



Oregon

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May 7, 2015

TO: Land Conservation and Development Commission

FROM: Jim Rue, Director
Ali Turiel, Land Use and Transportation Planner

SUBJECT: **Agenda Item 5, May 20-21, 2015, LCDC Meeting**

METRO CLIMATE SMART COMMUNITIES SCENARIO PLANNING

I. AGENDA ITEM SUMMARY

The Land Conservation and Development Commission (LCDC or commission) will review the land use and transportation scenario adopted by the Portland metropolitan service district (Metro) as a result of the Climate Smart Communities (CSC) project. This scenario was adopted to comply with state-adopted targets for reducing greenhouse gas emissions in Oregon Administrative Rules (OAR) chapter 660, division 044. This review is “in the manner for periodic review” in accordance with OAR 660-044-0050.

The Department of Land Conservation and Development (DLCD or department) recommends approval based on the findings of compliance in attachments A and B. No objections have been received, and the deadline for objections expired on March 6, 2015. Because this review is in the manner of periodic review, testimony is limited to the applicant (Metro), objectors (none), and affected local governments. The department recommends discussion at the meeting focus on next steps to implement the CSC strategy ([see Section V](#)).

Metro Councilors Collette and Dirksen will present Climate Smart Communities, along with Metro staff Tom Kloster (Regional Planning Manager) and Kim Ellis (Principal Transportation Planner). Metro has also invited the Oregon Department of Transportation to participate, represented by Amanda Pietz (Planning Unit Manager).

For additional information about this report please contact Ali Turiel, Land Use and Transportation Planner at 503.934.0064; ali.turiel@state.or.us.

II. **RECOMMENDED ACTION**

The department has reviewed Metro's adoption package and recommends approval of Metro Ordinance No. 14-1346B because the ordinance complies with applicable statewide planning goals and law, including OAR 660-044-0020 through 660-044-0045.

The department further recommends the commission and Metro discuss how Climate Smart Communities will be implemented through locally tailored actions. Key implementation issues identified in Metro's adoption package include:

1. Funding for public transit and active transportation;
2. Parking management and pricing, including parking programs; and
3. Incorporation of greenhouse gas (GHG) reduction performance measures and targets in future regional transportation plan (RTP) updates.

Metro will present on how the region is moving forward, and how the commission can support state level funding for transportation and local planning. Metro may also comment on target rulemaking (Item 6).

As part of its dialogue with Metro, the commission may wish to identify any issues Metro should consider as it implements the adopted Climate Smart Communities strategy and designs its GHG performance monitoring and reporting system.

III. **BACKGROUND**

A. **Legislation and Rules**

In 2007 the state established a statewide goal to reduce GHG emissions to 75 percent below 1990 levels by 2050. GHG reduction scenario planning by the Portland metropolitan area is part of a broader effort by the state, in cooperation with metropolitan areas, to evaluate changes to land use and transportation plans that will significantly reduce GHG emissions from light vehicle travel over the planning period.

House Bill (HB) 2001, adopted by the 2009 Legislature, required Metro in conjunction with local governments in the Portland metropolitan area to prepare and cooperatively select a preferred land use and transportation scenario for achieving prescribed GHG emission reductions. The process for development, evaluation, approval and implementation of a preferred scenario is guided by OAR chapter 660 division 044, adopted by the commission in November 2012.¹ The commission is responsible for reviewing Metro's adopted scenario. Once the scenario is approved by the commission, Metro and area local governments are required to amend regional and local plans as needed to carry it out.

OAR 660-044-0020 establishes the purpose of GHG reduction targets:

Greenhouse Gas Emissions Reduction Target for the Portland Metropolitan Area

(1) Purpose and effect of targets

¹http://arcweb.sos.state.or.us/pages/rules/oars_600/oar_660/660_044.html

- (a) *Metro shall use the greenhouse gas emissions reduction targets set forth in section (3) of this rule as it develops two or more alternative land use and transportation scenarios that accommodate planned population and employment growth while achieving a reduction in greenhouse gas emissions from light vehicle travel in the metropolitan area as required by section 37 (6), chapter 865, Oregon Laws 2009.*
- (2) *This rule applies to the Portland metropolitan area.*
- (3) *The greenhouse gas emissions reduction target, as set forth in OAR 660 044 0005(6), for the Portland metropolitan area is a 20 percent reduction per capita in greenhouse gas emissions in the year 2035 below year 2005 emissions levels.*
- (4) *The greenhouse gas emissions reduction target in section (3) of this rule identifies the level of greenhouse gas emissions reduction to be met through land use and transportation scenario planning consistent with baseline assumptions and guidance in OAR 660 044 0010(2)(b)(A) to (C), including reductions expected to result from actions and programs identified in the Statewide Transportation Strategy.*

B. Commission's Role

HB 2001 assigns the commission responsibilities related to scenario planning for the Portland metropolitan area. The key steps in selecting, adopting and implementing a preferred scenario and the commission's role in each step are summarized below.

Target rules: HB 2001 and Senate Bill 1059 (2010) directed the commission to set greenhouse gas (GHG) reduction targets to guide metropolitan areas as they conduct scenario planning. In 2011, the commission adopted GHG reduction targets for the state's metropolitan areas, including the Portland metropolitan area. (OAR chapter 660 division 044) Targets represent the reduction in GHG emissions from light vehicle travel that each metropolitan area is to achieve through scenario planning efforts, setting the per capita reduction to be achieved by 2035. The adopted target calls for the Portland metropolitan area to achieve a 20 percent reduction in light vehicle emissions per capita below 2005 levels. (OAR 660-044-0020(3))

Review of Metro's adopted scenario: HB 2001 charges the commission with reviewing Metro's preferred land use and transportation scenario. The commission is to review the preferred scenario "in the manner for periodic review." In November 2012, the commission adopted rules to guide Metro's evaluation, selection and implementation of a preferred land use and transportation scenario. The rule requires Metro to adopt the preferred scenario by December 2014. The rule also identifies factors that Metro is to consider as it develops alternatives.

Review of changes to Metro functional plans to implement the preferred scenario: Within one year of the commission's approval of its adopted scenario, Metro is required to adopt implementing amendments to regional functional plans, including requirements guiding changes to local comprehensive plans and transportation system plans if needed. (OAR 660-

044-0045) The commission is responsible for review of any new or amended functional plans.

Reviewing Metro's progress in implementing the preferred scenario: Metro is required to adopt performance measures to track implementation of the preferred scenario, and report its progress to the commission. In the future, the commission will review these reports and either determine that Metro is making satisfactory progress or provide guidance for corrective action. (OAR 660-044-0060)

C. Commission's Review

"Scenario planning" and Metro's development and adoption of a "preferred land use and transportation scenario" is a somewhat different approach to the state's well-established comprehensive planning process. The requirements for development of a "preferred land use and transportation scenario" are set forth in OAR 660-044-0040 and require:

1. A land use and transportation growth concept text and map showing land use design types;
2. A description of planning assumptions upon which the preferred scenario relies;
3. Policies and strategies intended to achieve target reductions in greenhouse gas emissions; and
4. Performance measures and targets to monitor and guide implementation of the preferred scenario.

The commission's review is governed by OAR 660-044-0050:

Commission Review of Regional Plans

- (1) The commission shall review Metro's framework plan amendments adopting a preferred land use and transportation scenario and amendments to functional plans to implement the framework plan amendments in the manner provided for periodic review under ORS 197.628 to 197.650.*
- (2) The commission's review of framework plan amendments adopting a preferred land use and transportation scenario shall determine whether the preferred scenario can reasonably be expected to achieve greenhouse gas emission reductions as set forth in the targets in OAR 660-044-0020, other requirements of this division, and any applicable statewide planning goals.*
- (3) The commission's review of amendments to functional plans shall determine whether the adopted functional plans are consistent with and adequate to carry out relevant portions of the framework plan amendments.*
- (4) The commission may conduct review of Metro's framework plan amendments adopting a preferred scenario in conjunction with review of a UGB update or an update to the regional transportation system plan.*

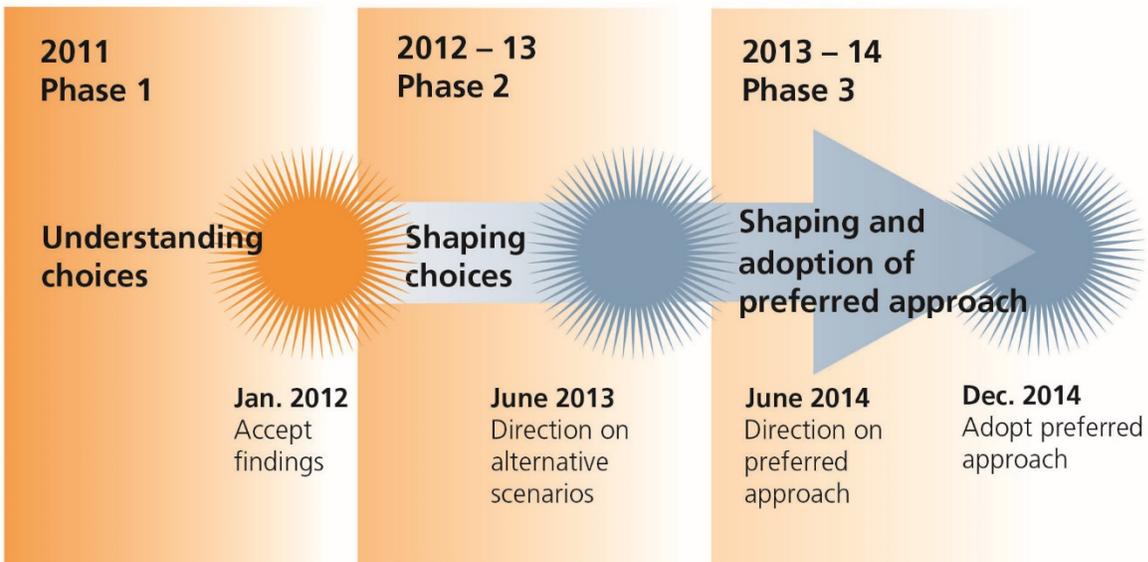
OAR 660-044-0050(1) and (2) are applicable to Metro’s adoption of Ordinance No. 14-1346B, which includes the climate smart strategy, amendments to the regional framework plan, a toolbox of possible actions, shortlist of climate actions for 2015-2016, and performance monitoring system. (Attachments G – J, record pp. 7 - 134) The standard of review is “whether the preferred scenario can reasonably be expected to achieve greenhouse gas emission reductions as set forth in the targets in OAR 660-044-0020” (i.e., 20 percent per capita GHG reduction by 2035).

