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Memo

Date: June 24, 2019
To: Andrew Scott, Interim Chief Operating Officer
From: Damien Hall, Chair, 2040 Planning and Development Grant Screening Committee DH
Subject: Grant Award Recommendations

On behalf of the 2040 Planning and Development Grant Screening Committee, I am pleased to share our recommendations for the 2019 Grant awards. Metro received a total of 10 grant proposals submitted by five local governments and one private entity requesting a combined total of $3.45 million in funding. Proposals were submitted by both large and small jurisdictions across the region, with applicants distributed throughout all three counties.

The Metro Council officially designated $2 million dollars in funding available to award this year. After careful individual review of the applications by each committee member and a thorough committee discussion of the relative merits of the proposals, the committee ultimately came to a decision regarding which proposals to recommend for grant funding. Provided below is a brief overview of the committee's review process and deliberations, a listing of the applicants and proposals in each category which the committee recommends for funding, and additional comments and recommendations of committee members regarding the 2040 Planning and Development Grant program overall.

Committee Process

The members of the committee convened in May to review the program guidelines, the established grant evaluation criteria, the grant requirements, and our committee's charter. Metro staff shared with the committee members the proposed policy and investment emphasis for the 2019 cycle as established by the Metro Council in November 2018:

- $1 million of grant funds will be targeted for qualified projects that will facilitate implementation of equitable development projects inside the Urban Growth Boundary, 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 facilities and community investments that will advance quality of life outcomes for marginalized communities, including communities of color, 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 who are people of color or historically marginalized communities;

- $750,000 of grant funds will be targeted for qualified concept planning and comprehensive planning projects in urban reserves or new urban areas.
- $250,000 of funds will be targeted for qualified projects to facilitate development in centers, corridors, station areas and employment/industrial areas.
- In the event of insufficient qualified applications within any one funding category, grant funds may be awarded to qualified applications in any other category.

Staff reviewed the specific evaluation criteria (see Attachment A) to be utilized by committee members in ranking the applications. All applicants were required to identify the funding category under which they wished their proposal to be considered. Staff shared with the committee members their overall assessment of the strengths and weaknesses of the proposals in each funding category. Following the committee's initial meeting, members individually reviewed all of the eligible grant applications and assigned preliminary rankings within each category. When the committee reconvened in June to deliberate, members shared their individual perspective regarding the merits of the proposals, and the perceived strengths and weaknesses based on individual member's development expertise, as well as their understanding of the proposed scope of work.

The applications ultimately recommended by the committee were those that had clear objectives and development outcomes, and were clearly aligned with the program's central mission to support planning and pre-development activities that:

- remove barriers to development
- are necessary to make land ready for development, and
- enable existing developed sites to be redeveloped.

Committee members applied their collective expertise to consider which proposals had specific and achievable goals and would be most likely to facilitate impactful development outcomes in alignment with both local and regional goals. The committee also gave careful thought to the extent to which the projects proposed in the Equitable Development category truly demonstrated a thoughtful approach to advancing equity.

Recommendations for Grant Awards

A listing of the committee's funding recommendations for each target category is presented on the following page. It should be noted that the committee is recommending a total package of grant awards that exceeds the funds available for this round by $428,000. Metro staff indicated to the committee that due to cancellation of several grants from prior rounds, an additional sum of up to $415,000 could be available to award in this grant cycle if appropriate. Committee members felt that in order to facilitate a smooth and efficient planning process for new urban areas in the southwestern portion of the region including areas within/adjacent to Tigard, Beaverton, and King City, it would be in the region's best interest to fund all three New Urban Area proposals in this year's grant cycle, so that development of community and infrastructure plans for the adjacent areas can proceed simultaneously. If all three grants are fully funded as recommended, the full amount awarded in the New Urban Area category will be $1,343,000.

For the majority of successful grants, the Committee awarded the full amount of funding requested. The committee recommends that the awards for all three proposals in the Equitable Development category be conditional, subject to further work by Metro staff with the applicants to refine the proposed approaches and scopes of work.

Committee members were unanimously enthusiastic about the grant application from Albina Vision Trust, which consistently emphasizes equitable development throughout the proposed project.

Eight of the Committee members were also supportive of the Cully Community Centered Equitable Development proposal, particularly due to the level of involvement and cooperation of the various local partner organizations that have committed to the project. One member of the committee was not in favor of funding this project. The committee recommends funding this grant a level of $160,000 (including $60,000 of community engagement and $100,000 for feasibility, project management and TIF district planning) because the combined budget of $400,000 (grant funds and Prosper Portland matching funds) seems excessively high given the proposed scope of work. The lower recommended award is more in line with prior grant awards to other cities for urban renewal plan development.

For the grant application from Clackamas County, committee members recommend that the grant focus only on the 82nd Avenue corridor and that a greater emphasis on equitable development be incorporated into the project, to be determined by Metro staff in consultation with the county. The committee recommends that this grant award be increased by $50,000 and that $38,000 of funds budgeted for analysis of opportunity sites also be redirected to fund meaningful engagement and partnerships with historically marginalized communities and to ensure that the policy and development outcomes of the grant robustly support future equitable development along the 82nd Avenue corridor.

