

A G E N D A

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736
TEL 503 797 1538 | FAX 503 797 1793



METRO

MEETING: METRO COUNCIL REGULAR MEETING - REVISED
DATE: November 21, 1996
DAY: Thursday
TIME: 2:00 PM
PLACE: Council Chamber

Approx.
Time*

Presenter

- | | | |
|---------------------|---|--------|
| 2:00 PM | CALL TO ORDER AND ROLL CALL | |
| (5 min.) | 1. INTRODUCTIONS | |
| (5 min.) | 2. CITIZEN COMMUNICATIONS | |
| (15 min.) | 3. EXECUTIVE OFFICER COMMUNICATIONS | |
| (20 min.) | 4. RISK MANAGEMENT SEMI-ANNUAL REPORT | |
| | 5. CONSENT AGENDA | |
| 2:35 PM
(5 min.) | 5.1 Consideration of Minutes for the November 7, 1996 and November 14, 1996 Metro Council Regular Meetings. | |
| | 6. ORDINANCES - FIRST READING | |
| 2:40 PM
(5 min.) | 6.1 Ordinance No. 96-665 , For the Purpose of Coordinating Comprehensive Plans by Establishing an Urban Service Boundary. | |
| 2:45 PM
(5 min.) | 6.2 Ordinance No. 96-657 , For the Purpose of Amending the FY 1996-97 Budget and Appropriations Schedule. Transferring \$10,000 from the General Fund Contingency to Council Materials and Services. | |
| 2:50 PM
(5 min.) | 6.3 Ordinance No. 96-667 , An Ordinance Amending the FY 1996-97 Budget and Appropriations Schedule in the Spectator Facilities Fund By Transferring \$273,500 from Contingency to the Materials and Services and Capital Outlay Portions of the Portland Center for the Performing Arts Budget to Provide for Capital Renewal and Replacement; and Declaring an Emergency. | |
| | 7. ORDINANCES - SECOND READING | |
| 2:55 PM
(30 min) | 7.1 Ordinance No. 96-647C , For the Purpose of Adopting a Functional Plan for Early Implementation of the 2040 Growth Concept. (Final action may be taken.) | McLain |

3:25 PM (5 min)	7.2	Ordinance No. 96-660A , An Ordinance Amending the FY 1996-97 Budget and Appropriations Schedule in the Spectator Facilities Fund by Transferring \$26,500 from Contingency to the Capital Outlay Portion of the Portland Center for the Performing Arts Budget to Provide for Capital Renewal and Replacement; and Declaring an Emergency.	McFarland
	8.	RESOLUTIONS	
3:30 PM (5 min)	8.1	Resolution No. 96-2419A , For the Purpose of Authorizing Signature of the Intergovernmental Agreement Forming the Regional Water Providers Consortium.	McLain
3:35 PM (10 min)	9.	COUNCILOR COMMUNICATION	
		ADJOURN	

CABLE VIEWERS: This meeting is shown on Channel 30 the first Sunday after the meeting at 8:30 pm. The entire meeting is also shown again on the second Monday after the meeting at 2:00 pm on Channel 30.

All times listed on the agenda are approximate; items may not be considered in the exact order.

For questions about the agenda, call Clerk of the Council, Chris Billington, 797-1542.

For assistance per the American with Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office)

Agenda Item Number 4.0

SEMI-ANNUAL REPORT ON RISK MANAGEMENT

**Metro Council Meeting
Thursday, November 21, 1996
Council Chamber**


METRO

Date: November 1, 1996

To: Metro Council

From: Mike Burton, Executive Officer *mburton*

Re: Semi-Annual Report on Risk Management

INTRODUCTION

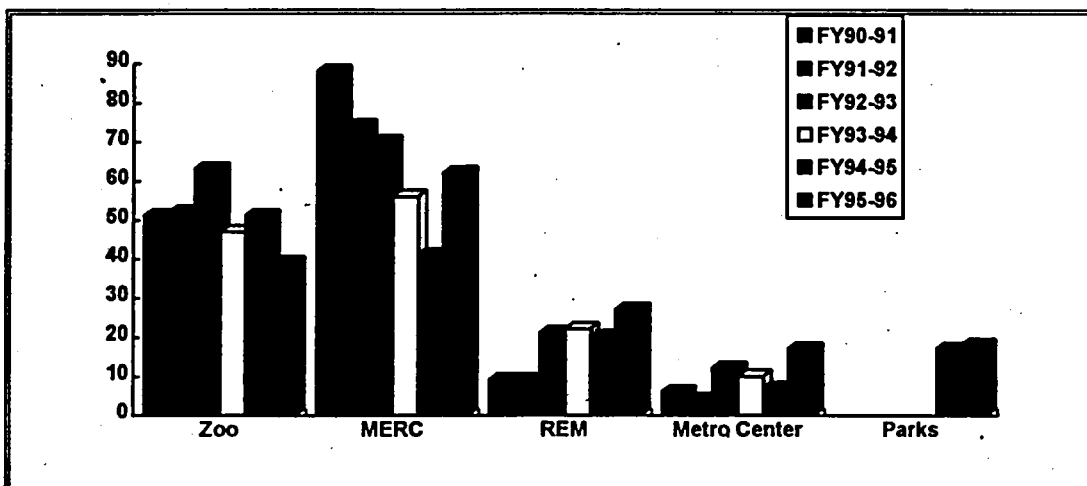
This report describes the Risk and Contract Management Division's activities for FY 1995-96. Risk and Contract Management is part of the Administrative Services Department.

Risk Management has four primary areas of responsibility:

1. Save money by reducing the effects of claims and purchasing insurance only for potentially catastrophic losses.
2. Promote safety to assure Metro and Metro ERC is a safe place to work and visit.
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Risk Management

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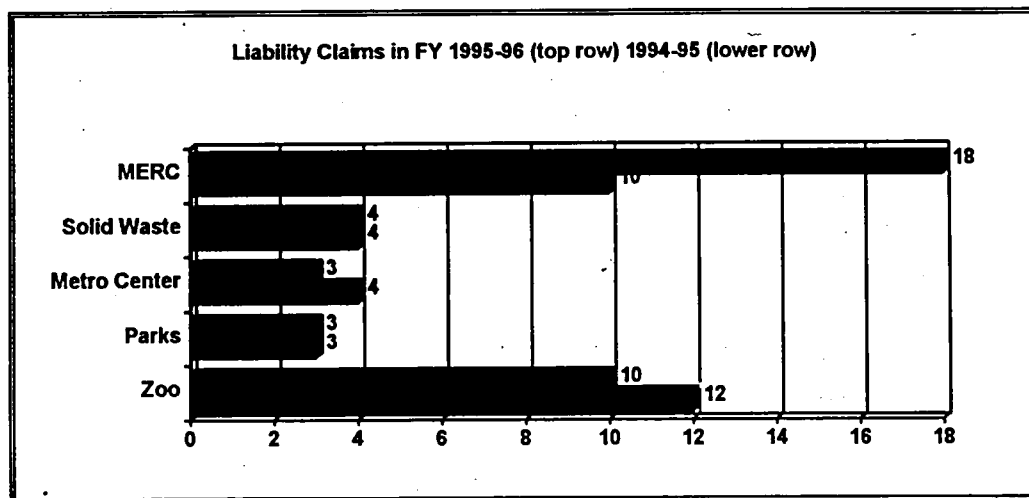


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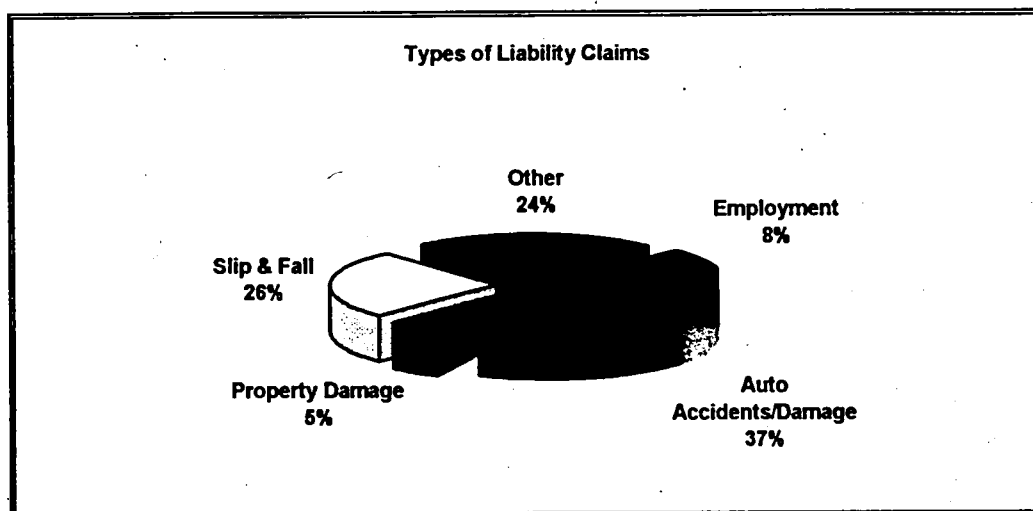
Metro became self-insured for liability exposures on July 1, 1992. Self-insurance continues to provide significant savings to Metro.

Claims

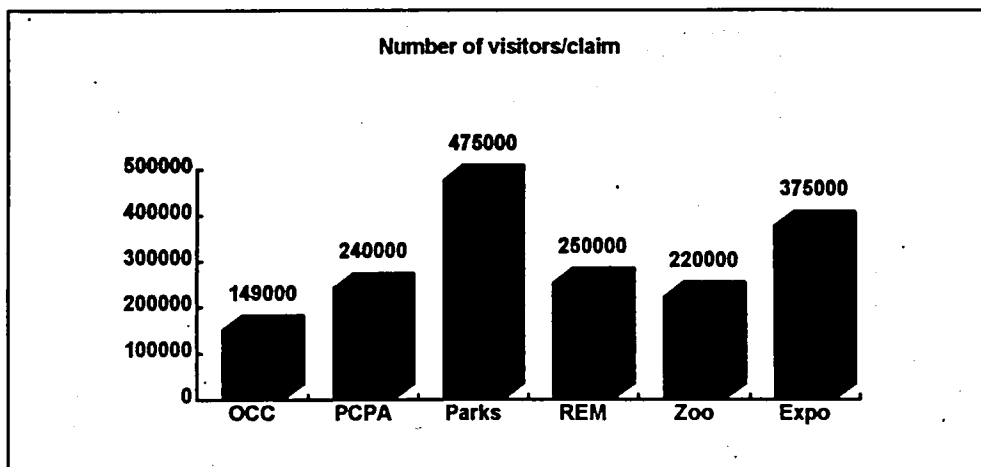
Metro consistently receives approximately 50 liability and auto claims annually. In FY 1995-96 we received 38 liability claims, five more than the prior year. The following chart shows claim origination by department.



Most claims involve minor auto damage. The most expensive claims are employment related. The following graph shows the types of causes for liability claims.



The following graph shows the number of visitors per claim (not including auto accidents).



Liability claims average approximately \$110,000 per year. To date FY95-96 claims are reserved at \$92,000.

Excess Insurance

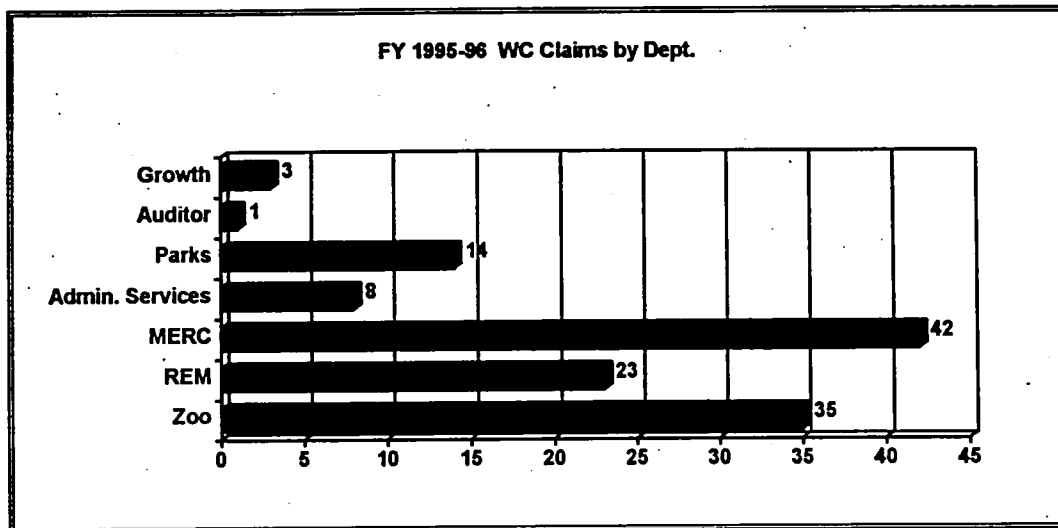
Metro acts as its own insurance company for nearly all liability exposures. Effective July 1, 1995 excess liability insurance was purchased for employment related claims, and claims brought in federal or out-of-state court. The premium for this coverage is approximately \$39,000 a year. We have a \$500,000 deductible.

WORKERS' COMPENSATION

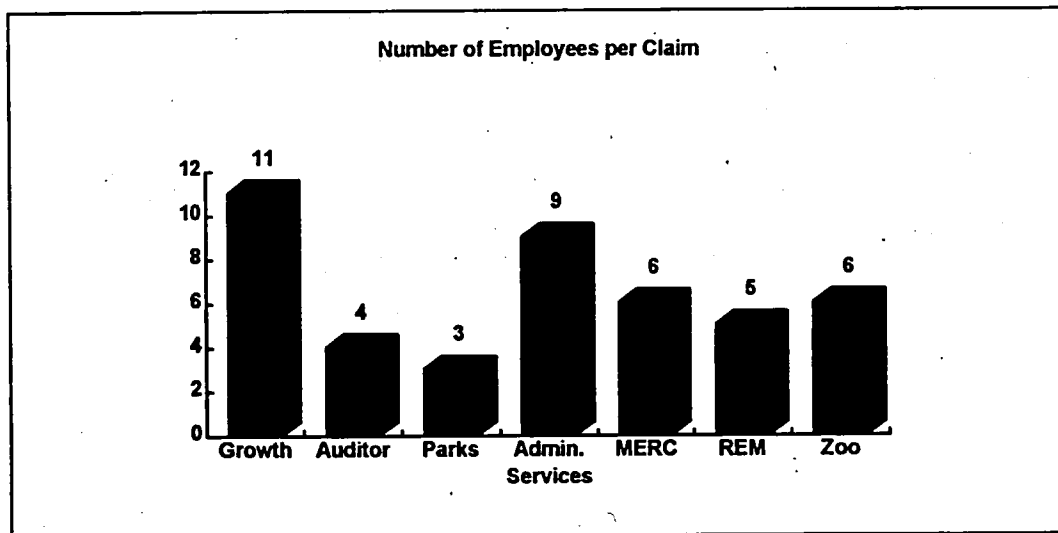
Workers' Compensation is administered on a fiscal year basis to be consistent with insurance coverages, budgeting, and the practice of prior years. Metro self funds up to \$500,000. SAIF Corporation provides administration services and excess insurance.

Claims

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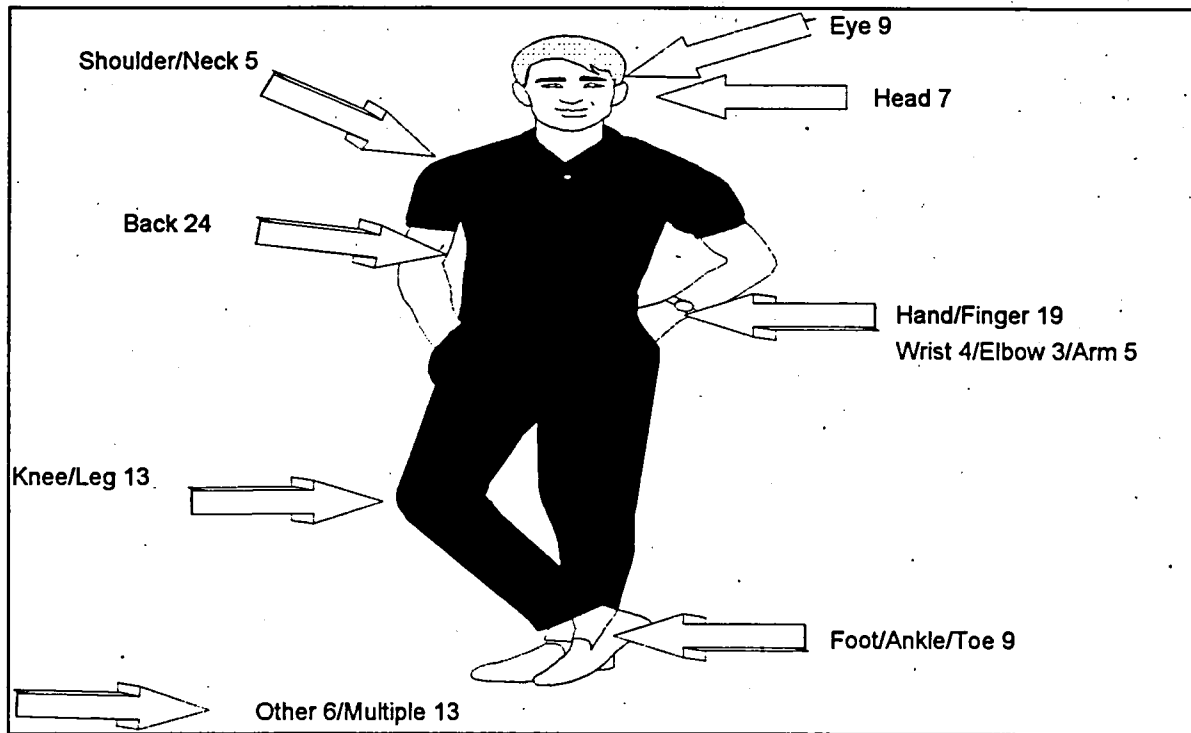


The following chart shows the number of FTE per claim. For example, Growth has one injury out of 11 employees. The Zoo has one claim out of six employees.

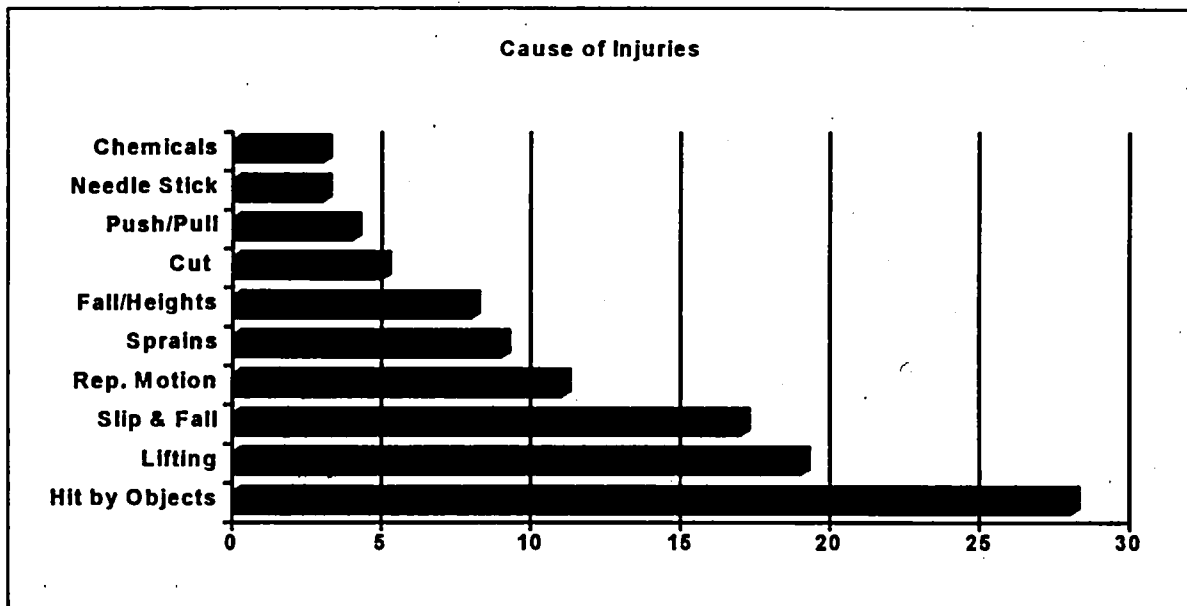


In FY 1995-96, 16 employees were injured seriously enough that the employee missed more than three days of work. A total of 387 days were missed.

The following chart shows the part of the body injured. Injuries to backs and hands consistently occur most often.

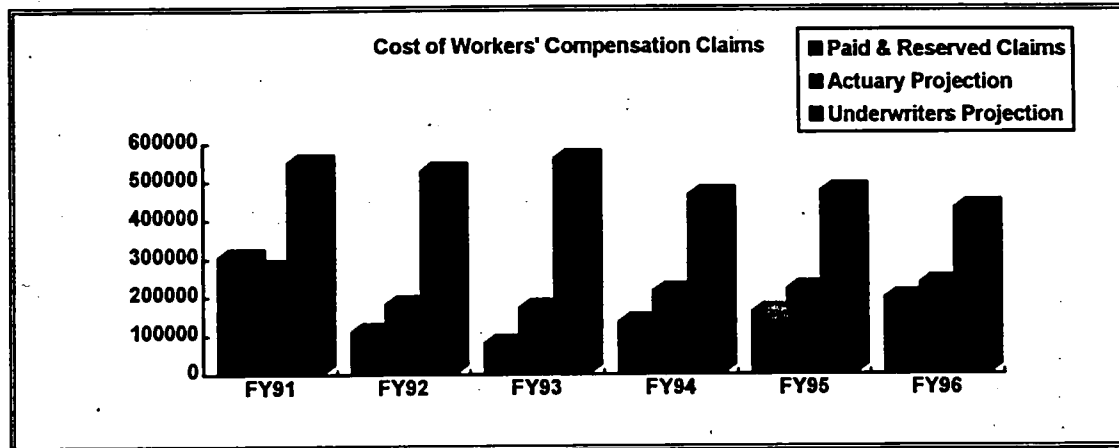


Risk Management reviews the cause of accidents to identify alternatives for avoiding future injuries. The graph below shows how the accidents occurred. Using this information, Risk Management learns where to focus its efforts. An object striking the employee is the most frequent cause of injury.



Cost of Claims

The chart below shows the cost of claims for the last four years. Actual paid claims are compared to what both the actuary and insurance underwriter projected Metro's claims would be. Metro is very active in early return-to-work programs, claims management, accident investigation pursuance, supervisor involvement in claims resolution, and working with all injured workers.



The Risk Management Fund has adequate funding to pay for known and unknown claims plus reserves for large unexpected losses.

ENVIRONMENTAL IMPAIRMENT LIABILITY

Metro also self insures for pollution liability exposures. Pollution exposures include the following:

1. St. Johns Landfill closure activities
2. Change of status of St. Johns with DEQ
3. Gas collection systems installation at St. Johns
4. Gas distribution system
5. Household Hazardous Waste Collection
6. Property acquisition with Open Spaces
7. Potential breakdown of superfund exemption from liability
8. EPA attempts to require public entities to pay for environmental cleanup
9. Underground storage tank release at Zoo or Parks

No environmental claims were reported in FY 1994-95.

The EIL reserve now stands at approximately \$6 million. Contribution to the EIL fund has stopped.

SAFETY

Risk Management continues to provide safety services to the organization. The following chart shows the safety services offered by Risk Management.

Safety Inspections	Personal protective equipment
General accident prevention	General safety training
Lockout/Tagout	First Aid Response Plan
First Aid Response Plan	Hazard Communication
Respiratory Protection	Confined Spaces
Industrial Hygiene work as necessary	Medical record keeping for employees needing annual medical exams
Hearing Conservation Program	Bloodborne pathogens
Asbestos Program & Training	Indoor Air Quality

PROPERTY

Metro is insured with Allendale Insurance Company for all risk property insurance with a \$100,000 deductible.

The chart below shows the property insurance currently in force.

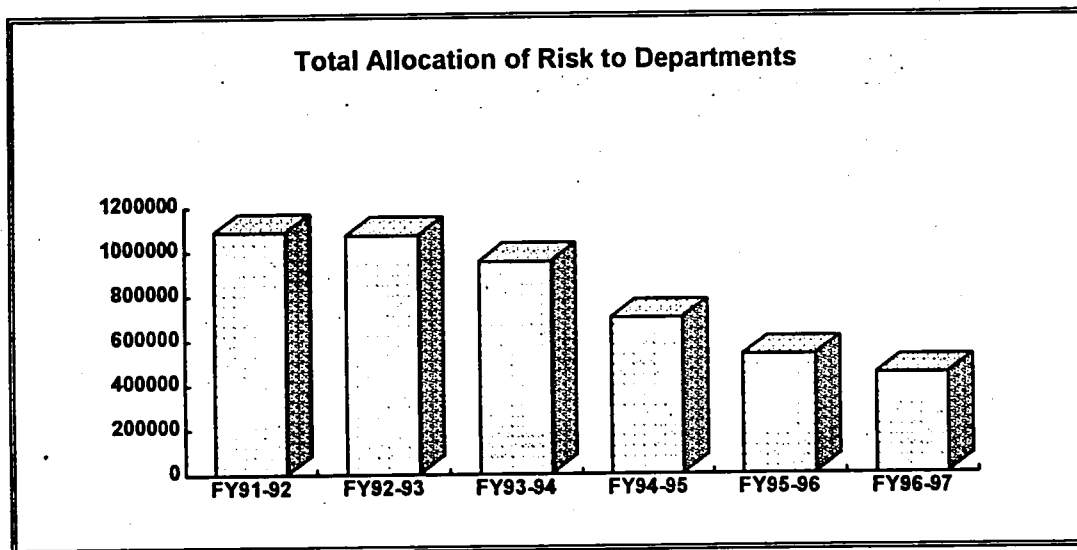
Coverage	Limit
Real & Personal Property	251,000,000
Flood	100,000,000
Earth Movement	100,000,000
Newly Acquired Property	1,000,000
Extra Expense	500,000
Errors and Omissions	500,000
Expediting Expense	100,000
Valuable Papers & Records	100,000
Fine Arts	1,000,000
EDP Media	500,000
Mobile Equipment	1,961,000
Nonscheduled Locations	1,000,000
Demolition Cost	Included
Increased Cost of Construction	Included
Personal Property of Employees	Included
Transportation	100,000
Deductible	100,000

Property losses were substantial in FY 1995-96. The windstorm on December 12 caused approximately \$25,000 at Expo. The same day a major slide occurred at the Zoo with mitigation cost expected to exceed \$110,000.

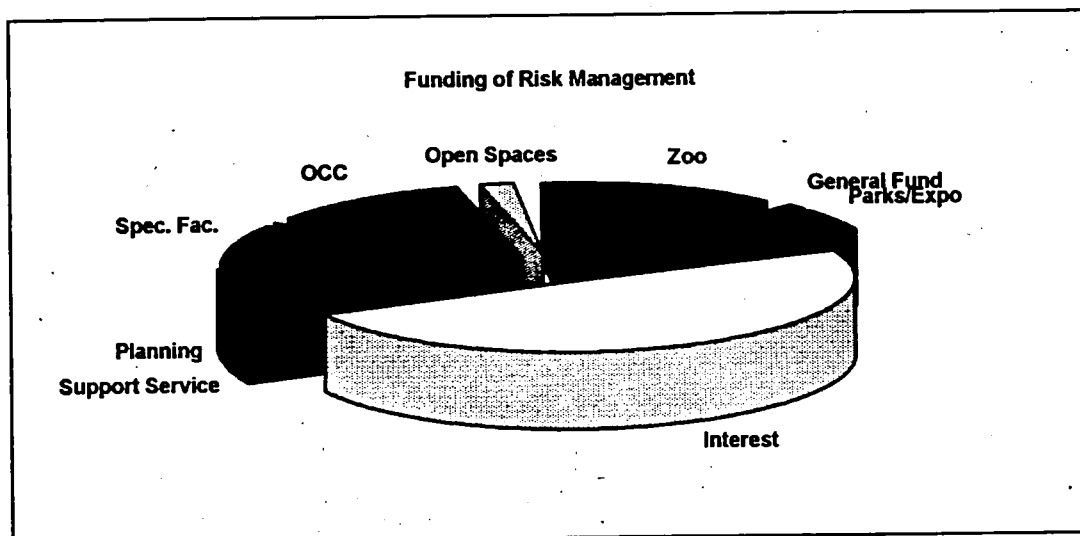
The flood damage is estimated at \$1,052,000. Between insurance and FEMA, Metro should make an excellent recovery.

DEPARTMENTAL ALLOCATION

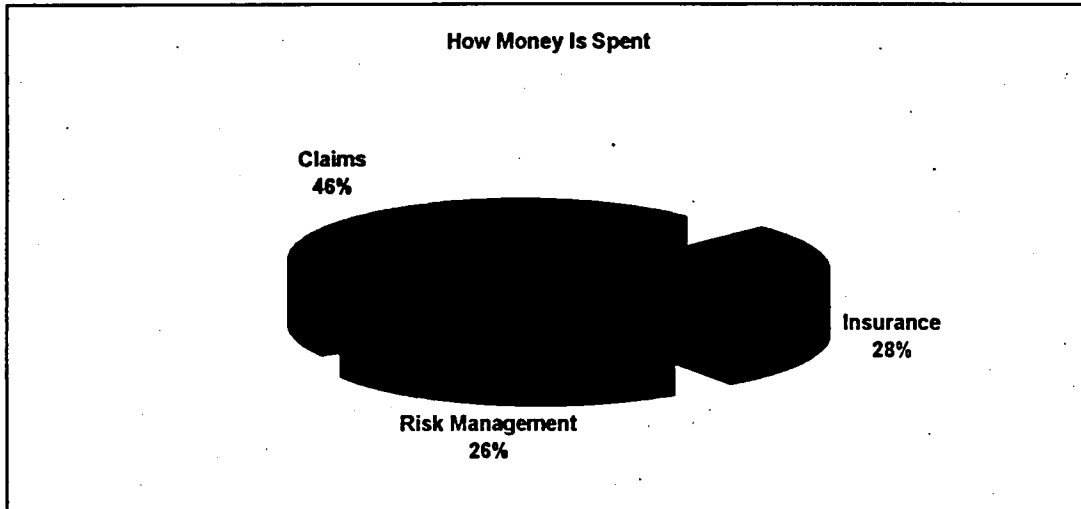
Risk Management is funded through the cost allocation program. As described herein, claims have been lower than expected allowing for a surplus reserve. The reduction of reserves provides for reducing the departmental allocation. The following chart shows the past five years of allocation paid by departments. This does not include funding reserves for pollution related losses.



The following chart shows the breakdown by operating fund of contribution to the risk management fund.



This chart shows how the money is spent from the risk management fund. Insurance includes property insurance, bonds, workers' compensation excess insurance, and liability excess insurance.



EMERGENCY MANAGEMENT

The emergency plan was exercised in FY 1995-96 with the severe weather conditions, particularly flooding. A number of shortcomings were discovered. To improve disaster planning in the future, the Council authorized a new position for that purpose.

Emergency Management goals for the remainder of fiscal year are (1) clarify Metro's needs after a disaster and (2) determine composition of Metro's Emergency Management Organization. The structure of the Emergency Management Organization should be relatively straightforward decision coming primarily from the Executive Officer and staff with input or approval from the Council.

The goals of the organization will be much more difficult to determine. In event of an emergency causing loss of life, equipment, and structures, all personnel must clearly recognize and work toward the most important tasks this agency is involved in. Have these tasks/goals been identified? Any incident of significant size will probably cause a reduction in resources. It is crucial to identify and rank the most important operations Metro conducts to ensure proper distribution of resources during and after a crisis. Metro's post disaster operating goals will probably be influenced by actual or perceived obligations of Metro to the region.

Determining post disaster operating goals will have significant impact if and when a disaster strikes. Therefore, the process in which these goals and decisions are made requires strict critical scrutiny by the senior staff of Metro. Staff will require input and access from senior management to set up and develop the criteria to evaluate the various missions and operations Metro conducts.

Additionally, a process to solicit input, receive feedback, and distribute information regarding emergency plans should be developed. This process needs wide distribution within the agency to be successful. E-mail and memo's can be used for distribution. In addition to information flow, staff will identify and develop a formal approval process for the EOP, training, programs, expenditures, and goals.

BENCHMARKING

The following chart shows the average cost as a percent of total budget for risk management expenses. This information was developed by the Public Risk Management Association. Metro's risk management expenses are substantially lower than the national average.

	1992	1993	1994	Metro (FY96)
Liability Expenses	.28	.38	.36	.08
Property Expenses	.51	.58	.25	.07
Workers' Compensation Expenses	.5	.67	.52	.10
Risk Mgmt. Administration Expenses	.05	.09	.07	.06
Total	1.34	1.72	1.2	.31

SUMMARY

Risk Management continues to be a successful Metro program. We are seeing increasing claims on both liability and workers' compensation. The Council approved additional resources for this program which should help to reduce future cost. Efforts to maintain Metro as a safe place to work and visit will continue.

Staff will be happy to respond to any questions you may have.

M E M O R A N D U M



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Date: November 1, 1996

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INTRODUCTION

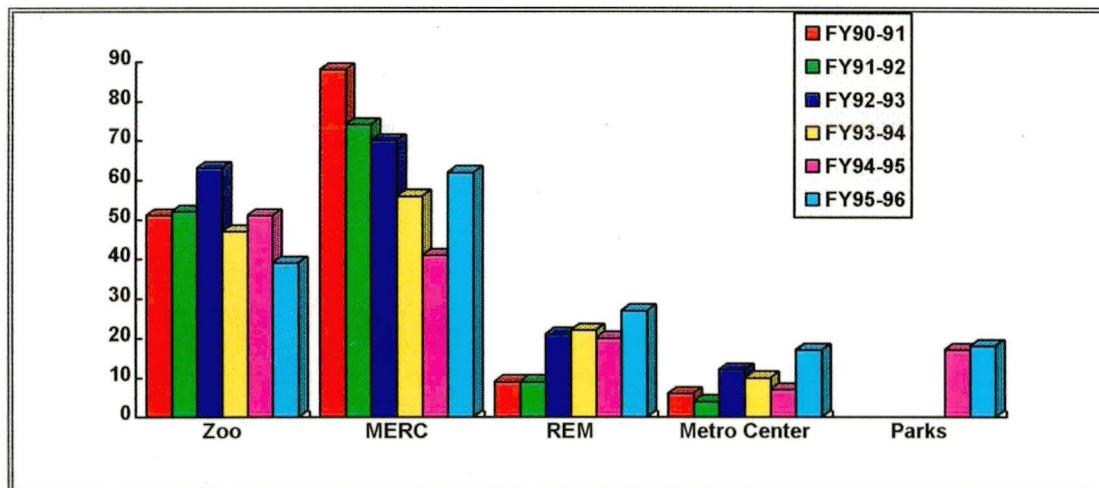
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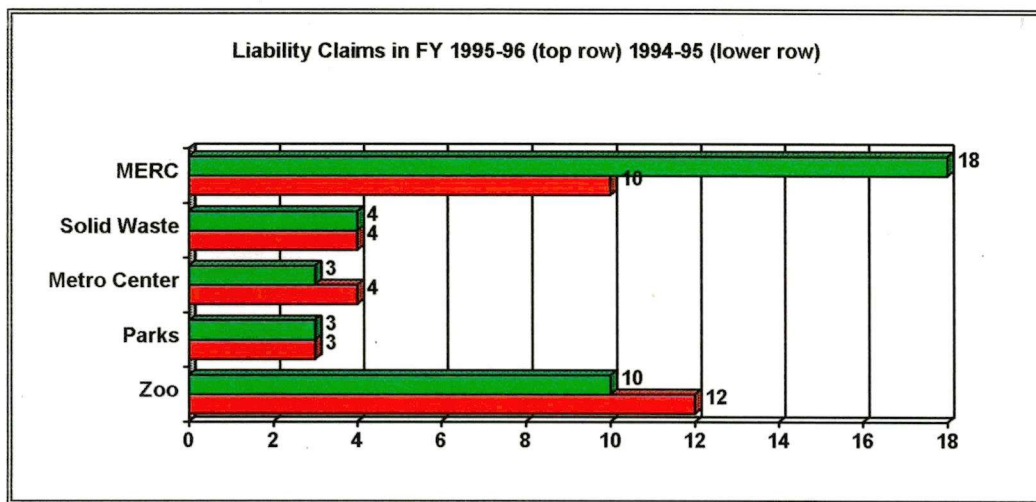


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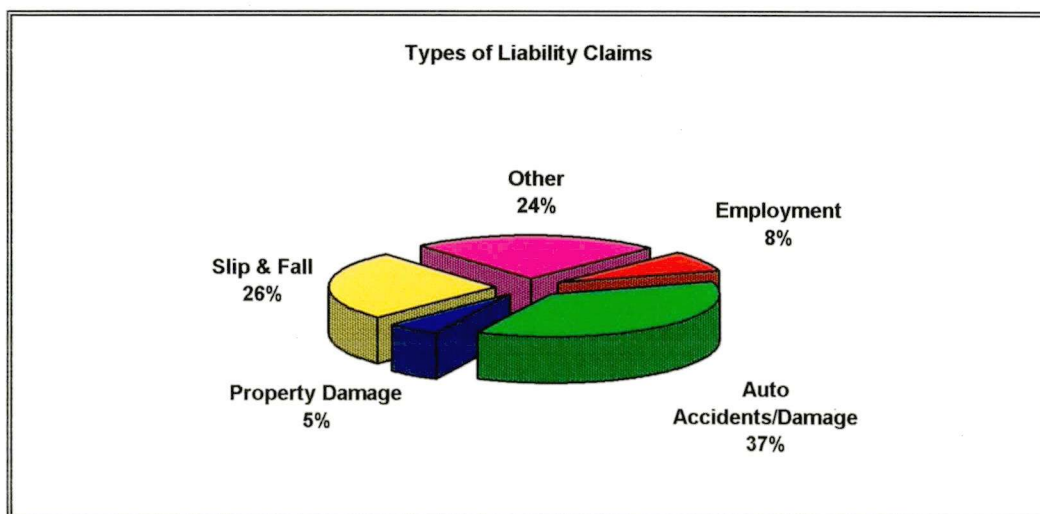
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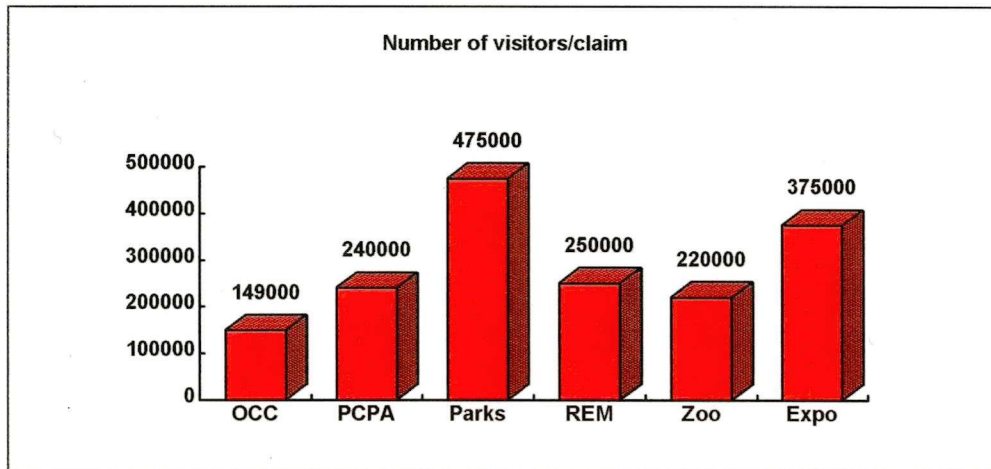
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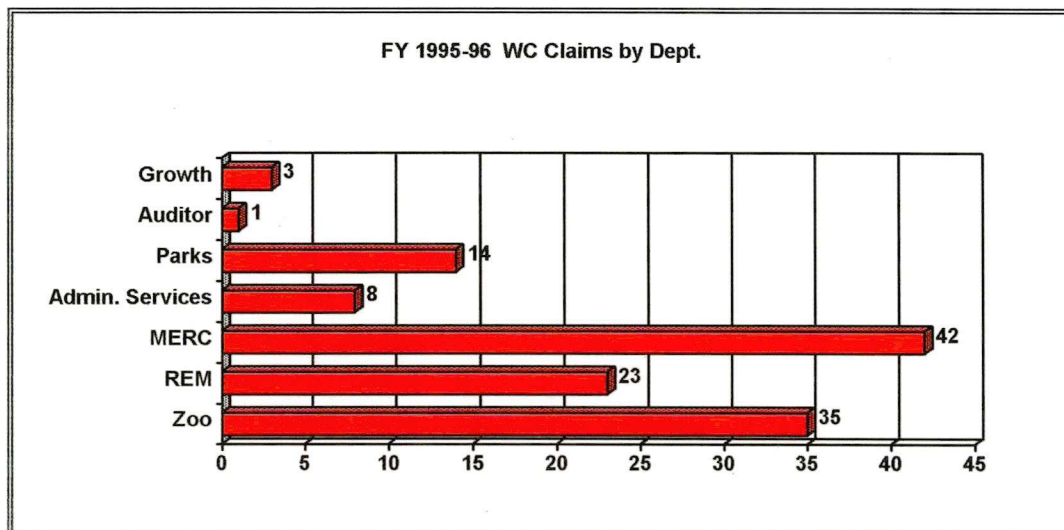
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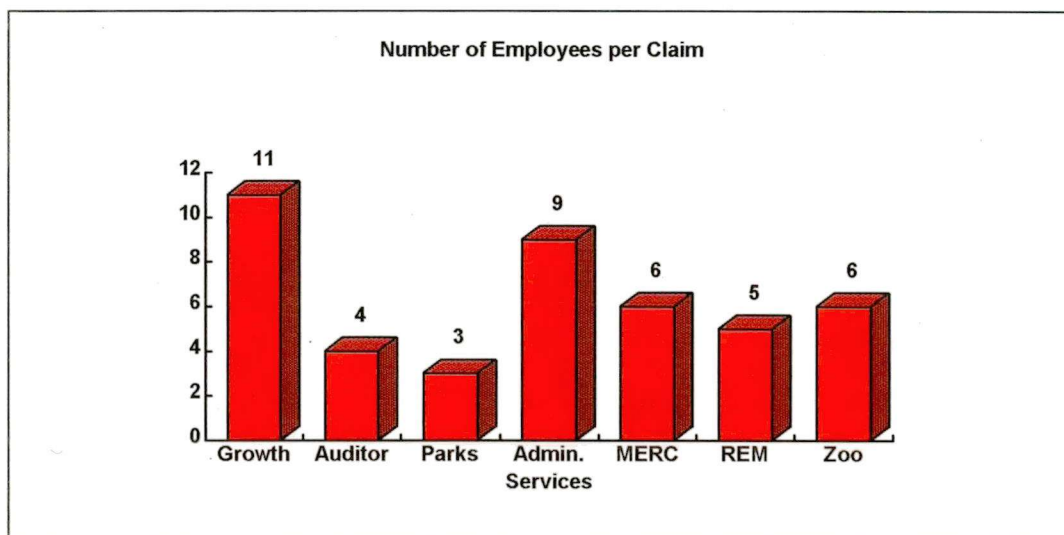
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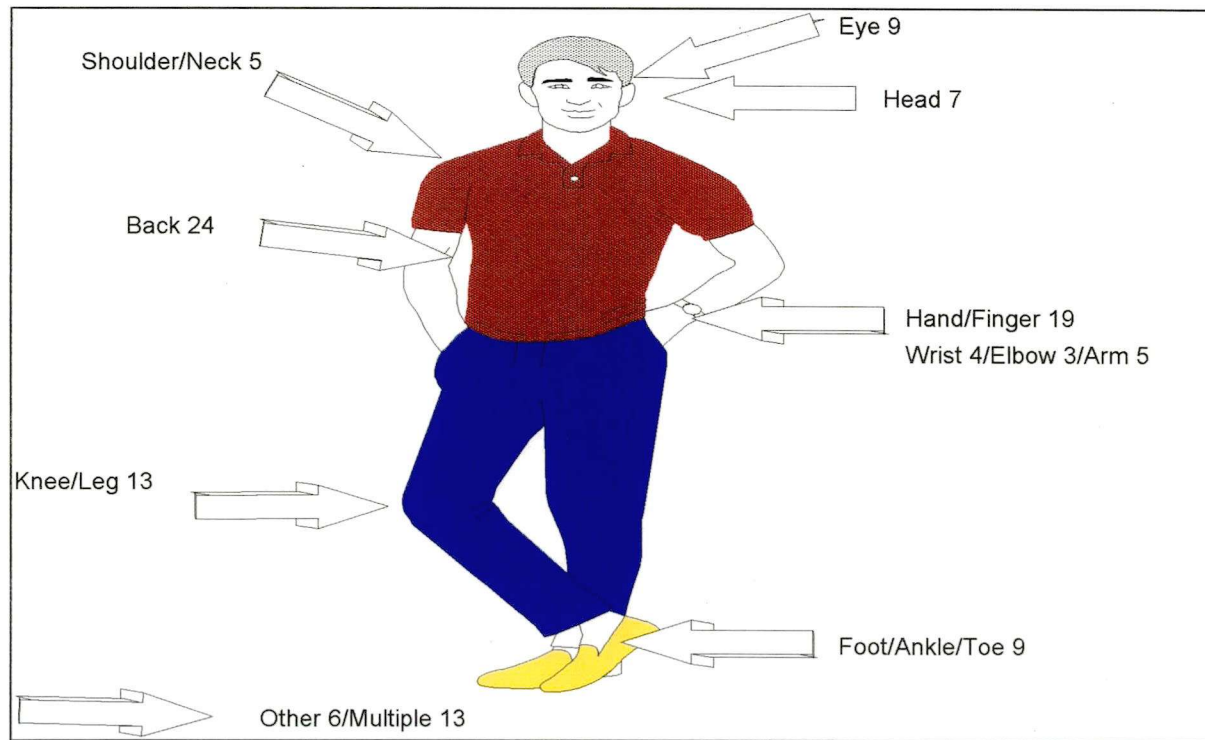


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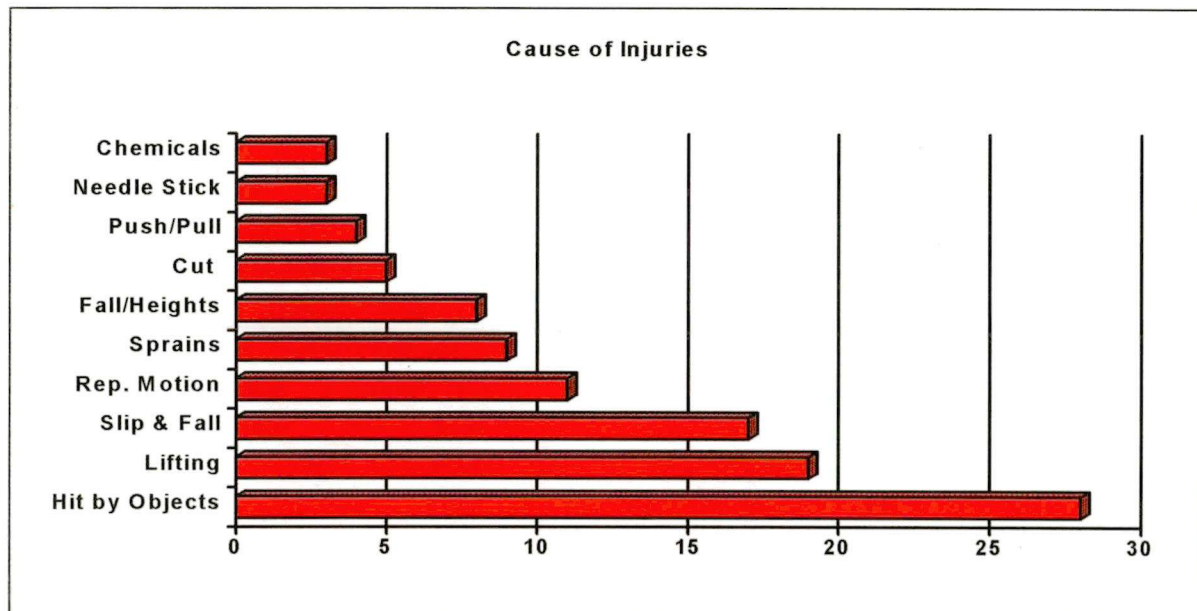


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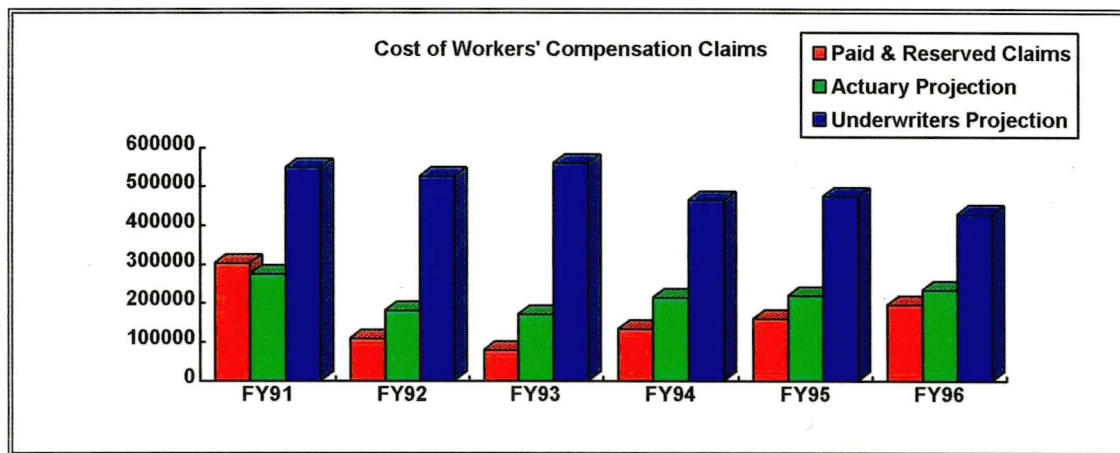


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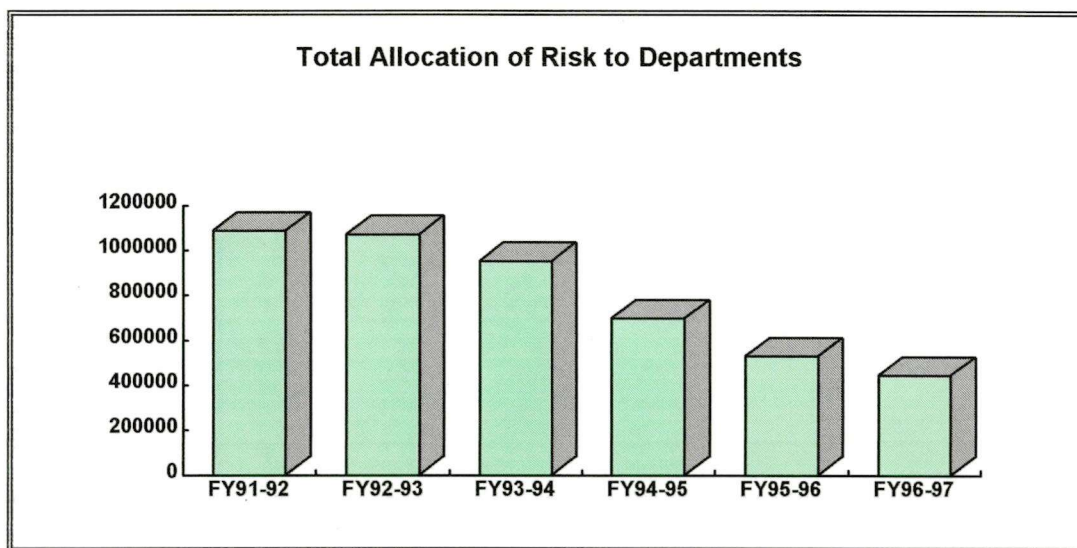
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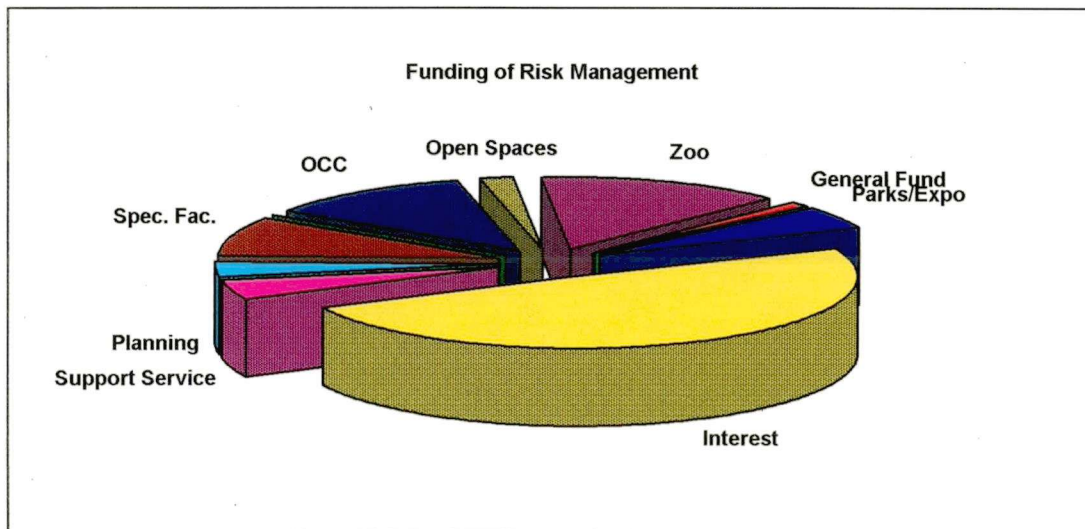
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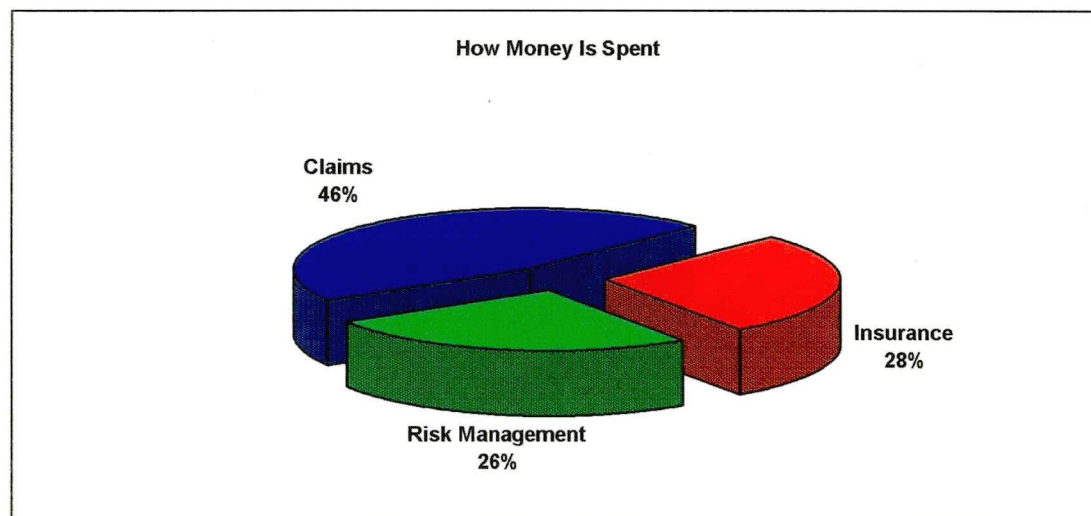
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Agenda Item Number 5.1

**Consideration of the November 7, 1996 and November 14, 1996 Metro Council Meeting Minutes
(Available November 20, 1996 upon request)**

**Metro Council Meeting
Thursday November 21, 1996
Council Chamber**

MINUTES OF THE METRO COUNCIL MEETING

November 7, 1996

Council Chamber

Councilors Present: Jon Kvistad (Presiding Officer), Rod Monroe, Don Morissette, Susan McLain, Ruth McFarland, Patricia McCaig, Ed Washington

Councilors Absent: None.

