



600 NE Grand Ave.
Portland, OR 97232-2736

Council meeting agenda

Thursday, June 15, 2017

2:00 PM

Metro Regional Center, Council chamber

AGENDA REVISED 06/14/17

1. Call to Order and Roll Call

2. Citizen Communication

3. Consent Agenda

- 3.1 Consideration of the Council Meeting Minutes for June 8, 2017

[17-4824](#)

4. Resolutions

- 4.1 Resolution No. 17-4802, For the Purpose of Authorizing the Chief Operating Officer to Amend a Non-System License to Forest Grove Transfer Station for Transport and Disposal of Putrescible Waste at the Coffin Butte Landfill Located in Benton County or the Columbia Ridge Landfill Located in Gilliam County

[RES 17-4802](#)

Presenter(s): Roy Brower, Metro

Attachments: [Resolution No. 17-4802](#)
[Exhibit A to Resolution No. 17-4802](#)
[Staff Report](#)

- 4.2 Resolution No. 17-4803, For the Purpose of Authorizing the Chief Operating Officer to Amend a Non-System License to Pride Recycling Company for Transport and Disposal of Putrescible Waste at the Coffin Butte Landfill Located in Benton County or the Columbia Ridge Landfill Located in Gilliam County

[RES 17-4803](#)

Presenter(s): Roy Brower, Metro

Attachments: [Resolution No. 17-4803](#)
[Exhibit A to Resolution No. 17-4803](#)
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- 4.3 Resolution No. 17-4804, For the Purpose of Authorizing the Chief Operating Officer to Amend a Non-System License to Willamette Resources, Inc. for Transport and Disposal of Putrescible Waste at the Coffin Butte Landfill Located in Benton County or the Columbia Ridge Landfill Located in Gilliam County [RES 17-4804](#)
- Presenter(s): Roy Brower, Metro
- Attachments: [Resolution No. 17-4804](#)
[Exhibit A to Resolution No. 17-4804](#)
[Staff Report](#)
- 4.4 Resolution No. 17-4805, For the Purpose of Authorizing the Chief Operating Officer to Amend a Non-System License to Hoodview Disposal and Recycling, Inc. for Transport of Putrescible Waste to Canby Transfer and Recycling Inc. for the Purpose of Transfer and Disposal at the Coffin Butte Landfill Located in Benton County or the Columbia Ridge Landfill Located in Gilliam County [RES 17-4805](#)
- Presenter(s): Roy Brower, Metro
- Attachments: [Resolution No. 17-4805](#)
[Exhibit A to Resolution No. 17-4805](#)
[Staff Report](#)
- 4.5 Resolution No. 17-4806, For the Purpose of Authorizing the Chief Operating Officer to Amend a Non-System License to West Linn Refuse and Recycling for Transport of Putrescible Waste to Canby Transfer and Recycling Inc. for the Purpose of Transfer and Disposal at the Coffin Butte Landfill Located in Benton County or the Columbia Ridge Landfill Located in Gilliam County [RES 17-4806](#)
- Presenter(s): Roy Brower, Metro
- Attachments: [Resolution No. 17-4806](#)
[Exhibit A to Resolution No. 17-4806](#)
[Staff Report](#)
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- 4.6 Resolution No. 17-4814, For the Purpose of Adopting Contracting and Procurement Administrative Rules [RES 17-4814](#)

Presenter(s): Cary Stacey, Metro

Attachments: [Resolution No. 17-4814](#)
[Exhibit A to Resolution No. 17-4814](#)
[Exhibit B to Resolution No. 17-4814](#)
[Staff Report](#)

- 4.6.1 Public Hearing for Resolution No. 17-4814

- 4.7 Resolution No. 17-4769A, For the Purpose of Adopting the Annual Budget for Fiscal Year 2017-18, Making Appropriations and Levying Ad Valorem Taxes [RES 17-4769](#)

Attachments: [Resolution No. 17-4769A](#)
[Staff Report](#)
[Transmittal Memo FY 2017-18 Amendments](#)
[Councilor and Substantive Amendments FY 2017-18](#)

- 4.7.1 Public Hearing for Resolution No. 17-4769A

5. Ordinances (First Reading and Public Hearing)

- 5.1 Ordinance No. 17-1399, For the Purpose of Amending Metro Code Chapter 2.19 and Establishing the Natural Areas and Capital Program Performance Oversight Committee [ORD 17-1399](#)

Presenter(s): Heather Nelson Kent, Metro

Attachments: [Ordinance No. 17-1399](#)
[Exhibit A to Ordinance No. 17-1399](#)
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- 5.1.1 Public Hearing for Ordinance No. 17-1399

6. Ordinances (Second Reading)

- 6.1 Ordinance No. 17-1403, For the Purpose of Annexing to the Metro District Boundary Approximately 5.08 Acres Located at 3780 SW 234th Ave in Hillsboro [ORD 17-1403](#)

Presenter(s): Tim O'Brien, Metro

- Attachments: [Ordinance No. 17-1403](#)
[Exhibit A to Ordinance No. 17-1403](#)
[Staff Report](#)
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- 6.2 Ordinance No. 17-1405, For the Purpose of Responding to the Remand from the Oregon Court of Appeals and the Land Conservation and Development Commission Regarding the Designation of Urban and Rural Reserves in Clackamas County and Multnomah County [ORD 17-1405](#)

Presenter(s): Roger Alfred, Metro

- Attachments: [Ordinance No. 17-1405](#)
[Exhibit A to Ordinance No. 17-1405](#)
[Exhibit B to Ordinance No. 17-1405](#)
[Staff Report](#)
[Stafford IGA](#)

7. Chief Operating Officer Communication

8. Councilor Communication

9. Adjourn

EXECUTIVE SESSION ORS 192.660(2)(E), TO CONDUCT DELIBERATIONS WITH PERSONS DESIGNATED BY THE GOVERNING BODY TO NEGOTIATE REAL PROPERTY TRANSACTIONS

Metro respects civil rights

Metro fully complies with Title VI of the Civil Rights Act of 1964 and related statutes that ban discrimination. If any person believes they have been discriminated against regarding the receipt of benefits or services because of race, color, national origin, sex, age or disability, they have the right to file a complaint with Metro. For information on Metro’s civil rights program, or to obtain a discrimination complaint form, visit www.oregonmetro.gov/civilrights or call 503-797-1536. Metro provides services or accommodations upon request to persons with disabilities and people who need an interpreter at public meetings. If you need a sign language interpreter, communication aid or language assistance, call 503-797-1700 or TDD/TTY 503-797-1804 (8 a.m. to 5 p.m. weekdays) 5 business days before the meeting. All Metro meetings are wheelchair accessible. For up-to-date public transportation information, visit TriMet’s website at www.trimet.org.

Thông báo về sự Metro không kỳ thị của

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Повідомлення Metro про заборону дискримінації

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Ogeysiiska takooris la'aanta ee Metro

Metro waxay ixtiraamtaa xuquuqda madaniga. Si aad u heshid macluumaad ku saabsan barnaamijka xuquuqda madaniga ee Metro, ama aad u heshid warqadda ka cabashada takoorista, booqo www.oregonmetro.gov/civilrights. Haddii aad u baahan tahay turjubaan si aad uga qaybqaadatid kullanka dadweynaha, wac 503-797-1700 (8 gallinka hore illaa 5 gallinka dambe maalmaha shaqada) shan maalmo shaqo ka hor kullanka si loo tixgaliyo codsashadaada.

Metro의 차별 금지 관련 통지서

Metro의 시민권 프로그램에 대한 정보 또는 차별 항의서 양식을 얻으려면, 또는 차별에 대한 불만을 신고 할 수 www.oregonmetro.gov/civilrights. 당신의 언어 지원이 필요한 경우, 회의에 앞서 5 영업일 (오후 5시 주중에 오전 8시) 503-797-1700를 호출합니다.

Metro의差別禁止通知

Metroでは公民権を尊重しています。Metroの公民権プログラムに関する情報について、または差別苦情フォームを入手するには、www.oregonmetro.gov/civilrights。までお電話ください。公開会議で言語通訳を必要とされる方は、Metroがご要請に対応できるよう、公開会議の5営業日前までに503-797-1700（平日午前8時～午後5時）までお電話ください。

សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានកម្មប្រណឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រសិនបើ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក។

إشعار بعدم التمييز من Metro

تحتزم Metro الحقوق المدنية. للمزيد من المعلومات حول برنامج Metro للحقوق المدنية أو لإيداع شكوى ضد التمييز، يُرجى زيارة الموقع الإلكتروني www.oregonmetro.gov/civilrights. إن كنت بحاجة إلى مساعدة في اللغة، يجب عليك الاتصال مقدماً برقم الهاتف 503-797-1700 (من الساعة 8 صباحاً حتى الساعة 5 مساءً، أيام الاثنين إلى الجمعة) قبل خمسة (5) أيام عمل من موعد الاجتماع.

Paunawa ng Metro sa kawalan ng diskriminasyon

Iginagalang ng Metro ang mga karapatang sibil. Para sa impormasyon tungkol sa programa ng Metro sa mga karapatang sibil, o upang makakuha ng porma ng reklamo sa diskriminasyon, bisitahin ang www.oregonmetro.gov/civilrights. Kung kailangan ninyo ng interpreter ng wika sa isang pampublikong pulong, tumawag sa 503-797-1700 (8 a.m. hanggang 5 p.m. Lunes hanggang Biyernes) lima araw ng trabaho bago ang pulong upang mapagbigyan ang inyong kahilingan.

Notificación de no discriminación de Metro

Metro respeta los derechos civiles. Para obtener información sobre el programa de derechos civiles de Metro o para obtener un formulario de reclamo por discriminación, ingrese a www.oregonmetro.gov/civilrights. Si necesita asistencia con el idioma, llame al 503-797-1700 (de 8:00 a. m. a 5:00 p. m. los días de semana) 5 días laborales antes de la asamblea.

Уведомление о недопущении дискриминации от Metro

Metro уважает гражданские права. Узнать о программе Metro по соблюдению гражданских прав и получить форму жалобы о дискриминации можно на веб-сайте www.oregonmetro.gov/civilrights. Если вам нужен переводчик на общественном собрании, оставьте свой запрос, позвонив по номеру 503-797-1700 в рабочие дни с 8:00 до 17:00 и за пять рабочих дней до даты собрания.

Avizul Metro privind nediscriminarea

Metro respectă drepturile civile. Pentru informații cu privire la programul Metro pentru drepturi civile sau pentru a obține un formular de reclamație împotriva discriminării, vizitați www.oregonmetro.gov/civilrights. Dacă aveți nevoie de un interpret de limbă la o ședință publică, sunați la 503-797-1700 (între orele 8 și 5, în timpul zilelor lucrătoare) cu cinci zile lucrătoare înainte de ședință, pentru a putea să vă răspunde în mod favorabil la cerere.

Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib www.oregonmetro.gov/civilrights. Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntov txog 5 teev tsaus ntuj weekdays) 5 hnuv ua hauj lwm ua ntej ntawm lub rooj sib tham.

Television schedule for Metro Council meetings

<p>Clackamas, Multnomah and Washington counties, and Vancouver, WA Channel 30 – Community Access Network <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 Call or visit web site for program times.</p>	<p>Portland Channel 30 – Portland Community Media <i>Web site:</i> www.pcmtv.org <i>Ph:</i> 503-288-1515 Call or visit web site for program times.</p>
<p>Gresham Channel 30 - MCTV <i>Web site:</i> www.metroeast.org <i>Ph:</i> 503-491-7636 Call or visit web site for program times.</p>	<p>Washington County and West Linn Channel 30– TVC TV <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 Call or visit web site for program times.</p>
<p>Oregon City and Gladstone Channel 28 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site 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. Agenda items may not be considered in the exact order. For questions about the agenda, call the Metro Council Office at 503-797-1540. Public hearings are held on all ordinances second read. Documents for the record must be submitted to the Regional Engagement and Legislative Coordinator to be included in the meeting record. Documents can be submitted by e-mail, fax or mail or in person to the Regional Engagement and Legislative Coordinator. For additional information about testifying before the Metro Council please go to the Metro web site www.oregonmetro.gov and click on public comment opportunities.



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Presenter(s): Roy Brower, Metro

Attachments: [Resolution No. 17-4802](#)
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- 4.8 Resolution No. 17-4810, For the Purpose of Amending the Development and Finance Agreement for the Convention Center Hotel Project [RES 17-4810](#)

Presenter(s): Scott Cruickshank, Metro

** Materials will be provided the week of the meeting*

5. Ordinances (First Reading and Public Hearing)

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Metro의 시민권 프로그램에 대한 정보 또는 차별 항의서 양식을 얻으려면, 또는 차별에 대한 불만을 신고 할 수 www.oregonmetro.gov/civilrights. 당신의 언어 지원이 필요한 경우, 회의에 앞서 5 영업일 (오후 5시 주중에 오전 8시) 503-797-1700를 호출합니다.

Metro의差別禁止通知

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សេចក្តីជូនដំណឹងអំពីការមិនរើសអើងរបស់ Metro

ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានកម្រិតបណ្តឹងរើសអើងសូមចូលទស្សនាគេហទំព័រ www.oregonmetro.gov/civilrights។ បើលោកអ្នកត្រូវការអ្នកបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទមកលេខ 503-797-1700 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រសិនបើ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

إشعار بعدم التمييز من Metro

تحتزم Metro الحقوق المدنية. للمزيد من المعلومات حول برنامج Metro للحقوق المدنية أو لإيداع شكوى ضد التمييز، يُرجى زيارة الموقع الإلكتروني www.oregonmetro.gov/civilrights. إن كنت بحاجة إلى مساعدة في اللغة، يجب عليك الاتصال مقدماً برقم الهاتف 503-797-1700 (من الساعة 8 صباحاً حتى الساعة 5 مساءً، أيام الاثنين إلى الجمعة) قبل خمسة (5) أيام عمل من موعد الاجتماع.

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Iginagalang ng Metro ang mga karapatang sibil. Para sa impormasyon tungkol sa programa ng Metro sa mga karapatang sibil, o upang makakuha ng porma ng reklamo sa diskriminasyon, bisitahin ang www.oregonmetro.gov/civilrights. Kung kailangan ninyo ng interpreter ng wika sa isang pampublikong pulong, tumawag sa 503-797-1700 (8 a.m. hanggang 5 p.m. Lunes hanggang Biyernes) lima araw ng trabaho bago ang pulong upang mapagbigyan ang inyong kahilingan.

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Metro txoj kev ntxub ntxaug daim ntawv ceeb toom

Metro tributes cai. Rau cov lus qhia txog Metro txoj cai kev pab, los yog kom sau ib daim ntawv tsis txaus siab, mus saib www.oregonmetro.gov/civilrights. Yog hais tias koj xav tau lus kev pab, hu rau 503-797-1700 (8 teev sawv ntxov txog 5 teev tsaus ntuj weekdays) 5 hnuv ua hauj lwm ua ntej ntawm lub rooj sib tham.

Television schedule for Metro Council meetings

<p>Clackamas, Multnomah and Washington counties, and Vancouver, WA Channel 30 – Community Access Network <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 Call or visit web site for program times.</p>	<p>Portland Channel 30 – Portland Community Media <i>Web site:</i> www.pcmtv.org <i>Ph:</i> 503-288-1515 Call or visit web site for program times.</p>
<p>Gresham Channel 30 - MCTV <i>Web site:</i> www.metroeast.org <i>Ph:</i> 503-491-7636 Call or visit web site for program times.</p>	<p>Washington County and West Linn Channel 30– TVC TV <i>Web site:</i> www.tvctv.org <i>Ph:</i> 503-629-8534 Call or visit web site for program times.</p>
<p>Oregon City and Gladstone Channel 28 – Willamette Falls Television <i>Web site:</i> http://www.wftvmedia.org/ <i>Ph:</i> 503-650-0275 Call or visit web site 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. Agenda items may not be considered in the exact order. For questions about the agenda, call the Metro Council Office at 503-797-1540. Public hearings are held on all ordinances second read. Documents for the record must be submitted to the Regional Engagement and Legislative Coordinator to be included in the meeting record. Documents can be submitted by e-mail, fax or mail or in person to the Regional Engagement and Legislative Coordinator. For additional information about testifying before the Metro Council please go to the Metro web site www.oregonmetro.gov and click on public comment opportunities.

Agenda Item No. 3.1

Consideration of the Council Meeting Minutes for June 8, 2017

Consent Agenda

Metro Council Meeting
Thursday, January 5, 2017
Metro Regional Center, Council Chamber

Resolution No. 17-4802, For the Purpose of Authorizing
the Chief Operating Officer to Amend a Non-System License
to Forest Grove Transfer Station for Transport and
Disposal of Putrescible Waste at the Coffin Butte Landfill
Located in Benton County or the Columbia Ridge Landfill
Located in Gilliam County

Resolutions

Metro Council Meeting
Thursday, June 13, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE TO FOREST GROVE TRANSFER STATION FOR TRANSPORT AND DISPOSAL OF PUTRESCIBLE WASTE AT THE COFFIN BUTTE LANDFILL LOCATED IN BENTON COUNTY OR THE COLUMBIA RIDGE LANDFILL LOCATED IN GILLIAM COUNTY	)	RESOLUTION NO. 17-4802
)	
	)	Introduced by Chief Operating
	)	Officer Martha Bennett with the
	)	concurrence of Council President
	)	Tom Hughes

WHEREAS, the Metro Code Chapter 5.05 requires a non-system license of any person that delivers solid waste generated from within the Metro Region to a non-system disposal facility; and

WHEREAS, Forest Grove Transfer Station holds Metro Solid Waste Facility Non-System License No. N-010-16A, which currently expires on June 30, 2017; and which authorizes Forest Grove Transfer Station to transport putrescible waste for disposal to Coffin Butte Landfill or Columbia Ridge Landfill; and

WHEREAS, Forest Grove Transfer Station’s current non-system license had also authorized transport of putrescible waste to Riverbend Landfill in certain unusual circumstances, but only through April 1, 2017; and

WHEREAS, references to Riverbend Landfill should be removed from the non-system license because it is not accepting waste from the Metro region for the term of this non-system license; and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review an amendment for a non-system license for putrescible waste and that Metro Council has authority to approve or deny the amendment; and

WHEREAS, the Chief Operating Officer recommends that Metro Council approve amendment of the non-system license to extend the term through December 31, 2018 and remove references to Riverbend Landfill, together with specific conditions as provided in this Resolution and Exhibit A; now therefore,

THE METRO COUNCIL RESOLVES AS FOLLOWS:

1. The non-system license amendment of Forest Grove Transfer Station non-system license is approved subject to the terms, conditions, and limitations contained in this Resolution and Exhibit A.
2. The Chief Operating Officer is authorized to amend a Solid Waste Facility Non-System License substantially similar to the one attached as Exhibit A which replaces and supersedes the current non-system license.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney



**METRO SOLID WASTE FACILITY
NON-SYSTEM LICENSE**

No. N-010-16B

LICENSEE:	
Waste Management of Oregon, Inc. dba Forest Grove Transfer Station 1525 B Street Forest Grove, OR 97116	
CONTACT PERSON:	
	Kirk W. Duncan
Phone:	(503) 992-3015
Fax:	(503) 357-4822
E-mail:	kduncan2@wm.com
MAILING ADDRESS:	
Waste Management of Oregon, Inc. dba Forest Grove Transfer Station 1525 B Street Forest Grove, OR 97116	

This non-system license replaces and supersedes the provisions of Metro Solid Waste Facility Non-System License No. N-010-16A.

ISSUED BY METRO:

Martha Bennett
Chief Operating Officer

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Putrescible solid waste that is generated within the Metro region and received at Forest Grove Transfer Station in accordance with its Metro solid waste facility franchise.

2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facilities described in Section 3 up to 125,000 tons per calendar year of the waste described in Section 1. This license does not increase the total tonnage that the licensee is authorized to accept under its Metro solid waste facility franchise.

3	NON-SYSTEM FACILITIES
	<p>(a) Effective December 16, 2016, through December 31, 2018, the licensee is authorized to transport the waste described above in Section 1 to the following non-system facilities:</p> <ul style="list-style-type: none">i. <u>Columbia Ridge Landfill</u> located at 18177 Cedar Springs Lane in Arlington, Oregon;ii. <u>Coffin Butte Landfill</u> located at 28972 Coffin Butte Road in Corvallis, Oregon; and <p>(b) This license is issued on condition that the non-system facilities named in this section are authorized to accept the type of waste described in Section 1. If Metro receives notice from the Oregon Department of Environmental Quality that these non-system facilities are not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 7.</p> <p>(c) Metro’s Chief Operating Officer (the “COO”) may amend this section and any other applicable section to authorize an alternate non-system facility if the COO determines that the solid waste system or the public will benefit from, and will be better served by, transporting the waste described in this license to a facility other than those listed in this section.</p>

4	TERM OF LICENSE
	The term of this license originally commenced on December 16, 2016, and expires on December 31, 2018, unless terminated sooner under Section 7.



5	REPORTING OF ACCIDENTS AND CITATIONS
	The licensee must report to Metro any significant incidents (such as fires), accidents, and citations involving vehicles transporting the solid waste authorized by this license.

6	RECORD KEEPING AND REPORTING
	<p>(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee transports to the non-system facilities described in Section 3. These records include the information specified in the Metro document titled, <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>.</p> <p>(b) The licensee must perform the following no later than fifteen days following the end of each month:</p> <ul style="list-style-type: none">i. Transmit to Metro the records required under Section 6(a) above in an electronic format prescribed by Metro;ii. Submit to Metro a Regional System Fee and Excise Tax Report, that covers the preceding month; andiii. Remit to Metro the requisite Regional System Fees and Excise Taxes in accordance with the Metro Code provisions applicable to the collection, payment, and accounting of such fees and taxes. <p>(c) The licensee must make available to Metro (or Metro's designated agent) all records from which Sections 6(a) and 6(b) above are derived for its inspection or copying, as long as Metro provides at least three business days written notice of an intent to inspect or copy documents. The licensee must, in addition, sign or otherwise provide to Metro any consent or waiver necessary for Metro to obtain information or data from a third party, including the non-system facilities named in Section 3.</p>

7	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <p>(a) The permissive transport of solid waste to the non-system facilities, listed in Section 3, authorized by this license is subordinate to any subsequent decision by Metro to direct the solid waste described in this license to any other facility.</p> <p>(b) The COO may amend or terminate this license in the event that the COO determines that:</p> <ul style="list-style-type: none">i. There has been sufficient change in any circumstances under which Metro issued this license;



	<ul style="list-style-type: none"> ii. The provisions of this license are actually or potentially in conflict with any provision in Metro’s disposal contract with Oregon Waste Systems, Inc.; iii. Metro’s solid waste system or the public will benefit from, and will be better served by, an order directing that the waste described in Section 1 be transported to, and disposed of at, a facility other than the facilities listed in Section 3; or iv. There has been a change in the amount of tonnage that the licensee is authorized to accept under its Metro solid waste facility franchise. In the event that Metro amends the tonnage authorization provided in the facility’s franchise, the COO may amend Section 2 of this license to match the same calendar year tonnage limitation in the franchise. <p>(c) This license, in addition to subsections (d)(i) through (d)(iv), above, is subject to amendment, suspension, or termination pursuant to the Metro Code.</p> <p>(d) The licensee must not transfer or assign any right or interest in this license without prior written notification to, and approval of, Metro.</p> <p>(e) This license will terminate upon the execution of a designated facility agreement with any of the facilities listed in Section 3 that authorizes the acceptance of the waste described in Section 1.</p> <p>(f) This license authorizes the transport of solid waste to the facilities listed in Section 3. Transport of waste generated from within the Metro boundary to any non-system facility other than those specified in this license is prohibited unless authorized in writing by Metro.</p> <p>(g) If the licensee exceeds the calendar year limitation set forth in Section 2, each ton or portion thereof by which the licensee exceeds the limitation constitutes a separate violation subject to a penalty of up to \$500.</p>
--	---

8	COMPLIANCE WITH LAW
	<p>The licensee must fully comply with all applicable local, regional, state and federal laws, rules, regulations, ordinances, orders, and permits pertaining in any manner to this license, including all applicable Metro Code provisions and administrative rules adopted pursuant to Chapter 5.05 whether or not those provisions have been specifically mentioned or cited herein. All conditions imposed on the collection and hauling of the licensee’s solid waste by federal, state, regional or local governments or agencies having jurisdiction over solid waste generated by the licensee is deemed part of this license as if specifically set forth herein.</p>



9	INDEMNIFICATION
	<p>The licensee must defend, indemnify and hold harmless Metro, its elected officials, officers, employees, agents and representatives from any and all claims, demands, damages, causes of action, or losses and expenses, or including all attorneys' fees, whether incurred before any litigation is commenced, during any litigation or on appeal, arising out of or related in any way to the issuance or administration of this non-system license or the transport and disposal of the solid waste covered by this license.</p>

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 17-4802 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE TO FOREST GROVE TRANSFER STATION FOR TRANSPORT AND DISPOSAL OF PUTRESCIBLE WASTE AT THE COFFIN BUTTE LANDFILL LOCATED IN BENTON COUNTY OR THE COLUMBIA RIDGE LANDFILL LOCATED IN GILLIAM COUNTY

June 1, 2017

Prepared by: Roy W. Brower
503-797-1657

Approval of Resolution No. 17-4802 will authorize the Chief Operating Officer (COO) to amend an existing non-system license (NSL),¹ similar to the proposed amended license attached to this resolution as Exhibit A, to Forest Grove Transfer Station (FGTS). The proposed amendments would extend the term of the NSL until December 31, 2018, and remove the use of Riverbend Landfill (Riverbend) as a disposal option. The proposed amended NSL will authorize FGTS to transport up to 125,000 tons per calendar year of putrescible waste from the Metro region to the Coffin Butte Landfill (Coffin Butte) located in Benton County or the Columbia Ridge Landfill (Columbia Ridge) located in Gilliam County, Oregon. The licensee will no longer be authorized to transport putrescible waste to Riverbend located in Yamhill County, Oregon for the remaining term of the license. The proposed NSL becomes effective immediately upon issuance, and expires on December 31, 2018. It is one of five similar amendments for Metro Council consideration.²

FGTS is a Metro-franchised³ solid waste transfer station located at 1525 B Street in Forest Grove (Metro Council District 4). FGTS and Columbia Ridge are owned and operated by Waste Management of Oregon, Inc. (Waste Management) headquartered in Houston, Texas. Coffin Butte is owned by Republic Services headquartered in Phoenix, Arizona.

BACKGROUND

On December 13, 2016, the Metro Council approved an NSL that authorized FGTS to transport putrescible waste to either Columbia Ridge or Riverbend.⁴ Effective February 1, 2017, the NSL required the licensee to send its waste primarily to Columbia Ridge and use Riverbend only in certain unusual circumstances that would otherwise prevent the licensee from transporting waste to Columbia Ridge. This requirement was included in the NSL in response to limited disposal capacity and legal uncertainty regarding future expansion at Riverbend.

The NSL included a provision that authorized the Chief Operating Officer to direct each licensee to transport its waste to an alternate landfill, if necessary, to better serve the public and minimize disruption to the solid waste system. At the end of January 2017, Metro was notified that Waste Management and Republic Services had entered into a “waste swap” agreement in another part of the United States. This swap enabled Waste Management to send all of its Riverbend Metro-area customers to Coffin Butte upon Metro’s approval.

Therefore effective February 1, 2017, the COO amended the FGTS license to authorize the use of Coffin Butte, as well as Columbia Ridge. After a transition period, on April 1, 2017, Riverbend was only to be

¹ NSL No. N-010-16A.

² Resolution No. 17-4803, Resolution No. 17-4804, Resolution No. 17-4805, Resolution No. 17-4806

³ Metro Solid Waste Facility Franchise No. F-004-08D

⁴ Forest Grove Transfer Station (Resolution No. 16-4739).

used under unusual circumstances and emergency situations that would otherwise prevent FGTS from transporting waste to Coffin Butte or Columbia Ridge – provided timely and appropriate notice was given to Metro.

Adoption of Resolution No. 17-4802 would authorize the COO to amend the NSL to remove Riverbend as a disposal option and extend the NSL term an additional 18 months. The proposed NSL would authorize FGTS to transport Metro-area putrescible waste to either Coffin Butte or Columbia Ridge. The proposed NSL includes a 125,000-ton limit to align it with FGTS's 2017 franchise tonnage allocation, but the NSL also authorizes the COO to make additional adjustments to the tonnage amount if necessary to align it with the franchise tonnage allocation in the future.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the issuance of an NSL authorizing the delivery of waste to Coffin Butte or Columbia Ridge. Metro staff met with Benton County officials on February 14, 2017 to discuss the waste shift from Riverbend to Coffin Butte. The county's staff has reported that the landfill is in compliance with local requirements and the county does not object to solid waste being received from the Metro region at the landfill during the term of the NSL.

Although approval of Resolution No. 17-4802 would authorize FGTS to transport waste to two landfills, the proposed NSL does not obligate either landfill to accept Metro-area waste. Additionally, adoption of the proposed resolution does not limit Metro's ability to terminate the NSL if either landfill is unable or unwilling to accept this waste in the future.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing non-system facilities without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 provides that, when determining whether or not to approve an NSL application, the Metro Council will consider the following factors to the extent relevant to such determination.

- (1) *The degree to which prior users of the non-system facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;*

The disposal sites (Columbia Ridge and Coffin Butte) are well known to Metro. The disposal sites are owned and operated by major, nationally-integrated solid waste companies: one of which serves as Metro's disposal contractor and one serves as Metro's contract operator of the Metro South Transfer Station in Oregon City. Columbia Ridge is a permitted RCRA Subtitle D⁵ landfill since 1993. Coffin Butte first came into use during the 1940s and became a permitted RCRA Subtitle D landfill in 1993.

The environmental risk associated with the use of these disposal sites is regulated by the appropriate local and state authorities. It has been Metro's practice to rely on the local land use authority and the state environmental agency to determine whether environmental or human health risks posed are known, reasonable and appropriate.

⁵ Subtitle D landfill standards are established nationally under the Resource Conservation and Recovery Act (RCRA).

- (2) *The non-system facility owner's and operator's regulatory compliance record with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations;*

Waste Management owns and operates Columbia Ridge and Republic Services owns and operates Coffin Butte. Metro staff's investigation of both Waste Management and Republic Services has revealed a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations.

- (3) *The adequacy of the non-system facility's operational practices and management controls;*

Both Coffin Butte and Columbia Ridge use operational practices and management controls that are typical of RCRA Subtitle D landfills. Staff at the DEQ considers the operational practices and controls in place at these landfills to be appropriate for the proper management of waste disposal and adequate for the protection of health and the environment.

- (4) *The expected impact on the region's recycling and waste reduction efforts;*

The proposed license authorizes the transport and disposal of putrescible solid waste, which currently has limited recovery potential. The license puts no long-term constraint on the waste should recovery alternatives emerge for the region. Thus, approval of the proposed license renewal is not expected to impact the region's recycling and waste reduction efforts.

- (5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement to deliver a minimum of 90 percent of the region's putrescible waste that is delivered to general purpose landfills during the calendar year, to landfills owned by Waste Management. The proposed NSL covers putrescible waste that will be delivered to either Columbia Ridge (which is owned and operated by Waste Management) or Coffin Butte. Waste Management and Metro agreed that the waste diverted to Coffin Butte under this NSL would count toward the 90 percent flow guarantee and be calculated in determining Metro's disposal rate.⁶ Thus, approval of this NSL will not conflict with Metro's disposal contract or any other of its existing contractual arrangements.

- (6) *The applicant's record regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations; and*

FGTS was issued a notice of noncompliance by Metro on April 8, 2017 for continuing to send solid waste to Riverbend after April 1, 2017, in violation of the NSL conditions. FGTS has paid the penalty and is currently in compliance with its Metro-issued franchise and NSL. FGTS has had no violations related to public health, safety or environmental regulations during the term of the existing license.

⁶ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

(7) *Any other factor the Chief Operating Officer considers appropriate.*

The proposed NSL authorizes the transport of up to 125,000 tons per year of putrescible waste to Coffin Butte and Columbia Ridge for the remainder of 2017 and calendar year 2018. In the event that Metro later amends the franchise tonnage authorization, the COO may also amend Section 2 of the NSL as necessary to make it the same as the annual tonnage authorization in the franchise. This provision, which is carried forward from the current NSL, allows for the COO to administratively match the NSL tonnage authorization with that of the franchise when necessary.

3. Anticipated Effects

The effect of Resolution No. 17-4802 will be to amend an NSL authorizing FGTS to transport up to 125,000 tons per calendar year of putrescible waste to either Coffin Butte or Columbia Ridge for disposal. The proposed NSL would extend the current termination date from June 30, 2017 to December 31, 2018.

4. Budget Impacts

Coffin Butte is owned and operated by Republic Services and, for the term of this license, waste delivered to the landfill under this NSL will be treated as though it was delivered to a Waste Management landfill.⁷ Columbia Ridge is owned and operated by Waste Management and this NSL will not impact Metro's obligations under its disposal contract. The regional system fee and excise tax will continue to be collected on Metro-area waste delivered to Columbia Ridge and Coffin Butte under the proposed NSL.

RECOMMENDED ACTION

The COO recommends approval of Resolution No. 17-4802, finding that the license extension and amendment satisfies the requirements of Metro Code Chapter 5.05. Approval of Resolution No. 17-4802 will authorize the COO to issue an NSL, similar to the one attached to the resolution as Exhibit A, to FGTS for an 18 month period commencing immediately upon issuance and expiring on December 31, 2018.

RB/HR

⁷ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

Agenda Item No. 4.2

Resolution No. 17-4803, For the Purpose of Authorizing the Chief Operating Officer to Amend a Non-System License to Pride Recycling Company for Transport and Disposal of Putrescible Waste at the Coffin Butte Landfill Located in Benton County or the Columbia Ridge Landfill Located in Gilliam County

Resolutions

Metro Council Meeting
Thursday, June 13, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE CHIEF) RESOLUTION NO. 17-4803
OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE)
TO PRIDE RECYCLING COMPANY FOR TRANSPORT AND) Introduced by Chief Operating
DISPOSAL OF PUTRESCIBLE WASTE AT THE COFFIN BUTTE) Officer Martha Bennett with the
LANDFILL LOCATED IN BENTON COUNTY OR THE) concurrence of Council President
COLUMBIA RIDGE LANDFILL LOCATED IN GILLIAM COUNTY) Tom Hughes

WHEREAS, the Metro Code Chapter 5.05 requires a non-system license of any person that delivers solid waste generated from within the Metro Region to a non-system disposal facility; and

WHEREAS, Pride Recycling Company holds Metro Solid Waste Facility Non-System License No. N-002-16A, which currently expires on June 30, 2017; and which authorizes Pride Recycling Company to transport putrescible waste for disposal to Coffin Butte Landfill or Columbia Ridge Landfill; and

WHEREAS, Pride Recycling Company's current non-system license had also authorized transport of putrescible waste to Riverbend Landfill in certain unusual circumstances, but only through April 1, 2017; and

WHEREAS, references to Riverbend Landfill should be removed from the non-system license because it is not accepting waste from the Metro region for the term of this non-system license; and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review an amendment for a non-system license for putrescible waste and that Metro Council has authority to approve or deny the amendment; and

WHEREAS, the Chief Operating Officer recommends that Metro Council approve amendment of the non-system license to extend the term through December 31, 2018 and remove references to Riverbend Landfill, together with specific conditions as provided in this Resolution and Exhibit A; now therefore,

THE METRO COUNCIL RESOLVES AS FOLLOWS:

1. The non-system license amendment of Pride Recycling Company non-system license is approved subject to the terms, conditions, and limitations contained in this Resolution and Exhibit A.
2. The Chief Operating Officer is authorized to amend a Solid Waste Facility Non-System License substantially similar to the one attached as Exhibit A which replaces and supersedes the current non-system license.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney



**METRO SOLID WASTE FACILITY
NON-SYSTEM LICENSE**

No. N-002-16B

LICENSEE:	
Pride Recycling Company 13910 SW Tualatin-Sherwood Road Sherwood, OR 97140	
CONTACT PERSON:	
Phone:	Mike Leichner (503) 625-0725
Fax:	(503) 625-6179
E-mail:	mikel@pridedisposal.com
MAILING ADDRESS:	
Pride Recycling Company P.O. Box 1150 Sherwood, OR 97140	

This non-system license replaces and supersedes the provisions of Metro Solid Waste Facility Non-System License No. N-002-16A.

ISSUED BY METRO:

Martha Bennett
Chief Operating Officer

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Putrescible solid waste that is generated within the Metro region and received at Pride Recycling Company in accordance with its Metro solid waste facility franchise.
2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facilities described in Section 3 up to 77,435 tons per calendar year of the waste described in Section 1. This license does not increase the total tonnage that the licensee is authorized to accept under its Metro solid waste facility franchise.
3	NON-SYSTEM FACILITIES
	<p>(a) Effective December 16, 2016, through March 31, 2017, the licensee is authorized to transport the waste described above in Section 1 to the following non-system facilities:</p> <ul style="list-style-type: none">i. <u>Columbia Ridge Landfill</u> located at 18177 Cedar Springs Lane in Arlington, Oregon; andii. <u>Coffin Butte Landfill</u> located at 28972 Coffin Butte Road in Corvallis, Oregon; <p>(b) This license is issued on condition that the non-system facilities named in this section are authorized to accept the type of waste described in Section 1. If Metro receives notice from the Oregon Department of Environmental Quality that these non-system facilities are not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 7.</p> <p>(c) Metro’s Chief Operating Officer (the “COO”) may amend this section and any other applicable section to authorize an alternate non-system facility if the COO determines that the solid waste system or the public will benefit from, and will be better served by, transporting the waste described in this license to a facility other than those listed in this section.</p>
4	TERM OF LICENSE
	The term of this license originally commenced on December 16, 2016 and expires on December 31, 2018, unless terminated sooner under Section 7.



5	REPORTING OF ACCIDENTS AND CITATIONS
	The licensee must report to Metro any significant incidents (such as fires), accidents, and citations involving vehicles transporting the solid waste authorized by this license.

6	RECORD KEEPING AND REPORTING
	<p>(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee transports to the non-system facilities described in Section 3. These records include the information specified in the Metro document titled, <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>.</p> <p>(b) The licensee must perform the following no later than fifteen days following the end of each month:</p> <ul style="list-style-type: none">i. Transmit to Metro the records required under Section 6(a) above in an electronic format prescribed by Metro;ii. Submit to Metro a Regional System Fee and Excise Tax Report, that covers the preceding month; andiii. Remit to Metro the requisite Regional System Fees and Excise Taxes in accordance with the Metro Code provisions applicable to the collection, payment, and accounting of such fees and taxes. <p>(c) The licensee must make available to Metro (or Metro's designated agent) all records from which Sections 6(a) and 6(b) above are derived for its inspection or copying, as long as Metro provides at least three business days written notice of an intent to inspect or copy documents. The licensee must, in addition, sign or otherwise provide to Metro any consent or waiver necessary for Metro to obtain information or data from a third party, including the non-system facilities named in Section 3.</p>

7	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <p>(a) The permissive transport of solid waste to the non-system facilities, listed in Section 3, authorized by this license is subordinate to any subsequent decision by Metro to direct the solid waste described in this license to any other facility.</p> <p>(b) The COO may amend or terminate this license in the event that the COO determines that:</p> <ul style="list-style-type: none">i. There has been sufficient change in any circumstances under which Metro



	<p>issued this license;</p> <ul style="list-style-type: none"> ii. The provisions of this license are actually or potentially in conflict with any provision in Metro’s disposal contract with Oregon Waste Systems, Inc.; iii. Metro’s solid waste system or the public will benefit from, and will be better served by, an order directing that the waste described in Section 1 be transported to, and disposed of at, a facility other than the facilities listed in Section 3; or iv. There has been a change in the amount of tonnage that the licensee is authorized to accept under its Metro solid waste facility franchise. In the event that Metro amends the tonnage authorization provided in the facility’s franchise, the COO may amend Section 2 of this license to match the same calendar year tonnage limitation in the franchise. <p>(c) This license, in addition to subsections (d)(i) through (d)(iv), above, is subject to amendment, suspension, or termination pursuant to the Metro Code.</p> <p>(d) The licensee must not transfer or assign any right or interest in this license without prior written notification to, and approval of, Metro.</p> <p>(e) This license will terminate upon the execution of a designated facility agreement with any of the facilities listed in Section 3 that authorizes the acceptance of the waste described in Section 1.</p> <p>(f) This license authorizes the transport of solid waste to the facilities listed in Section 3. Transport of waste generated from within the Metro boundary to any non-system facility other than those specified in this license is prohibited unless authorized in writing by Metro.</p> <p>(g) If the licensee exceeds the calendar year limitation set forth in Section 2, each ton or portion thereof by which the licensee exceeds the limitation constitutes a separate violation subject to a penalty of up to \$500.</p>
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8	COMPLIANCE WITH LAW
	<p>The licensee must fully comply with all applicable local, regional, state and federal laws, rules, regulations, ordinances, orders, and permits pertaining in any manner to this license, including all applicable Metro Code provisions and administrative rules adopted pursuant to Chapter 5.05 whether or not those provisions have been specifically mentioned or cited herein. All conditions imposed on the collection and hauling of the licensee’s solid waste by federal, state, regional or local governments or agencies having jurisdiction over solid waste generated by the licensee is deemed part of this license as if specifically set forth herein.</p>



9	INDEMNIFICATION
	<p>The licensee must defend, indemnify and hold harmless Metro, its elected officials, officers, employees, agents and representatives from any and all claims, demands, damages, causes of action, or losses and expenses, or including all attorneys' fees, whether incurred before any litigation is commenced, during any litigation or on appeal, arising out of or related in any way to the issuance or administration of this non-system license or the transport and disposal of the solid waste covered by this license.</p>

HR

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 17-4803 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE TO PRIDE RECYCLING COMPANY FOR TRANSPORT AND DISPOSAL OF PUTRESCIBLE WASTE AT THE COFFIN BUTTE LANDFILL LOCATED IN BENTON COUNTY OR THE COLUMBIA RIDGE LANDFILL LOCATED IN GILLIAM COUNTY

June 1, 2017

Prepared by: Roy W. Brower
503-797-1657

Approval of Resolution No. 17-4803 will authorize the Chief Operating Officer (COO) to amend an existing non-system license (NSL),¹ similar to the proposed amended license attached to this resolution as Exhibit A, to Pride Recycling Company (Pride). The proposed amendments would extend the term of the NSL until December 31, 2018, and remove the use of Riverbend Landfill (Riverbend) as a disposal option. The proposed amended NSL will authorize Pride to transport up to 77,435 tons per calendar year of putrescible waste from the Metro region to the Coffin Butte Landfill (Coffin Butte) located in Benton County or the Columbia Ridge Landfill (Columbia Ridge) located in Gilliam County, Oregon. The licensee will no longer be authorized to transport putrescible waste to Riverbend located in Yamhill County, Oregon for the remaining term of the license. The proposed NSL becomes effective immediately upon issuance, and expires on December 31, 2018. It is one of five similar amendments for Metro Council consideration.²

Pride is a Metro-franchised³ solid waste transfer station located at 13910 SW Tualatin-Sherwood Road (Metro Council District 3). Columbia Ridge and Riverbend are owned and operated by Waste Management of Oregon, Inc. (Waste Management) headquartered in Houston, Texas. Coffin Butte is owned by Republic Services headquartered in Phoenix, Arizona.

BACKGROUND

On December 13, 2016, the Metro Council approved an NSL that authorized Pride to transport putrescible waste to either Columbia Ridge or Riverbend.⁴ Effective February 1, 2017, the NSL required the licensee to send its waste primarily to Columbia Ridge and use Riverbend only in certain unusual circumstances that would otherwise prevent the licensee from transporting waste to Columbia Ridge. This requirement was included in the NSL in response to limited disposal capacity and legal uncertainty regarding future expansion at Riverbend.

The NSL included a provision that authorized the Chief Operating Officer to direct each licensee to transport its waste to an alternate landfill, if necessary, to better serve the public and minimize disruption to the solid waste system. At the end of January 2017, Metro was notified that Waste Management and Republic Services had entered into a “waste swap” agreement in another part of the United States. This swap enabled Waste Management to send all of its Riverbend Metro-area customers to Coffin Butte upon Metro’s approval.

¹ NSL No. N-002-16B.

² Resolution No. 17-4802, Resolution No. 17-4804, Resolution No. 17-4805, Resolution No. 17-4806

³ Metro Solid Waste Facility Franchise No. F-002-08F

⁴ Pride Recycling Company Transfer Station (Resolution No. 16-4740).

Therefore effective February 1, 2017, the COO amended the Pride license to authorize the use of Coffin Butte, as well as Columbia Ridge. After a transition period, on April 1, 2017, Riverbend was only to be used under unusual circumstances and emergency situations that would otherwise prevent Pride from transporting waste to Coffin Butte or Columbia Ridge – provided timely and appropriate notice was given to Metro.

Adoption of Resolution No. 17-4803 would authorize the COO to amend the NSL to remove Riverbend as a disposal option and extend the NSL term an additional 18 months. The proposed NSL would authorize Pride to transport Metro-area putrescible waste to either Coffin Butte or Columbia Ridge. The proposed NSL includes a 77,435-ton limit to align it with Pride’s 2017 franchise tonnage allocation, but the NSL also authorizes the COO to make additional adjustments to the tonnage amount if necessary to align it with the franchise tonnage allocation in the future.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the issuance of an NSL authorizing the delivery of waste to Coffin Butte or Columbia Ridge. Metro staff met with Benton County officials on February 14, 2017 to discuss the waste shift from Riverbend to Coffin Butte. The county’s staff has reported that the landfill is in compliance with local requirements and the county does not object to solid waste being received from the Metro region at the landfill during the term of the NSL.

Although approval of Resolution No. 17-4803 would authorize Pride to transport waste to two landfills, the proposed NSL does not obligate either landfill to accept Metro-area waste. Additionally, adoption of the proposed resolution does not limit Metro’s ability to terminate the NSL if either landfill is unable or unwilling to accept this waste in the future.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing non-system facilities without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 provides that, when determining whether or not to approve an NSL application, the Metro Council will consider the following factors to the extent relevant to such determination.

- (1) The degree to which prior users of the non-system facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;*

The disposal sites (Columbia Ridge and Coffin Butte) are well known to Metro. The disposal sites are owned and operated by major, nationally-integrated solid waste companies: one of which serves as Metro’s disposal contractor and one serves as Metro’s contract operator of the Metro South Transfer Station in Oregon City. Columbia Ridge is a permitted RCRA Subtitle D⁵ landfill since 1993. Coffin Butte first came into use during the 1940s and became a permitted RCRA Subtitle D landfill in 1993.

The environmental risk associated with the use of these disposal sites is regulated by the appropriate local and state authorities. It has been Metro’s practice to rely on the local land use authority and the

⁵ Subtitle D landfill standards are established nationally under the Resource Conservation and Recovery Act (RCRA).

state environmental agency to determine whether environmental or human health risks posed are known, reasonable and appropriate.

- (2) *The non-system facility owner's and operator's regulatory compliance record with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations;*

Waste Management owns and operates Columbia Ridge and Republic Services owns and operates Coffin Butte. Metro staff's investigation of both Waste Management and Republic Services has revealed a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations.

- (3) *The adequacy of the non-system facility's operational practices and management controls;*

Both Coffin Butte and Columbia Ridge use operational practices and management controls that are typical of RCRA Subtitle D landfills. Staff at the DEQ considers the operational practices and controls in place at these landfills to be appropriate for the proper management of waste disposal and adequate for the protection of health and the environment.

- (4) *The expected impact on the region's recycling and waste reduction efforts;*

The proposed license authorizes the transport and disposal of putrescible solid waste, which currently has limited recovery potential. The license puts no long-term constraint on the waste should recovery alternatives emerge for the region. Thus, approval of the proposed license renewal is not expected to impact the region's recycling and waste reduction efforts.

- (5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement to deliver a minimum of 90 percent of the region's putrescible waste that is delivered to general purpose landfills during the calendar year, to landfills owned by Waste Management. The proposed NSL covers putrescible waste that will be delivered to either Columbia Ridge (which is owned and operated by Waste Management) or Coffin Butte. Waste Management and Metro agreed that the waste diverted to Coffin Butte under this NSL would count toward the 90 percent flow guarantee and be calculated in determining Metro's disposal rate.⁶ Thus, approval of this NSL will not conflict with Metro's disposal contract or any other of its existing contractual arrangements.

- (6) *The applicant's record regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations; and*

Pride is currently in compliance with its Metro-issued Franchise and NSL. The applicant has not had any compliance issues with regard to Metro regulations within the last two years. Additionally, Pride has

⁶ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

had no violations related to public health, safety or environmental regulations during the term of the existing license.

(7) *Any other factor the Chief Operating Officer considers appropriate.*

The proposed NSL authorizes the transport of up to 77,435 tons per year of putrescible waste to Coffin Butte and Columbia Ridge for the remainder of 2017 and calendar year 2018. In the event that Metro later amends the franchise tonnage authorization, the COO may also amend Section 2 of the NSL as necessary to make it the same as the annual tonnage authorization in the franchise. This provision, which is carried forward from the current NSL, allows for the COO to administratively match the NSL tonnage authorization with that of the franchise when necessary.

3. Anticipated Effects

The effect of Resolution No. 17-4803 will be to amend an NSL authorizing Pride to transport up to 77,435 tons per calendar year of putrescible waste to either Coffin Butte or Columbia Ridge for disposal. The proposed NSL would extend the current termination date from June 30, 2017 to December 31, 2018.

4. Budget Impacts

Coffin Butte is owned and operated by Republic Services and, for the term of this license, waste delivered to the landfill under this NSL will be treated as though it was delivered to a Waste Management landfill.⁷ Columbia Ridge is owned and operated by Waste Management and this NSL will not impact Metro's obligations under its disposal contract. The regional system fee and excise tax will continue to be collected on Metro-area waste delivered to Columbia Ridge and Coffin Butte under the proposed NSL.

RECOMMENDED ACTION

The COO recommends approval of Resolution No. 17-4803, finding that the license extension and amendment satisfies the requirements of Metro Code Chapter 5.05. Approval of Resolution No. 17-4803 will authorize the COO to issue an NSL, similar to the one attached to the resolution as Exhibit A, to Pride for an 18-month period commencing immediately upon issuance and expiring on December 31, 2018.

RB/HR

⁷ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

Resolution No. 17-4804, For the Purpose of Authorizing the Chief Operating Officer to Amend a Non-System License to Willamette Resources, Inc. for Transport and Disposal of Putrescible Waste at the Coffin Butte Landfill Located in Benton County or the Columbia Ridge Landfill Located in Gilliam County

Resolutions

Metro Council Meeting
Thursday, June 13, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE CHIEF	)	RESOLUTION NO. 17-4804
OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE)	
TO WILLAMETTE RECOURCES, INC. FOR TRANSPORT AND	)	Introduced by Chief Operating
DISPOSAL OF PUTRESCIBLE WASTE AT THE COFFIN BUTTE	)	Officer Martha Bennett with the
LANDFILL LOCATED IN BENTON COUNTY OR THE	)	concurrence of Council President
COLUMBIA RIDGE LANDFILL LOCATED IN GILLIAM COUNTY	)	Tom Hughes

WHEREAS, the Metro Code Chapter 5.05 requires a non-system license of any person that delivers solid waste generated from within the Metro Region to a non-system disposal facility; and

WHEREAS, Willamette Resources, Inc. holds Metro Solid Waste Facility Non-System License No. N-005-16A, which currently expires on June 30, 2017; and which authorizes Willamette Resources, Inc. to transport putrescible waste for disposal to Coffin Butte Landfill or Columbia Ridge Landfill; and

WHEREAS, Willamette Resources, Inc.'s current non-system license had also authorized transport of putrescible waste to Riverbend Landfill in certain unusual circumstances, but only through April 1, 2017; and

WHEREAS, references to Riverbend Landfill should be removed from the non-system license because it is not accepting waste from the Metro region for the term of this non-system license; and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review an amendment for a non-system license for putrescible waste and that Metro Council has authority to approve or deny the amendment; and

WHEREAS, the Chief Operating Officer recommends that Metro Council approve amendment of the non-system license to extend the term through December 31, 2018 and remove references to Riverbend Landfill, together with specific conditions as provided in this Resolution and Exhibit A; now therefore,

THE METRO COUNCIL RESOLVES AS FOLLOWS:

1. The non-system license amendment of Willamette Resources, Inc. non-system license is approved subject to the terms, conditions, and limitations contained in this Resolution and Exhibit A.
2. The Chief Operating Officer is authorized to amend a Solid Waste Facility Non-System License substantially similar to the one attached as Exhibit A which replaces and supersedes the current non-system license.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1835 | FAX 503 813 7544



**METRO SOLID WASTE FACILITY
NON-SYSTEM LICENSE**

No. N-005-16B

LICENSEE:	
	Willamette Resources, Inc. 10295 SW Ridder Road Wilsonville, OR 97070
CONTACT PERSON:	
	Jason Jordan
Phone:	(503) 570-0626 ext. 228
Fax:	(503) 682-9505
E-mail:	jjordan4@republicservices.com
MAILING ADDRESS:	
	Willamette Resources, Inc. 10295 SW Ridder Road Wilsonville, OR 97070

This non-system license replaces and supersedes the provisions of Metro Solid Waste Facility Non-System License No. N-005-16A.

ISSUED BY METRO:

Martha Bennett
Chief Operating Officer

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Putrescible solid waste that is generated within the Metro region and received at Willamette Resources, Inc. in accordance with its Metro solid waste facility franchise.
2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facilities described in Section 3 up to 77,435 tons per calendar year of the waste described in Section 1. This license does not increase the total tonnage that the licensee is authorized to accept under its Metro solid waste facility franchise.
3	NON-SYSTEM FACILITIES
	<p>(a) Effective December 16, 2016, through March 31, 2017, the licensee is authorized to transport the waste described above in Section 1 to the following non-system facilities:</p> <ul style="list-style-type: none">i. <u>Columbia Ridge Landfill</u> located at 18177 Cedar Springs Lane in Arlington, Oregon; andii. <u>Coffin Butte Landfill</u> located at 28972 Coffin Butte Road in Corvallis, Oregon. <p>(b) This license is issued on condition that the non-system facilities named in this section are authorized to accept the type of waste described in Section 1. If Metro receives notice from the Oregon Department of Environmental Quality that these non-system facilities are not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 7.</p> <p>(c) Metro’s Chief Operating Officer (the “COO”) may amend this section and any other applicable section to authorize an alternate non-system facility if the COO determines that the solid waste system or the public will benefit from, and will be better served by, transporting the waste described in this license to a facility other than those listed in this section.</p>
4	TERM OF LICENSE
	The term of this license originally commenced on December 16, 2016 and expires on December 31, 2018, unless terminated sooner under Section 7.



5	REPORTING OF ACCIDENTS AND CITATIONS
	The licensee must report to Metro any significant incidents (such as fires), accidents, and citations involving vehicles transporting the solid waste authorized by this license.

6	RECORD KEEPING AND REPORTING
	<p>(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee transports to the non-system facilities described in Section 3. These records include the information specified in the Metro document titled, <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>.</p> <p>(b) The licensee must perform the following no later than fifteen days following the end of each month:</p> <ul style="list-style-type: none">i. Transmit to Metro the records required under Section 6(a) above in an electronic format prescribed by Metro;ii. Submit to Metro a Regional System Fee and Excise Tax Report, that covers the preceding month; andiii. Remit to Metro the requisite Regional System Fees and Excise Taxes in accordance with the Metro Code provisions applicable to the collection, payment, and accounting of such fees and taxes. <p>(c) The licensee must make available to Metro (or Metro’s designated agent) all records from which Sections 6(a) and 6(b) above are derived for its inspection or copying, as long as Metro provides at least three business days written notice of an intent to inspect or copy documents. The licensee must, in addition, sign or otherwise provide to Metro any consent or waiver necessary for Metro to obtain information or data from a third party, including the non-system facilities named in Section 3.</p>

7	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <p>(a) The permissive transport of solid waste to the non-system facilities, listed in Section 3, authorized by this license is subordinate to any subsequent decision by Metro to direct the solid waste described in this license to any other facility.</p> <p>(b) The COO may amend or terminate this license in the event that the COO determines that:</p> <ul style="list-style-type: none">i. There has been sufficient change in any circumstances under which Metro



	<p>issued this license;</p> <ul style="list-style-type: none"> ii. The provisions of this license are actually or potentially in conflict with any provision in Metro’s disposal contract with Oregon Waste Systems, Inc.; iii. Metro’s solid waste system or the public will benefit from, and will be better served by, an order directing that the waste described in Section 1 be transported to, and disposed of at, a facility other than the facilities listed in Section 3; or iv. There has been a change in the amount of tonnage that the licensee is authorized to accept under its Metro solid waste facility franchise. In the event that Metro amends the tonnage authorization provided in the facility’s franchise, the COO may amend Section 2 of this license to match the same calendar year tonnage limitation in the franchise. <p>(c) This license, in addition to subsections (d)(i) through (d)(iv), above, is subject to amendment, suspension, or termination pursuant to the Metro Code.</p> <p>(d) The licensee must not transfer or assign any right or interest in this license without prior written notification to, and approval of, Metro.</p> <p>(e) This license will terminate upon the execution of a designated facility agreement with any of the facilities listed in Section 3 that authorizes the acceptance of the waste described in Section 1.</p> <p>(f) This license authorizes the transport of solid waste to the facilities listed in Section 3. Transport of waste generated from within the Metro boundary to any non-system facility other than those specified in this license is prohibited unless authorized in writing by Metro.</p> <p>(g) If the licensee exceeds the calendar year limitation set forth in Section 2, each ton or portion thereof by which the licensee exceeds the limitation constitutes a separate violation subject to a penalty of up to \$500.</p>
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8	COMPLIANCE WITH LAW
	<p>The licensee must fully comply with all applicable local, regional, state and federal laws, rules, regulations, ordinances, orders, and permits pertaining in any manner to this license, including all applicable Metro Code provisions and administrative rules adopted pursuant to Chapter 5.05 whether or not those provisions have been specifically mentioned or cited herein. All conditions imposed on the collection and hauling of the licensee’s solid waste by federal, state, regional or local governments or agencies having jurisdiction over solid waste generated by the licensee is deemed part of this license as if specifically set forth herein.</p>



9	INDEMNIFICATION
	<p>The licensee must defend, indemnify and hold harmless Metro, its elected officials, officers, employees, agents and representatives from any and all claims, demands, damages, causes of action, or losses and expenses, or including all attorneys' fees, whether incurred before any litigation is commenced, during any litigation or on appeal, arising out of or related in any way to the issuance or administration of this non-system license or the transport and disposal of the solid waste covered by this license.</p>

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 17-4804 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE TO WILLAMETTE REOURCES, INC. FOR TRANSPORT AND DISPOSAL OF PUTRESCIBLE WASTE AT THE COFFIN BUTTE LANDFILL LOCATED IN BENTON COUNTY OR THE COLUMBIA RIDGE LANDFILL LOCATED IN GILLIAM COUNTY

June 1, 2017

Prepared by: Roy W. Brower
503-797-1657

Approval of Resolution No. 17-4804 will authorize the Chief Operating Officer (COO) to amend an existing non-system license (NSL),¹ similar to the proposed amended license attached to this resolution as Exhibit A, to Willamette Resources Inc. (WRI). The proposed amendments would extend the term of the NSL until December 31, 2018, and remove the use of Riverbend Landfill (Riverbend) as a disposal option. The proposed amended NSL will authorize WRI to transport up to 77,435 tons per calendar year of putrescible waste from the Metro region to the Coffin Butte Landfill (Coffin Butte) located in Benton County or the Columbia Ridge Landfill (Columbia Ridge) located in Gilliam County, Oregon. The licensee will no longer be authorized to transport putrescible waste to Riverbend located in Yamhill County, Oregon for the remaining term of the license. The proposed NSL becomes effective immediately upon issuance, and expires on December 31, 2018. It is one of five similar amendments for Metro Council consideration.²

WRI is a Metro-franchised³ solid waste transfer station located at 10295 SW Ridder Road (Metro Council District 3). Columbia Ridge Landfill and Riverbend are owned and operated by Waste Management of Oregon, Inc. (Waste Management) headquartered in Houston, Texas. WRI and Coffin Butte are both owned by Republic Services headquartered in Phoenix, Arizona.

BACKGROUND

On December 13, 2016, the Metro Council approved an NSL that authorized WRI to transport putrescible waste to either Columbia Ridge or Riverbend.⁴ Effective February 1, 2017, the NSL required the licensee to send its waste primarily to Columbia Ridge and use Riverbend only in certain unusual circumstances that would otherwise prevent the licensee from transporting waste to Columbia Ridge. This requirement was included in the NSL in response to limited disposal capacity and legal uncertainty regarding future expansion at Riverbend.

The NSL included a provision that authorized the Chief Operating Officer to direct each licensee to transport its waste to an alternate landfill, if necessary, to better serve the public and minimize disruption to the solid waste system. At the end of January 2017, Metro was notified that Waste Management and Republic Services had entered into a “waste swap” agreement in another part of the United States. This swap enabled Waste Management to send all of its Riverbend Metro-area customers to Coffin Butte upon Metro’s approval.

Therefore effective February 1, 2017, the COO amended the WRI license to authorize the use of Coffin Butte, as well as Columbia Ridge. After a transition period, on April 1, 2017, Riverbend was only to be

¹ NSL No. N-005-16B

² Resolution No. 17-4802, Resolution No. 17-4803, Resolution No. 17-4805, Resolution No. 17-4806

³ Metro Solid Waste Facility Franchise No. F-005-08G

⁴ Willamette Resources Inc. Transfer Station (Resolution No. 16-4741).

used under unusual circumstances and emergency situations that would otherwise prevent FGTS from transporting waste to Coffin Butte or Columbia Ridge – provided timely and appropriate notice was given to Metro.

Adoption of Resolution No. 17-4804 would authorize the COO to amend the NSL to remove Riverbend as a disposal option and extend the NSL term an additional 18 months. The proposed NSL would authorize WRI to transport Metro-area putrescible waste to either Coffin Butte or Columbia Ridge. The proposed NSL includes a 77,435-ton limit to align it with WRI's 2017 franchise tonnage allocation, but the NSL also authorizes the COO to make additional adjustments to the tonnage amount if necessary to align it with the franchise tonnage allocation in the future.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the issuance of an NSL authorizing the delivery of waste to Coffin Butte or Columbia Ridge. Metro staff met with Benton County officials on February 14, 2017 to discuss the waste shift from Riverbend to Coffin Butte. The county's staff has reported that the landfill is in compliance with local requirements and the county does not object to solid waste being received from the Metro region at the landfill during the term of the NSL.

Although approval of Resolution No. 17-4804 would authorize WRI to transport waste to two landfills, the proposed NSL does not obligate either landfill to accept Metro-area waste. Additionally, adoption of the proposed resolution does not limit Metro's ability to terminate the NSL if either landfill is unable or unwilling to accept this waste in the future.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing non-system facilities without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 provides that, when determining whether or not to approve an NSL application, the Metro Council will consider the following factors to the extent relevant to such determination.

- (1) *The degree to which prior users of the non-system facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;*

The disposal sites (Columbia Ridge and Coffin Butte) are well known to Metro. The disposal sites are owned and operated by major, nationally-integrated solid waste companies: one of which serves as Metro's disposal contractor and one serves as Metro's contract operator of the Metro South Transfer Station in Oregon City. Columbia Ridge is a permitted RCRA Subtitle D⁵ landfill since 1993. Coffin Butte first came into use during the 1940s and became a permitted RCRA Subtitle D landfill in 1993.

The environmental risk associated with the use of these disposal sites is regulated by the appropriate local and state authorities. It has been Metro's practice to rely on the local land use authority and the state environmental agency to determine whether environmental or human health risks posed are known, reasonable and appropriate.

⁵ Subtitle D landfill standards are established nationally under the Resource Conservation and Recovery Act (RCRA).

- (2) *The non-system facility owner's and operator's regulatory compliance record with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations;*

Waste Management owns and operates Columbia Ridge and Republic Services owns and operates Coffin Butte. Metro staff's investigation of both Waste Management and Republic Services has revealed a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations.

- (3) *The adequacy of the non-system facility's operational practices and management controls;*

Both Coffin Butte and Columbia Ridge use operational practices and management controls that are typical of RCRA Subtitle D landfills. Staff at the DEQ considers the operational practices and controls in place at these landfills to be appropriate for the proper management of waste disposal and adequate for the protection of health and the environment.

- (4) *The expected impact on the region's recycling and waste reduction efforts;*

The proposed license authorizes the transport and disposal of putrescible solid waste, which currently has limited recovery potential. The license puts no long-term constraint on the waste should recovery alternatives emerge for the region. Thus, approval of the proposed license renewal is not expected to impact the region's recycling and waste reduction efforts.

- (5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement to deliver a minimum of 90 percent of the region's putrescible waste that is delivered to general purpose landfills during the calendar year, to landfills owned by Waste Management. The proposed NSL covers putrescible waste that will be delivered to either Columbia Ridge (which is owned and operated by Waste Management) or Coffin Butte. Waste Management and Metro agreed that the waste diverted to Coffin Butte under this NSL would count toward the 90 percent flow guarantee and be calculated in determining Metro's disposal rate.⁶ Thus, approval of this NSL will not conflict with Metro's disposal contract or any other of its existing contractual arrangements.

- (6) *The applicant's record regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations; and*

WRI was issued a notice on violation⁷ on February 18, 2016 for exceeding its tonnage authorization to Coffin Butte⁸ by 155 tons. WRI subsequently paid the penalty and is currently in compliance with its Metro-issued franchise and NSL. Notwithstanding the above-mentioned violation, WRI has had no other

⁶ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

⁷ Notice of Violation NOV-394-16

⁸ Non-system license N-005-15(3)B

violations related to public health, safety or environmental regulations during the term of the existing license.

(7) *Any other factor the Chief Operating Officer considers appropriate.*

The proposed NSL authorizes the transport of up to 77,435 tons per year of putrescible waste to Coffin Butte and Columbia Ridge for the remainder of 2017 and calendar year 2018. In the event that Metro later amends the franchise tonnage authorization, the COO may also amend Section 2 of the NSL as necessary to make it the same as the annual tonnage authorization in the franchise. This provision, which is carried forward from the current NSL, allows for the COO to administratively match the NSL tonnage authorization with that of the franchise when necessary.

