

Foundational Statements

- 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.
- We are in a climate crisis. The transportation sector contributes more than 40% of greenhouse gas emissions in the Portland region. Reducing transportation emissions will take a three pronged approach of 1) reducing driving by making other options safer and more attractive; 2) shifting the trips that remain on the road to zero emission vehicles (including cars, buses and freight); and 3) planning and building connected, inclusive, and complete neighborhoods to reduce the need for long trips.
- Past transportation decisions and historic disinvestment have disproportionately harmed Black people, Indigenous people, and People of Color (BIPOC), individuals living on low incomes, and persons with disabilities. This has resulted in demolition of neighborhoods, gentrification, longer travel times, unequal access to transportation options and increased traffic and personal safety risks. In order to achieve a more equitable system, we must improve outcomes for these communities. This includes outcomes related to not only multimodal mobility, but also climate, health, safety and economic opportunity. We also must make our transportation planning processes more inclusive and accountable. These values are articulated in the [Equitable Mobility Framework](#).
- The current transportation system prioritizes drivers of private vehicles and deprioritizes the mobility and access of people who do not have the physical or legal ability to drive, and/or who do not have reliable use of a functioning private vehicle. Furthermore, in the US, more than a third of driving trips are shorter than two miles, and in Portland, there are approximately one million non-commute trips under two miles made each day by car—more than double the number of all commute trips in the city. Many Portlanders, however, are reliant on driving to meet their needs within our current system.

Principles for Pricing for Equitable Mobility

- 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 should utilize the [Equitable Mobility Framework](#) to guide pricing policy deliberations and commit to evaluating equitable mobility impacts of the existing system and any future proposed transportation policy.
 - This includes impacts to moving people and goods, safety, climate and health, and the economy.
- Specifically, the City should design future pricing strategies according to the following guidelines:
 - Prioritize the goal of reducing traffic demand and using the existing transportation system as efficiently as possible to move people and goods in a more climate-friendly and equitable way.
 - While pricing generates revenue and the reinvestment of revenue is a critical way to make pricing strategies equitable, revenue generation should never be the top priority.
 - Recognize that a pricing policy is only effective if it reduces traffic demand and/or raises enough revenue to fund effective demand management or multimodal improvements.
 - Setting rates or surcharges too low to affect demand or fund improvements is inequitable.
 - Programs should be designed to be data driven and regularly reviewed for impact. Rates and surcharges should be set to meet policy goals.
 - Provide exemptions for households living on low incomes.
 - The City should develop one set of income-based policy standards that can be applied to current and future pricing programs to limit administrative costs and complexity.

- Until a universal basic income can be guaranteed, exempting drivers living on low incomes should be the highest priority to avoid exacerbating current inequities.
 - When exemptions are not possible, cash rebates or payments to households living on low incomes is preferred as it allows individuals to make the best transportation decisions for their personal situation.
 - More evaluation and community engagement are needed to determine what specific design would be most equitable and would minimize overall burdens, while still achieving demand management outcomes.
 - Pricing programs should build off existing means-testing systems wherever possible to not add additional program access burdens.
 - Center climate and equity outcomes (e.g. reduction in greenhouse gas emissions, reducing transportation cost burdens, expanding job access, etc.) throughout pricing program design.
 - This includes evaluating how different variable-rate designs, where prices change based on factors like income, time of day, congestion levels, occupancy, geography, and fuel efficiency may further advance climate and equity goals, with a bias toward equitable outcomes.
 - Evaluation should not unnecessarily delay implementation but should be thorough and focused on understanding impacts to BIPOC communities, households living on low incomes, and persons with disabilities. The City should also commit to ongoing evaluation of equity implications of policies once implemented.
 - To move with the urgency required by the climate crisis, pricing policies that focus on managing demand for people with the most options should be prioritized. As stated above, exemptions for drivers with low incomes are critical.
 - Reinvest revenue generated from pricing in strategies that further expand equitable mobility.
 - Pricing revenue should be reinvested to support frequent, competitive, and high-quality multimodal access to areas where pricing is implemented and to mitigate potential negative impacts of traffic diversion.
 - High priority complementary investment areas include transit service, operations and infrastructure; biking and walking infrastructure; affordable housing near transportation options; and multimodal discounts and financial incentives, including driving options for those without access who need it. Additional investment areas include electrification infrastructure and rebates as well as maintaining the existing infrastructure necessary for multimodal mobility.
 - Community stakeholders should always be involved in revenue allocation decisions.
 - Reduce unequal burdens of technology and enforcement.
 - Technology and payment systems must be designed to reduce barriers for individuals with limited access to bank accounts (e.g. by allowing use of prepaid debit cards).
 - Technology and payment systems should include strong privacy protections.
 - The location of pricing infrastructure should be considered so it doesn't overtly impact BIPOC or low-income communities.
 - Automated enforcement mechanisms should be used to reduce the potential for enforcement bias.
 - Tickets and fines for non-compliance should be means-based (i.e. structured by income level) to mitigate disproportionate impacts.
- 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.
 - Additional transportation demand management programs; multimodal infrastructure, operations and service investments; land use policies; affordable housing; and more must also be prioritized to create a more equitable and sustainable mobility system
- The City must engage community stakeholders, especially those representing BIPOC communities, Portlanders living on low incomes, people with disabilities, multi-lingual and displaced communities in the next stage of pricing policy development, as well as ongoing evaluation.

