

W. 8. b.

Memorandum Date: July 25, 2011
Order Date: July 27, 2011

TO: Board of County Commissioners
AGENDA ITEM TITLE: Staff Report: HUD Grant-Lane Livability Consortium Options

I. AGENDA ITEM SUMMARY

This item provides for a more possible way forward for Lane County, Eugene, Springfield, and the Lane Council of Governments to be able to accept \$1.45M in grant funding for the proposed Lane Livability Consortium by transferring management authority to the general purpose governments. Without this way forward, the grant award will very likely be rescinded due to the non-participation of two of the three Metro Plan partners.

II. BACKGROUND/IMPLICATIONS OF ACTION

A. Board Action and Other History

- The Board of County Commissioners had not previously given staff the approval to apply for this grant.
- The Lane Council of Governments Board of Directors did not provide its staff their approval to apply for this grant.
- The Board of County Commissioners discussed this grant at their May 10th meeting, and again with the Joint Elected Officials at their regular meeting of May 26th, and most recently at their June 22 meeting.
- The City of Springfield declined to sign their grant implementation MOU during their regularly scheduled meeting of July 18th.

B. Policy Issues

The underlying policy question at issue here is how the Board views its relationship with the Lane Council of Governments. Typically, the relationship is characterized by Lane County hiring LCOG to perform work on its behalf, and for a negotiated sum paid to LCOG by Lane County. In this case, LCOG is dictating to Lane County the terms of this agreement, including staffing levels and promised matching funds. This is a departure from the norm, which the second motion attempts to rectify.

A secondary policy question brought to light by this grant application is how Lane County intends to integrate a number of planning related perspectives as it deals with growth needs, including urbanizable lands, economic prosperity, public health, and legislative mandates.

C. Board Goals

This item is related to several of the Board's strategic goals, including:

- Active involvement with legislative issues
- Partnering with the other general purpose governments and the University of Oregon
- Economic growth and prosperity
- Mitigation of environmental impacts of growth

D. Financial and/or Resource Considerations

As proposed, the grant requires matching funds be allocated through the commitment of Lane County's Economic Development program, the point program for Lane County in terms of

implementing this project. Lane County's match is supposed to be \$86K, with the program receiving \$40K in grant funding.

In light of Springfield's decision to withdrawal their participation, a question remains as to how the partnership addresses the void left from their involvement as point on Land Use issues. Springfield was supposed to match the grant with \$25K, while receiving \$70K in grant funding.

The grant award was for \$1.45M. Of this, Lane Council of Governments was to keep \$1.2M.

E. Analysis

BACKGROUND

On October 14, 2010, the Department of Housing and Urban Development announced \$100M in grants to "promote smarter and sustainable planning for jobs and economic growth". LCOG was one of 45 recipients of this particular funding pool (see Attachment A for a full list of other awards).

These grants are part of the Obama Administration's Partnership for Sustainable Communities, which brings HUD, the U.S. Department of Transportation, and the U.S. Environmental Protection Agency together to ensure that the agencies' policies, programs, and funding consider affordable housing, transportation, land use, public health and environmental protection together. The "TIGER" grant program is housed under the same interagency partnership, as are a number of other planning and implementation funding opportunities.

It is worth noting that the Director of HUD's Office of Sustainable Housing and Communities is Shelley Poticha, who was born and raised in Eugene.

LCOG's PROPOSAL

LCOG proposed to develop the Lane Livability Consortium, involving ten key partners and several other adjunct partners, in order to address what they suggested were gaps in the coordination of regional infrastructure planning. As examples of this, their proposal spoke to transportation expenditure plans that ignored water infrastructure plans and economic development goals. It suggested that the Lane Livability Consortium would result in increased collaboration and integration of key [Metro] plan components. It further suggested the improved collaboration would allow for capacity building to prepare for other planning gaps they identified, including climate change, public health, and equity. The Lane Livability Consortium was to be managed and lead by Andrea Riner, LCOG's MPO Transportation Manager. The grant application included the signatures of the ten administrators of the partners. See Attachment B for a copy of this document.