3. Anticipated Effects

The effect of Resolution No. 17-4804 will be to amend an NSL authorizing WRI to transport up to 77,435 tons per calendar year of putrescible waste to either Coffin Butte or Columbia Ridge for disposal. The proposed NSL would extend the current termination date from June 30, 2017 to December 31, 2018.

4. Budget Impacts

Coffin Butte is owned and operated by Republic Services and, for the term of this license, waste delivered to the landfill under this NSL will be treated as though it was delivered to a Waste Management landfill.⁹ Columbia Ridge is owned and operated by Waste Management and this NSL will not impact Metro's obligations under its disposal contract. The regional system fee and excise tax will continue to be collected on Metro-area waste delivered to Columbia Ridge and Coffin Butte under the proposed NSL.

RECOMMENDED ACTION

The COO recommends approval of Resolution No. 17-4804, finding that the license extension and amendment satisfies the requirements of Metro Code Chapter 5.05. Approval of Resolution No. 17-4804 will authorize the COO to issue an NSL, similar to the one attached to the resolution as Exhibit A, to WRI for an 18-month period commencing immediately upon issuance and expiring on December 31, 2018.

RB/HR

⁹ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

Resolution No. 17-4805, For the Purpose of Authorizing the Chief Operating Officer to Amend a Non-System License to Hoodview Disposal and Recycling, Inc. for Transport of Putrescible Waste to Canby Transfer and Recycling Inc. for the Purpose of Transfer and Disposal at the Coffin Butte Landfill Located in Benton County or the Columbia Ridge Landfill Located in Gilliam County

Resolutions

Metro Council Meeting
Thursday, June 13, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE CHIEF	)	RESOLUTION NO. 17-4805
OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE)	
TO HOODVIEW DISPOSAL AND RECYCLING, INC. FOR	)	Introduced by Chief Operating
TRANSPORT OF PUTRESCIBLE WASTE TO CANBY TRANSFER	)	Officer Martha Bennett with the
AND RECYCLING INC. FOR THE PURPOSE OF TRANSFER	)	concurrence of Council President
AND DISPOSAL AT THE COFFIN BUTTE LANDFILL LOCATED	)	Tom Hughes
IN BENTON COUNTY OR THE COLUMBIA RIDGE LANDFILL		
LOCATED IN GILLIAM COUNTY		

WHEREAS, the Metro Code Chapter 5.05 requires a non-system license of any person that delivers solid waste generated from within the Metro Region to a non-system disposal facility; and

WHEREAS, Hoodview Disposal and Recycling, Inc. holds Metro Solid Waste Facility Non-System License No. N-118-16A, which currently expires on June 30, 2017; and which authorizes Hoodview Disposal and Recycling, Inc. to transport putrescible waste to Canby Transfer and Recycling, Inc. for the purpose of transfer and disposal at Coffin Butte Landfill or Columbia Ridge Landfill; and

WHEREAS, Hoodview Disposal and Recycling, Inc.'s current non-system license had also authorized transport of putrescible waste to Riverbend Landfill in certain unusual circumstances, but only through April 1, 2017; and

WHEREAS, references to Riverbend Landfill should be removed from the non-system license because it is not accepting waste from the Metro region for the term of this non-system license; and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review an amendment for a non-system license for putrescible waste and that Metro Council has authority to approve or deny the amendment; and

WHEREAS, the Chief Operating Officer recommends that Metro Council approve amendment of the non-system license to extend the term through December 31, 2018 and remove references to Riverbend Landfill, together with specific conditions as provided in this Resolution and Exhibit A; now therefore,

THE METRO COUNCIL RESOLVES AS FOLLOWS:

1. The non-system license amendment of Hoodview Disposal and Recycling, Inc. non-system license is approved subject to the terms, conditions, and limitations contained in this Resolution and Exhibit A.
2. The Chief Operating Officer is authorized to amend a Solid Waste Facility Non-System License substantially similar to the one attached as Exhibit A which replaces and supersedes the current non-system license.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1835 | FAX 503 813 7544



**METRO SOLID WASTE FACILITY
NON-SYSTEM LICENSE**

No. N-118-16B

LICENSEE:	
Hoodview Disposal and Recycling, Inc. 1600 SE 4 th Avenue Canby, OR 97013	
CONTACT PERSON:	
Andy Kahut	
Phone:	(503) 936-3743
Fax:	(503) 263-6477
E-mail:	akahut@kahutwasteservices.com
MAILING ADDRESS:	
Hoodview Disposal and Recycling, Inc. P.O. Box 550 Canby, OR 97013	

This non-system license replaces and supersedes the provisions of Metro Solid Waste Facility Non-System License No. N-118-16A.

ISSUED BY METRO:

Martha Bennett
Chief Operating Officer

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Putrescible solid waste that is generated by residential and commercial customers within the Metro region and collected by Hoodview Disposal and Recycling, Inc.
2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facilities described in Section 3 up to 7,600 tons per calendar year of the waste described in Section 1.
3	NON-SYSTEM FACILITIES
	<p>The licensee is authorized to transport the waste described above in Section 1 to Canby Transfer and Recycling, Inc. (located at 1600 SE 4th Avenue in Canby, Oregon) for the purpose of transfer and disposal as provided below:</p> <ul style="list-style-type: none">(a) Effective December 16, 2016, through March 31, 2017, the licensee is authorized to transport the waste described above in Section 1 to the following non-system facilities:<ul style="list-style-type: none">i. <u>Columbia Ridge Landfill</u> located at 18177 Cedar Springs Lane in Arlington, Oregon; andii. <u>Coffin Butte Landfill</u> located at 28972 Coffin Butte Road in Corvallis, Oregon.(b) This license is issued on condition that the non-system facilities named in this section are authorized to accept the type of waste described in Section 1. If Metro receives notice from the Oregon Department of Environmental Quality that these non-system facilities are not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 7.(c) Metro's Chief Operating Officer (the "COO") may amend this section and any other applicable section to authorize an alternate non-system facility if the COO determines that the solid waste system or the public will benefit from, and will be better served by, transporting the waste described in this license to a facility other than those listed in this section.
4	TERM OF LICENSE
	The term of this license originally commenced on December 16, 2016, and expires on December 31, 2018, unless terminated sooner under Section 7.



5	REPORTING OF ACCIDENTS AND CITATIONS
	The licensee must report to Metro any significant incidents (such as fires), accidents, and citations involving vehicles transporting the solid waste authorized by this license.

6	RECORD KEEPING AND REPORTING
	<p>(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee transports to the non-system facilities described in Section 3. These records include the information specified in the Metro document titled, <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>.</p> <p>(b) The licensee must perform the following no later than fifteen days following the end of each month:</p> <ul style="list-style-type: none">i. Transmit to Metro the records required under Section 6(a) above in an electronic format prescribed by Metro;ii. Submit to Metro a Regional System Fee and Excise Tax Report, that covers the preceding month; andiii. Remit to Metro the requisite Regional System Fees and Excise Taxes in accordance with the Metro Code provisions applicable to the collection, payment, and accounting of such fees and taxes. <p>(c) The licensee must make available to Metro (or Metro's designated agent) all records from which Sections 6(a) and 6(b) above are derived for its inspection or copying, as long as Metro provides at least three business days written notice of an intent to inspect or copy documents. The licensee must, in addition, sign or otherwise provide to Metro any consent or waiver necessary for Metro to obtain information or data from a third party, including the non-system facilities named in Section 3.</p>

7	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <p>(a) The permissive transport of solid waste to the non-system facilities, listed in Section 3, authorized by this license is subordinate to any subsequent decision by Metro to direct the solid waste described in this license to any other facility.</p> <p>(b) The COO may amend or terminate this license in the event that the COO determines that:</p> <ul style="list-style-type: none">i. There has been sufficient change in any circumstances under which Metro issued this license;



	<ul style="list-style-type: none">ii. The provisions of this license are actually or potentially in conflict with any provision in Metro’s disposal contract with Oregon Waste Systems, Inc.; oriii. Metro’s solid waste system or the public will benefit from, and will be better served by, an order directing that the waste described in Section 1 be transported to, and disposed of at, a facility other than the facilities listed in Section 3. <p>(c) This license, in addition to subsections (d)(i) through (d)(iii), above, is subject to amendment, suspension, or termination pursuant to the Metro Code.</p> <p>(d) The licensee must not transfer or assign any right or interest in this license without prior written notification to, and approval of, Metro.</p> <p>(e) This license will terminate upon the execution of a designated facility agreement with any of the facilities listed in Section 3 that authorizes the acceptance of the waste described in Section 1.</p> <p>(f) This license authorizes the transport of solid waste to the facilities listed in Section 3. Transport of waste generated from within the Metro boundary to any non-system facility other than those specified in this license is prohibited unless authorized in writing by Metro.</p> <p>(g) If the licensee exceeds the calendar year limitation set forth in Section 2, each ton or portion thereof by which the licensee exceeds the limitation constitutes a separate violation subject to a penalty of up to \$500.</p>
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8	COMPLIANCE WITH LAW
	<p>The licensee must fully comply with all applicable local, regional, state and federal laws, rules, regulations, ordinances, orders, and permits pertaining in any manner to this license, including all applicable Metro Code provisions and administrative rules adopted pursuant to Chapter 5.05 whether or not those provisions have been specifically mentioned or cited herein. All conditions imposed on the collection and hauling of the licensee’s solid waste by federal, state, regional or local governments or agencies having jurisdiction over solid waste generated by the licensee is deemed part of this license as if specifically set forth herein.</p>

9	INDEMNIFICATION
	<p>The licensee must defend, indemnify and hold harmless Metro, its elected officials, officers, employees, agents and representatives from any and all claims, demands, damages, causes of action, or losses and expenses, or including all attorneys’ fees, whether incurred before any litigation is commenced, during any litigation or on appeal, arising out of or related in any way to the issuance or administration of this non-system license or the transport and disposal of the solid waste covered by this license.</p>

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 17-4805 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE TO HOODVIEW DISPOSAL AND RECYCLING, INC. FOR TRANSPORT OF PUTRESCIBLE WASTE TO CANBY TRANSFER AND RECYCLING INC. FOR THE PURPOSE OF TRANSFER AND DISPOSAL AT THE COFFIN BUTTE LANDFILL LOCATED IN BENTON COUNTY OR THE COLUMBIA RIDGE LANDFILL LOCATED IN GILLIAM COUNTY

June 1, 2017

Prepared by: Roy W. Brower
503-797-1657

Approval of Resolution No. 17-4805 will authorize the Chief Operating Officer (COO) to amend an existing non-system license (NSL),¹ similar to the proposed amended license attached to this resolution as Exhibit A, to Hoodview Disposal and Recycling Inc. (Hoodview). The proposed amendments would extend the term of the NSL until December 31, 2018, and remove the use of Riverbend Landfill (Riverbend) as a disposal option. The proposed amended NSL will authorize Hoodview to transport up to 7,600 tons per calendar year of putrescible waste from the Metro region to Canby Transfer and Recycling, Inc. (Canby Transfer) for the purpose of transfer and disposal at the Coffin Butte Landfill (Coffin Butte) located in Benton County or the Columbia Ridge Landfill (Columbia Ridge) located in Gilliam County, Oregon. The licensee will no longer be authorized to transport putrescible waste to Riverbend located in Yamhill County, Oregon for the remaining term of the license. The proposed NSL becomes effective immediately upon issuance, and expires on December 31, 2018. It is one of five similar amendments for Metro Council consideration.²

Hoodview and the destination facility (Canby Transfer) are both affiliated with KB Recycling, Inc. headquartered in Canby, Oregon. KB Recycling also owns and operates a Metro-licensed material recovery facility³ located at 9602 SE Clackamas Road, in Clackamas (Metro Council District 2). Columbia Ridge and Riverbend are owned and operated by Waste Management of Oregon, Inc. (Waste Management) headquartered in Houston, Texas. Coffin Butte is owned by Republic Services headquartered in Phoenix, Arizona.

BACKGROUND

On December 13, 2016, the Metro Council approved an NSL that authorized Hoodview to transport putrescible waste to either Columbia Ridge or Riverbend.⁴ Effective February 1, 2017, the NSL required the licensee to send its waste primarily to Columbia Ridge and use Riverbend only in certain unusual circumstances that would otherwise prevent the licensee from transporting waste to Columbia Ridge. This requirement was included in the NSL in response to limited disposal capacity and legal uncertainty regarding future expansion at Riverbend.

The NSL included a provision that authorized the Chief Operating Officer to direct each licensee to transport its waste to an alternate landfill, if necessary, to better serve the public and minimize disruption to the solid waste system. At the end of January 2017, Metro was notified that Waste Management and Republic Services had entered into a “waste swap” agreement in another part of the

¹ NSL No. N-118-16A.

² Resolution No. 17-4802, Resolution No. 17-4803, Resolution No. 17-4804, Resolution No. 17-4806

³ Metro Solid Waste Facility License No. L-007-12

⁴ Hoodview Disposal and Recycling, Inc. (Resolution No. 16-4742).

United States. This swap enabled Waste Management to send all of its Riverbend Metro-area customers to Coffin Butte Landfill upon Metro's approval.

Therefore effective February 1, 2017, the COO amended the Hoodview license to authorize the use of Coffin Butte, as well as the Columbia Ridge. After a transition period, on April 1, 2017, Riverbend was only to be used under unusual circumstances and emergency situations that would otherwise prevent Hoodview from transporting waste to Coffin Butte or Columbia Ridge – provided timely and appropriate notice was given to Metro.

Adoption of Resolution No. 17-4805 would authorize the COO to amend the NSL to remove Riverbend as a disposal option and extend the NSL term an additional 18 months. The proposed NSL would authorize Hoodview to transport up to 7,600 tons of Metro-area putrescible waste to either Coffin Butte or Columbia Ridge.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the issuance of an NSL authorizing the delivery of waste to Coffin Butte or Columbia Ridge. Metro staff met with Benton County officials on February 14, 2017 to discuss the waste shift from Riverbend to Coffin Butte. The county's staff has reported that the landfill is in compliance with local requirements and the county does not object to solid waste being received from the Metro region at the landfill during the term of the NSL.

Although approval of Resolution No. 17-4805 would authorize Hoodview to transport waste to two landfills, the proposed NSL does not obligate either landfill to accept Metro-area waste. Additionally, adoption of the proposed resolution does not limit Metro's ability to terminate the NSL if either landfill is unable or unwilling to accept this waste in the future.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing non-system facilities without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 provides that, when determining whether or not to approve an NSL application, the Metro Council will consider the following factors to the extent relevant to such determination.

- (1) *The degree to which prior users of the non-system facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;*

The disposal sites (Columbia Ridge and Coffin Butte) are well known to Metro. The disposal sites are owned and operated by major, nationally-integrated solid waste companies: one of which serves as Metro's disposal contractor and one serves as Metro's contract operator of the Metro South Transfer Station in Oregon City. Columbia Ridge is a permitted RCRA Subtitle D⁵ landfill since 1993. Coffin Butte first came into use during the 1940s and became a permitted RCRA Subtitle D landfill in 1993.

⁵ Subtitle D landfill standards are established nationally under the Resource Conservation and Recovery Act (RCRA).

The environmental risk associated with the use of these disposal sites is regulated by the appropriate local and state authorities. It has been Metro's practice to rely on the local land use authority and the state environmental agency to determine whether environmental or human health risks posed are known, reasonable and appropriate.

- (2) *The non-system facility owner's and operator's regulatory compliance record with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations;*

Waste Management owns and operates Columbia Ridge and Republic Services owns and operates Coffin Butte. Metro staff's investigation of both Waste Management and Republic Services has revealed a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations.

- (3) *The adequacy of the non-system facility's operational practices and management controls;*

Both Coffin Butte and Columbia Ridge use operational practices and management controls that are typical of RCRA Subtitle D landfills. Staff at the DEQ considers the operational practices and controls in place at these landfills to be appropriate for the proper management of waste disposal and adequate for the protection of health and the environment.

- (4) *The expected impact on the region's recycling and waste reduction efforts;*

The proposed license authorizes the transport and disposal of putrescible solid waste, which currently has limited recovery potential. The license puts no long-term constraint on the waste should recovery alternatives emerge for the region. Thus, approval of the proposed license renewal is not expected to impact the region's recycling and waste reduction efforts.

- (5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement to deliver a minimum of 90 percent of the region's putrescible waste that is delivered to general purpose landfills during the calendar year, to landfills owned by Waste Management. The proposed NSL covers putrescible waste that will be delivered to either Columbia Ridge (which is owned and operated by Waste Management) or Coffin Butte. Waste Management and Metro agreed that the waste diverted to Coffin Butte under this NSL would count toward the 90 percent flow guarantee and be calculated in determining Metro's disposal rate.⁶ Thus, approval of this NSL will not conflict with Metro's disposal contract or any other of its existing contractual arrangements.

- (6) *The applicant's record regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations; and*

⁶ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

Hoodview is currently in compliance with its Metro-issued NSL. The applicant has not had any compliance issues with regard to Metro regulations within the last two years. Additionally, Hoodview has had no violations related to public health, safety or environmental regulations during the term of the existing license.

(7) *Any other factor the Chief Operating Officer considers appropriate.*

The proposed NSL authorizes the transport of up to 7,600 tons per year of putrescible waste to Coffin Butte and Columbia Ridge for the remainder of 2017 and calendar year 2018.

3. Anticipated Effects

The effect of Resolution No. 17-4805 will be to amend an NSL authorizing Hoodview to transport up to 7,600 tons per calendar year of putrescible waste to either Coffin Butte or Columbia Ridge for disposal. The proposed NSL would extend the current termination date from June 30, 2017 to December 31, 2018.

4. Budget Impacts

Coffin Butte is owned and operated by Republic Services and, for the term of this license, waste delivered to the landfill under this NSL will be treated as though it was delivered to a Waste Management landfill.⁷ Columbia Ridge is owned and operated by Waste Management and this NSL will not impact Metro's obligations under its disposal contract. The regional system fee and excise tax will continue to be collected on Metro-area waste delivered to Columbia Ridge and Coffin Butte under the proposed NSL.

RECOMMENDED ACTION

The COO recommends approval of Resolution No. 17-4805, finding that the license extension and amendment satisfies the requirements of Metro Code Chapter 5.05. Approval of Resolution No. 17-4805 will authorize the COO to issue an amended NSL, similar to the one attached to the resolution as Exhibit A, to Hoodview for an 18-month period commencing immediately upon issuance and expiring on December 31, 2018.

RB/HR

⁷ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

Resolution No. 17-4806, For the Purpose of Authorizing the
Chief Operating Officer to Amend a Non-System License to
West Linn Refuse and Recycling for Transport of
Putrescible Waste to Canby Transfer and Recycling Inc. for
the Purpose of Transfer and Disposal at the Coffin Butte
Landfill Located in Benton County or the Columbia Ridge
Landfill Located in Gilliam County

Resolutions

Metro Council Meeting
Thursday, June 13, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING THE CHIEF	)	RESOLUTION NO. 17-4806
OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE)	
TO WEST LINN REFUSE AND RECYCLING FOR TRANSPORT	)	Introduced by Chief Operating
OF PUTRESCIBLE WASTE TO CANBY TRANSFER AND	)	Officer Martha Bennett with the
RECYCLING INC. FOR THE PURPOSE OF TRANSFER AND	)	concurrence of Council President
DISPOSAL AT THE COFFIN BUTTE LANDFILL LOCATED IN	)	Tom Hughes
BENTON COUNTY OR THE COLUMBIA RIDGE LANDFILL		
LOCATED IN GILLIAM COUNTY		

WHEREAS, the Metro Code Chapter 5.05 requires a non-system license of any person that delivers solid waste generated from within the Metro Region to a non-system disposal facility; and

WHEREAS, West Linn Refuse and Recycling holds Metro Solid Waste Facility Non-System License No. N-119-16A, which currently expires on June 30, 2017; and which authorizes West Linn Refuse and Recycling to transport putrescible waste to Canby Transfer and Recycling, Inc. for the purpose of transfer and disposal at Coffin Butte Landfill or Columbia Ridge Landfill; and

WHEREAS, West Linn Refuse and Recycling’s current non-system license had also authorized transport of putrescible waste to Riverbend Landfill in certain unusual circumstances, but only through April 1, 2017; and

WHEREAS, references to Riverbend Landfill should be removed from the non-system license because it is not accepting waste from the Metro region for the term of this non-system license; and

WHEREAS, Metro Code Chapter 5.05 provides that the Chief Operating Officer will review an amendment for a non-system license for putrescible waste and that Metro Council has authority to approve or deny the amendment; and

WHEREAS, the Chief Operating Officer recommends that Metro Council approve amendment of the non-system license to extend the term through December 31, 2018 and remove references to Riverbend Landfill, together with specific conditions as provided in this Resolution and Exhibit A; now therefore,

THE METRO COUNCIL RESOLVES AS FOLLOWS:

1. The non-system license amendment of West Linn Refuse and Recycling non-system license is approved subject to the terms, conditions, and limitations contained in this Resolution and Exhibit A.
2. The Chief Operating Officer is authorized to amend a Solid Waste Facility Non-System License substantially similar to the one attached as Exhibit A which replaces and supersedes the current non-system license.

ADOPTED by the Metro Council this ____ day of _____, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney



**METRO SOLID WASTE FACILITY
NON-SYSTEM LICENSE**

No. N-119-16B

LICENSEE:
West Linn Refuse and Recycling, Inc. 1600 SE 4 th Avenue Canby, OR 97013
CONTACT PERSON:
Andy Kahut Phone: (503) 936-3743 Fax: (503) 263-6477 E-mail: akahut@kahutwasteservices.com
MAILING ADDRESS:
West Linn Refuse and Recycling, Inc. P.O. Box 550 Canby, OR 97013

This non-system license replaces and supersedes the provisions of Metro Solid Waste Facility Non-System License No. N-119-16A.

ISSUED BY METRO:

Martha Bennett
Chief Operating Officer

Date



1	NATURE OF WASTE COVERED BY LICENSE
	Putrescible solid waste that is generated by residential and commercial customers within the Metro region and collected by West Linn Refuse and Recycling, Inc.
2	CALENDAR YEAR TONNAGE ALLOCATION
	The licensee is authorized to transport to the non-system facilities described in Section 3 up to 9,000 tons per calendar year of the waste described in Section 1.
3	NON-SYSTEM FACILITIES
	<p>The licensee is authorized to transport the waste described above in Section 1 to Canby Transfer and Recycling, Inc. (located at 1600 SE 4th Avenue in Canby, Oregon) for the purpose of transfer and disposal as provided below:</p> <ul style="list-style-type: none">(a) Effective December 16, 2016, through March 31, 2017, the licensee is authorized to transport the waste described above in Section 1 to the following non-system facilities:<ul style="list-style-type: none">i. <u>Columbia Ridge Landfill</u> located at 18177 Cedar Springs Lane in Arlington, Oregon; andii. <u>Coffin Butte Landfill</u> located at 28972 Coffin Butte Road in Corvallis, Oregon.(b) This license is issued on condition that the non-system facilities named in this section are authorized to accept the type of waste described in Section 1. If Metro receives notice from the Oregon Department of Environmental Quality that these non-system facilities are not authorized to accept such waste, Metro may immediately terminate this license pursuant to Section 7.(c) Metro's Chief Operating Officer (the "COO") may amend this section and any other applicable section to authorize an alternate non-system facility if the COO determines that the solid waste system or the public will benefit from, and will be better served by, transporting the waste described in this license to a facility other than those listed in this section.
4	TERM OF LICENSE
	The term of this license originally commenced on December 16, 2016, and expires on December 31, 2018, unless terminated sooner under Section 7.



5	REPORTING OF ACCIDENTS AND CITATIONS
	The licensee must report to Metro any significant incidents (such as fires), accidents, and citations involving vehicles transporting the solid waste authorized by this license.

6	RECORD KEEPING AND REPORTING
	<p>(a) The licensee must keep and maintain accurate records of the amount of all waste that the licensee transports to the non-system facilities described in Section 3. These records include the information specified in the Metro document titled, <u>Reporting Requirements and Data Standards for Metro Solid Waste Licensees, Franchisees, and Parties to Designated Facility Agreements</u>.</p> <p>(b) The licensee must perform the following no later than fifteen days following the end of each month:</p> <ul style="list-style-type: none">i. Transmit to Metro the records required under Section 6(a) above in an electronic format prescribed by Metro;ii. Submit to Metro a Regional System Fee and Excise Tax Report, that covers the preceding month; andiii. Remit to Metro the requisite Regional System Fees and Excise Taxes in accordance with the Metro Code provisions applicable to the collection, payment, and accounting of such fees and taxes. <p>(c) The licensee must make available to Metro (or Metro's designated agent) all records from which Sections 6(a) and 6(b) above are derived for its inspection or copying, as long as Metro provides at least three business days written notice of an intent to inspect or copy documents. The licensee must, in addition, sign or otherwise provide to Metro any consent or waiver necessary for Metro to obtain information or data from a third party, including the non-system facilities named in Section 3.</p>

7	ADDITIONAL LICENSE CONDITIONS
	<p>This license is subject to the following conditions:</p> <p>(a) The permissive transport of solid waste to the non-system facilities, listed in Section 3, authorized by this license is subordinate to any subsequent decision by Metro to direct the solid waste described in this license to any other facility.</p> <p>(b) The COO may amend or terminate this license in the event that the COO determines that:</p> <ul style="list-style-type: none">i. There has been sufficient change in any circumstances under which Metro issued this license;



	<ul style="list-style-type: none">ii. The provisions of this license are actually or potentially in conflict with any provision in Metro’s disposal contract with Oregon Waste Systems, Inc.; oriii. Metro’s solid waste system or the public will benefit from, and will be better served by, an order directing that the waste described in Section 1 be transported to, and disposed of at, a facility other than the facilities listed in Section 3. <p>(c) This license, in addition to subsections (d)(i) through (d)(iii), above, is subject to amendment, suspension, or termination pursuant to the Metro Code.</p> <p>(d) The licensee must not transfer or assign any right or interest in this license without prior written notification to, and approval of, Metro.</p> <p>(e) This license will terminate upon the execution of a designated facility agreement with any of the facilities listed in Section 3 that authorizes the acceptance of the waste described in Section 1.</p> <p>(f) This license authorizes the transport of solid waste to the facilities listed in Section 3. Transport of waste generated from within the Metro boundary to any non-system facility other than those specified in this license is prohibited unless authorized in writing by Metro.</p> <p>(g) If the licensee exceeds the calendar year limitation set forth in Section 2, each ton or portion thereof by which the licensee exceeds the limitation constitutes a separate violation subject to a penalty of up to \$500.</p>
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8	COMPLIANCE WITH LAW
	<p>The licensee must fully comply with all applicable local, regional, state and federal laws, rules, regulations, ordinances, orders, and permits pertaining in any manner to this license, including all applicable Metro Code provisions and administrative rules adopted pursuant to Chapter 5.05 whether or not those provisions have been specifically mentioned or cited herein. All conditions imposed on the collection and hauling of the licensee’s solid waste by federal, state, regional or local governments or agencies having jurisdiction over solid waste generated by the licensee is deemed part of this license as if specifically set forth herein.</p>

9	INDEMNIFICATION
	<p>The licensee must defend, indemnify and hold harmless Metro, its elected officials, officers, employees, agents and representatives from any and all claims, demands, damages, causes of action, or losses and expenses, or including all attorneys’ fees, whether incurred before any litigation is commenced, during any litigation or on appeal, arising out of or related in any way to the issuance or administration of this non-system license or the transport and disposal of the solid waste covered by this license.</p>

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 17-4806 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO AMEND A NON-SYSTEM LICENSE TO WEST LINN REFUSE AND RECYCLING FOR TRANSPORT OF PUTRESCIBLE WASTE TO CANBY TRANSFER AND RECYCLING INC. FOR THE PURPOSE OF TRANSFER AND DISPOSAL AT THE COFFIN BUTTE LANDFILL LOCATED IN BENTON COUNTY OR THE COLUMBIA RIDGE LANDFILL LOCATED IN GILLIAM COUNTY

June 1, 2017

Prepared by: Roy W. Brower
503-797-1657

Approval of Resolution No. 17-4806 will authorize the Chief Operating Officer (COO) to amend an existing non-system license (NSL),¹ similar to the proposed amended license attached to this resolution as Exhibit A, to West Linn Refuse and Recycling, Inc. (WLR). The proposed amendments would extend the term of the NSL until December 31, 2018, and remove the use of Riverbend Landfill (Riverbend) as a disposal option. The proposed amended NSL will authorize WLR to transport up to 9,000 tons per calendar year of putrescible waste from the Metro region to Canby Transfer and Recycling, Inc. (Canby Transfer) for the purpose of transfer and disposal at the Coffin Butte Landfill (Coffin Butte) located in Benton County or the Columbia Ridge Landfill (Columbia Ridge) located in Gilliam County, Oregon. The licensee will no longer be authorized to transport putrescible waste to Riverbend located in Yamhill County, Oregon for the remaining term of the license. The proposed NSL becomes effective immediately upon issuance, and expires on December 31, 2018. It is one of five similar amendments for Metro Council consideration.²

WLR and the destination facility (Canby Transfer) are both affiliated with KB Recycling, Inc. headquartered in Canby, Oregon. KB Recycling also owns and operates a Metro-licensed material recovery facility³ located at 9602 SE Clackamas Road, in Clackamas (Metro Council District 2). Columbia Ridge and Riverbend are owned and operated by Waste Management of Oregon, Inc. (Waste Management) headquartered in Houston, Texas. Coffin Butte is owned by Republic Services headquartered in Phoenix, Arizona.

BACKGROUND

On December 13, 2016, the Metro Council approved an NSL that authorized WLR to transport putrescible waste to either Columbia Ridge or Riverbend.⁴ Effective February 1, 2017, the NSL required the licensee to send its waste primarily to Columbia Ridge and use Riverbend only in certain unusual circumstances that would otherwise prevent the licensee from transporting waste to Columbia Ridge. This requirement was included in the NSL in response to limited disposal capacity and legal uncertainty regarding future expansion at Riverbend.

The NSL included a provision that authorized the Chief Operating Officer to direct each licensee to transport its waste to an alternate landfill, if necessary, to better serve the public and minimize disruption to the solid waste system. At the end of January 2017, Metro was notified that Waste Management and Republic Services had entered into a "waste swap" agreement in another part of the

¹ NSL No. N-119-16A.

² Resolution No. 17-4802, Resolution No. 17-4803, Resolution No. 17-4804, Resolution No. 17-4805

³ Metro Solid Waste Facility License No. L-007-12

⁴West Linn Refuse and Recycling, Inc. (Resolution No. 16-4743).

United States. This swap enabled Waste Management to send all of its Riverbend Metro-area customers to Coffin Butte upon Metro's approval.

Therefore effective February 1, 2017, the COO amended the WLR license to authorize the use of Coffin Butte, as well as Columbia Ridge. After a transition period, on April 1, 2017, Riverbend was only to be used under unusual circumstances and emergency situations that would otherwise prevent WLR from transporting waste to Coffin Butte or Columbia Ridge – provided timely and appropriate notice was given to Metro.

Adoption of Resolution No. 17-4806 would authorize the COO to amend the NSL to remove Riverbend as a disposal option and extend the NSL term an additional 18 months. The proposed NSL would authorize WLR to transport up to 9,000 tons of Metro-area putrescible waste to either Coffin Butte or Columbia Ridge.

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the issuance of an NSL authorizing the delivery of waste to Coffin Butte or Columbia Ridge. Metro staff met with Benton County officials on February 14, 2017 to discuss the waste shift from Riverbend to Coffin Butte. The county's staff has reported that the landfill is in compliance with local requirements and the county does not object to solid waste being received from the Metro region at the landfill during the term of the NSL.

Although approval of Resolution No. 17-4806 would authorize WLR to transport waste to two landfills, the proposed NSL does not obligate either landfill to accept Metro-area waste. Additionally, adoption of the proposed resolution does not limit Metro's ability to terminate the NSL if either landfill is unable or unwilling to accept this waste in the future.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing non-system facilities without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 provides that, when determining whether or not to approve an NSL application, the Metro Council will consider the following factors to the extent relevant to such determination.

- (1) *The degree to which prior users of the non-system facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;*

The disposal sites (Columbia Ridge and Coffin Butte) are well known to Metro. The disposal sites are owned and operated by major, nationally-integrated solid waste companies: one of which serves as Metro's disposal contractor and one serves as Metro's contract operator of the Metro South Transfer Station in Oregon City. Columbia Ridge is a permitted RCRA Subtitle D⁵ landfill since 1993. Coffin Butte first came into use during the 1940s and became a permitted RCRA Subtitle D landfill in 1993.

⁵ Subtitle D landfill standards are established nationally under the Resource Conservation and Recovery Act (RCRA).

The environmental risk associated with the use of these disposal sites is regulated by the appropriate local and state authorities. It has been Metro's practice to rely on the local land use authority and the state environmental agency to determine whether environmental or human health risks posed are known, reasonable and appropriate.

- (2) *The non-system facility owner's and operator's regulatory compliance record with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations;*

Waste Management owns and operates Columbia Ridge and Republic Services owns and operates Coffin Butte. Metro staff's investigation of both Waste Management and Republic Services has revealed a good record of compliance with local and state agencies responsible for health, safety, and environmental regulations.

- (3) *The adequacy of the non-system facility's operational practices and management controls;*

Both Coffin Butte and Columbia Ridge use operational practices and management controls that are typical of RCRA Subtitle D landfills. Staff at the DEQ considers the operational practices and controls in place at these landfills to be appropriate for the proper management of waste disposal and adequate for the protection of health and the environment.

- (4) *The expected impact on the region's recycling and waste reduction efforts;*

The proposed license authorizes the transport and disposal of putrescible solid waste, which currently has limited recovery potential. The license puts no long-term constraint on the waste should recovery alternatives emerge for the region. Thus, approval of the proposed license renewal is not expected to impact the region's recycling and waste reduction efforts.

- (5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement to deliver a minimum of 90 percent of the region's putrescible waste that is delivered to general purpose landfills during the calendar year, to landfills owned by Waste Management. The proposed NSL covers putrescible waste that will be delivered to either Columbia Ridge (which is owned and operated by Waste Management) or Coffin Butte. Waste Management and Metro agreed that the waste diverted to Coffin Butte under this NSL would count toward the 90 percent flow guarantee and be calculated in determining Metro's disposal rate.⁶ Thus, approval of this NSL will not conflict with Metro's disposal contract or any other of its existing contractual arrangements.

- (6) *The applicant's record regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements including but not limited to public health, safety and environmental rules and regulations; and*

⁶ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

WLR is currently in compliance with its Metro-issued NSL. The applicant has not had any compliance issues with regard to Metro regulations within the last two years. Additionally, WLR has had no violations related to public health, safety or environmental regulations during the term of the existing license.

(7) *Any other factor the Chief Operating Officer considers appropriate.*

The proposed NSL authorizes the transport of up to 9,000 tons per year of putrescible waste to Coffin Butte and Columbia Ridge for the remainder of 2017 and calendar year 2018.

3. Anticipated Effects

The effect of Resolution No. 17-4806 will be to amend an NSL authorizing WLR to transport up to 9,000 tons per calendar year of putrescible waste to either Coffin Butte or Columbia Ridge for disposal. The proposed NSL would extend the current termination date from June 30, 2017 to December 31, 2018.

4. Budget Impacts

Coffin Butte is owned and operated by Republic Services and, for the term of this license, waste delivered to the landfill under this NSL will be treated as though it was delivered to a Waste Management landfill.⁷ Columbia Ridge is owned and operated by Waste Management and this NSL will not impact Metro's obligations under its disposal contract. The regional system fee and excise tax will continue to be collected on Metro-area waste delivered to Columbia Ridge and Coffin Butte under the proposed NSL.

RECOMMENDED ACTION

The COO recommends approval of Resolution No. 17-4806, finding that the license extension and amendment satisfies the requirements of Metro Code Chapter 5.05. Approval of Resolution No. 17-4806 will authorize the COO to issue an amended NSL, similar to the one attached to the resolution as Exhibit A, to WLR for an 18-month period commencing immediately upon issuance and expiring on December 31, 2018.

RB/HR

⁷ Amendment No. 10 to disposal contract between Metro and Waste Management, April 21, 2017.

Agenda Item No. 4.6

Resolution No. 17-4814, For the Purpose of Adopting
Contracting and Procurement Administrative Rules

Resolutions (Public Hearing)

Metro Council Meeting
Thursday, June 13, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO LOCAL CONTRACT REVIEW BOARD

FOR THE PURPOSE OF ADOPTING) RESOLUTION NO. 17-4814
CONTRACTING AND PROCUREMENT)
ADMINISTRATIVE RULES) Introduced by Director of Finance and
) Regulatory Service Tim Collier in
) concurrence with Council President
) Tom Hughes

WHEREAS, on April 6, 2017 (Resolution 17-4779), the Metro Local Contract Review Board adopted (a) interim rules of procedure for public contracting (the “LCRB Contracting Rules”), (b) interim rules of procedure for screening and selecting persons to perform personal services for Metro the (“Personal Services Contracting Rules”), (c) and interim rules of procedure to advance equity in public contracting at Metro (“Equity in Contracting Rules”);

WHEREAS, following adoption of the above-referenced interim contracting and procurement administrative rules, the Metro Local Contract Review Board directed staff to provide notice of such interim rules to persons likely to be affected by the permanent adoption, along with an opportunity to comment;

WHEREAS, following the notice and comment period, Metro has received no public comment to the interim rules; and

WHEREAS, the majority of staff-proposed revisions made are editorial and nonsubstantive in nature; now therefore

BE IT RESOLVED THAT THE METRO LOCAL CONTRACT REVIEW BOARD:

1. Adopts the LCRB Contracting Rules as its final rules of procedure for public contracting, incorporating in the revisions shown on the attached Exhibit A;
2. In accordance with ORS 279A.065(6)(b), directs Metro staff to review the LCRB Contracting Rules each time the Attorney General modifies the Model Rules in order to determine whether amendments to the LCRB Contracting Rules are necessary for statutory compliance;
3. Adopts the Personal Services Contracting Rules as its final rules of procedure for screening and selecting persons to perform personal services for Metro, incorporating in the revisions shown on the attached Exhibit B; and
4. Adopts the Equity in Contracting Rules as its final rules of procedure to advance equity in public contracting at Metro.

ADOPTED by the Metro Local Contract Review Board this _____ day of June, 2017.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

DIVISION 47

PUBLIC PROCUREMENTS FOR GOODS OR SERVICES

General Provisions

47-0000 Application

These Division 47 rules implement ORS Chapter 279B, Public Procurements and apply to the Procurement of Goods and Services. These Division 47 rules are not applicable to the procurement of Personal Services Contracts. Procurements of Personal Services are governed by Metro's Personal Services Contracting Rules. These Division 47 rules are also not applicable to procurements of Public Improvements, which are governed by ORS Chapter 279C and procured in accordance with the rules set forth in Division 49.

Stat. Auth.: ORS 279A.065

Stats. Implemented: ORS 279B.015

Source Selection

47-0250 Methods of Source Selection

- (1) Metro may award a Contract for Goods and Services using any method authorized by State Code or these Administrative Rules. Such different methods are called methods of "source selection." Source selection methods include Cooperative Procurements, competitive Bids, competitive Proposals and small, Intermediate, sole-source, Emergency and special procurements.
- (2) State law requires Metro to use the Services of Qualified Rehabilitation Facilities (QRF's) in certain instances. When required, Metro must use a QRF pursuant to ORS 279 before proceeding with a purchase through other methods of source selection.
- (3) The methods of contractor selection must conform to the procedures identified in these Administrative Rules. The Procurement Officer is authorized, but not required, to waive any nonconformity with the rules of contractor selection if the Procurement Officer determines that the defect was minor and likely would not have had an effect on the outcome of the selection process.

~~**47-0253 Feasibility Determination; Cost Analysis**~~

~~(1) **Written Cost Analysis for Contracts for Services.** In accordance with ORS 279B.030, before conducting the Procurement of a Contract for Services (other than Personal Services) with an estimated Contract Price that exceeds \$250,000, Metro must, in the absence of a determination that performing the Services with Metro's own personnel and resources is not feasible, conduct a Written cost analysis.~~

~~(1) **Feasibility Determination for Contracts for Services.** Metro may proceed with the procurement of a Contract for Services without conducting the cost analysis required under ORS 279B.030 if Metro makes Written findings that one or more of the special circumstances described ORS 279B.036 make Metro's use of its own personnel and resources to provide the Services not feasible.~~

~~(2) **Special Circumstances.** The special circumstances identified in ORS 279B.036 that require Metro to procure the Services by Contract include any circumstances, conditions or occurrences that would make the Services, if performed by Metro's employees, incapable of being managed, utilized or dealt with~~

successfully in terms of the quality, timeliness of completion, success in obtaining desired results, or other reasonable needs of Metro.

~~(3) — **Written Cost Analysis under ORS 279B.033.**~~

~~(a) — **Basic Comparison.** The Written cost analysis must compare an estimate of Metro's cost of performing the Services with an estimate of the cost a potential Contractor would incur in performing the Services. However, Metro may proceed with the Procurement for Services only if it determines that Metro would incur more cost in performing the Services with Metro's own personnel than it would incur in procuring the Services from a Contractor. In making this determination, the cost Metro would incur in procuring the Services from a Contractor includes the fair market value of any interest in equipment, materials or other assets Metro will provide to the Contractor for the performance of the Services.~~

~~(a) — **Costs of Using Metro's Own Personnel and Resources.** When estimating Metro's cost of performing the Services, Metro shall consider cost factors that include:~~

~~A. — The salary or wage and benefit costs for the employees of Metro who would be directly involved in performing the Services, to the extent those costs reflect the proportion of the activity of those employees in the direct provision of the Services. These costs include those salary or wage and benefit costs of the employees who inspect, supervise or monitor the performance of the Services, to the extent those costs reflect the proportion of the activity of those employees in the direct inspection, supervision, or monitoring of the performance of the subject Services.~~

~~B. — The material costs necessary to the performance of the Services, including the costs for space, energy, transportation, storage, equipment and supplies used or consumed in the provision of the Services.~~

~~C. — The costs incurred in planning for, training for, starting up, implementing, transporting and delivering the Services.~~

~~D. — Any costs related to stopping and dismantling a project or operation because Metro intends to procure a limited quantity of Services or to procure the Services within a defined or limited period of time.~~

~~E. — The miscellaneous costs related to performing the Services. These costs exclude Metro's indirect overhead costs for existing salaries or wages and benefits for administrators, and exclude costs for rent, equipment, utilities and materials, except to the extent the cost items identified in this sentence are attributed solely to performing the Services and would not be incurred unless Metro performed the Services.~~

~~F. — Oregon Revised Statute Chapter 279B.033 (1)(a) provides that an estimate of Metro's costs of performing the Services include the costs described in subsections (4)(b)A through E of this Administrative Rule. Therefore, those costs do not constitute an exclusive list of cost information. Metro may consider other reliable information that bears on the cost to Metro of performing the Services. For example, if Metro has accounted for its actual costs of performing the Services under consideration, or reasonably comparable Services, in a relatively recent Services project, Metro may consider those actual costs in making its estimate.~~

~~(b) — **Costs a Potential Contractor Would Incur.** When estimating the costs a potential Contractor would incur in performing the Services, Metro shall consider cost factors that include:~~

~~A. — The average or actual salary or wage and benefit costs for contractors and contractor employees:~~

~~(i) Who work in the business or industry most closely involved in performing the Services; and~~

~~(ii) Who would be necessary and directly involved in performing the Services or who would inspect, supervise or monitor the performance of the Services.~~

~~B. The material costs necessary to the performance of the Services, including the costs for space, energy, transportation, storage, raw and finished materials, equipment and supplies used or consumed in the provision of the Services.~~

~~C. The miscellaneous costs related to performing the Services. These miscellaneous costs include reasonably foreseeable fluctuations in the costs listed in subsections (4)(c)(A) and (B) of this Administrative Rule over the expected duration of the Procurement.~~

~~D. Oregon Revised Statute Chapter 279B.033 (1)(b) provides that an estimate of the costs a potential Contractor would incur in performing the Services includes the costs described in subsections (4)(c)A through C of this Rule. Therefore, those costs do not constitute an exclusive list of cost information. Metro may consider other reliable information that bears on the costs a potential Contractor would incur. For example, if Metro, in the reasonably near past, received Bids or Proposals for the performance of the Services under consideration, or reasonably comparable Services, Metro may consider the pricing offered in those Bids or Proposals in making its estimate. Similarly, Metro may consider what it actually paid out under a Contract for the same or similar Services. For the purposes of these examples, the reasonably near past is limited to Contracts, Bids or Proposals entered into or received within the five years preceding the date of the cost estimate. Metro must take into account, when considering the pricing offered in previous Bids, Proposals or Contracts, adjustments to the pricing in light of measures of market price adjustments like the consumer price indexes that apply to the Services.~~

~~(4) **Decision Based on Cost Comparison.** After comparing the difference between the costs estimated for Metro to perform the Services under section (4)(b) and the estimated costs a potential Contractor would incur in performing the Services under section (4)(c), Metro may proceed with the Procurement only if Metro would incur more cost in performing the Services with the agency's own personnel and resources than it would incur in procuring the Services from a Contractor.~~

~~(5) **Exception Based on Salaries or Wages and Benefits.** If the sole reason that the costs estimated for Metro to perform the Services under section (4)(b) exceed the estimated costs a potential Contractor would incur in performing the Services under section (4)(c) is because the average or actual salary or wage and benefit costs for Contractors and their employees estimated under subsection (4)(c)A are lower than the salary or wage and benefit costs for employees of Metro under subsection (4)(b)A, then Metro may not proceed with the Procurement.~~

~~(6) **Exception Based on Lack of Metro Personnel and Resources; Reporting.** In cases in which Metro determines that it would incur less cost in providing the Services with its own personnel and resources, Metro nevertheless may proceed with the Procurement if, at the time Metro intends to conduct the Procurement, Metro determines that it lacks personnel and resources to perform the Services within the time Metro requires them. When Metro conducts a Procurement under this section, Metro must:~~

~~(a) Make and keep a Written determination that it lacks personnel and resources to perform the Services within the time Metro requires them and of the basis for Metro's decision to proceed with the Procurement.~~

~~(a) Provide to the Local Contract Review Board, each calendar quarter, copies of each Written cost analysis and Written determination.~~

47-0255 Competitive Bidding

(1) **Generally.** Metro may procure Goods or Services by competitive sealed Bids as set forth in ORS 279B.055 and these Administrative Rules. Metro may issue a request for information, a request for interest or other preliminary documents to obtain information useful in the preparation of an Invitation to Bid. An Invitation to Bid is used to initiate a Bidding Solicitation, awarded by low cost only, and must contain the information required by ORS 279B.055(2) and by section (2) of this Rule. Metro shall provide public notice of the competitive Bid Solicitation as set forth below in Administrative Rule 47-0300.

(2) **Invitation to Bid.** In addition to the provisions required by ORS 279B.055(2), the Invitation to Bid must include the following:

(a) **General Information.**

- A. Notice of any pre-Offer conference as follows:
 - (i) The time, date and location of any pre-Offer conference;
 - (ii) Whether attendance at the conference will be mandatory or voluntary; and
 - (iii) A provision that provides that statements made by Metro's representatives at the conference are not binding upon Metro unless confirmed by Written Addenda.
- B. The form and instructions for submission of Bids and any other special information, e.g., whether Bids may be submitted by Electronic means (See Administrative Rule 47-0330 for required provisions of Electronic Bids);
- C. The time, date and place of Opening;
- D. The office where the Solicitation Document may be reviewed;
- E. A statement that each Bidder must identify whether the Bidder is a "resident Bidder," as defined in ORS 279A.120(1);
- F. Bidder's certification of nondiscrimination in obtaining required subcontractors in accordance with ORS 279A.110(4). (See Administrative Rule 46-0210(2)); and
- G. How Metro will notify Bidders of Addenda and how Metro will make Addenda available (See Administrative Rule 47-0430).

(b) **Metro's Need to Purchase.** The character of the Goods or Services Metro is purchasing including, if applicable, a description of the acquisition, Specifications, delivery or performance schedule, inspection and acceptance requirements. As required by ORS 279B.055, Metro's description of its need to purchase must:

- A. Identify the scope of the work to be performed under the resulting Contract, if Metro awards one;
 - B. Outline the anticipated duties of the Contractor under any resulting Contract;
 - C. Establish the expectations for the Contractor's performance of any resulting Contract;
- and

METRO
PERSONAL SERVICES CONTRACTING RULES
Procurement Administrative Procedures

SUBJECT: Requirements and Procedures for the Procurement of Personal Services Contracts

PURPOSE: To establish a uniform process for the acquisition of personal services and rules related to the screening and selection of persons to perform personal services

DEPARTMENT RESPONSIBLE: Finance Department
PROCUREMENT

DEPARTMENTS AFFECTED: All Metro Departments

LEGAL CITATION/
REFERENCE: ORS 279A.055, 279A.065 and 279A.070

DATE: _____, 2017

3. Establishes that but for a substantial violation of a provision in the solicitation document or of an applicable procurement statute or administrative rule, the protesting proposer would have been included in the competitive range or in the next tier or step of competition.
- C. A proposer may appeal a decision that the proposer is not qualified under an RFQ process if the proposer can establish that it complied with all of the following conditions:
1. Submitted a responsive offer.
 2. Is deemed responsible.
 3. Establishes that but for a substantial violation of a provision in the solicitation document or of an applicable procurement statute or administrative rule, the protesting proposer would have been included in the competitive range or in the next tier or step of competition.
- D. Unless otherwise specified in the solicitation document, a proposer shall deliver its written protest to the Procurement Officer by close of business within seven (7) calendar days after the date shown on the notice of the decision that is the subject of the protest.
- E. The protest must specifically state the reason for the protest, identify how its proposal or the winning proposal was mis-scored or show how the selection process deviated from that described in the solicitation document, and identify the remedy requested.
- F. Depending upon the substance of the protest, the Procurement Officer has a number of options available in resolving the protest. The Procurement Officer may: 1) waive any procedural irregularities that had no material effect on the selection of the proposed contractor; 2) invalidate the proposed award or amend the award decision; 3) request the evaluation committee re-evaluate any proposal; 4) develop an entirely new evaluation committee and re-evaluate the proposals; or 5) cancel the solicitation and begin again to solicit new proposals. In the event the matter is returned to the evaluation committee, the Procurement Officer shall issue a notice canceling the notice of intent to award.
- G. Decisions of the Procurement Officer are final and conclude the administrative appeals process. Any further redress sought by the proposer must be pursuant to state law.

XI. EXEMPTIONS FROM COMPETITIVE PROCUREMENT REQUIREMENTS

A. Exemptions by Rule

The services listed in paragraphs 1 through 9 below are designated as Personal Service and are exempt from competitive procurement requirements set forth in these Administrative Rules.

1. Contracts for the modification by the licensor of intellectual property licensed to Metro.
2. Contracts for legal services (e.g. expert witnesses, outside legal counsel, and bond counsel), if approved by the Metro Attorney.

3. Contracts with speakers, lecturers and performing artists (whether vocal, instrumental, or visual) to provide a paid speech, lecture, or performance for an audience determined by Metro.
4. Contracts in which the rates for the services being purchased are established by federal, state, county, or other local regulatory authority where an alternate selection process has been approved in advance by the Procurement Officer.
5. Contracts for which a non-Metro funding source (e.g. a grant or contract awarded by a government agency or private foundation) identifies the contractor in the funding award or makes a funding award conditioned upon the service being performed by a specific contractor.
6. Contracts for determining any prospective or current Metro employee's ability to work or return to work.
7. Contracts for processing any claim for workers' compensation benefits.
8. Contracts for determining any reasonable accommodation that may be made to any job classification at Metro.
9. Contracts for services provided by those in the medical community including, but not limited to, doctors, physicians, psychologists, nurses, veterinarians, laboratory technicians and those with specific license or unique skill to administer treatments for the health and well-being of people or animals.

10. Contracts for services when the contractor is a not-for-profit organization and where both parties share in the decision making process work together to define a scope of work, contribute resources, share responsibilities, and accept risk and benefits.

B. Specific Exemptions from the Competitive Procurement Requirements:

1. Sole Source Contractor Exemption

A sole source procurement is one that awards a contract without an open competitive environment. It is a declaration that the personal services being contracted for are of such a unique nature, or the contractor possesses such a singular capability to perform the work that proceeding without competition is likely to provide a significant benefit to Metro. Contracting by this method requires complete explanation and justification of: 1) the unique nature of the services; 2) the unique qualifications of the contractor; and 3) the basis upon which it was determined that there is only one known contractor able to meet the service needs.

The Procurement Officer is authorized to approve sole source requests. However, sole source procurements greater than \$50,000 will require a public notice be posted on ORPIN for at least seven (7) calendar days prior to the award. Contractors who feel they are adversely affected by the award of the sole source procurement will have seven (7) calendar days from the issuance of the sole source notice to file a protest in accordance with Section X.D of these Administrative Rules. If a protest is received, the matter must be resolved before the Procurement Officer will review the Sole Source Request.

2. Emergency Exemption

Metro may award a contract as an emergency procurement without the use of competitive proposals if circumstances exist that (i) could not have been

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 17- 4814 FOR THE PURPOSE OF ADOPTING CONTRACTING AND PROCUREMENT ADMINISTRATIVE RULES

Date: May 31, 2017

Prepared by: Cary Stacey, x1619

BACKGROUND

A comprehensive set of administrative procurement rules including Local Contract Review Board Administrative Rules (the “LCRB Contracting Rules), Personal Services Contracting Rules, and Equity in Contracting Rules has been in effect at Metro on an interim basis since April 6, 2017. A public comment period that ran from April 7 through May 31, 2017 concluded with no comments received.

Informal feedback from staff and external stakeholders has been positive, with the Equity in Contracting rules especially well-received. An important goal of these rules was to fill gaps between current Metro policy and state law and reduce the need for staff to interpret contracting and procurement law. Procurement staff has had positive interactions with internal customers in using the rules to address issues that were formerly gray areas.

During the interim review period, staff made two substantive changes to the rules: 1) removal of LCRB Contracting Rule 47-0253, which would have required an internal cost and feasibility analysis for certain contracts; and 2) the inclusion of a new class of contracts in Section XI of the Personal Services Contract Rules (Exemptions from Competitive Procurement Requirements). The basis for removing Rule 47-0253 is that the state law requiring such a process is not applicable to Metro. The reason for including the new class exemption in the Personal Services Contracting Rules is that it mirrors the already existing special procurement category set forth in LCRB Contracting Rule 47-0288(21). These two minor changes ensure consistency within Metro’s procurement administrative rules and Oregon law.

The LCRB Contracting Rules, Personal Services Contracting Rules and Equity Contracting Rules will be posted on Metro’s website for ease of staff and stakeholder access.

ANALYSIS/INFORMATION

1. **Known Opposition:** None
2. **Legal Antecedents** Metro Code 2.04, State of Oregon Revised Statutes (ORS) Chapters 279A, 279B and 279C
3. **Anticipated Effects:** None
4. **Budget Impacts:** None

RECOMMENDED ACTIONS

Local Contract Review Board formal adoption of the LCRB Contracting Rules; Personal Services Contracting rules; and Equity in Contracting Rules.

Agenda Item No. 4.7

Resolution No. 17-4769A, For the Purpose of Adopting
the Annual Budget for Fiscal Year 2017-18, Making
Appropriations and Levying Ad Valorem Taxes
Resolutions (Public Hearing)

Metro Council Meeting
Thursday, June 13, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE ANNUAL) BUDGET FOR FISCAL YEAR 2017-18, MAKING) APPROPRIATIONS AND LEVYING AD VALOREM) TAXES))	RESOLUTION NO 17-4769A Introduced by Martha Bennett, Chief Operating Officer, with the concurrence of Council President Tom Hughes
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WHEREAS, the Multnomah County Tax Supervising and Conservation Commission held its public hearing on the annual Metro budget for the fiscal year beginning July 1, 2017, and ending June 30, 2018; and

WHEREAS, recommendations from the Multnomah County Tax Supervising and Conservation Commission have been received by Metro (attached as Exhibit A and made a part of the Resolution) and considered; now, therefore,

BE IT RESOLVED,

1. The "Fiscal Year 2017-18 Metro Budget," in the total amount of SIX HUNDRED FORTY TWO MILLION ONE HUNDRED SEVENTY SEVEN THOUSAND SIX HUNDRED AND TWENTY THREE DOLLARS (642,177,623), attached hereto as Exhibit B, and the Schedule of Appropriations, attached hereto as Exhibit C, are hereby adopted.

2. The Metro Council does hereby levy ad valorem taxes, as provided in the budget adopted by Section 1 of this Resolution, at the rate of \$0.0966 per ONE THOUSAND DOLLARS (\$1,000) of assessed value for operating rate levy; at the rate of \$0.0960 per ONE THOUSAND DOLLARS (\$1,000) of assessed values for local option rate levy and in the amount of THIRTY FIVE MILLION EIGHT HUNDRED NINETY SEVEN THOUSAND ONE HUNDRED SIXTEEN (\$35,897,116) for general obligation bond debt, said taxes to be levied upon taxable properties within the Metro District for the fiscal year 2017-18. The following allocation and categorization subject to the limits of Section 11b, Article XI of the Oregon Constitution constitute the above aggregate levy.

SUMMARY OF AD VALOREM TAX LEVY

	Subject to the General Government <u>Limitation</u>	Excluded from <u>the Limitation</u>
Operating Tax Rate Levy	\$0.0966/\$1,000	
Local Option Tax Rate Levy	\$0.0960/\$1,000	
General Obligation Bond Levy		\$35,897,116

3. In accordance with Section 2.02.040 of the Metro Code, the Metro Council hereby authorizes positions and expenditures in accordance with the Annual Budget adopted by Section 1 of this Resolution, and hereby appropriates funds for the fiscal year beginning July 1, 2017, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

4. The Chief Operating Officer shall make the filings as required by ORS 294.458 and ORS 310.060, or as requested by the Assessor's Office of Clackamas, Multnomah, and Washington Counties.

ADOPTED by the Metro Council on this 22nd day of June 2017.

Tom Hughes, Council President

APPROVED AS TO FORM:

Alison Kean, Metro Attorney

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE ANNUAL)
 BUDGET FOR FISCAL YEAR 2017-18, MAKING)
 APPROPRIATIONS AND LEVYING AD VALOREM)
 TAXES)

RESOLUTION NO 17-4769A

Introduced by Martha Bennett, Chief
 Operating Officer, with the concurrence of
 Council President Tom Hughes

WHEREAS, the Multnomah County Tax Supervising and Conservation Commission held its public hearing on the annual Metro budget for the fiscal year beginning July 1, 2017, and ending June 30, 2018; and

WHEREAS, recommendations from the Multnomah County Tax Supervising and Conservation Commission have been received by Metro (attached as Exhibit A and made a part of the Resolution) and considered; now, therefore,

BE IT RESOLVED,

1. The "Fiscal Year 2017-18 Metro Budget," in the total amount of ~~FIVE HUNDRED SIXTY SEVEN MILLION SIX HUNDRED SEVENTY SEVEN THOUSAND SIX HUNDRED TWENTY THREE (\$567,677,623)~~ SIX HUNDRED FORTY TWO MILLION ONE HUNDRED SEVENTY SEVEN THOUSAND SIX HUNDRED AND TWENTY THREE DOLLARS (642,177,623), attached hereto as Exhibit B, and the Schedule of Appropriations, attached hereto as Exhibit C, are hereby adopted.

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ADOPTED by the Metro Council on this 22nd day of June 2017.

Tom Hughes, Council President

APPROVED AS TO FORM:

Alison Kean, Metro Attorney

STAFF REPORT

CONSIDERATION OF RESOLUTION 17-4769A ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2017-18, MAKING APPROPRIATIONS AND LEVYING AD VALOREM TAXES

Date: April 13, 2017

Presented by: Martha Bennett
Chief Operating Officer

BACKGROUND

I am forwarding to the Metro Council for consideration and approval my proposed budget for fiscal year 2017-18.

Metro Council action, through Resolution No. 17-4769 is the final step in the process for the adoption of Metro's operating financial plan for the forthcoming fiscal year. Final action by the Metro Council to adopt this plan must be completed by June 30, 2017.

Once the budget plan for fiscal year 2017-18 is approved by the Metro Council on May 4, 2017, the number of funds and the maximum tax levy cannot be amended without review and certification by the Tax Supervising and Conservation Commission. Adjustments, if any, by the Metro Council to increase the level of expenditures in a fund are limited to no more than 10 percent of the total value of any fund's expenditures in the period between Metro Council approval in early May 2017 and adoption in June 2017.

Exhibit A to this Resolution will be available subsequent to the Tax Supervising and Conservation Commission hearing June 8, 2017. Exhibits B and C of the Resolution will be available at the public hearing on April 13, 2017.

ANALYSIS/INFORMATION

1. **Known Opposition** – Metro Council hearings will be held on the Proposed Budget on April 13, 2017 and May 4, 2017. Opportunities for public comments will be provided. Opposition to any portion of the budget will be identified during that time.
2. **Legal Antecedents** – The preparation, review and adoption of Metro's annual budget is subject to the requirements of Oregon Budget Law, ORS Chapter 294. Oregon Revised Statutes 294.635 requires that Metro prepare and submit its approved budget to the Tax Supervising and Conservation Commission by May 15, 2017. The Commission will conduct a hearing on June 8, 2017 for the purpose of receiving information from the public regarding the Metro Council's approved budget. Following the hearing, the Commission will certify the budget to the Metro Council for adoption and may provide recommendations to the Metro Council regarding any aspect of the budget.
3. **Anticipated Effects** – Adoption of this Resolution will put into effect the annual FY 2017-18 budget, effective July 1, 2017.
4. **Budget Impacts** – The total amount of the proposed FY 2017-18 annual budget is \$642,177,623 and 865.71 FTE.

RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of Resolution No. 17-4769

STAFF REPORT

CONSIDERATION OF RESOLUTION 17-4769^A ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2017-18, MAKING APPROPRIATIONS AND LEVYING AD VALOREM TAXES

Date: April 13, 2017

Presented by: Martha Bennett
Chief Operating Officer

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I am forwarding to the Metro Council for consideration and approval my proposed budget for fiscal year 2017-18.

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ANALYSIS/INFORMATION

1. **Known Opposition** – Metro Council hearings will be held on the Proposed Budget on April 13, 2017 and May 4, 2017. Opportunities for public comments will be provided. Opposition to any portion of the budget will be identified during that time.
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RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of Resolution No. 17-4769

 Metro | Memo

Date: June 9, 2017

To: Tom Hughes, Council President
Sam Chase, Councilor
Carlotta Collette, Councilor
Shirley Craddick, Councilor
Craig Dirksen, Councilor
Kathryn Harrington, Councilor
Bob Stacey, Councilor

From: Tim Collier, Director of Finance and Regulatory Services

Cc: Martha Bennett, Chief Operating Officer
Scott Robinson, Deputy Chief Operating Officer
Senior Leadership Team
Finance Team
Council Policy Coordinators

Re: **Department and Councilor Amendments to FY 2017-18 Budget**

Attached are the requests for amendments to the FY 2017-18 budget. The types and number of amendments submitted are summarized as follows:

Councilor Amendments: One amendment was proposed by Councilor Chase

Substantive Amendments: Nine substantive amendments were proposed by departments. The substantive amendments contain requests for additional FTE or other changes such as a significant increase in appropriations due to the recognition of additional revenues.

Technical amendments: Eighteen technical amendments were proposed by departments. The technical amendments request changes as a result of updating projections or carrying over funds from FY 2016-17 for approved but as of now, uncompleted projects.

The five-year Capital Improvement Plan will also be amended to reflect any changes to capital or renewal & replacement projects greater than \$100,000.

The amendments will be reviewed with Council at the work session on June 13th, and will be considered for vote at the Council meeting on June 15th prior to adoption of the budget on June 22nd, 2017.

NOTE: At the work session we will provide a brief presentation of the substantive amendments. We will not discuss the technical amendments individually unless Council has questions regarding specific amendments.

If you review the packet prior to the meeting and have questions, please call or e-mail Lisa Houghton or Tim Collier. We will make sure we have an answer and/or available experts at the work session.

At the conclusion of the Tuesday work session, we will ask if the Council is prepared to consider the department amendments in a block on June 15th, or if there are any amendments that the Council wishes to be considered separately. You will also have an additional opportunity to remove specific amendments from the block consideration at the June 15th meeting.

A summary table of contents of the amendments is included with this memo.

**FY 2017-18 Budget
Amendments to Approved Budget**

Page #	Amend #	Purpose
<i>Councilor Amendment</i>		
3	COUNCILOR #1	Low Income Transit Fare Funding Options Study
<i>Substantive Amendments</i>		
9	ZOO #2	Add 8.6 FTE Food Services Workers
11	COMM #3	Extend 1.0 FTE Limited Duration Video and Photography Technician
13	PES #4	Add 1.0 FTE Program Assistant III for SWICC and cPMO
15	MERC #7	Add 1.0 FTE Limited Duration Director of Strategic Initiatives Visitor Venues
16	IS #12	Add of 1.0 FTE System Analyst II
18	PARKS #13	Parks carryover and additional appropriations due to \$325,000 of additional revenues
23	NON-DEPT #14	Add 1.00 FTE Limited Duration Program Analyst IV
24	ZOO #16	Zoo carryover and additional appropriations due to \$303,000 of additional grants
27	MERC #28	Cirque du Soleil 2017 event
<i>Technical Amendments</i>		
31	IS #5	Information Services carryover
34	NON DEPT #6	Regional Transportation Funding Strategy carryover
36	PES #8	Solid Waste carryover
37	PES #9	Resource Conservation and Recycling carryover
41	COUNCIL #10	Diversity, Equity and Inclusion carryover
43	NON DEPT #11	Community Partnership carryover
44	P&D #17	My Place in the Region carryover
45	P&D #18	Community Placemaking Grant Program carryover
46	P&D #19	Enterprising Places Grants and Projects carryover
48	P&D #20	Equitable Housing and Investment Strategy carryover
49	P&D #21	Economic Value Atlas carryover
50	P&D #22	McLoughlin Corridor carryover
51	P&D #23	RTO additional grant revenues and refunding of existing position
52	RES #24	Residential Housing Preference Study carryover

**FY 2017-18 Budget
Amendments to Approved Budget**

53	RES #25	MCE Toolkit carryover
54	RES #26	Metro Indicator Portal Development carryover
55	RES #27	MetroScope Peer Review Panel carryover
56	MERC #29	Capital Projects carryover

Councilor Amendment

Short Title: Low Income Transit Fare Funding Options Study

Concise Description

Following the recommendations of the Metro/TriMet Low Income Fare Task Force (LIFT), this budget request seeks to explore the political and technical feasibility of several funding possibilities identified by the task force of over 20 regional partners in early 2017. LIFT determined that in order to institute a sustainable, meaningful, targeted and manageable low income fare system for TriMet ridership, \$11 million annually would be needed for program implementation. The scope of the fare includes a 50% discount for daily tickets, and an approximately 72% discount of the monthly pass for individuals making 200% of the Federal Poverty Level (FLP). This aligns with TriMet’s existing “honored citizen” discount program.

