

January 29, 2016

Dear Transportation Commissioner Novick, Mayor Hales, and Commissioners Fritz, Fish and Saltzman:

We appreciate the opportunity to provide budget recommendations to City Council and Portland Bureau of Transportation leadership. PBOT Budget/Bureau Advisory Committee members represent Portland's diverse neighborhoods and business, labor and other organizations. This volunteer committee is fortunate to include seasoned members as well as a number of new members bringing a wide variety of perspectives. With your support this year we became a Bureau Advisory Committee providing ongoing advice and support to PBOT year round. Collaboratively we worked together to develop recommendations that reflect our commitment to equity, safety and street maintenance and although each member came to this Committee representing many constituents and priorities, we based our recommendation on what is ultimately best for the city as a whole.

Under Director Leah Treat's leadership, PBOT strives to meet its mission in a deeply resource constrained environment. After 2014's year-long debate over the critical need for increased street maintenance funding, PBOT adopted 'Portland Progress', a 2-year workplan responding to the needs of our growing population and expanding economy. And just six months ago, in response to yet another critical transportation problem, Portland City Council adopted Vision Zero. These two actions help PBOT stay focused on its highest priorities, however without adequate resources we are unable to fully meet our transportation goals and further cuts make the possibility even less likely.

Safety and Vision Zero

Last year this Committee urged Council to prioritize Safety as a core mission of PBOT and focus on projects and services that are essential to improve the safety of vulnerable road users on busy roadways. Council's adoption of Vision Zero in June 2015 was a critical step forward to make our transportation system the safest possible and to move toward zero traffic-related fatalities in the next 10 years, and we appreciate the work of Director Treat and PBOT staff and the leadership of Commissioner Novick and Mayor Hales.

Vision Zero's framework succinctly aligns with the Mayor's budget guidance to preserve core public safety functions, ensure resources are allocated to programs that have a direct impact on the lives of our citizens and expand infrastructure in areas and for users that are most under-served. It also provides successful mechanisms for measuring performance and tracking progress against goals. Continuing to prioritize and implement Vision Zero is key to PBOT's core mission and budget in FY 2016-17.

Maintenance of Infrastructure

This Committee has consistently requested adequate funding to address our critical maintenance backlog. It's not based on a desire for smoother streets, but rather on the desire for the most cost effective long-term solution. If we do not maintain our streets at an optimum level, the cost of each delayed repair increases by approximately 10 times. That's a staggering number. Every dollar we don't spend on street maintenance is \$1 available this year for public safety, parks, and housing, but \$10 less in a future year. That's a very bad bargain. Don't increase the maintenance budget simply for the sake of road users; increase it for the future sake of police, parks, and the homeless.

As far as we can see, the options seem to be limited to some combination of:

- 1) Letting some of our streets deteriorate, slowly evolving to an unpaved condition. This is the lowest cost option, unless economic impacts of a deteriorated street system are included.
- 2) Continue delaying repairs, resulting in a 10x increase in cost. Maintaining the status quo is the most expensive option in the long-term.
- 3) Increasing the street maintenance budget in order to reduce the long-term cost of street re-pair. This is the most fiscally responsible plan over the long term, eventually increasing money available for other programs by a factor of 10.

The choices are not palatable, but they are real.

PBOT and the Housing Crisis

PBOT's purpose is: to connect people safely and affordably; to employment and educational opportunities; to social and health services; to recreation and to the other goods and services that make our community work. This mission is key to addressing our housing crisis.

We appreciate your acknowledgement of the financial support PBOT already provides to address homelessness through its cleanup of former campsites and your willingness to count that amount toward our 5% cut. However, we would like to remind the Mayor and Council that PBOT is also providing sites for temporary shelter both at Dignity Village and the new Hazelnut Grove location. Our work through the Out of the Mud program will potentially increase transportation system access and options for some of those most vulnerable to housing challenges in the future.

History of Budget Cuts

The majority of PBOT's budget is funded by General Transportation Revenue (GTR) and parking revenue. Between FY 2008-09 and FY 2015-16, PBOT's annual budget was reduced by over \$23.6 million in ongoing GTR funds with a resulting loss of 92 FTE. The cuts were necessitated primarily by the economic recession and loss of GTR revenue from the gas tax. Although PBOT has slowly recouped some of this loss, the steadily increasing maintenance backlog mentioned previously continues to outpace available funds as does the need to protect our growing population and its most vulnerable members. In addition, the City's reliance on motor-vehicle related funding for transportation (gas tax and parking revenue) while promoting active transportation (pedestrians, bicycles and access to transit) that reduces reliance on those same motor vehicles creates an unsustainable funding model.

