



600 NE Grand Ave.
Portland, OR 97232-2736

Council work session agenda

Tuesday, December 11, 2018

2:00 PM

Metro Regional Center, Council Chamber

REVISED 12/7

2:00 Call to Order and Roll Call

2:05 Chief Operating Officer Communication

Work Session Topics:

2:10 Proposed 2018 Amendments to the Visitor Facilities Intergovernmental Agreement (VF IGA) [18-5125](#)

Presenter(s): Andy Shaw, Metro

Attachments: [Work Session Worksheet](#)

2:40 Regional Affordable Housing Bond: Work Plan [18-5127](#)

Presenter(s): Elissa Gertler, Metro

Emily Lieb, Metro

Jes Larson, Metro

Attachments: [Work session worksheet](#)

3:10 Metro Attorney Communication

3:20 Councilor Communication

3:25 Adjourn

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

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**Proposed 2018 Amendments to the Visitor Facilities
Intergovernmental Agreement (VF IGA)**

Work Session Topics

Metro Council Work Session
Tuesday, December 11, 2018
Metro Regional Center, Council Chamber

METRO COUNCIL

Work Session Worksheet

PRESENTATION DATE: December 11, 2018

LENGTH: 30 minutes

PRESENTATION TITLE: Proposed 2018 Amendments to the Visitor Facilities Intergovernmental Agreement (VF IGA)

DEPARTMENT: Venues & Government Affairs and Policy Development

PRESENTER(S): Andy Shaw, 503-797-1769
Scott Cruickshank, 503-797-1790

WORK SESSION PURPOSE & DESIRED OUTCOMES

- Purpose: Review proposed amendments to the VFIGA, which governs how Transient Lodging Taxes (TLT) and Vehicle Rental Taxes (VRT) are used to support tourism facilities, ongoing tourism promotion programs, and community livability and safety.
- Outcome: Council understands the proposed amendments, funding priorities, and governance structure for the VF IGA.

TOPIC BACKGROUND & FRAMING THE WORK SESSION DISCUSSION

Since 2001, the VF IGA has provided funding for key regional tourism facilities, including the expansion of the Oregon Convention Center (OCC), ongoing operating support for the OCC and for P'5 facilities, and funding for tourism promotion and marketing programs. A portion of funds are distributed to the Visitor Development Fund (VDF), which is governed by a board including representatives from all three governments, the travel industry, and Travel Portland. The VDF has proved a successful public-private partnership, leveraging VF IGA funds to attract convention groups to Portland that bring a significant return on investment in local tourism spending.

In 2013, the City, County and Metro amended the VF IGA to add a hotel-tax-backed revenue bond to fund the public portion of the development of the Oregon Convention Center Hotel. The 2013 update also established new funding priorities for both the City and County.

In February of 2018, the Metro Council President, the Mayor of Portland, and the Multnomah County Chair directed their respective staff to work together and with leaders in the tourism industry to develop an update to the VF IGA for consideration in 2018. In May of 2018, the Chair, Mayor, and President signed a Letter of Agreement that outlined four priorities to guide this process:

- **Resilient reserves:** “to create and maintain appropriately sized reserves that protect the VFTA during periods of stress and allow for strategic use of excess funds that accumulate during period of higher growth”
- **Adequate Visitor Development Fund:** to keep pace with growth in the tourism industry, “enhance Portland’s competitive position and assure a nimble response to strategic opportunities”
- **Healthy Facilities:** to “strategically allocate VF IGA funds to enhance the existing facilities keeping them vital and competitive and providing the necessary infrastructure for a robust travel industry”

- **Community Livability and Safety:** to make “investments (that) will improve conditions for the community and people experiencing homelessness, improve the visitor experience, and help Portland remain a desirable destination”

City, County and Metro staff and representatives from Travel Portland, representing the tourism industry, have been meeting throughout 2018 to develop an updated VF IGA agreement. Staff will present the contents of that agreement at work session.

QUESTIONS FOR COUNCIL CONSIDERATION

- Does Council have any questions of staff regarding the proposed 2018 amendments to the VF IGA?

PACKET MATERIALS

- Would legislation be required for Council action Yes No
- If yes, is draft legislation attached? Yes No
- What other materials are you presenting today? A summary of the VFIGA changes, the proposed VF IGA amendments and an updated diagram of the “bucket system” will be presented to the Council.

