



Oregon

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January 30, 2014

TO: Land Conservation and Development Commission

FROM: Robert Cortright, Scenario Planning Coordinator

SUBJECT: **Agenda Item 8, February 13-14, 2014, LCDC Meeting**

UPDATE ON METRO CLIMATE SMART COMMUNITIES SCENARIOS PLANNING PROJECT

I. AGENDA ITEM SUMMARY

The commission will receive an update from Metro officials and staff on work by the Portland metropolitan area to develop and evaluate alternative land use and transportation scenarios to meet state-adopted targets for reducing greenhouse gas emissions from light vehicle travel. This update provides an informal opportunity for the commission to provide comments and suggestions for Metro to consider as it moves forward with scenario planning work. The commission is responsible for reviewing and approving Metro's preferred scenario, which is scheduled to be adopted in December 2014.

If you have questions about this report please contact Bob Cortright, Scenario Planning Coordinator, at 503-373-0050 extension 241 or bob.cortright@state.or.us.

II. SUMMARY OF RECOMMENDED ACTION

No formal action by the commission is required or recommended at this time.

III. BACKGROUND

A. Legislation and Rules

House Bill (HB) 2001, adopted by the 2009 Legislature, requires Metro and local governments in the Portland metropolitan area to prepare and cooperatively select a preferred land use and transportation scenario for achieving greenhouse gas emission reductions. The commission is responsible for reviewing and approving Metro's preferred scenario. Once the scenario is approved by the commission, Metro and area local governments are required to amend regional and local plans to carry out the preferred scenario. The process for development, evaluation, approval and implementation of a preferred scenario is guided by administrative rules adopted by the commission in November 2012.

http://arcweb.sos.state.or.us/pages/rules/oars_600/oar_660/660_044.html

Land use and transportation scenario planning by the Portland metropolitan area is part of a broader effort by the state; in cooperation with metropolitan areas, to evaluate changes to land use and transportation plans and policies to significantly reduce GHG emissions from light vehicle travel and to help meet statewide goals to reduce GHG emissions to 75 percent below 1990 levels by the year 2050.

B. Commission's Role

HB 2001 assigns the commission several roles and responsibilities related to scenario planning for the Portland metropolitan area.

- Target-setting and review: In 2011, the commission adopted greenhouse gas (GHG) reduction targets for state's metropolitan areas, including the Portland metropolitan area. Targets represent the reduction in GHG emissions from light vehicle travel that each metropolitan area is to achieve through scenario planning efforts. Targets set the per capita reduction to be achieved by year 2035. The adopted target calls for the Portland metropolitan area to achieve a 20 percent reduction in light vehicle emissions per capita below year 2005 levels. Target reductions are in addition to reductions in emissions that are from expected improvements in vehicle technology and fuels and changes to the vehicle fleet. The commission has committed itself to review and evaluate the GHG targets by the year 2015 – i.e. at roughly the same time the commission will be reviewing Metro's adopted preferred scenario.
- Review and approval of Metro's preferred scenario: HB 2001 charges the commission with reviewing and approving Metro's preferred land use and transportation scenario. In November 2012, the commission adopted rules to guide Metro in the evaluation, selection and implementation of a preferred land use and transportation scenario. The rule requires Metro to adopt the preferred scenario by December 2014. The rule also identifies factors that Metro is to consider as it develops alternatives. The commission is to review and approve the preferred scenario "in the manner of periodic review."
- Review and approval of changes of Metro Functional Plan amendments to implement the preferred scenario: Within one year of commission's approval of its preferred scenario, Metro is required to adopt amendments to regional functional plans to implement its preferred scenario, including requirements guiding changes to local comprehensive plans and transportation system plans. The commission is responsible for review and approval of the new or amended functional plans.
- Reviewing Metro's progress in implementing the preferred scenario: Metro is required to adopt performance measures to track implementation of the preferred scenario, and report progress to the commission. The commission reviews these reports and either determines that Metro is making satisfactory progress or provides recommendations for corrective actions.

DEPARTMENT ANALYSIS This briefing is one in a series of updates that Metro has agreed to provide to the commission as it conducts scenario planning. This update is an opportunity for Metro and commission to identify questions or issues that should be considered further as Metro begins to construct a draft preferred scenario.

C. May 2013 LCDC Briefing and Feedback

In May 2013, Metro officials and staff briefed the commission on the region's three proposed alternatives and proposed evaluation criteria. The commission provided informal guidance to Metro on several points:

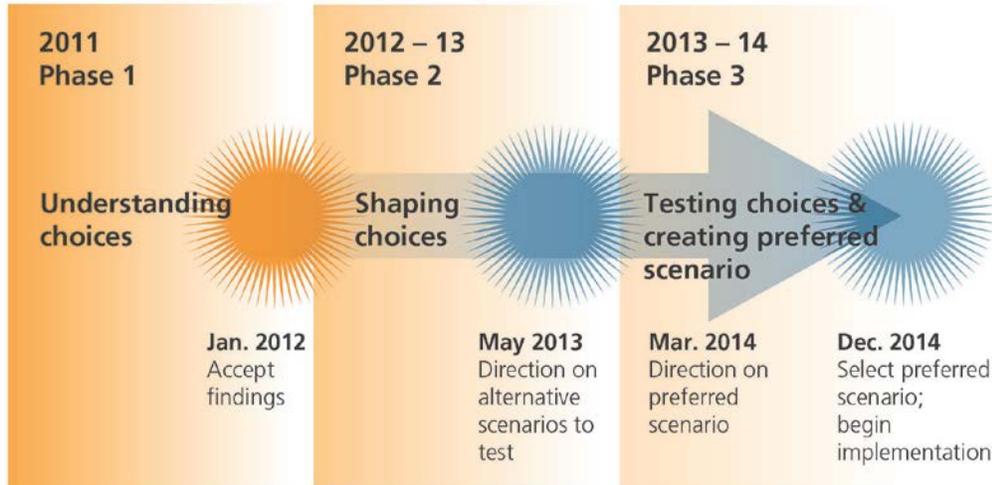
- The commission was impressed with the breadth of Metro's public involvement effort. Metro's short video presentation demonstrates that the region has engaged a broad range of community groups and interests in framing up this project.
- The commission expressed concern that the complexity of the planning work may be overwhelming to some segments of the public. Commissioners encouraged Metro to continue to seek ways to explain the project's goals and choices in a simple, straight-forward way to promote public understanding and engagement in the process.
- The commission agreed with Metro's approach to consider a diverse set of actions focusing on local needs and aspirations, rather than a narrow emphasis on greenhouse gas (GHG) emissions. Consequently, the commission expressed support for Metro's decision to use a broad set of evaluation criteria and measures to help inform development of a preferred scenario.
- The commission accepted Metro's approach to focus on the level of public investment as a key driver defining alternative scenarios, but encouraged Metro to consider different types or mix of investments (i.e. *how* funds would be invested) rather than just varying the overall level of funding.
- The commission agreed with the range of alternatives that honor local visions by assuming that zoning remains largely unchanged, but encourages Metro to keep the door open for additional creative solutions to arise as the preferred scenario is developed in 2014.
- The commission also agreed with three department recommendations to guide Metro's evaluation of scenarios, including encouragement to:
 - o Clarify how land use patterns and outcomes are expected to vary among the three scenarios.
 - o Coordinate assumptions about state policies, programs and actions expected to be in place with affected state agencies.
 - o Evaluate how alternative scenarios affect development patterns, commuting, and travel from nearby areas and communities outside of Metro.

In addition, the commission appointed Commissioner Lidz to serve as a liaison to Metro as it conducts scenario planning work. Commissioner Lidz attended Metro advisory committee

meetings in October and December 2013. Commissioner Lidz provided written comments to the Metro Council in November (Attachment 1).

D. Status of Metro’s Work

Metro is currently in Phase 3 of a three phase process to develop and cooperatively select a preferred land use and transportation scenario.



The first phase began in 2011 and concluded in 2012. As part of the first phase, Metro staff researched strategies used to reduce emissions in communities across the nation and around the world. This work resulted in a toolbox describing the range of potential strategies, their effectiveness at reducing emissions and other benefits they could bring to the region, if implemented.

Metro found that most of the strategies identified are already being implemented to varying degrees across the region to realize community visions and other important economic, social and environmental goals. Examples include: providing schools, services and shopping near where people live, improving transit service, building new street connections, using technology to manage traffic flow, encouraging electric cars and providing safer routes for walking and biking.

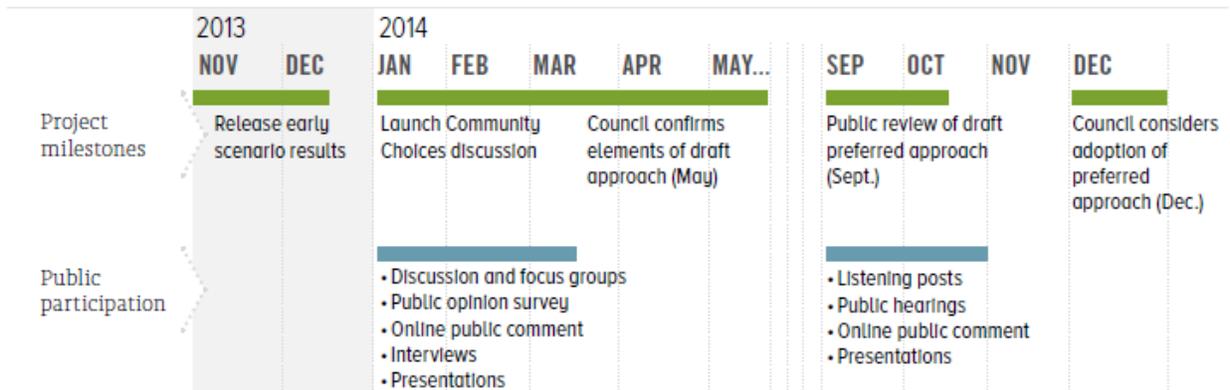
Metro then tested a broad range of strategies to identify the types of policies and actions likely to be effective in reducing emissions to understand what it might take to meet the state greenhouse gas emissions reduction target.

