MEMORANDUM

To: **Kim Ellis, RTP Project Manager, and Tom Kloster, Regional Planning Manager**

From: **Brie Becker, Nelson\Nygaard Project Manager**

Date: January 25, 2023

Subject: **RTP Pricing Policy**

Purpose

This memo provides final drafts of the proposed new RTP pricing policy and associated recommendations for changes to other sections of the RTP, as well as shares feedback that warrants further review and discussion as part of the broader 2023 RTP update.

The new pricing policies in Section 3.2.5 of the RTP were developed through a four-step process:

1. Identified existing relevant policies in the 2018 RTP.
2. Reviewed findings and recommendations from RCPS, including input from the expert review panel.
3. Drafted policy updates for the 2023 RTP and potential supportive policy elements.
4. Each policy was categorized under one or more of these outcomes: equity, safety, climate, and mobility.

Draft policies were shared with TPAC, JPACT, MTAC, MPAC, and Metro Council at key milestones outlined below.

Figure 1 Metro Committee Meetings

Date	Meeting	Topic
4.20.22	TPAC/MTAC Workshop	Review 2018 RTP Policy
6.03.22	TPAC	Introduce Draft 2023 RTP Policy
6.21.22	Metro Council Work Session	Introduce Draft 2023 RTP Policy
7.13.22	TPAC Workshop	Revised 2023 RTP Policy, Introduce Action Items
7.27.22	MPAC	Introduce Draft 2023 RTP Policy
7.28.22	JPACT/Council Workshop	Introduce Draft 2023 RTP Policy and Action Items
9.02.22	TPAC	Revised 2023 RTP Policy and Action Items
9.13.22	Metro Council Work Session	Revised 2023 RTP Policy and Action Items
9.15.22	JPACT	Revised 2023 RTP Policy and Action Items
9.21.22	MTAC	Revised 2023 RTP Policy, Introduce Action Items
9.28.22	MPAC	Revised 2023 RTP Policy, Introduce Action Items

Attachments Summary

There are four attachments included in this memo.

I. Clean final draft of the RTP pricing policy sections and definitions.
   a. This draft of the RTP sections includes comments that were addressed from multiple rounds of TPAC, JPACT, and Council meetings.

II. Tracked changes version of the draft noted above.
   a. These are changes shown in response to feedback from September 2022 TPAC, JPACT, and Council meetings.

III. Appendix A, which includes proposed changes to RTP Chapters 2, 3, and 8 with track changes from 2018.
   a. These sections are areas of the RTP that need to be updated to further reflect the pricing policy creation in Chapter 3. Chapter 8: Moving Forward Together discusses mobility corridors recommended for future corridor refinement

plans and how pricing fits. Chapter 2 includes Goal 4: Reliability and Efficiency, Objective 4.6 Pricing. Chapter 3 includes three sets of polices:

i. Safety and Security Policies (3.2.1.4) and sub-policy 4.

ii. Transportation Demand Management Policies (3.11) and sub-policy 1.

iii. Regional Motor Vehicle Network Policies (3.5) and sub-policies 6 and 12 and Table 3.7 toolbox of strategies to address congestion in the region.

IV. Summary of the September 2022 feedback for Appendix A

a. This summary organizes all the feedback for the chapters in Appendix A of the RTP pricing policy sections and definitions. The feedback is sorted by Chapter.

Topics for Further Discussion

There are also a few remaining topics that require further discussion or consideration by Metro staff. There are three main themes that incorporate the remaining topics.

- Additional clarity on when policies and actions are applicable to regional partners. Suggest that this could be accomplished through an update to the Chapter 3 introduction.
- Consideration of comments requesting new planning efforts in Chapter 8 of the RTP, as described in Attachment III.
- Consideration of comments requesting further discussion or modifications to changes proposed for Chapter 2 and Chapter 3 of the RTP, as described in Attachment IV.

3.2.5 PRICING POLICIES

Transportation pricing is a tool that can help our region reach its goals of better, faster transit, cleaner air, fewer hours sitting in traffic, and more equitable access to jobs and opportunities. To realize these outcomes, pricing programs will need to be carefully designed to ensure the process to develop them is equitable, revenue is reinvested equitably and to support regional goals, diversion on local streets is mitigated, and pricing strategies are interoperable throughout the region.

What is transportation pricing?

Transportation pricing is the use of a pricing mechanism, such as tolls or parking fees, to reduce traffic congestion and greenhouse gas emissions, encourage a shift to travel via different modes, a different route, or a different time of day, and raise revenue for transportation investments and mitigation for impacts resulting from pricing.

While parking pricing has proven to be an effective strategy in the region for many years, cordons, roadway pricing, and other pricing strategies are only beginning to be discussed and implemented as a strategy in the greater Portland region. However, these strategies have been effective in cities around the world. For many leaders and government agencies in the Portland metro region

Pricing Strategies

Pricing could include a range of tools, including:

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)

ROADWAY PRICING

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

PARKING PRICING

Drivers pay to park in certain area

Each of these pricing strategies could vary by time of day, by area, by types of drivers on the road, and by income levels. Pricing strategies can also take the form of a "program" (i.e. parking pricing) or a "project" (i.e. the I-205 toll project).

recognized pricing as a needed, high-impact, tool in the 2018 Regional Transportation Plan (RTP) and other plans.[1]

Figure 1 outlines which local, regional, and state agencies could potentially implement various types of pricing strategies based on Oregon state law. Other federal, state, or local laws may provide additional guidance or restrictions on the use of pricing and the use of pricing revenues.

Figure 1 Pricing and Implementing Agency

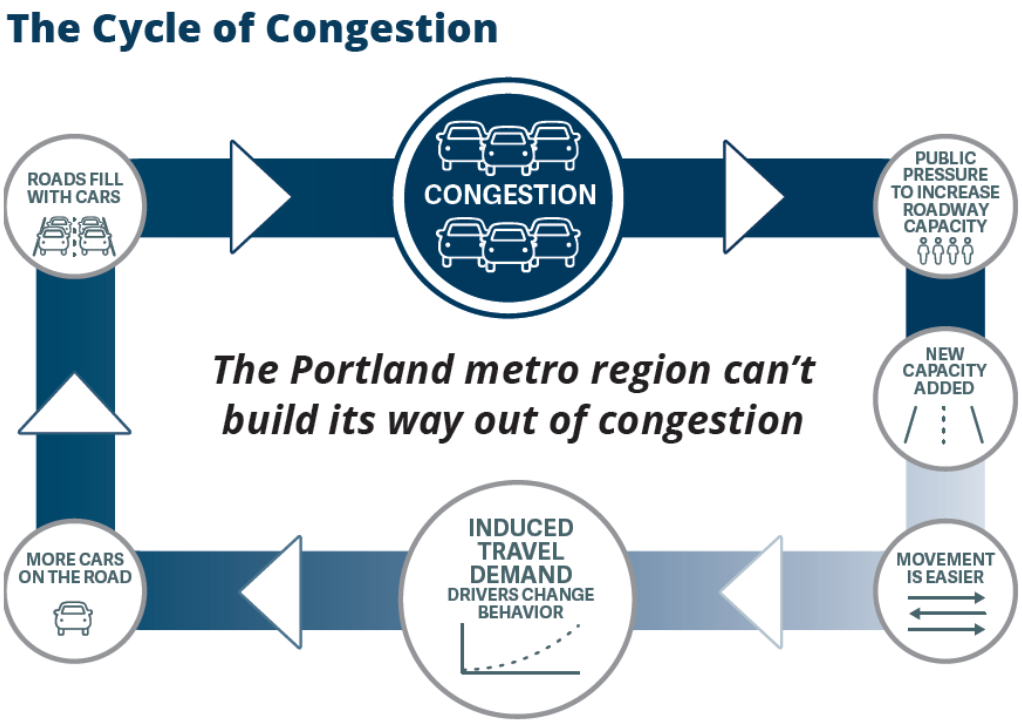
Type of Pricing	Definition	Implementing Agency
Road User Charge / Vehicle Miles Traveled Fee	Drivers pay a fee for every mile they travel	State DOT, potentially local roadway authorities
Cordon Pricing	Drivers pay a fee to enter an area, like downtown Portland (and sometimes pay to drive within that area)	City, County
Roadway Pricing and Tolling	Drivers pay a fee or toll to drive on a particular road, bridge, or highway	Local Roads: City, County
		Highways and Freeways: State DOT
Parking Pricing	Drivers pay to park in certain areas	City, County, Transit Agency (park-and-rides)

Why is pricing an important strategy for our region?

Congestion is a problem in the Portland metro region as outlined in the RTP Needs Assessment. Changing travel patterns and a growing population mean more traffic and less freedom to travel reliably around the region. Congestion can also have significant economic, social, and environmental impacts.

- Growing single occupancy vehicle miles traveled (VMT) leads to congestion.
- Greenhouse gas emissions are on the rise.
- Congestion impacts Metro's Equity Focus Areas most significantly.
- Travel patterns for people and goods are unreliable due to congestion.
- Our region is growing.

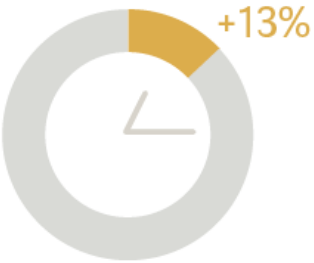
[1] 2018 Regional Transportation Plan, TSMO Strategic Plan (2010), Climate Smart Strategy (2014), The Federal Congestion Management Process, 2021 City of Portland Pricing Options for Equitable Mobility Final Report, 2018 Oregon Department of Transportation Value Pricing Feasibility Analysis.



How can pricing help our region?

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. Transit investments have also been made without complementary affordable housing strategies, leading to gentrification and further displacement.

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



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

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, pushing those with lower incomes to seek housing further away from the center of the region and making travel distances longer for people of color and low-income people.
- Communities of color and low-income communities have longer commutes that are 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, chronic illnesses, and traffic-related injuries and fatalities.

Pricing can be a key tool for jurisdictions as they seek to meet state, regional, and local goals around mobility, climate, safety, and equity.

Pricing that is designed and implemented through an equity and climate change lens has the potential to transform transportation in our region in a variety of ways. While pricing programs introduce new costs to users, they also lead to more efficient use of streets and highways and can help address current and historic inequities borne by people of color and people with low incomes.

Pricing has been shown to encourage use of transit or other modes and reduce overall vehicle miles traveled (VMT). Lower VMT results in decreased congestion, reduced travel times for personal vehicles, freight and buses, lower greenhouse gas emissions, and localized air quality impacts. Pricing is more likely to be successful in areas where transit service elements are already well established and is improved in conjunction with pricing.

Pricing can also have positive impacts on safety. A combination of lower VMT as a result of pricing and reinvestment of pricing revenue in projects that increase safety can, in the long term, lead to decreases in crashes and injuries in and around priced facilities or areas.

Additionally, for many jurisdictions, pricing may be identified as a tool to raise revenue for specific projects and be a key element of a funding plan. This could include, for example, replacement of an aging bridge, or investments in multimodal infrastructure and transit supportive elements or amenities. However, in addition to raising revenue for specific projects, a program can successfully meet state, regional, and local goals by:

- **Reinvesting revenue where it matters most.** If designed thoughtfully, pricing programs that have built equity into the program can introduce progressive fee structures and reinvest revenue in the people and places that have historically been, and continue to be, the most negatively impacted.
- **Reinvesting revenue to support our region's goals.** Revenue collected from pricing programs can be reinvested to enhance transit service elements and access, safety improvements, and walking and bicycling networks. It can also be used to provide incentives and subsidies to increase the number of people biking, walking, and taking transit for more trips.

With properly designed pricing programs, our region can have better, faster transit, cleaner air, fewer hours sitting in traffic, and more equitable access to jobs and opportunities.

Benefits to Freight and Businesses

Pricing strategies can help freight and businesses succeed by reducing congestion on highways and local roads:

- Pricing can benefit freight, especially truck transportation, as it supports a more reliable system.
- Pricing can encourage people to use other forms of transportation to travel and leave highways open for people and businesses, like freight, who do not have other options.
- Pricing can support lowered cost of doing business – time is money.

Best Practices for Revenue Reinvestment

Equitable revenue reinvestment is a critical consideration from the outset of a pricing program. Reinvestment strategies should be guided by the purpose of the program, the expected costs and benefits, and input from community members impacted by the program. Revenue reinvestment should be focused on neighborhoods that do not have or could lose access to the priced facility or area. Increasing access to the priced facility or area, especially for places with limited access today or places that would see reduced access without reinvested revenues, should be a focus. Part of the revenue from pricing may need to be spent on operations, maintenance, and facility investment.

Key considerations related to revenue reinvestment include:

- Reinvestment should be prioritized in areas designated as Metro's Equity Focus Areas most affected by pricing programs.
- Revenues collected through the pricing program should be reinvested in a manner that helps meet state, regional, and local goals related to reductions in greenhouse gas emissions and congestion while improving mobility and safety.
- Revenue should not be reinvested in infrastructure solely for single-occupancy vehicles, but should be invested to improve the entire multimodal transportation system.
- Revenue should be reinvested in the region.