Regional Affordable Housing Bond: Work Plan

Work Session Topics

Metro Council Work Session
Tuesday, December 11, 2018
Metro Regional Center, Council Chamber

METRO COUNCIL

Work Session Worksheet

PRESENTATION DATE: December 11, 2018 **LENGTH:** 45 min.

PRESENTATION TITLE: Regional Affordable Housing Bond: Work Plan

DEPARTMENTS: Planning and Development, GAPD

PRESENTER(S): Elissa Gertler, Planning and Development
Emily Lieb, Planning and Development
Jes Larson, GAPD

WORK SESSION PURPOSE & DESIRED OUTCOMES

- Purpose: Provide Council an update on Affordable Housing Bond work plan development
- Outcome: Policy direction from Council to inform continued development of the draft Housing Bond Program work plan, scheduled to be finalized mid-January.

TOPIC BACKGROUND & FRAMING THE WORK SESSION DISCUSSION

On Nov. 6, 2018, voters across greater Portland approved a \$652.8 million bond to create affordable homes for families, seniors, people with disabilities, communities of color and others who need affordable homes in our communities. Voters statewide also passed Measure 102, a constitutional amendment to allow affordable housing bond dollars to be implemented in partnership with nonprofit and private housing providers. Together, the passage of these two measures will allow Metro and local partners to create affordable homes for 12,000 people across the region through the bond.

Creating these homes and fulfilling our commitment to the region's voters will depend on considerable collaboration between Metro and eligible implementation jurisdictions, including the three county housing authorities, the four cities that receive federal housing funds, and an array of nonprofits, community organizations, and development partners around the region.

On June 7, 2018, the Metro Council adopted the Metro chief operating officer's recommended framework to guide bond implementation. This framework, informed by stakeholder and partner input, defines core values, targets and expectations for Metro and local partners to create homes for those who need them throughout the region, while advancing racial equity and making good use of public dollars.

Through November and December, Metro staff are working closely with jurisdictional and community partners to advance the Metro Council's adopted framework, as a work plan is developed for Metro Council adoption in late January 2019.

Since the election, staff have engaged implementation jurisdictions, community partners, the stakeholder and technical advisory tables that informed the bond framework's creation and MPAC. These engagements will help Metro's draft work plan best meet the needs of our communities and partners while advancing Council's priorities and fulfilling commitments made to voters.

The work plan will include a governance structure, including a community oversight committee; expectations for local implementation strategies; criteria and technical requirements for projects; compliance and monitoring requirements; and guidelines for program operations. Informed by community partners and stakeholders, Metro staff are also developing expectations for community engagement and advancing racial equity throughout bond implementation. These guidelines will be included in the work plan adopted by Metro Council.

At the Metro Council's work session on Dec. 11, staff will provide an overview of the bond work plan's elements, share themes from stakeholder discussions, present a timeline for adoption by the Metro Council and subsequent implementation activities, and receive Councilors' feedback and questions.

QUESTIONS FOR COUNCIL CONSIDERATION

- What policy direction does Council have for staff as we continue to draft the work plan, and finalize for Council's adoption?

PACKET MATERIALS

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

Materials following this page were distributed at the meeting.



Metro



Visitor Facilities Intergovernmental Agreement & Visitor Facilities Trust Account: 2018 Update

