

PBOT

PORTLAND BUREAU OF TRANSPORTATION

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Steve Novick Commissioner **Leah Treat** Director

Date: June 13, 2016
To: Portland Planning and Sustainability Commissioners
From: Judith Gray, Transportation Planning Supervisor & Peter Hurley, TDM Specialist II
Cc: Eric Engstrom, Bureau of Planning & Sustainability

Re: Updated Proposal for Pre-Approved TDM Plan for Mixed Use Zones

This memorandum summarizes PBOT's updated proposal for pre-approved Transportation and Parking Demand Management (TDM) plans in Mixed Use zones (MUZ). This proposal replaces the proposed requirement from the Transportation System Plan (TSP) Proposed Draft with a two-step phased in approach. Step 1 is a simplified, "basic" TDM plan required as a one-time obligation for new developments. The Basic TDM Plan is codified in Title 17.107 (Attachment A) and will implement the TDM requirement in the Mixed Use Zone proposal currently being considered by the Planning & Sustainability Commission (PSC).

Step 2 will include additional stakeholder engagement and analysis of an ongoing TDM requirement and is expected to take place later in 2016 and in 2017.

Requested PSC Action

PBOT is requesting that PSC consider the updated proposal and, if in agreement, provide a letter to City Council supporting approval of the approach, including adoption of the Step 1 Basic TDM plan as an implementing policy for the proposed Mixed Use zones.

Why We Are Proposing to Expand TDM Plan Requirements

Portland is experiencing unprecedented job and housing growth, with significant growth anticipated in the 20-year TSP planning horizon. Traffic and parking impacts could significantly reduce our ability to grow while maintaining livability.

TDM strategies are a proven cost-effective approach that helps to reduce traffic and parking impacts while improving low and moderate income residents and workers affordable transportation options, such as low-cost transit passes. Many US cities require ongoing TDM programs for multifamily and employment sites. Below is a table of nationwide data showing the effectiveness of TDM strategies in reducing drive-alone trips. The table shows that the most effective TDM strategies provide financial incentives in a paid parking environment and that in areas with a high level of transit service, vehicle trips can be reduced on the order of 25 to 30%.

National Evidence on TDM Program Impacts, Vehicle Trip Reduction

Source: Cambridge Systematics, 2010

TDM Program or Strategy	Transit Environment		
	High	Moderate	Low
Support, Promotion, Information	3 to 5%	1 to 3%	<1%
Alternative Commute Services	5 to 10%	5 to 10%	1 to 3%
Financial Incentives	10 to 20%	5 to 15%	1 to 5%
Combined Strategies			
With free parking	15 to 20%	10 to 15%	3 to 7%
With paid parking	25 to 30%	15 to 20%	N/A

In order to help achieve the job, housing, equity, and climate goals and targets adopted by City Council in the Portland Plan, the Comprehensive Plan, and the Climate Action Plan, it is essential that Portland creates an environment where walk, bike, and transit trips increase as a proportion of all trips.

PBOT is seeking to expand TDM programs to help achieve this outcome. The proposed MUZ will require TDM plans for developments with more than 10 residential units. This will reflect a significant expansion from current requirements. While these developments will have the option of creating a custom TDM plan, PBOT has developed a Pre-approved plan to help simplify the plan development and development land use review process. The pre-approved plan could be processed as part of a building permit.

Portland's TDM Plan requirement is new for most development types. That said, throughout the country and the region, it is customary for developers to provide access to their properties; however, this access typically takes the form of required parking. Many cities with parking requirements allow for waivers in exchange for TDM plans. Portland does not have this mechanism because parking is not required for most developments. This makes the expanded TDM requirement challenging in many levels, even though an effective TDM program can be developed at a fraction of the cost of providing dedicated parking.

Portland's Current TDM Practices

In Portland, "custom" TDM plans are currently required for some mixed use and Central City development in Master Plan areas, through Central City Parking Reviews (CCPR), and for Conditional Use (CU) permits. Custom TDM plans are based on achieving future mode share targets and often include multimodal financial incentives.

