Oregon Non-Roadway Transportation Funding Options:

Report to the Governor

Final Report

Presented by:

Non-Roadway Transportation Working Group

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1. Study Introduction and Overview

The State of Oregon faces major challenges to providing adequate and stable funding for non-roadway transportation modes. These systems include transit, freight and passenger rail, ports, aviation, bicycle paths and facilities, and pedestrian ways. Funding these non-roadway transportation modes has perennially been difficult in Oregon given (1) constitutional restrictions that limit motor vehicle fees and taxes exclusively to roadways and (2) the absence of State sales tax, a primary source for transportation funding in many other states. Additionally, Oregon, like other states, continues to experience the repercussions of the "Great Recession" and its aftermath which has forced sweeping budgetary recalibration at all levels of government.

Recognizing these challenges and the importance of a truly multi-model transportation system to the State's economy and quality of life, Governor John Kitzhaber convened the Oregon Non-Roadway Transportation Funding Working Group in November 2011. The purpose of the Working Group effort was to engage elected officials, transportation providers, and other public and private sector stakeholders in a consensus-driven process focused upon the development and implementation of dedicated funding for non-roadway transportation projects and programs. This Report presents the results of this effort and the related research and analysis supporting it.

The Working Group effort and related research and analysis build on and complement a variety of other transportation initiatives, studies, and planning efforts that address Oregon's mobility needs and the relationship of transportation investment to other State goals, including economic competitiveness, public health, greenhouse gas reduction, and quality of life. Chief among these include The 2008 Transportation Vision Committee study which articulated a framework for future needs. Initiatives, studies, and planning efforts reviewed as part of the current effort include:

- Transportation Vision Committee Report to Governor Ted Kulongoski 2008
- Oregon Department of Transportation (ODOT) State of the System Report 2010
- 2006 Oregon Transportation Plan (OTP) and supporting documents
- Oregon Rail Funding Task Force 2012 Recommendations
- Oregon Global Warming Commission 2011 Report to the Legislature
- ODOT "Current Realities" October, 2011 Presentation
- Transportation Needs Analysis conducted for the 2006 OTP
- Needs, Costs, and Funding Alternatives for Transportation Services for Older Adults, and People with Disabilities in Urban and Rural Oregon, 2008 Portland State University report to ODOT, DHS, AOC and Legislature.

Governor Kitzhaber believes that in order for Oregon to sustain and improve its multi-modal transportation system, it will be necessary to create new funding sources statutorily dedicated to Oregon's non-highway transportation modes. Such funding sources are imperative to assure balanced, multi-modal transportation services for both people and goods movement.

The Working Group has recommended a set of non-roadway funding measures for subsequent consideration as a part of the legislative process rather than explicit recommendations for one or another of the measures. It was also recognized that support for any given measure would depend in most cases on additional development analysis that more precisely defines and "scales" the individual measures.

The required implementation steps will comprise a substantial technical and policy review effort before a sound legislative and implementation program can be determined. Thus it will be necessary to assemble a team that should be given the assignment to complete the evaluation and develop the draft legislation and other implementing measures. While substantial work lies ahead, the work conducted as a part of the Working Group process provides a sound basis for the effort.

Study Process and Design

The Oregon Non-Roadway Transportation Funding process has combined stakeholder outreach and consensus with technical research and analysis. The Working Group itself consists of members of the State legislature, elected local government representatives, State and local agency officials, and key public interest groups (see Appendix A for list of members). The governor appointed state Senator Lee Beyer and Pendleton Mayor Phil Houk to serve as co-conveners in this effort. Additionally, the Working Group has been supported by Oregon Consensus, the State's legislatively-created program for collaborative governance, through organizing, outreach, and meeting facilitation.

The technical effort has been led by Smart Growth America (SGA), through a grant from the Rockefeller Foundation. SGA is a Washington D.C.-based nonprofit public interest organization dedicated to helping State and local governments evaluate and implement sustainable transportation and urban development policies and programs. SGA's technical support in this case included funding the research and analysis of the urban economics consulting firm Economic & Planning Systems, Inc. (EPS), and also making its own "in-house" staff available. Finally, in addition to being represented on the Working Group, the ODOT provided invaluable technical support for this effort.

The study process consisted of identifying and convening the Working Group, conducting the research and analysis of potential funding measures, facilitating Working Group meetings, conducting a Working Group survey regarding funding measures, and finally ranking preferred funding measures based upon objective criteria. The Working Group met on three separate occasions in a consensus-driven process to identify dedicated funding sources for non-roadway transportation infrastructure and operations for further consideration. The following five steps were completed:

1. Identifying the Scope and Need for Non-Roadway Funding Expenditures

The Working Group quickly recognized the need to place funding options in the context of future needs for the non-roadway transportation projects and programs. Thus an effort was undertaken, primarily completed by ODOT based on updates to previous research and plans, to quantify the level and scope of non-roadway investments and corresponding funding gaps.

2. **Identifying "Universe" of Potential Non-Roadway Funding Options**

The research and analysis conducted by the technical team identified "best practices" in non-roadway funding both nationally and internationally, a list of some 60 separate measures. This set of "best practice" funding options was expanded to include Working Group member suggestions regarding the funding options, including local application of the nationally-based funding options and the addition of measures unique to Oregon. The funding options were organized into a Non-Roadway Funding Option Database that provided descriptive information for each (see Appendix [B]).

3. **Reaching Agreement on How Funding Options would be Prioritized**

The Working Group recognized that it was necessary winnow down and prioritized the 60 plus options into a more manageable sub-set. Consequently, the technical team presented and obtained approval for a set of "ranking criteria" focusing on factors such as funding potential, ease of implementation, economic impacts, and political feasibility. It was agreed that the ranking criteria would subsequently be applied to the most preferred funding options resulting from a survey of Working Group members.

4. **Conducting a Survey of Working Group Members and Evaluating Results**

The Working Group participated in an on-line survey designed to solicit their opinion regarding the 60 plus funding measures that had been identified. The results of the survey were evaluated and presented to the Working Group as a basis for reaching consensus on a short-list of prioritized funding options

5. **Reaching Consensus Regarding the Priority Funding Measures**

Based on the results of the Working Group survey and the provisional ranking process by the technical team, the Working Group discussed and reached consensus regarding the funding measures that should receive additional consideration for further implementation, including potential action by the Legislature.

Summary of Results

1. **Non-roadway funding needs equal to between $515 million and $573 million per year were confirmed, exclusive of need for operating subsidies.**

Based on ODOT's analysis for the 2006 Oregon Transportation Plan, updated for this study, all non-road modes face significant funding shortfalls relative to baseline projections of "feasible needs" in the future (see page 12 for an explanation of "feasible needs"), as summarized in **Figure 1**. The updated estimates significantly understate the shortfall between the resources available today and investments that should be made in non-roadway transportation in the opinion of every mode represented on the Working Group. Moreover, significant improvements to existing non-roadway infrastructure and services, as necessary to meet the Governor's goal for an enhanced multi-model network, will be unattainable absent new funding sources and mechanisms. The non-roadway funding gap represents slightly more than one-third of Oregon's total transportation funding gap, including roads and highways.

2. **Over 60 funding measures for non-roadway transportation improvements and operations were identified.**

A wide variety of potential funding options were described and included in the funding option database and organized into major funding categories. The funding measures were derived from a variety of sources including a literature review, SGA and EPS in-house resources, interviews with practitioners/transportation professionals, and input from the Working Group. As a part of the Working Group process there was considerable discussion of funding options representing an expansion or re-allocation of existing programs rather than entirely now sources of revenue.

3. **Based on the Working Group survey results and corresponding analysis and discussion, 16 funding measures are recommended by Working Group for further consideration and potential near term implementation.**

The study process culminated in a list of 16 "priority" funding options recommended by the Working Group to be carried forward for further evaluation and near-term implementation, as summarized in **Figure 2**. It is clear that these measures, taken as a whole, will not be capable of bridging the entire funding gap presented in **Figure 1**. For example, none of "top priority" funding options provides substantial funding for transit operations, the mode with the largest funding need. Nevertheless, if effectively implemented, they can make a significant contribution to the state's non-roadway funding needs.

4. **Formulating a legislative agenda and other implementation steps requires additional analysis and strategy.**

The Working Group recommended a set of non-roadway funding measures for subsequent consideration as a part of the legislative process rather than explicit recommendations for one or another of the measures. It was also recognized that support for any given measure would depend in most cases on additional development analysis that more precisely defines and "scales" the individual measures.

5. **Additional funding options will need to be identified and pursued to provide the financial resources necessary to support on-going non-roadway transportation operations and maintenance, particularly for transit.**

The Working Group recognized that the list of recommended funding options represents neither an exhaustive or sufficient means for sustaining non-roadway modes at adequate levels, particularly for transit operations. Consequently, this current effort will need to be partnered with separate but related initiative(s) designed to secure dedicated funding, complementing federal and local dedicated sources, for public transit operations.

Figure 1. Summary of Transportation Needs Funding Gap

Mode	Annual Gap (2012$)					
	Amount (in millions of $s)			% of total		
Air Freight and Passenger	$131.0			25.5%		22.9%
Bicycle / Pedestrian Programs	$7.8			1.5%		1.4%
Intermodal Connectors	N/A					
Ports and Waterways	$5.9			1.1%		1.0%
Public Transportation	$363.9			70.7%		63.6%
Rail Freight and Passenger	$5.1	-	$62.9	1.0%	-	0.9%
Transportation Options Program	$1.0			0.2%		0.2%
Non-Roadway Subtotal	$514.7	-	$572.5	36%		33%
Local Roads and Bridges	$339.9	-	$580.8	23.5%	-	33.3%
State Highway-Related Programs	$591.5			40.9%		33.9%
Grand Total	**$1,446.1**	-	**$1,744.8**	100%	-	100%

Sources: Assessment of Non-Roadway Investment Needs; Economic & Planning Systems, Inc.

Figure 2. Priority Funding and Financing Options For Further Consideration

Funding / Financing Source	Brief Description
Funding or Revenue Enhancement Tools	
Expanded Lottery Revenue	Expand State lottery program to generate revenue dedicated to non-roadway transportation. Connect Oregon is already funded through this source
Ballot Measure 66, Lottery Revenues for Parks, Habitat and Watershed Protection (1998)	Use a portion of the State lottery funds dedicated to the acquisition and development of parks through Ballot Measure 66 (1998) to fund trails for cyclists and pedestrians.
Expanded Cigarette Tax	Cigarette tax revenue for non-roadway transportation. Currently, $0.02 per pack is dedicated by statute to special transportation for senior citizens and people with disabilities. The amount could be increased.
Reallocation of senior medical tax deductions	Eliminate senior medical tax deductions and allocate revenues to senior & disabled transit.
Hotel/Motel Tax (Transient Occupancy or TOT):	A new surcharge on hotel rooms designated to non-roadway transportation (potentially on out-of-state residents only). Conversely, the allowable use of existing TOT revenues could be expanded (currently, 70% of local TOT currently goes to "tourist-related activities" but the definition could be expanded).
Sequester Funding	Dedicate a portion of the revenues raised through transportation-related taxes or fees that currently go into the State general fund toward non-roadway transportation.
User fee for bikes	Tax on bicycle operation or purchase dedicated to non-roadway transportation (e.g. bicycle license tax). Potentially voluntary with membership advantages
Expanded / dedicated Utility or Franchise Fee (e.g. Telecom)	Add, create, or re-allocate existing fees on certain utilities or franchises (e.g. phone, garbage, cable etc) to non-roadway transportation. Could reflect changes in landline / cell phone usage.
Railroad Property Tax Reallocation	Reallocation of current and future property taxes paid by freight railroads from the counties to the State, to be used for freight rail improvements.
"Through the Fence" Airport operations	Enable/encourage private businesses located adjacent to publicly-owned general aviation facilities to access and help improve airport infrastructure to foster growth in the aviation industry and economic development in areas surrounding rural airports. PDX would be exempt.
Rail tax credit	A corporate investment tax credit for major railroad projects to encourage infrastructure investments by the freight railroads.
UGB expansion Windfall Tax	Charge a tax to capture the increases in property values that occur when land is added to the regional Urban Growth Boundary in metro areas. Dedicate a portion or all of the revenues to non-roadway transportation in the region.
Financing or Debt Based Measures	
State General Obligation (GO) Bond (e.g. utilizing capacity from retired debt)	A GO bond dedicated to non-roadway facilities secured by State General Fund revenues. Impact on other GF obligations would be reduced if other GO bonds are soon to be retired.
Oregon Growth Account	Use a portion of the funds in the Oregon Growth Account to invest in non-roadway transportation projects that create jobs and/or spur economic growth.
Expanded Use of State Infrastructure Bank (SIB) (aka Multi-model revolving loan fund)	Provide low cost loan financing to local agencies for non-roadway transportation infrastructure, financing new projects with loan repayment revenues and other sources (initial capital injection required).
Expanded Use of Transportation Infrastructure Finance and Innovation Act (TIFIA)	Federal credit assistance in the form of secured loans, loan guarantees, and lines of credit, for large-scale surface transportation projects.

The required implementation steps will comprise a substantial technical and policy review effort before a sound legislative and implementation program can be determined. Thus it will be necessary to assemble a team drawing upon key State agency staff, the Governor's office staff, and Legislature committee staff that should be given the assignment to complete the evaluation and develop the draft legislation and other implementing measures. To build the case for this effort the Working Group recommended the creation of a useable, easily maintained and accessed database of identified non-highway transportation infrastructure needs and projects under development or ready for construction for all non-highway modes of transport, including programs such as TDM, ITS and alternative fuel vehicle infrastructure. The Working Group also recommended that criteria be developed to prioritize projects for funding based on each project's potential for creating jobs and stimulating the Oregon economy.

While substantial work lies ahead, the work conducted as a part of the Working Group process provides a sound basis for the effort.

2. Overview of Oregon Transportation Funding Needs

This chapter provides an overview of the existing economic and institutional context for non-roadway funding in Oregon and a "ballpark" estimate of future funding needs. The information provides further documentation for the fundamental premise of this study effort: non-roadway transportation projects and programs face significant funding shortfalls relative to baseline projections of "feasible needs" going forward. Moreover, significant improvements to existing non-roadway infrastructure and services, as necessary to meet the Governor's goal for an enhanced multi-model network, are unattainable absent new funding sources and mechanisms.

Non-Roadway Funding Background and Context

Funding for non-roadway transportation is a perennial challenge in Oregon because of statutory restrictions on the use of tax revenues typically relied upon by other states for such purposes. Specifically, the Oregon constitution restricts the use of revenue from "any tax or excise levied on the ownership, operation or use of motor vehicles" to roadways. In addition, Oregon does not have a sales tax which puts it at a distinct disadvantage relative to the 45 other states that can use this revenue source for transportation projects.

In addition to the structural issues above, in recent years a number of convergent and inter-related trends have exacerbated the funding environment for non-roadway modes in Oregon. Perhaps most profound has been the impact of the "great recession" and its aftermath on the budgets at all levels of government. As summarized further below and also documented as part of parallel studies, declining revenues and budget cuts, especially for non-dedicated (e.g., General Fund) sources, are occurring at the same time that the cost and demand for effective and modern transportation infrastructure continue to rise. These growth pressures are the result of a variety of interrelated factors, including, but not limited to, the following:

- **Meeting the needs of a growing and aging population**: Oregon's growing population, including an increasing number of seniors, imposes new demands on the State's transportation infrastructure, especially non-roadway modes such as transit.
- **Addressing congestion relief**: Oregon's expanding population and employment base has also contributed to traffic congestion which, in turn, can increase the demand and benefits of many non-roadway modes.
- **Meeting GHG reduction goals**: Efforts to reduce Green House Gas emissions generally require more efficient transportation infrastructure, including expanded non-roadway access and service.
- **Increasing energy prices**: Rising energy prices can induce demand shift away from the automobile while also increasing the operating costs for many non-roadway modes.
- **Sustaining economic competitiveness and mobility**: While the efficient

movement of people and goods within and between regions has always been critical to a growing economy, smooth and flexible linkages between modes have become increasingly important to remaining competitive in a global market.

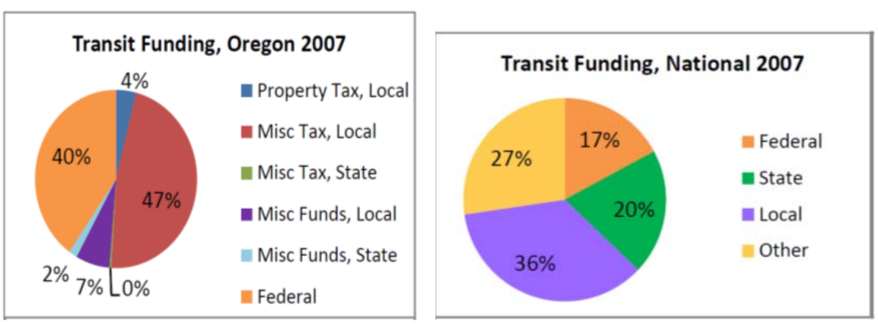
Historically, Oregon has adapted to its non-roadway transportation funding challenges through a variety of innovative and non-traditional financing techniques and strategies. Indeed, the State and its various jurisdictions are often cited for their leadership as a result of significant, pioneering, and “high profile” investments in non-roadway modes over last decade, including the expansion of Portland’s light rail system, Portland Street Car, Eugene BRT, and *Connect*Oregon Program. To develop and sustain this system, the State and various jurisdictions have relied on a complex patchwork of funding sources, as summarized in **Figure 3**. By way of example, transit funding in Oregon is illustrative of the State’s unique funding environment with a much higher reliance on local sources than is the norm nationally, as illustrative in **Figure 4**.

Figure 3. Existing Oregon Non-Roadway Funding Overview

Funding Source	Primary Mode(s)						Primary Function	
	Transit	Bike / Ped ROW	Ports	Freight Rail	Aviation	Passenger Rail	Capital	O&M
Local Sources								
Property Tax	X	X				X	X	X
Payroll Tax	X							
User Fees / Charges for Service	X		X	X	X	X		
Systems Development Charges	X	X					X	
Tax Increment Financing							X	
Business Improvement District		X						X
Public Private Partnerships			X	X				
State Sources (including use of federal funds)								
State Appropriations (i.e. OTIA, JTA)	X	X					X	X
Fuel Tax[1]	X	X						
Lottery Revenue Bonds (ConnectOregon)	X					X	X	
DMV ID Card fees	X							
Custom Plates						X		
Cigarette Tax	X							
Interest Income	X							

(1) The portion of fuel tax revenue not generated from roadway use is dedicated to special needs transit.

Figure 4. Transit Funding in Oregon

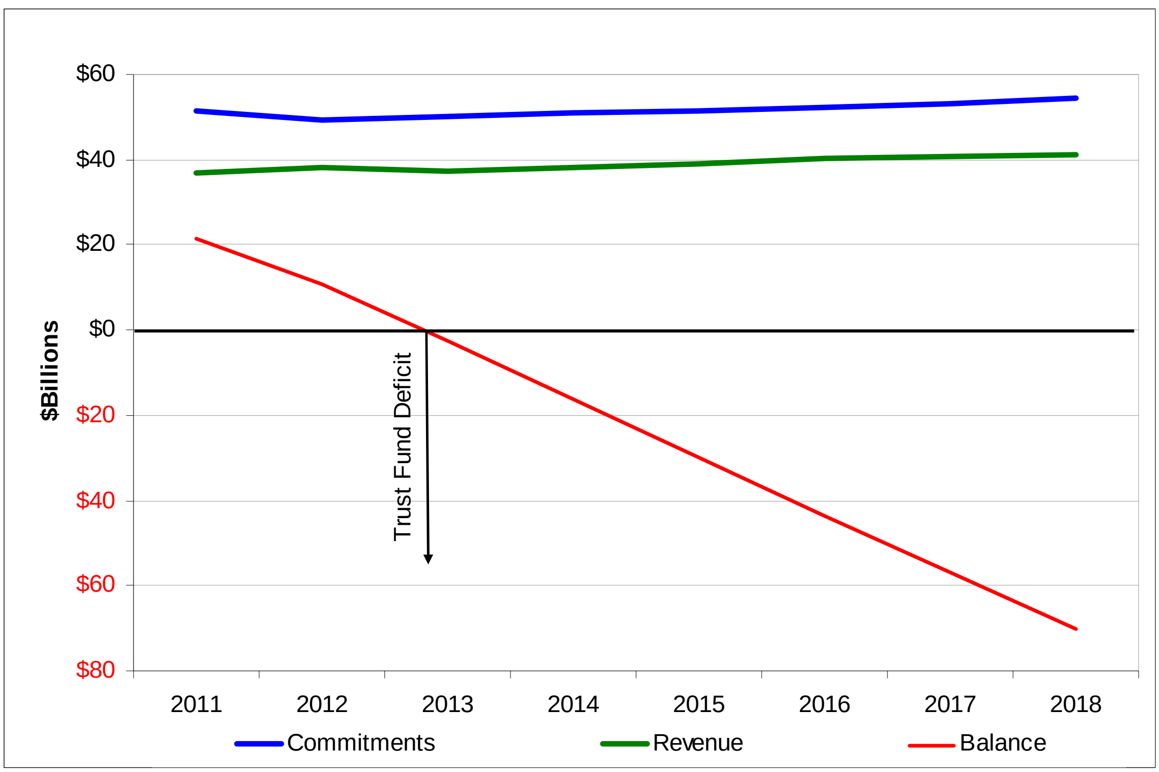


Source: "Funding Transit in Oregon": Policy Brief, December 2009, Smart Growth America and Reconnecting America

Despite Oregon's history of innovation, many of its traditional funding sources appear to be reaching their limit and rising costs and debt obligations threaten future service levels and needed improvements. In addition, the rising cost and demand for transportation facilities and services has led to increasing competition for scarce funds across modes. This problem is actually exacerbated by improved fuel efficiency and reductions in average vehicle miles traveled (VMT). These trends portend a tapering off in the growth of Oregon gas tax revenue since this source is linked to quantity sold rather than price (i.e., fewer gallons will be sold).

At the same time, the landscape for federal transportation funding, traditional and significant revenue source for all transportation modes in Oregon and elsewhere, is becoming more uncertain and competitive. Specifically, long-term growth in this source will likely be significantly constrained by federal budget constraints and related deficit reduction efforts. Indeed, as illustrated in **Figure 5**, the fund balances for the Federal Highway Trust Fund are even more precarious that the State gas tax, albeit for a number of the same reasons.

Figure 5. Federal Highway Trust Fund Finances (2011-2018)



Source: Oregon Department of Transportation (ODOT), 2011

Assessment of Non-Roadway Investment Needs

Projecting future investment and funding needs by transportation mode is an inherently imprecise and complex endeavor given the wide range of variables at play. Moreover, the dynamic relationship between demand and supply within and between transportation modes creates additional uncertainty in such forecasting efforts. With these important caveats in mind, the Planning Team, with significant input from ODOT, provided an estimate of future transportation and non-roadway investment needs as part of this study process. This assessment is intended to provide context for the discussion of ways to finance investment in non-roadway transportation and operations rather than as a definitive analysis of future projects and budget shortfalls.

Figure 6 summarizes the “ballpark” investment and funding needs estimates presented as part of this study by mode, including roads and highways. The estimates are derived primarily from the OTP Needs Analysis completed in 2005, updated to 2012 dollars. As shown, the non-roadway funding gap ranges from $515 million to $573 million per year, or slightly over one-third of the total transportation funding gap. Within the non-roadway category public transit has by far the largest funding gap at between 64 and 71 percent of the total followed by air and passenger freight (mostly PDX) and rail and passenger freight, respectively.

A detailed description of the methodology underlying these estimates is provided in **Appendix C**. However, it is important to note that the calculations are based on the concept of “feasible needs,” or level of funding that maintains a system in slightly better condition than it is today, rather than an optimal system. Specifically, “feasible needs” assumes:

- Replacing infrastructure and equipment on a reasonable life cycle
- Bringing facilities up to a standard
- Adding capacity in a reasonable way

Nevertheless this assessment indicates that the funding gap remains large, a conclusion that is further supported by more recent studies and information that focus on particular modes.

In addition, the updated assessment significantly understates the shortfall between the resources available today and investments that should be made in non-roadway transportation in the opinion of every mode represented on the Working Group. However, Working Group members stressed that a pipeline of non-roadway projects by mode in development, engineering and ready to construct state should be prepared in conjunction with the funding strategy. This would establish a more transparent nexus between the funding options being considered and their anticipated use.

