record of successful implementation of community development projects and / or past CPDG plan implementation

~~1-2.~~ Development sites of adequate scale to generate critical mass of activity;

~~2-3.~~ Existing and proposed transportation infrastructure to support future development;

~~3-4.~~ Existing urban form provides strong redevelopment opportunities;

~~4-5.~~ Sound relationship to adjacent residential and employment areas;

~~5-6.~~ Compelling vision and long-term prospects;

- e) Describe the roles and responsibilities of the applicant and county or city, and relevant service providers for accomplishing the goals of the proposed project.

- 2) Regionally Significant: Clearly identify how the proposed planning grant will benefit the region in achieving established regional development goals and outcomes, including sustainability practices, expressed in the 2040 Growth Concept and the six Desired Outcomes, adopted by the region to guide future planning, which include:



- a. People live and work in vibrant communities where ~~they can choose to walk for pleasure and to meet~~ their everyday needs are easily accessible;
- b. Current and future residents benefit from the region's sustained economic competitiveness and prosperity;
- c. People have safe and reliable transportation choices that enhance their quality of life;
- d. The region is a leader in minimizing contributions to climate change;
- e. Current and future generations enjoy clean air, clean water and healthy ecosystems;
- f. The benefits and burdens of growth and change are distributed equitably\*.

[\\*Refer to the Application Handbook for information about how to address this sub-criteria.](#)

3) Location: Discuss whether and how the proposed planning grant facilitates development or redevelopment of:

- a. Centers;
- b. Corridors/Main Streets;
- c. Station Centers; ~~and/or~~
- d. Employment & Industrial Areas;
- e. Areas where concept planning has been completed but where additional planning and implementation work is needed in order to make these areas development ready; and/or-

e.f. Areas with concentration of underserved or underrepresented groups

4) Best Practices Model. Consideration will also be given to applications that can be easily replicated in other locations and demonstrate best practices. Discuss also how lessons learned from the planning project will be shared with other communities in the region.

5) Leverage: Discuss whether and how the proposed planning grant will leverage outcomes across jurisdictions and service providers, or create opportunities for additional private/public investment. Investments can take the form of public or private in-kind or cash contributions to the overall planning activity.

6) Matching Fund/Potential: A ten percent (10%) local match is required either as direct financial contribution or in-kind contribution. Discuss whether any portion of the total project cost will be incurred by the applicant and/or its partners. Explain specific portions of the work scope the match money would fund.

7) Growth Absorption: Discuss how this project will create opportunities to address the to accommodate or of expected population and employment growth consistent with local planning in this region and the needs of high growth areas. ~~Equity: Discuss whether and how~~

~~the proposed planning grant will further the equitable distribution of funds, based on collections of revenues, past funding, and planning resource needs.~~

8) Public Involvement: Discuss whether and how the public, including neighbors to the project, businesses, property owners and other key stakeholders, and disadvantaged communities including low income and minority populations, will be ~~involved formed or~~ in the ~~progress of the project~~ and how their input will be used to strengthen the project outcomes ~~and increase likelihood to be implemented.~~

9) Governing Body: Describe the role of the governing body in relation to:

a. Type of action to be taken to implement the final product

b. When and where applicable, how public voting requirements for annexation and transit improvements will be addressed so that the outcome of proposed planning projects can be realized.

10) Capacity of applicant: Describe the skill set needed and the qualifications of the staff or proposed consulting teams to carry out the planning project.

#### **B. Grant Request Evaluation Criteria for Proposed Projects within areas added to the UGB since 2009 and Urban Reserves.**

The grant request for proposed projects in both areas added to the UGB since 2009 and Urban Reserves shall specifically address how the proposed grant achieves, does not achieve, or is not relevant to the following criteria, drawn from the Urban Growth Management Functional Plan (UGMFP) ~~and the Regional Transportation Functional Plan.~~ While the UGMFP's Title 11 (Planning for New Urban Areas) calls for completion of a concept plan prior to Council decision to add the area to the UGB, Metro Council award of grants for concept planning in urban reserves should not be interpreted as a commitment by the Council to add the rest of the area to the UGB in the next cycle. Applications should note whether the planning project includes an Urban Reserve area, ~~currently being appealed in the Court of Appeals or other venues.~~ The Screening Committee shall emphasize using available funds to spur development.

- 1) Addresses Title 11 requirements for concept plan or comprehensive plan. Clearly describe how the proposed planning grant will address the requirements for either a concept plan or comprehensive plan or both as described in Title 11.
  - a. If not proposing to complete a full plan, describe how the portion proposed will result in an action that secures financial and governance commitment that facilitates ~~for~~ the next steps in the planning process.
  - b. If not proposing a planning grant for the full Urban Reserve area, describe how the proposal would address the intent for complete communities as described in the urban reserve legislative intent, urban and rural reserve intergovernmental agreements between Metro and counties, and Title 11.

2) Regionally Significant: Unless addressed in criteria # 1, describe how the proposed planning grant will benefit the region in achieving established regional development goals and outcomes, including sustainability practices, expressed in the 2040 Growth Concept and the six Desired Outcomes, adopted by the region to guide future planning, which include:

- a. People live and work in vibrant communities where their everyday needs are easily accessible;
- b. Current and future residents benefit from the region's sustained economic competitiveness and prosperity;
- c. People have safe and reliable transportation choices that enhance their quality of life;
- d. The region is a leader in minimizing contributions to climate change;
- e. Current and future generations enjoy clean air, clean water and healthy ecosystems;
- f. The benefits and burdens of growth and change are distributed equitably\*.  
\*Refer to the Application Handbook for information about how to address this sub-criteria.

2)3) Addresses how the proposed projects will meet local needs and also contribute solutions to regional needs.  
 Describe whether and how the proposal will meet a variety of community needs, including land uses such as mixed use development and/or large lot industrial sites which are anticipated to continue to be regional needs.

3)4) Demonstrates jurisdictional and service provider commitments necessary for a successful planning and adoption process.  
 Applications should reflect commitment by county, city and relevant service providers to participate in the planning effort and describe how governance issues will be resolved through or prior to the planning process. Describe the roles and responsibilities of the county, city and relevant service providers for accomplishing the commitments.

4)5) Address readiness of land for development in areas added to the UGB since 2009. For applications in areas added to the UGB since 2009, demonstrate that market conditions would be ready to support development and efficient use of land or define the steps that the project would undertake to influence market conditions.

5)6) Best Practices Model. Consideration will also be given to applications that can be easily replicated in other locations and demonstrate best practices. Discuss also how lessons learned from the planning project will be shared with other communities in the region.

6)7) Leverage: Discuss whether and how the proposed planning grant will leverage outcomes across jurisdictions and service providers, or create opportunities for additional private/public investment. Investments can take the form of public or private in-kind or cash contributions to the overall planning activity.

7)8) Matching Fund/Potential: A ten percent (10%) local match is required either as direct financial contribution or in-kind contribution. Discuss whether any portion of the total project cost will be incurred by the applicant and/or its partners. Explain specific portions of the work scope the match money would fund.

9) Equity: Discuss whether and how the proposed planning grant will further the equitable distribution of funds, based on collections of revenues, past funding, and planning resource needs.  
Growth Absorption: Explain how this project will create opportunities to accommodate expected population and employment growth consistent with local planning.

8)10) Public Involvement: Discuss whether and how the public, including neighbors to the project, businesses, property owners and other key stakeholders, and disadvantaged communities including low income and minority populations, will be involved ~~formed on~~ in the progress of the project and how their input will be used to strengthen the project outcomes: and increase its likelihood to be of being implemented.

10) Governing Body: Describe the role of the governing body in relation to:

a. Type of action to be taken to implement the final product

b. When and where applicable, how public voting requirements for annexation and transit improvements will be addressed so that the outcome of proposed planning projects can be realized.

12) Capacity of applicant: Describe the skill set needed and the qualifications of the staff or proposed consulting teams to carry out the planning project.

C. Proposed Scope of Work, Milestones and Budget. The Grant Request shall include a proposed scope of work and budget, setting forth the expected completion dates and costs for achieving the ~~Urban Growth Management Functional Plan~~ milestones proposed in the Grant Request. The Grant Request shall include also outcome measures specific to the project and source of data and information for Metro's use for evaluation of the progress of the CPDG program. Milestones and grant payment allocations should follow the following general guidelines:

- 1) Execution of the ~~CET Grant~~ CPDG IGA
- 2) Grant Applicant staff's draft or proposed plan, report, code change, zoning change, redevelopment plan, Urban Growth Diagram, Concept Plan, urban services delivery plan, or other plan or agreement consistent with the ~~CET Grant~~ CPDG;
- 3) Grant Applicant staff's final recommended plan, report, code change, redevelopment plan, zoning change, Comprehensive Plan or Comprehensive Plan amendment, development agreement, urban services delivery plan, or other plan or agreement consistent with the ~~CET Grant~~ CPDG award, addressing compliance with the Urban Growth Management Functional Plan, the applicable conditions of the ~~CET Grant~~ CPDG award, and applicable state laws and regulations; and
- 4) Grant Applicant's ~~action adoption of on~~ final plan, report, code change, redevelopment plan, zoning change, Comprehensive Plan or Comprehensive Plan amendment, urban services delivery plan, or other plan or agreement consistent with the ~~CET Grant~~ CPDG award, consistent with the Functional Plan, the applicable conditions of the ~~CET Grant~~ CPDG award, and applicable state law. The governing body of the applicant shall authorize the action on the final products.

~~e. Grant Screening Committee Review of Grant Request.~~

~~The Screening Committee shall recognize the intent of the grants to lead to on-the-ground development and prioritize projects with broad public and private sector support. The Grant Screening Committee shall review and advise the COO as to the Committee's grant recommendations as set forth in Section IV C above.~~

3. **Step Three: Grant Intergovernmental Agreement (“~~Grant~~ IGA”).** Upon the award of a grant, the Metro Chief Operating Officer shall issue a Grant Letter for the grant amount determined by the Metro Council. Metro and the Grant Applicant shall enter into a Grant Intergovernmental Agreement (“Grant-IGA”) ~~or, at the Grant Applicant's request, the Metro Chief Operating Officer shall issue a Grant Letter, for the grant amount determined by the Metro Council. The governing body of the Grant applicant jurisdiction shall authorize the approval of the IGA.~~ The IGA ~~or Grant Letter~~ shall set forth an agreed-upon scope of work and budget, ~~expected milestone completion dates of expected milestones and deliverables,~~ and Grant payment dates and payment amount for each milestone. The scope of work in the grant application and guidelines above in Section IV.E.2.C as modified by any condition in Metro Council grant award shall be the basis for Metro and grantee to negotiate the IGA. The COO shall retain the right to terminate a ~~CET Grant CPDG award~~ if the milestones set forth in the ~~Grant~~ IGA are not met within the timeframes set forth in the ~~Grant~~ IGA.

a) Deadline for Signing IGA: If the IGA has not been signed by Metro and grantee within six months of grant award, the COO shall exercise the authority to cancel the grant award.

~~b) a-~~ Grant Payments: The grant payment amount and marching fund shall be stated in the IGA. Grant payments shall be made upon the completion of those milestones set forth in the ~~Grant Agreements~~ IGA, as determined by Metro in accordance with the requirements of the Metro Code and the ~~Grant Agreement~~ IGA. In general, a portion of the Grant funds shall be distributed upon execution of a ~~Grant Agreement~~ IGA with Metro, with the remainder of the Grant being paid out as progress payments upon completion of the milestones ~~set forth above and~~ in the ~~Grant Agreement~~ IGA. Grantees shall submit progress reports to Metro documenting the milestone and the completed deliverables for grant payment.

~~c) b-~~ Eligible Expenses.

