STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 96-2436 FOR THE PURPOSE OF ENDORSING THE STATEWIDE ADVISORY COMMITTEE RECOMMENDATIONS ON THE OREGON TRANSPORTATION INITIATIVE

Date: December 10, 1996 Presented by: Andrew Cotugno

PROPOSED ACTION

This action recognizes Metro area support of the Statewide Advisory Committee (SAC) recommendations on the Oregon Transportation Initiative (OTI) as they are forwarded to Governor Kitzhaber. The SAC recommendations are consistent with policies adopted by the Metro Council as part of Metro's regional transportation and growth management planning.

FACTUAL BACKGROUND AND ANALYSIS

The Oregon Transportation Initiative

Governor John Kitzhaber launched the Oregon Transportation Initiative (previously the Governor's Transportation Initiative) in January 1996 to assess the transportation-related needs of communities throughout Oregon, identify those most crucial to livability and economic vitality, and develop ways to meet priority needs as economically as possible. The Governor said that the OTI would build on the Oregon Transportation Plan, which provides a broad policy framework for addressing needs and improving transportation system efficiency through better coordination of land use, economic and transportation decisions.

Business and community leaders across Oregon participated in five regional citizen advisory committees (RAC), including one in the Portland metropolitan area and in a statewide advisory committee (SAC) chaired by former Governor Neil Goldschmidt. The SAC integrated the findings of the state and regional committees and forwarded its recommendations to Governor Kitzhaber for his consideration.

Relationship of the OTI to Metro's Regional Transportation Plan

Metro's Regional Transportation Plan (RTP) is a multi-modal transportation planning document which provides a 20-year blue print for transportation decision-making, while working toward implementation of the region's 2040 Growth Concept. This plan identifies a set of improvements to the regional transportation system, including operations, maintenance, preservation and capital expansion, that best meet the region's needs over the 20year period. The RTP identifies a \$4 billion shortfall in funding this set of improvements. The OTI provides a comprehensive funding package that begins to address this shortfall. The OTI recognizes the importance of adequately funding maintenance and preservations needs in addition to expansion of the transportation system to accommodate growth. The OTI also recognizes that both state and local efforts will be needed to fully address these needs.

BEFORE THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF ENDORSING THE) RESOLUTION NO. 96-2436
STATEWIDE ADVISORY COMMITTEE)
RECOMMENDATIONS ON THE OREGON) Introduced by
TRANSPORTATION INITIATIVE)

WHEREAS, Governor John Kitzhaber launched his Oregon Transportation Initiative (OTI) in January 1996 to assess the transportation needs of the State of Oregon and to provide for the involvement of communities across Oregon in this effort; and

WHEREAS, The recommendations of the five regional citizen advisory committees (RAC) and the statewide citizen advisory committee (SAC) of the OTI were integrated by the SAC into a report on its recommendations to Governor Kitzhaber; and

WHEREAS, Metro is responsible for preparing and adopting the Regional Transportation Plan, the long-range transportation plan for the Portland metropolitan area; and

WHEREAS, The Regional Transportation Plan (RTP) identifies a 20-year shortfall in funding for identified transportation improvements; and

WHEREAS, The SAC recommendations on the Oregon Transportation Initiative recognize the funding shortfall identified in the RTP and provides a funding package that begins to address this shortfall consisting of both state and regional/local efforts; now, therefore,

BE IT RESOLVED,

That the Metro Council hereby endorses the Statewide Advisory Committee Recommendations on the Oregon Transportation Initiative (as described in Exhibit A) as an initial step toward addressing the shortfall in funding the region's long-range transportation needs.

ADOPTED by the Metro Council this _____ day of _____, 1997.

Jon Kvistad, Presiding Officer

Approved as to Form:

Daniel B. Cooper, General Counsel

96-2436.RES ACC:AD:lmk 12-11-96

SUMMARY OF SAC RECOMMENDATIONS TO GOVERNOR KITZHABER 11/20/96

Following is a summary of key elements of the Statewide Advisory Committee's November 18 report and recommendations to the Governor.

1. **Preservation** of a "Base System"

• Make OM&P on "base system" facilities and services top priority.

• Focus first on roads (42,000+ miles) and special needs transit.

2. Improve Efficiency

- Reduce costs per unit OM&P output by 1 percent per year compounded.
- Link allocation of "modernization" money to hitting this target.
- Further reduce "needs" by 10 percent (adjust standards, etc.).

3. Decentralize Decision-Making

- Establish regional bodies to review use of existing resources and assets, and guide spending on system modernization and expansion.
- Link new investment to livability, economic opportunity and efficiency.

4. Separate Funding for Preservation and Modernization

- Halt deterioration in existing road and bridge infrastructure.
- Create a slowly growing stream of revenue for OM&P.
- Make spending on modernization more flexible and efficient; link to community and region plans.

5. Funding for OM&P

- Rely on user and "damage" fees.
- Index the OM&P revenue base.
- Maintain effort at the local level.
- 6. Funding for Modernization ("LEO Fund")
- Shift emphasis to "drivers of demand".
- Add flexibility in use of new vehicle registration fees.
- Encourage local/regional "effort".
- 7. Change Long-Term Funding Approach
- Reduce reliance on current user fees.
- Focus on funding mechanisms that provide incentives change behavior.

OREGON TRANSPORTATION INITIATIVE

STATEWIDE ADVISORY COMMITTEE RECOMMENDATIONS ON OREGON TRANSPORTATION POLICY

November 18, 1996

I. EXECUTIVE SUMMARY

The Statewide Advisory Committee (SAC) of the Oregon Transportation Initiative has received and reviewed reports and recommendations from four working groups established in August by Governor John Kitzhaber to provide advice on issues critical to the evolution of Oregon's transportation system.

Taken together, the recommendations of these groups would produce dramatic and fundamental changes in the way transportation facilities and services throughout Oregon are developed, managed and financed.

- They would build on past successes to improve efficiency and lower the long-term cost transportation for Oregonians.
- They would reorganize our system of transportation funding by:
 - a. making operation, maintenance and preservation of existing transportation assets the top priority for use of transportation funds collected statewide;
 - b. linking new public investment in transportation system expansion to the ability of projects to contribute to livability and economic opportunity objectives at the community level, and
 - c. separating resources into at least two funds -- one of which would be flexible enough to fund the most beneficial projects, regardless of mode.
- They would shift more responsibility for decision-making on projects of local and regional significance to citizens in affected areas.

The SAC believes such change is necessary, and concurs with most of the recommendations of the working groups. Our major policy-related recommendations to the Governor follow.

1. Improving Efficiency

- We recommend implementation of a system that will ensure base transportation system operations, maintenance and preservation efficiency improves by at least 1 percent per year, compounded for the foreseeable future. We believe efficiency will be encouraged by allowing areas that achieve exceptional results to retain a share of the savings for transportation purposes.
- We recommend the OTC link allocation of state resources for transportation system modernization and expansion to successful achievement of efficiency improvement objectives and biennial productivity plans.
- Long-term, we believe we must find a way to measure the effectiveness of the transportation system as whole. Developing a system to track the average total (public and private) cost of moving people and goods in the state is a good first step.
- 2. Establishing a "Base System"
 - We recommend focusing operation, maintenance and preservation resources on a "base system" of roads that includes about half the total roads in the state -- specifically, those which are most used to move people and freight throughout the state on a daily basis.
 - We recommend the OTC, in cooperation with AOC and LOC, develop and implement systems to ensure that revenue collected at the state level for operations, maintenance and

preservation (OM&P) is used principally for that purpose, and to measure the condition of roads as a way of verifying our commitment to base system OM&P.

 We recommend, for the time being, that public transportation for the elderly and disabled be considered part of the "base system" for which the state takes primary funding responsibility. Additional work is needed to define a base system that considers the balance of the transit system, along with other modes.

3. Reorganizing Decision-Making

- We need transportation priorities that are consistent with community and region plans to improve livability and enhance economic opportunity. We believe regional bodies, comprised of public and private sector leaders, can help bridge the gap that often exists between state, regional and local concerns. We recommend creation of such bodies.
- We believe these groups should set criteria to guide regional transportation investment, and should be empowered to review proposed changes to the "base system" in their areas, assess the progress agencies are making toward achievement of efficiency objectives, facilitate multiagency efforts to improve efficiency, and assess and make recommendations on inter-regional transportation needs.
- We recommend the regional bodies review access management plans for the major highways and roads in this area, to help ensure those facilities serve their intended purposes. Priority should be given to through movement in rural areas. Through movement should be balanced with access functions in community centers.

4. Linking Investment to Core Values

- We believe the state, cities, counties and regional bodies should have a clear idea of how spending on modernization and expansion of transportation systems and services will support community and regional livability and economic opportunity before committing resources to specific projects.
- We recommend regional bodies be given responsibility to establish livability and economic
 opportunity criteria for their areas, consistent with broad, statewide guidelines, and that the
 OTC ensure state spending on transportation system modernization focuses on projects that
 are most consistent with these guidelines and criteria.

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5. Creating Separate Funds for Preservation and Expansion

- We recommend creating two funds at the state level for transportation purposes: one dedicated to operation, maintenance and preservation of "base system" facilities and services; a second for modernization and expansion of facilities and services -- particularly those that improve livability and enhance economic opportunity.
- We recommend raising sufficient revenue to meet the limited, OM&P needs described in the following section, to provide funding for elderly and disabled transit service statewide, and to allow for a limited modernization and expansion of transportation facilities and services. In total, the increase proposed is equivalent to a five cent increase in gas taxes and comparable truck taxes in each of the next two years, plus an increase of at least \$20 per year (\$40 per biennium) in vehicle registration fees.
- We do not recommend exclusive reliance on these sources. In fact, we believe we should plan to begin reducing our reliance on these sources over time (see section 8).

6. Funding Operations, Maintenance and Preservation (OM&P)

- We recommend funding for base system OM&P be predicated on the assumption that efficiency initiatives are implemented successfully, and that 90 percent of the cost of operating, maintaining and preserving existing road surface conditions is the "need" that must be met. Improving existing surface conditions would require additional resources.
- We recommend funding for OM&P of base system roads and bridges continue to be drawn primarily from user fees -- supplemented at the local level by timber receipts and a variety of other resources.
- We believe user fees (gas taxes and weight-mile charges) should continue as the principal sources of funding for OM&P. We recommend they be indexed to ensure that funding is sufficient to help offset the effects of inflation, improved fuel efficiency, and system growth. We believe additional alternatives, such as congestion pricing, should be considered as more information becomes available.
- We note studded tires and utility cuts cause extraordinary damage to pavement. We recommend the costs of this damage be recovered from those who cause it, and that revenue resulting from such collections be used to offset a part of the need for increases in other user fees.
- 7. Funding to Support Livability and Economic Opportunity
 - We recommend creating a second fund at the state level for transportation system modernization and expansion.
 - We recommend some new funding for transportation system modernization and expansion be "flexible" that is, available for use on projects, facilities and services that will contribute the most to community and region livability and economic opportunity at the lowest cost, regardless of mode. We propose a change in the Oregon Constitution to allow revenue from any increase in vehicle registration fees to be used flexibly. We believe road user fees (gas taxes and weight-mile charges) should remain committed to roads and bridges.
 - We recommend use of vehicle registration fees, transportation utility (or system access) fees and other resources to help raise money for needed modernization, expansion and transit, and to help offset a portion of the need for increased gas and weight-mile taxes.
 - We recommend establishing a utility franchise or public right-of-way use fee for use by ODOT and counties to help fund needed modernization and expansion.
 - We believe a transportation utility fee would be an appropriate source of funding for elderly and disabled transit, since it is a "general" revenue source.

8. Changing our Approach to Transportation Finance

• We recommend the state and its local government partners begin moving now to further reduce their reliance on gas taxes and truck weight-mile fees – particularly as sources of funding for system modernization and expansion. Adoption of a mileage-based vehicle registration fee would be an important step in this direction. Other mechanisms that merit immediate attention include congestion pricing and tax credits that reward behavior which makes use of existing assets more efficient (e.g., payroll tax credits to fund transit alternatives).

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II. EFFICIENCY RECOMMENDATIONS

Working Group Report Summary

The Efficiency Working Group report addresses transportation efficiency improvement from two perspectives. First, it focuses on reducing the cost of operating, maintaining and preserving of Oregon's roads and bridges; second, on tracking the cost of moving people and goods as a way of measuring long-term transportation system performance.

The Group recommends three measures to track performance on operation, maintenance and preservation efficiency:

- total operations and maintenance (O&M) cost per lane mile;
- miles of roads and bridges with deferred preservation or reconstruction needs;
- total O&M cost per daily vehicle mile of travel (with truck travel equated to an equivalent amount of auto travel).

To ensure both a focus on efficiency improvement, and a sharing of good ideas and information among jurisdictions and regions, the Group recommends (1) an annual report on efficiency improvements made across the state and in each region; (2) a biennial productivity project plan developed by ODOT, counties and cities in each region; and (3) a summary report on previous efficiency improvements that are as yet little publicized.

The Group also recommends regular tracking and reporting on the average total (public and private) cost of transporting people and goods in Oregon as a way of monitoring the effectiveness of Oregon's transportation system, and decisions affecting its upkeep and development.

The Group's report also contains recommendations on recognizing and rewarding superior performance, measuring progress toward goals, and implementing recommendations.

SAC Recommendations

The SAC believes the recommendations of the Efficiency Working Group should be implemented as quickly as possible. It supports the working group's suggestion that a partial or preliminary report on trends in agency O&M expenditures and trends in pavement and bridge condition be prepared for use in the 1997 legislative session (even though data will be incomplete), and that the first complete Annual Productivity Report be submitted by July 1998.

The SAC recommends adoption of two policies that will encourage transportation providers to pursue efficiencies aggressively.

- (1) Like the working group, we recommend the Oregon Transportation Commission (OTC) and ODOT establish a "savings retention policy" that allows ODOT districts or regions to keep and reprogram a portion of any savings they achieve beyond the 1 percent per year improvement targeted for all jurisdictions as part of this process.
- (2) We also recommend the OTC link allocation of state resources for transportation system modernization and expansion to successful achievement of efficiency improvement objectives and the biennial productivity plan.

The SAC recognizes there is uncertainty about whether the measures of efficiency identified by the Working Group are the best available. Like the Working Group, the SAC recommends periodic review of measures and modification if superior alternatives emerge.

III. BASE SYSTEM RECOMMENDATIONS

Working Group Report Summary

The Base System Working Group report defines a "base system" of roads, bridges and -- on a preliminary basis -- public transit services for Oregon that includes most facilities state, regional and local transportation agencies are investing in today.

The base system of roads defined by the group includes 42,113 miles of freeways, arterials, collectors and local roads -- including approximately 12,000 miles of unpaved roads, and approximately 16,000 miles of roads that serve residential properties. The base system excludes more than 43,000 miles of forest, government agency, tribal, private and local roads that are not maintained, for the most part, by ODOT, city and county agencies.

The Working Group notes statewide interest in different parts of this base system varies. Ninety-five percent of vehicle miles traveled in the state occur on freeways, arterials and collectors -- roads that make up 53 percent of the lane miles included in the base. Five percent of travel occurs on the remaining 47 percent of lane miles. The Group's report indicates public investment in road types differs dramatically, and should continue to differ.

The base system of public transit services is defined to include the entire existing "public transportation" (transit) system, since effective transit service is essential to meeting state and local goals related to livability, growth management, and transportation system efficiency improvement. State and local estimates of long-term road needs and costs assume transit will be able to accommodate a growing share of trips, thereby lowering road needs.

The Group notes there is statewide interest and investment already in public transportation for the elderly, disabled and, to some extent, the transit dependent. There is also a statewide interest in basic, intercity public transportation. The report says additional work must be done to better define the state's interest in other public transit services.

The report proposes some criteria for use in deciding on additions to the base system of roads...

SAC Recommendations

The SAC continues to believe Oregon's top transportation priority should be the maintenance, preservation and operation of a "base system" of transportation facilities and services that ensures every Oregonian a basic level of mobility within and between communities. It continues to believe funding for maintenance, preservation and operation of this system should be a state responsibility -- a shared commitment of Oregonians to one another.

We recommend responsibility for funding OM&P on local roads continue to be shared between state and local governments -- at least in the short term -- with the state providing a safety net that ensures minimal funding for OM&P to local agencies faced with extraordinary declines in receipts.

We recommend the OTC, in conjunction with the Association of Counties (AOC) and League of Cities (LOC) develop and implement systems to ensure that revenue collected at the state level for OM&P is used principally for that purpose, and to measure the condition of roads as a way of ensuring our commitment to base system OM&P is being met.

We recommend ODOT, AOC, LOC and other affected agencies (e.g., transit providers, ports) set mutually acceptable criteria to guide the process of adding facilities and services to Oregon's base system of transportation facilities and services.

We concur with the Working Group's recommendation on transit. For the time being, the state should focus on services for the elderly and disabled which is important to communities throughout the state.

IV. RECOMMENDATIONS RELATED TO LIVABILITY, ECONOMIC OPPORTUNITY AND REGIONALIZATION

Working Group Report Summary

The Working Group on Livability, Economic Opportunity and Regionalization recommends two major changes in transportation decision-making.

First, it proposes a tight link between transportation decisions and investments, and local land use plans, regional economic strategies and statewide plans and goals related to livability and economic opportunity.

Second, it recommends creating regional bodies and processes to set regional transportation priorities consistent with criteria related to community livability and economic opportunity, to advise the Oregon Transportation Commission on regional transportation investments, to facilitate coordination among transportation providers, and, in so doing, help improve transportation system efficiency.

The Working Group proposes broad objectives and guidelines to guide all phases of transportation planning and decision-making including: (1) plan development, (2) solution development, (3) project selection and (4) project development and construction.

These objectives and guidelines would be used by transportation providers and newly-created regional bodies in evaluating potential solutions to transportation problems and proposing project priorities. Transportation investments would be guided by the results of this process.

The Working Group recommends regional bodies be encouraged to form on the basis of shared interests, rather than predetermined regional boundaries. It recommends the bodies have members from the public and private sectors within the region. ODOT would be a voting member of each body. Representatives of other state agencies would participate as well.

The duties of the regional bodies would include assessing and making recommendations on interregional transportation needs and reviewing facilities and services proposed for addition to the region's "base system."

SAC Recommendations

The SAC generally supports the Working Group recommendations.

We believe state, city, county and regional bodies should have a clear idea of how its spending on modernization and expansion of transportation systems and services will support community and regional livability and economic opportunity before it commits resources to specific projects.

We believe it is important to involve business and private sector leaders in the bodies proposed by the Working Group. The primary value of the process is the broader perspective it brings to transportation decision-making.

We recommend regional bodies be given a role in reviewing plans for efficiency improvement in operation, maintenance and preservation of base system roads and bridges, and in assessing progress toward plans. If regional efficiency initiatives produce savings above targeted levels, the regional bodies should work with ODOT to decide how best to use any "shared savings" retained by ODOT district or region.

We concur in the Working Group's recommendation that the regional bodies should be responsible for reviewing proposed additions to the base system, and assessing and making recommendations on inter-regional transportation needs.

V. FUNDING RECOMMENDATIONS

Working Group Report Summary

The Finance Working Group recommends creation of two transportation funds at the state government level.

- One would pay for OM&P of "base system" roads and bridges, and would be funded primarily by user fees collected at the federal and state levels of government -- with supplemental funding, in some cases, from local government.
- A second fund would help pay for modernization and expansion of the transportation system consistent with state and local plans for improving community livability and economic opportunity (LEO) regardless of mode. Resources for the LEO fund would come from a variety of sources. Most should be linked to a "driver of demand" for new capacity on the transportation system.

OM&P of "base system" public transit (services for the elderly and disabled) would be funded with resources from either the LEO fund or a separate, specially dedicated fund.

The Working Group proposes an increase in fuel taxes and truck weight-mile fees, and "indexing" a portion of both those sources to fund OM&P work on roads and bridges in the next several years. The group indicates a five cent increase in the gas tax in each of the next two years, combined with equivalent increases in truck weight mile taxes and a \$20 per year (\$40 per biennium) increase in the vehicle registration fee would produce enough revenue to (a) meet 90 percent of base system OM&P needs assuming efficiency initiatives are successfully implemented (see item 6, page 3), (b) close the funding gap for elderly and disabled transit services, and (c) provide some additional resources for modernization and expansion of transportation infrastructure.

The group notes that use of other resources could lower the need for increases in gas taxes and a truck weight-mile fees. Alternatives discussed by the group include: studded tire fees, utility pavement "cut" fees, utility right-of-way use fees (in areas where they are not already in place), transportation system access (or transportation "utility") fees, mileage-based vehicle registration fees, special titling fees for vehicles that add to the total number in the state, tolling and such things as additional cigarette taxes to help fund public transit.

The group recommends amending the Oregon Constitution to allow a flexible use of revenue raised from any increase in the vehicle registration fee. It does not recommend changing constitutional limitations on use of revenue from gas taxes and truck weight-mile charges.

