

Metro | Agenda

Meeting: Joint Policy Advisory Committee on Transportation (JPACT)
Date: Thursday, January 8, 2015
Time: 7:30 to 9 a.m.
Place: Metro Regional Center, Council Chamber

7:30 AM	1.	CALL TO ORDER, DECLARATION OF A QUORUM & INTRODUCTIONS	Craig Dirksen, Chair
7:32 AM	2.	CITIZEN COMMUNICATIONS ON JPACT ITEMS	
7:35 AM	3.	UPDATES FROM THE CHAIR & COMMITTEE MEMBERS <ul style="list-style-type: none">• Confirm JPACT Trip dates	Craig Dirksen, Chair
7:40 AM	4.	** Consideration of the Minutes for December 11, 2014	
	5.	ACTION ITEMS	
7:45 AM	5.1	* Draft Letter of Support for State Travel Options Plan	Ted Leybold, Metro Amanda Pietz, ODOT
8:05 AM	5.2	* Resolution No. 15-4597, For the Purpose of Endorsing Regional Policy and Funding Priorities for 2015 State Transportation Legislation – Recommendation to Metro Council Requested	Randy Tucker, Metro
	6.	INFORMATION / DISCUSSION ITEMS	
8:25 AM	6.1	Cost of Congestion Presentation	Steve Fitzroy, Economic Development Research Group Marion Haynes, Portland Business Alliance
8:40 AM	6.2	* Introduce Federal Transportation Policy Options	Andy Cotugno, Metro Randy Tucker, Metro
9:00 AM	7.	ADJOURN	Craig Dirksen, Chair

Upcoming JPACT meetings:

- **February 12, 2015** – Regular JPACT Meeting
- **March 12, 2015** – Regular JPACT Meeting

* Material included in the packet.

** Material will be distributed in advance of the meeting.

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ការគោរពសិទ្ធិពលរដ្ឋរបស់ ។ សំរាប់ព័ត៌មានអំពីកម្មវិធីសិទ្ធិពលរដ្ឋរបស់ Metro ឬដើម្បីទទួលបានក្បួនលំអររើសអើងសម្រាប់សេវាកម្មរបស់ www.oregonmetro.gov/civilrights។
បើលោកអ្នកត្រូវការការបកប្រែភាសានៅពេលអង្គប្រជុំសាធារណៈ សូមទូរស័ព្ទលេខ 503-797-1890 (ម៉ោង 8 ព្រឹកដល់ម៉ោង 5 ល្ងាច ថ្ងៃធ្វើការ) ប្រាំពីរថ្ងៃ ថ្ងៃធ្វើការ មុនថ្ងៃប្រជុំដើម្បីអាចឲ្យគេសម្រួលតាមសំណើរបស់លោកអ្នក ។

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2015 JPACT Work Program

As of 12/30/14

*Items in italics are tentative; **bold** denotes required items*

<p><u>January 8, 2015</u></p> <ul style="list-style-type: none">• Letter of Support for State Travel Options Plan (Ted Leybold, Amanda Pietz (ODOT); 20 min)• Res. No. 15-4597, Recommendation on State Transportation Legislative Package (Randy Tucker; 20 min)• Introduce Federal Transportation Policy Options (Randy Tucker, Andy Cotugno)• Cost of Congestion presentation (Steve Fitzroy, Marion Haynes)	<p><u>February 12, 2015</u></p> <ul style="list-style-type: none">• JPACT/ACT Coordination Procedures (Andy Cotugno)<ul style="list-style-type: none">○ ACT Bylaws○ JPACT Bylaw Amendment• Discussion & Adoption of Federal Transportation Policy Options (Andy Cotugno)• <i>Seismic Retrofitting to Improve Resilience of State Highways (Bruce Johnson, ODOT)</i> <p>FYI: National Assoc. of Counties, February 21-25 National League of Cities, March 7-11</p>
<p><u>March 19, 2015</u></p> <ul style="list-style-type: none">• Draft JPACT Trip itinerary review	<p><u>April 9, 2015</u></p> <ul style="list-style-type: none">• Finalize JPACT Trip itinerary
<p><u>May 14, 2015</u></p> <ul style="list-style-type: none">• JPACT Trip Debrief / Report out	<p><u>June 11, 2015</u></p>

Parking Lot:

- Regional Indicators briefing
- Presentation by the Oregon Trucking Association
- Oregon Resiliency Plan



JOINT POLICY ADVISORY COMMITTEE ON TRANSPORTATION (JPACT)

Jan. 8, 2015

Metro Regional Center, Council Chamber

MEMBERS PRESENT

Jack Burkman
Shirley Craddick
Nina DeConcini
Craig Dirksen
Denny Doyle
Kathryn Harrington
Tim Knapp
Neil McFarlane
Diane McKeel
Steve Novick
Roy Rogers
Paul Savas
Rian Windsheimer

AFFILIATION

City of Vancouver
Metro Council
Oregon Department of Environmental Quality
Metro Council
City of Beaverton, representing cities of Washington County
Metro Council
City of Wilsonville, representing cities of Clackamas County
TriMet
Multnomah County
City of Portland
Washington County
Clackamas County
Oregon Department of Transportation

MEMBERS EXCUSED

Jeanne Stewart
Don Wagner
Bill Wyatt

AFFILIATION

Clark County
Washington State Department of Transportation
Port of Portland

ALTERNATES PRESENT

Bart Gernhart
Susie Lahsene
Jeff Swanson

AFFILIATION

Washington State Department of Transportation
Port of Portland
Clark County

STAFF: Andy Cotugno, Alexandra Eldridge, Elissa Gertler, Alison Kean, Ted Leybold, Jill Schmidt, and Randy Tucker.

1. CALL TO ORDER, DECLARATION OF A QUORUM & INTRODUCTIONS

Chair Craig Dirksen declared a quorum and called the meeting to order at 7:34 a.m.

2. CITIZEN COMMUNICATIONS ON JPACT ITEMS

There were none.

3. UPDATES FROM THE CHAIR & COMMITTEE MEMBERS

Chair Dirksen updated members on the following items:

- Chair Dirksen at the Dec. 11 meeting proposed to move the dates of the JPACT trip to Washington D.C. from March to April 28 -30. By not going in March when many other people will be there, there will be more opportunities to meet with delegates. Those dates in late April also coincide with the Portland Business Alliance trip, which would allow JPACT to partner with regional business associations.
- Ms. Kelly Brooks of the Oregon Department of Transportation (ODOT) sent out a draft recommendation for the region 1 Area Commission on Transportation (ACT) and welcoming comments in advance of the Oregon Transportation Commission meeting on January 15. The deadline to submit comments is January 13.
- The next meeting for the JPACT Finance Subcommittee is Thursday, January 15, 7:30 a.m. and will continue the discussion on transportation funding.

4. CONSIDERATION OF THE MINUTES FOR DECEMBER 11, 2014

MOTION: Mr. Neil McFarlane moved and Councilor Kathryn Harrington seconded to approve the JPACT minutes from Dec. 11, 2014.

ACTION: With all in favor, the motion passed.

5. ACTION ITEMS

5.1 Draft Letter of Support for State Travel Options Plan

Mr. Ted Leybold of Metro and Ms. Amanda Pietz of ODOT updated members on the Metro region's draft letter of support for ODOT's draft State Transportation Options (TO) Topic Plan. The plan offers an integrated, multi-modal, approach to investing in Oregon's transportation system. A key principle of the TO plan is to ensure that the public has the resources to be informed about the travel options available to them and thus choose the best means of travel for their specific needs. Ms. Pietz mentioned that ODOT's TO plan is the first statewide plan developed for transportation options and first in the nation addressing transportation options at a statewide level to meet diverse travel needs. She stated that a multi-modal plan is important to address new transportation preferences as they develop. Millennials are driving less and baby boomers are staying more active and need diverse transportation options as they age. The state must also meet a mandate to invest in measures to reduce greenhouse gas emissions from transportation sources. She also stated that the state realizes there is a need for safer transportation options, including safe routes to schools. The public review period closes at the end of January.

The plan has 10 major goals:

1. Safety
 - Education, training, and programs for users of all modes
2. Funding
 - Equally consider TO and support TO programming through reliable and responsive funding
3. Accessibility
 - Availability, information, and ease of using TO
4. Mobility and System Efficiency
 - TO role in managing congestion, improving reliability, and optimizing investment
5. Economy
 - Travel cost savings, system reliability, and employer programs

6. Health and Environment
 - Reduce environmental impacts, and improve health through TO
7. Land Use and Transportation
 - TO tools and strategies to support land use and transportation integration
8. Coordination
 - Expand partnerships to better implement TO
9. Equity
 - Support diverse transportation needs throughout Oregon
10. Knowledge and Information
 - Accessible information and staff resources for effective programs

Member comments included:

- Mayor Tim Knapp of Wilsonville stated that the TO plan seems to focus on dense urban areas and appears to be less applicable for suburban and rural areas. He stated that as a state wide plan it is not adequately balanced towards areas outside of the metro area. Ms Pietz responded that the plan aims to address what is important to urban and non-urban areas. She stated that the plan addresses what is important for the rural and suburban areas as well as urban. Chair Dirksen added that the plan is still in draft form and will be reviewed and edited by Metro Technical Advisory Committee (MTAC).
- Commissioner Steve Novick of the City of Portland asked if there would be further development of implementation and performance standards. Ms. Pietz stated that ODOT will be looking at the overall vehicle miles traveled, the spread of commuters during peak hours and what modes of travel they are using and how many people are traveling at peak hours, and transportation options providers per capita.
- Mr. Leybold spoke more about the significance of travel options to the region. He acknowledged the importance of the state and them taking on a travel options plan. He noted that ODOT and Metro staff would work with this draft plan more at the January Transportation Policy Advisory Committee (TPAC) meeting.

MOTION: Mr. Rian Windsheimer moved and Mayor Denny Doyle seconded to approve the draft letter of support for ODOT's TO plan.

5.2 Resolution No. 15-4597, For the Purpose of Endorsing Regional Policy and Funding Priorities for 2015 State Transportation Legislation

Chair Dirksen provided an overview of previous JPACT discussions on the resolution to endorse a regional policy and funding priorities package for the 2015 state legislature. The JPACT Financial Subcommittee was convened to draft a transportation funding proposal for recommendation to JPACT. It chose to endorse the work that was done by the Oregon Transportation Forum (OTF). At the Dec. 11 meeting, JPACT proposed three possible amendments to the resolution for consideration in January.

POSSIBLE AMENDMENT #1 TO RESOLUTION NO. 15-4597: Indexing for Inflation

The OTF proposal calls for indexing the gas tax to account for changes in fleet fuel efficiency.

POSSIBLE AMENDMENT #2A TO RESOLUTION NO. 15-4597: regional distribution of 50% of "Enhance" Program

The OTF proposal calls for an increase in highway trust fund sources to create an “Enhance” program in addition to a “Fix-it” program. The “Enhance” program is intended to be split 50% to supplement the ODOT “Enhance” program for projects of state significance and 50% for projects of regional or local significance.

POSSIBLE AMENDMENT #2B TO RESOLUTION NO. 15-4597: Local distribution of 50% of “Enhance” Program

Amendment #2b is the counterproposal to amendment #2A. It would endorse the approach for distribution of the regional/local portion of the “Enhance” program to all cities and counties with 30% to counties on the basis of registered vehicles and 20% to cities on the basis of population.

Mr. Randy Tucker of Metro summarized the proposal, which includes funding for road and non-road investments, and funding that would be categorized in both the fix-it and enhance projects. He stated that it is important to look at the elements of the proposal, its principals and that it is an all modes transportation package.

MOTION: Commissioner Roy Rogers moved and Councilor Harrington seconded to approve Resolution No. 15-4597.

Member comments included:

- Commissioner Paul Savas stated he would support the resolution without any amendments.
- Mayor Knapp expressed concerns that indexing for fuel efficiency causes economically disadvantaged people who drive less fuel efficient vehicles to be burdened with the costs.
- Councilor Harrington stated that prioritizing multi-modal corridor planning projects that have regional significance is important and asked if supporting the enhance program either through the OTF package or amendment 2A would provide additional funds to actually realize those projects sooner rather than later. Mr. Cotugno confirmed that enhance funds would assist with advancing corridor planning projects.
- Randy Tucker stated that the question about indexing has not been asked at the state level. OTF’s recommendation is to not include the amendment on indexing for inflation.

MOTION: Mayor Knapp moved and Councilor Harrington seconded to approve amendment #2A to Resolution No. 14-4597, which if approved would call for regional distribution of 50 percent of Enhance program funds

ACTION: With 8 in favor (Councilor Harrington, Councilor Craddick, Mayor Knapp, Mayor Burkman, Commissioner Novick, Commissioner McKeel, Commissioner Mr. Roy Rogers, and Mr. Jeff Swanson), 3 abstentions (Ms. Nina DeConcini, Mr. Rian Windsheimer, and Mr. Bart Gernhart), and 4 opposed (Mayor Doyle, Commissioner Savas, Ms. Susie Lahsene, and Mr. Neil McFarlane McFarlane) the motion to amend Resolution 15-4597 to call for regional distribution of 50 percent of Enhance program funds failed.

6. INFORMATION / DISCUSSION ITEMS

6.1 Cost of Congestion Presentation

Ms. Marion Haynes of the Portland Business Alliance (PBA) presented results from the economic impacts of congestion in Oregon study. She stated that the exporting and importing of goods to and from Oregon is increasing due to globalization. She stated that Portland is a very large export center on the west coast and ranks higher than its population would suggest. The study demonstrated that a growing population, globalization, expanding markets and a lack of alternatives for local ground

transport will degrade the performance of transportation systems even with existing and committed projects. Ms. Haynes stated that the economic impacts of congestion in the Portland metro area and other metropolitan areas are far reaching and impact the entire state of Oregon. With the proposed transportation investments, the economic impacts are impressive and would significantly reduce congestion, allow businesses to save money, expand, make investments, and create jobs.

Members discussed the benefits of transportation investments and the challenges that are ahead.

