BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING THE I-5 TRANSPORTATION AND TRADE STUDY RECOMMENDATIONS	)))	RESOLUTION NO. 02-3237A Introduced by Councilor Rod Monroe

WHEREAS, I-5 is the only continuous Interstate on the West Coast; and

WHEREAS, I-5, between Portland, Oregon and Vancouver, Washington experiences some of the Portland region's worst congestion; and

WHEREAS, at the Columbia River I-5 provides a key economic connection to two major ports, deep-water shipping, up-river barging, two transcontinental rail lines, and much of the Portland/Vancouver region's industrial land; and

WHEREAS, the transportation facilities in the I-5 corridor in the vicinity of the Columbia River provide important connections to and from national and international markets for businesses throughout Oregon; and

WHEREAS, in the Portland/Vancouver area, I-5 provides one of two crossings of the Columbia River for cars, trucks and transit vehicles; and

WHEREAS, doing nothing in the I-5 corridor between Portland and Vancouver will result in unpredictable delays and congestion throughout the day, which cannot be tolerated without an adverse impact on the Portland/Vancouver region's economy and quality of life; and

WHEREAS, the Oregon and Washington Departments of Transportation jointly conducted a public planning process to develop a strategic plan for the I-5 Corridor between the ~~I-84 interchange~~ Freemont Bridge in Oregon and the I-205 interchange in Washington; and

WHEREAS, the development of the I-5 Corridor Strategic Plan was guided by a bi-state Task Force representing a wide range of interests; and

WHEREAS, a thorough process of public outreach and involvement was conducted to seek public input in the development of the I-5 Corridor Strategic Plan; and

WHEREAS, recommendations of the I-5 Transportation and Trade Partnership Task Force for a I-5 Corridor Strategic Plan have statewide significance; now therefore; now therefore

BE IT RESOLVED,

1. That the Joint Policy Advisory Committee on Transportation (JPACT) and Metro Council endorse the Portland/Vancouver I-5 Transportation and Trade Partnership's "Final Strategic Plan" (June 2002) inlcuding the following improvements for the Interstate-5 corridor, as recommended by the I-5 Transportation and Trade Partnership Task Force at their June 18, 2002 meeting:

   - Three through-lanes in each direction on I-5, between I-405 in Portland and I-205 in Clark County including southbound through Delta Park

- A phased light rail loop in Clark County in the vicinity of the I-5, SR500/4th Plain and I-205 corridors

- An additional span or a replacement bridge for the I-5 crossing of the Columbia River, with up to 2 additional lanes in each direction for merging plus 2 light rail tracks

- Interchange improvements and additional ~~merging~~ auxiliary and/or arterial lanes where needed between SR500 in Vancouver and Columbia Boulevard in Portland. These include a full interchange at Columbia Boulevard

- Capacity improvements for freight rail that will improve freight and intercity passenger rail services

- Bi-state coordination of land use and management of our transportation system to reduce demand on the freeway and to protect the corridor investments

- Involving communities along the corridor to ensure that the final project outcomes are equitable and committing to establish a fund for community enhancements

- Develop additional transportation demand and system strategies to encourage more efficient use of the transportation system

2. That the bridge influence area (BIA) improvements be identified as illustrative projects for the purposes of federal review and certification, and therefore included in interim air quality analyses completed prior to the next scheduled RTP update;

3. That Metro staff be directed to incorporate these recommendations into the next update of the Regional Transportation Plan (RTP), scheduled to occur in 2003-04;

4. That I-5 Transportation and Trade Partnership Task Force recommendations for further study of the NW Highway 30 to I-5 connections be incorporated into the North Willamette Crossing Study provisions of Section 6.7 of the RTP, and that this study be elevated to a Type 2 refinement plan as part of the next RTP update.

ADOPTED by the Metro Council this _____ day of _____, 2002

_____
Carl Hosticka, Presiding Officer

Approved as to Form:

_____
Daniel B. Cooper, General Counsel

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 02-3237, FOR THE PURPOSE OF ENDORSING THE I-5 TRANSPORTATION AND TRADE STUDY RECOMMENDATIONS

Date: November 1, 2002 Prepared by: Tom Kloster

BACKGROUND

The I-5 Partnership brought together Washington and Oregon citizens and leaders to respond to concerns about growing congestion on I-5. Governors Gary Locke and John Kitzhaber have appointed a bi-state Task Force of community, business and elected representatives to develop a recommended Strategic Plan for the I-5 Corridor between I-84 in Oregon and I-205 in Washington.

As the only continuous Interstate on the West Coast, I-5 is critical to the local, regional and national economy. At the Columbia River I-5 provides a critical connection to two major ports, deep-water shipping, up-river barging, two transcontinental rail lines, and much of the region's industrial land. In 1997, 14 million tons of freight (valued at $17 billion) was shipped from the Oregon side of the metro area to locations in Washington. Shipments southbound from Washington into the Oregon side of the region totaled 28.5 million tons (worth an estimated $7.5 billion).

Both the Ports of Portland and Vancouver are located in the I-5 Trade Corridor, as is much of the Portland/Vancouver industrial land. For residents in the Portland and Vancouver area, I-5 provides one of two crossings of the Columbia River for transit and automobiles. It connects the communities of Portland and Vancouver for work, recreation, shopping and entertainment purposes. An average of 125,000 trips are made across the I-5 Bridge every day.

In 1999, a bi-state leadership committee considered the problem of growing congestion on the highway and rail systems in the I-5 Corridor. The committee recommended that the Portland/Vancouver region initiate a public process to develop a plan for the I-5 Corridor based on the following findings:

- **Doing nothing in the I-5 Corridor is unacceptable.** While there are some transportation improvements planned in the corridor, they are insufficient to address the transportation and economic needs of the corridor. Without additional improvements, congestion in the corridor will increase to unacceptable levels. Further, the increased congestion will have a significant impact on our economy, potentially limiting attraction and retention of business throughout our industrial areas.

- **There must be a multi-modal solution in the I-5 Corridor – there is no silver bullet.** The needs of the corridor will require highway, transit, and rail improvements, and better management of traffic demand. In other words, constructing new highway capacity alone will not solve the problem; neither does constructing only new transit capacity or new rail capacity.

- **Transportation funds are limited. Paying for improvements in the I-5 Corridor will require new funds.** The scale of improvements needed in the corridor far exceeds presently available state and federal funds. These sources can contribute but cannot completely pay for the improvements. Assuming the current structure of public funding, tolling will be required to pay for a new Columbia River crossing and other corridor improvements. From a historical perspective, tolls are not new. Tolls were used to construct the original I-5 bridges.

- **The region must consider measures that promote transportation- efficient development.** This includes a better balance of housing and jobs on both sides of the river and other measures that manage additional demand. Even with improvements in the I-5 Corridor, there will be a significant capacity problem that must be managed.

In January 2001, based on the above findings, Washington Governor Locke and Oregon Governor Kitzhaber initiated the Portland/Vancouver I-5 Transportation and Trade Partnership, also known as the I-5 Partnership. A 28-member Task Force was established to guide the development of the *Strategic Plan* for the corridor. This group worked for a year and a half, hosting six rounds of public meetings to get ideas and comments from the community. In addition, a Community Forum of interested stakeholders from both states was invited to closely follow the strategic planning process and to provide input at each milestone in the study.

The overall goal of this strategic planning effort was to determine the overall level of investment needed in the corridor for highways, transit and heavy rail, and to determine how to manage the transportation and land use system to protect investments in the corridor. The Task Force's final product has been sent to the Oregon Transportation Commission, the Washington Department of Transportation, and is now being considered by the metropolitan planning organizations in Portland and SW Washington for review and potential adoption into their transportation plans. After adoption, the environmental review and project development phase may begin.

Before any improvements suggested in this plan can be made, a formal environmental process must to be conducted under the requirements of the National Environmental Policy Act (NEPA) to identify the specific design of improvements and the impacts. The NEPA process is designed to ensure public participation in the process and a thorough assessment of environmental and community impacts. Through the NEPA process, plans for mitigating impacts that cannot be avoided will need to be developed. In addition, issues of environmental justice will receive a thorough exploration.

The foundation for the *Strategic Plan* is the problem, vision and values statement. This statement was created, edited and revised based on feedback from Community Forum members and public input. The recommendations in the *Strategic Plan* document have been crafted to address the identified corridor problems and to do them in a manner that reflects the collective vision for the community.

SUMMARY OF I-5 STRATEGIC PLAN RECOMMENDATIONS

Transit:

- Provide a phased light rail loop in Clark County in the vicinity of the I-5, SR500/4th Plain and I-205 Corridors.
- Provide peak-hour, premium express bus service in the I-5 and I-205 Corridors to markets not well served by light rail.
- Increase transit service in the Corridor over the next 20 years called for in regional transportation plans.

Interstate 5:

- The I-5 freeway between the Fremont Bridge in Portland and the I-205 interchange in Vancouver will be a maximum of three through lanes in each direction. This includes widening I-5 to three lanes between Delta Park and Lombard, and 99th St. to I-205 in Vancouver.
- Designate one of the three through lanes for use as a high occupancy vehicle (HOV) lane during the peak period, in the peak direction.

- Add a new supplemental or replacement bridge across the Columbia River with up to 2 auxiliary and/or arterial lanes in each direction, and 2 light rail tracks.
- Improve interchanges between SR 500 and Columbia Blvd to address safety and capacity problems -- including making Columbia Blvd into a full interchange.
- In adding river crossing capacity and making interchange improvements every effort should be made to: 1) avoid displacements and encroachments, 2) minimize the highway footprint and 3) minimize the use of the freeway for local trips.

Additional Rail Capacity:

- Pursue the rail infrastructure improvements required to accommodate anticipated 20 year freight rail growth in the I-5 Corridor and frequent, efficient intercity passenger rail service.
- Establish a public/private Bi-State rail forum to advise regional decision-makers about prioritizing, scheduling and funding of needed rail improvements.
- The rail forum and regional decision-makers should encourage funding for:
  1. Additional inter-city passenger rail service in the Pacific Northwest High Speed Rail Corridor
  2. High Speed Rail service in the Corridor; and
  3. The replacement of the existing "swing span" with a "lift span" located closer to the center of the river channel

Land Use:

- Adopt and implement a Bi-State Coordination Accord to protect existing and new capacity and support economic development.
- Jurisdictions in the Corridor will develop and agree on a plan to manage land development to avoid adversely impacting I-5 or the Region's growth management plans.
- Commit to formation of a Bi-State Coordination Committee to review and comment on transportation and land use decisions of bi-state significance.

Transportation Demand and System Management:

- Commit to a comprehensive use of TDM/TSM strategies -- alternative modes, work-based strategies, policies and regulatory strategies, pricing and TSM strategies -- and pursue additional funding for transit and TDM/TSM strategies.
- Prepare an "I-5 TDM/TSM Corridor Plan" with guidance from the proposed "Bi-State Coordination Committee"
- Fund and implement additional TDM/TSM strategies now to encourage more efficient use of the transportation system.

Environmental Justice

- Establish a Community Enhancement Fund for use in the impacted areas in the I-5 Corridor in Oregon and Washington
- Map low-income and minority communities in the corridor.
- Take list of potential impacts identified by representatives of environmental justice communities into the EIS for the Bridge and Bridge Influence Area as a starting point for more analysis.
- Work with affected communities to explore ways to offset impacts and/or bring benefits to the community.
- Develop a public outreach plan for EIS process that includes special outreach to low-income and minority communities.
- Form and coordinate two working groups for the EIS -- one for public involvement and one for environmental justice.

Finance

- OR, WA and the Portland/Vancouver region should develop a financing plan for transit and highway capital projects
- Tri-Met and C-Tran need to increase revenues for a significant expansion of transit service, starting within the next five years.
- Establish regional transit financing commitments that will allow for:
  1. an aggressive bi-state TDM program and
  2. an expansion of transit service to support the light rail loop.
  3. Seek funding to widen I-5 to 3 lanes: Delta Park to Lombard after environmental and design work is completed.

Next Steps/Implementation

- Fall 2002: SW Washington Regional Transportation Council and Metro review and amend the Regional Transportation Plans to incorporate recommended I-5 corridor improvements.

- Delta Park to Lombard: widen I-5 to 3 lanes
  - Summer 2002-2004: Conduct environmental assessment and design work
  - Post 2004: Construction of Delta Park to Lombard

- 2003 – 2009: Environmental Impact Study on Bridge Influence Area
  (new supplemental or replacement bridge, interchange improvements between SR 500 and Columbia Blvd., including light rail between Expo Center and downtown Vancouver)

- 2010+: Construct improvements in Bridge Influence Area.

RECOMMENDED ACTION

That the Joint Policy Advisory Committee on Transportation (JPACT) and Metro Council endorse the Interstate-5 corridor strategy, as recommended by the I-5 Transportation and Trade Partnership Task Force at their June 18, 2002 meeting. This endorsement, in the form of the attached resolution, would call for the needed policy and project updates to be included in the next Regional Transportation Plan (RTP) update, scheduled to begin in Spring 2003.

DRAFT

BEFORE THE METRO COUNCIL

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BE IT RESOLVED,

1. That the Joint Policy Advisory Committee on Transportation (JPACT) and Metro Council endorse the Portland/Vancouver I-5 Transportation and Trade Partnership's "Final Strategic Plan" (June 2002) including the following improvements for the Interstate-5 corridor, as recommended by the I-5 Transportation and Trade Partnership Task Force at their June 18, 2002 meeting:

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Approved as to Form:

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  1. Additional inter-city passenger rail service in the Pacific Northwest High Speed Rail Corridor
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Land Use:

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Next Steps/Implementation

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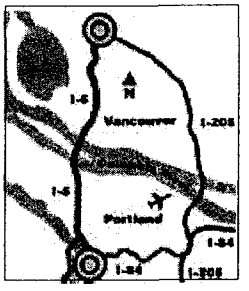
- 2010+: Construct improvements in Bridge Influence Area.

RECOMMENDED ACTION

That the Joint Policy Advisory Committee on Transportation (JPACT) and Metro Council endorse the Interstate-5 corridor strategy, as recommended by the I-5 Transportation and Trade Partnership Task Force at their June 18, 2002 meeting. This endorsement, in the form of the attached resolution, would call for the needed policy and project updates to be included in the next Regional Transportation Plan (RTP) update, scheduled to begin in Spring 2003.

Introduction

- Bi-state planning project
- Sponsored by ODOT, WSDOT and FHWA
- Led by a 28-member bi-state Task Force
- Purpose of Project: Develop a strategic plan for I-5 Corridor between Portland and Vancouver



Project Overview/Purpose

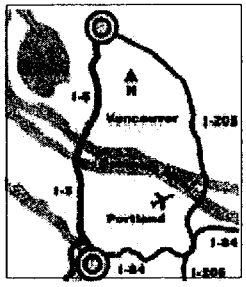
- Multi-faceted plan – looking not only at freeway, but also...
  - transit service in the corridor
  - managing demand
  - Freight, inter-city passenger, and commuter rail

Status of Project

- A 28-member bi-state task force began its work on the plan in January 2001 and completed their recommendations in June 2002.
- Members of the committee included elected, business, neighborhood and community representatives.
- In developing the plan 7 rounds of public review were held.
- Approximately 1700 people participated in the process

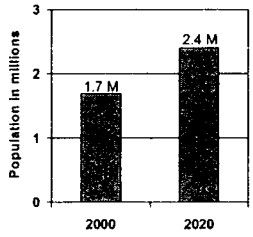
Why Plan for this Corridor?

- One of the most congested corridors
- Key corridor for freight movement – unique nexus for trade
- Anticipated growth - will make the corridor's problems worse
- Threatens economic promise and livability



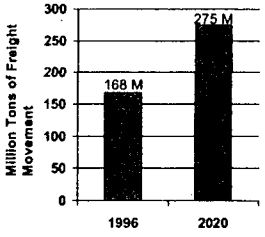
Population Growth

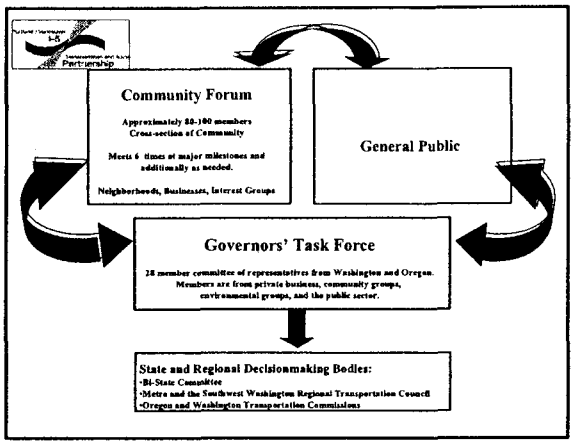
- Population Growth:
  - 1.7 million today
  - 2.4 million in 2020



Growth in Trade

- *Growth in Trade:*
  - 168 million tons in 1996
  - 275 million in 2020





Overview of the Process

- **January 2001 – May 2001:** Visioning and Development of Options
- **June – November 2001:** Evaluation of Option Packages/Land Use Analysis
- **December 2001 – January 2002:** Draft Recommendations
- **February 2002 – May 2002:** Re-Evaluation and Development of Additional Draft Recommendations
- **May – June 2002:** Development of Final Recommendations

Involvement of the Community

- Task Force membership
- Community Forum
- Design workshops
- Public input at milestones
- Environmental justice stakeholder meetings
- Public comment at meetings

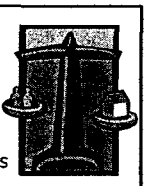
I-5 Partnership Public Outreach Activities

- **Mailings** (up to 45,000 people)
- **E-mail**
- **Canvassing**
- 7 rounds of **open houses/public meetings**
- **Visits** with neighborhood, business and other groups
- **Website -- information and surveys** (over 4,500 primary computers have accessed the site over 330,000 times)
- **News features & Advertisements** -- billboard, media
- **Information sites** -- libraries, coffee shops, etc.

Vision & Values

- The final plan, when implemented, will improve our quality of life by:
  - Supporting balanced achievement of community, neighborhood, and regional goals for growth management, livability, the environment, and a healthy economy with promise for all.

Vision & Values - Continued



- Distributing fairly the associated benefits and impacts for the region and the neighborhoods adjacent to or affected by the Corridor and;
- Protecting our future with an improved and equitable balance of: livability, mobility, access, public health, environmental stewardship, economic vitality and environmental justice.

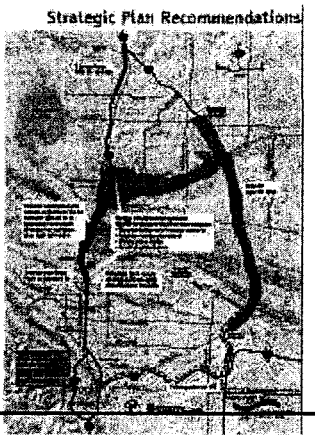
Evaluation Factors

- Maintain or Improve Transportation Performance
- Support Trade and Freight Movement and the Regional Economy
- Maintain or Enhance Quality of Life
- Avoid and Minimize Impacts to the Environment
- Support Regional Land Use Plans
- Distribute Benefits, Costs, and Impacts Equitably
- Evaluate Costs

Option Packages Evaluated

- No Build
- Baseline
- Express Bus/3 Lanes
- Light Rail/3 Lanes
- Express Bus/4 Lanes
- Light Rail/4 Lanes
- West Arterial Road

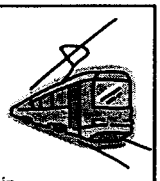
- Highway
- Transit
- TDM
- Land Use
- Environmental Justice
- Rail



Recommendations

- **Highway Recommendations:**
  - The freeway should not be widened to add a 4th lane in each direction throughout the corridor
  - I-5 should be 3-through lanes throughout the corridor, including Delta Park to Lombard
  - Up to 2 additional lanes should be added across the Columbia River
  - Interchange improvements between: SR 500 in Washington and Columbia Blvd in Oregon

Recommendations - Cont.

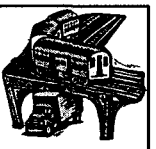


- **Transit Recommendations:**
  - Light rail loop should be implemented in Washington and connect with the Oregon light rail system
  - Basic transit service levels should be increased substantially, per regional priority/strategic plans
- **Land Use Accord:**
  - No new bridge (highway or transit) until interchange management plans and station area plans are approved by an expanded bi-state committee

Recommendations - Cont.

- **Environmental Justice:**
  - Establish a bi-state EJ Work Group to follow EIS
    - Impacts, Benefits, Outreach
  - Establish a Community Enhancement Fund
- **Transportation Demand Management:**
  - Commit to a comprehensive use of TDM/TSM strategies and pursue additional funding for transit and TDM/TSM strategies.
  - Prepare an "I-5 TDM/TSM Corridor Plan"
  - Fund and implement additional TDM/TSM strategies now.

Recommendations - Cont.

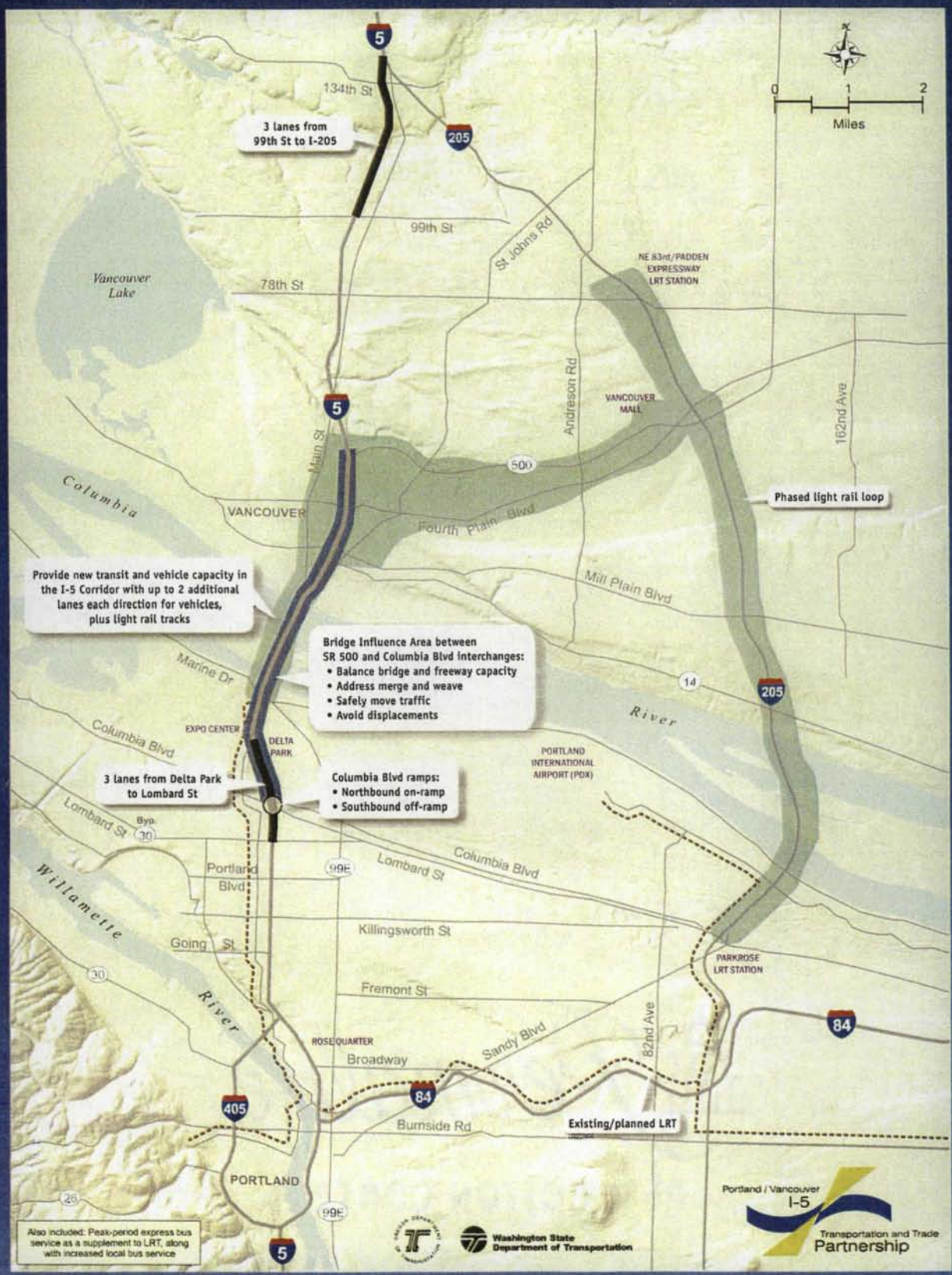


- **Rail:**
  - Pursue rail improvements to accommodate 20 year freight rail growth in the I-5 Corridor and frequent, efficient intercity passenger rail service.
  - Establish a public/private Bi-State rail forum
  - The rail forum and regional decision-makers should encourage funding for:
    - Additional inter-city passenger rail service in the Pacific Northwest High Speed Rail Corridor
    - High Speed Rail service in the Corridor; and
    - The replacement of the existing "swing span" with a "lift span" located closer to the center of the river channel

Next Steps

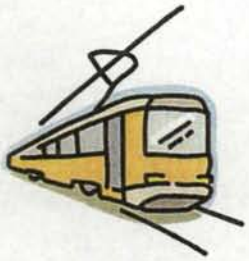
- EA for I-5: Delta Park to Lombard (Begins Fall 02)
- EIS for Bridge Influence Area (within 2 yrs)
- Working on adoption of land use accord with regional partners (Fall 02-Winter 03)

Final Strategic Plan Recommendations



Portland / Vancouver I-5 Transportation and Trade Partnership

Final Recommendations at a Glance



Transit:

- Provide a phased light rail loop in Clark County in the vicinity of the I-5, SR500/4th Plain and I-205 Corridors.
- Provide peak-hour, premium express bus service in the I-5 and I-205 Corridors to markets not well served by light rail.
- Increase transit service in the Corridor over the next 20 years called for in regional transportation plans.

