

A G E N D A

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METRO

Agenda

MEETING: METRO COUNCIL REGULAR MEETING
DATE: February 1, 2007
DAY: Thursday
TIME: 10:30 AM
PLACE: Metro Council Chamber

CALL TO ORDER AND ROLL CALL

1. INTRODUCTIONS

2. CITIZEN COMMUNICATIONS

3. COMMERCIAL BUILDING MATERIALS ON-LINE EXCHANGE UPDATE

Jacobson

4. CONSENT AGENDA

4.1 Consideration of Minutes for the January 25, 2007 Metro Council Regular Meeting.

5. ORDINANCES – FIRST READING

5.1 **Ordinance No. 07-1140**, For the Purpose of Amending the FY 2006-07 Budget and Appropriations Schedule Amending the Metropolitan Exposition Recreation Commission (MERC) Operating Fund and Declaring an Emergency

6. RESOLUTIONS

6.1 **Resolution No. 07-3762**, For the Purpose of Approving Portland Regional Federal Transportation Priorities for Federal Fiscal-Year 2008 Appropriations. Newman

6.2 **Resolution No. 07-3764**, For the Purpose of Endorsing Regional Priorities for State Transportation Funding Legislation. Newman

6.3 **Resolution No. 07-3770**, Authorizing General Obligation Bonds for Natural Areas, Parks and Streams. Hosticka

7. CHIEF OPERATING OFFICER COMMUNICATION

8. COUNCILOR COMMUNICATION

ADJOURN

Television schedule for February 1, 2007 Metro Council meeting

NOTE: Due to the 10:30 a.m. start time, the Council meeting will not be aired live.

Clackamas, Multnomah and Washington counties, and Vancouver, Wash. Channel 11 -- Community Access Network www.tvctv.org -- (503) 629-8534 2 p.m. Thursday, Feb. 1	Portland Channel 30 (CityNet 30) -- Portland Community Media www.pcmv.org -- (503) 288-1515 8:30 p.m. Sunday, Feb. 4 2 p.m. Monday, Feb. 5
Gresham Channel 30 -- MCTV www.mctv.org -- (503) 491-7636 2 p.m. Monday, Feb. 5	Washington County Channel 30 -- TVC-TV www.tvctv.org -- (503) 629-8534 11 p.m. Saturday, Feb. 3 11 p.m. Sunday, Feb. 4 6 a.m. Tuesday, Feb. 6 4 p.m. Wednesday, Feb. 7
Oregon City, Gladstone Channel 28 -- Willamette Falls Television www.wftvaccess.com -- (503) 650-0275 Call or visit website for program times.	West Linn Channel 30 -- Willamette Falls Television www.wftvaccess.com -- (503) 650-0275 Call or visit website for program times.

PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.

Agenda items may not be considered in the exact order. For questions about the agenda, call Clerk of the Council, Chris Billington, (503) 797-1542. Public hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be considered included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro website www.metro-region.org and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY) ORDINANCE NO. 07-1140
2006-07 BUDGET AND APPROPRIATIONS)
SCHEDULE AMENDING THE MERC) Introduced by Mike Jordan, Chief Operating
OPERATING FUND AND DECLARING AN) Officer, with the concurrence of Council
EMERGENCY) President Bragdon
)

WHEREAS, the Metro Council has reviewed and considered the need to increase appropriations within the FY 2006-07 Budget; and

WHEREAS, the need for the increase of appropriation has been justified; and

WHEREAS, adequate funds exist for other identified needs; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

- 1. That the FY 2006-07 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of amending the MERC Operating Fund.
- 2. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this _____ day of _____, 2007.