6.2 Introduce Federal Transportation Policy Options

Mr. Andy Cotugno of Metro provided an update on the draft regional position on federal transportation policy related to reauthorization of the transportation program.

7. ADJOURN

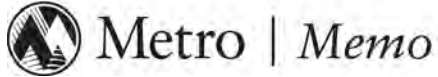
Chair Dirksen adjourned the meeting at 9:03 a.m.
Respectfully Submitted,

A handwritten signature in cursive script that reads "Botond Kovacs". The signature is written in black ink and is positioned below the text "Respectfully Submitted,".

Botond Kovacs, Recording Secretary

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JAN. 08, 2015

ITEM	DOCUMENT TYPE	DOC DATE	DOCUMENT DESCRIPTION	DOCUMENT NO.
3.0	Letter	1/7/15	City of Gresham reasons unable to attend JPACT meeting and stance on amendments to Resolution No. 14-4597	01815j -01
6.1	Handout	1/8/15	Economic Impacts of Congestion on the Portland-metro and Oregon Economy	010815j -02



Date: December 30, 2014
To: JPACT and Interested Parties
From: Ted Leybold & Dan Kaempff
Subject: State Transportation Options Plan

At the January 8th meeting, a summary of the public comment draft of the Oregon Travel Options topical plan will be provided by ODOT planning staff. The plan is proposed as a topical plan, much like the Oregon Freight Plan and other modal plans, all of which support the over arching Oregon Transportation Plan. The draft plan is in a public comment period through January 30th.

Attached is a draft letter of support for the plan from the region to the Oregon Transportation Commission. Metro staff is requesting your support to allow the Transportation Policy Advisory Committee on Transportation (TPAC) to edit and approve submission of a final version of this letter to the Commission.

This letter is to express the region's support for the state to adopt policies regarding its role and interest in travel options as an integral part of the state transportation system. It is expected that individual agencies and organizations within the Metro region will submit additional comments on the draft plan regarding issues of interest specific to them.



January 30, 2015

Catherine Mater, Chair
Oregon Transportation Commission
355 Capitol Street NE
Salem, OR 97301

Dear Chair Mater and Commission Members:

The Metro region is pleased to offer its support for ODOT's draft State Transportation Options (TO) Topic Plan. The plan represents a significant achievement in helping to define how to develop a transportation system that is forward-looking and will meet the needs of the public now and into the future.

The groundbreaking nature of this plan should not be overlooked. To our knowledge, no other state has developed such a detailed policy document around Transportation Options. The plan reflects an evolutionary step in ODOT's adoption of an integrated, multi-modal approach to investing in Oregon's transportation system. A key principle of this approach is to ensure the public understands the travel options available to them and can choose the means of travel that is best suited for their specific needs. The TO Plan provides a framework for investing in the work needed to accomplish this outcome.

In particular, we appreciate the plan's recognition of the work accomplished in the Metro region over the past 20 years, along with other local efforts throughout the state. The work of implementing TO is accomplished by a wide variety of partner agencies and organizations, all helping to inform, educate, and motivate the public to make travel choices that have multiple benefits to our environment, economy, and the livability of our communities.

The needs of managing our multi-modal transportation system are many and complex. As you're aware, the Portland metro area is the home of a significant percentage of Oregon's population, as well as being a major employment hub for people living in and around our region. This plan will help us to better work with our surrounding communities and find new methods for reducing auto trips to and within the region.

Looking ahead, both the state and region face the dual challenges of declining transportation revenues, as well as fulfilling a mandate to invest in measures to reduce greenhouse gas emissions from transportation sources. In light of these challenges, the TO plan provides a policy framework for ODOT to consider project selection through a new lens that will allow us to better manage and use our existing transportation assets while strategically investing in system upgrades and maintenance that help us achieve our climate goals.

Finally, we particularly acknowledge the extensive public outreach effort that has accompanied this project. ODOT has done exemplary work to engage with a broad group of interested parties to understand their perspectives and needs. The plan reflects the unique and varied nature of Oregon's communities and provides a vision that unifies and supports the state as a whole.

Thank you for your efforts in creating the State Transportation Options Topic Plan. We support and encourage its adoption and look forward to partnering with you in its implementation.

Sincerely,

Tom Hughes
Metro Council President

Craig Dirksen
Chair, Joint Policy Advisory Committee on Transportation
Metro Councilor, District 3

DRAFT



OREGON

TRANSPORTATION OPTIONS PLAN

Public Review Draft

WHAT IS THE TRANSPORTATION OPTIONS PLAN?

The Oregon Transportation Options Plan provides policy guidance for state and local partners to enhance and expand transportation access while ensuring that transportation investments are efficient and support broader community goals such as growing the economy and improving personal and environmental health. The Oregon Transportation Options Plan:

- Identifies opportunities to expand transportation choices
- Looks to increase funding opportunities for transportation options programs and investments
- Provides information to better integrate transportation options into local, regional, and state transportation planning

Policies, strategies, and programs described in the Oregon Transportation Options Plan promote efficient use of existing transportation system investments, reducing reliance on the single-occupancy vehicle and facilitating use of walking, biking, transit, and rideshare. While transportation infrastructure and operations are critical to the success of a balanced transportation system, this Plan focuses on the programs, strategies, and investments that support the efficient use of transportation infrastructure.

WHAT ARE THE BENEFITS OF TRANSPORTATION OPTIONS?

The Oregon Transportation Options Plan promotes an efficient, reliable, and affordable transportation system to support Oregon's growing population and economy. Transportation options affect how Oregonians in all regions of the state travel. Providing transportation choices to residents, employees, and visitors contribute to the outcomes listed below.

- **Efficiency:** Maximize transportation system efficiency by increasing capacity of existing infrastructure
- **Reliability:** Manage system congestion and improve the reliability of transportation for people and goods
- **Reduced cost:** Reduce transportation costs for system providers, operators, travelers, and the general public
- **Access:** Provide travel opportunities for those who may not otherwise be able to access needed information, goods, and services
- **Other community goals:** Support state, regional, and local goals related to economy, environment, community, and public health by providing transportation choices



WHAT ARE TRANSPORTATION OPTIONS?

Historically transportation option strategies have been referred to as transportation demand management (TDM) with a focus on commute trips and system management. The Transportation Options Plan includes these elements, but expands this definition to also recognize the value of facilitating opportunities to choose different travel options and meet diverse needs.

HOW CAN YOU PROVIDE INPUT?

The Oregon Transportation Commission has released the Draft Oregon Transportation Options Plan for public review and comment through January 30, 2015. Join us at the Oregon Transportation Commission Hearing on January 15th, 2015 in Salem, or submit emailed or written comments to:

Email: Michael.D.Rock@odot.state.or.us

Address: Oregon Department of Transportation
Transportation Development Division, Planning Section
555 13th Street NE, Suite 2, Salem, OR 97301-4178

For more information, please visit www.oregon.gov/ODOT/TD/TP/Pages/toplan.aspx



WHO PARTICIPATED IN THE PLAN PROCESS?

- **Policy Advisory Committee (PAC):** The PAC represents a broad range of community interests statewide and served as a key conduit of stakeholder input.
- **Stakeholder Interviews:** The project team met with more than 50 ODOT internal agency and external stakeholders to document existing conditions information and identify issues and opportunities.
- **Focus Groups:** Seven focus groups were conducted to tap the insight and knowledge of issue-based experts on the Plan's proposed policies and strategies.
- **Website:** The public can sign up for project updates and have opportunities to directly email project staff. www.oregon.gov/ODOT/TD/TP/Pages/toplan.aspx



WHAT ARE THE GOALS?



Goal 1: Safety

To provide a safe transportation system through investments in education and training for roadway designers, operators, and users of all modes.



Goal 2: Funding

To establish an optimized transportation system with funding for transportation options equally considered with other programs at the state, regional, and local levels, with strategic partnerships that support jurisdictional collaboration, and with public and private sector transportation investment.



Goal 3: Accessibility

Expand the availability, information, and ease of use of transportation options, improving access to employment, daily needs, services, education, and travel to social and recreational opportunities.



Goal 4: Mobility and System Efficiency

To improve the mobility of people and goods and the efficiency of the transportation system by managing congestion, enhancing transportation system reliability, and optimizing transportation investment through transportation options.



Goal 5: Economy

To enhance economic vitality by supporting job creation and retention, decreasing household spending on transportation, supporting vibrant local businesses, and helping goods move reliably.



Goal 6: Health and Environment

To support healthier natural and built environments by developing and promoting transportation options that reduce the environmental impacts of motorized travel and allow more people to incorporate physical activity in their daily lives.



Goal 7: Land Use and Transportation

To ensure land use planners, developers, and decision makers have transportation options tools and strategies to implement livable development patterns by supporting the availability, access, and co-location of transportation options.



Goal 8: Coordination

To work collaboratively with public and private partners to integrate transportation options into local, regional, and state planning processes, operations and management, and investment decisions.



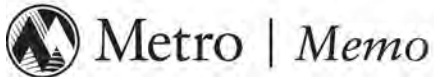
Goal 9: Equity

To support the diverse transportation needs of people of all ages, abilities, income levels, and ethnicities throughout Oregon.



Goal 10: Knowledge and Information

To provide Oregonians and visitors with easily accessible information about the full range of transportation options available to them, to improve the customer experience through increased human capital, and to help customers match options with individual travel needs.



Date: December 15, 2014
To: JPACT Members and Alternates
From: Andy Cotugno and Randy Tucker
Subject: Priorities for 2015 Oregon Legislative Session

Attached for discussion at the January 8 JPACT meeting is draft Resolution No. 15-4597 endorsing the Oregon Transportation Forum's (OTF) funding and policy package recommendation to the 2015 Oregon Legislature. As written, this resolution strictly endorses the various elements of the OTF proposal and describes the importance and priority of each element to the Portland region. References to indexing for inflation and the distribution method for the "Enhance" program are not referenced in the resolution. The resolution could be adopted without amendment, enabling the region to join a united front with OTF at the Legislature.

Following the resolution are several possible amendments covering the issues discussed at the December 11 JPACT meeting if there is a desire to alter or supplement the OTF proposal. The possible amendments are summarized below and described in more detail following the resolution with arguments in favor and arguments against each amendment.

POSSIBLE AMENDMENT #1 TO RESOLUTION NO. 15-4597: Indexing for Inflation

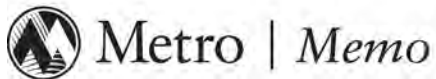
The OTF proposal calls for indexing the gas tax to account for changes in fleet fuel efficiency. JPACT has also expressed interest in indexing all Highway Trust Fund sources for inflation. In order for the OTF Board to unanimously approve the OTF package (as required by their Bylaws), indexing for inflation was excluded.

RECOMMENDATION: Exclude indexing for inflation from the Resolution.

POSSIBLE AMENDMENT #2A TO RESOLUTION NO. 15-4597: Regional distribution of 50% of "Enhance" Program

The OTF proposal calls for an increase in highway trust fund sources to create an "Enhance" program in addition to a "Fix-It" program. The "Enhance" program is intended to be split 50% to supplement the ODOT "Enhance" program for projects of state significance and 50% for projects of regional or local significance. Because there were two different proposals on the table for how the regional/local portion of the "Enhance" program should be distributed, OTF chose to leave the distribution method for these funds undefined and invited the differing parties "to work it out."

This amendment would endorse the approach that distributes these funds on a per capita basis to the eight metropolitan planning organizations (MPOs) and to cities and counties outside the MPOs.



RECOMMENDATION: Amend the resolution to include endorsement of this distribution method.

POSSIBLE AMENDMENT #2B TO RESOLUTION NO. 15-4597: Local distribution of 50% of “Enhance” Program

Amendment #2B is the counterproposal to amendment #2A. It would endorse the approach for distribution of the regional/local portion of the “Enhance” program to all cities and counties with 30% to Counties on the basis of registered vehicles and 20% to cities on the basis of population.

RECOMMENDATION: Do not amend the resolution to include endorsement of this distribution method.

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ENDORSING)	RESOLUTION NO. 15-4597
REGIONAL POLICY AND FUNDING)	
PRIORITIES FOR 2015 STATE)	Introduced by Councilor Craig Dirksen,
TRANSPORTATION LEGISLATION		JPACT Chair

WHEREAS, the governments of the Portland metropolitan region recognize the importance of investing strategically in public infrastructure, particularly transportation infrastructure, as a way to support private investment, economic prosperity, livability and environmental sustainability; and

WHEREAS, transportation investments that support private investment, job creation and long-term economic prosperity also bring increased revenues to local and state government budgets; and

WHEREAS, our region has a track record of working together to creatively finance forward-looking transportation investments that address the needs of both the present and the future, and of combining smart investment with policy innovations that support good jobs, livable communities and a sustainable environment; and

WHEREAS, a combination of locational advantages, careful planning and strategic investments supported by local, regional, state and federal resources and partnerships has helped to make this region globally competitive, the economic engine of the state of Oregon and an example to the nation; and

WHEREAS, the Climate Smart Communities Scenarios Project has demonstrated that with an increase in transportation funding for all modes, this region can accomplish its many goals for economic prosperity, livability, social equity and environmental protection while reducing per capita greenhouse gas emissions from light-duty vehicles as directed by the Oregon Legislature; and

WHEREAS, the Climate Smart Strategy will be initially implemented through a short list of Climate Smart Actions for 2015 and 2016 related to transportation funding; and

WHEREAS, the region has cooperatively participated with the Oregon Transportation Forum to develop a broad base of statewide support for a legislative transportation funding package that addresses all modes to support the movement of people and freight; and

WHEREAS, the Joint Policy Advisory Committee on Transportation (JPACT) has recommended adoption of this resolution at their meeting on _____, 2015; now therefore

BE IT RESOLVED:

1. That the Metro Council and JPACT adopt the following principles to guide the region's approach to transportation issues in the 2015 legislative session:
 - Jobs and Economic Prosperity: The regional and local governments and agencies of the Portland metropolitan region are committed to partnering with others to support economic prosperity through the maintenance, improvement and efficient operation of a robust transportation system.
 - Regional and Local Plans: The regional and local governments and agencies of the Portland metropolitan region are committed to taking the strategic actions needed to implement regional and local plans, including reduction of greenhouse gas emissions from light-duty vehicles.