Presiding Officer Jon Kvistad called the meeting to order at 2:09 p.m.

1. INTRODUCTIONS

Councilor McLain welcomed the Superintendents group who had come to speak to the Council on land use issues important to the school districts in the region. They were Richard Larson from Centennial School District, Joe Rodriguez from Hillsboro School District, Steven Ladd and Ivonne Katz from the Beaverton School District, as well as Russell Joki from the Tualatin Tigard School District.

2. CITIZEN COMMUNICATIONS

Art Lewellan, L.O.T.I., 27 SE 74th, Portland, OR 97215 spoke to the Council about his LOTI plan, an alternative to light rail. He said he was opposed to the North / South Light Rail because he felt that it did not come up to the expectations laid out and was not as suitable as his plan. He noted a map showing his transit proposal. He felt it was wrong to place a big change on the transit system by putting the light rail down on the Fifth and Sixth Avenue Mall. He wished to preserve as much as possible what already existed. He utilized the local rail advocate transportation group ARORTA who proposed leaving the light rail on the east side of the river. This was how his proposal started but he also wished to serve the west side, so he designed a connector at Hawthorne similar to AROTA's proposal. He went with a street car proposal because it utilized the same technology as the light rail and had a lot of potential to become an important part as changes were considered in the transit system moving away from the automobile. He reviewed his design for the L.O.T.I. which was the Loop Oriented Transit Intermodel, a trackless trolley which circulates from a center on the east bank of the river across the river to make a second transfer point. He requested that the Council consider this design. As this transit mode expanded it would go to OMSI making connections to the mall. He added the streetcar system that was being planned by the Central Street Car Committee. The street car plan was similar in technology to the light rail, had lower costs, went down along the Macadam area and would serve that area better than light rail would.

Presiding Officer Kvistad acknowledged Mr. Lewellan's L.O.T.I. plan and suggested that he speak with staff concerning his plan. He suggested contacting Jeff Stone in the Council Office to arrange this.

Steven Ladd, Assistant Superintendent of the Beaverton School District spoke about school related issues regarding the Urban Reserve Study area, the question currently under deliberation.

Due to the importance of this issue to the 23 Metro School Districts, several student superintendents came before the Council to speak about issues that were generated through a meeting that the superintendents held. One of the items shared with Metro was that there were certain things that set these school districts apart from other urban service providers. There were no mechanisms for school districts to fund capital construction and site acquisition without going before the voters for the bond. If the news media predictions were true this would be even more difficult in the future. Education serves all of the constituents and their children who reside or move into a school district regardless of that number or the districts capacity to accommodate them. The districts could not say that the school districts were too full and therefore the student would have to go some place else. The schools districts serve all of the clients and the students that come in the door. In response to Metro's request of school districts to validate which of the Urban Reserve Study areas might be best or most suited for inclusion, the school districts found this very difficult to answer. It was due to a wide range of variables. However, some districts may have been in a better position to talk about the areas because of on going land issues that they were dealing with in their particular school district. As a general rule, it was safe to say that the geography of which Urban Reserve Study areas were ultimately brought in was not important as the need for master planning to occur. Planning that was necessary to ensure that school districts had been appropriately addressed in that growth equation. Mr. Ladd introduced Dr. Katz, Superintendent of the Beaverton School District.

Dr. Ivonne Katz, Superintendent of Beaverton School District said as Metro analyzes data regarding which Urban Reserve Study area should ultimately be adopted, school districts had been asked for a comment. Among the significant issues in this discussion was the need for master planning and for the school districts to be a part of that planning. School districts agreed that master planning needed to occur for each and every adopted Reserve area before they were brought into the Urban Growth Boundary. Master planning to school districts must yield at a minimum the following things, 1) a clearly designed process including the roles of school districts, cities, counties, and Metro in the design of the planning process. She asked, what was the role then that school districts can play in helping to design the process of master planning? Which agencies would be providing supportive data necessary for school planning, the cities, the counties, Metro, all of the above? Clearly defined lines of communication for all stake holders, 2) the process should include a clearly defined methodology for identifying school sites including reasonable timelines necessary to review and do school site planning. Included in this effort should be an exploration of any current mechanisms that would allow such long range planning to occur, to ensure that school districts had the opportunity to identify school sites. Let the districts do the preliminary diligence necessary for school sites and have reasonable timelines mandated by such planning processes to accomplish this work, 3) there needed to be a clear path of decision making and appeals process so that school districts, cities, counties and Metro knew the rules of the game before it started. This should include what would be done by whom in case of disagreement and which entity would prevail. Illustratively, if there was a disagreement on the placement of a school site within a study area or if there was a zoning conflict that did not seem to be able to be resolved, which entity had the trump card, the city, the county, or the school district. Which one would prevail. How would the issues of educational need be measured against growth planning issues in the decision making process? Who will prevail in arbitrating these decisions? and 4) the master planning process should resolve the issue of funding there needed to be an identified funding source for site acquisition and capital construction for the needs generated from bringing Urban Reserve inside the Urban Growth Boundaries. She noted the statistics on Measure 47 and how that would impact our schools in the future. The possibilities to explore in this arena were service development charges, real estate transfer charges, site dedications and or any combination needed to help defray the cost of capital prior to the reserve area coming into the Urban Growth Boundary. School districts wanted to participate in the process design as well as

the actual master planning process. She introduced Mr. Richard Larson, Director of Business and Operations of the Centennial School District; to further expand on the impact of bringing in Urban Reserve Study areas on the school district, to talk about capitalization issues to give Metro a clear perspective of what the school districts were talking about.

Richard Larson, Director of Business and Operation at the Centennial School District gave Metro a sense of the public investment going to be required to accommodate the increasing number of school age children and what the traditional or historical process for financing that investment. He urged the Council to consider costs, the timelines, the process that he outlined for the Council as they made their final decisions to accommodate the 100,000 plus households that would be here in the region over the next decades. He gave a summary of costs of construction, the timing of events leading to new schools, the bond sales and construction time. A substantial capital investment would need to be made to provide sewer, water, and road and street services to any new areas brought into the Urban Growth Boundary. Likewise, the investment required new schools would also be significant. The most recent information on current costs on school construction available from architects who work on school projects indicated that an elementary school which housed 500 to 600 students would cost \$9 to 10 million dollars. This included the construction, consultants, service development charges which schools pay, equipment, furniture, and project management. A middle school which would accommodate 900 students costs approximately \$19 to 20 million dollars, about double what an elementary school would cost. A high school which would accommodate 1800 students would cost about \$44 to 45 million dollars. Historically, Oregonians had not been willing to approve debt for schools until the existing schools were unacceptably crowded. Sometimes to the point where double shifting or multi-track year round school was required to accommodate that student population. Public study groups were generally convened to determine what type of school needed to be built and the best location for that school. That process could easily take six to twelve months to reach a consensus. Historically evidence showed that this process was essential in generating any community support necessary for seeking funds to build new schools. That would generally be through a bond measure. After a consensus was reached, the bond must be approved in an election. The information that Mr. Larson was utilizing would probably be radically changed but currently elections could be held in any five months of the year, March, May, June, September or November. The process of getting approval may take several years to convince voters that new schools were truly needed. After approval of a bond measure, the sale of the bonds would take a minimum of six weeks up to three months. From the time of the sale of the bonds and cash was in hand to the opening of a new elementary school takes 18 months to two years. A middle school or high school takes two to three years. Schools were facilities which had a useful life of seventy five to one hundred years. A capital investment required for a facility to meet community needs over that number of years was extremely high. As a rule of thumb, to go back and review, one could estimate the costs for an elementary school at about \$10 million dollars, double that for a middle school, and double that again to about \$40 million dollars for a high school. There was no historical evidence that voters were willing to approve new schools until existing schools were unacceptably crowded and developing community support, successfully seeking a bond approval in an election, selling bonds and constructing a school could be done as quickly as two years and as long as nine years.

Dr. Rush Joki, Superintendent of Tigard/Tualatin School District shared several observations about site size, location and then proposed a request. When school districts go out to look for property and they were in the process of doing this right now in his district. The Tigard/Tualatin School District just passed a bond and they had \$3 million dollars to find future school sites. The school district used four criterion when looking for property, 1) size of the site that would be demanded for the school that would be put on it. In their 908 plan, a planning document the Council

may be familiar with, the elementary school site was 8 to 10 acres typical for the other suburban school districts, middle school site was 15 to 20 acres and a high school site began at 30 to 50 acres. Tigard High School sits on 55 acres. These sites were sometimes considered to be large especially when one looked at the downtown school sitting in Portland but they were common because in the suburbs there was a little different approach to planning, community use and greenspace requirements. Those site sizes fit in a sense of community standard as much as an educational specification, 2) the shape of property, ones which were rectangular or square in shape for ease in setting out fields, buildings and transportation, 3) slope, the flatter the better for construction costs and 4) service, transportation being very important. Where do we find properties like this? It was very hard to find properties that met that criteria in the inner core of any of our cities. Hence the school districts look to where the new development was occurring. In his district this was always on the fringes, near the boundaries. This was true because of where the new growth happens. Tigard was now buying a site in the Bull Mountain area and looking for a second site in this area. If density projections were true there would be 20,000 people on Bull Mountain when it was finally built out. The district needed at least three sites in that area. Where properties were found in that general vicinity were on the outer fringes of their school district where the properties tend to slope out into some flat land and that land was now in the area known as 'out of the UGB'. The second criteria with where those properties are located had to do with costs. In the recent bond measure the voters approved \$3 million for future school sites. The school district was now closing on a part of a site on Bull Mountain and were very fortunate to get it for \$80,000 an acre. The district had looked at other properties that were running \$200,000 per acre. There were some limitations to also be taken into consideration on locations and the third criteria was planning. When the school district met with the cities and the counties officials they talked about the larger issues of service and community use. He requested the Council allow sitting of schools in the UGBRs. In his school district's case, Reserve areas 48 and 49 for example were of interest to the district for all of the reasons previously described of criteria, location and cost. In extreme cases, his second request would be to allow sitting of schools outside of the UGB. There was one school district south of Tigard that was facing such a need. There could be exceptional cases where that should be considered. Lastly, consider these kinds of sittings as contributing to the demand for greenspace in suburbs and for enhancing and continuing the quality of life that the suburbs enjoy.

Mr. Joe Rodriguez, Associate Superintendent of Hillsboro School District represented his school district's superintendent Dr. Micki Squire. In a meeting his district had there had been a similar theme that had run true for his school district which was to appreciate all of Metro's support in involving school districts in the planning process for master planning, planning for Urban Reserves and asking the school districts for their input. He noted Councilor Susan McLain who had been very instrumental in keeping the school districts posted and involved and she had been an excellent resource. Metro staff had also been very helpful to the districts in trying to provide direct data and information. He acknowledged Steven Ladd who had been a member of MPAC and had provided all the districts with direct information and a vehicle to communicate the districts' concerns. This was very much appreciated enabling the districts to present to MPAC on October 23rd and the Council at this meeting also helped the school districts feel a part of the process to try to provide some solutions to their concerns and also the concerns that were raised by the planning process itself. Districts felt that they had in the past been last on the list to be asked how the districts were impacted by the growth in the Metropolitan area. There had been times where they had felt that they were another residential developer in this entire process because they build schools and were charged all the fees for building those schools. The districts were responding to the community needs in relationship to overcrowded schools. The districts wanted to be viewed as part of the process and product, an essential community service, and vital community resource in looking at the planning process for the

region over the next decades. In the presentation to MPAC and at this Council meeting, the Council had heard some things may raise some questions in their minds, size, site, locations outside the UGB. Many of the districts had the same issues and concerns. He said that it was nice when the school districts could be included upfront in the discussion so that the Council understood what the districts limitations were and why the districts had some of those needs. He believed that involving the school districts at the beginning of the planning process so that they could reach agreements would benefit all of the entities concerned as well as benefiting the community. The school districts wanted to assist with the assumption regarding the needs and how the school districts needs match with Metro's planning needs. Metro staff was helpful to the school districts to get a grant to provide some additional support for the school districts. None of the school districts had long range planning departments. This type of a resource was needed, to help with grants for technical support for joint planning for enrollment projections, housing densities and site selections to accommodate that future growth. This kind of dialogue in working together would very much help the school districts. He noted that he appreciated that the school districts had a chance to share this information with the Council and hoped that this opened up opportunities for future dialogue. He believed that Ballot Measure 47 would impact the schools and the ability to build new schools in those areas at the least cost to the districts and the tax payers was something that really needed to be given consideration.

Councilor Morissette said that he was very interested in this issue. He had brought up the concern about how much land would be left for 460,000 more people and 244,000 more housing units. He noted that it did not seem as if there was an adequate supply of land for schools in the equation. He said that there had been very high densities estimated for housing, schools. He believed that when he voted against the Functional Plan it was because there was an inadequate supply of land. As we go through this process, he would be very interested in the school districts comments to analyzing the amount of land planned for those 460,000 additional people. Once one looked at the amount of land, it was his belief that there was not enough land to house those kids. With either form of the Functional Plan that one was considered, whether that was moving the boundary out or using the land all inside the boundary, there were still the same number of kids. So if there were no sites to put them on one had the choice of building up with the existing sites. There had also been many comments that the suburban communities didn't have the sites that they wanted. These sites were an amenity to the community. He did not believe that this added up to the bottom line of what had been planned for the schools for what ever the number of student multiplier was that related to the 460,000 people. So, this was a big area where the school districts could help Councilor Morissette understand because he believed there was a problem with the plan based on those numbers.

Steven Ladd responded to Councilor Morissette and the Council . Even if no additional acreage was brought into the Urban Growth Boundary, the problems that the school districts had spoken about at this Council meeting would remain because as the planning process moved forward and densities were increased densities in the existing lands schools were going to have the same kind of press on all of the same fronts. So the request for planning in their comments while deliberate at this meeting to talk about the Urban Reserve Study areas, the school districts would hope that the Council would expand that thinking and the kind of relationships that the school district would need to have in place with Metro, cities and counties in terms of planning process because as light rail came through the school districts were going to have the same demands on them and they would like to consider that as part of that whole planning initiative as the school districts move forward with the process with Metro.

Presiding Officer Kvistad noted the upcoming Listening Posts around the region throughout the next two weeks and the opportunity to give additional input during those listening posts.

Councilor McLain thanked the school districts personnel for coming and added that the Listening Posts were an opportunity for the school districts to make their conversation to the general public not just to the Council and again to have an opportunity to sell the public on that support that was needed from them, both Metro and the school districts to make this Plan really work.

Councilor Monroe thanked the school district members. He stated he was chair of the David Douglas School Board. His school district was right in the middle of trying to find sitting for new schools because the district's population was growing as well. He added that it was very difficult because his whole area was urbanized, his district just negotiated to purchase one of the few flat ten acre pieces of ground that was left in his area. He noted that the school districts had spoken of the high costs of building schools, one of the infrastructure costs of an expanded population base. He asked if the school districts had any ideas about who should bear that cost? Should the cost be borne primarily by the new development that goes in or whether the cost should be borne equally by the new citizens as well as the older citizens who had been in the area all along?

Dr. Katz responded to Councilor Monroe's question. The Beaverton School District had taken to the legislature over the last three or four legislative sessions, a need for the State to look at how it would help support the building of its schools that it was requiring certain kinds of work to be taught in those schools. Especially with the Twenty First Century Act all of the new kinds of curriculum and requirements would require additional support in terms of the facilities, different and new kinds of facilities. She had noted in previous testimony what people did not like to talk about and that was system development charges, real estate transfer charges and varies ways to look at bringing a pot together that schools could take to the voters, what ever the voting ability would be after Ballot Measure 47 if it passes. What the school districts would be looking at in terms of this. It was not just one group would pay for the facilities but if the school districts could bring together different pieces from different groups and take a package to the voters to say here was the help that we were getting would the voters help in addition to that help? In many states across this nation there were state laws that do just this for the school systems, either by saying that developers would set aside certain pieces of land in their development or that they would make land at a certain price to the school district in that development or there were system development charges or real estate transfer taxes or there were various other ways to bring together the kinds of dollars it took in addition to trying to pass a bond issue. Dr. Katz thought that this state was going to have to very seriously consider this in light of what the voters had decided.

Councilor Monroe asked if the school districts would like to see the sitting of schools in the Urban Reserves even before those Urban Reserves came into the UGB? This seemed to be something that would be a reasonable request to Councilor Monroe. It was his hope as going we go through this process the Council would consider that kind of a request. He noted that he had the latest numbers on Ballot Measure 47. The no vote was still ahead of the yes vote but only by 800 votes out of 700,000 that had been counted. The gap was narrowing. He felt that if this trend continued everyone would have to deal with this. This meant when one goes for a bond for the school district to build something this would have to be done once every two years at the November election because of the requirement of a 50% turn out. This would make it even more difficult for those that were in the education field to deal with the problems.

Dr. Joki agreed with everything that Dr. Katz said in terms of SDCs. He added that it seemed to him that part of the cost of school construction could be reduced if there could be some relief from cities and county governments on plan check fees. The school district spends considerable dollars and it

seemed that government, now that the school districts were becoming more and more an arm of state government, should be able to work together and provide some relief for the plan check fees. It was not unusual to get into the hundreds of thousands of dollars as part of a school construction project for what should be simple review working together. He offered that was another suggestion.

Presiding Officer Kvistad said this was a comment that should be taken to MPAC for general discussion.

Jim Sitzman, Land Conservation and Development, 800 NE Oregon #18, Portland OR 97232 reported to Council on behalf of Mr. Benner, the action of the commission in response to the Council's request to amend the Urban Reserve Rule. (A copy of the letter was submitted for the permanent record of the Council and may be found in the Council Office.) He noted that the commission did affirm the Council's request to change the language from thirty year to a ten to thirty year Urban Reserve Pattern. It did include in the appropriate section the language recognizing jobs and housing ratios as a factor for a specific land need. Based upon the staff recommendation that the commission came up following additional information that the commission received from Metro's analysis about the amount of lands available for Urban Reserves that did not require going into the agricultural areas, the commission dropped the notion that we needed to amend the rule to recognize separation of communities because there was the opportunity to achieve the regional objective without changing a state rule to do that. There would be an acknowledgment order coming out soon for the regional urban growth goals and objectives. He noted Mr. Benner's letter which stated some of the items he reviewed and additional comments about the state requirements regarding the Urban Reserve Rule.

Councilor McLain noted that the Council was glad to have Mr. Sitzman in front of Council at this meeting.

Presiding Officer Kvistad also thanked everyone in Mr. Sitzman's organization.

3. EXECUTIVE OFFICER COMMUNICATIONS

Executive Officer Burton reviewed three items. He said that he was forwarding recommendation to Council and MPAC to amend the ability of MPAC to allow an elected member of the school board to sit on MPAC. It was currently down in General Counsel looking for conformance as it did relate to both the Charter and rules that would be coming to Council soon.

Secondly, he updated the Council on the Urban Services Boundary and spoke of trying to resolve the court case between Portland, Beaverton and unincorporated Washington County area on the boundary. The Executive Office made some recommendations. The Portland City Council and the Beaverton City Council had both unanimously accepted that settlement offer and had acted on it. Washington County would have their action on it November 12, 1996. The Executive Officer hoped that there would be similar success at the Washington County meeting. The special services districts had all agreed to that. Mr. Burton asked that the Council consider an Ordinance for first reading in November, a public hearing.

Presiding Officer Kvistad said that the Council would take acceptance of this on the November 21st and have a Public Hearing on approximately December 5, 1996.

Executive Officer Burton said that in the City of Seattle they passed a light rail measure of two billion dollars which passed by 58% in the region.

4. CONSENT AGENDA

4.1 Consideration of the Minutes for the October 17, 1996 and October 24, 1996 Metro Council Meetings.

Motion: Councilor McFarland moved the adoption of the minutes of October 17 and 24, 1996 Metro Council Meetings.

Seconded: Councilor Washington seconded the motion.

Discussion: Councilor McFarland stated Mayor McRobert's name was misspelled in several places in the minutes. She asked for correction.

Vote: The vote was 7aye/ 0 nay/ 0 abstain. The motion passed unanimously as amended.

5. ORDINANCES - FIRST READING

5.1 Ordinance No. 96-658, An Ordinance Amending the FY 1996-97 Budget and Appropriations Schedule for the Purpose of Transferring \$35,275 from the Regional Parks and Expo Fund contingency to provide funding for flood related expenses at Oxbow Regional Park, title reports for transferred Multnomah County Properties and to Purchase a Laser Printer for the Regional Parks and Greenspaces Department; and Declaring an Emergency.

Presiding Officer Kvistad assigned Ordinance No. 96-658 to the Regional Facilities and Finance Committees.

5.2 Ordinance No. 96-660, An Ordinance Amending the FY 1996-97 Budget and Appropriations Schedule in the Spectator Facilities Fund by reducing contingency by \$300,000 and increasing the Materials and Services and Capital Outlay portions of the budget to provide for capital renewal and replacement at the Portland Center for the Performing Arts; and Declaring an Emergency.

Presiding Officer Kvistad assigned Ordinance No. 96-660 to the Regional Facilities and Finance Committees.

5.3 Ordinance No. 96-661, An Ordinance Amending the FY 1996-97 Budget and Appropriations Schedule in various funds to hire a Capital Projects Assistant for MERC, and Declaring an Emergency.

Presiding Officer Kvistad assigned Ordinance No. 96-661 to the Regional Facilities and Finance Committees.

6. RESOLUTIONS

6.1 **Resolution No. 96-2411**, For the Purpose of Authorizing the Commencement of Review of the Rates for Ambrose Calcagno, Jr. doing business as A.C. Trucking Company, for the operation of the Forest Grove Transfer station.

Motion: Councilor McFarland moved the adoption of Resolution No. 96-2411.

Seconded: Councilor McLain seconded the motion.

Discussion: Councilor McFarland said that she had had several discussions with Legal Counsel on this resolution and had it on the agenda for some time to try to get to a review of the rates that we have with the A.C. Trucking Company. She added that this review was long over due. According to the agreement with them, the necessity to do this and in order to begin this process, she asked to send it to the Rate Review Committee and have them begin the process of looking into this so that they could give the REM Committee some recommendations. She suggested that legal counsel answer question about what had occurred to date.

Presiding Officer Kvistad opened public hearing at 2:55pm.

Mr. John Stride, Attorney from Tonkon, Torp, Galen, Marmaduke and Booth, 888 SW 5th, Portland, OR 97201. He also introduced Mr. Marty Howard another attorney with the firm. Mr. Stride addressed the matter of rate review for A.C. Trucking and asked Council to take steps to defer sending this to the Rate Review Committee, waiting until a new director was appointed and defer until after the first of the year consideration of this proposal. In 1988 Metro did do a rate review of A.C. Trucking and conducted according to Executive Order 25 procedures. At that time it was determined that the appropriate rate was \$19.25 per ton. Those rates had increased since then, once in 1991 to \$22.75 and once in 1992 to \$25.50, both of the later increases were stipulated rate increases by consent of the parties. Now here in 1996, 8 years after the rate review was conducted according to the Executive Order 25 procedures, Metro's staff was asking that the rate be reduced by \$10.60 per ton back to nearly the 1988 rate. During the time from 1988 to 1996 not only had the rates gone up according to the rate review process they had been diminished by \$4.83 in concession to Metro that A.C. was reluctant but finally agreed to in order to continue to transport solid waste to the River Bend Landfill and Metro had enjoyed the \$4.83 rebate from A.C. Trucking at that time. Mr. Stride said what was being presented to Council at this meeting was staff's recommendation to reduce A.C. Trucking's rate by \$10.60 and he understood that in the normal rate process what could be reviewed was the tip fee, the charge that the haulers pay to the transfer station. Of course if that tip fee was reduced by the amount that staff recommends it would be a difference in tip fee at the Forest Grove Transfer Station than exists at Metro South and Metro Central Stations. That difference would be what ever rate differential staff determined. Mr. Stride urged that this created several problems. One of which the staff recommends to cure. One problem was that that differential may incent haulers to come to Forest Grove rather than Metro South or Center Stations. The cure suggested by Metro staff was to impose an equalization fee. He understood an equalization fee to be one that imposed a cost on A.C. Trucking to bring their rate up to the same as Metro South and Central but the equalization fee they viewed as a euphemism for a tax on A. C. Trucking and one that the law firm would urge was impermissible and would likely test. The law firm suggested that what this would do was place both parties in a bit of an untenable position of either having unequal rates or a tax that may or may not be permissible. He urged a different result, that result was to wait on this process to allow A.C. Trucking

to deal with Metro staff and give them some comfort the numbers supplied and would continue to be supplied would necessarily justify a rate that A.C. Trucking has had at the \$25.50 level. The firm had over the past month been in discussion with Metro staff and had attempted to work out some exchange of information. He believed that if information could continue to be exchanged with staff in an open manner that the staff would be satisfied that where there had been some inadvertent misallocations, those would be cured. If there had been cost allocated to other Ambrose Calcagno entities, to the franchise operation, the firm concedes that this was not appropriate and that should be cured but they do contend that once appropriate costs were allocated to the franchise operation and an appropriate rate of return was analyzed and imposed that there would be no change in the \$25.50 rate. He asked Council to give them time to do this. Mr. Stride suggested that Council hold over the resolution until January 1997 and second urged Metro staff to negotiate with the company a fair confidentiality agreement whereby the firm could provide sensitive competitive information to Metro in a way that they could be assured the information would not be used unfairly to compete against A.C. Trucking or land in the hands of someone who would do that and that they had some comfort in supplying that information, provide that information, conduct a joint analysis and allow that process to take 180 days from the first of the year.

Mr. Marty Howard said that he was at this meeting to answer questions.

Executive Officer Burton and Acting Director of the Solid Waste Department spoke to the resolution stating it sends this matter to Rate Review Committee for the purpose of examining exactly what Mr. Stride had outlined to the Council which was the proper place for the review to occur. He pointed out that this matter had been in front of Metro for some time. The franchise agreement that was signed by Ambrose Calcagno Jr. and Metro Executive Officer Rena Cusma was dated January 26, 1994. Section 14.5 of this agreement said, "beginning in 1995 the franchisee shall submit to rate review annually following or at the time of Metro adoption of disposal rates for Metro owned facilities." The signatures were attached to that by Mr. Calcagno and by then Executive Officer Cusma. Mr. Burton said that he could provide copies to Council of the attempts to correspond with Mr. Calcagno and with his attorneys to try to resolve the questions that were raised here at this point. That correspondence started April 26, 1995, the last was sometime in September. Given the information that REM staff had and were able to get, the question of confidentiality, all attempts were made to keep the information confidential. However, in the sense that this had been delayed for two years beyond what it should have been, Mr. Burton felt that they needed to go to Rate Review with this and recommendations were made on that basis. He did not believe it would be advisable of him or a good use of time to get into the details of that but the purpose of resolution before Council was to send this matter to Rate Review to determine what the rates should be. The REM department had a recommendation based on the information they were able to get. The process that was gone through for the rate review was exactly the same information which was provided previously under the previous rate review by this same franchisee, nothing was different, generally information was the same. Information was provided previously by the franchisee but for some reason there seemed to be a problem with providing that information now. REM had taken their best shot at attempting to get that information, giving an opportunity for everyone to come in with that information they wanted to including the information on confidentiality. He asked General Counsel to comment on the confidentiality issue and urged Council to pass the resolution and send it on to the Rate Review Committee so they could get down to the details and the argument that A.C. Trucking seemed to be concerned about.

Councilor McLain said that she had no problem with the resolution being before Council or with the request that this information be sent to the Rate Review Committee. The only concern she had was the date of November 30th, she asked when the Rate Review Committee met next and was that

reasonable to ask them to dispose of this issue in one meeting. Why was the timeline of November 30, 1996 chosen?

Executive Officer Burton said that this date was the next meeting that the Rate Review Committee was meeting. He asked Mr. Cooper to comment on efforts to try get the information requested. Once someone went through the Rate Review process he was unsure as to how long it would take the Committee to determine what the costs were. This was a matter of providing information about what costs were versus what the rate should be. This issue that was coming before the staff was that this information is proprietary information that the franchisee did not want to let someone see. There was a means to deal with this confidentiality issue. There had been an attempt to provide this but the information was still not forthcoming. If the Rate Review Committee needed to take more than one meeting on this, they could chose to do this and make a response to the company. REM asked for some kind of a timeline to be set up. Mr. Burton had not intended to box anyone into an absolute date.

Mr. Cooper had discussed with both Mr. Strides office and another attorney who represented Ambrose Calcagno the issue of confidentiality, within the confines of the limits of the Oregon Public Records Act. Legal Counsel was prepared to do what ever was possible to guarantee confidentiality which included going out to Mr. Calcagno's offices, his attorneys or accountants to look at documents there so they may be shield as much as possible from any claim that those records became public documents. This could be worked out among the attorneys in short order if that was the only issue. He noted that there were other issues as well.

Mr. Stride was happy to work out a confidentiality agreement. He drafted one and sent it to Metro to be looked over. He believed that they could come to an agreement. The response he received was that they were better off being pushed to a contested case after the rate review where in the attorneys could ask for a protective order for that information. This meant that information could not be shared now to resolve the issue and believed that this issue would be better resolved now with staff by putting the information out there. He noted that A.C. Trucking had recently engaged Mr. Howard and McCullough Group to compile information and conduct an analysis and share that analysis with the staff. If given time, this could be done in a way that would make more sense than pushing on to a Rate Review Committee.

Councilor McLain asked Mr. Stride if he was new to the process, had he just been retained? She believed the time issue was a concern, the staff had tried very hard to work with the individuals involved being very sensitive to the confidentiality issue. If Mr. Stride was asking for more time because he was new to the setting this would make some sense.

Mr. Stride's firm was retained within the last two months. The firm had asked for additional time and Mr. Cooper did grant the firm some time. The firm believed they had more time, this was why Mr. Howard and his group were brought on board. It was Mr. Stride's hope that they could comply and share information. He did believe that the firm was stuck if they could not get a confidentiality agreement together that allowed the firm to share information from Mr. Calcagno's enterprises other than the franchise's operation, which would provide information necessary to those individuals who were in a position to use that information.

Councilor McLain said that her understanding was that Metro's legal department was working to make sure that confidentiality issue was resolved to everyone's satisfaction.

Mr. Stride said the firm would like to have a signed confidentiality agreement as opposed to a representation that it would remain confidential.

Presiding Officer Kvistad asked Mr. Cooper and Mr. Burton what effect of delay until January and February?

Executive Officer Burton responded that the effect of a delay, it meant that this would be dealt with later. The signed franchise agreement by the franchisee dated back to 1994, this was supposed to be an annual review, this had not been conducted under this franchise agreement. The other fact that needed to be noted was that the current rate that would be charged if the staff was correct in the assumptions made so far, part of what the Rate Review Committee needed to consider, was whatever information that they could bring in that would counter what the staff had been able to glean from the information they had been able to get. If the rate was in deed at a premiere or about where it should be and REMs recommendations here was that the rate be reduced and that that saving per year be passed onto all Metro solid waste rate payers, that was a delay in doing that for that period of time. So, that in effect would be a delay and if there was a reduction that might be achieved, Metro was losing that to the rate payers.

Mr. Stride spoke to the delay, the firm had started the process, Mr. Howard had met with some of the Metro staff and believed that process would go smoothly but needed time to continue that process. As to the point of passing on the savings to the rate payers, it was understood that the proposal contained a provision that would be seen following a determination of the rate to pass a resolution adopting and equalization tax that those rate payers would in fact not see those savings. What was urged was to allow the process that Mr. Howard started to continue and to work to get a confidentiality agreement and continue without going to Rate Review.

Councilor Washington asked if the primary issue was a confidentiality agreement or was it getting this agreement presented squared away.

Mr. Stride replied that they believed if they had confidentiality agreement they could provide information that could provide information that could satisfy the staff that the rates that were currently being charged were appropriate.

Councilor Washington clarified that this resolution was to bring something together for AC Trucking and wanted to know what that would do. He wanted to know why it had taken so long for this to get to this point and be forwarded to the Council.

Councilor McFarland responded saying that they had been working for some time to get information from AC Trucking. They had not been very forth coming in getting that information. Staff was trying to get information and send to Rate Review Committee, Chaired by herself. She stated they were trying to get on with the process. She urged the Council to pass this on and let Rate Review make a determination.

Councilor Washington reiterated that the issue with Mr. Stride was confidentiality.

Mr. Stride said the primary issue was confidentiality and the secondary issue was rather then sending this to rate review with a recommendation that they saw in the proposal and the staff work they thought that if they could provide staff information, Rate Review Committee would get an entirely

different recommendation, one that would be in the better interest of both Metro and AC Trucking. That was where he thought they should do the work.

Councilor Washington said if this went to the Rate Review Committee would they have the opportunity to say anything that they wanted or make sure all their needs were met, and did Mr. Stride think they would not treat them fair if it went to the Rate Review Committee.

Mr. Stride said that he believed that the Rate Review Committee would give them a fair review. He stated that it would provide a better opportunity to provide a detailed analytical information to the staff before it went to Rate Review. He urged that it stay at the staff level prior to going to the Rate Review Committee.

Executive Officer Burton commented that he felt that Metro had more than adequately provided time to AC Trucking. Second, regarding rate stabilization fee, that was concurrent with new rate so that the money was stabilized across the board equally and tried to reduce the fee.

Councilor McFarland corrected Mr. Burton saying his analogy was not the extra foot but they had gone the second mile.

Presiding Officer Kvistad closed the public testimony at 3:21pm.

Councilor Monroe asked Councilor McFarland why the Council needed to bypass the normal process to fast track it today. What would be lost by having this reviewed by REM Committee first before it was finally passed on by the full Council.

Councilor McFarland replied that they would like to review this as one of major issues for Rate Review Committee and wanted to address this as one of the major questions.

Councilor Monroe asked when would the next REM Committee meeting be, and would that happen in time to still get this to the Rate Review by November 30th.

John Houser replied the next REM Committee would be on November 20. He believed that staff had been looking at a potential Rate Review Committee meeting on or about that same date.

Councilor McLain asked if the confidentiality issue was something that had been discussed by both parties, what was the difference between the two and how would it be kept confidential when having to be brought in front of an advisory committee that would entail a public meeting.

Dan Cooper affirmed that they had discussed both verbal and written confidentiality. Mr. Calcagno said he had more than one business. He believed in order to really understand what his financial situation was, Metro staff needed to be aware of some of the other things that he did and how he allocated cost. The concern with that was the other companies had information that if it became public record, then his competitors may take advantage of that information. In the staff work up of the protect information, it was agreed that they would make what ever steps necessary including signing something in writing to protect that information when reviewed by staff. The question was what would happen in rate in a public committee in a public hearing to information was a separate question. He

stated they had been more than willing to accommodate AC Trucking and the attorney's before Rate Review convened.

Councilor Washington asked if it had taken a year to get the issue of confidentiality issue resolved.

Dan Cooper replied he did not know why this had taken so long. And stated discussions had occurred.

Councilor Monroe stated he thought he heard the attorneys for Mr. Calcagno state that they needed some time to work out the confidentiality agreement before the Rate Review Committee Process started since it was an open process and would make public some confidential information. He wanted to know from Mr. Calcagno's attorneys if that was a correct assessment of their position.

Mr. Stride stated that at a staff level if they could work out a confidentiality provision, they could provide underlying documentary information that would be sensitive. Once it went to the Rate Review Committee that information need not get to the Rate Review Committee, it could be compiled in a consolidated format, which would not disclose any of the confidential information they were concerned about. They did not wish to supply the specific documents to Rate Review Committee.

Councilor Monroe asked how important was it that the Rate Review process start within the next two weeks. If the confidentiality agreement was signed and agreed to, but if all information sharing was not completed, could the rate review process be postponed until that happened if the resolution was passed today?

John Houser responded that if staff had not had a chance to fully analyze it a Rate Review Committee meeting on or about the 20th could analyze what had been made available. He stated what staff was intending to do was to get the process started.

Executive Officer Burton commented a December 21, 1995 letter was sent to Mr. Calcagno. He stated they were not doing a Rate Review of the law firm but doing a Rate Review of the franchisee and asking for the process to get started. He further stated that if more time was needed for the reporting back date more time could be requested but would be up to the Rate Review Committee.

Councilor Monroe stated it sounded like there was some question about the timeline for the November 30th date and how flexible that date was and if a date should be in the resolution.

Councilor McLain believed that the staff and Executive Officer Burton gave an indication of why there needed to be a timeline. There had been problems with getting further than step one. She stated she was more than willing to vote this forward with a date. She felt the November 30th date was a bit ambitious. She wanted to know if Councilor McFarland would agree to a friendly amendment to change the date.

Councilor McFarland said she would agree to saying not later than December 10, 1996 for this friendly amendments.

Motion as amended: **Councilor McLain** moved to amend the date to December 10th.

Seconded: **Councilor McFarland** seconded the motion.

Vote on amended motion: The vote was 7 aye/ 0 nay/ 0 abstain. The motion as amended.

Vote on Main Motion: The vote was 7 aye / 0 nay / 0 abstain. The motion was unanimously passed.

Councilor Morissette stated that he had to leave but wanted to comment that he supported Bruce Warner's addition to staff.

6.2 Resolution No. 96-2417, For the Purpose of Authorizing an Extension of a Contract with the Spangle Associates for Utilizing a Federal Grant Facilitating Use of Relative Earthquake Hazard.

Motion: **Councilor McLain** moved the adoption of Resolution No. 96-2417.

Seconded: **Councilor Washington** seconded the motion.

Discussion: **Councilor McLain** said this was pass through money and would not cost any money. This was passing a grant to Spangle Associates who would utilize this to make better and complete the earthquake hazard maps. She urged that this item be passed.

Vote: The vote was 6 aye / 0 nay / 0 abstain. The motion passed unanimously with Councilor Morissette being absent.

6.3 Resolution No. 96-2407, For the Purpose of Confirming the Appointment of Bruce Warner to the position of Director of the Regional Environmental Management Department.

Motion: **Councilor McFarland** moved the adoption of Resolution No. 96-2407.

Seconded: **Councilor McLain** seconded the motion.

Discussion: **Councilor McFarland** spoke with Mr. Burton about this selection. They talked about what kind of things were needed for that department and she knew Mr. Burton would give details of Mr. Warner's background. She believed this was a good choice for the department and stated they were prepared to work fully and cooperatively with Mr. Warner.

Executive Officer Burton stated he was pleased to bring to Council for their acknowledgment the nomination of Bruce Warner as the director for the Department of Environmental Management. Mr. Burton gave a brief synopsis of Mr. Warner's employment background. He urged the Council to confirm Mr. Warner's nomination as the director of the department.

Councilor McLain stated that was one motion that she was happy to pass today and that Mr. Burton had a wonderful staff and had done a wonderful job.

Councilor Monroe stated that he had known Mr. Warner for quite a while but wondered if he really knew anything about garbage. He stated this resolution had him really puzzled.

Councilor McCaig stated she agreed with Councilor Monroe. She said in her experience with Mr. Warner at the State was a little disconcerting. She believed from what she had seen in the past that Mr. Warner went to departments that were in the black and when he left they did not have any more money. She said she was truly concerned about this and thought it should be postponed for a year.

Councilor Washington commented he had similar concerns that Councilor McCaig had. He stated he had to work with Mr. Warner on the MLK Boulevard project. He was concerned about his nomination to the position.

Presiding Officer Kvistad commented that he had concerns as well from his past history.

Councilor McFarland commented that all of the reservations about Mr. Warner were warranted. She suspected that he would be in for a lot of difficulty but she was going to recommend that the Council pass this and confirm him.

Councilor Washington stated that it had been a pleasure to work with Mr. Warner and things truly did begin to happen on the MLK Project when they had chatted.

Councilor Monroe stated that he hoped that Mr. Warner would be more successful at running the REM Department than he was at getting the legislature to come up with some money for highways in the State of Oregon.

(Upon the confirmation of the Director, the above dialogue was in jest)

Vote: The vote was 6 aye / 0 nay / 0 abstain. The motion passed unanimously with Councilor Morissette being absent.

6.4 Resolution No. 96-2414, For the Purpose of Opposing the Siting of an Inmate Intake Center, A Medium Security Women's Prison or any other Correctional Facility on the Wilsonville Tract.

Motion: **Presiding Officer Kvistad** moved the adoption of Resolution No. 96-2414.

Seconded: **Councilor McFarland** seconded the motion.

Discussion: **Executive Officer Burton** addressed Resolution No. 96-2414 and 2415. He stated before the Council was a chronology file of the involvement that Metro had with the Wilsonville Tract and also the question of the damage property for some time. In the 1987 legislative session he chaired a corrections committee and ended up chairing several oversight committees and then the siting committee for the prison expansion that was occurring at that time. He also recognized that Ballot Measure 11 was passed by a majority of the citizens of Oregon and that made it a constitutional requirement to provide certain prison sentences for people. The reason these

resolutions were before the Council were because Metro had had a long standing and ongoing negotiation with the State on the question of the division of the state lands property in the Wilsonville Tract area. In 1991 it was recommended that the Wilsonville Tract be sold to the Department of State Lands to be maintained as a natural area. He further commented that there was a competing RFP for the property with the Tualatin Valley Water District. The situation there was that Wilsonville was about out of water and they needed water for their current uses. The ultimate objective was to build a joint plant to serve both Wilsonville and other areas nearby. Metro had been working with them and representatives of the City of Wilsonville and their agents to try to work with the Tualatin Valley Water District to locate land where they could build that plant and it had just been successfully negotiated. The Divisions of State Lands said the Wilsonville Tract had been proposed by the Department of State Lands as a potential site for the Department of Corrections. The point being that they had been in negotiation and that this land was not available. If the Department of Corrections determined that it wanted to build a corrections facility in the tract area, it would have to buy that land at fair market value, the same thing that Metro would buy it at. Resolution No. 96-2414 recommended to oppose the siting of that facility on that land for those reasons.

Executive Officer Burton discussed Resolution No. 96-2415 stating the Dammasch property was another issue to be dealt with. The city of Wilsonville would be responsible for providing streets, water and roads into the area. Local jurisdiction in this case, Clackamas County would have to do that because it would not be incumbent on the City of Wilsonville and the cost of doing that for Clackamas County would be great. In order to help Wilsonville out with its growth management this would detract from the process that was being set up to help them deal with growth in the future. He sent a letter to the Governor based on the policies that had been adopted by the Council regarding both of these properties indicating the concern about that. Governor Kitzhaber responded by indicating he had a concern about Growth Management issues in these areas. He stated there were options that needed to be looked at.

Presiding Officer Kvistad commented that with this particular tract it was in the greenspaces master plan, state goals, and Metro did make a commitment to that community to move forward with trying to purchase this site. He stated that he had a track record that there were very few times that he took the position on issues or items to publicly stand in the way of facilities or to support ballot measures. He did think this was in Metro's jurisdiction. He urged the Council to support these two resolutions.

Councilor McCaig did not disagree with the importance of the negotiations that had been ongoing with the Openspaces department and the people of the region. She believed it was premature and inappropriate for Metro to urge the Governor not to consider this site without understanding the full limitations and restrictions that the Governor faced in finding an appropriate site. The Committee narrowed down three sites, one in the metro area and the other two scattered throughout the State. She thought there were larger issues, bigger than those raised by Council that the Governor and the Siting Committee had a responsibility to consider. She wanted to give them the flexibility of having the information in front of them and Metro's support when going through this process. She did not object to the Executive Officer or members of the Council taking positions against ballot measures. She still continued to have doubts whether it was appropriate for the Council, as a governmental entity to take some of these positions without the benefit of having all of the information and the choices that the other governmental units had before them. She had an amendment which would simply change the "now therefore be it resolved" in both Resolution No. 96-2414 and No. 96-2415.

Motion: **Councilor McCaig** amended Resolution 96-2414 which replaces the word "opposing" with the "Metro Council strongly urges the Governor and Prison Siting Committee to take all of the aforementioned limitations and concerns with regards to the two tracts into account during any deliberation related to siting an Inmate Intake Center A Medium Security Women's Prison, a Men's Medium Security Complex or any other correctional facility." She further stated that Metro go on record listing all of those concerns and expressing what the role of this government was within their jurisdiction but not conveying to the Governor that Metro was opposed to it being sited there yet.

Seconded: **Councilor Monroe** seconded the amendment.

Councilor McLain appreciated the comments that Councilor McCaig made and her position. She said she could not vote for Councilor McCaig's amendment. She felt that Metro did have the responsibility to take a proactive and strong leadership role to make sure the previously endorsed documents fulfilled the responsibilities and commitments made to the citizens and voters. She thought it was appropriate when cities and counties came to Metro and had a similar issue to let Metro know of that issue and to oppose certain elements of Metro's planning or certain elements of Metro's proposals. She did not feel the leadership was strong enough with either one of these amendments. She hoped that the original language would remain.

Councilor Monroe said he would support the amendment for two reasons. The resolution would have a greater impact on the siting decisions than with the original language. He also recognized that that Governor was in a very difficult position and that the Council ought to be more sympathetic to the problem that he faced. He felt it made more sense to provide him with data and to let him know that the Council strongly believed that data reflected on this not as being a good place for a prison, but that we not simply order them to pull it from the list of possibilities.

Councilor McCaig stated that Metro had been involved in long ongoing negotiations and a contract had not been signed. She stated things do change and that needed to be recognized. She thought that Metro was entitled to move forward and recognize that the State had not made a commitment to Metro on this property, there was no contract yet and could not expect as their needs changed that they would not adjust their negotiations with Metro.

Executive Officer Burton commented that there was an RFP that had been accepted by the Division of State Lands and was under the assumption that it would move forward. There was at least, on the part of that Department, a sense that they wanted to move forward.

Councilor Washington stated he had been through this process before and it did not make a bit of difference of how tough or how soft a person was, Prison Siting Committees do what they want to do. He did not think the Governor would take this as an attempt to disrespect him, he hoped the Governor would take this as Metro stating a strong position.

Presiding Officer Kvistad commented with both of these areas, there were both areas of interest. These two items were different, in that they were in the long range plans and master plan. He was more concerned about the relationship with the community and the voters and that the Council had a commitment. He further stated he was going to oppose this item and support the initial resolution.

Councilor McCaig said this had nothing to do with either making a statement about protecting or not protecting openspaces. It had to do with the way this Council perceived itself and the job it was meant to do. She thought it was appropriate to make an amendment when not having the benefit of all information.

Vote on amended motion: The vote was 3 aye / 3 nay / 0 abstain. The amendment to the motion failed. Councilor McCaig, Monroe and McFarland voted aye, Presiding Officer, Councilors McLain and Washington voted nay.

Mr. Desmond responded to Councilor McCaig's comment that a contract had not been signed. The delay that had been caused getting the contract signed was the fact that the DSL was given two competing RFP's. One for the entire parcel by the City of Wilsonville and Metro combined and one for 40 acres of the property for TVWD. He stated they were directed by the DSL staff to try to accommodate both uses.

Councilor McCaig responded that if she had heard that from the Executive branch that the Division of State Lands was attempting to move something in an expedited way, when there was another issue on the table for the Governor, she would be cranky. She appreciated that the DSL may in fact be attempting to do that and understood very clearly why they were doing that. But she did not think that was an issue that this Council needed to get involved with.

Mr. Desmond clarified that he just wanted to be clear on the record where they were so that they knew what had happened in the three years that this had been worked on.

Vote: The vote was 5 aye / 1 nay / 0 abstain. The motion passed unanimously with Councilor McCaig voting nay and Councilor Morissette being absent.

- 6.5 **Resolution No. 96-2415**, For the Purpose of Opposing the Siting of an Inmate Intake Center, A Medium Security Women's Prison or any other Correctional Facility on the Dammasch State Hospital Property.

Motion: Councilor Kvistad moved the adoption of Resolution No. 96-2415.

Seconded: Councilor McLain seconded the motion.

Discussion: None

Vote: The vote was 5 aye / 1 nay / 0 abstain. The motion passed with Councilor McCaig voting nay and Councilor Morissette being absent.

- 6.6 **Resolution No. 96-2420**, For the Purpose of Confirming the Selection of Western Strategies to represent Metro before the 1997 session of the Oregon Legislature.

Motion: Councilor McFarland moved the adoption of Resolution No. 96-2420.

Seconded: Councilor Washington seconded the motion.

Discussion: Councilor McFarland said this was a unanimous decision to select the Western Strategies to represent Metro at the 1997 session of the Oregon Legislature.

Executive Officer Burton recommended confirmation of Western Strategies to represent Metro before the 1997 session of the Oregon Legislature. There were a number of applicants, they did interviews and was unanimous to recommend Mr. Higby for this position. He noted Mr. Higby was an attorney, with an undergrad degree in POLI SCI, educated and training with City of PDX and was good at what he did. He felt Mr. Higby would bring to Metro experience necessary to deal with the next legislative session. He also recommended confirming Mr. Higby and very quickly getting together as a group to discuss some of the legislative items.

Vote: The vote was 6 aye / 0 nay / 0 abstain. The motion passed unanimously. Councilor Morissette was absent.

6.7 Resolution No. 96-2421, For the Purpose of Amending the Contract Between Metro and Ankrom Moisan Associated Architects for Architectural Services Associated with the Development of the Oregon Project at Metro Washington Park Zoo.

Motion: Councilor Monroe moved the adoption of Resolution No. 96-2421.

Seconded: Councilor Washington seconded the motion.

Discussion: Councilor Monroe noted that there was a number of people present to provide information that was asked for in the Finance Committee in terms of budget and possibly an amendment.

Sherry Sheng apologized for the staff being unprepared at the Finance Committee meeting. Ms. Sheng gave a brief chronology of the Ankrom Moisan Associated contract. The original contract was executed in June 1994, the contract was approved for \$150,000 and that was in FY 1994-95 as part of the Zoo Capital Fund. The staff had recommended or requested \$ 3 million which should be looked as the placeholder. A process was gone through sending other RFP's to over 20 firms, conducted a full walk through, received a large number for RFP's, considered 8 proposals, conducted a large number of interviews and selected the firm that had the contract currently. Even though a \$ 3 million contract amount was requested, Council after extended conversations, decided during the FY 1994-95 to authorize \$150,000 to word initial concept development and programming design for this project. The total contract amount in the signed contract says to be determined. In late September 1995 and early 1996, in preparation for further Executive and Council decisions regarding the Zoo Project, they executed 3 amendments totaling \$130,000 and showed up on the Zoo's FY 1995-96 Capital Fund and those funds were used to conduct further designs which provided additional information. Ms. Sheng stated she was here now to recommend amendment #4 and the amount being requested was only \$ 2.1 million was anticipated to be expended and that was the amount that was shown in the Capital Fund for the Zoo's FY 1996-97. The rest of the money would show up in future fiscal years and that would be 1997-98 and 1998-99.

Berit Stevenson, Property Services Division discussed the change order. In the prior conversation at the Finance Committee meeting that the original selection process did include the entire scope of the project. It was thought that a two contract approach would have been better to have an initial contract and then a secondary contract once the project had been approved and going forward. It was recommended an amendment that it was not a change order but would be establishing that to be

a determined amount. In a sense it would be establishing the contract that was not fully defined when it was executed a couple of years ago.

Motion: Councilor Monroe moved the amendment Resolution No. 96-2421 to Resolution No. 96-2421A.

Seconded: Councilor McFarland seconded the amendment.

Vote: The vote was 6 aye / 0 nay / 0 abstain. The motion passed as amended. Councilor Morissette was absent.

Councilor Monroe asked Ms. Sheng if there was any budgetary information.