After paying for the administration and/or operating costs of a pricing program, revenue could be reinvested in several ways (Figure 2). Implementing agencies will need to consider any state constitutional restrictions to revenue reinvestment, or other limitations based on federal or state funding or program approvals, based on the type of pricing program

[2] 2018 Regional Transportation Plan.

established. Agencies may use pricing to raise money for other things, like road improvements, seismic operations, and operations and maintenance.

Figure 2 Potential Options for Revenue Reinvestment

Category	Description	Target Area or Population
Transit		
Infrastructure & speed and reliability improvements	Improved facilities, stops, passenger amenities, transit priority treatments, express services, expanded routes, and similar improvements	Regional
		Local communities especially equity areas, for example, Metro's Equity Focus Areas
Operation and maintenance	Operation and maintenance of existing and future transit assets and services	Regional
Active Transportation		
Access to priced facility or area	Improved bike, pedestrian, or micromobility access to transit or priced facility or area directly	Regional
		From/to equity zones, for example, Metro's Equity Focus Areas
Neighborhood access	Improved bike, pedestrian, or micromobility access to transit or neighborhood activity centers such as shopping centers and employment hubs	From equity zones, for example Metro's Equity Focus Areas, to transit or neighborhood activity centers
First/last mile to key employment hubs	Improved bike, pedestrian, or micromobility access to employment hubs from transit	Regional
Diversion mitigation	Prioritize safety enhancements on the high crash network and transit service elements along areas impacted by diversion	Neighborhoods impacted by diversion
Mode Shift and Single Occupancy Vehicle Alternative Programs		
Commuter Credits	Benefit to users of the pricing system who swipe their transit card during peak hours rather than drive	Regional; higher subsidy for transit deprived communities and vulnerable populations
Transit subsidy	Free or discounted transit pass or cash on transit card, i.e. TriMet's Fare Relief Program	Regional; higher subsidy for transit deprived communities and vulnerable populations

Category	Description	Target Area or Population
Other programs	Electric vehicle (EV) carshare subsidy, bikeshare subsidy, micromobility subsidy, carpool benefit, benefit to drivers of EV vehicles	Regional; higher subsidy for transit deprived communities and vulnerable populations
Priced Facility		
Operations and Maintenance	Operations and maintenance of priced road	
Infrastructure investment	For tolled facilities, designed to be paid for by the pricing revenue	

Potential Revenue Opportunities and Limitations

Depending on the pricing model, the use of revenue generated from a pricing program may be subject to legal limits. For example, Oregon Constitution Article IX Section 3a limits the use of revenue from taxes on motor vehicle use and fuel. The principle underlying this language is that special taxes paid only by highway users should be used only for highway purposes. Whether a particular pricing model is subject to this constitutional restriction is determined by Oregon courts on a case-by-case basis. Recently, the Oregon Supreme Court concluded that Article IX section 3a's limit on use of tax revenue does not apply to a privilege tax imposed on vehicle dealers for the privilege of engaging in the business of selling taxable motor vehicles at retail. The Court found that the privilege tax was not based on the status of motor vehicle ownership, but rather on the activity of selling motor vehicles. Jurisdictions considering pricing should review all potential legal limits and structure the pricing model with these limits in mind.

What state and regional pricing work is underway?

Pricing strategies are being considered in the greater Portland Metropolitan Region, within the City of Portland, and along the Multnomah Falls and the Waterfall Corridor area. They are being used to combat traffic congestion and greenhouse gas emissions. This section provides a high-level overview of statewide legislation and rulemaking related to pricing and describes how the revenue from pricing is intended to support infrastructure in the region.

State Legislation & Rulemaking

House Bill 2017

House Bill 2017 invested millions of dollars to improve Oregon's transportation network. Part of that funding was allocated to implementing tolling. This directed the Oregon Transportation Commission to implement traffic congestion tolls on I-5, I-205, and in the Portland Metro region.[3]

House Bill 3055

House Bill 3055 created flexibility in allocating $30 million per year of funds to projects listed in House Bill 2017 including I-5, Boone Bridge, and toll program implementation. HB 3055 directed that tolling should be used to manage travel demand and congestion, reduce greenhouse gas emissions, raise revenue, make improvements or fund efforts on the tollway and on adjacent, connected, or parallel highways, and minimize and mitigate impacts to underrepresented and disadvantaged communities. It also required that an equitable tolling strategy be implemented before tolls are assessed, and for a low-income toll report to be provided to the Joint Transportation Committee and Oregon Transportation Committee.[4,5]

Low-Income Toll Report

House Bill (HB) 2017 provided direction to implement tolling on I-5 and I-205 in the Portland metro area, and ODOT's Toll Program was established to oversee state-operated toll projects and policies throughout the state. The Low-Income Toll Report for the Oregon Toll Program was developed by the Oregon Transportation Department (ODOT) at the direction of the Oregon Legislature. The report presents options for consideration to develop a low-income toll program as part of the Oregon Toll Program, including:

- Providing significant toll discounts for households with incomes equal to or below 200% of the federal poverty level
- Providing a smaller, more focused toll discount for households with incomes above 200% and up to 400% of the federal poverty level
- Using a verification process that leverages existing programs and further explores self-certification to quality for toll discounts

ODOT, in collaboration with the Oregon Transportation Commission, will identify specific benefits for people experiencing low incomes to ensure benefits are in place before tolling begins. The Equity and Mobility Advisory Committee (EMAC) helped inform the report.

[3] https://www.oregon.gov/odot/tolling/Pages/About.aspx

[4] https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureAnalysisDocument/61936

[5] https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB3055/Enrolled

2023 Oregon Highway Plan Toll Policy Amendment

In January 2023, the Oregon Transportation Commission adopted an amendment to Goal 6 of the Oregon Highway Plan, which had last been updated in 2012. The amendment updated state policies related to tolling and congestion pricing policy, including defining terms and types of road pricing and clarifying the need and goals for tolling and congestion pricing. It also updated language related to equity and climate goals, and provided guidance on rate setting and the use of revenues. The amendment will guide multiple major toll projects in the Portland metro region, as well as statewide rulemaking and toll rate setting.[6]

Climate-Friendly and Equitable Communities

Parking reform is part of the Oregon Land Conservation and Development Commission's Climate-Friendly and Equitable Communities (CFEC) rulemaking. The reform decreased required parking mandates for new developments near frequent transit and for certain development types with the intent of reducing costs. This was accomplished by unbundling parking packages in developments, implementing parking maximums, and incentivizing active transportation travel options. This parking mandate reform aimed to decrease congestion by discouraging driving and parking. This rule was published on July 15, 2022, and enacted for new development as of July 2022 and for existing developments in 2023.[7] This reform also required that parking lots include solar power or trees, pedestrian-friendly infrastructure, and 50% of new residential parking spaces equipped with electric vehicle charging.[8]

Figure 3 Regional Mobility Pricing Project Map as of November 2022

[6] https://www.oregon.gov/odot/Planning/Documents/OHP_Goal_6_Policy.pdf

[7] https://www.oregon.gov/lcd/CL/Documents/CFECOverviewImplementation.pdf

[8] https://www.oregon.gov/lcd/LAR/Pages/CFEC.aspx

Pricing Projects and Committees in the Portland Metro Region

ODOT: I-205 Toll Project

ODOT is planning to toll drivers on I-205 near the Abernethy and Tualatin River Bridges. The revenue from these tolls will be used to continue the construction of I-205 Improvement Project past Phase 1A, which aims to decrease congestion, reduce greenhouse gas emissions, increase active transportation, and provide facilities that are resilient to earthquake damage. As part of a 2018 RTP amendment for this project, ODOT agreed to a series of commitments that would address regional concerns related to the I-205 toll project. See Chapter 8 for additional information.

ODOT: Regional Mobility Pricing Project

The purpose of the Regional Mobility Pricing Project (RMPP) is to use congestion pricing on I-5 and I-205 to manage traffic congestion on these facilities in the Portland, Oregon metropolitan area in a manner that will generate revenue for transportation system investments (Figure 3[9]). The fees would vary depending on time of day, income level, and type of car and would help fund critical multimodal projects in the region.[10]

ODOT / WSDOT: I-5 Bridge Replacement

The Interstate Bridge Replacement Program plans to toll drivers crossing I-5 as part of the funding to finance a replacement bridge on I-5 between Portland and Vancouver. The new bridge is intended to address congestion, earthquake vulnerability, safety, impaired freight movement, inadequate bike and pedestrian paths, and limited public transportation. Revenue from the tolls would be used to fund construction, maintenance, and operation of the bridge and associated improvements.[11]

[9] https://www.oregon.gov/odot/tolling/SiteAssets/Pages/Regional-Mobility-Pricing-Project-Documents/RMPP_NEPA_Proposed_Action_November_2022.pdf

[10] https://www.oregon.gov/odot/tolling/Pages/I-5-Tolling.aspx

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ODOT Equity and Mobility Advisory Committee

The Oregon Department of Transportation (ODOT)'s
was created to directly advise the Oregon Transportation Commission (OTC) on how
can address impacts and realize benefits for populations that have been historically and are currently underrepresented or underserved by transportation projects. The committee was chartered to addresses the following areas: equitable engagement, transit and multimodal access, affordability and impacts to people experiencing financial hardship, and impacts to neighborhood health and safety. EMAC and the OTC have established Foundational Statements and a set of recommendations to guide equity in the development of the projects.

PBOT Pricing Options for Equitable Mobility

Portland Bureau of Transportation (PBOT)'s Pricing Options for Equitable Mobility (POEM) task force explored 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. In October 2021, Portland City Council accepted the POEM Task Force final recommendation report. This recommendation report includes principles of pricing for equitable mobility, nearer-term pricing strategies, longer-term pricing recommendations, and a suite of complementary strategies to advance alongside pricing. The Pricing Strategies explored through POEM included prices on parking, prices on vehicle-based commercial services (e.g., private for-hire trips and urban delivery), highway tolling, cordons or area pricing, and road usage or per-mile charges.[12]

[12] https://www.portland.gov/transportation/planning/pricing-options-equitable-mobility-poem

Multnomah Falls and the Waterfall Corridor Timed-Use Permits

While outside of the metropolitan planning area, timed-use permits at Multnomah Falls and the Waterfall Corridor provide a useful example of innovative parking pricing. ODOT, Oregon State Parks, U.S. Forest Service, and Multnomah County required that personal vehicles pay for a timed-use permit to access Multnomah Falls and federal lands adjacent to the Waterfall Corridor. The permits were required from May 24 to September 5, 2022, during peak hours (9am to 6pm) when data has shown crowds are busiest. The parking pricing strategy was used to limit the number of personal vehicles that enter the parking lot for environmental, safety, and emergency response reasons. The fee does not apply to those entering the park through active transportation modes, before or after peak hours, and same-day passes. The fee was used to pay for the online pricing system and does not generate additional revenue for other improvements. The Waterfall Corridor Timed-Use permits apply to visitors that exit I-84 from exit 28 through exit 35, while the Multnomah Falls timed-use permit applies to visitors to Multnomah Falls.[1]

Federal Pricing Programs

Section 129 of Title 23 of the U.S. Code and the Value Pricing Program are examples of pricing strategies that have worked. Since pricing is new to the Portland area, these two federal examples show the value of pricing, and how pricing programs can evolve over time.

Section 129

Section 129 of Title 23 of the U.S. Code provides the ability to toll Federal-aid highways in conjunction with construction, reconstruction, or other capital improvements. Flat rate tolling and variable pricing strategies are authorized for Section 129 facilities. There are some limitations to what facilities may be included.[13] A new provision within the Infrastructure Investment and Jobs Act is expanding tolling eligibility requirements.[14]

Section 166

Section 166 of Title 23 of the U.S. Code provides the ability to create high-occupancy vehicle (HOV) lanes on Federal-aid highways. Public authorities which have jurisdiction over an HOV facility have the authority to establish occupancy requirements of vehicles using the facility, but the minimum is no fewer than two. Certain exceptions are allowed such as motorcycles and bicycles, public transit vehicles, and low emission vehicles.

[13] https://www.fhwa.dot.gov/ipd/tolling_and_pricing/tolling_pricing/section_129.aspx

[14] Regional Toll Advisory Committee Meeting #2, 2022 October 24.

Value Pricing Pilot Program

Oregon is a participant in the FHWA Value Pricing Pilot Program (VPPP). The VPPP was established in 1991 (as the Congestion Pricing Pilot Program) to encourage implementation and evaluation of value pricing pilot projects to manage congestion on highways through tolling and other pricing mechanisms. The program also sought to test the impact of pricing on driver behavior, traffic volumes, transit ridership, air quality, and availability of funds for transportation programs. While the program no longer actively solicits projects, it can still provide tolling authority to State, regional or local governments to implement congestion pricing applications. Once all the federal requirements are met, implementing agencies can use the revenue for any Title 23 project, which is aimed at the Federal-aid highways.[15] See https://ops.fhwa.dot.gov/congestionpricing/value_pricing/

[15] Regional Toll Advisory Committee Meeting #2, 2022 October 24.

What did Metro learn from the Regional Congestion Pricing Study?

In 2021 Metro completed the Regional Congestion Pricing Study (RCPS). Directed by the Joint Policy Advisory Committee on Transportation (JPACT) and the Metro Council in the 2018 RTP, the study evaluated a variety of pricing strategies to better understand if the region could benefit from pricing. The study found that pricing can be an effective strategy for reducing drive-alone trips and overall VMT, but its impacts can vary widely by geography and demographics, as well as by what specific strategy is implemented and how it is implemented.

