



Oregon

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August 31, 2010

TO: Land Conservation and Development Commission

FROM: Richard Whitman, Director
Robert Cortright, Land Use-Transportation Planning Specialist

SUBJECT: **Agenda Item 10a, September 1-2, 2010 LCDC Meeting**

HOUSE BILL 2001/ SENATE BILL 1059 BRIEFING

I. AGENDA ITEM SUMMARY

House Bill (HB) 2001 and Senate Bill (SB) 1059 direct the commission to adopt administrative rules setting greenhouse gas (GHG) emission reduction targets for the state's metropolitan areas. This rulemaking is identified as a priority in the commission's 2009-2011 policy agenda. Department staff will update the commission on current and proposed work to carry out the required rulemaking and related tasks. For additional information, contact Bob Cortright at 503-373-0050, ext. 241, or bob.cortright@state.or.us.

II. SUMMARY OF RECOMMENDED ACTION

No action is recommended at this time.

The staff proposes to summarize relevant requirements of HB 2001 and SB 1059, describe work that is completed or underway, and discuss policy issues that are likely to be addressed in conducting this work.

III. BACKGROUND

SB 1059 and HB 2001 direct the commission to adopt rules that set targets for metropolitan areas to plan for reductions in GHG emissions from light vehicles (cars and light trucks). Both bills anticipate that local governments in metropolitan areas will engage in land use and transportation scenario planning to evaluate and select a preferred scenario for achieving the adopted targets. HB 2001, which applies primarily to the Portland Metropolitan area, requires development of scenario plans and adoption and implementation of a preferred plan by the region that meets state goals for reducing greenhouse gas emissions as applied to light vehicles. SB 1059, which applies to the state's other five metropolitan areas, anticipates but does not require preparation or implementation of scenario plans at this time, pending further information on the costs of such actions and discussion of how to fund such work. The department anticipates that this issue will be addressed in the 2011 legislative session.

In addition to target rulemaking by LCDC, SB 1059 directs the Oregon Transportation Commission (OTC) to develop a statewide strategy for reducing greenhouse gas emissions from the transportation sector generally, and for DLCD and the Oregon Department of Transportation (ODOT) to work together with local governments in metropolitan areas and other stakeholders to produce several other products to support scenario planning and GHG reduction efforts. A table summarizing the major elements and timelines in HB 20001 and SB 1059 is provided below. (Additional information about HB 2001 and SB 1059 is available on the department's website at <http://oregon.gov/LCD>)

SB 1059 Metropolitan Scenario Planning for GHG Reduction						
Scope: Applies to metropolitan areas other than Portland Metro						
Outcomes: LCDC target rule, OTC statewide strategy, scenario planning guidelines, toolkit, funding report and public outreach.						
Schedule	2010	2011				
	December	No deadline. Drafts needed by March – May 2011 to inform target rulemaking			June 1	No deadline
<i>SB 1059</i>	<i>Section 8</i>	<i>Section 2</i>	<i>Section 3</i>	<i>Section 4</i>	<i>Section 5</i>	<i>Section 6</i>
Task/ Product	Scenario Planning Funding Report	Statewide Transportation GHG Strategy	Scenario Planning Guidelines	GHG Reduction Toolkit	GHG Target Rulemaking	GHG Public Outreach
Description	ODOT/DLCD: Report amount of financing needed to cover local costs of scenario planning. Identify potential sources of funding.	OTC adopts a statewide transportation strategy on GHG emissions to aid in meeting state goals. Consider state and federal programs, policies and incentives to reduce GHG.	ODOT/DLCD: Establish guidelines including: <ul style="list-style-type: none"> - Process for scenario planning - Ranges of actions - Flexibility/state local coordination - Examples 	ODOT/DLCD: Programs actions locals can implement to reduce GHG <ul style="list-style-type: none"> - Effectiveness - Cost Effectiveness - Time required - Best Management Practices - Modeling/Analysis Tools - Education Tools 	LCDC sets GHG targets for 5 downstate metropolitan areas. Consider population growth rates in setting targets.	ODOT/DLCD: Educate public about need to reduce GHG from light vehicles. Benefits/costs of GHG reduction.
Advisory Committees	<i>Consult with MPOs and local governments</i>	<i>Statewide Strategy Policy Advisory Committee & Statewide Strategy Technical Advisory Committee</i>	<i>Scenario Planning Technical Advisory Committee</i>		<i>Target Rulemaking Advisory Committee (TRAC)</i>	<i>To be determined</i>
Relation to HB2001	<i>New</i>	<i>New</i> Will aid in setting targets	<i>New</i> Relates to 2013 rulemaking for implementation	<i>New</i>	Extends HB 2001 to other MPOs outside Portland Metro	<i>New</i>

