



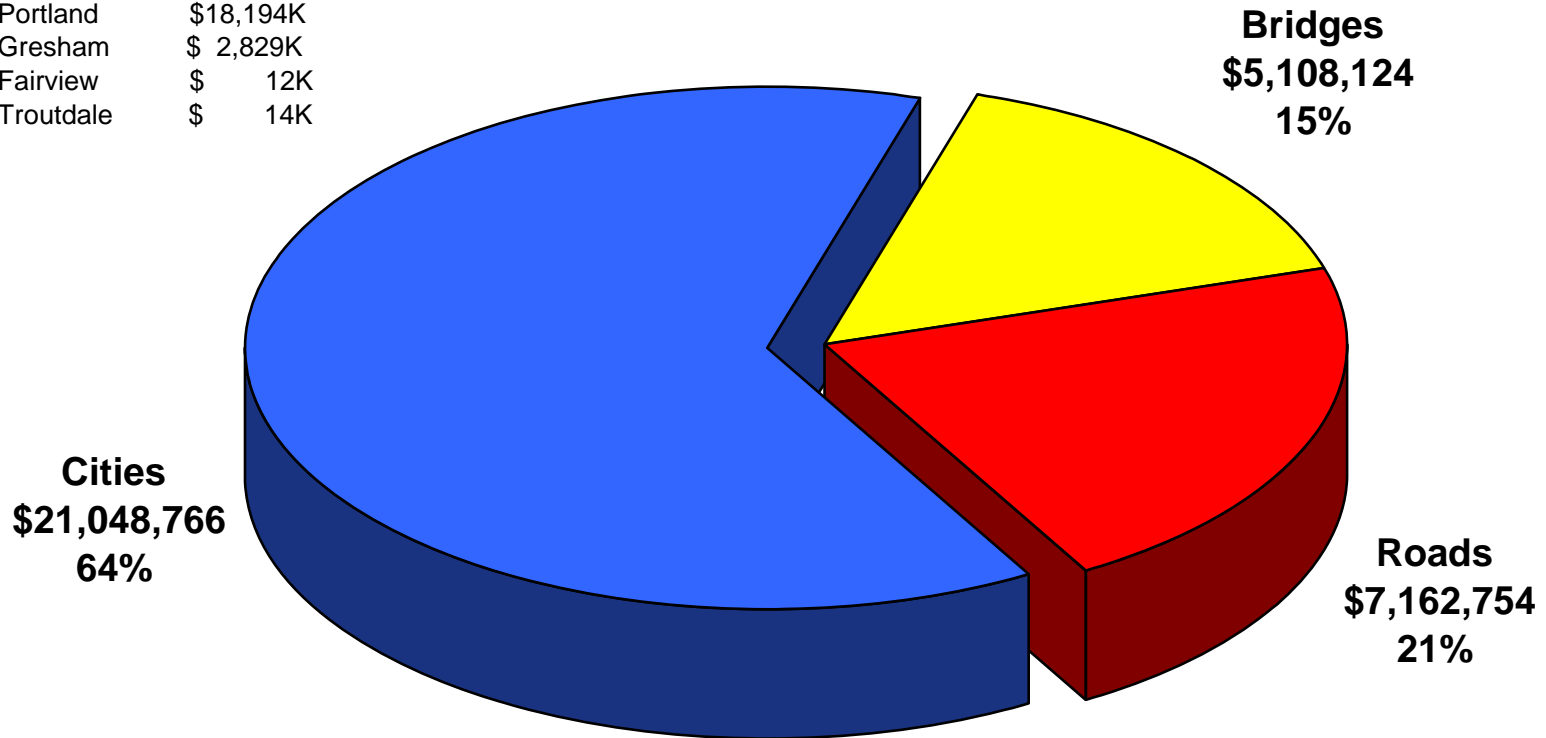
# Transportation Funding

April 6, 2010

# FY09 Revenue Split

## Allocation to Cities:

Portland	\$18,194K
Gresham	\$ 2,829K
Fairview	\$ 12K
Troutdale	\$ 14K

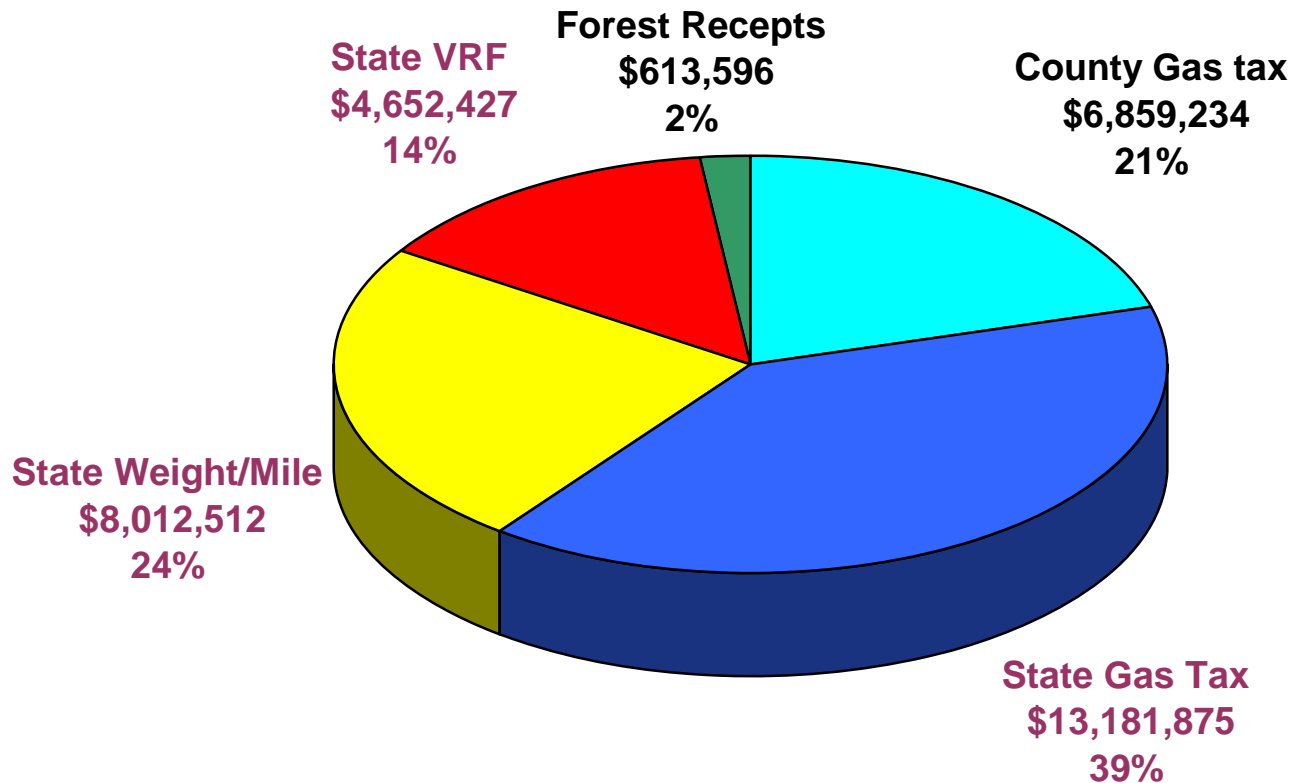




# Revenue Sharing

- Bridge Fund revenue ‘off the top’ (dedicated)
- Payments to other jurisdictions
  - Portland Agreement
  - Gresham Agreement
- Road Fund is a participant in the revenue sharing formula

# FY09 Transportation Revenues





# **Challenges with these Revenue Sources**

## **Per Gallon Gas Tax:**

- Gas consumption decreasing
  - High gas prices
  - Environmental awareness
  - More fuel efficient vehicles