In addition to TDM plans provided under some development types, PBOT (since 2004) has operated a successful TDM program funded through grants, currently called Welcome SmartTrips, which provides information about travel options to people who move to or within Portland. Survey data show that Welcome SmartTrips reduced drive-alone trips among people who moved to or within the city by 7% in each of the last two years. *The new TDM requirements will make this successful program more sustainable and expand the benefits to more residents and employees.*

The cost effectiveness of TDM has led businesses and residential sites to voluntarily provide transit, walk, and bike incentives. Go Lloyd is a Transportation Management Association in the Lloyd District that

has provided transit passes and other incentives to employees for more than 20 years. The resulting reduction in site-generated trips and reduced demand for parking has translated into significant development opportunity for this fast growing district. Many other individual employers and residential sites provide some type of multimodal financial incentives, but these are believed to be in the minority.

What We Heard

Throughout 2015 PBOT sought stakeholder comments on expanding TDM requirements to new development in the proposed mixed use and Central City zones. In the September 2015 TSP Discussion Draft and the December 2015 TSP Proposed Draft, City staff proposed an “ongoing” TDM requirement for the mixed use and Central City zones. “Ongoing” refers to requirements that building owners/managers would provide residents and employees in their buildings with travel options information and incentives over multiple years.

From November 2015 through May 2016 PBOT asked for feedback on our proposal by meeting with stakeholders, reviewing public comments, and listening to public testimony to the Planning & Sustainability Commission (PSC) on potential TDM requirements.

Numerous organizations submitted letters supporting the ongoing TDM proposal, including the Northwest District Association, Laurelhurst Neighborhood Association, Portland Pedestrian Advisory Committee, Portland Bicycle Advisory Committee, Multnomah County Health Department, environmental organizations, environmental organizations, and TriMet. We also heard from organizations and individuals with questions and concerns about the proposal, including individual developers, building owners, and the Rose City Park Neighborhood Association. That said, it is notable that these stakeholders support the concept of TDM and expressed interest in participating in more policy development.

Our Updated Proposal

In response to comments, PBOT is proposing a two-step process for expanding TDM requirements.

Step 1. A basic, “starter” pre-approved TDM plan with three elements. Before receiving a building permit, a new development would be required to commit to:

- a. Provide travel options information to new residents and employees. The developer could use the Welcome SmartTrips program or provide equivalent information. *Attachment B gives more information and an example of Welcome SmartTrips information.*
- b. Provide a one time “bundle” of multimodal financial incentives to the initial group of building residents, equivalent in value to one annual TriMet pass (\$1,100) per unit. The bundle could be comprised of transit passes, bike share membership, and other walking, bicycling, and transit incentives for new residents.

These could be provided by the developer, by a third party such as a Transportation Management Association (e.g., Go Lloyd), or PBOT could facilitate the transaction.

The building owner would have flexibility to select the make-up of the bundle of incentives they would provide.

The total value of the financial incentives would be retained by the development (PBOT is not using this requirement to generate funds for other programs, and is not transferring funds from one project to support another).

- c. Provide a commitment to participate (distribute, encourage, etc.) in regular surveys of residents in order to gauge program performance.

The amount of the monetary obligation was determined with the objective of offering each initial resident a one year transit pass, or equivalent multimodal benefit. The amounts shown above reflect the following assumptions:

- A one-year transit pass currently costs \$1,100.
- It is common for a studio or one-bedroom apartment to house two adults, thereby requiring two 6-month passes.

Step 2. It is understood that on-going TDM requirements for residential development will be more effective and necessary to accommodate growth. Because of the many complexities and outstanding questions associated with this undertaking, PBOT proposes to conduct additional analysis and stakeholder engagement to develop this more comprehensive approach. Some specific questions that this effort will seek to answer include:

- What is the best way to achieve a private partnership in the ongoing provision of TDM incentives?
- How will such requirements support or conflict with other city priorities, including housing affordability and development?
- Can an expanded TDM program engage existing development in addition to new development?
- Can and should the City encourage or accommodate third-party TDM providers, such as Transportation Management Associations?
- How should TDM obligations relate to other transportation fees and obligations?
- Do the same strategies fit development in the Central City or would different strategies be more effective?