A. SB 1059 Advisory Committees

Work to carry out SB 1059 will be aided by four advisory committees:

- The Target Rulemaking Advisory Committee (TRAC) will advise the commission in setting GHG reduction targets for each of the state's metropolitan areas. The commission directed the department to establish the TRAC at its June 2010 meeting. Chair VanLandingham will chair the TRAC.
- The Statewide Transportation Strategy Advisory Committee will advise ODOT and the Oregon Transportation Commission on the statewide strategy for reducing GHG emissions from the transportation sector. The statewide strategy will inform the target rulemaking. To facilitate close coordination between the statewide strategy and target rulemaking, several stakeholders will serve on both advisory groups.
- The Statewide Transportation Strategy Technical Advisory Committee will advise ODOT on modeling and other analysis to support development of the statewide strategy. The committee will include local planners as well as experts in a range of transportation modes and sectors.
- The Scenario Planning Technical Advisory Committee will assist ODOT and DLCD staff in preparing scenario planning guidelines – that outline steps involved in scenario planning. The committee will include land use and transportation planners from local governments and other technical experts. The guidelines are intended to provide a step-by-step guide for conducting scenario planning.

A list of advisory committee members is included in Attachment A. A project kick-off meeting for all four advisory committees is scheduled for September 13th in Salem. The committees are expected to meet approximately once a month over the next six to eight months.

B. Staffing and Consultant Support

Staff support for work required by HB 2001 and SB 1059 is being conducted primarily by ODOT and DLCD staff with assistance from consultants. The department is currently in the process of hiring four staff people who will assist with target rulemaking, development of scenario planning guidelines, and outreach strategy and that will assist ODOT in developing the statewide transportation strategy. In addition, ODOT is in the process of engaging consultants to assist with facilitation of the policy advisory committees (TRAC and the statewide strategy advisory committee) and to assist staff with developing other products called for by SB 1059.

IV. DEPARTMENT ANALYSIS

Setting GHG reduction targets for individual metropolitan areas will require the commission, OTC and stakeholders to sort through a number of complicated and interrelated issues. Targets for GHG emission reductions in metropolitan areas are one part of a still-developing state

strategy and program to significantly reduce GHG emissions. In the process of setting targets, the commission will need to take into consideration information from others about other efforts that are either in process or yet to be done.

Some of the issues that the commission, OTC and stakeholders are likely to face are outlined below.

A. Relating Metropolitan Targets to State Goals for Reducing GHG Emissions

The state's adopted goals call for achieving GHG emissions that are 75 percent below 1990 levels by 2050. These are statewide goals that apply to all sources of GHG emissions, including power generation, industry, building heating and cooling, and transportation. Setting targets for emissions from light vehicle travel in metropolitan areas through the year 2035 involves several intermediate steps. These include:

- Estimating a statewide GHG reduction goal for the year 2035 that enables meeting the year 2050 goal of a 75 percent reduction. A midpoint goal for 2035 would be a 43.5 percent reduction from 1990 levels, but technological or other factors may suggest that the goal should be somewhat lower or higher.
- Estimating transportation sector's share of statewide GHG emissions reduction goals.
- Estimating what share of transportation sector GHG reductions should be met by light vehicles versus other sources of transportation emissions (i.e., heavy vehicles (trucks) or air travel).
- Estimating what portion of light vehicle travel emission reductions should be accomplished in metropolitan areas versus other areas of the state.
- Equitably allocating reductions for metropolitan areas considering differences in communities' transportation alternatives and population growth rates. (Some areas, notably Bend, have grown rapidly since 1990, so that a target based on total 1990 emissions would be much more aggressive for Bend than other areas.)