Interstate 5:

- The I-5 freeway between the Fremont Bridge in Portland and the I-205 interchange in Vancouver will be a maximum of 3 through lanes in each direction. This includes widening I-5 to 3 lanes between Delta Park and Lombard, and 99th St. to I-205 in Vancouver.
- Designate one of the 3 through lanes for use as a high occupancy vehicle (HOV) lane during the peak period, in the peak direction.
- Add a new supplemental or replacement bridge across the Columbia River with up to 2 auxiliary and/or arterial lanes in each direction, and 2 light rail tracks.
- Improve interchanges between SR 500 and Columbia Blvd to address safety and capacity problems -- including making Columbia Blvd into a full interchange.
- In adding river crossing capacity and making interchange improvements every effort should be made to: 1) avoid displacements and encroachments, 2) minimize the highway footprint and 3) minimize the use of the freeway for local trips.

Additional Rail Capacity:

- Pursue the rail infrastructure improvements required to accommodate anticipated 20 year freight rail growth in the I-5 Corridor and frequent, efficient intercity passenger rail service.
- Establish a public/private Bi-State rail forum to advise regional decision makers about prioritizing, scheduling and funding of needed rail improvements.
- The rail forum and regional decision-makers should encourage funding for:
  - Additional inter-city passenger rail service in the Pacific Northwest High Speed Rail Corridor
  - High Speed Rail service in the Corridor; and
  - The replacement of the existing "swing span" with a "lift span" located closer to the center of the river channel

Land Use:

- Adopt and implement a Bi-State Coordination Accord to protect existing and new capacity and support economic development.
- Jurisdictions in the Corridor will develop and agree on a plan to manage land development to avoid adversely impacting I-5 or the Region's growth management plans.

Transportation Demand and System Management:

- Commit to a comprehensive use of TDM/TSM strategies -- alternative modes, work-based strategies, policies and regulatory strategies, pricing and TSM strategies -- and pursue additional funding for transit and TDM/TSM strategies.
- Prepare an "I-5 TDM/TSM Corridor Plan" with guidance from the proposed "Bi-State Coordination Committee"
- Fund and implement additional TDM/TSM strategies now to encourage more efficient use of the transportation system.

Environmental Justice

- Establish a Community Enhancement Fund for use in the impacted areas in the I-5 Corridor in Oregon and Washington
- Map low-income and minority communities in the corridor.
- Take list of potential impacts identified by representatives of environmental justice communities into the EIS for the Bridge and Bridge Influence Area as a starting point for more analysis.
- Work with affected communities to explore ways to offset impacts and/or bring benefits to the community.
- Develop a public outreach plan for EIS process that includes special outreach to low-income and minority communities.
- Form and coordinate two working groups for the EIS -- one for public involvement and one for environmental justice.

Finance

- OR, WA and the Portland/Vancouver region should develop a financing plan for transit and highway capital projects
- Tri-Met and C-Tran need to increase revenues for a significant expansion of transit service, starting within the next five years.
- Establish regional transit financing commitments that will allow for:
  - an aggressive bi-state TDM program and
  - an expansion of transit service to support the light rail loop.
- Seek funding to widen I-5 to 3 lanes: Delta Park to Lombard after environmental and design work is completed.

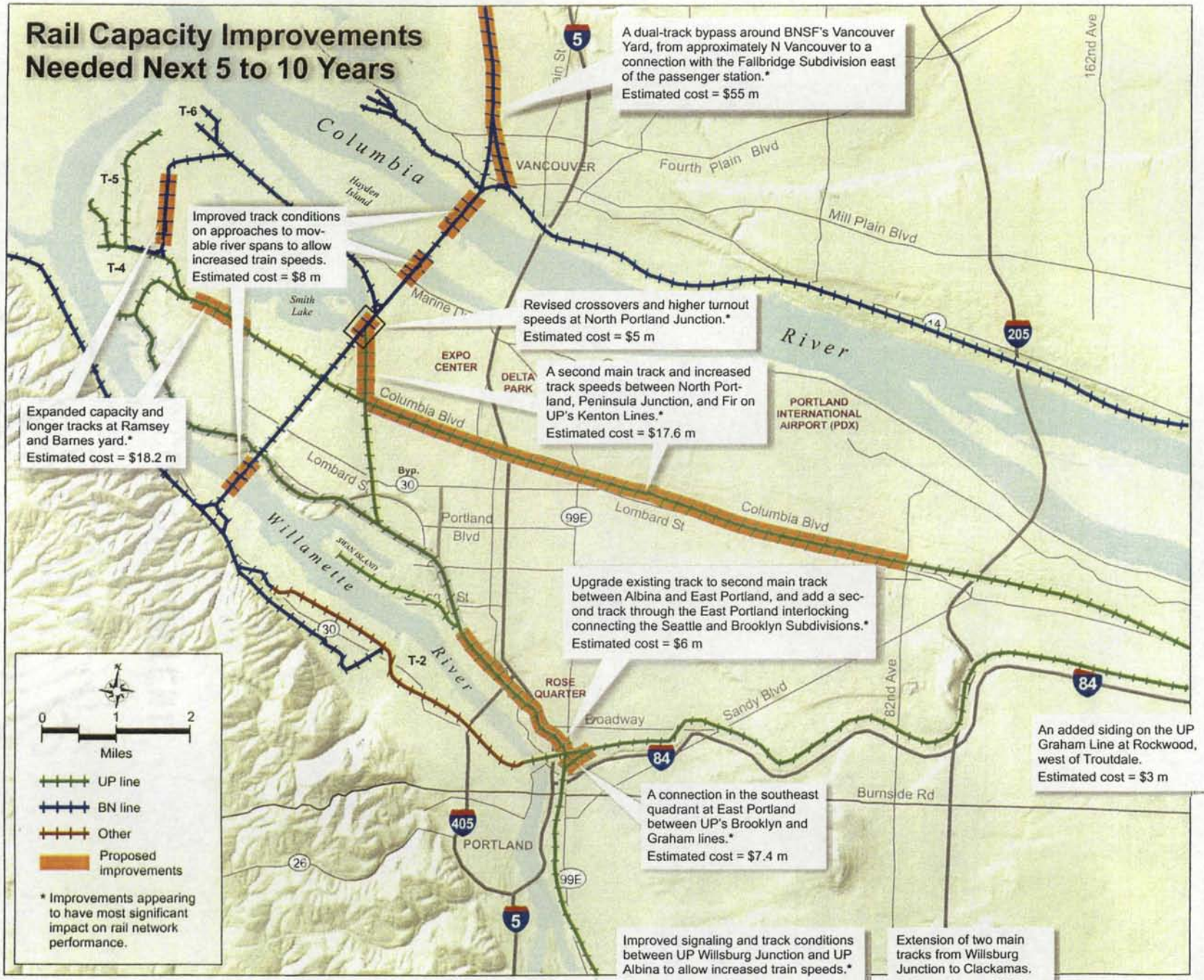
Next Steps/Implementation

- Fall 2002: SW Washington Regional Transportation Council and Metro review and amend the Regional Transportation Plans to incorporate recommended I-5 corridor improvements.

- Delta Park to Lombard: widen I-5 to 3 lanes
  - Summer 2002-2004: Conduct environmental assessment and design work
  - Post 2004: Construction of Delta Park to Lombard

- 2003 – 2009: Environmental Impact Study on Bridge Influence Area
  (new supplemental or replacement bridge, interchange improvements between SR 500 and Columbia Blvd., including light rail between Expo Center and downtown Vancouver)

- 2010+: Construct improvements in Bridge Influence Area.


Rail Capacity Improvements Needed Next 5 to 10 Years
A dual-track bypass around BNSF's Vancouver Yard, from approximately N Vancouver to a connection with the Fallbridge Subdivision east of the passenger station.*
Estimated cost = $55 m
Improved track conditions on approaches to movable river spans to allow increased train speeds.
Estimated cost = $8 m
Revised crossovers and higher turnout speeds at North Portland Junction.*
Estimated cost = $5 m
A second main track and increased track speeds between North Portland, Peninsula Junction, and Fir on UP's Kenton Lines.*
Estimated cost = $17.6 m
Expanded capacity and longer tracks at Ramsey and Barnes yard.*
Estimated cost = $18.2 m
Upgrade existing track to second main track between Albina and East Portland, and add a second track through the East Portland interlocking connecting the Seattle and Brooklyn Subdivisions.*
Estimated cost = $6 m
An added siding on the UP Graham Line at Rockwood, west of Troutdale.
Estimated cost = $3 m
A connection in the southeast quadrant at East Portland between UP's Brooklyn and Graham lines.*
Estimated cost = $7.4 m
Improved signaling and track conditions between UP Willsburg Junction and UP Albina to allow increased train speeds.*
Estimated cost = $2 m
Extension of two main tracks from Willsburg Junction to Clackamas.
Estimated cost = $10.2 m
0 1 2
Miles
UP line
BN line
Other
Proposed improvements
* Improvements appearing to have most significant impact on rail network performance.
Columbia River
Willamette River
VANCOUVER
Fourth Plain Blvd
Mill Plain Blvd
162nd Ave
Hayden Island
Smith Lake
Marine Dr
EXPO CENTER
DELTA PARK
PORTLAND INTERNATIONAL AIRPORT (PDX)
Columbia Blvd
Lombard St
Byp.
Portland Blvd
99E
ROSE QUARTER
Broadway
Sandy Blvd
82nd Ave
Burnside Rd
PORTLAND
T-6
T-5
T-4
T-2
5
205
84
405
30
14
26

Swan Island TMA

June 18, 2002

To: I-5 Task Force

From: Lenny Anderson, Project Manager, Swan Island TMA
Board Member, Swan Island Business Assoc.
Member, ICURA CAC
Member, I-5 Task Force
Resident, NE Portland

Subj: I-5 Task Force Recommendations

While many of the elements in the I-5 Transportation and Trade Partnership Strategic Plan for the I-5 corridor are laudable, the effort is deeply if not fundamentally flawed.

This Plan is not based on the movement of freight or on the needs of the regional economy. Despite a name that includes "Trade," the movement of freight has been a secondary consideration from the start. NO new data have been developed or presented in a timely fashion to provide a basis for these recommendations; NO effort was made to understand the character and direction of this region's economy and the infrastructure needs of that economy.* Indeed, some of the recommendations outlined in the Strategic Plan make conditions worse for trucks in N/NE Portland. (see note on Swan Island below.) Here are some specific freight movement ideas that would merit study:

- Truck bypass lanes at metered on-ramps
- Legalization of "Triples" in Washington State
- Truck exclusive use of HOV lanes in non-peak hours

The second major flaw is the Strategic Plan's suggestion that investing over $1 billion in a new river crossing will actually provide a transportation fix. It is clear from the data provided by staff, that more bridge capacity across the Columbia River, regardless of how it is configured, will increase the number of vehicles---mostly SOVs--- coming into Portland by between 30% and 50%. This is bad for regional air quality, bad for freight movement and bad for the quality of life in Portland's north and northeast neighborhoods. We have 14 lanes of freeway across the Columbia, now we need to build more options:

- Lightrail and local transit service
- HOV lanes on existing capacity
- Bike/Pedestrian facilities

*Joe Cortright's study: "Transportation, Industrial Location and the New Economy," commissioned by the Port of Portland, might have been a good place to begin. Interestingly enough, he notes in the Executive Summary, page ii, "Interviews with local firms indicate...general satisfaction with Portland's transportation infrastructure."

Swan Island Transportation Management Association
A project of the Swan Island Business Association
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Two adjustments to the existing Strategic Plan will help to reduce the negative impacts noted above:

1. rescind the decision made at the April, 2002 Task Force meeting to exclude consideration in the EIS of a reconfigured 6 lane freeway with two additional 2 lane arterial bridges, one with LRT and the other in the heavy rail or other not yet determined alignment. This option was removed from further consideration by a 10-10 vote, which suggests broad support for its inclusion.
2. include an explicit commitment that a minimum of 1% of project costs will be set aside for restoration projects in neighborhoods that existed in the Corridor prior to the construction of I-5 through Vancouver and Portland in the 1950's and 1960's.

Task Force recommendations' impact on key Swan Island businesses.

On Swan Island, where the Swan Island TMA works to create roadway capacity for freight (2 SOVs = 1 Tractor-trailer), these recommendations have the potential to negatively effect key area businesses... for example:

Freightliner is the one of, if not the, largest manufacturing concerns in the City of Portland. Currently it brings many of its subcontracted parts and assemblies to Swan Island from the Columbia Corridor via Columbia Boulevard and I-5. **The widening of the Slough Bridge southbound for the benefit of Clark county commuters will require those shipments to merge onto I-5, from Columbia where now they have a merge-free on ramp and a free flowing roadway due to the metering effect of the Slough Bridge.**

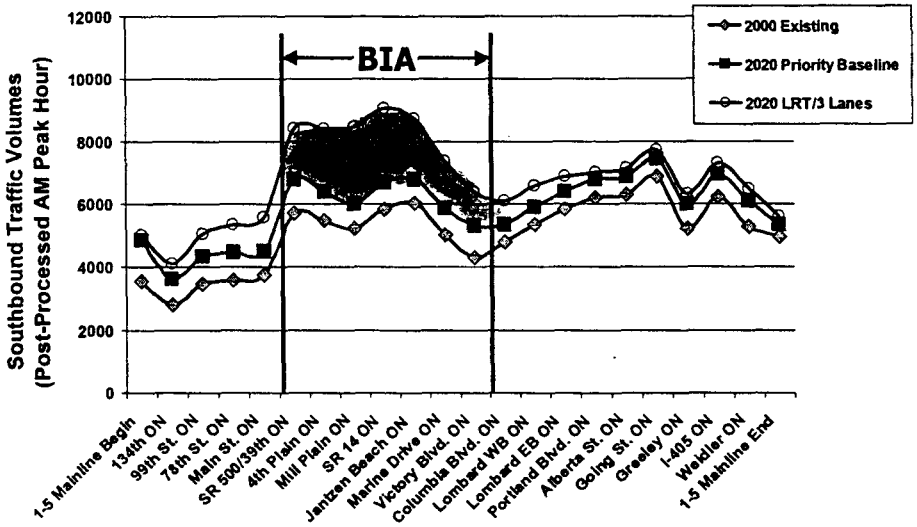
UPS has its major regional hub on Swan Island, but **has built and staffed a distribution center in Vancouver for deliveries in that area.** More bridge capacity will allow their competitors to ship out packages from their Oregon hubs and compete more effectively without comparable investment in facilities and jobs in Clark county.

adidasAmerica has relocated their North American HQ with approximately 1000 employees from Beaverton to north Portland in part in response to employees' desire to live in a city environment and have the amenities of a larger city. **No product is shipped out from their new facility, but added bridge capacity will bring 100s of additional vehicles through the very neighborhood in which they have chosen to locate and compromise the livability that drew them here in the first place.**

These recommendations do harm to Portland's neighborhoods and major employers. In addition they have the potential to restrict the expansion of businesses on Swan Island which operates under a statutory limit on PM Peak vehicles. In effect they will reverse the effort to create capacity for freight on Swan Island; **for every two additional SOVs that come to Swan Island, one Tractor-trailer will have to be parked!**

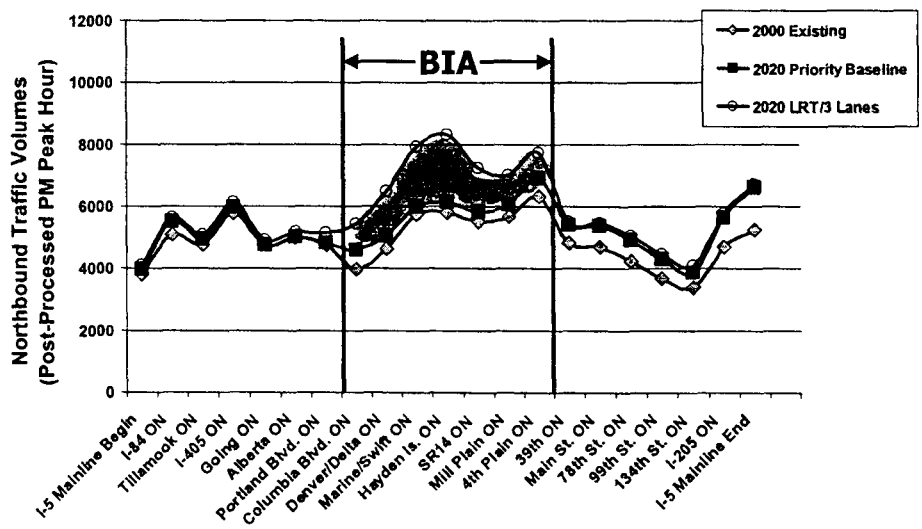
Southbound Travel Volumes

Along I-5 (AM Peak Hour)



Northbound Travel Volumes

Along I-5 (PM Peak Hour)



Swan Island TMA

May 2, 2002

To: I-5 Task Force

From: Lenny Anderson, member, I-5 Task Force,
Swan Island TMA project manager & NE Portland resident

Subj: "The Choice Solution" or why the I-5 Corridor Environmental Impact Statement needs to look at Transportation Demand Management/Transit/Arterial Bridge solutions to I-5 transportation needs.

Background:

- I-5 and the Columbia Corridor form **the crossroads** of the regional economy.
- Reliable movement of freight into, out of and through the CC are key to the region's **economic viability.**
- And CC is a major **employment center** with a high percentage of Washington residents.
- During I-5 peak hour congestion, only **10%** of vehicles are carrying freight.
- And, between 1/3 and ½ of all I-5 trips across the Columbia River are **local trips.**
- Tri-Met 5 Interstate is the only local transit service across Columbia; both C-Tran and Tri-Met **lack the resources** to provide increased transit service.
- Incidents account for **50%** of all congestion on I-5 between Columbia Blvd. and SR500.

Problem:

- Due to a lack of transportation choices, **freight must compete for valuable lane capacity on I-5 with single occupancy vehicle (SOV) commutes** to employment in the Columbia Corridor.
- **Access is compromised** to the Ports of Portland and Vancouver.
- All local traffic must use I-5 bridge.

Forcasts:

- Metro forecasts continued **growth** in regional population
- The existing housing/employment **imbalance** between Clark county and the Metro area will continue.
- Freight movement will grow and become even more critical to the region's economic viability as region becomes even more **an export based economy**.
- Interstate Avenue, Downtown Vancouver and the Columbia Corridor are **prime redevelopment areas** that require transportation choices.

Goal:

- Provide for the growth of freight movement along I-5 and improve accessibility for commuters at the same time in the **most cost effective manner and with the least harm to existing communities and the environment.**

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Solution: Provide "The Choice Solution!"

- Offer cross river commuters **the broadest possible menu of transportation choices,** including LRT with local bus transit, express bus, commuter rail, HOV lanes, bike/ped access, and arterial links between Vancouver and Portland.
- Expand TDM, including **direct marketing** strategies such as Travel Smart to maximize utilization of transportation choices.
- Expand TSM, including **tolling**, to maximize the utilization of existing I-5 capacity.
- Offer **freight priority** with on ramp bypasses and use of HOV lanes during non-peak hours.

Opportunities:

- **Interstate MAX**, September, 2004
- **Redevelopment** along Interstate Avenue and downtown Vancouver

Lenny Anderson
Transportation Options
lenny@hevanet.com

2934 N.E. 27th Avenue
Portland, Oregon 97212
Phone: 503-460-0211

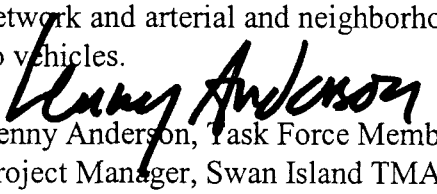
June 18, 2002

Now a final thought on the Task Force's Strategic Plan.

I worked in the paper and forest products industry for a dozen years. In the early '90s the technical folks from the forest products side got together with those of us from the paper side to discuss the Old Growth issue, then very hot. They pointed out that they needed the last 10% or so of Old Growth to allow them time to transition to second growth technology, etc. One of our guys then said, "so you are going to make the transition." They said, "sure, we have to but not now! Later!" So the question was not IF, but WHEN does the transition occur...before we harvest the last of the Old Growth or after.

In the I-5 Corridor it is, in many ways, a similar story. Most of us agree that we will have to make the transition from an exclusively roadway capacity and private vehicle based technology to a balanced transportation system with more options for goods and people. The question is do we begin that transition NOW, creating real options to freeway travel by putting light rail on a fast track and underwriting a serious TDM effort. Or do we put it off for another ten to twenty years by spending a billion dollars or so on more freeway capacity across the River.

Once built, any new capacity will be full, so then we will have no choice but to aggressively expand the transportation options across the River. But valuable time will have been lost, money spent, air and water quality compromised, and Portland's freeway network and arterial and neighborhood streets will be overwhelmed with another 40K or so vehicles.