The Working Group noted some recommendations may have to be phased in over several biennia.

SAC Recommendations

The SAC believes the two-fund concept is a good one. It serves several important purposes.

- First, it helps ensure that preservation of existing public assets is a top priority and that those
 assets are maintained in a way that lowers long-term costs.
- Second, it helps ensure new resources are spent in ways that improve community livability and economic opportunity.
- Third, it provides increased flexibility in use of funds -- a change that enables communities and transportation agencies to invest in ways that lower long-term costs of providing transportation services.

The SAC recommends funding for base system OM&P be predicated on the assumption that efficiency initiatives are implemented successfully, and that 90 percent of the cost of operating, maintaining and preserving existing road surface conditions is the "need" that must be met. Improving existing surface conditions would require additional resources. This will require some redefinition of road standards by affected agencies and encourage additional, extraordinary efforts to improve performance and lower costs.

It agrees with the Working Group's assessment of need and recommends seeking the equivalent of a five cent increase in the gas tax in each of the next two years, combined with equivalent truck tax increases and a \$20 per year increase in the vehicle registration fee in each of the two years.

The SAC believes user fees (gas taxes and weight-mile charges) should continue as the principal source of funding for OM&P. It recommends they be indexed to ensure that funding is sufficient to help offset for inflation, improved fuel efficiency, and system growth. The SAC notes studded tires and utility cuts cause extraordinary damage to pavement. It recommends the costs of this damage be recovered from those who cause it, and that revenue resulting from such collections be used to offset a part of the need for increases in other user fees.

The SAC notes locally-provided resources make an important contribution to OM&P on base system roads and bridges. It assumes that contributions will continue for the foreseeable future.

The SAC recommends some new funding for transportation system modernization and expansion be "flexible" – that is, available for use on projects, facilities and services that will contribute the most to community and region livability and economic opportunity at the lowest cost, regardless of mode. It believes road user fees (gas taxes and weight-mile charges) should remain committed to roads and bridges.

The SAC endorses the Working Group's proposal that "drivers of demand" for new transportation system capacity – including such things as numbers of vehicles on the road, the amount they are driven and numbers of people using the system – should be the principal sources of funding for modernization and expansion of system capacity.

It recommends use of vehicle registration fees and transportation utility (or system access) fees to help raise money for needed modernization and expansion, and offset a portion of the need for increased gas and weight-mile taxes. Transportation utility fee revenue would be an appropriate source of funding for elderly and disabled transit, since it is a "general" revenue source.

The SAC recommends the state and its local government partners begin moving now to further reduce their reliance on gas taxes and truck weight-mile fees – particularly as sources of funding for system modernization and expansion. It believes new funding sources should do a better job of encouraging change in the way the transportation system is developed and used so that long term needs and costs are reduced. Adoption of a mileage-based vehicle registration fee would be an important step in this direction. Other mechanisms that merit immediate attention include tolling, congestion pricing and tax credit mechanisms that reward behavior that makes use of existing assets more efficiently.

The SAC notes the state and local and regional governments are partners in accommodating and managing growth. Local and regional governments need additional funding tools to hold up their end of this partnership. The SAC recommends extending authority to impose utility right-of-way fees to county governments, and allowing more flexibility in local imposition and use of vehicle registration fees as ways to assist local agencies meet growing obligations.

Finally, the SAC notes there are important local government concerns about revenue allocation, declining local receipts and the need for a "safety net", rapid growth in unincorporated areas, and the need for some flexibility in use of OM&P revenue on safety projects and small, short-term capital improvements that will produce longer-term OM&P savings. The SAC recommends ODOT be directed to work with its local government partners to devise solutions to these problems that are acceptable to all parties prior to submitting proposals relevant to these issues to the Legislature.

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Oregon Transportation Initiative Statewide Advisory Committee Report

Summary of Funding Recommendations: Average Annual Needs and Revenues 1998-2001

	Operations;	Livability nod	Special Need
	S.Preservation	-Opportunity	
	(OMSP)	(LEO) Fand	
The Need ²	<u> </u>	(Millions)	.\$ 53
Existing Resources	¢ 985 652	199 ^ª	18
The Gap	253	357	35
Shifts, Adjustments and Efficiency ³	118	68	1
Reduced Gap	135	289	34
Revenue Measures			
(For alternatives see next table)			
Indexing ⁴	57		
5+5-Cent ⁵	78	114	
\$20 Annual VRF ⁶		24	34
Remaining Gap	0	151	0

⁵ Including equivalent weight-distance.

¹ Includes City, County and State base system roads and bridges

² From "Steady State" scenario that preserves existing conditions but makes no net improvement in road conditions or level of transit service.

Funding available for capacity expansion, but not available for OM&P by statute or policy.

³ A 1% per year cumulative officiency gain in all areas and a 10% reduction in OM&P and road capacity expansion needs.

⁴ Adjusts motor fuel and weight-distance taxes going to OM&P by rate of inflation plus adjustment for improved fuel efficiency.

⁶ Assumes accompanying constitutional amendment to permit use for transit. First priority for use would be SNT with additional funding going to LEO for roads, transit or other transportation uses.

	instive Revenue Sources	
Source	Basis of Calculation	Average Annual 1998 - 2001 ⁷ (millions)
1-cent fuel	Implemented January 1998	\$ 14.3
1-cent equivalent weight-mile	Assumes 38.7% truck responsibility	8.0
Studded Tire	\$8.50 per tire sold	8.1
Transportation Utility Fee	\$1.00 per month per resident and per employee	50.1
Cigarette Tax(for Special Transportation)	2-cents per pack	9.4
Mileage-based registration fees (1/2-cent per mile)	Light vehicles only at 29 billion miles per year	145.0
System Access Fee (first time title charge)	\$200 per vehicle, first time registered in Oregon	78.0
Utility Pavement Cut Fees	Would be implemented primarily by local governments for cost recovery.	n/a
Utility right-of-way	Fees for use of rights of way would probably be negotiated.	n/a
Tolling	A \$1.00 fee, one direction on the I- 5 and I-205 Interstate Bridges	43.0
Congestion Pricing	A congestion fee netting \$1.00 per vehicle using the Vista Ridge Tunnels in Portland during weekdays.	30.0

⁷ Exact estimates depend on details of timing, collection cost and level of application, whether state or local. These figures are intended to provide a general estimate of trade-offs with revenue sources shown in the previous table.

STAFF REPORT

CONSIDERATION OF RESOLUTION NO. 96-2429 FOR THE PURPOSE OF APPOINTING NEW MEMBERS FOR VACANCIES ON THE REGIONAL TRANSPORTATION PLAN CITIZENS ADVISORY COMMITTEE

Date: November 21, 1996 Presented by: Andrew Cotugno

BACKGROUND AND FACTUAL ANALYSIS

Proposed Action

This resolution would appoint new members to fill vacancies on the Citizens Advisory Committee (CAC) for the update of the Regional Transportation Plan (RTP). The following citizens would be appointed: William Stewart to serve as the freight at-large delegate, C.A. (Madya) Panfilio to serve as the City of Vancouver/Clark County delegate, and Edward Gronke to serve as the Cities of Clackamas County business delegate.

Background

The RTP CAC provides a broad based, long-range and regional citizen perspective on regional transportation planning issues during the process of updating the RTP and is advisory to the Metro Council and the Metro Joint Policy Advisory Committee on Transportation (JPACT).

The RTP CAC is one component of a comprehensive public involvement strategy that includes a wide variety of techniques to inform, involve and receive input from the public during the process of updating the RTP. The CAC provides opportunities for continuing public involvement in key decisions related to the development of the RTP as required by the federal Intermodal Surface Transportation Efficiency Act (ISTEA).

The CAC meets monthly or at intervals as needed to adequately respond to the release of products and information. The committee has full access to information related to the RTP update, including background materials, draft documents, informational briefings and presentations from technical staff.

The committee is currently composed of the following citizens:

Paul Koch, Chair, Resident Delegate, Clackamas County Charles J. Becker, Vice Chair, Resident Delegate, Cities of Multnomah County

Lois Achenbach, Resident Delegate, City of Portland Gregory Goodman, Business Delegate, City of Portland Paul Spanbauer, Business Delegate, Cities of Multnomah County Marjorie Schmunk, Resident Delegate, Multnomah County Karl Rohde, Resident Delegate, Cities of Clackamas County Jan Campbell, Resident Delegate, Cities of Washington County Charles Noble, Business Delegate, Cities of Washington County Robert Enningä, Resident Delegate, Washington County Don MacGillivray, MCCI At-Large Delegate Gerri Sue Lent, Alternative Mode At-Large Delegate Joe Walicki, Alternative Mode At-Large Delegate Patricia Lee, Senior Citizen At-Large Delegate Anne O'Ryan, Motorist At-Large Delegate Chris Wrench, Environmental Interest Group At-Large Delegate Kevin Kincaid, Transit Union At-Large Delegate David Hurt, Youth At-Large Delegate

Nominations Process

Nominees were solicited through newspaper advertisements in local papers and the Oregonian as well as notices to local governments and neighborhood, community, business, and modal interest groups. RTP CAC community and at-large delegates were nominated through a joint effort of local jurisdictions and Metro. A nominations committee was formed which included members of the Metro Council, the Joint Policy Advisory Committee on Transportation (JPACT), the Transportation Policy Alternatives Committee (TPAC), and Metro staff. (Attachment 1 contains a roster of nominations committee members.) The nominations committee met once to develop a recommended list of nominees for appointment and approval by JPACT and the Metro Council.

The nominations committee used the following nominating criteria, which were developed in 1995 when the CAC was established:

- 1. Ability to develop and maintain two-way communication with a broad network of people within their community as well as the ability to communicate effectively in a group.
- Experience serving on committees or advisory boards and/or working with neighborhood, business, community or other civic organizations.
- 3. Leadership skills, which the nominations committee defined to mean some combination of the following: problem-solving skills, the ability to take responsibility, ability to complete tasks, listening skills, negotiating skills and consensus-building skills.
- 4. Knowledge of and experience with transportation issues and/or community issues.
- 5. Ability to provide the time needed to serve on the CAC and any subsequent subcommittees that are formed.
- 6. Fresh perspectives and new faces. The nominations committee developed this criteria to bring people who have not previously participated in transportation planning into the process. This criteria also assists to meet the objective of having a wide spectrum of views and perspectives represented,

including those of groups traditionally underserved by the existing transportation system.

A total of nine individuals applied for the vacant positions on the RTP CAC. (See Attachment 2 for a list of applicants.) The screening process was extremely difficult as there were many highly qualified applicants. The nominations committee concluded the nominations process at its November 19 meeting, and is recommending a slate of three candidates for the vacant RTP CAC positions.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Resolution No. 96-2429.

Regional Transportation Plan Citizens Advisory Committee Nominations Committee

Councilor Don Morissette, Metro Council and JPACT Committee Chair Rod Sandoz, Clackamas County, TPAC

Susie Lahsene, Port of Portland, TPAC Lynda David, Southwest Washington Regional Transportation Council Paul Koch, Chair, Regional Transportation Plan CAC Mike Hoglund, Metro, Transportation Planning Manager

Observers:

Pamela Peck, Metro Chris White, Metro

Regional Transportation Plan Citizens Advisory Committee Applicants

Vancouver/Clark County Delegate

C.A. (Madya) Panfilio Paul Edgar

Cities of Clackamas County Business Delegate

Edward Gronke E. Todd Chase Marisa Bocci

Freight At-Large Delegate

Bill Stewart

General Applicants

John J. Breiling Dale Chambers Casey Jones

BEFORE THE METRO COUNCIL

FOR THE PU	JRPOSE OF	APPOINTIN	IG)	RESOLUTION	NO.	96-2429
NEW MEMBER	RS FOR VA	CANCIES ON	I)			
THE REGION	IAL TRANS	PORTATION	PLAN)	Introduced	by	
CITIZENS A	DVISORY (COMMITTEE)	Councilor	Don 1	Morissette

WHEREAS, The federal Intermodal Surface Transportation and Efficiency Act (ISTEA) and the Oregon Transportation Planning Rule require early, continuing, and responsive public involvement for regional transportation planning; and

WHEREAS, A public involvement strategy for the 1996 Regional Transportation Plan (RTP) update has been developed by Metro staff and reviewed by the Metro Council and the Metro Committee for Citizen Involvement (MCCI); and

WHEREAS, The RTP public involvement strategy includes a Citizens Advisory Committee to provide a broad based, long-range and regional citizens perspective on regional transportation planning issues during the process of updating the RTP; and

WHEREAS, The RTP Citizens Advisory Committee will be advisory to the Metro Council and the Metro Joint Policy Advisory Committee on Transportation (JPACT) during the update of the 1996 RTP; and

WHEREAS, A nominations committee consisting of members of the Metro Council, JPACT, TPAC, and Metro staff reviewed nine applications and forwarded recommendations for the RTP Citizens Advisory Committee; now, therefore,

BE IT RESOLVED,

1. That the Metro Council hereby appoints the members of the Regional Transportation Plan Citizens Advisory Committee listed in Exhibit A, whose term shall last through the adoption of the 1996 Regional Transportation Plan.

2. If a member of the RTP CAC is unable to fulfill their term, JPACT and the Metro Council will appoint a replacement.

ADOPTED by the Metro Council this ____ day of ____, 1996.

Jon Kvistad, Presiding Officer

Approved as to Form:

Daniel B. Cooper, General Counsel

96-2429.RES ACC:PP:lmk 11-21-96

Exhibit A

Regional Transportation Plan Citizens Advisory Committee Nominees

- Edward Gronke, Cities of Clackamas County Business Delegate (resides in Milwaukie)
- C.A. (Madya) Panfilio, City of Vancouver/Clark County Delegate (resides in Vancouver, WA)
- William Stewart, Freight At-Large Delegate (resides in NE Portland)

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SUBJECT:	Traffic Relief Options Study Update
FROM:	Andrew C. Cotugno, Transportation Director
TO:	JPACT
DATE:	December 3, 1996

The purpose of this item is to provide this committee with an update on the status of the Traffic Relief Options (TRO) study and an opportunity to comment on work completed to date. Specific technical work products for review include Working Paper #3: Preliminary Review of Congested Locations and Types of Peak Period Pricing Applications and Working Paper #4: Evaluation Criteria and Methods.

Working Papers #3 and #4 have been reviewed and approved by the TRO task force. They are being presented to the December 5 TPAC meeting. They are being reviewed simultaneously by the Metro Council Transportation Planning Committee for referral to the Metro Council at its December 19 meeting.

Working Paper #3 (attached) describes the five types of congestion pricing applications that will be examined for their feasibility in this region -- spot, facility (both whole and partial), corridor, area and regional. The purpose of the working paper is to undertake a comprehensive review of congested locations to identify all possible congested locations where these types of applications may be compatible. For each application type, it proposes a series of decision rules to determine whether a location has potential for further review. In the next stage of the analysis, this large group of possible options will be assessed for feasibility and a much smaller group of pricing alternatives will be developed for more detailed study. At this point in the process, we are attempting to be as inclusive as possible.

Please note the handling of two issues in the paper. Firstly, due to the number of possible . variations and the complexity of application, area pricing is recommended for further research prior to proposal of specific applications and locations. Part of that research will include further review of conditions and programs in several areas within the region. However, no specific options are being proposed for inclusion in the study at this time.

Secondly, the task force has considered inclusion of the Columbia River Bridges in the study. However, because the study is not scoped or budgeted to cover Clark County, it

has decided to pursue further discussions with the RTC Board before making a decision. In the meantime, sections of I-5, north of downtown Portland but south of Hayden Island, are proposed for further review.

Working Paper #4 (also attached) proposes criteria and methodology for the evaluation processes that will take place later in the study. These criteria cover the gamut of potential effects of a congestion pricing implementation: technical feasibility, transportation system performance, secondary and indirect effects, distributional (equity) effects and political feasibility (including compatibility with other public policies, like 2040).

We are seeking your review and comment on these working papers at this time.

Attachments

Summary

Working Paper #3: Preliminary Review of Congested Locations and Types of Peak Period Pricing Applications

Study Overview:

The Traffic Relief Options Study involves a two-year examination of the possibilities for peak period pricing to reduce traffic congestion in the region. The primary study goals are to learn about peak period pricing and how it effects traffic congestion and travelers in the region, and to determine whether an appropriate demonstration project should be developed and tested.

The study will integrate a comprehensive public research and outreach program with a technical evaluation of peak period pricing options. The first phase of the technical program will be conducted over the next 18 months and will involve a sequence of activities:

- Determine types of pricing applications within scope of study
- Preliminary assessment of congested locations for compatibility with pricing applications
- Determine evaluation criteria and apply to initial range of possible options
- Narrow review of alternatives for further study and public input
- Further narrow to most promising alternatives for further technical review and public input

Context of Working Paper #3:

The task force and advisory committees have determined the scope of the study will focus on peak period pricing options that are both time of day sensitive and location specific. Working Paper #3 describes the five types of applications of peak period pricing that will be examined for their feasibility in this region. They include:

- spot pricing of a single point across all lanes of a road (usually a choke point like a bridge or tunnel)
- facility pricing of either one or all lanes along the length of a roadway between logical endpoints
- corridor pricing of a major highway and all major parallel arterials along a route.
- area pricing of a destination point of regional significance, like a downtown or major institution by electronic cordon, license or parking pricing.
- region pricing throughout a region either by a series of cordons or tolling of all major highways

The purpose of Working Paper #3 is to identify possible congested locations where these types of applications may be compatible. It includes a series of guidelines that will help determine if a location has the characteristics that would be suitable for a peak period pricing application.

An initial group of possible peak period pricing options will then be assessed for potential as candidates for further evaluation. The next stage will involve further definition of these potential options and evaluation to determine an option's viability for further study as an alternative.

PRELIMINARY REVIEW OF CONGESTED LOCATIONS AND TYPES OF PEAK PERIOD PRICING APPLICATIONS

WORKING PAPER #3

NOVEMBER 1996

Prepared by ECONorthwest

99 W. Tenth, Suite 400

Eugene OR 97401

(541) 687-0051

BACKGROUND

Working Paper 1 established that this project (and its Task Force) would focus on transportation policies that used pricing (especially by location, time of day) to reduce problems of congestion in the Portland area. Working Paper 2 provided a framework for thinking about the effects of such pricing policies. That framework is relevant to the subsequent development of criteria for selecting and evaluating possible alternatives for peak period pricing. Working Paper 4 will describe the criteria for evaluation in detail.

Working Paper #3 describes a process for selecting an initial group of possible peak period pricing options for further review. It starts by describing a framework for that selection, and concludes with a table of possible options, which are the preliminary recommendations arrived at jointly by the consultant and Metro staff, with advice from the TAC.

Note that the purpose of this working paper, and of this project at this point in its development, is to establish a starting point for p reliminary review and analysis. The table at the end of this working paper shows that many locations around the region could *potentially* accommodate a peak period pricing project when evaluated against the preliminary criteria we describe below. After further evaluation this large initial grouping will be reduced to a more manageable number of alternatives for detailed evaluation. Thus, at this stage, we are s creening areas against the various types of possible applications. This review process must occur before we can delineate a smaller group of possible alternatives for detailed evaluation as part of the study.

ISSUES RELATING TO THE PRELIMINARY IDENTIFICATION OF POSSIBLE PEAK PERIOD PRICING OPTIONS

There are many possible peak period pricing options (per Working Paper 2). The process to identify a comprehensive group of possible peak period pricing options for further review will be based on a preliminary set of characteristics. The initial group of peak period pricing options will later undergo increasing levels of evaluation as they move through successive screenings.

To identify a comprehensive group of potential peak period pricing options, we must be able to describe the characteristics used in the preliminary identification process. ECO suggested the following characteristics in Working Paper 2:

- Diversity in type of application.
- Diversity in *location*.
- Locations where congestion pricing is most likely to have a net positive and significant impact (which implies locations with forecasts of *high volumes* and *poor level of service* (LOS E or F).

In addition to these three characteristics additional considerations come into play :

 Information potential. The evaluation of some options may provide useful information about how congestion pricing will work, even though those options may not have a high probability of being selected as a demonstration project. For example, it is unlikely that ubiquitous regional pricing would be implemented as a demonstration project, but an evaluation of such a system may provide valuable information about the potential of pricing, provide a base case against which to evaluate other options, and suggest ways those options might be adjusted to be improved. As another example, choosing to evaluate variations of options would allow clearer answers to questions like, How much more diversion actually occurs when parallel routes are available?

The TAC agreed to move forward with a regional analysis as a base case as well as several variations of options for analytic purposes.

- Methodological issues. It is not likely to be the case that options that facilitate the rigor of the evaluation will be the designs and locations that have the best opportunity of being selected and implemented as a demonstration project. Nonetheless, it is useful to at least describe the characteristics of an option that, from a purely technical perspective only, would do the most to allow the evaluation to estimate the likely effects of peak period pricing:
 - Pricing is introduced without the confounding effects of adding new capacity. This
 reduces confounding effects of adding capacity, giving incentives for TDM, or
 imposing regulations.
 - Options are designed so that people react to it *as if it were applied region wide* (or so that the implications for region-wide application can be extended easily through modeling).
 - The price level is meaningful and set to an appropriate level to reflect actual costs (both the implicit cost of current congestion and the explicit prices that will be charged in response to that congestion).
 - The pricing is not be easily evaded by shifting to other facilities.
 - There are carpool and transit opportunities, especially where bus transit traverses the same facility that is being priced.