HURDLES TO IMPLEMENTATION

Lane County's Board of County Commission make-up changed from the time this grant was applied for and when it was to be implemented. The County also changed Administrators, and indeed the program lead in the Economic Development section of County Administration was also different. The presentation occurred in the midst of the Board's involvement with a very tough FY12 budget process.

When presented with a 23 page draft MOU to implement the Lane Livability Consortium on May 10, the Board of County Commissioners was decidedly un-ready to move forward with the project, and voiced several concerns about what the County would be obligated to, including:

- The financial commitments for in-kind staffing resources compared to the resources returned to the County from the grant award.
- The issue of whether this triggers legislation passed in 2009 (HB 2001) that mandates that the Central Lane Metropolitan Planning Organization proceed with scenario planning that would result in significant reductions of greenhouse gas emissions from vehicles (under 10,000# GVW).
- Unclear descriptions of Metro Plan amendment options suggested by the grant and who is lead on those efforts, and how those options are, or are not, implemented.
- Questions about the appropriateness of using federal resources for work in land use, transportation planning, public involvement and economic development that is already being accomplished from the Board's perspective.
- Concerns that this grant is very similar to LCOG's 2030 project.

In realizing that several of its partners were balking at signing the MOU prepared by LCOG, their staff was able to negotiate two extensions to the time lines put forward by HUD to enter into an Intergovernmental Agreement such that the funding could move forward. At this point, the most recent HUD deadline is July 31, 2011.

Springfield City Council was the first agency to formally decline to participate in the project. The City of Eugene has taken the approach that this is an Administrative decision, however, their Mayor has reached out to HUD to discuss alternative management options regarding this grant, given the concern over the hesitancy expressed by the Board of County Commissioners as individuals and during their regularly scheduled meetings of May 10 and May 26.

FURTHER INFORMATION PROVIDED BY LANE COUNTY STAFF

Financial Commitment

Economic Development staff have prepared an outline of their expected work commitment through ongoing discussions with LCOG staff to arrive at the \$86K in kind and the reimbursement of \$42K. Less clear is what role Lane County's transportation planning staff will have, and what the implications of Springfield removing itself from the Land Use lead will have on the overall budget. LCOG has not provided that information, nor responded to the proposal the Lane County Administrator made for the work output from Transportation Planning.

HB 2001

Staff have provided a letter from ODOT indicating that their grant contribution is NOT the trigger for the requirements of HB 2001, Section 38a. The letter outlines ODOT's perspective about the role this grant plays in building the planning capacity for future work. It is provided as Attachment C.

Outcome/Work Product

Staff have been unable to fully determine a concrete outcome but that is normal for a collaborative process such as is envisioned by this project. The application does speak to several "Catalytic Projects" including West 11th Corridor Development and affordable housing, expansion of affordable housing land bank programs, or development of a regional Sustainability Center.

F. Alternatives/Options

1.) Sign the MOU with LCOG to participate fully in the Lane Livability Consortium as outlined in the LCOG-developed document.

- 2.) Direct the County Administrator to oversee appropriate staff involvement in a project intended to result in a Memorandum of Understanding between Lane County, City of Eugene, and City of Springfield jointly manage the Lane Livability Consortium, as developed by the three agencies, and report back on August 17.
- 3.) Do nothing.

III. RECOMMENDATION

Staff recommends Option 2. In pursuit of Option Two, staff will prepare a document that provides the following specificity:

- Defined geographic focus. Local planning staff recognize that the most likely areas to physically expand into as the region grows are Glenwood and the LCC basin. This grant should identify water and wastewater infrastructure, housing, transportation, education, and economic development issues that will come with these relatively under-developed areas.
- Improved financial standing. As the three general purpose governments already are pursuing some of these work products, the grant should better support existing efforts and contract with LCOG or the University of Oregon for the adjunct work necessary to fully examine sustainable development issues for the LCC basin.
- Staff leads. Each general purpose organization should identify a staff lead and thus form a program team that can report back to the elected officials of Lane County, Eugene, and Springfield
- Strategic goals. The document should outline how this grant fits with the discussions at the recent Board strategy sessions regarding economic development and fits with existing land use efforts already underway in the partner agencies.
- Budget. The document should outline allocated dollars such that the goals of the initial grant application are met and identify the pertinent staff and programs requirements from each of the partners.