Lenny Anderson, Task Force Member
Project Manager, Swan Island TMA
Resident, Northeast Portland

Reduce Congestion on I-5

Proposed arterial would attract traffic off I-5 to a new expressway built over the railroad tracks in the exiting cut:

THE NORTHWEST PASSAGE

What it does

- Connects major regional industrial areas on **one route.**
- Creates a fast, direct route to downtown Portland and downtown Vancouver.
- Removes 25% of the traffic off of I-5 and 15% off of I-205. Also improves I-84.
- Reduces traffic on many local streets.
- Connects nine major arterials in **less that six miles**.
- Located away from I-5, so a single incident will not close all river crossings.
- Second way off of Swan Island.
- Second Bridge to Jantzen Beach and third bridge to Vancouver

What it is:

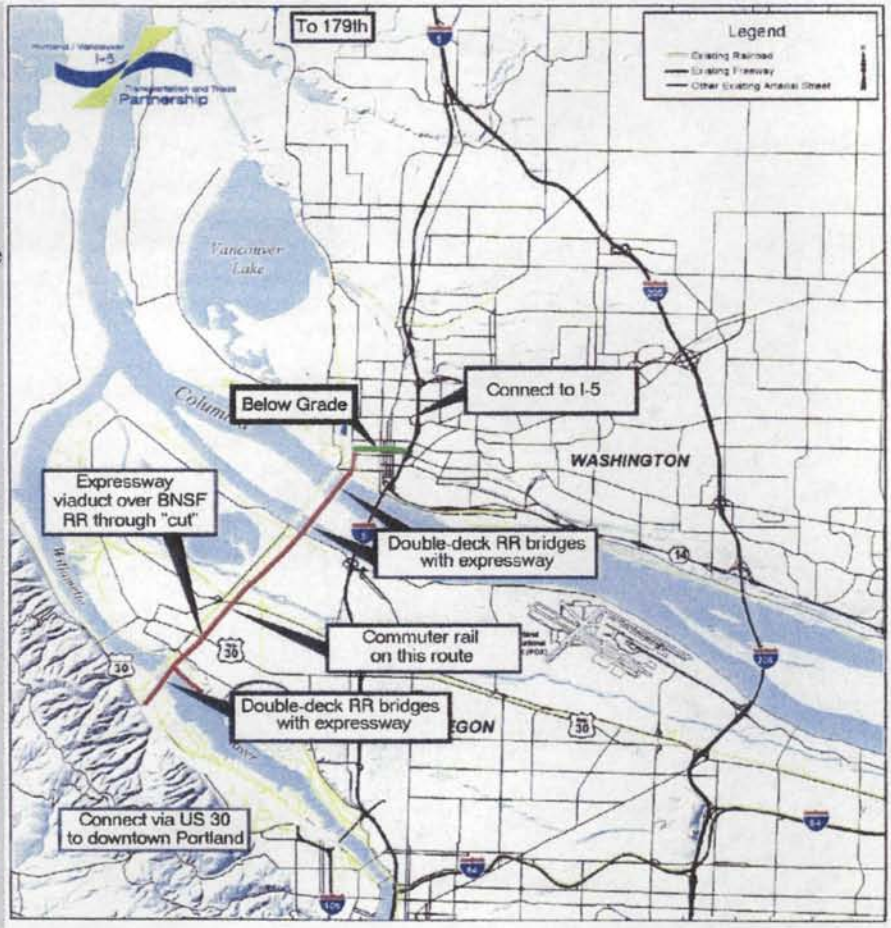
- Expressway over existing railroad in existing cut through North Portland.
- Double deck bridges over both the Willamette and Columbia rivers for trains (freight and commuter rail), trucks, cars, bikes and pedestrians.

Unlike construction on I-5, this can be built without interfering with traffic and destroys fewer homes than any other option - most required land is now vacant. But it may not remain vacant for long - **this may be our last chance to solve this problem.**

Sharon Nasset's
Northwest Passage Proposal

New bridges over the Columbia & Willamette Rivers for:

Freight rail
Commuter rail
Express way
Vehicle
Bike
Pedestrian



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www.NewInterstateBridge.com

brochure#4-09.wpd

M E M O R A N D U M

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TEL 503 797 1700 | FAX 503 797 1794

METRO

DATE: November 4, 2002

TO: JPACT

FROM: Andy Cotugno

RE: TEA-21 Reauthorization Policy Priorities

At the December JPACT meeting, we should adopt the region's position paper on TEA-21 Reauthorization, dealing with both policy and project issues. In August, we reviewed a large document presenting various policy issues (another copy is attached). Last month, there was discussion of project priorities. This month, we should narrow the policy issues to a shorter priority list that becomes our primary focus of emphasis.

Although the attached list of policy issues is important, certain issues should be the priority emphasis. My suggestions are as follows:

1. Funding levels

   The most paramount issue is to increase the funding levels available for transportation. This is particularly important in light of the growing national budget pressures, the increasing federal deficit, the added costs placed on the transportation system due to national security and the growing needs generally. Without increasing the overall program, any debate about changes in any particular program direction is moot. In addition, current provisions for maintaining the firewalls between the transportation trust fund and the rest of the federal budget, minimum appropriation level guarantees and provisions for increasing spending levels if trust fund receipts are higher than estimated (RABA) should continue. Revenue options under discussion to increase the program include:

   - Indexing the gas tax (potentially retroactive to 1992)
   - Changing the ethanol tax credit to provided lost funding to the transportation trust fund from the general fund
   - Recapturing interest on the trust fund from the general fund
   - Bonding against increased resources

2. The most important programmatic policy area is to preserve the basic structure established by ISTEA and TEA-21, including flexible funding provisions, the role of the MPO in project selection, sub-allocation of STP funds to MPOs and consideration of sub-allocation of CMAQ funds to MPOs.

3. The funding categories that are likely to have the greatest impact on the Metro region for discretionary funds are the transit "New Starts" program and the highway "Borders and Corridors" program. Both programs should be increased and operate much like the present "New Starts" program, to fund large discretionary projects through a rigorous, merit-based approach.

4. Various program changes are under consideration to increase the emphasis on all forms of freight transportation, including research, data collection and funding flexibility, including provisions for selected improvements to the freight rail system. Because of the strong freight character to the Portland area economy, these should be a priority area for the region.

5. The Transportation and Community and System Preservation Pilot Program (TCSP) was created under the direction of Senator Wyden to make the connection between land use planning and transportation investment. The Senator is interested in making changes that ensure the program is used for its intended purpose rather than being earmarked for unrelated projects as in the past several years. The Portland region has had an important national leadership role in making the land use/transportation connection and should assist on this effort.

Also attached for your information is a draft position paper under development by ODOT, the League of Oregon Cities and Association of Oregon Counties. It appears consistent with our policy positions and does a good job of establishing the need.

cc: TPAC

Regional Discussion Draft
Reauthorization of the
Transportation Equity Act for the 21st Century
(TEA-21)
Portland, Oregon
August 7, 2002

1) Major Funding & Policy Issues

a) Transportation Funding.

i) Setting the Baseline for TEA-21 Reauthorization.

The Transportation Equity Act for the 21st Century (TEA-21) authorized the Revenue Aligned Budget Authority (RABA) to create a more direct linkage between the revenues coming into the highway Trust Fund and the revenues being appropriated to highway and transit construction. Over the first four years of TEA-21, RABA generated significant increases in federal transportation funding. However, the Administration has proposed a significant cut in RABA funding for FY 2003. Unless funding is restored, the baseline spending level for the reauthorization of TEA-21, and the overall level of funding for the five-year authorization period, could be significantly reduced.

Background: The Administration has proposed a RABA formula allocation in its fiscal 2003 budget to Congress that represented an $8.6 billion or 27 percent cut from FY 2002 levels. Congress has indicated that it will likely restore a portion of these highway funds, enough to bring FY 2003 highway spending up to the TEA-21 authorized level of $27.7 billion but well short of the $31.8 billion FY 2002 level. Restoration is important not only for FY03 programs but because the FY03 funding level could establish the baseline for the TEA-21 reauthorization spending levels.

Oregon receives, on average, 1.2 percent of federal aid highway allocations so the impact on the state of setting the reauthorization baseline at the RABA level versus the authorized level is approximately an additional 14 % or approximately $50 million per year in additional funds. Over the course of the six-year authorization the difference would amount to more than $300 million in additional funds if the higher authorization level is achieved.

If the Administration's FY03 budget proposal were to become the new authorization baseline, Oregon could stand to loose approximately $100 million per year over the FY02 RABA levels or $600 million over the life of the new authorization.

Policy Proposal: Support restoration of the highway program spending cuts proposed by the Administration. The "baseline" spending levels in the new TEA-21 should not be influenced by the lower levels proposed in the Administration's FY 03 budget.

Restoring the baseline to the TEA-21 authorized level would increase spending by $4 billion in the first year of the new bill. Restoring funding to the FY02 spending level would increase spending by $8 billion in the first year of the new bill.

Consistency: this is essential to the implementation of the RTP.

ii) Increase Overall Funding Levels: Additional funding is the most critical issue for the reauthorization of TEA-21.

Background: The overall level of funding for the highway trust fund largely determines the level of funds available for all federally funded transportation programs including highways, bridges, light rail, bus, bike, pedestrian and planning.

TEA-21 Improvements. Federal highway and transit funding increased dramatically under TEA-21. Guaranteed highway funding levels increased 42 percent over the Intermodal Surface Transportation Efficiency Act (ISTEA) levels to $27 billion. Transit guaranteed levels increased 31 percent. Congress also RABA for the highway program, linking highway spending to trust fund receipts. RABA in particular has generated significantly higher highway funding levels at the national level than would have been available under a fixed authorization formula.

Revenue Aligned Budget Authority. Despite increased funding in TEA-21, needs have continued to outstrip resources because of the aging of the system, increased growth and congestion, growing interest in rail new start projects around the country and the additional cost of responding to new requirements such as the endangered species act. And, although RABA has generated significant additional resources for the highway formula program, recently the appropriations process has varied from the original formula allocation of RABA funds with a few key states receiving earmarks of the full RABA amount. In addition, the interest on the Trust Fund was diverted to the general fund in TEA-21, reducing the available funds significantly.

Inflation. The federal gas tax is a fixed $18.3 cents per gallon. Because it is not indexed to inflation, each year the federal Highway Trust Fund loses purchasing power in real terms. The national inflation rate for heavy highway construction has averaged (%%) per year over the life of TEA-21.

Ethanol Tax Credit. The federal government supports the ethanol industry with a 5.3 cents per gallon tax credit for "gasohol" which consists of 90 percent gasoline and 10 percent ethanol. With the federal tax incentive, companies that blend ethanol pay a 13 cents per gallon federal excise tax, compared with the standard 18.3 cents per gallon tax on motor fuels.

Additionally, 2.5 cents per gallon of the excise tax on ethanol-blended fuels is diverted to the Treasury's general fund. The highway trust fund receives only 10.5 cents per gallon for each gallon of ethanol-blended gasoline, 7.8 cents less than

gasoline. Between fiscal 2000 and 2010 approximately $15.3 billion will be lost to the highway trust fund due to the ethanol tax credit and diversion to the general fund.

The American Association of State Highway and Transportation Officials (AASHTO) has set a goal of increasing the federal highway program from $34 billion in fiscal year 2004 to $41 billion in fiscal year 2009 - an increase of 34 percent. The goal for transit is to see an increase from $7.5 billion to $10 billion over six years. In part, AASHTO has proposed funding the increased size of the program through a Federal Transportation Finance Corporation through the use of debt. The goal of the American Public Transportation Association (APTA) is to increase the transit program to $14 billion per year.

Policy Proposal: Additional funding is necessary to meet the federal and local objectives of the transportation program. There are a number of approaches that could be taken to increase funding. They include:

(a) Spend the accumulated balances in the Trust Fund.
(b) Return RABA generated funds to the state formula allocation. Eliminating earmarking would have resulted in an additional $1 billion in formula highway funds in FY 02 distributed to the states by formula.
(c) Use general fund dollars to compensate the Trust Fund for the lower tax rate on ethanol ($.053 lower tax rate) and the portion of the ethanol tax now going to the general fund is $.025). These ethanol tax credits cost the Trust Fund approximately $1.5 billion per year.
(d) Rededicate interest payments currently going to the general fund to the Highway Trust Fund.
(e) Index the federal gas tax to reflect inflation.
(f) Support the Federal Transportation Finance Corporation if tied to new revenues.

Consistency: increased funding is the single most important issue, not only to better fund on-going programs but to allow creation of new programs outlined in this paper.

iii) **Oregon Highway Formula Allocation:** Oregon won a significant victory in TEA-21, changing the national formula to return more federal tax dollars to Oregon.

Background: Oregon won a major victory in TEA-21 with the passage of a highway allocation formula that boosted the state's allocation from $0.89 returned to the state for each $1.00 of tax paid to $0.94 cents returned for each $1.00 paid. The highway allocation formula is critical to the state, local governments, transit districts, and the region because it dictates the amount of funding that is available for planning, air quality improvement, bicycle and pedestrian facilities as well as highway and bridge repair and construction.

Analysis: Next to the overall level of highway trust fund revenues, the allocation formula is the most important factor in determining the amount of federal highway, STP, CMAQ and other transportation funding received by the state. A small change in the formula translates into tens of millions in additional funds allocated to the state. Allocations are based in part on Census data. In past years, the most recent Census data has not always been used, even when available. This has disadvantaged high population growth states and geographic regions.

Policy Proposal:

(a) Support the state's efforts to secure its fair share of federal Highway Trust Fund allocations and improve its position even further in the upcoming reauthorization.
(b) Oppose further suballocations of the trust fund. Suballocations actually reduce the flexibility of federal transportation dollars, rather than increasing flexibility as envisioned in ISTEA and TEA-21.
(c) Congress should require use of the 2000 census wherever the law calls for population in its federal formula programs. If the 2000 census is not available, under no circumstances should data acquired before the 1990 census is used.

Consistency: at least maintaining the formulas that result in Oregon receiving 94%, return is consistent with the RTP.

iv) Maintain firewalls and funding guarantees.

Background: Prior to TEA-21, Highway Trust Fund dollars were counted as part of the overall federal budget. Transportation was forced to compete against other federal programs for funding. This resulted in years of under-investment in transportation while at the same time unspent Trust Fund balances ballooned. TEA-21 restored the integrity of the Trust Fund and guarantees that all of its revenues will be spent on transportation.

TEA-21's Revenue Aligned Budget Authority (RABA) provisions have generated significant resources for the highway program. RABA funds are allocated to states based on TEA-21's highway allocation formula. Recently, however, the appropriations process has earmarked funds rather than follow the formula approach.

Analysis: Guaranteed funding for highway and transit programs has provided much needed stability of funding levels, allowing for longer range planning and investment strategies and multi-year federal commitments.

Policy Proposal:

(a) Support maintaining firewalls that separate the Trust Fund from the unified budget.

(b) Support continuation of guaranteed funding for highway and transit programs.
(c) Work to sustain RABA and its formula allocation approach in the next bill, ensuring that Trust Fund balances do not accumulate.
(d) Support the current ratio between the highway and transit accounts of the Trust Fund.

Consistency: this is essential to the implementation of the RTP by shielding transportation appropriations from unexpected budget cuts.

v) **Additional funding for New Starts.**

Background: Since the construction of the original eastside MAX light rail project, the Portland region has received more than $1 billion in New Starts funding. The region has become a national model for using the development of light rail projects to respond to growth, congestion and regional land use and development goals.

Our success has spurred other communities to pursue light rail initiatives of their own. Currently there are 11 projects in Final Design and 39 in Preliminary Engineering. The projects will likely seek a total of $21.1 billion in TEA-21 authority.

The national growth in proposed New Starts projects has raised congressional attention and support for the program. TEA-21 increased the authorized funding available for the New Starts program from $760 million in FY1998 to $1.2 billion in FY2003.

Analysis: While funding has increased, the New Starts program is under intense pressure to respond to a growing number of candidate projects across the country. The most optimistic assumptions for the program call for spending approximately $10 billion over the next authorization period.

It is a very high priority for the region that the New Starts program remains and increases in funding level.

Current regional priorities for funding from the New Starts Program are:

- to complete appropriations toward the FFGA for Interstate MAX;
- execute an FFGA for Wilsonville to Beaverton Commuter Rail and complete appropriations;
- obtain authorization for the South Corridor project; execute an FFGA and complete appropriations.

Taking a longer-term view, future priorities for New Start funding need to be sorted out. Based upon past funding actions of JPACT, consideration should be given to:

- beginning the Clark County loop connecting Interstate MAX and airport MAX;

- the downtown Portland Transit Mall alignment for MAX;
- extension of the Portland Streetcar into North Macadam and along the Willamette Shore route to Lake Oswego.

Policy Proposal: Support a significant increase in federal New Starts funding to respond to the national demand for New Starts projects and to enable the region to pursue its anticipated fixed guideway initiatives. Any increase in funding for the transit program should concentrate on the New Starts program. Increased funding could come from sources noted above. Maintain current non-federal match requirements in statute and FTA flexibility in applying match requirements.

Consistency: this is essential to the implementation of the light rail portion of the RTP since this is the major source of funding and national competition continues to increase.

b) Major Policy Issues

i) Maintain or expand flexible and progressive policies in ISTEA and TEA-21.

Background: ISTEA's groundbreaking achievement was increasing the flexibility of federal transportation funds with the implementation of the STP, CMAQ and Enhancements programs. In addition ISTEA allowed states and local governments greater ability to tailor their transportation programs to reflect their individual goals and needs, while contributing to the development of a national intermodal transportation system.

TEA-21 maintained the flexible transportation funding structures of TEA-21 and implemented new programs such as TCSP that allowed even greater flexibility.

Analysis: The Portland region has used the flexibility of the federal transportation funding programs authorized in TEA-21 to shape transportation solutions that work for our cities and neighborhoods. The region has succeeded in increasing transit use at a rate faster than population or VMT growth. The result is one of the most livable communities in the country.

Policy Proposal: Urge Congress to maintain the flexible funding structure of TEA-21 and improve programs such as TCSP so they can fulfill their original.

Consistency: this is essential to the implementation of the RTP since these are sources of funds allocated through the MTIP process.

ii) Intermodal connectors and freight facilities:

Background: One of the greatest achievements of ISTEA was its emphasis on intermodalism. TEA-21 continued the ISTEA focus on intermodalism and the result has been a more flexible, efficient and integrated transportation system. In particular,

ISTEA and TEA-21 allowed greater flexibility in addressing freight mobility issues, an area that had received relatively little attention in federal funding programs previously.

The NHS Intermodal Freight Connectors report sent to Congress documents the fact that NHS freight road segments are in worse condition and receive less funding than other NHS routes. Targeted investment in these "last mile" segments would reap significant economic benefits relative to the costs.

Analysis: TEA-21's focus on intermodalism was a move in the right direction. However, the region's experience over the past six years has indicated areas of potential improvement. For example, there remain a number of limitations on the kinds of freight projects that can receive federal dollars that limit the region's ability to respond to regional priorities.

Policy Proposal:

(a) The Borders and Corridors program should be amended to focus greater resources on a few strategic freight corridors, like Interstate 5, which connect the United States, Mexico and Canada. An emphasis should be placed on projects that improve the movement of freight. The program's authorization level should be increased.
(b) Congress should clarify the eligibility of freight rail and road projects for CMAQ funding.
(c) Congress should consider transferring the 4.3-cent tax on railroad diesel fuel from the General Fund to the Highway Trust Fund to provide resources for expanded freight railroad project eligibility.
(d) Congress should encourage the creation of a Freight Advisory Group -- a mechanism for communicating with one voice to "one DOT" on freight transportation issues.
(e) A Freight Transportation Cooperative Research Program should be created.
(f) Congress should enhance the use of Transportation Infrastructure Financing Innovation Authority (TIFIA) (a credit enhancement program) by lowering the project dollar threshold from $100 million, changing the debt mechanisms from taxable to tax-free, expanding eligibility for freight projects and relaxing repayment requirements; allow pooling of modal funds; expand the State infrastructure Bank program to all states; create tax incentives for freight rail and intermodal infrastructure investment.

Consistency: this is essential to the implementation of the RTP because these recommendations would assist in implementing I-5 Trade Corridor improvements and because this region has a significant freight function.

iii) Oppose devolution or formularizing of transit discretionary grant program.

Background: During the TEA-21 authorization debate a proposal was surfaced in Congress to eliminate the discretionary transit program that allocates funds to a select group of project based on merit (including New Starts), in favor of a formula program that allocates funds based on population.

Analysis: The region opposed devolution or formularizing of the New Starts program during TEA-21 because the current discretionary grant process ensures high quality projects of a scale sufficient to address major transportation corridors. Formularizing funding would mean each state would receive only a relatively small stream of funds, making the construction of large rail projects with federal funds nearly impossible. Regions with superior projects, such as Portland, would receive no additional funding relative to region's pursuing less meritorious projects.

Policy Proposal: Continue to vigorously oppose devolution or formularization proposals.

Consistency: this is essential to the implementation of the RTP because shifting FTA funding to formula would ensure that light rail projects would <u>not</u> be implemented.

2) New Initiatives and Concepts

A number of new initiatives are being debated and analyzed at the national level. Pending the outcome of national developments, the region has not taken a firm position on a number of these concepts. These initiatives and concepts are outlined here in order for the region to be fully informed on the national level debate on TEA-21 policy.

a) Key Transit Policy Issues

i) Balancing Additional New Starts funding.

The region recognizes that attention needs to be given to the needs of existing rail systems to add to their core system capacity. Projects that will make better use of existing infrastructure can offer a cost-effective approach to build transit ridership. This region expects to be able to benefit from such investment in future years. We believe that, consistent with the priority we place on the New Starts program, some of the growth in transit spending above current levels could be devoted to addressing "core capacity" needs.

The top priority of the region is to increase funding for the New Starts program. At the same time, the region continues to support the existing balance at the federal level between New Starts, Rail Modernization and Bus Facilities programs. It will be

important to monitor proposals for an added "core capacity" program to determine whether to support it.

Consistency: increased funding for New Starts is essential to the implementation of the RTP. Creation of a "Core Capacity" funding category, may be useful since it could provide an alternative source for capacity expansion of the existing LRT corridors. Similarly, a "Small Streets" program under discussion could provide an alternative source for streetcar and commuter rail projects.

ii) Full Funding Grant Agreements for TOD and BRT.

Background: There are a set of important regional TOD, TSM and BRT projects that are often times too small to merit a FFGA for tens of millions in federal participation and too big to be funded in one or two years of the typical one to three-million dollar federal bus discretionary earmark. Transit agencies do not have the capability to carry the financing or the risk of advancing local funds to these projects in anticipation of future federal appropriations.

Analysis: There are some BRT or TSM projects in the new start pipeline, but none have actually received an FFGA. Many TOD and TSM projects leverage additional ridership, leverage positive land use patterns around transit stations and generally add value to fixed guideway improvements. At the same time, they do not generally lend themselves to the typical measures used by the FTA in evaluating FFGAs.

Over the course of TEA-21, Congress has moved increasingly to earmarking the FTA bus and bus facilities funds. Unlike the New Starts program, these earmarked projects receive no FTA evaluation or rating prior to congressional funding decisions.

Policy Proposal: To facilitate the development of these projects, which are generally cheaper options, they should be made eligible for FFGAs out of the existing bus program. The FFGAs should undergo FTA review for technical and financial feasibility and transportation benefit but the review should not be as resource demanding as the New Starts program. This would have the effect of returning at least a part of the bus program to a merit-based allocation.

Consistency: this would be useful for implementation of transit elements in the RTP through provision of a multi-year funding agreement.

iii) Streamline Project Delivery.

Background: The design build project delivery method has several advantages over the traditional design-bid-build method. Design build projects bring the architect/engineer and the general contractor together into a single contract entity.

The resulting partnership enhances communication between the parties and neutralizes their competing and sometimes adversarial business roles. Further, the owner is relieved of its "go-between" role for design/construction coordination matters since this risk is shifted to the design build contractor.

Design build often results in time savings for overall project delivery compared to the traditional method. Time savings are possible due to the ability of the design build team to begin early phases of construction while design is being completed for later phases.

Design build can sometimes yield significant cost savings, particularly in situations where flexibility in the finished product is possible. In such cases, collaboration between the designer and contractor can achieve the most efficient balance of design choices and construction methods.

Tri-Met Experience. Tri-Met has had several positive experiences with design build project delivery. Of particular note is the Portland Airport Light Rail Extension. That project used a single design build contractor for the entire project. The design build contractor was brought into the project very early in the project life, participating in Preliminary Engineering (PE) work prior to final contract negotiations and final design & construction. In fact, the design build contractor was also an equity partner in the project, providing capital funding in exchange for development rights in publicly owned property surrounding a portion of the alignment. By using the design build method, Tri-Met acquired an excellent system extension and experienced the remarkably low change order percentage of 1.5 percent.

Design build in TEA-21. Design build was introduced to the transit industry in the ISTEA Act of 1991. Several demonstration projects were established to explore this delivery method in actual transit practice, and the demonstrations were carried through into TEA-21. Results of the demonstration projects were published in a report to Congress in 1998.

In 2000, FTA released interim guidance on how the existing FFGA process steps should be applied to projects using the design build delivery method. Although the guidance was a beneficial step forward in integrating design build into the New Starts environment, additional changes in the FFGA process could render even greater benefits from design build. Reauthorization of TEA-21 may provide an excellent opportunity to do this.

Analysis. The FFGA process for design build outlined in the current guidance is very similar to the process for the traditional delivery method. It is structured to bring the design build contractor into the project at the time a traditional final design would begin. This sequence allows the existing legal and administrative requirements to be applied to design build. However, introduction of the design build contractor at the time of final design is too late to leverage much of the potential benefit of the design build method.

