

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING) RESOLUTION NO. 11-4223
REGIONAL POLICY AND FUNDING)
PRIORITIES FOR 2011 STATE) Introduced by Councilor Carlotta Collette
TRANSPORTATION LEGISLATION)

WHEREAS, the passage of House Bill 2001, the Jobs and Transportation Act of 2009, represents a milestone for both the Portland metropolitan region and the state of Oregon; and

WHEREAS, the region applauds the work of the Legislature to pass this landmark legislation, which includes both critically needed funding and innovative policies; and

WHEREAS, the governments of the region recognize the importance of continuing to invest strategically in public infrastructure, particularly transportation infrastructure, as a way to support private investment and economic recovery in these difficult economic times; and

WHEREAS, transportation investments that contribute to economic recovery also bring increased revenues to local and state governments, thereby helping to ease the crisis in public budgets; and

WHEREAS, our region has a track record of creatively financing forward-looking transportation investments that address the needs of both the present and the future, and of combining smart investment with policy innovations that support good jobs, livable communities and a sustainable environment; and

WHEREAS, a combination of careful planning and strategic investments supported by local, regional, state and federal resources has helped to make this region the economic engine of the state and an example to the nation; and

WHEREAS, in the face of today’s challenges, we need to extend this tradition of leadership by pursuing supportive policy and funding proposals in the 2011 legislative session; now, therefore,

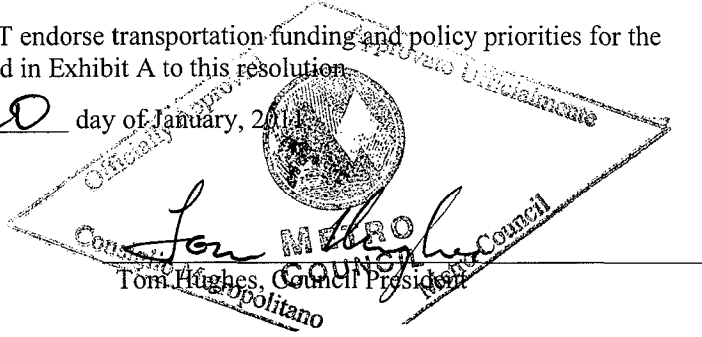
BE IT RESOLVED:

1. That the Metro Council and the Joint Policy Advisory Committee on Transportation (JPACT) adopt the following principles to guide the region’s approach to transportation issues in the 2011 legislative session:

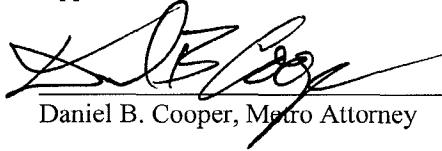
- Jobs and Economic Recovery: The local governments of the Portland metropolitan are committed to partnering with others to support economic recovery through the creation and efficient operation of a robust transportation system.
- Preserve and Expand Local Options: The transportation challenge will require innovative policy and new funding commitments at all levels of government. Accordingly, the Legislature should remove existing restrictions on local and regional revenue-raising authority; avoid enacting new limitations or pre-emptions; and explore new structures and authorities that give local governments the flexibility to build, operate and fund transportation systems that support prosperity, livability and sustainability.
- Support Multimodal Investment: Oregon should continue its lottery-backed program of investment in multimodal projects that support freight mobility and transit; identify new, ongoing state funding to support transit, pedestrian, and bicycle facilities; and make a financial commitment to high speed rail project development.