Consideration of these methodological issues will need to be balanced with other issues of a more practical nature. For example, getting agreement on a region-wide demonstration project is very unlikely, so we will have to find ways to extrapolate to impacts on travel behavior under full regional pricing.

More important, recent focus groups conducted by Davis & Hibbitts suggest that people are much more willing to consider pricing if (1) they are paying for additional capacity (as opposed to paying for existing facilities), and (2) if they retain a choice to take an unpriced route rather than paying more for premium service. Thus, we must consider implementation where drivers get new service and have choice. From a technical perspective, the evaluation of this type of option will have to undertake a more elaborate analysis to allow it to correctly allocate the changes in travel performance to the change in price as opposed to the change in capacity.

 Technical versus policy issues. The initial screening by the consulting team should be based on technical, not policy, issues. Policy considerations are clearly important, but if good technical alternatives are to be eliminated for policy reasons, that task should fall to the Task Force (a conclusion the TAC endorsed)

In summary, after review of the options, the consultants, Metro staff, and the TAC agreed : (1) that the initial group of possible options should include a diversity of application types (spot, facility, corridor, area, and regional) and locations; (2) that those locations will be in corridors or areas with high volumes and congestion; and (3) that there should still be a diversity of types when the preliminary evaluation that occurs in the next several months narrows the options to a specific group of alternatives. A more detailed evaluation of the final alternatives should

focus on the ones most likely to be implementable, even if that results in some types of applications being unrepresented.

RECOMMENDATIONS FOR THE PRELIMINARY IDENTIFICATION OF POSSIBLE OPTIONS FOR FURTHER STUDY

Decisions about the type of application and location are not strictly independent: some applications work well at only some locations. In the interest of moving expeditiously through this preliminary selection process, we move in this section from the *theory* of how to review types of applications, to *specific options* for further consideration. Those specific options combine application type with location.

The review starts with *types of applications*. In other words, the type of application is at the top of any hierarchy for defining possible options. For each type of application, one would then describe the details of how and where it might be located as a peak period pricing demonstration project.

An Appendix to this working paper (prepared by Metro staff in concert with the TAC, based on preliminary work by the consultants) shows a framework for identifying a group of possible peak period pricing options for further review. Regarding the more detailed criteria presented about suitability as a demonstration project, however, not all are equal. That point is at the heart of the problem that Metro, the TAC, the Task Force, and the consultants must address: Given all the tradeoffs, what is the group of possible options that we want to enter this project with? The Appendix gives the recommendations from the consultants, Metro staff, and TAC for consideration, revision, and (ultimately) approval by the Task Force.

Following is a description of what each type of application consists of, and the characteristics needed to be considered for that type of application :

Overarching Characteristics

- Congestion. To be reviewed for congestion pricing potential, any location must experience significant congestion at peak (at minimum, the location must be projected to exceed current Level-Of-Service standards by 2015).
- *Diversity.* Taken as a group, the initial group of options should have variation: in type, technology, and location.

Criteria for Specific Types of Applications

- Spots. Any spot application should be in a location that substantially reduces the
 potential for diversion. Obvious candidates are choke points like bridges and tunnels.
 But (1) if there are multiple bridges in close proximity, multiple spots must be priced,
 and (2) any major facility with no good parallel routes can also be priced in just one
 spot.
- *Facility.* One consideration applies to all variations of facility applications: limited access facilities will work better than arterials with lots of intersections and curb cuts. There are additional criteria for two sub-categories of facility pricing:

- Partial facility. Partial means that only one lane of a facility is priced. It would become, in effect, an express lane (with possible express bus and HOV use also). Must work from a technical/operational standpoint (i.e., does the flow of traffic, interchanges, entrances and exits, appear to allow the separation of an existing lane of traffic?) In order to toll an existing lane, the road should have three lanes in each direction. If only one lane remains untolled in a given direction, drivers in the untolled lane would experience substantial (probably increased) congestion.
- Whole Facility: Facilities without a good network of parallel arterial or local streets in residential areas will be favored. However, some cases where significant diversion to unpriced streets might occur will be studied to determine level of diversion and whether it can be mitigated.
- Corridor. Must be technically feasible given AVI technology. Other things being equal, a corridor with numerous arterials parallel to the main limited access highway is less desirable than a corridor with those parallel arterials: the costs of either diversion or of installing additional AVI equipment makes the first corridor more expensive. One must use this rule cautiously, however, because "other things" are rarely equal. ¹

In applying the decision rules for the various types or peak period pricing, the first step involved a review regional congestion maps to determine which highways were experiencing significant congestion. Using this grouping of congested areas, four charts were created, one for each major type of application for which we have completed our analysis: spot, partial facility, whole facility and corridor (labeled Appendix A through D, respectively). Each chart sets the decision rules for that type of application along the left axis and applies them to the principal congested facilities in the region which are laid out along the top axis.

For each congested facility that is proposed for capacity improvement in the Regional Transportation Plan (RTP), the facility is reviewed both with and without the capacity improvement. In some cases, like the Sellwood Bridge, it is proposed for further review partly to see whether a potential capacity improvement can be avoided. In other cases, the capacity improvement is incorporated in an option proposed for further review to see whether it would still be needed. In the case of a few partial facility/express lanes (217, 205 and a short section of 84), the capacity improvement would be needed prior to implementation of that pricing scheme.

In developing the recommended group of applications for further review, we have attempted to apply the above rules as consistently as possible. Professional judgment was used in many cases and variations are possible. However, at this point, the Appendix contains the recommendation of the consultant, staff, and the TAC.

¹ The real issue is whether the *net* benefits of a particular pricing implementation are greater for one alternative than for another. Obviously, then, some estimate of potential benefits is important. At this stage, the proxy for benefits is volume and congestion: the greater they are, the more likely are the benefits of pricing. Thus, a corridor with high volumes and congestion and parallel arterials might be prove, when evaluated in more detail, to have higher net benefits than a slightly less congested corridor that has no parallel routes.

Area and Regional Pricing

Two other types of applications - area and regional pricing - are being examined differently from the other types and are not included in the appendix, for reasons explained below.

• Area. Area pricing is the pricing - either through a license, AVI cordon or parking pricing - of a specific congested area that is a major regional destination.

The advantage of area pricing over other types of road pricing is its ability to effect a large portion of regional motorists while minimizing equipment costs. The area license - where one must purchase a license to drive into the designated district as certain times - for example, involves no equipment costs, only the labor costs of enforcement. If a cordon scheme is introduced, AVI technology is installed only at entrance and exit points at the perimeter. Parking pricing may require technology to provide for payment at parking locations, but it is usually less costly than AVI technology on highways.

Area pricing has limitations. Pricing cannot be as accurate as road pricing where cars are charged for actual miles traveled. In addition, unless carefully implemented as part of a larger plan, it can appear to be a disincentive (additional cost) to the selected area and be perceived as a detriment to business development.

Because of the large number of possible permutations of area pricing and the need to carefully develop any alternative in the context of specific traffic management issues and on-going programs in that area, we are proposing to undertake:

- a) a review of the literature on area pricing to identify the range of pricing strategies available
- b) conversations with areas that appear to meet our basic criteria to understand whether and how a pricing project might be developed to support on-going efforts.

Based on these research efforts, specific proposals would be developed for these or other areas and submitted to the Task Force for inclusion in the initial study group.

Decision rules used to identify locations for initial discussions are proposed as follows:

- 1. Is the area a distinct location with clear, well understood boundaries?
- 2. Is it small enough to be manageable and so that most of the trips are not internal?
- 3. Is it a major regional destination (either a regional center or a major institution)?
- 4. Could a reduction of the traffic levels within the area have a broader regional impact on congestion (i.e. is the congestion simply local or is it large enough in volume to be a significant contributor to a broader problem)?
- 5. Are there realistic alternatives to SOV driving on line or in development?

Based on the above decision rules, the areas that were identified for initial discussions were: downtown Beaverton, downtown Portland, Marquam Hill and Lloyd District. These will be treated as "case studies". Several of these areas already have significant parking pricing programs in effect. An important part of our research will be to understand the

specific parameters of existing programs so that any pricing proposal developed minimizes conflict with on-going efforts. One or all of these areas may end up not being appropriate candidates, but in the process we may identify strategies that could work elsewhere.

• *Regional.* Regional pricing is the implementation of a road or area pricing scheme that is intended to be effective throughout the region. While it is unlikely that region-wide pricing would be implemented as a demonstration project, we are proposing to carry at least one regional pricing alternative all the way through the evaluation for analytic purposes. Clearly, an underlying question to an evaluation of whether to undertake a demonstration project is what the costs and benefits of broader implementation would be. Analysis of a regional pricing scenario is critical to answering such fundamental questions as well as to providing information on the possible efficiencies of scale that could be achieved through a larger congestion pricing project or applicability elsewhere under similar circumstances.

At this point, there are two regional options under consideration:

- facility pricing (AVI) of all major highways within the region
- establishing several major cordon lines to effectuate a simple regional pricing system. This could be comprised of all Willamette River Crossings from the St. Johns Bridge to the I-5 bridge at Wilsonville and cordon lines along Hwy. 217, I-205 and, possibly, Sunset Hwy. and I-84.

PRELIMINARY REVIEW OF CONGESTED LOCATIONS AND TYPES OF PEAK PERIOD PRICING APPLICATIONS SPOT (E.G. ALL LANES AT ONE LOCATION ON A BRIDGE, TUNNEL OR LENGTH OF HIGHWAY WITH NO PARALLEL ROUTES)

Key: In reading the chart, please note that the "decision rules" set forth in the working paper are applied along the left axis for each congested facility listed on the top axis. For a spot application, the only rules are (1) is there congestion? and (2) is there a choke point (bridge or tunnel)? If there is a proposed capacity improvement for that facility in the Regional Transportation Plan, we have described it briefly and indicated the project # and approximate price tag. For each facility with a proposed RTP improvement, we consider two potential options for each facility - with and without the proposed capacity improvement. The new capacity is generally recommended for review in each case where an alternative meets the other rules and there is a project in the RTP.

SPOT	26	84	217	1-5-8.	205 SOUTH	TUALATI N/SHER WOOD	SUNRISE CORRID OR	MT. HOOD PKWY.	SELLWOOD	43	MCL OUG HLIN
CONGESTION 1994?	Yes	Yes	Yes	Yes	In sections	Yes	In sections	In parts	Yes	Yes	Yes
CONGESTION 2015?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
CHOKE POINT?	Yes .	No	No	No	Yes	No -	No	No	Yes	Yes, just before Sellwood Bridge. There are very few points of egress past Terwilliger.	No
CAPACITY IMPROV. IN RTP?	Yes, construct new lane between 217 and Sylvan and, possibly, Murray and 185 th . Current TIP plus RTP = \$102 M	Yes	Yes	Yes	Yes. Additional lane south of Oregon City includes RTP projects 25, 30, 31, 33 and 34 = \$168M.	Yes	Yes	Yes	No. However, adding an additional 2 lanes has been proposed and is under study separately.	No	Yes
REVIEW FURTHER W/O CAPACITY IMPROV?	Yes, study toll at tunnel. This could capture most of the traffic on corridor. However, there may be some spillover onto parallels. This would be covered as part of analysis.	No	No	No	Yes, analyze toll at Willamette Bridge. Since there are no nearby alternatives to this bridge, it could capture all traffic going on 205.	No	No	No	Yes, toll existing bridge and reconstruct with toll \$. While additional capacity needs are being studied separately, pricing may defer need.	Yes, review possible toll just before Sellwood Bridge.	No
REVIEW FURTHER WITH CAP. IMPROV?	Yes, construct improvements above. Set up toll at some point between Sylvan and tunnel.	No	No	No	No, although this option meets criteria, a similar scenario is proposed as corridor alternative.	No	No	No	No. The toll would be studied in order to manage demand within existing capacity.	No	No

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APPENDIX A

PRELIMINARY REVIEW OF CONGESTED LOCATIONS AND TYPES OF PEAK PERIOD PRICING APPLICATIONS PARTIAL FACILITY (E.G. PRICING OF A SINGLE LANE OF A HIGHWAY AS AN EXPRESS LANE)

Key: In reading this chart, please reference the decision rules set forth in the preceding text. The rules along the left axis are applied to the congested facilities listed across the top axis. The basic rule, whether a facility is congested, is then followed with whether there is limited access and whether a lane could be technically separated from the rest of the highway. Finally, the facility must have three lanes in each direction now to be proposed for further study without capacity improvements. If an RTP project proposes capacity improvements, then the facility with those improvements is also considered following the same rules.

PARTIAL FACILITY	26	84	217	I-5 (from downtown south)	1-5 (from downtown north)	205 SOUTH	43	MCLOUGHLIN/ MILW EXPWY
CONGESTION 1994?	Yes	Yes	Yes	Yes	Yes	In sections	Yes	Yes
CONGESTION 2015?	Yes	Yes	Yes	Yes .	Yes	Yes	Yes	Yes
LIMITED OR PARTIALLY LIMITED ACCESS?	Yes	Yes	Yes	Yes	Yes	Yes	Yes?	Yes?
CAN SEPARATE LANE?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
3 LANES EACH DIRECTION NOW?	Only for portions of length east of Sylvan and west of 217.	For most of length, except 2 lane section by 205.	No	Yes	No, only two lanes each way between Lombard and Delta Park.	No, only two lanes south of Oregon City.	No	No, not between Ross Island Bridge and Tacoma.
3 LANES EACH DIRECTION FUTURE?	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
CAPACITY IMPROVEMENT IN RTP?	Yes, construct new lane between 217 and Sylvan and, possibly, Murray and 185 th . Current TIP plus RTP = \$102 M.	Yes. Repave and restripe short section by 205 (\$5M).	Yes, construct new lane from 26 to I-5. TIP + RTP =\$156M	Yes. Construct climbing lane from downtown to Terwilliger. RTP projects 13 and 14 = \$58M.	Yes, construct additional lane between Lombard and Swift/Delta and improve Columbia Interchange. RTP projects 18 and 19 = \$40M.	Yes. Construct additional lane south of Oregon City. Includes RTP projects 25, 30, 31, 33 and 34 = \$168M.	No and not technically feasible.	Yes, add new lane Ross Island Bridge to Tacoma (RTP project #91) = \$25 M.
REVIEW FURTHER W/O CAP. IMPROV?	No, not feasible without three lanes each direction.	No, not feasible w/o three lanes each direction.	No, not feasible w/o three lanes each direction.	Yes. Create express lane from Wilsonville to 405.	No, not feasible without three lanes in each direction.	No, not feasible • without three lanes each direction.	No, not enough lanes	No, not enough lanes to separate out one.

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APPENDIX B

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PARTIAL FACILITY: EXPRESS LANE	26	84	217	1-5 SOUTH	1-5	205 SOUTH*	45	MCLOUGHLIN/ MILW, EXPWY,
REVIEW FURTHER WITH CAP. IMPROV?	Yes, construct improvement per above. Create express lane from 185 th to tunnel.	Yes, construct improvement per above. Create express lane from 207 th or just before I-205 S. ramp to NE 20 th .	Yes, construct improv. above. Create express lane from I-5 to 26.	Yes, create express lane from Wilsonville to 405.	Yes. Construct additional lane from Lombard to Delta Park (above) and create tolled express lane from downtown to Delta Park.	Yes. Construct capacity improvement (above) and create express lane from I- 5 to 84.	No, not enough lanes.	Yes. Construct improvement (above) and create express lane from 224 north.

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PRELIMINARY REVIEW OF CONGESTED LOCATIONS AND TYPES OF PEAK PERIOD PRICING APPLICATIONS WHOLE FACILITY (E.G. ALL LANES)

Key: In reading this chart please refer to the decision rules set forth in the working paper. For whole facility applications, one first looks at whether the facility is congested. In addition, because the electRonic (AVI) tolling technology becomes more expensive to install if there are more entrances and exits, an unlimited access arterial might become cost prohibitive. However, we have proposed further study of three heavily congested arterials, 43, TV Highway and McLoughlin to examine the cost/benefit feasibility in more detail. Finally, if there is a good network of parallel arterials, tolling a facility may cause spillover onto those parallels. In cases where it appears that spillover onto residential arterials may be high, pricing the entire corridor is generally chosen. As with the other options, where a capacity improvement is in the RTP, the facility is examined as a potential alternative for further review both without new capacity and with it.

WHOLF FACILITY (ALL LANES)	26	84	217	5	205
CONGESTION 1994?	Yes	Yes	Yes	Yes	In sections
CONGESTION 2015?	Yes	Yes	Yes	Yes	Yes
PARTIALLY LIMITED ACCESS	Yes	Yes	Yes	Yes	Yes
STRONG NETWORK OF PARALLELS?	Yes	Yes	Tentatively, no. Hall is only a parallel for portion.	Partial, in area of downtown Portland.	Partial (in northern section).
CAPACITY IMPROV. IN RTP?	Yes, construct new lane between 217 and Sylvan and, possibly, Murray and 185 th . Current TIP plus RTP = \$102 M	Yes. Repave and restripe short section by 205 (\$5M).	Yes, construct new lane from 26 to I-5. TIP + RTP =\$156M	Yes. Construct climbing lane from downtown to Terwilliger and widen between Greeley and N. Banfield. RTP projects 13, 14 and 16 = \$160M.	Yes. Additional lane south of Oregon City includes RTP projects 25, 30, 31, 33 and 34 = \$168M.
REVIEW FURTHER W/O CAPACITY IMPROV?	No, too many parallel arterials.	No, too many parallel arterials.	Yes, from 26 to just past I-5.	Yes, from Wilsonville to Tigard.	Yes, from I-5 or West Linn to Oregon City. Consider tolling closer into Portland, depending on spillover effects.
REVIEW FURTHER WITH CAP. IMPROV?	No, to many parallel arterials.	No, too many parallel arterials.	Yes, construct capacity improvement, above. Toll from 26 to I-5.	Yes, complete improvements above. Toll from Wilsonville to Terwilliger, or even further if capacity improvement improves flow significantly enough to prevent spillover.	No. Proposed improvements are not in vicinity of where parallels commence. Adds nothing beyond other options being reviewed.

APPENDIX C

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WHOLE FACILITY (ALL LANES)	TUALITIN/SHERWOOD EXPWY.	SUNRISE CORRIDOR	MT. HOOD PKWY.	40	TUALATIN VALLEY HIGHWAY	MCLOUGHLIN/MILW. EXPWY.
CONGESTION 1994?	Yes	In sections	In sections	Yes	Yes	Yes
CONGESTION 2015?	Yes	Yes	Yes	Yes	Yes	Yes
LIMITED OR PARTIALLY LIMITED ACCESS	Yes	Yes	Yes	Lots of access pts. in certain sections, but need to examine more closely to determine feasibility for AVI technology.	Some section have limited access, but others have many entrances and exits. Need to analyze further to determine whether this is feasible from a technical perspective for AVI technology.	On portions, yes - other sections have unlimited access. Need to analyze further to determine feasibility for AVI technology.
STRONG NETWORK OF PARALLELS	Yes, but this new capacity would significantly relieve congestion on 99W.	Yes, but this new facility would significantly relieve existing congestion on 212/224.	Yes, but this new facility would significantly relieve existing congestion.	No. Because it really has NO nearby parallels, 43 is of particular interest for further study.	Not for much of distance.	Yes
CAPACITY IMPROV. IN RTP?	Yes, construction of new road is expected to cost betw/\$75 and \$140 M.	Yes, projects 106-108 in preferred RT P= \$89M.	Yes, in RTP for \$190M.	No	No	Yes, add new lane Ross Island Bridge to Tacoma (RTP project #91) = \$25 M.
REVIEW FURTHER W/O CAPACITY IMPROV?	N/A (this is a proposed new road)	N/A (this is a proposed new road)	N/A (this is a proposed new road)	Yes, from I-205 to Sellwood Bridge.	Yes, from Hillsborough to Beaverton.	Yes, from I-205 to Ross Island Bridge.
REVIEW FURTHER WITH CAP. IMPROV?	Yes, examine construction of proposed new road. Revenues could be used to finance part or all of cost.	Yes, examine construction of proposed new road. Revenues could be used to finance part or all of cost.	Yes, examine construction of proposed new road. Revenues could be used to finance part or all of cost.	No, not in plan and not feasible.	No	No. Although it has the characteristics, further study would not add information beyond other options proposed for further review.