The evaluation of funding mechanisms may also align with work already planned for Metro’s work program on transportation funding in FY 2017-18, and LIFT is working with the Planning and Development Department to ensure efficiencies and limit duplication of efforts, which may save costs. This analysis assumes that funding for a low income fare program is not generated from the 2017 legislative session, and that other funding methods will be needed for program implementation.

The funding options being considered include, but are not limited to:

1. Tax/fee on commercial parking
2. Tax/fee on surface parking
3. Tax/fee on low-wage paying employers
4. Sales tax
5. Regional levy
6. Payroll tax

Objective

The purpose of this study will be to address technical considerations for implementation of a low income fare program. In an effort to establish the best way forward for a clear, easily administered and publicly supported program rollout, the evaluation may include: identifying sources of funding, assessing legal and political barriers, timeline for expected program implementation, evaluation of means-testing methods, evaluation of operational needs, assessment of service provider capacity for fare distribution, and public outreach planning.

The desired result is an ongoing revenue stream that allows TriMet to operationalize a low income fare program for regional ridership. Successful completion of this evaluation will lead to institution of new policy and/or advocacy and public outreach to build support for the funding options that surface as most likely to be supported, possible, and reoccurring, to ensure continuity of the program.

Duration

This is a one-time request that should be completed by end of FY2017-18.

Cost Estimate

The estimated cost for the funding study will be shared with TriMet. Metro's expected contribution is \$30,000 for consulting services.

Total: \$30,000

Funding Options

How will you fund this proposal? Sources might include:

- a. **Use of one-time money from Council Opportunity Fund (*the amendment proposes this option*);**
- b. Use of one-time money from a specified reserve:
 - The Planning Department has shared that elements of this evaluation align with some of the work that department is doing with regard to the RTP funding scenarios, and explorations for a future ballot initiative, and would be complementary to those investigations.

Relationship to other programs

This proposal aligns with Metro's Six Desired Outcomes:

1. Ensuring that all regional residents have equitable access to our transit system helps build vibrant accessible communities.
 2. Access to housing and jobs through increased transit use develops our economic competitiveness and provides opportunity for more residents to prosper.
 3. This clearly aids people in having safe and reliable transportation choices that enhance their quality of life.
 4. Increase transit ridership, and lower burdens to transit access supports the minimization of global warming/climate change.
 5. In keeping with limiting greenhouse gas emissions, this aids our efforts in keeping air, water and earth free from climate change induced degradation.
 6. A low income fare program makes an important step towards ensuring that equity exists relative to the benefits and burdens of growth and change to the region's communities.
- This expenditure would support the transit priority of Metro's Regional Transportation Plan.
 - This program supports Metro's Climate Smart Communities action plan by continuing to support transit, and decrease single-occupancy vehicle use.
 - This effort supports Metro's Equity Strategy by promoting substantive changes in the lives of those most vulnerable to rising costs and other effects associated with our developing regional landscape.
 - LIFT has asked the Oregon Legislature to ensure making low income fares a priority for any state transportation package that includes transit operations funding for the region.

Stakeholders

Transportation costs are second to housing as the largest financial impact to low income households. If successful, funding a low income fare program has the potential to dramatically impact the lives of the most vulnerable in our communities by providing safe, accessible and affordable transit options so they can engage fully in civic life without the extra burden of high transportation costs. Regionally, there are approximately 300,000 residents at or below 200% FPL who could take advantage of a low income fare program.

Metro and TriMet co-hosted a taskforce in FY2016-17 that included elected representation from across the tri-county area, as well as several community based organizations. All are in support of continuing to advance this effort by identifying a viable funding option for a low income fare program.

The stakeholders include, but are not limited to:

- Multnomah, Washington and Clackamas Counties
- Cities of Milwaukie, Beaverton, Wood Village, Oregon City, Portland, and Forest Grove
- OPAL, Ride Connection, Oregon Food Bank, Bus Riders Unite!, Coalition of Communities of Color, APANO, David-Douglas School District, Parkrose School District and the Westside Economic Alliance

Substantive Amendments

<i>For FP Use Only</i>	
Dept	#
ZOO	2

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Oregon Zoo – Guest Services

DATE: May 23, 2017

PREPARED BY: Sarah Keane, Finance Manager

<i>Amendment Type:</i>	<i>Purpose:</i>	<i>Status:</i>
Substantive <input checked="" type="checkbox"/>	Operating <input checked="" type="checkbox"/>	Ongoing <input checked="" type="checkbox"/>
Technical <input type="checkbox"/>	Capital Project <input type="checkbox"/>	One-time <input type="checkbox"/>
	Renewal & Replacement <input type="checkbox"/>	

AMENDMENT TITLE: Zoo Food Service Workers Addition of 8.6 FTE

PROPOSED AMENDMENT:

Addition of 8.6 FTE (ten positions) in the Food & Beverage Department to provide the base level of staffing needed for year round food service at the Zoo. An analysis conducted by the F&B management shows it takes a minimum of 17 people to fill the 12 shifts per day to open the restaurants; currently there are seven regular positions. Creating a small year round core of employees will provide consistency during the slow seasons and support during the busy seasons for training and placement in key positions. This will allow temporary labor to fill less complicated positions and easier to schedule time slots. Additionally, this will save management and HR significant time and effort put into hiring, onboarding, and scheduling.

A decrease in the Food & Beverage’s temporary staffing budget equivalent to the same number of labor hours will help offset this increase. The remainder increase is due to Metro providing health benefits to the new FTE and an assumed increased participation in PERS and will be balanced by decreasing the Zoo’s contingency for the FY18 budget.

BUDGET DETAIL:

Fund: 120 Zoo Operations

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Requirements:</i>							
Temporary Employee - Hourly	503000	120	26237	26200			\$ (20,149.00)
Temporary Employee - Hourly	503000	120	26211	26200			\$ (100,128.00)
Temporary Employee - Hourly	503000	120	26215	26200			\$ (20,149.00)
Temporary Employee - Hourly	503000	120	26229	26200			\$ (20,149.00)
Temporary Employee - Hourly	503000	120	26260	26200			\$ (50,064.00)
Temporary Employee - Hourly	503000	120	26200	26200			\$ (20,149.00)
Reg Empl-Part Time Non-Exempt	502500	120	26237	26200			\$ 20,149.00
Reg Empl-Part Time Non-Exempt	502500	120	26211	26200			\$ 100,128.00
Reg Empl-Part Time Non-Exempt	502500	120	26215	26200			\$ 20,149.00
Reg Empl-Part Time Non-Exempt	502500	120	26229	26200			\$ 20,149.00
Reg Empl-Part Time Non-Exempt	502500	120	26260	26200			\$ 50,064.00
Reg Empl-Part Time Non-Exempt	502500	120	26200	26200			\$ 20,149.00
Fringe - Retirement PERS	512000	120	26237	26200			\$ 1,015.60
Fringe - Retirement PERS	512000	120	26211	26200			\$ 5,046.40
Fringe - Retirement PERS	512000	120	26215	26200			\$ 1,015.60
Fringe - Retirement PERS	512000	120	26229	26200			\$ 1,015.60
Fringe - Retirement PERS	512000	120	26260	26200			\$ 2,523.20
Fringe - Retirement PERS	512000	120	26200	26200			\$ 1,015.60
Fringe - Health and Welfare	513000	120	26237	26200			\$ 14,136.00
Fringe - Health and Welfare	513000	120	26211	26200			\$ 56,544.00
Fringe - Health and Welfare	513000	120	26215	26200			\$ 14,136.00

Fringe - Health and Welfare	513000	120	26229	26200			\$ 14,136.00
Fringe - Health and Welfare	513000	120	26260	26200			\$ 28,272.00
Fringe - Health and Welfare	513000	120	26200	26200			\$ 14,136.00
Fringe - Other Benefits	515000	120	26237	26200			\$ 134.00
Fringe - Other Benefits	515000	120	26211	26200			\$ 598.00
Fringe - Other Benefits	515000	120	26215	26200			\$ 134.00
Fringe - Other Benefits	515000	120	26229	26200			\$ 134.00
Fringe - Other Benefits	515000	120	26260	26200			\$ 299.00
Fringe - Other Benefits	515000	120	26200	26200			\$ 134.00
Contingency - Operating	701002	120	200000	200000			\$ (154,425.00)
<i>Total Requirements</i>							\$ 0

PROGRAM/STAFFING IMPACTS:

Addition of 8.6 FTE (ten positions) as recommended by Metro Human Resources.

<i>For FP Use Only</i>	
Dept	#
COMM	3

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Communications

DATE: April 1, 2017

PREPARED BY: Jim Middaugh/Matt Snodgrass

<i>Amendment Type:</i>	<i>Purpose:</i>	<i>Status:</i>
Substantive <input checked="" type="checkbox"/>	Operating <input checked="" type="checkbox"/>	Ongoing <input type="checkbox"/>
Technical <input type="checkbox"/>	Capital Project <input type="checkbox"/>	One-time <input checked="" type="checkbox"/>
	Renewal & Replacement <input type="checkbox"/>	

AMENDMENT TITLE: Extend 1.0 FTE Limited Duration Communications Videographer

PROPOSED AMENDMENT:

This amendment extends a 1.0 limited-duration FTE in the Communications department through the end of FY 2017-18. The position is for a videographer, which will be paid for by contributions from six departments/divisions, using existing budgeted operating funds to pay for their portion of the position.

The position is funded as follows:

Parks and Nature – General Fund	\$22,000
Planning – General Fund	\$22,000
Solid Waste Fund	\$22,000
Council – General Fund	\$5,500
DEI – General Fund	\$5,500
MERC Admin Fund	<u>\$5,500</u>
Total	\$82,500

OPERATING BUDGET DETAIL:

Fund:	General Fund							
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>	
<i>Resources:</i>								
Transfer of Direct costs-	498000	010	00320		8530		22,000	
Transfer of Direct costs-	498000	010	00320		8558		5,500	
Intrafund Clearing-Direct-	499300	010	00320		8140		22,000	
<i>Total Resources</i>							49,500	
<i>Requirements</i>								
Regular Employee-FT	501000	010	00320				55,806	
Fringe - Payroll Taxes	511000	010	00320				4,724	
Fringe – Retirement PERS	512000	010	00320				7,031	
Fringe – Health & Welfare	513000	010	00320				14,136	
Fringe – Other Benefits	515000	010	00320				245	
Pension Obligation Bond Contribution	519000	010	00320				558	
Contracted prof. services (Parks and Nature Communications)	524000	010	02715	12494			(22,000)	
Temporary Employees - Hourly (Council)	503000	010	00100	00600			(5,500)	
Contracted professional services (DEI)	524000	010	00130	00062			(5,500)	
<i>Total Requirements</i>							49,500	

Fund: Solid Waste Fund							
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Requirements</i>							
Transfer of Direct costs	582000	530	35600		8010		22,000
Contracted professional services	524000	530	35600				(22,000)
<i>Total Requirements</i>							0

Fund: MERC Admin SubFund							
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Requirements</i>							
Transfer of Direct costs	582000	558	59000	55970	8010		5,500
Contracted professional services	524070	558	55000	55000			(5,500)
<i>Total Requirements</i>							0

Fund: Planning Fund							
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Requirements</i>							
Intrafund Clearing-Direct	589300	140	01285	80110	8010	40012	22,000
Contracted professional services	524000	140	01285	80110		40012	(22,000)
<i>Total Requirements</i>							0

PROGRAM/STAFFING IMPACTS:

As the Multimedia Storyteller for Metro’s Communications Department, this position will create short films and photography that help tell the story of people and places in the Portland region and that share and make accessible Metro’s work to ensure the greater Portland region remains a great place. The work also will help inspire the people who live here to participate in Metro’s work to shape the future. The position will work closely with public engagement, content and marketing experts to use video and photos to help bring content alive for the people Metro serves.

This position will help the Communications Team, Metro’s subject matter experts and community partners develop story concepts. It will spend time in the field filming and photographing. It will edit the footage and produce films and photos in the office, making revisions based on team and supervisor feedback. Ultimately, the work will be showcased across Metro’s facilities and channels.

Core responsibilities range from producing short video features for Metro’s web site and social media channels to providing day-to-day content publishing support for image and video files (everything from taking care of equipment, resizing, labeling, captioning and filing to creating clips).

<i>For FP Use Only</i>	
Dept	#
PES	4

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Property and Environmental Services (PES)

DATE: 5/11/17

PREPARED BY: Cinnamon Williams

<i>Amendment Type:</i>	<i>Purpose:</i>	<i>Status:</i>
Substantive <input checked="" type="checkbox"/>	Operating <input checked="" type="checkbox"/>	Ongoing <input checked="" type="checkbox"/>
Technical <input type="checkbox"/>	Capital Project <input type="checkbox"/>	One-time <input type="checkbox"/>
	Renewal & Replacement <input type="checkbox"/>	

AMENDMENT TITLE: Program Assistant III for SWICC and cPMO

PROPOSED AMENDMENT:

This action requests the addition of a permanent 1.0 FTE Program Analyst III to support both Solid Waste Information, Compliance and Cleanup as it implements its programs and activities and Metro’s Construction Project Management Office as its Metro-wide responsibilities and project portfolio continue to expand. Duties of this position will be split equally between SWICC and cPMO and funding will be Solid Waste Fund, MERC and General Fund split of 72.5%, 15% and 12.5%, respectively.

BUDGET DETAIL:

Fund: Solid Waste Fund		<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Requirements:</i>									
		Reg Empl-Full Time NE	501500	530	34100	36005			\$37,161
		Fringe – Payroll Taxes	511000	530	34100	36005			\$3,148
		Fringe – Retirement PERS	512000	530	34100	36005			\$4,682
		Fringe – Health & Welfare	513000	530	34100	36005			\$10,249
		Fringe – Other Benefits	515000	530	34100	36005			\$167
		Fringe – Pension Bonds Contr.	519000	530	34100	36005			\$372
		Contingency	701002	530	31100				(\$55,779)
		<i>Total Requirements</i>							\$0

Fund: MERC Fund		<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Requirements:</i>									
		Reg Empl-Full Time NE	501500	558	55060	55000			\$7,688
		Fringe – Payroll Taxes	511000	558	55060	55000			\$651
		Fringe – Retirement PERS	512000	558	55060	55000			\$969
		Fringe – Health & Welfare	513000	558	55060	55000			\$2,120
		Fringe – Other Benefits	515000	558	55060	55000			\$35
		Fringe – Pension Bonds Contr.	519000	558	55060	55000			\$77
		Contingency	701002	558	59000				(\$11,540)
		<i>Total Requirements</i>							\$0

Fund:	General Fund						
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Requirements:</i>							
Reg Empl-Full Time NE	501500	010	03382	12416			\$6,407
Fringe – Payroll Taxes	511000	010	03382	12416			\$542
Fringe – Retirement PERS	512000	010	03382	12416			\$807
Fringe – Health & Welfare	513000	010	03382	12416			\$1,767
Fringe – Other Benefits	515000	010	03382	12416			\$29
Fringe – Pension Bonds Contri.	519000	010	03382	12416			\$64
Ending Fund Balance	805900	010	99999				(\$9,616)
<i>Total Requirements</i>							\$0

PROGRAM/STAFFING IMPACTS: The creation of this position will ensure that PES achieves its goals of 1) providing appropriate program/administrative support for both divisions’ expanding workloads and activities (including equity and inclusion-related work) and 2) ensuring maximum operational efficiency of both programs. As SWICC and Metro cPMO’s respective programs and projects expand, the new shared Program Assistant III can perform the required support tasks in a cost-effective manner, enabling both divisions’ technical staff to focus their time and budget allocation on higher-level project/program activities instead of performing lower-level skill program/administrative tasks.

<i>For FP Use Only</i>	
Dept	#
MERC	7

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: MERC Admin

DATE: 04.19.17

PREPARED BY: Ben Rowe – MERC Finance Manager

<i>Amendment Type:</i>	<i>Purpose:</i>	<i>Status:</i>
Substantive <input checked="" type="checkbox"/>	Operating <input checked="" type="checkbox"/>	Ongoing <input checked="" type="checkbox"/>
Technical <input type="checkbox"/>	Capital Project <input type="checkbox"/>	One-time <input type="checkbox"/>
	Renewal & Replacement <input type="checkbox"/>	

AMENDMENT TITLE: New Position – Director of Strategic Initiatives – Visitor Venues

PROPOSED AMENDMENT: The General Manager of Visitor Venues position was filled March 1, 2017. The decision to propose this new position in fiscal year 2017-18 was delayed until the new GM was in place and could evaluate the MERC Admin team and the necessity of the proposed scope of work.

The new General Manager of Visitor Venues proposes a 1.0 FTE, 24 month limited duration, Program Director position. If approved, this position will be funded from July 1, 2017 through June 30, 2019.

In fiscal year 2017-18, this position will be funded from MERC fund reserves with no financial impact to the venues. Non TLT Pooled Capital MERC reserves in the fiscal year 2017-18 budget totals \$1,289,059. Funding for this position in fiscal year 2018-19 will be determined during budget development.

BUDGET DETAIL:

Fund: 558- MERC Admin

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
<i>Total Resources</i>							
<i>Requirements:</i>							
Reg Employees – FT Exempt	501000	558	55000	55000	0000		125,708
Fringe – Payroll Taxes	511000	558	55000	55000	0000		10,598
Fringe – Retirement PERS	512000	558	55000	55000	0000		15,839
Fringe – Health & Welfare	513000	558	55000	55000	0000		14,136
Fringe – Other Benefits	515000	558	55000	55000	0000		462
Pension Oblg. Bonds Cont.	519000	558	55000	55000	0000		1,257
Contingency	706000	558	59000	55990	0000		(168,000)
<i>Total Requirements</i>							0

PROGRAM/STAFFING IMPACTS: The proposed Program Director position will manage a portfolio of special projects to accomplish and further the strategic plans and goals of the four Visitor Venues. This position will plan, develop, implement and monitor processes, policies, and procedures for the sustainable financial operation of the Visitor Venues.

<i>For FP Use Only</i>	
Dept	#
IS	12

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Information Systems

DATE: 5/16/17

PREPARED BY: Rachael Lembo/Rachel Coe

<i>Amendment Type:</i>	<i>Purpose:</i>	<i>Status:</i>
Substantive <input checked="" type="checkbox"/>	Operating <input checked="" type="checkbox"/>	Ongoing <input checked="" type="checkbox"/>
Technical <input type="checkbox"/>	Capital Project <input type="checkbox"/>	One-time <input type="checkbox"/>
	Renewal & Replacement <input type="checkbox"/>	

AMENDMENT TITLE: New Position – Systems Analyst II

PROPOSED AMENDMENT: The position provides Information Services capacity for Enterprise database applications and computer hardware for the Solid Waste Operations Division. Enhanced services will include coordination with Solid Waste personnel to ensure POS terminals, workstations, printers, network switches, radiation detection, and other specialized services as well as Solid Waste computer software and print servers are properly configured to conform to established guidelines above service levels described in the Information Services Infrastructure Support, Internal Support Memo dated 9/1/2016. Enhanced services will also include VoIP and video surveillance coordination with vendor support.

This position would be funded fully by Solid Waste via a direct transfer.

BUDGET DETAIL:

Fund: General Fund

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Direct Transfers	498000	010	99999	00600	8530		90,457
<i>Total Resources</i>							90,457

<i>Requirements:</i>							
Reg Empl-Full Time NE	501500	010	00444				62,311
Fringe – Payroll Taxes	511000	010	00444				5,271
Fringe – Retirement PERS	512000	010	00444				7,851
Fringe – Health & Welfare	513000	010	00444				14,136
Fringe – Other Benefits	515000	010	00444				265
Fringe – Pension Bonds Contri.	519000	010	00444				623
<i>Total Requirements</i>							90,457

Fund: Solid Waste Fund

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Requirements:</i>							
Direct Transfers	582000	530	31100	12480	8010		90,457
Contingency	701002	530	31100	12480			(90,457)
<i>Total Requirements</i>							0

PROGRAM/STAFFING IMPACTS:

The Solid Waste Operations group has an ongoing business need to ensure viability of the Enterprise applications, plan for business continuity, and design system enhancements beyond the current support available. This FTE provide enhanced services to:

- Accelerate the troubleshooting, repair and replacement process by having dedicated, priority services for SW Operations.
- Schedule planned testing, replacement and downtime to reduce the negative customer service impact of that work
- Fully train the support workers on the unique aspects and needs of the operation.
- Assist in the documentation and plan for business continuity and system knowledge as well as emergency preparedness.
- Provide after-hours installation, testing and replacement and take advantage of new technology and hardware in a timely manner that will enhance the operations of the facilities.
- Provide enhanced project management and prioritization of projects and scheduled support.
- Provide on -site expertise for training and coordination with vendor support concerning the newer VoIP phones and soon to be expanded site camera systems.
- Provide enhanced project intake and support for recommendation of hardware, network and programming improvements to assist with efficient operations and improved customer safety and service.

<i>For FP Use Only</i>	
Dept	#
PARKS	13

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Parks and Nature

DATE: May 17, 2017

PREPARED BY: Cinnamon Williams/Melissa Bergstrom

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input checked="" type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input type="checkbox"/>	Capital Project	<input checked="" type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input checked="" type="checkbox"/>		

AMENDMENT TITLE: Parks & Nature Carry Forward, CIP amendments and \$325,000 new revenue

PROPOSED AMENDMENT:

At the end of each fiscal year, there are a few projects that are still in progress due to various reasons, or it is decided that they fit better in the next year's operations work plan. Some projects are combined or re-prioritized for efficiency. In order to facilitate the continuity of projects Parks & Nature requests to carry forward the budget items listed below. This action will amend the FY2017-18 Approved Budget (prior to adoption) adding the line item amounts below.

General Fund:

- Carry forward \$5,000 Lone Fir Block 14 Master Plan Update
- Carry forward \$23,000 Intertwine Signage, contracts are in place and work continues on signage implementation.
- Carry forward \$15,000 Tryon Creek to Elk Rock Tunnel; contract with ODOT has been executed.
- Carry forward \$50,000 ADA Transition Plan; RFP for the Parks and Nature ADA Transition Plan is being drafted with an expected release in FY2017-18.
- Carry forward \$11,000 Cemetery Program Financial Review; RFP is currently being drafted with an expected release in FY2017-18.
- Carry forward \$12,800 Cemetery Program Operations Review; RFP is currently being drafted with an expected release FY2017-18.

Fund: General Fund

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Undesignated Fund Balance	340000	010	03100				116,800
<i>Total Resources</i>							116,800
<i>Requirements:</i>							
Lone Fir Master Plan	524000	010	03400	17000		CEM101	5,000
Intertwine Signage	524000	010	03400	17000		70358	23,000
Tryon Creek to Elk Rock Tunnel (previously called Lake Oswego trail)	524000	010	03400	17000		PTR003	15,000
ADA Transition Plan	524000	010	03400	17000			50,000
Cemetery Program Financial Review	524000	010	03350	14200		CEM002	11,000
Cemetery Program Operations Review	524000	010	03350	14200		CEM003	12,800
<i>Total Requirements</i>							116,800

Parks and Natural Areas Local Option Levy Fund:

Carry forwards:

- Carry forward \$48,500 Oxbow Nature Play Area, funds are encumbered and expected to be expended summer 2017.
- Carry forward \$88,000 Connect with Nature, funds are encumbered and expected to be expended during FY 2017-18.
- Carry forward \$67,000 Partners in Nature, funds are encumbered and expected to be expended during FY 2017-18.

Fund:	Parks and Natural Areas Local Option Levy Fund
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<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Undesignated Fund Balance	340000	165	03100				203,500
<i>Total Resources</i>							203,500
<i>Requirements:</i>							
Oxbow Park Nature Play	571000	165	03430	12416		LI003	48,500
Connect with Nature	524000	165	03430	17000		LA350	88,000
Partners in Nature	524000	165	03600	18300		LC000	67,000
<i>Total Requirements</i>							203,500

New revenue:

- The Smith & Bybee Water Management project anticipates reimbursement of \$325,000 from the Rivergate Consent Decree.

CIP changes, see project information on CIP detail worksheet:

- The Multnomah Channel Water Control Structure project has been eliminated and \$136,000 of its appropriation is being reallocated to the Oxbow Park Nature Play project.
- Blue Lake Park Entry Repair LI214 – increase project budget by \$16,000 by reducing North Tualatin Mountains project in the same amount.
- Smith & Bybee Water Management LR403 - Total project budget is \$500,000.
- The following stream restoration/stabilization projects had not previously been identified on the capital budget, however they have already been budgeted in the Science and Stewardship operating budget.
 - Oxbow Stream Restoration LR2202
 - Ambleside Aquatic – Johnson Creek Stream Stabilization LR1602
 - Richardson Creek Stream Stabilization LR031

Fund:	Parks and Natural Areas Local Option Levy Fund
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<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Rivergate Consent Decree	414500	165	03210	18100		LR403	325,000
<i>Total Resources</i>							325,000
<i>Requirements:</i>							
Multnomah Channel Water Control Structure	574000	165	03210	18100		LR662	(170,000)
Oxbow Park Nature Play	571000	165	03430	12416		LI003	136,000
N. Tualatin Mountains	571000	165	03430	17000		LA120	(16,000)
Blue Lake Park Entry Repair	571000	165	03430	12416		LI214	50,000
Contingency	701002	165	03100	12490			(175,000)
Smith & Bybee Lakes Water Management	570000	165	03210	18100		LR403	500,000
<i>Total Requirements</i>							325,000

Natural Areas Bond Fund:

- Carry forward \$150,310 Springwater Trail railroad track relocation. Project work continues and is anticipated to be completed summer 2017.

Fund: Natural Areas Bond Fund 351

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Fund Balance Restricted for Bond Capital	324000	351	02720				150,310
<i>Total Resources</i>							150,310
<i>Requirements:</i>							
OPRC- Quitclaim – Springwater Trail	571000	351	03430	18200		G24010	150,310
<i>Total Requirements</i>							150,310

General Renewal & Replacement:

Parks & Nature has decided to cancel the Glendoveer Golf Course Path project of \$160,000 and use these funds in amounts to carryover as follows:

- Carry forward \$39,000 for the Blue Lake Water System Assessment. Project work continues and is anticipated to be completed summer 2017.
- Carry forward \$42,000 for the Oxbow Infrastructure Assessment. Project work continues and is anticipated to be completed summer 2017.

Fund: General Renewal & Replacement 611

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Undesignated Fund Balance	340000	611	03430				\$81,000
<i>Total Resources</i>							\$81,000
<i>Requirements:</i>							
Capital Maintenance	526200	611	03310	00850		LI212	39,000
Capital Maintenance	526200	611	03310	00850		POX006	42,000
<i>Total Requirements</i>							\$81,000

Amendment TO FY 2017-18 BUDGET prior to adoption
Capital Project Detail

Attachment - Parks & Nature #13

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget					Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2017-18	2018-19	2019-20	2020-21	2020-22		
Parks and Natural Areas Local Option Levy													
N	LR662	Multnomah Channel Water Control Structure	574000	165	03210		0					Levy	Project has been reconsidered and is not expected to move forward until a final decision has been made to continue with the proposed upgrades.
N	LI003	Oxbow Park Nature Play	571000	165	03430	6/30/2018	321,804					LWCF Grant, Levy, R&R	Total FY17-18 project budget is \$345,106, including Levy contribution of \$321,804 and R&R funds of \$23,302. It is anticipated that in FY18 the design will be finalized and a construction contract will be awarded and construction completed.
N	LA120	N. Tualatin Mountains	571000	165	03430	6/30/2021	702,000	16,000				Levy	Appropriation has been reduced in FY18 to increase appropriation for the Oxbow Nature Play renovation. The total project budget is \$718,000.
Y	LI214	Blue Lake Park Entry Repair	571000	165	03430	6/30/2018	50,000					Levy	The Blue Lake Park Entry was reconfigured in 2015. A "porkchop" barrier has made traffic flow difficult and funds will be used to make the necessary repair for flow improvement.
Y	LR403	Smith & Bybee Water Management	570000	165	03210	6/30/2019	500,000					Levy and Rivergate Consent Decree	This project is to re-establish the full connection between Smith Lake and Bybee Lake restoring Metro's ability to manage water levels in Smith Lake. A temporary access path will be removed at the end of the project along with approximately 7,500 CY of sediment and other material from the channel between the two lakes. Total project budget is \$500,000. Metro will be reimbursed from the consent decree in the amount of approximately \$325,000.
Y	LR240	Oxbow Stream Restoration	570000	165	03210	6/30/2018	325,000	1,502,000				Levy, Grants, Partner donations *This line item is in the operating budget	Oxbow Stream Restoration is a restoration project on the Sandy River. The total project budget is expected to be \$2,180,000 with funding coming from partners, grants, and the Levy. Expenses to date that were not previously identified on the CIP are approximately \$353,000. It is anticipated that work in FY18 will continue with final engineering design, the securing of regulatory permits, and hiring a construction contractor. Final project implementation is dependent upon secured funding from grants and partners.

Amendment TO FY 2017-18 BUDGET prior to adoption
Capital Project Detail

Attachment - Parks & Nature #13

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget					Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2017-18	2018-19	2019-20	2020-21	2020-22		
Y	LR1602	Ambleside Aquatic - Johnson Creek Stream Stabilization	570000	165	03210	6/30/2018	360,000	10,000				Levy *This line item is in the operating budget	Ambleside aquatic is a stream restoration project along Johnson Creek which includes the deconstruction/demolition of a structure. This is a levy restoration project that had not previously been identified in the capital budget. Expenses incurred in FY15 and FY16 total \$157,300. The total project budget is \$586,000.
N	LR031	Richardson Creek Stream Stabilization	570000	165	03210	6/30/2020	50,000	995,000				Levy and PGE Grant *This line item is in the operating budget.	Project has been delayed due to restrictions of current agricultural lease. PGE grant funds (\$675,000) were received and recognized in FY16-17. It is expected that project will have preliminary expenses in FY18 and construction will begin in FY19. Project expenses FY15-17 total approximately \$105,000 and total project budget is estimated at \$1,100,000.
Natural Areas Bond Fund													
N	G24010	OPRC - Quitclaim - Springwater	571000	351	03430	6/30/2018	150,310					Carry Forward	Project will not be completed 6/30/17 as originally anticipated and funds to complete project will be carried forward to FY17-18.
General Renewal and Replacement Fund													
N	GF134	Glendoveer Golf Course Path		611			0					Carry Forward	Project has been cancelled and funds are proposed to be used elsewhere.
N	LI003	Oxbow Park Nature Play	571000	611	03430	9/30/2017	23,302					Carry Forward	Portion of project budget - see complete project description under Levy above.
N	LI212	Blue Lake Water System Assessment	526200	611	03430	9/30/2017	91,250					Carry Forward	Project expected to be completed summer 2017.
Y	POX006	Oxbow Infrastructure Assessment	526200	611	03430	9/30/2017	42,000					Carry Forward	Project expected to be completed summer 2017.

<i>For FP Use Only</i>	
Dept	#
NON DEPT	14

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Non-departmental Transportation Funding Strategy

DATE: May 15, 2017

PREPARED BY: Jim Middaugh / Matt Snodgrass

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input checked="" type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: New Position - Transportation Funding Strategy Program Analyst IV

PROPOSED AMENDMENT:

During spring of 2017, Councilors Craddick, Dirksen and Stacey requested \$150,000 from the General Fund contingency (Council Opportunity Account) to complete phase one and begin phase two of Metro’s Regional Transportation Funding Strategy. This strategy aims to develop a new political infrastructure that will enable the passage of regional transportation funding measures and advance regional policy objectives.

This amendment will add a 1.0 FTE to the Non-departmental Department’s Transportation Funding Strategy division, for a 2-year, limited duration, Program Analyst IV. This position is in support of the Council’s Transportation Funding Strategy and will focus on tasks such as overseeing opinion research and revenue analyses. This position will open on July 01, 2017 and will end on June 30, 2019.

No additional budget authority is requested with this action. Existing materials and services appropriation will be moved into personnel services to fund the new position.

BUDGET DETAIL:

Fund:	General Fund
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<i>Requirements:</i>							
Regular Employee-FT	501000	010	99992	00600		42000	\$85,000
Fringe - Payroll Taxes	511000	010	99992	00600		42000	\$7,177
Fringe – Retirement PERS	512000	010	99992	00600		42000	\$10,710
Fringe – Health & Welfare	513000	010	99992	00600		42000	\$14,136
Fringe – Other Benefits	515000	010	99992	00600		42000	\$336
Pension Obligation Bond Contribution	519000	010	99992	00600		42000	\$850
Contracted Professional Services	524000	010	99992	00600			\$(118,209)
<i>Total Requirements</i>							\$0

PROGRAM/STAFFING IMPACTS:

Adds 1.00 FTE two year Limited Duration position

<i>For FP Use Only</i>	
Dept	#
ZOO	16

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Oregon Zoo

DATE: May 23, 2017

PREPARED BY: Sarah Keane, Finance Manager

<i>Amendment Type:</i>	<i>Purpose:</i>	<i>Status:</i>
Substantive <input checked="" type="checkbox"/>	Operating <input type="checkbox"/>	Ongoing <input type="checkbox"/>
Technical <input type="checkbox"/>	Capital Project <input checked="" type="checkbox"/>	One-time <input checked="" type="checkbox"/>
	Renewal & Replacement <input checked="" type="checkbox"/>	

AMENDMENT TITLE: FY2017-18 Zoo Renewal & Replacement and Capital

PROPOSED AMENDMENT:

This amendment will update the FY 2017-18 Renewal & Replacement and Capital budgets for the Oregon Zoo. The previously proposed Capital Improvement Plan (CIP) included primarily electrical infrastructure work, however that project has since been approved to be funded by zoo bond funds. This action will re-allocate renewal and replacement funds to other projects and to contingency.

Additionally, at the April Oregon Zoo Foundation board meeting several large grants were approved for capital projects associated with animal welfare and revenue generation. This action increases the originally proposed OZF grant revenues to the updated amounts and allocates those funds to previously deferred R&R projects and foundation funded activities.

BUDGET DETAIL:

Fund: 325 Zoo Capital Fund

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Grants – OZF Support	475500	325	27000	20000			240,000
<i>Total Resources</i>							240,000
<i>Requirements:</i>							
OZF Approved Projects	526200	325	27000	20000			240,000
<i>Total Requirements</i>							240,000

Fund: 326 Zoo Renewal & Replacement

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Grants – OZF Support	475500	326	27000	20000			63,000
<i>Total Resources</i>							63,000
<i>Requirements:</i>							
Middle Service Electrical Work	571000	326	27000	21000			(550,000)
Dept Esti CF for LC Admin Siding	572000	326	27000	21000			(165,000)
Generator	574000	326	27000	21000			(560,000)
Roof Replacement Project	572000	326	27000	21000			673,000
Fleet Replacement Program	574000	326	27000	21000		70001Z	63,000
Maintenance – Cascade Crest	526100	326	27000	21000		ZRW195	120,000

Website Redesign	579000	326	27000	24000		ZRW196	50,000
Endoscopy Cart	571000	326	27000	22000			65,000
AfriCafe Refrigeration	572000	326	27000	26000			80,000
Unallocated – projects to be identified	572000	326	27000				287,000
						<i>Total Requirements</i>	63,000

PROGRAM/STAFFING IMPACTS: There are no anticipated staffing impacts, current zoo staff and CPMO project manager will execute activities.

Amendment TO FY 2017-18 BUDGET prior to adoption
Capital Project Detail

Attachment Zoo #16

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget					Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2018	2019	2020	2021	2022		
Oregon Zoo Asset Management Fund – Capital Projects Subfund													
Y	ZOO66	Giraffe Feeding Station	571000	325	27000		400,000					Grant - OZF	
Y	ZOO77	Ampitheatre tier remodel	571000	325	27000		110,000					Grant - OZF	
Y	ZOO78	Cameras in animal areas	571000	325	27000		100,000	100,000	100,000	100,000	100,000	Grant - OZF	
Y	Misc.	Zoo New Capital projects < \$100,000	571000	325	27000		130,000					Grant - OZF	includes animal welfare projects and a food cart
N	ZRW193	Railroad car replacements	574000	325	27000		350,000	350,000				SW Loan Balance	
Oregon Zoo Asset Management Fund – Renewal and Replacement Subfund													
N	ZOO58	Roof Replacement Project	572000	326	27000		673,000	650,000	650,000	650,000	650,000		Initial design work completed in FY17
N	70001Z	Fleet Replacement Program	574000	326	27000		150,100	143,000	143,000	143,000	143,000	Carry Fwd, Grant - OZF	FY18 includes Waco & boomlift
N	ZRW194	Life Support Systems Assessment & Replacement	571000	326	27000		150,000						Future years will be updated based on FY18 assessment
N	ZRW195	Maintenance - Cascade Crest	526100	326	27000		120,000						
N	ZRW196	Website redesign	579000	326	27000		50,000	150,000					
N	Misc.	Zoo R&R projects < \$100,000	varies	326	27000		195,000	27,800	217,608		15,000		
Y		Generator, standby-by, 450W (FM) combine w/350KW	574000	326	27000		0						Project moved to Zoo Bond Fund
Y		Middle Service Road Electrical	571000	326	27000		0						Project moved to Zoo Bond Fund
N	TBD	HVAC								670,000			
N	TBD	Steller Cove									500,000		
N	TBD	Unallocated - projects to be identified					287,000						

<i>For FP Use Only</i>	
Dept	#
MERC	28

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: MERC – Portland Expo Center

DATE: 05.19.17

PREPARED BY: Ben Rowe

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input checked="" type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: MERC Portland Expo Center - Cirque du Soleil Event 2017

PROPOSED AMENDMENT:

The Portland Expo Center has secured the contract with Cirque du Soleil for 64 performances August 24th through October 8th 2017. Staff planned to propose a separate budget amendment for the Cirque event after the contract was signed. The proposed line items below represent both the revenues and expenditures specific to the event. The proposed budget below represents a \$65,790 (26%) Food and Beverage margin, a \$144,000 (58%) parking operation margin and a total \$312,730 (47%) total event margin.

BUDGET DETAIL:

Fund: 556 – Portland Expo Center

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
F&B Service Rev - Liquor	455110	556	56800	51300	0000		18,500
F&B Service Rev - Beer	455120	556	56800	51300	0000		4,625
F&B Service Rev - Beer	455120	556	56800	51100	0000		105,080
F&B Service Rev - Wine	455130	556	56800	51300	0000		24,975
F&B Service Rev - Wine	455130	556	56800	51100	0000		79,735
F&B Service Rev - Food	455500	556	56800	51100	0000		3,238
Outside Catering Buy-out	455910	556	56800	51300	0000		4,625
Outside Catering Buy-out	455910	556	56800	51100	0000		9,250
F&B Recovery - Billed Gratuity	455920	556	56800	51100	0000		6,938
Food & Beverage Subtotal:							256,965
Rentals - Outdoor Space	452110	556	56200	53710	0000		155,000
Parking Fees	462000	556	56850	54000	0000		250,000
Total Resources							661,966

<i>Requirements:</i>							
F&B Svcs - Promoter Revenue Share	529128	556	56800	51300	0000		65,865
F&B - Liquor Cost	529122	556	56800	51300	0000		5,550
F&B - Beer Cost	529124	556	56800	51300	0000		21,941
F&B - Wine Cost	529123	556	56800	51100	0000		20,942
F&B - Beverage Cost	529121	556	56800	51100	0000		500
F&B - Food Cost	529120	556	56800	51100	0000		648
F&B Service - Other	529129	556	56800	51100	0000		3,000
F&B Services - Direct Salary & Wage - Manager	529130	556	56800	51100	0000		12,000
F&B Services - Direct Salary & Wage - Hourly	529131	556	56800	51100	0000		31,000
F&B Services - Reserves	529191	556	56800	51500	0000		13,900

F&B Services - Net Gross Receipts	529198	556	56800	51400	0000		9,000
F&B Services - Percent of Net Profit	529199	556	56800	51400	0000		6,830
Food & Beverage Subtotal:							191,176
Parking Services	529210	556	56850	54000	0000		76,000
Parking - Traffic Control	528092	556	56850	54000	0000		30,000
Parking Subtotal:							106,000
Marketing & Sales - Enhanced	524700	556	56200	53100	0000		17,160
Miscellaneous Expenditures - Operations	549000	556	56300	53100	0000		19,550
Miscellaneous Expenditures - Event Coordination	549000	556	56500	53100	0000		15,350
Event Related Expenses Subtotal:							52,060
Contingency - Operating	701002	556	59600	55990			312,730
						Total Requirements	661,966

PROGRAM/STAFFING IMPACTS: The Expo Center will hire part-time seasonal staff for some event management and parking management duties. All expenses will be specific to this event with no on-going or recurring expenses.

Technical Amendments

<i>For FP Use Only</i>	
Dept	#
IS	5

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Information Systems

DATE: 5/22/17

PREPARED BY: Rachael Lembo / Rachel Coe

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input checked="" type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Information Systems Carry forward

PROPOSED AMENDMENT: This amendment proposed adjustments to various Information Systems projects, some of which are delayed and will incur costs in FY2017-18, and others which will be completed in FY2016-17 and thus do not need to be budgeted in FY2017-18.

BUDGET DETAIL #1:

The Zoo Roadmap project was expected to begin in FY2016-17 and be completed in FY2017-18, however the entire project has been pushed back to FY2017-18. This carry forward will increase the FY 2017-18 project amount to \$164,000.

Fund:	General Asset Management Fund – New Capital Subfund						
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	340000	612	00444				14,000
<i>Total Resources</i>							14,000
<i>Requirements:</i>							
Zoo Roadmap	524000	612	00444	00600		TBD	14,000
<i>Total Requirements</i>							14,000

BUDGET DETAIL #2:

The Customer Relationship Software project is nearing completion, however a portion is requested as a carry forward to address issues that may arise in FY2017-18. The original project budget was \$100,000 in FY2016-17.

Fund:	General Fund						
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	340000	010	99999				29,340
<i>Total Resources</i>							29,340
<i>Requirements:</i>							
Customer Relationship Software	579000	010	99998	00600		65675A	29,340
<i>Total Requirements</i>							29,340

BUDGET DETAIL #3:

The projects listed below were budgeted in FY2016-17, however during the development of the budget they were expected to continue into FY2017-18 and were budgeted as such. At this point these projects are expected to be completed in FY2016-17, and thus both the beginning fund balance and project budgets in FY2017-18 should be decreased.

Fund: General Asset Management Fund – Renewal and Replacement Subfund

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	340000	611	99999				(122,000)
<i>Total Resources</i>							(122,000)
<i>Requirements:</i>							
PeopleSoft Upgrade – new server	575000	611	00441	00810		01521	(40,000)
Conf Room 301	575000	611	00441	00810		01557	(50,000)
Network Management	575000	611	00441	00810		65200	(20,000)
MRC VoIP	572000	611	00434	00820		65701B	(12,000)
<i>Total Requirements</i>							(122,000)

Capital Project Detail

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget						Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2017	2018	2019	2020	2021	2022		
N	TBD	Zoo Roadmap Evaluation	524000	612	00444	6/30/2018		164,000					carry forward	Projected added to CIP
N	65675A	Cust. Relationship software	579000	010	99998	6/30/2018	70,660	29,340					carry forward	
N	01521	PeopleSoft server upgrade	575000	611	00441	6/30/2017	40,000	113,111	-	150,191	-	156,258	carry forward	
N	01557	Conf Room 301	575000	611	00441	6/30/2017	100,000	-	-	-	-	-	carry forward	
N	65200	Network Management	575000	611	00441		66,845	325,144	442,859	222,360	281,492	208,944	carry forward	
N	65701B	MRC VoIP	572000	611	00434		12,000	128,400					carry forward	

<i>For FP Use Only</i>	
Dept	#
NON DEPT	6

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Non-departmental Transportation Funding Strategy

DATE: April 10, 2017

PREPARED BY: Jim Middaugh

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Transportation research and analysis carry forward

PROPOSED AMENDMENT:

Carryover \$130,000, from FY 2016-17 to FY 2017-18 for transportation-related revenue analysis and opinion research.

During spring of 2017, Councilors Craddick, Dirksen and Stacey requested \$150,000 from the General Fund contingency (Council Opportunity Account) to complete phase one and begin phase two of Metro’s Regional Transportation Funding Strategy. This strategy aims to develop a new political infrastructure that will enable the passage of regional transportation funding measures and advance regional policy objectives.

Opinion Research - \$90,000 (Now to be conducted next FY)

This phase of work will be moved into the next fiscal year and will invest in reliable opinion research. This will allow Metro to make a compelling argument to the public and build confidence with partners and stakeholders that there is a path to success.

The opinion research will include three online bulletin boards (one per county) of 10-15 participants. Respondents will log into a bulletin board discussion group at different times during the day that are convenient to them to answer questions posted by a moderator while reading and responding to other participants’ posts.

Additionally, a consultant will develop one 1,200 sample, 15-minute greater Portland landline and wireless phone survey that builds on the findings of the qualitative research. This survey will drill down more concretely on project priorities, funding mechanisms, willingness to pay, and the impact of pro and con messaging. The \$90,000 will be used to develop qualitative opinion research that provides strategic direction on top messages, willingness to pay, urgency in relation to other issues, and a viable fiscal mechanism.

Revenue Analysis - \$40,000 (Now to be completed next FY)

This phase of work will include a thorough revenue analysis that demonstrates options that are legally, fiscally and politically viable. This revenue analysis will provide an evaluation of potential revenue sources for regional transportation, beginning with existing documentation and expanding to look at more innovative sources. This work will result in a report on revenue impact and inform public opinion work.

Legal research also will be necessary for this effort. Led by OMA, this work will look at identified potential regional revenue authority, as well as legal requirements to change or expand authorities needed for particularly promising opportunities. The \$40,000 will be used to develop a defined set of viable revenue options that will inform the resulting political strategy and cultivate buy-in among stakeholders.

This action requests the Council authorize the carryover of \$130,000 from the Non-Departmental Special Appropriations-Metro's Regional Transportation Funding Strategy to next FY. The reasons the carryover is needed are as follows:

1. The project manager is no longer employed at Metro
2. Legislative developments on transportation make a delay both strategic and pragmatic
3. The departure of the project manager creates an opportunity to restructure the staff team involved in the project and more time is required to complete that work.

The chief operating officer supports this request.

BUDGET DETAIL:

Fund:	General Fund						
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	010	99999				\$130,000
<i>Total Resources</i>							\$130,000
<i>Requirements:</i>							
Contracted professional services	524070	010	99992	00600			\$130,000
<i>Total Requirements</i>							\$130,000

PROGRAM/STAFFING IMPACTS:

This amendment will allow a more strategic response to developments at the legislature and to ensure effective staffing of the work.

<i>For FP Use Only</i>	
Dept	#
PES	8

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Property and Environmental Services (PES)

DATE: May 8, 2017

PREPARED BY: Cinnamon Williams/Tom Chaimov

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Solid Waste Carryover

PROPOSED AMENDMENT: At the end of each fiscal year, there are a few projects that are still in progress due to various reasons. In order to facilitate the continuity of projects, PES requests to carryover this budget item below:

BUDGET DETAIL #1:

The carryover will be utilized to fund the remaining commitments of the Long-term Management Contract. This work has been stalled in FY2016-17 due other projects' time overreach, change in personnel and additional time needed to complete the work.

Fund: Solid Waste Operating Fund

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Undesignated Fund Balance	340000	530	35000				\$100,000
<i>Total Resources</i>							\$100,000
<i>Requirements:</i>							
Contracted Prof. Services	524000	530	34500	37700			\$100,000
<i>Total Requirements</i>							\$100,000

BUDGET DETAIL #2:

The carryover will be utilized to fund the remaining commitments of the Solid Waste Roadmap Foundational Work, aka OSCAR. Solid Waste Information & Analyses team is currently working to migrate OSCAR onto Metro servers, where we can leverage internal resources to move it forward. We request a carryover for FY 17-18 so that we can initiate the next phase of work that will include maintenance and scoping to revise OSCAR to meet departmental needs.

Fund: Solid Waste Operating Fund

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Undesignated Fund Balance	340000	530	35000				\$69,000
<i>Total Resources</i>							\$69,000
<i>Requirements:</i>							
Contracted Prof. Services	524000	530	31200	36550			\$69,000
<i>Total Requirements</i>							\$69,000

<i>For FP Use Only</i>	
Dept	#
PES	9

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Property and Environmental Services (PES)

DATE: May 2, 2017

PREPARED BY: Carl Grimm/Pam Peck/Matt Korot/Cinnamon Williams

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Resource Conservation & Recycling Carryovers and New Revenues of \$10,000

PROPOSED AMENDMENT: At the end of each fiscal year, there are a few projects that are still in progress due to various reasons. In order to facilitate the continuity of projects, PES requests to carryover these budget items below:

BUDGET DETAIL #1:

The carryover will be utilized to fund the multi-departmental Find a Recycler and Garbage and Recycling Web Improvement project. The process for developing the RFP and selecting the contractor for this project took longer than expected and, as a result, the contractor won't begin work until May 2017.

Fund: Solid Waste Operating

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Fund Balance	340000	530	35000				\$80,000
<i>Total Resources</i>							
<i>Requirements:</i>							
Contracted Professional Services	524000	530	33600	36310			\$80,000
<i>Total Requirements</i>							\$80,000

BUDGET DETAIL #2:

The Agency will receive additional funds, whereas Metro will act as the fiscal agent and distribute those funds to OSU. This revenue was not committed at the time the 17-18 budget was first submitted. In addition, Metro is involved with existing multi-year contracts with Oregon State University (OSU) to conduct natural gardening education work and IPM Web Resource Development. Both of these contracts have project activity that is committed and will be performed this summer.

Carryover Items:

- \$45,000 IPM Web Resource Development
- \$56,000 Residential Pesticide Use Reduction for Natural Gardening Education

Additional Resources:

- \$10,000 Receive from East Multnomah Soil and Water Conservation District
- \$10,000 Distribute to OSU for Natural Gardening Education

Fund:	Solid Waste Operating
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<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Undesignated Fund Balance	340000	530	35000				\$101,000
Contributions from Governments	414500	530	33700	36101			\$10,000
<i>Total Resources</i>							\$111,000
<i>Requirements:</i>							
Grants to Other Governments	531500	530	33700	36101			\$66,000
Grants to Other Governments	531500	530	33700	36101	xx	75620F	45,000
<i>Total Requirements</i>							\$111,000

BUDGET DETAIL #3:

The RCR has a project to reconstruct and repair the Blue Lake Garden Structure as committed by PES in prior years. This garden is used as a part of the Natural Gardening Education program. Funds for the project were carved from original materials and services budget in the RCR group and amount carried over will be what has been committed. This carryover will also change CIP, as originally the repairs were expected to be below \$50,000. Due to delays in permitting, design changes and cPMO priorities and changing market prices, total costs are expected to be approximately \$50,000. Currently, \$9,500 has been spent in FY2016-17 but the committed \$39,500 will be spent in FY2017-18.

Carryover Items:

\$39,500 Blue Lake Garden Structure for Natural Gardening Education

Fund:	Solid Waste Operating
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<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Undesignated Fund Balance	340000	530	35000				\$39,500
<i>Total Resources</i>							\$39,500
<i>Requirements:</i>							
Improvements – Other than Bldgs	571000	530	33700	36101		75620K	\$39,500
<i>Total Requirements</i>							\$39,500

CIP Amendment:

- See capital project detail worksheet

BUDGET DETAIL #4:

The Metro Construction and Recycling Salvage Toolkit is Metro’s primary educational material for the construction industry and our surveys have shown that it has been one of the most effective methods to distribute building material salvage and recycling information. Staff has completed the research necessary to update the Toolkit’s content and will soon hand off the draft to the contractor (Brink) that will complete the layout and prepare the project pieces for printing and distribution. \$70,000 was budgeted for this work in 2016-17 and PES will pay for smaller production pieces related to the Toolkit in the current year. The requested carryover of \$57,000 will cover printing of the Toolkit guidebook itself in July 2017.

This project was on hold for much of 2016 and 2017 as Metro staff worked to finalize language related to often-changing DEQ guidance about how contractors should manage potential asbestos-containing materials in construction waste delivered to solid waste facilities.

Fund:	Solid Waste
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<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Undesignated Fund Balance	340000	530	35000				\$57,000

<i>Total Resources</i>							
<i>Requirements:</i>							
Other Purchased Services	528400	530	33700	36102	xx	75661F	\$57,000
<i>Total Requirements</i>							\$57,000

BUDGET DETAIL #5:

The carryover will be utilized to fund the SW Fleet and Machinery Inventory and Emissions Assessment project. Metro has a contract to complete an on-road and non-road solid waste system inventory and emissions assessment, which has been extended to December 2017. Originally, data was going to be available at the beginning of 2017. Unfortunately, the City of Portland will be collecting the data June 2017, which has delayed assessment of this data and the project.

Fund:	Solid Waste						
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Fund Balance	340000	530	35000				\$23,000
<i>Total Resources</i>							
<i>Requirements:</i>							
Contracted Professional Services	524000	530	33900	36153			\$23,000
<i>Total Requirements</i>							\$23,000

BUDGET DETAIL #6:

The carryover will be used to finish up the PES Furniture Reconfiguration project that is almost complete. The remaining work is due to staff furniture needs. As staff have adapted to their new workspaces after the completion of the project, it has been determined that additional storage and seating is needed. This furniture consists of items that will augment what cubicles are unable to accommodate and items that staff did not realize they needed until settling into their new spaces. It is primarily for flex and aisle way spaces and will enable PES to maximize the newly created space in these areas. Unfortunately, the furniture will not get delivered by the end of the fiscal year and the committed amounts must be carried forward.

Fund:	Solid Waste Renewal & Replacement 534						
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Fund Balance	340000	534	34100				\$90,000
<i>Total Resources</i>							\$90,000
<i>Requirements:</i>							
Capital Maintenance Non CIP	526200	534	34100			01329	\$90,000
<i>Total Requirements</i>							\$90,000

CIP Amendment:

- See capital project detail worksheet

Capital Project Detail

Attachment - PES #9

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget						Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2017	2018	2019	2020	2021	2022		
Y	75620K	Blue Lake Garden Structure	571000	530	33700	9/30/2017	-	39,500	-	-	-	-	Funds will be coming from a carryover of operating contracted services from the RCR to cover costs	The repairs of the Blue Lake Garden Structure has been necessary and is used for the natural gardening program in the RCR group. Originally, the project was estimated to come in below \$50,000 but due to delays in permitting, design changes and cPMO priorities and changing market prices, the total costs appear to exceed the CIP threshold and should be included. RCR has carved funds from their M&S budget to cover the capital costs and will carryover the funds that are committed.
N	01329	MRC Remodel 2nd Floor	526200	534	34100	8/31/2017	-	90,000	-	-	-	-	Fund Balance as a carryover	Amount needed to complete is still within CIP budgeted expectations. It has been determined that additional storage and seating is needed. This furniture consists of items that will augment what cubicles are unable to accommodate and items that staff did not realize they needed until settling into their new spaces. It is primarily for flex and aisle way spaces and will enable PES to maximize the newly created space in these areas.

<i>For FP Use Only</i>	
Dept	#
COUNCIL	10

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Council - Diversity, Equity and Inclusion (DEI)

DATE: 05/10/17

PREPARED BY : Cassie Salinas

<i>Amendment Type:</i>	<i>Purpose:</i>	<i>Status:</i>			
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Diversity, Equity and Inclusion (DEI) Program Carry overs

Consultation for Americans with Disabilities Act (ADA) Assessment

DEI is seeking proposals from a qualified consultant to assist staff and collaborate with external stakeholders to review the 2012 ADA Self Evaluation, identify gaps in the assessments, conduct a review of specific Metro programs policies, programs, actives and services and prepare an ADA Transition Plan for Metro Regional Center (MRC) in accordance with 2010 ADA Standards for Accessible Design and current Oregon accessibility requirements. The RFP will be released mid May 2017 and the work is scheduled to begin July 2017. This amendment will carry forward \$35,000 from the Inclusion Program (00062) to cover the expenses in FY 17-18.

ADA signage for Metro Regional Center

In partnership with the Metro Communications and Property and Environmental Services departments, DEI has developed new external ADA entrance signage for Metro Regional Center. New signs were designed in April 2017 and will be fabricated and installed July 2017. This amendment will carry forward \$3,000 from the Inclusion Program (00062) to cover the expenses for fabrication and installation in FY 17-18. Work will be completed under contract 931892.

Consultation for external strategic communications and marketing development

DEI is in the process of developing a detailed communications and marketing work plan for diversity, equity and inclusion efforts at Metro with support from PRR. Some initial research has already begun and development, review and completion of the work plan and editorial calendar will begin fall 2017. Implementation of the work will be outlined and authorized under a separate work order or contract. This amendment will carry forward \$15,000 from the Inclusion Program (00062) to cover the expenses in FY 17-18. Work will be completed under contract 933139.

“Building the Foundation: Exploring Diversity, Equity and Inclusion” training

DEI has identified Center for Diversity and the Environment as a preferred vendor through a competitive procurement process under RFP 3260 to hold a three-day course for people who are newly embarking in DEI work. This course is designed as the first step in a dynamic and rewarding journey. The course provides tools for participants to understand and enhance diversity, equity and inclusion work, including the iterative process of awareness-building, information gathering, analysis, vision development, planning and action. The training would occur in winter of 2017. This amendment will carry forward \$ 13,000 from Equity Program (00065) to cover the expenses in FY 17-18.

“Beyond Diversity” training

DEI has identified Pacific Educational Group as a preferred vendor through a competitive procurement process, under RFP 326 to hold a two-day seminar to help Metro leadership and employees understand the impact of race in their lives, their work, and their overall growth and development. It models and teaches a protocol for discussing race in ways that are productive, insightful and generative. It enables organizations to generate equity by imparting a method for having Courageous Conversations about race. The first training would occur in the fall of 2017. This amendment will carry forward \$ 11,150 from Equity Program (00065) to cover the expenses in FY 17-18.

Consultation for racial equity evaluation framework

DEI is the process of contracting with Steve Patty to co-design a collaborative, multi-organizational evaluation cohort that will build Metro’s capacity to design and conduct an evaluation of the Strategic Plan to Advance Racial Equity, Diversity and Inclusion’s goals, objectives, and actions. The evaluation cohort, a partnership and IGA between Portland Development Commission, Greater Portland Inc. and Metro has already started but the billing for contract will begin in the summer of 2017. This amendment will carry forward \$ 30,000 from Equity Program (00065) to cover the consulting expenses in FY 17-18.

Consultation for community engagement

DEI is currently in partnership with the Coalition of Communities of Color to facilitate two half day (four hours) discussion groups on May 20 and June 3 and two half day (four hours) discussion groups in the fall of 2017. This amendment will carry forward \$ 10,000 from Equity Program (00065) to cover the consulting expenses in FY 17-18. Work will be completed under contract 934600.

This amendment will move \$117,150 into the DEI beginning fund balance for FY 2017-18, which will be used to fund the activities above.

Fund:	General
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<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	340000	010	99999				\$117,150
<i>Total Resources</i>							\$117,150

<i>Requirements:</i>							
Contracted professional services - ADA consultation	524000	010	00130	00062	x	x	\$35,000
Contracted professional services - new ADA signage	524000	010	00130	00062	x	x	\$3,000
Contracted professional services - consultation for strategic communications	524000	010	00130	00062	x	x	\$15,000
Contracted professional services -DEI training	524000	010	00130	00065	x	x	\$13,000
Contracted professional services -DEI training	524000	010	00130	00065	x	x	\$11,150
Contracted professional services - racial equity evaluation	524000	010	00130	00065	x	x	\$30,000
Contracted professional services - community engagement	524000	010	00130	00065	x	x	\$10,000
<i>Total Requirements</i>							\$117,150

<i>For FP Use Only</i>	
Dept	#
NON DEPT	11

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Non-departmental Community Partnerships

DATE: April 19, 2017

PREPARED BY: Matt Snodgrass/Molly Chidsey/Peggy Morell

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Community partnership carry forward

PROPOSED AMENDMENT:

The Non-departmental Community Partnerships division was created at the request of the Chief Operating Officer, to provide oversight of funding designated to develop pilot partnerships with various non-profit, community based organizations to achieve two goals:

- Meaningfully engage communities of color
- Hire, train and promote a racially diverse workforce.

This amendment will carry over \$96,265, from FY 2016-17 to FY 2017-18, for community partnerships overseen by Property and Environmental Services. It will also carry over \$108,540, from FY 2016-17 to FY 2017-18, for community partnerships overseen by Council and Communications. The total amount to be carried forward, into the Beginning Fund Balance for FY 2017-18, is \$204,805.

BUDGET DETAIL:

Fund: General Fund

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	340000	010	99999				\$108,540
<i>Total Resources</i>							\$108,540
<i>Requirements:</i>							
Contracted professional services in Council/ Communications Community Partnerships	524000	010	99991	00600			\$108,540
<i>Total Requirements</i>							\$108,540

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	340000	010	99999				\$96,265
<i>Total Resources</i>							\$96,265
<i>Requirements:</i>							
Contracted professional services in PES Community Partnerships	524000	010	99991	00600			\$96,265
<i>Total Requirements</i>							\$96,265

<i>For FP Use Only</i>	
Dept	#
P&D	17

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Planning & Development

DATE: 05/23/2017

PREPARED BY: Elissa Gertler

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Place in the Region Carryover

PROPOSED AMENDMENT:

The My Place in the Region funds support communications and engagement efforts in coordination with Planning & Development Department work. Over the course of FY 2016-17, the work program for My Place has been more closely integrated with the Metro Council’s transportation funding work program in order to maximize and leverage shared communications activities, resources, and timelines. As the work program has evolved into a multi-year, multi-department project, Planning & Development requests that a project carryover of FY 2016-17 General Fund of \$170,000 be carried over into FY 2017-18.

BUDGET DETAIL:

Fund: 140 – Planning

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01280				\$170,000
<i>Total Resources</i>							\$170,000
<i>Requirements:</i>							
Contracted Prof. Services	524000	140	01280	80110		40012	\$170,000
<i>Total Requirements</i>							\$170,000

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
P&D	18

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Planning & Development

DATE: 05/23/2017

PREPARED BY: Dana Lucero

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Community Placemaking Grant Program Carryover

PROPOSED AMENDMENT:

The Planning & Development Department's Policy and Innovation division requests an amendment to the budget to carryover \$200,000 of the Enterprising Places General Funds in order to carry out the Community Placemaking Grant Program. The Community Placemaking Program is a thoughtful evolution of the Enterprising Places Program's District Transformations Grants. Metro Council established Enterprising Places Grants in response to declining investments in downtowns and main streets during the recession. Since then, economic conditions have improved, and Metro Council adopted the Strategic Plan to Advance Racial Equity, Diversity and Inclusion, laying out a path to improve equity outcomes for communities through our internal processes and partnerships around the Portland region. The Community Placemaking Program evolves the District Transformation Grants by tying investment criteria directly to the Equity Strategy and incorporating best practices in the fields of placemaking and community engagement.

These funds will be allocated to grant recipients whose proposals advance equitable outcomes, prompt people to think or feel differently about important community spaces, strengthen social fabric and involve and benefit historically marginalized communities. The application period for the spring 2017 pilot grant cycle closes May 26, 2017 and to date, 45 organizations are working to submit applications. This is much more than expected. Staff originally anticipated allocating funds before the end of this fiscal year, but due to the popularity of the program the Community Placemaking Advisory Group indicated they will need more time to evaluate proposals and reach a decision. Grant awards will be announced in early August.

There is tremendous public support for the Community Placemaking Program and Metro's leadership in prioritizing funding for this important strategy for community stabilization.

BUDGET DETAIL:

Fund: 140 – Planning

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01281				\$200,000
<i>Total Resources</i>							200,000
<i>Requirements:</i>							
Grant awards	544500	140	01281	85001		86010	\$200,000
<i>Total Requirements</i>							200,000

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
P&D	19

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Planning & Development

DATE: 05/23/2017

PREPARED BY: Lisa Miles

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Enterprising Places Grant Projects and 2040 Grant Administration Contract Carryover

PROPOSED AMENDMENT:

Contract carryovers of \$333,359 into FY 2017-18 is requested to support the following Enterprising Places Storefront Improvement and District Transformation Grant projects still in progress, as well as personal services contracts that support these projects:

Grant Agreements

934382 – Stephen Dean Hamilton for improvements to Let’s Play toy store in Hillsboro	\$104,000
934672 – Thuy Nguyen for improvements to Cheap Charlie’s/Bistro 214 in Gresham	\$ 60,500
934254 – City of Milwaukie for Food Cart Pod	\$ 3,000
933673 – Valley Art for storefront improvements to their gallery in Forest Grove	\$ 50,000
933935 – Sky Holdings for improvements to the Anderson Building in Forest Grove	\$ 5,000
934345 – City of Forest Grove for downtown store design improvements	\$ 5,000
934691 – Kim and Julio Enciso for improvements to Brooklyn storefronts	\$ 50,000

Personal Services Contracts

934080 – DECA Architecture for construction administration for Let’s Play	\$ 3,656
934584 – Marianne Zarkin Landscape Architect for Milwaukie Food Cart project	\$ 7,500
934287 – Communitas LLC for Enterprising Places program support and strategy	\$ 4,563
934692 – Communitas LLC for project management for Enterprising Places storefront grants	\$ 40,000

A carry forward of \$10,540 into FY 2017-18 is requested of revenue provided to Metro by Wells Fargo (transferred via Albina Opportunities Corporation) for the purpose of signage and lighting grants to small businesses. These funds will be allocated to various Enterprising Places storefront improvement projects still in progress. \$ 10,540

A carry forward of \$19,600 into FY2017-18 is requested to support Metro Contract No. 934560, Communitas LLC that provides support for project management and administrative improvements for the 2040 Planning and Development Grant Program. Consultant’s work will include recommendations on performance measures and review of approved grant project scopes of work to clarify approaches and deliverables prior to execution of the grant IGAs. \$ 19,600

BUDGET DETAIL:

Fund:	140 – Planning
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<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01240				\$363,359
<i>Total Resources</i>							\$363,359
<i>Requirements:</i>							
Grants and loans	544500	140	01240	82320		4670S	\$277,500
Contracted Prof. Services	524000	140	01240	82320		4670S	\$85,859
<i>Total Requirements</i>							\$363,359

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
P&D	20

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Planning & Development

DATE: 05/23/2017

PREPARED BY: Emily Lieb

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Equitable Housing Funding and Investment Strategy Assessment Carryover

PROPOSED AMENDMENT:

Carryover funding in the amount of \$62,500 of FY 2016-17 General Fund is requested for costs related to the Equitable Housing Initiative analysis of regional funding and investment strategies. This work is supported through Metro Contract No. 934377 with David Rosen & Associates. The contract has been being amended through September 2017 to allow consultants to present findings to relevant stakeholders, including Metro leadership, Metro Council, and potential funding partners.

