

**METRO REGIONAL CONGESTION
PRICING STUDY**

EXPLORING CONGESTION PRICING FOR THE REGION

AUGUST 2020



Metro

**N NELSON
NYGAARD**



ONE
WAY
←

P
O
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ONE
WAY
→

MORRISON

TAYLOR

Stone Center
Custom
Marble and Granite
Fabrication & Installation
Slab and Tile

WHAT IS THIS STUDY?

The Metro Regional Congestion Pricing Study is exploring whether congestion pricing can benefit the Portland metro region. Metro is looking at many different pricing tools to understand how pricing could support an equitable, safe and sustainable transportation system.

Congestion pricing was documented as a high priority, high impact strategy in the 2018 Regional Transportation Plan (RTP). A range of scenarios testing different congestion pricing tools will help Metro understand if pricing can help the region meet four of the goals set out in the RTP.

Congestion pricing was identified in the RTP as a high impact strategy

Four RTP goals will be used to evaluate the pricing scenarios:

EQUITY

Reduce disparity



SAFETY

Getting to Vision Zero



CLIMATE SMART

Reduce emissions



CONGESTION

Reduce traffic



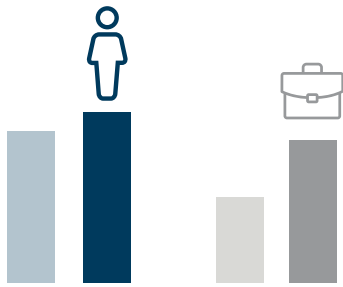
What is Metro's timeline?

The study is planned to take about 18 months with findings released in early 2021. Leaders around the region may use these findings to inform policies and other transportation projects such as Oregon Department of Transportation's (ODOT) I-5 and I-205 Tolling Project and Portland's Pricing Options for Equitable Mobility (POEM). The findings may also provide information for policymakers who want to propose new congestion pricing projects at the local level.



Why this study?

Congestion is a problem in the Portland metro region. Changing travel patterns and a growing population mean more traffic and less freedom to travel reliably around the region. Congestion also has devastating economic, social and environmental impacts.



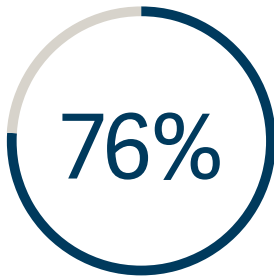
The region expects 600,000 new residents and 350,000 new jobs by 2040.

Source: 2018 RTP

Due to increasing congestion, TriMet must add service each year to get residents and employees to their destinations on time.

Source: 2018 City of Portland Enhanced Transit Corridors Plan

+\$1-2 MILLION



of the region's residents think congestion is a serious problem.

Source: 2019 Oregon Transportation Survey

CONGESTION & COVID-19

With stay-at-home orders related to COVID-19, congestion in the Portland metro region has declined significantly. But as businesses reopen and the region goes back to work, congestion will return and may be worse if more people choose to drive. As income disparities and unemployment worsen, inequities in the transportation system will be more important than ever to address.

Portland metro is the 8th most congested region in the country.

Source: 2019 Inrix Global Scorecard

- 1 BOSTON
- 2 CHICAGO
- 3 PHILADELPHIA
- 4 NEW YORK CITY
- 5 WASHINGTON, DC
- 6 LOS ANGELES
- 7 SAN FRANCISCO
- 8 PORTLAND**
- 9 BALTIMORE
- 10 ATLANTA

In 2019, people in the Portland metro region spent 89 hours stuck in traffic.

Source: 2019 Inrix Global Scorecard

89^{HRS}  **=**
\$1,300
PER PERSON

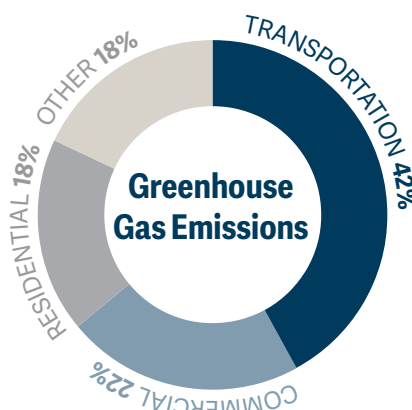
Congestion got 10% worse between 2018 and 2019.