To gain the maximum benefit of design build for transit projects, it is desirable to bring the design build team into the process very early in the project life. It is beneficial for the design build team to participate in PE, prior to development of documents for NEPA approval. This early involvement allows the design build team to influence the alignment layout and station area development to optimize cost, constructibility, ridership, and joint development opportunities. Early participation in joint development opportunities is especially important in order to promote equity partnership from the design build team.

Policy Proposal: Utilizing such early involvement, a revised FFGA process could be as follows:

(a) *Alternatives Analysis*, including selection of the Locally Preferred Alternative, would be conducted in the usual manner by the sponsor Agency and MPO.
(b) The Agency would submit to FTA a *Request to Enter Design Development*. This would be similar to a Request to Enter PE and would contain the same information and criteria evaluation/requirements. It would differ, however, in that Design Development authority would encompass both PE and a pre-determined portion of Final Design (perhaps to the 30% level). Combined PE/partial FD recognizes the lack of hard edges between PE and FD in design build and thus eliminates the separate steps of PE/Final Design approval.
(c) *Upon approval to enter Design Development*, the Agency would execute a two-phase contract with a design-builder. Phase 1 would be for Design Development/NEPA support and Phase 2 would encompass Design Completion/Construction. Solicitations for interested proposers could be initiated concurrently with Step 2 above. Even at this early stage, real financial competition can be generated from proposers through their commitments on:
    - equity investment for property development rights
    - fee percentage on final design & construction
    - incentives for "beating the budget"
    - sharing of unused construction contingency
    - tax incentive rebate from vehicle leasing mechanisms.
(d) *During Design Development*, the design build would assess the LPA, influence the concept where appropriate, provide support for NEPA documentation, conduct detail design on key issues/areas, and develop a cost estimate for final (production) design and construction. Meanwhile, the agency would lead the NEPA approval effort, solidify local funding (including design build equity partnership, if included) and prepare PMP, Fleet Plans, and other documents. The Agency and the design build would negotiate a firm price for the second phase (design/construction) based on the results of Phase 1 efforts.
(e) Design Development would conclude with *submission of a request for an FFGA*. During the 120-day review process, the design build could proceed

with detail design, ROW acquisition and even early construction activities under LONP authority.

(f) Once the *FFGA is approved*, the design build contract's Phase 2 work would be authorized, and final design/construction completed.

The alternate scenario provides for an extremely effective alliance between the Agency, designer, and builder. It recognizes that in the design build process, lines between PE and FD are blurred. PE resources are devoted to issues that harbor the greatest risks and rewards. Further, it is the builder itself who decides where the pressure points are, leading to fewer surprises, lower contingencies, and quantifiable risks. Those risks that remain can be discussed and apportioned between Agency and design build and addressed in the terms of the negotiated price.

Conclusion: The current guidance on use of design build contractors for transit construction is a good first step. In cases where there is little possibility for alignment deviation or Joint Development, PE and Final Design can remain separated and the guidance can be followed.

The alternate process described above facilitates even greater benefit from design build by bringing the builder into the process early, thus gaining the benefit of engineering, construction and commercial knowledge before alignment decisions are fixed. The preferences revealed reflect the unique approach of the specific design build team. Further, their vested interest in the construction and operational phases ensures that their ideas are realistic and pragmatic, and endows the design build team with a fiduciary interest in making them work.

Consistency: this would be useful for delivery of the RTP through more efficient, expedited procedures.

b) Environmental stewardship and streamlining.

Background: The National Environmental Policy Act (NEPA) process for large, complex projects has become increasingly lengthy and complex. Listings under the Endangered Species Act (ESA) are impacting not only large construction projects, but also routine preservation and maintenance activities. Previous efforts to streamline the environmental review of transportation projects, including those in TEA-21, have yielded some results, but significant issues remain.

Analysis: In response to Section 1309 of TEA-21, ODOT has developed and implemented a coordinated review process for highway construction projects. This improved method for state and federal permitting agencies to review highway projects is up and running in Oregon. Known as "CETAS" (Collaborative Environmental and Transportation Agreement on Streamlining), it establishes a working relationship between ODOT and ten state and federal transportation, natural and cultural resource and land use planning agencies. The CETAS partnership has defined how to streamline (in six tasks):

Implement an Environmental Management System to achieve performance based permitting:

- Employ Habitat Mitigation Programs;
- Enlarge GIS Mapping Systems of Natural and Cultural Resources;
- Additional Programmatic Biological Opinions (PBOs);
- Seamless Performance of contractors and local governments;
- Expand Partnerships.

Policy Proposal: Congress should support state-led efforts to both protect the environment and streamline the review process for transportation projects by:

- Providing increased funding to state departments of transportation and resource agencies to develop new programmatic approaches.
- Funding a pilot project for ODOT to demonstrate the benefits of implementing an Environmental Management System culminating in ISO 14001 certification.
- Providing resources for Global Information Systems (GIS) mapping of natural and cultural resources.
- Sanctioning advanced wetland and conservation banking for transportation projects.

Consistency: this would be useful for delivery of the RTP through more efficient, expedited procedures.

c) Key Highway Policy Issues

i) Additional resources for the I-5 Trade Corridor.

Background: Interstate 5 (I-5) in Oregon, Washington and California is one of 12 high priority corridors identified in TEA-21. One-fourth of the nation's exports and imports pass through the I-5 corridor.

The area between the I-84 interchange in Oregon and the I-205 interchange in Washington has been identified as having significant bottlenecks that threaten the economic vitality and livability of the region.

The Governors of Oregon and Washington have appointed a 28-member Task Force to develop a bi-state strategic plan to manage and improve transportation and freight mobility in the corridor.

The strategic plan will address freeway, transit, heavy rail, and arterial street needs. The public planning process started in January 2001 and the strategic plan is expected to be complete by the fall of 2002. Partners in this effort include Oregon and Washington Departments of Transportation, Metro, Southwest Washington Regional Transportation Council, the ports of Portland and Vancouver, the cities of Portland and Vancouver, and Multnomah and Clark counties.

Work by the Task Force in the spring of 2002 will include development of recommendations on finance and implementation, bi-state land use agreements, transportation demand management, community enhancements and environmental justice, and freight and passenger rail.

Analysis: The bi-state strategic plan will address freeway, transit, heavy rail, and arterial needs. The public planning process started in January 2001 and the strategic plan is expected to be complete by the fall of 2002.

Draft Recommendations recently adopted by the Task Force call for:

- Upgrade existing bridges from 6 to 10 lanes across the Columbia River.
- A phased extension of the two existing light rail lines in Portland north to connect as a loop in Clark County
- Implementation of aggressive measures to reduce single auto trip demand, increase transit service and encourage use of alternatives to auto commuting
- Agreement to control land uses to avoid inducing more sprawl in response to a bigger freeway to simply result in a bigger traffic jam in the future.
- Three through-lanes, including Delta Park; and
- Interchange improvements between Columbia Blvd. in Portland and SR 500 in Vancouver.

The Task Force draft recommendations also call for a post-Task Force study of an arterial road west of I-5 in the vicinity of the railroad bridge.

Policy Proposal:

(a) Supports the state's efforts to eliminate bottlenecks in the I-5 Trade Corridor, especially between Portland and Vancouver, Washington.
(b) Support continuation of TEA-21's Borders and Corridors program at a higher funding level and with a greater focus of funding to key corridors, like the I-5 Trade Corridor, which are true national freight corridors.
(c) Support to a least $1 billion increase of funds for the Border and Corridor program, expand the concept to include projects that support gateways to national and international markets and focus the emphasis on freight and bi-state cooperation.

Consistency: this would provide an expanded funding category for a significant RTP priority.

ii) Additional Railroad Resources in the I-5 Corridor

(1) Track Capacity

Background: Today the federal investment in passenger rail is a fraction of what is spent on other modes of transportation, and is limited primarily to providing

Amtrak with annual operating and capital funds, the vast majority of which go to the Northeast Corridor.

In the Pacific Northwest Corridor, the states are paying the full operating cost to Amtrak. Since 1992, Oregon has spent over $24 million for operating costs alone. The state, local governments and railroads have invested another $25 million for track and station improvements in the corridor.

Over $100 million of track and signal improvements is needed in Oregon's portion of the corridor, without counting the cost of upgrading the rail bridge across the Columbia River. Federal funds are also needed to purchase train equipment, which would help lower operating costs.

The joint UP/BN crossing of the Columbia River is one of the busiest and most important rail links in the region. ODOT and WSDOT, in cooperation with Amtrak, the Ports of Portland and Vancouver, and the railroads, are undertaking a track capacity analysis of the joint UP/BN line across the Columbia River. Previous analyses suggest significant capacity problems on this line segment in the near future, which could impact economic development opportunities, passenger train expansion and through freight operations.

Analysis: States should not have to shoulder these costs alone. Federal highway and transit programs provide capital funding for roads, bridges and transit improvements, and likewise federal funds are needed for passenger rail development. Congress could increase the amount of funding available for passenger rail development if legislation pending this year is enacted. Some versions, however, would create a new complicated loan program rather than a grant program.

Loan programs alone will not provide the federal investment needed for states to develop successful passenger rail corridors. The reauthorization of TEA-21 is an opportunity for Congress to establish a federal rail program that adequately supports passenger rail development.

Policy Proposal: Support federal legislation to increase capital funding for freight and passenger rail facilities. Opposes moves to dissolve Amtrak. However, in the event that Amtrak is dissolved or dramatically restructured to eliminate West Coast services, track rights should revert to the state to allow passenger service to continue.

Consistency: this would provide funding for elements of the RTP dealing with the high-speed rail, the I-5 Trade Corridor and freight movement in general.

(2) Truman Hobbs

Background: The joint UP/BN crossing of the Columbia River is one of the busiest and most important rail links on the West Coast. ODOT and WSDOT, in cooperation with Amtrak, the Ports of Portland and Vancouver, and the railroads, are undertaking a track capacity analysis of the joint UP/BN line across the Columbia River. Previous analyses indicate significant capacity problems on this line segment which wold impact economic development opportunities, passenger train expansion and through freight operations.

The Coast Guard is currently undertaking an examination of the eligibility of the UP/BN railroad bridge over the Columbia River for Truman-Hobbs (navigational hazard) funding. The rail bridge swing-span is lined up with the lift span on the I-5 bridges, making it very difficult and hazardous for ships to use the I-5 "high" fixed span section. Using the fixed span section avoids the need for opening the bridge and the resulting delay on I-5.

Analysis: Truman Hobbs is a federal program that funds projects to address rail hazards to navigation. Projects are selected based on the cost benefit of a given investment to the marine and freight rail facilities.

Policy Proposal: The analysis of the cost delay of the UP/BN rail crossing of the Columbia River should be expanded to include the impacts on truck and auto commerce on the I-5 bridge due to lift span operations caused by the RR bridge.

This can be done under existing statutes, but the law should also be changed to allow car/truck delay as part of the consideration. Truman-Hobbs funds are intended for "in-kind" replacement of navigational hazards but can be contributed toward larger facility upgrading projects such as adding capacity to the UP/BN bridge.

Consistency: this would increase the likelihood of funding to replace the railroad bridge swing span.

d) Oppose federal preemption of state law regarding weight-mile fees.

Background: Oregon maintains the cost-responsibility of paying for maintenance, preservation and modernization of the road and highway system through the weight-mile fee on commercial trucks. The weight-mile fee is based on the weight of the vehicle, the number of axels and the distance the vehicle travels on Oregon roads. The weight-mile tax is structured to most closely reflect the cost responsibility of trucks relative to the taxes paid by auto users.

Analysis: The national trucking industry has sought to eliminate the weight-mile system at the state and federal level. In the debate leading up to ISTEA and TEA-21 there were efforts to introduce amendments preempting weight-mile taxes on the state level.

Policy Proposal: The federal government should not preempt state authority to establish the most equitable method of assigning and implementing cost responsibility.

Consistency: this would protect a source of funding for the state highway fund that provides about 35% of the funding.

e) **Multi-State Vehicle Miles Traveled tax demo program.**

Background: As the prevalence of electric and hybrid fueled vehicles increases, there is a growing recognition in Oregon and other states that the gasoline tax is becoming a progressively less adequate financial source for surface transportation programs. In the 2001 legislative session Governor Kitzhaber asked for and received legislative approval of a task force to address the future of the gas tax as a source of Oregon highway funding. The Road User Fee Task Force (RUFTF) is preparing findings and recommendations regarding the viability and applicability of alternatives to the gas tax.

Analysis: Higher fuel efficiency and greater use of alternative fuels for autos erodes the ability of the gas tax to meet growing system demand. Although these vehicles continue to contribute to congestion and road damage, they do not contribute to the transportation trust fund in a proportional fashion.

Policy Proposal: Support a federal effort to examine ways a VMT tax or other road user fee system could be implemented at the state or federal level.

Consistency: this is similar to the Road User Fee Task Force established by the '01 Oregon Legislature to investigate alternative sources to the gas tax.

f) **Highway Bridge Replacement and Repair (HBRR) issues.**

Background: Current federal rules to determine the allocation of HBRR formula funds to states are based principally on the square footage of bridges. The TEA-21 formula does not recognize the additional cost in preserving and rehabilitating movable (lift span) bridges. The movable Willamette River bridges in Portland and elsewhere in Oregon receive the same funding per square foot as more easily maintained fixed span bridges.

Analysis: Under current formula, Oregon received approximately $40.2 million in HBRR funds over the first four years of TEA-21, representing approximately 2.7 % of total HBRR funds allocated.

Oregon has 27 heavy movable bridges or approximately 2.3 percent of a national total of approximately 1171 heavy movable bridges. By contrast, Oregon has approximately 7,300 total bridges, about 1.2 percent of the national total for all NHS and non-NHS bridges. Oregon's share of structurally deficient and functionally obsolete bridges is 1 percent of the national total.

It is estimated that the cost to replace or rehabilitate movable bridges is 1.7 times the cost of fixed span bridges.

Policy Proposal: Reauthorization should incorporate a 1.7 times factor in the HBRR formula for lift span bridges.

Consistency: this would provide an expanded source of funds for Multnomah County's Willamette River Bridge project.

g) **Orphan Highways.**

Background: An orphan highway is any aging US designated state highway that's role as a regional highway has been supplanted by the construction of the Interstate Freeway system. These highway links were predominantly built in the 1930's,'40's and 50's. During their primary service years, land uses that located along their lengths were auto oriented in type and function. Many were constructed as rural areas evolved into the first tier of suburban communities, making the leap from farm to market roads to urban highways. Much of the older commercial strips and nodes that were served by these state roads have been deteriorating and the roadways are likewise underutilized.

Analysis: A program of new reconstruction funds for state and local jurisdictions would make rehabilitation of these roadways viable as multi-modal main streets and boulevards. Application of these funds should be on routes where more intensive comprehensive plan land use designations are already in place. So doing will allow these facilities to not only provide an improved transportation asset but also change the face of the community from a land use perspective.

Examples of Candidate Routes: In Portland, many of the state highway routes that traverse the city have auto oriented commercial uses along their length with intermittent commercial nodes. Sandy Boulevard, as an example, serves several miles of northeast and southeast Portland as a four-lane arterial with sidewalks, intermittent on-street parking, left turn bays and good transit service. The street, which is a state highway, serves both local and non-local transportation trips. The Hollywood and Parkrose Districts serve as commercial centers along its length. Both regional and local land use and transportation policy focus on returning this street to its historic character by reconstructing the street with boulevard type standards that serve all modes and encourage property owners to reinvest in urban density land uses.

The state, in partnership with the city, designed and reconstructed a 12-block length of Sandy Boulevard using the more progressive regional boulevard design guidelines. The amenities included rehabilitation of the entire street cross section; addition of bike lanes, planted medians, pedestrian curb extensions, wider sidewalks and left turn refuges. Existing engineering standards were a difficult stumbling block, requiring design exceptions for some of the design's elements. Providing for more flexible design

standards in this proposed program would save considerable time, money and negotiation.

Since its completion private property owners have invested in their storefronts or in some cases completely rebuilt on the sites using the more urban land use development regulations. These new developments have changed the character of the street and added vitality to the community. Now folks actually walk across the street rather than drive. The project is the region's showcase of how these once forgotten highway segments can become the jewel of the community. Other state highway segments that could be candidates include; Powell Boulevard, Lombard Street and Barbur Boulevard in Portland.

Policy Proposal: Create a pilot program of not more than $25 million to be funded out of new federal funds, rather than off the top of the formula program. Candidate projects would be judged based on the following criteria:

(a) 100% federal funding when the local government agrees to take over maintenance.
(b) Local government must commit to supportive comprehensive plan and zoning designations that support more intensive, mixed-use development along part or all of the route.
(c) FHWA should provide for more flexible design standards to achieve the program's design goals.
(d) The program should be limited to a small number of pilot projects to curb wholesale earmarking and provide financing to the truly worthy projects.

Consistency: this would provide a source of funds to implement community-based improvements on state highways ODOT would prefer to transfer to local governments. Consistent with the function called for in the RTP.

h) Freeway Removal and Reuse

Background: There is some interest in more flexibility for federal highway dollars to remove and reuse highways and interstate freeways if that is the desire of the local community.

This would continue the tradition of ISTEA and TEA-21 in giving greater flexibility to local jurisdictions in deciding the best local solution to their transportation and land use needs. It would allow the use of federal funds in major, community defining decisions such as the removal of the waterfront freeway and construction of Tom McCall Park.

However, given the tremendous unmet needs for maintenance and preservation of the existing highway and freeway network and the perhaps even greater unmet need for modernization, there is some concern for how one can justify using federal funds for the removal of functioning highway and freeway segments.

Consistency: this would be useful if the RTP is amended to remove or relocate the Eastbank Freeway (I-5). Federal support is more likely for an approach that replaces the current function than completely removes a freeway with no attention to replacement.

i) Improved Transportation Security.

Background: Following the terrorist attacks of September 11, Congress created a new Transportation Security Administration and Office of Homeland Security to develop and coordinate a comprehensive national strategy to strengthen against terrorist attacks and protect the Nation's transportation systems to ensure freedom of movement for people and commerce.

Analysis: Among the activities that will be worked on in the coming months with state and local agencies are: Incident management, prevention, and response and recovery. For all of these activities, good communications is critical. Transportation agencies play an important role in responding to incidents and ensuring the free movement of people and goods. In the Portland region, an interagency group has identified a series of Intelligent Transportation System (ITS) improvements that will enhance the capability of different government agencies to communicate with one another and share information.

Policy Proposal: Federal funding dedicated to improving security should include transportation improvements in Oregon:

- Fully fund the state's ITS initiative, which includes the Portland region's ITS plan providing greater ability for surveillance and response to emergencies.
- Pay for "hardening" and other improvements to bridges or other potentially vulnerable points in the transportation system.

Consistency: although security is not directly addressed in the RTP, increased attention will no doubt lead to higher costs.

3) Multi-Modal Policy Issues

a) Expanded funding to address endangered species issues.

Background: New restrictions and capital requirements resulting from Endangered Species Act (ESA) designations and other federal natural resource protection requirements are substantially increasing the cost of transportation infrastructure construction and maintenance particularly for bridges. Ditches and culverts are no longer viewed simply as a means of conveying water; they are also water quality facilities and either barriers or facilitators of fish migratory movements. Any improvements made within our public rights-of-way must enhance habitat and water quality. The ESA and Clean Water Act (CWA) provide no funding for the required system improvements.

For example, Clackamas County estimated that there are 975 culverts that are barriers to fish migration and salmon-recovery efforts. Many of these culverts have to be replaced or retrofitted with baffles to slow water flow allowing for passage of all life stages of salmonids. Using an average cost estimated of $93,000 per culvert replacement, retrofitting all the culverts in the county would cost $80-90 million.

Analysis: Over 20 federal statutes impose a variety of environmental mandates on the construction, repair, and maintenance activities undertaken within the federal highway system. A 1995 analysis estimated that added costs due to environmental regulation could be 8 to 10 percent of construction expenditures for federal-aid highway projects. While restrictions are less on state and local roads they are nonetheless considerable.

Multiple environmental benefits can be achieved from conforming road and other transportation projects with ESA requirements. These benefits accrue to the community beyond the transportation benefit in the form of cleaner water, reduced flooding, reduced pollution from urban run off, etc. The cost of providing these additional benefits should be shared beyond the transportation resources.

Policy Proposal: TEA-21 reauthorization could provide a new program significantly expand the existing bridge replacement program to address culverts, blocking fish passage or create an add-on to the Public Lands Highway Program for culverts.

Consistency: the RTP was recently amended to include provisions for "Green Streets" including retrofitting culverts to allow better fish passage. This would provide funding for this purpose.

b) Funding Allocation Issues.

Background: With the 2000 Census, there will be a significant increase in the urbanized areas of the country receiving formula allocation of federal transportation planning funds. As many as one hundred new MPOs will be designated in the new bill. In Oregon, two additional MPOs are being formed in Medford and Corvallis. The new MPOs will receive allocations of federal STP and CMAQ funds without reducing the allocations to the existing MPOs regardless of overall federal funding levels. However, unless federal funding increases in the reauthorization, transportation planning fund distributions to the new MPOs will reduce the funding available for existing MPOs.

Policy Proposal:

(a) FHWA Planning funds should be increased from 1- percent take-down to a 2 percent take-down on the categorical programs to reflect the increasing responsibility of MPOs, the increased number of MPOs as a result of population growth and the increased population inside existing MPOs.
(b) FTA planning funds should be increased commensurate with population growth inside MPOs.

Consistency: this would allow funding to address transportation planning issues consistent with annual approval of the United Work Program.

c) **Refocusing of TCSP program.**

Background: The Transportation and Community and Systems Preservation Program (TCSP) began as a targeted $25 million program in TEA-21. It has since been expanded through the earmarking process into $250 million program that has drifted significantly from its original purpose. TCSP was established to investigate and address the relationships between transportation and community and system preservation and to identify private sector-based initiatives.

Although any project authorized under Title 23 or chapter 53 of Title 49 U.S.C. was made eligible, it was expected that the program would focus on corridor preservation activities necessary to implement transit oriented development plans, traffic calming measures, or other coordinated preservation practices.

Policy Proposal: Recommended changes include:

(a) FHWA and FTA should continue to develop guidance for projects to be funded through the program.
(b) Publish "best practices" from funded projects. Congress should increase the authorized level of the program to $250 million, comparable to the FY 2003 appropriations.
(c) Tighten up statutory language to ensure grants cannot be awarded unless they demonstrate a supportive land use benefit.
(d) Require an evaluation of the merits of the proposed projects by the Federal Highway Administration and approve funding based upon an evaluation of "Highly Recommended," "Recommended" or "Not Recommended." This should be designed to ensure good projects are recommended for funding, although in a more streamlined manner that the large multi-year contracts under the New Starts and National Trade Corridor Programs.

Consistency: the TCSP program was designed to recognize efforts like ours to link transportation and land use. However, due to congressional earmarking, we have been unable to access these funds since the first year grant to Pleasant Valley planning.

d) **Statewide and MPO bicycle program that addresses bicycle travel planning, operations and safety.**

Background: Enact a required statewide and MPO bicycle program that addresses bicycle travel planning, operations, safety, and capital construction. The program would also require of the highway, transit, rail, and air programs that bicycle plans resulting

from this initiative be included in an intermodal connection investment strategy required of all modes. The safety program would address a range of issues from integration of auto and bicycle travel to in-school safety training and identification of safe routes to schools for all grade levels. Funding for this requirement would come, in part, from the highway trust fund and could require coordination between school and transportation authorities.

Consistency: this would affect planning requirements and expand the scope of bicycle-related planning.

e) **Renew federal support to capitalize State Infrastructure Banks (SIBs), expand flexibility of second-generation funds.**

Background: State Infrastructure Banks were authorized in ISTEA as a revolving source of funds for both highway and transit capital improvements. As an original pilot State Infrastructure Bank, Oregon was allowed to capitalize its SIB with federal apportionments. At that time, it was thought that loan funds repaid to the SIB, regardless of source – federal or state – could be reloaned without federal conditions, such as Buy America or Davis-Bacon. TEA-21 altered this. Only four named states are now allowed to capitalize their SIB's with federal funds.

Analysis: The limitations included in TEA-21 have a limiting effect on the size of Oregon's SIB and, by extension, the size of projects the bank can finance at low interest rates.

Policy Proposal: Lift the limitation on SIB capitalization. Consider changes that allow greater flexibility of reloaned funds.

