

A G E N D A

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METRO

Agenda

MEETING: METRO COUNCIL WORK SESSION MEETING
DATE: February 22, 2005
DAY: Tuesday
TIME: 2:00 PM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

- | | | | |
|---------|----|---|---------|
| 2:00 PM | 1. | DISCUSSION OF AGENDA FOR COUNCIL
RETREAT MEETING, FEBRUARY 23, 2005/
ADMINISTRATIVE/CHIEF OPERATING OFFICER
AND CITIZEN COMMUNICATIONS | |
| 2:15 PM | 2. | REGIONAL HABITAT AND ACQUISITION
PROGRAM | Desmond |
| 3:15 PM | 3. | BREAK | |
| 3:20 PM | 4. | COLUMBIA ENVIRONMENTAL | Hoglund |
| 4:00 PM | 5. | COUNCIL BRIEFINGS/COMMUNICATION | |

ADJOURN

REGIONAL HABITAT AND ACQUISITION PROGRAM

Metro Council Work Session
Tuesday, February 22, 2005
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

PRESENTATION DATE: February 8, 2005 Time: _____ Length: _____

PRESENTATION TITLE: Regional Habitat and Acquisition Program

DEPARTMENT: Regional Parks and Greenspaces

PRESENTERS: Jim Desmond, Nancy Chase, Jim Morgan, Heather Nelson Kent, Jeff Tucker
(Also list other department personnel or interested parties who have or should be invited & invite them.)

* In all categories, use additional sheets if necessary and attach supporting material.

ISSUE & BACKGROUND:

Begin council discussion on a November 06 Fish and Wildlife Acquisition and Restoration bond measure as set out in Resolution No. 04-3506A. Provide staff with direction on bond components, goals, timeline and public process.

OPTIONS AVAILABLE IMPLICATIONS AND SUGGESTIONS:

Possible Bond Measure Components:

Regional Acquisition and Restoration:

- Initiate a regional restoration effort for fish and wildlife lands ("Nature in the Neighborhoods") based on habitat types and criteria to be developed with Planning staff and community.
- Regional target areas such as: Damascus, Bethany, and Stafford, etc. [Note: the 1995 measure selected 14 out of the 57 regionally significant natural area sites, and did not address the remaining 43 regionally significant sites.]
- Continue acquisition in 1995 regional target areas with a focus on:
 1. Remaining essential properties
 2. Other properties within the target area (tiers 1, 2 & 3) that meet fish and wildlife goals or provide connectivity between public ownerships
- Regional trail corridors – acquisition (and/or construction?).

Local Share:

- Determine the local share % of the bond; establish criteria for use of the bond money and conditions of disbursement. Issues to consider:
 1. Habitat only
 2. Neighborhood parks
 3. Active recreation
 4. Acquisition focus or development or defer to individual jurisdictions

Challenge Grant:

- Set aside a % of the bond as a Challenge Match fund for local governments and non-profits to purchase land subject to criteria. (Example: Mt. Williams in Beaverton; Inkster property in Tryon Creek.) Chicago Wilderness model. Community applicants (public or private) must provide say a 50% match. Another way to achieve "Nature in the Neighborhoods".

Revolving Acquisition Fund:**Stream/Habitat Protection Easement Fund:**

Purchase property along targeted streams or habitats of concern as properties become available (this is intended for properties where the owner is not willing or is unable to sell a conservation easement). The land deemed critical to the program will be restored and a conservation easement put in place. The property will then be resold, subject to the new conservation restrictions, and the fund repaid.

Revolving Loan Fund:

In "future urban areas", purchase land for community and neighborhood parks and trails. The fund would be repaid through system development charges as the area developed. Repayment could be based on current market value or an agreed upon interest rate. Funds would likely be repaid in a 10 to 15 year time frame and would replenish the bond fund.

Other Candidates for Funding Which Have Been Raised:

Centers, plazas, affordable housing.

QUESTION(S) PRESENTED FOR CONSIDERATION:**Regional Fish and Wildlife Property Acquisition Program**

"purchase from willing sellers those properties...deemed to be of the greatest ecological importance" Res. 04-3506A

How should an acquisition program utilize the fish and wildlife habitat inventory information?

For example:

- Should the acquisition program target those areas with highest ranking (e.g., Class I & II Riparian Habitat)?
- Or should acquisition target rare habitat types (HOC) or other area of ecological importance?
- Should there be a regional and local scale and prioritization of acquisition and restoration?