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APPENDIX C

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PRELIMINARY REVIEW OF CONGESTED LOCATIONS AND TYPES OF PEAK PERIOD PRICING APPLICATIONS

CORRIDOR (ALL MAJOR ROADS ALONG A ROUTE)

Key: In reading this chart, please refer to decision rules in text of working paper. For corridor applications, the determination as to whether there is a congestion problem is followed by a series of rules which assess its suitability for further study. A corridor implementation should only be considered if there is a strong network of parallel roads, otherwise a facility implementation is sufficient. If there is a strong network, then one should consider whether these have a manageable number of entrance and exit points to be efficiently handled by electronic tolling. A large number of unlimited access arterials as parallels is likely to make the potential option infeasible, and certainly less competitive than other options. As with all implementation types, if the RTP proposes a capacity improvement, we have examine the facility both with and without that improvement as separate potential options.

CORRIDOR (ALL MAJOR PARALLEL ROADS ON ROUTE)	26	84	217	1-5 (from downtown south)	205
CONGESTION 1994?	Yes	Yes	Yes	Yes	In sections
CONGESTION 2015?	Yes	Yes	Yes	Yes	Yes
STRONG NETWORK OF PARALLELS?	Yes	Yes	No?	Partial	Partial
MANAGEABLE # OF ACCESS PTS. ON PARALLELS?	Yes, because the parallels only span a short portion and there are only a few.	No, but can do cordon line at 205 crossings (see below)	Yes	Yes, because the unlimited access parallels span only a short distance (close in to downtown Portland)	No, but they span only the portion in Portland and can look at a cordon line (see below).
CAPACITY IMPROV. IN RTP?	Yes, construct new lane between 217 and Sylvan and, possibly, Murray and 185 th . Current TIP plus RTP = \$102 M	Yes. Repave and restripe short section by 205 (\$5M).	Yes, construct new lane from 26 to I-5. TIP + RTP =\$156M	Yes. Construct climbing lane from downtown to Terwilliger and widen between Greeley and N. Banfield. RTP projects 13, 14 and 16 = \$160M.	Yes. Additional lane south of Oregon City includes RTP projects 25, 30, 31, 33 and 34 = \$168M.

APPENDIX D

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CORRIDOR (ALL MAJOR PARALLEL ROADS ON ROUTE)	26	84	217	5	205
REVIEW	Yes, this scenario involves	Yes. Pricing in this alternative	Yes, depending on what is	Yes, this alternative would	Yes, from West Linn to I-84. While
FURTHER W/O	pricing 26 from 185 th to	would be applied to 84 from 207 th in	justified by demand, analyze	be comprised of I-5 from	parallel arterials are too numerous and
CAPACITY	tunnel. Parallels to be	Gresham to NE 20 th Although there	corridor along 217 between 26	Wilsonville to I-405 and	have unlimited entrances and exits,
IMPROVEMENTS?	examined for pricing include	are too many unlimited access	and I-5 (including Hall and	would include portions of	examine a cordon line across all
	Burnside, Barnes Road, BH	parallels to price them individually,	Murray) with or without	99W, Macadam, Corbett and	parallels at 84 and at Sunnyside.
	Highway, Cornell Road and	consider cordon line at I-205	capacity improvement	Terwilliger which serve as	Determine whether this will prevent
	Broadway Drive.	crossings.	described above.	alternate routes.	diversion to 82 ^{bd} and 122 ^{bd} .
REVIEW	Yes. Construct capacity	No	No	Yes. Examine option which	Yes. Look at multiple cordon lines
FURTHER WITH	improvements, above.			includes complete	along I-205 corridor from West Linn to
CAPACITY	Examine Burnside, BH			construction of capacity	I-84.
IMPROVEMENTS?	Highway, Barnes and Cornell			improvements, above.	
	Roads and Broadway Drive as			Pricing would cover I-5 from	3
	part of option.			Wilsonville to I-405 and	
				alternate routes of 99W,	
				Terwilliger, Macadam and	
				Corbett.	

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CORRIDOR (ALL MAJOR ROADS ON ROUTE)	1-5 (from downtown north)	TUALATIN/SHERWO SUNRISE CORRIDOR OD EXPWY.		M1. HOOD PKWY. 43		MCLOUGHUN/MILW. EXPWY.		
CONGESTION 1994?	Yes	Yes	In sections	In sections	Yes	Yes		
CONGESTION 2015?	Yes	Yes	Yes	Yes	Yes	Yes		
STRONG NETWORK OF PARALLELS	Yes, Interstate and MLK are parallels.	Yes, but this new capacity is expected to significantly relieve existing congestion on 99W.	Yes, but this new facility would significantly relieve existing congestion on 212/224.	Yes, but this new facility would significantly relieve existing congestion.	No	No		
MANAGEABLE # OF ACCESS PTS. ON PARALLELS?	No. However a cordon line could be created at the Columbia Slough crossings.	Yes	Yes	Yes	N/A	N/A (there are no parallels)		
CAPACITY IMPROV. IN RTP?	Yes. Added lane from Lombard to Delta Park and interchange improvements at Columbia Blvd. (RTP= \$40 M)	Yes, construction of new road is expected to cost betw/\$75 and \$140 M.	Yes, projects 106-108 in preferred RT P= \$89M.	Yes, in RTP for \$190M.	No	Yes, add new lane Ross Island Bridge to Tacoma (RTP project #91) = \$25 M.		
REVIEW FURTHER W/O CAPACITY IMPROV?	Yes. Examine possible toll of facility from downtown to Delta Park and cordon for parallels at Columbia Slough.	N/A	N/A	N/A	No, no parallels.	No, not a sufficient number of parallels.		
REVIEW FURTHER WITH CAP. IMPROV?	Yes. Examine possible toll from downtown to Delta Park with cordon line at Columbia Slough with new capacity (above) if needed.	No. Proposed project would relieve existing congestion problems.	No. Proposed project would reduce existing congestion.	No. Proposed project would relieve existing congestion problems.	No.	No.		

APPENDIX D

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EVALUATION CRITERIA AND METHODS

Working Paper # 4

November 1996

By

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BACKGROUND

Working Paper 1 (*Congestion Pricing Implementations to be Addressed in the Traffic Relief Options Study*) defined congestion pricing for the purposes of this study and the range of pricing options that this project will investigate. Working Paper 2 (*Framework for Considering Possible Effects of Congestion Pricing Implementations*) proposed an initial framework for considering pricing options and their effects. The framework proposed a way of organizing effects by type, noting that a categorization of effects implied a categorization of criteria (because one typically evaluates policy alternatives by their relative performance—that is, by their effects—on dimensions one cares about).

Working Paper 4, summarized here, builds on the first two to develop criteria and methods that will be used later in the project to evaluate possible congestion pricing options and alternatives. This summary starts with general principles, moves to categories of criteria and their measurement, and ends with methods for consolidating measurements into an overall ranking of alternatives. For more detail, see the technical appendix to this working paper.

FRAMEWORK FOR EVALUATING POTENTIAL PRICING OPTIONS

Central to the idea of evaluating public policy are the beliefs that:

- Policy alternatives (in this project, those policy alternatives are referred to as pricing options) can be described in a way that allows their effects (good and bad, benefits and costs) to be identified
- Those effects can be measured or, at least, described
- Policymakers, analysts, and the public can describe the criteria they would use to rank their preferences for those effects
- Effects, weighted by criterion, can be summed (or at least displayed) so that the best alternative (the one where the total value of the net effects is the greatest) can be identified.

If all those positive and negative effects could be identified, estimated, and converted to a dollar equivalent (e.g., this effect has this much value), then analysts could talk about the net effect (net benefits) of a policy alternative, and could compare those net benefits across alternatives to select the one with the greatest net benefits. For several good reasons, no analyst believes that every effect can be estimated: the task of this project is to develop an acceptable approximation of the biggest effects.

The first round of the evaluation (getting to a small number of possible peak period pricing options for later detailed evaluation using the enhanced Metro model) will use information readily available from Metro sources, other studies that the consultants are familiar with and the professional literature to describe how different pricing options might perform. The consultants will present that descriptive analysis to the Task Force in February or March and will assist the Task Force in its deliberations about the relative advantages of the different options. A selection of the top 10 alternatives for further review will be made at that time.

PRINCIPLES FOR ANY EVALUATION PROCESS

Although this working paper is about evaluation criteria, the criteria one chooses to evaluate a pricing alternative depend on one's view of the proper way to handle many issues about theory, measurement, and methods that inevitably arise during such evaluations. The principles used in this project include:

- Get the changes in transportation performance measured first. The biggest and most direct benefits and costs of any pricing alternative are on the performance of the transportation system. Most of those effects are measurable using travel demand models (e.g., changes in travel time by route and mode, changes in operating cost of cars and transit, changes in accidents).
- Evaluate all significant benefits and costs. At the most general level, this admonition is self-evident. In detail and in practice, however, it becomes very messy. The advice here is (1) quantify and monetize measurements of transportation performance first; (2) quantify and monetize to the extent possible the direct consequences of changes in transportation performance: e.g., changes in air quality and noise; (3) describe and quantify to the extent possible whatever other effects are left; and (4) after a preliminary evaluation of distributional effects, redesign the pricing options to redistribute benefits (including collected revenues) to effectively eliminate (or reduce to the extent possible) negative effects on any particular group.
- Pay attention to double-counts. It is easy to count the same benefits or costs more than once. One way to reduce double counts is to distinguish between means and ends objectives. The ends are the fundamental objectives (e.g., net social welfare, which might be subdivided into objectives about economic effects, environmental effects, social effects, and political effects, each of which could be further subdivided by type of effect and type of group effected). Means objectives are more detailed and describe the ways in which fundamental objectives can be achieved (e.g., control of sprawl, consistency with 2040, reduction of VMT). As one moves from fundamental to means objectives, one introduces double counting that can distort the evaluation.
- Discount to present value. Because benefits and costs are unevenly distributed over time, and because future benefits and costs are worth less than present ones, one needs a method to summarize all those benefits and costs. Discounting to a present value at a social discounting rate (e.g., like an interest rate) is the method accepted by transportation economists.
- *Marginal analysis: focus on differences among alternatives.* For many effects it may not be necessary to measure them in total; it may be

enough to measure how they perform relative to some base case. Where alternatives cannot be distinguished from one another on a particular criterion, that criterion is irrelevant to policy choice and can be ignored.

• *Perspective: benefits and costs from whose point of view?* The distribution of effects is important and must be considered in addition to the aggregate benefits and costs.

SUGGESTED CRITERIA FOR EVALUATING PRICING OPTIONS: CATEGORIES AND MEASUREMENTS

Though most projects that try to rigorously evaluate transportation projects use similar criteria, there is no universally accepted organization for these criteria. That conclusion leads us back to the framework described in Working Paper 2. While admittedly not the only way to organize criteria, the framework organizes effects in a way that is logical, explainable and reduces or clarifies double-counts. It would also lend itself to the weighting of criteria farther along in the process, if the Task Force were to favor a scoring-and-weighting approach to evaluation.

CRITERION CATEGORY 1: TECHNICAL FEASIBILITY OF IMPLEMENTATION

QUESTION ADDRESSED

Are there legal or technical obstacles that are unlikely to be overcome at any reasonable cost?

TYPES OF EFFECTS ADDRESSED, AND POSSIBLE MEASUREMENTS

Most of the issues here have been resolved as part of the initial specification of 40 pricing options. The issues here served as *screening criteria*: they helped decide on the initial list of potential options, but after that they have little effect on the selection of a preferred option.

- Legality. Most of the legal issues are overarching ones that apply to any congestion pricing alternative. If all pricing options have the same legal obstacles, legal considerations are irrelevant to selecting the best pricing alternative for a demonstration project.
- Technology. Technical feasibility can be useful for an initial screening. In essence, this criterion allows a preliminary judgment about likely cost before an actual cost analysis is undertaken. After the initial screening, however, the issue of the feasibility of technology is best dealt with as an issue of cost: the more exotic or extensive the technology, the greater the direct cost of the project (and, potentially, the risk of costs associated with system failure). These costs can get dealt with under Criterion Category 2, Transportation Performance.

- Privacy. The best way to handle the issue of privacy is to note that for any AVI system privacy is potentially an issue because information could potentially be collected about the travel patterns of individual automobiles. However, there are ways that AVI-based systems of monitoring and billing could be designed to reduce or eliminate confidentiality problems, such as setting up pre-paid "blind" accounts. Finally, no matter what assurances government gives that information is not being collected or confidentiality is protected, there may be some people who will not believe the safeguards are adequate. In short, any AVI-based alternative must be designed to effectively eliminate potential invasion of privacy, and must be discounted to some extent because part of the public will find such alternative less desirable because of the *potential* misuse of the information.
- Informational/demonstration value. Pricing options may differ in how consistent they are with a full regional pricing scheme, or in how much information they provide about how those schemes would be designed and implemented. This sub-criterion probably applies only to the subsequent evaluation of demonstration projects, not to the initial evaluation of regional pricing systems.

RECOMMENDATION

This category and its four sub-criteria (legality, technology, privacy, informational value) should be retained for subsequent evaluations of possible options, but be a secondary criterion. If weighting is done it should have a low weight. If weighting is not done, it should be considered as a qualitative offset to the estimated net benefits of any potential pricing option that is riskier, has more legal obstacles than the others or raises concerns about privacy.

CRITERION CATEGORY 2: PERFORMANCE OF THE TRANSPORTATION SYSTEM

QUESTION ADDRESSED

Does the pricing alternative work efficiently toward congestion relief?

TYPES OF EFFECTS ADDRESSED, AND POSSIBLE MEASUREMENTS

The measures of transportation performance have been introduced in previous working papers. To summarize some of the general points:

• Improvements in transportation should be a primary goal of any transportation improvement. In other words, a necessary condition for making any transportation investment or adopting any transportation policy is that the performance of the transportation system be *better* than it would have been without the improvement.

- Measuring what better means requires an evaluation of both performance benefits and the costs of achieving those benefits.
- Cost reductions to drivers (in terms of travel time and vehicle operation) are the most important direct benefits of a transportation improvement. The costs of building and operating the improvement (and the vehicles that ride on it) are its most significant costs.
- Most of the measures of expected system performance are estimated via travel demand models like the one Metro operates and is improving for this project. The specific measurements of travel performance that could be used in this evaluation include changes in:

Direct Effects

- Direct costs of developing and maintaining the new improvements
- Travel time
- Costs of operation for users and services providers
- Safety

Secondary Effects

- Revenues and system finance
- Amount of travel by type (VMT and mode split)
- Transportation options and choice

Not all of these measurements merit the same attention; some are probably double counts. The Technical Appendix to this working paper describes the issues in more detail.

RECOMMENDATION

The measures under Travel Performance will be limited to the first group described above: direct costs of developing and maintaining the new improvements, changes in travel time, changes in operating cost, and changes in safety. All of these measures will be quantified (the last three with output from the travel demand model), monetized, converted to present value, and summarized as a measure of net benefits.

Measures of changes in the amount of travel by type (which directly reflects changes and differences in modal attractiveness) will be evaluated under Criterion Category 5, Political Feasibility, under the subcriterion "Consistency with other public policy." Measures of revenue generation will also be discussed here. "Choice" will be built into the pricing options themselves and effects on choice will be discussed as a distributional issue under Criterion Category 4, Distributional (Equity) Effects.

CRITERION CATEGORY 3: SECONDARY AND INDIRECT EFFECTS

QUESTION ADDRESSED

Are the other effects of the pricing alternative on net and in the aggregate, positive?

TYPES OF EFFECTS ADDRESSED, AND POSSIBLE MEASUREMENTS

Some general points:

- Although transportation performance should be a primary goal of any transportation improvement, it is clear that such improvements have effects on more than transportation performance.
- Some of these effects are significant.
- Although some of these effects are clearly in addition to the effects on transportation performance (e.g., changes in air quality from changes in emissions), others are potentially double counts of those changes in transportation performance (e.g., changes in land prices and land use as a result of changes in travel time).
- Not only are the magnitudes of some of the double counts difficult to sort out analytically, but the evidence from years of experience with EISs and public decisionmaking on public facilities and policies is that the public and decisionmakers are less concerned about what economists might consider a pure analytical framework than ensuring that all of the possible effects that people care about are accounted for.
- For this project, the criteria and the analysis should include measurements of effects that the Task Force thinks are important, but be clear as to whether some of these are double counts and make sure that the weighting process does not result in strong preference given to certain effects because they happen to be measured in more than one way.
- The specific categories of additional primary and secondary (indirect) effects that could be used in this evaluation include changes in:
 - Environmental quality
 - Air quality
 - Noise
 - Other environmental effects
 - Land use
 - Economic activity and development
 - Social/neighborhood effects

RECOMMENDATION

Air pollution and noise can be estimated as a function of output from the travel-demand model. The other main environmental effect stems from the amount of construction (if any) that the pricing option entails over the base case . For land use, we will describe general effects on density and location patterns (suburbanization), and whether those effects are consistent with other state and regional policies and plans as part of Criterion Category 5. For economic development, we will comment on general external effects (i.e., ones in addition to the economic efficiency effects already measured in Criterion Category 2). For social effects, there will be a qualitative assessment of the amount of disruption to a neighborhood creted by any predicted spillover.

CRITERION CATEGORY 4: DISTRIBUTIONAL (EQUITY) EFFECTS

QUESTION ADDRESSED

Is the distribution of the effects of the pricing alternative fair?

TYPES OF EFFECTS ADDRESSED, AND POSSIBLE MEASUREMENTS

The main reason that a distributional criterion is needed is because alternatives that generate net benefits in the aggregate may not benefit everyone equally, and, more importantly, may cause some groups to be worse off. The key sub-categories and measurements in this category are the effects on:

- Auto tripmakers compared to other tripmakers.
- Low income compared to other incomes.
- Denser urban areas compared to suburban areas.

For each of these categories, the focus will be on measurements of transportation performance described under Category 2. Does one group get better transportation performance that either (1) another group pays for but does not receive (e.g., a central city alternative costs central city residents but primarily benefits suburban commuters), or (2) comes at the expense of the travel performance of another group (e.g., auto drivers get reduced travel time while transit riders get increased travel time)? Where other types of effects are expected to be substantial and varied across alternatives, measurements in those categories will be made.

Note that a description of the distribution of effects is something that a technical analysis can achieve; a description of the fairness of an alternative is not. Fairness is a value judgment: ten people could look at the same distribution of effects and have ten different opinions about fairness.

RECOMMENDATION

Under this category the evaluation will discuss how measures in Criterion Category 2, Travel Performance, and Criterion Category 3, Secondary Effects, are distributed among key groups as distinguished by travel mode, income, and location.

CRITERION CATEGORY 5: POLITICAL FEASIBILITY

QUESTION ADDRESSED

Is there enough support to implement the pricing alternative?

TYPES OF EFFECTS ADDRESSED, AND POSSIBLE MEASUREMENTS

To a large extent, political feasibility is (or should be) a function of the results of the measurements in Criterion Categories 2–4: if a pricing alternative relative to other alternatives, to building more capacity, or to doing nothing—is more efficient and more fair, then it should have greater political feasibility as well. In practice, however, there is more to political feasibility than just finding the best policies on the basis of Criterion Categories 2–4. Our recommendation is that it not be part of the initial technical evaluation and weighting of criteria, but that it be a final screen on alternatives that perform well with respect to efficiency and equity. There are four subcriteria for this class:

- Compatibility with other public policy (e.g. Transportation Planning rule, 2040, etc.)
- Public acceptance
- Effects on institutions
- Acceptability to decision-makers

RECOMMENDATION

All four sub-criteria will be addressed in the evaluation. Compatibility with other public policy will draw from both Criterion Category 2, Travel Performance (to discuss changes in VMT), from Criterion Category 3, Secondary Effects (to discuss land use issues like the effect of a pricing option on decentralization and density, and the compatibility of those effects with state, regional, and local land use policy) and from Criterion Category 4 (to discuss distribution of effects).

WEIGHTING CRITERIA AND MEASUREMENTS

If criteria are established and measures of performance made, one still must decide on the relative importance of each criterion (its *weight*). There are at least two important questions that must be answered about weighting.

When should weighting occur? Obviously, weighting cannot occur until after criteria are listed. But once listed, should it occur immediately (even as part of the process that develops the criteria), or later, after some, most, or all measurement of the criteria has been completed? There are arguments for either timing.

The strongest argument for early (*ex ante*) weighting is that participants in the weighting can be more objective because they do not yet know how their preferred projects (if any) will perform. The strongest argument for later (*ex post*) weighting is that it is more realistic: (1) it is hard to know how important a criterion should be without having some notion of how big are the effects that it comprises, and (2) decisionmakers do and must consider more than the things that lend themselves to measurement when they make their decisions about preferred alternatives.

How formal should the process be (will there be any math on the test)? It could be implicit; where decisionmakers look at measures of performance, debate them, and then vote on the alternatives that seem best without ever assigning weights to the criteria. It could be informal; consisting of a discussion and single vote from stakeholders on the relative importance of different criteria. Finally, it could be formal and use math-based techniques that try to identify underlying weights statistically.