VF IGA Timeline



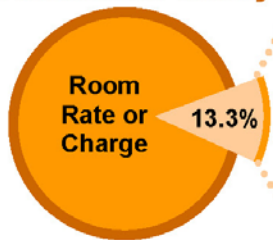
2001 VFTA established through VF IGA

2013 VF IGA Amendment

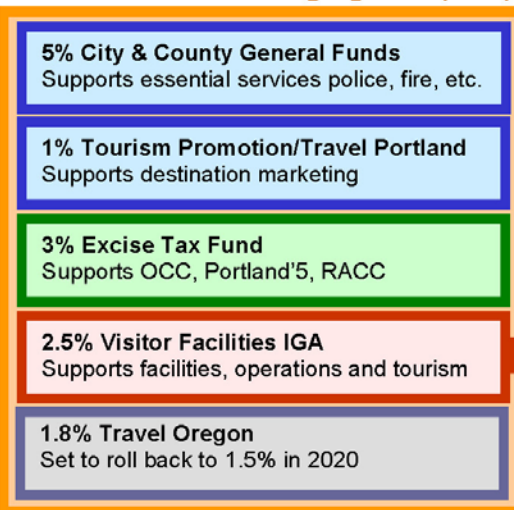
2018 VF IGA Amendment Developed

Visitor Facility Trust Account, current

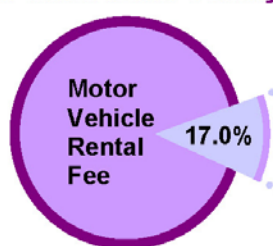
TOTAL VISITOR HOTEL ROOM COST in Multnomah County



13.3% Transient Lodging Tax (TLT)



TOTAL MOTOR VEHICLE RENTAL FEES in Multnomah County



17% Motor Vehicle Rental Tax (VRT)



Visitor Facilities Trust Account (VFTA)

Debt Service for Facility Bonds

1. OCC 2011 Bonds
2. Stadium 2001/2013 Bonds
3. OCC Hotel Project Bonds

Support for Operations, Programs, Services, Capital Improvements and Marketing

4. OCC Operating Support
5. County Visitor Facilities and Operations Support
6. Enhanced OCC Marketing
7. Convention Visitor Public Transit Passes
8. Visitor Development Fund, Inc
9. Portland'5 Operations Support
10. Rose Quarter Facilities and City Tourism Support

Revenue Stabilization Reserves

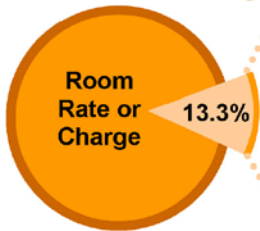
11. Restricted Reserve
6/30/17 - \$9,837,581
12. Bond Redemption Reserve
6/30/17 - \$10,593,887

Hyatt Regency Portland at OCC



Visitor Facility Trust Account, proposed

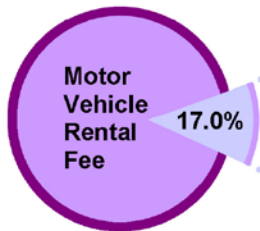
TOTAL VISITOR HOTEL ROOM COST in Multnomah County



13.3% Transient Lodging Tax (TLT)

5% City & County General Funds Supports essential services police, fire, etc.
1% Tourism Promotion/Travel Portland Supports destination marketing
3% Excise Tax Fund Supports OCC, Portland'5, RACC
2.5% Visitor Facilities IGA Supports facilities, operations and tourism
1.8% Travel Oregon Set to roll back to 1.5% in 2020

TOTAL MOTOR VEHICLE RENTAL FEES in Multnomah County



17% Motor Vehicle Rental Tax (VRT)

14.5% County General Fund Supports essential services
2.5% Visitor Facilities IGA Supports facilities, operations and tourism

Visitor Facilities Trust Account (VFTA)

Debt Service for Facility Bonds

1. OCC 2011 Bonds
2. Stadium 2001/2013 Bonds
3. OCC Hotel Project Bonds
4. Veterans Memorial Coliseum Renovation Bonds
5. Portland'5 Centers for the Arts Renovation Bonds

Support for Operations, Programs, Services, and Marketing

6. OCC Operating Support
7. Livability and Safety Supportive Services
8. Enhanced OCC Marketing
9. Convention Visitor Public Transit Passes
10. Visitor Development Fund, Inc
11. Portland'5 Operations Support
12. Rose Quarter Facilities and City Tourism Support
13. Portland Expo Operations Support
14. Additional Livability and Safety Supportive Services

Revenue Stabilization Reserves

15. Restricted Reserve
16. Strategic Reserve
17. General Reserve

New allocations shown above in blue

Attract more visitors to the Oregon Convention Center



Preserve and protect what we love



Reduce Homelessness and Improve Livability



Questions?





Metro



Housing bond program update

Council Work Session | 12.11.18

Voters: 'Yes' to housing



Framework: Production targets

3,900 affordable homes:

- 1,600 deeply affordable (<30% Area Median Income)
- At least half sized for families (2+ bedrooms)



Framework: Core values

Lead with racial equity.

Create opportunity for those in need.

Create opportunity throughout the region.

