

Metro

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Metro

Minutes

Thursday, December 13, 2018

2:00 PM

Metro Regional Center, Council chamber

Council meeting

1. Call to Order and Roll Call

Council President Tom Hughes called the Metro Council meeting to order at 2:04 p.m.

Present: 7 - Council President Tom Hughes, Councilor Sam Chase, Councilor Betty Dominguez, Councilor Shirley Craddick, Councilor Craig Dirksen, Councilor Kathryn Harrington, and Councilor Bob Stacey

2. Public Communication

Charles Ormsby, City of Portland: Mr. Ormsby discussed a project at the intersection of Highway 43 and Terwillger Boulevard and explained the difficulty he experienced in finding information regarding the project from the City of Portland and other government agencies. He requested better communication between his neighborhood and the Metro Council regarding the project. Mr. Ormsby also noted the difficulty in getting to the Council meeting in time to present his testimony.

3. Consent Agenda

A motion was made by Councilor Dirksen, seconded by Councilor Dominguez, that these items be adopted. The motion passed by the following vote:

Aye: 7 - Council President Hughes, Councilor Chase, Councilor Dominguez, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

- 3.1 Resolution No. 18-4945, For the Purpose of Confirming the Appointments of Glenn Koehrsen, Tyler Bullen, and Jessica Stetson as Community Representatives to the Transportation Policy Alternatives Committee
- 3.2 Resolution No. 18-4947, For the Purpose of Authorizing the Chief Operating Officer to Enter into an Intergovernmental Agreement to Establish Interim Governance and Funding for the Implementation of Levee Ready Columbia Recommendations

- 3.3 Resolution No. 18-4949, For the Purpose of Accepting the November 6, 2018 General Election Abstract of Votes for Metro
- 3.4 Resolution No. 18-4946, For the Purpose of Confirming Appointments to the Metro Public Engagement Review Committee
- 3.5 Consideration of December 6, 2018 Minutes

4. Resolutions

- 4.1 Resolution No. 18-4938, For the Purpose of Adopting the Land Use Final Order Establishing the Southwest Corridor Light Rail Route and Other Project Improvements, Including their Locations

Council President Hughes called on Ms. Hope Whitney and Mr. Chris Ford, Metro staff, to provide a brief presentation on the resolution. Mr. Ford reviewed the land use final order application from TriMet explaining that this was a single use land use permit for the Southwest Corridor Light Rail project. He noted that the land use permit would not override local regulations for design requirements and storm water infrastructure. Mr. Ford stated that a public hearing for Resolution No. 18-4938 had taken place on November 15, noting that Council had postponed the motion to approve the resolution. He informed Council that updates had been made to the final findings of fact to respond to testimony received.

A motion was made by Councilor Dirksen, seconded by Councilor Stacey, that this item be adopted. The motion passed by the following vote:

Aye: 7 - Council President Hughes, Councilor Chase, Councilor Dominguez, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

- 4.2 Resolution No. 18-4948, For the Purpose of Approving the Second Amended and Restated Visitor Facilities Intergovernmental Agreement

Council President Hughes called on Mr. Andy Shaw and Mr. Scott Cruickshank, Metro staff, to provide a brief presentation on the resolution. Mr. Shaw explained that the

resolution was a proposed update to the visitor facilities intergovernmental agreement, noting that the original agreement in 2001 was established to create the visitor facilities trust account. He stated the trust account used the transient lodging tax and the vehicle rental tax to fund the Oregon Convention Center expansion, other important tourism facilities and a series of critical tourism promotion programs in the Portland area and Multnomah County. Mr. Shaw provided an overview of amendments made to the agreement in 2013 and informed Council that the existing agreement was performing well. He reviewed four new priorities in the proposed agreement including investments in aging tourism facilities, using tourism funding to address homelessness and to create resilient reserves in the account. Mr. Shaw discussed the revised governance structure and the bucket system of funding.

Mr. Jeff Miller, President of Travel Portland, discussed the economic impact of visitor venues in the region and stated Travel Portland's support for strategic investments in Portland's cultural and visitor venues. He emphasized the importance of accountability and performance measures for Multnomah County's use of funding.

