

A G E N D A

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



**METRO**

**Agenda**

MEETING: METRO COUNCIL REGULAR MEETING – revised 3/14/05  
DATE: March 17, 2005  
DAY: Thursday  
TIME: 2:00 PM  
PLACE: Metro Council Chamber

**CALL TO ORDER AND ROLL CALL**

**1. INTRODUCTIONS**

**2. CITIZEN COMMUNICATIONS**

**3. COMMUNITY ENHANCEMENT GRANT PROCESSES NEED IMPROVEMENT** Dow

**4. CONSENT AGENDA**

4.1 Consideration of Minutes for the March 3, 2005 Metro Council Regular Meeting.

**5. ORDINANCES – FIRST READING**

5.1 **Ordinance No. 05-1076, For the Purpose of Amending the FY 2004-05 Budget And Appropriations Schedule by transferring \$90,250 from Contingency To Materials and Services in the Zoo Operating Fund for Expenses Associated With an Additional Concert.**

**6. RESOLUTIONS**

6.1 **Resolution No. 05-3560, For the Purpose of Appointing Wayne Kingsley, Charlie Gregorio, and David Whitehead as Members of the Ballot Measure 37 Task Force.** Liberty

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

7.1 **Resolution No. 05-3550, For the purpose of Authorizing the Chief Operating Officer to Purchase Property in the Forest Park Target Area, Subject to Unusual Circumstances.** Burkholder

- 7.2 **Resolution No. 05-3555**, For the purpose of authorizing the Chief Operating Officer to purchase property in the Milwaukie Town Center for a Transit-Oriented Development/Centers Project. Liberty
8. **OREGON LEGISLATIVE UPDATE**
9. **CHIEF OPERATING OFFICER COMMUNICATION**
10. **COUNCILOR COMMUNICATION**

**ADJOURN**

**Television schedule for March 17, 2005 Metro Council meeting**

<p><b>Clackamas, Multnomah and Washington counties, and Vancouver, Wash.</b>  Channel 11 -- Community Access Network  <a href="http://www.yourtv.org">www.yourtv.org</a> -- (503) 629-8534  2 p.m. Thursday, March 17 (live)</p>	<p><b>Portland</b>  Channel 30 (CityNet 30) -- Portland Community Media  <a href="http://www.pcatv.org">www.pcatv.org</a> -- (503) 288-1515  8:30 p.m. Sunday, March 20  2 p.m. Monday, March 21</p>
<p><b>Gresham</b>  Channel 30 -- MCTV  <a href="http://www.mctv.org">www.mctv.org</a> -- (503) 491-7636  2 p.m. Monday, March 21</p>	<p><b>Washington County</b>  Channel 30 -- TVTV  <a href="http://www.yourtv.org">www.yourtv.org</a> -- (503) 629-8534  11 p.m. Saturday, March 19  11 p.m. Sunday, March 20  6 a.m. Tuesday, March 22  4 p.m. Wednesday, March 23</p>
<p><b>Oregon City, Gladstone</b>  Channel 28 -- Willamette Falls Television  <a href="http://www.wftvaccess.com">www.wftvaccess.com</a> -- (503) 650-0275  Call or visit website for program times.</p>	<p><b>West Linn</b>  Channel 30 -- Willamette Falls Television  <a href="http://www.wftvaccess.com">www.wftvaccess.com</a> -- (503) 650-0275  Call or visit website for program times.</p>

**PLEASE NOTE:** Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.

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Agenda Item Number 3.0

**COMMUNITY ENHANCEMENT GRANT PROCESSES NEED  
IMPROVEMENT.**

*Auditor Report*

Metro Council Meeting  
Thursday, March 17, 2005  
Council Chamber

Agenda Item Number 4.1

Consideration of Minutes of the March 3, 2005 Regular Council meeting.

Metro Council Meeting  
Thursday, March 17, 2005  
Council Chamber

**MINUTES OF THE METRO COUNCIL MEETING**

Thursday, March 3, 2005  
Metro Council Chamber

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

Councilors Absent: Brian Newman

Council President Bragdon convened the Regular Council Meeting at 2:03 p.m.

**1. INTRODUCTIONS**

There were none.

**2. CITIZEN COMMUNICATIONS**

There were none.

**3. CONSENT AGENDA**

3.1 Consideration of minutes of the February 17, 2005 Regular Council Meetings.

3.2 **Resolution No. 05-3540**, For the Purpose of Confirming the Appointments of Joann Herrigel, Wendy Fisher, Les Joel and Lori Stole to the Regional Solid Waste Advisory Committee (SWAC).

Motion: 

Councilor Hosticka moved to adopt the meeting minutes of the February 17, 2005 Regular Metro Council and Resolution No. 05-3540.
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Vote: 

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

4.1 **Resolution No. 05-3552**, For the Purpose of Confirming the Appointments of Mike Leichner, Ray Phelps, George Simmons, Paul Matthews, Matt Korot, and Michelle Poyourow to the Metro Rate Review Committee.

Motion:	Councilor Park moved to adopt Resolution No. 05-3552.
Seconded:	Councilor Hosticka seconded the motion

Councilor Park spoke to the resolution. He asked that Mike Miller would be able to fill a position, as George Simmons was unable to serve. He asked that Mr. Paul Matthews be able to serve beyond his term limits. He asked Dan Cooper, Metro Attorney, about serving beyond the term limits. Mr. Cooper said he would bring an ordinance to Council to amend the Code. Councilor McLain understood the reason that Council and staff had suggested Mr. Matthews. She urged that

we continue to have a breadth of citizens on the committee. Councilor Hosticka asked if they needed to amend the resolution. Mr. Cooper responded yes.

Motion to amend:	Councilor Park moved to adopt Resolution No. 05-3552A which substituted Mike Miller for George Simmons and added that Mr. Matthews's extension of his term limit was not a code amendment.
Seconded:	Councilor Liberty seconded the motion

Councilor Park mentioned that there had been turn over on the committee, having Mr. Matthew continue will be beneficial and provide continuity.

Vote to amend:	Councilors Park, Hosticka, Burkholder, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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Vote on the main motion:	Councilors Park, Hosticka, Burkholder, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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**4.2 Resolution No. 05-3551, For the Purpose of Designating Council Projects and Assigning Lead Councilors and Council Liaisons.**

Motion:	Councilor Burkholder moved to adopt Resolution No. 05-3551.
Seconded:	Councilor Park seconded the motion

Councilor Burkholder said this resolution included a variety of projects that Council had initiated. He detailed those projects. He said this was a culmination of discussions about how they could be more effective, deliver the public services and better lead the region. Council President Bragdon said this continued to enhance the Council's policy status. The important issue was that they would have a clear way to involve the public so there was transparency in what the Council was doing. Councilor Burkholder said one piece they would continue to look at was understanding the role of the Council and the Council President.

Vote:	Councilors Park, Hosticka, Burkholder, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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**4.3 Resolution No. 05-3554, For the Purpose of Appointing Members of the Ballot Measure 37 Task Force.**

Motion:	Councilor Liberty moved to adopt Resolution No. 05-3554.
Seconded:	Councilor Hosticka seconded the motion

Councilor Liberty said this resolution would approve the membership of the Ballot Measure 37 Task Force with Mayor Judie Hammerstad serving as the Chair. He urged support. Council President Bragdon said he had two additional nominations, Dorothy Cofield and Dominic Biggi

Motion to amend:	Council President Bragdon moved to amend Resolution No. 05-3554 and add Dorothy Cofield and Dominic Biggi to the task force.
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Seconded:	Councilor Park seconded the motion
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Councilor Hosticka said he had reservations about Ms. Cofield. Councilor Liberty said he did not know Mr. Biggi but knew Ms. Cofield and asked if Council President Bragdon had discussed the charge of the Task Force with her. Council President Bragdon said yes. Councilor McLain said she would be abstaining from the amendment because of her conversations she had had with Ms. Cofield. Council President Bragdon said it was important that this organization has diversity on committees and that we invite people to participate who had different ideologies. He urged their support. Deputy Council President Burkholder asked how many votes it would take to pass the amendment. Mr. Cooper responded, 4 votes

Councilor Hosticka asked if they could vote separately on each nominee. Council President Bragdon agreed to that suggestion.

Motion to amend:	Council President Bragdon moved to amend Resolution No. 05-3554 to add Dominic Biggi.
Seconded:	Councilor Park seconded the motion

Vote to amend:	Councilors Park, Hosticka, Burkholder, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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Motion to amend:	Council President Bragdon moved to amend Resolution No. 05-3554 and add Dorothy Cofield.
Seconded:	Councilor Park seconded the motion

Vote to amend:	Councilors Park, Burkholder, Liberty, and Council President Bragdon voted in support of the motion; Councilors McLain and Hosticka abstained from the vote. The vote was 4 aye/2 abstained, the motion passed.
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Vote on the Main Motion:	Councilors Park, Hosticka, Burkholder, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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4.4 Council President Bragdon requested a point of personal privilege to consider the following resolution:

Motion:	Council President Bragdon moved to suspend the rules to consider a resolution.
Seconded:	Councilor Park seconded the motion

Vote:	Councilors Park, Hosticka, Burkholder, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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**Resolution No. 05-3556, For the Purpose of Expressing Respect for Maurice Cheeks.**

Motion:	Council President Bragdon moved to adopt Resolution No. 05-3556.
Seconded:	Councilor Park seconded the motion

Council President Bragdon introduced the resolution. Councilors commented on the resolution. Council President Bragdon urged support.

Vote:

Councilors Park, Hosticka, Burkholder, McLain, Liberty, and Council President Bragdon voted in support of the motion. The vote was 6 aye, the motion passed.
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## 5. CHIEF OPERATING OFFICER COMMUNICATION

Michael Jordon, COO, had nothing to say.

## 6. COUNCILOR COMMUNICATION

Councilor McLain talked about the Regional Water Consortium meeting last night. She said they discussed the emergency management plan and the drought problems. She also mentioned water conservation literature that they would be sharing with the region. Council President Bragdon felt our participation in this group provided added value. Councilor Liberty asked about earthquake issues and the need for drinking water. Councilor McLain said they were working on how the different systems connect so that if there was a scenario where water was needed, they would have a plan.

Councilor Burkholder reported back to the Council on the last two days he had spent in Salem with the other Metropolitan Planning Organizations (MPOs) concerning transportation issues. They had spoken to the Oregon Legislature about transportation funding and urban issues. He noted a memo before Council concerning Metropolitan Transportation Improvement Program and the Transportation Priorities 2006-09 Final Cut List Recommendations. The three JPACT Councilors would be asking Council for their guidance on the packages. He asked Andy Cotugno and Ted Leybold to walk them through the two proposals. He said Joint Policy Advisory Committee on Transportation (JPACT) would be making a decision on March 17<sup>th</sup> and then it would come back to Council on March 24<sup>th</sup>. Mr. Leybold, Planning Department, said this had been a long process, which began last spring with policy guidance from the Council. He talked about the process for considering all of the submitted projects. They had put out a first cut list and received public comments.