The second phase began in 2012 and concluded in October 2013. In this phase, Metro worked with from local government officials, community and business leaders, and the Metro Council to shape three approaches – or Scenarios A, B and C – that were tested and the criteria to be used to evaluate them in the summer of 2013. Locally-adopted land use and transportation plans across the region served as the foundation for each scenario. The results of the analysis were released in November 2013. The analysis indicates that adopted local and regional plans can meet the

region’s target for reducing greenhouse gas emissions – if the region is able to make the investments and take the actions needed to implement those plans. A summary of the three scenarios tested and the results of Metro’s evaluation is included in Attachment 2.

Phase 3, which began in November 2013, is about developing a preferred scenario approach and defining how best to implement it. Based on its evaluation of the three scenarios, and public outreach, Metro is now beginning to outline elements of the region’s preferred alternative approach with regional policy advisory committees and the process for collaboratively shaping and adopting the preferred approach.

Throughout 2014, Metro will work in partnership with local governments, community and business leaders, state agencies and interested members of the public to develop and adopt a preferred land use and transportation scenario and the investments and actions needed to support implementation by the end of 2014. Metro’s proposed schedule for work in 2014 is outlined below and described in detail in Attachment 3.¹



IV. RECOMMENDATION

The purpose of this update is for Metro to informally check in with the commission and for the department and commission to comment on whether work so far is on track towards meeting rule requirements to identify issues or concerns and to provide suggestions to Metro.

Overall, the department believes that Metro is on schedule and is making reasonable progress toward the development of a preferred scenario that will meet targets and scenario planning rule requirements. No issues or concerns have been identified.

A. Decision-Making Criteria and Procedures

No formal commission action is required at this time.

¹ Additional information about Metro’s Climate Smart Communities Scenarios project is available on Metro’s website at www.oregonmetro.gov/climatescenarios

B. Department Recommendation

The department recommends that the commission:

1. identify any issues or questions from commissioners for Metro or the department to consider further as Metro continues with scenario planning;
2. **schedule another status report on Metro’s scenario planning work for the September 25-26, 2014, LCDC meeting.**

ATTACHMENTS

1. Letter from Commissioner Lidz to the Metro Council, November 15, 2013
2. Memo from Kim Ellis, “Climate Smart Communities Scenarios Project, First Look at Results and Next Steps” December 4, 2013
3. Memo from Kim Ellis, “Climate Smart Communities Scenarios Project: Proposed Process for Shaping the Preferred Approach in 2014”, December 30, 2013



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November 15, 2013

Item 8

Attachment A

Metro President Tom Hughes
Metro Council
600 NE Grand Avenue
Portland, OR 97232

Dear Metro President Hughes and Councilors:

Thank you for the opportunity to meet with you at your November 5 work session on the Climate Smart Communities Scenarios Project. As the Land Conservation and Development Commission's designated liaison for the project, I was very pleased to hear that scenario planning is progressing well and that the Council is committed to its success. Of course, as several of you noted, a path-breaking project such as this always involves challenges and obstacles, and LCDC recognizes that. With your vision and leadership, I believe it will succeed.

At the meeting, I conveyed LCDC's support for scenario planning and the Climate Smart Communities project both as a means to reduce greenhouse gas emissions and as a process for building stronger, healthier, more vibrant and efficient communities. More specifically, I suggested that LCDC would probably look for three things as it reviews the Council's work to adopt a preferred scenario: (1) Did the Council and the region follow the process set out in LCDC's administrative rules? (2) Can we be confident that the preferred scenario will achieve the target for reduction in greenhouse gas emissions? (3) Have the local jurisdictions "bought in" to the scenario planning process, and will they take the steps necessary to implement it?

After I made those remarks, several Councilors asked if I would check in with the other LCDC commissioners to make sure that the Commission continues to support the process as it has unfolded and will advocate to the Legislative Assembly for the necessary state programs and the funding to support implementation of the preferred scenario, as it is unlikely that Metro and local governments in the region will be able to fund all of the work by themselves.

LCDC met in Tillamook on November 14 and 15. After the staff report on scenario planning, I described my discussion with Metro Council and asked the commissioners to affirm the three points, listed above, that I had made at the Council meeting. Unanimously, LCDC did so. Commissioners affirmed their support for the progress you have made and for working with local jurisdictions to implement the scenario you select. Commissioners also acknowledged that implementing the chosen scenario will require investments from the state, and they agreed in principle that state agencies, Metro and local jurisdictions will need to work together to advocate in the Legislature for funding for the necessary investments in local and regional improvements.

I plan to attend the MPAC and JPACT meetings on December 11 and 12 and look forward to hearing more discussion about the scenarios.

Sincerely yours,

Jerry Lidz
Commissioner



DATE: December 30, 2013
TO: MPAC, JPACT and Interested Parties
FROM: Kim Ellis, Principal Transportation Planner
SUBJECT: Climate Smart Communities Scenarios Project – Proposed Process for Shaping the Preferred Approach in 2014

Item 8
Attachment B

PURPOSE

MPAC and JPACT will receive an informational presentation of additional results and provide input on the proposed process for developing the preferred approach in 2014.

BACKGROUND

The Climate Smart Communities Scenarios Project was initiated in response to a mandate from the 2009 Oregon Legislature to reduce per capita greenhouse gas emissions from cars and small trucks by 20 percent below 2005 levels by 2035.

The goal of the Climate Smart Communities Scenarios Project is to engage community, business, public health and elected leaders in a discussion with their communities to shape a preferred approach that meets the state mandate and supports local and regional plans for downtowns, main streets and employment areas. To realize that goal, the Council directed staff to evaluate three illustrative approaches – or scenarios – over the summer of 2013 to better understand how best to support community visions and a vibrant economy while reducing greenhouse gas emissions. Adopted land use plans served as the foundation for each scenario. The results will be used to frame the regional discussion about which investments and actions should be included in a preferred approach for the Metro Council to consider for adoption in December 2014.

The project is currently on track to meet its legislative and administrative mandates. In November, the committees discussed early results related to greenhouse gas emissions, housing, jobs, travel and air quality. In December, staff presented results related to economic and social equity outcomes. Public health and additional cost-related results will be reported in January as well as a proposed process for developing the preferred approach in 2014.

CHANGES SINCE MPAC AND JPACT LAST CONSIDERED THIS ITEM

- In December, Councilors and staff **briefed the Metro Policy Advisory Committee and the Joint Policy Advisory Committee on Transportation** on the economic and social equity related results. During the briefings and previous policy coordinating committee discussions, local officials requested joint meetings of the Metro Council, MPAC and JPACT in 2014 to discuss regional policy initiatives, including the Climate Smart Communities effort. Staff developed a

refined four-step process that uses joint meetings to build consensus on the investments and actions to be included in the preferred approach.

- **Staff continued to analyze the three scenarios with a focus on costs and social equity, and began to review the latest results with the regional technical advisory committees.** The latest results will be presented at the January meetings.
- The **Oregon Health Authority continued preparing a health impact assessment** of the three scenarios. This work is undergoing technical review and is expected to be available to report to policymakers in January.
- The **Oregon Department of Transportation released the Statewide Transportation Strategy Short-Term Implementation Plan¹**. Accepted by the Oregon Transportation Commission in March 2013, the Statewide Transportation Strategy (STS)² identifies 18 strategies for Oregon to pursue to reduce greenhouse gas emissions from transportation. The Short-Term Implementation Plan identifies priority actions ODOT will pursue in the next 2 to 5 years to move the STS vision forward. By design, the actions identified represent “low-hanging fruit:” strategies with a relatively high degree of political acceptance, actions that maximize existing work, or actions that can be pursued at a relatively low level of effort with moderate returns.
- **ODOT, TriMet, the South Metro Area Rapid Transit (SMART) district, the Port of Portland and local governments submitted updated investment priorities for inclusion in the 2014 Regional Transportation Plan (RTP).** The investment priorities submitted by project sponsors reflect two levels of funding: a fiscally constrained level of investment and a more aspirational level of investment. RTP project staff will brief JPACT on the updated investment priorities at the January 8 meeting. MPAC will be briefed at the January 22 meeting.

FOR DISCUSSION

The Portland metropolitan region is growing and changing. By 2035, the region’s population is expected to grow to nearly 1.9 million people and 1.1 million jobs. This growth will bring more diversity, more travel, more economic activity and more infrastructure to maintain. Nearly two decades ago, the residents of this region set a course for how to manage growth with the adoption of the 2040 Growth Concept – a blueprint for how the region grows over the next 50 years. For the last 20 years, the region has focused development and investment where it makes sense – in downtowns, main streets and employment areas.

The results of the Phase 2 scenario alternatives analysis demonstrate that implementation of the 2040 Growth Concept and locally adopted land use and transportation plans and policies make the state-mandated greenhouse gas emissions reduction target achievable – if we make the investments and take the actions needed to implement those plans.

¹ http://www.oregon.gov/ODOT/TD/OSTI/docs/STS%20Short-Term%20Implementation%20Plan_12.19.2013.pdf

² <http://www.oregon.gov/ODOT/TD/OSTI/Pages/STS.aspx> and

http://www.oregon.gov/ODOT/TD/OSTI/docs/STS%20Strategy%20Summary%20Sheets_12.19.2013.pdf

STAFF RECOMMENDATION FOR MOVING FORWARD IN 2014: Moving forward in 2014, staff recommends a four-step process for building consensus on what strategies are included in the region's preferred approach (**see Attachment 2**).

- **Step 1 and 2:** In January and February 2014, the Council, MPAC, and JPACT confirm initial areas of agreement to carry forward without further discussion related to: (1) locally adopted comprehensive plans, zoning and investment priorities from local transportation system plans, ODOT, TriMet, SMART and the Port of Portland, and (2) state assumptions for pay-as-you-drive insurance, clean fuels and more fuel-efficient vehicles and engines.
- **Step 3:** From February to May 2014, the Council facilitates a regional discussion to identify assumptions related to transportation system efficiency, transit service and parking management.
- **Step 4:** From February to December 2014, the Council facilitates a regional discussion to identify potential funding mechanisms to implement the preferred approach.

