



Oregon

Kate Brown, Governor

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May 7, 2015

TO: Land Conservation and Development Commission

FROM: Jim Rue, Director
Robert Cortright, Scenario Planning Coordinator

SUBJECT: **Agenda Item 6, May 20-21, 2015, LCDC Meeting**

METROPOLITAN GREENHOUSE GAS TARGET RULE REVIEW

I. AGENDA ITEM SUMMARY

The commission will review the “Metropolitan GHG Target Rule Review Report” and determine whether amendments to the target rule (OAR 660-044) are warranted.

The department recommends that amendments to the target rules are warranted. The department also recommends that the policy agenda for 2015-2017 include an item for rulemaking to amend the targets and for a review of the process of metropolitan area transportation planning.

For additional information about this report please contact Bob Cortright, Scenario Planning Coordinator, at 503-934-0020 or bob.cortright@state.or.us.

II. BACKGROUND

House Bill 2001, enacted by the 2009 legislature, and Senate Bill 1059, enacted by the 2010 legislature, directed the commission to adopt greenhouse gas emission reduction targets to guide the state’s metropolitan areas as they conduct land use and transportation scenario planning. The commission adopted the target rules (OAR 660-044) in May 2011. In these rules the commission committed to review the targets at four year intervals – starting in 2015 – to reflect new information and the results of the planning efforts to reduce greenhouse gas emissions.

In February, the department distributed a draft target rule review report to metropolitan areas and other interested persons. The commission reviewed the draft report in March. The department also prepared an executive summary of the report.

<http://www.oregon.gov/LCD/CLIMATECHANGE/Documents/PollutionTargetsExSum.pdf>



Oregon

Kate Brown, Governor

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May 20, 2015

TO: Land Conservation and Development Commission

FROM: Amanda Pietz, Planning Manager, Oregon Department of Transportation

SUBJECT: **Comments on the Metropolitan Greenhouse Gas Target Rule Review**

The purpose of this letter is to share some perspectives from the Oregon Department of Transportation (ODOT) on scenario planning as it relates to the Metropolitan Greenhouse Gas Target Rule (OAR 660-044), for which an update is being considered.

In line with Legislative direction that formed the Oregon Sustainable Transportation Initiative, ODOT has worked closely with the Department of Land Conservation and Development and with Metropolitan Planning Organizations (MPOs) and their communities to engage in scenario planning efforts. In that capacity ODOT has created tools and processes for scenario planning, and provided the technical and financial support to MPOs. Through experiences supporting Portland Metro and Central Lane MPOs scenario planning efforts and working on strategic assessments with Corvallis and Rogue Valley MPOs, ODOT has helped to evolve the process and has gained insights into what has and has not worked well.

Should the decision be made to amend the Metropolitan Greenhouse Gas Target Rule (OAR 660-044), ODOT respectfully requests that the following points be considered in establishing the scope of the effort:

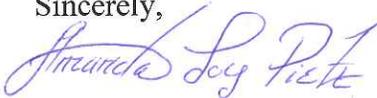
- Voluntary scenario processes have been successful and should be continued. This allows for broad ground-up support, leading to cost effective and integrated approaches.
- In ODOT's experience with voluntary scenario planning in Corvallis and Rogue Valley, this work has already started to be integrated into planning processes and decision-making. ODOT has enhanced GreenSTEP over time to the Regional Strategic Planning Model (RSPM), recognizing planning needs to address multiple goal areas. In this way, greenhouse gas (GHG) is explicitly considered, but not necessarily the primary driver. Allowing flexibility for locals to assess goals most important to them has led to much broader interest in scenario planning / strategic assessments.
 - Related, while there is a relationship between greenhouse gas (GHG) reduction and reducing vehicle miles traveled (VMT), they are not inextricably linked. One of the clear

messages of ODOT's Statewide Transportation Strategy¹ was that "it is not about getting people out of their cars." Providing transportation options in addition to driving is a key approach to reducing emissions, but so are advancements in technologies and fuels in addition to eco-driving, and other actions that support the cleaner movement of cars and other vehicles.