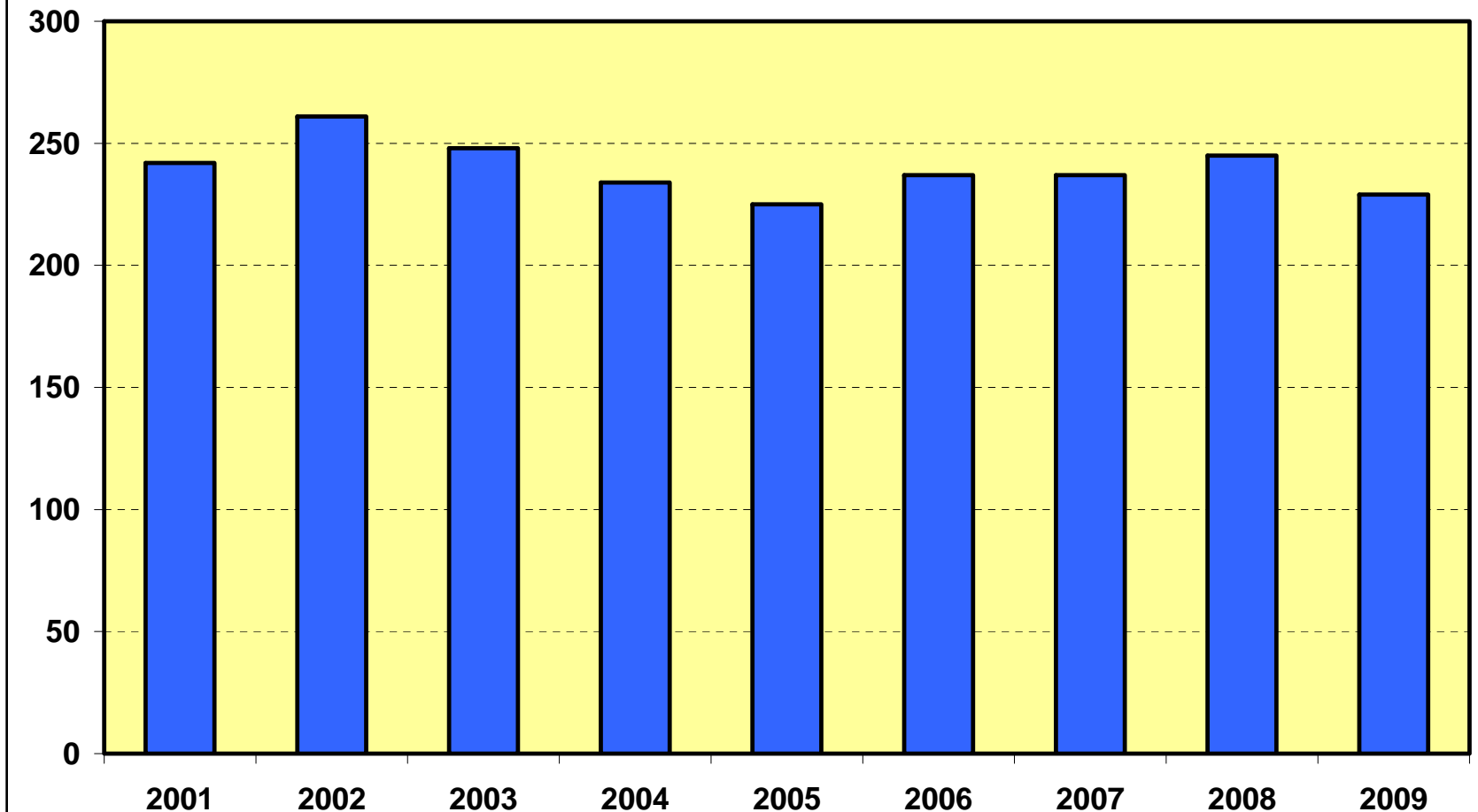
*This creates a policy conflict – It reduces carbon emission, but reduces funds needed to maintain the infrastructure.*

## **Per Gallon, Vehicle Registration and Weight/Mile:**

- State funds are distributed based on registered vehicles within each county. Multnomah County is not a growth county so its relative share is decreasing

