

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ENDORSING) RESOLUTION NO. 90-1301
TRANSPORTATION FINANCING)
MECHANISMS) Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Regional Transportation Plan, adopted by Ordinance No. 89-282, identifies a comprehensive transportation improvement program for the Portland metropolitan area; and

WHEREAS, Resolution No. 89-1035 adopted a comprehensive financing strategy for major highway corridors, LRT construction, urban arterials and expanded transit operations; and

WHEREAS, Oregon Revised Statutes, Chapter 864, allows Metro to seek voter approval for a local option vehicle registration fee under certain conditions; and

WHEREAS, Resolution No 90-1300 provides for endorsement of a financing plan for Westside LRT construction and initiation of LRT in the East Portland/Clackamas County area; now, therefore,

WHEREAS, The Transportation 2000 Committee and the Joint Policy Advisory Committee on Transportation have recommended approval of this resolution; now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District

1. Endorses proceeding with implementation of a local option vehicle registration fee consistent with the concept draft for the statutorily required Intergovernmental Agreement defined in Exhibit A.

2. Directs staff to prepare the full Intergovernmental

Agreement consistent with Exhibit A for submission to Metro, Multnomah County, Clackamas County, Washington County, City of Portland and Tri-Met for approval.

3. Endorses proceeding with a ballot measure for the regionwide share of the local matching funds for the construction of preferred East Portland/Clackamas County alternative after the Preferred Alternative Report is submitted for approval.

4. Endorses working with Tri-Met to ensure that additional operating revenues are secured by July 1993 to permit expansion of bus and LRT service throughout the region.

ADOPTED by the Council of the Metropolitan Service District this 26th day of July, 1990.


Tanya Collier, Presiding Officer

EXHIBIT A

CONCEPT DRAFT OF INTERGOVERNMENTAL AGREEMENT
ON A REGIONAL VEHICLE REGISTRATION FEE FOR ROADS

A. Purpose of Intergovernmental Agreement

1. Meet requirement of ORS which permits vote on Vehicle Registration Fee.
2. Establish Metro as the lead agency.
3. Establish time frame for regional ballot.
4. Specify process to finalize regional ballot measure.
5. Establish procedures for administering funds if regional measure passes.
6. Terminate if regional ballot measure does not pass within specified time period.

B. Time Frame

1. The regional measure shall be on the ballot on an election date by November 1992.
2. The specific election date will be determined in accordance with the procedures set forth in this intergovernmental agreement.
3. This intergovernmental agreement terminates effective December 1, 1992 unless the regional Vehicle Registration Fee measure has passed.

C. Purpose of Vehicle Registration Fee

1. Revenues from the Vehicle Registration Fee must concern arterials, collectors or other improvements designated by JPACT as required by ORS.

D. Amount of Fee

1. The regional Vehicle Registration Fee shall be an amount equal to the state fee.

E. Annual Allocation of Proceeds to Regional Arterial Funds

1. Metro shall establish five distinct sub-funds to the Regional Arterial Fund.

- a. The Multnomah County Regional VRF Fund
 - b. The Clackamas County Regional VRF Fund
 - c. The Washington County Regional VRF Fund
 - d. The City of Portland Regional VRF Fund
 - e. The Regional Allocation VRF Fund
2. Prior to allocating gross proceeds to the five funds, Metro is appropriated one-tenth of one percent of gross proceeds (net of deductions by DMV) for administrative costs.
 3. Three-quarters of the remaining net proceeds will be allocated to the four jurisdictional sub-funds (a through d) on the basis of their pro-rata share of regional vehicle registrations.
 4. The remaining one-quarter of the net proceeds shall be allocated to the Regional Fund (Fund e).
 5. Interest earnings derived from each sub-fund shall accrue to that sub-fund and be allocated and disbursed in accordance to the procedures of that sub-fund.

F. Allocation of Revenue in Funds to Projects

1. Monies within the Regional Arterial Fund may be disbursed only for a program of projects recommended by JPACT.
2. The Metro Council may choose to accept the recommendation or remand it to JPACT for revision.

G. Procedures for Ballot Measure

1. JPACT shall recommend a resolution to place the regional Vehicle Registration Fee on the ballot. This resolution is to specify the precise Vehicle Registration Fee program and election date.
2. The Metro Council may choose to accept the recommendation or remand it to JPACT for revision.

H. Amendments to Intergovernmental Agreement

1. This intergovernmental agreement may be amended by mutual agreement of the signatories.

I. Termination of Intergovernmental Agreement

1. This intergovernmental agreement may be terminated by the written request of two-thirds of the signatories. Termination of the intergovernmental agreement will terminate the regional Vehicle Registration Fee effective at the beginning of the calendar year following the termination request.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 90-1301 FOR THE PURPOSE OF ENDORING TRANSPORTATION FINANCING MECHANISMS

Date: July 17, 1990

Presented by: Andrew C. Cotugno

PROPOSED ACTION

This resolution would commit to pursuing several transportation funding measures, as follows:

1. A local option vehicle registration fee by Metro for a Regional Arterial Fund by December 1992.
2. A regional funding measure for construction funding for an East Portland/Clackamas County project when the project is finalized and submitted for approval.
3. Increased funding for expanded bus and LRT service by July 1993.

