

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING THE	)	RESOLUTION NO. 18-4863
POLICY AND INVESTMENT FRAMEWORK	)	
FOR 2040 PLANNING AND DEVELOPMENT	)	Introduced by Chief Operating Officer Martha
GRANT PROGRAM IN 2018	)	Bennett in concurrence with Council
	)	President Tom Hughes

WHEREAS, in 2006, Metro adopted Ordinance No. 06-1115, establishing a construction excise tax (CET) to generate revenue for providing grants to local governments for regional and local planning; and

WHEREAS, the 2006 CET Ordinance contained a sunset provision based on a maximum amount collected of \$6.3 million, which amount was reached in 2009; and

WHEREAS, on recommendation of an advisory group and the Metro Chief Operating Officer (“COO”) regarding the continuing need for funding regional and local planning, on June 11, 2009 the Metro Council adopted Ordinance No. 09-1220, extending the CET for an additional five year period, with a sunset date of September 2014; and

WHEREAS, the CET has successfully raised approximately \$21.7 million in revenue that has been distributed by Metro to local governments through the Community Planning and Development Grant (“CPDG”) program for planning work across the region that otherwise could not have been funded; and

WHEREAS, on recommendation of an advisory group and the Metro COO, in June 2014 the Metro Council adopted Ordinance No. 14-1328, extending the CET for an additional five year period, with a new sunset date of December 31, 2020; and

WHEREAS, the 2014 CET Ordinance directed the Metro COO to propose amendments to the existing administrative rules implementing the CET and CPDG programs under Metro Code Chapter 7.04 (“Administrative Rules”) and to return to the Metro Council for its approval of the revised Administrative Rules prior to promulgating them; and

WHEREAS, on March 19, 2015 the Metro Council adopted Resolution No. 15-4595, which approved the Metro COO’s proposed amendments to the Administrative Rules; and

WHEREAS, on April 13, 2017 the Metro Council adopted Resolution 17-4782, which approved further proposed amendments to the Administrative rules, renamed the program the “2040 Planning and Development Grant Program,” and modified the program to consider proposals and award grants on an annual basis; and

WHEREAS, in order to most effectively address barriers to development, implement the 2040 Growth Concept, and to help address the recent equitable housing crisis in our region, the Metro Council has established a policy emphasis in previous grant cycles to enable the grant program respond to current trends and issues affecting development in our region; and

WHEREAS, our region continues to have a crisis in housing supply as growth continues, especially for low income residents, and multiple tools, strategies, and approaches are needed across the region to provide more equitable housing; and

WHEREAS, racial equity, equitable development and equitable housing continue to be issues of considerable local and regional concern given the potential for displacement of long-term residents, businesses and communities of color due to changing neighborhoods and rapidly escalating real estate costs; and

WHEREAS, on June 23, 2016, the Metro Council adopted Resolution No. 16-4708, which approved Metro's Strategic Plan to Advance Racial Equity, Diversity and Inclusion; and

WHEREAS, complementary strategies for employment growth, redevelopment, and land readiness are also important to address other current regional growth and development issues; and

WHEREAS, a clear policy framework outlining the goals of Cycle 6 funding and the types of projects that will be prioritized for the current round of grant funds will assist local governments in identifying and scoping projects that will best satisfy the policy emphasis and meet the selection criteria; and

WHEREAS, a shift from bi-annual grant cycles to annual grant cycles will provide greater flexibility and opportunity to grant applicants to propose and implement projects that will facilitate development that aligns with local and regional goals; and

WHEREAS, a new name for the grant program, "2040 Planning and Development Grants" program will emphasize the program's connection to implementing the region's 2040 growth concept and will reduce confusion of the "CPDG" acronym with the federal government's Community Development Block Grant, commonly referred to as the "CDBG" program; and

WHEREAS, the recently revised administrative rules, approved by the Metro COO in January 2018 and set forth in Exhibit A, provide added clarity regarding the various types of projects that are eligible to be considered for grant funding, more clearly describe the criteria for evaluating grant applications, and highlight current procedures for administering future cycles of the 2040 Planning and Development Grant program; now, therefore

BE IT RESOLVED that:

1. The Metro Council hereby authorizes and directs the Metro COO and staff to continue to administer the 2040 Planning and Development grants in accordance with the revised administrative rules, approved by the COO in January 2018 and set forth in Exhibit A, attached hereto and incorporated herein.
2. The Metro Council hereby directs the Metro COO and staff to continue to implement improvements to grant program administration and monitoring of the investments over time to ensure that the program is successfully supporting regional goals and policies set forth in the 2040 Growth Concept, the Urban Growth Management Functional Plan, and the six desired outcomes outlined in the Regional Framework Plan.
3. The Metro Council hereby authorizes and directs the Metro COO and staff to initiate Cycle 6 of Metro's 2040 Planning and Development grants, and to award up to \$2.0 million of CET revenue to fund projects using the following policy and investment emphasis:

- a. Twenty-five percent (25%) of allocated funds will be targeted to qualified concept planning and comprehensive planning projects for urban reserves and new urban areas.
  - b. Fifty percent (50%) of allocated funds will be targeted for qualified projects that will facilitate implementation of equitable development projects inside the UGB, which may include but are not limited to:
    - Planning or pre-development work for equitable housing (diverse, physically accessible, affordable housing choices with access to opportunities, services, and amenities);
    - Planning or pre-development work for projects that will advance quality of life outcomes for marginalized communities, such as quality education, living wage employment, healthy environments, and transportation;
    - Facilitation of development-related efforts in partnership with a community organization whose primary mission is to serve communities of color;
    - Planning or pre-development for projects that will serve a specific neighborhood or geography with a high percentage of residents that are people of color or historically marginalized communities;
    - Planning for public and private developments, investments, programs and policies that will be enacted to meet the needs of communities of color and reduce racial disparities, taking into account past history and current conditions.
  - c. Twenty-five percent (25%) of allocated funds will be targeted to qualified projects that will facilitate development in centers, corridors, station areas, employment areas, or other locations within the UGB.
  - d. In the event that there are insufficient qualified applications within any one funding target category, grant funds may be awarded to qualified applications in any other category.
4. The Metro Council hereby authorizes and directs the Metro COO and staff to utilize discretion in determining which of the grant applications received meet the intent of the equitable development target and therefore merit consideration under category b above, or if they should be reassigned to another category.

ADOPTED by the Metro Council this \_\_\_\_\_ day of January, 2018

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Tom Hughes, Council President

Approved as to Form:

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Alison R. Kean, Metro Attorney