Figure 6. Estimated Transportation Investment Needs and Funding Gap

Mode	Forecasted Annual Growth Rate	Current Annual Expenditures	Annual Average Feasible Needs	Annual Gap (2004$)	Annual Gap (2012$)			
					Amount		% of total	
Air Freight and Passenger[1]	2.62% - freight tons 2.40% - passengers		*(in millions of $s)*					
Portland International Airport[2]		$44.4	$115.3	$70.9	$85.4		16.6%	14.9%
Major Modernization[3]		$13.9	$15.1	$1.2	$1.4		0.3%	0.2%
Other Airport (Modernization and Preservation) [4]		$10.7	$47.4	$36.7	$44.2		8.6%	7.7%
Bicycle / Pedestrian Programs		$3.5	$9.9	$6.5	$7.8		1.5%	1.4%
Intermodal Connectors[5]	1.35% - total hwy travel	N/A	$11.3	N/A	N/A			
Ports and Waterways[6]	0.97% - deep draft freight 0.29%- shallow draft freight	$51.3	$56.2	$4.9	$5.9		1.1%	1.0%
Public Transportation[7]	3.16% - ridership	$510.0	$812.0	$302.0	$363.9		70.7%	63.6%
Rail Freight and Passenger[8]	1.83% - freight tons 3.60% - passengers							
Private Rail Facilities		more than $6.7	$18.8	N/A	N/A			
Passenger Rail[9]		$4.8	$9 - $57	$4.2 - $52.2	$5.1 -	$62.9	1.0% -	11.0%
Safety Programs		$1.6						
Transportation Options Program		$2.8	$3.6	$0.8	$1.0		0.2%	0.2%
Non-Roadway Subtotal					$514.7 -	$572.5	36%	33%
Local Roads and Bridges[10]	Reflects state highway program and public transportation growth rates	$718.0	$1,000 - $1,200	$282 - $482	$339.9 -	$580.8	23.5% -	33.3%
State Highway-Related Programs[11]	1.35% - total hwy travel 1.35% - pass. hwy travel 1.40% - freight hwy travel	$786.5	$1,277.5	$490.9	$591.5		40.9%	33.9%
Grand Total	**N/A**	**$2.2 billion**	**$3.4 - 3.6 billion**	**$1.2 - 1.4 billion**	**$1,446.1** -	**$1,744.8**	100% -	100%

[1] Needs forecast address capital needs at Oregon's 101 public-use airports.
[2] Needs based on Portland International Airport Master Plan alternative.
[3] Needs identified for eight airports other than Portland International Airport where growth is expected to exceed capacity.
[4] Needs based on 2000 Oregon Aviation Plan and individual airport master plans.
[5] NHS Intermodal Connectors are located in Astoria, Boardman, Coos Bay/North Bend, Eugene, Medford and Portland.
[6] Needs forecast address 9 port districts that have economic activity associated with waterborne commerce.
[7] Feasible needs are consistent with Oregon Public Transportation Plan Level 3 recommendation to increase ridership in accordance with service delivery plans.
[8] Only public expenditures are available. Needs are inclusive of both public and private facilities.
[9] Number includes capital and operating costs for increased service. A range of costs is given since multiple proposals currently exist.
[10] The county funding gap may grow because of a drop in federal forest funding. This drop may be as high as $90 million a year for county roads as early as FY 2007-08. The Association of Oregon Counties' 2006 County Road Needs Report finds the counties' current annual expenditures at $377 million, with an additional average annual funding need of $433 million a year for the next five years, increasing annually over the 25-year timeframe.
[11] Includes state bicycle and pedestrian program. See OTP Table 2 for additional information. Specific program expenditures and needs are available in OTP Technical Appendix 2.

Sources: Assessment of Non-Roadway Investment Needs; Economic & Planning Systems, Inc.

3. Identification and Prioritization of Funding Options

This chapter describes the process for identifying candidate non-roadway funding options and evaluating their applicability to Oregon. This process has culminated in a list of 16 "priority" funding options recommended by the Working Group to be carried forward for further evaluation and potential implementation.

Identification and Analysis of Funding Options

A key component of this study has been a consideration of "best practices" and emerging trends in funding for non-roadway transportation infrastructure throughout the United States and beyond. Consequently, the planning team has evaluated funding sources and tools being utilized successfully by others in an effort to assemble the "universe" of potential options for review by the Working Group and to consider their applicability in Oregon. The information has been based from a variety of sources including a literature review, SGA and EPS in-house resources, interviews with practitioners/transportation professionals, and input from the Working Group.[1]

Based on this initial research and data gathering effort, the planning team created a funding source database that ultimately resulted in 63 separate funding sources for on-going consideration. This full list, along with a description of each source, is provided in **Appendix B**. The funding sources and mechanisms have been grouped into five primary categories:

1. **General Income/Consumption Taxes**: Revenues from broad based taxes on residents and business.
2. **Activity Based User-fees**: Revenues from charges on the users of transportation facilities and services.
3. **Administrative Fees/Fines**: Revenues derived by public agencies (e.g., State or cities) through their authorization, administration, and enforcement activities.
4. **Value Capture**: Revenue derived by mechanisms that capture the value created by transportation facilities and services.
5. **Joint Participation/Public-Private Partnerships (P3)**: Contractual agreements between public and private entities for the direct provision of transportation facilities or services.

In addition to identifying potential funding mechanism, the Planning Team also worked with the Working Group to develop and evaluation and ranking process. Specifically, EPS proposed and the working group accepted, based on discussion and further input, a set of evaluation metrics that would be applied to the 63 funding options as a basis for further screening and prioritization:

[1] As part of the first Working Group meeting, participants were divided into three separate groups to "brainstorm" about potential non-roadway funding options. Ideas were recorded by group facilitators and incorporated as part of the study process.

1. **Funding Potential:** How large is the funding base? Is it expanding or declining? Stable or volatile?

2. **Ease of Implementation:** Does it require a new entity? Is collection, enforcement easy? If it flexible across modes?

3. **Economic Effects:** How does it affect behavior in target sectors? Is there a strong nexus? Is it equitable (i.e., by income, geography, sector)?

4. **Political Feasibility:** Are key stakeholders, or the public at large, likely to support or oppose? Does it require popular vote? Representative vote? Administrative action? Constitutional change? Are "champions" in place?

Working Group Survey

Survey Purpose and Methodology

In addition to a technical analysis of the 63 funding options, as described above, the Working Group also elected to participate in an on-line survey to obtain more detailed information on the preferences of its members. In particular, it was agreed that Working Group members would be surveyed to ascertain their position on how each funding measure should be categorized into one of the following:

1. **Prioritize for immediate consideration** as part of a pending legislative agenda or other implementation efforts.

2. **Defer for future consideration** as a funding option.

3. **Eliminate from on-going consideration** as a part of this study process.

4. **More information is needed.**

The survey also included an opportunity for eligible participants (48 Working Group and 6 ex-officio members) to provide additional comments on each option. As suggested by the Working Group, the options are grouped into two sections: 1) those 49 options that may require State legislative action to implement, and 2) those 12 options that are generally implemented locally and adequate authority currently exists to do so. Funding options that require change in the State Constitutions for use on non-roadway modes were also identified.

The participants were informed that their responses were confidential and would be aggregated by the planning team into a summary report back to the Working Group. Respondents were given approximately 12 days to complete the survey and received an e-mail and/or phone follow-up to encourage participation.

Figure 7. Survey Response Overview

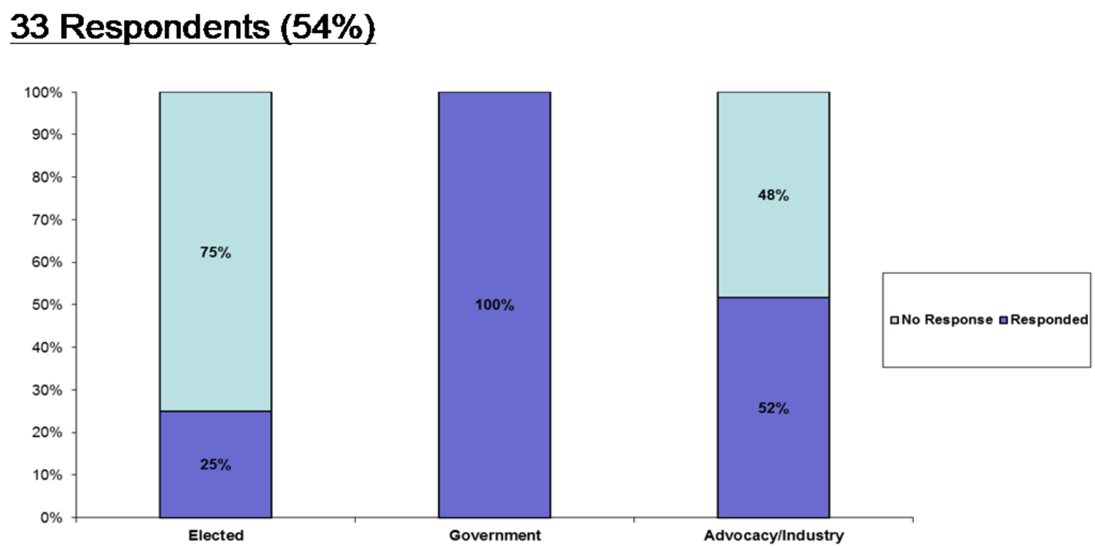


Figure 8. Characterization of Respondents

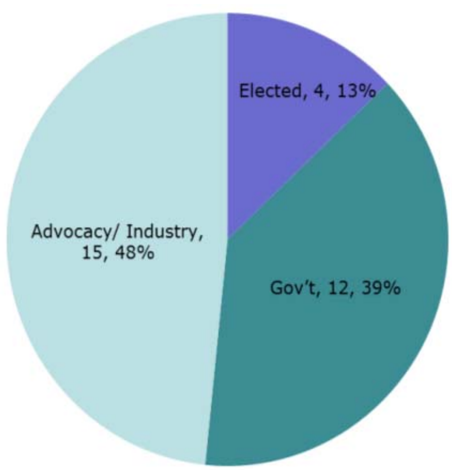
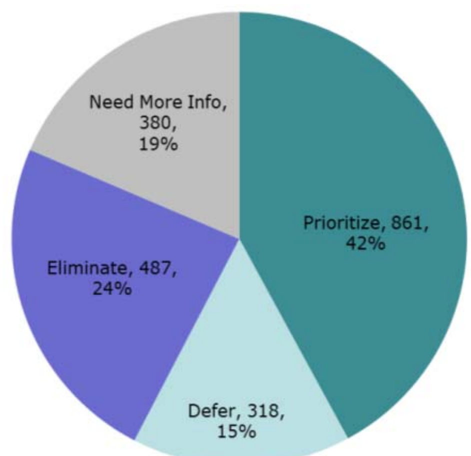


Figure 9. Respondent Votes by Category



Survey Results and Direction

In general, participation in the Working Group survey was relatively strong and the results provided an effective basis for reaching consensus on priority funding mechanisms. In terms of participation, 33 completed surveys were returned, a 54 percent response rate, with a total of 2,046 total votes cast (see **Figures 7, 8,** and **9**) Public sector Working Group members had the highest participation rate (100 percent) followed by industry/advocacy representatives (52 percent) and elected officials (25 percent). The detailed survey results are included in **Appendix D.**

The survey results were presented as part of the third and final Working Group study session. In addition, the Planning Team combined these results with the previously accepted ranking criteria as a basis for further evaluation and Working Group discussion. The key finding and implications are discussed further below.

- **"Local" funding options appear more popular than State funding options**: Generally speaking funding options that are implemented locally and do not require additional State enabling action (i.e., local jurisdictions already have sufficient authority) had the strongest support from the Working Group. For example, 6 of the top 15 options with most "priority" votes were "local" (see **Figure 10**). This finding indicates a strong consensus among the Working Group for locally flexibility and empowerment, suggesting that such funding options should at a minimum be acknowledged and promoted going forward.
- **The top 15 State "priority" options do not appear to have strong opposition**: The Survey results provided a strong consensus on the preferred funding options that are likely to require some level of "State" action to effectively implement (see **Figures 11** and **12**). For example, only one (1) of the top 15 State "priority" options was also on the list of top 15 "Eliminate" options (Modified Gas Tax) and only one (1) was on the list of options receiving the top 15 "defer" votes (State GP bond capacity).
- **The "Top priority" State funding options are not likely to be adequate to fund the non-roadway funding needs.** With several exceptions, the "top priority" State funding options do not rank high on the Funding Capacity criteria. For example, none of "top priority" State funding options provides substantial funding for transit operations, the mode with the largest funding need.

Ultimately, the Working Group used the information from the ranking and survey results to identify 16 funding options for prioritization in the next steps (see **Figure 13**). This final prioritization was also the result of substantial discussion and ultimately strong consensus (i.e., minimal opposition to the final list). However, the Working Group stressed that the prioritized list did not represent a final recommendation or approval for any particular funding option. Rather it represents a general consensus about which options to advance as part of the on-going decision making process and for presentation and discussion with Governor, his senior staff and other decision-makers.

