

May 26, 2011

To: Senator Ginny Burdick, Co-Chair
Representative Jules Bailey, Co-Chair
Representative Vicki Berger, Co-Chair
Members of the Joint Committee on Tax Credits

Re: HB 3582 BETC Program



MEASURE: HB 3582
EXHIBIT: E
Joint Committee on Tax Credits 76th Session
DATE: 5/26/11 PAGES: 1
SUBMITTED BY: JIM MITCHELL

The City of Corvallis has utilized the BETC program for transportation and energy conservation projects. The energy conservation projects, which otherwise would not have been funded, have resulted in significant energy and operating cost savings preserving public services such as library, swimming pool and fire protection. The transportation component has provided assistance with funding transit operations and bus purchases, maintaining vital services to all community members. This is particularly important to individuals reliant on public transportation for work related trips and those without other transportation options.

The Corvallis Transit System (CTS) provides a critically important transportation alternative that reduces congestion, the need for roadway expansion, dependence on foreign oil, greenhouse gas emissions, and water and air pollution associated with vehicle use. All of these areas are State and local priorities. As with other effective public transportation services, our transit operation reduces vehicle miles traveled and fuel consumption. For FY10-11, CTS is estimated to reduce vehicle miles traveled in the community by 2.4 million miles and save 120,000 gallons of fuel.

The annual cost of our transit operation runs in the \$2.5 million range and the pass-through value of the BETC is nearly \$600,000. Because these dollars leverage federal 5307 funds at 50/50, BETC produces a net revenue of \$1.2 million - nearly 50% of the transit operating budget. Loss of BETC revenue will result in catastrophic service level reductions since the City does not have sufficient property tax revenue to replace these funds.

We acknowledge the tough choices facing the Legislature on tax expenditures and resources to fund much needed programs for schools and youth, seniors and the disabled in our communities. A significant portion of our community relies primarily on public transit for their transportation needs. CTS will provide over 800,000 rides this fiscal year, and our annual ridership survey shows:

- 10% of our rides are provided to persons with disabilities,
- 25% to low-income individuals for work related trips,
- 5% to seniors, and
- 16% to youth

CTS will provide over 120,000 rides to seniors and persons with disabilities this year - nearly double the rides provided by the dial-a-ride service in Corvallis and Benton County. Providing these rides with public mass transit rather than with dial-a-ride service significantly reduces the cost per ride.

Public transit provides inclusion in the transportation system for all members of the community and contributes significantly to community livability.

More information:
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