- Leave open the question of how the rule is calculated in order to talk through challenges that have been encountered in scenario planning processes to date and potential changes to address such challenges.
 - Rely on feedback from technical staff that have gone through the scenario planning process and ask the proposed rulemaking committee to bring recommendations to LCDC.
- In regards to overall performance measures, ODOT is working closely with the MPOs and the Federal Highway Administration (FHWA) to implement MAP-21 performance measures. These measures focus on federal requirements and are a negotiation between the MPOs and ODOT. In general, the measures are focused on system conditions. Uncertainty still exists on what the suite of performance measures will include and how the MPOs and ODOT will need to comply. To date, no final rules have been issued and timelines continue to evolve.

In support of overall scenario planning and strategic assessments ODOT continues to engage MPOs and integrate these performance based planning processes into regional and statewide efforts. Other statewide planning efforts such as the Oregon Bicycle and Pedestrian Plan and Transportation Options Plan further help to move forward those policies and strategies effective at reducing GHG emissions and achieving other important goals. ODOT resources will be balanced between these types of efforts and others. Again, thank you for the opportunity to comment and engage in the discussion.

Sincerely,



Amanda Pietz
Planning Unit Manager
Oregon Department of Transportation

¹ The *Statewide Transportation Strategy: A 2050 Vision for Greenhouse Gas Emission Reduction* was a statewide scenario planning effort looking at ways to reduce GHG emissions from transportation. It was developed by ODOT with broad stakeholder engagement, and accepted by the Oregon Transportation Commission in 2013.

In March and April, department staff met with metropolitan area officials and staff to review and discuss the draft report and the department’s recommendation that amendments to the target rule are warranted. The department has received two letters of comment (Attachment A):

- Corvallis Area Metropolitan Planning Organization
- Oregon Chapter of the American Planning Association

III. DECISION-MAKING CRITERIA AND PROCEDURES

The review of the target rules is guided by provisions in the target rule, and the legislation that initiated target rulemaking in 2011.

A. Administrative Rules

The review requirements were adopted in OAR 660-044-0035. This rule requires the commission to “evaluate whether revisions to the targets established in this division are warranted” by June 1, 2015. The rule lists 11 factors for the commission to consider. The rule requires the department to prepare a report addressing those factors, “in consultation and collaboration with affected local governments, metropolitan planning organizations and other state agencies.” The Target Rule Review Report is incorporated into this staff report as Attachment C, available online:

<http://www.oregon.gov/LCD/CLIMATECHANGE/Documents/TargetsFullReport.pdf>

B. Legislation

Adoption of target rules by in 2011 was guided by House Bill 2001 (2009) and Senate Bill 1059 (2010). These two statutes specify that the targets:

- Must be consistent with achieving Oregon’s greenhouse gas emissions reduction goals;
- Must be for 2035;
- Must be for light vehicle travel;
- May be different for each metropolitan area;
- Must equitably allocate responsibility for meeting targets considering differences in population growth rates;
- Must consider expected improvements in vehicle technologies and fuels; and
- Should be informed by the information and recommendations from the Oregon Department of Transportation, the Oregon Department of Environmental Quality, and the Oregon Department of Energy.

IV. DEPARTMENT ANALYSIS

A. Target amendments are warranted.

The Target Rule Review report identifies three key factors for why amendments are warranted.

- Metropolitan areas are – or soon will be – updating long-range plans to accommodate growth beyond 2035. If targets and scenario planning are to be useful and relevant to these plans, then updated targets for 2040 will be needed.
- There is new information about vehicle technology, fleet and fuels that could lead to adjustments in metropolitan area targets. Preliminary review of recent trends has revealed

some differences from what was projected in 2011; however, more detailed analysis is needed to determine what effect these difference would have on the targets.

- Two areas within the state have grown large enough that the federal government has required them to establish a Metropolitan Planning Organization (MPO). These two areas (Albany and Grants Pass areas) do not have targets in the current rule.