Figure 10. Options with Most "Prioritize" Votes

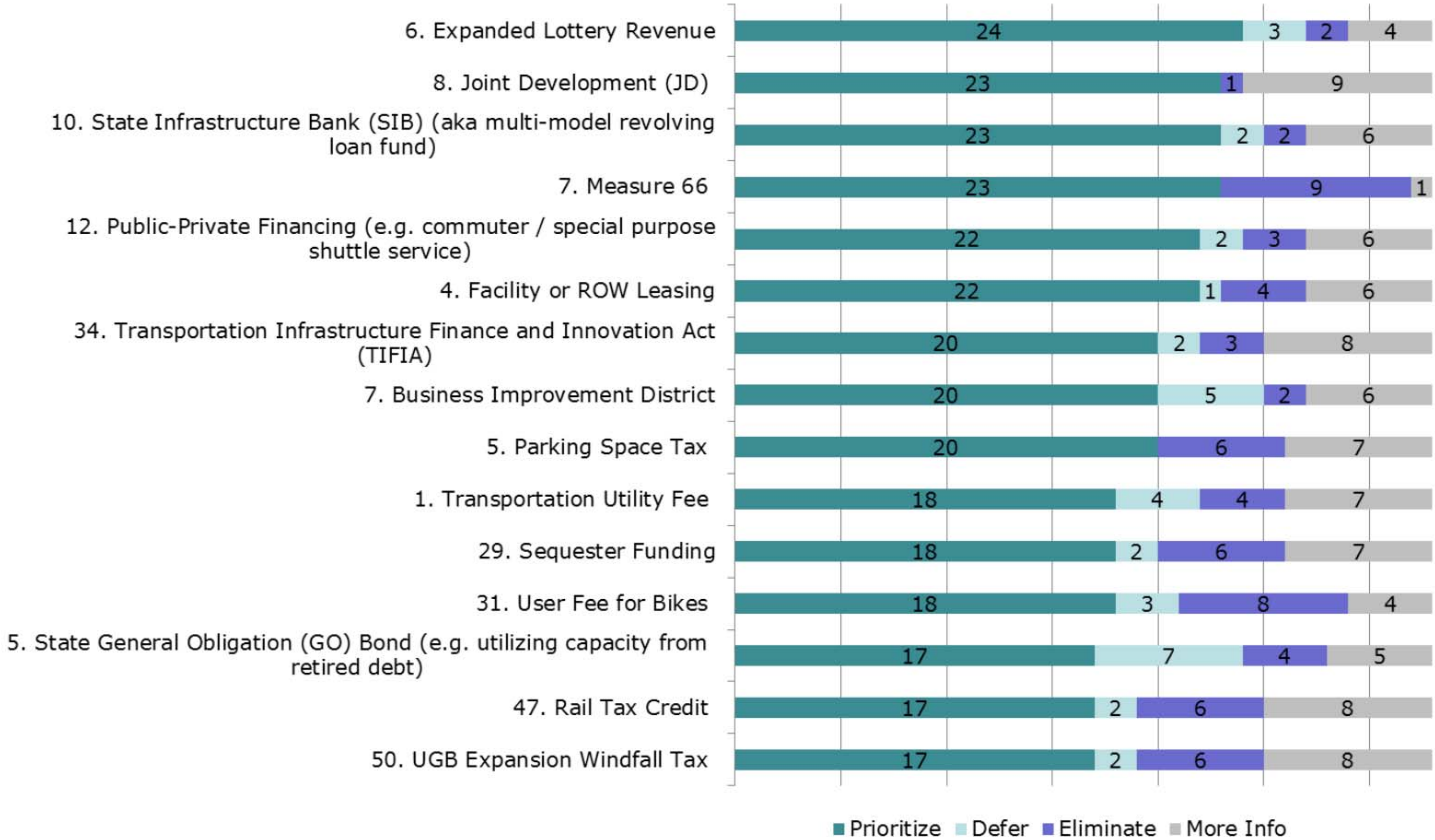


Figure 11. State Options with Most "Prioritize" Votes

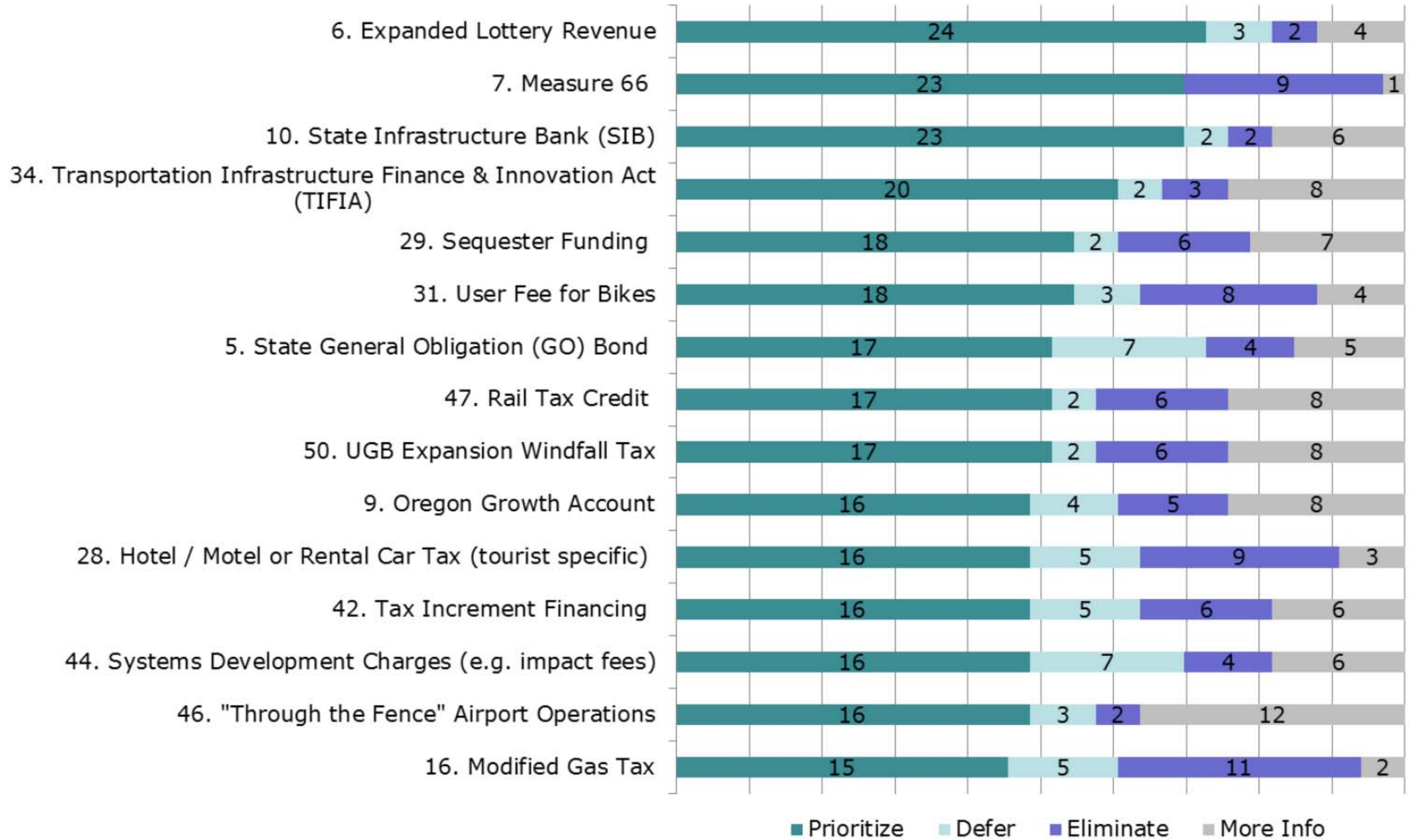


Figure 12. State Options with Most "Eliminate" Votes

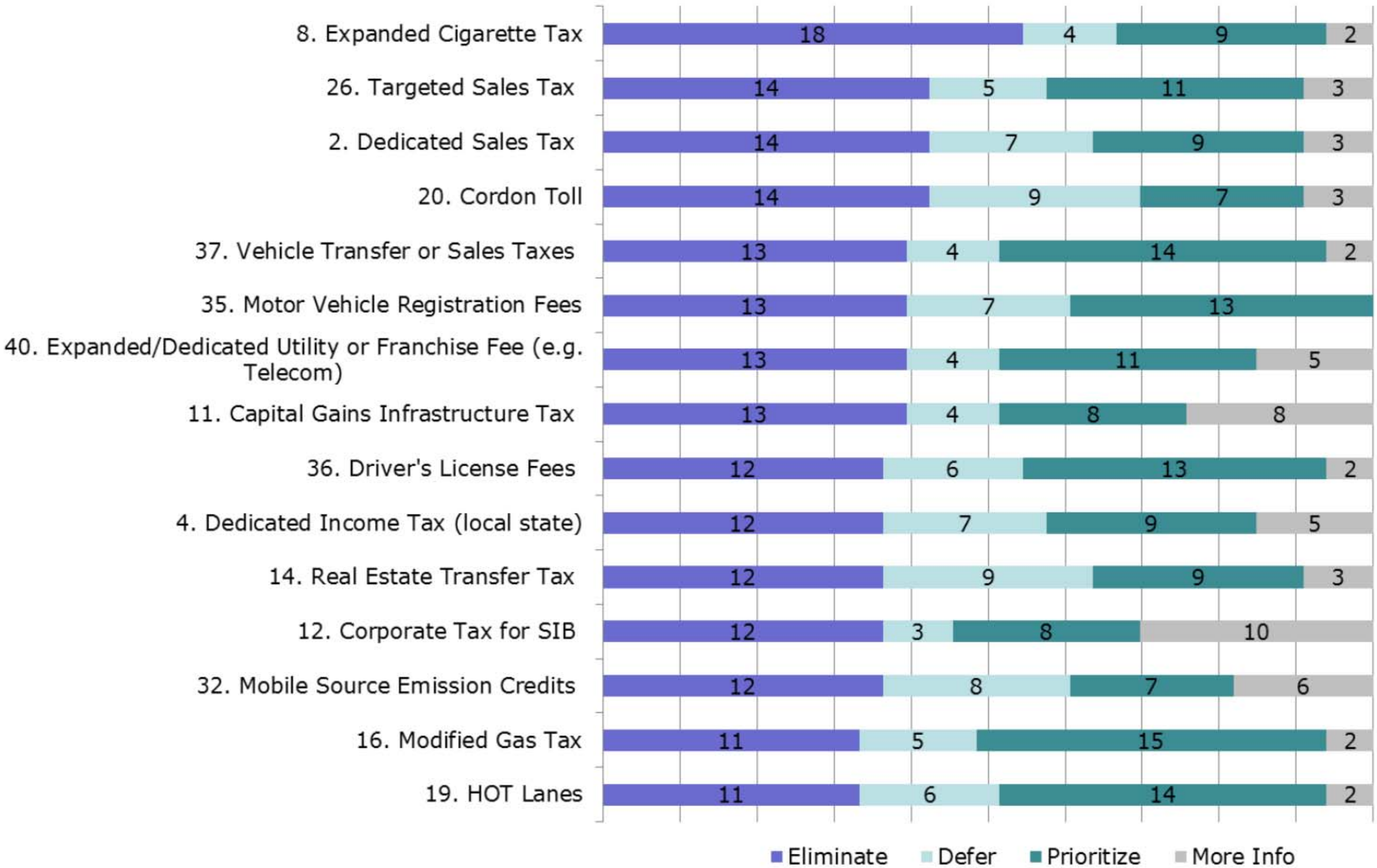


Figure 13. Priority Funding and Financing Options For Further Consideration

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority
General Income / Consumption Taxes (including allocation of Federal $s)		
Expanded Lottery Revenue	Expand State lottery program to generate revenue dedicated to non-roadway transportation. Connect Oregon is already funded through this source.	Requires State action / implementation
Ballot Measure 66, Lottery Revenues for Parks, Habitat and Watershed Protection (1998)	Use a portion of the State lottery funds dedicated to the acquisition and development of parks through Ballot Measure 66 (1998) to fund trails for cyclists and pedestrians.	Requires State action / implementation[1]
Expanded Cigarette Tax	Cigarette tax revenue for non-roadway transportation. Currently, $0.02 per pack is dedicated by statute to special transportation for senior citizens and people with disabilities. The amount could be increased.	Requires State action / implementation
Reallocation of senior medical tax deductions	Eliminate senior medical tax deductions and allocate revenues to senior & disabled transit.	Requires State action / implementation
Activity-based User Fees / Taxes		
Hotel/Motel Tax (Transient Occupancy or TOT):	A new surcharge on hotel rooms designated to non-roadway transportation (potentially on out-of-state residents only). Conversely, the allowable use of existing TOT revenues could be expanded (currently, 70% of local TOT currently goes to "tourist-related activities" but the definition could be expanded).	Adequate authority exists to implement locally but could be expanded Statewide
Sequester Funding	Dedicate a portion of the revenues raised through transportation-related taxes or fees that currently go into the State general fund toward non-roadway transportation.	Requires State action / implementation
User fee for bikes	Tax on bicycle operation or purchase dedicated to non-roadway transportation (e.g. bicycle license tax). Potentially voluntary with membership advantages.	Adequate authority exists to implement locally but could be expanded Statewide
Administrative Fees / Fines		
Expanded / dedicated Utility or Franchise Fee (e.g. Telecom)	Add, create, or re-allocate existing fees on certain utilities or franchises (e.g. phone, garbage, cable etc) to non-roadway transportation. Could reflect changes in landline / cell phone usage.	Requires State action / implementation[2]
Value Capture		
Railroad Property Tax Reallocation	Reallocation of current and future property taxes paid by freight railroads from the counties to the State, to be used for freight rail improvements.	Requires State action / implementation
"Through the Fence" Airport operations	Enable/encourage private businesses located adjacent to publicly-owned general aviation facilities to access and help improve airport infrastructure to foster growth in the aviation industry and economic development in areas surrounding rural airports. PDX would be exempt.	Generally implemented locally but State may enhance local authority (e.g. application to non-roadway transportation)
Rail tax credit	A corporate investment tax credit for major railroad projects to encourage infrastructure investments by the freight railroads.	Requires State action / implementation
Joint Participation / P3 / Development Requirements		
UGB expansion Windfall Tax	Charge a tax to capture the increases in property values that occur when land is added to the regional Urban Growth Boundary in metro areas. Dedicate a portion or all of the revenues to non-roadway transportation in the region.	Generally implemented locally but State may enhance local authority (e.g. application to non-roadway transportation)
Financing or Debt Based Measures		
State General Obligation (GO) Bond (e.g. utilizing capacity from retired debt)	A GO bond dedicated to non-roadway facilities secured by State General Fund revenues. Impact on other GF obligations would be reduced if other GO bonds are soon to be retired.	Requires State action / implementation
Oregon Growth Account	Use a portion of the funds in the Oregon Growth Account to invest in non-roadway transportation projects that create jobs and/or spur economic growth.	Requires State action / implementation
Expanded Use of State Infrastructure Bank (SIB) (aka Multi-model revolving loan fund)	Provide low cost loan financing to local agencies for non-roadway transportation infrastructure, financing new projects with loan repayment revenues and other sources (initial capital injection required).	Requires State action / implementation
Expanded Use of Transportation Infrastructure Finance and Innovation Act (TIFIA)	Federal credit assistance in the form of secured loans, loan guarantees, and lines of credit, for large-scale surface transportation projects.	Local agencies can already apply

[1] May require change in the State constitution if revenue is dedicated to bikes and trails.
[2] Would require approval by local jurisdictions. Revenue from roadway ROW is dedicated.

4. Assessment and Next Steps

The mission of the Working Group was to identify, evaluate, screen non-roadway funding options. This final chapter provides further detail on the Non-Roadway Funding Options prioritized by the Working Group and describes subsequent steps necessary to implement them, including drafting of legislation and creation of a legislative agenda. The ultimate goal is to set forth a framework that builds on the Working Group process and to fashion a viable strategy for implementing dedicated non-roadway funding sources.

As described in **Chapter 3**, this study process culminated in a list of 16 funding options that the Working Group, by consensus, agreed are worthy of further consideration towards implementation, including developing any needed State legislation (see **Figure 13**).[2] The options fall within the sub-categories of general income or consumption taxes, activity based user fees or taxes, administrative fees and fines, value capture mechanisms, and joint participation/development mechanisms. In each case additional work will be necessary to pursue implementation. While all of the prioritized funding mechanisms could benefit from State action, some will require local action to fully implement.

[2] As indicated in Figure 14, four (4) of the prioritized funding options, the SIB, TIFIA, State GO bonds, and Oregon Growth Account programs, are actually financing mechanisms since they do not generate revenue per se but are rather intended to better leverage existing revenue streams.

The following institutional and technical assessment steps are highlighted as particularly important going forward:

1. **Further Technical Evaluation of the Selected Funding Options**

   The research and analysis conducted as part of this study provided an initial, high-level, and mostly qualitative overview of key evaluation metrics for the initial list of 60 plus funding options. Going forward, additional evaluation of each of the 16 priority funding options is needed to determine its economic base, applicable or practical rate limits, fiscal and economic implications, implementation requirements (legal review, etc.), and degree of association with one or another of the non-roadway transportation modes. Given the fact that several of the funding options involve re-allocation of existing funding sources it will be essential to understand the impact of the re-allocation upon the entities or programs currently receiving funding and the related trade-offs. This assessment can also consider potential economic effects and determine realistic limits on tax rates or revenue obtained.

2. **Determining Revenue Potential of the Selected Funding Options**

   Once the basic evaluation of the funding options is completed it will be possible to forecast revenue potential of each funding option given realistic growth and tax rate scenarios. This evaluation is essential as it will help determine the likely range of funding that can be derived from each funding option. Such an assessment should include a time-series analysis that considers potential growth in the economic base of the revenue option (e.g., increasing lodging revenues Statewide in the case of transient occupancy tax [TOT]) and how the revenue will increase over time. This information will help determine whether the revenue potential is sufficient to justify the effort needed to implement and administer the funding option and off-set any negative economic effects. In addition, it will be important to clarify the extent of additional funding needs that will still exist even if the priority funding options identified as part of this process are fully implemented.

3. **Allocation of New Funding to the Non-Roadway Transportation Modes**

The funding options can be allocated to the range of non-roadway transportation modes in various ways. In some instances there may be existing legislative directives regarding funding such as Ballot Measure 66 which earmarked certain lottery funds to trails and bikeways. In other cases the funding can be appropriated as a part of the State budget process. It will be necessary to review each of the funding options to determine whether any pre-existing funding allocations exist or, if it is an entirely new funding source or an increased amount of funding, how it might be allocated to the various modes. This analysis will determine how much funding may be available for the various modes resulting from implementation of the funding options.

In order to achieve parity and reflect relative funding needs within the transportation modes it may be necessary to evaluate various allocation schemes. **In** addition, a pipeline of non-roadway projects by mode in development, engineering and ready to construct state should be prepared along with their associated costs in order to establish a more transparent nexus between the funding options under consideration and their anticipated use.

4. **Selection of Funding Options for Implementation**

Completion of the foregoing three steps will provide the information necessary to inform a decision regarding which of the 16 funding options forwarded by the Working Group warrant further consideration and implementation. This selection will need to consider and compare the benefits of each funding option (e.g., funding potential) set against the challenges involved in its implementation. Revenue options with limited funding potential and significant implementation challenges may be discarded from consideration at this point. Of course, a fair amount of additional stakeholder outreach and vetting will be required to garner and ensure political support.

5. **Preparation of Model Legislation for Locally Implemented Funding Options**

Several of the funding options are currently enabled by the State but require local action (ordinance and/or resolution adoption, etc.). In these cases, including increases in the TOT, user fees, general aviation airport public/private partnerships, and USB Windfall Tax would each require some form of local enabling action including some additional technical assessment and drafting of implementing policies, ordinances, and resolutions. Model documents should be prepared that would facilitate local implementation.

6. **Preparation of State Legislation or other Implementing Actions**

   The majority of the funding options identified will require some form of State action and related implementation. The foregoing analysis will evaluate each of these funding options providing adequate information to determine potential benefits as well as challenges. But it will remain necessary to determine precisely what steps are needed for implementation. In some instances State legislative changes will be necessary. In other instances a policy or procedural change by a State agency may be sufficient. A program can be prepared that provides a technical profile for each funding option that specifies the legislative or procedural changes necessary for implementation. This information must be sufficient for legislative or procedural drafting.

These implementation steps comprise a substantial technical and policy review effort before a sound legislative and implementation program can be determined. Thus it will be necessary to assemble a team that should be given the assignment to complete the evaluation and develop the draft legislation and other implementing measures. While substantial work lies ahead, the work conducted as a part of the Working Group process provides a sound basis for the effort moving forward.

Appendix A:

Working Group Member and Planning Team

Working Group and Ex Officio Members		
Allan Pollock	President	Oregon Transit Association
Anne Root	Commissioner	Oregon Business Development Commission
Betsy Johnson	Senator	Oregon Senate
Bob Russell	Vice President of Government Affairs	Oregon Trucking Association
Brian Newman	Planning, Development Director	OHSU
Brock Nelson	Director, Public Affairs (Oregon Region)	Union Pacific
Bruce Starr	Senator	Oregon Senate
Carol Bogedain	Director	VA Roseburg Healthcare System
Cheryl Howard	Chair	Deschutes County Bike/Ped Advisory Committee
Chris Garrett	Representative	Oregon House
Chris Hagerbaumer	Deputy Director	Oregon Environmental Council
Cliff Bentz	Representative	Oregon House
Craig Reeder	President	Oregon Wheat Growers League
Debra Dunn	President	Oregon Trucking Association
Erinn Kelley-Siel	Director	Oregon Departmetn of Human Services
George Endicott	Mayor	City of Redmond
Gus Melonas	Director, Public Affairs (Oregon region)	Burlington Northern Santa Fe Railway
Howard D. Werth	Chairman of the Board	Associated Oregon Industries
Jason Atkinson	Senator	Oregon Senate
Jason Miner	Executive Director	1,000 Friends of Oregon
Jim Booker	State Veterans Program Coordinator	Oregn Employment Department
John Porter	President & CEO	AAA Oregon/Idaho
Kathryn Weit	Interim Executive Director	Oregon Council on Developmental Disabilities
Larry George	Senator	Oregon Senate
Lee Beyer	Senator	Oregon Senate
Mark Gardiner	Chair	Oregon State Aviation Board
Martin Callery	Chief Commercial Officer	Oregon International Port of Coos Bay
Mike Brewer	Vice-President/North America Supply Chain Operations	Nike
Mike McArthur	Executive Director	Association of Oregon Counties

Working Group and Ex Officio Members		
Mike McCauley	Executive Director	League of Oregon Cities
Neil McFarlane	General Manager	TriMet
Nicole Palmateer Armstrong	Executive Director	Oregon Public Ports Association
Peter Buckley	Representative	Oregon House
Peter Kratz	Board Chair	Oregon Business Association
Phil Houk	Mayor	City of Pendleton
Richard Rolland	Director	NW Tribal Technical Assistance Program
Rick Bennett	Director of Government Relations	AARP of Oregon
Rob Eaton	Director of Government Affairs, West Region	Amtrak
Rod Sadowsky	Director	Bicycle Transportation Alliance
Russ Danielson	Oregon Region Chief Executive	Providence Health Plans
Susie Lahsene	Chair Transportation & Land Use Policy Mgr.	Oregon Freight Advisory Committee Port of Portland
Tammy Baney	Member	Oregon Transportation Commission
Terri Beyer	Representative	Oregon House
Tobias Read	Representative	Oregon House
Toby Van Altvorst	General Manager	City of Prineville Railway
Vicki Berger	Representative	Oregon House
Brian Campbell	Oregon Chapter	American Planning Association
Barbara Byrd	Secretary-Treasurer	Oregon AFL-CIO
Ex Officio Members		
Arnie Roblan	Co-Speaker	Oregon House
Bruce Hanna	Co-Speaker	Oregon House
Matthew Garrett	Director	Oregon Department of Transportation
Mitch Swecker	Director	Oregon Department of Aviation
Peter Courtney	President	Oregon Senate
Ted Ferrioli	Senate Republican Leader	Oregon Senate
Tim McCabe	Director	Business Oregon

Planning Team

Name	Title	Organization
Lynn Peterson	Sustainable Communities and Transportation Policy Advisor	Governor Kitzhaber Office
Roger Millar	Director of the Smart Growth America's Leadership Institute	Smarth Growth America
Walter Kieser	Managing Principal	Economic and Planning Systems
Jason Moody	Principal	Economic and Planning Systems
Victor Dodier	Legislative Policy Analyst	ODOT Government Relations
Michael Mills	Senior Project Manager	Oregon Consensus
Laurel Singer	Interim Director	Oregon Consensus
Ryan Stroud	Intern	Oregon Consensus
Andrew Plambeck	Administrative Assistant	Governor Kitzhaber Office
Rayla Bellis	Research Associate	Smart Growth America

APPENDIX B:

Oregon Non-Roadway Funding and Financing Options Evaluation Matrix

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Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritized"*)

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	1. Funding Potential: What is the funding base (i.e. who pays)?	Is the funding base large / broad?	How is the funding base changing?	Is it volatile or stable?	Can you bond against it?	*Composite Score (0 - 3)*
General Income / Consumption Taxes (including allocation of Federal $s)								
Expanded Payroll Tax	Payroll tax revenues dedicated to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Employed residents	Yes	Based on State job growth	Relatively stable but subject to business cycle	Yes	3
Dedicated Sales Tax	Sales tax dedicated to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Consumers	Yes	Growing based on population & income	Relatively stable but subject to business cycle	Yes	3
Dedicated Property Tax	Property tax levy or assessment (residential, commercial, or all) dedicated to transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Property owners	Yes but potentially tapped in many districts (due $10 / $1,000 for General Government purposes)		Relatively stable but subject to business cycle	Yes	3
Dedicated Income Tax (local & State)	Increase or re-allocation of income tax to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Income earners	Yes	Based on State income growth	Relatively stable but subject to business cycle	Yes	3
State General Obligation (GO) Bond (e.g. utilizing capacity from retired debt)	*A GO bond dedicated to non-roadway facilities secured by State General Fund revenues. Impact on other GF obligations would be reduced if other GO bonds are soon to be retired.*	*Requires State action / implementation*	*General fund revenues*	*Yes*	*Depends on budget climate*	*Stable if obligated to a bond*	*Yes*	*3*
Expanded Lottery Revenue	*Expand State lottery program to generate revenue dedicated to non-roadway transportation. Connect Oregon is already funded through this source*	*Requires State action / implementation*	*Oregon Lottery*	*Relatively large*	*Negligible growth under current structure*	*Relatively stable but subject to business cycle*	*Yes*	*2*
Ballot Measure 66, Lottery Revenues for Parks, Habitat and Watershed Protection (1998)	*Use a portion of the State lottery funds dedicated to the acquisition and development of parks through Ballot Measure 66 (1998) to fund trails for cyclists and pedestrians.*	*Requires State action / implementation*	*Oregon Lottery*	*Relatively large but obligated to a variety of programs*	*Negligible growth under current structure*	*Relatively stable but subject to business cycle*	*Potentially*	*2*
Expanded Cigarette Tax	*Cigarette tax revenue for non-roadway transportation. Currently, $0.02 per pack is dedicated by statute to special transportation for senior citizens and people with disabilities. The amount could be increased.*	*Requires State action / implementation*	*Smokers*	*Relatively small*	*Stable / declining*	*Stable*	*Unlikely*	*1*
Oregon Growth Account	*Use a portion of the funds in the Oregon Growth Account to invest in non-roadway transportation projects that create jobs and/or spur economic growth.*	*Requires State action / implementation*	*Oregon Lottery*	*Relatively large but obligated to a variety of initiatives*	*Based on population growth*	*Relatively stable but subject to business cycle*	*Yes*	*2*
Expanded Use of State Infrastructure Bank (SIB) (aka Multi-model revolving loan fund)	*Provide low cost loan financing to local agencies for non-roadway transportation infrastructure, financing new projects with loan repayment revenues and other sources (initial capital injection required).*	*Requires State action / implementation*	*FHA has provided seed capital but level of future funding is uncertain. States can also fund from internal sources. Leveraging is often a criteria for loan approval. Utilization in Oregon has been low.*				*No, this is a loan*	*1*
Capital Gains Infrastructure Tax	Increase or reallocate existing capital gains tax so that revenues are allocated to non-roadway transportation.	Requires State action / implementation	Investors when they sell appreciated assets. Actual revenues would depend on the rate and scope of policy (e.g. if applied to all investment gains or just certain kinds). Growth would be proportion to general economic growth and likely relatively volatile.				Potentially	2
Corporate Tax for SIB	State or local tax on corporate profits dedicated to SIB.	Requires State action / implementation	Funding levels will depend on private sector economic growth and associated tax rates				Probably	2
Grant Anticipation Revenue Vehicles (GARVEE Bonds)	State-issued debt financing instrument secured by anticipated future federal aid.	Requires State action / implementation (already authorized but not used)	Financing tool secured by future federal aid funds	Depends on Federal support	Likely flat or declining	Likely to be unstable	Yes	0
Real estate transfer Tax	A tax on the sale or transfer of real estate assets (can be both secured and unsecured property).	Adequate authority exists to implement locally but could be expanded Statewide	Consumers / sellers of real estate	Medium	Based on # and value of transactions	Relatively stable but subject to business cycle	Potentially	2
Reallocation of senior medical tax deductions	*Eliminate senior medical tax deductions and allocate revenues to senior & disabled transit.*	*Requires State action / implementation*	*Seniors*	*Medium*	*Seniors are a growing demographic*	*Relatively stable*	*Potentially*	*2*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritized"*)

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	1. Funding Potential: What is the funding base (i.e. who pays)?	Is the funding base large / broad?	How is the funding base changing?	Is it volatile or stable?	Can you bond against it?	*Composite Score (0 - 3)*
Activity-based User Fees / Taxes								
Modified Gas Tax	Expand or modify State Gas Tax to allow for use on non-roadway transportation facilities.	Requires State action / implementation	Motor vehicle drivers, a growing base but new revenues affected by increasing fuel efficiency (as well as tax rate).			Relatively stable	Yes	3
Increase user fares / fees (e.g. fare-box revenue)	Increase existing (or implement new) fares / fees to transportation users.	Generally implemented locally and adequate authority already exists	Urban transit riders, intercity bus passengers, passenger rail, air carriers	Yes, generally increasing but depends on growth and ridership patterns		Yes, but depends on mode, gas prices, technology, and other factors.	Yes revenues are easily forecastable so credit agencies typically treat it as bondable	3
Electronic toll collection (i.e. bridge)	Set aside a portion of transportation toll revenues to non-roadway modes.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Drivers using the tolled facility	Relatively large, often attracts private investors	Based on growth, ridership patterns and location of the facility	Relatively stable and predictable but may gradually trend up or down over time	Yes but revenues hard to forecast so debt coverage ratio must be high	2
Carbon Fee / Tax	A fee assessed on the distribution, production or use of fossil fuels, designed to reduce emissions.	Requires State action / implementation	Flexible since it targets consumers of selected fossil fuels, rates based on a price per ton of carbon emitted then translated into a rate for each fuel type		Generally increasing with economic growth	Relatively stable but likely to trend with business cycles	Potentially	3
HOT Lanes	Charge a fee for single-occupancy vehicles wishing to travel in HOV lanes, and set aside a portion of all of the revenues for non-roadway modes.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Drivers in single-occupancy vehicles choosing to use HOV lanes, siz and growth depends on travel patterns and congestion. Moderate revenue yield - usually enough to cover O&M but not always capital costs. But may delay need for expansion.			Likely to be unpredictable	Potentially	1
Cordon Tolls	A toll charged on vehicles entering a designated area, such as an urban center.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transporation)	Funding base will depend on # and growth of drivers seeking access to specific tolled area, cou be relatively significant in busy, growing urban cores, but actual revenue difficult to predict and potentially unstable.				Unlikely	1
Weight-Mile Fees	A fee levied per mile traveled by heavy vehicles within the state.	Requires State action / implementation	Generally targeted to goods movement activity which is fairly stable and predictable revenue, but actual revenue would depend on rates				Potentially	1
Vehicle Miles Traveled (VMT) Fee	A fee charged per mile traveled on all vehicles within the state, excluding public transit vehicles.	Requires State action / implementation	Drivers			Relatively stable and predictable revenue stream. Revenue could decline over time	Yes	2
Congestion Pricing	A toll levied at a rate that varies by time of day or congestion level to optimize traffic on the tolled facility.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transporation)	Targets automobile commuters, a relatively large base, but not especially stable - could reduc trips or divert them to alternate facilities (and revenues will fall)				Potentially	2
Passenger Facility Charges	Charges assessed by commercial service airports on passengers boarding from the airport.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Airport passengers, a relatively large group but can vary based on business / tourism trends.			Fairly predictable since revenues are directly linked to air passenger volume	Potentially	2
Facility or ROW Leasing	Leasing portions of physical facilities or ROW to private operators (.e.g. for telecom facilities, solar panels).	Generally implemented locally and adequate authority already exists	Paid for by private interests	Relatively niche group	Small growth	Probably stable but unpredictable	Depends on term of lease	1
Terminal Use Fees	Fees charged by airports and sea ports on airplanes or ocean vessels for use of the terminal (typically landing fees or berthing fees).	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Paid for by users	Relatively niche group, but rates can be linked to patronage	Small growth	Predictable revenue stream - can be forecast based on projected future travel demand	Yes	2

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritized"*)