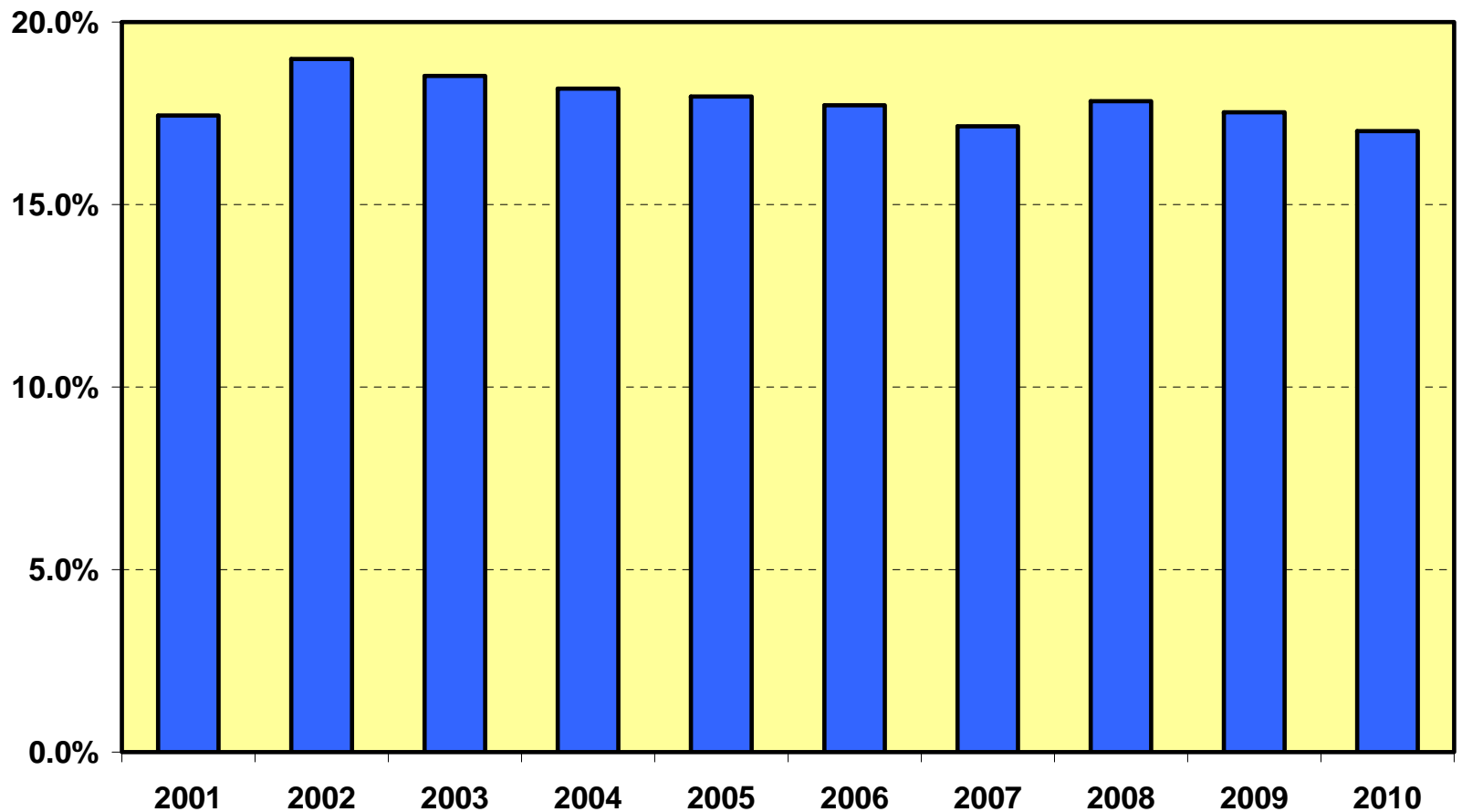
# Gas Consumption

Gas Usage by Year for Multnomah County  
(in millions of gallons)