The recommended process allows the remaining 2014 regional policy discussions and engagement activities to focus on a narrowed set of policy areas recommended for further discussion and input to shape a draft preferred approach by May 2014. The regional policy discussions are expected to identify additional investments and actions to complement local, regional and state actions that have already been taken or that are under way.

More discussion of each step is provided below.

STEP 1. The Council, MPAC and JPACT confirm that locally adopted comprehensive plans, zoning and investment priorities from local transportation system plans, ODOT, TriMet, SMART and the Port of Portland be carried forward for inclusion in the draft preferred approach. (January and February 2014)

Recommendation: The Council, MPAC and JPACT confirm that locally adopted comprehensive plans, zoning and updated investment priorities from local transportation system plans, ODOT, TriMet, SMART and the Port of Portland be carried forward into the draft preferred approach. The updated investment priorities were identified locally and submitted by project sponsors on December 6 for inclusion in the 2014 RTP. The submitted project lists reflect two levels of funding: (1) a fiscally constrained level of investment, and (2) a more aspirational level of investment. Staff recommends that the more aspirational set of investment priorities be carried forward and included in the draft preferred approach, pending final adoption of the 2014 RTP in July 2014.

For purposes of evaluating the draft preferred approach, staff will use a combination of the adopted 2035 growth forecast (which reflects locally adopted plans as of 2010), its estimated 12,000 acres of urban growth boundary expansion, and the draft 2014 Regional Transportation Plan State System. Additional investments and actions may be identified in Step 3.

Rationale: Project work to date has found that most of the investments and actions under consideration are already being implemented to varying degrees to realize community visions and other important economic, social and environmental goals. Many of these strategies are primarily

local government responsibilities. These include implementing local transportation system plans, comprehensive plans and zoning; locating schools, services and shopping close to where people live; managing parking; completing local and arterial street connections with sidewalks and bicycle facilities; and expanding access to electric vehicle infrastructure and car-sharing programs.

Under state law, Metro has primary responsibility for maintaining the region's urban growth boundary and coordinating development of a regional population, housing and employment growth forecast to inform regional growth management decisions every five years. In November 2012, the Metro Council adopted a population and employment growth forecast for the year 2035. The growth forecast predicts localized distribution of jobs and housing for the metropolitan area and is based on policy and investment decisions and assumptions that local officials and the Metro Council agreed upon in 2012, including locally-adopted comprehensive plans and zoning, the local and regional investment priorities assumed in 2010 Regional Transportation Plan, and designation of urban and rural reserves. The regional population and employment growth forecast underwent extensive review by local governments prior to adoption and includes estimates of expected housing and job growth by jurisdiction and land use type. Metro is required to submit these estimates to LCDC as part of documenting the planning assumptions upon which the preferred approach relies.

Updates to these planning assumptions are being made in consultation and collaboration with local governments as part of the growth management cycle that is also under way. The current growth management cycle provides an opportunity for local governments to update land use assumptions to better reflect land use plans and visions adopted since 2010, including the Southwest Corridor land use vision. An updated Urban Growth Report will be developed by the end of 2014, after which a new regional population and employment growth forecast will be developed for the year 2040. Future growth management decisions will be evaluated for transportation-related greenhouse gas emissions as part of the periodic monitoring mandated by state administrative rules.

STEP 2. The Council, MPAC and JPACT confirm investments and actions related to pay-as-you-drive insurance, clean fuels and more fuel-efficient vehicles and engines be carried forward for inclusion in the draft preferred approach. *(January and February 2014).*

Recommendation: The Council, MPAC and JPACT confirm that the vehicle and fuel assumptions and related investments and actions developed by three state agencies (ODOT, ODEQ and ODOE) be included in the draft preferred approach. These assumptions were specified by the Land Conservation and Development Commission when setting the region's per capita GHG emissions reduction target in 2011. The assumptions were developed based on the best available information and current estimates about improvements in vehicle technologies and fuels. This recommendation reflects what is required by state administrative rules.

Rationale: These investments and actions are primarily state and federal responsibilities, and significant work is already under way to implement them as outlined in the Governor's 10-year Energy Action Plan³, the Oregon Global Warming Commission 2020 Road Map⁴, the Statewide

³ http://www.oregon.gov/energy/pages/ten_year/ten_year_energy_plan.aspx

Transportation Strategy (STS) and STS Short-Term Implementation Plan. OAR 660-044-0040 directs Metro to identify the assumptions used for state-wide actions, such as pay-as-you-drive insurance and vehicle technology, fleet and fuels as part of documenting the planning assumptions upon which the preferred approach relies.

STEP 3. The Council facilitates a regional discussion to identify assumptions related to transportation system efficiency, transit service and parking management by May 2014 to complement local, regional and state actions from Step 1 and Step 2.
(January to May 2014)

Recommendation: The Council, MPAC and JPACT recommend focusing 2014 policy discussions and engagement activities on a narrowed set of policy areas to further shape the draft preferred approach by May 2014. The recommended policy areas are:

- a. **Improve transit** to make it more convenient, frequent, accessible and affordable.
- b. **Provide information and use technology and “smarter” roads** to manage traffic flow, boost system efficiency, and expand use of low carbon travel options and fuel-efficient driving techniques.
- c. **Manage parking** with a market-responsive approach.

Rationale: The 2014 policy discussions and engagement activities will aim to build understanding of the investments and actions needed to implement these policies and develop a recommendation on how bold or aggressive the region should be in shaping the draft preferred approach. More background on each policy area is provided below.

The first policy area, **improving transit**, has been identified during MPAC and JPACT discussions as being a key strategy for meeting the state-mandated target as well as other community and regional goals. Improving transit service is primarily the responsibility of TriMet and SMART; however, the state, Metro and local governments play important supporting roles. The analysis to date shows this policy provides a relatively high greenhouse gas emissions reduction benefit for a relatively moderate to high cost. More discussion is recommended to determine how much transit should be included in the draft preferred approach and how community-based transit solutions can help support more localized travel needs.

The second policy area relates to **providing information and incentives to make it easier for people to drive less by choice and improving the efficiency of the transportation system through technology and “smarter” roads**. This policy area has been identified as “low hanging” fruit that provides a moderate greenhouse emissions reduction benefit for a relatively low cost, and addresses other important economic, social and environmental goals. This policy area is a region-wide responsibility that involves the collaboration of Metro, ODOT, local governments, transit providers and emergency responders. The region has successfully implemented these policies and programs, but could accomplish more with expanded resources and coordination. MPAC and JPACT

⁴http://www.keeporegoncool.org/sites/default/files/Integrated_OGWC_Interim_Roadmap_to_2020_Oct29_11-19Additions.pdf

discussions have called for the need to consider “low hanging” fruit in the draft preferred approach, considering GHG emissions reduction potential, cost, ease of implementation and political acceptance. More discussion is recommended to identify the actions and level of investment that should be included in the draft preferred approach.

The third policy area relates to **using market-based approaches to manage parking in commercial districts, downtowns, main streets and areas that are well-served by transit.** Parking is frequently a controversial issue in communities. Many business owners and operators feel their success relies on an ample and easily accessible supply of parking, as do the customers that want convenient access to the business. The same can be true for access to work and home for employees and residents. This policy area has been identified as providing a relatively moderate to high greenhouse gas emissions reduction benefit for a relatively low cost. This policy area is primarily a local responsibility, but was identified during the December 8 JPACT discussion as a policy area for further discussion. More discussion is recommended to determine what actions in this policy area should be included in the draft preferred approach.

STEP 4. The Council facilitates a regional discussion to identify potential funding mechanisms to implement the preferred approach and an action plan to continue finance discussions beyond the Climate Smart Communities Scenarios Project.
(January to May 2014)

Recommendation: The Council, MPAC and JPACT recommend a fourth policy area – (d.) Identify potential funding mechanisms and an action plan for implementation of preferred approach – also be part of the 2014 regional discussions. The regional discussion will identify a general estimate of the amount of additional funding needed and potential funding mechanisms for key actions, including local, regional and state mechanisms, to implement the preferred approach. This recommendation reflects what is required by state administrative rules, and may include a state and federal transportation legislative package for 2015. As a result, the Climate Smart Communities effort will identify a preferred approach and potential funding mechanisms to pay for the investments needed to implement the approach. Long-term finance discussions will continue beyond the Climate Smart Communities Scenarios Project.

Rationale: Several transportation finance-related discussions are under way at the federal, state, regional and local levels about how to adequately maintain and improve transportation infrastructure. Given the complex nature of transportation finance in combination with the number of discussions under way and the project timeline, staff are not able to conduct the level of analysis and community engagement needed to inform policymakers about the broader economic and social equity implications of different mechanisms, such as a mileage-based road user fee and a carbon tax.

At the federal level, discussions have been under way about how to comprehensively address underinvestment in transportation infrastructure, the insolvency of the Highway Trust Fund and the lack of dedicated revenues for transit and active transportation investments. Legislation has been introduced to increase the federal gas tax, for example, as a step toward transitioning to other funding mechanisms such as a road user fee or carbon tax.

Since 2001, ODOT has studied the feasibility of road user fees and is currently implementing a statewide mileage-based road user fee program that allows up to 5,000 Oregon drivers to voluntarily pay 1.5 cents per mile in exchange for a gas tax reimbursement. The program will begin July 1, 2015. The STS Short-Term Implementation Plan calls for ODOT to prepare an economic impact analysis in the next biennium, and is an important next step to further advance consideration of this funding mechanism in Oregon.

In addition, state-level technical analysis and policy discussions are under way related to a carbon fee. A Portland State University study released in March 2013 found that a carbon tax could deliver billions to the state's budget.⁵ Subsequently, Senate Bill 306 directed the Oregon Legislative Revenue Officer to conduct an analysis of the feasibility of a statewide carbon fee and the potential impacts on key industries, traded-sector businesses, low-income households and local governments. A final report is mandated by November 15, 2014, and will likely inform further consideration of a fee or tax on greenhouse gas emissions in Oregon.