RECOMMENDATIONS FOR APPLYING THE METHODS IN THIS STUDY

GENERAL RECOMMENDATIONS FOR CRITERIA AND WEIGHTING

- Use the five categories of criteria described above, which are con-sistent with the way effects have been described in Working Paper 2.
- Start with the measurements described above for each category, but be prepared to add different measurements if research later in the study suggests they are desirable.
- In any weighting scheme, avoid giving weight to criteria or measurements that are largely counted elsewhere.
- Having evaluated the inherent tradeoffs between *ex ante* and *ex post* weighting, and the problems of scoring for many criteria and of applying weights to criteria not easily scored, our recommendation is to (1) have the technical staff gather the best information available about each criterion at a given point in the decision process, and (2) for the Task Force to evaluate that technical information in a structured work session, during which it would discuss the importance of individual measurements as it came to conclusions about the best alternatives to take forward to the next level of analysis. How that would work is described in more detail in the next section, which discusses how the 40 possible options might be reduced to 10 alternatives.

GETTING FROM 40 PRELIMINARY OPTIONS TO 10 ALTERNATIVES FOR DETAILED EVALUATION

- Get a preliminary indication from the Task Force at its meeting in November (1) whether the categories and measurements of the criteria are acceptable, and (2) their relative importance.
- Using the professional literature and available local data, describe general how the 40 possible options, or classes of those options, are likely to perform on the criteria. If appropriate, describe how individual implementations might be combined into a larger demonstration project.¹ Summarize the evaluation in a matrix format.
- Meet with the Task Force in an extended work session that will include

 a discussion of how the implementations perform on the criteria, (2) an illustration of how different weightings of the criteria influences
 rankings, and (3) a decision on the 10 alternatives to take to the next
 level of evaluation.

GETTING FROM 10 IMPLEMENTATIONS TO A PREFERRED DEMONSTRATION PROJECT

The same categories of criteria and measurements, and the same general process, would apply. The main difference is in the level of data and analysis that would be used to evaluate the 10 alternatives.

¹It is possible that upon further evaluation larger projects than the component projects will make sense. The reasons for this speculation are (1) for an AVI-based project there are relatively large fixed costs and relatively small marginal costs: thus, the more vehicles an implementation covers the more cost-effective it can be; and (2) a major political obstacle to implementation can be the feeling of any particular jurisdiction or subarea that it is being singled out—if all areas or jurisdictions in similar circumstances face the same pricing, then it may be more acceptable (e.g., pricing all freeways into downtown Portland may be more effective and more acceptable than pricing only, say, Highway 26).

TRAFFIC RELIEF OPTIONS STUDY PRELIMINARY CRITERIA FOR EVALUATING PRICING OPTIONS

IMPLEMENTION

- Legal issues
- Technological issues
- Privacy issues
- Demonstration value

TRANSPORTATION SYSTEM

- Direct costs to develop and maintain
- Costs to users
- Impacts on travel time
- Safety

SOCIETAL EFFECTS

- Air quality
- Noise
- Energy
- Economic impacts
- Effect of traffic on communities/neighborhoods

EQUITY

- Ability to pay
- Effect on transportation options and choices
- Geographical effects

POLITICAL FEASIBILITY

- Public acceptance
- Impacts on local government
- Compatibility with other public policies such as the Transportation Planning Rule and 2040 Functional Plan
- Finance issues
- Use of revenues

WHAT IS PEAK PERIOD PRICING?

- Market pricing of roadway use
- Specific to time of day and location
- Proven effectiveness in telephone, travel and utility industries
- Manages peak period demand on limited infrastructure
- Price is set to reflect cost on the system (e.g. level of congestion, delays, need for more capacity, etc.)

WHERE PEAK PERIOD PRICING IS WORKING

State Road 91, Orange County, California

France, Autoroute A-1, from Paris to Lille

Singapore

I-15, San Diego, California (High Occupancy Toll Lanes)

Maine Turnpike

Other regions are studying concept:

San Francisco, Boulder, Minneapolis, Houston, Southern California Council of Governments,

WHY ARE WE CONSIDERING IT?

- Increasing congestion levels
 - ⇒Portland metropolitan area has ranked among top 15 most congested in nation since 1990
- Projected growth; anticipated increases in congestion
 ⇒Region expected to gain 600,000 in population over next twenty years
- Limited resources to construct new capacity
 ⇒would require \$3.5 billion beyond current funding projections
- Elsewhere, building new roads <u>alone</u> has not proven successful at eliminating congestion

 \Rightarrow can lead to further congestion

- Concern about negative environmental impacts of new road construction
- Congestion pricing may be a way, in combination with other alternatives, to use roadway capacity more efficiently

STUDY GOALS

• Undertake a technical evaluation of congestion pricing as a tool to manage transportation demand and congestion in the Portland area.

• Develop a process for increasing public and political understanding of the concept.

• Determine whether congestion pricing is a desirable traffic management tool to reduce peak period congestion in the Portland area in the context of other existing or proposed traffic management programs.

• Determine whether support can be generated for a demonstration project and, if so, the parameters of a pilot project.

OVERALL GUIDELINES

Congestion 1994? (preferred)

Congestion 2015? (yes)

Capacity Improvements in RTP? (if yes, review facility both with and without)

Diversity in:

- location
- technology (electronic and manual tolling, area licensing and parking pricing)
- type of application (e.g. spot, partial and whole facility, corridor and area)

SPOT

Pricing a single congestion point across all lanes of a road or highway at a choke point (e.g. bridge or tunnel).

• Lowest cost, since tolling single location

• Price based on location and time of day, but not miles traveled

• Effective if no alternative routes; if additional bridges/tunnels in close proximity may need to price multiple spots

SPOT

Guidelines to determine suitability of location for further review for spot type of application:

Is there a choke point (e.g. bridge, tunnel or long stretch of road with no parallels)? (yes)

Identified congested locations with characteristics for further review:

Sunset Tunnel-Without new capacity and with added lane from Sylvan to 185th

I-205S @ *Willamette River Bridge (Oregon City)*- Without new capacity

Sellwood Bridge - Without new capacity

Highway 43 - Between Sellwood Bridge and Taylors Ferry Road without new capacity

PARTIAL FACILITY

Pricing of only some of the lanes on a roadway to create an "express" lane or lanes.

• Drivers can choose to travel faster in express lane or remain in regular lane

• Assesses price based on location, time of day and miles traveled

• Can only be used where there are at least three lanes in each direction; limited application in this region without new capacity

May have one or more intermediate entrances and exits

PARTIAL FACILITY

Guidelines to determine preliminary suitability of location for partial facility application:

Limited or partially limited access? (yes)

Can separate a lane? (yes)

Three lanes now or in future? (yes)

Identified congested locations with characteristics for further review:

Sunset Hwy. - West of downtown with added lane from Sylvan to 185^{th}

I-84 - East of downtown with additional lane at I-205.

Hwy. 217 - With additional lane from I-5 to SunsetHwy

I-5 - South of downtown with and without climbing lane from downtown to Terwilliger

I-5N - North of downtown to Jantzen Beach with additional lane from Lombard to Delta Park

I-205 - South from I-84 with additional lane from Oregon City to I-5.

McLoughlin Blvd. - South of Ross Island Bridge with added lane north of Tacoma Blvd.

WHOLE FACILITY

Pricing of all lanes of a roadway between logical termini.

• Price assessed by location, time of day and miles traveled

• Manages entire flow of traffic

• Most effective if few parallels

WHOLE FACILITY

Guidelines to determine preliminary suitability of location for whole facility application:

Partially Limited Access? (yes)

Strong Network of Parallels? (prefer no)

Identified congested locations with characteristics for further review:

Hwy. 217 - With and without additional lane from I-5 to Hwy. 26 *I-5* - South of downtown with and without climbing lane from downtown to Terwilliger.

I-205 - From I-5 going north; terminus depends onspillover effects
Tualatin/SherwoodExpwy. - Examine proposed new highway
Sunrise Corridor - Examine proposed new highway
Mt. Hood Pkwy. - Examine proposed new highway
Hwy. 43 - South of Sellwood Bridge
Tualatin Valley Hwy. - Beaverton to Hillsborough
McLoughlin Blvd/Milw. Expwy. - South of Ross Island Bridge

CORRIDOR

Pricing of a major highway and major parallel arterials along a route from an origin to a destination

- Can manage location, time of day and miles traveled.
- Manages congestion comprehensively.
- Involves extensive equipment; only consider if strong network of parallels.
- May be cost prohibitive if there are numerous, unlimited access parallels.

CORRIDOR

Guidelines to determine preliminary suitability of location for corridor type of application:

Strong network of parallels? (yes)

Manageable number of access points on parallels? (yes)

Identified congested locations with characteristics for further review:

Sunset Hwy. - West of downtown with and without additional lane from Sylvan to 185th plus Cornell, Barnes and Burnside.

I-84 - East of downtown with cordon line at parallel I-205 crossings

Hwy. 217 - Analyze Hall and Murray as potential parallels

I-5 - South of downtown with and without climbing lane from downtown to Terwilliger plus Macadam andBarbur.

I-5 - North of downtown with and without additional lane between Delta Park and Lombard with cordon line at Columbia lough.

I-205 - South of I-84 with and without additional lane between Oregon City to I-5. Cordon line atSunnyside and I-84 to capture parallels.

AREA

Pricing of an entire area via AVI cordon, area license or parking pricing.

Propose further research

- Review of literature to identify full range of pricing strategies
- Research of several areas to understand how pricing might fit into on-going efforts

Initial guidelines to determine suitability for research review:

- Distinct location, with well understood boundaries?
- Small enough to be manageable and so that all trips are not internal?
- Major regional destination?
- Reduction in traffic levels have broader impact?
- Realistic alternatives to SOV on line or in development?

REGIONAL

Pricing of an entire area via AVI tolling by a series of cordons or pricing of all major highways

For analytic purposes only; not proposed for implementation

- Pricing of all major highways within region
- Establishing several cordon lines to effectuate simple regional pricing system (e.g. Willamette Crossings from St. Johns to I-205 and along Hwy. 217, I-205, Sunset Hwy. and I-84)

"The importance of managing congestion to enhance our quality of life is critical."

- Mike Burton, Metro Executive Officer

Summer 1996

Region looks for traffic congestion relief

More and more people are drawn to the Portland metropolitan area to experience its natural beauty and outstanding quality of life. It stands to reason that along with growth comes an increase in the number of vehicles of all kinds traveling on the roadways. The result? Increased traffic congestion.

Options Study

Traffic

In recent surveys, area residents rank traffic congestion among the region's most pressing issues.

Traffic congestion can have a negative effect on everything we do, according to Metro Executive Officer Mike Burton.

"With projections that the region will grow by 50 percent over the next 20 years, the importance of managing congestion to enhance our quality of life is critical," Burton said. "We need to explore new ways of dealing with congestion and related problems."

Traffic Relief Options Study explores peak period pricing

The region has an aggressive set of policies that encourages the use of mass transit, carpooling and employer-based commuting incentives to better manage the flow of traffic in our community.

However, these measures alone are not anticipated to eliminate a growing congestion problem.

That is why Metro is leading a twoyear Traffic Relief Options Study in conjunction with the Oregon Department of Transportation (ODOT). The study will evaluate the possibilities of using peak period pricing incentives to reduce traffic congestion. Peak period pricing is a promising traffic management tool designed to utilize existing capacity by linking road prices with actual costs.

Here's how it works: If drivers are charged a variable price, which is higher during congested periods, some may choose to take alternate routes or other modes of transportation.

Although it is a relatively new concept in transportation, other industries have used variable pricing for years to better manage peak period usage.

For example, telephone rates rise during business hours and fall in the evenings and on weekends. Hotels charge higher rates during peak tourist season, and theaters discount matinee tickets.

Task Force to evaluate the feasibility of a pilot project

The Traffic Relief Options Study incorporates an extensive public outreach and education program.

A task force has been formed to provide a broad-based perspective and to ensure a thoughtful and comprehensive analysis of the issues associated with the study. This, along with extensive public input, will help Metro determine the feasibility of implementing a test of peak period pricing, and, if appropriate, recommend a pilot project. Although peak period pricing has been recommended by transportation economists for many years, actual applications are limited. Many issues still need to be explored. This study will look at a number of peak period pricing options. Any option selected for a possible test will need to:

- ◆ reduce traffic congestion
- have minimal effect on the environment and surrounding communities
- support existing land use goals
- and objectives
- have public acceptance and understanding

ΠΠ

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• be technically feasible.

Π

4.2.2.2



The two-year study is being conducted by Metro and the Oregon Department of Transportation (ODOT) through a grant from the Federal Highway Administration. In addition, seven agencies have contributed matching funds and will help with the study. These agencies include Clackamas, Multnomah and Washington counties; the city of Portland; the Port of Portland; the Department of Environmental Quality; and Tri-Met.



METRO

Task Force will Guide Study

A 13-member task force of business and community leaders has been appointed by the Metro Council to oversee the study. Traffic Relief Options Study Task Force members include: **Carl Hosticka, Chair**; associate vice president, Statewide Education Services for the University of Oregon, and former state legislator **Karen Baird**, director of Products,

US West Ken Baker, state senator and attorney Steve Clark, publisher, Community Newspapers, Inc. Lawrence Dark, president/CEO, The

Urban League of Portland Jon Egge, president, MP Plumbing

Delna Jones, project director, The Capital Center, and former state

legislator

Matt Klein, senior vice president, Ashforth Pacific, Inc.

Tom Mesher, president, Mesher Supply Anitra Rasmussen, state representative Mike Salsgiver, government affairs manager, Intel Robert Scanlan, president, Scanlan, Kemper, Bard Company Ethan Seltzer, director, PSU Institute of Metropolitan Studies, School of Urban Affairs.

Also participating as ex-officio committee members are Metro Executive Officer Mike Burton and Oregon Transportation Commission Chair Henry Hewitt. The Task Force meetings are held monthly and are open to the public throughout the 24-month study.

At the conclusion of the study and an extensive public outreach effort, the Task Force will report to the Joint Policy Advisory Committee on Transportation (JPACT), the Metro Council, and the Oregon Transportation Commission about whether an appropriate peak period pricing demonstration project should be developed and tested within the Portland metropolitan area.

How You Can Participate

There are a variety of ways the public can get information and provide input to Metro and the study Task Force. There will be regular newsletters, monthly Task Force meetings, periodic workshops and open houses, and other communication with groups and individuals interested in the study.

Public open houses will be scheduled at key decision points. Information about proposed alternatives and criteria will be presented with opportunities to provide comment and input.

To be added to the mailing list, request information, or be notified of meetings of the Traffic Relief Options Study Task Force, call the Metro Transportation Hotline at 503-797-1900.

Traffic Relief Options Study Timeline

	1996			1997				1998		
Public/community attitudes research	Summer	Fall	Winter	Spring	Summer	Fall	Winter	Spring	Summer	
Development of initial 20-30 alternatives			Public	Involvemen	ıt*					
Select 10 alternatives for further evaluation					Public Inve	olvement*				
Score and rank 10 alternatives			Public	Involvemen	nt*					
Design and evaluate 3-5 alternatives				Р	ublic Inve	olvement*				
Draft final report						Public	Involvemer	it*		
Final recommendation to Metro Council							· · · · · · · · · · · · · · · · · · ·		•	
	and the second					· · · · ·			1 A	

*Public Involvement activities will vary depending on the stage of the study and serve to provide information and solicit input

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Where peak period pricing is working

In Southern California, a privately financed, fully automated variable toll facility (State Route 91) opened in December 1995. San Diego and Lee County, Fla., plan to implement variable tolls in the near future. In Paris and Singapore, commuters are showing favor toward variable pricing systems that give them express access to popular areas.

Orange County, Calif. State Route 91

Converted median into four express lanes: automated variable tolls

Fee: 25¢ to \$2.50 various times of day, free to carpools of three or more

Results: Guarantees 50 percent (20 minutes) time savings on tolled road; traffic on adjacent freeway smoother; duration of peak period congestion reduced by one hour

Comments: Only U.S. example; public/private partnership (100 percent private financing)

The two-year study is being conducted by Metro and the Oregon Department of Transportation through a grant from the Federal Highway Administration. Seven agencies have contributed matching funds and are helping with the study: Clackamas, Multhomah and Washington counties, city of Portland, Port of Portland, Oregon Department of Environmental Quality and Tri-Met.



France Autoroute A1 in north from Lille to Paris

Six-lane toll road since 1992; variable toll introduced in 1995.

Fee: 25 to 50 percent higher than normal during peak periods and weekends

Results: Significant shift in traffic to times when tolls are less

Comments: Revenue neutral; spreads weekend traffic

Singapore

Downtown area restricted to cars with permits: shifting soon to electronic tolls

Fee: \$1.50 - \$2.50/day

Results: Reduced peak traffic 40 percent; 20 percent shift to carpools and transit

Comments: Little or no impact on business; only model of area licensing

Want more information?

Call the Metro transportation hotline 797-1900

or visit our website at http://www.multnomah.lib.or.us/metro



Regional task force studies peak period pricing to reduce traffic congestion

Peak period pricing is being considered throughout the United States as a way to manage traffic and reduce congestion. With today's technology, it could be applied in highly congested locations to save drivers substantial time while relieving the stress of congestion. It is used in many aspects of our lives, such as air travel, long-distance telephone calls and movie theater tickets. In some parts of the country, people pay lower utility rates if they run major appliances in the evening or on weekends. It is a proven market technique to manage the demand for service during times of high use.

The study of peak period pricing in the Portland area

Today it is still relatively easy to get around the Portland metropolitan area. However, delays and bottlenecks are beginning to appear on major thoroughfares. With the certainty that population growth will continue, these already trying situations will worsen. To address the problem, strategic investments in roads have been identified and the use of mass transit, carpooling and employer-based commuting incentives have been encouraged. These measures alone are not likely to resolve the growing congestion problem. That is the challenge of a two-year Traffic Relief Options study commissioned by Metro, in collaboration with the Oregon Department of Transportation (ODOT) and the Federal Highway Administration. The study will evaluate the possibilities of using peak period pricing incentives to reduce traffic congestion in the region.

How peak period pricing works

When applied to transportation, peak period pricing is a way to spread the load of travelers over a longer period to increase access to and through congested areas; reduce the negative effects of congestion, such as time delays, road construction costs, accidents and pollution; and lessen the need to build more roads. Some people are likely to choose to drive at a different time, take other forms of transportation or take a different route. Those who choose to drive during peak periods will benefit from substantial time savings.

Metro

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Study Task Force

A 13-member task force of community and business leaders is providing an independent perspective on the 24-month study and will report its recommendations to the Metro Council and the Oregon Transportation Commission at the conclusion of the study. Task force meetings are held monthly and are open to the public.

Chair Carl Hosticka Associate Vice President, Statewide Education Services for the University of Oregon; former State Representative

Karen Baird Director of Products. US West

Ken Baker Attorney; Oregon State Senator

Steve Clark Publisher. Community Newspapers, Inc.

Lawrence Dark President/CEO, The Urban League of Portland

Jon Egge President, MP Plumbing

Delna Jones Project Director, The Capital Center former State Representative

Matt Klein Senior Vice President. Ashforth Pacific, Inc.

Tom Mesher President. Mesher Supply

Anitra Rasmussen Oregon State Representative

Mike Salsgiver Government Affairs Manager, Intel

Robert Scanlan President Scanlan Kemper Bard Companies

Ethan Seltzer Director, PSU Institute of Metropolitan Studies

Ex-officio Mike Burton Executive Officer Metro

Henry Hewitt Chair, Oregon Transportation Commission
Traffic congestion defined

For transportation planning purposes, a particular roadway is considered congested if there are excessive delays in traffic movement at least one hour a day.

Peak period pricing differs from traditional toll roads

The purpose of peak period pricing is to manage the flow of traffic more efficiently and effectively; traditional tolling is a way to generate revenue to pay for a facility.

Peak period pricing is variable - drivers are charged less or nothing during off-peak hours and more during peak hours; tolls are a flat rate, no matter what time of the day.

Peak period pricing is used at specific congested locations; tolls are not necessarily placed on heavily traveled facilities.

Alternatives for reducing congestion

The Traffic Relief Options study will consider how other alternatives, such as flex time, shuttles, roadway expansion, transit improvements, express lanes and carpooling relate to various peak period pricing alternatives. The study will also examine options, such as reduced payments or vouchers, for those who do not have a choice of when or where to travel or cannot afford to pay.

Environmental benefits from peak period pricing

Peak period pricing could significantly improve air quality by reducing stop-and-go traffic. Its effects on air quality and land use will be examined in more detail for each alternative proposed by the study.

Using revenues from a project

The study will consider a range of uses for the fees received. In other areas, peak period pricing is used to finance road improvements, transit alternatives along the corridor or for general transportation improvements.

Making the final decision

After an extensive process that includes public outreach and technical studies, review and comments from the public and local jurisdictions in the region, the Traffic Relief Options task force will make a recommendation to the Joint Policy Advisory Committee on Transportation (JPACT), Metro Council and the Oregon Transportation Commission about the advisability of a pilot project.





