



CITY OF

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**PORTLAND, OREGON**

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Office of the Mayor

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**REPORT TO COUNCIL**

January 5, 2012

**To: Mayor Sam Adams**

**From: Martha Pellegrino, Director of the Office of Government Relations**

**Subject: Accept the Report on the 2012 State Legislative Agenda**

The City of Portland's 2012 State Legislative Agenda has been drafted by the Office of Government Relations based on input from council offices, City bureaus and the public. The legislative agenda was developed with consideration for the difficult economic times facing the state and the ramifications the current economic crisis is having on individuals, families, businesses, state and local governments. It also reflects the limited nature of Oregon's first regular short legislative session.

The City's 2012 State Legislative Agenda focuses on promoting economic prosperity, public safety, community livability, and government efficiency. The City's agenda includes investments that will drive economic growth in Portland and throughout the state. The agenda also supports preserving state shared revenues, state budgets and policies that maintain critical government services and promotes public safety, social equity, and neighborhood livability.

**TO THE COUNCIL:**

The Office of the Mayor concurs with the recommendation of the Office of Government Relations and

**RECOMMENDS:**

that the Council accept the report.

Respectfully submitted,

Mayor Sam Adams  
City of Portland

**CITY OF PORTLAND**  
**STATE LEGISLATIVE AGENDA**



**2012**  
**SESSION**

**CITY OF PORTLAND COUNCIL:**

**MAYOR SAM ADAMS  
COMMISSIONER AMANDA FRITZ  
COMMISSIONER NICK FISH  
COMMISSIONER DAN SALTZMAN  
COMMISSIONER RANDY LEONARD  
AUDITOR LAVONNE GRIFFIN-VALADE**

**CITY OF PORTLAND  
STATE LEGISLATIVE AGENDA**

Prepared by the Office of Government Relations:

Martha Pellegrino, Director  
Dan Eisenbeis, State Government Relations Manager  
Andy Smith, Senior Associate  
Steffeni Mendoza Gray, Intergovernmental Specialist  
Matt Jaffe, Government Relations Associate

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## ECONOMIC DEVELOPMENT AND JOB CREATION

### OREGON SUSTAINABILITY CENTER

**Objective:** Support legislation to reauthorize Oregon University System (OUS) bonds for the Oregon Sustainability Center (OSC). This public-private partnership will provide classroom, research, office and retail space to grow Oregon jobs and industries.

**Issue:** The OSC, located on the campus of Portland State University, will integrate education with research and development to advance Oregon's economic strength of high performance building and design and materials industries. The building will include university classroom and research space, as well as retail and office space for private, non-profit and public sector partners. Oregon firms and workers will provide products and expertise to construct the OSC, which will be the first building of its scale to meet the performance benchmarks of the *Living Building Challenge*<sup>™</sup> for net-zero energy use, net-zero water use, and employment of non-toxic and regional materials. The building itself will serve as a learning laboratory and be the subject of cutting-edge research efforts. Faculty across OUS institutions have already identified eleven OSC research projects that would seek over \$7.5 million in total in external funding.

The OSC will be an economic development hub for high performance building and clean technology industries, providing an optimal setting for hands-on training, R&D commercialization, long-term job creation, and educational opportunities. Its diverse group of tenants will further advance Oregon's leadership in these industries through wide-ranging actions: education, research, commercialization, business incubation, and training. Furthermore, the building will welcome venture capitalists, businesses, and visiting delegations from around the world — connecting them to Oregon's next generation of leading engineers, architects, and researchers.

The 2012 request for reauthorization of \$37 million in Article XI-F bonds in support of the OSC follows previous approval for such bonds in 2009. The bonds will leverage approximately \$25.5 million from other sources.

## ECONOMIC DEVELOPMENT AND JOB CREATION

### EDUCATION FUNDING

**Objective:** Support adequate and stable education funding for early childhood, K-12 and post-secondary education and investments in workforce development.

