MMC Metropolitan Mayors' Consortium

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Mayor Anne McEnerny-Ogle City of Vancouver (ex officio)

Mayor Jules Walters City of West Linn

Mayor Julie Fitzgerald City of Wilsonville

Mayor Scott Harden City of Wood Village Rep. Tina Kotek, Speaker of the House Sen. Lee Beyer, Co-Chair Rep. Susan McLain, Co-Chair Joint Committee on Transportation Oregon Legislative Assembly

RE: HB 3065-8 - MMC Principles for Tolling

Madam Speaker, Co-Chairs Beyer and McLain, and Members of the Committee:

The Metropolitan Mayors' Consortium (MMC) is an association of the local elected leaders of 25 cities in the greater Portland metro area, collectively home to over 1.7 million Oregonians. The MMC writes to you today regarding the region's need for significant investment in transportation infrastructure, and the shared principles of the region's mayors should the State choose to move forward with a regional interstate highway tolling program as outlined in HB 3065-8.

We agree with legislative leadership that Oregon's transportation system is woefully underfunded. The revenue increases provided by the legislature's bold 2017 transportation package (HB 2017) have proven to be insufficient at funding key projects on highway corridors of regional, state and national significance. For instance, the I-205/Abernethy Bridge capacity- and seismicimprovement project, estimated to cost around \$500 million, remains unfunded. The projected cost of the I-5/I-84 Rose Quarter project continues to escalate, now over \$750 million. The vital I-5/Boone Bridge project that was not even included in HB 2017 is estimated to cost around \$500 million, to say nothing of the multi-billion-dollar I-5 Interstate Bridge project.

While we applaud the legislature's foresight to seek a mechanism for creating a regional/state funding match to a pending federal transportation infrastructure program of considerable significance, we have serious concerns. HB 3065-8 indicates the legislature is preparing to move forward with a region-wide tolling program to manage traffic congestion by way of congestion-pricing, and to generate revenue for the purpose of advancing the major infrastructure projects on I-5, I-205 and elsewhere in the region.

At this time, the MMC mayors and our constituents have too many unanswered questions and unresolved issues around the impacts of tolling on our communities to offer our support for this proposal. However, should the legislature decide to move forward with this approach, we seek to convey our shared principles to help ensure that a regional tolling program is both equitable and effective.

If tolling of the freeways is implemented, then new highway facilities, improved corridor arterials, and increased public transit/alternative transportation options must be realized. We are pleased to see HB 3065-8 do so in Section 8(2)(j). Section 35 acknowledges the Oregon Constitutional limitations on the use of road-related funds, and we reinforce the notion that the revenue generated from tolling of the Interstate highway system should be used to: 1) pay for *new* facilities that replace and improve the capacity and seismic resilience of outdated facilities on that highway, and 2) fund traffic-mitigation improvements to adjacent local arterials in that highway's corridor.

Metropolitan Mayors' Consortium Interstate Highway Tolling Principles: If tolling is to be implemented, it must be done in a thoughtful, systemic manner that provides equitable transportation options for all segments of society and results in less traffic congestion:

- 1. Revenue generated by tolling should be used for new facilities that improve that highway corridor's traffic flow and sustainability. Many Oregonians believe that the current highway system has been paid for already. Therefore, it is crucial that if tolling is implemented, then revenues must be used to pay for new highway facilities that replace and improve the capacity and seismic-resilience of outdated facilities on that highway.
- 2. Impacts of increased highway diversion onto local arterials must be adequately mitigated: The Oregon Department of Transportation forecasts that tolling will add to the increasing number of vehicles diverted away from the region's freeway system and onto local roads. The legislature should create a process for ODOT to designate, in conjunction with local jurisdictions, specific highway-corridor arterials impacted by diversion traffic, and a program that funds mitigation measures for road improvements and maintenance of those impacted arterials.
- **3. Approaches to tolling should be system-wide:** The MMC agrees that "tolling may help reduce congestion and support state GHG emission reduction goals" and that "significant traffic congestion adversely impacts Oregon's economy and quality of life." The MMC would prefer a system-wide approach to tolling that extends beyond the region's freeway system, but at a minimum, any tolling system implemented by ODOT should apply to both the Metro-area I-5 and I-205 corridors simultaneously to ensure a more efficient and equitable regional system.
- 4. Multimodal transportation alternatives and public transit must be expanded and coordinated: Tolling will significantly increase the cost of travel in private vehicles in the Metro region, and therefore will have a greater cost impact to lower-income communities. Therefore, bus and light-rail transit services and bike and pedestrian infrastructure be expanded and coordinated in order to provide viable transportation alternatives, including advancing highway bus-on-shoulder options. Particularly in the southern half of the Metro area, transit service is inadequate for many commutes.

Since the Oregon Constitution limits funds raised by fuel taxes and user fees to be spent solely on roads and related bike/ped facilities, the legislature will need to provide alternative sources of funding, such as the State Transportation Improvement Fund (STIF) program, to ensure that transit service can be expanded and coordinated to meet growing demand, particularly for both the suburban and urban-rural interface areas. Additionally, public subsidies to lower-income populations to support work/school commuting should be considered as an option for communities impacted by tolled highways.

The MMC seeks engagement and ongoing dialogue with legislative leadership about how best to fund transportation infrastructure improvements and manage congestion in our region. Thank you for your consideration of these principles.

Sincerely,

The Mayors of the MMC