

**CITY OF PORTLAND**  
**LEGISLATIVE PACKAGE**



**2007**  
**SESSION**

**CITY OF PORTLAND:**

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## **2007 PRIORITIES**

## EDUCATION

### EARLY EDUCATION THROUGH POST-SECONDARY FUNDING

**Objective:** Actively work and advocate for adequate and stable operations funding for public education, from pre-kindergarten through post-secondary education. Actively work and advocate for state support for construction and deferred maintenance funding for educational institutions. Support legislation that allows cities to support school districts and public post-secondary education and research institutions in sharing services and resources. Actively work and advocate for state support for increased Oregon Opportunity Grant funds to assist students with escalating higher education expenses.

**Issue:** The City of Portland has had a long-term commitment to supporting quality education as the driver of a robust diverse economy and healthy community. Quality public education – from pre-kindergarten through post-secondary – is viewed as a cost-effective investment strategy that provides each community member the opportunity to become a successful adult and qualify for a living wage job. A skilled, responsible workforce is critical to attracting and maintaining businesses to the City of Portland – businesses that, in turn, require that a comprehensive quality public education system be available to its employees.

The City of Portland also recognizes the economic benefits provided to the City, the region, and the State by the educational institutions themselves: as employers, as purchasers of local goods and services, as draws for tourism dollars, as “in-kind contributors” of volunteer hours and intellectual expertise, as shapers of the work force, and as property owners and real estate developers. Additionally, public resource demands in the future (e.g., use of criminal justice and welfare systems; increasing costs of public safety) can be mitigated and prevented by investing now in the provision of a quality education. Portland also benefits significantly from the cultural, creative, and intellectual benefits associated with quality post-secondary education institutions. They contribute to Portland’s attractiveness for residents, visitors, and potential investors.

Unfortunately, over the past six years, there has been a steady and precipitous decline in the number of dollars available from the State for its public education system, due to the caps on revenue from Measures 5 and 50, the State general fund’s reliance upon the income tax – a tax subject to the rise and fall of the economy – for the majority of its revenue. In the K-12 system, from the mid 1980’s through 2001, Oregon spent more than the

national average per student; in 2004-05, after the recession, Oregon's spent 9% less than the national average per student.

In 2002-03, the State Board of Higher Education froze dollars allotted to institutions of higher education, so any new student enrolled since 2003 is not accompanied by new dollars from the state; all dollars for new students must come from tuition. Tuition and fees at our public universities have increased more than 50 percent in the last ten years, further eroding access to higher education for Oregon's youth. Educational institutions are not being able to meet workforce demands in healthcare, high tech, and other industries. Higher education institutions in Oregon struggle to attract and retain faculty because of Oregon's low salary scales.

Today, over 400 children remain on waiting lists for Head Start programs within the City of Portland, due to a chronic lack of space and funds.

Over the past ten years, the City of Portland has proven to be a valuable partner to educational institutions within its borders, attempting to compensate for the decline in state dollars for public education. Voters approved the creation of the Children's Investment Fund, sponsored by the City of Portland to provide critical funding for early childhood programs, including Head Start. In 2003, the City provided \$19,000,000 through one-time funds and the business license surcharge to K-12 school districts. Again, in 2006, the City approved \$10 million in one-time funds to be distributed using the ADMw formula to all six K-12 school districts in the City of Portland for the 2006-07 school year, and reinstated a surcharge on the business license fee to generate another \$6 million. The City has also taken over several services for the K-12 school districts, including school police and field maintenance.

In the 2006 Special Session, the legislature allotted surplus lottery funds to all K-12 school districts in the state, and renewed the "gap bond" funding authority for the City and State's largest school district, Portland Public Schools. Additionally, the City has provided capital assistance to our higher education institutions.

Stop-gap funding by the City and legislature, however, does not provide superintendents, principals, and teachers the financial stability necessary to develop and maintain best practices that develop and maintain a pool of quality graduates. In addition, one-time funding provided by the City to its educational institutions drains the City of resources necessary to fulfill its charter mission of sustaining an infrastructure of parks, roads, housing, public safety, sewers, water, and environmental initiatives also essential to a healthy community.

## EMERGENCY COMMUNICATIONS

### EXTENSION OF THE 9-1-1 TAX

**Objective:** Extend the sunset of the 9-1-1 Emergency Communications Tax which is due to expire at the end of 2007. Introduce legislation to make this tax permanent and index it to the Consumer Price Index every five years.

**Issue:** During one of the 2002 special sessions, the legislature extended the 9-1-1 tax to 2007. The Bureau of Emergency Communications, which provides emergency call-taking services to Portland, Gresham, Troutdale, Wood Village, Fairview, Happy Valley and unincorporated Multnomah County serves approximately 675,000 citizens. Receipts from this surcharge represent 20 percent of BOEC's operating budget and if allowed to expire, result in a budget reduction of \$2.7 million (\$2.2 million is for the City of Portland and \$500,000 from other user jurisdictions). If the surcharge is not extended or made permanent the result will be that the level of service BOEC currently provides to the citizens of Multnomah County will be seriously compromised.

## ENERGY / SUSTAINABLE DEVELOPMENT

### BIOFUELS

**Objective:** Support legislation that promotes the growth, production, and use of biofuels and protects the City of Portland's Renewable Fuel Standard (RFS).

**Issue:** Biofuels offer promising benefits for Oregon, including local and regional economic development opportunities, improved air quality, reduced greenhouse gas emissions and decreased dependence on volatile oil supplies. However, biofuels are not yet widely available in Oregon and face competition from long-established petroleum interests. Ten to 15% of all diesel fuel sold in the state is sold in Portland, and the City has both environmental and economic interests in seeing the Oregon biofuels industry develop. During the 2005 legislative session an attempt to pass similar legislation failed.

The Portland RFS requires (effective July 1, 2007) all gasoline sold in the city limits to contain a 10% blend of ethanol (E10) and all diesel fuel sold in the city limits to contain a minimum 5% blend of biodiesel (B5). Alternatively, if a retailer makes a biodiesel blend of 20% (B20) or higher available to customers, it can continue to sell traditional petrodiesel at other pumps on the same contiguous site. The Portland RFS is expected to create reliable demand for over 4 million gallons of biodiesel and 16 million gallons of ethanol per year, helping to spur market development of Oregon based biofuel production facilities to meet that demand.

The City of Portland supports a statewide Renewable Fuel Standard that is tied to supply, preserves the ability of local governments to adopt stricter standards, and offers reasonable incentives to growers, producers, and users of biofuels.

## ENVIRONMENT

### STATE RETENTION OF UIC PROGRAM

**Objective:** Support retention of the State Underground Injection Control (UIC) program. Support development and implementation of a statewide fee structure for registration and Rule Authorization of new UICs.

**Issue:** DEQ notified the U.S. Environmental Protection Agency (EPA) of its intent to return the State UIC Program to them on May 25, 2006. Despite this action, the Environmental Quality Commission subsequently directed DEQ to prepare a fee based UIC program for the 2007 legislative session. Retention of a functional State UIC program is essential to implementation of the City's municipal UIC Permit, and to the continued use of UICs as a low impact development strategy.

The City currently has approximately 9,000 UICs that collect stormwater from public rights-of-way and discharge it to the subsurface. UICs represent one of three major systems that provide stormwater management for the entire City of Portland. For many areas located east of the Willamette River, UICs are the only form of stormwater disposal available. Examples of common UICs include sumps, drywells and other subsurface disposal facilities. As required by state law, the State UIC Program provides technical assistance and development review and approval processes for UICs on public and private property. The State program also provides oversight for the City's municipal UIC permit.

DEQ is now working simultaneously on both securing funding and returning the program to EPA. These parallel paths will allow for a final decision about implementation of the UIC program in Oregon to be reached by the end of 2007. DEQ estimates that a total of 6.5 staff (at ~\$700,000 annual cost) are needed to fully implement the UIC program, provide approval for systems requiring authorization in order for development to proceed, and to pursue key program improvements such as developing guidance documents and permit templates.

## GENERAL GOVERNMENT

### PREEMPTIONS OF LOCAL GOVERNMENT AUTHORITY

**Objective:** Strongly oppose any legislation that would preempt the City's authority to develop and enforce local ordinances, manage its bureaus and functions, raise local revenues, or avoid state imposed tax expenditures on local government.

**Issue:** Legislative preemptions are often proposed by special interests that want to prohibit taxes or fees, or overturn locally passed laws, or gain tax exemptions. Instead of working at the appropriate local level, these interests seek State intervention and use the legislative process as the option of first, rather than last, resort.

The 2007 Session will undoubtedly bring many attempts to preempt City authorities. Anticipated measures include those that would:

- Void the City's Time, Place and Manner ordinance. (p. 42)
- Preempt the City's authority to regulate and manage For-Hire Transportation services.
- Preempt the City's authority to impose a tax on wireless communications. (p. 12)
- Modify the City's ability to impose system development charges. (p. 73)
- Substantially alter the City's business license tax. (p. 71)
- Eliminate the City's authority to require demolition review for historic buildings.
- Interfere with local government authority to manage and be compensated for the use of public rights-of-way, or preempt city franchise authority. (p. 12)
- Preempt authority to impose local street user fees or to raise or impose local gas taxes. (p. 90)
- Preempt this city's ordinance establishing a renewable fuels standard. (p. 4)
- Preempt the city's ordinance regulating the payday loan industry. (p. 41)

The list is long and the risks posed to the City are considerable. More information about many of the issues listed above may be found in the body of this document.

## HOUSING

### HOUSING ALLIANCE LEGISLATIVE AGENDA

**Objective:** Support the Housing Alliance’s legislative agenda that, among other things, seeks to significantly increase the amount of money dedicated to affordable housing. Funding sources for affordable housing to be pursued by the alliance include: an increase of the document recording fee, dedication of lottery proceeds, allocation of General Funds, and a renewal of dedicated utility “public purposes” funds.

**Issue:** Affordable housing is a significant problem in the metropolitan area and around the state. BHCD estimates that tens-of-thousands of units of affordable housing are needed in the Portland Metropolitan area. Analysis shows that households with the least income have the most difficulty finding housing they can afford. Rising home prices are putting homeownership out of reach for most first time home-buyers and making it more difficult to close the minority homeownership gap.

Serving low-income residents requires subsidy. Because state and federal funding for affordable housing is inadequate to meet all the housing needs locally, new and alternative funding sources need to be encouraged and pursued.

The Housing Alliance is a consortium of advocates, governments (including the City of Portland), interest groups and service providers dedicated to increasing the resources available to meet our state’s housing needs. The Alliance’s Housing Opportunity Agenda proposes to spend \$100 million on affordable housing for the 2007-2009 biennium. This would be accomplished by raising \$60 million via an increased document recording fee, devoting \$25 million of lottery proceeds to housing programs, allocating \$10 million in General Fund revenue to affordable housing, and renewing the dedication of utility public purpose funds which would generate approximately \$5 million.

The Alliance hopes to dedicate \$80 million of these funds to multi-family rental development that will be allocated through the Consolidated Funding Cycle through the Oregon Housing and Community Services Department. This amount will be used to create debt-free housing units, create new multi-family units where needed, assist in the rehabilitation and preservation of existing housing and will ultimately produce at least 1,000 affordable units that will remain affordable for generations. \$10 million will be dedicated to increasing funding for homeless programs including \$5 million to increase funds available through the state’s Emergency Housing Account. \$4 million will be dedicated to capacity

building in order to expand the ability of local agencies to develop, manage, and preserve affordable housing. Finally, dedicate \$6 million to homeownership programs.

Other initiatives that the Alliance will be pursuing and that the City is supportive of are attempting to create new programs and opportunities for residents and communities when manufactured home parks close. Create new programs to assist low-income, elderly and disabled residents who will be displaced when their apartments are proposed for conversions to condominiums, and lifting the preemption from using inclusionary zoning as a tool to increase the number of affordable housing units.

## RURAL PARTNERSHIP

### SUPPORT FOR RURAL COMMUNITIES

**Objective:** Support and advocate for issues of importance to our rural partners that will enhance the health, safety and vitality of the entire state.