While the adopted framework plan amendments describe next steps in Metro’s Climate Smart Communities strategy, OAR 660-044-0050(3) pertaining to functional plan review does not apply since no functional plan amendments were made. Likewise, OAR 660-044-0050(4) pertaining to framework plan amendments in conjunction with other plan updates does not apply at this time.

D. Metro Climate Smart Communities Project

In December 2014 Metro completed the final phase of a three phase process to develop and cooperatively select a preferred land use and transportation scenario in accordance with OAR Chapter 660-044.²

Climate Smart Communities Scenarios Project timeline



The first phase began in 2011 and concluded in 2012. As part of the first phase, Metro staff researched strategies to reduce emissions in communities across the nation and around the world. This work resulted in a toolbox describing a range of potential strategies, their effectiveness in

² Additional information about Metro’s Climate Smart Communities Scenarios project is available on Metro’s website at www.oregonmetro.gov/climatescenarios; <http://www.oregonmetro.gov/public-projects/climate-smart-communities-scenarios>.

reducing emissions and other benefits they could bring to the region. Metro tested a broad range of strategies to identify the policies and actions most likely to be effective in reducing emissions. This work helped Metro area stakeholders understand what it might take to meet the state greenhouse gas emissions reduction target.

Metro found that most of the strategies identified are already being implemented to varying degrees across the region as communities implement the *2040 Growth Concept*³ and work to realize other important economic, social and environmental goals. Examples include providing schools, services and shopping near where people live, improving transit service, building new street connections, using technology to manage traffic flow, facilitating electric car infrastructure and providing safer routes for walking and biking.

The second phase began in 2012 and concluded in October 2013. In this phase, Metro worked with local government officials, community and business leaders, and the Metro Council to shape three approaches – Scenarios A, B and C, with Scenario A serving as the “reference case.” Locally-adopted land use and transportation plans across the region were foundational for each scenario. The results of the analyses were released in November 2013. Metro’s analysis indicated that adopted local and regional plans, which are consistent with the *2040 Growth Concept*, can meet the region’s target for reducing greenhouse gas emissions with one important caveat. The region must find a way to fund the investments and take the actions needed to implement those plans.

The third phase, which began in November 2013, focused on developing a preferred scenario and determining how best to implement it. Based on evaluation of Phase 2 scenarios, which included extensive public outreach, Metro identified key elements for consideration by regional policy makers. Metro held two joint regional policy advisory committee workshops in April and May 2014. The briefing materials prepared for those sessions, “Shaping the Preferred Approach: Policy Makers Discussion Guide,” is found in the record on pp. 7706 - 7775. Following the workshops the Metropolitan Policy Advisory Committee (MPAC) and the Joint Policy Advisory Committee on Transportation (JPACT) unanimously recommended a preferred scenario to Metro Council, which informed the adopted climate smart communities strategy. (Record pp. 7-48)

In June 2014 the Metro Council directed staff to test the draft preferred scenario. Staff completed the evaluation in August and determined the preferred scenario achieves a 29 percent reduction in per capita greenhouse gas emissions – nine percent more than the minimum called for by the target rule – if modeled inputs and assumptions are implemented region wide. The scenario builds on *2040 Growth Concept* based local and regional plans, relying on assumptions made in the 2014 regional transportation plan and statewide transportation strategy about funding and programs that will be in place to support adopted land use plans. (Record pp. 173-174, 563-564)

A new framework plan chapter 2 (Transportation), goal 11, and ten objectives set the stage for future implementation of the CSC strategy. (Record pp. 49-92) The strategy also includes: (1) a toolbox of possible early actions (2015-2020) the state of Oregon, Metro, local governments, Tri-Met, the South Metro Area Rapid Transit (SMART) District and the Port of Portland could collaboratively pursue (Record pp. 93-105); (2) a performance monitoring approach (Record pp.

³ <http://www.oregonmetro.gov/2040-growth-concept>

119-125); and (3) a shortlist of climate actions for 2015-2016 (Record pp. 133-134). (Attachments G – J)

A 45-day public comment period on the preferred scenario was held between September 15 and October 30, 2014. The public review period provided an opportunity to refine the actions needed to support implementation. The preferred scenario was discussed at a third joint MPAC/JPACT meeting held on November 7, 2014 – approximately a month before final MPAC/JPACT recommendations were transmitted to Metro council for final action on December 18, 2014. (Ordinance No. 14-1346B, Record pp. 1 – 6)

Metro submitted its notice of a complete periodic review work task to the department on February 13, 2015. The 21-day objection deadline expired on March 6, 2015 with no objections received. The department referred the matter to the commission for review at its May 2015 meeting, which is prior to the last day to refer the matter to LCDC on July 6, 2015.

IV. DEPARTMENT ANALYSIS

The target rule gives Metro broad discretion to decide on the combination of actions and programs that make up the “preferred land use and transportation scenario,” subject to OAR 660-044-0040 requirements, to show:

1. That the actions and programs included in the adopted scenario can achieve the 20% reduction target; and
2. How the actions and programs called for in the adopted scenario will be implemented through subsequent planning actions, including amendments to functional plans and local comprehensive plans.

Metro has fully complied with applicable portions of OAR chapter 660 division 044. Attachment A is an overview of OAR chapter 660 division 044 criteria with columns showing whether the submittal complies, does not comply, or the criterion is not applicable. Attachment B contains detailed findings addressing the criteria.

V. Next Steps

Metro’s next steps are defined by the administrative rules listed below (see attachment A) and in part by specific decisions within the adopted scenario:

1. OAR 660-044-0045 “Adoption of Regional Plans to Implement the Preferred Scenario”
2. OAR 660-044-0055 “Adoption of Local Plans to Implement the Preferred Scenario”
3. OAR 660-044-0060 “Monitoring”

Their next steps fall into two broad categories:

1. Rollout of the preferred scenario from the framework plan into Metro’s functional plans and local plans; and
2. Monitoring implementation and performance

A. Rollout

OAR 660-044-0045 requires Metro to amend regional functional plans to implement framework plan amendments within one year of the framework plan amendments. In addition, the Metro charter section (5)(2) Regional Framework Plan directs Metro to adopt requirements for local government compliance “with the regional framework plan within two years of compliance acknowledgment.” Metro anticipates that rollout into functional plan amendments will primarily occur during preparation of the 2018 Regional Transportation Plan (see findings and staff report to Ordinance No. 14-1346B; Record pp. 144 – 149, p. 169). Local compliance will mainly be through local amendments to zoning codes and transportation system plans adopted within two years of applicable functional plan amendments.

It is not yet clear, however, to what extent future functional plan amendments (and subsequent local plan amendments) will be needed because the existing *2040 Growth Concept* was used to distribute household and employment growth for scenario analysis, and it was found to be sufficient to achieve the GHG reduction target.

However, aside from the *2040 Growth Concept*, Metro is still required to “include *other provisions* needed to implement the amended framework plan” (OAR 660-044-0045(3)(c)). For example, *other provisions* could address transportation demand management, parking management or intelligent transportation systems. Some of these *other provisions* could be challenging because they involve areas outside of Metro’s authority in land use and transportation planning. For example, Metro has the authority and has required local governments to establish minimum and maximum parking standards. Metro does not, however, have authority to require employers to “decouple” free employee parking from job benefits packages.⁴

Independent of the rollout through Metro’s regional transportation functional plan (RTFP), local governments in the region will be required to demonstrate consistency with the Climate Smart Communities strategy if they amend their comprehensive or transportation system plans after December 2015. This is directly required by OAR 660-044-0055(2).

B. Monitoring

Metro is required to monitor and report on implementation by OAR 660-044-0060 (see Attachment A). This monitoring will include local plan amendments and outcomes of performance measurement.

Metro has committed to integrating monitoring of the CSC strategy into the upcoming Regional Transportation Plan (RTP) and implementing RTFP (Record pp. 5-6, 98, 100-104). The staff report for Ordinance No. 14-1346B explains:

⁴ Regional Transportation Functional Plan sections 3.08.230 and 3.08.410A. “Decoupled parking” refers to monetizing the value of parking provided to employees by their employer. For example, an employer might charge a fee for monthly parking while providing employees a stipend that can be used to pay for the parking, to pay for a transit pass, or kept by the employee.

The Climate Smart Strategy includes a Performance Monitoring Approach set forth in Exhibit D to Ordinance No. 14-1346B. The Performance Monitoring Approach provides specific measures, baselines, and targets for use in determining how progress on implementing the key policy areas of the Climate Smart Strategy will be monitored going forward. Exhibit D consists of a table that identifies each of the key policy areas that constitute the adopted Climate Smart Strategy, with corresponding performance measures and performance monitoring targets for each of the individual measures. These performance monitoring measures and targets will be incorporated into the RTP as part of the next scheduled RTP update in 2018. The measures and targets will be reviewed before being incorporated into the RTP and may be refined at that time to address new information, such as federal MAP-21 requirements related to performance-based long-range transportation planning and recommendations from Metro's Equity Strategy. ... As part of developing the 2018 RTP update, Metro will adopt a methodology for tracking progress on each of the listed measures and will also apply that methodology to evaluate and report on progress regarding those performance measures as part of the 2018 RTP update. (record pp. 151-152)

The full Performance Monitoring Approach is found in Attachment J. Metro's overview is excerpted here:

ABOUT THE PERFORMANCE MEASURES: The performance measures identified for monitoring reflect a combination of existing and new performance measures, most of which are drawn from the Regional Transportation Plan and the Urban Growth Report to track existing land use and transportation policies. These and other performance measures are reflected in Chapter 7 of the Regional Framework Plan.