Council Discussion:

Councilor Chase expressed his support for the bucket system of funding in the agreement and its ability to bring resources to visitor venues and homelessness. He identified challenges with the oversight and governance structure. Councilor Harrington inquired about the restricted reserves functioned in the event of a severe recession. Mr. Shaw confirmed that the restricted reserves would be available to cover losses. He explained that the system was developed with conservative revenue forecasts and tested against a

severe recession scenario. Mr. Tim Collier, Director of Finance and Regulatory Services, discussed the oversight process and its ability to act as a safety valve in the event of severe recession. Mr. Shaw provided an overview of the process of making recommendations to the board in the event of an economic downturn.

Councilor Harrington asked whether the change to the TriMet hop card instead of the transit day pass would create overages. Mr. Shaw explained that although there was not an anticipated increase to the budget with the transition to the hop card, a \$500,000 limit was set for the program.

Councilor Dominguez stated that the proposed agreement greatly improved upon the existing agreement and expressed her appreciation for the inclusion of funding for homelessness. Councilor Craddick commended industry partners for their willingness to tax themselves to support tourism in the area and the inclusion of funding for homelessness. Councilor Stacey stated his support for the proposed agreement and its ability to address urgent community needs. Councilor Dirksen expressed his support for the governance structure and its ability to respond quickly to economic downturn. Councilor Chase stated that although the proposal was strong, more changes were needed to the governance structure.

Council President Hughes discussed the benefits of the proposed agreement including additional funding for the delivery of services while providing flexibility in the event of an economic crisis.

A motion was made by Councilor Craddick, seconded by Councilor Stacey, that this item be adopted. The motion passed by the following vote:

Aye: 6 - Council President Hughes, Councilor Dominguez, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

Nay: 1 - Councilor Chase

- 4.4 Resolution No. 18-4944, For the Purpose of Metro Council's Acceptance of the Results of the Independent Audit for Financial Activity During Fiscal Year Ending June 30, 2018

Council President Hughes called on Mr. Brian Evans, Metro Auditor, and Mr. Tim Collier, Director of Finance and Regulatory Services, to provide a brief presentation on the resolution. Mr. Evans explained the annual financial audit process and the code requirements for the audit committee and the appointment of the financial auditor. He introduced Mr. Jim Lanzarotta and Ms. Ashley Osten, Moss Adams, to present the audit results.

Mr. Lanzarotta provided an overview of the audit. He explained the nature of the services provided as well as the deliverables and the results of the testing that was performed. Mr. Lanzarotta discussed the areas of audit emphasis including internal control environment, budget administration, grant compliance and bond activity. Mr. Lanzarotta stated that Moss Adams issued a clean opinion of the agency's financial statements, which signified the highest level of assurance. He noted several findings of error in depreciation of assets and in the approval of payroll processing.

Ms. Osten discussed two past adjustments and offered several minor recommendations to account reconciliation, accounts receivable and purchase card policy. She commended management for their work in resolving issues and continuing to engage in training and education.

Council Discussion:

Councilor Craddick asked how Mr. Lanzarotta would rate Metro's performance given the findings each year. Mr. Lanzarotta stated he would rate Metro very highly, emphasizing that there were no findings of material weakness. Councilor Dirksen expressed his appreciation for management and the policies that had been developed around the audit. Mr. Collier noted that the payroll finding had not resulted in overpayment or underpayment of any employees. Councilor Harrington expressed her appreciation for staff's work.

A motion was made by Councilor Dirksen, seconded by Councilor Harrington, that this item be adopted. The motion passed by the following vote:

Aye: 7 - Council President Hughes, Councilor Chase, Councilor Dominguez, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

5. Ordinances (Second Reading)

- 5.1 Ordinance No. 18-1428, For the Purpose of Annexing to the Metro District Boundary Approximately 42.09 Acres Located at the Corner of SW Boeckman Road and SW Stafford Road in Wilsonville

Council President Hughes stated that the first reading and public hearing for Ordinance No. 18-1428 took place on Thursday, November 29. He informed the Metro Council that Metro staff were available for questions.