Sherry Sheng indicated that they did have additional information that would explain how the design fee was derived. She presented two spreadsheets, the first showed at a glance how the entire project cost of \$30.5 million was allocated. Ms. Sheng explained the budget sheet explaining the difference between the Total and the Design Fee was what was called the project budget subtotal which was actually all the money that was anticipated to be spent on construction or fabricating an installation in order to have a finished product. Then a break down was done on that amount of money into three different components. Included was a 15% contingency for each item at this point because it was still very early in the design of the project. Her guess was that it would be inappropriate to get into each component at this point and talk about a cost but if there were questions she would be happy to answer them. She further introduced John Fraser who was the Zoo Staff Architect and would be more than capable to answer any specific questions.

Councilor Monroe asked that the amount of the bonds that were sold were \$30.5 million.

Sherry Sheng clarified that the total bond measure passed was \$28.8 million.

Presiding Officer Kvistad asked Mr. Fraser to tell him in terms of these line items if they were appropriate to the scale of these kinds of developments or were they pretty much on par.

John Fraser Zoo Design Coordinator stated that from his past experience he was fairly familiar with this type of construction. He thought this budget reflected accurately what could be expected for those components. At this stage in design it was difficult to get very precise because the sizes would vary depending on the needs of specific animals.

Presiding Officer Kvistad stated in terms of contingency, in Mr. Fraser's experience in other projects, that of 10-15% was adequate.

Mr. Fraser replied 15% if allowing for escalation of the construction schedule was 3 to 4 years and this was a very hot construction market, Portland was really not what he would call a national average.

Sherry Sheng shared additional numbers regarding the design fee. The nature of the project had to be looked at to figure out what was an appropriate expertise applied to each component of the project and then work out on a percentage basis what would be the design fee applied for those components.

John Fraser discussed the handout Ms. Sheng referred to. The consultant fees were broke down by their area of specialization. What was done was 6 columns on the right to give an example of comparable facilities that had been built in the Pacific Northwest. The first line was buildings which were the architects work and the coordinating profession. The value of construction for that was \$6,728,650.00 at the current estimate and the fee value of 12% was pretty much consistent with national standards for this kind of complex restaurant. That was a AIA published range of 9-15% based upon a survey done two years ago of national expenditures. The fees for Skamania Lodge were put in due to the importance for the Council to understand the level of finish. He noted the percentage fee for Skamania lodge was substantially lower than this due to the fact that it was hotel, it had a large amount of repetitive facility that did not occur. The Plaza's walkway was the area covered by the landscape consultant. There really was a very wide range in that area because of the amount of paving involved, a 12% fee for that was on the low side. The exhibits fee was broken down into four sub-categories with exhibits, shelters and holdings, life support systems and interpretives. They had been broken down because each one had a different level of involvement by the consultant. Exhibit fee was estimated at \$11,057,677.00 was the current estimate and the consultant fee assigned to that was 16%. Shelters and holdings were more straight forward in terms of buildings, \$1.5 million was the estimated construction value at a 12% fee was involved because of the specialty design requirement for each individual animal. Life support systems was a unique area of specialization. The interpretive budget which was \$3.9 million, the consulting fee for that was \$593,000. 15% was noted as being on the lowest side of what was a national standard. The reason for managing to achieve that was by employing an exhibit fabrication consultant approach where looking at design build.

Councilor McLain thanked Mr. Fraser and Ms. Sheng for bringing forth the previously discussed material.

Sherry Sheng stated she did bring updated information on the Capital Improvement Plan and understood that there were some questions about those numbers. She stated those were based on old estimates and had been updated.

Councilor McFarland wanted to congratulate Ms. Sheng and her staff on getting all of the information well organized on such short notice so that the Council could act and feel comfortable about their vote.

Michael Morrissey Council Analyst clarified that the architectural fees necessary for this year were in the Metro approved budget and there would be some further budget amendments coming relative to construction or other activities for which this would be the basis of.

Vote: The vote was 6 aye / 0 nay / 0 abstain. The motion passed unanimously. Councilor Morissette was absent.

6.8 Resolution No. 96-2403, For the Purpose of Appointing Seth Tane, Bill Peters and Josephine Pope to Three Expiring Terms on the Metro Central Station Community Enhancement Committee.

Motion: Councilor Washington moved the adoption of Resolution No. 96-2403.

Seconded: Councilor McLain seconded the motion.

Discussion: **Councilor Washington** asked Mr. Morrissey to submit copies of the documentation. Essentially this resolution was to fulfill the vacant positions in the Central Enhancement Committee. He encouraged the support of the Council.

Vote: The vote was 6 aye / 0 nay/ 0 abstain. The motion passed unanimously.
Councilor Morissette was absent.

7. COUNCILOR COMMUNICATIONS

Presiding Officer Kvistad discussed the Metro Council Meetings Listening Posts.

Councilor Washington commented that he had been working with Mr. Ridgley trying to get some facts and figures so they could talk to the city and the county. He had received all of the updated figures and wanted to share those figures with each of the Councilors in the near future.


Councilor McLain mentioned that she was going to Beavercreek after this meeting for an unofficial listening post and encouraged the other Councilors to attend.

Presiding Officer Kvistad stated before the end of the year, he would like to put together a work session to deal with goals and to talk about some of the things that would be needed in the upcoming legislative session.

8. ADJOURN

With no further business to come before the Metro Council this afternoon, the meeting was adjourned by Presiding Officer Kvistad at 4:50 p.m.

Prepared by,



Chris Billington
Clerk of the Council

Millie Brence
Council Assistant

MINUTES OF THE METRO COUNCIL MEETING

November 14, 1996

Council Chamber

Councilors Present: Jon Kvistad (Presiding Officer), Rod Monroe, Don Morissette, Susan McLain, Ruth McFarland, Patricia McCaig, Ed Washington

Councilors Absent: None.

Presiding Officer Jon Kvistad called the meeting to order at 2: 07 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

Executive Officer Mike Burton discussed Ballot Measure 32, 47 and 30. Ballot Measure 30 had to do with state-mandated costs and required the State of Oregon to pay for any mandated costs that were passed on to local governments. Metro was closely studying this Ballot Measure because of LCDC requirements. Regarding Ballot Measure 47, the most direct effect of that measure had to do with the Zoo. Metro anticipated that this would cost us and the Zoo about \$1.7 to \$2 million annually. Options were presently being explored. Another component of Measure 47 regarded annexations and especially annexations within the Metro Boundaries. If annexation was to occur, the tax rate could not be assumed unless there was a vote of the people in the process of that annexation.

Ballot Measure 32 (Mr. Burton noted only the unofficial vote) failed statewide but passed in the tri-county region. The failure affected more than light rail. It also eliminated \$375 million for state-wide transportation projects. It eliminated the commitment of this region to have to shift \$75 million of regional STP and lottery funds to the equity account.

With the passage of Measure 47 and the failure of Measure 32, the landscape has significantly changed. The discussions with Councilors Monroe and Morissette were along the lines of let us adopt a 'wait and see' attitude.

Presiding Officer Kvistad asked of Executive Officer Mike Burton questions regarding the Urban Services Boundary issue. Executive Officer Mike Burton stated that the issue would be submitted to Metro Council in the next week or so. The Executive Officer stated that the report would be sent this week officially so this matter could be scheduled.

Councilor Don Morissette stated that his comments on the transportation needs of the region were "keep it simple, stay focused, and be conservative about the requests."

4. METRO CENTRAL STATION COMMUNITY ENHANCEMENT PRESENTATION.

Councilor Ed Washington introduced Judith Mandt, Administrative Manager of Regional Environmental Management and Katie Dowdall, Community Enhancement Coordinator of Regional Environmental Management who made the presentation. Councilor Washington noted that 1996 is the tenth year of the Enhancement Funding.

Ms. Mandt's prepared comments explicated the Metro Central Station Community Enhancement project. If people were compensated for the impacts of a solid waste station, incentives could make them better off than they were before the facility was constructed. Both compensation and incentive payments were public agreements to accept a benefiting exchange for hosting a facility. Everyone needed to see what was in an enhancement program for them. Metro had no model back in 1986 to follow but what Metro had developed has been used many times over for other projects locally and around the United States.

In keeping with an open process and because there was money on the table, the public needed to be involved when the rules were written and, indeed, at every step of the way from then on. Metro invited everybody to the table: The Senators from the District, the Metro Council, the City Commissioner, and all the community leaders. This was how ownership was cultivated. The community was part of it. A standing committee of citizens in the area made decisions about choosing projects and then Metro would staff it. This was an Ambassador Program for Metro. We were in the enviable position of working in concert with citizens to disburse money in the community for very beneficial projects. That was what was in it for Metro. Metro represented the 'good guys.'

Ms. Dowdall presented an informative slide show which closely detailed the most noteworthy work accomplished by this group from Metro's Regional Environmental Management Services. Nearly 350 enhancement projects, representing over \$3.5 million, had been funded by garbage fees in the Metro region. Metro had provided bicycles for the Yellow Bicycle Program and over 60,000 gallons of free, recycled paint through the Household Hazardous Waste Program. Much painting had been done throughout the area with a consequent increase in youth employment as well as painting over graffiti. This committee funded the Christmas In April project through which many elderly or disabled people were able to stay in their homes. Roosevelt High School had been the recipient of grants for scholarships, youth programs, as well as business partnerships for the graduating classes. The Interstate Firehouse Cultural Center was renovated. Enhancement funds helped build Friendly House Community Center. Child care had had several grants for various programs of this nature. The Ivy Pulling Project was also funded, the humorously titled 'No-Ivy League.'

Sandy Dietrich of the Ivy Project presented the Councilors with T-Shirts from the Program.

5. CONSENT AGENDA

5.1 Consideration of the Minutes for the November 7, 1996 Metro Council Meeting.

Minutes of the November 7, 1996 meeting of Metro Council were unavailable for consideration.

6. ORDINANCES - FIRST READING

6.1 **Ordinance No. 96-662**, An Ordinance Amending the FY 1996-97 Budget and Appropriations Schedule for the Purpose of Transferring \$20,000 from the Building Management Fund Contingency to interfund transfers to provide sufficient funding for the Metro Regional Center Debt Service Payments for FY 1996-97; and Declaring an Emergency.

Presiding Officer Kvistad assigned Ordinance No. 96-662 to the Finance Committee.

7. ORDINANCES - SECOND READING

7.1 **Ordinance No. 96-647B**, For the Purpose of Adopting a Functional Plan for Early Implementation of the 2040 Growth Concept.

Councilor Susan McLain passed out a document entitled *Forty Ways to Implement the Metro 2040 Growth Concept*. It indicates the first portion of the dialogue accomplished on the Functional Plan about which more work will need to be accomplished and additional amendments will require hearing and discussion this afternoon.

Presiding Officer Jon Kvistad opened a Public Hearing at 2:24 pm.

Mayor Gussie McRobert, City of Gresham: "I am not going to lobby today. I am going to give you examples that deal with the reality of some of the things you are talking about; namely, the parking. As we speak, we have, under construction in Gresham, three Walgreen Drugstores, a Petco using out building orientation (which Mr. Whitlow will enjoy) and very happy with our Zone A parking standards which are the same as the ones before you today. One of those streets has twenty-minute transit. The other two are planned for the future. Today, it is hit and miss but they still are content with our Zone A parking standards. On the drawing board is a ten-screen movie theater being proposed by Act III. The Beaverton folks have told me we need to take a look at this. The point to it is they too are happy with the building orientation and they are wanting less parking than our minimum standards for Zone A. The things we have heard that people will not build under those restrictions simply is not true when you get out into the field into the real world. Thank you."

Linda Peters, Washington County Commission: "I was expecting that Charlie Hales would be here this afternoon to speak officially for MPAC and perhaps he will, later on. I want to speak to the McLain Amendment 6A. Amendment 6A is one on which MPAC has spent a fair amount of time. Two weeks ago, Councilor McLain came to us and asked us if this amendment is worth bringing back to Metro Council? If MPAC feels strongly about this matter, I will carry it back. If not, then this issue is going to stay the way it is and the grandfathering in of retail where it is presently allowed in not just general commercial but industrial and employment zones would stand. MPAC's concern was a lack of clarity as to how much area that would impact. We didn't know how much of the store we were giving away. MPAC asked for that information. The answer was pretty significant. Hundreds of acres if it were only

grandfathering general commercial but it runs up to 4,000-plus acres if the grandfathering covers the industrial and employment zones as well. It was the judgment of MPAC yesterday that that was too much. We want you to grant some local flexibility but we don't want you to grant so much local flexibility that it really threatens the viability of the concept that we are working with. It was MPAC's judgment that the existing amendment goes too far and we really should push for support of 6A. If we can find the grandfathering to the general commercial areas, that speaks to the specific concerns that most of the MPAC folks had. There is no need to go further and grandfather in all the rest of it and, in fact, it would threaten the whole sustainability of all the principles that are in work in Region 2040. That is MPAC's recommendation to you and it is a pretty strong one."

Councilor McCaig commented that the foregoing comments leave impressions with which she was uncomfortable. First, Councilor McCaig stated that no one on Metro Council wished to derail the 2040 process in any of the amendments that had been permitted. She stated that she has done the same analysis and the difference between the adopted language and the new proposal - her amendment would allow 1,100 permitted acres to be included. Councilor McLain's amendment allowed 350 acres. When one talked about the overall percentage impact of this, there were currently roughly 4600 vacant acres in the employment zone. Of this 4600 acres, we were talking about the difference between 1100 acres being permitted and 350 being permitted. We were not talking about a significant onslaught on the 2040 plan. The total employment area that had been mapped out in 2040 is roughly 13,000 acres. Of this 13,000 acres, there were approximately 5000 acres that were vacant. Of this 5000 acres, 1100 of those were permitted under my proposal. Councilor McLain was allowing 350 in her proposal. That was the difference.

Bob LeFeber, International Council of Shopping Centers, "I appreciate the fact that Councilor McLain is trying to find a compromise from her earlier position. I appreciate that. I appreciate that she did ask staff to do some research because people often ask me what is at stake here and I think it is hundreds of acres and millions of square feet but I really don't know. Granted, this memo only quantifies the vacant acreage. Within the employment areas again to restate what this memo is, is that it is saying that there is approximately 4600 acres vacant of five-acre parcels or more of which approximately 1900 acres would allow retail; some outright and some with a conditional use within an industrial area. Prior to the 2040 Plan, previous studies indicated that there is a five- to seven-year land supply of available retail land within this community. That is including this 1900 acres that really is at stake between Councilor McLain's amendment and the current language. Not all of that 1900 acres will be appropriate for retail development but I can't sit here and look at a number and say 'of that 1900 acres X is appropriate and Y isn't.' That would remove a huge amount of land within your community that could allow retail development. I don't believe you should do that when the studies are that there is a five- to seven-year land supply. Clearly there is an inadequate amount of retail land available. I think the language needs to stay the way it is. You will clearly be causing a down-zoning of a lot of land if you adopt Councilor McLain's amendment. It does not deal with the existing retail that has been built within these industrially-zoned lands that happens to allow retail within an employment area. Nobody looked at that number. I can think of several instances where there are large retail users, over 60,000 square feet, within employment areas that are currently on industrial land. Those will become nonconforming uses no matter how you look at it. That hasn't been dealt with and that is also hundreds of acres and that represents a significant investment in this community. What is going to happen to those uses? These

industrial lands within these employment areas were obviously not determined to be industrial sanctuaries that needed to be absolutely preserved. Those are the areas that were put into the industrial zones that Metro has previously designated. These areas were meant to be flexible. Flexibility includes allowing retail on those areas that are zoned general commercial as well as on those lands that are zoned industrial but allow retail. We need to continue to allow those to exist. Thank you."

Keith Bartholomew, 1000 Friends of Oregon: "I am here to urge you to vote against Kvistad Amendment #7 and for McLain Amendment 6A. First, to the Kvistad #7 amendment which is the one relating to Title 2 in the Parking Maximum ratios. Our greatest concern is that by having one area of the region regulated and another area of the region not regulated. We will be sending exactly the opposite message to the market that we want to send. What we are trying to do here is to encourage higher intensity development to be located in those corridors and in those centers where we have good transit services. By regulating parking in only those places that have good transit service and not regulating the other places, we are telling the market, 'put the development away from transit, not next to transit.' I think it is extremely important that we keep some sort of equity. We have varying standards to reflect the amount of accessibility that is provided by transit service in some areas and not in others and that is as it should be. We do need to have some standards in place to keep a more or less level playing field. McLain Amendment #6A: We think that it is important to protect our investments in employment areas. We have some concerns about how those lands get used. We would hate to see them be used prematurely which could result in sooner and larger increases in the UGB and so we would urge you to vote 'yes' on that amendment.

John Leeper: "I am going to be brief. I would like to encourage you, as far as parking is concerned, to give the local jurisdictions as much flexibility as they can be permitted. Second, I would like to speak in favor of keeping tight limits on the utilization of industrially zoned land for retail purposes. As an aside, I would just say that in light of the hundreds of thousands of dollars that this functional plan has cost already, I, for one, would appreciate your biting the bullet, making the decision, and getting it done."

Jim Mark: "I have been before you on this subject a number of times regarding the parking issue and I would again like to talk on the issue because Mr. Bartholomew spoke a little earlier on leveling the playfield. I could not have said it any better than he did. Unfortunately, in those Zone Bs, we don't have the transit service and leveling the playfield would mean that the transit agencies actually admit that once the development comes to those areas that they would have to provide adequate service. They are not there presently and putting these restrictions on the Zone B would be a disaster and not allow us to effectively develop, within the UGB, the way the 2040 Plan calls for. I think I circulated to everybody a Wall Street Journal article that talked about density in current office complexes and one of the things that everybody holds their hat on this discussion, is the DEQ study that was done a couple years ago on Kruse Way. I have argued those results ever since I first saw them. They are not there presently and putting these restrictions on the Zone B would be a disaster and not allow us to effectively develop, within the UGB, the way the 2040 Plan calls for. I think I circulated to everybody a Wall Street Journal article that talked about density in current office complexes and one of the things that everybody holds their hat on this discussion, is the DEQ study that was done a couple years ago on Kruse Way. I have argued those results ever since I first saw them. These parking lots are jammed to the gills. In today's environment, when an office complex or an office building

gets to 95% occupancy, parking lots are jammed and I think that article really talks about business and the way business uses office space today. Traditionally, we used office space at about one person every 150 to 200 square feet. That article talks about some firms down in Silicon Valley using space at one person every 60 to 70 square feet. That would take those parking situations that we all looked at and have a dramatically different look on them. As long as the car in a lot of the suburban communities is our only way of transportation, I think we need to look to the obvious and if we restrict this plan, which is a very good plan that everybody has worked on, with parking too early, we are going to have unintended results on it. Those unintended results are going to be keeping everything from developing outside the CAD where there is adequate transit service."

Councilor Morissette stated that Kruse Way, where his business office is located, is extremely short of parking.

Mark Whitlow, Retail Task Force: I would support Mr. Mark's testimony as well as Councilor Morissette's evidence as being correct. I go there quite a bit and it is difficult to park. As I stated in my letter, we are for regionalism. There is a concept of spreading regulations uniformly but it does break down if what you are trying to do is level the playing field, if it creates the opposite effect. That is what we are pointing out. The suburbs cannot compete with downtown. You shouldn't make downtown regulations be in the suburbs until you have the same circumstances as downtown in the suburbs or outlying areas regarding transit. That is our point. We would support Councilor Kvistad's Amendment #7. If that isn't the case of the day, we would still go back, though, to our urging that this break-apart from A and B and then putting it back together was relative to a switch from an adjustment process to a variance procedure. There is a big difference. Variances are not flexible. Adjustments are. If the Council should choose to spread these parking regulations uniformly, we would urge you to go back to the same procedure that you had in place when you first did that and that is to go back to the adjustment procedures. I think that is good policy as well as good land use planning. It gives governments the flexibility they need to weigh different circumstances; at a minimum, do that. I would like, then, to go back to Title IV. We would urge you to keep what you have. We agree with Councilor McCaig on this issue and I would support Mr. LeFeber's testimony and say that we have to engage in some balancing here. We agreed to give up on industrial lands within the industrial areas map with the understanding that there was quite a distinction between industrial lands in that area and then those otherwise in the employment areas which may or may not permit or through a conditional use, some retail. It is a drop in the bucket on the 2040 plan scale to have the relief that has already been passed under Councilor McCaig's amendment but it is very critical to our industry - those very few acres mean a lot in terms of an industry's ability to go forward at all within the next few years and so we think it is an important balance that has already been struck and we would urge you again to not go with Amendment #6A.

Barry Cain, Graymore Development Corporation: "We are a retail developer in the Portland-Metro area. Did you know that an 80,000 square foot CUB grocery store with six or seven parking stalls per thousand will do considerably more grocery sales than four 30,000 square foot grocery stores with four parking spaces per thousand on less land. If it is truly efficiency in land use that we are after, then why not require that all grocery stores be larger? In fact, the most efficient way to distribute groceries would be through one big central store at which everybody is appointed a specific time of the day to go to. The retail industry is a wondrous

thing here in the United States. The free market has created one of the most remarkable distribution networks in the world and it is constantly evolving. Many of the retailers that are strong today were not even around ten years ago. The new retailers and new developers continue to throw their hats into the ring every day even though most will not last. Our 2040 Means Business Committee concluded that if there is approximately three years supply of retail land in the current UGB, less than what Mr. LeFeber was saying because we looked at specific properties. If you limit growth in retail areas that are currently zoned for retail without replacing the land, you will be unfair to property owners and retailers who have already built on that land and unwise to the region. The efficient distribution of retail goods and services is very important to the economic viability and competitiveness of this region. As to parking maximums, we all know that there is no reason to have parking maximums unless they are going to reduce the amount of land than would otherwise be used. The problem is that parking maximums, parking requirements, are not set by jurisdictions. They are set by the market. If I want to lease to Blockbuster video and they need six spaces per thousand square feet, in order to justify building this store and paying rent, then I have to find them for them or they won't go. If Blockbuster won't go, then I am left with less financable tenants who are unable to pay as high a rent. This means that I cannot build as nice a building or maybe I can't build at all. If I don't build, generally a less desirable use comes behind me. When we put together a shopping center, there are many different types of uses in the center with various needs. We designed the center to have the appropriate amount of parking and hopefully no more or less based on the break down of those different uses. It is not an arbitrary number. Each center is altogether different from the last. We have built 21 projects in the Portland-Metropolitan area over the last ten years and none of them have extra parking spaces today. Higher costs of land, construction and city fees have been making it increasingly harder to justify these projects which means that we have had to push the limits for the retailers for what they can accept and several times, we have pushed too hard. What happens then is that I can only lease to the point that my parking supports the building and no more. In other words, the market corrects my mistake by giving me vacancy. In this town, you can find centers that have too much parking but those are of two types normally. Centers which mainly cater to seasonal sales, like enclosed malls and old, deteriorating centers. K-Mart is a good example of deteriorating centers today. This is precisely what allows for redevelopment. You cannot regulate success nor can you regulate the need for parking. The market is going to do that for all of us. In closing, if this is going to work for all of us, we need to find ways in which we can work together."

Rick Williams representing West Wind Group: "Like the gentleman before me, we are here in support of the Kvistad Amendment. The question we have is really going back to the process through which the Kvistad Amendment came to the fore was a process of separating out Zone A and Zone B on an issue of adjustments versus variances. The West Wind Group truly believes that the original language was fine and was willing to do and, in fact, the West Wind Group is in support of maximum parking ratios in Zone A, Zone B and in the central city. We attended ODOT's access management conference yesterday and the primary discussion at that conference was that applying uniform, macro-level standards holistically over a large area, leads to breakdown when you get down to jurisdictional levels and have to implement plans and access management for unique environments. To summarize: The West Wind Group supports the Kvistad Amendment; however, we would like to see Metro Council go back and have a discussion on the variance versus adjustment issues in an effort to solve the issue that give rise to the solution in the first place.

Peggy Lynch: We are not the suburbs any more. None of us in the UGB. We are the 'urbs.' I hope you read today Valley-Times that talks about what is going on in Beaverton. We have more employees coming in to Beaverton than we have employees sleeping there. We are not the suburbs anymore. Therefore, I support the current parking policy. It is not a uniform policy. It creates two levels of zones, recognizing that we still have work in our transit to be done but it is a viable policy. I would ask that you amend the retail policy. Even one big box in our employment areas could destroy that area for high-quality jobs. We are talking about the amount of traffic that this kind of facility burdens or places on our employment areas. That is part of the discussion and why it is so important that these employment areas remain employment areas. I agree with the gentleman who said that we have greater numbers of employees per square foot than ever before. It is the kinds of jobs we have today and because of that, it is extremely important that we maintain those employment areas and the flexible space opportunities that we have now in those employment areas. They become perfect candidates for alternative transportation discussions: carpooling, vanpooling and eventually, yes, transit. In the meantime, people like the Westside Transit Alliance are addressing that need in Washington County but they can only do it if we have high concentrations of employees who have jobs that can match that kind of use: a car pool, a van pool, and eventually, transit. One more time, we are not the suburbs any more. We are the 'urbs.' Ask Cornelius. A small town that many of you would say, 'Gee, that's definitely just an area of rural Oregon.' Take a look at the vitality that is going on there today and it is going on there today because of our UGB, because of our robust economy. Treat us like the single UGB that we are and consider us entirely. Thank you."

Jim Jacks: "As to Kvistad Amendment #7, I would like to indicate that Tualatin supports that. Mayor Ogden would be here today to say those words but he is at the League of Oregon Cities with commitments there and so that is the brief statement. We support the Kvistad Amendment #7. On McLain Amendment #6A, somewhat of a detailed item, is the fact that it refers to an Exhibit A and Exhibit A then lists several jurisdictions and zones in those jurisdictions that apparently allow retail. In Tualatin, it lists two zones. One is commercial office and I think that should probably be deleted as our commercial office district only allows small delicatessens that are oriented towards serving the office workers that are in the district so if that can be marked as something that either needs to be checked or I would recommend that you just delete it today by motion. Those are the end of my comments."

Meeky Blizzard, Sensible Transportation Options For People: "We have two concerns about the amendments being proposed today. The first concern is with the Kvistad Amendment about parking. In reference to Mr. McCain's earlier testimony about efficient grocery stores, it seems to me that the most efficient grocery store is probably one large store with on-line ordering and home deliveries and very, very limited parking. I think we need to look to the future. The suburbs cannot compete with downtown. Excuse me, but I think a lot of the development in the region has, over the past few years, been going to the suburban or, as Ms. Lynch calls them, the 'urbs.' We have to think of this thing in terms of a level playing field and not reducing us all to muck but elevating us all to the best level. Especially in an environment with limited building sizes we know we all have, the equal parking requirements assure that the areas that are currently served by transit will be developed first. It seems pretty sensible. Those without transit service at the moment, perhaps the parking restrictions will prompt far-sighted developers into working with Tri-Met to assure that the transit service will be there when

the development is. Again, it seems common sense that this is the way the world should work. Regarding the Monroe Amendment on congestion management, we have concerns that the emphasis on level of service runs counter to existing plans and policies. For example, our regional transportation plan specifically states that walking is the preferred mode for short trips yet level of service standards indicate that pedestrians and, for that matter, bicyclists, are not to be encouraged but are actually obstacles to moving vehicles and therefore, the presence of pedestrians and bicycles actually lower the level of service. The current regional transportation plan does not meet the recommended level of service standards currently. Therefore, how can we ask local jurisdictions to use them in evaluating their local plans. Even if we all agree that level of service standards were a desirable objective, the new financial constraints imposed by Ballot Measure No. 47 will probably make it impossible for local jurisdictions to comply. The City of Portland estimates that it will lose one-quarter of its general fund due to Ballot Measure No. 47. Washington County anticipates losing over 50% of MSTIP-III funds because of the ballot measure. In the face of these severe financial constraints, is it reasonable to insert criteria that cannot possibly be met? We think this denigrates the process and creates more of a dysfunctional than a functional plan. Instead, we urge that we use the desired mode-split criteria for evaluating projects, not level of service. Thank you."

Linda Peters, Washington County Commission: "Perhaps Councilor McLain is going to be presenting this later on but I just realized that nobody yet had mentioned another motion that was passed, I think unanimously at MPAC yesterday requesting the deletion of Sections V and VI of Title 8. Our concerns were that when we carefully examined the legal impacts of the language that had been proposed for Sections V and VI, we got ourselves into a terrible tangle that would involve some real difficulties for local jurisdictions as well as for Metro and by the time we finished plowing through it, it was pretty clear that even the jurisdiction that originally wanted to have some provision for formal interpretation decided that it wasn't going to work so we are proposing that those two Sections come clear out and that the rest of the compliance section be allowed to stand without that little complicated wrinkle."

Presiding Officer Jon Kvistad then closed the public hearing.

McLain Amendment No. 15

Motion: Councilor Susan McLain moved McLain Amendment No. 15.

Second: Councilor Ruth McFarland seconded the motion.

Discussion: Councilor McLain stated that this item was brought up by Metro legal staff. It has also been reviewed by MPAC. This amendment allows any Title of the Functional Plan to be severed; in the case that there is a push against it. The rest of the Functional Plan then would stay in place.

Vote: The vote was 7/0 in favor of this motion. Presiding Officer Kvistad declared the amendment unanimously adopted and made part of Ordinance No. 96-647B.

Monroe Amendment No. 8

Motion: Councilor Rod Monroe moved Monroe Amendment No. 8.

Second: Councilor Ruth McFarland seconded the motion.

Councilor Monroe stated that this amendment conforms the Functional Plan to the state's Regional Transportation Plan which was adopted in 1992.

Discussion: Councilor Morissette asked for a clarification of this amendment. Presiding Officer Kvistad informed the Council the two amendments came forward out of the legal counsel findings for consistency. The two motions are these. Councilor Morissette asked if, by voting for this amendment, councilors are agreeing with what is currently in state law. And Cotugno, Metro Transportation Planning Director, stated that some level of service requirements in the Functional Plan. First, a target or goal must be set for non-automobile use in the higher density, mixed use centers. Secondly, a level of service standard has been set for congestion that could be used in order to increase the densities in those higher mixed use centers. This acknowledges the current state level service requirement that is already in place for other parts of the systems outside of those higher density mixed use centers. It adds the sequence outlined in Amendment No. 8 of looking at alternatives to address that level of service requirement before highways are widened. Alternatives such as system management, demand management, adjacent, parallel facilities, and transit services must also be considered in this regard as a way to meet that level of service standard. This requirement is already reflected in the current Regional Transportation Plan which has already been adopted by Metro Council. It is already a requirement that is associated with the parts of the region that have already been reflected in this Functional Plan. It simply applies it to the rest of the region.

Vote: The vote was 7/0 in favor of this motion. Presiding Officer Kvistad declared the amendment unanimously adopted and made part of Ordinance No. 96-647B.

Kvistad Amendment

Presiding Officer Jon Kvistad stated that much discussion has ensued upon this amendment regarding whether or not Zone B parking should be required or recommended. When the 2040 process was begun, discussions were held regarding regional partnerships and flexibility in developing a plan that worked across the board. In this particular case, an understanding was reached with the jurisdictions and with the local business and industry groups having to do with the tightening of Zone A requirements in exchange for allowing recommendations versus requirements in Zone B. This was done to allow for flexibility where there was no transit and transpiration with the understanding that immediately upon transit and transportation becoming available, those sites would immediately become Zone A. To put in requirements on parking in Zone B where there is no alternative means of transportation to and from those locations is 1) doing a major disservice to my community and to my jurisdictions as witnessed by the letters you have received from almost all the of the mayors in my district. Those letters were unsolicited; 2) this does a disservice to the retailers and providers of services - the people who provide the jobs, the goods and many of the services - that we would, in fact, allow flexibility until transit was available but, at that time, those businesses would have to comply and any new building after that would have to meet Zone A requirements. I have heard some specifics

about destruction and well as doom and gloom - that is not the case here. We gave our word, we made a commitment and I do not believe we gave this amendment a great deal of thought and so I ask the members of this council if you would please consider this and vote in favor of this amendment. I think it is good public policy and I would appreciate your vote.

Discussion: Councilor McCaig stated that all districts have Zones A and B. She further stated that she had asked staff to prepare a chronology of parking maximums. In January of 1996 through February 14, 1996 when it was brought before MTAC and MPAC as well as through a discussion draft on March 26, 1996 through June 20, 1996, July 11, 1996 through August 23, 1996 when this was brought before the Metro Growth Management Committee, it had required in Zones A and B. No testimony was received during that time before the Growth Management Committee. It was only on October 3, 1996 when Councilor McLain came forward with the amendment that it was reversed. No testimony was received at that point. After October 3, 1996, Councilor McCaig came back with another amendment, the same amendment that Presiding Officer Kvistad was addressing today. This amendment dealt with Zone A and tightened up those restrictions. No conversations were held between Councilor McCaig and retail people about this matter or with local jurisdictions as well. No deal was cut. This amendment was proposed by Councilor McCaig secondary to the fact that she thought it appropriate for local governments and believes it to be an important public policy direction and has had universal support throughout the region for the entire time that Metro Council has been discussing the Functional Plan. It has only been within the past two weeks that this has become an issue. After the last meeting, when Metro Council adopted this amendment with a 4/3 vote, a letter was received from Executive Officer Mike Burton who decided to make his position clear; a position opposing this amendment. Until this time, no indication had been received from the Executive Officer that he opposed these parking maximums nor had his staff testified before either the Growth Management Committee or the Council on any of these items. Councilor McCaig stated that she found it inappropriate that it was at that point that he chose to raise his concerns after Council had voted 4/3 to support parking maximums across the region.

Councilor Susan McLain took issue with some of the comments made in the handout distributed by Councilor McCaig. Councilor McLain stated that she has never seen a topic that has been more controversial or more divided than Title 2. For nearly 18 months, Metro Council has noticed a 50/50 split in every community meeting and also in every MPAC meeting. Between August 23, 1996 and October 3, 1996, Councilor McLain stated that she received 17 pieces of documentation, letters and telephone calls regarding the issue of whether or not there is a compromise - a way to help both communities that have service today and those communities who are hoping for and supporting service in the future. Councilor McLain stated that her amendment on October 3, 1996 was an attempt to strengthen Zone A (upon which some agreement was reached) and to give something in Zone B - a recommendation versus a requirement that would meet the needs of a majority of the mayors from Washington County and other outlying areas that have one bus that comes at 6:00 AM and another one that comes and goes through town again at 9:00 PM.

Councilor Rod Monroe stated that he was less concerned about the history than he was about doing what is right and what is workable. He stated that he remembered the compromise which was called A and B. The compromise says that where transit will serve an area, a parking maximum at the A level is indicated, more restrictive and where transit has not yet arrived, at

least at the level of service Metro would like to see, a greater degree of parking is allowed, the B level which is approximately current practice. Whatever Metro Council does, it needs to be uniform throughout the region. Council cannot treat one region in a different manner than another. Whatever is done must fair and uniform throughout. The current status of the Functional Plan, according to Councilor Monroe with the McCaig amendment, does that and therefore he will support keeping it the way it is and oppose the Kvistad amendment. Councilor Monroe further stated that developers are ingenious and will adapt to reasonable restrictions. What this A-B format will do is to cause them to take another look at shared parking, at working harder for car pooling, at being strong supporters of appropriate funding for transit as well as encouraging some of their workers to use alternative transit modes such as bicycling to work or jogging to work. Shared parking is an idea whose time has come. Many parking lots sit vacant most of the time; parking lots that can be shared with shuttle service to and from work sites for employees. The development community and the business community will figure out ways to make this plan work.

Councilor Morissette stated he was glad that he was not the only builder on the Metro Council.

Presiding Officer Kvistad closed by stating that if they were talking about uniformity within the community it might be needed to talk to the agency that provided transit and make sure that the communities that were paying the bill were also getting a level of service that they were in desperate need of having. He referred to Councilor McCaig's list, none of those stated that the Metro Council was involved in any of those decisions and the Council did not even become involved until getting into the general discussion this fall. The Council was here to make a rational and reasonable decision dealing with what was reasonable and what was in the best interest of all of the community. He heard one of the Councilor's say that everyone should be treated equally. He felt there were inequities in terms of Transportation options in different parts of the region. One could say everybody needed to be treated equally but when there was not equal levels of service you don't have equal levels of road and infrastructure you could not have a flat one standard meets all requirements. He felt this was reasonable and prudent and worked. He urged the Council for an aye vote.

Vote: The vote was 3 aye / 4 nay / 0 abstain. The motion failed with Councilors Washington, McFarland, McLain and Monroe voting nay.

McLain Amendment #6A

Motion: Councilor McLain moved for the adoption of McLain Amendment #6A.

Seconded: Councilor Monroe seconded the motion.

Discussion: Councilor McLain she stated had already handed out the Title 4 MPAC memo that was sent on November 8th from John Fregonese. She also handed out a packet of material which included some new items and some previously viewed items. The first page indicated the support for her amendment 6 from MPAC. She referred to several letters which showed support for Amendment 6 and indicated the considered important initiative

preserve industrial areas and jobs. The amendment had some of the language from Councilor McCaig's amendment which indicated, that retail uses allowed in employment areas on the effective date of this Functional Plan for the specific zone was acknowledged land use regulation listed in exhibit A of this Title. Exhibit A of this Title would include all general commercial or commercial general. She stated she agreed with the City of Tualatin and asked to omit commercial office after their explanation of that code. There was a letter also included from Hillsboro and thought it was important because she took 6A through her Blueline litany test which was, could she get Wink Brooks to at least read it. Secondly, could she get the city managers in Hillsboro to look at the amendment and see if it passed their test which it did. They were fine with it as long as general commercial and commercial general alone. She then referred to the John Fregonese's memo and discussed it. From the comments were left she received from the general retail, commercial retail zoning was what they needed. Looking at Mr. Fregonese's amendment and looking at the different jurisdictions, it would only total 317 acres. What was trying to be done was to listen to the Industrial people who said they did not want retail in those areas and there were some zones that could not be as flexible as the retail people wanted it to be. It was a situation where this was a compromise. If looking at the first page Commercial Retail zoning was 317 acres and would stay grandfathered as per last weeks conversation. Industrial Zone Retail permitted outright would be 748 acres would not be permitted and Industrial Zone Retail permitted as a conditional use of 188 acres would not be permitted. The retail not permitted in the strict industrial zones on the map, 2,332 would not be permitted. The frustration that she had with working with Title 4 had been especially with the comparison with the Title on parking issues. She asked the proposer of the parking issue, what was achieved if you don't restrict the retail where those parking lots were going to be built? There was a maximum and a minimum that was very flexible and very loose, it was a very flexible cap and was a situation where if they truly wanted to do something and wanted patterns of traffic and patterns of parking to be in the places desired, there needed to be stores in the places you want the stores to be in. There was only a very small part of the employment area where transportation and parking did not work for that type of retail. It was not a ban on big box, it was simply asking big box to work with the community and to work with Metro in a way to allow to make sure their facility and the rest of the community and the employment areas could function at its very best efficiency level.

Councilor McCaig stated that she appreciated that they were now working towards a compromise because she wanted to make a reminder that what was started when she brought this amendment forward was they would allow nothing. There was zero opportunity for there to be any grandfathering in the Functional Plan when it was before the Council two weeks ago. When she made her statement bringing forward her amendment, she attempted to convey that she was concerned about fairness and equity and particularly that she wanted this document to be forward looking. The work that needed to be done was not to be punitive and penalize those people who had already had development opportunities in place. In conjunction with the information received from MPAC she developed her own chart. She wanted to restate that no one was attempting to put Costco in Industrial areas. That was not the issue, it was agreed and they were talking about Employment zones. Within employment zones there was a title that said industrial but was not the same as the industrial zones. There was no intention of doing anything in industrial zones. Currently there were 13,145 acres that were mapped as employment areas. Of those employment areas there was about 4,600 acres which were vacant. She was interested what would be done with those vacant acres but also respectful of what local communities had already decided what they would like to do with some of those

areas where they had already made zoning decisions. Councilor McCaig's proposal would allow the cities and counties to allow the extent and location of retail uses allowed in employment areas on the effective date of the Functional Plan. There were 1,065 acres which represented less than 24% of the total acreage. Those were acres that were already identified and established as permissible for this kind of development. She felt it was wrong to limit that. Councilor McLain's proposal took the 1,100 acres and using an additional screening factor arrives at about 350 acres. The difference that the Committee got to chose from was between 350 acres and 1,065 acres.

Councilor McLain commented looking back at Title 4 and looking at the language that was crossed out last week with the McCaig Amendment, it would be seen that there was a movement through and exceptions process. That exceptions process and part of the her amendment here today, indicated that if there was really a need for the local jurisdiction to be able to give an exception to a particular type of retailer like this, they could do that. They could do that through the following stipulation which was that demonstrated in the record that an adequate transportation facility would be in place at the time of the retail use as the beginning of the operation opened and a demonstration that the adequate transportation facilities for the other planned uses in the employment areas were included in the comprehensive plan provisions. There was already an exceptions process and movement away from zero. This would allow for the appropriate local jurisdiction flexibility. If they needed that type of retail in their community, they simply had to demonstrate that they were not going to disadvantage the rest of the employment uses in that zone and that they have adequate parking and adequate transportation for that facility. She also wanted to point out that the chart Councilor McCaig presented, needed go back to the zone, it was not the numbers that were important. She disagreed with Councilor McCaig's statement that they were staying away from industrial areas, Councilor McLain felt they were not. Presently there were 1,188 acres of permitted with a conditional use and 748 acres that were permitted outright. With Councilor McLain's amendment three things would be accomplished. One, it would allow an exception process that if the retail people wanted to go to their communities to make a case they could, but they would have to have adequate transportation. Second, if it was a commercial general or general commercial zone they could build that type of retail with this amendment 6A. Third, make sure that where they did not want retail which they had agreed was in industrial or in areas that act like industrial. She urged the Council to take Title 4 and Amendment 6A into consideration.

Councilor Washington appreciated all of Councilor McLain's comments. Throughout all of the correspondence that had been submitted there was an idea of trying to put big box in the employment area. It was not his understanding that big box was trying to be put in. He understood that they did want big box in employment areas and not in industrial areas, but he did not understand how this would destroy Title 4.

Councilor McLain replied that if you did not go along with the conditions in Title 4 which was 60,000 square foot facilities in a particular zone, if you did not go along with the conditions of having adequate transportation in the employment area that would not destroy other uses in the employment area. It would have undermined the factor of jobs in the 2040 Growth Concept as well as freight mobility, the ability of getting the product to the port and to the other areas for distribution. The concept was based on design, the design for the employment retail areas was low residential, not the highest density of jobs. In mixed employment area there were industrial complexes that were going to be part of the job components that were necessary for 2040 to

fly. The important element of why Councilor McLain thought it would destroy this element was because it did not give the amount of weight needed for industrial and jobs as part of the design component. There needed to be employment areas where workers could work, where those jobs could be placed and where the freight could make the movement of products to the market.

Councilor Washington asked, of the 350 acres how many 60,000 square feet businesses could go in there?

Councilor McLain replied that the 317 acres were the only group of acres that were 5 acres or more. She thought I took 5 acres to put a 60,000 square foot facility on. In that situation there was that much available acreage out there for that type of development. Retail was very creative and it was desired for them to use that land even better than they had done in the past.

Councilor McFarland commented there was a letter on this subject submitted in the packet that had her last name but was not a relative.

Vote: The vote was 4 aye / 3 nay / 0 abstain. The amendment was adopted with Councilors Morissette, McCaig and Kvistad voting nay.

Title 8, Section 5 and 6

Motion: **Councilor McLain** moved consideration to discuss the placeholder for Section 5 and 6 for a sub-group to work on it.

Seconded: None

Councilor McLain stated that in the packet there were findings from the Legal Counsel and stated that Mr. Cooper said it was important to put these findings in Exhibit B. She asked Mr. Cooper to give more detail if something different needed to be done.

Mr. Cooper replied that the two procedural things that remained were to make sure that the Council, by motion, moved the findings as the Exhibit B that was referred to. Second, to note for the record that the record was on the cart and the table of contents was part of the record and that the Presiding Officer to acknowledge and the minutes to reflect that was the record.

Presiding Officer Kvistad affirmed that was correct and that would be done.

Motion: **Councilor McLain** moved to make the finding in the packet Exhibit B to this document.

Seconded: **Councilor Monroe** seconded the motion.

Vote: The vote was 7 aye / 0 nay / 0 abstain. The motion was approved and the findings were approved and added as an appendix. The items on the cart had been recognized by the Presiding Officer and were part of the record.

Councilor Morissette commented that the bigger component, although retail was important, was that the growth plan called for much higher densities than he was comfortable with and he thought the general public would be uncomfortable as they moved forward. He stated that he supported 2040 and supported the goal of the Council. He stated that freezing the Urban Growth Boundary made a lot of sense financially but logically it did not. He reiterated that the densities were too high, the average citizens were going to lose choices in housing that they would have available to them. The Plan called for 244,000 additional housing units, that was one new home for every two that currently existed in the Urban Growth Boundary. He believed that this plan was currently not just in the future going to cause sprawl, because as you drive around to other areas, you would find a lot of people who were buying those homes were commuting back to Portland because they could not afford what they were looking for in the Metro area. This would ultimately create more congestion on the roads leading into the area. A lot of valuable open spaces would be built on that was still integral to a successful community. He had a concern regarding school crowding. The solution in his mind was a balance, use the land there was more wisely, build higher density in appropriate locations and move the boundary so there was enough land to adequately create the choices that people needed to solve those problems.

Presiding Officer Kvistad commented that he continually noted that some of the votes came down to those that had transit service versus those that did not and those who had urban communities versus those who represented the suburbs. He felt the Council needed to be sensitive to some of the things as well as regional partnerships. He felt that sometimes all regions of the community were not treated fairly and equally.

He stated that the amendments to Ordinance No. 96-647B would now be 96-647C. Since there were substantive amendments to this ordinance, final action on this item would be at the Council meeting one week from today.

8. Resolutions

- 8.1 Resolution No. 96-2402**, For the Purpose of Providing an Exemption from the sealed Bidding Requirement for the Request for Proposals for the Construction Manager/General Contractor services for the Zoo Oregon Project.

Motion: **Councilor Monroe** moved for the approval of Resolution No. 96-2402.

Seconded: **Councilor McFarland** seconded the motion.

Discussion: **Councilor Monroe** stated that he would like to call on Berit Stevenson because she had an amendment to this resolution which would make it 96-2402A.

Berit Stevenson, Property Services Division stated she had a conversation with General Counsel yesterday. This was the RFP for CMGC, the contractor who would be doing the major portion of the work at the zoo. The CMGC was a new approach which would allow Metro to select the contractor based on qualifications. Because it was a complicated project, they envisioned four phases where they would be developing separate GMP's (guaranteed maximum price), where the contractor based on drawings would say they could build something for a certain amount of money. After discussion with Mr. Cooper, it was apparent that each one of

these phases or GMP's without this amendment would require them to come back to the Council and receive approval to go forward. Her concern was that the project schedule would not allow the 2 to 3 weeks each time it would take to come back to get approval from the Council.

Councilor Morissette asked why there was a rush to do the RFP as opposed to the bidding process.

Ms. Stevenson replied the CMGC allowed an accelerated schedule. It would allow a contractor to be on board while design was ongoing. It also allowed money to be saved, move faster and get a lot of advantage when there was a complicated project such as the Zoo Project. It was not primarily rushing through, but a CMGC approach delivered a better project.

Councilor Morissette asked Ms. Stevenson how they knew they were saving money if they were not bidding.

Ms. Stevenson replied that was a good question. It was hard to say in a situation such as this, there was still a lot of competition in a CMGC, you select the General Contractor versus the qualifications approach. But all the subcontracting work was bid just like a regular contract.

Presiding Officer Kvistad commented that since this was a specialized project, zoo construction was a little different than general contracting. There were only a few people that could do that kind of construction based on some of the testimony he heard at some of the last meetings.

Ms. Stevenson commented it was hard to definitively estimate how much would be saved if the CMGC approach was utilized. It was getting very good value engineering because the contractor was there while the design was ongoing, as well as advantages with schedule.

Councilor McFarland commented that this was the type of bidding that was used when building out at Expo and had just heard a report on the progress of the Expo and it was beginning to look like and additional \$500,000 would be saved. She felt this was truly and effective way to go.

Councilor Monroe stated he was involved in selecting the construction Manager for rebuilding of a school in the David Douglas District. He stated they decided to go with the CMGC method there because of the potential of severe cost over runs. As a result a great deal of money was saved. He urged the Council for an aye vote.

Vote: The vote was 7 aye / 0 nay / 0 abstain. Resolution No. 96-2402 was unanimously adopted.

8.2 **Resolution No. 96-2337**, For the Purpose of Requesting Transfer and Acceptance of Title to Foreclosed Properties from Multnomah County.

Motion: **Councilor McFarland** moved approval of Resolution No. 96-2337.

Seconded: Councilor Morissette seconded the motion.

Discussion: Councilor McFarland stated that these were three very small pieces of property. The importance of these pieces of property were the location. They were located adjacent to the Burlington Northern Rail Line and they would be used to provide trail amenities to the proposed Burlington Northern Rails to Trails should it go through. The last small piece, .07 acre was also in a related position to the Burlington Northern Rails to Trails, this site would provide a pedestrian access to the ancient forest preserve. The .06 acre site would allow for a future site improvement and a entrance to Willamette Cove. All of the pieces of property described were offered at a good price, free.

Vote: The vote was 7 aye / 0 nay / 0 abstain. Resolution No. 96-2337 was unanimously adopted.

- 8.3 **Resolution No. 96-2422**, For the Purpose of Authorizing the Release of a Request for Proposals for an Exhibit Fabrication Consultant and Authorizing the Executive Officer to Enter into a Multi-Year Contract.

Motion: Councilor Monroe moved approval of Resolution No. 96-2422.

Seconded: Councilor Washington seconded the motion.

Discussion: Councilor Monroe stated this was an RFP to obtain the services of an Exhibit Fabrication Consultant to help with the design of the Oregon Project at the Metro Washington Park Zoo. This consultant would do a number of things, such as review design and specification, ensure constructability of exhibit specialties for quality, for budget and to make sure that the project was built on schedule. He urged the Council for an aye vote.

Vote: The vote was 7 aye / 0 nay / 0 abstain. Resolution No. 96-2422 was unanimously adopted.

- 8.4 **Resolution No. 96-2413**, For the Purpose of Approving an Intergovernmental Agreement (IGA) with the City of Portland to Design, Construct and Maintain the Peninsula Crossing Trail.

Motion: Councilor Washington moved approval of Resolution No. 96-2413.

Seconded: Councilor McCaig seconded the motion.

Discussion: Councilor Washington asked Mr. Desmond to give a brief overview of this resolution.

Jim Desmond, Regional Parks and Greenspaces stated that staff had been working for quite sometime to put together an Intergovernmental Agreement among the partners of the Peninsula Crossing Trail in North Portland. The trail would primarily be built within the right of way of a street that was dedicated but never built by the City of Portland. The partners in this deal would be Portland Parks, who would become the long term operator and manager of the property under the IGA, PDOT had jurisdiction over that right of way and they would issue a final permit and would have to approve design and do various inspections along the way. A portion of the trail would be built on BES (Bureau of Environmental Services) property, they would handle that construction themselves as well as pay for the portion themselves. It was their goal to get this moving as quickly as possible so to start the design phase as early as possible after Christmas.

Councilor Washington stated that this was part of the 2626 Funds, about \$1.6 million of the open spaces bond measures going toward this. He asked if this was the first trail in the area using the 2626 Funds?

Mr. Desmond stated that was correct and was in fact the only project where the regional money would be spent for Capital Improvement. All of the other projects were land acquisition and that this project was always earmarked as a Capital Project.

Councilor Morissette commented that in the staff report, the Intergovernmental Agreement, the IGA did not cap these costs at \$88,200. He said that he had every confidence that they would watch that to make sure that there was not an endless process there.

Mr. Desmond replied that was a request that be a cap on Metro's liability and to the extent that PDOT fees ran in excess of that, they had requested that one of the Portland partners pickup the portion beyond that which was based on an estimate that PDOT came up themselves. They added a 10% cushion to that. PDOT did not cap their fees for anyone including Portland City projects, other departments in Portland had had a similar experience. He stated they had gotten assurances and he thought Councilor Washington had direct conversations with the Director at PDOT that they would do everything they could do to see that these fees stayed within range.

Councilor Morissette reiterated that if more resources were needed they would come back to the Council.

Mr. Desmond replied that they would have to do that. He said they were going to work with them very closely to see that they did not go over the budget, and if they did he would bring back a report to the Council.

Councilor Washington commented that when he talked to the Director at PDOT, he assured her that the Council did not want this to go over that amount.

Vote: The vote was 7 aye / 0 nay / 0 abstain. Resolution No. 96-2413 was unanimously adopted.

8.5 Resolution No. 96-2419A, For the Purpose of Authorizing Signature of the Intergovernmental Agreement Forming the Regional Water Providers Consortium.

Presiding Officer Kvistad stated he had two individuals who wanted to testify on this resolution. Due to the lateness of the hour, it was requested that this be postponed until next week.

Motion: **Councilor McFarland** moved to postpone Resolution No. 96-2419A until the next meeting of the Metro Council.

Presiding Officer Kvistad stated out of courtesy to the public this would be postponed until the next Metro Council meeting to give it the consideration that it deserved.

8.6 Resolution No. 96-2418A, For the Purpose of Appointing Members to the Water Resources Policy Advisory Committee.

Motion: **Councilor McCaig** moved for the approval of Resolution No. 96-2418A.

Seconded: **Councilor Washington** seconded the motion.

