

Metro Council Retreat Meeting Minutes
January 26, 2005
Tigard Chamber of Commerce, 12345 S.W. Main Street,
Tigard

Members Present: Council President Bragdon, Rex Burkholder, Carl Hosticka, Susan McLain, Robert Liberty, Brian Newman

Members Absent: Rod Park

Also Present: Kate Marx, Michael Jordan, Mike Wetter, Alexis Dow, Andy Cotugno, Mary Weber, Dick Benner, Dan Cooper, Chris Deffebach, Sherry Oeser

1. **Desired Outcomes**
 - o Council considers shift in Metro's role in regional initiatives and commits to an approach.
 - o Council considers council process as revised, makes changes if necessary, and commits to rules of engagement for the council.
 - o Councilors discuss and commit to their roles and responsibilities within the council process.
 - o Council understands management's approach and commitment to supporting council decision-making and provides feedback.
 - o Council discusses and provides further direction on "revising 2040" project.
2. **Discuss Metro's role in regional problem solving**
3. **Discuss Council Process**
 - o Three elements of success: 1) design, 2) training, 3) management
 - o Issues / Projects
 - o Project work plans
 - o Methods for project assignments
 - o Councilor role in regional initiatives
4. **Staff Support to Regional Initiatives**
 - o Role of staff
 - o Process Management
5. **Revisiting 2040 – Approach and Work Program**

Council President Bragdon convened the Council Retreat Meeting at 12:01 p.m.

Council President Bragdon said this was a discussion about Metro having a convening role, which can allow Metro to advance their stature and expand Metro's license in the areas of interest. Mike Wetter, Senior Policy Adviser, in May 2004 summed it up by saying the measure of success would be when somebody somewhere had an intractable problem that no one else was working on or that they were

working on but in disarray, that people throughout the region would look to Metro for help or call their Metro councilor. The goal of the strategic planning was to work out a paradigm of Metro's role in the region, for example regional cooperation, regional problem-solving which was a little unconventional and supplemental to the things that Metro was already doing. This should be related to enhancing the things that Metro already did because they had authority in the charter or state statute. Added to that should be the areas where Metro was unconventional and had a style of working with other people and a training and organizational development ethic among our staff and understanding among the councilors that they got better and better at doing that. Examples of this changing paradigm were coming up. One example was having Councilor Hosticka being called upon by the Mayors of Sherwood, Tualatin, and Wilsonville to give advice and information about issues. Another example was the Portland General Electric (PGE) press conference. A year ago, the City of Portland would not have asked Metro to be a part of that press conference. This was in part because of the change in Portland City Hall but also in part because of the relationships Metro was trying to develop. Metro got called and there was recognition that the ownership of PGE was a regional issue and that the City of Portland benefited from having the presence of a Metro Councilor at that news conference. It also improved the Metro Councilor's status as individual politicians because they got a little more exposure than they did a year ago. Metro Councilors did not have statutory authority relative to electricity generation but the Councilors were seen as community leaders and this should be enhanced. Within the last month Gary Wackweir had insisted that he wanted someone from Metro on the Progress Board even though that was Portland/Multnomah County. Another example was Councilor Newman's involvement with Tim Stafford and being invited to moderate and manage the discussion, to be a convener in part because they respected Councilor Newman as a person and his serving to be part of a solution. It was a matter of having Metro Councilors being invited to the table. Those were the goals, to play that convening role and to expand and plant our influence on the foundation of authority that Metro already had.

Mr. Wetter had come up with a new paradigm. The old paradigm was that the seven Metro Councilors identified problems and worked towards Metro legislation, which was the end of the process. The new paradigm went beyond that or was a supplement to that, that there were regional problems that would not be solved by Metro legislation, for example regional electricity generation. That was in the jurisdiction of the City of Portland and their authority exceeded Metro's in relation to that. However, Metro's influence should exceed theirs because Metro represented more people and if they were doing a good job of representing more people, then Metro would be invited to those tables. So the paradigm that Mr. Wetter outlined on the chart was one where Metro was solving regional problems in partnership with other organizations, government or non-government. Metro was part of the solution with some of them. Metro may play more of a convening role with others. How this actually worked would play out on a case-by-case basis as Metro built its stature and that got reflected in Metro's ability to volunteer on things or be invited. What they would discuss at this meeting was whether this new paradigm captured what Metro Councilors talked about in Summer 2004. Council President Bragdon noted that Councilor Liberty was not able to sit in on that discussion but this discussion was an effort to bring him up to speed. Was this paradigm helpful in the role that Metro wanted to play as seven individual officials who wanted to have a certain profile and serve a certain function in their community but also as an agency? And if this paradigm made sense then what might it look like, how might Metro apply it in ways that would continue to build Metro's stature? Council President Bragdon said he was presenting this in an effort to frame the discussion of the paradigm but would turn it over to Mr. Wetter since he wrote up the paradigm; he had endeavored to take up the six months of discussion of the Metro councilors' aspirations and put it in to some operating parameters. Mr. Wetter then checked in with the councilors to see if there were any questions.

Councilor McLain commented that she had underlined the last paragraph "that the Metro policy and program development is not a substitute for a broad based regional initiative." She understood that to mean that it was important to use all of your tools, as a facilitator, as a convener, and also as a legislator.

As a legislator and elected official, Metro Councilors had opportunities to produce products in a community setting. The way she understood it she felt very comfortable with it, but she didn't feel like that was what was said. The examples that were written down were those of district involvement, district energy. Meetings were not regional initiative. The examples that Council President Bragdon gave of PGE could be a regional initiative if we had the leadership and the will to make it something that could be applicable to 25 cities and 3 counties in a way that the public and private can profit. But in the way that it was presented now they were district issues. She thought it was excellent that more councilors were interested in getting involved with district work. She was concerned with how the council showed leadership region-wide. She was not feeling like it was all there because she did not want to be following administrative rules that said the Council could only act in this one way. She did not think that was the goal from last summer.

Mr. Wetter responded by saying that the goal of the paradigm was to broaden not narrow. The councilors' discussions were a convergence of the strategic planning discussions as well as leading the regional problem-solving initiatives. Mr. Wetter saw a lot of interest by each of the Councilor's wanting to see Metro play a stronger role in the regional problem-solving initiatives. The question was "What does that look like and how do we do that?" The other side of that discussion was about council process and how Councilors worked together with staff to create legislation and programs. The retreat discussion was a convergence of those two discussions. How councilors worked together and interacted with staff and how council solved regional problems, were interrelated issues and questions. Mr. Wetter and Kate Marx, Public Affairs Director, had worked with the councilors to capture their thoughts.

Councilor Newman asked if the paradigm was being used to describe a new way of doing business or was this just a way to describe what councilors were already doing. Council President Bragdon commented that he didn't think it was a new way of doing things.

Mr. Wetter answered by saying it was open to the councilors interpretation. Some councilors may say that was what Metro did or what they ought to be doing and thinking about their work. But there were some misperception among some councilors and inside and outside of Metro, that the councilors had become a little too focused on their own process, their own legislation and their own internal workings and had not been as conscious about being a regional convener and leader. Mr. Wetter suggested one could answer Councilor Newman's question either way depending on one's own perspective.

Councilor Liberty asked if there were particular questions regarding the presentation of the paradigm. Councilor Burkholder responded by saying that the councilors should just put their thoughts on the table. The energy supply was already mentioned, there was the water supply discussion a few years ago that the councilors had about how to envision the outcome of that issue and they were looking at it to see how it affected the work Metro did and the region. Council President Bragdon added that economic development had been mentioned. The economic development group had been on a one-dimensional path without any policy involvement from Metro or any other elected officials.

Councilor Burkholder added education to the list. There were school districts that did not work together very well but it was a regional issue and related to economic development. It could be used as a table to come around and support for looking for solutions.

Council President Bragdon added an example, Regional Emergency Management. Metro was originally a conduit for a grant that dealt with earthquake readiness before Sept. 11th, and Metro was the conduit because of Metro's Geographic Information System (GIS) capabilities. Metro helped convene a group of first responders who were mostly fire and law enforcement officers. In that instance Metro was a fiscal agent, but Metro was never really explicit about what their role was there.

Mr. Wetter responded by saying that he was hearing Councilor Liberty's question more as were there things that Metro was doing now that Metro was doing too narrowly. Councilor Liberty responded by saying that the answers given were helpful. He was looking more at the dissatisfaction of the citizen's efforts.

Councilor Burkholder added that the Nature in the Neighborhoods was one that got tunnelized but was now opening up again. The affordable housing one was one that was internally focused and then got lost. The question then was how did the councilors open it up again to solve this regional problem?

Council President Bragdon added that the Urban Growth Boundary (UGB) as it related to economics was exactly the same thing. Metro just went around and chased it's own tail, in lots of no win situations without any context or satisfaction that what Metro was doing relative to land use actually helped the economy at all. One set of interest groups may have had one set of opinions and another set of interest groups have another set of opinions but it didn't relate to any broader sorts of goals that either Metro or the public could buy into and feel happy about. Council President Bragdon added, broader goals that may resonant with the public at large.

Mr. Wetter commented that there were clearly organizations that were part of the broader solution and Metro was only interacting with a subset of them and the result was not as good as if Metro was able to convene the broader base of implementers and work towards a broader base solution.

Mr. Jordan commented that for Councilor Liberty, from his perspective, this looked like a new thing. Mr. Jordan saw this as the next step in the council's evolution of how it was going to work together, how it was going to exercise it's leadership outside the building and deal with big issues in the community and how the council wanted the agency to evolve. Mr. Jordan continued by saying that a year and a half ago when he began work here, there was a significant change in the way the agency was governed which had happened about 2 years ago. He thought things started changing then and this council had to evaluate how it was going to exercise it's leadership over the agency – use the agency as a tool and how it was going to impact the community. He saw this as the next stage and an evolution of how this council had thought about itself, how individual councilors thought about themselves visa a vie the council and the community. He thought this was another step in an evolutionary discussion that had been going on since he came to Metro.

Councilor Liberty commented that this didn't have anything to do with the convening role. Metro was not involved so there was a mutual element.

Council President Bragdon added that he thought there was a third element, in terms of being more inclusive in the things that Councilors were already doing so there was more of a constituency at different points of the policy development.

Councilor Burkholder commented that this wasn't everything that councilors did. This was a new direction, a way of looking at how this agency could help deal with all these issues. He suggested to start with those things and Metro can always have better community involvement. He didn't see this as saying these other things weren't being done well enough, it was always going to be an issue, community involvement, building political capital. This was a new goal for Metro to take on. All the other stuff that Metro did, the councilors had to make sure that those things were the right thing for them to do. But that was different.

