Metro | *Agenda*

Meeting:	Metro Council Work Session
Date:	Tuesday, April 23, 2013
Time:	2 p.m.
Place:	Council Chamber

CALL TO ORDER AND ROLL CALL

2 PM   **1.**   **ADMINISTRATIVE/ COUNCIL AGENDA FOR APRIL 25, 2013/ CHIEF OPERATING OFFICER COMMUNICATION**

2:15 PM   **2.**   **COMMUNITY INVESTMENT INITIATIVE UPDATE– INFORMATION / DISCUSSION**   **CII Leadership Council Members:**
Dave Garten
Tom Imeson
Karen Williams

3:45 PM   **3.**   **COUNCIL BRIEFINGS/COMMUNICATION**

ADJOURN

Agenda Item No. 2.0

COMMUNITY INVESTMENT
INITIATIVE UPDATE

Metro Council Work Session
Tuesday, April 23, 2013
Metro, Council Chamber

METRO COUNCIL

Work Session Worksheet

PRESENTATION DATE: April 23, 2013   **TIME:** 2:15   **LENGTH:** 90 minutes

PRESENTATION TITLE: Community Investment Initiative Update

DEPARTMENT: Community Investment Initiative Leadership Council

PRESENTER(s): Dave Garten, Tom Imeson, Karen Williams (Leadership Council members)

WORK SESSION PURPOSE & DESIRED OUTCOMES

- Purpose: Provide the Metro Council with information on Community Investment Initiative deliverables, outcomes, and proposals. Seek feedback on the Regional Infrastructure Enterprise concept as it is being developed.
- Outcome: Metro Council liaisons to the Community Investment Initiative and Regional Infrastructure Enterprise have guidance from their fellow councilors to inform further development of the RIE concept.

TOPIC BACKGROUND & FRAMING THE WORK SESSION DISCUSSION

Background
It is estimated that even without the 625,000 new residents expected in the region within the next 20 years, we will still need approximately $10 billion just to repair and rebuild existing infrastructure. The cost of building needed public and private facilities to support our growing population in Clackamas, Multnomah, and Washington counties within the urban growth boundary is estimated to be $27-41 billion. Yet traditional funding sources are expected to cover only half that amount.

Widening the gap between what we need and our ability to address it is the diminishing availability of federal and state funds for improvements, rendering the model for 100 percent public investment obsolete. A lack of industrial land needed to attract companies that bring traded-sector jobs to the region is compounded by a workforce unprepared to respond to the demand if they do.

To facilitate and encourage a broad range of infrastructure projects across the Portland metropolitan region, the Community Investment Initiative (CII) Leadership Council adopted a [strategic plan](#) to develop recommendations on a four part plan:
- Invest in infrastructure to catalyze jobs and economic prosperity;
- Foster conditions that support development ready communities;
- Ensure the reliable and efficient movement of goods and people;
- Protect and enhance our communities' investment in school facilities and properties.

Key to the success of this approach is a Regional Infrastructure Enterprise, a draft concept proposed by the CII Leadership Council to identify a set of financing tools to invest in community visions, make the most of available dollars, and provide incentives for private investment that will help narrow the gap and support existing and anticipated needs. This will be the focus of the work session discussion.

Connection to Metro's Priorities
The Metro Council has supported the Leadership Council and empowered them with making recommendations on how to address the disparity between the region's vision and plans and its ability to fund and implement targeted investments that stimulate development.

The Metro Council provided the Leadership Council with the following guiding principles when they launched:

Invest in Regional Outcomes
- Identify investments that are strategic, targeted, and transformative in support of the region's 2040 Growth Concept and the Six Desired Outcomes for a Successful Region
- Investments may be local, community, or regional in scale and help to catalyze or leverage private investment, public investment, policy changes, and other actions.
- The focus of investments should be directed by rigorous triple-bottom-line return on investment analysis.

Promote Innovation
- Support innovation to leverage investments in new or renovated facilities, and new capacity.
- Promote collaboration and coordination among service providers to achieve better, more efficient service delivery, maintain and extend existing facilities, and reduce the total per capita investment required.

Focus on Unmet Needs
- Support and complement local efforts and seek to meet unmet regional needs that local governments do not, or are not, able to address.
- Do not substitute or supplant local funding or service responsibility.

Support Capital Investment
- Focus on the physical capital aspects of regional investment needs.
- Help incubate a full suite of strategies for addressing the range of capital needs in the region, from physical to social capital, from the built environment to program operations and maintenance.
- Identify the most capable people and organizations to help execute these strategies.

Options Available
Early next fiscal year, CII recommendations will be before the Metro Council for a decision on how to proceed. This work session will give the Metro Council an opportunity to provide direct feedback to their Metro Council liaisons to the Community Investment Initiative, as well as to the Leadership Council members in attendance, on the development of the recommendations.

The primary focus of this work session will be on the development of the Regional Infrastructure Enterprise to help optimize the region's ability to deliver infrastructure projects through strategic investment of existing and new funds from public and private sources.

The RIE implementation group is developing recommendations on the following key questions associated with the development of the RIE:
- **What** should the RIE do? What functions, services, or skills should the RIE provide?
- **Where** should the RIE make investments? What principles and criteria should be used to decide where to make investments?
- **Who** governs the RIE? How should RIE be structured and who makes investment decisions?
- **How** will RIE fund its functions?

The Metro Council's last work session discussion on the Regional Infrastructure Enterprise was on January 15, 2013. The purpose of that work session was to provide input on the functions that the Regional Infrastructure Enterprise should serve given feedback from regional stakeholders. This included a presentation of the preliminary findings of the Catalytic Infrastructure Survey and feedback from a focus group of Mayors regarding needed functions for the RIE to serve (summarized in ECONorthwest's memo, "PRELIMINARY RECOMMENDATIONS: FUNCTIONS FOR A REGIONAL INFRASTRUCTURE ENTERPRISE").

Since that discussion, the RIE implementation group incorporated feedback from the Metro Council, MPAC, 22 local jurisdictions that completed the survey, a focus group of Mayors, government affairs representatives from local jurisdictions, Clackamas County Coordinating Committee, Clackamas Economic Development Commission, and Clackamas County Business Alliance board to confirm that the following functions are needed by the RIE to support infrastructure development in the region:

- Pre-development technical assistance (due diligence, feasibility, remediation, mitigation, regulatory, permitting, etc)
- Developing public private partnerships for projects, including finance packaging
- Direct funding including patient capital

In order for the RIE to provide such functions, the proposed recommendation for RIE is to establish an organization to seek new public funding and private resources to invest in infrastructure that catalyzes jobs. We cannot solve the general lack of resources to address the infrastructure funding gap but should focus on economic prosperity that will lead to the conditions that allow the various public service providers to afford the facilities and services needed by the public.

Further information regarding the draft RIE concept can be found in the attachments and will be presented at the work session for your feedback.

The RIE concept will be further defined with input from elected officials throughout the region via a MPAC discussion on April 24th, 2013 and an elected official focus group on May 23rd, 2013. The Leadership Council members will review the draft RIE concept at their May 13th, 2013 meeting. Additional engagements are being scheduled.

QUESTIONS FOR COUNCIL CONSIDERATION
- What comments do you have on the proposed approach for the Regional Infrastructure Enterprise?
  - Functions
  - Target areas
  - Project selection
  - Service delivery
  - Governance
  - Phased approach
- What additional feedback would you like to share with your Community Investment Initiative and Regional Infrastructure council liaisons?

PACKET MATERIALS
- Would legislation be required for Council action ☐ Yes   x No
- If yes, is draft legislation attached? ☐ Yes   ☐ No
- What other materials are you presenting today?
  - Attachment A: DRAFT Regional Infrastructure Enterprise Development Proposal
  - Attachment B: DRAFT Regional Infrastructure Enterprise Principles of Governance
  - Attachment C: DRAFT Regional Infrastructure Enterprise Project Evaluation Proposal

ATTACHMENT A: DRAFT Regional Infrastructure Enterprise Development Proposal

Mission
Facilitate infrastructure investment that catalyzes living-wage job creation, private investment, and economic development.