Based on the comments received and outreach to metropolitan areas, the department believes that most stakeholders agree that amendments to the target rules are warranted. The department has not received any comments opposing the department’s proposal to update targets to the year 2040 and to account for new information about vehicle technology, fleet and fuels.

The greenhouse gas reduction targets and the scenario planning achieve those targets are largely voluntary. Only the Portland Metro area is required to adopt and implement a preferred scenario that meets the targets. The department believes it is appropriate to continue this voluntary approach, and does not propose that targets for other metropolitan areas become mandatory, or that additional metropolitan areas be required to adopt and implement a scenario that meets the targets.

B. Scenario Planning and metropolitan area transportation planning could be more closely linked.

Scenario planning for greenhouse gas emission reduction has thus far been conducted as a separate or stand-alone process from metropolitan transportation and land use planning. However, a key finding in the target rule review is that scenario planning is very similar to other work that metropolitan areas already do as they prepare and update regional transportation and land use plans. The results of scenario planning, including work by Metro, Central Lane, Corvallis and the Statewide Transportation Strategy, indicate that there is a significant opportunity to coordinate and integrate scenario planning for greenhouse gas reduction with other metropolitan transportation planning work.

Scenario planning and metropolitan transportation planning can and should be more closely integrated because they share many goals, actions, strategies and tools.

- The principal goal of scenario planning – evaluating ways to reduce greenhouse gas emissions from light vehicle travel – is closely related to other objectives that metropolitan areas already address. These include state and federal requirements to reduce air pollution and Transportation Planning Rule (TPR) requirements to reduce vehicle miles travelled (VMT) per capita.
- The actions that are proposed as a result of scenario planning are very similar to the actions that would reduce air pollution and expand transportation options. For example, actions that reduce GHG emissions directly reduce air pollution, and most local and regional actions that reduce GHG also reduce VMT – by shortening travel distances or shifting trips to other modes.
- Scenario planning is providing consistent answers about the local and regional strategies that are effective in reducing GHG emissions, which are also key elements of metropolitan transportation and land use plans:
 - Expanding transit service;
 - Compact, mixed use development;
 - Expanding opportunities for walking and cycling;

- Managing parking more efficiently; and
 - Expanding transportation options and incentives.
- The modeling and analysis tools developed to support scenario planning provide a range of important information that can help metropolitan areas as they update long range plans. The Regional Strategic Planning Model (RSPM) estimates greenhouse gas emissions, and it also provides detailed estimates of other outcomes including:
 - Household energy costs;
 - Household transportation costs;
 - Public health benefits;
 - Transportation system performance; and
 - Air quality.

The close relationship between scenario planning and the metropolitan transportation planning process indicates that a significant opportunity exists to better coordinate and integrate processes and requirements. This includes assessing how various state and federal guidelines and requirements for metropolitan planning can best be fit together, including:

- The Transportation Planning Rule (TPR) adopted by LCDC;
- The Statewide Transportation Strategy from the Oregon Transportation Commission; and
- Planning requirements from the federal government as part of Moving Ahead for Progress in the 21st Century (MAP-21).

While state and federal requirements are generally compatible and consistent with one another, different entities are legally responsible for adopting different plans. Metropolitan Planning Organizations (MPOs) are responsible for adopting regional transportation plans required by the federal government. However, since MPOs are not directly subject to state law, state requirements are met by local governments (cities and counties within the metropolitan area) through the adoption of a “regional transportation system plan” (RTSP) as an element of the local comprehensive plan. The commission amended the TPR in 2006 to enable and encourage a single process and a single plan that would meet both state and federal requirements; however, there continues to be a separation. The department proposed amendments to the TPR in 2014 to clarify how regional transportation system plans are adopted by local governments; however, the amendments were withdrawn when it became clear that there were larger questions that needed to be answered.