Metro used its travel demand model to conduct in-depth modeling and analysis to help regional policymakers understand the potential performance of different types of pricing tools (VMT fee, cordon, parking, and roadway pricing). Each scenario was analyzed for how well it performed relative to the four regional priorities (safety, equity, congestion, and climate) using performance metrics grounded in the 2018 RTP.

Summary of Key Findings

The RCPS demonstrated that pricing has the potential to help the greater Portland region meet the priorities outlined in the 2018 RTP, including reducing congestion and improving mobility, reducing greenhouse gas emissions, and improving equity and safety outcomes.

All four types of congestion pricing could help address congestion and climate priorities. All eight scenarios that were tested reduced the drive alone rate, vehicle miles traveled, and greenhouse gas emissions, and increased daily transit trips. In fact, the projected improvements were comparable to modeled scenarios with much higher investment in new transportation projects. However, the geographic distribution of benefits, impacts, and costs varied by scenario.

Traffic diversion, travel time savings, and costs to travelers varied by location and by congestion pricing tool. For example, the two roadway pricing scenarios, which evaluated a toll on all the region's freeways, identified significant traffic diversion onto the arterial network, even as volumes and delay on the freeways fell. Without changes, some scenarios would have disproportionate impacts on equity communities and key geographies.

Geographic distributions of benefits and costs can inform where to focus investments and affordability strategies. In-depth analysis will be necessary to understand benefits (who and where) and costs (who and where) of any future projects. The study also identified tradeoffs for implementing pricing scenarios. Overall regional transportation costs and individual traveler costs varied by scenario. All eight scenarios that were tested increased the overall cost for travel for the region, but some scenarios spread the costs widely while others concentrated them on fewer travelers. Those that spread the costs also had the highest overall cost for travel in the region and the highest revenue potential. Higher overall transportation costs equal higher revenue, which can allow for investment in improvements to address safety and equity concerns.

Pricing and Equity

Today's transportation system puts more burdens on people of color and people with low incomes. Gas taxes and motor vehicle fees are not tied to a driver's ability to pay. Households with lower incomes spend 22 percent more of their income on transportation than households with higher incomes. People of color and people with low incomes are more likely to use transit and more likely to live further from employment centers. They may also need to commute between more than one job. Increasing congestion negatively impacts transit speed and reliability as buses sit in traffic. This increases commute times for transit users. Federal and state funding prioritizes auto infrastructure over investment in transit, favoring people with higher means and access to a vehicle.

Today's Transportation Funding is Inequitable

Pricing can improve or harm equity in the region. A pricing program designed with the goal of improving equity, rather than attempting mitigations later, has the potential to produce positive outcomes. Outcomes are determined by the way funds are collected and where and in whom they are reinvested. The Revenue Considerations and Policy sections below describe methods that can be used to lead to equitable outcomes and strategic reinvestment into pricing programs. The Regional Congestion Pricing Study found that without changes some scenarios harmed equity by increasing costs and decreasing access. A thoughtful and community-focused approach will be necessary as our region continues to explore pricing options.

3.2.5.1 PRICING POLICIES

Pricing policies apply to the planning, implementation, monitoring and evaluation of pricing programs and projects in the region, as defined in Chapter 3.1 (Regional Transportation System Components).

Pricing Policies

Policy 1	**Mobility**: Improve reliability and efficiency of the transportation network, reduce VMT per capita, and increase transportation options through congestion management, investments in transit, bike, and pedestrian improvements, and transportation demand management programs.
Policy 2	**Equity**: Center equity and affordability into pricing programs and projects from the outset.
Policy 3	**Safety**: Address traffic safety and the safety of users of all modes, both on the priced system and in areas affected by diversion.
Policy 4	**Diversion**: Minimize diversion impacts created by pricing programs and projects prior to implementation and throughout the life of the pricing program or project.
Policy 5	**Climate and Air Quality**: Reduce greenhouse gas emissions and vehicle miles travelled per capita while increasing access to low-carbon travel options.
Policy 6	**Technology and User Experience**: Coordinate technologies and pricing programs and projects to make pricing a low-barrier, seamless experience for everyone who uses the transportation system and to reduce administrative burdens.

Pricing Policy 1. Mobility: Improve reliability and efficiency of the transportation network, reduce VMT per capita, and increase transportation options through congestion management, investments in transit, bike, and pedestrian improvements, and transportation demand management programs.

The Metro Regional Congestion Pricing Study found that pricing has the potential to help the greater Portland region improve mobility and manage congestion. Pricing programs should be designed and implemented to maximize benefits related to improved access to jobs and community places, shift to sustainable modes of travel, and overall affordability.

Investments in transit and transit-supportive elements have been shown to improve regional mobility, especially in terms of access to jobs. Future transit investments, and investments into other modal alternatives, should take into consideration the geographic distribution of low-income populations (who may have less automobile access), existing access to jobs via transit, people who commute outside of peak periods, and people who trip-chain (i.e.: making multiple stops during one trip, such as dropping children off at school on the way to work). Policymakers and future project owners and operators should consider how mobility improvements will be received by populations and areas that have been historically marginalized. Mobility improvements can be measured by reduced peak period travel times, reduced daily vehicle miles traveled (VMT), reduced percentage of total daily trips undertaken by drivers without passengers, increased number of total daily transit trips, and total vehicle hours of delay during peak PM periods.

To implement Policy 1, agencies developing pricing programs or projects should take the following actions:

1. Set rates for pricing at a level that will manage congestion, reduce VMT per capita, and improve reliability on the priced facility and in areas affected by diversion.
2. Collaborate with relevant state, regional, and local agencies and communities when setting, evaluating, and adjusting program or project specific goals.
3. Reinvest a portion of revenues from pricing into modal alternatives both on and off the priced facility that encourage mode shift and VMT reduction per capita. Examples include, but are not limited to, transit improvements, bicycle and pedestrian improvements, and improvements to local circulation.
4. Identify opportunities to partner with other agencies to fund or construct transit, bike, and pedestrian improvements. Work with transit agencies and other jurisdictional partners, including consideration of opportunities identified in the High Capacity Transit Strategy and Regional Transit Strategy, to determine additional revenue needs and pursue funding needed to develop transit-supportive elements, expand access to transit, and to ensure equitable investments, particularly in cases where such improvements cannot be funded directly by pricing revenues due to revenue restrictions.

5. Consider non-infrastructure opportunities to encourage mode shift and reduce VMT per capita, including commuter credits, funding for transit passes, bikeshare and/or micromobility subsidies, partnerships with employer commuter programs, and carpooling / vanpooling. Consider higher benefits, subsidies, discounts or exemptions for people with low-income or other qualifying factors based on equity analysis.

Pricing Policy 2. Equity: Center equity and affordability into pricing programs and projects from the outset.

The Metro Regional Congestion Pricing Study found that pricing strategies have the potential to help the greater Portland region improve racial equity and benefit marginalized communities. Our current transportation funding system is inequitable. Regressive funding sources such as fixed tax rates and fees disproportionately impact low-income motorists, and negative health impacts from high automobile reliance disproportionately harm BIPOC and low-income communities.

Pricing programs with an equity framework should aim to increase access to opportunity, provide affordable options, create healthier and safer communities, and reduce income inequality and unemployment. Pricing has the potential to offer a suite of affordability programs, such as rebates, exemptions, or other investments. Reinvestment should be prioritized in areas designated as Metro's Equity Focus Areas most affected by pricing programs.

Policymakers and future project owners and operators should carefully consider how the benefits and costs of pricing impact different geographic and demographic groups. If not conducted thoughtfully, pricing could compound past injustices and harm BIPOC and low-income communities. By focusing engagement at every step in the process on historically impacted residents, agencies can reduce harm and increase benefits. The policy illustrates how equity can be incorporated into pricing programs.

To implement Policy 2, agencies developing pricing programs or projects should take the following actions:

1. Conduct general public engagement in a variety of formats, including formats that accommodate all abilities, all levels of access to technology, and languages other than English. Begin engagement at an early stage and re-engage the public in a meaningful manner at multiple points throughout the process.
2. Engage equity groups, people with low-income, and people of color in a co-creation process, beginning at an early stage, to help shape goals, outcomes, performance metrics, and reinvestment of revenues.

3. Use a consistent methodology across implementing agencies for defining equity groups and equity areas for pricing programs and projects, including but not limited to the methodology used for establishing the Equity Focus Areas. A consistent methodology for documenting benefits and burdens of pricing for equity groups, people with low-income, people of color, and equity areas should also be established across agencies. The methodology should consider a variety of factors, such as implementing agency, costs to the user, travel options, travel time, transit reliability and access, diversion and safety, economic impacts to businesses, noise, access to opportunity, localized impacts to emissions, water and air quality, and visual impacts.
4. Establish feedback mechanisms, a communication plan, and recurring regular engagement over time with the public, and with equity groups that were involved in the co-creation process.
5. Provide a progressive fee structure which includes exemptions, credits, or discounts for qualified users. Base eligibility on inclusion in one or more population categories, such as low-income, and minimize barriers to qualification by building on existing programs or partnerships where applicable. Target outreach for enrollment in a discounts, credits, or exemptions in equity areas and communities with higher-than-average shares of people with low income and people of color.
6. Create varied and accessible means of payment and enrollment, including options for people without access to the internet or banking services.
7. Reinvest a portion of revenues from pricing into communities with high proportions of people with low-income and people of color, and/or in Equity Focus Areas. Use of these revenues should meet the transportation-related needs identified by the equity communities and people most impacted. Examples include commuter credits and free or discounted transit passes, or improved transit facilities, stops, passenger amenities, and transit priority treatments.
8. Enforcement of pricing and fine structures for non-payment should be designed to reduce the potential for enforcement bias and to minimize burdens on people with low incomes.
9. Create a process to measure how pricing programs achieve the actions items listed above to demonstrate accountability.

Pricing Policy 3. Safety: Address traffic safety and the safety of users of all modes, both on the priced system and in areas affected by diversion.

The Metro Regional Congestion Pricing Study found that pricing has a strong potential to help the greater Portland region improve safety outcomes and meet the safety priorities outlined in the Regional Transportation Plan. Pricing programs can improve safety by reinvesting revenue into locally supported traffic safety improvements. The study recommends focusing safety improvements on eliminating traffic deaths and serious injuries on city streets, or a Vision Zero approach.

Safety challenges vary greatly across the region. Safety improvements should be assessed at a project scale and built into a pricing programs' definition to ensure that the core of the project addresses these community needs. Detailed project-scale analysis should provide insight into where safety investments are needed and should address any project-related safety concerns. Safety outcomes of a pricing program can be measured by the level of revenue reinvestment in improvements that address fatalities and serious injuries on high injury corridors or roadways.

To implement Policy 3, agencies developing pricing programs or projects should take the following actions:

1. Collaborate with relevant state, regional, and local agencies and communities when identifying traffic safety impacts and selecting mitigations associated with pricing.
2. Use a data-driven approach to identify potential traffic safety impacts on the priced system and in areas affected by diversion both during and after implementation of pricing programs and projects; monitor with real-time data after implementation.
3. Context-specific monitoring and evaluation programs should be conducted by implementing agencies in coordination with partner agencies and be on-going and transparent. Establish feedback mechanisms, incident resources, and a communication plan in advance for the community and decision makers.
4. Adjust safety strategies in coordination with partner agencies based on monitoring and evaluation findings.
5. Reinvest a portion of revenues on the priced system and in areas affected by diversion to manage safety issues caused by pricing programs and projects and to improve safety, for example, through investments in transit, bike, and pedestrian improvements, or other investments in known crash reduction factors.
6. Pricing programs and projects should strive to reduce fatalities and serious injuries by aligning with the RTP's safety and security policies identified in Section 3.2.1.4

Pricing Policy 4. Diversion: Minimize diversion impacts created by pricing programs and projects prior to implementation and throughout the life of the pricing program or project.

The Metro Regional Congestion Pricing Study found that pricing programs have the potential to lead to diversion impacts, as drivers shift from the freeway network to the arterials to avoid charges. Spillover/cut through traffic caused by a pricing program can exacerbate traffic safety concerns along other streets. Project designers should carefully consider the wide distribution of diversion impacts that may result from the program, particularly on regional high injury corridors. Implementing agencies can look to the City of Portland's identified high crash network of streets and intersections for which to prioritize safety improvements. It is important for pricing programs to mitigate the negative impacts of diversion. Diversion onto nearby streets could be addressed with safety or transit improvements, for example. If pricing programs result in successful mode shift to transit, diversion impacts can be lessened.