Consistency: this would expand this borrowing option for implementation of RTP projects. All projects have a prerequisite that they be reflected in the RTP.

f) **Columbia River channel deepening project**

Background: The Port of Portland is pursuing a project sponsored by the Corps of Engineers and six Oregon and Washington ports to deepen the Columbia River navigation channel from 40 to 43 feet, subject to the necessary environmental approvals. A deeper navigation channel will enable cargo ships to carry larger, more cost-effective loads, yielding significant transportation savings to thousands of shippers in the Pacific Northwest and elsewhere in the United States. The project also includes several environmental features that will improve the Columbia River's habitat and environmental quality.

Analysis: Although it is not been addressed in the TEA-21 reauthorization bill, the channel-deepening project continues to be an important transportation priority for the region.

Policy Position: Support the channel-deepening project, subject to the necessary environmental approvals.

Consistency: this reaffirms past positions.

g) Railroad shared use requirements

Background: Current federal regulations regarding shared use of tracks between freight and passenger rail operations are intended to address safety concerns. However, as currently structured, the regulations pose a significant obstacle to the efficient use of these valuable resources. The Federal Railroad Administration (FRA) model emphasizes train crash standards and prohibitions against operating freight and passenger trains together. Other models for preserving safety while allowing shared use are used in Europe where technology is emphasized.

Analysis: The European approach to track sharing regulations emphasizes improved signaling and braking systems to avoid crashes in the first place. European standards deflect the energy of a crash away from passengers, and emphasize braking systems, block signaling systems, speed limits where appropriate, and crumple zones to allow passenger vehicles to absorb the brunt of an impact while protecting passengers and drivers. In comparison, FRA's vehicle safety standards do not speak to locomotive braking, train signaling systems, or speed limits. New authority is needed to facilitate the rules and procedures for permitting shared use of freight rail tracks by Amtrak and commuter rail projects.

Policy Proposal: Support increased funding for the Section 130 grade separation program to enhance public safety at grade crossings on public highways. Encourage FRA to examine European models of freight/passenger train control and approve pilot projects to demonstrate the technology-based approach.

Consistency: this would facilitate the Washington County commuter rail project and any future similar projects.

h) Streetcar Initiatives

Background: Many communities are expressing an interest in small scale rail based transit lines to serve redeveloping central city areas and connect neighborhoods in a way that is very different from regional rail systems. The existing federal assistance program, Federal Transit Section 5309 "New Starts," is oversubscribed and is governed by an extensive review and approval process that is not necessary or appropriate for low cost and non-intrusive urban streetcar lines.

Until the 1950's, many communities had extensive streetcar systems which served to connect neighborhoods to central city employment, shopping and cultural opportunities. As heavy industry migrates from the central city, major opportunities are created to foster

the development of new, high-density urban neighborhoods. The creation of additional housing in the central city is a key transportation and economic strategy. By absorbing population growth in the central city, valuable farm and forest lands are preserved, the distances that people must travel for employment and other daily needs are greatly shortened, and the environmentally and fiscally costly expansion of the urban interstate highway system can be avoided.

Streetcar Characteristics: By definition, streetcars operate in existing public rights of way, often co-mingled with other traffic. Unlike regional light rail projects that connect major centers over long distances, streetcars connect redeveloping neighborhoods and major attractions over relatively short distances. Streetcars typically operate at lower speeds with more frequent stops to serve a dense mixed-use environment. For this reason the vehicles rely more heavily on operator control than complex technological systems. The vehicles' size and scale are respectful of the neighborhood settings in which they operate. Installation of a streetcar line is accomplished with minimal reconstruction within existing streets or rights of way.

Analysis: New resources are needed to aid communities in building modern streetcar lines that provide residents and visitors of the central city with a choice in how they move about. For example, a new Portland streetcar line opened in July 2001, demonstrating the ability to capitalize on lower project cost, a minimally disruptive construction process and the opportunity to attract complimentary, mixed-use urban development. The purpose of this proposal is to set forth the context for a new that would assist communities in developing streetcar lines and systems without competing with larger scale, more costly regional fixed guideway projects.

Policy Proposal:

(a) New Funding Program: The region supports the creation of a new streetcar-funding category with added funds. Legislative action to limit the propagation of regulations from the executive branch, limit to the degree possible and responsible NEPA requirements through an umbrella categorical exclusion, authorization for the Secretary to execute full funding grant agreements and such other changes in existing code and regulation as may be required to implement this program.

(b) Project Evaluation Criteria: A new set of project evaluation criteria should be established that is more appropriate to streetcar projects.

Projects should be reviewed solely against the following standards:

- Streetcar projects are intended to be economical and the maximum federal participation should be limited to $50 million.
- Project sponsors may be transit properties or other units of local general-purpose government.
- The maximum federal share should be limited fifty percent of total project cost. In addition, streetcar projects should require the financial participation in project construction of the owners of real property abutting

the alignment excluding owner occupied residential properties. Property owner participation should be required to ensure that the project recovers a portion of enhanced property values. Property owner participation should have a floor of 10% of construction cost.

- Streetcar projects should demonstrate the availability of development/redevelopment opportunities and complimentary land use policies in close proximity to the alignment. Projects must demonstrate that property zoned to accommodate mixed-use development is available adjacent the alignment.
- Streetcar projects should demonstrate how redeveloping or new neighborhoods on vacant or underutilized land will be connected to each other or major attractors in the central city and with major regional transit services.
  - Project sponsors must provide a detailed operating plan including frequency of service, hours of operation, and stop locations and demonstrate the financial capacity to operate the line.
  - Create under the Federal Housing Act authority for the Department of Housing and Urban Development to contract with urban communities to fund the construction of urban fixed guideways that support the development of housing and the re-development of housing in urban areas by the use of streetcar technology.
  - The projects approved for HUD funding would be ranked according to their support of urban densities and other urban livability criteria. They would not be expected to meet traditional ridership thresholds suggested by USDOT-FTA standards. These projects would be eligible to receive up to $25 million in FTA Sec. 5309 New Start construction funds regardless of the level of HUD support. They would not be required to meet DOT New Start criteria, and would be exempt from DOT ranking.

Consistency: expansion of the streetcar system is reflected to a limited extent in the RTP but not with federal funds. In addition, MTIP funding has been allocated to define the transit and bike improvement strategy in the Willamette Shore Corridor to Lake Oswego where a streetcar option would be examined. Creation of a "small starts" federal funding category would facilitate. However, it is not clear that the region should support a "Small Starts" program unless there is significant increases to the "New Starts" program.

4) Technical Issues.

a) Shift PMO funding to FTA wide rather than on project-by-project basis.

Currently Project Management Oversight, FTAs mandated outside project review consultant, is paid out of project appropriations. Often this means that projects receive

less funding than expected based on the congressional appropriation for a given year. This can cause troubling adjustments in budget, expenditure and borrowing. PMO work supports the oversight function of and mandate of the FTA and should be funded out of the agency's budget rather than project-by-project.

Consistency: this would increase the efficiency of delivering certain RTP projects.

b) Buy America.

Instead of having the Transit Agencies certify that the products that they meet Buy America, the Bus/Rail manufacturers could certify that the product that they sell meets Buy America. Each manufacturer does the initial work any way, so having the Transit Agency be responsible for certification makes little sense and costs the federal government a lot of money as each transit agency buying vehicles must audit and do the work for the certification. It is mostly the pre-award audit that is costly to the Transit Agencies - the post award, including buy inspections, makes sense for the transit agency to perform from a quality control perspective.

Consistency: this would increase the efficiency of delivering certain RTP projects.

c) Review of 12-year life for buses.

Currently, FTA prohibits using federal funds to replace buses less than 12 years old. This requirement does not recognize evolving technology nor does it take into consideration the use of the bus during the 12 years.

When a transit agency tries to participate in forwarding new technology, often the first generation of that technology does not produce the results necessary to maintain operations. Our LNG fleet is good examples. These are 1st Generation LNG buses, which after 8-9 years do not run and we have been unable to get replacement parts as the technology as evolved. They are still listed as 12-year buses and unless we get a waiver from the FTA for both the 12-year life and the pay back for short life, we are on the line for a lot of money to go back to the FTA. This discourages transit agencies from participating in new technology.

Different operating environments age buses in different ways. A small transit agency may only run a bus 25,000 miles per year, 8 hours per day, 5 days per week. We run buses 50,000 miles per year, 20 hours a day, 7 days per week. A more accurate bus life measure would be miles, or hours - or any measure that took in account actual use.

Consistency: this would increase the efficiency of delivering certain RTP projects.

d) **Excess property.**

On projects, other than Westside Light Rail, for which Tri-Met was given a blanket permission to sell excess property, agencies usually have to go through a lengthy Federal process to dispose of unneeded property acquired with federal funds. FTA requires that property be posted for acquisition first by other federal agencies, then by other public agencies. The process can take up to a year.

Consistency: this would increase the efficiency of delivering certain RTP projects.

e) **FTA concurrence.**

Transit agencies are required to get FTA concurrence on the purchase of property over $250,000; that which is $50,000 more than appraisal and anytime condemnation is used. All of this takes a great deal of time. FTA will sometimes allow larger transit districts to purchase property without agency concurrence, however the decision is optional and the threshold uncertain. FTA should allow those properties with FFGAs to exercise this discretion on their own since these properties are already under considerable scrutiny by FTA and PMO.

Consistency: this would increase the efficiency of delivering certain RTP projects.

f) **FTA oversight.**

Oversight could be streamlined. Now we have:

- PMO - project management oversight
- FMO - financial management oversight
- PMO - procurement management oversight
- Rail State Safety (and Security) Oversight
- Triennial Reviews

All the above derive out of the same basic 22 or so FTA certification requirements, but transit agencies are subjected to different audits and different audit teams at different times. So it would be less onerous if FTA consolidated the oversight audits, audit teams, and rationalized the schedule/periodicity and relationship among the oversight reviews. At a minimum there could be 3 teams: PMO (project), State Rail Safety, and Triennial. The fist two would be continuing and the latter every 3 years.

Consistency: this would increase the efficiency of delivering certain RTP projects.

g) **OMB leveling the playing field.**

Many of the differences between FTA and FHWA are rooted in the OMB circulars regarding the differences in the clients served. FHWA primarily deals with states that are considered to have their own constitutional authority and established procedures regarding financial and legal accountability. Transit agencies, cities, and metropolitan areas have lesser status in the view of OMB, largely deriving their authority from states.

OMB requires more scrutiny by the federal departments administering funds to subdivisions of a state. Reducing oversight where it is not needed, such as where jurisdictions can show a consistent record of sound management of federal funds, would reduce costs and unnecessary delay in project implementation.

Consistency: this would increase the efficiency of delivering certain RTP projects.

5) **University Transportation Research Centers**

Request: Support enhancement of the Federal University Transportation Centers as part of the reauthorization of the transportation bill.

Background: Congress first authorized the creation of University Transportation Centers as part of the Surface Transportation and Uniform Relocation Act of 1987. This initial legislation authorized 10 centers to coincide with the Federal regions. The University Transportation Centers were again reauthorized in ISTEA and TEA-21. Currently TEA-21 authorizes $158.8 million for grants to 33 centers (regionally designated centers and congressionally specified centers). Research funded through the Centers requires a 50-50 match and is required to meet peer-review standards; in other words, the research done is not opinion or advocacy research.

The Centers designated as "regional centers" are also called Category A centers in the TEA-21 and receive $1 million per year for research. The level of annual funding for Regional Centers has not changed since 1987, and a variable obligation limit ceiling has reduced current funding to $870,000. The Congressionally mandated centers fall into three categories:

Category B: Received $300,000 in 1998 & 1999 and $500,000 for 2000 & 2001 *There is authorized a limited competition with Category C for the fifth and sixth years Assumption College, Purdue University, Rutgers University, South Carolina State University, University of Central Florida, University of Denver and Mississippi State University, and University of Southern California and Cal State University Long Beach

Category C: Received $750,000 for years of 1998 through 2001 *There is authorized a limited competition with Category B for the fifth and sixth years
Morgan State University, New Jersey Institute of Technology, North Carolina A & T State University, North Carolina State University, San Jose State University, University

of Alabama, University of Arkansas, University of Idaho, and University of South Florida

Category D: Received $2 million per year from 1998 through 2003
George Mason University with University of Virginia and Virginia Polytechnic Institute and State University, Marshall University, Montana State University, Bozeman, Northwestern University, University of Minnesota, and the University of Rhode Island

Justification and Application to Oregon: Making University Transportation Centers a priority in Oregon's recommendations for policies in the reauthorization of the transportation bill will benefit the state's transportation and planning programs. Other organizations are calling for increased funding for research. For example, the American Road and Transport Builders Association is recommending increasing the regional center authorization from $10 million per year to $30 million per year. Currently PSU receives about $100,000 a year in funding for transportation research through an affiliation with the Region X Center located at the University of Washington. Support for the program, including increased funding, would provide additional research capacity through one of two ways: 1) Funding could be increased for the Regional Centers; or 2) PSU could be authorized as one of the Congressionally mandated centers and receive money directly.

Each Center is required to have a theme that organizes the research done by faculty. PSU's theme would be Advanced Information Technology, Urban Transit, and Livability, Health, and Transportation.

Consistency: as proposed, the Portland State University Transportation Research Center would ensure research is independent and peer reviewed. In addition, an oversight committee, which includes representatives from outside PSU, is proposed. With these provisions, an expanded research capability at PSU would help advance innovative policy directions called for in the RTP.

TEA-21 Reauthorization Recommendations

Recommendations for improving Oregon's economy and quality of life through federal investment in transportation

Oregon Department of Transportation
In cooperation with Association of Oregon Counties &
League of Oregon Cities

October X, 2002

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Executive Summary

To be written.

Overview

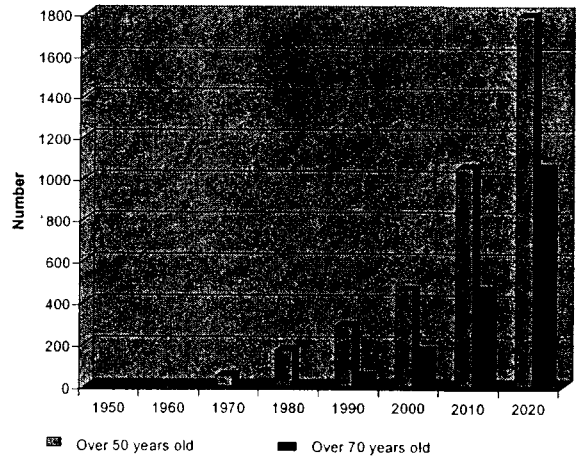
Importance of Transportation

The nation's transportation system is critical – it drives the economy, moves people and goods, strategically links our homeland defenses, and helps shape our communities. When our transportation system is strong, our economy, our safety and our quality of life are improved.

Challenges

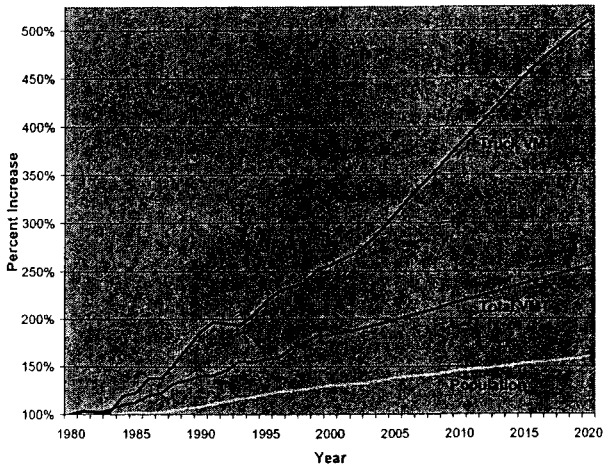
As Congress begins the process of reauthorizing the Transportation Equity Act for the 21st Century (TEA-21), the country faces new challenges, including an economic slowdown and a new era of combating terrorism at home and abroad. In Oregon, we also face:

- Aging Infrastructure – bridges are cracking at an alarming rate and roads need to be modernized as the vast network of roads and bridges built after World War II is reaching old age all at once.
- Rapid growth – rapid growth threatens future economic prosperity and livability, especially in western states.
- Congestion – delays caused by congestion cost commuters and businesses valuable time, affecting the productivity of the state's economy.



Deteriorating Bridges

- 1 in 5 state bridges is more than 50 years old.
- If this trend continues, soon 1 in 3 bridges will be over 50, and 1 in 5 will be over 70 years old.
- Replacing Oregon's aging bridges will cost $1.2 billion.



Rapid Growth

- Between 1990 and 2000, Oregon was the 11th fastest growing state in the nation.
- Vehicle miles of travel (VMT) have doubled and commercial vehicle traffic has tripled.
- Over the next 20 years, VMT will continue to outpace population and truck traffic will more than double.

Congestion

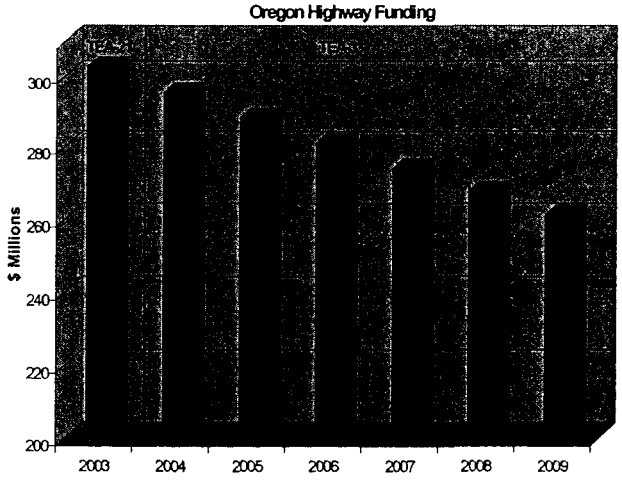
Growing congestion threatens the livability and economic vitality of communities. Traffic delays caused by congestion increase air and noise pollution, fuel use and travel times. Congestion drives up costs for local businesses and consumers, and hurts the entire Oregon economy. It is a growing problem in urban areas and an emerging problem in rural areas. In 1991, Portland ranked 19th among large urban areas for the percent of daily travel in congestion; in 1999, Portland ranked 8th.

The Need for New Revenue

TEA-21 increased federal funding for Oregon highways by nearly 50 percent. With these funds, ODOT has improved the condition of roads statewide, reduced traffic fatalities to a 40-year low and built several large modernization projects. In addition, thousands of private sector jobs have been supported each year.

Looking at possible funding levels in the next bill, a "No Change Scenario" would be devastating to the state's economy.

Reduction in Purchasing Power Due to Inflation



No Change Scenario

- Highway conditions will continue to deteriorate. Gains made under TEA-21 will be lost.
- More bridges will be weight restricted causing detours, some as long as 100 miles.
- Congestion will worsen.
- Highway safety will be undermined.
- Private sector jobs will be lost.

Priority Needs

Replace Deteriorating Bridges
Many of the state's bridges built during the interstate era show signs of cracking. Over 300 interstate bridges have been identified as needing repairs or replacement at a cost of over $700 million.

Expedite Construction of Modernization Projects of Statewide Significance
With current funding, ODOT is able only to undertake $1 of every $8 worth of needed highway improvements that would add capacity and reduce growing statewide congestion. Over the next six years, upwards of $1.5 billion is needed to complete rural and urban modernization projects that increase safety, reduce travel times and eliminate essential bottlenecks to the movement of people and goods.

Improve Safety
Over the next six years, $130 million is needed for safety education, enforcement and engineering to save additional lives and further reduce injuries on Oregon streets and highways

Transit
To maintain the average age of the existing urban and rural transit system buses, some 75-85 buses costing $25 million need to be purchased each year. Over the life of the new bill, some $1.3 billion is needed to maintain and improve existing transit services and to establish new bus, light rail and commuter rail systems. To meet the special transportation needs of the elderly and disabled $150 million is needed.

Rail
Over the next six years, $80 million is needed for track and signal improvements to increase passenger train speeds on the Oregon segment of the Pacific Northwest High Speed Rail Corridor. Approximately $70 million is needed to repair and rehabilitate Oregon short line railroads.

Revenue Options

It is clear that additional federal resources are needed to strengthen our transportation system. There are a number of alternatives being discussed that would generate additional revenue for transportation such as:

- Increasing and/or indexing the federal gas tax
- Rededicating interest from trust fund balances to transportation
- Spending down trust fund balances
- Ensuring taxes paid on gasohol are fully credited to the trust fund (2.5 cents per gallon is currently credited to the general fund, not the trust fund)
- Crediting the trust fund with revenue equal to the amount forgone because gasohol is taxed 5.3 cents per gallon less than gasoline

Many business groups and leading transportation experts are calling for an increase of the federal gas tax and other tax changes to support increased funding for transportation.

Associated General Contractors
American Road & Transportation Builders
National Asphalt Pavement Association
American Public Transportation Association
American Association of State Highway and Transportation Officials

New Revenue Scenarios

Attachment A shows how much new revenue Oregon would receive under different scenarios, depending on which tax policies, if any, Congress decides to enact in the next bill. The charts show if Congress:

- Makes no changes then Oregon's funding would increase only 12%
- Makes moderate changes then funding could increase 24%
- Makes major changes than funding might increase up to 50%

Without a significant increase in funding, the state will see increased load restrictions on interstate routes and other freight routes, and worsening congestion. Over the course of the next TEA bill, an extra $120 million is needed each year just to repair and replace cracked and weight restricted bridges on I-5 and I-84, the most critical routes for moving national and international commerce.

New State Revenue

The Oregon Legislature adopted the Oregon Transportation Investment Act (OTIA) in 2001. The OTIA program is the first significant boost in state transportation funding in 10 years. OTIA raised new revenue by increasing vehicle title and other fees that leveraged $500 million of transportation projects through bonding.

173 projects, totaling $645million have been approved for OTIA funding – 65 bridge projects costing $201 million, 44 preservation projects totaling $81 million, and 64 modernization projects costing $363 million.

In the upcoming reauthorization debate, it will be important to continue to demonstrate to Congress that transportation is an important funding priority for the state. Proposals have been considered that would link the amount of federal funding a state receives to its "level of effort" – state & local investments in transportation.

Recommendations

Priority Issues

Overall federal highway and transit funding should be increased. TEA-21 increased funding by nearly 50 percent. A similar increase is needed to address priority needs in Oregon over the next six years. It is critical that funding for existing programs not be decreased to fund new programs, or for expanding the eligibility of existing programs.

TEA-21 funding guarantees and firewall provisions should be continued. The next bill should continue TEA-21's landmark provisions that restored the integrity of the Highway Trust Fund by creating budgetary firewalls, preventing federal trust fund revenue from being used for non-transportation purposes, and guaranteeing minimum funding levels for highway and transit programs.

Oregon's annual formula funding should be increased *[Give target]*

If funding is earmarked for "High Priority Projects" the Delegation should focus its efforts on fully funding requests that are eligible, feasible, reasonable, timely, and widely supported. The Oregon Transportation Commission will aggressively pursue funding for a short list of projects of statewide significance that meet these standards (Attachment B).

TEA-21's basic program structure works and should be retained. TEA-21 is working in Oregon. While some TEA-21 provisions may need modification, its basic structure is sound. Retaining the core program structure will allow states and local governments to continue to build upon the successes of ISTEA and TEA-21.

Flexibility of federal funds should be increased to include rail capital improvements. Senate proposals that were considered but ultimately not included in TEA-21 – such as making rail freight projects that serve the public interest eligible for federal highway funding – should be revisited in the next bill.

Adequate federal funding is needed for passenger rail service. This includes regional high-speed rail corridors such as the Pacific Northwest Corridor, long distance service such as the Coast Starlight, and emerging corridors such as Eastern Oregon.

Federal programs, research and innovative financing tools that improve freight mobility should be strengthened. The National Corridor Planning and Development Program, for example, needs to be funded at a higher level with a greater focus on major freight projects.

Other Issues

Existing programs and policies that should be continued:

Core programs. Surface Transportation Program (STP), Transportation Enhancements (TE), Congestion Mitigation & Air Quality Improvement Program (CMAQ), Bridge, etc.

Flexibility provisions that allow highway funds to be "flexed" to transit. States should continue to have the option to fund transit capital projects with federal highway funds.