Discussion: **Councilor McCaig** stated this regarded the nominees that had been proposed by WRPAC. According to the staff report there were a couple of areas where there was more than one nominee. The staff made some recommendations to the Committee and the Committee had forwarded their choices based on the recommendations that came from the staff. There was an amendment, the amendment was to continue to show on the list, Exhibit A, that there was a slot available for the home builders. Councilor McCaig stated that she had submitted an amendment that she would like for the record and for the public to see that the home builders had an opportunity to participate but they had declined to. Therefore another slot was created, which was a citizens slot that would seek someone from the retail development community to participate, to make sure that the Committee attempted to bring in that point of view.

Councilor McLain stated that she supported the Growth Management Committees recommendation to the Council and she also supported the two issues that Councilor McCaig brought forth.

Councilor Morissette commented that he did not think it was quite as easy to state that the home builders rejected the opportunity. He thought that it should be added to this document why the home builders chose not to participate.

Presiding Officer Kvistad replied that Councilor Morissette's request would be added to the record.

Vote: The vote was 7 aye / 0 nay / 0 abstain. Resolution No. 96-2418A was unanimously adopted.

Executive Officer Burton commented that there was a story that was breaking on the evening news regarding an elephant that was at one time owned by Washington Park Zoo in 1973. It was given away in 1974 and died recently in Las Vegas. He stated there was a National Animal Rights Group that had concerns about the way the animal was put down. The local news media had tied this back to why this elephant was given away. He stated they had explained to the press that prior to 1986, when there were records, and there were procedures and a National Association to register elephants, this happened 20 years ago. He wanted to mention this due to the fact that there may be some calls coming in. The fact was that this animal did belong to the Washington Park Zoo in 1973, was given away in 1974 but was prior to any kind of records being kept but had nothing to do with Metro. He had concerns because the media spin on this had been such that it would appear that Metro had some complicity in the animals death.

10. Councilor Communication

Presiding Officer Kvistad declared before going to Executive Session the Council would move to Councilor Communication.

Councilor Washington told the Councilors that they would be getting a small packet of information regarding PCPA and supporting information. Also there was going to be a public hearing at Multnomah County, Monday, November 18th at 1:30 p.m. This would be discussing the hotel/motel tax issue. He encouraged the Councilors to attend.

Presiding Officer Kvistad stated he would be following up with all the members of the Council as to where those positions were and where they were with the funding for PCPA. He further stated the last meeting of 1996 of the Metro Council would be held on December 19th. He stated he was going to try to get everyone a calendar of the next two months for scheduling purposes. On January 2nd would be the swearing in and reorganization and then on January 9th would be the first Metro Council meeting.

Councilor McLain reiterated that this was just the Council Meetings and not the Committee Meetings.

Presiding Officer Kvistad affirmed that was correct. He reiterated that the January 2nd would be the first Council Meeting and be a swearing in of new elected officials and a reception for the new elected official, and then the first business meeting would be on January 9th.

He further commented that there was going to be a gun and knife show at the Expo Center. He wanted to be clear that he was not against peoples ownership of firearms, but he had a personal objection to the sale of automatic weapons and firearms at Metro facilities and he would like to have a serious conversation about the appropriateness of having a show of that kind on facilities that Metro owned and operated.

9.1 Resolution No. 96-2425, For the Purpose of Authorizing the Executive Officer to Purchase Properties as Identified in the Whitaker Ponds Master Plan Area.

Motion: **Councilor Washington** moved the adoption of Resolution No. 96-2425.

Seconded: **Councilor McLain** seconded the motion.

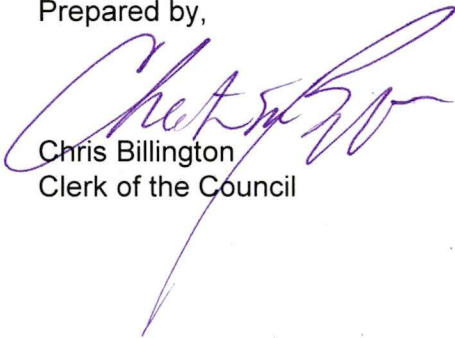
Discussion: There was no discussion.

Vote: The vote was 7/0 aye. Presiding Officer Jon Kvistad declared the resolution had passed unanimously.

11. ADJOURN

With no further business to come before the Metro Council this afternoon, the meeting was adjourned by Presiding Officer Jon Kvistad at 5:50 PM pm.

Prepared by,



Chris Billington
Clerk of the Council

David Aeschliman
Acting Council Assistant

Millie Brence
Council Assistant

Agenda Item Number 6.1

Ordinance No. 96-665, For the Purpose of Coordinating Comprehensive Plans by Establishing an Urban Service Boundary.

FIRST READING.

**Metro Council Meeting
Thursday, November 21, 1996
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF COORDINATING	)	ORDINANCE NO 96-665
COMPREHENSIVE PLANS BY ESTABLISHING)	
AN URBAN SERVICE BOUNDARY	)	Introduced by Executive Officer,
	)	Mike Burton

WHEREAS, Metro is required by ORS 195.025(1) to be responsible for coordinating all planning activities affecting land uses within its jurisdiction to assure integrated comprehensive plans for the entire metropolitan area; and

WHEREAS, Metro must approve cooperative agreements and review urban services agreements as part of coordinating urban services in the SB 122 process while retaining overall coordination responsibility; and

WHEREAS, the cities of Portland and Beaverton and Washington County have been involved in a long-standing dispute over planning the ultimate areas for urban services to be provided under the comprehensive plans of the cities in unincorporated urban areas of Washington County between the two cities; and

WHEREAS, Metro's Executive Officer convened informal discussions of the urban services issues among the cities, the County, special service districts and citizens of the unincorporated area which reviewed provision of sewer, water, and parks services in the unincorporated area between Portland and Beaverton; and

WHEREAS, discussion of urban services among the affected parties indicated a strong desire for the certainty in the planning of urban services that has been provided to abutting cities by the use of policies in comprehensive plans establishing urban service boundaries between the cities of Portland and Gresham and Beaverton and Tigard; and

WHEREAS, the courts have held that the comprehensive plans of Beaverton, Portland and Washington County contain inconsistent provisions on an urban service boundary between Beaverton and Portland; and

WHEREAS, the County, cities, and special service districts participating in informal discussions with the Metro Executive Officer have agreed to policies and actions to assure coordination of the comprehensive plans of Washington County and the cities of Beaverton and Portland; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the past amendments to the comprehensive plans of the City of Portland, the City of Beaverton and Washington County relating to urban service boundaries between Portland and Beaverton shall be replaced by text in the comprehensive plans describing an Urban Service Boundary line between Beaverton and Portland as the area of ultimate annexation for each city. The text description shall be consistent with the Urban Service Boundary Map attached and incorporated herein as Exhibit A. This Map shall be used to establish the Urban Service Boundary in each comprehensive plan which shall be the basis for adopting new urban planning agreements consistent with this Ordinance.

The Urban Service Boundary Map establishes the Urban Service Boundary as the Multnomah-Washington County boundary line, with the following small exceptions due to existing annexation, deed restrictions and service connections:

A. The following exceptions to the county line are needed to make a logical boundary for small areas already annexed into City of Portland:

1. The southernmost Portland annexation adjacent to Florence Lane remains in Portland.

2. The Portland annexation south of Garden Home Road and west of Oleson Road remains in Portland, plus a small "island" north of Garden Home Road near 67th Avenue.
 3. The Portland annexation north of Beaverton-Hillsdale Highway, the annexation at Hamilton and Scholls Ferry Road, and the property between them west to Scholls Ferry Road remain in Portland.
 4. The SW Burnside and Barnes Road Portland annexation remains in Portland.
- B. A small area to create a logical boundary and retain an existing neighborhood: Oleson Road becomes the USB between SW 70th Avenue and SW Vermont to the boundary of the third Portland annexation, including the neighborhood streets of SW 70th, SW Canby on the south and SW 66th and 68th Court on the north, plus two small "islands" north of SW Vermont at SW 66th Court and SW 68th Court.
- C. A small area with deed restrictions requiring annexation to Portland and streets connected to Portland remains in Portland: Meadowridge development.
- D. A small area for the extension of SW 66th Avenue, north to SW Barnes Road.
- E. A small area east of SW Canyon Drive and south of U.S. 26 for access to SW 64th Place, SW Bucharest Court in Multnomah County.

2. That the following policies shall be added to the Beaverton, Portland and Washington County comprehensive plans and shall be the basis for adopting new urban planning agreements consistent with these policies:

- A. Upon annexation of the area in the vicinity of SW Garden Home Road and SW Oleson Road by Beaverton consistent with the Urban Service Boundary, Portland shall consent to annexation by Beaverton of that area south of SW Garden Home Road and west of Oleson Road that is currently in Portland.
- B. For the Raleigh Hills Town Center as shown on the acknowledged Metro 2040 Growth Concept Map, the affected jurisdictions of Beaverton, Portland, Washington County and Metro shall enter into an urban planning agreement to assure implementation of the Urban Growth Management Functional Plan provisions relating to town centers, including the establishment of town center boundaries and demonstration of target capacities for jobs and housing.
3. That Metro shall adopt regional coordination policies to assist the City of Beaverton, City of Portland and Washington County in the adoption of new planning agreements consistent with this Ordinance.

ADOPTED by the Metro Council this _____ day of _____ 1996.

Jon Kvistad, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

jep

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STAFF REPORT

CONSIDERATION OF ORDINANCE 96-665 FOR THE PURPOSE OF COORDINATING COMPREHENSIVE PLANS BY ESTABLISHING AN URBAN SERVICE BOUNDARY

Date: November 21, 1996

Presented by: Mike Burton, Executive Officer

BACKGROUND

Executive Officer Mike Burton has been working with the City of Beaverton, the City of Portland, Washington County and affected special districts in determining an urban services boundary in unincorporated Washington County. Since last spring these agencies have actively participated in a process to determine a boundary that best meets the needs of residents in this area. A series of neighborhood workshops were held to provide information to residents. These were followed with a random phone survey and a mailed questionnaire to registered voters and property owners.

In September, the executive officer recommended a tentative agreement including a boundary line and provisions to ensure coordinated planning efforts in the area. The Portland City Council, Beaverton City Council, Washington County Commission, and the special districts have all approved the tentative agreement. Ordinance No. 96-665 is a coordination action directing Portland, Beaverton and Washington County to amend their comprehensive plans to be consistent with the agreement.

The ordinance establishes that the Multnomah/Washington County boundary line serve as the urban services boundary with some small exceptions due to existing annexations, deed restrictions, neighborhood boundaries and service connections. The attached map illustrates the urban service boundary.

While annexations may not occur for a number of years, the ordinance establishes the urban service boundary line as the area of ultimate annexation between Portland and Beaverton. Until annexation, the area continues to be an unincorporated area within Washington County served by existing service providers. The agreement does not affect school districts or postal addresses.

The ordinance also requires a joint planning agreement for the Raleigh Hills Town Center to ensure a coordinated effort between the jurisdictions in implementing the 2040 Growth Concept.

A separate resolution establishes that Metro shall adopt coordination policies related to review of Senate Bill 122 agreements, Metro service coordination and dispute resolution, and review the provision of urban services and annexations in currently unincorporated Washington County adjacent to Portland.

EXECUTIVE OFFICER RECOMMENDATION

The Executive Officer recommends approval of Ordinance 96-665. The agreement is a compromise that gives certainty to the citizens of the affected area and ensures long-term planning coordination across jurisdictional boundaries to protect and enhance livability.

Agenda Item Number 6.2

Ordinance No. 96-657, For the Purpose of Amending the FY 1996-97 Budget and Appropriations Schedule, Transferring \$10,000 from the General Fund Contingency to Council Materials and Services.

FIRST READING.

**Metro Council Meeting
Thursday November 21, 1996
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE)
FY 1996-97 BUDGET AND APPROPRIATIONS)
SCHEDULE, TRANSFERRING \$10,000 FROM)
THE GENERAL FUND CONTINGENCY TO)
COUNCIL MATERIALS AND SERVICES

ORDINANCE NO. 96-657
Introduced by Presiding
Officer Kvistad

WHEREAS, Metro is responsible for the development and
implementation of 2040 and the Regional Framework Plan,

WHEREAS, Metro's local partners will be required to make
significant changes in their comprehensive plans,

WHEREAS, many of our local partners will be embarking on their
own visionary planning processes to implement new regional and
local plans,

WHEREAS, citizen involvement and public outreach will be
critical elements of these planning efforts,

WHEREAS, the Metro Council wishes to develop and promote
ongoing partnerships with the region's local governments, and

WHEREAS, the city of Tigard has proposed the development of a
"model citizen involvement kit" that can be replicated by other
jurisdictions; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS;

1. That the FY 1996-97 Budget and Schedule of Appropriations
are hereby amended as shown the column titled "Revision" in
Exhibits A and B to this Ordinance for the purpose of transferring
\$10,000 from the General Fund Contingency to Council Materials and
Services.

ADOPTED by the Metro Council this _____ day of _____ 1996.

Jon Kvistad, Presiding Officer

Ordinance No. 96-667, An Ordinance Amending the FY 1996-97 Budget and Appropriations Schedule in the Spectator Facilities Fund by Transferring \$273,500 from Contingency to the Materials and Services and Capital Outlay Portions of the Portland Center for the Performing Arts Budget to Provide for Capital Renewal and Replacement; and Declaring an Emergency.

FIRST READING

**Metro Council
Thursday, November 21, 1996
Council Chamber**

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1996-97	)	ORDINANCE NO. 96-667
BUDGET AND APPROPRIATIONS)	
SCHEDULE IN THE SPECTATOR FACILITIES)	
FUND BY TRANSFERRING \$273,500 FROM)	
CONTINGENCY TO THE MATERIALS AND	)	Introduced by Councilor
SERVICES AND CAPITAL OUTLAY	)	Ruth McFarland
PORTIONS OF THE PORTLAND CENTER)	
FOR THE PERFORMING ARTS BUDGET TO)	
PROVIDE FOR CAPITAL RENEWAL AND)	
REPLACEMENT; AND DECLARING AN)	
EMERGENCY.)	

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations with the FY 1996-97 Budget; and

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

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

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 1995-96 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$25,000 from the Spectator Facilities Fund Contingency to the Performing Arts Center materials and services and , transferring \$248,500 from the Spectator Facilities Fund Contingency to the Performing Arts Center capital outlay for the purpose of providing funds for capital renewal and replacement.

2. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 1996.

Jon Kvistad, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

Exhibit A
Ordinance No. 96-667
Spectator Facilities Fund

FISCAL YEAR 1996-97		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Civic Stadium							
TOTAL EXPENDITURES		20.06	2,264,860	0.00	0	20.06	2,264,860
Portland Center for the Performing Arts							
Total Personal Services		131.01	4,754,609	0.00	0	131.01	4,754,609
<u>Materials & Services</u>							
521100	Office Supplies		17,000		0		17,000
521110	Computer Software		14,600		0		14,600
521220	Custodial Supplies		41,146		0		41,146
521290	Other Supplies		56,631		0		56,631
521292	Small Tools		6,403		0		6,403
521293	Promotion Supplies		2,725		0		2,725
521310	Subscriptions		670		0		670
521320	Dues		1,750		0		1,750
521510	Maint & Repair Supplies - Buildings		31,355		10,000		41,355
521520	Maint & Repair Supplies - Grounds		544		0		544
521540	Maint & Repair Supplies - Equipment		11,423		0		11,423
523200	Merchandise for Resale - Retail Goods		10,700		0		10,700
524130	Promotion/Public Relation Services		6,375		0		6,375
524190	Misc. Professional Services		8,540		0		8,540
525110	Utilities-Electricity		210,000		0		210,000
525120	Utilities-Water and Sewer		40,000		0		40,000
525130	Utilities-Natural Gas		58,000		0		58,000
525150	Utilities-Sanitation Service		12,000		0		12,000
525610	Maintenance & Repair Services-Building		68,590		15,000		83,590
525620	Maintenance & Repair Services-Grounds		9,490		0		9,490
525640	Maintenance & Repair Services-Equipment		46,893		0		46,893
525710	Equipment Rental		4,675		0		4,675
525720	Building Rental		100,608		0		100,608
525740	Capital Leases (FY 92)		80,257		0		80,257
526200	Advertising and Legal Notices		7,437		0		7,437
526310	Printing Services		17,180		0		17,180
526320	Typesetting & Reprographic		2,625		0		2,625
526410	Telephone		46,413		0		46,413
526420	Postage		15,750		0		15,750
526430	Catalogues & Brochures		2,300		0		2,300
526440	Communications-Delivery Services		1,373		0		1,373
526500	Travel		2,800		0		2,800
526690	Concessions/Catering Expense		600,975		0		600,975
526700	Temporary Help Services		72,423		0		72,423
526800	Training, Tuition, Conferences		11,470		0		11,470
526910	Uniforms and Cleaning		23,095		0		23,095
528100	License, Permits, Payments to Other Agencies		42,657		0		42,657
529500	Meeting Expenditures		2,800		0		2,800
529800	Miscellaneous		9,850		0		9,850
529835	External Promotion Expenses		1,100		0		1,100
Total Materials & Services			1,700,623		25,000		1,725,623

Exhibit A
Ordinance No. 96-667
Spectator Facilities Fund

FISCAL YEAR 1996-97		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<u>Capital Outlay</u>							
571300	Purchased Buildings, Exhibits & Related		176,500		248,500		425,000
571500	Purchases - Office Furniture and Equipment		74,700		0		74,700
Total Capital Outlay			251,200		248,500		499,700
General Expenses							
581610	Trans. Indirect Costs to Support Svcs. Fund		459,077		0		459,077
581615	Trans. Indirect Cost to Risk Mgmt. Fund-Gen'l		57,239		0		57,239
581615	Trans. Indirect Cost to Risk Mgmt. Fund-Workers' Comp		19,316		0		19,316
583751	Transfer Direct Costs to Metro ERC Admin. Fund		277,525		0		277,525
Total Interfund Transfers			813,157		0		813,157
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		460,410		(273,500)		186,910
599990	Unappropriated Balance		2,333,722		0		2,333,722
Total Contingency and Unappropriated Balance			2,794,132		(273,500)		2,520,632
TOTAL EXPENDITURES		151.07	12,578,581		0	151.07	12,578,581

* Assumes adoption of Ordinance No. 96-660A

Exhibit B
Ordinance No. 96-667
FY 1996-97 SCHEDULE OF APPROPRIATIONS

	Current Budget	Revision	Proposed Budget
Spectator Facilities Fund *			
Personal Services	\$5,492,170	\$0	\$5,492,170
Materials & Services	3,016,005	25,000	3,041,005
Capital Outlay	463,117	248,500	711,617
Subtotal	8,971,292	273,500	9,244,792
General Expenses			
Interfund Transfers	813,157		813,157
Contingency	460,410	(273,500)	186,910
Subtotal	1,273,567	(273,500)	1,000,067
Unappropriated Balance	2,333,722	0	2,333,722
Total Fund Requirements	\$12,578,581	\$0	\$12,578,581

* Assumes adoption of Ordinance 96-660A

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 96-667 AMENDING THE FY 1996-97 BUDGET AND APPROPRIATIONS SCHEDULE IN THE SPECTATOR FACILITIES FUND BY TRANSFERRING \$273,500 FROM CONTINGENCY TO THE MATERIALS AND SERVICES AND CAPITAL OUTLAY PORTIONS OF THE PORTLAND CENTER FOR THE PERFORMING ARTS BUDGET TO PROVIDE FOR CAPITAL RENEWAL AND REPLACEMENT; AND DECLARING AN EMERGENCY.

Date: November 19, 1996

Presented by: Heather Teed

FACTUAL BACKGROUND AND ANALYSIS

On October 9, 1996, the Metropolitan Exposition-Recreation Commission (MERC) passed Resolution No. 96-54 authorizing adjustments to the budget appropriations for the Spectator Facilities Fund, Portland Center for the Performing Arts (PCPA). The adjustments are necessary to fund capital renewal and replacement projects.

In presenting this item to the Commission, MERC staff noted that for a number of years the PCPA has had unmet capital renewal and replacement needs within the four theaters and three buildings that comprise the Center. In recognition of the improved financial results of the past two fiscal years the MERC staff and Commission are compelled to address some of the capital needs of these buildings. The proposed budget adjustment will provide funds for projects that are critical to the viability of these facilities. The projects include improvements in theatre equipment, audience facilities, and building systems. Because these projects are less than \$50,000 they fall outside the proposed Capital Improvement Program that was submitted to the Council on November 1, 1996.

This budget adjustment was originally presented to Council on November 7, 1996 via Ordinance No. 96-660. Between the first reading of the ordinance and the review by the Regional Facilities Committee, a situation arose where immediate repairs were needed to the heating, ventilation and air conditioning (HVAC) units at both the Civic Auditorium and the New Theatre building. These repairs needed to be completed immediately to provide for the safety and comfort of facility patrons. After discussion it was decided that Ordinance 96-660A (amended to transfer \$26,500 only to cover the HVAC repairs) be reviewed by Regional Facilities Committee on November 18, 1996 and forwarded to the Council for its review on November 21, 1996. The remainder of the original budget adjustment (\$273,500) would be presented to the Council via Ordinance No. 96-667. This would allow for the full review of all items by the respective committees and the Council.

FISCAL IMPACT

It is anticipated that these projects would be completed prior to the end of fiscal year 1996-97. The transfer of \$273,500 from contingency would leave a remainder for other uses if needed and would not impact the overall successful operation of the PCPA. The transfers are summarized below.

	Current Budget	Adjustment	Revised Budget
Spectator Facilities Fund: *			
PCPA - Contingency	\$ 346,500	(273,500)	\$ 73,000
PCPA - Materials & Services	\$ 1,700,623	25,000	\$ 1,725,623
PCPA - Capital Outlay	\$ 251,200	248,500	\$ 499,700

* Assumes adoption of Ordinance No. 96-660A

Attachments:

MERC Resolution No. 96-54 adopted on October 9, 1996
MERC Staff Report for Resolution No. 96-54
Revised MERC Staff Report

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION NO. 96-54

Authorizing the approval of an amendment to the FY 1996-97 Adopted Budget for the Portland Center for the Performing Arts (Spectator Facilities Fund).

The Metropolitan Exposition-Recreation Commission finds that it is necessary to do the following at the PCPA:

- * Address the serious need for maintenance services and equipment for buildings
- * Address the urgent needs for renewal and replacement of building elements, systems and equipment

Further, The Metropolitan Exposition-Recreation Commission finds that the following budget amendment is necessary:

	Adopted Budget	Amendment	Revised Budget
Maintenance & Repair Supplies - Building	\$31,355	\$ 10,000	\$ 41,355
Maintenance & Repair Services - Building	\$ 68,590	\$ 15,000	\$ 83,590
Buildings & Related	\$150,000	\$275,000	\$499,700
Contingency	\$373,000	(\$300,000)	\$ 73,000

BE IT THEREFORE RESOLVED that the Metro E-R Commission approves the above budget amendment and submits it to the Metro Council.

Passed by the Commission on October 9, 1996.


Chairman

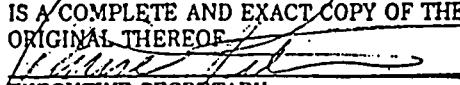

Secretary/Treasurer

Approved As to Form:
Daniel B. Cooper, General Counsel

By: 

Mark B. Williams
Senior Assistant Counsel

I HEREBY CERTIFY THAT THE FOREGOING
IS A COMPLETE AND EXACT COPY OF THE
ORIGINAL THEREOF


EXECUTIVE SECRETARY,
METROPOLITAN E-R COMMISSION

MERC STAFF REPORT

Agenda Item/Issue:

Approval of amendment to the FY 96-97 budget for Portland Center for the Performing Arts

Resolution No. 96-54

Date: October 9, 1996

Presented By: Heather Teed & Harriet Sherburne

Background and Analysis: The PCPA has been functioning with a "bare bones" budget for capital renewal and replacement in the 4 theaters and 3 buildings which comprise the Center. For several years, the annual budgets have included minimal sums for maintenance of buildings and equipment, and for property investments classified as Capital Expenditures. In light of improved financial results in the past 2 fiscal years, the Commission has approved major expenditures for restroom expansion, carpet replacement and seat reupholstery at Civic Auditorium. In consideration of the heavy wear and tear from increased events in the halls, these renewal investments have become critical. Research on comparable performing arts complexes indicates that \$400-600,000 per year is a minimal budget for upkeep of stages and theatre equipment, audience facilities, building systems, and the properties. The discussion paper on this issue has had broad review.

The PCPA FY96-97 budget included \$150,000 for general Capital Expenditures, and \$74,700 for computer system upgrade to Windows 95. The costs for completing the Civic seating project, and other urgent repairs already total approximately \$150,000; the computer project and training are currently underway, and are within budget. In order to address the long list of additional critical repairs and replacements, it is necessary to shift funds from Contingency to Materials and Services and Capital Expenditure lines in the PCPA Budget.

Fiscal Impact: The adopted FY96-97 budget contains \$373,000 in the Contingency line, to be used for unforeseen requirements. Because of the strong positive performance in FY95-96, the Fund Balance was increased from \$1,803,258 million to approximately \$2,389,000, providing additional resources for operation and maintenance of the facility. The transfer of \$300,000 from Contingency for the attached list of critical repairs and replacements would not deplete that line item, and would have no impact on the net fiscal results budgeted for the fiscal year.

Recommendation: Staff recommends that the Commission approve the budget amendment to shift funds from Contingency to Materials & Services, and Capital Expenditures. The PCPA Advisory Committee recommends this action, as shown in their Resolution adopted August 28, 1996.

**PCPA Advisory Committee Resolution:
Repair, Replacement and Capital Projects
August 28, 1996**

The PCPA Advisory Committee has reviewed and discussed the materials prepared by staff in the Discussion Notes: Repair, Maintenance, Capital Improvements, August 2, 1996, along with Projects Lists for the next several years. The Advisory Committee believe that staff have done an excellent job of assessing the condition of PCPA buildings, facilities and equipment. There is now a substantial record of the critical needs as well as the key replacements necessary to keep the buildings in good working order, with assurance of safe operating conditions. We also acknowledge that PCPA facilities are being used at greater than 100% capacity with ever increasing audiences, thus increasing the wear and tear on already deteriorated finishes, furnishings and equipment.

The PCPA Advisory Committee has reviewed the preliminary PCPA financial results of the past fiscal year which show a positive net cash flow of \$585,000 instead of the budgeted shortfall of (\$151,000). As a consequence, the PCPA fund balance has grown from \$1,803,000 at the beginning of the year, to approximately \$2,389,000 at this time. It is both reasonable and important that a portion of this financial benefit be invested as soon as possible in the properties and systems which have had maintenance deferred in the past due to lack of financial resources.

The PCPA Advisory Committee urges that the MERC Commission support full expenditure of funds budgeted (\$150,000) for PCPA facility Capital Expenditures in FY96-97. In addition, the Advisory Committee urges amendment of the FY 96-97 budget to transfer up to \$300,000 from Contingency to Capital Expenditures and maintenance in order to address the critically important renewal and replacement projects identified in the staff reports. This action would bring renewal and replacement expenditures up to a level comparable to other performing arts facilities and maintenance comparable to the local industry standard for complex commercial buildings. The projects should be pursued in an orderly manner for each of the 3 properties, with balanced attention to building exterior, interior public spaces, as well as stage and support spaces. We believe that without the appropriate level of replacement and renewal investment on an annual basis, PCPA facilities will fall rapidly into a state of serious disrepair. Unless investments are made at the level recommended by the Advisory Committee in FY96-97 and continued at a similar rate for the foreseeable future, it will take enormous sums of scarce dollars to catch up at a time farther down the road.

PROPOSED ADDITIONAL
CAPITAL EXPENDITURE PROJECTS FY96-97
Estimated Costs

CIVIC	Carpet Project: Complete stairs + replace backstage	\$ 12,000
ASCH	Emergency evacuation equipment - Stairporter	7,000
ALL	Carpet cleaning equipment	4,000
CIVIC	Plumbing project - replace basement and orchestra level hot water lines	25,000
NTB	Exterior repair drivit walls	16,000
CIVIC	HVAC chiller rebuild	20,000
CIVIC	HVAC controls update	21,000
ASCH	Park Street Entry modifications/security	30,000
ASCH	Park Street Marquee repairs	10,000
NTB	ADA Restroom Project - Design Services	10,000
ASCH	Balcony Safety Railing - Design Services	3,000
ASCH	ADA Wheelchair Locations - Design Services	3,000
ASCH/NTB	Carpet replacement - Design Services	3,000
All	Genie Lift equipment for maintenance	4,000
ASCH	Lighting control system replaced	25,000
ADMIN.	Computer system additional equipment	26,000
CIVIC	Security Cameras & Monitor - Exterior	10,000
NTB	Security Cameras & Monitor - Interior	10,000
CIVIC	Follow Spots - Replace 2 outdated units	20,000
CIVIC	Follow Spots - 2 Additional units	<u>20,000</u>

SUBTOTAL \$ 279,000

REQUESTED TOTAL \$275,000

MATERIALS & SERVICES
Unplanned and Necessary Projects

CIVIC	HVAC urgent repairs - September, 1996	\$ 5,000	Done
ALL	Additional 12-channel radio & accessories	2,000	Done
NTB	Exterior balcony repairs, painting	1,000	In progress
ALL	Event Services small equipment replaced	3,000	Done
CIVIC	Seat Project upholster Dress Circle fixed units	2,500	Complete
CIVIC	Carpet replacement - Box Office	3,000	Est.
ASCH	ADA Restroom stalls revised	2,000	Est.
ASCH	Roof Coating and repair	2,000	Est.
ASCH	Roof coating and repair	2,000	Est.
ALL	Weatherstripping, caulking, repairs	3,000	Est.
ASCH/ NTB	Main Street Enhancements	<u>5,000</u>	In progress

SUBTOTAL \$ 30,500

REQUESTED TOTAL 25,000

1996-97 EXPENDITURE BUDGET

ACCT #	DESCRIPTION	FY 96-97 ADOPTED	BUDGET ADJUSTMENT	FY 96-97 REVISED
EXPENDITURES:				
511121	SALARIES - FULL-TIME	670,501	0	670,501
511221	WAGES - FULL-TIME	457,022	0	457,022
511225	WAGES - PART-TIME	416,578	0	416,578
511255	WAGES - P.T. REIMBURSEABLE	2,236,666	0	2,236,666
511400	OVERTIME	69,119	0	69,119
512000	FRINGES	904,723	0	904,723
TOTAL PERSONAL SERVICES		4,754,609	0	4,754,609
521100	OFFICE SUPPLIES	17,000	0	17,000
521110	OFFICE SUPPLIES-COMPUTER SOFTWARE	14,600	0	14,600
521200	OPERATING SUPPLIES	0	0	0
521210	LANDSCAPE SUPPLIES	0	0	0
521220	CUSTODIAL SUPPLIES	41,146	0	41,146
521290	OTHER SUPPLIES	56,431	0	56,431
521292	SMALL TOOLS	6,403	0	6,403
521293	PROMOTION SUPPLIES	2,725	0	2,725
521310	SUBSCRIPTIONS	670	0	670
521320	DUES	1,750	0	1,750
521400	FUELS	0	0	0
521510	MAINT & REPAIR SUPPLIES - BLDG	31,355	10,000	41,355
521520	MAINT & REPAIR SUPPLIES-GROUNDS	544	0	544
521530	MAINT & REPAIR SUPPLIES-VEHICLE	0	0	0
521540	MAINT & REPAIR - SUPPLIES EQUIP	11,423	0	11,423
521541	MAINT & REPAIR-SUPPLIES - SNOWS	0	0	0
523200	MERCHANDISE FOR RESALE	10,700	0	10,700
524130	PROMOTION/PUBLIC RELATIONS	6,375	0	6,375
524190	MISC PROFESSIONAL SERVICES	8,540	0	8,540
525110	UTILITIES - ELECTRICITY	210,000	0	210,000
525120	UTILITIES - WATER & SEWER	40,000	0	40,000
525130	UTILITIES - NATURAL GAS	58,000	0	58,000
525150	UTILITIES - SANITATION	12,000	0	12,000
525190	UTILITIES - OTHER	0	0	0
525200	PURCHASED PROPERTY SERVICES	0	0	0
525610	MAINT & REPAIR SERVICES - BLDG	48,590	15,000	63,590
525620	MAINT & REPAIR SERVICES-GROUNDS	9,490	0	9,490
525640	MAINT & REPAIR SERVICES-EQUIP	46,893	0	46,893
525641	MAINT & REPAIR-SERVICES-SNOWS	0	0	0
525690	MAINT & REPAIR-SERVICES-OTHER	0	0	0
525710	RENTAL - EQUIPMENT	4,675	0	4,675
525720	RENTAL - LAND & BUILDING	100,608	0	100,608
525740	CAPITAL LEASES	2,232	0	2,232
526100	INSURANCE	0	0	0
526200	ADVERTISING	7,437	0	7,437
526310	PRINTING SERVICES	17,180	0	17,180
526320	TYPESETTING & REPROGRAPHIC	2,625	0	2,625
526410	TELEPHONE	46,413	0	46,413
526420	POSTAGE	15,750	0	15,750
526430	CATALOGUES & BROCHURES	2,300	0	2,300
526440	DELIVERY SERVICES	1,373	0	1,373
526500	TRAVEL	2,800	0	2,800
526690	CONCESSIONS	600,975	0	600,975
526691	CONTRACT - PARKING	0	0	0
526700	TEMP/PURCHASED LABOR	72,423	0	72,423
526800	TRAINING/TUITION/CONFERENCE	11,470	0	11,470
526900	MISC. PURCHASED SERVICES	0	0	0
526910	UNIFORMS	23,095	0	23,095
528100	PNYTS TO OTHER AGENCIES	42,457	0	42,457
528110	LICENSES & PERMITS	0	0	0
529500	MEETING EXPENDITURES	2,800	0	2,800
529600	MISCELLANEOUS	9,850	0	9,850
529835	EXTERNAL PROMOTIONS	1,100	0	1,100
529930	BAD DEBT EXPENSE	0	0	0
TOTAL MATERIALS & SERVICES		1,622,596	25,000	1,647,596
532100	LOAN PAYMENT	78,025	0	78,025
571200	IMPROVEMENTS OTHER THAN BLDG	0	0	0
571300	BUILDINGS AND RELATED	150,000	275,000	425,000
571400	EQUIPMENT & VEHICLES	0	0	0
571500	OFFICE FURNITURES & EQUIPMENT	74,700	0	74,700
574520	CONSTRUCTION WORK/MATERIALS	0	0	0
TOTAL CAPITAL OUTLAY		224,700	275,000	499,700
581610	METRO - SUPPORT SERVICE	353,134	0	353,134
581615	METRO - INSURANCE	58,899	0	58,899
582751	MERC - SUPPORT SERVICE	213,481	0	213,481
583XXX	TRANSFER - RENEWAL/REPLACEMENT	0	0	0
583513	TRANSFER-BUILDING MGMT	0	0	0
		625,504	0	625,504
599999	CONTINGENCY	373,000	(300,000)	73,000
TOTAL EXPENDITURES		7,678,438	0	7,678,438

MERC STAFF REPORT - REVISED

Agenda Item/Issue: **Approval of amendment to the FY 96-97 budget for Portland Center for the Performing Arts**

Resolution No. 96-54

Date: October 9, 1996 **Presented By: Heather Teed & Harriet Sherburne**

REVISION DATE: November 18, 1996

Background and Analysis: The PCPA has been functioning with a "bare bones" budget for capital renewal and replacement in the 4 theaters and 3 buildings which comprise the Center. For several years, the annual budgets have included minimal sums for maintenance of buildings and equipment, and for property investments classified as Capital Expenditures. In light of improved financial results in the past 2 fiscal years, the Commission has approved major expenditures for restroom expansion, carpet replacement and seat reupholstery at Civic Auditorium. In consideration of the heavy wear and tear from increased events in the halls, these renewal investments have become critical. Research on comparable performing arts complexes indicates that \$400-600,000 per year is a minimal budget for upkeep of stages and theatre equipment, audience facilities, building systems, and the properties. The discussion paper on this issue has had broad review.

The PCPA FY96-97 budget included \$150,000 for general Capital Expenditures, and \$74,700 for computer system upgrade to Windows 95. The costs for completing the Civic seating project, and other urgent repairs already total approximately \$150,000; the computer project and training are currently underway, and are within budget. In order to address the long list of additional critical repairs and replacements, it is necessary to shift funds from Contingency to Materials and Services and Capital Expenditure lines in the PCPA Budget.

Fiscal Impact: The adopted FY96-97 budget contains \$373,000 in the Contingency line, to be used for unforeseen requirements. Because of the strong positive performance in FY95-96, the Fund Balance was increased from \$1,803,258 million to approximately \$2,389,000, providing additional resources for operation and maintenance of the facility. The transfer of \$300,000 from Contingency for the attached list of critical repairs and replacements would not deplete that line item, and would have no impact on the net fiscal results budgeted for the fiscal year. Of the \$300,000 requested, \$26,500 was previously presented in a separate Ordinance 96-660A to reflect immediate emergency needs.

Recommendation: Staff recommends that the Commission approve the budget amendment to shift funds from Contingency to Materials & Services, and Capital Expenditures. The PCPA Advisory Committee recommends this action, as shown in their Resolution adopted August 28, 1996.

**PROPOSED ADDITIONAL
CAPITAL EXPENDITURE PROJECTS FY96-97
Estimated Costs - REVISED**

CIVIC	Carpet Project: Complete stairs + replace backstage	\$ 12,000
ASCH	Emergency evacuation equipment - Stairporter	7,000
ALL	Carpet cleaning equipment	4,000
CIVIC	Plumbing project - replace basement and orchestra level hot water lines	25,000
NTB	Exterior repair drivit walls	16,000

CIVIC	HVAC chiller rebuild	20,000	Approved ORD. 96-660A
CIVIC	HVAC chiller rebuild	13,000	
NTB	HVAC chiller rebuild	13,500	

CIVIC	HVAC controls update	21,000
ASCH	Park Street Entry modifications/security	30,000
ASCH	Park Street Marquee repairs	10,000
NTB	ADA Restroom Project - Design Services	10,000
ASCH	Balcony Safety Railing - Design Services	3,000
ASCH	ADA Wheelchair Locations - Design Services	3,000
ASCH/NTB	Carpet replacement - Design Services	3,000
All	Genie Lift equipment for maintenance	4,000
ASCH	Lighting control system replaced	25,000
ADMIN.	Computer system additional equipment	26,000
CIVIC	Security Cameras & Monitor - Exterior	10,000
NTB	Security Cameras & Monitor - Interior	10,000
CIVIC	Follow Spots - Replace 2 outdated units	20,000
CIVIC	Follow Spots - 2 Additional units	<u>20,000</u>

ORIGINAL SUBTOTAL	\$ 279,000
REVISED SUBTOTAL	\$ 285,500

ORIGINAL REQUESTED TOTAL	\$275,000
REVISED REQUESTED TOTAL	\$248,500

Agenda Item Number 7.1

**Ordinance No. 96-647C, For the Purpose of Adopting a Functional Plan for Early Implementation of the
2040 Growth Concept**

SECOND READING

**Metro Council
Thursday, November 21, 1996
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING A) Ordinance No. 96-647C
FUNCTIONAL PLAN FOR EARLY)
IMPLEMENTATION OF THE 2040) Introduced by
GROWTH CONCEPT) Executive Officer Mike Burton

WHEREAS, the Metro Council adopted regional goals and objectives entitled "Regional Urban Growth Goals and Objectives" by Ordinance No. 95-625A in December 1995; and

WHEREAS, the Regional Urban Growth Goals and Objectives (RUGGO) contain integrated goals and objectives describing a desired urban form entitled the "2040 Growth Concept"; and

WHEREAS, RUGGOs are the regional policy basis for regional implementation measures to be adopted in a regional framework plan by December 1997; and

WHEREAS, the Metro Council initiated a new functional plan for early implementation of the 2040 Growth Concept prior to adoption of any regional framework plan component in Resolution No. 96-2288 consistent with RUGGO Objectives; and

WHEREAS, a recommendation from the Metro Policy Advisory Committee for an early implementation functional plan entitled "Urban Growth Management Functional Plan" has been received by the Metro Council consistent with RUGGO Objectives; now, therefore,

THE METRO COUNCIL HEREBY ORDAINS:

1. That the text, tables and maps included in Exhibit "A" attached and incorporated herein entitled the "Urban Growth Management Functional Plan" is hereby adopted as a functional plan pursuant to ORS 268.390.

2. That the Urban Growth Management Functional Plan complies with the Regional Urban Growth Goals and Objectives and applicable statewide land use planning goals, rules and statutes based on the record of this legislation before this Council as summarized in Exhibit "B".

3. That the provisions of the Urban Growth Management Functional Plan are separate and severable. The invalidity of any clause, sentence, paragraph, section, subsection, or portion of the Urban Growth Management Functional Plan or the invalidity of the application thereof to any city, county, person or circumstance shall not affect the validity of the remainder

of the Urban Growth Management Functional Plan or its application to other cities, counties, persons or circumstances.

ADOPTED by the Metro Council this _____ day of _____, 1996.

Jon Kvistad, Presiding Officer

ATTEST:

APPROVED AS TO FORM:

_____, Recording Secretary

Daniel B. Cooper, General Counsel

Exhibit A

URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN

A functional plan for early implementation of the Metro 2040 Growth Concept

Introduction

Metro was created after a vote of the citizens of the region as an elected regional government responsible for addressing issues of metropolitan concern and is enabled by state law, adopted by the Oregon Legislature in 1977. In addition, the voters of the region adopted a Metro Charter in 1992, which describes additional responsibilities for the agency. Metro has an elected seven member Council which determines region-wide policies. In addition, Metro has an elected Executive Officer to enforce Metro ordinances and execute the policies of the council.

The Metro Policy Advisory Committee (MPAC) is comprised of local government elected officials and appointed citizens from throughout the region and was created to advise the regionally elected Metro Council on matters of metropolitan concern. MPAC has recommended specific policies to be included in a new functional plan to be adopted by the Metro Council as soon as practicable. Early implementation of the 2040 Growth Concept is intended to take advantage of opportunities now and avoid use of land inconsistent with the long-term growth policy.

MPAC, as well as the Joint Policy Advisory Committee on Transportation (JPACT), and the Water Resource Policy Advisory Committee (WRPAC) have made recommendations that are the basis for this functional plan. All of the elements considered by MPAC, JPACT and WRPAC were deemed by the Metro Council to be matters of metropolitan concern that have significant impact upon the orderly and responsible development of the metropolitan area. The functional plan establishes regional policies, which will apply to all 24 cities and 3 counties within the Metro region. The legal form of these regional policies is a functional plan, not adoption as a "component" of the Regional Framework Plan. The policies in this functional plan will be updated and coordinated with other policies to be adopted as components of the Metro Charter mandated Regional Framework Plan, on or before December 30, 1997.

Functional plans are a primary regional policy tool that may contain both "recommendations" and "requirements" for changes in local plans. This functional plan relies on further actions, primarily changes to local government comprehensive plans and implementing ordinances, to effectuate the actions described below.

The Meaning of Regional Functional Plan Adoption

The regional policies which are adopted by this Urban Growth Management Functional Plan recommend and require changes to city and county comprehensive plans and implementing ordinances. The purpose of this functional plan is to implement regional goals and objectives adopted by the Metro Council as the Regional Urban Growth Goals and Objectives (RUGGO), including the Metro 2040 Growth Concept. The comprehensive plan changes and related

actions, including implementing regulations, required by this functional plan, shall be adopted by all cities and counties in the Metro region within twenty-four (24) months from the effective date of this ordinance.

Any city or county determination not to incorporate all required functional plan policies into comprehensive plans shall be subject to the conflict resolution and mediation processes included within the RUGGO, Goal I provisions, prior to the final adoption of inconsistent policies or actions. Upon the effective date of this ordinance, any city or county amendment to a comprehensive plan or implementing ordinance that is inconsistent with requirements of this functional plan, is subject to appeal for violation of the functional plan.

Regional Policy Basis

The regional policies adopted in this functional plan are formulated from, and are consistent with, the RUGGOs, including the Metro 2040 Growth Concept. The overall principles of the Greenspaces Master Plan are also incorporated within this functional plan. In addition, the updated Regional Transportation Plan (RTP)¹, when adopted, will serve as the primary transportation policy implementation of the 2040 Growth Concept. However, early implementation land use policies in this functional plan are integrated with early implementation transportation policies derived from preparation of the 1996 Regional Transportation Plan, and consistent with the Metro 2040 Growth Concept.

Structure of Requirements

The Urban Growth Management Functional Plan is a regional functional plan which contains "requirements" that are binding on cities and counties of the region as well as recommendations that are not binding. "Shall" or other directive words are used with requirements. The words "should" or "may" are used with recommendations. In general, the Plan is structured so that local jurisdictions may choose either performance standard requirements or prescriptive requirements. The intent of the requirements is to assure that cities and counties have a significant amount of flexibility as to how they meet requirements. Performance standards are included in most titles. If local jurisdictions demonstrate to Metro that they meet the performance standard, they have met that requirement of the title. Standard methods of compliance are also included in the plan to establish one very specific way that jurisdictions may meet a title requirement, but these standard methods are not the only way a city or county may show compliance. In addition, certain mandatory requirements that apply to all cities and counties are established by this functional plan.

¹ Metro has an adopted Regional Transportation Plan. However, because of changing local and regional conditions, as well as state and federal requirements, the RTP is scheduled to be amended in 1997.

REGIONAL FUNCTIONAL PLAN REQUIREMENTS

TITLE 1: REQUIREMENTS FOR HOUSING AND EMPLOYMENT ACCOMMODATION

Section 1. Intent

State law and Metro Code require that the Metro urban growth boundary (UGB) have sufficient capacity to accommodate the expected growth for 20 years. It is Metro policy to minimize the amount of urban growth boundary expansion required for the expected population and employment growth by the year 2017 consistent with all Statewide Goals. To further that policy, it is beneficial and desirable for Metro to require actions intended to increase the capacity for development of land within the UGB. Increasing the capacity of land within the UGB will include requiring changes for appropriate locations in both the rate of development permitted per acre (zoned density) and the rate at which housing and employment are actually built within the UGB. Development consistent with the design types of the Metro 2040 Growth Concept will focus these efforts. As a matter of regional policy, each city and county must contribute its fair share to increasing the development capacity of land within the UGB.

Metro will work with local jurisdictions to develop a set of region-wide community development code provisions, standards and other regulations which local jurisdictions may adopt that will help implement the 2040 Growth Concept and this Functional Plan. Included in this project will be a review of development standards in support of smaller lots and more flexible use of land, strategies to encourage land assembly, more flexible zoning and improvements in the pre-application process to ensure timely and thorough review and to provide for early involvement by the public to address neighborhood concerns and assure community acceptance of these changes.

Section 2. Methods to Increase Calculated Capacity Required for All Cities and Counties

All cities and counties within Metro are required to include within their comprehensive plans and implementing ordinances the following provisions:

A. Cities and counties shall apply a minimum density standard to all zones allowing residential use as follows:

1. a. Provide that no development application, including a subdivision, may be approved unless the development will result in the building of 80 percent or more of the maximum number of dwelling units per net acre permitted by the zoning designation for the site; or

b. Adopt minimum density standards that apply to each development application that vary from the requirements of subsection 1.a., above.

105 However, for the purpose of compliance with Table 1, only those
106 dwelling units that are allowed at these minimum density standards shall
107 be counted for compliance with the calculated capacities of Table 1.

108 2. The minimum density standard may be achieved by use of a small lot district
109 where an average lot size of 5000 to 6200 square feet allows flexibility within
110 that range on development applications, so long as the district remains in
111 compliance with the minimum density standard used to calculate capacities for
112 compliance with Table 1 capacities.

113 3. No comprehensive plan provision, implementing ordinance or local process
114 (such as site or design review) may be applied and no condition of approval may
115 be imposed that would have the effect of reducing the minimum density
116 standard.

117 4. For high density zones with maximum zoned density higher than 37 dwelling
118 units per net acre, the minimum residential density may be 30 dwelling units per
119 net acre.

120 5. This minimum density requirement does not apply (1) outside the urban growth
121 boundary, (2) inside areas designated as open space on the attached Open Spaces
122 Map, and (3) inside areas designated as unbuildable on the attached Open Spaces
123 Map. The maximum zoned density does not include the density bonus for zones
124 that allow them.

125 B. Cities and counties shall not prohibit partitioning or subdividing inside the Metro urban
126 growth boundary where existing lot sizes are two or more times that of the minimum
127 lot size in the development code.

128 C. Cities and counties shall not prohibit the construction of at least one accessory unit
129 within any detached single family dwelling that is permitted to be built in any zone
130 inside the urban growth boundary. Reasonable regulations of accessory units may
131 include, but are not limited to, size, lighting, entrances and owner occupancy of the
132 primary unit, but shall not prohibit rental occupancy, separate access, and full kitchens
133 in the accessory units.

134 Section 3. Design Type Boundaries Requirement

135 For each of the following 2040 Growth Concept design types, city and county comprehensive
136 plans shall be amended to include the boundaries of each area, determined by the city or county
137 consistent with the general locations shown on the 2040 Growth Concept Map:

138 Central City--Downtown Portland is the Central City which serves as the major regional center,
139 an employment and cultural center for the metropolitan area.

140 Regional Centers--Nine regional centers will become the focus of compact development,
141 redevelopment and high-quality transit service and multimodal street networks.

142 Station Communities--Nodes of development centered approximately one-half mile around a
143 light rail or high capacity transit station that feature a high-quality pedestrian environment.

144 Town Centers--Local retail and services will be provided in town centers with compact
145 development and transit service.

146 Main Streets--Neighborhoods will be served by main streets with retail and service developments
147 served by transit.

148 Corridors--Along good quality transit lines, corridors feature a high-quality pedestrian
149 environment, convenient access to transit, and somewhat higher than current densities.

150 Employment Areas--Various types of employment and some residential development are
151 encouraged in employment areas with limited commercial uses.

152 Industrial Areas--Industrial area are set aside primarily for industrial activities with limited
153 supporting uses.

154 Inner Neighborhoods--Residential areas accessible to jobs and neighborhood businesses with
155 smaller lot sizes are inner neighborhoods.

156 Outer Neighborhoods--Residential neighborhoods farther away from large employment centers
157 with larger lot sizes and lower densities are outer neighborhoods.

158 **Section 4. Requirements to Increase Capacity If Recent Development At Low Density**

159 A. All cities and counties shall determine whether actual built densities for housing during
160 1990-1995 were less than 80 percent of maximum zoned densities. The 1990-1995
161 actual built densities within cities and counties inside the urban growth boundary shall
162 be compared with zoned densities for housing units during that period.

163 Residential developments to be analyzed shall be those which were permitted by a land
164 use action and constructed during the period from 1990 to 1995, and residential density
165 shall be measured in households per net developed acre.¹

166 B. If the comparison of actual built densities to maximum zoned densities for the period
167 1990-1995 indicates that actual built densities were less than 80 percent of maximum
168 zoned densities, the city or county shall also demonstrate that it has considered and
169 adopted at least two of the following methods to increase capacity:

170 a. Financial incentives for higher density housing;

¹ See Title 10, Definitions.

- b. Provisions permitting additional density beyond that generally allowed in the zoning district in exchange for amenities and features provided by the developer;
- c. Removal or easing of approval standards or procedures;
- d. Redevelopment and infill strategies; and
- e. Authorization of housing types not previously allowed by the plan or regulations.

Section 5. Determination of Calculated Capacity of Housing Units and Jobs

The purpose of this section is to require each city and county within the Metro region to determine the housing and employment capacity of its existing comprehensive plan and implementing ordinances, determine calculated capacity for dwelling units and jobs by the method in this section, and increase calculated capacity, if necessary, to achieve the functional plan capacities in Table 1. Each city and county within the Metro region is hereby required to complete the following steps:

A. Determine the calculated capacity of dwelling units and jobs by the year 2017 using the zoned capacity² of its current comprehensive plan and implementing ordinances.

1. Cities and counties shall use Metro estimates of vacant land, and land likely to redevelop, unless they have data that they believe is more accurate. In this case, the city or county may provide Metro the following:

- a. The source of the data;
- b. The reasons that the locally developed data is a more accurate estimate than the Metro estimate of vacant and redevelopable land;
- c. The database from which the above were derived;
- d. The database of committed development lands.

Cities and counties may use their data, subject to acceptance by the Metro Council or its designee, after the Executive Officer determines that the city or county data may be more accurate than the Metro data. The Executive Officer shall notify the Metro Council of each instance in which the data submitted by a city or county is determined by the Executive Officer to be less accurate than Metro data.

2. In determining the calculated capacity of existing comprehensive plans and implementing ordinances, cities and counties shall not use a calculated capacity for dwelling units of more than 80 percent of maximum zoned residential density, unless:

² See Title 10, Definitions, "zoned density" and "calculated capacity."

- 205 a. Actual experience in the jurisdiction since 1990 has shown that
206 development has occurred at density greater than 80 percent of zoned
207 residential density; or
208 b. Minimum density standards are adopted or proposed for adoption in the
209 zoning code that require residential development at greater than 80 percent
210 of maximum zoned residential density.

211 3. Cities and counties calculating capacity through the use of density bonus
212 provisions may consider transfers, including off-site transfers, only upon
213 demonstration that previous approvals of all density transfers within the past 5
214 years have resulted in an average of at least 80 percent of maximum zoned
215 densities actually being built.

216 4. The capacity calculation shall use only those development types that are
217 allowed in the development code. Any discretionary decision must not diminish
218 the zoned density if it is to be counted as a part of calculated capacity; and

219 5. Cities and counties, in coordination with special districts, shall demonstrate that
220 they have reviewed their public facility capacities and plans to assure that planned
221 public facilities can be provided, to accommodate the calculated capacity within
222 the plan period.

223 B. Calculate the increases in dwelling unit and job capacities by the year 2017 from any
224 proposed changes to the current comprehensive plans and implementing ordinances that
225 must be adopted to comply with Section 2 of this Title and add the increases to the
226 calculation of expected capacities.

