

## IMPACT STATEMENT

**Legislation title:** Direct the Portland Bureau of Transportation and the Bureau of Planning and Sustainability to form a dedicated task force to study and recommend both near- and long-term strategies for “Pricing for Equitable Mobility” (Resolution)

**Contact name:** Shoshana Cohen

**Contact phone:** 503-823-34466

**Presenter name:** Noah Siegel

### **Purpose of proposed legislation and background information:**

Both the population and congestion are growing in the City of Portland. With this growth comes increased costs of congestion. There are economic costs to businesses and individuals, negative health impacts, and carbon pollution. Low-income communities and communities of color are often most negatively and disproportionately impacted by these hidden costs of congestion.

In order to combat vehicle congestion and improve mobility for people and goods throughout the city, we will need to use a combination of transportation tools: 1) multimodal infrastructure investments; 2) efficient use of public streets; 3) incentives for efficient modes of travel and disincentives for less efficient modes of travel; 4) and effective alignment of our land use and transportation investments.

Cities around the world have demonstrated that congestion or mobility pricing can be an effective tool to disincentivize single occupancy vehicles. Pricing can take many forms, ranging from variable demand-based parking pricing to area-based cordons. Pricing is most successful as a demand management tool when there are easy and reliable transportation alternatives available and it is paired with continued investments in these alternatives. Pricing can also be carefully designed to help to address existing transportation inequities.

Both the Portland Bureau of Transportation (PBOT) and the Bureau of Planning and Sustainability (BPS) have been engaged in pricing work since November 2017.

In November 2017, City Council directed PBOT and BPS to work with ODOT on their Portland Metro Area Value Pricing project on I-5 and I-205, supporting implementation with a focus on demand management, equity, safety and minimizing diversion. They also directed PBOT and BPS to research congestion pricing best practices and return with recommendations.

The Central City Plan states that congestion pricing should be implemented on I-5 as part of the Rose Quarter project, and both the Comprehensive Plan (Policy 9.50) and the Climate Action Plan (Actions 4A through 4C) support congestion pricing.

Creating a pricing strategy has also been identified as one of the focus areas for the City of Portland’s work through the American Cities Climate Challenge. Pricing is considered a

key climate strategy because of its proven success in reducing vehicle demand and carbon emissions.

Since November 2017, PBOT and BPS staff have supported the City of Portland's involvement in the Portland Metro Area Value Pricing Advisory Committee and helped to craft a recommendation for pricing on I-5 and I-205 that aligns with City of Portland values.

Staff have also engaged in research about potential pricing policies and learned from experiences in both international and U.S. cities. Work to-date has led to the recognition that both pricing and incentives play a role in vehicle demand management, but they must be complemented with investments in transit, walking and biking infrastructure to provide access to reliable transportation options to get people and goods where they need to go.

PBOT has also completed initial research to understand the existing inequities in the Portland transportation system. This has shown that communities of color have longer commute times and less access to household vehicles. It is clear that the system is not working well for many Portlanders right now, but there is still much work to do to understand existing travel patterns and inequities.

Pricing may be a tool that can both manage vehicle demand and generate revenues. The revenues can be strategically invested in ways that support the transportation needs of communities of color, low-income communities, and people with disabilities.

PBOT and BPS are proposing to convene a Pricing for Equitable Mobility Task Force to help guide the next phase of research and to assist with recommendations of near-term and longer-term pricing implementation work. The Task Force will help to guide the next steps in three categories of pricing work moving forward:

- Exploring the potential use of City of Portland only pricing policies on city streets and infrastructure to advance key strategic goals. City pricing strategies could include: demand-based parking pricing, fleet pricing i.e. for TNCs or AVs, City of Portland VMT based pricing, or a cordon.
- City of Portland participation in the next phase of ODOT's Portland Metro Area Value Pricing project.
- City of Portland's collaboration with Metro's technical study of different regional pricing and transit scenarios, including the evaluation of cordon-based pricing, VMT-based pricing, regional freeway pricing and demand-based parking pricing.

The Task Force will be charged with evaluating not only how various pricing tools may reduce congestion and improve mobility, but also which pricing tools can help to make the transportation system more equitable and how must they be set up to do so. They will also learn more about existing conditions to help evaluate if pricing will improve conditions or not. The Task Force will be expected to deliver an initial set of recommendations on near-

term opportunities in summer 2020, with additional recommendations for longer term strategies expected in spring 2021.

**Financial and budgetary impacts:**

- PBOT has budget in FY 19-20 for pricing for mobility work. This funding is expected to be reallocated and used for consultant work to support the Pricing for Equitable Mobility Task Force in FY 20-21. This work will also be supported by existing staff in PBOT's Office of the Director and in the Projects, Policy and Planning Group, as well as a staff person from the Natural Resources Defense Council who has been placed in PBOT as part of the American Cities Climate Challenge. BPS will be supporting this work with existing planning staff.
- PBOT and BPS will be leveraging funding from the American Cities Climate Challenge and The Energy Foundation to work with community organizations with deep expertise in transportation, climate and equity policies.
- Specific pricing policies that are recommended for implementation could have significant financial and budgetary impacts, but those specific policies have not yet been identified in this early phase of work.

**Community impacts and community involvement:**

- Adding additional prices/costs to driving in particular places could have impacts on community members and their transportation decisions. Pricing policies are designed to try to impact people's transportation decisions by reflecting the resource impact of single-occupancy vehicle travel through a price signal. The policies could also have significant positive impacts by reducing the time it takes to get places, reducing carbon/climate pollution, improving air quality and generating funding that can help to improve non-driving transportation options.
- The Pricing for Equitable Mobility Task Force will be convened with a specific emphasis on evaluating the equity implications for particular pricing policies and the American Cities Climate Challenge is providing support to recognized transportation justice organizations to engage in this work.
- There will continue to be ongoing engagement around specific pricing recommendations.

**Budgetary Impact Worksheet**

**Does this action change appropriations?**

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

**NO:** Skip this section

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