David Bragdon, Council President

Attest:

Approved as to Form:

Christina Billington, Recording Secretary

Daniel B. Cooper, Metro Attorney

Exhibit A
Ordinance No. 07-1140

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
MERC Operating Fund							
Total MERC Operating Fund							
Total Personal Services		161.00	\$15,441,793	0.00	\$0	161.00	\$15,441,793
<u>Materials & Services</u>							
<i>GOODS Goods</i>							
5201	Office Supplies		201,911		0		201,911
5205	Operating Supplies		317,001		0		317,001
5210	Subscriptions and Dues		25,902		0		25,902
5214	Fuels and Lubricants		10,350		0		10,350
5215	Maintenance & Repairs Supplies		131,700		0		131,700
5225	Retail		12,000		0		12,000
<i>SVCS Services</i>							
5240	Contracted Professional Svcs		528,412		250,000		778,412
5245	Marketing Expense		2,024,375		0		2,024,375
5247	POVA Pass-Through		385,239		0		385,239
5251	Utility Services		2,299,479		0		2,299,479
5255	Cleaning Services		16,950		0		16,950
5260	Maintenance & Repair Services		517,970		0		517,970
5265	Rentals		489,634		0		489,634
5280	Other Purchased Services		350,722		0		350,722
5281	Other Purchased Services - Reimb		262,794		0		262,794
5291	Food and Beverage Services		8,422,996		0		8,422,996
5292	Parking Services		205,011		0		205,011
<i>IGEXP Intergov't Expenditures</i>							
5300	Payments to Other Agencies		88,872		0		88,872
5310	Taxes (Non-Payroll)		7,000		0		7,000
<i>OTHEXP Other Expenditures</i>							
5450	Travel		85,513		0		85,513
5455	Staff Development		80,264		0		80,264
5480	Fee Reimbursements		40,300		0		40,300
5490	Miscellaneous Expenditures		132,022		0		132,022
Total Materials & Services			\$16,636,417		\$250,000		\$16,886,417
Total Debt Service			\$18,899		\$0		\$18,899
Total Capital Outlay			\$40,000		\$0		\$40,000
Total Interfund Transfers			\$6,088,876	0.00	\$0		\$6,088,876
<u>Contingency and Ending Balance</u>							
<i>CONT Contingency</i>							
5999	Contingency						
	* General Contingency		1,109,037		(250,000)		859,037
<i>UNAPP Unappropriated Fund Balance</i>							
	* Restricted Fund Balance (User Fees)		840,445		0		840,445
	* Ending Balance		9,064,312		0		9,064,312
Total Contingency and Ending Balance			\$11,013,794		(\$250,000)		\$10,763,794
TOTAL REQUIREMENTS		161.00	\$49,239,779	0.00	\$0	161.00	\$49,239,779

Exhibit B
Ordinance No. 07-1140
FY 2006-07 SCHEDULE OF APPROPRIATIONS

	<u>Current</u> <u>Appropriation</u>	<u>Revision</u>	<u>Amended</u> <u>Appropriation</u>
MERC OPERATING FUND			
Operating Expenses (PS & M&S)	\$32,078,210	\$250,000	\$32,328,210
Debt Service	18,899	0	18,899
Capital Outlay	40,000	0	40,000
Interfund Transfers	6,088,876	0	6,088,876
Contingency	1,109,037	(250,000)	859,037
Unappropriated Balance	9,904,757	0	9,904,757
Total Fund Requirements	\$49,239,779	\$0	\$49,239,779

All other appropriations remain as previously adopted

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO. 07-1140, FOR THE PURPOSE OF AMENDING THE FY 2006-07 BUDGET AND APPROPRIATIONS SCHEDULE FOR AMENDING THE MERC OPERATING FUND AND DECLARING AN EMERGENCY

Date: January 18, 2007

Prepared by: Cynthia Hill
Presented by: Jeff Blosser

BACKGROUND

This amendment is to increase The Oregon Convention Center Materials and Services budget for project management, communication support, consulting fees, and associated project costs for the proposed Convention Center Hotel. Expert analysis and professional management will be necessary for the MERC Commission and Metro Council to determine appropriate further action for this project. First, in order to identify a firm price for the hotel construction, a project manager will be needed to negotiate with the development team on behalf of Metro/ MERC. Second, communication with the local community, the business community, the hospitality industry and convention stakeholders will need to take place so to determine the level of public support and/or concern about this project. Finally, Metro Council and MERC Commission, as well as bond Counsel, will need a comprehensive feasibility report on all aspects of the funding for the Headquarters Hotel including reserves accounts, hotel pro-formas, interest rates, market analysis and room rates to appropriately analyze the project. Relevant market information will include competitive analysis of other hotels, historical trends, a review of the impact of the new hotel on market demand, and how the market has withstood past economic downturns.