Locally, some cities and counties in the Portland metropolitan area are working to build community support for long-term solutions to fund existing and future transportation needs. For example, Washington County is considering a county-wide vehicle registration fee to complement the existing gas tax.⁶

Any effort to expand existing mechanisms or establish new transportation-related fees or taxes will be a long-term effort that may require support from the federal government and the Oregon Legislature and the participation of a broad range of stakeholders. More discussion is recommended to determine what funding mechanisms should be recommended in the preferred approach the Metro Council considers for adoption in December 2014, and to develop an action plan for continuing these finance discussions beyond the Climate Smart Communities Scenarios Project.

NEXT STEPS

Figure 1 provides a summary of Phase 3 activities and milestones for reference.

FIGURE 1. PHASE 3 PROJECT MILESTONES AND PUBLIC PARTICIPATION OPPORTUNITIES

⁵ <http://www.pdx.edu/nerc/sites/www.pdx.edu.nerc/files/carbontax2013.pdf>

⁶ <http://www.co.washington.or.us/LUT/TransportationFunding/vehicle-registration-fee.cfm>



- **FIRST LOOK AT RESULTS: In November and December 2013**, analysis of the Phase 2 scenario results was reported back to the Metro Council, regional advisory committees and local government county-level coordinating committees, prior to engaging other community and business leaders and the public. Further analysis will be reported in January 2014. **A goal of the “First Look at Results” is to begin to identify potential policy areas on which to seek input through “Community Choices” discussions in 2014.**
- **COMMUNITY CHOICES DISCUSSION: From January to May 2014**, Metro will facilitate a Community Choices discussion to explore policy choices and trade-offs. The January through March policy committee meetings are proposed to focus on providing additional background information in advance of two joint Metro Council/MPAC/JPACT meetings proposed for early April and mid-May. During this period, community and business leaders, local governments and the public will be asked to weigh in on which investments and actions should be included in the region’s preferred approach, with a focus on the regional policy areas proposed for discussion and input. On-line comment opportunities, stakeholder interviews, discussion groups, public opinion research and focus groups will be used to gather input on the four recommended policy areas. **A public engagement summary report and recommendations for the draft preferred approach will be provided to Metro’s technical and policy advisory committees in April prior to the second joint MPAC/JPACT meeting.**

The April and May joint MPAC/JPACT meetings will use interactive, facilitated discussions to build consensus on what investments and actions should be included in the draft preferred approach. The May joint meeting is proposed to conclude with a formal recommendation to the Metro Council from each committee recommending that Council direct staff to evaluate the agreed-upon draft preferred approach and prepare Regional Framework Plan amendments for the fall public comment period.

- **DIRECTION TO STAFF: In May 2014**, the Metro Council will be asked to provide direction to staff on the draft preferred approach. Outreach to local government officials will occur in the summer in advance of the final adoption process to be held in the fall. **The draft approach will be evaluated in Summer 2014 and then released for final public review in September 2014.**

- **ADOPTION PROCESS: From September to December 2014**, the project will move into the final adoption stage. OAR 660-044 directs the Metro Council to select a preferred approach by December 31, 2014 after public review and consultation with local governments, the Port of Portland, TriMet and the Oregon Department of Transportation. A formal 45-day public comment period is planned from September 5 to October 20. On-line comment opportunities and public hearings are planned during this period.

Concurrent with the comment period, the Fall advisory committee meetings will focus on reviewing results of staff's technical evaluation of the draft preferred approach and discussing proposed Regional Framework Plan amendments and potential refinements based on public comments received. The final action to select a preferred scenario is required to be in the form of an amendment to the Regional Framework Plan. The action is also anticipated to make recommendations to state agencies and commissions, the 2015 Legislature, and the 2018 Regional Transportation Plan (RTP) update. Final recommendations from the regional policy advisory committees will be requested in November to allow sufficient legislative process time between MPAC and JPACT actions and the final Council action. **The Metro Council is scheduled to consider adoption of a preferred approach on December 11, 2014.**

In early 2015, Metro will submit the preferred approach to the Land Conservation and Development Commission in the manner of periodic review. According to OAR 660-044, following Metro's plan amendment and LCDC review and order, Metro is required to adopt functional plan amendments, if needed, to require cities and counties to update local plans as necessary to implement the preferred approach.

- Attachment 1. 2014 Key Milestones and Decisions *(Dec. 30, 2014)*
- Attachment 2. Shaping the Preferred Approach in 2014 *(Dec. 30, 2013)*
- Attachment 3. Investing in Great Communities brochure *(updated Dec. 27, 2013)*



DATE: January 28, 2014
TO: TPAC, MTAC and Interested Parties
FROM: Kim Ellis, Principal Transportation Planner
SUBJECT: Climate Smart Communities Scenarios Project – Process for Shaping the Preferred Approach in 2014 – RECOMMENDATION REQUESTED

Item 8
Attachment C

PURPOSE

The purpose of this memo is to seek TPAC and MTAC recommendations to the Joint Policy Advisory Committee on Transportation (JPACT) and the Metro Policy Advisory Committee (MPAC), respectively.

ACTION REQUESTED

Recommend MPAC and JPACT approval of the proposed process for shaping and adoption of the preferred approach in 2014. Approving the process means the policy committees are in agreement on how the project moves forward to shape and adopt the preferred approach in 2014.

BACKGROUND

The Climate Smart Communities Scenarios Project was initiated in response to a mandate from the 2009 Oregon Legislature to reduce per capita greenhouse gas emissions from cars and small trucks by 20 percent below 2005 levels by 2035.

The goal of the Climate Smart Communities Scenarios Project is to engage community, business, public health and elected leaders in a discussion with their communities to shape a preferred approach that meets the state mandate and supports local and regional plans for downtowns, main streets and employment areas. To realize that goal, the Council directed staff to evaluate three illustrative approaches – or scenarios – over the summer of 2013 to better understand how best to support community visions and a vibrant economy while reducing greenhouse gas emissions. Adopted local and regional land use and transportation plans served as the foundation for each scenario. The results will be used to frame the regional discussion about which investments and actions should be included in a preferred approach for the Metro Council to consider for adoption in December 2014.

The project is currently on track to meet its legislative and administrative mandates. In November, the committees discussed early results related to greenhouse gas emissions, housing, jobs, travel and air quality. In December, staff presented results related to economic and social equity outcomes. In January, the committees reviewed public health and additional cost-related results and a proposed process for developing the preferred approach in 2014.

CHANGES SINCE TPAC AND MTAC LAST CONSIDERED THIS ITEM

- In December, Councilors and staff **briefed the Metro Policy Advisory Committee and the Joint Policy Advisory Committee on Transportation** on the public health and cost-related results and a proposed process for developing the preferred approach in 2014.
- The **Oregon Health Authority completed a technical review of a health impact assessment** of the three scenarios and prepared additional findings and recommendations for the region to consider as the Climate Smart Communities Scenarios Project moves forward. OHA staff will brief regional advisory committees in March and April.
- The **Oregon Department of Transportation staff were scheduled to provide briefings to the regional advisory committees on the Statewide Transportation Strategy Short-Term Implementation Plan¹** in March and April. Accepted by the Oregon Transportation Commission in March 2013, the Statewide Transportation Strategy (STS)² identifies 18 strategies for Oregon to pursue to reduce greenhouse gas emissions from transportation. The Short-Term Implementation Plan identifies priority actions ODOT will pursue in the next 2 to 5 years to move the STS vision forward. By design, the actions identified represent “low-hanging fruit:” strategies with a relatively high degree of political acceptance, actions that maximize existing work, or actions that can be pursued at a relatively low level of effort with moderate returns.
- **Regional transportation planning staff continued compiling updated investment priorities submitted by ODOT, TriMet, the South Metro Area Rapid Transit (SMART) district, the Port of Portland and local governments for inclusion in the 2014 Regional Transportation Plan (RTP).** The investment priorities submitted by project sponsors reflect two levels of funding: a fiscally constrained level of investment and a more aspirational level of investment. A system performance analysis and draft 2014 RTP will be released for public review from March 21 to May 5, 2014. A preview of the public comment materials will be provided in March.
- **The Oregon Department of Transportation and Land Conservation and Development Commission** submitted a progress report to the Oregon House and Senate interim committees related to transportation on progress toward implementing the land use and transportation scenario planning described in section 37 of House Bill 2001.³ The 2014 report is the third of a series of three legislatively required reports in HB 2001. The report includes:
 - The rules adopted by the Land Conservation and Development Commission to guide Metro as it develops and selects a preferred land use and transportation scenario to meet their greenhouse gas emissions reduction target;
 - A description of Metro’s completed planning and work remaining to be completed; and

¹ http://www.oregon.gov/ODOT/TD/OSTI/docs/STS%20Short-Term%20Implementation%20Plan_12.19.2013.pdf

² <http://www.oregon.gov/ODOT/TD/OSTI/Pages/STS.aspx> and

http://www.oregon.gov/ODOT/TD/OSTI/docs/STS%20Strategy%20Summary%20Sheets_12.19.2013.pdf

³ <http://www.oregon.gov/ODOT/TD/OSTI/docs/Reports/LegRpt2014.pdf>

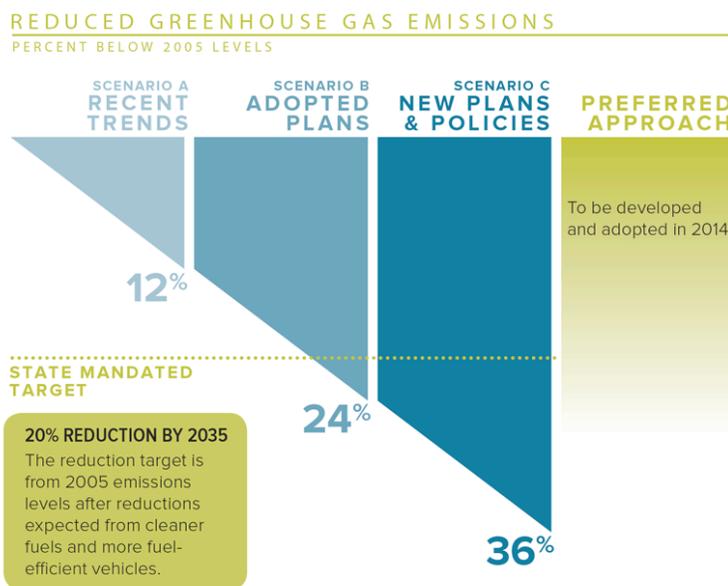
- ODOT and LCDC's recommendation on how the scenario planning requirements in HB 2001 should be extended to the Eugene-Springfield and Salem-Keizer metropolitan planning organization areas or to cities that have significant levels of commute trips to destinations within metropolitan areas.