- Support Multi-Modal Investment: The regional and local governments and agencies of the Portland metropolitan region support adoption by the 2015 Oregon Legislature of a funding package designed to address the needs of all modes of transportation for both people and freight.
 - Stable and Reliable Funding: The need to improve and efficiently operate and maintain a multi-modal transportation system requires establishment of funding mechanisms that provide a reliable and stable on-going revenue source and the legislative package should support that objective.
 - Preserve and Expand Local Options: The transportation challenge will require innovative policy and new funding commitments at all levels of government, including additional local funding to repair and maintain existing transportation facilities. Accordingly, the Legislature should remove existing restrictions on local and regional revenue-raising authority; avoid enacting new limitations or pre-emptions; and explore new structures and authorities that give local governments the flexibility to build, operate and fund transportation systems that support prosperity, livability and sustainability.
2. That the Metro Council and JPACT endorse transportation funding and policy priorities for the 2015 legislative session as reflected in Exhibit A to this Resolution.
 3. That the Metro Council and JPACT endorse the Oregon Transportation Forum Transportation Funding and Policy Package adopted November 6, 2014 as reflected in Exhibit B to this Resolution.

ADOPTED by the Metro Council this [insert date] day of [insert month] 2015.

Tom Hughes, Council President

Approved as to Form:

Alison R. Kean, Metro Attorney

**2015 Regional Transportation Agenda:
Recommendations**

A transportation funding package should be implemented based upon the following principles:

- **Fix It First**
- **Invest in the Future**
- **Implement an All-Modes Approach**
- **Implement a Programmatic Approach**
- **Preserve Local Options**

The elements of the 2015 legislative funding package endorsed by the Portland metropolitan region are as follows:

1. **City/County/State “Fix-It” Program (“catch up and keep up”):** Increase highway trust fund revenues to catch up with needed maintenance, operations and preservation on the city/county/state road system, and index the resource to avoid future losses of revenue.
2. **State and Regional “Enhance” Program:** ODOT consolidated their various road and non-road categories of funds intended for modernization of the multi-modal transportation system into a combined “Enhance” program to facilitate the selection of priority projects most important to each region regardless of mode. Expand the ODOT “Enhance” Program and establish a complementary Regional “Enhance” Program.
3. **Orphan Highway Program:** Establish a pilot funding program to facilitate the transfer of roads between ODOT and local governments to align responsibility with authority.
4. **Elderly and Disabled Transit Service:** Provide funding for transit services to elderly and disabled persons statewide.
5. **Connect Oregon VI:** Support a sixth round of Connect Oregon funding for non-road multi-modal transportation projects.
6. **Youth Transit Service:** Provide grant funding to support improved transit service to meet youth’s transportation needs and provide free or reduced transit fares to youth.
7. **AMTRAK Cascades Passenger Rail Service:** Provide funds to operate the AMTRAK Cascades service between Eugene, Albany/Corvallis, Salem, Oregon City, and Portland to Washington State and Vancouver, B.C.
8. **10-year multi-modal strategic transportation needs assessment:** Develop a 10-year, multi-modal, statewide strategic transportation needs assessment to provide the basis for future legislative funding proposals.

OREGON TRANSPORTATION FORUM
TRANSPORTATION FUNDING AND POLICY PACKAGE
Adopted at the November 6, 2014 Annual Membership Meeting

Oregon's roads are crumbling. Freight movement faces serious bottlenecks. Many bridges need reinforcement to withstand earthquakes. Our public transit agencies are unable to keep up with demand for service. Some rural communities do not have easy access to essential services. Many Oregonians are unable to safely walk or bicycle in their neighborhoods. Past transportation decisions have failed to adequately consider impacts on public health and the environment. Federal funding is more and more tenuous, and instead of financing new projects, a large portion of current funds must pay off earlier investments.

While transportation is not an end in itself, a safe and reliable transportation system provides a critical foundation for our prosperity and quality of life. It is our responsibility to invest in a better transportation system, immediately and over the long run, to ensure the health and economic wellbeing of our state's residents and communities.

It is for these reasons that the following proposal is being considered.

GOALS OF THE PROPOSAL

- Put Oregonians to work creating cutting-edge multimodal transportation networks to connect people to jobs, attract new talent, and compete on a global scale.
- Address costly and time-consuming bottlenecks and improve connections to ports and freight yards to better serve agriculture, forestry, manufacturing and other key Oregon industries.
- To keep goods and people moving safely and reliably, maintain the transportation system in a state of good repair and increase its resiliency to natural disasters.
- Improve public health and air quality by making our neighborhoods walkable and bikeable and improving access to transit.
- Serve all Oregonians in every part of the state without regard to age, race, disability, or income.
- Reduce transportation-related pollution, preserve our natural environment, and make our transportation system more resilient to the impacts of climate change.

PRINCIPLES

- **FUND ALL MODES:** There is an urgent need to provide adequate funding for all transportation modes that move passengers and freight to improve the safety and reliability of the system and to support economic prosperity, community livability, and environmental quality.

- **FIX IT FIRST:** The State of Oregon’s first priority should be to maintain, rehabilitate and operate existing transportation facilities before building new ones.
- **PROVIDE RELIABLE FUNDING:** Stable and predictable revenues are critical to support ongoing road operations and maintenance as well as transit service enhancements.
- **SHARE COSTS FAIRLY:** The State of Oregon should raise revenue from system users, as appropriate, based on the benefits they derive or the costs they impose on the system.
- **PRESERVE LOCAL OPTIONS:** Addressing our transportation needs will require new funding at all levels of government. Accordingly, the Legislature should remove existing restrictions on local and regional revenue-raising authority and avoid enacting new limitations or pre-emptions.

PACKAGE FUNDING AND POLICY ELEMENTS OF THE PACKAGE

HIGHWAY

- **Prevent loss of highway fund revenue by indexing gas taxes to increases in fuel efficiency of the automobile fleet.**

Comments: This form of indexing acts as a stop-gap measure to prevent further erosion of automobile taxes due to increased fuel efficiency of the fleet until a road user charge can be fully implemented. It does not address the issue of some vehicles that do not pay the fuels tax (e.g. electric vehicles), and it does not impact truck taxes as the indexing will only prevent reduction of revenue owed by automobiles as a class under the cost responsibility requirement of the constitution. Increased revenues from indexing for fuel efficiency would be spent to stabilize revenues available for maintenance and operations.

- **Highway Maintenance and Preservation (“Fix-It”) Tax Increase \$ _____**

Comments: This proposal is intended to address the ongoing cost of maintaining the existing highway system and preventing increased costs caused by postponing maintenance efforts. Any revenue proposal by reference will include provisions for taxation that maintain heavy/light vehicle cost responsibility.

- **Highway Modernization (“Enhance”) Tax Increase \$ _____**

Comments: This proposal will help to resolve costly and time-consuming bottlenecks and improve connections to ports and freight yards to better serve agriculture, forestry,

manufacturing and other key Oregon industries as well as reduce congestion for those travelling to and from their place of employment.

- **Address “orphan highways” and freight corridors by adopting a 1-cent gas tax for a pilot program to facilitate the transfer of road miles between ODOT and local governments to better align ownership and responsibility with state vs. local interests.**

Comments: Jurisdiction over segments of roadway could be more efficiently and appropriately aligned so that those affected by the roadway have decision making authority over it. The State should transfer “orphan highways” – segments of state highway that function more like urban arterials to local governments. Local governments find themselves responsible for local roads and streets that have become statewide freight corridors in practice. Jurisdiction transfers can realign responsibility and authority. However, transfers are not frequent, mostly because of the inability of the receiving entity to pay for maintenance and enhancement of the transferred asset. This proposal seeks to eliminate that obstacle. It is anticipated that a program of this sort would be evaluated after ten years to determine whether it is still needed; if not, the revenue stream could be redirected to the general highway fund.

NON-HIGHWAY

- **Increase funds to enhance non-highway modal infrastructure by restoring the *Connect Oregon* multi-modal funding level to \$100 million in lottery bonds for the 2015-17 biennium. Funds would be used for grants and loans to support capital projects that involve one or more of the following modes of transportation: air; marine; freight rail; passenger rail; public transit; bicycle; and pedestrian.**

Comments: This is a short-term step to be taken while we progress toward the creation of a Multi-Modal Trust Fund analogous to the Highway Trust Fund, with dedicated revenues evenly split between passenger and freight investments.

- **Provide \$22.6 million per biennium for operation of Amtrak Cascades service.**

Comments: This proposal requests state general funds to cover the lost federal funds that were used to operate and maintain Oregon’s portion of the Amtrak Cascades service. This amount is in addition to \$6.8 million from custom license plate revenue and \$3.16 million from gas taxes on lawn mowers and other non-road equipment.

- **Provide \$75 million per biennium of state funds to cover the cost of elderly and disabled transit service.**

Comments: This proposal is intended to provide stability to funding for elderly and disabled transit services and provide a nexus for transit related state planning efforts. The rationale is that the state already has significant responsibility for providing services to vulnerable populations. Most of the funding for those services comes from the General Fund.

- **Provide up to \$20 million per biennium for Youth Transit Passes**

Comments: This proposal helps high-school-aged youth get to school, weekend and evening educational opportunities, extracurriculars and employment through better access to transit. Transit agencies can use the funds to support increased transit service that might be needed to transport youth quickly and dependably, as well as to provide free or reduced-cost transit passes for youth.

POLICY

- **Develop a 10-year multi-modal transportation needs assessment to establish and quantify the need to operate, maintain and improve the system on a consistent statewide basis. This will serve as the basis for funding proposals to be considered by future Legislatures.**

Comments: This proposal is intended to provide a thoughtful framework of clearly defined system needs and quantification of costs and benefits associated with such needs in such a way that allows policy makers to make informed future decisions about transportation funding.

- **Recommend that state transportation planning efforts (a) include findings regarding how each mode should best interconnect with other modes to maximize use of system resources and (b) evaluate the impact of the plans' findings on other transportation modes.**

Comments: This proposal attempts to alleviate siloing effect of modal planning so that it allows for a fuller consideration of modal connectivity in a systemic and holistic manner.

- **Direct ODOT to enter into agreements with other state agencies or local governments to share the costs of facilities and equipment, to the extent that the facilities and equipment meet the needs of both entities and provide efficiencies to taxpayers. ODOT shall attempt to develop one facility and/or equipment sharing project in each of the five ODOT Regions.**

Comments: This proposal provides direction to ODOT to look for those opportunities where co-locations of facilities and sharing of equipment can work well for both parties or for all parties. Co-location could reduce the overall cost of providing roadway maintenance and operations. Surplus facilities and equipment would be disposed of or repurposed.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 15- 4597, FOR THE PURPOSE OF ENDORING REGIONAL POLICY AND FUNDING PRIORITIES FOR 2015 STATE TRANSPORTATION LEGISLATION

Date: [insert date]

Prepared by: Randy Tucker (xt. 1512)
Andy Cotugno (xt. 1763)

BACKGROUND

THE CASE FOR INVESTING IN TRANSPORTATION

There is a significant need for investment in improved transportation infrastructure to meet the region's goals for economic prosperity, livability and environmental sustainability. A brief overview of the need is as follows:

- The Portland metropolitan region is viewed as a livable, economically competitive and environmentally sustainable region and is therefore growing in population and jobs. To support this growth while maintaining the qualities that attract people and jobs to our region, investments in transportation infrastructure are essential.
- Growing congestion throughout the region limits the region's global economic competitiveness, increases the cost of doing business within the region, reduces access to freight and intermodal terminals serving global and national markets and reduces access to labor for businesses and to jobs for households.
- Implementing the region's adopted land use and transportation plans mitigate the impacts of congestion with an economic value by 2040 of \$684 million/year in increased business output or sales, \$403 million/year in increased business income (above their increased costs) and \$287 million/year in increased wages for the workers. These are the amounts associated with economic growth due to congestion relief above the level of growth expected otherwise. The return on these investments in just economic terms is greater than 1.7 to 1.
- Investing in transportation infrastructure within the Portland metropolitan region also improves the ability of businesses statewide to access global and national markets through the region's marine, air cargo, rail and truck terminals.
- The prized cohort of young, highly educated individuals places a high value on vibrant, livable communities with walkable and bikeable neighborhoods and downtowns and a range of transportation choices. These investments attract people who drive the creativity of the region's labor force and enhance the region's global competitiveness.

- Accommodating the region’s growth consistent with adopted plans results in an efficient use of urban land thereby containing the cost of infrastructure expansion into a much larger urban area and preserving highly successful agricultural economies outside the urban growth boundary.
- Investing in transportation infrastructure not only mitigates growth in congestion, it also provides improved multi-modal transportation options for the public to access thereby providing another options to avoid congestion and reduce their cost of travel.
- Strategic investments in transportation infrastructure can make shovel-ready land available for business expansion.
- At the direction of the 2009 Jobs and Transportation Act, the region has completed the Climate Smart Communities Scenarios project and determined that the region’s adopted plans, if implemented, will exceed the state’s adopted targets for reducing greenhouse gas emissions from light-duty vehicle travel, while also achieving a number of co-benefits. It also showed that a lack of investment in needed transportation infrastructure will result in falling short of the goal and other desired outcomes the region has been working to achieve.
- Implementation of the region’s adopted land use and transportation plans will help people live healthier lives and save businesses and households money by reducing public health care costs associated with fatal and severe injury crashes for all modes of travel and illness from air pollution and a lack of physical activity. The monetized value of reduced health care costs related to illness alone equates to \$100-125 million saved per year by 2035. Society values the lives saved through implementation of the Climate Smart Strategy at more than \$1 billion per year by 2035.
- There is a need to invest in the operation, maintenance, rehabilitation and seismic upgrade of existing infrastructure to avoid much higher costs due to failure at a later date. In particular, the state is vulnerable to a major seismic event which could lead to \$405 billion of economic losses during the following seven-year recovery period. Hardening of key state bridges and landslide areas would mitigate this impact and make recovery more feasible.
- ODOT forecasts that existing revenues will result in continued deterioration of bridge and pavement conditions on the state highway system and that an increased investment of \$100 million per year could avoid a cost of \$3.4 – 5.2 billion after 20 years of decreasing investment and worsening bridge and pavement conditions. Allowing bridges and pavements to fail costs 70 to 160 percent more than routine maintenance due to the need to completely replace the facility.