Step 2 is expected to take place later in 2016 and into 2017. Stakeholders who have been engaged to date have included developers, representatives of the Portland Business Alliance, Go Lloyd, transit service providers, pedestrian and bicycle modal advocates, environmental organizations, and interested neighborhoods.

Code Changes

Threshold requirements for a TDM plan are located in Title 33, the zoning code. Technical requirements implementing the zoning code are located in Title 17.

There is a procedural difference between how Title 33 and Title 17 changes are approved. Title 33 changes are recommended by the Planning & Sustainability Commission (PSC) and adopted by City Council. Most Title 17 changes are recommended by a bureau and adopted by City Council.

We will continue providing information to PSC on Title 17 proposed changes, both Step 1 and Step 2, to inform their Title 33 decisions.

Other Changes

The Step 1 basic plan has considerably fewer elements than the December 2015 TSP Proposed Draft pre-approved (ongoing) plan. The primary difference is that the Step 1 basic plan increases the amount of the up-front incentive while eliminating ongoing requirements. The revised Title 17 code language also has the following changes:

1. Removes TDM requirements for Central City zones;
2. Eliminates mode share and auto ownership performance targets;
3. Eliminates site improvement requirements (not otherwise specified in code);
4. Simply references the education and information elements rather than specify them;
5. Eliminates the no-car, low-car advertising requirement;
6. Shifts the multimodal incentive from an ongoing requirement for new residents and employees to one-time, up front (significantly reducing the cost);
7. Eliminates requirement to unbundle the price of auto parking from leases.

Attachment A. Title 17.107

17.107 Basic Transportation and Parking Demand Management Plan

17.107.010 Purpose.

Providing residents, employees, and visitors information and incentives to walk, bicycle, ride transit, carpool, and otherwise reduce the need to own and use automobiles is an effective strategy that helps to achieve city goals and reduce traffic and parking impacts. Requiring transportation and parking demand management (TDM) is intended to prevent, reduce, and mitigate the impacts of development on the transportation system, neighborhood livability, safety, and the environment while reducing transportation system costs and providing safe and efficient mobility options.

17.107.020 Required Elements of a Basic Transportation and Parking Demand Management Plan.

A basic, pre-approved TDM Plan shall include:

- A. **Site and proposed development descriptions**, and baseline information including proposed auto and bicycle parking;
- B. **Transportation options information** approved or provided by the Portland Bureau of Transportation, offered to residents, employees, and visitors;
- C. **Multimodal financial incentives** equal to the value of a one year TriMet pass per residential unit. This obligation will pay for a menu of incentives that will be offered to residents of the site to increase use of transit, bicycling, walking, and other options to driving alone;
- D. **Survey**: agreement to actively participate in an annual travel survey of residents and employees;
- E. **Enforcement**: acknowledgment of the enforcement provisions in Title 17.106.050.

Attachment B. Welcome SmartTrips Program information

Attachment B. Information offered by Welcome SmartTrips.

[Neighborhood Bike/Walk Maps](#)

Order online to receive free bike/walk maps for your neighborhood.

[Portland SmartTrips Order Form](#)

Recently moved? Get around Portland like an expert with these helpful resources.

[Ten Toe Express guided walks](#)

[Portland By Cycle rides and classes](#)

[Women on Bikes resources](#)

[SmartTrips newsletters](#)

[Portland Transportation Resource Guide](#)

Information about the variety of ways to get around Portland.

[The Portland Walking Guide](#)

Helpful resources for getting around Portland on foot (1.3 mb PDF).

[NeighborWalks 2016](#)

Intergenerational walks that celebrate an Age-Friendly Portland, June through October.

[Road Etiquette: We're all in this together](#)

Helpful tips for sharing the road, whether you go by car or bike

[Understanding Portland's Bike Symbols and Markings](#)

Portland has several unique street markings to help people driving and biking share the road.