**Issue:** The health and vitality of urban and rural communities in Oregon are interdependent. The Portland City Council is committed to working with our rural counterparts to expand economic opportunities and improve the lives of all Oregonians. As a result, the city supports the following legislative issues that are either of statewide concern or are unique to rural areas. Furthermore, the city will work with our rural partners over the course of the session to identify other issues where the city can be of assistance:

- Actively support efforts at the State and/or Federal level to extend PL 106-393, The Secure Rural Schools and Community Self-Determination Act.
- Support efforts to provide stable and adequate funding for all schools in Oregon.
- Advocate for new transportation resources to address maintenance, preservation and safety challenges across the state.
- Promote the growth, production and use of biofuels within the state.
- Support efforts to ensure rural areas of the state get a share of funding from Connect Oregon II to provide rail and air service.
- Support any efforts that would extend the 180-day review requirement for claims under Ballot Measure 37.
- Support the Water Resources Department's request to fund a statewide assessment of water needs.
- Support efforts to eliminate the double majority requirement for local property tax measures.
- Support efforts to increase the availability of funding throughout the state for the preservation, maintenance and development of affordable housing and related services.
- Support a proposed \$4.6 million investment launching the Northwest Visioning, Innovation and Productivity Center, in collaboration with Oregon State University's Food Innovation Center; and specific business support and technical assistance for Oregon's seafood firms through the Community Seafood Initiative in Astoria.
- Support Oregon Innovation Council's recommendation to fund research on wave energy in Oregon. A proposed \$5.2 million

investment in the first commercial-scale wave energy park in the U.S. will bring Oregon to the forefront of this emerging alternative energy technology, creating jobs, attracting talent and seeding next generation technologies in communities all over the state.

- Support efforts to restore funding to the Regional/Rural Investment Fund that provide locally controlled funds to assist communities to carry out a region's plan for economic and community development under ORS 285B.230-285B.248.
- Support Governor's budget request to continue the Office of Rural Policy.
- Support Governor's budget request to continue the Economic Revitalization Teams that focus state agencies on working together at the local level to increase economic opportunity and help local governments and business and property owners bring industrial sites to "shovel ready" status. The ERT emphasizes multi-agency coordination on projects of local and statewide significance
- Support modifications to and increase funding for Oregon's Rural Health Services Loan Repayment Program that provides tuition assistance to students in the medical field who commit to serving in qualified underserved areas.
- Support efforts to expand the capacity of Oregon's community colleges.
- Support regionally grown and produced agricultural products. Regionally grown products promote local economic development, food safety, and individual health while reducing harmful greenhouse emissions and strengthening our ability to respond to rising energy prices.
- Support additional funds for Area Health Education Centers to enhance their capacity to serve rural Oregonians. The funds will establish a statewide education coordinator, support the four main regional centers and the Clackamas mini-center, increase funding for video-conferencing and on-line education for health care professionals, and enhance health services career outreach programs for K-12 students.

## TAXATION & FINANCE

### STATEWIDE TAX REFORM

**Objective:** Support changes to the state tax system that will provide stability for state and local government and avoid regressive results.

**Issue:** Oregon's heavy reliance on income taxes to pay for critical services like education, public safety, and health care, tends to flood the state treasury when the economy is doing well and forces drastic cuts when the economy does poorly. Further, the state has not established a rainy-day fund that would ease program cuts when revenues do not meet economic forecasts. No other state in the nation is as dependent on the personal income tax as Oregon. Further, the personal income tax is much more volatile than property taxes or sales taxes. This volatility leads to dramatic changes in revenue, forcing state and local governments as well as school districts into unpredictable budget environments. Oregon's fiscal crisis that it experienced during the 2001-2003 biennium will repeat itself again if the state does not create a rainy-day fund and fundamentally address its existing tax system.

The City of Portland supports efforts to reform the state's tax system by establishing and funding a rainy-day fund, reforming the kicker, and reforming the existing tax system by spreading the tax burden, broadening the tax base, and, if done correctly, the creation of a sales tax.

## TELECOMMUNICATIONS

### RIGHT OF WAY MANAGEMENT, FRANCHISE FEES, IRNE, COMMUNITY RIGHT TO SERVE

Objective: The City of Portland supports:

local government management of public rights-of-way and the ability to charge fair market price for private use of these public resources

- local consumer service protections and consumer education efforts;
- the development of effective local information infrastructures (IRNE) and institutional networks;
- local authority to develop public, educational and governmental access channels, community programming, and related services;
- the ability to impose and collect telecommunication taxes to fund operations;
- the orderly transition to a truly competitive communications marketplace;
- right of local jurisdictions to govern land use and regulate zoning for all communications service providers and facilities without unnecessary state intervention; and
- diversity in media and telecommunications ownership and content.

Issue: At the federal level, Congress and the FCC are proposing to streamline regulations governing both cable and telecommunications companies that dramatically impact local government's role.

Technological advances have largely removed the historic separations between cable and telephone operators. Cable companies developed broadband Internet access (cable modem) and telephone service using the same network that had been used exclusively to transmit video programming. Telephone companies developed broadband Internet access (DSL) and video programming using the same network that had been used for telephone service. Thus, both are now offering broadband internet, video programming and telephone services over one wire. All of these companies are seeking to put facilities in the public right-of-way with as few restrictions as possible.

Twenty-eight states have adopted statewide franchising thereby preempting some portion of local video franchising authority. Industry would like to limit the ability of local government to receive fair compensation for use of the public right-of-way and to levy telecommunications taxes. They have a national, state and local agenda of limiting local governments to recovering the costs of managing the right-

of-way. Industry believes that any compensation should be limited to cities' direct and actual cost of permitting. Failing that, the industry would like the state to preempt local government right-of-way management ordinances so that the industry does not have to deal with individual cities.

In addition, a continuing and troublesome issue for the industry and local government is that the incumbent local phone companies, Qwest and Verizon, are treated one way under Oregon state statute while all other telecommunications companies are dealt with in local ordinances. Incumbent local exchange providers (ILEC's) receive special treatment in that cities can charge them a maximum of 7% of local exchange revenue while competitive providers (CLEC's) pay up to 5% of gross revenues.

Finally, the telecommunications industry has worked tirelessly over the last four legislative sessions in Oregon, in other states and nationally to prevent local communities from taking public action to fill telecommunication gaps. Even though these companies consider the services to some communities uneconomic in this market, the industry apparently wants to preserve these unserved or underserved markets for the future by opposing local government attempts to provide service. Meanwhile, these communities struggle to stay economically viable. Small towns and rural areas faced a similar problem early in the 20<sup>th</sup> century with electrification. Public action at that time insured that the country as a whole enjoyed the benefits of electricity. Access to advanced telecommunications services is critically important to Oregon's communities. It is becoming an essential service; yet broadband services are currently not available to many of our residents.

The City of Portland needs extensive telecommunication infrastructure to be effective. The city has decided to make investments to connect and operate the fiber to provide the kind and quantity of bandwidth that is needed now and in the future. Using these existing assets and making them available to other public entities in the region is cost effective for all the public agencies involved. It allows us to control the network, to control the costs, and to provide the reliability essential to municipal needs such as police, fire, dispatch and traffic control. Major private telecommunications providers claim that government should not compete with the private sector in the area of telecommunications. Yet local government in its effort to contain costs, be efficient and provide e-government services to its citizens views provision of telecommunications services as vital as the transportation, water or sewer system. Furthermore, the city *only* provides service to other public entities. There may be efforts to prohibit the city from providing services to other public entities.

## TRANSPORTATION

### TRANSPORTATION FUNDING PACKAGE

**Objective:** Advocate for and support the development of a transportation funding package that will provide sufficient funds to allow Oregon's local governments to address severe backlog of street safety, preservation and maintenance needs and allow the cities and counties to maintain its transportation infrastructure at a sustainable level. Work with stakeholders including, the governor, legislative leadership, ODOT and other local governments to identify local project needs.

**Issue:** Transportation funding needs have reached a critical level in Oregon and in Portland. The gas tax is the primary ongoing source of funding to build and maintain roads. The legislature has not raised the gas tax since 1991. In the meantime, inflation has reduced the buying power of existing funding. Dramatically increased construction and fuel costs have diminished the buying power of the gas tax.

For example, Portland's street system consists of nearly 3,949 lane miles of improved streets with an estimated asset value of approximately \$3.6 billion. Over the past 20 years, the streets in good/very good condition have declined from 68% to 55%. Arterial street condition is even worse (37% good/very good) contributing to safety concerns, congestion, and expensive repairs. As of July 2005, the backlog of preservation and maintenance was 597 miles (210 arterials and 387 miles local). In order to reach a sustainable service level of 250 mile backlog (90 miles of arterials and 160 miles of locals), an additional investment of nearly \$9.5 million annually to the City of Portland over the next ten years is required.

Also, the metropolitan regional economy is highly dependant on transportation. Further, the local maintenance backlog has a direct impact on safety and congestion. For example, from 2001-2004, just 40 intersections within city limits accounted for 3,721 crashes, 10 fatalities, and 1,425 injuries. The economic cost of these crashes was over \$46 million. Furthermore, a recent report, entitled "The Cost of Congestion to the Economy of the Portland Region" estimated that a "failure to invest adequately in.... improvements will result in a potential loss valued at \$844 million annually by 2025." By diverting traffic from unmaintained arterials to neighborhood streets, congestion and safety problems will mount and traffic delays will continue.

Other assets that are in need of attention are the city's current street light system, traffic signals (where only 28% of the hardware is rated in good

condition), and structures like bridges where 38 existing bridges are rated to be in poor condition. Nearly 70% of the City's 37,000 improved corners need ramps to become ADA compliant.

OTIA III, passed in 2003, provided a desperately needed infusion of resources for local systems in addition to millions of dollars for state, county and city bridges around the state. Even with OTIA III, present funds do not allow cities to preserve their current investment in the existing transportation infrastructure, nor to address the increased safety, seismic, public transit and growth needs of the people and businesses of Oregon. Without additional funding, the existing system will continue to deteriorate, leaving a legacy of decaying roads, inadequate transit, and unsafe pedestrian facilities.

The City of Portland will support a funding packages that, in combination:

- includes a five-year gasoline tax increase to fund a set of specific local government transportation improvements related to system safety, maintenance, preservation, operations, and congestion;
- includes the indexing of transportation revenue to counteract the effects of inflation and improvements in vehicle mileage;
- encourages the coordination of land use and transportation planning between jurisdictions to realize efficiencies in transportation systems and to maintain livable communities;
- supports existing constitutional restriction on the use of state Highway Fund;
- supports the expansion or development of funding mechanisms to fund transit (including access to transit) and other high priority needs.

## WATER

### MUNICIPAL WATER RIGHTS

**Objective:** Support legislation that restores clarity and certainty to the municipal water right application process.

**Issue:** HB 3038, passed by the 2005 legislature, substantially reinstated municipal water rights following an Oregon Supreme Court decision involving Coos Bay/North Bend. However, HB 3038 required all rights prior to November 1998 (most of the City's groundwater rights predate this time) would have to go through a one time review for "fish persistence" for ESA listed fish and state sensitive listed fish species. After the passage of the bill, a disagreement arose between water rights holders and the Oregon Department of Fish & Wildlife over the meaning of the phrase "maintain the persistence" relating to fish species. The ambiguity of this phrase makes HB 3038 problematic in implementation. The City of Portland seeks a more effective program to protect listed fish species while allowing the municipalities a reasonable certainty that these pre-1998 water rights can be relied upon for future use.

## **ISSUES**

## BUILDING CODES

### CONSTRUCTION CLAIMS TASK FORCE

Objective: Monitor legislation forwarded by the Construction Claims Task Force.

Issue: The Construction Claims Task Force was created as a result of 2005 legislation. In part, this task force was created to address the increasing frequency of “material and construction method” defects that have created severe economic hardship on homeowners, largely as a result of water intrusion.

The mission of the taskforce is to find solutions to the issue of structure and material failures in new or recently constructed buildings, particularly single-family homes and multi-family residential structures. It is likely that there will be legislation that would impact the city’s Bureau of Development Services, including increased direction to conduct more or different types of inspections. Whatever the outcome, it is likely that some of the recommendations will impact operations and services of the Bureau of Development Services.

## BUILDING CODES

### EGREGIOUS VIOLATIONS

**Objective:** Monitor legislation that would allow the Building Codes Division (BCD) to suspend licenses for egregious violations more rapidly.

**Issue:** This new concept is directly the result of other bills that permit the Building Codes Division to take a more aggressive stance against plumbing and electrical contractors that are violating certification and other related laws. The intent of this legislation is to allow the BCD to suspend the license before a hearing takes place, not after a hearing, as is the current process.

While it is the intent for this legislation to only impact egregious violators the potential exists for this to expand in scope to impact all contractors that are regulated by the Construction Contractors Board.

## BUILDING CODES

### E-PERMITTING

**Objective:** Monitor legislation that will impact the city's permitting process including proposals that will create a statewide e-permitting system.

**Issue:** In the last legislative session, a taskforce was formed to explore the possibility of instituting a statewide e-permitting system. The taskforce has met over the last several months discussing the possibilities. A report has been submitted to the legislature that outlines many of the benefits and some of the concerns about developing such a system. The city has participated in this taskforce and believes there are additional concerns related to costs and interoperability that were not contained in the report.