IV. TIMING/IMPLEMENTATION

Next steps are dependent on negotiations with HUD to transfer management. If the Board thinks Recommendation (Option) 2 is the most attractive to move this project forward, a draft Motion is provided here:

V. DRAFT MOTION

- a. Move to decline approval for Lane County to sign the Lane Livability Consortium Memorandum of Understanding between Lane Council of Governments and Lane County.
- b. Move to direct County Administrator to oversee appropriate staff involvement in a project intended to result in a Memorandum of Understanding between Lane County, City of Eugene, and City of Springfield jointly manage the Lane Livability Consortium, as developed by the three agencies, and report back on August 17.

VI. FOLLOW-UP

Staff will update the Board of Commissioners during their August 17th regularly scheduled Board meeting.

ATTACHMENT A

| Sustainable Communities Regional Planning Grant Finalists | | | | |
|---|---|--------------------|-----|--------------|
| State | Grantee | Area | CAT | Grant Amount |
| Alabama | East Alabama Regional Planning and Development Commission | Anniston | 1 | \$225,000 |
| Arizona | Apache County | St. Johns | 1 | \$820,500 |
| Arkansas/Mississippi | Southern Bancorp Capital Partners | Helena-West Helena | 1 | \$710,900 |
| California | California State University, Fresno Foundation | Fresno | 2 | \$4,000,000 |
| | Sacramento Area Council of Governments | Sacramento | 2 | \$1,500,000 |
| Connecticut | Capitol Region Council of Governments | Hartford | 2 | \$4,200,000 |
| | Windham Region Council of Governments | Willimantic | 1 | \$225,000 |
| Florida | South Florida Regional Planning Council | Hollywood | 1 | \$4,250,000 |
| | Central Florida Regional Planning Council | Bartow | 1 | \$1,400,000 |
| Illinois | Chicago Metropolitan Agency for Planning | Chicago | 2 | \$4,250,000 |
| | Tri-County Regional Planning Commission | Peoria | 2 | \$1,200,000 |
| | Rockford Metropolitan Agency for Planning | Rockford | 1 | \$600,000 |
| Indiana | Evansville Metropolitan Planning Organization | Evansville | 1 | \$1,420,300 |
| Iowa | Des Moines Area Metropolitan Planning Organization | Urbandale | 1 | \$2,200,000 |
| Kentucky | University of Kentucky Research Foundation | Lexington | 1 | \$680,000 |
| Maine | Greater Portland Council of Governments | Portland | 1 | \$1,600,000 |
| | Northern Maine Development Commission | Caribou | 1 | \$800,000 |
| Massachusetts | Metropolitan Area Planning Council | Boston | 2 | \$4,000,000 |
| | Berkshire Regional Planning Commission | Pittsfield | 1 | \$590,700 |
| | Franklin Regional Council of Governments | Greenfield | 1 | \$425,000 |
| Michigan | Southeast Michigan Council of Governments | Detroit | 2 | \$2,850,000 |
| Minnesota | Metropolitan Council | St. Paul | 2 | \$5,000,000 |
| | Region Five Development Commission | Staples | 1 | \$825,050 |
| Mississippi | Gulf Regional Planning Commission | Gulfport | 1 | \$2,000,000 |
| Missouri | East-West Gateway Council of Governments | Saint Louis | 1 | \$4,687,750 |
| | Mid-America Regional Council | Kansas city | 2 | \$4,250,000 |
| New York | Regional Plan Association Inc. | New York | 2 | \$3,500,000 |
| North Carolina | Land-of-Sky Regional Council | Asheville | 1 | \$1,600,000 |
| | Piedmont Authority for Regional Transportation | Greensboro | 1 | \$1,600,000 |
| Ohio | Northeast Ohio Areawide Coordinating Agency | Cleveland | 1 | \$4,250,000 |
| Oregon | Lane Council of Governments | Eugene | 2 | \$1,450,000 |