DEVELOPING THE OREGON TRANSPORTATION FORUM’S PROPOSAL

In consideration of this, the region encourages the 2015 Oregon Legislature to enact a comprehensive, “all modes” transportation funding package. Because of the statewide character of the transportation need and the widespread impact of transportation investment and disinvestment, the Portland region joined together to help form and support the Oregon Transportation Forum (OTF). The OTF was created as a broad-based coalition of public sector, private sector, and community organizations that are responsible for delivery of an effective transportation system or significantly impacted by its outcomes. Membership of the OTF is comprised of the following organizations:

<ul style="list-style-type: none"> • 1000 Friends of Oregon • AAA Oregon/Idaho 	<ul style="list-style-type: none"> • Oregon Department of Transportation • Oregon Environmental Council
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<ul style="list-style-type: none"> • American Council of Engineering Companies • Associated General Contractors • Associated Oregon Industries • Association of Oregon Counties • Bicycle Transportation Alliance • BNSF Railway • Business Oregon • City of Beaverton • City of Bend • City of Portland • City of Tigard • City of Wilsonville • Clackamas County • Coos Siskiyou Shippers Coalition • Lane Transit District • League of Oregon Cities • Metro • Oregon Concrete & Aggregate Producers Assoc. 	<ul style="list-style-type: none"> • Oregon Public Ports Association • Oregon Refuse and Recycling Association • Oregon State Building & Construction Trades Council • Oregon Transit Association • Oregon Travel Experience • Oregon Trucking Association • Oregon Vehicle Dealer Association • Portland Cement Association • Portland & Western Railroad • Port of Coos Bay • Port of Portland • State Street Solutions • Transportation for America Committee • Tri-Met • Upstream Public Health • Union Pacific Railroad • Washington County • Western States Petroleum Association
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KEY FEATURES OF THE OREGON TRANSPORTATION FORUM PACKAGE AND PRIORITY INTERESTS FOR THE PORTLAND REGION

The OTF package recommended for adoption by the 2015 Legislature is designed to be an “all modes” package to address the needs described above. The package includes proposals for “Fix-It” to maintain, operate, rehabilitate and seismically retrofit the existing system; proposals for “Enhance” to upgrade and improve the system in support of growth and economic development; and policies to more efficiently and strategically guide future investments. Unlike nearly every other state, Oregon cannot address its transportation needs by simply increasing the sales tax. Rather, due to the characteristics of Oregon’s tax system, the package is comprised of a series of targeted revenue increases supporting the highway trust fund for road-related purposes and allocation of general funds/lottery funds for targeted non-road purposes. Key features are as follows:

1. **City/County/State “Fix-It” Program (“catch up and keep up”):** The region acknowledges and supports the principle of “Fix It First” and therefore supports an increase in highway trust fund revenues to support operations, maintenance, rehabilitation and seismic upgrades. This increased level of funding is needed by all road jurisdictions statewide from the smallest to the largest and therefore the region supports distribution through the historical 50/30/20 split. Further, the region supports indexing of the taxes on light duty vehicles (cars and small trucks) for changes in the fuel efficiency of the fleet. However, the region also acknowledges that the state will never fully meet local maintenance needs and therefore continued pursuit of local sources will be essential.
2. **State and Regional “Enhance” Program:** In addition to taking care of what we have, the region urgently recognizes the need to invest in expansion and improvement of the transportation system to support growth and economic development. The Portland region is the economic engine of the state and the portal for goods and services produced statewide to access national and global markets. Lack of investment will result in negative impacts on economic prosperity, livability, environmental sustainability, health costs and climate. The region supports an increase in highway trust fund revenues with 50% targeted to ODOT’s “Enhance” Program for projects of

state significance and 50% targeted to projects of regional and local significance.

3. **Orphan Highway Program:** The region supports the creation of an “Orphan Highway Program” as a 10-year pilot to facilitate the alignment of ownership with function and to provide for improvement to key facilities that fall between the jurisdictional ownership cracks.
4. **Elderly and Disabled Transit Service:** To meet the region’s goals, especially related to greenhouse gas reductions to address climate change, there is an urgent need to increase transit operations funding to expand service. In addition, these costs are currently predominantly borne locally and the State of Oregon is amongst the lowest in the country for its contribution toward transit. The proposed increase in state funding for services to the elderly and disabled populations is closely related to other social service responsibilities of the state and would relieve local transit providers of this growing obligation. This would, in turn, free up local funding capacity to upgrade transit services throughout the region. Services to the elderly and disabled populations are needed throughout urban and rural Oregon and a state contribution is consistent with the state interest.
5. **Connect Oregon VI:** Connect Oregon is the non-road source to address the multi-modal improvement aspects of the “all modes” package. Connect Oregon I-V were awarded to non-road projects on a competitive basis throughout the state. Authorization at the historic level of \$100 million per biennium is important in recognition of the economic importance of these investments. Further refinement to the program is needed to better align the program to the five ODOT regions and to incorporate improvements for passenger rail facilities in addition to freight rail.
6. **Youth Transit Service:** Although youth passes are provided within the Portland Public School system (based upon a cost sharing arrangement between Portland Public Schools, the City of Portland and TriMet), youth access to transit elsewhere is very limited. This program would fill in for the canceled Business Energy Tax Credits (BETC) to provide grants to localities to improve the service needed for youth access to school and after school activities, including jobs, and/or to provide access to service with free or discounted passes. This would make it possible to provide benefits statewide beyond the limited area in Portland.
7. **AMTRAK Cascades Passenger Rail Service:** This would allow continuation of the existing AMTRAK Cascades service under a cost sharing arrangement with the State of Washington and the Province of British Columbia. Funding to continue this service is needed because of the decision of the federal government to no longer assume responsibility for these costs. The federal government will continue to fund and operate the long distance trains (i.e. Portland to Chicago and Seattle to San Diego) but not the regional trains (Eugene to Vancouver, BC). The current service level is an essential platform for future upgrades to service frequency, reliability and speed.
8. **10-year multi-modal strategic transportation needs assessment:** This would draw from existing plans to establish a consistent definition of needs and benefits for all aspects of the multi-modal transportation system regardless of service provider. The focus on a 10-year horizon is intended to produce a realistic proposal to fund improvements and operations that can be feasibly funded and delivered.

ANALYSIS/INFORMATION

1. **Known Opposition:** This resolution endorses increased taxes by the Oregon Legislature which always draws opposition.
2. **Legal Antecedents:** State funding toward transportation is established in state law and this proposal would also require state legislation.
3. **Anticipated Effects:** Adoption of the proposal by the 2015 Legislature would provide funds to implement multi-modal projects and transit service improvements called for in the Regional Transportation Plan.
4. **Budget Impacts:** Metro's budget includes the cost of a lobbyist and this resolution would establish transportation related legislation that the lobbyist would pursue.

RECOMMENDED ACTION

Recommend adoption of Resolution No. 15-4597

**2015 Regional Transportation Agenda:
Specific Recommendations**

A transportation funding package should be implemented based upon the following principles:

- **Fix It First:** First priority should be to take care of what we already have with sufficient resources targeted toward maintaining, operating, preserving and seismically upgrading the existing multi-modal transportation system. We must adequately fund the existing system in order to realize the benefits for which it was built and avoid the much higher cost at a later date of reconstruction due to deferred maintenance.
- **Invest in the Future:** Transportation investments are a key aspect of all of the region's plans and contribute significantly to meeting goals relating to enhancing livability and economic prosperity, effectively managing growth to maintain and improve vibrant communities while protecting farm and forest lands outside the urban growth boundary, and protecting and improving clean air and water, including reduction of greenhouse gases from light duty vehicles. In addition, the Portland region serves as a gateway for goods and serves throughout Oregon to access national and global markets.
- **Implement an "All Modes" approach to transportation funding:** A successful region depends upon a successful multi-modal transportation system and it is important to maintain and improve all parts of that system. As such, this 2015 legislative package should provide funding for all modes; implementation of one part of the package should not come at the expense of another part of the package.
- **Implement a Programmatic Approach:** The proposed 2015 legislative package is structured around tying certain funding sources to certain programmatic purposes, thereby facilitating on-going implementation consistent with these purposes into the future. Priority projects will be selected and implemented within each program.
- **Preserve Local Options:** The state is one partner, together with the federal government and regional and local governments and agencies, in funding the multi-modal transportation system. State resources are important to implement systems and services of state significance and to ensure a baseline system can be maintained and operated at the local level. In addition to state sources, a significant funding contribution has and will continue to come from regional and local governments and agencies. Accordingly, the Legislature should remove existing and avoid enacting new local funding limitations or pre-emptions.

The elements of the 2015 legislative funding package endorsed by the Portland metro region are as follows:

1. **City/County/State "Fix-It" Program ("catch up and keep up"):** Increase highway trust fund revenues to catch up with needed maintenance, operations and preservation on the city/county/state road system and index the resource to avoid future losses of revenue.
 - a. Increase auto and truck taxes and fees to be distributed 50% to ODOT for the state highway system, 30% to counties for county roads and 20% to cities for city streets.
 - b. Index the state highway trust fund revenue sources on light duty vehicles (autos and small trucks) to ensure they don't lose revenue due to the rapidly changing vehicle fleet of

4. Elderly and Disabled Transit Service:

- a. Increase state funding from \$10 million to \$75 million to fund transit services for elderly and disabled persons statewide, including in metropolitan areas and large and small urban and rural areas throughout the state.
- b. Commit to continued state funding beyond the 2015-17 biennium.
- c. Coordinate funding for elderly and disabled persons with other social service programs administered by the state.

5. Connect Oregon VI:

- a. Fund a sixth round of the Connect Oregon multi-modal capital program and restore the funding level to \$100 million in lottery bonds for the 2015-17 biennium.
- b. Provide for authorized uses of the funds for improvements to the air cargo, marine cargo and freight and passenger rail systems and person travel improvements to the transit, bike and pedestrian systems.
- c. Fund the highest priority projects while assuring a minimum target amount of 10% to each of five regions.
- d. Align the five regions with the ODOT region boundaries.
- e. Continue to investigate establishment of a multi-modal trust fund (comparable to the highway trust fund) with a dedicated funding source.
- f. Place a stronger priority on loans (rather than just grants) thereby incentivizing investment by others and establishing a revolving fund.

6. Youth Transit Service

- a. Provide \$20 million per biennium to create a grant program to fund improved transit service and free or reduced transit fares to youth in both rural and urban communities around the state.

7. AMTRAK Cascades Passenger Rail Service:

- a. Support stable statewide inter-city transit service by providing \$22.6 million for operating support of the AMTRAK Cascades service between Eugene, Albany/Corvallis, Salem, Oregon City, and Portland to Washington State and Vancouver, B.C.
- b. Commit to continued state funding beyond the 2015-17 biennium.

8. 10-year multi-modal strategic transportation needs assessment:

- a. Develop a 10-year multi-modal strategic transportation needs assessment to quantify needs vs. expected revenues to operate, maintain, preserve and improve the multi-modal system on a consistent statewide basis.
- b. Provide the basis for future transportation funding requests to the Legislature.

POSSIBLE AMENDMENT #1 TO RESOLUTION NO. 15-4597: Indexing for Inflation

Add to item 1.b. on Attachment 1 as follows:

b. Index the state highway trust fund revenue sources on light duty vehicles (autos and small trucks) to ensure they don't lose purchasing power to inflation or lose revenue due to the rapidly changing vehicle fleet of electric cars and highly fuel efficient cars. Dedicate the revenues from indexing to ensure the existing highway, road and street systems continue to be adequately maintained into the future.

Explanation

This amendment would support adoption of state legislation to index the highway trust fund for inflation in addition to indexing based on the increasing fuel efficiency of the fleet. Since the gas tax, truck tax, title fee and vehicle registration fee are set at a fixed rate, as inflation drives up the cost of road repair, maintenance and improvement, the purchasing power of the revenue base gradually erodes and there is less capacity to adequately maintain the system. In the past, in order to catch up with the lost purchasing power due to inflation, it has been necessary for the Legislature to act to increase these fixed tax rates. This proposal would peg future increases to a generally recognized index of inflation (e.g., the CPI). Rather than producing increased revenues to improve the system, these indexed tax increases would simply restore purchasing power lost to inflation.

Arguments in Favor

Including indexing for inflation would provide a more stable revenue base for the road system and allow ODOT, cities and counties to establish an adequate maintenance program that doesn't erode with inflation. In addition, indexing for inflation as part of this comprehensive package would take advantage of the significant effort required to educate the Legislature.

Arguments Against

The Oregon Transportation Forum process explicitly addressed indexing for inflation and the coalition chose not to include this feature. Adding endorsement of indexing for inflation is contrary to the goal of presenting a comprehensive recommendation to the Legislature with a unified set of advocates calling for implementation of the package. Pursuing any transportation funding package in the Legislature is always challenging and maintaining unified support from a broad coalition can be very important.

Staff Recommendation:

Do not adopt Amendment #1 endorsing indexing for inflation.

POSSIBLE AMENDMENT #2A TO RESOLUTION NO. 15-4597: Regional distribution of 50% of “Enhance” Program

Add to item 2 on Attachment 1 as follows:

- 2. State and Regional “Enhance” Program:** ODOT recently consolidated its various road and non-road categories of funds intended for modernization of the multi-modal transportation system into a combined “Enhance” program to facilitate the selection of priority projects most important to each region regardless of mode. Increase highway trust fund revenues to expand the ODOT “Enhance” Program and establish a complementary Regional/Local “Enhance” Program.
- a. Increase auto and truck taxes and fees to support an expanded and more comprehensive “Enhance” program.
 - b. Distribute 50% of the increase to expand the ODOT “Enhance” Program for projects of statewide significance.
 - ~~c. Distribute 50% of the increase to localities to establish an “Enhance” Program for projects of regional and local significance.~~
 - c. Distribute 50% of the increase to metropolitan areas and cities and counties outside metropolitan areas to establish an “Enhance” Program for projects of regional significance.
 - d. Distribute the Regional “Enhance” funds in a manner that maintains the funds in large enough amounts to actually fund improvement projects and to leverage and link up with the federal flexible funds that are also distributed to metropolitan areas and localities. In the Portland region, these funds would be incorporated into the Regional Flexible Fund Allocation with projects recommended by the Joint Policy Advisory Committee on Transportation.