227 C. Determine the effect of each of the following on calculated capacities, and include any
228 resulting increase or decrease in calculated capacities:

229 1. Required dedications for public streets, consistent with the Regional Accessibility
230 Title;

231 2. Off-street parking requirements, consistent with this functional plan;

232 3. Landscaping, setback, and maximum lot coverage requirements;

233 4. The effects of tree preservation ordinances, environmental protection ordinances,
234 view preservation ordinances, solar access ordinances, or any other regulations
235 that may have the effect of reducing the capacity of the land to develop at the
236 zoned density;

237 5. The effects of areas dedicated to bio-swales, storm water retention, open space
238 dedications, and other requirements of local codes that may reduce the capacity of
239 the land to develop at the zoned density.

D. If any of the calculated capacities are determined to be less than any of the city or county target dwelling unit and job capacities in Table 1, either jurisdiction-wide or in mixed-use areas, or both, then the city or county shall comply with the performance standards in Section 6 of this Title by amending its comprehensive plans and implementing ordinances to increase calculated capacities, as needed, to comply with the calculated capacities required in Table 1.

E. Exceptions to the Section 6.B requirement that target capacities be demonstrated may be requested according to Title 8 if a city or county determines that any calculated capacity requirement in Table 1 cannot be achieved after implementation of Sections 2, 3 and 4 of this Title to increase expected capacities.

Section 6. Local Plan Accommodation of Expected Growth Capacity for Housing and Employment—Performance Standard

All cities and counties within Metro shall demonstrate that:

A. The provisions required in Section 2 of this Title have been included in comprehensive plans and implementing ordinances; and that

B. Using the computation method in Section 5, including the minimum residential density provisions required in Section 2, that calculated capacities will achieve the target capacities for dwelling units and full-time and part-time jobs contained in Table 1 in the Appendix to this plan, including both jurisdiction-wide expected capacities and capacities for mixed-use areas; and that

C. Effective measures have been taken to reasonably assure that the calculated capacities will be built for dwelling units and jobs; and that

D. Expected development has been permitted at locations and densities likely to be achieved during the 20-year planning period by the private market or assisted housing programs, once all new regulations are in effect.

Section 7. Design Type Density Recommendations

A. For the area of each of the 2040 Growth Concept design types, the following average densities for housing and employment are recommended to cities and counties:

Central City - 250 persons per acre
Regional Centers - 60 persons per acre
Station Communities - 45 persons per acre
Town Centers - 40 persons per acre
Main Streets - 39 persons per acre
Corridor - 25 persons per acre

274 Employment Areas - 20 persons per acre
275 Industrial Areas - 9 employees per acre
276 Inner Neighborhoods - 14 persons per acre
277 Outer Neighborhoods - 13 persons per acre

TITLE 2: REGIONAL PARKING POLICY

Section 1. Intent

The State's Transportation Planning Rule calls for reductions in vehicle miles traveled per capita and restrictions on construction of new parking spaces as a means of responding to transportation and land use impacts of growth. The Metro 2040 Growth Concept calls for more compact development as a means to encourage more efficient use of land, promote non-auto trips and protect air quality. In addition, the federally mandated air quality plan adopted by the state relies on the 2040 Growth Concept fully achieving its transportation objectives. Notably, the air quality plan relies upon reducing vehicle trips per capita and related parking spaces through minimum and maximum parking ratios. This title addresses these state and federal requirements and preserves the quality of life of the region.

A compact urban form requires that each use of land is carefully considered and that more efficient forms are favored over less efficient ones. Parking, especially that provided in new developments, can result in a less efficient land usage and lower floor to area ratios. Parking also has implications for transportation. In areas where transit is provided or other non-auto modes (walking, biking) are convenient, less parking can be provided and still allow accessibility and mobility for all modes, including autos. Reductions in auto trips when substituted by non-auto modes can reduce congestion and increase air quality.

Section 2. Performance Standard

A. Cities and counties are hereby required to amend their comprehensive plans and implementing regulations, if necessary, to meet or exceed the following minimum standards:

1. Cities and counties shall require no more parking than the minimum as shown on Regional Parking Ratios Table, attached hereto; and
2. Cities and counties shall establish parking maximums at ratios no greater than those listed in the Regional Parking Ratios Table and as illustrated in the Parking Maximum Map. The designation of A and B zones on the Parking Maximum Map should be reviewed after the completion of the Regional Transportation Plan and every three years thereafter. If 20-minute peak hour transit service has become available to an area within a one-quarter mile walking distance for bus transit or one-half mile walking distance for light rail transit, that area shall be added to Zone A. If 20-minute peak hour transit service is no longer available to an area within a one-quarter mile walking distance for bus transit or one-half mile walking distance for light rail transit, that area shall be removed from Zone A. Cities and counties should designate Zone A parking ratios in areas with good pedestrian access to commercial or employment areas (within 1/3 mile walk) from adjacent residential areas.

- 315 3. Cities and counties shall establish an administrative or public hearing
316 process for considering ratios for individual or joint developments to allow
317 a variance for parking when a development application is received which
318 may result in approval of construction of parking spaces either in excess of
319 the maximum parking ratios; or less than the minimum parking ratios.

320 Cities and counties may grant a variance from any maximum parking ratios through a
321 variance process.

- 322 B. Free surface parking spaces shall be subject to the regional parking maximums provided
323 for Zone A and Zone B. Parking spaces in parking structures, fleet parking, parking
324 for vehicles that are for sale, lease, or rent, employee car pool parking spaces,
325 dedicated valet parking spaces, spaces that are user paid, market rate parking or other
326 high-efficiency parking management alternatives may be exempted from maximum
327 parking standards by cities and counties. Sites that are proposed for redevelopment
328 may be allowed to phase in reductions as a local option. Where mixed land uses are
329 proposed, cities and counties shall provide for blended parking rates. It is
330 recommended that cities and counties count adjacent on-street parking spaces, nearby
331 public parking and shared parking toward required parking minimum standards.

- 332 C. Cities and counties may use categories or measurement standards other than those in the
333 Regional Parking Ratios Table, but must provide findings that the effect of the local
334 regulations will be substantially the same as the application of the Regional Parking
335 Ratios.

- 336 D. Cities and counties shall monitor and provide the following data to Metro on an annual
337 basis:

- 338 1. the number and location of newly developed parking spaces, and

339 2. demonstration of compliance with the minimum and maximum parking
340 standards, including the application of any variances to the regional standards
341 in this Title. Coordination with Metro collection of other building data should
342 be encouraged.

343 **TITLE 3: WATER QUALITY AND FLOOD MANAGEMENT CONSERVATION**

344 **Section 1. Intent**

345 To protect the beneficial uses and functional values of resources within the Water Quality and
346 Flood Management Areas by limiting or mitigating the impact on these areas from development
347 activities.

348 **Section 2. Requirement**

349 Cities and counties shall ensure that their comprehensive plans and implementing regulations
350 protect Water Quality and Flood Management Areas pursuant to Section 4. Exceptions to this
351 requirement will be considered under the provisions of Section 7.

352 **Section 3. Implementation Process for Cities and Counties**

353 Cities and counties are hereby required to amend their plans and implementing ordinances, if
354 necessary, to ensure that they comply with this Title in one of the following ways:

355 A. Either adopt the relevant provisions of the Metro Water Quality and Flood Management
356 model ordinance and map entitled Metro Water Quality and Flood Management
357 Conservation Area Map; or

358 B. Demonstrate that the plans and implementing ordinances substantially comply with the
359 performance standards, including the map, contained in Section 4. In this case, the
360 purpose of this map is to provide a performance standard for evaluation of substantial
361 compliance for those jurisdictions who choose to develop their own map of water quality
362 and flood management areas ; or

363 C. Any combination of A and B above that substantially complies with all performance
364 standards in Section 4.

365 **Section 4. Performance Standards**

366 A. **Flood Mitigation.** The purpose of these standards is to protect against flooding, and
367 prevent or reduce risk to human life and properties, by allowing for the storage and
368 conveyance of stream flows through these natural systems.

369 The plans and implementing ordinances of cities and counties shall be in substantial compliance
370 with the following performance standards:

371 1. Prohibit development within the water quality and flood management area; or

372 2. Limit development in a manner that requires balanced cut and fill; unless the
373 project is demonstrated, by an engineering study, that there is no rise in flood
374 elevation or that it will have a net beneficial effect on flood mitigation.

3. Require minimum finished floor elevations at least one foot above the design flood height or other applicable flood hazard standard for new habitable structures in the Water Quality and Flood Management Area.

4. Require that temporary fills permitted during construction shall be removed.

B. **Water Quality.** The purpose of these standards is to protect and allow for enhancement of water quality associated with beneficial uses as defined by the Oregon Water Resources Department and the Oregon Department of Environmental Quality.

The plans and implementing ordinances of cities and counties shall be in substantial compliance with the following performance standards:

1. Require erosion and sediment control for all new development within the Metro boundary as contained in the Metro Water Quality and Flood Management model ordinance.

2. Require to the maximum extent practicable that native vegetation cover is maintained or re-established during development, and that trees and shrubs in the Water Quality and Flood Management Area are maintained. The vegetative cover required pursuant to these provisions shall not allow the use of "Prohibited Plants for Stream Corridors and Wetlands" contained in the Water Quality and Flood Management Model Code adopted by the Metro Council.

3. Prohibit new uses of uncontained areas of hazardous materials as defined by DEQ in the Water Quality and Flood Management Areas; and

C. **Protect the long term regional continuity and integrity of Water Quality and Flood Management Areas**

Standards: Local jurisdictions shall establish or adopt transfer of density within ownership to mitigate the effects of development in Water Quality and Flood Management Areas, or through Transferable Development Rights (TDRs), which have substantially equivalent effect as the Metro Water Quality and Flood Management Model Ordinance.

Metro encourages local government to require that approvals of applications for partitions, subdivisions and design review actions must be conditioned with protecting Water Quality and Flood Management Areas with a conservation easement, platted as a common open space, or through purchase or donation of fee simple ownership to public agencies or private non-profits for preservation where feasible. Metro and cities and counties shall recognize that applications involving pre-existing development within the Water Quality and Flood Management Areas shall be exempted from the provisions concerning conservation easements and purchase or donation of fee simple ownership to public agencies or private non-profits for preservation.

Section 5. Fish and Wildlife Habitat Conservation Area

A. The purpose of these standards is to conserve, protect, and enhance fish and wildlife habitat within the fish and wildlife habitat conservation areas identified on the water quality and flood management area map by establishing performance standards and promoting coordination by Metro of regional urban water sheds.

B. Fish and Wildlife Habitat Conservation Area Recommendations

These areas shall be shown on the Water Quality and Flood Management Area Map. Fish and Wildlife Habitat Conservation Areas generally include and/or go beyond the Water Quality and Flood Management Areas. These areas shown on the map are Metro's initial inventory of significant fish and wildlife habitat conservation areas. Metro hereby recommends that local jurisdictions adopt the following temporary standards:

1. Prohibit development in the Fish and Wildlife Conservation Areas that adversely impacts fish and wildlife habitat.

Exceptions: It is recognized that urban development will, at times, necessitate development activities within or adjacent to Fish and Wildlife Habitat Conservation Areas. The following Fish and Wildlife Habitat Conservation Mitigation Policy, except for emergency situations, applies to all the following exceptions:

A project alternatives analysis, where public need for the project has been established, will be required for any of the exceptions listed below. The alternatives analysis must seek to avoid adverse environmental impacts by demonstrating there are no practicable, less environmentally damaging alternatives available. In those cases where there are no practicable, less environmentally damaging alternatives, the project proponent will seek alternatives which reduce or minimize adverse environmental impacts. Where impacts are unavoidable, compensation, by complete replacement of the impacted site's ecological attributes or, where appropriate, substitute resources of equal or greater value will be provided in accordance with the Metro Water Quality and Flood Management model ordinance.

- a. Utility construction within a maximum construction zone width established by cities and counties.
- b. Overhead or underground electric power, telecommunications and cable television lines within a sewer or stormwater right-of-way or within a maximum construction zone width established by cities and counties.
- c. Trails, boardwalks and viewing areas construction.
- d. Transportation crossings and widenings. Transportation crossings and widenings shall be designed to minimize disturbance, allow for fish and

wildlife passage and crossings should be preferably at right angles to the stream channel.

2. Limit the clearing or removal of native vegetation from the Fish and Wildlife Habitat Conservation Area to ensure its long term survival and health. Allow and encourage enhancement and restoration projects for the benefit of fish and wildlife.
3. Require the revegetation of disturbed areas with native plants to 90 percent cover within three years. Disturbed areas should be replanted with native plants on the Metro Plant List or an approved locally adopted plant list. Planting or propagation of plants listed on the Metro Prohibited Plant List within the Conservation Area shall be prohibited.
4. Require compliance with Oregon Department of Fish and Wildlife (ODFW) seasonal restrictions for in-stream work. Limit development activities that would impair fish and wildlife during key life-cycle events according to the guidelines contained in ODFW's "Oregon Guidelines for Timing of In-water Work to Protect Fish and Wildlife Resources."

C. Fish and Wildlife Habitat Protection

Within eighteen (18) months from the effective date of this functional plan, Metro shall complete the following regional coordination program by adoption of functional plan provisions.

1. Metro shall establish criteria to define and identify regionally significant fish and wildlife habitat areas.
2. Metro shall adopt a map of regionally significant fish and wildlife areas after (1) examining existing Goal 5 data, reports and regulation from cities and counties, and (2) holding public hearings.
3. Metro shall identify inadequate or inconsistent data and protection in existing Goal 5 data, reports and regulations on fish and wildlife habitat. City and county comprehensive plan provisions where inventories of significant resources were completed and accepted by a LCDC Periodic Review Order after January 1, 1993, shall not be required to comply until their next periodic review.
4. Metro shall complete Goal 5 economic, social, environmental and energy (ESEE) analyses for mapped regionally significant fish and wildlife habitat areas only for those areas where inadequate or inconsistent data or protection has been identified.

- 482 5. Metro shall establish performance standards for protection of regionally
483 significant fish and wildlife habitat which must be met by the plans implementing
484 ordinances of cities and counties.

485 **Section 6. Metro Model Ordinance Required**

486 Metro shall adopt a Water Quality and Flood Management Model Ordinance and map for use by
487 local jurisdictions to comply with this section. Sections 1-4 of this title shall not become
488 effective until 24 months after Metro Council has adopted a Model Code and map that addresses
489 all of the provisions of this title. Metro may adopt a Model Code and map for protection of
490 regionally significant fish and wildlife habitat. Section 5 of this title shall be implemented by
491 adoption of new functional plan provisions.

492 **Section 7. Variances**

493 City and county comprehensive plans and implementing regulations are hereby required to
494 include procedures to consider claims of map error and hardship variances to reduce or remove
495 stream corridor protection for any property demonstrated to be converted to an unbuildable lot by
496 application of stream corridor protections.

497 **TITLE 4: RETAIL IN EMPLOYMENT AND INDUSTRIAL AREAS**

498 **Section 1. Intent**

499 It is the intent of the Metro 2040 Growth Concept that Employment and Industrial Areas contain
500 supportive retail development. Employment and Industrial areas would be expected to include
501 some limited retail commercial uses primarily to serve the needs of people working or living in
502 the immediate Employment or Industrial Areas; not larger market areas outside the
503 Employment or Industrial Areas.

504 **Section 2. Comprehensive Plan and Implementing Ordinance Changes Required**

505 A. Cities and counties are hereby required to amend their comprehensive plans and
506 implementing regulations, if necessary, to prohibit retail uses larger than 60,000 square
507 feet of gross leasable area per building or business in the Industrial Areas designated on
508 the attached Employment and Industrial Areas Map.

509 B. This subsection applies to city and county comprehensive plan designations and zoning
510 ordinances acknowledged by the effective date of this Functional Plan, which allow retail
511 uses larger than 60,000 square feet of gross leasable area per building or business in
512 Employment Areas designated on the attached Employment and Industrial Areas Map.
513 These cities and counties may continue to allow the extent and location of retail uses
514 allowed in Employment Areas on the effective date of this Functional Plan for the
515 specific zones in acknowledged land use regulations listed in Exhibit A of this Title. For
516 all other zones in Employment Areas, these cities and counties are hereby required to
517 amend their comprehensive plans and implementing regulations, if necessary, to require a
518 process resulting in a land use decision for any retail uses larger than 60,000 square feet
519 of gross leasable area per building or business on those lands where such uses are
520 currently allowed by any process. The standards for the land use decision to allow any
521 such retail uses shall require (1) a demonstration in the record that transportation facilities
522 adequate to serve the retail use, consistent with Metro's functional plans for
523 transportation, will be in place at the time the retail use begins operation; and (2) a
524 demonstration that transportation facilities adequate to meet the transportation need for
525 the other planned uses in the Employment Areas are included in the applicable
526 comprehensive plan provisions. If the city and county comprehensive plan designations
527 and zoning ordinances which allow retail uses larger than 60,000 square feet of gross
528 leasable area per building or business in Employment Areas have not been acknowledged
529 by the effective date of this Functional Plan, subsection 2.C. of this Title shall apply.

530 C. City or county comprehensive plan designations and zoning ordinances acknowledged by
531 the effective date of this Functional Plan which do not allow retail uses larger than 60,000
532 square feet of gross leasable area per building or business in Employment Areas
533 designated on the attached Employment and Industrial Areas Map shall continue to
534 prohibit them unless an exception is established under Section 3 of this Title pursuant to
535 the compliance procedures of Title 8.

566 **TITLE 5: NEIGHBOR CITIES AND RURAL RESERVES**

567 **Section 1. Intent**

568 The intent of this title is to clearly define Metro policy with regard to areas outside the Metro
569 urban growth boundary. **NO PORTION OF THIS TITLE CAN REQUIRE ANY ACTIONS**
570 **BY NEIGHBORING CITIES.** Metro, if neighboring cities jointly agree, will adopt or sign
571 rural reserve agreements for those areas designated rural reserve in the Metro 2040 Growth
572 Concept with Multnomah, Clackamas, and Washington County, and Neighbor City Agreements
573 with Sandy, Canby, and North Plains. Metro would welcome discussion about agreements with
574 other cities if they request such agreements.

575 In addition, counties and cities within the Metro boundary are hereby required to amend their
576 comprehensive plans and implementing ordinances within twenty-four months to reflect the rural
577 reserves and green corridors policies described in the Metro 2040 Growth Concept.

578 **Section 2. Rural Reserves and Green Corridors**

579 Metro shall attempt to designate and protect common rural reserves between Metro's urban
580 growth boundary and designated urban reserve areas and each neighbor city's urban growth
581 boundary and designated urban reserves, and designate and protect common locations for green
582 corridors along transportation corridors connecting the Metro region and each neighboring city.
583 For areas within the Metro boundary, counties are hereby required to amend their comprehensive
584 plans and implementing ordinances to identify and protect the rural reserves and green corridors
585 described in the adopted 2040 Growth Concept and shown on the adopted 2040 Growth Concept
586 Map. These rural lands shall maintain the rural character of the landscape and our agricultural
587 economy. New rural commercial or industrial development shall be restricted to the extent
588 allowed by law. Zoning shall be for resource protection on farm and forestry land, and very low-
589 density residential (no greater average density than one unit for five acres) for exception land.

590 For areas outside the Metro boundary, Metro shall encourage intergovernmental agreements with
591 the cities of Sandy, Canby and North Plains.

592 **Section 3. Invitations for Intergovernmental Agreements**

593 Metro shall invite the cities and counties outside the Metro boundary and named in Section 1 of
594 this title to sign an Intergovernmental Agreement, similar to the draft agreements attached hereto.

595 **Section 4. Metro Intent with Regard to Green Corridors**

596 Metro shall attempt to negotiate a Green Corridor Intergovernmental Agreement with Oregon
597 Department of Transportation (ODOT) and the three counties (Clackamas, Multnomah and
598 Washington) to designate and protect areas along transportation corridors connecting Metro and
599 neighboring cities.

600 **TITLE 6: REGIONAL ACCESSIBILITY**

601 **Section 1. Intent**

602 Implementation of the 2040 Growth Concept requires that the region identify key measures of
603 transportation effectiveness which include all modes of transportation. Developing a full array of
604 these measures will require additional analysis. Focusing development in the concentrated
605 activity centers, including the central city, regional centers, and station communities, requires the
606 use of alternative modes of transportation in order to avoid unacceptable levels of congestion.
607 The continued economic vitality of industrial areas and intermodal facilities is largely dependent
608 on preserving or improving access to these areas and maintaining reasonable levels of freight
609 mobility in the region. Therefore, regional congestion standards and other regional system
610 performance measures shall be tailored to reinforce the specific development needs of the
611 individual 2040 Growth Concept design types.

612 These regional standards will be linked to a series of regional street design concepts that fully
613 integrate transportation and land use needs for each of the 2040 land use components. The
614 designs generally form a continuum; a network of throughways (freeway and highway designs)
615 will emphasize auto and freight mobility and connect major activity centers. Slower-speed
616 boulevard designs within concentrated activity centers will balance the multi-modal travel
617 demands for each mode of transportation within these areas. Street and road designs will
618 complete the continuum, with multi-modal designs that reflect the land uses they serve, but also
619 serving as moderate-speed vehicle connections between activity centers that complement the
620 throughway system. While these designs are under development, it is important that
621 improvements in the most concentrated activity centers are designed to lessen the negative
622 effects of motor vehicle traffic on other modes of travel. Therefore, implementation of amenity
623 oriented boulevard treatment that better serves pedestrian, bicycle and transit travel in the central
624 city, regional centers, main streets, town centers, and station communities is a key step in the
625 overall implementation of the Metro 2040 Growth Concept.

626 It is intended that the entirety of these Title 6 standards will be supplemented by the Regional
627 Transportation Plan (RTP) when the RTP is approved and adopted by the Metro Council.

628 **Section 2. Boulevard Design**

629 Regional routes in the central city, regional centers, station communities, main streets and town
630 centers are designated on the Boulevard Design Map. In general, pedestrian and transit oriented
631 design elements are the priority in the central city and regional centers, station communities,
632 main streets and town centers. All cities and counties within the Metro region shall implement
633 or allow others to implement boulevard design elements as improvements are made to these
634 facilities including those facilities built by ODOT or Tri-Met. Each jurisdiction shall amend
635 their comprehensive plans and implementing ordinances, if necessary, to require consideration or
636 installation of the following boulevard design elements when proceeding with right-of-way
637 improvements on regional routes designated on the boulevard design map:

638 A. Wide sidewalks with pedestrian amenities such as benches, awnings and special lighting;

- B. Landscape strips, street trees and other design features that create a pedestrian buffer between curb and sidewalk;
- C. Pedestrian crossings at all intersections, and mid-block crossings where intersection spacing is excessive;
- D. The use of medians and curb extensions to enhance pedestrian crossings where wide streets make crossing difficult;
- E. Accommodation of bicycle travel;
- F. On-street parking;
- G. Motor vehicle lane widths that consider the above improvements;
- H. Use of landscaped medians where appropriate to enhance the visual quality of the streetscape.

Section 3. Design Standards for Street Connectivity

The design of local street systems, including "local" and "collector" functional classifications, is generally beyond the scope of the Regional Transportation Plan (RTP). However, the aggregate effect of local street design impacts the effectiveness of the regional system when local travel is restricted by a lack of connecting routes, and local trips are forced onto the regional network. Therefore, the following design and performance options are intended to improve local circulation in a manner that protects the integrity of the regional system.

Local jurisdictions within the Metro region are hereby required to amend their comprehensive plans and implementing ordinances, if necessary, to comply with or exceed one of the following options in the development review process:

- A. **Design Option.** Cities and counties shall ensure that their comprehensive plans, implementing ordinances and administrative codes require demonstration of compliance with the following:
 - 1. New residential and mixed-use developments shall include local street plans that:
 - a. encourage pedestrian and bicycle travel by providing short, direct public right-of-way routes to connect residential uses with nearby existing and planned commercial services, schools, parks and other neighborhood facilities; and
 - b. include no cul-de-sac streets longer than 200 feet, and no more than 25 dwelling units on a closed-end street system except where topography, barriers such as railroads or freeways, or environmental constraints such as major streams and rivers, prevent street extension; and

- 672 c. provide bike and pedestrian connections on public easements or right-of-
673 way when full street connections are not possible, with spacing between
674 connections of no more than 330 feet except where topography, barriers
675 such as railroads or freeways, or environmental constraints such as major
676 streams and rivers, prevent street extension; and
677 d. consider opportunities to incrementally extend and connect local streets in
678 primarily developed areas; and
679 e. serve a mix of land uses on contiguous local streets; and
680 f. support posted speed limits; and
681 g. consider narrow street design alternatives that feature total right-of-way of
682 no more than 46 feet, including pavement widths of no more than 28 feet,
683 curb-face to curb-face, sidewalk widths of at least 5 feet and landscaped
684 pedestrian buffer strips that include street trees; and
685 h. limit the use of cul-de-sac designs and closed street systems to situations
686 where topography, pre-existing development or environmental constraints
687 prevent full street extensions.

- 688 2. For new residential and mixed-use development, all contiguous areas of vacant
689 and primarily undeveloped land of five acres or more shall be identified by cities
690 and counties and the following will be prepared:

691 A map that identifies possible local street connections to adjacent developing
692 areas. The map shall include street connections at intervals of no more than 660
693 feet, with more frequent connections in areas planned for mixed use or dense
694 development.

- 695 B. **Performance Option.** For residential and mixed use areas, cities and counties shall
696 amend their comprehensive plans, implementing ordinances and administrative codes, if
697 necessary, to require demonstration of compliance with performance criteria in the
698 following manner. Cities and counties shall develop local street design standards in text
699 or maps or both with street intersection spacing to occur at intervals of no less than eight
700 street intersections per mile except where topography, barriers such as railroads or
701 freeways, or environmental constraints such as major streams and rivers, prevent street
702 extension. The number of street intersections should be greatest in the highest density
703 2040 Growth Concept design types. Local street designs for new developments shall
704 satisfy the following additional criteria:

- 705 1. **Performance Criterion:** minimize local traffic on the regional motor vehicle
706 system, by demonstrating that local vehicle trips on a given regional facility do
707 not exceed the 1995 arithmetic median of regional trips for facilities of the same
708 motor vehicle system classification by more than 25 percent.
- 709 2. **Performance Criterion:** everyday local travel needs are served by direct,
710 connected local street systems where: (1) the shortest motor vehicle trip over
711 public streets from a local origin to a collector or greater facility is no more than

twice the straight-line distance; and (2) the shortest pedestrian trip on public right-of-way is no more than one and one-half the straight-line distance.

Section 4. Transportation Performance Standards

A. Alternative Mode Analysis

1. Mode split will be used as the key regional measure for transportation effectiveness in the Central City, Regional Centers and Station Communities. Each jurisdiction shall establish an alternative mode split target (defined as non-Single Occupancy Vehicle person-trips as a percentage of all person-trips for all modes of transportation) for each of the central city, regional centers and station communities within its boundaries. The alternative mode split target shall be no less than the regional targets for these Region 2040 Growth Concept land use components to be established in the Regional Transportation Plan.

2. Cities and counties which have Central City, regional centers and station communities shall identify actions which will implement the mode split targets. These actions should include consideration of the maximum parking ratios adopted as part of Title 2; Section 2: Boulevard Design of this Title; and transit's role in serving the area.

B. Motor Vehicle Congestion Analysis for Mixed Use Areas

1. Level-Of-Service (LOS) is a measurement of the use of a road as a share of designed capacity. The following table using Level Of Service may be incorporated into local comprehensive plans and implementing ordinances to replace current methods of determining motor vehicle congestion on regional facilities, if a city or county determines that this change is needed to permit Title 1, Table 1 capacities in the Central City, Regional Centers, Town Centers, Main Streets and Station Communities:

General Congestion Performance Standards (using LOS*)

	Preferred	Acceptable	Exceeds
Mid-Day one-hour	C or better	D	E or worse
Peak two-hour	E/E or better	F/E	F/F or worse

*Level-of-Service is determined by using either the latest edition of the Highway Capacity Manual (Transportation Research Board) or through volume to capacity ratio equivalencies as follows: LOS C = .8 or better; LOS D = .8 to .9; LOS = .9 to 1.0; and LOS F = greater than 1.0. A copy of the Level of Service Tables from the Highway Capacity Manual is attached as Exhibit A.

2. Accessibility. If a congestion standard is exceeded as identified in 4.B.1, cities and counties shall evaluate the impact of the congestion on regional accessibility using the best available methods (quantitative or qualitative). If a determination is made

746 by Metro that the congestion negatively impacts regional accessibility, local
747 jurisdictions shall follow the congestion management procedures identified in 4.C.
748 below.

- 749 3. The identified function or the identified capacity of a road may be significantly
750 affected by planning for Central City, Regional Centers, Town Centers, Main
751 Streets and Station Communities. Cities and counties shall amend their
752 transportation plans and implementing ordinances to either change or take actions as
753 described in Section 4.C., below, to preserve the identified function and identified
754 capacity of the road, if necessary, to retain consistency between allowed land uses
755 and planning for transportation facilities.

756 **C. Congestion Management**

757 For a city or county to amend their comprehensive plan to add a significant capacity
758 expansion to a regional facility, the following actions shall be applied, unless the capacity
759 expansion is included in the Regional Transportation Plan:

- 760 1. To address Level of Service, the following shall be implemented:
- 761 a. Transportation system management techniques
 - 762 b. Corridor or site-level transportation demand management techniques
 - 763 c. Additional motor vehicle capacity to parallel facilities, including the
764 consideration of a grid pattern consistent with connectivity standards
765 contained in Title 6 of this plan
 - 766 d. Transit service improvements to increase ridership
- 767 2. To address preservation of motor vehicle function:
- 768 a. Implement traffic calming
 - 769 b. Change the motor vehicle function classification
- 770 3. To address or preserve existing street capacity, implement transportation
771 management strategies (e.g. access management, signal interties, lane
772 channelization)

773 If the above considerations do not adequately and cost-effectively address the problem,
774 capacity improvements may be included in the comprehensive plan.

775 **D. Motor Vehicle Congestion Analysis Outside of Mixed Use Areas**

776 Outside of Central City, Regional Centers, Town Centers, Main Streets and Station
777 Communities, and where cities and counties have not elected to use the General Congestion
778 Performance Standards in subsection 4.B of this Title:

1. The identified function or the identified capacity of a road may be significantly affected by implementation of this functional plan. Cities and counties shall amend their transportation plans and implementing ordinances to change or take actions as described in Section 4.C., below, to preserve the identified function and identified capacity of the facility, if necessary, to retain consistency between allowed land uses and planning for transportation facilities.
2. The congestion performance standard for designated state highways as identified in the 1990 Oregon Highway Plan shall be the peak and off-peak performance criteria in Appendix F of the 1992 Oregon Transportation Plan.
3. The congestion performance standard for arterials of regional significance identified at Figure 4-2 of Chapter 4 of the 1992 Regional Transportation Plan should be the peak and off-peak performance criteria in Chapter 1, Section D of the 1992 Regional Transportation Plan.
4. Congestion level of service standards are not required for all other roads.
5. If the congestion performance for a road is exceeded or the identified function or identified capacity is inconsistent with land uses, cities and counties shall apply the congestion management actions identified in 4.C.1-3, above. If these actions do not adequately and cost-effectively address the problem, capacity improvements may be included in the comprehensive plan."

Title 6, Exhibit A

Level of Service (LOS) Definitions for Freeways, Arterials and Signalized Intersections

LOS	FREEWAYS (average travel speed assuming 70 mph design speed)	ARTERIALS (average travel speed assuming a typical free flow speed of 40 mph)	SIGNALIZED INTERSECTIONS (stopped delay per vehicle)	TRAFFIC FLOW CHARACTERISTICS
A	Greater than 60 mph Average spacing: 22 car-lengths	Greater than 35 mph	Less than 5 seconds; most vehicles do not stop at all	Virtually free flow; completely unimpeded Volume/capacity ratio less than or equal to .60
B	57 to 60 mph Average spacing: 13 car-lengths	28 to 35 mph	5.1 to 15 seconds; more vehicles stop than for LOS A	Stable flow with slight delays; reasonably unimpeded Volume/capacity ratio .61 to .70
C	54 to 57 mph Average spacing: 9 car-lengths	22 to 28 mph	15.1 to 25 seconds; individual cycle failures may begin to appear	Stable flow with delays; less freedom to maneuver Volume/capacity ratio of .71 to .80
D	46 to 54 mph Average spacing: 6 car-lengths	17 to 22 mph	25.1 to 40 seconds; individual cycle failures are noticeable	High density but stable flow Volume/capacity ratio of .81 to .90
E	30 to 46 mph Average spacing: 4 car-lengths	13 to 17 mph	40.1 to 60 seconds; individual cycle failures are frequent; poor progression	Operating conditions at or near capacity; unstable flow Volume/capacity ratio of .91 to 1.00
F	Less than 30 mph bumper-to-bumper	Less than 13 mph	Greater than 60 seconds; not acceptable for most drivers	Forced flow, breakdown conditions Volume/capacity ratio of greater than 1.00
>F	Demand exceeds roadway capacity, limiting volume that can be carried and forcing excess demand onto parallel routes and extending the peak period			Demand/capacity ratios of greater than 1.10

Source: 1985 Highway Capacity Manual (A through F Descriptions)
Metrol (>F Description)

799 **TITLE 7: AFFORDABLE HOUSING**

800 **Section 1. Intent**

801 RUGGO Objective 17 requires that Metro adopt a "fair share" strategy for meeting the housing
802 needs of the urban population in cities and counties based on a subregional analysis. A "fair
803 share" strategy will include (1) a diverse range of housing types available within cities and
804 counties inside the UGB; (2) specific goals for low and moderate rate housing to ensure that
805 sufficient and affordable housing is available to households of all income levels that live or have
806 a member working in each jurisdiction; (3) housing densities and costs supportive of adopted
807 public policy for the development of the regional transportation system and designated centers
808 and corridors; and (4) a balance of jobs and housing within the region and subregions.

809 Title 1 of this functional plan requires cities and counties to change their zoning to accommodate
810 development at higher densities in locations supportive of the transportation system. Two other
811 parts of the "fair share" strategy are addressed here: (1) encouraging use of tools identified to
812 improve availability of sufficient housing affordable to households of all income levels; and (2)
813 encouraging manufactured housing to assure a diverse range of available housing types.

814 **Section 2. Recommendations to Improve Availability of Affordable Housing**

815 According to HUD standards, housing is affordable if the resident is paying no more than one-
816 third of their income for housing. Data from the federally required County Consolidated Plans
817 clearly demonstrate that there exists a shortage of housing affordable to low and moderate
818 income people in most, if not all, cities and counties. Metro recommends that cities and counties
819 increase their efforts to provide for the housing needs of households of all income levels that live
820 or have a member working in each jurisdiction and that they consider implementation of some or
821 all of the following tools and approaches to facilitate the development of affordable housing:

- 822 A. Donate buildable tax-foreclosed properties to nonprofit organizations or
823 governments for development as mixed market affordable housing.
- 824 B. Develop permitting process incentives for housing being developed to serve
825 people at or below 80% of area median income.
- 826 C. Provide fee waivers and property tax exemptions for projects developed by
827 nonprofit organizations or governments serving people at or below 60% of area
828 median income.
- 829 D. Create a land banking program to enhance the availability of appropriate sites for
830 permanently affordable housing.
- 831 E. Consider replacement ordinances that would require developers of high-income
832 housing, commercial, industrial, recreational or government projects to replace
833 any affordable housing destroyed by these projects.

834 F. Consider linkage programs that require developers of job-producing development,
835 particularly that which receives tax incentives, to contribute to an affordable
836 housing fund.

837 G. Commit locally controlled funds, such as Community Development Block Grants,
838 Strategic Investment Program tax abatement funds or general fund dollars, to the
839 development of permanently affordable housing for people at or below 60% of
840 area median income.

841 H. Consider inclusionary zoning requirements, particularly in tax incentive
842 programs, for new development in transit zones and other areas where public
843 investment has contributed to the value and developability of land.

844 **Section 3. Recommendations to Encourage Manufactured Housing**

845 State housing policy requires the provision of manufactured housing inside all Urban Growth
846 Boundaries as part of the housing mix with appropriate placement standards. The following are
847 recommended to reduce regulatory barriers to appropriately placed manufactured housing:

848 A. Requirements for a minimum of five acres to develop a manufactured housing
849 park should be reviewed to consider a lesser requirement, or elimination of a
850 minimum parcel and/or lot size entirely.

851 B. Manufactured homes configured as duplexes, triplexes, fourplexes, etc. should be
852 encouraged outside manufactured dwelling parks where zoning densities are
853 consistent with single story development.

854 **TITLE 8: COMPLIANCE PROCEDURES**

855 **Section 1. Compliance Required**

856 All cities and counties within the Metro boundary are hereby required to amend their
857 comprehensive plans and implementing ordinances to comply with the provisions of this
858 functional plan within twenty-four months of the effective date of this ordinance. Metro
859 recommends the adoption of the policies that affect land consumption as soon as possible.

860 **Section 2. Compliance Procedures**

861 A. On or before six months prior to the deadline established in Section 1, cities and counties
862 shall transmit to Metro the following:

- 863 1. An evaluation of their local plans, including public facility capacities and the
864 amendments necessary to comply with this functional plan;
- 865 2. Copies of all applicable comprehensive plans and implementing ordinances and
866 public facility plans, as proposed to be amended;
- 867 3. Findings that explain how the amended city and county comprehensive plans will
868 achieve the standards required in titles 1 through 6 of this functional plan.

869 In developing the evaluation, plan and ordinance amendments and findings, cities and
870 counties shall address the Metro 2040 Growth Concept, and explain how the proposed
871 amendments implement the Growth Concept.

872 B. Exceptions to any of the requirements in the above titles may be granted by the Metro
873 Council, as provided for in the Regional Urban Growth Goals and Objectives, Section
874 5.3, after MPAC review. Requests for an exception should include a city or county
875 submittal as specified in this section. The Metro Council will make all final decisions
876 for the grant of any requested exception.

877 1. Population and Capacity. An exception to the requirement contained in Table 1
878 of Title 1 that the target capacities shall be met or exceeded may be granted based
879 on a submittal which includes, but is not limited to, the following:

- 880 a. A demonstration of substantial evidence of the economic infeasibility to
881 provide sanitary sewer, water, stormwater or transportation facilities to an
882 area or areas; or
- 883 b. A demonstration that the city or county is unable to meet the target
884 capacities listed in Table 1 because substantial areas have prior
885 commitments to development at densities inconsistent with Metro target;
886 or

- 887 c. A demonstration that the dwelling unit and job capacities cannot be
888 accommodated at densities or locations the market or assisted programs
889 will likely build during the planning period.

890 As part of any request for exception under this subsection, a city or county
891 shall also submit an estimate of the amount of dwelling units or jobs
892 included in the capacity listed in Table 1 that cannot be accommodated;
893 and a recommendation which identifies land that would provide for the
894 unaccommodated capacity located outside the urban growth boundary and
895 near or adjacent to the city or county.

896 In reviewing any request for exception based on the financial feasibility of
897 providing public services, Metro, along with cities and counties, shall estimate the
898 cost of providing necessary public services and compare those with the estimated
899 costs submitted by the city or county requesting the exemption.

- 900 2. Parking Measures. Subject to the provisions of Title 2, cities or counties may
901 request an exception to parking requirements. Metro may consider a city or
902 county government request to allow areas designated as Zone A to be subject to
903 Zone B requirements upon the city or county establishing that, for the area in
904 question:

- 905 a. There are no existing plans to provide transit service with 20-minute or
906 lower peak frequencies; and
907 b. There are no adjacent neighborhoods close enough to generate sufficient
908 pedestrian activity; and
909 c. There are no significant pedestrian activity within the present business
910 district; and
911 d. That it will be feasible for the excess parking to be converted to the
912 development of housing, commerce or industry in the future.

913 The burden of proof for a variance shall increase based on the quality and timing
914 of transit service. The existence of transit service or plans for the provision of
915 transit service near a 20-minute or lower peak frequency shall establish a higher
916 burden to establish the need for the exception.

- 917 3. Water Quality and Flood Management Areas. Cities and counties may request
918 areas to be added or deleted from the Metro Water Quality and Flood
919 Management Area based on a finding that the area identified on the map is not a
920 Water Quality and Flood Management Area or a Fish and Wildlife Habitat
921 Conservation Area, as defined in this functional plan. Areas may also be deleted
922 from the map if the city or county can prove that its deletion and the cumulative
923 impact of all deletions in its jurisdiction will have minimal impact on the water
924 quality of the stream and on flood effects. Findings shall be supported by
925 evidence, including the results of field investigations.

4. Retail in Employment and Industrial Areas. Subject to the provisions of Title 4, cities and counties may request a change in the Employment and Industrial Areas Map. Metro may consider a city or county request to modify an Employment Area to exempt existing or locally designated retail areas, unacknowledged by the date of this Functional Plan, where they can demonstrate that

a. The Employment and Industrial Areas Map included lands within Employment Areas having a substantially developed existing retail area or a locally designated retail area pursuant to a comprehensive plan acknowledged by the date of this Functional Plan which allowed retail uses larger than 60,000 square feet of gross leasable area per building or business; or

b. The requested retail area in an Employment Area has been found to be appropriate for an exception based upon current or projected needs within the jurisdiction and the city or county can demonstrate that adequate transportation facilities capacity exists for that retail area.

5. Regional Accessibility. Cities or counties may request an exception to the requirements of Title 6, Regional Accessibility, where they can show that a street system or connection is not feasible for reasons of topographic constraints or natural or built environment considerations.

C. The Metro Council may grant an extension to time lines under this functional plan if the city or county has demonstrated substantial progress or proof of good cause for failing to complete the requirements on time. Requests for extensions of the compliance requirement in Section 1 of this Title should accompany the compliance transmittal required in Section 2.A. of this Title.

D. In addition to the above demonstrations, any city or county request or determination that functional plan policies should not or cannot be incorporated into comprehensive plans shall be subject to the conflict resolution and mediation processes included within the RUGGO, Goal I, provisions prior to the final adoption of inconsistent policies or actions. Final land use decisions of cities and counties inconsistent with functional plan requirements are subject to immediate appeal for violation of the functional plan.

E. Compliance with requirements of this plan shall not require cities or counties to violate federal or state law, including statewide land use goals. Conflicting interpretations of legal requirements may be the subject of a compliance interpretation and conflict resolution under RUGGO Objective 5.3.

Section 3. Any Comprehensive Plan Change must Comply

After the effective date of this ordinance, any amendment of a comprehensive plan or implementing ordinance shall be consistent with the requirements of this functional plan. Metro

963 shall assist cities and counties in achieving compliance with all applicable functional plan
964 requirements. Upon request, Metro will review proposed comprehensive plan and implementing
965 ordinances for functional plan compliance prior to city or county adoption.

966 **Section 4. Compliance Plan Assistance**

967 A. Any city or county may request of Metro a compliance plan which contains the
968 following:

969 1. An analysis of the city or county comprehensive plan and implementing
970 ordinances, and what sections require change to comply with the performance
971 standards.

972 2. Specific amendments that would bring the city or county into compliance with the
973 requirements of Sections 1 to 8, if necessary.

974 B. Cities and counties must make the request within four months of the effective date of this
975 ordinance. The request shall be signed by the highest elected official of the jurisdiction.

976 C. Metro shall deliver a compliance plan within four months of the request date. The
977 compliance plan shall be a recommendation from the Executive Officer. The compliance
978 plan shall be filed with the Metro Council two weeks before it is transmitted, for possible
979 review and comment.

980 **Section 5. Functional Plan Interpretation Process**

981 The Metro Council may initiate a functional plan interpretation through whatever procedures it
982 deems appropriate on its own motion with or without an application. After the effective date of
983 this ordinance, Metro shall provide a process for cities and counties required by this functional
984 plan to change their plans to seek interpretations of the requirements of this functional plan. The
985 process shall provide, in addition to other requirements that the Metro Council may establish,
986 (1) the applications must state the specific interpretation requested; (2) the Executive Officer
987 shall seek comment from interested parties, review the application and make an interpretation to
988 the Metro Council; (3) the Executive Officer's interpretation shall be final unless appealed to the
989 Metro Council by the applicant or any citizen or party who presented written comments to the
990 Executive Officer; (4) the Metro Council may also on its own motion review an Executive
991 Officer interpretation before it becomes final.

992 **Section 6. Citizen Review Process**

993 A citizen who has presented written or oral testimony to a city or county on an issue of
994 application of this functional plan may petition the Metro Council to initiate a functional plan
995 interpretation or conflict resolution action. After hearing the citizen petition and any response
996 from any affected cities and counties, the Metro Council may, as it considers necessary, decide
997 to:

- 998 1. Interpret the functional plan; or
- 999 2. Initiate a functional plan interpretation using the process in Section 5 of this Title; or
- 1000 3. Initiate the conflict resolution process of RUGGO Objective 5.3 for any apparent or
1001 potential inconsistencies between comprehensive plans and this functional plan; or
- 1002 4. Postpone consideration of the issue to an appropriate time when compliance with a
1003 functional plan requirement is scheduled.

1004 **Section 7. Enforcement**

- 1005 A. Prior to a final decision to amend a comprehensive plan or implementing ordinance, a
1006 city or county determination that a requirement of this functional plan should not or
1007 cannot be implemented may be subject to a compliance interpretation and the conflict
1008 resolution process provided for in RUGGO, Goal I at the request of the city or county.
- 1009 B. City or county actions to amend a comprehensive plan or implementing ordinance in
1010 violation of this functional plan at any time after the effective date of this ordinance shall
1011 be subject to appeal or other legal action for violation of a regional functional plan
1012 requirement, including but not limited to reduction of regional transportation funding and
1013 funding priorities.
- 1014 C. Failure to amend comprehensive plans and implementing ordinances as required by
1015 Section 1 of this Title shall be subject to any and all enforcement actions authorized by
1016 law.

1017 **TITLE 9: PERFORMANCE MEASURES**

1018 **Section 1. Intent**

1019 In order to monitor progress in implementation of this functional plan, and in order to implement
1020 Objective 10 of RUGGO, Metro shall establish performance measures related to the achievement,
1021 and expected outcome resulting from the implementation of this functional plan.

1022 **Section 2. Performance Measures Adoption**

1023 A. Within three months of the adoption of this functional plan, the Metro Executive Officer
1024 shall submit to the Council the Executive Officer's recommendations for:

1025 1. Performance measures to be used in evaluating the progress of the region in
1026 implementation of this functional plan; and

1027 2. Policies for corrective action should the performance measures indicate that the
1028 goals contained in the functional plan are not being achieved.

1029 In developing these performance measures and policies, the Executive Officer shall use the best
1030 technology available to Metro, and shall, in addition, submit the current and recent historic levels
1031 for the proposed performance measures.

1032 B. The Council, after receiving advice and comment from the Metropolitan Policy Advisory
1033 Committee, shall adopt a list of performance measures that will be used to monitor and
1034 evaluate this functional plan. The performance measures will be evaluated at least by
1035 regional level, by Growth Concept design types, by regional and town center market
1036 areas, and by jurisdiction. The performance measures shall include a biennial goal for the
1037 next six years, and shall be accompanied by policies for adjusting the regional plans
1038 based on actual performance.

1039 C. The performance measures shall include, but shall not be limited to the following:

1040 1. Amount of land converted from vacant to other uses, according to jurisdiction,
1041 Growth Concept design type, and zoning;

1042 2. Number and types of housing constructed, their location, density, and costs,
1043 according to jurisdiction, Growth Concept design type, and zoning;

1044 3. The number of new jobs created in the region, according to jurisdiction, Growth
1045 Concept design type, and zoning;

1046 4. The amount of development of both jobs and housing that occurred as
1047 redevelopment or infill, according to jurisdiction, Growth Concept design type,
1048 and zoning;

- 1049 5. The amount of land that is environmentally sensitive that is permanently
1050 protected, and the amount that is developed;
- 1051 6. Other measures that can be reliably measured and will measure progress in
1052 implementation in key areas.
- 1053 7. Cost of land based on lot prices according to jurisdiction, Growth Concept design
1054 type, and zoning; and according to redeveloped and vacant classifications.
- 1055 8. The average vacancy rate for all residential units.

1056 D. Use of the performance measures

- 1057 1. The performance measures will contain both the current level of achievement, and
1058 the proposed level necessary to implement this functional plan and achieve the
1059 Metro 2040 Growth Concept adopted in the Regional Urban Growth Goals and
1060 Objectives (RUGGO). The performance measures will be used to evaluate and
1061 adjust, as necessary, Metro's functional plans, Urban Growth Boundary, and other
1062 regional plans.
- 1063 2. By March 1 of every other year beginning March 1, 1999, the Executive Officer
1064 shall report to the Council an assessment of the regional performance measures,
1065 and recommend corrective actions, as necessary, consistent with the Metro
1066 Council's policies.
- 1067 3. The Council shall refer the recommendations to the Hearing Officer, who shall
1068 hold a hearing to review the data in the Executive Officer's report on the
1069 performance measures, and gather additional data from any interested party. The
1070 Hearing officer shall review all of the information presented on the performance
1071 measures. The complete record of information, findings of fact, and a
1072 recommendation shall be forwarded to the Council by the Hearing Officer.
- 1073 4. The Council shall hold a hearing on the record, adopt findings of fact, and take
1074 any necessary corrective action by September 1 of the year.

1075 **TITLE 10: DEFINITIONS**

1076 **Accessibility** means the amount of time required to reach a given location or service by any
1077 mode of travel.

1078 **Alternative Modes** means alternative methods of travel to the automobile, including public
1079 transportation (light rail, bus and other forms of public transportation), bicycles and walking.

1080 **Balanced cut and fill** means no net increase in fill within the floodplain.

1081 **Bikeway** means separated bike paths, striped bike lanes, or wide outside lanes that
1082 accommodate bicycles and motor vehicles.

1083 **Boulevard Design** means a design concept that emphasizes pedestrian travel, bicycling and the
1084 use of public transportation, and accommodates motor vehicle travel.

1085 **Calculated Capacity** means the number of dwelling units and jobs that can be contained in an
1086 area based on the calculation required by this functional plan.

1087 **Capacity Expansion** means constructed or operational improvements to the regional motor
1088 vehicle system that increase the capacity of the system.

1089 **Comprehensive plan** means the all inclusive, generalized, coordinated land use map and policy
1090 statement of cities and counties defined in ORS 197.015(5).

1091 **Connectivity** means the degree to which the local and regional street systems in a given area
1092 are interconnected.

1093 **Designated Beneficial Water Uses** means the same as the term as defined by the Oregon
1094 Department of Water Resources, which is: an instream public use of water for the benefit of an
1095 appropriator for a purpose consistent with the laws and the economic and general welfare of the
1096 people of the state and includes, but is not limited to, domestic, fish life, industrial, irrigation,
1097 mining, municipal, pollution abatement, power development, recreation, stockwater and wildlife
1098 uses.

1099 **Design Type** means the conceptual areas described in the Metro 2040 Growth Concept text and
1100 map in Metro's regional goals and objectives, including central city, regional centers, town
1101 centers, station communities, corridors, main streets, inner and outer neighborhoods, industrial
1102 areas, and employment areas.

1103 **Development** means any manmade change defined as buildings or other structures, mining,
1104 dredging, paving, filling, or grading in amounts greater than ten (10) cubic yards on any lot or
1105 excavation. In addition, any other activity that results in the removal of more than 10% of the
1106 existing vegetated area on the lot is defined as development, for the purposes of Title 3.

- 1107 **Exceptions:**
- 1108 a. Stream enhancement or restoration projects approved by cities and counties.
- 1109 b. Agricultural activity.
- 1110 c. Replacement, additions, alterations and accessory uses for existing structures and
- 1111 development that do not encroach into the Water Quality and Flood Management
- 1112 Area more than the existing structure or development.
- 1113 **Development Application** means an application for a land use decision, limited land decision
- 1114 including expedited land divisions, but excluding partitions as defined in ORS 92.010(7) and
- 1115 ministerial decisions such as a building permit.
- 1116 **DBH** means the diameter of a tree measured at breast height.
- 1117 **DLCD Goal 5 ESEE** means a decision process local governments carry out under OAR 660-23-
- 1118 040.
- 1119 **Fish and Wildlife Habitat Conservation Area** means the area defined on the Metro Water
- 1120 Quality and Flood Management Area Map to be completed and attached hereto. These include
- 1121 all Water Quality and Flood Management Areas that require regulation in order to protect fish
- 1122 and wildlife habitat. This area has been mapped to generally include the area 200 feet from top
- 1123 of bank of streams in undeveloped areas with less than 25% slope, and 100 feet from edge of
- 1124 mapped wetland on undeveloped land.
- 1125 **Floodplain** means land subject to periodic flooding, including the 100-year floodplain as
- 1126 mapped by FEMA Flood Insurance Studies or other substantial evidence of actual flood events.
- 1127 **Functions and Values of Stream Corridors** means stream corridors have the following
- 1128 functions and values: water quality retention and enhancement, flood attenuation, fish and
- 1129 wildlife habitat, recreation, erosion control, education, aesthetic, open space and wildlife
- 1130 corridor.
- 1131 **Growth Concept Map** means the conceptual map demonstrating the 2040 Growth Concept
- 1132 design types attached to this plan in the Appendix.
- 1133 **Hazardous materials** means materials described as hazardous by Oregon Department of
- 1134 Environmental Quality.
- 1135 **Implementing Regulations** means any city or county land use regulation as defined by
- 1136 ORS 197.015(11) which includes zoning, land division or other ordinances which establish
- 1137 standards for implementing a comprehensive plan.
- 1138 **Landscape Strip** means the portion of public right-of-way located between the sidewalk and
- 1139 curb.