Desired outcomes
- Achieve regional and local development goals
- Catalyze job creation and economic development
- Support disconnected communities
- Leverage private investment

Functions
- Pre-development technical assistance (due diligence, feasibility, remediation, mitigation, regulatory, permitting, etc.)
- Developing public private partnerships for projects, including finance packaging
- Direct funding including patient capital

Target Areas
- Industrial lands
- Urban centers and main streets

Considerations
- Though we know the RIE will need access to a regular stream of public funds for investment, the RIE does not yet have the credentials to ask the public for funding.
- There is limited appetite in the region for a large new bureaucracy.
- The RIE should be lean and leverage existing capacities in the region, not duplicate them.
- The RIE's structure should be nimble enough to allow the RIE to mature with opportunities.

Development Approach
The proposed recommendation for RIE is to establish an organization to seek public funding and private resources to invest in infrastructure that catalyzes jobs. We cannot solve the general lack of resources to address the infrastructure funding gap but should focus on economic prosperity that will lead to the conditions that allow the various public service providers to afford the facilities and services needed by the public.

The development of the Regional Infrastructure Enterprise is broken down into three phases:
- Phase I: Demonstrate the ability to deliver projects
- Phase II: On-going funding to deliver projects
- Phase III: Complete a public-private partnership investment program

The phased approach allows establishing an organization to build credibility so that it can develop a package that can be supported broadly.

Phase I: Demonstrate ability to deliver projects
The Phase I goal is to demonstrate the ability of RIE to deliver projects. The two **key elements of this phase are establishing a RIE Board of Directors comprised of public and private members and executing 1-3 demonstration projects**. The role of the Board of Directors is to use their expertise to **help deliver the demonstration projects** and to **strategically plan for and move RIE into Phase II**.

Because this phase is about proof of concept, it should not require large scale political asks or funding requests, though there could be a role for Metro and the Port of Portland in sponsoring demonstration projects on behalf of the RIE. Benefits to this approach to the RIE are that it:

- Leverages existing expertise to deliver additional projects
- Allows for relatively easy start-up of RIE
- Allows refinement of the role and capabilities of the RIE during Phase I
- Allows for testing without long term commitments

Identifying appropriate demonstration projects is critical. As this concept has been discussed with members of the Leadership Council and implementation group, they have indicated that demonstration projects should:
- Align with RIE goal
- Leverage public and private funding – a true public-private partnership with a willing partner
- Show ability to deliver the RIE functions
- Have political and local support
- Be of appropriate scale
- Be completed in the short-term
- Within fiscal parameters (still to be determined)
- Have an outcome that is visible to elected officials and builds support for Phase II

The RIE implementation group will work to identify a small pool of project options by the May meeting of the Leadership Council.

Phase II: On-going funding to deliver projects
The goal of this phase is to demonstrate the ability of the RIE Board of Directors to make wise investments of public resources by:
1. Making investments that support economic development and job creation
2. Leveraging private capital in the delivery of investments whenever possible

In order for the RIE to truly achieve its goal of "facilitating infrastructure investment that catalyzes job creation, economic development, and private investment," it needs access to an ongoing stream of revenue from which to make investments. **A key characteristic of Phase II is accessing these on-going public investment funds and investing them wisely**. In this phase *private* capital would come to projects through project-specific financing, not through RIE. The RIE Board of Directors would need to strategically guide the RIE into this phase by developing a revenue plan that includes a variety of public and non-profit resources like state lottery funds, grants (foundations or federal), allocation of existing funds, as well as new public revenue resources. Developing a new funding source would likely require a political campaign and a regional vote, thus the importance of proving the concept in Phase I. If a campaign is needed, the RIE Board of Directors will need to develop a package of regional projects to attach to a public funding request, similar to what Oklahoma City has done with its MAPS program.

Phase III: Complete public-private investment program
If implementation of Phase II can be achieved, it would be an indicator of success in helping to chip away at the region's investment challenges. After some considerable time of executing successful investments, the RIE could consider evolving into Phase III.

A differentiating characteristic of **Phase III is for RIE to gain direct access to private resources for investment**. Resources could include EB-5, pension funds, or other sovereign investment funds. These resources are not suitable for capitalizing RIE in Phase II due to the fiscal returns and guarantees associated with them.

ATTACHMENT B: DRAFT Regional Infrastructure Enterprise Principles of Governance

Based upon the review of local and national models of governance, the RIE Implementation Group defined the following principles for establishing the governance of a Regional Infrastructure Enterprise:

- **RIE should not be created as a new, independent government agency.**

- **Technically – not politically – driven.** Projects should be technically rather than politically driven and demonstrate the greatest regional benefit**.**

- **The Board should include the expertise needed to be successful,** including technical expertise in project due diligence, public and private financing, regional economic development, market conditions, regional policy making, civic leadership and marketing and public relations.

- **A mixed governing Board is important.** A public-private model holds the greatest credibility with the public. The public sector is essential for voter accountability and the private sector is necessary for expertise.

- **A bold governing body is needed.** Investments must be recognized by the public as having merit as good investments and the Board needs to be capable of standing by and communicating the evaluation.

- **Funding sources impact governance.** Ultimately, the RIE Board is intended to make public investment decisions that catalyze and attract private investments that lead to jobs and economic prosperity for the region. The governance structure should be structured to provide the accountability to the voters needed for public funds dedicated to the RIE. Private investments need to be sound in the marketplace to ensure a return on investment.

- **Elected officials have approval responsibility.** To ensure transparency in decision-making by the RIE Board, the slate of selected projects should be subject to ratification by the public agency providing the funding.

- **It is important to balance action with the participatory process.** There needs to be a balance between the need to streamline the work of the RIE and sufficient opportunity for people to have their voices heard during the evaluation and selection process.

- **The Board is not responsible for regional or local prioritization.** The Board should not substitute its judgment for that of local and regional governing bodies. Rather, it should draw upon priorities brought forward by local governments and the private sector that are consistent with regional and local policies that best meet the selection criteria established for RIE.

- **The Board should be appointed.** The Board membership should be confirmed by an elected body and not directly elected to their position.

ATTACHMENT C: DRAFT Regional Infrastructure Enterprise Project Evaluation Proposal

Purpose

The Regional Infrastructure Enterprise (RIE) will be a tool to support living-wage job creation and economic development. A subcommittee of the RIE and Performance and Equity Measurement (PEM) implementation groups convened to propose a process for RIE project selection in **Phase II**. The outcome of the selection process, as proposed, would be a portfolio of projects that would capitalize economic development opportunities, contribute to the environmental sustainability of the region, and reduce economic, political, geographic, and social disparities. This proposal aims to avoid a political prioritization of projects by focusing on projects that fit within the RIE/CII goals and mission as determined by their ability to meet the objective criteria of the process.

Considerations

1. At this time it is not known who will operate and manage RIE. The operators will have the ultimate responsibility for formalizing a RIE project evaluation process and finalizing the criteria for projection selection. Thus, the RIE Business Plan should include a framework recommendation for a project evaluation that RIE operators can use to build upon.
2. The goal of the selection process is to reward/incent projects that achieve multiple outcomes while not making it overly arduous and/or discouraging to applicants.
3. Though a process and potential criteria is proposed at this time, this does *not* include a weighting or ranking system. These details may need to be left to the RIE operators to finalize.
4. Because infrastructure needs will always outpace RIE's capacity for assistance, this proposal is meant to help RIE narrow the pool of investment options at each step in order identify projects with most opportunity and that fit within RIE's resource capacities.

The kind of services (functions) RIE will provide

A set of preliminary functions has been identified for RIE and include:

- Pre-development technical assistance (due diligence, feasibility, remediation, mitigation, regulatory, permitting, etc)
- Developing public private partnerships for projects, including finance packaging
- Direct funding including patient capital

The kinds of projects RIE will invest in

It is anticipated that applications for assistance for RIE will be for the following types of projects:

- **Patient Public Investment** are for projects that are more typical infrastructure projects needed to get a site "shovel-ready for development. Infrastructure investments could include roads, sewer, water, power, brownfield remediation, environmental mitigation or any other element of infrastructure allowing a future permitting process for a new business or development to be implemented on an accelerated schedule in the future.
- **Public-Private Partnerships** are those joint public private ventures using public funds and private investment funds to jointly complete any needed infrastructure and construct the building needed to house the development or new/expanding business. In this case, there is a specific project or business and known costs and benefits for both the public sector and the private sector.