Explanation

The recommendation adopted by the Oregon Transportation Forum calls for funding for an “Enhance” Program with a portion targeted to ODOT and projects of state significance and a portion to localities for projects of local and regional significance. However, the OTF recommendation was silent on the method of distribution and invited members with differing views to “work it out.” This amendment would establish the region’s position on a specific approach to distribution as an addition to the OTF recommendation

The approach to distribution supported by this amendment is to mirror the distribution of the federal Surface Transportation Funds. Under this approach, there would be a per capita distribution of the 50% targeted for projects of regional significance to the eight metropolitan planning organizations (MPOs) then to the cities and counties outside MPOs. If there were an “Enhance” program established at the 5-cent gas tax level (which is what the OTF considered), it would result in a distribution to the Portland metro area of about \$25.9 million per year.

Arguments in Favor

In the Portland region, these funds would be incorporated into the Regional Flexible Fund Allocation process with projects recommended by the Joint Policy Advisory Committee on Transportation (JPACT). This addition of a funding source restricted to highway, road and street projects would complement the approximate \$40 million per year of federal flexible funds also allocated through JPACT. The combined resource would enable the region to fund larger, more expensive projects, including multijurisdictional projects, and make significant progress toward implementing the Regional Transportation Plan. It would ensure a dedicated source of funds for road and street projects and reduce the competition for the federal flexible funds, allowing more of those funds to be dedicated to non-road projects without coming at the expense of road projects. A revenue source allocated to projects through JPACT would allow for the

selection of projects based upon their regional priority rather than based upon their ownership, in a process that includes input from a broader range of regional partners than just the cities and counties (including TriMet, the Port of Portland, DEQ and JPACT representatives from the State of Washington).

Arguments Against

No individual jurisdiction or agency would receive a guaranteed allocation of funds. As such, in order for projects to be selected for funding, each jurisdiction would have to compete for the funds based upon criteria established through JPACT.

Staff Recommendation:

Adopt Amendment #2A endorsing distribution to metropolitan planning organizations.

DRAFT

POSSIBLE AMENDMENT #2B TO RESOLUTION NO. 15-4597: Local distribution of 50% of “Enhance” Program

Add to item 2 on Attachment 1 as follows:

- 2. State and Regional “Enhance” Program:** ODOT recently consolidated its various road and non-road categories of funds intended for modernization of the multi-modal transportation system into a combined “Enhance” program to facilitate the selection of priority projects most important to each region regardless of mode. Increase highway trust fund revenues to expand the ODOT “Enhance” Program and establish a complementary Regional/Local “Enhance” Program.
- a. Increase auto and truck taxes and fees to support an expanded and more comprehensive “Enhance” program.
 - b. Distribute 50% of the increase to expand the ODOT “Enhance” Program for projects of statewide significance.
 - c. Distribute 50% of the increase to localities to establish an “Enhance” Program for projects of regional and local significance.
 - d. Distribute the 30% of the local “Enhance” funds to Counties based upon registered vehicles and 20% to Cities based upon population.

Explanation

The recommendation adopted by the Oregon Transportation Forum calls for funding for an “Enhance” Program with a portion targeted to ODOT and projects of state significance and a portion to localities for projects of local and regional significance. However, the OTF recommendation was silent on the method of distribution and invited members with differing views to “work it out.” This amendment would establish the region’s position on a specific approach to distribution as an addition to the OTF recommendation

The approach to distribution supported by this amendment is to follow the current approach to distributing state highway trust funds to cities and counties and the method also recommended for the increase in funding for a “Fix-It” Program. Under this approach, 30% would be distributed to Counties on the basis of registered vehicles and 20% to Cities on the basis of population.

If there were an “Enhance” program established at the 5-cent gas tax level (which is what the OTF considered), in lieu of an overall amount allocated to the Portland region (\$25.9 million as called for in Amendment #2A), there would be an allocation to each City and County in the region as follows:

Beaverton	\$903,100
Cornelius	\$117,900
Damascus	\$104,800
Durham	\$13,500
Fairview	\$88,300
Forest Grove	\$215,000
Gladstone	\$113,800
Gresham	\$1,048,900
Happy Valley	\$148,100
Hillsboro	\$916,100
Johnson City	\$5,600
King City	\$31,900

Lake Oswego	\$364,000
Maywood Park	\$7,400
Milwaukie	\$203,000
Oregon City	\$321,700
Portland	\$5,819,000
Rivergrove	\$4,200
Sherwood	\$180,800
Tigard	\$482,400
Troutdale	\$158,400
Tualatin	\$258,500
West Linn	\$251,100
Wilsonville	\$203,100
Wood Village	\$38,500
Clackamas County	\$4,073,900
Multnomah County	\$6,805,700
Washington County	\$4,696,200

Arguments in Favor

Distribution under this approach is consistent with past practice and a familiar approach to the Legislature. In addition, it maintains this past practice with individual cities and counties and their state associations, the League of Cities (LOC) and the Association of Oregon Counties (AOC), and therefore avoids confusion and disagreement about implementing a new approach.

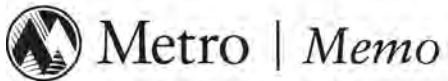
Further, this approach acknowledges the need for transportation improvements in each city and county and provides guaranteed funding with no additional need to compete for funds.

Arguments Against

Distribution to so many individual cities and counties would result in many small allocations that would be insufficient to fund any meaningful improvements to the transportation system. In addition, distribution to individual cities and counties would not allow for integration with multi-modal transportation projects funded through the Regional Flexible Fund Allocation. Further, allocation to an individual city or county would not facilitate consideration of improvements to facilities that are the responsibility of another jurisdiction, such as city or state owned roads passing through the city. Finally, distribution to each individual city and county does not recognize the broader regional benefit of projects built within one jurisdiction that serve individuals and businesses in a neighboring jurisdiction.

Staff Recommendation:

Do not adopt Amendment #2B endorsing the distribution to individual cities and counties.



To: JPACT
From: Andy Cotugno
Re.: Regional position on federal transportation policy
Date: December 23, 2014

Attached for discussion at the January 8 JPACT meeting is a draft regional position on federal transportation policy related to reauthorization of the transportation program. At the January meeting, I am seeking feedback and will finalize the piece in the form of a proposed resolution for consideration at the February 12 JPACT meeting. On the JPACT trip to Washington DC, the intent is to use this as a messaging guide in lieu of scripted speaking points for individual JPACT members.

PORTLAND REGION POSITION ON FEDERAL TRANSPORTATION POLICY AND FUNIDNG

Investment in a multi-modal transportation system is important for the region, the state and the nation to reach its goals for economic growth and prosperity, community livability and environmental sustainability and to ensure there is an equitable ability of all members of the community to benefit. The needed investment requires commitment at the federal, state and local levels. The state and local governments have stepped up substantially to increase their level of investment and are aggressively pursuing further increases. However, the federal government has not stepped up and the overall share of investment by the federal government is shrinking as a percent of the total. With this in mind, the following are the key policy messages from the Portland region to our Congressional delegation.

INCREASE INVESTMENT

- Substantially increase the level of federal investment in all parts of the multi-modal surface transportation system, preferably with some form of user fees and with a renewed expression of commitment through addition to the Trust Fund. Adopt the proposal to phase in a gas tax increase, index it to keep pace with inflation and fuel efficiency and sunset it to encourage conversion to a mileage based fee. Expand the application of Road User Charge pilot projects to more states to increase the understanding and awareness of this approach.
- With an increased commitment of funding resources, adopt a 5-6 year authorization bill to provide certainty and stability to the planning, engineering and programming process.
- If there is not an increased funding commitment, maintain status quo levels (with a modest allowance for inflation) and limit the authorization bill to a two-year period.

EXPANDED POLICY INTENT

With an increase in funding and 5-6 year certainty, it is feasible to expand the scope of the federal transportation program and invest in matters that need increased attention.

- Continue the TIGER program and establish additional categories of competitive grants. Competition reinforces local innovation leading to better transportation investments.
- Expand the federal ability to support transportation investment through better credit options including increased application of the TIFIA program and relaxing limitations on the use of tolls.
- Maintain the New Starts and Small Starts programs.
- Continue to expand the focus on freight but ensure freight is addressed in a multi-modal manner including urban and intercity trucking, rail, marine, air cargo and intermodal connections.
- Increase the level of investment in and the certainty of funds for passenger rail service.
- Continue to increase the focus on performance based planning and programming of funds. Ensure performance metrics are comprehensive in nature covering not only measures of the condition and operation of the transportation facilities themselves but the community benefits that result such as safety, economic prosperity, affordability for the user, health, climate change and equity.
- Clarify language for FTA sponsored joint development projects directing that they are intended to both provide for an economic return on the transit investment and produce more economically and socially successful communities as a result of the transit investment.

- Add an emphasis on improved access to employers including creation of employer based councils and funding for “last mile” access.
- Increase the suballocation of funds to metropolitan planning organizations.
- Continue to pursue methods of streamlining federal requirements to speed up project delivery while maintaining the requirements for intergovernmental cooperation, community involvement, inclusion and equity and environmental impact.
- Renew the Commuter Parity Act providing comparable tax benefits to transit users as auto commuters.
- Expand the emphasis on safety including reduced serious injuries and deaths across all modes and on all parts of the transportation system. Establish separate safety targets for bike and pedestrian modes.
- Continue the federal transportation investment in university research centers and programs.

PROJECT ACTIVITIES

Certain projects are significantly impacted by the administrative practices of the federal agencies and support from the delegation may be needed in the following areas;

- The Southwest Corridor and the Powell Division Corridors are progressing through the federal New Starts process with considerable FTA oversight.
- Passenger rail improvement between Eugene, Portland, Seattle and Vancouver BC is being pursued by Oregon, Washington and the Province of British Columbia. The scope of upgrade in Oregon is now under consideration in a Draft Environmental Impact Statement with considerable oversight by FRA.
- There is a legislative proposal in the DOT bill to revise the criteria for US Coast Guard permitting of a new bridge over navigable waters to also take into consideration the needs of rail, aviation, transit and highway traffic. This may be important for any possible future Columbia River Crossing.
- The region is targeting significant redevelopment around light rail and street cars stations which often involves significant FTA oversight. It is important to the region that investing in these sites be for the community goals of the area not just to capture the increased property value from the transit investment.
- There is currently a process underway with the US Army Corps of Engineers to consider alternate approaches for rehabilitation of the Locks at Willamette Falls and the reopening to public commercial and recreation service. This would enable the full length of the Willamette River to resume its historic function as an important transportation route.

Materials following this page were distributed at the meeting.

Dear Chair Dirksen:

A number of factors prevent Gresham from attending tomorrow's JPACT meeting, but I did not want the conversation related to the Oregon Transportation Forum's "Enhance" proposal to occur without submitting our perspective for consideration.

Gresham opposes proposed Amendment 2A and supports proposed Amendment 2B. While we respect that it is a complex question and there are unique benefits to both approaches, on balance the certainty that the formula distribution provides us is a greater benefit than the potential of seeking more funding through a competitive process. Additionally, the certainty of the formula distribution gives us a predictable, productive way to seek other transportation funding, using that formula funding as a match.

Additionally, it is difficult to support a competitive regional distribution of funds without knowing what the criteria for distribution would be. It is possible that the criteria would be crafted in ways that would disadvantage our community and favor others. Without knowing the criteria, it is not possible to know if a competitive funding process could be useful for Gresham.

While the prospect of greater funding for larger projects being available through a competitive process is appealing, the sub-regional dynamic that we face with the East Multnomah County Transportation Committee dilutes the influence of Gresham residents by giving our 107,000 residents the same voting influence in the process as the 3,900 residents in Wood Village. While we enjoy a productive partnership with our neighboring communities, it is well beyond time for our sub-regional and regional transportation processes to recognize the differences in size and impact of our communities.

Until we feel like we can assert a fair influence in regional transportation processes, it will always make sense for Gresham to favor formula distributions. Thank you for the opportunity to submit our perspective on this issue.