1. The following expenses shall be considered Eligible Expenses for ~~CET Grant CPDG~~ consideration for eligible direct costs, which will have priority for funding over indirect costs:
  - i. Materials directly related to project;
  - ii. Consultants' work on project;
  - iii. Grant Applicant staff support directly related to project; and
  - iv. Overhead directly attributable to project;
2. Grant requests to reimburse local governments for planning work already completed shall not be considered.
3. If the total Grant Requests from participating Grant Applicants exceed the total CET actual revenues, Metro shall first consider awarding funds for eligible direct costs, which will have priority for funding over indirect costs.

d) Metro staff liaison: Grantees shall work closely with the Metro staff liaison, and include them in the appropriate advisory committee for the project.

4. **Application Handbook:** Before soliciting applications for the planning and development grants, Metro shall publish a handbook with details on how to submit applications, prepare a project budget linked to expected outcomes and milestones, and deadlines for applicants to submit letters of intent and full applications.

**ADMINISTRATIVE RULES: METRO CODE CHAPTER 7.04**  
**[Revised December \_\_\_\_\_ 2014]**  
**(MTAC RECOMMENDATIONS -- NOVEMBER – DECEMBER 2014)**

Effective July 1, 2006, and extended through December 31, 2020, Metro has established as Metro Code Chapter 7.04 a Construction Excise Tax (“CET”) to fund Community Planning and Development Grants (“CPDG”). These Administrative Rules establish the procedures for administering this tax as mandated in Metro Code Section 7.04.050 and Metro Code Section 7.04.060. For ease of reference a copy of Metro Code Chapter 7.04 is attached to these administrative rules.

**I. Metro Administrative Matters.**

- A. Definitions. These administrative rules incorporate the definitions as set forth in Metro Code Section 7.04.030 of Chapter 7.04, Construction Excise Tax, and Chapter 3.07, the Urban Growth Management Functional Plan.
- B. Designated Representatives (Metro Code Section 7.04.060). The Metro Chief Operating Officer (“COO”) is responsible for the administration and enforcement of the Metro Code Chapter 7.04 and these administrative rules.
1. The COO may delegate his authority in administration and enforcement of the Code chapter and these administrative rules as he determines and as set forth herein.
  2. The COO shall appoint a Hearings Officer(s), which appointment shall be confirmed by the Metro Council. The Hearings Officer(s) shall have the authority to order refunds or rebates of the Construction Excise Tax or waive penalties as a result of the hearings process. Upon appointing a Hearings Officer, the Chief Operating Officer shall delegate authority to the Hearings Officer to administer oaths, certify to all official acts, to subpoena and require attendance of witnesses at hearings to determine compliance with this chapter, rules and regulations, to require production of relevant documents at public hearings, to swear witnesses, to take testimony of any Person by deposition, and perform all other acts necessary to adjudicate appeals of Construction Excise Tax matters.
- C. Internal Flow of Funds. Funds will be accounted for in a Construction Excise Tax account that will be created by the effective date of Metro Code Chapter 7.04.
- D. Rate Stabilization Reserves. Metro Code Chapter 7.04.200 states that the Council will, each year, as part of the Budget process, create reserves from revenues generated by the CET. These reserves are to even out collections thereby stabilizing the funds needed to support the applicable programs despite industry building activity fluctuation. These reserves can only be drawn on to support the specific budgeted activities as discussed in Section I.E. of these administrative rules. Due to their restricted nature, these reserves shall be reported as designations of fund balance in Metro’s General Fund.
- E. Dedication of Revenues. Revenues derived from the imposition of this tax, netted after deduction of authorized local jurisdiction costs of collection and administration will be solely dedicated to grant funding of the regional and local planning that is required to make land ready for development after inclusion in the Urban Growth Boundary.
- F. Rule Amendment. The Chief Operating Officer retains the authority to amend these administrative rules as necessary for the administration of the Construction Excise Tax, after consultation with Metro Council.

## II. Construction Excise Tax Administration.

### A. Imposition of Tax (Metro Code Section 7.04.070).

1. The CET is imposed on every Person who engages in Construction within the Metro jurisdiction, unless an Exemption applies as set forth herein.
2. The tax shall be due and payable at the time of the issuance of any building permit, or installation permit in the case of a manufactured dwelling, by any building authority, unless an Exemption applies as set forth herein.
3. The CET shall be calculated and assessed as of the application date for the building permit. Persons obtaining building permits based on applications that were submitted prior to July 1, 2006 shall not be required to pay the CET, unless the building permit issuer normally imposes fees based on the date the building permit is issued.
4. If no permit is issued, then the CET is due at the time the first activity occurs that would require issuance of a building permit under the State of Oregon Building Code.

### B. Calculation of Tax (Metro Code Section 7.04.080). The CET is calculated by multiplying the Value of New Construction by the tax rate of 0.12%

(0.0012 x Value of New Construction)

- a. In the case of a Manufactured Dwelling for which no Exemption is applicable, and for which there is no building code determination of valuation of the Manufactured Dwelling, the applicant's good faith estimate of the Value of New Construction for the Manufactured Dwelling shall be used.

### C. Exemptions (Metro Code Section 7.04.040).

1. Eligibility for Exemption. No obligation to pay the CET is imposed upon any Person who establishes, as set forth below, that one or more of the following Exemptions apply:
  - a. The Value of New Construction is less than or equal to One Hundred Thousand Dollars (\$100,000); or
  - b. The Person who would be liable for the tax is a corporation exempt from federal income taxation pursuant to 42 U.S.C. 501(c)(3), or a limited partnership the sole general partner of which is a corporation exempt from federal income taxation pursuant to 42 U.S.C. 501(c)(3), the Construction is used for residential purposes AND the property is restricted to being occupied by Persons with incomes less than fifty percent (50%) of the median income for a period of 30 years or longer; or
  - c. The Person who would be liable for the tax is exempt from federal income taxation pursuant to 42 U.S.C. 501(c)(3) AND the Construction is dedicated for use for the purpose of providing charitable services to Persons with income less than fifty



percent (50%) of the median income.

2. Procedures for Establishing and Obtaining an Exemption; Exemption Certificates:

- a. For exemption (a) above, the exemption will be established at the building permit counter where the Value of New Construction as determined in the building permit is less than or equal to One Hundred Thousand Dollars (\$100,000).
- b. For exemptions (b) and (c) above, prior to applying for a building permit a Person claiming an exemption may apply to Metro for a Metro CET Exemption Certificate, by presenting the appropriate documentation for the exemption as set forth herein, and upon receiving a Metro CET Exemption Certificate the Person may present the certificate to the building permit issuer to receive an exemption from paying the CET; or
- c. For exemptions (b) and (c) above, instead of going to Metro to obtain a Metro CET Exemption Certificate, a Person claiming an exemption from the CET when applying for a building permit may submit to the building permit issuer Metro's CET Exemption Certificate application form. Upon receiving a Person's Metro CET Exemption Certificate application, the building permit issuer shall preliminarily authorize the exemption and shall not collect the CET. The building permit issuer shall forward the Person's Metro CET Exemption Certificate application to Metro along with the quarterly CET report. It shall be Metro's responsibility to determine the validity of the exemption and to institute collection procedures to obtain payment of the CET, as well as any other remedy Metro may have under law, if the Person was not entitled to the exemption;
- d. To receive a Metro CET Exemption Certificate from Metro, or to substantiate to Metro the validity of an exemption received from a local building permit issuer, an applicant must provide the following:
  - i. IRS tax status determination letter evidencing that the Person seeking the building permit is exempt from federal income taxation pursuant to 42 U.S.C. 501(c)(3); and
  - ii. In the case of residential property, proof that the property is to be restricted to low income persons, as defined, for at least 30 years. Proof can be in the form of loan covenants; rental agreements or grant restrictions; a certification from the entity's corporate officer attesting that the exemption is applicable; or any other information that may allow the exemption determination to be made; and
  - iii. In the case of a qualified tax-exempt entity providing services to Persons with incomes less than 50 percent of the median income, the applicant must provide information that will allow such tax exempt status to be verified, and proof that the property will be restricted to such uses. Proof can be in the form of loan covenants; rental agreements or grant restrictions; certification from the entity's corporate officer attesting that the exemption is applicable; or any other information that may allow the exemption determination to be made; and

- iv. In the case of a limited partnership with a tax-exempt sole general partner corporation, verification from the partnership's attorney of that status is required; and
  - v. Authorization to audit the records to verify the legal status and compliance with Metro qualifications of all entities claiming exempt status.
- e. Partial Applicability of Exemption. If an exemption is applicable to only part of the Construction, then only that portion shall be exempt from the CET, and CET shall be payable for the remainder of the Construction that is not eligible for an exemption, on a pro-rata basis. It shall be the responsibility of the Person seeking the partial exemption to fill out a Metro CET Exemption Certificate application for the partial exemption, declaring on that application the proportion of the Construction qualifies for the exemption. Upon receiving a Person's Metro CET Exemption Certificate application claiming a partial exemption, the building permit issuer shall preliminarily authorize the partial exemption and shall only collect the pro-rata CET as declared by the applicant. The building permit issuer shall forward the Person's Metro CET Exemption Certificate application to Metro along with the quarterly CET report. It shall be Metro's responsibility to determine the validity of the partial exemption and to institute collection procedures to obtain payment of the remainder of the CET, as well as any other remedy Metro may have under law, if the Person was not entitled to the partial exemption.

D. Ceiling (Metro Code Section 7.04.045).

1. If the CET imposed would be greater than \$12,000.00 (Twelve Thousand Dollars) as measured by the Value of New Construction that would generate that amount of tax, then the CET imposed for that Construction is capped at a Ceiling of \$12,000.00 (Twelve Thousand Dollars).
2. The Ceiling applies on a single structure basis, and not necessarily on a single building permit basis. For example:
  - a. If a single building permit is issued where the Value of New Construction is greater than or equal to Ten Million Dollars (\$10,000,000), then the CET for that building permit is capped at Twelve Thousand Dollars (\$12,000.00).
  - b. If Construction in a single structure will require multiple building permits during the pendency of the CET program, and the total CET that would be imposed for those building permits would add up to more than Twelve Thousand Dollars (\$12,000.00), then the total CET for those building permits within the same structure during the pendency of the CET program is capped at Twelve Thousand Dollars (\$12,000.00). Once a total of \$12,000.00 has been paid in CET for a particular structure, then no additional CET will be collected for that structure during the pendency of the CET program.

- E. Rebates (Metro Code Section 7.04.120). If a CET has been collected and a CET Exemption or the CET Ceiling was applicable, a rebate for the CET may be obtained from Metro.
1. Procedures for obtaining rebate are:
    - a. Within thirty (30) days of paying the CET, the Person who believes that the CET was not applicable due to a CET exemption or CET Ceiling, shall apply for a rebate in writing to Metro and provide verification that the exemption eligibility provisions of Metro Code Section 7.04.040, or that the CET Ceiling provisions of Metro Code Section 7.04.045, have been met. Failure to seek a rebate within the thirty (30) day time limit will terminate a Person's right to seek a rebate.
    - b. Applicant shall provide proof that the CET was paid, in the form of a paid receipt from the building permit issuer showing the tax was paid. All supporting documentation for the exemption or ceiling shall be submitted at the time of the rebate claim. The rebate will only be made to the name that is listed on the receipt unless the applicant has a written assignment of rebate.
    - c. A rebate or a letter of denial shall be issued by Metro within thirty (30) days of receipt of a written request for rebate provided that the request includes all required information. The rebate will be calculated based upon the paid receipt, less the five percent (5%) administrative fee already retained by the building permit issuer and the five percent (5%) Metro administration fee.
- F. Refunds (Metro Code Section 7.04.150). If a CET has been collected and the Construction was not commenced and the building permit was cancelled, a refund for the CET may be obtained from Metro.
1. Eligibility is determined by the absence of Construction and cancellation of the building permit.
  2. Procedures for obtaining refund:
    - a. Apply in writing to Metro within thirty (30) days of permit cancellation.
    - b. Provide copy of canceled permit.
    - c. Provide proof of payment of the tax in the form of the paid receipt.
    - d. A refund or a letter of denial shall be issued by Metro within thirty (30) days of receipt of the written request for refund provided that the request includes all required information. The refund will be calculated based upon the paid receipt, less the five percent (5%) administrative fee already retained by the building permit issuer and the five percent (5%) Metro administration fee.
    - e. Failure to seek a rebate within the thirty (30) day time limit will terminate a Person's right to receive a refund.