To implement Policy 4, agencies developing pricing programs or projects should take the following actions:

1. Collaborate with relevant state, regional, and local agencies and communities when identifying diversion impacts and selecting mitigations associated with pricing.
2. Use a data-driven approach to define and identify diversion impacts both during and after implementation of pricing programs and projects. Following implementation monitor with real-time data.
3. Evaluate localized impacts of diversion including factors such as VMT per capita, VMT per capita in defined equity areas, noise, economic impacts to businesses, and localized emissions, water quality, air quality, and the completeness of safety infrastructure and non-vehicular modal networks
4. Context-specific monitoring and evaluation programs should be conducted by implementing agencies in coordination with partner agencies and be on-going and transparent. Establish feedback mechanisms and a communication plan in advance for the community and decision makers and ensure reinvestment is still applicable when impacted area changes
5. Adjust mitigation strategies based on monitoring and evaluation findings. Areas impacted may change as the pricing program is implemented and diversion mitigation strategies are put into place.
6. Reinvest a portion of revenues into areas affected by diversion caused by pricing programs and projects.

Pricing Policy 5. Climate and Air Quality: Reduce greenhouse gas emissions and vehicle miles travelled per capita while increasing access to low-carbon travel options.

The Metro Regional Congestion Pricing Study found that pricing has the potential to help the great Portland region reduce greenhouse gas emissions and achieve Metro's climate goals. All of the scenarios tested in the study showed reductions in greenhouse gas emissions through reducing overall VMT per capita. Pricing policies were found to be effective in encouraging drivers to change their travel behavior such as using more sustainable travel modes like transit, walking, or biking. These changes in behavior are key to reducing greenhouse gas emissions in the region.

Pricing programs should be designed to meet climate goals without adversely impacting safety or equity. Climate improvements can be measured by percent reduction of greenhouse gasses per capita, percent reduction of criteria pollutants and transportation air toxics, percent reduction of vehicle miles traveled per capita, and shifts in travel behavior. Implementing agencies should consider the geographic and demographic distribution of targeted climate improvements, particularly taking into consideration the health impacts of pollutants and transportation air toxics that disproportionately harm BIPOC and low-income communities.

To implement Policy 5, agencies developing pricing programs or projects should take the following actions:

1. Identify localized air pollutants and greenhouse gas emission impacts due to pricing and identify strategies for mitigation.
2. Set rates for pricing at a level that will reduce greenhouse gas emissions and improve air quality by managing congestion and reducing overall VMT per capita on the priced system and in areas affected by diversion.
3. Reinvest a portion of revenues from pricing into modal alternatives both on and off the priced facility that can reduce overall emissions by encouraging mode shift and VMT per capita reduction, including transit improvements as well as bicycle and pedestrian improvements and improvements to local circulation.
4. Develop and implement pricing so that it addresses and supports the RTP's Climate Smart Strategy and RTP policies, including through the Congestion Management Process.

Pricing Policy 6. Technology and User Experience: Coordinate technologies and pricing programs and projects to make pricing a low-barrier, seamless experience for everyone who uses the transportation system and to reduce administrative burdens.

The Metro Regional Congestion Pricing Study details a wide range of technologies available that can be used in pricing programs to create a seamless and low-barrier experience. Programs can use electronic toll collection systems, mobile applications, short-range communication systems embedded in new vehicles, OReGO technologies that wirelessly connect to a vehicle's diagnostic ports, or online portals for self-reporting. The type of technology used will vary depending on the type of pricing program. Metro's study recommends a pilot phase for the region to trial one or more technologies before implementing a region-wide system.

There are several considerations to be taken when using technology in the implementation of a pricing program. First, emerging technologies can be more expensive than existing ones, yet existing technologies run the risk of becoming obsolete sooner. Second, some technologies (such as tolling systems) require a physical footprint that can take up limited physical space and create a visual aesthetic impact that may need design commission approval in some parts of the city. Further, technologies such as mobile apps or online portals that require users to take an action will likely be less accurate and reliable than automatic technologies. These technologies may also unfairly burden low income travelers that do not have access to a mobile phone, computer, internet, or banking system. Technologies that enhance user experience while limiting barriers to use should be prioritized. Project designers should also consider a program's compatibility with existing pricing technologies used in the region (such as the Hop regional transit fare program or existing parking payment systems).

To implement Policy 6, agencies developing pricing programs or projects should take the following actions:

1. Coordinate technologies and user-friendly designs across pricing programs and projects to reduce burdens on the user and manage the system efficiently, including setting rates, identifying tolling technology and payment systems, and establishing discounts and exemptions.
2. Create varied and accessible means of payment and enrollment, including options for people without access to the internet or banking services.
3. Consider the upfront costs of technology investment balanced with long-term operational and replacement costs compared with expected revenue generation.

DEFINING KEY TERMS

Pricing: Motorists pay directly for driving on a particular roadway or for driving or parking in a particular area. Pricing includes pricing different locations using different rate types, such as variable or dynamic pricing (higher prices under congested conditions and lower prices at less congested times and conditions), amongst other methods. Rates may vary based on vehicle size or type, incomes, or other variables. Pricing within the Portland metropolitan context could include the following methods and pricing strategies. Methods and strategies can be combined in different ways, such as variable cordon pricing or dynamic roadway pricing. Different types of pricing can be implemented in coordination with each other to provide greater systemwide benefits. Pricing can be implemented at the state, regional, or local level.

- Types of Pricing
  - Cordon
  - Low Emissions Zone
  - Parking
  - Road Usage Charge / VMT Fee / Mileage Based User Fee
- RoadwayRate Types
  - Flat
  - Variable
  - Dynamic

Road Usage Charge / VMT Fee / Mileage Based User Fee: Motorists are charged for each mile driven. A road usage charge is often discussed as an alternative to federal, state, and local gas taxes which have become less relevant to the user-pays principle as more drivers switch to fuel efficient or electric vehicles. Road usage charges are most often implemented as flat or variable rate fees.

Cordon Pricing: Motorists are charged to enter a congested area, usually a city center or other high activity area well served with non-driving transportation options. Cordon pricing is most often implemented as flat or variable rate fees.

Low Emissions Zone Pricing: Similar to cordon pricing, drivers are charged when they enter a Low Emissions Zone, unless they have a vehicle that meets the requirements of the Low Emissions Zone, for example an electric vehicle that does not emit tailpipe emissions when only using electricity to run.

Parking Pricing: Drivers pay to park in certain areas. Parking pricing may include flat, variable, or dynamic fee structures. Dynamic pricing involves periodically adjusting parking fees to match demand, this can be paired with technology which helps drivers find spaces in underused and less costly areas.

Roadway Pricing: Motorists are charged to drive on a particular roadway. Roadway pricing can be implemented as a flat, variable, or dynamic fee. Roadway prices that vary by time of day can follow a set fee schedule (variable), or the fee rate can be continually adjusted based on traffic conditions (dynamic).

Flat Rate Fee (Toll): A flat rate fee, also known as a toll, charged by a toll facility operator in an amount set by the operator for the privilege of traveling on said toll facility. Tolling is a user fee system for specific infrastructure such a bridges and tunnels. Toll revenues are used for costs associated with the tolled infrastructures. This tool is used to raise funds for construction, operations, maintenance, and administration of specific infrastructure. Flat rate tolling can also serve as a method for congestion management, though it is not responsive to changing conditions or time of day. Additionally, flat rate tolling cannot be used for congestion pricing programs or projects authorized by the Value Pricing Pilot Program or Section 166 on interstate highways under Federal law.

Variable Rate Fee: With this type of pricing, a variable fee schedule is set so that the fee is higher during peak travel hours and lower during off-peak or shoulder hours. This encourages motorists to use the facility or drive less during less congested periods and allows traffic to flow more freely during peak times. Peak fee rates may be high enough to usually ensure that traffic flow will not break down, thus offering motorists a reliable and less congested trip in exchange for the higher peak fee. The current price is often displayed on electronic signs prior to the beginning of the priced facility.

Dynamic Rate Fee: Fee rates are continually adjusted according to traffic conditions to better achieve a free-flowing level of traffic. Under this system, fee rates increase when the priced facilities get relatively full and decrease when the priced facilities get less full. This system is more complex and less predictable than using a flat or variable rate fee structure, but its flexibility helps to better achieve the optimal traffic flow by reflecting changes in travel demand. Motorists are usually guaranteed that they will not be charged more than a pre-set maximum price under any circumstances. The current price is often displayed on electronic signs prior to the beginning of the priced facility.

Low-carbon travel options: Low-carbon travel options include walking, rolling, biking, transit, and electric vehicles.

Transit-supportive elements: Transit-supportive elements include programs, policies, capital investments and incentives such as Travel Demand Management and physical improvements such as sidewalks, crossings, and complementary land uses.

Diversion: Diversion is the movement of automobile trips from one facility to another because of pricing implementation. All trips that change their route in response to pricing are considered diversion, regardless of length or location of the trip, or whether they divert to or from the priced facility

Key terms will be included in the RTP glossary.

3.2.5 PRICING POLICIES

~~With t~~Transportation pricing is a tool that can help~~,~~ our region reach its goals of ~~can have~~ better, faster transit, cleaner air, fewer hours sitting in traffic, and more equitable access to jobs and opportunities. To realize these outcomes, ~~P~~pricing programs will need to be carefully designed to ensure the process to develop them is equitable, revenue is reinvested equitably and to support regional goals, diversion on local streets is mitigated, and pricing strategies are interoperable throughout the region.

What is transportation pricing?

Transportation pricing is the use of a pricing mechanism, such as tolls or parking fees, to reduce traffic congestion and greenhouse gas emissions, encourage a shift to travel via different modes, a different route, or a different time of day, and raise revenue for transportation investments and mitigation for impacts resulting from pricing.

While parking pricing has proven to be an effective strategy in the region for many years, cordons, roadway pricing, and other pricing strategies are only beginning to be discussed and implemented as a strategy in the greater Portland region. However, these strategies have been effective in cities around the world. ~~f~~For many leaders and government

Pricing Strategies

Pricing could include a range of tools, including:

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)

ROADWAY PRICING

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

PARKING PRICING

Drivers pay to park in certain area

Each of these pricing strategies could vary by time of day, by area, by types of drivers on the road, and by income levels. Pricing strategies can also take the form of a "program" (i.e. parking pricing) or a "project" (i.e. the I-205 toll project).

agencies in the Portland metro region recognized pricing as a needed, high-impact, tool in the 2018 Regional Transportation Plan (RTP) and other plans.[1]

Figure 1 Pricing and Implementing Agency~~Figure 1 Pricing and Implementing Agency~~ outlines which local, regional, and state agencies could potentially implement various types of pricing strategies based on Oregon state law. Other federal, state, or local laws may provide additional guidance or restrictions on the use of pricing and the use of pricing revenues.

Figure 1 Pricing and Implementing Agency

Type of Pricing	Definition	Implementing Agency
Road User Charge / Vehicle Miles Traveled Fee	Drivers pay a fee for every mile they travel	State DOT, potentially local roadway authorities
Cordon Pricing	Drivers pay a fee to enter an area, like downtown Portland (and sometimes pay to drive within that area)	City, County
Roadway Pricing and Tolling	Drivers pay a fee or toll to drive on a particular road, bridge, or highway	Local Roads: City, County
		Highways and Freeways: State DOT
Parking Pricing	Drivers pay to park in certain areas	City, County, Transit Agency (park-and-rides)

Why is pricing an important strategy for our region?

Congestion is a problem in the Portland metro region as outlined in the RTP Needs Assessment. Changing travel patterns and a growing population mean more traffic and less freedom to travel reliably around the region. Congestion can also have significant economic, social, and environmental impacts.

- Growing single occupancy vehicle ~~VMT~~miles traveled (VMT) leads to congestion. ~~By 2027, Metro demonstrated that one-third of the region's roads will be congested or severely congested.[2] Strategies to reduce single occupancy vehicles will reduce congestion. FHWA estimates a national 17 percent increase in light duty vehicle VMT per capita over the next 30 years.[3]~~
- Greenhouse gas emissions are on the rise. ~~DEQ reports that as of 2019, transportation contributes to roughly 35 percent of greenhouse gas emissions. Passenger and light vehicles contributed to .08 percent of transportation CH4 and 0.43 percent of transportation N20[4].~~

[1] 2018 Regional Transportation Plan, TSMO Strategic Plan (2010), Climate Smart Strategy (2014), The Federal Congestion Management Process, 2021 City of Portland Pricing Options for Equitable Mobility Final Report, 2018 Oregon Department of Transportation Value Pricing Feasibility Analysis.

~~[2] 2018 Metro Regional Transportation Plan~~

~~[3] 2022 FHWA Forecasts of Vehicle Miles Traveled~~

~~[4] 2019 Oregon Greenhouse Gas Sector-Based Inventory Preliminary Data.~~

Transportation-related emissions have increased 8 percent% since 1990, while other sectors declined during the same time period.[5]

- Congestion impacts our Metro's Eequity Ffocus Aareas most significantly. In the Portland region, the 10 lowest income and 10 highest minority neighborhoods experience more exposure to toxic air than the average neighborhood.[6]
- Travel patterns for people and goods are unreliable due to congestion.
- Our region is growing. The Portland metro region is the 11th most congested region in the country.[7] In 2021, people in the Portland metro region spent 52 hours stuck in traffic and freight accounted for 9.4 percent of off-peak regional freeway congestion.[8] After a brief subsidence with the COVID-19 pandemic, congestion and traffic volumes are on the rise again.[9]

  Our region is growing. The Portland metro region is expected to grow by more than 600,000 new residents and 350,000 more jobs by 2040.[10]

  Without pricing programs and policies in placesuch as implementation of pricing strategies, traffic volumes and congestion will continue to increase beyond supportable levels, impacting low-income populations and people of color, contributing to catastrophic climate impacts, and hurting our regional economy. The following section explores how pricing strategies can help address the impacts identified here.