2. That the Metro Council and JPACT endorse transportation funding and policy priorities for the 2011 legislative session as reflected in Exhibit A to this resolution

ADOPTED by the Metro Council this 20 day of January, 2011



Approved as to Form:


Daniel B. Cooper, Metro Attorney

2011 Regional Transportation Agenda: Specific Recommendations

<p><u>HB 2001</u> – Defend against any efforts to modify in ways that reverse policy direction or reduce funding or authority for the Portland region or its local governments.</p>
<p><u>Columbia River Crossing</u> – Support state funding approach that recognizes statewide importance of this project.</p>
<p><u>ConnectOregon 4</u> – Support a fourth round of <i>ConnectOregon</i> funding.</p>
<p><u>Mileage-based fee</u> – Support a mileage-based fee on electric and plug-in hybrid electric vehicles to account for impacts from vehicles that generate little or no gas tax.</p>
<p><u>High-speed rail</u> – Support continued development of high-speed rail. Establish a transparent and accountable decision making process that includes regional representation.</p>
<p><u>Transportation Planning Rule</u> – Support rulemaking to remove barriers to implementation of the 2040 Growth Concept.</p>
<p><u>Access management</u> – Support an approach to access management that (a) better balances traffic operations with community and economic development by developing standards that work in an urban environment; (b) improves safety for all modes, including biking and walking, on urban arterials; and (c) embraces the participation of key stakeholders.</p>
<p><u>High-capacity transit</u> – Support state funding to match regional contributions to Southwest Corridor and Lake Oswego Streetcar projects.</p>
<p><u>Dedicated transit funding</u> – Support efforts to identify dedicated funding for public transit.</p>
<p><u>Active transportation</u> – Continue investment of state transportation funds to bicycle and pedestrian facilities outside the road right-of-way by allocating \$2 million to Urban Trail Fund to be distributed through a competitive process.</p>
<p><u>Recreational immunity</u> – Extend legal immunity to property owners who allow the use of trails on their land for transportation purposes.</p>
<p><u>Low-speed greenways</u> – Authorize local governments to facilitate safer walking and cycling by reducing speed limits on low-volume, low-speed neighborhood streets.</p>
<p><u>Climate</u> – Monitor, and support as appropriate, legislation related to the Oregon Sustainable Transportation Initiative, proposals of the Oregon Global Warming Commission related to transportation, and other statewide efforts.</p>
<p><u>Business Energy Tax Credit</u> – Oppose efforts to reduce or curtail use of the BETC for transportation-related conservation measures.</p>

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 11-4223, FOR THE PURPOSE OF ENDORING REGIONAL POLICY AND FUNDING PRIORITIES FOR 2011 STATE TRANSPORTATION LEGISLATION

Date: January 6, 2011

Prepared by: Randy Tucker

BACKGROUND

In these difficult economic times, strategic investment in public infrastructure, particularly transportation infrastructure, offers a way government can act to support private investment and economic recovery. An efficient and adequately funded transportation system is critical to ensuring a healthy economy and livable communities throughout our state. Moreover, transportation investments that create jobs and contribute to economic prosperity also bring increased revenues to local and state governments, thereby helping to ease the crisis in public budgets.

After years of stagnation in transportation funding, the investments supported by Oregon Transportation Investment Acts (OTIA) I, II and III (2001, 2002, and 2003), by the *ConnectOregon* I, II and III packages (2005, 2007 and 2009), and by the Jobs and Transportation Act (JTA) in 2009 have created jobs, improved safety and helped Oregon respond to important economic opportunities. This is also true for legislative actions supporting capital investments in public transit and authorizing transit agencies to increase operations funding.

To be sure, funding shortfalls remain: a significant backlog of key modernization projects remains unfunded, and local governments continue to lack adequate revenues to maintain the existing system. However, given the recent passage of the JTA, a major new transportation funding package is unlikely in 2011. Nevertheless, there are many actions the Legislature can take to support an efficient, reliable, and sustainable transportation system.

Provisions of Resolution 11-4223: The resolution adopts three high-level principles to guide the region's participation in transportation discussions in 2011:

- Support jobs and economic recovery
- Preserve and expand local options (including revenue raising authority)
- Support multimodal investment

In service of these principles, Exhibit A includes several specific recommendations. Attached to this staff report is an annotated version of Exhibit A that includes brief discussions of many (though not all) of these recommendations; several are self-explanatory.