Ensure long-term benefits and good use of public dollars.



Preparing for implementation

November

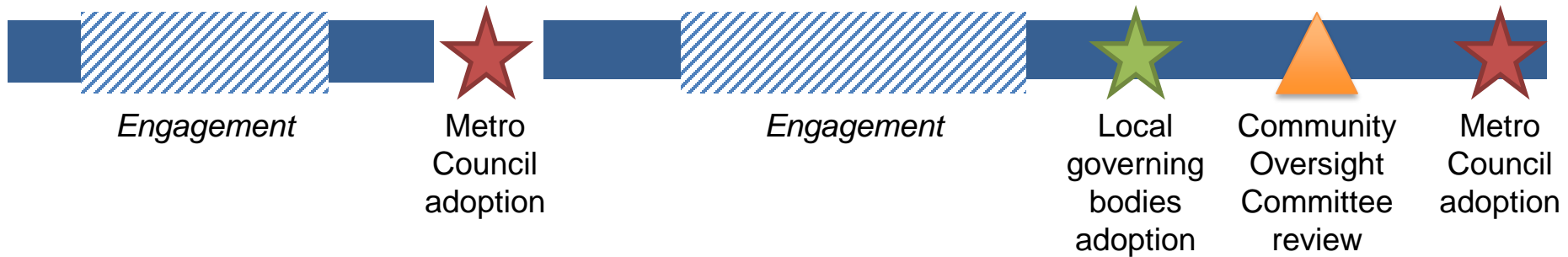
January

Late
spring

Early
summer

Metro's work plan

Implementation Strategies development



Phase 1 projects (optional)

Phase 1 project concepts reviewed by Oversight Committee & approved by Metro Council

Metro's role

Community Oversight Committee

Clear criteria for funding, monitoring and reporting

Expectations for local implementation, including community engagement and advancing racial equity

Regional site acquisition program

Jurisdiction guidebook and technical assistance

Feedback from the region



Four policy questions

Role of the Oversight
Committee

Outcomes based approach

Community engagement
expectations and timeline

Ensuring workforce outcomes



Community Oversight Committee

Primary role to ensure accountability to voters

Clear criteria to evaluate outcomes

Accessible, transparent and frequent reporting

Diverse geographic representation

Range of expertise, perspectives



Outcomes-based approach

Community stakeholders
emphasize setting standards

Implementing partners
emphasize local flexibility

Agreement – it's about who
can access housing



Community engagement

Focus on quality

Concern for community and jurisdictional capacity

Strategy focused engagement is time limited

Project focused engagement will be ongoing



Workforce outcomes

Economic benefits are a matter of racial equity

Multiple approaches to advancing racial equities in workforce outcomes

Jurisdictions are starting with very different capacities



Four policy questions

Role of the Oversight
Committee

Outcomes based approach

Community engagement
expectations and timeline

Ensuring workforce outcomes



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Housing Bond Program Work Plan Development: Key Policy Questions
Metro Council Work Session | December 11, 2018

