

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF DIRECTING THE)	RESOLUTION NO. 03-3278
CHIEF OPERATING OFFICER TO SUBMIT A)	
REGIONAL ECONOMIC IMPACT ANALYSIS)	Introduced by Metro Council President
FOR ALL METRO COUNCIL POLICIES WITH)	David Bragdon
SIGNIFICANT REGIONAL ECONOMIC)	
IMPACT)	

WHEREAS, the Metro Council is charged with planning and policy making to preserve and enhance the quality of life and the environment for the citizens of the Metro region and for future generations; and

WHEREAS, the Metro Council provides regional services needed and desired by the citizens of the Metro region, including regional land and transportation planning, regional parks, the Oregon Zoo, regional solid waste and recycling planning and services, and management of performing arts, convention center, and exposition hall facilities; and

WHEREAS, the plans and policies approved and adopted by the Metro Council frequently have a significant impact on the economy of the Metro region; and

WHEREAS, the Metro Council is participating in the development of a regional economic strategy to ensure that the Metro Council is a responsible and active partner in Oregon’s economic recovery; and

WHEREAS, the Metro Council must understand the economic impact of policy alternatives, to be considered along with all other relevant factors mitigating for or against such policy alternatives, before Metro adopts any ordinance that is likely to have a significant economic impact on the regional economy; now therefore

BE IT RESOLVED, that the Metro Council directs the Chief Operating Officer to:

(1) Conduct a preliminary analysis to examine the likely economic impact on the regional economy of (i) every ordinance introduced before the Metro Council except for the annual Metro budget ordinance, and (ii) every item identified during the Metro budget process as a “new initiative” that would enact and fund a significant new program or project or an enhancement of an existing program or project. The Chief Operating Officer’s preliminary analysis shall determine whether the ordinance or budget initiative is likely to have a significant economic impact on the regional economy and shall include analysis of whether adoption of the proposed ordinance or new budget initiative would: (a) affect the entire Metro region, as opposed to just one area of the region, (b) affect property values or land development within the Metro region, (c) affect taxes or fees levied or charged by Metro, (d) affect the ability of other governments within the Metro region to provide services to their constituents, and (e) create or eliminate a significant number of jobs within the region.

(2) If, after conducting the analysis described in paragraph (1), the Chief Operating Officer concludes that the proposed ordinance or budget initiative is likely to have a significant economic impact on the regional economy, then the Chief Operating Officer shall undertake an economic impact analysis to determine, to the highest practicable degree of economic certainty using economic forecasting models

and analysis, what will be the range of likely or reasonably potential economic impacts of the ordinance. Such analysis shall identify all quantifiable positive and negative economic impacts as well as all non-quantifiable, or difficult-to-quantify, positive and negative economic impacts.

(3) If, after conducting the analysis described in paragraph (1), the Chief Operating Officer concludes that the proposed ordinance is not likely to have a significant economic impact on the regional economy, then the Chief Operating Officer shall provide to the Council the preliminary analysis described in paragraph (1).

(4) The Chief Operating Officer shall report to the Council in writing regarding the implementation of this resolution not later than the last day of the eighteenth month following the month in which this resolution is approved. In the implementation report the Chief Operating Officer shall recommend whether the procedures required by this resolution should be continued and whether any further measures are necessary to improve the way that useful economic information is presented for the Council's consideration when the Council considers policy alternatives that will have an impact on the region's economy.

ADOPTED by the Metro Council this ____ day of _____, 2003

WITHDRAWN

David Bragdon, Metro Council President

Approved as to Form:

Daniel B. Cooper, Metro Attorney

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STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 03-3278, FOR THE PURPOSE OF DIRECTING THE CHIEF OPERATING OFFICER TO SUBMIT A REGIONAL ECONOMIC IMPACT ANALYSIS FOR ALL METRO COUNCIL POLICIES WITH SIGNIFICANT ECONOMIC IMPACT

Date: June 12, 2003

Prepared by: Jeff Stone

BACKGROUND

The Metro Council, as an agency, should evaluate the economic impact of our policy decisions. (The “budget impact” included in every staff report typically refers only to Metro’s internal costs.) In some cases, sophisticated economic analyses are already being conducted at Metro: existing examples include estimated impact statements for the Convention Center expansion, the establishment of the Economic Technical Advisory Committee for Goal V, and the economic impact criteria incorporated in the staff’s technical rankings for Metropolitan Transportation Improvement Plan project applications. Resolution 03-3278 would make such an analysis more common at the Metro Council.

What the resolution does:

Requires the Chief Operating Officer (COO) to examine each ordinance introduced before the Metro Council (with the exception of the annual budget) for the potential economic impact on the regional economy. Resolution 03-3278 would trigger an economic analysis of any new Council initiative, such as a significant new program or project, or the expansion of an existing one.

1. A preliminary analysis of legislation would include:
 - a) The breadth of the impact on the region,
 - b) Any affect on property values or land development,
 - c) Any change in taxes or fees,
 - d) The affect on local government’s ability to provide services to citizens,
 - e) The affect on jobs (creation or reduction) in the region.

If the COO’s preliminary analysis concludes that the proposed legislation is likely to have a significant economic impact on the regional economy, then the COO shall undertake an economic impact analysis to determine the range of potential economic impacts. Such analysis shall identify all quantifiable and non-quantifiable positive and negative economic impacts.

2. If the COO does not find that a particular significant policy has an economic impact on the regional economy, then the COO will provide the Council with the preliminary analysis described in sections A-E above.

The COO is required to report on the success or difficulties of this new policy one and a half years after passage of the resolution. This report will provide the COO and the Metro Council with the opportunity to discuss whether this process has proven to provide added value to the decision-making ability of the agency.

ANALYSIS/INFORMATION

1. **Known Opposition** – none known
2. **Legal Antecedents** - None
3. **Anticipated Effects** – Provide Metro Council and the public with a quantifiable economic assessment of significant policy changes and its impact on the region's economic health.
4. **Budget Impacts** – Implementation of this resolution may result in a shift in resources in the current budget. In cases when analysis extends beyond the preliminary stage, Metro Council's own in-house economists or outside consultants would need to be used.