RECOMMENDATION FOR MOVING FORWARD IN 2014

The Portland metropolitan region is growing and changing. By 2035, the region's population is expected to grow to nearly 1.9 million people and 1.1 million jobs. This growth will bring more diversity, more travel, more economic activity and more infrastructure to maintain. Nearly two decades ago, the residents of this region set a course for how to manage growth with the adoption of the 2040 Growth Concept – a blueprint for how the region grows over the next 50 years. For the last 20 years, the region has focused development and investment where it makes sense – in downtowns, main streets and employment areas.

The results of the Phase 2 scenario alternatives analysis demonstrate that implementation of the 2040 Growth Concept and locally adopted zoning, land use and transportation plans and policies make the state-mandated greenhouse gas emissions reduction target achievable – if we make the investments and take the actions needed to implement those plans.

RECOMMENDATION FOR MOVING FORWARD IN 2014: Moving forward in 2014, a four-step process for building consensus on what strategies are included in the region's draft preferred approach by May 2014 is recommended (**see Attachment 1**).



- **Step 1 and 2:** In January and February 2014, the Metro Council, MPAC, and JPACT confirm initial areas of agreement to carry forward without further discussion related to: (1) locally adopted zoning, comprehensive plans and draft 2014 RTP investment priorities from local transportation system plans, ODOT, TriMet, SMART and the Port of Portland, and (2) state assumptions for pay-as-you-drive insurance, clean fuels and more fuel-efficient vehicles and engines. Confirming the initial areas of agreement reflects a commitment to carry out local and regional investments & actions from adopted plans and existing efforts as part of the region's draft preferred approach.
- **Step 3:** From February to May 2014, the Council facilitates a regional discussion on policy choices related to transit service, transportation system efficiency, and parking management. Policy options will be summarized for each policy area to frame the regional discussion. The

policy options will reflect the range of what was tested in Scenario A (Recent Trends), Scenario B (Adopted Plans) and Scenario C (New Plans and Policies) for each policy area. MPAC and JPACT will be asked to make recommendations to the Metro Council on what policy option should be carried forward to the draft preferred approach for each policy area.

- **Step 4:** From February to December 2014, the Council facilitates a regional discussion to identify potential funding mechanisms to implement the preferred approach. Policy options will be developed for discussion that reflect the range of what was tested in Scenario A (Recent Trends), Scenario B (Adopted Plans) and Scenario C (New Plans and Policies) for each policy area. MPAC and JPACT will be asked to make recommendations to the Metro Council on the potential funding mechanisms that should be carried forward to the draft preferred approach. Long-term finance discussions are anticipated continue beyond the Climate Smart Communities Scenarios Project.

The recommended process allows the 2014 regional policy discussions and engagement activities to focus on a narrowed set of policy areas to shape a draft preferred approach by May 2014. The regional policy discussions may identify additional investments and actions to complement local, regional and state actions that have already been taken or that are under way in Step 1 and Step 2.

More discussion of each step is provided below.

STEP 1. STAY THE COURSE: The Council, MPAC and JPACT confirm a commitment to implement locally adopted zoning, comprehensive plans and draft 2014 RTP investment priorities from local transportation system plans, ODOT, TriMet, SMART and the Port of Portland and recommend these investments and actions be carried forward for inclusion in the draft preferred approach. (January and February 2014)

Recommendation: The Council, MPAC and JPACT confirm that locally adopted zoning, comprehensive plans and updated draft 2014 RTP investment priorities from local transportation system plans, ODOT, TriMet, SMART and the Port of Portland be carried forward into the draft preferred approach. The updated investment priorities were identified locally and submitted by project sponsors in December 2013 for inclusion in the 2014 RTP. The submitted project lists reflect two levels of funding: (1) a fiscally constrained level of investment, and (2) a more aspirational level of investment. Staff recommends that the more aspirational set of investment priorities be carried forward and included in the draft preferred approach, pending final adoption of the 2014 RTP in July 2014.

For purposes of evaluating the draft preferred approach, staff will use a combination of the adopted 2035 growth forecast (which reflects locally adopted plans as of 2010), its estimated 12,000 acres of urban growth boundary expansion, and the draft 2014 Regional Transportation Plan State System. Additional investments and actions may be identified in Step 3.

Rationale: This step confirms a commitment to carry out local and regional investments & actions from adopted plans and existing efforts as part of the region's draft preferred approach. Project work to date has found that most of the investments and actions under consideration are already being implemented to varying degrees to realize community visions and other important economic,

social and environmental goals. Many of these strategies are primarily local government responsibilities. These include implementing local transportation system plans, comprehensive plans and zoning; locating new schools, services and shopping close to where people live; managing parking; completing local and arterial street connections with sidewalks and bicycle facilities; and expanding access to electric vehicle infrastructure and car-sharing programs.

Under state law, Metro has primary responsibility for maintaining the region's urban growth boundary and coordinating development of a regional population, housing and employment growth forecast to inform regional growth management decisions every five years. In November 2012, the Metro Council adopted a population and employment growth forecast for the year 2035. The growth forecast predicts localized distribution of jobs and housing for the metropolitan area and is based on policy and investment decisions and assumptions that local officials and the Metro Council agreed upon in 2012, including locally-adopted comprehensive plans and zoning, the local and regional investment priorities assumed in 2010 Regional Transportation Plan, and designation of urban and rural reserves. Prior to adoptions, the regional population and employment growth forecast was developed with extensive review by local governments and includes estimates of expected housing and job growth by jurisdiction and land use type. Metro will submit these estimates to LCDC as part of documenting the planning assumptions upon which the preferred approach relies, as required by state administrative rules.

Updates to these planning assumptions are being made in consultation and collaboration with local governments as part of the growth management cycle that is also under way. The current growth management cycle provides an opportunity for local governments to update land use assumptions to better reflect land use plans and visions adopted since 2010, including the Southwest Corridor land use vision. An updated Urban Growth Report will be finalized by the end of 2014, after which a new regional population and employment growth forecast will be developed for the year 2040. Future growth management decisions and updates to the Regional Transportation Plan will be evaluated for transportation-related greenhouse gas emissions as part of the periodic monitoring mandated by state administrative rules.

STEP 2. ASSUME STATE ACTIONS: The Council, MPAC and JPACT confirm investments and actions related to pay-as-you-drive insurance, clean fuels and more fuel-efficient vehicles and engines be carried forward for inclusion in the draft preferred approach. (January and February 2014).

Recommendation: The Council, MPAC and JPACT confirm that the vehicle and fuel assumptions and related investments and actions developed by three state agencies (ODOT, ODEQ and ODOE) be included in the draft preferred approach. These assumptions were specified by the Land Conservation and Development Commission when setting the region's per capita GHG emissions reduction target in 2011. The assumptions were developed based on the best available information and current estimates about improvements in vehicle technologies and fuels. This recommendation reflects what is required by state administrative rules.

Rationale: These investments and actions are primarily state and federal responsibilities, and significant work is already under way to implement them as outlined in the Governor's 10-year

Energy Action Plan⁴, the Oregon Global Warming Commission 2020 Road Map⁵, the Statewide Transportation Strategy (STS) and STS Short-Term Implementation Plan. OAR 660-044-0040 directs Metro to identify the assumptions used for state-wide actions, such as pay-as-you-drive insurance and vehicle technology, fleet and fuels as part of documenting the planning assumptions upon which the preferred approach relies.

STEP 3. DISCUSS POLICY AREAS: The Council facilitates a regional discussion to identify how much transit service, transportation system efficiency strategies, and parking management should be included in the region’s draft preferred approach to complement local, regional and state actions from Step 1 and Step 2. (January to May 2014)

Recommendation: The Council, MPAC and JPACT recommend focusing 2014 policy discussions and engagement activities on a narrowed set of policy areas to further shape the draft preferred approach by May 2014. The recommended policy areas are:

- a. **Improve transit** to make it more convenient, frequent, accessible and affordable.
- b. **Provide information and use technology and “smarter” roads** to manage traffic flow, boost system efficiency, and expand use of low carbon travel options and fuel-efficient driving techniques.
- c. **Manage parking** with a market-responsive approach.

Rationale: The 2014 policy discussions and engagement activities will aim to build understanding of the investments and actions needed to implement these policies and develop a recommendation on how bold or aggressive the region should be in shaping the draft preferred approach. Policy options will be summarized for each of the three policy areas to frame the regional discussion. The policy options will reflect the range of what was tested in Scenario A (Recent Trends), Scenario B (Adopted Plans) and Scenario C (New Plans and Policies) for each policy area. MPAC and JPACT will be asked to make recommendations to the Metro Council on what should be carried for to the draft preferred approach for each policy area.

More background on each policy area is provided below.

The first policy area, **improving transit**, has been identified during MPAC and JPACT discussions as being a key strategy for meeting the state-mandated target as well as other community and regional goals. Improving transit service is primarily the responsibility of TriMet and SMART; however, the state, Metro and local governments play important supporting roles. The analysis to date shows this policy provides a relatively high greenhouse gas emissions reduction benefit for a relatively moderate to high cost. More discussion is recommended to determine how much transit should be included in the draft preferred approach and how community-based transit solutions can help support more localized travel needs.