[5] 2021 Pricing Options for Equitable Mobility Final Report.

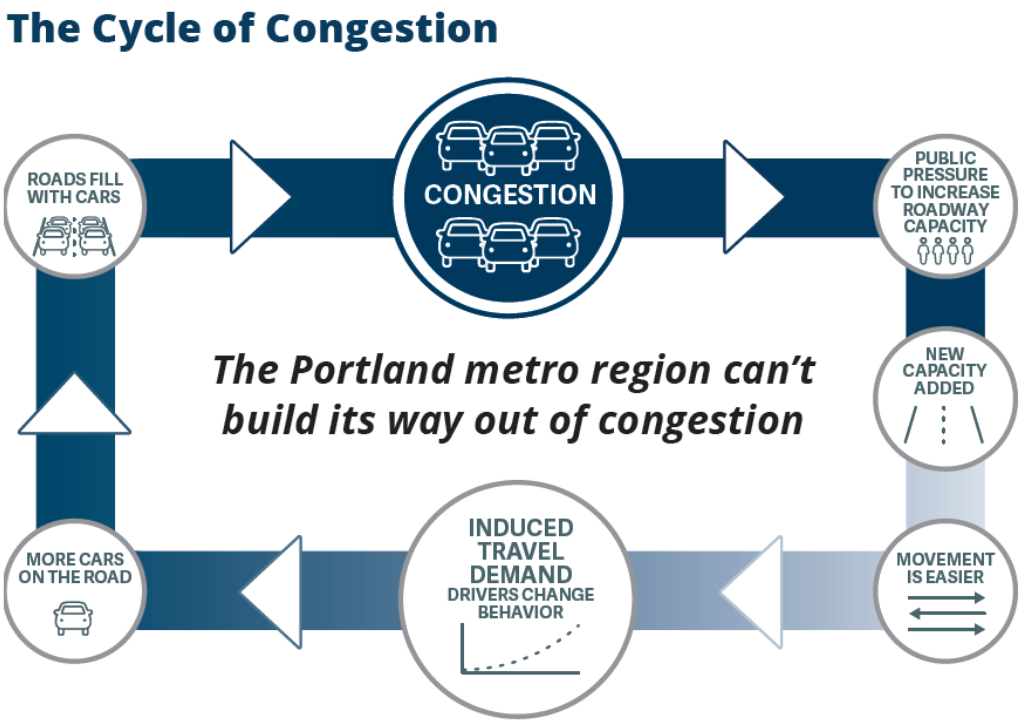
[6] 2012 Portland Air Toxics Solutions Committee Report and Recommendations, Oregon Department of Environmental Quality.

[7] 2021 Inrix Global Scorecard.

[8] 2040 Freight Existing Conditions Report, July 2021.

[9] 2022 ODOT Impacts of Covid-19 on Traffic.

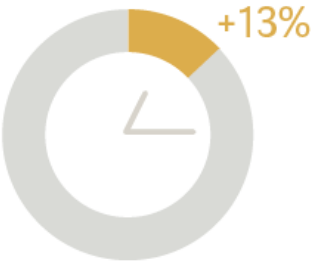
[10] 2018 Regional Transportation Plan.



How can pricing help our region?

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. Transit investments have also been made without complementary affordable housing strategies, leading to gentrification and further displacement.

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



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

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, pushing those with lower incomes to seek housing further away from the center of the region and making travel distances longer for people of color and low-income people.
- Communities of color and low-income communities have longer commutes that are 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, and traffic-related injuries and fatalities.

Pricing can be a key tool for jurisdictions as they ~~look~~ seek to meet state, regional, and local goals around mobility, climate, safety, and equity.

Pricing that is designed and implemented through an equity and climate change lens has the potential to transform transportation in our region in a variety of ways. While pricing programs introduce new costs to users, they also lead to more efficient use of streets and highways and can help address current and historic inequities borne by people of color and people with low incomes.

Pricing has been shown to encourage use of transit or other modes and reduce overall vehicle miles traveled (VMT). Lower VMT results in decreased congestion, reduced travel times for personal vehicles, freight and buses, ~~and~~ lower greenhouse gas emissions, and localized air quality impacts. Pricing is more likely to be successful in areas where transit service elements are~~is~~ already well established and is improved in conjunction with pricing.

Pricing can also have positive impacts on safety. A combination of lower VMT as a result of pricing and reinvestment of pricing revenue in projects that increase safety can, in the long term, lead to decreases in crashes and injuries in and around priced facilities or areas.

Additionally, for many jurisdictions, pricing may be identified as a tool to raise revenue for specific projects and be a key element of a funding plan. This could include, for example, replacement of an aging bridge, or investments in multimodal infrastructure and transit ~~service~~ supportive elements or amenities. However, in addition to raising revenue for specific projects, a program can ~~for a pricing program to~~ successfully meet state, regional, and local goals~~, pricing revenue must do more than simply fund specific infrastructure projects. To be most successful, pricing should~~ by:

- ~~**Allocate**~~ **Reinvesting revenue where it matters most.** If designed thoughtfully, pricing programs that have built equity into the program can introduce progressive fee structures and reinvest revenue in the people and places that have historically been, and continue to be, the most negatively impacted.
- **Reinvesting revenue to support our region's goals.** Revenue collected from pricing programs can be reinvested to enhance transit service elements and access, safety improvements, and walking and bicycling networks. It can also be used to provide incentives and subsidies to increase the number of people biking, walking, and taking transit for more trips.

With ~~pricing~~ properly designed pricing programs, our region can have better, faster transit, cleaner air, fewer hours sitting in traffic, and more equitable access to jobs and opportunities.

Benefits to Freight and Businesses

Pricing strategies can help freight and businesses succeed by reducing congestion on highways and local roads:

- Pricing can benefit freight, especially truck transportation, as it supports a more reliable system.
- Pricing can encourage people to use other forms of transportation to travel and leave highways open for people and businesses, like freight, who do not have other options.
- Pricing can support lowered cost of doing business – time is money.

~~Revenue Reinvestment~~Best Practices for Revenue Reinvestment

Equitable revenue reinvestment is a critical consideration from the outset of a pricing program. Reinvestment strategies ~~must~~ should be guided by the purpose of the program, the expected costs and benefits, and input from community members impacted by the program. Revenue reinvestment should be focused on neighborhoods that do not have or could lose access to the priced facility or area. Increasing access to the priced facility or area ~~area~~, especially for places with limited access today or places that would see reduced access without reinvested revenues, should be a focus. Part of the revenue from pricing ~~needs~~may need to be spent o~~i~~n operations, maintenance, and facility investment ~~unmet needs~~.

Key ~~principles to consider~~considerations related to revenue reinvestment include:

- Reinvestment should be prioritized in areas designated as Metro's E~~e~~quity Focus A~~a~~reas most affected by pricing programs.
- ~~All r~~Revenues collected through the pricing program should be reinvested in a manner that helps meet state, regional, and local goals related to reductions in greenhouse gas emissions and congestion while improving mobility and safety.
- Revenue should not be reinvested in infrastructure solely for single-occupancy vehicles, but should be invested to improve the entire multi-modal transportation system.
- Revenue should be reinvested in the ~~area~~ region ~~in which it is collected~~.

After paying for the administration and/or operating costs of a pricing program, r~~R~~evenue could be reinvested in several ways (**Error! Reference source not found.**). Implementing agencies will need to consider any state constitutional restrictions to revenue reinvestment, or other limitations based on federal or state funding or program approvals, based on the type of pricing program established. Agencies may use pricing to raise money for other things, like road

[11] 2018 Regional Transportation Plan.

improvements, seismic operations, and operations and maintenance. ~~After paying for the administration / operating costs of a pricing program, the implementing agency should reinvest the fee into the region.~~

Figure 2 Potential Options for Revenue Reinvestment

Category	Description	Target Area or Population
Transit		
Infrastructure & speed and reliability improvements	Improved facilities, stops, passenger amenities, transit priority treatments, express services, expanded routes, and similar improvements	Regional
		~~In equity zones or direct benefit to~~Local communities especially equity areas, for example, Metro's Equity Focus Areas
Operation and maintenance	Operation and maintenance of existing and future transit assets and services	Regional
Active Transportation		
Access to priced facility or area	Improved bike, pedestrian, or micromobility access to transit or priced facility or area directly	Regional
		From/to equity zones, for example, Metro's Equity Focus Areas
Neighborhood access	Improved bike, pedestrian, or micromobility access to transit or neighborhood activity centers such as shopping centers and employment hubs	From equity zones, for example Metro's Equity Focus Areas, to transit or neighborhood activity centers
First/last mile to key employment hubs	Improved bike, pedestrian, or micromobility access to employment hubs from transit	Regional
Diversion mitigation	Prioritize safety enhancements on the high crash network and transit service elements along areas impacted by diversion	Neighborhoods impacted by diversion
Mode Shift and Single Occupancy Vehicle Alternative Programs		
Commuter Credits	Benefit to users of the pricing system who swipe their transit card during peak hours rather than drive	Regional; higher subsidy for transit deprived communities and vulnerable populations

Category	Description	Target Area or Population
Transit subsidy	Free or discounted transit pass or cash on transit card, i.e. TriMet's Fare Relief Program	Regional; higher subsidy for transit deprived communities and vulnerable populations
	~~Receive a higher transit subsidy than general regional population~~	~~Low-income populations and people of color~~Transit deprived communities and vulnerable populations
Other programs	Electric vehicle (EV) carshare subsidy, bikeshare subsidy, micromobility subsidy, carpool benefit, benefit to drivers of EV vehicles ~~for up to 10 years~~.	Regional; higher subsidy for transit ~~Transit~~ deprived communities and vulnerable populations~~Low-income populations and people of color~~
Priced Facility		
Operations and Maintenance	Operations and maintenance of ~~the revenue collection system~~priced road	
Infrastructure investment	For tolled facilities, designed to be paid for by the pricing revenue	

Potential Revenue Opportunities and Limitations

Depending on the pricing model, the use of revenue generated from a pricing program may be subject to legal limits. For example, Oregon Constitution Article IX Section 3a limits the use of revenue from taxes on motor vehicle use and fuel. The principle underlying this language is that special taxes paid only by highway users should be used only for highway purposes. Whether a particular pricing model is subject to this constitutional restriction is determined by Oregon courts on a case-by-case basis. Recently, the Oregon Supreme Court concluded that Article IX section 3a's limit on use of tax revenue does not apply to a privilege tax imposed on vehicle dealers for the privilege of engaging in the business of selling taxable motor vehicles at retail. The Court found that the privilege tax was not based on the status of motor vehicle ownership, but rather on the activity of selling motor vehicles. Jurisdictions considering pricing should review all potential legal limits and structure the pricing model with these limits in mind.

What state and regional pricing work is underway?

Pricing strategies are being considered in the greater Portland Metropolitan Region, within the City of Portland, and along the Multnomah Falls and the Waterfall Corridor area. They are being used to combat traffic congestion and greenhouse gas emissions. This section provides a high-level overview of statewide legislation and rulemaking related to pricing and describes how the revenue from pricing is intended to support infrastructure in the region.

State Legislation & Rulemaking

House Bill 2017

House Bill 2017 invested millions of dollars to improve Oregon's transportation network. Part of that funding was allocated to implementing tolling. This directed the Oregon Transportation Commission to implement traffic congestion tolls on I-5, I-205, and in the Portland Metro region.[12]

House Bill 3055

House Bill 3055 created flexibility in allocating $30 million per year of funds to projects listed in House Bill 2017 including, I-5, Boone Bridge, and toll program implementation. HB 3055 directed that tolling should be used to manage travel demand and congestion, reduce greenhouse gas emissions, raise revenue, make improvements or fund efforts on the tollway and on adjacent, connected, or parallel highways, and minimize and mitigate impacts to underrepresented and disadvantaged communities. It also required that an equitable tolling strategy be implemented before tolls are assessed, and for a low-income toll report to be provided to the Joint Transportation Committee and Oregon Transportation Committee.[13,14]

Low-Income Toll Report

House Bill (HB) 2017 provided direction to implement tolling on I-5 and I-205 in the Portland metro area, and ODOT's Toll Program was established to oversee state-operated toll projects and policies throughout the state. ~~[PLACEHOLDER – will be adopted by the OTC sometime this fall]~~The Low-Income Toll Report for the Oregon Toll Program was developed by the Oregon Transportation Department (ODOT) at the direction of the Oregon Legislature. The report presents options for consideration to develop a low-income toll program as part of the Oregon Toll Program, including:

- Providing significant toll discounts for households with incomes equal to or below 200% of the federal poverty level

[12] https://www.oregon.gov/odot/tolling/Pages/About.aspx

[13] https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureAnalysisDocument/61936

[14] https://olis.oregonlegislature.gov/liz/2021R1/Downloads/MeasureDocument/HB3055/Enrolled

- Providing a smaller, more focused toll discount for households with incomes above 200% and up to 400% of the federal poverty level
- Using a verification process that leverages existing programs and further explores self-certification to quality for toll discounts

ODOT, in collaboration with the Oregon Transportation Commission, will identify specific benefits for people experiencing low incomes to ensure benefits are in place before tolling begins. The Equity and Mobility Advisory Committee (EMAC) helped inform the report.