Non-stop toll collection

In communities testing congestion pricing, electronic tolling or automatic vehicle identification is the most common technology used to collect tolls. A transponder or smart card is placed in the windshield of the vehicle. Electronic sensors mounted above express lanes "read" each car's transponder in 1/30th of a second. A computer deducts the appropriate toll from that customer's prepaid account. Charges vary by time of day - less in off-peak periods and more during congested periods. Payment is enforced by photographing the license plates of fare evaders.

Pioneers paid tolls

he Barlow Road, the famous passage over the Cascades used by thousands of early settlers in Oregon, was a private road originally built and operated by Sam Barlow and his sons. From their meager coffers, users paid \$5 per wagon, \$1 for each man and woman and 10 cents for each animal.

Different peak period pricing concepts

Peak period pricing concepts can be broadly categorized by the geographical area and types of facility included. Each category has different characteristics that affect travel and traffic impacts, as well as revenue and cost implications. The five general categories being studied are:

Category	Description	Effect
Spot	Pricing of a single point across all lanes, usually a bottle-neck such as a bridge or tunnel	Costs an alternati modest
Partial facility	Pricing of express lane one lane each direction of congested section of roadway	Drivers, less cor lane(s) f be mod
Whole facility	Pricing of all lanes in a congested section of a roadway	Significa works b revenue traffic m
Corridor	Pricing of major highways and all parallel roads along a route	Significa
Area	Pricing of specific congested major regional destination area	Many tr reduction be percondevelop mented to be him



small; works best with no es nearby; revenues could be depending on amount of traffic)

have choice of paying to drive on ested lane or using existing ree: revenues and costs likely to

nt reduction in congestion; st with few parallel roads; likely to exceed costs unless oves to other routes

nt reduction in congestion; s and costs high

velers affected; significant n in auto trips possible: may eived as a disincentive to ment if not properly impleminimal costs, revenues likely **Collection method**

Manual or electronic tolls

Manual or electronic tolls

Manual or electronic tolls

Manual or electronic tolls

Special license, electronic cordon or parking pricing program

MEMORANDU M

To:JPACTFrom:G.B. ArringtoSubject:Transit Choices for Livability UpdateDate:December 3, 1996

In September, Tri-Met launched Transit Choices for Livability (TCL) to focus on how to improve transit service *within* the suburbs. In Phase One we addressed the needs of four regional centers: Hillsboro, Gresham, Oregon City and Beaverton. Phase Two of TCL will apply the results of Phase One to the balance of the region.

Throughout the debate on the Region 2040 Functional Plan the question has come up -- "will the transit service be there to support the planned land use?" TCL is about giving local communities the transit tools they need to achieve their plans and goals for a livable future. It's intended to provide local communities the transit pieces of the puzzle to not only accommodate growth, but to actually use it as a mechanism for positive change.

The TCL process put a strong emphasis on listening to the community. Nearly 200 people attended workshops and gave us clear preferences on how to expand transit service as part of a strategy to keep their communities livable in the face of tremendous growth. We received more than 750 ideas for how to improve transit service. Those ideas have been distilled onto a map for each community (attached).

The 33 member Regional Advisory Committee is now in the process of preparing its report to the Tri-Met Board. An initial draft of the report is attached for your review and comment. The committee is scheduled to complete their report by December 16th.

JPACT Page 2 December 3, 1996

Some of the key conclusions from their draft are:

- Tri-Met does a good job of getting people to and from downtown Portland, but not for travel within outlying areas;
- There is a clear need for more transit service in the suburbs to give people more choices for getting around, and to help implement local land use plans;
- For Tri-Met, the challenge of serving travel needs outside Portland requires *change*. Tri-Met will need to look and operate differently.
- It is not enough to simply provide more transit service. What's needed is a *different* kind of transit system oriented to suburban travel --Community Transit.
- Implementing Community Transit raises a series of questions -- how that service will be provided (smaller vehicles, more flexible service, employer partnerships, new delivery methods?) and who will operate it (Tri-Met, private operators, or different approaches in different parts of the region?).
- The suburbs typically do not have an environment that makes it easy to use and access transit. Each community placed a high priority on improving bus stops and amenities (such as sidewalks and bus shelters) and targeted road improvements.
- Making TCL real is going to require a community partnership, Tri-Met can't do it on its own. Public and private partnerships are needed as a way to both pay for and provide additional transit service.
- Tri-Met must undertake a major effort in education, outreach and marketing in the suburbs if it expects public support for new revenues.

Attachments:

Draft Sketch Plan Maps for Beaverton, Hillsboro, Oregon City and Gresham Draft Outline of Final Report Sections from the Draft Final Report



T R A N S I T Choices for Livability

Easy Map Reading Guide

You have in your packet composite maps for each of the regional centers. They represent the high priority ideas that were proposed at the workshop and are the community's suggestions to improve local transit connections. The lines on the map are not Tri-Met recommendations, but a compilation of the community ideas.

Each of the four maps uses the transit icons and a system of circles and arrows to illustrate the suggested transit improvements. The circles show service proposals: additional service on existing routes are **hollow circles** and new service on new routes are **red circles**. The arrows show the direction of those connections. The suggestions for capital projects and partnerships have **icons** placed right where the service is proposed. For instance, the icon for improved bus stop amenities is placed on the existing line.

Type of Service Improvement	Graphic Representation
Additional service on existing routes	Hollow circles
New service on new routes	Red circles
Regional connections	Arrows
Capital projects and partnerships	Corresponding Transit Icons









TRANSIT CHOICES FOR LIVABILITY

Regional Advisory Committee Report to the Tri-Met Board of Directors

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THE NEED FOR TRANSIT CHOICES

More than 500,000 people will be moving to the Portland area over the next 20 years, challenging our region's ability to grow without losing its high quality of life. Each day, as Metro Executive Mike Burton likes to point out, 75 more people have dinner here than had breakfast. That high rate of growth brings additional pressures on our already stressed transportation system, and threatens the ease of movement that is a key element of livability.

At the same time, while the region and its needs for services are growing, public sector resources are tightening. Schools, local services, transportation and other public agencies are all in competition for limited funds. The citizens of this region will be faced with tough choices in deciding how to provide the necessary infrastructure for growth. Their decisions will directly shape our future quality of life.

Transit Choices is aimed at giving local communities the transit tools they need to achieve their plans and goals for a livable future. It provides the transit pieces of the puzzle to help local areas not only accommodate growth, but actually use it as a mechanism for positive change.

The question at this point is not *whether* we are going to grow, but *how* we are going to grow. The region as well as individual jurisdictions are aggressively pursuing plans and strategies to manage growth wisely in order to preserve livability. One key part of those plans and strategies is a call for expanded transit service to give people more choices for getting around.

The largest and fastest-growing segment of the travel market is travel within the suburbs, where transit now carries less than one percent of the work trips. By comparison, transit carries more than one-third of the work trips to downtown Portland. Outlying communities are interested in working with Tri-Met to design service that will meet their travel needs.

In the past, suburban communities were characterized almost exclusively by lowdensity, spread-apart development that was difficult to serve with transit. Now that is beginning to change. Some of Portland's neighboring communities are becoming regional centers -- hubs for housing, employment and transportation.

Under Metro's 2040 Growth Concept, an estimated two-thirds of the region's job growth and almost half of the new households will be located in regional centers outside Portland and in corridors with high levels of transit service. These fastgrowing areas are moving towards denser, more transit-oriented development. Metro estimates that on average regional centers such as Beaverton, Gresham, Oregon City and Hillsboro will grow from about 24 people per acre today to about 60 people per acre by about the year 2020.

New Options for New Markets

The need for new transit solutions is increasing. More than half the trips originating in the suburban centers around Portland remain within the suburbs. In Hillsboro, for example, almost 95 percent of the trips that begin in that town remain in Hillsboro or a nearby westside community. This local movement intensifies the need for more localized transit service.

For Tri-Met, the challenge of serving travel needs outside Portland requires *change*. Tri-Met will need to look and operate differently, and it will need to develop more and stronger partnerships to meet the demand in these areas.

It is not enough to simply provide more transit service. What's needed is a different kind of transit system oriented to suburban travel: Community Transit. This concept has evolved from the demand for more, better, cheaper and different service. The key questions now are how that service will be provided (for example, using smaller vehicles, more flexible service, employer partnerships major and/or new delivery methods) and who will operate it (e.g., Tri-Met, private operators, or different approaches for different parts of the region). Community Transit provides a way to meet both local priorities and overall regional goals.

Suburban life has long revolved around the automobile. Developing an attractive, viable option to that mode of transportation will require ingenuity, resources and teamwork. Transit Choices for Livability is aimed at achieving all three. It gives local communities and Tri-Met a chance to work together to design transit service that will meet the needs of this growing region, and help keep it a great place to live.

TRANSIT CHOICES FOR LIVABILITY: THE PROCESS

To give local communities an opportunity to design and shape their future transit service, Transit Choices for Livability is occurring in three phases:

Phase One – Defining the Choices: September 1996 through January 1997

The planning effort will initially focus on four regional centers faced with major growth: Oregon City, Gresham, Beaverton and Hillsboro. Individual transit strategies will be developed for each of these centers.

• Phase Two -- Strategy for the Future The transit strategies for the regional centers will be expanded into a Transit Livability Strategy for the Portland region, assuming support for new revenues.

Phase Three -- Strategy Adoption
 The Tri-Met Board will adopt a final regional strategy for transit expansion and will consider referring a revenue measure to voters.

The Transit Choices for Livability Committee is guiding the community outreach and involvement efforts. It is a 33-member regional advisory committee convened by Tri-Met to facilitate decision making and help build regional consensus. The committee is charged with describing how transit should be used and expanded to help the region accommodate dramatic growth over the next 10 years. This involves identifying a full range of transit options for assuring mobility and helping local communities achieve their goals.

The committee will assimilate the ideas and interests from citizens in each of the four regional centers and create a "sketch plan" for each community. The sketch plans will include individual strategies and an action agenda for creating a transit system that meets local needs.

Phase One: Communities Discuss Choices

Phase One is being accomplished through community workshops and other activities in Oregon City, Gresham, Beaverton and Hillsboro. The outreach activities give citizens a chance to explore transit options for their communities.

First, individual workshops were held in each of the regional centers. These workshops brought interested citizens together to identify the strengths and weaknesses of current Tri-Met service in their community. They also discussed how Tri-Met could improve local service and help the community achieve its goals. Participation at the workshops was significant: The Oregon City workshop drew 40 participants; Gresham, 29; Beaverton, 64; and Hillsboro, 34.

3

Transit Tools Support Plans for a Livable Future

At each workshop, Tri-Met staff described the components of the agency's "Transit Tool Box": 17 options from which local communities can choose to create a customized transit system that supports and helps implement their visions for the future. The transit choices serve as tools for turning local goals and plans into reality. They help local communities manage their growth while preserving or enhancing their quality of life.

The transit tools focus on bus service and are divided into three categories: service improvements, capital projects and partnership programs. Some tools are currently used by Tri-Met (such as fareless square, traditional bus service and bus-only lanes) while others represent innovative new ways to deliver transit service (such as contracts with other service providers, flexible scheduling, and small bus loop service).

Workshop participants divided into small groups to identify how various transit tools could be used to meet community priorities identified from local plans. The result for each group was a list of top transit investments.

Community Workshop Results in "Dream Schemes"

After the individual workshops, a Community Workshop was held. It consisted of a Saturday brainstorming and planning session with community members from all four regional centers. At the October 26 workshop, residents moved into more detail as they were invited to design a future vision for transit service in their communities.

Participants were grouped by community and then divided into small groups. Each group then designed its own "Dream Scheme" — its vision for a perfect local transit system. Armed with the Transit Tool Box and a community map, each group wrote its ideas on paper and drew them on the maps. An estimated annual cost was attached to each tool. In addition, any new idea could be suggested as a future solution.

The group generated a total of about 740 ideas for improving transit service in these growing communities. Then came the challenge of funding and setting priorities. Participants were given a certain amount of "Transit Bucks" to "vote" for the ideas they felt were most important. Making these choices forced the groups to identify key community interests and needs to be used in developing investment strategies.

Top Priorities: Local Service and Improved Amenities

The top two priorities in all four regional centers were local transit service and improved bus stop amenities. There were also common concerns among the regional centers, such as safety and security, and the need for community-wide public education on how to use transit. Beyond that, each community had its own specific local needs.

The Transit Choices Drafting Committee worked with staff to synthesize the ideas and suggestions from each community. They began with 180 ideas from Oregon City residents; 125 from Gresham; 335 from Beaverton; and 102 from Hillsboro. The staff and drafting committee first categorized the ideas into priority levels, based on the amount of support for each idea. The level of support was determined by the number of Transit Bucks spent on each idea, the number of maps on which it appeared and the percentage of interest it drew in the groups. Level 1 and Level 2 ideas were considered high priority transit projects and were assembled into a composite map for each community.

Ideas Refined for Community Sketch Plans

The drafting committee and staff then refined the composite maps to merge service ideas and eliminate suggestions which were not considered feasible (based on the guidelines listed below for selecting options). The result was a refined map for each community that created a more focused and systematic pattern of movement, while still meeting the overarching community goals. The refined maps are to be taken out to each regional center for citizen comment and feedback.

The Transit Choices Drafting Committee, consultants and staff considered the following factors in deciding which transit choices to include on the maps and sketch plans:

Guidelines for Transit Choices

1. Community Goals

The proposed transit improvement supports the community's goals and plans for how it wants to grow. The selected transit tool helps the community manage its growth and preserve or enhance its livability.

2. Public Opinion

The proposed transit improvement is supported by public preferences expressed in the Transit Choices for Livability process and other opportunities for public input.

3. Partnerships

Partnership participation, where required or desirable, in the proposed transit improvement is considered feasible and potentially acceptable to the parties likely to be involved.

4. Cost

The cost of implementing the transit improvement is considered fiscally prudent, and reflects the need to set a short list of priorities resulting in an effective, efficient system.

5. System Integration

The proposed transit improvement integrates into the region's existing transportation system and community transportation plans, in keeping with comprehensive planning. The improvement is seen as a foundation for future transportation opportunities.

6. Transportation Benefits

The proposed transit improvement provides a tangible transportation benefit to the community and the region. The benefits could include but are not limited to increased transit ridership, improved access to various destinations within and between communities, economic vitality, aesthetic improvements and increased security.

COMMON THEMES THROUGHOUT THE REGION

A number of common themes surfaced through the community meetings and the October 26th Transit Choices workshop. These reflected needs and concerns that were shared by the four regional centers being studied. They included:

- The need for expanded local transit service to give people more choices for getting around. Transit is seen as a valuable tool for reducing traffic congestion and air pollution, thereby contributing to a higher quality of life. It can also be used to implement land use plans that create a stronger sense of community.
- The need for more transit service from each regional center to neighboring communities or destinations. The current transit system works well for getting people to and from downtown Portland, but not from one outlying area to another.
- A high priority on improving bus stops and amenities, such as sidewalks, lighting, bus shelters and customer information. The suburbs typically do not have an environment that makes it easy to access and use transit.
- Pervasive concerns about security on and around the transit system. In addition to formal security measures, bus stop amenities and increased activity at transit stops are seen as indirect ways to increase make transit riders feel more safe and secure.
- The desire for increased public education to help more people understand and take advantage of current transit service. Just as important as new transit projects are efforts to increase use of the current transit system.
- An emphasis on public and private partnerships as a way to both pay for and provide additional transit service.

Meeting and workshop participants also offered feedback on Tri-Met and the current transit system. There was common agreement that:

- Tri-Met does a good job of getting people to and from downtown
 Portland.
- The current system is affordable and reliable.
- MAX is an important asset to the region and its future livability.
- Transit is an investment in livability, providing benefits including ease of movement, cleaner air and economic growth.

Tri-Met must make a major effort in education, outreach and public involvement in the suburbs if it expects public support for new revenues.

It was also recognized that overall transportation problems require overall transportation solutions. In some areas this will mean critical road connections and improvements as well as capital investments by municipalities.

THE FOUR REGIONAL CENTERS

OREGON CITY

Problem:

Oregon City is creating a community vision of a compact, vital center built around its historic core. The arrival of South/North light rail service in the future is an important organizing principle in that vision. While South/North is currently under reconsideration, the community is faced with significant growth and mounting traffic problems. To relieve these pressures, Oregon City is seeking more local transit service and is also exploring options uniquely suited to its location, such as water taxi service on the Willamette River.

Discussion:

Oregon City expects a 47 percent increase in number of households and a 44 percent increase in employment over the next 20 years. This growth is already in progress, as evidenced by new residential development and the transfer of 800 Clackamas County jobs to downtown Oregon City.

In order to maintain its current livability, Oregon City has set community goals aimed at helping it grow more compactly and improve its transportation system. Many of its goals reflect the 2040 Growth Concept, such as promoting a variety of transit-supportive developments; creating a multi-modal, regional transportation system; developing higher-density housing; and increasing retail activity in the downtown core. One of the goals specifically calls for better transit service to help people get to and from local destinations.

Local residents are now looking for ways to achieve these goals. During the Transit Choices workshops, Oregon City participants consistently called for new local transit service, improved amenities and more Park & Ride lots. They also supported innovative ideas such as the use of water taxis, commuter rail and future links to south/north light rail.

Oregon City is now in the process of creating a community vision that will support future light rail. The vision will not only have implications for how the community grows, but also the importance of convenient transportation connections to and from local jobs and neighborhoods.

Preferred Options:

At the October 26 workshop, Oregon City participants identified transit service priorities that reflect these main themes:

- Add extensive new local bus service.
- Add new connections from Oregon City to neighboring parts of the region. Top priority destinations include Clackamas Town Center, Lake Oswego, Portland, Tualatin, Beaverton, Hillsboro, Canby, Salem, Wilsonville, Molalla and Beaver Creek.
- Create partnerships with employers and educational institutions.
- Provide significant programs to educate local citizens and increase their awareness in preparation for the arrival of light rail.
- Enhance amenities like bus shelters and sidewalks on existing routes.

Map/Sketch Plan:

The Oregon City map/sketch plan reflects these recommendations:

In Downtown Oregon City

- Creation of a Fareless Square.
- Use of alternative fuel vehicles.
- Customer information spread throughout the community.
- Passenger security measures at the Transit Center.
- A new Park & Ride in the north part of downtown.

To the Northeast of Oregon City

- Express service to Portland International Airport.
- Additional service to Gateway Transit Center and Clackamas Town Center.
- New service to Clackamas Town Center and Gateway Transit Center.

To the Northwest of Oregon City

- Express service to Portland via Milwaukie and via Lake Oswego and to Tualatin-Beaverton.
- Additional service on McLoughlin Line 99X, Macadam Line 35 and Willamette Line 154.
- Water taxi to Portland.
- Transit priority measures along 99E and Hwy 43.
- Passenger security measures.

To the Southwest of Oregon City

- Express service to Canby.
- Park & Ride near the church/sports complex.
- New and local service to growing neighborhoods in southwest around Warner Parrot.

To the Southeast of Oregon City

- Park & Ride south of City Hall in Red Soils Area and at Clackamas Community College.
- Transit Center at Clackamas Community College.

DESTINATIONS OF ALL TRIPS FROM OREGON CITY



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Problem:

Gresham citizens are interested in getting greater value from the light rail line that already serves their community, largely through improved feeder service. Residents also want to connect key community destinations, residential developments and employment centers via expanded and localized transit service.

Discussion:

As the only outlying community that currently has light rail, Gresham has strong existing transit service to build upon.

By 2015, Gresham is projected to have 45 percent more households and 60 percent more jobs. The community is already beginning to see an increase in higherdensity development, especially along the light rail line, and is strengthening its commitment to bolstering the city's urban core.

Gresham's central city is growing rapidly. That growth is being accompanied by significant public investment related to transit-supportive development. Although transit service to the urban core is good, improvement is needed in the local links to surrounding neighborhoods and employment centers, and to neighboring communities.

Gresham's community goals include expanding transit service, developing multimodal boulevards, creating mixed-use development along the MAX corridor and linking neighborhood centers to downtown.

Gresham would like customized transit service to meet its specific needs. At the same time, the existing transit system needs some improvement to make it more accessible, convenient and user-friendly for Gresham residents.

More than 90 percent of the trips that begin in Gresham remain in either Gresham or nearby eastside communities. To meet these local needs, workshop participants suggested local loop service linking the communities; increasing the connections between current transit service and the growing number of employers; and improving service for north-south travel. Service to the airport was also a high priority, as were safety concerns.

Gresham is most interested in a more locally designed, frequent and convenient system to increase its use of transit and improve mobility.

Preferred Options:

Gresham participants at the October 26 workshop identified transit priorities that reflect these themes:

- Add new regional connections from the regional center to Portland International Airport, Sandy/Estacada and Clackamas Town Center.
- Provide loop service connecting the regional center with employment centers, shopping and recreational areas.
- Enhance security and amenities like shelters and sidewalks along existing bus lines and light rail stations.
- Increase north/south transit service, including service from neighborhoods to the light rail line.
- Develop and strengthen partnerships with local employers and Mount Hood Community College to solve some of the community's transit needs.