Regional Fish and Wildlife Restoration Program

"...to fund habitat restoration efforts that could provide even higher quality habitat" Res. 04-3506A

- Will funding be made available for restoration on private as well as public lands?
- Will funds be available to governments and non-profits (such as watershed councils)?
- Should restoration funds be targeted to specific watersheds or based on Fish and Wildlife habitat area or open to all areas?

- What type of criteria should be used, including the capability of on-going maintenance and monitoring?

What about Parks and Trails?

Resolution No.04-3506A describes “A Regional Fish and Wildlife Acquisition and Restoration Program”. Parks and trails are not mentioned in Resolution No. 04-3506A.

To date, funds from the 1995 Open Spaces bond measure have purchased approximately 1,982 acres in Class I and II Wildlife habitat and Riparian lands. 7,935 acres are located in the Goal 5 inventory. The intended use of these already acquired lands includes the potential for public access in the future – as well as habitat protection and water quality protection and improvements.

- Should public access be a consideration when purchasing land under the new bond proposal?
- Should natural resource-dependent regional-scale projects be included, similar to Metro’s last bond measure (e.g., Cooper Mountain, Wilsonville, etc.)?
- Should multi-use regional trails be included?
- Should regional system connectors (e.g., connect an existing park to an existing future trail) be included?

Local Share

We have heard from citizens and local governments and local park districts that the local share portion of Metro’s 1995 Open Spaces bond measure was a resounding success. It allowed local partners to fund projects that they had no other way of funding, allowing for strategic acquisitions and investments in public use facilities that give people access to nature in their neighborhoods.

Resolution No.04-3506A only describes local share program in the context of “A Regional Habitat Acquisition and Restoration Program”. Only local governments that have adopted their own “*non-regulatory habitat protection and restoration incentive program*” would qualify for these funds.

- How shall we establish that they are in compliance with the Council’s resolution?
- Are there particular components of such a program you would like local government’s to highlight or focus on?
- What are those key elements? One method would be to establish criteria local governments need to meet, and have locals report to Metro how they are meeting those criteria.
- How much time do locals have to demonstrate they are in compliance? Do we hold local share funds in reserve for locals until they have demonstrated compliance?
- How is funding achieved for those park providers who serve more than one local government? Such as the two park districts and Metro who administers the Multnomah Co. Local share?

Timeline:

Steps that need to be taken:

JANUARY TO MARCH, 2005

February 8 and 22, 2005 - Council study session:

Receive feedback on draft resolutions, bond process, budget, and public involvement plan. Get direction on regional priorities (fish and wildlife habitat priorities, existing target areas, trails, etc.).

- Introduce a Resolution to Council that identifies anticipated expenses in preparation of the ballot measure.
 - Expenses that are identified prior to the vote, and eligible to be reimbursed by a bond measure, can be reimbursed if there is a Council resolution identifying those expenses.
- Establish budget authority for work in support of the ballot measure.
 - **Decision point:** Should a ballot amendment be introduced to increase budget in the general fund in FY 2004-05 for this purpose, or should this be done as part of the FY 2005-06 budget process?
 - Need to decide what is in that budget. Potential expenses include:
 - 0.5 FTE Real Estate Negotiator to research target areas
 - M&S budget to pay for real estate appraisers, bond council, public outreach, etc. to assist staff
 - Budget to purchase “Options to Buy”

MARCH TO JUNE 2005

- Introduce a Resolution to Council that announces that we intend to go to the ballot with an acquisition measure in November 2006. This puts other jurisdictions on notice, to avoid the possibility of competing ballot measures
- Survey to test public sentiment, size, configuration, etc.
- Continue meeting with stakeholders (local governments, non-profits, business leaders, etc) to determine community support for different bond components.
- Begin discussions on local share component.
- Develop bond components with biological data, goals and estimated cost.
- Work with non-profits to establish option criteria.
- Begin option program.
- Discussion with GPAC concerning overall strategies and desired outcomes from the measure.

SUMMER TO FALL 2005

- Convene Advisory Committees to begin to finalize measure (e.g., GPAC, MPAC?)
- Package Development
- Reaffirm and/or amend the local share formula in the Greenspaces Master Plan.

FALL/WINTER 2005

Public outreach, open houses, presentations to special interest groups on Bond Proposal

JANUARY TO MARCH 2006

- Formal hearing on Bond Measure components
- Referral to ballot
- Formal notification to local governments with deadlines and project criteria

- Assist on local share process and projects
- Assist Bond Counsel and Finance Dept. in preparing the Tax Supervising and Conservation Financial Report
- Develop bond fact sheets and maps

SPRING THROUGH FALL 06

- Provide information to the public on the bond measure
- Staff training program on bond measure details
- Establish hotline for questions regarding the measure.