ABOUT THE PERFORMANCE MONITORING TARGETS: The 2035 performance monitoring targets are not policy targets, but rather reflect a combination of the planning assumptions used to evaluate the Climate Smart Strategy and outputs from the evaluation. The measures and performance monitoring targets will be reviewed before being incorporated into the Regional Transportation Plan as part of the next scheduled update and may be further refined at that time to address new information, such as MAP-21 performance-based planning provisions and recommendations from Metro's Equity Strategy.

ABOUT THE PROCESS FOR PERFORMANCE MONITORING: To monitor and assess implementation of the strategy, Metro will use observed data sources and existing regional performance monitoring and reporting processes to the extent possible, including regularly scheduled updates to the Regional Transportation Plan and Urban Growth Report, and reporting in response to Oregon Revised Statutes ORS 197.301 and ORS 197.296. When observed data is not available, data from regional models may be reported. If the assessment finds the region is deviating significantly from the Climate Smart Strategy performance monitoring target, then Metro will work with local, regional and state partners to consider the revision or replacement of policies, strategies and actions to ensure the region remains on track with meeting adopted targets for reducing greenhouse gas emissions. (record p. 121)

C. Conclusion

The target rule provides significant flexibility to Metro in identifying actions and programs needed to effectively reduce GHG emissions in the region. For example, the target rule directs Metro to amend the regional framework plan to include the preferred scenario in a manner that directs amendments to functional plans sufficient to implement the preferred scenario (e.g., the urban growth management functional plan and regional transportation system functional plan). These actions will be the primary focus of the next phase of Metro's Climate Smart Communities strategy.

VI. RECOMMENDED ACTION AND MOTION

The department recommends the commission approve Metro Ordinance No. 14-1346B.

Recommended Motion: I move to approve Metro Ordinance No. 14-1346B as complying with OAR 660-044-0040 based upon the findings in the staff report.

VII. ATTACHMENTS

Included in this document:

- A. [OAR Chapter 660-044 compliance matrix](#)
- B. [Findings](#)
- C. ["Climate Smart Strategy" overview](#) and [Metro 2040 Growth Concept map](#)

Available on the DLCD website:

- D. [Preferred scenario assumptions, December 2014 \(record pp. 173 - 174\)](#)
- E. [Ordinance No. 12-1292A, adopting household and employment projections through 2035 \(used in CSC, 2014 RTP and 2014 UGR analyses; record pp. 12686 - 12690\)](#)
- F. [Metro CSC land use districts for greenhouse gas modeling purposes](#)
- G. [Regional framework plan amendments, December 2014 \(record pp. 49 – 92\)](#)
- H. [Toolbox of Possible Actions \(2015-2020\), December 2014 \(record pp. 93 – 105\)](#)
- I. [Shortlist of climate smart actions for 2015 and 2016, December 2014 \(record pp. 133 – 134\)](#)
- J. [Performance Monitoring approach, December 2014 \(record pp. 119 – 125\)](#)

**Compliance Matrix:
OAR 660-044
Metro Climate Smart Communities**

RULE LANGUAGE	Complies	Does Not Comply	Not Applicable
660-044-0040 Cooperative Selection of a Preferred Scenario; Initial Adoption			
(1) Metro shall by December 31, 2014, amend the regional framework plan and the regional growth concept to select and incorporate a preferred land use and transportation scenario that meets targets in OAR 660-044-0020 consistent with the requirements of this division.	√		
(2) In preparing and selecting a preferred land use and transportation scenario Metro shall:	--		
(a) Consult with affected local governments, the Port of Portland, TriMet, and the Oregon Department of Transportation;	√		
(b) Consider adopted comprehensive plans and local aspirations for growth in developing and selecting a preferred land use and transportation scenario;	√		
(c) Use assumptions about population, housing and employment growth consistent with the coordinated population and employment projections for the metropolitan area for the planning period;	√		
(d) Use evaluation methods and analysis tools for estimating greenhouse gas emissions that are: (A) Consistent with the provisions of this division; (B) Reflect best available information and practices; and (C) Coordinated with the Oregon Department of Transportation.	√		
(e) Make assumptions about state and federal policies and programs expected to be in effect in over the planning period, including the Statewide Transportation Strategy, in coordination with the responsible state agencies;	√		
(f) Evaluate a reference case scenario that reflects implementation of existing adopted comprehensive plans and transportation plans;	√		
(g) Evaluate at least two alternative land use and transportation scenarios for meeting greenhouse gas reduction targets and identify types of amendments to comprehensive plans and land use regulations likely to be necessary to implement each alternative scenario;	√		
(h) Develop and apply evaluation criteria that assess how alternative land use and transportation scenarios compare with the reference case in achieving important regional goals or outcomes;	√		
(i) If the preferred scenario relies on new investments or funding sources to achieve the target, evaluate the feasibility of the investments or funding sources including:	--		√
(A) A general estimate of the amount of additional funding needed;	√		
(B) Identification of potential/likely funding mechanisms for key actions, including local or regional funding mechanisms; and,	√		
(C) Coordination of estimates of potential state and federal funding sources with relevant state agencies (i.e. the Oregon Department of Transportation for transportation funding); and,	√		
(D) Consider effects of alternative scenarios on development and travel patterns in the surrounding area (i.e. whether proposed policies will cause change in development or	√		

**Compliance Matrix:
 OAR 660-044
 Metro Climate Smart Communities**

RULE LANGUAGE	Complies	Does Not Comply	Not Applicable
increased light vehicle travel between metropolitan area and surrounding communities compared to reference case).			
(3) The preferred land use and transportation scenario shall include:	--		
(a) A description of the land use and transportation growth concept providing for land use design types;	√		
(b) A concept map showing the land use design types;	√		
(c) Policies and strategies intended to achieve the target reductions in greenhouse gas emissions in OAR 660-044-0020;	√		
(d) planning assumptions upon which the preferred scenario relies including:	--		
(A) Assumptions about state and federal policies and programs;	√		
(B) Assumptions about vehicle technology, fleet or fuels, if those are different than those provided in OAR 660-044-0010;	√		
(C) Assumptions or estimates of expected housing and employment growth by jurisdiction and land use design type; and	√		
(D) Assumptions about proposed regional programs or actions other than those that set requirements for city and county comprehensive plans and land use regulations, such as investments and incentives;	√		
(e) Performance measures and targets to monitor and guide implementation of the preferred scenario. Performance measures and targets shall be related to key elements, actions and expected outcomes from the preferred scenario. The performance measures shall include performance measures adopted to meet requirements of OAR 660-012-0035(5); and	√		
(f) Recommendations for state or federal policies or actions to support the preferred scenario.	√		
(4) When amending the regional framework plan, Metro shall adopt findings demonstrating that implementation of the preferred land use and transportation scenario meets the requirements of this division and can reasonably be expected to achieve the greenhouse gas emission reductions as set forth in the target in OAR 660-044-0020. Metro's findings shall:	--		
(a) Demonstrate Metro's process for cooperative selection of a preferred alternative meets the requirements in subsections (2)(a)-(j);	√		
(b) Explain how the expected pattern of land use development in combination with land use and transportation policies, programs, actions set forth in the preferred scenario will result in levels of greenhouse gas emissions from light vehicle travel that achieve the target in OAR 660-044-0020;	√		
(c) Explain how the framework plan amendments are consistent with and adequate to carry out the preferred scenario, and are consistent with other provisions of the Regional Framework Plan; and,	√		
(d) Explain how the preferred scenario is or will be made consistent with other applicable statewide planning goals or rules.	√		
(5) Guidance on evaluation criteria and performance measures.	--		√

**Compliance Matrix:
OAR 660-044
Metro Climate Smart Communities**

RULE LANGUAGE	Complies	Does Not Comply	Not Applicable
<p>(a) The purpose of evaluation criteria referred to in subsection (2)(h) is to encourage Metro to select a preferred scenario that achieves greenhouse gas emissions reductions in a way that maximizes attainment of other community goals and benefits. This rule does not require the use of specific evaluation criteria. The following are examples of categories of evaluation criteria that Metro might use:</p> <ul style="list-style-type: none"> (A) Public health; (B) Air quality; (C) Household spending on energy or transportation; (D) Implementation costs; (E) Economic development; (F) Access to parks and open space; and, (G) Equity 			√
<p>(b) The purpose of performance measures and targets referred to in subsection (3)(e) is to enable Metro and area local governments to monitor and assess whether key elements or actions that make up the preferred scenario are being implemented, and whether the preferred scenario is achieving the expected outcomes. This rule does not establish or require use of particular performance measures or targets. The following are examples of types of performance measures that Metro might establish:</p> <ul style="list-style-type: none"> (A) Transit service revenue hours; (B) Mode share; (C) People per acre by 2040 Growth Concept design type; (D) Percent of workforce participating in employee commute options programs; and (E) Percent of households and jobs within one-quarter mile of transit. 			√
<p>660-044-0045 Adoption of Regional Plans to Implement the Preferred Scenario</p>			
<p>1) Within one year of the commission’s order approving Metro’s amendments to the regional framework plan to select and incorporate a preferred land use and transportation scenario, Metro shall adopt regional functional plan amendments to implement the framework plan amendments.</p>			√
<p>(2) Functional plan amendments shall establish requirements, deadlines and compliance procedures for amendments to local comprehensive plans, transportation system plans and land use regulations as necessary to implement the framework plan amendments. The functional plan amendments shall require affected cities and counties to adopt implementing amendments to comprehensive plans and land use regulations within two years of acknowledgement of Metro’s functional plan amendments or by a later date specified in the adopted functional plan.</p>			√
<p>(3) Functional plan amendments shall include requirements that local governments amend local comprehensive plans, transportation system plans and land use regulations to:</p>	--		
<p>(a) Use population, housing and employment allocations to specific areas and land use design types that are consistent with estimates in the framework plan including assumptions about densities, infill, and redevelopment;</p>			√
<p>(b) Apply comprehensive plan designations and zoning districts that are consistent with land use design type, allowing uses and densities that are consistent with land use design type and limiting uses that would be incompatible with the design type specified in the preferred scenario; and</p>			√