Source: 2019 Inrix Global Scorecard

2018



2019



Transportation accounts for over 40% of Multnomah County's greenhouse gas emissions.

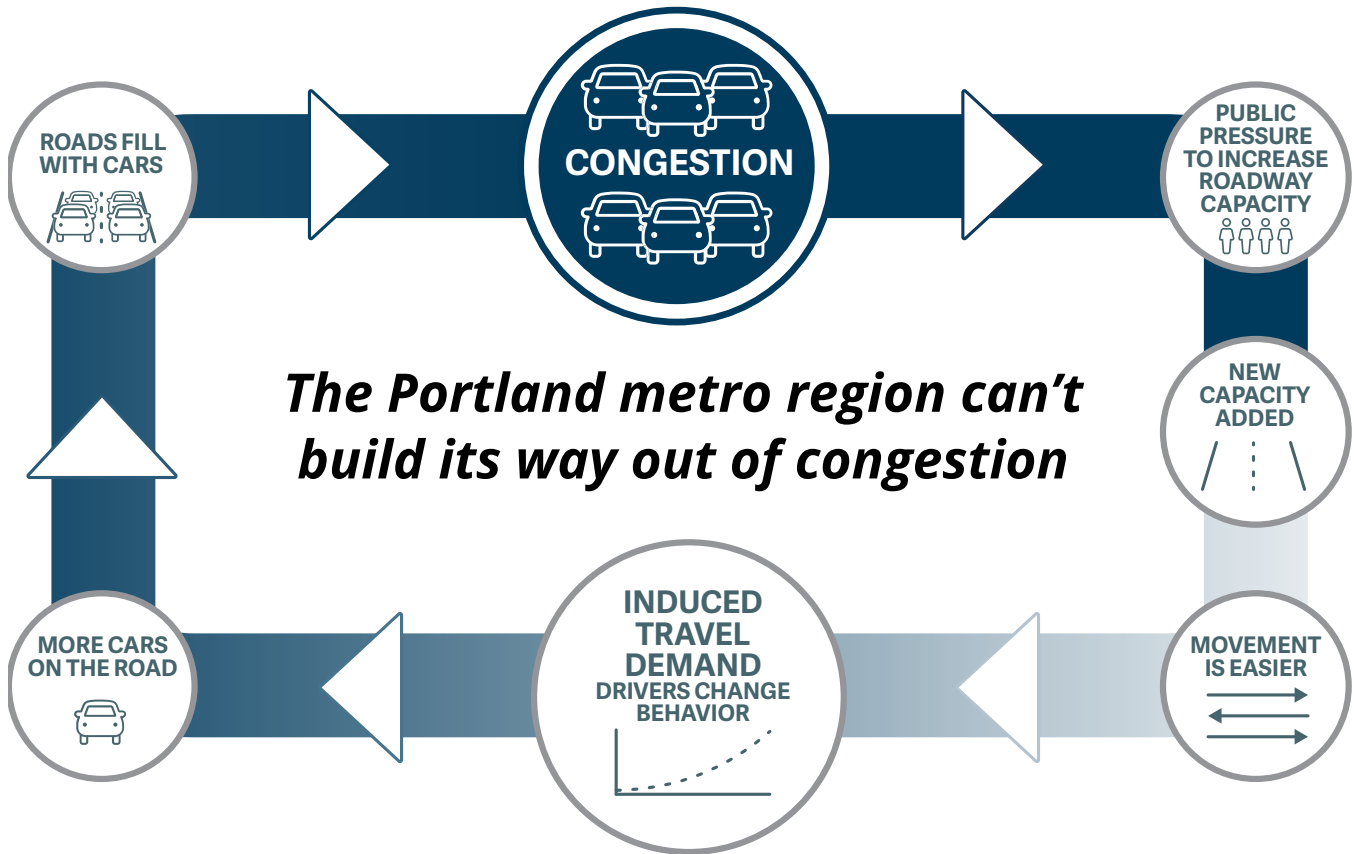
Source: Multnomah County 2017 Carbon Emissions and Trends, Portland Bureau of Planning and Sustainability

In the Portland region, the 10 lowest income and 10 highest minority neighborhoods experience more exposure to toxic air than the average neighborhood.