Map/Sketch Plan:

The Gresham map/sketch plan reflects these recommendations:

In Downtown Gresham

• Customer information spread throughout the community.

To the North and East of Gresham

- Additional service to Troutdale Line 81 and Line 23 along 223rd Avenue.
- Jitney-loop service from downtown Gresham, along Kane Road, to Mt. Hood Community College and Troutdale.
- Express service between downtown and Mt. Hood Community College.
- Employer partnerships with the hospital and LSI.
- New service extension from Start Street to Oxbow Park.
- Transit priority measures along Line 26.

• Amenities along Line 26 and Halsey Line 24.

To the Northwest of Gresham

- Express bus service to Portland International Airport.
- Employer partnerships with U.S. Bank, Boyds and Boeing.
- Passenger security along MAX.
- Bus stop amenities along MAX, Line 26 and Division Line 4.
- Additional services on 182nd Avenue Line 23.
- Transit priority measures along Division.
- Jitney service to the airport, along a loop between downtown and employers in the area around U.S. Bank-Boyds, and along a loop between downtown, 181st, Powell and Stark.
- New service between Gresham downtown to Fairview and Blue Lake.

To the South of Gresham

- Amenities along Powell Line 9 and Line 80.
- Use of alternative fuel vehicles in the Springwater Trail area.
- New service between Gresham, Happy Valley and Clackamas Town Center.
- Local service to growing neighborhoods in south Gresham.
- Park & Rides in south Gresham and in Sandy.
- Jitney service in East Gresham Powell Valley/Orient area.
- Additional and express service to Sandy.







Problem:

Beaverton is in the process of re-inventing itself. The community is aggressively pursuing growth plans that are oriented to compact, transit- and pedestrianoriented development. Westside MAX will significantly enhance transportation to Portland and Hillsboro, but more work is needed to build on its function within Beaverton as the backbone of local transit service. The community is also seeking improved service to and from mixed-use developments, employment centers and the urban core.

Discussion:

Beaverton is experiencing major change, especially within its core area. Its efforts to manage growth and build community have focused on a more compact urban form. Community goals include more mixed-use development, with an orientation to transit and pedestrian use; providing close-in multi-family housing that links to transit; and maintaining viability in the Old Town area. Achieving these goals will require better local transit connections.

Beaverton's transit needs are being shaped in large part by the arrival of Westside MAX, which will provide the backbone for transit service in Beaverton and regional links to Portland and Hillsboro. Improvements to the existing bus system are also a priority. Residents have requested more service as well as added amenities to attract more transit riders and reduce traffic.

Since Beaverton already has frequent, reliable service to Portland, it mainly needs better local connections and easier ways to get to neighboring communities. Eighty-five percent of the trips that originate in Beaverton remain there or in other westside locations, underscoring the importance of good local service.

Community residents have identified north/south connections, improved amenities, feeder service to MAX and employer partnerships as top priorities for expanded service.

Overall, Beaverton wants to give its people more choices for getting where they want to go, conveniently and reliably.

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Preferred Options:

Beaverton participants at the October 26 workshop gave their highest priority to transit service improvements that reflect these themes:

- Expand local service to growing, currently unserved residential neighborhoods.
- Expand south-north feeder service to the light rail corridor and add more service to the existing routes.
- Build partnerships with area employers to address transit needs.
- Improve amenities like bus shelters and sidewalks along existing routes.

Map/Sketch Plan:

The Beaverton map/sketch plan reflects these recommendations:

In Downtown Beaverton

- Creation of a Fareless Square.
- Development of a Park & Ride.
- Passenger security measures.
- Customer information spread throughout the community.
- Creation of a transit mall.
- Transit center.

To the Northeast of Beaverton

- Amenities along Beaverton-Hillsdale Highway Line 54, TV Highway Lines 57 and 91X, and Westside light rail.
- Passenger security measures at the Cedar Hills Town Center.
- Jitney service to the Portland airport.
- Express service to the Portland airport.

Local bus service in the Cornell Road area and neighborhoods to the northeast.

To the Northwest of Beaverton

- Amenities along Walker Road Line 94X.
- Employer partnerships with Nike, in the hi-tech area and with Hillsboro employers.
- New route on Murray between Beaverton-Hillsdale Highway and Walker (currently unserved).

To the Southwest of Beaverton

- Additional service along Murray Boulevard Line 62.
- Local service in neighborhoods east of Murray, connecting through Aloha and up to MAX.
- Amenities along Murray Blvd. Line 62.
- Park & Ride at Scholls Ferry.

To the Southeast of Beaverton

- Additional service along Hall and Scholls Ferry to Washington Square.
- Amenities along Scholls Ferry Lines 56, 45 and 62; Hall Line 78; and Oleson Road Line 45.
- Transit Center at Washington Square.
- Employer partnerships at Washington Square.
- Express service on Hwy 217.





HILLSBORO

Problem:

Hillsboro is facing the highest percentage of growth among the four regional centers being studied. Local residents are concerned that their community might lose its small-town charm. While they welcome the arrival of Westside MAX, Hillsboro does not yet have the transit service in place to feed into it. Major growth will intensify the pressure for a smooth-running transportation system within the local community.

Discussion:

Hillsboro is anticipating growth at an unprecedented rate. Employment is projected to triple over the next 20 years, with the number of households increasing by almost 90 percent.

The years ahead present Hillsboro with the challenge of preserving its small-town charm and building commitment among new residents to maintain the quality of life that first attracted them.

The viability of Hillsboro's downtown will need to be preserved and enhanced to maintain the town's unique character. In order to grow in an orderly way and to efficiently transfer land from rural to urban use, the community will need to capitalize on opportunities associated with the arrival of Westside MAX, and encourage additional transit use to prevent congestion. As Hillsboro grows, residents would like a transit-friendly community and more service, to both feed light rail and connect different parts of town.

Like the other regional centers, Hillsboro needs local connections. Almost 95 percent of the trips from Hillsboro remain there or in a nearby westside location.

Participants in the Transit Choices workshops favored expanded service including local loops, a fareless square and employer shuttles. They also called for more frequent connections to Beaverton, Portland, Forest Grove and Cornelius. Improved amenities, like transit use information and shelters, will make transit a more inviting option for Hillsboro residents.

Preferred Options:

Hillsboro is growing rapidly due to major employment expansion. The community is located at the western end of Westside MAX, and has very limited existing

transit service. Of the many ideas offered at the community workshops, the need for local service was the most strongly supported.

Hillsboro participants at the October 26 workshop selected transit service priorities that reflect these themes:

- Increase local bus service.
- Add more north-south connections and increase service on existing east/west routes.
- Support and enhance light rail ridership.
- Improve transit stop amenities and security.
- Enlist the help of area employers in addressing transit needs through partnerships.
- Provide regional connections to Forest Grove and Cornelius.

Map/Sketch Plan:

The Hillsboro map/sketch plan reflects these recommendations:

In Downtown Hillsboro

- Creation of a Fareless Square.
- Jitney service within downtown.
- Customer information spread community-wide.

To the South and West of Hillsboro

- Additional bus service to Forest Grove and Cornelius.
- Local bus service to Forest Grove and Cornelius.

To the East of Hillsboro

 Local bus service connecting Ronler Intel, the Orenco light rail station, 219th Avenue to the TV Highway and up Brookwood; another line connecting Hillsboro High School with the county fairgrounds; and another connecting downtown with Jones Farm Intel and the fairgrounds station.

- Passenger security measures along Westside light rail and TV Highway and Line 58.
- Additional bus service along 185th on Line 52.
- Bus stop amenities along TV Highway Lines 57 and 91X; on Line 58; on Line 88 along 198th Avenue; along Baseline between Lines 58 and 88; along Cornell Road Line 68 and along Line 89.
- Employer partnerships with Oregon Graduate Institute and Intel.
- Transit Center at Tanasbourne.

DESTINATIONS OF ALL TRIPS FROM HILLSBORO





Impact of the Defeat of Ballot Measure 32

The failure of Measure 32 affected more than funding for light rail:

- Eliminated \$375 million of state funding for transportation projects across Oregon (the Equity Account).
- Eliminated the commitment of this region to shift \$75 million of regional STP and lottery funds to the Equity Account.
- Eliminated the requirement to secure \$75 million of private sector funding for the Equity Account and the requirement to have a Public-Private Task Force report to the legislature.
- Eliminated the need to reimburse private utilities 50% of their relocation costs caused by light rail, which could have caused project expenses to increase by \$40 million.
- Eliminated the requirement to have an Oversight Committee appointed by the Speaker of the House and President of the Senate. (The project still has an Expert Review Panel appointed by the ODOT Director and Chair of JPACT.)
- Eliminated the requirement that there be lower system development charges around light rail station areas in those cities and counties which have SDCs.
- Eliminated the requirement to have special procedures to allow Oregon companies the maximum ability to compete for construction contracts.
- Eliminated the requirement that Metro report to the legislature each session on the progress of the S/N project and related land-use matters.
- The light rail bill which gives expedited review of any legal challenge to the project and consolidated land-use decision-making by Metro is still law. This law also sets forth the role of the Steering Committe in making changes to the project and when such changes require formal land-use amendments and when they do not.
- The law which authorizes a Bi-State Compact with the state of Washington is still in force.
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- The law which authorizes a Bi-State Compact with the state of Washington is still in force.

VOTER OPINION ABOUT FUTURE OF SOUTH/NORTH LIGHT RAIL LINE

"Regarding the proposed South/North light rail project, which of these three statements comes closest to your point of view [rotate order]:

- 1. We should drop the idea of building the South/North light rail line in Clackamas and and Multnomah counties
- 2. We should keep working to build a South/North light rail line in Clackamas and Multnomah counties, even if that means making changes in the project
- 3. We should keep working to build the South/North light rail line in Clackamas and Multnomah counties as originally planned"

	Multnomah (N = 181)	Washington (N = 114)	Clackamas (N = 105)	Tri- County (N = 400)
We should drop the idea	17%	29%	32%	24%
We should keep working, even if that means making changes in project	56	48	47	51
We should keep working as originally planned	22	16	18	19

Source: Davis and Hibbitts statewide survey of voters who participated in November, 1996 election; N = 800 statewide.

REASONS FOR VOTING "NO" ON MEASURE 32 Voters in Tri-County Region (N = 162)

"Please rate each of the following factors, using a rating scale where 1 means that reason was not a factor at all in your decision to vote no, and 7 means that reason was a very important factor in your decision to vote no."

	Tri-County		
	Not		
	Average (Scale of 1 - 7)	important (1 and 2)	Very important (6 and 7)
C. There are more important problems to use	F A	1 404	500/
lottery dollars on than light rail and roads.	5.1	14%	50%
A. As I understood the measure, it would have increased taxes.	4.9	25	51
J. This measure relied too much on light rail and not enough on road and other transit			
improvements in the Portland area.	4.9	18	47
K. Light rail does not carry enough people to reduce traffic congestion.	4.9	18	48
H. I like light rail and think we should build more of it, but this project just costs too much			
money.	4.7	25	48
G. This measure seemed like another case where the Portland area would get most of the benefits and the root of the state would not get a fair.			
deal	43	30	39
E Spending more money to fix roads outside of	1.5	50	00
the Portland area is not a high priority.	3.5	40	25
B. Light rail will only encourage even more			
population growth and density.	3.3	47	20
I. I had concerns about the specific route of the South/North light rail one and where it starts and			
ends.	3.3	47	20
L. The South/North light rail line won't go to Vancouver like they promised.	3.1	54	23
E. They weren't specific enough about what		•	
Portland area.	2.4	32	35
D. Light rail is just a bad idea and they should			
not build any more of it.	2.3	40	22

Source: Davis and Hibbitts statewide survey of voters who participated in November, 1996 election; N = 800 statewide

REASONS FOR VOTING "NO" ON MEASURE 32

Tri-County vs. Rest of State

"Please rate each of the following factors, using a rating scale where 1 means that reason was not a factor at all in your decision to vote no, and 7 means that reason was a very important factor in your decision to vote no."

	Tri-County	Rest of State
	Average (Scale of 1 - 7)	Average (Scale of 1 - 7)
C. There are more important problems to use		
lottery dollars on than light rail and roads	5.1	5.3
A. As I understood the measure, it would have increased taxes	4.9	5.0
J. This measure relied too much on light rail and not enough on road and other transit improvements		
in the Portland area.	4.9	4.8
K. Light rail does not carry enough people to reduce traffic congestion	4.9	4.1
H. I like light rail and think we should build more of it, but this project just costs too much money.	4.7	4.6
G. This measure seemed like another case where the Portland area would get most of the benefits		
and the rest of the state would not get a fair deal.	4.3	5.8
Portland area is not a high priority	3.5	3.7
B. Light fail will only encourage even more population growth and density	3.3	2.7
I. I had concerns about the specific route of the South/North light rail one and where it starts and		
ends	3.3	2.3
L. The South/North light rail line won't go to Vancouver like they promised.	3.1	2.0
E. They weren't specific enough about what road improvements would be made outside the Portland		,
area.	2.4	5.3
D. Light rail is just a bad idea and they should not build any more of it.	2.3	2.4
-		

Source: Davis and Hibbitts statewide survey of voters who participated in November, 1996 election; N = 800 statewide

Reasons for Voting "No" on Measure 32

Voters outside Tri-County region (N = 209)

"Please rate each of the following factors, using a rating scale where 1 means that reason was not a factor at all in your decision to vote no, and 7 means that reason was a very important factor in your decision to vote no."

Rest of State

	Average (Scale of 1 -7)	Not important (1 and 2)	Very important (6 and 7)
G. This measure seemed like another case where the Portland area would get most of the benefits and the rest of the state would not get	5.8	11%	68%
E. They weren't specific enough about what road improvements would be made outside the	5.0	15	50
C. There are more important problems to use	5.3	15	59
A. As I understood the measure, it would have increased taxes.	5.0	19	49
J. This measure relied too much on light rail and not enough on road and other transit improvements in the Portland area.	4.8	20	43
H. I like light rail and think we should build more of it, but this project just costs too much	4.6	25	43
K. Light rail does not carry enough people to reduce traffic congestion.	4.0	23	29
F. Spending more money to fix roads outside of the Portland area is not a high priority.	3.7	41	33
 B. Light rail will only encourage even more population growth and density. D. Light milliplication and they should a set of the set of the	2.7	55	13
not build any more of it.	2.4	43	23
South/North light rail one and where it starts and ends.	2.3	65	13
L. The South/North light rail line won't go to Vancouver like they promised.	2.0	69	7

Source: Davis and Hibbitts statewide survey of voters who participated in November, 1996 election; N = 800 statewide

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Date:	December 11, 1996	P
То:	JPACT	Builton
From:	Mike Burton, Executive Officer Rod Monroe, Chair, South/North	NUC Steering Group
Re:	South/North LRT Proposal	

Earlier today, the South/North Steering Group met and received a thorough briefing regarding the South/North Project and Ballot Measure 32 which included a precinct analysis of election results and an independent analysis conducted by Tim Hibbitts. Key findings included:

- Measure 32 passed inside the Metro boundary with nearly a 56 percent yes vote, and it passed in each of the three counties inside the Metro boundary.
- 70 percent of voters in the tri-county area favor moving forward with the South/North project with some changes. Only 24 percent favor dropping the project.
- While there is widespread support for the South/North project in this region, there is concern regarding cost.

In addition to these findings, the Steering Group heard a report from the South/North Citizens Advisory Committee, which is composed of neighborhood representatives and business located along the corridor. The Citizens Advisory Committee strongly recommends moving forward with the South/North project.

The Steering Group also discussed issues regarding the re-authorization of ISTEA and reconfirmed that the region must take action to bring Oregon's fair share of federal transportation dollars back home or they will be lost to other regions across the country.

The Steering Group concluded: 1) that the statewide vote on lottery funding is not to be misinterpreted as a vote against light rail; 2) that this vote did not make any of the transportation problems and growth pressures in this corridor go away; 3) numerous light rail projects across the nation are being implemented without state funding; and 4) this project is still eligible for federal matching funds.

JPACT December 11, 1996 Page 2

After listening to and discussing this information at length, the Steering Group feels that there is public sentiment in this region to pursue a Phase One South/North light rail project. A number of options need to be explored with the public in order to define the Phase One project.

The Steering Group has therefore directed staff to do the following:

- Develop a range of options and design changes to significantly reduce the cost of the project.
- Develop a financial plan which can be implemented to provide the basis for federal matching funds.
- Work with the Oregon congressional delegation to pursue ISTEA funds for the Phase One project.
- Continue to assess and discuss with the public a range of transportation options to meet the future needs of this region.
- Develop a thorough public process to ensure that citizens have full opportunity to provide input regarding how this project moves forward and what changes are made in the DEIS.

The Steering Group is recommending that JPACT and the Metro Council accept this course of action and include funding for a Phase One South/North Light Rail project in the ISTEA position paper scheduled for adoption in January 1997.

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Date: December 11, 1996 Mike Burton, Executive Officer Mbul Rod Monroe, Chair. South 177 To: From: Rod Monroe, Chair, South/North Steering Group South/North LRT Proposal Re:

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- Continue to assess and discuss with the public a range of transportation options to meet the future needs of this region.
- Develop a thorough public process to ensure that citizens have full opportunity to provide input regarding how this project moves forward and what changes are made in the DEIS.

The Steering Group is recommending that JPACT and the Metro Council accept this course of action, include funding for a Phase One South/North Light Rail project in the ISTEA position paper scheduled for adoption in January 1997, and work with the Oregon Congressional delegation regarding ISTEA funding for Phase One of the project.

RM:MB:lmk

Ballot Measure 32 Precinct Analysis

- The measure passed in the Tri-County area by a 54% margin (301,339 YES; 255,057 NO)
- The measure failed statewide by a narrow 3% margin. (622,764 - YES; 704,970 - NO)

- The measure passed in the Metro portion of the Tri-County area by a 55.7% margin, including inside the Metro boundary in each of the three Metro counties. The breakdown by county is as follows:

	YES		NO		
•					
Clackamas County	51,574	50.84%	49,871	49.16%	
Multnomah County	152,800	58.99%	106,247	41.01%	
Washington County	74,684	<u>53.01%</u>	66,192	<u>46.99%</u>	
Total	279,058	55.66%	222,310	44.34%	

- The urban part of the region remains a stronghold of Light Rail support with over 65% YES vote in many North, Northeast, Southeast and Southwest Portland neighborhoods. There was very little change from the 1994 bond measure vote; precincts in this area were generally plus or minus 5%.

- The Clackamas Town Center area and the Sunnyside area east of I-205 supported the measure. This is where significant growth is now occurring and where the project would provide substantial benefit.

- The measure failed in areas where alignment controversies remain.

- The measure passed in Gresham where the existing Banfield Light Rail has been operating for 10 years and where the City of Gresham has done considerable community involvement to reorient their plans to take advantage of light rail. In fact, the level of voter support went up from the 1994 Bond Measure.

- The measure passed in Beaverton where light rail construction for the Westside is nearly complete.



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RURAL INVESTMENT FUND

MULTNOMAH AND WASHINGTON COUNTIES REGIONAL STRATEGIES PROGRAM

Funded through the Oregon State Lottery Regional Strategies Fund, administered by the State of Oregon Economic Development Department and regionally through the Portland Development Commission

December 1996

MULTNOMAH AND WASHINGTON COUNTIES RURAL INVESTMENT FUND

PROJECT FUNDING SUMMARY 1995-1997

Oregon State Parks Trust

Repair and rehabilitation of balcony windows at Vista House at Crown Point. Part of an overall restoration project totaling an estimated \$2 million. Vista House was dedicated in 1915 and attracts almost one million visitors each year. The rotunda was closed in the fall of 1995 because of safety concerns related to water damage.

Agri-Business Council

The Agri-Business Council of Oregon (ABC), together with a broad range of agricultural interests across the state is producing an action plan for keeping agriculture viable in the Portland Metropolitan Area. The overall objective is to empower the agricultural industry to communicate its value, participate in planning for its needs and benefits, and enhance productivity.

Nursery Training Consortium

A consortium of nurseries in rural Multnomah and Washington Counties has been formed to enhance the industry's economic viability. The consortium intends to do this in part through an intensive employee education and training program. The training will enhance workers' current performance, provide the necessary skills for promotion and contribute to the workes' overall quality of life. The consortium is establishing three training sites at nurseries in North Multnomah County, East Multnomah County and Washington Counties.

Corbett School Complex

Funding assistance for the development of a community educational and recreational resource area at the site of Corbett's grade school, middle school, and high school complex. Development plans include a walking/jogging path, completion of the adjoining elementary school playground, and construction of a natural resources study area along the perimeter of the school grounds.

Sauvie Island Grange/Community Center

Redevelopment and expansion of the Sauvie Island Grange for use as a senior citizen/community center. Plans include an increase of the overall size of the facility and remolding of the Grange kitchen and record storage room. This redevelopment will provide for a permanent island meeting hall that can also serve as an emergency island center.