Mr. Wetter began describing how the Council policy making process interfaced with the over all chart. He thought this was a good way to enter into the discussion. The idea was that when these two things start to converge the policy making process, which people spent some time talking about and arguing over, it was

clear that had some relationship with this notion of being a regional convener. So the question was what was the relationship? The way that it was centralized there (referring to chart) was that the convening happened and Metro could play a whole variety of roles depending on the issue and what was appropriate, that would determine the type of leadership. Metro brought folks together and started working in some manner with the implementer, vise a vie the organization that had some stake or some role in the implementation of the solution. This arrow represented the path towards that solution. Along the path a strategy would be created, approach, or solution. Along the way organizations would implement pieces of it. Organization A would have a piece that they would take on, and Organization B would have another piece to take on, and then Metro also in addition to it's role as a convener and problem solver and maybe providing some additional support in the decision making process, may also need to initiate the legislative process that leads to the council working with staff to pass a law that went in the Functional Plan. This process that the Council focused on in the building with our staff support and with public hearings which allowed public input, really was a part of a solution. Metro was not the only organization that needed to be doing stuff to protect habitat, etc. It had to be in coordination with a lot of other activities by an organization. So that was the conceptualization that Metro might get involved as a convener but not need to initiate legislation at all. It may also be true there was a project that was mostly about Metro, didn't really involve many organizations. Metro may need some advice in terms of shaping legislation but they were not fundamental stakeholders or partners in the deal. So that was the way that Mr. Wetter had been thinking about it. It may be that the Council did part of it or all of it but that depended on the issue.

Councilor McLain commented that she saw a disconnect. She personally thought that Metro had done all this since she has been around. Metro has done both. There were some things that Metro had not had any legislation on, they had just provided money or grants. There were other things where Metro had been minor as far as the convener, Metro had just been a participant, either a state document or state legislation. She said that didn't look new at all. Council President Bragdon kept talking about it as a new way. Councilor McLain did not think Metro should ever dispense a toolbox without all the tools in there because you would need it for exceptions. All the things written on the bottom were great. She saw a disconnect with saying the circle on the top was not needed.

In the Regional Transportation Plan the federal government said that Metro's legislation and Metro had to pass the bills. And as far as the State legislature and Oregon Charter, the Charter said that Metro was responsible to our voters in 25 cities and three counties. It was a no brainer that there were certain things that Metro was legally responsible for. She suggested getting beyond all that and getting on to what was new. She didn't see anything new. The schools for example, she had involved 24 people in the schools. There were 24 individuals to talk about what could be done about the Urban Growth Boundary. So that was an example of something that had been done before. There was no legislation – there were five meetings. What came out of that was people sharing information with each other about what their hard growth issues were. Councilor McLain was glad that Councilor Newman will work on something like that again. Another example was water supply, Metro was not a provider and yet Metro was invited into the regional water supply as a participant because they wanted technical information. And as a bonus, the charter said that Metro had to have a water supply plan and Metro didn't have to make it, they made it for Metro every 5,6, or 7 years.

Mr. Wetter asked Councilor Burkholder if he had a question or response. Councilor Burkholder added that this was more like the strategic planning discussion the councilors had. It was more of an idea affirming what Metro did and probably just emphasized it a bit more. The next step, Councilor Burkholder had questions about what this meant, how did the councilors consciously take on this role and intentionally take on this role versus the things that fell into the councilors' laps or being forced to deal with issues by getting sued. Some of the issues came to Metro in various ways. In addition, what did the councilors need to make it successful? What kind of training did the Metro staff need in terms of doing this, what kind of outreach did Metro need to do to the rest of the region so that they understood

that Metro was around. It needed to be a statement that Metro could add value to the rest of the region. There needed to be something intentional about it so Metro had the ability to see a problem and play a role to help solve it, to serve as a resource. He was asking how did Metro become better at it? Councilor Burkholder thought the whole strategic plan was like that. It was nothing new but it was about looking at how can Metro be better at what Metro thinks it should be doing. A lot of that was just being conscious and intentional.

Mr. Wetter said that the effort to strengthen the capacity to do this would be a relatively significant thing for Metro as an agency. When it came to discussing what this might mean for staff and the training needed, others could be brought into the discussion.

Ms. Marx commented that Mr. Wetter also prioritized things in a way that described what the councilors were willing to stop doing in order to do more of other things. That distinction was very important at least from staff's perspective to the capacity to use those practices to support the councilors' agenda.

Councilor Burkholder talked about making choices, which was a positive phase to go into, and exciting. It could be done in a way that was more organized.

Mr. Wetter asked the group if there were any more questions about this. Council President Bragdon responded by saying that as a matter of illustration the discussion in the fall about housing issues demonstrated the different approaches taken in the past. Again, it was supplementing and enhancing and that was doing things differently. It was doing things better, it was not doing it in an opposite direction, but it was doing things in a slightly different way. Four or five years ago there was a lot of attention played to the Functional Plan and a lot of attention played to composition of the Housing Technical Advisory Committee (HTAC) and that became narrower and narrower in focus rather than the issue of providing housing for people who needed it in a diversity range around the region. Council President Bragdon stated that was why he thought it had not yielded what Metro would have liked because it didn't have all the people who would need to be part of the solution around the table at that time. It went totally on that upper part of the chart and there wasn't that parallel which was a matter of building the political will and the other stakeholder involvement and then what was left was to put that idea into a Functional Plan that said people were going to do something as if that were the be all end all and that was not very satisfying.

Councilor McLain suggested going back one chapter. She agreed with what Council President Bragdon said on affordable housing. But before that there was the bringing together of everybody that needed to be around the table and they asked Metro to convene it because they said that Metro was down to the nitty gritty. The group could not figure out how to get the private industry to help them. The group said that they thought there should be some policy and political involvement. The group had the developers and the non-profits and the justice folks and people who were government. There were a wide variety of folks and they said they needed help and they needed a toolbox. Metro was back there at Stage 4 or 5 of the chart. Metro did that first and what came out of it was the top of the chart with the understanding that that was to just be a framework to do some more innovative things that the councilors had been talking about. Councilor McLain thought it was fine to take that approach again because if didn't take and it didn't function throughout the process because it became a legislative issue that was in mediation. It was not like Metro didn't start working and didn't try to meet that goal in a creative way. Metro ended up being told they couldn't do it that way. Councilor McLain thought that committee they made, did nothing, it was a waste of staff time. Councilor McLain stated she wanted to remain realistic.

Mr. Wetter stated that the graph was probably the harder of the two because it took more leadership. You really had more control with it. The leadership was especially critical there and ultimately in getting there especially if you had a diverse set of interests at the table, like trying to get the business and developers at

the table on habitat issues, and getting the neighborhood associations there was an arrow here that was being implemented by the business community instead of just having the environmentalists. It was a hard thing to do in terms of how to do this. There were better ways of doing this. If Metro was saying that this was Metro's business, whether it was a new thing or something that Metro had already been doing, then the question was how can Metro do a better job and what was that going to take? Hopefully that was something that the councilors could begin to discuss.

Councilor Hosticka responded by saying that one of the things that continued to strike him was the energy that was going to drive the region from the left side to the right side. He asked "where is it going to come from?" because to a large extent it can't start at Metro and continue to go out. Hopefully it could under some circumstances but on any of the issues talked about, Metro needed to find out where the energy was, how to capture and magnify it and channel it and that was a skill that the council had not spent a lot of time on. The next part of the discussion should be focused on this issue. And the council must remember that issues have life cycles. Recycling was an example. There was a lot of energy about 15-20 years ago and now it had become completely routinized so it didn't have a lot of energy and it had been moved up beyond the upper right hand corner of the chart. The Nature in the Neighborhoods was still somewhere ambiguously placed. Affordable housing had a lot of energy and then got dissipated into a process by which nobody was willing to invest the political or financial resources necessary to deal with the issue so they put it in some other corner and went on to something else. These examples had some relationship to how Metro organized themselves and what skills they were trying to engender in the organization.

Councilor Liberty added his reasons as to why he thought that people did not come around the Metro table. People had a limited amount of energy to devote to Metro's issues and having a good result didn't always mean that Metro was comfortable with something that happened on the ground. Councilor Liberty was interested in the housing piece because he wanted to see something developed. All of this made sense but there was a status quo and some of the councilors wanted to change that. It needed to be done so that political capital was built up with new people and new supporters in the region.

Mr. Jordan stated that on many people's minds was that politics was an art and you had to strike when the iron is hot. You could work your tail for two years and if everything didn't fall into place you can't get there. The councilors got elected to get something done. Mr. Jordan's issue, the agency's issue, the institution's issue, was what processes, talents, procedures, skills, abilities could the agency bring to bear in order for the councilors to get done what they wanted to get done, and not just have a nice conversation for two years and have it short circuited at the end because it couldn't be adopted. The politics wouldn't work. That was what happened on Goal 5, that was what happened with affordable housing – in fact it has happened with Goal 5 twice. It went through two cycles because of the politics. Metro had to figure out a better way of convening, facilitating, moving, lobbying, getting this region to a place where councilors could exercise their authority to make something happen. That was the unique thing about this institution that councilors can make something happen. But what was the judicious use of that? With economic development, in the middle of the '02 discussion about the boundary, everybody said to do the jobs piece, there had to be a regional economic development strategy. But everybody wanted Metro to do it and they said they wouldn't complain if Metro did. So Metro had to figure out how to best do those types of things. Metro ought to be convening the players for developing an economic development strategy. Then Metro Council could do their land use piece, and play educator. Mr. Jordan stated he struggled with how Metro could effectively deal with all the complex difficult policy issues, how did the councilors get positioned to do things on the ground that they wanted to get accomplished – real decisions that made a difference in the community.

Council President Bragdon added that that required credibility.

Mr. Jordan also added that it required trust. Metro couldn't get there over night, but Metro had to figure out how to do business to make it a self-fulfilling prophecy – that people did trust Metro.

Council President Bragdon responded to Councilor Liberty's first two points. The first point was the fact that our authority was a tool that forced people to come to the table. Council President Bragdon stated that was useful up to a point. If people were at the table out of self-defense, you already had the wrong atmosphere. He continued by relaying a conversation he had with someone on Metro Policy Advisory Committee (MPAC) and talking to the person about how he got involved in regional issues and that person said he was on MPAC to prevent Metro from doing things to him. The fact that Metro, on paper, could do things to him, as a mayor of a city, that may be true but didn't create a situation where he wanted to do things with Metro. The second thing that Metro could do something as a threat – he had a question what that something was. Passing a Functional Plan saying something did not make it so, especially if it jeopardized Metro's franchise. It was not a matter of being popular, it was a matter of being effective. The land use system may give Metro certain tools under Goal 5 to protect the environment, in theory, Metro could pass those, Metro could do something and affect a certain amount of acreage, but to what extent did that solve the overall problem of environmental health of the region relative to the political cost of doing that? Council President Bragdon argued that that was not really doing something in those terms – passing legislation.

Councilor Liberty responded by saying he didn't really disagree with any of that. He added that it was very hard for him to think of this in abstract terms – how to approach housing was going to be different than how to approach natural resources. He added that maybe he would be more comfortable when the discussion covered the particulars.

Council President Bragdon continued by saying that the examples used were somewhat defensive in nature. There were others that were more opportunity based - which was the economic part of it - where this debate had been going on without Metro and the terms of it had disadvantaged Metro.