Source: 2012 Portland Air Toxics Solutions Committee Report and Recommendations, Oregon Department of Environmental Quality



The Cycle of Congestion



What pricing strategies is Metro exploring?

Metro is exploring if and how four congestion pricing strategies can support the region's priorities to **provide an equitable transportation system**. Each of the pricing strategies could vary by time of day, by area, by types of drivers on the road and by income levels.



VEHICLE MILES TRAVELED FEE

Drivers pay a fee for every mile they travel



CORDON PRICING

Drivers pay to enter an area, like downtown Portland (and sometimes pay to drive within that area)



CORRIDOR PRICING

Drivers pay a fee to drive on a particular road, bridge or highway



PARKING PRICING

Drivers pay to park in certain areas

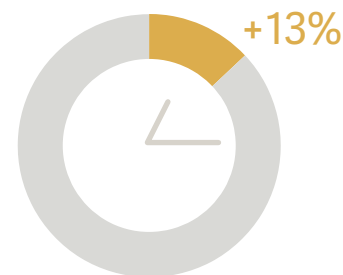
WHY IS THE CURRENT TRANSPORTATION SYSTEM INEQUITABLE?

Transportation investments in the Portland metro region have a long history of contributing to racial inequity and neighborhood displacement. Decades ago, public agencies planned and built new highways that cut through Black communities, splitting neighborhoods and contributing to poor air quality, noise pollution and safety issues. Recently, transit investments have been made without complementary affordable housing strategies, leading to gentrification and further displacement.

Today, while the region's residents all feel the impacts of congestion, historic inequities in the transportation system amplify impacts on people of color and low-income people:

- Housing costs are increasing faster than incomes, making travel distances longer for people of color and low-income people.
- Communities of color and low-income communities have longer commutes, made slower and more unreliable when roadways are congested.
- Major roads and freeways often run through communities of color and low-income communities, resulting in disproportionately high rates of air pollution and chronic illnesses.

In the Portland region, average commute times for Black commuters are 13% longer than white commuters.



VS.



The lowest income households spend 35% of their income on transportation. Those with the highest income spend 13% or less.

Source: U.S. Bureau of Transportation Statistics

Funding is limited for travel options that communities of color and low-income communities depend on:



FEDERAL, STATE AND LOCAL GAS TAXES AND FEES PROVIDE REVENUE



INFLATION AND HIGH-EFFICIENCY VEHICLES SHRINK POTENTIAL REVENUES



MOST REVENUES ARE SPENT ON PRESERVING AND BUILDING STREETS



REMAINDER CAN BE SPENT ON TRANSIT, BICYCLE AND PEDESTRIAN PROJECTS

How can congestion pricing advance equity?

Congestion pricing strategies have the potential to enhance racial equity and benefit historically marginalized communities (people of color, people with limited English proficiency and people in poverty), as well as all residents of the region. This largely depends on how people are charged and how revenue from congestion pricing strategies is spent.



AFFORDABILITY

Unlike sales taxes, fuel taxes and many other transportation funding sources, congestion pricing programs can offer discounts, set caps (the maximum amount that someone might need to pay), provide rebates or fully exempt certain drivers based on income level or other characteristics.



SAFER STREETS

Pricing revenues can be invested in enhanced bicycle and pedestrian networks to improve street safety and provide benefits to historically disadvantaged communities. Pricing can also decrease the number of cars on the road, increasing safety for people walking and biking.



HEALTHIER COMMUNITIES

Pollution from cars and trucks is tied to increased rates of asthma, heart disease and impaired lung function. In the Portland region, urban low-income neighborhoods and communities of color are disproportionately exposed to air pollution. Congestion pricing can help reduce traffic and the associated health risks to these groups.



BETTER MOBILITY OPTIONS

Revenue from congestion pricing strategies can help to fund a variety of mobility options, such as more transit service, roadway improvements to make transit travel times more predictable, carpool and vanpool programs and new mobility programs to increase choices for people who spend more time in traffic.



PROGRAMS FOR SENIORS AND PEOPLE WITH DISABILITIES

Special programs for those with limited mobility can ensure that seniors and people with disabilities can travel around the region. These programs can be funded by revenues from congestion pricing.