[Portland Biking Guide](#)

Tips, techniques and street smarts to make your ride safer and more rewarding

[Family Biking Guide](#)

A how-to manual for all stages of family biking

[Active Transportation Ambassador Program](#)

Volunteer to assist PBOT staff on walks, bike rides and at community events

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Transportation Demand Management Proposal Campus & Institution Policy Update

June 13, 2016

The attached memorandum summarizes PBOT's updated proposal for TDM requirements of the new Campus Institutional Zone (CIZ). This proposal is modified from the proposal in the December Proposed Draft of the Transportation System Plan (TSP). The update was distributed to stakeholders in advance of a stakeholder meeting held on June 7.

On the day of the Stakeholder meeting, representatives of several Campuses and Institutions provided an alternative proposal. While there has been limited time to review in detail, staff believes there are many good ideas in the stakeholders' proposal and will work with the stakeholders in an effort to bring together the best ideas from both proposals.

Key Changes in the Updated PBOT Proposal

The attached memorandum outlines the key changes contained in the updated PBOT proposal. These are primarily clarifications regarding performance targets, the approval authority, and enforcement.

As PBOT works with the stakeholders to develop a final updated proposal, some of the priorities that will be required include:

- Provide a more predictable process in order to reduce delay and uncertainty for campuses, institutions, and neighbors;
- Maximize the effectiveness of TDM plans to accommodate growth while reducing traffic and parking impacts; and,
- Provide assurance of opportunities for neighborhood engagement.



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Updated Proposal for Campus & Institution TDM Policy

June 3, 2016

Campuses and Institutions in Portland have long been required to provide Transportation and Parking Demand Management (TDM) plans as part of a Conditional Use Master Plan (CUMP) or Impact Mitigation Plan (IMP) process. The proposed creation of a new Campus and Institutional Zone (CIZ) is intended to provide greater assurance of “by-right” land use development potential while simplifying the process and reducing uncertainty of development approval. That said, it has been recognized that potential traffic and parking impacts for campuses and institutions are highly variable. Unlike commercial and residential developments, campus and institutional projects are not well suited to blanket application of standard trip generation rates. For this reason, the transportation review requirements under the proposed CIZ are not significantly reduced from the current conditional use requirements. The Transportation Impact Review (TIR) identified in Title 33 includes both a traffic impact analysis (TIA) and a Transportation and Parking Demand Management (TDM) plan.

Recognizing the continued obligation for CI developers regarding transportation, PBOT is seeking to create implementing guidelines that accomplish two primary objectives: 1) provide a clear and objective process for campuses, institutions, and neighbors; and, 2) improve the effectiveness of TDM plans in reducing traffic and parking impacts.

Proposed Changes to TDM Requirements

This memorandum summarizes PBOT’s updated proposal for TDM requirements in the proposed new CI zones. This proposal builds on the Title 17 language in the Proposed Draft Transportation System Plan (TSP) issued in December 2015, and reflects discussions and comments from the Planning & Sustainability Commission (PSC), campus and institutional stakeholders and their representatives, neighborhood representatives, and other City of Portland staff, including representatives of the Bureau of Planning & Sustainability (BPS), Bureau of Development Services (BDS), and the City Attorney’s office.

This proposal builds on changes already identified through stakeholder discussions on issues outlined in memoranda dated February 22 and March 11 (available upon request). The following proposed Title 17 additions to the December 2015 TSP Proposed Draft provide greater predictability for campuses, institutions, and neighbors:

- **Performance Targets:** specify that the performance targets in a TDM plan are those adopted by the City Council in the Transportation System Plan;
- **Interim Performance Targets:** specify that interim performance targets will be calculated using a straight-line method from the base year to the horizon year;
- **Modified (or “individualized”) Performance Targets:** specify that there is a provision for an applicant to propose a modified performance target;

- **Approval:** Remove language referencing PBOT approval; PBOT recommends to the Bureau of Development Services (BDS) and the Hearings Officer;
- **Enforcement:** Clarify that failure to achieve the mode split targets is not subject to enforcement.