Any legislation that creates a statewide e-permitting system will affect how the city issues building permits. If the State chooses a full system program, there is the potential that it will not be compatible with the city's existing system and could result in a loss of significant resources. Therefore, the city will work hard to ensure that any system that is chosen has the ability to interface in the most flexible manner possible. Further, it will work to ensure that any new expensive requirements by the state are accompanied by sufficient resources.

## ECONOMIC DEVELOPMENT

### BUSINESS RETENTION SERVICES

**Objective:** Support Oregon Economic and Community Development Department's (OECDD) priority to increase funding for Business Retention Services.

**Issue:** Historically, \$100,000 per biennium has been utilized for OECDD Business Retention Services. The Portland Development Commission works very closely with OECDD and supports increased funding for this program to assist approximately 20-25 companies, retaining and creating 400-500 jobs.

The OECDD has operated the Business Retention Service to provide specialized consulting services to at risk businesses in order to avoid closure or retrenchment. As business becomes more specialized and sophisticated, unique problems arise that demand the assistance of specialists knowledgeable in such issues as finance, marketing, operations, turnarounds, and restructuring, lean manufacturing, and feasibility studies.

## ECONOMIC DEVELOPMENT

### INFRASTRUCTURE CAPITALIZATION

**Objective:** Support Oregon Economic and Community Development Department's (OECDD) efforts to secure \$100 million for Infrastructure Capitalization.

**Issue:** The purpose of this fund is to assist communities in building infrastructure capacity necessary to recruit new businesses or assist existing businesses with retention or expansion. These funds are often used to match or leverage other public resources of local, state or federal jurisdictions as well as private resources.

According to state officials, approximately 75% of projects facilitated by the state include some form of infrastructure incentive and/or development. Historically, OECDD has awarded an average of \$150 million per biennium for an average of over 200 projects. These funds have leveraged an equal or greater amount of other funds for public infrastructure projects. This is often the only source of funds for projects ranging from water and waste water treatment and distribution to industrial park infrastructure to other transportation enhancements for economic development projects including service roads, rail spurs, dock upgrades, and channel dredging. State funds are also used to match federal funds from the Safe Drinking Water program and the Community Development Block Grant (CDBG) program.

It is estimated that each \$1 million of OECDD funds leverages over \$1.3 million in other funds for the development of the public infrastructure project. On average, \$1 million of OECDD funds generates 64 construction jobs and 150 permanent jobs. New income tax revenue to the state as a result of these jobs, with an average wage in 1997 of \$26,500, results in repaying the state investment in less than five years.

These funds are often the only source for technical assistance for a variety of targeted entities including rural communities, innovative program ideas and special initiatives such as the creation of development ready industrial sites.

## ECONOMIC DEVELOPMENT

### OREGON INNOVATION COUNCIL RECOMMENDATIONS

**Objective:** Support the Oregon Innovation Council’s recommendation to invest \$40 million to stimulate the state economy and create jobs in the food processing, manufacturing, alternative energy and industrial research sectors

**Issue:** The proposed \$40 million Oregon Innovation Plan is designed to create business and employment opportunities throughout the state. The proposal supports growth strategies embraced by innovation-driven industries, such as food processing, manufacturing, alternative energy and key industrial research centers. It would increase the state's overall capacity for innovation and make it easier for innovative firms to launch anywhere in Oregon. The Oregon Innovation Plan is comprised of five initiatives summarized as follows:

- \$4.6 million grants to support companies in the food processing industry.
- \$5.2 million grant supporting development of the nation’s first commercial-scale wave-generation park on the Oregon Coast.
- \$3.372 million to support workforce development and applied research programs advocated by the Oregon Metals Initiative, the Manufacturing 21 Coalition and the Oregon University System (OUS).
- \$10 million in continued investment for Oregon’s first Signature Research Center, the Oregon Nanoscience and Microtechnologies Institute (ONAMI) based in Corvallis.
- \$7 million be invested to launch a translational research center to develop and commercialize new drugs to fight infectious disease – a joint project of OHSU, OSU, UO and six private bioscience firms.
- \$3 million grant to establish a Signature Research Center focused on R&D for clean energy, bio-based products, green building/green development and other emerging opportunities.

## EMERGENCY COMMUNICATIONS

### MAINTAIN CURRENT PASS-THROUGH OF 9-1-1 FUNDS

**Objective:** Monitor legislation that might alter the current fund allocation within the 9-1-1 accounts. Protect current pass-through to local Primary Safety Answering Points.

**Issue:** The distribution of 9-1-1 revenues is set out by statute (ORS 401.790) and is initially reduced by the state's administration of the tax and the costs approved for utilities' modification of switching and trunk equipment, network database development, and conversion of pay station telephones as well as tax collection costs. After these reductions are made, the net proceeds of the tax are segregated for three purposes: 9-1-1; Enhanced 9-1-1 and enhanced 9-1-1 equipment and replacement.

Thirty-five percent of the revenues are provided for the implementation of the Enhanced 9-1-1 program. Two and one-half percent is provided for Enhanced 9-1-1 equipment replacement. The remaining 62.5 percent of the revenues is distributed to cities and counties on a quarterly basis. The distribution for cities is on a per capita basis; for counties, it is on the basis of unincorporated population, except that each county is guaranteed a minimum of one percent. This last distribution represents nearly 18% of the City's Bureau of Emergency Communications operational budget and any change to the allocation formula could have a profound impact on the critical services it provides to nearly 675,000 citizens residing in Multnomah County.

Local governments are required to use 9-1-1 tax revenues and any investment proceeds thereof, for the planning, installation, maintenance, operation and improvements of the 9-1-1 reporting system. Funds may only be used for activities that handle the call from the citizen to the primary public safety answering point (PSAP) and that transmit the information from the PSAP to the secondary PSAP or the responding police, fire medical or other emergency unit.

## EMERGENCY COMMUNICATIONS

### NON-DISCLOSURE OF 9-1-1 AUDIO TAPES

**Objective:** Support legislation prohibiting the release of 9-1-1 audio tapes to the public and media without the consent of the victims, their families, or the caller.

**Issue:** The use of dramatic 9-1-1 audio tapes as news items by the media and the resulting “revisiting” of traumatic incidents by callers, victims and family members have prompted some citizens to seek the introduction of legislation that would remove these tapes from open access by the media due to the public records laws. Most callers assume that their calls are confidential. However, the district attorney and presiding judge have compelled disclosure. As a result, these tapes are generally considered public records and must be released if a request is made.

Previous bills that have been proposed on this subject would have exempted from disclosure under the public records law the audio recording of a caller to a PSAP unless the public interest required the disclosure. The bills would have allowed the caller to consent to the disclosure of the audio recording or the parent, spouse or guardian if the caller was unable to provide consent. The bills also would have permitted a transcript of the call to be released without consent. Furthermore, a district attorney, police officer, attorney for a defendant in a criminal proceeding, emergency service agency or labor organization could have obtained a copy of the audio recording without the consent of a caller.

## EMERGENCY COMMUNICATIONS

### PROTECT 9-1-1 FUNDS FOR THEIR DEDICATED PURPOSE

**Objective:** Protect the current 9-1-1 financing structure by maintaining the dedicated purpose of the tax to pay for 9-1-1 related services.

**Issue:** Since the establishment of a 9-1-1 tax in 1981, the revenue has been used solely for the purposes of emergency communications. The State Emergency Interoperability Committee, in its effort to identify funds to establish an interoperable radio system for the state has identified the 9-1-1 tax as one possible funding source to pay for this new system. Although the city is supportive of increasing interoperability of first responder communications equipment, the city opposes using this dedicated funding source for that purpose because it would open the door for other worthy programs to seek funding from this source as well.

For example, during the 2003 regular legislative session there were two efforts to divert 9-1-1 revenue to support programs other than the 9-1-1 system. One bill would have diverted funding to support trauma services throughout the state and the other would have provided funding for the Oregon Poison Control hotline. Although both programs have a great degree of support, breaking faith with taxpayers by removing the dedicated purpose of the tax and the resulting negative fiscal impacts to local Public Safety Answering Points necessitated opposition by the City.

## ENERGY

### CLEAN AND RENEWABLE ENERGY

**Objective:** Support legislation that provides policy and programmatic support to increase energy efficiency and renewable energy in Oregon.

**Issue:** Clean energy presents a key economic development opportunity for Oregon. Improving energy efficiency makes Oregon companies more competitive, and development of renewable energy resources like wind, geothermal, and solar in the state reduces Oregon's dependency on out-of-state coal and natural gas suppliers.

SB 1149 (1999) established a public purpose fee of 3% on electricity bills to fund energy efficiency and renewable energy programs that are administered primarily by the Energy Trust of Oregon. Those programs have generated significant economic and environmental benefits for Oregon, and a recent independent report to the Legislative Assembly concluded that the public purpose charge should be increased from 3% to 5% and that the current sunset date of 2012 should be extended by 10 years.

Twenty states have adopted renewable portfolio standards requiring that a specified percentage of electricity be generated from renewable sources, and a comparable requirement in Oregon would help diversify Oregon's electricity supplies while supporting local economic development.

Energy efficiency and renewable energy are essential components of any comprehensive plan to address global warming, an issue of growing urgency that presents serious risks for Oregon as a whole and Portland specifically.

The City of Portland supports the intent of a renewable portfolio standard, the continuation of adequately funded statewide energy efficiency programs, and related efforts to reduce emissions of carbon, the primary cause of global warming.

## ENERGY

### UTILITY TAXES

**Objective:** Monitor legislation that attempts to modify the Oregon Public Utilities Commissioner (OPUC's) final administrative ruling on utility taxes (AR 499). Protect the OPUC's administrative ruling in AR 499.

**Issue:** In 2005, the legislature passed SB 408, a bill that directed the OPUC to ensure that the taxes utilities collected from ratepayers are closely aligned with the taxes they actually pay to governmental entities. During the interim, the OPUC undertook rulemaking to clarify the meaning of the phrase "properly attributed" in the context of the new legislation. OPUC adopted rules that the city supports and are ultimately fair to ratepayers.

## ENVIRONMENT

### BROWNFIELDS

Objective: Support clarifying the Brownfield Redevelopment Loan fund.

Issue: The Oregon Economic and Community Development Department (OECDD) is expected to propose revisions to legislation enacted in 2005 (SB 1098 & HB 2176) that will help clarify and streamline existing rules and will make needed housekeeping changes.

Specifically, the proposal will add two additional circumstances under which OECDD may use a portion of the Brownfield Redevelopment Loan Fund under the Oregon Coalition Brownfields Cleanup Program: 1) to pay for administrative costs of environmental actions; and 2) to satisfy contracts entered into as a requirement to ensure that environmental reviews are conducted in a manner consistent with existing cleanup laws and rules.

## ENVIRONMENT

### COMMUNITY RIGHT TO KNOW

**Objective:** Monitor legislation dealing with “Community Right To Know” issues. Support proposals that allow the City of Portland to collect the information needed to protect its well field and oppose proposals that would preempt our ability to collect that information. Support proposals to streamline state agency data collections.

**Issue:** Over the past few legislative sessions, there have been a number of legislative proposals, as well as a task force that dealt with “community right to know” issues. These efforts focused on avoiding duplication of information gathering and reporting, and clarifying who should be able to collect and access certain types of information. These efforts often resulted in proposals that could have limited local ability to gather information.

As a surface water management agency and the operator of a major drinking water wellfield, the City of Portland has an interest in any legislation that could impact the ability of governments at any level, but especially the local level, to collect information and then to take steps to protect the quality of groundwater and surface water.

## ENVIRONMENT

### MIXING ZONES

**Objective:** Monitor efforts to modify existing DEQ policies and programs regarding the water quality standards for mixing zones. Encourage recent efforts by DEQ to document consistent administrative policies to enforce the mixing zone standards contained in NPDES permits. Oppose efforts to eliminate the use of well-monitored mixing zones by municipal wastewater utilities.

**Issue:** DEQ recently released an Internal Management Directive (IMD) that documented longstanding DEQ policies and programs to enforce the water quality standards set by NPDES permits for mixing zones. The City of Portland worked with other municipalities to provide a detailed response to the draft directive. The response was delivered through the Association of Clean Water Agencies (ACWA). The City of Portland is supportive of the DEQ efforts to enforce existing NPDES requirements, and recommends the city, ACWA and DEQ resist efforts to significantly restrict or eliminate the use of mixing zones.