**Compliance Matrix:
OAR 660-044
Metro Climate Smart Communities**

RULE LANGUAGE	Complies	Does Not Comply	Not Applicable
(c) Include other provisions needed to implement the amended framework plan.			√
(4) As part of its adoption of functional plan amendments under this rule, Metro shall adopt findings demonstrating that actions required by the functional plan amendments are consistent with and adequate to implement the relevant portions of the preferred land use and transportation scenario set forth in the adopted framework plan amendments. The findings shall demonstrate that assumptions or allocations of housing and employment growth to specific areas are consistent with the estimates or assumptions in the framework plan amendments. In the event Metro’s allocations or assumptions vary from those upon which the framework plan amendments are based, Metro shall demonstrate that the revised assumptions or allocations, in combination with other measures adopted as part of the functional plan will meet the GHG reduction target in OAR 660-044-0020.	--		
(5) Those portions of the preferred scenario in the framework plan that Metro chooses to implement by establishing requirements for city and county comprehensive plans and land use regulations shall be set forth in amendments to the functional plan. The amendments shall meet the following minimum planning standards:	--		
(a) For adoption of amendments to the regional framework plan, the Metro Council shall follow the process set forth in the Metro Charter;			√
(b) For adoption of amendments to the functional plan, the Metro Council shall follow the process set forth in the Metro Charter for adoption of ordinances;			√
(c) The Metro Council shall strive for flexibility when establishing new requirements for cities and counties, and shall consider offering optional compliance paths to cities and counties, such as adoption of a model ordinance developed by Metro;			√
(d) Metro shall make new requirements for cities and counties included in the functional plan amendments adopted under this rule enforceable by Metro pursuant to ORS 268.390(6).			√
(6) When it adopts an updated regional transportation system plan required by OAR chapter 660, division 12, Metro shall demonstrate that the updated plan is consistent with framework plan amendments adopting a preferred scenario as provided in 660-044-0040(3).			√
660-044-0050 Commission Review of Regional Plans			
(1) The commission shall review Metro’s framework plan amendments adopting a preferred land use and transportation scenario and amendments to functional plans to implement the framework plan amendments in the manner provided for periodic review under ORS 197.628 to 197.650.	√		
(2) The commission’s review of framework plan amendments adopting a preferred land use and transportation scenario shall determine whether the preferred scenario can reasonably be expected to achieve greenhouse gas emission reductions as set forth in the targets in OAR 660-044-0020, other requirements of this division, and any applicable statewide planning goals.	√		
(3) The commission’s review of amendments to functional plans shall determine whether the adopted functional plans are consistent with and adequate to carry out relevant portions of the framework plan amendments.			√

**Compliance Matrix:
OAR 660-044
Metro Climate Smart Communities**

RULE LANGUAGE	Complies	Does Not Comply	Not Applicable
(4) The commission may conduct review of Metro’s framework plan amendments adopting a preferred scenario in conjunction with review of a UGB update or an update to the regional transportation system plan.			√
660-044-0055 Adoption of Local Plans to Implement the Preferred Scenario			
(1) Local governments shall amend comprehensive plans, land use regulations, and transportation system plans to be consistent with and implement relevant portions of the preferred land use and transportation scenario as set forth in Metro’s functional plans or amendments. “Consistent” for the purpose of this section means city and county comprehensive plans and implementing ordinances, on the whole, conforms with the purposes of the performance standards in the functional plan and any failure to meet individual performance standard requirements is technical or minor in nature.			√
(2) Beginning one year from Metro’s adoption of a preferred scenario, local governments in the Portland metropolitan area shall, in adopting an amendment to a comprehensive plan or transportation system plan, other than a comprehensive plan or transportation system plan update or amendment to implement the preferred scenario, demonstrate that the proposed amendment is consistent with the preferred land use and transportation scenario.			√
660-044-0060 Monitoring			
(1) Metro shall as part of reports required by ORS 197.301 prepare a report monitoring progress in implementing the preferred scenario including status of performance measures and performance targets adopted as part of the preferred scenario.			√
(2) Metro’s report shall assess whether the region is making satisfactory progress in implementing the preferred scenario; identify reasons for lack of progress, and identify possible corrective actions to make satisfactory progress.			√
(3) The commission shall review the report and shall either find Metro is making satisfactory progress or provide recommendations for corrective actions to be considered or implemented by Metro prior to or as part of the next scheduled update of the preferred scenario.			√

A. Deadline

Criterion:

OAR 660-044-0040

Cooperative Selection of a Preferred Scenario; Initial Adoption

(1) Metro shall by December 31, 2014, amend the regional framework plan and the regional growth concept to select and incorporate a preferred land use and transportation scenario that meets targets in OAR 660-044-0020 consistent with the requirements of this division.

Findings of Fact: Metro scheduled Ordinance No. 14-1346 for first reading and an initial evidentiary hearing on October 30, 2014. Metro Council adopted Ordinance No. 14-1346B following the final evidentiary hearing on December 18, 2014.

Conclusion: This criterion is met.

B. Consultation

Criterion:

(2) In preparing and selecting a preferred land use and transportation scenario Metro shall:

(a) Consult with affected local governments, the Port of Portland, TriMet, and the Oregon Department of Transportation;

Findings: Metro's findings and record demonstrate extensive consultation with multiple parties and agencies. Metro's public involvement process included approximately 70 meetings over the four-year planning period. Summaries of comments, issues raised by the parties and how they were addressed in the preferred scenario were included in the adoption packet. (record pp. 179-473) Community conversations focused on the investments and actions needed to support subsequent implementation of the Climate Smart Communities (CSC) strategy following adoption of the preferred scenario in December 2014. Further, Metro coordinated with the following state agencies; ODOT, DLCD, ODOE and DEQ. Each agency participated in scenario analysis and review, including making agreements for funding or actions to support CSC as appropriate.

Conclusion: This criterion is met.

C. Local Plans

Criterion:

(2)(b) Consider adopted comprehensive plans and local aspirations for growth in developing and selecting a preferred land use and transportation scenario;

Findings: Metro and conforming local government land use and transportation plans were used as a basis for scenario review beginning with their reference case analysis (aka, scenario A). The region’s framework plan includes six “desired outcomes” (aspirations) that were considered based on climate smart communities policy factors identified early in the process. Of the region’s desired outcomes, four were specifically identified as linked to the CSC process: (1) Clean air and water; (2) Transportation choices; (3) Healthy and equitable communities; and (4) A strong regional economy.

Conclusion: This criterion is met.

D. Local Plans

Criterion:

(2)(c) Use assumptions about population, housing and employment growth consistent with the coordinated population and employment projections for the metropolitan area for the planning period;

Findings: Metro’s 2014 urban growth report, 2014 regional transportation plan (RTP) and adopted CSC strategy all relied on the coordinated household and employment growth projections to 2035 adopted through Ordinance No. 12-1292A. Supporting documentation describes how Metro geographically distributed household and employment growth for modeling purposes. (Attachment D and E; record pp. 12691 – 12692; pp. 13436 - 13441)

Conclusion: This criterion is met.

E. Local Plans

Criterion:

(2)(d) Use evaluation methods and analysis tools for estimating greenhouse gas emissions that are:

(A) Consistent with the provisions of this division;

(B) Reflect best available information and practices; and,

(C) Coordinated with the Oregon Department of Transportation.

Findings: At the time Metro began its GHG scenario modeling work ODOT’s statewide GreenSTEP model was the most advanced analysis tool available. (record p. 158) Metro’s findings reference phase one attachments that describe the GreenSTEP version used and adaptations that were made for regional use, including development of 12 land use design types for purposes of GreenSTEP modeling (Place Palette: Place Types in the Portland Metro Region). (record pp. 13397 – 13432, and 13442 - 13447) Metro’s documentation describes ongoing assistance provided by ODOT during the modeling process.

Conclusion: This criterion is met.

F. State and Federal Policies

Criterion:

(2)(e) Make assumptions about state and federal policies and programs expected to be in effect in over the planning period, including the Statewide Transportation Strategy, in coordination with the responsible state agencies

Findings: Metro followed target rule guidance regarding Statewide Transportation Strategy (STS) assumptions for 2035 as demonstrated in the summary table of modeling inputs included in the record and the description of technical inputs in the phase 1 technical report.¹ (Attachment D; record 173-174; pp. 563-564; pp.1232-1233). Their analyses also incorporated target rule based 2035 fleet, fuel and technology assumptions in the reference case scenario and in scenarios B and C. Those assumptions include significant actions by the State, including expansion of pay as you drive (PAYD) insurance, increased gas tax and establishment of a vehicle miles travelled (VMT) fee. In addition, the assumptions assume significant changes in personal travel behavior by people living and working in the region (e.g., eco-driving, carsharing, increased reliance on alternative modes such as walking, biking and transit).

Conclusion: This criterion is met.

G. Reference Case and Alternative Scenarios

Criterion:

(2)(f) Evaluate a reference case scenario that reflects implementation of existing adopted comprehensive plans and transportation plans;

(2)(g) Evaluate at least two alternative land use and transportation scenarios for meeting greenhouse gas reduction targets and identify types of amendments to comprehensive plans and land use regulations likely to be necessary to implement each alternative scenario;

Findings: Metro relied on the GreenSTEP model to compare alternative land use and transportation scenarios – beginning with 144 iterations in 2012 and narrowing the analysis to three alternatives by early 2014. Ultimately, Metro produced a reference case (scenario A) and scenarios B and C alternatives. Since implementing existing plans shows the region can meet the 20 percent per capita GHG reduction target by 2035, Metro concluded that no amendments to comprehensive land use plans and regulations are likely to be necessary to implement the adopted scenario. (record p. 138) In

¹ Technical inputs were localized using regional data, where possible. policy inputs for all fleet and technology inputs were defined in the State Agencies' Technical Report (March 1, 2011) and assumed for purposes of this analysis, to be consistent with the Metropolitan Greenhouse Gas Emissions Reduction Targets Rule (OAR 660-044) in May 2011. (record p. 13436)

addition, holding land use assumptions constant throughout the modeling process helped highlight how different scenarios were sensitive to other factors such as the level of transit, parking management and availability of state level programs such as pay as you drive insurance and establishment of a VMT based mileage fee.

