



DATE: Tuesday, September 14, 2021
TO: Board of County Commissioners
FROM: Commissioner Paul Savas
SUBJECT: Metro Regional Congestion Pricing Study Next Steps

On September 16, the Joint Policy Advisory Committee on Transportation (JPACT) will vote on a Resolution to accept Metro's Regional Congestion Pricing Study (RCPS).

Prior BCC Action

Commissioner Savas briefed the Board about the RCPS at Issues on June 29.

On July 13, the Board sent a letter to Metro and JPACT requesting that Metro take several additional steps prior to the study's adoption. The letter proposed revised language to Metro's draft Resolution to reflect that request. Although Metro did not incorporate our draft language, they did revise the Resolution to soften the role of the study in informing the upcoming Regional Transportation Plan revision.

Background

The Regional Transportation Plan (RTP) was last updated in 2018. It included direction for Metro to conduct the RCPS to provide policy makers with technical information and analysis about using pricing as a potential strategy to reduce vehicle congestion and travel times.

Metro conducted an analysis of four possible methods:

- Vehicle miles traveled (VMT) pricing (pay per mile)
- Cordon pricing (pay to enter a certain geographic area)
- Roadway pricing (pay to drive on a particular road)
- Parking pricing (increased fees or expanded pay-to-park areas)

Their final report, published in July, found that all four types of pricing would reduce congestion and vehicle emissions.

The study acknowledges the need to further examine the implications of implementing a pricing model—including diversion, mobility constraints in areas underserved by transit and multi-modal connections, potential shifts in the location and volume of travel and spending, and the effect on other jurisdictions if one or more jurisdictions implement a pricing strategy. **However, the study itself does not provide the necessary in-depth analysis to understand local implications or consider the importance of a regionally cohesive, seamless approach across road ownership and local jurisdictional boundaries.**

Additionally, to-date, the RCPS has not been informed by a parallel policy conversation to build consensus around regional issues such as establishing shared goals and outcomes and determining revenue sharing.

As ODOT and local jurisdictions continue to explore tolling and congestion pricing, it will be essential to perform further study to understand implications and to work collaboratively on a regional scale.

ATTACHMENTS

July 13, 2021 letter from BCC to JPACT

JPACT Memo from Metro staff dated September 16, 2021



JPACT
c/o Metro
600 NE Grand Ave.
Portland, OR 97232

July 13, 2021

Dear Members of JPACT & Metro Council:

We are writing to communicate our thoughts on the Regional Congestion Pricing Study, Final Report.

Overall, we believe this is an extremely useful study to better understand various congestion pricing models. Additionally, we appreciate the inclusion of the Expert Panel, which brought forth valuable lived experience from other jurisdictions working to implement congestion pricing.

While the study provides the region with a high-level overview of four types of congestion pricing, it does not examine implications of implementation. Additionally, it did not fully explore revenue issues, including how revenue would be shared across the region.

The set of considerations listed on page 84 of the study can serve as a foundation for the next phase of work. Prior to this study being used as the model to commit to planning, policy development, and a financing model in the 2023 RTP update, we request the following steps:

- Convene conversations with regional leaders to hear local concerns and work towards consensus on core issues such as goals and outcomes, equity implications, revenue considerations, investment priorities, and ultimately selecting a preferred alternative.
- Define clear goals and outcomes for congestion pricing (such as equity, revenue generation, climate and emissions, safety, and changing driver culture), agreed upon by JPACT, before such a program is implemented; and
- Fully examine local impacts including diversion, mobility constraints in areas underserved by transit and multi-modal connections, potential shifts in the location and

volume of entertainment travel and spending (such as recreational, cultural, arts, entertainment, dining, and similar sites), and changes to existing revenue streams; and

- Conduct detailed analysis to identify the specific benefits and impacts a pricing program would have on different geographic areas and demographic populations within the region, so that JPACT can know how to maximize benefits and address potential negative outcomes; and
- Identify clear, actionable steps that Metro and local governments can take to minimize further harm to ethnically diverse, low-income, transit-deficient, and other underserved communities so past injustices are not compounded.

