IMPACT STATEMENT

Legislation title: Direct the Portland Bureau of Transportation (PBOT) and the Portland Bureau of Planning and Sustainability (BPS) to develop an implementation plan for the Pricing Options for Equitable Mobility (POEM) Task Force recommendations, including a suite of equitable mobility fees and investments designed based on POEM principles.

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Purpose of proposed legislation and background information:

Our transportation system today does not work for everyone. And with 600,000 new residents expected to live in the Portland region by 2040, many of the problems we are experiencing now—like worsening traffic, rising carbon emissions, poor air quality and high crash rates—are due to get worse. These challenges disproportionately impact Black, Indigenous and other People of Color (BIPOC), people living on low incomes, and persons with disabilities.

Regional interest in pricing—sometimes called "congestion pricing," "value pricing" or "mobility pricing"—has increased in recent years as we grapple with how to combat these challenges and better manage our roads. Pricing refers to strategies that involve charging people for driving or using roadway space. These charges can vary based on different factors, for instance, how congested the roads are, the time of day, income levels or what type of vehicle is using the road. By applying a charge, pricing can help people consider the impact of their travel choices and encourage different options (like carpooling, traveling at off-peak hours, or using other, non-driving options when possible), which help to create a more efficient, more equitable and more sustainable system for all.

In 2017, City Council directed the Portland Bureau of Transportation (PBOT) and the Bureau of Planning and Sustainability (BPS) to research pricing and return to Council to recommend best practices and a plan for next steps. In 2019, following a presentation of this best practice research which suggested pricing is a proven tool for managing congestion and climate impacts, Council directed PBOT and BPS to form a dedicated community task force to study and recommend nearand longer-term strategies for 'Pricing for Equitable Mobility.' Specifically, the task force was asked to consider if and how new pricing strategies could not only manage congestion and climate impacts, but also whether it could improve the equity of our transportation system as well.

The Pricing Options for Equitable Mobility (POEM) Community Task Force, comprised of 19 community members representing diverse perspectives, interests and expertise from across the Portland community, met monthly between January 2020 and July 2021. They analyzed a range of pricing strategies—including parking prices, fees on vehicle-based commercial services, highway tolling, cordons and road usage charges—using an Equitable Mobility Framework, which considers a holistic view of mobility and equity outcomes.

The POEM Task Force voted to adopt their final recommendations to City leadership on July 12, 2021. They concluded pricing holds promise as a strategy to help move people and goods in a more efficient, climate-friendly and equitable way if it is designed, implemented and adjusted with intention. They recommended the City urgently advance pricing options for equitable mobility policies, noting failure to act will only worsen the challenges we experience today. These recommendations are summarized in the POEM Project Final Report <u>here</u>.

This resolution directs PBOT and BPS to begin working on and creating an implementation plan for advancing the recommendations.

Financial and budgetary impacts:

This resolution does not incur any new costs or contracts for the City. The work directed in the resolution will be covered by existing allocated PBOT and BPS operating budget. No staff will be hired as a result, and we will not incur any consultant contracts.

The resolution directs PBOT to more fully define and create implementation plans for potential new equitable mobility fees and strategies. These have the potential to generate new revenue and may require additional resources to set up and administer. We will return to City Council with additional ordinances and information as the project progresses, including financial impacts on any new revenue that would be created as a result.

Community impacts and community involvement:

The POEM Project was centered around a community task force. The City appointed Task Force members following a two-month, open recruitment process in late 2019. Nineteen people sat on the Task Force, representing diverse perspectives, interests and expertise from across our community. The group met monthly for two hours between January 2020 and July 2021 (the Task Force transitioned to virtual meetings in April 2021 due to the COVID-19 pandemic). All meetings were open to the public, and community members were invited to share comments with the Task Force throughout the project.

The Task Force's charge, as defined in its charter, was to inform PBOT and BPS as they consider if and how new pricing strategies could potentially be used more intentionally to improve mobility, to address the climate crisis, and to advance equity for people historically underserved by the transportation system in Portland, including, but not limited to, BIPOC, Portlanders with low incomes and people with disabilities.

The recommendations to be presented to Council were supported by at least 16 out of 19 (84%) Task Force members. Based on their analysis and the information discussed over the 18-month process, the community task force concluded that:

- Portland's transportation system today is inequitable, contributes to the climate crisis, exacerbates poor health outcomes, costs our economy, and presents safety risks to users from traffic crashes and personal threats on our streets. There is an urgent need to improve the transportation system to address these challenges. Existing strategies are not making enough progress on any of these fronts and therefore require a stronger and more intersectional approach.
- Pricing holds promise as a strategy to help move people and goods in a more efficient, climate-friendly and equitable way, but ONLY if it is designed, implemented and adjusted with intention.
- The City should urgently advance pricing options for equitable mobility policies. Failure to act will only worsen the challenges we experience today and is not an option.
- The City must advance complementary strategies alongside pricing to improve equitable mobility outcomes. Pricing is just one policy tool and not a stand-alone solution.
- The City should design future pricing strategies according to the following guidelines: prioritize the goal of demand management; provide exemptions for households living on low incomes; center climate and equity outcomes; reinvest revenue generated from pricing in

strategies that further expand equitable mobility; and reduce unequal burdens of technology and enforcement.

The Task Force also said more community engagement and data collection is critical for evaluating potential community impacts of future pricing strategies. PBOT and BPS will undertake this engagement and data work as part of the implementation planning process.

Budgetary Impact Worksheet

Does this action change appropriations? (if appropriating budget in ordinance check yes if not check no. Please contact Sean O'Reilly on this and for help to fill this out).

 \Box **YES**: Please complete the information below.

 \boxtimes **NO**: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

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