Councilor Liberty asked about the entities that proposed projects. Mr. Cotugno, Planning Director, responded that the projects had to come from a governing entity, there were some parks providers who had trail requests. All of the projects had to come from a conformed plan. Councilor Liberty asked about citizen proposals. Council President Bragdon said an example of what Councilor Liberty was talking about was when a citizen group went to a parks provider and requested a proposal, which then the parks provider submitted for consideration.

Mr. Leybold continued with the time line they had gone through. He talked about the recommendation for the final cut list that met Council's policy direction. He spoke to the different tier projects. Transportation Policy Alternatives Committee (TPAC) had recommended two packages for Council's consideration. TPAC had tried to draw from the list of projects in Tier 2 and provide Options A and B. Mr. Leybold gave an overview of the two options (a copy of which is included in the record). Councilor Liberty said he understood the scoring approach and criteria. He asked about the scoring of specific projects. Mr. Leybold responded to his question.

Mr. Leybold continued explaining the two options. TPAC had recommended Option A and B Clackamas County and the cities of Clackamas County had drafted Option B. These recommendations were the subjects of a public hearing on February 17<sup>th</sup>. JPACT would be undertaking this issue on March 17<sup>th</sup>. This was also the subject of a work session on March 15<sup>th</sup>.

Mr. Cotugno provided a lay of the land on the two options. He said the amount of money they had available to them was still speculative. He explained how funding occurred. He said both options were over program. Councilor Liberty asked what happened if the federal government didn't allocate the funds. Mr. Cotugno explained that it was still speculative and if the money disappeared, there was no way to fulfill the commitments or those commitments would take longer to complete. Council President Bragdon asked about the process for funding. Mr. Cotugno said if they didn't fund as requested there would be projects that slipped. He talked about examples where there was continued debate; the Sellwood Bridge was one of these projects. He provided further examples of projects that were still under debate. Councilors asked about specifics on some of the projects. Mr. Cotugno responded to their questions.

Councilors talked about equity issues. Mr. Cotugno explained the process for TPAC recommendations. Council President Bragdon spoke to signage. Mr. Leybold said the projects that they allocated last time would have Metro signage. Councilor Liberty talked about applied criteria for Transit Oriented Development (TOD) projects, which he would be bringing forward to Council later this month. Councilor Hosticka asked if they were looking for input today? Councilor Burkholder said they would be looking for Council input on March 15<sup>th</sup> prior to the JPACT meeting on March 17<sup>th</sup>. Councilor Park suggested getting Council's input as soon as possible on the TOD and Centers programs. Councilor Burkholder said he thought it was important that they were all on the same page. The Council had provided a lot of direction and they were beginning to see the outcomes. He spoke to the guidance that Council had provided in the past, which included equity. He said the submission had become more focused based on the Council's policy direction.

Council President Bragdon said they had scheduled four-work session on Goal 5. The next formal Council meeting would be March 17<sup>th</sup>.

## 7. ADJOURN

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 3:38 p.m.

Prepared by

Chris Billington  
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF MARCH 3,  
2005**

Item	Topic	Doc Date	Document Description	Doc. Number
3.1	Minutes	2/17/05	Metro Council Meeting Minutes of February 17, 2005	030305c-01
4.2	Exhibit A to Resolution No. 05-3551	2/15/05	Resolution No. 05-3551, For the Purpose of Designating Council Projects and Assigning Lead Councilors and Council Liaisons Exhibit A Metro Council Project Proposals	030305c-02
4.1	"A" version	2005	To: Metro Council From: Councilor Park and Doug Anderson, Solid Waste and Recycling Department Re: Resolution No. 05-3552A	030305c-03
4.4	Resolution No. 05-3556	3/3/05	To: Metro Council From: Council President Bragdon Re: Resolution No. 05-3556	030305c-04
6	Memo	2/17/05	To: Interested Parties From: Ted Leybold, Planning Department Re: MTIP and Transportation Priorities 2006-09 Final Cut List Recommendations	030305c-05

Agenda Item Number 5.1

**Ordinance No. 05-1076, For the Purpose of Amending the FY 2004-05 Budget  
And Appropriations Schedule by transferring \$90,250 from Contingency  
To Materials and Services in the Zoo Operating Fund for Expenses Associated  
With an Additional Concert.**

**First Reading**

Metro Council Meeting  
Thursday, March 17, 2005  
Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY )  
2004-05 BUDGET AND APPROPRIATIONS )  
SCHEDULE BY TRANSFERRING \$90,250 )  
FROM CONTINGENCY TO MATERIALS AND )  
SERVICES IN THE ZOO OPERATING FUND )  
FOR EXPENSES ASSOCIATED WITH AN )  
ADDITIONAL CONCERT )

ORDINANCE NO. 05-1076  
Introduced by Mike Jordan, Chief Operating  
Officer, with the concurrence of Council  
President Bragdon

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

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

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

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

THE METRO COUNCIL ORDAINS AS FOLLOWS:

That the FY 2004-05 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$90,250 from contingency to materials and services in the Zoo Operating Fund for expenses associated with an additional concert.

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

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

Attest:

Approved as to Form:

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

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

**Exhibit A**  
**Ordinance No. 05-1076**

ACCT	DESCRIPTION	Current		Revision		Amended	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>Zoo Operating Fund - Expenditures</b>							
<b>Total Personal Services</b>		<b>150.85</b>	<b>\$12,341,572</b>	<b>0.00</b>	<b>\$0</b>	<b>150.85</b>	<b>\$12,341,572</b>
<i>Materials &amp; Services</i>							
<i>GOODS Goods</i>							
5201	Office Supplies		77,385		0		77,385
5205	Operating Supplies		1,182,688		1,750		1,184,438
5210	Subscriptions and Dues		28,621		0		28,621
5214	Fuels and Lubricants		40,000		0		40,000
5215	Maintenance & Repairs Supplies		277,335		0		277,335
5220	Food		980,481		12,750		993,231
<i>SVCS Services</i>							
5240	Contracted Professional Svcs		743,140		67,750		810,890
5245	Marketing		163,500		0		163,500
5251	Utility Services		2,016,245		0		2,016,245
5255	Cleaning Services		37,630		0		37,630
5260	Maintenance & Repair Services		103,845		0		103,845
5265	Rentals		141,320		0		141,320
5280	Other Purchased Services		509,378		8,000		517,378
5290	Operations Contracts		1,575,402		0		1,575,402
<i>CAPMN Capital Maintenance</i>							
5262	Capital Maintenance - Non-CIP		392,040		0		392,040
<i>IGEXP Intergov't Expenditures</i>							
5300	Payments to Other Agencies		18,385		0		18,385
<i>OTHEXF Other Expenditures</i>							
5450	Travel		44,690		0		44,690
5455	Staff Development		17,570		0		17,570
5490	Miscellaneous Expenditures		75,100		0		75,100
<b>Total Materials &amp; Services</b>			<b>\$8,424,755</b>		<b>\$90,250</b>		<b>\$8,515,005</b>
<b>Total Capital Outlay</b>			<b>\$285,700</b>		<b>\$0</b>		<b>\$285,700</b>
<b>Total Interfund Transfers</b>			<b>\$2,790,366</b>		<b>\$0</b>		<b>\$2,790,366</b>
<i>Contingency and Ending Balance</i>							
<i>CONT Contingency</i>							
5999	Contingency						
	* General contingency		1,000,000		(90,250)		909,750
	* Prior Year PERS Reserve		550,000		0		550,000
	* Current Year PERS Reserve		480,595		0		480,595
<i>UNAPP Unappropriated Fund Balance</i>							
5990	Unappropriated Fund Balance						
	* Ending Balance		4,482,095		0		4,482,095
<b>Total Contingency and Ending Balance</b>			<b>\$6,512,690</b>		<b>(\$90,250)</b>		<b>\$6,422,440</b>
<b>TOTAL REQUIREMENTS</b>		<b>150.85</b>	<b>\$30,355,083</b>	<b>0.00</b>	<b>\$0</b>	<b>150.85</b>	<b>\$30,355,083</b>

**Exhibit B**  
**Ordinance No. 05-1076**  
**FY 2004-05 SCHEDULE OF APPROPRIATIONS**

	<u>Current</u> <u>Appropriation</u>	<u>Revision</u>	<u>Amended</u> <u>Appropriation</u>
<b>ZOO OPERATING FUND</b>			
Operating Expenses (PS & M&S)	\$20,766,327	\$90,250	\$20,856,577
Capital Outlay	285,700	0	285,700
Interfund Transfers	2,790,366	0	2,790,366
Contingency	2,030,595	(90,250)	1,940,345
Unappropriated Balance	4,482,095	0	4,482,095
<b>Total Fund Requirements</b>	<b>\$30,355,083</b>	<b>\$0</b>	<b>\$30,355,083</b>

*All Other Appropriations Remain as Previously Adopted*



## STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 05-1076, FOR THE PURPOSE OF AMENDING THE FY 2004-05 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$90,250 FROM CONTINGENCY TO MATERIALS AND SERVICES IN THE ZOO OPERATING FUND FOR EXPENSES ASSOCIATED WITH AN ADDITIONAL CONCERT

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Date: March 17, 2005

Prepared by: Tony Vecchio

### BACKGROUND

The Oregon Zoo has a fantastic slate of concerts planned for the summer of 2005. In addition to the nine premium shows and the nine regular concerts scheduled for the summer series, there is a unique opportunity to produce an additional high-impact concert. Lyle Lovett is available for a June 2005 show. He is a very popular entertainer, especially in the Northwest. According to industry professionals, this show is expected to have strong ticket sales and will likely sell out. The break-even point for this show is 50% capacity, which is expected to be reached in pre-sale tickets alone.

While the Zoo has ample appropriation for the costs associated with the production and marketing of the summer concert series in the FY 2005-2006 proposed budget, additional FY 2004-2005 appropriation will be required to hold this lucrative June concert. The costs of the artist fee, production, marketing, food, and labor total \$90,250. The expected admission and food revenue for the show is \$133,000. The summer 2004 premium concert series netted the Zoo \$346,272 for nine shows, with revenue exceeding \$1,000,000 (that's an average of \$38,475 per show).

### ANALYSIS/INFORMATION

1. **Known Opposition** None known.
2. **Legal Antecedents** ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction.
3. **Anticipated Effects** Will allow the Zoo to take advantage of a revenue generating activity and generate money to help fund Zoo programs.
4. **Budget Impacts** Will increase the materials and services budget appropriation by \$90,250 in the Zoo Operating Fund and decrease the contingency appropriation in that fund by \$90,250 in the FY 2004-2005 budget.

### RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of this ordinance.

Agenda Item Number 6.1

**Resolution No. 05-3550, For the Purpose of Authorizing the Chief Operating Officer to purchase property in the Forest Park Target Area, subject to unusual circumstances.**

*Executive Session*

Metro Council Meeting  
Thursday, March 17, 2005  
Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE ) RESOLUTION NO. 05-3550  
CHIEF OPERATING OFFICER TO PURCHASE )  
PROPERTY IN THE FOREST PARK TARGET ) Introduced by Michael J. Jordan, Chief Operating  
AREA, SUBJECT TO UNUSUAL ) Officer with the concurrence of David Bragdon,  
CIRCUMSTANCES ) Council President

WHEREAS, at the election held on May 16, 1995, the Metro area voters approved the Open Spaces, Parks and Streams Bond Measure (“Ballot Measure 26-26”), which authorized Metro to issue \$135.6 million in general obligation bonds to finance land acquisition and capital improvements to preserve open space for parks, trails and wildlife; and

WHEREAS, on February 15, 1996, via Metro Council Resolution 96-2274A (“For the Purpose of Approving a Refinement Plan for the Forest Park Target Area as Outlined in the Open Space Implementation Work Plan”), the Metro Council adopted a refinement plan for the Forest Park Target Area, which outlined the land protection strategy for the target area, including a confidential tax-lot specific map identifying “Tier I” priority properties for acquisition; and

WHEREAS, on December 7, 2004, The Friends of Forest Park (the “Friends”) entered into a Real Estate Sale Agreement (the “Agreement”) to acquire a 1.4-acre parcel of undeveloped “Tier I” priority property contiguous to Forest Park and located above the community of Linnton, as legally described and depicted in the attached Exhibit A (the “Friends Property”); and

WHEREAS, the Friends have raised approximately 79% of the total purchase price for the Friends Property from private sources, but have requested that Metro contribute the remaining 21% needed to complete the purchase; and

WHEREAS, the Friends have agreed to assign their Agreement to Metro and pay 79% of the purchase price of the Friends Property, if Metro will agree to: 1) contribute the remaining 21% of the purchase price, plus closing costs needed to complete the purchase; 2) acquire the Friends Property; and 3) provide for the management of the Friends Property in a manner consistent with Ballot Measure 26-26; and

WHEREAS, on September 27, 2001, the Metro Council approved Resolution No. 01-3106 (“For the Purpose of Modifying the Open Spaces Implementation Work Plan and Open Spaces Acquisition Regional Target Area Refinement Plans to Direct Future Acquisitions of Properties That Satisfy Specific Identified Criteria”), modifying the Open Spaces Implementation Work Plan and Open Spaces Acquisition Regional Target Area Refinement Plans to require Metro Council approval of all acquisitions in target areas where minimum acreage goals have been met; and

WHEREAS, Metro has exceeded the minimum 320-acre goal established for the Forest Park Target Area, and therefore purchasing the Friends Property requires formal Metro Council authorization pursuant to Council Resolution 01-3106; and

WHEREAS, Metro’s participation in acquisition of the Friends Property meets the required criteria set forth in Council Resolution No. 01-3106 as follows: 1) the Friends Property is a key remaining parcel surrounded on three sides by publicly owned natural area and, as such, meets the Forest Park Target Area refinement plan’s specific Tier I objective, and 2) the acquisition of the Friends Property benefits from a significant financial contribution from a local outside partner; and

WHEREAS, because there will be no real estate appraisal completed on the Friends Property and the Agreement provides only for an "as-is" sale, the purchase is subject to "unusual circumstances" requiring the specific approval of the Metro Council, as set forth in the Open Spaces Implementation Work Plan; now therefore

BE IT RESOLVED that the Metro Council authorizes the Metro Chief Operating Officer to purchase the Friends Property described in the attached Exhibit A, subject to the unusual circumstances set forth above herein, said acquisition to be financed using 21% Ballot Measure 26-26 funding and 79% funding from the Friends of Forest Park.

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

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

Approved as to Form:

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

**Exhibit A**  
**Resolution No. 05-3550**  
**Forest Park Property - Legal Description**

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 05-3550 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO PURCHASE PROPERTY IN THE FOREST PARK TARGET AREA, SUBJECT TO UNUSUAL CIRCUMSTANCES

---

Date: March 2, 2005

Presented by: Nancy Chase

## BACKGROUND

Resolution No. 05-3550 requests authorization for the Chief Operating Officer to purchase a 1.4 acre property (the "Friends Property") in the Forest Park Target Area, contiguous to Forest Park.

On December 7, 2004, the Friends of Forest Park entered into a Real Estate Sale Agreement ("Agreement") to purchase the Friends Property. The Friends have committed to raising the majority of the purchase price from private sources and have requested that Metro contribute the remaining funds needed to complete the transaction, which is approximately 21% of the total purchase price. In exchange, the Friends have agreed to assign the Agreement to Metro and pay their portion of the purchase funds into escrow at Closing so that Metro may acquire the Friends Property. The property would be managed in a manner consistent with the 1995 Open Spaces, Parks and Streams Bond Measure by the City of Portland through an existing intergovernmental agreement with Metro.

The purchase of the Friends Property requires Metro Council authorization pursuant to Resolution 01-3106 ("For the Purpose of Modifying the Open Spaces Implementation Work Plan and Open Spaces Acquisition Regional Target Area Refinement Plans to Direct Future Acquisitions of Properties That Satisfy Specific Identified Criteria") because Metro has previously exceeded the minimum 320-acre goal established for the target area. Additionally, no real estate appraisal will be done on the Friends Property, and the Agreement provides for an "as-is" sale. Each of these conditions constitutes an "unusual circumstance" that requires the specific approval of the Metro Council.

The Friends Property is a Tier I Forest Park that is located above the Community of Linnton near the foot of Firelane 9 and is virtually enclosed on three sides by Forest Park. Part of the adjacent parkland is the 17.23-acre "Clark & Wilson" tract that was donated to the City in 1927 by O. M. Clark. This tract was given to the City because Clark recognized its public value as one of the last uncut parcels of forestland in the Portland area. This donation predated the creation of Forest Park by 20 years.

The Friends Property is vacant and contains vegetation similar to the adjacent park, including mature evergreen and deciduous trees and a healthy under story of native plants. It is zoned for up to eight single-family residential lots. Because of the significance and beauty of this portion of the adjacent park, the development of this property with single-family residential units would have a substantial negative impact on the surrounding public land.

Acquisition of the Friends Property is recommended because:

- (a) The acquisition would meet two of the criteria set forth in Resolution 01-3106:

- Parcels “are adjacent to existing Metro or other public ownership or conservation group-owned properties, and are key remaining parcels necessary to accomplish the assemblage of a regional scale natural area, consistent with specific Target Area goals and objectives as set forth in existing approved Refinement Plans for that target area”. The Friends Property was identified as a “Tier I” acquisition priority in the confidential tax-lot map approved in connection with the adoption of the refinement plan for the Forest Park Target Area, which outlined the land protection strategy for the target area, all pursuant to Resolution 96-2274A (“For the Purpose Of Approving A Refinement Plan for the Forest Park Target Area, as Outlined in the Open Space Implementation Work Plan”). Acquiring the Friends Property meets the target area goal of “Outright purchase of key in holdings, adjacent holdings, and “pinch points”. The site is bordered on three sides by parkland and is desirable from a regional perspective because it serves as an important buffer to protect the adjacent 17.23-acre Clark & Wilson tract that was donated to the City in 1927 by O. M. Clark. The property is threatened by development with up to eight residential lots; if developed, this parcel would represent a significant "intrusion" into the park.
  - “Within existing target areas and parcels that meet the objectives otherwise set forth in this resolution, particular emphasis should be given to acquisitions that would either (a) have a significant financial contribution from a local government or other outside partner ...” The public/private acquisition partnership between Metro and The Friends of Forest Park is a groundbreaking, achievement. Metro is being asked to contribute 21% of the purchase price and will receive fee title to the entire Friends Property. The City of Portland will assume ongoing management responsibility for the Friends Property.
- (b) Although no real estate appraisal will be completed, Metro is only being asked to contribute 21% of the total purchase price while acquiring fee title to 100% of the Friends Property. The property is zoned for eight single-family residential lots, indicating a value well in excess of the funds being contributed by Metro.
- (c) While the Friends Property is being purchased on an “as-is” basis with no representations and warranties as to the property’s condition, a Phase 1 Environmental Assessment performed on the Friends Property found no environmental concerns present on the property and recommended that no additional investigation be conducted on the property.

## ANALYSIS/INFORMATION

### 1. Known Opposition

None.

### 2. Legal Antecedents

In May 1995, Metro area voters approved the Open Spaces, Parks and Streams Bond Measure that authorized Metro to issue \$135.6 million in general obligation bonds to finance land acquisition and certain park-related capital improvements. Metro Code 2.04.026 (a) (3) requires that the Chief Operating Officer obtain the authorization of the Metro Council prior to executing any contract for the purchase of real property. The Open Spaces Implementation Work Plan, adopted by the Metro Council via Resolution 96-2424 (“For The Purpose Of Authorizing The Executive Officer To Purchase Property With Accepted Acquisition Guidelines As Outlined In The Amended Open Spaces Implementation Work Plan”) established acquisition parameters that authorized the Chief Operating Officer to purchase property

within the Council-approved target area refinement plan maps. Via Resolution 96-2274A (“For the Purpose of Approving a Refinement Plan for the Forest Park Target Area, as Outlined in the Open Space Implementation Work Plan”), the Metro Council adopted a refinement plan, which outlined a land protection strategy for Forest Park. Through that resolution, the Metro Council also approved the target area refinement plan tax-lot specific map, which includes the subject Property as a Tier I priority.

On September 27, 2001, the Metro Council adopted Resolution 01-3106 (“For the Purpose of Modifying the Open Spaces Implementation Work Plan and Open Spaces Acquisition Regional Target Area Refinement Plans to Direct Future Acquisitions of Properties That Satisfy Specific Identified Criteria”), which modifies the Open Spaces Implementation Work Plan. Section B of Resolution 01-3106 requires Metro Council approval of new acquisitions in target areas where minimum acreage goals have been met.

The proposed acquisition satisfies more than one of the listed criteria set forth in Section A of Resolution 01-3106 (“For the Purpose of Modifying the Open Spaces Implementation Work Plan and Open Spaces Acquisition Regional Target Area Refinement Plans to Direct Future Acquisitions of Properties That Satisfy Specific Identified Criteria”), but because Metro has exceeded the minimum 20-acre goal established for the target area, Resolution No. 01-3106 requires that the purchase of the Friends Property be authorized by the Metro Council prior to acquisition.