WHO ELSE PRICES?

This study will build on lessons learned from other cities to explore whether pricing makes sense for the region. Many European cities have had congestion pricing programs in place for decades, and major North American cities are now studying whether pricing could help to ease their congested streets.

For cities that have implemented congestion pricing programs:

- Their programs have built on aggressive transportation demand management programs, much like Metro's Regional Travel Options program, which provides grants and supports efforts that increase walking, biking, ridesharing, telecommuting and public transit use.
- The goals of congestion pricing programs are wide ranging—they are not just about reducing the number of vehicles on the road. They're also focused on improving air quality and equity.
- Most programs provide a revenue stream that funds transportation options and services. In many cases, this means significant increases in public transit investments that serve people of color and low-income people.
- Public and business acceptance typically increases dramatically after implementation.

Congestion pricing programs in place or under study



What benefits have international cities seen?

STOCKHOLM

- The congestion pricing program has reduced traffic by 22% and reduced greenhouse gas emissions by 14%. *Source: SFCTA, Mobility, Access, and Pricing Study: Case Studies: Stockholm and London, 2010*
- Program revenues have funded 18 new regional bus lines and 2,800 new regional park-and-ride spaces. *Source: SFCTA, Mobility, Access, and Pricing Study: Case Studies: Stockholm and London, 2010*
- After congestion pricing was implemented, the number of acute asthma cases in young children dropped by about 50%. *Source: Simeonova, E, et al., Congestion Pricing, Air Pollution and Children's Health, 2018*

LONDON

- Prior to congestion pricing, traffic in central London averaged 2-5 mph. Since implementation, the average traffic speed has increased to 10 mph. *Source: SFCTA, Mobility, Access, and Pricing Study: Case Studies: Stockholm and London, 2010*
- London increased bus service in the pricing zone by 27%, adding more predictability and faster trips. As a result, bus ridership increased 38% in two years. *Source: Congestion Charging Central London, Impacts Monitoring Second Annual Report, 2004*

What can Metro learn from North American studies?

NEW YORK CITY

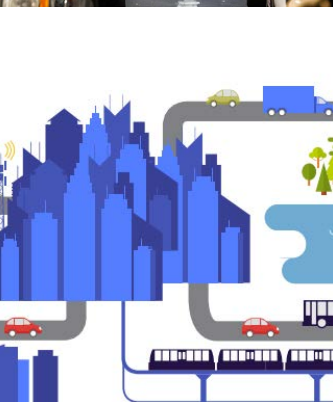
In 2019, New York City implemented a congestion zone surcharge on for-hire vehicles (like taxis, Uber and Lyft) in Manhattan as part of its phased approach to pricing. Future phases, planned for implementation in 2021, include a vehicle fee for crossing into a specified zone. A portion of the revenue will be reinvested in the city's subway system.

SAN FRANCISCO

In 2019, the San Francisco County Transportation Authority (SFCTA) began to explore how a fee to drive downtown could achieve congestion, climate, equity and safety goals. The study builds on a 2010 Study, which evaluated the applicability of congestion pricing to San Francisco.

VANCOUVER B.C.

A 2018 study considered how congestion pricing could reduce traffic congestion, promote fairness and support transportation investment. A second phase of study is developing a more detailed approach to a pricing program.



HOW DOES THIS RELATE TO METRO'S PARTNERS' WORK?

Metro, the ODOT, and the City of Portland are all working on projects that consider ways to price transportation to address challenges related to equity, climate change, congestion, and safety. Each agency makes decisions for different parts of our region's transportation system. Each has separate projects underway to help address issues specific to those geographies. The three agencies are coordinating their efforts to leverage each other's work, learn from one another and share findings.

METRO'S REGIONAL CONGESTION PRICING STUDY



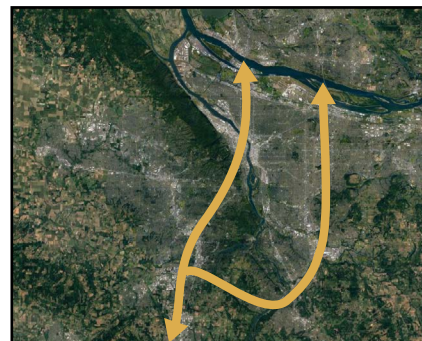
Metro is studying potential effects of congestion pricing for the entire Portland metro region.