2022~~2~~3 Oregon Highway Plan Toll Policy Amendment

~~[PLACEHOLDER – will be adopted by the OTC sometime this fall]~~In January 2023, the Oregon Transportation Commission adopted an amendment to Goal 6 of the Oregon Highway Plan, which had last been updated in 2012. The amendment updated state policies related to tolling and congestion pricing policy, including defining terms and types of road pricing and clarifying the need and goals for tolling and congestion pricing. It also updated language related to equity and climate goals, and provided guidance on rate setting and the use of revenues. The amendment will guide multiple major toll projects in the Portland metro region, as well as statewide rulemaking and toll rate setting.[15]

Figure 3 Regional Mobility Pricing Project Map as of ~~December~~November 2022

[15] https://www.oregon.gov/odot/Planning/Documents/OHP_Goal_6_Policy.pdf

Climate-Friendly and Equitable Communities

Parking reform is part of the Oregon Land Conservation and Development Commission's Climate-Friendly and Equitable Communities (CFEC) rulemaking. The reform decreases required parking ~~costs~~ mandates for new developments ~~applications~~ near frequent transit and for certain development types with the intent of reducing costs. This was ~~by~~accomplished by unbundling parking packages in developments, implementing parking maximums, and incentivizing active transportation travel options. This parking mandate reform aim~~s~~ed to decrease congestion by discouraging driving and parking. This rule was published on July 15, 2022, and enacted for new development as of July 2022 and ~~and will be enacted in 2023~~ for existing developments in 2023.[16] This reform ~~would~~ also required that parking lots include solar power or trees, pedestrian-friendly infrastructure, and 50% of new residential parking spaces equipped with electric vehicle charging.[17]

Pricing Projects and Committees in the Portland Metro Region

ODOT: I-205 Toll Project

ODOT is planning to toll drivers on I-205 near the Abernethy and Tualatin River Bridges. The revenue from these tolls will be used to continue the construction of I-205 Improvement Project past Phase 1A, which aims to decrease congestion, reduce greenhouse gas emissions, increase active transportation, and provide facilities that are resilient to earthquake damage. As part of a 2018 RTP amendment for this project, ODOT agreed to a series of commitments that would address regional concerns related to the I-205 toll project. See Chapter 8 for additional information.

ODOT: Regional Mobility Pricing Project

The purpose of the Regional Mobility Pricing Project (RMPP) is to use congestion pricing on I-5 and I-

[16] https://www.oregon.gov/lcd/CL/Documents/CFECOverviewImplementation.pdf

[17] https://www.oregon.gov/lcd/LAR/Pages/CFEC.aspx

205 to manage traffic congestion on these facilities in the Portland, Oregon metropolitan area in a manner that will generate revenue for transportation system investments (Figure 3 Regional Mobility Pricing Project Map. The fees would vary depending on time of day, income level, and type of car and would help fund critical multimodal projects in the region.[18]

ODOT / WSDOT: I-5 Bridge Replacement

The Interstate Bridge Replacement Program ~~will~~ plans to toll drivers crossing I-5 as part of the funding to finance a replacement bridge on I-5 between Portland and Vancouver. The new bridge ~~will~~ is intended to address congestion, earthquake vulnerability, safety, impaired freight movement, inadequate bike and pedestrian paths, and limited public transportation. Revenue from the tolls ~~will~~ would be used to fund construction, maintenance, and operation of the bridge and associated improvements.[19]

ODOT Equity and Mobility Advisory Committee

The Oregon Department of Transportation (ODOT)'s Equity and Mobility Advisory Committee (EMAC) was created to directly advise the Oregon Transportation Commission (OTC) on how tolls on Interstate 205 and I-5 can address impacts and realize benefits for populations that have been historically and are currently underrepresented or underserved by transportation projects. The committee was chartered to addresses the following areas: equitable engagement, transit and multimodal access, affordability and impacts to people experiencing financial hardship, and impacts to neighborhood health and safety. EMAC and the OTC have established Foundational Statements and a set of recommendations to guide equity in the development of the projects.

PBOT Pricing Options for Equitable Mobility

Portland Bureau of Transportation (PBOT)'s Pricing Options for Equitable Mobility (POEM) task force explored 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. ~~.~~ In October 2021, Portland City Council accepted the POEM Task Force final recommendation report. This recommendation report includes principles of pricing for equitable mobility, nearer-term pricing strategies, longer-term pricing recommendations, and a suite of complementary strategies to advance alongside pricing. The Pricing Strategies explored through POEM included prices on parking, prices on vehicle-based commercial services (e.g., private for-hire trips and urban delivery), highway tolling, cordons or area pricing, and road usage or per-mile charges.[20]

[18] https://www.oregon.gov/odot/tolling/Pages/I-5-Tolling.aspx

~~[19] https://www.interstatebridge.org/faq[v]~~

[20] https://www.portland.gov/transportation/planning/pricing-options-equitable-mobility-poem

Multnomah Falls and the Waterfall Corridor Timed-Use Permits

While outside of the metropolitan planning area, timed-use permits at Multnomah Falls and the Waterfall Corridor provide a useful example of innovative parking pricing. ODOT, Oregon State Parks, U.S. Forest Service, and Multnomah County ~~are requiring~~required that personal vehicles pay for a timed-use permit to access Multnomah Falls and federal lands adjacent to the Waterfall Corridor. The permits ~~are~~ were required from May 24 to September 5, 2022, during peak hours (9am to 6pm) when data has shown crowds are busiest. The parking pricing strategy ~~is~~ was used to limit the number of personal vehicles that enter the parking lot for environmental, safety, and emergency response reasons. The fee does not apply to those entering the park through active transportation modes, before or after peak hours, and same-day passes. The fee ~~is~~ was used to pay for the online pricing system and does not generate additional revenue for other improvements. The Waterfall Corridor Timed-Use permits apply to visitors that exit I-84 from exit 28 through exit 35, while the Multnomah Falls timed-use permit applies to visitors to Multnomah Falls.[1]

Federal Pricing Programs

Section 129 of Title 23 of the U.S. Code and the Value Pricing Program are examples of pricing strategies that have worked. Since pricing is new to the Portland area, these two federal examples show ~~initial successes,~~ the value of ~~pursuing~~ pricing, and how pricing programs can ~~be amended~~evolve over time.

Section 129

Section 129 of Title 23 of the U.S. Code provides the ability to toll Federal-aid highways in conjunction with construction, reconstruction, or other capital improvements. Flat rate tolling and variable pricing strategies are authorized for Section 129 facilities. There are some limitations to what facilities may be included.[21] A new provision within the Infrastructure Investment and Jobs Act ~~that allows flexibility and expansions to the eligibility on what can be tolled~~is expanding tolling eligibility requirements~~.~~.[22]

Section 166

Section 166 of Title 23 of the U.S. Code provides the ability to create high-occupancy vehicle (HOV) lanes on Federal-aid highways. Public authorities which have jurisdiction over an HOV facility have the authority to establish occupancy requirements of vehicles using the facility, but the minimum is no fewer than two. Certain exceptions are allowed such as motorcycles and bicycles, public transit vehicles, and low emission vehicles.

[21] https://www.fhwa.dot.gov/ipd/tolling_and_pricing/tolling_pricing/section_129.aspx

[22] Regional Toll Advisory Committee Meeting #2, 2022 October 24.

Value Pricing Pilot Program

Oregon is a participant in the FHWA Value Pricing Pilot Program (VPPP). The VPPP was established in 1991 (as the Congestion Pricing Pilot Program) to encourage implementation and evaluation of value pricing pilot projects to manage congestion on highways through tolling and other pricing mechanisms. The program also ~~wanted~~ sought to test the impact of pricing on driver behavior, traffic volumes, transit ridership, air quality, and availability of funds for transportation programs. While the program no longer actively solicits projects, it can still provide tolling authority to State, regional or local governments to implement congestion pricing applications. Once all the federal requirements are met, implementing agencies can use the revenue for any Title 23 project, which is aimed at the Federal-aid highways.[23] See https://ops.fhwa.dot.gov/congestionpricing/value_pricing/

[23] Regional Toll Advisory Committee Meeting #2, 2022 October 24.

What did Metro learn from the Regional Congestion Pricing Study?

In 2021 Metro completed the Regional Congestion Pricing Study (RCPS). Directed by the Joint Policy Advisory Committee on Transportation (JPACT) and the Metro Council in the 2018 RTP, the study evaluated a variety of pricing strategies to better understand if the region could benefit from pricing. The study found that pricing can be an effective strategy for reducing drive-alone trips and overall VMT, but its impacts can vary widely by geography and demographics, as well as by what specific strategy is implemented and how it is implemented.

Metro used its travel demand model to conduct in-depth modeling and analysis to help regional policymakers understand the potential performance of different types of pricing tools (VMT fee, cordon, parking, and roadway pricing). Each scenario was analyzed for how well it performed relative to the four regional priorities (safety, equity, congestion, and climate) using performance metrics grounded in the 2018 RTP.

Summary of Key Findings

The RCPS demonstrated that pricing has the potential to help the greater Portland region meet the priorities outlined in the 2018 RTP, including reducing congestion and improving mobility, reducing greenhouse gas emissions, and improving equity and safety outcomes.

All four types of congestion pricing could help address congestion and climate priorities. All eight scenarios that were tested reduced the drive alone rate, vehicle miles traveled, and greenhouse gas emissions, and increased daily transit trips. In fact, the projected improvements were comparable to modeled scenarios with much higher investment in new transportation projects. However, the geographic distribution of benefits, impacts, and costs varied by scenario.

Traffic diversion, travel time savings, and costs to travelers varied by location and by congestion pricing tool. For example, the two roadway pricing scenarios, which evaluated a toll on all the region's freeways, identified significant traffic diversion onto the arterial network, even as volumes and delay on the freeways fell. Without changes, some scenarios would have disproportionate impacts on equity communities and key geographies.

Geographic distributions of benefits and costs can inform where to focus investments and affordability strategies. In-depth analysis will be necessary to understand benefits (who and where) and costs (who and where) of any future projects. The study also identified tradeoffs for implementing pricing scenarios. Overall regional transportation costs and individual traveler costs varied by scenario. All eight scenarios that were tested increased the overall cost for travel for the region, but some scenarios spread the costs widely while others concentrated them on fewer travelers. Those that spread the costs also had the highest overall cost for travel in the region and the highest revenue potential. Higher overall transportation costs equal higher revenue, which can allow for investment in improvements to address safety and equity concerns.

Pricing and Equity

Today's transportation system puts more burdens on people of color and people with low incomes. Gas taxes and motor vehicle fees are not tied to a driver's ability to pay. Households with lower incomes spend 22 percent more of their income on transportation than households with higher incomes. People of color and people with low incomes are more likely to use transit and more likely to live further from employment centers. They may also need to commute between more than one job. Increasing congestion negatively impacts transit speed and reliability as buses sit in traffic. This increases commute times for transit users. Federal and state funding prioritizes auto infrastructure over investment in transit, favoring people with higher means and access to a vehicle.

Today's Transportation Funding is Inequitable

Pricing can improve or harm equity in the region. A pricing program designed with the goal of improving equity, rather than attempting mitigations later, has the potential to produce positive outcomes. Outcomes are determined by the way funds are collected and where and in whom they are reinvested. The Revenue Considerations and Policy sections below describe methods that can be used to lead to equitable outcomes and strategic reinvestment into pricing programs. The Regional Congestion Pricing Study found that without changes some scenarios harmed equity by increasing costs and decreasing access. A thoughtful and community-focused approach will be necessary as our region continues to explore pricing options.

3.2.5.1 PRICING POLICIES

Pricing policies apply to the planning, implementation, monitoring and evaluation of pricing programs and projects in the region, as defined in Chapter 3.1 (Regional Transportation System Components).

Pricing Policies

Policy 1	**Mobility**: Improve reliability and efficiency of the transportation network, reduce VMT per capita, and increase transportation options through congestion management, investments in transit, bike, and pedestrian improvements, and transportation demand management programs.
Policy 2	**Equity**: Center equity and affordability into pricing programs and projects from the outset.
Policy 3	**Safety**: Address traffic safety and the safety of users of all modes, both on the priced system and in areas affected by diversion.
Policy 4	**Diversion**: Minimize diversion impacts created by pricing programs and projects prior to implementation and throughout the life of the pricing program or project.
Policy 5	**Climate and Air Quality**: Reduce greenhouse gas emissions and vehicle miles travelled per capita while increasing access to low-carbon travel options.
Policy 6	~~**Emerging Technologies**~~**Technology and User Experience**: Coordinate technologies and pricing programs and projects to make pricing a low-barrier, seamless experience for everyone who uses the transportation system and to reduce administrative burdens.

Pricing Policy 1. Mobility: Improve reliability and efficiency of the transportation network, reduce VMT per capita, and increase transportation options through congestion management, investments in transit, bike, and pedestrian improvements, and transportation demand management programs.

