

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF DEFERRING) RESOLUTION NO. 92-1668A
PURSUIT OF A LOCAL OPTION VEHICLE)
REGISTRATION FEE FOR ARTERIAL-) Introduced by
RELATED IMPROVEMENTS) Councilor Richard Devlin

WHEREAS, The Regional Transportation Plan, adopted by Ordinance No. 92-433, identifies a comprehensive transportation improvement program which includes a significant need to adopt new funding mechanisms; 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 subject to execution of an Intergovernmental Agreement with Multnomah, Washington and Clackamas Counties; Tri-Met; and the City of Portland defining the fee amount and purpose; and

WHEREAS, Resolution No. 90-1301 established Metro's intent to seek, by November 1992, a local option vehicle registration fee to establish an Arterial Fund; now, therefore,

BE IT RESOLVED,

That the Council of the Metropolitan Service District:

1. Defers pursuit of voter approval for a local option vehicle registration fee for arterial-related improvements.

2. That the program will be defined and a decision made on whether or not to refer a measure to the voters on or before November 1993.

3. That the overall program structure will be integrated with a comprehensive transportation funding strategy for the state and region and will be consistent with the framework described in Exhibit A.

4. That up to \$350,000 of Surface Transportation Program funds are allocated to commence a work program consistent with Exhibit B and the FY '93 Unified Work Program is amended accordingly. The final amount is subject to local government contributions.

ADOPTED by the Council of the Metropolitan Service District
this 22nd day of October, 1992.


Jim Gardner, Presiding Officer

EXHIBIT A

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

A. Timeframe

1. A decision will be made on whether or not a regional measure will be referred to the voters on or before an election date of November 1993.
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, 1993 unless the regional Vehicle Registration Fee measure has passed.

B. 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. Consideration will be given to arterial improvements to benefit vehicular, bike, pedestrian and transit modes.

C. Amount of Fee

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

D. 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 will appropriate one-tenth of 1 percent of gross proceeds (net of deductions by DMV) for administrative costs.
3. Three-quarters of the 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.

E. 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.

F. Procedures for Ballot Measure

1. JPACT shall recommend a measure to place the regional Vehicle Registration Fee on the ballot. This measure 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.

G. Amendments to Intergovernmental Agreement

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

H. Termination of Intergovernmental Agreement

1. This intergovernmental agreement may be terminated by the written request of three of the five 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.

92-1668A.RES
ACC:lmk
9-21-92

EXHIBIT B

REGIONAL ARTERIAL FUND
WORK PROGRAM

1. September - November, 1992
Define Program Structure
Preliminary Selection of Projects
2. December, 1992 - Polling
Public Involvement
Consult with DMV regarding Procedures
3. November, 1992 - February 1993
Engineering Cost Estimates
Planning Context/Justification
Project Descriptions/Purpose
Public Involvement
4. January, 1993 - March, 1993
Financial Analysis
Delineation of Address Records for DMV
Draft Ballot Measure
5. March, 1993 - Polling
6. April, 1993 - Preliminary Assessment of Financing Options
7. June/July, 1993 (after Legislative session)
Final Decision on Financing Options

JPACT/Metro Council decision on whether to refer a measure to the voters
8. July, 1993 - Public Information Program

Resource Requirements

Metro Staff

Project Management . . .	0.25	
Project Selection. . . .	0.15	
Public Involvement . . .	0.50	
Address Records.	<u>0.10</u>	
	1.00 FTE\$ 75,000

Consultants, for example:

Polling (@ \$25,000 ea.)	50,000
Engineering Consultant.	40,000
Planning Consultants.	25,000
Graphics/Report Printing.	40,000
Information Brochure.	17,500
Newspaper Insert.	44,000
Video for Cable TV.	50,000
Project Signs	<u>8,500</u>
	\$350,000

TRANSPORTATION AND PLANNING COMMITTEE REPORT

CONSIDERATION OF RESOLUTION NO. 92-1668, FOR THE PURPOSE OF DEFERRING PURSUIT OF A LOCAL OPTION VEHICLE REGISTRATION FEE FOR ARTERIAL-RELATED IMPROVEMENTS

Date: October 15, 1992

Presented by: Councilor Devlin

Committee Recommendation: At the October 13 meeting, the Transportation and Planning Committee voted unanimously to recommend Council adoption of Resolution No. 92-1668. Voting in favor: Councilors Devlin, McLain, Buchanan, Moore, and Washington.