The TPR requires that metropolitan areas “adopt standards to demonstrate progress towards increasing transportation choices and reducing automobile reliance.” Alternatively the metropolitan area can demonstrate that VMT per capita will decline by five percent over 20 years. These requirements are also generally compatible and consistent with GHG reduction because most of the regional and local actions that are reduce GHG emissions do so by reducing VMT per capita. The close relationship between VMT and GHG reduction suggests that performance measures addressing the two objectives should be closely coordinated to avoid overlap or inconsistency.

Performance measures are also an important issue in federal transportation law, which calls for MPOs to conduct performance based transportation planning. This will require MPOs to adopt performance measures to guide decisions. MPOs are directed to coordinate with the state as they

develop performance measures. Once again, this is generally compatible and consistent with GHG reduction, and would benefit from closer coordination of all of the performance measures.

V. **RECOMMENDATION**

A. **Targets**

The department recommends that the commission determine that amendments to the greenhouse gas reduction targets in OAR 660-044 are warranted based on the findings of the target rule review report. The department recommends starting work now with other agencies to gather the updated technical information that will support setting targets for the year 2040. The department recommends that the Policy Agenda for 2015-2017 include an item to amend the targets and review metropolitan area transportation planning.

B. **Advisory Committee**

The department recommends that a single advisory committee be established to function as the rulemaking advisory committee for the target rule amendments and to review of the process of metropolitan area transportation planning.

The advisory committee would likely include an LCDC commissioner, a commissioner from the Oregon Transportation Commission, staff from the Oregon Department of Transportation, a representative from each metropolitan area, other interest groups, and the general public.

C. **Proposed Motion**

I move that the commission:

1. Accept the Target Rule Review Report dated May 1, 2015 in fulfillment of OAR 660-044-0035.
2. Determine that amendments are warranted to the metropolitan greenhouse gas reduction targets in OAR 660-044.
3. Direct the department to begin gathering technical data needed to set targets for 2040.
4. Direct the department to include an item on the proposed policy agenda for 2015-2017 for rulemaking to amend the targets and for a review of the process of metropolitan area transportation planning.

VI. **ATTACHMENTS**

Included in this PDF:

A. **Letters of Comment**

B. **Executive Summary, Target Rule Review Report**

Available on the DLCD website:

C. **[Metropolitan GHG Target Rule Review Report, May 1, 2015](#)**



CORVALLIS AREA METROPOLITAN PLANNING ORGANIZATION

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Phone: 541-758-1911 • Fax: 541-758-1903
www.corvallisareampo.org

Item 6
Attachment A

April 8, 2015

Oregon Department of Land Conservation and Development
635 Capitol St. NE, Suite 150
Salem 97301-2540

Dear Land Conservation and Development Commission:

The Corvallis Area Metropolitan Planning Organization (CAMPO) wishes to thank you for this opportunity and cordially submits the following comments on the Greenhouse Gas (GHG) emission targets rulemaking:

We believe there are compelling reasons for revising the GHG Targets. In addition to those cited on P.3 of your staff's draft proposal, we like to add:

1. The results of the US 2010 Census Data was not available during the calculation of the targets. This data is now available for each MPO Area.
2. Since the issuance of the targets, the City of Corvallis has made its entire transit system free to the public. As a result of this policy, transit ridership in Corvallis has increased nearly threefold. The increased transit ridership should produce significantly different GHG target for this area.
3. The State has now gained valuable experiences in the actual process of planning for reducing GHG emissions based on the conduct of Scenario Planning efforts in Portland Metro, Central Lane MPO and Corvallis Area MPO.

The Policy Board believes that the current individualized Targets for each MPO should be replaced by a single statewide Target. This is based on the fact that the current GHG Emission Model does not correctly allocate the share of commuting trips generated by the neighboring communities as the emission calculation of each MPO.

The Commission has rightfully acknowledged the impact of light weight vehicles within a metropolitan area that are not attributable to that area. Unfortunately, the current GHG modeling tools (GreenSTEP and RSPM) are not equipped to take into consideration the GHG emissions of the commuting trips or the entire travelshed. Should the Commission deem to establish individual Targets for each travelshed, additional resources should be allocated to ODOT to develop GHG emission model(s) that are capable of analyzing the emissions of the entire travelshed.