G. Appeals. The Hearings Officer shall conduct hearings related to enforcement or appeals of the CET. The appeal to the Hearings Officer must be:

1. In writing;
2. Made within ten (10) calendar days of denial of a refund, rebate, or exemption request. Notice of denial to the party denied, is deemed to have occurred three days after the mailing of the certified denial letter from Metro;
3. Tax must be paid prior to appeal;
4. Directed to the Office of Metro Attorney, who will contact the Hearings Officer to schedule a hearing upon receipt of a written appeal. The Hearings Officer will at that time provide further information as to what documentation to bring to the hearing.

H. Review. Review of any action of the Chief Operating Officer or Hearings Officer, taken pursuant to the Construction Excise Tax Ordinance, or the rules and regulations adopted by the Chief Operating Officer, shall be taken solely and exclusively by writ of review in the manner set forth in ORS 34.010 through 34.100, provided, however, that any aggrieved Person may demand such relief by writ of review.

I. CET Sunset (Metro Code Section 7.04.230).

1. The CET shall not be imposed on and no person shall be liable to pay any tax for any Construction activity that is commenced pursuant to a building permit issued on or after December 31, 2020.
2. Local governments collecting CETs shall remit the CETs to Metro on a quarterly or monthly basis, based on the jurisdiction's CET Collection IGAs with Metro. Each quarter, within thirty days of receiving CET remittances from all collecting local jurisdictions, Metro will issue a written statement of the total CET that Metro has received that quarter and cumulatively.
3. CET remittance to Metro shall be net of the local government's administrative expenses in collecting the CET, up to five percent (5%) of the CET collected by the local government as set forth in the Metro CET Collection IGA. This net amount of CET remitted to Metro shall be the basis for Metro's calculations of CET cumulative totals.
4. The CET shall cease to be imposed by local governments on December 31, 2020, and shall be remitted by the local governments to Metro as soon thereafter as possible.

### **III. CET Collection Procedures.**

A. Local Government CET Collection and Remittance Via Intergovernmental Agreements (Metro Code Section 7.04.110). For those local governments collecting the CET pursuant to Intergovernmental Agreements with Metro, the following procedures shall apply:

1. CET Report; Information Required. Each quarter (unless a local government prefers to report monthly), along with its CET remittance to Metro, the local government shall prepare and submit to the Metro Chief Operating Officer a report of the CETs and building permits issued for the previous quarter's construction activities. The report shall include: the number of building permits issued that quarter; the aggregate value of construction; the

number of building permits for which CET exemptions were given; the aggregate value of construction for the exempted construction; the aggregate amount of CET paid; and the amount of CET administrative fee retained by the local government pursuant to this CET Collection IGA.

2. CET Remittance to Metro. Local governments collecting CET via IGAs with Metro shall remit the collected CET to Metro. Remittance shall be quarterly, unless a jurisdiction prefers to remit the CET monthly, by the 30<sup>th</sup> of the month following the quarter (or month) ending. Quarters end on September 30, December 31, March 31 and June 30 of each year. CET remittance and the CET Report shall be sent to Metro, attn Construction Excise Tax Accounting Specialist, 600 NE Grand, Portland, Oregon 97232.
  3. Remuneration to Local Government for Collecting CET. As consideration for collecting the CET, each local government collecting the CET shall retain no more than five percent (5%) of the tax collected by that local government. This payment is intended to be a reimbursement of costs incurred. Prior to submitting the CET to Metro, the local government shall deduct the remuneration agreed upon directly from the collected tax, and the amounts deducted and retained shall be identified on the report submitted to Metro.
  4. Metro Administrative Fee. To partially reimburse Metro for its costs in implementing and administering the CET program, Metro will retain five percent (5%) of the net CET funds remitted by local governments to Metro.
  5. Audit and Control Features. Each local government shall allow the Chief Operating Officer, or any person authorized in writing by the Chief Operating Officer, to examine the books, papers, building permits, and accounting records relating to any collection and payment of the tax, during normal business hours, and may investigate the accuracy of reporting to ascertain and determine the amount of CET required to be paid.
  6. Failure to Pay. Upon a Person's refusal to or failure to pay the CET when due, the local government administering that Person's building permit shall notify Metro in writing within five (5) business days of such failure, with information adequate for Metro to begin collection procedures against that Person, including the Person's name, address, phone numbers, Value of New Construction, Construction Project, and building permit number. Upon a Person's refusal or failure to pay the CET, it shall be Metro's responsibility to institute collection procedures to obtain payment of the CET as well as any other remedy Metro may have under law.
- B. Metro Collection Procedures in Event of Non-payment. The CET is due and payable upon issuance of a building permit. It is unlawful for any Person to whom the CET is applicable to fail to pay all or any portion of the CET. If the tax is not paid when due, Metro will send a letter notifying the non-payer of his obligation to pay the CET along with the following information:
1. Penalty. In addition to any other fine or penalty provided by Chapter 7.04 of the Metro Code, penalty for non- payment will be added to the original tax outstanding. That penalty is equal to fifty dollars (\$50.00) or the amount of the tax owed, whichever is greater.
  2. Misdemeanor. In addition to any other civil enforcement, non- payment of the CET is a misdemeanor and shall be punishable, upon conviction, by a fine of not more than five hundred dollars (\$500.00). This fine shall be charged to any officer, director, partner or other Person having direction or control over any Person not paying the tax as due.

3. Enforcement by Civil Action. If the tax is not paid, Metro will proceed with collection procedures allowable by law to collect the unpaid tax, penalties assessed and fines due, including attorney fees.

**IV. Revenue Distribution (Metro Code Section 7.04.220).**

A. Grant Cycles. CET funds collected pursuant to the 2014 extension of the CET shall be allocated in three new application assessment cycles (Cycle 4, Cycle 5 and Cycle 6).

1. The Cycle 1 fund distribution took place in March 2006, which allocated up to \$6.3 million in grants. Grant requests in this cycle were made for planning only in new areas that were brought into the Urban Growth Boundary (UGB) between 2002 and 2005.

2. The Cycle 2 grant allocation through the Community Planning and Development Grant program (CPDG) took place in June 2010, which allocated up to \$3.57 million in CET Grants revenue. Grant requests in this cycle were made for planning in all areas that are in the Urban Growth Boundary (UGB) as of December 2009.

3. The Cycle 3 grant allocation took place in August 2013, which allocated \$4.2 million in grants. Grant requests in this cycle were made for planning in all areas that are in the UGB as of December 2009, plus areas added to the UGB since 2009 and Urban Reserves. This cycle earmarked fifty percent (50%) of projected CET revenues for planning in areas added to the UGB since 2009 and Urban Reserves, and required that if the amount of qualified Grant Requests for New Urban Areas and Urban Reserves does not equal or exceed the earmarked amounts, the remainder of funds may be allocated to Grant Requests for planning in other areas.

4. The Cycle 4 grant allocation shall take place in 2015-2016 for planning in all areas that are in the UGB and Urban Reserves. This grant allocation shall earmark seventy percent to seventy five percent (70% to 75%) of projected revenue for planning within the existing UGB, and earmark twenty five percent to thirty percent (25% to 30%) of projected revenue for concept planning and comprehensive planning for urban reserves and new urban areas, and require that if the amount of qualified Grant Requests for New Urban Areas and Urban Reserves does not equal or exceed the earmarked amounts, the remainder of funds may be allocated to Grant Requests for planning in other areas.

5. The Cycle 5 grant allocation shall take place in 2017-2018 for planning in all areas that are in the UGB and Urban Reserves. This grant allocation shall earmark seventy percent to seventy five percent (70% to 75%) of projected revenue for planning within the existing UGB, and earmark twenty five percent to thirty percent (25% to 30%) of projected revenue for concept planning and comprehensive planning for urban reserves and new urban areas, and require that if the amount of qualified Grant Requests for New Urban Areas and Urban Reserves does not equal or exceed the earmarked amounts, the remainder of funds may be allocated to Grant Requests for planning in other areas.

6. The Cycle 6 grant allocation shall take place in 2019-2020 for planning in all areas that are in the UGB and Urban Reserves. This grant allocation shall earmark seventy percent to seventy five percent (70% to 75%) of projected revenue for planning within the existing UGB, and earmark twenty five percent to thirty percent (25% to 30%) of projected revenue for concept planning and comprehensive planning for urban reserves and new urban areas, and require that if the amount of qualified Grant Requests for New Urban Areas and Urban Reserves does not equal or exceed the

earmarked amounts, the remainder of funds may be allocated to Grant Requests for planning in other areas.

7. These cycles may be delayed or amounts reduced if the actual CET receipts remitted by the local governments are not as high as projected, or if CET revenue projections are modified due to market conditions, or if required by Metro's spending cap limitations.

8. Metro may conduct additional allocation cycles if the Metro Chief Operating Officer finds that CET receipts are projected to exceed the grant amounts awarded in Cycle 4 and Cycle 5 and Cycle 6?.

B. CPDG Screening Committee ("Committee").

1. Role. A CPDG Screening Committee ("the Committee") shall be created, which Committee shall review Grant Requests submitted by local governments. The Committee shall advise and recommend to the Metro Chief Operating Officer ("COO") the ranking and recommended grant amounts, and whether to grant full, partial, or no awards, in accordance with the grant Evaluation Criteria set forth below. The COO shall review the Committee's recommendations and shall forward her/his own grant recommendations, along with the recommendations of the CPDG Screening Committee, to the Metro Council. The Metro Council shall make final grant decisions in a public hearing. A new CPDG Screening Committee shall be established for Cycle 4, Cycle 5 and Cycle 6 grants, but may include members from the previous Committees.

2. CPDG Screening Committee Members. The COO shall appoint six to nine members to the Committee, including the Committee Chair. Skill sets to be represented will be composed of the following expertise:

- Economic development;
- Urban planning;
- Real estate and finance;
- Infrastructure finance relating to development or redevelopment;
- Local government;
- Urban renewal and redevelopment;
- Business and commerce;
- Neighborhood Association or Community Planning Commission with an understanding of community livability issues; and
- Environmental sustainability relating to development or redevelopment.

C. CPDG Screening Committee Review of Grant Requests.

1. Metro staff shall forward the letters of intent and Grant Requests to the members of the Screening Committee, and will provide staff assistance to the Committee.
2. The Screening Committee shall then review the Grant Requests and evaluate them based on the CPDG Requests Evaluation Criteria set forth below. The Screening Committee shall use the criteria as guidelines for evaluating applications. The Committee may consult with the proponent of the Grant Request or any others in reviewing the request.
3. After analyzing the Grant Requests, the Committee shall forward to the Metro COO the Committee's recommended ranking and grant amounts for each of the Grant Requests.

4. The Metro COO shall review the Committee's recommendations and shall forward her/his own grant recommendations, based on the CPDG Requests Evaluation Criteria set forth above, along with the recommendations of the Screening Committee, to the Metro Council. The Metro Council shall decide, in a public hearing, whether or not to approve funding of any grants, and the amount of each grant.