⁴ http://www.oregon.gov/energy/pages/ten_year/ten_year_energy_plan.aspx

⁵ http://www.keeporegoncool.org/sites/default/files/Integrated_OGWC_Interim_Roadmap_to_2020_Oct29_11-19Additions.pdf

The second policy area relates to **providing information and incentives to make it easier for people to drive less by choice and improving the efficiency of the transportation system through technology and “smarter” roads**. This policy area has been identified as “low hanging” fruit that provides a moderate greenhouse emissions reduction benefit for a relatively low cost, and addresses other important economic, social and environmental goals. This policy area is a region-wide responsibility that involves the collaboration of Metro, ODOT, local governments, transit providers and emergency responders. The region has successfully implemented these policies and programs, but could accomplish more with expanded resources and coordination. MPAC and JPACT members have called for the need to consider “low hanging” fruit in the draft preferred approach, considering GHG emissions reduction potential, cost, ease of implementation and political acceptance. More discussion is recommended to identify the actions and level of investment that should be included in the draft preferred approach.

The third policy area relates to **using market-based approaches to manage parking in commercial districts, downtowns, main streets and areas that are well-served by transit**. Parking is frequently a controversial issue in communities. Many business owners and operators feel their success relies on an ample and easily accessible supply of parking, as do the customers that want convenient access to the business. The same can be true for access to work and home for employees and residents. This policy area has been identified as providing a relatively moderate to high greenhouse gas emissions reduction benefit for a relatively low cost. This policy area is primarily a local responsibility, and is recommended for further discussion to determine what actions in this policy area should be included in the draft preferred approach.

STEP 4. DISCUSS POTENTIAL FUNDING MECHANISMS: The Council facilitates a regional discussion to identify potential funding mechanisms to implement the preferred approach. (January to May 2014)

Recommendation: The Council, MPAC and JPACT recommend a fourth policy area – (d.) Identify potential funding mechanisms – also be part of the 2014 regional discussion. The regional discussion will identify a general estimate of the amount of additional funding needed and potential funding mechanisms for key actions, including local, regional and state mechanisms, to implement the preferred approach. This recommendation reflects what is required by state administrative rules, and may result in recommendations for a state and federal transportation legislative package for 2015. As a result, the Climate Smart Communities effort will identify a preferred approach and potential funding mechanisms to pay for the investments needed to implement the approach. Policy options will be developed for discussion that reflect the range of what was tested in Scenario A (Recent Trends), Scenario B (Adopted Plans) and Scenario C (New Plans and Policies) for each policy area. MPAC and JPACT will be asked to make recommendations to the Metro Council on potential funding mechanisms to be carried forward for to the draft preferred approach. Long-term finance discussions will continue beyond the Climate Smart Communities Scenarios Project.

Rationale: Several transportation finance-related discussions are under way at the federal, state, regional and local levels about how to adequately maintain and improve transportation infrastructure. Given the complex nature of transportation finance in combination with the number of discussions under way and the project timeline, staff are not able to conduct the level of analysis

and community engagement needed to inform policymakers about the broader economic and social equity implications of different mechanisms, such as a mileage-based road user fee and a carbon tax.

At the federal level, discussions have been under way about how to comprehensively address underinvestment in transportation infrastructure, the insolvency of the Highway Trust Fund and the lack of dedicated revenues for transit and active transportation investments. Legislation has been introduced to increase the federal gas tax, for example, as a step toward transitioning to other funding mechanisms such as a road user fee or carbon tax.

Since 2001, ODOT has studied the feasibility of road user fees and is currently implementing a statewide mileage-based road user fee program that allows up to 5,000 Oregon drivers to voluntarily pay 1.5 cents per mile in exchange for a gas tax reimbursement. The program will begin July 1, 2015. The STS Short-Term Implementation Plan calls for ODOT to prepare an economic impact analysis in the next biennium, and is an important next step to further advance consideration of this funding mechanism in Oregon.

In addition, state-level technical analysis and policy discussions are under way related to a carbon fee. A Portland State University study released in March 2013 found that a carbon tax could deliver billions to the state's budget.⁶ Subsequently, Senate Bill 306 directed the Oregon Legislative Revenue Officer to conduct an analysis of the feasibility of a statewide carbon fee and the potential impacts on key industries, traded-sector businesses, low-income households and local governments. A final report is mandated by November 15, 2014, and will likely inform further consideration of a fee or tax on greenhouse gas emissions in Oregon.

Locally, some cities and counties in the Portland metropolitan area are working to build community support for long-term solutions to fund existing and future transportation needs. For example, Washington County is considering a county-wide vehicle registration fee to complement the existing gas tax.⁷

Any effort to expand existing mechanisms or establish new transportation-related fees or taxes will be a long-term effort that may require support from the federal government and the Oregon Legislature and the participation of a broad range of stakeholders. More discussion is recommended to determine what potential funding mechanisms should be considered to help pay for the investments and actions recommended in the preferred approach the Metro Council considers for adoption in December 2014, and recommendations for continuing these finance discussions beyond the Climate Smart Communities Scenarios Project.

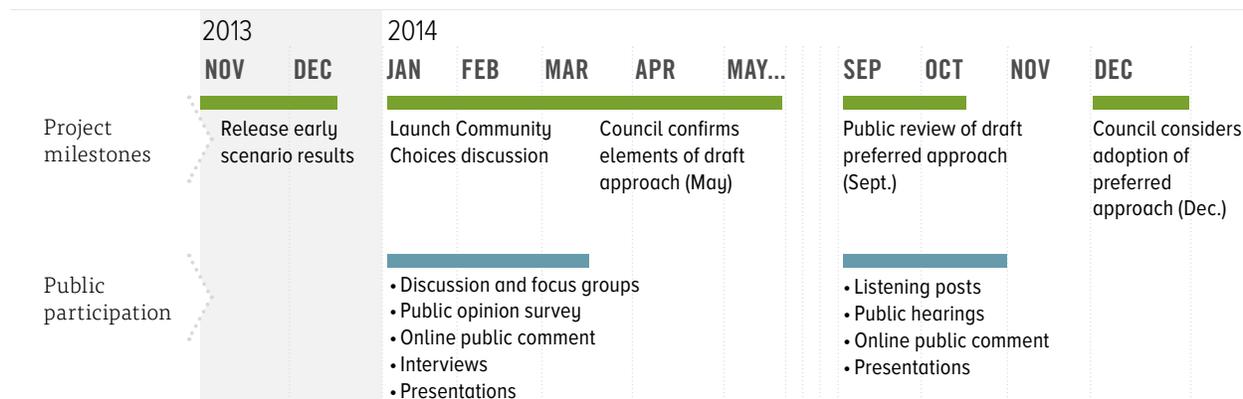
⁶ <http://www.pdx.edu/nerc/sites/www.pdx.edu/nerc/files/carbontax2013.pdf>

⁷ <http://www.co.washington.or.us/LUT/TransportationFunding/vehicle-registration-fee.cfm>

NEXT STEPS

Figure 1 provides a summary of Phase 3 activities and milestones for reference.

FIGURE 1. PHASE 3 PROJECT MILESTONES AND PUBLIC PARTICIPATION OPPORTUNITIES



- **FIRST LOOK AT RESULTS: In November and December 2013**, analysis of the Phase 2 scenario results was reported back to the Metro Council, regional advisory committees and local government county-level coordinating committees, prior to engaging other community and business leaders and the public. **A goal of the “First Look at Results” was to begin to identify potential policy areas on which to seek input through “Community Choices” discussions in 2014.**
- **COMMUNITY CHOICES DISCUSSION: From January to May 2014**, Metro will facilitate a Community Choices discussion to explore policy choices and trade-offs. The January through March policy committee meetings are proposed to focus on providing additional background information in advance of two joint Metro Council/MPAC/JPACT meetings proposed for April and May. During this period, community and business leaders, local governments and the public will also be asked to weigh in on which investments and actions should be included in the region’s preferred approach, with a focus on the regional policy areas proposed for discussion and input. On-line comment opportunities, interviews, discussion groups, and public opinion research will be used to gather input on the four recommended policy areas. **A public engagement summary report and recommendations for the draft preferred approach will be provided to Metro’s technical and policy advisory committees prior to the second joint MPAC/JPACT meeting.**

The April and May joint MPAC/JPACT meetings will use interactive, facilitated discussions to build consensus on what investments and actions should be included in the draft preferred approach. The May joint meeting is proposed to conclude with a formal recommendation to the Metro Council from each committee recommending preliminary approval of the draft preferred approach, subject to final analysis and public comment. The action would recommend that Council direct staff to evaluate the agreed-upon draft preferred approach, report back on the

results of the evaluation and prepare Regional Framework Plan amendments for the fall public comment period.

- **DIRECTION TO STAFF: In June 2014**, the Metro Council will be asked to recommend preliminary approval of the draft preferred approach, subject to final analysis and public comment. Outreach to local government officials will occur in the summer in advance of the final adoption process to be held in the fall. **The draft approach will be evaluated in Summer 2014 and then released for final public review in September 2014.**
- **ADOPTION PROCESS: From September to December 2014**, the project will move into the final adoption stage. OAR 660-044 directs the Metro Council to select a preferred approach by December 31, 2014 after public review and consultation with local governments, the Port of Portland, TriMet and the Oregon Department of Transportation. A formal 45-day public comment period is planned from September 5 to October 20. On-line comment opportunities and public hearings are planned during this period.