Metropolitan Planning Organizations (MPOs) and Transportation Management Areas (TMAs) set-asides. The same categories and percentage of federal funds that are set-aside for metropolitan areas in TEA-21 should be continued.

Federal Lands Highways Program. The existing program and allocation formula should be continued at a higher authorization level. No new funding categories or set-asides should be created within the program.

Sliding scale provisions. States, like Oregon, with large amounts of federal lands have lower non-federal match requirements than other states. These so-called "sliding scale" provisions should be continued.

Existing programs and policies that should be modified to improve their effectiveness (separate legislative proposals will be drafted for each of the following):

- National Corridor Planning and Development Program (NCPD)
- Environmental streamlining
- Transportation and Community and System Preservation Pilot Program (TCSP)
- State Infrastructure Banks (SIBs)
- Light Density Rail Line Pilot Program

Safety programs & policies

Flexibility. States should have continued flexibility to use federal funds for safety activities, including engineering, enforcement, and education programs.

Consolidate grant programs. Safety grant programs should be consolidated into one performance-tiered grant program. Doing so would decrease administrative costs and reward programs that are effective.

Incentives. Performance in highway safety can be encouraged through either sanctions or incentives. Oregon will benefit the most from an incentive program, just as we have during TEA-21.

Transit programs & policies

Funding. Congress and the Administration should protect and preserve the TEA-21 budgetary "firewall" and minimum guarantee levels of funding for transit, and should, at a minimum, support an annual federal transit program level of $14 billion by FY 2009 (with the amount above $10 billion coming from a source other than the highway trust fund).

Formula programs. Retain TEA-21 formula distributions among large urban, small urban, and rural areas.

Capital programs. Retain TEA-21 distributions among new starts, rail modernization, and bus and bus related facilities.

Non-federal match. Maintain the current 80/20 matching shares for transit. And differences in administrative match requirements for state administered programs (49 U.S.C. § 5310 & 5311) to allow 15% without non-federal match.

Drug & alcohol testing. Consolidate all U.S. Department of Transportation testing regulations into one federal program that covers all federal transportation agencies (Federal Transit Administration, Federal Rail Administration, etc.)

Intercity bus. Allow states to determine the percentage of funding allocated to intercity bus.

School bus service. Provide states flexibility to combine public transit and school bus services.

Charter bus requirements. Reduce administrative burden for incidental charter services that do not jeopardize private operators.

Buy America & procurement. Permit manufacturers to self-certify compliance.

New Programs & Policies

Alternate financing. The federal gas tax has served the nation well but has inherent limitations that need to be addressed if transportation investment is going to keep up with growing needs. New revenue mechanisms based on alternative methods, such as mileage based fees, need to be examined and deployed. In Oregon, the Governor and Legislature have formed a Road User Fee Task Force to study alternatives to taxing highway use through motor fuels taxes. Congress, working with leading states such as Oregon, should fund further research and programs that demonstrate new financing methods.

Truck transponder interoperability. Transponders are like electronic license plates that identify an individual truck and the trucking company that is operating the vehicle by transmitting and receiving electronic signals as they pass weigh stations. They save trucking companies and the government money by allowing law-abiding trucks enrolled in state preclearance programs to bypass weigh stations. They also help state transportation officials enforce safety regulations and collect data.

Some preclearance programs, such as HELP's PrePass, don't allow trucks carrying their transponders to enroll in other programs, such as Oregon's Green Light. States under contract with HELP are prohibited from accessing information about precleared trucks. They cannot use the information, commonly called scale crossing records, for their own safety or other enforcement purposes and they can't share the information with other states.

The federal law should be clarified to ensure that state employees who enroll transponders and use them for regulatory purposes commit no crime under 18 U.S.C. §1029, the Credit Card Fraud Act. Congress should make it clear that states may enroll any transponder as part of their legitimate regulatory purpose.

Second, Congress needs to establish national policy regarding truck weigh station preclearance that includes:

- A declaration that transponders should be freely interoperable between jurisdictions.
- A directive that promotes the integration of preclearance systems that weigh and identify trucks, consistent with the existing U.S. DOT Commercial Vehicle Information Systems and Networks (CVISN) program.
- Recognition that states have the right to receive signals from any transponder and link a unique identifier to a motor carrier's records, at the carrier's voluntary request.
- Clarify that states may use weigh station records, including vehicle identification records, for regulatory enforcement purposes, whether they are collected electronically or manually.

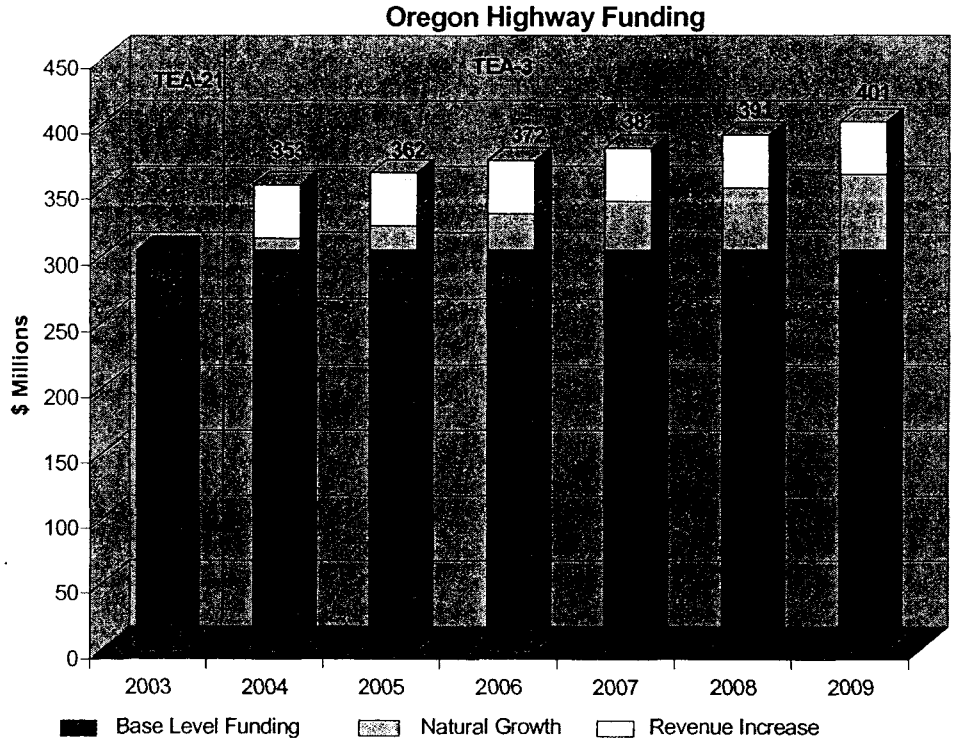
Attachments

Attachment A:
Revenue Scenarios

The amount of revenue generated by user fees such as the federal gas tax will largely determine the level of federal investment in transportation for the remainder of this decade. To increase federal investment significantly in the next authorization bill, tax changes may be needed. The following charts illustrate how additional funding Oregon would receive under different revenue scenarios.

The first chart shows how much highway funding could be generated for Oregon if federal revenue is increased moderately in the next bill without changing tax rates. Under this scenario, funding would increase by nearly $75 million a year or 24 percent over current funding.

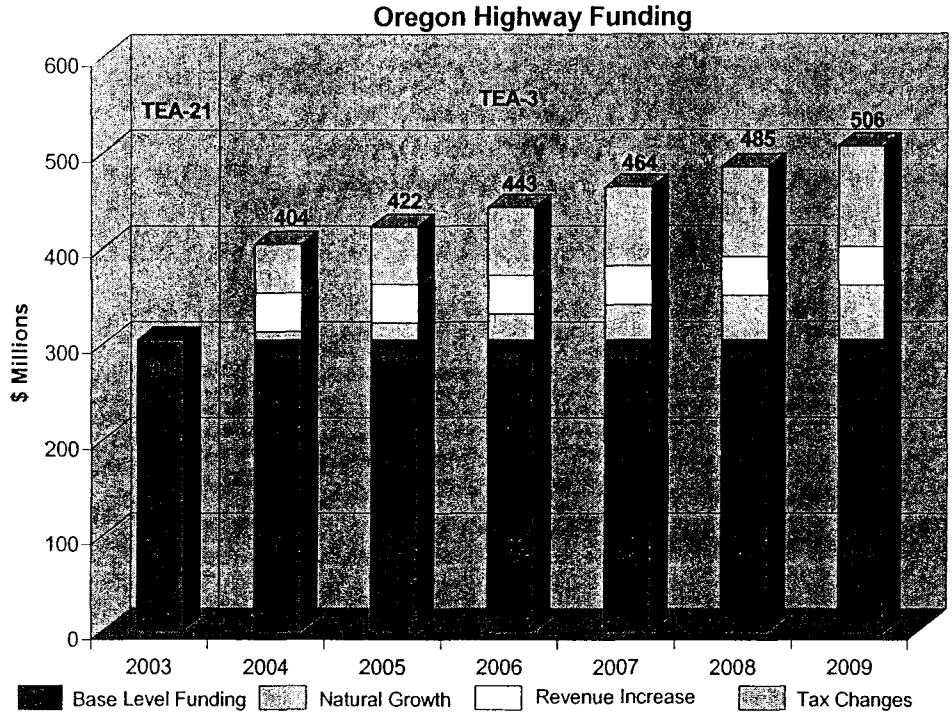
Chart 1 - Moderate Increase



The **Moderate Increase** in Oregon Highway Funding scenario assumes moderate natural growth in trust fund revenue and congressional action on three alternatives for increasing federal revenue. This scenario assumes: 1) ***natural growth*** in trust fund revenue from increased fuel usage would average 3 percent per year; 2) ***interest*** earned on trust fund balances and the ***2.5 cents of gasohol fuel tax*** revenue currently deposited in the general fund are rededicated to the trust fund; and 3) existing trust fund balances are spent down by $2 billion each year.

The second chart shows Oregon highway funding if the moderate revenue increase is accompanied by tax changes. Under this scenario, average annual funding would increase by $150 million or 50 percent over current funding.

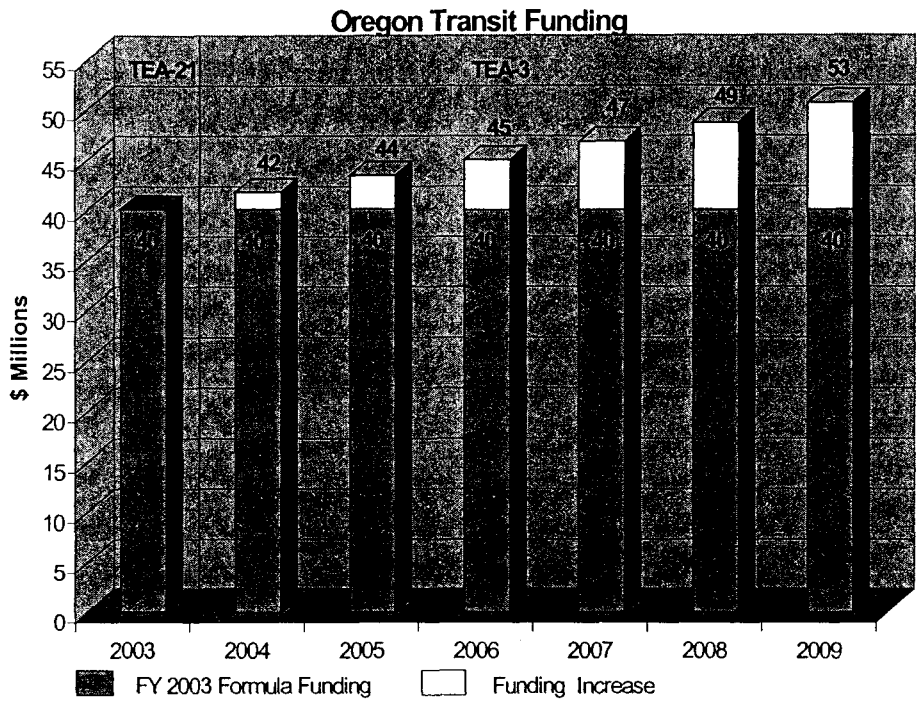
Chart 2 - Moderate Increase & Tax Changes



The **Moderate Increase and Tax Changes** scenario adds three fuel tax changes that would require congressional action to the funding levels generated under the Moderate Increase option. Under this scenario: 1) the ***5.3 cents a gallon tax differential for ethanol is eliminated*** or reimbursement is made to the trust fund from the general fund; 2) ***Motor fuel tax rates are indexed*** for inflation; and 3) the current ***federal fuel tax rates are increased by 2 cents per gallon***.

The third chart shows the transit funding generated for Oregon by increasing annual federal funding nationwide from $7.5 billion to $10 billion, a 33 percent increase over current funding.

Chart 3 - Transit Funding Increase



The **Transit Funding Increase** scenario assumes ***natural growth*** in trust fund revenue at 3 percent a year and yet to be determined combination of increased contributions from the general fund and fuel tax changes that are being advocated by transit supporters.

Transportation Finance Corporation

AASHTO is exploring the concept of establishing a new tax credit bond program and Transportation Finance Corporation. AASHTO proposes that Congress charter a new private, non-profit organization—the Transportation Finance Corporation—to serve as the centralized issuer of the bonds. The taxable bonds would have a term of 20-25 years. In lieu of interest, the bond holders would receive tax credits that could be applied against the holder's Federal income tax liability. A portion of the bond proceeds (up to 30 percent) would be set aside at issuance in a sinking fund, and would be invested in Federal agency or other high-grade instruments. At maturity, the proceeds would be sufficient to repay the bond principal.

AASHTO proposes that the budgetary cost of the program (arising from tax expenditures) be offset by additional Highway Trust Fund receipts derived from a new net source of revenue. A total of $59.5 billion is proposed to be issued between 2004 and 2009. Net proceeds after funding the escrow account/sinking fund are expected to be $42.6 billion--$34.1 billion for the highway program and $8.5 billion for transit.

States will receive proceeds designated for highways through an apportionment formula for Federal-aid highway funding. Transit distributions will be made on a basis to be determined. In each case, the State or local grant recipient will be required to provide matching funds (e.g. 20 percent). As such, from a grantee's perspective, the additional distributions will be largely indistinguishable from conventional Federal-aid funding.

In addition, the TFC proposal contemplates up to $5 billion of federal funding being used to fund a Capital Revolving Fund, which would make direct loans, loan guarantees and standby lines of credit to a variety of surface transportation projects not readily fundable under existing Federal programs.

Attachment B:
"High Priority Project" Earmarks

Earmarking federal funding for specific projects has become a common practice in transportation authorizing bills. This growing trend provides the Oregon Congressional Delegation with an opportunity to capture federal funds for projects in Oregon.

It also creates several challenges at the state level. One challenge is managing the Statewide Transportation Improvement Program (STIP). Because earmarked projects are often times partially funded, the funds needed to make up any shortfalls may have to come from projects already in the STIP, possibly delaying those projects in order to fully fund the earmarked projects.

Another challenge is providing the Delegation with funding requests that are eligible, feasible, reasonable (in terms of the number of projects and amount of funding requested), timely, and widely supported. The Oregon Transportation Commission (OTC) is acutely aware that everyone in the state is impacted negatively if projects that are a poor fit for federal earmarked funds are submitted to the Delegation.

The competition for funding is extremely competitive in Congress, and members that secure funding for projects that ultimately are not delivered face an uphill battle the next time they request funding. At a time when resources are trailing far behind demand, no one wants to see limited resources tied up in projects that are not moving while many other worthy projects go unfunded.

Transportation Equity Act for the 21st Century (TEA-21)
Congress earmarked about 5 percent of the total highway funding in TEA-21 for "High Priority Projects". A total of $143 million was earmarked for 31 specific Oregon projects, and $30 million was set-aside for preservation on state highways. The largest earmark for a single Oregon project was $20 million. The average size was much smaller, about $4.6 million.

Purpose of Guidelines
These guidelines set minimum standards for projects being considered for submittal to the Delegation by ODOT. Additional guidelines may be developed as needed.

Local governments that plan to request federal funding from the Delegation are urged to demonstrate that they have met these minimum standards. Local governments that receive federal funding in the next bill are solely responsible for meeting all federal requirements, including contributing all required non-federal matching funds. The state will not be responsible for funding shortfalls if projects sponsored by local governments receive less federal funding than requested.

Guidelines for Earmarked Projects

It is in the interest of the state and local jurisdictions to submit to the Oregon Congressional Delegation only projects that will compete well for federal funds. All jurisdictions in the state are negatively impacted if unsuitable candidates for earmarked "High Priority Project" funds are submitted and receive funding.

Therefore, ODOT will only submit projects that meet the following minimum standards:

A. Eligibility. Each project will be evaluated to determine if it is eligible for federal funding. The project must also be eligible for the type of funds used as match.

B. Feasibility. Each project will be evaluated to determine if:

1) The project sponsor is able to deliver the project.

2) There are any known fatal flaws.

3) There is a sound financing plan, including:

   a) Reasonable size of request — Requests should be limited to the $2 to $20 million range. If the program grows substantially, the upper limit might be $30 million for a single project and $45 million for a statewide bridge replacement request.

   b) Identified and committed matching funds — Required match is usually 20% of the project cost and must be state, local or private dollars, not federal funds. "Identified and committed matching funds" means the project sponsor has set-aside an adequate amount of non-federal funds - in an adopted budget, approved capital plan or by resolution for example - to match federal funds if they are received.

   c) Contingency plan if request is partially funded — Most requests are not fully funded therefore project sponsors must demonstrate that they have a plan to ensure the project will be completed if less than the full request is received.

C. Timeliness. Each project will be evaluated to determine if the project can be completed in a timely manner, and federal funds can be obligated prior to the end of the authorization period (usually six years).

D. Public Support. Each project will be evaluated to determine if the project has demonstrated public support, including but not limited to:

1) Local governments.

2) Area Commissions on Transportation (ACTs).

3) Elected officials.

FUELING UP

Gasoline Consumption in the Pacific Northwest

OCTOBER 2002

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EXECUTIVE SUMMARY

- Gasoline use is a leading indicator of the Pacific Northwest's environmental and economic vitality because it is a principal cause of urban air pollution, the region's largest source of greenhouse gas emissions, and one of the region's most expensive imports, draining tens of millions of dollars from the local economy every week. It's also a proxy for sprawl.

- Over the last decade, from 1992 to 2002, the Northwest's thirst for gasoline grew with population—a 21 percent increase overall but only a 1 percent increase per person. On average, northwesterners each burn 7.7 gallons (29 liters) of gasoline a week—three times the volume of water that they drink. Idahoans consume 9.7 gallons (37 liters) per week, Oregonians 8.5 gallons (32 liters), Washingtonians 8.4 gallons (32 liters), and British Columbians 5.5 gallons (21 liters).[1]

- British Columbia's lower consumption is mostly a result of the province's more compact communities and smaller road network: In greater Vancouver, for example, some 62 percent of residents live in neighborhoods with more than 12 people per acre, compared to roughly 25 percent of residents in greater Seattle and greater Portland. In such neighborhoods, driving declines and use of alternative transportation increases. And per resident, Washington has a quarter more miles of streets and highways than BC, Oregon has two-thirds more, and Idaho has three times more.

- But British Columbia's fuel-efficiency leadership slipped in the last decade. Shifting demographics and the popularity of larger vehicles boosted per capita consumption 7 percent.

- Idaho, whose vehicles grew the largest and whose cities sprawled, registered a disheartening 12 percent jump in fuel use per resident over the decade. Trucks, including minivans and SUVs, increased from 41 to 56 percent of vehicles.

- In the last decade, Washington trimmed per capita gasoline consumption by 2 percent, trailed closely by Oregon, which logged a 1 percent reduction. These decreases pushed both states below the American average for the first time.

- Efforts against sprawl help explain the reductions. In King County, Washington, and Multnomah County, Oregon, higher neighborhood densities reduced drive-alone commuting and increased commuting by transit. Partly as a consequence, Washington and Oregon were the only two American states to show no significant increase in the share of commuters who drove alone to work in the 1990s.

- Although gasoline is about 10 percent cheaper in the Northwest states than in British Columbia, residents of the Northwest states buy so much more fuel that they spend about one-third more on gasoline each year. British Columbians also put less than half as much money per person into roadwork each year as their American counterparts.

- Within the Northwest states, residents of the most densely settled counties drive alone less. Over the 1990s, for every 100 additional employed residents, King County, Washington, added just 43 drive-alone commuters; next door, sprawling Pierce County added 89. In Oregon, Multnomah County added only 49 drive-alone commuters per 100 new employed residents, while Clackamas County actually added 110 per 100 as existing residents switched from alternatives to driving alone.

- Fuel economy stalled in the last decade after improving in the 1980s. Had northwesterners not traded their cars for trucks in droves in the 1990s, the improvements in vehicle technology would have slashed per capita fuel use.

- The benefits of compact communities and smaller road systems deserve consideration as the region makes big transportation decisions in the months ahead.

- Other innovative ways to reduce gas consumption include distance-based car insurance, variable tolls on urban highways, and incentives to buy efficient vehicles.

WHY GASOLINE MATTERS

Northwesterners' consumption of gasoline—the most common petroleum product, the linchpin fuel of the region's transportation system, and one of the region's most expensive imports—is a leading indicator of the region's progress toward environmental and economic resilience. [2] For this reason, Northwest Environment Watch (NEW) is monitoring gasoline use as one component of a new regional index of sustainability the organization is designing.

Gasoline consumption trends are an excellent indicator of regional progress because:

- **Gasoline consumption reveals whether vehicles and communities are fuel efficient.** It shows if northwesterners are improving our vehicles' fuel economy by, for example, adopting the next generation of efficient technologies such as hybrid gasoline-electric motors and fuel cell engines. It also reveals whether we're creating compact, efficient, mixed-use communities, where driving solo is but one choice among many, along with transit, carpooling, walking, and cycling.

- **Burning gasoline pollutes the air.** Gas-fueled vehicles are a leading source of air pollution in the Northwest's cities. Vehicles that consume more fuel generally send more noxious substances out their tailpipes. Compared with passenger cars, for example, light trucks (including SUVs and minivans) typically consume about a quarter more gasoline per mile than cars and emit roughly one-third more carbon monoxide and nearly 30 percent more cancer-causing particulates. They also emit more of the nitrogen oxides and hydrocarbons that react to form ozone, which causes respiratory illness.[3]

- **Burning gasoline destabilizes the climate.** Gasoline is the single largest source of greenhouse gas emissions from the Pacific Northwest. The carbon dioxide produced by burning gasoline makes up about one-quarter of the region's total climate-changing emissions (and one-third of emissions from fossil fuels).[4]

- **Drilling for and transporting fuel is risky.** Drilling for the oil from which gasoline is made endangers remote and sometimes fragile ecosystems: proposals are circulating to expand oil drilling into the Arctic wetlands of northern Alaska and the rich marine waters off British Columbia and California. Transporting oil and gasoline in ships and pipelines imperils both human and natural communities.