Sincerely,

Shane Bemis
Mayor of Gresham

Economic Impacts of Congestion in Oregon

**Joint Policy Advisory Committee on
Transportation**

January 8, 2015

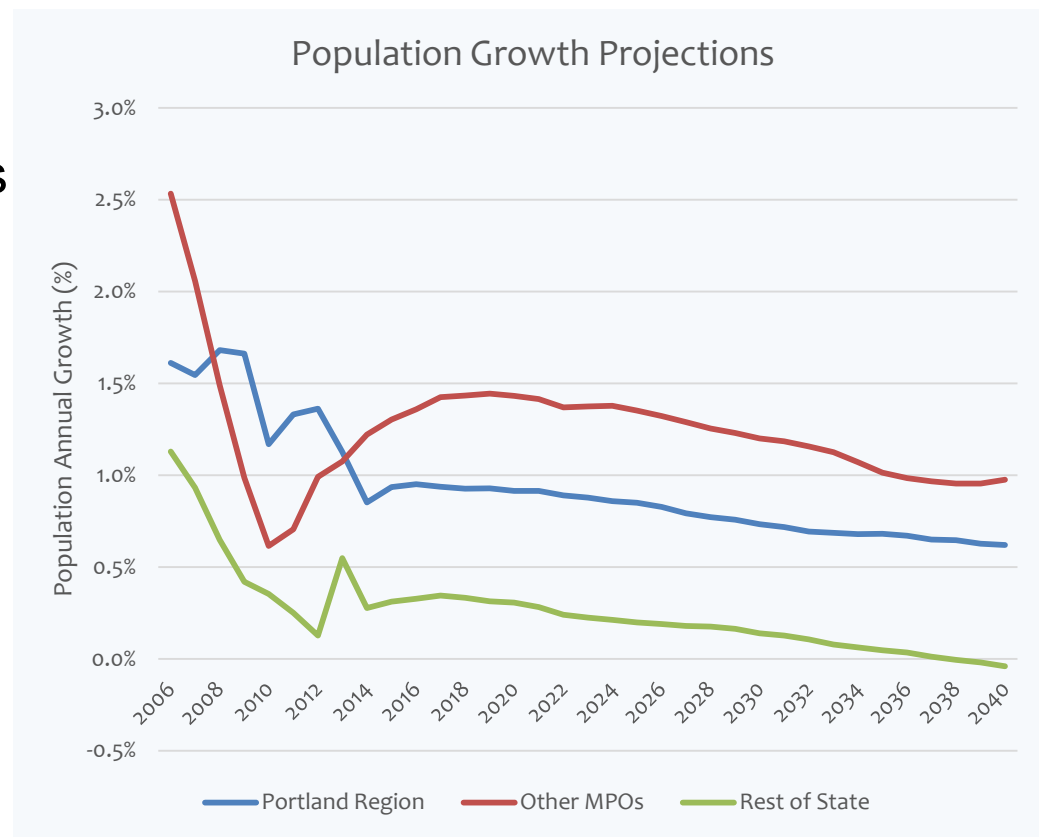
Prepared for:
Portland Business Alliance
Oregon Business Plan
Port of Portland

The Issues

Growing Population

Total state population is expected to increase by 0.7% annually from 2014-2040

- 0.8% in Portland Region
- 1.2% in Other Study Metros
- 0.2% in Rest of State

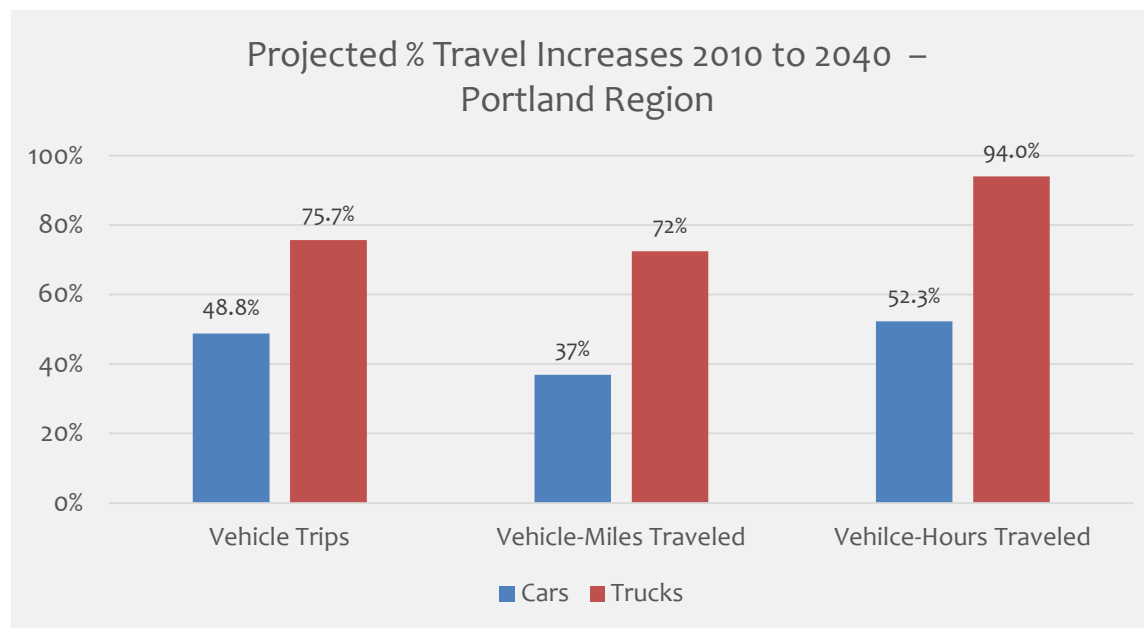


Source: Moody's Analytics

Rapid Travel Growth

Traffic is Expected to Increase Due To:

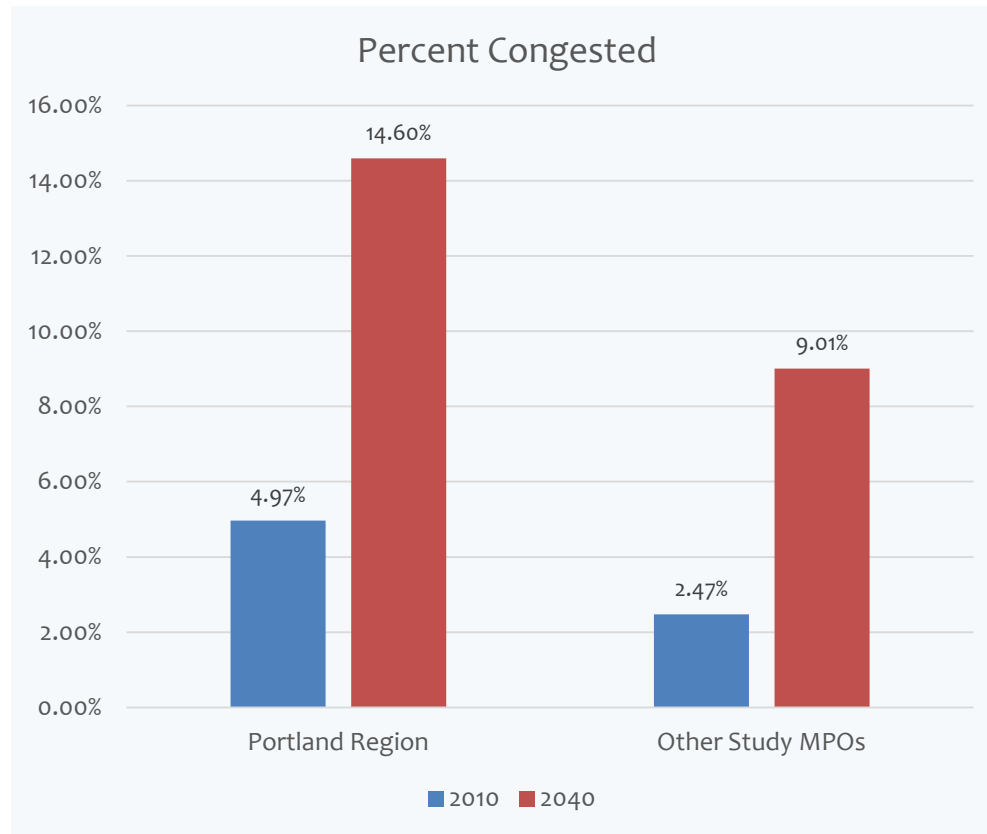
- Population Growth
- Expanding Buyer/Supplier Markets
- Globalization
- Overnight Deliveries
- Lack of Alternatives for Local Ground Transport



Source: Portland Metro

System Performance Degrades

Even with existing & committed projects, system performance declines.



Source: Portland Metro; Oregon DOT

Doing 'Nothing' Costs the Economy

Congested Future Scenario of existing and committed projects by 2040 will **cost** the **average household**:



- **211 hours** of additional travel time / year (Portland Region)
- **105 hours** of additional travel time / year (Other MPOs)

System Performance Degrades

Worsening congestion and speeds by 2040 will cause the **average household** to experience:

- **69 hours** of congestion / year
(Portland Region)
- **18 hours** of congestion / year
(Other MPOs)



Compared to 50 hours of household delay / year
in *Cost of Congestion to the Economy of the Portland
Region (2005)*

Source: EDR Group

Questions Addressed in Current Study

- What are the impacts of highway congestion on the economic performance of Oregon and major metropolitan areas of the state?
- How has congestion affected business transportation decisions and operations in the state?
- How have the effects of congestion changed since the last PBA study in 2005?
- What are the effects of transportation investment on the state's economy?
- What are the potential economic impacts of a seismic event affecting transportation infrastructure?

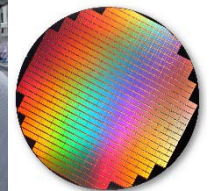
The Oregon Economy is Transportation Dependent

Traded Industries

- Provide products and services to markets **beyond metro area**.
- Source of money flowing into the metro area that **support local-serving industries**.
- Depend on **transport connections**.
- Can expand or **relocate elsewhere** if Portland location becomes less competitive.
- Includes **international trade**, as well as **trade with other domestic regions/states**

Key Traded Sectors

- ✓ Steel products
- ✓ Agricultural products
- ✓ Computer / Electronics
- ✓ Sporting goods/apparel
- ✓ Transport equipment
- ✓ Machinery
- ✓ Wholesale / Distribution



Traded Industries

- Portland Region ranks **5th in international exports** among Western State metropolitan areas

Region	2012 Exports
1. Los Angeles MSA	\$93.8 billion
2. Seattle MSA	\$47.1 billion
3. San Francisco MSA	\$38.0 billion
4. San Jose MSA	\$34.6 billion
5. Portland MSA	\$33.9 billion
6. San Diego MSA	\$21.6 billion

Top Portland Region International Exports

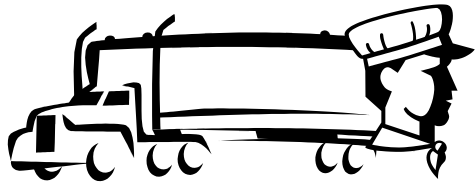
- ✓ Computer / Electronics
- ✓ Machinery
- ✓ Transport equipment

Top 3 are 89% of all exports by value



Source: Brookings Institution, EDR Group vFreight

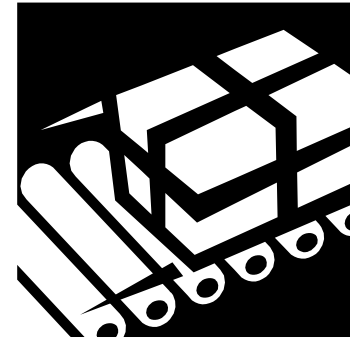
Dependency on Transportation Related Services



346,000 jobs

In transportation-related or
transportation-dependent industries

Source: Moody's Analytics, 2014



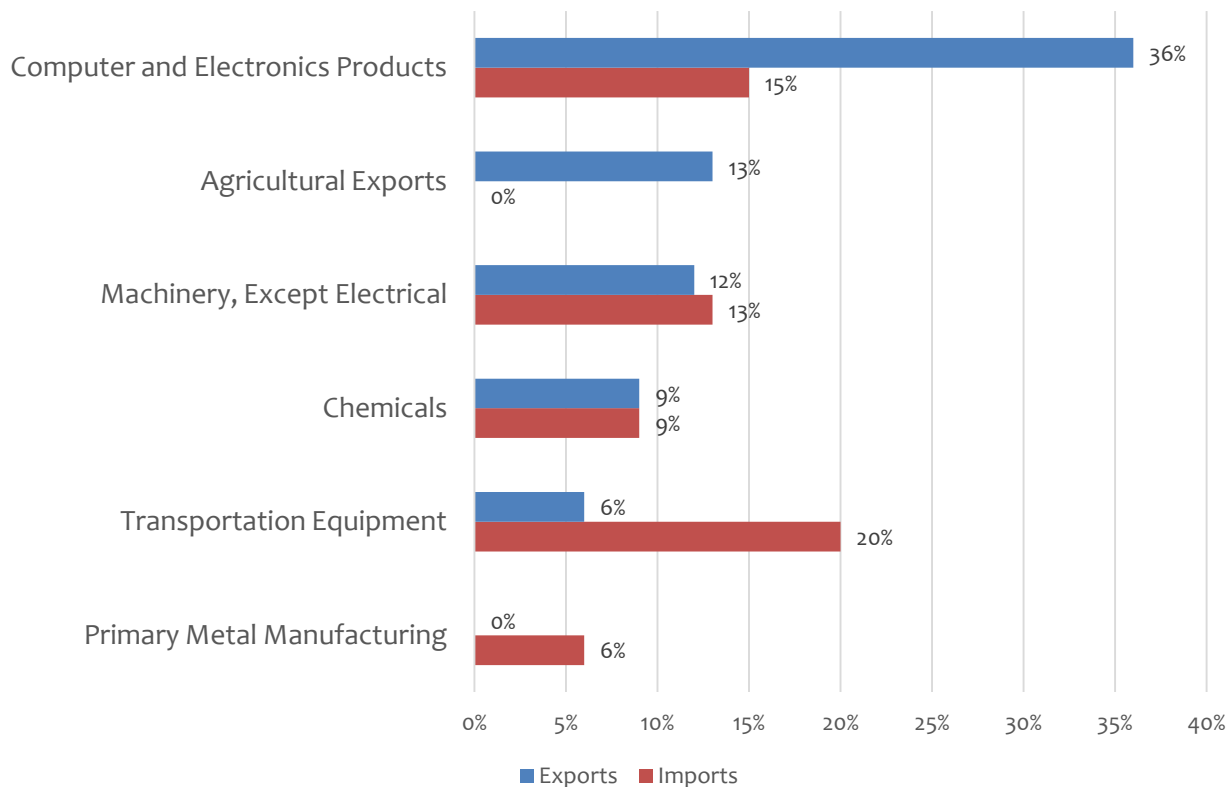
\$300 billion of commodities

move annually into, out of, and through
Oregon

Source: FAF3, 2012

Major International Trade Industries

Oregon Top 5 Industries*;
Share of International Trade



Trucks carry 74% of all international trade goods (by value) into and out of Oregon.