Applications Recommended for Funding

Equitable Development (≈$1 million targeted, $835,000 recommended)

Albina Vision Trust Community Investment Prospectus	$ 375,000
City of Portland Cully Community Centered Equitable Development	$ 160,000
Clackamas County - DTD Corridors: Affordable Housing and Mixed-Use Development	$ 300,000

Facilitate Infill Development within UGB (≈$250,000 targeted, $250,000 recommended)

City of Tigard Washington Square Regional Center Update	$ 250,000

New Urban Area Planning (≈$750,000 targeted, $1,343,000 recommended)

City of Beaverton Cooper Mountain Community Plan	$ 693,000
City of King City King City Master Planning	$ 350,000
City of Tigard Tigard River Terrace Urban Reserve Planning	$ 300,000
Total Grant Awards Recommended	$ 2,428,000

Applications Not Recommended for Funding

The following three applications seeking funding in the Equitable Development Category were not recommended for funding:

City of Portland East Portland Infill, Equity and Sustainability	$ 250,000
City of Portland Light Rail Station Area Planning	$ 644,000
City of Tigard Tigard Missing Middle Code Audit and Financial Feasibility Analysis	$ 90,000

The other grant applications from the City of Portland were not recommended for funding, primarily because the grant applications were not sufficiently detailed to make a strong case for how equitable development outcomes would be achieved. The East Portland Infill, Equity, and Sustainability proposal outlined a wide variety of deliverables, but the efficacy and viability of some of these proposed tools and outcomes was questioned by members of the committee. Some of the proposed deliverables were academic reports and recommendations and the City's level of commitment to follow through with implementation was not clear. Committee members felt that the application for Light Rail Station Area Planning would be stronger if the City were to focus on specific station areas and then be more clear and specific about the approach and outcomes proposed.

The grant application from the City of Tigard for the Tigard Missing Middle Code Audit and Financial Feasibility Analysis was not recommended by the committee partially because the other City of Tigard applications recommended for award were stronger and because committee members felt that the proposed work to diagnose any code barriers to missing middle housing could likely be accomplished by the city with its own resources.

Additional Considerations

Members of the committee offered the following additional comments and recommendations regarding their impressions of this grant cycle and potential future adjustments to the grant program and requirements:

- While the Committee is enthusiastic about funding more project work in the Equitable Development Category, many of the applications received in this category in the last several cycles have not been as strong as the committee would like to see in order to merit funding. To strengthen this aspect of the program, committee members and staff identified several recommended program adjustments to be made prior to the next grant cycle including:
    - Customizing the grant evaluation criteria so that the each of the three funding categories can have more specific criteria that directly relates to the category of project;
    - Host a pre-application meeting at the kick-off of the next grant cycle to emphasize what is expected in an equitable development project approach;
    - While the current grant cycle is the first time Metro has "piloted" having private entities eligible to receive grant funding, consider how Metro could best cultivate strong applications from community entities that are leading equitable development work throughout the region.
    - Tap the expertise of Metro's Committee on Racial Equity (CORE) to further consider program adjustments that could result in better applications for equitable development projects.

If you so desire, I will be happy to join you in presenting the committee's recommendations to the Metro Council on July 25. On behalf of the members of our 2040 Planning and Development Grant Screening Committee, thank you for inviting us to participate in this process and assist Metro in funding projects across the region that advance local and regional development goals and implement our shared vision for the future.

cc: Elissa Gertler, Director of Planning and Development
Megan Gibb, Land Use and Urban Development Manager
Lisa Miles, 2040 Planning and Development Grants Program Manager

ATTACHMENT A TO GRANT AWARD RECOMMENDATIONS: GRANT EVALUATION CRITERIA

Clear development outcomes. Proposal presents a compelling project concept with specific, impactful outcomes to facilitate development. Performance measures are clearly articulated.

Advances and complements regional goals and policies. Proposed project will support Metro's established regional policy goal of advancing racial equity. Proposed project will also help to advance established regional development goals and outcomes expressed in the 2040 Growth Concept, the Urban Growth Management Functional Plan, and the following Six Desired Outcomes stated in the Regional Framework Plan, adopted by the region to guide future planning:

- People live and work in vibrant communities where their everyday needs are easily accessible;
- Current and future residents benefit from the region's sustained economic competitiveness and prosperity;
- People have safe and reliable transportation choices that enhance their quality of life;
- The region is a leader in minimizing contributions to climate change;
- Current and future generations enjoy clean air, clean water and healthy ecosystems;
- The benefits and burdens of growth and change are distributed equitably.

Aligns with local goals and/or maximizes community assets. Proposed project will help realize community plans and goals, accommodate expected population and employment growth, and/or maximize existing community assets such as public transit, parks, natural features, historic districts and employment areas.

Likelihood of implementation. Relevant key stakeholders (property owners, policy makers, jurisdictions, service providers, etc.) have committed full support for the project goals and timelines, will be meaningfully involved in guiding the project, and have the capacity and authority to implement actions/investments as needed to bring the project to fruition. Opportunities and threats to project commitments have been identified.

Public involvement. Proposal incorporates best practices for public involvement; strategies for meaningfully engaging neighbors, businesses, property owners and key stakeholders (including historically marginalized communities and residents with lower incomes) are clearly articulated and well-conceived; proposal indicates how public input will be used to strengthen the project outcomes, and/or increase the likelihood of successful implementation.

Team roles and capacity. Roles and responsibilities of the applicant county or city, as well as any additional partners have been clearly defined; proposed staff has the skill sets, experience and time needed to successfully manage all aspects of the grant project and oversee the work of the consultant team or teams on behalf of the project partners.

Jurisdiction track record. Applicant has proven capability to successfully implement community development projects, especially past Planning and Development Grant projects; prior grants have fully delivered expected products and outcomes according to the approved schedule of milestones; any grant projects still underway are on track and/or scheduled for completion prior to initiation of proposed project.

Grant leverage. Note the extent to which partners have committed additional in-kind or direct financial contributions to the project beyond the required minimum ten percent match.

Replicable best practices. Proposed project will develop best practices that could be replicated in other locations. (Note: This criterion may not be applied to all projects.)