BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF PROVIDING)	RESOLUTION NO. 15-4602
DIRECTION TO METRO CONCERNING BILLS)	
BEFORE THE 2015 OREGON LEGISLATURE)	Introduced by Council President Tom Hughes
)	

WHEREAS, Metro has an interest in bills before the 2015 Oregon Legislature; and

WHEREAS, the Metro Council and Metro staff will represent Metro's interest during the upcoming legislative session; and

WHEREAS, the Metro Council wishes to establish a united position on important legislative proposals and provide direction to its staff in order to represent the will of the agency; and

WHEREAS, the attached Exhibit "A" of this resolution lists specific expected and potential 2015 issues that are of concern to Metro and the metropolitan region and gives guidance to staff on the Metro Council's position on these issues; and

WHEREAS, on January 8, 2015, the Joint Policy Advisory Committee on Transportation endorsed legislative priorities for transportation policy and funding that are reflected in the attached Exhibit "B"; and

WHEREAS, the Metro Council adopted these transportation priorities by passing Resolution 15-4597 on January 29th, 2015;

WHEREAS, the attached Exhibit "C" states the Metro Council's principles regarding categories of potential legislation in order to provide guidance to staff in representing Metro; and now therefore

BE IT RESOLVED that the Metro Council hereby directs the Metro Chief Operating Officer, the Metro Attorney, and Metro staff to communicate the agency's position on a variety of legislative proposals to the 2015 Oregon Legislature consistent with Exhibits "A," "B" and "C" attached hereto.

ADOPTED by the Metro Council this 29th day of January, 2015.

Tom Hughes, Council President

Approved as to Form:

Alison Kean, Metro Attorney

METRO COUNCIL LEGISLATIVE PRIORITIES 2015 Legislative Session



TOP PRIORITY ITEMS

- ➤ **Transportation funding and policy:** Support passage of the comprehensive transportation funding and policy package recommended by the Oregon Transportation Forum to improve economic competitiveness, community livability, and environmental quality by addressing the needs of all modes of passenger and freight transportation.
- ➤ **Urban growth management:** Ensure that the Legislature establishes the policy framework and process for local land use decisions and supports the authority of local governments, including Metro, to make specific decisions on local land use matters.
- ➤ Willamette Falls Legacy Project: Pursue allocation of funds to support development of facilities providing public access to Willamette Falls at the former Blue Heron paper mill site in Oregon City.
- ➤ **Brownfield cleanup and redevelopment:** Support creation of policy and funding tools to facilitate brownfield redevelopment, including: recapitalization of Oregon's Brownfields Redevelopment Fund; local authority to create land banks and provide tax abatements; and establishment of a state brownfield cleanup tax credit.
- ➤ **Industrial site readiness:** Support allocation of funds to implement 2013 legislation which created state financial tools to help make land inside the urban growth boundary available for industrial development and job creation through infrastructure investment, brownfield cleanup, land aggregation, and other means.

OTHER ITEMS

- **Toxics:** Support legislation requiring disclosure and removal of toxic chemicals in children's products.
- ➤ **Household hazardous waste:** Support legislation establishing a program based on producer responsibility and product stewardship principles to manage household hazardous waste.
- ➤ **Clean Fuels Program:** Support legislation lifting the sunset on Oregon's Clean Fuels Program.
- ➤ **DEQ materials management program:** Support updates to policy framework and funding structure to ensure successful implementation of DEQ's 2050 Vision for materials management.
- ➤ **Technical amendments to HB 4078 reserves map:** Support legislation to correct errors in location of urban and reserves boundaries in HB 4078 (2014).