ANALYSIS/INFORMATION

- 1. Known Opposition:** None known.
- 2. Legal Antecedents:** ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction.
- 3. Anticipated Effects:** These studies are critical for the Metro Council and MERC to make final decisions on the feasibility of the Headquarters Hotel.
- 4. Budget Impacts:** This action moves \$250,000 from the MERC Operating Fund contingency to Operating Expenditures for the action listed above.

RECOMMENDED ACTION

Recommend adoption of Ordinance No. 07-1140

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF APPROVING) RESOLUTION NO. 07-3762
PORTLAND REGIONAL FEDERAL)
TRANSPORTATION PRIORITIES FOR)
FEDERAL FISCAL YEAR 2008) Introduced by Councilor Rex Burkholder
APPROPRIATIONS)

WHEREAS, the Portland metropolitan region relies heavily on various federal funding sources to adequately plan for and develop the region's transportation infrastructure; and

WHEREAS, Metro must comply with a wide variety of federal requirements related to transportation planning and project funding; and

WHEREAS, the Metro region's Congressional delegation has advised the regions transportation agencies to develop a coordinated request for legislation related to the annual federal transportation appropriations bill; and

WHEREAS, Metro's Joint Policy Advisory Committee on Transportation (JPACT) has approved Exhibit A to this resolution, entitled, "Metro Area FY08 Federal Transportation Appropriations Request List,"; now therefore

BE IT RESOLVED, that the Metro Council hereby approves Exhibit A of this resolution, entitled "Metro Area FY08 Federal Transportation Appropriations Request List" and directs that it be submitted to the Oregon Congressional delegation.

ADOPTED by the Metro Council this 1st day of February 2007.

David Bragdon, Council President

APPROVED AS TO FORM:

Daniel B. Cooper, Metro Attorney

FY08 Federal Transportation Appropriation Request List			
Project Type/Name	Appropriation Request (\$million)	Source	Purpose
Regional Highway Projects			
I-5 / 99 W Connector (Washco)	\$2.5 M	Surface Transportation Projects	PE/EIS
Columbia River Crossing (ODOT)	\$5 M	Interstate Maintenance Discretionary	PE/EIS
I-5 Wilsonville (ODOT)	\$3 M	Interstate Maintenance Discretionary	PE/EIS
Port of Portland: Airport Way/I-205 Northbound	\$2 M	Interstate Maintenance Discretionary	PE/NEPA
Port of Portland/Mult.Co: Troutdale Interchange I-84 & 257th	\$1 M	Interstate Maintenance Discretionary	PE/ROW
Highway 217 Corridor (Washco)	\$2 M	Surface Transportation Projects	PE/NEPA
Total	\$15.5 M		
Regional Transit Priorities			
Washington County Commuter Rail (T/M)	\$0.27 M	FTA 5309 New Starts	Construction
I-205/Portland Mall Light Rail (T/M)	\$80 M	FTA 5309 New Starts	Construction
Milwaukie - PE/FEIS (T/M)	\$4 M	FTA 5309 New Starts	PE/FEIS
Bus Replacement (T/M)	\$7.7 M	FTA 5309 Bus & Bus Facilities	Construction
SMART Bus - Wilsonville	\$1.75 M	FTA 5309 Bus and Bus Facilities	Construction
Streetcar Prototype (COP & T/M)	\$1. M	FTA 5314	Construction
Total	\$94.72 M		
Local Project Priorities			
*Portland:South Portal, South Waterfront	\$2 M	Surface Transportation Projects	EIS
Portland: East Burnside/Couch Couplet	\$2 M	Surface Transportation Projects	Construction
Gresham: Springwater/US 26 Industrial Access	\$5 M	Transportation Community and System preservation Program; Surface Transportation Projects	PE/EIS/ROW/
Wilsonville: Kinsman Road	\$2 M	STP, TCSP	PE/ROW
Milwaukie: Kellogg Creek Bridge Replacement	\$1.5 M	TCSP	PE
Metro: TOD Revolving Fund	\$5 M	STP, TCSP Funds	Construction
Total	\$21.5 M		
Non-Transportation Appropriations Bills			
Port of Portland: Columbia River Channel Deepening	\$25 M	Energy & Water <i>(Corps of Engineers Budget)</i>	Construction
Multnomah County: Beaver Creek Culverts	\$5M	Energy & Water	Construction
Total	\$305 M		
Support of OTA Transit Request			
Sandy: Bus Replacement	\$0.44	FTA 5309 Bus	Replacement
South Clackamas: Bus Replacement	\$0.24	FTA 5309 Bus	Replacement
Canby: Bus Replacement	\$0.20	FTA 5309 Bus	Replacement
Total	\$0.88		
Support for Washington/Clark County Priorities			
Columbia River Crossing	\$5 M	Interstate Maintenance Discretionary	PE/EIS
Total	\$5 M		
Grand Total - Transportation Appropriations	\$167.6 M		