Based on the additional granular analysis that decision-makers need to make informed policy decisions around congestion pricing, we request that the draft Resolution be amended as follows on page 3, Resolution #2 of Resolution 21-5179:

“The Metro Council hereby directs staff to continue further analysis and refinement of the study to address the unanswered questions and considerations and return to JPACT and the Metro Council to share those results prior to seeking direction on future RTP updates.”

Sincerely,



Tootie Smith, Chair



Commissioner Paul Savas
JPACT Representative

Date: September 16, 2021
To: Joint Policy Advisory Committee on Transportation and Interested Parties
From: Elizabeth Mros-O'Hara, RCPS Project Manager
Subject: Accept Regional Congestion Pricing Study Findings and Recommendations

Purpose

Present JPACT the final Regional Congestion Pricing Study (RCPS) study report, including key findings, and recommendations for policy makers and future owners and operators to consider based on the study findings.

Ask JPACT to recommend acceptance of the report findings and recommendations via a resolution. The resolution will be brought to Metro Council for acceptance on September 30th.

Request to JPACT

Recommend that Metro Council accept the report findings and recommendations via a resolution at the September 30th Metro Council meeting.

Revisions to Draft Report and Recommendations

The Draft Report and Recommendations reflect two years of modeling, analysis, and input from technical staff, subject-matter experts and policy makers. TPAC provided important technical input on a regular basis to shape the findings, and JPACT and the Metro Council provided policy direction and other considerations to shape the study.

After completing the technical analysis, Metro shared draft recommendations, draft findings, and a draft RCPS report which were presented to TPAC, JPACT, and Metro Council for feedback in June. Metro also sent the Draft Regional Congestion Pricing Study Report to TPAC for comments. Comments were addressed and the report and recommended considerations were updated as described below.

Report

Attachment 1: Regional Congestion Pricing Study Final Report July 2021 includes a new executive summary and some minor revisions based on TPAC and stakeholder comments. Changes to the draft address comments on readability, clarifying considerations of an equity analysis and a potential suite of affordability programs to address equity concerns, and references to federal tolling stipulations. In addition, the report contains the final recommendations discussed below.

Recommended Considerations for Policymakers and Future Owners and Operators

Comments on the recommended considerations were focused on ensuring coordination with other pricing efforts and across different geographic scales, combining considerations that applied to both policy makers and future owners and operators; and making the recommendations more action-oriented and succinct. Metro staff has adjusted the recommendations as follows:

List of changes made as a result of feedback:

- Adjusted recommended considerations to have generalized considerations as well as considerations specific to policy makers or future project owners/operators.
- Added reference to other projects in the region
- Adjusted bullet about conversations related to pricing to include the state level when applicable.

- Added language to reflect that various pricing programs in the region should be coordinated.
- Added additional reference to impacts on low-income travelers.
- Modified wording to reflect suggestions from TPAC members.

Updated recommendations are included in **Attachment 1: Regional Congestion Pricing Study Final Report July 2021**.

Below are general recommended considerations for both policy makers and future project owners and operators, as well as specific recommendations that would apply to each group.

- Congestion pricing can be used to improve mobility and reduce emissions. This study demonstrated how these tools could work with the region's land use and transportation system.
- Define clear goals and outcomes from the beginning of a pricing program. The program priorities such as mobility, revenues, or equity should inform the program design and implementation strategies. Optimizing for one priority over another can lead to different outcomes.
- Recognize that benefits and impacts of pricing programs will vary across geographies. These variations should inform decisions about where a program should target investments and affordability strategies and in depth outreach.
- Carefully consider how the benefits and costs of congestion pricing impact different geographic and demographic groups. In particular, projects and programs need to conduct detailed analysis to show how to:
 - maximize benefits (mobility, shift to transit, less emissions, better access to jobs and community places, affordability, and safety), and
 - address negative impacts (diversion and related congestion on nearby routes, slowing of buses, potential safety issues, costs to low-income travelers, and equity issues).
- Congestion pricing can benefit communities that have been harmed in the past, providing meaningful equity benefits to the region. However, if not done thoughtfully, congestion pricing could harm BIPOC and low-income communities, compounding past injustices.
- Conversations around congestion pricing costs, revenues, and reinvestment decisions should happen at the local, regional, and when appropriate the state scale, depending on the distribution of benefits and impacts for the specific policy, project, or program being implemented.