Council Discussion:

There was none.

A motion was made by Councilor Harrington, seconded by Councilor Stacey, that this item be adopted. The motion passed by the following vote:

Aye: 7 - Council President Hughes, Councilor Chase, Councilor Dominguez, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

5.2 Ordinance No. 18-1427, For the Purpose of Expanding the Urban Growth Boundary to Provide Capacity for Housing to the Year 2038 and Amending Metro Code to Conform

Council President Hughes called on Mr. Roger Alfred and Mr. Ted Reid, Metro staff, to provide a brief presentation on the ordinance. Mr. Alfred stated that Council took testimony at the first public hearing on December 6, explaining that revisions to the conditions of approval had been made after receiving testimony from cities and stakeholders. He noted several minor revisions to the conditions including an adjustment to the one-year time frame for cities to demonstrate compliance with Metro code regarding accessory dwelling units (ADUs).

Mr. Alfred discussed revisions to condition A.2 which would allow townhomes, duplexes and triplexes on all lots which single family housing is allowed. He explained that the condition would allow an exemption for particular lots with site constraints due to compliance to environmental and natural resource protection. Mr. Alfred reviewed condition B.2 requiring the cities to comply with clear and objective standards for affordable housing. He stated that he believed all of four of the cities with proposed expansion areas already had clear and objective standards under the Oregon statute.

Council President Hughes stated that the first reading and public hearing took place on December 6, 2018. Council President Hughes opened up a public hearing on Ordinance No. 18-1427 and requested those wishing to testify to come forward to speak.

Mayor Steve Callaway, City of Hillsboro: Mayor Callaway testified in support of Ordinance No. 18-1427. He discussed implementation of the 2040 growth concept including economic development, employment opportunities and safe and reliable transportation. Mayor Callaway stated the importance of affordable housing in the region and highlighted the City of Hillsboro's work in exploring missing middle housing. He noted the City of Hillsboro's collaboration throughout the urban growth management decision and emphasized the need for adequate discussion in the future on last minute revisions to the collective work the jurisdictions.

Lloyd Meyer, City of Tigard: Mr. Meyer expressed his concern over the City of King City's proposed expansion and its effect on suburban sprawl. He read aloud a letter from Councilor Dirksen, then the Mayor of Tigard, honoring his father's service and family farming legacy. Mr. Meyer stated the importance of good stewardship of the land.

Barbara Wilson, City of Beaverton: Ms. Wilson shared her concern for the proposed expansion in South Cooper Mountain, explaining that she believed the proposal was inadequate. She noted the impacts to several acres of parks in the area and the importance of adequate natural areas to sustain native wildlife. Ms. Wilson requested that the City of Beaverton conduct further study and public comment on the parks and nature element of their proposal.

Dan Brenner, City of Tigard: Mr. Brenner expressed his concern for the City of King City's proposed expansion and stated he opposed the plans for a connection road through the Bankston land trust acreage. He reviewed photos submitted to Council of erosion sites along the proposed connection road and discussed the proposal's impacts to

these sites. (Mr. Brenner submitted written documents as part of his testimony; see December 13 materials packet.)

Mr. Mark Wallis, City of Beaverton: Mr. Wallis shared his concern for the proposed expansion to Cooper Mountain and its impacts on transportation and natural habitat. He discussed the lack of transit service in this area and the large scope of the expansion. Mr. Wallis also shared concern for the negative impacts to property values with the addition of affordable housing.

Mary Kyle McCurdy, 1000 Friends of Oregon: Ms. McCurdy, Deputy Director of 1000 Friends of Oregon, discussed the infrastructure costs the region would share as a result of the expansion in addition to the loss to farmland and natural areas in the proposed expansion areas. She highlighted the importance of providing housing for all and transit choices in community design and stated her opposition to the final revisions to the conditions A.2 and B.2.