This annotated version of Exhibit A also includes columns intended to identify which recommendations reflect which of the high-level principles described in the resolution (in many cases one recommendation will reflect more than one principle) as well as which recommendations are primarily funding-related and involve costs to the state vs. which are primarily policy-related. These columns are not part of the final Exhibit A.

Discussion: Metro and local government staff have developed this resolution in response to direction from JPACT. JPACT members share an understanding that the political, economic and budget environments are extremely challenging at the state level. In that context, this agenda focuses on

defending past progress, maintaining existing authority, seeking additional local flexibility, and continuing our region's innovative approach to transportation system development in ways that support economic prosperity, livable communities, and environmental sustainability.

Issues to consider: See attached annotated version of Exhibit A.

ANALYSIS/INFORMATION

1. **Known Opposition:** None (to this resolution). Possible opposition to individual recommendations could come from a variety of sources depending on the specifics of the recommendation. Given the challenging budget climate and the shortage of funding for most transportation needs, recommendations that require funding may generate opposition based on competition for funds.
2. **Legal Antecedents:**
 - Oregon Transportation Investment Acts I, II, and III (HB 2142, 2001; HB 4010, 2002; HB 2041, 2003)
 - ConnectOregon I, II and III multimodal investment packages (SB 71, 2005; HB 2278, 2007; sections 8, 9, and 10 of HB 2001, 2009)
 - Oregon Jobs and Transportation Act (HB 2001, 2009)
 - Metro Council Resolution No. 04-3498, For the purpose of endorsing regional priorities for a state transportation funding package; Resolution No. 07-3764, For the purpose of endorsing regional priorities for state transportation funding legislation; Resolution No. 08-3921, For the purpose of endorsing regional priorities for state transportation funding legislation; Resolution No. 08-3956, For the purpose of endorsing regional priorities for state transportation funding legislation; Resolution 08-4003, For the purpose of endorsing final regional priorities for 2009 state transportation funding legislation
3. **Anticipated Effects:** The proposed resolution establishes policy guidelines for the region's advocacy efforts related to transportation in the 2011 Oregon Legislature.
4. **Budget Impacts:** No direct impacts. Local and regional governments will dedicate existing staff to advocacy.

RECOMMENDED ACTION

Staff recommends adoption of Resolution 11-4223.

Exhibit A to Resolution 11-4223 (staff report version)

**2011 Regional Transportation Agenda:
Specific Recommendations**

Jobs/Economy	Local Options	Multimodal	Policy/\$	
•	•	•	P/\$	<p><u>Issue</u> – Issue description as found in Exhibit A</p> <p>➤ <i>Staff report comments</i></p> <p><u>HB 2001</u> – Defend against any efforts to modify in ways that reverse policy direction or reduce funding or authority for the Portland region or its local governments.</p> <p>➤ <i>Modified since the December JPACT meeting to clarify that this refers specifically to impacts on the Portland region. A bill is expected that would create a legislatively directed process for reallocating any unused dollars from earmarked projects that come in under budget or are not built.</i></p>
•		•	\$	<p><u>Columbia River Crossing</u> – Support state funding approach that recognizes statewide importance of this project.</p> <p>➤ <i>The funding plan for the CRC calls for a state contribution in the range of \$400-450 million, in addition to a regional contribution in the range of \$1.5 billion that would be funded by tolls. (Other contributions are expected from the state of Washington and from the federal government). The language of Exhibit A reflects a regional understanding that the benefits of this investment accrue to the whole state; thus the state’s contribution should not come at the expense of other transportation projects in the region any more than it should come at the expense of other projects around the state. Past transportation funding approaches have reflected this understanding in different contexts:</i></p> <ul style="list-style-type: none"> • <i>OTIA III (2003) allocated \$1.3 billion to ODOT bridge repair statewide and \$300 million to city/county bridge repair; this money was “taken off the top” without regard to the location of the bridges that were repaired and without otherwise affecting the formula for distribution of city and county highway fund dollars.</i> • <i>The 2007 Legislature reserved \$56 million to assist counties suffering from the loss of timber payments; this money, distributed in 2008, came out of the ODOT share of the highway trust fund and did not come at the expense of other funding allocations to cities and counties.</i> • <i>There is a longstanding practice of allotting funds to small cities and small counties off the top of the city/county and ODOT shares of highway fund dollars without affecting the underlying city and county allocations.</i>
•		•	\$	<p><u>ConnectOregon 4</u> – Support a fourth round of <i>ConnectOregon</i> funding.</p> <p>➤ <i>Each of the previous three rounds of Connect Oregon has utilized \$100 million in lottery-backed bonds to support air, marine, rail and public transit projects.</i></p>
•			P/\$	<p><u>Mileage-based fee</u> – Support a mileage-based fee on electric and plug-in hybrid electric vehicles to account for impacts from vehicles that generate little or no gas tax.</p> <p>➤ <i>Added in response to discussion at the December JPACT meeting. This item endorses a recommendation from the Road User Fee Task Force (RUFTF).</i></p>