This work is approximately two weeks behind schedule, in part due to staff transitions in the Community Planning and Development Grant Program, which created additional administrative demands to execute IGAs for the Equitable Housing Grants, and by the addition of new Equitable Housing work programs, such as the Build Small Coalition, which is supported through an intergovernmental agreement with Oregon DEQ. In addition, staff have identified the need for the consultant to participate in an additional phase of work focused on engaging potential partners and Metro leadership around the findings of the assessment.

In addition to this consultant contract, additional funding will be needed in FY17-18 for peer review of assumptions in DRA’s work and for the development of business plan frameworks and program criteria for one or more regional investment strategies. This work will require engagement and coordination with potential funding partners and aligning with other projects, including the Southwest Corridor Equitable Development Strategy.

BUDGET DETAIL:

Fund: 140 – Planning

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01240				\$62,500
<i>Total Resources</i>							\$62,500
<i>Requirements:</i>							
Contracted Prof. Services	524000	140	01240	82330		46751	\$62,500
<i>Total Requirements</i>							\$62,500

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
P&D	21

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Planning & Development

DATE: 05/23/2017

PREPARED BY: Jeffrey Raker

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Leland Consulting Group Economic Value Atlas Contract No. 934120 Carryover

PROPOSED AMENDMENT:

A carryover in the amount of \$10,000 of FY 2016-17 General Fund is requested to support Metro Contract No. 934120 with Leland Consulting Group. The Contractor will work with Metro staff to determine event venue(s), refreshments, logistics and speaker(s) for a fourth event in support of the Economic Value Atlas (EVA). This event extends on three (3) previous events being leveraged to build partnerships and sustain engagement of EVA task force members. These sessions each include an external guest speaker, local tour exhibiting on-the-ground examples in the region, and a work session to frame potential indicators and metrics to be used in spatial mapping and analysis applications and opportunities to support the implementation of Greater Portland 2020 and other identified regional economic development goals. Metro staff will continue to be responsible for confirming stakeholder participation, sending invitations and monitoring responses. Contractor will provide facilitation for work sessions at each event, coordinate and reserve all meeting and tour facilities and services, and secure external guest speakers. Contractor will work with Metro staff to determine the intent, agenda and desired outcomes of this fourth event. Contractor will document the stakeholder input and work with Metro staff to determine how the input will shape the EVA analysis and outputs and support implementation of regional economic development goals. The Final Report will include notes on expert input provided at each session, findings associated with each topic, and specific recommendations on economic analysis and next steps associated with the EVA.

BUDGET DETAIL:

Fund: 140 – Planning

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01230				\$10,000
<i>Total Resources</i>							\$10,000
<i>Requirements:</i>							
Contracted Prof. Services	524000	140	01230	83310		45798	\$10,000
<i>Total Requirements</i>							\$10,000

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
P&D	22

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Planning & Development

DATE: 05/23/2017

PREPARED BY: Brian Harper

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: McLoughlin Corridor Contract Carryover

PROPOSED AMENDMENT:

Planning & Development is requesting to carryover \$10,000 in FY 2016-17 General Fund to support Metro Contract No. 934689 with IZO Public Relations & Marketing. Work was identified as needed through preliminary assessment of socio-economic data in the McLoughlin Corridor, related to ongoing Brownfield work. Due to the timing of the assessment, Contractor has not been able to address the findings until early FY 2017-18.

BUDGET DETAIL:

Fund: 140 – Planning

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01230				\$10,000
<i>Total Resources</i>							\$10,000
<i>Requirements:</i>							
Contracted Prof. Services	524000	140	01230	83150		4645A	\$10,000
<i>Total Requirements</i>							\$10,000

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
P&D	23

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Planning & Development

DATE: 05/23/2017

PREPARED BY: Ted Leybold

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: RTO Program Use of Existing Position for a Limited Duration Employee

PROPOSED AMENDMENT:

The Regional Travel Options Program requests the use of a Planning and Development unfunded position number 513 for a 1.0 FTE limited duration hire through FY 2018-19.

This position will support the RTO Program for program evaluation, and the development and implementation of the RTO Program Strategic Plan Update. Evaluation and strategic plan update tasks have increased the amount of work for the RTO Program and plan implementation is expected to sustain the work needed by Metro staff for increased grant program management and support of new Safe Routes to Schools program element into the foreseeable future.

Federal and state funding has been approved for RTO services by Metro through federal fiscal year 2021.

BUDGET DETAIL:

Fund:	140- Planning						
<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Federal Grants – Direct	410000	140	01250				\$88,591
<i>Total Resources</i>							
<i>Requirements:</i>							
Reg Emp-Full Time Exempt	501000	140	01250	80110		42000	\$60,788
Fringe – Payroll Taxes	511000	140	01250	80110		42000	\$5,140
Fringe – Retirement PERS	512000	140	01250	80110		42000	\$7,659
Fringe – Health & Welfare	513000	140	01250	80110		42000	\$14,136
Fringe – Other Benefits	515000	140	01250	80110		42000	\$260
Bond Recovery (PERS Reserve)	519000	140	01250	80110		42000	\$608
<i>Total Requirements</i>							\$88,591

PROGRAM/STAFFING IMPACTS:

Adds funding for unfunded position in Planning & Development. There is no increase in FTE.

<i>For FP Use Only</i>	
Dept	#
RES	24

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Research Center

DATE: 05/23/2017

PREPARED BY: Dennis Yee

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: Housing Preference Research Contract Carryover

PROPOSED AMENDMENT:

The Residential Housing Preference Research was commissioned by the Metro Council through Ordinance No. 12-1292A to better understand regional residents’ housing preferences and to inform the Urban Growth Management planning process. A previous phase of this preference study was conducted under Metro Contract No. 933826. That phase produced information that was used to inform the 2015 Urban Growth Report and 2016 Urban Growth Boundary decision. That previous work also revealed the potential for the housing preferences survey results to inform enhancements to MetroScope, the Metro land use allocation forecast model, and to provide added information to the next Urban Growth Management (UGM) process scheduled for completion by end of calendar 2018.

The Research Center requested a budget modification in its FY 2016-17 Proposed Budget for funds to complete the identified additional work. Metro Council granted that request by appropriating Council Opportunity Funds in the Research Center’s FY 2016-17 Adopted Budget.

The FY 2016-17 phase of the residential preferences work is now in progress through Metro contracts with Portland State University (No. 934205), and Roger Biing-Kuang Chen (No. 934249) including Residential Market Research, Technical Housing Review, and Expert Panel review of the findings. The preferences work is proceeding in parallel with MetroScope model validation by the Research Center’s Land Use Analytics Team (LUAT) and an expert panel the LUAT plans to convene (subject of a related carry-over request). The housing preferences findings will, like the parallel model validation results, be an important technical element of the 2018 UGM process.

The Research Center requests to carryover \$62,000 of FY 2016-17 General Fund to complete the housing preferences research by the end FY 2017-18.

BUDGET DETAIL:

Fund: 140 – Planning

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01270				\$62,000
<i>Total Resources</i>							\$62,000
<i>Requirements:</i>							
Contracted Prof. Services	524000	140	01270	89020		90080	\$62,000
<i>Total Requirements</i>							\$62,000

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
RES	25

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Research Center

DATE: 05/23/2017

PREPARED BY: Kyle Hauger

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: MCE Toolkit: Phase 2 ~ Resource Systems Group Contract No. 934186 Carryover

PROPOSED AMENDMENT:

The Research Center requests to carryover \$150,000 of FY 2016-17 Metro Council Appropriation for Least Cost Planning to support Metro Contract No. 934186 with Resource Systems Group for MCE Toolkit for Phase 2 work. The MCE project implementation funds in question went unspent in FY 2016-17 because the Research Center devoted a large amount of time to Phase 1 of this project. This carryover will allow the contractor to carry out Phase 2 development of the “Least Cost Planning” (renamed Multi-Criteria Evaluation or MCE) technical work plan presented in the Metro Council Work Session on February 21, 2017.

The Research Center Modeling Services Division MCE Toolkit received Metro Council priority identification in the FY 2015-16. For staff workload and funding availability reasons, the project was divided into two phases. A formal RFP identified two phases, and this budget amendment completes Phase 2 of 2.

BUDGET DETAIL:

Fund: 140 – Planning

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01210				\$150,000
<i>Total Resources</i>							\$150,000
<i>Requirements:</i>							
Contracted Prof. Services	524000	140	01210	89020		92005	\$150,000
<i>Total Requirements</i>							\$150,000

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
RES	26

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Research Center

DATE: 05/23/2017

PREPARED BY: Robb Kirkman

<i>Amendment Type:</i>	<i>Purpose:</i>	<i>Status:</i>
Substantive <input type="checkbox"/>	Operating <input checked="" type="checkbox"/>	Ongoing <input type="checkbox"/>
Technical <input checked="" type="checkbox"/>	Capital Project <input type="checkbox"/>	One-time <input checked="" type="checkbox"/>
	Renewal & Replacement <input type="checkbox"/>	

AMENDMENT TITLE: Metro Indicator Portal Development Carryover

PROPOSED AMENDMENT:

The Research Center requests that the General Fund dollars budgeted to engage consultant support to continue developing the Metro Indicators web portal (code-named MetroPulse) be carried over to FY 2017-18. The Enterprise Services Division manager is completing negotiations with the Timmons Group, Contract No. 934045 and will have a work order in place before the end of this fiscal year.

The Research Center needs to carry over these funds to FY 2017-18 because the proposed "Plan A" portal development plan, which would have expended these funds as a preparatory phase for a major FY 2017-18 expenditure plan, was not carried into the FY 2017-18 Budget. These funds need now be used to carry out a "Plan B" portal development in carefully-chosen incremental steps beginning immediately. While as much of the funds as possible will be expended in the current fiscal year the Research Center requests that the full amount of \$49,000 be listed as a carryover given schedule uncertainty.

In addition, the next steps of MetroPulse will be to develop it for use by the Parks and Nature department. That department requests a carryover of \$64,000 to fund that development.

BUDGET DETAIL:

Fund: 140 – Planning

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01320				\$49,000
Beginning Fund Balance	349000	010	99999				\$64,000
<i>Total Resources</i>							\$113,000
<i>Requirements:</i>							
Research- Contracted Prof. Svcs	524000	140	01320	89020		90080	\$49,000
Parks- Contracted Prof. Svcs	524000	010	03100			90080	\$64,000
<i>Total Requirements</i>							\$113,000

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
RES	27

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: Research Center

DATE: 05/23/2017

PREPARED BY: Dennis Yee

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input checked="" type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: MetroScope Peer Review Panel Carryover

PROPOSED AMENDMENT:

The Research Center requests \$17,000 of FY 2016-17 General Fund dollars be carried forward to support the MetroScope Peer Review Panel that is taking place in late July-August 2017. The expert panel review brings leading academics and practitioners from across the U.S. (and abroad) to review Metro’s land use model. Metro needs this expert panel review to be completed as the culmination of a detailed re-validation, review, and documentation of the MetroScope land use allocation model. The expert panel findings are an important part of establishing Metro’s model integrity for the Urban Growth Management process scheduled for completion by end of calendar 2018.

The expert panel review was originally scheduled for June 2017. The Research Center Land Use Analytics Team (LUAT) has been working diligently to validate the model and prepare the draft validation report for the expert panel. A number of factors including having one LUAT member out on extended medical leave and challenges recruiting and seating the new Modeling Division manager delayed the validation work. The LUAT now plans to schedule the expert panel review for July or August 2017.

BUDGET DETAIL:

Fund: 140 – Planning

<i>Line Item Title</i>	<i>Account</i>	<i>Fund</i>	<i>Dept</i>	<i>Prog</i>	<i>Class</i>	<i>Proj</i>	<i>Amount</i>
<i>Resources:</i>							
Beginning Fund Balance	349000	140	01270				\$17,000
<i>Total Resources</i>							\$17,000

<i>Requirements:</i>							
Travel	545000	140	01270	89020		90080	\$17,000
<i>Total Requirements</i>							\$17,000

PROGRAM/STAFFING IMPACTS:

No staffing impacts are anticipated as a result of this carryover.

<i>For FP Use Only</i>	
Dept	#
MERC	29

**DEPARTMENT AMENDMENT
FY 2017-18 BUDGET**

DEPARTMENT: MERC – Portland’s Centers for the Arts & Oregon Convention Center

DATE: 05.19.17

PREPARED BY: Ben Rowe

<i>Amendment Type:</i>		<i>Purpose:</i>		<i>Status:</i>	
Substantive	<input type="checkbox"/>	Operating	<input type="checkbox"/>	Ongoing	<input type="checkbox"/>
Technical	<input checked="" type="checkbox"/>	Capital Project	<input checked="" type="checkbox"/>	One-time	<input checked="" type="checkbox"/>
		Renewal & Replacement	<input type="checkbox"/>		

AMENDMENT TITLE: MERC Capital Projects – Portland’s Centers for the Arts & Oregon Convention Center

PROPOSED AMENDMENT:

Throughout the year, the MERC capital program confronts many project challenges, which sometimes require changes to the original project scope, schedule or budget. Specifically, many capital projects across the agency are currently experiencing significant disparities between project cost estimates and bid amounts due to the rapidly rising costs of commercial construction in the Portland Metro Area. It is currently a contractor’s market. In addition, energy or operation efficiency opportunities are sometimes identified through the course of planning and executing the project and require nominal budget increases to implement.

Oregon Convention Center (OCC)

The following amendments offset each other and do not change OCC’s capital budget.

- 8R163 – Emergency Notification EST-3 Fire Alarm Notification Upgrade – (\$70,000 decrease) –This project was funded in FY 2016-17 and re-budgeted in full in FY 2017-18. OCC Staff have made rapid progress and expect to complete the project in FY 2016-17. OCC proposes to reduce the budget appropriation in FY 2017-18 to provide additional funding to the following project.
- 8R166 – Alerton Software & Programming Upgrades – (\$70,000 increase) – This is a continuation of the Alerton BAS programming and upgrade project. This software controls the HVAC systems across the facility. Staff requests to increase the budget amount by \$70,000 to make additional programming changes to the system outside the original scope. During the ongoing commissioning project, control programming issues were discovered causing significant energy loss. Potential energy savings by correcting these issues were presented to the Energy Trust of Oregon (ETO). ETO has offered an incentive of \$38,000 upon implementation of the proposed fixes. This incentive is an unanticipated benefit of the project. Staff anticipates an additional phase of this project in future fiscal year capital plans to achieve more efficiency.

Fund: 550 – Oregon Convention Center

<i>Requirements:</i>							
Emergency Notification EST-3 Fire Alarm Upgrade	572000	550	55999	55950	0000	8R163	(70,000)
Alerton Software & Programming Upgrades	575000	550	55999	55950	0000	8R166	70,000
<i>Total Requirements</i>							\$0

Portland’s 5 Centers for the Arts

The five capital project budget scope changes presented below are complementary to one another. The three lighting projects listed below are managed as a single scope of work for practical purposes. The estimated costs of this project have compounded to a 50% increase, due to increases in equipment specifications and installation costs. The majority of the cost increase is due to the installation costs. Specialized equipment is needed to reach the lighting equipment for replacement and the work must be done in a finite window of time to accommodate the performance schedules in the rental spaces. As noted above, the specialized equipment and tight timelines are compounded by the rapidly rising commercial construction costs in the Portland area. Because these lighting projects are priority, the Portland’s 5 team will reduce the project budgets for both the Schnitzer Cooling Tower and Orchestra Shell Rigging in FY 2017-18, postponing these scopes of work until future budget years to accomplish the lighting projects. The proposed amendments do not increase Portland’s 5 capital budget but instead decreases and increases the projects listed below by the same amount for a net zero effect.

Fund:	554 – Portland’s 5 Centers for the Arts
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<i>Requirements:</i>							
Newmark Lighting Overhaul Phase II	572000	554	58999	55950	0000	8R089	175,000
Newmark Lighting Overhaul Phase III	572000	554	58999	55950	0000	8R144	175,000
Winnigstad - House Lighting Control & Dimmers	572000	554	58999	55950	0000	8R090	100,000
ASCH - Cooling Tower & Associated Piping (R & R)	572000	554	58999	55950	0000	8R120	(350,000)
ASCH - Orchestra Shell Rigging - loft blocks	572000	554	58999	55950	0000	8R092	(100,000)
<i>Total Requirements</i>							\$0

Amendment TO FY 2017-18 BUDGET prior to adoption
Capital Project Detail

Attachment -MERC #29

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget					Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2017-18	2018-19	2019-20	2020-21	2021-22		
Oregon Convention Center													
N	8R163	Emergency Notification EST-3 Fire Alarm Upgrade	572000	550	55999	06.30.2017	305,000					adjust between projects	
N	8R166	Alerton Software & Programming Upgrades	572000	550	55999	06.30.2020	70,000	50,000				adjust between projects	
Portland's													
N	8R089	Newmark Lighting Overhaul Phase II	572000	554	58999	06.30.18	275,000					adjust between projects	
N	8R144	Newmark Lighting Overhaul Phase III	572000	554	58999	06.30.18	275,000					adjust between projects	
N	8R090	Winnigstad - House Lighting Control & Dimmers	572000	554	58999	06.30.18	200,000					adjust between projects	
N	8R120	ASCH - Cooling Tower & Associated Piping (R & R)	572000	554	58999	06.30.20	0	350,000				adjust between projects	
N	8R092	ASCH - Orchestra Shell Rigging - loft blocks	572000	554	58999	06.30.20	25,000					adjust between projects	

Agenda Item No. 5.1

Ordinance No. 17-1399, For the Purpose of Amending
Metro Code Chapter 2.19 and Establishing the Natural
Areas and Capital Program Performance Oversight
Committee
Ordinances (First read and public hearing)

Metro Council Meeting
Thursday, June 13, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING METRO	)	ORDINANCE NO. 17-1399
CODE CHAPTER 2.19 AND ESTABLISHING)	
THE NATURAL AREAS AND CAPITAL	)	Introduced by Chief Operating Officer Martha
PROGRAM PERFORMANCE OVERSIGHT	)	Bennett in concurrence with Council
COMMITTEE	)	President Tom Hughes

WHEREAS, the 2006 Natural Areas Bond Measure established an oversight committee to review and suggest improvements to the implementation and administration of the Natural Areas Program; and

WHEREAS, the 2016 local option levy requires similar oversight of capital projects funded by the levy renewal; and

WHEREAS, Metro Code Chapter 2.19 provides the authority for the Metro Council to establish advisory committees, including the purpose, authority and membership of those committees; and

WHEREAS, the Metro Council wishes to change the name of the existing Natural Areas Program Performance Oversight Committee, and reconstitute the committee as the “Natural Areas and Capital Program Performance Oversight Committee,” and

WHEREAS, the Metro Council wishes to expand the duties of the committee, and update membership terms and requirements; and

WHEREAS, the Nature in Neighborhoods Capital Grants Review Committee, established as part of the 2006 Natural Areas Bond Measure to make grant award recommendations, is no longer necessary because all grant funds have been distributed; now therefore

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The Natural Areas Program Performance Oversight Committee is dissolved, renamed and reconstituted as the Natural Areas and Capital Program Performance Oversight Committee; and
2. Metro Code Section 2.19.220, “Natural Areas Program Performance Oversight Committee,” is amended as set forth in the attached Exhibit A; and
3. The Nature in Neighborhoods Capital Grants Review Committee is dissolved and terminated, and Metro Code Section 2.19.230, “Nature in Neighborhoods Capital Grants Review

Committee” is repealed. Any grant funds returned to Metro by project recipients may be awarded by the Metro Council to recipients that meet requirements of the Nature in Neighborhoods Capital Grant program set forth in Metro Resolution No. 06-3672B, “For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of \$227.4 Million to Fund Natural Area Acquisition and Water Quality Protection.”

ADOPTED by the Metro Council this ____ day of June 2017.

Tom Hughes, Council President

Attest:

Approved as to Form:

Nellie Papsdorf, Recording Secretary

Alison R. Kean, Metro Attorney

EXHIBIT A TO ORDINANCE 17-1399

METRO CODE – TITLE II Administration and Procedures
CHAPTER 2.19 Metro Advisory Committee
SECTION 2.19.220

2.19.220 Natural Areas and Capital Program Performance Oversight Committee

(a) Purpose and Authority. The purpose and authority of the Natural Areas and Capital Program Performance Oversight Committee is to annually review whether the program is meeting the goals and objectives established for the program by the Metro Council ("program performance"). The Committee shall annually report to the Metro Council regarding ~~such~~ program performance, ~~which.~~ The annual report shall provide the Committee's recommendations to improve ~~such~~program performance, if any. The Committee's program performance review and report to Council:

- (1) Shall assess the program's progress in implementing the strategies, goals and objectives approved by the Metro Council for the Natural Areas Program including:
 - (A) Property acquisition and protection in each of the 27 target areas, as described in Council-approved refinement plans;
 - (B) Local share projects; and
 - (C) Awards of Nature in Neighborhoods Capital Grants; ~~and.~~
- (2) May include recommendations regarding the Natural Areas Program Work Plan to improve program efficiency, administration, and performance.
- (3) Shall review expenditures of Metro's 2016 local option levy for compliance with program requirements.

(b) Membership. The Committee shall be composed of no fewer than 139 and no more than 17 members, all appointed by the Metro Council President subject to Council confirmation. The Council President shall designate one (1) member to serve as

Chair. Committee members shall ~~primarily be~~include professionals with experience in real estate, finance, auditing, public budgeting, banking, general business, and realty law. ~~Eight (8) of~~Additionally, the initial Committee may include members ~~shall be appointed to serve a one (1) year term with~~ backgrounds and ~~may be reappointed for up to two (2) additional~~ terms as provided experience in natural area land management, habitat restoration, park planning, design and construction, philanthropy, or community engagement. Notwithstanding Metro Code Section 2.19.020030, Committee members may serve up to three (3) two-year terms.

(c) Meetings. The Committee shall meet no fewer than two times per year.

(d) Dissolution. The ~~committee~~Committee shall be dissolved on July 1, ~~2017~~2023, or upon the issuance of a final report by the ~~committee~~Committee after all funds authorized by the 2006 bond measure and all 2016 local option levy capital project funds have been spent, whichever is earlier.

(Ordinance No. 07-1155A, Sec. 1.)

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 17-1399 FOR THE PURPOSE OF AMENDING METRO CODE CHAPTER 2.19 AND ESTABLISHING THE NATURAL AREAS AND CAPITAL PROGRAM PERFORMANCE OVERSIGHT COMMITTEE

Date: May 18, 2017

Prepared by: Heather Nelson Kent

BACKGROUND

The 2006 Natural Areas Bond Measure established an oversight committee to review and suggest improvements to the implementation and administration of the Natural Areas Program.

The purpose of the committee is to provide additional accountability to Metro area residents and the Metro Council in order to help the region achieve the best results for clean water, fish and wildlife, and future generations. The committee was charged with reviewing program performance and reporting annually to the Metro Council regarding Metro's Natural Areas program's progress in implementing the strategies, goals and objectives approved by the Metro Council for property acquisition and protection in 27 target areas, as described in Council-approved refinement plans. In addition, the committee is required to review and report to the Metro Council on local share projects and the Nature in Neighborhoods Capital Grants Program. The committee may also make recommendations regarding the Natural Areas Implementation Work Plan to improve program efficiency, administration and performance.

Members of the committee are drawn from all areas of the region and from a variety of technical and professional disciplines, including finance, auditing, accounting, real estate, banking and law. Committee members share their technical and professional expertise to ensure that expenditure of bond measure funds satisfies the requirements of the program.

In accordance with Metro Code 2.19.220, the Natural Areas Program Performance Oversight Committee has met consistently since created in 2007 and has produced and presented to the Metro Council annual reports starting in 2008. The committee has led staff in development of a new regional acquisition performance measurement system, advised on the implementation of the Nature in Neighborhoods Capital Grants Program and property stabilization practices, and has reviewed program administrative costs and definitions.

Metro local option levy approved by voters in 2016 requires similar oversight of capital projects funded by the levy renewal. This ordinance would expand the duties of the existing Natural Areas Program Performance Oversight Committee, update membership terms and requirements, and change the name of the committee to the "Natural Areas and Capital Program Performance Oversight Committee."

Metro staff will continue to assist the committee as necessary throughout the life of the Natural Areas Program and the 2016 local option levy. Staff performs such duties as making technical presentations and preparing reports to the committee, as well as coordinating and staffing meetings. Staff also supports the committee's work to draft the report presented to the Metro Council annually.

ANALYSIS/INFORMATION

1. Known Opposition

None.

2. Legal Antecedents

Metro Resolution No. 16-4690, For the Purpose of Referring to the Voters of the Metro Area Renewal of Metro's Local Option Levy for Protecting Water Quality, Restoring Fish and Wildlife Habitat; and Connecting People to Nature.

Metro Resolution No. 06-3672B, For the Purpose of Submitting to the Voters of the Metro Area a General Obligation Bond Indebtedness in the Amount of \$227.4 Million to Fund Natural Area Acquisition and Water Quality Protection, approved March 9, 2006.

Metro Resolution No. 16-4690, For the Purpose of Referring to the Voters of the Metro Area Renewal of Metro's Local Option Levy for Protecting Water Quality, Restoring Fish and Wildlife Habitat; and Connecting People to Nature, approved June 30, 2016.

Metro Code Chapter 2.19, "Metro Advisory Committees," providing generally applicable rules for the creation of committees providing advice to the Metro Council and appointment of members to such committees.

3. Anticipated Effects

By approving Ordinance No. 17-1399, the Metro Council will expand the charge of the existing Natural Areas Program Performance Oversight Committee to include oversight of capital projects funded by Metro's local option levy. The committee will be renamed the Natural Areas and Capital Program Performance Oversight Committee. Existing eligible members will continue to serve on the new committee effective July 1, 2017, including the committee chair. Committee members will participate in conducting the annual review of these capital programs for the public and help ensure that the funds voters have authorized provide the greatest possible benefit to the region.

4. Budget Impacts

Staff time to provide information to the committee and prepare reports and notification to the public.

RECOMMENDED ACTION

The Council President recommends adoption of Ordinance No. 17-1399.

Agenda Item No. 6.1

Ordinance No. 17-1403, For the Purpose of Annexing to the
Metro District Boundary Approximately 5.08 Acres Located at
3780 SW 234th Ave in Hillsboro

Ordinances (Second Read)

Metro Council Meeting
Thursday, June 13, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ANNEXING TO THE) ORDINANCE NO. 17-1403
METRO DISTRICT BOUNDARY)
APPROXIMATELY 5.08 ACRES LOCATED AT) Introduced by Chief Operating Officer
3780 SW 234TH AVE IN HILLSBORO) Martha J. Bennett with the Concurrence of
) Council President Tom Hughes

WHEREAS, Pahlisch Homes has submitted a complete application for annexation of 5.08 acres (“the territory”) located at 3780 SW 234th Ave in Hillsboro to the Metro District; and

WHEREAS, the Metro Council added this portion of South Hillsboro to the UGB, including the territory, by Ordinance No. 02-969B on December 5, 2002; and

WHEREAS, Title 11 (Planning for New Urban Areas) of the Urban Growth Management Functional Plan requires annexation to the district prior to application of land use regulations intended to allow urbanization of the territory; and

WHEREAS, Metro has received consent to the annexation from the owner of the land in the territory; and

WHEREAS, the proposed annexation complies with Metro Code 3.09.070; and

WHEREAS, the Council held a public hearing on the proposed amendment on June 8, 2017; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The Metro District Boundary Map is hereby amended, as indicated in Exhibit A, attached and incorporated into this ordinance.
2. The proposed annexation meets the criteria in section 3.09.070 of the Metro Code, as demonstrated in the Staff Report dated May 24, 2017, attached and incorporated into this ordinance.

ADOPTED by the Metro Council this ___ day of June 2017.

Tom Hughes, Council President

Attest:

Approved as to form:

Nellie Papsdorf, Recording Secretary

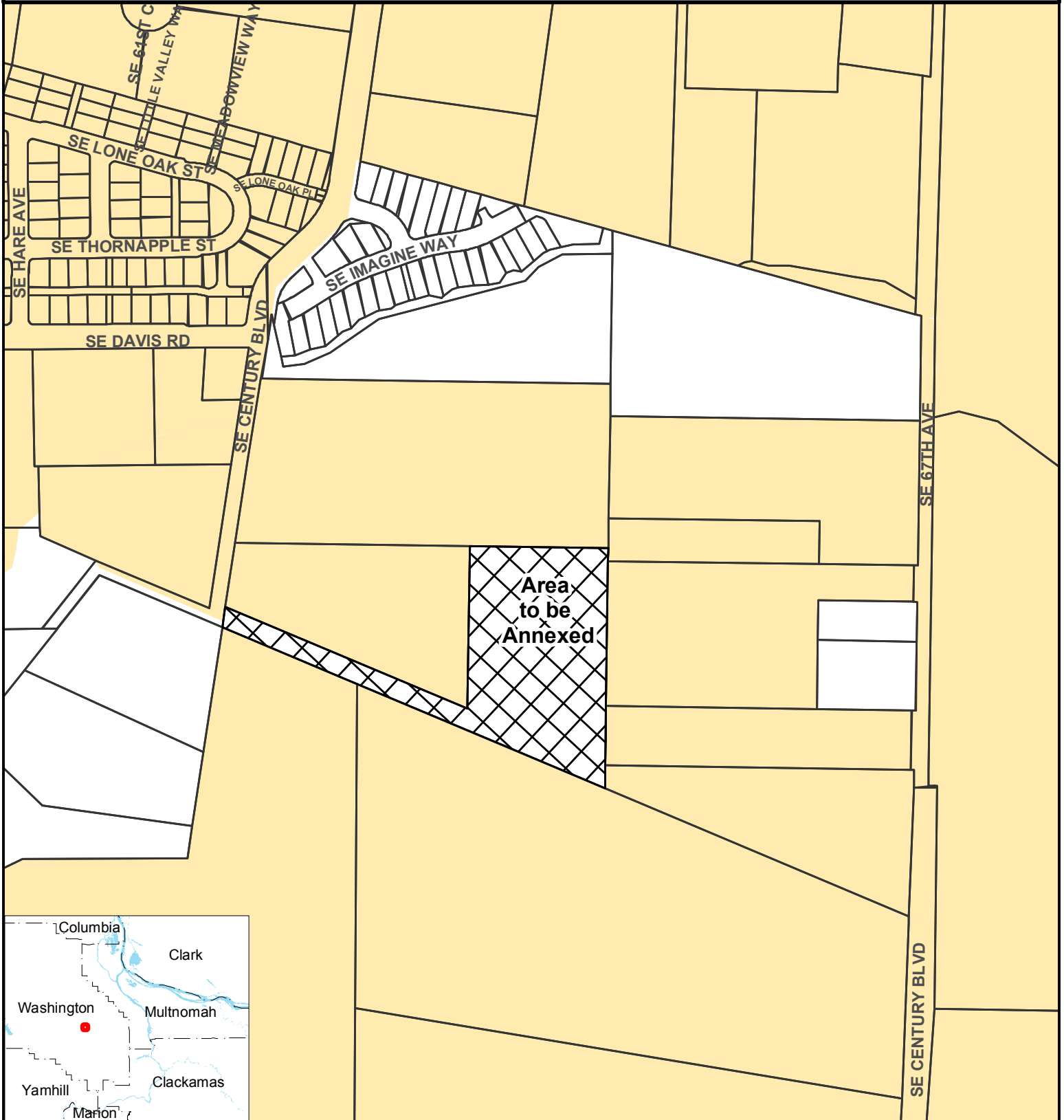
Alison R. Kean, Metro Attorney

Proposal No. AN-0317

1S2W10

Annexation to the Metro District Boundary

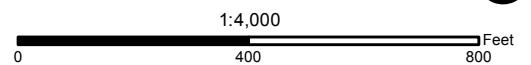
Washington County



Research Center
 600 NE Grand Ave
 Portland, OR 97232-2736
 (503) 797-1742
<http://www.oregonmetro.gov/drc>

- Area to be annexed
- Taxlots
- Metro District Boundary

Proposal No. AN-0317 Metro District Boundary



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STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 17-1403, FOR THE PURPOSE OF ANNEXING TO THE METRO DISTRICT BOUNDARY APPROXIMATELY 5.08 ACRES LOCATED AT 3780 SW 234TH AVENUE IN HILLSBORO

Date: May 24, 2017

Prepared by: Tim O'Brien
Principal Regional Planner

BACKGROUND

CASE: AN-0317, Annexation to Metro District Boundary

PETITIONER: Pahlisch Homes
210 S Wilson Avenue, Suite 100
Bend, OR 97702

PROPOSAL: The petitioner requests annexation of one parcel to the Metro District boundary. The land was recently annexed to the City of Hillsboro.

LOCATION: The land is located at 3780 SW 234th Ave and totals approximately 5.08 acres in size. A map of the area can be seen in Attachment 1.

ZONING: The land is zoned for low and medium density residential use (SFR-10 & MFR-1) by Hillsboro.

The land was added to the UGB in 2002 and is part of the South Hillsboro Community Plan that was adopted by Hillsboro. The land must be annexed into the Metro District for urbanization to occur.

APPLICABLE REVIEW CRITERIA

The criteria for an expedited annexation to the Metro District Boundary are contained in Metro Code Section 3.09.070.

3.09.070 Changes to Metro's Boundary

(E) The following criteria shall apply in lieu of the criteria set forth in subsection (d) of section 3.09.050. The Metro Council's final decision on a boundary change shall include findings and conclusions to demonstrate that:

- 1. The affected territory lies within the UGB;*

Staff Response:

The subject parcel was brought into the UGB in 2002 through the Metro Council's adoption of Ordinance No. 02-969B.

- 2. The territory is subject to measures that prevent urbanization until the territory is annexed to a city or to service districts that will provide necessary urban services; and*

Staff Response:

The conditions of approval for Ordinance No. 02-969B include a requirement that Washington County apply interim protection measures for areas added to the UGB as outlined in Urban Growth Management

Functional Plan Title 11: Planning for New Urban Areas. Title 11 requires that new urban areas be annexed into the Metro District Boundary prior to urbanization of the area. Washington County applied the Future Development 20 (FD-20) zone to the expansion area. The subject property was recently annexed to Hillsboro and the South Hillsboro Community Plan was adopted in 2014. The applicant is currently moving forward with annexation to Clean Water Services. These measures ensured that urbanization would occur only after annexation to the necessary service districts is completed.

3. *The proposed change is consistent with any applicable cooperative or urban service agreements adopted pursuant to ORS Chapter 195 and any concept plan.*

Staff Response:

The parcel proposed for annexation is part of the South Hillsboro Community Plan Area, adopted by the City of Hillsboro in 2014. The proposed annexation is required by Hillsboro as part of a land use application and city annexation approval. The annexation is also consistent with the Hillsboro Urban Service Agreement, adopted April 2003. Thus the inclusion of the property within the Metro District is consistent with applicable cooperative urban service agreements and the South Hillsboro Community Plan.

ANALYSIS/INFORMATION

Known Opposition: There is no known opposition to this application.

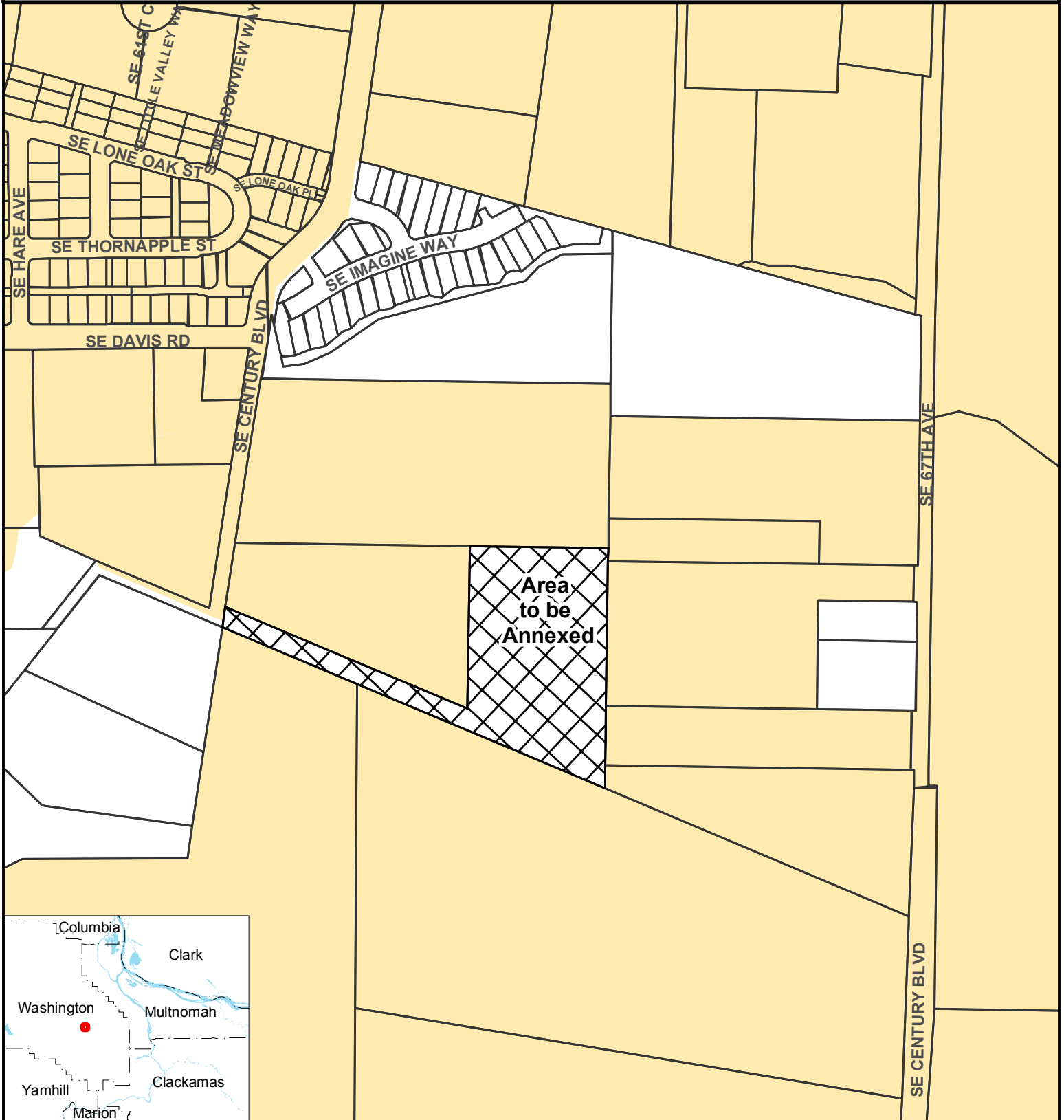
Legal Antecedents: Metro Code 3.09.070 allows for annexation to the Metro District boundary.

Anticipated Effects: This amendment will add approximately 5.08 acres to the Metro District. The land is currently within the UGB and within the City of Hillsboro. Approval of this request will allow for the urbanization of the parcel to occur consistent with the South Hillsboro Community Plan.

Budget Impacts: The applicant was required to file an application fee to cover all costs of processing this annexation request, thus there is no budget impact.

RECOMMENDED ACTION

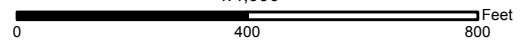
Staff recommends adoption of Ordinance No. 17-1403.






Proposal No. AN-0317 Metro District Boundary



1:4,000



-  Area to be annexed
-  Taxlots
-  Metro District Boundary



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Agenda Item No. 6.2

Ordinance No. 17-1405, For the Purpose of Responding to the
Remand from the Oregon Court of Appeals and the
Land Conservation and Development Commission
Regarding the Designation of Urban and Rural Reserves in
Clackamas County and Multnomah County

Ordinances (Second Reading)

Metro Council Meeting
Thursday, June 8, 2017
Metro Regional Center, Council Chamber

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF RESPONDING TO) Ordinance No. 17-1405
THE REMAND FROM THE OREGON)
COURT OF APPEALS AND THE LAND) Introduced by Chief Operating Officer
CONSERVATION AND DEVELOPMENT) Martha Bennett in concurrence with
COMMISSION REGARDING THE) Council President Tom Hughes
DESIGNATION OF URBAN AND RURAL)
RESERVES IN CLACKAMAS COUNTY)
AND MULTNOMAH COUNTY)

WHEREAS, in 2007 the Oregon Legislative Assembly enacted SB 1011, authorizing Metro and the three counties in the Metro region to designate urban and rural reserves; and

WHEREAS, between 2008 and 2010 Metro and the three counties conducted an extensive public process bringing together citizens, stakeholders, local governments and state agencies to consider and apply the urban and rural reserve factors to land surrounding the Metro urban growth boundary (UGB); and

WHEREAS, in 2010 Metro and each of the three counties entered into intergovernmental agreements mapping the areas that were determined to be most appropriate as urban and rural reserves under the applicable factors; and

WHEREAS, in 2011 Metro and the three counties submitted ordinances and findings formally adopting the urban and rural reserve designations to LCDC for acknowledgement, and those designations were approved and acknowledged by LCDC in 2012; and

WHEREAS, in 2014 the LCDC acknowledgement order was remanded by the Oregon Court of Appeals, and the Oregon Legislative Assembly enacted House Bill 4078, which legislatively designated a revised map of urban and rural reserve areas in Washington County; and

WHEREAS, in 2015 LCDC issued an order remanding the remaining urban and rural reserve designations to Metro, Multnomah County, and Clackamas County for further review consistent with the Court of Appeals opinion; and

WHEREAS, in 2016 the Metro Council addressed the remand issues arising out of Clackamas County via Ordinance No. 16-1368, which adopted findings concluding that the urban reserve study areas identified as areas 4A, 4B, 4C, and 4D (generally referred to as “Stafford”) were correctly designated as urban reserve areas; and

WHEREAS, on April 13, 2017 the Metro Council adopted Ordinance No. 17-1397, which addressed two state rule requirements that apply to the designation of urban and rural reserves across the entire region, in light of (a) the Metro Council’s adoption of newer regional urban growth projections in the 2014 Urban Growth Report, and (b) the reduction of urban reserve acreage in Washington County via HB 4078; and

WHEREAS, in order for reserve designations to become effective, OAR 660-027-0040 requires Metro and each county that designates reserves to adopt a single joint set of findings and conclusions explaining why areas were chosen as urban or rural reserves under the applicable factors; and

WHEREAS, on May 23, 2017 the Clackamas County Board of Commissioners adopted Ordinance No. 06-2017, which includes supplemental findings and conclusions explaining why the Stafford area was designated as urban reserves under the applicable factors; and

WHEREAS, on June 1, 2017 the Multnomah County Board of Commissioners adopted Ordinance No. 1246, which includes supplemental findings and conclusions explaining why Area 9D was designated as rural reserve under the applicable factors; and

WHEREAS, the purpose of this ordinance is for the Metro Council to adopt and incorporate all of the findings and conclusions adopted by Clackamas County and Multnomah County into a single set of findings to be transmitted to LCDC for review and acknowledgment; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The urban and rural reserves in Clackamas County and Multnomah County that were designated in 2011 by Metro Ordinance No. 11-1255 are hereby re-adopted as depicted on the map attached as Exhibit A, attached and incorporated into this ordinance;
2. The Findings of Fact and Conclusions of Law in Exhibit B, attached and incorporated into this ordinance, explain how the urban and rural reserve designations depicted on Exhibit A are consistent with state law.
3. The prior record of proceedings before the Metro Council in Ordinance No. 16-1368 and Ordinance No. 17-1397 are hereby adopted and incorporated as part of the record in this proceeding.
4. The prior record of proceedings before LCDC in the 2011 acknowledgment review resulting in LCDC Order 12-ACK-001819 is hereby adopted and incorporated as part of the record in this proceeding.

ADOPTED by the Metro Council this 15th day of June 2017.

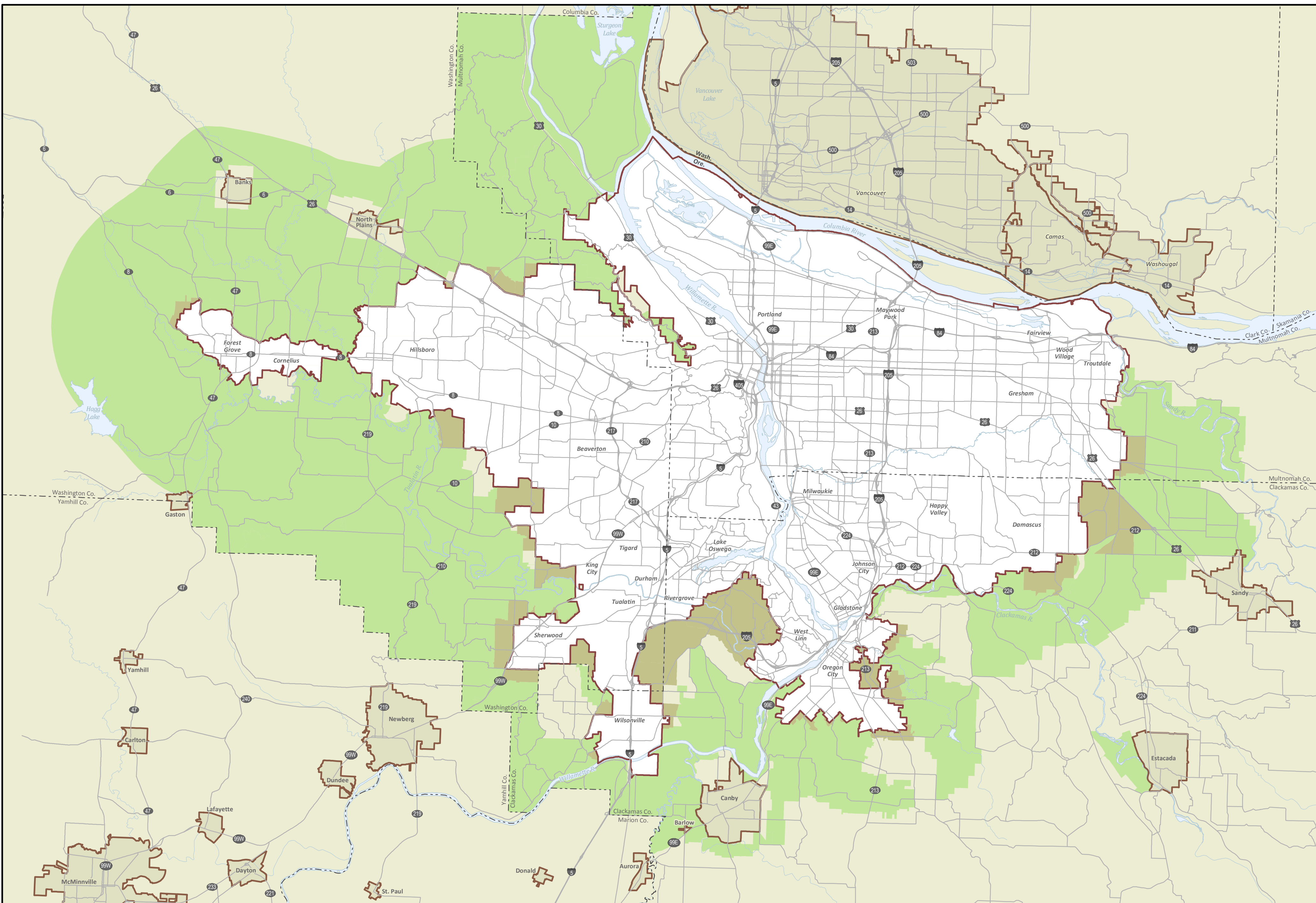
Tom Hughes, Council President

Attest:

Approved as to Form:

Nellie Papsdorf, Recording Secretary

Alison R. Kean, Metro Attorney



Title 14, Urban Growth Boundary - Exhibit A to Ordinance 17-1405

June, 2017



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- County boundaries
- Urban growth boundaries
- Neighbor cities
- Rural reserve
- Urban reserve



Exhibit B to Ordinance No. 17-1405

REASONS FOR DESIGNATION OF URBAN AND RURAL RESERVES

The Metro Council adopts these findings for the purpose of responding to the decision of the Oregon Court of Appeals in *Barkers Five LLC v. Land Conservation and Development Commission*, 261 Or App 259 (2014) and LCDC's Remand Order 14-ACK-001867 regarding certain urban reserve designations in Clackamas County and rural reserve designations in Multnomah County. These findings include the original findings that were adopted in 2011 providing the reasons for designating urban and rural reserves, as well as new and supplemental findings that address the issues identified by the Court of Appeals regarding designation of the Stafford area in Clackamas County as urban reserve and designation of Area 9D in Multnomah County as rural reserve. These findings also include supplemental findings regarding the supply of urban reserves in the entire region and the regionwide balance findings required under OAR 660-027-0040(10).

Specifically, these findings include the following new sections providing necessary supplemental findings: (a) Section V contains supplemental findings regarding the supply of urban reserves and the regionwide balance requirements; (b) Section VIII contains supplemental findings regarding the Stafford urban reserve designation in Clackamas County; and (c) Section X contains supplemental findings regarding the Area 9D rural reserve designation in Multnomah County. To the extent any of the new supplemental findings in Sections V, VIII, and X are inconsistent with other findings in this document that were previously adopted in 2011, the supplemental findings shall govern.

Those portions of the original 2011 findings providing reasons for designation of urban and rural reserves in Washington County have been removed from this document, because the Washington County reserve areas were established and acknowledged by the Oregon Legislature in 2014 via House Bill 4078.

I. BACKGROUND

The 2007 Oregon Legislature authorized Metro and Clackamas, Multnomah and Washington Counties ("partner governments") to designate urban reserves and rural reserves following the process set forth in ORS 195.137 – 195.145 (Senate Bill 1011) and implementing rules adopted by the Land Conservation and Development Commission (LCDC) (OAR 660 Division 27). The Legislature enacted the new authority in response to a call by local governments in the region to improve the methods available to them for managing growth. After the experience of adding over 20,000 acres to the regional urban growth boundary (UGB) following the soil-capability-based priority of lands in ORS 197.298, cities and the partner governments wanted to place more emphasis on the suitability of lands for sustainable urban development, longer-term security for agriculture and forestry outside the UGB, and respect for the natural landscape features that define the region.

The new statute and rules make agreements among the partner governments a prerequisite for designation of urban and rural reserves. The remarkable cooperation among the local governments of the region that led to passage of Senate Bill 1011 and adoption of LCDC rules

continued through the process of designation of urban reserves by Metro and rural reserves by Clackamas, Multnomah and Washington Counties. The partners' four ordinances are based upon the separate, formal intergovernmental agreements between Metro and each county that are part of our record, developed simultaneously following long study of potential reserves and thorough involvement by the public.

The four governments submitted their ordinances with designated reserves to LCDC in periodic review on June 23, 2010. On October 29, 2010, the Commission gave its oral approval to the reserves designated in Clackamas and Multnomah Counties and to the rural reserves and most of the urban reserves in Washington County. The Commission, however, rejected the designation of Urban Reserve 7I, north of Cornelius, and directed reconsideration of Urban Reserve 7B, north of Forest Grove. The Commission authorized Metro and Washington County to consider designating as urban reserve, or leaving undesignated, land the County had previously designated rural reserve or left undesignated. In order to provide flexibility, the Commission also returned the rural reserves in Washington County for further consideration.

Washington County and Metro responded to LCDC's oral decision by revising the intergovernmental agreement between them and adopting ordinances amending their respective comprehensive plan and regional framework plan maps (Washington County Ordinance No. 740; Metro Ordinance No. 11-1255). The ordinances made the following changes:

- The designation of Area 7I as urban reserve (623 acres) was removed
- 263 acres of Area 7I were designated rural reserves
- 360 acres of Area 7I were left undesignated
- The urban reserve designation of the 28-acre portion of Area 7B that lies east and north of Council Creek was removed; the portion was left undesignated
- 352 acres of undesignated land north of Highway 26, south of West Union Road, east of Groveland Road and west of Helvetia Road were designated urban reserve
- The rural reserve designation of 383 acres of Rural Reserve 6E south of Rosedale Road, west of 209th Avenue and north of Farmington Road was removed; the portion was left undesignated.

Metro Supp Rec. 798.

These revisions reduced the acres of urban reserves in Washington County by 299 acres, reduced the acres of rural reserves by 120 acres and increased the acres adjacent to the UGB left undesignated by 391 acres, all compared with the reserves submitted to LCDC in June, 2010. Overall, there are 13,525 acres of urban reserves and 151,209 acres of rural reserves in Washington County, in part reflecting refinements of boundaries as they relate to street rights-of-way, floodplains and improved tax lot alignments. Metro Supp Rec. 799.

II. OVERALL CONCLUSIONS

With adoption of Metro Ordinance No. 11-1255, Metro has designated 28,256 gross acres as urban reserves, including urban reserves in each county. Metro Supp Rec. 799. These lands are now first priority for addition to the region's UGB when the region needs housing or employment capacity. As indicated in new policy in Metro's Regional Framework Plan in Exhibit A to Ordinance No. 10-1238A, the urban reserves are intended to accommodate population and employment growth for 50 years, to year 2060.

Clackamas County Ordinance No. ZDO-233 designates 68,713 acres as rural reserves in Clackamas County. Multnomah County Ordinance No. 2010-1161 designates 46,706 acres as rural reserves in Multnomah County. Washington County Ordinance No. 740, which revised the county's designation of rural reserves following LCDC's remand of urban and rural reserves in the county, designates 151,209 acres of rural reserves. Metro Supp Rec. 798. As indicated in new policies in the Regional Framework Plan and the counties' comprehensive plans, these rural reserves – 266,628 acres in total – are now protected from urbanization for 50 years. Metro Supp. Rec. 798. The governments of the region have struggled with the urban-farm/forest interface, always searching for a “hard edge” to give farmers and foresters some certainty to encourage investment in their businesses. No road, stream or floodplain under the old way of expanding the UGB offers the long-term certainty of the edge of a rural reserve with at least a 50-year lifespan. This certainty is among the reasons the four governments chose the longer, 50-year, reserves period.

The region's governments have also debated how best to protect important natural landscape features at the edges of the urban area. The partners' agreements and these ordinances now identify the features that will define the extent of outward urban expansion.

The region's urban and rural reserves are fully integrated into Metro's Regional Framework Plan and the Comprehensive Plans of Clackamas, Multnomah and Washington counties. Metro's plan includes a map that shows urban and rural reserves in all three counties. Each of the county plans includes a map that shows urban and rural reserves in the county. The reserves shown on each county map are identical to the reserves shown in that county on the Metro map. Each of the four plans contains new policies that ensure accomplishment of the goals for the reserves set by the four local governments and by state law. These new policies are consistent with, and carry out, the intergovernmental agreements between Metro and the three counties signed in February, 2010, and the supplemental agreement between Metro and Washington County signed on March 15, 2011. Metro Supp. Rec. 285.

Together, these reserves signal the region's long-term limits of urbanization, its commitment to stewardship of farmland and forests, and its respect for the natural landscape features that give the people of the region their sense of place. Urban reserves, if and when added to the UGB, will take some land from the farm and forest land base. But the partners understood from the beginning that some of the very same characteristics that make an area suitable for agriculture also make it suitable for industrial uses and compact, mixed-use, pedestrian and transit-supportive urban development. The most difficult decisions made by the four governments

involved Foundation Agricultural Land¹ near the existing UGB and the circumstances in which this land should be designated as urban reserve to accommodate growth in a compact form and provide opportunities for industrial development, difficult or impossible on steep slopes. Metro designated 15 areas composed predominantly of Foundation Land as urban reserve, totaling 11,551 acres.²

Some important numbers help explain why the partners came to agree that the adopted system, in its entirety, best achieves this balance. Of the total 28,256 acres designated urban reserves, approximately 13,624 acres are Foundation (11,551 acres) or Important (2,073 acres) Agricultural Land. This represents only four percent of the Foundation and Important Agricultural Land studied for possible urban or rural reserve designation. If all of this land is added to the UGB over the next 50 years, the region will have lost four percent of the farmland base in the three-county area. Metro Supp.Rec. 799; 804-05.

There is a second vantage point from which to assess the significance for agriculture of the designation of urban reserves in the three-county region: the percentage of land zoned for exclusive farm use in the three counties that is designated urban reserve. Land zoned EFU³ has emerged over 35 years of statewide planning as the principal land base for agriculture in the counties, and is protected for that purpose by county zoning. The inventory of Foundation and Important Agricultural Lands includes land that is “exception land,” no longer protected for agriculture for farming. Of the 28,256 acres designated urban reserves, some 13,746 acres are zoned EFU. Even including the 3,532 acres of these EFU lands that are classified by ODA as “conflicted”, these 13,746 acres represent slightly more than five percent of all land zoned EFU (266,372 acres) in the three counties. If the “conflicted” acres are removed from consideration, the percentage drops to less than four percent. Metro Supp.Rec. 799; 804-05.

A third vantage point adds perspective. During an approximately 30-year period leading to establishment of the statewide planning program and continuing through the acknowledgement and early implementation of county comprehensive plans, the three counties lost more than 150,000 acres of farmland. Metro Supp. Rec. 799; 804-05. By contrast, if all the zoned farmland that is designated urban reserve is ultimately urbanized, the regional will have lost only 13,746 acres over 50 years.

If the region’s effort to contain urban development within the existing UGB and these urban reserves for the next 50 years is successful, the UGB will have accommodated an estimated 74 percent increase in population on an 11-percent increase in the area within the UGB. No other

¹ Those lands mapped as Foundation Agricultural Land in the January, 2007, Oregon Department of Agriculture report to Metro entitled “Identification and Assessment of the Long-Term Commercial Viability of Metro Region Agricultural Lands.”

² 1C (East of Gresham, portion); 1F (Boring); 5A (Sherwood North); 5B (Sherwood West); 6A (Hillsboro South, portion); 6B (Cooper Mt. Southwest); 6C (Roy Rogers West); 6D (Beef Bend South); 7B (Forest Grove North); 7C (Cornelius East); 7D (Cornelius South); 7E (Forest Grove South); 8A (Hillsboro North); 8B (Shute Road Interchange and new Area D); 8C (Bethany West)

³ Includes all farm zones acknowledged to comply with statewide planning Goal 3, including Washington County’s AF-20 zone.

region in the nation can demonstrate this growth management success. Most of the borders of urban reserves are defined by a 50-year “hard edge” of 266,628 acres designated rural reserves, nearly all of which lies within five miles of the existing UGB. Of these rural reserves, approximately 248,796 acres are Foundation or Important Agricultural Land. Metro Supp. Rec. 799; 804-05.

Why did the region designate *any* Foundation Agricultural Land as urban reserve? The explanation lies in the geography and topography of the region, the growing cost of urban services and the declining sources of revenues to pay for them, and the fundamental relationships among geography and topography and the cost of services. The region aspires to build “great communities.” Great communities are those that offer residents a range of housing types and transportation modes from which to choose. Experience shows that compact, mixed-use communities with fully integrated street, pedestrian, bicycle and transit systems offer the best range of housing and transportation choices. *State of the Centers: Investing in Our Communities*, January, 2009. Metro Rec. 181-288. The urban reserves factors in the reserves rules derive from work done by the region to identify the characteristics of great communities. Urban reserve factors (1), (3), (4), and (6)⁴ especially aim at lands that can be developed in a compact, mixed-use, walkable and transit-supportive pattern, supported by efficient and cost-effective services. Cost of services studies tell us that the best landscape, both natural and political, for compact, mixed-use communities is relatively flat, undeveloped land. *Core 4 Technical Team Preliminary Analysis Reports for Water, Sewer and Transportation*, Metro Rec. 1163-1187; *Regional Infrastructure Analysis*, Metro Rec. 440-481.

The region also aspires to provide family-wage jobs to its residents. Urban reserve factor (2) directs attention to capacity for a healthy economy.⁵ Certain industries the region wants to attract prefer large parcels of flat land. Staff Report, June 9, 2010, Metro Rec. 172-178. Water, sewer and transportation costs rise as slope increases. *Core 4 Technical Team Preliminary Analysis Reports for Water, Sewer and Transportation*, Metro Rec. 1163-1187; *Regional Infrastructure Analysis*, Metro Rec. 440-481. Converting existing low-density rural residential development into compact, mixed-use communities through infill and re-development is not only very expensive, it is politically difficult. Metro Rec. 289-300.

Mapping of slopes, parcel sizes, and Foundation Agricultural Land revealed that most flat land in large parcels without a rural settlement pattern at the perimeter of the UGB lies in Washington County, immediately adjacent to Hillsboro, Cornelius, Forest Grove, Beaverton, and Sherwood. These same lands provide the most readily available supply of large lots for industrial development. *Business Coalition Constrained Land for Development and Employment Map*,

⁴ “(1) Can be developed at urban densities in a way that makes efficient use of existing and future public and private infrastructure investments;
“(3) Can be efficiently and cost-effectively service with public schools and other urban-level public facilities and services by appropriate and financially capable providers;
“(4) Can be designed to be walkable and service with a well-connected system of streets, bikeways, recreation trails and public transit by appropriate services providers;
“(6) Includes sufficient land suitable for a range of needed housing types.”

⁵ “(2) Includes sufficient development capacity to support a healthy economy.”

Metro Rec. 301; 1105-1110. Almost all of it is Foundation Agricultural Land. Metro Supp. Rec.799. Had the region been looking only for the best land to build great communities, nearly all the urban reserves would have been around these cities. It is no coincidence that these cities told the reserves partners that they want significant urban reserves available to them, while most other cities told the partners they want little or no urban reserves. *Washington County Cities' Pre-Qualified Concept Plans*, WashCo Rec. 3036-3578. These facts help explain why there is more Foundation Agricultural Land designated urban reserve in Washington County than in Clackamas or Multnomah counties. Had Metro not designated some Foundation Land as urban reserve in Washington County, it would not have been possible for the region to achieve the “livable communities” purpose of reserves in LCDC rules. OAR 660-027-0005(2).

Several urban reserves factors focus on the efficient, cost-effective installation, operation and maintenance of public services to urban reserves once they are included within the UGB.⁶ Urban reserve factor (6) calls for land suitable for needed housing types. The partners began the analysis by examining lands within five miles of the UGB. Most of these lands initially studied are beyond the affordable reach of urban services. As noted above, water, sewer and transportation costs rise as slope increases. *Core 4 Technical Team Preliminary Analysis Reports for Water, Sewer and Transportation*, Metro Rec. 1163-1187; *Regional Infrastructure Analysis*, Metro Rec. 440-481. Not only does most of the Important Agricultural Land and the Conflicted Agricultural Land within five miles of the UGB exhibit steeper slopes than the Foundation Land close to the UGB; these non-Foundation Lands also exhibit rural residential development patterns on smaller parcels (“exception lands”). Metro Supp. Rec.799; 807; WashCo Rec. 1891-1894; 2905. With one exception (small portion of Urban Reserve 1F), designated urban reserves lie within two miles of the UGB. Metro Supp. Rec.806.

Despite these geopolitical and cost-of-services realities, the reserves partners designated extensive urban reserves that are *not* Foundation Agricultural Lands in order to meet the farm and forest land objectives of reserves, knowing these lands will be more difficult and expensive to urbanize. The following urban reserves are principally Conflicted and Important Agricultural Land:

- Urban Reserve 1D east of Damascus and south of Gresham (2,716 acres), ClackCo Rec. 1723;
- Urban Reserve 2A south of Damascus (1,239 acres), ClackCo Rec. 1722;
- Urban Reserves 3B, C, D, F and G around Oregon City (2,232 acres), ClackCo Rec. 1718-1720;
- Urban reserves 4A, B and C in the Stafford area (4,699 acres), ClackCo Rec. 1716;
- Urban reserves 4D, E, F, G and H southeast of Tualatin and east of Wilsonville (3,589 acres), ClackCo Rec. 600;
- Urban Reserve 5F between Tualatin and Sherwood (572 acres); WashCo Rec. 3517; 2998;
- Urban Reserve 5G west of Wilsonville (203 acres) ClackCo Rec. 711-712; and
- Urban Reserve 5D south of Sherwood (447 acres), WashCo Rec. 3481; 2998.

⁶ Urban Reserve factors (1) (efficient use of public infrastructure); (3) (efficient and cost-effective public services); (4) (walkable, bikeable and transit-supportive).

These non-Foundation Lands designated urban reserve, which total approximately 15,700 acres, (55 percent of all lands designated urban reserve), are the most serviceable among the non-Foundation Lands within the initial study area. Metro Supp Rec.804-05; WashCo Re. 3006-3010; 3015.