Since scenarios A, B and C all assume implementation of adopted land use and transportation plans, the primary difference between them is the level of funding assumed available for implementation. For example, the reference case scenario assumes implementation within the limits of the “financially constrained” regional transportation plan (RTP), while scenarios B and C assume increasing levels of funding up to the “full RTP.” Metro’s findings provide a good summary of the difference between the financial assumptions of the financially constrained and full RTP:

The RTP contains two levels of investments to the components of the overall transportation system that reflect the adopted funding targets:

- 1. The Federal Priorities set of investments (also known as the “financially constrained” list) for which funding over the planning period is “reasonably anticipated to be available.” This set of investments serves as the basis for complying with federal law and air quality regulations.*
- 2. The RTP Investment Strategy (also known as the “state” or “full” RTP list) includes the Federal Priorities projects plus additional investments that the region is committed to funding if new or expanded revenue sources are secured. The region has deemed this list of investments as “reasonably likely to be funded” under state law. If these improvements are made, the system will support the region’s land use plans and improve system performance as much as feasible. This set of investments is the basis for findings of consistency with Statewide Planning Goal 12, the Transportation Planning Rule and the Oregon Transportation Plan and its components. (record pp. 139-140)*

Conclusion: This criterion is met.

H. Evaluation Criteria

Criterion:

(2)(h) Develop and apply evaluation criteria that assess how alternative land use and transportation scenarios compare with the reference case in achieving important regional goals or outcomes;

(5)(a) The purpose of evaluation criteria referred to in subsection (2)(h) is to encourage Metro to select a preferred scenario that achieves greenhouse gas emissions reductions in a way that maximizes attainment of other community goals and benefits. This rule does not require the use of specific evaluation criteria. The following are examples of categories of evaluation criteria that Metro might use:

- (A) Public health;*
- (B) Air quality;*

- (C) Household spending on energy or transportation;*
- (D) Implementation costs;*
- (E) Economic development;*
- (F) Access to parks and open space; and,*
- (G) Equity*

Findings: Six CSC policy bundles were identified in developing the scenarios: (1) Make transit convenient, frequent, accessible and affordable; (2) Make biking and walking safe and convenient; (3) Make streets and highways safe, reliable and connected; (4) Use technology to actively manage the transportation system; (5) Provide information and incentives to expand the use of travel options; and (6) Manage parking to make efficient use of land and parking spaces. These policy bundles functioned as the evaluation criteria subsets for comparison of scenarios B and C with the reference case scenario A.

Section (5) provides examples of evaluation criteria. It encourages achieving greenhouse gas emissions reductions “*in a way that maximizes attainment of other community goals and benefits.*” Metro identified numerous “co-benefits” of greenhouse gas reduction early in the evaluation process. Co-benefits were discussed in multiple meetings and public outreach documents. As part of the discussion Metro worked with the Oregon Health Authority to prepare a Health Impact Assessment (HIA) that demonstrated significant improvements in public health could be anticipated as a result of implementing the CSC strategy (record pp. 165 – 166, pp. 565 - 566, pp. 9347 - 9422). Some of the most important benefits are described in Metro’s CSC key results document (Attachment C).

Conclusion: This criterion is met.

I. Funding

Criterion:

(2)(i) If the preferred scenario relies on new investments or funding sources to achieve the target, evaluate the feasibility of the investments or funding sources including:

- (A) A general estimate of the amount of additional funding needed;*
- (B) Identification of potential/likely funding mechanisms for key actions, including local or regional funding mechanisms; and,*
- (C) Coordination of estimates of potential state and federal funding sources with relevant state agencies (i.e. the Oregon Department of Transportation for transportation funding); and,*
- (D) Consider effects of alternative scenarios on development and travel patterns in the surrounding area (i.e. whether proposed policies will cause change in development or increased light vehicle travel between metropolitan area and surrounding communities compared to reference case).*

Findings: Metro found (2)(i) does not apply to adoption of the Climate Smart Communities strategy. (record pp. 139) Because Metro uses the fully funded RTP to show compliance with the transportation planning rule, it also assumes that full RTP implementation is an existing commitment that does not require findings regarding new investment. (record pp. 139-140) While funding for the full RTP is not 100 percent committed, the RTP does identify existing funding sources. (record p. 166) Other sources of funding for active transportation, transit and the like fall within the assumptions of the fully funded RTP. (\$29 billion versus \$19 billion for the financially constrained RTP; record p. 139 and p. 166)

Metro concluded Subsections (2)(i)(A) and (B) do not apply since the adopted scenario is projected to cost \$24 billion over the next 25 years - \$5 billion less than the fully funded RTP, and \$5 billion more than the financially constrained RTP. Metro nevertheless included an analysis of what new funding might be needed to implement the scenario C strategy. The need for “new” funding was relatively minor at \$85 million through 2035 for expanded “*travel information and incentive programs.*” (record pp. 142-143) Subsection (2)(i)(C) is met through a showing of consultation with ODOT and the expectation of collaboration on future CSC project funding. (record pp. 136-137)

Metro found subsection (2)(i)(D) does not apply to adoption of the CSC strategy.² Since Metro found no land use changes will be needed to meet the 20 percent per capita GHG reduction target, the analysis called for by (2)(i)(D) was moot. According to Metro’s 2014 urban growth report (UGR) the region is expected to experience a slight decline in five-county employment capture from an average rate of 78 percent in 2015 to 75 percent by 2035. Employment capture assumptions are also factored into the regional travel model, which relied on the same household and employment projections as the CSC project. (record p. 136 and pp. 12686 - 12690)

On the whole, criteria (2)(a) through (i) are met because Metro identifies and considers these effects as part of its overall growth management program when making urban growth boundary (UGB) and transportation planning decisions.

Conclusion: This criterion is met.

J. Land Use Design Types

Criterion:

(3) The preferred land use and transportation scenario shall include:

(a) A description of the land use and transportation growth concept providing for land use design types;

(b) A concept map showing the land use design types;

² Because subsection (D) is listed under OAR 660-044-0040(i) it relates to “*new investments or funding sources to achieve the target,*” which Metro and the department found is not applicable to CSC. Department staff researched the history of the section and discovered that subsection (D) appears to be a formatting error since the criterion focuses on the “*effects of alternative scenarios on development and travel patterns in the surrounding area,*” which is unrelated to funding sources. This formatting error can be remedied if the target rule is updated.

Findings: Metro’s 2010 and 2014 urban growth reports and 2014 regional transportation plan analyses include land use and transportation descriptions and maps that fulfill these requirements. Metro relied on the adopted 2040 Growth Concept for the pattern of land use assumed throughout the CSC analysis process. (record pp. 12686 - 12690, and p. 13442) In order to use the growth concept map for land use, transportation and CSC modeling purposes, Metro translated the growth concept map to specific geographic levels. In the case of the CSC project, the growth concept map was represented through land use design type districts. (Attachment F) For the 2014 regional transportation plan the same land use pattern was translated to a more refined traffic analysis zone (TAZ) level for purposes of traffic modeling.

Because the 2040 Growth Concept is the basis for all of Metro’s geographic distributions of household and employment growth for regional planning activities, and ORS 195.036 assigns Metro regional responsibility to prepare, coordinate and update regional population projections, Metro’s CSC analysis is consistent with the requirements of OAR 660-044-0040.

Conclusion: This criterion is met.

K. Policies and Strategies

Criterion:

(3)(c) Policies and strategies intended to achieve the target reductions in greenhouse gas emissions in OAR 660-044-0020;

Findings: Metro has outlined a set of actions and programs in its amendments to the framework plan that – if implemented – can be expected to achieve at least the 20 percent per capita GHG reduction target. Many of the actions called for in the regional framework plan amendments are high-level strategies, including:

1. Full implementation of the Region 2040 Growth Concept, including continued redevelopment of centers and corridors;
2. More than doubling transit investment, consistent with the adopted Regional Transportation Plan (RTP);
3. Increased biking, walking and other active transportation options; and
4. Increased parking management measures (record pp. 145-149)

The CSC framework plan strategy is primarily contained in chapter 2 where a new “*Goal 11: Demonstrate Leadership on Reducing Greenhouse Gas Emissions*” was adopted. Objective 11.9 contains a list of actions Metro has committed to:

Objective 11.9 Metro Actions

Take actions to implement the regional strategy to meet adopted targets for reducing greenhouse gas emissions from light-duty vehicle travel, such as:

- i. Maintain and periodically update the Toolbox of Possible Actions and encourage local, state and federal governments and special districts to implement the toolbox actions in locally tailored ways.*
- ii. Work with local, state and federal governments, community and business leaders and organizations, and special districts to implement the strategy, including securing adequate funding for transportation and other investments needed to implement the strategy.*
- iii. Provide technical assistance, best practices and grant funding to local governments and other business and community partners to encourage and support implementation of the strategy.*
- iv. Report on the potential light-duty vehicle greenhouse gas emissions impacts of Metro's major land use and RTP policy and investment decisions to determine whether they help the region meet adopted targets for reducing greenhouse gas emissions.*
- v. Monitor and measure the progress of local and regional efforts to meet adopted targets for reducing greenhouse gas emissions from light-duty vehicle travel as described in Chapter 7 of the Regional Framework Plan, report the results to the region and state on a periodic basis, and guide the consideration of revision or replacement of the policies and actions, if performance so indicates, as part of regularly scheduled updates to the Regional Transportation Plan.*
(Attachment G; record pp. 78 – 79)

Conclusion: This criterion is met.

L. Planning Assumptions

Criterion:

(3)(d) Planning assumptions upon which the preferred scenario relies including:

(A) Assumptions about state and federal policies and programs;

(B) Assumptions about vehicle technology, fleet or fuels, if those are different than those provided in OAR 660-044-0010;

Findings: Metro's planning assumptions under (3)(d)(A), (B) and (C) are previously discussed in these findings. Metro's preferred scenario assumptions are summarized in the table included as Attachment D (record pp. 173-174) In its final GreenSTEP modeling Metro relied on assumptions about vehicle technology, fleet and fuels provided by OAR 660-044-0010 and thus subsection (d)(B) is not applicable. It is also important to note that while the preferred scenario assumes approximately 12,000 acres of

urban growth boundary expansion by 2035, this assumption was made solely for the purpose of allocating future growth for modeling purposes. As noted in Metro’s findings “*Any decisions considering the need for a UGB expansion will occur through the process provided for by ORS 197.295 et seq and OAR Chapter 660, Division 24.*” (record p. 144 and p. 164)

Conclusion: This criterion is met.