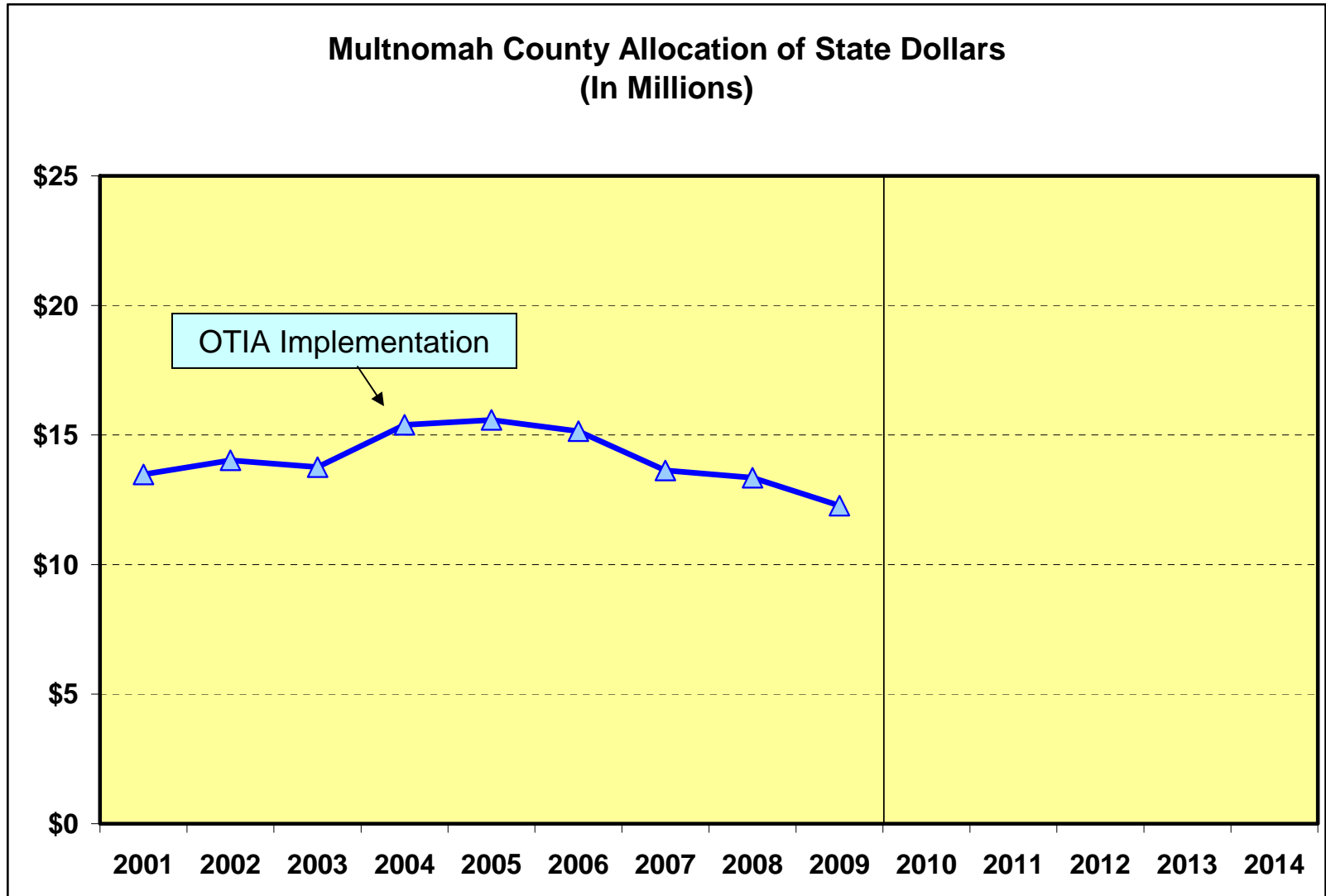


# Vehicle Registrations

**Multnomah County Percentage of State Registered Vehicles  
(1% equals approximately \$1 million to Multnomah County)**

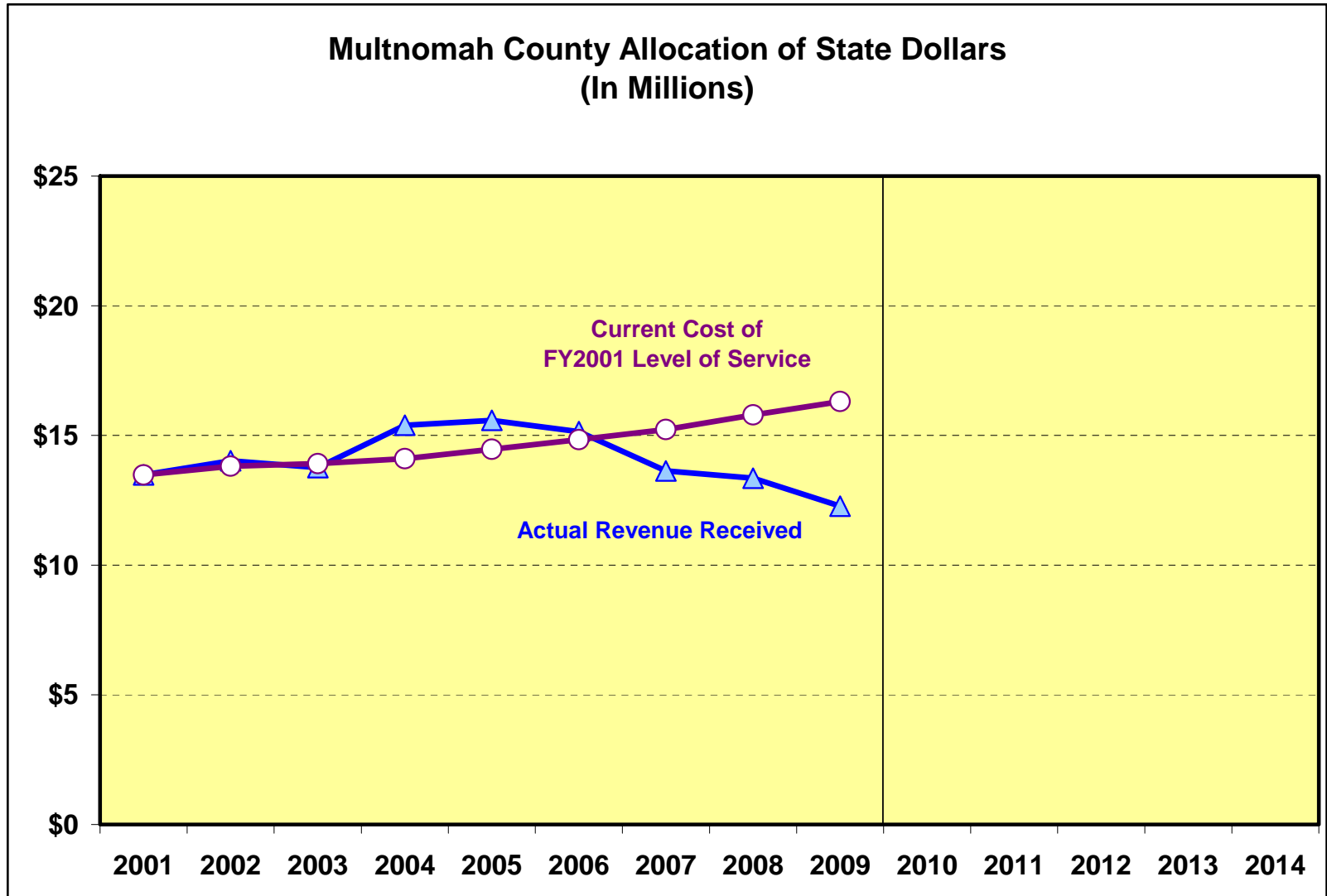


# Revenue Decline



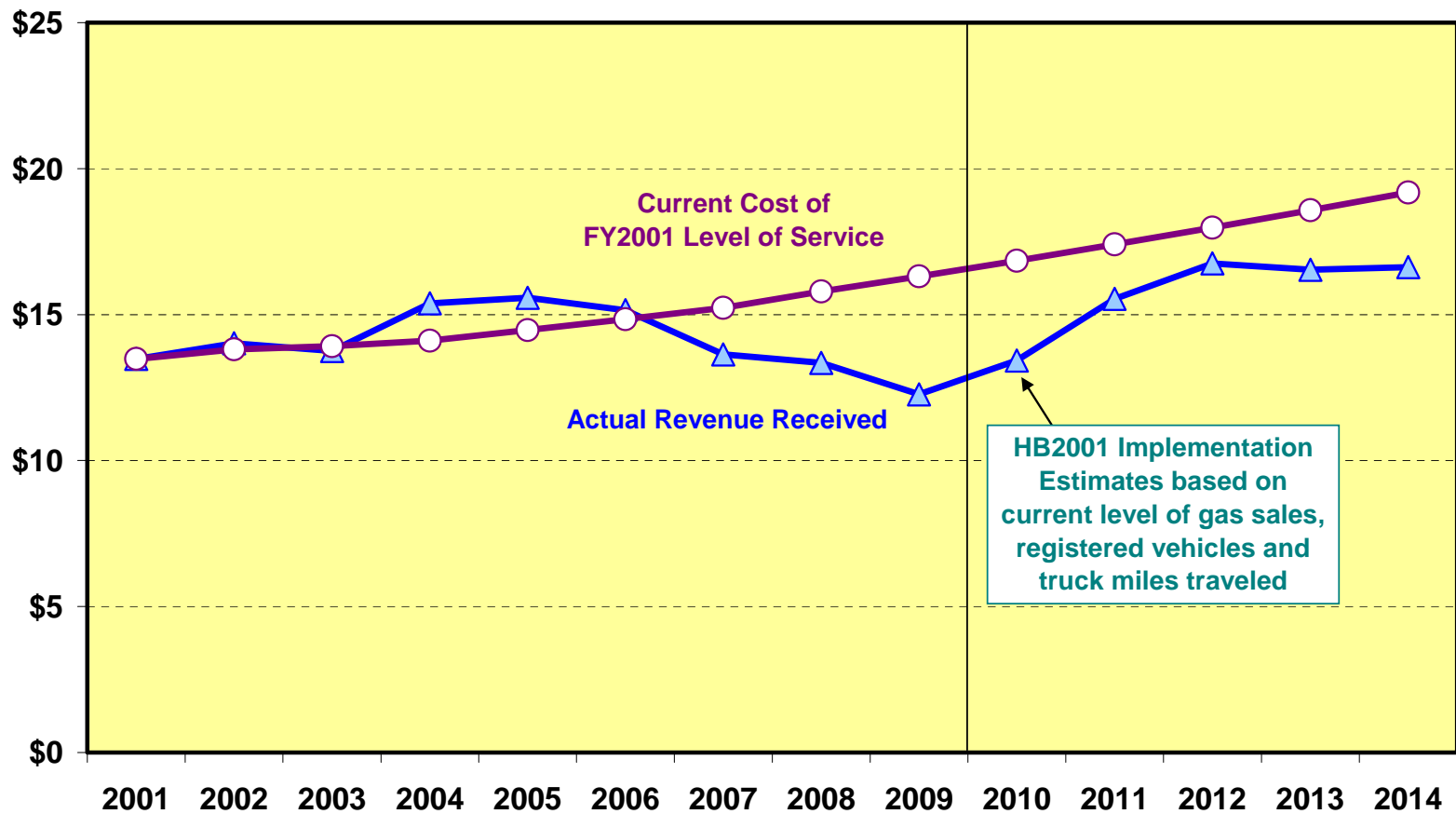


# Structural Deficit



# Looking Forward

Multnomah County Allocation of State Dollars  
Does Not Include Sellwood Funds  
(In Millions)



# **HB 2001 Impact**

- Minimal to date
  - State VRF Increase in 2009
  - State Gas Tax Increase in 2011
- Local Vehicle Registrations Fee is dedicated to Sellwood



# **Actions Taken to Address Structural Deficit**

- Continuous process improvement
- Sold equipment (one time only) – Reduced capacity
- Reduced facility space and Road Fund Expense
- Reduced staff – Reduced Capacity
- Deferred maintenance – Shift repairs to Capital at increased cost
- Reduced service levels – Decrease customer satisfaction, increase liability
- Entrepreneurial efforts



# **Funding Sources for Capital Projects**

## Revenue from outside the County:

- ☐ ARRA
- ☐ OTIA
- ☐ FHWA - requires matching funds
- ☐ Army Corps of Engineers - requires matching funds
- ☐ Loans – commits future resources



# Summary

- Gas Tax is not a good long term revenue model
- The County lacks local funds to match grant dollars for Capital Projects
- Deferred maintenance creates the need for more expensive Capital Projects in the future