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	1. Funding Potential: What is the funding base (i.e. who pays)?	Is the funding base large / broad?	How is the funding base changing?	Is it volatile or stable?	Can you bond against it?	*Composite Score (0 - 3)*
Parking Space Tax	Dedicate revenue from new or increased parking fees, fines, or tax on public and/or private spaces to non-roadway transportation. Amount can be structured as flat rate per parking transaction or ad valorem.	Generally implemented locally and adequate authority already exists	Focus on drivers but generally limited to areas with high parking demand. Since Oregon has few metropolitan areas with extensive paid parking, such a tax would have limited applicability outside of Portland. My increase with commuter population but policy could induce mode shift and gradually flattening of revenues.			Stable	Yes	2
Business or Employee Based Parking Tax	Tax businesses (e.g. license) or employees (i.e., income) based on # of parking spaces and dedicate revenue to non-roadway transportation.	Generally implemented locally and adequate authority already exists	Paid by businesses or employees who provide / receive parking spaces at workplace.	Focus on commters and businesses with parking, most applicable in areas with high parking	Small growth	Stable	Unlikely	1
Targeted Sales Tax	Sales tax on goods and services linked to transportation (e.g. motor vehicle or other transportation parts and equipment).	Adequate authority exists to implement locally but could be expanded Statewide	Consumers / producers of targeted goods	Depends on goods targeted	Growing based on population & income	Relatively stable but subject to business cycle	Yes	2
Jet fuel tax / gallon for aviation infrastructure	Oregon already taxes jet fuel at 1¢ / gallon and aviation gas 9¢ / gallon with revenues dedication to GA.	Requires State action / implementation	General Aviation operators already taxed	Relatively small, especially since Oregon is not a major hub (re-fueling occurs elsewhere)			Unlikely	1
Tax energy use @ wholesale	Further clarification needed.	Requires State action / implementation						
Hotel/Motel Tax (Transient Occupancy or TOT):	*Tax on hotel rooms designated to non-roadway transportation (potentially on out-of-state residents only). 70% of local TOT currently goes to "tourist-related activities but definition could be expanded to include non-roadway transportation and/or totally new surcharge created.*	*Adequate authority exists to implement locally but could be expanded Statewide*	*Business, recreation, and personal travelers*	*Depends on application and rate*	*Tourism is highly linked to business cycle*		*May be difficult*	*2*
Rental Car Tax (tourist specific):	Tax car rentals designated to non-roadway transportation (potentially on out-of-state residents only).	Requires State action / implementation	Business, recreation, and personal travelers	Depends on application and rate	Tourism is highly linked to business cycle		May be difficult	2
Sequester Funding	*Dedicate a portion of the revenues raised through transportation-related taxes or fees that currently go into the State general fund toward non-roadway transportation.*	*Requires State action / implementation*	*Depends on which tax is being re-allocated and if / how it might be modified*					*2*
Auto insurance surcharge	An auto-insurance fee dedicated to non-roadway transportation, potentially assessed based on VMT rather than a fixed rate.	Requires State action / implementation	Would be charged on automobile owners, a relatively large grou increasing with population. Revenues would depend on tax rate.			Yes	Yes	3
User fee for bikes	*Tax on bicycle operation or purchase dedicated to non-roadway transportation (e.g. bicycle license tax). Potentially voluntary with membership advantages*	*Adequate authority exists to implement locally but could be expanded Statewide*	*Cyclists, but previous efforts have not even covered program administrative costs.*		*Growing*	*Relatively stable*	*Unlikely*	*0*
Mobile Source Emission Credits	Credits for reduced emission that can be sold in an emissions trading market (e.g. set up within a transit district). Requires a market (i.e. buyers and sellers) unless revenues are from the State.	Requires State action / implementation	Funding base is the State or "buyers" for credits if a market is established though a "cap & trade" system. Size of market depends on design of program		System may ultimately lead to a reduction in emissions and thus revenues over time unless standards are tightened		May be difficult	1
Tax Exempt Private Activity Bonds	State-issued tax-exempt debt financing instrument for transportation infrastructure secured by project revenues (subject to annual limits set by the federal government).	Requires State action / implementation	Bond revenues secured by project revenues, usually user fees, and private sector investment / participation. Viability would depend project business model				It is a bond	1
Expanded Use of Transportation Infrastructure Finance and Innovation Act (TIFIA)	*Federal credit assistance in the form of secured loans, loan guarantees, and lines of credit, for large-scale surface transportation projects.*	*Local agencies can already apply*	*Financing tools secured by project revenues, applicable project must be very large*					*2*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritized")*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	1. Funding Potential: What is the funding base (i.e. who pays)?	Is the funding base large / broad?	How is the funding base changing?	Is it volatile or stable?	Can you bond against it?	***Composite Score (0 - 3)***
Administrative Fees / Fines								
Motor Vehicle Registration Fees	A fee charged on vehicle owners at the time of registration.	Requires State action / implementation	Vehicle owner generate a fairly stable revenue yield. Largely unaffected by business cycles, but inflation will reduce the value of the fee if it is charged at a flat rate			Collected on an ongoing basis.	Yes	3
Driver's License Fees	A one-time fee charged per driver upon issuance of a driver's license.	Requires State action / implementation	One-time charge per State driver (broac base) collected on an periodic basis Revenues determined by fee amoun		Fairly low revenue yield - typically covers administrative costs.	Revenue stream is stable and predictable - will grow more or less in relation to population	Yes, assuming revenues exceed costs	3
Vehicle Transfer or Sales Taxes	One -time charge per sale or transfer of vehicle, charged as a percentage of the sales price when the vehicle is purchased or registered in the state.	Requires State action / implementation	Vehicle transactions proportional to ownership rates which are widespread and expected to increase with population			Revenues fluctuate somewhat based on business cycles	Potentially	2
Non-license State ID Card Fee	Increase the existing fee for non-diverse license fees.	Requires State action / implementation	Individuals seeking ID -- relatively small funding pool		Probably increasing proportional to population	Unknown	Unlikely	1
Dedicated traffic violation revenue	Dedicate traffic fine revenues to non-roadway facilities (potentially enhanced using traffic cameras).	Adequate authority exists to implement locally but could be expanded Statewide	Traffic Violators are a relatively small base. Revenues depend on size of fines but likely small.		Probably increasing proportional to population	Increased fines may lead to reduced violations	Unlikely	1
Expanded / dedicated Utility or Franchise Fee (e.g. Telecom)	*Add, create, or re-allocate existing fees on certain utilities or franchises (e.g. phone, garbage, cable etc) to non-roadway transportation. Could reflect changes in landline / cell phone usage.*	*Requires State action / implementation*	*Taxes are generally passed on to consumers of targeted utilities, a relatively large and potentially growing base, but revenue would depend on rate*			*Relatively stable, secure and bondable*		*3*
Value Capture								
Land Value Tax (LVT)	A split-rate tax on properties directly benefiting from (e.g. adjacent to) transportation improvements whereby land and improvements are valued and taxed separately.	Generally implemented locally but State could enhance local authority (e.g. better application to non-roadway transporation)	Property owners	Targets property near to specified transportation facilities	Depends on criteria and new transportation investment	Relatively stable	Yes	2
Tax Increment Financing	A financing tool that uses taxes levied on the increase in property value with a designated "Project Area" (e.g. near transportation facilities).	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Property owners	Targets property near to specified transportation facilities	Growing based on new development	Relatively stable but subject to business cycle	Yes	2
Special Assessments (e.g. Transit Benefit Assessment District)	Special charges / taxes on property owners within a defined area that benefits disproportionately from specified transportation services / facilities.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Property owners with specified area	Small and targeted	Depends on criteria and new transportation investment	Relatively stable	Yes	1
Transportation Utility Fee	Fees / charged to property owners or tenants based on the characteristics of the occupying land use.	Generally implemented locally and adequate authority already exists	Fees can be linked to a variety of property specific criteria (e.g. sq. ft., type of tenant, trip	Small and targeted	Depends on criteria and new transportation investment	Relatively stable	Potentially	1
Sponsorships, Advertisements, & Naming Rights	Revenue from "selling" ad space (signage) or naming rights (.e.g., station, stop, or line).	Generally implemented locally and adequate authority already exists	Sponsors	Small and targeted	Linked to economy	Volatile	Unlikely	1
Systems Development Charges (e.g. impact fees)	One time charge to new development in proportion to level of benefit received for specified transportation improvements (e.g. growth related impacts). Currently State only allows for road improvements.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Building Developers	Moderate	Depends on level of development activity	Relatively volatile	Rarely	1
Railroad Property Tax Reallocation	*Reallocation of current and future property taxes paid by freight railroads from the counties to the State, to be used for freight rail improvements.*	*Requires State action / implementation*	*Freight railroad companies - but would be a reallocation*	*Targeted*	*Increasing gradually*	*Stable*	*Yes*	*1*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritized"*)

			1. Funding Potential					
Funding / Financing Source or Mechanism by Category	**Brief Description**	**Geographic scope and jurisdictional authority**	What is the funding base (i.e. who pays)?	Is the funding base large / broad?	How is the funding base changing?	Is it volatile or stable?	Can you bond against it?	***Composite Score (0 - 3)***
"Through the Fence" Airport operations	*Enable/encourage private businesses located adjacent to publicly-owned general aviation facilities to access and help improve airport infrastructure to foster growth in the aviation industry and economic development in areas surrounding rural airports. PDX would be exempt.*	*Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)*	*Developers*	*Small and targeted*	*Linked to additional investment in GA*	*Stable*	*No*	*1*
Rail tax credit	*A corporate investment tax credit for major railroad projects to encourage infrastructure investments by the freight railroads.*	*Requires State action / implementation*	*General fund*	*Yes*	*Depends on budget climate*	*Stable if obligated*	*Yes*	*2*
Business Energy Tax Credit	Renew this tax credit program to those who invest in energy conservation, recycling, renewable energy resources and less-polluting transportation fuels.	Requires State action / implementation (Recently eliminated and replaced by TETC)	Reduces the amount of income tax revenue to the State by an amount significantly greater than the amount that goes to support the transportation "project" (BETC credit was 35% of the "project cost" and the transit agency received 25% of the "project cost" as revenue). Used to leverage federal funds				Unlikely	2
Joint Participation / P3 / Development Requirements								
Business Improvement District	Special charges / taxes on property owners or tenants within a defined area that benefits from specified transportation services / facilities.	Generally implemented locally and adequate authority already exists	Property / tenants owners with specified area	A small, targeted group. Revenue will depend on local participation, criteria, and type of transportation investments		Relatively stable but can be terminated by vote	Rare	1
Joint Development (JD)	Private development allowed on transit agency land or ROW in exchange for financial contributions or physical improvements.	Generally implemented locally and adequate authority already exists	Developer / landowner	Linked to new development adjacent to specified transportation facilities, project specific rather than on-going.			No	1
Negotiated Exactions	Charges or required contributions (monetary or physical) determined as part of a negotiation between developer an applicable approving agency.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Developer / landowner	Linked to new development adjacent to specified transportation facilities, project specific rather than on-going.			No	1
UGB expansion Windfall Tax	*Charge a tax to capture the increases in property values that occur when land is added to the regional Urban Growth Boundary in metro areas. Dedicate a portion or all of the revenues to non-roadway transportation in the region.*	*Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)*	*Developer / landowner*	*Depends on amount of land added to regional UGB and corresponding re-assessment, assuming transactions or new development follows*		*Could be stable once approved but changes to UGB is sporadic and speculation might reduce benefits*	*No*	*1*
"Complete Street" Requirements	Zoning and code level requirements required facilities on new roads (e.g. bus shelters, bicycle paths, pedestrian walkway, etc.).	Generally implemented locally and adequate authority already exists	Generally covered on a project basis by developers. Growth dependant on level of adoption by local planning entities.				No	1
Air Rights	Establishment of development rights above (or below) a transportation facility that generates an increment in land value to support facility operations or improvements.	Generally implemented locally and adequate authority already exists	Developer / landowner. Revenue potential will be linked to real estate value and financial feasibility of high density development (e.g. high-rise)		Linked to new development above / below specified transportation facilities, project specific rather than on-going.		No	1
Operating Endowment	One time revenues or grants used to create a interest bearing trust fund that contributes to operations.	Generally implemented locally and adequate authority already exists	Varies, but generally private sector / or non-profit entity. Opportunities are relatively limited and highly competitive		Funding availability linked to economy and can be sporadic		No	1
Public-Private Financing (e.g. Commuter / Special Purpose Shuttle Service)	Contractual agreements between a public sector project sponsor and private sector partners to provide transportation services / facilities. Commonplace for toll roads.	Generally implemented locally and adequate authority already exists	Funding responsibilities depends on nature of the agreement but often linked to user fees and nature of the facility being financed.			Once established can be stable	Potentially	2

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	2. Implementation, Administration, & Application: Does it require a new entity?	How is collection, compliance, & enforcement achieved?	Successful examples elsewhere?	What modes are most applicable?	Best for O&M, capital, or both?	Is it readily adaptable to new circumstances?	*Composite Score (0 - 3)*
General Income / Consumption Taxes (including allocation of Federal $s)									
Expanded Payroll Tax	Payroll tax revenues dedicated to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	No	Deducted from pay checks	Yes; TriMet, Lane Transit District, NY MTA	All	Both	Yes	3
Dedicated Sales Tax	Sales tax dedicated to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	No	Point of sale	Yes -- relatively common	All	Both	Yes	3
Dedicated Property Tax	Property tax levy or assessment (residential, commercial, or all) dedicated to transportation.	Adequate authority exists to implement locally but could be expanded Statewide	No	Property Tax bill	Yes; Salem & Rogue Valley transit districts, NY MTA	All	Both	Yes	3
Dedicated Income Tax (local & State)	Increase or re-allocation of income tax to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	No	Income tax	Yes	All	Both	Yes	3
State General Obligation (GO) Bond (e.g. utilizing capacity from retired debt)	*A GO bond dedicated to non-roadway facilities secured by State General Fund revenues. Impact on other GF obligations would be reduced if other GO bonds are soon to be retired.*	*Requires State action / implementation*	*No*	*Tax bill*	*Yes*	*All*	*Both*	*Yes*	*3*
Expanded Lottery Revenue	*Expand State lottery program to generate revenue dedicated to non-roadway transportation. Connect Oregon is already funded through this source*	*Requires State action / implementation*	*No*	*Lottery receipts*	*Yes, Pennsylvania*	*All*	*Both*	*Yes*	*3*
Ballot Measure 66, Lottery Revenues for Parks, Habitat and Watershed Protection (1998)	*Use a portion of the State lottery funds dedicated to the acquisition and development of parks through Ballot Measure 66 (1998) to fund trails for cyclists and pedestrians.*	*Requires State action / implementation*	*No*	*Lottery receipts*	*Already exists but not dedicated to bike / ped.*	*Bicycle and pedestrian*	*Both*	*Potentially*	*3*
Expanded Cigarette Tax	*Cigarette tax revenue for non-roadway transportation. Currently, $0.02 per pack is dedicated by statute to special transportation for senior citizens and people with disabilities. The amount could be increased.*	*Requires State action / implementation*	*No*	*Point of sale*	*Already exists but could be modified / expanded*	*All*	*Both*	*Yes*	*3*
Oregon Growth Account	*Use a portion of the funds in the Oregon Growth Account to invest in non-roadway transportation projects that create jobs and/or spur economic growth.*	*Requires State action / implementation*	*No*	*Lottery receipts*	*Already exists but could be modified / expanded*	*All*	*Both*	*Yes*	*3*
Expanded Use of State Infrastructure Bank (SIB) (aka Multi-model revolving loan fund)	*Provide low cost loan financing to local agencies for non-roadway transportation infrastructure, financing new projects with loan repayment revenues and other sources (initial capital injection required).*	*Requires State action / implementation*	*No*	*Loan terms and documents*	*35 states, including OR, have SIBs but actual use concentrated in only a few (e.g. South Carolina)*	*Best for modes that have revenue stream for repayment*	*Generally used for capital only*	*Yes, private or public entities may apply, loan terms defined by State*	*3*
Capital Gains Infrastructure Tax	Increase or reallocate existing capital gains tax so that revenues are allocated to non-roadway transportation.	Requires State action / implementation	No	Through State tax payments	?	Theoretically, revenues could be used for all modes / purposes. Adaptability would depend on details of enabling legislation.			3
Corporate Tax for SIB	State or local tax on corporate profits dedicated to SIB.	Requires State action / implementation	No	Tax code	?	Same as SIB	Same as SIB	Same as SIB	3
Grant Anticipation Revenue Vehicles (GARVEE Bonds)	State-issued debt financing instrument secured by anticipated future federal aid.	Requires State action / implementation (already authorized but not used)	No	Federal dollars	Yes	?	?	?	3
Real estate transfer Tax	A tax on the sale or transfer of real estate assets (can be both secured and unsecured property).	Adequate authority exists to implement locally but could be expanded Statewide	No	County assessors office upon close of escrow	Yes	All	Both	Yes	3
Reallocation of senior medical tax deductions	*Eliminate senior medical tax deductions and allocate revenues to senior & disabled transit.*	*Requires State action / implementation*	*No*	*Tax code*	*?*	*Senior / disabled transit*	*Both*	*?*	*2*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	2. Implementation, Administration, & Application						
			Does it require a new entity?	How is collection, compliance, & enforcement achieved?	Successful examples elsewhere?	What modes are most applicable?	Best for O&M, capital, or both?	Is it readily adaptable to new circumstances?	***Composite Score (0 - 3)***
__**Activity-based User Fees / Taxes**__									
Modified Gas Tax	Expand or modify State Gas Tax to allow for use on non-roadway transportation facilities.	Requires State action / implementation	No	At point of sale	Yes	Theoretically, revenues could be used for all modes / purposes		Maybe	3
Increase user fares / fees (e.g. fare-box revenue)	Increase existing (or implement new) fares / fees to transportation users.	Generally implemented locally and adequate authority already exists	Generally, no	Can be costly for new systems - typically requires personnel, machinery for collectior and accounting mechanisms -- increased fairs can enforcement issues	Yes	All except bicycle and pedestrian	Typically revenues can't even fully cover operating costs	Yes	2
Electronic toll collection (i.e. bridge)	Set aside a portion of transportation toll revenues to non-roadway modes.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Not for existing toll facilities but new tolls require creation of a tolling authority	Collected through a transmitter installed or the dashboard or windshield of vehicles	San Francisco (MTC), New York (MTA)	Generally revenues support O&M of toll facility, but there are exceptions	Both	Maybe	2
Carbon Fee / Tax	A fee assessed on the distribution, production or use of fossil fuels, designed to reduce emissions.	Requires State action / implementation	May require additional administration	Could be collected at the pump similar to a gas tax.	Yes (British Columbia) but minimal precedent in the US	Revenues could be used for all modes	Both	Maybe	2
HOT Lanes	Charge a fee for single-occupancy vehicles wishing to travel in HOV lanes, and set aside a portion of all of the revenues for non-roadway modes.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Not necessarily	Collected electronically.	Maryland, San Diego's I 95, I-35 in MN	In some cases revenues have been sufficient to cover other projects as well, including transit projects. Can help optimize use of HOV, HOT, and non-tolled lanes, reducing congestion / postponing need for facility expansion			2
Cordon Tolls	A toll charged on vehicles entering a designated area, such as an urban center.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transporation)	May require administration staff, Would be possible to administer using existing technology, but would be difficult and costly to administer in many parts of the State.		Relatively new practice London, England	Theoretically, revenues could be used for all modes / purposes		Unknown	1
Weight-Mile Fees	A fee levied per mile traveled by heavy vehicles within the state.	Requires State action / implementation	No, this fee is already in use in Oregon	Weigh stations	Europe	Theoretically, revenues could be used for all modes / purposes			3
Vehicle Miles Traveled (VMT) Fee	A fee charged per mile traveled on all vehicles within the state, excluding public transit vehicles.	Requires State action / implementation	May require a new entity but collection of the fee could be automated using technology already installed in many vehicles or could be assessed based on periodic odometer readings.		Limited pilot program in Oregon (2006-07); Germany, Switzerland, Austria	Could be assessed for travel in various geographies and vary by vehicle size or emission level.			2
Congestion Pricing	A toll levied at a rate that varies by time of day or congestion level to optimize traffic on the tolled facility.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transporation)	Likely	Although successful examples exist (i.e., London) it would be challenging to administer - tl fee would need to be collected on State and other facilities to ensure that traffic doesn't jus shift to other routes			Theoretically, revenues could be used for all modes / purposes		1
Passenger Facility Charges	Charges assessed by commercial service airports on passengers boarding from the airport.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	No	A common practice but limited to FAA-approved airport-related projects. Per federal law, fees must have a defined start and end date and be tied to a specific project.		Theoretically, revenues could be used for all modes / purposes			3
Facility or ROW Leasing	Leasing portions of physical facilities or ROW to private operators (.e.g. for telecom facilities, solar panels).	Generally implemented locally and adequate authority already exists	No	Voluntary, but terms enforced contractually	Yes; Boston / St. Louis	Theoretically, revenues could be used for all modes / purposes		Yes	3
Terminal Use Fees	Fees charged by airports and sea ports on airplanes or ocean vessels for use of the terminal (typically landing fees or berthing fees).	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	No	Typically either landing or berthing fees (fo air travel and water travel) collected at the time and location of travel	Yes	Generally the primary source of revenue for airports and seaports.	Both	Yes	3