* If the I-5/North Macadam Access Project is not appropriated in FY07, it will replace the Portland: South Portal South Waterfront project.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 07-3762, FOR THE PURPOSE OF APPROVING PORTLAND REGIONAL FEDERAL TRANSPORTATION PRIORITIES FOR FEDERAL FISCAL YEAR 2008 APPROPRIATIONS

Date: February 1, 2007

Prepared by: Andy Cotugno

BACKGROUND

The region annually produces a position paper that outlines the views of the Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT), a regional body that consists of local elected and appointed officials, on issues concerning transportation funding that are likely to be considered by Congress during the coming year. This year priorities are limited to the FY '08 appropriations bill.

The Portland region is pursuing an aggressive agenda to implement a high-capacity transit system. This effort involves implementing two projects concurrently within the next three to five years: finishing the Wilsonville to Beaverton commuter rail and initiating construction of the I-205/Downtown LRT. Project development is also underway for the next corridor to Milwaukie. Additionally, there are several complementary projects for which the region is requesting funding: bus and bus facility purchases regionwide, Wilsonville Park and Ride, highway projects and others. All of these projects have a strong economic development emphasis.

Oregon and Washington continue developing a cooperative strategy to address the transportation needs in the I-5 Trade Corridor. The paper outlines the Federal funding needs and sources for continuing this work and requests support for obtaining these funds. Other interstate issues addressed in the paper include Columbia River channel deepening.

This FY 08 appropriations request for earmarked funding from SAFTEA-LU represents the consolidated regional request. Additional independent requests should not be submitted by any member jurisdiction or agency represented by JPACT (with exception of ODOT outside the metro region).

ANALYSIS/INFORMATION

- 1. Known Opposition** None known.
- 2. Legal Antecedents** Projects within the region earmarked for federal funding must be consistent with the Regional Transportation Plan, adopted by Metro Resolution No. 03-3380A, For the Purpose of Designation of Adopting the 2004 Regional Transportation Plan as the Federal Metropolitan Transportation Plan to meet Federal Planning Requirements.
- 3. Anticipated Effects** Resolution would provide the US Congress and the Oregon Congressional delegation specifically with the region's priorities for transportation funding for use in the federal transportation appropriation process.
- 4. Budget Impacts** Metro is involved in planning related to several of the projects included in the priorities paper and must approve many of the requested funding allocations. Failure to obtain funding for one or more of the projects could affect the FY 08-09 Planning Department budget. However, most of the funding requests deal with implementation projects sponsored by jurisdictions other than Metro.

