



MULTNOMAH COUNTY AGENDA PLACEMENT REQUEST

(revised 12/31/09)

APPROVED: MULTNOMAH COUNTY
BOARD OF COMMISSIONERS
AGENDA # R-14 DATE 6/17/2010
LYNDA GROW, BOARD CLERK

Board Clerk Use Only

Meeting Date: 6/17/2010
Agenda Item #: R-14
Est. Start Time: 11:35 AM

Agenda Title: Authorizing Election to Receive **O&C Land** Related Safety-Net Payments for Federal Fiscal Year 2010

Note: If Ordinance, Resolution, Order or Proclamation, provide exact title. For all other submissions, provide a clearly written title sufficient to describe the action requested.

Requested Meeting Date: June 17, 2010 **Amount of Time Needed:** 5 minutes
Department: County Management **Division:** Director's Office
Contact(s): Mike Waddell
Phone: 503.988.4283 **Ext.** 84283 **I/O Address:** 503/531
Presenter(s): Mike Waddell

General Information

1. What action are you requesting from the Board?

The department is requesting Board approval of a Resolution electing the method of O&C Land Service Safety Net Payments to Multnomah County for Federal Fiscal Year 2010.

2. Please provide sufficient background information for the Board and the public to understand this issue. Please note which Program Offer this action affects and how it impacts the results.

In 2008, Congress and the President approved a modified extension of the Secure Rural Schools and Community Self-Determination Act of 2000 (PL106-393) that provides payments to forest counties for land held by the federal government. Originally, payments to counties represented shares of forest yields on those public lands, but as sale of timber has diminished the federal government has provided safety-net payments in lieu of actual timber sale proceeds. Within Multnomah County, the Bureau of Land Management owns acreage that formerly belonged to the Oregon & California Railroad (O&C Lands), for which this legislation applies.

The new legislation, Secure Rural Schools 2008 or "SRS 2008," provides for a decreasing payment schedule of these safety-net payments over a four-year period beginning in 2008 and ending in 2011. New to SRS 2008 is a tightening of funds available to Counties under Title III of the act, that now provides funding for a limited number of eligible projects: Search, rescue and emergency services on public lands; Fire prevention and planning under the Firewise Communities program; and

Development of community wildfire protection plans.

3. Explain the fiscal impact (current year and ongoing).

For federal fiscal year 2010, to be received approximately December 2010, Multnomah County is estimated to receive approximately \$923,749 in overall safety-net payments. The largest share of this total will be in Title I payment (up to 85% of total, or about \$785,187) that can be deposited within general county revenues (General Fund). This revenue has no restrictions as to its use by the County.

The remaining safety-net payments will be split between Multnomah County Title III projects (no more than 7% of total, about \$64,662) and the remainder (8%) must go to a Resource Advisory Committee managed by the US Forest Service for projects on national forests.

Overall payments to the County decrease over the four-year funding period: to a 81% level for Federal Fiscal Year 2009, then 73% for FFY 2010; and finally an estimate of 22-40% for FFY 2011.

4. Explain any legal and/or policy issues involved.

The annual resolutions are required by the Federal government for counties to participate in the Safety-Net program. There are no controversial issues regarding the two elections that these resolutions address. A decision will have to be made annually on how to expend the Title III funds.

5. Explain any citizen and/or other government participation that has or will take place.

Citizens will have the opportunity to provide written comments on the Multnomah County projects that will qualify under Title III. A 45-day comment period is required by the legislation and will began when the list is published prior to the County's approval of Title III projects next summer.

Each County with National Forest and/or O&C lands is required to make these elections prior to sending their decision on to the Federal government. Multnomah County has participated with Association of Oregon Counties (AOC) in developing the processes and resolutions.