Exhibit A to Resolution 11-4223 (staff report version)

•		•	P/§	<p><u>High-speed rail</u> – Support continued development of high-speed rail. Establish a transparent and accountable decision making process that includes regional representation.</p> <p>➤ <i>Modified after the December JPACT meeting to eliminate outdated language related to seeking project development funding that has already been secured.</i></p>
•	•		P	<p><u>Transportation Planning Rule</u> – Support rulemaking to remove barriers to implementation of the 2040 Growth Concept.</p> <p>➤ <i>Legislation is expected that would address perceived barriers to economic development posed by the TPR; LCDC and the OTC are also convening soon to consider rule changes.</i></p>
•	•		P	<p><u>Access management</u> – Support an approach to access management that (a) better balances traffic operations with community and economic development by developing standards that work in an urban environment; (b) improves safety for all modes, including biking and walking, on urban arterials; and (c) embraces the participation of key stakeholders.</p> <p>➤ <i>Added in response to discussion at the December JPACT meeting. SB 1024 (2010) led to creation of a stakeholder committee that is working on recommendations that are likely to be considered by the 2011 Legislature, but those recommendations are not yet final. Regional staff recommends adopting these principles to guide our participation in access management policy discussions in the context of either rulemaking or legislation. Issues include addressing the tension between flexibility and consistency in the application of access management standards and finding a satisfactory balance between transportation efficiency, safety, urban function and economic development.</i></p>
•		•	§	<p><u>High-capacity transit</u> – Support state funding to match regional contributions to Southwest Corridor and Lake Oswego Streetcar projects.</p>
•		•	§	<p><u>Dedicated transit funding</u> – Support efforts to identify dedicated funding for public transit.</p>
		•	§	<p><u>Active transportation</u> – Continue investment of state transportation funds to bicycle and pedestrian facilities outside the road right-of-way by allocating \$2 million to Urban Trail Fund to be distributed through a competitive process.</p>
	•	•	P	<p><u>Recreational immunity</u> – Extend legal immunity to property owners who allow the use of trails on their land for transportation purposes.</p> <p>➤ <i>Proposed by the City of Portland at the October JPACT meeting.</i></p>
	•	•	P	<p><u>Low-speed greenways</u> – Authorize local governments to facilitate safer walking and cycling by reducing speed limits on low-volume, low-speed neighborhood streets.</p> <p>➤ <i>Proposed by the City of Portland at the October JPACT meeting.</i></p>
	•	•	P/§	<p><u>Climate</u> – Monitor, and support as appropriate, legislation related to the Oregon Sustainable Transportation Initiative, proposals of the Oregon Global Warming Commission related to transportation, and other statewide efforts.</p>
	•	•	§	<p><u>Business Energy Tax Credit</u> – Oppose efforts to reduce or curtail use of the BETC for transportation-related conservation measures.</p>