| | | | | |
|---------------------------------------|---|-----------------|---|-----------------------|
| South Dakota | Thunder Valley Community Development Corporation | Porcupine | 1 | \$996,100 |
| Tennessee | City of Knoxville, Tennessee | Knoxville | 1 | \$4,327,500 |
| Texas | Houston-Galveston Area Council | Houston | 1 | \$3,750,000 |
| | Capital Area Council of Governments | Austin | 2 | \$3,700,000 |
| Utah | Salt Lake County | Salt lake city | 2 | \$5,000,000 |
| Vermont | Chittenden County Regional Planning Commission | Winooski | 2 | \$995,000 |
| Virginia | New River Valley Planning District Commission | Radford | 1 | \$1,000,000 |
| | Thomas Jefferson Planning District Commission | Charlottesville | 2 | \$999,000 |
| | Roanoke Valley Alleghany Regional Commission | Roanoke | 1 | \$625,000 |
| Washington | Puget Sound Regional Council | Seattle | 2 | \$ 4,999,700 |
| | Thurston Regional Planning Council | Olympia | 1 | \$1,500,000 |
| Wisconsin | Capital Area Regional Planning Commission | Madison | 2 | \$1,997,500 |
| | Northwoods Nijlji Enterprise Community, Inc. | Lac du Flambeau | 1 | \$525,000 |
| | Southwestern Wisconsin Regional Planning Commission | Platteville | 1 | \$475,000 |
| Reserved for Capacity Building | | | | \$2,000,000 |
| TOTAL | | | | \$ 100,000,000 |

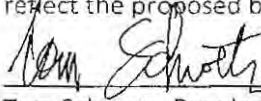
Memorandum of Understanding

We, the undersigned, are staff or lead decision makers within our agencies or nonprofit entities. We have participated in or been consulted concerning the proposed Sustainable Communities Regional Plan grant application being prepared by Lane Council of Governments.

The proposed program of improving the regional plan to enhance sustainability in the region reflects key elements of our entities' current and future planning. Because the proposed project is central to developing a more sustainable vision and set of practices for our entity, we anticipate that, if the application is approved, our entity will agree to the proposed Memorandum of Understanding (MOU) and fully participate in the project as proposed, and as outlined in the attached table.

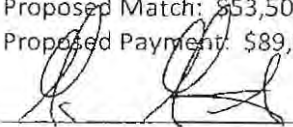
Following the award of the grant to LCOG, we as staff will work for immediate adoption of the MOU and will then initiate participation in the Sustainable Communities Regional Plan Project.

Our signatures below indicate our understanding that our entity can and will commit to bring this project forward and to provide the budgeted staff support to it. The dollar amounts after our signatures reflect the proposed budget of the LCOG project and our entities' commitment to the project.



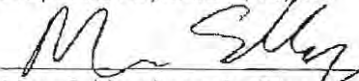
Tom Schwetz, Development Director
Lane Transit District

Proposed Match: \$53,500
Proposed Payment: \$89,000



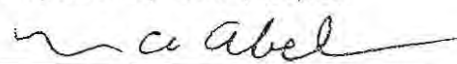
Gino Grimaldi, City Manager
City of Springfield

Proposed Match: \$25,000
Proposed Payment: \$70,000



Marc Schlossberg, Co-Director
Sustainable Cities Initiative

Proposed Match: \$200,000
Proposed Payment: \$180,000



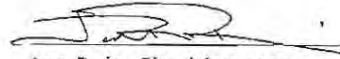
Larry Abel, Executive Director
Housing & Community Service Agency
Agency of Lane County

Proposed Match: \$25,600
Proposed Payment: \$0



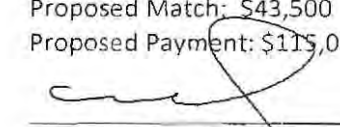
Bob Swank, Associate Director
Lane Council of Governments