M. Growth Assumptions

Criterion:

(3)(d)(C) Assumptions or estimates of expected housing and employment growth by jurisdiction and land use design type; and

Department Findings: The 2040 Growth Concept provides the foundation for land use and transportation assumptions used in all of Metro’s future growth modeling (including the GreenSTEP model used for CSC, which defined land use design types as “districts” as shown in Attachment F). Metro describes how its household and employment allocations and land use designations were used in the CSC project in its findings for Ordinance No. 14-1346B. (record p. 143). Metro Ordinance No. 12-1292A established household and employment growth projections for the project. (record p. 136 and pp. 12,686 - 12,690) Per consultation with Metro staff on April 7, 2015, Ordinance No. 12-1292A adopted household and employment forecasts by jurisdiction and by traffic analysis zone (TAZ). (Attachment E) The regional transportation plan analysis applied 2040 design type designations to each TAZ, which were tied to future conditions modeling assumptions. The TAZ level analysis will also serve as the basis for CSC program monitoring.³

Conclusion: This criterion is met.

N. Regional Programs

Criterion:

(3)(d)(D) Assumptions about proposed regional programs or actions other than those that set requirements for city and county comprehensive plans and land use regulations, such as investments and incentives;

Findings: Metro relies on financial assumptions in the regional transportation plan to address “*regional programs or actions other than those that set requirements for city and county comprehensive plans and land use regulations, such as investments and incentives.*” Additional funding sources are not assumed (e.g., expanded urban renewal, federal Housing and Urban Development funds, private foundation

³ RTP Appendix 1.3 documents the 2040 design type designations for each TAZ. They were unchanged from 2035 to 2040. <http://www.oregonmetro.gov/regional-transportation-plan>

funds, new property or employment taxes). A positive early implementation action by Metro has been inclusion of greenhouse gas reduction in its evaluation criteria for local government applications for its cycle 4 community planning development grants (CPDG).⁴ The CPDG application materials ask applicants to “*Explain how the proposed project will identify and apply approaches most appropriate to local and regional conditions in reducing greenhouse gas emissions. Refer to Appendix A of this handbook for the list of actions included in the Climate Smart Strategy ordinance adopted by Metro Council in December 2014.*”

Conclusion: This criterion is met.

O. Performance Measures

Criterion:

(3)(e) Performance measures and targets to monitor and guide implementation of the preferred scenario. Performance measures and targets shall be related to key elements, actions and expected outcomes from the preferred scenario. The performance measures shall include performance measures adopted to meet requirements of OAR 660-012-0035(5); and

(3)(f) Recommendations for state or federal policies or actions to support the preferred scenario.

(5)(b) The purpose of performance measures and targets referred to in subsection (3)(e) is to enable Metro and area local governments to monitor and assess whether key elements or actions that make up the preferred scenario are being implemented, and whether the preferred scenario is achieving the expected outcomes. This rule does not establish or require use of particular performance measures or targets. The following are examples of types of performance measures that Metro might establish:

(A) Transit service revenue hours;

(B) Mode share;

(C) People per acre by 2040 Growth Concept design type;

(D) Percent of workforce participating in employee commute options programs; and

(E) Percent of households and jobs within one-quarter mile of transit.

Findings: As part of the adopted scenario, Metro is required to adopt performance measures and targets to guide implementation. The purpose of performance measures and targets is to enable Metro, the state, and local governments to monitor key actions – and to determine whether those actions are resulting in the desired outcomes. The performance monitoring and reporting approach is presented in tabular format. (Attachment J; record pp. 119-125) The approach primarily relies on existing regional performance monitoring and reporting (e.g., ORS 197.301 and ORS 197.296 reporting requirements),

⁴ <http://www.oregonmetro.gov/tools-partners/grants-and-resources/community-planning-and-development-grants>

combined with new measures designed to track the effect of GHG reduction strategies through future RTP updates.

The performance monitoring approach links CSC performance measures to each of the six CSC policy areas and other relevant policies identified in the regional framework plan (e.g., the statewide transportation strategy). Metro makes framework plan commitments to achieve high level outcomes while deferring some decisions about how progress will be tracked and reported to the next RTP update. Nevertheless, Metro has made itself accountable to achieve its desired outcomes through adoption of GHG reduction indexed performance measures.

Metro’s staff report for Ordinance No. 14-1346B explains:

“In addition to the amendments to RFP Chapter 7 discussed above, the Climate Smart Strategy includes a Performance Monitoring Approach set forth in Exhibit D to Ordinance No. 14-1346B. The Performance Monitoring Approach provides specific measures, baselines, and targets for use in determining how progress on implementing the key policy areas of the Climate Smart Strategy will be monitored going forward. Exhibit D consists of a table that identifies each of the key policy areas that constitute the adopted Climate Smart Strategy, with corresponding performance measures and performance monitoring targets for each of the individual measures. ... Performance measures and monitoring targets have been identified for all of the key assumptions included in the Climate Smart Strategy. Several of the measures listed in the Performance Monitoring Approach that are not related to key assumptions do not have specific performance monitoring targets, and instead include a notation that “a methodology for tracking progress will be developed in the 2018 update.” As part of developing the 2018 RTP update, Metro will adopt a methodology for tracking progress on each of the listed measures and will also apply that methodology to evaluate and report on progress regarding those performance measures as part of the 2018 RTP update.” (record pp. 151-152)

While some measures established in the adopted performance monitoring system will be delayed to development of the 2018 RTP and/or updates of other planning documents, Metro has adopted measures and targets for the key assumptions of the CSC preferred scenario as modeled using GreenSTEP. (Attachment D) For example, the share of households living in walkable, mixed-use areas are targeted to increase from 26 percent in 2010 to 37 percent by 2035. (Attachment J; record p. 121)

Coordinated implementation monitoring and reporting on progress meeting new CSC performance measures will likely begin after the 2018 RTP is adopted. In the meantime, Metro will continue its existing performance monitoring program, which includes regional transportation system functional plan requirements for cities and counties in section 3.08.230:⁵

⁵ Metro initially adopted regional transportation performance measures in 2010 through Ordinance No. 10-1241B, “For the Purpose of Amending the 2035 Regional Transportation Plan (Federal Component) and the 2004 Regional Transportation Plan to Comply With Federal and State Law; ... to Amend the Regional Transportation Functional Plan and Add it to the

- “D. Each city and county shall also include performance measures for safety, vehicle miles traveled per capita, freight reliability, congestion, and walking, bicycling and transit mode shares to evaluate and monitor performance of the TSP.
- E. To demonstrate progress toward achievement of performance targets in Tables 3.08-1 and 3.08-2 and to improve performance of state highways within its jurisdiction as much as feasible and avoid their further degradation, the city or county shall adopt the following:
1. Parking minimum and maximum ratios in Centers and Station Communities consistent with subsection 3.08.410A;
 2. Designs for street, transit, bicycle, freight and pedestrian systems consistent with Title 1;
 3. TSMO projects and strategies consistent with section 3.08.160; and
 4. Land use actions pursuant to OAR 660-012-0035(2).”

Subsection (5)(b) provides examples of performance measures. Several of the example performance measures were incorporated in Metro’s adopted performance monitoring system (e.g., transit service revenue hours, percent of workforce participating in employee commute options programs; Attachment J).

Conclusion: This criterion is met.

P. Performance Measures

Criterion:

(3)(f) Recommendations for state or federal policies or actions to support the preferred scenario.

Findings: Metro adopted Objective 11.10 “Partner Actions” that recommends that state and federal governments implement the *Toolbox of Possible Actions*.

Conclusion: This criterion is met.

Q. Metro Findings

Criterion:

Metro Code; To Amend the Regional Framework Plan; and To Amend the Urban Growth Management Functional Plan” The regional transportation functional plan (RTFP) states in Section 3.08.010; “...Metro and its regional partners will continue to develop a regional data collection and performance monitoring system to better understand the benefits and impacts of actions required by this functional plan relative to the RTP performance objectives. Local plan updates and amendments should rely on Metro data and tools or other locally-developed data and tools, when practical. Through performance evaluation and monitoring the region can be a responsible steward of public funds and be more accountable and transparent about local and regional planning and investment choices.” Metro’s adoption of additional CSC performance measures in the 2018 RTP and RTFP will continue the region’s commitment to transportation performance management.

(4) When amending the regional framework plan, Metro shall adopt findings demonstrating that implementation of the preferred land use and transportation scenario meets the requirements of this division and can reasonably be expected to achieve the greenhouse gas emission reductions as set forth in the target in OAR 660-044-0020. Metro’s findings shall:

(a) Demonstrate Metro’s process for cooperative selection of a preferred alternative meets the requirements in subsections (2)(a)-(j);

(b) Explain how the expected pattern of land use development in combination with land use and transportation policies, programs, actions set forth in the preferred scenario will result in levels of greenhouse gas emissions from light vehicle travel that achieve the target in OAR 660-044-0020;

(c) Explain how the framework plan amendments are consistent with and adequate to carry out the preferred scenario, and are consistent with other provisions of the Regional Framework Plan; and

Findings: Metro’s adopted findings describe how the CSC process meets target rule requirements for cooperative selection of a preferred alternative. (record pp. 135 – 137, p. 142) Metro explains how full implementation of the 2040 Growth Concept through adopted framework plan amendments will result in local land use and transportation plans that support reduction in greenhouse gas emissions sufficient to meet the target in OAR 660-044-0020. (record pp. 146 – 149) Metro’s findings conclude the adopted scenario meets target rule requirements because regional and local programs and actions carried out collaboratively by the region’s 25 governments will result in the desired GHG reduction outcome by 2035.

To the extent the framework plan anticipates a series of “locally-tailored” actions, preparation of the 2018 RTP with an updated RTFP as part of the package will be a key step in assuring local actions are “adequate to carry out the preferred scenario.” As noted previously, Metro’s new framework plan chapter 2, goal 11 describes Metro’s commitment to future action. Specifically, objective 11.9(iv.) and (v.) states:

Objective 11. 9 Metro Actions

Take actions to implement the regional strategy to meet adopted targets for reducing greenhouse gas emissions from light-duty vehicle travel, such as: ...

iv. Report on the potential light-duty vehicle greenhouse gas emissions impacts of Metro’s major land use and RTP policy and investment decisions to determine whether they help the region meet adopted targets for reducing greenhouse gas emissions.

v. Monitor and measure the progress of local and regional efforts to meet adopted targets for reducing greenhouse gas emissions from light-duty vehicle travel as described in Chapter 7 of the Regional Framework Plan, report the results to the region and state on a periodic basis, and guide the consideration of revision or replacement of the policies and actions, if performance so indicates, as part of regularly scheduled updates to the Regional Transportation Plan.