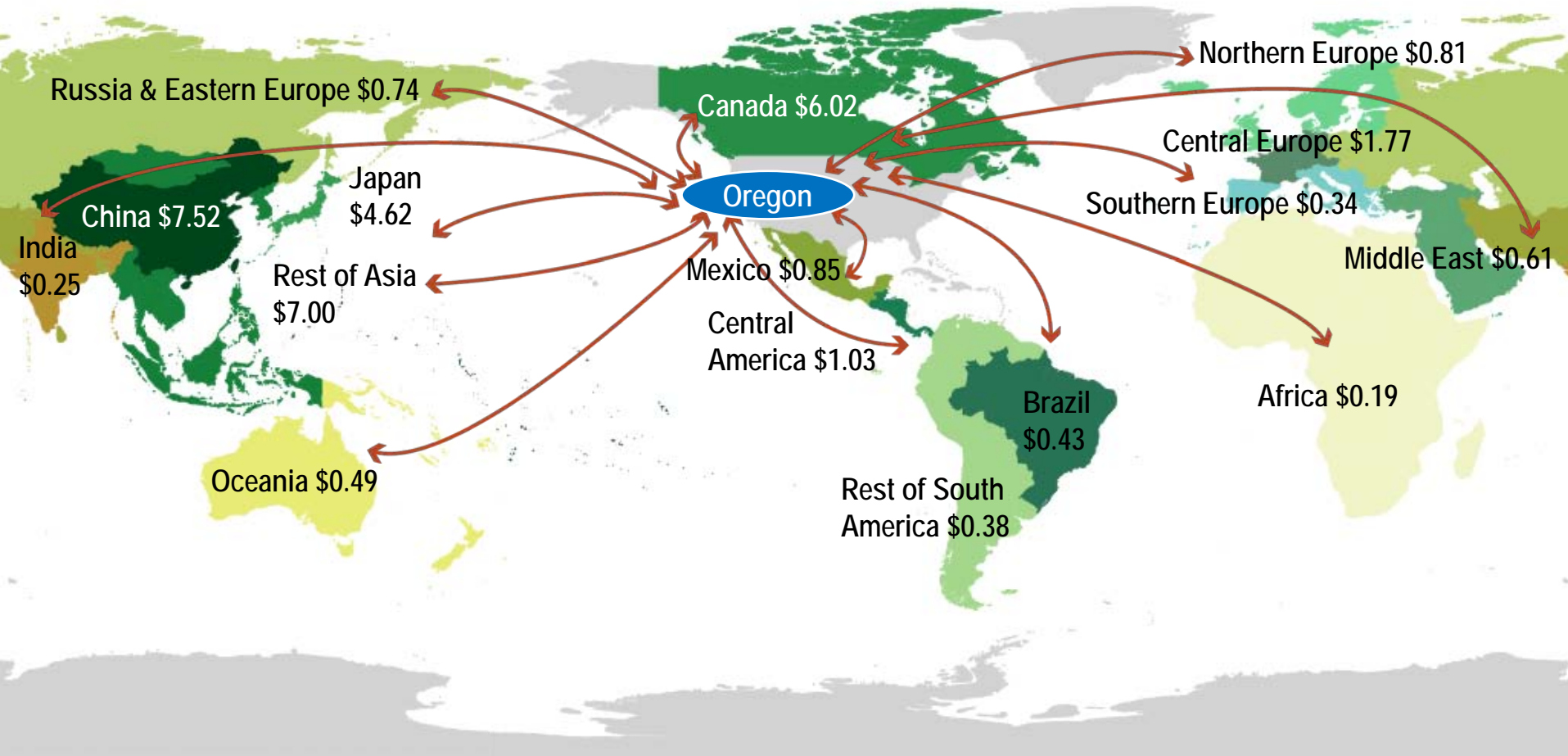
(Source FAF 3)

Trucks are used for part of air, sea and rail shipments.

Source: WISERTrade

* Top 5 Exports & Top 5 Imports by Value
Creates 6 total categories.

Global Reach of Oregon Trade



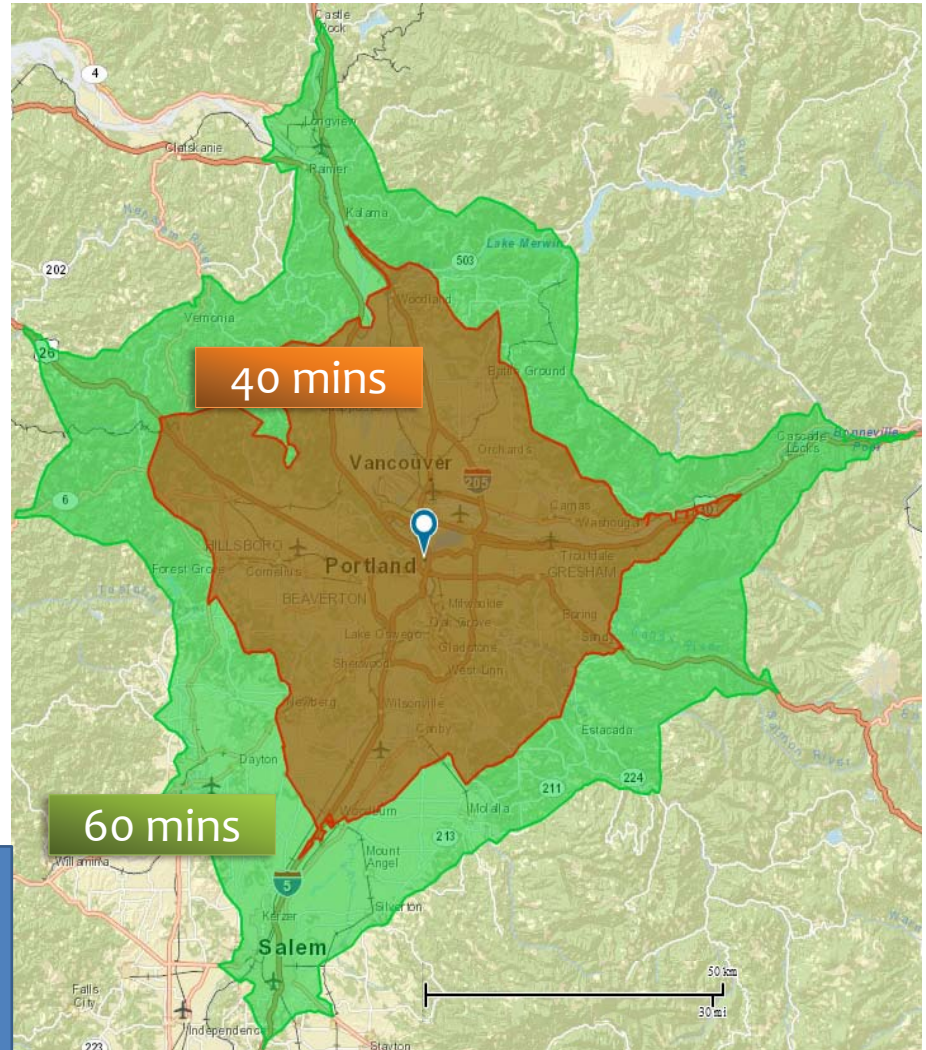
Import and Export Trade in Billions of Dollars

Source: WISERTrade, 2014

Market Access

- More than just travel time cost and impact.
- Congestion shrinks the size of **labor markets** and **delivery markets** that can be served.

Example of Difference in Market Access Between 40 and 60 Minutes Drive



Competitiveness

- Congestion reduces the advantages of a location

Factors in
✓ Business Retention
✓ Expansion
✓ Attraction

Freight Delivery Routes & Markets

Warehousing and Distribution Logistics

Labor Markets: Cost & Skill Availability

Land and Operations Costs

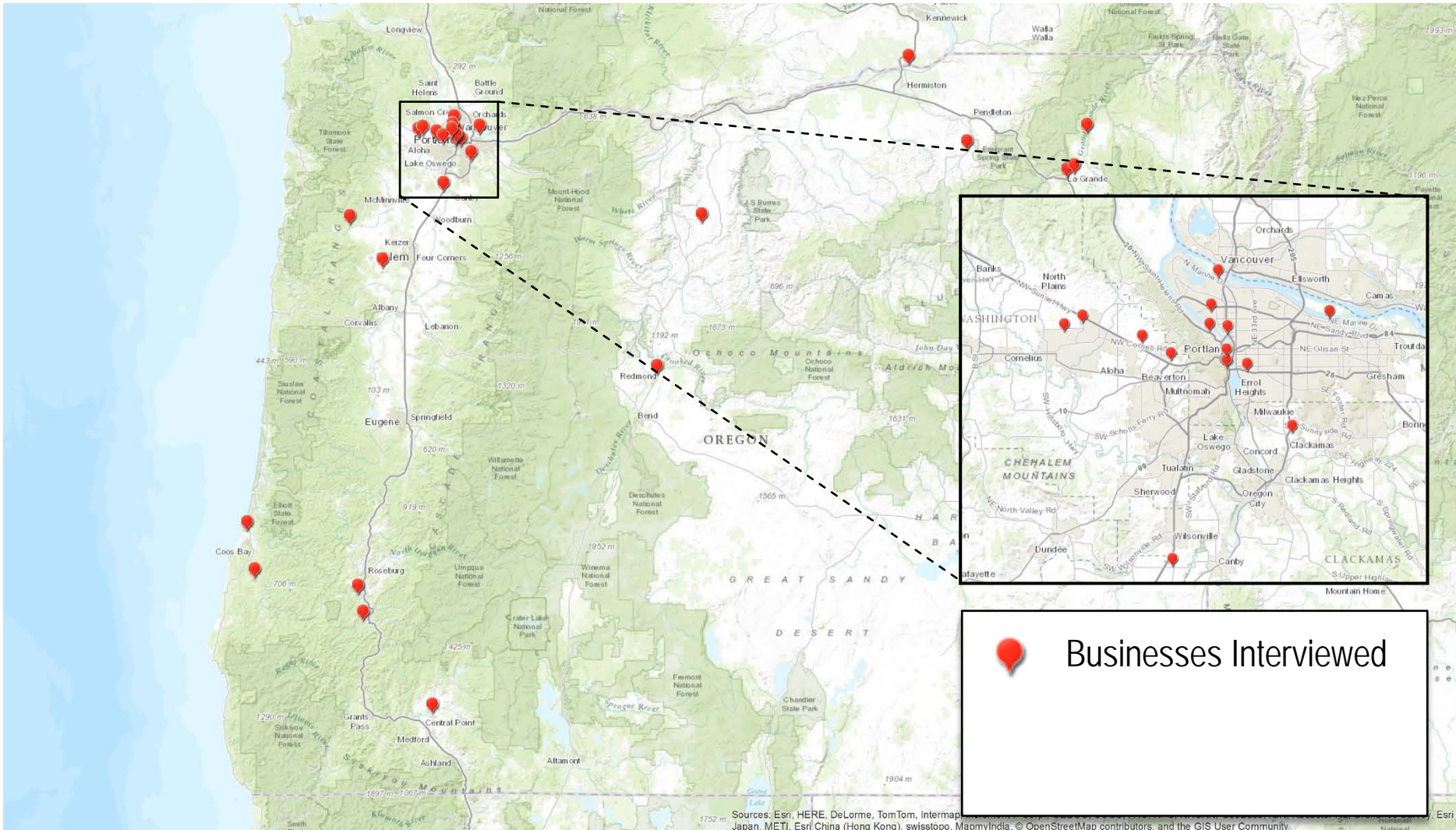
Quality of Life

Businesses Perspectives on Market Competitiveness

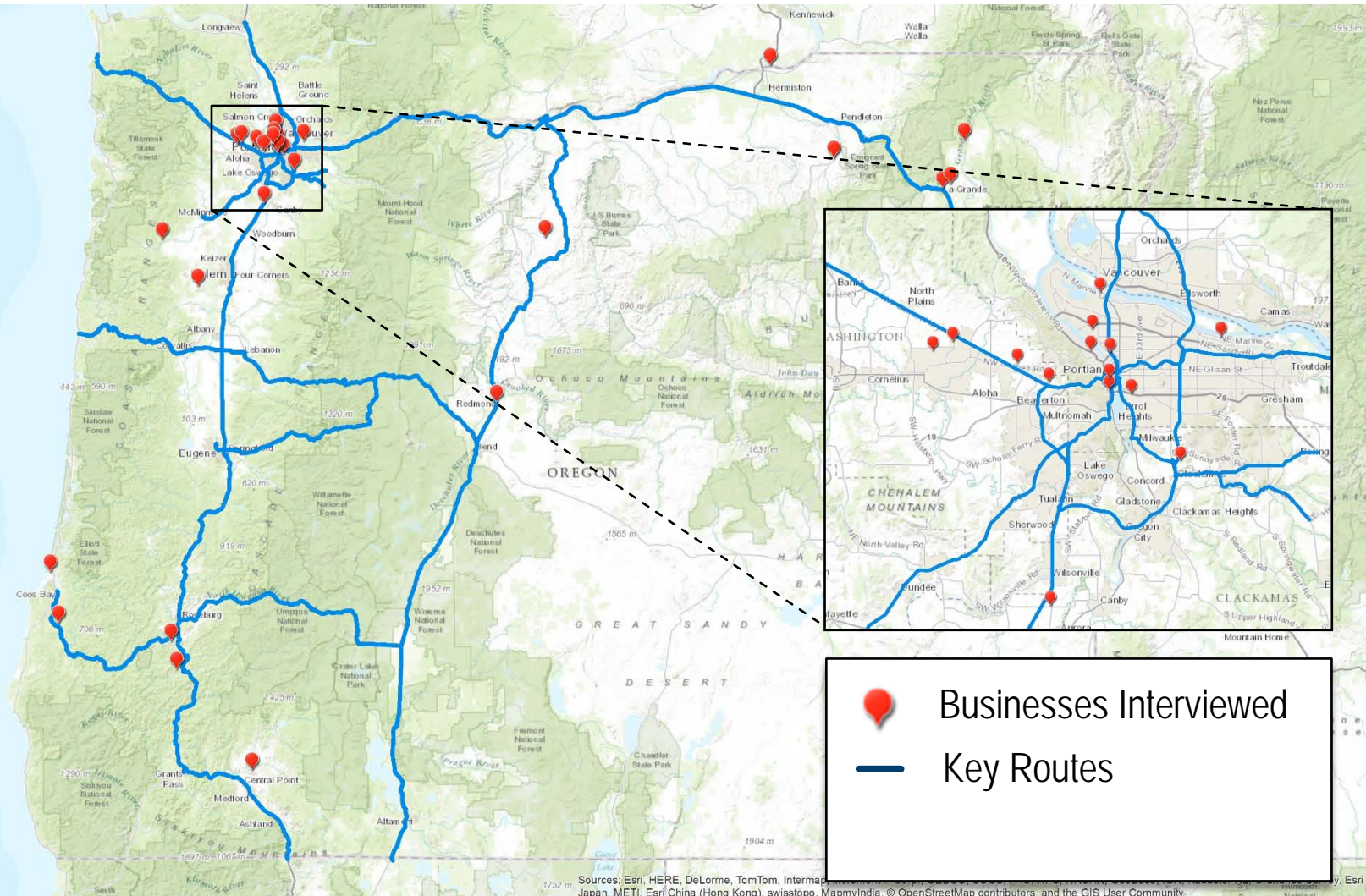
Industry Interviews

- **Agriculture/Resource-Based**
 - Anderson Hay
 - Pacific Seafood
 - Hampton Lumber
 - Roseburg Forest Products
 - Boise Cascade
 - Imperial Ranch
- **Advanced Manufacturing**
 - Intel
 - Genentech
- **Logistics Service Providers**
 - Expeditors
 - Central Oregon Trucking
 - Summit NW
 - Oregon Transfer
- **Manufacturing and Food Production**
 - Chris King
 - Craft Brew Alliance
 - Oregon Iron Works
 - Schnitzer Steel
- **Retail and Distribution**
 - Fred Meyer
 - Columbia Sportswear