We believe that the success of this effort hinges upon the allocation and availability of state resources to the MPOs to engage in GHG emission reduction planning. Since Scenario Planning for the reduction of GHG emission is on voluntary basis for the majority of MPOs adequate resources should be made available to entice all MPOs to undertake Scenario Planning.

Finally, as you are well aware, no amount of good planning would reduce GHG emissions, unless adequate resources for the implementation of the plans are made available.

Again, thank you for this opportunity

Rocky Sloan, Chair

CAMPO Policy Board



American Planning Association
Oregon Chapter

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Making Great Communities Happen

April 8, 2015

Re: Oregon Chapter of the American Planning Association Comments on the Draft Target Rule Review Report

The Oregon Chapter of the American Planning Association (OAPA) represents over 800 professional and citizen planners in the state. OAPA has been pleased to participate in several of the advisory groups for the Oregon Sustainable Transportation Initiative, including the Scenario Planning TAC. Thank you for this opportunity to comment on the Draft Target Rule Review Report. Responsible responses to climate change—both mitigation and adaptation—remain a high priority for OAPA.

We enthusiastically support updating Oregon's greenhouse gas (GHG) reduction targets to incorporate new metropolitan planning organizations (MPOs) and also to reflect new long-term planning horizons. Based on rapidly evolving, uncertain and complex scientific factors as well as emerging technology and fuel standards, we agree that there are compelling reasons for regular review and revision to the GHG reduction targets. In addition to those cited on page 3 of the draft proposal, we would like to add the availability of the US 2010 Census Data, since this information was not available during the development of the original targets.

In December 2014, Metro adopted the Climate Smart Strategy for the Portland metropolitan area. It is a data-driven, evidence-based, well-researched model for scenario planning that we recommend be replicated and adapted in other metropolitan areas throughout Oregon. We strongly advocate that grant and technical assistance resources be made available to MPOs to undertake this important planning and implementation framework. To reach our GHG reduction goals, scenario planning must be integrated with the comprehensive planning guidelines for all MPOs in Oregon.

The Commission has rightfully acknowledged the impact of lightweight vehicles within a metropolitan area that are not attributable to that area. This is especially important as the geographic scope of greenhouse gasses is regional. Unfortunately, the current modeling tools (GreenSTEP and RSPM) are not equipped to take into consideration the GHG emissions of the commuting trips of the entire travelshed. Additional resources should be allocated to ODOT to develop GHG emission model(s) that are capable of analyzing the emissions of the entire travelshed.

In closing, we encourage the Land Conservation and Development Commission to set clear and achievable targets to keep Oregon on track to meet 2050 GHG reduction goals. We know that current targets are achievable only if existing local, regional, and state reduction plans are

funded and implemented. This will require shared, concerted, community-based efforts in partnership with state and federal resources and support.

Please let our Program and Policy Manager Becky Steckler know how we can continue to support your work. Becky can be reached via email at becky@oregonapa.org or by phone at 503.889.6536. Thank you again for your consideration of this most important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jason Franklin". The signature is fluid and cursive, with a prominent initial "J" and "F".

Jason Franklin, AICP
President, Oregon Chapter of the American Planning Association

Target Rule Review Report:

Review of Metropolitan Greenhouse Gas Reduction Targets and Scenario Planning

Executive Summary

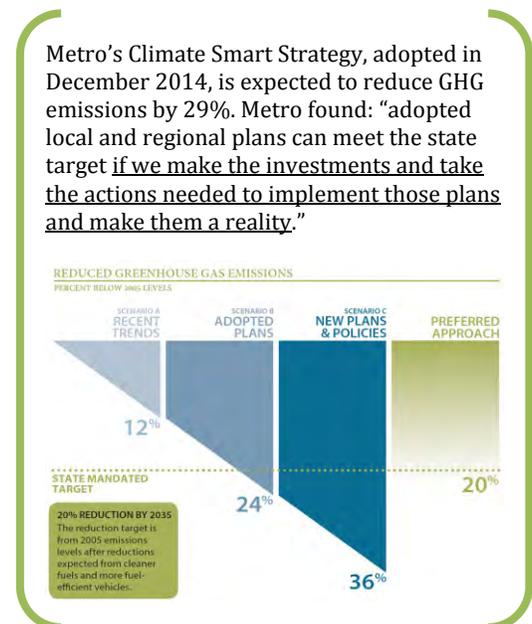
In 2011, the Land Conservation and Development Commission (LCDC) adopted greenhouse gas (GHG) emission reduction targets to guide scenario planning by the state's metropolitan areas. The targets – and scenario planning – ask metropolitan areas to evaluate what changes to local and regional land use and transportation plans and programs will be needed to reduce GHG emissions from light vehicle travel by 20% per capita by 2035 – the planning horizon for most regional transportation plans. LCDC committed itself to review the targets in 2015 and decide whether amendments to the targets are warranted. This report is intended inform the commission's evaluation and decision.



SCENARIO PLANNING RESULTS

Over the last three years, three metropolitan areas (Portland Metro, Eugene-Springfield and Corvallis) and ODOT (through the Statewide Transportation Strategy) have conducted scenario planning projects. The four efforts reached consistent conclusions:

- Targets, which call for a 17-21% reduction in emissions per capita by 2035, are achievable.
- Meeting targets will require a comprehensive, coordinated strategy that includes a combination of complementary state, regional and local efforts that promote walkable communities and expand transportation options to reduce amount of driving people need to do.
- Substantial efforts and new funding to expand transportation options will be needed to:
 - Expand public transit
 - Provide incentives and price signals to promote options
 - Make walking and cycling more convenient
 - Promote compact, mixed use development
 - Better manage parking
- Policies and actions that reduce GHG emissions provide significant benefits to Oregon citizens, businesses, communities and the transportation system because they:
 - reduce household energy and transportation costs
 - improve air quality and public health, and
 - reduce congestion and improve operation of the transportation system



- Existing plans move us in the right direction but additional efforts – to expand transit and other transportation options, better manage parking and promote compact land use – will be needed to achieve targets.

NEW INFORMATION

Targets were set in 2011 based on direction from the Legislature and available forecasts about greenhouse gas emissions from light duty vehicles through the year 2035. Recent studies and new federal and state laws and programs provide an improved picture of future vehicle technology, fleet composition and fuels in 2035 and beyond. New information indicates:

- Fuel economy and per mile CO₂ emissions are close to 2011 estimates
- Electric cars (EVs) and plug-in hybrids (PHEVs) are expected to come on line faster than previously forecast
- Fleet turnover will be slower than expected

Recalculating targets based on this new information would likely change the targets for 2035 but only slightly. However, metropolitan areas are now starting to look beyond 2035 as they conduct plan updates, with most looking out to 2040. Additional reductions will be needed to keep Oregon on track to meet our 2050 goals.

NEXT STEPS: AMENDING TARGETS?

LCDC is required to decide by June 1, 2015, whether the GHG reduction targets should be amended. This report identifies three factors that indicate changes to the targets are warranted:

- ✓ There is new information about vehicle technology, fleet and fuels that could lead to adjustments in metropolitan area targets
- ✓ The state's metropolitan areas are – or soon will be – updating long-range plans to accommodate growth beyond 2035. If targets and scenario planning are to be useful and relevant to these plans, then new targets for 2040 and potentially beyond will be needed.
- ✓ Two new metropolitan areas (MPOs) have been designated in the state (Albany and Grants Pass areas) and these areas do not currently have GHG targets.

This review also provides an opportunity to evaluate lessons learned from scenario planning and consider logical next steps to advance state, regional and local efforts to reduce GHG emissions.

Moving forward the question will increasingly shift to figuring out how the broad strategies called for in scenario planning should be carried out. For example, scenario planning demonstrates the benefits of expanded transit service, but more detailed planning will be needed to decide where and how expanded transit service should be provided.