NOVEMBER 2006

Election

Input from Public and Partners

Will commence approximately March 1 and be ongoing. GPAC to play significant role.

Next Study Session

February 22nd

LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION __Yes __No
DRAFT IS ATTACHED __Yes ☒ No

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

Department Director/Head Approval _____

Chief Operating Officer Approval _____

Agenda Item Number 4.0

COLUMBIA ENVIRONMENTAL

Metro Council Work Session
Tuesday, February 22, 2005
Metro Council Chamber

METRO COUNCIL

Work Session Worksheet

Presentation Date: 2/22/05 Time: 2:25 Length: 40 minutes

Presentation Title: Status of Columbia Environmental's transfer station franchise application

Department: Solid Waste & Recycling

Presenters: Mike Hoglund & Roy Brower

ISSUE & BACKGROUND

On December 16, 2004, the Metro Council postponed its decision on whether to grant or deny a franchise for Columbia Environmental to become the 7th transfer station in the Metro region. Council extended the review period by 60 days (until March 8, 2005). Despite a recommendation to deny the application, the Council asked staff to explore with the applicant ways to approve a revised application request by considering some additional decision criteria and potential conditions of approval that would reduce the financial impact on Metro's two transfer stations. Staff met with the applicant on December 21 to discuss options. Since then, the applicant has clarified a couple of minor issues, but other issues are outstanding and additional information has been requested of the applicant. [It is expected that the applicant may still provide a significant volume of new information prior to the Council work session on February 22.] Staff will apprise Council of the receipt of new material at that time.

On February 10, 2005, the director sent a follow-up letter to the applicant that reiterated the information necessary to evaluate the application. Specifically, staff requested the following information from the applicant:

- ❑ Indication of the geographic areas from which waste will be generated (for determination of cost savings);
- ❑ Cost saving estimates by the applicant based on material provided in the 12/21/04 meeting;
- ❑ As suggested by Council on December 16, a revised application requesting 38,000 tons of wet waste authority (rather than 55,000 tons contained in the initial application);
- ❑ A more detailed description of how the applicant intends to obtain a high level of recovery; more details on the type of equipment proposed to be used; and an updated estimate of wet and dry waste recovery planned to be achieved;
- ❑ A site plan indicating where the new equipment will be located; and
- ❑ Estimates of the VMT savings to haulers using the facility.

This information is critical for staff to further evaluate the application and consider the new criteria suggested by Council on December 16.

OPTIONS AVAILABLE

There are five possible options for Council:

1. If the applicant provides or has provided significantly new or revised information, or makes a significantly new request for tonnage, a new 120-day review period is automatically triggered. Staff would immediately begin its review of the information

submitted and provide a new recommendation to Council as soon as possible, and Council would proceed to approve, approve with conditions, or deny the revised application.

2. The applicant may choose to negotiate a new review period with the COO and with the promise of providing new or revised information by a date certain. Similar to option 1, new information would be reviewed and Council would proceed to approve, approve with conditions, or deny the application. Council action under options 1 & 2 would occur this spring.
3. The applicant may choose to withdraw its application at any time up until March 3rd. If the application is withdrawn, the applicant may submit a new application at any time. This again would trigger a new 120-day review period.
4. If any one of the options listed above are not taken by either the applicant or the Council by March 8, 2005 then a franchise would be automatically granted to the applicant consistent with Metro Code. Therefore, the Council should be prepared to adopt Ordinance No. 04-1063 at its March 3, 2005 meeting (or take some other formal course of action) if the applicant does not provide the requested information, or submit a new or revised application.

IMPLICATIONS AND SUGGESTIONS

None additional to those described above under Options Available.

QUESTION(S) PRESENTED FOR CONSIDERATION

Since this is a status report, no question is presented here. Staff anticipates evaluating the new information promised to be provided by the applicant and provide a revised recommendation to the Council.

However, Council can choose to apply a greater weight to certain criteria. Currently, staff used the Council values to weight "impact on ratepayers/competition" and "capacity/access" as the key criteria. Council may want to weight Councilor Park's criteria higher. The attached tables summarize the criteria and staff findings. Table 1 contains the five evaluation factors listed in Metro Code, and Table 2 lists the additional evaluation factors introduced by Councilor Park for Council consideration at the December 16, 2004 hearing on Ordinance No. 04-1063. Therefore, does Council wish to weight evaluation criteria differently?