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			Does it require a new entity?	How is collection, compliance, & enforcement achieved?	Successful examples elsewhere?	What modes are most applicable?	Best for O&M, capital, or both?	Is it readily adaptable to new circumstances?	***Composite Score (0 - 3)***
Parking Space Tax	Dedicate revenue from new or increased parking fees, fines, or tax on public and/or private spaces to non-roadway transportation. Amount can be structured as flat rate per parking transaction or ad valorem.	Generally implemented locally and adequate authority already exists	No	Advanced meters now exist that allow easy credit card payment and varying rates on a real time basis (peak demand pricing) overhead is minimal in areas that already have such meters.	Yes; Trimet, Seattle, San Francisco, LA, NY, Chicago, Miami, Pittsburg	Theoretically, revenues could be used for all modes / purposes		Yes - The tax rate can be flat, or adjusted based on time of day or congestion level	3
Business or Employee Based Parking Tax	Tax businesses (e.g. license) or employees (i.e., income) based on # of parking spaces and dedicate revenue to non-roadway transportation.	Generally implemented locally and adequate authority already exists	Potentially	Would need a property database with informaton on parking supply.	Canada and Sweden	Theoretically, revenues could be used for all modes / purposes		Uncertain	1
Targeted Sales Tax	Sales tax on goods and services linked to transportation (e.g. motor vehicle or other transportation parts and equipment).	Adequate authority exists to implement locally but could be expanded Statewide	No	Point of sale	Yes	All	Both	Yes	3
Jet fuel tax / gallon for aviation infrastructure	Oregon already taxes jet fuel at 1¢ / gallon and aviation gas 9¢ / gallon with revenues dedication to GA.	Requires State action / implementation	No	Point of sale	Yes	Focused on GA	Capital	Unknown	3
Tax energy use @ wholesale	Further clarification needed.	Requires State action / implementation			?				
Hotel/Motel Tax (Transient Occupancy or TOT):	*Tax on hotel rooms designated to non-roadway transportation (potentially on out-of-state residents only). 70% of local TOT currently goes to "tourist-related activities but definition could be expanded to include non-roadway transportation and/or totally new surcharge created.*	*Adequate authority exists to implement locally but could be expanded Statewide*	*Not necessarily*	*Easy to administer based on recorded transactions*	*Ponderay, ID (room)*				*3*
Rental Car Tax (tourist specific):	Tax car rentals designated to non-roadway transportation (potentially on out-of-state residents only).	Requires State action / implementation	Not necessarily	Easy to administer based on recorded transactions	Pennsylvania, Seattle, Florida				3
Sequester Funding	*Dedicate a portion of the revenues raised through transportation-related taxes or fees that currently go into the State general fund toward non-roadway transportation.*	*Requires State action / implementation*	*No*	*Existing taxes and fees*	*NA*	*Theoretically, revenues could be used for all modes / purposes*		*Unknown*	*3*
Auto insurance surcharge	An auto-insurance fee dedicated to non-roadway transportation, potentially assessed based on VMT rather than a fixed rate.	Requires State action / implementation	No	Existing auto insurance bill	Yes	Theoretically, revenues could be used for all modes / purposes		Unknown	3
User fee for bikes	*Tax on bicycle operation or purchase dedicated to non-roadway transportation (e.g. bicycle license tax). Potentially voluntary with membership advantages*	*Adequate authority exists to implement locally but could be expanded Statewide*	*Potentially*	*Unknown, may be difficult*	*Successful example in Netherlands, otherwise usage is minimal*	*Bicycles*	*Both*	*Unknown*	*1*
Mobile Source Emission Credits	Credits for reduced emission that can be sold in an emissions trading market (e.g. set up within a transit district). Requires a market (i.e. buyers and sellers) unless revenues are from the State.	Requires State action / implementation	Would likely require a new monitoring entity / structure		Minimal use but LA Metro has one	Theoretically, revenues could be used for all modes / purposes but initially revenues would be needed for administration		Unknown	1
Tax Exempt Private Activity Bonds	State-issued tax-exempt debt financing instrument for transportation infrastructure secured by project revenues (subject to annual limits set by the federal government).	Requires State action / implementation	Yes	Through transportation demand related user fees	Yes (mostly toll roads and ports)	Modes with user fees	Capital	Relatively focused and restricted	1
Expanded Use of Transportation Infrastructure Finance and Innovation Act (TIFIA)	*Federal credit assistance in the form of secured loans, loan guarantees, and lines of credit, for large-scale surface transportation projects.*	*Local agencies can already apply*			*Yes, already available in Oregon for transit*	*Tri-Met may be only Oregon agency with projects that meet size critiria.*	*For capital only*		*2*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	2. Implementation, Administration, & Application: Does it require a new entity?	How is collection, compliance, & enforcement achieved?	Successful examples elsewhere?	What modes are most applicable?	Best for O&M, capital, or both?	Is it readily adaptable to new circumstances?	*Composite Score (0 - 3)*
Administrative Fees / Fines									
Motor Vehicle Registration Fees	A fee charged on vehicle owners at the time of registration.	Requires State action / implementation	No	Collected at the time of registration.	A widespread practice	Theoretically, revenues could be used fo all modes / purposes		Can be structured to vary by vehicle weight or fuel efficiency	3
Driver's License Fees	A one-time fee charged per driver upon issuance of a driver's license.	Requires State action / implementation	No	Easy to collect and difficult to evade.	A widespread practice	Currently used to func Para transit for the elderly and disabled in Oregon	Typically used primarily to cover administrative costs	Would be difficult to modify the fee to encourage behavior such as off-peak travel or transit usage	3
Vehicle Transfer or Sales Taxes	One -time charge per sale or transfer of vehicle, charged as a percentage of the sales price when the vehicle is purchased or registered in the state.	Requires State action / implementation	No	Through change of title	Currently few states (i.e. Minnesota) have a vehicle sales tax dedicated specifically to transportation	Revenues currently accrue to highway fund.	Potentially flexible if diverted to a separate fund	Would be difficult to modify the fee to encourage behavior such as off-peak travel or transit usage	3
Non-license State ID Card Fee	Increase the existing fee for non-diverse license fees.	Requires State action / implementation	No	Through application process	Yes	Flexible	Flexible	?	3
Dedicated traffic violation revenue	Dedicate traffic fine revenues to non-roadway facilities (potentially enhanced using traffic cameras).	Adequate authority exists to implement locally but could be expanded Statewide	No	State / local law enforcement	Yes	Flexible	Flexible	Yes, can benefit from technology	3
Expanded / dedicated Utility or Franchise Fee (e.g. Telecom)	*Add, create, or re-allocate existing fees on certain utilities or franchises (e.g. phone, garbage, cable etc) to non-roadway transportation. Could reflect changes in landline / cell phone usage.*	*Requires State action / implementation*	*Not necessarily*	*Through utility bill*	*Yes*	*Theoretically, revenues could be used for all modes / purposes*		*Yes*	*3*
Value Capture									
Land Value Tax (LVT)	A split-rate tax on properties directly benefiting from (e.g. adjacent to) transportation improvements whereby land and improvements are valued and taxed separately.	Generally implemented locally but State could enhance local authority (e.g. better application to non-roadway transporation)	No	Property Tax bill	Limited in U.S., but examples in several Pennsylvania cities	All	Both	?	2
Tax Increment Financing	A financing tool that uses taxes levied on the increase in property value with a designated "Project Area" (e.g. near transportation facilities).	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Sometimes	Property Tax bill	Yes	All	Mostly capital	Yes	2
Special Assessments (e.g. Transit Benefit Assessment District)	Special charges / taxes on property owners within a defined area that benefits disproportionately from specified transportation services / facilities.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Sometimes	Property Tax bill	Yes	All	Both	Yes	3
Transportation Utility Fee	Fees / charged to property owners or tenants based on the characteristics of the occupying land use.	Generally implemented locally and adequate authority already exists	Sometimes	Included in a property tax bill or separate bill.	Yes (Tualatin, Lake Oswego)	All	Both	Potentially	3
Sponsorships, Advertisements, & Naming Rights	Revenue from "selling" ad space (signage) or naming rights (.e.g., station, stop, or line).	Generally implemented locally and adequate authority already exists	No	Voluntary	New York Subway, Dubai Metro	All	Both	Yes	3
Systems Development Charges (e.g. impact fees)	One time charge to new development in proportion to level of benefit received for specified transportation improvements (e.g. growth related impacts). Currently State only allows for road improvements.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	No	Building permit fees by authorized jurisdiction	Numerous local examples, but few state wide	All	Capital	Yes	2
Railroad Property Tax Reallocation	*Reallocation of current and future property taxes paid by freight railroads from the counties to the State, to be used for freight rail improvements.*	*Requires State action / implementation*	*No*	*Property Tax bill*	*?*	*Rail*	*Mostly capital*	*Depends on legislation*	*3*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	2. Implementation, Administration, & Application						
			Does it require a new entity?	How is collection, compliance, & enforcement achieved?	Successful examples elsewhere?	What modes are most applicable?	Best for O&M, capital, or both?	Is it readily adaptable to new circumstances?	***Composite Score (0 - 3)***
"Through the Fence" Airport operations	*Enable/encourage private businesses located adjacent to publicly-owned general aviation facilities to access and help improve airport infrastructure to foster growth in the aviation industry and economic development in areas surrounding rural airports. PDX would be exempt.*	*Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)*	*No*	*Increase prioritization of GA investment*	*Yes, but subject to restrictions*	*Aviation*	*Both*	*No*	*2*
Rail tax credit	*A corporate investment tax credit for major railroad projects to encourage infrastructure investments by the freight railroads.*	*Requires State action / implementation*	*No*	*Beneficiaries apply*	*?*	*Rail*	*Intended for capital*	*Depends on legislation*	*2*
Business Energy Tax Credit	Renew this tax credit program to those who invest in energy conservation, recycling, renewable energy resources and less-polluting transportation fuels.	Requires State action / implementation (Recently eliminated and replaced by TETC)	No	Beneficiaries apply	Yes	Transit and rail	Both	Yes	3
Joint Participation / P3 / Development Requirements									
Business Improvement District	Special charges / taxes on property owners or tenants within a defined area that benefits from specified transportation services / facilities.	Generally implemented locally and adequate authority already exists	Sometimes	Property Tax or related bill (e.g. lease agreement)	Yes	All	Both	Yes	2
Joint Development (JD)	Private development allowed on transit agency land or ROW in exchange for financial contributions or physical improvements.	Generally implemented locally and adequate authority already exists	No	Enforced through contractual agreement between parties	Yes	Flexible	Generally on-site infrastructure only	Yes	2
Negotiated Exactions	Charges or required contributions (monetary or physical) determined as part of a negotiation between developer an applicable approving agency.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	No	Through local project approval process	A widespread practice	Flexible	Generally on-site infrastructure only	Yes	2
UGB expansion Windfall Tax	*Charge a tax to capture the increases in property values that occur when land is added to the regional Urban Growth Boundary in metro areas. Dedicate a portion or all of the revenues to non-roadway transportation in the region.*	*Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)*	*No*	*Property Tax or related bill once approved*	*Yes*	*Flexible*	*Both*	*Yes*	*2*
"Complete Street" Requirements	Zoning and code level requirements required facilities on new roads (e.g. bus shelters, bicycle paths, pedestrian walkway, etc.).	Generally implemented locally and adequate authority already exists	No	Through local project approval / land use planning process	Yes	Flexible	Generally on-site infrastructure only	Yes	1
Air Rights	Establishment of development rights above (or below) a transportation facility that generates an increment in land value to support facility operations or improvements.	Generally implemented locally and adequate authority already exists	No	Enforced through contractual agreement between parties	Yes	Flexible	Generally on-site infrastructure only	Yes	2
Operating Endowment	One time revenues or grants used to create a interest bearing trust fund that contributes to operations.	Generally implemented locally and adequate authority already exists	No	Voluntary	Yes	Flexible	Flexible	Yes	3
Public-Private Financing (e.g. Commuter / Special Purpose Shuttle Service)	Contractual agreements between a public sector project sponsor and private sector partners to provide transportation services / facilities. Commonplace for toll roads.	Generally implemented locally and adequate authority already exists	Usually	Enforced through contractual agreement between parties	Y (Cascades East Transit)	Flexible but revenues generally dedicated to the facility itself		Yes	1

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	3. Economic Effects How does it affect behavior in target sectors (e.g. ratepayer elasticity)	Are the payers the primary beneficiaries (e.g. nexus)?	Is it progressive, regressive, proportional neutral?	How are effects distributed geographically or by	*Composite Score (0 - 3)*
General Income / Consumption Taxes (including allocation of Federal $s)							
Expanded Payroll Tax	Payroll tax revenues dedicated to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Impact depends on rate but elasticity is relatively low	No	Potentially regressive	Self-employed may be excluded	2
Dedicated Sales Tax	Sales tax dedicated to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Impact on consumers will depend on rate	No	Potentially regressive	Effects retail sector but minimal geographic bias	2
Dedicated Property Tax	Property tax levy or assessment (residential, commercial, or all) dedicated to transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Minimal, but depends on rate and if it's an increase or reallocation	Weak nexus	Relatively proportional	Minimal geographic or sector bias	3
Dedicated Income Tax (local & State)	Increase or re-allocation of income tax to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Impact depends on rate but elasticity is relatively low	No	Potentially progressive	Minimal geographic or sector bias	2
State General Obligation (GO) Bond (e.g. utilizing capacity from retired debt)	*A GO bond dedicated to non-roadway facilities secured by State General Fund revenues. Impact on other GF obligations would be reduced if other GO bonds are soon to be retired.*	*Requires State action / implementation*	*Depends if it requires new taxes or re-allocation of existing*	*No*	*Neutral*	*Minimal geographic or sector bias*	*3*
Expanded Lottery Revenue	*Expand State lottery program to generate revenue dedicated to non-roadway transportation. Connect Oregon is already funded through this source*	*Requires State action / implementation*	*Minimal*	*No*	*Regressive*	*Minimal geographic or sector bias*	*3*
Ballot Measure 66, Lottery Revenues for Parks, Habitat and Watershed Protection (1998)	*Use a portion of the State lottery funds dedicated to the acquisition and development of parks through Ballot Measure 66 (1998) to fund trails for cyclists and pedestrians.*	*Requires State action / implementation*	*Minimal*	*No*	*Neutral since already in place*	*Minimal geographic or sector bias*	*3*
Expanded Cigarette Tax	*Cigarette tax revenue for non-roadway transportation. Currently, $0.02 per pack is dedicated by statute to special transportation for senior citizens and people with disabilities. The amount could be increased.*	*Requires State action / implementation*	*Disincentive to smoke*	*No but there is a public health connection between cigarette taxes public transportation*	*Regressive*	*Not in Oregon*	*2*
Oregon Growth Account	*Use a portion of the funds in the Oregon Growth Account to invest in non-roadway transportation projects that create jobs and/or spur economic growth.*	*Requires State action / implementation*	*Minimal*	*No*	*Neutral since already in place*	*Minimal geographic or sector bias*	*3*
Expanded Use of State Infrastructure Bank (SIB) (aka Multi-model revolving loan fund)	*Provide low cost loan financing to local agencies for non-roadway transportation infrastructure, financing new projects with loan repayment revenues and other sources (initial capital injection required).*	*Requires State action / implementation*	*Economic impacts will depend on repayment mechanism, but generally minimal*			*Minimal geographic or sector bias*	*3*
Capital Gains Infrastructure Tax	Increase or reallocate existing capital gains tax so that revenues are allocated to non-roadway transportation.	Requires State action / implementation	Like other taxes Capital gains rates can affect State's relative economic competitiveness. Currently long-term capital gains in Oregon are taxed at the same rate as regular income (similar to 21 other states).		Progressive	Would depend if targeted to specific sectors.	2
Corporate Tax for SIB	State or local tax on corporate profits dedicated to SIB.	Requires State action / implementation	Corporate taxes can affect State economic competitiveness. Nexus could be strengthened if it targeted businesses that benefit most from improved mobility.		Progressive	Unlikely unless targeted	2
Grant Anticipation Revenue Vehicles (GARVEE Bonds)	State-issued debt financing instrument secured by anticipated future federal aid.	Requires State action / implementation (already authorized but not used)	Minimal	No	Neutral	Minimal geographic or sector bias	3
Real estate transfer Tax	A tax on the sale or transfer of real estate assets (can be both secured and unsecured property).	Adequate authority exists to implement locally but could be expanded Statewide	Limited impact, unless tax is exorbitant	Limited nexus unless targeted geographically	Relatively proportional	May affect real estate industry	2
Reallocation of senior medical tax deductions	*Eliminate senior medical tax deductions and allocate revenues to senior & disabled transit.*	*Requires State action / implementation*	*Unlikely to change tax-payer behaivor*	*Strong nexus*	*Regressive*	*Focused on elderly*	*2*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	3. Economic Effects: How does it affect behavior in target sectors (e.g. ratepayer elasticity)	Are the payers the primary beneficiaries (e.g. nexus)?	Is it progressive, regressive, proportional neutral?	How are effects distributed geographically or by	*Composite Score (0 - 3)*
Activity-based User Fees / Taxes							
Modified Gas Tax	Expand or modify State Gas Tax to allow for use on non-roadway transportation facilities.	Requires State action / implementation	My discourage ridership / mode shift	Only indirectly from reduced congestion since revenues are diverted.	Proportional	Disproportionate impact on drivers and suburbar / rural areas	2
Increase user fares / fees (e.g. fare-box revenue)	Increase existing (or implement new) fares / fees to transportation users.	Generally implemented locally and adequate authority already exists	My discourage ridership / mode shift	Direct nexus	Proportional	Affect commuters and other users of targeted transportation facilities	2
Electronic toll collection (i.e. bridge)	Set aside a portion of transportation toll revenues to non-roadway modes.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	May encourages drivers to shift routes / modes	Yes when revenues go to the upkeep of the tolled facility	Regressive	Affects drivers using the facility	2
Carbon Fee / Tax	A fee assessed on the distribution, production or use of fossil fuels, designed to reduce emissions.	Requires State action / implementation	Depending on rate, could negatively affect modes / sectors utilizing targeted fuels, may also incentivize conservation / innovation		Regressive	Focused on industries utilizing targeted fuel types	1
HOT Lanes	Charge a fee for single-occupancy vehicles wishing to travel in HOV lanes, and set aside a portion of all of the revenues for non-roadway modes.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Since it is voluntary, economic impacts are generally positive	Yes	Progressive	Affects drivers using the facility	3
Cordon Tolls	A toll charged on vehicles entering a designated area, such as an urban center.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transporation)	Could discourage development in tolled areas or encourage businesses to relocate	Yes	Progressive	Geographically focused in targeted areas	2
Weight-Mile Fees	A fee levied per mile traveled by heavy vehicles within the state.	Requires State action / implementation	Small change in in the fee rate woulc be unlikely to drastically change trucl driver behavior	Depends on use of money	Neutral	Focused on goods movement industry	1
Vehicle Miles Traveled (VMT) Fee	A fee charged per mile traveled on all vehicles within the state, excluding public transit vehicles.	Requires State action / implementation	Can be structured to influence traveler choices (route choice, mode choice, time of travel) to make the transportation network more efficient		Proportional	Would most likely apply to all travelers in the state.	2
Congestion Pricing	A toll levied at a rate that varies by time of day or congestion level to optimize traffic on the tolled facility.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transporation)	Targets commuters but may optimize travel on the priced facility and can postpone the need to make costly expansions		Neutral	Probably focused in high traffic areas	2
Passenger Facility Charges	Charges assessed by commercial service airports on passengers boarding from the airport.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Unlikely given the rate is a very smal percentage of fair.	Depends on use of money	Individuals who choose ai travel tend to be in highe income brackets	Focused on air travel	3
Facility or ROW Leasing	Leasing portions of physical facilities or ROW to private operators (.e.g. for telecom facilities, solar panels).	Generally implemented locally and adequate authority already exists	Since it is voluntary, economic impacts are generally positive	Yes	Progressive	Affects sectors leasing facility	3
Terminal Use Fees	Fees charged by airports and sea ports on airplanes or ocean vessels for use of the terminal (typically landing fees or berthing fees).	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Airline prices are highly responsive t inflation, meaning that airlines might have to absorb an increase in the fee rate rather than pass it on to passengers	Depends on use of money	Progressive	Affects port related sectors	2

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	**Brief Description**	**Geographic scope and jurisdictional authority**	**3. Economic Effects** How does it affect behavior in target sectors (e.g. ratepayer elasticity)	Are the payers the primary beneficiaries (e.g. nexus)?	Is it progressive, regressive, proportional neutral?	How are effects distributed geographically or by	***Composite Score (0 - 3)***
Parking Space Tax	Dedicate revenue from new or increased parking fees, fines, or tax on public and/or private spaces to non-roadway transportation. Amount can be structured as flat rate per parking transaction or ad valorem.	Generally implemented locally and adequate authority already exists	Although motorists pay, market rate parking has been shown to improve retail sales through increased turnover and reduce congestion (surveys indicate up to 75% of urban traffic is caused by vehicles seeking on-street parking).		Potentially regressive	Focused on autos and high-transportation demand areas	3
Business or Employee Based Parking Tax	Tax businesses (e.g. license) or employees (i.e., income) based on # of parking spaces and dedicate revenue to non-roadway transportation.	Generally implemented locally and adequate authority already exists	Targets commuters but may encourage alternative modes	Depends on use of money	Proportional	Likely most applicable in areas with parking shortage	2
Targeted Sales Tax	Sales tax on goods and services linked to transportation (e.g. motor vehicle or other transportation parts and equipment).	Adequate authority exists to implement locally but could be expanded Statewide	Impact will depend on goods targeted	Potentially	Potentially regressive	Effects retail sector but minimal geographic bias	2
Jet fuel tax / gallon for aviation infrastructure	Oregon already taxes jet fuel at 1¢ / gallon and aviation gas 9¢ / gallon with revenues dedication to GA.	Requires State action / implementation	My divert jet re-fueling to other States	Yes	Neutral	Focused on GA	2
Tax energy use @ wholesale	Further clarification needed.	Requires State action / implementation					
Hotel/Motel Tax (Transient Occupancy or TOT):	*Tax on hotel rooms designated to non-roadway transportation (potentially on out-of-state residents only). 70% of local TOT currently goes to "tourist-related activities but definition could be expanded to include non-roadway transportation and/or totally new surcharge created.*	*Adequate authority exists to implement locally but could be expanded Statewide*	*My influence tourism depending on rate*	*Marginal nexus depending on rate*	*Primarily focused on tourists and business travelers*		*2*
Rental Car Tax (tourist specific):	Tax car rentals designated to non-roadway transportation (potentially on out-of-state residents only).	Requires State action / implementation	My influence tourism depending on rate	Marginal nexus depending on rate	Primarily focused on tourists and business travelers		2
Sequester Funding	*Dedicate a portion of the revenues raised through transportation-related taxes or fees that currently go into the State general fund toward non-roadway transportation.*	*Requires State action / implementation*	*No impact since it represents a re-allocation of existing taxes*	*No*	*Depends on revenue source, but it is not a new burden*	*Unknown*	*3*
Auto insurance surcharge	An auto-insurance fee dedicated to non-roadway transportation, potentially assessed based on VMT rather than a fixed rate.	Requires State action / implementation	Minimal since auto insurance is required	Only indirectly from reduced congestion since revenues are diverted.	Regressive	Insurance companies / auto owners	2
User fee for bikes	*Tax on bicycle operation or purchase dedicated to non-roadway transportation (e.g. bicycle license tax). Potentially voluntary with membership advantages*	*Adequate authority exists to implement locally but could be expanded Statewide*	*Potential disincentive to bicyclists unless voluntary*	*Yes*	*Neutral*	*Potential affect bicycle retailers / producers*	*2*
Mobile Source Emission Credits	Credits for reduced emission that can be sold in an emissions trading market (e.g. set up within a transit district). Requires a market (i.e. buyers and sellers) unless revenues are from the State.	Requires State action / implementation	Depending on design of program could potentially promote emission reduction innovation. But high emitting industries may be hurt	Strong nexus but would represent a new cost to "high emitters" unless program is voluntary	Neutral	Benefits low emission, potentially at expense of high emission modes	3
Tax Exempt Private Activity Bonds	State-issued tax-exempt debt financing instrument for transportation infrastructure secured by project revenues (subject to annual limits set by the federal government).	Requires State action / implementation	Depends on result of negotiation between willing parties, but generally results in a strong nexus and equitable outcome.			Site / project area specific	3
Expanded Use of Transportation Infrastructure Finance and Innovation Act (TIFIA)	*Federal credit assistance in the form of secured loans, loan guarantees, and lines of credit, for large-scale surface transportation projects.*	*Local agencies can already apply*					*3*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	3. Economic Effects: How does it affect behavior in target sectors (e.g. ratepayer elasticity)	Are the payers the primary beneficiaries (e.g. nexus)?	Is it progressive, regressive, proportional neutral?	How are effects distributed geographically or by	***Composite Score (0 - 3)***
Administrative Fees / Fines							
Motor Vehicle Registration Fees	A fee charged on vehicle owners at the time of registration.	Requires State action / implementation	Minimal impact on ownership rates unless rates are exorbitant	Only indirectly from reduced congestion since revenues are diverted.	Regressive, unless the fee rate varies by vehicle value	Focus on auto-owners	3
Driver's License Fees	A one-time fee charged per driver upon issuance of a driver's license.	Requires State action / implementation	Minimal impact on ownership rates unless rates are exorbitant	Only indirectly from reduced congestion since revenues are diverted.	Regressive (though fees are low enough that no one is impacted very heavily)	Focus on auto-owners	3
Vehicle Transfer or Sales Taxes	One -time charge per sale or transfer of vehicle, charged as a percentage of the sales price when the vehicle is purchased or registered in the state.	Requires State action / implementation	Minimal impact on ownership rates unless rates are exorbitant	Only indirectly from reduced congestion since revenues are diverted.	Somewhat proportional since the tax rate is linked to value of the vehicle	Focus on auto-owners	3
Non-license State ID Card Fee	Increase the existing fee for non-diverse license fees.	Requires State action / implementation	A disincentive to purchasing ID cards which may have economic implications	No	Regressive	Minimal geographic or sector bias	2
Dedicated traffic violation revenue	Dedicate traffic fine revenues to non-roadway facilities (potentially enhanced using traffic cameras).	Adequate authority exists to implement locally but could be expanded Statewide	Potentially reduces undesirable driving patterns / accidents	No	Regressive	Minimal geographic or sector bias	3
Expanded / dedicated Utility or Franchise Fee (e.g. Telecom)	*Add, create, or re-allocate existing fees on certain utilities or franchises (e.g. phone, garbage, cable etc) to non-roadway transportation. Could reflect changes in landline / cell phone usage.*	*Requires State action / implementation*	*Elasticity relatively low depending on rate*	*Week nexus*	*Relatively proportional*	*May affect supply / demand dynamics in targeted sectors*	*2*
Value Capture							
Land Value Tax (LVT)	A split-rate tax on properties directly benefiting from (e.g. adjacent to) transportation improvements whereby land and improvements are valued and taxed separately.	Generally implemented locally but State could enhance local authority (e.g. better application to non-roadway transporation)	Less distortionary than property tax since it doesn't deter new development	Strong nexus	Relatively proportional	Potential geographic bias	3
Tax Increment Financing	A financing tool that uses taxes levied on the increase in property value with a designated "Project Area" (e.g. near transportation facilities).	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Minimal impact since tax rates don't change	Yes	Relatively proportional	Minimal geographic or sector bias	3
Special Assessments (e.g. Transit Benefit Assessment District)	Special charges / taxes on property owners within a defined area that benefits disproportionately from specified transportation services / facilities.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Could affect property values	Strong nexus	Relatively proportional	Potential geographic bias	3
Transportation Utility Fee	Fees / charged to property owners or tenants based on the characteristics of the occupying land use.	Generally implemented locally and adequate authority already exists	Limited impact, unless tax is exorbitant	Very strong nexus since related to actual activity	Relatively proportional	Potential geographic bias	3
Sponsorships, Advertisements, & Naming Rights	Revenue from "selling" ad space (signage) or naming rights (.e.g., station, stop, or line).	Generally implemented locally and adequate authority already exists	Positive because its voluntary	Yes	Neutral	Neutral	3
Systems Development Charges (e.g. impact fees)	One time charge to new development in proportion to level of benefit received for specified transportation improvements (e.g. growth related impacts). Currently State only allows for road improvements.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Could deter development	Strong nexus	Relatively proportional	Developers pay	1
Railroad Property Tax Reallocation	*Reallocation of current and future property taxes paid by freight railroads from the counties to the State, to be used for freight rail improvements.*	*Requires State action / implementation*	*Minimal impact since tax rates don't change*	*Yes*	*Neutral*	*Benefit to rail*	*3*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	3. Economic Effects: How does it affect behavior in target sectors (e.g. ratepayer elasticity)	Are the payers the primary beneficiaries (e.g. nexus)?	Is it progressive, regressive, proportional neutral?	How are effects distributed geographically or by	*Composite Score (0 - 3)*
"Through the Fence" Airport operations	*Enable/encourage private businesses located adjacent to publicly-owned general aviation facilities to access and help improve airport infrastructure to foster growth in the aviation industry and economic development in areas surrounding rural airports. PDX would be exempt.*	*Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)*	*Incentivizes GA related investment*	*Yes*	*Neutral*	*Benefit to GA*	*3*
Rail tax credit	*A corporate investment tax credit for major railroad projects to encourage infrastructure investments by the freight railroads.*	*Requires State action / implementation*	*Positive impact on rail*	*No*	*Neutral*	*Benefit to rail*	*3*
Business Energy Tax Credit	Renew this tax credit program to those who invest in energy conservation, recycling, renewable energy resources and less-polluting transportation fuels.	Requires State action / implementation (Recently eliminated and replaced by TETC)	Incentivizes investment in applicable modes	No	Neutral	Neutral	3
Joint Participation / P3 / Development Requirements							
Business Improvement District	Special charges / taxes on property owners or tenants within a defined area that benefits from specified transportation services / facilities.	Generally implemented locally and adequate authority already exists	Could affect property values	Strong nexus	Relatively proportional	Focused on geography that approves mechanism	3
Joint Development (JD)	Private development allowed on transit agency land or ROW in exchange for financial contributions or physical improvements.	Generally implemented locally and adequate authority already exists	Depends on result of negotiation between willing parties, but generally results in a strong nexus and equitable outcome.			Site / project area specific	3
Negotiated Exactions	Charges or required contributions (monetary or physical) determined as part of a negotiation between developer an applicable approving agency.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Depends on result of negotiation between willing parties, but generally results in a strong nexus and equitable outcome.			Site / project area specific	3
UGB expansion Windfall Tax	*Charge a tax to capture the increases in property values that occur when land is added to the regional Urban Growth Boundary in metro areas. Dedicate a portion or all of the revenues to non-roadway transportation in the region.*	*Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)*	*Could affect property values*	*Strong nexus*	*Relatively proportional*	*Focused on geography that approves mechanism*	*3*
"Complete Street" Requirements	Zoning and code level requirements required facilities on new roads (e.g. bus shelters, bicycle paths, pedestrian walkway, etc.).	Generally implemented locally and adequate authority already exists	May increase development costs, but potentially reduce O&M, and costs can be recovered property value.		Neutral	Effects are site / project specific	2
Air Rights	Establishment of development rights above (or below) a transportation facility that generates an increment in land value to support facility operations or improvements.	Generally implemented locally and adequate authority already exists	Depends on result of negotiation between willing parties, but generally results in a strong nexus and equitable outcome.			Effects are site / project specific	2
Operating Endowment	One time revenues or grants used to create a interest bearing trust fund that contributes to operations.	Generally implemented locally and adequate authority already exists	Economic impacts are negligible since participation is usually voluntary	Potentially	Progressive	Effects are usually site / project specific	3
Public-Private Financing (e.g. Commuter / Special Purpose Shuttle Service)	Contractual agreements between a public sector project sponsor and private sector partners to provide transportation services / facilities. Commonplace for toll roads.	Generally implemented locally and adequate authority already exists	Economic impacts are negligible since participation is usually voluntary	Potentially	Depends on resulting fees	Effects are usually site / project specific	3