RECOMMENDED ACTION

Approve Resolution 07-3762 for submission to the Oregon Congressional delegation for consideration in the Federal Fiscal Year 08 Appropriations Bill.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING) RESOLUTION NO. 07-3764
REGIONAL PRIORITIES FOR STATE)
TRANSPORTATION FUNDING) Introduced by Councilor Rex Burkholder
LEGISLATION)

WHEREAS, an efficient and adequately funded transportation system is critical to ensuring a healthy economy and livable communities throughout the state of Oregon; and

WHEREAS, the Governor and the Oregon Legislature have taken action to address critical transportation needs with the passage of the Oregon Transportation Investment Acts in 2001, 2002, and 2003 and the Connect Oregon multi-modal package in 2005; and

WHEREAS, the investments that have been made possible by Oregon Transportation Investment Act (OTIA) I, II, and III and Connect Oregon will help Oregon respond to both population growth and important economic opportunities; and

WHEREAS, these acts have provided new transportation investment dollars for the Portland metropolitan region, both for new projects and for maintenance of the existing system; and

WHEREAS, these investments will have a positive impact on the regional economy; and

WHEREAS, even with these important actions, the Portland region remains several billion dollars short of what is needed to adequately address its critical transportation needs over the next 20 years; and

WHEREAS, the 2005 report entitled “The Cost of Congestion to the Economy of the Portland Metropolitan Region” demonstrated how several factors make the Portland region more highly dependent than most metropolitan areas on an efficient transportation system; and

WHEREAS, that report demonstrated how connecting Oregon’s people and businesses with local, domestic and international markets is critical for a healthy economy; and

WHEREAS, that report found that without additional investment in the region’s transportation infrastructure, increasing congestion will undermine the economic competitiveness of the region and the state and cost the region’s businesses and motorists an estimated \$844 million annually by the year 2025; and

WHEREAS, Oregon’s population growth continues to outpace the nation’s, and the Portland region expects to be home to one million more people by 2030; and

WHEREAS, freight volumes in Oregon are expected to increase by 80% and freight volumes in the Portland metropolitan area are expected to double in the next twenty-five years; and

WHEREAS, in 2006 the trade and transportation sector accounted for nearly 200,000 jobs in the Portland-Beaverton-Vancouver MSA, representing slightly more than 20% of the region’s total employment; and

WHEREAS, funding for non-highway transportation projects is an appropriate and wise use of state funds; and

WHEREAS, the region has identified multiple project and funding needs for all modes of transportation through its Regional Transportation Plan, which has been adopted by Ordinance No. 00-869A (For the Purpose of Adopting the 2000 Regional Transportation Plan); amending Ordinance No. 96-647C (For the Purpose of Adopting a Functional Plan For Early Implementation of the 2040 Growth Concept); Ordinance No. 97-715B (For the Purpose of Adopting the Regional Framework Plan); Resolution No. 00-2969B (For the Purpose of Adopting the 2000 Regional Transportation Plan as the Federal Metropolitan Transportation Plan); Resolution No. 03-3380A (For the Purpose of Adopting the 2004 Regional Transportation Plan as the Federal Metropolitan Transportation Plan to Meet Federal Planning Requirements); and Ordinance No. 04-1045A (For the Purpose of Amending the 2000 Regional Transportation Plan (“RTP”) For Consistency With the 2004 Interim Federal RTP and Statewide Planning Goals); Resolution 03-1007A (For the Purpose of Amending the Regional Transportation Plan to Include the Two Phases of the South Corridor Study Consisting of the I-205 Light Rail Transit (“LRT”) Project From Gateway to Clackamas Regional Center With Portland Transit Mall, LRT Expansion of LRT From Downtown Portland to Milwaukie and Deletion of Plans to Extend LRT From Milwaukie to Clackamas Regional Center); and

WHEREAS, the Regional Transportation Plan documents a need for \$10.4 billion in multi-modal transportation improvements to ensure a vibrant economy and the efficient movement of freight, automobiles and transit; and

WHEREAS, there is a need to build major new facilities to serve high growth areas in the Portland Metro region and throughout the state; and

WHEREAS, Oregon's highway funding per mile continues to be among the lowest, if not actually the lowest, of all western states; and

WHEREAS, Oregon’s gas tax has not increased since 1993 and has lost nearly one-third of its value to inflation since then, even as gasoline prices have risen by nearly two-thirds (adjusted for inflation); and