## ENVIRONMENT

### PESTICIDE TRACKING

- Objective:** Monitor legislation dealing with pesticide use, tracking, data compilation, and potential funding sources for tracking programs. Support pesticide use tracking targeted at development and implementation of plans to improve water quality and the environment. Oppose legislation that would allow or promote use of the information as a tool to support frivolous litigation.
- Issue:** Many pesticides are showing up in Oregon's rivers and streams. Research indicates that pesticides may pose a greater health hazard than previously recognized. In addition, the cost to clean up a one-mile stretch of the Columbia Slough that contains PCB and pesticide contaminated sediments is estimated to exceed one million dollars. There is a lack of data to track the cause and effect relationship between pesticide use and transport to rivers and streams. The lack of data makes it very difficult to accurately perform watershed-planning activities, allocate Total Maximum Daily Loads, or respond to ESA requirements if all pollution sources within a watershed are not known and understood.

## ENVIRONMENT

### WATERSHED HEALTH

**Objective:** Support stable funding and innovative proposals for watershed planning, water quality improvements, and riparian restoration activities in the Lower Willamette Watershed and the tributaries that drain to the Willamette River. These activities are included among the high priority actions identified in the Governor's Willamette River Legacy Program to repair, restore, and provide recreational opportunities in the Willamette River basin. Monitor, and support or oppose as appropriate, concepts related to water quality (TMDL, NPDES, CWA, etc.), water quantity, mixing zones, stormwater flow control requirements, ESA, and Superfund cleanup. Monitor appropriations process for state agencies, including the Water Resources Department, Department of Environmental Quality, the Public Health Division of the Department of Human Services, the Oregon Watershed Enhancement Board, and other natural resources agencies as applicable.

**Issue:** The Portland Metropolitan area, along with the rest of the State of Oregon, is facing severe water quality and watershed health problems. This is evident from a number of regulatory actions, including streams on the 303(d) list, ESA listings, orders to control combined sewer overflows, compliance requirements for federal stormwater permits, and the Superfund listing of Portland Harbor. Equally important is the public's increasing concern about the declining condition of rivers and streams.

The solutions to these problems are complicated and expensive, often requiring multiple stakeholder efforts to implement a comprehensive watershed approach. Over the past several years, state agencies including the Water Resources Department, the Department of Environmental Quality, and the Department of Human Services, have been chronically under funded resulting in resources constraints that have created an environment where the agencies are less able to respond effectively and proactively to the spectrum of environmental issues. These agencies perform functions that are important for the city. State agencies that manage watershed resources and protect public health need program funding restored and need new funds to address emerging environmental issues and regulatory requirements. Ideally, new funding sources should be identified that would generate revenue from action that degrade water quality and the environment.

## FIRE

### FIRE SAFE CIGARETTES

**Objective:** Support legislation that will require all cigarettes sold in Oregon to be self extinguishing and “fire safe.”

**Issue:** Cigarettes are a leading cause of fire related deaths, injuries and property loss in Oregon. From 1999 through 2005, cigarettes caused: 8,824 fires, 37 deaths, 185 injuries and \$32.2 million in direct property losses. It is expected that legislation will be introduced requiring cigarettes sold in Oregon be manufactured to self-extinguish. It has been shown that self-extinguishing cigarettes significantly reduces the likelihood of fire deaths, injuries, and property losses from unintentional fires. The standards that would be adopted by Oregon will mirror those adopted by Canada and seven states including California, New York, and Illinois. The requirement of “fire-safe” cigarettes in New York has reduced cigarette fire deaths by 50 percent.

## GENERAL GOVERNMENT

### CITY COUNCIL BUDGET AUTHORITY FOR THE PDC

**Objective:** Introduce/support legislation that would give the Portland City Council the statutory authority to have budgetary oversight and be the governing body of the Portland Development Commission.

**Issue:** As a part of Portland's charter review committee, one topic that has been discussed has been the idea of allowing the Portland City Council more budgetary oversight of the Portland Development Commission. In the event that the council decides to refer this matter to the voters or Council approves such a change, the City of Portland believes that it is necessary to modify current statute. The proposed language would allow the City Council to review and approve PDC's budget, not require it. Further, the proposed language would only apply to cities with a population in excess of 400,000.

The proposed change would be the following:

#### **ORS 294.305(19)**

(19) "Governing body" means the city council, board of commissioners, board of directors, county court or other managing body of a municipal corporation including a board managing a municipally owned public utility or a dock commission, provided however, that the city council of a city with a population of more than 400,000 may by ordinance determine that, for purposes of ORS 294.305 to 294.565, the city council shall be the governing body of an urban renewal agency created by the city, irrespective of whether the city has appointed a board or commission under ORS 457.045.

## GENERAL GOVERNMENT

### CREATIVE OREGON INITIATIVE

**Objective:** Support the Creative Oregon Initiative proposal by the Arts Commission and Oregon Economic and Community Development Department (OECDD) to increase support for and capacity of Oregon's arts, cultural and creative sector.

**Issue:** The City of Portland values the diverse array of arts organizations in Portland and recognizes their contribution to the vitality of the city and the entire state. With proper investment in both public policy and funding, Oregon can fuel its creative assets. The Creative Oregon Initiative proposal outlines the opportunities that exist for the arts and creative sector and incorporates action steps to fortify and further develop Oregon's creative potential.

The initiative will stimulate increased activity in the creative sector, for-profit and non-profit, making Oregon more competitive, as creative activity contributes to the economy through the development of creative products within the traded sector. In addition, creative activity spurs tourism in urban and rural areas of Oregon; promotes community and rural development; and contributes to innovation in other industries.

## GENERAL GOVERNMENT

### JUDICIAL REVIEW OF GOVERNMENT ACTIONS

- Objective: Oppose efforts to pass legislation establishing an exclusive means of judicial review for state and local government action unless such legislation is acceptable to local governments.
- Issue: The subject of judicial review of government actions has been introduced in the legislature for the last 17 years. When the legislature passed HB 3119 in 2001, which allowed improperly filed lawsuits against a public body to be transferred to the proper court, it was hoped that this approach would be sufficient for judicial review advocates. Nevertheless, a judicial review bill, HB 3027, was introduced in 2003 at the request of the Oregon Law Commission. No action was taken on this bill. It is anticipated that advocates will continue to press their case for judicial review.

## GENERAL GOVERNMENT

### LIQUOR LICENSE ISSUANCE AND RENEWAL

**Objective:** Oppose legislation that would allow both new and renewal liquor licenses to be valid for up to two years.

**Issue:** New and renewal liquor licenses are now issued by the Oregon Liquor Control Commission for a period of one year. A two-year renewal process could possibly limit revenue for the city's Liquor License Notification program, which notifies and involves neighbors and businesses in addressing problem liquor outlets.

## GENERAL GOVERNMENT

### MINOR DECOY OPERATIONS

**Objective:** Support legislation that gives the City of Portland more flexibility in conducting its minor decoy operations.

**Issue:** Under ORS 471.346, the City of Portland currently has authority to conduct minor decoy operations, although these operations must be performed citywide. There is a legislative concept being proposed that would allow Portland to conduct operations within a geographic section of the city with a population of 20,000 or more. It would be helpful in allowing the city to focus its resources on a specified geographic area.

## GENERAL GOVERNMENT

### OMSI DEBT RELIEF

**Objective:** Support efforts to provide debt relief to the Oregon Museum of Science and Industry (OMSI).

**Issue:** The Portland City Council is supportive of OSI's request to the state in order to pay down its debt to a manageable level.

## GENERAL GOVERNMENT

### PAYDAY LOANS

**Objective:** Oppose any legislation which would preempt the City of Portland's payday loan ordinance.

**Issue:** In February of 2006, City Council passed payday loan legislation, regulating certain aspects of payday lending transactions. Subsequently, during the 2006 Legislative Special Session, the Legislature passed statewide legislation regulating additional aspects of payday lending and not preempting the ability of local governments to enact additional legislation that is not in conflict with state law. However, the statewide legislation does not go into effect until July of 2007. It is expected there will be attempts to repeal the statewide legislation, and possibly preempt local ordinances. Cities that have passed legislation similar to Portland's include Gresham, Troutdale, Silverton, Bend, Eugene, and Beaverton.

## GENERAL GOVERNMENT

### TIME PLACE AND MANNER REGULATIONS

**Objective:** Oppose any efforts to preempt local ordinances that regulate reasonable time, place and manner operation of liquor establishments.

**Issue:** In 2004 the City of Portland adopted an ordinance that put into place time, place and manner regulations of establishments that sell and serve alcoholic beverages. These regulations are designed to reduce or eliminate disruptive behavior that gives rise to nuisance complaints about certain problem establishments. ORS 471.164(1) allows cities and counties to adopt such regulations. Shortly after passage of the ordinance a suit was brought against the City in Multnomah County Circuit Court. The plaintiff argued that passage of the ordinance was an unlawful exercise of the City's authority under ORS 471.164 and the Liquor Control Act preempts City Code. After the case was heard, the judge found for the defendant City of Portland and rejected plaintiff's arguments. This ruling is on appeal.

## HOUSING

### OREGON IDENTIFICATION

**Objective:** Support efforts to remove barriers that homeless people face when attempting to get Oregon Identification.

**Issue:** The Real ID Act was enacted into law on May 11, 2005 as part of a larger defense appropriations bill, Public Law 109-13. Its effective date is May 11, 2008.

Starting in 2008, the Real ID Act will require State-issued driver's licenses and identification cards to meet specific standards before they may be accepted by federal agencies for any "official" purpose, including entering federal facilities and boarding airplanes.

Licenses and ID cards must include the following information and features: The person's full legal name, the person's date of birth, the person's gender, the person's driver's license or identification card number, a digital photograph of the person, the person's address of principal residence, the person's signature, physical security features designed to prevent tampering, counterfeiting, or duplication of the document for fraudulent purposes, and a common machine-readable technology, with defined minimum data elements.

To issue a license or ID card, States must require the following information:

- A photo identity document, except that a non-photo identity document is acceptable if it includes both the person's full legal name and date of birth. [The term "photo identity document" is not defined further.]
- Documentation showing the person's date of birth.
- Proof of the person's social security account number or verification that the person is not eligible for a social security account number.
- Documentation showing the person's name and address of principal residence.
- Valid documentary evidence that the person falls into one of nine categories of citizenship, including temporary authorized stay and application for lawful residence. If a person's authorized stay in the United States is temporary, the State may only issue a temporary license or ID card.

The lack of having a valid ID is a tremendous barrier to individuals seeking housing, employment, and services. The reasons for not being able to obtain valid ID can vary from not being able to afford the \$26 fee

to not having the necessary documentation that is required to obtain an ID. The reasons for not having the necessary documentation can vary from their personal belonging having been stolen, lost, discarded and a myriad of other reasons. Because the lack of valid ID presents a barrier to self-sufficiency, the city supports efforts to create a clear path for these individuals to obtain identification.

## HOUSING

### REGIONAL HOUSING TRUST - REAL ESTATE TRANSFER FEE

**Objective:** Support legislation that would lift the current preemption that prohibits local real estate transfer fees.

**Issue:** Affordable housing is a significant problem in the metropolitan area and around the state. BHCD estimates that tens-of-thousands of units of affordable housing are needed in the Portland Metropolitan area. Analysis shows that households with the least income have the most difficulty finding housing they can afford. Rising home prices are putting homeownership out of reach for most first time home-buyers and making it more difficult to close the minority homeownership gap.

Serving low-income residents requires subsidy. Because state and federal funding for affordable housing is inadequate to meet all the housing needs locally, alternatives need to be encouraged and pursued. However, some options to provide an infusion of predictable and stable investment in affordable housing, like a real estate transfer fee, have been removed from consideration by the state.

During the past legislative sessions efforts were made to allow local or regional housing funds to be capitalized by lifting the preemption of a real estate transfer tax. It is likely that another attempt will be made during the next legislative session to lift the preemption of real estate transfer taxes to be dedicated for affordable housing.

Alternatively, a RETF could be pursued for other uses. In the event that this occurs, the City will advocate that a large portion of those proceeds should be dedicated to affordable housing purposes because it has a strong nexus to the affordable housing issue, would provide a stable, flexible and significant source of funding, and would not compete with funding of other public services like schools, public safety and parks.

## HOUSING

### REHABILITATED RESIDENTIAL PROPERTY TAX ABATEMENT PROGRAM

**Objective:** Extend the current sunset of the rehabilitated residential property tax abatement program to 2018.

**Issue:** The purpose of the Rehabilitated Residential Property Tax Abatement program is to “encourage the rehabilitation of existing units in substandard condition in order to make them sound additions to the housing stock of the state.” (ORS 308.453)

The present date of expiration for this program is January 1, 2008. The City has owner-occupied and rental housing rehab tax exemption programs that are administered by the Portland Development Commission. Only properties in “homebuyer opportunity” areas (formerly “distressed” areas) are eligible for the program. These areas are currently located in North, Northeast and East Portland.