Many areas of Important and Conflicted Agricultural Lands were not designated urban reserve in part because the presence of steep slopes, bluffs, floodplains, streams and habitat, limiting their suitability or appropriateness for urbanization:

- Rural Reserve 1B (West of Sandy River): the Sandy River Canyon and the county’s scenic river overlay zone. MultCo Rec. 2961-2965; 2973-2985;
- Rural Reserve 2B (East Clackamas County): steep bluffs above the Clackamas River. ClackCo Rec. 560-563; 568-571;
- Rural Reserve 3E (East of Oregon City): steep slopes along Abernethy, Clear and Newell Creeks. ClackCo Rec. 748-755;
- Rural Reserve 3H (South of Oregon City): steep slopes drop to Beaver and Parrot Creeks. ClackCo. Rec. 557; 1718;
- Rural Reserve 4I (Pete’s Mtn.): steep slopes. ClackCo Rec. 741-743;
- Rural Reserve 5C (East Chehalem Mtns): steep slopes and floodplain of Tualatin River; WashCo Rec. 2998-3027;
- Rural Reserve 5I (Ladd Hill): steep slopes and creek traverses. ClackCo. Rec. 592-595;
- Rural Reserve 6E (Central Chehalem Mtns.): steep slopes and floodplain of Tualatin River. WashCo Rec. 2998-3027;
- Rural Reserve 7G (West Chehalem Mtns.): steep slopes and floodplain of Tualatin River. WashCo Rec. 2997; 3006-3010; 3027;
- Rural Reserve 7H (West Fork of Dairy Creek); steep slopes on David Hill. WashCo. Rec. 3013; 3029; 3107;
- Rural Reserves 9A-9C (Powerlines/Germantown Road-South): steep slopes, many stream headwaters and courses. MultCo. Rec. 11; 329-330; 3004-3015;
- Rural Reserve 9D (West Hills South): steep slopes, many stream headwaters and courses. MultCo Rec. 2993-3033.

Metro Supp Rec. 806.

Urban reserve factors (5), (7) and (8)⁷ seek to direct urban development away from important natural landscape features and other natural resources. Much of the Important and some Conflicted Agricultural Lands are separated from the UGB by, or include, important natural landscape features or rural reserves on Foundation or Important Agricultural Land:

⁷ “(5) Can be designed to preserve and enhance natural ecological systems;
“(7) Can be developed in a way that preserves important natural landscape features included in urban reserves;
“(8) Can be designed to avoid or minimize adverse effects on farm and forest practices, and adverse effects on important natural landscape features, on nearby land including land designated as rural reserves.”

- Rural Reserve 1B (West of Sandy River): the Sandy River Canyon (Wild and Scenic River). MultCo Rec. 2961-2965; 2973-2985;
- Rural Reserve 2B (East Clackamas County): Clackamas River and canyons of Deep, Clear and Newell Creeks. ClackCo. Rec. 1722;
- Rural Reserve 3E (East of Oregon City): Willamette River and canyons of Abernethy, Clear and Newell Creeks. ClackCo Rec. 560-563;
- Rural Reserve 3H (South of Oregon City): Willamette Narrows, Canemah Bluffs and canyons of Beaver and Parrot Creeks. ClackCo. Rec. 553-554;
- Rural Reserve 4I (Pete’s Mtn.): Willamette Narrows on eastern edge. ClackCo. Rec. 596;
- Rural Reserve 5C (East Chehalem Mtns): Chehalem Mtns., floodplain of Tualatin River and Tualatin River National Wildlife Refuge. WashCo Rec. 2988-3027; 9677-9679;
- Rural Reserve 5I (Ladd Hill): Parrett Mtn., Willamette River, Tonquin Geological Area. ClackCo. Rec. 592-595;
- Rural Reserve 6E (Central Chehalem Mtns.): Chehalem Mtns., floodplain of Tualatin River. WashCo Rec. 2998-3027;
- Rural Reserve 7G (West Chehalem Mtns.): Chehalem Mtns., floodplain of Tualatin River. WashCo Rec. 3029; 3095; 3103;
- Rural Reserves 9A-9C (Powerlines/Germantown Road-South): steep slopes (Tualatin Mountains), stream headwaters (Abbey Creek and Rock Creek) and courses. MultCo. Rec. 11; 329-330; 3004-3015; 3224-3225; 3250-3253; 9322-9323;
- Rural Reserve 9D (West Hills South): steep slopes, many stream headwaters (Abbey Creek and Rock Creek) and courses. MultCo Rec. 2993-3033.

Metro Supp. Rec. 800-01; 821.

Third, much of the Important and Conflicted Agricultural Lands rates lower against the urban reserves factors in comparison to areas designated urban reserve, or remain undesignated for possible designation as urban reserve if the region’s population forecast proves too low:⁸

- Clackamas Heights, ClackCo Rec. 1721;
- East Wilsonville, ClackCo Rec. 1715;
- West Wilsonville, ClackCo Rec. 1713;
- Southeast of Oregon City, ClackCo Rec. 1719;
- Southwest of Borland Road, ClackCo Rec. 740-747;
- Between Wilsonville and Sherwood, ClackCo;
- Powerline/Germantown Road-South, MultCo Rec. 2909-2910.

Lastly, some of the Important and Conflicted Agricultural Lands lie adjacent to cities in the region that have their own UGBs and want their own opportunities to expand over time:

⁸ “Retaining the existing planning and zoning for rural lands (and not applying a rural or an urban reserves designation) is appropriate for lands that are unlikely to be needed over the next 40 years, or (conversely) that are not subject to a threat of urbanization.” Letter from nine state agencies to the Metro Regional Reserves Steering Committee, October 14, 2009, page 15.

- Estacada
- Sandy

The partners also considered the rural reserve factors when considering whether to designate Foundation Agricultural Land as urban reserve. The first set of rural reserve factors focuses on the suitability and capability of land for agriculture and forestry. The factors in this set that address agricultural suitability and capability derive from the January, 2007, Oregon Department of Agriculture report to Metro entitled “Identification and Assessment of the Long-Term Commercial Viability of Metro Region Agricultural Lands.” All of the Foundation Lands designated urban reserve are potentially subject to urbanization [rural factor (2)(a)] due to their proximity to the UGB and suitability for urbanization, as described above. See, e.g., WashCo Rec. 2984-2985; 2971-2972; 3013-3014. All of the Foundation Lands designated urban reserve are also capable of sustaining long-term agricultural or forest operations [factor (2)(b)]. WashCo rec. 2972-2973; 2985; 3015. Similarly, all of the Foundation Lands designated urban reserve have soils and access to water that render them suitable [factor (2)(c)] to sustain agriculture. See, e.g., WashCo Rec. 2972-2975; 2985; 2998; 3016-3018. These lands also lie in large blocks of agricultural land and have parcelization, tenure and ownership patterns and agricultural infrastructure that make them suitable for agriculture. WashCo Rec. 2975; 2985; 3019-3024; 3027. The identification of these lands as Foundation Agricultural Land by the Oregon Department of Agriculture is a reliable general source of information to support these findings. See also WashCo Rec. 2976-2983; 3019-3025.

Notwithstanding these traits that make these lands suitable for agriculture and forestry, some of the urban reserves on Foundation Land rate lower on the rural reserve factors than Foundation Land *not* designated urban reserve. WashCo Rec. 2978; 3025. Urban Reserves 6A (portion), 6B, 6C,6D, 5A, 5B and 1F lie within Oregon Water Resources Department-designated Critical or Limited Groundwater Areas and have less ready access to water [factor (2)(c)]. WashCo Rec. 2294-2302; 2340; 2978-2979; 3019-3023; 3025; 3058-3061; 3288; 3489-3490. Metro Supp. Rec. 799-800; 809. Urban Reserves 8A, 8B (with new Area D, 6A (portion), 6B, 6D (portion), 5A, 5B, 1C and 1D are not within or served by an irrigation district. Metro Supp. Rec.799; 808. WashCo Rec. 2340; 3019-3023; 3025 Urban Reserve 6A contains the Reserves Vineyards Golf Course. Metro Supp. Rec.799.

The second set of rural reserve factors focuses on natural landscape features. All of the Foundation Lands designated urban reserve are potentially subject to urbanization [factor (3)(a)] due to their proximity to the UGB and their suitability for urbanization, as described above. The identification of these lands as Foundation Agricultural Land by the Oregon Department of Agriculture is a reliable general source of information to support this finding. Because urban reserves are intended for long-term urbanization, the partners were careful to exclude from urban reserves large tracts of land constrained by natural disasters or hazards incompatible with urban development. Metro Rec. 301; 1105-1110; WashCo Rec. 2986. Small portions of these urban reserves are vulnerable to hazards, but city land use regulations will limit urban development on steep slopes, in floodplains and areas of landslides once the lands are added to the UGB. Metro Supp. Rec.821; WashCo Rec. 2986.

Little of these Foundation Lands are mapped as significant fish, plant or wildlife habitat [factor (3)(c)], the mapping of which is largely subsumed on the landscape features map. For the same reasons, little of these lands are riparian areas or wetlands. As with all lands, these lands are important for protection of water quality. But the lands are subject to local, regional, state and federal water quality regulations. See, e.g., WashCo Rec.2986-2987.

There are several inventoried natural landscape features [factor (3)(e)] within the Foundation Lands designated urban reserve. Rock Creek flows through a portion of Urban Reserve 8C (Bethany West). The IGA between Washington County and Metro included a provision to limit development on approximately 115 acres of constrained land within the portion of the watershed in 8C, through application of the county's Rural/Natural Resources Plan Policy 29 and Clean Water Services programs developed to comply with Title 13 (Nature in Neighborhoods) of Metro's Urban Growth Management Functional Plan. Metro Rec.821. Urban Reserve 6B includes portions of the slopes of Cooper Mountain. Metro's Cooper Mountain Nature Park lies within this area and protects much of the mountain's slopes. Metro Supp. Rec.821. Urban Reserve 6D includes a segment of Tualatin River floodplain. King City will apply its floodplains ordinance to limit development there. WashCo. Rec. 3462-3463; Metro Supp. Rec.821. There are such inventoried natural landscape features at the edges of Urban Reserves 6A (South Hillsboro, Tualatin River), 6C (Roy Rogers West, Tualatin River), 6D (Beef Bend, Tualatin River), 7C (Cornelius East, Dairy Creek), 7D (Cornelius South, Tualatin River), 7E (Forest Grove South, Tualatin River and Lower Gales Creek) and 8A (Hillsboro North, McKay Creek); Metro Supp. Rec.821. These features serve as edges to limit the long-term extent of urbanization and reduce conflicts with rural uses [factor (3)(f)] .

Urban Reserves 1F, 8A and 8B (new Area D) lessen the separation [factor (3)(g)] between the Metro urban area and the cities of Sandy and North Plains, respectively. But significant separation remains (Sandy: approximately 9,000 feet; North Plains: approximately 2,000 feet). Metro Supp. Rec.803; WashCo Rec. 2987. Finally, because private farms and woodlots comprise most of these Foundation Lands, they do not provide easy access to recreational opportunities as compared to Important and Conflicted Lands.

As indicated above and in county findings in sections VI through VIII, these 15 urban reserves on Foundation Agricultural Land rate highly for urban reserves and rural reserves. In order to achieve a balance among the objectives of reserves, Metro chose these lands as urban reserves rather than rural reserves. The characteristics described above make them the best lands for industrial use and for compact, mixed-use, pedestrian-friendly and transit-supportive communities. Designation of these areas as urban reserve will have little adverse impact on inventoried natural landscape features. Notwithstanding the loss of these lands over time, urbanization of these lands will leave the agricultural and forest industries vital and viable in the region.

The record of this two and one-half-year effort shows that not every partner agreed with all urban reserves in each county. But each partner agrees that this adopted system of urban and rural reserves, in its entirety, achieves the region's long-range goals and a balance among the objectives of reserves: to accommodate growth in population and employment in sustainable and prosperous communities and neighborhoods, to preserve the vitality of the farms and forests of the region, and to protect defining natural landscape features. The partners are confident that this

system of reserves will allow the continuation of vibrant and mutually-reinforcing farm, forest and urban economies for the next 50 years. And the partners agree this system is the best system the region could reach by mutual agreement.

III. OVERALL PROCESS OF ANALYSIS AND PUBLIC INVOLVEMENT

A. Analysis and Decision-Making

The three counties and Metro began reserves work as soon as LCDRC adopted the new rules on reserves (OAR Division 27). The four governments formed committees and began public involvement to raise awareness about reserves and help people learn how to engage in the process. Each of the four governments selected one of its elected officials to serve on the “Core 4”, established to guide the designation process and formulate recommendations to the county boards and the Metro Council. The four governments also established a “Reserves Steering Committee” (RSC) to advise the Core 4 on reserves designation. The RSC represented interests across the region - from business, agriculture, social conservation advocacy, cities, service districts and state agencies (52 members and alternates).

The four governments established an overall Project Management Team (PMT) composed of planners and other professions from their planning departments. Each county established an advisory committee to provide guidance and advice to its county board, staffed by the county’s planning department.

As part of technical analysis, staff gathered providers of water, sewer, transportation, education and other urban services to consider viability of future service provision to lands within the study area. The parks and open space staff at Metro provided guidance on how best to consider natural features using data that had been deeply researched, broadly vetted and tested for social and political acceptance among Willamette Valley stakeholders (Oregon Wildlife Conservation Strategy, Pacific Northwest Research Consortium, Willamette Valley Futures, The Nature Conservancy’s Ecoregional Assessment). Business leaders, farm bureaus and other representative groups were consulted on an ongoing basis.

The first major task of the Core 4 was to recommend a reserves study area to the county boards and the Metro Council. With advice from the RSC, the county advisory committees and public comment gathered open houses across the region, the Core 4 recommended for further analysis some 400,000 acres around the existing urban area, extending generally five miles from the UGB. The four governments endorsed the study area in the fall of 2008. Then the task of applying the urban and rural reserve factors to specific areas began in earnest.

The county advisory committees reviewed information presented by the staff and advised the staff and county boards on how each “candidate area” rated under each reserves factor. The county staffs brought this work to the RSC for discussion. After a year’s worth of work at regular meetings, the RSC made its recommendations to the Core 4 in October, 2009.

Later in the fall, each elected body held hearings to hear directly from their constituents on proposed urban and rural reserves. Public involvement included six open houses, three Metro Council hearings around the region and a virtual open house on the Metro web site, all providing the same maps, materials and survey questions.

Following this public involvement, the Core 4 submitted its final recommendations to the four governments on February 8, 2010. The recommendation included a map of proposed urban and rural reserves, showing reserves upon which there was full agreement (the large majority of proposed reserves) and reserves upon which disagreements were not resolved. The Core 4 proposed that these differences be settled in bilateral discussions between each county and Metro, the parties to the intergovernmental agreements (IGAs) required by ORS 195.141. Over the next two weeks, the Metro Council reached agreement on reserves with each county. By February 25, 2010, Metro had signed an IGA with Clackamas, Multnomah and Washington counties. Metro Rec.302; 312; 404.

The IGAs required each government to amend its plan to designate urban (Metro) or rural (counties) reserves and protect them for their intended purposes with plan policies. The IGAs also set times for final public hearings on the IGA recommendations and adoption of ordinances with these plan policies in May and June. The four governments understood that the IGAs and map of urban and rural reserves were not final decisions and, therefore, provided for final adjustments to the map to respond to public comment at the hearings. By June 15, 2010, the four governments had adopted their reserves ordinances, including minor revisions to the reserves map.

B. Public Involvement

From its inception, the reserves designation process was designed to provide stakeholders and the public with a variety of ways to help shape the process and the final outcome. Most significantly, the decision process required 22 elected officials representing two levels of government and 400,000 acres of territory to craft maps and agreements that a majority of them could support. These commissioners and councilors represent constituents who hold a broad range of philosophical perspectives and physical ties to the land. Thus, the structure of the reserves decision process provided motivation for officials to seek a final compromise that met a wide array of public interests.

In the last phase of the reserve process – adoption of ordinances that designate urban and rural reserves – each government followed its established procedure for adoption of ordinances: notice to citizens; public hearings before its planning commission (in Metro’s case, recommendations from the Metro Planning Advisory Committee) and public hearings before its governing body. But in the more-than-two years leading to this final phase, there were additional advisory bodies established.

The RSC began its work in early 2008. RSC members were expected to represent social and economic interests to the committee and officials and to serve as conduits of communication back to their respective communities. In addition, RSC meetings were open to the public and provided an additional avenue for citizens to voice their concerns—either by asking that a steering committee member represent their concern to the committee or by making use of the public testimony period at the beginning of each meeting.

Once the three county advisory committees got underway, they, like the RSC, invited citizens were to bring concerns to committee members or make statements at the beginning of each meeting.

Fulfilling the requirements of DLCD's administrative rules on reserves and the reserves work program, the three counties and Metro developed a Coordinated Public Involvement Plan in early 2008 that provided guidance on the types of public involvement activities, messages and communications methods that would be used for each phase of the reserves program. The plan incorporated the requirements of Oregon law and administrative rules governing citizen involvement and reflects comments and feedback received from the Metro Council, Core 4 members, each jurisdiction's citizen involvement committee, other county-level advisory committees and the RSC. The Citizen Involvement Advisory Committee of the Oregon Land Conservation and Development Commission (LCDC) reviewed and endorsed the Public Involvement Plan.

The four governments formed a public involvement team, composed of public involvement staff from each county and Metro, to implement the Public Involvement Plan. The team cooperated in all regional efforts: 20 open houses, two "virtual open houses" on the Metro web site, additional online surveys, presentations, printed materials and analysis and summaries of comments. The team members also undertook separate county and Metro-specific public engagement activities and shared methodologies, materials and results.

Elected officials made presentations to community planning organizations, hamlets, villages, city councils, advocacy organizations, civic groups, chambers of commerce, conferences, watershed councils, public affairs forums, art and architecture forums, and many other venues. Staff and elected officials appeared on television, on radio news broadcasts and talk shows, cable video broadcasts and was covered in countless news articles in metro outlets, gaining publicity that encouraged public engagement. Booths at farmers' markets and other public events, counter displays at retail outlets in rural areas, library displays and articles in organization newsletters further publicized the opportunities for comment. Materials were translated into Spanish and distributed throughout all three counties. Advocacy organizations rallied supporters to engage in letter email campaigns and to attend public meetings. Throughout the reserves planning process the web sites of each county and Metro provided information and avenues for feedback. While there have been formal public comment periods at key points in the decision process, the reserves project team invited the public to provide comment freely throughout the process. In all, the four governments made extraordinary efforts to engage citizens of the region in the process of designating urban and rural reserves. The public involvement plan provided the public with more than 180 discrete opportunities to inform decision makers of their views urban and rural reserves. A fuller account of the public involvement process the activities associated with each stage may be found at Staff Report, June 9, 2010, Metro Rec. 123-155; Metro Supp. Rec.47.

Following remand of Urban Reserves 7B and 7I in Washington County by LCDC on October 29, 2010, Metro and Washington County signed a supplemental IGA to re-designate urban and rural reserves in the county. Metro Supp. Rec. 285. Each local government held public hearings prior to adoption of the supplemental IGA and prior to adoption of their respective ordinances amending their maps of urban and rural reserves. Metro Supp. Rec. 328; 604.

IV. AMOUNT OF URBAN RESERVES

A. Forecast

Metro developed a 50-year “range” forecast for population and employment that was coordinated with the 20-year forecast done for Metro’s UGB capacity analysis, completed in December, 2009. The forecast is based on national economic and demographic information and is adjusted to account for regional growth factors. The partner governments used the upper and lower ends of the 50-year range forecast as one parameter for the amount of land needed to accommodate households and employment. Instead of aiming to accommodate a particular number of households or jobs within that range, the partners selected urban reserves from approximately 400,000 acres studied that best achieve the purposes established by the Land Conservation and Development Commission (set forth in OAR 660-027-0005(2)) and the objectives of the partner governments.

B. Demand and Capacity

Estimating land demand over the next 50 years is difficult as a practical matter and involves much uncertainty. The Land Conservation and Development Commission (LCDC) recognizes the challenge of estimating long-term need even for the 20-year UGB planning period. In the section of OAR Division 24 (Urban Growth Boundaries) on “Land Need”, the Commission says:

“The 20-year need determinations are estimates which, although based on the best available information and methodologies, should not be held to an unreasonably high level of precision.”

OAR 660-024-0040(1). The uncertainties loom much larger for a 40 to 50-year estimate. Nonetheless, Metro’s estimate of need for a supply of urban reserves sufficient to accommodate housing and employment to the year 2060 is soundly based in fact, experience and reasonable assumptions about long-range trends.

The urban reserves estimate begins with Metro’s UGB estimate of need for the next 20 years in its *Urban Growth Report 2009-2030*, January, 2010 (adopted December 17, 2009). Metro Rec. 646-648; 715. Metro relied upon the assumptions and trends underlying the 20-year estimate and modified them where appropriate for the longer-term reserves estimate, and reached the determinations described below.

The 50-year forecast makes the same assumption on the number of households and jobs needed to accommodate the population and employment coming to the UGB from the seven-county metropolitan statistical area (MSA) as in the *Urban Growth Report*: approximately 62 percent of the MSA residential growth and 70 percent of the MSA employment growth will come to the metro area UGB. *COO Recommendation, Urban Rural Reserves, Appendix 3E-C*, Metro Rec. 599; Appendix 3E-D, Metro Rec. 606-607.

Metro estimates the demand for new dwelling units within the UGB over the next 50 years to be between 485,000 and 532,000 units. *COO Recommendation, Urban Rural Reserves, Appendix 3E-C*, Metro Rec. 599. Metro estimates between 624,300 and 834,100 jobs will locate within the

UGB by 2060. *COO Recommendation, Urban Rural Reserves, Appendix 3E-D, Table D-3*, Metro Rec. 607. Staff Report, June 9, 2010, Metro Rec.121-122.

The region will focus its public investments over the next 50 years in communities inside the existing UGB and, as a result, land within the UGB would develop close to the maximum levels allowed by existing local comprehensive plan and zone designations. This investment strategy is expected to accommodate 70 to 85 percent of growth forecasted over that period. No increase in zoned capacity within the UGB was assumed because, at the time of adoption of reserves ordinances by the four governments, the Metro Council will not have completed its decision-making about actions to increase the capacity of the existing UGB as part of Metro's 2009 capacity analysis. For those areas added to the UGB between 2002 and 2005 for which comprehensive planning and zoning is not yet complete, Metro assumed the areas would accommodate all the housing and employment anticipated in the ordinances that added the areas to the UGB over the reserves planning period. Fifty years of enhanced and focused investment to accommodate growth will influence the market to use zoned capacity more fully.

Consistent with residential capacity analysis in the *Urban Growth Report*, vacant land in the existing UGB can accommodate 166,600 dwelling units under current zoning over the next 50 years. Infill and re-development over this period, with enhanced levels of investment, will accommodate another 212,600 units. This would leave approximately 152,400 dwelling units to be accommodated on urban reserves through 2060. *COO Recommendation, Urban Rural Reserves, Appendix 3E-C, pp. 5-6*, Metro Rec. 602-603.

Based upon the employment capacity analysis in the *Urban Growth Report*, the existing UGB has sufficient capacity – on vacant land and through re-development over the 50-year reserves period – for overall employment growth in the reserves period. However, this supply of land does not account for the preference of some industrial employers for larger parcels. To accommodate this preference, the analysis of the supply of larger parcels was extrapolated from the *Urban Growth Report*. This leads to the conclusion that urban reserves should include approximately 3,000 acres of net buildable land that is suitable for larger-parcel industrial users. *COO Recommendation, Urban Rural Reserves, Appendix 3E-D*, Metro Rec. 609-610; Staff Report, June 9, 2010, Metro Rec. 122.

Metro assumed residential development in urban reserves, when they are added to the UGB over time, would develop at higher densities than has been the experience in the past, for several reasons. First, the region is committed to ensuring new development at the edges of the region contributes to the emergence of “great communities”, either new communities or as additions to existing communities inside the UGB. Second, because many urban reserves are “greenfields”, they can be developed more efficiently than re-developing areas already inside the UGB. Third, demographic trends, noted in the *Urban Growth Report* that is the starting point for Metro's 2010 capacity analysis, indicate increasing demand for smaller housing units. This reasoning leads to the assumption that residential development will occur in reserves, when added to the UGB, at 15 units per net buildable acre overall, recognizing that some areas (centers, for example) would settle at densities higher than 15 units/acre and others (with steep slopes, for example) would settle at densities lower than 15 units/acre. *COO Recommendation, Urban Rural Reserves, Appendix 3E-C, pp. 6-7*; Staff Report, June 9, 2010, Metro Rec. 121-122.

Metro also assumed greater efficiencies in use of employment lands over the next 50 years. The emerging shift of industrial activity from production to research and development will continue, meaning more industrial jobs will be accommodated in high- floor-to-area-ratio (FAR) offices rather than low-FAR general industrial space. This will reduce the need for general industrial and warehouse building types by 10 percent, and increase the need for office space. Office space, however, will be used more efficiently between 2030 and 2060, reducing that need by five percent. Finally, the analysis assumes a 20-percent increase in FARs for new development in centers and corridors, but no such increase in FARs in industrial areas. *COO Recommendation, Urban Rural Reserves, Appendix 3E-C*, Metro Rec. 603-604; Staff Report, June 9, 2010, Metro Rec.121-122.

These assumptions lead to the conclusion that 28,256 acres of urban reserves are needed to accommodate 371,860 people and employment land targets over the 50-year reserves planning period to 2060. *COO Recommendation, Urban Rural Reserves, Appendix 3E-C*, Metro Rec. 601-603; *Appendix 3E-D*, Metro Rec.607-610; Staff Report, June 9, 2010, Metro Rec.121-122. The nine state agencies that served on the Reserves Steering Committee said the following about the amount of urban land the region will need over the long-term:

“The state agencies support the amount of urban reserves recommended by the Metro COO. That recommendation is for a range of between 15,000 and 29,000 acres. We believe that Metro and the counties can develop findings that, with this amount of land, the region can accommodate estimated urban population and employment growth for at least 40 years, and that the amount includes sufficient development capacity to support a healthy economy and to provide a range of needed housing types.” *Letter to Metro Regional Steering Committee, October 14, 2009*, Metro Rec. 1373.

Based upon the assumptions described above about efficient use of land, the four governments believe the region can accommodate 50 years worth of growth, not just 40 years of growth.

V. SUPPLEMENTAL FINDINGS REGARDING 50-YEAR SUPPLY OF URBAN RESERVES AND REGIONWIDE BALANCE

The findings in this Section V supplement the findings adopted by the Metro Council in support of the original 2011 approval of urban and rural reserves via Metro Ordinance 11-1255. To the extent any of the findings in this section are inconsistent with other findings in this document that were previously adopted in 2011, the findings in this Section V shall govern. These findings address issues related to the regionwide supply of urban reserves and the overall balance of reserves in light of (a) the Metro Council’s adoption of the current Urban Growth Report in 2015, and (b) the Oregon Legislature’s enactment of House Bill 4078.

On April 21, 2011, Metro enacted Ordinance 11-1255 adopting the urban and rural reserve designations agreed upon by Metro and the three counties, and submitted that ordinance and accompanying findings to LCDC for acknowledgement. On August 19, 2011, LCDC voted to approve and acknowledge the reserve designations made by Metro and the counties, and LCDC issued Acknowledgment Order 12-ACK-001819 on August 14, 2012. Twenty-two parties filed

appeals of the LCDC Order, and on February 20, 2014 the Oregon Court of Appeals issued its opinion in the *Barkers Five* case, affirming LCDC's decision regarding the majority of the 26 assignments of error raised by the opponents, and remanding the LCDC Order on three substantive issues.

First, the court concluded that LCDC incorrectly approved Washington County's application of the rural reserve factors pertaining to agricultural land, because the county relied on factors that were different from those required by statute for determining whether lands should be designated as rural reserve. The court held that the county's error required remand of all urban and rural reserves in Washington County for reconsideration.

Second, the court held that LCDC incorrectly concluded that Multnomah County had adequately considered the rural reserve factors pertaining to Area 9D. The court found that the county's findings were not sufficient to explain why its consideration of the applicable factors resulted in a designation of rural reserve for *all* of Area 9D, given the fact that property owners in that area had identified dissimilarities between the northern and southern portions of the study area. Finally, the court held that LCDC did not correctly review Metro's urban reserve designation of the Stafford area for substantial evidence. The court concluded that Metro failed to adequately respond to evidence cited by opponents from Metro's 2035 Regional Transportation Plan (RTP) indicating that traffic in the Stafford area was projected to exceed the capacity of certain roads by 2035.

Immediately after the Court of Appeals issued its opinion, work began on legislation designed to resolve issues regarding the remand of urban and rural reserves in Washington County. On March 7, 2014 the Oregon Legislature passed House Bill 4078, which legislatively approved Metro's 2011 UGB expansion, added an additional 1,178 acres of urban reserves to the UGB, and made other revisions to the reserves map in Washington County.

As described in Section IV of these findings, when Metro and the three counties adopted their maps of reserve areas, they agreed on a total of 28,256 acres of urban reserves, which reflected Metro's estimate of the acreage that would be required to provide a 50-year supply of urbanizable land as contemplated under ORS 195.145(4). The specific forecast described above in Section IV is for a range of between 484,800 and 531,600 new dwelling units over the 50-year period ending in 2060. Metro relied on the high point of that forecast range in estimating that the region would need a supply of urban reserves sufficient to provide for approximately 152,400 new dwelling units outside of the existing UGB through 2060.

After LCDC voted to approve Metro's findings and acknowledge the designation of 28,256 acres of urban reserves in August of 2011, Metro relied on those designations to expand the UGB onto approximately 2,015 acres of urban reserves in Washington County. However, that expansion was called into question by the Court of Appeals decision in *Barkers Five*, which reversed and remanded all of the urban and rural reserve designations in Washington County.

The compromise reflected in House Bill 4078 included legislative approval and state acknowledgement of the 2,015 acres of 2011 UGB expansions in order to provide certainty to the cities regarding their ability to urbanize those expansion areas. In addition to acknowledging the

UGB expansion areas already approved by Metro, House Bill 4078 included the following changes to the reserves map in Washington County:

- Converted 2,449 acres of urban reserves to rural and undesignated
- Converted 417 acres from rural reserve to urban reserve
- Converted 883 acres of undesignated areas to rural reserve
- Added 1,178 acres of urban reserve to the UGB

In the final accounting, HB 4078 resulted in the net reduction of 3,210 acres of urban reserves below the amount remaining after Metro's 2011 UGB expansion. The remaining acreage of urban reserves in the Metro region is now 23,031.

The legislature's removal of 3,210 acres of urban reserves via HB 4078 potentially implicates two elements of state law governing reserves. First, ORS 195.145(4) requires the designation of a sufficient amount of urban reserve areas to provide the Metro region with a 40 to 50 year supply of urbanizable land. Second, OAR 660-027-0040(10) requires Metro and the counties to adopt findings explaining why the reserve designations achieve the objective stated in OAR 660-027-0005(2) of a balance in urban and rural reserves that "best achieves" livable communities, viability and vitality of farm and forest industries, and protection of important natural landscape features.

Regarding the requirement for a 40 to 50 year supply of urban reserves, the applicable state rule requires Metro's estimate of the projected long-range need for urban reserve acreage to be based on the analysis in Metro's most recent Urban Growth Report (UGR). The projected need for urban reserves adopted by Metro and the counties in 2011 was based on the regional growth forecast set forth in Metro's 2009 UGR. Since that time, in 2015 the Metro Council adopted the current 2014 UGR, which provides the current residential and employment growth projections for the region.

The findings below address the status of existing urban reserve acreage in light of the newer growth projections in the 2014 UGR, as well as the impact of HB 4078 on both the amount of urban reserves and the regionwide balance of urban and rural reserves under the "best achieves" standard.

A. Amount of Land Designated Urban Reserve in the Metro Region

The state rules governing the designation of urban and rural reserves require that the amount of land designated as urban reserves must be planned to accommodate estimated urban population and employment growth in the Metro region for between 20 and 30 years beyond the 20-year period for which Metro has demonstrated a buildable land supply inside the UGB in its most recent Urban Growth Report. OAR 660-027-0040(2). The Metro Council adopted the current 2014 UGR via Ordinance No. 15-1361 on November 12, 2015.

In order to update the 50-year need analysis for urban reserves to 2065 by applying the most current growth projections, Metro planning staff prepared a memorandum dated February 22, 2017, which was attached to the staff report for Metro's public hearing on March 2, 2017. That

memorandum provides an updated assessment of potential long-term demand for urban reserves, and concludes that the existing amount of urban reserves, combined with buildable land already inside the UGB, can provide a sufficient amount of land to accommodate expected urban growth.

Specifically, the staff memorandum includes an analysis of projected long-term need for residential and employment land, and concludes that the existing 23,031 acres of urban reserves can reasonably be expected to accommodate projected household and employment growth over the next 40 to 50 years. The staff analysis forecasts a potential need for 24,827 acres of urban reserves by 2065. Only for demonstrative purposes of placing that acreage in perspective on a 50-year planning horizon, assuming that an equal amount of urban reserve acreage is converted annually over 50 years, the existing 23,031 acres of urban reserves would provide a 46-year supply of land for urban growth in the Metro region. However, for the reasons described above in Section IV of these findings regarding more efficient use of land, including the likelihood of land developing at densities of higher than 10 dwelling units per net developable acre, the Metro Council finds that the existing 23,031 acres of urban reserves are intended to provide a supply of land for 50 years from the date of adoption of the 2014 UGR in 2015.

As explained in the staff memo, any prediction about how much land will be required for urban growth in the region over a 50-year planning horizon is necessarily a rough estimate. The nature of this exercise requires Metro to predict what growth and development trends might look like over the next 50 years, based on the available data. State law does not provide any particular formula or methodology for estimating the future need for urban reserves. As explained by LCDC in its 2012 order regarding Metro's compliance with the requirement to provide a 40 to 50-year supply of urban reserves, the statutes and rules provide Metro "a substantial degree of discretion concerning ... the methods and policy considerations that Metro uses to project future population and employment." (LCDC Compliance Acknowledgment Order 12-ACK-001819, page 26).

The 50-year regional growth estimate provided in the February 22, 2017 Metro staff memorandum is based on the analysis and projections in the 2014 UGR. The UGR forecast is then subjected to a series of predictions about what will happen in the future, based on multiple levels of assumptions regarding an array of factors that affect how much residential and employment growth might be expected in the region, such as capture rate, vacancy rate, and projected share of single-family and multifamily housing types. Minor changes in the underlying assumptions regarding these factors will necessarily change the results.

The Metro Council also notes that the intergovernmental agreements between Metro and each of the three counties regarding the designation of reserves provide for a review of existing urban reserves in each county 20 years after the date of adoption, or sooner if agreed to by Metro and all three counties. Therefore, the adequacy of the amount of land designated for future urbanization can and will be revisited, and additional lands may be added if necessary, much sooner than 2065.

Based on the analysis and projections provided in the Metro staff memorandum dated February 22, 2017, the Metro Council concludes that the existing 23,031 acres of urban reserves

across the region, combined with buildable land already inside the UGB, will provide a sufficient amount of land for urban growth in the region until 2065.

B. Balance in the Designation of Reserves that “Best Achieves” Certain Goals

Included among the state rules governing urban and rural reserves is a requirement that Metro and the counties must explain how the urban and rural reserve designations achieve the following objective:

“The objective of this division is a balance in the designation of urban and rural reserves that, in its entirety, best achieves livable communities, the viability and vitality of the agricultural and forest industries and protection of the important natural landscape features that define the region for its residents.” OAR 660-027-0005(2).

During the proceedings before LCDC regarding its adoption of the remand order in 2015, some parties argued that the reduction in urban reserve acreage in Washington County via House Bill 4078 created a shift in the balance of urban reserves that implicates the “best achieves” standard. The following two sections of these findings address the application of the best achieves standard in light of HB 4078.

First, in adopting HB 4078 the legislature enacted a new statute that acknowledged the new balance of urban and rural reserves across the region as being in compliance with state law, and therefore a new analysis by Metro and the counties is not required. Second, in the event such an analysis is required, that standard is still met.

1. The “best achieves” rule is satisfied through HB 4078

The enactment of HB 4078 resulted in the legislative acknowledgement of the new amount of urban reserves and the new balance of urban and rural reserves as being in compliance with all aspects of state law. Therefore, in the absence of any changes to the existing mapped acreage of urban and rural reserves in Clackamas County and Multnomah County, the existing balance of reserves across the region meets all applicable state requirements and there is no need for Metro to revisit the standards related to the “best achieves” requirement as part of these findings. In the *Barkers Five* opinion, the Court of Appeals remanded the designation of all urban and rural reserves in Washington County for reconsideration. As a result of this wholesale remand of the entire Washington County reserves package, the court also noted that “any new joint designation” of reserves by the county and Metro on remand would also require new findings addressing the “best achieves” standard in OAR 660-027-0005(2). *Barkers Five* at 333.

Thus, the court’s opinion provides that the best achieves standard would only be triggered in the event there are any *new* designations of reserve areas on remand that are different from what was approved in the original decision. That is because the stated purpose of the best achieves standard is to ensure that the overall “balance in the designation of urban and rural reserves” across the entire region “best achieves” liveable communities, vitality of farm and forest uses, and protection of natural features that define the region. Thus, any changes in the “balance” of

those designations by Metro and the counties on remand would require a reassessment of whether and how those objectives are still met. But, in the absence of any changes to the reserve maps, no further assessment would be required.

This aspect of the Court of Appeals decision was overridden with respect to Washington County by the enactment of HB 4078, which legislatively established a new map of the locations of the UGB and urban and rural reserves in Washington County. This legislative action negated the court's directive requiring remand to Metro and Washington County for reconsideration of the reserve designations. The enactment of HB 4078 also negates any need to reconsider or reapply the best achieves standard, which is an administrative rule requirement that was necessarily preempted by the legislature as part of its decision to redesignate substantial portions of the Washington County reserve areas. As long as the remand proceedings regarding Clackamas County and Multnomah County do not result in changes to the reserves maps in those counties, there is no need to reconsider the best achieves standard to account for the HB 4078 revisions.

The Oregon legislature is presumed to be aware of existing law when it enacts new legislation. *Blanchana, LLC v. Bureau of Labor and Industries*, 354 Or 676, 691 (2014); *State v. Stark*, 354 Or 1, 10 (2013). This presumption also applies to administrative rules adopted by LCDC. *Beaver State Sand & Gravel v. Douglas County*, 187 Or App 241, 249-50 (2003). When the legislature adopted revisions to the Washington County reserves map as part of HB 4078, it is presumed to have been aware of LCDC's administrative rule requiring that there be a balance in reserve designations that "best achieves" the stated goals. The adoption of HB 4078 created a statutory requirement regarding the location of reserves in Washington County that takes precedence over LCDC's "best achieves" rule and does not require subsequent action by LCDC, Metro or the counties to explain why the statute satisfies an administrative rule requirement, because statutes necessarily control over administrative rules.

The express terms of HB 4078 also indicate a legislative intent to preempt existing land use law. Each section of HB 4078 that establishes new locations for reserve areas or the UGB begins with the phrase "*For purposes of land use planning in Oregon*, the Legislative Assembly designates the land in Washington County...." HB 4078, Sec 3(1), (2), (3) (2014). The legislature was aware that its actions in redrawing the UGB and reserve maps had the effect of acknowledging the new maps as being in compliance with state law, and thereby preempting other land use planning rules (including for example LCDC's Goal 14 rules regarding UGB expansions). The legislature included this language to clearly state that its action in adopting the new maps constituted acknowledgment of compliance with state law, and that it need not demonstrate compliance with other existing land use statutes, goals or rules, including the "best achieves" rule and the statutory requirement to provide a 40 to 50 year supply of urban reserves.

For these reasons, so long as there are no revisions on remand to the reserve maps in Clackamas County or Multnomah County, the HB 4078 revisions to the reserve designations in Washington County do not create a need to reconsider compliance with the "best achieves" standard or the sufficiency of the supply of urban reserves.

2. The balance in the designation of reserves still achieves the stated goals

The meaning and application of the “best achieves” rule was the subject of considerable debate in the appeals filed with LCDC in 2011 and with the Court of Appeals in 2012. Ultimately, in the *Barkers Five* opinion, the Court of Appeals agreed with the positions taken by LCDC and Metro that the “best achieves” standard provides significant discretion to Metro and the counties, and is satisfied through their site-specific findings concerning the application of the urban and rural reserve factors. Specifically, the Court of Appeals identified and agreed with the following four legal premises regarding the application of the standard.

First, the best achieves standard is a qualitative standard, rather than a quantitative one. The court agreed with LCDC that the standard “is not a balance in terms of the quantitative *amount* of urban and rural reserve acreage, but a balance between encouraging further urban expansion versus land conservation.” The court explained that Metro and the counties are not required to justify a quantitative “balance” in the specific amount of acreage of urban reserves and rural reserves.

Second, the best achieves standard applies to Metro and the counties’ designation of reserves “in its entirety” and not to the designation of individual properties or areas as urban or rural reserves.

Third, the best achieves standard allows for a range of permissible designations, and not a single “best” outcome. The court agreed with LCDC and Metro that the standard does not require a ranking of alternative areas from worst to best. The court specifically rejected arguments presented by the cities of West Linn and Tualatin that the word “best” requires a comparative analysis that identifies a single highest-ranked designation.

Fourth, the court held that Metro and the counties must explain how the designation satisfies the best achieves standard through their findings concerning the application of the urban and rural reserve factors to specific areas. The court agreed with LCDC that there is a close relationship between the “factors” that Metro and the counties must consider for urban and rural reserve designations and the overall “best achieves” objective, and that the best achieves standard is satisfied through findings explaining why particular areas were chosen as urban or rural reserves. Under the four legal premises stated by the Court of Appeals in *Barkers Five*, Metro and the counties have broad discretion in reaching a conclusion regarding whether the regionwide balance of urban and rural reserves achieves the identified objectives of creating livable communities while protecting farms, forest, and natural landscape features.

Some parties have argued that the reduction in urban reserve acreage in Washington County via House Bill 4078 inherently caused a shift in the “balance” of urban reserves that runs afoul of the best achieves standard. However, under the above-stated first premise of the Court of Appeals, that is incorrect. The court held that the best achieves standard does not require quantitative balancing of the specific amount of urban reserve acreage in one county or another. Thus, the reduction of urban reserves in Washington County by 3,210 acres does not inherently raise concerns under this standard.

Metro and the counties have adopted detailed findings regarding the consideration of all urban and rural reserve factors, explaining why particular areas were chosen as urban or rural reserves, and explaining how the regional partners came to agree that the overall package of urban and rural reserves reflects a balance that best achieves the objectives of creating livable communities while protecting farms, forest, and natural landscape features. Those findings are consistent with the fourth premise identified by the Court of Appeals regarding compliance with the best achieves standard, and the findings continue to demonstrate that the objectives stated in the rule are being achieved through the selected designations.

Metro and the counties have also adopted detailed findings that explain why the urban and rural reserves adopted by the region satisfy the best achieves standard, which are set forth above in Section II of these findings. Those findings note that urban reserves, if and when added to the UGB, are likely to take some land from the farm and forest base. However, Metro and the counties also recognized that some of the same characteristics that make an area suitable for agriculture also make it suitable for livable communities under the best achieves standard, including mixed-use pedestrian and transit-supportive urban development, as well as industrial uses. For the reasons described below, the findings in Section II are still valid and are not impacted by the reduction of urban reserves in Washington County under House Bill 4078.

The designation by Metro and the counties of urban and rural reserves achieves the objectives required under the state rule, in part, by adopting 266,628 acres of rural reserves across the region that establish the long-term limits of urbanization in the Metro area. As described above, consistency with the “best achieves” standard does not require a quantitative balancing of the amount of rural and urban reserve acreage. However, the designation of a significant amount of rural reserve areas around the region, with the vast majority (248,796 acres) being foundation and important agricultural land, demonstrates the region’s commitment to achieving the objectives of ensuring viability and vitality of the agricultural and forest industries and corresponding protection of important natural landscape features. As described in the Court of Appeals opinion, LCDC’s intent when it created the best achieves standard was to provide another level of review specifically designed to protect foundation farmland in the region:

“[Commissioner Worrix] explained that the best achieves standard was seen as ‘the best solution’ for the agricultural industry that had expressed ‘a strong concern ... that there needed to be something that highlighted the importance of foundation land and gave them that little extra bit of scrutiny.’” *Barkers Five*, 261 Or App at 312.

Regarding important natural landscape features, the process associated with achieving a balance in the designation of urban and rural reserves also provided a significant amount of weight to the protection of natural features. Three of the urban reserve factors – (5), (7) and (8) – seek to direct urban development away from important natural landscape features, and away from farm and forest practices. This provides an example of the close relationship between the factors for urban and rural reserve designations and the “best achieves” objective (as described in the fourth premise adopted by the Court of Appeals), and demonstrates how the best achieves standard may be satisfied through findings explaining why particular areas were chosen as urban or rural reserves. Similarly, the rules that apply to rural reserve designations include very specific

directives regarding how natural landscape features must be reviewed and considered. OAR 660-027-0060(3). Section II of these findings includes a bullet-point list of areas where important natural landscape features are located that are protected with rural reserve designations.

Two of the three objectives that the best achieves standard requires to be balanced are primarily achieved through rural reserve designations: (a) protection of farm and forest and (b) protection of important natural resource features. The region's ability to achieve these two objectives through rural reserve designations is not impacted by the reduction of urban reserve acreage that occurred via House Bill 4078. In fact, that legislation enhanced the region's ability to achieve those two standards by adding approximately 2,780 acres of new rural reserves in Washington County, all of which is foundation agricultural land.

The third objective that must be balanced as part of the best achieves analysis is "livable communities." This objective is primarily achieved by designating areas across the region that will be the best locations to build "great communities" through application of the urban reserve factors. As discussed in Section II of these findings, great communities are those that offer residents a range of housing types and transportation modes from which to choose. To that end, urban reserve factors (1), (3), (4) and (6) are aimed at identifying lands that can be developed in a compact, mixed-use, walkable and transit-oriented pattern, supported by efficient and cost-effective services.

The reduction of urban reserves in Washington County by 3,210 acres does not impact the region's ability to build livable communities across the region over the next 40 to 50 years. The quantitative aspect of urban reserve planning is addressed by the rule discussed above that requires sufficient acreage for up to 50 years of urban growth. Meanwhile, the directive of the best achieves standard to provide livable communities is aimed at designating highest *quality* of locations that can provide a range of housing types and transportation modes, as well as efficient public services. As discussed above, the existing urban reserve acreage in the region still provides a sufficient amount of land for urban growth over the next 40 to 50 years. The fact that House Bill 4078 reduced the amount of urban reserves from 26,241 to 23,031 acres has no effect on the region's ability to plan and build livable communities on those 23,031 acres over the next several decades. Therefore, the balance in the designation of urban and rural reserves, in its entirety, still achieves the goals of providing livable communities, viability and vitality of farm and forest industries, and the protection of important natural landscape features that define the region.

In 2011, the region concluded, acting together, that the agreed-upon urban and rural reserve designations provide a balance that achieves the objectives of building livable communities while protecting farms, forests, and natural features. The findings adopted by Metro and the counties support a conclusion that the best achieves standard has been met, and that conclusion is not impacted by the changes to urban and rural reserve acreage that occurred via House Bill 4078.

C. Responses to Issues Raised by Opponents

During the proceedings leading up to the Metro Council's adoption of Ordinance No. 17-1397, several parties submitted testimony raising legal issues regarding the Metro staff analysis set forth in the February 22, 2017 memorandum to the Metro Council concerning the amount of urban reserves remaining in the region. Responses to these arguments are provided in the Metro staff memorandum dated March 23, 2017, which is included in the record and hereby incorporated as part of these findings.

A common theme in letters submitted by attorneys for the Maletis Brothers and Barkers Five, LLC arises out of Metro's reliance on the 2014 UGR for purposes of determining whether the amount of urban reserves is sufficient to provide a 40 to 50 year supply of urbanizable land. These parties contend that the 2014 UGR is flawed for various reasons and therefore does not provide an adequate basis to forecast the future need for residential and employment land between now and 2065.

A fundamental problem with arguments about the adequacy of the future growth projections in the 2014 UGR is that those projections were developed through a multi-year and extensively peer-reviewed process culminating in adoption of the 2014 UGR by the Metro Council via Ordinance No. 15-1361. That decision was not appealed by any party, and therefore the UGR is acknowledged by LCDC as providing a legally valid forecast that is in compliance with all state requirements. To the extent that opponents are attempting to challenge the adequacy of the assumptions and projections in the adopted and acknowledged 2014 UGR, those arguments are impermissible collateral attacks. The applicable rule establishing the requirement for a 40 to 50 year supply of urbanizable land does not require Metro to generate a new UGR for purposes of estimating the future need for urban reserves. Rather, it directs Metro to rely on the land supply analysis in the most recently adopted 2014 UGR, which is exactly what Metro has done.

Many of the staff responses in the memorandum dated March 23, 2017 to issues raised by counsel for the Maletis Brothers also apply to issues raised by counsel for Barkers Five, LLC in a letter dated March 23, 2017. Nearly all of the issues raised by Barkers Five are based on arguments regarding why they believe the 2014 UGR is not accurate. As addressed above, Metro is entitled to rely on the adopted and acknowledged 2014 UGR forecast and to apply that forecast to the urban reserve analysis. Responses to specific issues raised by counsel for Barkers Five, LLC are included in a separate memorandum from Metro staff dated April 6, 2017, which is included in the record and hereby incorporated as part of these findings.

VI. IMPLEMENTING URBAN RESERVES

To ensure that urban reserves ultimately urbanize in a manner consistent with the Regional Framework Plan, Ordinance No. 10-1238A amended Title 11 (Planning for New Urban Areas) (Exhibit D) of Metro's Urban Growth Management Functional Plan to require planning of areas of urban reserve prior to inclusion into the UGB. Title 11 now requires a "concept plan" for an urban reserve area prior to UGB expansion. A concept plan must show how development would achieve specified outcomes. The outcomes derive from the urban reserve factors in OAR 660-027-0050, themselves based in part on the characteristics of "great communities" identified by

local governments of the region as part of Metro’s “Making the Greatest Place” initiative. Title 11 sets forth the elements of a concept plan, including:

- the general locations of types of uses
- the general locations of the urban services (including transportation systems) needed to support the uses
- estimates of the cost of the services to determine the feasibility of urbanization and to allow comparisons of urban reserves
- the locations of natural resources that will be subject to Title 3 and 13 of the UGMFP
- agreement among local governments and other service providers on provision of services to the area
- agreement among the local governments on annexation of the area to a city or cities and responsibility for planning and zoning.

Title 11 continues to limit development in areas added to the UGB to protect the opportunity for efficient urbanization during the time needed to adopt new local government plan provisions and land use regulations. Title 11, together with the comprehensive plans of the receiving local governments and Metro’s Regional Framework Plan (including the 2035 Regional Transportation Plan), will ensure land use and transportation policies and designations will allow mixed-use and pedestrian, bicycle and transit-supportive development once urban reserve areas are added to the UGB. Staff Report, June 9, 2010, Metro Rec.8-13.

VII. REASONS FOR URBAN AND RURAL RESERVES IN CLACKAMAS COUNTY

A. Introduction

Brief Outline of Clackamas County Process.

Working in conjunction with Metro Staff, and staff from the other two Metro counties, Clackamas County staff initially identified a study area large enough to provide choices for urban reserves, along with areas threatened by urbanization for consideration as rural reserves. (ClackCo Rec. 26) The initial study area was over 400,000 acres. (ClackCo Rec. 251-256.)

The county then convened a Policy Advisory Committee (PAC) made up of 21 members representing cities, citizen organizations and other stakeholders. Clackamas County Record 18-20. The PAC met 22 times over a year and a half before forwarding its recommendations to the Board of County Commissioners. The record of materials before the PAC included close to a thousand pages of information addressing each of the reserves factors. (ClackCo Rec. 1 to 995). At its second meeting, the PAC was informed that the standards in OAR Division 27 were to be applied as factors, rather than as individual criteria. (ClackCo Rec. 27.)

The PAC adopted an initial screen of rural reserve areas in January, 2009.(ClackCo Rec. 354 to 356.) In May and June of 2009, the PAC and staff further evaluated the rural reserve candidate areas and forwarded a more detailed recommendation to the BCC. (ClackCo Rec. 529-676).

The PAC began its more detailed evaluation of Urban Reserves through the summer of 2009, specifically evaluating each urban reserve candidate area considering each of the urban reserve factors. (ClackCo Rec. 677 to 851).

In the summer of 2009, the Clackamas County Planning Commission held three meetings to discuss and make recommendations on both Urban and Rural Reserves. (ClackCo Rec. 1835 to 1960).

The PAC and Planning Commission recommendations were forwarded to the Board of County Commissioners in September, 2009. The board evaluated all of the potential reserves areas, and forwarded its own recommendation to Metro's Reserves Steering Committee (RSC). (ClackCo Rec. 1589-1729).

Between September 2009 and February, 2010, the recommendations were refined and discussed both regionally and within the county. (ClackCo Rec.1729 -1807). See timeline of "milestones" at Clackamas County Record 1807. On February 25, the county authorized its chair to sign an Intergovernmental Agreement with Metro agreeing to specific reserves designations in Clackamas County. (ClackCo Rec. 1817-1833) ("Reserves IGA").

After the Reserves IGA was signed, the county and Metro further refined the reserves map, ultimately adopting the reserves designations that were submitted to DLCD in June.

B. Clackamas County: Urban Reserves

The factors for designation of urban reserves are set forth at OAR 660-027-0050:

Urban Reserve Factors: When identifying and selecting lands for designation as urban reserves under this division, Metro shall base its decision on consideration of whether land proposed for designation as urban reserves, alone or in conjunction with land inside the UGB:

- (1) Can be developed at urban densities in a way that makes efficient use of existing and future public and private infrastructure investments;*
- (2) Includes sufficient development capacity to support a healthy economy;*
- (3) Can be efficiently and cost-effectively served with public schools and other urban-level public facilities and services by appropriate and financially capable service providers;*
- (4) Can be designed to be walkable and served with a well-connected system of streets, bikeways, recreation trails and public transit by appropriate service providers;*
- (5) Can be designed to preserve and enhance natural ecological systems;*
- (6) Includes sufficient land suitable for a range of needed housing types;*

(7) Can be developed in a way that preserves important natural landscape features included in urban reserves; and

(8) Can be designed to avoid or minimize adverse effects on farm and forest practices, and adverse effects on important natural landscape features, on nearby land including land designated as rural reserves.

It is important to note that the reserves factors are not criteria to be met individually. Rather, the factors are considerations to be weighed and balanced in light of the overall purpose of the reserves decision, and the regional context. There are a number of areas which might be designated as either urban reserve or rural reserves, and the designations are interdependent, in the sense that land designated as a rural reserve is no longer among the options available for rural reserves.

Urban Reserves 1D and 1F: Boring

General Description: This Urban Reserve comprises approximately 4,200 acres, bordered by the cities of Gresham on the north and Damascus on the west. The eastern-most boundary of this Urban Reserve is located approximately two miles from the City of Sandy's Urban Reserve. The community of Boring, which is identified as a Rural Community in the County Comprehensive Plan, is located in the southern part of this area, and its boundary is the southern edge of this Urban Reserve. Highway 26 forms the northern boundary of this Urban Reserve.

Development in this area is focused in the community of Boring, which has several commercial and employment uses and a small residential community. There is also an area of non-conforming commercial uses located at the eastern edge of this Urban Reserve, along the north side of St. Hwy. 212. Rural residential homesites mixed with smaller farms characterize the area west of 282nd Avenue. The area east of 282nd Ave., north of Boring, has several larger, flat parcels that are being farmed.

There are two significant buttes located in the northwest part of this Urban Reserve. These buttes have been identified as important natural landscape features in Metro's February 2007 "Natural Landscape Features Inventory". These buttes are wooded. Existing rural homesites are scattered on the slopes. There is minimal development potential on these buttes.

The area west of SE 282nd Ave., outside Boring, is identified as Conflicted Agricultural Land. The area east of SE 282nd Ave, (Area1F) is identified as Foundation Agricultural Land. This is the only Foundation Agricultural Land in Clackamas County included in an Urban Reserve.

Conclusions and Analysis: Designation of the Boring Area as an Urban Reserve is consistent with OAR 660-027. The Boring Urban Reserve provides one of Clackamas County's few identified employment land opportunities. The larger, flat parcels in Area 1F are suitable as employment land. This area is served by St. Hwy. 26 and St. Hwy 212, transportation facilities that have been identified by ODOT as having additional capacity. Development of this area for employment uses also would be a logical complement to the Springwater employment area in Gresham.

Portions of this Urban Reserve also satisfy some of the factors for designation as a Rural Reserve. Area 1F is comprised of Foundation Agricultural Land. Two buttes located in the northwest corner of this Urban Reserve are included in Metro's February 2007 "Natural Landscape Features Inventory". The City of Sandy has requested a Rural Reserve designation for Area 1F, to maintain separation between the Portland Metro Urban Growth Boundary and the City's urban area.

On balance, designation as an Urban Reserve is the appropriate choice. As explained below, designation as an Urban Reserve meets the factors for designation provided in OAR 660-027-0050. Area 1F is the only Urban Reserve in Clackamas County containing Foundation Agricultural Land. While this area does contain commercial farms, it also is impacted by a group of non-conforming commercial uses located near the intersection of the two state highways. The area west of SE 282nd is identified as Conflicted Agricultural Land. The two state highways and the rural community of Boring provide logical boundaries for this area.

The Boring Urban Reserve and the Urban Reserve that includes the Borland Area (Area 4C) are the only areas containing a significant amount of larger, flatter parcels suitable for employment uses. The Principles for concept planning recognize the need to provide jobs in this part of the region, and also recognize that the Boring Urban Reserve is identified principally to meet this need. There are no other areas with land of similar character in the eastern part of the region. Designation of Areas 1D and 1F as an Urban Reserve is necessary to provide the opportunity for development of employment capacity in this part of the region. These facts justify including this small area of Foundation Farmland in the Urban Reserve, in accord with OAR 660-027-0040(11).

The two buttes have little or no potential for development. While they could be designated as a Rural Reserve, such a designation would leave a small Rural Reserve located between the existing Urban Growth Boundary and the remainder of the Boring Urban Reserve. The buttes can be protected by the city which will govern this area when it is added to the Urban Growth Boundary. The Principles also recognize the need to account for these important natural landscape features during development of concept plans for this area.

The City of Sandy has objected to the designation of Area 1F as an Urban Reserve. ClackCo Rec.3286-3288. The City points to a 1998 Intergovernmental Agreement among Metro, Sandy, Clackamas County and, the Oregon Department of Transportation.⁹ Among other things this IGA states a purpose to "designate areas of rural land to separate and buffer Metro's Urban Growth Boundary and Urban Reserve areas from the City's Urban Growth Boundary and Urban Reserve areas. The IGA also recognizes the desire to protect a view corridor along Hwy 26. The parties are negotiating an update to this agreement.

The Principles require concept planning for the Boring Urban Reserve to "recognize the need to provide and protect a view corridor considering, among other things, landscaping, signage and building orientation...." The two miles between the Boring Urban Reserve and the City of Sandy's Urban Reserve area is being designated as a Rural Reserve, assuring separation of these two urban areas.

⁹ The agreement was never signed by the Oregon Department of Transportation.

Designation of the Boring Urban Reserve is consistent with the factors for designation provided in OAR 660-027-0050.

- 1) The Boring Urban Reserve can be developed at urban densities in a way that makes efficient use of existing and future public and private infrastructure investments. Metro’s Urban Study Area Analysis (Map A) demonstrates the relatively large amount of land suitable for development in this urban Reserve, particularly in Area 1F and the eastern half of Area 1D. The existing community of Boring also provides a focal point for commercial and residential development in this Urban Reserve. The buttes in the northwestern corner of this area, adjacent to Damascus and Gresham, have very little potential for additional urban-level development, but most of the rest of this Urban Reserve, comprised of larger lots with moderate or flat terrain, can be developed at urban densities.
- 2) The Boring Urban Reserve includes sufficient development capacity to support a healthy economy. This is one of the few areas in Clackamas County, adjacent to the Urban Growth Boundary, with access to a state highway, and possessing larger parcels and flat terrain conducive to development of employment uses. The area also is proximate to the Springwater employment area in Gresham. The existing community of Boring provides the opportunity for redevelopment providing the commercial uses supportive of a complete community.
- 3) The Boring Urban Reserve can be efficiently and cost-effectively provided with public facilities necessary to support urban development. While substantial investment will be necessary to provide facilities, compared to other areas in the region, the Boring Urban Reserve Area has a high or medium suitability rating (see Sewer Serviceability Ratings Map and Water Serviceability Map). ODOT has indicated that this area is “moderately suitable” for urbanization, which is one of the higher ratings received in the region. While the buttes and steeper terrain on the west will be difficult to develop with a road network, the rest of the Urban Reserve is relatively flat and unencumbered.
- 4) Most of the Boring Urban Reserve can be designed to be walkable and served with a well-connected system of streets, bikeways, recreation trails and public transit by appropriate service providers. The buttes and associated steep slopes would be difficult to develop. The rest of the Urban Reserve has few limitations to development of multi-modal, urban neighborhoods.
- 5) The Boring Urban Reserve can be planned so that natural ecological systems and important natural landscape features can be preserved and enhanced. The buttes and associated steep terrain are the most significant features in this Urban Reserve. Parcelization and existing development, in addition to the physical characteristics of these areas make development potential extremely limited. The Principles note the need to recognize these important natural landscape features when a concept plans are developed.
- 6) The Boring Urban Reserve includes sufficient land suitable to provide for a range of housing types. This Urban Reserve has more land suitable for development than other

Urban Reserves in Clackamas County. There is an existing community that will provide a focal point for the eventual urbanization of the Boring Urban Reserve.

- 7) Concept planning for the Boring Urban Reserve can be designed to avoid or minimize adverse effects on important farm and forest practices and on important natural landscape features on nearby land. The area along the western half of this Urban Reserve is identified as Conflicted Agricultural Land and is adjacent to the cities of Gresham and Damascus. The northern boundary is clearly delineated by Hwy 26. Most of the southern boundary is formed by the existing developed community of Boring. Hwy 212 provides a clear demarcation from the rest of the area south of this Urban Reserve. The size of this area also will allow planning to design the urban form to minimize effects on the agricultural areas to the north and east.

Urban Reserve 2A: Damascus South

General Description: The Damascus South Urban Reserve is approximately 1,240 acres. This Urban Reserve is adjacent to the southern boundary of the City of Damascus. Approximately 500 acres is located within the City of Damascus, although outside the Urban Growth Boundary. The southern and western boundaries of the Urban Reserve are clearly demarked by the steep terrain characterizing the Clackamas Bluffs, which are identified as an important natural landscape feature in Metro's February 2007 "Natural Landscape Features Inventory." The eastern boundary of the Urban Reserve is established by the Deep Creek Canyon, which also is identified as an important natural landscape feature.

This urban reserve is comprised of moderately rolling terrain, with a mix of farms and scattered rural residential uses on smaller parcels. There are several larger ownerships located east of SE 282nd Avenue. The entire area is identified as Conflicted Agricultural Land.

Analysis and Conclusions: Designation of the Damascus South Urban Reserve area is a logical extension of the City of Damascus, providing additional opportunity for housing and employment uses. Portions of this area are already located in the City of Damascus. Additional areas were identified as important developable urban land in the Damascus Concept Plan. The boundaries of the Damascus South Urban Reserve are formed by important natural landscape features.

This area was considered for designation as a Rural Reserve, but does not satisfy the factors stated in OAR 660-027-0060. The entire area is designated as Conflicted Agricultural Land. Some of the land is located within the City of Damascus. The southern boundary of the Urban Reserve is established to exclude the Clackamas Bluffs, which are identified in Metro's February 2007 "Natural Landscape Features Inventory". The eastern boundary excludes the Noyer and Deep Creek canyons, which also were included in this inventory.

As explained in the following paragraphs, designation as an Urban Reserve is consistent with the factors for designation set forth in OAR 660-027-0050.

OAR 660-027-0050

- 1) The Damascus South Urban Reserve can be developed at urban densities in a way that makes efficient use of existing and future public and private infrastructure investments. A large part of this area already is located within the City of Damascus. Parts of the Urban Reserve were planned for urban development in the Damascus Concept Plan. While there are several older subdivisions scattered throughout the area that may be difficult to redevelop, most of this area is comprised of larger parcels suitable for development at urban densities, with mixed use and employment uses. The terrain for most of the area is gently rolling, and there are no floodplains, steep slopes, or landslide topography that would limit development potential.
- 2) There is sufficient development capacity to assist in supporting a healthy economy. The eastern part of this area, in particular, is characterized by larger parcels, with few development limitations, that are suitable for development of employment uses.
- 3) The Damascus South Urban Reserve can be efficiently and cost-effectively served with public schools and other urban-level public facilities and services by appropriate and financially capable service providers. There have been no comments from local school districts indicating any specific concerns regarding provision of schools to this area, although funding for schools is an issue throughout the region. Technical assessments rate this area as having “high suitability” for the provision of sewer. Addition of the eastern part of this Urban Reserve will facilitate the provision of sewer to the existing urban area within the City of Damascus. ClackCo Rec. 795- 796. This area is rated as having “high and medium suitability” for the provision of water. The ability to provide transportation facilities is rated as “medium” for this area, which has few physical limitations. ClackCo Rec. 797-798.
- 4) The Damascus South Urban Reserve can be developed with a walkable, connected system of streets, bikeways, recreation trails and public transit, provided by appropriate service providers. As previously explained, the physical characteristics of this area will be able to support urban densities and intensities necessary to create a multi-modal transportation system. Previous planning efforts, including the Damascus Concept Plan, demonstrate this potential.
- 5) Development of the Damascus South Urban Reserve can preserve and enhance natural ecological systems. The boundaries of this Urban Reserve avoid the steeper terrain of the Clackamas Bluffs and the Deep Creek Canyon. The area is large enough to provide the opportunity for flexibility in the regulatory measures that create the balance between protection of important natural systems and development.
- 6) The Damascus South Urban Reserve includes sufficient land suitable for a range of needed housing types. As previously explained, there are few physical impediments to development in this Urban Reserve. This area also is adjacent to the developing urban area of Damascus, which also will be providing housing for this area.