- 1140 **Level-of-Service (LOS)** means the ratio of the volume of motor vehicle demand to the capacity
1141 of the motor vehicle system during a specific increment of time.
- 1142 **Local Trip** means a trip 2½ miles or less in length.
- 1143 **Median** means the center portion of public right-of-way, located between opposing directions
1144 of motor vehicle travel lanes. A median is usually raised and may be landscaped, and usually
1145 incorporates left turn lanes for motor vehicles at intersections and major access points.
- 1146 **Metro** means the regional government of the metropolitan area, the elected Metro Council as the
1147 policy setting body of the government.
- 1148 **Metro Boundary** means the jurisdictional boundary of Metro, the elected regional government
1149 of the metropolitan area.
- 1150 **Metro Urban Growth Boundary** means the urban growth boundary as adopted and amended by
1151 the Metro Council, consistent with state law.
- 1152 **Mixed Use** means comprehensive plan or implementing regulations that permit a mixture of
1153 commercial and residential development.
- 1154 **Mobility** means the speed at which a given mode of travel operates in a specific location.
- 1155 **Mode-Split Target** means the individual percentage of public transportation, pedestrian,
1156 bicycle and shared-ride trips expressed as a share of total person-trips.
- 1157 **Motor Vehicle** means automobiles, vans, public and private buses, trucks and semi-trucks,
1158 motorcycles and mopeds.
- 1159 **Multi-Modal** means transportation facilities or programs designed to serve many or all
1160 methods of travel, including all forms of motor vehicles, public transportation, bicycles and
1161 walking.
- 1162 **Narrow Street Design** means streets with less than 46 feet of total right-of-way and no more
1163 than 28 feet of pavement width between curbs.
- 1164 **Net Acre** means an area measuring 43,560 square feet which excludes:
- 1165 (1) any developed road rights-of-way through or on the edge of the land; and
- 1166 (2) environmentally constrained areas, including any open water areas, floodplains,
1167 natural resource areas protected under statewide planning Goal 5 in the
1168 comprehensive plans of cities and counties in the region, slopes in excess of 25
1169 percent and wetlands requiring a Federal fill and removal permit under Section
1170 404 of the Clean Water Act. These excluded areas do not include lands for which

- 1171 the local zoning code provides a density bonus or other mechanism which allows
1172 the transfer of the allowable density or use to another area or to development
1173 elsewhere on the same site; and
- 1174 (3) all publicly-owned land designated for park and open spaces uses.
- 1175 **Net Developed Acre** consists of 43,560 square feet of land, after excluding present and future
1176 rights-of-way, school lands and other public uses.
- 1177 **Perennial Streams** means all primary and secondary perennial water ways as mapped by the
1178 U.S. Geological Survey.
- 1179 **Performance Measure** means a measurement derived from technical analysis aimed at
1180 determining whether a planning policy is achieving the expected outcome or intent associated
1181 with the policy.
- 1182 **Persons Per Acre** means the intensity of building development by combining residents per net
1183 acre and employees per net acre.
- 1184 **Person-Trips** means the total number of discrete trips by individuals using any mode of travel.
- 1185 **Practicable** means available and capable of being done after taking into consideration cost,
1186 existing technology, and logistics in light of overall project purpose.
- 1187 **Primarily Developed** means areas where less than 10% of parcels are either vacant or
1188 underdeveloped.
- 1189 **Redevelopable Land** means land on which development has already occurred which, due to
1190 present or expected market forces, there exists the strong likelihood that existing development
1191 will be converted to more intensive uses during the planning period.
- 1192 **Regional Goals and Objectives** are the land use goals and objectives that Metro is required to
1193 adopt under ORS 268.380(1).
- 1194 **Retail** means activities which include the sale, lease or rent of new or used products to the
1195 general public or the provision of product repair or services for consumer and business goods.
1196 Hotels or motels, restaurants or firms involved in the provision of personal services or office
1197 space are not considered retail uses.
- 1198 **Riparian area** means the water influenced area adjacent to a river, lake or stream consisting of
1199 the area of transition from an hydric ecosystem to a terrestrial ecosystem where the presence of
1200 water directly influences the soil-vegetation complex and the soil-vegetation complex directly
1201 influences the water body. It can be identified primarily by a combination of geomorphologic
1202 and ecologic characteristics.
- 1203 **Single Occupancy Vehicle (SOV)** means private passenger vehicles carrying one occupant.

- 1204 **Shared-Ride** means private passenger vehicles carrying more than one occupant.
- 1205 **Straight-Line Distance** means the shortest distance measured between two points.
- 1206 **Target capacities** means the capacities in Table 1 required to be demonstrated by cities and
1207 counties for compliance with Title 1, Section 2.
- 1208 **Target densities** means the average combined household and employment densities established
1209 for each design type in the RUGGO 2040 Growth Concept.
- 1210 **Top of Bank** means the same as "bankfull stage" defined in OAR 141-85-010(2).
- 1211 **Traffic Calming** means street design or operational features intended to maintain a given
1212 motor vehicle travel speed.
- 1213 **Underdeveloped Parcels** means those parcels of land with less than 10% of the net acreage
1214 developed with permanent structures.
- 1215 **Vacant Land:** Land identified in the Metro or local government inventory as undeveloped land.
- 1216 **Variance** means a discretionary decision to permit modification of the terms of an implementing
1217 ordinance based on a demonstration of unusual hardship or exceptional circumstance unique to a
1218 specific property.
- 1219 **Water Quality and Flood Management Area** means an area defined on the Metro Water
1220 Quality and Flood Management Area Map, to be attached hereto. These are areas that require
1221 regulation in order to mitigate flood hazards and to preserve and enhance water quality. This
1222 area has been mapped to generally include the following: stream or river channels, known and
1223 mapped wetlands, areas with floodprone soils adjacent to the stream, floodplains, and sensitive
1224 water areas. The sensitive areas are generally defined as 50 feet from top of bank of streams for
1225 areas of less than 25% slope, and 200 feet from top of bank on either side of the stream for areas
1226 greater than 25% slope, and 50 feet from the edge of a mapped wetland.
- 1227 **Zoned Capacity** means the highest number of dwelling units or jobs that are allowed to be
1228 contained in an area by zoning and other city or county jurisdiction regulations.

Table 1 - Target Capacity for Housing and Employment Units - Year 1994 to 2017

City or County	Dwelling Unit Capacity ¹	Job Capacity	Mixed Use Areas ²	
			Dwelling Unit Capacity	Job Increase
Beaverton	15,021	25,122	9,019	19,084
Cornelius	1,019	2,812	48	335
Durham	262	498	0	0
Fairview	2,921	5,689	635	2,745
Forest Grove	2,873	5,488	67	628
Gladstone	600	1,530	20	140
Gresham	16,817	23,753	3,146	9,695
Happy Valley	2,030	1,767	52	245
Hillsboro	14,812	58,247	9,758	20,338
Johnson City	168	180	0	0
King City	182	241	55	184
Lake Oswego	3,353	8,179	446	3,022
Maywood Park	27	5	0	0
Milwaukie	3,514	7,478	2,571	6,444
Oregon City	6,157	8,185	341	2,341
Portland	70,704	158,503	26,960	100,087
River Grove	(15)	41	0	0
Sherwood	5,010	8,156	1,108	3,585
Tigard	6,073	14,901	981	8,026
Troutdale	3,789	5,570	107	267
Tualatin	3,635	9,794	1,248	2,069
West Linn	2,577	2,114	0	594
Wilsonville	4,425	15,030	743	4,952
Wood Village	423	736	68	211
Clackamas County ³	19,530	42,685	1,661	13,886
Multnomah County	3,089	2,381	0	0
Washington County ³	54,999	52,578	13,273	25,450
	243,993	461,633		

1

Based on Housing Needs Analysis. Applies to existing city limits as of June, 1996. Annexations to cities would include the city assuming responsibility for Target Capacity previously accommodated in unincorporated county.

Mixed use areas are: Central City - about 250 persons per acre; regional centers - about 60 ppa; town centers 40 ppa.; station communities - about 45 ppa.; main streets - about 39 ppa.

Standards apply to the urban unincorporated portion of the county only. At the request of cities, Metro may also supply targets for planning areas for cities in addition to the existing boundary targets cited above.

Open Space and Other Lands Excluded from Metro Buildable Lands Inventory

U.S. DEPARTMENT OF AGRICULTURE
NATIONAL WETLANDS INVENTORY
FEDERAL AGRICULTURAL MECHANISM
U.S. GEOLOGICAL SURVEY
NATIONAL WETLANDS INVENTORY
FEDERAL AGRICULTURAL MECHANISM

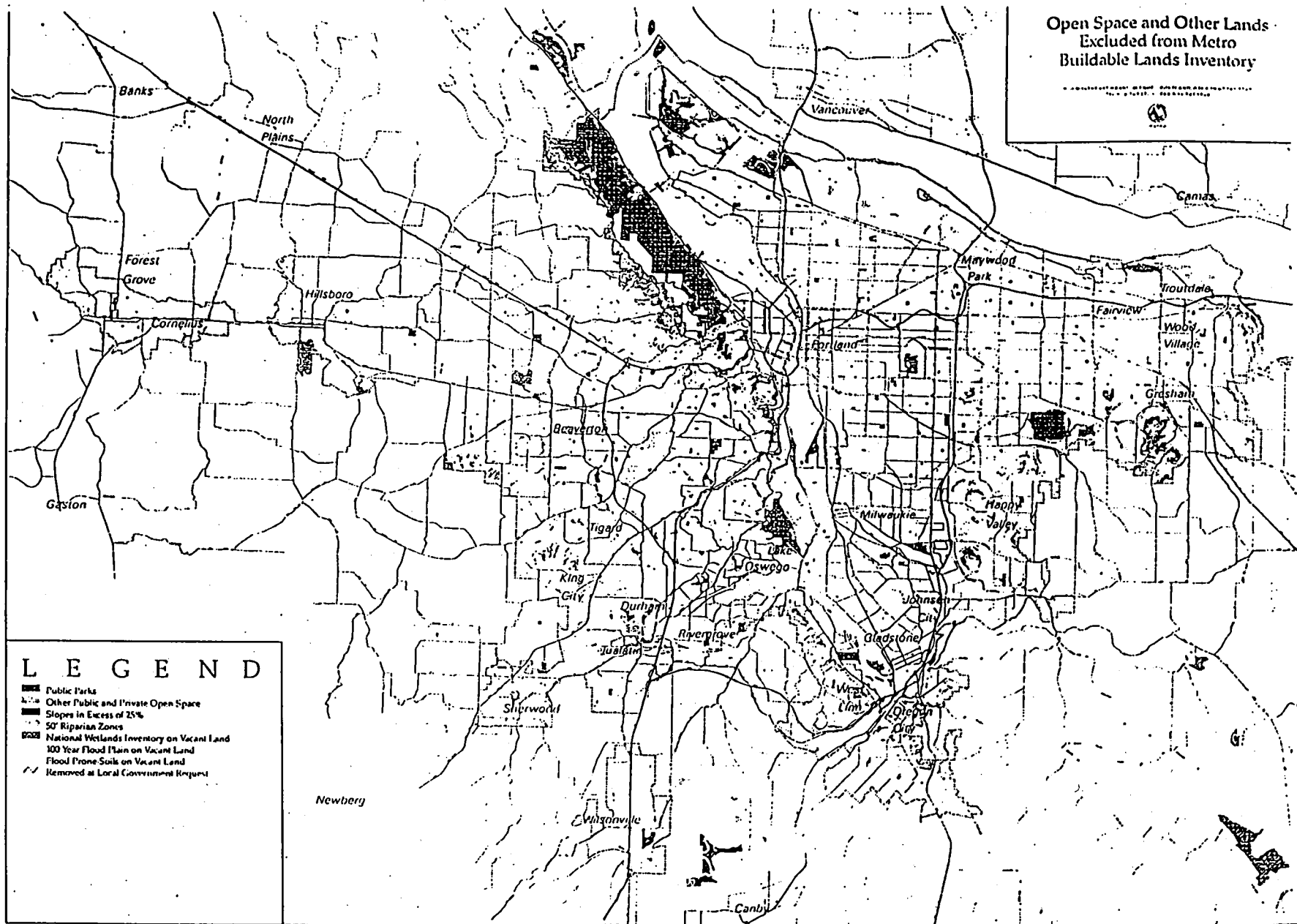


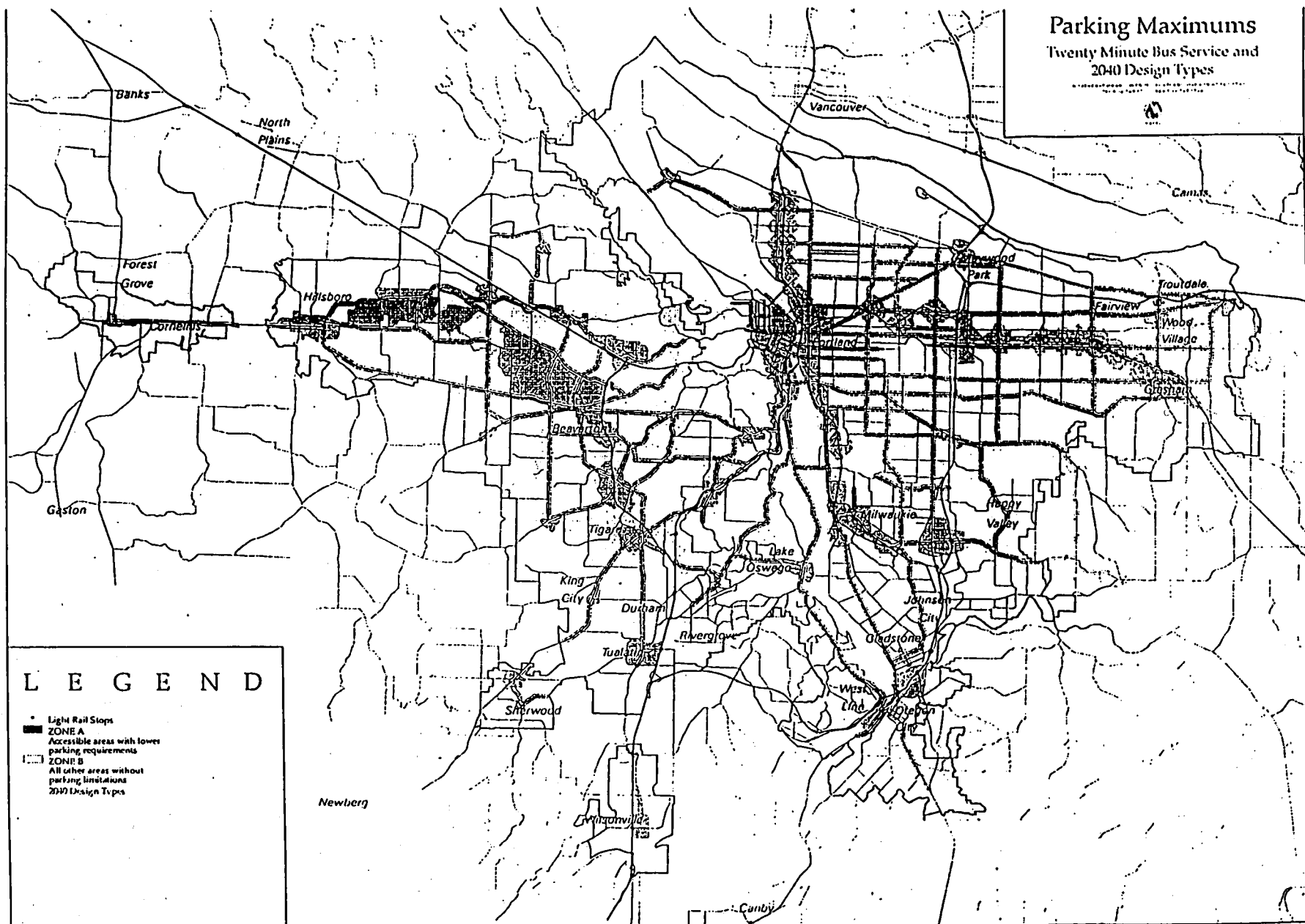
Table 2 - Regional Parking Ratios (parking ratios are based on spaces per 1,000 sq ft of gross leasable area unless otherwise stated)			
Land Use	Minimum Parking Requirements (See) Central City Transportation Management Plan for downtown Portland stds)	Maximum Permitted Parking - Zone A:	Maximum Permitted Parking Ratios - Zone B:
	Requirements may Not Exceed	Transit and Pedestrian Accessible Areas ¹	Rest of Region
General Office (includes Office Park, "Flex-Space", Government Office & misc. Services) (gsf)	2.7	3.4	4.1
Light Industrial Industrial Park Manufacturing (gsf)	1.6	None	None
Warehouse (gross square feet; parking ratios apply to warehouses 150,000 gsf or greater)	0.3	0.4	0.5
Schools: College/ University & High School (spaces/# of students and staff)	0.2	0.3	0.3
Tennis Racquetball Court	1.0	1.3	1.5
Sports Club/Recreation Facilities	4.3	5.4	6.5
Retail/Commercial, including shopping centers	4.1	5.1	6.2
Bank with Drive-In	4.3	5.4	6.5
Movie Theater (spaces/number of seats)	0.3	0.4	0.5
Fast Food with Drive Thru	9.9	12.4	14.9
Other Restaurants	15.3	19.1	23
Place of Worship (spaces/seats)	0.5	0.6	0.8
Medical/Dental Clinic	3.9	4.9	5.9
Residential Uses			
Hotel/Motel	1	none	none
Single Family Detached	1	none	none
Residential unit, less than 500 square feet per unit, one bedroom	1	none	none
Multi-family, townhouse, one bedroom	1.25	none	none
Multi-family, townhouse, two bedroom	1.5	none	none
Multi-family, townhouse, three bedroom	1.75	none	none

¹ Ratios for uses not included in this table would be determined by cities and counties. In the event that a local government proposes a different measure, for example, spaces per seating area for a restaurant instead of gross leasable area, Metro may grant approval upon a demonstration by the local government that the parking space requirement is substantially similar to the regional standard.

Parking Maximums

Twenty Minute Bus Service and
2040 Design Types

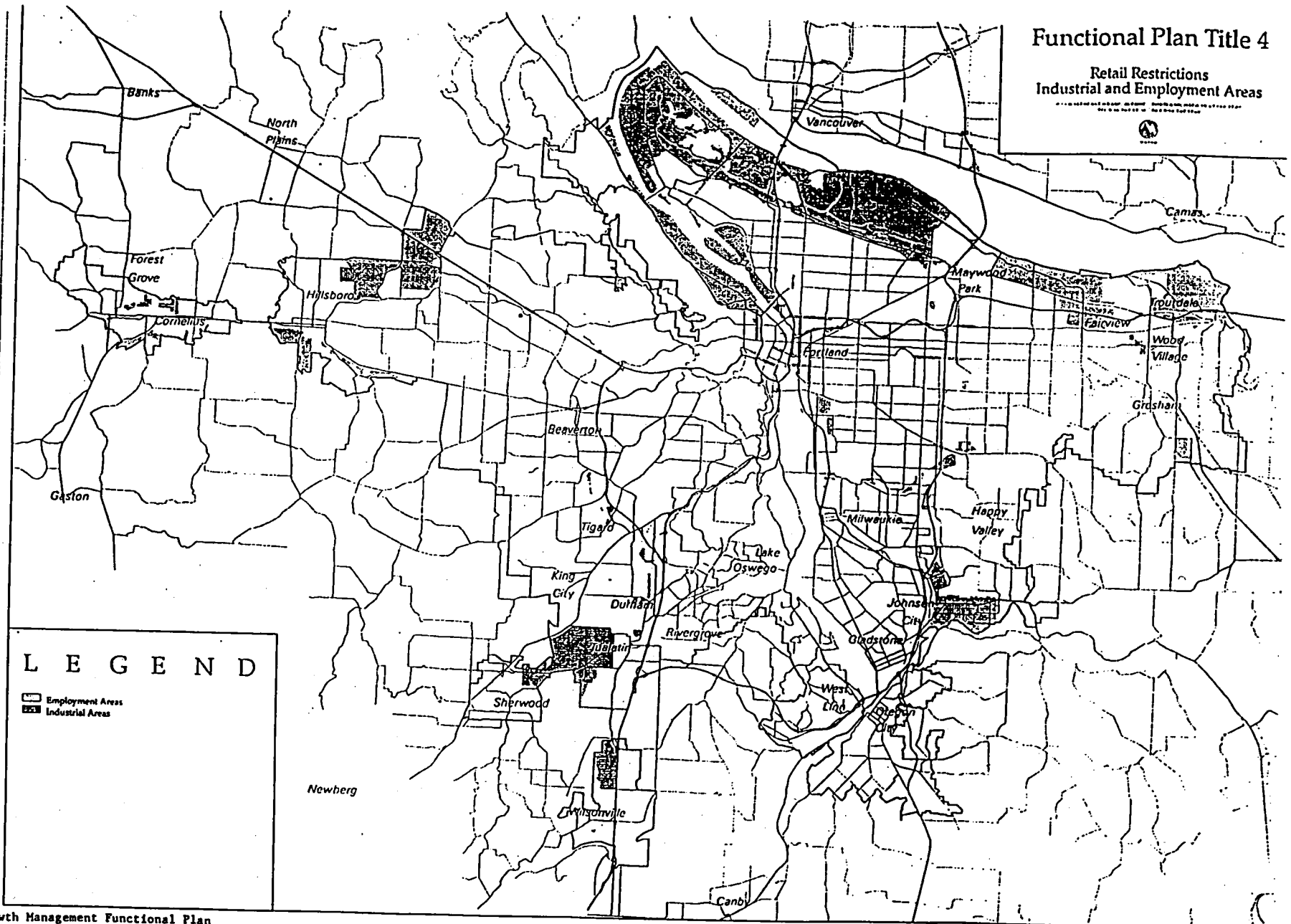
WILSON/JOHNSON ARCHITECTS, INC.
1000 14th Street, Suite 100
Portland, Oregon 97204



Functional Plan Title 4

Retail Restrictions Industrial and Employment Areas

DATE: 11/21/96 BY: [illegible] CHECKED BY: [illegible] DATE: 11/21/96
 TITLE: 4-10 Retail Restrictions Industrial and Employment Areas



LEGEND

- Employment Areas
- Industrial Areas

Regional Boulevards

Boulevard Treatment
2040 Design Types

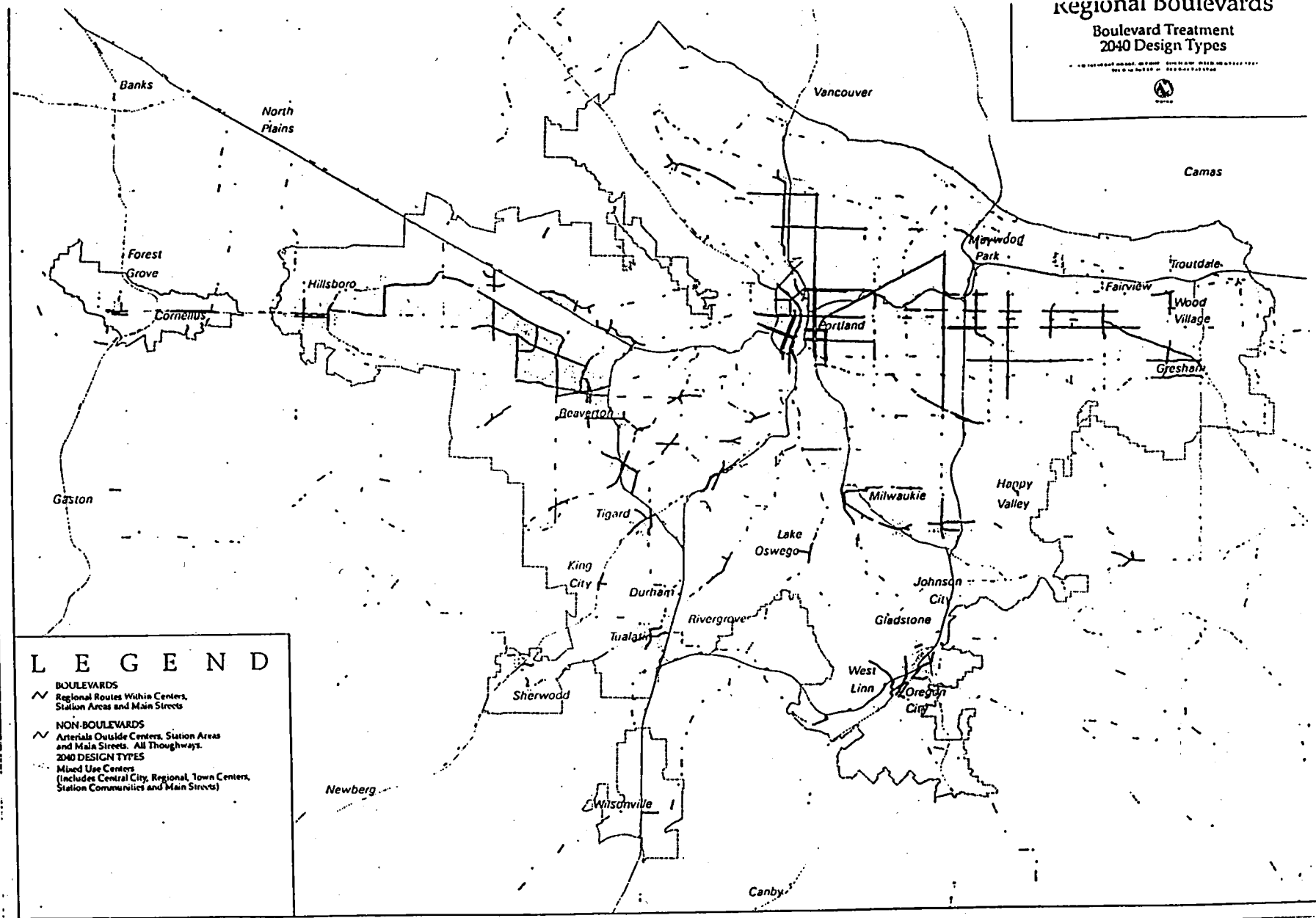


Exhibit B

URBAN GROWTH MANAGEMENT FUNCTIONAL PLAN Findings of Consistency With Regional and Statewide Goals and Objectives

Introduction

Metro has been required by state law since 1977 to adopt regional goals and objectives which are consistent with statewide goals. ORS 268.380(1). The predecessor regional council of governments, CRAG, had adopted such policies, which were left in place by the 1977 Metro legislation. In 1991, Metro completed new regional goals and objectives, entitled Regional Urban Growth Goals and Objectives (RUGGO). In 1995, RUGGOs were amended to include a new set of integrated goals and objectives in the form of text and a map, called the 2040 Growth Concept.

The RUGGO 2040 Growth Concept text and map are conceptual objectives for a desired urban form in the year 2040 that are part of the regional goals and objectives. The 2040 Growth Concept, then, is not a "plan." The Urban Growth Management (UGM) Functional Plan is the regional plan that implements the RUGGO 2040 Growth Concept. Functional plans are limited purpose regional plans authorized by ORS 268.390(2), not "comprehensive plans" as defined in ORS 197.015(5).

Consistent with legislation in 1993, codified at ORS 197.274(1), RUGGO has been acknowledged by the Land Conservation and Development Commission (LCDC) "for compliance with statewide goals in the same manner as a comprehensive plan" Importantly, RUGGO is not a comprehensive plan. See ORS 197.015(15). Therefore, RUGGO acknowledgment is unique. RUGGOs are regional goals and objectives, supplementary to the statewide goals and objectives. By their own terms, RUGGOs do not apply directly to the comprehensive plans or land use actions of cities and counties. See RUGGO Objective 3. For general RUGGO policies to become applicable to comprehensive plans, a more detailed functional plan must "recommend or require" changes in comprehensive plans. ORS 268.390(4). This UGM Functional Plan contains both requirements and recommendations.

Since this functional plan implements RUGGO objectives, RUGGO Objective 5 requires that functional plans be consistent with RUGGOs. To the extent that this functional plan "requires" amendments to city and county comprehensive plans, Metro intends to meet the same standard of judicial review that is applied to amendments to comprehensive plans. Therefore, the UGM Functional Plan is adopted as regional policy based on the record before the Metro Council, and the following explains how the Functional Plan is consistent with applicable RUGGO provisions and applicable statewide land use planning goals.

Regional Goals and Objectives (RUGGO) Consistency

RUGGO is organized into two Goals and twenty-six Objectives, and an integrated set of policies called the 2040 Growth Concept and the Concept Map. "Planning Activities" are ideas for future study, not goals and objectives. Goal I contains the Regional Planning process in Objectives 1-11. Goal II, Urban Form, includes four subgoals: Natural Environment, Built Environment, Growth Management, and the 2040 Growth Concept. The first three subgoals are separated into Objectives 12-26. Goal and objective statements written in mandatory language are binding

policy statements on Metro. These policies must be followed by Metro in functional plans and the urban growth boundary. Some policies are written in aspirational language, including the desired end state of the 2040 Growth Concept. The UGM Functional Plan has been adopted to begin implementation of RUGGOs, particularly the 2040 Growth Concept. Functional plans, unlike comprehensive plans, are selective for issues that "significantly impact metropolitan development." ORS 268.390(1),(2). The UGM Functional Plan is intended to begin implementation of the 2040 Growth Concept prior to completion of the regional framework plan. Therefore, not all regional goals and objectives will be either applicable or fully accomplished in this Functional Plan.

Goal I: Regional Planning Process

The UGM Functional Plan has been prepared using the regional planning process including extensive citizen notification and participation using Metro's mailing list of 60,000 individuals and organizations. The acknowledged urban growth boundary has been the foundation of target capacities in Title 1 and Table 1. State, city, county and special district implementation roles have been followed in the MPAC recommendation, plan recommendations and requirements, and Title 8 compliance and exceptions relationships. The plan fully complies with the procedures in Objective 5 for functional plans.

Consistent with Objective 5, the UGM Functional Plan is a limited purpose plan for initial implementation of the 2040 Growth Concept. Since this functional plan contains requirements for changes in adopted and acknowledged comprehensive plans, it is being adopted as a final land use action with findings of consistency with RUGGO and statewide planning goals.

As a new functional plan, the UGM Functional Plan was proposed by MPAC under Objective 5.2.1 and initiated by the Metro Council by Resolution No. 96-2288. MPAC participated in the preparation of the plan, used citizen involvement processes, newsletters, open houses, newspaper ads, a public comment report, and made its recommendation to the Metro Council after public hearings.

Consistent with Objective 5.2.a-d, the Metro Council held public hearings, work sessions, amended the proposed functional plan, and adopted the UGM Functional Plan with these findings of RUGGO consistency. The conflict resolution process in Objective 5.3 is specifically incorporated into Title 8 of the UGM Functional Plan.

As explained in the introduction to the UGM Functional Plan, it is a functional plan pursuant to ORS 268.390 that is preliminary to adoption of the Metro Charter-mandated regional framework plan, which is due by December 30, 1997. Therefore, the UGM Functional Plan does not describe its relationship to the Future Vision per Objective 9 because it is not a component of the regional framework plan.

Consistent with RUGGO Objectives 10 and 11, Title 9 of the Functional Plan provides for performance measures for the Functional Plan that assure biennial review of the results of the Functional Plan.

Title 8, Section 2 requires cities and counties to transmit to Metro their preliminary compliance materials for Metro review within 18 months of the effective date of this Functional Plan. At

that time requests for exceptions from any Functional Plan requirement may be made. Title 8, Section 5 allows for interpretation of functional plan requirements questioned by cities and counties at any time. RUGGO Objective 5.3 guarantees cities and counties a conflict resolution policy for functional plan provisions that is affirmed in Title 8, Section 2. That process may end with an interpretation that the city or county approach to avoid a statewide goal violation is not inconsistent with the Functional Plan or an amendment to the Functional Plan to avoid any prospective statewide goal violation before the city or county amends its comprehensive plan or land use regulations.

Goal II: Urban Form

The principles of maintaining a compact urban form (II.i) and preserving existing neighborhoods by focusing growth in mixed use areas (II.ii) are among the foundations of the UGM Functional Plan. Title 1 and Table 1 require increased housing and job capacities in mixed use areas. Increased infill and redevelopment from allowing accessory units, and greater densities through minimum densities will be necessary for cities and counties to meet the target capacities. These policies enhance a compact urban form. The basis for Table 1 is an allocation of projected 2017 population and employment inside the current UGB at Table 5 of Part 1 of the Urban Growth Report. Housing choices with good access to jobs (II.iii) are enhanced by Title 1 minimum density, accessory dwelling, and mixed use areas policies. Housing affordability (II.iii) is enhanced by Title 1, Section 2.C, Accessory Dwellings, Title 1 compact urban form policies, and Title 7, Affordable Housing. Requiring identification and enhancing of mixed use areas, like station communities, in Title 1 focuses increased housing and job capacities in areas of current and future public investment to reinforce a compact urban form (II.iv).

Objective 12 policies on watersheds and water quality, particularly Objectives 12.1 and 12.1.5, are addressed by stream-corridor protection in Title 3 of the Functional Plan which will be made effective by future adoption of a map and Model Ordinance.

Objective 13 is being addressed by the Regional Water Supply Plan, outside this Functional Plan.

Objective 14, Air Quality, is addressed by Title 2, Regional Parking Policy, and Title 6, Regional Accessibility. The state's air quality maintenance plan credits restrictions on new parking spaces in Title 2 with increased air quality. Compact urban form policies required by Title 1 enhance alternative modes of transportation which do not add to air pollution.

Objective 15, Natural Areas, is being addressed by Metro Open Space Bond land purchases outside this Functional Plan. However, Title 3 addresses regional policy to identify and coordinate planning for fish and wildlife conservation areas.

Objective 16.1 on Rural Reserve Lands is addressed by Title 5, Section 2 which requires cities and counties to protect rural reserves and green corridors inside Metro's jurisdiction. Further protection for rural reserves and green corridors outside Metro, between Metro and neighbor cities' UGBs is a policy goal for intergovernmental agreements with neighbor cities, counties and state agencies.

Goal II.2.i. and Objective 17 on "fair share" housing policy are addressed by the recommendations in Title 7, Affordable Housing, and enhanced by Title 1 compact urban form

policies including the Title 1, Section 2.C requirement for at least one accessory unit to be allowed for each detached single family dwelling.

Goal II.2.ii on infrastructure planning is addressed for transportation facilities in the Title 6, Section 4 requirements for alternative mode analysis and motor vehicle congestion analysis in mixed use areas, and congestion management in all congested areas.

Goal II.v on a balanced transportation system is addressed in Title 6, Regional Accessibility requirements to consider boulevard design accommodation of pedestrians and bicycles, and design standards for street connectivity to increase accessibility for all modes of transportation.

Objective 18 policies, particularly 18.i, 18.iv, 18.v and 18.vi are enhanced at the regional scale by minimizing public and private costs with policies in Title 1 to retain a compact urban form and direct growth into mixed use areas. Objective 18.2 is addressed by general forecasts of facility need and cost which indicate that a compact urban form minimizes costs.

Objective 19 is addressed in Title 6 of the Functional Plan. Multimodal transportation in Objective 19.i and 19.3 is enhanced by requiring consideration of Boulevard Design in Section 2 and the Boulevard Design Map, Design Standards to increase street connectivity for greater bicycle and pedestrian accessibility, and the required Alternative Mode Analysis for mixed use areas in Section 4.A and congestion management requirements in Section 4.C. Freight movement on roads per Objective 19.ii is facilitated by compact urban form policies and directing growth into mixed use areas in Title 1, and the Transportation Performance Standards in Title 6, Section 4.

Title 6, Section 4 requires changes in city and county comprehensive plans, if necessary, to reduce the standards for mobility, include accessibility analysis and only add transportation facility capacity as a last resort. These policies represent a regional policy choice by Metro to redefine adequate motor vehicle mobility to accomplish RUGGO Goal II Objectives for a compact urban form using alternate modes of transportation to maintain mobility. These policies enhance Objectives 19.iii, 19.v, 19.vi, 19.viii and address 19.1, 19.2.1 and 19.2.

Goals II.3.i, ii, iii and Objectives 22 and 26 are addressed by Title 1 enhancing a compact urban form and Title 5, Neighbor Cities, enhancing the distinction between urban and rural lands and neighbor cities by policies to protect rural land near the UGB.

Goal II.3.iv and Objectives 23 and 24 are enhanced by the requirements to use redeveloped land in Title 1, Section 2.B, allow accessory dwelling units in Title 1, Section 2.C.

Objective 25, Urban Design, is enhanced by implementation of the 2040 Design Types in Title 1, Sections 3 and 7.

Goal II.4 Metro 2040 Growth Concept

The Growth Concept states the design form of urban development in the region for the 50 years ending in 2040. It is designed to accommodate approximately 720,000 additional residents and 350,000 additional jobs based on a feasibility analysis of one possible configuration of the Growth Concept called the 2040 Analysis, completed in 1994 as part of the Region 2040 project.

Three alternative concepts were analyzed leading to preparation of the "preferred concept." The integrated goals and objectives in RUGGO II.4 are that "preferred concept." Therefore, Goal II.4 is both conceptual and aspirational. See RUGGO pp. 25-35.

Mixed use urban centers inside a compact UGB are an important part of the Growth Concept. The interrelated set of centers from the Growth Concept are required to be used by cities and counties in Title 1 of the Functional Plan. Boundaries for centers and other Growth Concept "design types" are required to be added to city and county plans in Title 1, Section 3. Target capacities for housing and jobs are required for mixed use areas in Title 1, Section 6, and Table 1. Design type average densities from the Growth Concept are recommended in Title 1, Section 7.

The fundamental Title 1 requirement in Section 6 is for cities and counties to accommodate houses and jobs projected to be needed by 2017 using the required calculation method (Section 5). To comply, each city and county must demonstrate that its plan and zoning will yield the target number of dwelling unit and job capacities for their jurisdiction and for their mixed use areas (Table 1) using the required calculation method (Section 5). Part of the required calculation method includes use of mandatory minimum density standards (Section 2.A), redevelopment of some lands (Section 2.B), allowing of accessory dwelling units (Section 2.C), and use of other methods to increase capacity (Section 4.B.)

The requirement that large percentages of the increased capacity for houses and jobs be located in mixed use areas is a direct implementation of the centers and jobs/housing balance policies of the Growth Concept. See RUGGO, pp. 25, 29.

Recognition of open spaces inside the UGB is reflected in Title 1, Section 2.A., and Title 3. Rural reserves are protected and neighbor cities are recognized in Title 5.

Industrial and Employment Area policy in RUGGO is implemented in Title 4 of the Functional Plan. Cities and counties are required to restrict retail uses over 60,000 square feet in industrial areas to protect industrial areas primarily for industrial activities. Mapped "Employment Areas" must be given specific boundaries in Title 1, Section 3, and retail is restricted in these areas in Title 4. These policies are consistent with the 2040 Growth Concept at p. 32. (See statewide Goal 9, below.)

Implementation of transportation facility classifications in the Growth Concept to support mixed use areas, industrial and employment areas is begun in Title 6 of the Functional Plan. See RUGGO pp. 32-35.

Statewide Land Use Planning Goals

The extent to which Metro functional plans must comply with applicable statewide land use goals is not clear from Metro's enabling statutes. ORS 268.380(1) requires Metro to adopt regional goals and objectives which are consistent with statewide goals. ORS 268.390(3) requires Metro to adopt the regional urban growth boundary in compliance with statewide goals. ORS 268.390(1) requires Metro to adopt functional plans but provides no requirement for consistency or compliance with statewide goals. However, ORS 268.390(4) authorizes Metro,

"as it considers necessary," to "recommend or require" changes "in any plans" to assure that city and county land use actions conform to the functional plan and urban growth boundary.

Clearly, Metro is unique. Its policies are regional in scale. Implementation of regional policies by cities and counties in their comprehensive plans and land use regulations must comply with statewide goals. To accomplish that result, regional policies which are "recommendations" need not directly comply with statewide goals. Cities and counties may or may not adopt the recommendation, or a variation of the recommended policy may be adopted. Therefore, the long-standing rule that cities and counties must demonstrate compliance with statewide goals for all amendments of comprehensive plans and land use regulations assures statewide goal compliance. City and county plan amendments to implement "regional" recommendations will comply with statewide goals at the time they are adopted. If a statewide goal violation would result, the recommendation would not be adopted.

The UGM Functional Plan is the first functional plan to contain significant regional policy "requirements" for changes in city and county plans. There are provisions in this functional plan, in Title 8, as well as RUGGO Objective 5.3, which assure that cities and counties are not required to implement a regional policy "requirement" to the extent that it would cause a statewide goal violation as applied to circumstances in a particular jurisdiction. That may be a sufficient safeguard to assure that regional "requirements" will be implemented in compliance with statewide goals, rules and statutes. However, the statutory structure which gives Metro broad authority to direct how cities and counties comply with statewide goals, implies that functional plan "requirements" must demonstrate consistency with statewide goals. Like regional goals and objectives, regional functional plans are supplementary, not comprehensive, policies. Comprehensive plans must balance all the statewide goals. Functional plans select those policy areas which have significant impact on metropolitan development to direct how each comprehensive plan accomplishes that balance consistent with its neighbors.

Therefore, the following summary of the legislative record of the UGM Functional Plan demonstrates that the "requirements" in this functional plan are consistent with applicable statewide goals, rules and statutes. Since this is only the initial implementation of the 2040 Growth Concept, not all parts of all statewide goals and rules are applicable. Some goals are being addressed by other regional policies outside the UGM Functional Plan, such as Goal 12 in Metro's Regional Transportation Plan and Goals 5 and 8 by purchase of regional significant lands with the Metro Open Spaces Bond Measure proceeds. Consistency with statewide goals at a regional scale, then, is a feasibility analysis. The final, complete balance of statewide goals, including analysis of secondary impacts, occurs at city and county plan implementation. If any violation of statewide goals may be caused by application of functional plan policies, Title 8 provides a process for correction prior to adoption of a plan or regulation amendment.

Goal 1: Citizen Involvement

The citizen involvement program for the UGM Functional Plan was regional in scope and appropriate to the scale of this regional planning effort. The Metro Policy Advisory Committee (MPAC) established by Section 27 of the Metro Charter, open houses, newsletters, newspaper ads, and a public comment report were used. Mailings included city and county Community Planning Organizations, and a mailing list of about 60,000 individuals and organizations. A series of public hearings were held at MPAC, the Metro Council Growth Management

Committee and the Metro Council. Consistent with RUGGO Goal 1, the Functional Plan was developed using a direct participatory process involving citizens, cities, counties, special districts, school districts, and state and regional agencies such as TriMet, the Port of Portland, and the Department of Land Conservation and Development.

The transportation issues including Titles 2 and 6 were reviewed by JPACT, the regional transportation advisory committee and the Metro Council Transportation Committee.

Goal 2: Land Use Planning

Review for compliance with Goal 2 includes (A) the structure of policies created for regional planning, and (B) supporting documentation for the policies contained in the UGM Functional Plan.

A. Structure and Policies for Regional Planning

The UGM Functional Plan follows RUGGO Objective 5 to begin implementation of the 2040 Growth Concept in Metro's regional goals and objectives. To carry out this early implementation of the 2040 Growth Concept, the applicable Functional Plan sections establish the Functional Plan's place in the regional and state framework for planning as follows:

- RUGGO Goal 1 relationship (p. 2; Title 4, Section 3; Title 8)
- Regional Policy basis (p. 2)
- Relationship to 2040 Growth Concept Design Types (Title 1, Sections 3, 7)
- Relationship to 2017 Growth Projection (Title 1, Section 5, Table 1)
- Relationship to Air Quality planning (Title 2, Section 1)
- Relationship to Open Space planning (Title 3)
- Relationship to industrial land planning (Title 4)
- Relationship to neighboring cities (Title 5)
- Relationship to transportation corridor to neighbor cities (Title 5, Section 4)
- Relationship to Transportation Planning Rule (Title 6, Section 4)
- Relationship to housing policies (Title 7)
- Relationship to comprehensive plans (Title 8)
- Procedure for functional plan interpretation (Title 8, Sections 5, 6)
- Process to monitor progress (Title 9)

Title 8, Section 2 requires cities and counties to transmit to Metro their preliminary compliance materials for Metro review within 18 months of the effective date of this Functional Plan. At that time requests for exceptions from any Functional Plan requirement may be made. Title 8, Section 5 allows for interpretation of functional plan requirements questioned by cities and counties at any time. RUGGO Objective 5.3 guarantees cities and counties a conflict resolution policy for functional plan provisions that is affirmed in Title 8, Section 2. That process may end with an interpretation that the city or county approach to avoid a statewide goal violation is not inconsistent with the Functional Plan or an amendment to the Functional Plan to avoid any prospective statewide goal violation before the city or county amends its comprehensive plan or land use regulations.

B. Supporting Documentation

An inventory of documents in the record for Ordinance No. 96-547C is contained in Attachment A. The record includes research and data on the following issues of substance in the UGM Functional Plan:

1. 1995 Regional Urban Growth Goals and Objectives (RUGGO)
2. the state air quality plan
3. year 2017 population and employment estimates
4. year 2040 alternative growth concepts analyses, with documents containing information and evaluation performed at multiple steps in the process
5. year 2040 regional design images, specially prepared under contract to test applicability to the Metro region of alternative urban design concepts
6. an evaluation of the relative impacts of the alternative urban development concepts on the housing market, the market for commercial and industrial space, the cost of serving new development with water and sewer services, and "quality of life" factors, especially crime
7. an evaluation of mixed use urban centers, their economic and transportation characteristics
8. an inventory of existing historical and natural feature conditions in the region
9. an evaluation of the potential for no-growth and slow-growth policies in the region
10. Future Vision evaluation reports on carrying capacity applied to the Portland region; historical settlement patterns in the Portland region; and work styles in the region
11. a study of Oregon values and beliefs regarding transit and growth management
12. a study of commodity flow and requirements
13. profiles of the Portland-Vancouver economy
14. a regional transportation plan; transportation analysis of alternative growth concepts; and guidelines for transportation planning rule implementation
15. a statement regarding ten essentials for a quality regional landscape, prepared by the University of Oregon Department of Landscape Architecture
16. a three volume vacant lands atlas, with data, maps and photos for each Metro county
17. report evaluating the potential impacts of the growth concepts on providing water, wastewater, and stormwater services to projected areas of new growth

Goals 3 and 4 (Title 5): Agricultural and Forest Lands

These goals are not generally applicable because the Functional Plan is focused primarily on changes to comprehensive plans and implementing ordinances inside the regional urban growth boundary (UGB). However, the Functional Plan enhances these goals. The changes inside the UGB increase the houses and jobs accommodated inside the UGB. They reduce pressure on resource lands adjacent to the UGB.

Title 5 enhances Goals 3 and 4 and it reiterates RUGGO Objectives 22 and 26. Title 5 begins to implement Metro's policy of entering into intergovernmental agreements to protect resource lands outside the UGB, particularly in "Rural Reserves" designated on the 2040 Growth Concept

Map. Cities and counties are required to protect those Rural Reserves inside the UGB from urban development in Title 5, Section 2.

Goals 5, 6, 7 (Titles 2, 3): Natural Resources, Air/Water Resources, Natural Hazards

Open Spaces and Natural Resources, Air/Water Resources and Natural Hazards are addressed in the stream protection policies of Title 3. As indicated in Section 6, Title 3 is not effective until both a Model Code for local governments and the map of Water Quality and Flood Management Areas are adopted. Two additional ordinances amending the Functional Plan will each make parts of Title 3 effective. First, a Model Code and Map will be adopted, with statewide goal findings, to implement water quality (Goal 6) and Flood Management (Goal 7) requirements in Sections 1-4. Then, after the 18 months of work indicated in Section 5.C., Fish and Wildlife Habitat protection will be implemented by adoption of another ordinance with statewide goal findings. Therefore, Title 3 does not include any requirements for changes in comprehensive plans at this time.

Maintaining and improving air quality (Goal 6) is furthered by the minimum and maximum parking ratios required by Title 2. As indicated in Section 1, implementation of these parking ratios have been included as steps which improve regional air quality in the state's Air Quality Maintenance Plan.

Goal 8: Recreational Needs

Recreational needs are being addressed by purchases of trail, open space and parks lands with proceeds of Metro's Open Spaces Bond Measure outside the Functional Plan. Therefore, Goal 8 is not directly applicable to the Functional Plan. However, Title 1, Section 2.A.5 is consistent with Goal 8 by not requiring minimum residential densities for residential lands designated as significant open space lands.

Goal 9

On a regionwide, general scale, Title 1 implements RUGGO mixed use centers policies consistent with Goal 9 by increasing housing and job capacities consistent with public facilities investment in regional centers, town centers and station communities. This supports a jobs housing balance in regional center areas. These regional policies can be implemented in comprehensive plans based on the analysis of each community's economic patterns and local economic development policies. Areas indicated in current acknowledged comprehensive plans by industrial and commercial zoning are enhanced by establishing known priorities for regional public investment. Stability of labor market should be enhanced by Title 1 implementation of jobs housing balance in regional centers. Increased multi-modal accessibility to centers allows cities and counties to locate economic activity relative to markets created by the jobs and housing encouraged in mixed use centers.

Title 4, Section 2.A. protects lands zoned for industrial uses in current acknowledged comprehensive plans from inefficient use of these lands for regional scale retail development. This allows cities and counties to assure an adequate supply of sites of suitable sizes, types, locations and service levels in their comprehensive plans for a variety of industrial uses. This Title 4 limitation of uses allowed on sites zoned for industrial areas assures compatibility of uses on those sites and of traffic patterns.

Title 1 and Title 6 implementation of mixed use centers provide more efficient alternative locations for regional scale retail development with structured parking and transit availability, such as the Lloyd Center Toys R Us, the Walmart in Eastport Plaza and the Fred Meyer stores outside employment areas. The "big box retail" store at Lloyd Center was part of the comparison of that remodeled center's land efficiency with the redevelopment potential of the Clackamas Town Center shopping center. Title 1 encourages that redevelopment by the mixed use center target capacities required by Section 6 and Table 1 that include the Clackamas Town Center's regional center.

Title 4, Sections 2.B, C and 3, together with Titles 1 and 6 implementation of mixed use centers protect lands designated as "employment areas" for smaller scale, low traffic generating, land consumptive uses with low parking demand. Title 4 limits high traffic generating, high parking demand, regional scale retail uses in these areas. Titles 1 and 2 encourage location of high traffic, high parking demand commercial uses in centers with structured parking. Approximately 4543 acres of vacant land within centers and corridors inside the UGB would be available for regional or subregional scale retail development.

Specific square foot regulations, the 60,000 square foot maximums, are used as a measurable, clear and objective standard. Most existing grocery stores having a local market area of two to three miles are less than 60,000 square feet. Retail stores with a regional or subregional market greater than five miles are usually in excess of 100,000 square feet.

One of the concerns about allowing large scale retail uses in employment areas is the traffic generated from outside the employment area. Building material and discount stores, for example, have substantially higher trip generation rates than other uses. The much higher weekday and peak hour trip rates for these large scale retail uses would increase congestion along arterials in industrial and employment areas designed to accommodate non-retail uses. Location of these uses in centers and corridors, close to the households they serve, reduces vehicle miles traveled consistent with statewide Goals 12 and the Transportation Planning Rule. See staff memos dated October 15 and 16, 1996.

Goal 12 and the Transportation Planning Rule

The applicable provision of the Transportation Planning Rule prior to the adoption of the regional Transportation Systems Plan is OAR 660-12-060: "Amendments to functional plans . . . which significantly affect a transportation facility shall assure that allowed land uses are consistent with the identified function, capacity and level of service of the facility . . .".

To greater and lesser degrees in different locations and jurisdictions, the performance standard in Title 1, Section 6 will require cities and counties to amend comprehensive plans and implementing ordinances to increase densities for housing and employment within the urban growth boundary. These land use plan changes over the two-year period for compliance with this functional plan must be balanced by changes in the transportation plans of cities and counties at the same time.

Title 6 requirements contain the regional transportation policies which balance Title 1 strategic increases in density inside the Urban Growth Boundary to assure that planned land uses are

consistent with planned transportation facilities. Boulevard Design is required to be considered to accommodate alternate modes of transportation. Design Standards for street connectivity must be adopted to enhance alternate modes of transportation by one of two options. Targets must be established and implemented for increasing use of alternate modes of transportation in mixed use areas. These requirements avoid principal reliance on any one mode of transportation. However, the primary method of assuring balance between land use and transportation in the functional plan is the use by cities and counties of alternate level of service standards for mixed use areas and use of congestion management actions in Title 6, Section 4. These policies would be used, as needed, wherever planned transportation facilities are insufficient to serve land uses planned to implement Title 1.

If city or county transportation facilities are significantly affected by traffic congestion from Title 1 increased land use capacities in mixed use areas, Title 6, Section 4.B and C require that a policy decision be made about whether to change the plan's "design requirement" to a level of service consistent with Section 4.B. If the alternate level of service standard is not used, an exception to Title 1 may be requested under Title 8 procedures to the extent needed to retain the land use/transportation balance by limiting land uses. If the functional classification and identified capacity of a transportation facility are affected by the new balance of land use and transportation using the optional level of service and other Title 6 requirements, they must be amended in the plans as part of exercising the alternate level of service option.

The greatest potential for transportation planning changes to retain consistency with new land uses is in the mixed use areas of Central City, Regional Centers, Town Centers, Main Streets and Station Communities. The greatest increases in capacity for houses and jobs are directed by Table 1 to occur in these areas. For these areas, Title 6, Section 4 establishes regional performance standards. First, Section 4.A. requires alternate mode analysis to establish and implement alternative mode targets to reduce motor vehicle congestion. If a road remains out of balance with land uses, congestion analysis and management are applied. For mixed use areas, the alternative Level of Service in 4.B.1 may be applied to the road in the city or county transportation plan. If that relaxed level of service standard is exceeded, the accessibility analysis in 4.B.2 is used. If regional accessibility is impacted, the congestion management actions must be taken. Only if the road remains inconsistent with land uses are road capacity improvements planned to retain the balance between transportation facilities and land uses.