- **Paying for fuel saps the Northwest economy.** Well over half of northwesterners' spending at the pump immediately drains out of the regional economy. Idaho, Oregon, and Washington do not produce crude oil, and British Columbia produces less than a third as much as it consumes. Oregon and Idaho do not refine their own fuel. Dependency on oil also ties the Northwest's economy to politically unstable regions of the world. And the volatility of world oil markets leaves northwesterners vulnerable to recession-inducing price spikes.[5]

FUEL LEVEL

The Pacific Northwest's thirst for gasoline grew 21 percent over the decade ending in June 2002, rising in lockstep with population to 116 million gallons (438 million liters) a week (see Figure 1). At that pace the Pacific Northwest consumes enough fuel to fill the world's largest supertanker every 12 days. With a slowing economy, per capita consumption—up 1 percent over the decade—dipped slightly after spring of 1999, so the region's total consumption has since remained level despite continued population growth.[6]

This steady population-driven rise is remarkable for two reasons. First, thanks to lower consumption in Washington and Oregon, the Northwest's per capita gasoline consumption rose just 1 percent during a decade when incomes soared and fuel prices remained relatively low. Between 1950 and the late 1970s, economic growth and gasoline demand seemed joined at the hip; over the last two decades, in contrast, per capita consumption has seemed only loosely tethered to income trends (see Figure 2). In fact, vehicle numbers per capita stabilized in much of the region during the 1990s, and distance driven per person grew only slowly. Improving transit service and "smart-growth" development patterns interrupted previously unrelenting rises in these two variables.[7]

Second, the region's leveling-off of fuel use occurred during a decade when vehicles grew larger: trucks (including SUVs and minivans) overtook cars in number in Idaho and Oregon and gained on them in Washington and British Columbia. The phenomenal pace of technological innovation during the 1990s and the rapid turnover in the vehicle fleet brought on by a strong economy combined to prevent backsliding in fuel economy. New vehicles rolling out of showrooms in the region are no less efficient than the old vehicles being junked elsewhere in the region.[8]

Figure 1. The Northwest's total gasoline consumption rose in step with population growth over the last decade

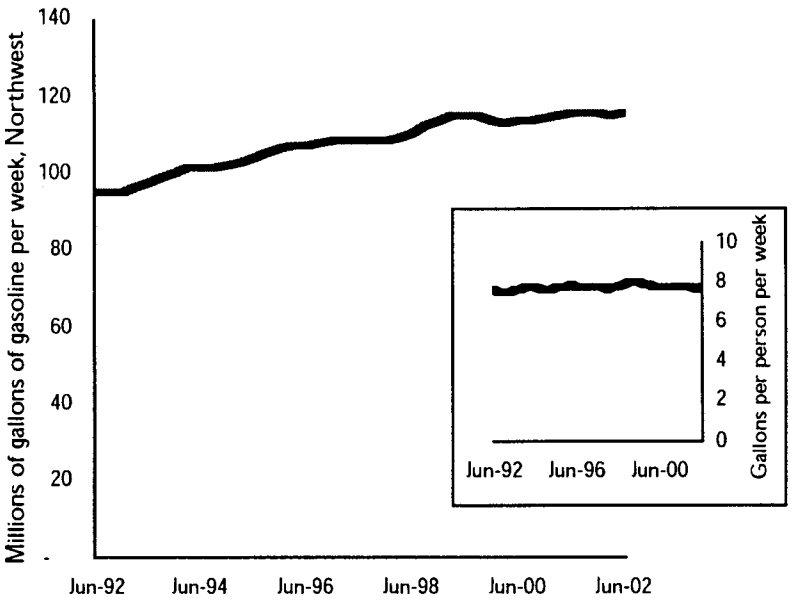
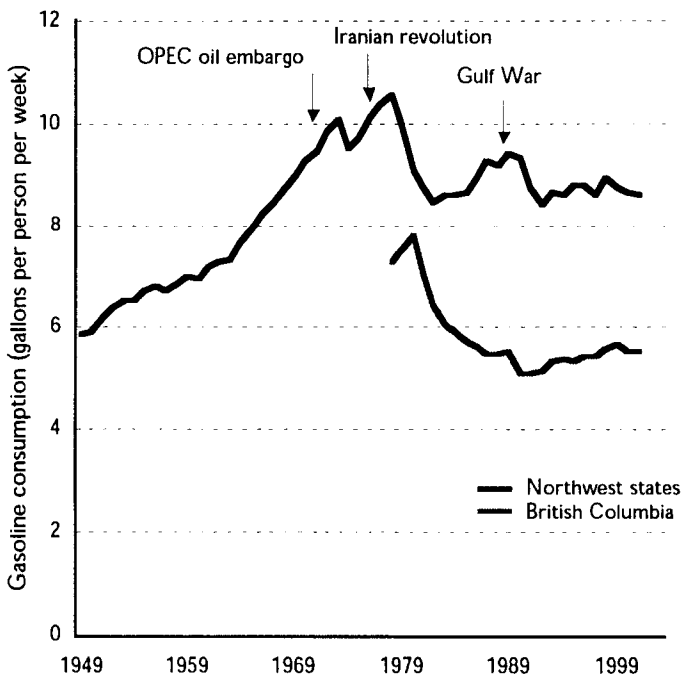


Figure 2. The Northwest's per capita gasoline consumption is lower than it was 20 years ago but still higher than in 1967



Northwesterners consume less gasoline per person than they did 20 years ago (although per capita figures are still higher than in 1967). But had northwesterners not traded their cars for trucks in record numbers, the same pace of technological improvements in fuel economy would have brought steep declines in per capita fuel consumption in the last decade, as it did during the early 1980s. Instead, the average fuel economy of the Northwest states' vehicles improved steadily during the 1970s and 1980s but remained stalled during the 1990s.[9]

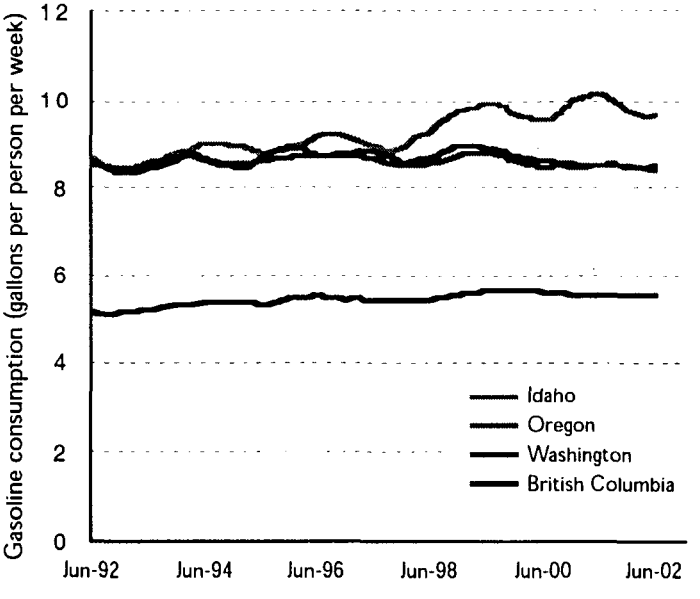
THE BC DIFFERENCE

Regionwide figures conceal radically different patterns of gasoline demand on the two sides of the 49th parallel: Oregonians consume 8.5 gallons (32.1 liters) per week, Washingtonians 8.4 gallons (31.8 liters), Idahoans 9.7 gallons (36.7 liters), and British Columbians 5.5 gallons (20.9 liters). In other words, residents of the Northwest states use fully 56 percent more gasoline per person—and emit proportionately more pollution—than their BC neighbors (see Figure 3).[10]

British Columbia's lower fuel consumption results partly from the province's lower incomes and higher gas taxes. But most of the difference seems to flow from the province's leadership—relative to the Northwest states—in developing compact communities.

Studies of 100-odd cities on four continents have found that neighborhood density is the single most important determinant of how much driving people do—a more critical factor than gas prices, personal incomes, transit service, and details of neighborhood planning. As density tops 12 people per acre (30 people per hectare),

Figure 3. Gas consumption trends varied significantly by region in the last decade



driving declines and use of transit and other alternatives increases. In greater Vancouver—home to nearly half of all British Columbians—some 62 percent of residents live in neighborhoods of more than 12 people per acre, compared with 25 and 24 percent in greater Seattle and greater Portland, respectively. A typical car or truck in greater Vancouver travels 15 miles (24 kilometers) per day; in greater Seattle, its counterpart goes at least 19 miles (31 kilometers).[11]

Behind British Columbia's relative success at concentrating urban growth is, among other things, its smaller road network. High-capacity roads abet sprawling auto-oriented development, while transit investments provide effective alternatives to driving.

Compared with the Northwest states, the province has few urban and suburban freeways. In fact, it has fewer roads of all types (except for logging roads): for each resident, Washington has a quarter more miles of streets and highways than BC, Oregon has two-thirds more, and Idaho has three times more. This smaller road network saves BC taxpayers a bundle: they put less than half as much money per capita into roadwork each year as their American counterparts and half as large a share of their economic output.[12]

Interestingly, the consequence of more densely settled cities with fewer roads is not a disastrous tangle of gridlock. Vancouver's transportation system, for example, although it leaves much to be desired, may suffer less congestion than Portland's or Seattle's even while costing taxpayers and drivers less (see below). Congestion may be a red herring. In the Northwest's large metropolitan areas, where vehicles typically outnumber licensed drivers, vehicle congestion, like a gas, tends to expand to fill the space available. Over the long term, seeking to ease congestion by building or widening roads may be self-defeating because of the sprawl—and people and cars—that follows roads.[13]

High-capacity roads abet sprawling auto-oriented development, while transit investments provide effective alternatives to driving

Nevertheless, Vancouver's record in gas consumption—while impressive for a northwestern city or even in comparison with compact, transit-oriented American cities like Chicago and New York—is not the best in Canada and pales in comparison to most European and Asian cities. In 1990 Vancouver used 11 percent more energy to transport each resident than Toronto or Ottawa; it used 50 to 100 percent more than Amsterdam, Copenhagen, London, Munich, Paris, Vienna, or Tokyo.[14] (Vancouver is roughly half as dense as the European cities mentioned and about a third as dense as Tokyo.)

Disturbingly, British Columbia's leadership slipped some during the past decade, when per capita gasoline consumption rose by 7 percent. Total consumption, spurred by surging population, rose 29 percent to nearly 23 million gallons (86 million liters) a week from 1992 to 2002, faster than the population growth rate of 20 percent. But the province's per capita consumption of 5.5 gallons (20.9 liters) per week remained slightly below the Canadian national average of 5.8 gallons (21.9 liters).[15]

The main cause of rising per capita consumption may be shifting demographics. In BC, the number of licensed drivers rose 50 percent faster than population—largely

the result of an aging population and fewer children—while in the Northwest states the number of licensed drivers grew more slowly than population. But the growing popularity of larger vehicles in BC also certainly steepened the increase in fuel use, possibly more than in the US Northwest. During the 1990s the number of large vehicles registered in BC increased by nearly half, even as the number of small cars fell by more than a third.[16]

NORTHWEST STATES: DIVERGING

In a welcome shift, Washington and Oregon reduced their per capita gas consumption by 2 percent and 1 percent, respectively, in the last decade. Oregon trimmed its per capita consumption to 8.5 gallons (32.1 liters) per week, and Washington to 8.4 gallons (31.8 liters). At the tail end of the 1990s, both states dipped below the national average for the first time since records have been kept.[17]

This positive trend may be linked to the efforts of Washington's and Oregon's major metropolitan areas to foster compact, "smart-growth" neighborhoods (see next section). Even so, rising populations—a growth rate of 18 percent in both Washington and Oregon over the last decade—added to the total demand for gasoline. Oregon, now burning almost 30 million gallons (112 million liters) a week, consumes 17 percent more than it did a decade ago. Washington, at 51 million gallons (192 million liters) a week, also uses 17 percent more than it did ten years ago.[18]

Washington and Oregon reduced their per capita gas consumption by 2 percent and 1 percent, respectively, in the last decade, while Idaho's grew by 12 percent

Idaho, however, topped even BC's increases in per capita gas consumption. After mirroring trends in Oregon and Washington during the 1980s, when its economy was slack, Idaho increased its per capita gasoline consumption by 12 percent in the last decade, a gallon more gas per person, weekly. Total gas consumption in the state grew 41 percent overall—significantly more than the population growth rate of 25 percent—to a total of 13 million gallons (49 million liters) weekly.

Rural residents tend to use more gasoline per capita than do city-dwellers, and Idaho is more rural than Oregon or Washington. But this difference cannot explain Idaho's rapid increase in gas consumption during the 1990s, because Idaho also urbanized more rapidly than the other two states. The probable causes for the state's increase lie elsewhere: its cities sprawled more than Oregon's or Washington's, its truck population burgeoned from 41 to 56 percent of all vehicles, and its transit systems languished over the decade. Today, Idaho residents use about 15 percent more gasoline per person than do residents of Washington, as was the case in the 1950s through the 1970s.[19]

DRIVING ALONE

A full understanding of trends in gasoline use requires a look at changes at the local level, neighborhood by neighborhood. Unfortunately, no one consistently gathers data on gasoline consumption at geographic scales smaller than the state or province, but both Canadian and American censuses collect information all the way down to the household level on how people commute to work. This information sheds light

on gasoline consumption, because commuting accounts for a larger share of driving than any other single purpose: 28 percent of miles driven in the greater Seattle area, for example.[20]

The 2001 Canadian census data on commuting are not yet published, but the US Census Bureau recently released its relevant data from the 2000 census. These data underline the importance, if the Northwest is to moderate gasoline consumption, of corralling growth into compact, transit-oriented neighborhoods.

As noted earlier, international studies have shown that as density increases, driving declines. And statistically, in the Northwest states, residential density is an excellent predictor of how people get to work. Northwesterners who live in low-density, auto-oriented communities—those with fewer than 12 people per acre—usually drive alone. But as density increases, so do transit ridership, bicycling, and walking. And car trips get shorter.[21]

The correlation between lower densities and driving alone is strong in all the Northwest counties for which data are available. For example, in the region's two densest counties (King, which includes Seattle and one-third of Washington's population, and Multnomah, which includes Portland and one-fifth of Oregon's population), every additional resident per acre in a neighborhood generally lowers the share of commuters who drive alone to work by an additional percentage point (see Figures 4 and 5).[22]

Sprawling, low-density suburbs (such as Newcastle and much of Redmond in the Seattle area and the Portland zone stretching from Vancouver to Camas, Washington, all of which have below five residents per acre) send more than 80

Figure 4. King County, Washington, commuters who live in more compact neighborhoods use public transit more and drive alone less

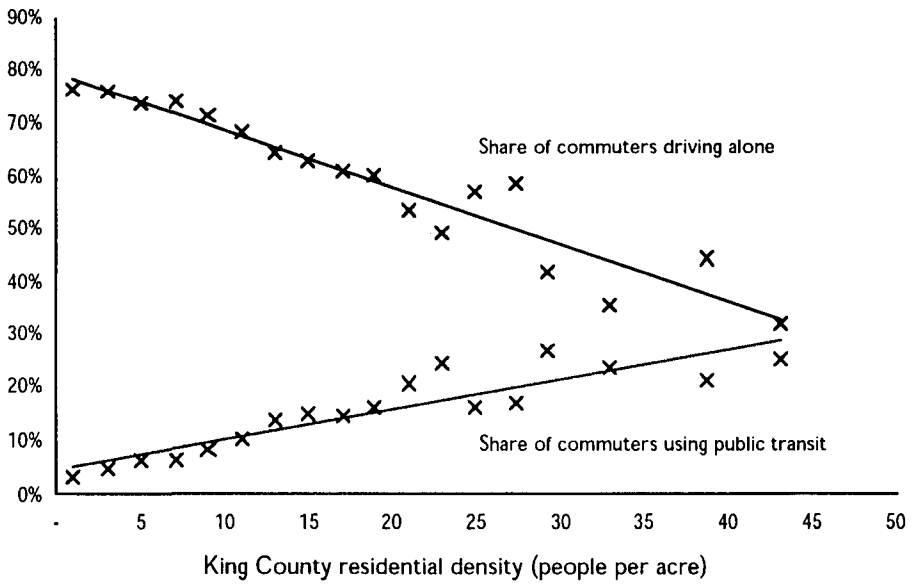
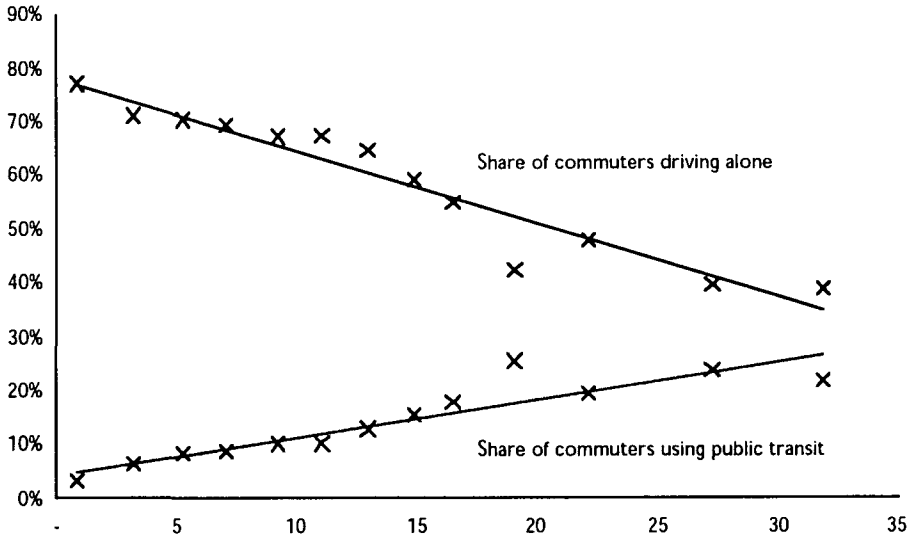


Figure 5. Multnomah County, Oregon, shows the same trend



percent of their residents to work alone by car. In communities with more than about 25 people per acre—the density of neighborhoods such as downtown Portland, and Seattle's Capitol Hill and University District—more than half of commuters use modes of travel besides driving alone (see Maps 1 and 2).[23]

As density varies among Northwest jurisdictions, so do commuting habits (see Table 1). Seattle, where only 58 percent of commuters drive alone, leads the US Northwest in transportation alternatives, and Portland is not far behind. But sprawling suburban Snohomish and Pierce Counties do substantially worse than King County, just as greater Portland's suburban counties—Clackamas, Clark, and Washington—lag behind Multnomah. (On the other hand, greater Vancouver, BC, did better than any of the US Northwest jurisdictions, with only roughly 60 percent of commuters driving alone in 1996, the last year for which data are available. And the city of Vancouver only had 47 percent drive-alone commuting in 1996.)[24]

The variations among Northwest jurisdictions widened over the decade. King and Multnomah Counties, for example, reduced the share of their residents who drive alone, while suburban counties such as Clackamas and Pierce shifted toward more solo commuting. Still, the region's efforts at stemming sprawl and filling in existing communities with new transit- and pedestrian-oriented developments paid off handsomely overall. In the 1990s Washington and Oregon were the only two American states to show no significant increase in the share of commuters who drove alone to work (see Table 2). Among American states Oregon ranks ninth, and Washington tenth, in the share of people who carpool, ride transit, walk, or bike to work. Idaho commuters drive alone at the national rate.[25]

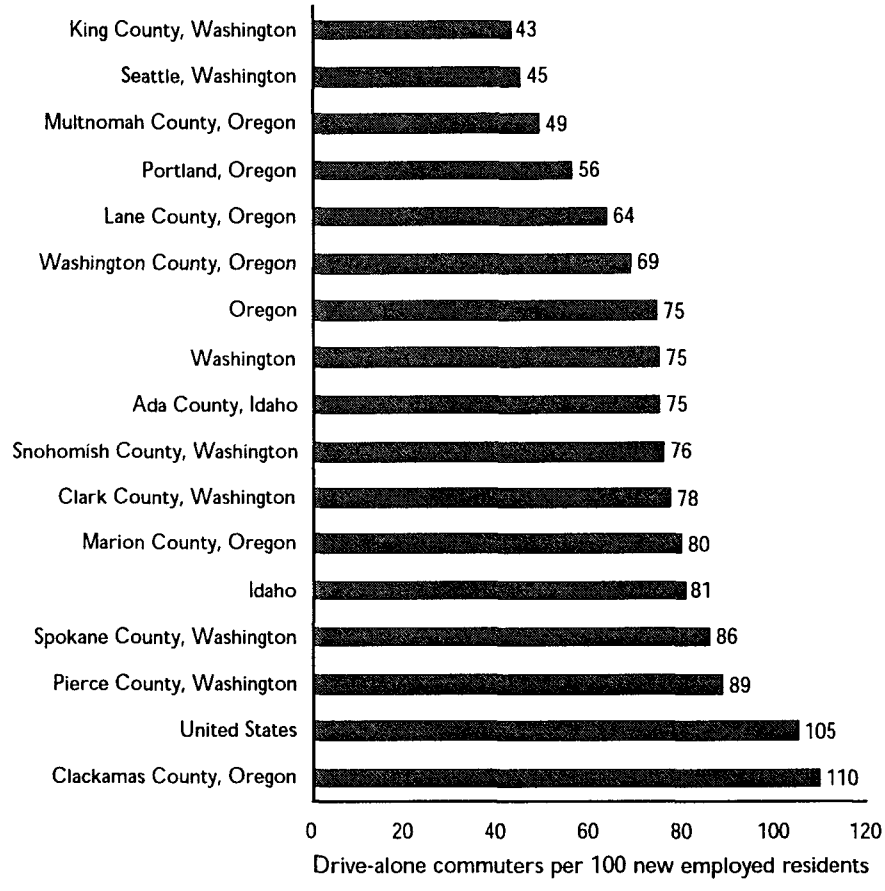
Table 1. Seattle and Portland lead the Northwest at getting commuters out of their cars

County or City (largest city)	State	Percent of workers driving alone, 2000
Seattle	Washington	58%
Portland	Oregon	63%
Multnomah County (Portland)	Oregon	65%
King County (Seattle)	Washington	69%
Lane County (Eugene)	Oregon	72%
Washington County (Beaverton)	Oregon	75%
Marion County (Salem)	Oregon	75%
Snohomish County (Everett)	Washington	78%
Pierce County (Tacoma)	Washington	78%
Spokane County (Spokane)	Washington	79%
Ada County (Boise)	Idaho	79%
Clark County (Vancouver)	Washington	80%
Clackamas County (Oregon City)	Oregon	82%
State of Oregon		**74%**
State of Washington		**74%**
State of Idaho		**76%**
United States		**76%**

Table 2. The Northwest's major metropolitan areas have reduced drive-alone commuting

County or City (largest city)	State	Change in the percentage of workers driving alone, 1990-2000
King County (Seattle)	Washington	-2.9
Multnomah County (Portland)	Oregon	-2.4
Washington County (Beaverton)	Oregon	-1.9
Ada County (Boise)	Idaho	-1.8
Portland	Oregon	-1.7
Lane County (Eugene)	Oregon	-1.6
Clark County (Vancouver)	Washington	-0.9
Seattle	Washington	-0.8
Snohomish County (Everett)	Washington	-0.4
Spokane County (Spokane)	Washington	1.3
Marion County (Salem)	Oregon	1.8
Pierce County (Tacoma)	Washington	1.8
Clackamas County (Oregon City)	Oregon	3.6
State of Oregon		**0.2**
State of Washington		**0.2**
State of Idaho		**1.4**
United States		**3.1**

Figure 6. Pierce County, Washington, added twice as many drive-alone commuters for every 100 new employed residents as did King County from 1990 to 2000



Another lesson of these data is that different growth management and transportation patterns yield radically different impacts on rush hour traffic around the Northwest (see Figure 6). During the 1990s, for every 100 new workers added to King County—where growth in compact neighborhoods accounted for 66 percent of total population increase—just 43 new drive-alone commuters made their way onto the roads; in Multnomah County, for every 100 new workers, the rolls of drive-alone commuters grew by 49.

In contrast, adding new people to outlying suburban areas means injecting more cars into the roadways. Places like Clackamas County, Oregon, actually added 110 new drive-alone commuters for every 100 new workers as existing residents switched from alternative transportation to driving alone. Pierce County, Washington—where growth in low-density sprawl accounted for 81 percent of population increase—added 89 new drive-alone commuters for every new 100 workers.

PAYING AT THE PUMP

Changing prices, of course, also explains some of the ups and downs of gasoline use. A 10 percent increase in gas prices typically reduces consumption by about 2.5 percent over the short term (as people reduce discretionary travel and switch to more-efficient vehicles they already own) and by about 9 percent over the long term (as people purchase more-efficient vehicles and adjust their routine travel plans and destinations).[26] High prices were the main cause of the sharp declines in consumption associated with the OPEC oil embargo, Iranian revolution, and Gulf War (see Figure 1). Each dip in consumption also coincided with a recession induced by the price hike. Rising prices also explain some of the decline in consumption per person since 1999.

But curiously, higher prices within the region—a product of higher gas taxes, since the pretax price of gasoline stays remarkably consistent across the continent—are associated with lower overall spending. Idahoans pay less for each gallon but more over the year, British Columbians, vice versa (see Table 3). Overall, spending on gasoline lightened northwesterners' wallets by $9.3 billion (Can$15.4 billion) in 2001, including $4 billion in Washington, $2.3 billion in Oregon, nearly $1 billion in Idaho, and Can$3.1 billion (US $2 billion) in BC.[27]

Table 1. British Columbians pay more for each gallon of gasoline but less on their annual fuel bill

	Annual spending on gasoline per licensed driver (US $)	Average price per gallon of gasoline (US $)
British Columbia	$709	$1.65
Oregon	$915	$1.50
Washington	$930	$1.48
Idaho	$1,082	$1.45

Sources: see endnote 27.