Councilor Liberty stated that there had actually been five things mentioned that would be an opportunity to do something where things had been stalled in the past. So that was something that could be creative and not just forging consensus?

Councilor McLain suggested transitioning the discussion. She stated that the councilors were agreeing more than they were disagreeing. Where they have also ended up stopping in the last several years and not getting there was the discussion that was scheduled to start at 1:30. And that was how did Metro do business internally. Metro needed to know how they functioned inside in order to get the stature, to get the trust, to get out there to do the work. If Metro didn't know how it functioned inside it was hard for councilors to go out and look confident about what Metro was doing. She continued by going back to the example of the Functional Plan. The Functional Plan would have never been passed if Metro didn't do everything that was laid out here since the strategic plan this last summer. There were people who did not embrace regionalism as a top priority but they still came to the table, not because of the threat but because if they were going to table they wanted to be there as well as impact the table. Councilor McLain suggested the councilors needed to figure out how they functioned together. If they can do that they can have success.

Mr. Wetter said he had been thinking about talking about this in terms of breaking it down into four or five pieces rather than going through the councilor process document thoroughly. He thought that for the most part they were talking about improving the product design. He led in with the discussion of issues and projects, who identified them, how were they defined, what were the characteristics. The way that it was set-up in this council process document was that anyone could propose projects, each councilor represented districts, each had constituents of interest, each had their own interest so Councilor

Burkholder, for example, may propose a project that had to do with affordable housing or housing availability. He would write up a project proposal or ask Mr. Jordan for staff support. If it was a project that required a little bit of staff support, Planning had the digression to say “put somebody on it who could give Councilor Burkholder some help with his affordable housing.” If it were going to take a lot of work then that would go before council.

The Council President had the authority to choose the lead councilor on that project. Presumably it would be Councilor Burkholder since he brought the project forward and any other councilors that wanted to serve with him on that project would be called councilor liaisons. There would be a lead councilor and councilor liaisons and the council would vote to support this proposal. Council could decide as a council that they wanted to allocate the staff resources. Issues could be framed in terms of there was a beginning there was an end point and at the end point, what was the outcome that they were trying to achieve? What was the point of the project? Council would vote and then the project would have a lead councilor and a liaison councilor who would work with staff to write a work plan. The work plan would be brought back to the council for another vote. This two-step process built an opportunity for the council to shape and make sure that this was something that was important enough to resources for. Council President Bragdon said this was a scoping process that they might have to revisit several times.

Mr. Jordan said it was fairly easy in talking with each councilor to know if it was a hundred man-hours or 10,000. It was usually pretty easy to know that. The assigned manager would be called an issue manager in the future. He would ask staff to work with Councilor Burkholder to write up short white paper on his idea and issue and what the issue manager thought it would take to do it. Was it 10,000 man-hours or was it a hundred? When it came back to council – they would be able to say if this was important enough to them that it looked like a big project and they needed to go do it. If council said yes we would assign a permanent issue manager. There were some steps in these processes to determine if the project required a fair number of resources. Council would have the work plan to determine actually how much involvement the councilor thought it would be. The councilor got buy-off, then budgets were adjusted and workloads reallocated. He noted the periodic nature of this process, around the budget cycle. There was a periodic nature, the entrepreneurial nature of the councilors issues. The notion of always having to adjust budgets and deal with the linguistics of resource allocation became a dilemma for him and we were still struggling with knowing, and depending on the size of the project, how we would allocate resources. He said his biggest dilemma was this kind of cyclical process where it was all covered. He suggested, give us the ideas and let us scope them. The council would make some decisions about what they were going to do in their work plan for the coming year or however many years. We scoped it; we were going to have to do a budget amendment to do the work. He asked, do I bring it back to council and council discusses a budget amendment or do I say this was going to require budgetary work and it was in the hopper for the next cycle?

Councilor McLain suggested scoping had two cycles. There were ongoing projects such as urban reserves. She suggested this process was for new projects, creative, related to something we were doing, which had an impact or council give more money or resources or some of that stature that we were looking for. There were other projects that were part of our mission, part of our responsibility, that were part of Metro’s requirements. She said it was a given, but the problem that she had with it was that it was not a given any more, unless there was some way that council could make a list that Council President Bragdon put down every year. She suggested making a list that the entire council agreed with as part of the budget cycle. There were two different types of project size.

Council President Bragdon thought that some projects were a given. There was an existing bank of information. Preparing a memo for a councilor shouldn’t be a big production compared to asking for an analysis of the capacity of a huge GIS project. There was a big difference in the hours expended.

Councilor Burkholder talked about the difference between normal planning work plans and new projects.

Council President Bragdon said there was a distinction between the departmental work plan that was part of the budget, like there was a big portion of the agency that ran and council oversaw them through the budgetary process and through management's reports to council.

Councilor Burkholder followed up by saying he didn't think urban reserves were working. As a council person he could say he was going to take this on as his issue and if everyone else agreed, it needed some leadership and was already in the work plan, then he would proceed. Because they needed someone on the council to be the champion.

Councilor McLain said whether Councilor Burkholder talked about Housing or urban reserve, right now she felt it was scattered. Before she didn't have to think so hard about when the work was coming up. It came up in a regular place and she got to review it and got to be part of it. She wanted a chance to talk about the work plan, the regular work plan not the new infrastructure.

Councilor Newman said it was helpful to him to distinguish between the multi-jurisdictional or the multi-stakeholder - big policy undertakings such as affordable housing, nature neighborhoods and that kind of development, which were common exceptions versus little things like dredge settlement for restoration. It was comfortable for him to distinguish between those kinds of activities. He was not certain that it would create work. It was helpful as they went through this process to realize larger projects and any exceptions.

Councilor Liberty asked about urban work plans, what was being done now. Council President Bragdon said the budget was a sort of work plan. Mr. Jordan brought up the issue of FTE allocations in the budget.

Council President Bragdon talked about what was in the budget and that they had debated what should be budgeted last year, such as Housing Technical Advisory Committee (HTAC). Councilor Liberty said housing was only a subset of these issues that would be treated this way, and not every issue.

Council McLain said the place that she needed to go was an opportunity to see councilors prioritizing like they had with the strategic plan. There were this many projects and this much time and councilors had said that this looked like a stepping stone the first step in making these other things work. For example in solid waste recently through the work sessions of the council had laid out the seven values they thought were important for solid waste – that felt good. The next question was what were the barriers out there or what were the opportunities out there to make these seven goals happen? The council was in the middle of determining this. There should be a work plan, somewhere in the department that was helping them get through that process of figuring out those barriers and those opportunities. There were going to be some big projects that individually councilors could come up with or these were some big projects that the work session prioritized, but in the budget process council had a responsibility to look at it in a programmatic way.

Councilor Burkholder said he wanted to get back to Councilor McLain's issue because he thought that she was making a point about solid waste. It was a big one obviously. It needed a councilor liaison; it was not a new thing that needed a work scoping process. What it needed was that political overlay and it didn't have it. These issues needed leadership and attention. Solid waste issues needed analyzing. Now they were looking at people to be issue managers. There were people in the departments who knew the issues. He asked how do we get these individuals to have the skills to help council move an issue forward?

Mr. Wetter said that was a big question and they had it on the agenda to discuss.

Councilor Burkholder said it was clear from his perspective of the new system for dealing with these issues. He asked, how do we deal with this on-going stuff? They had a structure for transportation and it looked like they had a structure through Metro Policy Advisory Committee (MPAC). They had a structure for the growth management. He asked, where was the place that they made sure they were keeping track of the strategic plans for issues such as housing? Council President Bragdon said he assumed that was what Councilor Burkholder was addressing.

Councilor Burkholder spoke to policy oversight just to make sure because they had a strategic plan they were trying achieve. Council thought departments were following it. There were some areas where the departments still need to have answers; did they go right or left.

Mr. Wetter said right now it was a mix. They were approaching it two different ways (1) standard committees that allowed councilors to have some oversight, such as Joint Policy Advisory Committee on Transportation (JPACT). In other cases they had taken some things, which sort of borderline on ongoing issues and made them projects. For example, strategic planning programmatic budgeting was on the list issues or projects that they might have councilors assigned to again this year, to ride herd on that whole process of whatever it was we did this year to prioritize the outcomes that led to the budget process. It was an ongoing oversight. It might need to be fine-tuned. He suggested that there was a gray line between what was ongoing and what projects had a beginning and an end.

Mr. Jordan gave an example of one of those kinds of in-between projects that could have used councilors input to get us to a solution sooner, that was paid parking at the Zoo. Councilor Burkholder helped that process. When Councilor Burkholder first brought it up 3 years ago, it could really have used the injection of the council to think about the issue with the department. There were those things that Metro did that could really use that political level of expertise or just Councilor's presence at the discussion because they were interested in it – to get Metro to critical mass.

Mr. Wetter said this was conceived as a way of keeping the council more in the loop about the progression of issues. This gave more accountability back to the council.

Councilor McLain said that she thought the listening posts were marvelous and she thought that the council work sessions could be a little bit clearer. She thought they had more opportunity to have real interaction, and that was good in aligning people – staff/councilor and the public. She then addressed the next section in the document. She spoke to the commitment to finish up the public outreach plan. She couldn't figure out what was going on with our public outreach. They still didn't have that approved council priority list or even our approved council "how do you want to do business" public affairs list. They were going to centralizing some folks and maybe changing some of management's direct responsibility. She expressed concern about the two paragraphs. She suggested the need for a rollout strategy and said that a rollout strategy needs to be unique to each project. In the communication plan they always had something that had been through the mill, involved the biggest possible audience that was needed and had a support advocacy group. Even if it had detractors, it still had some kind of a group that went along with it.

An obvious example was Title 3. They had Clean Water service, the Clackamas River Keepers, Tualatin River Keepers, the Fish and Wildlife Department, we had governments that all went along with Metro such as the Water Resources Policy Advisory Committee (WRPAC). They went out with council as discussion leaders for about 24 different work groups, and they got support. They did all the things that Mr. Wetter was talking about. What they didn't have was a process for the next step. When you had all that support and all of that messaging – how did you roll it out in a leadership way from the regional perspective. She noted that the timing needed to be just right, and you needed to make sure that your partners shined and got to be in the spotlight and had an opportunity to share in the success of the project.

Mr. Wetter said everything after page 9 was stuff that we decided last year. It seemed to him that elements of the public involvement strategy were built in from the beginning of the work plan. The notion of a rollout strategy was a matter of a formal communication.

Councilor McLain said sometimes, in the middle of this process there may be a councilor or two or someone else from the outside that took a different direction. There had to be some timing issues on when it was going to be rolled-out or then all of a sudden it went sideways. They needed to make sure that they did all of the steps. As a lead strategy or lead councilor and liaison group, there had to be some involvement with those folks on a regular basis. She noticed that for a while Karen Kane and Gina Whitehill-Bazuik, Public Affairs staff, met with her and Councilor Hosticka on Goal 5 issues. Then all of a sudden, these meetings just stopped and they never got to finish or even used the strategy that they had worked on with councilors or with other staff. There had to be something like a communication plan, which should be tied to those lead councilors to make it formal.

