

JOINT POLICY ADVISORY COMMITTEE ON TRANSPORTATION
FINANCE COMMITTEE

April 28, 2005

I. WELCOME AND INTRODUCTIONS

Chair Rod Park called the meeting to order and welcomed the members present which included:

JPACT MEMBERS PRESENT

Chair Rod Park	Metro Council
Chair of JPACT, Rex Burkholder	Metro Council
Councilor Brian Newman	Metro Council
Commissioner Maria Rojo de Steffey	Multnomah County
Matt Garrett	Oregon Department of Transportation (ODOT)
Fred Hansen	TriMet
Lynn Peterson	City of Lake Oswego

ALTERNATES PRESENT

Susie Lahsene	Port of Portland
Robin McArthur	Oregon Department of Transportation (ODOT)
Jay Waldron	Port of Portland

GUESTS PRESENT

Richard Brandman	Metro -- Planning Department
Kathy Busse	Washington County
Olivia Clark	TriMet
Andy Cotugno	Metro -- Planning Department
Marion Haynes	Portland Business Alliance
Tom Miller	City of Portland
Dennis Mulvihill	Washington County
John Rist	Clackamas County
Kathryn Schutte	Metro -- Council Office
Randy Tucker	Metro -- Public Affairs
Mark Turpel	Metro -- Planning Department
Cameron Vaughan-Tyler	Portland Business Alliance
Laurel Wentworth	City of Portland
Bridget Wieghart	Metro -- Planning Department

I. MEETING SUMMARY APPROVAL

Councilor Park called for changes/additions/corrections to the meeting summary from the February 24, 2005 meeting. Hearing none, the meeting summary was accepted as presented.

II. ROLE OF FINANCE COMMITTEE

The committee agreed that their role would be to focus strategically on financial issues.

III. WASHINGTON STATE TRANSPORTATION BILL

A recent article in the Oregonian (included as part of this meeting record) on Washington states' recent enactment of a 9.5-cent gas tax increase, which takes effect July 1st was discussed. Councilor Park suggested having Representative Deb Wallace attend the next meeting of the JPACT Finance committee to discuss the political dynamics involved in passing the transportation package.

IV. CONNECT OREGON/LEGISLATIVE UPDATE

Mr. Randy Tucker and Ms. Olivia Clark presented a proposed JPACT Legislative agenda (included as part of this meeting record). The committee agreed to have Mr. Tucker draft two separate but complementary letters. One documenting continued support for "Connect Oregon" and the other addressing the following points:

- The importance of developing of a long-term strategy for investing in the state's transportation system.
- JPACT's support for the dedication of OITA funds to the Oregon Transportation Commission's current Projects of Statewide Significance, then to projects in the State Transportation Improvement Program if existing funds are going to be reprogrammed.
- The importance of the Governor, the Legislature and OTC working with the business community, stakeholders, and especially local governments early in the interim period to develop a comprehensive transportation package and submit it to the 2007 Legislature.

All committee members present agreed to meet with legislative leadership, the Governor's office and ODOT to advance the above recommendations.

The "Connect Oregon" package was passed out of the Senate Transportation Committee and sent to Ways and Means with two changes incorporated: \$40 million would be loans rather than grants and a distribution formula organized by congressional district.

V. ECONOMIC DEVELOPMENT/TRANSPORTATION STUDY

Metro and the Portland Business Alliance are partnering in a study that will assess the cost of congestion to the Portland regional economy, particularly as it affects freight activities and business competitiveness. Furthermore, the study will provide a better understanding of the relationship between transportation infrastructure investments and economic vitality. The scope of work was presented (included as part of this meeting record) and discussion followed.

VI. ADJOURN

There being no further business, Chair Rod Park adjourned the meeting at 8:55am.