(Attachment G; record pp. 78 – 79)

Framework plan chapter 7 (Management) identifies eight new CSC related performance measures that will become part of Metro’s existing performance monitoring program, as well as measures specific to future RTP updates:

7.8.3 Measure performance for Chapters 1-6 of this Plan by using several different geographies, including by region, jurisdiction, 2040 design type and market area.

7.8.4 Include the following performance measures for Chapters 1-6 of this Plan:

- a. Vacant land conversion;*
- b. Housing development, density, rate and price;*
- c. Job creation;*
- d. Infill and redevelopment;*
- e. Environmentally sensitive lands;*
- f. Price of land;*
- g. Residential vacancy rates;*
- h. Access to open spaces;*
- i. Vehicle miles traveled;*
- j. Motor vehicle, bicycle and pedestrian fatal and serious injury crashes;*
- k. Transit revenue hours;*
- l. Transit affordability;*
- m. Transit ridership;*
- n. Access to transit;*
- o. Travel time and reliability in regional mobility corridors, including incident response clearance times;*
- p. Air quality, including PM 2.5 and ozone precursors.*

7.8.5 Direct these measures to be reported every two years.

7.8.6 In addition to the measures identified in 7.8.4, monitor the following performance measures as part of regularly scheduled updates to the Regional Transportation Plan to assess whether key strategies or actions that make up the regional strategy for reducing greenhouse gas emissions from light-duty vehicles are being implemented:

- a. Households living in walkable, mixed-use areas;*
- b. Light-duty vehicle greenhouse gas emissions;*
- c. Household transportation and housing cost burden;*
- d. Registered light-duty vehicles by fuel/energy source;*
- e. Workforce participation in employer-based commuter programs;*
- f. Household participation in individualized marketing programs;*

- g. Bicycle and pedestrian miles traveled;*
- h. Bikeways, sidewalks and trails completed;*
- i. Parking management.*

7.8.7 Take corrective actions if anticipated progress is found to be lacking or if Metro goals or policies need adjustment.

(record pp. 78 – 79; pp. 90 – 91; pp. 135 – 153)

Conclusion: This criterion is met.

R. Statewide Planning Goals

Criterion:

(4)(d) Explain how the preferred scenario is or will be made consistent with other applicable statewide planning goals or rules.

Findings: Metro found statewide planning goals 1 (Citizen Involvement), 2 (Land Use - Adequate Factual Base), 12 (Transportation), and 14 (Urbanization) applied to adoption of the CSC strategy, including amendments to the regional framework plan. Framework plan amendments include changes in chapter 1 Land Use, chapter 2 Transportation, and chapter 7 Management, which relate to Metro's cited statewide planning goals and the requirements of OAR Chapter 660-0044.

As described in this report and Metro's record, an exemplary community outreach process was incorporated in all three phases of Metro's CSC project. Community and elected official outreach culminated in unanimous recommendations for adoption of the preferred strategy and no appeals of Metro's final action from any parties to the proceedings. (record p. 135 and pp. 156-166)

Metro states CSC project outcomes will be achieved primarily through adjustments in Metro's existing transportation planning and performance monitoring system by incorporating adopted CSC strategies and applying framework plan policies to existing programs. (record pp. 143 – 146)

Regarding statewide planning goal 14, Metro finds that while the preferred scenario assumes approximately 12,000 acres of urban growth boundary expansion by 2035 that assumption was made solely for the purpose of allocating future growth for modeling purposes. As noted in Metro's findings "Any decisions considering the need for a UGB expansion will occur through the process provided for by ORS 197.295 et seq and OAR Chapter 660, Division 24." (record p. 144 and p. 164)

Conclusion: This criterion is met.

CLIMATE SMART STRATEGY



CLIMATE SMART STRATEGY

The Climate Smart Strategy responds to a state mandate to reduce per capita greenhouse gas emissions from cars and small trucks by 2035. After working together with community, business and elected leaders across the region for four years, the Metro Council adopted the strategy in December 2014 with broad support. Adoption of the strategy affirms the region's shared commitment to provide more transportation choices, keep our air clean, build healthy and equitable communities and grow our economy – all while reducing greenhouse gas emissions.

CLIMATE SMART STRATEGY POLICY AREAS

1. Implement adopted local and regional land use plans
2. Make transit convenient, frequent, accessible and affordable
3. Make biking and walking safe and convenient
4. Make streets and highways safe, reliable and connected
5. Use technology to actively manage the transportation system
6. Provide information and incentives to expand the use of travel options
7. Make efficient use of vehicle parking and land dedicated to parking
8. Support Oregon's transition to cleaner fuels and more fuel-efficient vehicles
9. Secure adequate funding for transportation investments
10. Demonstrate leadership on reducing greenhouse gas emissions

WHERE CAN I FIND MORE INFORMATION?

The Climate Smart Strategy and related publications and reports can be found at oregonmetro.gov/climatestrategy

For email updates, send a message to rtp@oregonmetro.gov

The Climate Smart Strategy is built around these ten policy areas to help the region reduce greenhouse gas emissions from cars and small trucks while making our transportation system safer, healthier and more reliable. The strategy also includes supporting actions that can be taken by the state, Metro, cities, counties and others in the next five years to begin implementation and performance targets for monitoring our progress.

WHAT ARE THE PUBLIC HEALTH AND ECONOMIC BENEFITS?

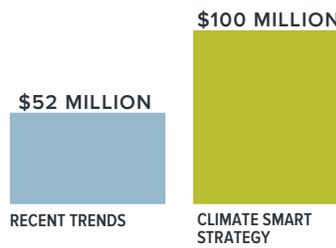
By 2035, the Climate Smart Strategy can help people live healthier lives and save businesses and households money through benefits like:

- Reduced air pollution and increased physical activity can help **reduce illness and save lives**.
- Reducing the number of miles driven results in **fewer traffic fatalities and severe injuries**.
- Less air pollution and run-off of vehicle fluids means **fewer environmental costs**. This helps save money that can be spent on other priorities.
- Spending less time in traffic and reduced delay on the system **saves businesses money, supports job creation**, and promotes the efficient movement of goods and a strong economy.
- **Households save money** by driving more fuel-efficient vehicles fewer miles and biking, walking and using transit more.
- Reducing the share of household expenditures for vehicle travel **helps household budgets** and allows people to spend money on other priorities; this is particularly important for households of modest means.



Our economy benefits from improved public health

ANNUAL HEALTHCARE COST SAVINGS FROM REDUCED ILLNESS BY 2035 (MILLIONS, 2010\$)

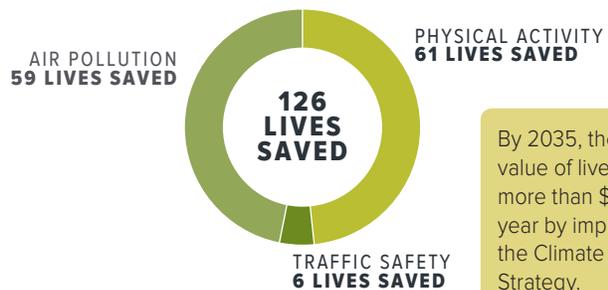


In 2010, our region spent \$5-6 billion on healthcare costs related to illness alone. By 2035, the region can save \$100 million per year by implementing the Climate Smart Strategy.



More physical activity and less air pollution

LIVES SAVED EACH YEAR BY 2035

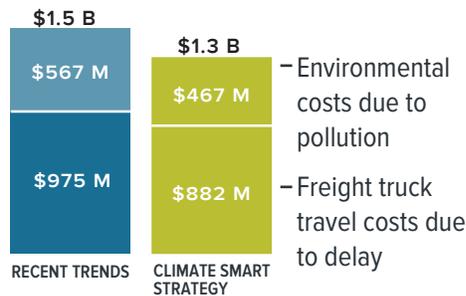


By 2035, the societal value of lives saved is more than \$1 billion per year by implementing the Climate Smart Strategy.



Our economy benefits from reduced emissions and delay

ANNUAL ENVIRONMENTAL AND FREIGHT TRUCK TRAVEL COSTS BY 2035 (MILLIONS, 2005\$)

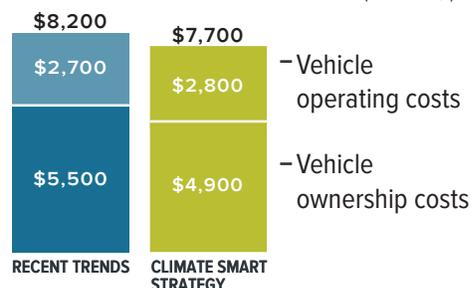


Cumulative savings calculated on an annual basis. The region can expect to save \$2.5 billion by 2035, compared to recent trends, by implementing the Climate Smart Strategy.



Household budgets benefit from reduced driving costs

AVERAGE ANNUAL HOUSEHOLD VEHICLE OWNERSHIP & OPERATING COSTS BY 2035 (2005\$)



By 2035, households in the region can expect to save more than \$400 million per year, compared to recent trends, by implementing the Climate Smart Strategy.



WHAT IS THE RETURN ON INVESTMENT?