Nearer-term Pricing Recommendations (Advance in next 1-3 years)

The City should pursue the following recommendations as quickly as possible to advance equitable mobility outcomes. To the extent possible given the urgency of action, the City should advance these actions as a package to achieve maximum mobility and equity benefits:

- Create a flexible commuter benefits program, requiring employers that provide free or subsidized parking to offer their employees that parking value in taxable cash income or alternative transportation benefits.
 - Several examples of this policy exist including in California and Washington, DC, and these programs can be administered at city, regional or state levels.
 - Further policy work, stakeholder engagement, and pilot projects are needed to determine the most effective design and administration of a flexible commuter benefits program. The City should move as quickly as possible to conduct this policy work and implement a parking cash out policy, with a plan to review and revise to improve the program over time.
- The City should create new priced on-street parking permit and meter districts and reduce the time and complexity involved in approving new districts, allowing the City to respond more flexibly and responsively to neighborhood parking demand.
 - The current system is unnecessarily complex, requiring many layers of approval and a vote of 60% of residents to create a new district. This limits the ability to react to changing conditions and acute demand management needs.
 - The City should make the final decision as to management of the significant resource that is in the public right-of-way.
- Develop and implement a fee on privately-owned, off-street parking lots to further advance equitable mobility objectives.
 - As with City-owned parking, using pricing to manage demand for privately-provided parking can help improve efficiency and turnover while reducing climate and air quality impacts, and make our roads safer.
- Accelerate implementation of the 2018 [Performance-Based Parking Management policy](#) to assess where public on-street parking pricing should be immediately adjusted and establish a structure for regular evaluation and adjustment to market rates, more frequently than once a year.
 - As on-street parking demand in the Central City rebounds to pre-pandemic levels, there is a unique opportunity (and a critical need) to apply best practices for on-street meter pricing.
- Develop and implement a fee on urban delivery, including on-demand parcel and food delivery services, to reduce rapidly growing vehicle miles travelled (VMT) generated by these trips and negative mobility, climate and safety impacts.
 - Proposals should recognize the ways delivery services help meet needs for people who have limited options.
 - The current working conditions experienced by many urban delivery workers are inadequate, and there is a need for stronger workforce protections, living wages and access to essential benefits. Pricing policies related to these services should, to the extent possible, be designed to be supportive of the urban delivery workforce.
 - Proposals should consider a differentiated fee structure to incentivize moving to zero emission delivery vehicles and should consider variability based on congestion level, time of day, location, or other factors to best achieve equitable mobility outcomes.
 - Proposals should integrate whenever possible with flexible curb management strategies, such as short-term pick-up/drop-off zones and technology that allows for short term reservation of drop zones for delivery vehicles.
- Modify the existing fee structure on private for-hire transportation to better manage VMT generated by these trips and reduce negative mobility, climate and safety impacts.
 - Proposals should recognize the ways private for-hire services can provide mobility options for those with limited other choices.
 - The current working conditions experienced by many private for-hire drivers are inadequate, and there is a need for stronger workforce protections, living wages and access to essential benefits. Pricing policies related to these services should, to the extent possible, be designed to be supportive of the private for-hire driver workforce.
 - Proposals should consider a differentiated fee structure to incentivize zero emission private-for-hire vehicles and should consider variability based on congestion level, time of day, location, or other factors to best achieve equitable mobility outcomes.

The City should advocate for amending the Oregon state constitutional restriction that limits use of funds generated through taxes on motor vehicles.

- While capital bike, pedestrian and transit improvements are possible under the current restriction, it does not allow for investments in noncapital, multimodal services like transit operations, which are critical to advancing equitable mobility.

Regarding highway tolling, the City should advocate for the recommendations and outcomes outlined in the Task Force letter on tolling dated March 9, 2021. The City should continue to actively engage and advocate for the values articulated in the letter through legislative and intra-agency staff coordination channels.