D. Metro Council Grant Approval. The Metro Chief Operating Officer ("Metro COO") shall review the Committee's recommendations and shall forward her/his own grant recommendations, along with the recommendations of the Screening Committee, to the Metro Council. The Metro Council shall make final grant decisions in a public hearing.

E. Procedures for Distribution.

1. **Step One: Pre-Grant-Letter of Intent.** Prior to making a request to Metro for CPDG funds, each Grant Applicant that anticipates requesting CPDG funds in Cycle 4, Cycle 5 and Cycle 6 shall submit electronic Letter of Intent to the Metro Chief Operating Officer.

- a. Grant Applicant. CPDG applicants shall be cities or counties within the Metro boundary. Other local governments, as defined in ORS 174.116, may apply for a CPDG only in partnership with a city or county within the Metro boundary.

- b. Letter of Intent Content. The Letter of Intent shall set forth the local government's proposed planning project, the requested grant amount, how the project will address the CPDG Request Evaluation Criteria, and proposed milestones for grant payments. Metro staff and the grant applications Screening Committee shall review the Letter of Intent and Metro staff will send comments to the local governments.

2. **Step Two: Grant Request.** After submitting the Letter of Intent, and after working with Metro staff and Screening Committee if necessary, to revise the proposal, Grant Applicants shall submit an electronic Grant Request to the Metro Chief Operating Officer. The grant request shall include support of the governing body and matching fund commitment with allocation of fund and/or staff resources for the proposed project.

**A. Grant Request Evaluation Criteria for Proposed Projects within the current UGB. For proposed projects within the UGB, the Grant Request shall specifically address how the proposed grant achieves, does not achieve, or is not relevant to, the following criteria ("CPDG Grant Evaluation Criteria"), drawn from the Urban Growth Management Functional Plan.**

- 1) Expected Development Outcomes: Explain what planning activities are proposed to be undertaken with the planning and development grant, and how those activities will identify and reduce the barriers to developing complete communities. Address:
  - a) Identification of opportunity site/s within the boundary of the proposed project area with catalyst potential that focus on jobs growth and/or housing. Explain the characteristics of the site/s and how the proposed project will lead to a catalytic investment strategy with private and public sector support.
  - b) Clearly articulated and realistic desired outcomes from the planning grant that increase community readiness for development.



- c)
- d)
- e) The level of community readiness and local commitment to the predicted development outcomes; considerations include:
  - 1. Track record of successful implementation of community development projects and / or past CPDG plan implementation
  - 2. Development sites of adequate scale to generate critical mass of activity;
  - 3. Existing and proposed transportation infrastructure to support future development;
  - 4. Existing urban form provides strong redevelopment opportunities;
  - 5. Sound relationship to adjacent residential and employment areas;
  - 6. Compelling vision and long-term prospects;
- e) Describe the roles and responsibilities of the applicant and county or city, and relevant service providers for accomplishing the goals of the proposed project.

2) Regionally Significant: Clearly identify how the proposed planning grant will benefit the region in achieving established regional development goals and outcomes, including sustainability practices, expressed in the 2040 Growth Concept and the six Desired Outcomes, adopted by the region to guide future planning, which include:

- a. People live and work in vibrant communities where their everyday needs are easily accessible;
- b. Current and future residents benefit from the region's sustained economic competitiveness and prosperity;
- c. People have safe and reliable transportation choices that enhance their quality of life;
- d. The region is a leader in minimizing contributions to climate change;
- e. Current and future generations enjoy clean air, clean water and healthy ecosystems;
- f. The benefits and burdens of growth and change are distributed equitably\*.
  - \*Refer to the Application Handbook for information about how to address this sub-criteria.

3) Location: Discuss whether and how the proposed planning grant facilitates development or redevelopment of:

- a. Centers;
- b. Corridors/Main Streets;
- c. Station Centers;
- d. Employment & Industrial Areas;

- e. Areas where concept planning has been completed but where additional planning and implementation work is needed in order to make these areas development ready; and/or
  - f. Areas with concentration of underserved or underrepresented groups
- 4) Best Practices Model. Consideration will also be given to applications that can be easily replicated in other locations and demonstrate best practices. Discuss also how lessons learned from the planning project will be shared with other communities in the region.
  - 5) Leverage: Discuss whether and how the proposed planning grant will leverage outcomes across jurisdictions and service providers, or create opportunities for additional private/public investment. Investments can take the form of public or private in-kind or cash contributions to the overall planning activity.
  - 6) Matching Fund/Potential: A ten percent (10%) local match is required either as direct financial contribution or in-kind contribution. Discuss whether any portion of the total project cost will be incurred by the applicant and/or its partners. Explain specific portions of the work scope the match money would fund.
  - 7) Growth Absorption: Discuss how this project will create opportunities to to accommodate expected population and employment growth consistent with local planning
  - 8) Public Involvement: Discuss whether and how the public, including neighbors to the project, businesses, property owners and other key stakeholders, and disadvantaged communities including low income and minority populations, will be involved in the and how their input will be used to strengthen the project outcomes and increase likelihood to be implemented.
  - 9) Governing Body: Describe the role of the governing body in relation to:
    - a. Type of action to be taken to implement the final product
    - b. When and where applicable, how public voting requirements for annexation and transit improvements will be addressed so that the outcome of proposed planning projects can be realized.
  - 10) Capacity of applicant: Describe the skill set needed and the qualifications of the staff or proposed consulting teams to carry out the planning project.

**B. Grant Request Evaluation Criteria for Proposed Projects within areas added to the UGB since 2009 and Urban Reserves.**

The grant request for proposed projects in both areas added to the UGB since 2009 and Urban Reserves shall specifically address how the proposed grant achieves, does not achieve, or is not relevant to the following criteria, drawn from the Urban Growth Management Functional Plan (UGMFP). While the UGMFP's Title 11 (Planning for New Urban Areas) calls for completion of a concept plan prior to Council decision to add the area to the UGB, Metro Council award of grants for concept planning in urban reserves should not be interpreted as a commitment by the Council to add the rest of the area to the UGB in the next cycle. Applications should note whether the planning project includes an Urban Reserve area.. The Screening Committee shall emphasize using available funds to spur development.

- 1) Address Title 11 requirements for concept plan or comprehensive plan. Clearly describe how the proposed planning grant will address the requirements for either a concept plan or comprehensive plan or both as described in Title 11.
  - a. If not proposing to complete a full plan, describe how the portion proposed will result in an action that secures financial and governance commitment that facilitates the next steps in the planning process.
  - b. If not proposing a planning grant for the full Urban Reserve area, describe how the proposal would address the intent for complete communities as described in the urban reserve legislative intent, urban and rural reserve intergovernmental agreements between Metro and counties, and Title 11.
  
- 2) Regionally Significant: Unless addressed in criteria # 1, describe how the proposed planning grant will benefit the region in achieving established regional development goals and outcomes, including sustainability practices, expressed in the 2040 Growth Concept and the six Desired Outcomes, adopted by the region to guide future planning, which include:
  - a. People live and work in vibrant communities where their everyday needs are easily accessible;
  - b. Current and future residents benefit from the region's sustained economic competitiveness and prosperity;
  - c. People have safe and reliable transportation choices that enhance their quality of life;
  - d. The region is a leader in minimizing contributions to climate change;
  - e. Current and future generations enjoy clean air, clean water and healthy ecosystems;
  - f. The benefits and burdens of growth and change are distributed equitably\*.  
\*Refer to the Application Handbook for information about how to address this sub-criteria.
  
- 3) Addresses how the proposed projects will meet local needs and also contribute solutions to regional needs.  
Describe whether and how the proposal will meet a variety of community needs, including land uses such as mixed use development and/or large lot industrial sites which are anticipated to continue to be regional needs.
- 4) Demonstrates jurisdictional and service provider commitments necessary for a successful planning and adoption process.  
Applications should reflect commitment by county, city and relevant service providers to participate in the planning effort and describe how governance issues will be resolved through or prior to the planning process. Describe the roles and responsibilities of the county, city and relevant service providers for accomplishing the commitments.
  
- 5) Address readiness of land for development in areas added to the UGB since 2009.  
For applications in areas added to the UGB since 2009, demonstrate that market conditions would be ready to support development and efficient use of land or define the steps that the project would undertake to influence market conditions.

- 6) Best Practices Model. Consideration will also be given to applications that can be easily replicated in other locations and demonstrate best practices. Discuss also how lessons learned from the planning project will be shared with other communities in the region.
- 7) Leverage: Discuss whether and how the proposed planning grant will leverage outcomes across jurisdictions and service providers, or create opportunities for additional private/public investment. Investments can take the form of public or private in-kind or cash contributions to the overall planning activity.
- 8) Matching Fund/Potential: A ten percent (10%) local match is required either as direct financial contribution or in-kind contribution. Discuss whether any portion of the total project cost will be incurred by the applicant and/or its partners. Explain specific portions of the work scope the match money would fund.
- 9) .  
Growth Absorption: Explain how this project will create opportunities to accommodate expected population and employment growth consistent with local planning.
- 10) Public Involvement: Discuss whether and how the public, including neighbors to the project, businesses, property owners and other key stakeholders, and disadvantaged communities including low income and minority populations, will be involved in the progress of the project and how their input will be used to strengthen the project outcomes and increase likelihood to be implemented.
- 10) Governing Body: Describe the role of the governing body in relation to:
  - a. Type of action to be taken to implement the final product
  - b. When and where applicable, how public voting requirements for annexation and transit improvements will be addressed so that the outcome of proposed planning projects can be realized.
- 12) Capacity of applicant: Describe the skill set needed and the qualifications of the staff or proposed consulting teams to carry out the planning project.

C. Proposed Scope of Work, Milestones and Budget. The Grant Request shall include a proposed scope of work and budget, setting forth the expected completion dates and costs for achieving the milestones proposed in the Grant Request. The Grant Request shall include also outcome measures specific to the project and source of data and information for Metro's use for evaluation of the progress of the CPDG program Milestones and grant payment allocations should follow the following general guidelines:

- 1) Execution of the CPDG IGA
- 2) Grant Applicant staff's draft or proposed plan, report, code change, zoning change, redevelopment plan, Urban Growth Diagram, Concept Plan, urban services delivery plan, or other plan or agreement consistent with the CPDG;
- 3) Grant Applicant staff's final recommended plan, report, code change, redevelopment plan, zoning change, Comprehensive Plan or Comprehensive Plan amendment,

development agreement, urban services delivery plan, or other plan or agreement consistent with the CPDG award, addressing compliance with the Urban Growth Management Functional Plan, the applicable conditions of the CPDG award, and applicable state laws and regulations; and

- 4) Grant Applicant's action on final plan, report, code change, redevelopment plan, zoning change, Comprehensive Plan or Comprehensive Plan amendment, urban services delivery plan, or other plan or agreement consistent with the CPDG award, consistent with the Functional Plan, the applicable conditions of the CPDG award, and applicable state law. The governing body of the applicant shall authorize the action on the final products.

**3. Step Three: Grant Intergovernmental Agreement (“IGA”).** Upon the award of a grant, the Metro Chief Operating Officer shall issue a Grant Letter for the grant amount determined by the Metro Council. Metro and the Grant Applicant shall enter into a Grant Intergovernmental Agreement (“IGA”) The governing body of the Grant applicant jurisdiction shall authorize the approval of the IGA. The IGA shall set forth an agreed-upon scope of work and budget, completion dates of expected milestones and deliverables, and Grant payment dates and payment amount for each milestone. The scope of work in the grant application and guidelines above in Section IV.E.2.C as modified by any condition in Metro Council grant award shall be the basis for Metro and grantee to negotiate the IGA. The COO shall retain the right to terminate a CPDG award if the milestones set forth in the IGA are not met within the timeframes set forth in the IGA.