- ➤ **Clean Car rebate:** Support legislation to spur increased use of electric and plug-in hybrid cars by providing a rebate to purchasers of zero-emission vehicles.
- ➤ **Vertical Housing Development Program:** Support legislation extending the sunset of this program, which authorizes local governments to provide tax abatements to encourage multi-story, mixed use commercial/residential development in specified zones.
- ➤ **Rehabilitation tax credit:** Support passage of a 25% state Rehabilitation Tax Credit (RTC) to restore and reuse historic commercial and apartment buildings.
- > **Statement of economic interest:** Support legislation to eliminate a statutory oversight and require the Metro Auditor to file a statement of economic interest.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING)	RESOLUTION NO. 15-4597
REGIONAL POLICY AND FUNDING)	
PRIORITIES FOR 2015 STATE)	Introduced by Councilor Craig Dirksen,
TRANSPORTATION LEGISLATION		JPACT Chair

WHEREAS, the governments of the Portland metropolitan region recognize the importance of investing strategically in public infrastructure, particularly transportation infrastructure, as a way to support private investment, economic prosperity, livability and environmental sustainability; and

WHEREAS, transportation investments that support private investment, job creation and long-term economic prosperity also bring increased revenues to local and state government budgets; and

WHEREAS, our region has a track record of working together to creatively finance 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 locational advantages, careful planning and strategic investments supported by local, regional, state and federal resources and partnerships has helped to make this region globally competitive, the economic engine of the state of Oregon and an example to the nation; and

WHEREAS, the Climate Smart Communities Scenarios Project has demonstrated that with an increase in transportation funding for all modes, this region can accomplish its many goals for economic prosperity, livability, social equity and environmental protection while reducing per capita greenhouse gas emissions from light-duty vehicles as directed by the Oregon Legislature; and

WHEREAS, the Climate Smart Strategy will be initially implemented through a short list of Climate Smart Actions for 2015 and 2016 related to transportation funding; and

WHEREAS, the region has cooperatively participated with the Oregon Transportation Forum to develop a broad base of statewide support for a legislative transportation funding package that addresses all modes to support the movement of people and freight; and

WHEREAS, the Joint Policy Advisory Committee on Transportation (JPACT) has recommended adoption of this resolution at their meeting on January 8, 2015; and

WHEREAS, the Metro Policy Advisory Committee (MPAC) has recommended adoption of this resolution at their meeting on ; now therefore

BE IT RESOLVED:

- 1. That the Metro Council and JPACT adopt the following principles to guide the region's approach to transportation issues in the 2015 legislative session:
 - <u>Jobs and Economic Prosperity</u>: The regional and local governments and agencies of the Portland metropolitan region are committed to partnering with others to support economic prosperity through the maintenance, improvement and efficient operation of a robust transportation system.
 - Regional and Local Plans: The regional and local governments and agencies of the Portland metropolitan region are committed to taking the strategic actions needed to

Exhibit B to Resolution No. 15-4602

- implement regional and local plans, including reduction of greenhouse gas emissions from light-duty vehicles.
- <u>Support Multi-Modal Investment:</u> The regional and local governments and agencies of the Portland metropolitan region support adoption by the 2015 Oregon Legislature of a funding package designed to address the needs of all modes of transportation for both people and freight.
- <u>Stable and Reliable Funding:</u> The need to improve and efficiently operate and maintain a multi-modal transportation system requires establishment of funding mechanisms that provide a reliable and stable on-going revenue source and the legislative package should support that objective.
- Preserve and Expand Local Options: The transportation challenge will require
 innovative policy and new funding commitments at all levels of government, including
 additional local funding to repair and maintain existing transportation facilities.
 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.
- 2. That the Metro Council and JPACT endorse transportation funding and policy priorities for the 2015 legislative session as reflected in Exhibit A to this Resolution.
- 3. That the Metro Council and JPACT endorse the Oregon Transportation Forum Transportation Funding and Policy Package adopted November 6, 2014 as reflected in Exhibit B to this Resolution.

ADOPTED by the Metro Council this day	y of January, 2015.	
	Tom Hughes, Council President	
Approved as to Form:		
Alison R. Kean, Metro Attorney	_	

Exhibit A to Resolution No. 15-4597

2015 Regional Transportation Agenda: Recommendations

A transportation funding package should be implemented based upon the following principles:

- Fix It First
- Invest in the Future
- Implement an All-Modes Approach
- Implement a Programmatic Approach
- Preserve Local Options

The elements of the 2015 legislative funding package endorsed by the Portland metropolitan region are as follows:

- 1. City/County/State "Fix-It" Program ("catch up and keep up"): Increase highway trust fund revenues to catch up with needed maintenance, operations and preservation on the city/county/state road system, and index the resource to avoid future losses of revenue.
- 2. State and Regional "Enhance" Program: ODOT consolidated their various road and non-road categories of funds intended for modernization of the multi-modal transportation system into a combined "Enhance" program to facilitate the selection of priority projects most important to each region regardless of mode. Expand the ODOT "Enhance" Program and establish a complementary Regional/Local "Enhance" Program.
- **3. Orphan Highway Program:** Establish a pilot funding program to facilitate the transfer of roads between ODOT and local governments to align responsibility with authority.
- **4. Elderly and Disabled Transit Service:** Provide funding for transit services to elderly and disabled persons statewide.
- **5.** Connect Oregon VI: Support a sixth round of Connect Oregon funding for non-road multimodal transportation projects.
- **6. Youth Transit Service**: Provide grant funding to support improved transit service to meet youth's transportation needs and provide free or reduced transit fares to youth.
- 7. AMTRAK Cascades Passenger Rail Service: Provide funds to operate the AMTRAK Cascades service between Eugene, Albany/Corvallis, Salem, Oregon City, and Portland to Washington State and Vancouver, B.C.
- **8. 10-year multi-modal strategic transportation needs assessment:** Develop a 10-year, multi-modal, statewide strategic transportation needs assessment to provide the basis for future legislative funding proposals.

Exhibit B to Resolution No. 15-4597

OREGON TRANSPORTATION FORUM DRAFT TRANSPORTATION FUNDING AND POLICY PACKAGE Adopted at the November 6, 2014 Annual Membership Meeting

Oregon's roads are crumbling. Freight movement faces serious bottlenecks. Many bridges need reinforcement to withstand earthquakes. Our public transit agencies are unable to keep up with demand for service. Some rural communities do not have easy access to essential services. Many Oregonians are unable to safely walk or bicycle in their neighborhoods. Past transportation decisions have failed to adequately consider impacts on public health and the environment. Federal funding is more and more tenuous, and instead of financing new projects, a large portion of current funds must pay off earlier investments.

While transportation is not an end in itself, a safe and reliable transportation system provides a critical foundation for our prosperity and quality of life. It is our responsibility to invest in a better transportation system, immediately and over the long run, to ensure the health and economic wellbeing of our state's residents and communities.

It is for these reasons that the following proposal is being considered.

GOALS OF THE PROPOSAL

- Put Oregonians to work creating cutting-edge multimodal transportation networks to connect people to jobs, attract new talent, and compete on a global scale.
- Address costly and time-consuming bottlenecks and improve connections to ports and freight
 yards to better serve agriculture, forestry, manufacturing and other key Oregon industries.
- To keep goods and people moving safely and reliably, maintain the transportation system in a state of good repair and increase its resiliency to natural disasters.
- Improve public health and air quality by making our neighborhoods walkable and bikeable and improving access to transit.
- Serve all Oregonians in every part of the state without regard to age, race, disability, or income.
- Reduce transportation-related pollution, preserve our natural environment, and make our transportation system more resilient to the impacts of climate change.

PRINCIPLES

 FUND ALL MODES: There is an urgent need to provide adequate funding for all transportation modes that move passengers and freight to improve the safety and reliability of the system and to support economic prosperity, community livability, and environmental quality.

- FIX IT FIRST: The State of Oregon's first priority should be to maintain, rehabilitate and operate existing transportation facilities before building new ones.
- PROVIDE RELIABLE FUNDING: Stable and predictable revenues are critical to support ongoing road operations and maintenance as well as transit service enhancements.
- SHARE COSTS FAIRLY: The State of Oregon should raise revenue from system users, as appropriate, based on the benefits they derive or the costs they impose on the system.
- PRESERVE LOCAL OPTIONS: Addressing our transportation needs will require new funding at all levels of government. Accordingly, the Legislature should remove existing restrictions on local and regional revenue-raising authority and avoid enacting new limitations or preemptions.

PACKAGE FUNDING AND POLICY ELEMENTS OF THE PACKAGE

HIGHWAY

• Prevent loss of highway fund revenue by indexing gas taxes to increases in fuel efficiency of the automobile fleet.