Councilor Hosticka said it seemed to him that the way this whole thing was structured, assumed that the public either was passively out there waiting for us to do something or was clamoring at our doors to do it. There was the process in policy entrepreneurship where you had to be actively out creating the public opinion/public perception and it was nothing you wrote in a work plan. It was an organic process by which some entrepreneur was out there building relationships, networking and generating momentum and feeding ideas and absorbing all of that which was partially our role as elected officials, but to a certain extent was beyond our time abilities and would be something, that if we had staff that was doing it would be very useful but to reduce that to a work plan or a roll-out strategy missed the point. This was where the translation from that activity which was necessary to get done to an organizational bureaucratic process, usually guaranteed that it was not going to happen. It seemed to him that the question was, were they contemplating having policy entrepreneurs on staff that was paid to go out and do that kind of proactive entrepreneurship? He thought this was necessary for the kind of things that needed to be done.

Council President Bragdon said at least on the communications front, he agreed with what was being said that we had to be opportunistic about some of these things particularly on the communications front, but there were things you didn't anticipate in a plan, but that have a culture within the communications and the people were waking up thinking how to get this agency in the newspaper today, in a good way. For example, there had been a tsunami in the southeast part of the world. He knew who had all this recycled paint, let's set a precedent. Metro was going to send some recycled paint to them to use. You could not incorporate these in a plan because they didn't know that it was going to happen. It was more a matter of the organizational development.

Councilor Hosticka said the kind of concrete example that he was thinking of which all the council may have experienced was the revenue sharing or the value capture issues. That was an idea that they said they all wanted to have happen. It got reduced to the Chief Operations Officer issuing the council a report that he didn't know if it had been done. What didn't happen was someone calling up all of the local finance officers or talking to all of the local chambers of commerce, or talking to the mayors in the area. That needed to be done. You needed to do media opportunism and create a movement.

Council President Bragdon gave an example of that too. The expectation was that staff were doing a clerical function on that Urban Growth Management Functional Plan (UGMFP), they were waiting for cities to send in their report so that they could staple them in the upper left-hand corner, not the upper right-hand corner and that they go in the right drawer in the filing cabinet, instead of were we out building a consistency?

Councilor Hosticka said this was a legitimate question; to what role do they want to have people on their payroll doing that kind of work? Or did they want to contract for it, did they want to endow non-profits to do it for Metro in areas that they thought it needed to be done.

Mr. Jordan thought that was a legitimate question and a very complicated one. The question was how did you control it and how did you make sure that it was the right communication to have and he was assuming this was policy entrepreneurship, so it was prior to the Council having acted. There were ideas that needed further fleshing out, this was different than trying to create enough buzz for him then to go to his agency, the public affairs department, and tell them to construct a campaign around getting this idea embedded in the discussion at every chamber of commerce in the region. Councilor Hosticka said the one that he identified Mr. Jordan's name with was the concurrency policy; that had that kind of nature to it. He asked at what point had county staff gotten involved?

Mr. Jordan responded that county staff was never involved. They never spent any money trying to promote that idea. Once the board adopted it, it was a big deal to try and get it into the media.

Councilor McLain said before the council acted on the 2040 concept and before they voted on a map and before they wrote out a strategy or anything else, there was over 500,000 letters sent out, and that time it was before email was really hot and not a lot of people had computers. But there was a good response to that. It was the excitement; it was getting people involved in wanting to do an outreach with 21,000 letters. They had interaction with Metro's hotline. Council McLain clarified the difference between a communication plan for the agency and having others create the buzz. They had prioritized for Public Affairs what kind of an outreach they wanted and what was the actual progress that they were trying to create with that opportunity. She asked what did we want them to do? They had gotten the response, got comments back that said when you get 27,000 people touching whatever you were doing, that was a really good average. The Public Affairs department knew what to do because council had told them and council had prioritized what they wanted to happen, even though they had not made a decision.

Council still had the opportunity to give the Public Affairs group something to work with and they were able to give the group a foundation. She wasn't sure what council was trying to do about prioritizing the list. The strategic plan might get them halfway there, but not necessarily on big endeavors.

Mr. Jordan said they were going to talk about this process that Mr. Wetter had laid out. There would be the kind of discussion in the work plan about being multi-leveled. Was there going to be a huge public outreach effort or was it just stakeholders at this time or maybe then the public – or maybe the other way around? He didn't know, but that would be a component of a work plan on the project that they would be talking about. He talked about the notion of engaging on the values. How much engaging were they talking about? Were they talking about a large public talking about engaging Metro Policy Advisory Committee (MPAC). There were those kinds of questions embedded in what you just said. He fully anticipated those kinds of questions and interaction in a work plan on those kinds of issues. The one that Councilor Hosticka had touched on was a little touchier – maybe, maybe it's not.

Councilor Hosticka said he didn't know because he thought that there were things like economic development because it was the thing du jour. If we were really going to lead a movement on a regional economic strategy, we were going to have to have somebody doing that kind of stuff. And he was willing to have somebody put together a proposal in front of the seven Councilors and say were you willing to budget a \$100,000 and turn somebody loose under the general guidance of our Chief Operations Officer and our Public Affairs Director to go out and create the public buzz. He would vote yes probably, depending on how much the money was. And once that vote was done, then go do it!

Council President Bragdon agreed he would not want to be out somewhere and hear somebody say “Hey one of your staff member was here advocating that Metro take over Portland General Electric,” if council had not talked about it and said yes they wanted it.

Ms. Marx said this could be a really tricky land mine in that area, when you send staff out to talk about “stuff.” It was desirable and it could be really productive. She thought that they were at a point again, going back to the evolution, where this was the next step in evolution. That was a part of them talking about one of the processes that staff were going to learn that was to be common among all of them, to provide council with the decision analysis and aid your decision making in ways that were much more useful.

Councilor Hosticka asked (referring to the chart) was that all the support in the upper circle there or was that to support the whole effort of trying to get from the left hand side to the lower right?

Mr. Jordan said he was more concerned from a management prospective. They already had the top line pretty much in spades. It was the big line in the middle where they were going to have to do some work. It went back to communication strategies. It went to these issue managers and what skills, abilities and best practices were they going to have to adopt to be able to move that red line or blue line and keep it moving and not have it short-circuited. Then they moved on to the upper tier and then got butchered at the end, because they didn’t keep the process going. That was where he saw them falling down most often, on these big issues – the ones they wanted to really get their hands around and actually make something happen. A lot of that had to do with sitting down with council early on and discussing what was the appropriate strategy. The sequence and timing was everything on how outreach was done, how seeds were planted and publicized and who was in the room to make those decisions. It set a whole different tone for the people who were implementers if you were out there pushing an idea, councilors no longer the unbiased, to their partners in local government. A councilor could have an agenda and their initial response was to resist the agenda quite frankly, but they may come around. But those were all strategic kinds of questions that we have to get better at with you hopefully.

Councilor McLain asked, were you training? She talked about the major communications strands for Nature in the Neighborhoods. That was a major work plan and major piece of work. She thought that a councilor needing to be on board quickly to try and figure out what was needed for this year’s budget and to review it. She asked how were they doing on that?

Council President Bragdon said as soon as they were in agreement that was the way they wanted to pursue it. He would talk to everybody about what they wanted to do. That should be ready to go pretty quick.

Mr. Wetter said they still needed to talk responsibilities of the lead councilors and what it meant to you that there would be no surprises and policy entrepreneurialship. These were areas that they had gotten into trouble with last year. There was some dissatisfaction or misinterpretation of some of those items and he hoped that the council had a little chance to talk about that. There was also the staffing issue they needed to talk about.

Councilor Burkholder talked about Council process. He noted there was some substance in the Council Process documents, and didn’t know if people had a chance to read through it and weren’t comfortable with it. We needed to go through each piece before we could go on.

Council President Bragdon said there was a lot in here that we hadn’t talked about in the last hour. He asked if everyone had agreed with the council process? They had talked about it one on one too.

Mr. Wetter said this was a conversation we hoped to have, it had been going great and we had been covering territory but were just running out of time.

Council President Bragdon commented on our accountability to each other and what we have touched on in the sense of regularizing some of these things like work plans, schedule and calendar items. We were getting to what some of those roles were and confirming what was in here. He asked for council comments.

Councilor McLain said the lead councilor was new. She clarified the lead councilor would take the lead to at least start working with people and trying to bring things back to work sessions so that everyone could deal with them. She saw that as new ground, she wanted to make sure that she knew what it meant. She didn't feel like it was a renegade running off to Mr. Cotugno saying "do this" but someone the staff would see as a support person, a person to go to for a first reaction and a connection with staff and a lead person on a regular basis. She thought that was important if you were trying to improve the system and give staff an idea of what to do.

Council President Bragdon said there was also the link from that lead councilor to the other 6 councilors.

Councilor McLain said then each councilor had to come back to council. She thought that was strong language and they had to be responsible. We have to give them the respect to allow them, at the work session, to actually do some work. The discussion needed to happen.

Mr. Wetter thought the one piece they all agreed on about the lead council role was that they were wearing two hats; one hat as lead council representing the council to the staff or outside the building, the other as a councilman. There had to be some clarity about when you speak from which point of view. That would be a hard thing. Concerning the lead council role, there were some questions he had about their responsibility to each other. If you were not a lead councilor working on an issue and had a policy you wanted to develop in that issue area, what was your responsibility for communication for example between the policy and the lead councilor?

Councilor Burkholder said in policy it really reflected back on the Council President's role. The charter and the job description that we adopted for the Council President, when it first came through by ordinance, envisioned a pretty active and activist position where they would not necessarily be making policy except in the councilor role, but making connections and making sure the process worked well so they were connecting with each councilor, keeping track of things. There was potential discipline for people who broke the rules we agreed to in terms of if someone was out there harming the agency. The Council President would tell the councilor they were not wearing that hat anymore, someone else should be the lead. That was about all you could do but it went with the idea that the process would work smoothly. He hoped the discipline piece would not come in to play. The rest of it, checking in, making sure there was time in the work session to cover various subjects' people had the chance to hear about, he thought that was a very active role. He wanted to see a more active role, especially using the Council President's position as a way to help the other councilors and make sure Council could do all of this. As Councilor Hosticka said, their time was short and they were trying to do some pretty active stuff and needed support to do that.

Mr. Wetter said in the re-definition we talked about him taking more active roles. The deputy, even though it was part time, should have some element of his role ensuring these connections happened.

Council President Bragdon said this definitely contemplated more active management of the council process itself, which would be a good thing. Council talked about the re-definition and agreed that Mr. Wetter would correspondingly play the greater role.

Councilor Burkholder spoke to visions in the charter change and the job description that they wanted.

Mr. Wetter said he wanted to get back to his progress check. They had 15 minutes. He wasn't sure how much time they would like to spend. They had a half-hour budgeted.

