

RESOLUTION No. 37077 As Amended

Council will consider an ordinance by November 14, 2014, creating a Transportation User Fee for Non-Residential Use of the transportation system and/or other funding mechanism paid for by non-residential users to address the City's significant transportation safety and maintenance needs (Resolution)

WHEREAS, The City is behind in addressing the maintenance needs of much of its aging infrastructure; Portland's 4,827 lane miles of paved streets show continuing decline, with 48 percent of the city's most trafficked streets in poor or very poor condition, which are the most expensive categories to repair. The Portland Bureau of Transportation (PBOT) reported that to bring the pavement system to a fair or better condition it would cost an additional \$91 million per year for ten years. The cost of deferring that need will keep increasing as it becomes more expensive to rebuild roads after they have failed, versus conducting preventive maintenance at the right time on the right street; and

WHEREAS, Maintenance and proper operation of the streets is required in order to maintain a functioning economy and protect the public health, safety and welfare; and

WHEREAS, The needs of the transportation system have significantly outpaced resource growth; and

WHEREAS, The majority of PBOT's revenue comes from Federal, State, and regional grants, parking revenue, interagency revenues from City bureaus, cost recovery revenues (service charges, licenses, and permits) and the Gas Tax. For the FY 13-14 Adopted Budget, PBOT received two percent of the City of Portland General Fund, of which 63 percent pays for the electricity for streetlights; and

WHEREAS, PBOT's Financial Task Force and Budget Advisory Committee have outlined concerns about the future of transportation funding. The State and County gas tax falls short of the revenue needed to address maintenance and safety needs. There is widespread recognition that local governments must solve their funding needs; and

WHEREAS, To learn more about the needs outlined above and identify a solution, PBOT sought extensive public input on the status of the transportation system. Two citywide scientific polls were conducted asking Portlanders what the top transportation needs are and what the best mechanism is to fund those needs. In addition to the polls, seven Town Halls, including a Town Hall specifically for businesses, were held to solicit input from the community; and

WHEREAS, The top priorities for transportation identified through the public outreach include maintaining the existing system, improving the safety of the streets for all users and improving public transit, especially in areas that lack service; and

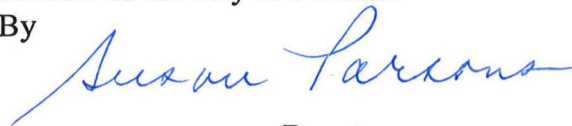
- WHEREAS, The Transportation Needs and Funding Advisory Committee (Advisory Committee) was formed with the purpose of guiding the process to help solve Portland's transportation problems. The Advisory Committee included business people, nonprofit representatives, neighborhood representatives and members of transportation interest groups; and
- WHEREAS, The Advisory Committee determined that a new funding mechanism was needed and recommended a fee charged to users of the transportation system to pay the costs required to maintain system assets and improve the safety of the system; and
- WHEREAS, Twenty-eight local jurisdictions in the State of Oregon have implemented a fee assessed on both residential and non-residential users of the transportation system to address their transportation needs; and
- WHEREAS, The Council seeks to consider a comprehensive Transportation User Fee and/or other funding mechanism that assesses businesses and other non-residential users of the transportation system as well as residential/households; and
- WHEREAS, A Transportation Oversight Committee will monitor and provide guidance for a Transportation User Fee and/or other funding mechanism paid for by non-residential users created to address the City's transportation safety and maintenance needs; and
- WHEREAS, The Council is considering an ordinance to create a Transportation User Fee to fund improvements needed to address the City's significant transportation and safety needs. The ordinance under consideration by Council assesses only residential users of the transportation system and states that its provisions will automatically expire and cease to have effect of law unless Council passes an additional ordinance assessing businesses and other non-residential users of the transportation system by November 14, 2014; and
- WHEREAS, The Portland Business Alliance, Venture Portland, many individual small business owners, faith based organizations and nonprofits, and others have asked for additional time to work with the Council to craft a Transportation User Fee for Non-Residential Use of the transportation system; and
- WHEREAS, The Commissioner in charge of PBOT will convene a work group to report back to him about refining a Transportation User Fee methodology and/or other funding mechanism to assess non-residential users of the transportation system.

NOW, THEREFORE, BE IT RESOLVED that Council will consider an ordinance creating a Transportation User Fee for Non-Residential Use and/or other funding mechanism paid for by non-residential users by November 14, 2014.

Passed by the Council, JUN 04 2014

Commissioner Steve Novick
Prepared by: Katie Shriver
Date Prepared: May 29, 2014

LaVonne Griffin-Valade
Auditor of the City of Portland
By


Deputy

548
Agenda No.
RESOLUTION NO.
Title

37077 As Amended

~~State that~~ Council will *consider* an ordinance by November 14, 2014, creating a Transportation User Fee for Non-Residential Use of the transportation system to address the City's significant transportation safety and maintenance needs, *(Resolution)*

<p style="text-align: center;">INTRODUCED BY Commissioner/Auditor: Commissioner Novick</p> <hr/> <p style="text-align: center;">COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick <i>CW</i></p> <hr/> <p style="text-align: center;">BUREAU APPROVAL</p> <p>Bureau: Bureau Head:</p> <hr/> <p>Prepared by: Katie Shriver Date Prepared: 5/28/14</p> <hr/> <p>Financial Impact & Public Involvement Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <hr/> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <hr/> <p>City Auditor Office Approval: required for Code Ordinances</p> <hr/> <p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan <i>MRM</i></p> <hr/> <p>Council Meeting Date 6/4/2014</p>	<p>CLERK USE: DATE FILED <u>MAY 30 2014</u></p> <hr/> <p style="text-align: center;">LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u><i>Susan Parsons</i></u> Deputy</p> <p>ACTION TAKEN:</p>
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AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/> <i>11:00</i></p> <p>Start time:</p> <p>Total amount of time needed: (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input checked="" type="checkbox"/></p> <p>Total amount of time needed: Accompany Transportation User Fee ordinance (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman		✓
4. Novick	4. Novick	✓	
Hales	Hales	✓	