CITY OF PORTLAND'S PRICING OPTIONS FOR EQUITABLE MOBILITY PROJECT



Portland is studying how pricing might produce a more equitable transportation system within the City.

ODOT'S I-5 AND I-205 TOLL PROJECTS



ODOT has identified segments of I-5 and I-205 for future tolling.



Metro

Metro's Regional Congestion Pricing Study

PROJECT ELEMENTS

- Conduct technical study of different pricing tools
- Coordinate with existing committees (Transportation Policy Alternatives Committee, Joint Policy Advisory Committee on Transportation, and Metro Council) for guidance
- Conduct transportation modeling and other analyses
- Convene Expert Panel to review results

PROJECT OUTCOMES

- Technical papers on best practices, equity in pricing, current transportation funding, and barriers to implementation
- Report on performance of pricing tools
- Foundational understanding of whether pricing can work for the region to inform policy makers
- Identification of needs for further study

City of Portland's Pricing Options for Equitable Mobility (POEM) Project

POEM is exploring if and how new pricing strategies could be used in the City of Portland to improve mobility, address the climate crisis, and advance equity for people historically underserved by the transportation system. The project will consider pricing strategies that the City can implement itself and inform the City's participation in interjurisdictional conversations about pricing. Topics to explore include prices on parking, commercial fleets and right-of-way access, tolling, cordons and congestion zones and vehicle miles traveled.

PROJECT ELEMENTS

- Convene a community Task Force
- Develop an Equitable Mobility Framework for analyzing pricing strategies
- Explore conditions and complementary strategies needed for making pricing equitable

PROJECT OUTCOMES

- Inform the City's transportation pricing policies and role in interjurisdictional pricing conversations
- Final report summarizing technical analysis, Task Force recommendations, and City next steps



ODOT's I-5 and I-205 Toll Projects

ODOT is implementing tolls to both manage congestion and raise revenue on segments of I-205 and I-5, as identified during the 2017-2018 Value Pricing Feasibility Analysis. ODOT is committed to using an equity focus and has convened an Equity and Mobility Advisory Committee (EMAC) to provide recommendations to the project team and the Oregon Transportation Commission (OTC). The Committee will adopt an equity framework to make recommendations on I-205 and I-5 toll strategies to benefit communities that are currently and historically underrepresented and underserved. The Region 1 Area Commission is also providing recommendations to the OTC and toll team on the tolling program.

PROJECT ELEMENTS

- I-5 and I-205 toll project environmental review
- Equity and Mobility Advisory Committee

PROJECT OUTCOMES

- Toll equity framework
- Selection of preferred alternatives for I-205 and I-5
- Toll implementation

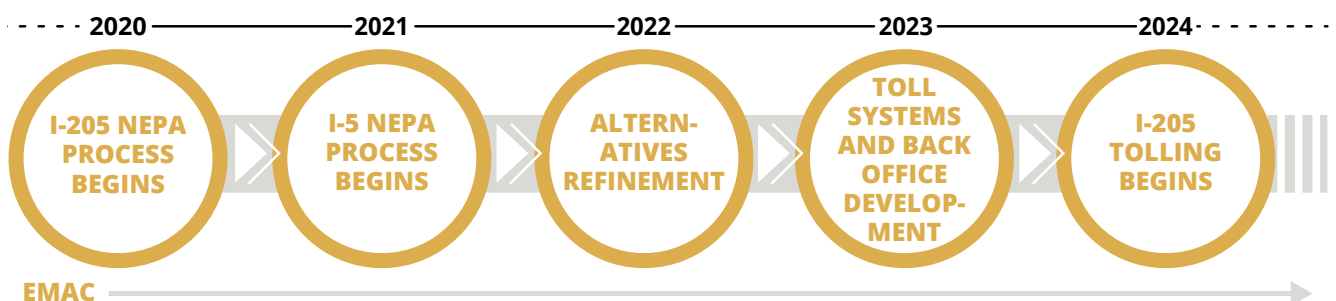


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