Council President Bragdon said he thought it was a critical issue. His management of the system was very important, so was the staff support for it. He thought if Council was conceptually getting comfortable with this, the test was actually having it work and the implementation and management of it, which in part they would do by doing it. The Council needed to be clear about this, as Councilor Burkholder had been clear of his expectations of the Council President. There would be a corresponding conversation to have in regard to staff.

Mr. Wetter said he appreciated the Council bringing this into design, training and management. He thought they designed it but didn't train it or manage it. He wanted to make sure they spent time talking about this. His concern was that there were also some different interpretations in this territory. In his experience in the last year, the problem, some of the councilors may agree, was that the no privacy rule was crossed a few times. Did they need to talk about a common agreement about how communications happened so that councilors felt like they were not being surprised by each other? These two things were clearer now.

Councilor McLain spoke to the definition of "no surprises." She thought that they all were honorable, trustworthy people that they wouldn't want to surprise each other.

Councilor Hosticka said he felt very uncomfortable going through the staff issue in 15 minutes. There were some significant changes, so he wanted more time to discuss that. It could happen in a work session, it wouldn't have to be at a retreat.

Mr. Wetter asked if they needed to transition to the other items?

Mr. Jordan said they had some staff there to transition and there may be some hot issues they'd like to get moving on. Dan Cooper, Metro Attorney, was involved in a conversation that was a piece of the Big Look issue that he really wanted to make sure the Council was in the loop on.

Mr. Wetter asked, so the answer was yes?

Mr. Jordan, concurred, they needed to transition.

Council President Bragdon said they had 12 minutes to finish the discussion on Council process. He offered to reschedule some of this conversation at a work session.

Councilor McLain said she didn't think it was meant to be a negative when people caused those surprises. They really didn't want to harm themselves or the council or the Metro name. She really believed that. The problem was that they were defining things like "no surprises" and everyone was using a different definition. It was one of those things that when they get caught with three or four others – using the definition they thought was clear, others said 'no.' that was not their definition. There were some basics that she thought everyone was using in the definition and one of them was that they shouldn't hear about it outside of the building first. Somehow they would have to do a better job of patrolling themselves. If there was something they hadn't shared with each other they shouldn't share it outside of the building because it would get back to the other councilors. She had heard from local jurisdictions, from citizens, from staff. The Council could police themselves better. She agreed there should be no surprises. They

needed to follow the process using the diagram, have that encompassing conversation. It shouldn't need to be a last ditch effort that ended up being a surprise because somehow they didn't like the way the process worked out. It was politics and there will always be some of that. She felt like that was where it went downhill. It wasn't just Council that was surprised, there were our partners and people who had been helping in the conversation all the way through that were also surprised. She thought they had to recommit to trying to do the best they could not to do surprises or anything that looked like a surprise. If they tried to use the format they'd been given, maybe that would help. They would much prefer to stay within the system.

Councilor Burkholder suggested one thing that would help was not putting things on the formal agenda before they had a chance to air them at a work session. There had been a couple times when things just showed up on a Council agenda. When it showed up as a resolution on the agenda they ended up needing more prep at the ground floor. It wasn't Council President Bragdon trying to pull a surprise on us but it was a surprise, to the rest of the world too, and they didn't have a good way to deal with that. He suggested making sure they vetted things before they put them on an agenda or at least warned everybody. An advance warning system can help.

Councilor Newman said this might be a topic when we have more time that we talk about. Council needed a process, maybe a communications agreement. Councilors should enforce their obligation to each other as legislators about policy ideas they had or commitments to what they wanted. At the same time, he didn't want to sanitize the process so much that it tied their hands. They were politicians and had political freedom...what may seem like a surprise to another person could be just normal. He thought they should use real examples here and be up front. Councilor Hosticka had an ordinance on hard edges that was pretty political in motivation. Councilor Newman didn't want to create a process and close the door for Councilor Hosticka to do that. The whole Goal 5 process as well. In retrospect, a lot of councilors would do things differently. There was a much better textbook example of how it should have gone. Nonetheless, it was a situation where all councilors could admit to each other they wanted to throw it out the window and they were all acting in their own interests, their own political ideas and agendas. His point was that it was fine to have a communications plan and adhere to that, to mutually respect each other and self-police, but they should never just take politics out of the equation or sanitize it to the extent that they were just a board of directors. They were not a board of directors. Council was a political environment.

Mr. Wetter said it seemed to have to do with the dynamics between councilors' roles as individual legislators and politicians and their roles as part of the council. He spoke to the tension that got set up between the councilors, maybe there was no perfect answer as to how councilors managed those two elements of their job responsibilities. The intention was to communicate to the point where they were not embarrassed out in their districts by something a colleague had told them first. They must recognize that as official agents that may still happen.

Councilor Burkholder said it was the process that we can control. There was a scheduling process that needed to be adhered to.

Mr. Wetter asked for more specifics on that. He wasn't quite tracking.

Councilor Burkholder said an example was change in the makeup of the nomination process for the Metropolitan Exposition-Recreation Commission (MERC). Except for Councilor Hosticka, they were not really comfortable with the fact that they didn't get to choose who was on the MERC Commission. Did they come from other agencies that may or may not have interests other than Council's interests at heart? That discussion was conceptual, they thought about it, so Council President Bragdon had a resolution drafted and put on the agenda because he thought he was doing what Council had asked.

Council President Bragdon said except for Councilor Hosticka they had all put their names on it. He thought he was doing what they agreed he was supposed to do, so it wasn't a scheduling matter but a process thinking about constituencies. He didn't feel it was a surprise to the seven councilors.

Councilor Burkholder replied, except that when the resolution came up and was actually scheduled he thought they had dealt with it already. That was the surprise. Did it really belong on the agenda at that time or was it something they could achieve over time? This was one of those issues. Even if they all agreed with it, they needed to check all the boxes.

Councilor Newman agreed with that. They could create a process that allowed that. There would still always be minority opinions and they would have to accept that it just took two councilors to put something on the agenda. He said he was not a big fan of inclusionary zoning but if there were two councilors who wanted to put it on the agenda he would go through that process.

Kate Marx, Director of Public Affairs, thought she had gotten better at this, about making sure to look ahead at what was getting on the agendas and what ordinances were being proposed, but some things slipped in under the radar if she didn't look at them when Ms. Billington sent them out. Sometimes the rollout changed many times. She hated to sound like she didn't know what was going on in the building.

Mr. Wetter concluded the discussion by saying it was a good discussion and he appreciated Council taking the time to have the conversation. He asked Council if they were comfortable committing to this process for the upcoming year?

Councilor McLain said she understood this was about allowing for more opportunities for participation and active involvement and they were doing it in a way that they could all commit to each other to bring it back to the council.

Mr. Jordan said they were tightening up the overall process a bit from last year and then they would talk more about how the staff would support Council in this process.

Council President Bragdon asked Council to affirm their willingness to support the process. Councilors agreed. He suggested they move on to 2040.

Mr. Jordan said there were some questions at the last work session about 2040. There were a couple of pretty major threshold discussion points where he didn't think they reached resolution. For him to get started on actually developing work plans and getting into this process, there were a couple threshold things that he needed regarding that title, along the lines of exercising leadership and how Council wanted to do that. One final question was where did that stop when Council started doing this? The world was moving, particularly on Measure 37. He suggested talking about that piece when they got to it, and how it related to the bottom line on the diagram regarding the tools that they would use to ultimately implement what Council got to and where it was headed. They had a set of tools in their toolbox that they really needed to work on and the staff had issues on how those tools would change also. This was happening as they spoke so while they needed to do the process piece they also needed to be concerned that the world was not static.

This notion of the values discussion – should they revisit the values or engage the community in a broad discussion of values? He didn't get a clear answer on how they wanted to do that. Councilor Liberty had said, "I don't think that we have taken much time to implement the values we said we had before so what was the point of revisiting those when we were not even sure and we haven't spent a lot of time making those happen yet. Was that a good use of time?" All the way to: they needed to engage the broader

community in a very broad discussion in things that went way beyond land use and talk about education and all the rest of the things that went on there. The idea was to engage a group like Metro Policy Advisory Committee (MPAC) in a revisiting. That was his characterization of the spectrum. Council may have a different characterization; it was open to discussion. That was one big question.

Councilor Newman said he was closer to Councilor Liberty's view. He thought they needed to remind people what the values were, not necessarily re-draft them. He didn't think the values changed in a decade. But for people who have moved here, Council ought to have a public process. A lot of people who entered the region relatively recently weren't engaged with this relationship of what the values were. But he didn't want to go back to scratch, to a blank piece of paper and say 'what are the important building blocks?' They already had essentially those building blocks. It was not just his intuition. When they went out the same things came up over and over again. He suggested just reminding themselves and others what the values were and moving on from there.

Councilor McLain echoed what Councilor Newman said. They were dealing with a population that was a different population, some of the same people but new people too. She thought it was not to redefine or start with a blank piece of paper, but to re-engage or reconnect because, usually in this conversation, where people agreed was with the values. As you didn't usually want to start where people were disagreeing, Council should start out reminding where they did agree. Then at least there would be a reconnection where people said 'I want to be a part of that too.'

Mr. Jordan said he had been synthesizing what Councilor Hosticka said about engaging the community and starting the buzz, if Council used a much smaller universe of folks to test. Perhaps they used a group like MPAC; people who liked to talk about policy. Engaging them in those tough questions that Mr. Cotugno was going to pose, regarding competing values or places where they thought something would work but they were not quite sure it would. He suggested using a smaller group of significant constituencies who could articulate both sides to define a balance between potentially competing values. That was one way to do it – what he called the inside baseball people. For the broader public outreach piece he didn't feel it was necessary to ask an open-ended question about what the values were, but to re-promote or re-engage with the values that were held in 2040 that they had been working on now for years. He was synthesizing a number of pieces and suggesting a multi-faceted approach.

Councilor Burkholder said he thought they had learned new things about the world and where it was going to go since the 2040 process. They were looking at various trends on resource space and financial trends, which he thought meant that they may come up with a different set of strategies to achieve the same values that people expressed. He didn't think they needed to change the values but the world outside had changed in that time and he thought they needed to plan because they wouldn't actually see these trends realized. He asked, "what do we do differently so we can maintain the values we hold dear in a different changed world?" It didn't matter who was engaged in that conversation but in his experience the people in the transportation world were focused on how to keep the FTEs going to their departments, they didn't want to talk about the big changes coming to finance for example or changing the Regional Transportation Plan (RTP). He didn't know how to engage them. They had information they needed to share with people in the region because Metro was the ones who looked at 25, 50, 100 years from now.

Councilor Newman said he wasn't sure that changed the values. It may change how they looked at the factors but the values were the same.