The Metro Regional Congestion Pricing Study found that pricing has the potential to help the greater Portland region improve mobility and manage congestion.[1] Pricing programs should be designed and implemented to maximize benefits related to improved access to jobs and community places, shift to sustainable modes of travel, and overall affordability.[1]

Investments in transit and transit-supportive elements have been shown to improve regional mobility, especially in terms of access to jobs.[1] Future transit investments, and investments into other modal alternatives, should take into consideration the geographic distribution of low-income populations (who may have less automobile access), existing access to jobs via transit, people who commute outside of peak periods, and people who trip-chain (i.e.: making multiple stops during one trip, such as dropping children off at school on the way to work).[1] Policymakers and future project owners and operators should consider ~~if~~how mobility improvements will be received by populations and areas that have been historically marginalized.[1] Mobility improvements can be measured by reduced peak period travel times, reduced daily vehicle miles traveled (VMT), reduced percentage of total daily trips undertaken by drivers without passengers, increased number of total daily transit trips, and total vehicle hours of delay during peak PM periods.[1]

~~[Placeholder for background/context]~~

To implement Policy 1, agencies developing pricing programs or projects should take the following actions:~~Action Items:~~

1. Set rates for pricing at a level that will manage congestion, reduce VMT per capita, and improve reliability on the priced facility and in areas affected by diversion.
2. Collaborate with relevant state, regional, and local agencies and communities when setting, evaluating, and adjusting program or project specific goals.
3. Reinvest a portion of revenues from pricing into modal alternatives both on and off the priced facility that encourage mode shift and VMT reduction per capita~~,~~. ~~including~~ Examples include, but are not limited to, transit improvements ~~as well as,~~ ~~-~~bicycle and pedestrian improvements, and improvements to local circulation.
4. Identify opportunities to partner with other agencies to fund or construct transit, bike, and pedestrian improvements. Work with transit agencies and other jurisdictional partners, including consideration of opportunities identified in the High Capacity Transit Strategy and Regional Transit Strategy, to determine additional revenue needs and pursue funding

needed to develop transit-supportive elements, expand access to transit, and to ensure equitable investments, particularly in cases where such improvements cannot be funded directly by pricing revenues due to revenue restrictions.

5. Consider non-infrastructure opportunities to encourage mode shift and reduce VMT per capita, including commuter credits, funding for transit passes, bikeshare and/or micromobility subsidies, partnerships with employer commuter programs, and carpooling ~~and~~ / vanpooling. Consider higher benefits, subsidies, discounts or exemptions for people with low-income or other qualifying factors based on equity analysis.

Pricing Policy 2. Equity: Center equity and affordability into pricing programs and projects from the outset.

The Metro Regional Congestion Pricing Study found that pricing strategies have the potential to help the greater Portland region improve racial equity and benefit marginalized communities. Our current transportation funding system is inequitable. Regressive funding sources such as fixed tax rates and fees disproportionately impact low-income motorists, and negative health impacts from high automobile reliance disproportionately harm BIPOC and low-income communities.

Pricing programs with an equity framework should aim to increase access to opportunity, provide affordable options, create healthier and safer communities, and reduce income inequality and unemployment. Pricing has the potential to offer a suite of affordability programs, such as rebates, exemptions, or other investments. Reinvestment should be prioritized in areas designated as Metro's Equity Focus Areas most affected by pricing programs.

Policymakers and future project owners and operators should carefully consider how the benefits and costs of pricing impact different geographic and demographic groups. If not conducted thoughtfully, pricing could compound past injustices and harm BIPOC and low-income communities. By focusing engagement at every step in the process on historically impacted residents, agencies can reduce harm and increase benefits. The policy illustrates how equity can be incorporated into pricing programs.[1]

~~[Placeholder for background/context]~~

To implement Policy 2, agencies developing pricing programs or projects should take the following actions: ~~Action Items:~~

1. Conduct general public engagement in a variety of formats, including formats that accommodate all abilities, all levels of access to technology, and languages other than

English. Begin engagement at an early stage and re-engage the public in a meaningful manner at multiple points throughout the process.

2. Engage equity groups, people with low-income, and people of color in a co-creation process, beginning at an early stage, to help shape goals, outcomes, performance metrics, and reinvestment of revenues.
3. Use a consistent methodology across implementing agencies for defining equity groups and equity areas for pricing programs and projects, including but not limited to the methodology used for establishing the Equity Focus Areas. A consistent methodology for documenting benefits and burdens of pricing for equity groups, people with low-income, people of color, and equity areas should also be established across agencies. The methodology should consider a variety of factors, such as implementing agency, costs to the user, travel options, travel time, transit reliability and access, diversion and safety, economic impacts to businesses, noise, access to opportunity, localized impacts to emissions, water and air quality, and visual impacts.
4. Establish feedback mechanisms, a communication plan, and recurring regular engagement over time with the public, and with equity groups that were involved in the co-creation process.
5. Provide a progressive fee structure which includes exemptions, credits, or discounts for qualified users. Base eligibility on inclusion in one or more population categories, such as low-income, and minimize barriers to qualification by building on existing programs or partnerships where applicable. Target outreach for enrollment in a discounts, credits, or exemptions in equity areas and communities with higher-than-average shares of people with low income and people of color.
6. Create varied and accessible means of payment and enrollment, including options for people without access to the internet or banking services.

7. Reinvest a portion of revenues from pricing into communities with high proportions of people with low-income and people of color, and/or in Equity Focus Areas. Use of these revenues should meet the transportation-related needs identified by the equity communities and people most impacted. Examples include commuter credits and free or discounted transit passes, or improved transit facilities, stops, passenger amenities, and transit priority treatments.
8. Enforcement of pricing and fine structures for non-payment should be designed to reduce the potential for enforcement bias and to minimize burdens on people with low incomes.
8.9. Create a ~~matrix~~process to measure ~~when~~how pricing programs achieve ~~these~~the -actions items listed above ~~and are held accountable by a third party~~to demonstrate accountability.

Metro's Regional Congestion Pricing Study found that pricing has a strong potential to help the greater Portland region improve safety outcomes and meet the safety priorities outlined in the Regional Transportation Plan.[1] Pricing programs can most acutely address safety by reinvesting revenue into locally supported traffic safety improvements.[1] Metro's study recommends focusing safety improvements on eliminating traffic deaths and serious injuries on city streets, or a Vision Zero approach.[1] More information on this approach can be found in the City of Portland's Vision Zero Action Plan.

Since safety concerns vary greatly across the region, addressing them should occur at a project scale and be built into a pricing programs' definition to ensure that the core of the project addresses these community needs.[1] Detailed project-scale analysis should provide insight into where safety investments are needed and should address any project-related safety concerns.[1] Safety outcomes of a pricing program can be measured by the level of revenue reinvestment in improvements that address fatalities and serious injuries on high injury corridors or roadways.[1]

~~[Placeholder for background/context]~~

Pricing Policy 3. Safety: Address traffic safety and the safety of users of all modes, both on the priced system and in areas affected by diversion.

The Metro Regional Congestion Pricing Study found that pricing has a strong potential to help the greater Portland region improve safety outcomes and meet the safety priorities outlined in the Regional Transportation Plan.[1] Pricing programs can improve safety by reinvesting revenue into locally supported traffic safety improvements.[1] The study recommends focusing safety improvements on eliminating traffic deaths and serious injuries on city streets, or a Vision Zero approach.[1] ~~More information on this approach can be found in the City of Portland's Vision Zero Action Plan.~~

Safety challenges vary greatly across the region. Safety improvements should be assessed at a project scale and built into a pricing programs' definition to ensure that the core of the project addresses these community needs.[1] Detailed project-scale analysis should provide insight into where safety investments are needed and should address any project-related safety concerns.[1] Safety outcomes of a pricing program can be measured by the level of revenue reinvestment in improvements that address fatalities and serious injuries on high injury corridors or roadways.[1]

~~[Placeholder for background/context]~~

To implement Policy 3, agencies developing pricing programs or projects should take the following actions: ~~Action Items:~~

1. Collaborate with relevant state, regional, and local agencies and communities when identifying traffic safety impacts and selecting mitigations associated with pricing.
2. Use a data-driven approach to identify potential traffic safety impacts on the priced system and in areas affected by diversion both during and after implementation of pricing programs and projects; monitor with real-time data after implementation.
3. Context-specific monitoring and evaluation programs should be conducted by implementing agencies in coordination with partner agencies and be on-going and transparent. Establish feedback mechanisms, incident resources, and a communication plan in advance for the community and decision makers.
4. Adjust safety strategies in coordination with partner agencies based on monitoring and evaluation findings.
5. Reinvest a portion of revenues on the priced system and in areas affected by diversion to manage safety issues caused by pricing programs and projects and to improve safety, for example, through investments in transit, bike, and pedestrian improvements, or other investments in known crash reduction factors.
6. Pricing programs and projects should strive to reduce fatalities and serious injuries by aligning with the RTP's safety and security policies identified in Section 3.2.1.4

Pricing Policy 4. Diversion: Minimize diversion impacts created by pricing programs and projects prior to implementation and throughout the life of the pricing program or project.

The Metro Regional Congestion Pricing Study found that pricing programs have the potential to lead to diversion impacts, as drivers shift from the freeway network to the arterials to avoid charges.[1] Spillover/cut through traffic caused by a pricing program can exacerbate traffic safety concerns along other streets.[1] Project designers should carefully consider the wide distribution of diversion impacts that may result from the program, particularly on regional high injury corridors. ~~Project designers~~Implementing agencies can look to the City of Portland's identified high crash network of streets and intersections for which to prioritize safety improvements. It is important for pricing programs to mitigate the negative impacts of diversion. Diversion onto nearby streets could be addressed with safety or transit improvements, for example.[1] If pricing programs result in successful mode shift to transit, diversion impacts can be lessened.[1]

~~[Placeholder for background/context]~~

To implement Policy 4, agencies developing pricing programs or projects should take the following actions: ~~Action Items:~~

1. Collaborate with relevant state, regional, and local agencies and communities when identifying diversion impacts and selecting mitigations associated with pricing.
2. Use a data-driven approach to define and identify diversion impacts both during and after implementation of pricing programs and projects. Following implementation~~;~~ monitor with real-time data ~~after implementation~~.
3. Evaluate localized impacts of diversion including factors such as VMT per capita, VMT per capita in defined equity areas, noise, economic impacts to businesses, and localized emissions, water quality, ~~and~~ air quality, and the completeness of safety infrastructure and non-vehicular modal networks~~.~~
4. Context-specific monitoring and evaluation programs should be conducted by implementing agencies in coordination with partner agencies and be on-going and transparent. Establish feedback mechanisms and a communication plan in advance for the community and decision makers and ensure reinvestment is still applicable when impacted area changes~~.~~
5. Adjust mitigation strategies based on monitoring and evaluation findings. Areas impacted may change as the pricing program is implemented and diversion mitigation strategies are put into place.
6. Reinvest a portion of revenues into areas affected by diversion caused by pricing programs and projects.

Pricing Policy 5. Climate and Air Quality: Reduce greenhouse gas emissions and vehicle miles travelled per capita while increasing access to low-carbon travel options.

The Metro Regional Congestion Pricing Study found that pricing has the potential to help the great Portland region reduce greenhouse gas emissions and achieve Metro's climate goals.[1] All of the scenarios tested in the study showed reductions in greenhouse gas emissions through reducing overall VMT per capita.[1] Pricing policies were found to be effective in encouraging drivers to change their travel behavior such as using more sustainable travel modes like transit, walking, or biking.[1] These changes in behavior are key to reducing greenhouse gas emissions in the region.

Pricing programs should be designed to meet climate goals without adversely impacting safety or equity.[1] Climate improvements can be measured by percent reduction of greenhouse gasses per capita, percent reduction of criteria pollutants and transportation air toxics, percent reduction of vehicle miles traveled per capita, and shifts in travel behavior. ~~Project designers~~Implementing agencies should consider the geographic and demographic distribution of targeted climate improvements, particularly taking into consideration the health impacts of pollutants and transportation air toxics that disproportionately harm BIPOC and low-income communities.[1]

~~[Placeholder for background/context]~~

To implement Policy 5, agencies developing pricing programs or projects should take the following actions:

~~Action Items:~~

1. Identify localized air pollutants and greenhouse gas emission impacts due to pricing and identify strategies for mitigation.
2. Set rates for pricing at a level that will reduce greenhouse gas emissions and improve air quality by managing congestion and reducing overall VMT per capita on the priced system and in areas affected by diversion.
3. Reinvest a portion of revenues from pricing into modal alternatives both on and off the priced facility that can reduce overall emissions by encouraging mode shift and VMT per capita reduction, including transit improvements as well as bicycle and pedestrian improvements and improvements to local circulation.
4. Develop and implement pricing so that it addresses and supports the RTP's Climate Smart Strategy and RTP policies, including through the Congestion Management Process.

Pricing Policy 6. Technology and User Experience: Coordinate technologies and pricing programs and projects to make pricing a low-barrier, seamless experience for everyone who uses the transportation system and to reduce administrative burdens.