It is anticipated that RIE assistance through one of two tracks as shown in the figure below:

- **Incubation projects** are those that have a long-term outlook. These are projects that are still at a conceptual stage and need the full project pre-development technical assistance of the RIE to carry out market feasibility studies, design and cost-estimating, identification of potential impacts and mitigation, obtain permits and public and private financial packaging. Evaluation of these projects will be based upon more conceptual information since the project has not been fully developed yet. Projects will be accepted for RIE assistance in order to fully develop them

in anticipation of becoming implementation projects once fully developed. While there is an expectation that Incubation Projects will become implementation projects, the information generated through the pre-development process will be needed to support implementation.
- **Implementation projects** are those that are already fully developed, nearly ready to begin construction and are seeking the final gap financing needed to complete the project. In this case, the project is fully developed and can be evaluated based upon more complete information with greater certainty and rigor than Incubation Projects.

About the Evaluation Process
The evaluation process reflects how projects come into the RIE and the different evaluation assessments projects will be weighed against. The evaluation process includes four assessments: Eligibility, Economic Development, Equity and Innovation, and overall Portfolio.
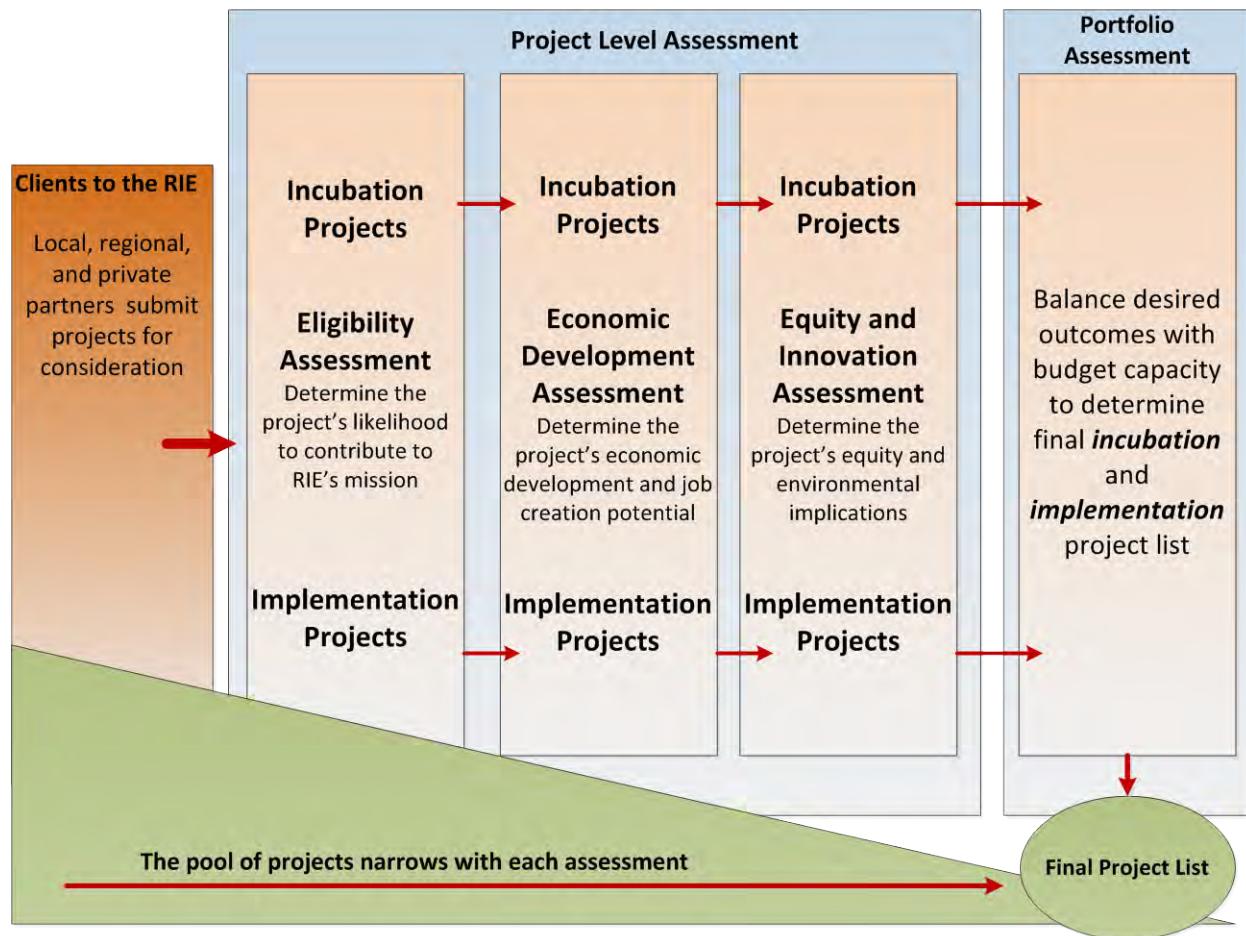
1. **How projects come to RIE**. Consistent with the principle that **RIE will not make prioritization decisions for local communities**, it is envisioned that RIE will accept applications from both public and private applicants interested in delivering projects in partnership with RIE.

2. **Eligibility Assessment**. The first step in the project evaluation process is the Eligibility Assessment, which has two sections: minimum requirements and additional information.
   a. **Minimum requirements**. This section of the Eligibility Assessment determines whether the project meet the minimum requirements such as alignment with RIE mission, having a distinct role for RIE, etc. Because these are minimum requirements, **projects that don't meet this criterion will not move forward in the evaluation process**.

b. **Additional Information**. This section of the Eligibility Assessment allows for qualitative responses that paint a fuller picture for the evaluators regarding the project's additional benefits before diving deeper into the analysis. Questions in this section must include listing potential positive and negative equity and environmental impacts or benefits of the project, whether the project is in the *incubation* or *implementation* phase. **There is no right or wrong answer for these questions**. The answers simply add additional context to the project proposal.

The RIE should clearly communicate application expectations and parameters. As such, only a small proportion of projects would be eliminated from consideration at this stage.

3. **Economic Development Assessment**. The second step in the evaluation process is an economic development assessment which includes an assessment of all projects remaining after the Eligibility screening and should include assessments specific to both incubation projects and implementation projects. The main goal of this assessment is to measure the project's ability to create jobs and economic activity for the region.

   a. **General screening**. This screening measures a project's ability to create sustained living-wage jobs, support emerging industries clusters, leverage private investment, advance regional economic development strategies and achieve positive ROI.

   b. **Incubation project screening.** Because incubation projects have a longer-term outlook, the goal of this screening is to understand the status of a project's due diligence needs, including risks and mitigation strategies, and if such investment creates opportunities for job creation and economic development in the future.

   c. **Implementation project screening.** Implementation projects should be nearer to actual development than the incubation projects. As such, this assessment focuses more on the leveraging, sourcing and procurement aspects of the project.

   A weighting or ranking method to gauge how projects measure against this criterion has not been developed and will need to be created and finalized by RIE operators. Once a method is in place, the result of this assessment will be a ranked list of projects prioritized by their ability to deliver economic development. **Projects with the best ranking in this section will move onto the Equity and Innovation Impact Assessment**.

4. **Equity and Innovation Impact Assessment**. In this third step of the evaluation, projects that advance from the Economic Development Assessment are measured for their equity and innovation impacts. Applicants will need to detail such things as their project's impact on social, economic, political and geographic disparities, the use of civic and environmental innovation in the projects, and impacts on immediate surrounding communities.

   A weighting or ranking method to gauge how projects measure against this criterion has not been developed and will need to be created and finalized by RIE operators. Once a method is in place, **the result of this assessment will be a ranked list of projects prioritized by their ability to deliver equity and environmental outcomes**.

5. **Portfolio Assessment for Final Project Selection**. The portfolio includes those projects that collectively accomplish the RIE's mission. A weighting or ranking method will need to be established, and regularly reevaluated, to determine investment priorities given the RIE's budget, capacity, and past projects. Once this method is established, the RIE operators will **use the results of the economic and equity and innovation prioritization analyses to select a final set of projects that best contribute to the CII's mission given the RIE's available capacity**. The outcome of the process is a portfolio of projects that, taken as a whole, will accomplish economic development goals while delivering equity and innovation benefits to the region.

Materials following this page were distributed at the meeting.

PROPOSED AMENDMENTS TO

SENATE BILL 306

1   On page 1 of the printed bill, line 2, delete "amending ORS 291.349 and

2   305.792;".