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	4. Political Feasibility					
			What is the jurisdictional and geographic scope?	Does it require popular vote? Representative vote? Administrative action?	Does it require constitutional change?	Are their key interest group (s) / "champion(s)" in place?	Available information or stakeholder and/or public support (e.g. polling data)?	***Composite Score (0 - 3)***
General Income / Consumption Taxes (including allocation of Federal $s)								
Expanded Payroll Tax	Payroll tax revenues dedicated to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Flexible	Approval through budget process	No	Anti-taxation groups likely to oppose	?	1
Dedicated Sales Tax	Sales tax dedicated to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Flexible	Popular vote	No	Anti-taxation groups likely to oppose	?	0
Dedicated Property Tax	Property tax levy or assessment (residential, commercial, or all) dedicated to transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Flexible	Approval through budget process	No	Property owners may oppose	?	1
Dedicated Income Tax (local & State)	Increase or re-allocation of income tax to non-roadway transportation.	Adequate authority exists to implement locally but could be expanded Statewide	Flexible	Approval through budget process	No	Anti-taxation groups likely to oppose	?	1
State General Obligation (GO) Bond (e.g. utilizing capacity from retired debt)	*A GO bond dedicated to non-roadway facilities secured by State General Fund revenues. Impact on other GF obligations would be reduced if other GO bonds are soon to be retired.*	*Requires State action / implementation*	*State*	*Approval through budget process*	*No*	*Unknown*	*?*	*2*
Expanded Lottery Revenue	*Expand State lottery program to generate revenue dedicated to non-roadway transportation. Connect Oregon is already funded through this source*	*Requires State action / implementation*	*State*	*Approval by Legislature*	*No*	*Opponents of lottery*	*?*	*3*
Ballot Measure 66, Lottery Revenues for Parks, Habitat and Watershed Protection (1998)	*Use a portion of the State lottery funds dedicated to the acquisition and development of parks through Ballot Measure 66 (1998) to fund trails for cyclists and pedestrians.*	*Requires State action / implementation*	*State*	*Likely approval by Legislature, potential voter approval if revenues are restricted to bike / ped.*	*Yes*	*Bicycle and pedestrian advocates*	*?*	*3*
Expanded Cigarette Tax	*Cigarette tax revenue for non-roadway transportation. Currently, $0.02 per pack is dedicated by statute to special transportation for senior citizens and people with disabilities. The amount could be increased.*	*Requires State action / implementation*	*Flexible*	*Approval through budget process*	*No*	*Anti-tax groups successfully opposed last effort to raise.*		*2*
Oregon Growth Account	*Use a portion of the funds in the Oregon Growth Account to invest in non-roadway transportation projects that create jobs and/or spur economic growth.*	*Requires State action / implementation*	*State*	*Already authorized but underfunded. Would require approval through budget process.*	*No*	*Unknown*	*?*	*2*
Expanded Use of State Infrastructure Bank (SIB) (aka Multi-model revolving loan fund)	*Provide low cost loan financing to local agencies for non-roadway transportation infrastructure, financing new projects with loan repayment revenues and other sources (initial capital injection required).*	*Requires State action / implementation*	*Project by project*	*Administrative action only although additional seed money may need budget approval*	*No*	*?*	*?*	*3*
Capital Gains Infrastructure Tax	Increase or reallocate existing capital gains tax so that revenues are allocated to non-roadway transportation.	Requires State action / implementation	State	Would likely approval by Legislature through budget process.	No	Anti-taxation groups likely to oppose, especially in a net increase is proposed	?	1
Corporate Tax for SIB	State or local tax on corporate profits dedicated to SIB.	Requires State action / implementation	State-wide or local	Approval through budget process	No	Likely to be opposed by corporate interests	?	1
Grant Anticipation Revenue Vehicles (GARVEE Bonds)	State-issued debt financing instrument secured by anticipated future federal aid.	Requires State action / implementation (already authorized but not used)	?	Administrative	No	Unknown	?	3
Real estate transfer Tax	A tax on the sale or transfer of real estate assets (can be both secured and unsecured property).	Adequate authority exists to implement locally but could be expanded Statewide	Flexible	Approval through budget process	No	Real estate brokers may oppose	?	2
Reallocation of senior medical tax deductions	*Eliminate senior medical tax deductions and allocate revenues to senior & disabled transit.*	*Requires State action / implementation*	*State*	*Approval through budget process*	*No*	*Seniors with medicall expenses may oppose, some transit groups support*	*?*	*1*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	4. Political Feasibility					
			What is the jurisdictional and geographic scope?	Does it require popular vote? Representative vote? Administrative action?	Does it require constitutional change?	Are their key interest group (s) / "champion(s)" in place?	Available information or stakeholder and/or public support (e.g. polling data)?	***Composite Score (0 - 3)***
Activity-based User Fees / Taxes								
Modified Gas Tax	Expand or modify State Gas Tax to allow for use on non-roadway transportation facilities.	Requires State action / implementation	State	Would require a change in the constitution		Yes, representatives of auto industry and drivers will oppose		0
Increase user fares / fees (e.g. fare-box revenue)	Increase existing (or implement new) fares / fees to transportation users.	Generally implemented locally and adequate authority already exists	Enacted by transit/rail authorities	No	No	Yes (non-roadway transportation providers / users)	?	2
Electronic toll collection (i.e. bridge)	Set aside a portion of transportation toll revenues to non-roadway modes.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	State	FHWA approval required on facilities that have received federal funds. Tolling State-funded facilities for non-roadway use would likely require constitutional change		?	?	0
Carbon Fee / Tax	A fee assessed on the distribution, production or use of fossil fuels, designed to reduce emissions.	Requires State action / implementation	Would likely be statewide	Approval by State legislature	Maybe	Potential stakeholders on both sides	?	1
HOT Lanes	Charge a fee for single-occupancy vehicles wishing to travel in HOV lanes, and set aside a portion of all of the revenues for non-roadway modes.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Transit agencies can covert existing HOV to HOT lanes, but they generally must b separated from other lanes by a barrier, which can be costly. Conversion may be legally impossible if FTA funds were used on the original HOV lanes. Non-roadway use would require constitutional change			Potential stakeholders on both sides	?	0
Cordon Tolls	A toll charged on vehicles entering a designated area, such as an urban center.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transporation)	Local	Would require approval by elected officials in targeted areas.	Likely somewhat challenging since there isn't much of a precedent for this in the US	Not yet because it is not currently being considered in Oregon	?	1
Weight-Mile Fees	A fee levied per mile traveled by heavy vehicles within the state.	Requires State action / implementation	Statewide	Use for non-roadway would probably require constitutional change		Strongly opposed by the trucking industry	?	0
Vehicle Miles Traveled (VMT) Fee	A fee charged per mile traveled on all vehicles within the state, excluding public transit vehicles.	Requires State action / implementation	The fee could be targeted at travel within specific regions.	Use for non-roadway would probably require constitutional change		May faces significant public opposition due to privacy concerns and costs		0
Congestion Pricing	A toll levied at a rate that varies by time of day or congestion level to optimize traffic on the tolled facility.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transporation)	Would likely focus on major, regional facilities and thus require approval by same. Use for non-roadway would require constitutional change.		Maybe	Would likely face strong political resistance		0
Passenger Facility Charges	Charges assessed by commercial service airports on passengers boarding from the airport.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Air passengers traveling through the specific airport	Easy to implement via an application process through FAA. But only the Congress can increase the fee rate		Airlines are resistant to these charges since travel demand is very sensitive to price		2
Facility or ROW Leasing	Leasing portions of physical facilities or ROW to private operators (.e.g. for telecom facilities, solar panels).	Generally implemented locally and adequate authority already exists	Site / facility specific	Under State law utilities can use State or County ROW free of charge. Fees on roadway ROW need to be dedicated.		?	?	0
Terminal Use Fees	Fees charged by airports and sea ports on airplanes or ocean vessels for use of the terminal (typically landing fees or berthing fees).	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Flexible	Fee rates are controlled by facility operators and can generally be increased outside the political arena.		Port facilities may oppose if revenue is reallocated to other modes		2

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	4. Political Feasibility: What is the jurisdictional and geographic scope?	Does it require popular vote? Representative vote? Administrative action?	Does it require constitutional change?	Are their key interest group (s) / "champion(s)" in place?	Available information or stakeholder and/or public support (e.g. polling data)?	*Composite Score (0 - 3)*
Parking Space Tax	Dedicate revenue from new or increased parking fees, fines, or tax on public and/or private spaces to non-roadway transportation. Amount can be structured as flat rate per parking transaction or ad valorem.	Generally implemented locally and adequate authority already exists	Typically enacted at the municipal level	Would likely require approval by local officials.	No	Can meet with resistance from local businesses, but transit advocates support	?	2
Business or Employee Based Parking Tax	Tax businesses (e.g. license) or employees (i.e., income) based on # of parking spaces and dedicate revenue to non-roadway transportation.	Generally implemented locally and adequate authority already exists	Typically enacted at the municipal level	Would likely require approval by local officials.	No	Can meet with resistance from local businesses, but transit advocates support	?	2
Targeted Sales Tax	Sales tax on goods and services linked to transportation (e.g. motor vehicle or other transportation parts and equipment).	Adequate authority exists to implement locally but could be expanded Statewide	Flexible	Popular vote	Maybe	Anti-taxation groups likely to oppose	?	1
Jet fuel tax / gallon for aviation infrastructure	Oregon already taxes jet fuel at 1¢ / gallon and aviation gas 9¢ / gallon with revenues dedication to GA.	Requires State action / implementation	State-wide	State approval	No	GA, but may support of revenues are dedicated.		2
Tax energy use @ wholesale	Further clarification needed.	Requires State action / implementation						
Hotel/Motel Tax (Transient Occupancy or TOT):	*Tax on hotel rooms designated to non-roadway transportation (potentially on out-of-state residents only). 70% of local TOT currently goes to "tourist-related activities but definition could be expanded to include non-roadway transportation and/or totally new surcharge created.*	*Adequate authority exists to implement locally but could be expanded Statewide*	*State-wide or local*	*Approval by local (or State) elected officials*	*No*	*Visitor and tourism industry may oppose*		*2*
Rental Car Tax (tourist specific):	Tax car rentals designated to non-roadway transportation (potentially on out-of-state residents only).	Requires State action / implementation	State-wide	Approval by local (or State) elected officials	Use for non-roadway may require constitutional change	Visitor and tourism industry may oppose		0
Sequester Funding	*Dedicate a portion of the revenues raised through transportation-related taxes or fees that currently go into the State general fund toward non-roadway transportation.*	*Requires State action / implementation*	*State*	*Likely approval by State legislature*	*No*	*Potential opposition from advocates of programs currently receiving revenue*		*2*
Auto insurance surcharge	An auto-insurance fee dedicated to non-roadway transportation, potentially assessed based on VMT rather than a fixed rate.	Requires State action / implementation	Auto insurance is regulated at State level	Likely approval by State legislature. Taxes above the Stat statutory minimum ($25K liability) may be eligible for non-roadway.		Likely opposition form insurance companies	?	2
User fee for bikes	*Tax on bicycle operation or purchase dedicated to non-roadway transportation (e.g. bicycle license tax). Potentially voluntary with membership advantages*	*Adequate authority exists to implement locally but could be expanded Statewide*	*State-wide or local*	*Approval by local (or State) elected officials*	*No*	*Bicycle advocates may oppose unless voluntary and membership advantages*	*?*	*1*
Mobile Source Emission Credits	Credits for reduced emission that can be sold in an emissions trading market (e.g. set up within a transit district). Requires a market (i.e. buyers and sellers) unless revenues are from the State.	Requires State action / implementation	State-wide	Likely approval by State legislature	Potentially	Potential stakeholders on both sides	?	3
Tax Exempt Private Activity Bonds	State-issued tax-exempt debt financing instrument for transportation infrastructure secured by project revenues (subject to annual limits set by the federal government).	Requires State action / implementation	State authority on project by project basis	State has existing authority to pursue without a vote		Minimal opposition since it's voluntary	?	3
Expanded Use of Transportation Infrastructure Finance and Innovation Act (TIFIA)	*Federal credit assistance in the form of secured loans, loan guarantees, and lines of credit, for large-scale surface transportation projects.*	*Local agencies can already apply*	*State-wide*	*State approval*			*A bill was taken to House with no success*	*3*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*"

			4. Political Feasibility					
Funding / Financing Source or Mechanism by Category	**Brief Description**	**Geographic scope and jurisdictional authority**	What is the jurisdictional and geographic scope?	Does it require popular vote? Representative vote? Administrative action?	Does it require constitutional change?	Are their key interest group (s) / "champion(s)" in place?	Available information or stakeholder and/or public support (e.g. polling data)?	***Composite Score (0 - 3)***
Administrative Fees / Fines								
Motor Vehicle Registration Fees	A fee charged on vehicle owners at the time of registration.	Requires State action / implementation	Statewide	Likely a vote of some sort, use for non-roadway would require constitutional change.		Strong advocates likely on both sides	And increasing the fee substantially would likely be unpopular	0
Driver's License Fees	A one-time fee charged per driver upon issuance of a driver's license.	Requires State action / implementation	Statewide	Likely a vote of some sort, use for non-roadway would require constitutional change.		Strong advocates likely on both sides	And increasing the fee substantially would likely be unpopular	0
Vehicle Transfer or Sales Taxes	One -time charge per sale or transfer of vehicle, charged as a percentage of the sales price when the vehicle is purchased or registered in the state.	Requires State action / implementation	Statewide	Likely a vote of some sort, use for non-roadway would require constitutional change.		Strong advocates likely on both sides	Potentially unpopular since OR doesn't have a sales tax	0
Non-license State ID Card Fee	Increase the existing fee for non-diverse license fees.	Requires State action / implementation	Statewide	Administrative	No	Potential concern over regressivity	?	2
Dedicated traffic violation revenue	Dedicate traffic fine revenues to non-roadway facilities (potentially enhanced using traffic cameras).	Adequate authority exists to implement locally but could be expanded Statewide	Flexible	Administrative but currently these revenues stay in the Court system.	Maybe	Potential backlash from drivers if fines are too high		1
Expanded / dedicated Utility or Franchise Fee (e.g. Telecom)	*Add, create, or re-allocate existing fees on certain utilities or franchises (e.g. phone, garbage, cable etc) to non-roadway transportation. Could reflect changes in landline / cell phone usage.*	*Requires State action / implementation*	*Only cities can levy franchise fees in Oregon*	*Would require approval by local jurisdictions. Revenue from roadway ROW is dedicated.*		*Affected utilities are likely to oppose and have challenged previous efforts*		*2*
Value Capture								
Land Value Tax (LVT)	A split-rate tax on properties directly benefiting from (e.g. adjacent to) transportation improvements whereby land and improvements are valued and taxed separately.	Generally implemented locally but State could enhance local authority (e.g. better application to non-roadway transporation)	Flexible	Approval through budget process	No	Targeted property owners may oppose	?	2
Tax Increment Financing	A financing tool that uses taxes levied on the increase in property value with a designated "Project Area" (e.g. near transportation facilities).	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Mostly local	Approved by local (or State) elected officials	No	Potential concerns related to imminent domain	?	2
Special Assessments (e.g. Transit Benefit Assessment District)	Special charges / taxes on property owners within a defined area that benefits disproportionately from specified transportation services / facilities.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Mostly local	Approved by local (or State) elected officials / property owners	No	Targeted developers / property owners may oppose	?	2
Transportation Utility Fee	Fees / charged to property owners or tenants based on the characteristics of the occupying land use.	Generally implemented locally and adequate authority already exists	Local	Since it is not a property tax, may not require public vote	No	Targeted developers / property owners may oppose	?	2
Sponsorships, Advertisements, & Naming Rights	Revenue from "selling" ad space (signage) or naming rights (.e.g., station, stop, or line).	Generally implemented locally and adequate authority already exists	Local	No	No	Potential sponsors and operators	?	3
Systems Development Charges (e.g. impact fees)	One time charge to new development in proportion to level of benefit received for specified transportation improvements (e.g. growth related impacts). Currently State only allows for road improvements.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Mostly local	Approved locally but State law would need to be modified to include non-roadway	No	Targeted developers / property owners may oppose	?	1
Railroad Property Tax Reallocation	*Reallocation of current and future property taxes paid by freight railroads from the counties to the State, to be used for freight rail improvements.*	*Requires State action / implementation*	*State*	*Approval by State legislature*	*No*	*Rail likely to support / counties may oppose. Recommended by Rail Funding Task Force as a backfill.*	*?*	*2*

Oregon Non-Roadway Funding & Financing Options Evaluation Matrix (*italicized options are "prioritize*

Funding / Financing Source or Mechanism by Category	Brief Description	Geographic scope and jurisdictional authority	4. Political Feasibility: What is the jurisdictional and geographic scope?	Does it require popular vote? Representative vote? Administrative action?	Does it require constitutional change?	Are their key interest group (s) / "champion(s)" in place?	Available information or stakeholder and/or public support (e.g. polling data)?	*Composite Score (0 - 3)*
"Through the Fence" Airport operations	*Enable/encourage private businesses located adjacent to publicly-owned general aviation facilities to access and help improve airport infrastructure to foster growth in the aviation industry and economic development in areas surrounding rural airports. PDX would be exempt.*	*Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)*	*Local / site specific*	*May require change in FAA regulations in some cases*	*No*	*General Aviation*	*?*	*3*
Rail tax credit	*A corporate investment tax credit for major railroad projects to encourage infrastructure investments by the freight railroads.*	*Requires State action / implementation*	*Statewide*	*Approval through budget process*	*No*	*Rail likely to support -- recommended byu Rail Funding Task Force*	*?*	*3*
Business Energy Tax Credit	Renew this tax credit program to those who invest in energy conservation, recycling, renewable energy resources and less-polluting transportation fuels.	Requires State action / implementation (Recently eliminated and replaced by TETC)	State	Approval by State legislature through budget process	No	Transit likely to support but budget hawks might oppose	?	2
Joint Participation / P3 / Development Requirements								
Business Improvement District	Special charges / taxes on property owners or tenants within a defined area that benefits from specified transportation services / facilities.	Generally implemented locally and adequate authority already exists	Mostly local	Generally requires voter approval from participating property owners	No	Targeted developers / property owners may oppose	?	3
Joint Development (JD)	Private development allowed on transit agency land or ROW in exchange for financial contributions or physical improvements.	Generally implemented locally and adequate authority already exists	Project by project	Most transportation agencies have existing authorization		Minimal opposition since it's voluntary	?	3
Negotiated Exactions	Charges or required contributions (monetary or physical) determined as part of a negotiation between developer an applicable approving agency.	Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)	Most agencies have existing authority, provided proposed land use isn't already allowed. Generally it is an attractive means of securing needed infrastructure in high growth areas and where a jurisdictions' fiscal capacity is limited					3
UGB expansion Windfall Tax	*Charge a tax to capture the increases in property values that occur when land is added to the regional Urban Growth Boundary in metro areas. Dedicate a portion or all of the revenues to non-roadway transportation in the region.*	*Generally implemented locally but State may enhance local authority (e.g. better application to non-roadway transportation)*	*Mostly local*	*May require approval by local jurisdiction in targeted areas.*	*No*	*Targeted property owners may oppose*	*?*	*2*
"Complete Street" Requirements	Zoning and code level requirements required facilities on new roads (e.g. bus shelters, bicycle paths, pedestrian walkway, etc.).	Generally implemented locally and adequate authority already exists	Mostly local	May require approval by respective local jurisdictions	My require update to local planning codes	Targeted property owners may oppose	?	2
Air Rights	Establishment of development rights above (or below) a transportation facility that generates an increment in land value to support facility operations or improvements.	Generally implemented locally and adequate authority already exists	Project by project	Most transportation agencies have existing authorization but need to comply with local zoning		Potential opposition from neighborhood groups opposed to density or aesthetic affects (e.g. views)		3
Operating Endowment	One time revenues or grants used to create a interest bearing trust fund that contributes to operations.	Generally implemented locally and adequate authority already exists	Varies	No	No	Varies	?	3
Public-Private Financing (e.g. Commuter / Special Purpose Shuttle Service)	Contractual agreements between a public sector project sponsor and private sector partners to provide transportation services / facilities. Commonplace for toll roads.	Generally implemented locally and adequate authority already exists	Varies	Potentially	Unlikely	Varies	?	3

Appendix C:

Non-Roadway Investment Need and Funding Gap Analysis

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Appendix C: Non-Roadway Investment Need and Funding Gap Analysis

The 2008 Vision Committee reported on investment needs for all modes of transportation. The report was based on the Transportation Needs Analysis conducted for the 2006 Update of the Oregon Transportation Plan (OTP). The OTP Needs Analysis was completed in 2005.

The OTP Needs Analysis is based on the concept of "feasible needs." This reflected a desire to produce a plan that was based on reasonable/feasible assumptions and analysis, rather than full needs of an optimal system.

"Feasible needs" refer to a level of funding that maintains a system in slightly better condition than it is today.