Policy Question	Stakeholder Input Themes	Considerations	Staff Recommendations	Council Guidance
What is the right role for the community oversight committee ?	<p><i>Community:</i></p> <ul style="list-style-type: none"> Primary role should be to ensure accountability to voters. Clear criteria needed to evaluate outcomes. Provide accessible information and transparent process. Include diverse expertise and perspectives. <p><i>Implementers:</i></p> <ul style="list-style-type: none"> Include diverse geographic representation. 	<ul style="list-style-type: none"> Project feasibility will be evaluated by Metro staff and consultants. The committee will need to meet more frequently in the first year. The committee will need to be nimble and responsive. 	<ul style="list-style-type: none"> Primary role of the committee should be to monitor progress, recommend actions to achieve program outcomes, and ensure transparency and accountability. Oversight committee should not be responsible for project feasibility analysis. Allow capacity to add additional members to the committee over time if needed. 	
Is an outcomes-based approach the right strategy?	<p><i>Community:</i></p> <ul style="list-style-type: none"> Set regional standards up front; concerns about local accountability without these. Outcomes metrics should be informed by communities of color and people with lived affordable housing experience. Include seniors and people with disabilities in expectations for advancing racial equity. <p><i>Implementers:</i></p> <ul style="list-style-type: none"> Local flexibility is critical to success and speed of implementation. Align with existing funding program requirements and metrics. Limit requirements with cost impacts that will hinder ability to achieve unit production targets. Provide flexibility and incentives for innovation. Provide financial and technical assistance to achieve outcomes. 	<ul style="list-style-type: none"> Each funding request will be evaluated for proportionate contribution to regional unit production targets and consistency with approved Implementation Strategies. An IGA already exists to coordinate monitoring and metrics among multiple housing agencies across the state. Metro staff are developing a toolkit of emerging best practices for advancing racial equity in affordable housing. Many affordable housing and service providers have DEI strategies. 	<ul style="list-style-type: none"> Outcomes-based approach balances need for flexibility with confidence in success. A focus on outcomes can foster positive competition and innovation. Metro should require consistent regional metrics that align with statewide standards, and avoid reporting requirements that create substantial costs. Metro should evaluate key additional metrics to track outcomes for advancing racial equity based on best practices and community inputs. Metro should deploy technical assistance to support implementation partners in achieving the outcomes. 	
How should we balance robust community engagement with the need for implementation to begin quickly?	<p><i>Community:</i></p> <ul style="list-style-type: none"> Quality engagement is paramount: local implementation strategies should describe how input from communities of color and impacted communities shaped decisions. Outreach should be driven by quantitative and qualitative data about historically marginalized communities. Concern about stakeholder fatigue and community capacity. <p><i>Implementers:</i></p> <ul style="list-style-type: none"> Concern about jurisdiction capacity and time frame. Concern about stakeholder fatigue and community capacity. Concern about duplication of efforts and community capacity to participate in parallel engagement processes. 	<ul style="list-style-type: none"> Community and stakeholder engagement informed the framework and program goals. After IGA completion, jurisdictions will shift to project specific engagement. 	<ul style="list-style-type: none"> The proposed engagement timeline should be maintained to facilitate implementation strategy approval and IGAs in July 2019. Engagement should be focused on specific elements of implementation, such as strategies for advancing racial equity throughout implementation. Engagement to inform Metro's Site Acquisition Program should support and complement local engagement. Metro should support coordinated engagement to respect stakeholder/community capacity. 	
What guidance should Metro provide to implementers regarding equitable workforce outcomes ?	<p><i>Community:</i></p> <ul style="list-style-type: none"> Equitable workforce strategies are an essential component of advancing racial equity. MWESB contracting goals alone aren't sufficient for achieving equitable workforce outcomes. Wages, apprenticeship training, and access to job opportunities should also be considered. <p><i>Implementers:</i></p> <ul style="list-style-type: none"> It's important to ensure that workforce goals don't curtail achieving unit production goals. Concern there isn't enough workforce capacity region-wide to achieve aggressive targets. 	<ul style="list-style-type: none"> All bond projects will be subject to state and federal wage requirements. Implementation jurisdictions have varying commitments and capacity for monitoring MWESB and workforce goals. MWESB is easier to monitor than workforce participation. Construction Careers Pathways Project (C2P2) is working to build regional capacity for achieving equitable workforce outcomes. 	<ul style="list-style-type: none"> Metro's Site Acquisition Program should pilot innovative approaches to workforce equity. Metro should require that jurisdictions set goals to advance their current workforce goals and practices, and use outcomes to adjust expectations annually as needed. 	