# Roads CIP

## Road Need Includes:

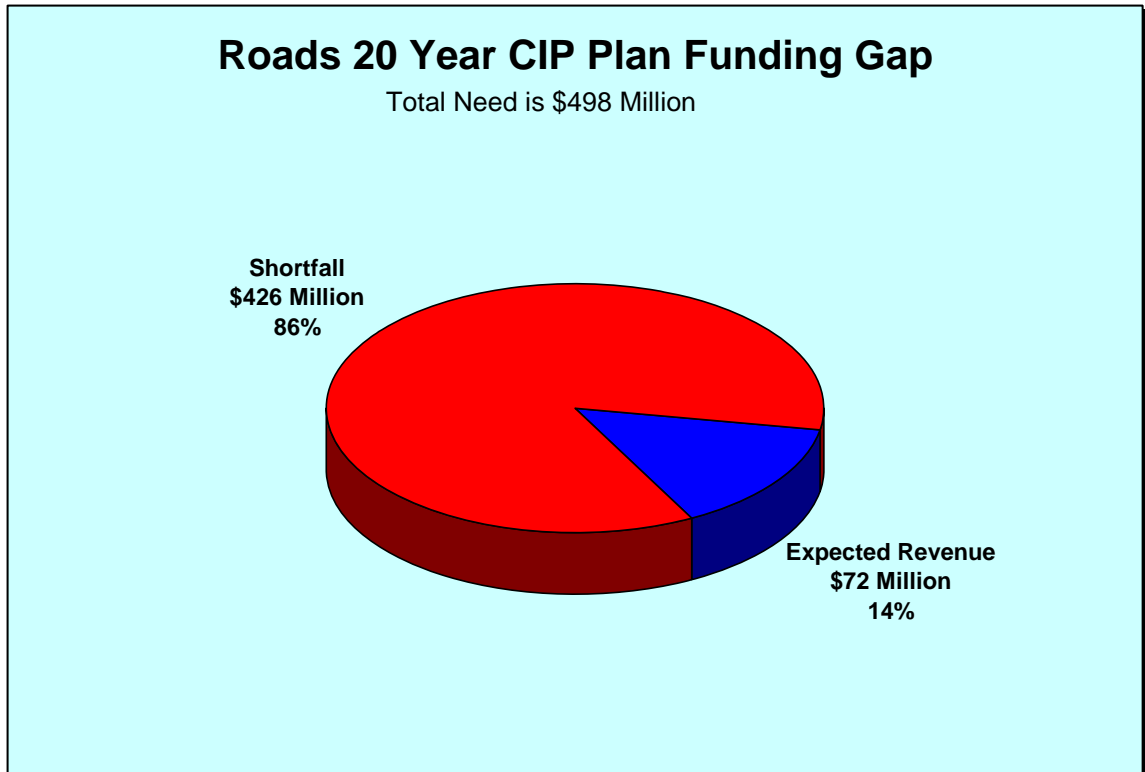
- Congestion Management
- Safety Improvements
- Bicycle & Pedestrian Facilities
- Fish Passage

## Road CIP does not include:

- Asphalt Pavement Overlay
- Minor Roadway Safety Improvements
- Operations & Maintenance
- FHWA Safety Audit Improvement  
Cornelius Pass Road