Specifically For Policy Makers

- Congestion pricing has a strong potential to help the greater Portland region meet the priorities outlined in its 2018 Regional Transportation Plan, specifically addressing congestion and mobility; climate; equity; and safety.
 - Technical analysis showed that all four types of pricing analyzed improved performance in these categories;
 - Best practices research and input from experts showed there are tools for maximizing performance and addressing unintended consequences.
- Given the importance of pricing as a tool for the region's transportation system, policy makers should include pricing policy development and refinement as part of the next update of the Regional Transportation Plan in 2023, including consideration of other pricing programs being studied or implemented in the region.

Specifically For Future Project Owners/Operators

- The success of a specific project or program is largely based on **how** it is developed and implemented requiring detailed analysis, outreach, monitoring, and incorporation of best practices.
- Coordinate with other pricing programs, including analysis of cumulative impacts and consideration of shared payment technologies, to reduce user confusion and ensure success of a program.
- Conduct meaningful engagement and an extensive outreach campaign, including with those who would be most impacted by congestion pricing, to develop a project that works and will gain public and political acceptance.
- Build equity, safety, and affordability into the project definition so a holistic project that meets the need of the community is developed rather than adding “mitigations” later.
- Establish a process for ongoing monitoring of performance, in order to adjust and optimize a program once implemented.

Feedback from JPACT and the 2023 RTP Policy Development

At the July 15th, 2021 JPACT meeting, JPACT members asked for further clarification on how the findings from the RCPS final report would be incorporated into the 2023 update to the Regional Transportation Plan (RTP), and additionally asked for more time to discuss congestion pricing and potential amendments to the draft resolution prior to voting on a recommendation to accept the findings and recommendations via resolution.

In response to JPACT feedback, Metro provided an opportunity for JPACT to discuss the RCPS at the August 19th, 2021 meeting.

In addition, Metro staff developed **Attachment 2: Overview of Regional Congestion Pricing Study Process and Next Steps August 2021**, which provides an overview of the RCPS process, final report, and future policy development process to implement the study recommendations as part of the next two year scheduled update to the RTP. Metro is committed to bringing policy issues to JPACT early and often, and well in advance of the final RTP 2023 adoption. Attachment 2 clarifies the timeline for input prior to the adoption of any new policies.

Questions for JPACT

- Do JPACT members have any questions about the finalized recommendations and report?
- Does JPACT recommend Metro Council accept the findings and recommendations via a resolution on September 30th?

Next Steps - JPACT asked to recommend and Metro Council asked to accept the findings and recommendations via resolution

If JPACT recommends that Metro Council accepts the findings and recommendations in the Regional Congestion Pricing Study report at its meeting on September 16th, staff will ask the Metro Council to adopt them via the draft resolution at the Metro Council September 30th, 2021 meeting.

The resolution and staff report are included as an attachment for JPACT review as **Attachment 3: Resolution 21-5179 For the Purpose of Adopting the Findings and Recommendations in the Regional Congestion Pricing Study** and **Attachment 4: Resolution 21-5179 Staff Report**.

Questions for JPACT

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Attachments:

Attachment 1: Regional Congestion Pricing Study Final Report July 2021

Attachment 2: Overview of Regional Congestion Pricing Study Process and Next Steps August 2021

Attachment 3: DRAFT Resolution 21-5179 For the Purpose of Adopting the Findings and
Recommendations in the Regional Congestion Pricing Study

Attachment 4: Resolution 21-5179 Staff Report