Weekly Legislative Report: May 27, 2005 (Week 20)

- **Five-Year Treadmill:** On Tuesday, May 24, the Senate Environment and Land Use Committee moved a “clean” version of SB 245 (extends UGB cycle from five to seven years, no other provisions) to the floor. The Senate should be voting on the bill next Wednesday or Thursday. The goal is simply to get another vehicle over to the House so we have a “live” bill as committees shut down. The home builders oppose the bill in this form, of course, but have agreed that the bill can go to the House for further negotiation. Meetings with local governments and members of the development community are scheduled for the coming week.
- **Measure 37:** SB 1037, which makes significant changes to Measure 37 and Oregon’s land use program, was approved by the Senate Environment and Land Use Committee but faces significant difficulty on the floor. 1000 Friends of Oregon and the environmental community are vigorously opposing the bill. The *Oregonian* and the *Register-Guard* have published editorials strongly criticizing it. Oregonians In Action has problems with the bill as well.
- **Pesticide Use Reporting:** SB 290 has been amended to try to address the objections of the pesticide industry related to the geographic specificity of reporting. The bill retains geographically specific reporting requirements but only makes information on pesticide use in farm and forest zones available to the public by watershed. The bill passed the Senate yesterday on a party-line vote and is probably dead in the House because the pesticide industry continues to oppose it.
- **Religious Land Use:** HB 3474, sponsored by Rep. Mac Sumner of Molalla, basically exempts religious institutions from land use laws. I was among several people who testified in opposition a couple of weeks ago; I focused on relatively narrow grounds related to UGB management. However, the House Land Use Committee is likely to push the bill to the floor in a work session scheduled for this afternoon.
- **Transportation funding:** HB 3415, which would dedicate any unneeded OTIA III bridge repair money to projects of statewide significance and freight projects, passed the House overwhelmingly and has been referred to the Senate Rules Committee.
- **Transportation funding II:** JPACT distributed two letters to the Legislature: one supporting and making some recommendations on SB 71 (ConnectOregon), and one urging the Legislature to focus in the interim on developing a long-term transportation funding agenda (and also expressing support for HB 3415).
- **MTBE:** The provisions of HB 2949, our bill banning MTBE, have been rolled into an omnibus bill, HB 3481, which deals with various fuel-related issues. The bill primarily addresses biofuels, which have been the focus of significant attention this session. The MTBE provisions have been negotiated with the Western States Petroleum Association and others and are not controversial. However, it is possible that controversial elements may be added to the bill, including a prohibition against Oregon adopting California fuel efficiency standards. If that provision is added, I may need policy direction from the Council. (I have not gotten involved in the competing bills on that issue so far this session.)

- **“One Appeal” bill:** SB 431 passed the House unanimously this week (having previously passed the Senate unanimously) and now goes back to the Senate for concurrence with one minor amendment that was made in the House. Then the bill goes to the Governor.
- **Prevailing Wage:** This issue seems to be going sideways in the last few days. The bill that was viewed as a likely vehicle for a moratorium on enforcement of any new interpretations of prevailing wage law was heard this week but is no longer going to be amended with these provisions, so people are looking for a new bill. Much of the work is directed at affordable housing rather than a broader focus on public-private partnerships more generally, so we will need to push to get our TOD issues addressed. Meanwhile, BOLI Commissioner Dan Gardner and the Governor are preparing to appoint a task force on prevailing wage; I am in touch with the Governor’s staff about possible Metro participation.
- **School Siting:** We have reached agreement with the Beaverton School District on amendments to SB 1032 that direct Metro to develop an expedited major amendment process and to collaborate with high-growth districts related to the likely direction of future expansions, to help districts direct their investments in land. A work session is scheduled for next Tuesday.
- **Transit-supportive development:** SB 839, which extends the authorization for local governments to provide tax credits for transit-supportive development, passed the House and has been sent to the Governor.
- **Vertical Housing:** HB 2199 slightly expands the existing tax credit program for so-called “vertical housing development zones” by authorizing a further tax incentive when a multi-story mixed-use development includes affordable housing. The bill has now passed the Senate and is headed to the Governor’s desk.