During Fiscal Year 2006, 297 home-buyers, and 1 owner of rental property, received the abatement. Over the last five years, a total of 1,203 home-buyers and five owners of rental property have received the abatement. The home-buyer program assists low to moderate income families afford necessary improvements to residential properties. The rental program helps owners of rental properties rehab the property, improving the unit’s health and safety for its occupants. Further, the owner applying for a tax exemption must enter into an affordability agreement with the PDC for the period of the 10-year exemption.

This tax exemption is authorized under ORS 308.450-308.481.

## HUMAN RESOURCES

### CIVIL UNIONS / NON-DISCRIMINATION

**Objective:** Support legislation to create civil unions for same-sex couples and add sexual orientation and gender identity to Oregon's non-discrimination laws.

**Issue:** The City of Portland offers a domestic partnership registry and prohibits discrimination based on sexual orientation and gender identity in housing, employment, and public accommodation. Currently, there is no statewide statutory protection against discrimination for gays and lesbians in Oregon. The city supports equal treatment for Oregon's gay, lesbian, bisexual and transgender citizens and supports protections for children and families that would be afforded by a statewide civil unions law.

In the 2005 session, the Senate passed SB 1000 (civil unions and non-discrimination) with bi-partisan support, but due to procedural blocks, the bill never received consideration in the House.

## HUMAN RESOURCES

### COLLECTIVE BARGAINING

**Objective:** Oppose legislation that would modify state law as it relates to collective bargaining for public safety personnel in ways that place local government at a disadvantage.

**Issue:** During past legislative sessions, bills have been introduced that would have made significant changes to the state's collective bargaining statutes as they relate to public safety personnel and that are disadvantageous to local government. Although those bills did not pass, it is expected that they will be reintroduced during the upcoming session.

One of the bills would have changed the criteria interest arbitrators use to award either the labor or management last best offer package. Specifically, the bill reduced the importance of taking into account the interest and welfare of the public in deciding which last best offer to award, which under the current statute must be given first priority. The proposed bill also deleted the reference to giving consideration and weight to the other services and priorities of local government when looking at government's ability to pay for the union's proposal. The bill would have expanded the definition of comparable community beyond communities of the same or nearest population range. Finally, the bill would have limited comparable jurisdictions for cities with a population in excess of 325,000 and counties with a population in excess of 400,000 to cities on the West Coast of the United States.

A second bill would have provided public safety officers the opportunity for representation in a bargaining unit unless they had the authority to *impose economic discipline*. The state collective bargaining law currently defines supervisors, who do not have the right to representation, as having the authority to impose discipline or effectively recommend such action.

The last bill would have modified the definition of employment relations to include certain staffing levels and safety issues for public safety personnel who are prohibited from striking. Current law requires bargaining over staffing levels and safety issues that have a direct and substantial effect on the on-the-job safety of employees. This measure would have required government entities to bargain over staffing levels and safety issues that had the *potential* to impact on-the-job safety and the workload of employees who are strike prohibited. Under the bill, if labor and management could not reach an agreement, an outside interest arbitrator would determine staffing levels and safety standards and equipment for the public jurisdiction.

## HUMAN RESOURCES

### POLYGRAPHS FOR APPLICANTS TO LAW ENFORCEMENT AGENCIES

**Objective:** Support legislation that would modify current statute to allow the use of polygraphs as a hiring tool for certified reserve officers and peace officers.

**Issue:** Current law, ORS 659A.300 makes it an unlawful employment practice for any employer to subject any employee or prospective employee to a polygraph examination. Those who work in law enforcement agencies are often times in the possession of or have access to very sensitive information. They are expected to have a high degree of ethical conduct, have enormous power in being able to utilize their arrest authority and have the ability to use force on people under limited circumstances. The City of Portland uses a variety of tools in the hiring process to determine whether applicants are suitable for law enforcement work including the necessary qualifications, background, temperament and competence to become an employee of the police bureau. This process is exhaustive and time consuming. It is believed that incorporating the use of polygraphs in the screening process will help expedite the completion of many of these tests and will allow our human resources personnel to really focus their resources more efficiently.

## LAND USE

### 20 YEAR UGB LAND SUPPLY

**Objective:** Support efforts to modify or repeal the 20-year land supply requirement in ORS 197.296 and 197.299. Oppose any methodologies for determining additional land requirements that preclude aspirational planning objectives or that proscribe types or segments of commercial development.

**Issue:** Legislation which passed in 1997 required Metro to conduct a buildable lands inventory within the urban growth boundary to determine whether the boundary contains sufficient land to accommodate needed housing for 20 years at the actual developed density that has occurred since the last periodic review. If not, Metro must either expand the boundary or require increased densities or both. After years of experience with these statutory requirements, Metro believes that the 20-year supply requirement is inflexible and excessive. The city supports Metro's efforts to remove or relax this requirement.

## LAND USE

### DISCRETIONARY DESIGN REVIEW FOR HIGHER DENSITY HOUSING

**Objective:** Introduce legislation to amend ORS 197.307(3)c to allow the use of discretionary design guidelines for areas with higher density housing.

**Issue:** Current State land use statutes (ORS 197.307), known as the “Needed Housing Statute”, limit Portland’s authority on where it may apply “discretionary only” design review for any building with residential units. Current State law allows Portland, and only Portland (i.e., “.... cities of over 500,000 ...”), an exemption to apply discretionary design review in three instances: 1. the *Central City Plan* boundary, 2. the *Gateway Regional Center Plan District* boundary, and, 3. historic districts. In all other instances, the city is required by statute to offer development applicants their choice of a two-track application review process: one process requires developers to use a set of “clear and objective standards” and the other option is for developers to voluntarily undergo design review.

Under Metro’s Region 2040 Plan, the Central City and Gateway are targeted to be among the city and region’s most dense and intensively developed areas. The city unsuccessfully sought the ability to use this local discretionary design review in other Region 2040 town centers, main streets and light rail stations in 2001 (HB 2933) and 2003 (HB 2643). This tool is needed as a result of the present and forecasted pace and intensity of development over the next 20 years. Emerging examples of poor quality of design and building orientation experienced in some fast growing areas signals the need for discretionary design review. The city can use this review to preserve and maximize capital facility investments.

Clear and objective standards-only based regulations fail on medium and high density residential or mixed use projects because of complexities of scale, size, design and orientation to the streetscape and the context of surrounding buildings.

The change would further the objectives of the Mayor’s Design Initiative to encourage high quality design in the built environment.

## LAND USE

### METRO REGIONAL PERIODIC REVIEW EXTENSION

**Objective:** Support METRO in seeking a statutory amendment that allows METRO to conduct UGB expansions under periodic review at least every 7 years or preferably longer.

**Issue:** METRO must review and consider expanding the Urban Growth Boundary (UGB) every 5 years. Past experience by city planning staff has found that this time frame is too short. City and METRO experience alike has demonstrated that the time frame for making large and complex growth management decisions is impractical, highly controversial, and litigious when made on a 5 year cycle. No sooner is the analysis and decision-making cycle concluded than multiple appeals are filed and the process begins anew leaving stakeholders adversarial and worn out. Further, the current 5-year cycle also leaves little room for considering the long term consequences of making short term incremental growth management decisions driven by HB 2709 – the 20-year urban land supply statute that passed in 1997.

## PUBLIC CONTRACTING

### PUBLIC IMPROVEMENT CONSTRUCTION CONTRACTS

**Objective:** Oppose legislation imposing certain cost accounting requirements upon public agencies making “least cost” determinations for public improvements.

**Issue:** In years past, legislation has been introduced to require public agencies to include indirect costs not directly attributable to the public improvement in their bids. Furthermore, the bills would have required that a project be administered by a part of the public agency that was independent from the part of the agency that performed the work. The bill would have also created penalties for a public agency that performed the work and exceeded its bid. For example, if an agency went over its bid, it would have been prohibited from any more work for six months and the agency would have been required to include its previous overage in its next bid.

The City of Portland, and others, opposed this legislation for several reasons including: the penalties were so punitive that the result would have been to discourage public agencies from ever bidding on any projects which would work against the overall state policy of constructing public improvements at least cost. Public agencies would have incurred needless costs in project administration and efforts to become more efficient would have been hampered.

## PUBLIC CONTRACTING

### QUALIFICATION BASED SELECTION

**Objective:** Oppose legislation that would make further modifications to the existing public contracting statute as it relates to qualification based selection.

**Issue:** Qualifications Based Selection (“QBS”) is a nationally-promoted method for choosing a contractor or consultant. Under a mandatory QBS system, a contractor must be chosen from a list of applicants by reviewing only the “qualifications.” Only after the initial “qualifications-based” selection is made can the government negotiate the price and scope of the project. If the agency and the consultant cannot negotiate reasonable compensation, the contracting agency must then go through the lengthy process of terminating the contract and selecting other consultants using the same process. Many smaller cities and government bodies find this process cumbersome and needlessly expensive.

In 1997, due to a lobby effort from national professional engineering and architect groups, the Legislature required state agencies to use QBS for architectural, engineering, and land surveying services. This mandate did not extend to local governments. The 2001 Legislature expanded the mandatory QBS requirement to local governments for projects over \$400,000 that had at least 35 percent of their funding from the state.

Last session, HB 3272 represented a negotiated agreement between some QBS proponents and local governments. This new law more than doubled the project cost threshold for QBS to \$900,000, and lowered the state-participation level to 10 percent. Thus, if locally contracted projects are over \$900,000 and contain at least 10 percent state-funded monies, local governments must follow the QBS process for architect, land surveyor, and engineering services.

## PUBLIC EMPLOYEE RETIREMENT

### AUTO ENROLLMENT IN DEFERRED COMPENSATION PLANS

**Objective:** Support legislation to modify Oregon state wage law to allow employers to withhold contributions to a Government Deferred Compensation Plan and other non-ERISA plans without the employee's written consent.

**Issue:** In an effort to assist employees to save more for their retirement, many employers are considering as a potential solution, the use of automatic enrollment in their defined contribution plans. Under automatic enrollment, employers would enroll employees in the plan and an automatic escalation would annually increase the amount of the deferral into the plan. This means that some of an employee's compensation would be sent to a retirement account for investment purposes without the employee's written permission. The employer would make the decision where to invest these automatic deferrals. However, the employee would have a period of time after hire to opt out of participation in the plan or to change investment funds.

The Pension Protection Act (PPA) of 2006 does not address contribution arrangements for Section 457 Government Deferred Compensation Plans and other non-ERISA plans. The PPA did give ERISA plan sponsors the choice to adopt qualified automatic contribution arrangements and provides for the preemption of state wage laws that currently prohibit employers from automatically enrolling eligible employees in ERISA covered defined contribution plans. To enable automatic contribution arrangements for government plans, Oregon state wage laws that restrict employers from withholding wages without the employee's written consent need to be modified.

## PUBLIC EMPLOYEE RETIREMENT

### PERS REFORM

**Objective:** Work with other public employers to sustain reforms to the Public Employee Retirement System that were passed by the 2003 Legislature.

**Issue:** The State Public Employee Retirement System has been the subject of intense scrutiny since 1998, when many public employers were informed of dramatic increases to employer contribution rates because of unexpected increases in the fund's actuarial unfunded liability. In 1999, the city's liability totaled \$257 million. The City elected at that time to issue debt to pay down its \$257 million assessment.

The 2003 Legislature passed a series of bills designed to reform the system and reduce and contain costs. Measures included Tier One account crediting limits, revised mortality tables, changes to the PERS Board, and the establishment of a new "successor plan," the Oregon Public Service Retirement Plan, for new employees hired after August 29, 2003. Many of these reforms have been challenged in Court. The Supreme Court rendered its decisions on the challenges in *City of Eugene et. al v. PERB* and *Strunk v. PERB*. The Court upheld most of the reforms, but ordered PERS to continue to pay the guaranteed interest crediting to Tier I members and to provide a COLA for all members.

Even with these reforms, employer costs are expected to increase in coming years. Public employers are committed to providing reasonable retirement benefits to their employees but will resist legislative efforts to increase those costs.