Required Signature

**Elected Official or
Department/
Agency Director:**

Mindy Harris

Date: 5/24/10

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. _____

Authorizing Election to Receive **O&C Land** Related Safety Net Payments for Federal Fiscal Year (FFY) 2010

The Multnomah County Board of Commissioners Finds:

- a. Congress enacted in 1937 and subsequently amended a law that requires 75 percent of the revenues derived from revested Oregon and California Railroad grant lands (“O&C Lands”) be paid to counties in which the lands are situated, of which 50 percent has been available for use as general county funds.
- b. The principal source of revenues from O&C Lands is from the sale and removal of timber, which has been sharply curtailed, with a corresponding decline in revenues shared with counties.
- c. The United States Congress recognized a need to stabilize communities through predictable payments to the affected counties and to achieve that goal enacted the Secure Rural Schools and Community Self-Determination Act of 2000, which has been amended and reauthorized for FFY 2008-2011 (“SRS2008”).
- d. SRS2008 provides for guaranteed minimum payments for the benefit of affected counties, as well as an opportunity to invest a portion of the guaranteed minimum payments in projects or activities on federal lands, or in county projects or activities.
- e. Title I of SRS2008 gives each eligible county the right to elect to receive either its traditional share of revenues from the O&C Lands (“50-percent payment”), or instead to receive the guaranteed minimum amount pursuant to Sections 102(a)(2)(B) and 103 (“full county payment amount”).
- f. An election to receive a 50-percent payment is binding for two years, and an election to receive the guaranteed minimum full county payment amount is binding through FFY 2011.
- g. Any county electing to receive the full county payment amount must further elect to expend not less than 15 percent nor more than 20 percent of its full county payment amount as project funds.
- h. Title I, Section 102(d) requires that counties electing to receive the full county payment amount must allocate its project funds for expenditure between projects under Title II and Title III, and return the balance of project funds unspent under Title II and Title III to the

Treasury of the United States, and communicate such allocation to the Secretary of the United States Department of the Interior.

- i. Title II provides for special projects on federal lands or that benefit resources on federal lands, which projects are nominated by local resource advisory committees ("RACs").
- j. RACs recommend projects for consideration by the Secretary of the Interior, with project funding supplied in whole or in part out of monies allocated for Title II purposes by participating counties.
- k. Counties that allocate funding to projects under Title II, and are participants in more than one RAC, may further direct that their Title II project funds be divided between different RACs according to an allocation decided by each participating county, with such funds held in the Treasury of the United States under the name of the county with the amount allocated to each RAC.
- l. Title III provides for county projects or services, some of which are associated with federal lands, with Title III authorizing expenditures for search, rescue and emergency services, fire prevention and planning under the Firewise Communities program, and development of community wildfire protection plans.
- m. A county may allocate no more than 7 percent of its full county payment amount for Title III projects.

The Multnomah County Board of Commissioners Resolves:

1. Multnomah County has previously elected to receive the guaranteed minimum full county payment amount pursuant to SRS2008 Sections 102(a)(2)(B) and 103.
2. Multnomah County allocates 15 percent of its full county payment amount for expenditure on projects under Title II and Title III. Multnomah County will return none (zero percent) of its full county payment amount to the Treasury of the United States.
3. Of the percent allocated to Title II and Title III projects above in paragraph 1, Multnomah County further allocates between such Titles for FFY 2010 (for expenditure after FFY 2010) on the following basis: eight percent of the full county payment amount for expenditure on Title II projects and seven percent of the full county payment amount for expenditure on Title III projects.
4. Of the amount of the full county payment amount allocated to Title II projects above in paragraph 3, Multnomah County further allocates between RACs as follows:

100 percent to the Salem District RAC.

5. The original or a certified copy of this Resolution shall be transmitted to Kevin Q. Davis, Attorney, sent to the following address: One SW Columbia Street, Suite 1600, Portland, OR 97258.

ADOPTED this 17th day of June 2010.

BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

Jeff Cogen, Chair

REVIEWED:

AGNES SOWLE, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By _____
John S. Thomas, Deputy County Attorney

SUBMITTED BY:
Mindy Harris, Interim Director, Department of County Management