Concurrent with the comment period, the Fall advisory committee meetings will focus on reviewing results of staff's technical evaluation of the draft preferred approach and discussing proposed Regional Framework Plan amendments and potential refinements based on public comments received. The final action to select a preferred scenario is required to be in the form of an amendment to the Regional Framework Plan. The action is also anticipated to make recommendations to state agencies and commissions, the 2015 Legislature, and the 2018 Regional Transportation Plan (RTP) update. Final recommendations from the regional policy advisory committees will be requested in November to allow sufficient legislative process time between MPAC and JPACT actions and the final Council action. **The Metro Council is scheduled to consider adoption of a preferred approach on December 11, 2014.**

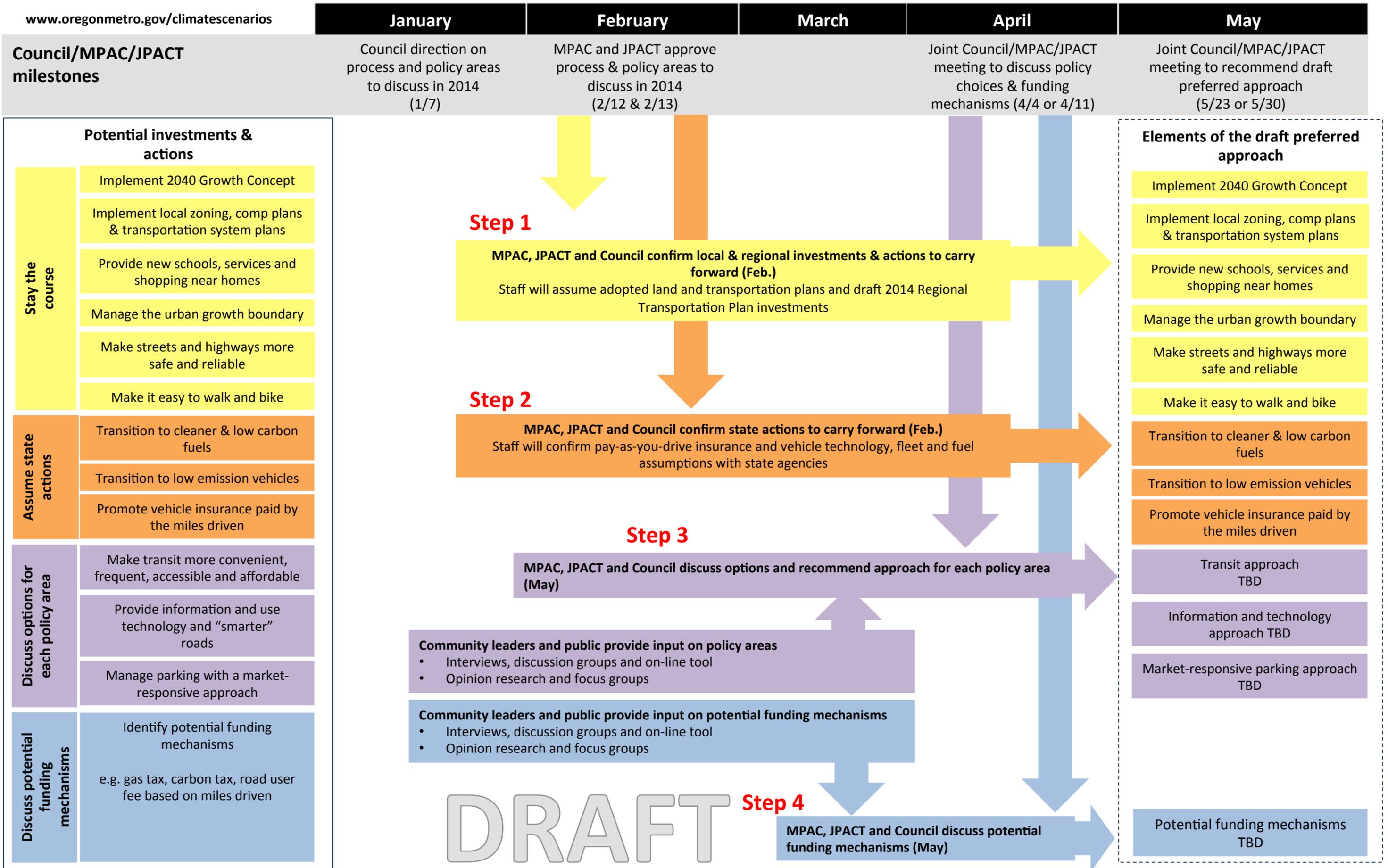
In early 2015, Metro will submit the preferred approach to the Land Conservation and Development Commission in the manner of periodic review. According to OAR 660-044, following Metro's plan amendment and LCDC review and order, Metro is required to adopt functional plan amendments, if needed, to require cities and counties to update local plans as necessary to implement the preferred approach.

- Attachment 1. Climate Smart Communities Scenarios Project: Shaping the Preferred Approach in 2014 (*Jan. 28, 2014*)
- Attachment 2. Investing in Great Communities brochure (*Jan. 2, 2014*)

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Climate Smart Communities Scenarios Project: Shaping the Preferred Approach in 2014

www.oregonmetro.gov/climatescenarios

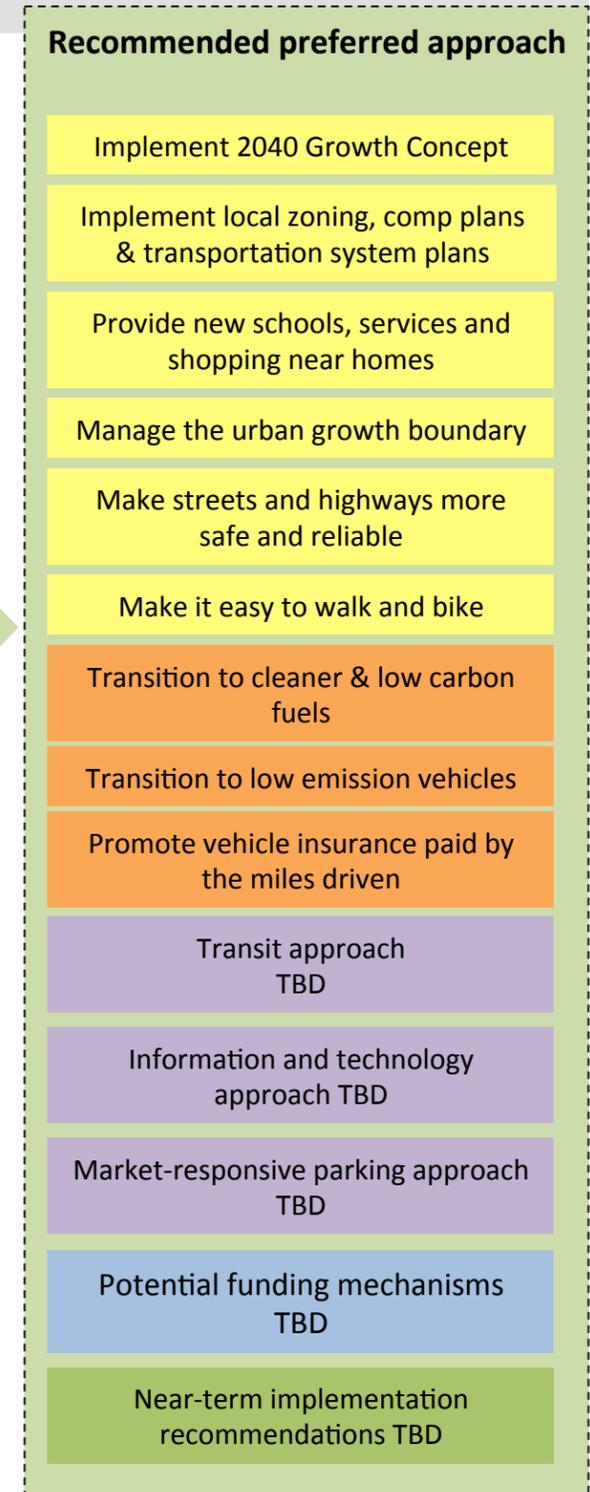
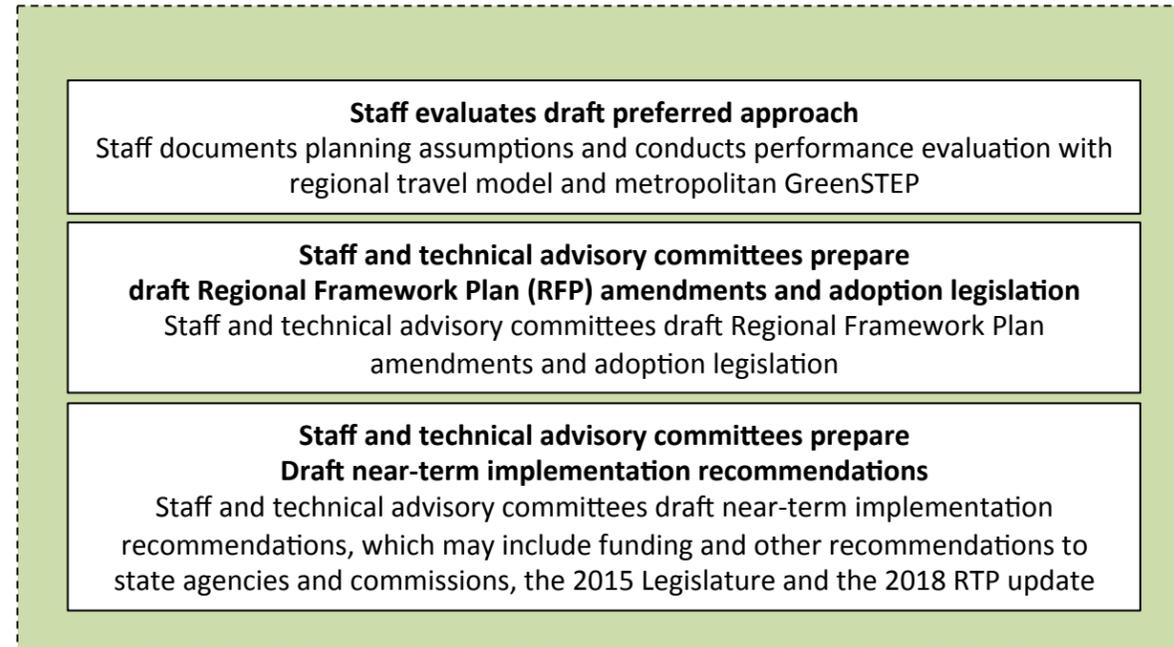


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1/28/14

Climate Smart Communities Scenarios Project: Adopting the Preferred Approach in 2014

	June	July	August	September	October	November	December
Council/MPAC/JPACT milestones		Council action on 2014 RTP investment priorities (7/17)	Council/MPAC/JPACT discuss proposed RFP amendments and short-term implementation recommendations (8/5, 8/13 & 8/14)	Council/MPAC/JPACT discuss evaluation results and public review draft preferred approach (9/2, 9/10 & 9/11)	Council/MPAC/JPACT review public comments and discuss recommendation to Council (10/7, 10/8 & 10/9)	MPAC & JPACT recommendation to Council on preferred approach (11/12 & 11/13)	Council action on preferred approach (12/11)



DRAFT

**CLIMATE
SMART
COMMUNITIES
SCENARIOS PROJECT**



Metro



**What the future
might look like
in 2035**

Scenario
A
Recent Trends
This scenario shows the results of implementing adopted plans to the extent possible with existing revenue.