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

SCHEDULE FOR WORK SESSION

Department Director/Head Approval _____
Chief Operating Officer Approval _____

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Evaluation Factors Summary Tables - Revised for 2005

- Table 1 summarizes findings regarding whether or not the application submitted by Columbia Environmental meets the five Metro Code evaluation factors.
- Table 2 summarizes additional evaluation factors introduced by Councilor Park for Council consideration at the December 16, 2004 Council hearing on Ordinance No. 04-1063.¹

Table 1- Five Metro Code Evaluation Factors

Table 1 The Five Metro Code Evaluation Factors For Solid Waste Franchise Applications	Meets Criteria	Neutral	Does Not Meet Criteria	Findings on the Columbia Environmental Application
<p>1. <i>Consistent with the Regional Solid Waste Management Plan [Metro Code 5.01.070(f)(1)].</i></p> <p>Will there be a <i>Net Benefit</i> to the regional solid waste system?</p> <p><u>RSWMP considerations:</u></p> <ul style="list-style-type: none"> • Capacity 			X	<p>On balance, staff finds that the proposed facility would not produce a certain, equitably distributed, or sufficiently large net benefit to the regional solid waste system and therefore, the application is not consistent with the RSWMP.</p>
<ul style="list-style-type: none"> • Access (under-served area) 			X	<p>The region has more than adequate capacity to accept, manage and transfer all of the region's waste for many years to come (refer to Metro's Regional Transfer Capacity Analysis, April 2004).</p>
<ul style="list-style-type: none"> • Recovery 	X			<p>The proposed facility location does not meet the RSWMP criteria for an under-served area, characterized as more than 25 minutes to a transfer station. Further, it would be located only 6.6 miles from an existing local transfer station. There are even more nearby options for dry waste. While access may be improved for a small number of haulers, a transfer station in every neighborhood would also improve access, but at the same time create a very inefficient system.</p>
<ul style="list-style-type: none"> • Competition (competition also relates to Cost, which is discussed in Evaluation Factor #2) 		X		<p>The facility would recover an additional 3,000 tons rather than the 20,000 tons claimed by the applicant. The applicant's affiliated haulers have the option of using the nearby existing material recovery facilities rather than the more distant Metro facilities.</p>
<ul style="list-style-type: none"> • Cost to regional ratepayers 			X	<p>The proposed transfer station could hurt competition since a new facility would cause tip fee increases throughout the region (see Evaluation Criteria #2). This situation would: 1) be detrimental to many other independent haulers that rely on Metro's public transfer stations, and 2) provide a windfall to other solid waste operations in competition with the applicant.</p>
				<p>Staff finds a significant negative cost impact on regional ratepayers - refer to comments for Evaluation Criteria #2 on the next page.</p>

¹ Ordinance No. 04-1063 was introduced for Council consideration by the COO with the concurrence of the Council President for the purpose of denying a solid waste facility franchise application of Columbia Environmental, LLC to operate a local transfer station. On December 16, 2004 the Council extended the Ordinance review period for 60 days.

Table 1- Five Metro Code Evaluation Factors (continued)

<i>...continued...</i> The Five Metro Code Evaluation Factors For Solid Waste Franchise Applications	Meets Criteria	Neutral	Does Not Meet Criteria	Findings on the Columbia Environmental Application
<p>2. <i>The effect on the cost of solid waste disposal and recycling services for the citizens of the region [Metro Code 5.01.070(f)(2)].</i></p> <p>(Cost relates to Competition, discussed on previous page Evaluation Factor #1- RSWMP consistency)</p>			X	<p><i>If the application were approved, the citizens of the region will likely incur increased costs of about \$1.2 million to \$1.4 million annually.</i></p> <ul style="list-style-type: none"> <i>Cost increases to Metro's customers of \$1.30 per ton (+ \$606,000).</i> <i>Cost increases at private facilities would result in higher tip fees region-wide to recover those increased costs (+ \$167,000 excise taxes and fees).</i> <i>In addition, the posted rates at many private facilities are expected to increase to match Metro's rates (at least + \$439,000 additional revenue at non-Metro facilities).</i> <i>The applicant claims that it could realize an adjusted gross savings of \$1.3 million from transportation and dry waste tip fee savings. However, the applicant states these savings would likely not be passed on to its customers, but might slow down future rate increases.</i>
<p>3. <i>Unlikely to unreasonably adversely affect the health, safety and welfare of Metro's residents [Metro Code 5.01.070(f)(3)]</i></p>	X			<p>There is no reason to believe the applicant could not meet this criterion.</p>
<p>4. <i>Unlikely to unreasonably adversely affect nearby residents, property owners or the existing character or expected future development of the surrounding neighborhood [Metro Code 5.01.070(f)(4)]</i></p>	X			<p>There is no reason to believe the applicant could not meet this criterion.</p>
<p>5. <i>Comply with all requirements and standards and other applicable local, state and federal laws, rules, regulations, ordinances, orders or permits pertaining in any manner to the proposed Franchise [Metro Code 5.01.070(f)(5)].</i></p>	X			<p>There is no reason to believe the applicant could not meet this criterion.</p>

