

Senate Interim Committee on Business and Transportation

Monday, September 15th, 2014

State Capitol, Salem, Oregon

Members Present: Sen. Lee Beyer, Chair, Sen. Bruce Starr, Vice-Chair; Sen. Chris Edwards, Sen. Fred Girod, Sen. Rod Monroe, Sen. Chuck Thomsen

Update on Climate Smart Communities Scenario Project

Jody Carson, West Linn City Councilor and Chair of the Metro Policy Advisory Committee (MPAC), provided [testimony](#) regarding scenario planning performed by Metro as required by House Bill 2001 (2009), also known as the Jobs and Transportation Act House Bill 2001 (2009), also known as the Jobs and Transportation Act. The planning involved three phases: testing of different approaches; discussion of how scenarios could be made consistent with local government visions; and analysis of the draft preferred scenario. The analysis thus far shows that while there are significant costs to implementation, the benefits gained exceed the costs of implementation.

Craig Dirksen, Metro Councilor and Chair of the Joint Policy Advisory Committee on Transportation (JPACT), provided [informational materials](#) and emphasized that the state's greenhouse gas (GHG) goals can be reached, while also achieving benefits such as greater physical activity of residents, lower environmental costs, less travel time delay and lower overall cost of vehicle ownership and operation. He noted that the estimated cost of the draft approach - \$24 billion – is actually less than the regional transportation plan. He concluded by noting that the primary barrier to success is financial rather than public resistance.

Committee questions and comments for this panel included: whether speeding up trends toward cleaner fuels would benefit the process; whether the model assumes large appropriations to transit agencies; plans for a possible 2015 transportation funding package; the difficulty in piecing together funding for large transit capital investments; the importance of collecting user fees from transit riders; and the benefits of light rail and bus rapid transit.

Briefing on Brownfields Cleanup and Redevelopment Coalition

John Ledger, Associated Oregon Industries, offered [informational materials](#) regarding the potential economic benefits of brownfields cleanup and redevelopment. The Brownfields Cleanup and Redevelopment Coalition is a broad representation of interests working together to address these sites, which remain unused due to combinations of contamination, perceived contamination and barriers to redevelopment. Many of these sites, of which there are more than 13,500 in Oregon, are in locations that would make them prime candidates for redevelopment; however, only 35 percent of such sites have had some sort of assessment done. Mr. Ledger noted that there will likely be one or more legislative measures introduced for consideration in 2015; some possible approaches include recapitalization of Business Oregon's redevelopment fund, formation of land banks, local tax abatement, state-level tax credits or regulatory streamlining.

Jason Miner, representing 1000 Friends of Oregon, emphasized the importance of redeveloping brownfields to accommodate industrial development, as opposed to developing elsewhere. He emphasized the broad coalition working on solutions to brownfields redevelopment. John Miller of the Oregon Opportunity Network commented on the potential opportunities for redeveloping brownfields in certain distressed communities into affordable housing. Miranda Bateschell of Metro commented on the difficulty in funding redevelopment efforts in rural areas and offered examples of successful reclamation of brownfield sites.

Committee questions and comments for this panel included: recent reports about best practices; additional details about the recapitalization process for Business Oregon's redevelopment fund; and the role played by the Oregon Department of Environmental Quality.

Oregon Department of Transportation Major Projects Update

Paul Mather, Highway Division Administrator for the Oregon Department of Transportation (ODOT), offered a [slide presentation](#) to update the committee on major transportation projects. He was joined by Trevor Sleeman, ODOT's Federal Affairs Advisor, who provided a brief update on the status of the federal Highway Trust Fund.

County Roads Needs Analysis Report

Emily Ackland, County Road Program Manager for the Association of Oregon Counties (AOC), offered a [preliminary report](#) and a [slide presentation](#) regarding a recent analysis of statewide needs regarding roads under county jurisdiction. The report is an update of a similar report prepared in 2006 and includes both a survey of roadway pavement conditions, anticipated enhancement needs, and projected revenues.

John Vial, Jackson County Public Works, provided an explanation of the three main areas of the study: capital construction, pavement preservation, and maintenance, repairs and operations. The report looked at these three categories, combined with the anticipated and needed revenues for each, in four regions: Eastern, Southwest, Willamette and North Coast, and the Metro area. He also emphasized that preventive maintenance and pavement preservation prevents the need for costlier rehabilitation and reconstruction.

Sid Leiken, Lane County Commissioner and AOC Transportation Chair, spoke to the status of local funding for transportation. He specifically addressed the loss of timber revenues and county payments from the federal government, the low property tax rates in southwest Oregon, and the likelihood that neither situation will change in the near future.

Mary Stern, AOC's Transportation Policy Manager, provided bottom-line data on the level of funding required to address the current needs of the county road system. While counties will spend roughly \$660 million during the next five years, the estimated aggregate need is \$2.3 billion. She detailed AOC's involvement in the Oregon Transportation Forum to develop a potential funding package for consideration in 2015.

Oil Train Safety

The issue was introduced by Sen. Chuck Thomsen, who introduced Mayor Arthur Babitz of Hood River.

Karmen Fore, Sustainable Communities and Transportation Advisor for Governor Kitzhaber, provided informational materials on rail transport of [crude oil](#) and [hazardous materials](#) and referenced a Preliminary Statewide Rail Plan [Safety Report](#). She noted that the volume of crude oil moved by rail in the United States, and in Oregon, has dramatically increased with the opening of oil fields in the Bakken formation in the north plains states and in Canada. She identified that the movement of crude oil has increased from approximately 10,000 in 2006 to more than 600,000 in 2014. The safety review was prompted by concerns raised by certain communities, and in response to high-profile accidents in other states and in Canada. . She emphasized the importance of improving notification of crude oil shipments to emergency responders, replacement of older tank cars with newer, safer cars, and enhanced inspections of oil cars.

Arthur Babitz, Mayor of Hood River, commented on the need for greater preparedness and readiness to respond to a possible oil train accident and spill, particularly in the Columbia River Gorge. He compared the level of statewide preparation for an anticipated 9.0 earthquake and asserted that similar planning should take place to respond to a potential oil train accident.