3   Delete lines 4 through 29 and delete pages 2 through 4 and insert:

4   "SECTION 1. (1) The Legislative Revenue Officer shall submit a

5   report to the Task Force on Clean Air Revenue, established under

6   section 2 of this 2013 Act, and may include recommendations to impose

7   a state clean air fee or tax or a public purpose charge as a new revenue

8   option that will also augment or replace portions of the state income

9   tax or other existing revenues.

10   "(2) The report must:

11   "(a) Identify an effective structure of a clean air fee or tax or a

12   public purpose charge to generate revenue;

13   "(b) Include specific revenue reallocation options to maximize eco-

14   nomic efficiency and greenhouse gas emissions reductions and mini-

15   mize the impact of a clean air fee or tax or a public purpose charge

16   on low-income households;

17   "(c) Include estimated effects of a clean air fee or tax or a public

18   purpose charge on key industries and firms representative of Oregon's

19   economy;

20   "(d) Evaluate the impacts of a clean air fee or tax or a public pur-

21   pose charge on households, including the varied impacts on urban and

22   rural households;

1   "(e) Detail the clean air benefits of a clean air fee or tax or a public

2 purpose charge and the subsequent greenhouse gas emissions re-

3 duction benefits;

4   "(f) Recommend how to treat imported energy under a clean air fee

5 or tax or a public purpose charge;

6   "(g) Evaluate the impacts of a clean air fee or tax or a public pur-

7 pose charge on jobs and wages; and

8   "(h) Evaluate the impacts of a clean air fee or tax or a public pur-

9 pose charge on existing fees, state revenue and state income taxes.

10   "(3) The Legislative Revenue Officer shall complete the report and

11 recommendations on or before November 1, 2013, and shall submit the

12 report and recommendations to the Task Force on Clean Air Revenue

13 established under section 2 of this 2013 Act. The Legislative Revenue

14 Officer may contract with third parties as necessary to prepare the

15 report and recommendations.

16   "SECTION 2. (1) The Task Force on Clean Air Revenue is estab-

17 lished, consisting of 12 members appointed as follows:

18   "(a) The President of the Senate shall appoint one member from

19 among members of the Senate who is also a member of the Senate

20 Committee on Finance and Revenue.

21   "(b) The Speaker of the House of Representatives shall appoint one

22 member from among members of the House of Representatives who is

23 also a member of the House Committee on Revenue.

24   "(c) The Governor shall appoint one representative each from:

25   "(A) An Oregon business association;

26   "(B) The manufacturing industry;

27   "(C) A labor union;

28   "(D) The low-income housing industry;

29   "(E) An environmental interest group;

30   "(F) A utility company;

1 "(G) A transportation service provider;

2 "(H) The public health industry;

3 "(I) An organization that studies and promotes greenhouse gas
4 emissions reduction; and

5 "(J) Citizens in the general population who have experience with
6 state revenue reform.

7 "(2) The task force shall:

8 "(a) Review the report and recommendations required by section 1
9 of this 2013 Act; and

10 "(b) Submit a report and recommendations for legislation regarding
11 a clean air fee or tax or a public purpose charge to the Seventy-eighth
12 Legislative Assembly. The report and recommendations must:

13 "(A) Identify a new and significant source of revenue for the State
14 of Oregon that will also reduce greenhouse gas emissions in this state;

15 "(B) Identify an optimal approach for reducing income taxes in fa-
16 vor of a clean air fee or tax or a public purpose charge;

17 "(C) Identify positive economic benefits to this state as a result of
18 a clean air fee or tax or a public purpose charge;

19 "(D) Determine optimal reinvestment options, including commer-
20 cial and residential energy efficiency and transportation
21 infrastructure, to maximize greenhouse gas emissions reductions, job
22 creation and other economic benefits; and

23 "(E) Evaluate the impacts of a clean air fee or tax or a public pur-
24 pose charge on the existing revenue and tax laws of this state.

25 "(3) The task force may establish committees and delegate duties
26 to the committees.

27 "(4) A majority of the members of the task force constitutes a
28 quorum for the transaction of business.

29 "(5) Official action by the task force requires the approval of a
30 majority of the members of the task force.

1   "(6) The task force shall elect one of its members to serve as
2   chairperson.

3   "(7) If there is a vacancy for any cause, the appointing authority
4   shall make an appointment to become immediately effective.

5   "(8) The task force shall meet at times and places specified by the
6   call of the chairperson or of a majority of the members of the task
7   force.

8   "(9) The task force may adopt rules necessary for the operation of
9   the task force.

10   "(10) The task force shall submit the report described in subsection
11   (2) of this section in the manner provided by ORS 192.245, and shall
12   include the recommendations for legislation, to the interim commit-
13   tees of the Legislative Assembly related to revenue and finance as
14   appropriate no later than December 1, 2014.

15   "(11) The Legislative Revenue Officer shall provide staff support to
16   the task force.

17   "(12) Members of the task force who are not members of the Leg-
18   islative Assembly are not entitled to compensation, but may be reim-
19   bursed for actual and necessary travel and other expenses incurred by
20   them in the performance of their official duties in the manner and
21   amounts provided for in ORS 292.495. Claims for expenses incurred in
22   performing functions of the task force shall be paid out of funds ap-
23   propriated to the Legislative Revenue Officer for purposes of the task
24   force.

25   "(13) All agencies of state government, as defined in ORS 174.111,
26   are directed to assist the task force in the performance of its duties
27   and, to the extent permitted by laws relating to confidentiality, to
28   furnish such information and advice as the members of the task force
29   consider necessary to perform their duties.

30   "SECTION 3. (1) Section 1 of this 2013 Act is repealed on the date

1 of the convening of the 2014 regular session of the Legislative Assem-

2 bly as specified in ORS 171.010.

3   "(2) Section 2 of this 2013 Act is repealed on the date of the con-

4 vening of the 2015 regular session of the Legislative Assembly as

5 specified in ORS 171.010.

6   "SECTION 4. This 2013 Act being necessary for the immediate

7 preservation of the public peace, health and safety, an emergency is

8 declared to exist, and this 2013 Act takes effect on its passage.".

9   _____

Wild Bird Conservation Act

According to recent surveys, 1.7 million people in Oregon engage in wildlife viewing as a recreational activity, spending over $1 billion per year pursuing this activity. However, one in four of our native wild bird species is currently in a state of decline.

Wildlife viewers as well as most other Oregon citizens are interested in providing more wildlife conservation in Oregon and there is a real need to do so. In particular there is a need to conserve and restore these declining species and their habitats. This will help preserve the diversity, stability and productivity of natural systems as well as providing an ever-widening range of wildlife viewing opportunities.

The proposed Wild Bird Conservation Act (HB 3469) is designed to address this challenge.

What would be accomplished? This Wild Bird Conservation program will:

- Provide support, information and technical assistance to homeowners, landowners, land managers, and the general public who are interested in conserving Oregon's native bird species and associated habitats

- Coordinate and monitor native bird and habitat management efforts by Oregon Department of Fish and Wildlife program and field staff and by conservation partners, both other-agency and non-governmental

- Fund and implement on-the-ground projects and programs

- Build partnerships, including new and diverse collaborators in wild bird conservation

How would this happen? The Oregon Department of Fish and Wildlife will fund an Avian Conservation Coordinator position and provide $1.8 to $3.8 million in program and project funds. These funds will be used to implement Oregon Conservation Strategy* actions aimed at enhancing wild bird species and their habitats. These state dollars can be leveraged and matched with federal and private funds (*e.g.*, a 1:1 federal fund match is currently available).

To pay for this program, a proposed Wild Bird Conservation Fund will be established. Moneys for this fund will come from an initial distributor level 5¢ per pound excise tax on wild bird feed distributed in or into the state of Oregon (according to Oregon Department of Agriculture estimates, Oregonians purchase about 20,000 tons of wild bird feed each year)..

Oversight committee. Oregon Department of Fish and Wildlife will organize an Oregon Wild Bird Conservation oversight committee to advise and recommend on implementing this program and evaluate the success of projects. Committee members will be selected to reflect Oregon's geographic diversity, urban and rural communities, and perspectives that include avian conservation and education, wild bird feed retail business experience, rural and urban conservation experience, and environmental justice.