Councilor Liberty said he had laid out exactly what he thought they needed to do in planning and policy making and send it around last week. He thought a lot of the trends were good for them, including jobs and more money for transportation projects. He thought the fact that the population profile was going to change very dramatically ...40% new staff in the next 25 or 30 years at Pendleton. Those were all market

destroyers. He said they were not capitalizing on density. He didn't know what it meant to say they were engaging people when they had made a choice about the future. They were focusing in on some issues, housing was one, and another was centers. They were talking about doing something much more significant on that level. They got money to help go from a million to 10 million dollars. He thought a regional economic development discussion was on anyway and participating would be good. They would have to deal with Measure 37 and a potential sales tax. There was going to be an update on the RTP. These things would be dramatic changes in their focus in terms of limitation, not in concept. There was Damascus, which was a huge chunk of land, which was starting; they would have to use completely new tools. If Damascus turned out like Fairview or Milwaukie then they would not have quite changed it. To him there were mostly big limitations and he thought they would be reaffirming values as they talk about why they were focusing on centers and other goals. He suggested spending less time on remands and trying to avoid spending their energy on land supply.

Councilor Hosticka said there were still a couple examples where they needed more of a reaffirmation. They were sitting in the heart of a 3-year wedge of at least one local government who would like to see Metro disappear. There was a local government to the south who seemed to make its current political hay by bashing Metro and he thought it had to do not with the fact that they didn't believe in the things Metro wanted to accomplish but that somehow they didn't see that doing that had any relevance to their lives. Council had talked about this the other day – 97414 the zip code that everyone loved which was the code word for density in the Hawthorne area. But why did my people want that? The reason they would want that was so it wouldn't ruin their neighborhoods and congest their driving. He thought they had it but they didn't see Metro as getting them there, they didn't see Metro as adding value to their lives and that if Metro could get people to re-understand what those values were and how they were fulfilling those values for them, that would be helpful. The other thing that he had been involved in was Hwy 217. You could spend \$300 million in 20 years and people would have the same experience, so the only way they would change their experience would be to change the way they lived together as a community. Somehow getting people to re-inject that into their consciousness would be helpful.

Mr. Jordan asked if that was a communications strategy as much as anything else.

Councilor Hosticka agreed, an engagement strategy. He wasn't saying they go back to find out what the values were or change their course but reestablish with people what the relevance was to their lives and why it was important to what they wanted.

Mr. Jordan asked if there was anybody who wanted to argue for the broad-based open-ended approach?

Councilor Hosticka thought the hard edges discussion was part of that values discussion as to how far they wanted to go with all of this and what kind of community they ultimately wanted in the bigger picture.

Mr. Jordan said the neighbors knew this. Those were new engagements obviously. People they hadn't engaged in the past.

Councilor Liberty said those were included in this.

Councilor Burkholder said the question was what would be a successful strategy to intensify some of the activities they had been doing. As Councilor Liberty mentioned, the fact that as things went on, more money for big transportation purposes, they had been talking to people 50 years and the answer was they should widen the highways to deal with traffic congestion. Right then, they weren't fulfilling that. Even though it wasn't their fault, it was just that there was no money. They knew all the reasons why there was just road money. What was the strategy to change that public expectation? Was it inside baseball MPAC,

Joint Policy Advisory Committee on Transportation (JPACT), finally agreeing there was not enough money for transportation and that they would have to do something different? Was that enough? When all the people stuck on the freeway then said, "Look, Metro did it again" it would become just Metro's problem.

Council President Bragdon said to fix traffic congestion, fix Metro.

Councilor Burkholder said so people say, you were right. "We understand why you're doing things differently and intensify them. Why does Metro want to have downtowns? Why should Hillsboro have 6 story buildings instead of 2 story buildings? Why would you do that?" Because there was no other way with these values the citizens hold. Metro needed to intensify the strategy to accept it, not necessarily embrace it.

Councilor McLain said she had gone to a recent Bethany meeting and a young man said "why are you guys doing this around here? I came from a place where we could buy 2 acre blocks and we could have animals." She responded, "you still can" and he said, "where?" She spoke to opportunities in his area. She referred to Councilor Burkholder's remarks about making common sense. She said it might not seem like common sense to everybody. It was not that Council wanted to rethink the values but they have met people who haven't gone through the same thinking process Metro had gone through, or others had gone through, or people who had been here 15 years, had gone through. Mr. Jordan was capturing a lot of it. Promote and reconnect and excite and get positive. People liked clean air, let get them to talk about it.

Mr. Jordan said they could do that, invest in things like transit. People needed to think about compact neighborhoods near transit, and if they would be for the vast physical area and population in this region. Citizens wanted to live on their 10,000 square foot farms. They really did in a lot of places. They also realized that there would be problems with that. The longer someone was in the car the worse the air. A longer commute was a huge problem socially. Citizens understood that but Council hadn't refocused them on some of the top projects and that was some of what Mr. Cotugno was referring to.

Councilor Liberty said it wasn't true for transportation. People didn't want to go in a high-density direction. There were choices. They might want to live near a track. People did embrace this. They embraced it also regarding transit, at least in the abstract. Councilor Liberty said that they had to convert everyone to one way, get them to recognize there were neighbors that might want to do it out here not just in Portland.

Mr. Jordan said he was hearing that this wasn't a huge, broad, open-ended discussion about values. He was hearing that Metro needed to think about how they needed to communicate, promote, discuss with the broad population some of these things they were trying to accomplish. When they got to the how, the strategies they used – that discussion would be a little more intense, less easy. He said he made an assumption that Council wanted to engage MPAC in some of the inside baseball discussions.

Councilor Newman said he would but he wouldn't want to meet only with that inside group so he thought they had to participate in the broader audience.

Councilor Liberty said he had assumed that this would be an example of including people outside the stakeholders involved, and have the emphasis not on MPAC.

Councilor Burkholder suggested local governments were paid constituencies.

Councilor Liberty said he wouldn't start with them or even start by sharing this with MPAC.

Mr. Wetter suggested that they wanted decisions on places directly.

Councilor Liberty said if he had to pick an example of things to do differently, this would be one. He suggested drawing in a much larger constituency and engaging people.

Mr. Jordan said the next question was the two opportunities question on where do you go with regional partners. How did you engage and could you drive that vote discussion to a broader notion and imbed those kinds of 2040 values and some of the tradeoff issues and what it took to create a great place, trying to get away from land development and go more into what it took to create a great place? Those could be venues for that broader engagement of constituencies rather than just local government. Could you have the influence to make it a broad based constituent engagement around some of these tough questions? How did you want to engage, what was the process and whom did you want?

Councilor McLain said they had the economic partners in the group and they gave them money. They had to be careful where they put their resources, because when the economic partners presented back to Council, she was pretty disturbed by what they got. It was pretty shallow and bad. Even they thought it was bad when they were doing the presentation. Council had to decide where the resources would best be used. She didn't want to go to the guys who didn't know what they wanted to do yet. She wanted to be encompassing more partners and different types of partners and be creative and try to use new tools. She wanted to do it with a knowledge base. What were they doing? Was it worth Metro being involved in?

Council President Bragdon said that, as well as, the impression, that was a prerequisite. Metro was not going to get very far unless they had some member buy-in. They had an opportunity at MPAC, there with a very active chair that was very open to talk about those kinds of things. And there were some key people out there who could be good friends to Council. The reassurance was important. There was a whole generation of elected officials as well as people who had moved to the region that didn't have that reassurance, so they had to be engaged in a way that was also tied to policy choices in a somewhat provocative way so it wasn't mushy. That economic arena was one where they could do that in a way that was advantageous to the values as opposed to allowing them to continue on the track it had been on, which was the ego professionals that swaggered and said 'lets make a deal' land development orientation. They could influence back because there was a vacuum there in terms of policy direction.

Council President Bragdon continued and said that if it continued on the path they had been on, then they had this federal grant now that it was possible to predict that six months from now they would come back with a report that said they needed 15 more industrial sites and the Governor should get on the plane to Japan. Then it was just the same old thing that did not address the true underlying economics. In the meantime, Metro had items in its quiver that it was not using, in terms of Joe Courtright's objective findings, and what was shown yesterday at a partners meeting. The meeting was with Erin Flynn who was from a consulting firm in Boston, and it was as if they were telling Metro's story about compact urban form, diversity, housing options, transportation options, etc. It was a 2040 recipe being told by somebody who had never heard of 2040 and was not hired by Metro, but rather was from an economics' consulting firm in Boston.

Councilor Liberty asked what the reaction was to her comments. Council President Bragdon answered that people started to hear it, but he did not know if they were internalizing it, because there had been a 20- to 30-year way of doing things. He said someone said at the meeting, "Yes, but we have to be competitive on land prices." The speaker said she was not saying that you didn't have to be *competitive*. She said that was not the decisive factor anymore, anymore than cheap labor was, because someone can always beat you at that. Council President Bragdon said he thought that was something Metro could really assert some influence over.

Mr. Jordan asked who was in the room and who was part of this steering group, or whether they had determined that yet. Council President Bragdon answered that it had been very loose. There was the big group that Mr. Jordan was on when he was a Clackamas County Commissioner and that Council President Bragdon was on when Beaverton Mayor Rob Drake chaired. It went through attrition and people stopped showing up. Then it ended up being about eight people in November, which was Council President Bragdon, Mayor Drake, Portland Business Alliance, Portland Development Commission, Oregon Business Council President Duncan Wyse and EcoNorthwest, the consultant team. Council President Bragdon thought that EcoNorthwest was fairly enlightened, and they subcontracted with Joe Courtright, who also told Metro's story, but he told it in economic terms to audiences that Metro did not traditionally tell it to. He thought Metro had real help in terms of the consultant team that was on the contract.

Yesterday, they were going to expand the strategy committee to 30 to 40 members, and they had this exhaustive list of everyone you had ever heard of in every industry, and Duncan Wyse said that they would not get all these people and they would not get anything of value. He suggested keeping it to a smaller group. Council President Bragdon suggested that they add Martha Schrader, Clackamas County Commissioner and everyone was agreeable to that, so there was a little more geographic balance on the group, along with the business groups. The open question was how to really engage the nonprofit sector and the public, and that was where they left it. The EcoNorthwest team was going to go back and talk about how to actually do that, and that something would be a multi-disciplinary strategy.

Mr. Jordan noted that the Council now knew something of what was going on.

Councilor McLain asked who was paying EcoNorthwest, and Council President Bragdon and Mr. Jordan answered that they were paid by a federal grant, through Portland Development Association, and the local match for that was the dues that everyone had paid, including Metro and many cities. Council President Bragdon elaborated and said the other subtext was that there was dissatisfaction among a lot of the cities. Portland Mayor Tom Potter, Lake Oswego Mayor Judie Hammerstad and Wilsonville Mayor Charlotte Lehan had all had somewhat of an issue that they were writing checks to this organization, the organization was meeting in secret, and the mayors did not know what the group did. The organization was going to try to be on their best behavior or the changes that Mayor Potter may make at Portland Development Commission, where all of this was housed, may make the changes for them. He noted that a lot was in flux, that he thought it was an opportunity for Metro to make prosperity Metro's issue. He felt it *was* Metro's issue. Places that were doing well were the places that you would see illustrated in a 2040 booklet, and that statistically were more diverse, equitable and mobile in terms of alternative forms of transportation—that that was economically competitive.