B. Estimating of Future Metropolitan Emissions

HB 2001 and SB 1059 identify a series of technical estimates that are to be made to help inform setting metropolitan GHG reduction targets. The bills direct ODOT, the Department of Environmental Quality (DEQ) and the Department of Energy (DOE) to provide the following estimates and recommendations to LCDC by March 1, 2011 to inform target rulemaking:

- 1990 light vehicle VMT for each metropolitan area (ODOT)
- 2035 light vehicle fleet for each metropolitan area (ODOT)
- 1990 GHG emissions from light vehicles for each metropolitan area (DEQ/DOE)
- Average GHG of light vehicle fleet in 2035 for each metropolitan area (DEQ/DOE)
- Percentage reduction in light vehicle emissions to the year 2035 needed to achieve 2050 GHG goals (DEQ/DOE)
- Calculation of estimated VMT for each metropolitan area needed to meet 2035 goal (DEQ/DOE)
- Modeling tools or methods to adjust VMT targets to account for congestion reduction measures

C. Estimating Statewide and National Programs and Efforts to Reduce Transportation GHG Emissions

A range of national- and state-level factors and policies will have important effects on the state's ability to achieve significant GHG reductions. State and federal government play an important role in creating incentives that promote increased use of alternative modes and driving. State and national policies also play a critical role in shaping effectiveness of metropolitan planning efforts. For example, without significantly increased state or federal support for expanded transit, land use and transportation strategies that call for more transit-oriented development are likely to be less feasible or effective.

The statewide strategy to be developed by ODOT and OTC and the scenario planning guidelines will need to consider state and federal policies and programs that are likely to be in place over the next 20 years to help support work to reduce greenhouse gas emissions in major urban areas. These include:

- National energy policy, such as a federal carbon tax or cap and trade program.
- National and state funding for transportation, especially for transit and alternative modes, and transportation demand management.
- National and state funding and incentives for infill and redevelopment.
- Changes to tax policy that encourage and reward less driving such as tolling, congestion pricing, and mileage based registration fees.
- Expanded programs to encourage less driving and increased use of alternative modes, such as cash-out of employee parking and pay-as-you-drive auto insurance.

D. Providing Guidance and Resources for Scenario Planning

The purpose of adopting targets is to establish goal posts that will be used to guide local governments as they conduct scenario planning. Some of the concern about setting targets is based on uncertainty about what scenario planning is, who will do it, and how it will be integrated into the existing land use and transportation planning framework. The department expects that clear guidance about how scenario planning is to be done will be important to achieving support for the target rulemaking.

Developing guidance for scenario planning is likely to raise several issues:

- Whether local governments in metropolitan areas (including cities and counties, as well as metropolitan planning organizations) have adequate staff and resources to conduct scenario planning.
- Figuring out processes that enable affected cities and counties in each metropolitan area to work together to "cooperatively select" a preferred scenario.
- Assessing whether changes are needed to statewide planning goals or rules, such as the Transportation Planning Rule, to support integration of scenario plans into subsequent updates and changes to local comprehensive plans. Scenario plans are likely to explore and recommend fairly significant changes to urban development patterns. They are likely to suggest significant increases in infill, redevelopment, planning for new housing and

retail and service uses in mixed use areas that serve surrounding neighborhoods, and planning to increase the share of people using transit and alternative modes to reach employment areas.

V. RECOMMENDATION

No action is recommended at this time.

As outlined above, the commission is required to adopt rules setting GHG reduction targets for the state's metropolitan areas by June 1, 2011. Work by the Target Rulemaking Advisory Committee (TRAC), other advisory committees, department staff and others, is just getting underway to support development of rule recommendations to the commission by next spring. The department expects to provide regular updates to the commission at subsequent commission meetings.