Unusual circumstances as defined in The Open Spaces Implementation Work Plan, adopted by the Metro Council via Resolution 95-2228A (“For the Purpose of Authorizing the Executive Officer to Purchase Property With Accepted Acquisition Guidelines as Outlined in the Open Space Implementation Work Plan”), as amended by Resolution 96-2424 require Council approval prior to acquisition.

### **3. Anticipated Effects**

Acquisition of the Friends Property will help preserve the natural area and recreation values of Forest Park.

### **4. Budget Impacts**

There are sufficient bond funds remaining to allow for this partnership. Land banking and future management costs will be undertaken by the City of Portland through a pre-existing Intergovernmental Agreement.

## **RECOMMENDED ACTION**

Chief Operating Officer Michael Jordan recommends passage of Resolution No. 05-3550.



Agenda Item Number 6.2

**Resolution No. 05-3555, For the purpose of authorizing the Chief Operating Officer to purchase property in the Milwaukie Town Center for a Transit-Oriented Development/Centers Project.**

*Executive Session*

Metro Council Meeting  
Thursday, February 17, 2005  
Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE ) RESOLUTION NO. 05-3555  
CHIEF OPERATING OFFICER TO PURCHASE )  
PROPERTY IN THE MILWAUKIE TOWN ) Introduced by Michael J. Jordan, Chief Operating  
CENTER FOR A TRANSIT-ORIENTED ) Officer, Metro Councilors Robert Liberty and  
DEVELOPMENT/CENTERS PROJECT ) Brian Newman with the concurrence of Metro  
 ) Council President David Bragdon

WHEREAS, on April 9, 1998, the Metro Council adopted Resolution No. 98-2619 (For the Purpose of Authorizing Start-Up Activities for the Transit-Oriented Development (TOD) Implementation Program at Metro), which authorized start-up activities for the Metro Transit-Oriented Development Implementation Program (the “TOD Program”) and set forth the operating parameters of the TOD Program in a Work Plan providing for the acquisition and joint development of real property satisfying certain criteria and identified as “Opportunity Sites;” and

WHEREAS, the TOD Work Plan was amended to expand the TOD Program area and initiate an Urban Centers Program by Resolution No. 04-3479 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program to Expand the TOD Program Area and Initiate an Urban Centers Program), adopted July 15, 2004; and

WHEREAS, the TOD Work Plan authorizes the Chief Operating Officer to purchase Urban Centers Opportunity Sites that have been evaluated by the TOD Steering Committee for compliance with the TOD Program’s Urban Centers site selection criteria (the “TOD Urban Centers Selection Implementation Criteria”) and approved by the TOD Steering Committee for acquisition by Metro, subject to seven days notice by the Chief Operating Officer to the Metro Council (the “Seven Day Letter”) providing the Metro Council with the opportunity to request review of the proposed acquisition in executive session; and

WHEREAS, on March 2, 2005, the TOD Steering Committee approved the TOD Program’s proposed acquisition of an Urban Centers Opportunity Site located at 10700 SE McLoughlin Boulevard, Milwaukie, Oregon, and depicted in Attachment 1 to the Staff Report (the “Milwaukie TOD/Centers Property”), subject to specific preconditions, said purchase to be financed by the Seller for up to five years; and

WHEREAS, Metro Code Section 2.04.026(a)(1) requires that the Chief Operating Officer obtain Metro Council authorization prior to entry into contracts committing Metro to the expenditure of appropriations in future fiscal year budgets; and

WHEREAS, the TOD Work Plan does not specifically authorize the Chief Operating Officer to enter into multi-year financing arrangements with Sellers of Opportunity Sites via the TOD Steering Committee approval/Seven-Day Notice procedure; and

WHEREAS, it is therefore necessary that the Chief Operating Officer obtain the approval of the Metro Council prior to entering into an agreement to purchase the Milwaukie TOD/Centers Property and secure financing from Seller for said acquisition for a multi-year term; now, therefore

BE IT RESOLVED, that the Metro Council authorizes the Chief Operating Officer to purchase the Milwaukie TOD/Centers Property subject to the TOD Steering Committee preconditions, and to secure financing for said acquisition from Seller for a term of no more than 5 years, subject to the provisions set forth in Attachment 2 to the Staff Report, setting forth the essential terms of the transaction between Metro and the Seller, and subject to other legal terms acceptable to the Metro Attorney.

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

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David Bragdon, Council President

Approved as to Form:

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Daniel B. Cooper, Metro Attorney

## STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 05-3555, FOR THE PURPOSE  
OF AUTHORIZING THE CHIEF OPERATING OFFICER TO PURCHASE  
PROPERTY IN THE MILWAUKIE TOWN CENTER FOR A TRANSIT  
ORIENTED/CENTERS DEVELOPMENT PROJECT

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Date: March 15, 2005

Prepared by: Andy Cotugno  
Phil Whitmore

### BACKGROUND

#### *Transit Oriented Development and Centers Implementation Program*

In July 2004, the Metro Council approved Resolution No. 04-3479 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program to Expand the TOD Program Area and Initiate an Urban Centers Program) expanding the TOD Program to include frequent bus stops and to initiate an Urban Centers Program. The TOD Implementation Program is a joint development program focusing on site-specific project implementation. Joint Development refers to a collection of public and private sector partnership techniques, strategies, and development "tools" that can be used to link development to transit stations to increase the efficiency of a mass transit system. The increase can take the form of new ridership (caused by the construction of TODs), new revenue to a transit agency, or a combination of both. The TOD Program seeks to increase transit ridership and lessen the risk and costs associated with the construction of TOD projects. Projects considered for the TOD Program will exhibit a mix of moderate- to high-intensity land uses, a physical or functional connection to the transit system, and design features that reinforce pedestrian relationships and scale. TOD Program utilizes joint development tools such as land acquisition and Development Agreements to implement projects located in close proximity to rail transit stations and "Frequent Bus" stops throughout the region.

The 2040 Growth Concept looks to the Central City, Regional and Town Centers, Station Communities and Main Streets as the centers of urban life in the region and depends for its success upon the maintenance and enhancements of the Urban Centers. Metro Council Resolution No. 03-3381A (For the Purpose of Approving the 2004-2007 Metropolitan Transportation Improvement Program) allocated \$1,000,000 to create a site specific, project based implementation program to operate in designated Urban Centers (Regional and Town Centers), even if they are not currently served by rail or Frequent Bus transit. Criteria for selecting potential Urban Centers implementation projects are as follows: 1) provision for mixed-use and higher density development; 2) project creates a sense of place in the Center; 3) site control by public entity or willing and capable private developer; 4) project participation by other public partners; 5) potential reduction in regional Vehicle Miles Traveled ("VMT") or of home to work trip length; and 6) increase in walk, bike and transit trips (the "Centers Implementation Selection Criteria"). To fund a Centers project, Metro staff evaluates the proposed project using the Centers Implementation Selection Criteria and forwards a recommendation to the TOD Steering Committee. As soon as practical upon approval by the TOD Steering Committee, the Chief Operating Officer provides written notification to the Metro Council of the proposed project and the Council then has seven (7) days to notify the COO of a request to review the proposed funding in executive session. Following this authorization process, the COO may execute a Development Agreement with the principle developer of the project.

*Milwaukie Main Street Mixed Use Project – Site Acquisition*

This resolution permits the Metro Centers Implementation Program to purchase a half-block of real property currently occupied by a Texaco Station at 10700 SE McLoughlin Boulevard, Milwaukie, located between Harrison and Jackson at the entrance to downtown, as an Urban Centers Opportunity Site (the “Milwaukie TOD/Centers Property”). This parcel is a strategically important location for the following reasons: 1) it becomes the “retail window” for the entire downtown Milwaukie from McLoughlin Boulevard, to announce to the world that City of Milwaukie’s downtown is a “happening place”; 2) when combined with adjacent half block owned by the City of Milwaukie, the newly formed block will link to the existing downtown N. Main MXD being developed by Kemper Co.; and 3) the upper stories of the project will have Willamette River views and will help establish a different market appeal for Milwaukie.

The concept will be for a 4-5-story housing above retail with 80-100 units of housing and 9,000 sq ft of retail. According to the Seller, a trolley barn was located on the site at the turn of the century.

Metro staff has had discussions with City of Milwaukie officials and they are fully supportive of a possible joint offering of the Milwaukie TOD/Centers Property and the adjacent city-owned property. A short Letter of Intent will be executed to affirm the city’s intent to move forward with an RFP after the this Milwaukie TOD/Centers Property is purchased.

The TOD Steering Committee approved Metro TOD Centers Implementation Program acquisition of this property subject to an independent appraisal, with carry-back financing by the Seller over a term of five years, contingent on receipt of a letter of intent confirming the City of Milwaukie’s participation in a joint offering using the adjacent half-block owned by the City. There are adequate funds in the TOD/Centers budget for the acquisition. However, since the repayment of the purchase price will extend over several years, it is necessary for the Metro Council to approve the transaction.

**ANALYSIS/INFORMATION**

**1. Known Opposition**

The TOD Steering Committee unanimously approved this acquisition at their March 2, 2005 meeting. There is no known opposition to this site acquisition although there are groups and individuals who oppose TOD projects and public private partnerships.

**2. Legal Antecedents**

The Federal Transit Administration (FTA) approved a grant for Metro to start the TOD Program in 1997. Authority to use FTA funds for joint development are included in the Intermodal Surface Transportation Act of 1991 (ISTEA) and codified under 49 USC 5309, 49 USC 5307, 23 USC 133 (STP) and 23 USC 149 (CMAQ). According to these laws, TOD Program activities are defined as transportation projects provided there is (1) a physical or functional relationship to the transit project; and (2) an enhanced effectiveness of the existing transit system.

The TOD program was originally transferred from TriMet to Metro by Intergovernmental Agreement (IGA) executed by Resolution No. 96-2279 (For the Purpose of Authorizing an Intergovernmental Agreement With Tri-Met to Assist in Establishing a Transit-Oriented Development and Implementation Program) on May 16, 1996. The Metro Council authorized start-up activities on April 9, 1998, by Resolution No. 98-2619 (For the Purpose of Authorizing Start-Up Activities For the Transit-Oriented Development (TOD) Implementation Program). The Work Plan was amended to include provisions for

initiation of an Urban Centers Program on July 15, 2004 by Resolution No. 04-3479 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program to Expand the TOD Program Area and Initiate an Urban Centers Program).

Metro Code Section 2.04.026(a)(1) requires that the Chief Operating Officer obtain Metro Council authorization prior to entry into contracts committing Metro to the expenditure of appropriations in future fiscal year budgets.