WHEREAS, fuel taxes are expected to lose an additional 40% of their purchasing power by 2030; and

WHEREAS, approximately 60% of the needed transportation improvements called for in the Regional Transportation Plan remain unfunded; and

WHEREAS, there is also a funding shortfall to maintain, operate and improve the existing city, county and state transportation system; and

WHEREAS, additional funding to meet these transportation needs will create or sustain thousands of jobs and help stimulate the economy of the region and the state; and

WHEREAS, it is in the interest of local governments inside Metro to jointly seek additional transportation funding from the 2007 Oregon Legislature; now, therefore

BE IT RESOLVED that the Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT) endorse a state legislative funding proposal for a multi-faceted transportation program as described in Exhibit “A,” including:

1. New revenues to support road and bridge operations, maintenance and modernization.
2. Lottery bonds to support the construction of the next leg of the region's high-capacity transit system (currently defined as the Portland to Milwaukie Light Rail Project).
3. Lottery bonds to support transit, freight and passenger rail, marine and aviation projects statewide ("Connect Oregon II").

ADOPTED by the Metro Council this _____ day of _____, 2007.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

Local government officials in the Portland region are virtually unanimous in their belief that current transportation funding from all sources is inadequate to support a strong economy and maintain the region's quality of life. Numerous discussions over the interim have highlighted the need for additional funding for a range of purposes. JPACT and the Metro Council support a three-part legislative agenda on transportation funding that consists of the following elements:

- **New revenues for roads and bridges:** After increasing virtually every year from 1981 until 1993, Oregon's gas tax has remained flat since 1993. In that time, the gas tax has lost about one-third of its purchasing power to inflation, even as gas prices, adjusted for inflation, have increased by two-thirds. It is expected that fuel taxes will lose another 40% of their purchasing power by 2030. The 2007 Legislature should:
 - o Increase the gas tax and/or another funding source (e.g., registration fee or title fee);
 - o Index the gas tax to keep pace with inflation;
 - o Continue the 50%-30%-20% apportionment to the state, counties, and cities for any new revenues generated.
- **Transit funding:** Since the construction of the Westside light rail line, which was partially funded with \$120 million in lottery bonds, the region has built or begun three new light rail lines (Airport, Interstate, I-205/Mall) without any lottery dollars. The Westside bonds will be paid off in 2010. The region supports efforts to secure a new round of lottery funding to build the next leg of the regional high-capacity transit system (currently defined as the Portland to Milwaukie Light Rail Project)
- **Connect Oregon II:** On the heels of the passage of the "Connect Oregon" multimodal transportation package in 2005, the Governor has submitted a bill for another round of funding. The Governor's initial proposal is identical to the bill that passed in 2005, which authorized the allocation of \$100 million in lottery dollars to air, rail, marine, and public transit projects. 15% of the \$100 million was allocated to each of five regions roughly corresponding to the ODOT regions, leaving 25% of the total for statewide allocation. The region supports Connect Oregon II, with the following assumptions:
 - It continues to include public transit as an eligible category of expenditure;
 - The portion of overall funding allocated by region is reduced or linked more closely to statewide economic benefits; and
 - There is also a road funding package to provide a more comprehensive solution to the state's transportation challenges (see first bullet).

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 07-3764, FOR THE PURPOSE OF ENDORING REGIONAL PRIORITIES FOR STATE TRANSPORTATION FUNDING LEGISLATION

Date: January 10, 2007

Prepared by: Richard Brandman

BACKGROUND

The Metro Council approved the Regional Transportation Plan in 2000 and a Plan update in 2004. Currently, the Plan calls for \$10.4 billion in multi-modal transportation improvements within the region to meet transportation needs, provide efficient movement of people, goods, autos, trucks, and transit, and ensure a healthy economy and livable region. However, about 60 percent of these improvements have no identified funding source. This shortfall includes funding to maintain, operate and improve the existing city, county and state road system. The three-part agenda described in Resolution 07-3764 and Exhibit A has received the support of TPAC, the JPACT Finance Committee, and (as part of a broader regional legislative agenda) MPAC.