- a) **Deadline for Signing IGA:** If the IGA has not been signed by Metro and grantee within six months of grant award, the COO shall exercise the authority to cancel the grant award.
- b) **Grant Payments:** The grant payment amount and marching fund shall be stated in the IGA. Grant payments shall be made upon the completion of those milestones set forth in the IGA, as determined by Metro in accordance with the requirements of the Metro Code and the IGA. In general, a portion of the Grant funds shall be distributed upon execution of an IGA with Metro, with the remainder of the Grant being paid out as progress payments upon completion of the milestones in the IGA. Grantees shall submit progress reports to Metro documenting the milestone and the completed deliverables for grant payment.
- c) **Eligible Expenses.**

1. The following expenses shall be considered Eligible Expenses for CPDG consideration for eligible direct costs, which will have priority for funding over indirect costs:
  - i. Materials directly related to project;
  - ii. Consultants' work on project;
  - iii. Grant Applicant staff support directly related to project; and
  - iv. Overhead directly attributable to project;
2. Grant requests to reimburse local governments for planning work already completed shall not be considered.



For Metro COO / Metro Council / MPAC

**DRAFT: Schedule for Revision of CET Administrative Rules and  
Cycle 4 of Community Planning and Development Grants**

Updated December 29, 2014

	<b>TASK</b>	<b>DEADLINE</b>
1	Council direction on proposed changes to the Administrative Rules	October 7, 2014
2	Stakeholder (MTAC) update: introduction of MTAC role	October 1
3	MTAC meeting #1 on revision of Administrative Rules: background / discussion	October 15
4	MTAC meeting #2 on revision of Administrative Rules: review of the draft revised Administrative Rules	November 5
5	MTAC meeting #2 on revision of Administrative Rules: preliminary recommendations	November 19
6	MTAC meeting #3 on revision of Administrative Rules: final recommendations and vote	December 3
7	Council Work Session to review and discuss COO recommendations (and stakeholder recommendations)	January 8, 2015
8	MPAC review of MTAC recommendations	January 14
9	MPAC recommendations to Metro Council	January 28
10	Council approval of changes to the Administrative Rules	February 12
11	Promulgation of revised Administrative Rules	February 16
12	COO appoint Screening Committee members	February 18
13	Pre-application meeting for Cycle 4 grants application process	February 19 (Thurs <sup>1</sup> )
14	Letters of intent (LOI) submitted to Metro by local governments	March 12
15	Screening Committee review of LOIs and Metro respond to LOIs	April 8
16	Applications due to Metro	May 21
17	Screening Committee evaluates applications and submit recommendations to COO	June - July
18	COO recommendations submitted to Metro along with the recommendations of the stakeholder group	Early August
19	Metro Council award of Cycle 4 grants	Mid August
20	Negotiation of IGAs	Fall +

<sup>1</sup> Note: Some local governments are closed on Fridays.

Agenda Item No. 5.0

**STATE LEGISLATIVE AGENDA**

Metro Council Work Session  
Thursday, January 8, 2015  
Metro Regional Center, Council Chambers



# METRO COUNCIL

## Work Session Worksheet

**PRESENTATION DATE:** January 8, 2015      **TIME:** 3:00 PM      **LENGTH:** 30 minutes

**PRESENTATION TITLE:** 2015 State Legislative Agenda

**DEPARTMENT:** Government Affairs and Policy Development

**PRESENTER(S):** Randy Tucker, (503) 797-1512, randy.tucker@oregonmetro.gov

### WORK SESSION PURPOSE & DESIRED OUTCOMES

- **Purpose:** This work session is to finalize discussion of the 2015 legislative session and the Metro Council's objectives for the session. Proposed legislative principles and concepts will be presented, as well as a draft of an overall legislative agenda that includes concepts discussed at previous work sessions.
- **Outcome:** The Council may wish to discuss specific legislative concepts or principles and direct staff to prepare the agenda for formal adoption.

### TOPIC BACKGROUND & FRAMING THE WORK SESSION DISCUSSION

Preparations are under way for the 2015 legislative session, which convenes on January 12 but starts in earnest on February 2. Before every legislative session, the Metro Council adopts a legislative agenda to direct staff activity during the session.

The draft legislative agenda to be presented at this work session reflects issues that have previously come before the Legislature as well as new issues. It includes issues being led or driven by Metro as well as issues in which Metro has an interest but which are being carried by others. It includes very specific issues as well as broader categories of issues on which a number of possible proposals may surface; the Council's legislative principles are also intended to address this latter category of as-yet-unknown proposals.

### QUESTIONS FOR COUNCIL CONSIDERATION

- Does the Council wish to endorse the concepts to be presented today?
- Are there other topics on which the Council would like to adopt legislative positions?
- Does the Council wish to make changes to the Legislative Principles that guide the actions of staff on issues that may arise during the 2014 session?

### PACKET MATERIALS

- Would legislation be required for Council action?  Yes  No
- If yes, is draft legislation attached?  Yes  No

- What other materials are you presenting today? Legislative issue sheets, principles, draft agenda

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF PROVIDING ) RESOLUTION NO. 15-XXXX  
DIRECTION TO METRO CONCERNING BILLS )  
BEFORE THE 2015 OREGON LEGISLATURE ) Introduced by Council President Tom Hughes  
)  
)

WHEREAS, Metro has an interest in bills before the 2015 Oregon Legislature; and

WHEREAS, the Metro Council and Metro staff will represent Metro’s interest during the upcoming legislative session; and

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

WHEREAS, the attached Exhibit “A” of this resolution lists specific expected and potential 2015 issues that are of concern to Metro and the metropolitan region and gives guidance to staff on the Metro Council’s position on these issues; and

WHEREAS, on \_\_\_\_\_, the Joint Policy Advisory Committee on Transportation endorsed legislative priorities for transportation policy and funding that are reflected in the attached Exhibit “B”; and

WHEREAS, the Metro Council adopted these transportation priorities by passing Resolution 15-XXXX on \_\_\_\_\_;

WHEREAS, the attached Exhibit “C” states the Metro Council’s principles regarding categories of potential legislation in order to provide guidance to staff in representing Metro; and now therefore

BE IT RESOLVED that the Metro Council hereby directs the Metro Chief Operating Officer, the Metro Attorney, and Metro staff to communicate the agency’s position on a variety of legislative proposals to the 2015 Oregon Legislature consistent with Exhibits “A,” “B” and “C” attached hereto.

ADOPTED by the Metro Council this \_\_\_\_\_ day of January, 2015.

\_\_\_\_\_  
Tom Hughes, Council President

Approved as to Form:

\_\_\_\_\_  
Alison Kean, Metro Attorney

## METRO COUNCIL 2015 LEGISLATIVE PRINCIPLES<sup>1</sup>

### LOCAL AUTHORITY

1. **Pre-emption:** With respect to issues related to solid waste management, land use, and other matters of regional concern, Metro's authority should not be pre-empted or eroded.
2. **Funding:** To ensure a prosperous economy, a clean and healthy environment, and a high quality of life for all of their citizens, Metro and the region's counties, cities, and other service providers must have the financial resources to provide sustainable, quality public services. Accordingly, the Legislature should remove existing restrictions on local and regional revenue-raising authority and avoid enacting new limitations or pre-emptions, and all state mandates should be accompanied by funding.

### LAND USE AND URBAN GROWTH MANAGEMENT:

3. **Local Authority:** The Legislature should take no actions that reduce or compromise Metro's land use and urban growth management authority.
4. **Oregon's Land Use System:** Oregon's land use planning system provides an important foundation for the prosperity, sustainability and livability of our region: this system reflects the values of Oregonians and enjoys strong public support.<sup>2</sup> The Legislature should exercise restraint and care when considering changes to Oregon's land use system.
5. **Successful Communities:** Metro supports legislation that facilitates the achievement of the region's six desired outcomes for successful communities: vibrant, walkable communities; economic competitiveness and prosperity; safe and reliable transportation choices; leadership in minimizing contributions to global warming; clean air, clean water and healthy ecosystems; and equitable distribution of the burdens and benefits of growth and change.<sup>3</sup>
6. **Local Land Use Decisions:** Management of the urban growth boundary is a complex undertaking that involves extensive analysis, public input, and a balancing of many factors. Urban growth management decisions have profound impacts not just on land at the boundary, but on communities within the boundary and on farms and other rural lands outside the boundary. For these reasons, the Legislature should establish the process and policy framework for local land use decisions and should affirm the authority of local governments, including Metro, to make specific decisions on local land use matters.
7. **Efficiency:** Land within the urban growth boundary should be used efficiently before the boundary is expanded.<sup>4</sup>
8. **Need:** The UGB should not be expanded in the absence of demonstrated need.<sup>5</sup>
9. **Transportation:** Land use and transportation planning should be coordinated so land uses do not undermine the efficiency and reliability of the transportation system and transportation investments do not lead to unintended or inefficient land uses.<sup>6</sup>
10. **Annexation:** Cities are the preferred governing structure for providing public services to urban areas, and the inability to annex land brought into the urban growth boundary to accommodate urbanization prevents efficient development of livable communities. For these reasons, Metro supports reforms that will facilitate, or reduce barriers to, orderly annexation and incorporation.
11. **Rules/Statutes:** Administrative rules should not be adopted into statute.
12. **Non-Regulatory Tools:** State efforts at regulatory streamlining should include funding to support development of non-regulatory tools for achieving desired land use outcomes.<sup>7</sup>

13. **Fiscal Responsibility:** Funding to support urban development should be generated at least in part by fees on those who directly benefit from that development.

**SOLID WASTE:**

14. **Product stewardship:** Metro supports efforts to minimize the health, safety, environmental, economic and social risks throughout all lifecycle stages of a product and its packaging, and believes that the producer of the product has the greatest ability, and therefore the greatest responsibility, to minimize those adverse impacts.

**TRANSPORTATION:**

15. **Transportation Governance:** The Legislature should take no actions that reduce or compromise Metro's or JPACT's authority in the areas of transportation policy and funding.
16. **Transportation Funding:** Providing adequate funding for all transportation modes that move passengers and freight supports economic prosperity, community livability, public health and environmental quality. For these reasons, Metro supports an increase in overall transportation funding, investments in a balanced multimodal transportation system that addresses the needs of all users, and flexibility in the system to provide for local solutions to transportation problems.

**PARKS AND NATURAL AREAS:**

17. **Parks and Natural Areas:** Our region believes in protecting water quality and wildlife habitat and providing residents with access to nature and outdoor activity. Parks and natural areas are regional assets that support public health, environmental quality, strong property values and economic prosperity. For these reasons, Metro supports measures to increase local and regional authority to raise revenues to support parks and natural areas and to increase the level of state funding distributed to local governments for acquisition, capital improvements, and park operations.

**SUSTAINABILITY:**

18. **Climate Change:** Metro supports efforts to combat and adapt to climate change and to meet the state's goals for reducing greenhouse gas emissions.
19. **Conservation Education:** Metro supports efforts to provide stable and reliable funding to conservation education.

**ECONOMIC PROSPERITY:**

20. **Infrastructure Finance:** Metro supports measures, including funding or revenue measures, which facilitate state, regional or local investments in the public structures needed to accommodate population and economic growth in a way that helps the region achieve its six desired outcomes for successful communities.
21. **Metro Venues:** Because the Oregon Convention Center, Expo Center, Portland's Centers for the Arts and Oregon Zoo are assets that contribute millions of dollars to the state and regional economies, Metro supports legislative measures that facilitate the success of these venues in attracting visitors and enhancing the quality of their experiences.