**Issue:** The City of Portland is committed to building a robust and diverse local and regional economy, including supporting the availability of quality educational opportunities and workforce development programs. The “cradle-to-career” public education model is a cost-effective investment strategy that provides each student with the opportunity to become a successful adult qualified to attain a living wage job. An educated workforce is vital in attracting and maintaining businesses to the City – business that, in turn, require a comprehensive quality public education system to be available to its employees and their families.

Educational institutions provide significant contributions to the City economy, serving as: major employers, purchasers of local goods and services, attractors of tourism dollars, “in-kind contributions” of volunteer hours and intellectual expertise, providers of essential training programs designed to meet present and future work force needs, and community investors in their roles as property owners and real estate developers. Projects such as the OHSU/OUS Collaborative Life Sciences Center illustrate the multiple benefits provided by these institutions.

An excellent and equitable public education system is also critical in reducing social disparities that strain social service and criminal justice systems. In addition, Portland benefits significantly from the cultural, creative, and intellectual outputs associated with quality public education institutions. They contribute to Portland’s attractiveness for residents, visitors, businesses, and potential investors.

## **PUBLIC SAFETY AND COMMUNITY LIVABILITY**

### **STATE SHARED REVENUES**

**Objective:** Preserve the City's share of state liquor, tobacco and 9-1-1 telephone tax revenues.

**Issue:** Under current statutes, Oregon cities receive a portion of state revenues from liquor and tobacco taxes and 9-1-1 telephone taxes. The monies that the City of Portland receives go to fund essential services, such as public safety and 9-1-1 call centers.

#### **Liquor & Tobacco Taxes**

The City receives approximately \$12.7 million in revenue from liquor and tobacco taxes through the state shared revenue funding formula. The shared revenues received from the state go to the City's General Fund and are critical to funding the City's public safety budget.

#### **9-1-1 Emergency Communications**

First established in 1981, the 9-1-1 tax is a \$0.75 per month charge imposed on each circuit (wire line and wireless) to provide funding to 9-1-1 call centers across the state. Of the revenue collected by the state, 58 percent are distributed by formula on an annual basis. A second account, the Enhanced 9-1-1 Sub-Account, which receives 37.5 percent of the funds, pays for operational expenses (e.g. phone bills, technical support) and much needed equipment replacement and upgrades. The City's Bureau of Emergency Communications (BOEC), which provides 9-1-1 call answering and dispatch services to all of the police, fire, and medical responders in Multnomah County, receives approximately \$3.7 million annually from the 9-1-1 telephone tax.



## **PUBLIC SAFETY AND COMMUNITY LIVABILITY**

### **PUBLIC SAFETY AT LIQUOR SERVING ESTABLISHMENTS**

**Objective:** Oppose legislation that would impede the ability of local governments to address crime and public safety at establishments that serve alcoholic beverages.

**Issue:** Under current law, individuals who regulate entrance to bars and night clubs are required to be certified by the Department of Public Safety Standards and Training (DPSST). During the 2011 session, industry passed a bill that exempted non-security staff who check identification at the entrance to temporary events from DPSST certification. Business interests are also seeking a similar exemption from DPSST certification for staff of bars and clubs.

DPSST certification benefits individuals, businesses, and public safety. Certification includes training in techniques for de-escalating hostile situations, recognizing fraudulent identification, and identifying visibly intoxicated persons. In addition, DPSST training familiarizes individuals with requirements for a private security professional to make a private citizen arrest. DPSST certification also ensures that individuals with certain criminal convictions are not hired as bouncers. The City will work with business interests to address issues of intermittent crowding at establishments, but will oppose changes to DPSST certification requirements that would impede the ability of local governments to address crime and public safety at alcohol-serving establishments.

## **PUBLIC SAFETY AND COMMUNITY LIVABILITY**

### **SENIOR AND DISABLED PROPERTY TAX DEFERRAL**

**Objective:** Support legislation to provide Senior and Disabled Property Tax Deferral program eligibility to individuals with reverse mortgages.

**Issue:** Oregon's senior property tax deferral program allows seniors with qualifying incomes to defer property taxes so that they can continue to live in their homes despite the property tax burden. The property taxes are then paid back with interest through a lien on the property. In response to a program funding deficit, the legislature passed HB 2543 in 2011 to restrict eligibility for the senior property tax deferral program.