Proposed Match: \$105,000
Proposed Payment: \$1,225,300




Jon Ruiz, City Manager
City of Eugene

Proposed Match: \$43,500
Proposed Payment: \$115,000




Terry McDonald, Executive Director
St. Vincent de Paul

Proposed Match: \$10,470
Proposed Payment: \$36,700



Jeff Spatz, County Administrator
Lane County

Proposed Match: \$37,200
Proposed Payment: \$89,000



Bob Swank, Associate Director
Metropolitan Planning Organization

Proposed Match: \$245,000
Proposed Payment: \$195,000



Jerri Bohard, Operations Deputy Director
Oregon Department of Transportation

Proposed Match: \$439,200
Proposed Payment: \$0



Oregon

John A. Kitzhaber, M.D., Governor

Department of Transportation
Office of the Director
1158 Chemeketa Street NE
Salem, OR 97301
Phone: (503) 986-3289
Fax: (503) 986-3432

DATE: July 25, 2011

TO: Lane County Board of Commissioners

FROM: Jerri Bohard, Interim Deputy Director for Operations

RE: Lane Livability Consortium and HB 2001 Greenhouse Gas Planning Scenarios

The Oregon Department of Transportation was supportive of Lane Council of Governments application for HUD Sustainable Communities Regional Planning Grant in August 2010. The agency agreed to provide \$200,000 in cash match, and \$239,000 in in-kind contributions. ODOT was glad to hear that the US Department of Housing and Urban Development awarded LCOG the grant and are looking forward to being a partner in this collaboration.

It has come to my attention that there is a question about ODOT's commitment to partner and to contribute to this project and how that relates to the language in Section 38a of House Bill 2001 (2009), which states:

(3)(a) Except as provided in subsection (6) of this section, on or after January 1, 2013, a metropolitan planning organization that serves Eugene and Springfield, shall develop two or more alternative land use and transportation scenarios that accommodate planned population and employment growth while achieving a reduction in greenhouse gas emissions from motor vehicles with a gross vehicle weight rating of 10,000 pounds or less.

(b) When developing the land use and transportation scenarios described in subsection (a) of this section, the metropolitan planning organization shall take into account the amount of greenhouse emissions, caused by motor vehicles with a gross vehicle weight rating of 10,000 pounds or less, that need to be reduced in 2035 in order to meet the goals stated in ORS 468A.205. The metropolitan planning organization shall take into consideration the reductions in vehicle emissions that are likely to result by 2035 from the use of improved vehicle technologies and fuels.

(4) The local governments within the boundaries of a metropolitan planning organization that serves Eugene and Springfield shall cooperatively select, after public review and comment on the scenarios within the boundaries of the metropolitan planning organization, one scenario described in subsection (3) of this section.

(5)(a) The Department of Transportation and the Department of Land Conservation and Development shall provide technical assistance, grant support and guidance for the land use and transportation scenarios and local planning described in subsections (3) and (4) of this section.

(6) A metropolitan planning organization that serves Eugene and Springfield, and local governments within the jurisdiction of the organization, are not required to comply with subsections (2) and (3) of this section unless the organization and local governments receive sufficient funds for reimbursement of costs in carrying out the provisions of subsections (2) and (3) of this section.

ODOT's intent is to use the experience of this project to establish the necessary relationships to assist the Central Lane MPO to meet its requirements under HB 2001. ODOT is already partnering with the Department of Land Conservation and Development (DLCD) to prepare for the local planning required under the bill. ODOT assumes that Subsection 6 of Section 38 will be met eventually through the requirement that ODOT and DLCD "provide funds for rulemaking, technical assistance and grants...from available funds." That said, this grant is focused on developing planning capacity, and ODOT does not see it as producing the outcome required by HB 2001 in terms of scenario planning. I would describe the grant as a stepping stone toward the outcomes envisioned by the bill.

Assuming we can identify specific funds for the work required under the bill the language above identifies the requirements. Central Lane MPO will report to the Legislative Assembly (by 2/1/2014), and include recommendations for a cooperative process of rulemaking, as well as the implications of implementing the land use and transportation scenario selected by the local governments.

ODOT looks forward to working with Lane County, the Central Lane MPO, DLCD, and other collaboration partners as these efforts continue to evolve.