Scenario
B
Adopted Plans
This scenario shows the results of successfully implementing adopted land use and transportation plans and achieving the current RTP, which relies on increased revenue.

Scenario
C
New Plans and Policies
This scenario shows the results of pursuing new policies, more investment and new revenue sources to more fully achieve adopted and emerging plans.

INVESTING IN GREAT COMMUNITIES

The Climate Smart Communities Scenarios Project was initiated in response to a mandate from the 2009 Oregon Legislature to reduce per capita greenhouse gas emissions by 20 percent from cars and small trucks by 2035.

There are many ways to reduce emissions while creating healthy, more equitable communities and a vibrant regional economy. Providing services and shopping near where people live, expanding transit service, encouraging electric cars and providing safer routes for walking and biking all can help.

The goal of the Climate Smart Communities Scenarios Project is to engage community, business, public health and elected leaders in a discussion with their communities to shape a preferred approach that meets the state mandate and supports local and regional plans for downtowns, main streets and employment areas.

To realize that goal, Metro evaluated three approaches – or scenarios – over the summer of 2013 to better understand how best to support community visions and reduce greenhouse gas emissions. The results will be used to frame the regional discussion about which investments and actions should be included in a preferred approach for the Metro Council to consider for adoption in December 2014.

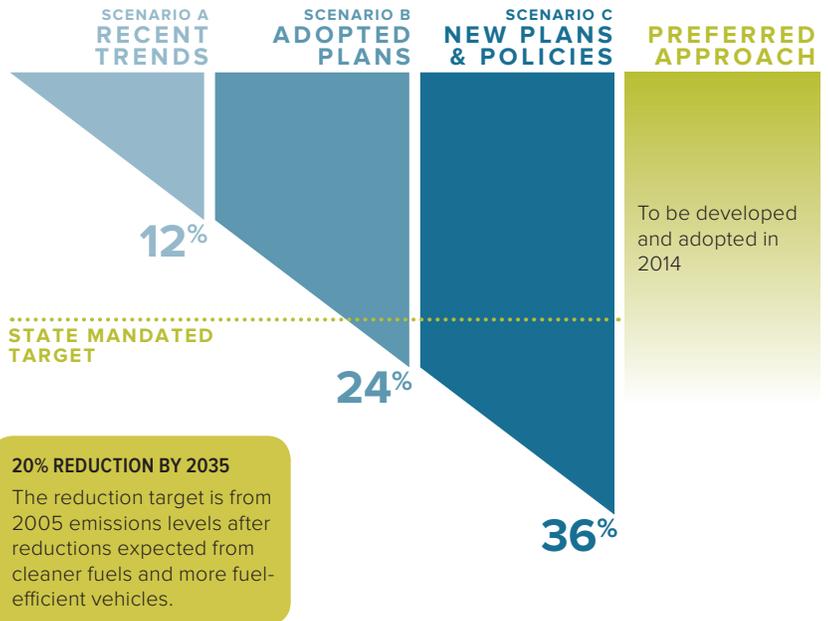
WHAT HAVE WE LEARNED SO FAR?

Adopted plans can meet the target

Our analysis indicates that adopted local and regional plans can meet our target for reducing greenhouse gas emissions – if we make the investments and take the actions needed to implement those plans.

This is good news, but there is more work to be done.

REDUCED GREENHOUSE GAS EMISSIONS PERCENT BELOW 2005 LEVELS



20% REDUCTION BY 2035
The reduction target is from 2005 emissions levels after reductions expected from cleaner fuels and more fuel-efficient vehicles.

INVESTMENTS AND ACTIONS THAT CREATE GREAT COMMUNITIES	RELATIVE CLIMATE BENEFIT
WHERE WE LIVE AND WORK	
Implement 2040 Growth Concept	★★★★★
Implement local zoning and comprehensive plans	★★★★★
Locate schools, services, and shopping close to neighborhoods	★★★★★
Manage urban growth boundary expansion	★★★☆☆
HOW WE GET AROUND	
Maintain and make transit more convenient, frequent, accessible and affordable	★★★★★
Manage parking with a market-responsive approach	★★★★☆
Use technology and “smarter” roads to manage traffic flow and boost efficiency	★★★★☆
Provide information to expand use of low carbon travel options and fuel-efficient driving techniques	★★★★☆
Make walking and biking more safe and convenient with complete streets and trails	★★★☆☆
Maintain and make streets and highways more safe, reliable and connected	★★★☆☆
Expand access to car-sharing	★★★☆☆
OUR HEALTH AND ENVIRONMENT	
Transition to low emission vehicles and engines, including electric vehicles	★★★★★
Transition to cleaner and low carbon fuels	★★★★★
Achieve federal fuel economy standards	★★★★☆

WHAT INVESTMENTS AND ACTIONS BEST SUPPORT YOUR COMMUNITY VISION?

Each community is unique

Most of the investments and actions under consideration are already being implemented to varying degrees across the region to realize community visions and other important economic, social and environmental goals.

A one-size-fits-all preferred approach won't meet the needs of our diverse communities. A combination of investments and actions will help us realize our shared vision for making this region a great place for generations to come.



WHAT DOES THIS MEAN FOR YOUR COMMUNITY?

We're all in this together

Local, regional, state and federal partnerships are needed to make the investments and take the actions necessary to create great communities while reducing greenhouse gas emissions.

Working together, we can develop a shared strategy that may include a transportation legislative package for 2015.

RELATIVE COST	WHO HAS A ROLE?			
	FEDERAL	STATE	REGIONAL	LOCAL
\$\$\$			●	●
\$\$\$				●
\$\$\$				●
\$\$\$			●	
Up to \$\$\$	●	●	●	●
\$\$\$				●
\$\$\$	●	●	●	●
\$\$\$	●	●	●	●
\$\$\$	●	●	●	●
Up to \$\$\$	●	●	●	●
\$\$\$				●
\$\$\$	●	●	●	●
\$\$\$	●	●		
\$\$\$	●	●		



About Metro

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy, and sustainable transportation and living choices for people and businesses in the region. Voters have asked Metro to help with the challenges and opportunities that affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to providing services, operating venues and making decisions about how the region grows. Metro works with communities to support a resilient economy, keep nature close by and respond to a changing climate. Together, we're making a great place, now and for generations to come.

Stay in touch with news, stories and things to do.

www.oregonmetro.gov/connect

Metro Council President

Tom Hughes

Metro Council

Shirley Craddick, District 1
Carlotta Collette, District 2
Craig Dirksen, District 3
Kathryn Harrington, District 4
Sam Chase, District 5
Bob Stacey, District 6

Auditor

Suzanne Flynn

WHAT'S NEXT?

January to May 2014 Community and business leaders, local governments and the public are asked to weigh in on which investments and actions should be included in the region's preferred approach

May 2014 The Metro Council is asked to provide direction to staff on the draft preferred approach

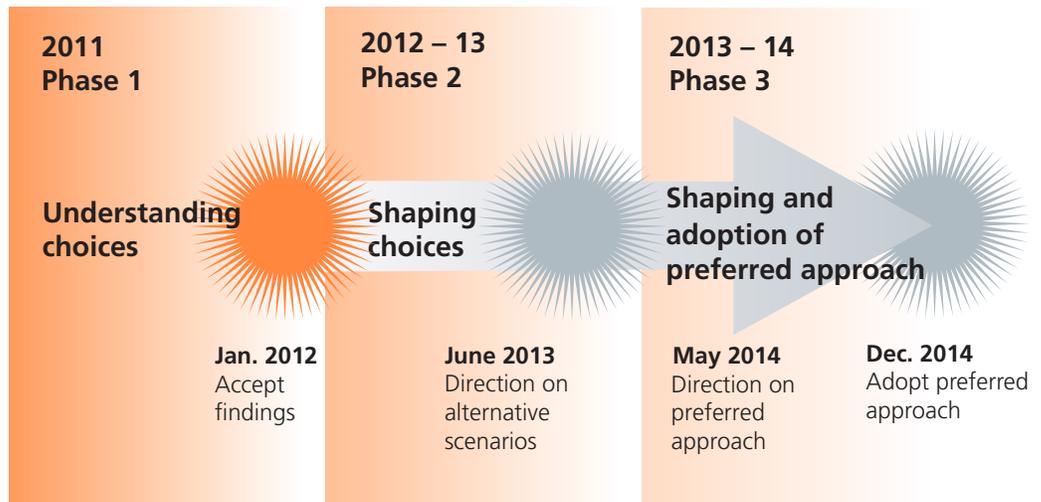
Summer 2014 Evaluation of preferred approach

September 2014 Final public review of preferred approach

December 2014 Metro Council considers adoption of preferred approach

January 2015 Submit adopted approach to Land Conservation and Development Commission for approval

Climate Smart Communities Scenarios Project timeline



WHERE CAN I FIND MORE INFORMATION?

www.oregonmetro.gov/climatescenarios

Visit the project website to learn more about existing community efforts and their challenges, and to download other publications and reports.

For email updates, send a message to climatescenarios@oregonmetro.gov

MAKING A GREAT PLACE



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