Mr. Jordan said he got the sense that that may be too narrow a discussion for the Council. He said they had talked about how and who to re-engage. He wanted to circle back from the Eco-devo thing, and asked if that would be a substitute, if it were broad enough with enough folks at the table to have a comprehensive discussion. He noted that it may or may not be.

Council President Bragdon commented that he did not think it got them all the other things that were interesting.

Mr. Jordan said it would probably include Council President Bragdon's continued involvement and Metro's continued support of that discussion, but probably something else, as well. Mr. Jordan was attempting to develop a work plan about what the Council wanted.

Councilor Burkholder said he thought it was really important that Metro reached out to citizens based on what it was they wanted for themselves in terms of their lives. It was the values piece. Metro needed to translate this stuff into the emotional hopes, desires and dreams people had. Then it came down to what

that meant in terms of implementation. You had to have them see that what Metro was going to do was reflecting what they wanted. Streets and clean air, for example, were the issues that Metro needed to communicate with. The narrow, geeky kind of stuff did not communicate it well.

Council President Bragdon observed that everyone wanted those things. Nobody will say they would rather have unsafe streets, for example. Councilor Burkholder said they needed to start with what people wanted and how to get them that, and then get the specifics. Council President Bragdon said it had to be tied to choices. He felt part of the issue was that Metro's language had been co-opted in the sense that people said that they needed livability, and so said to expand the urban growth boundary. Councilor Burkholder said they had to control the way they got there, but they also needed to not talk about the economic capacity analysis, etc. That meant nothing to anyone. They needed to talk about end results. Mr. Jordan said what Metro did 10 or 12 years ago was engage the broader public in that discussion about presenting the long-term scenario about policy choices that would take you to certain places in the future. Obviously, they did not flesh out the whole picture, but it gave them broad notions of the ups and downs of different policy choices. Now Metro knew more than they did 10 years ago. They had some experience. He thought engaging some inside people on some questions, and out of some of the indications that those questions—probably around what kind of assumptions should be put into scenarios—they could create again a set of longer-term scenarios to take to the public to say, "Okay, it was 10 years later. We knew this much more about the choices we made before. If we continued on the path we were on, or we make these kinds of assumptions about your future, this was the place they took you. And we needed to engage you on a broader scale." He was firmly convinced that Metro did not pick the compact UGB scenario. Metro picked the neighboring cities scenario, unconsciously. The market chose it for Metro. It would spill out again.

Councilor McLain spoke to that point and said she felt Metro had reached out to places like Canby and North Plains as neighboring cities, and it was nice to not have a map or project that was all finished, but instead ask how were you doing, how did Metro affect you and what did you do in the way of affecting Metro. That was where Metro started with their complaints when the cities claimed some population that Metro had also claimed. She thought it was real important to have that relationship, whether on this issue or other issues. She said Metro needed to institutionalize some neighboring city strategy. She remembered that Metro had previously met with Polk, Yamhill and Marion counties. Former Metro Executive Officer Mike Burton accompanied the councilors on the meetings held over a period of three to four years, and the meetings were very productive. It was not legislative, but rather was more a sharing format, and resulted in bringing back some ideas that Metro could roll out with what it was doing.

Councilor Liberty said it was still a very high-level abstraction for him. He said there had been some success with the Transportation-Oriented Development (TOD) program, around hub centers. They had a planned development along streets. In his district, coming from the citizens, they were concerned about Powell Boulevard, Capitol Highway and Division Street. In the case of the Division group, they had a positive vision, which he would like to promote and help, because everything they wanted to do was consistent with these objectives. That was where he would like to put the resources. He liked some level of involvement in the regional economic development discussion, although he thought there was going to be a lot of nonsense about how they wanted high wages, low unemployment and affordable housing. Councilor Hosticka added low taxes to the list. Councilor Liberty said that did not exist. He saw some opportunities with the money again, after a year, to be able to come back and get more realistic about the transportation and maybe there would be an opportunity to say, "Folks, if you really want to have local service be on the state highways, this was what it would cost. This was impossible, so we have these choices." He hoped that also leads in the direction of talking about an investment strategy for the region that achieved, not only half of 2040, but also regional economic development, and it did mean some trade-offs. It also meant to him, overcoming some institutional problems with the way special transportation money is tied up. Those were the places where he would put emphasis for now.

Councilor Liberty said he knew some of the people at the Metro Policy Advisory Committee, and he thought they were more receptive to a number of these issues than before. He thought Metro needed to involve more people, and that was why he talked about the community groups, so that there was more grassroots-level support. He did not want people to want to live on a different street in a different community.

Councilor Burkholder said one challenge that he saw in his district was that there was a lot of debate about this. The bigger concern was that they wanted to be relieved of some of the commuter traffic that came through the neighborhoods. There was not a debate about density, etc. People had chosen to live in a dense area. He thought the challenge was out in the suburban areas where suburban leadership was saying it was because of Metro that they did not have money to fix and expand their roads, now Metro had dumped Damascus on them, and now Metro did not want to give them any money to develop it. The challenge was in areas like Oak Grove and Tigard. How did you see some change happening there, and support change? Supporting change meant spending money over there to make things happen, instead of in "my" neighborhood, on "my" road. Metro needed to bring along not just the leadership, but the citizens as well, so they would support the choices Metro had to make. Otherwise, it would just be a resource grab with the suburban areas growing in population and political power. This was a way to try and get them to support and give legitimacy to the efforts that the 2040 program started.

Councilor Liberty said he thought there was much less debate on those issues in the Portland neighborhoods, but there was still a huge opportunity to look at the very limited intensity of use along the roads, and those were places where something could happen over the next couple of years. Then it was easier to export. He would not have imagined hearing Lake Oswego Mayor Judie Hammerstad talking about some sort of development along the river and more high-rise development in the foothills area, if she had not seen what had happened in Portland. There was definitely a market to be much more ambitious. It was picking a few of those things to demonstrate that it was possible. It was hard in a place like Tigard, but there was a core there. He had a friend who was involved with the regional design and assistance team for what was now the Pearl District, and when his friend was outlining what it could be, no one believed that it could happen. So Councilor Liberty thought people's expectations were rising about what urbanism could be. It would not be everything for everybody, but he thought the iron was hotter now, and Metro ought to be striking and using its resources to promote that vision as part of a strategy of how to invest in the community.

Metro Public Affairs and Government Relations Director Kate Marx said that Councilor Liberty said something in his January 6 remarks that she knew the Council believed but she thought they forgot, particularly those who were new entrants: This Metro thing, the thing that Metro created and had created over time, happened nowhere else in the country. She asked the Council if they would be willing to consider something that looked, felt and tasted a lot more like a marketing communications campaign where they were using old directed exploitations to Measure 37, being one of those, the buzz, and the political will and climate around economic development that they had been working on and look at a more fundamental challenge, which she thought Metro had and she heard each saying independently. That was that people do not know who Metro is, what Metro is, what it did, how it added value to their lives. She thought it would be an efficient use of money, people, time, and citizenship if they could open this exercise/project, to put people back in touch with the idea that their quality of life that they enjoyed and all point to, was fundamental to how this place worked, and was brought to them by Metro. And they were collecting citizenship. The common place created common values. People did not relate to the geekier kind of information. She thought there was probably a very elegant way to match what looked more like a marketing communications campaign with a business value, the 2040 values, and an outcome that brought new entrance to the building, into Metro citizenship life. One of the things she heard them going back and forth about that was dichotomous in their heads was "Well, we have these citizens that we

represent, but we also have to have Metro Policy Advisory Committee permission and advice. The Council had an obligation to citizens first; who voted for them too. She thought part and parcel to this was how Metro involved stakeholders, the way that they identified stakeholders as separate from citizens, as separate from special interest groups. As a crane-breaking effort so they could remake the crane, maybe there was a more expansive way to look at this where Metro could begin. She was thinking of the goals and objectives. That was what the staff thought they were rolling up to. She thought there was a nice alignment. Mr. Jordan said he thought there was too.

Mr. Jordan said he wanted Metro Attorney Dan Cooper to talk about Measure 37 and what was going on, because Mr. Jordan thought it related to the bottom track on that chart, which was the tools and the opportunities for coming right now, and right at the end, he wanted to suggest next steps. Councilor McLain said they did not talk about timing and other issues that were going to MPAC. Measure 37, hard edges and the relationship between Washington County and the farming industry were three that she knew about.

Mr. Jordan said he would suggest to the Council at the end that the Council create a project in this model with the appropriate lead and liaison assignments. He will engage the process to start flushing out the work plan for this job. He thought there were a bunch of things he heard today that led him to a forecast that could get them going, and not just continue to tread water, but rather to bring back much more specifics on what they were going to do to move forward.

Mr. Cooper said he would try to take it slowly. He said the Council was aware that they have been working on finding some funding source to raise some money from the development community to fund long-range planning in the areas that had been added to the urban growth boundary already. As part of that conversation, they had been talking about how to get infrastructure financed for those same areas and was that the same source or a different source and what tools were available for that. So that focus on how do we get tools, what tools Metro might need to get out of the legislature for developing that which the Council had already brought into the boundary, coincided with the conversations that had been going on for several weeks without our knowledge, but in which Metro had now been asked to participate. The whole Measure 37 issue was about whether the legislature was going to do something that would rewrite Measure 37, to try to divine the intent of the voters to do it in a fashion that may be much more workable than the correct version of it, which seemed to have some serious questions about how it would carry out and who benefited and who didn't, and what the ultimate consequences of it were. That conversation has quickly moved toward something similar to what was on the table four years ago when Measure 7 was being discussed as a possible revision. Now they saw people talking about inside urban growth boundaries and existing cities and the Measure 37 retroactively being eliminated and being turned into something respectable, which was certainly friendly to all the regulations we were now relying on for predictability, protecting industrial lands, and a lot of the values the Council already supported.

The question then turned to what happened to rural areas outside of urban growth boundaries. What was allowed under a claim? What was not allowed? And if there were going to be claims that were recognized as valid on a retroactive basis, what were the options for paying compensation in lieu of granting waivers. Because we knew that the land use and the pattern of ownership in exclusive farm use (EFU) land in the Willamette Valley alone, let alone a large part of the rest of the state, constituted a considerable number of acres. That created Senate Bill 100 and certainly some of the adopted requirements that came out of Senate Bill 100, which some counties did not have until; the late 70s or early 80s. There was a lot of vulnerability for development patterns, particularly rural residential in those areas, that led to the question of if you did not want to see that happen, then you had to have compensation. Where would the compensation come from? One of the suggestions that were on the table was regarding areas that were receiving benefits from zoning. That led to new areas to be added to the urban growth zone or areas that would otherwise be upzoned, and ended up with the idea of some kind of taxation on the givings. There

were ways to construct that taxation that they had been looking at as part of the context of the conversation before in terms of how to get the infrastructure funding that would not require constitutional amendments to achieve. He asked what if you had a proposal that in part helped the state and the compensation package for protecting rural lands from any development at all, you created taxation on areas that could be added to the UGB. He was going to talk a little about where some of those might be or how you got there.