Comments: This form of indexing acts as a stop-gap measure to prevent further erosion of automobile taxes due to increased fuel efficiency of the fleet until a road user charge can be fully implemented. It does not address the issue of some vehicles that do not pay the fuels tax (e.g. electric vehicles), and it does not impact truck taxes as the indexing will only prevent reduction of revenue owed by automobiles as a class under the cost responsibility requirement of the constitution. Increased revenues from indexing for fuel efficiency would be spent to stabilize revenues available for maintenance and operations.

Highway Maintenance and Preservation ("Fix-It") Tax Increase \$ _____

Comments: This proposal is intended to address the ongoing cost of maintaining the existing highway system and preventing increased costs caused by postponing maintenance efforts. Any revenue proposal by reference will include provisions for taxation that maintain heavy/light vehicle cost responsibility.

Highway Modernization ("Enhance") Tax Increase \$_____

Comments: This proposal will help to resolve costly and time-consuming bottlenecks and improve connections to ports and freight yards to better serve agriculture, forestry,

manufacturing and other key Oregon industries as well as reduce congestion for those travelling to and from their place of employment.

 Address "orphan highways" and freight corridors by adopting a 1-cent gas tax for a pilot program to facilitate the transfer of road miles between ODOT and local governments to better align ownership and responsibility with state vs. local interests.

Comments: Jurisdiction over segments of roadway could be more efficiently and appropriately aligned so that those affected by the roadway have decision making authority over it. The State should transfer "orphan highways" – segments of state highway that function more like urban arterials to local governments. Local governments find themselves responsible for local roads and streets that have become statewide freight corridors in practice. Jurisdiction transfers can realign responsibility and authority. However, transfers are not frequent, mostly because of the inability of the receiving entity to pay for maintenance and enhancement of the transferred asset. This proposal seeks to eliminate that obstacle. It is anticipated that a program of this sort would be evaluated after ten years to determine whether it is still needed; if not, the revenue stream could be redirected to the general highway fund.

NON-HIGHWAY

• Increase funds to enhance non-highway modal infrastructure by restoring the *Connect Oregon* multi-modal funding level to \$100 million in lottery bonds for the 2015-17 biennium. Funds would be used for grants and loans to support capital projects that involve one or more of the following modes of transportation: air; marine; freight rail; passenger rail; public transit; bicycle; and pedestrian.

Comments: This is a short-term step to be taken while we progress toward the creation of a Multi-Modal Trust Fund analogous to the Highway Trust Fund, with dedicated revenues evenly split between passenger and freight investments.

• Provide \$22.6 million per biennium for Cascades AMTRAK service.

Comments: This proposal requests state general funds to cover the lost federal funds that were used to operate and maintain Oregon's portion of the Cascades AMTRAK service. This amount is in addition to \$6.8 million from custom license plate revenue and \$3.16 million from gas taxes on lawn mowers and other non-road equipment.

• Provide \$75 million per biennium of state funds to cover the cost of elderly and disabled transit service.

Comments: This proposal is intended to provide stability to funding for elderly and disabled transit services and provide a nexus for transit related state planning efforts. The rationale is that the state already has significant responsibility for providing services to vulnerable populations. Most of the funding for those services come from the General Fund.

• Provide up to \$20 million per biennium for Youth Transit Passes

Comments: This proposal helps high-school-aged youth get to school, weekend and evening educational opportunities, extracurriculars and employment through better access to transit. Transit agencies can use the funds to support increased transit service that might be needed to transport youth quickly and dependably, as well as to provide free or reduced-cost transit passes for youth.

POLICY

• Develop a 10-year multi-modal transportation needs assessment to establish and quantify the need to operate, maintain and improve the system on a consistent statewide basis. This will serve as the basis for funding proposals to be considered by future Legislatures.

Comments: This proposal is intended to provide a thoughtful framework of clearly defined system needs and quantification of costs and benefits associated with such needs in such a way that allows policy makers to make informed future decisions about transportation funding.

• Recommend that state transportation planning efforts (a) include findings regarding how each mode should best interconnect with other modes to maximize use of system resources and (b) evaluate the impact of the plans' findings on other transportation modes.

Comments: This proposal attempts to alleviate siloing effect of modal planning so that it allows for a fuller consideration of modal connectivity in a systemic and holistic manner.