**AGENCY OPERATIONS:**

22. **Firearms and public facilities:** Metro supports legislation that increases Metro's authority to regulate the carrying of firearms on Metro properties and public venues, and opposes legislation that limits or reduces that authority.

---

<sup>1</sup> ~~Footnotes~~ Unless otherwise noted, endnotes refer to applicable policy statements in Metro's Regional Framework Plan (RFP).

<sup>2</sup> See <http://oregonvaluesproject.org/findings/top-findings/> (specifically item 5, Natural Resource Protections for Future Generations)

<sup>3</sup> RFP Chapter 1 (Land Use).

<sup>4</sup> RFP Policy 1.1 (Compact Urban Form).

<sup>5</sup> RFP Policy 1.9 (Urban Growth Boundary).

<sup>6</sup> RFP Policy 1.3.13 (Housing Choices and Opportunities); Transportation Goal 1 (Foster Vibrant Communities and Efficient Urban Form).

<sup>7</sup> RFP Policy 1.1 (Compact Urban Form); Policy 1.2 (Centers, Corridors, Station Communities and Main Streets).

**METRO**  
**2015 LEGISLATIVE ISSUE IDENTIFICATION**

---

**Department:** Sustainability Center

**Date:** Nov. 20, 2014

**Person completing form:** Scott Klag

**Phone:** x1665

**ISSUE:** Department of Environmental Quality Materials Management Legislation - *Stable and Sustainable Funding*

**BACKGROUND:** This legislation is the second of two proposals emerging from the Oregon Environmental Quality Commission's adoption in 2012 of the policy framework *Materials Management in Oregon: 2050 Vision and Framework for Action*. Under the framework, the need to create sustainable funding for both the Department of Environmental Quality's traditional "solid waste management" activities and new "materials management" activities was identified. One of the subgroups of stakeholders that engaged in the DEQ's process was specifically dedicated to examining funding issues.

DEQ has identified several reasons why their Materials Management Program – currently supported almost entirely by per ton fees on wastes disposed of in Oregon – needs a revised funding structure. First, their permit and disposal fees have been essentially the same since 1994 and have never been adjusted for inflation. Second, while waste disposal tonnages rose alongside inflation for much of that time, since 2008 disposal tonnages have fallen substantially, to levels that are now approaching those of the early 1990's. Third, DEQ has made significant cuts to staffing (about 24% of positions in the Materials Management Program) and to all of its grant programs. DEQ believes that even with stabilized disposal tonnage levels, increased costs due to inflation could require further cuts and prevent making any progress on the 2050 Vision.

DEQ's proposal for sustainable funding includes these elements:

- Increase solid waste disposal tipping and permit fees.

The proposed legislation would raise tipping fees from \$.81 to \$1.19 per ton. Permit fees would be raised from \$.30 to \$.60 per ton through a rulemaking process separate from the legislative proposal.<sup>1</sup> These changes would be effective in 2016.

- Reduce the waiver of tipping fees currently allowed for wastes used in alternative daily cover (ADC). Effective mid-2019, ADC would be subject to 50% of the fees.
- Apply the full tipping fee to demolition landfills and tire landfills. This would also be effective mid-2019.

---

<sup>1</sup> Statute allows the EQC to set permit fees to cover the cost of the DEQ permitting program.

- Adopt a fee adjustment mechanism to respond to future inflation and fluctuations in disposal tonnage.
- Provide a report to the Legislature on longer term funding options by 2022.
- Allow for a small per-ton fee on compost facility feedstocks under certain conditions.

The increased funding would be used to stabilize and restore DEQ's previous programs and advance projects and programs that are essential elements of the 2050 Vision.

Metro staff believes that the restored or initiated programs are critical to the state's and region's ability to reduce environmental and human health impacts by managing materials across their full product life cycle.

**RECOMMENDATION:** Support through testimony, letters and other means.

**LEGISLATIVE HISTORY:** The 2050 Vision document met the statutory requirement that the state periodically update its statewide solid waste management plan. The requested funding proposals represent the level of resources DEQ has determined are necessary to implement their new materials management plan.

**OTHER INTERESTED PARTIES:** DEQ engaged a very broad spectrum of stakeholders in developing their legislative proposals including local governments, solid waste disposal and recycling companies, business and industrial interests, environmental groups and the public. DEQ significantly modified early proposals in light of these stakeholders' comments. Support for the proposal among stakeholders is mixed, with government and environmental interests in the Metro region generally supportive, solid waste disposal and recycling companies concerned about exactly how increased funds will be used and smaller counties in some areas of the state concerned about the financial impacts of higher fees. How some companies subject to increased ADC fees will respond is not yet clear.

**IMPACT IF PROPOSED ACTION OCCURS:**

- The Metro Council has previously heard and supported DEQ's 2050 Vision. This funding proposal will ensure that policy approach has the resources needed for its implementation.
- Supports Metro's Regional Solid Waste Management Plan vision for the region to contribute to the sustainable use of natural resources to enhance our community, economy and environment for current and future generations.



**METRO**  
**2015 LEGISLATIVE ISSUE IDENTIFICATION**

---

**Department:** Sustainability Center

**Date:** Nov. 18, 2014

**Person completing form:** Scott Klag and Andy Sloop

**Phone:** x 1665; 1503

**ISSUE:** Department of Environmental Quality Materials Management Legislation – *Solid Waste Goals and Programs*

**BACKGROUND:** This legislation is one of two proposals emerging from the Environmental Quality Commission’s adoption in 2012 of the policy framework *Materials Management in Oregon: 2050 Vision and Framework for Action*.<sup>1</sup> Under the framework, traditional “solid waste management” is broadened to a “materials management” approach which is embodied in the 2050 Vision statement: *Oregonians in 2050 produce and use materials responsibly – conserving resources – protecting the environment – living well.*

Among the actions identified in the 2050 Vision document are updating Oregon’s statutes pertaining to recycling opportunities, goals and measures, and providing sustainable funding for DEQ’s Materials Management Program. Over the last two years DEQ convened multiple workgroups that helped generate two legislative proposals to address those issues.

DEQ’s proposal on goals and recycling programs includes:

- Revise and update recovery goals.

Currently, Oregon’s statewide recovery goal is 50%<sup>2</sup> with “credits” allowed for waste prevention, reuse and home composting activities. For 2012, Oregon’s statewide recovery rate was 53.4% (including credits) and 49.7% (without credits). The new statewide recovery goals would be 52% by 2020 and 55% by 2025. However, the “credits” program would go away. The Metro watershed’s current goal is 64% (including credits). For 2012, Metro’s recovery rate was 62.2% (including credits) and 56.2% (without credits). DEQ’s proposal for Metro is a rate of 64% (without credits) by 2025, or about 8 percentage points above the rate Metro had achieved by 2012 (without credits).

- Add new statewide waste recovery goals for specific materials (food waste, plastic, and carpet).

---

<sup>1</sup> In November 2012, Council President Hughes wrote a letter to the EQC on behalf of the Metro Council urging adoption of this policy framework. The Metro Council subsequently received an update on this EQC action.

<sup>2</sup> These goals were set by the Legislature in 2001 and were to be met by 2009.

- Update the statewide waste generation goal. A proposal to add a waste generation goal for Metro as the state's largest watershed also is under consideration. Metro staff will discuss this with the Council in January.
- Increase the number of recycling program "elements" required of local governments. In the Metro region, the proposal would increase the requirement from 4-5 (from a list of 9), to 7-8 (from a list of 13). DEQ believes local governments in our region appear to already be implementing as many programs as would be required.
- The "credits" program is being replaced by a new approach. As with recycling programs, local governments will be required to select from a list of waste prevention and reuse elements. Additional efforts may be required in the Metro region to meet this requirement.

**RECOMMENDATION:** Continue to participate in discussions and review of the final proposal and, as appropriate, support through testimony, letters and other means.

**LEGISLATIVE HISTORY:** Oregon's original Opportunity to Recycle Act was passed in 1986 with significant expansions and revisions to the statute in 1991, 1997 and 2001.

**OTHER INTERESTED PARTIES:** DEQ met with representatives of county governments and the solid waste industry, as well as community members stakeholders across the state to discuss the draft legislative concepts. Concerns about revision and establishment of new watershed recovery rates were raised in some parts of the state. DEQ also presented the legislative proposal to Metro's Solid Waste Alternative Advisory Committee (SWAAC) September meeting. There was general agreement among the SWAAC members that this proposal is a step in the right direction, that the recovery goals are achievable with strong collaboration and innovation, and that cities and counties need to understand that new efforts driven by this legislation may increase hauler rates.

**IMPACT IF PROPOSED ACTION OCCURS:**

- The Metro Council has previously heard and supported DEQ's 2050 Vision. This legislative proposal will enable DEQ to proceed with implementing the actions laid out in the vision document.
- Supports Metro's Regional Solid Waste Management Plan to reduce waste and increase recycling.
- Metro and the local governments in the region already meet, or are on the path to meet, almost all of the increased recycling requirements that would be established by this legislative proposal. Metro and local governments will have to work harder to meet the revised recovery goals. Increasing food scrap recovery will be a key to our ability to meet the goal.

**METRO**  
**2015 LEGISLATIVE ISSUE IDENTIFICATION**

---

**Departments:** Parks and Environmental Services, Sustainability Center    **Date:** Nov. 12, 2014

**Persons completing form:** Jim Quinn, Scott Klag    **Phone:** x1665 (Klag)

**ISSUE:** Producer Responsibility Legislation for Household Hazardous Waste

**BACKGROUND:** The purpose of Metro's Household Hazardous Waste (HHW) program is to protect human and health and the environment by providing effective and environmentally sound management of those wastes. Despite Metro's strong collection and source reduction efforts, resources are limited and we are not getting all the HHW that should be collected. HHW that is disposed of in the trash is a risk to refuse industry workers and potentially the environment. HHW stored in basements and garages poses risks of child poisonings and accidents, including fires and spills.

The producer responsibility program for the most common product brought to our HHW services – paint – is saving Metro ratepayers over \$1 million annually. We believe another \$2 million in savings could be achieved annually with a producer responsibility program to cover a broad range of other HHW products we receive at our facilities. While the Metro region would greatly benefit from this program, HHW collection efforts in other parts of the state would also benefit. Those programs are financially strained or offer few services due to cutbacks in state funding.

The proposed statewide legislation will be similar to that establishing the Oregon E-Cycles (electronic waste) program and the PaintCare program. Key elements include:

- Identifying the scope of covered products.
- Requiring manufacturers who sell a product into the state to ensure there is a program for their products' end-of-life collection and environmentally sound management.
- Manufacturers may provide their own program or work in cooperation with other manufacturers to provide a program.
- Clear collection convenience and performance standards that programs have to achieve.

The legislation proposes to cover those especially problematic HHW products that are most appropriately collected at DEQ-permitted facilities and HHW collection events of the sort Metro provides. Defining a set of covered products has been successfully achieved in several Canadian provincial EPR programs. Covered products will include:

- flammable products including solvents;
- home and garden products containing toxic pesticides; and
- highly corrosive or reactive products like oven cleaners and pool chemicals.

The legislation will require a “cost internalization” approach by manufacturers. Unlike the paint program, there will not be a state reviewed “fee assessment” that may be visible on a consumer’s receipt. A manufacturer’s costs will instead be included, like other costs of doing business, in the price faced by the consumer. Cost internalization is the approach employed in the Oregon E-Cycles programs; consumers pay for, but do not see, the individual cost to manage a computer, TV or other covered electronic device.

The legislation is not intended to cover a number of products received at Metro HHW facilities and events that could also be safely collected at retail locations. For example: household batteries; mercury lamps, including compact fluorescents (CFLs); pharmaceuticals; or sharps. While these products might also be candidates for producer responsibility legislation, some states and local governments are at work with stakeholders on legislation for these product categories. We are watching the progress of those efforts to see if they might be appropriate for our region or state.