EASING OFF THE GAS

In the months ahead, each of the Northwest's jurisdictions confronts decisions on proposals that could shape cities—and trends in driving and gas consumption—for years to come: a $1.75 billion monorail and a $2.5 billion light-rail line in Seattle; a Can$2 billion combined Skytrain/subway to the airport in Vancouver, BC; a Can$700 million highway-widening project from Vancouver to Whistler for a Winter Olympics bid; massive suburban development plans and regional proposals for highway expansions and commuter rail in Idaho; a December decision on expanding the urban growth boundary around Portland; and a $7.7 billion transportation spending referendum in Washington State that devotes almost $6 billion to highway projects.

What do trends in gas consumption and commuting suggest about such decisions? If the BC's example of limiting fuel outlays has a lesson, it is that compact communities are the key to lower fuel use.

Specific methods of making communities more compact include allowing more in-fill development, such as accessory dwelling units; freeing developers from counterproductive regulations like minimum parking requirements; and adjusting zoning codes to allow neighborhood integration of residences and work space. They also include investing in infrastructure that supports close-in neighborhoods, such as parks, bike lanes, and schools, and integrating planning of economic development, transportation, and housing.

Another powerful way to foster compact cities is to restrain the growth of roads. If northwesterners want livable, economically efficient, and sustainable cities, they should judge transportation and land use proposals not in light of their short-term relief of traffic congestion but in light of their impacts on urban form. Transportation investments that foster compact, mixed neighborhoods close to town centers deserve support.

Another effective way to moderate gasoline consumption is to make the costs of driving correspond more directly with the amount of driving we do—to give consumers opportunities to save money by staying off the roads. A promising example of this approach is to sell car insurance by the mile, an idea that has been tested in Texas and will be introduced in the Oregon legislature in its 2003 session.

Another effective way to moderate gasoline consumption is to give consumers opportunities to save money by staying off the roads

Car insurance is currently sold like an all-you-can-eat meal plan: consumers receive only minimal discounts for driving less, even though higher-mileage drivers are more likely to have collisions. Consequently, car insurance overcharges those who drive little and undercharges those who drive much. A proposed bill in Oregon would encourage insurers—through the use of incentives—to offer plans that offer per mile premiums, as well as standard considerations like driving record. The potential gasoline savings are enormous: households that pay for their insurance by the mile reduce their driving by an estimated 10 percent.[28]

The costs of driving can also be made more variable through "value pricing," or variable tolls—a tool that many transportation experts agree is the only real solution to worsening gridlock. "Phantom tollbooth" scanners would deduct tolls from prepaid smart cards posted on cars' dashboards; the tolls would rise as rush hours approach and taper off as traffic dwindles. Demonstrated successfully in Ontario and southern California, such tolls could generate more than $2 billion annually in the Northwest to pay for transportation improvements or offset other taxes. Long debated in the Northwest, value pricing will finally get its first road test soon: the Puget Sound Regional Council is preparing to launch a pilot project in the Seattle area.[29]

A final strategy for slaking the region's thirst for motor fuel is to reinvigorate the process of improving vehicles' fuel economy. Unfortunately, this year, the US Congress declined to lead this process through ambitious increases in fuel-economy

standards for new cars and trucks. But the Northwest's state and provincial governments can still proceed, as California has, by promoting highly efficient cars, such as hybrid gasoline-electric vehicles, with tax incentives and state air regulations.

Better, they could implement "feebates"—fees charged to the buyers of less-efficient vehicles and rebates to the buyers of more-efficient ones—that systematically nudge consumers away from gas guzzlers. As average efficiency increases, the feebates reset themselves around the new average, manufacturers raise their wares' efficiency to compete, and consumers set their sights still higher. Efficiency snowballs.

In combination, these strategies—compact communities, by-the-mile insurance, value pricing, and fuel-economy incentives—can help northwesterners slash their eight-gallon-a-week gasoline diet while actually improving their mobility. Along the way, they'll help clear the air, secure the climate, and revitalize the regional economy.

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ABOUT NORTHWEST ENVIRONMENT WATCH

Northwest Environment Watch (NEW) is a Seattle-based, nonprofit research and communication center that monitors progress toward an environmentally sound economy and way of life in the Pacific Northwest, a region that includes British Columbia, Washington, Oregon, Idaho, and adjoining parts of Alaska, Montana, and California. NEW has published 13 books since 1993. This analysis expands on research completed for NEW's most recent publication, *This Place on Earth 2002: Measuring What Matters*, the first product of the group's multiyear project to develop an index of true progress for the Northwest.

In summer 2002, NEW released another component of this index—a measure of the pace of sprawl. Other indicators will follow during 2003, culminating in the unveiling of the full index in early 2004.

Authors of this report include Alan Durning, executive director; Clark Williams-Derry, research director; Eric de Place, research associate; and Dan Bertolet, research consultant. Tim Schaub of CommEn Space, Seattle, conducted geographical information system (GIS) research and analysis. For more information about NEW and NEW publications, please see *www.northwestwatch.org*.

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SOURCES AND NOTES

1. For this report, the Northwest comprises British Columbia, Idaho, Oregon, and Washington. Drinking water consumption estimated as equal to the US national rate (5.3 cups per person per day), reported from a survey by Wirthlin Worldwide for the International Bottled Water Association, "Excerpts from February National Quorum™ Findings," Feb. 22, 2002, at *www.bottledwater.org/public/bwsurvey.htm.* Metric conversions may not appear equivalent to US figures because of rounding.

2. For this report, the term *gasoline* includes gasoline and gasoline-alcohol mixtures used on the highway but excludes diesel fuels.

3. Emissions from cars and light trucks from Office of Transportation and Air Quality, "Emissions Facts: Average Annual Emissions and Fuel Consumption for Passenger Cars and Light Trucks," US Environmental Protection Agency (EPA), Apr. 2000, at *www.epa.gov/otaq/consumer/f00013.pdf.* Additional information on the costs of auto-related air pollution available from Victoria Transportation Policy Institute (VTPI), "Air Pollution," sec. 5.10 in *Transportation Cost and Benefit Analysis: Techniques, Estimates and Implications* (Victoria: VTPI, 2002), at *www.vtpi.org/tca/tca0510.pdf.*

4. Share of greenhouse gas emissions calculated from sources in notes 63 and 65–67 in *This Place on Earth 2002: Measuring What Matters* (Seattle: Northwest Environment Watch (NEW), 2002); *Over Our Heads: A Local Look at Global Climate* (Seattle: NEW, 1997).

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6. Gasoline consumption in Washington, Oregon, and Idaho derived from Office of Highway Policy Information (OHPI), "Section I: Motor Fuel, Table MF-21" and "Section 4: Highway Finance, Table MF-27," in *Highway Statistics Summary to 1995* and *Highway Statistics 1996* to *2000* (Washington, DC: US Federal Highway Administration (FHWA), 1996–2000), at *www.fhwa.dot.gov/ohim/ohimstat.htm;* EIA, "Transportation Fuels: Prime Supplier Sales," by state,

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7. Vehicle miles traveled for Northwest states from OHPI, "Section V: Roadway Extent, Characteristics, Performance, Table VM-2," in *Highway Statistics Summary to 1995* and *Highway Statistics 1996* to *2000* (Washington, DC: FHWA, 1996–2000), at *www.fhwa.dot.gov/ohim/ohimstat.htm*. Motor vehicle fleet in the Northwest includes passenger cars, light and heavy trucks, and all other commercial, government, and private vehicles intended for roadway use except motorcycles, golf carts, trailers, and farm vehicles. Vehicles in Washington, Oregon, and Idaho from OHPI, "Section II: Motor Vehicles, Table MV-1," in *Highway Statistics Summary to 1995* and *Highway Statistics 1996* to *2000* (Washington, DC: FHWA, 1996–2000), at *www.fhwa.dot.gov/ohim/ohimstat.htm;* in BC from StatCan, "Table 405-0001: Road Motor Vehicle, Trailer, and Snowmobile Registration, Annual (Registrations)," CANSIM II, *cansim2.statcan.ca;* and BC Stats, "British Columbia Licensed Passenger Vehicles as at December 31" and "British Columbia Licensed Commercial Vehicles as at December 31," at *www.bcstats.gov.bc.ca/data/dd/handout/mvlic.pdf*.

8. Numbers of cars and trucks from sources in note 7. Flattening of average fleet fuel efficiency calculated from sources in notes 6 and 7.

9. Fuel economy of Northwest states' vehicles estimated from sources in notes 6 and 7.

10. Per capita gasoline consumption from sources in notes 6 and 15 and US Census Bureau, "State and County QuickFacts," *quickfacts.census.gov/qfd*, Oct. 4, 2002; US Census Bureau, "Intercensal Estimates," *eire.census.gov/popest/data/counties/tables/CO-EST2001-12.php*; Washington Office of Financial Management, "Forecast of the State Population By Age and Sex: 1990 to 2030," Nov. 2001 at *www.ofm.wa.gov/popagesex19702020/StPopfrcst_1101.pdf*; Oregon Office of Economic Analysis, Oregon Economic and Revenue Forecast, "Appendix C" (Salem: Dept. of Administrative Services, 2001), at *www.oea.das.state.or.us/economic/forecast0902.pdf*; and BC Stats, "BC Level Population Projection - 01/04," *www.bcstats.gov.bc.ca/data/pop/pop/bcproj.htm*, Oct. 4, 2002.

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Seattle, from NEW, "Sprawl and Smart Growth in Greater Seattle-Tacoma," July 2002, at *www.northwestwatch.org/press/seattlegrowth.html;* in greater Portland, from "Sprawl and Smart Growth in Metropolitan Portland," May 2002, at *www.northwestwatch.org/press/portlandgrowth.html.* Greater Vancouver refers to Greater Vancouver Regional District. Greater Seattle refers to the urbanized portions of King, Snohomish, and Pierce Counties, Washington. Greater Portland refers to the urbanized portions of Multnomah, Washington, and Clackamas Counties, Oregon, and Clark County, Washington. Vehicle kilometers traveled in greater Vancouver from Policy and Planning Dept., *2001 Annual Report: Livable Region Strategic Plan* (Greater Vancouver Regional District, Burnaby, 2001), at *www.gvrd.bc.ca/services/growth/pubs/LRSP2001.pdf.* Vehicle miles traveled in greater Seattle from Puget Sound Regional Council (PSRC), "Growth in Traffic and Vehicle Miles Traveled," *Puget Sound Trends,* Aug. 2002, at *www.psrc.org/datapubs/pubs/trends/t2trend.pdf;* PSRC, "Traffic Congestion in the Central Puget Sound Region," *Puget Sound Trends,* July 1997 at *www.psrc.org/datapubs/pubs/trends/t6trend.htm;* and Larry Blain, PSRC, private communication, Oct. 11, 2002. FHWA estimates vehicle-miles traveled for the three Northwest states at 26.3 per capita per day from op. cit. OHPI, "Section V° Table VM-2," note 7.

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14. Transportation energy consumption in world cities from Newman and Kenworthy, op. cit. note 11.

15. Canadian gasoline consumption, for the one-year period ending on Sep. 30, 2001, from StatCan, "Table 128-0003: Supply and Demand of Primary and Secondary Energy in Natural Units, Quarterly," Oct. 3, 2002, CANSIM II, *cansim2.statcan.ca;* Canadian population from StatCan, "Table 051-0001,2,3: Estimates of Population, Canada, Provinces and Territories," Oct. 3, 2002, CANSIM II, *cansim2.statcan.ca.*

16. Changing demographics in BC from StatCan, "Table 051-0001: Estimates of Population, by Age Group and Sex, Canada, Provinces and Territories, Annual," CANSIM II, *cansim2.statcan.ca,* Oct. 2, 2002; in the Northwest states from US Census Bureau, "DP-1. General Population and Housing Characteristics: 1990," by state, and "DP-1. Profile of General Demographic Characteristics: 2000," by state, *www.census.gov,* Oct. 2, 2002. Share of large and small vehicles in BC from sources in note 7.

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18. Gasoline consumption from sources in note 6.

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21. Many of these studies, conducted by Australian researchers Peter Newman and Jeffrey Kenworthy, are summarized in Newman and Kenworthy, op. cit. note 11. See also P. Naess, *Energy Use for Transport in 22 Nordic Towns* (Oslo: Norwegian Institute for Urban and Regional Research, 1993); P. Naess, "Transportation Energy in Swedish Towns and Regions, *Scandinavian Housing and Planning Research* 10: 187-206, 1993; Transit Cooperative Research Program, *Regional Transit Corridors: The Land Use Connection* (Washington, DC: Transportation Research Board, 1995); John Holtzclaw, *Using Residential Patterns and Transit to Decrease Auto Dependence and Costs* (San Francisco: Natural Resources Defense Council, 1994). Residential density is not the only determinant of how people get to work; incomes, the availability of transit, the existence of concentrated job centers, the local balance between jobs and housing, and other factors also influence commuting choices.

22. Relationship between density and drive-alone commuting derived from US Census Bureau, Census 2000, *Summary File 3 (SF 3),* for Washington and Oregon, *www.census.gov/census2000/states.* Initial data retrieval and analysis performed by CommEn Space, *www.commenspace.org.* Residential density was calculated as total population on April 1, 2000, divided by total land area for each census block-group. To minimize sampling error, block-groups were aggregated by average density to ensure a net population of at least 3,000 workers per aggregate group. Average population density explained at least 90 percent of the variation in drive-alone commuting rates among the aggregated census block-groups (not necessarily individual census block-groups) in both Multnomah and King Counties. In less-urbanized Washington and Oregon Counties, higher neighborhood densities were also associated with lower rates of drive-alone commuting, but increased density appeared to reduce drive-alone commuting to an even greater extent in counties with a dense urban core. At more than roughly 50 residents per acre, the relationships among residential density, drive-alone commuting, and transit commuting were difficult to determine because of small sample sizes; indeed, they may not follow the roughly linear relationship that holds for regions containing fewer than 50 people per acre.

23. Neighborhood densities and commuting pattern from CommEn Space, op. cit. note 22.

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25. Mode of commuting to work in 1990 from US Census Bureau, "Travel to Work Characteristics for the United States by State: 1990 Census" *www.census.gov/population/socdemo/journey/state.txt*; in 2000, op. cit. note 24.

26. Price elasticity of gasoline from J. Agras and D. Chapman, "The Kyoto Protocol, CAFE Standards, and Gasoline Taxes," *Contemporary Economic Policy,* July 1999, cited in Oregon Dept. of Transportation, "A Brief Reference on Fuel Costs and Fuel Efficiency," *Policy Notes,* Jan. 2001, at *www.odot.state.or.us/tdb/policy/Policy_Notes/jan2001.pdf.*

27. Gasoline prices for Northwest states from the EIA State Energy Data System, "Petroleum Product Prices," by state, *www.eia.doe.gov/emeu/states/_states.html,* Oct. 2002; for BC from StatCan, "Table 326-0009: Average Retail Prices for Gasoline and Fuel Oil, by City, Monthly (Cents Per Litre)" and "Table 176-0064: Foreign Exchange Rates in Canadian Dollars, Monthly," CANSIM II, *cansim2.statcan.ca,* Oct. 2002. Spending figures obtained by multiplying gasoline consumption by price for each grade of gasoline and dividing by the number of drivers licensed in each jurisdiction. The ratio of medium-grade to low-grade gasoline in BC assumed to be the same as in the US Northwest. Currency conversions for per capita spending used the daily exchange rate on Oct. 4, 2002, in which US$1 = Can$1.59323. Licensed drivers in Northwest states from OHPI, "Section III: Driver Licensing, Table DL-22" in *Highway Statistics Summary to 1995* and *Highway Statistics 1996* to *2000* (Washington, DC: FHWA, 1996–2000), at *www.fhwa.dot.gov/ohim/ohimstat.htm*; in BC, from Paul Hardy, Insurance Corporation of British Columbia, private communication, Dec. 11, 2001.

28. Driving reduction from *This Place on Earth 2001: Guide to a Sustainable Northwest* (Seattle: NEW, 2001). Oregon initiative from Oregon Environmental Council, "Pay As You Drive Insurance," *www.orcouncil.org/Pollution/PAYD.htm,* Oct. 15, 2002.

29. Variable pricing from NEW, op. cit. note 28; and Matthew Kitchen, PSRC, Seattle, private communication, Oct. 10, 2002.

JPACT Members and *Alternates*

COURTESY_TITL	FIRST_NAMI	MIDDLE_NAMI	LAST_NAME	ORGANIZATION	REPRESENTING	ADDRESS	E	SUITE	CITY	STATE	ZIPCODE
The Honorable	**Rod**		**Monroe**	**Metro** N	**Chair**	**600 NE Grand Ave.**			**Portland**	**OR**	**97232-2736**
The Honorable	**Rex**		**Burkholder**	**Metro** Y	**Metro**	**600 NE Grand Ave.**			**Portland**	**OR**	**97232-2736**
The Honorable	**Rod**		**Park**	**Metro** Y	**Mero**	**600 NE Grand Ave.**			**Portland**	**OR**	**97232-2736**
The Honorable	*Carl*		*Hosticka*	*Metro* N	*Metro*	*600 NE Grand Ave.*			*Portland*	*OR*	*97232-2736*
The Honorable	**Bill**		**Kennemer**	**Clackamas County**	**Clackamas County**	**907 Main St.**			**Oregon City**	**OR**	**97045-1882**
The Honorable	*Michael*	*J*	*Jordan*	*Clackamas County*	*Clackamas County*	*906 Main St.*			*Oregon City*	*OR*	*97045-1882*
The Honorable	**Maria**		**Rojo de Steffey**	**Multnomah County**	**Multnomah County**	**501 SE Hawthorne Blvd.**	**Room**		**Portland**	**OR**	**97214-3585**
The Honorable	*Lonnie*		*Roberts*	*Multnomah County*	*Multnomah County*	*501 SE Hawthorne Blvd.*	*Room*	*600*	*Portland*	*OR*	*97214-3585*
The Honorable	**Roy**		**Rogers**	**Washington County**	**Washington County**	**12700 SW 72ND Ave.**			**Portland**	**OR**	**97223-8335**
The Honorable	*Tom*		*Brian*	*Washington County*	*Washington County*	*155 N. 1st Ave.*	*MS*	*22*	*Hillsboro*	*OR*	*97124-3001*
The Honorable	**Jim**		**Francesconi**	**City of Portland**	**City of Portland**	**1221 SW 4th Ave.**	**Room**	**220**	**Portland**	**OR**	**97204-1906**
The Honorable	*Vera*		*Katz*	*City of Portland*	*City of Portland*	*1221 SW 4th Ave.*	*Room*	*340*	*Portland*	*OR*	*97204-1907*
The Honorable	**Karl**		**Rohde**	**Oswego**	**County**	**PO Box 227**			**Oswego**	**OR**	**97034-0369**
The Honorable	*Brian*	*M*	*Newman*	*City of Milwaukie*	*Cities of Clackamas County*	*10110 SE Waverly Ct.*	*#*	*19*	*Milwaukie*	*OR*	*97222*
The Honorable	**Larry**		**Haverkamp**	**City of Gresham**	**County**	**1333 NW Eastman Pkwy.**			**Gresham**	**OR**	**97030-3825**
The Honorable	*James*	*W*	*Kight*	*City of Troutdale*	*Cities of Multnomah County*	*950 Jackson Park Rd.*			*Troutdale*	*OR*	*97060-2114*
The Honorable	**Robert**		**Drake**	**City of Beaverton**	**County**	**PO Box 4755**			**Beaverton**	**OR**	**97076-4755**
The Honorable	*Lou*		*Ogden*	*City of Tualatin*	*Cities of Washington County*	*21040 SW 90TH Ave.*			*Tualatin*	*OR*	*97062-9346*
Mr.	**Fred**		**Hansen**	**Tri-Met**	**Tri-Met**	**4012 SE 17th Ave.**			**Portland**	**OR**	**97202**
Mr.	*Neil*		*McFarlane*	*Tri-Met*	*Tri-Met*	*710 NE Holladay St.*			*Portland*	*OR*	*97232*
Ms.	**Kay**		**Van Sickel**	**ODOT**	**ODOT**	**123 NW Flanders St.**			**Portland**	**OR**	**97209-4037**
Mr.	*Bruce*		*Warner*	*ODOT*	*ODOT*	*355 Capitol St., NE*	*Room*	*135*	*Salem*	*OR*	*97301-3871*
Ms.	**Stephanie**		**Hallock**	**DEQ**	**Oregon DEQ**	**811 SW 6TH Ave.**			**Portland**	**OR**	**97204**
Mr.	*Andy*		*Ginsburg*	*DEQ*	*Oregon DEQ*	*811 SW 6th Ave.*	*Floor*	*11*	*Portland*	*OR*	*97204*
Ms.	*Annette*		*Liebe*	*DEQ*	*Oregon DEQ*	*811 SW 6th Ave.*			*Portland*	*OR*	*97204-1390*
Mr.	**Don**		**Wagner**	**WSDOT**	**Washington State DOT**	**PO Box 1709**			**Vancouver**	**WA**	**98668**
Ms.	*Mary*		*Legry*	*WSDOT*	*Washington State DOT*	*PO Box 1709*			*Vancouver*	*WA*	*98668*
Mr.	**Bill**		**Wyatt**	**Port of Portland**	**Port of Portland**	**PO Box 3529**			**Portland**	**OR**	**97208**
Mr.	*David*		*Lohman*	*Port of Portland*	*Port of Portland*	*PO Box 3529*			*Portland*	*OR*	*97208*
The Honorable	**Royce**	**E**	**Pollard**	**City of Vancouver**	**City of Vancouver**	**PO Box 1995**			**Vancouver**	**WA**	**98668**
Mr.	*Dean*		*Lookingbill*	*RTC*	*SW Washington RTC*	*1351 Officers Row*			*Vancouver*	*WA*	*98661*
The Honorable	**Craig**		**Pridemore**	**Clark County**	**Clark County**	**PO Box 5000**			**Vancouver**	**WA**	**98666-5000**
Mr.	*Peter*		*Capell*	*Clark County*	*Clark County*	*PO Box 9810*			*Vancouver*	*WA*	*98666-9810*

COMMITTEE TITLE JPACT

DATE 11/14/02

NAME	AFFILIATION
Rex Burkholder	Metro Council
FRED HANSEN	TRIMET
Bill Wyatt	Port of Portland
KARL ROHDE	C3
ROB DRAKE	CITIES OF WASHINGTON CO.
Stephanie Hallock	DEQ
Bill Kanemoto	Clackamas Co
PETER CAPELL	CLARK COUNTY
Don Wagner	WSDOT
DAVE WILLIAMS	ODOT
Ann Gardner	Northwest Industrial Neighborhood Assoc
Manon Haynes	Schnitzer Investment Corp.
WALTER VALENTA	BRIDGETON (NA) I-5 TASK FORCE
John Kirk	Clackamas County
James Bernard	city of Milwaukie
Brian Newman	" "
ALICE ROUYER	" "
Robin Katz	Port of Portland
Rob DeGroff	Portland Business Alliance
Phil Selinger	TRI-MET

COMMITTEE TITLE _____

DATE _____

NAME	AFFILIATION
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SORIN GARBER	HDR - PORTLAND
Susie Lahsene	Port of Portland
Dave Lohman	Port of Portland
Mike Clark	WSDOT
TOM MARKGRAF	Congressman Blumenauer
Dick Feeney	SHORT-TIMER
Sharon Nasset	Community Activist / NPBA
Deborah Murdock	Portland State Univ.
Dean Lookingbill	RTC (Alt. for City of Vancouver)
Larry Haverkamp	Gresham
Roy Rogers	Washington County
Rod Park	Metro Council
[illegible]	City of Portland
[illegible]	Metro
Andy Cotugno	Metro
OLIVIA CLARK	TRI MET
Kathy Lehtola	Washington County
RICHARD BRANDMAN	METRO
TOM KLOSTER	METRO
John Cullerton	