



Steve Novick Commissioner

## FOR IMMEDIATE RELEASE

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### **NEWS RELEASE:**

# Portland City Council to review transportation funding options at work session on Monday

(Oct. 9, 2014) – The Portland City Council will discuss the Our Streets PDX transportation funding approaches recommended by two workgroups at a work session at 3 p.m., Monday, Oct. 13 in City Council Chambers.

The work session will be the first opportunity for council to review the workgroup recommendations. No decisions will be made at the work session. Public comments may be submitted in writing to <a href="mailto:TUF\_Administrator@portlandoregon.gov">TUF\_Administrator@portlandoregon.gov</a>. A first reading of a transportation funding proposal is currently scheduled during the Nov. 12 regular Council meeting.

The workgroups' recommendations were published on Sept. 26 and are available at <a href="https://www.ourstreetspdx.com">www.ourstreetspdx.com</a>. The report summarizes areas of agreement and differences. Additional details of a funding proposal will be refined by Council in the coming weeks.

Areas of agreement by workgroup members include the following: our transportation system needs more resources, impacts on low-income residents should be minimized, and new transportation funds should be spent on prioritized maintenance and safety needs. The workgroups also recommend funding mechanisms that collect revenue from businesses through a fee correlated with transportation use and from residents through an income tax.

Consensus was not reached on the following four areas:

- Safety and maintenance split: Some workgroup members support allocating 50 percent of funds to maintenance and 50 percent to safety (e.g. sidewalks, crossing improvements, etc.). Some support a higher percentage for maintenance.
- **Residential income tax rates:** For the highest income residents, workgroup members considered three cap options at either \$20 a month for taxpayers making over \$250,000 (annual gross income for 2-person, joint filers), \$100 a month for taxpayers making over \$500,000 (annual gross income for 2-person, joint filers), or \$200 a month for taxpayers

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making over \$500,000 (annual gross income for 2-person, joint filers). Since all options are designed to raise the same amount of money, a higher cap for high-income people translates to lower taxes for some people with lower incomes, while a lower cap for high-income people translates to higher taxes for some people with lower incomes.

- Sunset: Some support automatically ending the program after six years of implementation, unless it is approved by voters at that time. Some support referring it only if an oversight committee and the city council decide to refer it, after six years.
- **Reallocating current City resources:** Many workgroup members supported a reallocation of additional City general fund resources. Some recommend increasing the share of Utility License Fee revenue to transportation.

### Web Site Update

At the <a href="https://www.ourstreetspx.com">www.ourstreetspx.com</a> web site, the public can learn more about transportation funding. The web site has been updated with three <a href="two-page summaries">two-page summaries</a> describing the planned investments in preventive maintenance, plus safety and maintenance on busy streets and residential streets.

## **Background**

Public involvement in the Our Streets PDX funding effort began in January, when the Transportation Needs and Funding Advisory Committee was formed to advise Mayor Charlie Hales and Commissioner Steve Novick. In the months since, PBOT held nine town hall meetings, conducted two public opinion surveys, convened advisory committees and gave staff presentations at more than a dozen neighborhood coalition and business group meetings.

A Business Workgroup and a Nonprofit and Low-Income Workgroup were both formed in July to provide additional input from stakeholders. Throughout the summer, committee and workgroup members met to review the Transportation User Fee proposed in May and to provide feedback on alternative residential and business funding mechanisms. The members represent diverse interests from across Portland, including neighborhoods, businesses, low-income residents, community organizations and public institutions.

For more information, see the project web page: www.ourstreetspdx.com.

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