### **3. Anticipated Effects**

As an Urban Centers Project, this proposal would respond to the Centers Implementation Selection Criteria as follows: 1) The project will be mixed-use higher density development with an floor area ratio ("FAR") exceeding 1:1; 2) project will create a sense of place especially if the trolley barn theme is used in photos and décor; 3) site control by Metro and Milwaukie; 4) other public partners including Milwaukie for 1/2 block, possible tax abatement and possibly Oregon Housing & Community Services at a later date; 5) reduction in VMT work trip length by locating housing in an urban center, and 6) increase in walk, bike and transit trips.

### **4. Budget Impacts**

There are no budget impacts to the Metro General Fund as a result of the acquisition since federal transportation funds, which are part of the IGA with TriMet are used for the TOD Urban Centers Program.

### **RECOMMENDED ACTION**

It is recommended that the Metro Council approve Resolution No. 05-3555 to allow for the acquisition of the Milwaukie TOD/Centers Property at 10700 SE McLoughlin Boulevard, subject to: 1) the TOD Steering Committee preconditions, including an independent appraisal, carry-back financing by the Seller over a term of five years, and receipt of a letter of intent confirming the City of Milwaukie's participation in a joint offering using the adjacent half-block owned by the City; 2) the provisions of Attachment 2, setting forth the essential terms of the transaction between Metro and the Seller; and 3) other legal terms acceptable to the Metro Attorney.

**Resolution No. 05-3555  
Attachment 1-1 of 2**

**10700 SE McLoughlin Boulevard, Milwaukie, Oregon  
Milwaukie TOD/Centers Property**

**Legal Description**

**Lots 5, 6, 7 and 8, Block 14, MILWAUKIE, in the County of Clackamas, and State of Oregon. The Easterly boundary of said lots to be a line more particularly described:**

**Beginning at a brass screw set in the South sidewalk of Harrison Street in the Town of Milwaukie, at a point which is South 80° West 5 feet and North 9° 20' West 4 feet from the Northeast corner of said Lot 5, Block 14, MILWAUKIE, thence South 9° 20' East, along the center line of the vacated alley in said Block 14, as vacated by Milwaukie City Ordinance 35 recorded in Book 516, Page 124 Deed Records, a distance of 204 feet to an iron pipe set in the South line of said Block 14, said iron pipe being the point of terminous of said boundary as shown by Survey 2615 in the office of the Clackamas County Surveyor.**

**Resolution No. 05-3555  
Attachment 1-2 of 2**

**10700 SE McLoughlin Boulevard, Milwaukie, Oregon  
Milwaukie TOD/Centers Property**

*See Attached Map*





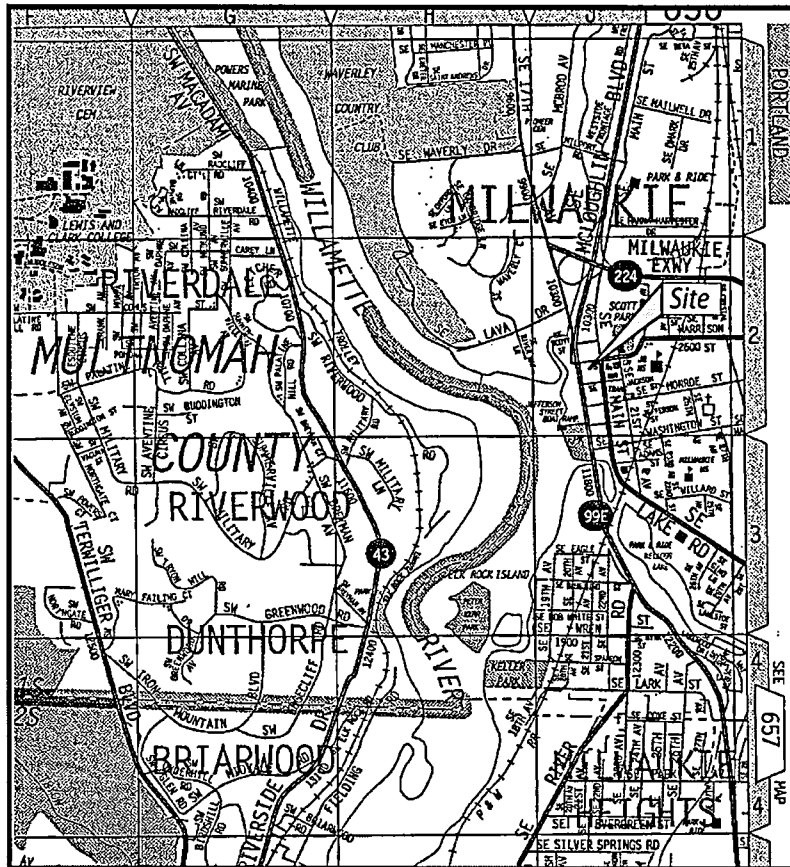
**Resolution No. 05-3555  
Attachment 2**

- **Purchase Price: \$775,000**
- **Down Payment: \$175,000 at closing**
- **Promissory Note in the amount of \$600,000, 6.5% interest, five-year term, annual payments**
- **Secured by a Trust Deed in favor of Seller**
- **Purchase contingent upon the Purchase Price being verified by an independent fair market value appraisal, reviewed and approved by an MAI appraiser**
- **Phase I Environmental Assessment to be performed on the Property results to be satisfactory to Chief Operating Officer, the Metro Attorney and Risk Management**
- **Seller LLC members to provide Metro with full indemnity against all future environmental liability arising out of or relating to the prior use or occupancy of the Property**
- **Metro standard form Seller representations and warranties**
- **Metro to receive fee title by Statutory Warranty Deed subject to no liens or encumbrances except Metro's note and trust deed**
- **Metro to receive partially extended Owner's Title Insurance Coverage, subject to no liens or encumbrances except Metro's note and trust deed**
- **Seller to demolish and remove all structures and cap and close all utilities serving the property, with the exception of the underground storage tanks, which Seller shall empty but leave undisturbed. The property will be left in a safe condition with no hazardous protrusions and all holes will be filled to grade.**
- **Closing Costs to be shared equally between Seller and Metro, Seller to pay for title insurance coverage and a pro rata share of taxes and assessments applicable to the property**

# Main Street Phase II-Opportunity Site

## Harrison Street & Main Street Mixed-Use Project, Milwaukie, OR

Vicinity Map



BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE )	RESOLUTION NO. 05-3560
APPOINTMENTS OF WAYNE KINGSLEY, )	Introduced by Council
CHARLIE DIGREGORIO, AND DAVID )	President David Bragdon
WHITEHEAD, AS MEMBERS OF THE )	
BALLOT MEASURE 37 TASK FORCE )	

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

WHEREAS, Resolution No. 04-3520 approved on December 16, 2004 (For the Purpose of Directing the Chief Operating Officer to Formulate Regional Policy Options Relating to Ballot Measure 37). The resolution directed the Chief Operating Officer to convene a Ballot Measure 37 Work Group composed of representatives of local governments in the region and other organizations that will be affected by claims or which can contribute expertise to advise the Metro Council on potential consequences of claims submitted under Ballot Measure 37, coordination among public entities in the region, policy options to maintain the region's commitment to the 2040 Growth Concept and a coordinated claims and waiver process; and

WHEREAS, the Metro Council approved Resolution No. 05-3537 on January 20, 2005 (For the Purpose of Confirming the Appointment of Councilors Carl Hosticka and Robert Liberty as Liaison Councilors to the Ballot Measure 37 Work Group); and

WHEREAS, the Metro Council approved Resolution No. 05-3554A on March 3, 2005 (For the Purpose of Confirming Members the Ballot Measure 37 Work Group); and

WHEREAS, Metro Council President David Bragdon has made three additional appointments to the Ballot Measure 37 Work Group subject to Council confirmation; now, therefore,

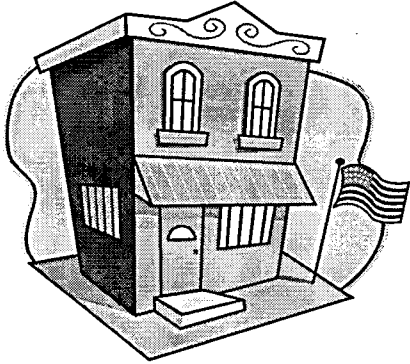
BE IT RESOLVED that the appointments of Wayne Kingsley, Davis Whitehead and Charlie DiGregorio to the Ballot Measure 37 Work Group are confirmed by the Metro Council.

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

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

Approved as to Form:

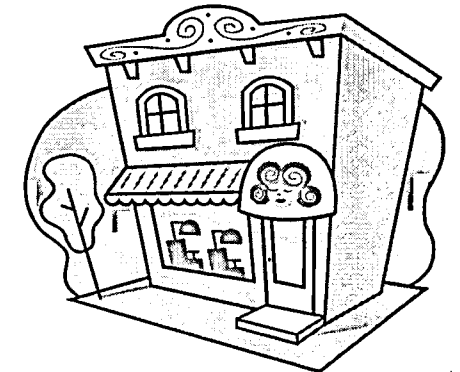
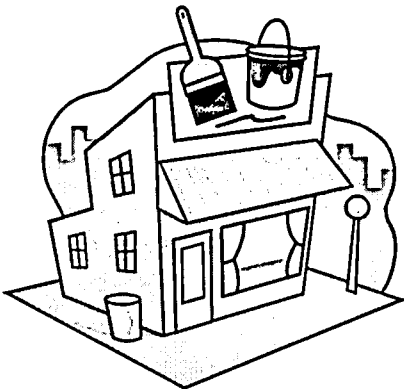
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Daniel B. Cooper, Metro Attorney



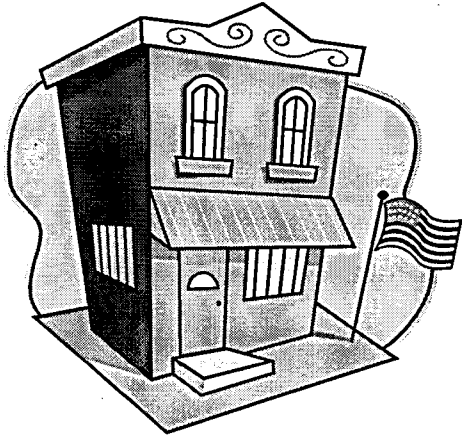
# *Community Enhancement Grant Processes Need Improvement*