## Funding Issues:

- Water Quality Infrastructure Retrofits



# Bridge CIP

## Bridge CIP includes:

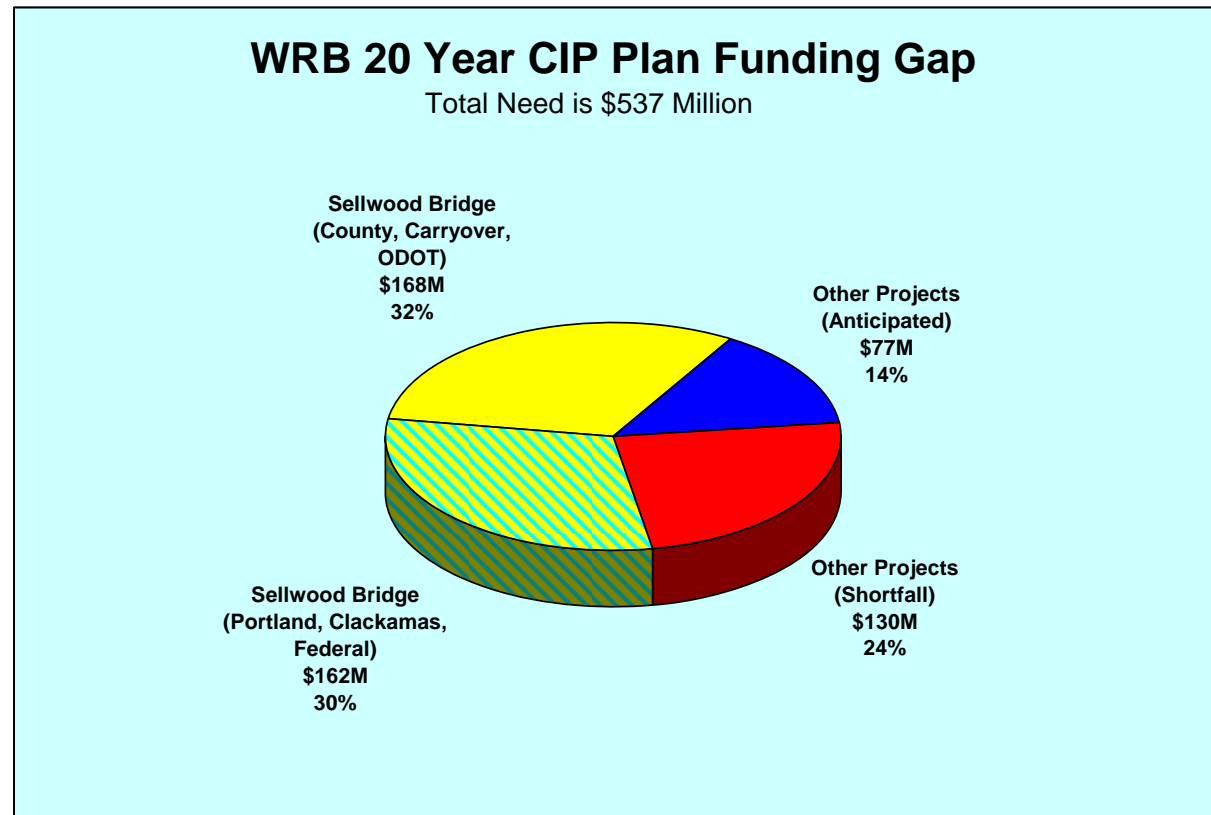
- Sellwood Bridge Replacement
- Major repairs and capital maintenance such as:
  - Painting
  - Machinery repairs
  - Structural repairs
  - Pavement Repairs
- Seismic Rehabilitation – Phase 2 for Burnside, Phase 1 for other bridges

## Bridge CIP does not include:

- Additional crossings
- Additional vehicular lanes
- Operations, routine maintenance and repairs, accident repairs
- Inflation

## Funding Issues:

- Historic federal funding stream (HBP) may not be continued in upcoming reauthorization
- Willamette River Bridge Fund Split between Engineering/Capital and Maintenance/Operations established by IGA





## Transportation Funding Options

### Revenue-Sharing with City Jurisdictions

Need mutual agreement to reopen IGA with cities  
Doesn't solve the region's transportation need (winners and losers)

### Local vehicle registration fee (VRF)

VRF can be enacted in 2013 for general transportation purposes up to \$43 per vehicle per year  
Increases included in revenue sharing agreement with Portland  
Revenue sharing (40%) required with cities within the County  
No vote required

County VRF currently \$19 per year dedicated to the Sellwood Bridge (sunsets in 20 years)

### County gas tax

County gas tax can be increased in 2014 (HB 2001 limitation)  
One cent of gas tax currently generates approximately \$2M to \$2.5M annually  
Increases included in revenue sharing agreement with Portland  
Could be indexed to inflation

### County bridge toll

ORS amended in 2009 to allow County to implement a toll on Willamette River Bridges  
Causes redistribution of traffic onto non-tolled facilities (specifically other bridges)  
High investment because infrastructure isn't in place  
It is a user fee

### System Development Charge

One time fee imposed on new development, and some types of redevelopment, for the purpose of funding certain types of capital improvements.

Common tool for jurisdictions for capacity improvements  
No public vote required to implement  
Provides revenue for specific projects  
Limited application for County due to primarily rural transportation system  
Not a source for Willamette River Bridges  
Doesn't address maintenance/preservation

### Transportation Utility Fee

On-going fee collected monthly from users of the transportation system (residences and businesses)

No public vote required to implement  
Good source of revenues for maintenance and preservation of system  
Limited revenue for the County system due to primarily rural system  
Would not be applicable for the Willamette River Bridges

### Service Districts

Can assess, levy and collect property taxes pursuant to state statute.

County has two service districts currently (sewer system in Dunthorpe/Riverdale, and roadway lighting in Mid County)  
Requires voter approval.

Washington County historically has operated its Major Streets Transportation Improvement Program (MSTIP) through a serial levy program implemented through the service district structure.

### **Other Concepts**

#### Rental Car Tax

Rental tax is currently enacted and contributes to the general fund at the County. An increase in this tax could be enacted and dedicated to the Road Fund to be used for roads and bridges.  
Subject to revenue sharing agreement with City of Portland

#### Vehicle Miles Traveled tax

Vehicles taxed on the number of miles driven instead of gas tax  
Pilot program conducted in Oregon but not in widespread use  
Conflicting goals of generating revenue and encouraging motorists to drive less

#### Congestion Pricing

Facilities priced (can be variable by time of day) to manage traffic flows  
Purpose for pricing can be to reduce traffic, improve livability, or to generate revenues  
HB2001 requires ODOT and the region to implement a pilot program in the near future.