- Replaces infrastructure and equipment on a reasonable life cycle
- Brings facilities up to a standard
- Adds capacity in a reasonable way

The data supporting the OTP Needs Analysis was gathered in 2004-2005 from best available sources. This included:

- Modal plans (example: State Highway Plan)
- Capital improvement plans/Transportation System Plans
- Master plans
- Current (2004) expenditures

For some modes (e.g., maritime, rail, pipeline), the OTP Needs Analysis defined "feasible needs" narrowly because information was not available at the time, the mode was primarily in private ownership, or the level of economic activity was low.

The key point about the OTP Needs Analysis concept of "feasible needs" is that "feasible needs" represents investments sufficient to improve conditions somewhat. For some modes, "feasible needs" and the Needs Analysis estimate of the annual gap between resources and "feasible needs" may have been larger had better information been available. Nevertheless, the estimated gap between resources and feasible needs was large, implying that there are many opportunities to invest in non-roadway transportation.

The Assessment indicates that the gap remains large, especially in light of more recent studies and information.

Summary of 2005-2030 Modal Needs and Growth Forecasts
(Average 2004 dollars in millions) –
Note: Footnote numbers match adopted OTP for consistency

Mode	Forecasted Annual Growth Rate	Current Annual Expenditures	Annual Average Feasible Needs	Annual Gap
Air Freight and Passenger[1]	2.62% - freight tons 2.40% - passengers			
Portland International Airport[2]		$44.4	$115.3	$70.9
Major Modernization[3]		$13.9	$15.1	$1.2
Other Airports – Modernization and Preservation[4]		$10.7	$47.4	$36.7
Intermodal Connectors[5]	1.35% - total hwy travel	N/A	$11.3	N/A
Local Roads and Bridges[6]	Reflects state highway program and public transportation growth rates	$718	$1,000 - $1,200	$282 - $482
Natural Gas/Petroleum Pipelines[7]		N/A	N/A	N/A
Ports and Waterways[8]	0.97% - deep draft freight 0.29%- shallow draft freight	$51.3	$56.2	$4.9
Public Transportation[9]	3.16% - ridership	$510	$812	$302
Rail Freight and Passenger[10]	1.83% - freight tons 3.60% - passengers			

[1] Needs forecast address capital needs at Oregon's 101 public-use airports.

[2] Needs based on Portland International Airport Master Plan alternative.

[3] Needs identified for eight airports other than Portland International Airport where growth is expected to exceed capacity.

[4] Needs based on 2000 Oregon Aviation Plan and individual airport master plans.

[5] NHS Intermodal Connectors are located in Astoria, Boardman, Coos Bay/North Bend, Eugene, Medford and Portland.

[6] The county funding gap may grow because of a drop in federal forest funding. This drop may be as high as $90 million a year for county roads as early as FY 2007-08. The Association of Oregon Counties' 2006 County Road Needs Report finds the counties' current annual expenditures at $377 million, with an additional average annual funding need of $433 million a year for the next five years, increasing annually over the 25-year timeframe.

[7] Pipelines are primarily private facilities with no cost information available.

[8] Needs forecast address 9 port districts that have economic activity associated with waterborne commerce.

[9] Feasible needs are consistent with Oregon Public Transportation Plan Level 3 recommendation to increase ridership in accordance with service delivery plans.

Mode	Forecasted Annual Growth Rate	Current Annual Expenditures	Annual Average Feasible Needs	Annual Gap
Private Rail Facilities		more than $6.7	$18.8	N/A
Passenger Rail[11]		$4.8	$9 - $57	$4.2 - $52.2
Safety Programs		$1.6		
State Highway-Related Programs[12]	1.35% - total hwy travel 1.35% - pass. hwy travel 1.40% - freight hwy travel	$786.5	$1,277.5	$490.9
Transportation Options Program		$2.8	$3.6	$0.8
Total	**N/A**	**$2.2 billion**	**$3.4 - 3.6 billion**	**$1.2 - 1.4 billion**

The Assessment of Non-Roadway Investment Needs is intended to provide context for the discussion of ways to finance investment in non-roadway transportation and operations. It is a review of the OTP Needs Analysis to determine if investments continue to be needed to improve the conditions of Oregon's transportation system and if the estimate the annual gap made in 2005 continues to be relevant in light of more recent work concerning the transportation system and changing conditions during the last six years. The review:

- Updated the OTP Needs Analysis estimate of the annual gap between resources and investment needs from 2004 dollars to 2012 dollars. It will take about $1.20 in 2012 to purchase what $1.00 purchased in 2004, even at the low rates of inflation that have been experience recently. The factor used is 1.2049.
- Reflected on planning work and studies completed since the OTP Needs Analysis was completed in 2005.
- Identified changes made since 2005 that have improved conditions or made more resources available to the modes and those made that have made conditions worse or reduced resources.

The Assessment is not an update of the 2005 OTP Needs Analysis. There was not sufficient time or resources to conduct a comprehensive review of multimodal capital and operating investment needs across the transportation modes.

Lists of non-roadway projects were not developed for the Assessment.

[10] Only public expenditures are available. Needs are inclusive of both public and private facilities. Freight rail needs include capital costs for rehabilitation and enhancements of short line, mainline and some on-site rail facilities at ports.

[11] Number includes capital and operating costs for increased service. A range of costs is given since multiple proposals currently exist.

[12] Includes state bicycle and pedestrian program. See OTP Table 2 for additional information. Specific program expenditures and needs are available in OTP Technical Appendix 2.

Aviation

Mode	Forecasted Annual Growth Rate	Annual Expenditures (2004 $)	Annual Average Feasible Needs (2004 $)	Annual Gap (2004 $)	Annual Gap (2012 $)
Air Freight and Passenger	2.62% - freight tons 2.40% - passengers				
Portland International Airport		$44.4	$115.3	$70.9	$85.4
Major Modernization		$13.9	$15.1	$1.2	$1.4
Other Airports – Modernization and Preservation		$10.7	$47.4	$36.7	$44.2

The OTP Needs Analysis was based on the 2000 Aviation Plan which covered 101 public use airports and the 2000 PDX Master Plan among other sources.

More recent information is now available in the Aviation System Plan update, completed in 2007, after OTP adoption. The 2007 Plan reviews needs at 97 public use airports currently in operation. The 2007 Plan does not quantify investment needs by making dollar estimates for investments that should be made in Oregon's aviation system. For instance, the 2007 Aviation System Plan:

- Identifies 2 commercial use airports (Salem McNary Field and Southwest Oregon Regional Airport) as not having minimum 6,000 foot runways.
- Identifies 4 regional general aviation airports as not having minimum 4,000 foot runways.
- Identifies 2 regional general aviation airports as not having minimum 75 foot wide runways.

The OTP Needs Analysis estimates for the 2004 level of modernization and preservation expenditures appears low. On average the Federal Aviation Administration spends more than $25 million on federally funded airports. Current spending may be as much as $10 million higher when airports that do not qualify for federal funding are taken into account.

The 2010 PDX Master Plan anticipates lower growth in air freight (1.6 percent per year) than was anticipated in 2000 and about the same level of growth in air passenger volumes (2.3 percent per year). The 2010 PDX Master Plan also reports higher levels of resources and investment needs, but a smaller annual gap, $31.4 million per year.

The 2011-2015 National Plan of Integrated Airport Systems (NPIAS) indicates a national increase of 22% in spending need for reconstruction projects. The rise reflects an increase in reconstruction costs for all categories of airports.

Increased costs associated with Oregon airports' requirement to meet current FAA design standards. Design and technological advances are lead to larger faster aircraft. Most airports, designed 50+ years ago, were not designed to meet the operational and safety standards of today's modern aircraft; therefore, investments are necessary.

A review of average annual FAA expenditures against needs indicates that expenditures have not risen over the inflationary rate of demand.

Within Oregon, the rising cost of aviation fuel and changes in commercial airline operations have lead to recent declines in available fuel tax income for state funded programs related to pavement.

Bicycle and Pedestrian Needs

Mode	Forecasted Annual Growth Rate	Annual Expenditures (2004 $)	Annual Average Feasible Needs (2004 $)	Annual Gap (2004 $)	Annual Gap (2012 $)
Bicycle / Pedestrian Programs					
ODOT Bicycle and Pedestrian Programs • Sidewalks Needs • ADA Ramp Needs • Pedestrian Crossing Needs		$3.5	$9.9	$6.5	$7.8
City/County Sidewalk Programs		*	*	*	*
City/County Bike Programs		*	*	*	*
State Trails Program		N/A	N/A	N/A	N/A

Bicycle/Pedestrian estimates were reported as components of state, county and city roadway needs in the 2004-2005 OTP Needs Analysis.

Information in the OTP Needs Analysis indicated that spending on Bicycle and Pedestrian improvements was about 2 percent (about $5.3 million) of annual county and city capital improvement spending.

The OTP Needs Analysis estimates for the ODOT program were based on review of bicycle and pedestrian facilities along 525 miles of urban state highway. This included estimates of the cost of meeting American with Disabilities Act requirements.

There are more resources available for bike/ped improvements. The Oregon Transportation Commission made additional flexible federal funds available for bicycle and pedestrian improvements and public transportation, pursuant to the Jobs and Transportation Act. The federal money can be used to pay for bicycle and pedestrian improvements that are not within a road or street right-of-way.

However, the gap between the resources available for Bicycle and Pedestrian investment and opportunities may be significantly higher than estimated in the OTP Needs Analysis.

The 2010 Road and Street Survey indicates that county and city spending on bicycle and pedestrian improvements is about 4 percent (about $11.7 million) of annual capital improvement spending.

One gauge of today's level of feasible needs is the amount by which application for grant funds exceed the level of funds available:

- Applications for the last two biennial cycles of ODOT bike/ped grants were $37.4 million for the $5 million in available state funds. This implies an annual funding gap of about $16 million. 70-80 percent of applicants are for county and city, rather than state, bike/ped improvements.
- Applications processes for federally-funded programs (Transportation Enhancement, Safe Routes to Schools, Flexible Funds) over several years indicate that there is a $15 million annual funding gap.
- Oregon State Parks and Rec. typically receives $3.5 million in applications for the $1.5 million available for its Recreational Trail Program … implying about a $1 million annual funding gap.

ODOT is updating the inventory of sidewalks, bike lanes, ADA ramps, and pedestrian crossings on its facilities and the cost estimates for upgrades. While the work is not complete, the gap between resources and estimate is likely to be higher than $7.8 million (2012 $) per year estimated by the OTP Needs Analysis. Two point illustrate why the number is likely to be higher:

- The OTP Needs Analysis reviewed bicycle and pedestrian facilities along 525 miles of urban highway in 2004-5; the current work is reviewing needs along more miles of urban highway.
- The Needs Analysis estimated that installing the curb cuts and ramps required to meet Americans with Disabilities Act (ADA) requirements where there were none would cost about $2.5 million in total. The more recent work indicates that meeting ADA requirements would cost $35 million in total, including more ramps and replacing ramps installed earlier that do not meet current ADA standards.

Maritime Ports

Mode	Forecasted Annual Growth Rate	Annual Expenditures (2004 $)	Annual Average Feasible Needs (2004 $)	Annual Gap (2004 $)	Annual Gap (2012 $)
Ports and Waterways	0.97% - deep draft freight 0.29%- shallow draft freight	$51.3	$56.2	$4.9	$5.9

OTP Needs Analysis surveyed nine ports that move freight through marine terminals. The $51.3 million in estimated annual spending was primarily funded by federal money with a small amount of money from bonds. The Needs estimates based on average annual expenditures by Corps of Engineers for maintenance dredging, roadway access to and within ports, jetty and channel maintenance and the Columbia River Channel Deepening Project.

The OTP Needs included a gap of about $5 million per year associated with the Columbia River channel deepening project. The channel deepening project is now complete.

There have been more resources made available for Port marine projects since the OTP Needs Analysis was completed. Port projects have been competitive and approved for funding in the *Connect*Oregon program. Port marine projects have requested a total of $88.4 million in three cycles of *Connect*Oregon funding and received $48.7 million grants and loans approved to date.

The OTP Needs estimated about $46 million in total over the 2005-2030 timeframe for jetty repair. This included $19 million for repair of the jetties at the mouth of Columbia River was; a $21 million project is underway. The Army Corps of Engineers is developing a long term rehabilitation project for the jetties; project costs could be as much as $500 million or about $20 million per year over 25 years. Fortunately, maintenance and reconstruction of the Columbia River jetties is a federal responsibility. The ACOE report on the Columbia River Jetties will be completed in 2012.

According to the 2010 Strategic Business Plan for Oregon's Ports completed by Oregon Business Development Department, the economic downturn has worsened the overall financial situation of most of the ports. Most of the ports are tapping cash reserves to fund operations, often with less than six months of reserves. Many ports have substantial deferred maintenance and infrastructure improvement projects for a number of years because of lack of income. Differed maintenance is a current concern and will likely become a greater financial issue for Oregon's smaller, coastal ports.

In 2010 the combined port identified infrastructure projects listed in ports' capital facility plans exceed $500 million and navigation channel deepening and dredging exceeds $400 million. These needs include jetty repair, marine facilities rehabilitation, dredging, and cargo dock reconstruction projects. This estimate does not include the new Columbia River Jetty needs in the draft report form ACOE.

The 2010 Strategic Business Plan for Oregon's Ports may be found at: http://www.orinfrastructure.org/assets/docs/IFA/2010PortPlan.pdf.

The Port of Portland dredging need is now about $1.5 million annually. This will go up when the West Hayden Island site is brought online.

The Port of Portland estimates that its terminal improvement needs are $22.3 million per year. Based on its five year capital improvement programs, the Port has $17.7 million in resources, leaving a gap of about $4.5. The Port also estimates $10 million for an unfunded Willamette River Channel deepening project.

Public Transportation and Transportation Options

Mode	Forecasted Annual Growth Rate	Annual Expenditures (2004 $)	Annual Average Feasible Needs (2004 $)	Annual Gap (2004 $)	Annual Gap (2012 $)
Public Transportation	3.16% - ridership	$510	$812	$302	$363.9
Transportation Options Program		$2.8	$3.6	$0.8	$1.0

The OTP Needs Analysis projected that public transit service and ridership would grow at a rate that matches the growth in population. Feasible needs for transit operations and capital investment (construction and vehicles for replacement and fleet expansion) were estimated to achieve a level of about 42 trips per capita. For reference, the base data for the OTP Needs Analysis was about 32.9 riders per capita.

Transportation Options are the programs that promote transit, carpooling/rideshare, bicycling and walking. They are an element of the management of the transportation system to reduce the hours of travel delay and improve air quality.

The Oregon Transportation Commission is making more flexible federal funds available to Oregon's transit systems as well as bicycle and pedestrian improvements, pursuant to the Jobs and Transportation Act. The federal money can be used to finance transit capital (vehicle purchases, construction), vehicle preventative maintenance and contracted services for people with disabilities, but not pay day-to-day operating expenses.

ODOT, Public Transit often receives grant applications that exceed the funds available. Larger transit systems may request three bus replacement purchases for every one that can be funded. Smaller systems typically request twice the amount that is available although their applications are constrained by their ability to provide local matching funds.

The OTP Needs Analysis assumed a constant relationship between cost and revenue, that is cost and revenue would change in the same direction and rate.

The economic downturn hit Oregon's transit systems' revenue hard. TriMet, Salem Transit, Lane Transit and Rogue Valley Transportation District have increased fares, cut routes and reduced service hours. The Salem-Keizer urban area no longer has bus service on Saturday. Data from 2009 indicates that transit ridership is about 32.4 rides per capita, declining slightly from the timeframe reviewed by the OTP Needs Analysis.

Oregon transit systems were using the Business Energy Tax Credit (BETC) to fund transit services and pass-purchase programs. This amounted to about $13.5 million (2009) and $11.6 million (2010). The 2011 Legislative restructuring of BETC is phasing out transit's use of BETC.

Cost has risen while revenue declined: (from a 2008 survey of providers)

- Fuel cost have risen at 5 times the CPI for rural service providers and 8 times the CPI for urban service providers.
- Urban providers experienced an 11 percent increase in the cost of special service required to meet Americans with Disabilities Act standards.
- Operating cost has increased 3 times the CPI for both rural and urban service providers.
- Cigarette tax revenue to the Elderly and Disabled Special Transportation Fund continue a slow decline

Rail Freight and Rail Passenger

Mode	Forecasted Annual Growth Rate	Annual Expenditures (2004 $)	Annual Average Feasible Needs (2004 $)	Annual Gap (2004 $)	Annual Gap (2012 $)
Rail Freight and Passenger	1.83% - freight tons 3.60% - passengers				
Private Rail Facilities		more than $6.7	$18.8	N/A	N/A
Passenger Rail		$4.8	$9 - $57	$4.2 - $52.2	$5.1-62.9
Safety Programs		$1.6			

Oregon's Class I railroads (Burlington Northern/Santa Fe and Union Pacific) are privately owned as are most of Oregon's short line railroads. The OTP Needs Analysis did not have information about the then current level of expenditures. The Needs Analysis determined feasible needs to be about $18.8 million over 25 years based on a survey of 16 short line railroads. Feasible needs taken into account for the OTP Needs Analysis included track replacement to carry modern 286,000 pound railcars, bridge replacement to the heavier rail cars, expanding tunnel clearance for double-stack containers, "Portland Triangle" improvements, and rail access to ports.

More current and comprehensive information is now available for rail system needs. Information from the 2006 OTP was based on the 2001 Oregon Rail Plan and several analysis reports from 2003.

Since that time the state has engaged in several efforts to further evaluate rail funding needs and operating challenges, including the 2010 Oregon Rail Study and the Oregon Rail Funding Task Force Final Recommendations reported in December 2011.

Latest information from the Oregon Rail Funding Task Force estimates rail needs to be $57 million to $182 million annually (summarized categories are shown below).

- $32 million to $120 million annually (20 years) for Freight Rail Capital
- $23 million to $58 million annually (20 years) for Passenger Rail Capital
- $2 million to $4 million annually (5 years) for Passenger Rail Operations

While there are many freight rail investment needs, it is not the State's responsibility to fund them entirely. The vast majority of the freight rail system is privately owned and operated. The freight railroads, especially the larger ones, invest heavily in their networks. However, since moving goods by rail has positive impacts on quality of life issues, including reduced pollution, congestion, highway costs, fuel consumption, improved safety, and economic growth, there is a role for the State to play in leveraging the improvements to meet Oregon's transportation, livability, and economic goals.

Since private railroads no longer offer passenger rail service, its existence is solely dependant on public funding.

Negotiations between Oregon, Washington and Amtrak to operate the Amtrak Cascades service between Portland and Eugene are ongoing. More recent annual cost estimates for passenger rail operations are $5 million to $7 million.

Revenue from sales of custom license plates was designated to pay operating cost of the Amtrak Cascades passenger rail service in 2007 and reduce the General Fund for that purpose. The plate fee was increased in 2009. However, custom plate sales have declined and revenues are less than anticipated.

Non-Roadway Investment Needs Summary

Mode	Forecasted Annual Growth Rate	Annual Expenditures (2004 $)	Annual Average Feasible Needs (2004 $)	Annual Gap (2004 $)	Annual Gap (2012 $)
Non-Roadway Needs	N/A	$646.2 million	$1,077.4 - $1,125.4 million	$420.7 - $468.7 million	$506.9 - $564.7 million

In summary, OTP Needs Analysis estimated that the shortfall in resources over the 2005-2030 timeframe would be $421 million to $468 million in 2004 constant dollars. If this estimate is only adjusted for inflation since 2004, the amount of the shortfall would be $507 million to $565 million per year in 2012 constant dollars:

While new resources, like *Connect*Oregon and flexible federal funds, have been made available for non-roadway transportation, it appears that the 2005 OTP Needs Analysis significantly under-estimates investment needs in all areas.

Studies conducted more recently and ongoing work indicate that investment needs in Aviation, Bicycle/Pedestrian, Ports, Public Transportation, and Rail Freight and Rail Passenger are much higher than estimated in the OTP Needs Analysis based on more recent modal plans, studies, and indications from applications. In addition, the economic downturn has affected Oregon ports, increasing deferred maintenance and the backlog of capital investments needed to support their economic development role and public transportation, resulting in higher fares and service cuts and leading to lower ridership on a per capita basis.

Other and Roadway Investment Needs

Mode	Forecasted Annual Growth Rate	Annual Expenditures (2004 $)	Annual Average Feasible Needs (2004 $)	Annual Gap (2004 $)	Annual Gap (2012 $)
Natural Gas and Petroleum Pipelines		N/A	N/A	N/A	N/A

Natural Gas and Petroleum Pipelines are privately owned. Improvements are financed with private capital funds.

Mode	Forecasted Annual Growth Rate	Annual Expenditures (2004 $)	Annual Average Feasible Needs (2004 $)	Annual Gap (2004 $)	Annual Gap (2012 $)
Natural Gas and Petroleum Pipelines		N/A	N/A	N/A	N/A
Roadway-Related Needs					
Intermodal Connectors	1.35% - total hwy travel	N/A	$11.3	N/A	N/A
Local Roads and Bridges	Reflects state highway program and public transportation growth rates	$718	$1,000 - $1,200	$282 - $482	$339.9 – 580.8
State Highway-Related Programs	1.35% - total hwy travel 1.35% - pass. hwy travel 1.40% - freight hwy travel	$786.5	$1,277.5	$490.9	$591.5

The information concerning roadway needs is provided for comparison to non-roadway needs.

OTP Needs Analysis addressed the roadway related portion of Intermodal Connectors. The cost associated with intermodal connectors to ports (roadways within a port, air and rail links) was covered as part of the aviation, marine port and rail needs.

The totals for Local Roads and Bridges and the State Highway Program included estimates for investments in bicycle and pedestrian programs. As a result, there is some double counting because the estimates were not deducted from the Roadway related totals.

Updating the gap estimated in the OTP Needs Analysis to take inflation into account would increase the amount to $330.9 million to $580.8 million (2012 dollars). As for non-roadway investment needs, the OTP Needs Analysis may significantly understate the needs. The Association of Oregon Counties did a five year (2007-2011) review of the county road programs in 2006. The report estimated that the resources available annually ($395.4 million) were less than half of the amount needed ($828.4 million) to maintain and improve the condition of county roads. A similar 2007 report by the League of Oregon Cities characterized city streets as a neglected asset. While not providing statewide estimates for the shortfall for all aspects of city street programs, the League's report estimated that city resources available for street maintenance was about $40 million per year short of the amount needed to adequately maintain streets.

The department's most recent report to the Oregon Transportation Commission on the condition of the state highway system indicates that conditions are worsening. The Oregon Transportation Investment Act temporarily improved bridge conditions, but did not provide additional resources over the long term to maintain the level of effort. Rather, debt service for OTIA III bonds will reduce the resources available for the state Bridge Program. ODOT has resources to re-pave less than half of the miles of state highway that it should to maintain pavement conditions. Over time, state highway pavements will be rougher, have more potholes, cost more to maintain and, most importantly, cost much more to rebuild to good condition.

Congress has not re-authorization the federal highway and transit programs. These federal programs invest well over half a billion dollars in Oregon highway and transit projects each year. However, the funding level for the federal highway and transit

programs is nationally about $15 billion more per year than the Highway Trust Fund is taking in.

When the Trust Fund's balances are exhausted (2012 or 2013), Congress must either find additional revenue or cut funding for highway and transit projects significantly. Given the current fiscal and political situation, transferring additional general fund resources into the Highway Trust Fund (which has already been done three times totaling nearly $35 billion) could be difficult, and increasing the fuels tax in the face of high gas prices is not considered particularly feasible.

If Congress does not find additional resources for the transportation program, highway program funding will have to be cut by about one third, and transit program funding will have to be cut by about 40 percent. This would result in Oregon's annual federal highway program funding falling by $150 million to $175 million.

The American Recovery and Reinvestment Act (ARRA) made one-time investments state, county and city road programs.

The 2009 Jobs and Transportation Act provides a $300 million per year increase in highway and road related funding. It also targeted $960.3 million in bond-financed modernization projects around the state.

The volume of traffic on state highways, vehicle miles traveled, is not growing at the 1.35 percent annual rate anticipated in the OTP Needs Analysis. Total VMT on state highways in 2009 (19.8 billion miles of travel) was less than the 1999 level (20.3 billion miles of travel).