**Alexis Dow, CPA  
Metro Auditor**

**Senior Auditor  
Douglas U'Ren, CIA**

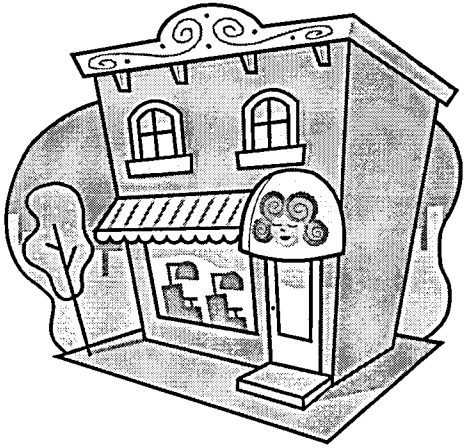


03/705C-02



## ***Community Enhancement Grants***

- Compensate communities for having Metro waste disposal facilities located nearby

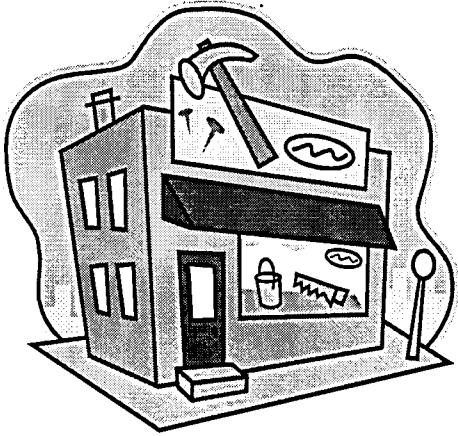


## ***Metro oversees four grant programs:***

- Three benefit neighborhoods in North/Northwest Portland, Forest Grove and Oregon City
- The fourth funds community improvement projects in North Portland

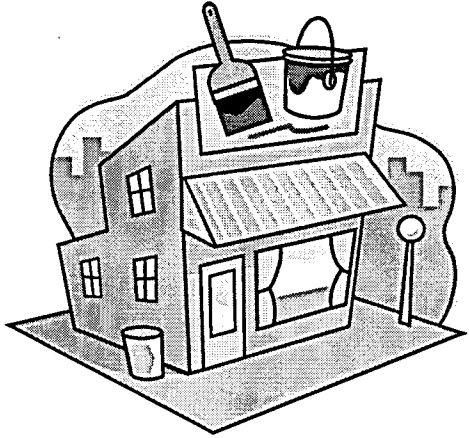


- Neighborhood-based committees solicit ideas and choose projects
- Metro staff develops and manages grants awarded by the Metro Central and North Portland enhancement committees
- Oregon City and Forest Grove administer grants awarded in those cities



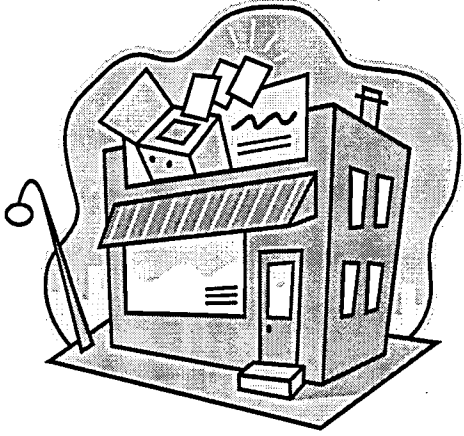
- Grants funded by \$.50/ton surcharge on garbage
- Metro awards about \$400,000 each year
- \$4.5 million awarded since 1985





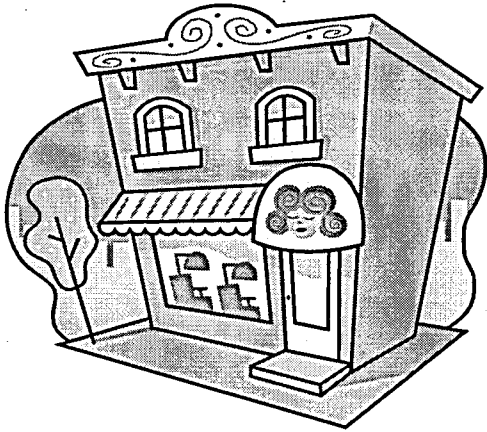
## ***PURPOSE OF AUDIT***

- Determine if Metro has adequate processes in place to manage enhancement grant contracts



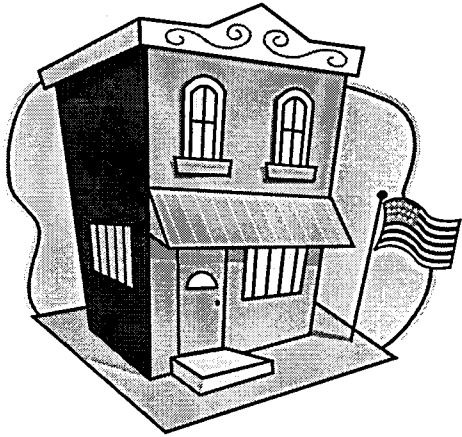
## ***AUDIT FINDINGS***

- Grant programs provide funds for many projects in neighborhoods they serve, and are popular
- Staff are dedicated and capable and actively seek opportunities to improve grant processes
- Metro has not adequately defined how staff should initiate and manage grants



## ***EXAMPLES OF PROBLEMS***

- Grant funds paid for management and administrative costs, not storefront improvements
- Metro did not always obtain proof of insurance or verify contracts were signed by authorized persons
- Metro lacks a defined system for measuring grant performance



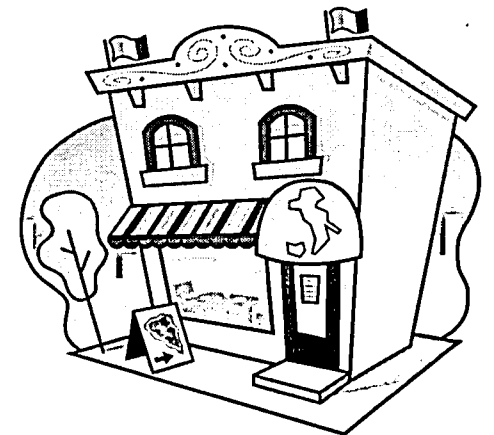
## ***OUR RECOMMENDATIONS***

- Expand grant management procedures
- Develop a better system for identifying grant goals, measuring performance and communicating results
- Establish a connection between goals of enhancement grant programs and Metro's goals

# *Community Enhancement Grant Processes Need Improvement*

## Questions?

- Reports can be viewed at:  
[www.metro-region.org/auditor](http://www.metro-region.org/auditor)



# TOD Project Seven-Day Notice

*Per the TOD Program Work Plan adopted by Council Resolution 98-2619, "as soon as practical upon approval by the Steering Committee, the Executive Officer will provide written notification to the Metro Council of potential TOD projects and the Council will have seven (7) days to notify the Executive of a request to review a potential project in executive session..."*

**Project Name:** TOD Work Plan Amendments for Frequent Bus Routes

**Project Background:** The Metro Council approved expansion of the TOD Program to include frequent bus routes effective July 2004. The first project, 11<sup>th</sup> and Burnside mixed-use (retail office and restaurant) raised some concerns from the Metro Council that because of the extensive frequent bus network TOD dollars spent on projects on frequent bus routes could be spread too thin and not have the desired impact. The Metro Council indicated that notwithstanding the above, they fully approved of the 11<sup>th</sup> and Burnside MXD project. Staff was asked to return to the Council at a later date and further refine the criteria for future frequent bus projects. The Seven-Day Notice procedure is intended for project approvals, but is being used in this instance as information to the Metro Council. These amendments will be formally scheduled for Council discussion and action in the near future.

**Project Description:** The existing TOD Program Work Plan includes criteria for sites being offered to developers, criteria for TOD Projects for the site improvements category and criteria for Centers. The TOD criteria include 1) create or strengthen a physical or functional connection to the transit station; 2) cause construction of higher density housing, mixed use projects and destination uses; 3) develop building types with the lowest reasonable parking ratios and highest reasonable floor areas ratios; 4) increase modal share of transit within station areas while decreasing reliance on personal automobiles; and 5) focus and leverage other expenditures within a station area to support Metro's 2040 Growth Concept, and 6) project location relative to Regional and Town Centers. In response to the Metro Council, the Work Plan was revised by the TOD Steering Committee at the meeting of March 2, 2005 to include criteria for Frequent Bus Routes as follows:

### Mandatory Criteria for Frequent Bus Routes

1. Project is in an area that will help spur additional development and help create a node around the transit stop;
2. The project represents an attempt to build the base of developers that can be used in other centers;
3. There are not adequate local government funds available to close the financing gap;
4. The project will be within 800ft from a high frequency bus line; and
5. Demonstrates market concept applicable to high frequency bus line or the project will test the market for new product types for high frequency bus routes.

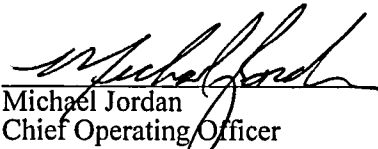
### Additional Project Criteria for Frequent Bus

- The project uses new building materials or building systems that result in lower construction costs and/or tests new markets for a building type;
- The project will provide market rate and affordable housing, including rental or for sale, in a project that would otherwise be a single use building such as retail or office;
- The project will spur job creation;
- The project uses a high level of sustainable practices including building materials and energy conservation;
- The project is located in or near a center;
- The project has a favorable ratio of TOD dollars to total development costs;
- There are not similar projects in the area done without public funding; and
- Improve the quality of the environment for the transit patron.

**Project Location:** All eligible projects in the TOD program including those along light rail, streetcar, commuter rail and frequent bus.

**Project Budget:** There are no budget impacts.

**Potential Issues:** Projects on Frequent Bus routes have promise to add to transit ridership, but care must be taken to be certain the TOD Program effort is not diluted. This should be monitored.

  
 Michael Jordan  
 Chief Operating Officer

3/16/05  
 Date

0317052-04

T O D I M P L E M E N T A T I O N P R O G R A M

# TOD Project Seven-Day Notice

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**Project Name:** Milwaukie Main Mixed Use Phase 2


**Project Background:** The Metro Centers Implementation Program has an opportunity to acquire the Olson Bros Texaco Station at 10700 SE McLaughlin Blvd, located between Harrison and Jackson at the entrance to downtown as an "opportunity site." This 1/2 block site will then be jointly offered with an adjacent 1/2 block City Hall parking lot. The entire parcel will link the existing downtown, which is south of this parcel, to the N. Main MXD TOD (the old Safeway site). The Olson Brothers parcel is a strategically important location for the following reasons: 1) it becomes the "retail window" for the entire downtown Milwaukie from McLaughlin Blvd. to announce to the world that Milwaukie's downtown is a "happening place"; 2) the newly formed block including City Hall land will link the existing downtown N. Main MXD being developed by Kemper Co. with Metro Urban Centers funds; and 3) the upper stories of the project will have Willamette River views and will help establish a different market appeal for Milwaukie.