This oversight committee will provide evaluation reports to the Oregon Legislature, making recommendations for renewal or revision. (The excise tax, as currently proposed, would sunset after 7 years in operation.)

Who's behind this? This concept was developed and is being promoted by a consortium of conservationists and organizations convened and led by the Oregon Chapter of The Wildlife Society. This group includes Audubon Society of Portland, Defenders of Wildlife, Trout Unlimited Oregon Council, Ducks Unlimited, Oregon Hunters Association and 44 other organizations and individuals.

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* The Oregon Conservation Strategy is a plan for managing and conserving all of Oregon's wildlife resources and their habitats. Adopted by the Oregon Fish and Wildlife Commission in 2006, it is cited as one of the 5 best such plans in the nation.

<u>Examples of potential projects.</u> Here is a list of some projects that could be implemented under the Wild Bird Conservation Act to benefit birds listed in the Oregon Conservation Strategy (OCS) strategy as species low and declining in numbers or otherwise at risk.

<u>Ecoregions:</u> NBR = Northern Basin Range (Southeast Oregon), BM = Blue Mountains, CP = Columbia Plateau, EC = East Cascades, WC = West Cascades, WV = Willamette Valley, CR = Coast Range, KM = Klamath Mountains

Eco region	Conservation action	Strategy species benefiting	Source
STATEWIDE	Expand and promote backyard bird habitat and stewardship programs: Naturescaping Providing water Proper feeding Effective use of nestboxes	Chipping sparrow White-breasted nuthatch Western bluebird Western purple martin	*Backyard Habitat Certification Program*
NBR	Partner with private landowners to manage and restore meadow and upland habitat: Control invasives Create riparian shrub	Bobolink Greater sage grouse Mountain quail Willow flycatcher	OCS pp. 326, 329, 331, 335
NBR	Collaborate with public agencies and private landowners to maintain and enhance selected stands of large juniper trees	Ferruginous hawk Juniper titmouse	OCS pp. 328, 330
BM	Collaborate with public agencies and private landowners to manage for mature, open forest and woodlands	Flammulated owl Great gray owl Lewis' woodpecker	OCS pp. 328, 329, 330
WV, KM	Restore grassland habitat in parcels of over 100 acres: Increase plant diversity Create nesting areas Remove invasive plants Minimize breeding season disturbances	Dusky Canada goose Grasshopper sparrow Oregon vesper sparrow Streaked horned lark Western meadowlark	OCS pp. 328, 329, 332, 333, 334
WV, EC, KM	Maintain and restore parcels of oak savannahs with open understories Control invasive species	Acorn woodpecker Chipping sparrow Lewis woodpecker Western bluebird White-breasted nuthatch	OCS pp. 324, 327, 330, 333, 334, 335
WC	Survey and determine potential waterfall nesting sites; develop programs to maintain low disturbance at nesting sites	Black swift	OCS p. 326
CR	Identify and manage high priority areas to minimize human disturbance	Black oystercatcher Fork-tailed storm petrel Leach's storm petrel Rock sandpiper Tufted puffin	OCS pp. 326, 328, 330, 332, 333
URBAN	Assess and address the issue of bird collisions with tall buildings: Reduce nighttime lighting during migration periods	American peregrine falcon	*Birdsafe Portland Program*

Metro Council April 23, 2013

Community Investment Initiative

Dave Garten, Tom Imeson, Karen Williams

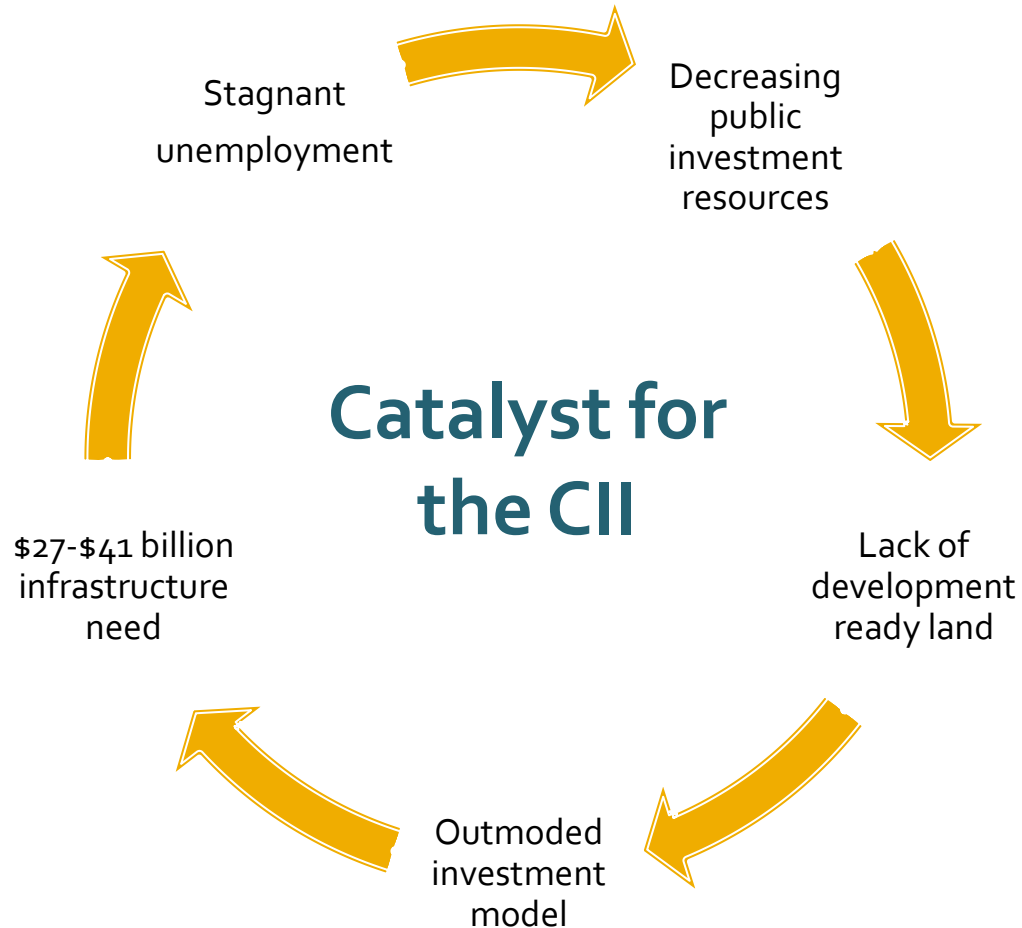# Purpose of briefing

AGENDA

- Today's goals
- Context
- Regional Infrastructure Enterprise (RIE)
  - What
  - How
  - Where
  - Who
  - Summary
  - Upcoming schedule
- Discussion of RIE proposal
- CII accomplishments