 Direct ODOT to enter into agreements with other state agencies or local governments to share the costs of facilities and equipment, to the extent that the facilities and equipment meet the needs of both entities and provide efficiencies to taxpayers. ODOT shall attempt to develop one facility and/or equipment sharing project in each of the five ODOT Regions.

Comments: This proposal provides direction to ODOT to look for those opportunities where co-locations of facilities and sharing of equipment can work well for both parties or for all parties. Co-location could reduce the overall cost of providing roadway maintenance and operations. Surplus facilities and equipment would be disposed of or repurposed.

METRO COUNCIL 2015 LEGISLATIVE PRINCIPLES¹

LOCAL AUTHORITY

- 1. **Pre-emption:** With respect to issues related to solid waste management, land use, transportation planning and other matters of regional concern, Metro's authority should not be pre-empted or eroded.
- 2. Funding: To ensure a prosperous economy, a clean and healthy environment, and a high quality of life for all of their citizens, Metro and the region's counties, cities, and other service providers must have the financial resources to provide sustainable, quality public services. Accordingly, the Legislature should remove existing restrictions on local and regional revenueraising authority and avoid enacting new limitations or pre-emptions, and all state mandates should be accompanied by funding.

LAND USE AND URBAN GROWTH MANAGEMENT:

- **3. Local Authority:** The Legislature should take no actions that reduce or compromise Metro's land use and urban growth management authority.
- **4. Oregon's Land Use System:** Oregon's land use planning system provides an important foundation for the prosperity, sustainability and livability of our region; this system reflects the values of Oregonians and enjoys strong public support. The Legislature should exercise restraint and care when considering changes to Oregon's land use system.
- 5. Successful Communities: Metro supports legislation that facilitates the achievement of the six desired outcomes for successful communities that have been agreed upon by the region: vibrant, walkable communities; economic competitiveness and prosperity; safe and reliable transportation choices; leadership in minimizing contributions to global warming; clean air, clean water and healthy ecosystems; and equitable distribution of the burdens and benefits of growth and change.³
- 6. Local Land Use Decisions: Management of the urban growth boundary is a complex undertaking that involves extensive analysis, public input, and a balancing of many factors. Urban growth management decisions have profound impacts not just on land at the boundary, but on communities within the boundary and on farms and other rural lands outside the boundary. For these reasons, the Legislature should establish the process and policy framework for local land use decisions and should affirm the authority of local governments, including Metro, to make specific decisions on local land use matters.
- **7. Efficiency:** Land within the urban growth boundary should be used efficiently before the boundary is expanded.⁴
- 8. Need: The UGB should not be expanded in the absence of demonstrated need.⁵
- 9. Affordable Housing: Metro supports efforts to ensure that housing choices are available to people of all incomes in every community in our region, and to reduce the number of households that must spend more than 50 percent of their income on housing plus transportation.⁶
- **10. Transportation:** Land use and transportation planning should be coordinated so land uses do not undermine the efficiency and reliability of the transportation system and transportation investments do not lead to unintended or inefficient land uses.⁷
- **11. Annexation:** Cities are the preferred governing structure for providing public services to urban areas, and the inability to annex land brought into the urban growth boundary to

- accommodate urbanization prevents efficient development of livable communities. For these reasons, Metro supports reforms that will facilitate, or reduce barriers to, orderly annexation and incorporation.
- **12.** Rules/Statutes: Administrative rules should not be adopted into statute.
- **13.** Non-Regulatory Tools: State efforts at regulatory streamlining should include funding to support development of non-regulatory tools for achieving desired land use outcomes.⁸
- **14. Fiscal Responsibility:** Funding to support urban development should be generated at least in part by fees on those who directly benefit from that development.

SOLID WASTE:

15. Product stewardship: Metro supports efforts to minimize the health, safety, environmental, economic and social risks throughout all lifecycle stages of a product and its packaging, and believes that the producer of the product has the greatest ability, and therefore the greatest responsibility, to minimize those adverse impacts.