Washington County Soil and Water Conservation District \$62,000

The Tualatin River is "water quality limited" as determined by the Oregon Department of Environmental Quality, and EPA. Rural investment funds will be used to assist rural landowners to meet the requirements of SB1010. Senate Bill 1010 requires that rural residents implement appropriate best management practices to improve water quality. Some land owners will be

\$50,000

\$35.000

\$43,000

\$35,000

\$22,000 al and rec

REGIONAL STRATEGIES FOR MULTNOMAH/WASHINGTON COUNTIES

1995-1997

~Rural Investment Fund~ Rural Action Plan

An Amendment to the 1994-99 Six-Year Strategic Plan and 1995-97 Action Plan

I. Introduction.

A. The Rural Investment Fund:

The Rural Investment Fund was established by the 1995 Oregon Legislature as a component of the Regional Strategies Program to make available to rural areas flexible funds needed to facilitate business development projects, provide gap financing for infrastructure, capacity building activities, and assist grass-roots economic and community development efforts in rural areas.

Administrative Rules for the Rural Investment Fund reflect this mission: "The objective of the Rural Investment Fund is to provide a flexible source of funding to help rural areas finance locally-determined economic and community development projects. It is intended to provide a vehicle by which Regional Boards can leverage other funding sources to the maximum extent possible to improve the economies of rural areas."

The Rules provided examples of activity categories which can improve the economy of rural areas: telecommunications and transportation infrastructure, project feasibility studies, community infrastructure and facilities, workforce development activities and technical assistance for project development and implementation.

Prior to distributing its Rural Investment Fund allocation, Regional Boards are required to develop a Rural Action Plan which "describes how the Region will use the Rural Investment Fund to meet the needs of rural areas consistent with the objectives of the Rural Investment Fund and in cooperation with local development and planning efforts...."

This document is the Rural Action Plan for the Multnomah and Washington County Region. It has been developed in accordance with the Administrative Rules for the Rural Investment Fund and guidelines established by the Regional Strategies Board. Applications for Rural Investment Funds will be selected for funding based on the degree to which they carry out the objectives and meet the selection criteria described in the Rural Action Plan. State and local land use laws, regulations, and policies will apply to selected projects.

B. The Rural Area in Multnomah and Washington Counties.

The geographic area in Multnomah and Washington Counties eligible for Rural Investment Fund expenditures is the area in both counties outside the Metro Urban Growth Boundary and including the incorporated cities of Forest Grove and Cornelius.

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The population of Oregon increased by 10.2% between 1990 and 1995. Thirty-four of the 36 counties in the State have gained population. The combined Multnomah and Washington Counties population also increased by 10% between 1990 and 1995. Washington County increased by 58,446 and Multnomah County increased by 42,613 people. The 1995 population estimate for the two county region is 996,500, an increase from 895,441 in 1990.

The population in the two counties outside the Metro UGB has been estimated for the 1994 population. The 1994 population estimate for the two county region residing outside the Metro UGB and including Forest Grove and Cornelius was 68,582. The population in Multhomah County outside the UGB is 12,032. In Washington County that population is 56,550.

The population in Multnomah County outside the Metro UGB resides in unincorporated areas and includes the communities of Corbett, Springdale, and Sauvie Island.

In Washington County, the population outside the Metro UGB resides in five incorporated areas as well as unincorporated areas. The rural population in Washington County incorporated areas increased by almost 12% between 1990 and 1995, from 21,805 to 24,420. Washington County's rural communities function as farm service communities but increasingly absorb growth attributable to growth in the non-farm economy.

The five incorporated areas in Washington County in the Rural Action Plan area include:

<u>City</u>	<u>1995 population</u>	increase from '90
Forest Grove	14,755	8.8%
Cornelius	7,220	17.0%
Banks	575	2.0%
North Plains	1,245	28.0%
Gaston	625	11.0%

The Multhomah/Washington County Region has the most diverse economy in the State. All thirteen of Oregon's key industries are represented in the region's economy.

The Oregon Employment Department predicts that employment in the Portland Metropolitan Statistical Area (PMSA) will continue to grow faster than both Oregon and the U.S. through the year 2005. Growth in manufacturing employment will be considerably faster than the national rate of growth of manufacturing jobs. Factory jobs are expected to rise by 13 percent over the next ten years. Construction growth in the Portland PMSA will also continue to outpace the nation. Nearly half the total number of jobs created over the next ten years are expected in the service industry. In today's economy the service industries actually contain many more professional and technical occupations than service occupations.

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The rural areas of the region include two of the most significant tourism attractions in the state, The Columbia Gorge National Scenic Area and Multnomah Falls in Multnomah County, and one of the state's top five agricultural counties. Agriculture is a leading Oregon industry and a leading export industry, generating \$3 billion in gross farm sales in 1995. In 1995, Washington County ranked 5th in the state in gross farm sales with sales of \$183.5 million and 4th in gross crop sales with sales of \$164.6 million. Although considered primarily an urban county, Multnomah County is 17th out of 36 counties in the state in total gross farm sales. Both counties are significant contributors to the nursery industry. Washington County ranked second in the state in 1994 in gross nursery sales and 3rd in number of nursery operation. Multnomah County is 5th in the state in gross sales and 4th in the number of nursery operations. The top five counties account for 87% of the total nursery production in Oregon.

Agriculture is not included in most employment data series because substantial portions of agricultural employment is not covered by unemployment insurance. Because employment statistics generated from covered employment records are a primary measure of the economy the importance of agriculture can be overlooked even though, it is a major goods producing sector of the economy. Agriculture is a well-established industry and does not exhibit the rapid growth seen in some emerging industries. The importance of agriculture to the state economy is clear. The 1996 Regional Economic Profile prepared by the Oregon Employment Department provides another measure of its importance to the regional economy. The publication projects that the "agriculture, forest, and fishing" occupational group will grow by close to 30% between 1995 and 2005 in the three county area including Clackamas, Multnomah, and Washington Counties. The occupational grouping includes occupations which may not be covered by unemployment insurance and is more reflective of the farm and nursery jobs which the regional economy can be expected to generate.

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II. The Plan Framework

A. Methodology

The Administrative Rules for the Rural Investment Fund require that Regional Boards solicit input and participation of rural areas and rural interests. Boards are also required to consider the interests of community planning efforts, special districts, Indian tribes, Regional Workforce Quality committees and other workforce development groups.

The Multhomah/Washington County Regional Board held four public meetings in the Rural Action Plan area to solicit input from rural interests; one in Forest Grove, two in Corbett and one on Sauvie Island. The meetings were publicized in The Oregonian and community newspapers and invitations were sent to local governing bodies and a broad spectrum of agencies and organizations involved in rural issues.

The public meeting discussions are the foundation for the objectives statements in the Rural Action Plan. The citizens of Multnomah and Washington counties presented a broad spectrum of well thought out and articulated needs and issues. Their scope was far beyond the funding capacity of the the Rural Investment Fund allocation for the Region. Recognizing the merit of each presentation and funding limitations, investment decisions will be strategic, attempting to strike the balance between short term need and long term benefit.

The Multnomah/Washington County Regional Board established two additional guidelines for the Rurai Action Plan.

The Board continued with the policy it established during the development of its Six-Year Regional Strategic Plan. To assure consistency and coordination of strategic direction and avoid duplication of efforts, a review of regional planning documents directed to aspects of the rural economy was conducted by the Board and staff.

The Board considered consistency between the Rural Action Plan and the Regional Six-Year Strategic Plan an important aspect of the Regional Strategies Program. The Strategic Plan was reviewed along with the findings of the public meetings and regional planning documents. Consistent themes and goals were identified. Linkages between the Six-Year Strategic Plan and the Oregon Benchmarks targeted in the Strategic Plan are noted in the Rural Action Plan objectives statements.

B. The Six-Year Regional Strategic Plan

The Regional Board believes that the vision statement developed during the Six-Year Strategic Plan process reflects the vision of the rural interests in the region as well. The vision is reiterated as the guiding principal of the Rural Action Plan.

TO PROMOTE A DIVERSE AND SUSTAINABLE ECONOMY

The Regional Strategic Plan vision statement includes several components and a series of goal statements. These will be linked to the Rural Action Plan objectives.

C. Regional Documents Relating to the Rural Economy

The following documents have been reviewed in conjunction with the public meeting findings to assure consistency and avoid duplication.

On August 10, 1995, the Board of County Commissioners for Multhomah County adopted the East Sandy River Rural Area Plan Scoping Report. The Report is a foundation document for the East of Sandy River Rural Area Plan now in preparation, one of a series of land use plans for the rural areas of Multhomah County. The Plan area includes the Rural Action Plan area.

The Sauvie Island/Multhomah Channel Rural Area Plan Scoping Report dated August, 1995 is also one of the series of land use plans for the rural areas of Multhomah County and includes the Rural Action Plan area.

The Columbia-Pacific Economic Development District of Oregon, Inc. includes an area in Western Washington County which is also part of the Rural Action Plan area. The District prepared an Overall Economic Development Program (OEDP) which was published in July, 1995.

The Washington County Comprehensive Plan Rural/Natural Resource Plan Element published in November, 1990 was also reviewed in conjunction with the public meeting findings.

III. The Rural Action Plan - Objectives, Linkage to Oregon Benchmarks, The Regional Vision and Regional Goals. Project examples for objectives.

The purpose of the 1993-1999 Six-Year Regional Strategic Plan was to link the region's vision and long term goals to the means to overcome barriers to development. Development in terms of the Six-Year Plan meant development in the three selected key industries.

Development in the Rural Action Plan means community and economic development. generally. The Legislation and the Administrative Rules do not limit the program to an industry focus.

The Rural Action Plan is also intended to provide the linkage between the regional vision and goals and the means to overcome barriers to development. The objectives statements below address those barriers.

-5-

Examples from the public meeting discussions of projects that could implement objectives are included with each objective statement. The examples are not inclusive and all projects submitted for funding will be considered.

OBJECTIVE 1. IMPROVE THE ABILITY OF RURAL COMMUNITIES TO MEET GROWING NEEDS FOR SOCIAL AND PHYSICAL INFRASTRUCTURE

Linkage

Oregon Benchmarks Support outlays for public infrastructure

Strategic Plan Vision

Livability - environmental quality maintained, widespread prosperity, support social and physical infrastructure

Strategic Plan Goals

Goal 4 - Build regional public economic capacity

Goal 5 - Positively affect low income communities

Goal 6 - Enhance quality of life

Goal 12 - Equitable distribution of jobs

Examples

City Halls, libraries, and community centers. Recreation and athletic facilities for schools, small area sewerage systems, emergency facilities, water storage.

OBJECTIVE 2:

IMPROVE THE CAPACITY OF RURAL COMMUNITIES TO PLAN FOR CHANGE

Linkage

Oregon Benchmarks Support outlays for public infrastructure

Strategic Plan Vision

Livability - environmental quality maintained, widespread prosperity, support social and physical infrastructure

Strategic Plan Goals

Goal 4 - Build regional public economic capacity

Goal 5 - Positively affect low income population

Goal 6 - Enhance quality of life

Goal 12 - Equitable distribution of jobs

Examples

Planning for transportation systems, traffic safety and infrastructure, growth boundary changes. Property and building rehabilitation. Project development to address complicated issues.

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•	OBJECTIVE 3.	IMPROVE THE ENVIRONMENT FOR BUSINESS OPPORTUNITIES IN RURAL COMMUNITIES
	Linkage	Oregon Benchmarks Improve economic opportunities, a diverse and productive industrial base
		<i>Regional Vision</i> Jobs - Equitable distribution of jobs, attract/expand/maintain jobs Livability - Widespread prosperity
		Regional Goals Goal 3 - Link jobs to all region residents Goal 4 - Build regional private economic capacity Goal 5 - Positively affect low income communities Goal 6 - Enhance quality of life Goal 7 - Provide full range of job opportunities Goal 9 - Create entrepreneurial opportunities Goal 12 - Equitable distribution of jobs
	Examples	Property rehabilitation, revolving loan programs, workforce training in agriculture industries. Efficient, coordinated permitting processes.
	OBJECTIVE 4.	SUSTAIN THE AGRICULTURAL ECONOMY
	Linkage	O <i>regon Benchmarks</i> Develop diverse and productive industry, competitiveness in global business
	•	<i>Regional Vision</i> Jobs/Employment - equitable distribution, tied to business opportunities Economy - global economy, attract/maintain business
·	• 	Regional Goals Goal 4 - Build regional private economic capacity Goal 7 - Provide full range of job opportunities Goal 10 - Link government sector to economic agenda
	Examples	Articulate values of farming and forestry to economy, develop mechanisms to insure integrity of farm and forestry lands, change way we value agriculture land for tax purposes to account for long term benefit.
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DEVELOP QUALITY JOB OPPORTUNITIES IN THE AGRICULTURAL INDUSTRY

Linkage

OBJECTIVE 5

Oregon Benchmarks

Competitiveness in global business, build a superior, world class workforce

Regional Vision

Jobs/Employment - tied to business needs/opportunities, attract/ expand/maintain jobs

Training/Education - sustainable, impacts existing residents Livability - widespread prosperity

Economy - diverse based on knowledge and skills, global,

Regional Goals

- Goal 1 Create and retain jobs that lead to economic self sufficiency
- Goal 2 Continuously develop, educate and train workforce

Goal 3 - Link jobs to all region residents

Goal 5 - Positively affect low income communities

Goal 6 - Enhance quality of life

Goal 7 - Provide full range of job opportunities

Goal 12 - Equitable distribution of jobs

Examples

Community infrastructure, workforce training for agriculture industries, property rehabilitation, revolving loan programs.

IV. Selection Criteria for Rural Investment Fund Projects

The Administrative Rules for the Rural Investment Fund establish criteria for evaluating projects for funding. The Multhomah/Washington County Regional Board has added two criteria (E and F).

A. Priorities in rural areas that have the greatest economic challenges.

- B. Whether monies from the Rural Investment Fund will fill a gap in financing for the proposed project.
- C. The extent to which monies from the Rural Investment Eund will leverage other resources through public or private partnerships.
- D. The degree to which the applicants for funding have established measurable economic outcomes that can demonstrate, through specific performance measurements, progress towards achievement of goals and objectives of the Rural Investment Fund.
- E. The capacity of the application to successfully carry out the proposed Rural Investment Fund project.
- F. The degree to which the proposed project is ready to proceed and can demonstrate timely results.

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V. Selection Process

The Regional Board will develop application materials and solicit applications during August/September, 1996. Complete application will be reviewed. Project awards are expected to be make by October, 1996.

Projects will be evaluated on the degree to which they meet the six criteria. In addition to these criteria projects will be evaluated on how well the project carries out an objective(s) established for the Rural Investment Fund.

Managers of projects receiving funding can expect to complete annual or semi-annual reports detailing accomplishments, challenges and overall progress of the project.

Regional Strategies for Multnomah and Washington County Rural Action Plan

APPENDIX - PUBLIC MEETING SUMMARIES

The comments from the public meetings are grouped in the activity categories described in the Administrative Rules. Business development is included with workforce development.

1. FOREST GROVE, TUESDAY, JUNE 11, 1996

Community Facilities and Infrastructure

BANKS - The community is expecting a lot of residential growth as a result primarily of growth of high tech employers around Hillsboro. An 89 home subdivision has just been approved. The community has no capacity to plan an internal transportation system which is safe and integrated with the external system.

The community has no capacity to plan for infrastructure that growth will demand. Anticipates a critical need for water. The community will also need to expand its Urban Growth Boundary soon and needs assistance evaluating how and where to do this.

GASTON - The community was described as an agricultural service community and in a critical financial situation due to Measure 5 compression. The City Hall is in very bad shape. There are no recreation facilities in the community, no sites or equipment. The community has an "alternative school" for at-risk youth which badly needs a more appropriate location. There is a great need for a community library. The community has passed a school bond issue and is trying to address its needs.

Workforce and Business Development

The Oregon Association of Nurserymen (OAN) expressed a need to improve job retention in the industry. OAN believes that training is critical to keeping workers on the job and can also make a substantial contribution to job safety, productivity, and the quality of life of the workers. The OAN believes that targeting the permanent employees can impact the wider work force. They expressed support for the Monrovia Project as a model-pregram. The OAN has contacted and has the support of 156 nurseries.

The Forest Grove/Cornelius Economic Development Council representative expressed the need to improve the capital availability for business in the area. He described a need for both working capital and capital for buildings and equipment. The lower property valuations in Forest Grove are creating a gap between commercial property pricing and the lending limit of local financial institutions, sending viable businesses away from Forest Grove and Cornelius. The U.S. Farmers Home Administration has a relending program well suited for rural needs that requires a locally funded reserve fund to get started.

Technical Assistance

The representative from the Soil and Water Conservation District recommended implementation of a program for landowners adjacent to Tualatin River to help prevent erosion and contaminated run-off to the Tualatin River. There is a demonstration program now. This recommendation is for a matching fund program to assist broader implementation.

2. CORBETT/SPRINGDALE AREA, JUNE 12 AND JUNE 18, 1996

Community Facilities and Infrastructure

There was discussion of the affect of no sewerage system and inadequate drainfield capacity on expansion of existing businesses and conversion of usable buildings. The Chinook Inn was cited as an example of a viable business which could expand if it could access a drainfield site owned by the State. A feasibility study of a small area treatment plant for Springdale was discussed.

Chronic water shortage in the summer was discussed and the need for a new reservoir.

Several traffic safety issues were discussed including the need for a flashing light at the Corbett fire station and better lighting in front of and between the school buildings.

Several representatives from Corbett School described the facility as the heart of the Corbett community. A new school has been completed but there were not sufficient funds to include a play area or athletic field. The community has developed plans which includes an athletic field, a playground, a jogging path around the school perimeter, and a natural resource education area. The Corbett Fun Festival has been organized as a fund raising effort for the project and other matching fund sources have been investigated.

A concession stand with restrooms at the school site was also mentioned to enhance the usefulness of the facility.

Business Development

Capturing opportunities from proximity to the Gorge and tourist traffic was discussed. The discussion included a combination of tourism related projects such as a rehabilitated Vista House, a rest stop with public restrooms and visual improvements. The group felt that an improved retail area was badly needed in the Corbett area for the residents as well as to attract tourists. A "Corbett Center" retail/service project has been proposed by a local developer and would need to comply with Gorge Commission design requirements. There was discussion about assisting with this additional cost.

There was discussion about the impact of the cumbersome permitting process on tourism projects. Opportunities which could take advantage of the National Scenic Area designation are often stymied. Multiple jurisdictions have permitting authority. Reuse of buildings vacant because employers have moved from the area is more difficult because of the regulatory and permitting processes. New ideas such as construction of a cruise dock at Multinomah Falls are also more difficult to develop.

The difficulty of accessing longer term capital for small agricultural projects was discussed. Seeding programs and irrigation equipment were cited as examples of projects which need longer term payback. Rehabilitating fallow agriculture land was discussed. There was a suggestion that perhaps a job development program could be targeted to land rehabilitation.

Technical Assistance

The group expressed frustration with trying to develop feasible projects to address complicated issues. There was interest in providing technical assistance to volunteer community groups for project development.

Project Feasibility

The group believed that the old school building was a valuable community asset. There was interest in evaluating the feasibility of converting the building to a community center.

<u>Other</u>

There was discussion about how to support a community newspaper. The community has depended on the high school newspaper for community news but is concerned that Measure 5 funding constraints will eliminate that resource.

3. SAUVIE ISLAND GRANGE MEETING, JULY 8, 1996

Community Facilities and Infrastructure

The group discussed the opportunity to develop a community center for the island. A bond issue for a new fire department facility has been approved and the property and old building has reverted to the Grange. Community organizations have long needed a place to get together. The recent flood episode also made evident the need for an emergency center and emergency equipment on the island. A Safety Action Team has recently been organized to evaluate how to deal with safety issues and improve communication on the island in emergencies. The group believed that the old fire facility could be the nucleus of a community center which could function as an emergency center, a senior center, and a general community gathering place. Safety is an issue on the island. The group discussed the need also for improvements to the dike around the island, which sustained damage during the flood.

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Date: November 14, 1996

To: JPACT Members From: Andrew C. Cotugno, Planning Director Re: JPACT Meetings for Calendar Year 1997

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Please mark your calendar for the following JPACT meeting times scheduled during calendar year 1997 in Conference Room 370A-B:

Thursday,	1-9-97, 7:15 a.m.
Thursday,	2-13-97, 7:15 a.m.
Thursday,	3-13-97, 7:15 a.m.
Thursday,	4-10-97, 7:15 a.m.
Thursday,	5-8-97, 7:15 a.m.
Thursday,	6-12-97, 7:15 a.m.
Thursday,	7-10-97, 7:15 a.m.
Thursday,	8-14-97, 7:15 a.m.
Thursday,	9-11-97, 7:15 a.m.
Thursday,	10-9-97, 7:15 a.m.
Ťhursday,	11-13-97, 7:15 a.m.
Thursday,	12-11-97, 7:15 a.m.

ACC:lmk