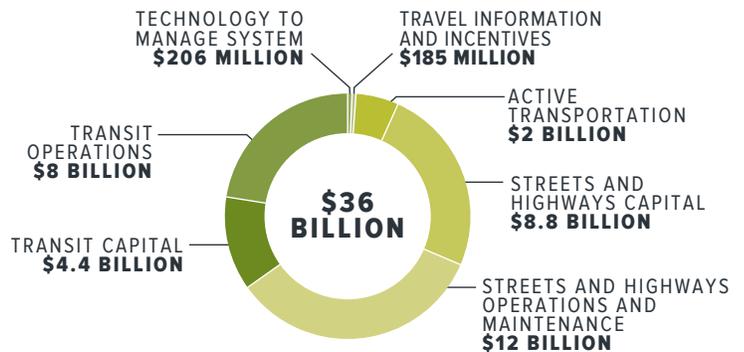
Local and regional plans and visions are supported. The Climate Smart Strategy reflects local and regional investment priorities adopted in the 2014 Regional Transportation Plan (RTP) to maintain our existing transportation system and address other transportation needs in the region. At \$36 billion over 25 years, the overall cost of the strategy is less than the full 2014 RTP (\$41 billion), but about \$5 billion more than the financially constrained 2014 RTP (\$31 billion).*

More transportation options are available. As shown in the chart to the right, investment levels assumed in the Climate Smart Strategy are similar to those in the adopted financially constrained 2014 RTP, with the exception of increased investment in transit capital and operations region-wide. Analysis shows the high potential of these investments to reduce greenhouse gas emissions while improving access to jobs and services and supporting other community goals.

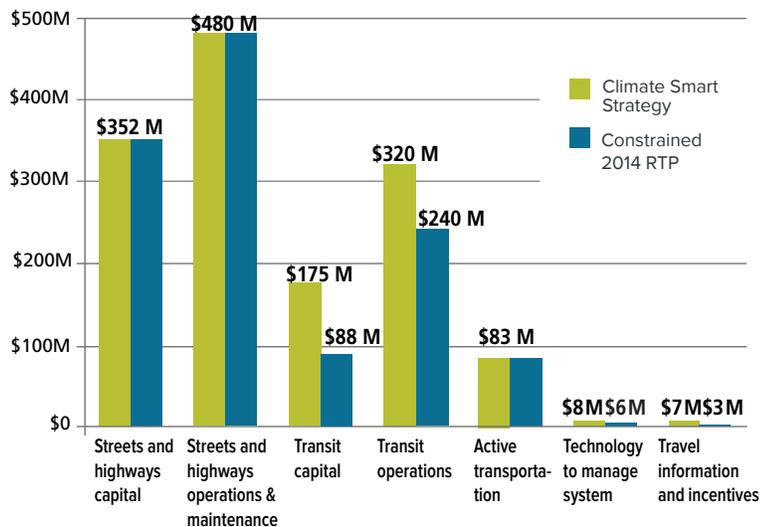
Households and businesses experience multiple benefits. The cost to implement the Climate Smart Strategy is estimated to be \$945 million per year, plus an estimated \$480 million per year needed to maintain and operate our street and highway system. While this is about \$630 million more than we currently spend as a region, analysis shows multiple benefits and a significant return on investment. In the long run, the strategy can help people live healthier lives and save households and businesses money.



Total estimated investment by 2035 (2014\$)



Annual cost of implementation through 2035 (millions, 2014\$)



* The financially constrained 2014 RTP refers to the priority investments that can be funded with existing and anticipated new revenues identified by federal, state and local governments. The full 2014 RTP refers to all of the investments that have been identified to meet current and future regional transportation needs in the region. It assumes additional funding beyond currently anticipated revenues.

About Metro

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy, and sustainable transportation and living choices for people and businesses in the region. Voters have asked Metro to help with the challenges and opportunities that affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to providing services, operating venues and making decisions about how the region grows. Metro works with communities to support a resilient economy, keep nature close by and respond to a changing climate. Together we're making a great place, now and for generations to come.

Metro Council President

Tom Hughes

Metro Council

Shirley Craddick, District 1
 Carlotta Collette, District 2
 Craig Dirksen, District 3
 Kathryn Harrington, District 4
 Sam Chase, District 5
 Bob Stacey, District 6

Auditor

Brian Evans



MOVING FORWARD

Adopted with broad support from local, regional and state partners, the Climate Smart Strategy is now under review by the Oregon Land Conservation and Development Commission for approval. If approved, the strategy will be implemented through ongoing local and regional efforts to build healthy and equitable communities and a strong economy.

February to May 2015 LCDC reviews and considers approval of Climate Smart Strategy

Throughout 2015 and 2016 Metro works with partners to implement short list of climate smart actions

May to Fall 2015 Metro works with partners to shape work plan and engagement process for the next required update to the Regional Transportation Plan (due in 2018) to further implement the Climate Smart Strategy and meet state and federal planning requirements

Fall 2015 Metro Council approves work plan and engagement process for the 2018 RTP update

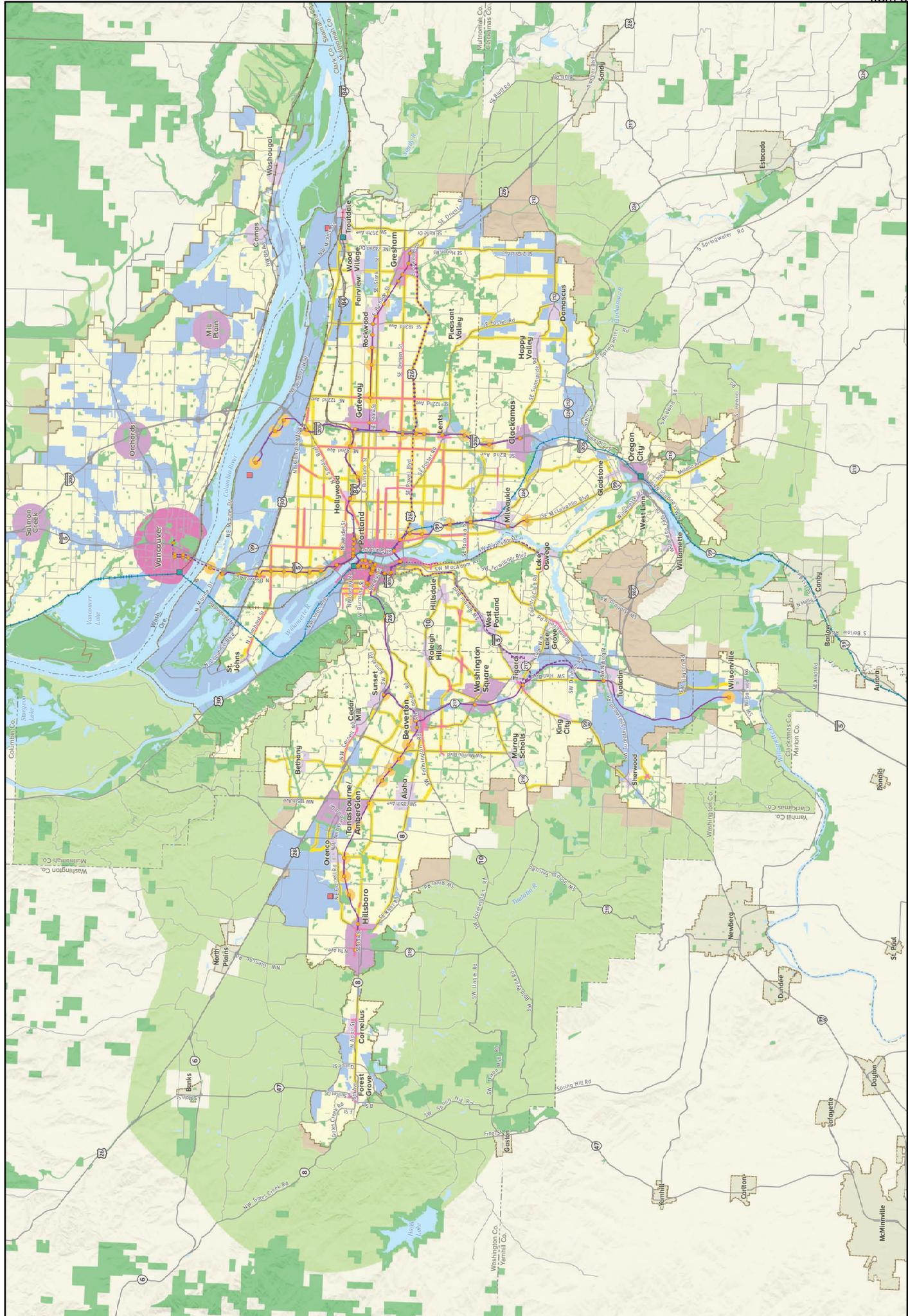
Fall 2015 to Late-2017 Metro works with partners to update the RTP

Mid-2018 JPACT and Metro Council consider adoption of 2018 RTP

SHORT LIST OF CLIMATE SMART ACTIONS FOR 2015 AND 2016

Adoption of the strategy also included broad support to pursue three actions in 2015 and 2016 to demonstrate the region's shared commitment to immediately begin implementing the strategy.

1. Advocate for increased transportation funding for all modes.
2. Advocate for federal and state actions that lead to cleaner, low carbon fuels and more fuel-efficient vehicles in Oregon.
3. Seek resources and technical assistance to advance community and regional demonstration projects that combine the most effective greenhouse gas emissions reduction strategies.



- Neighboring cities
- Airports
- Intercity rail terminal
- Existing high capacity transit
- Planned high capacity transit
- Proposed high capacity transit tier 1
- Mainline freight
- High speed rail
- County boundaries
- Employment land
- Parks and natural areas
- Neighborhood
- Rural reserve
- Urban reserve
- Urban growth boundaries
- Central city
- Regional center
- Town center
- Station communities
- Main streets
- Corridors

The map highlights elements of periodic planning efforts including the 2035 Regional Transportation Plan that outlines investments in multiple modes of transportation, and a commitment to local policies and investments that will help the region better accommodate growth within its centers, corridors and employment areas.

For more information on these initiatives, visit <http://www.oregon.gov/metro/pdp/2014>

The Metro 2040 Growth Concept defines the form of growth and land use patterns in the Portland metropolitan region. The Growth Concept was adopted in December 1995 through the Region 2040 planning and public involvement process. This concept is intended to provide long-term growth management of the region.

2040 Growth Concept Map

September 2014

0 2 4 miles

The information on this map was derived from digital databases of Metro, GIS, City and State data in the vicinity of the map. Metro cannot accept any responsibility for errors, omissions, or potential liability. There are no warranties, expressed or implied, including the warranty of merchantability or fitness for a particular purpose. Metro and its employees, agents, contractors, and consultants do not accept any liability for damages of any kind.