Transportation Needs Summary Needs

Total	**N/A**	**$2.2 billion**	**$3.4 - 3.6 billion**	**$1.2 - 1.4 Billion**	**$1.4 - $1.7 billion**

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APPENDIX D:

Detailed Working Group Survey Results

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	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
1. Expanded Payroll Tax / / / Payroll tax revenues dedicated to non-roadway transportation.						
	10	**9**	**10**	**4**	**2**	**2.0**

All transit districts in the state should be given the option to levy a payroll tax.

Already available to TriMet and Lane transit, competes with their authority

I believe a payroll tax may be viable if there is agreement between all parties on equitable fund distribution, since the majority of the revenue will be generated in urban/urbanized areas with high numbers of employers and jobs.

I don't think this is politically feasible

I prefer not to tax positive indicators such as payroll, rather expenses.

Individuals and families below the poverty line should be exempt from expanded payroll taxes. Any new payroll taxes should ensure progressivity by adjusting personal exemptions, standard deductions, credits, tax rates, and brackets, and indexing them for inflation. Social Security cash benefits should be exempt, at least to the extent that they are exempt under the federal income tax. Double taxation should be avoided by allowing residents who pay taxes to other states to receive credit for it.

State Rep (local) support likely low

2. Dedicated Sales Tax / / / Sales tax dedicated to non-roadway transportation.						
	9	**7**	**14**	**3**	**2**	**2.2**

General state and local sales taxes are regressive and as such should not be the first choice for increasing tax revenues where they already exist. Furthermore, the use of sales tax for transportation should require that the benefits received by low-income households outweigh the regressive nature of the tax. Sales tax should be used to fund transportation projects only after a thorough exploration of alternative funding options, including an expansion of the sales tax base and release of state gas-tax dollars for public transportation. Gas-tax revenue, as well as general funds, should be made available to support transportation alternatives, including but not limited to public transportation, ride-share programs, and pedestrian and bicycle infrastructure.

I don't see a nexus.

I don't see Oregonians voting for this anytime soon

Many states successfully utilize this option, and Oregon should not be afraid to explore it.

Not likely to pass in this environment. Should remain a long term suggestion

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

Our state absolutely needs a sales tax. It would be worthwhile to reduce payroll tax for sales tax.

Primary luxury or non-necessity goods should be subject to tax, eliminating food and groceries.

until the economy turns around, this option is not viable.

Voters are clear about no sales tax

3. Dedicated Property Tax / / Property tax levy or assessment (residential, commercial, or all) dedica...

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
	13	**11**	**7**	**2**	**2**	**1.8**

Any property tax measure should consider the ability to pay burdens and have in place circuit breakers (i.e., a property tax relief program that targets greater tax relief to lower-income households). Another funding option may be a property tax on vehicles, which exists in some states. Applying the tax to the assessed value of the vehicle may make this funding mechanism less regressive than applying it to the weight of the vehicle. A circuit breaker program could also be applied to this tax. Unlike a vehicle registration fee, this tax is deductible for federal income tax purposes, which would decrease the cost of a dollar of revenue to Oregon taxpayers.

Difficult given over reliance statewide, but is always an option for local agencies in particular

Many cities have done this or are considering it. Measures 5 and 50 come into play. There are restrictions on operating levies (compression, etc.)

Not as ideal as sales tax, but perhaps more poltically feasible.

property taxes are already way too high in this state.

Re-allocation of existing property tax, dedicating some to non-roadway transportation.

Something along the lines of a transportation utility fee would make more sense than a property tax.

This may make sense for passenger rail projects, but it should be a special district.

4. Dedicated Income Tax (local state) / / Increase or re-allocation of income tax to non-roadway trans...

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
	9	**7**	**12**	**5**	**2**	**2.1**

I don't see a nexus.

Individuals and families below the poverty line should be exempt from income tax increases. Any new taxes should ensure progressivity by adjusting personal exemptions, standard deductions, credits, tax

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

rates, and brackets, and indexing them for inflation. Social Security cash benefits should be exempt, at least to the extent that they are exempt under the federal income tax. Double taxation should be avoided by allowing residents who pay taxes to other states to receive credit for it. While income tax revenue for transportation addresses concerns over equity concerns over â€œability to payâ€ , there is no relationship between the tax paid and use of the transportation system. Thus, policy makers would not be able to address system efficiency and environmental goals using this form of taxation.

same comment as 3

State only, not local. We don't need to increase the competition for funds between state and local agencies.

Use the reallocation option

5. State General Obligation (GO) Bond (e.g. utilizing capacity from retired debt) / / A GO bond dedica...

17	**7**	**4**	**5**	**1**	**1.5**

6. Expanded Lottery Revenue / / Expand State lottery program to generate revenue dedicated to non-road...

24	**3**	**2**	**4**	**1**	**1.2**

Freight mobility projects are economic development projects. This is a good fit with the intended purpose of the lottery.

It may be too late. Lottery revenue is now being used as the "backfill bucket" for a number of state programs, all of which somehow ended up with critical links to economic development. Lottery revenue should be primarily focused on infrastructure -- with transportation investments and improvements as a priority -- that will support private-sector job growth.

Sure let's gamble

7. Measure 66 / / Use a portion of the State lottery funds dedicated to the acquisition and developmen...

23	**0**	**9**	**1**	**1**	**1.6**

I believe that park advocates actually support this, talk to Nature Conservancy, as walking and cycling are the top recreation activities and would increase exposure to parks and open space.

Measure 66 dollars are already fully allocated for important purposes.

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

8. Expanded Cigarette Tax / / Cigarette tax revenues generated to non-roadway transportation.

	9	**4**	**18**	**2**	**3**	**2.3**

A small and shrink tax base.

Excise taxes on tobacco and alcohol should at least keep pace with inflation. Levying them on an ad valorem basis (i.e., on the value of the purchase) rather than a per unit basis would automatically adjust them for inflation. Ideally the revenue from increases in excise taxes on alcohol and tobacco should be used to help fund public health or other programs targeted to the population negatively affected by consumption of tobacco and alcohol products.

I don't see a nexus.

Is there a connection here?

no logical nexus

Poor correlation.

Tied to trails.

9. Oregon Growth Account / / Use a portion of the funds in the Oregon Growth Account to invest in non-...

	16	**4**	**5**	**8**	**1**	**1.6**

Mainstreet economic development includes incubation of reinvestmet in storefronts and small businesses incubation

10. State Infrastructure Bank (SIB) (aka multi-model revolving loan fund) / / Provide low cost loan fi...

	23	**2**	**2**	**6**	**1**	**1.2**

Loans can only be part of the solution - does not represent a funding source in and of itself

may have a niche role but this does not produce new revenues

Must be capitalized with General Fund, Lottery Funds, etc.. must steer clear of State Highway Funds due to constitutional disciplines

The AARP Policy Book outlines our policy in this area. In brief, infrastructure banks should be structured to ensure merit-based project selection using criteria such as promotion of economic growth, reduction in traffic congestion, environmental benefits, smart-growth land-use policies, and mobility improvements.

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

Decisions made through infrastructure bank and public-private partnership structures should be transparent. Public assets should not be sold to raise revenue for short-term gain if the sale would sacrifice valuable and efficient capital resources that serve important national and regional purposes and would harm the common interests of present and future generations. See additional policy on AARP Policy book pages 3-17 and 9-71.

There is almost no demand for loans for freight projects.

11. Capital Gains Infrastructure Tax / / Increase or reallocate existing capital gains tax so that rev...

	8	**4**	**13**	**8**	**3**	**2.2**

How are they allocated now? In other words what are we taking funds away from in order to fund this?

taxation of capital gain and dividend income should be progressive

12. Corporate Tax for SIB / / State or local tax on corporate profits dedicated to SIB.

	8	**3**	**12**	**10**	**3**	**2.2**

I don't see a nexus.

Not in this environment

13. Grant Anticipation Revenue Vehicles (GARVEE Bonds) / / State-issued debt financing instrument secu...

	9	**6**	**8**	**10**	**2**	**2.0**

Again, not a real revenue source, but could be a tool that would help

Appears exceptionally risky to finance based on assuming what the federal government will do in the future.

Do we know there are grants available, is this something that happens regularly considering the current economic and US legislative situation?

There does not appear to be much optimism for increased federal revenue for the next five + years.

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
14. Real Estate Transfer Tax / / A tax on the sale or transfer of real estate assets (can be both secu...						
	9	**9**	**12**	**3**	**2**	**2.1**

Given the current real estate market, adding taxes or fees on transfers could further stifle the current, struggling market.

I don't see a nexus.

15. Reallocation of Senior Medical Tax Deductions / / Eliminate senior medical tax deductions and allo...						
	9	**7**	**10**	**7**	**2**	**2.0**

I think this is a really tough sell to the seniors.

Provided the deduction is

Reallocation of Senior Medical Tax Deductions Comments: AARP Public Policy does not specific such specific earmarking of revenues. Our approach is to convert the existing SMD to a tax credit, set a reasonable cap and dedicate saved revenues towards overall Seniors & People with Disabilities services, with priority given to areas in which dollars can leverage additional dollars (e.g., match dollars).

16. Modified Gas Tax / / Expand or modify State Gas Tax to allow for use on non-roadway transportation...						
	15	**5**	**11**	**2**	**2**	**1.9**

curent gas prices may make this prohibitive

Expand or modify State Gas Tax to allow for use on non-roadway transportation facilities.

I think its time again to take this on once the economy improves somewhat, maybe 2014 or 2016 general elections

Not much puclic sentiment to change roadway funding (State trooper issue most recent example - and probably more compelling.)

The flexibility in this option allows us to take advantage of tools Oregon is developing, like VMT and least cost planning, congestion pricing and others. Those other tools work best if we have flexibility in the gas

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

tax.

The gas tax and weight-mile tax should be considered simultaneously because they're linked by cost allocation.

This must happen, but not very likely near term. Attitudes might start changing if gas prices skyrocket next 2-3 years.

This would surely be defeated in a referendum if it managed to be approved by the legislature.

17. Electronic Toll Collection (e.g. bridge) / / Set aside a portion of transportation toll revenues t...						
	14	**9**	**6**	**4**	**2**	**1.7**

Constitutional challenge is likely...

May want to be limited to the same corridor

States should rely on user fees only when they bear a direct relationship to the services received. Charges should take into account the limited ability of low-income people to afford necessary services. States should consider requiring developers to bear their fair share of development costs by funding infrastructure improvements, paying impact fees, or contributing to housing construction.

This is a good idea, but tolling is far in the future.

This is a good idea, but tolls on bridges have their own political issues and should be implemented, and should not be weighed down by this if politically unpopular

Tolling the Columbia Crossing bridge component is going to generate much discussion of this topic, and, possibly, better public understanding of overall multimodal system funding needs.

18. Carbon Fee / Tax / / A fee assessed on the distribution, production or use of fossil fuels, design...						
	11	**9**	**11**	**2**	**2**	**2.0**

A worthy idea, but too unlikely for this group to come to any meaningful conclusion.

Constitutional challenge is likely, this is simply another name for a gasoline tax

Policies such as a carbon tax or a cap-and-trade system that would increase energy-related and other prices must include measures to compensate for regional differences in energy costs and must adequately protect low-income consumers. Potential safeguards could include increased federal funding of energy assistance and weatherization programs or reductions in other taxes.

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

See comment on gas tax

19. HOT Lanes / / Charge a fee for single-occupancy vehicles wishing to travel in HOV lanes, and set a...

	14	**6**	**11**	**2**	**2**	**1.9**

Not a likely source in Oregon

This is a good idea, but the logistics don't make sense in Oregon until we have more HOV lanes.

20. Cordon Toll / / A toll charged on vehicles entering a designated area, such as an urban center. Pl...

	7	**9**	**14**	**3**	**2**	**2.2**

I see this as a 10 or 15 year strategy, could cause negative effects on future development patterns contrary to land use objectives

This is a good idea, but tolling is out in the future.

21. Weight-Mile Fees / / A fee levied per mile traveled by heavy vehicles within the state. Please not...

	11	**7**	**11**	**4**	**2**	**2.0**

Is there a nexus?

Like others above, any tax that implies a change to the Constitutional Highway Fund dedication will receive well funded, well organized opposition. This violates the spirit of what Gov. Kitzhaber sqaid this committee was going to focus upon?

Should be limited to freight assisting projects...

The gas tax and weight-mile tax should be considered simultaneously because they're linked by cost allocation.

Weight-Mile Fees should take into account actual cost of highway including right-of-way value.

22. Vehicle Miles Traveled (VMT) Fee / / A fee charged per mile traveled on all vehicles within the st...

	13	**10**	**8**	**2**	**2**	**1.8**

I beleive this is too hard to do.

Again, per gas tax comment, may be time to wrap all this together in a ballot measure in 2014 or 2016?

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

This should absolutely happen when we switch to a VMT fee, but that's a little ways into the future.

This should be a high priority to consider replacing the gas tax.

This should begin to replace gas tax.

23. Congestion Pricing / / A toll levied at a rate that varies by time of day or congestion level to o...

12	**9**	**8**	**4**	**2**	**1.9**

This is a good idea, but tolling is out in the future.

This is a good idea, but congestion pricing has its own political issues and should be implemented, and should not be weighed down by this if politically unpopular

24. Passenger Facility Charges / / Charges assessed by commercial service airports on passengers board...

11	**6**	**9**	**7**	**2**	**1.9**

No nexus except for airport enhancement.

For airport improvements only though

Should only be used for airports.

Airport fees should stay attached to airports

User fees should not unfairly burden low-income people or unduly limit access to public services.

25. Terminal Use Fees / / Fees charged by airports and sea ports on airplanes or ocean vessels for use...

12	**8**	**9**	**4**	**2**	**1.9**

No nexus except for airport enhancement.

Again, for airports only

Should only be used for mode collected from - need to be careful to keep Oregon facilities competitive.

26. Targeted Sales Tax / / Sales tax on goods and services linked to transportation (e.g. motor vehicl...

11	**5**	**14**	**3**	**2**	**2.1**

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

I think this is a timely idea   Would need to be limited in scope

Although state and local sales taxes are major revenue raisers, they are regressive, and raising them should not be the first choice for increasing tax revenues where they already exist. Legislators should minimize the impact of sales taxes on low-income people

27. Jet Fuel Tax/gallon for Aviation Infrastructure / / Oregon already taxes jet fuel at 1Â¢/gallon, an...

15	**6**	**8**	**4**	**1**	**1.8**

No nexus except for airport enhancement.

For airport use only

28. Hotel / Motel or Rental Car Tax (tourist specific) / / Tax on hotel rooms and/or car rentals desig...

16	**5**	**9**	**3**	**1**	**1.8**

Additional state-wide tax only. Or a state imposed tax targeted to those areas where non-roadway attractions are predominant.

Key site in Oregon, PRX, is already taxed by Multnomah County

What are teh existing taxes and what do they cover. If it taxes in state residents, it punishes in state residents who rent cars.

Possible small increase.

29. Sequester Funding / / Dedicate a portion of the revenues raised through transportation-related tax...

18	**2**	**6**	**7**	**1**	**1.5**

This is new revenue for non-roadway transportation, but not new revenue overall, so it's just taking from one important need to feed another.

Going to be pollitically difficult to achieve.

30. Auto Insurance Surcharge / / An automobile insurance fee dedicated to non-roadway transportation,...

10	**6**	**9**	**8**	**2**	**2.0**

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

Regressive if not based on VMT

31. User Fee for Bikes / / Tax on bicycle operation or purchase dedicated to non-roadway transportatio...

	18	**3**	**8**	**4**	**1**	**1.7**

Costs to run would be more than income generated.

Has been shown to not pay for itself. How about sales tax on bicycle equipment.

Oregon Legislative Fiscal Office analyzed this issue in the 2007 Legislature in HB 3008 and determined it would cost more to administer than it would return in revenue. There is very little money here, we would require a great deal more information to move forward with this as a legitimate finance option.

Should do all we can to encourage carbon free transport options

Tax on purchase is fine, on use is insignificant.

The costs to administer such a fee would outweigh the revenues.

This is long over due

32. Mobile Source Emission Credits / / Credits for reduced emission that can be sold in an emissions t...

	7	**8**	**12**	**6**	**2**	**2.2**

No estabilished mechanism.

33. Tax Exempt Private Activity Bonds / / State-issued tax-exempt debt financing instrument for transp...

	14	**3**	**3**	**13**	**1**	**1.5**

Again, loans not a new source of money

34. Transportation Infrastructure Finance and Innovation Act (TIFIA)Federal credit assistance in the...

	20	**2**	**3**	**8**	**1**	**1.3**

Very oversubscribed at the federal level, best for very large projectz

Is this new money?

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

How do we pay it back?

Low demand for loans for freight rail projects.

Funding threshold likely an issue

35. Motor Vehicle Registration Fees / / A fee charged on vehicle owners at the time of registration. P...

13	**7**	**13**	**0**	**2**	**2.0**

If non-roadway, register non-roadway users.

Fees could fall relatively heavily on lower-income people.

36. Driver's License Fees / / A one-time fee charged per driver upon issuance of a driver's license. P...

13	**6**	**12**	**2**	**2**	**2.0**

If non-roadway, register non-roadway users.

37. Vehicle Transfer or Sales Taxes / / One -time charge per sale or transfer of vehicle, charged as a...

14	**4**	**13**	**2**	**2**	**2.0**

If non-roadway, register non-roadway users.

38. Non-License State ID Card Fee / / Increase the existing fee for non-diverse license fees.

13	**3**	**10**	**7**	**1.5**	**1.9**

Issue an ID card for non-roadway users.

Would be logical to dedicate this money to transit.

How much revenue is projected?

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
39. Dedicated Traffic Violation Revenue / / Dedicate traffic fine revenues to non-roadway facilities (...	**12**	**6**	**10**	**5**	**2**	**1.9**

for safety projects and programs only

May need to raise fines to offset loss to courts, others

If these revenues currently cover the costs of policing then this would simply raid one fund to pay for another need.

40. Expanded / Dedicated Utility or Franchise Fee (e.g. Telecom) / / Add, create, or re-allocate exist...	**11**	**4**	**13**	**5**	**2**	**2.1**

I think phone taxes are in need of a major overhaul. In conjunction with that, there may be some opportunity

No nexus.

Fees should bear a direct relationship to the services received. Charges should take into account the limited ability of low-income people to afford necessary services.

41. Land Value Tax (LVT) / / A split-rate tax on properties directly benefiting from (e.g. adjacent to...	**10**	**5**	**10**	**8**	**2**	**2.0**

Valuable as a land use tool, less valuable as a funding source for Non-roadway transportation.

Fees should bear a direct relationship to the services received. Charges should take into account the limited ability of low-income people to afford

42. Tax Increment Financing / / A financing tool that uses taxes levied on the increase in property va...	**16**	**5**	**6**	**6**	**1**	**1.6**

Used locally

not sure how any other entity besides the jurisdiction that established this could work.

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
43. Special Assessments (e.g. Transit Benefit Assessment District) / / Special charges / taxes on prop...	**14**	**8**	**3**	**8**	**1**	**1.6**

Authority generally exists I believe

Fees should bear a direct relationship to the services received. Charges should take into account the limited ability of low-income people to afford

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
44. Systems Development Charges (e.g. impact fees) / / One time charge to new development in proportio...	**16**	**7**	**4**	**6**	**1**	**1.6**

But very heavily utilized, high rates, already in Portland and elsewhere

THis could go into a patchwork approach, but doesn't provide much revenue.

Fees should bear a direct relationship to the services received. Charges should take into account the limited ability of low-income people to afford

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
45. Railroad Property Tax Reallocation / / Recommended reallocation of current and future property tax...	**11**	**3**	**8**	**11**	**1.5**	**1.9**

Great idea, but could be difficult to replace revenues to counties.

Offset needed for some rural counties, but worth doing

only if funding is neutral for counties

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
46. "Through the Fence" Airport Operations / / Enable/encourage private businesses located adjacent to...	**16**	**3**	**2**	**12**	**1**	**1.3**

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

47. Rail Tax Credit / / A recommended investment tax credit for major railroad projects to encourage i...

	17	**2**	**6**	**8**	**1**	**1.6**

Good mechanism to incent private investment.

Only for project on the atate's list, not for projects theybwouldbundertake anyway

I like this idea...but more information is needed

48. Business Energy Tax Credit / / Renew this tax credit program to those who invest in energy conserv...

	10	**8**	**7**	**8**	**2**	**1.9**

Difficult though, just trimmed bacl

Focus on non-auto transportation, not for clean fuels

49. Negotiated Exactions / / Charges or required contributions (monetary or physical) determined as pa...

	9	**3**	**5**	**16**	**1**	**1.8**

Physical improvements yes, monetary no.

Projected revenue?

The title says "negotiate.". The body says "required." Which is it? It sounds like the negotiation is "how much" not "if."

50. UGB Expansion Windfall Tax / / Charge a tax to capture the increases in property values that occur...

	17	**2**	**6**	**8**	**1**	**1.6**

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

If tax cannot be deffered until property is sold, it could force landowner at time of inclusion in the UGB to sell their property to cover tax.

THis expands the area you have to serve with non-roadway transportation, and provides a perverse incentive.

Worthy idea.

Each of the following 12 funding options are generally implemented locally

1. Transportation Utility Fee / / Fees / charged to property owners or tenants based on the characteri...

	18	**4**	**4**	**7**	**1**	**1.5**

fees should bear a direct relationship to the services received. Charges should take into account the limited ability of low-income people to afford necessary services.

MUST be a local decision to implement - not a state mandate!

Should make sure authority would extend bike ped and transit projects

2. Sponsorships, Advertisements, Naming Rights / / Revenue from "selling" ad space (signage) or naming...

	17	**5**	**6**	**5**	**1**	**1.6**

Not easily done,low potential

Perhaps part of a patchwork

3. Increased User Fares / Fees (e.g. fare box revenue) / / Increase existing (or implement new) fares...

	17	**7**	**6**	**3**	**1**	**1.6**

Concern about impacts on low nome riders. Could there be a state offset or subsidy as part of this?

fees should bear a direct relationship to the services received. Charges should take into account the limited ability of low-income people to afford necessary services.

This has to be part of the conversation, but transit agencies are maxing out on what they can charge.

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average
4. Facility or ROW Leasing / / Leasing portions of physical facilities or ROW to private operators (.e...	**22**	**1**	**4**	**6**	**1**	**1.3**

5. Parking Space Tax / / Dedicate revenue from new or increased parking fees, fines, or tax on public...	**20**	**0**	**6**	**7**	**1**	**1.5**

Issue has always been what is the definition of a parking space.

Must be a lcoal decision.

Would you exempt employees that use alternate transportation(i.e. buses, bicycles, walking?)

6. Business or Employee-Based Parking Tax / / Tax businesses (e.g. license) or employees (i.e., income...	**14**	**5**	**7**	**7**	**1**	**1.7**

Must be a lcoal decision.

Would you exempt employees that use alternate transportation(i.e. buses, bicycles, walking?)

7. Business Improvement District / / Special charges / taxes on property owners or tenants within a de...	**20**	**5**	**2**	**6**	**1**	**1.3**

MUST be a local decision to implement - not a state mandate!

8. Joint Development (JD) / / Private development allowed on transit agency land or ROW in exchange fo...	**23**	**0**	**1**	**9**	**1**	**1.1**

Tool exists with many FTA hoops, has not been a revenue source even in Portland, but has grown ridership

9. "Complete Street" Requirements / / Zoning and code level requirements required facilities on new ro...	**13**	**3**	**3**	**14**	**1**	**1.5**

I'm not sure how this generates revenue...

MUST be a local decision to implement - not a state mandate!

	(1) Priority	(2) Defer	(3) Eliminate	(4) More Info	(1 to 3) Median	(1 t0 3) Average

Tbis isn't new money, but it's essential for building communities that meet people's transportation needs, especially as the population ages.

Yes!

10. Air RIghts / / Establishment of development rights above (or below) a transportation facility that...	**8**	**4**	**5**	**16**	**2**	**1.8**

Land values in Oregon don't support

Potentially viable.

11. Operating Endowment / / One time revenues or grants used to create a interest bearing trust fund t...	**10**	**5**	**4**	**14**	**1**	**1.7**

Could capital be used for infrastructure financing with interest going to operations (such as passenger rail operations funding shortfall)?

Seek philanthropic support

12. Public-Private Financing (e.g. commuter / special purpose shuttle service) / / Contractual agreeme...	**22**	**2**	**3**	**6**	**1**	**1.3**

Doesn't generate revenue. May be a very efficient project delivery model.

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