Conditions of Approval on Land Added to UGB

A. Comprehensive planning in the four UGB expansion areas:

1. Within four years after the date of this ordinance, the four cities shall complete comprehensive planning consistent with Metro code section 3.07.1120 (Planning for Areas Added to the UGB).
2. The four cities shall allow, at a minimum, single-family attached housing, including townhomes, duplexes, triplexes, and fourplexes, in all zones that permit on all lots on which single family housing is allowed in the expansion areas.
3. ~~Within four years after the date of this ordinance, the four cities shall amend their codes to ensure that any future homeowners associations in the expansion areas will not regulate housing types, including accessory dwelling units, or impose any siting or design standards that discourage housing that would otherwise be allowable under city zoning.~~
4. ~~Within four years after the date of this ordinance, the four cities shall amend their codes to ensure that any future homeowners associations in the expansion areas will not require owner occupancy of accessory dwelling units.~~
5. The four cities shall explore ways to encourage the construction of ADUs in the expansion areas.
6. As the four cities conduct comprehensive planning for the expansion areas, they shall address how their plans implement relevant policies adopted by Metro in the 2014 regional Climate Smart Strategy regarding: (a) concentrating mixed-use and higher density development in existing or planned centers; (b) increasing use of transit; and (c) increasing active transportation options. The cities shall coordinate transportation strategies with the appropriate county and transit provider regarding identification and adoption of transportation strategies.
7. As the four cities conduct comprehensive planning for the expansion areas, they shall regularly consult with Metro Planning and Development staff regarding compliance with these conditions, compliance with the Urban Growth Management Functional Plan, compliance with the state Metropolitan Housing Rule, and use of best practices in planning and development, and community engagement. To those ends, cities shall include Metro staff in advisory groups as appropriate.
8. At the beginning of comprehensive planning, the four cities shall develop – in consultation with Metro – a public engagement plan that encourages broad-based, early and continuing opportunity for public involvement. Throughout the planning process, focused efforts shall be made to engage historically marginalized populations, including people of color, people with limited English proficiency and people with low income, as

Commented [RA1]: Moving this to the "citywide" requirements to apply to any future HOAs (not only in expansion areas), with a couple of other revisions regarding timing and clarifying intent.

Commented [RA2]: Moving this to citywide section also, with a revision regarding timing.

well as people with disabilities, older adults and youth.

B. Citywide requirements (for the four cities):

1. ~~Before amending their comprehensive plans to include the expansion areas~~ Within one year following the date of this ordinance, the four cities must shall demonstrate compliance with Metro code section 3.07.120 (g) and ORS 197.312(5) regarding accessory dwelling units. In addition to the specific requirements cited in Metro code and state law, cities shall not require that accessory dwelling units be owner occupied and shall not require off street parking when street parking is available.
2. ~~Before amending their comprehensive plans to include the expansion areas~~ Within one year following the date of this ordinance, the four cities must shall demonstrate compliance with ORS 197.309 regarding clear and objective standards for affordable housing.
3. ~~Before amending their comprehensive plans to include the expansion areas, the four cities shall amend their codes to ensure that any future homeowners associations will not regulate housing types, including accessory dwelling units, or impose any standards that would have the effect of prohibiting or limiting the type or density of housing that would otherwise be allowable under city zoning.~~
4. ~~Before amending their comprehensive plans to include the expansion areas, the four cities shall amend their codes to ensure that any future homeowners associations will not require owner occupancy of homes that have accessory dwelling units.~~
5. The four cities shall continue making progress toward the actions described in Metro Code section 3.07.620 (Actions and Investments in Centers, Corridors, Station Communities, and Main Streets).
6. Cities shall seek to implement variable system development charges scaled to building size to reduce the costs of building smaller homes in order to make them more affordable to the purchaser.
7. For at least six years after this UGB expansion, the four cities shall provide Metro with a written annual update on compliance with these conditions as well as planning and development progress in the expansion areas. These reports will be due to the Metro Chief Operating Officer by December 31 of each year, beginning December 31, 2019.

C. Beaverton:

1. Beaverton shall plan for at least 3,760 homes in the Cooper Mountain expansion area.

accessory dwelling units in the city.

- b. Remove or increase the requirement that accessory dwelling units be no bigger than 33 percent of the square footage of the primary home so that an accessory dwelling unit of at least 800 square feet would be allowable.
8. The Columbia Land Trust holds a conservation easement over portions of the Bankston property, which King City's concept plan identifies as the intended location for a key transportation facility serving the expansion area. King City shall work with the Columbia Land Trust to protect, to the maximum extent possible, the portion of the Bankston property covered by the conservation easement.
9. To reduce housing costs, King City shall, in its comprehensive planning, explore ways to encourage the use of manufactured housing in the expansion area.

F. Wilsonville:

1. Wilsonville shall plan for at least 1,325 homes in the Advance Road expansion area.
2. The expansion area shall be designated Neighborhood on the 2040 Growth Concept map.
3. The city may propose the addition of Corridors for depiction on the 2040 Growth Concept map as an outcome of comprehensive planning for the area.

G. West Union Village Property:

1. There shall be no change of use or intensification of individual uses on any portion of the 4.88-acre property until Urban Reserve Area 8F has been brought into the UGB and the City of Hillsboro has adopted comprehensive plan amendments for the surrounding urban reserve land.