Restrictions to the program, however, caused hardships for many seniors, especially those with reverse mortgage, who became ineligible. An individual takes a reverse mortgage to convert the equity in their home, sometimes their only asset, into cash for living expenses. Therefore, the 1,700 individuals who no longer qualify for the program because of reverse mortgages are especially vulnerable to the unforeseen property tax bill that is suddenly due on their home. For many, this means they will not be able to stay in their home and will have to seek alternative living options with higher societal costs.

## PROMOTING GOVERNMENT EFFICIENCY

### PREEMPTIONS OF LOCAL GOVERNMENT AUTHORITY

**Objective:** Strongly oppose any legislation that would preempt the City's authority and support legislation that proposes to lift preemptions.

**Issue:** The City of Portland will oppose efforts to preempt its authority to develop and enforce local ordinances, manage its bureaus and their functions, or raise local revenues. Attempts to impede City authority have sought to:

- Void the City's Time, Place and Manner ordinance;
- Preempt the City's authority to regulate and manage taxi and livery services;
- Preempt City authority to impose a tax on wireless communication;
- Modify the imposition of system development charges;
- Make substantial alterations to the City's business license tax;
- Preempt local decision making authority to determine whether to fluoridate drinking water;
- Preempt the City's renewable fuel standard; and
- Reduce City zoning authority.

Additionally, the City will support efforts to remove preemptions on local government authority, such as allowing greater autonomy in day-to-day operations or increased authority to levy taxes or fees. Examples include existing statutes that preempt local authority to:

- Levy taxes on alcohol and tobacco products; and
- Impose a real estate transfer tax

## **PROMOTING GOVERNMENT EFFICIENCY**

### **STATE AGENCY BUDGETS**

**Objective:** Monitor state agency budgets and advocate for adequate funding of programs that impact City of Portland services.

**Issue:** The City of Portland works closely with state agencies and often relies upon the programs and services that they provide. The nexus between state and City work ranges from water quality testing to affordable housing programs. For that reason, state budget decisions that impact the delivery of agency services often impact City of Portland services. For instance, if budget cuts result in fewer classes being offered by the Department of Public Safety Standards and Training, it becomes more difficult for the Portland Police Bureau to hire trained law enforcement officials. Other City bureaus have close working relationships with state agencies including the Oregon Department of Transportation, Department of Environmental Quality, Department of Housing and Community Services and the Building Codes Department, to name a few. Similarly, state budget decisions that place greater strain on local government partners can impact the City's budget and delivery of services.

Agenda No.  
**REPORT NO.**  
 Title

Accept the Report on the 2012 State Legislative Agenda (Report)

<p><b>INTRODUCED BY</b>                  Commissioner/Auditor:  <b>Mayor Adams</b></p>	<p>CLERK USE: DATE FILED <u>JAN 06 2012</u></p>
<p><b>COMMISSIONER APPROVAL</b></p> <p>Mayor—Finance and Administration - Adams <i>[Signature]</i></p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Leonard</p>	<p>LaVonne Griffin-Valade                  Auditor of the City of Portland</p> <p>By: <i>[Signature]</i>                  Deputy</p>
<p><b>BUREAU APPROVAL</b></p> <p>Bureau: Government Relations                  Bureau Head: Martha Pellegrino <i>[Signature]</i></p> <p>Prepared by: Daniel Eisenbeis                  Date Prepared: January 5, 2012</p> <p>Financial Impact &amp; Public                  Involvement Statement                  Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Council Meeting Date  <b>January 11<sup>th</sup>, 2012</b></p> <p><b>City Attorney Approval:</b>                  required for contract, code, easement,                  franchise, charter, Comp Plan</p>	<p><b>ACTION TAKEN:</b></p> <p><b>JAN 11 2012 ACCEPTED As Amended</b></p>

**AGENDA**

**TIME CERTAIN**   
 Start time: **10:00 a.m.**

**Total amount of time needed: 30 minutes**  
 (for presentation, testimony and discussion)

**CONSENT**

**REGULAR**   
 Total amount of time needed: \_\_\_\_\_  
 (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	✓	