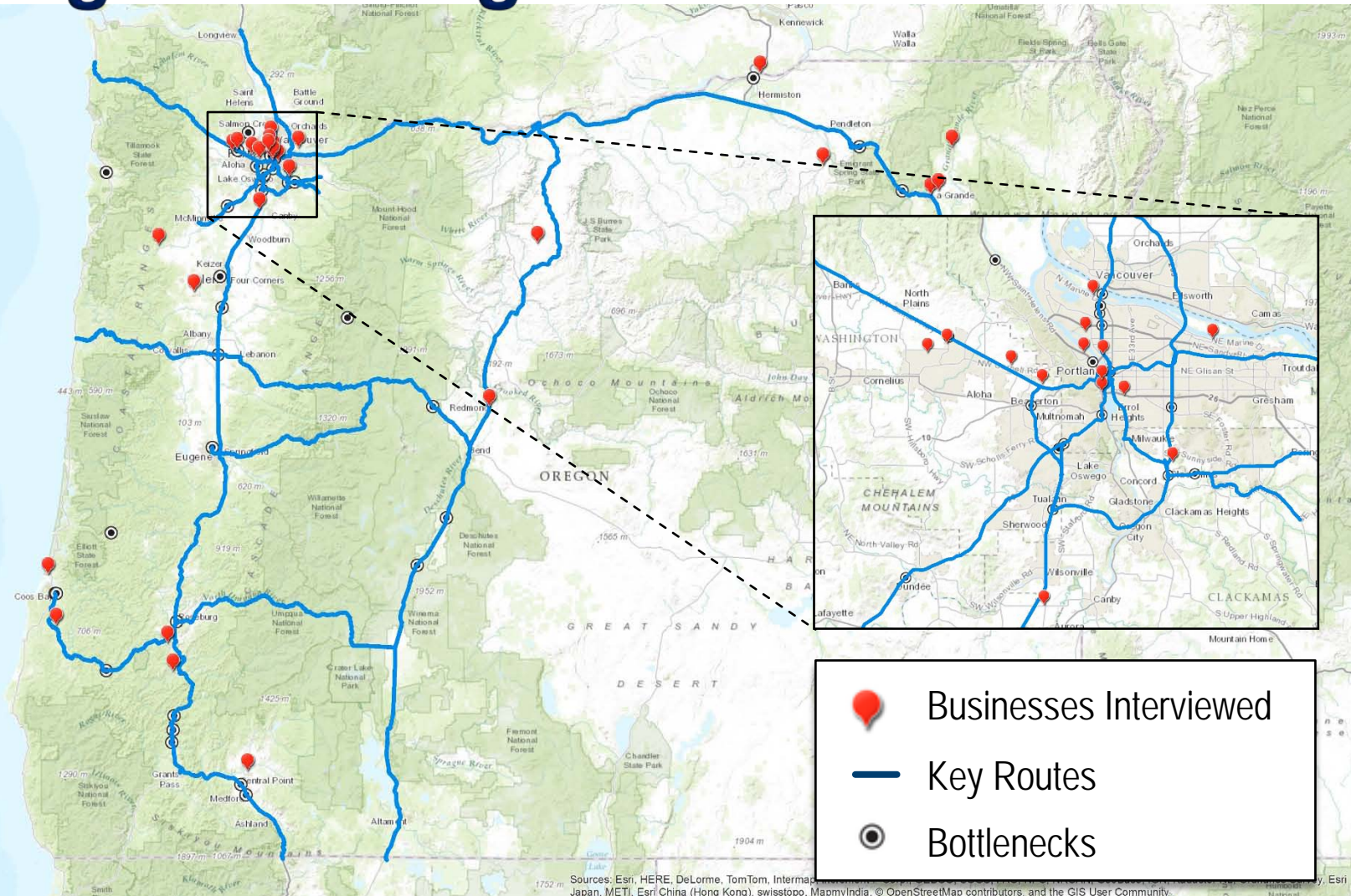
Coping with Congestion – Businesses Interviewed



Coping with Congestion – Roadways Used



Coping with Congestion – Bottlenecks



Sources: Esri, HERE, DeLorme, TomTom, Intermap, Japan, METI, Esri/China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

Coping with Congestion

Changes Since 2005

- More freight-dependent businesses operating at night
 - Higher density of operations in “off-off-peak”
 - Issues of driver safety and regulatory limits on hours
- Delivery acceptance hours limit distribution “off-off-peak” options
- Businesses continue to lose “turns” for regional runs
- Staggered shifts nearing implementation limits
 - Many start at 2AM

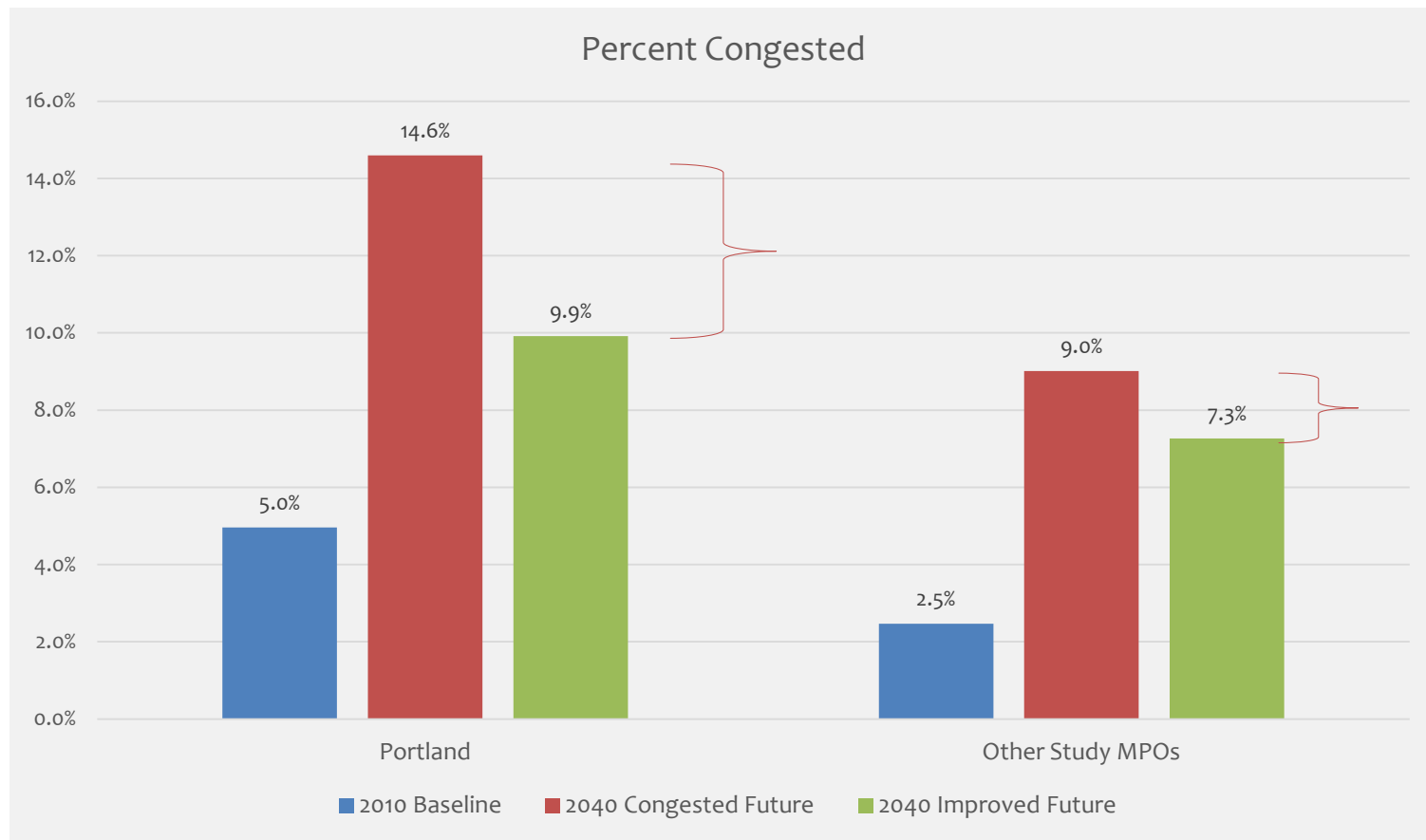
Coping with Congestion

Emerging Issues

- **Increasingly complex logistics practices**
 - Medium sized export-oriented businesses heavily reliant
 - Omni channel demands for distribution/delivery
 - Bifurcation of warehousing size and functions
- **Shift to 3rd party logistics and for-hire services**
 - Limited private operations to core services
 - Reduce operating risks of capital tie-up and labor costs
 - Smaller firms are greater users for both domestic and international trade
- **Focus on exports and out-of-state markets**
 - Increases role of Portland transportation freight infrastructure
 - Extensive use of PNW and California ports
- **Hours of service limits driver deployment**

Economic Impacts of Proposed Transportation Investments

Improved Future Reduces Congestion

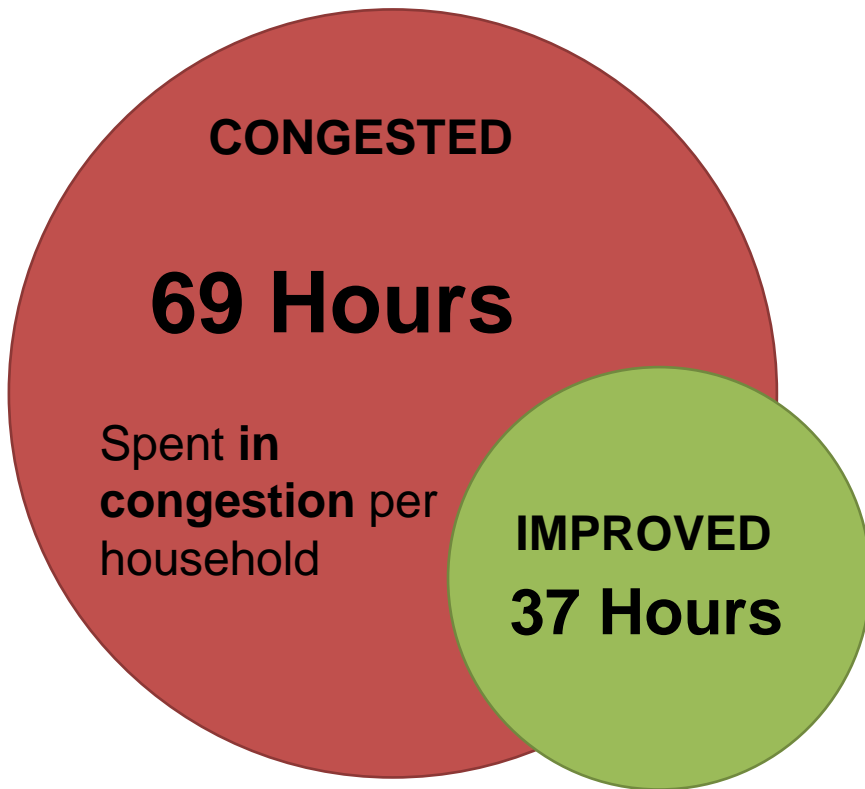


Source: Portland Metro; Oregon DOT

Indicates improvements from investment in Improved Future Scenario in 2040

Comparing the Alternatives

PORTLAND REGION



OTHER MPOS

CONGESTED



IMPROVED



Benefits of Improved Future

Economic Benefits for Oregon per Year by 2040
(in \$ million)

	Portland Region	Other Study Regions	Total
Benefits*	\$822 (\$908 / household)	\$327 (\$744 / household)	\$1,058 (\$788 / household)
Jobs**	5,897	2,421	8,318

RETURN ON INVESTMENT RATIO = \$2.40 for every \$1.00

*Includes GDP, traveler non-monetary benefits, and societal benefits

** Change to average annual employment level

Source: EDR Group

Effects of Seismic Events on Economy

Seismic Study Methodology

- Builds off of figures in *Oregon Highways Seismic Options Report (ODOT, 2013)*.
- Assesses impact of major seismic event in Western Oregon for analysis timeframe 2014-2021.
- Uses calculations of % loss to state GDP from *Seismic Options Plus Report*.
- Uses new, updated county-specific forecasts for GDP.
- Uses new, post-recession county-specific forecasts for employment.

Business Preparedness and Response

- **Large companies have more flexibility**
 - Usually have multiple out-of-state production sites and distribution networks
 - Typically have contingency plans
 - May reduce, but not eliminate activities in Oregon based on assessment of post-event conditions
- **Medium and small companies are more vulnerable**
 - Limited production options and alternative suppliers
 - Typically count on adapting operations to post-event conditions
 - Highly vulnerable to prolonged loss of major transportation infrastructure (most cite 4 to 6 months)
 - Frequently cite risks of ending business operations in Oregon in event of prolonged recovery (over 6 months)