ATTACHMENTS

A. List of SB 1059 Advisory Committee Members



SB 1059 Target Rulemaking Advisory Committee

Member

Organization

Member	Organization
John VanLandingham	Land Conservation and Development Commission
Gail Achterman	Oregon Transportation Commission
Ken Williamson	Environmental Quality Commission
Angus Duncan	Global Warming Commission
Carlotta Collette	Metro
Mark Capell	Bend
Linda Modrell	Corvallis
Dan Clem	Salem
Al Densmore	Medford
Alan Zelenka	Eugene
Andrea Riner	Central Lane MPO
To be determined	Business
Tony Hyde	Columbia County (near MPO city)
John Oberst	Monmouth (near MPO city)
John Fregonese	Urban Planning
Rick Williams	Lloyd TMA (TDM)
Tom Schwetz	Transit
Kelly Clifton	Portland State University - OTREC
Craig Campbell	AAA
Mary Kyle McCurdy	1000 Friends of Oregon
Don Greene	Citizen Involvement Advisory Committee
Representative. Terry Beyer	Springfield
Senator Martha Schrader	Canby

Members listed in bold also serve on ODOT Statewide Transportation Strategy Policy Committee

SB 1059 Scenario Planning Technical Advisory Committee*

Member	Organization
Jon Chandler	Oregon Homebuilders
Bob Cortright	DLCD
Alex Bettinardi	ODOT
Lisa Gardner	City of Eugene
Vickie Hardin-Woods	City of Salem
Craig Honeyman	League of Oregon Cities
Mike Jaffe	Salem-Keizer MPO
Tom Kloster	Metro
Nick Lelack	Deschutes County
Sarah Miller	Oregon Business Development Department
Greg Mott	City of Springfield
Mary Kyle McCurdy	1000 Friends of Oregon
Andrea Riner	Central Lane MPO
Art Schlack	Association of Oregon Counties
Becky Steckler	Oregon APA
Rodney Stewart	ODOT
Jessica Tump	Tri-Met
Greg Winterowd	Winterbrook Associates

* Membership as of August 20. Additional invitations to participate on the TAC are pending as of this date.

August 20, 2010

SB 1059 Statewide Transportation Strategy Policy Committee

Member	Affiliation
Gail Achterman	Oregon State University
Craig Campbell	The Victory Group Inc.
Mark Capell	City of Bend
Kelly Clifton	Portland State University
Carlotta Collette	Metro
Angus Duncan	Oregon Global Warming Commission
Diana Enright	Oregon Department of Energy
Chris Hagerbaumer	Oregon Environmental Council
Marla Harrison	Port of Portland
Onno Husing	Oregon Coastal Zone Management Association
John Ledger	Associated Oregon Industries
Steve McClure	Union County
John Oberst	City of Monmouth
Bob Russell	Oregon Trucking Association
John VanLandingham	Oregon Land Conservation and Development Commission
John Vial	Jackson County
Ken Williamson	Oregon State University



SB 1059 Statewide Transportation Strategy Technical Advisory Committee

Member	Affiliation
Ali Bonakdar	Corvallis Area Metropolitan Planning Organization
Bob Cortright	Oregon Dept. of Land Conservation and Development
Bill Drumheller	Oregon Department of Energy
Brian Dunn	Oregon Department of Transportation
Brett Estes	City of Astoria
Nick Fortey	Federal Highway Administration
Andy Ginsburg	Oregon Department of Environmental Quality
Mike Grainey	Oregon Business Development Department
Brian Gregor	Oregon Department of Transportation
Vicky Guarino	Rogue Valley Council of Governments
Eric Hesse	TriMet
Mike Hoglund	Metro
Mike Jaffe	Mid-Willamette Valley Council of Governments
Margi Lifsey	Oregon Department of Transportation
Tamra Mabbott	Umatilla County
Andrea Riner	Lane Council of Governments
Cynthia Thompson	South Metro Area Regional Transit
Karen Schilling	Multnomah County
Dr. Jerry Zelada	Bicycle and Pedestrian Advisory Committee