## PUBLIC SAFETY

### AUDIO RECORDING

- Objective:** Support legislation that would decriminalize the recordation of conversations between a uniformed police officer and another person when that person has not been informed that the conversation is being recorded.
- Issue:** ORS 165.540(d) makes it a Class A misdemeanor when a person obtains or attempts to obtain the conversation by means of any device... if not all participants in the conversation are specifically informed that their conversation is being recorded. Law enforcement currently utilizes in-car cameras that also have the ability to make audio recordings. Typically, these cameras are used while an officer is conducting a traffic stop. They may also capture other crimes in progress such as an assault in progress on the street or other public places. If an officer, in good faith fails to inform a motorist who has been stopped that the conversation is being recorded the officer has committed a Class A misdemeanor. The lack of notification can be as simple as forgetting to inform a person because the officer was more attuned to watching for traffic as he/she is standing/walking in the roadway, or in more serious situations, when the person is an imminent threat or is non-compliant to the directions of the officer. As in-car camera video/audio systems are rapidly increasing in numbers by police agencies, changing this statute is necessary in order to avoid officers from inadvertently committing a criminal act during the course of their duty.

## PUBLIC SAFETY

### CIVIL FORFEITURE

**Objective:** Support efforts to refer the provisions of House Bill 3457 (passed in 2005) to the voters in order to allow civil forfeiture as an effective tool for law enforcement in the State of Oregon.

**Issue:** Forfeiture laws authorize and outline a process for a government to take property from someone who gained it or used it illegally. In 2000, voters approved Ballot Measure 3 (BM 3), which amended the Constitution (section 10, Article XV of the Oregon Constitution) by proscribing procedures governing all civil forfeitures resulting in drastic changes to Oregon's asset forfeiture laws. As a result of its passage, the legislature, in 2001, had to make significant changes to the state's civil forfeiture statute ORS 475A, and these changes severely limited a government's use of this important tool.

The statute passed by the legislature in 2001 limited civil forfeiture to property that constituted instrumentalities or proceeds of a crime. A forfeiting agency had to prove that the claimant had been convicted of a crime and the property constituted proceeds or was instrumental in committing or facilitating the crime by clear and convincing evidence. Proceeds from any forfeiture were applied as follows: up to 25% for expenses incurred in forfeiture proceedings and the balance to be deposited in a Forfeiture Account. Funds deposited in the Forfeiture Account could not be used for law enforcement purposes but could be used for drug treatment unless law or ordinances specifically provided for another use. Seizing agencies, forfeiting agencies and forfeiture counsel were granted civil immunity as long as reasonable suspicion existed that the property was subject to seizure and forfeiture. The legislation also restricted transfers of proceedings to the federal government for civil forfeiture. These statutory requirements were due to sunset on July 31, 2005.

In the meantime, Ballot Measure 3's constitutionality was challenged based on Separate Vote Requirement and the Single Subject Rule. The Court of Appeals, in July of 2003 overturned a lower court's decision and ruled that BM 3 violated the Separate Vote Requirement.

During 2005, the Legislature had to make a choice: wait for the Supreme Court to decide the constitutionality and risk reverting to the pre-BM 3 forfeiture standards or forge a compromise before the case was decided and before the existing laws expired.

HB 3457 represented a hard-fought but successful compromise. It reenacted the criminal forfeiture statutes and struck a balance between BM 3 supporters and public safety needs. Specifically, it provided that in civil forfeiture cases, the burden would be on the government to prove that the property was the proceeds of illegal conduct. Additionally, the state had to prove that the property was owned by a person who was convicted, and that the property was a proceed of some crime the owner committed. It established that the burden of proof for personal property (money, vehicles, etc) was a “preponderance of evidence,” while the burden of proof for real property (i.e. land or homes) would be the stronger “clear and convincing” standard. The bill also stated that if the property was owned by a person other than the one who had been convicted, the burden would be on the state to show that the person took the property when they knew or should have known that it was the proceeds of a crime. Further, the measure created a rebuttable presumption of illegality if the property was found in close proximity to controlled substances. HB 3457 also gave the court discretion to enter a default judgment upon findings that the owner had fled the jurisdiction to avoid prosecution.

Recently, the Supreme Court overruled the Appeals Court, finding BM 3 to be constitutional. As a result of this ruling the current civil forfeiture statute is unconstitutional. It is likely that the stakeholders will ask the Legislature to refer the concepts contained in HB 3457 to the voters for their inclusion to the State’s Constitution.

## PUBLIC SAFETY

### DISTRACTED DRIVING

**Objective:** Support legislation that would create new restrictions for people who use cell phones while driving.

**Issue:** Distracted driving is an all-to-common occurrence on city streets and highways. This type of behavior can lead to serious injury and even death of the driver, occupants of the vehicle and the injury or death of innocent motorists, bicyclists and pedestrians.

In the United States over 212 million people used cell phones as of April 2006, compared with approximately 4.3 million in 1990, according to the Cellular Telecommunications & Internet Association. A study by the Virginia Tech Transportation Institute and the National Highway Traffic Safety Administration (NHTSA), entitled The 100-Car Naturalistic Driving Study, released in April 2006 found that almost 80 percent of crashes and 65 percent of near-crashes involved some form of driver inattention within three seconds of the event. Furthermore, studies show that young, inexperienced drivers are more likely to be involved in traffic accidents than other drivers.

Legislation will likely be introduced creating new restrictions on the use of cell phones by young drivers. As a result of these glaring statistics, the City of Portland will support legislation that will address distracted driving with the intention of reducing the occurrence of this type of behavior. It is hoped that by prohibiting young, inexperienced drivers from talking on cell phones while operating motor vehicles will result in fewer motor vehicle accidents and the resulting bodily injuries, deaths and property damage.

## PUBLIC SAFETY

### DPSST BOARD COMPOSITION

**Objective:** Oppose legislation that would remove the Portland Fire and Police Chiefs from the Board on Public Safety Standards and Training or would otherwise reconstitute the make-up of the Board and policy committees.

**Issue:** Both the Portland Fire Chief and the Portland Police Chief under statute (ORS 181.620) are members of the state's Board of Public Safety Standards and Training. This board exists to develop talented individuals into public safety providers, adopts and approves all policies, standards and minimum requirements for public safety certifications and training. The board and its policy committees are primarily made up of management representatives.

It is anticipated that legislation will be introduced that would remove the statutory positions of both the Portland Fire Chief and Portland Police Chief from this important board. Additionally, attempts to reconstitute this board with more members from non-management positions are expected. The board and its policy committees were never intended to serve as a management labor committee. Rather, the board and its policy committee exist to determine the minimum qualifications and training standards for those pursuing a career as a firefighter, police officer, or 9-1-1 operator, among others.

## PUBLIC SAFETY

### ENHANCED PENALTIES FOR CRIMINAL STREET GANG MEMBERS

**Objective:** Monitor legislation that would enhance the penalties for certain crimes if the offender is a member of an organized street gang.

**Issue:** Last session House Bill 2313 eventually was amended from its original version. The final product, as passed by the House would have enhanced jail time for members of criminal street gangs requiring an additional 24 months above the presumptive prison sentence for person felony crimes (as defined by the Oregon Criminal Justice Commission), unlawful use of a weapon and felon in possession of a firearm. It would have further required a 24-month prison sentence where the presumptive sentence is probation.

The city opposed the original measure for several reasons: It provided no due process for challenging a designation of being a criminal street gang member; that the designation criteria were overly broad, that there were adequate laws on the books to deal with the identified behavior for enhanced penalties like Measure 11 and RICO, and that the bill would adversely impact minority populations within the community.

## PUBLIC SAFETY

### INTERFERING WITH A PEACE OFFICER

**Objective:** Oppose legislation that would modify ORS 162.247 that creates the crime of interfering with a peace officer.

**Issue:** In addition to their authority to enforce the criminal laws, Oregon peace officers are authorized to exercise many other important police powers. Police power includes the authority to enforce the criminal laws, but it extends well beyond law enforcement and is meant to serve the very general goals of public safety, health and welfare. Peace officers are typically called on to exercise the broader form of police power in response to acute threats to public safety, health and welfare posed by civil disorder, criminal acts, emergency or disaster, and they must often confront, and control, for the public good, people who are inclined to be uncooperative. Peace officers have three tools to obtain compliance in these difficult situations: persuasion, the threat or use of arrest, and the threat or use of force.

Recently, the Supreme Court reversed a circuit court ruling and the Court of Appeals ruling and affirmed the constitutionality of ORS 162.247. There may be attempts to circumvent this ruling.

## PUBLIC SAFETY

### METAL THEFT

Objective: Support efforts to reduce the occurrence of metal theft in Oregon.

Issue: It is anticipated that legislation will be introduced that will clarify the standards in charging someone for stealing metal and/or proposals that will reduce the incentives to sell stolen metal to scrappers. For example, present case law requires that a person must know that the metal's value exceeds \$750 before they can be charged with theft in the first degree. With world demand for metal increasing, the price of scrap metal has also increased, creating an incentive for people to steal this material from the private as well as public sectors. For example, the theft of irrigation equipment is increasingly becoming a problem for farmers across the state of Oregon. Furthermore, guard rails on bridges and roads are disappearing from the public right-of-way. Attempts by the legislature to impose 10 day holding periods, require photo ID upon the sale of scrap metal, elimination of cash payments, and centralized reporting could reduce the theft of metal in Oregon.

## PUBLIC SAFETY

### PARKING AND PARK ENFORCEMENT PERSONNEL PROTECTION

**Objective:** Introduce legislation that will increase the penalty for intentionally, knowingly or recklessly causing physical injury to a parking enforcement officer and park security personnel while on the job.

**Issue:** Parking enforcement officers and park security personnel frequently encounter hostile individuals who try to interfere with their ability to fulfill their job responsibilities. Occasionally, some of these individuals resort to physical violence, placing parking enforcement officers and park security personnel in jeopardy of physical harm simply because they are fulfilling their duty.

Currently, if a person intentionally, knowingly or recklessly causes physical injury to a parking enforcement officer or a member of park security, that individual can be charged with Assault in the fourth degree – a Class A misdemeanor. This bill would add parking enforcement officers and park security personnel as two new classes of protected individuals under Assault in the third degree – a Class C felony. Existing protected classes under Assault in the third degree include bus and tax drivers, youth correction facility staff, and paramedics.

## PUBLIC SAFETY

### PHOTO RADAR/RED LIGHT CAMERA ENFORCEMENT

**Objective:** Oppose legislation that would create additional restrictions or reporting requirements on those entities that utilize this photo technology to enforce speed or traffic control devices. Seek opportunities to increase the number of intersection that can be monitored under photo red light and create new efficiencies in the program.

**Issue:** The City of Portland was initially allowed to conduct a demonstration of the effectiveness of photo radar by the legislature during the 1995 session. Additionally, the city has had the authority to operate photo red light cameras at a limited number of intersections since 1999. Since that time the number of cities allowed to use this technology has increased. Furthermore, the number of intersections where the City is allowed to utilize this type of technology increased during the 2003 legislative session.

Although this technology has been in use for some time now in the City of Portland, running red lights at the intersections where this technology has been deployed has seen marked reductions in the violation. For example, between October 2001 and August 2002 where cameras and signage had been installed at five intersections, the observed drop in violations at those intersections was between 60% and 87%. The City has made a significant investment to deploy this technology in order to try to alter dangerous driver behavior. Enforcing this type of traffic violation places the police officer, and at times, the general motoring public at risk, the use of this technology has proven to be effective, safe and has gained general acceptance by the motoring public.

## PUBLIC SAFETY

### REDUCE THE BLOOD ALCOHOL CONTENT (BAC) FROM .08 TO .05 FOR REPEAT OFFENDERS

**Objective:** Support legislation that would increase penalties for habitual repeat DUII drivers.

**Issue:** The Governor's Advisory Committee on Driving Under the Influence of Intoxicants (DUII) will be introducing legislation that will reduce the BAC from 0.08 to 0.05 percent for offenders who have had a previous diversion or conviction, anywhere in the United States within the last 15 years prior to the date of the occurrence. Almost 27 percent of DUII convictions each year are for repeat offenders. Further, it is expected that legislation will be introduced that will extend the allowable qualifying time for a second or subsequent diversion agreement for repeat DUII offenders from 10 to 15 years. Lowering the BAC and extending the qualifying time for diversion for repeat offenders will send a strong message that repeated poor choices will not be tolerated and that because these individuals have a demonstrated history of making poor choices they will be held to a higher level of accountability.

According to the National Safety Council, between 1996 and 2005, alcohol was involved in 38% of fatalities on Portland's roadway. The same study estimated that the cost of alcohol related crashes in Portland for the same period of nearly \$250 million dollars based on wage and productivity losses, medical expenses, administrative expenses, motor vehicle damage, and employer's uninsured costs.