To address further concerns and questions, this memorandum is provided to further clarify the process for current and updated TDM Plans. Specifically:

1. clarify that approved TDM plans are the baseline for plan evaluation;
2. clarify the triggers for review and/or update of a baseline TDM plan;
3. add specificity to the technical review of performance targets and interim performance targets, and to the criteria for modifying performance targets;
4. clarify the steps in the plan evaluation process.

TDM Plan Evaluation Process

In response to stakeholder requests, PBOT is also proposing to clarify elements of the process for evaluating TDM plans.

1. Baseline TDM Plan

A TDM plan approved as part of a CUMP or IMP will be the starting point for TDM plan review. There is no significant change from current conditions.

2. Triggers for Review

The zoning code, Title 33, triggers a Transportation Impact Review in the CI zones when development greater than 20,000 square feet or greater than four parking spaces is proposed beyond the expiration date or development scope of a current approval. Title 33 references Title 17, which lists TDM plan requirements and provides technical review guidance.

3. Evaluation Process

Because of the highly variable nature of potential CIZ developments, applicants in the CI zones will be required to initiate their development approval process with an Early Assistance meeting. This will enable BDS and PBOT staff to determine an appropriate scope for traffic analysis and the type of review for the TDM Plan.

- a. If the campus or institution has an approved TDM Plan, that plan will provide the starting point for review and potential updates or adjustments. If the campus or institution does not have an approved TDM Plan, they will develop a TDM Plan to be approved by BDS based on a recommendation from PBOT.
- b. Type 1/simplified TDM plan review: If the CI is not proposing more than four additional auto parking spaces, and at least three successive annual performance surveys show the campus or institution is achieving or exceeding the interim mode share target, the baseline TDM Plan would be considered sufficient to be approved by PBOT (i.e., to meet 33.852.110 B.).
- c. Type 2 TDM plan review: If the campus or institution does not meet the criteria for a Type 1/simplified TDM review, the CI would propose a TDM plan designed to achieve the interim mode share targets. This would require either development of an approved TDM Plan, or adjustments to an existing Baseline TDM Plan.

4. Additional TDM Strategies

An effective TDM Plan must be adjustable to respond to changing conditions. To help inform the TDM plan adjustment process, PBOT is creating a summary of local practices among the current Campus and Institution TDM Plans. In its current form, it has the potential to point to the highest performing TDM plans and individual strategies, which can be used to inform the most effective next steps when additional strategies are needed. PBOT will work with each campus and institution to seek agreement on the final evaluation tool.

Additionally, PBOT will continue to evaluate the effectiveness of proposed strategies plan using widely-accepted sources. One example is the Trip Reduction section of *“Quantifying Greenhouse Gas Mitigation Measures: A Resource for Local Government to Assess Emission Reductions from Greenhouse Gas Mitigation Measures.”*

Expand Mitigation Options for Transportation System Adequacy, Including Level of Service (LOS)

Following is a summary of changes proposed to Title 33.852 that provide broader mitigation for level of service and other transportation system adequacy issues arising from new development traffic.

- a. The City is proposing to clarify and expand code language to ensure that “additional impacts on the system from the proposed development” may be mitigated by TDM and/or bike/ped/transit improvements. For example, if new development generated 100 new vehicle trips through a failing intersection, the applicant could propose reducing trip generation with additional ongoing TDM strategies.
 - Title 33.852 identifies potential mitigations including improvements to “on-site circulation, public street dedication and improvement or private street improvements, intersection improvements, transportation and parking demand management actions, street cross improvements, improvements to fill in gaps in the local pedestrian and bicycle networks, and transit improvements”.
- b. PBOT would evaluate the effectiveness of proposed mitigation measures using widely-accepted sources, such as the Trip Reduction section of *“Quantifying Greenhouse Gas Mitigation Measures: A Resource for Local Government to Assess Emission Reductions from Greenhouse Gas Mitigation Measures.”*

Summary

The additions to Title 17, and to the TDM plan evaluation process, are designed to make TDM plan development and review more clear, objective, and predictable for neighbors, allowing campuses and institutions to grow while reducing traffic and parking impacts.