TRANSPORTATION:

- **15. Transportation Governance:** The Legislature should take no actions that reduce or compromise Metro's or JPACT's authority in the areas of transportation policy and funding.
- **16. Transportation Funding:** Providing adequate funding for all transportation modes that move passengers and freight supports economic prosperity, community livability, public health and environmental quality. For these reasons, Metro supports an increase in overall transportation funding, investments in a balanced multimodal transportation system that addresses the needs of all users, and flexibility in the system to provide for local solutions to transportation problems.

PARKS AND NATURAL AREAS:

17. Parks and Natural Areas: Our region believes in protecting water quality and wildlife habitat and providing residents with access to nature and outdoor activity. Parks and natural areas are regional assets that support public health, environmental quality, strong property values and economic prosperity. For these reasons, Metro supports measures to increase local and regional authority to raise revenues to support parks and natural areas and to increase the level of state funding distributed to local governments for acquisition, capital improvements, and park operations.

SUSTAINABILITY:

- **18. Climate Change:** Metro supports efforts to combat and adapt to climate change and to meet the state's goals for reducing greenhouse gas emissions.
- **19. Conservation Education:** Metro supports efforts to provide stable and reliable funding to conservation education.

ECONOMIC PROSPERITY:

20. Infrastructure Finance: Metro supports measures, including funding or revenue measures, which facilitate state, regional or local investments in the public structures needed to accommodate population and economic growth in a way that helps the region achieve its six desired outcomes for successful communities.

21. Metro Venues: Because the Oregon Convention Center, Expo Center, Portland'5 Centers for the Arts and Oregon Zoo are assets that contribute millions of dollars to the state and regional economies, Metro supports legislative measures that facilitate the success of these venues in attracting visitors and enhancing the quality of their experiences.

AGENCY OPERATIONS:

22. Firearms and public facilities: Metro supports legislation that increases Metro's authority to regulate the carrying of firearms on Metro properties and public venues, and opposes legislation that limits or reduces that authority.

¹ Unless otherwise noted, endnotes refer to applicable policy statements in Metro's Regional Framework Plan (RFP).

² See http://oregonvaluesproject.org/findings/top-findings/ (specifically item 5, Natural Resource Protections for Future Generations)

³ RFP Chapter 1 (Land Use).

⁴ RFP Policy 1.1 (Compact Urban Form).

⁵ RFP Policy 1.9 (Urban Growth Boundary).

⁶ RFP Policy 1.3 (Housing Choices and Opportunities).

⁷ RFP Policy 1.3.13 (Housing Choices and Opportunities); Transportation Goal 1 (Foster Vibrant Communities and Efficient Urban Form).

⁸ RFP Policy 1.1 (Compact Urban Form); Policy 1.2 (Centers, Corridors, Station Communities and Main Streets).

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 15-4502, FOR THE PURPOSE OF PROVIDING DIRECTION TO METRO CONCERNING BILLS BEFORE THE 2015 OREGON LEGISLATURE

Date: January 20, 2015 Prepared by: Randy Tucker

BACKGROUND

The Metro Council has taken formal positions on legislation since its inception. The first such action taken by the Council was in Resolution No. 79-23 in which it took a position on SB 66, which dealt with economic development. Since that time, the Metro Council has taken formal and informal positions on legislation (state and federal) that it feels impacts the agency and the region.

The agenda and principles described in Exhibits A and B were developed by Randy Tucker (Legislative Affairs Manager) in consultation with the Metro Council. Most of the specific legislative issues described in Exhibit A resulted from consultation with legislative liaisons and other staff in Metro departments. These issues were discussed with the Metro Council in work sessions that occurred on September 2, September 23, November 25 and January 8.

The legislative principles in Exhibit B were discussed on September 23 and January 8 and represent an update of principles that have been adopted prior to earlier legislative sessions. Where applicable, these principles also reflect previously adopted Metro policy as embodied in the Regional Framework Plan.

As issues arise and develop during the 2015 legislative session, the Council will have the opportunity to take positions on specific pieces of legislation and to modify its agenda as it sees fit.

ANALYSIS/INFORMATION

1. Known Opposition: none

2. Legal Antecedents: none applicable

3. Anticipated Effects: Provide direction to Metro staff with respect to issues before the 2015 Oregon Legislature

4. Budget Impacts: None

RECOMMENDED ACTION

Staff recommends approval of Resolution No. 15-4602.