Chris Neamtzu, City of Wilsonville: Mr. Neamtzu, Planning Director for the City of Wilsonville, testified in support of the ordinance and the conditions of approval before Council. He corrected prior testimony regarding the City of Wilsonville's non-compliance with ADU standards and stating that the City of Wilsonville was in compliance with the ADU standards having adopted the new Senate Bill 1051 standards.

Marion David, City of Beaverton: Ms. David expressed her concern for the proposed expansion in Cooper Mountain. She discussed the green space and wildlife adjacent to her property and stated the importance of natural habitat protection. Ms. David noted increased congestion in the

area and lack of adequate plans for public transportation for proposed high density housing.

Ms. Anna Slatinsky, City of Beaverton: Ms. Slatinsky, the City of Beaverton Planning Division Manager, commended Metro on the process of considering proposals to expand the urban growth boundary. She stated that the City of Beaverton supported the creation of a variety of housing types including smaller, more affordable units in the expansion area and discussed challenges with implementing the requirement that all housing types be allowed in every zoning district. Ms. Slatinsky clarified that the City of Beaverton was requesting flexibility in accommodating the condition of approval specifically to address constraints associated with natural features and other environmental conditions.

Councilor Stacey discussed the relationship between lot size, dimensional standards for zoning categories and the number of housing units on a lot. He encouraged the City of Beaverton to consider the use of interior space for more than one unit. Ms. Slatinsky explained that circumstances might exist where a lot included natural resource constraints of steep slopes and would not accommodate four housing units. She clarified that the City of Beaverton was requesting flexibility to approach these special circumstances.

Council President Hughes stated that the purpose behind the condition was to direct the cities to not have restrictive zoning. He asked what plans the City of Beaverton had for providing transit through the expansion area. Ms. Slatinsky explained that the city was working with TriMet and Washington County to meet the transportation needs of current and future residents. She pointed to discussions regarding neighborhood transit readiness and mapping

future transit. Council President Hughes asked what the anticipated time frame was for land development. Ms. Slatinsky stated that based on the current pace of development, they could expect home building activity in five years.

Councilor Harrington asked whether the term site constraints could be applied broadly. Ms. Slatinsky confirmed it was possible the term could be applied broadly and that better language might exist to address the circumstances she was referring to.

Councilor Stacey asked for clarification on what circumstances existed that would preclude a unit size on a lot from supporting two legally separated units. Ms. Slatinsky explained that the issue was not with allowing duplexes or triplexes, but specifically with quadriplexes on any lot, stating that a lot that could accommodate four households would need different characteristics than a lot that could accommodate one household. Councilor Stacey spoke to the creation of unintended consequences by including the site constraints clause.

Councilor Dirksen explained that the intent of the condition was to preclude the cities from restrictive zoning and stated that the language should not be so flexible as to allow a way to circumvent the intent of the condition.

Council President Hughes gaveled out of the public hearing.

Council President Hughes called on staff to respond to testimony. Mr. Reid explained that the condition A.2 had been revised to include "all lots" to ensure that cities did not zone restrictively by allowing a variety of housing types in all zones, but restrictively within the zone. He proposed

options to Council including reverting back to the original language of condition A.2 with an understanding that the cities' comprehensive plans and code would be subject to review by Metro staff. Mr. Reid stated that Council could keep the current language of condition A.2 and remove the clause referring to site constraints. He explained that site constraints were considered to be anything that limits the ability to develop a site.

Councilor Harrington stated her support for the removal of the clause referring to site constraints explaining that the language was vague. She asked whether the language could be more specific to include only topography or natural areas. Mr. Reid stated that it was possible to specify the types of constraints.

Councilor Dirksen asked whether the current language would have the intended results. Mr. Reid stated the current language of condition A.2 would rely on staff to interpret the language of the condition as they work with the cities in their planning efforts. He noted that this may be the most appropriate approach given the circumstances.

Councilor Stacey discussed plan unit development and regulations under which the cities would create layouts of the lots that matched the topography would avoid the site constraint circumstances being discussed.

Mr. Reid recommended Council revert back to the original language referring to all zones. Council President Hughes stated his support for reverting back to the previous language.