**Project Description:** The parcel is approximately 21,000 sq ft with an asking price of \$750,000. For our own ease of operation we have asked the sale to include the demolition costs of the gas station into the purchase price, since the appraisal indicates a higher value. The seller would then demolish the structure, but not remove the tanks. The tanks will be retained for now to see if a developer will use them for a rainwater harvesting system. The concept will be for a 4-5-story housing above retail with 80-100 units of housing and 9,000 sq ft of retail.

**Project Location:** The opportunity site is the Olson Bros Texaco Station at 10700 SE McLaughlin Blvd, located between Harrison and Jackson at the entrance to downtown. This 1/2 block site will then be jointly offered with an adjacent 1/2 block City Hall parking lot and the entire parcel will link the existing downtown, which is south of this parcel to the N. Main MXD TOD (the old Safeway site).

**Project Budget:** The TOD Steering Committee approved acquisition of this property for \$750,000 with \$150,000 down and the balance carried at 6.5% interest paid annually with a term of 5 years, subject to an independent appraisal. To accommodate the demolition of the service station the price can be increased up to \$800,000 based on actual costs. There are adequate funds in the TOD/Centers budget for the acquisition. *However, since the payments will extend for several years it is necessary for the Metro Council to approve the transaction.*

**Potential Issues:** Because the site is valuable as a "clean" operating service station, the land value is considerably more than the Safeway site and the land write down is likely to be more than for the TOD/Centers Project on the Safeway site. Metro staff has had discussions with Milwaukie officials and they are fully supportive of a possible joint offering of this property and the adjacent city-owned property. A short Letter of Intent will be executed to affirm the city's intent to move forward with a joint RFP for the two sites.

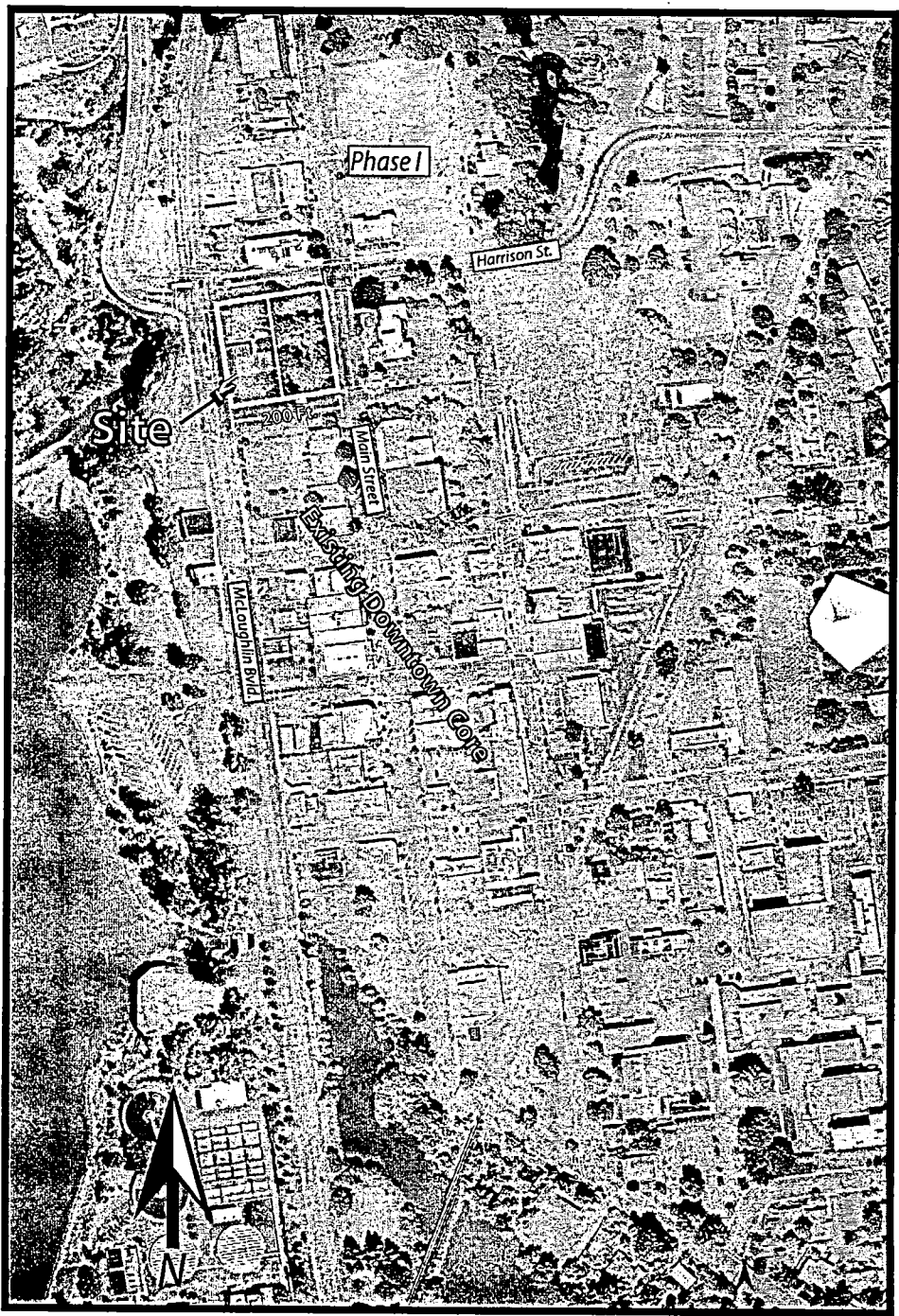
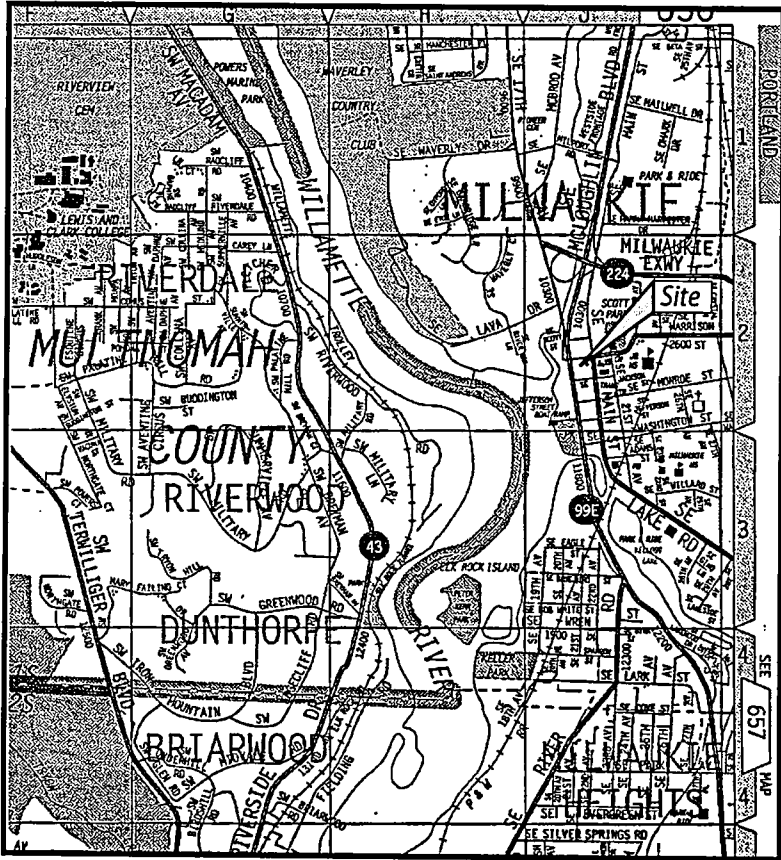
  
\_\_\_\_\_  
Michael Jordan  
Chief Operating Officer

3/2/05  
\_\_\_\_\_  
Date

# Main Street Phase II Opportunity Site

Harrison St. and Main St. Mixed-use  
Project, Milwaukie, OR

Vicinity Map





031705C-05

T O D I M P L E M E N T A T I O N P R O G R A M

# TOD Project Seven-Day Notice

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**Project Name:** North Flint Avenue Project

**Project Background:** Although small, this project is an effort to capture opportunities where housing may be placed above other uses. Even in Portland, this opportunity is often lost. The developer for the N Flint project is struggling with costs to add the housing to his project.

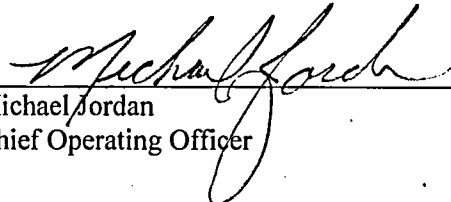
There is a growing recognition that the TOD Program can participate in small-scale projects when they meet TOD/Centers criteria. Because the TOD program is still agile without a cumbersome process and high overhead costs, we can undertake small projects of less than \$100,000 of TOD funds that most governments could not do. This ability should be utilized where possible, while still meeting the TOD/Centers criteria.

**Project Description:** The project is proposed by Jerry Norcrest of Three People Productions, the contract manager of Cycle Oregon. The project consists of 1,600 sq ft office (new Cycle Oregon Headquarters), 1,236 s.f. of warehouse space for Cycle Oregon, 1 housing unit built at grade and 4 lofts of rental housing built above. The lot is 5,000 s.f. with total development of 4,950 s.f. for nearly a 1 to 1 FAR. There is no parking proposed on the site.

**Project Location:** This site located at 2124 N. Flint Avenue is a frequent bus TOD located less than a block from a No. 4 bus stop at N. Vancouver Avenue and NE Tillamook Street (9-15 minute intervals).

**Project Budget:** A TOD easement will be acquired in the amount of \$30,000 for a project with total costs of \$821,726. The TOD funds will help offset cost premiums of \$80,000 as a result of vertical mixed use. These include firewall separation between the 1<sup>st</sup> and 2<sup>nd</sup> floors, 2 stairs and a smoke detection system in the stairwells. The \$30,000 of TOD funds is low because the developer is doing some of the work.

**Potential Issues:** The project will only add 9 transit trips per day, but it is very cost effective. Based on a \$30,000 investment, this results in a cost per induced transit rider of \$.85 (assuming a 30% modal share for transit). As compared to other TOD Projects to date of \$0.40 to \$2.90, the capitalized value of added fare box revenue is \$32,614 on transit trips and \$17,448 - for walk trips for a total of \$50,062. This number exceeds the requested TOD funds of \$30,000, which is very positive. The transit, biking and walking modal shares are projected high because of the close in location, the lack of parking and the philosophy of the developer to strongly advocate non-auto travel to the tenants.

