

June 14, 2016

Katherine Schultz
Planning and Sustainability Commission, Chair
City of Portland
1900 SW 4th Avenue, Suite 7100
Portland, Oregon 97201

Dear Chair Schultz,

The Portland Business Alliance (“Alliance”) represents nearly 1,900 small, medium, and large businesses in the Portland-metro area. The Alliance is committed to a strong multi-modal transportation network that promotes job growth, prosperity, and a good quality of life for our region’s residents. We understand that we face significant population growth over the next 20 years and that increased pressures on our transportation system will result in significant gridlock and compromise these objectives if we do not seek ways to address congestion. We are interested in the concept of transportation demand management (TDM) as a way to help mitigate congestion but are concerned that the proposal has not been properly vetted by potentially affected parties and is poorly designed as a result.

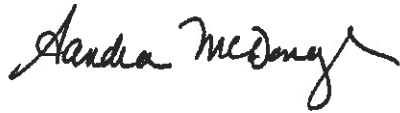
Unfortunately, the process to develop a transportation demand management (TDM) program has been negligible at best. In fact, specific information about the design and cost associated with this program was not made public until June 16. That is not the right approach to developing a successful policy that will achieve meaningful results.

The costs associated with the proposed TDM Step 1 fees are significant and come at a time when there are multiple proposals that will increase development costs including the construction excise tax (CET), linkage fees, increases in system development charges (SDCs) and inclusionary zoning. It is critical to look at these increased costs cumulatively and understand the impact they will have on development feasibility, housing affordability and job creation.

We urge that you not move forward with a TDM program until a more comprehensive and inclusive conversation takes place and we look forward to participating in that. Only then may we realize a proposal that achieves mode split goals and addresses traffic challenges without negatively impacting development.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Sandra McDonough". The signature is written in a cursive, flowing style.

Sandra McDonough
President and CEO

cc: Commissioner Steve Novick
Portland Bureau of Transportation Director, Leah Treat
Portland Bureau of Transportation Planning Manager, Judith Gray
Bureau of Planning & Sustainability Director, Susan Anderson