- 7) There are no important natural landscape features identified Metro's 2007 "Natural Landscape Features Inventory" located in the Damascus south Urban Reserve. The boundaries of this Urban Reserve are designed to exclude such features from the Urban Reserve.
- 8) Development of this Urban Reserve can be designed to avoid or minimize adverse effects on farm and forest practices, and adverse effects on important natural landscape features, on nearby land including land designated as rural reserves. This area is identified as Conflicted Agricultural Land, primarily because it is physically isolated from other nearby agricultural land. The Deep Creek and Noyer Creek canyons provide a physical boundary from nearby agricultural areas to the east. Similarly, these areas, and the Clackamas Bluffs, are not identified as areas where significant forest operations are occurring.

Urban Reserves 3B, 3C, 3D, 3F and 3G: Holcomb, Holly Lane, Maple Lane, Henrici, Beaver Creek Bluffs in Oregon City Area.

General Description: These five areas comprise approximately 2150 acres, located adjacent to the City of Oregon City. The Holcomb area is approximately 380 acres, along SE Holcomb Rd., adjacent to Oregon City on the east. Terrain is varied, with several flat parcels that could be developed in conjunction with the Park Place area, which was recently included in the Urban Growth Boundary. This area is developed with rural residences. The area is comprised of Conflicted Agricultural Land.

The Holly Lane area is approximately 700 acres, and includes the flatter parcels along SE Holly Lane, Hwy. 213, and the steep canyon bordering Newell Creek, which is identified as an important natural landscape feature in Metro's February 2007 "Natural Landscape Features Inventory". There are landslide areas identified along the Newell Creek canyon (see Metro Urban and Rural Reserve Study Areas Landslide Hazard Map). Development in this area is sparse, except for rural residences developed along SE Holly Lane. This area is identified as Conflicted Agricultural Land.

The Maple Lane area is approximately 480 acres, located east of Oregon City. Terrain is characterized as gently rolling, with a few larger flat parcels located adjacent to Oregon City. The area is developed with rural residences, with a few small farms. The area is identified as Conflicted Agricultural Land.

The Henrici area is approximately 360 acres, located along both sides of Henrici Road., immediately south of Oregon City. Terrain for this area is moderate, and most of the area is developed with residences on smaller rural lots. There are a few larger parcels suitable for redevelopment. This area contains Conflicted Agricultural Land.

The 220 acre Beaver Creek Bluffs area is comprised of three separate benches located immediately adjacent to the City of Oregon City. The boundaries of this area generally are designed to include only tax lots on the plateau that drops down to Beaver Creek. Development in this area consists of rural residences and small farms. The area is identified as Important Agricultural Land.

Conclusions and Analysis: Designation of the Oregon City Urban Reserves is consistent with OAR 660-027. These five smaller areas have been identified in coordination with the City of Oregon City, and are designed to complete or augment urban development in the City. The areas designated take advantage of existing services inside the Urban Growth Boundary. In most cases, the boundaries of the reserves are formed by steep slopes (Henrici Road being the exception). While terrain poses some limitations on development, each area has sufficient developable land to make service delivery feasible.

None of the identified areas meet the factors of OAR 660-027-0060, for designation as Rural Reserves. With the exception of the Beaver Creek Bluffs, the Oregon City Urban reserve is Conflicted Farmland. The Beaver Creek Bluffs area, which is identified as having Important Agricultural Land, includes only those tax lots with land located on the plateau above the flatter area south of Oregon City. The important natural landscape features in the area (Newell Creek, Abernethy Creek and Beaver Creek) generally are excluded from the Urban Reserve.

The most significant issue for debate is whether or not to include the Newell Creek Canyon in the Urban Reserve. There is little or no development potential in this area, because of steep terrain and landslide hazard. The Principles recognize that concept planning for this area will have to recognize the environmental and topographic constraints posed by the Newell Creek Canyon. It also makes governance more sensible, allowing the City of Oregon City to regulate this area, instead of leaving an island subject to County authority.

Designation of the Oregon City Reserves is consistent with OAR 660-027-0050.

- 1) The Oregon City Urban Reserves can be developed at urban densities in a way that makes efficient use of existing and future public and private infrastructure investments. All of the Urban Reserve area is adjacent to the City of Oregon City. Oregon City has indicated both a willingness and capability to provide service to these areas. Each area is appropriate to complement or complete neighborhoods planned or existing within Oregon City. In the case of the Holly Lane area, much of the Urban Reserve has little potential for development. The area along SE Holly Lane, however, does have flatter topography where urban development can occur, and Holly Lane has been identified by the City as an important transportation facility.
- 2) The Oregon City Urban Reserves, when considered in conjunction with the existing urban area, includes sufficient development capacity to support a healthy economy. The Henrici area has some potential for additional employment uses. The remaining areas are smaller additions to the existing urban form of the City of Oregon City and will complete existing neighborhoods.
- 3) The Oregon City Urban Reserve can be efficiently and cost-effectively provided with public facilities necessary to support urban development. This Urban Reserve Area is considered to have a “high” suitability rating for sewer and water facilities. Oregon City has indicated an ability to provide these services, and the areas have been designed to include the most-easily served land that generally is an extension of existing development with the Urban Growth Boundary. Transportation is more difficult, as there is no additional capacity on I-205, and improvements would be costly. As previously noted,

this is the case for most of the region. While topography may present some difficulty for developing a complete transportation network, this Urban Reserve area has been designed to take advantage of existing transportation facilities within Oregon City.

- 4) Most of the Oregon City Urban Reserve can be designed to be walkable and served with a well-connected system of streets, bikeways, recreation trails and transit. In most cases, development of this area will be an extension of urban development within the existing neighborhoods of Oregon City, which will allow completion of the described urban form. Newell Creek Canyon will remain largely undeveloped, so such facilities will not need to be provided in this area.
- 5) The Oregon City Urban Reserve can be planned so that natural ecological systems and important natural landscape features can be preserved and enhanced. Abernethy Creek and Beaver Creek and the steep slopes around these two creeks have been excluded from designation as an Urban Reserve. As previously explained, the Newell Creek Canyon has been included in the Urban Reserve. The Principles will assure that concept planning accounts for this important natural landscape feature, the area is recognized as having very limited development potential, and Oregon City is the logical governing authority to provide protective regulations.
- 6) Designation of these five areas as an Urban Reserve will assist Oregon City in providing a range of housing types. In most cases, development of this Urban Reserve will add additional housing.
- 7) Concept planning for the Oregon City Urban Reserve can be designed to avoid or minimize adverse effects on important farm and forest practices and on important natural landscape features on nearby land. The Beaver Creek Bluffs area is separated from the farmland to the south by a steep hillside sloping down to Beaver Creek. The other areas are adjacent to Conflicted Agricultural land. There are scattered small woodlots to the east, identified as “mixed Agricultural/Forest Land on ODF’s Forestland Development Zone Map, but these are generally separated by distance and topography from the Holly Lane, Maple Lane, and Holcomb areas. Important landscape features and natural areas in the vicinity generally form boundaries for the Urban Reserves. Concept planning can assure that development within the Urban Growth Boundary protects these features.

Urban Reserves 4A, 4B and 4C: Stafford, Rosemont and Borland

General Description: These three areas comprise approximately 4,700 acres. Area 4A (Stafford) is located north of the Tualatin River, south of Lake Oswego, and west of West Linn. Area 4B (Rosemont) is a 162 acre area located adjacent to West Linn’s recently urbanized Tanner Basin neighborhood. Area 4C (Borland) is located south of the Tualatin River, on both sides of I-205. Area 4C is adjacent to the cities of Tualatin and Lake Oswego on the west and West Linn on the east. As a whole, this area is bounded by existing cities and urban development on three sides. The southern boundary generally is framed by the steeper terrain of Pete’s Mountain. East of Stafford Road, the adjacent area is not designated as either an Urban or Rural Reserve. West of Stafford Road, the adjacent area is designated as an Urban Reserve (Area 4D, Norwood).

Much of this area is developed with rural residences on large parcels. The Borland area also includes several churches and schools. The terrain of this area is varied. Most of area 4B is gently rolling, while the rest of the area east of Wilson Creek has steeper terrain. The area south of Lake Oswego, along Stafford Rd and Johnson Rd., generally has more moderate slopes. The Borland area, south of the Tualatin River, also is characterized by moderate slopes.

Wilson Creek and the Tualatin River are important natural landscape features located in this area. These two features and their associated riparian areas and floodplains are included in Metro's February 2007 "Natural Landscape Features Inventory".

This entire area is identified as Conflicted Agricultural Land, even though approximately 1100 acres near Rosemont Road are zoned Exclusive Farm Use. Commercial agricultural activity in this area is limited and mixed; wineries, hay production, horse raising and boarding, and nurseries are among the farm uses found in the Stafford, Rosemont and Borland areas. The Oregon Department of Forestry Development Zone Map does not identify any Mixed Forest/Agriculture or Wildland Forest located with this Urban Reserve.

Conclusions and Analysis: After weighing the factors, we find that the designation of these three areas as an Urban Reserve is consistent with OAR 660-027-0050. The specific factors for designation stated in OAR 660-027-0050 are addressed in following parts of this analysis.

No area in Clackamas County engendered as much public comment and diversity of opinion as this Urban Reserve. The Stafford and Rosemont areas were of particular concern to property owners, neighborhood groups, cities and the Stafford Hamlet citizens group. Interested parties provided arguments for designation of some or all of the area north of the Tualatin River as either an Urban or Rural Reserve, or requested that this area remain undesignated. The cities of West Linn, Tualatin and Lake Oswego consistently expressed opposition to designation of any of this area as an Urban Reserve. This Urban Reserve does have several limitations on development, including areas with steep slopes and floodplains.

After weighing the factors, designation as an Urban Reserve is the most appropriate decision. In evaluating this area, it is important to keep in mind the context and purpose of the urban and rural reserves designations. Because urban reserves are intended to provide a land supply over a 50-year time horizon, it is important to evaluate areas based on their physical characteristics rather than the current desires of various jurisdictions. It is also important to evaluate areas in light of the overall regional context. Designation of this 4,700 acre area as an Urban Reserve avoids designation of other areas containing Foundation or Important Agricultural Land. It would be difficult to justify urban reserve designations on additional Foundation Agricultural Land in the region, if this area, which is comprised entirely of Conflicted Agricultural Land, were not designated as an Urban Reserve (see OAR 660-027-0040(11)).

In fact, the three counties have applied the rural reserve factors and designated significant portions of the three-county area as rural reserve. Those areas do not provide viable alternatives to Stafford.

While acknowledging that there are impediments to development in this area, much of the area also is suitable for urban-level development. There have been development concepts presented for various parts of this area. ClackCo Rec. 3312. An early study of this area assessed its

potential for development of a “great community” and specifically pointed to the Borland area as an area suitable for a major center. ClackCo Rec. 371. Buildable land maps for this area provided by Metro also demonstrate the suitability for urban development of parts of this Urban Reserve See, “Metro Urban Study Area Analysis, Map C”. The County was provided with proposed development plans for portions of the Stafford area. For example, most of the property owners in the Borland have committed their property to development as a “town center community.” ClackCoRec. 3357-3361. Another property owner completed an “Urban Feasibility Study” showing the urban development potential of his 55-acre property. ClackCo Rec. 3123-3148. Those plans provide examples of the ability to create urban-level development in the Stafford areas.

An important component of the decision to designate this area as an Urban Reserve are the “Principles for Concept Planning of Urban Reserves”, which are part of the Intergovernmental Agreement between Clackamas County and Metro that has been executed in satisfaction of OAR 660-027-0020 and 0030. Among other things, these “Principles” require participation of the three cities and citizen involvement entities—such as the Stafford Hamlet—in development of concept plans for this Urban Reserve. The Principles also require the concept plans to provide for governance of any area added to the Urban Growth Boundary to be provided by a city. The Principles recognize the need for concept plans to account for the environmental, topographic and habitat areas located within this Urban Reserve.

Designation of this area as a Rural Reserve has been advocated by interested parties, including the City of West Linn. Application of the factors for designation (OAR 660-027-0060) leads to a conclusion that this area should not be designated as a Rural Reserve. The entire area is comprised of Conflicted Agricultural Land, and is not suitable to sustain long-term agricultural and forestry operations, given land use patterns, the lack of agricultural infrastructure and the adjacent land use pattern. OAR 660-027-0060(b)-(d).

There are important natural landscape features in this area (Tualatin River and Wilson Creek). Protection of these areas is a significant issue, but can be accomplished by application of regulatory programs of the cities that will govern when areas are added to the Urban Growth Boundary, as contemplated by OAR 660-027-0050(7). The Principles specifically require recognition of the development limitations imposed by these natural features, in the required development of concept plans.

Designation of the Stafford, Rosemont and Borland areas as an Urban Reserve is based upon application of the factors stated in OAR 660-027-0050.

- 1) This Urban Reserve can be developed at urban densities in a way that makes efficient use of existing and future public and private infrastructure investments in conjunction with land inside the urban growth boundary. Physically, this area is similar to the cities of West Linn and Lake Oswego, which are developing at urban densities. The area abuts existing urban development on much of the perimeter, facilitating logical extensions of that development. We recognize that the development potential of portions of this Urban Reserve is constrained by steep slopes and by the Tualatin River and Wilson Creek riparian areas. However, there are sufficient developable areas to create an urban community. The Borland Area has been identified as a suitable site for more intense urban development, including a town center. The Rosemont Area complements existing

development in the Tanner Basin neighborhood in the City of West Linn. The Stafford Area has sufficient capacity to develop housing and other uses supportive of the more intense development in the Borland Area. As previously noted, potential development concepts have been submitted demonstrating the potential to develop this area at urban densities sufficient to make efficient use of infrastructure investments.

- 2) This 4700-acre Urban Reserve contains sufficient development capacity to support a healthy economy. The Borland Area has been identified as being suitable for a mixed-use, employment center. ClackCo Rec. 371. There are a number of larger parcels in the area which may have potential for mixed use development. While densities would not be uniform across the landscape of this 4700 acre area, together, Stafford and Borland provide the opportunity to create a mix of uses, housing types and densities where the natural features play a role as amenities.

Testimony submitted by the cities of Tualatin and West Linn (“Cities”) asserts that the level of parcelization, combined with existing natural features, means that the area lacks the capacity to support a healthy economy, a compact and well-integrated urban form or a mix of needed housing types.

However, much of the area consists of large parcels. For example, the *West Linn Candidate Rural Reserve Map* shows that, of a 2980-acre “focus area,” 1870 acres are in parcels larger than five acres, and 1210 acres in parcels larger than 10 acres. The map is indexed at Metro Rec. 2284 and was submitted by the Cities of Tualatin and West Linn with their objections. With the potential for centers, neighborhoods and clusters of higher densities, for example in the Borland area, we find the area does have sufficient land and sufficient numbers of larger parcels to provide a variety of housing types and a healthy economy.

Cities also argue that the amount of natural features render the area insufficient to provide for a variety of housing types. Cities contend that the amount of steep slopes and stream buffers renders much of the area unbuildable. We find that cities overstate the amount of constrained land in the area, and the effect those constraints have on housing capacity. For example, cities’ analysis applies a uniform 200-foot buffer to all streams. Actual buffers vary by stream type. See Metro Code § 3.07.360. Similarly, cities assert that the slopes in the area mean that the area lacks capacity. Slopes are not *per se* unbuildable, as demonstrated by the existing development in West Linn, Lake Oswego, Portland’s West Hills and other similar areas. Moreover, only 13% of the “focus area” consists of slopes of over 25%, and these often overlap with stream corridors. *Stafford Area Natural Features Map*, indexed at Metro Record 2284, and submitted by the Cities of Tualatin and West Linn with their objection.

- 3) This Urban Reserve can be efficiently and cost-effectively served with public schools and other urban-level public facilities and services by appropriate and financially capable service providers over a 50-year horizon. As with all of the region’s urban reserves, additional infrastructure will need to be developed in order to provide for urbanization. It is clear that development of new public infrastructure to accommodate 50 years of growth will not be “cheap” anywhere. Relative to other areas under consideration for

designation, however, this Urban Reserve area is suitable. Technical assessments rated this area as highly suitable for sewer and water. ClackCo Rec. 795-796; Metro Rec. 1163, 1168-1180. The July 8, 2009, technical memo prepared by Clackamas County also demonstrates the suitability of this area for various public facilities. ClackCo Rec. 704. This area can be served by the cities of Tualatin, West Linn and Lake Oswego. These cities have objected to designation of this area as an Urban Reserve, but have not stated that they object because they would not be able to be an urban service provider for some part of the area.

The cities of Tualatin and West Linn argue that the area should not be designated as an Urban Reserve, citing the cost of providing transportation infrastructure. It is true that transportation infrastructure will be the most significant challenge. This is the case for most of the region. ODOT noted that most area state highway transportation corridors have either low or medium potential to accommodate growth. (*Clackamas County Record* 800 – 801). An April 6, 2009 letter from six state agencies to the Metro Reserves Steering Committee notes that most transportation corridors have severe transportation issues. ClackCo Rec. 843. Moreover, we make this decision after consideration of regional consideration of relative transportation costs. See, *Regional Infrastructure Analysis 2008, Metro Record, starting on page 440; Memo and Maps regarding Preliminary Analysis of Providing Urban Level Transportation Service within Reserves Study Area, Metro Rec., starting on page 1181; ODOT Urban Reserve Study Area Analysis, Metro Rec., page 1262.*

This Urban Reserve has physical characteristics – steep terrain, the need to provide stream crossings – that will increase the relative cost of transportation infrastructure. I-205 and I-5 in this area will need substantial improvements with consequent “huge” costs. ClackCo Rec. 850. However, considering those costs, and in light of reserves designations elsewhere in the region, urban reserves designation of Stafford is still appropriate. Most other comparable areas are either urban or rural reserves, and don’t provide viable alternatives to Stafford.

Cities argue that the 2035 Regional Transportation Plan (“RTP”) indicates that much of the transportation infrastructure in the area will be at Level of Service “F” by 2035, and that therefore the Stafford area cannot be served at all. The RTP is a prediction of and plan to address traffic flows for a 25-year period. Conversely, the Reserves Designations are intended to address a 50-year time frame, rather than a 25-year time frame. Metro Rec. 1918. The record reflects that the transportation system will necessarily change in 25 years. In that vein, the “Regional High Capacity Transit System” map identifies a new light rail line in the vicinity of I-205 as a “next phase” regional priority. See ClackCo Rec. 734; 822-833.

Similarly, Metro’s panel of sewer experts rated the entire Stafford area as having a “high” suitability for sewer service. See, e.g., Metro Rec. 1174. We find this analysis more probative for comparisons across areas than the analysis submitted by cities. Moreover, since the analysis of urban reserves addresses a 50-year time frame, we do not find that the current desire of neighboring cities to serve the area influences the question whether the area “can be served.”

- 4) This Urban Reserve can be planned to be walkable, and served with a well-connected system of streets, bikeways, recreation trails and public transit, *particularly in conjunction with adjacent areas inside the urban growth boundary* as contemplated by the administrative rule. The Borland Area is suitable for intense, mixed-use development. Other areas suitable for development also can be developed as neighborhoods with the above-described infrastructure. The neighborhoods themselves can be walkable, connected to each other, and just as important, connected to existing development in the adjacent cities. Stafford abuts existing urban level development on three sides, much of it subdivisions. See *West Linn Candidate Rural Reserve Map*, indexed at Metro Record 2284, and submitted by the city with its objection. There are few areas in the region which have the potential to create the same level and type of connections to existing development. There is adequate land to create street, bicycle and pedestrian connections within and across the area with appropriate concept planning. In making this finding, we are aware of the natural features found within the area. However, those features do not create impassable barriers to connectivity.
- 5) This Urban Reserve can be planned to preserve and enhance natural ecological systems and preserve important natural landscape features. The significance of the Tualatin River and Wilson Creek systems has been recognized. The Principles specifically identify the need to plan for these features, and recognize that housing and employment capacity expectations will need to be reduced to protect important natural features. Urbanization will occur in a city, which is obligated by state and regional rules to protect upland habitat, floodplains, steep slopes and riparian areas, as contemplated by OAR 660-027-0050(7). However, we find that, even with those protections, there is sufficient development capacity in this 4700-acre area to warrant inclusion in the urban reserve.
- 6) This Urban Reserve in conjunction with the Urban Reserve to the south (Area 4D, Norwood), includes sufficient land to provide for a variety of housing types. In addition to the developable areas within the Stafford, Rosemont and Borland areas, this Urban Reserve is situated adjacent to three cities, and will augment the potential for housing in these existing cities.
- 7) This Urban Reserve can be developed in a way that avoids or minimizes adverse effects on farm and forest practices and adverse effects on important natural landscape features, on nearby land. Viewed in the regional context, this factor militates strongly in favor of the inclusion of Stafford as an Urban Reserve. This Urban Reserve is situated adjacent to three cities, and along I-205. It is identified as Conflicted Agricultural Land, and is adjacent on the south to another Urban Reserve and an undesignated area that is comprised of Conflicted Agricultural Land. The Stafford area is separated from areas of foundation and important farmland by significant distances, a freeway and other natural and man-made barriers. The eventual urbanization of Stafford will avoid the urbanization of much higher-value farmland elsewhere. Adverse impacts on the important natural landscape features within Stafford may be avoided or minimized through the application of the provisions of Metro Titles 3 and 13.

This separation from significant agricultural or forest areas minimizes any potential effect on farm or forest practices. The Urban Reserve also is separated from other important natural landscape features identified on Metro’s February 2007 “Natural Landscape Features Inventory.” The ability to plan for protection of the Tualatin River and Wilson Creek has been discussed.

- 8) The Cities of Lake Oswego, Tualatin, and West Linn have testified extensively regarding their concern that designation of Stafford as urban reserve will create pressures for urbanization before the required public facilities, particularly with regard to transportation, are planned for and can support urban development. This concern is based upon the fact that designation of Stafford as urban reserve will make it first priority for inclusion in the Metro UGB under ORS 192.298 and the fact that Metro must consider expansion of the Metro UGB every six years under ORS 197.299. So even though the planning period for urban reserves is twenty to fifty years into the future, Stafford will become eligible for inclusion each time Metro considers an urban growth boundary expansion. To alleviate these concerns Metro, Clackamas County, and the three Cities have entered into a five-party intergovernmental agreement (“IGA”) that provides for governance of Stafford by the cities, requires concept planning and public facilities planning prior to the addition of Areas 4A, 4B and/or 4C to the urban growth boundary, and a requirement for robust citizen involvement and preservation of community character pursuant to the concept planning process. This IGA, which is incorporated into the record, will ensure that Stafford “can be developed at urban densities in a way that makes efficient use of existing and future public infrastructure investments,” “can be served by . . . urban level public facilities and services efficiently and cost-effectively by appropriate and financially capable service providers,” and “can be designed to preserve and enhance natural ecological systems” and “important natural landscape features.” Acknowledging the constraints to urbanization discussed above, the existence of the IGA and the promises contained therein is necessary to support the determination by Metro and Clackamas County that the designation of Stafford Areas 4A, 4B and 4C as urban reserve is, on balance, supportable under the urban reserve factors contained in ORS 195.145(5) and OAR 660-027-0050.

Urban Reserves 5G, 5H, 4H and 4D: Grahams Ferry, SW Wilsonville, Advance and Norwood

General Description: This Urban Reserve is comprised of three smaller areas adjacent to the City of Wilsonville (Grahams Ferry, SW Wilsonville and Advance), and a larger area located along SW Stafford Rd., north of Wilsonville and southeast of Tualatin (Norwood Area). The Norwood area is adjacent to an Urban Reserve in Washington County (I-5 East Washington County, Areas 4E, 4F and 4G). Area 5G is approximately 120 acres, relatively flat, adjacent to services in Wilsonville, and defined by the Tonquin Geologic Feature, which forms a natural boundary for this area. It is identified as Conflicted Agricultural Land.

Area 5H is a small (63 acre) site that is adjacent to services provided by the City of Wilsonville. Corral Creek and its associated riparian area provide a natural boundary for this area. It is identified as Important Farmland. Area 4H comprises approximately 450 acres, and is located adjacent to the City of Wilsonville. This part of the Urban Reserve has moderate terrain, and a mix of larger parcels and rural residences. This area is identified as Important Agricultural Land.

Area 4D comprises approximately 2,600 acres, and is adjacent to a slightly smaller Urban Reserve in Washington County. This area is parcelized, generally developed with a mix of single family homes and smaller farms, and has moderately rolling terrain. All of this area is identified as Conflicted Agricultural Land.

Conclusions and Analysis: Designation of these four areas as Urban Reserve is consistent with OAR 660-027. The three smaller areas are adjacent to the City of Wilsonville, and have been identified by the City as appropriate areas for future urbanization. ClackCo Rec.1174. The boundaries of these three areas generally are formed by natural features. No Foundation Agricultural Land is included in any of the four areas. While Area 4D has limitations that reduce its development potential, inclusion as an Urban Reserve is appropriate to avoid adding land that is identified as Foundation Agricultural Land.

Area 5G does not satisfy the factors for designation as a Rural Reserve. The boundary of this area reflects the boundary of Tonquin Geologic Area, which is an important natural landscape feature identified as a Rural Reserve. Area 5H does meet the factors for designation as a Rural Reserve, but its proximity to existing services in Wilsonville and the natural boundary formed by Corral Creek, separating these 63 acres from the larger Rural Reserve to the west, support a choice to designate this area as an Urban Reserve.

Similarly, parts of Area 4H could meet the factors for designation as a Rural Reserve. Again, the area also is suitable for designation as an Urban Reserve, because of its proximity to Wilsonville, which has indicated this as an area appropriate for urbanization. The eastern limits of this area have been discussed in some detail, based on testimony received from property owners in the area. The northeastern boundary (the Anderson property) is based on a significant creek. South of Advance Rd., the decision is to leave four tax lots west of this creek undesignated (the Bruck property), as these lots comprise over 70 acres of land designated as Important Agricultural Land. The part of this Urban Reserve south of Advance Road contains smaller lots, generally developed with rural residences.

Area 4D does not meet the factors for designation as a Rural Reserve. The entire area is comprised of Conflicted Agricultural Land, and has no important natural landscape features identified in Metro's February 2007 "Natural Landscape Features Inventory."

This Urban Reserve does meet the factors for designation stated in OAR 660-027-0050.

- 1) The Wilsonville Urban Reserve (total of the Grahams Ferry, SW Wilsonville, Advance Rd. and Norwood Areas) can be developed at urban densities in a way that makes efficient use of existing and future public and private infrastructure investments. The three smaller areas adjacent to the City of Wilsonville all will take advantage of existing infrastructure. The City of Wilsonville has demonstrated an ability to provide necessary services and govern these three areas. The information provided by the City and Metro's Urban Study Area Analysis (Map C1) show that these three areas have physical characteristics that will support urban density. These three areas also will complement existing development in the City of Wilsonville.
- 2) The larger Norwood area, which has rolling terrain, and a mixture of smaller residential parcels and farms, will be more difficult to urbanize. This area is adjacent to Urban

Reserves on the west, north and south. The Borland Road area, adjacent on the north is expected to develop as a center, with potential for employment and mixed-use development. The Norwood area can be urbanized to provide residential and other uses supportive of development in the Borland and I-5 East Washington County Urban Reserve areas.

- 3) The Wilsonville Urban Reserve contains land that generally will provide development capacity supportive of the cities of Wilsonville and Tualatin, and the Borland and I-5 East Washington County Urban Reserve areas. Viewed individually, these four areas do not have physical size and characteristics to provide employment land. As has been explained, and as supported by comments from the City of Wilsonville, development of these areas will complement the urban form of the City of Wilsonville, which historically has had sufficient land for employment. The 2004 decision added to the Urban Growth Boundary between the cities of Wilsonville and Tualatin, land which was contemplated to provide additional employment capacity. The Wilsonville Urban Reserve, and in particular the Norwood area, will provide land that can provide housing and other uses supportive of this employment area.
- 4) The Wilsonville Urban Reserve can be efficiently and cost-effectively provided with public facilities necessary to support urban development. The comments from the City of Wilsonville and the Sewer Serviceability and Water Serviceability Maps demonstrate the high suitability of the three smaller areas adjacent to Wilsonville. The Norwood area (Area 4D) is rated as having medium suitability. Transportation facilities will be relatively easy to provide to the three areas adjacent to the City of Wilsonville. The steeper terrain and location of the Norwood area will make development of a network of streets more difficult, and ODOT has identified the I-5 and I-205 network as having little or no additional capacity, with improvement costs rated as “huge”. The decision to include this area as an Urban Reserve is based, like the Stafford area, on the need to avoid adding additional Foundation Agricultural Land. There are other areas in the region that would be less expensive to serve with public facilities, especially the necessary transportation facilities, but these areas are comprised of Foundation Agricultural Land.
- 5) The Wilsonville Urban Reserve areas can be planned to be walkable and served with a well-connected system of streets, bikeways, recreation trails and public transit. As has been discussed, the three smaller areas adjacent to the City of Wilsonville can be developed to complete or complement existing and planned urban development in Wilsonville. The Norwood area will be somewhat more difficult to develop, but the terrain and parcelization are not so limiting that the desired urban form could not be achieved. Like Stafford, this part of the Wilsonville Urban Reserve will be more difficult to develop with the desired urban form, but is being added to avoid adding additional foundation Agricultural Land.
- 6) The Wilsonville Urban Reserve can be planned so that natural ecological systems and important natural landscape features can be preserved and enhanced. The boundaries of the areas comprising the Wilsonville Urban Reserve have been designed with these

features providing the edges. The three areas adjacent to the City of Wilsonville will take advantage of existing plans for protection of natural ecological systems.

- 7) The Wilsonville Urban Reserve, in conjunction with land within adjacent cities, includes sufficient land suitable to provide for a range of housing types. The SW Wilsonville and Advance Road areas are particularly suited to provide additional housing, as they are located adjacent to neighborhoods planned in Wilsonville. As has been previously discussed the Norwood area has physical limitations, but these should not restrict as substantially the potential for housing.
- 8) Concept planning for the Wilsonville Urban Reserve can avoid or minimize adverse effects on important farm and forest practices and on important natural landscape features on nearby land. The boundaries of this Urban Reserve have been designed to use natural features to provide separation from adjoining Rural Reserves that contain resource uses.
- 9) The Cities of Lake Oswego, Tualatin, and West Linn have testified extensively regarding their concern that designation of Area 4D, in conjunction with Areas 4A, 4B, and/or 4C, as urban reserve will create pressures for urbanization before the required public facilities, particularly with regard to transportation, are planned for and can support urban development. For the same reasons as expressed under Finding 8 for Areas 4A, 4B and 4C, the execution of the of the five-party IGA and the promises contained therein is necessary to support the determination by Metro and Clackamas County that the designation of Area 4D as urban reserve is, on balance, supportable under the urban reserve factors contained in ORS 195.145(5) and OAR 660-027-0050.

The Sherwood School District requested an Urban Reserve designation be applied to an area just south of the County line and the City of Sherwood. ClackCo Rec. 2504. Clackamas County and Metro agree to leave this area undesignated. This decision leaves the possibility for addition of this land to the Urban Growth boundary if the School District has a need for school property in the future and is able to demonstrate compliance with the standards for adjustments to the Urban Growth boundary.

C. Clackamas County: Rural Reserves

Rural Reserve 5I: Ladd Hill

General Description: This Rural Reserve Area is located west and south of Wilsonville, and adjacent to the French Prairie Rural Reserve (Area 4J). There is also a small part of this Rural Reserve located north of Wilsonville, extending to the County line, recognizing the Tonquin Geologic Area. The northern boundary of Area 5J is located along the boundary between the delineations of Conflicted and Important Agricultural Land. All of this Rural Reserve is located within three miles of the Portland Metro Urban Growth Boundary.

The area west of Ladd Hill Road contains the steeper slopes of Parrett Mountain, which is identified as an important natural landscape feature in Metro's February 2007 "Natural Landscape Features Inventory". The remainder of the area has moderately sloping terrain. The entire area is traversed by several creeks (Mill Creek, Corral Creek, Tapman Creek), which flow

into the Willamette River, which also is identified as an important natural landscape feature. FEMA floodplains are located along the Willamette River. Landslide hazards are identified along Corral Creek.

With the exception of the Tonquin Geologic Area, all of Rural Reserve Area 5I is comprised of Important or Foundation Agricultural Land. The part of this area lying south of the Willamette River contains the Foundation Agricultural Land. The area contains a mixture of hay, nursery, viticulture, orchards, horse farms, and small woodlots. The Oregon Department of Forestry Development Zone Map identifies scattered areas of mixed forest and agriculture, and wildland forest (particularly on the slopes of Parrett Mountain).

Conclusions and Analysis: Designation of the Ladd Hill area as a Rural Reserve is consistent with OAR 660, Division 27. Except for the Tonquin Geologic Area, all of Rural Reserve Area 5I contains Important or Foundation Agricultural Land, and is located within three miles of an urban growth boundary. Pursuant to OAR 660-027-0060(4), no further explanation is necessary to justify designation as a Rural Reserve, with the exception of the Tonquin Geologic Area, which is identified as Conflicted Agricultural Land.

Designation of the Tonquin Geologic Area as a Rural Reserve is consistent with the Rural Reserve Factors stated in OAR 660-027-0060(3). This area has not been identified as an area suitable or necessary for designation as an Urban Reserve. The boundaries of the Rural Reserve have been established to recognize parcels that have physical characteristics of the Tonquin Geologic Area, based on testimony received from various property owners in the area, and the City of Wilsonville. ClackCo Rec. 2608. For these stated reasons and those enunciated below, designation of this part of the Tonquin Geologic Area as a Rural Reserve is consistent with the factors provided in OAR 660-027-0060(3).

Rural Reserve 4J: French Prairie

General Description: This Rural Reserve Area is located south of the Willamette River and the City of Wilsonville, and west of the City of Canby. It is bordered on the west by I-5. This area is generally comprised of large farms. The area is generally flat. The Molalla and Pudding Rivers are located in the eastern part of this area. The Willamette, Molalla and Pudding Rivers and their floodplains are identified as important natural landscape features in Metro's February 2007 Natural Landscape Features Inventory."

All of this Rural Reserve is classified as Foundation Agricultural Land (identified in the ODA Report as part of the Clackamas Prairies and French Prairie areas). This area contains prime agricultural soils, and is characterized as one of the most important agricultural areas in the State.

Conclusions and Analysis: Designation of Area 4J as a Rural Reserve is consistent with OAR 660, Division 27. This entire area is comprised of Foundation Agricultural Land located within three miles of an urban growth boundary. Pursuant to OAR 660-027-0060(4), no further explanation is necessary to justify designation of this area as a Rural Reserve.

However, county staff and the PAC also evaluated the French Prairie area under the other rural reserves factors, and found that it rated "high" under all of the factors related to long-term protection for the agriculture and forest industries. ClackCo Rec. 590-592. The analysis is set forth as follows:

- (a) Are situated in an area that is otherwise potentially subject to urbanization during the applicable period described in OAR 660-027-0040(2) or (3) as indicated by proximity to a UGB or proximity to properties with fair market values that significantly exceed agricultural values for farmland, or forestry values for forest land;

The French Prairie area is adjacent to the Portland Metropolitan Urban Growth Boundary, and has access to Interstate 5 and Highway 99E, and has a high potential for urbanization, as evidenced by the submittals of proponents of designating the area as an urban reserve.

- (b) Are capable of sustaining long-term agricultural operations for agricultural land, or are capable of sustaining long-term forestry operations for forest land;

The French Prairie area is identified as Foundation agricultural land, and is part of a large agricultural region.

- (c) Have suitable soils where needed to sustain long-term agricultural or forestry operations and, for agricultural land, have available water where needed to sustain long-term agricultural operations; and

The area is predominantly Class II soils, and much of the area has water rights for irrigation.

- (d) Are suitable to sustain long-term agricultural or forestry operations, taking into account:

- (A) for farm land, the existence of a large block of agricultural or other resource land with a concentration or cluster of farm operations, or, for forest land, the existence of a large block of forested land with a concentration or cluster of managed woodlots;

The French Prairie area is a large block of agricultural land with large parcels. There is some localized conflict with nonfarm uses.

- (B) The adjacent land use pattern, including its location in relation to adjacent non-farm uses or non-forest uses, and the existence of buffers between agricultural or forest operations and non-farm or non-forest uses;

- (C) The agricultural or forest land use pattern, including parcelization, tenure and ownership patterns; and

The Willamette River provides an effective edge for much of the area, and much of the area is in large lots.

- (D) The sufficiency of agricultural or forestry infrastructure in the area, whichever is applicable.

The French Prairie area is close to the agricultural centers of Canby, Hubbard and St. Paul, and has excellent access to transportation infrastructure. There are some issues with movement of farm machinery on heavily used routes.

Therefore, on balance, we would designate Area 4J as a rural reserve even in the absence of OAR 660-027-0060(4).

Rural Reserves 3E and 3H: Oregon City

General Description: This area lies east and south of the City of Oregon City. This area is bounded by the Willamette River on the west. The southern boundary generally is a line located three miles from the Portland Metro Area Urban Growth Boundary. A substantial part of Area 3H also is located within three miles of the City of Canby's Urban Growth Boundary.

Area 3E, located east of Oregon City, is characterized by a mix of rural residential homesites, small farms, and small woodlots. Most of the area has a moderately rolling terrain. The area includes portions of the Clear Creek Canyon, and Newell and Abernethy Creeks, all of which are identified as important natural landscape features in Metro's February 2007 "Natural Landscape Features Inventory". Part of Area 3E also is identified by the Oregon Department of Forestry as a mixed forest/agricultural development zone. Most of Area 3E is identified as Conflicted Agricultural Land. There is an area identified as Important Agricultural Land, in the southeast corner of Area 3E.

Area 3H, located south of Oregon City, is characterized by larger rural residential homesites, particularly in the western part of this area, and farms. Beaver Creek and Parrot Creek traverse this area in an east-west direction. The Willamette Narrows and Canemah Bluff are identified as important natural landscape features in the Metro's February 2007 "Natural Landscape Features Inventory" and form the western boundary of Area 3H. The Oregon Department of Forestry designates the Willamette Narrows as wildland forest. All of this area is classified as Important Agricultural Land, except for the area immediately east of the City of Canby, which is designated as Foundation Agricultural Land.

Conclusions and Analysis: The designation of Areas 3E and 3H as a Rural Reserve is consistent with OAR 660-027, Division 27. All of Area 3H is Important or Foundation Farmland, located within three miles of an urban growth boundary. Pursuant to OAR 660-027-0060(4), no further explanation is necessary to justify designation of Area 3H as a Rural Reserve.

The designation of Area 3E is appropriate to protect the Important Farm Land in the southeast corner of this area, and the area identified as mixed forest/agricultural land by ODF. Designation as a Rural Reserve also is justified to protect Abernethy Creek, Newell Creek and Beaver Creek and their associated riparian features, which are identified as important natural landscape features. Designation as a Rural Reserve of the portions of Area 3E not identified as Foundation or Important Agricultural Land, is consistent with the Rural Reserve Factors stated in OAR 660-027-0060(3), for the following reasons:

- 1) Abernethy Creek and Newell Creek and their associated riparian areas are identified as important natural landscape features in Metro's February 2007 "Natural Landscape Features Inventory". A portion of Beaver Creek also is located in this area; Beaver Creek was added to this inventory in a 2008 update.

- 2) This area is potentially subject to urbanization during the period described in OAR 660-027-0040(2), because it is located adjacent to and within three miles of the City of Oregon City.
- 3) Most of this area has gently rolling terrain, but there also are several steeply-sloped areas. There are several landslide hazard areas located within Rural Reserve Area 3E (see 1/25/09 Metro Landslide Hazard Map).
- 4) The designated Rural Reserve area comprises the drainage area for Abernethy and Newel Creeks which provide important fish and wildlife habitat for this area.

Rural Reserves 3H (parts) 4J, 2C and 3I: Canby, Estacada and Molalla

General Description: Rural Reserves have been designated adjacent to the cities of Canby (parts of Areas 3H and 4J) Estacada and Molalla. These Rural Reserves were designated after coordinating with all three cities, and the cities do not object to the current designations.

Rural Reserve Area 2C is located adjacent to the western boundary of the City of Estacada. This area includes the Clackamas River and McIver State Park. It is identified as Important Agricultural Land. Most of this Rural Reserve also is identified as wildland forest on the ODF Forestland Development Zone Map. All of this Rural Reserve is located within three miles of Estacada's Urban Growth Boundary.

Rural Reserves are located on the south, west and eastern boundaries of the City of Canby. All of this area is identified as Foundation Agricultural Land. The area north of the City, to the Willamette River, has been left undesignated, although this area also is identified as Foundation Agricultural Land. This area was left undesignated at the request of the City of Canby, in order to provide for possible future expansion of its Urban Growth Boundary. The Oregon Department of Agriculture preferred leaving the area north of the City undesignated, instead of an area east of the City, which also was considered. All of the designated Rural Reserves are within three miles of the City of Canby.

Area 3I is located north and east of the City of Molalla. This area is located within 3 miles of Molalla's Urban Growth Boundary. All of the designated Rural Reserve is identified as Foundation Agricultural Land.

Conclusions and Analysis: Designation of the Rural Reserves around Canby and Estacada is consistent with OAR 660, Division 27. In the Case of Canby, the entire area is identified as Foundation Agricultural Land, and is located within three miles of Canby's Urban Growth Boundary. In the case of Estacada, the entire Rural Reserve area is identified as Important Agricultural Land, and is located within three miles of Estacada's Urban Growth Boundary. Rural Reserve 3I, near Molalla, is located within three miles of the urban growth boundary and also is identified as Foundation Agricultural Land. Pursuant to OAR 660-027-0060(4), no further explanation is necessary to justify the Rural Reserve designation of these areas.

Rural Reserve 4I: Pete's Mountain/Peach Cove, North of the Willamette River

General Description: This Rural Reserve is bounded by the Willamette River on the east and south. On the north, Area 4I is adjacent to areas that were not designated as an Urban or Rural Reserve. There are two primary geographic features in this area. The upper hillsides of Pete’s Mountain comprise the eastern part of this area, while the western half and the Peach Cove area generally are characterized by flatter land. The Pete’s Mountain area contains a mix of rural residences, small farms and wooded hillsides. The flat areas contain larger farms and scattered rural residences. All of Area 4I is located within three miles of the Portland Metro Urban Growth Boundary.

All of Rural Reserve 4I is identified as Important Agricultural Land (the “east Wilsonville area”), except for a very small area located at the intersection of S. Shaffer Road and S. Mountain Rd... The Willamette Narrows, an important natural landscape feature identified in Metro’s February 2007 “Natural Landscape Features Inventory”, is located along the eastern edge of Area 4I.

Conclusions and Analysis: Designation of this area as a Rural Reserve is consistent with OAR 660-027, Division 27. With the exception of a small area at the intersection of S. Shaffer Rd. and S. Mountain Rd., all of this area is identified as Important Agricultural Land and is located within three miles of an urban growth boundary. Pursuant to OAR 660-027-0060(4), the area identified as Important Agricultural Land requires no further explanation to justify designation as a Rural Reserve. The few parcels classified as Conflicted Agricultural Land are included to create a boundary along the existing public road.

East Clackamas County Rural Reserve (Area 1E and Area 2B)

General Description: This area lies south of the boundary separating Clackamas and Multnomah Counties. This area generally is comprised of a mix of farms, woodlots and scattered rural residential homesites. Several large nurseries are located in the area near Boring. The area south of the community of Boring and the City of Damascus contains a mix of nurseries, woodlots, Christmas tree farms, and a variety of other agricultural uses.

Most of the area is identified as Foundation or Important Agricultural Land. The only lands not identified as Foundation or Important Agricultural Land are the steeper bluffs south of the City of Damascus. Much of this steeper area is identified by the Oregon Department of Forestry as mixed farm and forest.

There are several rivers and streams located in this area. The Clackamas River, Deep Creek, Clear Creek and Noyer Creek, and the steeper areas adjacent to these streams, are identified as important natural landscape features in Metro’s February 2007 “Natural Landscape Features Inventory”.

All of this Rural Reserve is located within three miles of the Portland Metro Area Urban Growth Boundary, except for a small area in the eastern part of the Rural Reserve. This small area is located within three miles of the City of Sandy’s Urban Growth Boundary.

Conclusions and Analysis: The designation of this area as a Rural Reserve is consistent with OAR 660-027, Division 27. Except for the steep bluffs located adjacent to the Clackamas River, all of this area is identified as Foundation or Important Agricultural Land and is located within three miles of an urban growth boundary. Pursuant to OAR 660-27-0060(4), no further

explanation is necessary to justify designation as a Rural Reserve all of this area except for the aforementioned bluffs.

Designation as a Rural Reserve of the steep bluffs, not identified as Foundation or Important Agricultural Land, is consistent with the Rural Reserve Factors stated in OAR 660-027-0060(3).

- 1) This area is included in Metro's February 2007 "Natural Landscape Features Inventory".
- 2) This area is potentially subject to urbanization during the period described in OAR 660-027-0040(2), because it is located proximate or adjacent to the cities of Damascus, Happy Valley, and Oregon City, and the unincorporated urban area within Clackamas County.
- 3) Portions of this area are located within the 100 year floodplain of the Clackamas River. Most of the area has slopes exceeding 10%, with much of the area exceeding 20%. Portions of the area along Deep Creek are subject to landslides.
- 4) This hillside area drains directly into the Clackamas River, which is the source of potable water for several cities in the region. The Rural Reserve designation will assist protection of water quality.
- 5) These bluffs provide an important sense of place for Clackamas County, particularly for the nearby cities and unincorporated urban area. Development is sparse. Most of the hillside is forested.
- 6) This area serves as a natural boundary establishing the limits of urbanization for the aforementioned cities and unincorporated urban area and the Damascus Urban Reserve Area (Area 2A).

D. Clackamas County: Statewide Planning Goals

Goal 1- Citizen Involvement

In addition to participation in Metro's process, Clackamas County managed its own process to develop reserves recommendations:

Policy Advisory Committee

The county appointed a 21-member Policy Advisory Committee (PAC) made up of 7 CPO/Hamlet representatives, 7 city representatives, and 7 stakeholder representatives. The PAC held 22 meetings in 2008 and 2009. The PAC made a mid-process recommendation identifying reserve areas for further analysis, and ultimately recommended specific urban and rural reserve designations. The PAC itself received significant verbal and written input from the public.

Public Hearings

In addition to the meetings of the PAC, the county held a number of public hearings as it developed the ultimate decision on reserves:

2009

- Aug. 10: Planning Commission hearing on initial recommendations.
- Sept. 8: Board of County Commissioners (“BCC”) hearing on initial recommendations
- Feb. 25: BCC Hearing on Intergovernmental Agreement

2010

- March 8, 2010: Planning Commission hearing on plan and map amendments.
- April 21, 2010: BCC hearing on plan and map amendments
- May 27, 2010: BCC reading and adoption of plan and map amendments, and approval of revised IGA.

Through the PAC, Planning Commission and BCC process, the county received and reviewed thousands of pages of public comment and testimony.

Goal 2 – Coordination

“Goal 2 requires, in part, that comprehensive plans be ‘coordinated’ with the plans of affected governmental units. Comprehensive plans are ‘coordinated’ when the needs of all levels of government have been considered and accommodated as much as possible.” ORS 197.015(5); *Brown v. Coos County*, 31 Or LUBA 142, 145 (1996).

As noted in the findings related to Goal 1, Clackamas County undertook continuous and substantial outreach to state and local governments, including formation of the Technical Advisory Committee. For the most part, commenting state agencies and local governments were supportive of the urban and rural reserve designations in Clackamas County. Where applicable, the specific concerns of other governments are addressed in the findings related to specific urban and rural reserves, below.

Goal 3 - Agricultural Lands

The reserves designations do not change the county’s Plan policies or implementing regulations for agricultural lands. However, the designation of rural reserves constrains what types of planning and zoning amendments can occur in certain areas, and therefore provide greater certainty for farmers and long-term preservation of agricultural lands.

Goal 4 - Forest Lands

The text amendment does not propose to change the county’s Plan policies or implementing regulations for forest lands. However, the text does establish rural reserves, which constrain what types of planning and zoning amendments can occur in certain areas, for the purpose of providing greater certainty for commercial foresters and long-term preservation of forestry lands.

Goal 5 - Open Spaces, Scenic and Historic Areas, and Natural Resources

The text amendment does not propose to change the county’s Plan policies or implementing regulations for natural resource lands. However, the text does establish rural reserves, which

constrain what types of planning and zoning amendments can occur in certain areas, for the purpose of providing for long-term preservation of certain of the region's most important, identified natural features. The county has determined that other natural features may be better protected through an urban reserve designation, and the eventual incorporation of those areas into cities. In certain areas, for example Newell Creek Canyon, the protection of Goal 5 resources is enhanced by the adoption of planning principles in an Intergovernmental Agreement between the county and Metro.

Goal 9 - Economy of the State

The proposed text amendment is consistent with Goal 9 because it, in itself, does not propose to alter the supply of land designated for commercial or industrial use. However, the text does establish urban reserves, which include lands suitable for both employment and housing. In Clackamas County, specific areas were identified as appropriate for a mixed use center including high intensity, mixed use housing (Borland area of Stafford) and for industrial employment (eastern portion of Clackanomah). These areas will be available to create new employment areas in the future if they are brought into the UGB.

Goal 10 - Housing

The proposed text amendment is consistent with Goal 10 because it, in itself, does not propose to alter the supply of land designated for housing. However, the text does establish urban reserves, which include lands suitable for both employment and housing. One of the urban reserve factors addressed providing sufficient land suitable for a range of housing types. In Clackamas County, there is an area identified as appropriate for a mixed use center including high intensity, mixed use housing (Borland area of Stafford) and many other areas suitable for other types of housing.

Goal 14 - Urbanization

The proposed text amendment is consistent with Goal 14. The program for identifying urban and rural reserves was designed to identify areas consistent with the requirements of OAR Chapter 660, Division 27. The text amendment does not propose to move the urban growth boundary or to change the county's Plan or implementing regulations regarding unincorporated communities. However, the amendment does adopt a map that shapes future urban growth boundary amendments by either Metro or the cities of Canby, Molalla, Estacada or Sandy.

VIII. SUPPLEMENTAL FINDINGS REGARDING THE DESIGNATION OF URBAN RESERVES IN CLACKAMAS COUNTY

The findings in this Section VIII supplement the findings in Section VII.B regarding Clackamas County urban reserve areas 4A, 4B, 4C, and 4D (collectively referred to as "Stafford"). To the extent any of the findings in this section are inconsistent with other findings in this document that were previously adopted in 2011, the findings in this Section VIII shall govern.

A. Senate Bill 1011 and the Discretionary Urban Reserve Factors

In 2007 the Oregon Legislature enacted Senate Bill 1011, authorizing Metro and the three counties to designate urban and rural reserves. Senate Bill 1011 was proposed by agreement

among a broad coalition of stakeholders in response to widespread frustration regarding the existing process for Metro-area UGB expansions. In particular, the statutory requirements for UGB decisions often fostered inefficient and inflexible decision-making, because the hierarchy of lands listed in ORS 197.298 requires Metro to first expand the UGB onto the lowest quality agricultural lands regardless of whether those lands could be cost-effectively developed. Senate Bill 1011 addressed these problems by allowing Metro and the counties significant discretion to identify urban and rural reserves outside of the existing UGB as the areas where future UGB expansion will or will not occur over the next 50 years.

A primary goal of Senate Bill 1011 was to provide more flexibility to allow UGB expansions into areas that would be the most appropriate for urbanization. To accomplish that goal, the legislature authorized Metro and the counties to designate urban and rural reserve areas based on discretionary “consideration” of several nonexclusive “factors” designed to help determine whether particular areas are appropriate for development or for long-term protection. The legislature purposely did *not* create a list of mandatory approval criteria requiring findings that each standard must be satisfied. Rather, the reserve statute and rules allow Metro and the counties to consider and weigh each factor in order to reach an overall conclusion regarding whether a reserve designation is appropriate. All factors must be considered, but no single factor is determinative.

The factors that must be considered regarding the designation of urban reserves are described in the state rule as follows:

“When identifying and selecting lands for designation as urban reserves under this division, Metro shall base its decision on consideration of whether land proposed for designation as urban reserves, alone or in conjunction with land inside the UGB:

- (1) Can be developed at urban densities in a way that makes efficient use of existing and future public infrastructure investments;
- (2) Includes sufficient development capacity to support a healthy economy;
- (3) Can be served by public schools and other urban-level public facilities and services efficiently and cost-effectively by appropriate and financially capable service providers;
- (4) Can be designed to be walkable and served by a well-connected system of streets by appropriate service providers;
- (5) Can be designed to preserve and enhance natural ecological systems; and
- (6) Includes sufficient land suitable for a range of housing types;
- (7) Can be developed in a way that preserves important natural resource features included in urban reserves; and
- (8) Can be designed to avoid or minimize adverse effects on farm and forest practices, and adverse effects on important natural landscape features, on nearby land including land designated as rural reserves.”

After LCDC adopted rules implementing SB 1011 in January of 2008, Metro and the three counties began a two-year public process that included an extensive outreach effort bringing together citizens, stakeholders, local governments and agencies throughout the region. That process involved the application of the urban and rural reserve factors to land within approximately five miles of the UGB, and resulted in three IGAs being signed by Metro and each county in 2010 mapping the areas that were determined to be most appropriate as urban and rural reserves under the statutory factors. Clackamas County and Metro agreed that, under the factors, Stafford is an appropriate area for future urbanization.

B. Application of the Urban Reserve Factors Under *Barkers Five*

LCDC reviewed the reserve designations adopted by Metro and the counties and issued an acknowledgement order approving all reserves in August of 2012. Twenty-two parties filed appeals of LCDC's order with the Oregon Court of Appeals, including the City of West Linn and the City of Tualatin (the "cities"). The cities argued that Stafford should not have been designated as urban reserve because it cannot be efficiently and cost-effectively served by transportation facilities and other public services. In support of that argument the cities pointed to projected future traffic conditions in the Stafford area as estimated by Metro's 2035 Regional Transportation Plan (RTP).

The Court of Appeals issued the *Barkers Five* opinion in February of 2014, affirming LCDC's decision on the majority of the 26 assignments of error raised by the opponents, and remanding on three issues. Regarding Stafford, the court rejected the cities' argument that the eight urban reserve factors are mandatory criteria that must each be independently satisfied for each study area. Rather, the court held that the legislature's intent was not to create approval standards, but rather "factors" to be considered, weighed and balanced in reaching a final decision.

However, the court agreed with the cities' argument that Metro and LCDC failed to adequately respond to evidence cited by the cities in the 2035 RTP that traffic in the Stafford area was projected to exceed the capacity of certain roads by 2035. The court found that the cities had presented "weighty countervailing evidence" that transportation facilities in the Stafford area could not support urbanization, and that LCDC and Metro failed to provide any "meaningful explanation" regarding why, in light of the cities' conflicting evidence, the urban reserve designation was still appropriate for Stafford.

In addition to their argument regarding transportation facilities, the cities also argued that they had submitted evidence to Metro and LCDC showing that sewer and water services could not be cost-effectively extended to Stafford, and that Metro and LCDC also failed to adequately respond to that evidence. The Court of Appeals did not directly address this argument, because the court's ruling regarding the transportation issues also requires consideration on remand of the cities' evidence and argument regarding water and sewer services.

Significantly for purposes of these findings, the Court of Appeals upheld LCDC's interpretation of the phrase "consideration of factors" in the statute and the urban reserve rules as being intended to apply in the same manner as the factors that apply to a decision regarding the location of a UGB expansion under Goal 14. The court agreed with LCDC that there are three key principles involved in the correct application of the urban reserve factors: (1) Metro must

“apply and evaluate” each factor, (2) the factors must be “weighed and balanced as a whole,” with no single factor being determinative, and (3) based on the evaluation of each factor, and the weighing and balancing of all factors, Metro must “meaningfully explain” why an urban reserve designation is appropriate. *Barkers Five* at 300-301.

As correctly explained by LCDC and affirmed by the Court of Appeals, the statute and rules governing the designation of urban reserves provide significantly more discretion to Metro regarding the “consideration of factors” than the cities choose to believe. In their submittal to the Metro Council, the cities admit that the urban reserve factors are not approval criteria but assert that the factors do not call for “discretionary” decisions. Given the clear description of the decision-making process by the Court of Appeals it is difficult to understand why the cities do not believe that Metro is afforded discretion regarding its consideration of the factors.

As explained by the court, Metro’s obligation under the factors is to provide a written evaluation of each factor as it applies to an area, weigh and balance all factors as a whole, and then provide a meaningful explanation regarding its ultimate decision for designating the area. Under this methodology, Metro is not required to conclude that a particular area has a high ranking under each factor in order to find that an urban reserve designation is appropriate, so long as each factor is evaluated, all factors are balanced, and the conclusion is explained. In fact, Metro could conceivably conclude that Stafford completely fails under one or more of the factors, so long as Metro provides a meaningful explanation regarding why an urban reserve designation is nonetheless appropriate after all of the factors are “weighed and balanced” together. The very nature of a process that directs Metro to “weigh and balance” a list of factors against each other inherently involves the exercise of considerable discretion. Thus, Metro disagrees with the cities’ suggestion that Metro does not have significant discretion regarding its consideration of the urban reserve factors.

The following Section C of these findings describes the reasons why Metro again concludes that the Stafford area was correctly designated as an urban reserve area in 2011, utilizing the direction provided by the Court of Appeals regarding the correct methodology for considering the urban reserve factors.

C. Reasons for Stafford Urban Reserve Designation

The designation of Stafford as an urban reserve area was the culmination of a lengthy and collaborative regional process from early 2008 through 2010. Metro and the three counties formed committees, began a public involvement process, and established a Reserves Steering Committee to advise the Core 4 regarding reserves designations. The steering committee included 52 members and alternates representing interests across the region – business, agriculture, conservation groups, cities, service districts, and state agencies. Technical analysis regarding the application of the urban reserve factors to particular study areas was provided by specialized expert groups, including providers of water, sewer, transportation, education, and other urban services.

The four study areas that comprise what is collectively referred to as “Stafford” are shown on the map attached to this staff report as Attachment 1. More specifically, the four areas are known as

Stafford (Area 4A), Rosemont (Area 4B), Borland (Area 4C) and Norwood (Area 4D). As shown on the map, Areas 4A, 4B, and 4C together comprise the “triangle” area that is adjacent to the cities of West Linn, Lake Oswego, and Tualatin. Those three study areas consist of approximately 4,700 acres and were considered together as Area U-4 by Clackamas County in their urban reserve analysis. Area 4D contains approximately 1,530 acres and is located to the south and east of the “triangle,” adjacent to the City of Tualatin on the north and the Washington County border on the west. There are three other acknowledged Washington County urban reserve areas (Areas 4E, 4F, and 4G) that are located between Area 4D and the City of Tualatin.

In considering the designation of Stafford as an urban reserve area, it is important to remember the context and purpose of the urban and rural reserves designations. Because urban reserves are intended to provide a land supply over a 50-year time horizon, the designation of urban reserve areas must be based on their physical characteristics, including development capacity and future serviceability, rather than the current desires of nearby jurisdictions or current infrastructure conditions. Although there are some impediments to development in parts of these four study areas due to slopes and natural features – as there are in most areas of our region – most of the land is suitable for urban-level development, and development concept plans have been prepared for the Stafford area describing potential development scenarios.

Physically, the Stafford area is very similar to the cities of West Linn and Lake Oswego, which are successfully developing at urban densities. The Stafford area is immediately adjacent to existing urban development in three cities, facilitating logical extensions of infrastructure. Stafford is bisected by Interstate 205 and is within three miles of Interstate 5. Unlike any other urban reserve study area in the region, the 4,700 acres in the “triangle” that comprise study areas 4A, 4B and 4C are actually surrounded on three sides by existing cities and attendant urban infrastructure. While development levels would not be uniform across all four urban reserve areas, due in part to topography and natural resource areas, the opportunity exists to create a mix of uses, housing types and densities where the natural features play a role as amenities, while complementing existing development in the adjacent neighborhoods.

It is also important to consider the designation of these areas in light of the overall regional context. The reserve statute and rules require Metro to designate an amount of urban reserves sufficient to provide a 50-year supply of land for urban growth across the entire Metro region. All four Stafford study areas are identified by the Oregon Department of Agriculture (ODA) as “conflicted” agricultural land that is not suitable to sustain long-term agricultural operations. Designation of the Stafford area as urban reserve helps to avoid urban designation of other areas in the region, particularly in Washington County, that contain more important or “foundation” agricultural land. There are no other areas in the region that provide a similar amount of non-foundation farmland that are also surrounded on three sides by existing urban development and rank as highly as Stafford under the urban reserve factors.

It is true that the Stafford area’s status as conflicted agricultural land is not itself directly relevant to Metro’s application of the urban reserve factors, in that the factors do not consider soil type or the presence of agricultural uses. However, it is also true that many of the reasons that resulted in ODA’s designation of Stafford as conflicted agricultural land are the same reasons that Stafford ranks highly as an urban reserve area under the applicable factors, such as: proximity to existing

urban development, high land values that support urban development, the presence of existing commercial, residential and institutional uses in the area, and high potential for future residential development. The ODA Report describes the Stafford area as follows:

“The integrity of the agricultural lands located within this subregion is seriously compromised. The few existing commercial operations located in the area are compromised by surrounding area development, parcelization and the potential for future residential development within the exception areas located in the subregion and at the edges along the UGB. Land values reflect the current nonresource zoning and/or the speculative land market that exists in the area due to its location. The core agricultural block is relatively small, providing little opportunity for the island to stand-alone.

“South of the Tualatin River the few remaining agricultural operations are located on lands zoned for rural residential use, in an area containing several nonfarm uses that are generally not considered to be compatible with commercial agricultural practices. Such uses include churches, schools and retail commercial. High-density residential development also exists along the river. This area also shares an edge with the City of Tualatin. Along this edge, inside the UGB, exist high-density single-family and multifamily residential development. Finally, the entire area south of the river is a recognized exception area that provides no protection for farm use.” ODA Report, page 35.

The conclusions of the ODA Report provide support for Metro’s conclusion that the existing characteristics of Stafford make it an area that has high potential for future urban development, which is the entire purpose behind Metro’s application of the urban reserve factors – identifying those locations across the region where future urbanization makes the most sense.

The following subsections of these findings provide the Metro Council’s evaluation of each factor as it relates to Stafford. The Metro Council adopts and incorporates the findings in Section VIII.B above regarding the evaluation of each factor as applied to Areas 4A, 4B, 4C, and 4D. To the extent any of those findings may conflict with the findings set forth in this section, the findings in this section shall apply.

1. Can be developed at urban densities in a way that makes efficient use of existing and future public infrastructure investments.

The Metro Council finds that the primary focus of this factor is whether there is urbanizable land in the study area within sufficient proximity to existing urban infrastructure to allow for efficient use of that infrastructure. In other words, does the area include developable land that is located in such a way that future development may utilize existing roads, water and sewer services? Regarding Stafford, the answer to this question is a resounding yes. As described elsewhere in these findings, Stafford is the only urban reserve study area that is physically surrounded on three sides by existing city boundaries, dense urban development, and available public infrastructure. It is also bisected by Interstate 205 and located within three miles of Interstate 5. Stafford is an anomalous rural area that is surrounded by urban development, and its unique location between and adjacent to the cities of West Linn, Tualatin, and Lake Oswego facilitates

the logical and efficient extension of future development and related infrastructure, which is the focus of factor #1.

There is no legitimate question regarding the future developability of the Stafford area, particularly given the proliferation of urban development on identical adjacent terrain. It is true that there are hills and slopes in the northern portion of Area 4A – however none of the slopes present development challenges that are any different from existing development on the other side of those same hills in the cities of West Linn and Lake Oswego. The topography of Area 4A is essentially identical to that of adjacent urbanized portions of those two cities. Further, existing residential development in the Atherton Heights subdivision in the northern portion of the Stafford Basin is successfully located on a tall hillside that is significantly steeper than any of the slopes in Area 4A. Development in many other parts of the Metro region, including Forest Heights in the City of Portland, has been successful on steeper hillsides that present more challenges to development than the comparatively gentle and rolling hills of Stafford. Arguments from the cities that the hills of Stafford are too steep to be developed are easily refuted by simply looking at existing development in other parts of the region, or at development on the other side of the same hills in West Linn and Lake Oswego.

It is true that any future development in the Stafford area would need to be varied in density across the basin due to slopes and other natural features including riparian habitat areas that must be protected. However, there are sufficient developable areas to create a vibrant and diverse urban area, as depicted in the conceptual development plan submitted by OTAK entitled “Clackamas County’s Next Great Neighborhood.” As shown in those materials, the topography of Stafford and the location of easily developed land in the Borland area (Area 4C) create the possibility of a development pattern that includes a mix of existing smaller acreage home sites, lower density neighborhoods, medium density neighborhoods, and mixed use commercial and office areas. Higher density residential, mixed use and employment areas could be located in the relatively flat Borland area, closer to Interstate 205. As depicted in OTAK’s conceptual plan, medium-density walkable neighborhoods could be developed along the east side of Stafford Road, while existing low density neighborhoods and natural areas further to the north and east could remain. The Rosemont area (Area 4B) could provide residential development that complements existing similar development in the adjacent Tanner Basin neighborhood in West Linn.

The Metro Council finds that the focus of factor #1 is primarily on the potential location of future urban development in relation to existing infrastructure, while factor #3 considers whether urban facilities and services may be provided cost-effectively. However, because the two factors have been addressed concurrently in prior proceedings, the findings below regarding factor #3 are also expressly adopted here for purposes of factor #1.

2. Includes sufficient development capacity to support a healthy economy.

Areas 4A, 4B, and 4C contain approximately 4,700 acres and Area 4D contains approximately 1,530 acres. Together these areas are approximately 6,230 acres, and would provide the region with a significant amount of development capacity through the end of the urban reserve planning horizon in 2060. Metro and the three counties adopted a total of 28,256 acres of urban reserves, which is an amount deemed sufficient to provide the Metro region with a 50-year supply of

urbanizable land. Almost half of that amount, 13,874 acres, was located in Clackamas County, and the 6,230 acres located in the Stafford area therefore comprise almost half of the county's total urban reserves. Since the enactment of House Bill 4078, which adopted Metro's 2011 addition of 1,986 acres to the UGB and further reduced the amount of urban reserves in Washington County by about 3,200 acres, the 6,230 acres in Stafford now comprise approximately 27% of the total urban reserve area for the entire Metro region. Thus, based solely on the math, the fact that the Stafford area provides a significant percentage of the 50-year supply of urban reserves for the entire region supports a conclusion that Stafford provides future development capacity sufficient to support a healthy economy under factor #2.