This resolution is a companion measure to Resolution No. 90-1300. On July 12, JPACT recommended approval of Resolution No. 90-1301.

FACTUAL BACKGROUND AND ANALYSIS

While Resolution No. 90-1300 endorses proceeding with an immediate LRT financing proposal, this resolution deals with funding for several other aspects of transportation funding over the next 18+ months. These recommendations were developed by the Transportation 2000 Committee.

Regional Vehicle Registration Fee

The '89 Oregon Legislature provided under ORS Chapter 864 the authority for Metro, Tri-Met or the counties to seek voter approval for a local option vehicle registration fee at a level up to that collected by the state. Statute also requires that before such a fee can be imposed, an Intergovernmental Agreement (IGA) between Metro, Tri-Met, the three counties and Portland must be executed specifying which jurisdiction will place a measure on the ballot, for what amount and for what purpose. This resolution endorses a concept draft for the required IGA and directs staff to submit the full agreement to the required jurisdictions for approval. Endorsed in this concept IGA are the following provisions:

1. Metro will be the implementing agency.
2. The IGA will be valid and allow for placing a measure on the ballot prior to December 1992.

3. The funds will be used to establish an Arterial Fund with projects selected 75 percent by local jurisdictions and 25 percent by regional priority.
4. The program of projects must be approved by JPACT and can be accepted by the Metro Council or returned to JPACT for amendment.

Execution of the IGA will allow the participating jurisdictions to proceed with work necessary to define the specific program of projects and date for the ballot measure. A subsequent action will be necessary to place the measure on the ballot.

Funding for East Portland/Clackamas County LRT

While Resolution No. 90-1300 provides for initial steps toward an East Portland/Clackamas County LRT corridor, a future funding action will be necessary to provide construction funding. This resolution commits to pursuing such a funding measure when a final project has been approved.

Funding for Expanded Transit Operations

While Resolution No. 90-1300 provides for LRT construction funding, it does not provide for transit operations. In order to implement the expanded level of bus and LRT services required, increased funding will be needed. Although existing Tri-Met resources will allow for operating the LRT once constructed and a minimal level of bus service, the needed level of service expansion cannot be financed without increased funding. This resolution commits to seeking the needed funds by July 1993. This will allow dealing with the matter over the next two legislative sessions.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 90-1301.

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INTERGOVERNMENTAL RELATIONS COMMITTEE REPORT

RESOLUTION NO. 90-1301, FOR THE PURPOSE OF ENDORSING TRANSPORTATION FINANCING MECHANISMS

Date: July 25, 1990

Presented by: Councilor Hansen

COMMITTEE RECOMMENDATION: At the July 24, 1990 Intergovernmental Relations Committee meeting, Councilors Devlin, Gardner, McFarland and myself voted unanimously to recommend Council adopt Resolution No. 90-1301. Councilor Bauer was excused.

COMMITTEE DISCUSSION/ISSUES: Resolution No. 90-1301 is a companion piece to Resolution No. 90-1300 which addressed all light rail project funding for the metropolitan region. Resolution No. 90-1301 addresses future transportation financing mechanisms and sets in motion commitments on three funding issues: 1) Metro implementation by December 1992, with voter approval, of a regional vehicle registration fee for a Regional Arterial Fund; 2) Pursuit of a funding measure for construction of a future East Portland/Clackamas County light rail corridor; 3) By July 1993, pursuit of funds necessary to expand light rail and bus service levels to support the newly constructed corridors.

The Committee discussed Metro's role as the "lead agency" for the vehicle registration fee implementation. Transportation Department Director Andy Cotugno explained Metro, as the lead agency, would be responsible for collecting the vehicle registration fee, which would be assessed within the District's boundaries, and for budgeting and disbursing the revenues to local jurisdictions per a "program of projects" recommended by JPACT (the Joint Policy Advisory Committee on Transportation) and adopted by the Metro Council. The fee revenues would not simply be pass-through allocations by Metro to local jurisdictions.

Transportation Director Andy Cotugno reviewed the Concept Draft of the Intergovernmental Agreement for the regional vehicle registration fee (Exhibit A to the resolution) and noted language in Section C, "Purpose of Vehicle Registration Fee" mirrors State statute. The wording "other improvements designated by JPACT as required by ORS" would allow use of fee revenues for transit purposes if a constitutional amendment passed allowing vehicle registration fees to be used for other than road improvement purposes.

Mr. Cotugno emphasized the resolution is very important to Clackamas County because it provides a philosophical commitment the region will move on construction funding for any selected, final East Portland/Clackamas County light rail project. Under Resolution No. 90-1300, Clackamas County will provide \$2 million towards initiation of the eastside light rail corridor.

The Committee did not raise any additional issues or questions about the resolution or the draft intergovernmental agreement.

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