## PUBLIC SAFETY

### REDUCTION IN TRAFFIC FINES

**Objective:** Monitor legislation that would give traffic judges more discretion in reducing traffic fines.

**Issue:** Last session, Senate bill 581, introduced at the request of the Municipal Judges' Association, would have expanded the court's discretion to reduce fines for traffic violations. The city opposed this bill because poor behavior behind the wheel can result in serious injury and even death to other drivers, bicyclists, and pedestrians. Ensuring that violators receive stiff penalties oftentimes serves as a deterrent to engaging in dangerous behavior on our public roads.

Some law enforcement officials and members of the judicial branch have expressed concerns about the lack of flexibility that judges have in handing down fines for minor traffic violations and first-time offenders. In fact, some jurisdictions have reported that police officers are issuing fewer citations due their concerns about the financial hardship that the existing fines can create. As a result, it is likely that another effort to either increase judicial discretion on fines or to lower the base fine amount will be attempted. If these attempts are successful, the city will see a reduction in citation revenue that could have an impact on our ability to pay for traffic safety enforcement, engineering and education programs.

## PUBLIC SAFETY

### REGULATING SECOND-HAND SHOPS

**Objective:** Support legislation that would require reporting, on a statewide basis, certain transactions that occur at second hand shops.

**Issue** The City of Portland has chosen to strictly regulate second hand store business activities that present a risk of being used to conceal criminal behavior including the theft of property.

In an effort to reduce this type of criminal activity the city regulates this industry by requiring these businesses within city limits to provide timely reporting to the Portland Police Bureau of property transactions and by regulating the conduct of persons engaged in this business activity. However, because other second hand stores in the region and state are not regulated in a similar manner, stolen goods can be simply carried across city limits and sold to second hand dealers in other jurisdictions. The creation of a statewide system of copying the identification of the seller and reporting certain goods to a central clearinghouse that can cross-check these goods with police reports about stolen goods has the potential of reducing property crime in Oregon.

## PUBLIC SAFETY

### USE OF DEADLY FORCE

**Objective:** Support legislation that would establish standards for the use of deadly force and the release of grand jury testimony when the use of deadly force results in the death of an individual.

**Issue:** It is expected that legislation will be introduced similar to a bill that was introduced last session, Senate Bill 301. That bill contained several provisions regarding police officer use of deadly force (UDF) and grand jury proceedings. Specifically that bill required the creation of county-wide intergovernmental agencies charged with the duty to develop county-wide standards regarding city, county, and state police use of deadly force; the creation of a mandated minimum 72 hour leave time for officers directly involved in the use of deadly force; and the directive to release grand jury testimony to the public in instances where deadly force resulted in the death of an individual.

The City of Portland supports UDF legislation that ensures cities will have several options open to them regarding the UDF plans. The legislation must protect city home rule authority and limit potential liability, and would have required the Planning Authority to: consist of at least one city police representative; submit the UDF plan to a vote of each governmental body with a law enforcement agency within the county; and receive approval of at least two-thirds of all governmental bodies with law enforcement agencies within the county. Further, the legislation must provide that a governing body within the planning authority jurisdiction is not subject to the UDF plan if the plan conflicts with the government's charter or ordinances.

## REVENUE

### BUSINESS LICENSE FEES

**Objective:** Oppose any legislation that dictates or otherwise limits the ability of a local governing body to impose and administer a local business tax.

**Issue:** The City's business license tax is the City's third-largest local revenue source, providing nearly \$40 million in 2004, and an estimated \$58.0 million for FY 2005-2006. The tax is extremely elastic and is an accurate reflection of business earnings as a whole.

The Portland City Council has expressed continued interest in additional increases to the amount owners can deduct from taxes owed due to "owner's compensation." In 1998, the "owner's compensation" deduction went from \$50,000 to \$61,500 in 2006. It is expected that the City will continue to work on ways to further increase owner's compensation and to consider a variety of possibilities to substantially reduce the tax, currently set at 2.2% of net adjusted income. The City's business license fee is purely a local matter.

## REVENUE

### STATE SHARED REVENUES

Objective: Maintain existing state shared revenue programs.

Issue: State shared revenues from liquor and cigarette excise taxes are an important part of city budgets and are a key aspect of the state-local partnership. Because of recent state general fund revenue woes, there may be attempts to divert some or all of these funds to the State during the 2007 session. The receipt of these revenues are critical to the City of Portland in providing important services to its citizens like police, fire and parks.

## REVENUE

### SYSTEM DEVELOPMENT CHARGES – TRANSPORTATION SAFETY

**Objective:** Support a legislative change that would permit the use of SDC revenue for transportation safety improvement projects. Monitor other efforts that would substantially alter the system development charge framework that has been in place since 1989. Oppose efforts that would combine and/or cap existing SDCs with new SDCs.

**Issue:** System development charges are an effective mechanism for providing revenue to help pay for infrastructure required to serve new growth. Currently the City imposes system development charges for water, sewer, transportation expansion and parks infrastructure. The City of Portland would like to also allow transportation SDCs to be used for transportation safety improvement projects.

Although some transportation safety related improvements can be made in conjunction with capacity expansion to the system, other improvements can not. Local governments are having a difficult time paying for necessary safety improvements while also trying to preserve and maintain the existing system. As an example, from 2001-2004, just 40 intersections within city limits accounted for 3,721 crashes, 10 fatalities, and 1,425 injuries. The economic cost of these crashes was over \$46 million. We know many of the solutions to these safety challenges but do not have the resources to address them. Simple improvements like pedestrian islands, signalization and re-engineering can have a dramatic impact on the safety of the road network – thereby reducing accidents that cause congestion and constrict capacity.

Last session, several bills were introduced related to SDCs. One would have added schools, public safety and library capital costs to the list of facilities for which SDCs could be charged. Another bill would have permitted school districts to impose a school impact fee on new residential development for school capital improvements or construction.

SDCs are a critical source of revenue that allow local government to pay, in part, for the infrastructure demands of new development. The city supports this minor modification and will carefully evaluate further modifications to SDCs.

## REVENUE

### TRANSIENT LODGING TAXES

**Objective:** Oppose any efforts to preempt local authority to impose, collect or establish rates for transient lodging taxes; or to dedicate local taxes to state-defined purposes.

**Issue:** For a number of sessions the Oregon Lodging Association introduced legislation to preempt the ability of local governments to increase lodging taxes and to reduce the ability of local jurisdictions to collaborate with their local tourism offices on how to spend these revenues. HB 2934, which was passed by the 2001 legislature, required that when a local government imposes a new or increased transient lodging tax, it must provide a reimbursement to lodging providers of “at least” 5% of the amount of the tax. In 2003, the industry succeeded in passing HB 2267, which imposed new limits on local governments that assess transient lodging taxes. Cities will actively resist any further attempts to erode local authority for this revenue source.

## SUSTAINABLE DEVELOPMENT

### BOTTLE BILL

**Objective:** Support efforts to expand the Bottle Bill that would increase amount of recycling; reduce litter; and improve quality of recycled materials.

**Issue:** The Beverage Container Act (ORS 459A.700 to 459A.740) was passed in 1971 and implemented in 1972. There have been unsuccessful attempts to expand the scope of the bill via referendum and the legislature.

In the interim, the issue of a modernized Oregon Bottle Bill (container deposit law designed to increase recycling or reuse) has gained momentum. Changes to the original law have been minor, but changes in consumption, disposal and recycling in Oregon are significant. New legislation should consider:

- Including new types of containers. Juice drinks, ready-to-drink teas, sports drinks, and bottled water packaged in PET plastic have surged in popularity in the last decade.
- Reclaiming unclaimed deposits. The Department of Environmental Quality estimates that about 220 to 270 million deposit beverage containers, with deposits worth \$11-13.5 million, are discarded in Oregon's landfills each year. This is roughly 17% of the containers sold with deposits in Oregon. There is no process by which Oregon recovers this money. Most other Bottle Bill states have a mechanism to recover unredeemed deposits.
- Raising the deposit. If deposits had kept up with inflation, the deposit on a single container would be about 25 cents rather than 5 cents. Michigan's 10 cent deposit is the highest in the country and the state has a 96% return rate on bottles.

## SUSTAINABLE DEVELOPMENT

### E-WASTE

**Objective:** Support legislation that would increase recycling of electronic equipment.

**Issue:** Growing stockpiles of obsolete electronic equipment (computers, laptops, printers, TV's, etc) represent a significant disposal problem. Toxic materials used in their manufacture pose a serious risk to the environment if handled improperly. There is also value in recovering many of the components and imbedded materials. While these items currently comprise a small portion of what is actually in the trash, rapid product redesign and innovation have increased the pace of obsolescence and the rate at which discarded items are piling up in basements and attics. A convenient, inexpensive option for reuse and recycling of these goods is needed so encourage consumers to dispose of their unwanted items responsibly. Sporadic collection events have been held in the region and state by Best Buy and Staples but no ongoing, convenient system is in place to handle the full range of materials in question.

## TAKINGS

### BALLOT MEASURE 37

**Objective:** Monitor legislation regarding any statutory changes to Measure 37.  
Protect the City of Portland's Measure 37 implementation ordinance.

**Issue:** Ballot Measure 37, passed by the voters in the November 2004 election, requires that government financially compensate a landowner if a regulation which restricts the uses of that property results in a reduction in value of that property. The measure further provides that a government may choose to waive the regulation instead of paying the required compensation in specific circumstances. Many questions have been raised since the measure passed regarding the specific applicability of the measure, including whether claims can originate with statutes prohibiting subdivision and whether decisions to waive land use regulations are specific to the current owner or are transferable. Additional questions include how to calculate the reduction of value (or if an accurate calculation is even necessary) which occurs as a consequence of a regulation, to give a governmental entity a basis on which to make a determination to compensate or waive a regulation; and whether or not a state agency has the authority to waive a regulation (rather than the legislature).

The Portland Council implemented Measure 37 through an ordinance that included a section establishing a private right of action in state circuit court for neighbors of a successful Measure 37 claimant who can show that development pursuant to a Measure 37 waiver has reduced the value of their property. In addition, Council has made it clear in past Measure 37 orders that waivers of regulations do not eliminate the need to obtain relevant permits, licenses, or other forms of authorization or consent required by the City. These requirements may include, but are not limited to, building permits, a land use decisions, other permits or authorizations from local, state or federal agencies, and restrictions on the use of the property posed by private parties.

## TAXATION & FINANCE

### DOUBLE MAJORITY ELECTIONS

**Objective:** Support efforts to eliminate the double majority requirement for local property tax measures.

**Issue:** Subject to Article XI, Section 11(8) of the Oregon Constitution, successful property tax measures submitted to the voters, except in a general election in an even-numbered year must have both a majority of affirmative votes and at least fifty percent of registered eligible voters casting ballots. According to a League of Oregon Cities study, the turn-out requirement has resulted in non-votes becoming the determining factor in many local elections. Furthermore, even measures approved by the majority of participating voters are failing, costing taxpayers additional time and money to mount new efforts to pass local measures.

## TAXATION & FINANCE

### BEER AND WINE TAX

**Objective:** Support legislation that will increase beer and wine taxes in Oregon. Also support efforts to dedicate at least a portion of any new proceeds from an increase to mental health and addiction treatment services.

**Issue:** The last time the beer tax in Oregon was raised was in 1976 to \$2.60 a barrel which is about a penny a pint. Meanwhile, the wine tax is below the national average.

Funding for mental health and addiction treatment services has been inadequate over the years. Providing these critical services will result in fewer people seeking emergency care, being incarcerated, as well as yield savings in many other areas.

## TAXATION & FINANCE

### HISTORIC PROPERTY SPECIAL ASSESSMENT

**Objective:** Oppose any legislation that would provide new or increased special assessment benefits to currently ineligible properties; minimize requirements to qualify for public benefits; or extend special assessment benefits beyond their current statutory expiration periods without local approval.

**Issue:** During previous sessions, individuals or their representatives sought to extend special assessments for certain properties that are nearing an end of their special assessment. Extending special assessments without consideration of the assessment in local communities is poor policy, and results in a reduction of revenue to pay for critical services. The goal of many of these special assessments has been to preserve historically significant properties that are expensive to redevelop or maintain. As a result, many local governments have permitted special assessments to assist in defraying the initial costs or restoration and preservation – as long as those properties serve a public goal or benefit. Local governments are uniquely situated to make these decisions.

## TAXATION & FINANCE

### INTANGIBLE PERSONAL PROPERTY

**Objective:** Oppose efforts of centrally assessed utilities to reduce their tax burden at the expense of other taxpayers and of public services.