ANALYSIS/INFORMATION

1. **Known Opposition** There is widespread local government support for the Legislature to provide increased transportation funding. It is unknown what the Legislature's response will be since the recommendations include an increase in taxes or fees and use of lottery proceeds.
2. **Legal Antecedents**

Ordinance No. 00-869A For the Purpose of Adopting the 2000 Regional Transportation Plan; amending Ordinance No. 96-647C For the Purpose of Adopting a Functional Plan For Early Implementation of the 2040 Growth Concept; Ordinance No. 97-715B For the Purpose of Adopting the Regional Framework Plan; Resolution No. 00-2969B For the Purpose of Adopting the 2000 Regional Transportation Plan as the Federal Metropolitan Transportation Plan; Resolution No. 03-3380A For the Purpose of Adopting the 2004 Regional Transportation Plan as the Federal Metropolitan Transportation Plan to Meet Federal Planning Requirements; and Ordinance No. 04-1045A For the Purpose of Amending the 2000 Regional Transportation Plan ("RTP") For Consistency With the 2004 Interim Federal RTP and Statewide Planning Goals; and
2. **Anticipated Effects** Needed multi-modal projects would be built, the next leg of the region's high-capacity transit system would be constructed, and many miles of roads would be maintained or expanded. This activity would also mean thousands of jobs created and economic benefits distributed throughout the State and region.
3. **Budget Impacts** There is no direct impact to the Metro budget.

RECOMMENDED ACTION

Approval of Resolution No. 07-3764, For the Purpose of Endorsing Regional Priorities for State Transportation Funding Legislation.

BEFORE THE METRO COUNCIL

AUTHORIZING GENERAL OBLIGATION) RESOLUTION NO. 07-3770
BONDS FOR NATURAL AREAS, PARKS)
AND STREAMS) Introduced by Michael Jordan, Chief
) Operating Officer with the concurrence of
) Council President David Bragdon

WHEREAS, voters in the Metro region approved a \$227.4 million bond measure directing Metro to purchase natural areas, parks and streams on November 7, 2006; and,

WHEREAS, it is now desirable to authorize the sale of up to \$227.4 million of those bonds; now, therefore,

BE IT RESOLVED by the Metro Council as follows:

Section 1. Bonds Authorized.

Metro is hereby authorized to issue and sell the general obligation bonds that were authorized by the voters on November 7, 2006, in a principal amount of not more than \$227.4 million (the "Bonds"). Proceeds of the Bonds shall be used to finance the purposes authorized in the ballot, including natural areas, parks and streams, and payment of costs related to the Bonds. The Chief Operating Officer or the person designated by the Chief Operating Officer to act under this resolution (the "Metro Official"), on behalf of Metro and without further action by Metro Council, may:

- 1.1 Participate in the preparation of, authorize the distribution of, and deem final the preliminary and final official statements and any other disclosure documents for the Bonds;
- 1.2 Provide that the Bonds may be issued in one or more series, and establish the final principal amounts, maturity schedules, interest rates, sale prices, redemption terms, payment terms and dates, record date and other terms of each series of the Bonds;
- 1.3 Publish a notice of sale, receive bids and award the sale of each series to the bidder complying with the notice and offering the most favorable terms to Metro, or select one or more underwriters, commercial banks or other investors and negotiate the sale of any series with those underwriters, commercial banks or investors;
- 1.4 Undertake to provide continuing disclosure for the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission;
- 1.5 Appoint and enter into agreements with a paying agent and registrar and any other professionals and service providers that the Metro Official determines are desirable in connection with the Bonds;
- 1.6 Apply for ratings for each series of Bonds, determine whether to purchase municipal bond insurance or obtain other forms of credit enhancements for each series of Bonds, enter into agreements with the providers of credit enhancement, and execute and deliver related documents;

- 1.7 Prepare, execute and deliver a bond declaration for each series of Bonds specifying the terms under which each series of Bonds is issued, and making covenants for the benefit of Bondowners. The bond declarations may also contain covenants for the benefit of any insurers of the Bonds;
- 1.8 Determine whether each series of Bonds will bear interest that is excludable from gross income under the Internal Revenue Code of 1986, as amended, or is includable in gross income under that code. If a series bears interest that is excludable from gross income under that code, the Metro Official may enter into covenants to maintain the excludability of interest on that series of the Bonds from gross income; and
- 1.9 Issue, sell and deliver the Bonds and execute any documents and take any other action in connection with the Bonds which the Metro Official finds will be advantageous to Metro.