The taxes would be split between a pot for compensation for protecting other areas from being developed through Measure 37-type waivers, at the same time, a considerable amount of that money would be made available for the planning and infrastructure efforts to actually make that land develop with a good urban pattern that the Council would want to see there. Part of that conversation evolved from the fact that in the question of where would Measure 37 applied retroactively and where would it not, the Homebuilders, who were part of the conversation, were eager to protect the urban fringe, particularly the urban fringe of the Metro area, from development patterns that got in the way of true urbanization by having too many rural large-lot residential in areas that were potential expansion areas for urban growth boundaries. In the Stafford Basin, which we all had looked at a lot over the last 10 years at least, there was a large potential for Measure 37 claims and development. Clackamas County had received quite a few claims from people who wanted to put one to two-acre sized single-family houses on land that they had owned for a long time, and there was considerable amount of acreage that could go in that direction. That would clearly be a problem for future development if Metro were ever to bring it into the UGB. If the Council was thinking of bringing it into the UGB, maybe the thing to do was to bring it into the UGB sooner rather than later, and have it developed on an urban pattern with proper planning and urban services. Maybe that was an area that this givings, if it was brought into the urban growth boundary sooner rather later, would be an area where the givings tax would apply, and some of the money would go toward infrastructure and some of the money would go into a pot for compensation of property owners elsewhere where the state, the region, the county did not want development to occur. Metro could potentially protect hard edges and do some other things. These were ideas, some only in outline. Mr. Cooper brought up this conversation in a meeting he had with Lane Shetterly, Director of the Oregon Department of Land Conservation and Development, and the representative of the League of Oregon Cities that morning, to get the state agency and ultimately the Governor's office up to speed on where these conversations were going. He also knew that Mr. Shetterly was aware of a transfer of development rights program, that could also be constructed that would create another way of value being created that would allow development not to occur in areas that should be protected, and instead even more development than Measure 37 would allow in other areas where it was more compatible with the a lot of the values Metro had. He didn't want to speculate on where those may be, but there were some obvious places the Council could think of that were not bad here and was far worse over there. A transfer of development rights, a banking system, could also be put into this legislation if it came about. Mr. Cooper knew that Mr. Shetterly was very interested in that.

These were all things that were evolving. There was no guarantee that anything that came out of this would be ultimately adopted. At this point, Oregonians in Action was actively participating in the conversation, and had agreed to a lot of concepts that were the prospective with some limit on retroactivity in rural areas that would only allow commercial industrial development that could be constructed by the utilization of a single septic tank that was sized for an average residential building. This was something they were willing to agree to. Mr. Cooper thought this was a polite way of saying that rural gas stations at intersections of EFU land probably would be allowed, because that was about the size of the septic tank they needed, but anything that was a larger density commercial—a hotel, a destination resort, a big shopping complex, a Walmart, an industrial facility—was not going to make it on a single residential septic tank. That was part of the legislation. You just saved a large potential impact on the state's transportation structure as well as the land use patterns. There was reason to think that there would be a reasonable package of trades. The question was whether or not they could get something that helped

the Metro's planning efforts to help communities here, at the same time they were helping the rest of the state come up with a package that would benefit the whole state.

Councilor Liberty noted that last time there was a limit on the amount of claims possible in rural areas. They calculated the potential compensation. Mr. Cooper responded and said there was not such a limit on the table now. He said it had only been talked about in vague outlines and conceptually, with no real definition to it. He said there was an idea of a parking lot for claims that required compensation, so that they would just be put in suspense until the period for filing claims, which would be as short as two years, had ended, and they could see the magnitude of claims that actually were there, and they knew how much money they could get from recapture of past-due property taxes, farm deferrals for development that was occurring in those areas, added in whatever they had from transfer of development rights and a givings tax, and see what the difference was. The legislature could then say to go ahead with some claims and pay the difference or not. At least that would have some way of stopping those claims from turning into development, until people can make a conscious decision about how much money the total county claims were.

Councilor Liberty asked about the dynamic from the last legislation. Oregonians in Action Executive Director Dave Hunnicut got his chain yanked, and went south. Who was he representing now? Did he have authority? Does the legislature regard him as the sign-off on the deal?

Mr. Cooper answered that the legislature certainly regards Mr. Hunnicut as somebody who had to sign off on the deal. Whether or not he would get his chain yanked again and how far up his chain he had to make sure that wouldn't happen, was something that people were actively worrying about right now, before anyone invested much time and effort into coming up with a solution that would then go away as a waste of time. The whole question of where the timber industry was on this was also of concern. One could see some of the pieces of what would shape up in terms of waivers, regulations on farm and forest practices, and people who may have claims to be relieved of burdens of farm and forest practice regulations that were not health and safety or federally driven.

One of things to understand was that the transferability issue was really driving the discussion. The fact that the bankers and title companies and the real estate lawyers were looking at Measure 37 and said "Wait a minute! You might get your claim approved. You might get a waiver granted. But you couldn't sell it and it was not financable." That was driving that conversation, and so part of the package Mr. Cooper and his group was looking at was giving the transferability, but it would have to be secured soon, without a long time frame, and it would have to be developed soon, or else it would expire. This would cut people off. People should not come through the process thinking they might want to do something. If it was really going to be an intense development, it needed to happen quickly, or it was not going to happen at all.

Councilor Newman asked if they would not get the answer to that question on transferability until there was case law. Mr. Cooper answered that that was correct. He said there were legal theories in which you could envision the court eventually ruling that things were transferable. Just because the financial institutions and most lawyers said this created uncertainty, did not mean that ultimately the Oregon Supreme Court might uphold OIA's public interpretation that they were transferable. It just was going to take a long time before that happened. Until that question was answered, this Measure 37 really won't produce a lot of anything.

Councilor Burkholder said his personal concern was that it seemed like they were making a deal with the devil. He noted that the "devil" did say they were going to build a casino out in the farmland in St. Paul. Mr. Cooper said a lot of people were scoffing at that proposal. Councilor Burkholder said that he knew that, but if they felt like they were over a barrel, they may act too soon and give away a lot of things. He

did not like transferring urban wealth to rural areas, once again an addition to the whole tax system that did it. His question was whether or not they should wait it out a bit and see if it collapsed of its own weight, because it had all the problems Mr. Cooper laid out. Hopefully, it would become unpopular when they started seeing things that people cared about being attacked by using this. Or when people started demanding huge amounts of money. He would argue in favor of letting things go a little bit. He wondered how strong Mr. Hunnicut felt about his position if he was willing to give away all this stuff. Council President Bragdon said he did not think Mr. Hunnicut had ever cared about urban matters. Councilor Burkholder clarified that he was referring to giving away transferability, making limitations, etc. Mr. Cooper said the equation of what one did and how one participated and what risk one took was ultimately theirs to make that decision on. The dynamic in Salem, though, was that if you sat back and wanted to sit back, something would be happening without Metro. Metro may end up with a result that was the far less favorable and there was a chance to take advantage of the opportunities. It may also collapse.

Councilor Burkholder said Metro should have the option to walk away too, if it was not what Metro wanted.

Mr. Cooper said his participation did not signal ultimate Metro Council support for whatever the package was. He had to be a non-work participant. Council President Bragdon said was a chance to try to shape it. Councilor Liberty said the scale at which it was being done was a reflection of what happened at the polls. Second, research done in 2001-02 when they did polling about whether this would be an adequate substitute for Measure 7 showed that people would accept something much, much more narrow than anything described here. Unfortunately they could get another measure passed that fixed the problems they had with this one, and that was the leverage. If there were a different legislature, then you could play off a substitute measure and probably cut them off at the knees.

Mr. Jordan said that Metro's approach so far, and the reason he wanted Mr. Cooper to talk about it, was that a number of the elements that were on the table in this package, were elements that aligned with some of the issues around Metro's own tools that it was concerned about. How did Metro get money to do concept planning? What about infrastructure in new areas? What was the sequence of this thing? What about transfer of development rights (TDRs) for the Fish and Wildlife Habitat program, let alone for something that was going on outside the boundary? Metro had the ability through a piece of legislation to get a givings tax on new areas. He was thinking it would have been light speed to get that done in two legislative sessions, with a huge effort. Opportunities may present themselves, and that was what the Council had been talking about. How did Metro align those opportunities with things that Metro cared about? Obviously, Mr. Cooper was right in saying that the Council had to make some of the difficult political judgments about dealing with the "devil" on these things.

Councilor Hosticka asked how this was happening and how Mr. Jordan and Mr. Cooper envisioned this happening from here. Mr. Cooper responded and said if anyone were convening the process he talked about, it would be State Senator Charlie Ringo, Chair of the Senate Environment and Land Use Committee. On the other hand, he was not so sure that people who were participating shared his desire to do something really quick and splashy. At this point, the participants were Metro, the League of Oregon Cities, Oregonians in Action, Homebuilders, and now the state through Mr. Shetterly. The counties were not there right now. The realtors were also not there. The counties and the realtors were aware that something had been going on. As a result of that, Mr. Cooper suggested that someone in their group should brief 1000 Friends or Oregon, and Mr. Cooper had been authorized by the group to go do that, so they were not caught by surprise about these details. Mr. Cooper had placed a call to Bob Stacey, Executive Director of 1000 Friends, to sit down with him as soon as Mr. Stacey came back into town. Not that he should be invited to be at the table, but he should not be caught by surprise or feel that something

was happening with people trying to keep his organization in the dark. Councilor Liberty observed that this was an improvement over four years ago.

Mr. Jordan said there were things embedded in this discussion too, of which he wanted the Council to be aware. One embedded item was the degree of uniformity of the treatment that begets some kind of statewide process for handling the claims. It was embedded in the conversation. It was not necessarily explicit, but all the elements were there for some uniform treatment. The second embedded item was, if the notion of the TDRs around urban growth boundaries—by the way it probably would apply to all urban growth boundaries, not just Metro's—got traction and got moving, it begets a notion that whoever managed the urban growth boundary ought to be managing all the claims, because one was probably talking about some kind of settlement agreement to be able to utilize the TDR program. So the Council should know that there were some things embedded there about authority and who processed claims and who dealt with them, that may or may not be to Metro's advantage, and the Council can look at it in two different ways. They had a rock in their pocket, and they got control.

Mr. Jordan noted that it was after 4 p.m., and some of the Councilors had to be at MPAC by 5 p.m. His intention with their retreat and what Mr. Cooper had given them, was to start to plug the Council into the Measure 37 process. He still had to come back to the Council about how the Metro staff interacted with this process. He thought Metro should develop a more definitive work plan for this process. Councilor Liberty said, in the short time he had been here, he had heard people mention a number of things that were of particular interest to them around 2040 and Metro's regional planning effort. He said the Council had talked about two of them. He did not hear much from the other Councilors about what would be worthy of some sort of issue treatment. It would be useful to Mr. Liberty to have a list of the 30 or so things that were most important and worthy of treatment. Council President Bragdon indicated that he had polled the Council on important issues and would share that. He suggested moving the staffing issue to a work session.

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 4:15 p.m.

Prepared by,

Chris Billington
Clerk of the Council

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JANUARY 26, 2005

There were no attachments.