FY 2016-17 Recommendation

Mayor Hales' FY 2016-17 budget guidance for asked Bureaus were asked to help fund solutions to the city's housing crisis, preserve public safety functions, ensure that city resources are allocated to programs that have a direct impact on the lives of our citizens and focus on maintaining our assets and infrastructure. In addition, the Mayor indicated he may determine whether budget realignments should be made within bureaus and between bureaus to fund priority pro-grams. Finally he noted that new, ongoing resources will be limited and requested 5% reductions from each Bureau's FY 2016-17 Current Appropriation Level Targets. A 5% cut in ongoing general fund revenue from PBOT's budget totaled more than \$500,000; however, in recognition of the significant resources PBOT currently contributes to the housing emergency via homeless camp clean-up, the Committee was asked to find cuts totaling \$266,318.

Given this guidance and the many critical, unmet needs in our transportation system this Committee could not, in good conscience, recommend any cuts for FY 2016-17 and we strongly urge Mayor Hales to accept our recommendation and fully fund the Transportation Bureau budget. At a time when the

City is making a case for a desperately needed increase in transportation funding via last year's street user fee conversation and the current gas tax proposal it does not make sense to cut ongoing PBOT funding.

We did not make this recommendation lightly. After working closely with PBOT staff, thoroughly examining PBOT's overall budget and the limited line items funded with ongoing general fund dollars and embracing the Mayor's guidance we were unable to recommend any cuts. Since PBOT receives so few ongoing general fund dollars, we find ourselves with four options for cuts: Sustainability Coordination, Street Lighting, Leaf Removal or the new Out of the Mud program. **We find cuts to any of these programs are in conflict with the Mayor's budget guidance.**

Of Note:

- Sustainability Coordination is a function mandated by City Council with extremely limited funding; a cut would turn this into an unfunded mandate.
- Street Lighting is a transportation safety and public safety function; cuts would be in direct conflict with Vision Zero. In addition, current lighting infrastructure prevents limited lighting reductions and general fund cuts would require funding to be pulled from non-general fund programs, creating an outsized impact.
- Leaf pick up has a transportation safety function primarily benefitting cyclists and pedestrians. It also has a significant impact on the city's sewage treatment system and overall watershed health; cuts here could have an outsized impact on BES. However, we recommend reevaluating Leaf pick-up during the coming year to move it toward greater cost recovery and more equitable deployment in future budget years.
- Out of the Mud is a long awaited effort to address Portland's many miles of unimproved streets, largely in lower income neighborhoods. These are areas with many service and infrastructure needs and this program would address equity, safety, and infrastructure goals. It is a very necessary first step to achieving greater connectivity and more complete neighborhoods. Already a no frills approach, any cuts to its funding would erode the bonding capacity of the program. Ironically the size of the requested PBOT cut to ongoing funding is directly tied to the new \$1.2 million general fund allocation to the Out of the Mud program.

Conclusion and a Call for New Revenue

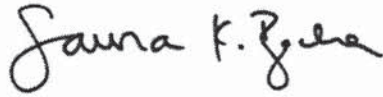
Due to time constraints, the TBAC was unable to complete its review of the proposed PBOT Add Packages and, therefore, has no comment on them at this time. We know the budget process has several stages still to come, therefore TBAC would welcome the opportunity for further engagement by providing additional information for your review and decision making.

In closing we want to thank the Council for their action in October 2015 when additional revenue was directed to PBOT as a result of the favorable revenue forecast. PBOT used those re-sources on critically needed safety and maintenance projects.

Given the recent history of ongoing budget cuts at this bureau, totaling over \$20M, nearly half of which have not yet been restored, we respectfully recommend that Portland City Council avoid making any further cuts to the PBOT budget. Please restore previous budget cuts and increase PBOT funding to allow the bureau to expand critical safety efforts to support Vision Zero, such as the High Crash Corridor program, and maintain more miles of ailing streets. Your effort to secure additional local revenue is a good first step. Please also consider restoring a significant percentage of the Utility License Fee support for PBOT.

Thank you for your attention to our recommendations. We know these are difficult decisions.

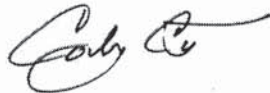
Sincerely,
Portland Bureau of Transportation FY 2016-17 Budget Advisory Committee



Laura Becker
Oregon Walks



Ruthanne Bennett
PBOT Steward / PTE 17



Corky Collier
Columbia Corridor Association

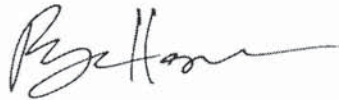


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