Councilor Harrington made a motion to amend Exhibit C, A.2 to remove the site constraints clause and replace "all lots"

with "all zones". Councilor Dominguez seconded the motion.

Councilors discussed the implications of reverting back to "all zones" instead of "all lots" and the potential unintended consequences of each version. Councilor Stacey stated his opposition to the motion to amend as it would not require cities allow the development of the specified housing types on all lots. Councilor Chase expressed his concern over the "all zones" language as it could allow compliance with the condition in all zones but allow restrictive zoning for lots. Council President Hughes stated that under either version of the condition this scenario could exist.

Motion passed by the following votes:

Aye: 5 - Council President Hughes, Councilor Craddick, Councilor Harrington, Councilor Dominguez, and Councilor Dirksen

Nay: 2 - Councilor Chase and Councilor Stacey

Councilor Harrington made a motion to amend Exhibit C by removing section B.2. Councilor Dominguez seconded.

Motion passed by the following votes:

Aye: 7 - Council President Hughes, Councilor Craddick, Councilor Chase, Councilor Stacey, Councilor Harrington, Councilor Dominguez and Councilor Dirksen

Council Discussion:

Councilor Craddick discussed the urban reserves and Metro's responsibility in making judicious and effective land use decisions for the region. She thanked the audience for

their testimony and noted the importance of transit choices and appropriate density to maintain livability. Councilor Harrington discussed the urban growth management decision process highlighting the cities' concept planning, the urban reserves and the next step of comprehensive planning. She stated her support for the urban growth boundary expansion.

Councilor Dirksen stated his support for the urban growth boundary expansion, noting that the process led to successful compromise. Councilor Stacey discussed the urban and rural reserves and the careful process of consideration for growth boundary expansions. He encouraged citizens to remain engaged with the cities through the comprehensive plan development process. Councilor Stacey stated his support for the growth boundary expansion.

Councilor Chase discussed Metro's role in responsible growth management and noted the importance of missing middle housing. He encouraged staff to work closely with the jurisdictions on condition A.2 to comply with the intent of the condition.

Council President Hughes explained that the growth boundary expansion was a modest expansion to address the region's increasing growth and affordable housing needs. He spoke to the cities' commitment to provide a variety of housing types in the expansion areas and emphasized the importance of providing transit in order to achieve livability. Council President Hughes stated his support for the ordinance. Councilor Dominguez also stated her support for the expansion.

A motion was made by Councilor Harrington, seconded by Councilor Craddick, that this item be adopted. The motion

passed by the following vote:

Aye: 7 - Council President Hughes, Councilor Chase, Councilor Dominguez, Councilor Craddick, Councilor Dirksen, Councilor Harrington, and Councilor Stacey

6. Chief Operating Officer Communication

Ms. Martha Bennett introduced a resolution in Council President Hughes and Councilors Harrington and Dominguez honor, thanking them for their service, leadership, and many contributions to the region. The Metro Council recognized Council President Hughes and Councilors Harrington and Dominguez and shared expressed appreciation for their work.

7. Councilor Communication

Councilor President Hughes announced that the new Metro Council inauguration would take place on January 7, 2019 at Portland 5 at 4:00 p.m.

8 Adjourn

There being no further business, Council President Hughes adjourned the Metro Council meeting at 5:42 p.m. The Metro Council will convene the next regular council meeting on January 10, 2019 at 2:00 p.m. at the Metro Regional Center in the council chamber.

Respectfully submitted,



Sara Farrokhzadian, Legislative and Engagement
Coordinator

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF DECEMBER 13, 2018

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT No.
3.5	Minutes	12/13/18	Council Meeting Minutes for December 6, 2018	121318c-01
4.2	Handout	12/13/18	Chart on Visitor Facilities Trust Account	121318c-02
4.4	PowerPoint	12/13/18	Moss Adams Audit Results	121318c-03
4.4	Report	12/13/18	Popular Annual Financial Report	121318c-04
5.2.1	Photos	12/13/18	Photos submitted by Dan Brenner	121318c-05