The Metro Regional Congestion Pricing Study details a wide range of technologies available that can be used in pricing programs to create a seamless and low-barrier experience. Programs can use electronic toll collection systems, mobile applications, short-range communication systems embedded in new vehicles, OReGO technologies that wirelessly connect to a vehicle's diagnostic ports, or online portals for self-reporting.[1] The type of technology used will vary depending on the type of pricing program. Metro's study recommends a pilot phase for the region to trial one or more technologies before implementing a region-wide system.[1]

There are several considerations to be taken when using technology in the implementation of a pricing program. First, emerging technologies can be more expensive than existing ones, yet existing technologies run the risk of becoming obsolete sooner.[1] Second, some technologies (such as tolling systems) require a physical footprint that can take up limited physical space and create a visual aesthetic impact that may need design commission approval in some parts of the city.[1] Further, technologies such as mobile apps or online portals that require users to take an action will likely be less accurate and reliable than automatic technologies.[1] These technologies may also unfairly burden low income travelers that do not have access to a mobile phone, computer, internet, or banking system. Technologies that enhance user experience while limiting barriers to use should be prioritized. Project designers should also consider a program's compatibility with existing pricing technologies used in the region (such as the Hop regional transit fare program or existing parking payment systems).[1]

~~[Placeholder for background/context]~~

To implement Policy 6, agencies developing pricing programs or projects should take the following actions: ~~Action Items:~~

1. Coordinate technologies and user-friendly designs across pricing programs and projects to reduce burdens on the user and manage the system efficiently, including setting rates, identifying tolling technology and payment systems, and establishing discounts and exemptions.
2. Create varied and accessible means of payment and enrollment, including options for people without access to the internet or banking services.
3. Consider the upfront costs of technology investment balanced with long-term operational and replacement costs compared with expected revenue generation.

DEFINING KEY TERMS

Pricing: Motorists pay directly for driving on a particular roadway or for driving or parking in a particular area. Pricing includes pricing different locations using different rate types, such as variable or dynamic pricing (higher prices under congested conditions and lower prices at less congested times and conditions), amongst other methods. Rates may vary based on vehicle size or type, incomes, or other variables. -Pricing within the Portland metropolitan context could include the following methods and pricing strategies. Methods and strategies can be combined in different ways, such as variable cordon pricing or dynamic roadway pricing. Different types of pricing can be implemented in coordination with each other to provide greater systemwide benefits. Pricing can be implemented at the state, regional, or local level.

- Types of Pricing
  - Cordon
  - Low Emissions Zone
  - Parking
  - Road Usage Charge / VMT Fee / Mileage Based User Fee
  - Roadway
- Rate Types
  - Flat
  - Variable
  - Dynamic

Road Usage Charge / VMT Fee / Mileage Based User Fee: Motorists are charged for each mile driven. A road usage charge is often discussed as an alternative to federal, state, and local gas taxes which have become less relevant to the user-pays principle as more drivers switch to fuel efficient or electric vehicles. Road usage charges are most often implemented as flat or variable rate fees.

Cordon Pricing: Motorists are charged to enter a congested area, usually a city center or other high activity area well served with non-driving transportation options. Cordon pricing is most often implemented as flat or variable rate fees.

Low Emissions Zone Pricing: Similar to cordon pricing, drivers are charged when they enter a Low Emissions Zone, unless they have a vehicle that meets the requirements of the Low Emissions Zone, for example an electric vehicle that does not emit tailpipe emissions when only using electricity to run.

Parking Pricing: Drivers pay to park in certain areas. Parking pricing may include flat, variable, or dynamic fee structures. Dynamic pricing involves periodically adjusting parking fees to match demand, this can be paired with technology which helps drivers find spaces in underused and less costly areas.

Roadway Pricing: Motorists are charged to drive on a particular roadway. Roadway pricing can be implemented as a flat, variable, or dynamic fee. Roadway prices that vary by time of day can follow a set fee schedule (variable), or the fee rate can be continually adjusted based on traffic conditions (dynamic).

Flat Rate Fee (Toll): A flat rate fee, also known as a toll, charged by a toll facility operator in an amount set by the operator for the privilege of traveling on said toll facility. Tolling is a user fee system for specific infrastructure such a bridges and tunnels. Toll revenues are used for costs associated with the tolled infrastructures. This tool is used to raise funds for construction, operations, maintenance, and administration of specific infrastructure. Flat rate tolling can also serve as a method for congestion management, though it is not responsive to changing conditions or time of day. Additionally, flat rate tolling cannot be used for congestion pricing programs or projects authorized by the Value Pricing Pilot Program or Section 166 on interstate highways under Federal law.

Variable Rate Fee: With this type of pricing, a variable fee schedule is set so that the fee is higher during peak travel hours and lower during off-peak or shoulder hours. This encourages motorists to use the facility or drive less during less congested periods and allows traffic to flow more freely during peak times. Peak fee rates may be high enough to usually ensure that traffic flow will not break down, thus offering motorists a reliable and less congested trip in exchange for the higher peak fee. The current price is often displayed on electronic signs prior to the beginning of the priced facility.

Dynamic Rate Fee: Fee rates are continually adjusted according to traffic conditions to better achieve a free-flowing level of traffic. Under this system, fee rates increase when the priced facilities get relatively full and decrease when the priced facilities get less full. This system is more complex and less predictable than using a flat or variable rate fee structure, but its flexibility helps to better achieve the optimal traffic flow by reflecting changes in travel demand. Motorists are usually guaranteed that they will not be charged more than a pre-set maximum price under any circumstances. The current price is often displayed on electronic signs prior to the beginning of the priced facility.

Low-carbon travel options: Low-carbon travel options include walking, rolling, biking, transit, and electric vehicles.

Transit-supportive elements: Transit-supportive elements include programs, policies, capital investments and incentives such as Travel Demand Management and physical improvements such as sidewalks, crossings, and complementary land uses.

Diversion: Diversion is the movement of automobile trips from one facility to another because of pricing implementation. All trips that change their route in response to pricing are considered

~~Key terms will be included in the RTP glossary.~~

Value Pricing Pilot Program: Oregon is a participant in the FHWA Value Pricing Pilot Program (VPPP). The VPPP was established in 1991 (as the Congestion Pricing Pilot Program) to encourage implementation and evaluation of value pricing pilot projects to manage congestion on highways through tolling and other pricing mechanisms. The program also wanted to test the impact of pricing on driver behavior, traffic volumes, transit ridership, air quality, and availability of funds for transportation programs. While the program no longer actively solicits projects, it can still provide tolling authority to State, regional or local governments to implement congestion pricing applications with the discretionary concurrence by the U.S. Secretary of Transportation. See https://ops.fhwa.dot.gov/congestionpricing/value_pricing/ for more detail.

Section 129: Section 129 of Title 23 of the U.S. Code provides the ability to toll Federal-aid highways in conjunction with construction, reconstruction, or other capital improvements. Flat rate tolling and variable pricing strategies are authorized for Section 129 facilities. There are some limitations to what facilities may be included. See https://uscode.house.gov/view.xhtml?req=(title:23%20section:129%20edition:prelim) for more detail.

Section 166: Section 166 of Title 23 of the U.S. Code provides the ability to create high-occupancy vehicle (HOV) lanes on Federal-aid highways. Public authorities which have jurisdiction over an HOV facility have the authority to establish occupancy requirements of vehicles using the facility, but the minimum is no fewer than two. Certain exceptions are allowed such as motorcycles and bicycles, public transit vehicles, and low emission vehicles. See https://uscode.house.gov/view.xhtml?req=(title:23%20section:166%20edition:prelim) for more detail.

Low-carbon travel options: Low-carbon travel options include walking, rolling, biking, transit, and electric vehicles.

Transit-supportive elements: Transit-supportive elements include programs, policies, capital investments and incentives such as Travel Demand Management and physical improvements such as sidewalks, crossings, and complementary land uses.

Diversion: Diversion is the movement of automobile trips from one facility to another because of pricing implementation. All trips that change their route in response to pricing are considered diversion, regardless of length or location of the trip, or whether they divert to or from the priced facility.

Key terms will be included in the RTP glossary.

APPENDIX A

Update other RTP Goals and Objectives, and Chapter 3 sections to include pricingOther Goals and Policies

The following goals, objectives, and Chapter 3 sections have been identified by Metro staff and members of TPAC and MTAC as relevant areas to update to better reflect this new pricing policy. Specific changes have been identified for a subset of these goals, objectives, and sections; the remaining identified areas will be documented and shared with Metro RTP staff to update as appropriate to better reflect pricing policy language in the new section in Chapter 3. Proposed changes are identified below; proposed additions are underlined and in orange text, while deletions are struck through and in red text.

- **Goal 4: Reliability and Efficiency, Objective 4.6 Pricing –** Expand the use of pricing strategies to improve reliability and efficiency by increasing transportation options, managing congestion, and reducing VMT per capita consistent with regional VMT per capita reduction targets. manage vehicle congestion and encourage shared trips and use of transit.
- **Safety and Security Policies (3.2.1.4)**
  - **Policy 4**. Increase safety for all modes of travel for all people through the planning, design, construction, operation, pricing and maintenance of the transportation system, with a focus on, but not limited to, reducing vehicle speeds .
- **Transportation Demand Management Policies (3.11)**
  - **Policy 1** – Expand use of pricing strategies to improve reliability and efficiency by managing congestion, reducing VMT per capita, and increasing transportation options through investments in transit services and increased access to transit and bike and pedestrian infrastructure. manage travel demand on the transportation system in combination with adequate transit service options.
  - Remove definition of pricing strategies and discussion of ODOT work on congestion pricing.
- **Regional Motor Vehicle Network Policies (3.5)**
  - **Policy 6** – In combination with increased transit service, consider If new capacity is being added, evaluate use of value pricing and increased transit service in conjunction with the new capacity to manage traffic congestion and reduce VMT per capita and raise revenue when one or more lanes are being added to throughways.
  - **Policy 12** – Prior to adding new motor vehicle capacity beyond the planned system of motor vehicle through lanes, demonstrate that system and demand management strategies, including access management, transit and freight priority, and value pricing, and transit service and multimodal connectivity improvements cannot meet regional mobility, safety, climate, and equity policies adequately address arterial or throughway deficiencies and bottlenecks.
  - **Table 3.7 Toolbox of strategies to address congestion in the region**

- ~~***Pricing strategies***~~
  - ~~*Roadway Pricing, including:*~~
    - ~~*Peak period Variable rate or time of day pricing*~~
    - ~~*Managed lanes*~~
    - ~~*High occupancy toll (HOT) lanes*~~
  - ~~*Road Usage Charge (or Vehicle Miles Traveled Fee or Mileage Based User Fee)*~~
  - ~~*Parking Pricing and Management*~~
  - ~~*Cordon Pricing*~~

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Review Chapter 8: Moving Forward Together for future updates

In the 2018 RTP, Section 8.2 identified mobility corridors recommended for future corridor refinement plans. The descriptions of many of these corridors referenced pricing in a variety of contexts and were unclear on how or whether pricing might help address the goals of the RTP. A comprehensive look at the corridor refinement planning work identified in Section 8.2: Planning and Programs is needed to recommend updates in a future round of review. Staff will also consider what additional planning activities could be identified in Chapter 8 to address next steps for pricing at a regional level. This could include planning for a regionally coordinated pricing system, criteria for when pricing should be considered on a corridor or in an area, guidance for development and implementation of pricing, and/or system-wide cumulative impacts from multiple pricing systems,

Continue development of the Finance Chapter of the RTP, including incorporation of pricing into the financial forecast

Continue to review other areas of the RTP, including Goals, Objectives, and system policies in Chapter 3 to identify appropriate locations to include policy language supportive of pricing.

Continue to coordinate with other pricing policy work at the state level, particularly the Oregon Highway Plan Toll Policy Amendment and the Oregon Transportation Plan update.

FEEDBACK SUMMARY

The draft 2023 RTP pricing policy development included recommendations for changes to several sections of Chapter 2, Chapter 3, and Chapter 8 of the RTP, as described below. Several agencies made comments on these suggested changes, which are summarized below. These comments are being shared with Metro's RTP team for further discussion as Chapter 2 and Chapter 3 are updated.

Chapter 2

- Adjust wording so "per capita" only refers to VMT, not GHGs.
- Change "regional VMT per capita reduction targets" to "mobility targets."

Chapter 3

All Chapter 3 discussion items are related to the Regional Motor Vehicle Network policies.

General

- More discussion/explanation is needed on how the TPR changes to Section 830 influence Metro's recommended changes.

Policy 6

- Define capacity and if small auxiliary lanes / turn lanes may be exempt.
- Clarify analysis process.

Policy 12

- Clarify how policy's goals will be analyzed, specifically noting that local jurisdiction cannot control transit service.
- Add in exemption for planned system.
- Rephrase Policy 12 so it does not require completion of most of the work before adding new capacity.
- Describe how this policy will be applied in urban expansion areas and the ramifications to the new housing provisions.
- Clarify if the system and demand management strategies will be connected to the process in the new RMP.

- Discuss policy "beyond the planned system of motor vehicle through lanes" within context of TPR, CEFC, and Mobility standards update.

Chapter 8

- Add a project on coordination with the Road User Charge – Local Option.
- Discuss the benefits to be gained, who is considering pricing, and the costs for conducting a study at regional and local levels.
- Reevaluate and list the priority mobility corridors.
- Identify which, if any, areas of the Finance Chapter, Climate Smart update, and overall advancing of the Vision, Goals, and Objectives of the RTP can be accomplished now.