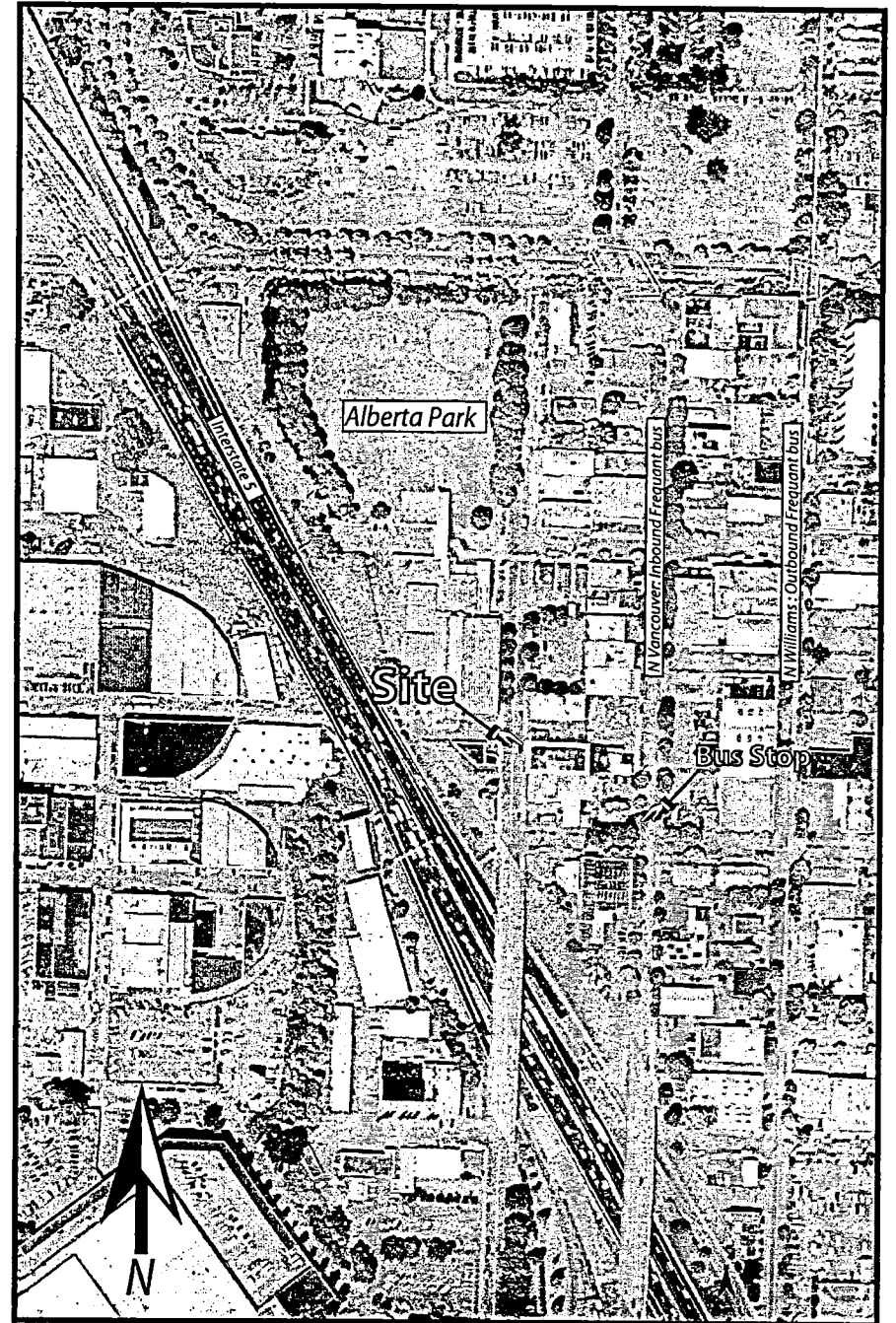
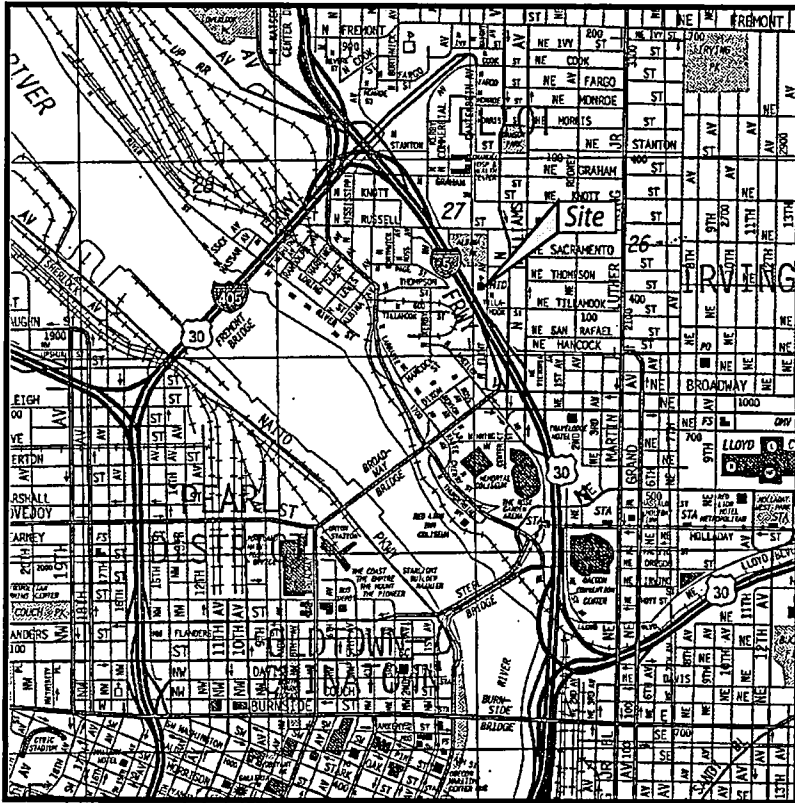
  
Michael Jordan  
Chief Operating Officer

3/8/05  
Date

# 2124 N. Flint Avenue

Mixed-use project location and vicinity map

Vicinity Map



**JPACT Options**  
**Transportation Priorities**  
**2006-2009**

Project code	Project name	JPACT Approved Base Package (millions of \$)	Potential Adds	Balanced Package	Contingent Additions
<b>Planning</b>					
PI0005	Regional Freight Planning: region wide	\$0.300			
PI0001	MPO Required Planning: region wide	\$1.731			
PI1003	Milwaukie LRT Supplemental EIS: Portland central city to Milwaukie town center	\$2.000			
PI5053	Multi-Use Master Plans: Lake Oswego to Milwaukie, Tonquin Trail, Mt. Scott -Scouter's Loop	\$0.300			
PI0002	Next Priority Corridor Study	\$0.500			
PI1017	Willamette Shoreline - Hwy 43 Transit alternatives analysis/PE: Portland South Waterfront to Lake Oswego	\$0.688	\$0.600		
<b>Bike/Trail</b>					
Bk1009	Springwater Trail-Sellwood Gap: SE 19th to SE Umatilla	\$1.629			
BK4011	Marine Dr. Bike Lanes & Trail Gaps: 6th Ave. to 185th	\$0.966	\$0.685		
Bk2055	Springwater Trailhead at Main City Park	\$0.310			
Bk2052	MAX Multi-use Path: Cleveland Station to Ruby Junction	\$0.890			
Bk5026	Trolley Trail: Arista to Glen Echo (Segments 5-6)	\$0.000			
Bk3012	Rock Creek Trail: Orchard Park to NW Wilkens	\$0.675			
Bk3072	Powerline Trail (north): Schuepback Park to Burntwood Dr. (ROW)		\$0.600		
<b>Pedestrian</b>					
Pd3163	Forest Grove Town Center Pedestrian Improvements	\$0.660			
Pd5054	Milwaukie Town Center: Main/Harrison/21st	\$0.450			
Pd1202	SW Capitol Highway (PE): Multnomah to Taylors Ferry	\$0.310			
<b>Regional Travel Options</b>					
n/a	Program management & administration	\$0.340			
n/a	Regional marketing program	\$2.960			
n/a	Regional evaluation	\$0.300			
n/a	1 TravelSmart project	\$0.500			
<b>Transit Oriented Development</b>					
TD8005	Regional TOD LRT Station Area Program	\$3.000			
TD0002	Regional TOD Urban Center Program	\$1.000			
TD0003	Site acquisition: Beaverton regional center	\$2.000			
TD0004	Gateway Transit Center Redevelopment		\$0.500		
<b>Transit</b>					
Tr1001	I-205 LRT, Commuter Rail, S Waterfront Streetcar	\$16.000			
Tr1002	I-205 Supplemental	\$2.600			
Tr8035	Frequent Bus Capital program	\$2.750			
Tr1106	Eastside Streetcar (Con)	\$1.000			
Tr5126	South Metro Amtrak Station: Phase II		\$0.900		
<b>Road Capacity</b>					
RC6014	SW Greenburg Road: Washington Square Dr. to Tiedeman	\$1.000			
RC1184	Beaverton-Hillsdale Hwy/Oleson/Scholls Ferry intersection (PE)		\$1.000		
RC7000	SE 172nd Ave: Phase I; Sunnyside to Hwy 212 (ROW + \$1.0m)	\$0.742	\$2.000		
RC2110	Wood Village Blvd: Arata to Halsey		\$0.450		
<b>Road Reconstruction</b>					
Fr3166	10th Avenue at Highway 8 intersections		\$0.837		
RR2035	Cleveland St: NE Stark to SE Powell		\$1.540		
<b>Boulevard</b>					
Bd3020	Rose Biggi extension: Crescent St. to Hall (PE)	\$0.580			
Bd1051	Burnside Street: Bridge to E 14th (PE)	\$1.650			
Bd1260	Killingsworth: N Commercial to NE MLK (PE)	\$0.400			
<b>Freight</b>					
Fr4063	N Lombard: Slough over crossing	\$2.000			
Fr3016	SW Tualatin-Sherwood Road ATMS: I-5 to Highway 99W	\$0.341			
Fr4087	N Leadbetter Extension: N Bybee Lake Ct. to Marine Dr.	\$0.800	\$1.000		
Fr6086	Kinsman Road extension: Barber to Boeckman	\$1.400			
Fr8008	Freight Data Collection Infrastructure and Archive System: Approximately 50 interchanges region wide	\$0.179			
<b>Large Bridge</b>					
RR1012	Sellwood Bridge Replacement: Type, Size & Location Study, Preliminary environmental	\$1.500	\$0.500		
<b>Green Streets</b>					
GS1224	NE Cully Boulevard: Prescott to Killingsworth	\$1.457			
GS2123	Beaver Creek Culverts: Troutdale, Cochran, Stark	\$1.000			
	<b>Total</b>	<b>\$56.908</b>	<b>\$10.612</b>		