QUESTIONS BEFORE COUNCIL

- Comments on the proposed approach for the RIE?
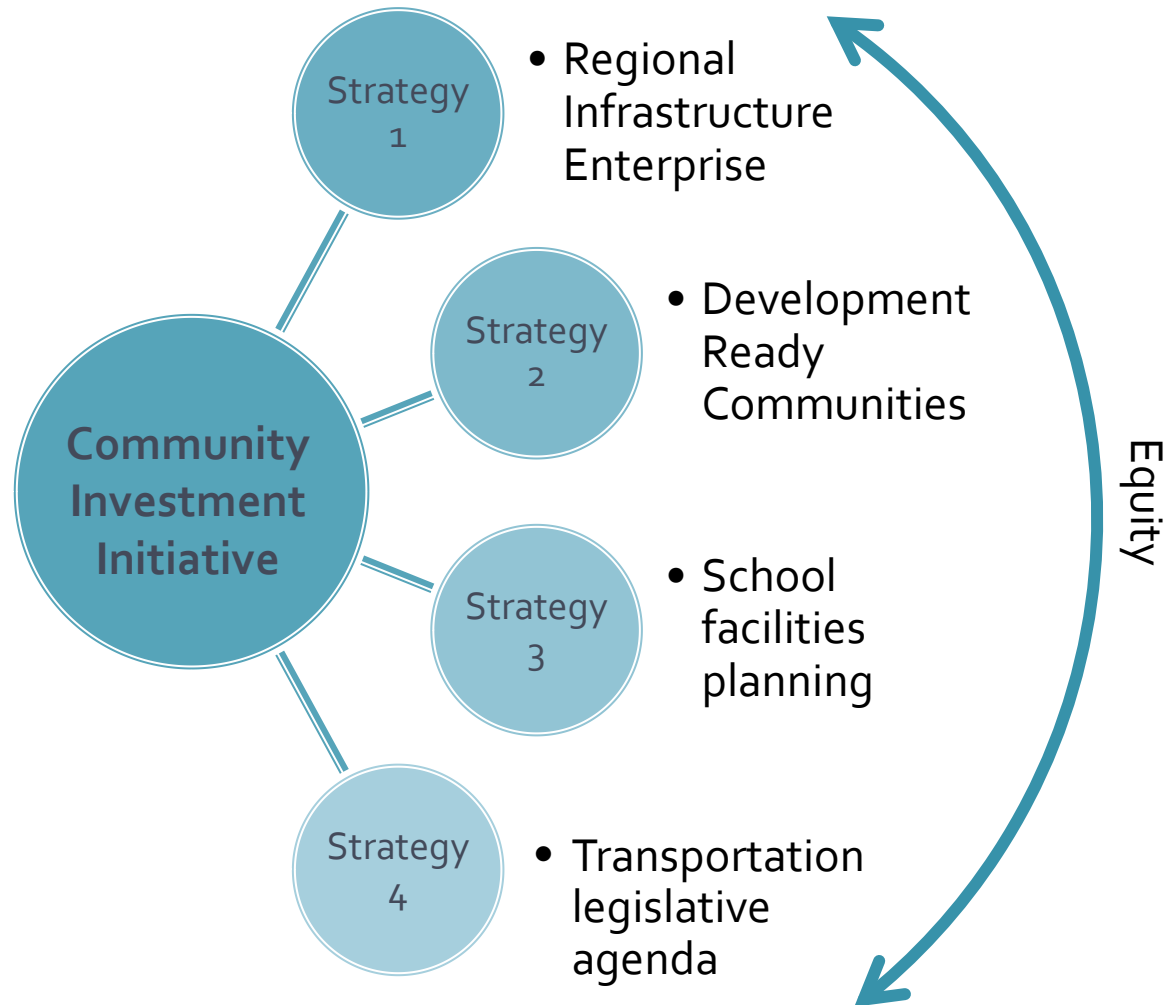
- Additional feedback for the CII and RIE Council liaisons?
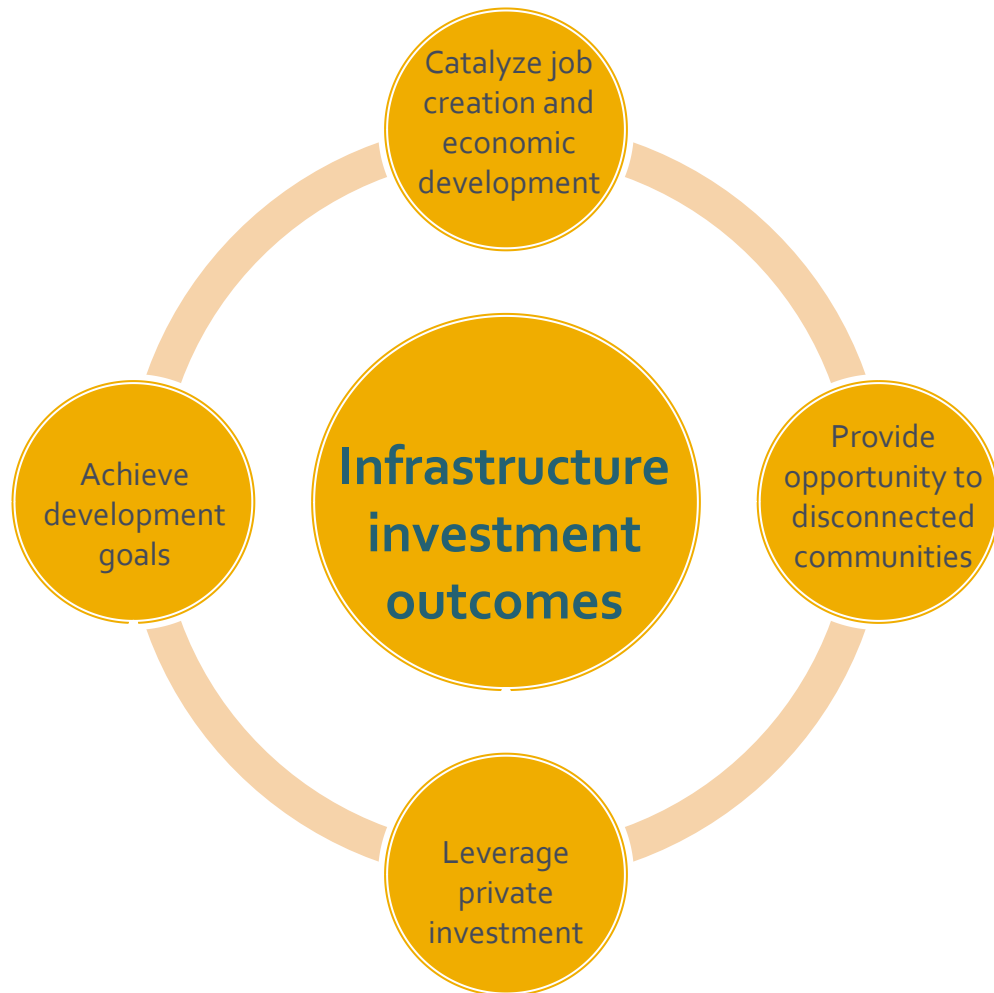
Context: The challenge

Catalyst for the CII

- Stagnant unemployment
- Decreasing public investment resources
- Lack of development ready land
- Outmoded investment model
- $27-$41 billion infrastructure need

Context: Cost of doing nothing

- The quality of life in our region will suffer now and for future generations

- Decreased competitiveness in attracting new businesses and creating jobs

- Ongoing high rates of unemployment and poverty

- The plans we have for our neighborhoods, towns, and cities won't be realized

Context: CII's key strategies

Community Investment Initiative

- Strategy 1 — Regional Infrastructure Enterprise
- Strategy 2 — Development Ready Communities
- Strategy 3 — School facilities planning
- Strategy 4 — Transportation legislative agenda

Equity

Regional Infrastructure Enterprise (RIE)

What is the RIE?

Catalyze job creation and economic development

Achieve development goals

Infrastructure investment outcomes

Provide opportunity to disconnected communities

Leverage private investment

RIE Mission: to facilitate infrastructure investment that catalyzes living-wage job creation, private investment, and economic development (as a targeted component of the infrastructure gap)

Focus areas: urban centers, industrial and employment lands

Key questions

- **What** does it do?
- **How** does it do it?
- **Where** does it do it?
- **Who** decides?

7

Functions

The "what"

What: Functions needed

Pre-development technical assistance	Public-private partnerships assistance	Funding
- Due diligence - Feasibility and market analysis - Regulatory and permitting assistance	- Coordinate among partners - Negotiate development agreements - Connect private capital	- Direct or patient capital - Grants

Phased development for RIE

The "how"

- No need or desire for a large new bureaucracy
- Try before you buy
- Leverage core competencies and existing capacities
- Flexible structure

How: Phased development

Phase 1
(walk)

Phase 2
(run)

Phase 3
(sprint)

Demonstrate ability to deliver projects

- Establish governance
- Deliver 1-3 demonstration projects on shoestring budget
- Strategically plan for and advance to Phase 2

Secure on-going funding for investments

- Secure dedicated public funding
- Implement a regional project package
- Leverage funds to access other public and private funds

Complete public-private investment program

- Establish an investment arm to directly utilize private capital

DRAFT CONCEPT

How: Establish RIE

- Easy start-up of RIE via inter-governmental agreement

- Use existing expertise to deliver projects

- Refine the role and capabilities

DRAFT CONCEPT

Metro

Port

RIE
(Board of Directors)

How: Service delivery

Delivery of services using core competencies and existing capacities:

- Site readiness technical assistance
- Finance packaging technical assistance
- Funding assistance

RIE Board of Directors

Metro (Development Center)

Port (Real Estate Development)