**RECOMMENDATION:** Support introduction of the legislation and holding an informational hearing to introduce the concept to the Legislature.

**LEGISLATIVE HISTORY:** The proposed legislation incorporates successful elements of other producer responsibility legislation (e.g., paint, e-waste) in Oregon. This will be the first proposal of this type to cover HHW in the United States. There are multiple programs like this in Canada, including in British Columbia, Manitoba and Ontario.

**OTHER INTERESTED PARTIES:** Introduction of this legislation is expected to engage the interest of parties ranging from supportive, to concerned, to those opposed to this approach. Engaging these parties in a dialogue about how to improve the legislation should be an important goal for Metro. We will look to build support among our state solid waste partners – DEQ, local governments, solid waste industry (AOR, AOC, LOC, ORRA) – and among community health and environmental groups (e.g., OEC). Business groups (OBA, AOI) will want to know exactly how this would impact retailers and distributors. A number of manufacturer and trade groups may step forward to engage (e.g., American Chemical Council, Oregonians for Food and Shelter).

**IMPACT IF PROPOSED ACTION OCCURS:**

- Supports the Metro Council’s legislative principles and the Regional Solid Waste Management Plan’s promotion of product stewardship to shift responsibility for managing product costs and impacts “upstream” to manufacturers.
- Assists Metro in preserving natural resources and protecting public health and the environment.
- Helps to finance the cost of managing HHW at Metro facilities.
- Provides an opportunity to promote greater equity in the provision of HHW management services across the region.

Materials following this page were distributed at the meeting.

# Metro | Agenda

**Meeting:** Joint MERC/Metro Council Work Session  
**Date:** Tuesday, January 13, 2015  
**Time:** 1 p.m.  
**Place:** Oregon Convention Center, C121-122

---

## CALL TO ORDER AND ROLL CALL

- |         |  |  |
|---------|--|--|
| 1 PM    | 1. CHIEF OPERATING OFFICER COMMUNICATION                                   |  |
| 1:05 PM | 2. FIRST OPPORTUNITY TARGET AREA (FOTA) INTRODUCTIONS AND OPENING COMMENTS | Scott Robinson, Metro  |
| 1:10 PM | 3. RESEARCH PROCESS, FINDINGS AND POLICY RECOMMENDATIONS                   | Steve Faust, Cogan Owens Greene<br>Chip Lazenby, Cogan Owens Greene  |
| 1:30 PM | 4. FACILITATED DISCUSSION  | Councilor Sam Chase, Metro<br>Chair Terry Goldman, MERC<br>Commissioner Elisa Dozono, MERC<br>Commissioner Ray Leary, MERC |
| 2:05PM  | 5. NEXT STEPS  | Scott Robinson, Metro  |
| 2:10 PM | 6. CLOSING COMMENTS  |  |

## ADJOURN

**THE METRO COUNCIL WILL HOLD AN EXECUTIVE SESSION IMMEDIATELY FOLLOWING THE PUBLIC MEETING PURSUANT TO ORS 192.660(2)(e), TO CONDUCT DELIBERATIONS WITH PERSON DESIGNATED BY THE GOVERNING BODY TO NEGOTIATE REAL PROPERTY TRANSACTIONS.**

# Metro respects civil rights

Metro fully complies with Title VI of the Civil Rights Act of 1964 and related statutes that ban discrimination. If any person believes they have been discriminated against regarding the receipt of benefits or services because of race, color, national origin, sex, age or disability, they have the right to file a complaint with Metro. For information on Metro's civil rights program, or to obtain a discrimination complaint form, visit [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights) or call 503-797-1536. Metro provides services or accommodations upon request to persons with disabilities and people who need an interpreter at public meetings. If you need a sign language interpreter, communication aid or language assistance, call 503-797-1890 or TDD/TTY 503-797-1804 (8 a.m. to 5 p.m. weekdays) 5 business days before the meeting. All Metro meetings are wheelchair accessible. For up-to-date public transportation information, visit TriMet's website at [www.trimet.org](http://www.trimet.org).

## Thông báo về sự Metro không kỳ thị của

Metro tôn trọng dân quyền. Muốn biết thêm thông tin về chương trình dân quyền của Metro, hoặc muốn lấy đơn khiếu nại về sự kỳ thị, xin xem trong [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Nếu quý vị cần thông dịch viên ra dấu bằng tay, trợ giúp về tiếp xúc hay ngôn ngữ, xin gọi số 503-797-1890 (từ 8 giờ sáng đến 5 giờ chiều vào những ngày thường) trước buổi họp 5 ngày làm việc.

## Повідомлення Metro про заборону дискримінації

Metro з повагою ставиться до громадянських прав. Для отримання інформації про програму Metro із захисту громадянських прав або форми скарги про дискримінацію відвідайте сайт [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights) або Якщо вам потрібен перекладач на зборах, для задоволення вашого запити зателефонуйте за номером 503-797-1890 з 8.00 до 17.00 у робочі дні за п'ять робочих днів до зборів.

## Metro 的不歧视公告

尊重民權。欲瞭解Metro民權計畫的詳情，或獲取歧視投訴表，請瀏覽網站 [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)。如果您需要口譯方可參加公共會議，請在會議召開前5個營業日撥打503-797-1890（工作日上午8點至下午5點），以便我們滿足您的要求。

## Ogeysiiska takooris la'aanta ee Metro

Metro waxay ixtiraamtaa xuquuqda madaniga. Si aad u heshid macluumaad ku saabsan barnaamijka xuquuqda madaniga ee Metro, ama aad u heshid warqadda ka cabashada takoorista, booqo [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Haddii aad u baahan tahay turjubaan si aad uga qaybqaadatid kullanka dadweyne, wac 503-797-1890 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqa ka hor kullanka si loo tixgaliyo codsashadaada.

## Metro의 차별 금지 관련 통지서

Metro의 시민권 프로그램에 대한 정보 또는 차별 항의서 양식을 얻으려면, 또는 차별에 대한 불만을 신고 할 수 [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). 당신의 언어 지원이 필요한 경우, 회의에 앞서 5 영업일 (오후 5시 주중에 오전 8시) 503-797-1890를 호출합니다.

## Metroの差別禁止通知

Metroでは公民権を尊重しています。Metroの公民権プログラムに関する情報について、または差別苦情フォームを入手するには、[www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)。までお電話ください公開会議で言語通訳を必要とされる方は、Metroがご要請に対応できるよう、公開会議の5営業日前までに503-797-1890（平日午前8時～午後5時）までお電話ください。

## សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានក្បួនលំអររើសអើងសូមចូលទស្សនាការប្រកាស [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights)។  
បើលោកអ្នកត្រូវការការបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1890 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

## إشعار بعدم التمييز من Metro

تحتزم Metro الحقوق المدنية. للمزيد من المعلومات حول برنامج Metro للحقوق المدنية أو لإبداء شكوى ضد التمييز، يرجى زيارة الموقع الإلكتروني [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). إن كنت بحاجة إلى مساعدة في اللغة، يجب عليك الاتصال مقدماً برقم الهاتف 503-797-1890 (من الساعة 8 صباحاً حتى الساعة 5 مساءً، أيام الاثنين إلى الجمعة) قبل خمسة (5) أيام عمل من موعد الاجتماع.

## Paunawa ng Metro sa kawalan ng diskriminasyon

Iginagalang ng Metro ang mga karapatang sibil. Para sa impormasyon tungkol sa programa ng Metro sa mga karapatang sibil, o upang makakuha ng porma ng reklamo sa diskriminasyon, bisitahin ang [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Kung kailangan ninyo ng interpreter ng wika sa isang pampublikong pulong, tumawag sa 503-797-1890 (8 a.m. hanggang 5 p.m. Lunes hanggang Biyernes) lima araw ng trabaho bago ang pulong upang mapagbigyan ang inyong kahilingan. Notificación de no discriminación de Metro.

## Notificación de no discriminación de Metro

Metro respeta los derechos civiles. Para obtener información sobre el programa de derechos civiles de Metro o para obtener un formulario de reclamo por discriminación, ingrese a [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Si necesita asistencia con el idioma, llame al 503-797-1890 (de 8:00 a. m. a 5:00 p. m. los días de semana) 5 días laborales antes de la asamblea.

## Уведомление о недопущении дискриминации от Metro

Metro уважает гражданские права. Узнать о программе Metro по соблюдению гражданских прав и получить форму жалобы о дискриминации можно на веб-сайте [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Если вам нужен переводчик на общественном собрании, оставьте свой запрос, позвонив по номеру 503-797-1890 в рабочие дни с 8:00 до 17:00 и за пять рабочих дней до даты собрания.

## Avizul Metro privind nediscriminarea

Metro respectă drepturile civile. Pentru informații cu privire la programul Metro pentru drepturi civile sau pentru a obține un formular de reclamație împotriva discriminării, vizitați [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Dacă aveți nevoie de un interpret de limbă la o ședință publică, sunați la 503-797-1890 (între orele 8 și 5, în timpul zilelor lucrătoare) cu cinci zile lucrătoare înainte de ședință, pentru a putea să vă răspunde în mod favorabil la cerere.

## Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib [www.oregonmetro.gov/civilrights](http://www.oregonmetro.gov/civilrights). Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1890 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnub ua hauj lw m ua nte ntawm lub rooj sib tham.



## Draft: Explanation of Regionally Significant Sub-criteria in the Application Handbook

---

- MTAC's overall comment on the Regionally Significant criteria:  
Duplicate the Regionally Significant criteria as a new criteria for projects proposed in Urban Reserve Areas
- Regionally Significant Sub-criteria:

**"Climate and future generations enjoy clean air, clean water and healthy ecosystems"**

MTAC comment on the following two sub-criteria

- Reference the short list of Climate Smart actions for 2015 and 2016 and encourage applicants to address Action 3 (Seek opportunities to enhance local and regional projects that best combine the most effective greenhouse gas emissions reduction strategies)

Proposed language for the Application Handbook:

*Explain how this project will identify and apply approaches most appropriate to local and regional conditions in reducing greenhouse gas emission. Refer to page \_\_\_?\_\_\_ of this handbook for the list of climate smart actions included in the Climate Smart Strategy ordinance adopted by Metro Council in December 2015.*

**"The benefits and burdens of growth and change are distributed equitably"**

MTAC comment on the following two sub-criteria

- Encourage grant applicants to demonstrate how they intend to use their project to resolve inequities in the distribution of resources and services,

Proposed language for the Application Handbook:

*Explain how the proposed project will meet the need of areas with concentrations of underserved and underrepresented groups by identifying increased opportunities to be created in those communities for quality jobs, living wages, stable and affordable housing, safe and reliable transportation and a healthy environment. The Regional Equity Atlas and Opportunity Maps are tools that can be consulted for identifying what inequities and lack of opportunity exist in the proposed project area. The atlas and maps are produced by the Coalition for Livable Future ([info@clfuture.org](mailto:info@clfuture.org)).*



**METRO COUNCIL LEGISLATIVE PRIORITIES**  
2015 Legislative Session



**TOP PRIORITY ITEMS**

- **Transportation funding and policy:** Support passage of a comprehensive transportation funding and policy package that improves economic competitiveness, community livability, and environmental quality by addressing the needs of all modes of passenger and freight transportation.
- **Urban growth management:** Ensure that the Legislature establishes the policy framework and process for local land use decisions and supports the authority of local governments, including Metro, to make specific decisions on local land use matters.
- **Willamette Falls Legacy Project:** Pursue allocation of funds to support development of facilities providing public access to Willamette Falls at the former Blue Heron paper mill site in Oregon City.
- **Brownfield cleanup and redevelopment:** Support creation of policy and funding tools to facilitate brownfield redevelopment, including: recapitalization of Oregon's Brownfields Redevelopment Fund; local authority to create land banks and provide tax abatements; and establishment of a state brownfield cleanup tax credit.
- **Industrial site readiness:** Support allocation of funds to implement 2013 legislation which created state financial tools to help make land inside the urban growth boundary available for industrial development and job creation through infrastructure investment, brownfield cleanup, land aggregation, and other means.