Section 2. Security For Bonds.

Metro hereby pledges its full faith and credit to pay the Bonds. Metro hereby covenants for the benefit of the Owners to levy a direct ad valorem tax upon all of the taxable property within Metro which is sufficient, after taking into consideration discounts taken and delinquencies that may occur in the payment of such taxes, to pay all Bond principal and interest when due. Metro covenants to levy this tax each year until all the Bonds are paid. This tax shall be in addition to all other taxes of Metro, and this tax shall not be limited in rate, amount or otherwise, by Sections 11 or 11b of Article XI of the Oregon Constitution.

Section 3. Effective Date.

This resolution shall take effect on the date of its passage by the Metro Council.

ADOPTED by the Metro Council this 1st day of February 2007.

David Bragdon, Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 07-3770 AUTHORIZING GENERAL OBLIGATION BONDS FOR NATURAL AREAS, PARKS AND STREAMS

Date: January 16, 2007

Prepared by: Bill Stringer,
Chief Financial Officer

BACKGROUND

In November 2006, voters of the region approved Measure 26-80 authorizing Metro to issue \$227.4 million in general obligation bonds for natural areas, parks and streams. Since then, staff have been working with financial advisors and bond counsel to develop a strategy for issuance of the bonds that best meets Metro's needs and stays within certain legal requirements. IRS regulations stipulate that we cannot issue more at any one time than what we reasonably expect to spend within a specified time frame (e.g. 85% within the first three years from the date of issue).

The bonds will be issued in at least two series. The first series will be for an amount of approximately \$125,425,000. It will be structured with semi-annual interest payments due June 1st and December 1st, and annual principal payments on June 1st. The first payment will be due December 1, 2007. The second series will be issued in approximately 3-4 years depending on need. Staff will monitor spend down of the first series and work with financial advisors to structure a second issue that meets the needs of the program within legal parameters. Total debt service on all issues related to the Natural Areas, Parks and Streams general obligation bonds authorized by the voters on November 6, 2006 will be structured not to exceed the \$0.19 per thousand of assessed value stated in the measure. Following adoption of this resolution on February 1, 2007, the first series of bonds is expected to be sold on March 8, 2007 with closing on March 22, 2007.

Resolution No. 07-3770 authorizes the issuance of the full amount approved by the voters in November 2006. It authorizes the Chief Operating Officer or his designee to negotiate and sign all documents and conduct the sale and issuance of the 2007 series bonds and any future bond series up to the total \$227.4 million authorized by the voters.

ANALYSIS/INFORMATION

1. **Known Opposition** – None.
2. **Legal Antecedents** – Metro may issue general obligation bonds pursuant to the authority granted by Metro Charter Section 10 and ORS 268.520 and pursuant to the voters' approval of Measure 26-80 at the general election held on November 7, 2006.
3. **Anticipated Effects** – This action authorizes the issuance of up to \$227.4 million in general obligation bonds. It also authorizes the Chief Operating Officer or his designee to negotiate and sign all documents and conduct the sale and issuance of the 2007 series bonds and any future bond series up to the total amount.
4. **Budget Impacts** – The issuance of the bonds will provide funding for the natural areas, parks and streams program. Previous Council action has authorized up to 16 FTE for the program in FY 2006-

07 and has provided interim appropriation until the sale of the bonds. Debt service payments will not begin until FY 2007-08 and will be included in the coming fiscal year's budget and property tax levy. No additional budget action is necessary by the Council to recognize the receipt and expenditure of the general obligation bond proceeds in FY 2006-07.

RECOMMENDED ACTION

The Chief Financial Officer recommends Council adoption of Resolution No. 07-3770.