Exhibit C to Ordinance No. 18-1427

2. The expansion area shall be designated Neighborhood on the 2040 Growth Concept map.
3. The city may propose the addition of Corridors for depiction on the 2040 Growth Concept map as an outcome of comprehensive planning for the area.

D. Hillsboro:

1. Hillsboro shall plan for at least 850 homes in the Witch Hazel Village South expansion area.
2. The expansion area shall be designated Neighborhood on the 2040 Growth Concept map.
3. The city may propose the addition of Corridors for depiction on the 2040 Growth Concept map as an outcome of comprehensive planning for the area.

E. King City:

1. King City shall coordinate with Washington County and the City of Tigard as it engages in its work on a Transportation System Plan, other infrastructure planning, and comprehensive planning.
2. Before amending the King City comprehensive plan to include the expansion area, King City shall conduct additional market analysis to better understand the feasibility of creating a new mixed-use town center.
3. Pending the results of the market analysis of a new town center, King City shall plan for at least 3,300 homes in the Beef Bend South expansion area. If the market analysis indicates that this housing target is infeasible, King City shall work with Metro to determine an appropriate housing target for the expansion area.
4. The expansion area shall be designated Neighborhood on the 2040 Growth Concept map.
5. Pending the results of the market analysis of a new town center, Metro will work with King City to make necessary changes to the 2040 Growth Concept map.
6. Prior to amending the King City comprehensive plan to include the expansion area, King City shall complete a Transportation System Plan for the city.
7. Prior to amending the King City comprehensive plan to include the expansion area, King City shall amend its code to remove barriers to the construction of accessory dwelling units, including:
 - a. Remove the requirement that accessory dwelling units can only be built on lots that are at least 7,500 square feet, which effectively prohibits construction of



Date: December 10, 2018

From: Bob Sallinger, Audubon Society of Portland

To: Levee Ready Partners

Re: Composition of proposed Flood Safety and Water Quality District Board

Dear Levee Ready Partners,

I am writing on behalf of Audubon Society of Portland regarding the proposed Flood Safety and Water Quality District Board of Directors. Audubon has significant concerns about both the interim and permanent board structures as proposed in the Legislative Concept (LC) as well as an amendment we understand will be proposed by the Port of Portland as the process moves forward. We are also concerned that changes in the final round of edits to the LC have overall weakened the degree to which environmental protection and restoration will be incorporated into the new proposed district.

Audubon believes that the Levee Ready process has a steep uphill climb to convince the community and the legislature that there is need for a new special district, especially one that has the ability to assess fees and which ultimately anticipates passing a regional bond measure to fund its activities. We believe that the success of this proposal will turn largely on whether the public believes that this new district will substantially improve the health and safety of our environment. In order to do so, the district will need to move beyond outdated 20th century gray infrastructure based flood control strategies and towards innovative 21st century flood management strategies that incorporate environmental restoration, environmental justice and resiliency in the face of climate change. An inclusive governance structure that is truly representative of the community will be essential to build engagement and support for this endeavor.

While the Levee Ready Process has done a good deal of solid work to date, one of the challenges of this process has been the degree to which it has been dominated by public agencies and political staffers with much more limited participation from neighborhoods and community groups. That is in part a reflection of the largely technical and administrative work that marked the first phases of this process. However a more balanced, inclusive approach will be necessary in order to generate the support and engagement that will be required to move through the legislative phase and beyond. We are concerned that instead of turning that corner, the Levee Ready leadership is instead building in short and long-term structures that perpetuate the status quo, preserve control for the governmental entities that have dominated the process to date and inspire little confidence that the public will have a meaningful voice at the table.