Councilor Values for the Solid Waste System

(As expressed at the public work session on July 2, 2003 and ordered according to the Council priorities)

- | | |
|---|---|
| 1. Protect the public investment in the solid waste system. | 5. Ensure regional equity - equitable distribution of disposal options. |
| 2. "Pay to Play". Ensure participants/users pay appropriate fees/taxes. | 6. Maintain funding source for Metro general government. |
| 3. Environmental sustainability. | 7. Ensure reasonable / affordable rates. |
| 4. Preserve public access to the disposal options (location & hours) | |

Table 2- Additional Council Evaluation Factors

The following additional five evaluation factors were introduced by Councilor Park for Council consideration at the December 14, 2004 Council hearing on Ordinance No. 04-1063.

Table 2 Additional Council Evaluation Factors	Meets Criteria	Neutral	Does Not Meet Criteria	Findings on the Columbia Environmental Application
6. <i>The ability for a significant number of small independent haulers to compete in this region and ensure their competitiveness in the ever-increasing vertically integrated system.</i>	X			The applicant has indicated that the proposed facility would benefit nearby affiliated haulers with transportation saving, and some tip fee savings. Further, haulers that are shareholders in the company would benefit from company profits. Therefore, the proposed local transfer station would help the small independent haulers affiliated with Columbia Environmental to compete and remain competitive in a vertically integrated system.
7. <i>An innovative approach to increasing recycling through enhanced mechanization and by going after the significant amount of recyclable materials mingled in with multi-family wet waste.</i>			More information is required from the applicant	More information is required from the applicant on its proposed mechanized recovery system (type of system, performance of system with similar waste streams, projected recovery rates, the types of materials that will be recovered, timeframe for installation of mechanized system).
8. <i>A significant reduction in truck VMT given Columbia Environmental's proximity to their customers.</i>			More information is required from the applicant	More information is required from the applicant. The applicant has provided estimates for travel time savings rather than VMT savings. For example, the applicant should provide and compare baseline hauler VMT without the proposed facility to proposed hauler VMT with the proposed facility (there must be separate estimates for wet and dry wastes).
9. <i>Potential cost savings to ratepayers on the east side.</i>	X			The applicant has indicated that users of the facility will realize savings, and some of the savings may also be realized by residential ratepayers, who could experience lower rates as determined by local government rate setters. Savings on residential routes are passed through to customers as a consequence of the local government rate-setting process.
10. <i>Would provide a second transfer station in a watershed that currently generates about 130,000 tons a year.</i>		X		<p>Metro has designated six transfer station service areas (watersheds) based on distance. The estimated annual wet waste service area tonnages and the facility tonnage caps are:</p> <p><u>Local Transfer Station Service Areas</u> Pride Recycling = 167,000 tons (65,000 ton cap). Troutdale Transfer Station = 131,00 tons (68,250 ton cap). Willamette Resources (WRI) = 19,000 tons (68,250 ton cap).</p> <p><u>Regional Transfer Station Service Areas</u> Forest Grove=52,000 tons (No cap. Accepted about 105,000 tons wet waste in 2004). Metro Central = 353,000 tons (no cap, accepted about 395,000 tons wet waste in 2004). Metro South = 160,000 tons (no cap; accepted about 172,000 tons in 2004).</p>

February 22, 2005

Council Study Session:

November, 2006 Bond Measure for Fish and Wildlife Habitat Acquisition and Restoration/ "Nature in the Neighborhoods"

Regional Acquisition and Restoration Program:

Assumptions:

Continue regional acquisition and restoration based on existing and modified target areas.

Add new regional target areas based on Fish and Wildlife inventory information.

Questions:

Should regional trails be included in the bond measure package?