The Metro Council also relies upon its findings set forth immediately above under factor #1 regarding the developability of the Stafford area, as well as the OTAK conceptual development plan discussed in that section, and the findings above in Section VII.B in support of a conclusion that Stafford can be developed at sufficient capacity to support a healthy urban economy. The Metro Council finds that factor #2 calls for an inherently discretionary finding regarding what amount of capacity might "support a healthy economy." The Metro Council further finds that this factor does not establish any particular threshold amount of development that is required to "support" a healthy economy; arguably, any amount of additional development capacity in Stafford could meet that very generally stated goal. However, as described above in the findings regarding factor #1 and in the OTAK conceptual plans, the Stafford area has the potential to provide significant future development capacity that would be sufficient to "support a healthy economy" as contemplated under factor #2.

3. Can be efficiently and cost-effectively served with public schools and other urban-level public facilities and services by appropriate and financially capable service providers.

The primary dispute regarding Stafford's designation as an urban reserve arises under factor #3. Although addressed in tandem with factor #1 by the cities, in the LCDC acknowledgment order, and on appeal to the Court of Appeals, the cities' arguments regarding future provision of facilities and services are focused on costs of roads and the cities' financial ability to provide water and sewer services under this factor. As described above, the Metro Council finds that factor #1 regarding "efficient use" of existing and future infrastructure is primarily focused on the location of future urban development in relation to existing and planned infrastructure, while factor #3 expressly considers the "cost-effective" provision of urban facilities and services. The cities' arguments related to costs of providing transportation, water and sewer services are more appropriately considered under factor #3.¹⁰ However, the findings above regarding factor #1 are also expressly adopted for purposes of factor #3.

In its review of the Stafford urban reserve designations, the Court of Appeals held that Metro and LCDC failed to adequately respond to evidence submitted by the cities regarding future traffic conditions in the Stafford area as projected in Metro's 2035 RTP. Although the court did not rule

¹⁰ Although factor #1 and factor #3 are similar, they should not be construed to have an identical meaning, because doing so would render one of them superfluous. When different language is used in similar statutory provisions, it is presumed to have different intended meanings. *Lindsey v. Farmers Ins. Co.*, 170 Or App 458 (2000).

on the cities' arguments regarding the feasibility of providing water and sewer, those issues are also considered as part of these findings. The remainder of this section responds to the evidence submitted by the cities regarding the future provision of (a) transportation facilities, and (b) water and sewer services.

a. Transportation Facilities

During the Metro and LCDC proceedings in 2011 the cities contended that Stafford should not be designated as an urban reserve because traffic projections in Metro's 2035 RTP (adopted in 2010) indicate that four principal roads in the Stafford area will be "failing" under Metro's mobility policies in the RTP. The four facilities at issue are Stafford Road, Borland Road, Highway 43, and portions of Interstate 205. The cities cited the 2035 RTP as evidence that Stafford did not comply with urban reserve factors #1 and #3 regarding the provision of urban services.

Specifically, the cities argued that because the RTP forecasted the roads at issue to be above capacity in 2035, future urban development in Stafford could not be efficiently or cost-effectively served by transportation infrastructure because there is no current funding to fix the problems. Therefore the cities argued: (a) Stafford could not "comply" with the factors, and (b) the Metro and LCDC decisions were not supported by substantial evidence in the record. The Court of Appeals rejected the cities' first contention, holding that the urban reserve factors are not approval criteria and therefore "compliance" with each of the factors is not required. However, the court went on to agree with the cities that the evidence they cited regarding transportation system forecasts in the 2035 RTP had not been adequately addressed by Metro. Therefore, the court concluded that LCDC failed to correctly review Metro's decision for evidentiary support.

The primary flaw in the cities' argument regarding this factor is that the 2035 RTP traffic forecasts and related mobility policy maps are not directly relevant to the question posed by the urban reserve factors, which is whether Stafford can be efficiently and cost-effectively served with transportation facilities within a 50-year horizon. The RTP traffic forecasts are constantly evolving projections that provide a snapshot in time of the current estimates of future traffic congestion in the next 25 years. Those estimates are based on funding for system improvement projects that are *currently* listed in the RTP, and are subject to significant change over the next 25 to 50 years. New improvement projects for roads and highways are added to the RTP project list on a regular basis (sometimes even between each four-year RTP update cycle, as occurred in 2013 via Metro Resolutions 13-4420, 13-4421, 13-4422, 13-4423, and 13-4424), and funding for those projects is adjusted and prioritized based on need given existing and planned levels of development. When new proposed improvement projects are added to the RTP project list, the effects of those future improvements are then applied to the 25-year traffic congestion forecast for the region as shown on the mobility policy maps in the RTP. When new road improvement projects are added, there is a corresponding decrease in projected congestion for areas that are served by those roads.

The cities argued that the 2035 RTP demonstrates that there are no currently identified funds to fix the problems associated with traffic forecasts on the roads they identified. But this argument ignores how the planning process actually works for transportation projects, and the fact that new

improvement projects are added to the RTP list on a regular basis. It is true that in 2010, when the snapshot was taken in the 2035 RTP of funding for the project lists and corresponding traffic forecasts, there was no identified funding for transportation projects designed to serve an urbanized Stafford. But when an area such as Stafford that is outside of the UGB is identified as a potential location for new urban development, the planning process that is required for urbanization will include identification of new and necessary transportation system improvements to serve future urban development in that area, and those improvements will then be included on the RTP project list. Adding those improvements to the RTP project list will then reduce the amount of congestion forecasted on the RTP mobility policy maps for that area.

Thus, there is a “chicken/egg” problem with the cities’ reliance on the traffic forecasts in the 2035 RTP as evidence that Stafford cannot be served by roads and highways in the area due to a lack of funding. When the 2035 RTP was adopted in 2010, the Stafford area was simply another rural residential area outside of the UGB, and had not been specifically designated as an area for future urban development. Therefore, the 2035 RTP did not prioritize funding for improvement projects in the Stafford area that would be necessary for new urban development arising out of a UGB expansion. In the absence of an existing plan for urbanization of Stafford in 2010, there is no reason why the region would prioritize funding in the 2035 RTP for improving roads to accommodate new urban development in that area.

In 2010 Metro adopted amendments to Title 11 of the Urban Growth Management Functional Plan specifically designed to ensure that areas proposed for urbanization through a UGB expansion can and will be served with public facilities such as roads. Title 11 now requires that local governments must adopt concept plans for an urban reserve area prior to any such area being added to the UGB by Metro. Concept plans must include detailed descriptions and proposed locations of all public facilities, including transportation facilities, with estimates of cost and proposed methods of financing. Concept plans must be jointly prepared by the county, the city likely to annex the area, and appropriate service districts.

The Title 11 concept planning requirements will apply to Stafford if and when that area is proposed for inclusion in the UGB by a city, and will require detailed planning regarding how transportation services will be provided to the area, including a description of methods for financing those services. That urban planning process will require adding specific transportation improvement projects to the RTP project lists for purposes of ensuring there can be adequate capacity to serve the Stafford area. At that point, once urban development in Stafford takes some planning steps towards potential reality, the region could decide to add and prioritize improvement projects on the RTP project lists that would be necessary to facilitate new urban development in that area. But in 2010, because Stafford was not in the UGB and not even an urban reserve area, there was no reason to include or prioritize projects in the 2035 RTP to facilitate its development.

The RTP is a constantly evolving document that merely provides a periodic snapshot forecast of regional traffic congestion based on current funding priorities for improvement projects on the RTP project list. The RTP project list is amended and revised on a regular basis. If at some point in the future, a portion of Stafford is proposed to be added to the UGB, concept planning under Title 11 must occur and necessary transportation system improvement projects would be added

to the RTP project lists at that time. The Metro Council finds that the 2035 RTP does not constitute compelling evidence that the Stafford area cannot be efficiently served by transportation facilities over a 50-year horizon.

Further, the more recently adopted 2014 RTP includes updated mobility policy maps that reveal the fallacy of the cities' arguments. The 2014 RTP shows that the 2035 RTP mobility policy maps relied upon by the cities are already outdated and do not constitute substantial evidence to support a conclusion that it is not possible for Stafford to be served by roads on a 50-year planning horizon. On July 17, 2014, the Metro Council adopted amendments to the 2035 RTP via Metro Ordinance No. 14-1340, and also changed the name of the RTP to "2014 RTP." The mobility policy maps in the 2014 RTP show significant improvement in forecasted traffic congestion on principal roads in the Stafford area for the new RTP planning horizon that ends in 2040, as compared to the mobility policy maps relied upon by the cities from the 2035 RTP. Copies of the three most relevant 2014 maps are included in the record as Exhibit B to the September 30, 2015 staff report (these are close-up versions of the maps focused on the Stafford area and do not show the entire region).

The maps relied upon by the cities from the 2035 RTP are included in the record as Exhibit C to the September 30, 2015 staff report. Sections of roads that are shown in red are locations that in 2010 were projected to exceed acceptable volume-to-capacity ratios in 2035, based on three different funding scenarios for improvements identified on the RTP project lists. The first scenario is the "no build" map (Figure 5.5), shown on Exhibit C-1, which essentially shows the worst case scenario in that it assumes all of the usual projected increases in population, jobs and new housing units for the region, but assumes that *none* of the improvements projects listed in the 2035 RTP will actually be built by 2035. Therefore, this is the map with the most red lines. The second scenario is the "2035 Federal Policies" map (Figure 5.7), shown on Exhibit C-2, which assumes that all improvement projects identified on the RTP "financially constrained" list are built (*i.e.*, projects using funds from existing identifiable revenue sources). This map shows decreases in projected congestion compared to the "no build" map. The third scenario is the "2035 Investment Strategy" map (Figure 5.9), shown on Exhibit C-3, which assumes availability of additional funding for improvement projects that are listed on the RTP project list and are not "financially constrained" by existing revenue sources, but could be constructed assuming that other potential funding sources become available.

Comparing the 2014 RTP mobility policy maps to the 2035 RTP maps reveals significant improvements in projected traffic congestion levels in the Stafford area. The 2035 Investment Strategy map shows all of Interstate 205, all of Highway 23, and most of Borland Road and Stafford Road in red, meaning that they are projected to exceed Metro's mobility policy standard of 0.99 v/c in 2035. Exhibit C-3 to September 30, 2015 staff report. However, the corresponding 2040 Investment Strategy map from the 2014 RTP shows no portion of Interstate 205 or Borland Road in red, and much smaller portions of Highway 43 and Stafford Road in red. Exhibit B-3 to September 30, 2015 staff report. Therefore, to borrow the imprecise language employed by the cities, these facilities are no longer projected to be "failing" as the cities previously claimed. The dramatic change regarding the forecast for Interstate 205 in this area is due in part to new project assumptions for the I-205 and I-5 system that had not been included in the 2035 RTP. One of the

specific investment strategies included in the 2014 RTP is to “address congestion bottleneck along I-205.” (2014 RTP Appendix 3.1, page 302).

The significant improvements in projected traffic congestion in the Stafford area in just four years between Metro’s adoption of the 2035 RTP and the 2014 RTP provide evidence that refutes the cities’ arguments and supports a conclusion that Stafford could be efficiently and cost-effectively served by transportation facilities under the relevant urban reserve factors. This evidence provides the “meaningful response” to the evidence cited by the cities from the 2035 RTP that the court of appeals found was lacking. At the same time, this evidence illuminates the fundamental problem with the cities’ arguments that were based on the 2035 RTP mobility policy maps. As explained above, the 25-year RTP mobility policy maps reflect a constantly changing set of projects and related funding assumptions that do not constitute substantial evidence for purposes of determining whether Stafford may be efficiently and cost effectively served by transportation facilities on a 50-year planning horizon.

b. Water and Sewer Services

At the Court of Appeals, the cities also challenged the evidentiary support for Metro’s findings regarding the provision of water and sewer service to Stafford under urban reserve factors #1 and #3. The court did not specifically review these arguments, but instead remanded the entire Stafford reserve designation based on its ruling regarding transportation issues.

The evidentiary record supporting Metro’s consideration of each urban reserve factor is extensive. Regarding provision of water and sewer to Stafford under urban reserve factors #1 and #3, Metro adopted detailed findings citing specific evidence supporting an urban reserve designation under the factors, set forth above in Section VII.B. Those findings note that technical assessments provided to the Core 4 Reserves Steering Committee by working groups consisting of experts and actual service providers rated the Stafford area as being “highly suitable” for both water and sewer service.

A summary of the analysis regarding water service suitability is included in the record as Exhibit E to the September 30, 2015 staff report, which is a memorandum from the Core 4 Technical Team to the Core 4 Reserves Steering Committee dated February 9, 2009. The water service analysis was coordinated by the Regional Water Providers Consortium, and involved review of specific reserve study areas by a large group of water service providers, who applied specific criteria to each area including: (a) proximity to a current service provider; (b) topography; (c) use of existing resources; and (d) source of water. Each area was analyzed by the group of experts, ranked as high, medium, or low suitability for providing water services, and mapped. The results of the group’s analysis were presented at a meeting of the technical committee of the Regional Water Providers Consortium and the proposed map was provided to all members of the committee for review and comment. As shown on the map attached to the Core 4 memo, the Stafford area was ranked as being “highly suitable” for water service.

A summary of the analysis regarding sewer service suitability is included in the record as Exhibit F to the September 30, 2015 staff report, which is also a memorandum from the Core 4 Technical Team dated February 9, 2009. The sewer service analysis was the result of work done by a “sanitary sewers expert group” of engineers and key staff from potentially impacted service

providers, who applied their professional expertise and knowledge of nearby areas and facilities. The expert group applied a set of criteria to each reserve study area, including (a) topography; (b) proximity to a current waste water treatment plant; (c) existing capacity of that plant; and (d) the ability to expand the treatment plant. Each area was analyzed by the group of experts, ranked as high, medium, or low suitability for providing sewer services, and mapped. The results of the group's analysis were digitized and sent to all participating service providers for comment. As shown on the map attached to the Core 4 memo, the Stafford area was ranked by the expert group as being "highly suitable" for sewer service.

Further analysis regarding water and sewer services in urban reserve areas was undertaken by Clackamas County and provided in a technical memorandum dated July 8, 2009, included in the record as Exhibit G to the September 30, 2015 staff report. That memorandum provides a detailed analysis of each reserve study area under the urban reserve factors and makes recommendations for each study area. Regarding Stafford, the county analysis recommends designating Stafford as urban reserve, based in part on the fact that it ranks "high" for both water and sewer serviceability. As concluded by the county, the area can be relatively easily served because of proximity to existing conveyance systems and pump stations.

The City of Tualatin submitted evidence challenging the Clackamas County analysis regarding water and sewer based on a report prepared by engineering firm CH2M Hill, which was forwarded to the Core 4 Reserves Steering Committee on October 13, 2009. In that letter, the city expresses disagreement with many of the county's conclusions regarding the suitability rankings, and provided its own cost estimates regarding future provision of water and sewer services.

Metro staff reviewed the analysis in the City of Tualatin's letter and the CH2M Hill materials and prepared a responsive memorandum dated September 17, 2015, attached as Exhibit I to the September 30, 2015 staff report. As described in that memo, the fundamental flaw in the city's argument is that the city's analysis and cost estimates do not consider the same geographic area that was studied by Clackamas County and Metro, and therefore the comparisons provided by the city are not accurate. The map attached to Exhibit I illustrates the significant differences between the two study areas. The county's analysis was for its urban reserve study area U-4, which consisted primarily of the area that became areas 4A and 4B – land between the existing UGB and Interstate 205 – plus the portion of area 4C located north of I-205. However, the city's analysis considers only the area proximate to the City of Tualatin, bounded by the Tualatin River to the north and Stafford Road to the east, thereby excluding all of areas 4A and 4B, which comprised the vast majority of the land analyzed by the county in its analysis. The flaws resulting from this approach regarding application of the urban reserve factors are described in the staff memorandum dated September 17, 2015.

4. Can be designed to be walkable and served with a well-connected system of streets, bikeways, recreation trails and public transit by appropriate service providers.

The Metro Council finds that there are no impediments to the design of future development in the Stafford area that would prevent it from being served with a well-connected system of streets, bikeways, walkable pedestrian paths and recreation trails, or public transit. The Stafford area is

already relatively developed, compared with many other urban reserve areas, and is currently served with a well-connected system of streets. Designing a new urban area to be walkable and bikeable is no more complicated than designing road improvements that include sidewalks and bike lanes as portions of the new urban area develop. There is a sufficient amount of undeveloped land in the Stafford area to design street, bicycle and pedestrian connections within and across the area as part of future concept planning.

As noted in the findings above in Section VII.B, the location of Stafford immediately adjacent to three existing cities and urban development on three sides makes it considerably easier to design new urban areas that provide transportation connections to existing infrastructure. Any portions of Stafford that are first proposed for inclusion inside the UGB will necessarily be adjacent to the existing UGB and related transportation facilities. The Metro Council finds that there are few, if any, other areas in the region that have the potential to create the same level and type of pedestrian connections within and across the area.

As described elsewhere in these findings, any future proposals to include some portion of Stafford within the UGB will require that area to first be concept planned under Title 11 of Metro's Urban Growth Management Functional Plan (UGMFP). Title 11 requires concept plans for an area to include detailed descriptions and proposed locations of all public facilities, including transportation facilities and connections of any new transportation facilities to existing systems. Concept planning will require provision for bikeways, pedestrian pathways and, where appropriate, recreational trails. The existing IGA between Metro and Clackamas County regarding the designation of Stafford as an urban reserve area provides that any future concept plans for the area will include the Borland Road area as being planned and developed as a town center area serving the other parts of Stafford to the north (Area 4A) and south (Area 4D). The IGA also specifically requires that future concept planning will ensure that areas suitable for a mix of urban uses "will include designs for a walkable, transit-supportive development pattern."

A very preliminary conceptual development plan for Stafford was submitted by OTAK, entitled "Clackamas County's Next Great Neighborhood." As shown in those materials, and as provided in the IGA between Metro and the county, future planning for development across Stafford could include a relatively dense and pedestrian friendly mixed use town center and office district in the Borland area (Area 4C), as well as medium density walkable neighborhoods in the same area and further to the north along Stafford and Johnson Roads. The OTAK plan also depicts conceptual street design that includes the sidewalks and bike lanes that would be required as part of a concept plan proposal under Title 11 for future urbanization of any portion of the Stafford area. The OTAK proposal supports Metro's finding that Stafford can be designed to be walkable and served with streets and other alternative transportation options.

The cities assert that Stafford could never be walkable and connected due to existing parcelization and because they believe that some larger parcels are "unlikely to redevelop." The Metro Council finds that the cities' opinion regarding whether or not particular parcels in the Stafford area are likely to redevelop does not affect the Council's evaluation under urban reserve factor #4, which asks the question of whether the area "can be designed" to be walkable and served with streets, bikeways, trails and public transit. The question is not whether or when particular parts of Stafford may or may not be developed, the question is whether, assuming that

urbanization will occur at some point in the future, the area “can be designed” in a way to accommodate future transportation needs, including alternative transportation and recreation. The Metro Council finds that there is no reason the Stafford area cannot be designed in such a manner, as evidenced by the OTAK conceptual plan.

5. Can be designed to preserve and enhance natural ecological systems.

Similar to urban reserve factor #4, the relevant question to be considered under this factor is whether proposed future urban development in the Stafford area “can be designed” to preserve and enhance natural ecological systems. The Metro Council finds that there are no significant challenges to designing future development in the Stafford area in a manner that will preserve and enhance natural ecological systems in the area. In fact, the existing IGA between Metro and the county specifically requires that any future concept planning for Stafford “shall recognize environmental and topographic constraints and habitat areas,” including the riparian areas along creeks in the North Stafford Area, “recognizing that these areas include important natural features, and sensitive areas that may not be appropriate for urban development.” Thus, the intent behind urban reserve factor #5 has been embedded in the requirements for planning any future development in the Stafford area and those development plans can (and must) be designed to protect and enhance natural ecological systems. Also, as noted in the findings above in Section VII.B, any future development will be subject to state and Metro rules that are specifically designed to protect upland habitat, floodplains, steep slopes and riparian areas.

The cities do not attempt to argue that future development in Stafford cannot be designed to protect natural ecological systems. The cities instead contend that doing so will reduce the amount of developable land and make connectivity, walkability and development of the remaining lands “much more difficult and expensive.” However, the question posed by urban reserve factor #5 is not whether protecting ecological systems will make it more difficult or expensive to develop other areas. The question is whether future development “can be designed” to preserve and enhance ecological systems. The Metro Council finds that the answer to that question is very clearly yes.

Metro’s findings and the IGA with Clackamas County acknowledge the existence of some environmentally constrained lands and the fact that those areas will reduce the total amount of developable acreage in Stafford. However, that fact does not impact the overall analysis under the factors, weighed and balanced as a whole, regarding whether or not the entire 6,230-acre Stafford area should be designated as an urban reserve. As concluded elsewhere in these findings, even when environmental protections are taken into account Stafford provides sufficient development capacity to support a healthy economy under factor #2 and includes sufficient land suitable for a range of needed housing types under factor #6.

6. Includes sufficient land suitable for a range of needed housing types.

The four areas that constitute the Stafford area contain approximately 6,230 acres. The topography is varied, from the rolling hills in the north to the comparatively flat areas to the south in Borland and Norwood. The variations in topography and existing development patterns enhance the ability of Stafford to provide a diverse range of needed housing types across the area. As depicted in the conceptual plan submitted by OTAK, and as provided in the IGA

between Metro and Clackamas County, the Borland area provides a potential mixed use town center area, including higher density housing in the form of apartments or condominiums. The area south of Luscher Farm along Stafford and Johnson Roads includes generally larger lots that could be developed as medium-density neighborhoods that still focus jobs and housing closer to the vicinity of Interstate 205. The OTAK proposal also identifies the northern portion of Area 4A as being a potential location for somewhat lower density single-family neighborhoods. Types and density of future development in Stafford would not be proposed until a concept plan is prepared by one of the adjacent cities for some portion of the Stafford area, and Metro determines there is a need to expand the UGB into that particular area. The Metro Council finds there is sufficient land in the Stafford area to provide the full range of needed housing types.

7. Can be developed in a way that preserves important natural landscape features included in urban reserves.

The Metro Council finds that the Stafford area can be developed in a way that preserves important natural landscape features. The two important natural landscape features that have been identified to date are the Wilson Creek and Tualatin River systems. For the same reasons described above regarding factor #5, which requires evaluation of the ability to preserve Wilson Creek and other riparian areas, these riparian areas may also be preserved as important natural landscape features. Any future plans for development in Stafford will need to be made in compliance with applicable state and Metro regulations that are specifically designed to protect upland habitat, floodplains, steep slopes and riparian areas. There are no significant challenges to designing future development in the Stafford area in a manner that will preserve natural landscape features. The Metro Council expressly adopts the findings above regarding factor #5 regarding this factor.

8. Can be designed to avoid or minimize adverse effects on farm and forest practices, and adverse effects on important natural landscape features, on nearby land including land designated as rural reserve.

Stafford is an ideal candidate for urban reserve under this factor because of its location. Areas 4A and 4B are surrounded on three sides by existing urban development, and future development of those areas would have no potential adverse effects on farm or forest practices, or on any land designated as rural reserve. Similarly, Area 4C is adjacent on the east and west sides to urban development in the cities of Tualatin and West Linn, and its southern boundary is adjacent to an undesignated area that consists of conflicted agricultural land. Area 4D is adjacent to the City of Tualatin and to other large urban reserve areas (Areas 4E, 4F, and 4G) that are located between Area 4D and the cities of Tualatin and Wilsonville. Most of the eastern boundary of Area 4D is adjacent to an undesignated area, with a small portion adjacent to a rural reserve area that consists of conflicted agricultural land. To the extent that any future development in the Stafford area could have potential adverse effects on farm and forest practices, which appears very unlikely based on its location, the Metro Council finds that future planning of development in Stafford can be designed to avoid or minimize adverse effects on farm and forest practices on nearby land.

9. Weighing and Balancing of the Factors and Explanation of Why an Urban Reserve Designation is Appropriate for Stafford.

As explained by the Court of Appeals, Metro's role is first to apply and evaluate each factor; next, the factors must be "weighed and balanced as a whole." As noted by the court, no single factor is determinative, nor are the individual factors necessarily thresholds that must be met. *Barkers Five* at 300. Accordingly, even if Stafford entirely failed under one or more of the factors as part of the evaluation, Metro could still conclude that an urban reserve designation is appropriate after all of the factors are weighed and balanced together, so long as a "meaningful explanation" is provided for that conclusion.

Based on the foregoing evaluation of the each of the urban reserve factors, the Metro Council concludes that the Stafford area earns a very high ranking under seven of the eight factors, and an average ranking on factor #3 regarding cost-effective provision of urban services. There is no dispute that extending services to the Stafford area will be expensive; however, there are significant costs and challenges associated with providing new urban services to any part of the region where new urban development is being proposed. The Metro Council disagrees with the cities' position that in order to be designated as an urban reserve, funding sources must be identified for all future infrastructure needs and improvements necessary for the urbanization of Stafford. That position is not consistent with the statutory purpose of urban reserves, which is to designate a 50-year supply of potential urban land for the region. The level of detail the cities desire at this stage will be correctly considered at the time a particular area is proposed for addition to the UGB, which may or may not occur for the entire Stafford area over the next 50 years.

The process of future urban development of Stafford is likely to occur over the course of many decades. The first step in any potential addition of a portion of Stafford into the UGB will require one of the cities to propose a concept plan for a particular expansion area, as required by Title 11 of the UGMFP. Under Title 11, that plan must include detailed descriptions and proposed locations of all public facilities, including transportation facilities, with estimates of cost and proposed methods of financing. In other words, the details regarding exactly how any portion of Stafford will be served with infrastructure, and how that infrastructure will be paid for, must be worked out at the time an area is considered for inclusion in the UGB so that a decision can be made regarding whether actual urbanization is possible and appropriate.

The 50-year growth forecast indicates that the Metro region will need to be able to accommodate between 1.7 and 1.9 million new residents by 2060. September 15, 2009 COO Recommendation, App. 3E-C, Table C-2. The purpose of designating urban reserve areas is to identify locations across the region that would provide the best opportunities for providing homes and jobs for those new residents within the 50 year horizon. Urban reserve designations should not, and do not, require the identification of all future sources of funding for infrastructure within the urban reserve areas today.

Based on the analysis set forth above, and the weighing and balancing of all urban reserve factors as a whole, the Metro Council concludes that Stafford is appropriately designated as an urban reserve area under the applicable statutes and rules. Given the unique location of Stafford, its proximity to existing cities, its size and ability to provide a significant amount of development

capacity in the form of a wide range of needed housing types as well as mixed-use and employment land, its location in an area that consists of conflicted agricultural land where adverse impacts on farm use can be avoided, and its high ranking under nearly all of the urban reserve factors, Stafford is one of the most obvious candidates for an urban reserve designation in the entire region.

IX. REASONS FOR URBAN AND RURAL RESERVES IN MULTNOMAH COUNTY

A. Introduction

Reserves designations proposed for Multnomah County were developed through analysis of the urban and rural reserves factors by the County's Citizen Advisory Committee (CAC), consideration of the analysis in briefings and hearings before the Multnomah County Planning Commission and Board of County Commissioners, discussion in regional forums including the Reserves Steering Committee, Core 4, and public and government input derived through the county Public Involvement Plan for Urban and Rural Reserves and the regional Coordinated Public Involvement Plan. MultCo Rec. 3865-3869.

The Multnomah County Board appointed a CAC to consider technical analysis of the statutory and administrative rule factors, to make recommendations to County decision makers, and to involve Multnomah County citizens and stakeholders in development of the proposed county reserves plan. The make-up of the 15 member committee was structured to include a balance of citizens with both rural and urban values. The rural members were nominated by county recognized neighborhood organizations from the four affected rural plan areas to the extent possible. The CAC developed a suitability assessment and reserves recommendations in sixteen meetings between May 2008, and August 2009.

The approach to developing the proposed reserves plan began with analysis of the study area by the CAC. The county study area was divided into areas corresponding to the four affected county Rural Area Plans, and further segmented using the Oregon Department of Agriculture (ODA) mapping and CAC discussion for a total of nine county subareas. MultCo Rec. 638-644.

The phases of the CAC work included: (1) setting the study area boundary; (2) identification of candidate urban and rural reserve areas; and (3) suitability recommendations based on how the subareas met the urban factors in OAR 660-027-0050 and the rural factors in -0060. The results of the suitability assessment are included in the report provided to the Planning Commission and Board of County Commissioners in August and September of 2009. MultCo Rec. 2932-3031.

The Multnomah County Planning Commission considered the CAC results and public testimony in a public hearing in August, 2009, and the Board of County Commissioners conducted a public hearing to forward recommendations to Core 4 for regional consideration in September, 2009. Additional Board hearings, public outreach, and regional discussion resulted in the Intergovernmental Agreement (IGA) between Multnomah County and Metro approved on February 25, 2010. The IGA is a preliminary reserves decision that is the prerequisite to this proposed plan amendment as provided in the administrative rule. MultCo Rec. 9658-9663.

CAC Analysis, Candidate Areas and Suitability Rankings

The initial phase of analysis by the CAC considered the location of the regional study area boundary in Multnomah County. This, together with an overview of the various studies and the factors was the content of CAC meetings 1 through 3. MultCo Rec. 4525-4530. The first major phase of the analysis, identifying Candidate areas for urban and rural reserve focused on the first rural factor, the potential for urbanization to narrow the amount of land for further study as rural reserve. This occurred in CAC meetings 3 through 9, and resulted in agreement that all of the study area in Multnomah County should continue to be studied for rural reserve. Data sources studied included the Oregon Departments of Agriculture and Forestry (ODA) and (ODF) studies, Landscape Features study, aerial photos, existing land use, and information from committee members, and the public. MultCo Rec. 4530-4542.

The urban candidate areas assessment focused on urban factors (OAR 660-027-0050(1) and (3) to consider the relative efficiency of providing key urban services. This work relied on the technical memos and maps provided by the regional water, sewer, and transportation work groups comprised of technical staff from each of the participating jurisdictions. This information resulted in rankings on the efficiency of providing services to the study area. The CAC also considered information related to urban suitability including the Great Communities study, a report on industrial lands constraints, infrastructure rating criteria, and physical constraint (floodplain, slope, and distance from UGB) maps in their analysis. In addition, input from Multnomah County “edge” cities and other local governments, and testimony by property owners informed the assessment and recommendations. Rankings were low, medium, or high for suitability based on efficiency. Throughout this process effort was made to provide both urban and rural information at meetings to help balance the work. MultCo Rec. 4525-4542.

The suitability recommendations phase studied information relevant to ranking each of the urban and rural factors for all study areas of the county and took place in CAC meetings 10 through 16. MultCo Rec. 4543-4556. The approach entailed application of all of the urban and rural factors and suitability rankings of high, medium, or low for their suitability as urban or rural reserve based on those factors. Technical information included data from the prior phases and hazard and buildable lands maps, Metro 2040 design type maps, extent of the use of exception lands for farming, zoning and partitioning. During this period, the CAC continued to receive information from citizen participants at meetings, from local governments, and from CAC members. MultCo Rec. 890; 1055; 1159a; 1375; 1581; 1668; 1728. The group was further informed of information present in the Reserves Steering Committee forum, and of regional public outreach results. MultCo Rec. 4543-4546; 4551-4552. The product of the CAC suitability assessment is a report dated August 26, 2009, that contains rankings and rationale for urban and rural reserve for each area. MultCo Rec. 2932-3031.

B. Multnomah County: Urban Reserves

Urban Reserve 1C: East of Gresham

General Description: This 855-acre area lies east of and adjacent to the Springwater employment area that was added to the UGB in 2002 as a Regionally Significant Industrial Area (RSIA).

MultCo Rec. 2983; 2985; 3226-3227. It is bounded by Lusted Rd on the north, SE 302nd Ave. and Bluff Rd. on the east, and properties on the north side of Johnson Creek along the south edge. The entire area is identified as Foundation Agricultural Land.

However, the urban reserve area contains three public schools within the Gresham Barlow School District that were built prior to adoption of the statewide planning goals. It also includes the unincorporated rural community of Orient. The area is the most suitable area proximate to Troutdale and Gresham to accommodate additional growth of the Springwater employment area and is the only area adjacent to the UGB on the northeast side of the region with characteristics that make it attractive for industrial use.

How Urban Reserve IC Fares Under the Factors: The urban factors suitability analysis produced by the CAC and staff ranked this area as medium on most factors. The analysis notes that there are few topographic constraints for urban uses, including employment, that the existing rural road grid integrates with Gresham, and that it is near employment land within Springwater that has planned access to US Highway 26. Concern about minimizing adverse effects to farming was noted, although this factor was ranked medium also.

The rural reserve suitability assessment generally considers the larger Foundation Agricultural Land area between Gresham/Troutdale and the Sandy River Canyon as a whole. The analysis notes the existence of scattered groups of small parcels zoned as exception land in the southwest part of the area, including the Orient rural community. The lack of effective topographic buffering along the Gresham UGB, and the groups of small parcels in the rural community contributed to a “medium” ranking on the land use pattern/buffering factor (2)(d)(B). The CAC found the area as highly suitable for rural reserve, and indicated that the north half of the area was most suitable for urban reserve if needed.

Why This Area was Designated Urban Reserve: This area was ranked as the most suitable for urbanization in Multnomah County in the suitability assessment. Gresham indicated its ability and desire to provide services to this area primarily for employment. The area is also suitable for continued agricultural use. However, as noted above, the presence of the Orient community, areas of small parcels, and lack of topography that buffers the area from adjacent urban development make this the most appropriate area for urbanization.

Additional support for urban/industrial designation in this general area was received from several sources including Metro in the Chief Operating Officer’s report, the State of Oregon agency letter, and Port of Portland. MultCo Rec. 4662-4663; 4275; 2819-2820. Concern for protection of Johnson Creek was expressed by environmental stakeholders, and is addressed by holding the southern urban reserve edge to the north of the creek. MultCo Rec. 752. The position of the area on the east edge of the region adds balance to the regional distribution of urban reserve, and employment land in particular. All of the rural land in this area is Foundation Agricultural Land, however, the proposed urban reserve is the best choice to address employment land needs in this part of the region.

C. Multnomah County: Rural Reserves

Rural Reserve 1B: West of Sandy River (Clackanomah in Multnomah County)

General Description: This map area includes the northeast portion of the regional study area. MultCo Rec. 216. Subareas studied by the CAC in the suitability assessment include Government, McGuire and Lemon Islands (Area 1), East of Sandy River (Area 2), Sandy River Canyon (Area 3), and West of Sandy River (Area 4). MultCo Rec. 2961-2986. The Troutdale/Gresham UGB forms the west edge, the Columbia River Gorge National Scenic Area is the north boundary, and the Study Area edge and county line are the east and south boundaries. With the exception of the Government Islands group, all of this area is either Foundation or Important Agricultural Land. In addition, all except the southeast quadrant is within 3 miles of the UGB. MultCo Rec. 4407.

How Rural Reserve 1B Fares Under the Factors: The Foundation and Important Agricultural Land areas between the Gresham/Troutdale UGB and the east edge of the Sandy River canyon qualify as rural reserve because they are within 3 miles of the UGB. The Sandy River Canyon is a high value landscape feature and is made up of either Foundation or Important Agricultural Land. The canyon and associated uplands are not suitable for urbanization due to steep slopes associated with the river and its tributaries. The canyon forms a landscape-scale edge between urban areas on the west and rural lands to the east and ranked high in the suitability analysis on additional key rural factors of: sense of place, wildlife habitat, and access to recreation. The Government Islands area is not classified as either Foundation, Important, or Conflicted Agricultural Land, but is classified as “mixed forest” in the Oregon Department of Forestry study. The area ranked low under the farm/forest factors, and high on the landscape features factors related to natural hazards, important habitat, and sense of place.

Why This Area was Designated Rural Reserve: Rural reserve is proposed from the eastside of the UGB eastward to the eastern edge of the Sandy River Canyon except for the urban reserve area 1C (see Section B above). The east rural reserve edge corresponds approximately to the county Wild and Scenic River overlay zone, and maintains continuity of the canyon feature by continuing the reserve designation further than 3 miles from the UGB to the county line. An area adjacent to the city of Troutdale in the northwest corner of the area is proposed to remain undesignated in order to provide potential expansion for future land needs identified by the city. The Government Islands group remains rural land since it already has long term protection from urbanization in the form of a long-term lease between the Port of Portland and Oregon Parks and Recreation, and the Jewell Lake mitigation site. MultCo Rec. 2961-2965; 2973-2985.

Rural Reserves 9A through 9F: West Multnomah County

This map area includes the north portion of the regional study area. Subareas studied by the CAC in the suitability assessment include NW Hills North (Area 5), West Hills South (Area 6), Powerline/Germantown Road-South (Area 7), Sauvie Island (Area 8), and Multnomah Channel (Area 9). MultCo Rec. 2986-3027.

Areas 9A – 9C Powerlines/Germantown Road-South

General Description: This area lies south of Germantown Road and the power line corridor where it rises from the toe of the west slope of the Tualatin Mountains up to the ridge at Skyline Blvd. MultCo Rec. 3004-3015. The north edge of the area is the start of the Conflicted Agricultural Land section that extends south along the Multnomah/Washington county line to the area around Thompson Road and the Forest Heights subdivision in the city of Portland. The area is adjacent to unincorporated urban land in Washington County on the west, and abuts the City of Portland on the east. Most of the area is mapped as Important Landscape Features that begin adjacent to Forest Park and continue west down the slope to the county line. MultCo Rec. 1767. The area is a mix of headwaters streams, upland forest and open field wildlife habitat.

How Rural Reserve 9A - 9C Fares Under the Factors: The CAC ranked the area “medium-high Suitability” for rural reserve after considering important landscape features mapping, Metro’s designation as a target area for public acquisition through the parks and greenspaces bond program, the extensive county Goal 5 protected areas, Metro Title 13 habitat areas, proximity to Forest Park, and local observations of wildlife use of the area. MultCo Rec. 369-391; 357; 392; 392a. The CAC further ranked factors for sense of place, ability to buffer urban/rural interface, and access to recreation as high. While there was conflicting evidence regarding capability of the area for long-term forestry and agriculture, the CAC ranked the area as medium under this factor. MultCo Rec. 3004-3014. The county agrees that the west edge of area 9B defines a boundary between urbanizing Washington County and the landscape features to the east in Multnomah County. Elements that contribute to this edge or buffer include the power line right-of-way, Multnomah County wildlife habitat protection, planned Metro West Side Trail and Bond Measure Acquisition Areas, and the urban-rural policy choices represented by the county line. MultCo Rec. 751; 1125; 3901-3907.

The CAC ranked the area “low suitability” for urban reserve generally, with the exception of areas 9A and 9B. Areas 9A and 9B resulted in a split of the CAC between “low” and “medium” rankings. Most of the area 9A – 9C contains topography that limits efficient provision of urban services, and, should urban development occur, would result in unacceptable impacts to important landscape features. Limiting topographic features include slopes that range from 10% in the majority of area 9B to above 25% in portions of 9C, and stream corridors and ravines interspersed throughout the area. MultCo Rec. 652. Due to these features, the area was ranked low for an RTP level transportation “grid” system, for a walkable, transit oriented community, and for employment land. The CAC also recognized that should urban development occur, it would be difficult to avoid impacts to area streams and the visual quality of this part of Landscape Feature #22 Rock Creek Headwaters.

Why This Area was Designated Rural Reserve: Among the urban factors in the Reserves rules are efficient use of infrastructure and efficient and cost-effective provision of services. These are also among the most important factors in the Great Communities study. MultCo Rec. 123-124. Multnomah County does not provide urban services and has not since adoption of Resolution A in 1983. MultCo Rec. 853-856. The County no longer has urban plan or zone designations; it contracts with the cities in the county for these services. This means urban services to Areas 9A

- 9C would have to come from a city in a position to plan and serve new urban communities. As was the case when Metro considered addition of lands in Multnomah County on the west slope of Tualatin to the UGB in 2002, there is not a city in a position to provide urban services to Areas 9A to C. Beaverton is over two miles to the south. Metro assigned urban planning to Beaverton when Metro added the North Bethany area to the UGB in 2002. Given the obstacles to annexation of the unincorporated territory over that two miles, Washington County took on responsibility for the planning instead of Beaverton. Unlike Multnomah County, Washington County continues to provide planning services and maintains urban plan and zoning designations for unincorporated urban areas.

The only other city that could provide services is Portland. Portland has said, however, it will not provide services to the area for the same reasons it would not provide services to nearby “Area 94” when it was considered for UGB expansion in 2002. (Metro added Area 94 to the UGB. The Oregon Court of Appeals remanded to LCDC and Metro because Metro had failed to explain why it included Area 94 despite its findings that the area was relatively unsuitable for urbanization. Metro subsequently removed the area from the UGB.) Portland points to the longstanding, unresolved issues of urban governance and urban planning services, noting the difficulties encountered in nearby Area 93. The city emphasizes lack of urban transportation services and the high cost of improvements to rural facilities and later maintenance of the facilities. The City further points to capital and maintenance cost for rural roads in Multnomah County that would have to carry trips coming from development on both sides of the county line and potential impacts to Forest Park. MultCo Rec. 3201-3204; 3897-3907; 3895.

For these reasons, areas 9A – 9C rate poorly against the urban reserve factors.

The proposed rural reserve designation for all of area 9A–9C recognizes and preserves the landscape features values that are of great value to the county. MultCo Oversize Exhibit. The small scale agriculture and woodlots should be able to continue and provide local amenities for the area. Rural reserve for this area is supported not only by the weight of responses from the public, but by the Planning Commission and the regional deliberative body MPAC as well. MultCo Rec. 4002-4005; 1917a-j; Oversize Exhibit.

Rural Reserves 9D and 9F: West Hills North and South, Multnomah Channel

General Description: This area extends from the Powerlines/Germantown Rd. area northward to the county line, with Sauvie Island and the west county line as the east/west boundaries. All of the area is proposed as rural reserve. Agricultural designations are Important Agricultural Land in 9D, and Foundation Agricultural Land in area 9F. All of area 9D is within three miles of the UGB, and the three mile line from Scappoose extends south to approximately Rocky Point Road in area 9F.

How Rural Reserve 9D and 9F Fare Under the Factors: All of the Multnomah Channel area is an important landscape feature, and the interior area from approximately Rocky Point Rd. south to Skyline Blvd. is a large contiguous block on the landscape features map. MultCo Rec. 1767. This interior area is steeply sloped and heavily forested, and is known for high value wildlife habitat and as a wildlife corridor between the coast range and Forest Park. It is also recognized as

having high scenic value as viewed from both east Portland and Sauvie Island, and from the US Highway 26 corridor on the west. Landscape features mapping south of Skyline includes both Rock Creek and Abbey Creek headwaters areas that abut the city of Portland on the east and follow the county line on the west.

The potential for urbanization north of the Cornelius Pass Rd. and Skyline intersection in area 9D, and all of 9F, was ranked by the CAC as low. Limitations to development in the Tualatin Mountains include steep slope hazards, difficulty to provide urban transportation systems, and other key services of sewer and water. Areas along Multnomah Channel were generally ranked low due to physical constraints including the low lying land that is unprotected from flooding. Additional limitations are due to the narrow configuration of the land between US Highway 30 and the river coupled with extensive public ownership, and low efficiency for providing key urban services. MultCo Rec. 3022-3027. Subsequent information suggested some potential for urban development given the close proximity of US Highway 30 to the area.

Why This Area was Designated Rural Reserve: This area is proposed for rural reserve even though urbanization potential is low. Of greater importance is the high sense of place value of the area. The significant public response in favor of rural reserve affirms the CAC rankings on this factor. In addition, the high value wildlife habitat connections to Forest Park and along Multnomah Channel, the position of this part of the Tualatin Mountains as forming edges to the urban areas of both Scappoose and the Portland Metro region, further support the rural reserve designation.

Rural Reserve 9E: Sauvie Island

General Description: Sauvie Island is a large, low lying agricultural area at the confluence of the Willamette and Columbia Rivers. The interior of the island is protected by a perimeter dike that also serves as access to the extensive agricultural and recreational areas on the island. It is located adjacent to the City of Portland with access via Highway 30 along a narrow strip of land defined by the toe of the Tualatin Mountains and Multnomah Channel. This area was assessed as Area 8 by the County CAC. MultCo Rec. 3016-3020. The island is entirely Foundation Agricultural Land, and is mapped as an important landscape feature. Large areas at the north and south extents of the island are within 3 miles of the Scappoose and Portland UGBs.

Why This Area was Designated Rural Reserve: The island is a key landscape feature in the region, ranking high for sense of place, wildlife habitat, and recreation access. The island defines the northern extent of the Portland-Metropolitan region at a broad landscape scale. These characteristics justify a rural reserve designation of the entire Multnomah County portion of the island even though potential for urbanization is low.

D. Multnomah County: Statewide Planning Goals

MCC Chapter 11.05.180 Standards for Plan and Revisions requires legislative plan amendments comply with the applicable Statewide Planning goals pursuant to ORS 197.175(2)(a). These findings show that the reserves plan amendments are consistent with the goals, and they therefore comply with them.

Goal 1 – Citizen Involvement

To develop a citizen involvement program that insures the opportunity for citizens to be involved in all phases of the planning process.

The process of studying, identifying, and designating reserves began in January of 2008, with formation of the regional Reserves Steering Committee, adoption of a Coordinated Public Involvement Plan to coordinate the work flow, and formation of county committees to assess reserve areas and engage the public. MultCo Rec. 4557-4562.

Multnomah County incorporated the Coordinated Public Involvement Plan into the plan followed for the county process, and this plan was reviewed by the Multnomah County Office of Citizen Involvement Board. MultCo Rec. 172-177. In addition to providing opportunity for public involvement listed below, the county plan incorporated a number of tools including internet pages with current and prior meeting agendas and content, web surveys, mailed notices to property owners, email meeting notifications, news releases and meeting and hearing notices, neighborhood association meetings, and an internet comment link.

Key phases of the project in Multnomah County included:

- The Multnomah County Reserves Citizen Advisory Committee (CAC) developed their suitability assessments and recommendations in 16 public meetings between May 2008 and July 30, 2009. MultCo Rec. 4525-4542. The Planning Commission conducted a hearing on Aug 10, 2009, to consider the CAC suitability recommendations and recommendations for reserve designations in the county. MultCo Rec. 1820-1919. Consensus of the Planning Commission endorsed the CAC recommendations.
- The Board adopted Resolution No. 09-112 at their September 10, 2009 public hearing, forwarding to Core 4 and the Reserves Steering Committee, urban and rural reserves suitability recommendations developed by the Multnomah County CAC. MultCo Rec. 2689-2690. The Board focused on suitability of areas for reserves rather than on designations of urban and rural reserves pending information about how much growth can occur within the existing UGB and how much new land will be sufficient to accommodate long term growth needs.
- The Board adopted Resolution No. 09-153 at their December 10, 2009, public hearing, forwarding to Core 4, recommendations for urban or rural reserve for use in the regional public outreach events in January, 2010. MultCo Rec. 2894-3031. These recommendations were developed considering public testimony and information from the Regional Steering Committee stakeholder comment, discussion with Multnomah County cities, and information and perspectives shared in Core 4 meetings. MultCo Rec. 3032-3249; 2894-2898; 3934-3954.
- The Board approved the IGA with Metro at a public hearing on February 25, 2010. MultCo Rec. 3865-3874. Additional public and agency input was considered in deliberations including results of the January public outreach, results of deliberations by the regional Metropolitan Planning Advisory Committee and interested cities.

Public outreach included three region wide open house events and on-line surveys. The first was conducted in July of 2008 to gather input on the Reserves Study Area Map. MultCo Rec. 213-215. The second occurred in April of 2009, for public input on Urban and Rural Reserve Candidate Areas – lands that will continue to be studied for urban and rural reserves. MultCo Rec. 903-908. The third regional outreach effort to gather input on the regional reserves map prior to refinement of the final map for Intergovernmental Agreements occurred in January of 2010. MultCo Rec. 3956-4009.

The Multnomah County Board of Commissioners heard briefings on the reserves project on 2/14/08, 4/16/09, and 8/20/09, and conducted public hearings indicated above. The Planning Commission conducted a public hearing on 8/10/09 and received regular briefings during the reserves project. MultCo Rec. 1918-1919.

Public testimony has been an important element in the process and has been submitted to Multnomah County in addition to public hearings in several ways including open house events that took place in July of 2008, April of 2009, and January of 2010, and in testimony provided at CAC meetings. MultCo Rec. 161; 205; 238; 267; 338; 403; 464; 599; 715; 890; 1055; 1159a; 1375; 1581; 1668; 1728.

Goal 2 – Land Use Planning

To establish a land use planning process and policy framework as a basis for all decision and actions related to use of land and to assure an adequate factual base for such decisions and actions.

The county's plan policies and map amendments put in place the framework needed to carry out the objectives of the reserves plan by identifying areas where rural resources will be protected from urbanization. The county rural plan has been coordinated with Metro's urban plan to identify where urbanization should occur during the 50 year plan. The county's policies and map ensure that rural reserve areas will remain rural and not be included within urban areas. The amendments further contain policies and strategies to support the on-going planning processes to facilitate availability of urban reserve areas for urban use as appropriate.

Coordination with Multnomah County Cities

Understanding the land needs and service potential of cities is of critical importance because the county would look to a city to provide urban governance and services should areas designated urban reserve come into the UGB in the future. Input from cities with an interest in reserves within Multnomah County during CAC development of the suitability assessments and these reserve designations is briefly summarized below.

- Beaverton – The city has indicated that it may be able to provide urban governance for areas on the west edge of the county, however whether that city would eventually provide these services is uncertain, and timing for resolution of all outstanding issues that would set the stage for extending Beaverton governance to this area is likely many years away.

- Gresham – The city indicated in their 2/25/09 letter that areas east of the city should continue to be studied for urban reserve, recognizing that the recommendation is made without a complete picture of urban land needs. MultCo Rec. 528-529. There should be some rural reserve east of the city, the region should minimize UGB expansions, and the city wants to focus on areas within the current UGB. The city provided a follow up letter dated 10/24/09 requesting urban reserve between SE 302nd and the Gresham UGB. MultCo Rec. 3226-3227. That area is shown as urban reserve on the proposed reserves plan map.
- Portland – City coordination efforts have occurred regarding potential reserve designations, particularly along the west edge of Multnomah County. Focus has been on the efficiency of providing urban services, and how governance services could be provided by the city. The city has indicated that the county line is an appropriate urban/rural edge, has identified service difficulties, the importance of landscape features in the area, and stated their interest in focusing limited resources on existing centers, and corridors and employment areas rather than along the west edge of the county. Therefore, Portland recommended rural reserve for this area.
- Troutdale – Troutdale requested approximately 775 acres of land for expansion, including the area north of Division and east out to 302nd Ave., indicating a need for housing land and ability to provide services to the area. MultCo Rec. 2082-2086. The proposed plan map leaves an approximately 187 acre area adjacent to the city without reserves designation. Proposed Policy 5 provides for a review of the reserves plan that can consider this and other areas in the region 20 years after the plan is adopted.

Additional agency coordination efforts related to Multnomah County reserves that occurred in addition to the regional process included Port of Portland, City of Scappoose, Sauvie Island Drainage District, and East and West Multnomah Soil and Water Conservation Districts. MultCo Rec. 524-525; 1132-1133; 667-668; 342-343.

Goal 3 – Agricultural Lands

Agricultural lands in the county are protected for farm use by existing zoning and plan policies, and these are unchanged by the proposed amendments. The proposed policies and map add a new element, rural reserve, which ensures protection from urbanization of farmland important to the long-term viability of agriculture in the county. This protection is consistent with the goal of maintaining agricultural lands for farm use.

Goal 4 – Forest Lands

Forest lands in the county are protected for forest use by existing zoning and plan policies that are unchanged by the proposed amendments. The proposed policies and map add long-term protection from urbanization of Goal 4 resources consistent with this goal by designating these areas as rural reserve.

Goal 5 – Natural Resources, Scenic and Historic Areas, and Open Spaces

The Goal 5 resources in the county are protected by existing zoning and plan policies that are unchanged by the proposed amendments. The reserves factors require consideration of the

importance of resources of the type that are protected by Goal 5 plans through the Landscape Features factors. The factors also require consideration of how these resource areas could be protected when included within urban reserve and subsequently urbanized. Goal 5 protection will apply to land included within the UGB in the future. The reserves suitability assessment considered natural and scenic resources as it was developed, and existing county protections are maintained consistent with Goal 5. MultCo Rec. 860a-f.

Goal 6 – Air, Water and Land Resources Quality

The proposed plan policies and map have no bearing on existing waste management plans and are therefore consistent with this goal.

Goal 7 – Areas Subject to Natural Hazards

Existing zoning contains safeguards intended to protect rural development from identified hazards. The factors required consideration of areas of potential hazard including flood, landslide, and fire in forming reserves designations. MultCo Rec. 3007. Consideration of hazard areas in the reserves plan and continuation of existing protections is consistent with this goal.

Goal 8 – Recreational Needs

The factors that applied to consideration of rural reserve to protect landscape features from urbanization include access to recreation areas including trails and parks. MultCo Rec. 3008-3009. Urban factors consider how parks can be provided in urban reserve areas. Existing plan and zoning provisions for parks are unchanged by the proposed reserves plan. The proposed reserves designations are consistent with Goal 8.

Goal 9 – Economic Development

The proposed urban reserve east of Gresham includes land that has potential to support additional economic development. MultCo Rec. 2983. This puts in place the potential for greater diversity of economic development in this area while minimizing loss of economically important farm land consistent with this goal.

Goal 10 – Housing

The proposed reserves plan increases potential for additional housing opportunity by designating additional land as urban reserve consistent with this goal. MultCo Rec. 2982-2985.

Goal 11 – Public Facilities and Services

The reserves factors analysis used in consideration of urban reserve included assessment of how efficiently the key public facilities could be provided to potential reserve areas. MultCo Rec. 2982-2985. Further, the 50 year urban reserve plan allows service planning to occur over a longer time frame. These elements support timely orderly and efficient provision of services consistent with this goal.

Goal 12 – Transportation

The proposed reserves plan policies and map do not cause any change to the county rural transportation system. Transportation planning to support urban uses within the proposed urban reserve east of Gresham will occur at the concept planning stage prior to including areas within the UGB. The relative efficiency of providing adequate transportation services in potential reserve areas was considered in the factors analysis. The proposed plan policies and map are consistent with Goal 12.

Goal 13 – Energy Conservation

The evaluation of the suitability of land for urban reserve took into account the potential for efficient transportation and other infrastructure, and sites that can support walkable, well-connected communities. These are energy conserving approaches to urban development, and the proposed urban reserve ranks moderately well on these factors and is consistent with this goal. MultCo Rec. 2982-2985.

Goal 14 – Urbanization

The reserves plan and policies implement an approach to the transition from rural to urban land that increases understanding of the future location of new urban areas and the time to plan for the transition. Urban reserves are expected to thereby improve this process consistent with this goal.

Goal 15 – Willamette River Greenway

Land planned under this goal in Multnomah County is located along Multnomah Channel and is zoned with the county Willamette River Greenway overlay zone. The reserves plan does not change that zoning. The proposed rural reserve along the channel protects the Greenway from urban development during the 50 year plan period, and this protection is consistent with the goal.

X. SUPPLEMENTAL FINDINGS REGARDING THE DESIGNATION OF MULTNOMAH COUNTY AREA 9D AS RURAL RESERVE

These supplemental findings of fact, statements of reasons and conclusions, and conclusions of law relating to the designation of Multnomah County Area 9D as rural reserve (“Supplemental Findings”) are adopted in response to the remand order in *Barkers Five, LLC et al. v LCDC*, 261 Or App 259 (2014) and LCDC Remand Order 14-ACK-001867.

Because LCDC remanded this matter for “further action consistent with the principles expressed in [*Barkers Five*],” the remand order in *Barkers Five* serves as the basis for these Supplemental Findings.

In *Barkers Five*, the Oregon Court of Appeals reviewed the designation of urban and rural reserves in Washington, Multnomah and Clackamas Counties. With respect to Multnomah County, the court denied all challenges to the reserve designations, except for a challenge to the designation of Area 9D as rural reserve.

With respect to Area 9D, the court held that the county failed to meaningfully explain why, in light of certain dissimilarities between the northern and southern portions the area, the county's consideration of the rural reserve factors yields a rural reserve designation of all land in Area 9D. *Barkers Five* at 345–347, 364.

In addition, the court held that, on remand, a determination must be made regarding the effect of the foregoing error on the designations of reserves in Multnomah County in its entirety. *Barkers Five* at 364.

A. Area 9D – Meaningful Explanation

1. The Remand Order

In relevant part, the court remanded the rural reserve designation of Area 9D due to inadequate explanation:

“We conclude that, because the county failed to meaningfully explain why its consideration of the rural reserve factors yields a rural reserve designation of all land in Area 9D, LCDC erred in concluding that the county's ‘consideration’ of the factors was legally sufficient.” *Barkers Five* at 345.

The court concluded that the County's explanation was not meaningful because the County had not explained why consideration of the Rural Reserve factors yielded a designation of *all* of the land in Area 9D as Rural Reserve in light of the fact that application of the factors often yielded different results as to the land in the area *north* of Skyline Boulevard and the land in the area *south* of Skyline. *Id.*

In addition, the court noted that, in the county's explanation of how Area 9D fared under the factors, only a single sentence pertained to land in the southern portion in Area 9D. Similarly, the court noted that the description of “why” Area 9D was designated Rural Reserve consisted of a single paragraph with broad, unqualified declarations appearing to relate to some of the natural landscape features factors in OAR 660-027-0060(3). *Id.* at 345–346.

From the foregoing assessment, the court concluded that the county should have explained its designation of the entire area in light of the differences between the northern and southern portions of Area 9D:

“a meaningful explanation as to why Area 9D, in its entirety, was designated as rural reserve would have acknowledged that application of the factors failed to yield similar results as to all of the land in the area but explained, nonetheless, why the entire area should be designated as rural reserve.” *Id.* at 346.

Importantly, the court made three additional rulings relevant to this issue. First, the required explanation “need not be elaborate;” instead such explanation must acknowledge the dissimilarities and explain why, nonetheless, a rural reserve designation is suitable for all of the land in Area 9D. *Id.*

Second, the county *is not* required to justify the inclusion of any particular lot or parcel within a rural reserve. Instead, the county is obligated to meaningfully explain why its consideration and application of the factors yield a rural reserve designation of *all of the land* in a given rural reserve, such as Area 9D. *Id.*

Third, where the evidence supports the designation of an area as either urban reserve or rural reserve, the local government may choose either designation *and need not* demonstrate that it has chosen the designation that “better suits” the area. *Id.* at 309–311.

Thus, in summary, the county’s explanation of its rural reserve designation of Area 9D was inadequate because it failed to acknowledge the dissimilarities between the northern and southern portions of that area and explain why, nonetheless, a rural reserve designation is suitable for all of the land in Area 9D. Simple acknowledgement and explanation would suffice: the explanation need not be elaborate; does not need to justify the designation of any particular lot or parcel; and does not need to establish that the county has chosen the designation that “better suits” the area.

With these rules in mind, the discussion turns to acknowledgement of the dissimilarities between the northern and southern portions of Area 9D and further explanation of why, nonetheless, consideration of the factors yields a rural reserve designation for all of the land in Area 9D.

2. Response: Consideration of the factors yields a rural reserve designation for all of the land in Area 9D

As noted by the Court of Appeals, in considering the required factors, the county adopted and relied upon a report prepared by county staff and the county’s Citizen Advisory Committee (CAC) commissioned for this task. *Barkers Five* at 345; Rec Att. C, 2894–3031 (Mult. Co. Resolution 09-153 adopting CAC Report); *more specifically* Rec Att. C, 2993–3003 (excerpt from CAC report setting forth the analysis of Area 9D, referred to as Area 6 in the CAC Report).¹¹

In the CAC report, the CAC and county staff applied each of the rural reserve factors to evaluate all of the land in what is now referred to as Area 9D and then ranked how the land in that study area fared under each of the factors. *Barkers Five* at 345. As noted by the court, the application of the reserve factors to this study area often yielded different results as to the land in the area that is north of Skyline Boulevard and the land that is south of Skyline. *Id.*

Nevertheless, as described in further detail below, the findings in the CAC Report clearly establishes that application of the rural reserve factors yields a rural reserve designation for both the northern and southern portions of Area 9D and, thereby, all of the land in Area 9D.

¹¹ All citations to the record refer to the record of proceedings before LCDC in the 2011 acknowledgment review resulting in LCDC Order 12-ACK-001819 as submitted to the Oregon Court of Appeals (the “LCDC Record”).

a. Acknowledging the Dissimilarities

Dissimilarities exist between the northern and southern portions of Area 9D. The northern portion is “primarily forested,” has been mapped by the Oregon Department of Agriculture as containing “wildland forest” and “mixed forest,” “consists of a large block of forest land with few non forest [*sic*] uses,” and contains “high-value habitat, access to recreation, and other values that define the area as a landscape feature important to the region.” Rec at 2993, 2995, 2997. Further, this northern portion is subject to little risk of urbanization. *Id.* at 2993, 2995.

In contrast, the southern portion of Area 9D is “primarily farm area,” has been mapped by the Oregon Department of Agriculture as containing “important” farmland, has certain farming limitations but “good integrity” overall, has “few non-farm uses” and edges compatible to farming, and contains the “stream features of Abbey Creek mainstream, north fork, and headwaters areas that are mapped as important regional resources and that separate urban from rural lands.” Rec at 2993, 2995, 2997. Further, this southern portion *is* subject to a risk of urbanization. *Id.* at 2994, 2995.

Both portions “rank high for sense of place” and, like the northern portion, the southern portion encompasses important upland habitat areas, albeit of lesser regional value overall than the habitat present in the northern portion. *Id.* at 2997.

b. Despite the dissimilarities, consideration of the factors yields a rural reserve designation of all of the land in Area 9D.

Despite the dissimilarities between the northern and southern portions of Area 9D, the record reflects that application of the rural reserves factors yields a rural reserve designation for *each* portion of the area and, thereby, *all of the land* in Area 9D.

(i) Farm and Forest Factors.

Except for a few instances noted below, application and consideration of the farm and forest protection factors in OAR 660-027-0060(2) with respect to Area 9D yields the conclusion that this Area ranks “high” for rural reserve designation with respect to *both* the northern and southern portions of the area. Rec at 2993-2995. That is, *both* portions are highly capable of sustaining long-term agriculture or forestry operations due to the availability of large blocks of land and the clustering of farm or forest operations, adjacent land use patterns, and the sufficiency of agricultural or forestry infrastructure (this latter sub-factor ranked as “medium-high” in recognition of some limitation on the movement of farm equipment on rural roads due to traffic). Rec at 2994-2995.

Delving into the details of these “high” rankings: forest use predominates in the northern portion of Area 9D; farm use (hay, pasture, Christmas trees, nursery stock, and orchard) predominates in the southern portion; “[n]o limitations to long-term forestry have been noted for areas north of Skyline Blvd;” and the southern portion “includes few nonfarm uses, limited urban edges, and adequate ‘block’ size to maintain long-term agriculture.” Rec 2994.

In addition: all of Area 9D includes parcels suitable for both small and large scale farm and forest management; a buffer exists between resource and non-resource uses in the northern portion of the area (except in a few instances); and very substantial buffers are present in the southern portion, including “the Powerline area and Abbey Creek headwaters, the east-west lower Abbey Creek drainage, and Rock Creek running north-south immediately west of the county line.” Rec at 2995.

Where Area 9D did not receive a “high” ranking, it received, with one exception noted below, a “medium” ranking. For instance, with respect to the suitability of the soils and water, the southern portion of Area 9D ranked “medium” for rural reserve designation because of its range in soils from Class II to IV and because of some uncertainty on the part of the Oregon Department of Agriculture regarding the abundance of groundwater (the County does not agree: the CAC Report notes the existence of irrigated fields in the area). Rec at 2994. With respect to these same points, the northern portion of the area ranked “high” for soils suitable to forestry and was not ranked for water as water is not understood to be a limitation for forestry. *Id.*

Lastly, whereas the northern portion of Area 9D is not subject to a risk of urbanization, and, therefore, received a “low” ranking for that factor, the southern half ranked “high” for this factor, meaning it ranked “high” for protection through rural reserve designation. Rec 2993.

Based on the foregoing analysis, the county concludes that “[Area 9D] is suitable for both farm and forest reserve, as indicated by the ‘important’ farm land and ‘wildland’ and ‘mixed’ forest designations.” Rec at 2995.

Further, in particular respect to the northern portion of Area 9D, a rural reserve designation is appropriate because, in summary, “[t]he primarily forested area north of Skyline Blvd. consists of a large block of forest land with few non forest uses, mainly associated with McNamee Rd. This area is not however, potentially subject to urbanization based on urban suitability assessments to date.”

Similarly, in particular respect to the southern portion of Area 9D, a rural reserve designation is appropriate because, in summary:

“The primarily farm area south of Skyline, while containing soils and topography that present limitations to intensive cultivation and uncertain groundwater resources, maintains good integrity, has compatible edges, and few non-farm uses. This area is within an area potentially subject to urbanization based on analysis of key urban services. The area south of Skyline Blvd./Cornelius Pass Rd. intersection should be considered as highly suitable for rural reserve to protect farm and forest resources.” *Id.*

Thus, in summary, application and consideration of the farm and forest protection factors in OAR 660-027-0060(2) with respect to Area 9D yields a rural reserve designation of all of the land in Area 9D (*i.e.*, both the northern and southern portions of that area).

(ii) Landscape Features Factors.

As with the farm and forest factors above, and except for a few instances noted below, application and consideration of the landscape feature factors in OAR 660-027-0060(3) with respect to Area 9D yields a rural reserve designation for *both* the northern and southern portions of the Area and, thereby, *all of the land* in Area 9D. Rec at 2996–2998.