Other
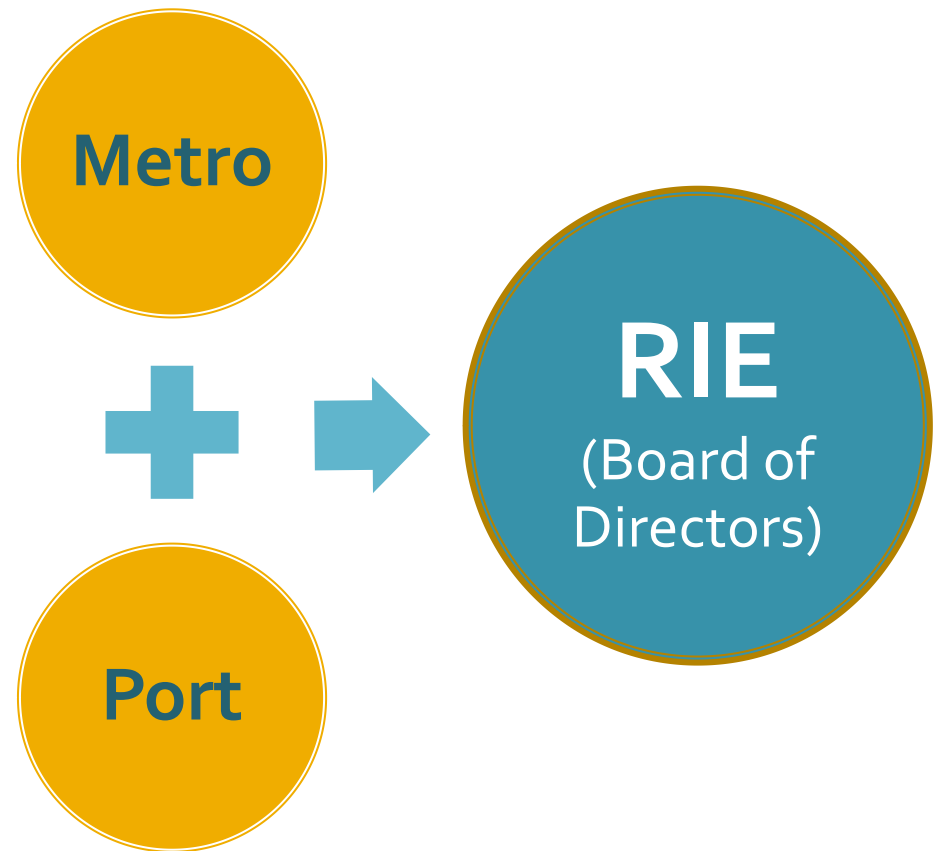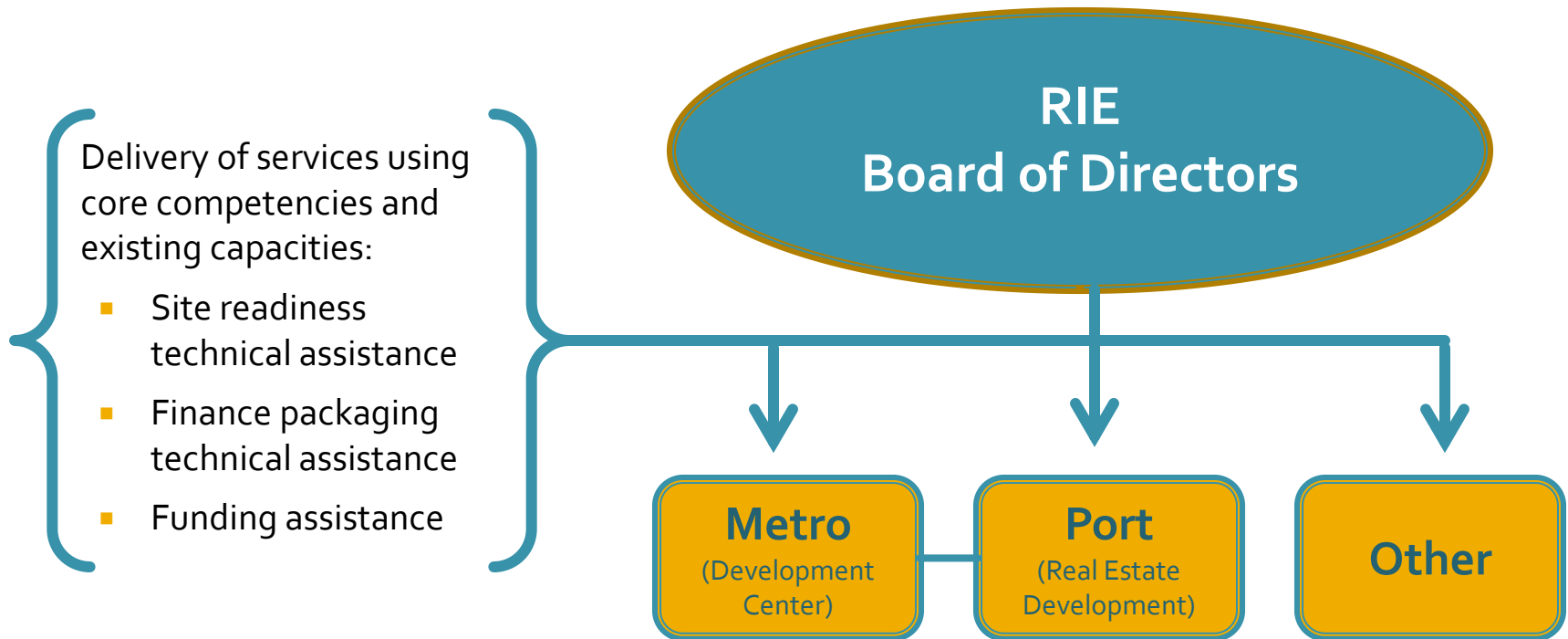
DRAFT CONCEPT

Projects

The "where"

Where: Projects by phase

- Phase 1 goals:
  - Refine services and delivery model
  - Demonstrate ability to effectively deliver services
- Phase 2 goals:
  - Secure dedicated public funding
  - Implement a regional project package
  - Leverage funds to access other public and private funds
- Phase 3 goals:
  - Expand number and types of projects delivered by accessing private capital directly

Where: Phase 1 demo projects

Characteristics

- **Market ready**
- **Utilize existing resources**
- **Small scale**
- **Short-term completion**
- Align with RIE goal
- Leverage public and private funding
- Demonstrate RIE functions
- Political and local support

Where: Phase 2 project types

Illustrative examples only

	Public Investment	Public-Private Partnership
Incubation Project	▪ Develop plans for needed improvements to streets and wetland mitigation needed for shovel ready industrial land	▪ Negotiate and structure a development agreement for public investments that leverage private investments
Implementation Projects	▪ Implement and fund improvements to streets and mitigation of wetlands to produce shovel ready industrial land	▪ Implement development agreements that leverage private investments