Should capital improvement projects be included? (such as trail construction or developing a 5th or 6th regional park)

Local Share:

Assumptions:

Provide a local share component for "Nature in the Neighborhoods" based on the formula in the 1995 bond measure.

Questions:

Should the bonds be targeted only for habitat acquisition and restoration?

Could bond funds be used for natural area park acquisition and capital improvements?

Could bond funds be used for active park acquisition and capital improvements?

Could bond funds be used for trails?

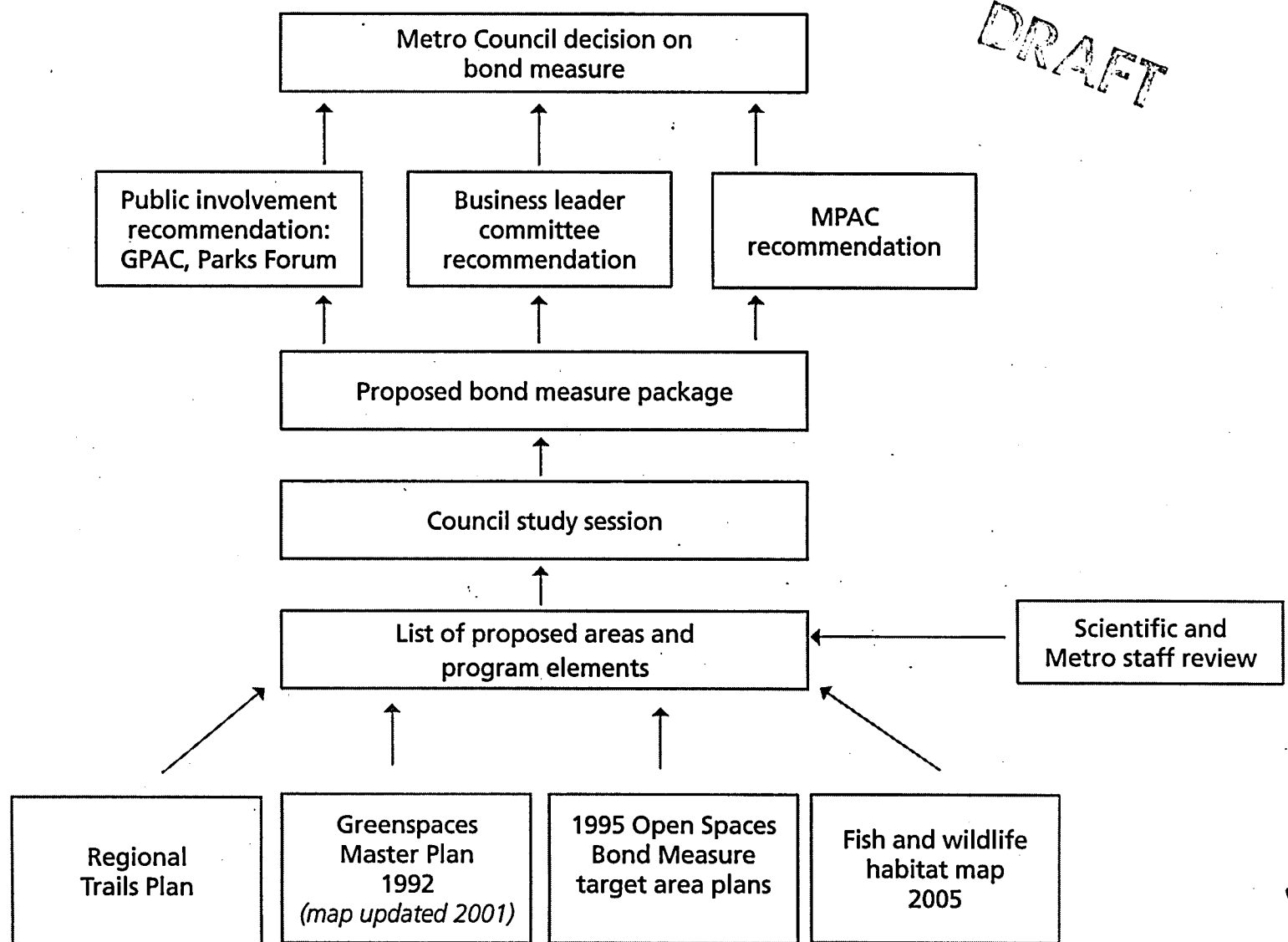
Public process for the development of a bond measure package:

The attached flow chart outlines a process similar to the process followed in 1995.

Question:

Is this generally the process Council would like to follow?

Process for the 2006 Bond Measure



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