For roads outside mixed use areas, the existing regional level of service standard is required by 4.D. Congestion management actions in 4.C are used before adding roads to maintain consistency with land uses. Outside mixed use areas land use capacity is increased primarily by use of minimum densities in Title 1, Section 2. Cities and counties have flexibility in use of minimum densities that may be used to avoid some transportation impacts. If congestion management actions are insufficient to maintain consistency between planned land uses and transportation facilities, an exception from land use requirements to the extent of the inconsistency may be requested under Title 8.

Title 1: Requirements for Housing and Employment Accommodation

Title 1, Section 1 states Metro policy to minimize the amount of UGB expansion needed by 2017 by increasing the capacity of land inside the UGB for development. This is to be accomplished

by implementation of 2040 Growth Concept “design types¹” (Section 3), particularly those identified as “mixed use areas².”

In Section 1, the regional policy establishes that all cities and counties must accommodate a share of the 2017 projected growth in needed houses and jobs. That fair share policy is reflected in Table 1. Target numbers for each city and county in Table 1 are required to be met by Section 6. A step-by-step calculation required to demonstrate these target capacities is in Section 5. Mandatory steps to increase that calculated capacity are in Section 2.A (minimum densities), Section 2.B (prohibit limits on land divisions), Section 2.C (no prohibition of accessory units) and Section 4 (reduce “underbuild”).

Table 1, then, has a series of target capacity requirements for each city and county. Jurisdiction-wide capacity for new dwelling units for each jurisdiction is based on a city or county share of the 243,993 dwelling units projected to be needed by 2017. Jurisdiction-wide capacity for new jobs for each jurisdiction is based on a city or county share of the 461,633 jobs to accommodate by 2017.

Mixed use areas in each jurisdiction will vary in size, density, and jobs/housing balance. The 2040 Growth Concept is the source of the “persons per acre³” averages for housing and jobs accommodated in each “mixed use area” design type. These averages were used in the feasibility analysis of the 2040 Growth Concept. Since these are aggregated averages for widely varying forms of these design types, these averages are merely recommended as guidelines in Section 7. In mixed use areas, these averages may be exceeded.

Goal 10 and Metro Housing Rule

Titles 1 and 7 contain the direct regional policies related to housing. Many parts of the Goal 10 and LCDC Housing rules are addressed on a regional scale in Title 1. However, city and county comprehensive plans retain the responsibility to comply with the statewide goals and rules comprehensively. Title 1 regional policies supplement and are consistent with the statewide goals and rules. However, if application of Title 1 results in Goal 10 conflicts, a city or county may seek an exception or interpretation under Title 8. Title 8, Section 2.B and RUGGO Objective 5.3 provide the mechanism for a city or county to seek an exception from Table 1 required capacities after the required policies in Title 1, Section 2 have been adopted and their impact estimated. Title 8, Section 2.E assures that cities and counties will not be required to violate Goal 10 to comply with Title 1 or any other requirement of this Functional Plan.

The “minimum residential density allocations” in the Metro Housing Rule are met and exceeded by the required housing capacities in Title 1 and Table 1 with the minimum density requirements of Title 1, Section 2. The “new construction mix” of residential housing types consistent with the Rule encouraged by Title 1 includes redevelopable land and excludes unbuildable land from its analyses consistent with the Rule. Manufactured homes are encouraged in Title 7, Section 3.

Recommendations to improve the availability of affordable housing are included in Title 7, Section 2. The Housing Needs Analysis addresses affordability. Accessory unit policy at Title

¹ See Title 10 definition.

² See Table 1 “mixed use areas,” footnote 2.

³ See Title 10 definition. This is an aggregate number for persons inside households and working in an area.

1, Section 2.C enhances affordable housing with a new market product that cities and counties must include in their Goal 10 housing projection. The Housing Needs Analysis is a compendium of data about the regional housing market using a housing model to predict housing needs for a 2040 Growth Concept scenario.

Metro has completed a preliminary Housing Needs Analysis using a 2015 population and employment forecast. A regional 2017 housing need has been calculated based on that projection, but a new forecast geographically allocating that estimated housing need has not been completed. This regional work will be completed before the end of the two year compliance period of this Functional Plan.

Cities and counties must complete their own "housing needs projection" to comply with Goal 10. The preliminary estimates of cities and counties required to meet the target capacities in Title 1, Table 1 indicated that the target capacities were feasible even before all the requirements of Title 1 were considered. The regional requirement to allow at least one accessory unit for each detached single family dwelling at Section 2.C, for example, was added to Title 1 after the city and county estimates were completed.

Title 1, Section 2.A requires cities and counties to utilize some form of minimum density in all residential zones. Consistent with RUGGO, the Metro Housing Rule, and Goals 5, 6, 7 and 8, Section 2.A.5 excludes this minimum density requirement from application in unbuildable lands and Open Space areas where only low density development, if any, should be allowed.

Use of redevelopable land for housing is encouraged by Title 1, Section 2.B and 4 consistent with the Metro Housing Rule.

Goals 11, 13, 14

The requirement in Table 1 for mixed use areas is to demonstrate the target capacities for new dwelling units and new jobs as part of the jurisdiction-wide totals. The calculated capacities for each mixed use area design type are aggregated for these required capacities. Again, cities and counties may plan and zone these areas somewhat differently for the unique characteristics of each design type area. The regional requirement is to get at least the required capacities in mixed use areas. The jurisdiction-wide capacity requirements are based on accommodating projected population and employment within the current UGB⁴.

This entire approach enhances the policies of Goals 13 and 14. Long-range urban population growth requirements are being accommodated within the UGB. Changes in comprehensive plans and implementing ordinances are required to be changed to maximize efficiency of land uses within the existing urban area. Long-term energy use and costs are being reduced by retaining the compact urban form and designing land uses inside the UGB to create mixed use areas with significant increases in the use of bicycle and pedestrian travel.⁵ Agricultural land adjacent to the UGB is retained. Public facilities can be planned and provided in a more orderly and economic manner by avoiding high cost extensions of water, sewer, storm sewer, telecommunications, and urban roads to accommodate projected population growth outside the

⁴ See Urban Growth Report, Table 5.

⁵ See 1994-95 Travel Survey Data Summary Table showing up to 29% of all trips by walking in high density mixed use areas.

current UGB⁶. For any specific area where public facility redevelopment costs to serve increased capacities required by Title 1 would not be orderly and efficient, a process for exceptions of Title 1 requirements for that area is provided in Title 8.

As adopted, Title 1 and Table 1 include requirements to adopt minimum densities, reduce barriers to density, and demonstrate target capacities. Generally, these regional policies are consistent with the statewide goals and the transmittals in the record from cities and counties that indicate the feasibility of these requirements. However, each city and county must comply with statewide goals when it amends its comprehensive plan and land use regulations to implement Title 1 requirements. Prior to that time, if compliance with Functional Plan requirements would cause a city or county to violate a statewide goal, Title 8, Section 8, and RUGGO Objective 5.3 would apply to prevent a violation. (See Goal 2.A. above.)

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⁶ See KCM Utility Feasibility Analysis for Metro 2040 Urban Reserve Study Areas, June, 1996.

Ordinance No. 96-660A, An Ordinance Amending the FY 1996-97 Budget and Appropriations Schedule in the Spectator Facilities Fund by Transferring \$26,500 from Contingency to the Capital Outlay Portion of the Portland Center for the Performing Arts Budget to Provide for Capital Renewal and Replacement; and Declaring an Emergency

SECOND READING

**Metro Council
Thursday, November 21, 1996
Council Chamber**

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1996-97	)	ORDINANCE NO. 96-660A
BUDGET AND APPROPRIATIONS)	
SCHEDULE IN THE SPECTATOR FACILITIES)	
FUND BY TRANSFERRING \$26,500 FROM)	
CONTINGENCY TO THE CAPITAL OUTLAY	)	Introduced by Councilor
PORTION OF THE PORTLAND CENTER FOR	)	Ruth McFarland
THE PERFORMING ARTS BUDGET TO)	
PROVIDE FOR CAPITAL RENEWAL AND)	
REPLACEMENT; AND DECLARING AN)	
EMERGENCY.)	

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations with the FY 1996-97 Budget; and

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

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

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 1995-96 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$26,500 from the Spectator Facilities Fund Contingency to the Performing Arts Center capital outlay for the purpose of providing funds for capital renewal and replacement.
2. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 1996.

Jon Kvistad, Presiding Officer

ATTEST:

Approved as to Form:

Recording Secretary

Daniel B. Cooper, General Counsel

Exhibit A
Ordinance No. 96-660A
Spectator Facilities Fund

FISCAL YEAR 1996-97		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Civic Stadium							
	TOTAL EXPENDITURES	20.06	2,264,860	0.00	0	20.06	2,264,860
Portland Center for the Performing Arts							
	Total Personal Services	131.01	4,754,609	0.00	0	131.01	4,754,609
	Total Materials & Services		1,700,623		0		1,700,623
	<u>Capital Outlay</u>						
571300	Purchased Buildings, Exhibits & Related		150,000		26,500		176,500
571500	Purchases - Office Furniture and Equipment		74,700		0		74,700
	Total Capital Outlay		224,700		26,500		251,200
General Expenses							
581610	Trans. Indirect Costs to Support Svcs. Fund		459,077		0		459,077
581615	Trans. Indirect Cost to Risk Mgmt. Fund-Gen'l		57,239		0		57,239
581615	Trans. Indirect Cost to Risk Mgmt. Fund-Workers' Comp		19,316		0		19,316
583751	Transfer Direct Costs to Metro ERC Admin. Fund		277,525		0		277,525
	Total Interfund Transfers		813,157		0		813,157
	<u>Contingency and Unappropriated Balance</u>						
599999	Contingency		486,910		(26,500)		460,410
599990	Unappropriated Balance		2,333,722		0		2,333,722
	Total Contingency and Unappropriated Balance		2,820,632		(26,500)		2,794,132
	TOTAL EXPENDITURES	151.07	12,578,581		0	151.07	12,578,581

Exhibit B
Ordinance No. 96-660A
FY 1996-97 SCHEDULE OF APPROPRIATIONS

	Current Budget	Revision	Proposed Budget
Spectator Facilities Fund			
Personal Services	\$5,492,170	\$0	\$5,492,170
Materials & Services	3,016,005	0	3,016,005
Capital Outlay	436,617	26,500	463,117
Subtotal	8,944,792	26,500	8,971,292
 General Expenses			
Interfund Transfers	813,157		813,157
Contingency	486,910	(26,500)	460,410
Subtotal	1,300,067	(26,500)	1,273,567
 Unappropriated Balance	2,333,722	0	2,333,722
Total Fund Requirements	\$12,578,581	\$0	\$12,578,581

Agenda Item Number 8.1

**Resolution No. 96-2419A, For the Purpose of Authorizing Signature of the Intergovernmental Agreement
Forming the Regional Water Providers Consortium.**

**Metro Council Meeting
Thursday November 21, 1996
Council Chamber**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AUTHORIZING)
SIGNATURE OF THE)
INTERGOVERNMENTAL AGREEMENT)
FORMING THE REGIONAL WATER)
PROVIDERS CONSORTIUM)

RESOLUTION NO. 96-2419A

Councilor Susan McLain

WHEREAS, Metro is mandated by its Charter to address Regional Water Supply and Storage in its Regional Framework Plan; and

WHEREAS, Metro joined the Regional Water Supply Planning Study on July 28, 1994, with adoption of Resolution No. 94-2010A; and

WHEREAS, Metro provided Region 2040 project population projections to the Regional Water Supply Planning Study and other map and analytic services as its contribution to the study as agreed by Council Resolution No. 94-1962A; and

WHEREAS, Metro coordinates regional growth management planning through its Region 2040 program and the resulting urban form will affect water consumption demands and future water supply infrastructure needs in the region; and

WHEREAS, Metro has actively participated in the Regional Water Supply Planning Study, has sought and received public testimony on the draft preliminary *Regional Water Supply Plan* and provided comments on the preliminary plan in Council Resolution No. 95-2233A; and

WHEREAS, Metro Council has supported the formation of a regional consortium

to implement and monitor the *Regional Water Supply Plan* in Council Resolution No. 95-2233, and provided final review and comments on the final draft of the Regional Water Supply Plan in a letter dated July 11, 1996; and

WHEREAS, Metro Office of General Counsel participated in the inter-agency team that drafted the language for the Intergovernmental Agreement forming the Regional Water Providers Consortium; ~~now, therefore~~

WHEREAS, Metro reaffirms its commitment to the following three key issues in the Regional Water Supply Plan: public participation, water conservation and the link between land use and water supply planning; now, therefore

BE IT RESOLVED,

1. That the Metro Council hereby authorizes the Metro Executive Officer to sign the Intergovernmental Agreement (IGA) attached and incorporated herein as Exhibit A to join the Regional Water Providers Consortium as a full voting member.
2. That the Metro Council, consistent with the IGA, hereby endorses the *Regional Water Supply Plan Final Report* attached and incorporated herein as Exhibit B.
3. That the Metro Council intends to allocate approximately \$ 10,000 in Metro's FY 1996-97 budget for payment of its first annual dues for Metro's share to operate the Consortium, subject to approval of the first Annual Work Plan Budget.
4. That the Metro Council hereby appoints Councilor Susan McLain as Metro representative to the Consortium Board. Executive Officer Mike Burton is hereby appointed as alternate. John Fregonese, Director of the Growth Management Department is hereby appointed as Metro representative to the Technical Committee.

Rosemary Furfey Senior Regional Planner is hereby appointed as alternate.

ADOPTED by the Metro Council this ____ day of ____, 1996.

Jon Kvistad, Presiding Officer

Approved as to Form:

Daniel B. Cooper, General Counsel

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 96-2419A FOR THE PURPOSE OF AUTHORIZING SIGNATURE OF THE INTERGOVERNMENTAL AGREEMENT FORMING THE REGIONAL WATER PROVIDERS CONSORTIUM

Date: October 23, 1996

Presented By: Rosemary Furfey

PROPOSED ACTION

This resolution provides that the Metro Council sign the Intergovernmental Agreement (IGA) (Exhibit A) to form the Regional Water Providers Consortium and endorse the *Regional Water Supply Plan* (Exhibit B) as the region's water supply strategy for the future. It also identifies the proposed funding amount that Metro will pay as its first annual dues to the Consortium, as well as appointing Metro representatives to the Consortium Board and Technical Committee.

BACKGROUND

The Regional Water Supply Plan Final Report and IGA are the result of a five-year regional planning effort that has involved 27 municipal water providers (cities and districts), together with Metro, in the three-county metropolitan region. Metro has been a participant since July 28, 1994 after adoption of Council Resolution No. 94-2010A.

As part of Metro's contribution in the study, staff have provided technical information regarding the Region 2040 program and population growth projections for the study's water demand modeling as agreed upon in Council Resolution No. 94-1962A. In addition, Councilor Jon Kvistad and Executive Officer Mike Burton have participated in Commission Lindberg's Water Services Leadership Group which met periodically during the study. Metro staff have participated in the monthly participant's committee meetings and Metro's Water Resources Policy Advisory Committee (WRPAC) has been briefed on the status of the project on a monthly basis.

Since joining the study, the Metro Council and Growth Management Committee have been briefed periodically about the status and results of the project. The Council was briefed about the draft *Regional Water Supply Plan* and held public hearings in October, 1995. As a result of the hearing and staff analysis, the Council passed Resolution No. 95-2233A in November, 1995 which evaluated the study's results and made Council recommendations for changes in the draft version. As part of the Council's recommendations to the study's management team, the Council strongly supported the formation of a regional water providers consortium to implement the water supply plan.

The Metro Growth Management Committee was briefed by staff in May, 1996 that the draft plan had been revised to specifically address the Council's recommended revisions. As a result of this briefing, Councilor Susan McLain wrote to the study's management team in July, 1996 to express the Council's acknowledgment that the draft plan had been revised sufficiently to address Council comments. Again, Councilor McLain expressed support for formation of the consortium.

The ***Regional Water Supply Plan*** was revised during the last eight months based on public comment and comments from participants, including those proposed by Metro. The final report for the ***Regional Water Supply Plan*** is now ready for adoption.

The IGA was developed by a team of legal staff from selected study participants, including Metro. Metro staff have worked with Metro Legal Counsel to ensure that Metro's interests and authority are protected and represented in the IGA. The Executive Officer and several Councilors were briefed about the development of the IGA at Commissioner Lindberg's Water Services Leadership Group meetings. In addition, all Councilors received a copy of the draft IGA with a staff analysis report in August, 1996.

FACTUAL ANALYSIS

The actions authorized by this resolution represent the culmination of over five years of research, planning and public involvement. This study is based on Metro's population projections and direct participation from the region's 27 water providers. This study is nationally significant not only because of its regional scope, but also because it is technically rigorous and has made important strides to involve the public at all stages.

Final Report: Regional Water Supply Plan

The Metro Council and staff have participated in all aspects of this regional study. They have provided valuable technical contributions to ensure future water supply actions are linked to Metro and local land use decisions, as well as taking environmental impacts into consideration. The Metro Council has provided a uniquely regional perspective in its evaluation of the draft plan. The final report addresses the outstanding issues raised by the Metro Council and it should be adopted by the Council as an attachment to the IGA.

Regional Water Providers Consortium

This resolution enables Metro to join the Regional Water Providers Consortium which will be created when 15 or more participants (listed in Exhibit C to the IGA) from the ***Inter-Governmental Agreement to Fund Phase Two of the Plan*** sign the IGA. The Metro Council has been a strong proponent of forming a Consortium to implement the ***Regional Water Supply Plan***. The responsibilities of the Consortium are similar to the ones the Metro Council identified in Resolution No. 95-2233A. Metro's authority and responsibilities are protected in this IGA. Metro Legal Counsel assisted in development of the Consortium's enabling language and has not identified any legal concerns that would prevent the Council from signing the IGA.

There are many advantages to Metro in joining the Consortium. First, it is Charter mandated that Metro address regional water supply and storage in its Regional Framework Plan. The Metro Council has stated that it will use relevant portions of the *Regional Water Supply Plan* as a basis for its Framework Plan element. Therefore, joining the Consortium will allow Metro to adopt the plan and participate in the active implementation of the plan. This will ensure the important coordination between Metro's growth management activities and provision of municipal water supply to the growing region. Second, the Metro Council has identified land use and water conservation as the two key water supply issues it is interested in and membership in the Consortium will ensure Metro's full involvement in these areas. Finally, the Consortium allows for direct involvement of both elected officials, as well as technical staff. This will ensure that all aspects of plan implementation are fully reviewed, fiscally accountable and technically sound.

Organization of the Consortium

The organization and functions of the Consortium are outlined in Exhibit D. Summarizing briefly, the Consortium has a *Consortium Board* made up of officials from the governing bodies of the participants. The Board adopts the work plan, budget and sets major policy. The *Consortium Technical Committee* makes recommendations to the Board on work plan, budget and plan amendments. A *Technical Subcommittee*, which will include a Metro staff member, develops and recommends budgets, work plans and policy.

Consortium Dues and Metro Budget Implications

Each participant of the consortium will pay annual dues no later than September 1 of each year sufficient to fund the approved annual budget of the Consortium, as established by the Board. The dues are determined by a method based on retail customer accounts, proportional share of total average daily retail water use, and a proportional share of projected incremental growth in average daily summer peak season use of all participants. Metro, however, is not a water provider, and therefore this formula cannot apply.

In discussions about how Metro's dues should be calculated, it was discussed with the study's management team that because some water districts are experiencing rapid near term growth that gives them higher proportional dues which are beyond their current capacity to pay, it has been decided to cap their dues amount. This results in a short fall of approximately \$ 10,000 in estimated costs to fund the first year of the Consortium. It has been proposed that Metro's dues make up this short fall (see Exhibit E), with first year annual dues of approximately \$ 10,000. The total budget for the first year of the Consortium is \$ 175,000. Exhibit E summarizes the proposed amount for each participant.

Metro's Consortium Representatives

As a member of the Consortium, the Metro Council must appoint representatives and alternates to the Consortium Board and Technical Committee. Staff recommends that Councilor Susan McLain, Chair of Metro's Water Resources Policy Advisory Committee, be selected as the Board representative and Executive Officer Mike Burton as Board alternate; and John Fregonesse, Director, Growth Management Services

Department as Technical Committee representative and Senior Regional Planner
Rosemary Furfey as alternate.

Conclusion

It is essential that the Metro Council authorize signing of the IGA and join the Regional Water Providers Consortium. This will partially fulfill Metro's Charter obligations regarding regional water supply planning through adoption of the *Regional Water Supply Plan*. It will also ensure continued regional coordination and participation of the region's water providers to cooperatively address the region's growing water supply needs and cooperatively implement the *Regional Water Supply Plan*.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Resolution No. 96-2419.

EXHIBIT A

INTER-GOVERNMENTAL AGREEMENT

OF

REGIONAL WATER PROVIDERS CONSORTIUM

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REGIONAL WATER PROVIDERS CONSORTIUM

This Inter-Governmental Agreement is entered into by and among the undersigned municipalities and districts, hereinafter called "Participants," to establish and operate the Water Providers Consortium for the Portland Metropolitan Region.

RECITALS

WHEREAS, ORS Chapter 190 authorizes units of local government to enter into written agreements with any other unit or units of local government for the performance of any or all functions and activities that any of them has authority to provide; and

WHEREAS, all the Participants of this Agreement are thus authorized to enter into an inter-governmental agreement; and

WHEREAS, many of the water providers of the Portland metropolitan area have been meeting together since 1989 through an informal group called the Regional Providers Advisory Group to coordinate water supply planning efforts; and

WHEREAS, twenty seven of the area's water providers agreed in May, 1993, through the *Inter-Governmental Agreement to Fund Phase Two of the Regional Water Supply Plan* jointly to fund an integrated Regional Water Supply Plan and have been meeting monthly since then as the Phase Two Participants Committee to manage the development of that Regional Water Supply Plan; and

WHEREAS, a draft of the resulting Regional Water Supply Plan has been circulated for public review since September, 1995; and

WHEREAS, a final Regional Water Supply Plan has now been completed; and

WHEREAS, that Regional Water Supply Plan contains specific recommendations for future cooperation and coordination between the water providers in this region through the formation of a regional water providers consortium; and

WHEREAS, as the Regional land use agency under state law and Regional charter, the Metropolitan Service District ("METRO") has responsibilities to plan and coordinate the provision of public facilities in the region, including responsibilities created by the Metro Charter requiring that Metro's Regional framework plan address water sources and water storage; and

WHEREAS, Metro has adopted Regional goals and objectives to encourage coordinated planning and management of water resources to ensure a sufficient water supply for the region; and

WHEREAS, Metro's participation in preparation of the Regional Water Supply Plan and this Agreement is consistent with its regional coordination functions and its Charter responsibilities; and

WHEREAS, Metro's adoption of the Regional Water Supply Plan and execution of this Agreement are important parts of Metro studies preliminary to adoption of a water supply component of its regional framework plan; and

WHEREAS, the Participants desire to enter into an inter-governmental agreement in order to endorse the Regional Water Supply Plan and coordinate and cooperate in its implementation;

NOW, THEREFORE, the Participants agree as follows:

Section 1. Definitions

For purposes of this Agreement the following terms shall be defined as follows:

"Agreement" - This document and any authorized amendments thereto.

"Consortium" - Shall mean all Participants to this Agreement acting pursuant to and under the terms of the Agreement.

"Consortium Board" - Shall mean the Board of Directors established by Section 9 of this Agreement, consisting of one representative from the governing board, commission or council of each Consortium Participant.

"Consortium Funds" - Consortium funds shall consist of all dues, voluntary contributions, grant monies and funding from any other source provided to the Consortium to conduct the activities and business of the Consortium.

"Consortium Technical Subcommittee" - Shall mean the Committee established by Section 11 of this Agreement consisting of ten of the Technical Committee members.

"Consortium Technical Committee" - Shall mean the Committee established by Section 10 of this Agreement, consisting of one staff representative appointed by the governing board, commission, or council of each Participant.

"Plan" - That document dated October, 1996, entitled Regional Water Supply Plan for the Portland Metropolitan Area, referred to herein as the "Plan."

Section 2. Purposes

The general purposes of the Consortium are as follows:

- A. To promote the voluntary coordination of individual and collective actions of Participants implementing the Plan;
- B. To serve as the central custodian for Plan documents, including computer models;
- C. To review and recommend revisions to the Plan, as appropriate;
- D. To provide a forum for the study and discussion of water supply issues of mutual interest to Participants and to coordinate the responses of Participants to such issues;
- E. To provide a forum for review and discussion of water resource related issues preliminary to any final actions by individual Participants, regarding issues which could be considered to relate to application of the statewide land use goals, comprehensive plans, regional plans, or land use regulations;
- F. To establish an avenue for public participation in water supply issues in addition to public participation activities of the individual Participants.

Section 3. Endorsement of Plan

A. By entering into this Agreement, the individual Participants endorse the Plan, attached hereto as Exhibit A, and agree to cooperate among themselves in its implementation.

B. The Participants have endorsed the Plan in order to provide guidance for individual water supply decisions and to provide an outline for Regional water supply cooperation. Endorsement of the Plan and coordination of its implementation by the Consortium are part of the ongoing commitment of the Participants jointly to study and coordinate means to meet the water supply needs for the region. The Plan does not, however, require any mandatory action by any Participant. Each Participant jurisdiction remains responsible for determining and adopting appropriate comprehensive and functional plan provisions, including city and county public facility plans and special district capital improvement plans. The Plan is not any part of any Participant's comprehensive land use plan or framework plan or implementing regulations unless an individual participant takes such action. No part of the Plan or any coordinated activity of the Consortium constitutes a final land use decision by any Participant applying statewide or regional land use goals, comprehensive plans, functional plans, and/or land use regulations. For any part of the Plan to be applied to a Participant's land use actions, direct action to that effect is required by that Participant.

Section 4. Cooperation and Participants' Retained Powers

The Participants intend that the Consortium shall act through the processes laid out herein in the spirit of cooperation. Unless specifically provided for herein, by entering into this Agreement, no Participant has assigned or granted to any other or to the Consortium its water rights or the power to plan, construct, and operate its water system or perform any other obligation or duty assigned to it under law.

Section 5. Consortium Authority

In accomplishing its purposes, and utilizing the organizational structure and decision-making processes contained herein, the Consortium is authorized to:

A. Adopt by-laws and other operating procedures consistent with the terms of this Agreement to govern Consortium operation and administration, including such things as meeting arrangements, voting procedures, election of officers of Consortium

component boards or committees, notice procedures, procedures for execution of legal documents such as contracts, budgeting, and financial operations.

B. Adopt and implement an annual work plan and issue annual reports and such supplementary reports as the Consortium may determine appropriate;

C. Collect regular dues from Participants to support the routine business of the Consortium in amounts established as provided herein;

D. Accept voluntary contributions from Participants in amounts higher than the regular dues for the purpose of conducting studies or engaging in other activities consistent with the Consortium purposes;

E. Apply for and receive grants and accept other funds from any person or entity to carry on Consortium activities;

F. Expend Consortium funds, however obtained, and establish accounts and accounting processes to manage Consortium funds or utilize the accounts and processes of Participants for such purposes under appropriate agreements;

G. Execute contracts to obtain goods and services and to enter into arrangements whereby Participants may contract on behalf of the Consortium to obtain goods and services;

H. Execute intergovernmental agreements;

I. Establish procedures for the hiring and firing of its own staff;

J. Accept assignment of staff from individual Participants to conduct Consortium work and to reimburse the Participants for the salary and other costs associated with the assigned staff;

K. Establish procedures and criteria whereby other units of government may enter into this Agreement subsequent to its initial creation by the execution of the Agreement by fifteen or more Participants, subject to the provisions herein enabling any Participant in the *Inter-Governmental Agreement to Fund Phase Two of the Plan* to join as a Participant of the Consortium at any time after the Consortium's creation;

L. Establish a process to coordinate Participant response to water policy issues of mutual concern;

M. Establish procedures to solicit the views of the public on water supply and water resource issues within the Consortium's purview;

N. Establish a process whereby water policy and water supply disputes or disagreements among Participants may be resolved;

O. Protect Consortium rights and enforce obligations owed to the Consortium by third parties to the extent permitted by law;

P. Take other action within the powers specifically granted the Consortium herein by the Participants to exercise the authority granted in subsections A. through O. above and to carry out the purposes stated in Section 2 above.

Section 6. Participants

A. **Participants in General.** Any Participant in the *Inter-Governmental Agreement to Fund Phase Two of the Plan*, as listed in Exhibit B to this Agreement, may initially join the Consortium at any time. Any Participant which, having once joined, withdraws or is expelled from the Consortium for non-payment of dues, may only re-join as provided in Section 7F. Participants in *Phase Two* may join in their own name or in the name of a separate inter-governmental entity, but not both. (For example, the Cities of West Linn and Oregon City may join as two separate Participants or as one, in the name of the South Fork Water Board.)

B. **Initial Creation By Fifteen Participants.** The Consortium shall be created and this Agreement shall become effective upon its execution by fifteen or more Participants in the *Inter-Governmental Agreement to Fund Phase Two of the Plan*. This Agreement may be signed in counterparts.

C. **Additional Participants.** The Consortium Board may accept additional governmental entities as Participants into the Consortium under terms and financial arrangements that the Board determines just and appropriate. The Board may establish standards for membership in its by-laws or may allow new members to join on a case by case basis. Provided, however, that in all cases, no new member may join the Consortium without the affirmative vote of a majority of the Board.

D. Withdrawal. Any Participant may withdraw from the Consortium at any time by giving written notice to the Chair of the Consortium Board. Consortium dues already paid shall not be refunded to the withdrawing Participant. To the extent it is able to do so, any Participant intending to withdraw from the Consortium shall endeavor to advise the Chair of that fact prior to February 1 and the approval of the Consortium's next fiscal year's budget.

Section 7. Dues

A. Each Participant of the Consortium shall pay annual dues no later than September 1 of each year sufficient to fund the approved annual budget of the Consortium, as established by the Board, provided, however, that the Board may establish a different payment amount and/or schedule for a Participant upon request from that Participant or upon the Board's own motion.

B. The dues of each water provider Participant shall be determined annually as follows:

1. Total annual dues for all members shall be set to equal the annual budget for the Consortium, not counting budget items to be funded by fewer than all the Participants as provided in Section 8.C., and taking into account any grants or non-dues monies available to fund the annual budget.

2. The total annual dues of Participants that are not water providers shall then be subtracted from the total annual dues-based budget, described in subsection 7.B.1. above, leaving a budget number to be funded by provider dues. Dues shall be set so that the dues of each water provider reflects its proportional share of that sum based on the following formula:

(a) 25% of the total provider dues shall be allocated proportionally based on the individual provider's proportional share of the total number of all Participants' retail customer accounts for the prior year;

(b) 25% of the total provider dues shall be allocated proportionally based on the individual provider's proportional share of total average daily retail water use (in million gallons a day) in the prior year of all Participants;

(c) 50% of the total provider dues shall be allocated proportionally based on the individual provider's share of the projected incremental growth in average daily summer peak season use (in million gallons a day) of all Participants. The projected incremental growth in use shall be based on the total incremental growth of all Participants projected from the first to the last year of the regional water demand forecast contained in the Plan or any more recent regional forecast approved as a Plan Amendment by the Consortium Board or the Participants' governing boards, commissions, or councils.

C. The amount of Metro's dues shall be established each year in the Annual Work Plan and budget. Metro's dues may include in-kind contributions.

D. The dues obligation of any additional Participant that is not a water provider shall be established by the Consortium Board at the time it approves an entity's membership.

E. A Participant that fails to pay its assigned dues by September 1 or a time otherwise established by the Board pursuant to Section 7A. shall be automatically removed as a Consortium Participant.

F. Upon a majority vote of the Board, a defaulting Participant (or a Participant that has previously withdrawn from membership) may be reinstated in the Consortium upon its agreement to pay its dues for the year during which it wishes to rejoin (calculated as if the entity had been a Participant at the time the budget was approved). Upon receipt of such dues by a rejoining member, the Board shall re-calculate the dues owed by other entities and provide a credit on the next year's dues to Participants who paid more than their total dues as recalculated.

G. If a new entity joins the Consortium as a Participant during an annual dues cycle, its dues and those of the existing Participants shall be calculated as follows:

1. If a new Participant is a water provider, its dues requirement will be calculated pursuant to Section 7.B. above.
2. If a new member is not a water provider, its dues will be determined as provided in Section 7.D. above.
3. The initial year dues for a new Participant joining part way through a budget cycle will be pro-rated to reflect partial year membership.

4. Upon addition of a new Participant part way through a budget cycle, the current year dues for existing Participants will be re-calculated and re-assigned as follows:

(a) The new Participant's initial year dues will be deducted from the total current dues-based budget.

(b) The remaining budget amount will be allocated to existing members in accordance with the percentage of the budget each Participant was assigned in the current annual budget.

(c) Existing members shall receive a credit on their next year's dues payment for any amounts they paid as dues that are greater than their revised dues obligation as determined herein.

5. New Participants joining at any time after September 1 shall pay their initial year dues by the following September or at a time otherwise established by the Board upon admission of the new Participant.

Section 8. Work Plan and Budgeting

A. By February 1 of each year, the Board shall adopt an annual work plan of Consortium activities for the upcoming fiscal year beginning on July 1.

B. At the same time, the Board shall adopt a budget sufficient to conduct the Consortium's Annual Work Plan. The budget shall also include a calculation of the dues owed by each Participant to fund the budget as provided in Section 7, taking into account any grants or non-dues funds available to the Consortium, and a table apportioning the dues to each Participant.

C. The budget may include special studies that will be funded by fewer than all of the Participants on a voluntary basis.

D. The Board may amend the budget and the work plan at any time during the year as it deems appropriate except that dues may only be increased annually as provided for in Section 7. Additional expenditures may be permitted so long as there are identified sources of revenue, other than increased dues, for such expenditure(s).

E. Participants are expected to provide to Consortium staff the data necessary to calculate the annual dues for budgeting and planning.

Section 9. Consortium Board

A. The Consortium Board shall be made up of one representative from the governing board, commission, or council of each Participant. Each Participant shall also name an alternate Board representative from its governing board, commission, or council to serve in case the primary representative cannot. Provided, however, that if the Board Chair does not attend a meeting, the Vice-Chair shall assume the Chair's duties rather than the Chair's alternate.

B. Multnomah, Clackamas, and Washington Counties may each also name a representative (and alternate) to serve on the Board as non-voting *ex officio* members of the Board.

C. The Board is authorized to: (1) approve the Consortium's annual work plan and budget; (2) set Consortium policy; (3) approve new Consortium Participants; (4) recommend water supply, water planning, and regional cooperation actions to Participant governing boards, commissions, or councils, especially, but not limited to, actions to implement the Plan; (5) approve minor amendments to the Plan; (6) recommend to the governing boards, commissions, or councils of the Consortium Participants major amendments to the Plan; (7) periodically review the Plan comprehensively, on a schedule providing for review at least every five years, commencing with the date upon which the Consortium is formed, or on a shorter schedule determined by the Board; (8) recommend to the governing boards, commissions, or councils of the Consortium Participants amendments to this Agreement; (9) adopt by-laws; (10) exercise any other powers and authority granted to the Consortium by this Agreement necessary to accomplish the Consortium's purposes.

D. The Board shall have the authority to designate which Plan Amendments are major and which are minor for purposes of determining the process for amendment consideration. Generally, major amendment to the Plan should include revisions to the Plan's policy objectives, resource strategies, or implementation actions which significantly alter Plan direction or would significantly change the implementation strategies. Minor amendments are all other changes to the Plan.

E. Upon its first meeting, the Board shall elect a temporary Chair and Vice-Chair and shall proceed within three months thereafter to adopt such by-laws as it deems advisable, consistent with this Agreement. Consistent with the terms of this Agreement, the by-laws shall, at least, (1) establish the offices of Chair and Vice-Chair and determine their terms, their general duties, and the method for their election; (2) establish how the Participants' governing boards, commissions, or councils shall notify the Consortium of their appointment of Board members and alternates; (3) establish a method to allow additional entities to join the Consortium; (4) establish a method to determine timing of meetings, provided that the Board must meet at least once a year; (5) establish a process for resolution of disputes among Participants; and (6) establish a method whereby the Board can create subcommittees of itself and other advisory committees or bodies to assist the Board in conducting its business, including a standing "Executive Committee." In creating a Board Executive Committee, the Board shall endeavor to achieve geographic representation and representation from municipalities, districts, and other types of entities that form the Participants' group.

F. Each year in the annual work plan or its amendments, the Board may assign such duties or delegate such Board authority as the Board deems advisable to any Board committee or to the Technical Committee, except that the Board may not delegate the authority (1) to execute inter-governmental agreements, (2) to designate Plan amendments as minor or major, (3) to recommend major Plan Amendments or amendments to this Agreement, (4) to approve the annual work plan and the budget, (5) to approve minor Plan amendments, (6) to approve the admission of Participants to the Consortium, or (7) to dissolve the Consortium.

G. To be effective, Board actions must be approved by a vote of a majority of the Board at a meeting at which a quorum of two-thirds of the Board is present.

Section 10. Consortium Technical Committee

A. The Consortium Technical Committee shall be made up of one staff representative appointed by the governing board, commission, or council of each Participant. Each governing board, commission, or council shall also name a Technical Committee representative alternate to serve when the primary representative cannot. Provided, however, that if the Technical Committee Chair does not attend a meeting, the Vice-Chair shall assume the Chair's duties rather than the Chair's alternate.

B. The Technical Committee shall advise and provide assistance to the Board on any matters falling within the Consortium's purview under this Agreement, shall direct the work of the Technical Subcommittee, and may act upon Board delegation of authority as provided in Section 9F.

C. The Technical Committee shall, upon its first meeting, elect a temporary Chair and Vice-Chair and shall proceed within three months thereafter to adopt such by-laws for its operation as it deems advisable, consistent with this Agreement. The by-laws shall, at least, (a) establish the offices of Chair and Vice-Chair and determine their terms, their general duties, and the method for their election; (b) establish how the Participants' governing boards, commissions, or councils shall notify the Consortium of their appointment of Technical Committee members and alternates; (c) establish a method to determine timing of meetings, provided that the Technical Committee must meet at least three times a year; and (d) establish a method whereby the Technical Committee can create subcommittees of itself and other advisory committees or bodies to assist the Technical Committee in conducting its business.

D. The Technical Committee shall, at its discretion, assign duties and tasks to and direct the work of the Technical Subcommittee.

E. To be effective, Technical Committee actions must be approved by a vote of a majority of the Committee at a meeting at which a quorum of two-thirds of the Committee is present.

Section 11. Consortium Technical Subcommittee

A. The Consortium Technical Subcommittee shall be made up of ten of the Technical Committee members (or, as required, their alternates) as follows:

1. Three of the Technical Subcommittee representatives must come from Participants in Clackamas County, three from Washington County, and three from Multnomah County, and one from Metro. Further, in each County, if possible given the Consortium membership, there must be at least one representative from a city and one from a special district.

2. The Technical Subcommittee representatives for each county shall be selected by the vote of the Technical Committee representatives for each county, provided, however, that in any case the Chair of the Technical Committee shall, without requiring election, be automatically named to the Technical Subcommittee as one of the

County representatives or as the Metro representative, as appropriate, and shall be Chair of the Technical Subcommittee, as well. If the relevant Technical Committee members are unable to select the required three Technical Subcommittee members from a county, then the Board representatives for the relevant county or counties shall select Technical Subcommittee members.

B. The Technical Subcommittee shall operate under the supervision of and advise the Technical Committee on any matters within the Consortium's purview. It is anticipated that the Technical Subcommittee shall, under the direction of the Technical Committee, or as provided for in any agreement or contract to provide staffing, supervise Consortium staff (including employees of Participants assigned to the Consortium) and assume the responsibility to draft proposed work plans, budgets, annual and other reports, plan amendments, and implementation proposals for submission to the Technical Committee for review and submission to the Board.

C. To be effective, actions or recommendations for action by the Technical Subcommittee must be approved by a majority vote of those members present and voting at a meeting at which a quorum of a majority of the Technical Subcommittee is present.

Section 12. Dispute Resolution

The Participants intend to work cooperatively to accomplish the water resource strategies of the Plan and the purposes of this Agreement. It is understood, however, that there may be disagreements among the Participants on issues within the purview of the Consortium. The Consortium will also, therefore, provide a forum whereby such disagreements may be aired and, if possible, resolved. The Board shall establish a mandatory, but non-binding dispute resolution mechanism through its by-laws.

Section 13. Duration and Dissolution

This Agreement shall remain in effect, subject to the following: (1) any Participant may withdraw at any time as provided in this Agreement; (2) should all but one Participant withdraw, the Agreement shall end and the Consortium shall be dissolved; (3) the Agreement may be ended and the Consortium dissolved by a vote of the Board.

Section 14. Legal Liability

Participants agree to share any costs or damages, including reasonable attorney's fees, from third party actions against the Consortium. The obligation shall apply to any entity that was a Participant in the Consortium at the time the liability arose or the cause of action accrued. Payment obligations shall be proportional to the dues of each entity. Participants agree to assist and cooperate in the defense of such an action. Settlement of any action that would impose an obligation to pay upon the Participants under this provision must be approved by a majority of the Board.

Section 15. Oregon Law and Forum

A. This Agreement shall be construed according to the law of the State of Oregon.

B. Any litigation between the Participants under this Agreement or arising out of work performed under this Agreement shall occur, if in the state courts, in the Multnomah County Court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the District of Oregon.

Section 16. Public Notification

Meetings of the Consortium Board, the Consortium Technical Committee, and any subcommittees of those bodies shall be considered open meetings as provided by law.

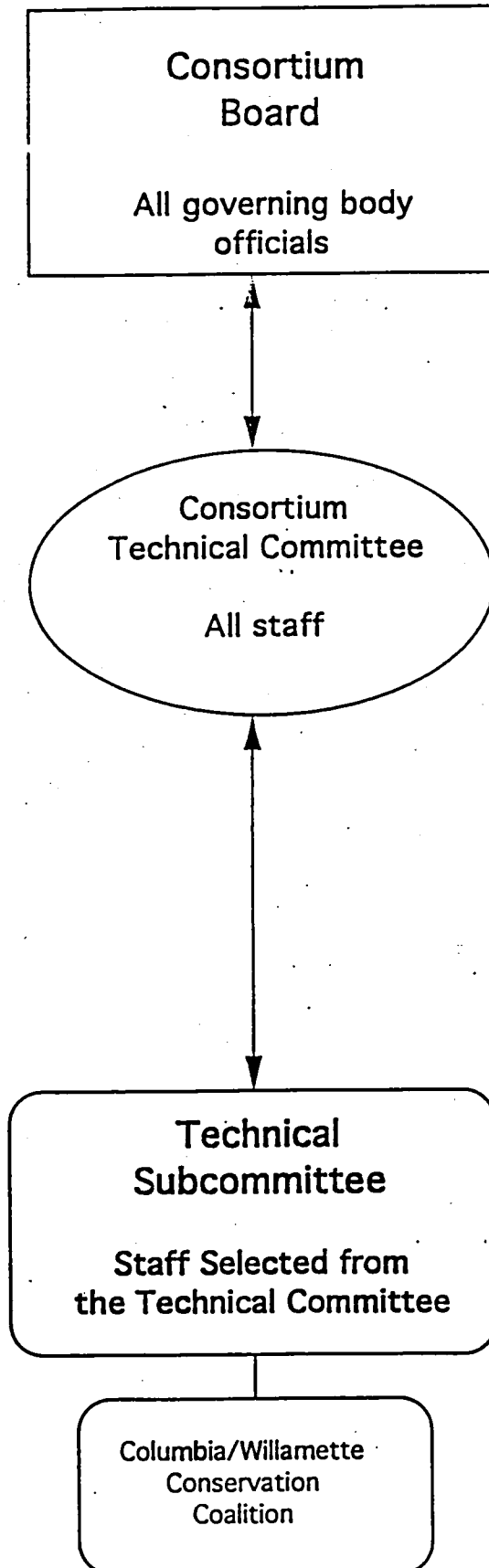
DATED this _____ day of _____, 1996.

**PHASE 2
of the
REGIONAL WATER SUPPLY PLAN**

PARTICIPANTS:

City of Beaverton
Canby Utility Board
Clackamas River Water
City of Gladstone
Damascus Water District
City of Fairview
City of Gresham
City of Hillsboro Utilities Commission
City of Forest Grove
City of Lake Oswego
Metro
City of Milwaukie
Mt. Scott Water District
Oak Lodge Water District
City of Portland
Raleigh Hills Water District
Rockwood Water
City of Sandy
City of Sherwood
South Fork Water Board: City of Oregon City/City of West Linn
City of Tigard Water Department
City of Troutdale
City of Tualatin
Tualatin Valley Water District
West Slope Water District
City of Wilsonville
City of Wood Village

Organization & Functions for a Regional Water Providers Consortium



- Meets once or a few times a year
- Adopts the work plan, budget, sets major policy, approves new members, and minor plan amendments
- Recommends IGA Amendments and Major Plan revisions to governing bodies
- One official from each member entity
- May create a smaller representative group of officials which meets more often to advise the Board

- Reviews and makes recommendations to the Consortium Board on work plan, budget, plan amendments, IGA review and amendments and revisions, new members, etc.
- Provides advise to the steering committee on implementation actions and other work program activities
- Presents annual report or other special reports to the Consortium Board
- Meets every or every other month as needed

- Includes representative staff from the technical committee based on county representation (3 from each county and one metro staff)
- Meets every month or more frequently as needed
- Develops and recommends budget, work plan, policy recommendations, plan amendments, IGA amendments, and plan revisions to the Technical Committee
- Conducts the coordination activities of the consortium and the implementation actions under the RWSP
- Prepares annual or special reports to the Technical Committee

Water Providers Consortium Preliminary Dues Share Table 1997-98

Participants	1996 Customer Accounts **	% of Total	Dues Funding Share	1996 Avg. Wtr Dmd **	% of Total	Dues Funding Share	Peak Season MGD Growth ***	% Wtr Dmd Growth	Dues Funding Share	Total Funding Share
JWC Beaverton	6,620	1.90%	\$810	4.84	2.77%	\$1,181	1.96	1.24%	\$935	\$2,826
Canby	2,878	0.83%	\$352	1.33	0.79%	\$338	2.16	1.37%	\$1,030	\$1,721
Clackamas RW	11,407	3.27%	\$1,396	6.71	4.01%	\$1,707	11.78	7.47%	\$5,619	\$8,722
Gladstone	3,265	0.94%	\$400	1.6	0.95%	\$407	0.17	0.11%	\$81	\$888
Damascus										\$2,589
Fairview										\$663
Gresham	18,640	5.35%	\$2,281	4.72	2.82%	\$1,201	11.65	7.38%	\$5,557	\$9,039
JWC Hillsboro	13,446	3.86%	\$1,646	6.43	3.84%	\$1,636	21.06	13.35%	\$10,045	\$13,328
JWC Forest Grove	3,865	1.14%	\$485	2.27	1.35%	\$578	2.49	1.58%	\$1,188	\$2,250
Lake Oswego	11,997	3.44%	\$1,468	6.04	3.81%	\$1,537	2.29	1.45%	\$1,092	\$4,097
Milwaukie	6,183	1.78%	\$757	3.11	1.86%	\$791	1.34	0.85%	\$639	\$2,187
Mt. Scott	3,878	1.11%	\$475	1.26	0.75%	\$321	4.09	2.58%	\$1,951	\$2,746
Oak Lodge	8,032	2.31%	\$983	3.39	2.02%	\$863	1.10	0.70%	\$525	\$2,370
Portland	159,257	45.72%	\$19,490	79.03	47.17%	\$20,108	29.37	18.81%	\$14,008	\$53,605
Ralleigh WD	1,000	0.29%	\$122	0.59	0.35%	\$150	0.11	0.07%	\$52	\$325
Rockwood	12,424	3.57%	\$1,520	6.25	3.73%	\$1,590	6.27	3.97%	\$2,991	\$6,101
Sandy										\$0
Sherwood										\$1,240
South Fork WB	8,462	2.43%	\$1,036	4.89	2.92%	\$1,244	3.35	2.12%	\$1,598	\$3,878
Tigard	12,386	3.56%	\$1,516	5.37	3.21%	\$1,366	5.69	3.61%	\$2,714	\$5,586
Troutdale	2,850	0.82%	\$349	1.05	0.63%	\$267	4.02	2.55%	\$1,917	\$2,533
Tualatin	4,477	1.29%	\$548	2.14	1.28%	\$544	2.73	1.73%	\$1,302	\$2,394
Tualatin Valley WD	38,923	11.17%	\$4,763	19.47	11.62%	\$4,954	38.10	24.15%	\$18,172	\$27,889
West Slope WD	3,401	0.98%	\$416	1.19	0.71%	\$303	0.98	0.62%	\$467	\$1,188
Wilsonville	3,488	1.00%	\$427	2.49	1.49%	\$634	4.82	3.05%	\$2,299	\$3,359
Wood Village	1,247	0.36%	\$153	0.49	0.29%	\$125	0.50	0.32%	\$238	\$516
Powell Valley WD	10,091	2.90%	\$1,235	3.08	1.84%	\$784	1.75	1.11%	\$835	\$2,853
SUB TOTAL	348,318	100.00%	\$42,627	167.54	100.00%	\$42,627	157.78	100.00%	\$75,254	\$165,000
Metro									\$10,000	\$10,000
Grand Total	348,318		42,627	167.54		\$42,627	157.78		\$85,254	\$175,000

** MGD & Accounts From the RWSP Demand Forecast, based on h *** Growth in peak season demand based on RWSP Demand Forecast High PMGD 1996-2050

the record and that the Presiding Officer to acknowledge and the minutes to reflect that was the record.

Presiding Officer Kvistad affirmed that was correct and that would be done.

Motion: **Councilor McLain** moved to make the finding in the packet Exhibit B to this document.

Seconded: **Councilor Monroe** seconded the motion.

Vote: The vote was 7 aye / 0 nay / 0 abstain. The motion was approved and the findings were approved and added as an appendix. The cart had been recognized by the Presiding Officer and were part of the record.

Councilor Morissette commented that the bigger component, although retail was important, was that the growth plan called for much higher densities than he was comfortable with and he thought the general public would be uncomfortable as they moved forward. He stated that he supported 2040 and supported the goal of the Council. He stated that freezing the growth outside of the Urban Growth Boundary made a lot of sense financially, but logically it did not. He reiterated that the densities were too high, the average citizens were going to lose choices in housing that they would have available to them. The Plan called for 244,000 additional housing units, that was one new home for every two that currently existed in the Urban Growth Boundary. He believed that this plan was currently not just in the future going to cause sprawl, because as you drive around to other areas, you would find a lot of people who were buying those homes were commuting back to Portland because they could not afford what they were looking for in the Metro area. This would ultimately create more congestion on the roads leading into the area. A lot of valuable openspaces would be built on that was still intrical to a successful community. He had a concern regarding school crowding. The solution in his mind was a balance, use the land there was more wisely, build higher density in appropriate locations and move the boundary so there was enough land to adequately create the choices that people needed to solve those problems.

Presiding Officer Kvistad commented that he continually noted that some of the votes came down to those that had transit service versus those that did not and those who had urban communities versus those who represented the suburbs. He felt the Council needed to be sensitive to some of the things as well as regional partnerships. He felt that sometimes all regions of the community were not treated fairly and equally.

He stated that the amendments to Ordinance No. 96-647B would now be 96-647C. Since there were substantive amendments to this ordinance, final action on this item would be at the Council meeting one week from today.

8. Resolutions

TO MR FINANCIALLY BECAUSE MY URBAN IS ALL INSIDE UGB & AS SUPPLY REDUCES IT VALUE INCREASES BUT THAT WOULD BE WRONG

Portland's pure water

City should protect Bull Run, but not ignore neighbors'

A lot of shoals must be navigated as this region plans to ensure fair, cost-effective water supplies. Not the least among them is the desire of Portlanders to rely on the rain-fed lakes and streams of the Bull Run reserve as their primary source for water to drink.

Even so, the Portland City Council agreed Wednesday to sign the city on for regional planning of water resources should be applauded.

If Bull Run should fail the city's residents for any reason — as it did last winter when mudslides took out two of the three huge pipes that convey water down from the mountains — Portland would have to turn to its neighbors. Portland was able to draw sufficient water from its midcounty wells, but it could have tapped into the Clackamas River if necessary, thanks to regional partnerships.

Portland's council declared firmly last year that it intends to stick with Bull Run as the city's primary source of drinking water. Critics of the regional-planning agreement rightly point out that councils change and so might the commitment to Bull Run. After all, we're planning now for a major new water source that won't be needed until 2035 or even later.

The agreement allows any city or water district to withdraw from the agreement at any time, a safeguard if Portland finds itself being outmaneuvered on the regional body. Another

way to address the Bull Run concern is to ask voters to add a Bull Run preference to the City Charter. Future councils then would have to go to the ballot, instead of a simple majority vote at City Hall, to substitute the Willamette or Columbia rivers for Bull Run — except as emergency or minor sources of Portland's drinking water.

As Portland needs the continuing political support of its regional partners to protect Bull Run as its primary water resource and share its costs as many have done for many years, so suburban communities that turn to the Willamette River are likely to need Portland's help to protect the upstream quality of water in the river.

Portland differs with its suburban partners in a number of areas other than their willingness to drink from sources less pure initially than the Bull Run. The Portland City Council wants a stronger commitment to regional water conservation than some others do. It also is willing to settle for a lower-cost supply system that would tolerate a few "dry" days for watering lawns and plants; others are not.