**OTHER ITEMS**

- **Household hazardous waste:** Support legislation establishing a program based on producer responsibility and product stewardship principles to manage household hazardous waste.
- **Toxics:** Support legislation requiring disclosure and removal of toxic chemicals in children's products.
- **Clean Fuels Program:** Support legislation lifting the sunset on Oregon's Clean Fuels Program.
- **DEQ materials management program:** Support updates to policy framework and funding structure to ensure successful implementation of DEQ's 2050 Vision for materials management.
- **Technical amendments to HB 4078 reserves map:** Support legislation to correct errors in location of urban and reserves boundaries in HB 4078 (2014).

- ✔ **Clean Car rebate:** Support legislation to spur increased use of electric and plug-in hybrid cars by providing a rebate to purchasers of zero-emission vehicles.
- ✔ **Vertical Housing Development Program:** Support legislation extending the sunset of this program, which authorizes local governments to provide tax abatements to encourage multi-story, mixed use commercial/residential development in specified zones.
- ✔ **Rehabilitation tax credit:** Support passage of a 25% state Rehabilitation Tax Credit (RTC) to restore and reuse historic commercial and apartment buildings.
- ✔ **Statement of economic interest:** Support legislation to eliminate a statutory oversight and require the Metro Auditor to file a statement of economic interest.

## Current list of 2015 legislative issue papers, with date of Metro Council work session

	9/23/14	11/25/14	1/8/15
<b>Transportation</b>			
Transportation funding and policy package		x	
Clean car rebate			x
<b>Land Use and Development</b>			
Rehabilitation tax credit	x		
Vertical housing development program	x		
Brownfields	x		
Industrial site readiness		x	
HB 4078 technical amendments			x
Willamette Falls Legacy Project			x
<b>Solid Waste</b>			
DEQ financing			x
DEQ policy			x
Household hazardous waste stewardship			x
Toxic-free children's products		x	
Clean fuels program		x	
<b>Other ("Smart Government")</b>			
Auditor statement of economic interest	x		

METRO  
2015 LEGISLATIVE ISSUE IDENTIFICATION

---

Department: Government Affairs and Policy Development

Date: January 2, 2015

Person completing form: Randy Tucker\*

Phone: x1512

\*based on information provided by Drive Oregon

**ISSUE:** Oregon Clean Car Bill (rebate for zero-emission vehicles)

**BACKGROUND:** Electric vehicles reduce gasoline consumption, air pollution, and emissions of greenhouse gases. Clean cars also strengthen Oregon's economy, keeping more money circulating locally. Oregon has no producing oil wells or petroleum refineries, and approximately \$6 billion per year in Oregonians' fuel spending leaves the state. Fuel costs for Oregonians have nearly doubled over the past decade, rising to nearly 7% of household income.

A UC Berkeley study found that spending shifted from fuel purchases to other household goods and services creates sixteen times more jobs per dollar spent. A growing electric vehicle market in Oregon will also strengthen the state's electric vehicle industry, already worth \$266 million per year.

A coalition known as Energize Oregon is advancing a proposal to create a rebate of up to \$3,000 for zero-emission vehicles, including plug-in electric and qualified alternative fuel vehicles. Proposed rebate amounts are:

- \$3,000 for battery electric vehicles and hydrogen fuel cell vehicles
- \$1,500 for plug-in hybrid electric vehicles
- \$1,000 for zero-emission motorcycles
- \$750 for neighborhood electric vehicles

To provide budgetary certainty, the program would be limited to 10,000 vehicles.

There is a federal income tax credit for the purchase of a new electric vehicle, ranging from \$2,500 up to \$7,500. However, even with this credit, electric vehicles have higher initial purchase costs than comparable gasoline vehicles due to the cost of batteries. While electric vehicles have far lower operating costs – roughly equivalent to \$1 per gallon gasoline – consumers generally focus primarily on a vehicle's initial purchase cost.

Furthermore, an estimated 80% of taxpayers do not have enough tax liability to fully take advantage of the federal tax credit, and the delay between vehicle purchase and receipt of the credit also reduces its impact. A rebate is a more equitable and effective tool for stimulating electric vehicle sales. In fact, one study found that a \$1,037 incentive at the time of purchase had more than three times the impact of a tax credit worth \$2,011. Manufacturer research and real-world evidence suggests that an additional state incentive can substantially accelerate vehicle sales.

**RECOMMENDATION:** Support legislation creating a rebate to encourage purchases of zero-emission vehicles, while continuing to support use of a road user charge to address the decline in gas tax revenues associated with highly fuel-efficient vehicles.

**LEGISLATIVE HISTORY:** The 2007 Legislature passed HB 3453 establishing statewide greenhouse gas reduction goals. HB 2001 (the 2009 Jobs and Transportation Act) and SB 1059 (2010) applied those goals to the transportation sector.

**OTHER INTERESTED PARTIES:** This proposal is being advanced by the Energize Oregon Coalition, which is co-chaired by Drive Oregon and ODOT and includes over 100 companies and organizations dedicated to accelerating Oregon's electric vehicle industry. Other parties expected to be interested in this proposal include environmental organizations and groups whose agendas might be viewed as competing budgetary priorities.

**IMPACT IF PROPOSED ACTION OCCURS:** This proposal would support implementation of several state and multi-state strategies, including Oregon's 10-Year Energy Action Plan<sup>1</sup>, the Pacific Coast Action Plan on Climate and Energy<sup>2</sup>, the 8-state Zero-Emission Vehicle Programs Memorandum of Understanding<sup>3</sup>, the Statewide Transportation Strategy<sup>4</sup> called for by SB 1059 (2010), and the Energizing Oregon plan<sup>5</sup>.

Increasing the zero-emission share of the automobile fleet supports one of Metro's six desired outcomes for a successful region (leadership on climate change) and will help to achieve the goals of the Climate Smart Communities project recently approved by the Metro Council.

---

<sup>1</sup> [http://www.oregon.gov/energy/pages/ten\\_year/ten\\_year\\_energy\\_plan.aspx](http://www.oregon.gov/energy/pages/ten_year/ten_year_energy_plan.aspx)

<sup>2</sup> <http://www.pacificcoastcollaborative.org/Documents/Pacific%20Coast%20Climate%20Action%20Plan.pdf>

<sup>3</sup> <http://www.oregon.gov/deq/docs/MOUzev.pdf>

<sup>4</sup> [http://www.oregon.gov/ODOT/TD/OSTI/docs/STS/Oregon\\_Statewide\\_Transportation\\_Strategy.pdf](http://www.oregon.gov/ODOT/TD/OSTI/docs/STS/Oregon_Statewide_Transportation_Strategy.pdf)

<sup>5</sup> <http://www.oregon4biz.com/assets/docs/EVrpt12013.pdf>

**METRO  
2015 LEGISLATIVE ISSUE IDENTIFICATION**

---

**Department:** Government Affairs and Policy Development

**Date:** January 2, 2015

**Person completing form:** Randy Tucker

**Phone:** x1512

**ISSUE:** Willamette Falls Legacy Project

**BACKGROUND:** The Blue Heron paper mill in Oregon City ceased operations in February of 2011, leaving behind a 23-acre site with over 500,000 square feet of industrial buildings in varying conditions. The site's location in downtown Oregon City and adjacent to Willamette Falls, the second largest waterfall by volume in North America, provides a rare opportunity for a unique redevelopment project that could connect people with the Willamette River waterfront and a scenic opportunity of statewide significance, while supporting Oregon City's vision for the future.

Since the closure of the paper mill, Metro has been working with Oregon City, Clackamas County, and the State of Oregon to develop a vision for the site based on four objectives: economic development, public access, historic and cultural interpretation, and habitat restoration. In 2013, the Oregon Legislature provided \$5 million backed by lottery bonds to support a project providing public access to Willamette Falls. Since that time, a master plan has been developed with significant public input and approved by the city; the property has been acquired from the bankruptcy trustee by a developer who shares the community's vision for the site; and public easements have been acquired that enable public access to the falls.

The key investment that will unlock the economic potential of the site is a Riverwalk to make a visit to the Falls a positive experience for the general public. Development of this element also represents the primary interest of the State of Oregon in the project. Including the state's investment authorized in 2013, the partners have secured more than \$10 million to design, engineer and build the first phase of the project, which will begin after design and engineering are completed and required permits are obtained. Total cost of building the Riverwalk is currently estimated at about \$30 million.

**RECOMMENDATION:** Work with key legislators to seek opportunities for additional state investment in the Riverwalk project.

**LEGISLATIVE HISTORY:** See above.

**OTHER INTERESTED PARTIES:** Oregon City and other neighboring jurisdictions, Clackamas County, the State of Oregon, local businesses, etc. The project has also attracted regional support (MPAC endorsement, etc.).

**IMPACT IF PROPOSED ACTION OCCURS:** Successful redevelopment of the Blue Heron site, investments in cultural interpretation features, and improved public access to the Willamette River and Willamette Falls could complement and strengthen Oregon City's downtown and create a significant visitor amenity and tourist attraction that could provide an economic boost with regional impacts. Restoration of plant and wildlife habitat would support the goals of Metro's natural areas program.

**METRO**  
**2015 LEGISLATIVE ISSUE IDENTIFICATION**

---

**Department:** Government Affairs and Policy Development

**Date:** January 2, 2015

**Person completing form:** Randy Tucker

**Phone:** x1512

**ISSUE:** Technical amendments to HB 4078 (2014)

**BACKGROUND:** Late in the 2014 legislative session, the Oregon Court of Appeals issued a ruling that rejected the designation of urban and rural reserves in Washington County. Working closely with local governments and advocates on all sides of the reserves issue, legislators quickly amended House Bill 4078, a land use bill that was sitting in committee, to fashion a compromise that redrew the reserves map and enshrined it in statute. While certain parties raised concerns that the legislation had technical flaws, legislators were reluctant to slow the progress of the bill and risk that it would not be approved by the end of the session.

Since the end of the session, Washington County and Metro staff have worked to identify technical errors in HB 4078. Generally the errors have to do with, for example, a road or intersection or parcel surrounded by a particular designation having been inadvertently omitted from designation, or an erroneous legal description of a parcel. The proposed legislation makes no changes that represent different policy direction from HB 4078; all changes are consistent with everyone's understanding of the intent of that bill.

**RECOMMENDATION:** Support passage of legislation correcting the errors in HB 4078, which has been introduced by the Department of Land Conservation and Development (DLCD). Oppose any amendments that go beyond mere technical corrections reflecting the intent of HB 4078.

**LEGISLATIVE HISTORY:** Urban and rural reserves were designated by Metro and the counties of the Portland region pursuant to SB 1011 (2007). Those reserves designations, as well as urban growth boundary (UGB) amendments adopted pursuant to the designation of urban reserves, were appealed by several parties. HB 4078 was introduced in 2014 on behalf of certain landowners to bypass the UGB appeals, but after the Court of Appeals ruling described above, it was amended to resolve the reserves designations in Washington County.

**OTHER INTERESTED PARTIES:** DLCD, 1000 Friends of Oregon, Metro, Washington County, Oregon Department of Agriculture, landowners in Washington County. No known opposition.

**IMPACT IF PROPOSED ACTION OCCURS:** Illogical anomalies in the Washington County reserves map will be eliminated without violating the original intent of HB 4078.