Committee Issues/Discussion: Andy Cotugno, Planning Director, presented the staff report. He explained that two years ago Metro, by resolution, established our intent to pursue a local option vehicle registration fee. With the resolution came the self-imposed deadline of November, 1992 which, for a variety of reasons, has not be completed or pursued during the past two years. This resolution sets a new deadline of November, 1993 but also calls for a work plan, supported by Surface Transportation Plan money, to assure that this new deadline is kept. The deadline is actually earlier than November, 1993, if a measure is to appear on the General Election ballot at that time. The work plan will put together the program, generate the information needed for Department of Motor Vehicle (DMV) records and administrative procedures, and provide the necessary support for making the decision of whether to place the measure on the ballot.

Interested parties have expressed concerns regarding the timing of this issue and how the vehicle registration fee relates to other funding sources. The timing concern led to the suggestion that the issue proceed after the 1993 Legislature adjourns so that there will be a better understanding of the funding sources available to the region. This is particularly important because of the new Oregon Transportation Plan (OTP) being proposed. Additionally, there is concern regarding the usage of the resources, if approved. At present the usage is restricted to highway purposed only. There was an attempt to expand the usage to transit purposes in 1990, which failed. The decision was then made to provide for arterial purposes. There are clear relationships between usage of all funds, once established by the Legislature. Other potential funding being considered includes gasoline taxes, emission fees, log taxes, and transit components within the Regional Transportation Plan.

In the past, Metro adopted a resolution that provides that if we set up a locally funded urban arterial program in excess of \$10 million, a portion must be dedicated to transit purposes. At the time Metro made that commitment, the account available was \$3.8 million, now there may be \$9 million of more flexible funding

available. For that reason, we may choose to include in the package projects related to pedestrian, transit and bicycles. Even though this is a constitutionally restricted resource, it can stretch to cover bike and pedestrian paths within roadways and some transit related projects (e.g. park and ride areas).

The previous resolution adopted by the Council that has the November, 1992 deadline has a "sunset provision" if not extended. This resolution extends the "sunset provision".

Even with approval, before any money can be spent, there must be an intergovernmental agreement (IGA) because Oregon law allows Metro, Tri-Met or any of the three counties, or any collection of these groups, to request approval by the voters of the local option fee. Because of the multiple and overlapping boundaries and levels of jurisdiction, the statute also requires the five entities and the City of Portland to execute an IGA to specify the entity to actually collect the fee, the amount of the fee, and purpose. This effectively allows a potential six-way veto.

Chairman Devlin clarified that any vehicle registration fee must go to the vote of the people for approval.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 92-1668A FOR THE PURPOSE OF DEFERRING PURSUIT OF A LOCAL OPTION VEHICLE REGISTRATION FEE FOR ARTERIAL-RELATED IMPROVEMENTS

Date: September 8, 1992

Presented by: Andrew Cotugno

FACTUAL BACKGROUND AND ANALYSIS

Proposed Action

Adoption of Resolution No. 92-1668A would:

1. Defer Metro's pursuit of voter approval for a local option vehicle registration fee for arterial-related improvements;
2. Extend the intended deadline from November 1992 to November 1993; and
3. Adopt a work program to develop the program of projects and prepare for the vote and allocate \$350,000 of "Surface Transportation Program" (STP) funds.

Background

In January 1989, Metro adopted a comprehensive funding strategy encompassing five major elements:

- Major Highway Improvements
- LRT Expansion
- Arterial Improvements
- Expanded Bus Service
- Road Maintenance and Preservation

The local option vehicle registration fee was the key proposal for funding arterial improvements. Upon approval of the Oregon Legislature of enabling legislation, Metro established its intent to use this authority in July 1990 by Resolution No. 90-1301. Progress has been made in each category with the exception of the local option fee.

In July 1992, JPACT considered whether to recommend proceeding with the local option fee at the November 1992 ballot. At that time, it was recognized that insufficient time existed to put together a credible program and that it was preferable to wait until after the '93 Legislature deals with transportation funding recommendations resulting from the Oregon Transportation Plan and Roads Finance Study.

In addition, it was recognized that this program needs to be integrated with the funding strategies for the other areas,

including allocation of STP funds, funding for alternative modes, (such as bikes, pedestrians, transit and demand management) and funding for the next regional LRT corridor.

The schedule for the local option vehicle registration fee work program is designed to complete development of the program of projects by March 1993 in order to then allow consideration of funding strategies. If a decision is made to proceed with referring of the measure to the voters, it will also be necessary to execute an intergovernmental agreement with the three counties, Portland and Tri-Met. According to law, since multiple jurisdictions were given the authority to ask the voters for the fee, it is necessary to execute an intergovernmental agreement specifying which jurisdiction will proceed, at what fee level and for what purpose. Execution of that agreement will be sought based upon the program of projects that is referred to the voters.

The proposed Metro budget included a work element in the Transportation Department to develop this program via the use of interfund borrowing to be paid back through proceeds from the fee. This allocation of STP funds is in lieu of interfund borrowing.

Executive Officer's Recommendation

The Executive Officer recommends adoption of Resolution No. 92-1668A.