Longer-term Pricing Recommendations

The City should also continue considering pricing strategies that could have wider system benefits but may take longer to develop and implement. The longer-term strategies that show the most promise for advancing equitable mobility if developed according to the previously mentioned principles and based on the information considered to date include:

- Truly dynamic demand-based parking pricing designed to reduce VMT and advance climate and equity outcomes.
 - This could build on existing technologies, provide flexibility and responsiveness, and be implemented by the City of Portland.
- A locally controlled Road Usage Charge (RUC) designed to advance mobility, climate and equity outcomes.
 - A RUC is currently being considered at the state level primarily as a tool to replace the fuels tax and replace transportation revenue.
 - The City should insist upon, advocate for, and mobilize support for the statewide RUC to be designed to advance climate, equity and mobility outcomes, while exploring a City or regional RUC that aligns with POEM principles and prioritizes transportation demand management.

While not recommended as highly by the Task Force because initial modeling results showed it might not be as effective at improving equitable mobility, the City should also continue exploring how a Central City cordon could help to advance mobility, climate and equity goals.

- The Central City is the area with the most plentiful multimodal transportation alternatives, and pre-COVID, it was one of the most congested areas of the city. It is too early to know the longer-term implications of the pandemic on Central City travel patterns and businesses. More evaluation and monitoring is needed.
- Initial modeling presented to the Task Force showed that a cordon might lead to significant diversion outside of the Central City, but it did not look at whether different cordon designs or combinations of pricing tools could mitigate diversion impacts. . Further exploration of the potential benefits and drawbacks of a Central City cordon is necessary.

Complementary Strategies to Advance Alongside Pricing

The POEM Task Force recognizes the importance of all the following complementary strategies in creating a more equitable mobility system:

- Public transit infrastructure, operations and service
- Bicycle and pedestrian infrastructure and programs
- Affordable housing connected to multi-modal transportation options
- Infrastructure and programs that enhance traffic safety, including from potential traffic diversion
- Incentives and financial support for different travel options
- Strategies to incentivize shift to electric/more fuel-efficient cars, freight and buses.
- Land use policy that leads to more connected, complete, and inclusive neighborhoods

Revenue generated from potential future pricing strategies may not allow for investments in all these areas and will not be enough to meet every need. Transportation revenues are also declining, while maintenance needs grow, and current restrictions limit some reinvestment opportunities. Acknowledging these constraints, the City should prioritize reinvestment to the extent possible in critical strategies that most help enable connected, inclusive and complete neighborhoods and improve equitable access to non-driving options, including: public transit, operations, service and infrastructure; bicycle and pedestrian infrastructure; and affordable housing near transportation options.

Additionally, the City must recognize that because of displacement and unequal access to multimodal options in parts of the city, many Portlanders must drive to meet their needs. Car access today is also inequitable. While expanding non-driving options should be the priority, the City should also invest in strategies that improve equitable access to shared and electric automobile travel for people who need it.

In the design of both pricing policies and complementary strategies, the City should explore opportunities to provide direct financial support to Portlanders living on low incomes to improve equitable mobility outcomes, enabling community members to make the best decisions for their specific needs.

Implementation Next Steps

- The City should be prepared to make the bold decisions required to advance climate, equity and mobility goals. The City should take a leadership role in advancing transformative pricing policies that improve equitable mobility given the urgent need to address the climate crisis and inequitable status quo.
 - This includes piloting strategies where the City has implementation authority and spearheading regional collaboration on interjurisdictional strategies.
- The City should invest in regular data collection and/or surveying to inform equity analyses of potential pricing and other transportation policies.
 - A more robust understanding of travel behaviors and barriers, including demographic information, is critically important in order to understand likely impacts to BIPOC communities, individuals living on low incomes, people with disabilities and other communities; to support potentially controversial policy positions; and also to evaluate the ongoing impacts of pricing programs.
 - The City should partner with local research institutions and other agencies in this work.
- The City should study the near and longer-term mobility impacts of the COVID-19 pandemic to inform future policy development (e.g. changing travel behaviors, forecasted telework patterns, economic impacts, etc.).
- The City should conduct wider community engagement to inform further pricing policy development.
 - This includes a commitment to inclusive, accessible public involvement opportunities and centering equity in the public engagement approach.
 - The City should also demonstrate that staff is learning from previous community conversations and build upon existing community feedback.
- The City should partner with community members, businesses and organizations to advance the conversation around pricing, helping build a coalition to champion the most transformative pricing options for equitable mobility.
- The City should explore models for a unified financial assistance system for households living on low incomes that could be applied across pricing programs and transportation services to reduce burdens on these households and administrative complexity.
 - The system should both reduce barriers of means testing for financial assistance and enable more flexibility for utilizing multiple transportation options provided by different service providers.