**Issue:** Centrally assessed companies in Oregon have sought over the last several years to exempt their intangible assets from property taxation. In both 1997 and 1999, legislation cleared both houses but was vetoed by the Governor. In the 2001 legislative session, the industry proposed HB 2931 which was nearly identical to the previously vetoed bills. Another measure, HB 2778, provided a narrow exemption for the value of FCC licenses from the valuation of centrally assessed wireless utilities. This bill corrected the problem that licenses obtained at auction were subject to taxation as intangible assets while licenses granted by lottery were not. It is anticipated that the industry will once again press its case during the 2007 session for repeal of the intangible tax.

## TAXATION & FINANCE

### LOCAL REVENUE RAISING AUTHORITY

**Objective:** Support local decision-making flexibility and authority on raising local revenues and oppose efforts that would limit or preempt local revenue authority.

**Issue:** The City of Portland relies on a mix of funding streams to pay for the multitude of services that are demanded by our citizens and are required by the state or federal government. Because each community is unique and the service level and demands are different, providing the widest latitude to funding options is vital to meet the demands of the public. Preemption of local revenue raising authority are often proposed by special interests that want to prohibit taxes or fees on a particular activity or group, regardless of the impact on all other taxpayers or city services. Preempting city decisions about raising revenue limits a local government's ability to address problems in the community or demands by its citizens.

Furthermore, providing greater flexibility to local government in providing services would be a welcome relief. Due to escalating employee benefit costs and assessed values that are not keeping up with inflation or populations, local government is finding it more challenging to meet service needs. With the passage of Measure 5 & 50, the ability of communities across the state to meet existing demands and address emerging challenges has diminished over time. Elimination of the double majority requirement on property tax levies, revisiting the existing property tax limitations, recalculation of the assessed value to the market value when property changes ownership and assessing new construction on its true market value are examples of things that would allow local government to meet the declining purchasing power facing local government.

## TAXATION & FINANCE

### PROPERTY TAX EXEMPTIONS

**Objective:** Support legislation allowing local governments, rather than the state legislature, to grant property tax exemptions or other reductions. Oppose legislation that grants property tax exemptions or abatements not sought by local government.

**Issue:** There are occasions when the city supports property tax exemptions or deferrals because they help advance important city objectives. However, it has often been the case that the legislature has granted property tax exemptions over the objection of cities. Tax expenditures represent a direct revenue loss to cities under the state's rate-based system. Because of this the state legislature should refrain from unilaterally granting new property tax exemptions without replacing the resulting revenue losses.

## TAXATION & FINANCE

### REFORM OR DIVERSION OF KICKER

**Objective:** Support efforts to create a rainy day fund through reform or diversion of the kicker law.

**Issue:** The State of Oregon presently does not have a Rainy Day Fund that can be used as a means to taper the budgetary impacts to programs and services in recessionary times. With the recent economic forecasts predicting over one billion dollars to be returned to individual and corporate taxpayers, now is the time to place some of these unanticipated funds into an account that will dilute or prevent some of the draconian cuts that have been necessary in the past.

## TRANSPORTATION

### ALL MODES

**Objective:** Support efforts to maintain and expand funding for all modes of transportation including automobile, transit, rail, ports, pedestrian and bicycles. Support efforts for OregonConnect 2 and seek to maintain eligibility for transit under the bill.

**Issue:** Auto, transit, rail, bike and pedestrian facilities, airports and ports are all vital components of Portland's transportation system. All modes are especially important to citizens who do not have cars or the ability to drive. Furthermore, by providing effective and efficient alternative modes, goods and services can be delivered in a timely and cost efficient manner, and thus, these modes contribute to the city's and state's economic competitiveness.

By maintaining and investing in all modes, including transit, Oregon can provide a more efficient alternative to single occupancy trips on our freeways, highways and roads, thereby reducing our reliance on fossil fuels, reducing air pollution and congestion, and increasing service delivery to the elderly and disabled. Furthermore, these investments can leverage significant federal funds to the state.

## TRANSPORTATION

### LOCAL CONTROL OF SPEED LIMITS

**Objective:** Introduce/support legislation that would grant local governments to set the speed limits within their own boundaries.

**Issue:** Current law permits ODOT to allow local road authorities to set speed limits on low volume or gravel roads within its jurisdiction only if ODOT determines that the city or county will exercise the authority according to criteria adopted by the department. Further, the statute permits a road authority to temporarily designate a speed limit if it is necessary to protect any portion of the roadway from damage or to protect the safety of the public or workers when temporary conditions constitute a danger. In most other cases, the statute (ORS 810.180(5)) vests the authority to set permanent speed limits with the state. Local road authorities may petition the state in writing to increase or reduce the speed limits of roads within its jurisdiction. ODOT can establish a different speed limit only if an engineering and traffic investigation indicates that the statutory speed for the highway is greater or less than is reasonable or safe under conditions the department finds to exist.

The City of Portland would like to have greater control in determining the speed limits set within its jurisdiction. The city is responsible for the costs associated with maintenance, preservation, operations. It is also responsible for maintaining traffic flow and safety. In order to better coordinate traffic flow, mitigate hazards and enhance safety, the City would like the authority to determine what the local speed limits ought to be.

## TRANSPORTATION

### POLE ATTACHMENTS

- Objective:** Oppose legislation that would have the impact of making local government licensees, thus potentially subjecting governments to pole attachment fees and sanctions.
- Issue:** Pole attachments are any wire or cable for the transmission of communication or electricity installed upon any pole in a right of way, duct, conduit or similar facility owned or controlled by a public utility, telecommunication utility or consumer-owned utility. Utilities pay attachment fees to pole owners. Furthermore, those who attach facilities must comply with a number of requirements including proper engineering, getting permission to attach, code compliant construction, maintenance and paying costs and fees. Local government use these facilities for a variety of reasons including: public safety communications, traffic signalization, and traffic monitoring. The city tries to work closely with pole-owning utilities and comply with required safety codes. Because attaching facilities to utility poles is faster and cheaper than going underground or building poles, these facilities are becoming crowded due to the increasing infrastructure of utilities. Joint use of poles also reduces the number of poles in the public right of way. The City of Portland is entitled to attach its facilities at no cost, usually as a result of our franchise agreements with the utilities. If we are defined as a “licensee” under state law, it could lead to the imposition of penalties and, eventually fees.

## TRANSPORTATION

### REDUCE CONGESTION RESULTING FROM NON-INJURY ACCIDENTS

**Objective:** Pursue legislative and/or administrative remedies that will result in more expeditious removal of vehicles involved in non-injury accidents.

**Issue:** Recently, the City of Portland, with the assistance of Portland State University, issued an analysis, entitled “Autopsy of a Crash.” The report outlines the analysis of a two car collision on I-5 NB near the Skidmore exit that occurred on June 12, 2006. The report showed that it took 72 minutes to clear the two left lanes of a non-injury accident at the height of rush hour and an additional half-hour for the built up queue of vehicles to clear to normal traffic flow. One of the conclusions of the analysis is that the economic cost to freeway users as result of this single accident was \$150,000 with truck delays representing \$40,000 of total and auto delay costs representing the remaining amount. It was also determined that had this incident been cleared 10 or 20 minutes earlier, the cost savings would have been \$25,000 and \$50,000 respectively.

Currently a group of transportation operators in Portland, including PDOT and ODOT are conducting an extensive review of the current practices of highway accidents in order to identify ways that we can collectively improve detection, communications, dispatch, response, and recovery in order to reduce the time it takes to clear non-injury accidents. Some of the recommendations from this group will likely be internal procedures, however, there also may be statutory or administrative barriers that will need to be addressed in order to clear these accidents more quickly, resulting in reduced congestion, better air quality, and reducing the costs to our economy.

## TRANSPORTATION

### REGIONAL BRIDGE AUTHORITY

**Objective:** Explore opportunities with coalition partners to determine the feasibility of the creation of a regional bridge authority.

**Issue:** Many bridges in Multnomah, Washington and Clackamas Counties are a regional resource, serving not only the residents the city in which they are located but of the adjacent cities and counties. Their maintenance, while reserved to individual counties in which they are located, is vital to the health and welfare of the transportation system of the entire region. As a result, exploring the creation of a Regional Bridge Authority comprised of Multnomah, Washington, and Clackamas Counties that addresses the maintenance needs of the region's bridges with regional significance could be in everyone's interest.

## TRANSPORTATION

### STREET USER FEES AND OTHER LOCAL REVENUES

**Objective:** Oppose any legislation that would ban or restrict Street User Fees.  
Oppose any legislation that would preempt local transportation revenues such as gas taxes or registration fees.

**Issue:** Many local governments already rely on SUFs to fund local street maintenance and repair. Removing this important authority from cities to address their local transportation challenges goes to the heart of local control and home rule.

State and Federal funding have not kept pace with the safety, preservation, maintenance, and operational transportation needs of local government. Cities ability to respond to and be proactive in addressing local challenges must be retained in order to build, repair, and operate the local system upon which our community and economy depends.

## TRANSPORTATION

### TRAFFIC SAFETY FUNDING

**Objective:** Propose legislation to add a surcharge to moving violations, to be allocated to the issuing jurisdiction for traffic safety efforts with an emphasis on improving neighborhood traffic safety. The surcharge would be added to the existing fine amount, and would be returned to the issuing jurisdiction.

**Issue:** Current transportation revenue has been insufficient to fund proven education, enforcement and engineering programs that are needed to ensure neighborhood traffic safety. Struggling to stretch limited resources, Oregon cities prioritize their transportation resources on maintaining roads and bridges – significantly reducing funding available for operational and safety improvements.

Generating additional revenue from a surcharge to a moving violation would ensure that those who are causing many of the problems help pay for solutions. It also avoids diverting other resources from schools, parks, or other transportation and public safety services.

## TRANSPORTATION

### TRANSIT, ELDERLY AND DISABLED PROGRAM

**Objective:** Support Tri-Met's recommendation for the creation of a High Capacity Transit (HCT) Extension Project for the metropolitan region which includes all of the linkages in the development of the regional HCT network. Support increased funding for the Oregon Elderly and Disabled Transportation Program.

The HCT project is anticipated to provide a package of key network projects that establish the foundation for the next twenty years of extensions to the Portland region's transit network. The package of improvements may incorporate HCT extensions to the east or southeast sectors of Portland and the region, potentially including a priority transit river crossing for frequent bus, light rail and streetcar service. The project planning has begun on several HCT extensions anticipated to be ready for federal matching funds by 2009 when the current I-205/Portland Mall LRT and Commuter rail projects are complete.

Another opportunity where the state can leverage transportation money is through The Oregon Elderly and Disabled Transportation Program which is over 20 years old and now operates in all 36 counties. Today, one of every 10 people is 60 years or older; in 25 years that figure will be one of every five. Transportation is vital to maintaining independence and productivity and the demand for E&D transportation services will grow. While elderly and disabled persons make up 10% of all rides on Tri-Met's fixed-route system, over one million rides are provided each year using Tri-Met's LIFT paratransit service, an expensive service provided and governed by the Americans with Disabilities Act. Today, Tri-Met spends \$24 million a year on LIFT operations. If growth in LIFT service continues at the rates of the recent past the cost will impact Tri-Met's long-term ability to provide and expand fixed-route service. Regional stakeholders such as Elders in Action, Ride Connection and others have been working on innovative ways to increase fixed-route ridership by elderly and disabled persons (travel training programs, free community shuttles, more low-floor buses, more bus shelters, sidewalks, etc.). However, state support for E&D transportation has not kept up with the need.

## TRANSPORTATION

### UNION STATION DEFICIENCIES

**Objective:** Seek state funding for Union Station to address seismic deficiencies and the maintenance backlog of this historically significant building.

**Issue:** Built in the 1890's, and listed on the National Register of Historic Places, Union station is in significant need of repair. In 2001 the City of Portland, the station's manager, engaged Degenkolb Engineers to perform a Facility Assessment and Seismic Work Plan. A multi phase plan was developed to address the significant architectural, structural, geologic, mechanical, electrical and safety deficits of the station. At the time of the assessment, the repairs were estimated between \$ 9,878,000 and \$ 11,000,000.

Union Station serves as an important transportation, architectural, and historical asset to Portland, Oregon and the NW region. The significance of this asset can not be overstated and is demonstrated by the link to our regional neighbors. Without immediate attention, the delayed maintenance of this building puts this asset at significant risk.

## WATER

### FLUORIDE

**Objective:** Monitor legislation dealing with fluoride in drinking water. Oppose any efforts to compel or prohibit fluoride in drinking water and preempt local decision making.

**Issue:** There have been at least five attempts to require fluoride to be added to drinking water statewide by water purveyors. The effort has failed or been repealed each time.

The City of Portland has always maintained that the decision whether or not to add fluoride to drinking water is a local decision.

A decision to add fluoride would result in an estimated \$1 million in one time added costs for drinking water in Portland. Ongoing operational costs are estimated to be \$500,000 per year.