Where: Phase 2 project evaluation

Projects proposed
by local, regional
and private partners

Portfolio assessment

Equity and innovation
assessment

Economic development
assessment

Eligibility assessment
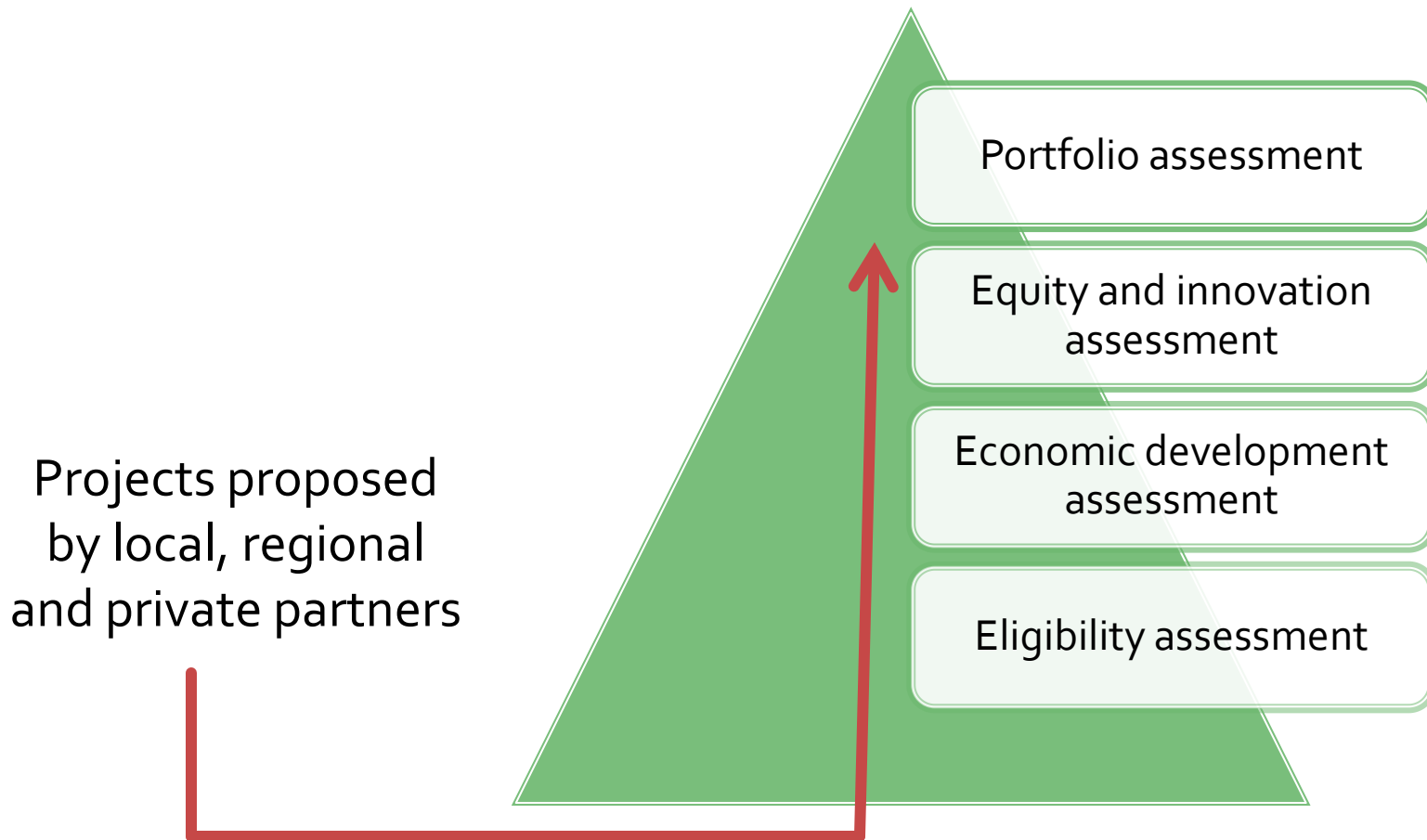
DRAFT CONCEPT

Governance

The "who"

Who: RIE Board of Directors

- Public-private Board appointed by key stakeholders (graphic)
- Expertise to support investment decisions
- Strategically selects projects based on budget and capacity

DRAFT CONCEPT

Port

GPI

State

Metro

RIE Board of Directors = public and private expertise

Other
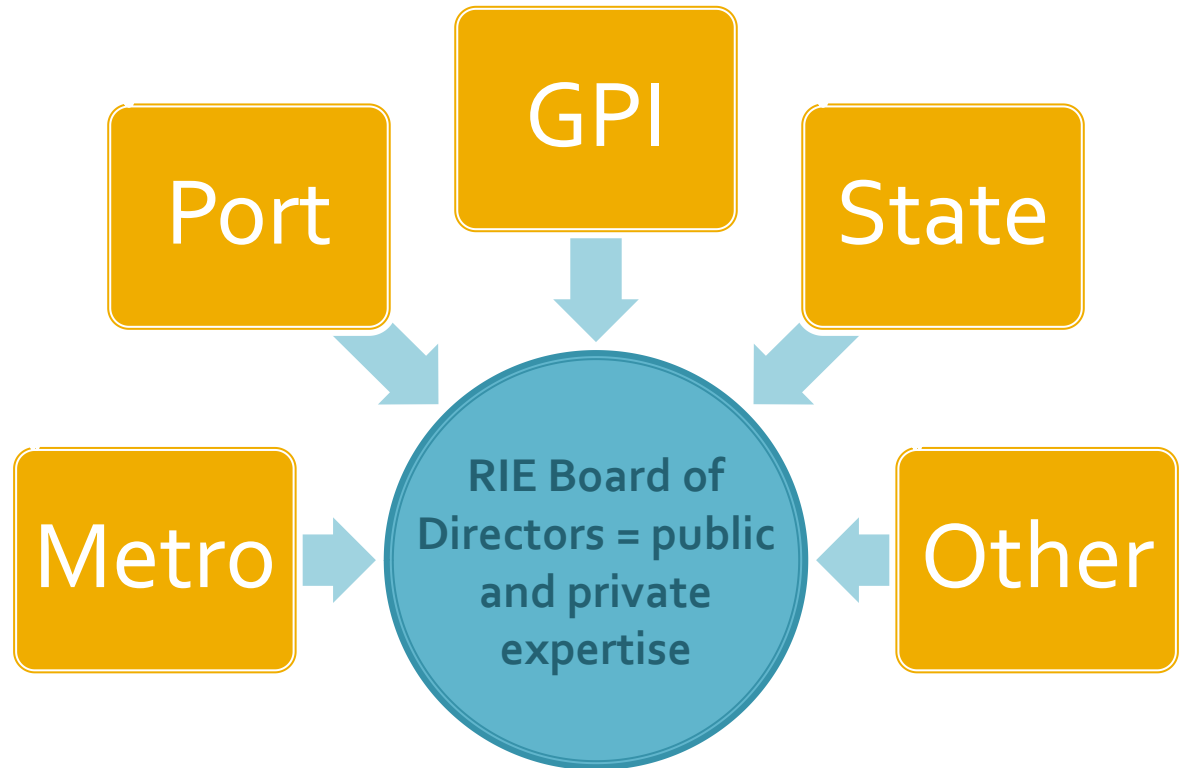
Summary of approach

- These are preliminary concepts
- This approach meets the guiding principles established by Metro Council
  - Invest in regional outcomes
  - Promote innovation
  - Focus on unmet needs
  - Support capital investments
- Practical approach
  - Manages risk and cost
  - Allows for adjustments with lessons learned
  - Relies on existing resources

Opportunities for RIE feedback

Date	What
4/23	Solicit feedback on early concepts
4/24	MPAC review and comment on RIE approach
5/23	Facilitated discussion with regional mayors, chairs, and MPAC elected members
6/11	Metro Council work session re: draft RIE business plan proposals
7/8	CII Leadership Council reviews and accepts draft RIE Business Plan
7/19 – 9/6	Metro Council/ Port Commission consideration of RIE Business Plan; comment period by business community and stakeholders
9/16	CII Leadership Council's final adoption of RIE Business Plan w/ amendments

Discussion questions

- Comments on the proposed approach for the RIE?
  - What: Functions that support project delivery not priority setting
  - How: Phased approach as tool to increase funding
  - Where: Projects that catalyze jobs
  - Who: Governance composition and skills

- Additional feedback to the Metro Council liaisons to CII and RIE?

CII Accomplishments

CII Accomplishments - RIE

- **Deliverables**
  - Business plan
  - Legislation that supports infrastructure development
- **Partnerships**
  - Metro
  - Port of Portland
  - Greater Portland Inc.
- **Other**
  - Mayor's Focus Group
  - Engagements with business organizations

Lead the development of a RIE

CII Accomplishments - DRC

- **Deliverables**
  - Development ready assessment tool
  - Recommendations to scale the program
- **Partnerships**
  - Urban Land Institute
  - Oregon City
- **Other**
  - Partner jurisdictions – Oregon City, Tualatin, Forest Grove, Gresham, Hillsboro, Troutdale

Partner to create a development ready communities pilot program

CII Accomplishments – Schools & Transportation

- **Deliverables**
  - Decision-making tool for facility investment
  - Baseline standards for classrooms of the future
  - Support state-wide legislation & Op-eds

- **Partnerships**
  - Center for Innovative School Facilities
  - Portland STEM Center
  - Pilot School Districts
    - Portland, Beaverton, Hillsboro, Gresham-Barlow, Oregon City, David Douglas, Colton
  - ODOT

Support education and transportation funding efforts of others, but not take a lead role

We'll be back

- May 14
  - Development-Readiness Communities
  - School facilities planning tool
- June 11
  - CII recommendations
- July 9
  - RIE business plan
- August 13
  - Metro's role with RIE

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Thank you.