Both portions of Area 9D rank “high” for rural reserve as providing a sense of place and easy access to recreational opportunities. Rec at 2997. In particular, “[t]he southwest side of the Tualatin Mtns [*sic*] is a large-scale landscape feature that provides a green connection between Portland and the Coast Range.” *Id.* In addition, the area contains Metro’s Ancient Forest Preserve as well as bicycling and hiking opportunities. *Id.*

With respect to important fish, plant and wildlife habitat, both portions ranked “high” for rural reserve protection, with the exception that the Kaiser Road and East-of-Abbey Creek subareas ranked “medium”—however, although not mapped by the state or other regional entities, these areas are identified locally by both Metro and the county as important habitat areas. Rec at 2996.

Area 9D did receive some “low” rankings. For instance, while some areas in the northern portion of the area rank high for natural hazard risks, “[t]he significant majority of the area rates ‘low’ for relative hazard on the regional composite hazard map.” Rec at 2996.

Similarly, as applied to Area 9D, consideration of the factor concerning separation between cities yields a “low” ranking because this factor applies to the separation between Metro UGB cities and cities outside that area, which is not a concern in this location. Rec at 2997. That said, the county noted that the southern portion of Area 9D is important in providing separation between the City of Portland and urban unincorporated areas to the west. *Id.*

In addition, as applied to Area 9D, consideration of the factor concerning whether the area serves to buffer conflicts between urban and rural uses, yields a “low” ranking for the northern portion of the Area because such conflicts are not prevalent in that area, but, in contrast, yields a “high” ranking for rural reserve protection with respect to the southern portion of Area 9D due to substantial natural and human-made buffers between urban and rural resources in this area. Rec at 2997.

Further, although a rural reserve designation is not necessary to protect water quality in the northern portion of Area 9D, the southern portion ranks “medium” for rural reserve designation to protect Rock Creek and Abbey Creek, which are situated in a way that renders typical planning tools ineffective in protecting these resources if urban development were to occur here. Rec at 2996–2997.

A similar pattern occurs with respect to the risk of urbanization – the risk is “low” for the northern portion of Area 9D, but “high” for the southern portion.

Notwithstanding this selection of “low” rankings, the record reflects that, upon application and consideration of all of the landscape feature factors, a rural reserve designation is appropriate for

both the northern and southern portions of Area 9D and, thereby, all of the land in Area 9D for the following reasons:

“Areas north of Skyline Blvd. rank high for sense of place; they contain high-value habitat, access to recreation, and other values that define the area as a landscape feature important to the region. This area is not however, being studied for urban reserve because it ranks low for efficiency to provide key urban services.

“Areas south of Skyline rank high for sense of place; they contain stream features of the Abbey Creek mainstream, north fork, and headwaters areas that are mapped as important regional resources and that separate urban from rural lands. Upland habitat areas also exist, however there are patches in the landscape features mapping indicating lesser regional value. All areas south of Skyline Blvd. continue to be studied for urbanization. On balance, and considering that the broad objective of the Landscape Features factors is to protect areas that define natural boundaries to urbanization and help define the region for its residents, the entire south-of-Skyline area should be considered as highly suitable for rural reserve.” Rec at 2997–2998 (emphasis added).

Thus, in summary, application and consideration of the landscape feature factors in OAR 660-027-0060(3) with respect to Area 9D yields a rural reserve designation of all of the land in Area 9D (*i.e.*, both the northern and southern portions of that Area).

3. Conclusion

For the foregoing reasons, although application of the factors failed to yield similar results as to the northern and southern portions of Area 9D, the record reflects that application and consideration of both sets of rural reserve factors, the farm and forest protection and landscape features factors, yields a rural reserve designation for *each* portion of the area and, thereby, *all of the land* in Area 9D.

B. No Effect on the Designations of Reserves in Multnomah County in its Entirety

As noted above, in addition to identifying the meaningful explanation error with respect to Area 9D discussed above (“Error”), the court held that, on remand, a determination must be made regarding “the effect of that error on the designations of reserves in Multnomah County in its entirety.” *Barkers Five* at 364.

The Error had no effect on the designations of reserves in Multnomah County in its entirety. The Error is corrected through adoption of these Supplemental Findings. Adoption of these Supplemental Findings bolsters the county’s prior actions in this matter and fulfills the county’s obligations to consider the factors, but does not alter any prior, ultimate determination or conclusion.

More specifically, correcting the Error through adoption of these Supplemental Findings does not result in any change to any reserve designation in Multnomah County, does not require any change in analysis or analytical approach with respect to application and consideration of the factors and designation of reserves, does not require the consideration of new evidence, and does not impact any other material aspect of the designation of reserves in Multnomah County beyond correcting an error specific and internal to Area 9D.

To explain, if correction of the Error had resulted in a change in the reserve designation of Area 9D (or any other area), then, due to the coordinated manner in which reserves are designated (*e.g.*, ORS 195.143 (the designation of rural reserves is coordinated with the designation of urban reserves)), it is possible that there could be some cascading effect on the designation of reserves in Multnomah County or the Metro region in their entirety. However, here, because correction of the Error does not result in any change to any reserve designation, there is no effect on the designations of reserves in Multnomah County in its entirety of the nature contemplated in this paragraph.

Similarly, if correction of the Error had prompted a change in analysis or analytical approach with respect to application and consideration of the factors and designation of reserves, then, depending on the nature of that change, the propriety of apply such changed analysis or analytical approach to other areas in Multnomah County is conceivable (albeit quite hypothetical at present). However, here, because no such change in analysis or analytical approach has occurred, there is no effect on the designations of reserves in Multnomah County in its entirety of the nature contemplated in this paragraph.

Likewise, if correction of the Error had required consideration of new evidence and such evidence related in some way to areas beyond Area 9D, then, depending on the nature of such evidence, an effect on other reserve designations is conceivable (albeit, again, quite hypothetical at present).¹² However, here, because correction of the Error did not require consideration of new evidence there is no effect on the designations of reserves in Multnomah County in its entirety of the nature contemplated in this paragraph.

In conclusion, the Error had no effect on the designations of reserves in Multnomah County in its entirety because, as it turns out, the Error is capable of correction in a manner that is wholly specific and internal to Area 9D. Consequently, there is no effect on any other material aspect of the designation of reserves in Multnomah County – the Error was a failure to explain circumstances specific to Area 9D; that explanation is now provided in full without any reference

¹² Of note, none of the contingencies contemplated here (change in designation, change in analysis or analytical approach, and consideration of new evidence) would, if they occurred, *necessarily* have an effect on the designations of reserves in Multnomah County in their entirety. Instead, these specific contingencies, as well as any other change to a material aspect of the designation of reserves in Multnomah County, merely *could* conceivably, under certain circumstances, have an effect on other reserve designations. The converse is true as well – even if one or more of these contingencies occurred, there still might not be any effect on the designations of reserves in Multnomah County in their entirety.

to or reliance upon any other aspect of the designations of reserves in Multnomah County beyond the specific circumstances of Area 9D.

XI. CONSISTENCY WITH REGIONAL AND STATE POLICIES

A. Regional Framework Plan

Policy 1.1: Urban Form (1.1.1(a); 2.3)

The determination of the amount of urban reserves needed to accommodate growth to the year 2060 was based upon the current focus of the 2040 Growth Concept on compact, mixed-use, pedestrian-friendly and transit-supportive communities and a new strategy of investment to use land more efficiently. The reserves decision assumes that residential and commercial development will occur in development patterns more compact than the current overall settlement pattern in the UGB. In addition, amendments made by the reserves decisions to Title 11 (Planning for New Urban Areas) of the Urban Growth Management Functional Plan place greater emphasis than the previous version of Title 11 on “great communities” that achieve levels of intensity that will support transit and other public facilities and services.

Policy 1.4: Economic Opportunity (1.4.1)

The four governments selected urban reserves with factor OAR 660-027-0050(2) (healthy economy) in mind. Rating potential urban reserves for suitability for industrial development, using staff maps and the *Business Coalition Constrained Land for Development and Employment Map* produced by Group McKenzie, resulted in designation of thousands of acres suitable for industrial and other employment uses as urban reserves. These reserves are distributed around the region to provide opportunities in all parts of the region.

Policy 1.6: Growth Management (1.6.1(a))

See finding for Policy 1.1.

Policy 1.7: Urban/Rural Transition

The four governments inventoried important natural landscape features outside the UGB and used those features to help make a clear transitions from urban to rural lands. The findings above explain how the governments applied the landscape features factors in OAR 660-027-0060(3) in designation of urban and rural reserves and demonstrate the use of natural and built features to define the extent of urban reserves.

Policy 1.11: Neighbor Cities

The four governments reached out to the non-Metro cities within the three counties and to Columbia, Yamhill and Marion counties and their cities to hear their concerns about designation of reserves near their boundaries. All expressed an interest in maintenance of separation between the metro urban area and their own communities. The four governments were careful not to designate urban reserves too close to any of these communities. As the findings above

indicate, the counties consulted with “neighbor cities” within their borders about which lands near them should be left un designated so they have room to grow, and which lands to designate rural reserve to preserve separation. The city of Sandy asked Metro and Clackamas County to revise the three governments’ agreement to protect a green corridor along Hwy 26 between Gresham and Sandy. At the time of adoption of these decisions, the three governments agreed upon a set of principles to guide revision to the agreement to use reserves to protect the corridor.

Policy 1.12: Protection of Agriculture and Forest Resource Lands (1.12.1; 1.12.3; 1.12.4)

See section II of the findings for explanation of the designation of farmland as urban or rural reserves. Metro’s Ordinance No. 10-1238A revises Policy 1.12 to conform to the new approach to urban and rural reserves.

Policy 1.13 Participation of Citizens

See sections III and IX (Goal 1) of the findings for full discussion of the public involvement process. The findings for each county (sections VI, VII and VIII) discuss the individual efforts of the counties to involve the public in decision-making.

Policy 2.8: The Natural Environment

The four governments inventoried important natural landscape features outside the UGB and used the information to identify natural resources that should be protected from urbanization. The findings above explain how the governments applied the landscape features factors in OAR 660-027-0060(3) in designation of rural reserves for long-term protection of natural resources.

B. Statewide Planning Goals

Goal 1 - Citizen Involvement

The four governments developed an overall public involvement program and, pursuant to the Reserve Rule [OAR 660-027-0030(2)], submitted the program to the State Citizen Involvement Advisory Committee (CIAC) for review. The CIAC endorsed the program. The four governments implemented the program over the next two and a half years. Each county and Metro adapted the program to fit its own public involvement policies and practices, described above. In all, the four governments carried out an extraordinary process of involvement that involved workshops, open houses, public hearings, advisory committee meeting open to the public and opportunities to comment at the governments’ websites. These efforts fulfill the governments’ responsibilities under Goal 1.

Goal 2 - Land Use Planning

There are two principal requirements in Goal 2: providing an adequate factual base for planning decisions and ensuring coordination with those affected by the planning decisions. The record submitted to LCDC contains an enormous body of information, some prepared by the four governments, some prepared by their advisory committees and some prepared by citizens and organizations that participated in the many opportunities for comment. These findings make

reference to some of the materials. The information in the record provides an ample basis for the urban and rural reserve designated by the four governments.

The four governments coordinated their planning efforts with all affected general and limited purpose governments and districts and many profit and non-profit organizations in the region (and some beyond the region, such as Marion, Yamhill and Polk Counties and state agencies) and, as a result, received a great amount of comment from these governments. The governments responded in writing to these comments at several stages in the two and one-half year effort, contained in the record submitted to LCDC. See Attachment 2 to June 3, 2010, Staff Report. These findings make an additional effort to respond to comments from partner governments (cities, districts, agencies) on particular areas. These efforts to notify, receive comment, accommodate and respond to comment fulfill the governments' responsibilities under Goal 2.

Goal 3 - Agricultural Lands

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations for lands subject to Goal 3. Designation of agricultural land as rural reserve protects the land from inclusion within an urban growth boundary and from re-designation as urban reserve for 50 years. Designation of agricultural land as urban reserve means the land may be added to a UGB over the next 50 years. Goal 3 will apply to the addition of urban reserves to a UGB. The designation of these urban and rural reserves is consistent with Goal 3.

Goal 4 - Forest Lands

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations for lands subject to Goal 4. Designation of forest land as rural reserve protects the land from inclusion within an urban growth boundary and from re-designation as urban reserve for 50 years. Designation of forest land as urban reserve means the land may be added to a UGB over the next 50 years. Goal 4 will apply to the addition of urban reserves to a UGB. The designation of reserves is consistent with Goal 4.

Goal 5 - Natural Resources, Scenic and Historic Areas and Open Spaces

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations for lands inventoried and protected as Goal 5 resource lands. Designation of Goal 5 resources as rural reserve protects the land from inclusion within an urban growth boundary and from re-designation as urban reserve for 50 years. Designation of Goal 5 resources as urban reserve means the land may be added to a UGB over the next 50 years. Goal 5 will apply to the addition of urban reserves to a UGB. The designation of reserves is consistent with Goal 5.

Goal 6 - Air, Water and Land Resources Quality

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations intended to protect air, water or land resources quality. Nor does designation of reserves invoke state or federal air or water quality regulations. The designation of reserves is consistent with Goal 6.

Goal 7 - Areas Subject to Natural Hazards

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations intended to protect people or property from natural hazards. Nonetheless, the four governments consulted existing inventories of areas subject to flooding, landslides and earthquakes for purposes of determining their suitability for urbanization or for designation as rural reserve as important natural landscape features. This information guided the reserves designations, as indicated in the findings for particular reserves, and supported designation of some areas as rural reserves. Goal 7 will apply to future decisions to include any urban reserves in the UGB. The designation of reserves is consistent with Goal 7.

Goal 8 - Recreational Needs

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations intended to satisfy recreational needs. The designation of reserves is consistent with Goal 8.

Goal 9 - Economic Development

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations for lands subject to Goal 9. All urban and rural reserves lie outside the UGB. No land planned and zoned for rural employment was designated rural reserve. Designation of land as urban reserve helps achieve the objectives of Goal 9. Much urban reserve is suitable for industrial and other employment uses; designation of land suitable for employment as urban reserve increases the likelihood that it will become available for employment uses over time. The designation of reserves is consistent with Goal 9.

Goal 10 - Housing

All urban and rural reserves lie outside the UGB. No land planned and zoned to provide needed housing was designated urban or rural reserve. The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations and does not remove or limit opportunities for housing. The designation of reserves is consistent with Goal 10.

Goal 11 - Public Facilities and Services

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations and does not place any limitations on the provision of rural facilities and services. The four governments assessed the feasibility of providing urban facilities and services to lands under consideration for designation as urban reserve. This assessment guided the designations and increases the likelihood that urban reserves added to the UGB can be provided with urban facilities and services efficiently and cost-effectively. The designation of reserves is consistent with Goal 11.

Goal 12 - Transportation

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations and does not place any limitations on the provision of rural transportation facilities or improvements. The four governments assessed the feasibility of

providing urban transportation facilities to lands under consideration for designation as urban reserve, with assistance from the Oregon Department of Transportation. This assessment guided the designations and increases the likelihood that urban reserves added to the UGB can be provided with urban transportation facilities efficiently and cost-effectively. The designation of reserves is consistent with Goal 12.

Goal 13 - Energy Conservation

The designation of urban and rural reserves does not change or affect comprehensive plan designations or land regulations and has no effect on energy conservation. The designation of reserves is consistent with Goal 13.

Goal 14 - Urbanization

The designation of urban and rural reserves directly influences future expansion of UGBs, but does not add any land to a UGB or urbanize any land. Goal 14 will apply to future decisions to add urban reserves to the regional UGB. The designation of urban and rural reserves is consistent with Goal 14.

Goal 15 - Willamette River Greenway

No land subject to county regulations to protect the Willamette River Greenway was designated urban reserve. The designation of urban and rural reserves is consistent with Goal 15.

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 17-1405 FOR THE PURPOSE OF RESPONDING TO THE REMAND FROM THE OREGON COURT OF APPEALS AND THE LAND CONSERVATION AND DEVELOPMENT COMMISSION REGARDING THE DESIGNATION OF URBAN AND RURAL RESERVES IN CLACKAMAS COUNTY AND MULTNOMAH COUNTY

Date: June 2, 2017

Prepared by: Roger Alfred, Senior Assistant Attorney

PROPOSED ACTION

Adoption of Ordinance No. 17-1405 for the purpose of incorporating the recent actions of Multnomah County and Clackamas County into a single joint set of findings and conclusions explaining why areas in each county were chosen as urban and rural reserves under the applicable factors.

BACKGROUND

This will be the Metro Council's third and final ordinance regarding the remand of urban and rural reserves in the Metro region. Multnomah County and Clackamas County have each recently adopted the necessary ordinances and findings in support of reserves in their counties, and Metro must now adopt and incorporate all of the findings and conclusions into a single document for submittal to LCDC for review and acknowledgment under state law.

On February 4, 2016 the Metro Council adopted Ordinance No. 16-1368, which included findings explaining why the Stafford area was correctly designated as urban reserves and responding to issues raised on appeal by the cities of West Linn and Tualatin regarding future provision of transportation and other services. On April 13, 2017 the Metro Council adopted Ordinance No. 17-1397, which addressed two state rule requirements that apply to the designation of urban and rural reserves across the entire region, in light of Metro's adoption of the 2014 Urban Growth Report and the reduction of urban reserve acreage in Washington County via HB 4078.

On May 23, 2017 the Clackamas County Board of Commissioners adopted Ordinance No. 06-2017, which includes supplemental findings and conclusions explaining why the Stafford area was designated as urban reserves under the applicable factors.

On June 1, 2017 the Multnomah County Board of Commissioners adopted Ordinance No. 1246, which includes supplemental findings and conclusions explaining why Area 9D was designated as rural reserve under the applicable factors.

RECOMMENDED ACTION

Staff recommends adoption of Ordinance No. 17-1405. State rules governing reserves require Metro and each county that designates reserves to adopt a "single joint set of findings of fact, statements of reasons and conclusions explaining why areas were chosen as urban or rural reserves" under the applicable factors. This ordinance satisfies that state law requirement and incorporates all findings into a single document for submittal to LCDC for review and acknowledgment.

INTERGOVERNMENTAL AGREEMENT STAFFORD URBAN RESERVE AREAS

THIS INTERGOVERNMENTAL AGREEMENT ("Agreement") is made this ____ day of June 2017, by Clackamas County ("County"), Metro, the City of Lake Oswego, the City of Tualatin, and the City of West Linn (individually a "City", collectively the "Cities") (together the "Parties"). This is an addendum to the Intergovernmental Agreement between Metro and Clackamas County To Adopt Urban and Rural Reserves entered into pursuant to ORS 195.141 and ORS 190.010 to 190.110 and dated March 3, 2010 ("Reserves IGA").

RECITALS

1. The Metro Council and the Clackamas County Commission are working together to finalize the designation of urban and rural reserves by adopting findings in support of the decisions made by Metro, Clackamas County, Multnomah County, and Washington County in 2010;
2. Under state law, Metro and the three counties in the region are tasked with identifying those areas adjacent to the existing urban growth boundary (UGB) that are best suited for providing land to accommodate urban growth in the region over the next 40 to 50 years;
3. The Cities have long opposed the designation of Metro study areas 4A, 4B, 4C and 4D ("Stafford") as urban reserve because of concerns with regard to efficient use of existing and currently planned future public infrastructure investments and whether urban level public services can be efficiently and cost-effectively provided by appropriate and financially capable service providers;
4. The Parties recognize that resolving the dispute over the designation of Stafford will enable the parties to focus collaboratively on planning for and providing urban services and prioritizing the needed regional improvements to the transportation system, such as the widening of I-205 from Oregon City to Stafford Road;
5. The Parties enter into this IGA in order to alleviate the concerns of the Cities and better support the designation of Stafford under the Factors by ensuring an orderly process for any urbanization of Stafford where the Cities will have control over the planning, process and timing for the urbanization of Stafford, that the Parties will coordinate with one another and with any affected special districts serving Stafford on the effective date of this Agreement, and that Stafford will not be urbanized before appropriate urban services will be available; and
6. The Parties also desire to recognize that the Stafford Hamlet and surrounding area is a unique enclave in Clackamas County that has a long standing agricultural heritage, significant environmental assets, and valued open space that should be preserved through the concept planning process;

NOW, THEREFORE, it is mutually agreed that the Parties voluntarily enter into this Intergovernmental Agreement addressing issues and concerns raised by the Cities regarding the designation of Stafford as an urban reserve. Specifically, the Parties agree as follows:

1. **City Governance.** The Parties agree that Stafford will be governed by one or more of the Cities upon expansion of the urban growth boundary and annexation. The governing City will have the authority to decide what land uses should be planned for, and when and how municipal services will be provided. Notwithstanding anything to the contrary in the Reserves IGA, Exhibit B, Section 4, or Metro Code Sections 3.07.1105 to 3.07.1130 ("Title 11"), Metro and the County will oppose any future effort to incorporate a new city. Metro and the County will similarly oppose creation of any service district to provide water or sanitary sewer services in Stafford outside of a city, unless there is no practicable alternative to creation or expansion of a sewer district in order to remediate a health hazard created by development in existence on the effective date of this IGA.

2. **Completion of a City Concept Plan.**
 - a. The Parties recognize that the Cities will be the public bodies that have the responsibility to plan for any future urbanization of Stafford and that the urbanization of Stafford will only occur upon annexation to one or more of the Cities. Prior to adding any part of Stafford to the UGB, the City that will be responsible for annexing that part of Stafford must first have developed a concept plan for the area describing how the area will be planned and developed after inclusion in the UGB. The timing for commencement and completion of a concept plan will be up to the City.

 - b. The Cities will coordinate concept planning with one another and with the County and special districts serving Stafford on the effective date of this Agreement to determine which City or special district is the appropriate urban services provider for each part of Stafford. The Parties agree to develop a preliminary concept plan to address transportation, density, community character, and infrastructure issues to help ensure that future, more detailed sub-area "concept plans" can be developed and coordinated. The parties agree to participate in good faith in future planning efforts for Stafford, in coordination with each other, and with other public, private, and community stakeholders.

 - c. Each governing City will be responsible for determining the pace and timing of future development within an area to be incorporated into the UGB. The form and character of development will be determined through the concept planning process under Title 11 and Section 2 of this Agreement, and will be consistent with community values and environmental requirements.

 - d. The County shall not amend the Comprehensive Plan or Zoning and Development Ordinance or the Comprehensive Plan Map or zoning designations:
 - i. To allow within Urban Reserve areas, new uses that were not allowed on the date the Urban Reserve areas were designated, except those

uses mandated by amendments to the Oregon Revised Statutes or Oregon Administrative Rules enacted after designation of Urban Reserves.

- ii. To allow within Urban Reserve areas, the creation of new lots or parcels smaller than allowed on the date Urban Reserve areas were designated, except as mandated by amendments to the Oregon Revised Statutes or Oregon Administrative Rules enacted after designation of Urban Reserves. The purpose of the designation is to preserve lands for potential future urban development, not to facilitate or expedite their development under County zoning.
 - e. Notwithstanding anything to the contrary in Metro Code 3.07.1110(d), Metro agrees that the concept plan or plans developed pursuant to Section 2 of this Agreement will be used to designate 2040 design types for Stafford and to develop conditions in the Metro ordinance that adds any Stafford territory to the UGB. The Parties agree that the concept plans will govern amendments to the Cities and County comprehensive plans and land use regulations following addition of the area to the UGB.
3. **Citizen Involvement.** The Parties agree that future decision-making regarding the timing and content of concept planning and the expansion of the UGB must involve the participation of citizens from the Stafford community, as well as other stakeholders, and will take into account public testimony about desired community character, preservation of natural features, and other community concerns when developing the concept plans.
 4. **Urban Services Agreements.** At such point in time that any portion of Stafford is included within the UGB, the City that is responsible for urbanization of that area will negotiate and enter into an urban services agreement pursuant to ORS 195.065 with any special district that is providing services to that area of Stafford on the effective date of this Agreement or that may be created thereafter pursuant to Section 1 of this Agreement.
 5. **Grant Funding for Transportation Planning.** Metro and the County will undertake a transportation planning project using the \$170,000 Community Planning and Development Grant from Metro to the County to study and plan for transportation and other public infrastructure conditions and needs in the Stafford area. Work on this planning project is anticipated to begin once Metro and the County have finalized the decision on urban reserves.
 6. **Support for Widening I-205.** The Parties agree to continue to support the Joint Policy Advisory Committee on Transportation's decision to make widening I-205 from Oregon City to Stafford Road a top priority for regional transportation projects in order to help address the significant transportation infrastructure issues related to future urbanization of Stafford as well as other regional transportation needs.

7. **Transportation and Infrastructure Improvements.** Urbanization and urban development will be planned to coincide with transportation and infrastructure improvement necessary to serve such development.
8. **The Findings.** This IGA will be entered into the record of the Metro and Clackamas County proceedings on the remand of the 2010 Stafford urban reserve designation. The Metro and County remand findings will cite this IGA as evidence necessary to meet the designation requirement under ORS 195.145(5)(c) and OAR 660-027-0050(3) that the Stafford area can be served by urban level public facilities and services efficiently and cost-effectively by appropriate and financially capable service providers.
9. **No Appeal by the Cities.** In consideration for the promises and commitments made herein, the Cities agree that the Cities will not challenge the designation of Stafford as Urban Reserve either before the State of Oregon Land Conservation and Development Commission or by appeal to the Oregon Court of Appeals.
10. **Governing Law.** The laws of the State of Oregon will govern this Agreement and the Parties will submit to the jurisdiction of the courts of the State of Oregon.
11. **Amendments.** This Agreement may be amended at any time with the written consent of all Parties.
12. **Severability.** If any covenant or provision of this Agreement is adjudged void, such adjudication will not affect the validity, obligation, or performance of any other covenant or provision which in itself is valid if such remainder would then continue to conform with the terms and requirements of applicable law and the intent of this Agreement.
13. **Term.** This Agreement shall be effective upon execution by all Parties identified herein. This Agreement will terminate on the same date as the Reserves IGA, December 31, 2060, unless terminated earlier by agreement of the Parties. If during the term of this Agreement there is a change in applicable law or other circumstance that materially affects compliance with one or more provisions of this Agreement, the Parties agree to negotiate in a good faith a revision to this Agreement to address such law or circumstance in manner consistent with the intent of this Agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, each party has caused this Intergovernmental Agreement to be executed by its duly authorized representative on the date first mentioned above.

Metro Council

Dated: June ____, 2017

Clackamas County

Dated: June ____, 2017

City of Lake Oswego

Dated: June ____, 2017

City of Tualatin

Dated: June ____, 2017

City of West Linn

Dated: June ____, 2017

Materials following this page were distributed at the meeting.

Metro

*600 NE Grand Ave.
Portland, OR 97232-2736
oregonmetro.gov*



Metro

Minutes

Thursday, June 8, 2017

2:00 PM

REVISED 06/05/17

Metro Regional Center, Council chamber

Council meeting

1. Call to Order and Roll Call

Council President Tom Hughes called the Metro Council meeting to order at 2:01 p.m.

Present: 6 - Council President Tom Hughes, Councilor Sam Chase, Councilor Carlotta Collette, Councilor Shirley Craddick, Councilor Craig Dirksen, and Councilor Kathryn Harrington

Excused: 1 - Councilor Bob Stacey

2. Citizen Communication

There was none.

3. Consent Agenda

Approval of the Consent Agenda

A motion was made by Councilor Chase, seconded by Councilor Craddick, to adopt items on the consent agenda.

The motion passed by the following vote:

Aye: 6 - Council President Hughes, Councilor Chase, Councilor Collette, Councilor Craddick, Councilor Dirksen, and Councilor Harrington

3.1 Consideration of the Council Meeting Minutes for June 1, 2017

3.2 Resolution No. 17-4798, For the Purpose of Amending the 2015-18 Metropolitan Transportation Improvement Program (MTIP) to Modify and/or Add New Projects as Part of the April 2017 Formal MTIP Amendment (AP-17-04-Apr) Involving a Total of Sixteen Affected Projects for Beaverton, Metro, Multnomah County, Portland, ODOT, TriMet, and Wilsonville

3.3 Resolution No. 17-4809, For the Purpose of Confirming the Appointment of Members to the Oregon Zoo Bond Citizens' Oversight Committee

4. Ordinances (First Reading and Public Hearing)

4.1 Ordinance No. 17-1403, For the Purpose of Annexing to the Metro District Boundary Approximately 5.08 Acres Located at 3780 SW 234th Ave in Hillsboro

Metro Deputy Attorney Nathan Sykes and Council President Hughes read the requirements on holding a quasi-judicial hearing and Council President Hughes introduced Mr. Tim O'Brien, Metro staff, to provide a brief staff report. Mr.

O'Brien provided an overview of the annexation request, explained the criteria required and stated that the request met the criteria for annexation into the Metro District Boundary.

Council Discussion

There was none.

4.1.1 Public Hearing for Ordinance No. 17-1403

Council President Hughes opened up a public hearing on Ordinance No. 17-1403 and requested that those wishing to testify come forward to speak. Seeing none, Council President Hughes gavelled out of the public hearing. He noted that second read, Council consideration, and vote on Ordinance No. 17-1403 would take place on Thursday, June 15.

4.2 Ordinance No. 17-1405, For the Purpose of Responding to the Remand from the Oregon Court of Appeals and the Land Conservation and Development Commission Regarding the Designation of Urban and Rural Reserves in Clackamas County and Multnomah County

Council President Hughes introduced Mr. Roger Alfred, Metro staff, to provide a brief staff report. Mr. Alfred explained that Ordinance No. 17-1405 reflected two prior ordinances that the Council adopted related to the reserves: one adopting the findings addressing the court's remand of the Stafford urban reserve area and another that included the findings on the balance and amount of urban reserves in the region. Mr. Alfred informed the Council that Clackamas County and Multnomah County had recently adopted findings incorporating the prior work by the Metro Council, allowing Metro to consolidate all of the findings and approvals into the final ordinance. Mr. Alfred added that since the Metro Council's last action on the reserves, the

agency had reached an agreement with Clackamas County and the Cities of Lake Oswego, West Linn, and Tualatin on an intergovernmental agreement (IGA) with respect to future urbanization of the Stafford area.

Mr. Alfred noted that in addition to the testimony provided at the public hearing, the record would include any written materials received related to the ordinance.

Council Discussion

Councilor Collette clarified that the intergovernmental agreement would be approved as part of the vote on the ordinance on June 15 and Mr. Alfred confirmed that was correct.

4.2.1 Public Hearing for Ordinance No. 17-1405

Council President Hughes opened up a public hearing on Ordinance No. 17-1405 and requested that those wishing to testify come forward to speak.

Councilor Jeff Gudman, City of Lake Oswego: Councilor Gudman testified in support of the reserves IGA. He provided a brief history of the events leading up to the agreement and thanked the respective elected officials, staff, and others who contributed.

Thomas J. VanderZanden, City of Hillsboro: Mr. VanderZanden testified in support of designating Area 9B of East Bethany as urban reserves. He noted that he felt the area fit the factors required to be designated as urban reserves according to state law. Mr. VanderZanden shared a video of the area and demonstrated how the area met the criteria. Please find Mr. VanderZanden's video at the following link: <https://youtu.be/tjuoePLdy-A>; a screenshot of

the video is also available in the June 8 council meeting packet.

Peter Watts, City of Lake Oswego: Mr. Watts shared concerns about the designation of Area 9D in Multnomah County as rural reserves. He noted that the land was not suitable for farmland and should not have been designated as rural reserves. He asked the Metro Council to encourage Multnomah County to reopen the record and address residents' concerns.

Christopher James, City of Portland: Mr. James of the James Law Group spoke on behalf of property owners in the Bethany area of Multnomah County against the designation of the area as rural reserves. He expressed concerns about the lack of due process in the designation and asked that the required standards be met and the findings evaluated correctly. Mr. James also provided written testimony; please see the June 15 meeting packet.

Hank Skade, City of Portland: Mr. Skade testified in support of considering the East Bethany area separate from the rest of Multnomah County's 9B area and designating it as urban reserves. He provided an overview of how the area was unique and did not meet the factors required to be designated as rural reserves. Mr. Skade also provided written testimony; please see the June 15 meeting packet.

Katherine Blumenkron, City of Portland: Ms. Blumenkron also testified against the rural reserves designation of East Bethany. She noted that the area shared many characteristics with North Bethany, which had been designated as urban reserves, and was not suitable for farming. She highlighted the landmarks and features of the area that made it a better fit for urban reserves designation

and asked that Multnomah County provide a fair process that applied the necessary statutory requirements. Ms. Blumenkron also provided written testimony; please see the June 15 meeting packet.

Sandy Baker, City of Portland: Ms. Baker testified against the designation of her family's land as rural reserves. She noted that the area could not be sustainably farmed, had no irrigation rights, and was increasingly surrounded by development. She added that the area also fit the criteria of urban reserves. She asked the Metro Council to support a reevaluation of the designation. Ms. Baker also provided written testimony; please see the June 15 meeting packet.

Council President Hughes gaveled out of the public hearing. He noted that second read, Council consideration, and vote on Ordinance No. 17-1405 would take place on Thursday, June 15.

Council Discussion

Councilors discussed the process moving forward. Mr. Alfred explained how Multnomah County's decision regarding its rural reserves designations affected the findings. Council Harrington asked for clarification regarding land assessment and if it applied only to foundation farmland. Councilors discussed the reserves remand.

5. Chief Operating Officer Communication

Deputy Chief Operating Officer Scott Robinson provided an update on the following events or items: the seventh edition of Metro's Regional Snapshot and the Bike More Challenge. He also invited the Metro Council and staff to join Metro at the Portland Pride Parade on June 18.

6. Councilor Communication

Councilors provided updates on the following meetings or events: the Commercial Real Estate Development Association (NAIOP) Broker Panel & Market Overview, the US Forest Service Chiefs Event Social at the Oregon Zoo Education Center, and the Willamette Falls Riverwalk Design Celebration.

7. Adjourn

There being no further business, Council President Hughes adjourned the Metro Council meeting at 3:11 p.m. The Metro Council will convene the next regular council meeting on June 15 at 2:00 p.m. at the Metro Regional Center in the council chamber.

Respectfully submitted,



Nellie Papsdorf, Legislative and Engagement Coordinator

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JUNE 8, 2017

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
3.1	Minutes	06/08/17	Council Meeting Minutes for June 1, 2017	060817c-01
5.2	Testimony	06/08/17	Steve Barker Regarding Ordinance No. 17-1405	060817c-02
5.2	Testimony	06/08/17	Sandy Baker Regarding Ordinance No. 17-1405	060817c-03
5.2	Testimony	06/08/17	The James Law Group Regarding Ordinance No. 17-1405	060817c-04
5.2	Testimony	06/08/17	Hank Skade Regarding Ordinance No. 17-1405	060817c-05
5.2	Testimony	06/08/17	Katherine Blumenkron Regarding Ordinance No. 17-1405	060817c-06
5.2	Testimony	06/08/17	Jordan Ramis Attorneys at Law Regarding Ordinance No. 17-1405	060817c-07
6.0	Handout	06/08/17	Portland Pride Parade Invitation	060817c-08

ATTORNEYS
CHRISTOPHER JAMES
AREK FRISTENSKY
EXECUTIVE ASSISTANT
LISA SMITH



June 14, 2017

Metro Council
600 NE Grand Avenue
Portland, Oregon 97232
nellie.papsdorf@oregonmetro.gov

Re: Supplemental Submission Opposing Ordinance No. 17-1405

Dear President Hughes and Metro Councilors:

This letter is on behalf of landowners who collectively own approximately 225 acres of land located in the “L” region of Area 9B in Multnomah County and supplements our letter of June 8th, 2017 which is incorporated herein by this reference.

This letter offers context for the current role of Metro in the context of the Owners objections to Ordinance No. 17-1405: specifically, what is Metro’s authority and duty under the facts in issue?

The legislation and regulations creating the reserves process provides in multiple sections that the role of Metro in the designation of reserves includes leading a “coordination” of urban and rural reserves.¹ Metro’s agreement is required for any designation.² The legislation and rules also provide that those designations shall be made based on stated factors and criteria.³

The Statute does not explicitly detail Metro’s duty or authority if a County determination of rural reserves is unconstitutional, violates a statute, or is without appropriate regard to factors or criteria. However, Metro’s own charter and the land use

¹ See e.g. ORS § 195.143(2) (“An agreement between a county and a metropolitan service district to establish rural reserves pursuant to ORS 195.141 and urban reserves pursuant to ORS 195.145 (1)(b) must provide for a coordinated and concurrent process for adoption by the county of comprehensive plan provisions and by the district of regional framework plan provisions to implement the agreement.”); OAR 660-027-0040(10) (providing that “Metro and any county that enters into an agreement with Metro under this division shall apply the factors in OAR 660-027-0050 and OAR 660-027-0060 concurrently and in coordination with one another” and that Metro and the Counties “shall adopt a single, joint set of findings of fact, statement of reasons and conclusions explaining why areas were chosen as urban or rural reserves” under the applicable factors).

² ORS § 195.143(2) (“A county may not designate rural reserves pursuant to ORS 195.141 until the county and the district have entered into an agreement pursuant to ORS 195.141 that identifies the land to be designated as rural reserves by the county in the county’s comprehensive plan.”).

³ See e.g. ORS § 195.141(3) (providing that “[w]hen designating a rural reserve under this section to provide long-term protection to the agricultural industry, a county and a metropolitan service district [i.e. Metro] shall base the designation on consideration” of the enumerated factors) (emphasis added).

laws commit it to lawful and constitutional exercise of its powers. In short, it cannot join or sanction a constitutional or statutory violation.

We then respectfully, but strongly, disagree with Metro counsel that when faced with evidence of these violations, Metro could leave those violations to a “remand” by LCDC or the courts. The primary reason is that these violations are constitutional offenses, and abdications of duty. A decision that is a pretext is inauthentic. Sending that complaint back to the same agency that committed that violation doesn’t meet constitutional standards.

Nor does the failure to apply ORS § 197.040 (a land use decision must employ the least economically harmful option), or the constitution: Metro cannot designate a Stafford property with natural landscape features as urban reserve, and then decline to designate an East Bethany property with natural landscape features and other similarities as urban reserve. These are not Multnomah County’s decisions or actions, these are necessarily Metro’s actions or inactions.

The Equal Protection Clause of the U.S. Constitution provides that no persons similarly situated shall receive different treatment under state laws without justification. As recently as this year Federal courts struck down travel bans for that vice: disparate treatment of non-citizen travelers was found politically motivated and unjustified (from tweets no less). The head of the US Department of Justice had also refused to enforce it after determining it violated the Constitution. Is a 50-year restriction on property rights less or more fundamental than the right of temporary travel to the U.S.?

There is ample evidence in the record that Metro and the Counties treated the Owners’ properties differently than similarly-situated properties without justification. Compare, for instance, Multnomah County’s and Metro’s treatment of Area 1C versus Area 9B, or refusing to sub-divide or separately consider the “L” from the remainder of Area 9B as was done for Areas 7B, 7I, and 8C.

Further, as explained in the Owners’ letter⁴ dated June 8, 2017, Metro and the Counties must ensure that their decisions conform with ORS § 197.040, which provides that LCDC must “assess the likely degree of economic impact on identified property or economic interests” and “assess whether alternative actions are available that would achieve the underlying lawful governmental objective and would have a lesser economic impact.”

It is clear from the record that neither Multnomah County, nor Metro, nor LCDC applied the analysis required under ORS § 197.040. DLCD acknowledged that Area 9B qualified for both urban reserve and rural reserve designation. The “L” is even more qualified for urban reserve. If the analysis of ORS § 197.040 had been applied to the “L” area, the outcome would be a determination that the “L” should be designated as urban

⁴ See Section III of the Appendix to Owners’ letter of June 8, 2017 to Metro Council.

reserve, because that decision would clearly have the “lesser economic impact” to the Owners.

SB 1011 and the implementing regulations are clear that rural reserves are designated jointly by Metro and the three Counties through a joint, coordinated and concurrent process. Metro cannot turn a blind eye to deviations by Multnomah County when it simply “adopts” the actions it took in 2010 based on political considerations.

ORS 195.141(3) provides that “[w]hen designating a rural reserve under this section to provide long-term protection to the agricultural industry, a county and a metropolitan service district [i.e. Metro] shall base the designation on consideration” of the enumerated factors. Moreover, OAR 660-027-0040(10) provides that “Metro and any county that enters into an agreement with Metro under this division shall apply the factors in OAR 660-027-0050 and OAR 660-027-0060 concurrently and in coordination with one another” and that Metro and the Counties “shall adopt a single, joint set of findings of fact, statement of reasons and conclusions explaining why areas were chosen as urban or rural reserves” under the applicable factors.

These statutes do not say “study areas” (which is all that Area 9B is), these statutes say “areas.” Area 9B has two distinct land forms in it; the “L” and the remainder of 9B that in total comprises an area of approximately 2,000 acres. The statute does not mandate that reserve designations apply to the entirety of a study area, which has already been recognized by Metro and the Counties in practice. Specifically, one reason why the Metro Council is considering Ordinance No. 17-1405 today—seven years since Metro made its first joint submission to LCDC—is that the *Barkers Five* court held that Multnomah County failed to “meaningfully explain why consideration of the pertinent factors yields a designation of all land in Area 9D” as it did, finding that “a significant amount of land in [the] area . . . is dissimilar from the rest of the land in that area as demonstrated by the county’s application of the factors.” *Barkers Five, LLC et al. v LCDC*, 261 Or.App. 259, 364 (2014).

The Owners’ have previously submitted evidence that Multnomah County’s decision to designate Area 9B as rural reserve was improperly based on political considerations, rather than an impartial application of the factors.⁵ Metro has a duty to consider the facts and decisions underlying the reserves designations in Multnomah County when evidence is presented that indicates they abridge the requirements of statutes or the Constitution. It would be expected that a County driven by political imperatives would resist the solutions of intra-area carve-outs, or refuse to examine the merits of their prior conduct. That does not absolve the duty of Metro to correct such action—it makes it even more important. If these protections are not in the system, then that system fails to have the constitutional protection required. When the US District Court ruled that it would dismiss the claims of the Owners as premature because it found there would be a “meaningful opportunity” to have their grievances addressed, it did not

⁵ See e.g. Owners’ letter to Metro Council dated June 8, 2017, note 6.

provide a sanctuary, it set an expectation.⁶ It is uncontroverted that Multnomah County has not provided that opportunity.

Metro cannot make an intergovernmental agreement that violates the Constitution or controlling statutes, or which arises from or is tainted by political influence. When Multnomah County declined to take further evidence regarding Area 9D, it violated the remand from the Oregon Court of Appeals. When the County declined to review evidence of political influence on the County's decision regarding the "L," it perpetuated the absence of due process and the absence quasi-judicial procedural protections.

The "L" is different from the rest of Area 9B; the Owners did not get a fair hearing at Multnomah County; and it is Metro's duty to exercise its lawful authority to correct these omissions and commissions. Without that, the system will have failed.

Respectfully Submitted,

THE JAMES LAW GROUP, LLC

Christopher James

On behalf of:
Springville Investors, LLC
Katherine Blumenkron
David Blumenkron
Burnham Farms, LLC
Bob Zahler

⁶ See *Blumenkron v. Eberwein*, 2015 U.S. Dist. LEXIS 129837, *22, 2015 WL 5687869 (D. Or. Sept. 28, 2015) (finding that "a meaningful opportunity remains for Plaintiffs to convince Multnomah County and Metro to change the designation of Area 9B.").

Metro Council Meeting, June 15, 2017

2nd Reading, 6.2; ORD 17-405

Responding to Remand, Oregon Court of Appeals

Good morning Councilors

Steve Baker, married to Sandy Baker, maiden name Barker and along with her siblings Barkers 5 LLC

To complicate further, Sandy's Brother is Steve Barker.

13493 NW Countryview Wy., Portland, Or. 97229

Last week during Council Session you heard quite a bit about Multnomah County and the Community outreach related to the Reserves process. I would like to amplify that with this testimony.

At the end of the May 11th Multnomah County Board Meeting there was a vote taken about the Urban-Rural Reserves Remand, Oregon Court of Appeals. Three of the Commissioners offered a brief explanation of their vote. They were roughly the same:

>Difficult

>Complicated

>Community Outreach

>Will honor the work done by the County and CAC-Citizens Advisory Committee

If I may offer my perspective on the outreach and CAC-Citizens Advisory Committee.

The CAC, Citizens Advisory Committee was, in my opinion, over represented by the Forest Park Neighborhood Association Board. I believe the CAC had four members of that Board on the committee. The members of the Forest Park Neighborhood Association Board are very bright, and committed to their thinking in the Urban and Rural Reserves process.

From my perspective after attending some of the early CAC meetings the Board and CAC had an agenda:
Rural

However, in no way do they speak for the entire area. But that was the affect at the CAC meetings. Between my wife Sandy and me, we attended most of the CAC meetings. And we saw this first hand.

Beyond the CAC meetings for Reserves there were at least two Community Events at Skyline Elementary. The difference in the crowd reaction at the CAC meetings versus the Skyline meetings was stark. At one meeting I heard six different times.....You are adding overlays to my property, not taking some away?

The muffled answer was....Yes.

During the May 4 testimony, Multnomah County Board Meeting, four members of the Forest Park Neighborhood Association Board testified in support of the Reserves process the County followed as members of the CAC.

Of course they would...they dominated the CAC meetings.

Please understand this is not personal. I do not know any of them but at arms-length. But I do not share the same agenda they brought to the process....which was Rural Reserves.

As a side note, the County recently completed the Updated Comprehensive Land use Plan, with a Citizen's Advisory Committee; different but related to the Reserves process.

Yes, you can guess....once again, an over representation of the Forest Park Neighborhood Association's Board.

Last week you heard from my wife Sandy, and other property owner's state that the process Multnomah County followed, coupled with the CAC , for the Reserves was flawed. I agree. And I wanted to amplify what my wife and I witnessed over several months.

Steve Baker

June 15, 2017

Please submit into record

To Metro Council,

Good afternoon...My name is Sandy Baker, Barker's five LLC

Before I start...you should have photos of our property in hand for your review.

I want to note: the projected Bethany maps make us look higher in elevation but in reality our upper property is comparable to the elevation of the bluff or butte adjacent and inside the UGB (where the school is being built)

Our property fits urban best simply because it abuts the North Bethany UGB; we mirror each other with the same watershed, similar terrain, shared creeks connected to natural areas and wildlife. Abbey creek tributaries run into the Bethany Expansion. We have a natural situation that can provide each other with better management under Metro to enhance the natural ecological systems and preserve the surrounding natural landscape features. We are a small valley joined together and in a wonderful position to work in tandem.

In addition, consider the roads: Kaiser and Germantown...working together can provide better road conditions, with bike and walking paths and safer transportation. Our property has 2 creeks that would provide a lovely park system connecting to and from Bethany for people to walk and enjoy. We are buildable at urban density, connected to a community with facilities such as water and sewer. This fits into the philosophy of urban reserves.

We do not have the steep slopes, natural hazards, flood plain or wetlands (I checked the metro maps)...we are below the elevation line the CAC members determined was a visual scenic concern. We are not or should not be considered a Natural Landscape feature, this is above us. And we are not a respectable buffer for foundation Ag Land.

It is mentioned that being kept rural prevents the threat of urban development...well, we have urban above us and directly below, the city of Portland to the east...there is not a lot in between to protect. This is not a logical consideration.

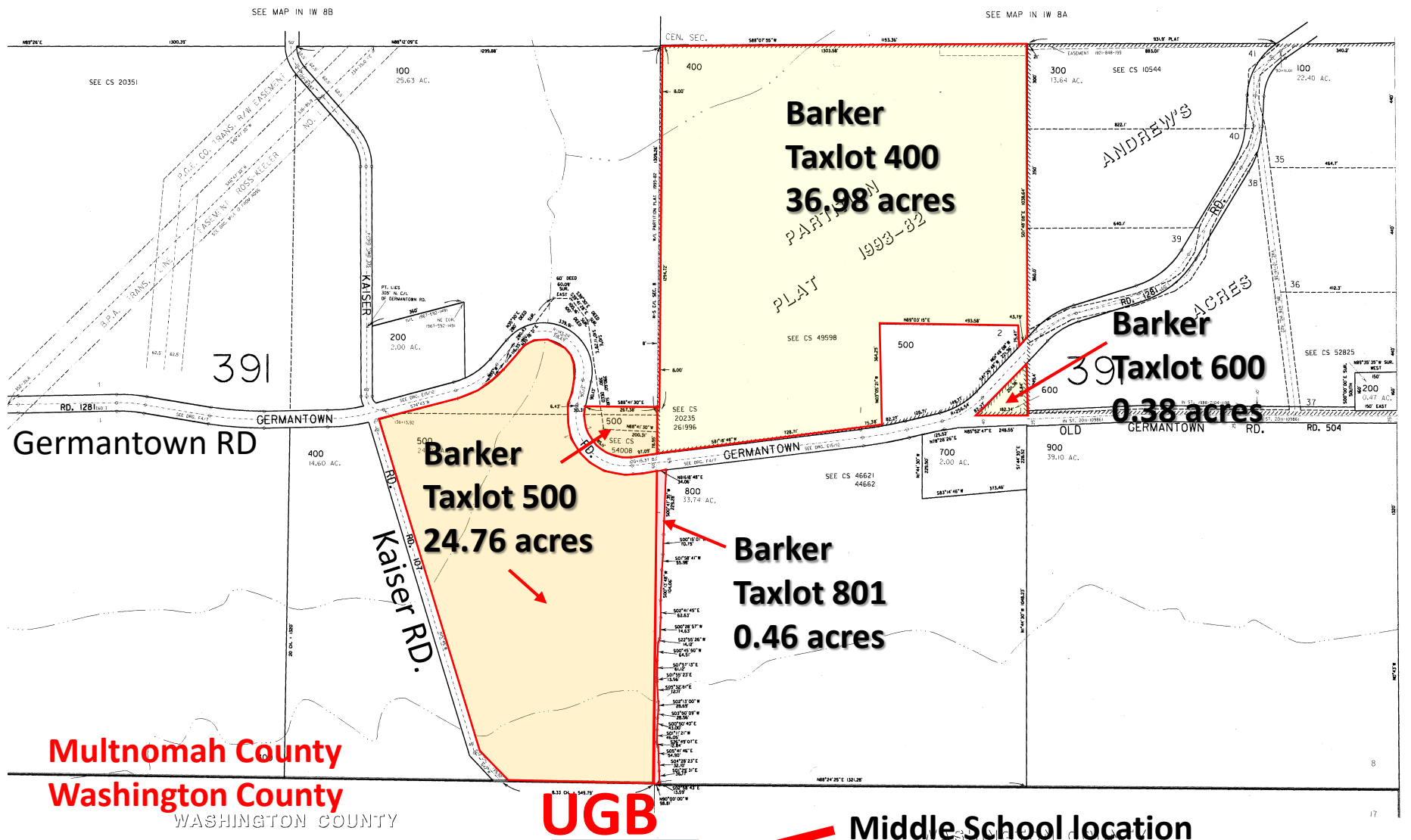
Remand: The bottom line...the reason the Barker property was lumped into all of 9D without a meaningful explanation, is because they couldn't describe our land without damaging or weakening their consideration of factors. It just wouldn't match-up. We are 2 miles south from the top of Skyline Boulevard and Forest Park. Located at the bottom of the foothills...we offer much more being urban rather than rural. And...I certainly don't want to end up being a buffer for the Forest park neighborhood...there cannot be a meaningful explanation to justify that consideration.

Please do the fair and right thing...give us back our property. It's already been a buffer for 50 years.

Thank you for your time

Photos of Barker property relative to middle school within UGB
(adjacent to Barker property)

Steve Barker and Sandy Baker
Barkers Five LLC
June 14, 2017



Barker Property Tax Lots – January 2017 – 62.58 Acres

Conceptual View of Completed Bethany Development Relative to Barker Property



Note: Barker tax lot 400 is about the same elevation as the middle school

Barkers Five LLC



Middle School (within UGB)

Barker tax lot 500

Kaiser road

- Looking south along Kaiser road from the intersection of Germantown and Kaiser roads
- Barker tax lot 500 is on the left of road (east)



Middle School (inside UGB)

Barker tax lot 500 (adjacent to UGB)

Kaiser road

- **Looking south along Kaiser road from the intersection of Germantown and Kaiser roads**
- **Barker tax lot 500 is on the left of road (east)**



Barker property (tax lot 400)
Note elevation relative to school – about the same

Kaiser road

- **Looking north along Kaiser road towards Barker property tax lot 400**
- **Middle School is on the left**
- **Kaiser road is being widened in front of middle school**
- **Note that Barker tax lot 400 is about the same elevation as the school**

Barkers Five LLC



Barker property (tax lot 400)

Kaiser road

- **Looking north along Kaiser road towards Barker property**
- **Middle School is on the left (note road construction)**



Middle school construction inside UGB

Barker property (tax lot 500) adjacent to UGB

- **Looking south across Barker tax lot 500 (standing on Germantown road)**
- **Middle school construction is in the background**

Barkers Five LLC



Barker property (tax lot 500)

Middle school construction

Germantown Road

- Looking south across Barker tax lot 500 from Grandparents homestead (Germantown road in foreground)
- Middle school construction is in the background

June 15, 2017

Metro Council
600 NE Grand Avenue
Portland, Oregon 97232

RE: Metro Ordinance No. 17-1405

Dear President Hughes and Metro Councilors:

My name is Hank Skade, and I am an owner of property located at 14425 NW Springville Road in Multnomah County, Oregon. This property is located within the Lower Springville Road area, also known as the "L," of Reserves Study Area 9B.

I am opposed to Ordinance No. 17-1405 because it would affirm Multnomah County's unlawful actions in designating my property as Rural Reserve. I have previously testified before you, most recently last week on June 8, 2017. Today, I would like to emphasize your duty to apply ORS 197.040 to this process.

The following facts are well documented in Multnomah County's own staff report, the 2009 Multnomah County Urban and Rural Reserve Factors Analysis, and have been presented to you several times:

1. The "L" is a distinct area within Area 9B, and it is substantially different from the rest of Area 9B.
2. The "L" was rated low for Rural Reserve.
3. The "L" was rated medium for Urban Reserve.

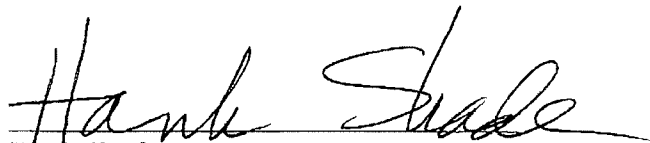
An examination of a topographical map will show that the "important natural landscape features" of the Abbey Creek watershed are almost entirely in the area of 9B that is north and east of the "L." However, if you really believe that there are "important natural landscape features" within the "L," they can easily be preserved within an Urban Reserve setting consistent with the Urban Reserve factors under ORS 660-027-0050.

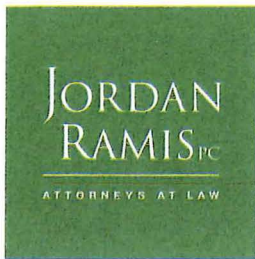
That brings us to ORS 197.040, which outlines the duties of LCDC. This statute requires LCDC to "assess whether alternative actions are available that would achieve the underlying lawful government objective and would have a lesser economic impact" upon the property owners of the "L." This analysis was not done in 2010, it must be done now, and it should be done by Metro. It is not only appropriate that Metro do this analysis, Metro is required to do the analysis. Anything less could jeopardize the entire Reserves process and all of the otherwise good work that has been done over the past several years. There is no doubt that a Rural Reserve designation for the "L" would have severe economic consequences for the landowners for 40 – 50 years to come. An alternative action is available that would have far less economic impact on the landowners, and that alternative action is an Urban Reserve designation for the "L." If the required analysis of ORS 197.040 is done, it is inconceivable that any other

conclusion would be made other than to place the "L" into Urban Reserve. Metro needs to do this analysis before acting on Ordinance No. 17-1405.

Thank you very much.

Respectfully submitted,


Hank Skade



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HAND DELIVERED

June 15, 2017

President Tom Hughes
Metro Council
600 NE Grand Ave
Portland OR 97232-2736

Metro Councilmembers
Metro Council
600 NE Grand Avenue
Portland OR 97232-2736

Re: **Multnomah County Rural Reserves**
Our File No. 52736-73749

Dear President Hughes and Members of the Metro Council:

Thank you for your time and consideration. I am here on behalf of Barker's 5 LLC and the Barker family.

As the Court of Appeals noted, in *Barker's 5 LLC v. LCDC*:

"Foundation Agricultural Lands are agricultural lands that provide the core support to the region's agricultural base. These lands anchor the region's larger agricultural base...."

"Important Agricultural Lands are agricultural lands that are suited to agricultural production and contribute to or have the capacity to contribute to the commercial agricultural economy...."

"Conflicted Agricultural Lands are agricultural lands whose agricultural capacity (soils/water) is more times than not considered excellent."

The record clearly reflects that the Barker's property and the surrounding properties in the lower portion of Area 9D are neither Foundation, Important, or Conflicted. The Barkers do not have water rights, and any possible agricultural activity is negatively impacted by their location adjacent to the fast urbanizing area of North Bethany.

The Court of Appeals further noted, that when designating Urban Reserves, the County and Metro should take into account certain factors. Factors included:

- a) "Can be developed at urban densities in a way that makes efficient use of existing and future public infrastructure investments";

President Hughes
Councilmembers
June 15, 2017
Page 2

- b) "Includes sufficient development capacity to support a healthy urban economy";
- c) "Can be served by public schools and other urban-level public facilities and services efficiently and cost-effectively by appropriate and financially capable service providers";
- d) "Can be designed to be walkable and served by a well-connected system of streets by appropriate service providers";
- e) "Can be designed to preserve and enhance natural ecological systems";
and
- f) "Includes sufficient land suitable for a range of housing types."

The Barker's property is immediately adjacent to the North Bethany area and can clearly be integrated into the urban fabric of the area. I have included a study prepared by the Beaverton School District, to aid in selecting a site for the school in close proximity to the Barker's property. It contains a slope map, demonstrating that the Barker's property has very manageable slopes. Additionally it is in very close proximity to urban services.

When addressing area 9D and the County's findings, the court wrote: "it does not meaningfully explain why consideration of the pertinent factors yields a designation of all of the land in Area 9D—including Barkers' property—as rural reserve. That is so, because, as noted above, the application of the factors to Study Area 6 often yielded different results as to the land in the area that is south of Skyline Boulevard—including Barkers' property."

Now, even more than in 2010, it is clear that the land can be urbanized and the demand for housing stock in the area is clearly demonstrated. If land with the characteristics of the Barker property is designated Rural Reserve, then foundation agricultural lands will be urbanized. This is the opposite of the outcome that was contemplated when Senate Bill 1011 was enacted in 2007.

The Court of Appeals repeatedly acknowledged that both Metro and the County had to agree on both Urban and Rural Reserve designations, writing:

- a) "The designation of urban and rural reserves requires coordination and agreement between Metro and the counties."
- b) "Ultimately, the designation of reserves occurs through agreements between Metro and a county."
- c) "... neither urban reserves nor rural reserves can be created *** unless Metro and a county agree about both urban and rural reserves. This provides a greater degree of protection and accountability."

You, the Metro Council have an up-to-date record that demonstrates the urbanization that has occurred immediately adjacent to Area 9D, as well as the lack of agricultural activity. I have included up-to-date photographs of the North Bethany Development with this written testimony. Ultimately, if you apply the Rural Reserve and Urban Reserve Criteria, specified by the court, the outcome yields an Urban Reserve designation. I ask that you work with Multnomah County to properly designate the Barker's

President Hughes
Councilmembers
June 15, 2017
Page 3

property and other suitable portions of 9D as Urban Reserve. Based on the pace of building and demand for property in North Bethany, our region will need this land for development during the next 50 years. Although the easiest land to develop in our region may be gone, this land is substantially easier to develop than the majority of Urban Reserves in Clackamas County.

Sincerely,

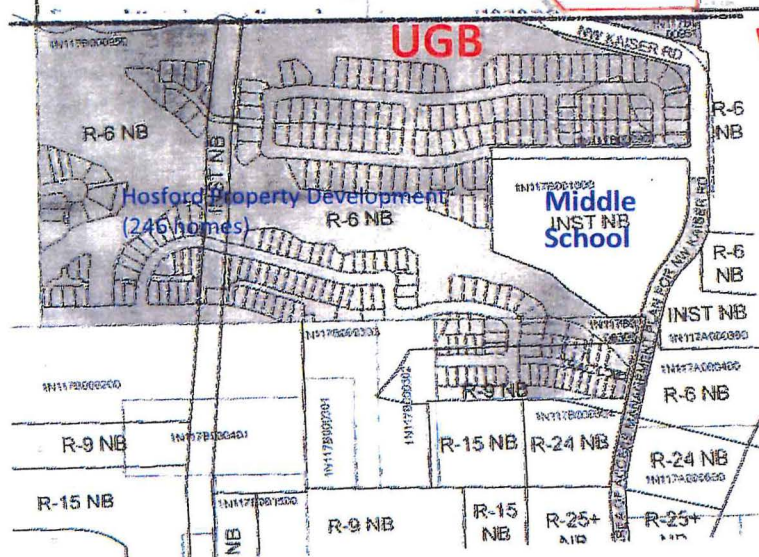
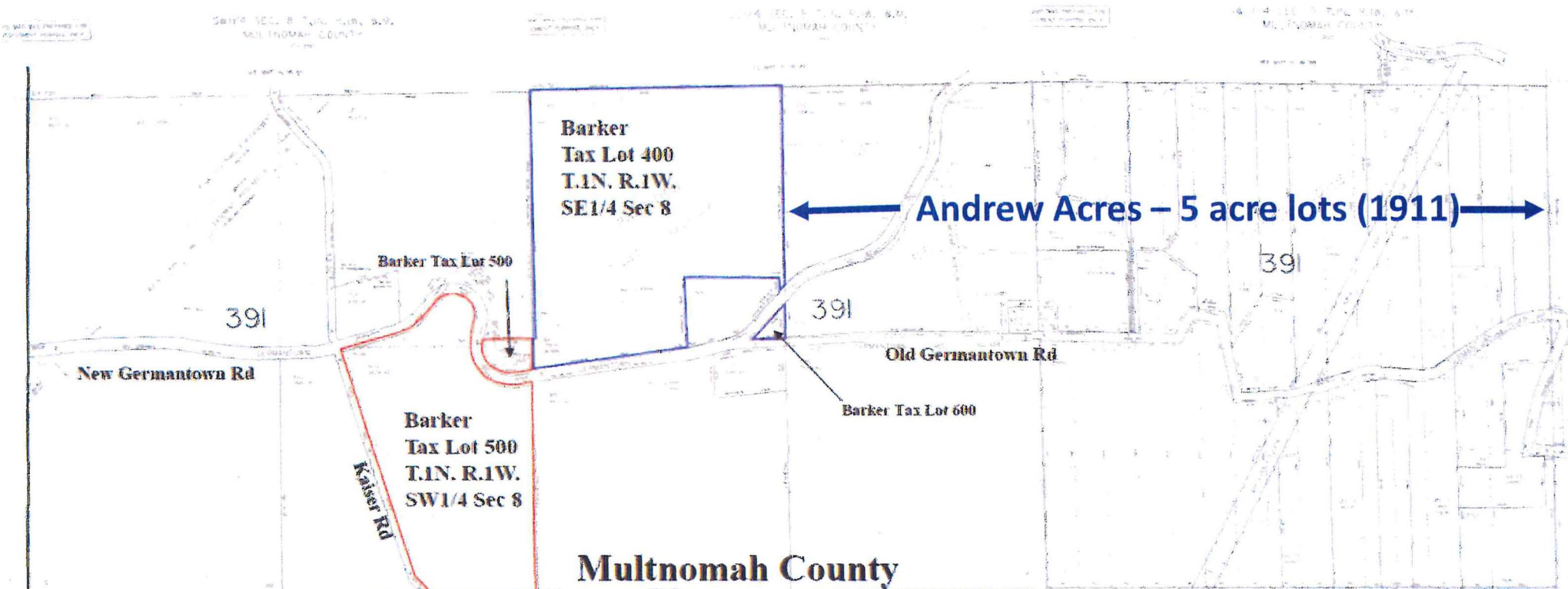
JORDAN RAMIS PC



Peter O. Watts
Admitted in Oregon and Washington
peter.watts@jordanramis.com
OR Direct Dial (503) 598-5547

Enclosures

Development around Barker property



- The Barker family has owned this property for over 110 years
- Barker property is sandwiched between 5 acre lots and high density housing (and a Middle School)
- City of Portland boundary is just a half mile to the north of Barker tax lot 400
- This area should not be part of 9D

NORTH BETHANY ELEMENTARY SCHOOL SITE ASSESSMENT



Prepared for:



Prepared by:



October 10, 2014



Introduction and Purpose

This report provides an assessment of two potential sites for a new elementary school to accommodate enrollment growth in the North Bethany area of Beaverton School District. The North Bethany area and the two potential sites are shown in Figure 1. A new elementary school is planned for the North Bethany area and was included in the 2014 school bond measure. The school was initially not expected to be needed until later in the bond cycle; however, attendance in the beginning of the 2014-2015 school year has indicated that the school may be needed earlier in the cycle. The District is aware of the large number of housing units that have been approved or are in the process for development approval by Washington County in the North Bethany area. Based on tracking by the County and District, it appears that roughly 1,800 new housing units have been approved or are under review for approval.

The District owns two sites for future elementary schools in North Bethany. The sites are the Hosford site ("Site A") and the Perrin/Fishback site ("Site B"), shown in Figure 2. Site A is a single tax lot owned by the District and the Hosford Living Trust¹, and Site B is currently located on two tax lots owned by the Lawrence Perrin Trust, Nish Land LLC, TD Farm LLC, and the District. The District has an application pending with Washington County to create a tax lot of 10 acres that forms Site B².

This report addresses the following development issues in order to evaluate which of the two sites offers the more immediate opportunity to develop the site for an elementary school:

- Zoning and planning
- Nearby development
- Lot configuration and size
- Topography and environmental conditions
- Roads
- Water
- Sewer

This report is intended to provide information and findings on these issues to support discussions and decision-making for the location of a preferred site for a new elementary school.

¹ Site A is held in tenancy-in-common between the Hosford Living Trust and the District. Currently, ownership of the property is shared between the Trust and the District

² Washington County Hearings Officer Public Hearing scheduled for November 20, 2014

Figure 5. Contours and Slopes Map

