

# Memo



**Metro**

600 NE Grand Ave.  
Portland, OR 97232-2736

Date: June 25, 2019  
To: President Lynn Peterson, Metro Council  
From: Andrew Scott, Interim Chief Operating Officer  
Subject: 2040 Planning and Development Grant Awards (2019/Cycle 7)

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I am pleased to present my recommendations for grant awards for the 2040 Planning and Development Grant program for 2019 (Cycle 7). Since the Metro Council established this grant program funded by the construction excise tax, it has helped many communities turn potential into vision and vision into action for local and regional plans and policies. In 2019, local governments continue to face new challenges and are looking for additional resources to help them plan for the future and facilitate desired development that can provide new jobs and housing options for residents in their communities.

## **Grant Funds Available to Award**

In November 2018, the Metro Council adopted resolution 18-4916, which set forth the investment targets for Cycle 7 of the 2040 Planning and Development Grants as follows:

The Metro Council hereby authorizes and directs the Metro COO and staff to initiate Cycle 7 of Metro's 2040 Planning and Development grants, and to award up to \$2.00 million of CET revenue to fund projects using the following policy and investment emphasis:

- a. One million dollars (\$1,000,000.00) 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 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 that are people of color or historically marginalized communities;

- b. Two hundred fifty thousand dollars (\$250,000.00) 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.
- c. Seven hundred fifty thousand dollars (\$750,000.00) of allocated funds will be targeted to qualified concept planning and comprehensive planning projects for urban reserves and new urban areas.
- 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.

At the time these funding targets were adopted by the Metro Council, Councilors were not certain if the \$2 million in funding would be a sufficient amount, due to the Council's desire to adequately fund the New Urban Area Planning that would be required for Metro's recent UGB expansion areas, as well as other grant proposals of merit. Council members requested that staff advise them if the \$2 million funding pool was not adequate based on the number and quality of applications received.

Planning and Development Director Elissa Gertler has recently informed me that due to cancellation of several grants awarded in prior rounds which were not able to move forward, an additional \$415,000 of funding could be redirected to help fund this year's grants if needed. The 2040 Grant administrative rules were amended in April 2018 to create a technical assistance component of the program to facilitate successful achievement of grant outcomes. Under this new policy, funds that are awarded but ultimately not disbursed may be set aside to support this ongoing technical assistance with grantees as necessary. However, as there is currently approximately \$800,000 of funding already available in the technical assistance reserve, Director Gertler and I feel that it would be equally appropriate to add the \$415,000 to the Cycle 7 funding pool should the Council deem it desirable to do so.

### **Grant Screening Committee Process**

Earlier this year, former COO Martha Bennett appointed a diverse, nine member Grant Screening Committee with varied backgrounds and extensive planning and development expertise in the private, nonprofit and public sectors. The Committee Chair, Damien Hall, submitted the committee's recommendations to me on June 24, recommending that 7 projects be funded for a total of \$2,428,000. You may review the complete text of the committee's recommendation in Attachment 1 to this memo. Having given consideration to the committee's assessment of the proposals, I concur that the seven grant proposals recommended merit funding at the levels proposed by the committee and with the additional conditions the committee has stipulated.

Given the availability of additional funding due to prior grants not moving forward, I recommend that the Council increase the total awards in this year's grant cycle to enable full funding for the important New Urban Area Planning projects proposed. In light of the Council's decision last year to expand the UGB in four locations, it is appropriate for Metro to provide 2040 Grant funding for both the Beaverton and King City comprehensive planning projects. Metro staff have carefully reviewed the proposed budgets of both proposals, and feel the level of both grant requests is appropriate.

While Metro did not anticipate grants additional concept planning for Urban Reserve areas in this grant cycle, it is clear that planning for the adjacent River Terrace area in Tigard in tandem with the Beaverton and King City projects makes sense in order to realize the efficiencies and benefits of an integrated infrastructure planning approach in this developing area of the region.

The Council will consider my recommendations in Resolution No. 19-5002 on July 25, 2019. The following page has a list of recommended projects to receive grant awards, including the proposed grant amount. The Grant Screening Committee has recommended that each of the three grants in the Equitable Development category be awarded with the condition that Metro staff work with each of the grantees to further refine the grant approach and scopes of work. I concur with this approach, in order to ensure that these grants are successful in achieving their stated objectives.

**Equitable Development (~\$1 million targeted, \$835,000 recommended)**

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

**Facilitate Infill Development within UGB (~\$250,000 targeted, \$250,000 recommended)**

<b>City of Tigard</b>	\$ 250,000
Washington Square Regional Center Update	

**New Urban Area Planning (~\$750,000 targeted, \$1,343,000 recommended)**

<b>City of Beaverton</b>	\$ 693,000
Cooper Mountain Community Plan	
<b>City of King City</b>	\$ 350,000
King City Master Planning	
<b>City of Tigard</b>	\$ 300,000
Tigard River Terrace Urban Reserve Planning	

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<b>Total Grant Awards Recommended</b>	<b>\$ 2,428,000</b>
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The seven projects recommended for funding will produce policies and plans that will become the foundation for public, private and nonprofit investments in our communities. Collectively, these

projects will help address the needs of underserved and underrepresented people in the region, lay the foundation for future equitable housing and employment opportunities, facilitate investments that help neighborhoods, corridors, and centers of the region thrive and support our regional partners so they may complete the required planning for new urban areas.

The proposed resolution before the Council for consideration stipulates that program staff and the Office of Metro Attorney shall negotiate inter-governmental agreements (IGAs) for the seven funded projects consistent with requirements set forth in Metro Code, the program's Administrative Rules, and the grant amounts itemized in this recommendation. As appropriate to specific grants, IGAs will also include language to ensure that local governments consider adoption of plans, strategies or policy refinements in order to realize the proposed project outcomes. Program staff and the Office of Metro Attorney will work to ensure that the final IGAs clearly identify project milestones and a schedule of payments to ensure that promised deliverables outlined in the applications are completed and all pledges of matching contributions are fulfilled.

The Screening Committee's recommendation contains additional suggestions for program refinements. Staff will follow up on these suggestions over the coming months to identify potential new program approaches and will come before Council again in late fall of this year to review the proposed program strategy for the 2020 grant cycle.

Attached to the staff report are brief summaries of each of the applications received. Copies of complete proposals submitted by local governments are also available to you in PDF format for review. After reviewing all materials, I believe you will share my appreciation for the high quality of local planning and development work proposed by the successful grantees, and take pride in the contribution that Metro will make by funding these efforts through the 2040 Planning and Development Grant program.

Please let me or 2040 Planning and Development Grant Program Manager, Lisa Miles, know if you have any questions.

Thank you.

cc: Elissa Gertler, Planning and Development Director  
Damien Hall, Chair, 2040 Planning and Development Grants Screening Committee