These and other differences can be worked out by reasonable people. And there's no reason to believe that the residents of the 27 other cities and water districts of the Portland metropolitan area have any purpose in mind for their joint planning than the fair, cost-effective supply of water to everyone.



METRO

November 19, 1996

Metro Council
Metro Headquarters
600 N.E. Grand Avenue
Portland, Oregon 97232

Dear Metro Councilors:

The Metro Water Resources Policy Advisory Committee (WRPAC) voted unanimously at its monthly meeting on November 18, 1996 to recommend that the Metro Council pass Resolution No. 96-2419A authorizing Metro to sign the Intergovernmental Agreement (IGA) to join the Regional Water Providers Consortium and adopting the *Regional Water Supply Plan*.

WRPAC has been briefed on the development of the *Regional Water Supply Plan* for the past four years and has provided comments and review regarding the draft versions of the plan. Many WRPAC members are participants in this regional water supply planning effort. They recognize and support Metro's participation in this planning effort, particularly as it relates the Metro Region 2040 program and planning for urban reserve study areas. It has been essential to link Metro's growth management planning with regional water supply planning. It will also be essential to continue this coordination as the *Regional Water Supply Plan* is implemented.

As of November 13, 1996, fifteen local jurisdictions and water providers have signed the IGA, thus forming the Water Providers Consortium. This consortium will now carry out the important task of implementing the water supply plan. This will require regional coordination and WRPAC believes it is essential that Metro is an active participant in the Consortium as the plan is implemented.

Sincerely,

Metro Water Resources Policy Advisory Committee

cc: Mike Burton, Metro Executive Director
John Fregonese, Director Growth Management Services

November 4, 1996

Metro
Councilor Susan McLain
Chair Growth Management Committee
600 N.E. Grand Avenue
Portland, OR 97232-2736

WATER
RESOURCES
DEPARTMENT

Dear Councilor McLain:

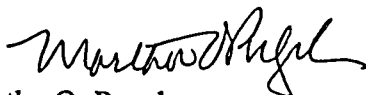
I am sending this letter to express our support for a regional approach to water planning and management. We have been following the regional water supply study process from the beginning. Staff have been involved by providing information, technical assistance and document review.

As you know, Oregon does not have sufficient water from every source to meet all of the state's needs. Many streams have been over appropriated. Many go dry during the low flow periods of the year. At the same time, our population continues to grow. This is especially true in the Portland Metropolitan area. We have a real challenge ahead to meet the demands that increased population is placing on us. The Water Resources Commission and Department encourage local water users and local governments to work together to identify the long term local needs and to identify sources of water which will meet those needs. We feel that your regional water supply plan is the front end of this process. An important next step is for the plan to be adopted by those involved.

The Regional Water Supply Plan anticipates the water needs for your area over the next fifty years. The plan also lists possible solutions for meeting the water needs, including conservation. We encourage all of the participants to adopt and enforce conservation measures.

Clearly we support the regional water supply plan activity. Our desire is to have all of the entities in the Portland regional area adopt the plan and work together to develop the water sources required to meet the future needs. Conservation actions should be taken as a first step to meeting the immediate need. Please contact me or any of our staff if we can assist you with the adoption and implementation of the Regional Water Supply Plan.

Sincerely,



Martha O. Pagel
Director

P. O.
7/2/96



Commerce Building
158 12th Street NE
Salem, OR 97310-0210
(503) 378-3739
FAX (503) 378-8130

November 13, 1996

MEMORANDUM
REGIONAL WATER PROVIDERS CONSORTIUM

TO: Participants Committee

FROM: Lorna Stickel

RE: Progress on signing the IGA to form the Regional Water Providers Consortium

Well, it has happened, as of today, November 13, 1996 the 15th member (the Portland City Council) approved the IGA and the Regional Water Providers Consortium is under way. We most likely will meet at the end of the month at our regular time, November 26 as the Technical Advisory Committee. Attached you will find the most recent form showing who has approved the IGA and the most recent estimate of dues removing Troutdale as a potential member, but adding back Sandy which now feels they may join the Consortium. We will soon have much to discuss about the next IGA for Portland and the Consortium Board to sign to provide the staffing for the IGA, the formation of a proposed work plan and a budget in preparation for the first Consortium Board meeting probably to be scheduled sometime in February.

Those of you have not yet signed the IGA are certainly still expected to participate in these meetings and everyone will be included in the review and development of work products until we are closer to having a full idea of the full consortium membership sometime in January. In the meantime, those of you who have signed the IGA but have not sent a letter letting us know the members and their alternates that you wish to select should be sent to Dominique Bessee as soon as possible.

Congratulations to all of you for the hard work we have put into this project over the last several years. It took a lot of time, but we did get there. See you soon.

Water Providers Consortium Preliminary Dues Share Table 1997-98

Participants	1996 Customer Accounts **	% of Total	Dues Funding Share	1996 Avg. Wtr Dmd **	% of Total	Dues Funding Share	Peak Season MGD Growth ***	% Wtr Dmd Growth	Dues Funding Share	Total Funding Share	IGA Yes/No
IMC-Boston	13,381	3.78%	\$1,613	7.25	4.27%	\$1,618	1.96	1.27%	\$954	\$4,386	Yes
Gambay	2,878	0.81%	\$347	1.33	0.78%	\$334	2.16	1.40%	\$1,051	\$1,732	Yes
Glaciana	11,407	3.22%	\$1,375	6.71	3.95%	\$1,684	11.78	7.62%	\$5,794	\$8,793	Yes
Gladsong	3,265	0.92%	\$393	1.6	0.94%	\$402	0.17	0.11%	\$83	\$978	Yes
Dainas										\$2,589	Yes
Fairview										\$663	
Gresham	18,640	5.27%	\$2,246	4.72	2.76%	\$1,184	11.65	7.54%	\$5,871	\$9,102	Yes
JWG-Hillsboro	13,446	3.80%	\$1,620	6.43	3.79%	\$1,614	21.08	13.62%	\$10,252	\$13,486	Yes
JWC Forest Grove	3,965	1.12%	\$478	2.27	1.34%	\$570	2.49	1.61%	\$1,212	\$2,280	
Lake Oswego	11,897	3.39%	\$1,446	6.04	3.56%	\$1,516	2.29	1.48%	\$1,115	\$4,076	
Milwaukee	6,183	1.75%	\$745	3.11	1.83%	\$780	1.34	0.87%	\$652	\$2,178	
Mt. Scott	3,878	1.10%	\$467	1.26	0.74%	\$316	4.09	2.65%	\$1,991	\$2,775	
Gakod	8,032	2.27%	\$968	3.39	2.00%	\$851	1.10	0.71%	\$535	\$2,354	Yes
Rotham	159,257	45.02%	\$19,192	79.03	46.52%	\$19,832	29.37	19.00%	\$14,297	\$53,321	Yes
Raleigh Wd	1,000	0.28%	\$121	0.59	0.35%	\$148	0.11	0.07%	\$54	\$322	
Rockwood	12,424	3.51%	\$1,497	6.25	3.58%	\$1,568	6.27	4.06%	\$3,052	\$6,118	
Sandy	1,492	0.42%	\$180	0.77	0.45%	\$193	0.83	0.54%	\$404	\$777	
Sherwood										\$1,240	
South Fork Wd	8,462	2.39%	\$1,020	4.89	2.88%	\$1,227	3.35	2.17%	\$1,631	\$3,878	Yes
Tigard	12,388	3.50%	\$1,493	5.37	3.16%	\$1,348	5.69	3.68%	\$2,770	\$5,610	
Tualatin										\$0	No
Tualatin Valley Wd	4,477	1.27%	\$540	2.14	1.26%	\$537	2.73	1.77%	\$1,329	\$2,405	Yes
West Slope Wd	38,923	11.00%	\$4,691	19.47	11.46%	\$4,886	38.10	24.65%	\$18,547	\$28,123	Yes
Wilsonville	3,401	0.96%	\$410	1.19	0.70%	\$299	0.98	0.63%	\$477	\$1,166	Yes
Wood Village	3,488	0.99%	\$420	2.49	1.47%	\$625	4.82	3.12%	\$2,346	\$3,392	Yes
Wood Valley Wd	1,247	0.35%	\$150	0.49	0.29%	\$123	0.50	0.32%	\$243	\$517	Yes
Powell Valley Wd*	10,091	2.85%	\$1,216	3.08	1.81%	\$773	1.75	1.13%	\$852	\$2,841	
SUB TOTAL	353,721	100.00%	\$42,627	169.87	100.00%	\$42,627	154.59	100.00%	\$75,254	\$165,000	
Metro									\$10,000	\$10,000	
Grand Total	353,721		42,627	169.87		\$42,627	154.59		\$85,254	\$175,000	

* Powell Valley Wd is not an original RWSP participant, Portland will pick up their share, until other arrangements may be made.

** MGD & Accounts From the RWSP Demand Forecast, based on *** Growth in peak season demand based on RWSP Demand Forecast High PMGD 1996-2050

RWSP PUBLIC INVOLVEMENT -- "At a Glance"

Workshops

3 public workshops prior to project scoping
10 public workshops held at strategic points in the project
3 stakeholder workshops

Environmental Task Force

OWRD, DEQ, Health Division, ODFW, U.S. Forest Service, NMFS
USFWS, ONRC, WaterWatch, Pacific Rivers Council, OSPiRG

Interviews with 85 Stakeholders and Community Leaders

Regional Public Attitude Survey and Contingent Valuation Surveys

Focus Groups

Over 100 presentations to community organizations and decision makers:

Local, regional, state, and federal officials --- League of Women Voters ---
Rotary, Kiwanis, Lions, Optimists, and Retirement Clubs --- Neighborhood Associations ---
Professional Society of Oregon --- Portland Garden Club --- Glendover Garden Club --- Mayor's
Forum on Environmental Issues --- Oregon Environmental Council --- Oregon Green Council
--- Recycling Advocates --- Coalition for a Livable Future --- Willamette Basin Technical
Advisory Committee --- Lewis and Clark Law School, Portland State University,
and high school classes

(Presentations reached hundreds of people conservatively)

6 newsletters -- each sent to approximately 3,800 person mailing list
at strategic points in the process
over 25,000 pieces sent or distributed direct to interested parties

Bill insert to hundreds of thousands of customers

Fact sheets - thousands distributed

Production and use of Video and Slideshow

Display Booths at county fairs, Energy Fair, Salmon Festivals,
ArtQuake, and Yard and Garden Show

Over 2,400 Preliminary Regional Water Supply Plans, Executive Summaries,
and proposed revisions packets distributed region-wide

Water Services Leadership Group (preliminary plan, plan revisions, Consortium IGA)
meetings in 1992-1996

**Regional Water Supply Plan
Public Involvement Activities -- Details**

PROJECT SCOPING PHASE

Water Supply - 2050

Phase I Summary Report distributed to 2500 stakeholders in the winter of 1992

Public Workshops in April 1992

Clackamas County

Multnomah County

Washington County

Roundtables in July 1992

Economic and Business Interests

Land Use and Planning Agencies

Environmental Interests

REGIONAL WATER SUPPLY PLANNING PHASE

Public Information and Involvement Plan

September 1993

Surveys and Interviews

Stakeholder Interviews, October 1993

Regional Public Opinion Research Study, March 1994

The Value of Water Source Reliability - a Contingent Valuation Survey, May 1994

Regional Water Supply Plan Surveys taken throughout the process

Public Meetings, Workshops, Forums

County Workshops in February 1994 and September 1995

Clackamas County

Multnomah County

Washington County

Regionwide Workshops

August 1993

July 1994

June 1995

Public Hearings on Regional Water Supply Plan Preliminary Report

September 1995 through January 1996

**Workshops on Proposed Revisions to Preliminary Regional Water Supply Plan
April 1996**

**Focus Groups
June 1995**

Environmental Task Force
OWRD, DEQ, Health Division, ODFW, U.S. Forest Service, NMFS, USFWS,
ONRC, WaterWatch, Pacific Rivers Council, OSPIRG

Water Services Leadership Group
(Regional Water Supply Plan Preliminary Report, plan revisions,
and Consortium IGA. Meetings held in 1992-96.)

Briefings and Meetings
Over 100 presentations to interested agencies, organizations, and citizens
Local, regional, state, and federal officials --- League of Women Voters ---
Rotary, Kiwanis, Lions, Optimists, and Retirement Clubs --- Neighborhood Associations ---
Professional Society of Oregon --- Portland Garden Club --- Glendover Garden Club --- Mayor's
Forum on Environmental Issues --- Oregon Environmental Council --- Oregon Green Council
--- Recycling Advocates --- Coalition for a Livable Future --- Willamette Basin Technical
Advisory Committee --- Lewis and Clark Law School, Portland State University,
and high school classes
(Presentations reached hundreds of people conservatively)

Newsletters, Bill Inserts and Other Documents

Regional Water Supply News
Newsletters in Winter 1994, Summer 1994, Summer 1995, Fall 1995

Earn a Million Thanks
Bill Insert Spring 1995

A Snapshot of the Regional Water Supply Plan
April 1995

Regional Water Supply Plan Factsheets
July 1995

Regional Water Supply Plan Preliminary Report
August 1995

Regional Water Supply Plan Executive Summary
August 1995

Proposed Revisions to the Regional Water Supply Plan Preliminary Report
March 1996

*Overview and Highlights of Proposed Revisions
to the Regional Water Supply Plan Preliminary Report*
Newsletter in April 1996

Regional Water Supply Plan Revision and Finalization Update
Newsletter in September 1996

Regional Water Supply Plan Final Report
October 1996

Other Public Involvement Activities:

Regional Water Supply Plan Slide Show

Display Booths at the County Fairs,
The Oxbow Park Salmon Festival and The Energy Fair

Cable TV Programs

Regional Water Supply Plan Video

tradition

FUNCTIONAL PLAN - ZERO OPTION

1. OWN NO LAND OUTSIDE UGB 1
BENEFIT BY FREE ZONE UGB

- 1.) Pushing TO HARD
- 2.) i Support 2040
- 3.) Density TO HIGH
- 4.) Will Hurt Renters + AFFORDABLE HOUSING
- 5.) LOST HOUSING CHOICE
- 6.) Hurt EXISTING NEIGHBORHOODS
- 7.) 248,000 HOUSING UNITS 1 For every 2 exist
- 8.) SPRAWL NEWBORN, Sprague ect.
- 9.) LOST OPEN SPACE ALPENROSE
- 10.) Schools SAME # OF KIDS
- 11.) Congestion 85%+ CROWD
- 12.) Density COST ALSO

SOLUTION & BALANCE

- a.) USE LAND AS GOOD AS POSSIBLE
- b. INCREASE DENSITY IN APPROPRIATE LOCATIONS
- c.) ADD MORE LAND TO UGB 3-4%
+ MASTER PLAN
- d.) Put what people need close TO THEM
- e.) BALANCE WHERE KIDDIING SCHOOLS
- f. FUNCTIONAL PLAN Pushing TO HARD



CITY OF

PORTLAND, OREGON

BUREAU OF WATER WORKS

Mike Lindberg, Commissioner
Michael F. Rosenberger, Administrator
1120 S.W. 5th Avenue
Portland, Oregon 97204-1926
Information (503) 823-7404
Fax (503) 823-6133
TDD (503) 823-6868

November 21, 1996

Metro Council
600 NE Grand Ave.
Portland, OR 97232-2736

Dear Chair Kvistad and members of the Metro Council:

Before you today are the fruits of a five-year cooperative region-wide effort to plan for the future water needs of the Portland metropolitan region. On behalf of the Portland Water Bureau, I strongly encourage you to endorse the Regional Water Supply Plan (Plan) and join the newly formed Regional Water Providers Consortium (Consortium) by signing the intergovernmental agreement (IGA) before you.

One week ago, the Portland City Council completed its deliberations and voted unanimously to endorse the Plan and sign the IGA. As the fifteenth water provider to sign the IGA, the Consortium was formed by that Council action. During the deliberations, the City Council heard both support for the plan and Consortium and strong opposition. However, the Council did not waver in its commitment to continue the voluntary broad-based cooperative approach to address regional water supply issues facing us now and in the future.

As it happens, Portland and Metro expressed similar concerns about the August 1995 preliminary plan draft. Thanks to the responsiveness of our regional partners, the plan revision process has addressed virtually all of our concerns. Specifically, the revised plan contains more aggressive conservation programs and exploration of non-potable source options to stretch existing potable supplies as long as possible. It calls for further region-wide discussion of peak event supply reliability and tradeoffs associated with meeting demand on the hottest and driest of days. The plan provides additional emphasis on source protection for all of our potential future source options. The plan calls for immediate and near-term action on conservation and enhancements of existing sources to delay the need for additional supplies. The plan calls for more analysis to be done before very long-term source choices are made. The plan does not take any sources "off the table" and calls for the region to actively maintain and enhance the viability of our choices over time. The plan makes clear Portland's commitment to the Bull Run as its source, while recognizing and supporting others in meeting their needs from a robust mix of conservation and supply sources. The plan calls for recognition of the relationship between water supply, land use, growth management, and community sustainability in decision-making. Policy objectives calling for environmental stewardship and those which establish our commitment to cost-equity in financing future water management programs and projects are stronger in the revised plan.

An Equal Opportunity Employer

Metro Council
November 21, 1996
page 2

In addition, the revised plan states clearly and emphatically that future implementation efforts will be dynamic and responsive to new information, societal and environmental needs, and public values. The plan will not be a static blueprint for the future but rather will be revisited and revised as needed but no less than once every five years. Finally, the plan makes clear that the region will take responsibility for implementing the plan through continued voluntary cooperation and support.

For these reasons and more, the Portland City Council endorsed the plan and joined the Consortium. The Council also took this opportunity to reiterate and emphasize its policy values by including strong language in the ordinance authorizing ratification of the IGA (attached). The ordinance directs the City's representatives to the Consortium to recommend the formation of a standing Citizen Advisory Committee that includes public health expertise to work with the Consortium. The Council also incorporated by reference into the ordinance previous adopted resolutions calling for protection of the Bull Run and Little Sandy watersheds.

Formation of the Regional Water Providers Consortium demonstrates the region's continued commitment to acting as water managers and stewards in good faith and without creating additional government layers to accomplish our objectives. By working together we will maximize the value of limited public resources while providing an additional forum for public involvement in deliberations on regional water resources issues. By retaining our individual authorities as water providers, we remain accountable to our citizens and customers.

In closing, the Regional Water Supply Plan process has benefited greatly by Metro participation to date. By joining the Consortium, Metro will demonstrate its own continued commitment to regional cooperation on this fundamental issue, along with your expressed support for inclusion of the Regional Water Supply Plan as a key component of the Regional Framework Plan. We hope you will join us at the table.

Sincerely,



Michael F. Rosenberger
Administrator

cc: Commissioner Erik Sten
Commissioner Mike Lindberg
Lorna Stickel
Roberta Jortner
Rosemary Menard

17 07 21

ORDINANCE No.

As Amended

Authorize an Intergovernmental Agreement to join the Regional Water Providers Consortium and to endorse the Regional Water Supply Plan, October 1996. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The City of Portland has a key role in both the provision of water service in the region (supplying over 60% of the water to the City and 19 major wholesale entities) and providing leadership in coordinative planning to meet the needs of a growing metropolitan area. It is important that the City of Portland coordinate the development and implementation of its water programs and facilities in conjunction with other water providers in the region to minimize costs and environmental impacts, facilitate system emergency reliability, and to foster sustainable water practices.
2. The City of Portland has participated in the development of a Regional Water Supply Plan (RWSP) since early 1990 and signed an Intergovernmental Agreement in April 1993 to jointly fund and manage the development of a Regional Water Supply Plan with 26 of the region's other water providers. A preliminary RWSP was distributed in September 1995 and was considered by the Portland City Council in October 1995. Adopted Council comments were submitted to the project team and other participants. Extensive revisions to the preliminary RWSP were issued for further public review in March 1996. On the basis of the public review and comment on the proposed revisions, some further changes were incorporated into the final RWSP which is submitted for endorsement as a part of this Intergovernmental Agreement.
3. The planning process has involved a substantial public involvement process for the region and the individual participants. The opportunities for public involvement have included public meetings and workshops in the three metropolitan counties, two region wide attitude surveys, focus groups, newsletters, questionnaires, an environmental task force, numerous presentations to decision makers and interested organizations, and attendance at public events such as County fairs, Salmon Festival, Yard and Garden Show, and ArtQuake. Reports and summary materials have been prepared to document the responses and comments made at many of these events. This input has been incorporated and helped shape the planning process and documents.
4. The City Council, along with the vast majority of participating entities, have stated general support for formation of a Regional Water Providers Consortium to continue coordination on regional water supply issues and plan implementation. The Regional Water Providers Consortium will be formed when 15 entities sign the Intergovernmental Agreement. Participation in the Consortium will benefit the City and its customers by:

NOW, THEREFORE, The Council directs:

- a. That the Commissioner in charge of the Water Bureau and Auditor are authorized to execute on behalf of the City an Intergovernmental Agreement, substantially in the form of the Intergovernmental Agreement marked "Attachment A."
- b. The Commissioner in charge of the Water Bureau be selected the representative to serve on the Consortium Board and appoint the staff to serve on the Technical Advisory Committee as well as the alternates to both of these bodies.
- c. The Water Bureau to begin preparation of a subsequent Intergovernmental Agreement to provide staff to the Consortium, and to provide terms for cost reimbursement for staff, for later presentation to the Council and the Consortium Board.
- d. City representatives and alternates appointed to the Regional Water Providers Consortium Board and Technical Committee are, when and where appropriate, to advocate the City position as referenced in attached resolutions Numbers 35024, 166098, 35203, 35477, and any future Council direction on the protection of the Bull Run and Little Sandy watersheds and are to take no actions which would indicate otherwise.
- e. The City representatives and Water Bureau are to provide leadership and engage in partnerships to implement the Regional Water Supply Plan in, and among others, the following areas:
 - A commitment to cost effective conservation programs and to the exploration and development of cost effective non-potable water sources
 - The remediation and return of capacity of the Portland Columbia Southshore Well Field
 - The exploration of potential enhancements of current Bull Run facilities which may be feasible and needed to meet demands
 - The proposal of no actions which would be in conflict with Portland's expressed intention that Portland retail customers sole source of potable drinking water is the Bull Run, with the exception of seasonal and emergency supplements as needed from the Columbia Southshore Well Field and other sources identified in the City's annual Seasonal Water Contingency Plan
 - The advocacy for early implementation of the City's expressed desire in Resolution #35477 of December 13, 1995 that the region engage in a discussion of acceptable system peak event availability during hot weather events

- Formalizing coordination of municipal water service in the metro area by elected officials who will meet as a Consortium Board and by staff technical committees (including the Technical Advisory Committee) which will advise the Board.
 - Assigning the Consortium responsibility for implementing and updating the Regional Water Supply Plan and providing a forum to discuss water policy issues, including opportunities for public participation.
 - Fostering efficient service and saving customers money by identifying and promoting equitable financing arrangements, sharing technical assistance, and reducing duplication of effort.
 - Enabling individual jurisdictional interests in water issues to be joined with those of others, and to speak collectively on critical state and federal water issues.
5. The dues required to participate in the Consortium will be decided upon annually by the Consortium Board through its approval of the annual work plan and budget. Portland's proportionate dues will be based on the formula contained in the Intergovernmental Agreement. Portland has been asked by the RWSP Steering and Participants Committees to submit a separate agreement to provide staff assistance to the Consortium Board upon its formation. In this manner, Portland will be reimbursed for staffing services and resources already included within its base budget.
 6. The City Council has passed a number of resolutions and ordinances (Resolution #35024, August 5, 1992, Ordinance #166098, December 16, 1992, Resolution #35203, October 20, 1993, and Resolution #35477, December 13, 1995) over the last several years clearly expressing its intent to protect the watersheds and water rights of the Bull Run and Little Sandy Rivers. This expression of Council intent represents City policy over the long term and will be reflected in any actions related to the Regional Water Supply Plan and the Regional Water Providers Consortium.
 7. The City Council recognizes that the City of Portland has had a long term relationship with other outside jurisdictions in providing surplus water. The City currently contracts with a number of wholesale customers to provide water supplies. Most of these twenty-five year contracts will expire around 2005. The Council recognizes that a process to review these contractual relationships will be needed some years prior to their expiration. This process is expected to involve the City Council, the wholesale and retail customers, and interested stakeholders. The end result of this decisionmaking process may well lead to revisions and/or updates being recommended to the Regional Water Supply Plan.

- f. The Water Bureau will coordinate with the United States Forest Service and other stakeholders to implement the study on the Little Sandy called for in Section 605 of Title VI of Federal Legislation H11786.
- g. The Water Bureau is to pursue a process to involve the Council, wholesale water customers, and other affected parties in a strategic contract renewal process. This process will be specific to the City of Portland and the wholesale customer jurisdictions, but may result in revisions and updates being proposed to the Regional Water Supply Plan.
- h. The Commissioner in charge of the Water Bureau is to return to the Council on not less than a biennial basis to report on the activities and progress of the Regional Water Providers Consortium and to review the City's continued participation.
- i. The City representatives to the Consortium Board and the Consortium Technical Committee will recommend that the by-laws establish a standing citizens advisory committee, which includes one or more members with a broad knowledge of public health issues, to advise the Consortium Board.

Passed by the Council,

NOV 13 1996

Commissioner Lindberg
LS/db IGA/RWSP
CENTER 18090144

BARBARA CLARK
Auditor of the City of Portland
By

Deputy
Betta Olson

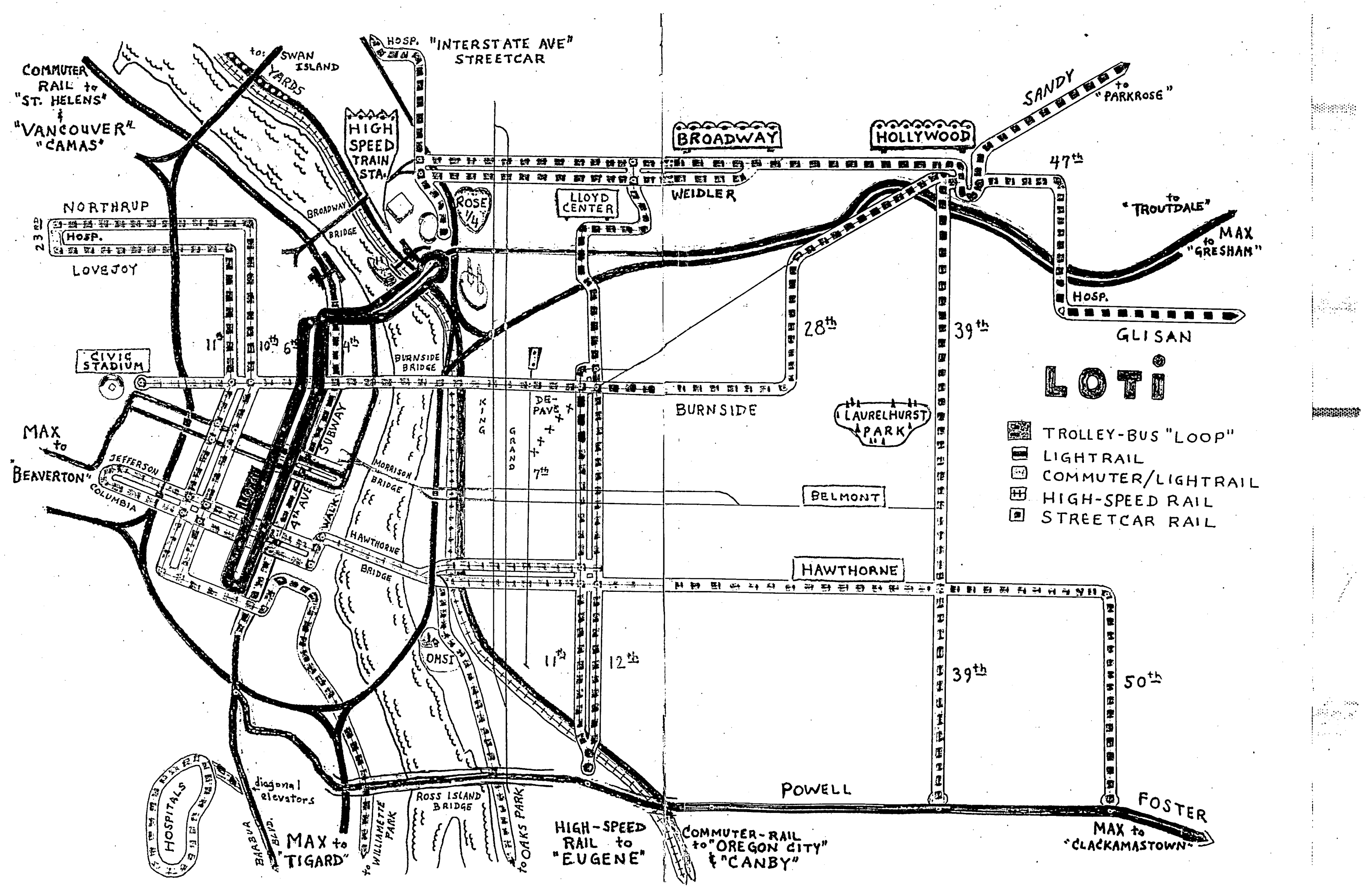
Water Providers Consortium Preliminary Dues Share Table 1997-98

Participants	1996 Customer Accounts **	% of Total	Dues Funding Share	1996 Avg. Wtr Dmd **	% of Total	Dues Funding Share	Peak Season MGD Growth ***	% Wtr Dmd Growth	Dues Funding Share	Total Funding Share	IGA Yes/No
JWC Beaverton	13,381	3.75%	\$1,600	7.25	4.24%	\$1,808	1.96	1.24%	\$930	\$4,338	Yes
Canby	2,878	0.81%	\$344	1.33	0.78%	\$332	2.16	1.36%	\$1,025	\$1,701	Yes
Clackamas RW	11,407	3.20%	\$1,364	6.71	3.93%	\$1,673	11.78	7.43%	\$5,589	\$8,626	Yes
Gladstone	3,265	0.92%	\$390	1.6	0.94%	\$399	0.17	0.11%	\$81	\$870	Yes
Damascus										\$2,589	Yes
Fairview										\$663	
Gresham	18,640	5.23%	\$2,228	4.72	2.76%	\$1,177	11.65	7.35%	\$5,527	\$8,933	Yes
JWC Hillsboro	13,446	3.77%	\$1,607	6.43	3.76%	\$1,604	21.06	13.28%	\$9,992	\$13,203	Yes
JWC Forest Grov	3,965	1.11%	\$474	2.27	1.33%	\$566	2.49	1.57%	\$1,181	\$2,222	
Lake Oswego	11,997	3.36%	\$1,434	6.04	3.53%	\$1,506	2.29	1.44%	\$1,087	\$4,027	
Milwaukie	6,183	1.73%	\$739	3.11	1.82%	\$776	1.34	0.84%	\$636	\$2,151	
Mt. Scott	3,879	1.09%	\$464	1.26	0.74%	\$314	4.09	2.58%	\$1,941	\$2,719	
Oak Lodge	8,032	2.25%	\$960	3.39	1.98%	\$845	1.10	0.69%	\$522	\$2,328	Yes
Portland	159,257	44.66%	\$19,039	79.03	46.24%	\$19,710	29.37	18.52%	\$13,935	\$52,683	Yes
Raleigh WD	1,000	0.28%	\$120	0.59	0.35%	\$147	0.11	0.07%	\$52	\$319	Yes
Rockwood	12,424	3.48%	\$1,485	6.25	3.66%	\$1,559	6.27	3.95%	\$2,975	\$6,019	
Sandy	1,492	0.42%	\$178	0.77	0.45%	\$192	0.83	0.52%	\$394	\$764	
Sherwood										\$1,240	Yes
South Fork WB	8,462	2.37%	\$1,012	4.89	2.86%	\$1,220	3.35	2.11%	\$1,589	\$3,821	Yes
Tigard	12,386	3.47%	\$1,481	5.37	3.14%	\$1,339	5.69	3.59%	\$2,700	\$5,520	
Troutdale	2,850	0.80%	\$341	1.05	0.61%	\$262	4.02	2.53%	\$1,907	\$2,510	No
Tualatin	4,477	1.26%	\$535	2.14	1.25%	\$534	2.73	1.72%	\$1,295	\$2,364	Yes
Tualatin Valley W.	38,923	10.92%	\$4,653	19.47	11.39%	\$4,856	38.10	24.02%	\$18,077	\$27,586	Yes
West Slope WD	3,401	0.95%	\$407	1.19	0.70%	\$297	0.98	0.62%	\$465	\$1,168	Yes
Wilsonville	3,488	0.98%	\$417	2.49	1.46%	\$621	4.82	3.04%	\$2,287	\$3,325	Yes
Wood Village	1,247	0.35%	\$149	0.49	0.29%	\$122	0.50	0.32%	\$237	\$509	Yes
Powell Valley WD	10,091	2.83%	\$1,206	3.08	1.80%	\$768	1.75	1.10%	\$830	\$2,805	
SUB TOTAL	356,571	100.00%	\$42,627	170.92	100.00%	\$42,627	158.61	100.00%	\$75,254	\$165,000	
Metro									\$10,000	\$10,000	
Grand Total	356,571		42,627	170.92		\$42,627	158.61		\$85,254	\$175,000	

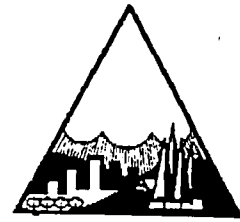
* Powell Valley WD was not an original Phase 2 participant so cannot join the Consortium in the initial round, Portland will pick up the share until other arrangements might be made.

** MGD & Accounts From the RWSP Demand Forecast, based on *** Growth in peak season demand based on RWSP Demand Forecast High PMGD 1996-2050


Yes 17 no 1
Remaining 9
26 Potential members



MEMORANDUM
CITY OF TIGARD, OREGON



TO: Jon Kvistad
Metro Presiding Officer

FROM: Liz Newton 
Assistant to the City Administrator

DATE: November 21, 1996

SUBJECT: City of Tigard Request for Grant Funding

I understand the Metro Council will be considering the first reading of an ordinance to adopt an Intergovernmental Agreement between Metro and the City of Tigard at your meeting on November 21. If adopted, the Intergovernmental Agreement will provide grant funds to the City of Tigard to develop a model process to involve and educate citizens on a wide variety of issues. As you and your fellow Councilors consider the city's request, I thought it would be helpful to provide some information on how the final product would benefit other jurisdictions in the region.

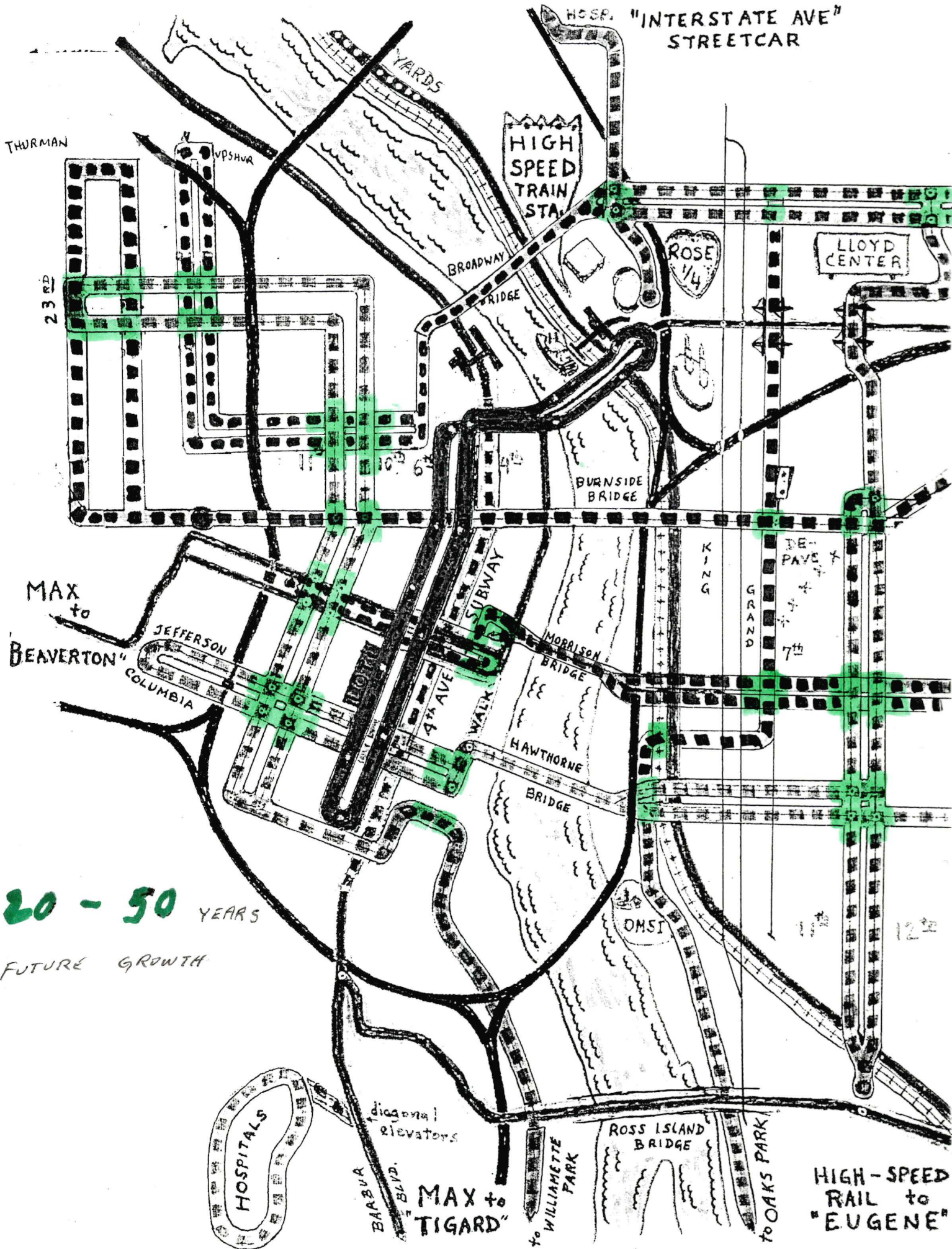
As local communities face the impacts of Measure 47, the challenge of addressing regional issues will not diminish. Local governments will look to each other and Metro for assistance in working through regional issues at the community level. One way Metro could assist local governments is by providing tools in support of their citizen involvement efforts.

The "citizen involvement kit" proposed by the City of Tigard is intended for use by any jurisdiction to involve and educate citizens on any issue of regional significance. Examples include prison siting, solid waste issues, transportation issues, and the implementation of 2040 at the local level.

The model process will include:

- methods for gathering information from citizens and the timing of that input
- ways to ensure a broad base of community input, including all interest groups
- strategies to consider up-front to ensure a credible process
- techniques to develop a clear understanding of the issues based on fact, but acknowledging people's emotions about an issue
- how to balance achieving the end result with a process that supports the end result

These methods will be developed and tested by the city of Tigard during the next year through our community-wide visioning process. Assisting the city with this effort will allow Metro to offer



20 - 50 YEARS

FUTURE GROWTH

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING	)	RESOLUTION NO. 96-2428
A PROPOSAL TO FUND THE PORTLAND)	
CENTER FOR THE PERFORMING ARTS,	)	Introduced by
THE OREGON CONVENTION CENTER,	)	Councilor Ed Washington
AND THE ARTS)	

WHEREAS, Metro, Multnomah County, the City of Portland, and other interested parties have worked for several years to address funding needs for MERC facilities; and

WHEREAS, the City has indicated its intent to terminate the Metro/City IGA for PCPA/Stadium management and resume management of those facilities; and

WHEREAS, a jointly developed ten year financial projection has been prepared which is agreed to by all parties; and

WHEREAS, Robert Ridgely has developed a compromise proposal that addresses funding needs for PCPA, OCC, and the Arts; and

WHEREAS, the level of funding support designated for OCC in Mr. Ridgely's proposal is the minimum amount necessary in order to ensure continued operation of OCC in a manner consistent with convention industry standards and requirements; and

WHEREAS, continued operation of OCC in a manner consistent with convention industry standards and requirements is vital to the economic development of the Portland Metro Region including the inner north/northeast Portland neighborhoods originally impacted by OCC construction; and

WHEREAS, Mr. Ridgely's proposal has received broad community support; now,
therefore,

BE IT RESOLVED,

The Metro Council hereby endorses the Ridgely proposal, attached hereto as
Exhibit A.

ADOPTED by the Metro Council this _____ day of _____, 1996.

Jon Kvistad, Presiding Officer

Approved as to Form:

Daniel B. Cooper, General Counsel

c:\jennifer\respcpa.doc

Summaries of Hotel/Motel Tax Availability and Proposed Uses

Exhibit A

Ridgely Proposal - with OCC Completion Beginning in FY 1999-2000

	FY 97-98	FY 98-99	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	10 yr. total	Yearly/Average
1 Available from 3% Hotel Motel Tax	5,565,000	5,947,000	6,357,000	6,795,000	7,364,000	7,981,000	8,651,000	9,250,000	10,028,000	10,872,000	78,810,000	
2 Contributions to PCPA and Cultural/Arts Org.	1,600,000	1,664,000	1,731,000	1,800,000	1,872,000	1,947,000	2,025,000	2,105,000	2,190,000	2,277,000	19,211,000	1,921,100
3 <i>Proposed Level of Hotel Motel Tax for Metro</i>	3,965,000	4,283,000	4,626,000	4,995,000	5,492,000	6,034,000	6,626,000	7,145,000	7,838,000	8,595,000	59,599,000	5,959,900
4 Total Shortfall from OCC and Expo	(3,826,500)	(3,885,750)	(4,770,000)	(6,079,000)	(4,979,000)	(6,072,000)	(6,526,000)	(5,941,000)	(6,057,000)	(5,744,000)	(53,880,250)	(5,388,025)
5 <i>Proposed Tax Level less Metro Shortfall</i>	138,500	397,250	(144,000)	(1,084,000)	513,000	(38,000)	100,000	1,204,000	1,781,000	2,851,000	5,718,750	571,875
6 Net available for other projects	0	0	0	0	0	0	0	0	0	0		

Ridgely Proposal - without OCC Completion

	FY 97-98	FY 98-99	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	10 yr. total	Yearly/Average
1 Available from 3% Hotel Motel Tax	5,565,000	5,947,000	6,357,000	6,795,000	7,364,000	7,981,000	8,651,000	9,250,000	10,028,000	10,872,000	78,810,000	
2 Contributions to PCPA and Cultural/Arts Org.	1,600,000	1,664,000	1,731,000	1,800,000	1,872,000	1,947,000	2,025,000	2,105,000	2,190,000	2,277,000	19,211,000	1,921,100
3 <i>Proposed Level of Hotel Motel Tax for Metro</i>	3,965,000	4,283,000	4,626,000	4,995,000	5,492,000	6,034,000	6,626,000	7,145,000	7,838,000	8,595,000	59,599,000	5,959,900
4 Total Shortfall from OCC and Expo	(3,826,500)	(3,885,750)	(4,170,000)	(5,079,000)	(5,079,000)	(5,175,000)	(5,975,000)	(5,204,000)	(5,315,000)	(4,751,000)	(48,460,250)	(4,846,025)
5 <i>Proposed Tax Less Metro Shortfall</i>	138,500	397,250	456,000	(84,000)	413,000	859,000	651,000	1,941,000	2,523,000	3,844,000	11,138,750	1,113,875
6 Net available for other projects	0	0	0	0	0	0	0	0	0	0		

Base Assumption: PCPA and Cultural/Arts Organizations will receive a total of \$1.6 million which would increase at approx. 4% annually. Metro would receive the balance of Hotel/Motel Tax

Footnotes:

- A total of 9% Hotel/Motel tax is levied throughout Multnomah County. In some incorporated areas (i.e. City of Portland) the City levies a 6% Hotel/Motel Tax and the County a 3% tax. In unincorporated areas of the County or areas where the cities have not imposed a Hotel/Motel Tax, Multnomah County retains the 6% portion of the tax. The 3% portion of the Hotel/Motel tax levied throughout the County is set aside to provide for the operations of the Oregon Convention Center. This line shows the total amount projected to be received by the 3% portion.
- Each proposal sets aside funds to support the operation of the PCPA, beginning at \$1.2 million and growing annually, and other Cultural and Arts endeavors within the Metro Region
- Both Ms. Stein and Mr. Ridgely have proposed that a level of the 3% Hotel/Motel Tax be contributed for the operations of the Oregon Convention Center and Expo. Ms. Stein's proposal is that this level of support begin at \$3.5 million and increases annually at approximately 7% to 8% consistent with the increases in the projected Hotel/Motel Tax. Mr. Ridgely's proposal is that this level of support begin at approximately \$3.9 million and increases annually at a rate of approximately 8% to 10%
- The amount shown in this line is the combination of the shortfall from OCC offset by the profit/loss from Expo
- This line indicates the extent to which this proposed tax level to Metro fails to meet, meets, or exceeds the shortfall in Metro facilities.
- This line indicates the remainder of the 3% Hotel/Motel Tax that is either available for other projects or retained by Multnomah County.

DRAFT

STAFF REPORT

CONSIDERATION OF RESOLUTION #96-2428, FOR THE PURPOSE OF ENDORING A PROPOSAL TO FUND A PORTLAND CENTER FOR THE PERFORMING ARTS AND OREGON CONVENTION CENTER FINANCIAL PLAN

Date: November 20, 1996

Presented by Councilor Washington

Background

In 1990 the Portland Center for the Performing Arts (PCPA), Civic Stadium and Memorial Coliseum were transferred to Metro from the City of Portland, via an Intergovernmental Agreement. The Exposition and Recreation Commission (ERC) was also transferred, and became MERC by Metro ordinance. Ultimately Metro, through MERC, also managed the Oregon Convention Center (opened in 1990 by Metro) and Expo (transferred to Metro in 1996). Ownership of the facilities was to be retained by the city of Portland until the Memorial Coliseum was transferred to the Blazers in 1993, creating a funding problem for the PCPA.

Several committees have studied the PCPA funding problems, with the ultimate goal of fully transferring all facilities to Metro. The most recent committee, Transition Team, Chaired by Don McClave, concluded its work without finding a way to surmount the fiscal problems surrounding the city owned facilities, particularly the PCPA, so as to be able to transfer these facilities to Metro. City of Portland Commissioner Mike Lindberg has indicated, via letter dated November 8, 1996, that the city intends to terminate the intergovernmental agreement prior to the deadline of December 31 of this year and resume management of the two facilities, effective July 1, 1997.

Ridgely Proposal

Mr. Bob Ridgely, CEO of NW Natural Gas, and former ERC member, at the request of Metro and the City of Portland, has contacted the principal parties and put forward a proposal related to transfer of the PCPA and Stadium, distribution of the county hotel/motel tax, and clarifying other roles and responsibilities.

Mr. Ridgely has laid out two proposals: one factoring in completion of the Oregon Convention Center and one without that completion (see exhibit A). Beverly Stein, chair of the Multnomah Board of County Commissioners also has drafted two proposals: one with OCC completion--one without (see attachment 1 to this staff report). Stein's differs

from Ridgely's chiefly in that it uses a different starting point for funds available to the OCC (\$3.5 million vs. \$3.95 million in Ridgely's), creates a balance to be used for other purposes (Ridgely's does not), and may differ in assumptions for growth in amounts of resources directed to OCC as compared to amount directed to PCPA and Cultural/Arts organizations (see footnote 3 of Exhibit A).

Exhibit A and Attachment 1 to the staff report, are Metro documents which summarize spreadsheets used by Mr. Ridgely in his report before the Board of county Commissioners. Those spreadsheets were prepared by county staff.

The Ridgely proposal works from the premise that the City of Portland "take back" (retain) ownership of the PCPA and Civic Stadium. The county 3% Hotel/Motel tax is divided, beginning in fiscal year 1997-'98, in such a way that \$1.6 million is allocated to PCPA (\$1.3 million to the city for PCPA, renewal and replacement and marketing) and Cultural and Arts organizations (\$300 for cultural tourism). The remainder of the hotel/motel tax proceeds, \$3,965,000, are then directed to Metro and applied against the combined shortfall of OCC and Expo. This proposal does not take into account the capital needs for these facilities, only operations, maintenance and renewal and replacement. Therefore Metro will be responsible for the capital needs of the OCC and Expo.

Projections indicate that under Ridgely's proposal, adequate funds will be available to provide operating support for a completed OCC facility. Stein's proposal creates an operating shortfall under both scenarios. Beginning fund balance for fiscal year 1997-98, for the OCC Operating Fund is approximately \$1.2 million with expenditures projected to be approximately \$14 million.

.While Metro loses \$1.6 million of hotel/motel tax revenue annually (plus inflation), it is no longer responsible for the \$250,000 to PCPA, the responsibility of addressing user fee reduction for arts users, and the capital backlog at PCPA and the Civic Stadium.

It should be noted that while the funds directed to the city and arts organizations are proposed to grow at a rate roughly equal to the consumer price index (CPI), funds accruing to Metro are proposed to grow at a rate slightly higher than the assumed growth of the hotel motel tax. There is ongoing discussion of these assumptions, and a change in them could result in significantly less funds being captured by Metro over time.

Mr. Ridgely in his presentation to the Board of County Commissioners indicated that he believes that the city, lodging, and arts organizations agree with his proposal and knows of no organizing opposing it. Commissioner Mike Lindberg agreed that the city does support the proposal.

end

Summaries of Hotel/Motel Tax Availability and Proposed Uses

Attachment 1

Stein Proposal - with OCC Completion Beginning in FY 1999-2000

	FY 97-98	FY 98-99	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	10 yr. total	Yearly/Average
1 Available from 3% Hotel Motel Tax	5,565,000	5,947,000	6,357,000	6,795,000	7,364,000	7,981,000	8,651,000	9,250,000	10,028,000	10,872,000	78,810,000	
2 Contributions to PCPA and Cultural/Arts Org.	1,600,000	1,710,000	1,828,000	1,953,000	2,117,000	2,294,000	2,486,000	2,660,000	2,883,000	3,125,000	22,656,000	2,265,600
3 <i>Proposed Level of Hotel Motel Tax for Metro</i>	3,500,000	3,741,000	3,998,000	4,274,000	4,632,000	5,020,000	5,441,000	5,818,000	6,307,000	6,838,000	49,569,000	4,956,900
4 Total Shortfall from OCC and Expo	(3,826,500)	(3,885,750)	(4,770,000)	(6,079,000)	(4,979,000)	(6,072,000)	(6,526,000)	(5,941,000)	(6,057,000)	(5,744,000)	(53,880,250)	(5,388,025)
5 <i>Proposed Tax Less Metro Shortfall</i>	(326,500)	(144,750)	(772,000)	(1,805,000)	(347,000)	(1,052,000)	(1,085,000)	(123,000)	250,000	1,094,000	(4,311,250)	(431,125)
6 Balance Retained by County	465,000	496,000	531,000	568,000	615,000	667,000	724,000	772,000	838,000	909,000	6,585,000	658,500

Stein Proposal - without OCC Completion

	FY 97-98	FY 98-99	FY 99-00	FY 00-01	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	10 yr. total	Yearly/Average
1 Available from 3% Hotel Motel Tax	5,565,000	5,947,000	6,357,000	6,795,000	7,364,000	7,981,000	8,651,000	9,250,000	10,028,000	10,872,000	78,810,000	
2 Contributions to PCPA and Cultural/Arts Org.	1,600,000	1,710,000	1,828,000	1,953,000	2,117,000	2,294,000	2,486,000	2,660,000	2,883,000	3,125,000	22,656,000	2,265,600
3 <i>Proposed Level of Hotel Motel Tax for Metro</i>	3,500,000	3,741,000	3,998,000	4,274,000	4,632,000	5,020,000	5,441,000	5,818,000	6,307,000	6,838,000	49,569,000	4,956,900
4 Total Shortfall from OCC and Expo	(3,826,500)	(3,885,750)	(4,170,000)	(5,079,000)	(5,079,000)	(5,175,000)	(5,975,000)	(5,204,000)	(5,315,000)	(4,751,000)	(48,460,250)	(4,846,025)
5 <i>Proposed Tax Less Metro Shortfall</i>	(326,500)	(144,750)	(172,000)	(805,000)	(447,000)	(155,000)	(534,000)	614,000	992,000	2,087,000	1,108,750	110,875
6 Balance Retained by County	465,000	496,000	531,000	568,000	615,000	667,000	724,000	772,000	838,000	909,000	6,585,000	658,500

Footnotes:

- A total of 9% Hotel/Motel tax is levied throughout Multnomah County. In some incorporated areas (i.e. City of Portland) the City levies a 6% Hotel/Motel Tax and the County a 3% tax. In unincorporated areas of the County or areas where the cities have not imposed a Hotel/Motel Tax, Multnomah County retains the 6% portion of the tax. The 3% portion of the Hotel/Motel tax levied throughout the County is set aside to provide for the operations of the Oregon Convention Center. This line shows the total amount projected to be received by the 3% portion.
- Each proposal sets aside funds to support the operation of the PCPA, beginning at \$1.2 million and growing annually, and other Cultural and Arts endeavors within the Metro Region
- Both Ms. Stein and Mr. Ridgely have proposed that a level of the 3% Hotel/Motel Tax be contributed for the operations of the Oregon Convention Center and Expo. Ms. Stein's proposal is that this level of support begin at \$3.5 million and increases annually at approximately 7% to 8% consistent with the increases in the projected Hotel/Motel Tax. Mr. Ridgely's proposal is that this level of support begin at approximately \$3.9 million and increases annually at a rate if approximately 8% to 10%
- The amount shown in this line is the combination of the shortfall from OCC offset by the profit/loss from Expo
- This line indicates the extent to which this proposed tax level to Metro fails to meet, meets, or exceeds the shortfall in Metro facilities.
- This line indicates the remainder of the 3% Hotel/Motel Tax that is either available for other projects or retained by Multnomah County.