Initial Board Structure: The Legislative Concept has shifted from a nine person initial board appointed by the County and comprised of stakeholders to a fourteen person initial board appointed by the

Governor and comprised primarily of representatives of local governments and special districts with a total of just three seats reserved for neighborhoods, public interest groups and businesses respectively. Our understanding is that this last minute shift was designed to increase the comfort level of the governmental entities that currently comprise the initial governance board that has been guiding the process to date, by basically perpetuating the same membership onto the first board for the new district. While this structure may have been the appropriate governance model for organizing the initial Levee Ready Partnership, it was never presented or intended to be the model for the governance board of the new district. While we recognize a need to ensure that there is adequate expertise and continuity to build and lead the new district in its earliest stages, we also believe that there should be a significant portion of board membership allocated to community representation. This is all the more important since the LC specifies that the initial board will make recommendations to the governor on future appointments to the board; if the current LC stands, the same board that is now perpetuating itself onto the initial district board will again have the opportunity to perpetuate itself when the permanent board structure is put in place. The overwhelming predominance of governmental entities on the initial board strikes us as excessive and perpetuates the insularity of the existing process.

Permanent Board Structure and Stakeholder Advisory Committee: The permanent board structure has also been modified in ways that seem to increase emphasis on governmental representation at the expense of community representation. First, the board has been reduced from nine to seven board members. Second, the appointed seat reserved for a representative of environmental interests has been eliminated. Third, the Port of Portland has been added as an ex officio member. Finally, the most recent draft of the LC adds a new "stakeholder advisory committee" on which every designated member is a representative of a local governmental entity. The composition of the permanent board structure appears to us to once again be overly preoccupied with ensuring that local governments are represented and indifferent towards representation by local neighborhoods, community groups, environmental groups, environmental justice groups, frontline communities, other non-governmental stakeholders, tribes, etc. who also have a vested interest in the Columbia River levee system.

Port of Portland Representation on the District Board: The current draft of the LC specifies that the Port of Portland Commission will be able to designate a representative of the Port to serve as an ex officio member of the new district board. The Port is the only entity that is provided with the special status of a guaranteed permanent seat on the board of the new district. However, our understanding from conversations with the Port and others is that the Port intends to go even further and seek an amendment that will convert the status of this position from ex officio to a full voting member of board. Audubon respectfully opposes the inclusion of a guaranteed, permanent seat for the Port of Portland on the board of the new district (either as an ex officio or full voting member). While we recognize that the Port is the largest property owner within the flood district, there are in fact many other stakeholders including neighborhoods, local municipalities, Metro, business interests, community groups and tribes that also have deep vested interests in the operation of this new district---none of these entities are requesting or being offered the special status being sought by the Port of Portland. Further, there is already broad community concern about the lack of community representation on the Port of Portland Commission---giving the Port Commission the ability to appoint a permanent seat on another governmental entity perpetuates and amplifies a situation that many community organizations already find deeply problematic. Finally, the Port has longstanding conflicts with the conservation community---

providing the Port with a protected seat on the board of a new special district charged with protecting water quality and the local environment will undermine the credibility of this new proposed district and provoke strong opposition to this effort right from the start.

Environmental Purpose: While there has been some improvement to the environmental language in Section 1 (Purpose), the environmental language in Section 3 (Creation of a Flood Safety and Water Quality District: Purpose and Limitations) has been weakened and largely eliminated. Notable in Section 1 is the decision to change the “provide for” to “contribute to” environmental goals. Also notable in Section 1 is the decision to change the term “healthy fish and wildlife habitat” to simply “habitat” and to not include any direct reference to climate change. Notable in Section 3(1) is the complete removal of reference to “water pollution control, water quality and fish and wildlife resources. Additionally, the seat reserved for an environmental representative has been removed from the Permanent Board structure while other designated seats have been retained. The LRC appears to be struggling with the degree to which it supports a true environmental purpose for the new proposed district. These changes undermine the degree to which environmental protection and restoration will be incorporated into the mission of the new proposed district.

Environmental Justice: We appreciate the inclusion of language referencing environmental justice in Sections 1 (purpose) and 7 (Duties of the Board). However there is nothing in the composition of the initial or permanent board structures that gives us any confidence that in fact these interests will be represented in the governance structure of the new board.

Conclusion: Audubon appreciates being part of the Levee Ready Columbia process and believes that a new special district that consolidates the existing flood management agencies has significant potential to increase the health and safety of our communities in ways that integrate environmental restoration, environmental justice, climate change resiliency and expanded community participation. We believe all of these elements will be essential in order to make a compelling case to the public for a new special district and the significant costs associated with it. As we move into the legislative process, we would respectfully urge the LRC to focus time and energy on amendments that remedy the deficiencies outlined in this letter.



Bob Sallinger
Conservation Director
Audubon Society of Portland